citrus

Citrus Leisure PLC

Annual Report 2025/26

Contents

LEADERSHIP

About the Group 02
Year at a Glance 03
Chairman's Message 04
CEO's Message 06
Board of Directors 09

MANAGEMENT DISCUSSION & ANALYSIS

Value Creation Model 14
Stakeholder Engagement 16
Operating Environment 18
Delivering our Strategy 20
Operational Review 22
Sustainability Review 24
Financial Review 27

GOVERNANCE & RISK MANAGEMENT

Corporate Governance 30
Risk Management 54
Annual Report of the Board of Directors on the Affairs of the Company 58
Directors' Responsibilities for Financial Reporting 64
Related Party Transactions Review Committee Report 65
Remuneration Committee Report 66
Nominations and Governance Committee Report 67
Audit Committee Report 69

FINANCIAL STATEMENTS

Financial Calendar 72
Independent Auditor's Report 73
Statement of Profit or Loss 76
Statement of Comprehensive Income 77
Statement of Financial Position 78
Statement of Changes in Equity 80
Statement of Cash Flows 82
Notes to the Financial Statements 84

SUPPLEMENTARY INFORMATION

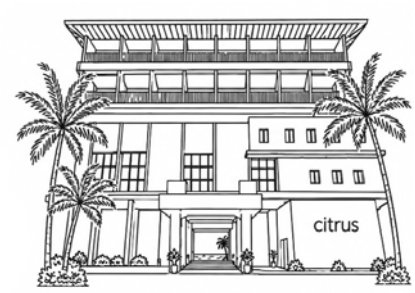
Statement of Value Added 150
Shareholder Information 151
Ten Year Financial Summary & Key Indicators - Group 154
Notice of Annual General Meeting 156
Notes 157
Form of Proxy 159
Corporate Information Inner Back Cover

About the Group

Citrus Leisure PLC is a Sri Lankan hospitality group with a portfolio of distinctive properties spanning beachfront leisure and urban boutique hospitality. Through Citrus Waskaduwa, Citrus Hikkaduwa and The Steuart by Citrus, the Group serves a diverse mix of international and domestic leisure travellers, corporate guests, groups, MICE, weddings and social events. Each property is shaped by a differentiated hospitality proposition, while being brought together by the Citrus brand, a shared commitment to service excellence and a continued focus on creating memorable guest experiences.

PORTFOLIO OF PROPERTIES

Citrus Hikkaduwa



Vibrant Beach Resort
in Hikkaduwa

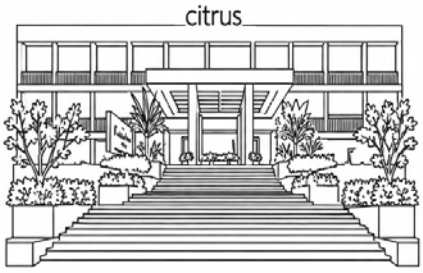
90 rooms

2 restaurants & bars

Beach

• Dining • Entertainment • Leisure

Citrus Waskaduwa



Premium Beachfront Resort
in Waskaduwa, Kalutara

150 rooms

3 restaurants & bars

Leisure

• MICE • Weddings • Events

The Steuart by Citrus



Heritage Boutique Business
Hotel in Central Colombo

44 rooms

2 restaurants & bars

Corporate

• Business Travel • Meetings • Dining

3	One	284	510
Distinct hospitality propositions	Citrus Experience	Rooms	Employees

Year at a Glance

		2025/26	2024/25 Restated	Change %
Earnings Highlights and Ratios				
Revenue	Rs. mn	**2,286.52**	2,282.89	0.2%
Earnings before interest and tax	Rs. mn	**(43.69)**	130.15	(134%)
Loss before tax	Rs. mn	**(398.69)**	(253.70)	(57%)
Income tax reversal	Rs. mn	**155.18**	4.80	3,133%
Loss after tax	Rs. mn	**(243.51)**	(248.90)	2%
Loss attributable to owners of the parent	Rs. mn	**(159.11)**	(198.02)	20%
Dividends	Rs. mn	**–**	–	–
Earnings per share (basic)	Rs.	**(0.25)**	(0.32)	23%
Return on Assets (ROA)	%	**(2.20%)**	(2.28%)	3%
Return on Capital Employed (ROCE)	%	**(0.46%)**	1.44%	(132%)
Financial Position Highlights				
Total Assets	Rs. mn	**11,057.13**	10,918.16	1%
Total Borrowings	Rs. mn	**3,008.05**	3,179.45	(5%)
Total Equity	Rs. mn	**5,504.82**	5,258.60	5%
Stated Capital	Rs. mn	**4,845.26**	4,845.26	–
Gearing	%	**35%**	38%	(6%)
Debt/Equity	%	**55%**	60%	(10%)
Equity Asset ratio	%	**50%**	48%	3%
Net assets per share	Rs.	**4.13**	4.85	(15%)
Current ratio	No. of times	**0.39**	0.39	–
Quick asset ratio	No. of times	**0.35**	0.36	(3%)
No. of Shares in issue	No. mn	**645.58**	645.58	–
Market / Shareholder Information				
Market value per share	Rs.	**3.70**	3.90	(5%)
Dividend per share	Rs.	**–**	–	–
Market capitalisation	Rs. mn	**2,388.66**	2,517.78	(5%)
Price earnings ratio	No. of times	**N/M**	N/M	N/C
Dividend yield ratio	%	**–**	–	–

*N/C – Not Comparable N/M – Not Meaningful

OPERATIONAL HIGHLIGHTS

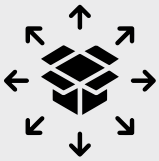


71%
Average occupancy
Citrus Hikkaduwa



62%
Average occupancy
Citrus Waskaduwa

Broader Market Reach
Greater focus on Asian and regional source markets



Diversified Demand
Leisure
• Corporate • MICE
• Weddings • Events



The Steuart Reopened after refurbishment in Q3

Smarter Distribution
- Dynamic pricing
- Direct bookings
- Channel optimisation

Chairman's Message

Sri Lanka's tourism sector continued to build momentum during the year, supported by record visitor arrivals and greater stability in the domestic economy. Yet the operating environment remained complex, with geopolitical developments, changing traveller behaviour and continued pressure on operating costs underscoring that the benefits of the tourism recovery would not be realised evenly across the industry. Against this backdrop, Citrus Leisure remained focused on strengthening the distinct positioning of its hotel portfolio and unlocking the potential of each property. It is my pleasure to present the Annual Report and Audited Financial Statements of Citrus Leisure PLC for the financial year ended 31 March 2026.

PERFORMANCE OVERVIEW

Consolidated revenue remained broadly stable at Rs. 2.29 bn, while gross profit increased by 3% to Rs. 1.54 bn, supported by stronger direct margins and continued cost discipline. However, pressure from the broader operating cost base resulted in higher overheads, with the Group recording a loss before tax of Rs. 398.69 mn. Lower finance costs and the deferred tax reversal contributed to the loss after tax narrowing by 2% to Rs. 243.51 mn. While further progress remains necessary, the Group enters the new financial year with a strengthened portfolio, a more balanced funding profile and a clear focus on translating its investments into stronger operating performance and sustainable returns.

OPERATING CONTEXT

Sri Lanka's economy continued to demonstrate signs of stability during 2025. GDP expanded by approximately 5%, inflation remained contained and lower interest rates supported liquidity and private-sector activity. The Sri Lankan Rupee also remained broadly stable against the US Dollar. These developments provided a more constructive environment for businesses and supported a gradual recovery in confidence.

Tourism entered the year with considerable momentum with the country welcoming a record 2.36 million visitors in 2025, representing growth of approximately 15% over the previous year. However, the escalation of geopolitical tensions in the Gulf and Middle East during the first quarter of 2026 disrupted important travel routes and affected traveller sentiment. Higher aviation costs and uncertainty surrounding international connectivity also created additional pressure for the industry.

Tourism earnings increased only marginally to approximately USD 3.22 bn from USD 3.17 bn despite the significant growth in arrivals. This divergence remains an important consideration for the industry. Sri Lanka must continue to grow visitor numbers, but greater emphasis is required on increasing average expenditure, length of stay and the proportion of tourism income retained within the formal economy.

At the same time, Sri Lanka continues to benefit from strong international recognition for its combination of coastline, nature, wildlife, culture and heritage. Converting this visibility into sustained economic value will require a coherent destination strategy, targeted international promotion, consistent policy and continued investment in tourism infrastructure.

PROPERTY REVIEW

The strength of Citrus lies in a portfolio of properties serving different segments of Sri Lanka's hospitality market, each with its own character, customer base and growth potential. Our approach therefore centred on strengthening the individual proposition of each property while improving discipline and efficiency across the portfolio.

Citrus Hikkaduwa continued to benefit from its position within one of Sri Lanka's most distinctive coastal destinations, achieving average occupancy of 71% during the year. Its combination of beach, marine attractions, dining and entertainment supports a strong destination-led proposition. Following the year-end, the Resort completed a targeted enhancement programme and reopened in July 2026, with the focus now on further strengthening its position as a vibrant leisure and entertainment destination.

Citrus Waskaduwa offers a differentiated beachfront proposition supported by its scale, event facilities and proximity to Colombo. While performance remained below expectations, the property retains considerable potential across leisure, corporate events, weddings and MICE. Strategic focus remained on broadening the customer mix, improving yields and strengthening dining, events and experience-led offerings to support improved profitability.

The Steuart by Citrus complements the coastal portfolio with a city-based hospitality offering in Colombo. Having recommenced operations in the third quarter following refurbishment, its contribution was limited during the year. As the property moves into a full year of operations, the focus will be on rebuilding occupancy, strengthening rate realisation and improving its overall contribution to the Group.

DELIVERING ON OUR STRATEGIC PRIORITIES

Our strategic priorities continue to be shaped by the need to generate stronger and more consistent returns across the portfolio. We will remain focused on strengthening revenue quality, broadening our reach across diverse segments and markets and evolving our pricing strategies. At the same time, each property will continue to develop a distinctive guest proposition aligned to its individual market and destination, supported by continued investment in people, service capabilities and leadership development. Operational excellence will remain equally important, with continued emphasis on productivity, procurement, cost management, working capital, funding and capital allocation as we seek to improve the returns generated from the Group's existing portfolio.

The Chief Executive Officer's Message discusses these priorities and the progress made during the year in greater detail.

GOVERNANCE AND RISK OVERSIGHT

The Board recognises that effective governance and sound risk management are essential in an industry exposed to rapidly evolving external conditions. During the year, the Board and its subcommittees maintained active oversight of financial reporting, internal controls, audit, risk management, related-party transactions and other matters falling within their respective mandates.

The Group operates within an increasingly interconnected risk environment. Geopolitical instability can affect air connectivity and traveller confidence with limited notice, while cost pressures, liquidity and working capital require continued financial discipline. Operational risks including service quality, employee capability, revenue leakage, business continuity and cybersecurity also require active management across the portfolio.

Environmental and climate-related risks are particularly relevant to our coastal properties. Extreme weather events, coastal erosion and changes affecting the surrounding natural environment can influence both operations and the long-term attractiveness of these destinations. The Group will continue to strengthen its approach to identifying and managing sustainability- and climate-related risks and incorporating these considerations into strategy, risk management and decision-making.

LOOKING AHEAD

We approach the future with measured optimism. Sri Lanka's underlying tourism proposition remains strong and the continued growth in visitor interest provides a positive foundation for the industry. The opportunity for Citrus is to translate this broader momentum into stronger performance across each of our properties.

Across the portfolio, our emphasis will remain on improving revenue quality, margins, cash generation and asset productivity. We will continue to evaluate investment and capital allocation carefully, recognising that sustainable growth must ultimately translate into appropriate returns for shareholders.

At a national level, Sri Lanka must continue to build on the momentum created by higher visitor arrivals. A consistent destination brand, stronger international marketing and continued infrastructure development will be important. Greater coordination among Government, tourism authorities, airlines, hotel operators, tour operators, communities and investors will also be required if Sri Lanka is to translate its considerable tourism assets into greater and more sustainable economic value.

For Citrus, our direction remains clear. By strengthening the individual proposition of each property while applying greater commercial and financial discipline across the portfolio, we aim to build a more resilient Group capable of creating sustainable value over the longer term.

APPRECIATION

I extend my appreciation to my fellow Directors for their guidance and oversight throughout the year. I also thank the Chief Executive Officer, the management teams across our properties and all our employees for their commitment and perseverance in maintaining operations, service standards and the guest experience in a demanding environment.

On behalf of the Board, I thank our shareholders, guests, travel and business partners, suppliers, local communities, regulators and other stakeholders for their continued trust and support.

We remain committed to strengthening Citrus Leisure PLC, improving the performance of our portfolio and contributing meaningfully to the long-term development of Sri Lanka's tourism industry.



S. P. S Ranatunga
Chairman

CEO's Message

The year under review was one in which we deliberately focused on sharpening the identity and market relevance of each property within the Citrus portfolio and positioning the portfolio for its next phase of growth. While the financial outcome remained below our expectations due in part to external challenges affecting the operating environment, the progress made during the year has created a stronger foundation from which to realise the potential of the portfolio.

PERFORMANCE AND PROGRESS

Citrus Leisure's three properties address distinct segments of the hospitality market, each with its own positioning and growth potential. Our focus during the year was therefore on sharpening the proposition of each property while strengthening the commercial and operating disciplines that support performance across the Group.

Consolidated revenue remained broadly stable at Rs. 2.29 bn during the year, while gross profit increased by 3% to Rs. 1.54 bn, reflecting improved direct margins and continued focus on cost management. The gross profit margin strengthened to approximately 67%, despite continued pressure from food, utility, employee and supplier costs.

The Group recorded an operating loss of Rs. 43.69 mn, reflecting the pressure experienced at the operating level. The result was also affected by The Steuart being unavailable for part of the year during its refurbishment, which limited its contribution to Group performance. Finance costs declined by 28% to Rs. 305.71 mn as borrowings reduced and interest rates moderated. The Group recorded a loss before tax of Rs. 398.69 mn, which included an impairment charge of Rs. 98.70 mn relating to the Group's investment in its associate. The deferred tax reversal partly offset this, resulting in the loss after tax narrowing by 2% to Rs. 243.51 mn.

NAVIGATING AN INTERCONNECTED WORLD

The world in which we operate is becoming increasingly interconnected, with geopolitical, economic and climatic developments in one region capable of influencing travel decisions and demand patterns across markets. As outlined in the Chairman's Message, escalating geopolitical tensions during the year led to cancellations in forward bookings, while Cyclone Ditwah disrupted travel patterns at the commencement of the winter season. These external pressures were compounded by rising utility and operating costs and increasing competition, requiring us to remain agile in our commercial and operational decisions.

At an industry level, Sri Lanka continued to demonstrate strong underlying appeal and recorded improved visitor arrivals. However, increasing arrivals alone will not deliver the full potential of the sector. The spending profile of visitors and the value retained within the formal tourism economy remain important considerations, particularly for formal mid-to upscale hotels such as ours that require sustainable occupancy at viable room rates to support long-term value creation.

Sri Lanka must therefore strengthen how it positions and markets itself internationally. Despite the country's diverse tourism proposition, delays in implementing sustained international promotion continue to constrain our ability to attract higher-value segments and convert growing global interest into greater economic value. For Citrus Leisure, this reinforces the importance of strengthening the distinct proposition of each property, diversifying source markets and customer segments and creating experiences that increase the value generated from each guest across the portfolio.

PERFORMANCE ACROSS OUR PORTFOLIO

Citrus Hikkaduwa

Citrus Hikkaduwa delivered the strongest top-line momentum within the portfolio during the year. Property revenue increased by 9% to Rs. 647.72 mn, supported by a 12% increase in room revenue, while average occupancy reached 71%. Effective pricing, demand management and strong leisure demand supported the performance.

Our strategic direction for Hikkaduwa continued to build around the distinctive character of the destination. Its combination of beach, marine attractions, dining and social activity provides an opportunity to position Citrus Hikkaduwa uniquely and we continued to develop its leisure and entertainment proposition while using targeted digital marketing and holiday packages.

Subsequent to the year-end, the Resort completed a refurbishment programme and reopened in July 2026. These improvements provide a stronger product platform from which to build the Resort's positioning as a vibrant leisure and entertainment destination.

Citrus Waskaduwa

Citrus Waskaduwa generated revenue of Rs. 1.23 bn, an increase of 1%, while gross profit improved by 3% to Rs. 823.15 mn. Average occupancy moderated to approximately 62% while Room Revenue and Banquet Revenue both increased by 4%, demonstrating the importance of the Resort's diversified demand base. Operating profit, however, declined to Rs. 26.28 mn as higher employee and operating costs placed pressure on profitability.

The Resort's scale, extensive event facilities and proximity to Colombo remain important strengths. During the year, we continued to broaden its source-market and customer mix while strengthening the premium beachfront proposition through dining, wellness, recreation and event-led experiences.

The refurbishment programme completed subsequent to the year-end enhanced rooms, the pool and other key guest areas. Our priority is now to translate these investments into stronger occupancy, improved yields and greater commercial contribution from the Resort's broader leisure and events platform.

The Steuart by Citrus

The Steuart recommenced operations during the third quarter of the financial year following its refurbishment, re-establishing the Group's presence within Colombo's corporate and boutique hospitality market. Its contribution during the year was therefore limited by the partial period of operations.

Since reopening, the property has focused on rebuilding its corporate customer base, strengthening meetings and events and enhancing its personalised guest proposition. The property recorded stable occupancy following reopening and our focus is now on strengthening brand recognition, rate realisation and its overall contribution as it moves into a full year of operations.

BROADENING MARKETS AND OPTIMISING DISTRIBUTION

Our customer profile continued to evolve during the year, with shifts evident in the source-market mix. Traditional European markets continued to contribute meaningfully, while demand from India, Russia and other Asian markets provided increasing opportunities for diversification. Domestic tourism remained important, particularly during weekends and holidays, while corporate business provided a more stable base of weekday demand. MICE continued its recovery and weddings and social events remained significant contributors across accommodation, food and beverage and event-related services.

Alongside market diversification, we continued to strengthen channel optimisation strategies to maintain an effective balance between reach and conversion. Direct bookings remained an important area of focus, supported by targeted digital marketing, an enhanced online presence and improvements to website functionality. Meanwhile, destination management companies, online travel agencies and international tour operators continued to play an important role within our distribution mix. Data-driven revenue management also supported the Group's efforts to optimise its distribution mix and manage distribution costs.

STRENGTHENING THE GUEST PROPOSITION

Traveller preferences continue to move beyond accommodation towards more rounded and experience-led stays. During the year, we introduced and expanded wellness experiences, family holiday packages, destination wedding propositions, culinary promotions and seasonal stay packages, while continuing to enhance digital guest services. Feedback was encouraging, with positive online reviews and repeat visitation supporting our direction.

We also continued to build on the differentiated offerings and guest propositions across our properties. Preserving these distinctions is central to the strength of the Citrus portfolio and our objective is to create a consistent Citrus service culture while enabling each property to retain an identity shaped by its location, market and guest profile.

INVESTING IN OUR PEOPLE

As a service-driven business, our people play a vital role in delivering the customer experience. The hospitality sector continued to experience a competitive labour market and shortages of experienced personnel during the year, reinforcing the importance of attracting, developing and retaining talent.

We continued to strengthen people practices across the Group through greater consistency in HR policies, structured performance management and a stronger focus on talent development. Learning and development was delivered through a Group-wide roadmap covering generic, compulsory, departmental, language and leadership training. The Performance Development Review framework continued to provide a structured mechanism for assessing performance and identifying development priorities, while greater attention was placed on high-performing and high-potential employees to strengthen succession and future leadership capability.

As our properties expand beyond accommodation, our employees need the skills to support guests across dining, recreation, events and other experiences. Developing this capability will remain central to the quality and consistency of the Citrus experience.

OPERATIONAL EXCELLENCE

Cost discipline remained critical throughout the year as employee, food, utility and supplier costs continued to increase. We strengthened procurement through centralised purchasing and supplier negotiations, while closer inventory management and tighter food-cost controls supported improved direct margins. Flexible staffing models, greater utilisation of shared corporate services and widespread resource optimisation initiatives also contributed to improving resource efficiency.

The year also represented an important period of investment in the portfolio. The Steuart completed its refurbishment and returned to operations, while the planned enhancement programmes at Citrus Waskaduwa and Citrus Hikkaduwa were completed in early 2026/27. Together, these investments provide the Group with an improved product platform from which to pursue stronger commercial performance.

RESPONSIBLE GROWTH

As we strengthen the commercial performance of our portfolio, we remain conscious of our responsibility

to the environment and communities in which we operate. Across the Group, we continued to support local employment and community initiatives while creating opportunities for local suppliers and enterprises to participate in the tourism value chain. Environmental efforts remained focused on improving resource efficiency, strengthening waste segregation and recycling and reducing the use of single-use plastics. At our coastal properties, protecting the surrounding environment remains particularly important given its direct connection to the long-term appeal of these destinations.

WAY FORWARD

Volatility will remain a feature of the tourism environment and our response must therefore be built around resilience rather than short-term reaction. We remain positive about the long-term prospects for Sri Lankan tourism, while recognising that geopolitical developments, changing source-market dynamics and cost pressures may continue to influence near-term performance.

Our first priority is to drive sustainable and profitable revenue growth by broadening our market reach, strengthening channel management and applying increasingly disciplined revenue management across the portfolio. We will seek to increase the value generated from each guest through stronger accommodation yields and greater contributions from food and beverage, events and other experiences.

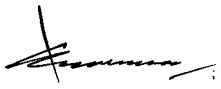
Our second priority is to translate the investments made in our properties into stronger market positioning and returns. Citrus Hikkaduwa and Citrus Waskaduwa enter 2026/27 with enhanced products, while The Steuart is positioned to benefit from a full year of operations following its reopening.

Our third priority is to strengthen the organisation supporting these assets. This means continued attention to operational excellence, employee capability, digital transformation and sustainability. Taken together, these priorities are intended to improve margins, strengthen cash generation and progressively unlock greater value from the Group's hospitality portfolio.

ACKNOWLEDGEMENTS

In closing, I extend my appreciation to the Chairman and Board of Directors for their guidance and continued support. I also thank our shareholders, guests, business partners, suppliers and other stakeholders for their continued confidence in Citrus Leisure.

I take this opportunity to thank our management teams and employees across Citrus Hikkaduwa, Citrus Waskaduwa, The Steuart and our Group functions. Their agility, commitment and professionalism have been central to the progress made during the year. We enter the next phase with a strengthened portfolio, clearer property propositions and a continued focus on disciplined execution, and I remain confident in our ability to build a stronger and more sustainable Citrus Leisure over time.



P. C. B. Talwatte
Chief Executive Officer

Board of Directors

S. P. S. RANATUNGA

Independent Non-Executive Director / Chairman

Skills and experience

Mr. S.P.S. Ranatunga was the Managing Director of CIC Holdings PLC from 2010 to 2019. He joined the Company as an Executive in 1988 and held various senior positions and was Director of main subsidiaries of CIC Holdings PLC namely Chemanex PLC and Link Naturals Pvt Ltd and was the Chairman of Agroworld (Pvt) Ltd.

Mr. Ranatunga served on the Board of Directors of Seylan Bank PLC from 2010 – 2019. During this tenure, he chaired the Risk, Human Resources, Nomination, Marketing and Strategic Planning Committees of the Bank and served as a member of the Audit Committee. He was also the Chairman of Ceylon Chamber of Commerce from 2015 – 2017. Since 2019, he headed the pioneering Clinical Research Company, RemediumOne (Pvt) Ltd in Sri Lanka which is a public-private partnership with the University of Kelaniya.

He was appointed a Director of VSIS Group in 2024, one of the largest diversified groups in the IT industry.

He holds directorships in eight companies:

Independent Non-Executive Director

Citrus Leisure PLC (Chairman)
George Steuart and Company Limited
H V A Foods PLC (Chairman)
Hikkaduwa Beach Resort PLC (Chairman)
RemediumOne (Pvt) Ltd
Spectrify AI Agro Technology (Pvt) Ltd (Chairman)
V S Information Systems Group (Pvt) Ltd
Waskaduwa Beach Resort PLC (Chairman)

P. C. B. TALWATTE

Executive Director/Chief Executive Officer

Skills and experience

Mr. Chandana Talwatte has been serving in the capacity of Executive Director/Chief Executive Officer of Citrus Group since 2012.

Prior to joining Citrus group, he served at John Keells Holdings PLC, playing an integral role in its leadership team from 1993, having served as Vice President, Director/CEO at several group companies including Bosanquet and Skrine Ltd the trading arm of JKH group, Mackinnon Mackensie & Co of Ceylon Ltd, foreign employment division of JKH as Director/ CEO, Mackinnons Travels, Outbound travel company as Director, Mack International Freight (Pvt) Ltd as Director/CEO, Whittals Boustead Cargo as Director/CEO and Cinnamon Lakeside Colombo as Vice president and Head of Sales Marketing, PR and operations. He also served as a member of the Plantation, Transportation and Leisure sectors of the JKH group.

Following the Asian tsunami of 2004, Mr. Talwatte was seconded to serve the Government of Sri Lanka as Director Task Force for "Rebuilding the Nation" overseeing the funding pledged by international donors. He is also a member of the Board of Directors of Sri Lanka Tourism Promotion Bureau, Committee Member of The Hotels Association of Sri Lanka (THASL) and Colombo City Restaurant Collective (CCRC).

He holds directorships in five companies:

Executive Director/Chief Executive Officer

Citrus Leisure PLC
Hikkaduwa Beach Resort PLC
Waskaduwa Beach Resort PLC
Citrus Silver Ltd
Citrus LT (Pvt) Ltd

S. M. A. DE SILVA SUGATHAPALA

Executive Director

Skills and experience

Mr. Mani Sugathapala has been on the leadership team of Citrus Leisure PLC since 2011. A veteran of the Sri Lankan hospitality industry, Mr. Sugathapala has nearly four decades of experience in sales, marketing and operations of hotels and resorts. Prior to joining Citrus, Mr. Sugathapala was Assistant Vice President

at John Keells Holdings PLC, where he was the Head of Sales and Marketing in Sri Lanka for John Keells Hotels properties.

During his stint at John Keells Hotels, he played an instrumental role in launching the Cinnamon and Chaaya brands.

Mr. Sugathapala has worked extensively with key tourist markets and has been a regular attendee at renowned global travel and tourism fairs such as WTM, ITB, ATM, IFTM and Leisure Moscow. He is a member of the Chartered Institute of Marketing, UK, and has undergone training in revenue management

from the Cornell University as well as the Emirates Academy of Hotel Management.

He holds directorships in three companies:

Executive Director

Citrus Leisure PLC
Hikkaduwa Beach Resort PLC
Waskaduwa Beach Resort PLC

Board of Directors

R. G. SENEVIRATNE
Non-Executive Director

Skills and experience
Mr. Rajinda Seneviratne's family established Reefcomber Hotel in Hikkaduwa in the 1980s which is now the Hikkaduwa Beach Resort PLC Hotel. The family has diversified into trading in tea, packaging and warehousing through Corona T Stores Ltd.

Mr. Seneviratne served as the former Managing Director of Corona T Stores Ltd amongst his group of companies. He holds expertise in accounts, administration, logistics and human resources.

He holds directorships in four companies:

Non-Executive Director
Citrus Leisure PLC
Hikkaduwa Beach Resort PLC
Waskaduwa Beach Resort PLC
Citrus Aqua Limited

Former Partnerships/Proprietorships
Corona T Stores
Corona Ventures
Corona Tea Stores
C V Private

V. S. A. FERNANDO
Non-Executive Director

Skills and experience
Ms. V. S. A. Fernando is the co-founder of Triad, the largest and most awarded Sri Lankan communication powerhouse extensively diversified to offer integrated communication solutions.

Ms. Fernando also serves as a Director in many companies including Powerhouse (Pvt) Ltd., the holding company of Sri Lanka's premium entertainment offering, TV Derana and FM Derana. She is also a Director of George Steuart Group, which is the oldest corporate house and one of the largest conglomerates in Sri Lanka, diversified into almost every industry. Her stamp on corporate Sri Lanka is accentuated by her belief that 'Sri Lanka Can', which has been the driving principle behind the Group's ventures

Ms. Fernando read for her LLB at the University of Colombo and is an Attorney-at-Law. She also holds a Diploma in Advertising from L'Ecolede Publicitaire, Paris.

She holds directorships in fifty four companies :

Executive Director
Adpack Productions (Pvt) Ltd
Emagewise (Pvt) Ltd
Hammer BTL (Pvt) Ltd
Hardtalk (Pvt) Ltd
Kites Global (Pvt) Ltd
Power House Ltd
Printage (Pvt) Ltd
Sarva Integrated (Pvt) Ltd
Thirty five km (Pvt) Ltd
Triad (Pvt) Ltd

Non-Executive Director
Asia Commerce Exports (Pvt) Ltd
Asia Commerce Holdings Ltd
Citrus Aqua Limited
Citrus Leisure PLC
Citrus Silver Ltd
Citrus Vacations Limited
Derana Macroentertainment (Pvt) Ltd
Divasa Equity (Pvt) Ltd
Divasa Holdings (Pvt) Ltd
George Steuart (Exports) Limited
George Steuart and Company Limited
George Steuart Aviation (Pvt) Ltd
George Steuart Capital (Pvt) Ltd
George Steuart Consumer (Pvt) Ltd
George Steuart Education (Pvt) Ltd
George Steuart Ethicals (Pvt) Ltd
George Steuart Health (Pvt) Ltd
George Steuart Holidays (Pvt) Ltd
George Steuart Industries (Pvt) Ltd
George Steuart Insurance Brokers (Pvt) Ltd
George Steuart Investments (Pvt) Ltd
George Steuart Optimize (Pvt) Ltd
George Steuart Recruitment (Pvt) Ltd
George Steuart Solutions (Pvt) Ltd
George Steuart Telecom (Pvt) Ltd
George Steuart Travels Limited
Gree Lanka (Pvt) Ltd
H V A Foods PLC
Hammer Digital (Private) Limited
Hammer Engineering Ltd
HVA Beverages (Pvt) Ltd
HVA Farms (Pvt) Ltd
HVA Fine Teas (Pvt) Ltd
HVA Holdings (Pvt) Ltd
HVA Lanka Exports (Pvt) Ltd
Imageline (Pvt) Ltd
Lake Drive Holdings (Pvt) Ltd
Liberty Publishers (Pvt) Ltd
Mantram (Pvt) Ltd
Spaacs (Pvt) Ltd
Taprobane Street (Pvt) Ltd
Third World Operations (Pvt) Ltd
Triadhot.com (Pvt) Ltd
Waskaduwa Beach Resort PLC

J. M. B. PILIMATALAWWE
Non-Executive Director

Skills and experience
Mr. Manoj Pilimatalawwe joined the Board of Citrus Leisure PLC in December 2010. He is currently an Executive Director of George Steuart and Company Ltd since June 2016 and several other group companies having joined the Board in September 2012 in a non-executive capacity. He currently overlooks the operations of George Steuart Solutions which specialises in Solar and other building solutions.

Mr. Pilimatalawwe was previously at Brandix Lanka Ltd and at PricewaterhouseCoopers Lanka Ltd and possesses experience in the areas of general management, management consultancy, IT operations and technology strategy formulation.

Mr. Pilimatalawwe holds a master's degree in information technology from Keele University in U.K., and a Bachelor of Science (Honors) Degree in Information Systems from Manchester Metropolitan University in U.K. and is a member of the British Computer Society (MBCS). He is also a Chartered Information Technology Professional (CITP) and has over 25 years corporate experience.

He holds directorships in thirty one companies:

Executive Director

George Steuart and Company Limited Group

George Steuart Optimize (Pvt) Ltd (Managing Director)

George Steuart Solutions (Pvt) Ltd (Managing Director)

Director

Cambridge Technology Solutions (Pvt) Ltd
Ceylon Grid Services (Pvt) Ltd
Citrus Aqua Limited
Citrus LT (Pvt) Ltd
Citrus Vacations Limited
Data M T X Labs (Pvt) Ltd
George Steuart Asset Management (Pvt) Ltd
George Steuart Aviation (Pvt) Ltd
George Steuart Capital (Pvt) Ltd
George Steuart Consumer (Pvt) Ltd
George Steuart Education (Pvt) Limited
George Steuart Exports Pvt (Ltd)
George Steuart Health (Pvt) Ltd
George Steuart Holidays (Pvt) Limited
George Steuart Industries (Pvt) Limited
George Steuart Insurance Brokers (Pvt) Ltd
George Steuart Investments (Pvt) Ltd
George Steuart Maldives (Pvt) Ltd
George Steuart Recruitment (Pvt) Ltd
George Steuart Sports (Pvt) Ltd
George Steuart Teas (Pvt) Ltd
George Steuart Telecom (Pvt) Ltd
George Steuart Travels Ltd
Gree Lanka (Pvt) Ltd
James Steuart (Pvt) Limited
Three Fifty at Union (Pvt) Ltd

Non-Executive Director

Citrus Leisure PLC
Waskaduwa Beach Resort PLC

S. A. AMERESEKERE

Non-Executive Director

Skills and experience

Sarva is the Group Chairman of George Steuart & Co., Sri Lanka's oldest business entity established in 1835. He plays a pivotal role in the management and strategic planning of the Group's diversified sectors including healthcare, tea exports, financial services, travel, leisure, industrial solutions and FMCG. Accordingly, Sarva holds several key positions within the Group, including directorships of all of its listed Subsidiaries and Affiliates including Citrus Leisure PLC and its subsidiaries, Colombo Land and Development Company PLC, and H V A Foods PLC.

Sarva also served as the Director / CEO of Triad (Pvt) Ltd, one of Sri Lanka's leading integrated communication entities up to early 2024, where he now remains as an Executive Director. The Triad Group integrates a cluster of specialised communications companies that offer its clients an unmatched holistic and synchronised communication solution.

Qualified in both business and engineering, Sarva has extensive local and foreign exposure in diverse areas of business. He holds a Master's Degree in Engineering Management from the University of Southern California, Los Angeles, and a Bachelor's Degree in Industrial and Operations Engineering from the University of Michigan, Ann Arbor, USA.

He holds directorships in forty four companies :

Executive Director

Colombo Land and Development Company PLC

George Steuart and Company Limited (Group Chairman)

Triad (Pvt) Ltd

Non-Executive Director

Adpack Productions (Pvt) Ltd
Agrispice (Private) Limited
Anantya Global Solutions Company Limited
Asia Commerce Holdings Ltd
Ceylon Grid Services (Pvt) Ltd
Citrus Leisure PLC
Citrus LT (Pvt) Ltd
Diva Osu Ayurveda (Pvt) Ltd
Divasa Equity (Pvt) Ltd
Divasa Real Estate (Pvt) Ltd
Emagewise (Pvt) Ltd
George Steuart Ethicals (Pvt) Ltd
George Steuart Aviation (Pvt) Ltd
George Steuart Capital (Pvt) Ltd
George Steuart Consumer (Pvt) Ltd
George Steuart Education (Pvt) Ltd
George Steuart Exports (Pvt) Ltd
George Steuart Health (Pvt) Ltd
George Steuart Holidays (Pvt) Ltd
George Steuart Industries (Pvt) Ltd
George Steuart Insurance Brokers (Pvt) Ltd
George Steuart Investment (Pvt) Ltd
George Steuart Recruitments (Pvt) Ltd
George Steuart Solutions (Pvt) Ltd
George Steuart Telecom (Pvt) Ltd
George Steuart Travels Limited
George Steuart Optimize (Pvt) Ltd
Gree Lanka (Pvt) Ltd
H V A Foods PLC
H V A Holdings (Pvt) Ltd
Hardtalk (Pvt) Ltd
Hikkaduwa Beach Resort PLC
James Steuart (Pvt) Limited
Kites Digital (Pvt) Ltd
Kites Global (Pvt) Ltd
Liberty Developers (Pvt) Ltd
Liberty Holdings Limited
Mango Publishes (Pvt) Ltd
Three Fifty at Union (Pvt) Ltd
Traidhot.com (Pvt) Ltd
Waskaduwa Beach Resort PLC

Board of Directors

P. N. MAHAWATTE

Independent Non-Executive Director

Skills and experience

Mr. Niran Mahawatte is an experienced Senior Banker with specialisation in Treasury Management. He has experience in the banking and financial services sector for over 30 years where he has held senior management positions.

He was the former Vice President and Head of Treasury at the National Development Bank PLC.

Mr. Mahawatte has also worked at Deutsche Bank Colombo Branch and Commercial Bank of Ceylon PLC.

Mr. Mahawatte holds a Bachelor of Science (BSc. Honours) degree from the University of Colombo. He is a Fellow Member of the Chartered Institute of Management Accountants (FCMA), UK, and a Chartered Global Management Accountant.

He is a Past President of the Mercantile Cricket Association, also served in the capacity of Treasurer of the Wildlife & Nature Protection Society of Sri Lanka.

He holds directorships in four companies:

Independent Non-Executive Director

Citrus Leisure PLC

George Steuart Asset Management (Pvt) Ltd

Hikkaduwa Beach Resort PLC

Waskaduwa Beach Resort PLC

P. L. P. WITHANA

Independent Non-Executive Director

Skills and experience

Mr. Lalith Withana brings over 30 years of experience in both the corporate and public sectors, having held senior management positions in banking, manufacturing, and trading for more than 25 years.

He has worked with several prominent organi sations, including the Brandix Group, Ernst & Young, Amsterdam-Rotterdam (Amro) Bank, IBM World Trade Corporation, Carson Cumberbatch, Ceylon Tea Services Limited, and Yamaha Corporation (USA). He also served as Group Chief Finance and Administrative Officer of SriLankan Airlines, later becoming the Chief Executive Officer of its subsidiary, Sri Lankan Catering. In addition, he worked as a Management Consultant for Deloitte Consulting Overseas Projects LLC.

Mr. Withana has previously served as an Independent Director on the Boards of Bank of Ceylon, Dankotuwa Porcelain PLC, Merchant Bank of Sri Lanka & Finance PLC, Ceylease Limited, and Seylan Bank PLC. He has also been a Commissioner of the Telecommunications Regulatory Commission of Sri Lanka.

Currently, he serves as an Independent Director on the boards of several public companies and is the Managing Director of Agility Consulting Services (Pvt) Ltd, where he continues his practice in management consulting.

Mr. Withana holds a Master of Business Administration (MBA) from the University of Sri Jayewardenepura, Colombo, and a Bachelor of Arts (BA Hons.) from Manchester Metropolitan University, UK. He is a Fellow of both the Chartered Institute of Management Accountants (FCMA), UK, and the Institute of Chartered Accountants of Sri Lanka (FCA). He is also a certified Project Management Professional (PMP) of the Project Management Institute (PMI), USA.

He holds directorships in eleven companies:

Executive Director

Agility Consulting Services (Pvt) Ltd (Managing Director)

Serendipity Leisure (Pvt) Ltd

Independent Non-Executive Director

Hunter & Company PLC (Senior Independent Director)

HNB Finance PLC (Senior Independent Director)

Lanka Canneries (Pvt) Ltd (Senior Independent Director)

Citrus Leisure PLC

Commercial Development Company PLC

Hikkaduwa Beach Resort PLC

Softlogic Life Insurance Lanka Ltd

Softlogic Life Insurance PLC

Waskaduwa Beach Resort PLC

MANAGEMENT DISCUSSION AND ANALYSIS

Value Creation Model	14
Stakeholder Engagement	16
Operating Environment	18
Delivering our Strategy	20
Operational Review	22
Sustainability Review	24
Financial Review	27

Value Creation Model

Our value creation model demonstrates how Citrus Leisure Group draws on its financial, manufactured, human, intellectual, social and relationship, and natural capitals and transforms these resources through strategic oversight, portfolio management and shared capabilities to support the operations of its hospitality portfolio and create sustainable value.

INPUTS

FINANCIAL CAPITAL

- Group total equity: Rs. 5.50 bn
- Group Interest-bearing borrowings: Rs. 3.01 bn (pages 127 to 131)

MANUFACTURED CAPITAL

Property, plant and equipment of Rs. 7.31 bn which includes,

- 3 hospitality properties with a combined room capacity of 284
- Restaurants, bars, banquet and event facilities
- Recreational facilities
- Operational equipment

HUMAN CAPITAL

- Employee values, knowledge, hospitality experience and service capabilities
- Culture of service excellence

SOCIAL & RELATIONSHIP CAPITAL

Relationships with guests, tour operators, travel agents, corporate clients, suppliers, business partners, local communities and regulatory authorities

INTELLECTUAL CAPITAL

- Citrus brand and market reputation
- Operational expertise
- Understanding of the appeal of the destinations and traveller expectations

NATURAL CAPITAL

- Beachfront and coastal environments supporting Citrus Waskaduwa and Citrus Hikkaduwa
- Water, energy, food and other natural resources used in operations

VALUE TRANSFORMATION



STRATEGIC FOCUS AREAS

- Market and revenue optimisation
- Guest experience and brand proposition
- People development and service culture
- Operational excellence
- Portfolio enhancement

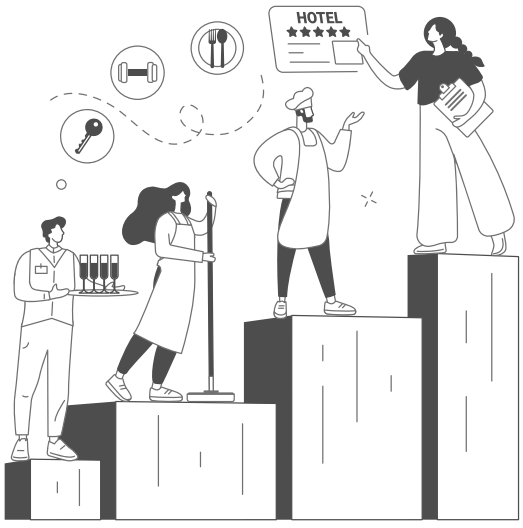
OUTPUTS

OUTPUTS

- Guest nights
- Food and beverage propositions
- Guest experiences

ENVIRONMENTAL IMPACTS

- Waste generation
- Emissions



STAKEHOLDER OUTCOMES

SHAREHOLDERS

- Operating loss: Rs. 43.69 mn
- Loss for the year: Rs. 243.51 mn

GUESTS

- Access to differentiated and high-quality accommodation facilities
- Choice across accommodation, dining, wellness and entertainment offerings

EMPLOYEES

- Value distribution through salaries
- Focus on employee welfare and wellbeing
- Conducive work environment
- Structured training across five learning and development pillars

SUPPLIERS

- Ongoing participation in the Group's value chain
- Opportunities arising from three distinct hospitality operations

LOCAL COMMUNITIES

- Employment and livelihood opportunities
- Support through community and social initiatives

GOVERNMENT

- Contribution to foreign exchange earnings through international tourism
- Employment generation
- Taxes and statutory payments

Stakeholder Engagement

Meaningful stakeholder engagement enables Citrus Leisure Group to understand the expectations of those who influence or are affected by its operations and embed these insights into strategy formulation. This is particularly important across a diversified hospitality portfolio where value creation depends on the collective contribution of guests, employees, shareholders, business partners, suppliers, local communities and regulators. During the year, stakeholder feedback continued to inform the Group's focus on market diversification, guest experience, people development, operational excellence, responsible business practices and the continued enhancement of its hospitality portfolio.

Stakeholder	Methods of engagement	Key expectations	Our response
Guests	• Direct interactions throughout the guest journey • Guest surveys and feedback forms • Online reviews and booking platforms • Social media channels • Direct enquiries and complaint handling mechanisms	• Clean, comfortable and safe accommodation • Friendly and responsive service • Value for money • Quality food and beverage options • Beach, leisure and entertainment experiences • A lively atmosphere aligned with the character of the location	• Continued to strengthen accommodation, dining, recreation and entertainment propositions across the portfolio • Progressed property enhancement programmes at Citrus Waskaduwa and Citrus Hikkaduwa and completed the refurbishment of The Steuart • Expanded activity-led, culinary, wellness and seasonal experiences • Strengthened employee training and service delivery • Continued to monitor guest feedback and online reviews to identify opportunities for improvement
Employees	• Performance discussions and appraisals • Departmental meetings • Management communication • Open-door engagement and grievance channels	• Job security and employment stability • Fair remuneration • Conducive work environment • Learning and career development • Recognition and engagement • Clear performance expectations	• Strengthened Group-wide HR policies and practices • Continued structured learning and development across multiple areas • Conducted Performance Development Reviews twice during the year • Strengthened succession planning and identification of high-potential employees • Continued employee engagement and wellbeing initiatives • Reinforced the Citrus Magic service culture across the portfolio
Shareholders	• Annual General Meeting • Annual and quarterly financial statements • Colombo Stock Exchange announcements • Corporate website	• Transparent and timely reporting • Improved profitability and cash generation • Prudent financial management • Effective cost control • Preservation of asset value and long-term returns	• Maintained timely financial and regulatory reporting • Applied strategic pricing and revenue management to optimise performance • Ongoing measures to minimise wastage and manage operating costs • Invested in maintaining the long-term competitiveness and distinctive positioning of the property portfolio • Robust corporate governance and risk management practices

Stakeholder	Methods of engagement	Key expectations	Our response
Tour Operators, Travel Partners and Corporate Clients	• Direct meetings and account management • Travel fairs and industry events • Contract negotiations • Joint planning and promotional activities • Booking and performance reviews	• Competitive and consistent pricing • Reliable service delivery • Accurate and timely information • Products suited to changing traveller preferences • Strong long-term commercial relationships	• Strengthened targeted digital marketing and online distribution • Used dynamic pricing and demand management to respond to changing booking patterns • Developed experiential and holiday propositions
Local Communities	• Community initiatives • Engagement with local organisations and craftspeople • Local recruitment • Environmental activities • Informal dialogue with community members	• Employment and livelihood opportunities • Support for local enterprises • Responsible management of environmental impacts	• Continued to generate employment opportunities within communities surrounding the Group's properties • Ongoing community initiatives • Continued efforts to strengthen the attractiveness of the destinations in which the Group operates
Government, Regulators and Industry Bodies	• Regulatory filings and inspections • Engagement with tourism authorities • Industry forums and associations • Meetings and formal correspondence	• Compliance with applicable laws and regulations • Contribution to tourism and employment • Responsible business practices • Timely payment of taxes and statutory dues • Cooperation on industry and destination development	• Continued to monitor compliance with applicable regulatory and statutory requirements • Continued engagement on matters affecting the tourism sector • Contributed to employment, tourism earnings and wider economic activity

Operating Environment

GLOBAL ECONOMIC ENVIRONMENT

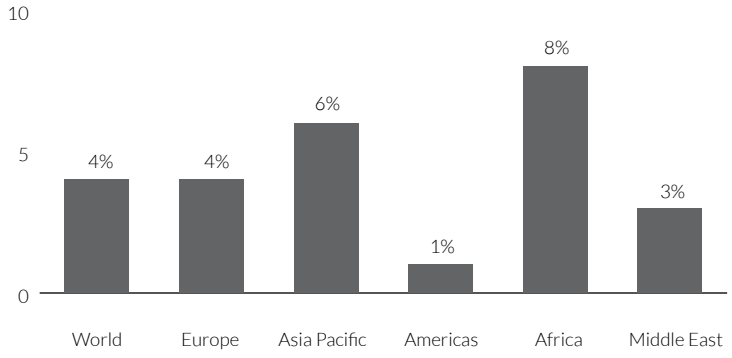
The global economy expanded by 3.5% in 2025, supported by more accommodative financial conditions, policy measures and continued investment in technology. However, performance remained uneven across regions as higher trade barriers, geopolitical tensions and structural constraints weighed on growth.

The escalation of conflict in the Middle East from February 2026 significantly altered the outlook, contributing to higher energy prices, supply chain disruptions and increased financial market uncertainty. Against this backdrop, the International Monetary Fund projects global growth to moderate to 3.0% in 2026, while headline inflation is expected to increase to 4.7%. A prolonged or broader conflict could place further pressure on the global economy through higher commodity prices, tighter financial conditions and disruptions to international trade.

GLOBAL TOURISM INDUSTRY

International tourism continued its upward trajectory in 2025, with tourist arrivals increasing by 4% to an estimated 1.52 billion. This represented approximately 60 million additional travellers compared with 2024 and marked a new post-pandemic high. Growth was supported by sustained travel demand, strong outbound activity from major source markets and the continued recovery of destinations across Asia and the Pacific. Performance, however, varied across regions, with Africa recording the strongest increase, followed by Asia and the Pacific as the region continued its recovery towards pre-pandemic levels. International tourism receipts increased by approximately 5% to an estimated USD 1.9 trillion, with visitor spending increasing across many destinations.

Regional growth in international tourist arrivals (2025)



Source: UN Tourism

Growth continued into the first quarter of 2026, with international tourist arrivals increasing by approximately 2% to 307 million. Demand remained firm during January and February before geopolitical developments in the Middle East affected travel activity towards the latter part of the quarter. Airspace restrictions, operational disruptions and increased uncertainty affected regional traffic and international travel flows, given the Middle East's importance as a major aviation corridor connecting Asia, Africa and Europe.

Despite these pressures, the underlying appetite for travel remained strong. Traveller preferences continued to evolve towards experiences that combine accommodation with authentic local engagement, food and beverage, wellness, recreation and entertainment. This increasingly requires hospitality operators to differentiate their propositions and create greater value throughout the guest journey rather than competing predominantly on room rates.

SRI LANKAN ECONOMY

Sri Lanka's economy continued to stabilise in 2025, supported by policy continuity under the IMF programme, ongoing fiscal reforms and measures aimed at strengthening competitiveness. GDP grew by 5%, led by a 7.8% expansion in industry and 3.3% growth in services. Tourism-related activity also strengthened, with accommodation services expanding by 12.4% alongside the continued recovery in tourist arrivals and hospitality demand.

With inflation remaining subdued, the Central Bank reduced the Overnight Policy Rate to 7.75% in May 2025. Lower lending rates and improved liquidity supported private sector credit growth of 24.8%, while annual average inflation remained contained at 1.5%.

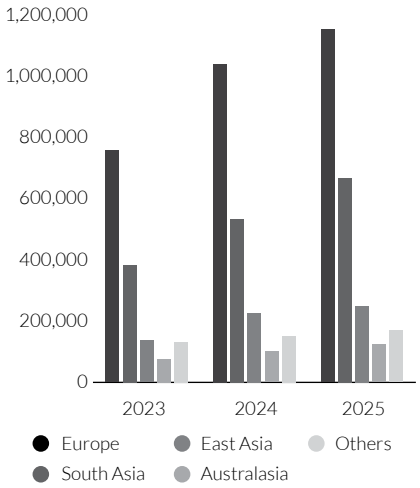
Sri Lanka's external position also improved during the year, with the current account recording a surplus of USD 1.7 billion by December 2025. The trade deficit, however, widened as import growth outpaced exports, partly following the resumption of vehicle imports. Gross official reserves strengthened by the end of March 2026, supported by net foreign exchange purchases by the Central Bank, while the Sri Lankan Rupee remained broadly stable with a marginal appreciation of 0.2% against the US Dollar.

The more stable economic environment provided greater predictability for businesses and consumers. For the hospitality sector, however, rising payroll, food, utility and supplier costs continued to place pressure on operating margins, reinforcing the need for disciplined pricing, productivity improvements and effective cost management.

SRI LANKAN TOURISM INDUSTRY

Sri Lanka's tourism industry continued its recovery in 2025, with arrivals increasing by 15% to a record 2.36 million. This surpassed the previous peak recorded in 2018, while every month of the year recorded growth compared with the corresponding period of the previous year. December also recorded the highest monthly tourist arrivals in the country's history. India remained Sri Lanka's largest source market, followed by the United Kingdom and Russia.

Arrivals by region



Source: Sri Lanka Tourism Development Authority

The recovery was achieved despite multiple challenges, including travel advisories, delays in destination marketing initiatives and disruptions caused by Cyclone Ditwah during the peak tourism season. Sri Lanka's international tourism profile nevertheless continued to strengthen, supported by recognition as a leading nature, cultural and island destination in several international travel awards.

Tourism earnings increased to an estimated USD 3.22 billion in 2025 from USD 3.17 billion in the previous year. The slower growth in earnings relative to arrivals highlighted an important structural challenge for the industry: increasing the economic value generated by each visitor. Average earnings per arrival declined to USD 1,363 from USD 1,543 in 2024, while the average duration of stay reduced marginally to 8.29 days from 8.42 days. Accommodation capacity, meanwhile, increased to 59,578 rooms from 55,455 rooms in the previous year.

While Sri Lanka continued to attract growing numbers of international travellers, delays in establishing a unified destination brand, rolling out international promotional campaigns and advancing visa facilitation measures constrained progress towards the country's target of three million arrivals. The growth in accommodation capacity also increased competition for available demand.

For formal hotel operators, these conditions reinforce the importance of generating greater value from each guest through stronger room rates, food and beverage, experiences, events and other ancillary services. They also emphasise the need to diversify source markets and distribution channels while developing distinctive propositions capable of competing in an increasingly broad accommodation market.

IMPLICATIONS FOR CITRUS LEISURE

The operating conditions during the year reinforced the strategic value of Citrus Leisure's diversified portfolio. Citrus Waskaduwa, Citrus Hikkaduwa and The Steuart serve different destinations and customer segments, providing the Group with exposure to beachfront leisure, domestic and international tourism, corporate travel, MICE, weddings, events, food and beverage and boutique city hospitality.

Market Diversification

Market diversification remained an important priority as geopolitical disruptions demonstrated the risks associated with dependence on individual source markets. This emphasised the importance of broadening the Group's presence across regional and international markets.

Quality of Revenue

The evolving tourism landscape placed greater emphasis on effective revenue management, protecting room rates and increasing revenue generated through food and beverage, events and other guest experiences.

Distinctive Property Propositions

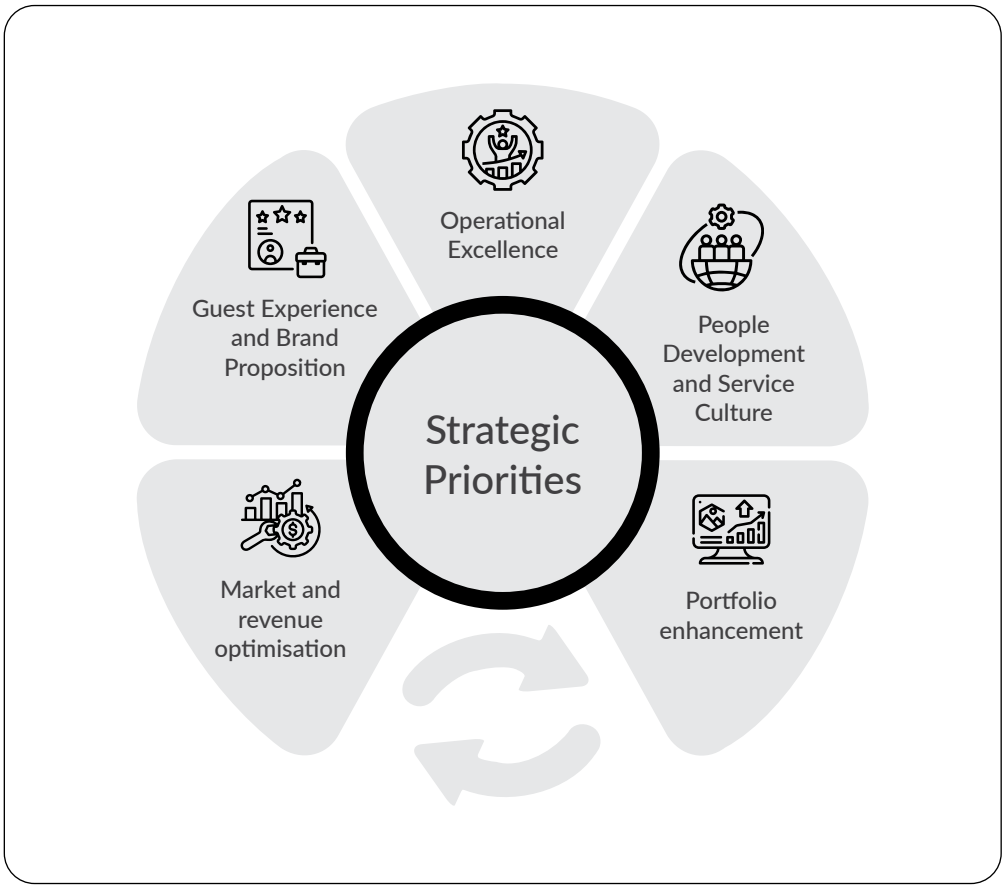
Citrus Waskaduwa continued to develop its premium beachfront, leisure, MICE and event proposition. Citrus Hikkaduwa drew on the distinctive beach, dining and entertainment character of its destination, while The Steuart strengthened the Group's presence in Colombo through its heritage-led boutique business hospitality proposition.

Operational Excellence

Operational excellence has become increasingly important as rising food and beverage, utility, payroll and supplier costs continue to place pressure on hotel operating margins. Accordingly, the Group continues to strengthen productivity and cost discipline through centralised procurement, improved working capital management and initiatives to improve energy and resource efficiency.

Delivering our Strategy

Citrus Leisure's strategy is centred on strengthening the long-term competitiveness of its hospitality portfolio while responding to shifts in the operating landscape. As the Group continues to navigate evolving travel patterns, changing guest expectations, rising operating costs and intensifying competition, its strategic focus remains on improving long-term commercial resilience and value creation, with emphasis on the key areas set out below. The Group's three properties serve distinct market segments and destinations, and its strategy therefore combines a clear Group-wide direction with property-specific execution aligned to the character and opportunity of each location.



MARKET AND REVENUE OPTIMISATION

The Group remains focused on driving sustainable revenue growth through stronger market diversification, effective pricing and disciplined channel management. This includes strengthening the balance between international leisure, domestic, corporate, MICE, wedding and event business, while optimising direct bookings, digital channels and travel partner relationships to improve revenue quality and reduce concentration risk.

Consolidated Revenue

Rs. 2.29 bn

(+0.2%)

GUEST EXPERIENCE AND BRAND PROPOSITION

Enhancing the guest experience remains central to the Group's strategy. Citrus Leisure continues to strengthen its accommodation, dining, wellness, leisure and entertainment offerings across the portfolio, while developing more distinctive and experience-led propositions that reflect the unique character of each property and destination.

Average customer ratings

Citrus Hikkaduwa: 77%

Citrus Waskaduwa: 80%

The Steuart: 83%

OPERATIONAL EXCELLENCE

Escalating costs relating to food and beverages, utilities and employee costs continue to place pressure on operating margins. Accordingly, the Group continues to strengthen productivity and cost discipline through centralised procurement, improved working capital management and initiatives to improve energy and resource efficiency. These measures are aimed at protecting margins while maintaining the quality of service and guest experience that underpin the Citrus proposition.

67%

Group gross profit margin

(2024/25: 65%)

PEOPLE DEVELOPMENT AND SERVICE CULTURE

The Group recognises that its employees are central to delivering consistent hospitality experiences across the portfolio. Its strategy therefore places strong emphasis on attracting and retaining talent, strengthening technical and leadership capabilities, supporting employee engagement and reinforcing the service culture that underpins the Citrus brand.

PORTFOLIO ENHANCEMENT

Citrus Leisure continues to invest in its properties and operating platform to strengthen long-term competitiveness. Refurbishment, restoration and product enhancement initiatives across the portfolio are aimed at improving guest comfort, supporting stronger market positioning and enabling the Group to unlock greater value from its assets over time.

Group capital expenditure

Rs. 89.36 mn

Operational Review

The following review provides a consolidated overview of the key operating developments, strategic priorities and outlook across the portfolio. More detailed information on the performance and operations of Citrus Waskaduwa and Citrus Hikkaduwa is presented in the respective annual reports of Waskaduwa Beach Resort PLC and Hikkaduwa Beach Resort PLC, while the key developments relevant to the Group are summarised in this section.

CITRUS WASKADUWA

Citrus Waskaduwa continued to strengthen its position as a premium beachfront resort serving a broad mix of international and domestic leisure travellers, corporate groups, MICE, weddings and events. Its proximity to Colombo, 150-room capacity, expansive beachfront setting and extensive leisure and event facilities provide a diversified proposition that enables the Resort to address demand across multiple customer segments and seasons.

Strategic Priorities

- **Market Diversification:** Broadened the Resort's source-market and customer mix, with increased emphasis on Asian and regional markets while maintaining established relationships across European, Russian and CIS markets
- **Guest Experience:** Enhanced the Resort's accommodation, food and beverage, entertainment and activity-based offerings
- **People Development:** Continued to build employee capability through training, engagement and retention initiatives
- **Operational Excellence:** Strengthened cost management and accountability across key operating functions

Financial and Operational Highlights

Revenue:
Rs. 1.23 billion (+1%)

Gross Profit:
Rs. 823.15 mn (+3%)

Operating profit:
Rs. 26.28 mn
(2024/25: Rs. 72.05 mn)

Loss before tax:
Rs. 178.95 mn
(2024/25: Rs. 169.70 mn)

Average occupancy:
Approximately 62%

CITRUS HIKKADUWA

Citrus Hikkaduwa continued to capitalise on its distinctive position at the heart of one of Sri Lanka's best-known coastal tourism destinations. The 90-room beachfront Resort combines accommodation with Hikkaduwa's sun-and-sea appeal, marine attractions, dining and vibrant social atmosphere, creating a proposition that appeals to international and domestic leisure travellers.

Strategic Priorities

- **Effective Revenue Management:** Optimised occupancy and revenue through strategic pricing, demand forecasting, targeted packages and strengthened digital and travel partner channels.
- **Guest Experience:** Enhanced accommodation, dining, recreation and entertainment in line with Hikkaduwa's distinctive beach culture and destination appeal.
- **People Development:** Strengthened employee capability, engagement and wellbeing through training, performance management, welfare initiatives and continued HR support.
- **Operational Efficiency:** Improved cost and resource management through tighter controls over wastage, procurement, inventory, food, energy and workforce productivity.

Financial and Operational Highlights

Revenue:
Rs. 647.72 mn (+9%)

Room revenue:
Rs. 439.26 mn (+12%)

Average occupancy:
71%

THE STEUART BY CITRUS

The Steuart by Citrus represents the Group's urban hospitality proposition, combining the character and heritage of one of Colombo's most historic commercial buildings with contemporary boutique hospitality. Located in central Colombo, the hotel primarily serves corporate and business travellers while its distinctive food and beverage offering broadens its appeal to local and international customers. Following its temporary closure for refurbishment, The Steuart recommenced operations during the third quarter of 2025/26, marking an important step in re-establishing its presence within Colombo's corporate and boutique hospitality market.

- **Corporate Market Development:** Strengthened relationships with corporate clients and business travellers to build a stable base of accommodation demand.
- **Distinctive Guest Experience:** Leveraged the building's historic character and distinctive identity while enhancing personalised service.
- **Food and Beverage:** Continued to strengthen the two restaurant propositions as an important part of the property's overall offering to resident guests and discerning local and international customers.

Financial and Operational Highlights

Recommenced operations during the third quarter

Sustainability Review

Citrus Leisure Group is in the process of formalising its sustainability agenda to provide greater structure to the way environmental and social considerations are integrated across its operations. While this process continues to evolve, the Group has long recognised that sustainable value creation extends beyond financial performance to the wellbeing and development of its people, the communities it operates in and the responsible management of the natural resources and environments on which its hospitality operations depend.

Key areas of focus

People

Building a capable, engaged and inclusive workforce through development, performance management, wellbeing and career progression.

Communities

Creating employment and livelihood opportunities while strengthening relationships with communities surrounding the Group's properties.

Environment

Improving resource efficiency, reducing waste and supporting the responsible management of the coastal and natural environments connected to the Group's operations.

OUR PEOPLE

The hospitality industry continued to operate within a competitive labour market during the year, underscoring the importance of attracting, developing and retaining capable employees. Against this backdrop, Citrus Leisure continued to strengthen its people practices at both Group and property levels, with particular focus on talent management, employee engagement and the development of a high-performing service culture.

The Group Human Resources function provides overall direction while working closely with the Corporate Management Team and property-level HR teams. Group-wide policies, procedures and strategic initiatives are developed centrally to promote greater consistency, while individual properties retain the flexibility required to respond to their operational requirements. Regular HR reviews, compliance monitoring and performance discussions support alignment between people priorities and broader business objectives.

ATTRACTING AND RETAINING TALENT

Talent attraction and retention remained a key priority as the hospitality industry continued to experience competition for experienced employees. Recruitment requirements were monitored at property level, while employee turnover was benchmarked against industry competitors and turnover reduction targets were established for individual properties.

Workforce planning continued to balance service requirements with productivity. The Group sought to maintain an optimal team-member-to-room ratio of 1.5 across hotel operations while maintaining an appropriate balance between permanent, contract and trainee employees. Recruitment also continued to support the Group's objective of maintaining minimum female representation of 15% across its workforce.

510
Group employees

41
Group new recruits

LEARNING AND DEVELOPMENT

Developing employee capability remained an important component of the Group's people strategy. Learning and development initiatives were delivered through a structured annual training roadmap comprising five areas:


Generic Training


Compulsory Training


Departmental Training


Language Training


Leadership Development

Mandatory programmes included First Aid Training, Fire Safety and Rescue Training and the Citrus Magic Service Excellence Programme. These were complemented by departmental coaching, orientation programmes and continuous on-the-job development aimed at strengthening technical, behavioural and leadership capabilities across the Group.

PERFORMANCE AND CAREER DEVELOPMENT

The Group's Performance Development Review (PDR) framework remained the principal mechanism for evaluating employee performance. Two formal performance reviews were conducted during the year, enabling progress to be monitored, development requirements to be identified and individual objectives to be aligned with organisational priorities.

During the year, the Group also commenced the implementation of a structured salary-band framework aimed at strengthening internal equity and market competitiveness. Greater attention was placed on identifying high-performing and high-potential employees to support succession planning and the development of future leadership capability.

ENGAGEMENT AND WELLBEING

The Group continued to foster employee engagement through a combination of communication, feedback, recognition and social initiatives. Monthly communication meetings enabled employees to remain informed of organisational performance and priorities, while Skip-Level Meetings provided opportunities for direct engagement with senior management. Suggestion boxes across the hotel properties provided a further confidential channel through which employees could raise ideas, concerns and recommendations. Feedback received through these mechanisms was reviewed by management and, where appropriate, incorporated into action plans and operational improvements.

Employee engagement initiatives during the year included the Annual Avurudu Celebration, Annual Team Trip, Annual Team Party and CSR activities, providing opportunities to strengthen relationships, teamwork and organisational culture.

OUR COMMUNITIES

The Group's properties are closely connected to the communities and destinations within which they operate. These relationships extend beyond employment to local enterprise, social initiatives and the wider economic activity generated through tourism. Citrus Leisure therefore seeks to maintain constructive relationships with surrounding communities while creating opportunities for local participation in its operations. Key engagement initiatives conducted by the resorts are listed below:

Citrus Hikkaduwa

- **Community initiatives:** Continued to undertake regular community-focused activities, including blood donation campaigns and programmes responding to local needs.
- **Local employment:** Created employment opportunities through recruitment from Hikkaduwa and surrounding areas.
- **Local economic participation:** Supported wider economic activity through relationships with local suppliers and service providers.
- **Community relationships:** Maintained ongoing engagement with surrounding communities, recognising the shared use of coastal resources and the importance of the destination to the guest experience.

Citrus Waskaduwa

- Local employment: Continued to create employment and livelihood opportunities within Waskaduwa and the surrounding area.
- Support for local enterprises: Created opportunities for local craftspeople through initiatives such as the Sunday market and supported participation by local suppliers and service providers.
- Community engagement: Maintained regular engagement with local organisations and community stakeholders through social and community-focused activities.
- Destination development: Continued to support efforts aimed at strengthening Kalutara's wider appeal as a tourism destination and increasing local participation in tourism-related economic activity.

Sustainability Review

ENVIRONMENT

The Group recognises that the quality and resilience of the natural environment are closely linked to the attractiveness of its locations and therefore the long-term sustainability of its operations. During the year, environmental initiatives continued to focus primarily on improving resource efficiency, managing waste responsibly and reducing the environmental impact of day-to-day operations.

Resource Efficiency

The Group continued to implement measures aimed at improving energy and resource efficiency while reducing operating costs. Initiatives during the year included laundry outsourcing, measures to optimise air-conditioning costs and improvements to water treatment processes. Further opportunities to strengthen energy monitoring and resource efficiency across the properties continue to be assessed.

As coastal properties, Citrus Waskaduwa and Citrus Hikkaduwa are also exposed to corrosion and harsh environmental conditions. Preventive maintenance, replacement of affected components and ongoing repair work therefore remained important in preserving asset quality, maintaining operational reliability and supporting guest comfort.

Waste and Plastics

Waste-management practices continued to be strengthened through segregation, recycling and responsible disposal. Recyclable materials were diverted from general disposal through recycling initiatives and relationships with authorised waste-management providers, while efforts continued to reduce overall waste generation across the properties.

The Group continued its efforts to reduce plastic use across its operations and progressively limit reliance on single-use plastics. Further assessments are being undertaken to identify appropriate alternatives and support the transition towards more responsible material use across the portfolio.

Protecting Our Coastal Environment

The coastal environment forms an important part of the tourism proposition at both Citrus Hikkaduwa and Citrus Waskaduwa. At Hikkaduwa, the adjoining reef and marine sanctuary are integral to the appeal and attractiveness of the destination. The Resort supports measures aimed at protecting the reef and operates in accordance with requirements established by Coast Conservation and environmental authorities.

The Group also recognises the longer-term exposure of its beachfront properties to extreme weather, coastal erosion and changing coastal conditions. Regular inspection and preventive maintenance of buildings, infrastructure and beachfront areas therefore form part of the operational response to these risks.

Financial Review

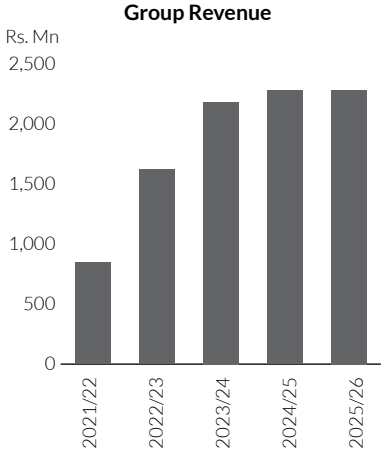
REVENUE

Group revenue remained broadly stable at Rs. 2.29 bn compared with Rs. 2.28 bn in the previous year. Hotel income amounted to Rs. 2.25 bn, marginally below the previous year, while management fee income increased by 41% to Rs. 37.93 mn.

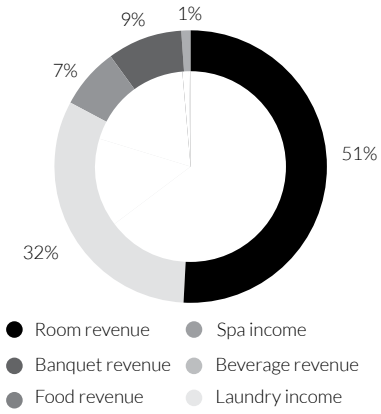
The composition of hotel revenue showed greater momentum in several core areas. Room revenue increased by 3% to Rs. 1.15 bn and remained the largest contributor, accounting for approximately 51% of hotel income. Meanwhile, food revenue and banquet revenue increased by 2% and 4%, respectively during the year. Beverage revenue, however, declined by 26% to Rs. 165.70 mn, partly offsetting growth across the other categories.

Performance varied across the portfolio. Citrus Hikkaduwa delivered strong top-line growth, with property revenue increasing by 9% to Rs. 647.72 mn, supported by average occupancy of 71%. Revenue growth at Citrus Waskaduwa remained relatively flat despite a moderation in occupancy, supported by room rates and the continued contribution from corporate, group and banquet business. The Steuart recommenced operations during the third quarter following its refurbishment, progressively restoring its contribution to the Group after being unavailable for part of the year.

Group Revenue



Group Revenue Composition



GROSS PROFIT

Gross profit increased by 3% to Rs. 1.54 bn during the year, despite the relatively subdued revenue growth. Cost of sales declined by 6% to Rs. 750.54 mn, resulting in the gross profit margin widening to approximately 67% from 65%.

The improvement demonstrates the benefit of the Group's strategic emphasis on operational excellence and the resultant focus on food cost management, resource utilisation and measures to minimise wastage. This was achieved despite continued pressure from food, utility, employee and supplier costs. The performance at gross profit level indicates that the Group was able to improve the quality of revenue and manage direct costs more effectively. The greater challenge remains converting these gains into stronger operating profitability as the broader cost base continues to increase.

OPERATING PROFITABILITY

The improvement in gross profit was offset by higher indirect costs during the year. Administrative expenses increased by 28% as the Group continued to maintain the people and operating capabilities required to support its properties as well as the closure of properties for refurbishment and upgrade during the year. In contrast, other operating expenses declined by 4% while selling and marketing expenses reduced by 23%.

The year-on-year comparison in profitability was also affected by a substantial reduction in other income and gains, which declined to Rs. 21.98 mn from Rs. 96.43 mn. This was primarily due to the normalisation of a non-recurring gain of Rs. 75 mn last year, generated on the disposal of shares and property, plant and equipment.

Consequently, the Group recorded an Operating Loss of Rs. 43.69 mn, compared with an operating profit of Rs. 130.15 mn in the previous year, while the operating margin moved to negative 2% from positive 6%. While gross margins strengthened, the result highlights the importance of generating greater operating leverage from the Group's revenue base. As the properties strengthen their market positioning and product offerings, greater emphasis will be required on productivity, cost accountability and the conversion of incremental revenue into operating profit.

FINANCE COSTS

Finance costs declined by 28% to Rs. 305.71 mn during the year, supported by both the Group's lower borrowings base and a more favourable interest rate environment. Total interest-bearing loans and borrowings decreased by 5% to Rs. 3.01 bn during the year, resulting in the interest on bank loans and overdraft declining by 19% and 53%, respectively.

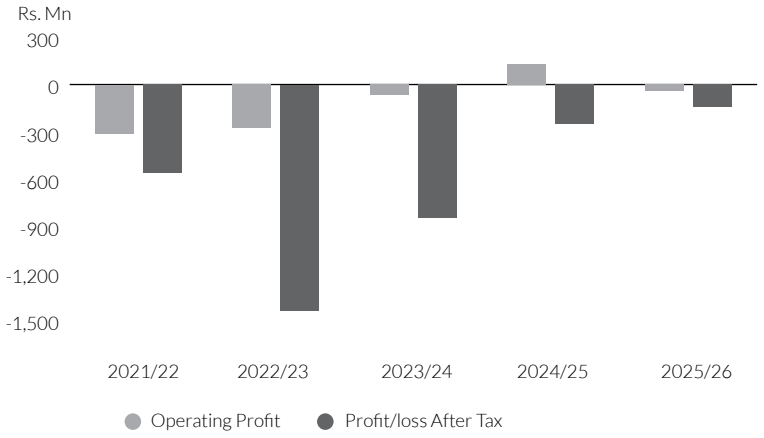
Finance income declined by 52% to Rs. 8.71 mn, mainly due to lower interest income from deposits and reduced fair value gains on financial investments. Nevertheless, the reduction in finance costs provided an important offset against the pressure experienced at operating level.

OVERALL PROFITABILITY

The Group recorded a loss before tax of Rs. 398.69 mn, compared with the restated loss of Rs. 253.70 mn in the previous year. While the reduction in finance costs and the stronger contribution from the Group's associate provided some support, the result included an impairment charge of Rs. 98.70 mn relating to the Group's investment in its associate. The share of profit from Colombo Land & Development Company increased by 64% to Rs. 40.70 mn during the year. Accordingly, the loss before tax widened by 57% compared with the previous year.

Financial Review

Trends in profitability



A tax reversal of Rs. 155.18 mn, arising principally from deferred taxation, reduced the loss after tax to Rs. 243.51 mn compared with the restated loss of Rs. 248.90 mn in 2024/25. Accordingly, despite the weaker result before tax, the loss for the year narrowed by 2%.

Other comprehensive income amounted to Rs. 181.10 mn, mainly supported by the revaluation of land and buildings after accounting for the related deferred tax impact. This resulted in a total comprehensive loss of Rs. 62.41 mn, compared with a total comprehensive loss of Rs. 152.02 mn in the previous year.

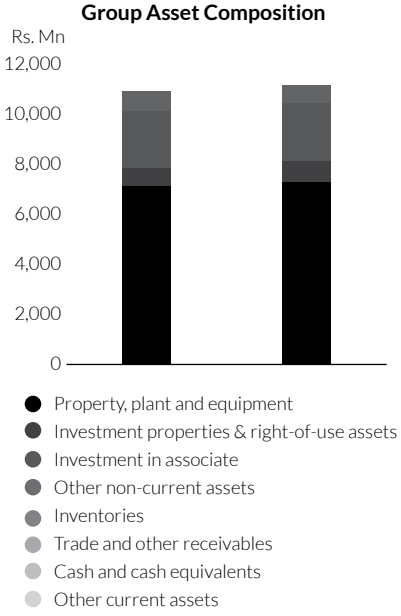
TOTAL ASSETS

Total assets increased by 1% to Rs. 11.06 bn, demonstrating the asset-intensive nature of the Group's hospitality portfolio. Property, plant and equipment remained the largest component, accounting for approximately 66% of total assets and increasing by 2% to Rs. 7.31 bn. The Group's asset base also represented continued investment in its properties and the recognition of additional right-of-use assets, which increased to Rs. 193.99 mn.

Current assets declined by 14% due to a nearly 24% reduction in trade and other receivables amidst improved working capital management. Cash and cash equivalents decreased to Rs. 115.70 mn from Rs. 232.63 mn while this reduction was partially offset by an increase in advances and prepayments.

With approximately 94% of the Group's assets represented by non-current assets, improving returns from the existing property portfolio remains central to the Group's financial strategy. The enhancements made across the portfolio are therefore expected to support stronger asset utilisation, revenue generation and returns over time.

Group Asset Composition



TOTAL LIABILITIES

Total liabilities declined by approximately 2% during the year. Interest-bearing borrowings decreased by 5% to Rs. 3.01 bn. Importantly, current borrowings declined by 38% to Rs. 481.29 mn while non-current borrowings increased by 5% to Rs. 2.53 bn. This shift reduced the level of debt falling due in the near term and provided a more appropriate maturity profile for an asset-intensive hospitality business.

Trade and other payables increased marginally to Rs. 1.05 bn. The reduction in current liabilities contributed to the Group's working capital deficit narrowing to approximately Rs. 994 mn from Rs. 1.15 bn. However, the current ratio remained at approximately 0.39 times as the reduction in current liabilities was accompanied by lower current assets and cash balances.

EQUITY AND FUNDING PROFILE

Total equity increased by 5% to Rs. 5.50 bn, supported by movements recognised through other comprehensive income. The revaluation reserve increased to Rs. 1.95 bn during the year. Equity attributable to owners of the parent, however, declined by 15% to Rs. 2.66 bn, as accumulated losses continued to weigh on shareholder equity.

The combination of higher consolidated equity and lower interest-bearing borrowings strengthened the Group's overall funding ratios. The debt-to-equity ratio improved to approximately 55% from 60%, while gearing reduced to approximately 35% from 38%. Net assets per share attributable to owners of the parent declined to Rs. 4.13 from Rs. 4.85.

The improvement in leverage and debt maturity profile provides the Group with a more balanced funding position, while continued focus on liquidity, working capital and cash generation remains important. Going forward, the focus will be on leveraging the Group's asset base and strategic investments to strengthen operating profitability, cash generation and shareholder value over the longer term.

WAY FORWARD

Looking ahead, the Group's financial priorities will centre on improving the quality of revenue, strengthening operating margins and maintaining disciplined management of costs, working capital and funding. The differentiated positioning of Citrus Waskaduwa, Citrus Hikkaduwa and The Steuart provides opportunities to broaden the Group's customer base across international leisure, domestic, corporate, MICE, weddings and events while increasing revenue from food and beverage and other guest experiences.

The Group enters 2026/27 with a strengthened product platform. The refurbishment programmes at Citrus Waskaduwa and Citrus Hikkaduwa were completed subsequent to the year-end, while The Steuart is positioned to benefit from a full year of operations following its reopening. The focus will increasingly be on translating these investments into stronger occupancy, improved rate realisation and greater guest spend. At the same time, operational excellence will remain critical as rising employee, utility, food and supplier costs continue to place pressure on margins. Supported by the reduction in finance costs and a more balanced funding profile, these priorities are intended to progressively strengthen profitability, cash generation and returns from the Group's hospitality portfolio.

GOVERNANCE & RISK MANAGEMENT

Corporate Governance	30
Risk Management	54
Annual Report of the Board of Directors on the Affairs of the Company	58
Statement of Directors' Responsibility	64
Related Party Transactions Review Committee Report	65
Remuneration Committee Report	66
Nomination and Governance Committee Report	67
Audit Committee Report	69

Corporate Governance

OUR GOVERNANCE FRAMEWORK



Corporate Governance (CG) is a framework of rules and practices by which an organisation is directed, controlled and managed. Our CG framework provides an overview of the Corporate Governance structures, principles, policies and practices of the Board of Directors of Citrus Leisure PLC. At Citrus Leisure PLC, the approach to CG is guided by ethical culture, stewardship, accountability, independence, continuous improvement, oversight of strategy and risk. The fundamental relationship among the Board, Management, Shareholders and other Stakeholders is established by our governance structure, through which the ethical values and corporate objectives are set and plans for achieving those objectives and monitoring performance are determined.

To serve the interests of shareholders and other stakeholders, Citrus Leisure PLC's Corporate Governance system is subject to ongoing review, assessment and improvement. The Board of Directors proactively adopts good governance policies and practices designed to align the interests of the Board and Management with those of shareholders and other stakeholders and to promote the highest standards of ethical behaviour and risk management at every level of the organisation. Further, the Board considers good governance practices to be precedent and endeavour to go beyond the legal requirement by implementing International best CG practices and stakeholder engagement, ensuring high standards of professionalism and ethics.

The Board provides strategic leadership and guidance and sets the tone to ensure that the development of the Company is based on values. We believe that our values are the driving force across the Group and is our guiding force for good governance.

BOARD OF DIRECTORS

The Board of Directors is committed to maintain the highest standards of corporate governance and ethical business conduct in the operations and decision making process. In this regard, the Board of Directors is responsible for the governance of the Company whilst the shareholders' role in governance is to appoint the Directors and the Auditors to satisfy themselves that an appropriate governance structure is in place.

COMPOSITION OF THE BOARD

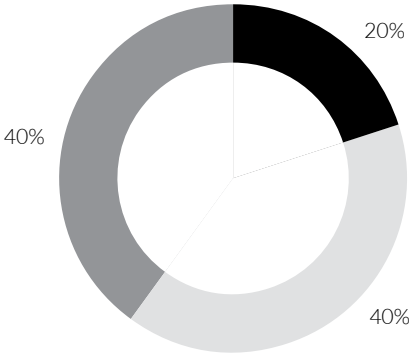
The composition of the Board is governed by the Company's Articles of Association as well as the Listing Rules of the Colombo Stock Exchange. The Board comprises nine (09) Directors who possess a broad range of skills and experience across a range of industries and functional areas. A detailed profile of each member of the Board appears on pages 09 to 12 of this Annual Report.

As at the reporting date, the Board comprised two (02) Executive and seven (07) Non-Executive Directors, three (03) of whom are Independent.

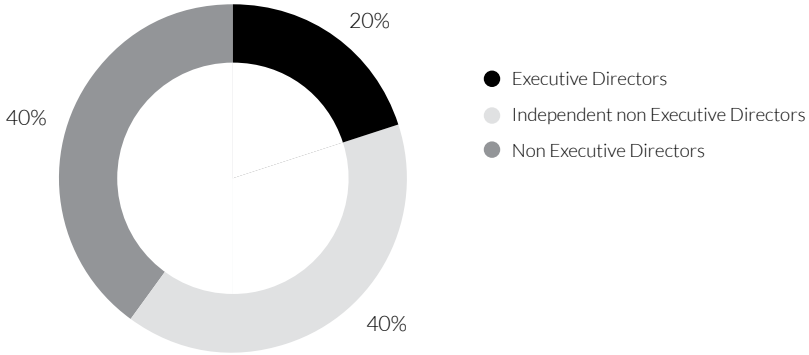
Composition of the Board and Shareholding as at 31 March 2026

Name of the Director	Status of the Director	Shareholding
Mr. S. P. S. Ranatunga	Chairman/ Independent Non-Executive Director	No
Mr. P. C. B Talwatte	Executive Director/Chief Executive Officer	No
Mr. S. M. A De Silva Sugathapala	Executive Director	No
Mr. R. G. Seneviratne	Non-Executive Director	Yes
Mr. S. A. Ameresekere	Non-Executive Director	No
Ms. V. S. F. Amunugama	Non-Executive Director	Yes
Mr. J. M. B. Pilimatalawwe	Non-Executive Director	No
Mr. P. L. P. Withana	Independent Non-Executive Director	No
Mr. P. N. Mahawatte	Independent Non-Executive Director	No
Mr. S. H. C. D. Karunaratne (resigned on 08.07.2026)	Independent Non-Executive Director	No

Composition Of The Board Company 2025-2026



Composition Of The Board Company 2024-2025



INDEPENDENCE OF DIRECTORS

Independence of the Directors has been determined in accordance with the Continuing Listing Rules of the CSE and three (03) Independent Non-Executive Directors have submitted signed declarations of their independence.

Based on declarations submitted by the Independent Non-Executive Directors, the Board has determined that, namely, Messrs S P S Ranatunga, P L P Withana and P N Mahawatte are "Independent Directors" in terms of Rule 9.8.3.

APPOINTMENT OF DIRECTORS / RE-ELECTION OF DIRECTORS / APPOINTMENT OF DIRECTORS OVER 70 YEARS OF AGE

The Board is guided by the Nominations and Governance Committee which was formed on 30th September 2024 to make recommendations on the structure and composition of the Board, new appointments to the Board, re-election / re-appointment of Directors and on Board performance evaluation. The Company's Articles of Association require any Director appointed during the year to hold office until the next Annual General Meeting, at which he retires and seeks re-election by the shareholders. One third of Directors retire by rotation at each Annual General Meeting and if eligible seek re-election by the shareholders. Directors over 70 years of age shall be appointed / re-appointed by the shareholders only.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and Executive Directors are separate with a clear distinction of responsibilities, which ensures balance of power and authority.

Mr. S P S Ranatunga who is an Independent Non-Executive Director is the Chairman of the Board of Directors, Mr P C B Talwatte functions as the Chief Executive Officer/Executive Director and Mr. S M A De Silva Sugathapala functions as an Executive Director.

BOARD MEETINGS

The Board meets formally every quarter as a matter of routine. Ad hoc meetings are held as and when necessary to maintain regular communication to discuss relevant business issues and any other matter directed to the Board which can be resolved by circular resolution, is decided by Resolutions in writing.

The Board's functions include the assessment of the adequacy and effectiveness of internal controls, compliance with applicable laws and regulations, review of management and operational information, adoption of annual and interim accounts before they are published, review of exposure to key business risks, strategic direction of operational and management units, approval of annual budgets, monitoring progress towards achieving the budgets, approvals relating to key appointments, sanctioning major capital expenditure etc.

BOARD SUB COMMITTEES

The Board of Directors has formed four Sub Committees in compliance with the Listing Rules of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance.

The Report of the Related Party Transactions Review Committee is appearing on page 65.

The Report of the Remuneration Committee is appearing on page 66.

The Report of the Nominations and Governance Committee is appearing on pages 67 to 68.

The Report of the Audit Committee is appearing on pages 69 to 70.

MEETINGS OF BOARD SUB COMMITTEES

The Audit Committee and Related Party Transactions Review Committee meet quarterly with provision to schedule additional meetings if required. The Remuneration Committee meets as and when necessary. The Nominations and Governance Committee shall be held at least once every calendar year and as frequently as may be required.

BOARD AND SUB COMMITTEE MEETING ATTENDANCE

Name of the Director	Directorship Status	Age (Years)	Tenure on the Board (Years)	Date of Appointment	Board Meetings	NGCMs	ACMs	RCMs	RPTRCMs
Mr. S P S Ranatunga (Chairman)	INED	61+	1+	17.12.2024	6/6	1/1	6/6		4/4
Mr. P C B Talwatte (Director/CEO)	ED	62+	14+	02.05.2012	5/6				
Mr S M A De Silva Sugathapala	ED	71+	2+	13.02.2024	6/6				
Mr. R G Seneviratne	NED	60+	37+	26.01.1989	4/6				
Ms. V S F Amunugama	NED	57+	16+	23.08.2010	4/6				
Mr. J M B Pilimatalawwe	NED	52+	15+	15.12.2010	6/6	1/1			
Mr. S A Ameresekere	NED	47+	12+	11.11.2013	6/6			1/1	4/4
Mr. P L P Withana	INED	65+	2+	03.05.2024	6/6		6/6	1/1	4/4
Mr. P N Mahawatte	INED	59+	1+	17.12.2024	5/6	0/1	5/6	1/1	
Mr. S H C D Karunaratne (resigned on 08.07.2026)	INED	N/A	N/A	05.03.2025	3/6				

** ED - Executive Director*
** NED - Non-Executive Director*
** INED - Independent Non-Executive Director*
** NGCMs – Nominations and Governance Committee Meetings*
** ACMs - Audit Committee Meetings*
** RCMs - Remuneration Committee Meetings*
** RPTRCMs - Related Party Transactions Review Committee Meetings*

OTHER DIRECTORSHIPS HELD BY THE DIRECTORS

The directorship status of each Director together with an analysis of their other directorships / key positions appear below: This illustrates that the other directorships in listed companies held by Directors are within the limit prescribed by the Board in terms of the Policy on Matters relating to the Board of Directors, namely maximum of 10 directorships in listed companies.

No	Name of the Director	Total Directorships	Number of Board Seats held in Listed Companies including Citrus Leisure PLC		Number of Board Seats held in Unlisted Companies	
			Executive Capacity	Non-Executive Capacity	Executive Capacity	Non-Executive Capacity
1	Mr. S P S Ranatunga (Chairman)	8	–	4	–	4
2	Mr. P C B Talwatte (Director/CEO)	5	3	–	2	–
3	Mr. S M A De Silva Sugathapala	3	3	–	–	–
4	Ms. V S F Amunugama	54	–	3	10	41
5	Mr. R G Seneviratne	4	–	3	–	1
6	Mr. J M B Pilimatalawwe	31	–	2	3	26
7	Mr. S A Ameresekere	44	1	4	2	37
8	Mr. P L P Withana	11	–	7	2	2
9	Mr. P N Mahawatte	4	–	3	–	1

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The Board of Directors accepts the responsibility for the preparation of the financial statements, maintaining adequate records for safeguarding the assets of the Company, and preventing and detecting fraud and/or other irregularities. The Board of Directors also confirm that the applicable Sri Lanka Accounting Standards have been adhered to, subject to any material departures being disclosed and explained in the notes to the financial statements.

The Board of Directors further confirm that suitable accounting policies consistently applied and supported by reasonable and prudent judgment and estimates, have been applied in the preparation of the financial statements.

The Statement of Directors' Responsibilities for Financial Reporting is given on page 64 of this Report.

COMPANY SECRETARY

P W Corporate Secretarial (Pvt) Ltd acts as the Company Secretary. The Company Secretary maintains minutes of all Board, Audit Committee, Related Party Transactions Review Committee, Remuneration Committee, Nominations and Governance Committee, meetings. The Company Secretary assists in ensuring the Board procedures are followed.

The Company Secretary is also responsible for timely circulation of information and papers related to Board and Sub - Committee meetings and advice on matters relating to corporate governance, Board procedures, rules and regulations. All Directors have access to the advice and services of the Company Secretary.

INTERNAL CONTROL

The Board is responsible for ensuring that the Company has adequate and effective internal controls in place. The Board is responsible for the Company's internal controls. In this respect controls are established for safeguarding the Company's assets, making available accurate and timely information and imposing greater discipline on decision making. The process is strengthened by regular review by the Audit Committee on internal controls and procedures in the areas of finance, operations, human resources, and relevant legal and regulatory compliance.

STAKEHOLDERS

The Board is conscious of its relationship with all stakeholders including the community within which it operates with sustainable and eco-friendly practices. The hotels enhance and uplift staff standards and morale through regular training and improved facilities. This facilitates improvement in service levels, thereby enriching guest experience. Satisfied guests, apart from providing repeat business, also act as ambassadors for the hotels.

COMPLIANCE WITH LAWS AND REGULATIONS

All necessary steps have been taken by the Board and the Management to ensure compliance with all relevant laws and regulations. The services of Lawyers, Auditors and other Consultants are obtained whenever it is necessary, to provide assurance to the Board in this respect.

COMPLIANCE REGARDING PAYMENTS

The Board of Directors confirms that all known statutory payments have been paid up to date and all retirement gratuities have been provided for in the financial statements. At the same time, all management fees and payments made to related parties have been reflected in the financial statements.

GOING CONCERN

The Board of Directors is satisfied that the Company is a going concern and has adequate resources to continue in business for the foreseeable future. For this reason, the Company follows the "going concern" basis when preparing financial statements.

CORPORATE DISCLOSURES AND SHAREHOLDER RELATIONSHIP

The Company is committed to providing timely and accurate disclosure of all price sensitive information, financial results and significant developments to all shareholders, the Colombo Stock Exchange and where necessary, to the general public.

Shareholders are provided with Annual Report and, the Company disseminates to the market, Interim Financial Statements in accordance with the Listing Rules of the Colombo Stock Exchange.

The Company has adopted a Policy on Relations with Shareholders and Investors in compliance with the provisions of Rule 9.2.1 of the Listing Rules, which sets out the process for directing their inquiries and suggestions or questions to the Board of Directors through the Company website or by written requests forwarded through the Company Secretaries.

The Annual General Meeting provides a platform for shareholders to discuss and seek clarifications on the activities of the Company and its subsidiaries.

COMPLIANCE

The Company has complied with Section 9 of the Listing Rules of the Colombo Stock Exchange on 'Corporate Governance'.

Corporate Governance

Compliance with Section 9 of the Listing Rules issued by the Colombo Stock Exchange

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.1.3	Statement confirming the extent of compliance with the Corporate Governance Rules		√
9.2.1	The Company shall establish and maintain the following policies and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the Company, on its website. Policy on the matters relating to the Board of Directors Policy on Board Committees Policy on Corporate Governance, Nominations and Re-election Policy on Remuneration Policy on Internal Code of Business Conduct and Ethics Policy on Risk Management and Internal Controls Policy on Relations with Shareholders and Investors Policy on Environmental, Social and Governance Sustainability Policy on Control and Management of Company Assets and Shareholder Investments Policy on Corporate Disclosures Policy on Whistleblowing Policy on Anti-Bribery and Corruption		√
9.2.2	Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted.		Not Applicable
9.2.3	i) List of policies in place as per Rule 9.2.1, with reference to website ii) Any changes to policies adopted		√
9.2.4	The Company has a process in place to make available policies referred in Rule 9.2.1 above, to shareholders upon a written request being made for any such Policy.		√
9.3.1	The Company shall ensure that the following Board Committees (at a minimum) are established and functioning effectively. The said Board Committees shall include; a. Board Nominations and Governance Committee b. Remuneration Committee c. Audit Committee (To perform Audit and Risk Functions) d. Related Party Transactions Review Committee		√
9.3.2	The Company shall comply with the composition, responsibilities and disclosures required in respect of the above Board Committees as set out in these Rules.	Refer Rules 9.11, 9.12, 9.13 & 9.14 below.	√
9.3.3	The Chairperson of the Board of Directors of the Company shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 above.		√
9.4.1	The Company shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Company. The Company shall provide copies of the same at the request of the Exchange and/or the SEC 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.		√
9.4.2	a. The policy on effective communication and relations with shareholders and investors.		√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
	b. The contact person for such communication.	Refer Inner back cover.	√
	c. The policy on relations with shareholders and investors on the process to make all Directors aware of major issues and concerns of shareholders.		√
9.5.1	The Company shall establish and maintain a formal policy governing matters relating to the Board of Directors.		√
9.5.2	Compliance with the Board Policy on "Matters relating to the Board of Directors"		√
9.6.1	The Chairperson of the Company shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a Senior Independent Director (SID) is appointed in terms of Rule 9.6.3 below.	Refer page 32 for Table on "Board and Sub Committee Meeting Attendance" in the Corporate Governance Report.	√
9.6.2	Where the Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such entity shall make a Market Announcement within a period of one (01) month from the date of implementation of these Rules, or an Immediate Market Announcement if such date of appointment and/or combination of the said roles falls subsequent to the implementation of these Rules.	Chairman is an Independent Non-Executive Director, and there is a clear separation of duties between the roles of the Chairman and CEO.	Not Applicable
9.6.3	Report of SID demonstrating the effectiveness of duties.	There is a clear separation of duties between the roles of the Chairman and CEO. Therefore, the requirement for the Company to appoint a SID does not arise.	Not Applicable
9.6.4	Rationale for appointing SID	There is a clear separation of duties between the roles of the Chairman and CEO. Therefore, the requirement for the Company to appoint a SID does not arise.	Not Applicable
9.7.1	The Company shall take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules: In evaluating fitness and propriety of the persons referred in these Rules, the Company shall utilise the 'Fit and Proper Assessment Criteria' set out in Rule 9.7.3.		√
9.7.2	The Company shall ensure that persons recommended by the Board Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' meeting or appointments are made.		√
9.7.3	A Director or the CEO of the Company shall not be considered 'fit and proper' if she or he does not possess the fit and proper assessment criteria specified under "Honesty, Integrity and Reputation", "Competence and Capability" and "Financial Soundness" in Rule 9.7.3 (a), (b) and (c) respectively.		√
9.7.4	The Company shall obtain declarations from their Directors and CEO on an annual basis confirming that each of them have continuously satisfied the Fit and Proper Assessment Criteria set out Rule 9.7.3 during the financial year concerned and satisfies the said criteria as at the date of such confirmation.		√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.7.5	(a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria (b) Any non-compliance/s and remedial action taken	All Directors have complied with and satisfied the Fit and Proper Assessment Criteria throughout the period under review. No instances of non-compliance were identified. Profiles of the Board of Directors are given on pages 09 to 12.	√
9.8.1	The Board of Directors of the Company, at a minimum, consist of five (05) Directors.	The Board of Directors of the Company consists of nine (9) Directors. Profiles of the Board of Directors are given on pages 09 to 12.	√
9.8.2	Minimum Number of Independent Directors a. The Board of Directors of the Company shall include at least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors of the Listed Entity at any given time, whichever is higher.	The Board has three (03) Independent Directors. Refer page 32 for Table on "Board and Sub Committee Meeting Attendance in the Corporate Governance Report."	√
	b. Any change occurring to this ratio shall be rectified within ninety (90) days from the change.	There was no change to this ratio during the year.	
9.8.3	A Director shall not be considered independent if he/she does not fulfil the criteria defining under Rule 9.8.3 of the Listing Rules.		√
9.8.4	All the Independent Directors of the Company fulfil the criteria on independence as defined under Rule 9.8.3 of the Listing Rules.		√
9.8.5	Process in place for the determination of 'Independence' of the Directors a .Each Director to submit a signed and dated declaration annually of his/her independence or non-independence.	Refer page 32 for Table on "Board and Sub Committee Meeting Attendance in the Corporate Governance Report"	√
	b. Names of Directors determined to be 'independent'.		
	c. Immediate market announcement to be made if the Board determines that the independence of an Independent Director has been impaired.		
9.9	Requirements to be complied in relation to "Alternate Directors".	There are no Alternate Directors on the Board of the Company.	Not Applicable
9.10.1	The Company shall disclose its policy on the maximum number of directorships its Board Members shall be permitted to hold in the manner specified in Rule 9.5.1. In the event such number is exceeded by a Director(s), the Entity shall provide an explanation for such non-compliance in the manner specified in Rule 9.5.2 above.	As per the Policy on matters relating to the Board of Directors, the maximum number of directorships the Board Members are permitted to hold is ten (10).	√
9.10.2	The Company shall, upon the appointment of a new Director to its Board, make an immediate Market Announcement setting out the brief resume of such Director, his/her capacity of directorship and, Statement by the Entity indicating whether such appointment has been reviewed by the BNGC of the Company.		√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.10.3	The Company shall make an immediate Market Announcement regarding any changes to the composition of the Board Committees referred to in Rule 9.3 above containing, at minimum, the details of changes including the capacity of directorship with the effective date thereof.		√
9.10.4	Directors details a. name, qualifications and brief profile	Profiles of the Board Members are given on pages 09 to 12. Refer page 32 for Table on "Other Directorships held by the Directors in the Corporate Governance Report." Refer page 32 for Table on "Board and Sub Committee Meeting Attendance in the Corporate Governance Report."	√
	b. nature of his/her expertise in relevant functional areas		
	c. whether either the Director or Close Family Members has any material business relationships with other Directors		
	d. whether Executive, Non-Executive and/or Independent Director		
	e. 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)		
	f. number of Board meetings attended		
	g. names of Board Committees in which the Director serves as Chairperson or a member		
	h. Attendance of Board Committee meetings		
	i. Terms of Reference and powers of SID		Not Applicable
9.11	**Nominations and Governance Committee (NGC)**		
9.11.1	The Company has a NGC that conforms with the requirements.		√
9.11.2	The Company shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the NGC.	Refer Report of the NGC on pages 67 to 68.	√
9.11.3	The NGC shall have a written Terms of Reference clearly defining the scope, authority, duties and matters pertaining to the quorum of meetings	Refer Report of the NGC on pages 67 to 68.	√
9.11.4	Composition of the NGC 1) The members of the NGC shall; a. comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity. b. not comprise of Executive Directors of the Listed Entity.	Refer the Composition of the NGC given on pages 67 to 68.	√
	2) An Independent Director shall be appointed as the Chairperson of the BNGC by the Board of Directors.		
	3) The Chairperson and the members of the NGC shall be identified in the Annual Report of the Listed Entity.		
9.11.5	The functions of the NGC	Refer the Report of the NGC on pages 67 to 68.	√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.11.6	NGC Report a. Names of Chairperson and Members with nature of directorship. b .Date of appointment to the Committee. c. Availability of documented policy and processes when nominating Directors. d. Requirement of re-election at regular intervals at least once in 3 years. e. Board diversity. f. Effective implementation of policies and processes relating to appointment and reappointment of Directors. g. Details of Directors re-appointed. h. Performance of periodic evaluation of Board. i. Process adopted to inform Independent Directors of major issues. j. Induction/orientation programs for new Directors on Corporate Governance, Listing Rules, securities market regulations or negative statement. k. Annual update for all Directors on Corporate Governance, Listing Rules, securities market regulations or negative statement. l. Compliance with independence criteria. m. Statement on compliance with Corporate Governance rules, if non- compliant reasons and remedial actions.	Refer the Report of the Board Nominations and Governance Committee on pages 67 to 68.	√
9.12	**Remuneration Committee (RC)**		
9.12.1 9.12.2	The Company has a remuneration committee that conforms to the requirements.		√
9.12.3	The RC shall 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.	Refer "Directors' and Executive remuneration" on page 66. and Report of the RC given on pages 66.	√
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.	Refer "Directors' remuneration" on page 100. and Report of the RC given on pages 66.	√
9.12.5	RC shall have a written Terms of Reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.	Refer the Report of the RC on page 66.	√
9.12.6	Composition of the RC 1) The members of the RC shall; a. comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity. b. not comprise of Executive Directors of the Listed Entity. 2) An Independent Director shall be appointed as the Chairperson of the RC by the Board of Directors.	Refer the composition of the Report of the RC on page 66.	√
9.12.7	The functions of the RC	Refer the Report of the RC on pages 66.	√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.12.8	RC Report a. Names of chairperson and members with nature of directorship b. Statement regarding the Remuneration Policy c. The aggregate remuneration of the Executive and Non-Executive Directors.	Refer the Report of the RC on page 66. Refer Note 35.2. to the Financial Statements on page 143 on "Related Party Disclosure"	√
9.13	**Audit Committee (AC)**		
9.13.1	Perform Audit and Risk functions specified in Rule 9.13.4 of the Listing Rules.	Currently there is no separate Risk Committee formed. The Board has decided to entrust the scope of the Risk Committee to the Audit Committee. There is a written Terms of Reference for the Audit Committee.	√
9.13.2	The AC shall have a written Terms of Reference clearly defining its scope, authority and duties.	The AC has a written Terms of Reference clearly defining its scope, authority and duties. Refer Report of the AC on pages 69 to 70.	√
9.13.3	1) The members of the AC shall; a. comprise of a minimum of three (03) directors of the Listed Entity, out of which a minimum of two (02) or a majority of the members, whichever higher, shall be Independent Directors. b. not comprise of Executive Directors of the Listed Entity. 2) The quorum for a meeting of the AC shall require that the majority of those in attendance to be Independent Directors. 3) The AC may meet as often as required provided that the BAC compulsorily meets on a quarterly basis prior to recommending the financials to be released to the market. 4) An Independent Director shall be appointed as the Chairperson of the BAC by the Board of Directors. 5) Unless otherwise determined by the AC, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the AC meetings by invitation. Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation. 6) The Chairperson of the AC shall be a Member of a recognised 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.	Refer the Report of the AC on pages 69 to 70.	√
9.13.4	The functions of the AC	Refer the Report of the AC on pages 69 to 70.	√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.13.5	Disclosures in the Annual Report The Company shall prepare a AC Report which shall be included in the Annual Report The AC Report contain required disclosures.	Refer the Report of the AC on pages 69 to 70.	√
9.14	**Related Party Transactions Review Committee (RPTRC)**		
9.14.1	The Company shall have a RPTRC that conforms to the requirements set out in Rule 9.14.	The RPTRC of the Company conforms to the requirements	√
9.14.2	Composition of the RPTRC The RPTRC shall comprise of a minimum of three (03) Directors of the Listed Entity, out of which two (02) members shall be Independent Directors of the Listed Entity. It may also include Executive Directors, at the option of the Listed Entity. An Independent Director shall be appointed as the Chairperson of the Committee.	Refer the Report of the RPTRC on page 65.	√
9.14.3	Functions of the RPTRC	Refer the Report of the RPTRC on page 65.	√
9.14.4	General Requirements 1) The RPTRC shall meet at least once a calendar quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors. 2) The members of the RPTRC should ensure that they have, or have access to, enough knowledge or expertise to assess all aspects of proposed Related Party Transactions, and where necessary, should obtain appropriate professional and expert advice from an appropriately qualified person. 3) Where necessary, the Committee shall request the Board of Directors to approve the Related Party Transactions which are under review by the Committee. In such instances, the approval of the Board of Directors should be obtained prior to entering into the relevant Related Party Transaction. 4) If a Director of the Listed Entity has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not: a. be present while the matter is being considered at the meeting; and, b. vote on the matter.	Refer the Report of the RPTRC on page 65.	√
9.14.5	Review of Related Party Transactions by the RPTRC	Refer the Report of the RPTRC on page 65.	√
9.14.6	Shareholder Approval The Company shall obtain shareholder approval by way of a Special Resolution for specified Related Party Transactions.	The RPTs policy of the Company provides for obtaining shareholder approval by way of a Special Resolution for specified transactions. There were no RPTs during the year which required Shareholder approval.	√

Listing Rule No.	Principle, compliance and implementation	Remark if any	Complied
9.14.7	The Company shall make an immediate Market Announcement to the CSE on for RPTs as specified under (a) and (b).	There were no RPTs during the year, which required immediate Market Announcement. The RPTs policy of the Company provides for making an immediate Market Announcement to the CSE for RPTs falling under the above category.	√
9.14.8(1)	Related Party Disclosures Non-recurrent RPT exceeding 10% of the Equity or 5% of the Total Assets, whichever is lower (in the specified format).	Refer Note 34 to the Financial Statements on "Related Party Disclosure" on pages 140 to 143.	√
9.14.8(2)	Recurrent RPT exceeding 10% of the gross revenue/income	Refer Note 34 to the Financial Statements on "Related Party Disclosure" on pages 140 to 143.	√
9.14.8(3)	RPTRC Report a. Names of the Directors of the Committee b. Statement that the Committee has reviewed RPTs and communicated comments/observations to the Board c. Policies and procedures adopted by the Committee	Refer the Report of the RPTRC on page 65.	√
9.14.8(4)	Affirmative declaration by the Board of Directors on compliance with RPT Rules or negative statement to that effect.	Refer the Annual Report of the Board of Directors on page 63.	√
9.14.9	Acquisition and Disposal of assets from/ to Related Parties Except for transactions set out in Rule 9.14.10, the Company shall ensure that neither the Company nor any of its subsidiaries, acquires a substantial asset from, or disposes of a substantial asset, to any Related Party of the Entity without obtaining the approval of the shareholders of the Entity by way of a Special Resolution.	During the year, there were no acquisition/disposal of substantial assets from/to Related Parties.	√
9.17	Additional disclosures by Board of Directors Declaration on following; i. All material interests in contracts involving in the Company and have refrained from voting on matters in which they were materially interested ii. 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; iii. Made themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; iv. 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.	Refer page 61.	√

Corporate Governance

Compliance with requirements of rule 7.6 of the listing rules of the Colombo Stock Exchange

Listing Rule No.	Subject	Status	Reference
7.6 Contents of Annual Report			
All listed entities must include in its Annual Reports and accounts, inter alia:			
i)	Names of persons who were directors of the entity during the year	Complied	Please refer pages 58 to 59.
iii)	The names and the numbers of shares held by the 20 largest voting and non-voting shareholders and percentages	Complied	Please refer page 152
iv)	The Public Holding percentage	Complied	Please refer page 151
v)	A statement of each Director's holding and Chief Executive Officer's holdings in shares of the entity at the beginning and end of each year	Complied	Please refer page 153
vi)	Information pertaining to material foreseeable risk factors of the entity	Complied	Please refer pages 144 to 148
vii)	Details of material issues pertaining to employees and industrial relations of the entity	N/A	No material issues pertaining to employees and industrial relations.
viii)	Extents, locations, valuations and other number of buildings of the entity's land holding and investment properties	Complied	Please refer pages on 105 to 111
ix)	Number of shares representing the entity's stated capital	Complied	Please refer page 124
x)	A distribution schedule of the number of holders in each class of equity security and the percentage of their total holdings in the specified categories	Complied	Please refer page 151
xi)	Following ratios and market price information.		
	1. Dividend per share	Complied	No Dividend was paid
	2. Dividend pay out		No Dividend was paid
	3. Net asset value per share		Please refer page 154
	4. Market value per share - highest and lowest values recorded during the financial year - value as at the end of financial year		Please refer page 151 & 154
xii)	Significant changes in the entity or its subsidiary's fixed asset and the market value of land, if the value differs substantially from the book value	Complied	Please refer Note 12 and 13 the Financial statement on pages 105 to 111 of this report
xiii)	If during the year the entity has raised funds either through a public issue, Rights Issue and private placement	N/A	
xiv)	Information in respect of Employee Share Ownership or Stock Option schemes	N/A	
xv)	Disclosure pertaining to Corporate Governance practices In terms of Section 9 of the Listing Rules	Complied	Please refer pages 34 to 41
xvi)	Related Party Transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per Audited Financial Statements, whichever is lower	Complied	Please refer page 63

Compliance with the code of best practices in Corporate Governance 2023

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
The Board	A.1	Compliant	Citrus Leisure PLC is headed by an effective Board responsible for the leadership, stewardship and governance of the Company. As at 31 March 2026, the Board comprised: • Two Executive Directors (ED) • Four Independent Non-Executive Directors (INED) • Four Non-Independent Non-Executive Directors (NED)
Board Meetings	A.1.1	Compliant	Six (6) Board Meetings were held during the year and the Company is compliant with the Code of Best Practice as the Board has met in every quarter of the financial year 2025/26. The Board meets as a practice as and when required. Agendas and papers are circulated in advance to enable informed deliberation at meetings and decisions are made by consensus. The Board met on key matters of importance to the Company, including the approval of strategic and operating plans, capital expenditure, financial statements by giving due attention to accounting standards and policies, ensuring compliance with legal and ethical standards, ensuring effective risk management and audit systems and addressing matters that have a material effect on the Company Regularity of board meetings and the process of submitting information have been agreed and documented by the Board. Information reported on regular basis includes; but not limited to, • Financial and operating results for each quarter. • Key Performance Indicators. • Financial Performance compared to previous periods and budgets. • Forecasts for the future period. • Statutory Compliance. • Management Audit Report and Internal Audit Scope. • Details of Related Party Transactions. • Capital Expenditure Schedules

Corporate Governance

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Board Responsibilities	A.1.2	Compliant	The Board of Directors of Citrus Leisure PLC bears the responsibility for providing strategic direction, achieving objectives, responsible corporate behaviour, risk management, utilisation of resources responsibly, for ensuring leadership through effective oversight and review, whilst setting the strategic direction and delivering sustainable shareholder value over the long term. The Board seeks to achieve this through setting out its strategy, monitoring its strategic objectives and providing oversight of its implementation by the management team. In establishing and monitoring its strategy, the Board considers the impact of its decisions on wider stakeholders including employees,suppliers and the environment. Effective Corporate Governance is central to the Group's ability to operate successfully, as a Board, we take seriously our responsibility for setting high standards of accountability & ethical behaviour. In performing its role, the Board is responsible for, • Providing the leadership for formulation and implementation of an effective business strategy, by emphasising on sustainable development in Corporate Strategy, decisions and business activities, whilst ensuring all stakeholder interests are considered incorporate decisions. Also, approving budgets and major capital expenditure and establishing a process of monitoring and evaluating strategy implementation, budgets,plans and related risks. • Ensuring that the CEO and the Management Team possesses sufficient skills, competencies, experience and knowledge to implement Group strategies. • Ensuring that the business practices are in compliance with the laws, regulations and Group code of ethics. • Establishment of effective internal controls, risk management and business continuity practices, ensuring that the adoption of appropriate accounting policies and compliance with financial regulations and Establishment of a process for Corporate Reporting. • Reviewing, monitoring and taking corrective action with regard to the achievement of the corporate strategies. Key decisions are reserved for the Board's approval and are not delegated to management. These include matters relating to the Group's strategy, approval of major acquisitions, disposals, capital expenditure, financial results and overseeing the Group's systems of internal control, governance and risk management. The Board delegates certain responsibilities to the management, to assist it in carrying out its functions of ensuring independent oversight.
Compliance with Laws and access to Professional Advice	A.1.3	Compliant	The Board acts in conformity with the laws of the country and the Board and the Audit Committee is tabled with a compliance statement on statutory requirements on quarterly basis at the Board and Audit Committee meeting. The Board of Directors is provided with the opportunity of seeking professional advice at the expense of the Company, whenever it is necessary; with regard to certain technical matters and other business affairs ensuring that the Directors possess sufficient knowledge and experience in making high quality and independent decisions.
Company Secretary	A.1.4	Compliant	P W Corporate Secretarial (Pvt) Ltd. functions as Secretaries to the Board. They ensure that appropriate Board processes are adopted, Board procedures and applicable rules and regulations adhered to and details and documents are made available to the Directors and Senior Management for effective decision making at the meetings. Further Company Secretary acts as the mediator between Directors, Auditors and Sub-committees of the Board facilitating the communication and information flow among the above parties.
Directors' Independence	A.1.5	Compliant	Objectivity and independent judgment in Directors' decisions are supported by ensuring that the Board acts free from undue influence of other parties or circumstances.

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Adequate time and effort from Directors	A.1.6	Compliant	Board of Directors dedicates adequate time and effort to discharge their duties and responsibilities owed to the Company. The Board papers are distributed to the Directors ahead of the meetings, providing the opportunity to call for additional information and clarifications before the meeting. The Board has delegated the authority of directing the routine operations of the Company to the Executive Directors/CEO of the Company.
Call for resolution to be presented	A.1.7	Compliant	A Director may and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.
Training for Directors	A.1.8	Compliant	Existing Directors are encouraged to improve their knowledge base and skills on a continuous basis and the newly appointed Directors are introduced to the Board and the Senior Management after induction sessions conducted on Governance Framework, Company's culture and values, business model and strategy, duties and responsibilities of the Directors, current laws and regulations applicable to the tourism and hotel industry and important matters that were discussed during prior meetings.
The Role of the Chairman and Chief Executive Officer (CEO)	A.2: & A.3	Compliant	There is a clear separation between the role of the Chairman and the CEO, with regard to the duties and responsibilities ensuring a balance between the power and authority and that no one individual has unfettered powers of decision making. The Chairman has the authority over the Board proceedings whereas the CEO is in charge of the day-to-day operations of the Company. The Chairman preserves the effective performance of the Board and facilitates the effective discharge of Board functions by ensuring that Board proceedings are carried out in proper manner.
Financial Acumen	A.4	Compliant	The members of the Board are knowledgeable and experienced individuals who can provide guidance on matters of finance. All Directors possess qualifications and/or experience in accounting and finance. Please refer profiles of Directors on pages 09 to 12.
Board Balance	A.5	Compliant	As at 31 March 2026, the Board comprised two Executive Directors and eight Non-Executive Directors, of whom four were Independent and four were Non-Independent. This balance supports objective judgment and helps ensure that no individual or small group can dominate Board decisions.
Non-executive Directors with sufficient calibre	A.5.1	Compliant	The present composition of the Board is at a healthy balance between executive expediency and independent judgment. The Board is comprised of experienced and influential individuals with diverse backgrounds and expertise. Their mix of skills and business experience is a major contributor to the proper functioning of the Board and its committees. The Non-Executive Directors possess vast experience in business and strong financial acumen, through their membership on external boards, and thereby are able to assess the financial reporting systems and internal controls, review and suggest any changes in keeping with best practice.
Number of Independent Directors	A.5.2	Compliant	The Board comprised eight Non-Executive Directors as at 31 March 2026, of whom four were Independent Non-Executive Directors.
Independence of Non-Executive Directors	A.5.3, A.5.4 & A.5.5	Compliant	The presence of Non-executive Independent Directors enables independent judgment. None of the Independent Directors have held executive responsibilities in their capacity as Independent Directors and have submitted a declaration confirming their Independence as at 31 March 2026 in accordance with the applicable independence criteria under Rule 9.8.3 of Section 9 of the Listing Rules of the Colombo Stock Exchange.
Alternate Director	A.5.6	Not Applicable	This principal is not applicable as an Alternate Director has not been appointed during the financial period 2025/26.

Corporate Governance

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Senior Independent Director	A.5.7 & A.5.8	Not Applicable	This principal is not applicable as the Chairman is an Independent Non-executive Director.
Interactions between the Chairman and Non-executive Directors	A.5.9	Compliant	The Chairman holds meetings with the Non-Executive Directors, without the presence of the Executive Directors as and when necessary.
Minutes on Directors concerns	A.5.10	Compliant	Any concerns of Directors on matters of the Company that cannot be unanimously resolved will be recorded in Board Minutes, as and when such concern arises.
Supply of Information	A.6	Compliant	The Board is provided with timely information on a regular basis as well as ad hoc reports and information as and when it is requested from the management.
Provision of adequate information on a timely basis to the Board	A.6.1 & A.6.2	Compliant	The minutes, agenda and the Board papers required for the Board meetings are provided to the Directors at least seven days before the meeting and management is obliged to provide the Board with relevant and timely information for effective decision making. Directors are also provided the opportunity to make inquiries from industry experts and professionals, senior management, auditors, central internal departments and the Company Secretary for further details and information as and when necessary.
Appointments to the Board	A.7	Compliant	Citrus Leisure PLC has a formal and transparent procedure for the appointment of Directors to the Board.
Nomination Committee & annual assessment of Board composition	A.7.1 & A.7.2	Compliant	The Company has a separate committee for nomination. During the year, the Committee critically evaluated the "quality" of the Board in terms of their qualifications, experience, independence and the value that can be added to the Company to effectively meet the demands of the Company. The Board is satisfied with its composition and the level of qualifications, knowledge and experience it possesses as a whole in order to meet strategic demands facing the Company.
Disclosure of new Board Appointments	A.7.3	Compliant	Shareholders must formally approve all new appointments at the first opportunity after their appointment, as provided by the Articles of Association of the Company; subsequently to the submission of a brief resume, nature of expertise, details about directorships in other companies, and the independence of a new Director, to the shareholders.
Re-election	A.8	Compliant	One third of the Directors shall retire at each AGM and eligible for the re-election.
Approval from shareholders for election and reelection of Directors	A.8.1 & A.8.2	Compliant	Directors retiring by rotation in terms of the Articles of Association, and any Directors requiring shareholder approval under applicable law, submit themselves for re-election at the forthcoming Annual General Meeting in 2026. The proposals for re-election are set out in the Notice of Annual General Meeting on page 156.
Resignation	A.8.3	Compliant	Refer 'Appointment, Re-election and Resignation of Directors' in the Annual Report of the Board of Directors pages 58 to 63.
Appraisal of Board Performance	A.9	Compliant	Performance of the Board is evaluated from time to time with at least once a year to ensure that responsibilities are satisfactorily discharged. Appraisal of Board performance is usually coordinated by the Company Secretary and overseen by the Chairman.

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Annual appraisal of Board performance and declaration of basis of performance	A.9.1, A.9.2, A.9.3 & A.9.4		Every year, the performance review provides the opportunity to reflect on the effectiveness of Board activities, the extent of deliberations, the quality of decisions and each Director's performance and contribution. The Board appraises their own performance based on the following aspects: • Strategic planning and risk management. • Effectiveness of decision making. • Succession planning. • Composition, skills, balance, experience and diversity. • Culture and quality of contributions. • Resources of meetings, agenda planning and quality of information and papers. • Corporate Governance, regulatory compliance and support. • Evaluation of individual performance and scope of improvement. • Committee effectiveness and communication to the Board.
Disclosure of information in respect of Directors	A.10	Compliant	Information in respect of Directors is specified in the pages 09 to 12 of this Annual Report.
Appraisal of CEO	A.11	Complied	Assessing the performance of the CEO is done annually.
Short, medium and long term objective and evaluation of CEO's performance	A.11.1 & A.11.2	Complied	The Board sets out the short, medium and long term, financial and non-financial objectives at the commencement of each financial year, and evaluates the performance of the CEO in respect of the achievement of such set targets.
Remuneration Procedure	B.1	Compliant	The Company has established a formal and transparent procedure for developing policy on executive and Directors' remuneration.
Remuneration Committee, its composition and access to professional advice on determining the remuneration of Executive Directors	B.1.1, B.1.2, B.1.3 & B.1.5		Citrus Leisure PLC has established a formal and transparent procedure for determining the remuneration packages of the Directors, by delegating the responsibility and the authority to a sub-committee of the Board. The Remuneration Committee of the Group consists exclusively of Non-Executive Directors as prescribed by the Code of Best Practice, there are (03) Non-Executive Directors, two (02) of whom are Independent. The Group Head of Finance assists the Committee by providing the relevant information and participating in the analysis and deliberations, in addition to the consultations done by the Remuneration Committee from the Chairman, on proposals relating to the remuneration of Executive Directors. Further the Remuneration Committee is provided the access to professional advice on such proposal whenever it is necessary. The objective of the Remuneration Committee is to review and recommend the remuneration payable to the Executive Directors. The Remuneration Committee met once during the financial year.
Executive Share Options	B.2.5	Not Applicable	This section is not applicable to the Group as, there were no share option schemes in effect during the financial period under review.
Remuneration Policy	B.2.6	Compliant	The details of the remuneration policy have been set out in the Remuneration Committee Report on page 66.
Compensation on early termination	B.2.7 & B.2.8	Compliant	Compensation paid on early termination of Directors will be determined based on the initial contract/Articles of Association of the Company, where the initial contract does not provide directions for compensation commitments.

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Levels of remuneration for Non-executive Directors	B.2.9 / B.2.10	Compliant	Non-Independent Non-Executive Directors do not receive Directors' fees. None of the Non-Executive Directors receive any performance or incentive payments.
Disclosure of Remuneration	B.3	Compliant	The remuneration to Directors is disclosed on page 143 under the Note 35.2 as a part of the financial statements of this report.
Constructive use of the AGM and General Meetings	C.1	Compliant	The Company uses the AGM to effectively communicate and enhance the relationship with shareholders.
Constructive use of the AGM and General Meetings	C.1.1 - C.1.5	Compliant	The Shareholders have the right to voice their concerns to Board of Directors and exercise their votes at Annual General Meetings/ Extraordinary General Meetings of the Company. The notice of the meeting, a summary of the procedures governing the voting process at the meeting, and other relevant documents as required by the Companies Act No. 07 of 2007 and Listing Rules of Colombo Stock Exchange are circulated to all the shareholders within the time frame stipulated in the relevant statutes. Separate resolutions shall be proposed for each substantially separate issue, including are solution for the adoption of the report and the accounts.
Communication with Shareholders	C.2	Compliant	The Board has implemented effective communication with shareholders.
Communication with Shareholders	C.2.1 - C.2.7	Compliant	P W Corporate Secretarial (Pvt) Ltd. functions as Secretaries of the Company, and the shareholders are provided a channel to communicate with the Board/individual Directors effectively via the Company Secretaries and/ or Group Head of Finance. All matters in relation to shareholders should be communicated to the Company Secretary and/ or Group Head of Finance. The Company Secretary shall maintain all correspondence with the shareholders and disseminate timely responses to the shareholders.
Major and Material Transactions	C.3	Compliant	Refer the Annual Report of the Board of Directors on the Affairs of the Company on pages 58 to 63.
Balanced and understandable presentation of Financial Statements	D.1.1	Compliant	The Board is responsible for the preparation of Financial Statements that gives a true and fair assessment of the Company's financial position, performance and prospects, in accordance with the Companies Act No. 07 of 2007, Sri Lanka Financial Reporting Standards (SLFRS)/Sri Lanka Accounting Standards (LKAS) and listing rules of the Colombo Stock Exchange. The Board is conscious of its responsibility to the Shareholders, the Government and the Society at large, in which it operates and is unequivocally committed to upholding ethical behaviour in conducting its business. The Board, through the Company's administrative and finance divisions, strives to ensure that the businesses of the Company and its subsidiaries comply with the laws and regulations of the country.
The Board's responsibility on interim and other price sensitive public reports and reports to regulators	D.1.2	Compliant	The Board ensures that the Interim Financial Statements submitted to the CSE as per listing requirements and other public reports/reports submitted to regulators present a balanced and understandable assessment of Company's performance.

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Directors' responsibility for preparation and presentation of Financial Statements	D.1.3	Compliant	The Annual Report of the Directors as well as the Independent Auditors' Report declares the responsibility of the Board for the preparation and presentation of Financial Statements. The Consolidated Financial Statements of the company were audited by Messrs Ernst and Young, Chartered Accountants.
Annual Report of the Directors	D.1.4	Compliant	The Annual Report of the Board of Directors sets out the, a. Compliance with laws and regulations. b. Directors' Interests have been disclosed in accordance with the provisions in the Companies Act No. 07 of 2007. c. Equitable treatment to shareholders. d. Directors have complied with best practices of Corporate Governance. e. Property, plant and equipment of the Company are reflected at their fair value. f. Appropriateness of the Company's Internal Control system. g. The business is a going concern.
Responsibility of the Board for preparation and presentation of Financial Statements and Statement of Internal Controls	D.1.5	Compliant	The Directors' responsibility is stated on page 64 of the Annual Report.
Management Discussion and Analysis	D.1.6	Compliant	The "Management Discussion Analysis" of this Annual Report contain, among other issues; Industry Review (pages 18 to 19) Risk Management (pages 54 to 57) Corporate Governance (pages 30 to 53) Stakeholder Relationships (pages 16 to 17) Financial Performance (pages 27 to 28) Prospects for the future (page 28)
Serious loss of capital	D.1.7	Not Applicable	This principal is not applicable as the net assets of the Company remained higher than 50% of the value of the Company's shareholders' funds during the period under review.

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Disclosure of Related Party Transactions	D.1.8	Compliant	The Related Party Transactions Review Committee, which is a subcommittee of the Board, is responsible for review and disclosure of Related Party Transactions. Related Party Transactions Review Committee The Related Party Transactions Review Committee consists of three non-executive Directors out of which two are Independent Non-Executive Directors. Please Refer page 65. The Group Head of Finance assists the Committee by providing the relevant information and participating in the analysis and deliberations. The objective of the Related Party Transactions Review Committee is to be consistent with the Code of Best Practices on Related Party Transactions issued by the Securities & Exchange Commission. A report of the Related Party Transactions Review Committee is given on page 65. The Related Party Transactions Review Committee met four (4) times during the financial year. The Company maintains a Directors' Interests Register and all Directors of the Company have disclosed their interests in other companies, in conformity to the provisions of the Companies Act No. 07 of 2007. Further, all related party transactions in accordance with Sri Lanka Accounting Standard 24 (LKAS 24) - Related Party Transactions are disclosed under Note 34 to the Financial Statements.
Risk Management & Internal Controls	D.2	Compliant	The Board assesses financial and other business risks faced by the Company on a quarterly basis at the Board meetings and determines the necessary safeguards and internal controls that should be designed and implemented in order to provide a reasonable assurance of achieving Company's objectives. The Audit Committee is responsible to the Board for ensuring the effective operation of the system of internal controls to achieve objectives of the Company.
Effective System of Internal Controls & Risk Management Process	D.2.1	Compliant	The Board is responsible for formulating and implementing appropriate systems of internal control for the company and in turn assessing its effectiveness. Any internal control system has its inherent limitations. The Board is aware of the inherent limitations and has taken appropriate steps to minimise same.
Disclosure on Risk Assessment and Mitigation	D.2.2	Compliant	The Audit Committee Report and Risk Management Report set in pages 69 to 70 and 54 to 57 respectively explains the risk assessment procedure, including those that would threaten its business model, future performance, solvency and liquidity; and specific risk mitigation strategies.
Internal Audit Function & Audit Committee review of Internal Control System	D.2.3 & D.2.4	Compliant	The Audit Committee oversees the Internal Audit Function of the Company by agreeing on an annual work plan, reviewing its performance and ensuring that the internal audit function has sufficient and appropriate resources to perform their duties effectively and efficiently in maintenance of a sound risk management process and internal control system.
Responsibilities of the Directors in maintaining a sound system of Internal Controls	D.2.5	Compliant	The Directors' Responsibilities for Financial Reporting on page 64 provides the declaration made by Directors accepting the responsibility to ensure that the Company is equipped with a sound system of internal controls.
Audit Committee	D.3	Compliant	The Board has established a formal and transparent process of Financial Reporting, Internal Controls, Risk Management and maintaining a proper relationship with the Company's Auditors.

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Composition and the Duties of the Audit Committee	D.3.1 & D.3.2	Compliant	The Audit Committee comprises exclusively Non-Executive Directors all three are Independent Non-Executive Directors. Please refer page 69. The Audit Committee focuses principally on assisting the Board to fulfil its duties by providing an independent and objective view of the financial reporting process, internal controls, risk review and the audit function. The Audit Committee is assisted by the Internal Audit. Internal Controls have been designed to ensure transparency and good governance within the Company. The committee is responsible for the consideration and recommendation of External Auditors. A report of the Audit Committee is given on pages 69 to 70. The Audit Committee met six (06) times during the year.
Disclosure of the names of the Audit Committee and the Audit Committee Report	D.3.3	Compliant	The names of Directors in the Audit Committee are disclosed in page 69 section and the manner of compliance with the Code of Best Practice by the Company is set out in the Audit Committee Report on pages 69 to 70 of the annual report.
Best Practices on Related Party Transactions	D.4 & D.4.1	Compliant	The purpose of the Related Party Transactions Review Committee is to review all proposed Related Party Transactions other than those transactions explicitly exempted in conformity with the Listing Rules and LKAS 24 and to ensure that related parties are not granted "more favourable treatment."
Related Party Transactions Review Committee	D.4.2	Compliant	The Related Party Transactions Review Committee consists of three Non-executive Directors of which two are Independent Non-Executive Directors. Please refer page 65.
Effectiveness of the Related Party Transactions Review Committee	D.4.3	Compliant	Refer the Related Party Transactions Review Committee Report for the purpose, responsibilities, authority, scope and objectives of Related Party Transaction Review Committee; set out in page 65.
Adoption of Code of Business Conduct & Ethics and Chairman's affirmation	D.5 - D.5.4	Compliant	The Company has adopted a Code of Business Conduct and Ethics applicable to Directors and members of the Senior Management Team. The Chairman affirms the Company's compliance with the Code during the year under review.
Corporate Governance Disclosure	D.6	Compliant	The Corporate Governance section of the annual report from pages 30 to 53 sets out the manner and extent to which the Company has adopted the principles and provisions of the Code of Best Practice on Corporate Governance. The Company ensures that all shareholder rights are properly observed. Permanent procedures are carried out in line with the rules and regulations of the Colombo Stock Exchange, as well as the related laws.
Structured dialogue with shareholders	E.1.1	Compliant	A regular and structured dialogue shall be conducted with shareholders and the outcome of such dialogue should be communicated to the Board by the Chairman.
Evaluation of governance disclosures by institutional investors	E.2	Compliant	Institutional investors are being encouraged to consider the relevant factors drawn to their attention with regard to board structure and composition.

Corporate Governance

Corporate Governance Principal	Ref. to ICASL code	Compliance Status	Compliance Details
Investing/ Divesting Decision	F.1	Compliant	Individual shareholders are encouraged to carry out adequate analysis and seek professional advice when making their investment / divestment decisions.
Shareholder Voting	F.2	Compliant	Individual shareholders are encouraged to participate and exercise their voting rights.
Board's responsibility on Cybersecurity	G.1	Compliant	The Board regularly monitors the latest developments in the field of IT and conducts discussions on how such developments can be utilised to enhance the efficiency and the effectiveness of the hotel operations and to enhance the guest experience. Further, the Board investigates on cybersecurity risks that may affect the business. Additionally, IT General and Application controls have been designed and implemented to ensure the security of confidential information.
Chief Information Security Officer (CISO)	G.2	Compliant	The Board has appointed an IT Manager located at the Head Office who is in charge of Cybersecurity Risk Management. IT Manager is a qualified IT professional and possesses necessary competence to ensure the Cybersecurity. IT Manager provides necessary information with regard to Cybersecurity and is responsible for the development of IT Budget and Risk Management policies of the Company, which will subsequently be evaluated and approved by the Board to be implemented.
Board meeting agenda for discussions on cyber risk management.	G.3	Compliant	Relevant risks are set out in the Internal Audit Report and same is reported to the Audit Committee. High risk matters are referred to the Board for further actions.
Effectiveness of the Cybersecurity Risk Management System	G.4	Compliant	An Annual Information Risk Management audit is carried out by an independent third party, and identified issues are reported through the Management Letter.
Disclosure on Cybersecurity Risk Management	G.5	Compliant	Cybersecurity risks are monitored through IT controls, internal audit reviews and an annual independent Information Risk Management audit, with significant matters reported to the Audit Committee and Board.
Environment, Society and Governance	H	To be complied	The Group is formalising its sustainability agenda and integrating ESG considerations into operations and risk management. Refer Sustainability Review on pages 24 to 26 and Risk Management Report on pages 54 to 57.

Statement of compliance under section 168 of the Companies Act No. 7 of 2007

Principal	Description	Comment	Compliance Status
Section 168 - Contents of Annual Report			
(1) (a)	The nature of the business of the Group and the Company together with any change thereof during the accounting period	Notes to the Financial Statements	Complied
(1) (b)	Signed Financial Statements of the Group and the Company for the accounting period completed	Financial Statements	Complied
(1) (c)	Auditors' Report on the Financial Statements and any Group Financial Statements	Independent Auditors' Report	Complied
(1) (d)	Change in accounting policies made during the accounting period	Notes to the Financial Statements	Complied
(1) (e)	Particulars of entries in the interests register made during the accounting period	Annual Report of the Board of Directors	Complied
(1) (f)	Remuneration and other benefits of Directors during the accounting period	Notes to the Financial Statements	Complied
(1) (g)	Total amount of donations made by the Company during the accounting period	Annual Report of the Board of Directors	Complied
(1) (h)	Names of the persons holding office as Directors of the Company as at the end of the accounting period and the names of any persons who ceased to hold office as Directors of the Company during the accounting period	Board of Directors	Complied
(1) (i)	Amounts payable by the Company to the person or firm holding office as Auditor of the Company as audit fees and as a separate item, fees payable by the Company for other services provided by that person or firm	Notes to the Financial Statements	Complied
(1) (j)	Particulars of any relationship (other than that of Auditor) which the Auditor has with or any interests which the Auditor has in, the Company or any of its subsidiaries	Annual Report of the Board of Directors	Complied
(1) (k)	Be signed on behalf of the Board by two Directors of the Company	Financial Statements	Complied

Risk Management

Citrus Leisure Group operates within a dynamic risk environment shaped by the inherent characteristics of the hospitality industry and an increasingly interconnected global operating landscape. Changes in international travel demand, geopolitical developments, economic conditions, rising operating costs, evolving guest expectations and environmental factors can influence the Group's operational and financial performance.

Effective risk management is therefore integral to building resilience and preserving the Group's ability to create long-term value. The Group's risk management approach is designed to provide a consistent basis for recognising, evaluating and responding to risks across its portfolio, while allowing property-level management to address risks arising from their individual operating environments.

RISK GOVERNANCE STRUCTURE

The Board of Directors holds overall responsibility for overseeing the Group's risk management framework and ensuring that material risks are identified, assessed and managed in line with the Group's risk appetite. The Audit Committee supports the Board in its oversight of risk and internal controls, while Group Management and relevant Head Office functions monitor broader financial, operational, people, technology, regulatory and industry-related exposures across the portfolio. At property level, General Managers and functional heads are responsible for identifying and managing risks arising from day-to-day operations within their respective properties.

The Group applies the globally accepted Three Lines Model to establish clear responsibility for managing risk and providing assurance. This is illustrated below:

FIRST LINE OF DEFENCE

Operational and functional teams own and manage the risks arising from their activities. They are responsible for implementing controls, monitoring day-to-day performance and escalating matters that may affect the Group's objectives, operations or guest experience.

SECOND LINE OF DEFENCE

Management and relevant Head Office functions provide guidance and oversight to support consistent risk management across the Group. They monitor key risk exposures, review the adequacy of controls and assist operational teams in responding to risks

THIRD LINE OF DEFENCE

Internal Audit provides independent assurance over the effectiveness of the Group's internal controls. Findings and recommendations are communicated to the Audit Committee and Board of Directors with corrective actions monitored through established follow-up processes.

RISK ASSESSMENT PROCESS

The Group's risk management process is set out below. Risk identification is facilitated through operational reviews, internal control assessments, incident reporting and consideration of wider external developments. Property management undertakes this assessment with support from the relevant Head Office functions.

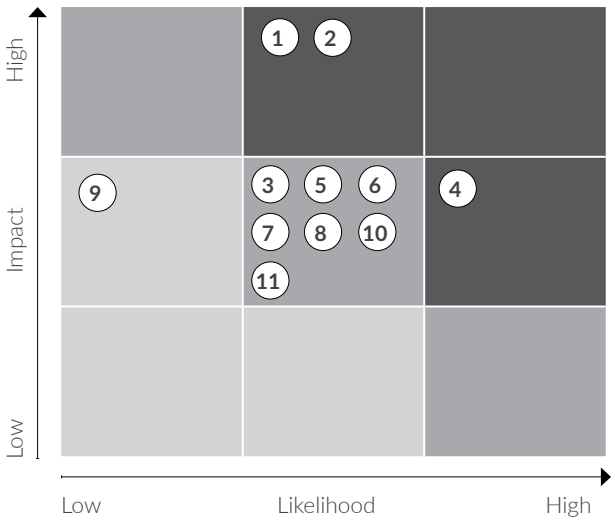
Each identified risk is assessed by considering both the potential consequence to the Group and the probability of occurrence. The assessment considers financial performance, operations, guest and employee safety, regulatory compliance and reputation. Likelihood and impact are rated on a scale of 1 to 3. In determining the reported rating, Management also considers the controls and mitigation measures operating across the Group and the resulting level of exposure.

Risk exposures are reviewed periodically to identify changes in the operating environment and the effectiveness of existing responses. Risks requiring greater attention are escalated for management and Board oversight, while the remaining exposures are monitored through the Group's established control and review processes.



Principal Risks in 2025/26

The Group's risk heat map for the year and descriptions of each risk are presented below.



(1) Geopolitical instability and travel demand risk		
Description and impact	**Risk Rating**	
Geopolitical instability and related travel advisories affected parts of the portfolio during the year and contributed to a loss of room nights in certain source markets. Travel insurance limitations and reduced traveller confidence contributed to cancellations and weaker demand from certain tour operators. Looking ahead, continued geopolitical tensions and uncertainty across key source markets are expected to sustain pressure on travel demand and booking patterns.	**Impact: High**	**Likelihood: Medium**
Mitigation actions • Diversification of customer base across international, domestic, corporate and group segments to reduce dependence on any single source market. • Adjust room rates dynamically based on demand, seasonality and market conditions to optimise occupancy and revenue. • Review the sales pipeline regularly to monitor booking trends, identify emerging gaps and redirect sales efforts towards markets and channels with stronger demand potential.		

(2) Liquidity and cash flow risk		
Description and Impact	**Risk Rating**	
Delays in customer collections, together with debt servicing commitments, supplier payments and capital expenditure requirements, may place pressure on the Group's liquidity. This could constrain its ability to meet obligations when due and fund essential operational and investment needs.	**Impact: High**	**Likelihood: Medium**
Mitigation actions • Monitor daily cash positions to identify potential funding gaps. • Maintain a rolling 13-week cash flow forecast to anticipate liquidity requirements. • Prioritise payments based on operational urgency and contractual obligations.		

(3) Revenue leakage		
Description and Impact	**Risk Rating**	
Weaknesses in the recording, processing or reconciliation of revenue through property management systems, point-of-sale systems, cashiering, discounts and package allocations may result in revenue leakage or inaccurate financial information. This could adversely affect margins, cash generation and the reliability of management information.	**Impact: Medium**	**Likelihood: Medium**
Mitigation actions • Conduct daily night-audit procedures to verify revenue recorded across operating systems. • Perform regular reconciliations between property management, point-of-sale and financial systems. • Review exceptions, unusual transactions and variances and investigate identified discrepancies promptly.		

(4) Margin pressure from escalating costs		
Description and Impact	**Risk Rating**	
Rising food and beverage, utility, payroll and supplier costs continued to increase the Group's operating expenses. While exchange-rate movements supported the country's price competitiveness as a destination, competitive market conditions continued to limit the Group's ability to fully pass higher operating costs on to guests.	**Impact: Medium**	**Likelihood: High**
Mitigation actions • Monitor costs across food and beverage, utilities, payroll and other key operating areas. • Strengthen procurement controls through supplier evaluation, competitive quotations and approval procedures. • Review actual expenditure against budgets each month to identify and address significant variances		

Risk Management

(5) People Capability and Retention Risk	
Description and Impact	**Risk Rating**
Employee turnover and gaps in capability across key operational and support functions may affect service consistency, operational coordination and the effectiveness of internal controls. Capability gaps may also affect the accuracy and timeliness of management information and limit the Group's ability to respond effectively to operational issues.	Impact: Medium Likelihood: Medium
Mitigation actions	
• Develop succession plans for critical roles to support leadership continuity and minimise operational disruption. • Cross-train employees across key operational and support functions to strengthen internal capability. • Align job descriptions and KPIs with current responsibilities, control requirements and expected performance outcomes.	

(6) Interest rate and Refinancing Risk	
Description and Impact	**Risk Rating**
The Group's borrowings expose it to changes in market interest rates and refinancing conditions. Adverse movements in rates or reduced access to funding on favourable terms could increase finance costs, place pressure on cash flows and constrain the Group's ability to fund operational and investment requirements.	Impact: Medium Likelihood: Medium
Mitigation actions	
• Monitor interest-rate developments and relevant Central Bank policy movements. • Regularly review borrowing facilities, pricing and refinancing opportunities. • Monitor debt servicing requirements and funding commitments against projected cash flows.	

(7) Foreign Exchange Risk	
Description and Impact	**Risk Rating**
The Group is exposed to exchange-rate movements through imported goods, capital expenditure, online travel agency costs and other foreign-currency-linked commitments. Significant currency movements can affect the cost base, pricing decisions and operating margins.	Impact: Medium Likelihood: Medium
Mitigation actions	
• Monitor foreign exchange movements and their potential impact on significant commitments. • Review pricing strategies where appropriate to reflect material changes in currency movements. • Negotiate with suppliers and review sourcing arrangements to manage foreign-currency-related cost exposure.	

(8) Customer credit and collection risk	
Description and Impact	**Risk Rating**
Delays in collections from travel agents, corporate clients and event customers may place pressure on cash flows and increase exposure to credit losses. Extended credit periods, customer disputes or defaults could affect liquidity and result in the non-recovery of amounts due.	Impact: Medium Likelihood: Medium
Mitigation actions	
• Review debtor ageing regularly to identify overdue balances and emerging collection risks. • Establish and monitor customer credit limits based on creditworthiness and payment history. • Escalate overdue accounts through structured follow-up, suspension of further credit and management or legal action where necessary.	

(9) Refurbishment and capital-project execution		
Description and Impact	**Risk Rating**	
Capital investment and refurbishment programmes expose the Group to potential delays, cost overruns, operational disruption and the risk that expected commercial returns may take longer to materialise. While the principal enhancement programmes were substantially completed subsequent to the reporting date, effective project governance remains important for future capital investment across the portfolio.	Impact: Medium	Likelihood: Low
	Mitigation actions • Establish detailed project plans with defined timelines, budgets, responsibilities and delivery milestones • Monitor project costs and progress regularly against approved schedules and budgets • Phase refurbishment work to minimise disruption to room availability, guest experience and revenue	

(10) Guest experience and reputational risk		
Description and Impact	**Risk Rating**	
Inconsistent service delivery, gaps in facility maintenance or failure to meet guest expectations may lead to complaints and negative online reviews. As the Group expands its activity-based and food and beverage propositions, consistent execution across all guest touchpoints remains critical to protecting its reputation.	Impact: Medium	Likelihood: Medium
	Mitigation actions • Monitor guest feedback, complaints and online reviews to identify recurring service gaps. • Conduct regular service-quality and facility inspections across the property. • Provide continuous technical, service and guest-engagement training.	

(11) Climate-related physical risks		
Description and Impact	**Risk Rating**	
Extreme weather events may damage property and infrastructure, disrupt operations and affect guest safety and access to the Group. Over the longer term, coastal erosion may affect the beachfront, reduce the attractiveness of the coastal setting and increase maintenance and protective infrastructure costs.	Impact: Medium	Likelihood: Medium
	Mitigation actions • Maintain emergency response and business continuity plans for extreme weather events. • Monitor weather forecasts and coastal conditions to enable timely preventive action. • Conduct regular inspections of drainage systems, buildings, beachfront areas and critical infrastructure.	

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

The Board of Directors of Citrus Leisure PLC has pleasure in presenting to the shareholders their Annual Report on the affairs of the Company together with the Audited Financial Statements of the Company and the Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended 31 March 2026, conforming to all relevant statutory requirements.

This Report provides the information as required by the Companies Act, No. 07 of 2007, Listing Rules of the Colombo Stock Exchange and the recommended best practices.

GENERAL

Citrus Leisure PLC is a public limited Company which was incorporated under the Companies' Ordinance No. 51 of 1938 as a Limited Company on 5 December 1973, and listed on the Colombo Stock Exchange in 1984. The Company was re-registered as per the Companies Act No. 7 of 2007 on 27 November 2008 with PQ 211 as the new number assigned to the Company and the name was changed as "Citrus Leisure PLC" on 23 December 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company were investing and managing subsidiaries and provision of food and beverage, lodging, and other hospitality industry related activities.

Principal activities of the subsidiaries are given in Note 2.2.1 to the Financial Statements on page 85.

This Report together with the Financial Statements, reflect the state of affairs of the Company.

REVIEW OF OPERATIONS

The Management discussion and analysis covers the operations of the Company during the financial year under review on pages 14 to 15 and 27 to 28.

FINANCIAL STATEMENTS

The complete Financial Statements of the Company and Consolidated Financial Statements of the Company and its subsidiaries, duly signed by two Directors on behalf of the Board are given on pages 76 to 148.

AUDITORS' REPORT

The Report of the Auditors on the Financial Statements of the Company and its subsidiaries is given on pages 73 to 75.

ACCOUNTING POLICIES

The accounting policies adopted by the Company in preparation of Financial Statements are given on pages 84 to 97 and are consistent with those of the previous period.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors are responsible for the preparation of the Financial Statements of the Company and the Group, which reflect a true and fair view of the state of affairs.

A further statement in this regard is included on page 64.

DIRECTORS

The names of the Directors who held office as at the end of the accounting period are given below and their brief profiles appear on pages 09 to 12.

Executive Directors

Mr. P C B Talwatte (Chief Executive Officer)

Mr S M A De Silva Sugathapala

Non-Executive Directors

Mr. R G Seneviratne

Mrs. V S F Amunugama

Mr. J M B Pilimatalawwe

Mr. S A Ameresekere

Independent Non-Executive Directors

Mr. S P S Ranatunga (Chairman)

Mr. P N Mahawatte

Mr. P L P Withana

Mr. S H C D Karunaratne

CHANGES IN THE DIRECTORATE DURING THE YEAR

Resignations

Mr. S H C D Karunaratne, Independent Non-Executive Director resigned with effect from 8 July 2026.

RECOMMENDATION FOR RE-ELECTION OF DIRECTORS WHO RETIRE BY ROTATION

Messrs P C B Talwatte, S M A De Silva Sugathapala and P L P Withana retire by rotation in terms of Articles 85 and 86 of the Articles of Association and being eligible, consequent to review by the Nominations and Governance Committee, are recommended by the Board for re-election.

Mr Priya Chandana Bandara Talwatte, Executive Director/Chief Executive Officer of the Company by his letter dated 11th August 2026 has tendered his resignation from the office of Director/ Chief Executive Officer effective from 11th November 2026. The Board has accepted his resignation and approved the appointment of Mr Amadoruge Don Nirekshe Vincent Perera as the Group Chief Executive Officer – designate effective from 1st September 2026 to facilitate a smooth and orderly transition as recommended by the Nominations and Governance Committee at its meeting held on 12th August 2026.

Directors of the Subsidiary Companies as at 31 March 2026 and the changes in the Directorate

HIKKADUWA BEACH RESORT PLC

The Directors of Hikkaduwa Beach Resort PLC as at 31 March 2026 consisted of the following:

Mr. S P S Ranatunga (Chairman)

Mr. P C B Talwatte (Chief Executive Officer)

Mr. S M A De Silva Sugathapala

Mr. R G Seneviratne

Mr. S A Ameresekere

Mr. P L P Withana

Mr. P N Mahawatte

WASKADUWA BEACH RESORT PLC

The Directors of Waskaduwa Beach Resort PLC as at 31 March 2026 consisted of the following:

Mr. S P S Ranatunga (Chairman)

Mr. P C B Talwatte (Chief Executive Officer)

Mr. S M A De Silva Sugathapala

Mr. R G Seneviratne

Ms. V S F Amunugama

Mr. J M B Pilimatalawwe

Mr. S A Ameresekere

Mr. P L P Withana

Mr. P N Mahawatte

CITRUS SILVER LTD

The Directors of Citrus Silver Ltd as at 31 March 2026 consisted of the following:

Mr. P C B Talwatte

Ms. V S F Amunugama

CITRUS VACATIONS LIMITED

The Directors of Citrus Vacations Limited as at 31 March 2026 consisted of the following:

Ms. V S F Amunugama

Mr. J M B Pilimatalawwe

CITRUS AQUA LIMITED

The Directors of Citrus Aqua Limited as at 31 March 2026 consisted of the following:

Ms. V S F Amunugama

Mr. R Seneviratne

Mr. J M B Pilimatalawwe

Mr. D M Wickramasinghe

Mr. H C de Silva

Mr. H S Martenstyn

CITRUS LT (PVT) LTD

The Directors of Citrus LT (Pvt) Ltd as at 31 March 2026 consisted of the following:

Mr. P C B Talwatte

Mr. S A Ameresekere

Mr. J M B Pilimatalawwe

DIRECTORS' INTERESTS IN CONTRACTS OR PROPOSED CONTRACTS AND INTEREST REGISTER

The Company maintains an Interest Register in terms of the Companies Act No. 07 of 2007, which is deemed to form part and parcel of this Annual Report and is available for inspection upon request.

DIRECTORS' REMUNERATION

The Company has adopted a Remuneration Policy and established a formal procedure for determination of remuneration of Directors including Executive Directors. No Director is involved in deciding his or her own remuneration.

The Directors' Remuneration is disclosed under Key Management Personnel compensation in Note 8 to the Financial Statements on page 100.

INDEPENDENT AUDITORS

Messrs Ernst & Young, Chartered Accountants served as the Auditors of the Company during the year under review. The Auditors do not have any other relationship with the Company other than as Auditors of the Company who have also provided certain non-audit services.

A total amount of Rs. 7,973,166/- is payable by the Group to the Auditors for the year under review. Rs 3,790,336/- as audit fees and Rs 4,182,830/- as non-audit fees respectively.

The Auditors have expressed their willingness to continue in office. The Audit Committee at a meeting held on 24 August 2026 recommended that they be re-appointed as Auditors. A resolution to re-appoint the Auditors and to authorise the Directors to determine their remuneration will be proposed at the forthcoming Annual General Meeting.

GROUP

Messrs Ernst & Young, Chartered Accountants also served as Auditors of all the subsidiary companies except Citrus Vacations Limited, whose Auditors are Messrs Tudor V Perera & Company, Chartered Accountants.

Details of payments to the said Auditors on account of audit fees and permitted non-audit services are set out in Note 08 to the Financial Statements on page 100.

INDEPENDENCE OF AUDITORS

Based on the declaration provided by Messrs Ernst & Young, Chartered Accountants and to the extent that the Directors are aware, the Auditors do not have any relationship with (other than that of the Auditor), or interest in, the Company, which in the opinion of the Board, may reasonably be considered to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by The Institute of Chartered Accountants of Sri Lanka as at the reporting date.

STATED CAPITAL

The Stated Capital of the Company as at 31 March 2026 was Rs.4,845,263,470/- representing 645,584,677 ordinary shares. There were no changes in the Stated Capital of the Company during the year.

BOARD OF DIRECTORS AND RELEVANT INTEREST IN SHARES

The Board consists of ten Directors, comprising of two (02) Executive Directors and eight (08) Non-Executive Directors, four (04) of whom are Independent;

Directors' interest in the shares of the Company as at 31 March 2026 and 31st March 2025 were as follows:

Name of the Director	**No. of shares as at 31.03.2026**	No. of shares as at 31.03.2025
Mr. S P S Ranatunga (Chairman)	**Nil**	Nil
Mr. P C B Talwatte (Director/CEO)	**Nil**	Nil
Mr. S M A De Silva Sugathapala	**Nil**	Nil
Ms. V S F Amunugama	**30,240**	30,240
Mr. R G Seneviratne		
Shares held in the following manner Seylan Bank PLC / Mr. R.G Seneviratne	**248,665**	248,665
Ms. K K Keshini Goonetilleke Seneviratne & Mr. R G Seneviratne	**5,900**	5,900
Mr. J M B Pilimatalawwe	**Nil**	Nil
Mr. S A Ameresekere	**Nil**	Nil
Mr. P L P Withana	**Nil**	Nil
Mr. P N Mahawatte	**Nil**	Nil
Mr. S H C D Karunaratne (resigned on 08.07.2026)	**Nil**	Nil

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

SHAREHOLDERS

There were 5,515 shareholders registered as at 31 March 2026 (5,237 shareholders as at 31 March 2025). The details of distribution are given on page 151 of this Report.

SHARE INFORMATION DISTRIBUTION SCHEDULE OF SHAREHOLDING

Information on the distribution of shareholding and the respective percentages and analysis of shareholders are given on page 151 to 152 under Shareholders Information.

EARNINGS, DIVIDENDS, NET ASSETS AND MARKET VALUE OF SHARES

Information relating to earnings, dividend, net assets and market value per share are given on page 03.

MAJOR SHAREHOLDERS

Information on the twenty largest shareholders of the Company is given on page 152 under Shareholder Information.

PUBLIC HOLDING

Information on public holding in terms of the Listing Rules is given on page 151 under Shareholder Information.

EMPLOYMENT POLICY

The Company's employment policy is totally non-discriminatory which respects individuals and provides career opportunities irrespective of the gender, race or religion.

As at 31 March 2026, 28 persons were in employment (29 persons as at 31 March 2025).

There were no material issues pertaining to employees and industrial relations during the financial year.

RESERVES

The reserves of the Group with the movements during the year are given in financial statements on page 124.

LAND HOLDINGS

The Company does not hold any freehold lands.

PROPERTY, PLANT & EQUIPMENT

Details and movements of property, plant and equipment are given in Note 13 to the Financial Statements on pages 106 to 111.

INVESTMENTS

Details of the Company's quoted and unquoted investments as at 31 March 2026 are given in Note 23 to the Financial Statements on pages 122 to 123.

MATERIAL FORESEEABLE RISK FACTORS

As part of the governance process, the Board on a continuous basis reviews and takes any measures and evaluates the internal controls and risks of the Company and takes any measures required to mitigate the Risk.

Risk Management objectives & policies are set out in Note 38 on pages 144 to 148.

DONATIONS

No Donations were made by the Company, while the donations made by the Group during the year amounted to Rs. Nil.

DIVIDENDS

Directors do not recommend a dividend for the year under review.

STATUTORY PAYMENTS

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

RISK MANAGEMENT

An ongoing process is in place to identify and manage the risks that are associated with the business and operations of the Company. The Directors review this process through the Audit Committee.

Specific steps taken by the Company in managing the risks are detailed in the section on Risk Management on pages 54 to 57.

CONTINGENT LIABILITIES

There are no other material contingent liabilities as at the reporting date, which require adjustment or disclosure in the Financial Statements.

ENVIRONMENTAL PROTECTION

The Company and the Group make every endeavour to ensure compliance with the relevant environmental laws, regulations and best practices applicable in the country. After making adequate inquiries from the management, the Directors are satisfied that the Company and the Group operate in a manner that minimises the detrimental effects on the environment within which the Company and the Group operate.

MATERIAL ISSUES PERTAINING TO EMPLOYEES AND INDUSTRIAL RELATIONS PERTAINING TO THE COMPANY

No material issues pertaining to employees or industrial relations of the Company occurred during the year under review which required disclosure under Rule 7.6 (vii) of the Listing Rules of the Colombo Stock Exchange.

Corporate Governance

The Board of Directors confirm that the Company is compliant with Corporate Governance Rules set out in Section 9 of the Listing Rules of the Colombo Stock Exchange.

The Corporate Governance of the Company is reflected in its strong belief in protecting and enhancing stakeholder value in a sustainable manner, supported by a sound system of policies and practices. Prudent internal controls ensure professionalism, integrity and commitment of the Board of Directors, Management and Employees.

The Corporate Governance Statement on pages 30 to 53 explains the measures adopted by the Company during the year.

POLICIES IN TERMS OF RULE 9.2 OF THE LISTING RULES

In terms of Rule 9.2.1 of the Listing Rules on Corporate Governance, the Company has established, adopted and published on the Company website (www.citrusleisure.

com/policies/) the following policies, ensuring adherence to best practices in corporate governance, ethical conduct, and regulatory compliance:

a) Policy on the matters relating to the Board of Directors

b) Policy on Board Committees

c) Policy on Corporate Governance, Nominations and Re-election

d) Policy on Remuneration

e) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities

f) Policy on Risk Management and Internal controls

g) Policy on Relations with Shareholders and Investors

h) Policy on Environmental, Social and Governance Sustainability

i) Policy on Control and Management of Company Assets and Shareholder Investments

j) Policy on Corporate Disclosures

k) Policy on Whistleblowing

l) Policy on Anti-Bribery and Corruption

These Policies were subject to review by the relevant Sub Committees and there were no material changes to the policies during the year.

FIT AND PROPER ASSESSMENT OF DIRECTORS

In terms of Rule 9.7.4 of the Listing Rules of the Colombo Stock Exchange, declarations were obtained from the Directors who confirmed that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules during the Financial Year under review and as at the date of such Declarations. These Declarations were placed before the Nominations and Governance Committee, and upon review by the Nominations and Governance Committee, where no member participated in decisions relating to his/her continuation, were then presented to the Board.

The Board determined that all Directors satisfy the fit and proper assessment criteria stipulated in the Listing Rules and qualify to continue as Directors in their respective capacities, subject to those who retire by rotation, being re-elected by the shareholders at the forthcoming Annual General Meeting.

INDEPENDENCE OF DIRECTORS

The Board, based on the Declarations submitted by the Independent Directors declaring his/her independence against the criteria specified in Rule 9.8.3 of the Listing Rules and such other information available to the Board that could reasonably be constructed to have a bearing on the independence of such Directors, determined that the Three (3) Independent Directors namely Messrs S P S Ranatunga, P N Mahawatte and P L P Withana are 'Independent' in terms of the Listing Rules.

POLICY ON RELATIONS WITH SHAREHOLDERS AND INVESTORS

The Company has established a process for effective communication and relations with shareholders and investors. Accordingly, the shareholders have access to the Company as set out in Inner back cover of this Annual Report.

OTHER DIRECTORSHIPS HELD BY THE DIRECTORS

The Board, based on the recommendations of the Nominations and Governance Committee, and considering the time allocation required of the Directors for the Board related matters of the Company decided that a Director of the Company shall not hold more than ten (10) directorships in Listed Companies.

POLICY ON MATTERS RELATING TO THE BOARD OF DIRECTORS

The Company has in terms of the above Policy, acted in compliance with the requirements set out in Rule 9.5.1 of the Listing Rules.

Additional disclosures by/pertaining to Directors

(i) Material Interests in Contracts involving the Company

The Directors have declared all material interests in contracts involving the Company in terms of the Companies Act and the Articles of the Association of the Company and have acted as prescribed therein, and where relevant have refrained from voting on matters in which they were materially interested.

(ii) Material Business Relationships with each other

None of the Directors or close family members have any material business relationships with the other Directors of the Company.

(iii) Other Directorships held by the Directors

Other Directorships held by Directors are disclosed on page 32.

(iv) Review of Internal Controls

The Directors have, through the Audit Committee, conducted a review of the Internal controls covering financial, operational and compliance control and risk management and thereby obtained reasonable assurance of their effectiveness and successful adherence therewith.

(v) Applicable Laws Rules and Regulations

The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to Listing Rules and applicable capital market provisions.

There were no material non-compliance with law or regulation or any fines, which are material, imposed by any Government or regulatory authority in any jurisdiction where the Company has operations.

BOARD MEETINGS

Six (06) Board Meetings of the Company were held during the year under review and the Directors' attendance at those Meetings is set out on page 32.

DELEGATION OF AUTHORITY

The Board has delegated the authority of the day to day management of the Company to the Chief Executive Officer who is responsible for delivering services according to the policies and the budgets approved by the Board.

DELEGATION TO BOARD MEMBERS

The Board has delegated certain functions and duties to Sub-Committees that comprises of Board members. The functions and duties of each Sub-Committees namely, the Audit Committee, the Remuneration Committee, the Related Party Transactions Review Committee and Nominations and Governance Committee are detailed in the respective reports.

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

The Board is also encouraged to seek independent professional advice when necessary, at the Company's expense and also have access to the Company Secretary to obtain advice and services as and when necessary.

APPRAISAL OF BOARD PERFORMANCE

The Board is aware that appraising their own performance periodically would enhance the understanding of individual performance of the Board as a whole. The Board members ensure that Board responsibilities are satisfactorily discharged.

INTERNAL CONTROLS

The Board through delegation to the Audit Committee ensures that the Company maintains a sound system of Internal Controls to safeguard investments and Company's assets. Therefore, the Audit Committee conducts a review of the effectiveness of the Company's system of internal controls.

MAJOR TRANSACTIONS

The Board of Directors is required to act in accordance with Section 185 of the Companies Act No. 07 of 2007 with regard to 'major transactions' as per the said Section 185. There were no major transactions entered into by the Company during the year.

BOARD SUB COMMITTEES

Audit Committee, Remuneration Committee, Related Party Transactions Review Committee and a Nominations and Governance Committee function as Board sub committees, with Directors who possess the requisite qualifications and experience. The composition of the said committees is as follows:

AUDIT COMMITTEE

The Audit Committee comprises of three (03) Non-Executive Directors, all of whom are Independent and the composition of the Committee is as follows:

Mr. P L P Withana	**Chairman**	Independent Non-Executive Director
Mr. S P S Ranatunga		Independent Non-Executive Director
Mr. P N Mahawatte		Independent Non-Executive Director

The Report of the Audit Committee appears on pages 69 to 70.

REMUNERATION COMMITTEE

The Remuneration Committee comprises of three (03) Non-Executive Directors, two (02) of whom are Independent and the composition of the Committee is as follows:

Mr. P N Mahawatte	**Chairman**	Independent Non-Executive Director
Mr. P L P Withana		Independent Non-Executive Director
Mr. S A Ameresekere		Non-Executive Director

The Report of the Remuneration Committee appears on page 66.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Related Party Transactions Review Committee comprises of three (03) Non-Executive Directors, two (02) of whom are Independent and the composition of the Committee is as follows:

Mr. P L P Withana	**Chairman**	Independent Non-Executive Director
Mr. S P S Ranatunga		Independent Non-Executive Director
Mr. S A Ameresekere		Non-Executive Director

The Report of the Related Party Transactions Review Committee appears on page 65.

NOMINATIONS AND GOVERNANCE COMMITTEE

The Nominations and Governance Committee comprises of three (03) Non-Executive Directors, two (02) of whom are Independent and the composition of the Committee is as follows:

Mr. P N Mahawatte	**Chairman**	Independent Non-Executive Director
Mr. S P S Ranatunga		Independent Non-Executive Director
Mr. J M B Pilimatalawwe		Non-Executive Director

The Report of the Nominations and Governance Committee appears on pages 67 to 68.

CORPORATE SOCIAL RESPONSIBILITY

The Company continued its Corporate Social Responsibility Programmes, details of which are set out on pages 24 to 26 of this Report.

DECLARATION - COMPLIANCE WITH THE LISTING RULES ON RELATED PARTY TRANSACTIONS

In terms of Rule 9.14.8(4) of the Listing Rules, the Directors declare that the Company is in compliance with Rule 9.14 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions.

NON-RECURRENT RELATED PARTY TRANSACTIONS – DISCLOSURE IN TERMS OF RULE 9.14.8 (1) OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE

There were no non-recurrent related party transactions of which the aggregate value exceeded 10% of equity or 5% of total assets, whichever is lower, of the Group as per the latest Audited Financial Statements as at 31st March 2025. Accordingly, no additional disclosures are required in this Annual Report under Rule 9.14.8(1) of the Listing Rules of the Colombo Stock Exchange or the Code of Best Practices on Related Party Transactions issued under Section 13(c) of the Securities and Exchange Commission Act.

RECURRENT RELATED PARTY TRANSACTIONS – DISCLOSURE IN TERMS OF RULE 9.14.8 (2) OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE

Present below are the recurrent related party transactions which requires additional disclosure in this Annual Report in terms of Rule 9.14.8 (2) of the Listing Rules of the Colombo Stock Exchange.

Name of the Related Party	Relationship	Nature of the 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
Citrus Silver Ltd	Subsidiary	Loans received / Accrued Interest / Reimbursements/ MGT Fee	Rs. 270,426,830	11.85%	Normal commercial terms

SPECIAL BUSINESS

Special Business to be transacted at the Annual General Meeting - Amendments to the Articles of Association

The "Special Business" set out in Item 2 of the Notice of Annual General Meeting comprises amendments to the Articles of Association, as recommended by the Directors, to be adopted by way of a Special Resolution, to provide for provisions governing the re-election of Directors retiring by rotation.

EVENTS AFTER THE REPORTING DATE

No material events have occurred since the date of statement of financial position, which require adjustments to or disclosure in the financial statements.

GOING CONCERN

The Directors have made an assessment of the Company's ability to continue as a going concern and is satisfied that it has resources to continue in business for the foreseeable future.

ANNUAL GENERAL MEETING

The Notice of the Forty Fourth (44th) Annual General Meeting appears on page 156.

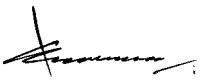
ACKNOWLEDGEMENT OF THE CONTENT OF THE REPORT

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

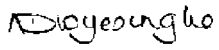
This Annual Report is signed for and on behalf of the Board of Directors by



S P S Ranatunga
Chairman



P C B Talwatte
Director/CEO



P W Corporate Secretarial (Pvt) Ltd
Secretaries

28 August 2026
Colombo

Directors' Responsibilities for Financial Reporting

The following statement sets out responsibility of the Directors in relation to the Financial Statements of the Company and its subsidiaries prepared in accordance with the provisions of the Companies Act No. 07 of 2007.

The responsibility of the Independent Auditor in relation to the Financial Statements is set out in the Report of the Auditors given on pages 73 to 75 of the Annual Report.

As per the provisions of sections 151, 153(1) and (2), 150(1) and 152(1) of the Companies Act No. 07 of 2007, the Directors are required to prepare Financial Statements for each financial year, which should give a true and fair view of the state of affairs of the Company and its subsidiaries as at the reporting date and its profit or loss for the financial year then ended, ensure that they are completed within six months or such extended period as may be determined by the Registrar General of Companies, certified by the person responsible for the preparation of the Financial Statements that it is in compliance with the said Companies Act and dated and signed on behalf of the Board by two Directors of the Company.

In terms of Section 166(1) read together with Sections 168(1)(b) and (c) and Section 167(1) of the Companies Act, the Directors shall cause a copy of the aforesaid Financial Statements together with the Annual Report of the Board of Directors of the Company prepared as per Section 166(1) of the Companies Act to be sent to every shareholder not less than fifteen working days before the date fixed for holding the Annual General Meeting. The above obligation is discharged by the Directors by making available the Annual Report on the Company's official website and the Colombo Stock Exchange website in terms of Rule 7.5(b) of the Listing Rules of the Colombo Stock Exchange. As per the said Rule printed copies of the Annual Report will be made available to the shareholders on request.

In preparing the Financial Statements, the Directors are responsible to ensure that appropriate accounting policies have been selected and applied consistently, reasonable and prudent judgments and estimates have been made and all applicable accounting standards have been complied with.

The Directors are also required to ensure that the Company and its subsidiaries have adequate resources to continue in operation to justify applying the going concern basis in preparing these Financial Statements.

Further, the Directors have a responsibility to ensure that the Companies within the Group maintain sufficient accounting records to disclose with reasonable accuracy, the financial position of the Company and the subsidiaries.

Financial Statements prepared and presented in this Report have been prepared based on Sri Lanka Accounting Standards (SLFRS/LKAS) and are consistent with the underlying books of account and are in conformity with the requirements of Sri Lanka Accounting Standards, Companies Act No. 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the Listing Rules of the Colombo Stock Exchange.

The Directors have also implemented effective and comprehensive systems of internal control for identifying, recording, evaluating and managing the significant risks faced by the Company throughout the year, which is primarily handled through the Audit Committee.

The Directors have taken appropriate steps to ensure that the Company and its subsidiaries maintain proper books of accounts and the financial reporting system is directly reviewed by the Directors at their regular meetings and also through the Board Audit Committee.

The Board of Directors also approves the Interim Financial Statements prior to their release following a review and recommendation by the Board Audit Committee.

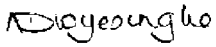
The Board of Directors accepts responsibility for the integrity and objectivity of the Financial Statements presented in this Annual Report.

The Financial Statements of the Company and its subsidiaries have been certified by the Group Head of Finance of the Company, the officer responsible for their preparation as required by the Section 152(1)(b) and they have also been signed by two Directors of the Company as required by Section 152(1)(c) of the Companies Act.

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due to the relevant regulatory and statutory authorities as at the reporting date have been paid or, where relevant, provided for.

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

By Order of the Board of
Citrus Leisure PLC



P W Corporate Secretarial (Pvt) Ltd
Secretaries

28 August 2026

Related Party Transactions Review Committee Report

COMPOSITION OF THE COMMITTEE

The Related Party Transactions Review Committee comprises of three (03) Non-Executive Directors, two (02) of whom are Independent and the current composition of the Committee is as follows:

Mr. P L P Withana	- Independent Non-Executive Director	- Chairman of the Committee
Mr. S P S Ranatunga	- Independent Non-Executive Director	- Member
Mr. S A Ameresekere	- Non-Independent Non-Executive Director	- Member

MEETINGS

The Committee met four times during the financial year under review. The members of the management attend the meetings upon invitation to brief the Committee on specific issues.

Member's Attendance at the Related Party Transactions Review Committee Meetings from 01.04.2025 to 31.03.2026 is as follows:

Members	Attendance
Mr. P L P Withana [from 03.05.2024]	4/4
Mr. S A Ameresekere [from 01.01.2016]	4/4
Mr. S P S Ranatunga [from 17.12.2024]	4/4

The Chief Executive Officer and The Group Head of Finance also attended meetings by invitation. The Company Secretary functions as the Secretary to the Committee.

THE ROLE AND RESPONSIBILITIES

The Related Party Transactions Review Committee ("the Committee") is tasked with reviewing all Related Party Transactions of the Company and ensuring that it complies with the Listing Rules of the Colombo Stock Exchange (CSE) and other relevant statutes and regulations. The Committee reviews and pre-approves all proposed non-recurrent Related Party Transactions of the Company. Further, the Committee reviews all recurrent Related Party Transactions on a quarterly basis and annually to ensure compliance with the limits and reporting guidelines specified by the Listing Rules of CSE.

KEY ACTIVITIES OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE DURING THE FINANCIAL YEAR

- Review and pre-approve all non-recurrent related party transactions of the Company prior to approval by the Board of Directors.
- Review all related party transactions to ensure that they are in the best interests of the Company.
- Ensure that all reporting requirements of the CSE Listing Rules and other relevant statutes and regulations are met.
- Update the Board of Directors on the Related Party Transactions of the Company.
- Assess the adequacy of related party reporting systems along with the advice of the External Auditors.
- Ensure that all transactions with related parties are in the best interest of all shareholders and adequate transparency is maintained.
- Establish guidelines and policies for the management and reporting of related party transactions.

The Committee has reviewed all related party transactions during the period and has established that they are in the best interest of the Company and comply with all standards of best practice and reporting and communicated the comments/ observations to the Board of Directors.

The terms and conditions of Related party transactions carried out in the ordinary course of business is further detailed in Note 34.1.

POLICIES AND PROCEDURES

The Company maintains a Directors' Interest Register and all Directors of the Company have disclosed their interests in other Companies, conforming to the provisions of the Companies Act No. 07 of 2007.

Further all related party transactions are in accordance with Sri Lanka Accounting Standard 24 (LKAS 24) are disclosed under Notes 34 and 35 to the Financial Statements.

KEY MANAGEMENT PERSONNEL

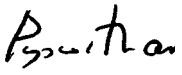
The Board of Directors are designated as Key Management Personnel of the Company. The Committee ensures that no participants in the discussions of a related party transaction shall have a direct related party for that transaction. However, such persons may participate in the discussion for the sole purpose of providing information on such transactions.

COMMITTEE EVALUATION

The Board conducted the annual evaluation of the Committee during the year and the review concluded that the Committee continues to operate effectively.

DECLARATION

A Declaration by the Board of Directors as an affirmative statement of the compliance and disclosure in accordance with the Listing Rules pertaining to related party transactions is given on page 63 of the Annual Report.



P L P Withana

Chairman - Related Party Transactions Review Committee

28 August 2026
Colombo

Remuneration Committee Report

COMPOSITION OF THE COMMITTEE

The Remuneration Committee comprises of three (03) Non-Executive Directors, two (02) of whom are Independent and the current composition of the Committee is as follows:

Mr. P N Mahawatte	- Independent Non-Executive Director	- Chairman of the Committee
Mr. P L P Withana	- Independent Non-Executive Director	- Member
Mr. S A Ameresekere	- Non-Executive Director	- Member

MEETINGS

The Committee met once during the financial year under review.

Member's Attendance at the Remuneration Committee Meetings from 01.04.2025 to 31.03.2026 is as follows:

Members	Attendance
Mr. P N Mahawatte [from 17.12.2024]	1/1
Mr. P L P Withana [from 17.12.2024]	1/1
Mr. S A Ameresekere [from 17.12.2024]	1/1

The Chief Executive Officer and Group Head of Finance also attended meetings by invitation. The Company Secretary functions as the Secretary to the Committee.

REMUNERATION POLICY

The Remuneration policy of the Company endeavours to attract, motivate and retain quality management in a competitive environment with the relevant expertise necessary to achieve the objectives of the Company. The Committee focuses and is responsible to ensure that the total package is competitive to attract the best talent for the benefit of the Company. The remuneration framework of the Company for the Chairman, Chief Executive Officer and Corporate Management is designed to create and enhance value to all stakeholders of the Company and to ensure alignment between the short and long-term interest of the Company and its Executives and in designing competitive compensation packages, the Committee consciously balances the short-term performance with medium to long-term goals of the Company.

SCOPE

The Committee reviews all significant changes in the corporate sector in determining salary structures and terms and conditions relating to staff at Senior Executive level. In this decision-making process, necessary information and recommendations are obtained from the Chief Executive Officer. The Committee deliberates and recommends to the Board of Directors the remuneration packages and annual increments and bonuses of the Chief Executive Officer, members of the Corporate Management and Senior Executive staff and lays down guidelines for the compensation structure for all Executive staff and oversees the implementation thereof. The Chief Executive Officer who is responsible for the overall management of the Company attends all meetings by invitation and participates in the deliberations except when his own performance and compensation package is discussed.

SUCCESSION PLANNING AND TALENT MANAGEMENT

Succession planning and talent management continued to be a key area of focus in the deliberations of the Committee during the year under review. The Committee conducted in depth talent reviews covering critical roles of the Group, the incumbent is such roles, and the potential successors. Accordingly, the Committee also reviewed the progress of their development plans.

FEES

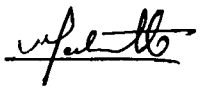
Non-Independent Non-Executive Directors do not receive Directors' fees. None of the Non-Executive Directors receive any performance or incentive payments.

PROFESSIONAL ADVICE

The Committee has the authority to seek external professional advice on matters within its purview.

COMMITTEE EVALUATION

Self-Assessment by the Committee members was complied with at the commencement.



P N Mahawatte

Chairman - Remuneration Committee

28 August 2026
Colombo

Nominations and Governance Committee Report

The Nominations and Governance Committee ("the Committee") of the Company was established on 30/09/2024. The Committee is appointed by and is responsible to the Board of Directors and comprises of two Independent Non-Executive Directors and one Non-Executive Director.

The current composition of the committee is as follows:

Mr. P N Mahawatte	- Independent Non-Executive Director	- Chairman of the Committee
Mr. S P S Ranatunga	- Independent Non-Executive Director	- Member
Mr. J M B Pilimatalawwe	- Non-Executive Director	- Member

The attendance of the Members at the meetings is as follows:

Members	Attendance
Mr. J M B Pilimatalawwe [from 30.09.2024]	1/1
Mr. S P S Ranatunga [from 17.12.2024]	1/1
Mr. P N Mahawatte [from 17.12.2024]	0/1

The Committee met one time during the year.

The Chairman of the Committee is an Independent Non- Executive Director.

The Committee has well-defined terms of reference approved by the Board outlining the Committee's purpose, composition, quorum, authority, responsibilities, and meeting related matters.

The Chief Executive Officer and the Group Head of Finance attend meetings by invitation.

P W Corporates (Private) Limited, the Secretaries of the Company, acts as the Secretary to the Committee.

DUTIES OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

1. The Nominations and Governance Committee evaluates and recommends the appointment of Directors to the Board and Committees considering the required skills, experience and qualifications necessary.
2. Consider and recommend (or not recommend) the re- election of current Directors taking into account the combined knowledge, experience, performance and contribution made by the Director to meet the strategic demands of the Company and the discharge of the Board's overall responsibilities and the number of directorships held by the Director in other listed and unlisted companies and other principal commitments.
3. Establish and maintain a formal and transparent procedure to evaluate, select and appoint / re-appoint Directors of the Company.
4. Establish and maintain a set of criteria for selection of Directors such as academic / professional qualifications, skills, experience and key attributes required for eligibility taking into consideration the nature of the business of the Company and industry specific requirements.
5. Establish and maintain a suitable process for the periodic evaluation of the performance of Board Directors of the Company to ensure their responsibilities are satisfactorily discharged.
6. Consider if a Director is able to and has been adequately carrying out his or her duties as a Director, taking into consideration the number of Listed Company Boards on which the Director is represented and other principal commitments.
7. Develop succession plans for the Board of Directors and Key Management Personnel.
8. Review and recommend the overall corporate governance framework of the Company taking into account the Listing Rules and other applicable regulatory requirements and industry best practices. Review and update the corporate governance policies/ framework in line with regulatory and legal developments relating to same.
9. Receive reports from the Management on compliance of the corporate governance framework of the Company including the Company's compliance with provisions of the SEC Act, Listing Rules of the Colombo Stock Exchange and other applicable laws and reasons for any deviations or non-compliances.

DISCLOSURE OF ACTIVITIES

The Board performance evaluation has been carried out and discussed at Board meetings. Any major issues relating to the Company are updated to the Independent Directors by the Chairman or Chief Executive Officer. Special Board meetings are called if the need arises, to discuss any important or critical matters. No such special meetings were held during the financial year.

Newly appointed Directors were given an induction to the Company and the orientation programme includes inviting the Directors to the operating locations to gain an understanding of the operations of the Company. Requirements as per the Listing Rules and applicable rules and regulations are informed to the new Directors. Existing Directors are regularly updated with corporate governance requirements, Listing Rules and other applicable laws.

Nomination and Governance Committee Report

Non-Executive Directors have submitted declarations regarding their independence / non-independence. The fitness and propriety of the Directors were examined. All Independent Directors of the Company meet the criteria set out in the Listing Rules of the Colombo Stock Exchange for determining independence.

The Company has adopted the following policies, with effect from 01st October 2024, and has uploaded them to the Company's website in accordance with the Corporate Governance Rules of the Colombo Stock Exchange:

1. Policy on Anti – Bribery and Corruption
2. Policy on Internal Code of Business conduct and Ethics
3. Policy on Board Committees
4. Policy on Remuneration
5. Risk Management & Internal Control Policy
6. Environment, Social & Governance Policy
7. Policy on Whistleblowing

8 Policy on Matters Relating to the Board of Directors

9. Policy on Relations with Shareholders and Investors

10 Policy on Corporate Governance, Nominations and Re-election

11 Policy on Corporate Disclosures

12. Policy on Control and Management of Company Assets and Shareholder investments

The policies and processes relating to the nomination of new Members to the Board are governed by the Policy on Corporate Governance, Nomination and Reelection.

COMMITTEE EVALUATION

The Board conducted the annual evaluation of the Committee during the year and the review concluded that the Committee continues to operate effectively.

RE-APPOINTMENTS / RE- ELECTIONS

One Third (1/3) of all the Directors, except those who have been appointed to the Board since the last Annual General Meeting, retire by rotation in terms of the Articles of Association and being eligible submit themselves for reelection at the Annual General Meeting.

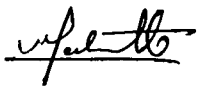
Accordingly, the Committee has recommended to re-elect Mr. Priya Chandana Bandara Talwatte, Mr. Sembukuttige Mani Ammal De Silva Sugathapala and Mr. Punsisi Lalith Patuwatha Withana as Directors at the Annual General Meeting to be held on 24 September 2026, based on their performance and the contribution made to achieve the objectives of the Board.

Mr Priya Chandana Bandara Talwatte, Executive Director/Chief Executive Officer of the Company by his letter dated 11th August 2026 has tendered his resignation from the office of Director/ Chief Executive Officer effective from 11th November 2026. The Committee has accepted his resignation and has recommended the appointment of Mr Amadoruge Don Nirekshe Vincent Perera as the Group Chief Executive Officer – designate effective from 1st September 2026 to facilitate a smooth and orderly transition. Mr. Perera will assume the role of Group Chief Executive Officer of the Company with effect from 12th November 2026. The Board of Directors at its meeting held on 12th August 2026 has approved the above, as recommended by the Nominations and Governance Committee of even date.

None of the Directors who are being proposed for re-election or their family members, have any relationship with the Directors of the Company or shareholders having more than 10% of the shares of the Company.

The Company is committed to ensuring Board diversity by bringing a wide range of experience and skills to the Board. Age and gender diversity have been essential factors contributing to the effective performance of the Company's Board.

The Corporate Governance requirements stipulated under the Listing Rules are met by the Company and details are given on pages 30 to 53 of this report.



P N Mahawatte
Chairman
Nominations and Governance Committee

28 August 2026

Audit Committee Report

COMPOSITION OF THE COMMITTEE

The Audit Committee comprises of three (03) Independent Non-Executive Directors

The current composition of the Committee is as follows:

Mr. P L P Withana	- Independent Non-Executive Director	- Chairman of the Committee
Mr. S P S Ranatunga	- Independent Non-Executive Director	- Member
Mr. P N Mahawatte	- Independent Non-Executive Director	- Member

MEETINGS

The Committee met six times during the period under review.

Member's Attendance at the Audit Committee Meetings from 01.04.2025 to 31.03.2026 is as follows:

Members	Attendance
Mr. P L P Withana [from 03.05.2024]	6/6
Mr. S P S Ranatunga [from 17.12.2024]	6/6
Mr. P N Mahawatte [from 17.12.2024]	5/6

Messrs. Ernst & Young, Independent Auditors are requested to be present as and when required.

The Chief Executive Officer and the Group Head of Finance also attended meetings by invitation. The Company Secretary functions as the Secretary to the Committee.

THE ROLE OF THE AUDIT COMMITTEE

The Audit Committee is empowered by the Board of Directors to examine all matters relating to the financial status of the Company, and its internal and external audits. The Committee pursues and promotes good Corporate Governance by actively creating awareness and providing advice to the management on Risk Management, appropriate internal control practices, and other related activities of the Company in compliance with the rules and regulations of the Colombo Stock Exchange. The proceedings of the Audit Committee are regularly reported to the Board of Directors through formal minutes.

OPERATION OF THE AUDIT COMMITTEE

The Chairman of the Audit Committee is a Fellow Member of Institute of Chartered Accountants of Sri Lanka. The Statutory Auditors, Chief Executive Officer, General Managers of the Hotel, Group Head of Finance and Hotel Accountants attended these meetings of the Audit Committee at the invitation of the Chairman of the Audit Committee.

Outsourced Internal Auditors are utilised at the discretion of the audit committee when required on any given scope of work .

The Company Secretary acts as Secretary to the Audit Committee. The members of the Audit Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense. The Committee met six times during the financial year ended 31 March 2026

THE AUDIT COMMITTEE'S DUTIES INCLUDE:

- Monitoring the financial reporting process.
- Monitoring the compliance with financial reporting requirements, information requirements of the Companies Act No. 07 of 2007 and other relevant financial reporting related regulations and requirements.
- Monitoring the statutory audit of the Group's Financial Statements.
- Reviewing the Group's Financial Statements and the material financial reporting judgements contained therein.
- Monitoring the effectiveness of the Group's Internal Control and Risk Management Systems.
- Reviewing and monitoring the independence of the External Auditors and the provision of additional services to the Group.
- Advising the Board on the appointment and removal of the External Auditors and the remuneration and terms of engagement of the External Auditors.

FINANCIAL REPORTING

The Committee reviewed and discussed the unaudited Interim Financial Statements and the Financial Statements for the year with the management and the External Auditors ensuring that the Company's financial reporting gives a true and fair view in accordance with the Sri Lanka Accounting Standards and the information required by the Companies Act No. 07 of 2007 prior to the recommendation of same to the Board.

Audit Committee Report

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the Group's system of internal control and risk management and for reviewing its effectiveness. The Audit Committee monitors and reviews each year the effectiveness of, and the framework for, the Group's system of control and risk management. The Audit Committee undertook a review of the effectiveness of, and the framework for the Group's system of internal control and risk management, including financial, operational and compliance controls during the year.

In addition to this review, the External Auditors provided the Audit Committee with comprehensive reports of the results of their testing of controls that were carried out as part of the audits.

The Audit Committee also reviewed on a quarterly basis, the key risks that the Group faces and the actions being taken by the management to mitigate and manage them.

EXTERNAL AUDITORS

The Committee held meetings with the External Auditors to review the nature, approach and scope of audit. The Committee also reviewed the Audited Financial Statements with the External Auditors.

The Committee also has a private audience with the External Auditors. No matters other than those that have already been discussed with management were raised by the External Auditors.

The Audit Committee is satisfied that the independence of the External Auditors has not been influenced by any event that results in a conflict of interest.

The fees pertaining to audit have been reviewed and recommended to the Board.

REVIEW OF THE WORK OF THE EXTERNAL AUDITORS

Subject to the annual appointment of the External Auditors by shareholders, the Audit Committee regularly reviews the relationship between the Group and the External Auditors.

This review includes an assessment of their performance, cost effectiveness, objectivity and independence. The Audit Committee is responsible for ensuring that an appropriate relationship is maintained between the Group and the External Auditors.

The Audit Committee shall make a determination of the independence of the Auditors and disclose the basis for such determination. To the extent that the Audit Committee is aware, the Auditors do not have any relationship with (other than that of the Auditor), or interest in, the Company and the Group, which in the opinion of the Audit Committee, may reasonably be

Considered to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by The Institute of Chartered Accountants of Sri Lanka as at the reporting date.

Confirmation has been received from the Auditors of their compliance with the independence guidance given in the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka.

The Group has implemented a policy of controlling the provision of non-audit services by the External Auditors in order to ensure that their objectivity and independence is safeguarded. The Audit Committee also continued with the appointment of other accountancy firms to provide certain non-audit services to the Group in connection with tax, other services and anticipates that this will continue in 2026/27.

RE-APPOINTMENT OF AUDITORS

The Audit Committee, having considered the External Auditors' performance during their period in office, recommends their re-appointment for the financial year ending 31 March 2027, subject to the approval of the shareholders at the next Annual General Meeting. A full breakdown of the audit and non-audit related fees are set out in Note 8 to the Consolidated Financial Statements on page 100.

COMMITTEE EVALUATION

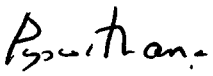
The Board conducted the annual evaluation of the Committee during the year and the review concluded that the Committee continues to operate effectively.

CONCLUSION

The Audit Committee is satisfied that the Company's accounting policies and operational controls provide reasonable assurance that the affairs of the Company are managed in accordance with the set rules and that systems are in place to minimise the impact of identifiable risks.

The Committee further assessed that future prospects of its business operations and is satisfied with the going concern assumption used in the preparation of the Financial Statements as being appropriate.

This report was approved by the Board and signed on its behalf by:



P L P Withana
Chairman - Audit Committee

28 August 2026
Colombo

FINANCIAL STATEMENTS

Financial Calendar	72
Independent Auditor's Report	73
Statement of Profit or Loss	76
Statement of Comprehensive Income	77
Statement of Financial Position	78
Statement of Changes in Equity	80
Statement of Cash Flows	82
Notes to the Financial Statements	84

FINANCIAL CALENDAR

Interim Financial Statement - Quarter 1	15 August 2025
Interim Financial Statement - Quarter 2	12 November 2025
Interim Financial Statement - Quarter 3	15 February 2026
Interim Financial Statement - Quarter 4	31 May 2026
Annual General Meeting	24 September 2026

Independent Auditor's Report

Shape the future with confidence

Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

TO THE SHAREHOLDERS OF CITRUS LEISURE PLC

Report on the audit of the financial statements

Opinion

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

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

Basis for opinion

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

Key audit matters

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessment of deferred tax liability As disclosed in Note 19, the Group has recognised a deferred tax liability of Rs. 1,233 Mn, which represented 22% of the Group's total liabilities as at the reporting date. In addition, comparative information has been restated to correct prior-period errors, as disclosed in Note 33 to the financial statements. We selected the assessment of deferred tax liability as a key audit matter due to: • The materiality of the deferred tax liability. • The determination of the deferred tax effects arising from the restatement and the assessment of their impact on the comparative financial information. • The judgments involved in assessing future taxable profits and the recoverability of the deferred tax assets.	**Our audit procedures included the following** • Obtained an understanding of management's process for identifying temporary differences and calculating deferred tax balance. • We involved our tax specialists to assess the appropriateness of management's tax treatment. • We obtained an understanding of management's forecasts of future taxable profits and assessed the reasonableness of the key assumptions and estimates used, including projected revenue growth, operating expenses, and gross profit margins. • Evaluated the accounting treatment and calculation of the deferred tax effects arising from the correction of prior-period errors and assessed whether the related restatement of comparative information was appropriately reflected in the financial statements • We assessed the adequacy and appropriateness of the related disclosures in Notes 19 and 33 to the financial statements.

Partners: G G S Manatunga FCA, Y A De Silva FCA, W K B S P Fernando FCA FCMA (UK) FCCA, B E Wijesuriya FCA FCMA (UK), R N de Saram ACA FCMA (UK), N M Sulaiman FCA FCMA (UK), L K H L Fonseka FCA, P V K N Sajeewani FCA, A A J R Perera FCA ACMA (UK), N Y R L Fernando ACA, D N Gamage FCA ACMA (UK), C A Yalagala ACA ACMA (UK), P S Paranavitane ACA ACMA (UK) LLB (Colombo), B Vasanthan ACA ACMA (UK), W D P L Perera ACA, M U M Mansoor ACA, S B G Jayawardena ACA ACMA (UK) ACCA

Principals: T P M Ruberu FCMA (UK) FCCA MBA, G B Goudian ACMA (UK), D L B Karunathilaka ACMA (UK), W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakthivel B.Com (Sp)

A member firm of Ernst & Young Global Limited

Independent Auditor's Report

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessment of impairment of investment in associate. As at 31 March 2026, the Group's Investment in associate amounted to Rs. 2,217 Mn which represented 20% of the total assets of the Group. As disclosed in Note 18, an assessment of impairment was carried out by the management to ascertain the recoverable amount of investment in associate. The assessment of impairment of investment in associate was identified as a key audit matter due to; • Materiality of the reported investment in associate balance; and • Degree of assumptions, judgements and estimation uncertainties associated with assessing fair value. Key areas of significant judgements, estimates and assumptions used in assessing fair value included judgements involved in ascertaining the appropriateness of valuation techniques and valuation of the leasehold right held by the associate, as disclosed in Note 18 to the financial statements	**Our audit procedures included the following;** • Obtained an understanding of the Group's process of assessing impairment of investment in associate together with management assessment over lease rights held by the investee. • Assessed the reasonableness of the significant judgements, estimates and assumptions made by the management including judgements involved in ascertaining the appropriateness of valuation techniques and valuation of lease rights held by the associate. We have also assessed the adequacy of the disclosures made in Note 18 to these financial statements
Interest Bearing Borrowings: As disclosed in note 27, the Group's total interest-bearing loans and borrowings amounted to Rs. 3,008 Mn, which represent a significant portion of its total liabilities. The disclosures related to such interest-bearing loans and borrowings are included in note 27 and 38.4. We selected the interest-bearing loans and borrowings as a key audit matter due to: • the materiality of the reported amounts. • appropriateness of disclosures including liquidity risk management, maturity profile and current vs non-current classification of such borrowings in the financial statements	**Our audit procedures included the following;** • We obtained an understanding of the term of repayments and covenants attached to external borrowings, by reading the loan agreements. • We obtained direct confirmation from financial institutions for outstanding amounts as of the reporting date. • We assessed the maturity profile of the Group's interest-bearing borrowings focusing on the management's plans to meet the debt obligations maturing within the next twelve months and working capital requirements. We have also assessed the adequacy of the disclosures made in note 27 and note 38.4 to the financial statements relating to the interest-bearing loans and borrowings and liquidity risk aspects.

OTHER INFORMATION INCLUDED IN THE 2026 ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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



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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

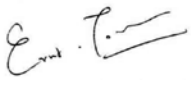
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 4169.



28 August 2026
Colombo

Statement of Profit or Loss

Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Restated Rs.	Company 2026 Rs.	Company 2025 Rs.
Revenue	5	**2,286,520,134**	2,282,886,857	**136,451,939**	125,781,652
Cost of sales		**(750,541,251)**	(794,722,144)	**-**	-
Gross profit		**1,535,978,883**	1,488,164,713	**136,451,939**	125,781,652
Other income and gains	6	**21,984,517**	96,432,554	**31,136,533**	7,494,057
Selling and marketing expenses		**(66,038,699)**	(85,762,027)	**(143,015)**	(57,043)
Administrative expenses		**(873,754,160)**	(681,439,283)	**(162,729,447)**	(104,148,348)
Other operating expenses		**(661,864,957)**	(687,244,246)	**(57,044,613)**	(65,321,489)
Operating profit /(loss)		**(43,694,416)**	130,151,711	**(52,328,603)**	(36,251,171)
Finance costs	7.1	**(305,707,551)**	(426,826,525)	**(12,010,265)**	(51,804,634)
Finance income	7.2	**8,710,209**	18,220,826	**32,170,379**	79,169,493
Share of profit of associate	18.1	**40,696,164**	24,754,911	**-**	-
Impairment of associate	18	**(98,697,613)**	-	**-**	-
Loss before tax	8	**(398,693,207)**	(253,699,077)	**(32,168,489)**	(8,886,312)
Tax (Charge)/Reversal	9	**155,178,382**	4,800,327	**(1,856,995)**	-
Loss for the year		**(243,514,825)**	(248,898,750)	**(34,025,484)**	(8,886,312)
Loss attributable to:					
Equity holders of the parent		**(159,109,513)**	(198,017,609)	**(34,025,484)**	(8,886,312)
Non-controlling interests		**(84,405,312)**	(50,881,141)	**-**	-
		(243,514,825)	(248,898,750)	**(34,025,484)**	(8,886,312)
Basic Losses per share	**10**	**(0.25)**	(0.32)	**(0.05)**	(0.01)

Figures in brackets indicate deductions.

The accounting policies and notes on pages 84 through 148 form an integral part of these financial statements.

Statement of Comprehensive Income

Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Restated Rs.	Company 2026 Rs.	Company 2025 Rs.
Loss for the year		**(243,514,825)**	(248,898,750)	**(34,025,484)**	(8,886,312)
Other comprehensive income/(loss)					
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods					
Revaluation gain land, land improvements and buildings	13.1.1	**261,598,679**	135,770,004	**-**	-
Deferred tax effect on revaluation gain land, land improvements and buildings	19.1	**(78,479,604)**	(40,731,002)	**-**	-
Actuarial gain/ (loss) on defined benefit plan	26.1	**(10,535,835)**	919,987	**(6,189,983)**	223,881
Deferred tax effect on defined benefit plan	19.1	**3,160,750**	(208,832)	**1,856,995**	-
Share of other comprehensive income of associate	18	**5,358,507**	1,130,884	**-**	-
Other Comprehensive Income/(loss) for the year, net of tax		**181,102,497**	96,881,041	**(4,332,988)**	223,881
Total Comprehensive loss for the year, net of tax		**(62,412,328)**	(152,017,709)	**(38,358,472)**	(8,662,431)
Total comprehensive loss attributable to:					
Equity holders of the parent		**(91,324,806)**	(150,782,140)	**(38,358,472)**	(8,662,431)
Non-controlling interests		**28,912,478**	(1,235,570)	**-**	-
		(62,412,328)	(152,017,709)	**(38,358,472)**	(8,662,431)

Figures in brackets indicate deductions.

The accounting policies and notes on pages 84 through 148 form an integral part of these financial statements.

Statement of Financial Position

As at 31 March	Note	Group 2026 Rs.	Group 2025 Restated Rs.	Company 2026 Rs.	Company 2025 Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	13	**7,312,117,810**	7,154,683,609	**4,733,050**	4,212,871
Investment properties	14	**639,266,966**	639,266,966	**-**	-
Right-of-use assets	15	**193,985,645**	77,485,862	**64,041,267**	50,231,286
Investments in subsidiaries	17	**-**	-	**4,315,152,510**	4,559,514,520
Investment in associate	18	**2,216,914,064**	2,269,557,006	**-**	-
Other receivables - related parties	21	**-**	-	**115,930,109**	325,513,778
Deferred tax asset	19	**53,198,751**	31,086,584	**-**	-
		10,415,483,236	10,172,080,027	**4,499,856,936**	4,939,472,455
Current assets					
Inventories	20	**68,420,485**	59,884,317	**-**	-
Trade and other receivables	21	**279,382,187**	369,321,301	**467,924,826**	194,069,054
Advances and prepayments	22	**144,918,331**	54,042,310	**5,112,881**	4,057,465
Other current financial assets	23	**15,907,740**	13,501,416	**-**	-
Tax receivables		**17,317,159**	16,702,825	**11,294,163**	11,153,346
Cash and Cash Equivalents	24	**115,698,872**	232,625,359	**26,595,519**	44,258,614
		641,644,774	746,077,528	**510,927,389**	253,538,479
Total assets		**11,057,128,010**	10,918,157,555	**5,010,784,325**	5,193,010,934
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	25	**4,845,263,470**	4,845,263,470	**4,845,263,470**	4,845,263,470
Revaluation reserve		**1,951,065,587**	1,876,190,469	**-**	-
Retained loss		**(4,131,947,857)**	(3,589,690,942)	**(203,736,549)**	(165,378,077)
Equity attributable to owners of the company		**2,664,381,200**	3,131,762,997	**4,641,526,921**	4,679,885,393
Non-controlling interests		**2,840,435,362**	2,126,832,460	**-**	-
Total Equity		**5,504,816,562**	5,258,595,457	**4,641,526,921**	4,679,885,393
Non-current liabilities					
Deferred tax liability	19	**1,233,197,928**	1,292,532,942	**-**	-
Retirement benefit obligation	26	**84,175,299**	63,257,252	**30,870,445**	21,513,655
Interest bearing loans and borrowings	27	**2,526,757,147**	2,406,928,716	**-**	-
Advance received for leasehold rights	28	**-**	-	**148,813,097**	150,606,029
Lease liabilities	29	**70,514,894**	-	**14,681,859**	-
Other payables	30	**1,404,000**	-	**1,404,000**	19,327,413
		3,916,049,268	3,762,718,910	**195,769,401**	191,447,097

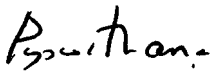
Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Restated Rs.	Company 2026 Rs.	Company 2025 Rs.
Current liabilities					
Trade and other payables	30	**1,051,083,931**	1,030,293,621	**160,754,445**	321,678,444
Interest bearing loans and borrowings	27	**481,294,408**	772,521,587	**12,733,558**	-
Lease liabilities	29	**75,629,719**	4,061,592	**-**	-
Contract liabilities	31	**26,739,838**	87,509,097	**-**	-
Tax payables		**1,514,284**	2,457,291	**-**	-
		1,636,262,180	1,896,843,188	**173,488,003**	321,678,444
Total Equity and Liabilities		**11,057,128,010**	10,918,157,555	**5,010,784,325**	5,193,010,934

It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

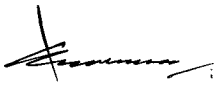


Kaushika Ranasinghe
Group Head of Finance

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by;



P L P Withana
Director



P C B Talwatte
Director/CEO

The accounting policies and notes on pages 84 through 148 form an integral part of these financial statements.

28 August 2026
Colombo

Statement of Changes in Equity

Group	Note	Attributable to equity holders of the parent				Non-Controlling Interest	Total Equity
		Stated Capital	Revaluation Reserve	Retained Loss	Total		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01 April 2024		3,256,172,662	1,829,640,172	(3,236,783,179)	1,849,029,655	943,274,292	2,792,303,947
Prior period correction – (Note 33)		-	-	100,066,270	100,066,270	14,862,071	114,928,341
Balance as at 01 April 2024 (Restated)		3,256,172,662	1,829,640,172	(3,136,716,909)	1,949,095,925	958,136,363	2,907,232,288
Net loss for the year		-	-	(198,017,609)	(198,017,609)	(50,881,141)	(248,898,750)
Other comprehensive income/(loss)							
Revaluation gain land, land improvements and buildings	13.1	-	65,283,756	-	65,283,756	70,486,248	135,770,004
Deferred tax effect on revaluation gain land, land improvements and buildings	19.1	-	(19,585,128)	-	(19,585,128)	(21,145,874)	(40,731,002)
Actuarial gain/(loss) on defined benefit obligations	26	-	-	882,866	882,866	37,121	919,987
Deferred tax effect on actuarial gain/(loss) on defined benefit plan	19.1	-	-	(197,696)	(197,696)	(11,136)	(208,832)
Share of other comprehensive income attributable to associate, net of tax	18.1	-	851,669	-	851,669	279,215	1,130,884
Total other comprehensive income/(loss), net of tax		-	46,550,297	685,170	47,235,467	49,645,574	96,881,041
Total comprehensive income/(loss) for the year, net of tax		-	46,550,297	(197,332,439)	(150,782,142)	(1,235,567)	(152,017,709)
Issue of shares		1,589,090,808	-	-	1,589,090,808	-	1,589,090,808
Share issue to non-controlling interest		-	-	-	-	250,031,889	250,031,889
Adjustment on changes to non-controlling interest in subsidiaries		-	-	(255,641,594)	(255,641,594)	919,899,775	664,258,181
Balance as at 31 March 2025 (Restated)		4,845,263,470	1,876,190,469	(3,589,690,942)	3,131,762,997	2,126,832,460	5,258,595,457
Balance as at 01 April 2025 (Restated)		4,845,263,470	1,876,190,469	(3,589,690,942)	3,131,762,997	2,126,832,460	5,258,595,457
Net loss for the year		-	-	(159,109,513)	(159,109,513)	(84,405,312)	(243,514,825)
Other comprehensive income/(loss)							
Revaluation gain land, land improvements and buildings	13.1.1	-	101,905,653	-	101,905,653	159,693,026	261,598,679
Deferred tax effect on revaluation gain land, land improvements and buildings	19.1	-	(30,571,696)	-	(30,571,696)	(47,907,908)	(78,479,604)
Actuarial gain/(loss) on defined benefit obligation	26	-	-	(9,953,475)	(9,953,475)	(582,360)	(10,535,835)
Deferred tax effect on actuarial gain /(loss) on defined obligation	19.1	-	-	2,986,042	2,986,042	174,708	3,160,750
Share of other comprehensive income attributable to associate, net of tax	18.1	-	3,541,161	(122,978)	3,418,183	1,940,324	5,358,507
Total other comprehensive income/(loss), net of tax		-	74,875,118	(7,090,411)	67,784,707	113,317,790	181,102,497
Total comprehensive income/(loss) for the year, net of tax		-	74,875,118	(166,199,924)	(91,324,806)	28,912,478	(62,412,328)
Share issue to non-controlling interest		-	-	-	-	-	-
Adjustment on changes to non-controlling interest in subsidiaries		-	-	(376,056,991)	(376,056,991)	684,690,424	308,633,433
Balance as at 31 March 2026		4,845,263,470	1,951,065,587	(4,131,947,857)	2,664,381,200	2,840,435,362	5,504,816,562

Revaluation reserve is used to record increments and decrements on the revaluation of land, land improvements and buildings of the Group. In the event of a sale or disposal of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings, see accounting policy note 2.3(h) for details.

Figures in brackets indicate deductions.

The accounting policies and notes on pages 84 through 148 form an integral part of these financial statements.

Company	Note	Stated Capital Rs.	Retained Loss Rs.	Total Equity Rs.
Balance as at 01 April 2024		3,256,172,662	(156,715,646)	3,099,457,016
Net loss for the year		-	(8,886,312)	(8,886,312)
Other comprehensive income/(loss)				
Actuarial gain on defined benefit plan	26.1	-	223,881	223,881
Deferred tax effect on actuarial gain on defined benefit plan	19.1	-	-	-
Total comprehensive loss for the year, net of tax		-	(8,662,431)	(8,662,431)
Issue of shares		1,589,090,808	-	1,589,090,808
Balance as at 31 March 2025		4,845,263,470	(165,378,077)	4,679,885,393
Balance as at 01 April 2025		4,845,263,470	(165,378,077)	4,679,885,393
Net loss for the year		-	(34,025,484)	(34,025,484)
Other comprehensive income/(loss)				
Actuarial loss on defined benefit plan	26.1	-	(6,189,983)	(6,189,983)
Deferred tax effect on actuarial loss on defined benefit plan	19.1	-	1,856,995	1,856,995
Total other comprehensive loss, net of tax		-	(4,332,988)	(4,332,988)
Total comprehensive loss for the year, net of tax		-	(38,358,472)	(38,358,472)
Balance as at 31 March 2026		4,845,263,470	(203,736,549)	4,641,526,921

Statement of Cash Flows

Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Cash flows from/(used in) operating activities					
Loss before income tax expense		**(398,693,207)**	(253,699,077)	**(32,168,489)**	(8,886,312)
Adjustments for :					
Depreciation of property, plant and equipment	13	**193,284,948**	199,172,675	**1,376,233**	1,395,707
Amortisation of intangible assets	16	**-**	303,539	**-**	-
Depreciation of right-of-use assets	15	**53,401,941**	71,060,720	**5,140,977**	4,626,463
Deferred income on amortisation of leasehold right	28	**-**	-	**(1,792,932)**	(1,792,932)
Fair value loss/(gain) on financial assets at fair value	7	**(2,396,110)**	(4,955,680)	**-**	(2,033,264)
Finance costs	7.1	**305,707,551**	426,826,525	**12,010,265**	51,804,634
Finance income	7.2	**(5,304,023)**	(12,726,884)	**(32,170,379)**	(77,136,229)
Charge/ (Reversal) of Provision		**654,702**	1,116,606	**-**	-
(Gain)/ Loss on disposal of property, plant & equipment	6 & 8	**164,906**	(26,638,098)	**(41,934)**	-
Write back of trade payables		**-**	-	**(22,166,756)**	-
Impairment of trade receivables	8	**(1,311,728)**	6,268,335	**2,555,674**	161,000
Impairment of Subsidiaries		**-**	-	**25,612,010**	-
Impairment of investment in Associate	18	**98,697,613**	-	**-**	-
Provision for defined benefit plans	26.1	**15,661,035**	14,576,392	**5,126,732**	4,719,972
Loss/(gain) on sale of shares	6 & 8	**-**	(46,831,144)	**1,094,804**	1,235,031
Dividend income	7.2	**(1,010,076)**	(538,262)	**-**	
Share of profits from investment in associate	18	**(40,696,164)**	(24,754,911)	**-**	
Operating profit/ (loss) before working capital changes		**218,161,388**	349,180,736	**(35,423,795)**	(25,905,930)
(Increase)/decrease in inventories		**(8,536,168)**	8,286,158	**-**	-
(Increase)/decrease in trade and other receivables		**91,250,847**	(32,231,340)	**(66,827,777)**	(81,770,264)
(Increase)/decrease in advances & prepayments		**(90,876,021)**	(14,780,441)	**(1,055,416)**	(620,295)
(Increase)/decrease in other current financial assets		**(10,214)**	(12,557)	**-**	-
Increase/(decrease) in contract liabilities		**(60,769,259)**	62,149,346	**-**	-
(Increase)/decrease in trade tax		**(614,334)**	(5,365,222)	**(140,817)**	(6,849,746)
Increase/(decrease) in trade and other payables		**20,790,310**	(1,550,888,234)	**(156,539,845)**	(1,125,959,756)
Cash generated / (used in) operating activities		**169,396,549**	(1,183,661,554)	**(259,987,649)**	(1,241,105,991)
Finance cost paid		**(289,227,815)**	(418,898,514)	**(754,250)**	(51,804,634)
Tax paid		**(2,559,494)**	-	**-**	-
Defined benefit plan cost paid	26	**(5,278,823)**	(10,148,448)	**(1,959,925)**	(3,479,834)
Net cash flows from/(used in) operating activities		**(127,669,583)**	(1,612,708,516)	**(262,701,824)**	(1,296,390,459)

Year ended 31 March	Note	Group		Company	
		2026	2025	**2026**	2025
		Rs.	Rs.	**Rs.**	Rs.
Cash flows from/(used in) investing activities					
Acquisition of property, plant and equipment	13.1.4	**(89,355,360)**	(23,874,534)	**(1,924,459)**	(2,284,186)
Proceeds from disposal of property, plant and equipment		**69,982**	38,303,306	**69,982**	
Investment in subsidiary	17.1	**-**	-	**-**	(1,172,220,044)
Proceeds from sale of shares		**308,633,333**	664,258,180	**217,655,197**	163,264,969
Dividend received	7.2	**1,010,076**	538,262	**-**	
Finance income received	7.2	**4,678,251**	12,726,884	**1,783,832**	79,169,493
Net cash flow from/(used in) investing activities		**225,036,282**	691,952,098	**217,584,552**	(932,069,768)
Cash flows from/(used in) financing activities					
Proceeds from interest bearing loans and borrowings	27.1	**386,500,000**	371,810,938	**-**	-
Net finance Cost from/(to) related parties		**(8,936,640)**	-	**19,760,621**	680,575,484
Net proceeds/repayment from/(to) other payables		**1,404,000**	-	**-**	-
Repayment of interest bearing loans and borrowings	27.1	**(419,380,317)**	(1,008,658,014)	**-**	-
Proceed from issue of share		**-**	1,589,090,808	**-**	1,589,090,808
Proceeds from shares issue to non-controlling shareholders		**-**	250,031,889	**-**	-
Payments under other lease liabilities	29	**(35,361,800)**	(61,724,767)	**(5,040,000)**	(4,953,585)
Net cash flows from/ (used in) financing activities		**(75,774,757)**	1,140,550,854	**14,720,621**	2,264,712,707
Net increase/ (decrease) in cash and cash equivalents		**21,591,943**	219,794,436	**(30,396,653)**	36,252,480
Cash and cash equivalents at the beginning of the year		**(54,882,909)**	(274,677,345)	**44,258,614**	8,006,134
Cash and cash equivalents at the end of the year (Note A)		**(33,290,966)**	(54,882,909)	**13,861,961**	44,258,614
Note A					
Analysis of Cash and cash equivalents					
Cash in hand and cash at bank	24	**73,174,314**	161,332,950	**4,306,689**	23,331,422
Short term deposits with original maturity less than three months	24	**42,524,558**	71,292,409	**22,288,830**	20,927,192
Bank overdrafts	27	**(148,989,838)**	(287,508,268)	**(12,733,558)**	-
Total cash and cash equivalents		**(33,290,966)**	(54,882,909)	**13,861,961**	44,258,614

The accounting policies and notes on pages 84 through 148 form an integral part of these financial statements.

Notes to the Financial Statements

1. CORPORATE INFORMATION

Citrus Leisure PLC ("the Company" or "the Parent") is a public limited company incorporated and domiciled in Sri Lanka, whose shares are listed on Colombo Stock Exchange and publicly traded.

The registered office of the Company is located at No. 56/1, Kynsey Road, Colombo 8.

1.1 Principal Activities and Nature of Operations

The Group is principally engaged in the provision of hotel and related hospitality services. Information of the subsidiaries are provided in Note 2.2.1

1.2 Parent Entity and Ultimate Parent

In the opinion of the Directors, the Company's ultimate parent undertaking and controlling party is George Steuart & Company Ltd, which is incorporated in Sri Lanka.

1.3 Date of Authorisation for Issue

The consolidated financial statements of the Citrus Leisure PLC and its subsidiaries (collectively, the Group) for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Directors on 28 August 2026.

2. BASIS OF PREPARATION AND OTHER MATERIAL ACCOUNTING POLICIES

2.1 Statement of Compliance

The financial statements which comprise the statement of profit or loss, statement of comprehensive income, statement of financial position, as at 31 March 2026 statement of changes in equity and the statement of cash flows for the year then ended together with the accounting policies and notes (the "financial statements") have been prepared in accordance with Sri Lanka Accounting Standards (SLFRSs/ LKASs) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and in compliance with the requirements of the Companies Act No. 7 of 2007.

The consolidated financial statements have been prepared on the historical cost basis, except for the following material items in the statement of financial position.

- Land and Land improvements and Buildings improvements which are recognised as property plant and equipment which are measured at cost at the time of the acquisition and subsequently carried at fair value.
- Land and buildings classified as investment property are initially measured at cost at the time of the acquisition and subsequently carried at fair value.
- Financial assets at fair value through profit or loss carried at fair value.

The consolidated financial statements are presented in Sri Lankan rupees (Rs.) and values are rounded to the nearest whole number value, except when otherwise indicated.

Comparative Information

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

2.1.1 The Business Operations of the Group and Going Concern

a) Going Concern

In determining the basis of preparing the financial statements for the year ended 31 March 2026, based on available information, the management has assessed the impact of existing economic circumstances on the Group and the appropriateness of the use of the going concern basis.

The Company evaluated the resilience of its businesses by considering a wide range of factors under multiple scenarios, relating to expected revenue, cost management, profitability, ability to defer non-essential capital expenditure, debt repayment, and potential sources of financing facilities.

Having evaluated each company of the Group by the Board of Directors, and after due consideration of the range and likelihood of outcomes, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing and presenting these financial statements.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as for the year ended 31 March 2026.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

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

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

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

Profit or loss and each component of Other Comprehensive Income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Accounting under Separate Financial Statement

Investment in subsidiary is measured at cost less accumulated impairment in the separate financial statements.

2.2.1 Subsidiaries

Subsidiaries are those enterprises controlled by the parent and have been listed in the Group directory.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, which is 12 months ending 31 March, using consistent accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Subsidiaries & their controlling percentages of the Group, which have been consolidated are as follows:

	Subsidiary	Effective Holding		Principal Activities
		2026	2025	
1.	Hikkaduwa Beach Resort PLC	63.79%	75.31%	Provision of food and beverage, lodging, other hospitality industry related activities.
2.	Waskaduwa Beach Resort PLC	32.56%	42%	
3.	Citrus Silver Limited	100%	100%	
4.	Citrus Aqua Limited	58.20%	58.20%	The company carried out all range of watersports and related activities. However, the commercial operations have remained suspended since February 2014.
5.	Citrus Vacations Limited	98%	98%	Carrying out inbound and outbound travels and business of travel agents. However, the commercial operations of the company have remained suspended since April 2018.
6.	Citrus Villas Limited	100%	100%	Dormant Company
7.	Citrus LT (Pvt) Ltd	100%	100%	Staff Management

2.2.2 Investment in Associates

The Group's investment in associate is accounted for using the equity method of accounting. An associate is an entity in which the Company has significant influence, and which is neither a subsidiary nor a joint venture. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit or loss reflects the share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss in the statement of profit or loss.

In case of associates, where the reporting dates are different to Group reporting dates, adjustments are made for any significant transactions or events up to 31 March.

Associate	2026	2025	Principal Activities
Colombo Land & Development Company PLC	20.22%	20.22%	Development and leasing out of investment property under operating leases and renting of vehicle parking.

The Financial Statements of Colombo Land & Development Company PLC have been prepared for the year ended 31 December. The equity method of accounting has been applied matching twelve-month financial period up to 31 March as of the same date as the Financial Statements of the parent.

2.3 Summary of Material Accounting Policy Information

a) Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SLFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SLFRS 9. Other contingent consideration that is not within the scope of SLFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Current versus Non-Current Classification

The Group presents assets and liabilities in the Statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

or

- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

c) Fair Value Measurement

The Group measures financial instruments such as quoted equity securities designated as fair value through profit or loss and land and buildings at fair value at each financial position. Fair value is the price that would be received to sell

an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

or

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Senior Management and Board determines the policies and procedures for fair value measurement, such as land and buildings.

External valuers are involved for valuation of Land, Buildings of the Group. Involvement of external valuers is determined annually by the senior management and the board after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The senior management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The senior management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

Fair value measurement	Disclosure Notes
Disclosures for valuation methods, significant estimates and assumptions	Note 13.3.1
Quantitative disclosures of fair value measurement hierarchy	Note 12
Investment in quoted equity shares	Notes 12 and 23.1
Property, plant and equipment under revaluation model	Note 13
Investment properties	Note 14
Financial Instruments (Including those carried at amortised cost)	Note 11

d) Revenue

(i) Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expect to entitled in exchange of those goods or services.

The Group's gross turnover comprises proceeds from provision of food, beverage, lodging and other hospitality industry related activities. The net Group's turnover excludes turnover taxes and trade discounts.

- Room revenue is recognised on the rooms occupied on daily basis.
- Food and Beverage revenue is recognised at the time of sales.
- Other Hotel Related Revenue is accounted when such service is rendered.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group recognises advanced received for future booking as contract liabilities which has been disclosed under current liabilities in the statement of financial position.

(ii) Interest Income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as financial assets at fair value through OCI, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the Statement of Profit or Loss.

(iii) Rental Income, Other Income and Gains

Rental income, other income and gains are recognised in the statement of profit or loss as it accrues.

(iv) Gains and Losses on Disposal of Assets

Gains and losses on disposal of Assets are determined by comparing the net sales proceeds with the carrying amounts of the assets and are recognised net within "other operating income" in the Statement of Profit or Loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

(v) Dividend Income

Dividend income is recognised when right to receive the payment is established.

e) Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle

current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred Tax on Undistributed Profits of Investment in Associate

The Group does not control is equity accounted investees. It is therefore generally not in a position to control the timing of the reversal of a possible taxable temporary difference relating to the undistributed profits of the equity accounted investees.

The group calculates deferred tax based on the most likely manner of reversal taking into account management's intent and the tax jurisdiction applicable to relevant equity accounted investees.

The management intends to recover the carrying amount of the investment primarily through sale of the investment rather than through dividends. The deferred tax implications are evaluated based on the tax consequences on the sale of investments.

Since the carrying amount is expected to be recovered through a sale transactions which has no tax consequences. No temporary difference arise on the equity accounted investees and no deferred tax is provided.

Sales Tax

Revenue, expenses and assets are recognised net of the amount of sales tax, except:

- Where the sales tax incurred on a purchase of an assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.
- The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

f) Foreign Currencies

The Group's consolidated financial statements are presented in Sri Lanka Rupees, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. All differences are taken to the statement of profit or loss.

g) Cash Dividend

The Group recognises liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Group. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

h) Property, Plant and Equipment

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured.

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in profit or loss as incurred.

Lands are measured at fair value less accumulated impairment losses recognised after the date of revaluation. Buildings are measured at fair value less accumulated depreciation and accumulated impairment losses recognised after the date of revaluation. Revaluation of land and buildings are done with sufficient frequency to ensure that the fair value of the land does not differ materially from its carrying amount, and is undertaken by professionally qualified valuers. A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation is recognised in the Statement of Profit or Loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Useful lives as follows;

Asset	Years
Buildings	10 - 40 Years
Sundry Equipment / Generator & Transformers / Motor Vehicles	4 Years - 15 Years
Furniture and fittings	6 Years
Plant & machinery	10 Years
Entertainment equipment	4 Years
Office equipment	6 Years
Gardening and other equipment	5 - 6 Years
Linen and furnishing	3 Years
Kitchen utensils and other equipment	10 - 13 Years
Air conditioner	10 - 13 Years
Computer equipment	3 - 6 Years
Electrical fittings	10 Years
Crockery and cutlery	3 Years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital Work-in-Progress

Capital work-in-progress is stated at cost less any accumulated impairment losses if any. These would be transferred to the relevant asset category in property, plant and equipment when the asset is completed and available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management

i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j) Investment Properties

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

Recognition and Measurement

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Derecognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

k) Intangible Assets

An Intangible asset is recognised if it is probable that future economic benefit associated with the assets will flow to the Group and cost of the asset can be reliably measured. Intangible assets acquired separately are measured on initial recognition at cost. The costs of intangible assets acquired in a business combination are their fair value as at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful life of intangible asset is assessed as finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The useful life of intangible assets are as follows;

Asset	Useful Life
Computer Software	Over 4 Years
Website development	Over 4 Years

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function/ nature of the intangible asset. Amortisation was commenced when the assets were available for use.

l) Financial Instruments – Initial Recognition and Subsequent Measurement

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

i. Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at fair value through profit or loss

Financial Assets at Amortised Cost (Debt Instruments)

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

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

The group financial assets at amortised cost includes trade receivables and fixed deposits.

Financial Assets Designated at Fair Value through OCI (Equity Instruments)

Upon initial recognition, the group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under SLFRS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group does not have any financial instrument under this category as at the reporting date.

Financial Assets at Fair Value through OCI (Debt Instruments)

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

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling

and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group does not have any financial instrument under this category as at the reporting date.

Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

This category includes derivative instruments and listed equity investments which the group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the group consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired

or

- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

Disclosure	Note
Disclosures for significant assumptions	Note 04
Financial assets	Note 23
Trade receivables	Note 21

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables the group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial Liabilities Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group financial liabilities include trade and other payables, lease liabilities and interest bearing loans and borrowings.

Subsequent Measurement

The measurement of financial liabilities depends on their classification a described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by SLFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in SLFRS 9 are satisfied. The group has not designated any financial liability as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

m) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Category	Cost Basis
Food and Beverages	At Weighted Average Cost
Housekeeping and Maintenance	At Weighted Average Cost
Other Stock	At Weighted Average Cost

Net realisable value is the estimated selling price in the ordinary course of business less, the estimated cost of completion and the estimated costs necessary to make the sale.

n) Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Calculation of Recoverable Amount

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets.

Impairment / Reversal of Impairment

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in statement of income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o) Cash and Short-term Deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p) Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment are not depreciated once classified as held for sale. Assets classified as held for sale are presented separately as current items in the statement of financial position.

q) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

r) Employee Benefits Defined Contribution Plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to Provident and Trust Funds covering all employees are recognised as an employee benefit expense in Statement of Profit or Loss in the periods during which services are rendered by employees. The Group contributes 12% and 3% of gross emoluments to employees as Provident Fund and Trust Fund contribution respectively.

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit is calculated by independent actuaries using Projected Unit Credit (PUC) method as recommended by LKAS 19 – "Employee benefits". The present value of the retirement benefit obligation is determined by discounting the estimated future cash outflows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

Current service cost and interest cost are recognised in the Statement of Profit or Loss while any actuarial gains or losses arising are recognised in Statement of Other Comprehensive Income.

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Key assumptions used in determining the retirement benefit obligations are given in Note 26. Any changes in these assumptions will impact the carrying amount of retirement benefit obligations.

Provision has been made for retirement gratuities from the beginning of service for all employees, in conformity with LKAS 19 on employee benefit. However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

Short-term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

s) Leases

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

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-Use Assets

The Group recognises right of use assets when the underlying asset is available for use. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term. Right of use assets are subject to impairment and depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Description	Period
Land and Buildings	5-99 Years

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

iii) Short-term Leases and Leases of Low-value Assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. EFFECT OF SRI LANKA ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following Sri Lanka Accounting Standards and interpretations have been issued by the Institute of Chartered Accountants of Sri Lanka which are not yet effective as at 31 March 2026.

- **SLFRS 17 Insurance Contracts**

SLFRS 17 is a comprehensive new accounting standard for insurance contracts, covering recognition, measurement, presentation, and disclosure. It replaces SLFRS 4 and applies to all types of insurance contracts including life, non-life, direct insurance, reinsurance as well as certain guarantees and financial.

The standard is built around the General Measurement Model, supported by two supplementary

approaches:

- Variable Fee Approach (VFA): for contracts with direct participation features
- Premium Allocation Approach (PAA): a simplified model mainly for short-duration contracts

SLFRS 17 is effective for annual reporting periods beginning on or after 1 January 2026, with comparative figures required. Early adoption is allowed if the entity also applies SLFRS 9 Financial Instruments and SLFRS 15 Revenue from Contracts with Customers by the date SLFRS 17 is first applied.

SLFRS 17 does not have a material impact on the financial statements.

- **SLFRS 18 Presentation and Disclosure in Financial Statements**

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organised and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 18 on the financial statements and the related notes is currently being identified and evaluated.

SLFRS 19 Subsidiaries without public accountability: Disclosures

SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles.

The purpose of SLFRS 19 is to lessen the financial reporting burden on qualifying subsidiaries by simplifying disclosure requirements, while still ensuring that financial statements remain high-quality, consistent, and comparable for users.

SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19.

The Standard becomes effective for annual reporting periods beginning on or after 1 January 2027.

Early application is permitted

The potential impact of SLFRS 19 is currently being identified and evaluated.

Classification and Measurement of Financial Instruments - Amendments to SLFRS 9 and SLFRS 7

The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainability-linked terms and nature-dependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early

application is permitted

The amendments are not expected to have a material impact on the financial statements.

Annual improvements to Sri Lanka Accounting Standards

Narrow scope amendments as part of its periodic maintenance of Sri Lanka Accounting Standards will be adopted, if applicable, when they become effective.

The Group will not be significantly affected by these amendments as at the reporting date. Further, the amended standards and interpretations are not expected to have a significant impact on Group Financial Statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

Disclosure	Note
Capital management	Note 39
Financial risk management and objectives and policies	Note 38
Sensitivity analyses disclosures	Note 26.3/ 38.3.1 & 38.3.2

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined Benefit Plans (Pension Benefits)

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a retirement benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of long term Government Bonds (Treasury Bonds) corresponding to the average work life of the employees.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about Retirement benefit obligations are provided in Note 26.

Provision for Expected Credit Losses of Trade Receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. Management considered 100% ECL for debtors aged more than 365 days in determining the provision matrix for ECL.

The provision matrix is initially based on the company's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The company has considered the current decline in the tourism industry due to the impact of economic recession in determining the provisioning under ECL. The Management has monitored the effect of the global economic downturn to its travel agents through frequent discussion with them and based on the financial strength and negotiated the payment terms and future arrangements accordingly.

Recoverability of Deferred Tax Assets

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

Performance Obligations and Significant Judgements

The revenue for providing the services are usually recognised at or after the guests' departure, over the period of stay or at the point of arrival of guests. The entity identifies the services under each contract as one performance obligation. The revenue is accounted based on the output method. Since revenue will be based on the final good or service provided, the output method will provide a faithful depiction in recognising revenue.

Transaction price shall comprise of supplier fee and company markup, summing up to be the Gross Service fee. The advance payments are recognised as a liability. Upon provision of the services, the liability is set off and revenue is recognised over the period.

Fair Value of Freehold Land and Buildings

The Group measures freehold land and buildings at fair value with changes in fair value being recognised in other comprehensive income. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Fair value-related disclosures for assets measured at fair value are summarised in the Note 12 to the financial statements.

Impairment of Non-Financial Assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant for the following assets of the Group for which the key assumptions used are disclosed and further explained in the respective notes.

Item	Note
Equity Accounted Investees	Note 18
Cash Generating Units (CGU) of the Group	Note 13.6

Leases - Estimating the Incremental Borrowing Rate for Discounting Land Lease Commitments

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and making certain entity-specific adjustments based on the type, terms and conditions of the lease.

5 REVENUE

Year ended 31 March	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
5.1 Revenue from contracts with customers				
Hotel income (Note 5.1.1)	**2,248,589,384**	2,255,920,053	**-**	-
Management fee income (Note 5.1.2)	**37,930,750**	26,966,804	**136,451,939**	125,781,652
	2,286,520,134	2,282,886,857	**136,451,939**	125,781,652
5.1.1 Segmentation of revenue				
Room revenue	**1,152,035,584**	1,122,329,895	**-**	-
Food revenue	**709,618,052**	698,708,542	**-**	-
Beverage revenue	**165,701,914**	223,250,320	**-**	-
Banquet revenue	**206,119,115**	198,592,978	**-**	-
Spa income	**13,784,440**	11,955,968	**-**	-
Laundry income	**1,330,279**	1,082,350	**-**	-
	2,248,589,384	2,255,920,053	**-**	-
5.1.2 Management fee income				
Management fee income - Inter Company	**-**	-	**101,246,650**	100,254,887
Management fee income - Other	**37,930,750**	26,966,804	**35,205,289**	25,526,765
	37,930,750	26,966,804	**136,451,939**	125,781,652
5.1.3 Timing of revenue recognition				
Service transferred over time	**1,189,966,334**	1,149,296,699	**136,451,939**	125,781,652
Service transferred at a point in time	**1,096,553,800**	1,133,590,158	**-**	-
	2,286,520,134	2,282,886,857	**136,451,939**	125,781,652

6 OTHER INCOME AND GAINS

Year ended 31 March	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Income from sublease	**-**	-	**1,792,932**	1,792,933
Other income from hotel related activities	**27,978**	85,854	**-**	-
Gain on foreign currency encashment	**2,251,141**	64,500	**-**	-
Swimming pool income	**526,964**	346,764	**-**	-
Gain on disposal of shares	**-**	48,066,175	**-**	-
Shop rent income	**1,525,424**	1,137,236	**-**	-
Other sundry income	**7,297,194**	5,340,840	**423,729**	946,129
Insurance claim income	**2,925,209**	-	**-**	-
Citrus LT - staff management income	**6,711,182**	14,162,287	**6,711,182**	4,754,995
Gain on disposal of property, plant and equipment	**41,934**	27,008,562	**41,934**	-
Other payable written back	**677,491**	220,336	**22,166,756**	-
	21,984,517	96,432,554	**31,136,533**	7,494,057

In 2026 and 2025, other sundry income primarily comprised proceeds from the sale of produce harvested from the Kalpitiya land.

7 FINANCE COSTS AND INCOME

Year ended 31 March	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
7.1 **Finance costs**				
Interest expenses on bank overdrafts	**15,415,677**	32,604,698	**754,255**	3,740,812
Interest expenses on lease liabilities	**7,543,097**	7,928,012	**770,901**	86,415
Interest expenses on bank loans	**273,812,137**	339,959,321	**-**	-
Intercompany loan interest	**8,936,640**	46,334,494	**10,485,109**	47,977,407
	305,707,551	426,826,525	**12,010,265**	51,804,634
7.2 Finance Income				
Interest income on fixed deposits and savings accounts	**5,304,023**	12,726,884	**1,924,649**	1,632,974
Interest on related party receivables	**-**	-	**30,245,730**	75,503,255
Dividend income	**1,010,076**	538,262	**-**	-
Fair value gain on financial assets at fair value through profit or loss	**2,396,110**	4,955,680	**-**	2,033,264
	8,710,209	18,220,826	**32,170,379**	79,169,493

8 LOSS BEFORE TAX

Loss before tax is stated after charging all the expenses including the followings:

	Group		Company	
Year ended 31 March	**2026**	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Auditors' remuneration				
- Statutory audit fee	**3,790,336**	2,777,718	**618,797**	456,500
- Non audit fee	**4,182,830**	3,162,149	**667,867**	299,751
Costs of defined employee benefits				
- Defined benefit plan costs	**15,661,035**	14,576,392	**5,126,732**	4,719,972
- Defined contribution plan cost - EPF and ETF	**53,542,350**	45,358,943	**9,879,303**	7,838,187
- Other staff cost	**308,275,369**	260,895,958	**14,876,759**	8,698,040
Depreciation of property, plant and equipment	**193,284,948**	203,206,269	**1,376,233**	1,395,707
Amortisation of intangible assets	**-**	303,539	**-**	-
Depreciation of right-of-use assets	**53,401,941**	71,060,720	**5,140,977**	4,626,463
Impairment of trade receivables	**(1,311,728)**	6,268,335	**2,555,674**	161,000
Directors' remuneration	**54,266,168**	45,903,117	**51,466,168**	42,689,186
Loss on disposal of shares	**-**	-	**1,094,804**	1,235,031
Loss on disposal of property, plant and equipment	**164,906**	370,464	**-**	-
Business promotion and advertising costs	**37,466,454**	24,377,458	**143,015**	57,043

9 TAX EXPENSE

The major components of income tax expenses for the year ended 31 March are as follows :-

	Group		Company	
Year ended 31 March	**2026**	2025 Restated	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Current income tax				
Income statement				
Current income tax charge (Note 9.1)	**1,587,654**	2,559,865	**-**	-
	1,587,654	2,559,865	**-**	-
Deferred tax expense				
Deferred tax charge (Note 9.4)	**(156,766,036)**	(7,360,192)	**1,856,995**	-
Income tax expense/(reversal) reported in the statement of profit or loss	**(155,178,382)**	(4,800,327)	**1,856,995**	-

9.1 A reconciliation between income tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows;

	Group		Company	
Year ended 31 March	**2026**	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Accounting loss before income tax	**(398,693,207)**	(253,699,077)	**(32,168,489)**	(8,886,312)
Share of profit of associate	**(40,696,164)**	(24,754,911)	**-**	-
	(439,389,371)	(278,453,988)	**(32,168,489)**	(8,886,312)
Less: Aggregate allowable items	**(108,389,104)**	(305,135,072)	**(8,539,313)**	(9,869,751)
Add: Aggregate disallowed items	**338,915,841**	380,758,042	**44,949,478**	25,785,127
Less: Non business income	**(85,289,559)**	(167,313,197)	**(33,574,977)**	(78,929,137)
Loss exempt from tax	**-**	-	**-**	-
Less: Non taxable income	**(2,826,378)**	(37,667,479)	**(430,268)**	(2,033,264)
Business loss	**(296,978,571)**	(407,811,694)	**(29,763,569)**	(73,933,337)
Other sources of income				
Investment income - other	**85,289,559**	123,395,490	**33,574,977**	78,929,137
Less: Interest income exempt from tax	**(9,196,126)**	(633,944)	**-**	-
Other taxable incomes	**4,145,730**	8,532,884	**-**	-
Less: Tax losses deducted against other sources of income	**(74,946,985)**	(122,761,546)	**(33,574,977)**	(78,929,137)
Assessable income	**5,292,178**	8,532,884	**-**	-
Less: Qualifying payments	**-**	-	**-**	-
Total taxable income	**5,292,178**	8,532,884	**-**	-
Tax on taxable income @ normal rates 30%	**1,587,654**	2,559,865	**-**	-
Current income tax charge	**1,587,654**	2,559,865	**-**	-

9.2 Income tax rates

(i) Hotel operations

The profits and income of the Company arising on provision of tourism related services is liable for taxation at the rate 30% (2024/25 : 30%) in terms of Inland Revenue Act No. 24 of 2017 and amendments thereto.

Waskaduwa Beach Resort PLC

Pursuant to agreement dated 19 March 2012, entered into with Board of Investments of Sri Lanka under section 17 of the Board of Investment Law No. 04 of 1978, the provision of the Inland Revenue No. 24 of 2017 relating to the imposition, payment and recovery of income tax in respect of the profit and income of the Company shall not apply for a period of twelve (12) years reckoned from the year of assessment 2016/2017 to 2028/2029.

(ii) Other income and gains

Income from other sources are taxed at the rate of 30%.

9.3 In determining the arm's length price, the Group has complied with the transfer pricing regulations prescribed in the Inland Revenue Act and amendment thereto and the Gazette notifications issued on transfer pricing.

	Group		Company	
Year ended 31 March	**2026**	2025 Restated	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Deferred tax expense /(reversal)				
Deferred tax arising from				
- Accelerated depreciation for tax purposes	**(2,076,128)**	(8,382,908)	**-**	-
- Retirement benefit obligation	**2,839,880**	4,257,417	**1,856,995**	-
- Right-of-use assets	**(7,343,485)**	5,087,760	**-**	-
-Impairment provision on trade receivable	**427,408**	(1,936,017)	**-**	-
- Benefit arising from tax losses and others	**(150,613,711)**	(6,386,444)	**-**	-
Total deferred tax charge/(reversal)	**(156,766,036)**	(7,360,192)	**1,856,995**	-

10 BASIC EARNINGS / (LOSSES) PER SHARE

Basic earning / (loss) per share is calculated by dividing the net loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic earnings per share computations.

	Group		Company	
Year ended 31 March	**2026**	2025 Restated	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Amounts used as the numerator :				
Net loss for the year attributable to the owners of the parent	**(159,109,513)**	(198,017,609)	**(34,025,484)**	(8,886,312)
Amounts used as the denominator :				
Weighted average number of ordinary shares in issue applicable to basic earnings/(losses) per share	**645,584,677**	615,535,841	**645,584,677**	615,535,841
Basic losses per share (Rs.)	**(0.25)**	(0.32)	**(0.05)**	(0.01)

11 FINANCIAL INSTRUMENTS

11.1 Financial assets and liabilities by categories

The following table shows the carrying amounts and fair values of financial assets and financial liabilities of the Group and the Company.

a) Financial assets by categories - Group

	2026		2025	
As at 31 March	**Fair value through profit or loss**	**Amortised cost**	Fair value through profit or loss	Amortised cost
	Rs.	**Rs.**	Rs.	Rs.
Financial assets				
Other current financial assets				
- Listed equity investments (Note 23)	**15,746,210**	**-**	13,350,100	-
- Investments in bank deposits (Note 23.2)	**-**	**42,524,558**	-	71,292,409
Trade and other receivables (Note 21)	**-**	**279,382,187**	-	369,321,301
Total financial assets	**15,746,210**	**321,906,745**	13,350,100	440,613,710

	2026		2025	
As at 31 March	**Fair value through profit or loss**	**Other Financial liabilities**	Fair value through profit or loss	Other Financial liabilities
	Rs.	**Rs.**	Rs.	Rs.
Financial liabilities				
Interest bearing loans and borrowings (Note 27)	**-**	**3,008,051,555**	-	3,179,450,303
Trade and other payables (Note 30)	**-**	**777,555,698**	-	889,814,398
Lease liabilities (Note 29)	**-**	**146,144,613**	-	4,061,592
Total financial liabilities	**-**	**3,931,751,866**	-	4,073,326,293

b) Financial assets by categories - Company

As at 31 March	2026 Fair value through profit or loss	2026 Amortised cost	2025 Fair value through profit or loss	2025 Amortised cost
	Rs.	**Rs.**	Rs.	Rs.
Financial assets				
Trade and other receivables (Note 21)	**-**	**467,924,826**	-	194,069,054
Other current financial assets				
- Investments in bank deposits (Note 24)	**-**	**22,288,830**	-	20,927,192
Total financial assets	**-**	**490,213,656**	-	214,996,246

As at 31 March	2026 Fair value through profit or loss	2026 Other financial liabilities	2025 Fair value through profit or loss	2025 Other financial liabilities
	Rs.	**Rs.**	Rs.	Rs.
Financial liabilities				
Interest bearing loans and borrowings (Note 27)	**-**	**12,733,558**	-	-
Trade and other payables (Note 30)	**-**	**131,778,640**	-	318,351,540
Lease liabilities (Note 29)	**-**	**14,681,859**	-	-
Total financial liabilities	**-**	**159,194,057**	-	318,351,540

Financial assets of which carrying values are reasonable approximations of their fair values

The management assessed that the fair values of cash and short-term deposits, trade and other receivables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial liabilities of which carrying values are reasonable approximates at their fair value

The management assessed that the fair values of trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

12 FAIR VALUE MEASUREMENT

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

12.1 Group

Fair value measurement hierarchy for assets as at 31 March 2026 and 2025:

Assets measured at fair value:		Date of valuation	Total	Fair value measurement using: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31 March 2026						
Non-financial assets						
Property, plant and equipment						
- Land	**(Note 13)**	**31 March 2026**	**2,020,323,400**	**-**	**-**	**2,020,323,400**
- Buildings	**(Note 13)**	**31 March 2026**	**5,044,392,101**	**-**	**-**	**5,044,392,101**
Investment properties						
- Land	**(Note 14)**	**31 March 2026**	**633,900,700**	**-**	**-**	**633,900,700**
- Buildings	**(Note 14)**	**31 March 2026**	**5,366,266**	**-**	**-**	**5,366,266**
Non-financial assets as at 31 March 2026			**7,703,982,467**	**-**	**-**	**7,703,982,467**
Financial assets						
Equity instruments designated at fair value through profit or loss						
Quoted equity shares	**(Note 23)**	**31 March 2026**	**15,746,210**	**15,746,210**	**-**	**-**
Financial assets as at 31 March 2026			**15,746,210**	**15,746,210**	**-**	**-**
Assets measured at fair value:						
As at 31 March 2025						
Non-financial assets						
Property, plant and equipment						
- Land	(Note 13)	31 March 2025	1,985,345,000	-	-	1,985,345,000
- Buildings	(Note 13)	31 March 2025	4,955,115,320	-	-	4,955,115,320
Investment properties						
- Land	(Note 14)	31 March 2025	633,900,700	-	-	633,900,700
- Buildings	(Note 14)	31 March 2025	5,366,266	-	-	5,366,266
Non-financial assets as at 31 March 2025			7,579,727,286	-	-	7,579,727,286
Financial assets						
Equity instruments designated at fair value through profit or loss						
Quoted equity shares	(Note 23)	31 March 2025	13,350,100	13,350,100	-	-
Financial assets as at 31 March 2025			13,350,100	13,350,100	-	-

13 PROPERTY, PLANT AND EQUIPMENT

13.1 Group

13.1.1 Gross Carrying Amounts

	Balance as at 01.04.2025	Additions	Disposals	Revaluations	Transfers on revaluation	**Balance as at 31.03.2026**
	Rs.	Rs.	Rs.	Rs.	Rs.	**Rs.**
At cost or valuation						
Freehold land	1,985,345,000	-	-	34,978,400	-	**2,020,323,400**
Buildings	4,955,115,320	1,855,850	-	226,620,279	(139,199,348)	**5,044,392,101**
Building improvements	16,139,619	-	-	-	-	**16,139,619**
Sundry equipment / Generator and transformers / Motor vehicles	101,772,967	524,314	-	-	-	**102,297,281**
Furniture and fittings	282,962,630	14,638,491	-	-	-	**297,601,121**
Plant and machinery	138,521,027	1,540,925	-	-	-	**140,061,952**
Entertainment equipment	81,232,527	2,786,389	-	-	-	**84,018,916**
Office equipment	8,183,266	2,413,482	(32,980)	-	-	**10,563,768**
Gardening and other equipment	15,230,237	-	-	-	-	**15,230,237**
Linen and furnishing	102,633,174	4,024,463	-	-	-	**106,657,637**
Kitchen utensils and other equipment	182,770,818	11,161,591	(285,000)	-	-	**193,647,409**
Air conditioner	251,359,283	3,914,316	-	-	-	**255,273,599**
Computer equipment	38,535,088	3,431,144	-	-	-	**41,966,232**
Electrical fittings	143,448,726	3,625,519	-	-	-	**147,074,245**
Crockery and cutlery	19,454,755	2,769,969	(795,990)	-	-	**21,428,734**
Total value of depreciable assets	8,322,704,437	52,686,453	(1,113,970)	261,598,679	(139,199,348)	**8,496,676,251**

13.1.2 Depreciation

	Balance as at 01.04.2025	Charge for the year	Disposals	Transfers on revaluation	**Balance as at 31.03.2026**
	Rs.	Rs.	Rs.	Rs.	**Rs.**
At cost or valuation					
Buildings	-	139,199,348	-	(139,199,348)	**-**
Building improvements	7,388,691	1,656,138	-	-	**9,044,829**
Sundry equipment / Generator and transformers / Motor vehicles	70,866,299	6,120,640	-	-	**76,986,939**
Furniture and fittings	272,952,388	4,546,857	-	-	**277,499,245**
Plant and machinery	131,736,401	1,244,701	-	-	**132,981,102**
Entertainment equipment	75,990,737	3,591,436	-	-	**79,582,173**
Office equipment	3,960,710	991,323	(4,932)	-	**4,947,101**
Gardening and other equipment	1,967,991	837,194	-	-	**2,805,185**
Linen and furnishing	90,763,458	6,766,900	-	-	**97,530,358**
Kitchen utensils and other equipment	159,479,943	4,734,460	(78,160)	-	**164,136,243**
Air condition	190,145,956	13,768,375	-	-	**203,914,331**
Computer equipment	33,152,028	2,361,635	-	-	**35,513,663**
Electrical fitting	115,111,665	3,278,399	-	-	**118,390,064**
Crockery and cutlery	14,504,563	4,187,542	(795,990)	-	**17,896,115**
Total depreciation	1,168,020,830	193,284,948	(879,082)	(139,199,348)	**1,221,227,348**

13 PROPERTY, PLANT AND EQUIPMENT (Contd.)

13.1.3 Net Book Values

	2026	2025
	Rs.	Rs.
At cost or valuation		
Freehold land	**2,020,323,400**	1,985,345,000
Buildings	**5,044,392,101**	4,955,115,320
Building improvements	**7,094,790**	8,750,928
Sundry equipment / Generator and transformers / Motor vehicles	**25,310,342**	30,906,668
Furniture and fittings	**20,101,876**	10,010,242
Plant and machinery	**7,080,850**	6,784,626
Entertainment equipment	**4,436,743**	5,241,790
Office equipment	**5,616,667**	4,222,556
Gardening and other equipment	**12,425,052**	13,262,246
Linen and furnishing	**9,127,279**	11,869,716
Kitchen utensils and other equipment	**29,511,166**	23,290,875
Air condition	**51,359,268**	61,213,327
Computer equipment	**6,452,569**	5,383,060
Electrical fittings	**28,684,181**	28,337,061
Crockery and cutlery	**3,532,619**	4,950,192
Total carrying amount of property, plant and equipment	**7,275,448,903**	7,154,683,607
In the course of construction		
Building work in progress	**36,668,907**	-
Total carrying amount of property, plant and equipment	**7,312,117,810**	7,154,683,607

13.1.4 During the financial year, the Group acquired property, plant and equipment for cash to the aggregate value of Rs. 89,355,360/- (2025: Rs. 23,874,534 /-).

13.1.5 Property, Plant and Equipment includes fully depreciated assets having a gross carrying amount of Rs. 934,046,953/- (2025: Rs.861,470,477/-).

13.2 Company

13.2.1 Gross carrying amounts

	Balance as at 01.04.2025 Rs.	Charge for the year Rs.	Disposals/ Transfers Rs.	**Balance as at 31.03.2026 Rs.**
At cost				
Building fixtures	2,358,002	-	-	**2,358,002**
Furniture and fittings	5,219,025	-	-	**5,219,025**
Office equipment	7,480,303	1,924,459	(32,980)	**9,371,782**
Sundry equipment	77,684	-	-	**77,684**
Kitchen utensils and other equipment	2,945,304	-	-	**2,945,304**
	18,080,318	1,924,459	(32,980)	**19,971,797**

13.2.2 Depreciation

	Balance as at 01.04.2025 Rs.	Charge for the year Rs.	Disposals/ Transfers Rs.	**Balance as at 31.03.2026 Rs.**
Building fixtures	2,050,411	307,591	-	**2,358,002**
Furniture and fittings	4,873,351	143,949	-	**5,017,300**
Office equipment	4,476,438	820,350	(4,932)	**5,291,856**
Sundry equipment	63,219	9,648	-	**72,867**
Kitchen utensils and other equipment	2,404,027	94,695	-	**2,498,722**
Total depreciation	13,867,446	1,376,233	(4,932)	**15,238,747**

13.2.3 Net book values

	2026 Rs.	2025 Rs.
At cost		
Building fixtures	**-**	307,591
Furniture and fittings	**201,725**	345,674
Office equipment	**4,079,926**	3,003,865
Sundry equipment	**4,817**	14,465
Kitchen utensils and other equipment	**446,582**	541,277
Total carrying amount of property, plant and equipment	**4,733,050**	4,212,871

13.2.4 During the financial year, the Company acquired property, plant and equipment for cash to the aggregate value of Rs. 1,924,459/- (2025: Rs. 2,284,186/-).

13.2.5 Property, Plant and Equipment includes fully depreciated assets having a gross carrying amount of Rs. 12,701,064/- (2025: Rs.10,251,142/-).

13.3 Revaluation of land and buildings

The freehold land and buildings belonging to Waskaduwa Beach Resort PLC and Hikkaduwa Beach Resort PLC were revalued by Mr. T. M. H. Mutaliph - D.I.V – F.P (CTC - Sri Lanka), an Independent Chartered Valuer as at 31 March 2026. The results of such revaluation were incorporated in these financial statements from its effective date which is 31 March 2026. Such assets were valued based on market based evidence and depreciated replacement cost method. The surplus arising from the revaluation was transferred to the revaluation reserve.

13.3.1 Valuation technique, inputs and relationship with fair value

The fair value measurement for the freehold land and buildings of the group has been categorised as a Level 3 fair value measurement based on the inputs to the valuation technique used.

Property	Valuation technique	Effective date of valuation	Significant unobservable inputs	Sensitivity of the input to, the fair value
Hikkaduwa Beach Resort PLC				
Lands	**Open market value method** This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for difference in size, nature and location of the property.	31 March 2026	Price per perch of land Rs. 1,716,000/-	Estimated fair value would increase/ (decrease) if ;- Price per perch increases/ (decreases)
Buildings	Depreciated replacement cost method	31 March 2026	Rate per square feet of building Rs. 9,500/- to 18,750/-	Estimated fair value would increase/ (decrease) if ;- Rate per square feet increases/(decreases)
Waskaduwa Beach Resort PLC				
Land	**Open market value method** This method considers the selling price of a similar property within a reasonably recent period of time in the determining the value of property being revalued. This involves evaluation of recent active market price of similar assets,making appropriate adjustments for difference in size, nature and location of the property.	31 March 2026	Price per perch of land Rs.1,010,000/-	Estimated fair value would increase/ (decrease) if ;- Price per perch increases/ (decreases)
Buildings	Depreciated replacement cost method	31 March 2026	Rate per square feet of building Rs. 3,000/- to 27,500/-	Estimated fair value would increase/ (decrease) if ;- Rate per square feet increases/(decreases)

13.4 **Value and ownership of freehold land and freehold buildings of the Group.**

Company	Location	Property	No. of Buildings	Ownership	Extent	Carrying value
						Rs.
Hikkaduwa Beach Resort PLC	No. 400, Galle Road, Hikkaduwa.	Land	-	Freehold	312.10 Perches	535,563,600
		Landscaping, Gardening	-	Freehold	-	60,000,000
		Building	01	Freehold	80,700 Sq. ft	992,528,750
Waskaduwa Beach Resort PLC	No. 427. Kuda waskaduwa, Waskaduwa.	Land	-	Freehold	1,378.6 Perches	1,391,759,800
		Landscaping, Gardening	-	Freehold		33,000,000
		Building	04	Freehold	263,740 Sq. ft	4,051,863,350

13.5 The carrying amount of revalued assets that would have been included in the group financial statements had the assets been carried at cost less accumulated depreciation is as follows.

	Cost	Cumulative depreciation if assets were carried at cost	**Net carrying amount**	Net carrying amount
			2026	2025
	Rs.	Rs.	**Rs.**	Rs.
Class of assets				
Lands	869,823,714	-	**869,823,714**	869,823,714
Buildings	3,261,633,916	(970,761,734)	**2,290,872,182**	2,428,215,680
	4,131,457,630	(970,761,734)	**3,160,695,896**	3,298,039,394

13.6 **Impairment assessment of property, plant and equipment**

The impairment test was carried out considering their fair value less cost to sell and value in use. In determining the recoverable value for the CGU, following assumptions were applied. The recoverable amount of the CGU was higher than the book value as of 31 March 2026, and no impairment loss was recognised.

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

	Hikkaduwa Beach Resort PLC		Waskaduwa Beach Resort PLC	
	2026	2025	**2026**	2025
Discount Rate :	**13.45%**	15.13%	**11.56%**	12.49%
Terminal growth rate :	**4.40%**	4.00%	**4.00%**	4.00%
Price per perch of land :	**Rs. 1,716,000**	Rs. 1,650,000	**Rs. 1,010,000**	Rs. 1,000,000
Price per square foot of buildings :	**Rs: 9,500 - Rs: 18,750**	Rs. 9,746 - Rs. 17,500	**Rs. 3,000 - Rs. 27,500**	Rs. 3,500 - Rs. 27,500

14 INVESTMENT PROPERTY

	Group	
	2026	2025
	Rs.	Rs.
Carrying value		
At the beginning of the year	**639,266,966**	639,266,966
Change in fair value during the year	**-**	-
At the end of the year	**639,266,966**	639,266,966

The details relating to assets were classified as investment properties as at 31 March are stated below;

	Group	
	2026	2025
	Rs.	Rs.
Assets		
Land	**633,900,700**	633,900,700
Buildings	**5,366,266**	5,366,266
	639,266,966	639,266,966

Valuation details of investment property

Fair value of the investment property is ascertained by independent valuations carried out by Mr. T. M. H. Mutaliph - D.I.V – F.P (CTC – Sri Lanka), an Independent Chartered Valuer, who has recent experience in valuing properties of similar location and category. Investment property is appraised in accordance with LKAS 40, SLFRS 13 and International Valuation Standards published by the International Valuation Standards Committee (IVSC) by the independent valuers. In determining the fair value, the current condition of the properties, future usability and associated re-development requirements have been considered. Also, the valuers have made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are rounded within the range of values.

Consequently, as at the reporting date, the value reflected represents the best estimate based on the market conditions that prevailed, which in considered opinion, meets the requirements in SLFRS-13 Fair Value Measurement.

Description of valuation techniques used to valuation on investment properties:

Property	Location	Method of valuation	Significant unobservable inputs price per perch/acre/range	Effective date of valuation	Value Rs.
Land	Munaithottam, Pasikudah, Kalkudah.	Open market value method	Estimated price per acre Rs. 4,500,000/-	31 March 2026	22,684,000
			Estimated price per acre Rs. 35,200,000/-		377,929,200
Land	Kajuwatta Road, Mukkuthoduwawa, Madurankuliya	Open market value method	Estimated price per acre Rs. 4,500,000/-	31 March 2026	22,500,000
			Estimated price per acre Rs. 5,500,000/-		210,787,500
Building	Kajuwatta Road, Mukkuthoduwawa, Madurankuliya	Depreciated replacement cost method	-		5,366,266

15 RIGHT-OF-USE ASSETS

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Cost				
As at the beginning of the year	**450,181,678**	450,181,678	**81,255,423**	81,255,423
New lease entered during the year	**169,901,724**	-	**18,950,958**	-
As at the end of the year	**620,083,402**	450,181,678	**100,206,381**	81,255,423
Accumulated Depreciation				
As at the beginning of the year	**372,695,816**	301,635,096	**31,024,137**	26,397,674
Depreciation charge for the year	**53,401,941**	71,060,720	**5,140,977**	4,626,463
As at the end of the year	**426,097,757**	372,695,816	**36,165,114**	31,024,137
Carrying value	**193,985,645**	77,485,862	**64,041,267**	50,231,286

16 INTANGIBLE ASSETS

16.1 Group

	Website Development	Computer Software	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Cost				
As at the beginning of the year	1,567,775	8,233,470	**9,801,245**	9,801,245
Acquisitions during the year	-	-	**-**	-
As at the end of the year	1,567,775	8,233,470	**9,801,245**	9,801,245
Amortisation				
As at the beginning of the year	1,567,775	8,233,470	**9,801,245**	9,497,706
Amortisation for the year	-	-	**-**	303,539
As at the end of the year	1,567,775	8,233,470	**9,801,245**	9,801,245
Carrying amount	-	-	**-**	-

16.2 Company

	Computer Software	
	2026	2025
	Rs.	Rs.
Cost		
As at the beginning of the year	**1,257,639**	1,257,639
Acquisitions during the year	**-**	-
As at the end of the year	**1,257,639**	1,257,639
Amortisation		
As at the beginning of the year	**1,257,639**	1,257,639
Amortisation for the year	**-**	-
As at the end of the year	**1,257,639**	1,257,639
Carrying amount	**-**	-

17 INVESTMENT IN SUBSIDIARIES - COMPANY

	2026	2025
	Rs.	Rs.
Investment in subsidiaries - Quoted (Note 17.1)	**3,874,285,844**	4,093,035,844
Investment in subsidiaries - Non-quoted (Note 17.2)	**440,866,666**	466,478,676
Total carrying value of investments in subsidiaries	**4,315,152,510**	4,559,514,520

17.1 Investment in subsidiaries - Quoted

	Holding		Carrying value	
	2026	2025	**2026**	2025
	%	%	**Rs.**	Rs.
Hikkaduwa Beach Resort PLC	**63.79%**	75.31%	**3,874,285,844**	4,093,035,844
Total Quoted Investment in Subsidiaries			**3,874,285,844**	4,093,035,844
As at the beginning of the year			**4,093,035,844**	3,488,915,800
Investment during the year			**-**	768,620,044
Share disposal during the year			**(218,750,000)**	(164,500,000)
As at the End of the year			**3,874,285,844**	4,093,035,844

17.2 Investment in subsidiaries - Non-quoted

		Holding		Carrying value	
		2026	2025	**2026**	2025
		%	%	**Rs.**	Rs.
Citrus Aqua Limited		**58.20%**	58.20%	**12,000,000**	12,000,000
Citrus Vacations Limited	(Note No 17.2.1)	**97.76%**	97.76%	**-**	25,612,000
Citrus LT (Pvt) Limited		**100.00%**	100.00%	**100**	100
Citrus Equity Limited	(Note No 17.2.2)	**-**	100.00%	**-**	10
Citrus Silver Limited		**100.00%**	100.00%	**428,866,556**	428,866,556
Citrus Villas Limited		**100.00%**	100.00%	**10**	10
Total non-quoted investment in subsidiaries				**440,866,666**	466,478,676

17.2.1 Citrus Vacations Limited

	Carrying value	
	2026	2025
	Rs.	Rs.
Value of the Investment	**25,612,000**	25,612,000
Impairment	**(25,612,000)**	-
	-	25,612,000

17.2.2 Citrus Equity Limited

Citrus Equity Limited has been struck off the Register of Companies under Section 394(3) of the Companies Act No. 07 of 2007. Accordingly, the carrying value of the investment amounting to Rs. 10 has been written off.

17.3 Impairment of investment in subsidiary

The Company assesses, at each reporting date whether there is any indication that an investment in a subsidiary may be impaired, in accordance with LKAS 36 – Impairment of Assets. Impairment assessments were performed in respect of the Company's investments in subsidiaries in the separate financial statements of the Company, having considered the losses incurred by certain subsidiaries during the year, with recoverable amounts determined based on value in use, computed using discounted cash flow projections at the level of the Cash Generating Unit (CGU).

Based on these assessments, the carrying amounts of the investments in subsidiaries did not exceed their respective recoverable amounts, except in respect of the investment in Citrus Vacations Limited, which remained dormant during the year with no business operations carried out. Having considered the dormant status of the subsidiary and the absence of any realisable net assets or future economic benefits expected to flow to the Company, the Company decided to fully impair the carrying value of this investment

Impairment of Investment - Citrus Vacations Limited

	2026	2025
	Rs.	Rs.
As at beginning of the year	**-**	-
Impairment during the year	**25,612,010**	-
Written off during the year (Citrus Equity Limited)	**(10)**	-
As at end of the year	**25,612,000**	-

18 INVESTMENT IN ASSOCIATE

The Group has a 20.22% interest in Colombo Land & Development Company PLC, which is involved in leasing out investment property under operating leases and also involved in development of investment property. The cost of investment as at acquisition date was Rs.1,303,303,398/-.

Colombo Land and Development Company PLC ("Company") is a public limited liability Company listed on Colombo Stock Exchange and incorporated and domiciled in Sri Lanka. The registered office and principal place of business of the Company is located at No. 250 - 3/8, (3rd Floor) Liberty Plaza, R. A. De Mel Mawatha, Colombo 3.

Carrying value of the investment	Group			
	2026	2025	**2026**	2025
	No of shares	No of shares	**Rs.**	Rs.
Colombo Land & Development Company PLC	**40,413,200**	40,413,200	**2,269,557,006**	2,243,671,211
Share of profit of associate	**-**	-	**40,696,164**	24,754,911
Share of other comprehensive income of associate	**-**	-	**5,358,507**	1,130,884
			2,315,611,677	2,269,557,006
Impairment of investment in associate (Note 18.4)	**-**	-	**(98,697,613)**	-
Group's carrying amount of the investment	**-**	-	**2,216,914,064**	2,269,557,006

18.1 Summarised Financial information of associate - Group

The following table illustrates the summarised financial information of Colombo Land & Development Company PLC:

	As at 31.03.2026 Rs.	As at 31.03.2025 Rs.
Statement of financial position		
Current assets	**308,243,398**	176,904,276
Non- current assets	**14,024,127,673**	14,055,701,270
Current liabilities	**(427,371,220)**	(376,976,520)
Non- current liabilities	**(5,245,614,163)**	(5,426,545,167)
Total equity	**8,659,385,688**	8,429,083,859

Summarised statement of profit or loss and other comprehensive income

	Year ended 31.03.2026 Rs.	Year ended 31.03.2025 Rs.
Revenue	**470,641,173**	448,252,606
Direct expenses	**(128,994,893)**	(151,569,773)
Other operating income	**9,640,853**	24,018,855
Change in fair value of investment properties	**468,793,355**	393,171,636
Loss on Disposal of Investment Property	**(160,063,000)**	-
Fair valuation of biological assets	**(28,231,134)**	3,761,190
Selling and distribution costs	**(2,339,733)**	4,856,801
Administrative expenses	**(120,221,241)**	(147,534,038)
Finance expenses	**(126,115,235)**	(182,740,198)
Finance income	**-**	-
Profit before tax	**383,110,145**	392,217,079
Tax expenses	**(181,829,616)**	(269,789,228)
Profit for the year	**201,280,529**	122,427,851
Group's share of profit for the year	**40,696,164**	24,754,911
Other comprehensive income		
Other comprehensive income for the year	**26,502,819**	5,592,900
Group's share of other comprehensive income for the year	**5,358,507**	1,130,884

18.2 Contingent liabilities

The associate does not have significant contingent liabilities as at 31 March 2026.

18.3 Market value of the investment as at 31 March

	2026	2025
	Rs.	Rs.
Market value of a share	**52.00**	22.50
Market value of the investment	**2,101,486,400**	909,297,000

18.4 The Group performed an impairment test of the carrying value of the investment considering indicators of impairment identified as at 31 March 2026.

In performing the impairment test, the Management determine the fair value of the investment held in Colombo Land and Development Company PLC. The investment in associate has been considered as a single cash-generating unit, assuming the associate to operate as is with no expansionary capital expenditure projections.

Multiple valuation techniques were used in arriving at the recoverable value of the investment, out of which the recoverable value was concluded based on Discounted cash flow methodology ("DCF") of Colombo Land and Development Company PLC. As a prudent measure in the valuation, the land extent considered by Colombo Land and Development Company PLC was used. Accordingly, fair value of Colombo Land and Development Company PLC is less than the Value In Use and indicates an Impairment of LKR 98.7mn.

Valuation method used	:	Discounted cash flow methodology ("DCF")
Recoverable value identified	:	Rs. 2,216,914,064/-
Period considered for clashflow projection	:	04 Years
Discount Rate	:	14.08%

A 10% increase in the deep discount would decrease the recoverable value by Rs. 156,113,844/-, while a 10% decrease in the deep discount would increase the recoverable value by Rs. 36,971,215/-.

19 DEFERRED TAXATION

	Group		Company	
	2026	2025 Restated	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Deferred tax assets	**(53,198,751)**	(31,086,584)	**-**	-
Deferred tax liabilities	**1,233,197,928**	1,292,532,942	**-**	-
Net deferred tax liabilities	**1,179,999,177**	1,261,446,358	**-**	-

19.1 Net deferred tax liabilities

	Group		Company	
	2026	2025 Restated	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
At the beginning of the year	**1,261,446,358**	1,227,866,718	**-**	-
Amount origination/ (reversal) of temporary differences				
- Recognised in profit or loss				
Accelerated depreciation for tax purposes	**(2,076,126)**	(8,382,910)	**-**	-
Right-of-use assets	**(7,343,485)**	5,087,760	**-**	-
Retirement benefit obligation	**2,839,880**	4,257,417	**1,856,995**	-
Carried forward business losses	**(150,613,711)**	(6,386,444)	**-**	-
Impairment of trade debtors	**427,408**	(1,936,017)	**-**	-
- Recognised in other comprehensive income				
Revaluation of land, land improvements and buildings	**78,479,604**	40,731,002	**-**	-
Deferred tax effect on defined benefit plan	**(3,160,750)**	208,832	**(1,856,995)**	-
At the end of the year	**1,179,999,177**	1,261,446,358	**-**	-

19.2 Net deferred tax asset/liability on each temporary difference which were recognised in the financial statements are disclosed below.

	Group		Company	
	2026	2025 Restated	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Deferred tax liability				
Capital allowances for tax purpose	**118,561,263**	120,637,390	**-**	-
Deferred tax effect on revaluation of land and buildings	**1,244,752,574**	1,166,272,971	**-**	-
Right-of-use assets	**17,642,659**	24,986,144	**-**	-
Deferred tax assets				
Carried forward business losses	**(188,713,044)**	(38,099,333)	**-**	-
Retirement benefit obligation	**(8,076,139)**	(7,755,270)	**-**	-
Impairment Provision on Trade Receivable	**(4,168,136)**	(4,595,544)	**-**	-
	1,179,999,177	1,261,446,358	**-**	-

19.3 Unrecognised deferred tax

Net Deferred Tax asset of Rs. 126,658,028 (2025 - Rs. 99,405,779/-) of Citrus Leisure PLC and ("Company") has not been recognised in the statement of financial position as the management is of the opinion that the reversal of the taxable asset will not be crystallised in the foreseeable future.

19.4 Business losses

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Tax losses brought forward	**2,131,614,430**	1,917,129,841	**443,815,635**	448,948,900
Tax loss for the year	**168,915,041**	427,338,505	**29,763,569**	73,795,897
Exceeding Maximum Period	**(30,746,178)**	(92,337,227)	**-**	-
Tax losses set off against taxable profit	**(73,628,415)**	(120,516,689)	**(33,574,977)**	(78,929,162)
Carried forward tax losses*	**2,196,154,878**	2,131,614,430	**440,004,227**	443,815,635

* The Group recognises a deferred tax asset on unused tax losses which is expected to reduce the future tax expense based on the Group's forecasted business plans. However, Deferred tax Assets have not been recognised for unused tax losses amounting to Rs. 1,567,111,390/- (2025 - Rs. 1,638,955,803/-) by the Group and Rs. 440,004,227/- (2025 - Rs. 443,815,635/-) by the Company.

20 INVENTORIES

	Group	
	2026	2025
	Rs.	Rs.
Food & Beverage	**36,662,758**	35,320,252
Housekeeping and Maintenance	**10,301,137**	14,711,237
Other Stocks	**21,456,590**	9,852,828
	68,420,485	59,884,317

21 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Trade debtors - others	**130,806,791**	328,186,034	**-**	-
- Related parties (Note 21.3)	**18,565,978**	18,828,675	**-**	-
Total trade debtors	**149,372,769**	347,014,709	**-**	-
Less: Impairment for trade debtors	**(19,626,119)**	(15,762,694)	**-**	-
	129,746,650	331,252,015	**-**	-
Other receivables - Related parties (Note 21.3)	**3,138,366**	1,797,898	**422,513,742**	180,966,066
- Others	**164,457,733**	59,407,103	**45,572,084**	13,263,988
Less: Impairment for related companies	**(161,000)**	(161,000)	**(161,000)**	(161,000)
Less: Impairment for other receivables	**(17,995,058)**	(23,170,211)	**-**	-
WHT Receivables	**195,496**	195,496	**-**	-
	279,382,187	369,321,301	**467,924,826**	194,069,054
Current trade and other receivables	**279,382,187**	369,321,301	**467,924,826**	194,069,054
Other receivables - Related parties (Note 21.3)	**-**	-	**115,930,109**	325,513,778
Less: Impairment for other receivables - Related parties (Note 21.3)	**-**	-	**-**	-
Non-current other receivables - related parties	**-**	-	**115,930,109**	325,513,778

21.1 As at 31 March, the ageing analysis of trade receivables are as follows:

Group		Neither past due nor impaired < 30 Days	Past due not Impaired					Total
			31 - 60 Days	61 - 90 Days	91 - 180 Days	181-365 Days	>365 Days	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2026	**Trade Debtors**	**99,146,393**	**14,111,313**	**2,040,686**	**808,722**	**6,514,428**	**26,751,227**	**149,372,769**
	Less: Impairment for trade debtors	**-**	**-**	**-**	**-**	**-**	**(19,626,119)**	**(19,626,119)**
		99,146,393	**14,111,313**	**2,040,686**	**808,722**	**6,514,428**	**7,125,108**	**129,746,650**
2025	Trade Debtors	209,856,648	109,120,014	9,059,734	410,700	8,507,344	10,060,269	347,014,709
	Less: Impairment for trade debtors	-	-	(106,483)	-	(6,346,534)	(9,309,677)	(15,762,694)
		209,856,648	109,120,014	8,953,251	410,700	2,160,810	750,592	331,252,015

21.2 Impairment of debtors

Management has carried out an impairment provision based on the simplified approach of ECL method. Management considered 100% ECL for debtors outstanding as at 31 March 2026 in determining the provision matrix for ECL. In Addition company has also taken prudent measures to evaluate less than 365 days debtors and to maintain provision where appropriate.

- Refer Note 38.5 on credit risk of trade receivables, which discuss how the Group measure credit quality of trade receivables that are neither past due nor impairment.

- For terms and conditions with related parties, refer to Note 34.1.

21.3 Trade and other Receivables - Related Parties

		Group					
	Relationship	2026			2025		
		Total	**Current-Trade**	**Current - Other**	Total	Current-Trade	Current - Other
		Rs.	**Rs.**	**Rs.**	Rs.	Rs.	Rs.
George Steuart & Company Limited	Parent Company	**69,377**	**69,377**	**-**	133,833	133,833	-
Colombo Land & Development Company PLC	Associate Entity	**21,751**	**21,751**	**-**	21,751	21,751	-
George Steuarts Health (Pvt) Ltd.	Affiliate Company	**1,453,756**	**1,453,756**	**-**	4,603,492	4,603,492	-
George Steuart Teas (Pvt) Ltd	Affiliate Company	**96,006**	**96,006**	**-**	-		-
George Steuart Solutions (Pvt) Limited	Affiliate Company	**3,669,371**	**1,016,193**	**2,653,178**	2,912,509	1,114,611	1,797,898
George Steuart Travel Limited	Affiliate Company	**1,042,585**	**1,042,585**	**-**	394,369	394,369	-
Hardtalk (Pvt) Limited	Affiliate Company	**120,504**	**120,504**	**-**	146,224	146,224	-
HVA Foods PLC	Affiliate Company	**193,748**	**-**	**193,748**	463,261	463,261	-
Triad (Pvt) Limited	Affiliate Company	**3,299,742**	**3,299,742**	**-**	3,390,222	3,390,222	-
George Steuart Engineering (Pvt) Limited	Affiliate Company	**5,373,113**	**5,373,113**	**-**	5,373,113	5,373,113	-
Power House Limited	Affiliate Company	**5,572,951**	**5,572,951**	**-**	2,315,372	2,315,372	-
George Steuart Optimize (Pvt) Ltd	Affiliate Company	**291,440**	**-**	**291,440**	-	-	-
George Steuart Consumer (Pvt) Limited	Affiliate Company	**-**	**-**	**-**	98,696	98,696	-
Liberty Publishers (Pvt) Limited	Affiliate Company	**500,000**	**500,000**	**-**	773,731	773,731	-
		21,704,344	**18,565,978**	**3,138,366**	20,626,573	18,828,675	1,797,898

Other Receivables - Related Parties

		Company					
	Relationship	2026			2025		
		Total	**Current - Other**	**Non current - Other**	Total	Current - Other	Non current - Other
		Rs.	**Rs.**	**Rs.**	Rs.	Rs.	Rs.
Waskaduwa Beach Resort PLC	Subsidiary	**19,450,010**	**19,450,010**	**-**	77,297,538	77,297,538	-
Hikkaduwa Beach Resort PLC	Subsidiary	**335,639,308**	**219,709,199**	**115,930,109**	375,890,974	50,460,865	325,430,109
Citrus Silver Limited	Subsidiary	**181,556,635**	**181,556,635**	**-**	50,991,378	50,907,709	83,669
Citrus LT (Pvt) Limited	Subsidiary	**-**	**-**	**-**	502,056	502,056	-
George Steuart Solutions (Pvt) Limited	Affiliate Company	**1,797,898**	**1,797,898**	**-**	1,797,898	1,797,898	-
		538,443,851	**422,513,742**	**115,930,109**	506,479,844	180,966,066	325,513,778

22 ADVANCES AND PREPAYMENTS

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Advances	**112,450,551**	18,247,119	**-**	-
Prepayments	**12,698,810**	18,288,577	**2,161,381**	1,639,965
Refundable deposit - Ultimate parent company	**10,000,000**	10,000,000	**-**	-
Deposits	**9,768,970**	7,506,614	**2,951,500**	2,417,500
	144,918,331	54,042,310	**5,112,881**	4,057,465

23 OTHER CURRENT FINANCIAL ASSETS

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Equity instruments designated at fair value through profit or loss				
Listed equity investments (Note 23.1)	**15,746,210**	13,350,100	**-**	-
Other financial assets at amortised cost				
Investments in bank deposits (Note 23.2)	**161,530**	151,316	**-**	-
Total other financial assets	**15,907,740**	13,501,416	**-**	-

23.1 Listed equity investments

	No. of shares		Carrying value	
Quoted	**2026**	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Asian Hotels and Properties PLC	**9,200**	9,200	**494,960**	487,600
Sampath Bank PLC	**105,000**	105,000	**15,251,250**	12,862,500
	114,200	114,200	**15,746,210**	13,350,100

23.2 Investments in bank deposits

	Credit Rating	Group		Company	
		2026	2025	**2026**	2025
		Rs.	Rs.	**Rs.**	Rs.
Hatton National Bank PLC	AA-(lka)	**161,530**	151,316	**-**	-
		161,530	151,316	**-**	-

Impairment of investments in fixed deposits

Management has assessed the provision of impairment of fixed deposits by considering the credit ratings of these institutions and considering other economic factors and concluded that the resulting impairment provision is immaterial to the financial statements.

24 CASH & CASH EQUIVALENTS

		Group		Company	
		2026	2025	**2026**	2025
		Rs.	Rs.	**Rs.**	Rs.
24.1	**Favourable Balances**				
	Short term bank deposit	**42,524,558**	71,292,409	**22,288,830**	20,927,192
	Cash in hand	**37,275,036**	33,348,156	**250,000**	250,000
	Cash at bank	**35,899,278**	127,984,794	**4,056,689**	23,081,422
		115,698,872	232,625,359	**26,595,519**	44,258,614
24.2	**Unfavourable Balances**				
	Bank overdraft	**(148,989,838)**	(287,508,268)	**(12,733,558)**	-
	Total Cash & Cash Equivalents for the Purpose of Statement of Cash Flows	**(33,290,966)**	(54,882,909)	**13,861,961**	44,258,614

25 STATED CAPITAL & REVALUATION RESERVES

25.1 Stated Capital

	2026		2025	
	Number	**Rs.**	Number	Rs.
As at the beginning of the year	**645,584,677**	**4,845,263,470**	267,229,723	3,256,172,662
Issued during the year	**-**	**-**	378,354,954	1,589,090,808
As at the end of the year	**645,584,677**	**4,845,263,470**	645,584,677	4,845,263,470

25.2 Revaluation Reserves

Nature and purpose of the reserve

Revaluation reserve is used to record increments and decrements on the revaluation of lands and buildings of the Group. In the event of a sale or disposal of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings, see accounting policy note 2.3(h) for details.

	Group	
As at 31 March	**2026**	2025
	Rs.	Rs.
Revaluation reserve at the beginning of the year	**1,876,190,469**	1,829,640,172
Surplus on revaluation of property plant and equipment, net of tax	**71,333,957**	45,698,628
Share of other comprehensive income attributable to associate, net of tax	**3,541,161**	851,669
Revaluation reserve at the end of the year	**1,951,065,587**	1,876,190,469

26 RETIREMENT BENEFIT OBLIGATION

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Balance as at 01 April	**63,257,252**	59,749,295	**21,513,655**	20,497,398
Current service cost	**9,335,310**	7,406,476	**2,975,366**	2,260,284
Interest cost	**6,325,725**	7,169,916	**2,151,366**	2,459,688
Actuarial (gain)/loss arising from changes in assumptions	**10,535,835**	(919,987)	**6,189,983**	(223,881)
Payments made during the year	**(5,278,823)**	(10,148,448)	**(1,959,925)**	(3,479,834)
Balance as at 31 March	**84,175,299**	63,257,252	**30,870,445**	21,513,655

26.1 Following amounts are recognised in profit or loss and other comprehensive income during the year in respect of the retirement benefit obligation.

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Expense recognised in statement of profit or loss				
Current service cost	**9,335,310**	7,406,476	**2,975,366**	2,260,284
Interest cost	**6,325,725**	7,169,916	**2,151,366**	2,459,688
	15,661,035	14,576,392	**5,126,732**	4,719,972
Actuarial gains/ losses recognised directly in OCI				
Recognised during the period	**10,535,835**	(919,987)	**6,189,983**	(223,881)

Messrs. Actuarial and Management Consultants (Pvt) Ltd Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity on 31 March 2026. Appropriate and compatible assumptions were used in determining the cost of retirement benefits. The liability is not externally funded.

The Projected Unit Credit Method is used to determine the present value of the defined benefit obligation and the current service cost.

26.2 Assumptions used

The principal assumptions used were as follows:

	Group		Company	
	2026	2025	**2026**	2025
Discount rate	**9%**	10%	**9%**	10%
Future salary increment rate	**10%**	10%	**10%**	10%
Staff turnover rates	**24% - 32%**	20% - 33%	**24%**	20%
Retirement age	**60 years**	60 years	**60 years**	60 years

26.3 Sensitivity of assumptions used

Values appearing in the financial statements are very sensitive to the changes in financial and non-financial assumptions used.

A Sensitivity analysis was carried out as follows,

Company	Expected future salaries		Discount Rate	
	+1%	-1%	+1%	-1%
	Rs.	Rs.	Rs.	Rs.
A one percentage point change				
Effect on retirement benefit obligation liability	602,941	(578,726)	(395,295)	424,136

Group	Expected future salaries		Discount Rate	
	+1%	-1%	+1%	-1%
	Rs.	Rs.	Rs.	Rs.
A one percentage point change				
Effect on retirement benefit obligation liability	3,166,260	(1,655,967)	(1,250,605)	2,783,658

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

26.4 Maturity analysis of the payments

The following payments are expected on employee benefit liabilities in future years;

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Less than or equal 1 year	**34,814,799**	24,529,063	**23,200,568**	14,891,333
Over 1 year and less than or equal 2 years	**18,415,845**	15,234,088	**2,994,471**	2,343,815
Over 2 years and less than or equal 5 years	**22,571,390**	16,980,788	**2,399,552**	2,003,710
Over 5 years and less than or equal 10 years	**6,849,303**	5,208,774	**1,720,518**	1,585,158
Over 10 years	**1,523,962**	1,304,539	**555,336**	689,639
Total expected payments	**84,175,299**	63,257,252	**30,870,445**	21,513,655

26.5 The Group weighted average duration of the defined benefit plan obligation at the end of the reporting period is 2.8 years (2025: 2.9 years).

27 INTEREST BEARING LOANS AND BORROWINGS

Other Financial Liabilities

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Current Interest -bearing loans and borrowings				
Bank loans (Note 27.1)	**332,304,570**	485,013,319	**-**	-
Bank overdrafts (Note 24.2)	**148,989,838**	287,508,268	**12,733,558**	-
	481,294,408	772,521,587	**12,733,558**	-
Non-Current Interest -bearing loans and borrowings				
Bank loans (Note 27.1)	**2,526,757,147**	2,406,928,716	**-**	-
	2,526,757,147	2,406,928,716	**-**	-
Total Interest-bearing loans and borrowings	**3,008,051,555**	3,179,450,303	**12,733,558**	-

27.1 Bank Loans - Group

Location	As at 01.04.2025	Obtained during the year	Repayments	**As at 31.03.2026**
	Rs.	Rs.	Rs.	**Rs.**
Sampath Bank PLC	2,089,776,720	601,610,000	(472,336,720)	**2,219,050,000**
Pan Asia Banking Corporation PLC	735,472,844	-	(150,849,595)	**584,623,249**
Hatton National Bank PLC	66,692,471	120,000,000	(131,304,002)	**55,388,469**
	2,891,942,035	721,610,000	(754,490,317)	**2,859,061,718**

	2026	2025
	Rs.	Rs.
Current	**332,304,570**	485,013,319
Non-current	**2,526,757,147**	2,406,928,716
	2,859,061,717	2,891,942,035

*During the year, facilities of Waskaduwa Beach Resort PLC, amounting to Rs. 335.11 mn were restructured under revised financing arrangements, with the proceeds applied directly towards the settlement of the existing facilities. Accordingly, the related movements are not reflected in the Statement of Cash Flows.

27.2 Security and repayment terms

Lender	Nature of facility Rs.	Interest rate	Repayment terms	Details of collaterals	Carrying value of facility		Carrying value of asset pledged	
					2026	2025	**2026**	2025
					Rs.	Rs.	**Rs.**	Rs.
Citrus Leisure PLC								
Sampath Bank PLC	Permanent Overdraft	Annual effective rate of the fixed deposit + applicable margin percentage payable	On demand	Overdraft Agreement for Rs. 13,500,000/- & Lien over funds lying to the credit of following Fixed Deposits in the name of the company and its successive renewal together with a Company Letter of Set – Off	12,733,558	-	**22,288,830**	20,927,192

Lender	Nature of facility	Interest Rate	Repayment terms	Details of collaterals	Carrying value of facility		Carrying value of asset pledged	
					2026	2025	**2026**	2025
					Rs.	Rs.	**Rs.**	Rs.
Waskaduwa Beach Resort PLC								
Sampath Bank PLC	Permanent Overdraft	Annual effective rate of the Fixed Deposits + applicable margin percentage payable	On demand	Overdraft agreement for Rs. 20,500,000/- & Lien over funds lying to the credit of following fixed deposits in the name of the company and its successive renewal together with a company Letter of Set -off	**-**	9,397,512	**-**	31,365,848
Sampath Bank PLC	Permanent Overdraft	AWPLR+Margin p.a. payable monthly	On demand	"Overdraft agreement for Rs. 75,000,000/- primary mortgage bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/- and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**-**	75,880,200	**-**	5,382,798,812
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	96 Monthly Instalments	"Loan agreement for Rs. 844,400,000/- primary mortgage Bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/- and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**776,260,000**	808,160,000	**5,476,623,150**	5,382,798,812
Sampath Bank PLC	Moratorium Loan Facility	Fixed rate p.a. payable monthly	60 Monthly Instalments	"Loan agreement for Rs. 519,649,104.85/- primary mortgage Bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/-and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**-**	360,114,070	**-**	5,382,798,812

Lender	Nature of facility	Interest Rate	Repayment terms	Details of collaterals	Carrying value of facility		Carrying value of asset pledged	
					2026	2025	**2026**	2025
					Rs.	Rs.	**Rs.**	Rs.
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	96 Monthly Instalments	"Loan agreement for Rs. 540,500,000/- primary mortgage Bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/-and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**494,650,000**	517,270,000	**5,476,623,150**	5,382,798,812
Sampath Bank PLC	Moratorium Loan Facility	Fixed rate p.a. payable monthly	40 Monthly Instalments	"Loan agreement for Rs. 338,110,000/- primary mortgage Bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/-and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**324,110,000**	-	**5,476,623,150**	-
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	94 Monthly Instalments	"Loan agreement for Rs. 100,000,000/- primary mortgage Bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/-and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**97,600,000**	-	**5,476,623,150**	-
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	96 Monthly Instalments	"Loan agreement for Rs. 63,500,000/- primary mortgage Bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/-and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**62,100,000**	-	**5,476,623,150**	-
Sampath Bank PLC	Permanent Overdraft	AWPLR+Margin p.a. payable monthly	On demand	"Overdraft agreement for Rs. 50,000,000/- primary mortgage bond for USD 8,120,000/- (Equivalent to Rs.1,258,600,000/- approx.) and additional mortgage bond for Rs.617,000,000/- and Rs.430,000,000/- over land and building of Hotel Citrus Waskaduwa."	**48,871,377**	-	**5,476,623,150**	-
Commercial Bank of Ceylon PLC	Permanent Overdraft	AWPLR+Margin p.a. payable monthly	On demand	Property called 'Sanathoduwa' situated in Kalpitiya, which is an amalgamation of the land owned by the Hikkaduwa Beach Resort PLC	**-**	49,715,558	**-**	233,287,500

27.3 Security and repayment terms (Contd.)

Lender	Nature of facility	Nominal Interest rate	Repayment terms	Details of collaterals	Carrying value of facility		Carrying value of asset pledged	
					2026	2025	**2026**	2025
	Rs.				**Rs.**	Rs.	**Rs.**	Rs.
Hikkaduwa Beach Resort PLC								
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	95 Monthly Instalments	"Loan Agreement for Rs. 210,400,000/- Primary mortgage bond for Rs. 480,000,000/- and additional mortgage bond for Rs. 70,000,000/- over the Land and building of Hotel, Citrus – Hikkaduwa at Hikkaduwa."	**178,600,000**	193,700,000	**1,588,000,000**	1,557,589,373
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	95 Monthly Instalments	"Loan Agreement for Rs. 140,000,000/- Primary mortgage bond for Rs. 480,000,000/- and additional mortgage bond for Rs. 70,000,000/- over the Land and building of Hotel, Citrus – Hikkaduwa at Hikkaduwa."	**123,100,000**	132,200,000	**1,588,000,000**	1,557,589,373
Sampath Bank PLC	Term Loan Facility (Moratorium)	Fixed rate p.a. payable monthly	35 Monthly Instalments	"Loan Agreement for Rs. 95,000,000/- Primary mortgage bond for Rs. 480,000,000/- and additional mortgage bond for Rs. 70,000,000/- over the Land and building of Hotel, Citrus – Hikkaduwa at Hikkaduwa."	**65,030,000**	78,332,650	**1,588,000,000**	1,557,589,373
Sampath Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	94 Monthly Instalments	"Loan Agreement for Rs.100,000,000/- Primary mortgage bond for Rs. 480,000,000/- and additional mortgage bond for Rs. 70,000,000/- over the Land and building of Hotel, Citrus – Hikkaduwa at Hikkaduwa."	**97,600,000**	-	**1,588,000,000**	-
Sampath Bank PLC	Term Loan Facility	Permanent Overdraft	On demand	"Overdraft Agreement for Rs. 25,000,000/- Primary mortgage bond for Rs. 480,000,000/- and additional mortgage bond for Rs. 70,000,000/- over the Land and building of Hotel, Citrus – Hikkaduwa at Hikkaduwa."	**20,903,508**	-	**1,588,000,000**	-
Pan Asia Banking Corporation PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	60 Monthly Instalments	Quoted Equity Shares of 40,338,600 invested in Colombo Land and Development Company PLC & 9,200 Shares invested in Asian Hotel Properties PLC by Hikkaduwa Beach Resort PLC	**494,622,265**	620,559,694	**2,061,797,420**	904,072,240
Pan Asia Banking Corporation PLC	Term Loan Facility	Fixed rate p.a. payable monthly	60 Monthly Instalments	Quoted Equity Shares of 40,338,600 invested in Colombo Land and Development Company PLC & 9,200 Shares invested in Asian Hotel Properties PLC by Hikkaduwa Beach Resort PLC	**90,000,984**	114,913,150	**2,061,797,420**	904,072,240
Nations Trust Bank PLC	Permanent Overdraft	AWPLR+Margin p.a. payable monthly	On demand	Overdraft Agreement for Rs. 25,000,000/-, Assignment over AMEX Receivables from the Company, Letter of Comfort from Citrus Leisure PLC	**-**	21,328,532	**-**	-

Lender	Nature of facility	Interest Rate	Repayment terms	Details of collaterals	Carrying value of facility		Carrying value of asset pledged	
					2026	2025	**2026**	2025
					Rs.	Rs.	**Rs.**	Rs.
Citrus Silver Limited								
Sampath Bank PLC	Permanent Overdraft	Annual effective rate of the Fixed Deposits + applicable margin percentage payable	On demand	Overdraft Agreement for Rs. 12.500,000/- & Lien over funds lying to the credit of following Fixed Deposits in the name of the company and its successive renewal together with a Company Letter of Set – Off	**12,429,323**	12,589,560	**20,235,728**	19,019,819
Hatton National Bank PLC	Term Loan Facility	AWPLR+Margin p.a. payable monthly	37 Months	Immovable property situated at Passikudah, belonging to Hikkaduwa Beach Resort PLC & and Corporate Guarantee of Citrus Leisure PLC	**15,388,469**	26,692,469	**400,613,200**	400,613,200
Hatton National Bank PLC	Permanent Overdraft	AWPLR+Margin p.a. payable monthly	On demand	* Existing registered primary floating mortgage bond Nos.5497 of Rs.170Mn and addition bond of Rs.29.57Mn, Rs6.43Mn (Totalling of 206Mn) over immovable property situated in Passikudah, depicted and Corporate Guarantee of Citrus Leisure PLC for Rs.97Mn	**54,052,070**	54,701,089	**400,613,200**	400,613,200
Hatton National Bank PLC	Short Term Revolving Loan	AWPLR+Margin p.a. payable monthly	Withing 120 days		**40,000,000**	40,000,000	**400,613,200**	400,613,200

28 ADVANCE RECEIVED FOR LEASEHOLD RIGHTS

	Company	
	2026	2025
	Rs.	Rs.
At the beginning of the year	**152,398,961**	154,191,893
Deferred income on amortisation of lease right	**(1,792,932)**	(1,792,932)
At the end of the year	**150,606,029**	152,398,961
Current advance received for leasehold rights	**1,792,932**	1,792,932
Non-Current advance received for leasehold rights	**148,813,097**	150,606,029

*This amount reflects the advance amount received from Hikkaduwa Beach Resort PLC on leasehold land.

29 LEASE LIABILITIES

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
At the beginning of the year	**4,061,592**	92,175,560	**-**	4,953,585
Lease entered during the year	**169,901,724**	-	**18,950,958**	-
Charge during the year	**-**	3,782,787	**-**	-
Reduction on lease	**-**	(38,100,000)	**-**	-
Interest expense	**7,543,097**	7,928,012	**770,901**	86,415
Payments	**(35,361,800)**	(61,724,767)	**(5,040,000)**	(5,040,000)
At the end of the year	**146,144,613**	4,061,592	**14,681,859**	-
Current lease liabilities	**75,629,719**	4,061,592	**-**	-
Non-current lease liabilities	**70,514,894**	-	**14,681,859**	-

29.1 Total amount recognised in profit or loss

The following are the amounts recognised in profit or loss:

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Depreciation expense of right-of-use assets	**53,401,941**	71,060,720	**5,140,977**	4,626,463
Interest expense on lease liabilities	**7,543,097**	7,928,012	**770,901**	86,415
Total amount recognised in profit or loss	**60,945,038**	81,911,511	**5,911,878**	4,712,878

29.2 Details of lease liabilities recognised due to ROU assets

Company	Nature of the lease activities	Remaining lease period as at 31.03.2026
Citrus Leisure PLC	Lease land and building	2 Years , 5 Months
Citrus Silver Limited	Lease land and building	9 Months
Hikkaduwa Beach Resort PLC	Lease land	84 Years, 8 Months

Note 2.3 (s) provides the details of the above lease liabilities.

30 TRADE AND OTHER PAYABLES

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Trade payables - others	**121,968,402**	131,249,892	**-**	-
- Related parties (Note 30.1)	**7,512,184**	8,297,336	**-**	-
Sundry creditors including accrued expenses	**274,932,233**	140,479,223	**30,379,805**	22,654,317
Notes payable	**283,701,044**	209,788,638	**3,661,079**	6,904,384
Other payables - others	**30,291,080**	50,355,657	**-**	-
- Related parties (Note 30.1)	**332,678,988**	490,122,875	**124,920,629**	308,484,224
Tenant deposits - Related parties	**1,404,000**	-	**1,404,000**	1,170,000
Advance received for leasehold rights (Note 28)	**-**	-	**1,792,932**	1,792,932
	1,052,487,931	1,030,293,621	**162,158,445**	341,005,857
Non-current other payables	**1,404,000**	-	**1,404,000**	19,327,413
Current trade and other payables	**1,051,083,931**	1,030,293,621	**160,754,445**	321,678,444

For terms and conditions with related parties, refer to Note 34.1.

For explanations on the Group's liquidity risk management processes, refer to Note 38.4.

30.1 Other Payables to Related Parties -Group

	Relationship	2026 Total	2026 Current-Trade	2026 Current - Other	2025 Total	2025 Current-Trade	2025 Current - Other
		Rs.	**Rs.**	**Rs.**	Rs.	Rs.	Rs.
George Steuart & Company Limited	Parent Company	**332,678,988**	**-**	**332,678,988**	488,940,347	-	488,940,347
Triad (Pvt) Ltd	Affiliate Company	**2,497,679**	**2,497,679**	**-**	2,578,678	2,578,678	-
Divasa Equity (Pvt) Ltd	Affiliate Company	**806,623**	**806,623**	**-**	806,623	806,623	-
George Steuart Consumer (Pvt) Ltd.	Affiliate Company	**1,863,049**	**1,863,049**	**-**	2,905,440	2,905,440	-
HVA Foods PLC	Affiliate Company	**751,897**	**751,897**	**-**	1,485,144	302,616	1,182,528
Adpack Productions (Pvt) Ltd	Affiliate Company	**393,200**	**393,200**	**-**	244,000	244,000	-
George Steuart Teas (Pvt) Ltd	Affiliate Company	**98,112**	**98,112**	**-**	98,112	98,112	-
George Steuart Solutions (Pvt) Ltd	Affiliate Company	**-**	**-**	**-**	216,098	216,098	-
George Steuart Laboratories (Pvt) Ltd	Affiliate Company	**51,435**	**51,435**	**-**	-	-	-
Emagewise (Private) Ltd	Affiliate Company	**-**	**-**	**-**	-	-	-
Printage (Pvt) Ltd	Affiliate Company	**746,771**	**746,771**	**-**	702,153	702,153	-
Hammer BTL (Pvt) Ltd	Affiliate Company	**50,418**	**50,418**	**-**	50,417	50,417	-
George Steuart Ethicals (Pvt) Ltd	Affiliate Company	**9,000**	**9,000**	**-**	-	-	-
George Steuart Travels (Pvt) Ltd	Affiliate Company	**244,000**	**244,000**	**-**	393,199	393,199	-
		340,191,172	**7,512,184**	**332,678,988**	498,420,211	8,297,336	490,122,875

Other Payables to Related Parties - Company

	Relationship	2026 Total	2026 Current-Trade	2026 Current - Other	2025 Total	2025 Current-Trade	2025 Current - Other
		Rs.	**Rs.**	**Rs.**	Rs.	Rs.	Rs.
George Steuart & Company Limited	Parent Company	**124,495,488**	**-**	**124,495,488**	287,614,847	-	287,614,847
Citrus Aqua Limited	Subsidiary	**-**	**-**	**-**	20,869,377	18,157,413	2,711,964
Citrus LT (Pvt) Limited	Subsidiary	**425,141**	**-**	**425,141**	-	-	-
		124,920,629	**-**	**124,920,629**	308,484,224	18,157,413	290,326,811

31 CONTRACT LIABILITIES

	Group	
	2026	2025
	Rs.	Rs.
Advance received for future room reservations	**23,333,693**	84,505,153
Advance received for future banquet reservations	**3,406,145**	3,003,944
	26,739,838	87,509,097

These amounts will be settled for revenue within next 12 months.

32 MATERIAL PARTLY-OWNED SUBSIDIARIES

Financial information of subsidiaries that have material non-controlling interests is provided below.

32.1 Non-controlling interest (NCI)

As at 31 March	**2026**		2025	
	Waskaduwa Beach Resort PLC	**Hikkaduwa Beach Resort PLC**	Waskaduwa Beach Resort PLC	Hikkaduwa Beach Resort PLC
NCI Percentage (%)	**48.95%**	**36.21%**	44.04%	24.69%

32.2 Summarised statement of total comprehensive income

Year ended 31 March	**2026**		2025	
	Waskaduwa Beach Resort PLC	**Hikkaduwa Beach Resort PLC**	Waskaduwa Beach Resort PLC	Hikkaduwa Beach Resort PLC
Revenue	**1,231,000,196**	**647,722,650**	1,220,147,112	596,721,807
Cost of sales	**(407,848,189)**	**(173,042,635)**	(418,093,047)	(178,920,171)
Administrative expenses	**(393,378,070)**	**(225,261,538)**	(346,752,604)	(193,316,136)
Finance costs	**(206,142,317)**	**(130,030,588)**	(244,085,413)	(184,535,126)
Profit/(loss) before tax	**(178,947,432)**	**(47,722,030)**	(169,701,964)	17,021,147
Income tax	**696,386**	**136,732,983**	521,666	9,414,459
Profit/(loss) for the year	**(178,251,046)**	**89,010,953**	(169,180,298)	26,435,606
Total comprehensive income/(loss) for the year	**(32,870,555)**	**131,209,124**	(90,673,933)	43,545,849

32.3 Summarised statement of financial position

Year ended 31 March	2026		2025	
	Waskaduwa Beach Resort PLC	**Hikkaduwa Beach Resort PLC**	Waskaduwa Beach Resort PLC	Hikkaduwa Beach Resort PLC
Current assets	**262,921,504**	**202,600,854**	290,503,986	324,787,437
Non-current assets	**5,613,847,952**	**6,992,213,634**	5,500,436,561	7,062,618,423
Current liabilities	**(617,222,074)**	**(593,889,033)**	(834,689,389)	(482,135,579)
Non-current liabilities	**(3,075,553,485)**	**(1,246,467,887)**	(2,739,386,707)	(1,682,021,838)
Total equity	**2,183,993,897**	**5,354,457,567**	2,216,864,451	5,223,248,444

32.4 Summarised cash flow information

Year ended 31 March	2026		2025	
	Waskaduwa Beach Resort PLC	**Hikkaduwa Beach Resort PLC**	Waskaduwa Beach Resort PLC	Hikkaduwa Beach Resort PLC
Operating	**87,484,537**	**(24,439,565)**	(29,306,487)	(375,784,515)
Investing	**(47,783,734)**	**72,823,058**	(10,231,279)	109,405,662
Financing	**32,948,501**	**(77,495,724)**	56,597,421	497,106,200
Net increase in cash and cash equivalents	**72,649,304**	**(29,112,231)**	17,059,655	230,727,347

The above information is based on amounts before inter-company eliminations.

33 RESTATEMENT OF FINANCIAL STATEMENTS

Deferred Tax Adjustment

As at 31 March 2026, a computational error was identified in the calculation of the deferred tax liability.

The adjustment has been corrected retrospectively for the financial years 2024 and 2025 in accordance with LKAS 08 – Accounting Policies, Changes in Accounting Estimates and Errors.

33.1. Impacted on Financial Statements

33.1.1. Impact on lines of Statement of Profit or Loss for year ended 31 March 2025

	Group		
	Previously Reported 2025	Correction	Restated 2025
Tax (expense)/reversal	**(39,370,545)**	**44,170,872**	4,800,327
Loss for the year	**(293,069,622)**	**44,170,872**	(248,898,750)
Loss attributable to:			
Equity holders of the parent	**(231,281,411)**	**33,263,802**	(198,017,609)
Non-controlling interests	**(61,788,211)**	**10,907,070**	(50,881,141)
	(293,069,622)	**44,170,872**	(248,898,750)
Basic loss per share	**(0.38)**	**0.07**	(0.32)

33.1.2. Impact on lines of Statement of Comprehensive Income for year ended 31 March 2025

	Group		
	Previously Reported 2025	Correction	Restated 2025
Loss for the year	(293,069,622)	44,170,872	(248,898,750)
Other comprehensive income/(loss) for the year, net of tax	96,881,041	-	96,881,041
Total comprehensive loss for the year, net of tax	(196,188,581)	44,170,872	(152,017,709)
Total comprehensive loss attributable to:			
Equity holders of the parent	(184,045,942)	33,263,802	(150,782,140)
Non-controlling interests	(12,142,639)	10,907,069	(1,235,570)
	(196,188,581)	44,170,872	(152,017,709)

33.1.3. Impact on lines of Statement of Profit or Loss for year ended 31 March 2024

	Group		
	Previously Reported 2024	Correction	Restated 2024
Tax (expense)/reversal	**(117,642,353)**	**114,928,341**	(2,714,012)
Loss for the year	**(846,157,687)**	**114,928,341**	(731,229,346)
Loss attributable to:			
Equity holders of the parent	**(672,699,965)**	**100,066,270**	(572,633,695)
Non-controlling interests	**(173,457,722)**	**14,862,071**	(158,595,651)
	(846,157,687)	**114,928,341**	(731,229,346)
Basic loss per share	**(2.36)**	**0.35**	(2.01)

33.1.4. Impact on lines of Statement of Comprehensive Income for year ended 31 March 2024

	Group		
	Previously Reported 2024	Correction	Restated 2024
Loss for the year	(846,157,687)	114,928,341	(731,229,346)
Other comprehensive income/(loss) for the year, net of tax	277,514,702	-	277,514,702
Total comprehensive loss for the year, net of tax	(568,642,986)	114,928,341	(453,714,645)
Total comprehensive loss attributable to:			
Equity holders of the parent	(462,700,220)	100,066,270	(362,633,950)
Non-controlling interests	(105,942,766)	14,862,071	(91,080,695)
	(568,642,986)	114,928,341	(453,714,645)

33.1.5. Impact on lines of Statement of Financial Position as of 31 March 2025

	Group		
	Previously Reported 2025	Correction	Restated 2025
EQUITY AND LIABILITIES			
Capital and reserves			
Retained loss	(3,723,021,014)	133,330,072	(3,589,690,942)
Equity attributable to owners of the company	2,998,432,925	133,330,072	3,131,762,997
Non-controlling interests	2,101,063,319	25,769,141	2,126,832,460
Total Equity	5,099,496,244	159,099,213	5,258,595,457
Non-current liabilities			
Deferred tax liability (Note 33.1.7)	1,451,632,155	(159,099,213)	1,292,532,942
Total non-current liabilities	3,921,818,123	(159,099,213)	3,762,718,910
Total equity and liabilities	10,918,157,555	-	10,918,157,555

33.1.6. Impact on lines of Statement of Financial Position as of 31 March 2024

	Group		
	Previously Reported 2024	Correction	Restated 2024
EQUITY AND LIABILITIES			
Capital and reserves			
Retained earnings / (Accumulated Losses)	(3,236,783,178)	100,066,270	(3,136,716,908)
Equity attributable to owners of the company	1,849,029,655	100,066,270	1,949,095,925
Non-controlling interests	943,274,292	14,862,071	958,136,363
Total equity	2,792,303,947	114,928,341	2,907,232,288
non-current liabilities			
Deferred tax liability (Note 33.1.8)	1,376,903,529	(114,928,341)	1,261,975,188
Total Non-current liabilities	4,041,789,862	(114,928,341)	3,926,861,521
Total equity and liabilities	10,843,194,309	-	10,843,194,309

33.1.7. Deferred Tax Liabilities for year ended 31 March 2025

	Group		
	Previously Reported 2025	Correction	Restated 2025
DEFERRED TAXATION			
Deferred tax assets	(31,086,584)	-	(31,086,584)
Deferred tax liabilities	1,451,632,155	(159,099,213)	1,292,532,942
Net deferred tax liabilities	1,420,545,571	(159,099,213)	1,261,446,358

	Group		
	Previously Reported 2025	Correction	Restated 2025
Net deferred tax liabilities			
At the beginning of the year	1,342,795,059	(114,928,341)	1,227,866,718
Amount origination/ (reversal) of temporary differences			
- Recognised in profit or loss			
Accelerated depreciation for tax purposes	36,682,419	(45,065,329)	(8,382,910)
Right-of-use assets	5,087,760	-	5,087,760
Retirement benefit obligation	3,362,990	894,427	4,257,417
Carried forward business losses	(6,386,444)	-	(6,386,444)
Impairment of trade debtors	(1,936,047)	30	(1,936,017)
- Recognised in other comprehensive income			
Revaluation of land, land improvements and buildings	40,731,002	-	40,731,002
Deferred tax effect on defined benefit plan	208,832	-	208,832
At the end of the year	1,420,545,571	(159,099,213)	1,261,446,358

33.1.8. Deferred Tax Liabilities for year ended 31 March 2024

	Group		
	Previously Reported 2024	Correction	Restated 2024
DEFERRED TAXATION			
Deferred tax assets	(34,108,468)	-	(34,108,468)
Deferred tax liabilities	1,376,903,529	(114,928,341)	1,261,975,188
Net deferred tax liabilities	1,342,795,061	(114,928,341)	1,227,866,720

	Group		
	Previously Reported 2024	Correction	Restated 2024
Net deferred tax liabilities			
At the beginning of the year	619,298,187	-	619,298,187
Amount origination/ (reversal) of temporary differences			
- Recognised in profit or loss			
Accelerated depreciation for tax purposes	115,280,649	(114,928,341)	352,308
Right-of-use assets	3,032,370	-	3,032,370
Retirement benefit obligation	(582,929)	-	(582,929)
Carried forward business losses	-	-	-
Impairment of trade debtors	(387,685)	(387,685)	-
Revaluation of investment property to fair value	607,529,125	-	607,529,125
- Recognised in other comprehensive income	-	-	-
Revaluation of land, land improvements and buildings	(1,374,657)	-	(1,374,657)
Deferred tax effect on defined benefit plan	-	-	-
At the end of the year	1,342,795,061	(114,928,341)	1,227,866,720

34 RELATED PARTY DISCLOSURES

Refer Note 2.2.1 and 2.2.2 for effective equity holding percentages and other key information's of Group entities.

34.1 Terms and conditions of transactions with related parties

The Group and Company carried out transactions in the ordinary course of the business on an arm's length basis at commercial rates with parties who are defined as Related Parties as per the Sri Lanka Accounting Standard - LKAS 24 'Related Party Disclosures'.

Outstanding balances at the year-end are unsecured and interest is charge at AWPLR.

Disclosure as per the requirement of the Colombo Stock Exchange Listing Rule Section 9.14.8 (1) and 9.14.8 (2) are on page 63 - Annual Report of the Board of Directors on the Affairs of the Company.

34.2 Transaction with the parent and related entities - Group

Details of significant related party disclosures are as follows

Nature of transactions	Parent company		Affiliate entities*		Total	
	2026	2025	**2026**	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.	**Rs.**	Rs.
As at 1 April	**(488,806,515)**	(1,618,206,156)	**11,012,877**	11,611,664	**(477,793,638)**	(1,606,594,492)
Recurrent transactions						
Fund transfers to / Settlements made	**165,022,500**	(317,630,000)	**(3,105,011)**	-	**161,917,489**	(317,630,000)
Expenses incurred on behalf of the Company	**-**	-	**(5,656,116)**	(8,097,866)	**(5,656,116)**	(8,097,866)
Expenses incurred on behalf of the related party	**(26,220)**	-	**1,819,159**	-	**1,792,939**	-
Funds received from / Settlements received	**-**	-	**(2,487,500)**	-	**(2,487,500)**	-
Inter-company interest expense	**(8,936,640)**	(46,334,494)	**-**	-	**(8,936,640)**	(46,334,494)
WHT deducted on inter company interest expense	**-**	-	**-**	-	**-**	-
Other settlements made	**-**	1,493,230,307	**14,329,874**	52,699,469	**14,329,874**	1,545,929,776
Building lease payable	**(29,972,000)**	(59,944,000)	**-**	-	**(29,972,000)**	(59,944,000)
Settlement of building leases	**30,139,820**	59,944,000	**-**	-	**30,139,820**	59,944,000
Trading nature transactions (sales)	**2,832,842**	4,038,335	**8,306,468**	26,457,913	**11,139,309**	30,496,248
Settlements for trading nature transactions (sales receipts)	**(2,863,398)**	(3,904,507)	**(3,572,679)**	(24,866,752)	**(6,436,077)**	(28,771,259)
Purchase of goods/ services	**-**	-	**(153,859,174)**	(46,791,550)	**(153,859,174)**	(46,791,550)
Collection of goods and services	**-**	-	**147,334,885**	-	**147,334,885**	-
As at 31 March	**(332,609,611)**	(488,806,514)	**14,122,783**	11,012,877	**(318,486,828)**	(477,793,637)
Included in						
Trade and other receivables - current (Note 21.3)	**69,377**	133,833	**21,634,967**	20,492,741	**21,704,344**	20,626,574
Trade and other payable - current (Note 30.1)	**(332,678,988)**	(488,940,347)	**(7,512,184)**	(9,479,864)	**(340,191,172)**	(498,420,211)
	(332,609,611)	(488,806,514)	**14,122,783**	11,012,877	**(318,486,828)**	(477,793,637)

*Affiliate companies represent entities controlled by directors. Affiliate companies include: George Steuart Health (Pvt) Ltd, George Steuart Teas (Pvt) Ltd, George Steuart Solutions (Pvt) Ltd, George Steuart Travels (Pvt) Ltd, Triad (Pvt) Ltd, George Steuart Consumer (Pvt) Ltd, HVA Foods PLC, Divasa Equity (Pvt) Ltd, Adpack Productions (Pvt) Ltd, George Steuart Laboratories (Pvt) Ltd, Emagewise (Pvt) Ltd, Printage (Pvt) Ltd, Hammer BTL (Pvt) Ltd, George Steuart Ethicals (Pvt) Ltd, Power House Limited, Colombo Land & Development Company PLC, Hardtalk (Pvt) Ltd, Liberty Publishers (Pvt) Ltd, George Steuart Optimize (Pvt) Ltd and George Steuart Engineering (Pvt) Limited.

34.3 Transaction with the parent, subsidiaries and related entities - Company

Nature of transactions	Parent Company		Subsidiaries		Affiliate entities*		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.	**Rs.**	Rs.	**Rs.**	Rs.
As at 1 April	**(287,614,847)**	(1,416,880,657)	**482,642,569**	1,144,447,346	**1,797,898**	897,898	**196,825,619**	(271,535,413)
Recurrent transactions								
Fund transfer from	**(89,400,000)**	(317,630,000)	**(553,304,402)**	(591,103,107)	**-**	-	**(642,704,402)**	(908,733,107)
Fund transfer to	**261,456,000**	1,493,230,303	**523,178,399**	695,484,674	**-**	-	**784,634,399**	2,188,714,977
Expenses incurred on behalf of the company	**-**	-	**46,662,172**	43,227,634	**-**	-	**46,662,172**	43,227,634
Expenses incurred on behalf of the related parties	**(26,220)**	-	**(3,721,371)**	(14,635,867)	**-**	-	**(3,747,591)**	(14,635,867)
Inter-company interest income	**-**	-	**30,245,730**	33,749,456	**-**	-	**30,245,730**	33,749,456
Inter-company interest expense	**(8,936,640)**	(46,334,494)	**(1,548,469)**	40,209,959	**-**	-	**(10,485,109)**	(6,124,534)
Interest and other settlements made	**-**	-	**-**	(581,814,674)	**-**	900,000	**-**	(580,914,674)
Funds received for interest, management fees, and other settlements	**26,220**	-	**(128,600,000)**	-	**-**	-	**(128,573,780)**	-
Management fees	**-**	-	**119,651,100**	117,201,524	**-**	-	**119,651,100**	117,201,524
Collection made by the other companies on behalf of the company	**-**	-	**-**	(524,378)	**-**	-	**-**	(524,378)
Write-off/ write back	**-**	-	**20,036,225**	-	**-**	-	**20,036,225**	-
Share Issue	**-**	-	**-**	(403,600,000)	**-**	-	**-**	(403,600,000)
Non-recurrent transactions								
Non-refundable deposit paid on behalf of the related parties	**-**	-	**-**	-	**-**	-	**-**	-
Refundable deposit paid on behalf of the related parties	**-**	-	**-**	-	**-**	-	**-**	-
As at 31 March	**(124,495,488)**	(287,614,847)	**535,241,953**	482,642,569	**1,797,898**	1,797,898	**412,544,363**	196,825,618
Included in								
Trade and other receivables - non current (Note 21.3)	**-**	-	**115,930,109**	325,513,778	**-**	-	**115,930,109**	325,513,778
Trade and other receivables - current (Note 21.3)	**-**	-	**420,715,844**	179,168,168	**1,797,898**	1,797,898	**422,513,742**	180,966,066
Trade and other payable - non current (Note 30)	**-**	-	**-**	(18,157,413)	**-**	-	**-**	(18,157,413)
Trade and other payable - current (Note 30)	**(124,495,488)**	(287,614,847)	**-**	(2,711,964)	**-**	-	**(124,495,488)**	(290,326,811)
Trade and other payable - Tenant Deposits (Note 30)	**-**	-	**(1,404,000)**	(1,170,000)	**-**	-	**(1,404,000)**	(1,170,000)
	(124,495,488)	(287,614,847)	**535,241,953**	482,642,569	**1,797,898**	1,797,898	**412,544,363**	196,825,619

* Affiliate Companies include: George Steuart Solutions (Pvt) Ltd.

35 RELATED PARTY DISCLOSURES

35.1 Key Management Personnel (KMP)

Key Management Personnel comprise Directors and senior management personnel having authority and responsibility for planning, directing and controlling the activities of the Company and the Group.

KMP of the Company

The KMP of the Company comprise the members of its Board and that of its parent.

KMP of the Group

The KMP of the Group comprise the Directors of the Company, its parent and its subsidiaries.

35.2 Other Transactions with Key Management Personnel

Loans to Directors

No loans have been granted to the Directors of the Company or the Group.

Key Management Personnel Compensation

KMP compensation comprises short-term benefits, post-employment benefits and Directors' fees, amounting to Rs. 54.27 Mn (2025: Rs. 45.90 Mn) for the Group and Rs. 51.47 Mn (2025: Rs. 42.69 Mn) for the Company.

Other Transactions with Key Management Personnel

Details of Directors and their spouses' shareholdings are given in the Annual Report of the Directors' on the Affairs of the Company on page 59.

36 COMMITMENTS AND CONTINGENCIES

36.1 Commitments

(a) Capital Commitments

The Company and Group do not have significant capital commitments as at the reporting date.

(b) Operating Lease Commitments

The future aggregate minimum lease payments under non cancellable operating leases are as follows:

	Group		Company	
As at 31 March	**2026**	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
Not later than 1 year	**75,629,719**	4,061,592	**-**	-
Later than 1 year and no later than 5 years	**70,514,894**	-	**14,681,859**	-
	146,144,613	4,061,592	**14,681,859**	-

36.2 Contingent Liabilities

There are no other material contingent liabilities as at the reporting date, which require adjustment or disclosure in the Financial Statements.

37 EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

38.1 Overview

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

- Market risk
- Liquidity risk
- Credit risk

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

38.2 Risk management framework

The Board of Directors have overall responsibility for establishing and overseeing the Group's risk management framework. Internal Audit performs regular reviews of the Group's risk management controls and procedures, and the results of such reviews are reported to the Audit Committee. The Group finance department of the holding Company also implements and carries out specific risk management policies laid down and approved by the management. The Group finance division in close co-corporation with the Group's operating units identifies, evaluates and formulates principles for risk management covering specific areas such as foreign exchange risk and interest rate risk.

The Board of Directors reviews and approves the policies established for managing these risks, which are summarised below.

38.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument may fluctuate as a result of changes in market prices. Market risk comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include bank overdrafts, debt and equity investments and financial assets measured at fair value through profit or loss.

The sensitivity analyses in the following sections relate to the positions as at 31 March 2026 and 31 March 2025.

38.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate as a result of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax as affected through an impact on floating rate borrowings to a reasonably possible change in interest rates assuming all other variables being held constant

		Change in Profit before tax	
		2026	2025
		Rs.	Rs.
Change in basis point	+50 (0.5%)	**(12,524,775)**	(16,051,828)
Change in basis point	-50 (-0.5%)	**12,524,775**	16,051,828
Change in basis point	+500 (5%)	**(125,247,754)**	(160,518,279)
Change in basis point	-500 (-5%)	**125,247,754**	160,518,279
Change in basis point	+1000 (10%)	**(250,495,507)**	(321,036,557)
Change in basis point	-1000 (-10%)	**250,495,507**	321,036,557

38.3.2 Foreign exchange risk

The Group being involved in hoteliering operates and is exposed to foreign exchange risk arising from various currency exposures primarily with respect of the US dollar, Euro and GBP. Certain room contracts are entered into in foreign currencies and invoiced in Rs. using the conversion rates established by the industry.

		Change in Profit before tax	
		2026	2025
		Rs.	Rs.
Change in exchange rate (USD)	+5%	**62,774**	2,632,258
Change in exchange rate (USD)	-5%	**(62,774)**	(2,632,258)
Change in exchange rate (Euro)	+5%	**87,551**	478,881
Change in exchange rate (Euro)	-5%	**(87,551)**	(478,881)
Change in exchange rate (GBP)	+5%	**31,019**	15,543
Change in exchange rate (GBP)	-5%	**(31,019)**	(15,543)

Foreign currency exchange rates

The exchange rates used for translations as at the reporting date are as follows:

As at	**31.03.2026**	31.03.2025
United States Dollar (USD)	**315**	300
Euro	**362**	325
GBP	**416**	380

38.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as so far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and difficult conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group continuously prepare and monitors rolling cash flow forecasts and access the liquidity requirements of each operating unit to ensure it has sufficient cash to meet operational needs. Regular reviews are also carried out to check actual performance against budgeted targets. At the reporting date, the group held term deposits that are expected to readily generate cash inflows for managing liquidity risk of liabilities as at the reporting date.

Maturity analysis - Group

The table below summarises the maturity profile of the Group's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

As at 31 March 2026	Payable on demand	Within 1 year	Between 2-5 years	More than 5 years	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Financial liabilities					
Interest bearing loans and borrowings (Note 27)	**148,989,838**	**332,304,570**	**1,821,237,148**	**705,520,000**	**3,008,051,556**
Lease liabilities (Note 29)	**-**	**75,629,719**	**70,514,894**	**-**	**146,144,613**
Trade and other payables (Note 30)	**-**	**1,051,083,931**	**1,404,000**	**-**	**1,052,487,931**
	148,989,838	**1,459,018,220**	**1,893,156,042**	**705,520,000**	**4,206,684,100**

The table below summarises the maturity profile of the Group's financial liabilities at 31 March 2025 based on contractual undiscounted payments.

As at 31 March 2025	Payable on demand	Within 1 year	Between 2-5 years	More than 5 years	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Financial liabilities					
Interest bearing loans and borrowings (Note 27)	287,508,268	485,013,319	1,639,288,715	767,640,000	3,179,450,302
Lease liabilities (Note 29)	-	4,061,592	-	-	4,061,592
Trade and other payables (Note 30)	-	1,030,293,621	-	-	1,030,293,621
	287,508,268	1,519,368,532	1,639,288,715	767,640,000	4,213,805,515

Maturity analysis - Company

The table below summarises the maturity profile of the company's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

As at 31 March 2026	Payable on demand	Within 1 year	Between 2-5 years	More than 5 years	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Financial liabilities					
Trade and other payables (Note 30)	**-**	**160,754,445**	**1,404,000**	**-**	**162,158,445**
	-	**160,754,445**	**1,404,000**	**-**	**162,158,445**

The table below summarises the maturity profile of the company's financial liabilities at 31 March 2025 based on contractual undiscounted payments.

As at 31 March 2025	Payable on demand	Within 1 year	Between 2-5 years	More than 5 years	Total
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Financial liabilities	-	321,678,444	19,327,413	-	341,005,857
Trade and other payables (Note 30)	-	321,678,444	19,327,413	-	341,005,857

38.5 Credit risk

The Group manages credit risk through customer credit assessments, review of collection history and customer deposits where appropriate. Trade receivables are assessed for lifetime expected credit losses based on ageing, historical collection experience, customer-specific factors and other relevant information.

The Group's maximum exposure to credit risk arising from financial assets at the reporting date is as follows

	2026	2025
	Rs.	Rs.
Trade and other receivables (Note 21)	**298,812,810**	384,888,499
Investments in bank deposits (Note 24)	**42,524,558**	71,292,409
Cash at bank (Note 24)	**35,899,278**	127,984,794
	377,236,646	584,165,702

Trade and other receivables

The ageing of trade receivables and the related expected credit loss allowance is disclosed in Note 21.1.

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.,)

Cash and cash equivalents

The Group held cash in hand and at bank equivalents of Rs. 115.7 mn at 31 March 2026 (2025 -Rs. 232.6 mn) which represents its maximum credit exposure on these assets.

Respective credit ratings of banks which group cash balances held are as follows;

Bank of Ceylon (BOC) - 'AA-(lka)'
People's Bank (Sri Lanka) (PB) - 'AA-(lka)'
Commercial Bank of Ceylon PLC (COMB) - 'AA-(lka)',
Hatton National Bank PLC (HNB) - 'AA-(lka)'
Sampath Bank PLC 'AA-(lka)',
Seylan Bank PLC - 'A+(lka)',
National Development Bank PLC (NDB) - 'A-(lka)'
Nations Trust Bank PLC (NTB) - 'A-(lka)',
Pan Asia Banking Corporation PLC (PABC) - 'BBB(lka)'

39 CAPITAL MANAGEMENT

The Groups objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of the capital.

The capital of the company consist of the following:

Equity capital

- Ordinary share capital

Debt

- Long term bank borrowings
- Long term related party borrowings

The Group monitors capital using the gearing ratio, calculated as total interest-bearing borrowings divided by total interest-bearing borrowings plus total equity.

1. Maintain sufficient capital to meet minimum regulatory requirements. (Companies Act).
2. Group's future developments, investments and business strategies.

The gearing ratio of the Group is 35% (2025 - 38%) and the company is 0.27% (2025 - 0.00%). The Group manages its capital structure, and makes adjustments to it, in the light of changes in economic conditions, and continues looking for ways of improving its capital structure in order to support the Group's Business strategies.

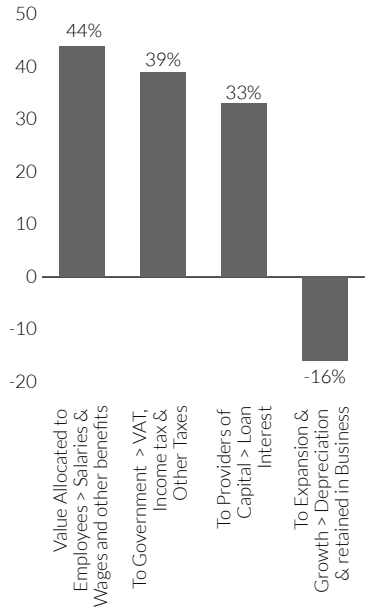
SUPPLEMENTARY INFORMATION

Statement of Value Added	150
Shareholder Information	151
Ten Year Financial Summary & Key Indicators - Group	154
Notice of Annual General Meeting	156
Form of Proxy	159
Corporate Information	Inner Back Cover

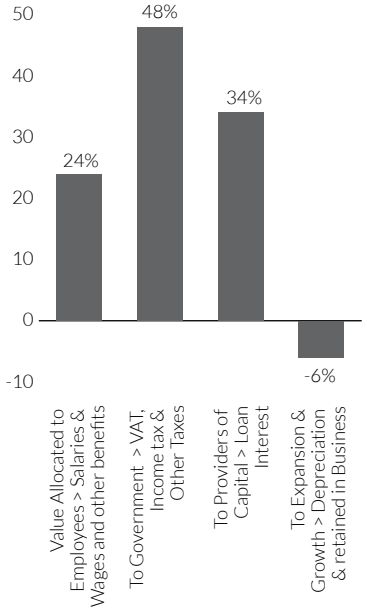
Statement of Value Added

	2025/2026		2024/2025	
	Rs.		Rs.	
Turnover	**2,286,520,134**		2,282,886,857	
Taxes - VAT and others	**364,169,675**		592,405,716	
Gross Turnover	**2,650,689,809**		2,875,292,573	
Other Income	**30,694,726**		114,653,380	
Total Value Added	**2,681,384,535**		2,989,945,953	
Less: Cost of Material & Services bought in	**(1,747,030,232)**		(1,748,235,344)	
Net Value Added	**934,354,303**		1,241,710,609	
Value Allocated to Employees				
Salaries & Wages and other benefits	**411,883,887**	**44%**	301,759,681	24%
To Government				
VAT , Income tax & Other Taxes	**364,169,675**	**39%**	592,405,716	48%
To Providers of Capital				
Loan Interest	**305,707,551**	**33%**	426,826,525	34%
To Expansion & Growth				
Depreciation & retained in Business	**(147,406,810)**	**(16%)**	(79,281,313)	(6%)
	934,354,303	**100%**	1,241,710,609	100%

2025-2026



2024-2025



Shareholder Information

ORDINARY SHAREHOLDERS

There were 5,515 registered shareholders as at 31 March 2026, distributed as follows:

Shareholders categorised summary report - as at 31 March 2026

Shareholdings	Resident			Non-Resident			Total		
	No of Holders	No of Shares	%	No of Holders	No of Shares	%	No of Holders	No of Shares	%
1 - 1,000	2,767	750,215	0.12	10	3,561	0.35	2,777	753,776	0.12
1,001 - 10,000	1,487	6,196,366	0.96	7	21,392	2.10	1,494	6,217,758	0.96
10,001 - 100,000	917	35,117,779	5.45	3	200,350	19.64	920	35,318,129	5.47
100,001 - 1,000,000	296	88,290,493	13.70	3	795,000	77.92	299	89,085,493	13.80
Over 1,000,000	25	514,209,521	79.78	-	-	-	25	514,209,521	79.66
Total	5,492	644,564,374	100.00	23	1,020,303	100.00	5,515	645,584,677	100.00

Categories of shareholders

Categories of shareholders	Resident			Non-Resident			Total		
	No of Holders	No of Shares	%	No of Holders	No of Shares	%	No of Holders	No of Shares	%
Individual	5,278	135,792,444	21.07	21	429,903	42.13	5,299	136,222,347	21.10
Institutional	214	508,771,930	78.93	2	590,400	57.87	216	509,362,330	78.90
Total	5,492	644,564,374	100.00	23	1,020,303	100.00	5,515	645,584,677	100.00

The percentage of issued shares held by the public as at 31 March 2026 was 32.52% (As at 31 March 2025 it was 27.09%) and the number of shareholders were 5,506 (As at 31 March 2025 was 5,227).

The Float Adjusted Market Capitalisation of the Company as at 31 March 2026 is Rs. 776,738,121/- and the Company falls under Option 2 of Rule 7.13.1 (i) (a) of the Listing Rules of the CSE.

SHARE PRICES FOR THE YEAR (MARKET PRICE PER SHARE, RS.)

Market price per share	**As at 31.03.2026**	As at 31.03.2025
	Rs.	Rs.
Highest during the year	**5.20**	5.70
(date)	**(19.01.2026)**	(08.05.2024)
Lowest during the year	**3.50**	3.90
(date)	**(23.03.2026)**	(28.03.2025)
As at end of the year	**3.70**	3.90

Shareholder Information

TOP 20 SHAREHOLDERS OF THE COMPANY

	Name	31.03.2026		31.03.2025	
		No of Shares	**(%)**	No of Shares	(%)
1	George Steuart & Co Ltd A/C No 01	**433,535,779**	**67.15**	468,535,779	72.58
2	Senkadagala Finance PLC/S.M.D.N.P.Banda	**11,000,050**	**1.70**	-	-
3	Vallibel One PLC	**8,377,563**	**1.30**	8,377,563	1.30
4	Hatton National Bank PLC/Phantom Investments (Private) Limited	**7,063,819**	**1.09**	-	-
5	Mr. S.N.C.W.M.B.C. Kandegedara	**6,352,561**	**0.98**	2,000,000	0.31
6	Merchant Bank of Sri Lanka & Finance PLC 01	**5,750,000**	**0.89**	2,500,000	0.39
7	Mr. L.D.N. Nayana	**4,975,000**	**0.77**	-	-
8	Seylan Bank PLC/A.C.Senanka	**4,589,483**	**0.71**	7,500,000	1.16
9	Mr. B.C.J. Nanayakkara	**4,295,114**	**0.67**	-	-
10	Mr. P.W.T.D.D. Fernando	**3,700,000**	**0.57**	3,500,000	0.54
11	Royal Ceramics Lanka PLC.	**2,768,276**	**0.43**	2,768,276	0.43
12	Commercial Bank of Ceylon PLC/S.Vasudevan	**2,054,436**	**0.32**	-	-
13	Mr. L.H.L.T.D. Haradasa	**2,000,223**	**0.31**	2,000,223	0.31
14	Mr. A.N. Handunpathirana	**1,961,585**	**0.30**	1,500,000	0.23
15	DFCC Bank PLC/P. Muralitharan	**1,897,012**	**0.29**	265,870	0.04
16	Seylan Bank PLC/Jayantha Dewage	**1,731,055**	**0.27**	1,131,055	0.18
17	Mr. W.R.S. Young	**1,605,053**	**0.25**	-	-
18	Corona T Stores (Private) Limited	**1,585,331**	**0.25**	1,585,331	0.25
19	Mr. W.V.N.B. Weragoda	**1,547,161**	**0.24**	1,699,950	0.26
20	Peoples Leasing and Finance PLC/M.K.P.N.A.Perera	**1,447,226**	**0.22**	-	-
	Sub Total	**508,236,727**	**78.73**	503,364,047	77.97
	Others	**137,347,950**	**21.27**	142,220,630	22.03
	Total	**645,584,677**	**100.00**	645,584,677	100.00

DIRECTORS' AND CEO'S SHAREHOLDING AS AT 31 MARCH 2026

	Directors' Name	31.03.2026		31.03.2025	
		No of Shares	**(%)**	No of Shares	(%)
1	Ms. Varuni Sonali Fernando Amunugama	**30,240**	**0.005**	30,240	0.005
2	Mr. Sharvajana Anandaraj Ameresekere	**-**	**-**	-	-
3	Mr. Priya Chandana Bandara Talwatte	**-**	**-**	-	-
4	Mr. Sembukuttige Mani Ammal De Silva Sugathapala	**-**	**-**	-	-
5	Mr. Rajinda G Seneviratne (Seylan Bank PLC / Mr. Rajinda Goonewardena Seneviratne - 248,665; Ms. K.K. Keshini Goonetilleke & Mr Rajinda G Seneviratne - 5,900)	**254,565**	**0.039**	254,565	0.039
6	Mr. Janesh Manoj Bandara Pilimatalawwe	**-**	**-**	-	-
7	Mr. Punsisi Lalith Patuwatha Withana	**-**	**-**	-	-
8	Mr. Priyanka Niran Mahawatte	**-**	**-**	-	-
9	Mr. Samantha Pradeep Samarawickrama Ranatunga	**-**	**-**	-	-
10	Mr. Samarasinghe Herath Charman Dilanga Karunarathne	**-**	**-**	-	-

Ten Year Financial Summary & Key Indicators - Group

Year Ended 31 March	Unit	**2026**	2025	2024
TRADING RESULTS				
Revenue	Rs.'000	**2,286,520**	2,282,887	2,186,360
Operating profit /(loss)	Rs.'000	**(43,694)**	130,152	(64,679)
Profit/(loss) before tax	Rs.'000	**(398,693)**	(253,699)	(728,515)
Tax (expense)/reversal	Rs.'000	**155,178**	4,800	(2,714)
Profit/(loss) after tax	Rs.'000	**(243,515)**	(248,899)	(731,229)
Profit/(loss) attributable to owners of the parent	Rs.'000	**(159,110)**	(198,018)	(572,634)
Non-controlling interest	Rs.'000	**(84,405)**	(50,881)	(158,596)
Funds employed				
Stated capital	Rs.'000	**4,845,263**	4,845,263	3,256,173
Capital reserves	Rs.'000	**1,951,066**	1,876,190	1,829,640
Revenue reserves	Rs.'000	**(4,131,948)**	(3,589,691)	(3,136,717)
Equity attributable to owners of the company	Rs.'000	**2,664,381**	3,131,763	1,949,096
Non-controlling interests	Rs.'000	**2,840,435**	2,126,832	958,136
Non current liability of borrowings	Rs.'000	**2,526,757**	2,406,929	2,599,169
Assets Employed				
Non-current assets	Rs.'000	**10,415,483**	10,172,080	10,260,479
Current assets	Rs.'000	**641,645**	746,078	582,715
Current liability of borrowings	Rs.'000	**481,294**	772,522	1,316,351
Capital employed	Rs.'000	**9,420,866**	9,021,314	6,834,094
Cashflow				
Net cash inflow/(outflow) from operating activities	Rs.'000	**(127,670)**	(1,612,709)	303,931
Net cash inflow/(outflow) from investing activities	Rs.'000	**225,036**	691,952	(35,804)
Net cash inflow/(outflow) from financing activities	Rs.'000	**(75,775)**	1,140,551	(241,635)
Increase /(decrease) in cash and cash equivalents	Rs.'000	**21,592**	219,794	26,493
Key Indicators				
Earnings/(loss) per Share - Basic (Rs.)	Rs.	**(0.25)**	(0.32)	(2.01)
Dividend per share (Rs.)	Rs.	**-**	-	-
Dividend payout ratio (%)	%	**-**	-	-
Net assets value per share (Rs.)	Rs.	**4.13**	4.85	6.92
Market price per share (Rs.)	Rs.	**3.70**	3.90	5.00
Return on capital employed (%)	%	**(0.46)**	1.44	(0.95)
Current ratio (times)	Times	**0.39**	0.39	0.20
Debt to equity ratio (times)	Times	**0.55**	0.60	0.90

	2023	2022	2021	2020	2019	2018	2017
	1,625,242	848,527	494,930	1,193,500	1,454,625	1,278,950	1,212,956
	(277,004)	(311,378)	(421,082)	(60,042)	127,990	38,923	77,109
	(1,282,224)	(592,052)	(746,927)	(429,968)	(302,872)	(47,014)	(278,043)
	(155,039)	30,229	31,619	6,829	6,881	(84,796)	(36,534)
	(1,437,263)	(561,822)	(715,308)	(423,139)	(295,991)	(131,810)	(314,576)
	(1,133,779)	(459,299)	(604,345)	(365,870)	(237,497)	(153,785)	(244,599)
	(303,484)	(102,524)	(110,963)	(57,269)	(58,494)	21,975	(69,977)
	3,256,173	3,256,173	3,256,173	3,256,173	2,403,276	2,403,276	2,403,276
	1,615,511	1,581,654	948,332	706,664	709,775	704,488	258,930
	(2,559,954)	(1,428,454)	(1,076,657)	(561,897)	(668,104)	(429,203)	58,418
	2,311,730	3,409,373	3,127,848	3,400,940	2,444,947	2,678,561	2,720,624
	1,049,217	1,334,399	1,044,602	926,093	1,458,644	1,515,659	845,858
	3,221,934	2,785,539	2,517,320	2,620,282	2,911,317	1,748,185	1,842,807
	9,530,642	9,625,517	8,592,905	8,284,289	7,823,692	8,143,153	7,016,439
	461,548	329,471	214,143	292,901	581,501	709,488	640,796
	1,532,480	961,899	810,183	439,929	696,421	1,714,008	1,388,921
	6,582,881	7,529,311	6,689,771	6,947,314	6,814,908	5,942,404	5,409,289
	113,468	63,533	(154,516)	101,351	(391,396)	(187,156)	50,107
	(57,285)	100,362	132,065	(93,092)	192,301	(33,542)	(26,808)
	(65,576)	(90,559)	26,905	41,213	1,021,392	53,138	(277,098)
	(9,392)	73,335	4,455	49,471	822,297	(167,559)	(253,799)
	(4.24)	(1.72)	(2.26)	(1.47)	(2.46)	(1.59)	(2.53)
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	8.65	12.76	11.70	12.73	25.30	27.71	28.15
	5.80	5.80	8.30	5.80	4.20	7.50	7.00
	(0.04)	(0.04)	(0.06)	(0.01)	0.02	0.01	0.01
	0.2	0.2	0.1	0.3	0.4	0.3	0.3
	1.0	0.6	0.6	0.6	0.8	0.4	0.5

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Forty Fourth (44th) Annual General Meeting of Citrus Leisure PLC will be held on 24 September 2026 at 10.40 a.m. at the Sri Lanka Foundation, Lecture Hall No. 03, No. 100, Padanam Mawatha, Independence Square, Colombo 07 for the following purposes:

1. Ordinary Business

1.1 To receive the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Financial Statements for the year ended 31 March 2026 and the Report of the Auditors thereon.

1.2 To re-elect Mr. Priya Chandana Bandara Talwatte as a Director who retires by rotation in terms of Articles 85 and 86 of the Articles of Association of the Company.

1.3 To re-elect Mr. Sembukuttige Mani Ammal De Silva Sugathapala as a Director who retires by rotation in terms of Articles 85 and 86 of the Articles of Association of the Company.

1.4 To re-elect Mr. Punsisi Lalith Patuwatha Withana as a Director who retires by rotation in terms of Articles 85 and 86 of the Articles of Association of the Company.

1.5 To re-appoint the retiring Auditors Messrs Ernst & Young, Chartered Accountants, as the Company's Auditors and to authorise the Directors to determine their remuneration.

1.6 To authorise the Directors to determine donations for the year ending 31 March 2027 and up to the date of the next Annual General Meeting.

2. Special Business

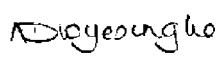
2.1 To consider and if thought fit, to pass the following resolution as a Special Resolution:

'IT IS HEREBY RESOLVED THAT the Articles of Association of the Company be amended:

(1) by the inclusion of the following paragraph immediately after the word "office." in line 4 of Article 85;

"Provided that a Director appointed to hold executive office of including Chairman, Deputy Chairman, Chief Executive, Managing or Joint Managing Director, or other Executive Officer shall not, while holding that office, be subject to retirement by rotation or be taken into account in determining the Directors to retire in each year."

By order of the Board
Citrus Leisure PLC



P W Corporate Secretarial (Pvt) Ltd
Secretaries

28 August 2026

Notes

1. A Shareholder entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote on behalf of him/hers.

2. A proxy need not be a Shareholder of the Company.

3. The Form of Proxy is enclosed for this purpose

Notes

Notes

Form of Proxy

I/We*.....

(NIC/Passport/Co. Reg. No. .....) of..... .....

.....being a shareholder / shareholders of CITRUS LEISURE PLC hereby appoint

..... (NIC/Passport No.....)

of.....or failing him/her*,

Mr. S P S Ranatunga	or failing him*
Mr. P C B Talwatte	or failing him*
Mr. S M A De Silva Sugathapala	or failing him*
Mr. R G Seneviratne	or failing him*
Ms. V S F Amunugama	or failing her*
Mr. J M B Pilimatalawwe	or failing him*
Mr. S A Ameresekere	or failing him*
Mr. P L P Withana	or failing him*
Mr. P N Mahawatte	

as my/our* proxy to represent and speak and vote as indicated hereunder for me/us* and on my/our* behalf at the Forty Fourth (44th) Annual General Meeting of the Company to be held on 24 September 2026 at 10.40 a.m. and at every poll which may be taken in consequence of the aforesaid Meeting and at any adjournment thereof.

1. Ordinary Business

		For	Against
1.1	To re-elect Mr. Priya Chandana Bandara Talwatte as a Director who retires by rotation in terms of Articles 85 and 86 of the Articles of Association of the Company.	☐	☐
1.2	To re-elect Mr. Sembukuttige Mani Ammal De Silva Sugathapala as a Director who retires by rotation in terms of Articles 85 and 86 of the Articles of Association of the Company.	☐	☐
1.3	To re-elect Mr. Punsisi Lalith Patuwatha Withana as a Director who retires by rotation in terms of Articles 85 and 86 of the Articles of Association of the Company.	☐	☐
1.4	To re-appoint the retiring Auditors Messrs Ernst & Young, Chartered Accountants, as the Company's Auditors and to authorise the Directors to determine their remuneration.	☐	☐
1.5	To authorise the Directors to determine donations for the year ending 31 March 2027 and up to the date of the next Annual General Meeting.	☐	☐

2. Special Business

		For	Against
2.1	To pass the Special Resolution as set out in item 2.1 of the Notice of Meeting on amendment to the Articles of Association.	☐	☐

Form of Proxy

Signed this ..... day of ..... Two Thousand and Twenty Six.

.....
Signature of Shareholder/s

*Please delete what is inapplicable.

Notes: 1. A proxy need not be a shareholder of the Company
2. Instructions as to completion appear overleaf.

Instructions for completion

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.

2. The completed Proxy should be deposited at the Registered Office of the Company, No.56/1, Kynsey Road, Colombo 08 by 10.40 a.m. on 22 September 2026.

3. The Proxy shall –

   (a) In the case of an individual be signed by the shareholder or by his attorney, and if signed by an attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.

   (b) In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the Company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute. (as applicable)

4. If you wish to appoint a person other than the Chairman or a Director of the Company as your Proxy, please insert the relevant details in the space provided.

5. Please indicate with a 'X' in the space provided how your Proxy is to vote on each resolution. If no indication is given, the Proxy in his discretion will vote as he thinks fit.

6. In the case of joint holders the Form of Proxy must be signed by the first holder.

Corporate Information

NAME OF COMPANY
Citrus Leisure PLC

LEGAL FORM
The shares of the company are listed on the Colombo Stock Exchange of Sri Lanka.

COMPANY REGISTRATION NO.
PQ 211

REGISTERED OFFICE
No: 56/1, Kynsey Road, Colombo 08.

Telephone :
0117 755 388

E-mail:
direct@citrusleisure.com

Website:
www.citrusleisure.com

BOARD OF DIRECTORS
Mr. S.P.S. Ranatunga (Chairman)
Mr. P. C. B. Talwatte
Mr. S.M.A.D.S. Sugathapala
Ms. V.S.F. Amunugama
Mr. S.A. Ameresekere
Mr. R.G. Seneviratne
Mr. J.M.B. Pilimatalawwe
Mr. P.L.P. Withana
Mr. P.N. Mahawatte
Mr. S.H.C.D Karunaratne
(Resigned w.e.f. 08 Jul 2026)

CHIEF EXECUTIVE OFFICER
Mr. P. C. B. Talwatte

AUDIT COMMITTEE
Mr. P.L.P. Withana (Chairman)
Mr. S.P.S. Ranatunga
Mr. P.N. Mahawatte

REMUNERATION COMMITTEE
Mr. P.N. Mahawatte (Chairman)
Mr. P.L.P. Withana
Mr. S.A. Ameresekere

NOMINATIONS AND GOVERNANCE COMMITTEE
Mr. P.N. Mahawatte (Chairman)
Mr. S.P.S. Ranatunga
Mr. J.M.B. Pilimatalawwe

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE
Mr. P.L.P. Withana (Chairman)
Mr. S.P.S. Ranatunga
Mr. S.A. Ameresekere

COMPANY SECRETARIES
P W Corporate Secretarial (Pvt) Ltd.
No.3/17, Kynsey Road, Colombo 08.

COMPANY REGISTRARS
Central Depository Systems (Pvt) Limited
Ground Floor, M & M Center
341/5, Kotte Road, Rajagiriya.

AUDITORS
Ernst & Young
Chartered Accountants
Rotunda Towers, 109, Galle Road
Colombo 03.

BANKERS
Sampath Bank PLC
Commercial Bank of Ceylon PLC
Hatton National Bank PLC
Pan Asia Banking Corporation PLC
Nations Trust Bank PLC
National Development Bank PLC
NDB Wealth Management LTD
People's Bank PLC,
Seylan Bank PLC

INVESTOR RELATIONS
Please contact Group Head of Finance Ms. Kaushika Ranasinghe
+94775700473
kaushika@citrusleisure.com

SUBSIDIARIES
PUBLIC LISTED
Waskaduwa Beach Resort PLC
Hikkaduwa Beach Resort PLC

NON PUBLIC LISTED
Citrus Vacations Limited
Citrus Aqua Limited
Citrus Silver Ltd
Citrus LT (Pvt) Ltd

Designed & produced by
emagewise

www.citrusleisure.com

Citrus Leisure PLC
No. 56/1, Kynsey Road, Colombo 08.
Telephone : 0117-755-388
E-mail : Info@citrusleisure.com