

köblr



Fitting Together

Growing Together

ANNUAL REPORT 2025



THEME STORY

At Cable Solutions, growth is not a solo journey it's a collective achievement made possible by every carefully connected part of our ecosystem. This year's theme, "Fitting Together. Growing Together.", reflects our belief that success comes from synergy where people, technology, partnerships, and innovation all align like perfectly interlocking puzzle pieces.

From our eco-conscious facility in Kadawatha to the expansion into Chennai, every strategic move is a new piece added to our larger vision. We thrive on precision designing and delivering cable and harness solutions that are customized to fit our clients' unique needs, standards, and industries.

Our team of skilled engineers, designers, and collaborators work hand-in-hand with customers to co-create solutions that don't just connect systems, but power possibilities. As we continue to grow, we remain rooted in our values: sustainable practices, uncompromising quality (ISO 9001 & 14001), and complete customer satisfaction.

This annual report is more than a reflection of our milestones it's a visual and narrative journey of how every piece, every person, and every partnership contributes to a greater whole. Because at Cable Solutions, when everything fits together, we grow stronger—together.

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ABOUT US

Established in 2008, Cable Solutions PLC ("CSLK") is a publicly listed company on the Colombo Stock Exchange, trading on the Diri Savi Board since 14 August 2024. Headquartered at Ranmuthugala Estate, Kadawatha, Sri Lanka, CSLK operates a modern, BOI-registered two-acre manufacturing facility in Kadawatha and maintains a subsidiary in India under Cable Solutions Private Limited.

ACL Cables PLC remains the majority shareholder, owning 51% of CSLK, after having acquired a controlling stake in 2019.

CSLK specializes in high-quality, customized cable solutions — producing the Kāblr brand of cables, wires, harnesses, and solar cables for international markets. Its export-oriented model delivers over 80% of total sales to an extensive client base across the USA, UK, Germany, Spain, Italy, Sweden, Switzerland, Russia, India, Australia, New Zealand, Japan, China, and the Maldives. Recent strategic efforts have focused on expanding in the US market, particularly with multinational clients.

CSLK's product portfolio serves fast-growing sectors such as automotive, industrial automation, renewable energy, measurement/instrumentation, and telecommunications. The company's emphasis on quality is demonstrated by its internationally accredited ISO 9001 and ISO 14001

certifications, TÜV Rheinland certification for solar cables to BS EN 50618 standards, and a comprehensive three-tier quality surveillance system. In Sri Lanka, it remains the sole TUV certified manufacturer for solar cable production.

Since its IPO in 2024, CSLK has invested IPO proceeds largely in capital expenditure, including machinery upgrades and a state-of-the-art 80-50 extrusion line, boosting production efficiency, energy performance and reducing lead times.

The leadership team is led by CEO Pawan Tejwani, supported by a board featuring representatives from ACL Cables and independent directors. CSLK continues to expand its capabilities through focused hires in production, engineering, quality assurance, and international business development, alongside investments in employee training, safety, and ESG compliance.

With a strategic roadmap targeting Asia and Europe by 2028, strong backing from ACL Cables, and a track record of international quality and innovation, Cable Solutions PLC is well-positioned to become a top-tier global supplier of precision cable systems, contributing significantly to Sri Lanka's industrial export economy and delivering sustained value to shareholders and stakeholders alike.

VISION STATEMENT

To become, by year 2028, one of the top 10 manufacturers of cables for the electronics industry in Asia and Europe by providing a total customized solution with guaranteed quality.

MISSION STATEMENT

Being committed to providing long term satisfaction to our customers with tailor-made and precision products and to provide all our employees with continuous improvement opportunities in a safe work environment.



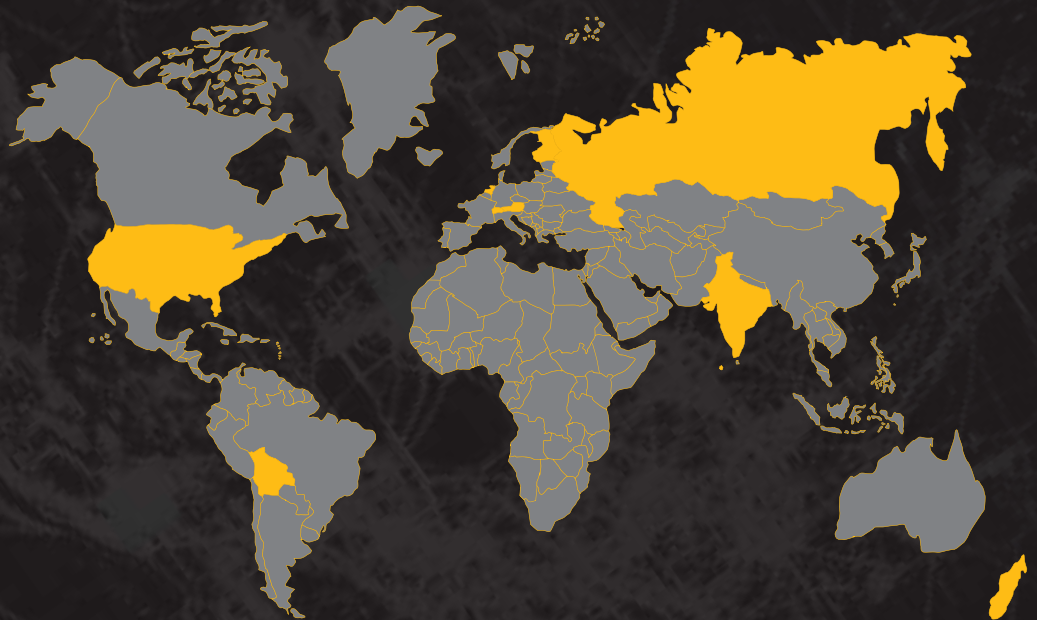
GROUP STRUCTURE



CSLK is a subsidiary of ACL Cables PLC, who holds 51% Shares of CSLK. CSLK acquired a 99.9% equity stake in Cable Solutions Private Limited, India from one shareholder.

GLOBAL PRESENCE

USA
U.K
Switzerland
Sweden
Germany
Austria
Russia
Australia
New Zealand
India
Bolivia
Maldives



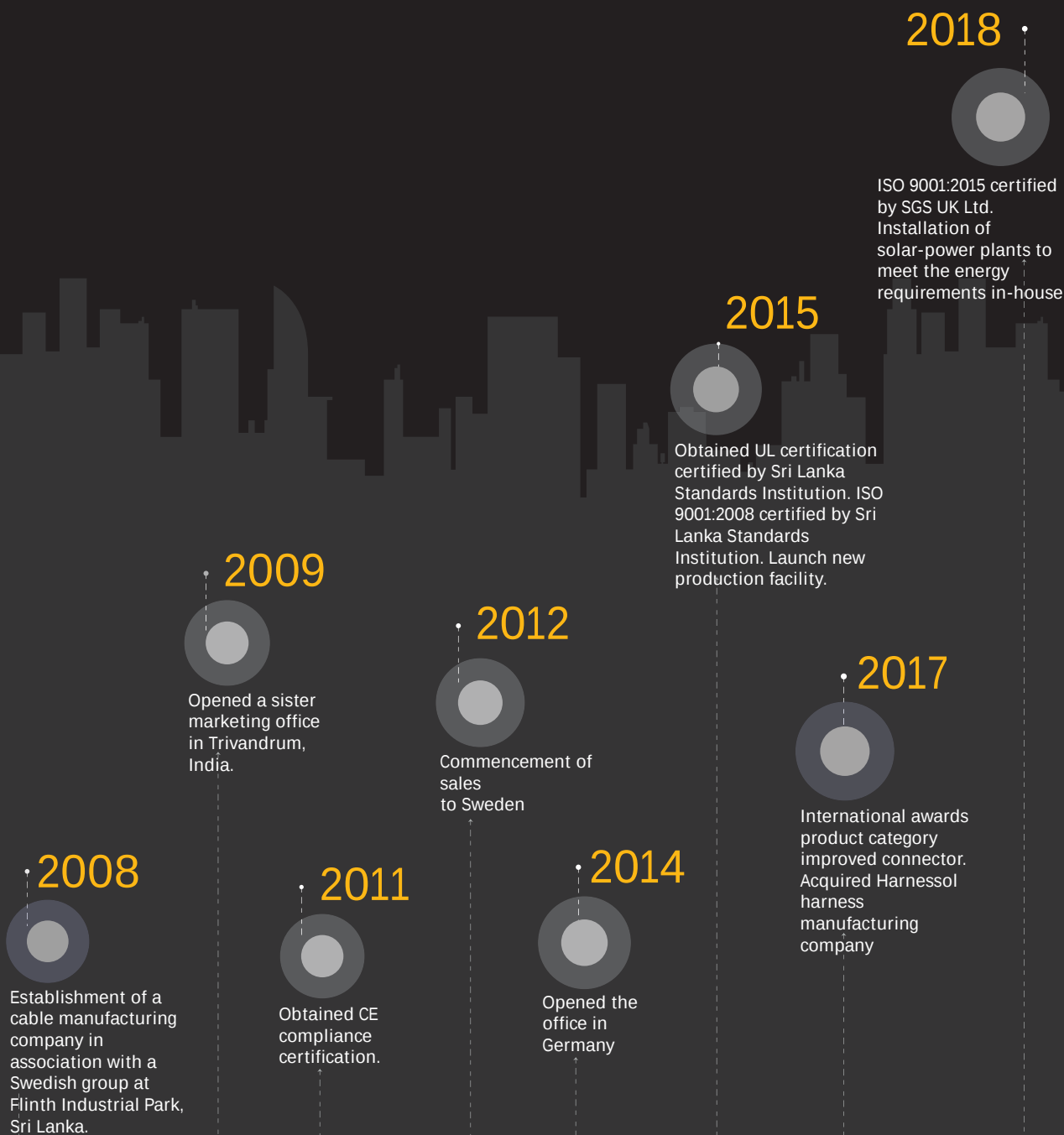
500+
product categories



04+
Regions



10+
Countries



2019

CWZ certificate for fire resistant cable, ISO 14001 certification approved.

Became part of the ACL Group with the purchase of a 75% stake in the company to a consortium of investors led by ACL.

2020

Received the TUV Certificate from German Rheinland in order to produce high quality Cables for the Solar Industry. .

2021

Renewal of ISO 9001-2015 and 14001-2015 Certificates were duly certified by SGS UK Ltd.

2022

Awarded the Carbon Neutrality Certification.

2024

Cable Solutions was successfully listed on the Colombo Stock Exchange on 14/08/2024.

Increased its renewal product portfolio with the addition of EV range, obtained ARAI approved for FLRY-B Cables.

Product Certification for UL 13 PLTC was obtained

2025

The Company was featured in the Industry Outlook Magazine as one of the Top 10 Wire Harness and Cable Assembly Manufacturers in India.

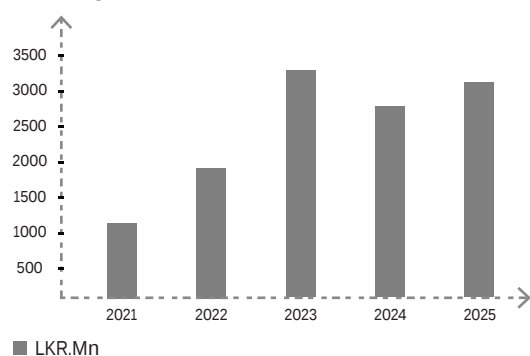
An employee from the Harness Section won by the First Place at the IPC Wire Harness Competition 2025 held in Colombo, Sri Lanka and will represent Cable Solutions at the 2026 World Competition to be held in India.

Was awarded the prestigious Certificate of Ethical Trading by the National Chamber of Exporters of Sri Lanka.

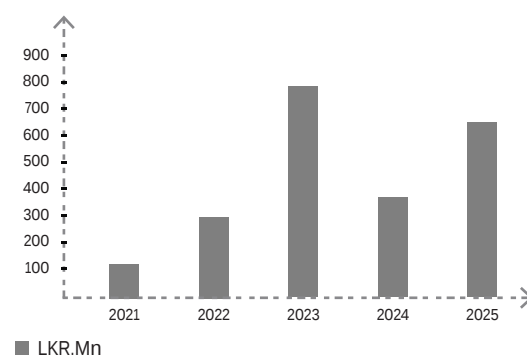
FINANCIAL HIGHLIGHTS

	Group		Company	
In LKR 000'	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Revenue	3,161,275	2,559,137	3,143,245	2,544,723
EBITDA	650,409	366,270	639,842	401,942
PBT	506,078	221,811	496,451	258,054
Net Profit	430,049	151,922	420,422	188,165
Total Equity	1,966,896	1,504,805	2,004,269	1,553,360
GP Margin	31%	29%	31%	30%
NP Margin	14%	6%	13%	7%
ROE	25%	9%	24%	11%
Net D/E	11%	24%	12%	23%
Current Ratio (x)	2.8	2.2	2.9	2.3

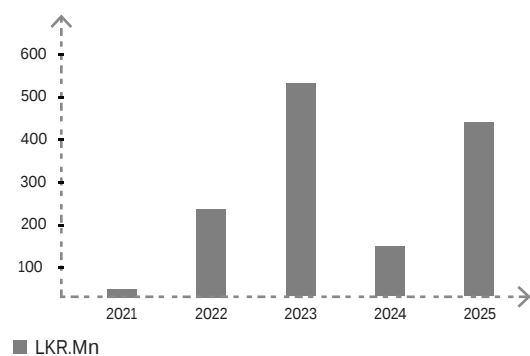
REVENUE



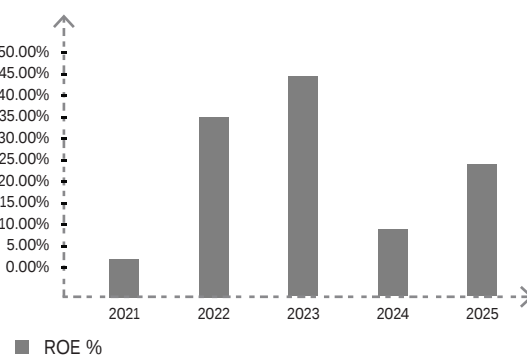
EBITDA



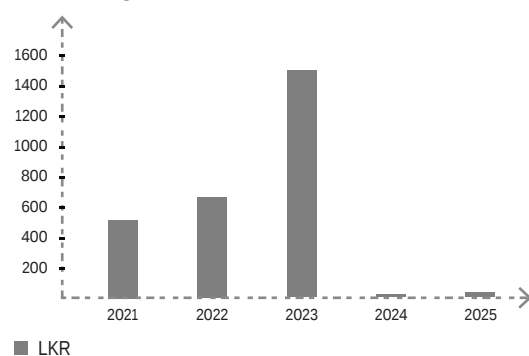
NET PROFIT



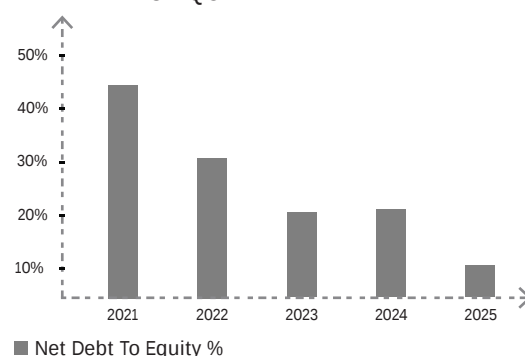
ROE



NAV PER SHARE



NET DEBT TO EQUITY



The Company carried out a 1:400 share split on 6th October 2023.

CHAIRMAN'S MESSAGE

Dear Shareholders,

It is my privilege to present the Annual Report for Cable Solutions for the financial year 2024/25 - a period that tested our discipline, rewarded our prudence, and reinforced our long-term strategic direction. Amid a cautiously stabilizing domestic economy, our company remained focused on resilience, efficiency, and building competitiveness across core operations.

We entered the year with a deliberate emphasis on cost optimization, working capital discipline, and customer engagement - particularly in key export markets. While topline growth remained moderate due to subdued domestic construction activity, our margins held strong through targeted sourcing strategies and product rationalization. I am proud to report that we continued to build on our export momentum, positioning Cable Solutions as a trusted regional supplier in a period of relative global calm.

The macroeconomic environment in FY24/25 presented a mix of challenges and stabilizing trends with direct implications for the cable manufacturing and export sectors. After two years of economic contraction, Sri Lanka saw modest GDP growth this year, underpinned by improving investor sentiment following the election of a reform-oriented government.

While challenges persist, FY24/25 marked a turning point: one of stability, visibility, and steady progress.

Future Strategies

In FY25, Cable Solutions achieved a strong 32% Year-on-Year (YoY) revenue growth to LKR 3.2 billion, reflecting growing demand for high-performance cables across global markets. Despite cost pressures from raw materials and operational expenses, the Group improved gross margins to 31% and delivered a 183% increase in net profit. These results highlight our disciplined cost management, efficient working capital practices, and strategic investments fueling our growth.

Going forward, we remain focused on innovation and operational excellence to sustain this momentum. Investments in advanced production technologies and rigorous quality assurance systems ensure compliance with stringent international certifications. Collaborations with engineering institutes, raw material suppliers, and certifying bodies enable us to develop next-generation cables designed for extreme conditions. This includes fire-retardant, low-smoke, and halogen-free cables critical to infrastructure and transportation sectors.

We are expanding our portfolio to include higher-grade copper cables that optimize current transmission efficiency and reduce energy loss - supporting global sustainability initiatives. A key part of our strategy is achieving carbon net-zero status by 2030, supported by innovations such as interactive virtual reality product experiences and digital marketing campaigns to enhance customer engagement and market reach.

Geographically, we are strengthening our footprint in key export markets including the United States, Germany, India, Australia, and Spain. Newly established offices and local partnerships improve responsiveness to customer needs and enable us to capture emerging opportunities.

While external risks like tariff uncertainties remain, we continue to gain new clients and grow wallet share among existing customers.

Our core principles of quality, timeliness, and customer focus will guide our growth, helping us deepen relationships with our loyal customer base and build collaborative partnerships. Backed by financial strength and operational resilience, Cable Solutions is well-positioned to navigate an evolving global landscape and drive sustainable growth in the coming years.

Appreciation

I extend my sincere gratitude to the Cable Solutions team whose dedication and professionalism were vital to our progress this year. Your commitment underpins our reputation for quality, reliability, and agility.

To our valued customers, suppliers, and partners - thank you for your continued trust. To our shareholders and the Board, your strategic input and belief in our direction remain invaluable. As we look to the future, we do so with confidence in our foundation and clarity in our purpose.

Mr. Suren Madanayake
Chairman
21st August 2025



MANAGING DIRECTOR'S REVIEW

I am pleased to present the Annual Review for Cable Solutions PLC for the financial year ended 31st March 2025. Despite persistent challenges in the global economic landscape, the Group delivered a robust performance, exceeding expectations across several key metrics. Consolidated revenue reached LKR 3.2 billion, while net profit stood at LKR 430 million, underpinned by strong customer performance, strategic global expansion, and continuous operational enhancements. The fourth quarter was particularly notable, with strong sales momentum from our top 15 customers and the successful onboarding of a key new client.

Copper Market Overview

Copper prices remained volatile throughout the year, peaking at USD 9,843/MT and closing at USD 8,800/MT by the end of Q4. Looking ahead to FY 2025/26, prices are projected to stabilize around USD 9,500/MT, offering a more predictable raw material cost environment.

Operational Highlights

- Strategic investments were initiated to upgrade systems, enhance workforce capabilities, and streamline production workflows.
- We maintained an impeccable safety record, with Zero Lost Time Injuries (LTI) reported during the year, reaffirming our commitment to employee well-being.
- Ongoing investments in ERP systems and planning tools are expected to drive operational efficiency, reduce waste, and improve responsiveness in decision-making.

Machinery Upgrades

Major enhancements were made to our production infrastructure during the year. The commissioning of an 80mm extruder and advanced cable-cutting machines significantly increased capacity, improved production output, and reduced the cost per meter and per piece.

Key upcoming capex initiatives include:

- Braiding Machine and Rewinder
- Buncher
- Quality Inspection System
- Molding Machine
- Harness Factory Equipment
- Quality Control Equipment and Line Upgrades

Further investments under consideration include equipment for UL certification testing, scrap processing, and additional molding capacity, all of which align with our focus on scaling and quality assurance.

Product Innovation and Certifications

We continued to strengthen our product portfolio and expand into new market segments:

- Broadened our renewable product line with the introduction of Electric Vehicle (EV) cables.
- Secured ARAI certification for FLRY-B cables.
- Achieved UL 13 PLTC certification, including compliance for exposed run and direct burial applications.
- Targeting IATF 16949 compliance in FY 2025/26 to further align with global automotive quality standards.

Recognition and Achievements

- Cable Solutions PLC has been recognized by Industry Outlook Magazine as one of the Top 10 Wire Harness and Cable Assembly Manufacturers in India – 2025, reflecting our growing market leadership and value creation for shareholders.
- Ms. Ishara Madhushani, representing the Harness Department, secured First Place at the 2025 IPC Wire Harness Competition held in Colombo and will represent Cable Solutions at the 2026 World Competition in India.

Share Performance

Cable Solutions PLC was successfully listed on the DSE Savi Board of the Colombo Stock Exchange (CSE) on 16th August 2024, at an IPO price of LKR 7.50 per share. The share closed the quarter at LKR 11.10 and reached a high of LKR 14.70 in July 2025, reflecting growing investor confidence driven by our financial performance and growth outlook.

Forward Strategy

We are poised to accelerate our global presence through active participation in key industry events such as Productronica 2025, Wire and Cable India & China, and the SPS Trade Show in Germany (November 2025). In Europe, our marketing efforts will center on automation-focused exhibitions to strengthen brand visibility.

Our digital transformation journey includes embracing virtual workplace culture and deploying AI-powered tools such as Read AI and Microsoft Co-Pilot during 2025–2026. These initiatives are aligned with our broader goals of carbon neutrality and digital advancement.

Our U.S. subsidiary continues to play a critical role in product certification and regulatory compliance, while our operations in India provide a cost-effective hub for testing and market validation. The Indian facility is scheduled for expansion to meet rising demand, with plans to route select sales to the U.S. and U.K. while also deepening our presence in the Indian market.

Closing Remarks

We remain confident in our strategic direction, anchored in innovation, operational excellence, and investment in human capital. Our strong presence in the U.S. and India, coupled with our commitment to sustainability and digitalization, will continue to generate long-term value for our shareholders.

Mr. Pawan Tejwani
Managing Director
21st August 2025

BOARD OF DIRECTORS

Mr. Suren Madanayake

Chairman, Non - Independent Non - Executive Director

Mr. Suren Madanayake had his education at Royal College, Colombo and qualified as a Mechanical Engineer from the University of Texas at Austin, USA.

He was appointed to the Board of ACL Cables PLC in June 1991 and was appointed Managing Director in September 2005.

When Kelani Cables PLC was acquired in October 1999, he was appointed as Managing Director of Kelani Cables PLC and Lanka Olex Cables (Private) Ltd which is the holding Company of Kelani Cables PLC. In 2003, he was appointed as Deputy Chairman of Kelani Cables PLC.

He also serves as the Chairman of Resus Energy PLC and Cable Solutions Ltd, Managing Director of ACL Plastics PLC and Director of ACL Electric (Pvt) Ltd., Ceylon Bulbs & Electricals Ltd., ACL Metals & Alloys (Pvt.) Ltd., ACL Polymers (Pvt.) Ltd., ACL-Kelani Magnet Wire (Pvt.) Ltd., Ceylon Copper (Pvt.) Ltd., SM Lighting (Pvt) Ltd., Fab Foods (Pvt.) Ltd., Ceylon Tapioca Ltd., Destination Ceylon (Pvt.) Ltd., Ethimale Plantation Pvt LTD, Marshal Investments (Pvt) Ltd, CT Land Development PLC and National Asset Management (Pvt) Ltd.

He also serves as Trustee of CCC Foundation of Sri Lanka, which is an approved charity. He captained the Royal College 1st XV Rugby team in 1987.

Mr. Suren has been a board member since 19th December 2019.

Mr. U G Madanayake

Non - Independent Non - Executive Director

Mr. U.G. Madanayake had his early education at Ananda College, Colombo. He graduated from the University of Cambridge – England in 1958, and had his M.A. (Cantab) conferred on him in 1962.

He is a Barrister at-law (Lincoln's Inn) and an Attorney-at-law of the Supreme Court of Sri Lanka.

He started his working life managing family- owned plantations until most of the lands were taken over by the State under the Land Reform Law of 1972. He continues to have an active interest in agriculture.

He joined the Board of Associated Motorways Ltd, and subsequently became the Deputy Chairman of the Company. He became a Director of ACL Cables PLC (then Associated Cables Ltd.) in January 1963, its Managing Director in July 1978 and Chairman cum Managing Director in May 1990.

He relinquished his duties as Managing Director in September 2005 after appointing Mr. Suren Madanayake as Managing Director. With the acquisition of Kelani Cables PLC, by the ACL Group in October 1999, he was appointed as Chairman of Kelani Cables PLC. Mr. U. G. Madanayake is also the Chairman of Fab Foods (Pvt) Ltd., Ceylon Tapioca Ltd., ACL Plastics PLC and Lanka Olex Cables (Pvt.) Ltd.

He is also a Director of ACL Metals & Alloys (Pvt.) Ltd., ACL Polymers (Pvt) Ltd., Ceylon Copper (Pvt.) Ltd., ACL Kelani Magnet Wire (Pvt) Ltd., Ceylon Bulbs & Electricals Ltd., and ACL Electric (Pvt.) Ltd., Cable Solutions Limited and Resus Energy PLC. He has over 50 years' experience in the cable Industry

Mr. Daya Wahalatantri

Non - Independent Non - Executive Director

Mr. Daya Wahalatantri had his early education at Holy Cross College, Kalutara and Royal College, Colombo.

He is a Graduate in Chemistry (Special) from the University of Ceylon, Peradeniya. In 1990, he obtained his Masters in Business Administration from the University of Sri Jayewardenepura.

Having gained sufficient exposure in marketing of industrial products to institutional customers, he joined ACL Cables PLC as its first Marketing Manager in 1982. In 1999, with the acquisition of Kelani Cables PLC, he was promoted as the Group Marketing Manager. He was appointed to the Board of Directors of ACL Cables PLC in November 2005. He also serves as a Director of Cable Solutions Ltd.

Mr. Kusal Jayawardana

Independent Non - Executive Director

Kusal brings over 25 years of experience in debt capital markets, equity capital markets, corporate advisory, mergers and acquisitions, investment management and financial services.

He is presently the Deputy Managing Director of Alliance Finance Co PLC and an independent director of ACL Cables PLC, Lanka Ventures PLC, LVL Energy Fund PLC and Cable Solutions Limited. He has been a CSLK board member since 6th October 2023. He is also a co-founder of corporate finance advisory firm Serendib Frontier Capital.

Previously he was the Managing Director/CEO of NDB Capital Limited, Bangladesh and Chief Operating Officer of NDB Capital Holdings PLC and was a director of Resus Energy PLC, PanAsian Power PLC, Lanka Communication Services Limited. He was instrumental in introducing several innovative capital market products in Sri Lanka and Bangladesh and has executed several landmark capital market transactions.

Kusal is Chartered Financial Analyst, Associate Member of The Chartered Institute of Management Accountants, UK and the Chartered Global Management Accountants, USA and was an Associate member of the Association of Chartered Certified Accountants, UK. He also holds an MBA from the Open

University of Sri Lanka in collaboration with Commonwealth of Learning, Canada. He is presently reading for his doctoral program at the University of Colombo.

Mr. Mahesh Amarasiri

Non - Independent Non - Executive Director

Mr. Mahesh Amarasiri possesses over 20 years of professional experience in Strategic Planning and Financial Management in multiple business sectors such as Manufacturing, Investment Banking, Telecommunication, Private Equity and Consumer Retail.

He is currently employed at ACL Cables PLC in the capacity of Group Chief Financial Officer (GCFO). He also holds the Board Positions in Resus Energy PLC, Cable Solutions Limited and Ethimale Plantations (Private) Limited.

Prior to the current employment, he held the positions of CFO, DSI Group, Senior Vice President- Private Equity Management, NDB Group, Head of Strategic Planning at Etisalat Lanka (Private) Limited.

He is also a member of The Sri Lanka Accounting and Auditing Standards Committee (SLAASC) and a Member of Consumer Affairs Council, Sri Lanka. He is also a member of the Accounting Standards Review Committee of Institute of Chartered Accountants, Sri Lanka. He was a Board Member of CIMA, Sri Lanka and a Global Membership Assessor for CIMA. Mr. Amarasiri is an Alumni of Ananda College, Colombo and University of Moratuwa, Sri Lanka.

He holds a B.Sc in Electrical Engineering and an MBA in Technology Management. He is a Chartered Global Management Accountant (CGMA) and a Fellow Member of The Chartered Institute of Management Accountants (CIMA), UK. He is also a Member of The Institution of Engineers (IESL), Sri Lanka and Organization of Professional Associations, Sri Lanka (OPA). Mr. Amarasiri won the CFO of the Year Bronze award at the CIMA JXG Pinnacle Awards 2025.

Mr. Chehan Perera

Independent Non - Executive Director

Mr. Perera counts for over 29 years in following financial markets and managing research and financial services businesses based in South-East Asia and South Asia. He spent over 10 years (1995-2005) with the ABN AMRO Group heading research operations in Malaysia, Singapore, Sri Lanka and Mauritius in addition to covering strategy and several other sectors during that period. He was also a part of the Group's equities management team for the ASEAN region.

He thereafter co-founded Insite Equity Ltd and subsequently established Insite Holdings as an investment holding company in Sri Lanka. Insite Equity entered into a partnership with KAF Seagroatt & Campbell Securities in 2006 in Malaysia where Mr. Perera was the lead in building a competitive and

well-respected institutional equities business. During that time the institutional business entered into global partnerships with the RBS Group and the New York based Jefferies Group.

Mr. Perera worked two years (2017 and 2018) at Malaysian sovereign fund Valuecap Sdn Bhd as Head, Capital Market Research to set up an ASEAN research team with an ESG focus. In 2023, he was invited to lead the Malaysia Research team for one of the largest pan-Asian brokerage houses in Malaysia - CGS International Securities. In 2018, he co-founded Tempest P E Partners, a boutique private equity firm dedicated to exploring investment opportunities in the Sri Lankan private equities space. Mr Perera continues as Managing Director of Tempest PE Partners. He also serves on the Board of Trans Asia Hotels PLC and Insite Holdings Pvt Ltd in the capacity of independent non-executive director, and non-executive director respectively.

He graduated from Ithaca College NY in Economics and Mathematics and hold the CFA charter

Mr. Pawan Tejwani

Executive Director

Mr. Pawan Tejwani holds a Master's Degree in Material Science Engineering from Imperial College, London, and has completed the INSEAD Executive Development Program. Currently, he is a shareholder and Managing Director of SIM Lanka (Pvt) Ltd and Quality Floors (Pvt) Ltd. With over 18 years of experience in the electronic component and cable wires industries, Pawan brings a wealth of expertise to his roles.

Mr. Gihan Perera

Independent Non - Executive Director

Mr. Gihan Perera is a distinguished professional and director with a strong background in finance and business management. He began his educational journey at S. Thomas' College, Mount Lavinia, before pursuing higher education both internationally and in Sri Lanka. His pursuit of academic excellence led him to North Carolina Agricultural and Technical State University in the USA, where he earned a Bachelor of Science degree in Finance. During his time at the university, he not only excelled academically but also demonstrated exceptional talent in tennis.

Upon graduating with First Class Honors in 1986, Mr. Perera's returned to Sri Lanka, bringing with him a wealth of knowledge and a youthful energy. In 1995, he further solidified his business acumen by completing a Master of Business Administration (MBA) from the Post Graduate Institute of Management at the University of Jayawardenepura, Sri Lanka.

Mr. Perera's journey in the family business began in 1987, where he showcased his commitment and expertise in various roles, which ultimately earned him the role of Managing Director in 1997. Gihan's passion for sports, particularly tennis, has been an integral part of his life. Gihan's remarkable journey, from excelling in academia and sports on an international stage to becoming a dynamic leader in the

family business, paints a picture of a visionary and accomplished professional. Mr. Perera has been a CSLK board member since 6th October 2023

Mr. Avishka Perera

(Alternate to Mr. Gihan Perera)

Mr. Avishka Perera is a seasoned professional with a diverse background in finance. He completed his early education at S. Thomas' College, Mount Lavinia, and later pursued his passion for finance by obtaining a Bachelor of Finance, specializing in Capital Markets from the Australian National University, Canberra. After completing his education, he embarked on a dynamic career journey that showcased his skills and expertise in various roles. In 2019, he returned to Sri Lanka and joined MAS Kreedha as a Business Analyst, where he played an instrumental role in providing strategic insights to the CEO. Currently, he holds prominent positions on the boards of several companies, including Perera and Sons Bakers (Pvt) Limited, where he serves as a director. Avishka is also a member of the Sri Lanka Institute of Directors (SLID). Beyond his professional achievements, he is known for his passion for tennis. In 2014, he captained the S. Thomas' College Tennis team, showcasing his leadership skills on and off the court. In 2012, Avishka's talent took him to the international stage as a member of the Sri Lanka Junior Davis Cup Team that competed in Melbourne, Australia. Avishka has been a CSLK board member since 6th October 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Cable Solutions PLC completed its first year as a publicly listed entity on the Colombo Stock Exchange, navigating an economic environment characterized by moderate recovery and continued volatility in global markets. Despite external challenges, the company remains committed to its strategic vision of becoming a leading cable manufacturer in Asia and Europe by 2028.

Macroeconomic And Industry Context

During the financial year 2024/25, global supply chains continued to experience disruptions, notably affecting raw material prices and availability. While the Sri Lankan economy exhibited some signs of stabilization, local manufacturing firms still faced pressures related to currency fluctuations and inflationary impacts on costs. Internationally, a slowdown in certain European markets temporarily impacted export revenues. However, opportunities emerged in North America and the renewable energy sectors, which offered potential avenues for growth.

Financial Performance

Cable Solutions PLC recorded a revenue of LKR 3.2 billion in FY25, representing a 24% YoY increase from LKR 2.6 billion in FY24. The growth in topline revenue during the year can be attributed to ongoing investments in research and development, strategic product diversification, successful new client acquisitions, and expansion into North American markets.

Gross profit increased to LKR 991 million compared to LKR 748 million the previous year. Gross margin expansion from 29% to 31% is mainly attributable to the company's focus on enhancing operational efficiencies and cost controls whilst maintaining favorable sales and product mixes.

The net profit for the year stood at LKR 430 million, an improvement of 183% YoY off a low year ago base and positively impacted better raw material cost management. In addition, the Indian operations turned profitable during the year.

Segment And Market Performance

The export market remains Cable Solutions' principal revenue driver, accounting for a majority share of sales. However, diversification efforts

intensified during the year, particularly targeting opportunities in the North American market and renewable energy sectors, such as solar cables. Meanwhile, local market conditions showed modest improvements, driven by increased renewable energy investments and better construction activity.

Cable Solutions' fully-owned subsidiary in India contributed positively to the overall performance, enhancing operational capability and enabling faster response to international market demands. The Indian subsidiary's capacity expansion during the year positions it well for future growth.

Investments And Operational Efficiency

A significant investment during the year was the installation and commissioning of the advanced 80-50 extrusion line. This machinery enhanced production efficiency, reduced bottlenecks, and lowered energy consumption significantly. The company's continued emphasis on operational excellence also included employee training initiatives, quality management improvements, and stringent cost-control measures.

Cable Solutions maintains a proactive approach to risk management, closely monitoring exposure to foreign currency fluctuations, raw material price volatility, and global market demand dynamics. The company continues to employ hedging strategies and has strengthened supplier relationships to mitigate these risks effectively. Moreover, a structured internal audit system ensures rigorous compliance and financial integrity.

Human Capital And ESG Initiatives

Recognizing its workforce as a crucial asset, Cable Solutions has expanded its investment in employee training and workplace safety initiatives. Environmental sustainability practices were enhanced, aligning with global ESG standards. The company secured additional international certifications, emphasizing its commitment to sustainable and responsible business operations.

Strategic Outlook

Looking forward, Cable Solutions anticipates a gradual improvement in the global economic landscape. The strategic emphasis for FY 2025/26 includes intensifying market penetration efforts in Europe and North America, expanding solar cable offerings, and optimizing the Indian subsidiary's production capacity.

With a balanced approach to managing market risks and leveraging new opportunities, the management team remains cautiously optimistic about future growth prospects. Cable Solutions is confident that ongoing strategic initiatives and investments will enable it to strengthen its competitive position, expand its customer base, enhance operational resilience, and deliver sustainable shareholder value.

RISK MANAGEMENT

The Company's risk management system is structured to identify and control industry specific risks as well as general risks applicable to all entities. Appropriate policies and procedures are in place in all areas of management and these are periodically reviewed to ensure adequacy and adherence.

The main threats to the business are identified and assessed for potential impact and likelihood to quantify the associated risk. Thereafter, risk mitigation strategies are evaluated and adopted.

Risk Matrix

Extraordinary	M	S	S	H	H
Major	L	M	S	S	H
Moderate	L	M	M	S	S
Minor	L	L	M	M	M
Insignificant	L	L	L	L	L
Impact	Rare	Unlikely	Moderate	Likely	Almost Certain

LIKELIHOOD

H- HIGH

S – SIGNIFICANT

M – MODERATE

L – LOW

Future Outlook

Extraordinary					
Major		6		2	
Moderate		5,7	4,8		
Minor			3		
Insignificant					
Impact	Rare	Unlikely	Moderate	Likely	Almost Certain

LIKELIHOOD

1. OPERATIONAL RISK

2. COUNTRY RISK

3. HUMAN RESOURCE RISK

4. HEALTH & SAFETY RISK

5. INFORMATION SYSTEMS RISK

6. LEGAL AND REGULATORY COMPLIANCE RISK

7. ENVIRONMENTAL RISK

8. EXCHANGE RATE RISK

SNAPSHOT OF KEY RISKS AND MITIGATION STRATEGIES

Risk Exposure	Description	Risk Rating	Risk Mitigation Actions
Operational Risk	Potential losses due to inadequate internal controls, failures of internal processes, people, and systems as a result of natural and human activities.	Moderate	- Conduct Enterprise Risk Management and Internal Audit procedures using internal resources - Conduct continuous control reviews on high-risk areas to assess the strength of the existing control system - Continuous monitoring of regulatory compliance and other internal requirements - Establish BCP (Business Continuity Planning) to ensure the smooth continuation of business operations while eliminating operational constraints due to prevailing economic crises - Maintain ISO 9001:2015 and ISO 14001:2015 standards in all operational activities
Country Risk	Negative impact arising due to adverse economic factors such as Political, Economic, Social, Technological, Environmental, and Legal.	Significant	- Continuous reviews of macroeconomic factors to assess the impact on business performance - Continuous assessments of impacts due to changes in the tax structure of the country - Manufacturing plant established in India - Strengthen relationships with customers to provide re-assurance during periods of instability
Human Resources Risk	Negative impact on the business due to the loss of Key Executives and the inability to attract, develop and retain a skilled workforce.	Moderate	- Maintain an employee evaluation scheme to reward talented employees - Provide various employee benefits through the Welfare Society - Continuous training to upskill employees - Maintain a safe and peaceful work environment
Health and Safety Risk	The likelihood that an individual may be harmed or suffers adverse health effects if exposed to a hazard.	Moderate	- Maintains a separate committee which overlooks this aspect - Conducting health and safety assessments to evaluate the adequacy of existing safety measures maintained by the Company - Ensuring the effectiveness of health and safety measures through ISO and other certifications - Ensuring compliance with Health guidelines issued by the Government - Insurance cover

Risk Exposure	Description	Risk Rating	Risk Mitigation Actions
Information Systems Risk	Delays in decision-making due to inaccurate or non-availability of timely information from key computer systems.	Moderate	- Enhancing system performance through continuous version upgrading - Maintaining data backups to minimize data losses in case of an emergency - Maintaining vendor agreements for support services and system maintenance - Maintaining effective and sound IT general control (ITGC) system across the Company - Revising IT policies and procedures with the aim of creating value for the business - Safeguard critical IT and operational assets through strict IT protocols, firewalls and business continuity plans
Legal and Regulatory Compliance Risk	Potential negative impact on the business due to non-compliances with external regulatory requirements and internal policies & procedures.	Moderate	- Maintaining compliance dashboard to ensure timely compliance over regulatory requirements - Conducting compliance assessment on a quarterly basis
Environmental Risk	Probability of negative outcomes, non-compliances and reputational risk occurring as a result of business operations causing damage to the environment.	Moderate	- Compliance with ISO 14001:2015 environmental management guidelines - Annual renewal of environmental protection license
Exchange Rate Risk	Potential losses as a result of adverse movement in the exchange rates.	Moderate	Foreign currency exposures are naturally hedged by virtue of most revenues and almost all raw materials costs being in foreign currency.

SUSTAINABLE DEVELOPMENT

CSLK is committed to fostering community well-being and uplifting lives through a series of thoughtful social initiatives. These programs reflect the company's core values of compassion, education, and cultural responsibility.

Daily Lunch Support For Schools

Recognizing the importance of proper nutrition for learning and growth, CSLK provides 20 lunch packets daily to students in two nearby schools. This initiative ensures that underprivileged children receive a healthy meal each school day, improving their concentration, well-being, and overall academic performance.



Annual Book Distribution For Employees' Children

In support of lifelong learning, the company annually distributes educational books to the children of its employees. This initiative not only encourages a culture of learning within the organization but also eases the financial burden on families and motivates young learners to pursue their studies with enthusiasm.



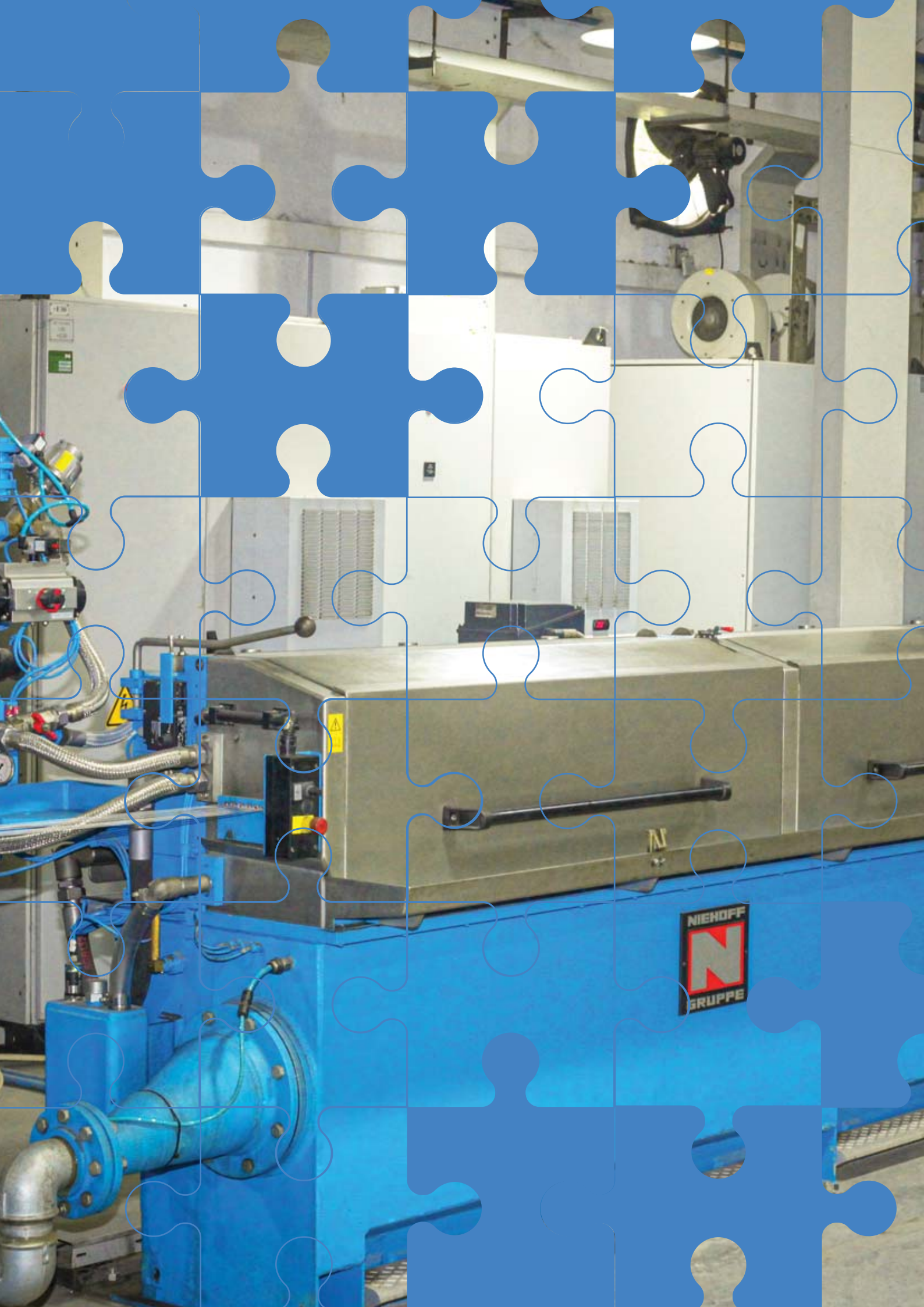
Kadala Dansala On Posen Poya Day

As part of celebrating Sri Lanka's rich cultural and religious traditions, CSLK organizes a Kadala Dansala on Posen Poya Day. This event brings together members of the community to share in the spirit of giving and harmony, reinforcing values of generosity and unity that are central to the Posen Poya observance.



Support For Cancer Patients

With a deep sense of empathy, the company extends support to cancer patients by distributing fresh watermelon at the cancer hospital. This small but meaningful gesture provides comfort and hydration to patients undergoing treatment and serves as a reminder that they are not alone on their journey.



CORPORATE GOVERNANCE REPORT

The Company's Corporate Governance framework has its own set of internal benchmarks, processes and structures towards meeting accepted best practices.

Corporate Governance Structure

The Company's Governance Framework is depicted in the following diagram.



Composition of the Board

The Board has the overall responsibility and accountability for the management of the affairs of the Company, maintenance of prudent risk management practices and safeguarding stakeholder rights. The Board is currently comprised of eight Directors consisting of one (01) Executive Director and seven (07) Non-Executive Directors. Out of the seven (07) Non-Executive Directors, three (03) are independent and their aim is to bring an independent view and judgment to the Board with their wide range of expertise and significant experience. There is a good balance of power, minimizing the tendency for one or few members of the board to dominate the board processes or decision making.

1. Mr. Suren Arjuna Madanayake – Chairman – Non-Executive Director
2. Mr. Pawan Nand Tejwani – Managing Director - Executive Director
3. Mr. Upali Gotabhaya Madanayake – Non-Independent Non-Executive Director
4. Mr. Daya Wahalantantiri – Non-Independent, Non-Executive Director
5. Mr. Chehan Prasanna Richard Perera - Independent, Non-Executive Director
6. Mr. Wijewickrama Kotigalage Gihan Nissanka Perera - Non-Executive - Independent Director
7. Mr. Wickramasinghe Pathiranage Kusal Jayawardana – Non-Executive - Independent Director

8. Mr. Keerawelle Patabandige Padmal Mahesh Amarasiri – Non-Independent Non-Executive Director

9. Mr. Avishka Perera - Non-Executive - Independent Director (Alternate to Mr. Wijewickrama Kotigalage Gihan Nissanka Perera)

Fit & Proper Assessment

The Company's fit and proper assessment for Directors and Managing Director/CEO is in line with the guidelines set out in the Listing Rules and includes criteria on honesty, integrity and reputation, competence and capability and financial soundness. The Directors and MD/CEO satisfied the fit and proper assessment criteria stipulated in the Listing Rules of the CSE.

Operation of the Board

Board meetings are held on a quarterly basis with the flexibility to arrange ad-hoc meetings to supplement these when required. Meetings are arranged well in advance with the agenda and information relating to matters set out before the board circulated at least one week in advance, facilitating sufficient time for due consideration of the same. Pursuant to the Company's listing in August 2024, the board met three (03) times during the year under review. The attendance of the Directors for board meetings during the financial year ended 31 March 2025 were as follows:

Name of Director	Board Meeting Attendance
Mr. Suren Madanayake	3/3
Mr. Pawan Nand Tejwani	3/3
Mr. Upali Gotabhaya Madanayake	0/3
Mr. Daya Wahalantantiri	3/3
Mr. Chehan Prasanna Richard Perera	3/3
Mr. Wijewickrama Kotigalage Gihan Nissanka Perera	2/3
Mr Wickramasinghe Pathiranage Kusal Jayawardana	3/3
Mr. Keerawelle Patabandige Padmal Mahesh Amarasiri	3/3

Sub Committees To The Board

The Board has delegated some of the functions to four Board sub committees; Audit & Risk Committee, Remuneration Committee, Related Party Transactions Review Committee and Nominations and Governance Committee which operate within clearly defined terms of reference. Each sub committee consists of three (03) Non-Executive Directors and is chaired by a Non-Executive Independent Director.

Audit & Risk Committee

The Audit & Risk Committee is required to assist the Company achieve a balance between conformance and performance. It is responsible for reviewing the function and process of internal controls in the Company and ensuring the effectiveness of the controls. The committee also reviews the Financial Statements of the Company to monitor the integrity of the same. Furthermore, all audit activities are monitored by the committee to ensure compliance and adherence to statutory and regulatory requirements and industry best practices. It updates the Board at regular intervals regarding the outcome of its meetings.

Audit & Risk Committee Report describes the activities carried out during the financial year ended 31st March 2025.

Remuneration Committee

Remuneration Committee ensures that the Company has well-established, formal and transparent procedures in place for developing an effective remuneration policy for both Executive and Non-Executive Directors. No Director is involved in deciding his/her own remuneration to avoid potential conflicts of interest. The committee is also responsible for setting up the remuneration policy and providing guidelines to the Board on the overall remuneration framework to ensure that remuneration levels are sufficient to attract and retain the caliber of professionals required for the successful management and operations of the Company. The report on the Remuneration Committee highlights its main activities.

Related Party Transactions Review Committee

The Related Party Transactions Review Committee ensures that the interest of shareholders as a whole is taken into account when engaging in transactions with related parties. The report of the Related Party Transactions Review Committee highlights its main activities.

Nominations And Governance Committee

The Nominations and Governance Committee is responsible for assessing the composition of the board, identifying potential candidates, and recommending individuals for nomination for the Board as well as Key Managerial positions. The committee ensures that the board reflects a diverse range of skills, experiences, and backgrounds.

Managing Conflicts Of Interests And Ensuring Independence

The Company takes necessary steps to ensure that Directors avoid situations in which they have, or could have, a direct or indirect interest which conflicts with, or might possibly conflict with, the interests of the Group. In order to avoid such potential conflicts or biases, the Directors make a general disclosure of interests at appointment and during the year as required. Such potential conflicts are reviewed by the Board from time to time to ensure the integrity of the Board's independence. Details of companies in which Board members hold Board or Board Committee memberships are available with the Company Secretary for inspection by shareholders, on request.

Board Diversity

The Company acknowledges the need for diversity in Boards and is conscious of the need to attract appropriately skilled Directors who reflect the values and requirements of its business and vision. It is also mindful of the need to maintain a strong culture of meritocracy, ensuring that Board diversity does not come at the expense of Board effectiveness. In this regard, every effort will be made to attract suitably qualified personnel from diverse demographics and backgrounds.

Compliance

Statement of Compliance

The Board places emphasis on strong internal compliance procedures. The Financial Statements of the Company are prepared in strict compliance with the guidelines of the Sri Lanka Accounting Standards and other statutory regulations. The Board of Directors, to the best of their knowledge and belief, are satisfied that all statutory payments have been made to date.

The Company adheres to the following regulations, code and best practices published by different Government bodies.

- Companies Act No. 7 of 2007.
- Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995
- Code of Best Practices on Corporate Governance (2017) jointly issued by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.
- Corporate Governance requirements listed under Section 7 & 9 of the listing Rules Issued by the Colombo Stock Exchange
- Listing Requirements of the Colombo Stock Exchange
- Inland Revenue Act No.24 of 2017
- Foreign Exchange Act No 12 of 2017
- Customs Ordinance
- Employees Provident Fund Act No 15 of 1958
- Employees Trust Fund Act No 46 of 1980
- Payment of Gratuity Act No 12 of 1983
- Factory Ordinance No 45 of 1942
- Shop and Office employees Act No 15 of 1954
- Workman Compensation Ordinance No 19 of 1934
- Maternity Benefits Ordinance No 32 of 1939

Key Internal Policies

- Organization Code of Ethics
- Equal Employment Opport
- Recruitment and Selection Process
- Anti-Harassment
- Dress Code
- Disciplinary Procedure

Statement of Compliance with the Continuing Listing Requirements
Section 7.6 - Contents of the Annual Report, issued by the Colombo Stock Exchange

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
7.6 (i)	Names of persons who were directors during the financial year	Compliant	Board of Directors
7.6 (ii)	Principal activities of the entity and its subsidiaries during the year, and any changes therein	Compliant	Management Discussion and Analysis, Annual Report of the Board of Directors and Financial Statements
7.6 (iii), (iv)	Twenty largest Shareholders, float adjusted market capitalization, public holding percentage, number of public shareholders and minimum required public shareholding	Compliant	Investor Information
7.6 (v)	Directors' and CEO's (MD's) holding in shares at the entity at the beginning and end of the Financial year	Compliant	Annual Report of the Board of Directors
7.6 (vi)	Material foreseeable risk factors of the entity	Compliant	Risk Management
7.6 (vii)	Details of material issues pertaining to employees and industrial relations of the Entity	Compliant	Annual Report of the Board of Directors
7.6 (viii)	Extents, locations, valuations, number of buildings	Compliant	Notes 10 to the Financial Statements
7.6 (ix)	Number of shares representing the Entity's stated capital	Compliant	Investor Information
7.6 (x)	Shareholder distribution schedule including percentage of total holding in given categories	Compliant	Investor Information
7.6 (xi)	Ratios and Market Price Information	Compliant	5 Year Summary and Investor Information
7.6 (xii)	Changes in Entity's and subsidiaries' fixed assets and market value of land	Compliant	Notes 10 to the Financial Statements
7.6 (xiii)	If during the financial year the entity has raised funds either through a public issue, rights issue or private placement	N/A	The Company had no public issue, rights issue or private placement during the year under review
7.6(xiv)	Information in respect of Employee Share Ownership or Stock Option Schemes	N/A	The Company does not have any ESOP or stock option schemes
7.6(xv)	Disclosures pertaining to Corporate Governance practices in Section 9 of the Listing Rules	Compliant	See Table below
7.6(xv)	Related Party Transactions exceeding 10% equity or 5% of the total assets of the Company as per audited financial statements, whichever is lower	Compliant	See Note 29 of the Financial Statements

Statement of Compliance with the Continuing Listing Requirements
Section 9 – Corporate Governance, issued by the Colombo Stock Exchange

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
9.1.3	Statement confirming the extent of compliance with the Corporate Governance Rules	Compliant	The extent of compliance with Section 9 of the Listing Rules of the Colombo Stock exchange on Corporate Governance Rules is tabulated in this table
9.2.1	The Company shall establish and maintain the 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	Compliant	The policies have been put in place and may be viewed on the Company website
9.2.2	Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions	N/A	
9.2.3 (i)	List of policies in place as per Rule 9.2.1, with reference to website	Compliant	The following policies can be viewed on the Company website under ‘Investor Information’ on the home page • Anti bribery and corruption policy • Asset and shareholder investment control policy • ESG policy • Policy on board committee • Policy on corporate governance, nominations and re-elections • Policy on internal code of business conduct • Policy on relations with shareholders and investors • Policy on matters relating to the Board of Directors • Remuneration policy • Risk management and internal controls policy • Whistleblowing policy
9.2.3 (ii)	Any changes to policies adopted	None	
9.3.1	Establish mandatory board sub-committees relating to audit, remuneration, related party transactions and nominations & governance	Compliant	All four sub-committees were established and functioned over the financial year. Refer Committee Reports.
9.3.3	Chairman of the Board shall not chair any Board sub-committees	Compliant	The Chairman of the Board does not chair any sub-committees. See Committee Reports.
9.4.2	a) Maintain a policy on effective communication and relations with shareholders and investors B) The contact person for such communication C) The policy on relations with shareholders and investors shall include the process to make all Directors aware of major issues and concerns of shareholders and such process shall be disclosed in the Annual Report and company website	Compliant	Refer 9.2.3 (i) above. The policy is available on the company website and contains the contact person’s details.

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
9.5.2	Confirm compliance with the requirements relating to the Policy on matters relating to the Board of Directors. If non-compliant, reasons for the same with proposed remedial action shall be adduced	Compliant	Refer 9.2.3 (i) above. The policy is available on the company website. The roles of Chairman and CEO are held by two separate individuals
9.6.3	Report of the Senior Independent Director demonstrating the effectiveness of duties	N/A	No SID required
9.6.4.	Rationale for appointing Senior Independent Director	N/A	No SID required
9.7.5.(a)	A statement on Directors and CEO satisfying Fit and Proper Assessment Criteria	Compliant	Corporate Governance Report
9.7.5 (b)	Any non-compliance/s by a Director and/or the CEO with the Fit and Proper Assessment Criteria and the remedial action taken.	Compliant	No none-compliances reported during the year
9.8.5	Names of Directors determined to be 'independent'	Compliant	Corporate Governance Report
9.9	Alternate Directors	Compliant	Board of Directors
9.10.4	Directors Details	Compliant	Board of Directors
	A. Name, qualifications and brief profile		
	B. Nature of his/her expertise in relevant functional areas	Compliant	Board of Directors
	C. Whether either the Director or Close Family Members has any material business relationships with other Directors	Compliant	Based on information obtained from the Directors, it was evident that none of the Directors or their close family members have material business relationships with other Directors of the Company.
	D. Whether Executive, Non-Executive and/or independent Director	Compliant	Board of Directors
	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)	Compliant	Board of Directors
	F. Number of Board meetings attended	Compliant	Operations of the Board
	G. Names of Board Committees in which the Director serves as Chairperson or a member	Compliant	Committee Reports
	H. Attendance of board committee meetings	Compliant	Committee Reports
	I. Terms of Reference and powers of Senior Independent Director	N/A	

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
9.11.6	Nominations and Governance Committee Report signed by Chairperson	Compliant	Nominations and Governance Committee Report
	Nominations and Governance Committee Report shall include the disclosures referred to in 9.11.6	Compliant	Nominations and Governance Committee Report
9.12.8	Remuneration Committee Report A. Names of chairperson and members with nature of directorship B. Remuneration Policy C. The aggregate remuneration of Executive and Non-Executive Directors	Compliant	Remuneration Committee Report
9.13.5	(1) The Audit Committee shall prepare an Audit Committee Report which shall be included in the Annual Report (2) The Audit Committee Report shall contain the disclosures referred to in 9.13.5 (2)	Compliant	Audit and risk Committee Report
9.14.8 (1)	Related Party Disclosures Non-recurrent Related Party Transactions exceeding 10% of the Equity or 5% of the Total Assets, whichever is lower (in the specified format)	N/A	There were no non-recurrent Related Party Transactions which in aggregate value exceeds 10% of the equity or 5% of the total assets, whichever is lower of the Group as per Financial Statements
9.14.8 (2)	Recurrent Related Party Transactions exceeding 10% of the gross revenue/income (in the specified format)	Compliant	See Note 29 to the Financial Statements and the Report of the Related Party Transactions Review Committee
9.14.8 (3)	Related Party Transactions Review Committee Report Names of the Directors comprising the Committee Statement that committee has reviewed RPTs and communicated comments/observations to the Board Policies and procedures adopted by the Committee	Compliant	RPTR Committee Report
9.14.8 (4)	Affirmative declaration by the Board of Directors on compliance with RPT Rules or negative statement to that effect	Compliant	RPTR Committee Report
9.17	Additional disclosures by Board of Directors: - All material interests in contracts with the Company and have refrained from voting on matters in which they were materially interested - Reviewed 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;	Compliant	Annual Report of the Board of Directors

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
	- Made themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; - Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Company has operations		

Statement of Compliance with CA Sri Lanka Code of Best Practice (2017) – Voluntary Provisions

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
A.1	An effective Board should direct, lead and control the company	Yes	
A.1.1	Regular Board meetings; provide information to the Board on a structured and regular basis	Yes	The Board generally meets on a quarterly basis and ad-hoc meetings; decisions also via circular resolutions. Attendance disclosed under “Operation of the Board.”
A.1.2	Role and Responsibilities of the Board	Yes	Outlined in the “Board of Directors” section.
A.1.3	Act in accordance with laws of the country; procedure for independent professional advice	Yes	Directors act in accordance with applicable laws; procedure in place for Directors to obtain external professional advice at company expense when necessary
A.1.4	Access to advice and services of the Company Secretary	Yes	Directors have full access to the Board Secretary who advises on governance, board procedures and regulations; appointment/removal of the Secretary is a Board decision.
A.1.5	Independent judgement	Yes	Directors exercise independent judgement on strategy, performance, resources and conduct; NEDs provide objective scrutiny of management recommendations.
A.1.6	Dedicate adequate time and effort to Board and Company matters	Yes	Board members attend scheduled and ad-hoc meetings, sub-committee meetings and circular resolutions; attendance table disclosed.
A.1.7	Calls for resolutions by at least one-third of Directors	Yes	Any Director may call for a Board resolution when necessary.
A.1.8	Board induction and training	Yes	Will be done when new director appointments take place.
A.1.9	Annual appraisal of the Board and individual Directors	Yes	Self-assessment carried out for Board and committees results reviewed by the Board.
A.1.10	Disclosure of Board procedures for information and decision-making	Yes	Procedures described in the Annual Report under “Corporate Governance Report”.

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
A.2	Clear division of responsibilities between Chairman and CEO/MD	Yes	Roles segregated: Chairman leads the Board; Managing Director handles day-to-day operations.
A.3	Chairman's role in preserving good corporate governance	Yes	Chairman ensures adequate information flow, encourages open discussion and effective discharge of Board functions.
A.4	Availability of financial acumen on the Board	Yes	Board comprises members with sufficient financial expertise; qualifications in "Board of Directors" profiles.
A.5	Board Balance	Yes	Board comprised of 1 Executive and 7 Non-Executive Directors
A.5.1	Board should include sufficient number of NEDs	Yes	Majority NEDs (7 out of 8)
A.5.2	If the Board includes only 3 NEDs, they should be independent	Not Applicable	
A.5.3	Independence of Directors	Yes	Independent Directors free of dealings that compromise independence.
A.5.4	Annual declaration of independence by Directors	Yes	Written declarations submitted per Schedule J and CSE Rule 7.10.2(b).
A.5.5	Annual determination of independence of NEDs	Yes	Board annually assesses and confirms independence of each NED.
A.5.6	Alternate Directors	Yes	Appointed in compliance with listing rules
A.5.7 & A.5.8	Senior Independent Director (SID)	Not Applicable	
A.5.10	Recording of dissent in minutes	Yes	Any concerns/observations duly recorded in Board minutes.
A.6	Supply of information to the Board in a timely manner	Yes	Financial and non-financial information analysed and provided for informed decisions.
A.7	Appointments to the Board and Re-election	Yes	Formal and transparent procedure
A.7.1	Nomination Committee – establishment and ToR	Yes	Nomination Committee in place.
A.7.2	Annual assessment of Board composition	No	
A.7.3	Disclosure on appointment of new Directors	Not Applicable	No new appointments have taken place in the financial year.
A.8	Directors to submit themselves for re-election	Yes	Done in accordance with the Articles of Association and CSE rules
A.9	Appraisal of Board and sub-committee performance	No	
A.10	Annual Report to disclose specified information on Directors	Yes	Full profiles and information disclosed under "Board of Directors."
A.11	Appraisal of the CEO/Managing Director	Yes	Board assesses MD annually against agreed KPIs.
B.1	Process for developing remuneration policy	Yes	Remuneration Committee recommends policy for ED and senior management.
B.2	Level and make-up of remuneration	Yes	Remuneration sufficient to attract and retain quality Directors; MD package links rewards to performance.

RULE NO	REQUIREMENT	COMPLIANCE STATUS	DISCLOSURE REFERENCE
B.3	Disclosures on remuneration in Annual Report	Yes	See Remuneration Committee Report; aggregate Board remuneration disclosed in Notes.
C.1	Constructive use of AGM and other General Meetings	Yes	Notice & papers dispatched 15 working days prior; separate resolutions for each item.
C.2	Communication with shareholders	Yes	Interim FS, Annual Report and CSE announcements ensure timely dissemination; Secretary engages with shareholders.
C.3	Disclosure of major and material transactions	Yes	The Directors ensure that any transaction that would materially affect the net asset base of the Company is communicated to the shareholders and required approvals are obtained in accordance with the Statutes. There were no major or material transactions during the year, which materially affected the net asset base of the Company.
D.1	Present balanced & understandable assessment	Yes	True & fair view reported quarterly and annually; prepared per Companies Act, SLFRS & CSE rules.
D.1.1	Balanced Annual Report	Yes	
D.1.2	Balanced & understandable communication	Yes	
D.1.3	CEO/CFO declaration	Yes	
D.1.4	Directors' Report declarations	Yes	Annual Report of the Board of Directors covers required declarations.
D.1.5	Financial reporting – Board responsibilities & internal control statement	Yes	Set out in "Statement of Directors' Responsibilities" and "Independent Auditors' Report."
D.1.6	Management Discussion & Analysis	Yes	Contained in "Managing Director's Review."
D.1.7	Net assets < 50% of shareholders' funds	Not Applicable	Likelihood remote; process in place to summon EGM if occurs.
D.1.8	Related Party Transactions	Yes	RPTRC in place; transactions disclosed in Notes.
D.2	Process of risk management and sound internal control	Yes	Audit & Risk Committee oversees risk register and internal controls; details in Risk Management Report.
D.3	Audit Committee	Yes	Refer Audit & Risk Committee Report.
D.4	Related Party Transactions Review Committee	Yes	Refer RPTRC Report.
D.5	Code of Business Conduct & Ethics	Yes	Code adopted; no material violations noted.
D.6	Corporate Governance disclosures	Yes	Met through presentation of this Corporate Governance report.
E/F	Engagement with institutional and retail shareholders	Yes	Chairman and MD hold structured dialogues; AGM used for effective communication; proxy forms provided.
H	Principles of Sustainability Reporting	Not Applicable	



REPORT OF THE AUDIT & RISK COMMITTEE

Purpose Of The Committee

The Audit & Risk Committee is delegated authority by the Board to provide independent oversight of the Group's financial reporting and internal control systems, compliance with legal and regulatory requirements, risk management practices, and of the adequacy of the external audit, with a view to safeguarding the interests of the shareholders and all other stakeholders. The Committee has a Terms of Reference/Charter in place.

Composition of the Committee

The committee consisted of three Non-Executive Directors out of whom two are Independent. Mr. Kusal Jayawardana, Chairman, Mr. Chehan Perera and Mr. Mahesh Amarasiri are members of the Committee. Mr. Kusal Jayawardana an Associate Member of the Chartered Institute of Management Accountants (CIMA) and Mr. Mahesh Amarasiri, a Fellow member of CIMA. The Company Secretary functions as Secretary to the committee.

Meetings and Attendance

The Committee was established on 5th September 2024 post-listing and met three (03) times during the year. The attendance of the members at these meetings for the financial year ended 31st March 2025, is stated in the table below.

Sub-committee Member	Attendance
Mr. Kusal Jayawardana	3/3
Mr. Chehan Perera	3/3
Mr. Mahesh Amarasiri	3/3

The Managing Director and CFO/Finance Manager are permanent invitees to all committee meetings. Representatives of the Company's External Auditors also attend committee meetings when required to do so.

Duties And Responsibilities Of The Audit & Risk Committee

- Financial Reporting & Assurance
- Internal Audit
- Risk Management
- External Audit
- Compliance

Financial Reporting & Assurance

The committee reviewed the financial reporting system adopted by the Company in the preparation of its quarterly and annual Financial Statements to ensure reliability of the processes and consistency of the accounting policies and methods adopted and their compliance with the Sri Lanka Financial Reporting Standards. The Committee recommended the Financial Statements to the Board for its deliberations and issuance. The Committee, in its evaluation of the financial reporting system, also recognized the adequacy of the content and quality of routine management information reports forwarded to its members.

Risk Management

The committee obtained and reviewed the business risk management process and procedures adopted by the Company to manage and mitigate the effects of such risks and observed that a sound risk analysis had been conducted within the Company. The key risks that could impact operations have been identified and appropriate actions have been taken to mitigate their impact to the minimum extent. Key risk profile, analyzed in terms of Impact vs Likelihood, is presented in

page 18. Reviews of risk management, internal controls, business continuity planning and information security systems are carried out and appropriate remedial actions recommended to the Board.

External Audit

The Committee followed up on the observations noted by the External Auditors after the audit of the Company's Financial Statements. Remedial action was recommended wherever necessary. The Committee has reviewed and satisfied itself on the independence and objectivity of the External Auditors, Messrs. BDO. The External Auditors have been engaged by the Company for 4 years and the Audit Partner for 4 Years. The External Auditors have not been engaged for non-audit services during this financial year. The Company has obtained confirmation from the External Auditors of their independence throughout the audit process.

The Audit Committee, having evaluated the performance of the external auditors, decided to recommend to the Board of the Company, the appointment of Messrs. Deloitte Partners as auditors of the Company, subject to the approval of the Shareholders at the Annual General Meeting. Details of the fees payable to external auditors for 2024/2025 can be found in Note 6 to the financial statements.

Conclusion

The Audit & Risk Committee is satisfied that the effectiveness of the organizational structure of the Company and of the implementation of Company's accounting policies and operational controls provides

reasonable assurance that the affairs of the Company are managed in accordance with Company policies and that Company assets are properly accounted for and adequately safeguarded. The Committee is also satisfied that the Company and its subsidiaries are able to continue to operate as a going concern. adequately safeguarded. The Committee is also satisfied that the Company and its subsidiaries are able to continue to operate as a going concern.

Sgd

Kusal Jayawardana
Chairman – Audit & Risk Committee
21st August 2025

REPORT OF THE REMUNERATION COMMITTEE

The Remuneration Committee established on 5 September 2025 post-listing consists of three (03) Non-Executive Directors, of whom two (02) are also independent. The committee is chaired by Mr. Gihan Perera (Independent Non-Executive)

while, Mr. Chehan Perera (Independent Non-Executive) and Mr. Suren Madanayake (Non-Independent Non-Executive) function as members.

The Committee met once during the

financial year. The attendance of the members at the committee meeting for the financial year ended 31st March 2025 was as follows:

Sub-committee Member	Attendance
Mr. Gihan Perera	0/1
Mr. Chehan Perera	1/1
Mr. Suren Madanayake	1/1

Role of the Committee

The Remuneration Committee has reviewed and recommended to the Board of Directors the policy for the remuneration of the executive staff. The aggregate remuneration received by the Directors (Executive and Non-Executive) during the financial year ended 31st March 2025 are given in Note 29.3 of the financial statements.

Remuneration policy

In a highly competitive environment, attracting and retaining high caliber executives is a key challenge faced by the Company. In this context, the Committee took into account competition, market information and performance evaluation methodology in declaring the overall remuneration policy.

Sgd

Gihan Perera
Chairman – Remuneration Committee
21st August 2025

REPORT OF THE RELATED PARTY TRANSACTION REVIEW COMMITTEE

The Company complies with the relevant regulations by forming the Related Party Transaction Review Committee to ensure that the interests of shareholders as a whole are taken into account when engaging in transactions with related parties.

Composition of the Committee

The committee consisted of three Non-Executive Directors out of whom two are Independent and one Executive Director. Mr. Kusal Jayawardana functions as the chairman while, Mr. Chehan Perera, Mr Pawan Tejwani and Mr. Mahesh

Amarasiri are members of the committee. The Company Secretary functions as Secretary to the committee.

Meetings and Attendance

The Committee was established on 5th September 2024 post-listing and met three (03) times during the year. The attendance of the members at these meetings for the financial year ended 31st March 2025, is stated in the table below.

Sub-committee Member	Attendance
Mr. Kusal Jayawardana	3 / 3
Mr. Chehan Perera	3 / 3
Mr. Mahesh Amarasiri	3 / 3
Mr. Pawan Tejwani	3 / 3

As per the existing practice, a detailed report on the related party transactions is submitted to the Related Party Transaction Review Committee periodically and such transactions are also disclosed to the shareholders through the Company's financial statements.

The committee reviewed the related party transactions and their compliances and communicated the same to the Board on a quarterly basis.

The recurrent related party transactions entered by the Company during the financial year ended 31st March 2025 are given in note 29.1 of the financial statements.

Sgd

Kusal Jayawardana
Chairman - Related Party
Transactions Review Committee
21st August 2025

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

The Committee was established on 5th September 2024 post-listing and consists of three (03) Non-Executive Directors, of whom two (02) are also independent. The committee is chaired by Mr. Kusal Jayawardena

(Independent Non-Executive) while Mr. Chehan Perera (Independent Non-Executive) and Mr. Suren Madanayake (Non-Independent Non-Executive) function as members.

The Committee met once during the financial year. The attendance of the members at the committee meeting for the financial year ended 31st March 2025 was as follows:

Sub-committee Member	Attendance
Mr. Kusal Jayawardana	1 / 1
Mr. Chehan Perera	1 / 1
Mr. Suren Madanayake	1 / 1

Role of the Committee

The Committee is responsible for assessing the composition of the board, identifying potential candidates, and recommending individuals for nomination for the Board as well as key managerial Positions. The committee ensures that the board reflects a diverse range of skills, experiences, and backgrounds and a policy for the same is in place.

In accordance with the Articles of Association of the Company, all directors except the Managing Director, are required to submit themselves for retirement by rotation in the manner stipulated the Articles. The Company acknowledges the need for diversity in Boards and is conscious of the need to attract appropriately skilled Directors who reflect the values and requirements

of its business and vision. It is also mindful of the need to maintain a strong culture of meritocracy, ensuring that Board diversity does not come at the expense of Board effectiveness. In this regard, every effort will be made to attract suitably qualified personnel from diverse demographics and backgrounds.

The following directors are being proposed for re-election:

	Mr. Suren Madanayake	Mr. Mahesh Amarasiri
Board Committees served on:	Remuneration Committee - Member	Audit & Risk Committee - Member
	Nominations & Governance Committee - Member	Related Party Transactions Review Committee - Member
Date of first appointment as a director:	19 December 2019	13 January 2022
Date of last re-appointment as a director:	Not applicable	Not applicable
Directorships/chairmanships and other principal commitments currently and over the last 3 years in other Listed Entities:	*Resus Energy PLC – Chairman *Kelani Cables PLC – Deputy Chairman *ACL Cables PLC - Managing Director *ACL Plastics PLC – Managing Director *CT Land Development PLC - Director	* Resus Energy PLC - Non Independent Non Executive Director * ACL Cables - Group Chief Financial Officer (GCFO)
Any relationships between candidate and the directors, Company or its shareholders holding more than 10% of the shares in the Company	Managing Director of ACL Cables PLC which holds a 51% majority stake in Cable Solutions PLC	Group Chief Financial Officer of ACL which holds a 51% majority stake in Cable Solutions PLC

As the Company recently listed on the Colombo Stock Exchange in August 2024, periodic evaluations of the Board and CEO have not been conducted and will be done in the next financial year. As there have been no new director appointments in the financial year, no induction programmes have been conducted. The Board of Directors is made aware of corporate governance, Listing Rules and other applicable laws and regulations as and when matters arise.

The present independent directors meet the criteria for determining independence contained in the Listing Rules and the Corporate Governance requirements set out in the Listing Rules have been met.

Sgd

Kusal Jayawardana
Chairman - Nominations and Governance Committee
21st August 2025

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Board of Directors of Cable Solutions PLC takes pleasure in presenting their 2nd Report on the Affairs of the Company since listing on the Colombo Stock Exchange together with the Financial Statements for the year ended 31st March 2025

Principal Activities of the Company

The principal activities of the Company and the Group are detailed in Note 1.3 of the financial statements.

Financial Statements

The Financial Statements prepared in compliance with the requirements of Section 151 of the Companies Act No. 7 of 2007 are given on pages 38 to 78 in this Annual Report.

Accounting Policies

The Accounting Policies adopted in preparation of the Financial Statements are given on pages 49 to 78. Where necessary, the Accounting Policies adopted by the Company have been adjusted to comply with the new Sri Lanka Accounting Standards (SLFRSs / LKASs).

Directors' Responsibility 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 financial position and the performance of the Company and the Group. Where necessary, the Accounting Policies adopted by the Company have been adjusted to comply with the new Sri Lanka Accounting Standards (SLFRSs / LKASs).

Directors' Responsibility 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 financial position and the performance of the Company and the Group.

Auditor's Report

The Auditor's Report is set out on pages 38 to 40 of the Annual Report.

Stated Capital

The Stated Capital of the Company on 31st March 2025 was Rs. 117,549,517/= represented by 470,666,600 shares.

Financial Results and Appropriations

	Group		Company	
	31/03/2025 LKR	31/03/2024 LKR	31/03/2025 LKR	31/03/2024 LKR
Total turnover	3,161,275,380	2,559,137,211	3,143,245,250	2,544,722,920
Profit before taxation	506,078,529	221,810,977	496,451,500	258,054,355
Profit after taxation	430,049,357	151,921,527	420,422,327	188,164,905
Profit attributable to shareholders	430,048,018	151,925,191	420,422,327	188,164,905
Total comprehensive income	442,774,806	133,707,623	433,147,776	169,951,001

Board of Directors

The names of the Directors who held office during the financial year 31st March 2025 and as at date are given below;

1. Mr. Suren Madanayake – Chairman – Non-Executive Director
2. Mr. Pawan Tejwani - Executive Director
3. Mr. Upali Gotabhaya Madanayake – Non-Independent Non-Executive Director
4. Mr. Daya Wahalantantiri– Non-Independent, Non-Executive Director
5. Mr. Chehan Prasanna Richard Perera- Independent, Non-Executive Director
6. Mr. Wijewickrama Kotigalage Gihan Nissanka Perera -

7. Mr Wickramasinghe Pathirana Kusal Jayawardana– Non-Executive - Independent Director
8. Mr. Keerawelle Patabandige Padmal Mahesh Amarasiri– Non-Independent Non-Executive Director
9. Mr. Avishka Perera - Non-Executive - Independent Director (Alternate to Mr. Wijewickrama Kotigalage Gihan Nissanka Perera)

Retirement and Re-election of Directors

As per the Articles of Association of the Company, Mr. Suren Madanayake and Mr. Mahesh Amarasiri retire by rotation,

and being eligible, offer themselves for re-election. A resolution for the re-appointment of Mr. U G Madanayake and Mr. Daya Wahalantantiri who are over the age of 70 years will be proposed at the Annual General Meeting of the Company.

Directors' Interest in Shares

The Directors of the Company who have an interest in the shares of the Company have disclosed their shareholdings in compliance with

Section 200 of the Companies Act No. 07 of 2007.

Details pertaining to Directors' direct shareholdings as at 31st March 2025 are given below;

Director	Shareholding as at 31 March 2025	Shareholding as at 1 April 2024
1. Mr. Suren Madanayake Chairman - Non-Executive Director	Nil	Nil
2. Mr. Pawan Tejwani Executive Director	92,199,983	91,200,000
3. Mr. Upali Gotabhaya Madanayake Non-Independent Non-Executive Director	Nil	Nil
4. Mr. Daya Wahalantantiri Non-Independent, Non-Executive Director	Nil	Nil
5. Mr. Chehan Prasanna Richard Perera Independent, Non-Executive Director	3,000,000	Nil
6. Mr. Wijewickrama Kotigalage Gihan Nissanka Perera Independent, Non-Executive Director	1,500,000	Nil
7. Mr Wickramasinghe Pathirana Kusal Jayawardana Independent, Non-Executive Director	Nil	Nil
8. Mr. Keerawelle Patabandige Padmal Mahesh Amarasiri Non-Independent Non-Executive Director	Nil	Nil
9. Mr. Avishka Perera Independent, Non-Executive Director (Alternate Director)	1,000,000	Nil

Directors Remuneration

Details of the remuneration and other benefits received by the Directors are set out in Note 29.3 to the financial statements.

Capital Expenditure

Details of the capital expenditure on acquisition of property, plant and equipment of the Company and the Group are given in note 10 to the Financial Statements

Property, Plant and Equipment

Details of property, plant and equipment are given in Note 10 to the Financial Statements.

Donations

Donations amounting to Rs. 685,124/- were made during the year under review.

Share Information

Information relating to earnings, dividend, net assets, market price per share and holding is given in the Information to Shareholders on page 82 of this Annual Report.

Environmental Protection

The Company has used its best endeavors to comply with the relevant environmental laws and regulations. The Company has not engaged in any activity that is harmful or hazardous to the environment.

Related Party Transactions

Related Party Transactions Committee Report is given on page 33.

Corporate Governance

The Board of Directors are committed towards maintaining an effective Corporate Governance Framework and implementing systems and structures required to ensure best practices in Corporate Governance and their effective implementation. The company is opposed to all forms of bribery and corruption. The Corporate Governance Framework is given in the Corporate Governance Review section of the Annual Report.

Employment

The Group employment policies focus on recruiting the best people, providing them training to enhance their skills, recognition of innate skills and competencies of each individual while offering equality of opportunity for all employees irrespective of ethnic origin, religion, political opinion, gender, marital status or physical disability. There have been no material issues pertaining to employees and industrial relations of the Company and the Group.

Compliance with Laws and Regulations

The Company has at all times ensured that it complied with the applicable laws and regulations including the listing rules of the Colombo Stock Exchange as a listed Company.

Risk Management and Internal Controls

The Board confirms that there is an ongoing process of identifying, evaluating, and managing any significant risks faced by the Group. The significant risks faced by the group and the group's risk mitigating strategies are given in the Risk Management section of the Annual Report.

Statutory Payments

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

Going Concern

The Board is satisfied that the company will have adequate resources to continue its operations into the foreseeable future. Therefore, the Company has continued to adopt the going concern basis in preparing the Financial Statements.

AMOUNTS PAYABLE TO THE FIRM HOLDING OFFICE AS AN AUDITOR

Details of audit fees paid to the Auditors for the period under review are set out in Note 6 to the financial statements.

AUDITOR'S RELATIONSHIP OR ANY INTEREST WITH THE COMPANY

The Directors are satisfied that the auditors did not have any relationship or any interest with the Company that would impair their independence.

APPOINTMENT OF AUDITORS

The Audit Committee of the Company has recommended the appointment of M/s Deloitte Partners, Chartered Accountants, as the auditors of the Company and a resolution to appoint the auditors, M/s Deloitte Partners Chartered Accountants, who have expressed their willingness to continue, will be proposed at the Annual General Meeting of the Company.

ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held on 26th September 2025. The notice of the Annual General Meeting appears on page 84 of this Annual Report.

ACKNOWLEDGEMENT OF THE CONTENTS OF THE ANNUAL REPORT

As required by the Companies Act No. 07 of 2007, the Board of Directors hereby acknowledge the contents of this Annual Report.

The Board of Directors approved the financial statements on 21st August 2025. The appropriate number of copies of this report will be submitted to the Colombo Stock Exchange and to the Sri Lanka Accounting and Auditing Standards Monitoring Board.

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

(Sgd.)

Mr. Suren
Madanayake
Chairman

(Sgd.)

Nexia Corporate
Consultants
(Private) Limited
Secretaries

INDEPENDENT AUDITOR'S REPORT

To The Shareholders Of Cable Solutions Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Cable Solutions 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 31st March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policy

information as set out on pages 41 to 78.

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

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with 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 the 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, we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of Inventories The Company and Group reported inventories of USD. 741,286,805/- and USD. 750,047,684/-, representing 26% and 27% respectively of the Company and the Group's current assets.	We assessed the appropriateness of the inventory valuation methodology, including cost allocation and compliance with applicable accounting standards. We tested a sample of inventory items to verify costing calculations and compared recorded values to current market prices. We performed physical inventory verification procedures and reconciled counts with the general ledger. We reviewed disclosures in the Financial Statements for adequacy and transparency.

Partners : Sujeewa Rajapakse FCA, ACCA, FCMA, MBA. Ashane J.W. Jayasekara FCA, FCMA (UK), MBA. H. Sasanka Rathnaweera FCA, ACMA.
F. Sarah Z. Afker FCA, FCMA (UK), CGMA, MCSI (UK). Dinusha C. Rajapakse FCA, LLB (Hons)(Colombo), CTA, Attorney at Law.
Hirosha Vadivel Bsc (Acc.), FCA, ACMA. R. D. Chamika N. Wijesinghe FCA, BBA (Acc.) Sp. H. M. R. Thilina Ranaweera FCA, BBA (Acc.) Sp.

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Other Matters

We have audited the Financial Statements of Cable Solutions PLC (the Company) and the Consolidated Financial Statements of the Company and its subsidiaries (the Group) for the year ended 31st March 2025 presented in USD, the functional currency of the Company and prepared in accordance with Sri Lanka Accounting Standards (USD Financial Statements). The accompanying Financial Statements presented in Sri Lankan Rupees (LKR financial statements) have been derived from those USD financial statements on which we have expressed an unqualified opinion on 21st August 2025.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Financial Statements and the Auditor's Report thereon.

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

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

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

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with Sri Lanka Accounting

Standards, and for such internal control as management determines, is necessary to enable the preparation of Consolidated 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 Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a 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 Consolidated 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 Consolidated 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 Group's internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Chartered Accountants
"Charter House"
65/2, Sir Chittampalam A Gardiner Mawatha
Colombo 02
Sri Lanka

- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group's Audit. We remain solely responsible for our 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 are of the 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 it 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 4324.

BDO Partners

CHARTERED ACCOUNTANTS

Colombo

21st August 2025

HSR/cc

Partners : Sujeewa Rajapakse FCA, ACCA, FCMA, MBA. Ashane J.W. Jayasekara FCA, FCMA (UK), MBA. H. Sasanka Rathnaweera FCA, ACMA.
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STATEMENT OF FINANCIAL POSITION

		Group		Company	
	Note	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
ASSETS					
Non-current assets					
Property, plant and equipment	10	759,344,589	657,601,829	745,423,267	648,182,055
Right-of-use of assets	11	7,416,955	12,639,922	7,416,955	12,639,922
Intangible assets	12	11,705,134	17,735,286	11,705,134	17,735,286
Investment in subsidiary	13	-	-	361,238	367,138
Total non-current assets		778,466,678	687,977,037	764,906,594	678,924,401
Current assets					
Inventories	14	750,047,684	598,996,121	741,286,805	594,473,602
Trade and other receivables	15	891,835,643	863,351,016	929,100,408	888,503,843
Amounts due from related parties	16	54,580,469	89,121,176	101,356,914	110,753,731
Cash and bank balances	17	304,865,544	152,787,985	277,166,210	148,756,751
Total current assets		2,001,329,340	1,704,256,298	2,048,910,337	1,742,487,927
Total assets		2,779,796,018	2,392,233,335	2,813,816,931	2,421,412,328
EQUITY AND LIABILITIES					
Capital and reserve					
Stated capital	18	117,549,517	11,400,000	117,549,517	11,400,000
Exchange equalisation reserve	16	286,397,406	312,994,003	290,765,020	318,917,138
Revaluation reserve		89,054,631	89,054,631	89,054,631	89,054,631
Retained earnings		1,473,897,394	1,091,359,926	1,506,900,295	1,133,988,519
Total shareholders' equity		1,966,898,948	1,504,808,560	2,004,269,463	1,553,360,288
Non-controlling interest		(2,609)	(3,947)	-	-
Total equity		1,966,896,338	1,504,804,613	2,004,269,463	1,553,360,288

STATEMENT OF FINANCIAL POSITION

		Group		Company	
	Note	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2023 LKR	As at 31.03.2022 LKR
Non-current liabilities					
Interest bearing borrowings	19	-	-	-	-
Retirement benefit obligations	20	31,688,384	27,248,136	31,688,359	27,248,136
Deferred tax liabilities	21	63,100,497	78,078,200	63,100,497	78,078,200
Non-current portion of lease liability	22	-	7,417,158	-	7,417,158
Total non-current liabilities		94,788,881	112,743,494	94,788,856	112,743,494
Current liabilities					
Trade and other payables	23	153,625,574	190,920,174	149,736,606	148,764,507
Amounts due to related parties	24	1,868,270	38,417,107	2,405,051	61,196,092
Interest bearing borrowings	19	518,438,236	449,289,773	518,438,236	449,289,773
Lease liability	22	7,416,955	8,557,126	7,416,955	8,557,126
Income tax payable	25	36,761,764	27,688,507	36,761,764	27,688,507
Bank overdrafts	17	-	59,812,541	-	59,812,541
Total current liabilities		718,110,799	774,685,228	714,758,611	755,308,546
Total liabilities		812,899,680	887,428,722	809,547,467	868,052,040
Total equity and liabilities		2,779,796,018	2,392,233,335	2,813,816,931	2,421,412,328

Commitments and contingencies 26

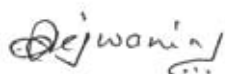


Ms. Madusha Perera

Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board.



Mr. Pawan Tejwani

Director



Mr. Chehan Perera

Director

Colombo

21st August 2025

STATEMENT OF COMPREHENSIVE INCOME

		Group		Company	
	Note	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Revenue	4	3,161,275,380	2,559,137,211	3,143,245,250	2,544,722,920
Cost of sales		(2,170,446,999)	(1,811,022,274)	(2,156,567,944)	(1,783,160,593)
Gross profit		990,828,381	748,114,937	986,677,306	761,562,327
Other Income	5	18,043,029	16,260,114	451,884	16,221,046
Administrative expenses		(357,182,484)	(349,712,079)	(345,067,293)	(326,877,023)
Distribution expenses		(107,977,725)	(148,496,440)	(107,977,725)	(148,496,440)
		(465,160,209)	(498,208,519)	(453,045,018)	(475,373,463)
Profit from operations	6	543,711,201	266,166,532	534,084,172	302,409,910
Finance cost	7	(37,632,670)	(44,355,555)	(37,632,670)	(44,355,555)
Profit before tax		506,078,531	221,810,977	496,451,502	258,054,355
Income tax expenses	8	(76,029,172)	(69,889,450)	(76,029,172)	(69,889,450)
Profit for the year		430,049,359	151,921,527	420,422,330	188,164,905

STATEMENT OF COMPREHENSIVE INCOME

		Group		Company	
	Note	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Other comprehensive income					
Remeasurement of retirement benefit obligation	20	(1,058,717)	(509,115)	(1,058,717)	(509,115)
Tax impact on remeasurement of retirement benefit obligation		158,808	84,768	158,808	84,768
Impact on reversal of Differed tax on revaluation reserve		13,625,358	(17,789,557)	13,625,358	(17,789,557)
Total other comprehensive income for the year - net of tax		12,725,449	(18,213,904)	12,725,449	(18,213,904)
Total comprehensive income		442,774,808	133,707,623	433,147,779	169,951,001
Profit attributable to:					
Equity holders of the Company		430,048,021	151,925,191	420,422,330	188,164,905
Non-controlling interest		1,338	(3,664)	-	-
Profit for the year		430,049,359	151,921,527	420,422,330	188,164,905
Total comprehensive income attributable to:					
Equity holders of the Company		442,773,470	133,711,287	433,147,779	169,951,001
Non-controlling interest		1,338	(3,664)	-	-
Total comprehensive income for the year		442,774,808	133,707,623	433,147,779	169,951,001

Earnings per share for profit attributable to the Owners of the Company during the Year

Basic earnings per share	9	0.91	0.33	0.89	0.41
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Figures in brackets indicate deductions.

The accounting policies and notes on pages 49 to 78 form an integral part of these Financial Statements.

Colombo

21st August 2025

STATEMENT OF CASH FLOWS

	Group		Company	
FOR THE YEAR ENDED 31 ST MARCH 2025	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before tax	506,078,531	221,810,977	496,451,502	258,054,355
Adjustments for:				
Depreciation on property, plant and equipment	94,975,205	88,747,053	94,035,802	88,176,309
Amortization on intangible assets	5,775,000	5,210,720	5,775,000	5,210,720
Amortization of right-of-use assets	5,947,178	6,145,505	5,947,178	6,145,505
Provision for defined benefit plan - gratuity	8,004,868	8,065,571	8,004,868	8,065,571
Interest expense	37,632,670	44,355,555	37,632,670	44,355,555
Reversal of impairment provision - debtors	(1,221,942)	(1,306,682)	(1,221,942)	(1,306,682)
Impairment building	-	4,317,622	-	4,317,622
Gain on disposal of property, plant and equipment (net)	(451,884)	-	(451,884)	-
Operating profit before working capital changes	656,739,626	377,346,321	646,173,194	413,018,955
(Increase)/decrease in inventories	(151,051,563)	36,258,940	(146,813,203)	40,781,459
(Increase)/decrease in trade and other receivables	(28,484,628)	37,895,023	(40,596,565)	15,400,690
(Increase)/decrease in amounts due from related parties	34,540,707	(36,430,733)	9,396,817	(51,356,012)
Increase/(decrease) in amounts due to related parties	(36,548,837)	28,771,837	(58,791,041)	51,151,868
Increase/(decrease) in trade and other payables	(37,294,600)	13,578,222	972,100	(22,428,835)
Cash (used in) / generated from operations	(218,838,921)	80,073,289	(235,831,893)	33,549,170
Interest paid	(36,170,675)	(41,916,157)	(36,170,675)	(41,916,157)
Gratuity paid	(4,464,529)	(3,932,280)	(4,464,529)	(3,932,280)
Lease paid	(10,013,236)	(9,819,849)	(10,013,236)	(9,819,849)
Income tax paid	(67,046,062)	(99,649,862)	(67,046,062)	(99,649,862)
	(117,694,502)	(155,318,148)	(117,694,502)	(155,318,148)
Net cash flows generated from operating activities	320,206,203	302,101,462	292,646,799	291,249,977
Cash flows from investing activities				
Purchase of property, plant and equipment	(213,827,381)	(85,200,319)	(207,553,443)	(84,702,164)
Purchase of intangible assets	-	(12,350,227)	-	(12,350,227)
Disposal proceeds from sale of property, plant and equipment	2,747,458	-	2,747,458	-
Net cash used in investing activities	(211,079,923)	(97,550,546)	(204,805,985)	(97,052,391)

STATEMENT OF CASH FLOWS

	Group		Company	
FOR THE YEAR ENDED 31 ST MARCH 2025	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Cash flows from financing activities				
Dividend paid	(60,236,000)	(134,540,000)	(60,236,000)	(134,540,000)
Proceed from share issue	106,149,517	-	106,149,517	-
Borrowings obtained	2,124,777,842	1,125,088,975	2,124,777,842	1,125,088,975
Borrowings repaid	(2,043,479,738)	(932,680,801)	(2,043,479,738)	(932,680,801)
Net cash (used in) / from financing activities	127,211,621	57,868,174	127,211,621	57,868,174
Effect of movements in exchange rates	24,447,801	98,565,926	26,830,436	91,507,777
Net (decrease) / increase in cash and cash equivalents	211,890,100	163,853,164	188,221,999	160,557,983
Cash and cash equivalents at the beginning of the year (Note A)	92,975,444	(70,877,720)	88,944,210	(71,613,773)
Cash and cash equivalents at the end of the year (Note B)	304,865,544	92,975,444	277,166,209	88,944,210
At the beginning of the year				Note A
Cash at bank	151,491,917	74,762,207	148,651,639	74,026,154
Cash in hand	1,296,068	105,057	105,112	105,057
Bank overdraft	(59,812,541)	(145,744,984)	(59,812,541)	(145,744,984)
	92,975,444	(70,877,720)	88,944,210	(71,613,773)
At the end of the year				Note B
Cash at bank	304,784,050	151,491,917	277,084,716	148,651,639
Cash in hand	81,494	1,296,068	81,494	105,112
Bank overdraft	-	(59,812,541)	-	(59,812,541)
	304,865,544	92,975,444	277,166,210	88,944,210

Figures in brackets indicate deductions.

The accounting policies and notes on pages 49 to 78 form an integral part of these Financial Statements.

Colombo

21ST August 2025

STATEMENT OF CHANGES IN EQUITY

Group						
	Stated capital LKR	Revaluation reserve LKR	Foreign Currency Translation Reserve LKR	Retained earnings LKR	Non Controlling Interest LKR	Total LKR
Balance at 1 st April 2023	11,400,000	106,844,188	523,865,381	1,074,399,082	(283)	1,716,508,368
Total comprehensive income for the period						
Tax impact on revaluation reserve	-	-	-	-	-	(17,789,557)
Profit for the year	-	(17,789,557)	-	151,925,191	(3,664)	151,921,527
Other comprehensive income, net of taxes	-	-	-	(424,347)	-	(424,347)
Total comprehensive income for the period	-	(17,789,557)	-	151,500,844	(3,664)	133,707,623
Currency translation difference	-	-	(210,871,378)	-	-	(210,871,378)
Transactions with owners of the Company	-	-	-			
Dividend for the year 2022/2023	-	-	-	(134,540,000)	-	(134,540,000)
Total transactions with owners of the Company	-	-	-	(134,540,000)		(134,540,000)
Balance at 31 st March 2024	11,400,000	89,054,631	312,994,003	1,091,359,926	(3,947)	3,080,943,361
New Share issue	106,149,517	-	-			106,149,517
Total comprehensive income for the period	-	-				
Profit for the year	-	-	-	430,048,021	1,338	430,049,359
Other comprehensive income, net of taxes	-	13,625,358	-	12,725,449	-	12,725,449
Total comprehensive income for the period	-	13,625,358	-	442,773,470	1,338	442,774,808
Currency translation difference	-	-	(26,596,597)	-	-	(26,596,597)
Transactions with owners of the Company	-	-	-	-	-	
Dividend for the year 2023/2024	-	-	-	(60,236,000)	-	(60,236,000)
Total transactions with owners of the Company	-	-	-	(60,236,000)	-	(60,236,000)
Balance at 31 st March 2025	117,549,517	102,679,989	286,397,406	1,460,272,036	(2,609)	3,543,035,089

Figures in brackets indicate deductions.

The accounting policies and notes on pages 49 to 78 form an integral part of these Financial Statements.

Colombo

21st August 2025

STATEMENT OF CHANGES IN EQUITY

Company					
	Stated capital LKR	Revaluation reserve LKR	Foreign Currency Translation Reserve LKR	Retained earnings LKR	Total LKR
Balance at 1 st April 2023	11,400,000	106,844,188	523,357,764	1,080,787,961	1,722,389,913
Total comprehensive income for the period					
Tax impact on revaluation reserve	-	(17,789,557)	-	-	(17,789,557)
Profit for the year	-	-	-	188,164,905	188,164,905
Other comprehensive income, net of taxes	-	-	-	(424,347)	(424,347)
Total comprehensive income for the period	-	(17,789,557)	-	187,740,558	187,740,558
Currency translation difference	-	-	(204,440,626)	-	(204,440,626)
Transactions with owners of the Company	-	-	-	-	-
Dividend for the year 2022/2023	-	-	-	(134,540,000)	(134,540,000)
Total transactions with owners of the Company	-	-	-	(134,540,000)	(134,540,000)
Balance at 31 st March 2024	11,400,000	89,054,631	318,917,138	1,133,988,519	1,553,360,288
New Share issue	106,149,517	-	-	-	106,149,517
Total comprehensive income for the period	-	-	-	-	-
Profit for the year	-	-	-	420,422,330	420,422,330
Other comprehensive income, net of taxes	-	13,625,358	-	(899,909)	12,725,449
Total comprehensive income for the period	-	13,625,358	(28,152,118)	419,522,421	433,147,779
Currency translation difference	-	-	-	-	(28,152,118)
Transactions with owners of the Company	-	-	-	-	-
Dividend for the year 2023/2024	-	-	-	(60,236,000)	(60,236,000)
Total transactions with owners of the Company	-	-	-	(60,236,000)	(60,236,000)
Balance at 31 st March 2025	117,549,517	102,679,989	290,765,020	1,493,274,937	2,004,269,466

Figures in brackets indicate deductions.

The accounting policies and notes on pages 49 to 78 form an integral part of these Financial Statements.

Colombo

21st August 2025

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1. Reporting entity – Domicile and legal form

Cable Solutions PLC (“the Company”) is a public limited liability company incorporated and domiciled in Sri Lanka and the Ordinary shares of the Company are listed on the Colombo Stock Exchange. The registered office of the Company is located at Rammuthugala Estate, Rammuthugala, Kadawatha, Sri Lanka. The principal place of business is also at the same place.

As per the Certificate of Incorporation issued by the Registrar of Companies, the name of the Company was changed to “Cable Solutions PLC” with effect from 30th September 2024, in compliance with the provisions of Section 8 of the Companies Act No. 07 of 2007.

1.2. Consolidated Financial Statements

The Company has acquired Cable Solutions (Private) Limited – India on 18th of January 2023.

The Consolidated Financial Statements of the Group as at and for the year ended 31st March 2025, comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in associates. The financial statements of all companies within the Group have been prepared for a common financial year which ends on 31st March 2025.

1.3. Principal Activities and Nature of Operations

The Company is engaged in manufacturing and exporting of cables and related products. There were no significant changes in the nature of the principal activities of the Company during the financial year under review. The principal activity of the subsidiary is manufacturing cable assemblies in India.

1.4. Parent company

The Company’s immediate parent entity is ACL Cables PLC.

1.5. Financial period

The financial period of the Group represents twelve months from 01st April 2024 to 31st March 2025.

1.6. Date of authorisation for issue

The Consolidated Financial Statements for the year ended 31st March 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 21st August 2025

1.7. Responsibility for Consolidated Financial Statements

The Board of Directors is responsible for the preparation and presentation of the Consolidated Financial Statements of the Company and its subsidiaries as per the provisions of the Companies Act No. 07 of 2007 and in accordance with the Sri Lanka Accounting Standard laid down by the Institute of Chartered Accountants of Sri Lanka.

These Consolidated Financial Statements include the following components:

- A statement of consolidated comprehensive income providing the information on the financial performance of the Group for the year under review.
- A statement of consolidated financial position providing the information on the financial position of the Group as at the year-end.
- A statement of consolidated changes in equity depicting all changes in shareholders’ funds during the year under review.

- A statement of consolidated cash flows providing the information to the users, on the ability of the Group to generate cash and cash equivalents and the needs of entities to utilise those cash flows.

- Notes to the Consolidated Financial Statements comprising accounting policies and other explanatory information.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1. General accounting policies

2.1.1. Statement of compliance

The Consolidated Financial Statements which comprise the statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, together with Material Accounting Policy Information and notes (“Consolidated Financial Statements”) of the Group as at 31st March 2025, are prepared in compliance with the Sri Lanka Accounting Standard (LKAS and SLFRS) issued by the Institute of Chartered Accountants of Sri Lanka.

The preparation and presentation of these Consolidated Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

2.1.2. Basis of measurement

These Consolidated Financial Statements are presented in Sri Lankan Rupees and prepared under the historical cost basis except for the defined benefit obligation (Gratuity) and certain classes of property, plant and equipment which are measured at the present value of obligation and at revaluation, respectively.

2.1.3. Comparative information

The accounting policies have been consistently applied by the Group and are consistent with those of the previous year. The previous year’s

figures and phrases have been re-arranged wherever necessary to conform to the current year's presentation/classification.

2.1.4. Going concern

In assessing whether the going concern assumption is appropriate, the management takes into account all the available information about the future, which is at least, but not limited to, twelve months from the reporting period such as factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before the management can satisfy itself that the going concern basis is appropriate.

The management of the Group has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue its business into the foreseeable future and it does not intend either to liquidate or to cease trading. Furthermore, the management is not aware of any material uncertainties that may cast doubt upon the Group's ability to continue as a going concern. Therefore, the Consolidated Financial Statements are prepared on a going concern basis.

2.1.5. Presentation and functional currency

The Consolidated Financial Statements have been presented as in Sri Lankan Rupees, whereas the Group's functional currency is US Dollars, which is the primary economic environment in which the Group operates. During the year, the Financial Statements have been prepared in US Dollars as well as Sri Lankan Rupees (for regulatory purpose).

MATERIALITY AND AGGREGATION

Each material class of similar items is presented separately in the Consolidated Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

2.1.6. Foreign currency translation

TRANSACTIONS AND BALANCES

All foreign currency transactions during the financial year were brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at

reporting date were translated at the exchange rate prevailing

at the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies were translated at the rates prevailing at the date when the fair value was determined. Exchange differences have been recognised in the statement of profit or loss in the period in which they arise.

2.1.7. Significant accounting estimates, judgments and assumptions

The preparation of the Consolidated Financial Statements of the Group requires the management to make judgments, estimates and assumptions, which may affect the amounts of income, expenditure, assets, liabilities and the disclosure of contingent liabilities at the end of the reporting period.

Uncertainty about these assumptions and estimates could result in the outcome that requires a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, the management has made various judgments.

Those which the management has assessed to have the most significant effect on the amounts recognised in the Consolidated Financial Statements have been discussed in the individual notes of the related financial statement line items.

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 also described in the individual notes to the Consolidated Financial Statements. 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.

The line items which have the most significant effect on accounting judgments, estimation and assumptions are as follows:

Critical accounting estimate / judgment	Disclosure note
Going concern	2.1.4
Useful life of property, plant and equipment	2.3.1
Impairment of non-financial assets	2.3.4
Impairment of financial assets	2.4.1.4
Retirement benefit liability	2.8.4
Deferred tax	2.8.3

2.1.8. Changes in accounting Standards

The Company and Group have considered that the changes in accounting standards during the financial year do not have a significant impact on the Group's Consolidated Financial Statements. The Company and Group have applied following accounting standards, interpretations and amendments which are effective for annual periods beginning on or after 1st April 2024.

I. LIABILITY IN A SALE AND LEASEBACK (AMENDMENTS TO SLFRS 16 LEASES)

The amendments specify the requirements for a seller-lessee in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right-of-use it retains.

II. CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT (AMENDMENTS TO LKAS 1 PRESENTATION OF FINANCIAL STATEMENTS)

The amendments clarify that, if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants only at a date subsequent to the reporting period (future covenants), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period.

III. NON-CURRENT LIABILITIES WITH COVENANTS (AMENDMENTS TO LKAS 1 PRESENTATION OF FINANCIAL STATEMENTS)

If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

IV. SUPPLIER FINANCE ARRANGEMENTS (AMENDMENTS TO LKAS 7 STATEMENT OF CASH FLOWS AND SLFRS 7 FINANCIAL INSTRUMENTS: DISCLOSURES)

The amendments specify disclosure requirements which are intended to assist users of financial statements, in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

These amendments do not have a significant effect on the Consolidated Financial Statements of the Company.

2.2. Basis of Consolidation

2.2.1. Business combinations

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

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

2.2.2. Non-controlling interest

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Parent Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.2.3. Subsidiaries

Subsidiaries are the entities controlled by the Parent. Control exists when the Parent has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing the control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

Investments in subsidiaries are carried at cost less impairment in the Group's Financial Statements.

2.2.4. Loss of control

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

2.2.5. Transactions eliminated on consolidation

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

2.3. Assets and Bases of Their Valuation

2.3.1. Property, plant and equipment

BASIS OF RECOGNITION

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

INITIAL MEASUREMENT

Property, plant and equipment are initially stated at cost.

SUBSEQUENT MEASUREMENT

AT COST

Subsequent to initial recognition, property, plant and equipment are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

When a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in the statement of comprehensive income as incurred.

AT REVALUATION

The Land and buildings are stated at the revalued amount.

USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT

The Group reviews the assets' residual values useful lives and methods of depreciation at each reporting date; judgment made by management is based on the professional expertise exercised in the estimation of these values, rates and methods.

DEPRECIATION

Depreciation is recognised in the statement of comprehensive income 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.

The economic useful lives are as follows:

Asset	Years
Building	20
Computer and printers	20
Electrification	5-7
Generator	4
Factory and office equipment	5
Furniture and fittings	5
Lab testing equipment	5
Motor vehicles	5
Plant and machinery	5-8
Tools and equipment	4-5
Computer software	4

Depreciation of assets begins when they are available for use and ceases at the earlier of the date when the asset is classified as held for sale or the date when that asset is derecognised.

RESTORATION COSTS

Expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from the originally assessed standard of performance is recognised as an expense when incurred.

DERECOGNITION

An item of property, plant and equipment 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 is calculated as the difference between the net disposal proceeds and the carrying amount and is included in the statement of comprehensive income in the year the asset is derecognised.

2.3.2. Intangible assets

An Intangible asset is 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.

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. The intangible assets of the Group consist of computer software.

COMPUTER SOFTWARE – ACCOUNTING AND RELATED SOFTWARE

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software programmes are recognised as an expense when incurred. Costs directly associated with the development of identifiable and unique software products controlled by the Group are recognised as intangible assets, if the recognition criteria are met.

COMPUTER SOFTWARE IS AMORTISED OVER 4 YEARS ON A STRAIGHT LINE BASIS.

The amortisation period and the amortisation method for computer software are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes

in accounting estimates. The amortization expense is recognised in the statement of comprehensive income.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income.

2.3.3. Right-of-use-asset

SLFRS 16 supersedes LKAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. The Group has adopted SLFRS 16 using a full retrospective method from 1st January 2019, without restating comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.

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

- The contract involves the use of an identified asset.
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use-assets of the Group consist of branch premises taken on rent which were previously recognized as operating leases under LKAS 17.

INITIAL MEASUREMENT

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

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

Where a subsidiary company has right-of-use assets and lease liability as a result of property rented out by the Company to the subsidiary, such right-of-use assets and lease liability are eliminated in the Consolidated Financial Statements.

SUBSEQUENT MEASUREMENT

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of

whether it will exercise a purchase, extension or termination option.

IMPAIRMENT OF ROU ASSETS

As at the reporting date, no impairment loss has been recognised by the Group in respect of impairment of right-of-use-assets due to the economic crisis since each business unit is operating under the business continuity plans as per the Group's risk management strategy, to the extent possible, whilst strictly adhering to and supporting government directives.

2.3.4. Impairment of non-financial assets

The Group assesses at each reporting date to ascertain whether there is any indication that an asset may be impaired. If such indication exists or when the annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risk specific to the asset.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

2.3.5. Capital work-in-progress

Property that is being constructed or developed for future use as property, plant and equipment is classified as capital work-in-progress and stated at cost until construction or development is complete. The cost of capital work-in-progress is the cost of purchase or construction together with any related expenses thereon. An item is included as Capital work-in-progress upon satisfying the recognition criteria. Capital work-in-progress is transferred to the respective asset accounts at the time of

the first utilisation of the asset.

2.4. Financial Instruments

2.4.1. Financial assets

The Group's financial assets include Trade and other receivables, Amounts due from related parties and Cash and cash equivalents.

2.4.1.1. Initial Recognition and Measurement

Financial assets within the scope of SLFRS 9 are classified as 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. This assessment is referred to as the SPPI test and is performed at an instrument level. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical experience, the others are measured at the transaction price.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2.4.1.2. Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified into four categories.

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

A) FINANCIAL ASSETS AT AMORTISED COST

Assets that are held for collection of contractual cash flows where those cash flows represent solely the payments of principal and interest are measured at amortised cost. 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
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding

The subsequent measurement of financial assets depends on their classification as described below.

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

The Group's financial assets at amortized cost include trade receivables and short-term investments.

B) FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely the payments of principal and interest, are measured at FVOCI. The Company 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
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is re-classified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the income statement.

C) EQUITY INSTRUMENTS

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 9 "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 Company elected to classify irrevocably, its non-listed equity investments under this category.

D) 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. Derivatives, including separated embedded derivatives, are also classified as held for trading unless

they are designated as effective hedging instruments. Financial assets with cash flows that are not solely the 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 recognized 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 recognized as other income in the statement of profit or loss when the right of payment has been established.

The Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, quoted and unquoted financial instruments.

2.4.1.3. Financial assets – derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2.4.1.4. Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the receivables. 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.

2.4.2. Financial liabilities

2.4.2.1. Initial recognition and measurement

Financial liabilities within the scope of SLFRS 09 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

2.4.2.2. Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

A) FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial liabilities at fair value through profit or loss include the 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 acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SLFRS 09. 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 comprehensive income. The Group has not designated any

financial liabilities upon initial recognition as at fair value through profit or loss.

B) LOANS AND BORROWINGS

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method (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 in finance costs in the statement of comprehensive income.

2.4.2.3. 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

2.4.2.4. Offsetting of financial instruments

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

2.4.2.5. Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for

long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using the appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions
- Reference to the current fair value of another instrument that is substantially the same
- A discounted cash flow analysis or other valuation models

2.5. SLFRS 7 Fair Value Measurement Hierarchy

SLFRS 7 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement. The fair value hierarchy has the following levels:

- (a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- (c) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

2.6. Inventories

Inventories are measured at the lower of cost and net realisable value, after making due allowances for obsolete and slow-moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

The cost incurred in bringing the inventories to their present location and condition is accounted using the following cost formula.

Raw material - at cost determined on first-in-first-out basis (FIFO)

Finished goods - at the cost of direct materials, direct labour and appropriate proportion of fixed production overheads at normal operating capacity

Consumables - at cost determined on first-in first-out basis

Goods in transit - at actual cost

Provisions for inventory obsolescence are recorded based on reviews of inventories. Inventories considered obsolete or unsaleable are written off in the year in which they are identified.

2.7. Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand and demand deposits.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

2.8. Equity, Liabilities and Provisions

2.8.1. Stated capital

A) CLASSIFICATION

Ordinary shares with discretionary dividends are classified as equity when there is no obligation to transfer cash or other assets.

B) DIVIDENDS

Dividends are recognised when the shareholders' right to receive the dividend is established. In the case of interim dividends to equity shareholders, this is recognised when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

2.8.2. Trade and other payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business. These are classified as current liabilities where payment is due within one year or less if not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the originally invoiced amount since the effect of discounting is immaterial.

2.8.3. Current and deferred income tax

A) CURRENT TAXES

The computation of income tax is based on the elements of income and expenditure as reported in the Consolidated Financial Statements and computed in accordance with the provisions contained in the Inland Revenue Act No. 24 of 2017 and the amendment thereto. The Group is liable for income tax at the rate of 30%, with effect from 01st October 2022.

B) DEFERRED TAXATION

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

Deferred tax assets and liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all deductible temporary

differences, carry-forward of unused tax credits and unused tax losses, 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 losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each date of the statement of financial position 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 assets to be utilised. Unrecognised deferred tax assets are re-assessed at each date of the statement of financial position and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to 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 date of the statement of financial position.

Income tax relating to items recognised directly in equity is recognised in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off the current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.8.4. Employee benefits

A) DEFINED BENEFIT PLANS – GRATUITY

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

The calculation is performed by actuarial valuation method for the purpose of determining the charge for any period before the next regular actuarial valuation falls due. The assumptions based on which the results of valuation were determined are included in note 20 to the Consolidated Financial Statements.

The Group recognises all actuarial gains and losses arising from the defined benefit plan and all expenses related to defined benefit plans in the income statement and actuarial gains and losses in the other comprehensive income.

This retirement benefit obligation is not externally funded.

However, according to the payment of Gratuity Act No. 12 of 1983, the liability for the gratuity payment to an employee arises only on the completion of 5 years of continuous service with the Group.

B) DEFINED CONTRIBUTION PLANS – EMPLOYEES' PROVIDENT FUND AND EMPLOYEES' TRUST FUND

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of the employees to the Employees' Provident Fund and the Employees' Trust Fund respectively.

2.8.5. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.8.6. Commitments

All material commitments as at the reporting date have been identified and disclosed in the notes to the Consolidated Financial Statements.

2.9. Statement of Comprehensive Income

2.9.1. Revenue recognition

2.9.1.1. Sale of goods

A. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue and associated costs incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes.

B. GOODS TRANSFERRED AT A POINT IN TIME

Under SLFRS 15, revenue is recognised upon satisfaction of a performance obligation. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer, generally, on delivery of the goods.

2.9.1.2. Interest income

Interest income and expense are recognised in the statement of comprehensive income using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

2.9.1.3. Other income

Other income is recognised on an accrual basis.

2.9.2. Expenditure

A. The expenditure is recognised on an accrual basis. All expenses incurred in the ordinary course of business and in maintaining the

property, plant and equipment in a state of efficiency have been charged against the income in arriving at the result for the year.

B. BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

C. For the presentation of the Statement of Comprehensive Income, the Directors are of the opinion that the function of expense method presents fairly the elements of the Group's performance, and hence, this presentation method is adopted.

2.10. Events after the reporting period

All material events occurring after the reporting date have been considered and where necessary, adjustments or disclosures have been made in the respective notes to the Consolidated Financial Statements.

2.11. Contingencies and Unrecognised Contractual Commitments

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

2.12. Related Party Transactions

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

2.13. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the number of voting or non-voting ordinary shares.

2.14. Comparative figures

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

2.15. Cash flow statement

The cash flow statement has been prepared using the 'indirect method'.

3. NEW ACCOUNTING STANDARDS AND AMENDMENTS ISSUED BUT NOT EFFECTIVE OR EARLY ADOPTED IN 2024

3.1. The Following amendments and improvements are not expected to have a significant impact

on the Group's Consolidated Financial Statement.

- Liability in a Sale and Leaseback (Amendments to SLFRS 16 Leases) – Mandatorily effective for periods beginning on or after 1st January 2024
- Classification of Liabilities as Current or Non-Current (Amendments to LKAS 1 Presentation of Financial Statements) - Mandatorily effective for periods beginning on or after 1st January 2024
- Non-current Liabilities with Covenants (Amendments to LKAS 1 Presentation of Financial Statements) – Mandatorily effective for periods beginning on or after 1st January 2024
- Supplier Finance Arrangements (Amendments to LKAS 7 Statement of Cash Flows and SLFRS 7 Financial Instruments: Disclosures) - Mandatorily effective for periods beginning on or after 01st January 2024

A) THE FOLLOWING AMENDMENTS ARE EFFECTIVE FOR THE PERIOD BEGINNING 1ST JANUARY 2025

Lack of Exchangeability (Amendments to LKAS 21 the Effects of Changes in Foreign Exchange Rates) – Mandatorily effective for periods beginning on or after 1st January 2025.

NOTES TO THE FINANCIAL STATEMENTS

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
4. REVENUE				
Revenue from sale of goods	3,161,275,380	2,559,137,211	3,143,245,250	2,544,722,920
	3,161,275,380	2,559,137,211	3,143,245,250	2,544,722,920
5. OTHER INCOME				
Solar Power Project income	-	15,141,422	-	15,141,422
Interest Income	-	1,118,692	-	1,079,624
Gain on disposal of property, plant and equipment	451,884	-	451,884	-
Prior Period Expenses Written Back	17,591,145	-	-	-
	18,043,029	16,260,114	451,884	16,221,046

6. PROFIT FROM OPERATIONS

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Profit from operations is stated after charging all expenses including the following:				
Employee benefit expense/staff costs	356,306,017	290,204,463	351,445,019	285,747,640
Depreciation of property, plant and equipment	95,362,755	88,747,053	88,176,311	88,176,311
Amortisation of intangible assets	5,775,000	5,210,720	5,775,000	5,210,720
Amortisation of leased assets	5,947,178	6,145,505	5,947,178	6,145,505
Impairment building	-	4,317,622	-	4,317,622
Audit fees	1,454,941	1,298,548	1,072,070	915,677
Provision for (reversal of) doubtful debtors	1,496,647	1,388,996	1,496,647	1,388,996

7. FINANCE COST

Interest on lease - right-of-use assets	1,461,995	2,439,398	1,461,995	2,439,398
Interest on term loan	33,267,834	31,559,513	33,267,834	31,559,513
Interest on bank overdraft	2,902,841	10,356,644	2,902,841	10,356,644
	37,632,670	44,355,555	37,632,670	44,355,555

8. INCOME TAX EXPENSES

In accordance with the agreement entered into with the Board of Investment of Sri Lanka, under Section 17 of BOI Law No. 4 of 1978, the income tax in respect of the profits and income has been charged at the rate of 15% and 30%.

	Note	Group		Company	
		2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Income tax provision for the year	8.1	76,127,303	48,012,796	76,127,303	48,012,796
(Over)/under provision in respect of previous years		-	(2,897,528)	-	(2,897,528)
		76,127,303	45,115,268	76,127,303	45,115,268
Deferred tax Provision for the year	21	(98,131)	24,774,182	(98,131)	24,774,182
		76,029,172	69,889,450	76,029,172	69,889,450

8.1 Reconciliation between the current tax expenses and the product of accounting profit

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Accounting profit before tax	506,078,531	221,810,977	496,451,502	258,054,355
Add: Disallowable expenses in determining the business income	121,299,869	113,678,040	121,299,869	113,678,040
Less: Allowable expenses in determining the business income	(123,725,346)	(96,000,719)	(123,725,346)	(96,000,719)
Assessable income from business	503,653,054	239,488,298	494,026,025	275,731,676
Income from investment	-	-	-	-
Interest income	-	-	-	-
Taxable income	503,653,054	239,488,298	494,026,025	275,731,676
Tax expense on taxable income @ 15%	72,080,503	34,706,709	72,080,503	34,706,709
Tax expense on taxable income @ 30%	4,046,801	13,306,087	4,046,801	13,306,087
Tax expense on the profit from the business	76,127,304	48,012,796	76,127,304	48,012,796

9. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net income attributable to the shareholders by the weighted average number of ordinary shares in issue during the year.

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Profit for the year	430,049,359	151,921,527	420,422,330	188,164,905
Weighted average number of ordinary shares in issue	470,666,600	456,000,000	470,666,600	456,000,000
Earnings per share	0.91	0.33	0.89	0.41

10. PROPERTY, PLANT AND EQUIPMENT

Group

Gross carrying amounts

Freehold assets	Computers and Printers	Electrification	Air Condition	Factory Equipment	Furniture and Fittings	Motor Vehicles	Energy Plant (Solar Power)	Generator	Lab Testing Equipment	Plant and Machinery	Tools and Equipment	Total LKR
Building LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Cost												
Balance at the beginning of the year	-	8,933,300	26,858,630	22,092,155	15,243,370	16,083,916	118,199,898	-	-	-	-	224,701,410
Additions/Transfers during the year	-	169,000	739,394	2,801,167	2,411,210	-	-	-	-	-	-	8,133,609
Disposals/ Transfers	-	-	-	(2,594,999)	-	-	-	-	-	-	-	(2,594,999)
Adjustment of currency translation difference	-	(146,313)	(428,684)	22,598	(329,873)	(258,471)	(1,899,487)	-	-	-	-	(3,333,556)
Balance at the end of the year	-	8,955,987	27,169,340	22,320,921	17,324,707	15,825,445	116,300,411	-	-	-	-	226,906,464
Accumulated depreciation												
Balance at the beginning of the year	-	8,446,894	23,286,635	19,444,783	10,067,250	12,052,320	30,796,558	-	-	-	-	117,263,138
Charge for the year	-	388,138	1,929,369	1,376,206	1,232,925	1,079,219	5,845,299	-	-	-	-	13,715,587
Disposals/ Transfers	-	-	-	(1,282,207)	-	-	-	-	-	-	-	(1,282,207)
Adjustment of currency translation difference	-	(138,046)	(384,194)	5,137	52,464	(199,261)	(525,123)	-	-	-	-	(1,277,055)
Balance at the end of the year	-	8,696,986	24,831,810	19,543,919	11,352,639	12,932,278	36,116,734	-	-	-	-	128,419,463
Net Book value												
As At 31.03.2025	-	259,001	2,337,530	2,777,002	5,972,068	2,893,167	80,183,677	-	-	-	-	98,487,001
As At 31.03.2024	-	486,406	3,571,995	2,647,372	5,176,120	4,031,596	87,403,340	-	-	-	-	107,438,272

Freehold assets	Computers Building LKR	and Printers LKR	Electrification LKR	Air Condition LKR	Factory Equipment LKR	Furniture and Fittings LKR	Motor Vehicles LKR	Energy Plant (Solar Power) LKR	Generator LKR	Lab Testing Equipment LKR	Plant and Machinery LKR	Tools and Equipment LKR	Total LKR
Revaluation													
Balance at the beginning of the year	138,699,667	-	-	-	-	-	-	-	22,064,748	10,356,677	591,111,228	72,344,340	834,576,660
Additions/Transfers during the year	4,431,892	-	-	-	-	-	-	-	-	-	181,089,268	20,172,612	205,693,772
Disposals/ Transfers	-	-	-	-	-	-	-	-	(603,001)	-	(4,614,475)	-	(5,217,476)
Adjustment of currency translation difference	(2,454,989)	-	-	-	-	-	-	-	(636,157)	(166,433)	(13,143,202)	(1,388,175)	(17,788,956)
Balance at the end of the year	140,676,570	-	-	-	-	-	-	-	20,825,590	10,190,244	754,442,819	91,128,777	1,017,264,000
Accumulated depreciation													
Balance at the beginning of the year	362,922	-	-	-	-	-	-	-	11,458,694	5,829,940	231,038,792	35,722,755	284,413,103
Charge for the year	13,577,179	-	-	-	-	-	-	-	2,937,693	1,285,948	50,343,805	13,114,993	81,259,618
Disposals/ Transfers	-	-	-	-	-	-	-	-	(603,001)	-	(2,241,460)	-	(2,844,461)
Adjustment of currency translation difference	(67,495)	-	-	-	-	-	-	-	(480,905)	(100,335)	(5,140,432)	(632,682)	(6,421,849)
Balance at the end of the year	13,872,606	-	-	-	-	-	-	-	13,312,482	7,015,553	274,000,705	48,205,066	356,406,412
Net Book value													
As At 31.03.2025	126,803,964	-	-	-	-	-	-	-	7,513,108	3,174,691	480,442,114	42,923,711	660,857,588
As At 31.03.2024	138,336,745	-	-	-	-	-	-	-	10,606,054	4,526,737	360,072,436	36,621,585	550,163,557
Total Net Book Value													
As At 31.03.2025	126,803,964	4,064,556	259,001	2,337,530	2,777,002	5,972,068	2,893,167	80,183,677	7,513,108	3,174,691	480,442,114	42,923,711	759,344,589
As At 31.03.2024	138,336,745	4,121,443	486,406	3,571,995	2,647,372	5,176,120	4,031,596	87,403,340	10,606,054	4,526,737	360,072,436	36,621,585	657,601,829

10. PROPERTY, PLANT AND EQUIPMENT

Company

Gross carrying amounts

Freehold assets	Building LKR	Computers and Printers LKR	Electrification LKR	Air Condition LKR	Factory Equipment LKR	Furniture and Fittings LKR	Motor Vehicles (Solar Power) LKR	Generator LKR	Lab Testing Equipment LKR	Plant and Machinery LKR	Tools and Equipment LKR	Total LKR
Cost												
Balance at the beginning of the year	-	17,094,612	8,933,300	26,858,630	22,092,155	12,909,779	16,083,916	118,199,898	-	-	-	222,172,290
Additions/Transfers during the year	-	2,012,838	169,000	739,394	2,801,167	2,411,210	-	-	-	-	-	8,133,609
Disposals/ Transfers	-	-	-	-	(2,594,999)	-	-	-	-	-	-	(2,594,999)
Adjustment of currency translation difference	-	(444,253)	(146,313)	(428,684)	22,598	(191,647)	(258,471)	(1,899,487)	-	-	-	(3,346,257)
Balance at the end of the year	-	18,663,197	8,955,987	27,169,340	22,320,921	15,129,342	15,825,445	116,300,411	-	-	-	224,364,643
Accumulated depreciation												
Balance at the beginning of the year	-	13,015,795	8,446,894	23,286,635	19,444,783	9,812,746	12,052,320	30,796,558	-	-	-	116,855,731
Charge for the year	-	1,864,431	388,138	1,929,369	1,376,206	1,232,925	1,079,219	5,845,299	-	-	-	13,715,587
Disposals/ Transfers	-	-	-	-	(1,282,207)	-	-	-	-	-	-	(1,282,207)
Adjustment of currency translation difference	-	(223,842)	(138,046)	(384,194)	5,137	(169,400)	(199,261)	(525,123)	-	-	-	(1,634,729)
Balance at the end of the year	-	14,656,384	8,696,986	24,831,810	19,543,919	10,876,271	12,932,278	36,116,734	-	-	-	127,654,382
Net Book value												
As At 31.03.2025	-	4,006,813	259,001	2,337,530	2,777,002	4,253,071	2,893,167	80,183,677	-	-	-	96,710,261
As At 31.03.2024	-	4,078,817	486,406	3,571,995	2,647,372	3,097,033	4,031,596	87,403,340	-	-	-	105,316,559

Freehold assets	Computers	Electrification	Air Condition	Factory Equipment	Furniture and Fittings	Motor Vehicles	Energy Plant (Solar Power)	Generator	Lab Testing Equipment	Plant and Machinery	Tools and Equipment	Total LKR
	Building LKR	Printers LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Revaluation												
Balance at the beginning of the year	132,000,000	-	-	-	-	-	-	22,064,748	10,356,677	591,111,228	71,222,097	826,754,750
Additions/Transfers during the year	-	-	-	-	-	-	-	-	-	181,089,268	18,330,566	199,419,834
Disposals/ Transfers	-	-	-	-	-	-	-	(603,001)	-	(4,614,475)	-	(5,217,476)
Adjustment of currency translation difference	(2,121,883)	-	-	-	-	-	-	(636,157)	(166,433)	(13,143,202)	(1,233,267)	(17,300,942)
Balance at the end of the year	129,878,117	-	-	-	-	-	-	20,825,590	10,190,244	754,442,819	88,319,396	1,003,656,166
Accumulated depreciation												
Balance at the beginning of the year	-	-	-	-	-	-	-	11,458,694	5,829,940	231,038,792	35,561,828	283,889,254
Charge for the year	13,055,336	-	-	-	-	-	-	2,937,693	1,285,948	50,343,805	12,697,433	80,320,215
Disposals/ Transfers	-	-	-	-	-	-	-	(603,001)	-	(2,241,460)	-	(2,844,461)
Adjustment of currency translation difference	(67,495)	-	-	-	-	-	-	(480,905)	(100,335)	(5,140,432)	(632,682)	(6,421,849)
Balance at the end of the year	12,987,841	-	-	-	-	-	-	13,312,482	7,015,553	274,000,705	47,626,579	354,943,160
Net Book value												
As At 31.03.2025	116,890,276	-	-	-	-	-	-	7,513,108	3,174,691	480,442,114	40,692,817	648,713,006
As At 31.03.2024	132,000,000	-	-	-	-	-	-	10,606,054	4,526,737	360,072,436	35,660,269	542,865,496
Total Net Book Value												
As At 31.03.2025	116,890,276	4,006,813	259,001	2,337,530	2,777,002	2,893,167	80,183,677	7,513,108	3,174,691	480,442,114	40,692,817	745,423,267
As At 31.03.2024	132,000,000	4,078,817	486,406	3,571,995	2,647,372	4,031,596	87,403,340	10,606,054	4,526,738	360,072,436	35,660,269	648,182,055

11. RIGHT-OF-USE ASSETS

	Group	Company
Cost		
Balance as at 01.04.2024	41,630,249	41,630,249
Balance as at 31.03.2025	41,630,249	41,630,249
Amortisations		
Balance as at 01.04.2024	28,990,327	28,990,327
Charge for the year	5,947,178	5,947,178
Exchange difference	(724,211)	(724,211)
Balance as at 31.03.2025	34,213,294	34,213,294
WDV		
Net written down value 31.03.2025	7,416,955	7,416,955
Net written down value 31.03.2024	12,639,922	12,639,922

LFRS 16 - "Leases", requires the lessee to recognise all leases on the Statement of Financial Position as lease liabilities with the corresponding right-of-use assets w.e.f. 1st January 2019. Previously, these leases were classified as operating leases under LKAS 17 - "Leases".

12. INTANGIBLE ASSETS

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
Cost				
Balance at the beginning of the year	35,464,849	24,220,029	35,464,849	24,220,029
Additions during the year	-	12,350,227	-	12,350,227
Currency translation difference	(569,925)	(1,105,407)	(569,925)	(1,105,407)
Balance at the end of the year	34,894,924	35,464,849	34,894,924	35,464,849
Amortisation				
Balance at the beginning of the year	17,729,563	13,896,963	17,729,563	13,896,963
Amortisation during the year	5,775,000	5,210,720	5,775,000	5,210,720
Currency translation difference	(314,773)	(1,378,120)	(314,773)	(1,378,120)
Balance at the end of the year	23,189,790	17,729,563	23,189,790	17,729,563
Written down value at the end of the year	11,705,134	17,735,286	1,705,134	17,735,286

13. INVESTMENT IN SUBSIDIARY

Cable Solutions Limited acquired the following subsidiary on the 18th of January 2023 at USD 1219.

Description	No. of Shares	Company Holding	Company Holding
Cable Solutions (Pvt) Ltd-India	9,999	99.99%	99.99%

As per the Board Resolution passed on the 18th of January 2023, the retaining loss amounting to INR 3,527,460 has been settled off against the payables to previous shareholders as of the acquisition date the 18th of January 2023. Therefore, there is no goodwill or gain on bargain purchase identified, as the cost of the Company is the same as the investment value.

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
14. INVENTORIES				
Raw material	395,875,748	361,912,646	387,114,869	357,390,127
Work-in- progress	143,671,262	107,896,530	143,671,262	107,896,530
Finished goods	172,265,998	93,440,493	172,265,998	93,440,493
Spare parts and consumables	38,234,676	35,746,452	38,234,676	35,746,452
	750,047,684	598,996,121	741,286,805	594,473,602
15. TRADE AND OTHER RECEIVABLES				
Trade receivable	684,957,791	519,640,490	682,619,150	507,527,931
Provision for doubtful debts	(5,320,322)	(4,098,380)	(5,320,322)	(4,098,380)
Trade receivables - net	679,637,469	515,542,110	677,298,828	503,429,551
Advance to suppliers	95,213,746	133,317,628	95,213,746	133,317,628
CSIN factory rent advance	-	-	6,434,727	6,539,823
Advance payments - CSIN factory	-	-	81,302,064	88,106,896
Advance payment for - Energy (Diesel)	-	984,859	-	984,859
Security Deposit	3,714,970	3,908,413	-	-
Advance, deposits, prepayments and other receivables	113,269,458	209,598,006	68,851,043	156,125,086
	891,835,643	863,351,016	929,100,408	888,503,843

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
16. AMOUNTS DUE FROM RELATED PARTIES				
Quality Floors (Pvt) Ltd	1,666,616	2,104,125	1,666,616	2,104,125
Sim Lanka (Pvt) Ltd	1,607,275	912,877	1,607,275	912,877
ACL Cables PLC	8,557,900	17,887,326	8,557,900	17,887,326
Cable Solutions (Pvt) Ltd-India	-	-	46,776,445	21,632,555
Tempest PE Partners	129,204	-	129,204	-
Kelani Cables PLC	42,619,474	68,216,848	42,619,474	68,216,848
	54,580,469	89,121,176	101,356,914	110,753,731

Amounts due from related party balance are receivable on demand and carry no interest.

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
17. CASH AND BANK BALANCES				
17.1 Favorable Balances				
Cash at banks	152,956,325	60,191,308	125,256,991	57,351,030
Funds deposited in Wealth accounts	151,827,725	91,300,609	151,827,725	91,300,609
Cash in hand	81,494	1,296,068	81,494	105,112
	304,865,544	152,787,985	277,166,210	148,756,751
17.2 Unfavorable balances				
	-	59,812,541	-	59,812,541
Bank overdrafts	-	59,812,541	-	59,812,541

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
18. STATED CAPITAL	Nos.	Nos.	Nos.	Nos.
18.1 Number of shares				
Balance at the beginning of the year	470,666,600	456,000,000	470,666,600	456,000,000
Balance at the end of the year	470,666,600	456,000,000	470,666,600	456,000,000
18.2 Value of shares				
Balance at the beginning of the year	117,549,517	11,400,000	117,549,517	11,400,000
Balance at the end of the year	117,549,517	11,400,000	117,549,517	11,400,000

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
19.INTEREST BEARING BORROWINGS				
Balance at the Beginning of the Year	449,289,773	209,314,687	449,289,773	209,314,687
Loans obtained During the Year	2,124,777,842	1,125,088,975	2,124,777,842	1,125,088,975
	2,574,067,615	1,334,403,662	2,574,067,615	1,334,403,662
Settlements During the Year	(2,043,479,738)	(932,680,801)	(2,043,479,738)	(932,680,801)
Foreign translation adjustment	(12,149,641)	47,566,912	(12,149,641)	47,566,912
Balance at the End of the Year	518,438,236	449,289,773	518,438,236	449,289,773
Amount Payable Within One Year	518,438,236	449,289,773	518,438,236	449,289,773
Amount Payable After One Year	-	-	-	-
	518,438,236	449,289,773	518,438,236	449,289,773

		Group		Company	
20. RETIREMENT BENEFIT OBLIGATIONS					
Balance at the beginning of the year					
Charge for the year	Note 20.1	27,248,136	23,114,477	27,248,136	23,114,477
		8,904,777	8,065,571	8,904,777	8,065,571
Less: Payments made during the year		36,152,913	31,180,048	36,152,913	31,180,048
Currency translation difference		(4,464,529)	(3,932,280)	(4,464,529)	(3,932,280)
Balance at the end of the year		-	368	-	368
		31,688,384	27,248,136	31,688,359	27,248,136

20.1 EXPENSES RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME

Current service cost	4,440,042	4,089,229	4,440,042	4,089,229
Interest cost	3,406,017	3,467,227	3,406,017	3,467,227
Actuarial (gain)/loss	1,058,717	509,115	1,058,717	509,115
	8,904,776	8,065,571	8,904,776	8,065,571

The principal actuarial assumptions used were as follows:

	2025	2024
a) Discount rate	10%	15%
b) Salary increment	10%	10%
c) Retirement age: Male	60 Years	60 Years
Female	60 Years	60 Years

In calculating the discount rate as per the guideline issued by CA Sri Lanka January 2023 country default spread and pre-covid default impact have been considered.

20.2 SENSITIVITY ANALYSIS

The sensitivity of the retirement benefit obligation to changes in the weighted principal assumptions is as follows:

		Impact on retirement benefit obligation	
Change in assumption		Increase	Decrease
Discount rate per annum	+1%	1,114,289	-
	-1%	-	1,204,371
Annual salary increment rate	+1%	1,304,343	-
	-1%	-	1,227,863

21. DEFERRED TAX LIABILITIES	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
Balance at the beginning of the year	78,078,200	35,599,228	78,078,200	35,599,228
Origination/(reversal) of temporary differences recognised in Statement of profit or loss	(98,131)	24,774,182	(98,131)	24,774,182
Origination/(reversal) of temporary differences recognised in other comprehensive income	(13,784,166)	17,704,790	(13,784,166)	17,704,790
Currency translation difference	(1,095,406)	-	(1,095,406)	-
Balance at the end of the year	63,100,497	78,078,200	63,100,497	78,078,200

The closing deferred tax liability balances related to the following:

Accelerated depreciation				
Retirement benefit obligation	68,762,825	65,472,497	68,762,824	65,472,497
Assets revaluation	(4,848,319)	(4,536,815)	(4,848,319)	(4,536,815)
Provision for doubtful debts	-	17,789,557	-	17,789,557
	(814,009)	(647,040)	(814,009)	(647,040)
	63,100,496	78,078,199	63,100,496	78,078,199

22. LEASE LIABILITY

	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
22.1 LEASE LIABILITY ON RIGHT-OF-USE ASSETS				
Gross liability				
Balance at the beginning of the year	15,974,284	23,421,793	15,974,284	23,421,793
	15,974,284	23,421,793	15,974,284	23,421,793
Payments made during the year	(10,013,236)	(9,819,849)	(10,013,236)	(9,819,849)
Interest charges for the year	1,461,995	2,439,398	1,461,995	2,439,398
Foreign currency impact	(6,088)	(67,058)	(6,088)	(67,058)
	7,416,955	15,974,284	7,416,955	15,974,284
Payable within one year	7,416,955	8,557,126	7,416,955	8,557,126
Payable after one year	-	7,417,158	-	7,417,158
	7,416,955	15,974,284	7,416,955.01	15,974,284

23. TRADE AND OTHER PAYABLES	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
Trade payables	25,818,012	49,519,730	24,865,341	23,541,040
Accrued expenses	24,194,087	29,822,796	24,194,087	29,822,796
Trade Advances	29,229,792	20,650,106	29,229,792	20,650,106
VAT payable	854,052	105,112	854,052	105,112
Other payables	73,529,631	90,822,430	70,593,333	74,645,453
	153,625,574	190,920,174	149,736,605	148,764,507

24. AMOUNTS DUE TO RELATED PARTIES	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
Sim Lanka (Pvt) Ltd	1,404,265	2,560,346	1,404,265	2,560,346
ACL Cables PLC	39,830	35,782,391	39,830	35,782,391
Kelani Cables PLC	424,175	74,370	424,175	74,370
Cable Solutions (Pvt) Ltd - India	-	-	536,781	22,778,985
	1,868,270	38,417,107	2,405,051	61,196,092

Amounts due to related parties are payable on demand and carry no interest.

25. INCOME TAX PAYABLE/(RECEIVABLE)	Group		Company	
	As at 31.03.2025 LKR	As at 31.03.2024 LKR	As at 31.03.2025 LKR	As at 31.03.2024 LKR
Balance at the beginning of the year	27,688,507	62,921,857	27,688,507	62,921,857
Add: Provision for the year	76,127,303	48,012,796	76,127,303	48,012,796
(Over)/under provision in respect of previous years	-	(2,897,528)	-	(2,897,528)
Less: Income tax paid	103,815,810	108,037,125	103,815,810	108,037,125
Currency translation difference	(67,046,062)	(99,649,862)	(67,046,062)	(99,649,862)
	(7,984)	19,301,244	(7,984)	19,301,244
Balance at the end of the year	36,761,764	27,688,507	36,761,764	27,688,507

26. CONTRACTUAL COMMITMENTS

26.1 FINANCIAL COMMITMENTS

There were no material financial commitments as at the reporting date.

26.2 CAPITAL COMMITMENTS

There were no material capital commitments as at the reporting date.

26.3 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no material capital commitments as at the reporting date.

26.3.1 CONTINGENT ASSETS

There were no contingent assets as at the reporting date.

Group				
Name of Financial Institution	Nature of Liabilities	As at 31.03.2025 LKR	As at 31.03.2024 LKR	Nature of Assets
Sampath Bank PLC	Term Loan SB-Machine	118,606,233	-	Primary mortgage bond for EURO 500,000/- over subject machinery upon installation.
Hatton National Bank	Short-term loans	400,059,000	-	Documents of title for goods imported/ duly accepted usance draft.

28. EVENTS OCCURRING AFTER THE REPORTING DATE

DIVIDEND DECLARATION

The Board of Directors of the company has declared an Interim Dividend of LKR 0.28 per share for FY24/25 on 31 July 2025.

29 RELATED PARTY TRANSACTIONS

29.1 The following transactions were carried out with related parties:

Company				
Related Party	Relationship	Nature of Transaction	2024/2025 LKR	2023/2024 LKR
ACL Cables PLC	Parent	Sale of goods	169,843,893	45,191,126
		Purchase of raw material	(11,955,626)	(109,483,885)
		Expenses	(12,600)	-
		Payments received	(179,174,793)	(47,563,504)
		Payments made	47,458,824	74,494,082
Kelani Cables PLC	Fellow Subsidiary	Sale of goods	280,045,137	122,040,751
		Purchase of raw material	(14,469,280)	(2,439,716)
		Payments received	(305,648,133)	(71,124,980)
		Payments made	14,119,482	3,107,374
Quality Floors (Pvt) Ltd	Common Director	Sale of goods	-	213,762
		Floor services obtained	(1,737,022)	(1,517,319)
		Service Rendered	1,666,616	-
		Payments received	(1,719,069)	(213,765)
		Payments made	1,737,022	(2,697,632)
Tempest PE Partners Ltd	Common Director	Financial services obtained	(13,763,529)	(12,290,058)
		Service Rendered	129,204	-
		Payments made	13,763,529	12,290,058

29 RELATED PARTY TRANSACTIONS (CONTD...)

Company				
Related Party	Relationship	Nature of Transaction	2024/2025 LKR	2023/2024 LKR
Sim Lanka Ltd	Common Director	Purchase of raw material	(20,217,365)	(20,104,073)
		Sale of goods	1,500,000	-
		Service Rendered	107,275	912,869
		Payments Received	(912,877)	(45,739)
		Payments made	21,373,732	21,589,946
Ceylon Copper (Pvt) Ltd	Fellow Subsidiary	Sale of goods	-	17,924,252
		Payments received	-	(26,118,195)
Cable Solutions India (Pvt) Ltd	Subsidiary	Sale of goods	31,183,851	51,456
		Purchase of raw material	(405,048)	(186,449)
		Payments made	31,385,982	110,853
		Service Rendered	(9,023,977)	-
		Payments received	(5,529,240)	-

29.2 Amounts due from and due to related parties are disclosed in Note 15, 16 and 23 respectively.

29.3 KEY MANAGEMENT COMPENSATION

Key management includes directors (executive and non-executive) of the Company. No compensation was paid to key management personnel of the Company during the year.

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Short-term employee benefits	8,890,200	9,528,900	8,890,200	9,528,900
Retirement benefit obligation	1,044,726	1,044,726	1,044,726	1,044,726
	9,934,926	10,573,626	9,934,926	10,573,626

30. PRINCIPAL FINANCIAL INSTRUMENTS

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Market risk (currency risk, interest rate risk)
- Liquidity risk
- Foreign currency risk

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further, quantitative information in respect of these risks is presented throughout these Financial Statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless it is stated otherwise in this note.

30.1 PRINCIPAL FINANCIAL INSTRUMENTS

The principal financial instruments used by the Company, from which the financial instrument risk arises, are as follows:

Instrument	Risk(s)
• Trade receivables • Cash and cash equivalents • Trade and other payables • Bank overdrafts • Fixed rate bank loans	• Credit risk • Liquidity risk • Liquidity risk • Interest rate risk • Cash flow interest rate risk/Liquidity risk

30.2 FINANCIAL RISKS

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign exchange rate changes is minimised positive negotiations with banks applying financial risk management techniques.

(b) Interest rate risk

Interest rate risk is the risk that the entity's financial position will be adversely affected by movements in floating interest and this risk is minimised by investing access funds in diversified entities, effective decision making by the Group's finance division etc. The Group manages the interest rate risk on borrowings by using a combination of fixed and floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rate, with all other variables held constant, of the Company's profit before tax (through the impact on floating rate borrowings).

	Group			Company	
	Increase/ (decrease) in interest rate	Effect on profit before Tax LKR	Effect on equity LKR	Effect on profit before Tax LKR	Effect on equity LKR
Year	1%	(5,060,785)	(5,060,785)	(4,964,515)	(4,964,515)
2025	-1%	5,060,785	5,060,785	4,964,515	4,964,515
	1%	(2,218,110)	(2,218,110)	(2,580,544)	(2,580,544)
2024	-1%	2,218,110	2,218,110	2,580,544	2,580,544

30.2 Financial risks

(c) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to significant credit risk from its operating activities.

(c) Trade receivables

The Group applies the SLFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 March 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 31 March 2025 and 31st March 2024 was determined as follows for trade receivables.

Group							
	"Less than 30 days"	"Between 31 days - 60 days"	"Between 61 days - 90 days"	"Between 91 days - 180 days"	"Between 181 days - 365 days"	"More than 365 days"	Total
As at 31 March 2025							
Expected Loss Rate	0.01%	0.08%	1.67%	2.96%	1.04%	81.56%	
Trade Receivable Considered for Collective Provision	274,074,186	258,724,082	28,912,859	106,742,744	14,921,287	1,582,633	684,957,791
Loss Allowance	35,105	194,247	481,826	3,162,673	155,635	1,290,836	5,320,322
As at 31 March 2024							
Expected Loss Rate	0.27%	0.81%	0.86%	3.38%	0.96%	11.60%	
Trade Receivable Considered for Collective Provision	229,095,399	154,949,303	30,823,082	48,543,557	22,456,549	1,009,935	486,877,825
Loss Allowance	612,648	1,248,701	266,535	1,638,884	214,495	117,116	

Company							
	Less than 30 days	Between 31 days 60 days	Between 61 days 90 days	Between 91 days 180 days	Between 181 days 365 days	More than 365 days	Total
As at 31 March 2025							
Expected Loss Rate	0.01%	0.08%	1.81%	2.96%	1.04%	81.56%	
Trade Receivable Considered for Collective Provision	274,074,186	258,724,082	26,574,218	106,742,744	14,921,287	1,582,633	682,619,150
Loss Allowance	35,105	194,247	481,826	3,162,673	155,635	1,290,836	5,320,322
As at 31 March 2024							
Expected Loss Rate	0.27%	0.81%	0.86%	3.38%	0.96%	11.60%	
Trade Receivable Considered for Collective Provision	229,095,399	154,949,303	30,823,082	48,543,557	22,456,549	1,009,935	486,877,825
Loss Allowance	612,648	1,248,701	266,535	1,638,884	214,495	117,116	4,098,379

The loss allowances for trade receivables as at 31 March reconcile to the opening loss allowances as follows:

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Opening loss allowance at 1 April	2,527,780	2,709,383	2,527,780	2,709,383
Increase in loss allowance recognised in profit or loss during the year				
as per collective impairment provision	-	1,388,996	-	1,388,996
as per individual impairment provision	-	-	-	-
Closing loss allowance at 31 March	2,527,780	4,098,379	2,527,780	4,098,379

(d) Liquidity Risk

The Company's policy is to hold cash and undrawn committed facilities at a level sufficient to ensure that the Company has available funds to meet its medium term capital and funding obligations and to meet any unforeseen obligations and opportunities. The Company holds cash and undrawn committed facilities to enable the Company to manage its liquidity risk and the liquidity position is closely monitored due to the Economic Crisis situation in the country.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Group					
	Not later than one month LKR	Later than one month and not later than three months LKR	Later than three months and not later than one year LKR	Later than one year and not later than five years LKR	Total LKR
2025					
Trade and other payable	83,091,726	22,961,650	1,888,679	16,453,727	153,625,574
Interest bearing borrowings	-	237,072,000	281,366,236	-	518,438,236
Lease Liability	-	-	7,416,955	-	7,416,955
Amount due to related party	1,868,270	-	-	-	1,868,270
	84,959,996	260,033,650	290,671,870	16,453,727	681,349,035
2024					
Trade and other payable	102,322,607	30,491,579	37,455,877	-	170,270,063
Interest bearing borrowings	-	-	449,289,774	-	449,289,774
Lease Liability	713,094	1,426,188	6,417,845	7,417,158	15,974,285
Amount due to related party	29,275,204	1,224,000	7,917,902	-	38,417,106
Bank overdraft	59,812,541	-	-	-	59,812,541
	192,123,446	33,141,767	501,081,398	7,417,158	733,763,769

Company					
	Not later than one month LKR	Later than one month and not later than three months LKR	Later than three months and not later than one year LKR	Later than one year and not later than five years LKR	Total LKR
2025					
Trade and other payable	79,202,756	22,961,650	1,888,679	16,453,727	120,506,812
Interest bearing borrowings	-	237,072,000	281,366,236	-	518,438,236
Lease Liability	-	-	7,416,955	-	7,416,955
Amount due to related party	2,405,051	-	-	-	2,405,051
	81,607,807	260,033,650	290,671,870	16,453,727	648,767,055
2024					
Trade and other payable	88,270,718	16,439,690	23,403,988	-	128,114,395
Interest bearing borrowings	-	-	449,289,774	-	449,289,774
Lease Liability	713,094	1,426,188	6,417,845	7,417,158	15,974,285
Amount due to related party	52,054,190	1,224,000	7,917,902	-	61,196,092
Bank overdraft	59,812,541	-	-	-	59,812,541
	200,850,543	19,089,878	487,029,508	7,417,158	714,387,087

(E) Capital risk management

Capital comprises of equity attributable to the equity holders of the company. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31 March 2025.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Company includes within net debt, interest bearing loans and borrowings.

	Group		Company	
	2024/2025 LKR	2023/2024 LKR	2024/2025 LKR	2023/2024 LKR
Total borrowings (Note)	518,438,236	449,289,773	518,438,236	449,289,773
Less : Cash & cash equivalents	(304,865,544)	92,975,444	277,166,210	88,944,210
Net debt	213,572,692	356,314,329	241,272,026	360,345,563
Total equity	1,966,896,341	1,504,804,616	2,004,269,466	1,553,360,291
Total Capital	2,180,469,033	1,861,118,945	2,245,541,492	1,913,705,854
Gearing ratio	9.79%	1915%	10.74%	18.83%

31. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial instruments by classes, that are not carried at fair value in the Financial Statements, are not materially different from their fair values.

FIVE YEAR SUMMARY

YEAR	2025	2024	2023	2022	2021
Revenue	3,161,275,380	2,559,137,211	3,319,967,938	1,903,115,106	1,074,970,080
Profit Before Tax	506,078,531	221,810,977	645,373,053	281,317,038	27,404,566
Taxation	76,029,172	69,889,450	108,678,358	48,045,672	5,963,642
Profit for the Year	430,049,359	151,921,527	536,694,695	233,271,366	21,440,924
Shareholder Funds					
Stated capital	117,549,517	11,400,000	11,400,000	11,400,000	11,400,000
Reserves	375,452,037	402,048,634	630,709,569	34,932,228	113,275,130
Retained earnings	1,473,897,396	1,091,359,926	1,074,399,082	674,993,408	487,905,481
Assets and Liabilities					
Non-Current Assets	778,466,678	687,977,037	820,210,183	529,319,963	500,885,344
Current Assets	2,001,329,340	1,704,256,298	1,643,408,701	1,099,338,825	705,778,130
Current Liabilities	718,110,799	774,685,228	622,021,809	752,126,807	439,239,739
Non-Current Liabilities	94,788,881	112,743,494	125,088,707	155,206,345	154,843,124
Cash Flow					
Net Cash Inflow/(Outflow) from Operating Activities	320,206,203	302,101,462	-138,523,287	203,458,834	113,361,594
Net Cash Inflow/(Outflow) from Investing Activities	-211,079,923	-97,550,546	-80,688,196	-80,327,242	-19,802,471
Net Cash Inflow/(Outflow) from Financing Activities	127,211,621	57,868,174	-47,245,269	-301,683,981	105,571,520
Net increase/(decrease) in Cash and Cash Equivalents	211,890,101	163,853,164	1,568,975	-151,914,104	179,360,913
Key Indicators					
Current Ratio (x)	2.8	2.2	2.6	1.5	1.6
Asset Turnover Ratio (x)	1.2	1.1	1.6	1.3	0.9
Interest Cover (x)	14.4	6.0	15.7	17.8	2.5
Earnings per Share (LKR)	0.9	0.3	470.8	204.6	18.8
Net Asset per Share (LKR)	4.2	3.3	1505.7	632.7	537.4
Net Debt to Equity (%)	11%	24%	21%	38%	44%
Return on Equity (%)	25%	9%	44%	35%	3%
Return on Capital Employed (%)	23%	10%	38%	27%	4%

GLOSSARY OF FINANCIAL TERMS

ACCOUNTING POLICIES	shareholders divided by the weighted average number of ordinary shares in issue during the year.	NET DEBT /EQUITY
The specific principles, bases, conventions, rules and practices adopted by an enterprise in preparing and presenting Financial Statements.		Total interest-bearing borrowings less cash and cash equivalents as a percentage of total equity
AMORTIZATION	EQUITY	NET ASSETS PER SHARE
The systematic allocation of the depreciable amount of an intangible asset over its useful life.	Shareholders' funds less non-controlling interest	Shareholders' funds divided by the weighted average number of ordinary shares in issue. A basis of share valuation.
BASIC EARNINGS PER SHARE	FAIR VALUE	OPERATING PROFIT
Profits attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year.	The amount at which an asset is exchanged or a liability settled, between knowledgeable and willing parties in an arm's length transaction.	Earnings before Interest and Tax
BORROWINGS	FINANCIAL ASSET	PRICE EARNINGS RATIO
All interest-bearing liabilities.	Any asset that is cash or an equity instrument of another entity or a contractual right to receive cash or another financial asset from another entity or a contractual right to exchange financial instruments with another entity under conditions that are potentially favorable.	Market price of a share divided by earnings per share as reported at that date.
CAPITAL RESERVES	FINANCIAL INSTRUMENTS	PRUDENCE
Reserves identified for specific purposes and considered not available for distribution.	Any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.	Inclusion of a degree of caution in the exercise of judgment needed in making the estimates required under conditions of uncertainty, such that assets or income are not overstated and liabilities or expenses are not understated.
CASH EQUIVALENTS	FINANCIAL LIABILITY	RELATED PARTIES
Liquid investments with original maturity period of three months or less.	A contractual obligation to deliver cash or another financial asset to another entity or exchange financial instruments with another entity under conditions that are potentially unfavorable.	Parties who could control or significantly influence the financial and operating policies of the business.
CORPORATE GOVERNANCE	IMPAIRMENT	RETURN ON CAPITAL EMPLOYED
The process by which corporate entities are governed. It is concerned with the way in which power is exercised over the management and direction of the entity, the supervision of executive action and accountability to owners and others.	Occurs when recoverable amount of an asset is less than its carrying amount.	Profit after tax but before interest divided by net debt plus shareholder funds
CURRENT RATIO	INTEREST COVER	RETURN ON EQUITY
Current assets divided by current liabilities. A measure of liquidity.	Earnings before interest and taxes divided by finance cost. Measure of an entity's debt service ability.	Net Profit attributable to Shareholders divided by total equity less minority interest if any.
DEFERRED TAXATION	MARKET CAPITALIZATION	STATED CAPITAL
The tax effect of temporary differences deferred to/from another period, which would only qualify for inclusion on a tax return at a future date.	Number of shares in issue multiplied by the market value of a share at the report date.	The total amount received by the Company or due and payable to the Company in respect of issue and calls of shares are referred to as stated capital.
DIVIDENDS	MARKET RISK	WORKING CAPITAL
Distribution of profits to holders of equity investment.	Possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, credit spreads and other asset prices.	Capital required to finance day-to-day operations computed as the sum of inventories, trade and other receivables, trade and other payables.
EARNINGS PER SHARE		
Earnings Per Ordinary Share (EPS)		
Profits attributable to ordinary		

ANNEXURES

Investors information

Computation % of Public Shareholding - CABLE SOLUTIONS PLC 28th March 2025

Issued Share Capital as at 28 March 2025	470,666,600
Parent Company	240,039,966
Related Companies	46,523,660
Directors Shareholding	97,699,983
Spouse, Children Under/Over 18 Years & Close Family Members of Directors	0
Holding of 5% or More - Jointly or Severally	0
Key Management Personnel	0
Spouse, Children Under/Over 18 Years & Close Family Members of KMP	0
ESOP	0
Public Holding	86,402,991
Public Holding as a% of Issued Share Capital	18.36%

Share Trading Information

Share Trading Information	31 March 2025
Year Ended	
Share Information	
Highest Price (Rs.)	13.8
Lowest Price (Rs.)	7

Public Holding as at 28th March 2024

Percentage of Ordinary Shares Held by the Public	18.36%
Number of Public Shareholders	1490
Number of persons holding shares excluded when Computing public holding %	8
Number of shareholders representing the public holding	1482

List of 20 Major Shareholders Based on their Shareholdings as at 28th March 2025

No.	Name of Shareholder	No. of Shares	%
1	ACL CABLES PLC	240,039,966	51
2	MR. P.N. TEJWANI	92,199,983	19.59
3	INSITE HOLDINGS PRIVATE LIMITED	31,920,000	6.78
4	MR. S.R. MATHER	15,500,000	3.29
5	ROSEWOOD (PVT) LIMITED-ACCOUNT NO.1	11,400,000	2.42
6	PERERA AND SONS BAKERS PVT LIMITED	9,120,000	1.94
7	TEMPEST PE PARTNERS (PRIVATE) LIMITED	5,483,660	1.17
8	INDU LANKA ENTERPRISES (PVT) LTD	3,800,000	0.81
9	MR. C.P.R. PERERA	3,000,000	0.64
10	MRS. N.R. MATHER	2,650,000	0.56
11	MR. A.M. WEERASINGHE	2,400,000	0.51
12	MR. R.S.K. FERNANDO	2,194,680	0.47
13	PEOPLE'S LEASING & FINANCE PLC/MR. K.A.D.R.M.K. KARIYAPPERUMA	2,000,000	0.42
14	MR. A. VIDANAGAMAGE	1,910,000	0.41
15	SENKADAGALA FINANCE PLC/G.A.M.P.CHANDANA	1,750,000	0.37
16	MR. W.K.G.N. PERERA	1,500,000	0.32
17	MR. R.N. DE SARAM	1,250,000	0.27
18	PEOPLE S LEASING AND FINANCE PLC/L.P.HAPANGAMA	1,228,176	0.26
19	PEOPLE'S LEASING & FINANCE PLC/K.L.UDAYANANDA	1,196,718	0.25
20	ASSETLINE FINANCE LIMITED/H.M.LALITH	1,100,600	0.23
	TOTAL	431,643,783	91.71

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of CABLE SOLUTIONS PLC will be held on 26th September 2025 at 9.00.am at the ACL Cables PLC Auditorium, located at 60, Rodney Street, Colombo 8, Sri Lanka for the following business.

1.To lay before the meeting, the Annual Report of the Directors and the Financial Statements of the Company for the year ended 31st March 2025 together with the Report of the Auditors thereon.

2.To re-elect Mr. Suren Madanayake as a Director who retires by rotation in terms of Article No.27 (6) of the Articles of Association of the Company (Resolution 1)

3. To re-elect Mr. Mahesh Amarasiri as a Director who retires by rotation in terms of Article No.27 (6) of the Articles of Association of the Company (Resolution 2).

4.To re-appoint Mr. U. G. Madanayake, Director who has reached 89 years of age, as a Director of the Company in terms of Section 211 of the Companies Act No. 07 of 2007" (Resolution 3).

5.To re-appoint Mr. D. Wahalatatiri, Director who has reached 76 years of age, as a Director of the Company in terms of Section 211 of the Companies Act No. 07 of 2007" (Resolution 4).

6.To appoint Deloitte Partners who have consented to be appointed Auditors of the Company until the conclusion of the next annual general meeting, in place of the retiring auditors M/s. BDO Partners, Chartered Accountants, and to authorize the Directors to determine their remuneration. (Resolution 5)

7.To authorize the Directors to determine donations for charities for the ensuing year. (Resolution 6)

By order of the Board,

sdg

Nexia Corporate Consultants (Pvt) Ltd

Secretaries to Cable Solutions PLC
Colombo

On this 25th day of August 2025

Note:

1. A shareholder who is entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him/her.
2. A proxy need not be a shareholder of the Company.
3. A Form of Proxy accompanies this notice.
4. Shareholders are required to bring their National Identity Card or any valid source of identification (e.g. Driving License, Passport) when attending the meeting
5. Shareholders appointing persons (other than Directors of the Company) to attend the meeting as their proxy holder are requested to indicate the number of the National Identity Card or any valid source of identification (e.g. Driving License, passport number) of the proxy holder on the form of proxy and request the proxy holder/s to bring with them their National Identity Card or any valid source of identification. (e.g. Driving License, Passport) when attending the meeting.

FORM OF PROXY

I/We.....holder of NIC
No / Company Registration No. of
.....being a Shareholder / Shareholders of Cable Solutions PLC, do
hereby appoint.....holder of NIC No.
.....of.....or failing him/her

Mr. H. A. S. Madanayake or failing him

Mr. W. K. G. N. Perera or failing him

Mr. K. P. P. M. Amarasiri or failing him

Mr. C. P. R. Perera or failing him

Mr. W. P. K. Jayawardana or failing him

Mr. U. G. Madanayake or failing him

Mr. D. Wahalantantiri or failing him

Mr. P. N. Tejwani or failing him

Mr./Mrs./Miss.....
..... of (Address) as my /our Proxy to attend (and
vote for me/us) on my/our behalf at the Annual General Meeting of the Company to be held on 26th September 2025 at
9.00.am and at any adjournment thereof.

Note

If the Proxy Form is signed by an Attorney, the relative Power of Attorney should also accompany the completed Form of Proxy, if it has not already been registered with the Company.

To lay before the meeting, Financial Statements for the year ended 31st March 2025.

RESOLUTIONS

	For	Against
To re-elect Mr. H. A. S. Madanayake	☐	☐
To re-elect Mr. K. P. P. M. Amarasiri	☐	☐
To re-appoint Mr. U.G. Madanayake	☐	☐
To re-appoint Mr. D. Wahalantantiri	☐	☐
To appoint Auditors	☐	☐
To authorize the Directors to determine donations for charities for the ensuing year	☐	☐

Mark your preference with "X"

Signed on this Day of 2025.

.....
Signature/s

a) * Please delete the inappropriate words.

b) Instructions as to completion are noted on the reverse thereof

Please furnish following details;

CDS Account No of the Shareholder/s	
Number of shares	
Shareholder/s contact numbers/s	Fixed Line : Mobile :
Proxy Holder's NIC number	

Instructions as to the completion of Proxy

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.
 - I. The Proxy shall –
 - II. In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notary certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
 - III. In the case of a company or corporate/statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or Corporate/statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. Please indicate with an "X" how the Proxy should vote on each resolution. If no indication is given, the Proxy in his/her discretion will vote as he/she thinks fit.
4. To be valid, the completed Form of Proxy must be deposited with the Registered Office of the Company at Ranmuthugala Estate, Ranmuthugala, Kadawatha, Sri Lanka or must be emailed info@cablesol.com (not less than 48 hours before the time appointed for the holding of the meeting)

Concept & Designed by





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