REALIGN. ADVANCE.

Annual Report

2025/26

CORPORATE INFORMATION

Legal Status

Printcare PLC was incorporated as a Private Limited Liability Company on 3rd September 1979 under the Companies Ordinance No. 51 of 1938.

It was converted to a Public Limited Liability Company on 21st October 1994.

Company Registration No : PQ 75
Tax Payer Identification No : 104059317

Board of Directors

Abbas Esufally - Chairman
K R Ravindran
Malik J Fernando
Ejaz Chatoor
Dayasiri Warnakulasooriya
Steven Mark Enderby
Vajira Kulatilaka
Krishna R Ravindran
Devika Weerasinghe

Registered Office

77, Nungamugoda Road, Kelaniya, Sri Lanka.

Stock Exchange Listing

Colombo Stock Exchange

Auditors

Messrs. Ernst & Young Chartered Accountants

Lawyers

D.L. & F. De Saram
Attorneys-at-Law and Notaries Public

Nithi Murugesu and Associates
Attorneys-at-Law and Notaries Public

Secretaries

Managers & Secretaries (Pvt) Limited
No 10, Gothami Road,
Colombo 08

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
National Development Bank PLC
Nations Trust Bank PLC
People's Bank
Sampath Bank PLC
Seylan Bank PLC
Standard Chartered Bank
Union Bank of Colombo PLC

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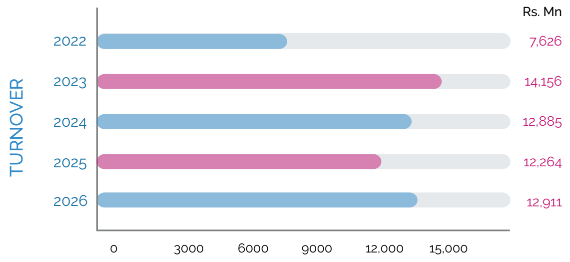
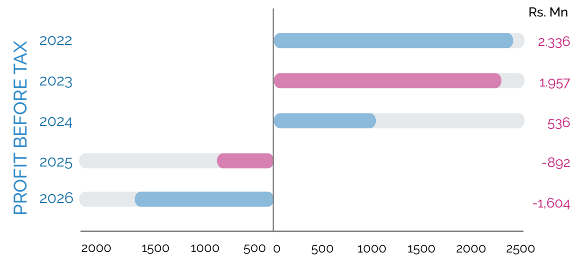
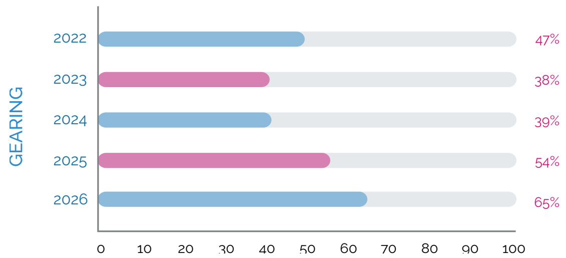
FINANCIAL HIGHLIGHTS

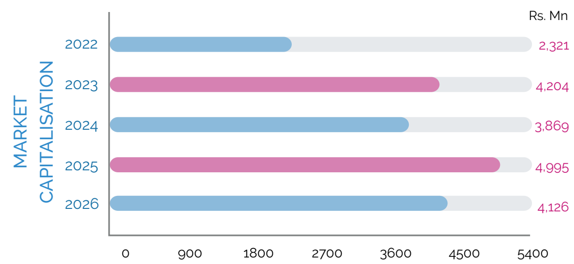
Year Ended 31 March

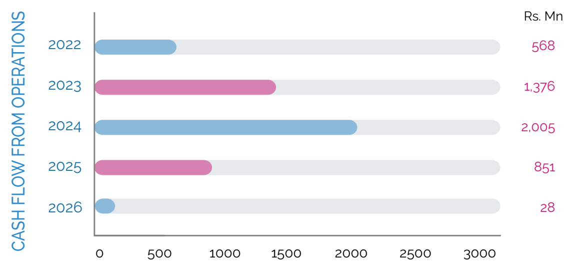
Profits / (Loss)	2026	2025	Change	2024
Turnover (Rs. '000s)	12,911,468	12,264,120	5%	12,885,431
Profit / (Loss) Before Tax (Rs. '000s)*	(1,603,666)	(892,264)	-84%	535,694
Profits / (Loss) attributable to equity shareholders (Rs. '000s)	(1,250,637)	(700,641)	-86%	246,939
Cash from Operations (Rs. '000s)	28,182	851,957	-97%	2,005,222
Balance Sheet	**2026**	**2025**	**Change**	**2024**
Total Assets (Rs. '000s)	21,475,278	19,460,071	8%	16,419,237
Total Equity (Rs. '000s)	5,299,395	7,081,907	-25%	7,869,152
Key Ratios	**2026**	**2025**	**Change**	**2024**
Gearing	65.32%	53.7%	24%	38.8%
Return on Average Shareholders Funds	-20.8%	-9.8%	117%	3.5%
Return on Average Total Capital	-4.3%	-0.8%	444%	8.4%
Share Information	**2026**	**2025**	**Change**	**2024**
Net Asset Value Per Share (Rs.)	65.15	78.65	-18%	88.02
Dividends Per Share (Rs.)	-	1.00	-100%	4.50
Earnings Per Share (Rs.)	(14.55)	(8.15)	86%	2.87
Dividend Payout Ratio	-	-	-100%	157%
Market Price Per Share at the year end (Rs.)	48.00	58.10	-17%	45.00
Market Price Per Share - Highest (Rs.)	68.00	69.00	-1%	57.00
Market Price Per Share - Lowest (Rs.)	43.00	39.50	9%	40.00
No of Shares ('000)	85,967	85,967	-	85,967
Market Capitalisation (Rs. '000s)	4,126,400	4,994,664	-17%	3,868,500











CHAIRMAN'S STATEMENT

Dear Shareholders,

The financial year 2025-26 was a demanding period for Printcare, but it was also a year of decisive action to strengthen the Group and position it for recovery. Despite significant operational and market disruptions, consolidated revenue increased by 5.3% to Rs. 12.91 Bn from Rs. 12.26 Bn, supported by sales growth in Kenya. However, the Group recorded a Loss Before Tax of Rs. 1.60 Bn, compared with Rs. 892.2 Mn in the prior year, reflecting the slower than expected ramp-up of our Kenyan operation, disruption caused by US tariffs and one-off restructuring costs.

While the loss is disappointing, its principal causes are clearly identified and are being addressed. Importantly, several of the adverse conditions experienced during the year have begun to ease. This gives us greater confidence in the outlook and in our ability to deliver a meaningful improvement in performance.

Building our East African platform

Our investment in Kenya continues to offer considerable long-term potential. Printcare has established perhaps the best packaging facility in Africa outside South Africa, providing a strong platform from which to serve the regional market. Although the ramp-up of this greenfield project has taken longer than planned, the unanticipated operational setbacks have been progressively addressed. We have strengthened plant management, applied greater cost discipline and continued to build our market position in Africa. We have acquired a broad mix of local and MNC clients who have been drawn by the quality of packaging we offer that was not previously available to them.

These actions are improving the foundation of the business. We expect the losses from Kenya to reduce substantially in the year ahead, with the operation moving into profit the following year. This turnaround is central to the Group's recovery and represents an important source of future growth in a substantial market.

The principal constraint remains the current Sri Lankan regulations restricting the transfer of the additional capital required to support the operation. We are actively pursuing several channels to resolve this matter and remain hopeful of progress in the coming year. A resolution will allow the Kenyan business to execute its plans more effectively and accelerate its path to profitability.

Restoring export momentum

Our Sri Lanka-based export businesses faced an abrupt disruption when US tariffs on Sri Lankan exports rose sharply relative to those applied to Vietnam. This resulted in order cancellations exceeding USD 5 million, with much of that volume shifting to Vietnam. As tariff conditions returned to parity during the latter part of the financial year, we recovered nearly all the US volume that had been lost.

The speed of this recovery reflects the strength of our customer relationships; the competitiveness of our offering and the confidence customers continue to place in Printcare. Barring further tariff disruption, we expect the restored volumes to make a positive contribution in the year ahead.

Strengthening the portfolio

Demand in our eco-packaging business has softened over the past two years as customers have increasingly favoured lower-cost plastic and metal alternatives to paper-based canisters. Market and policy changes in the US have also reduced near-term incentives for environmentally friendly alternatives. We are undertaking a strategic review to align the business, its cost base and its market focus with current demand and future opportunity.

Our security printing business is being stabilised while we continue to diversify it away from an overreliance on government business. A minority shareholder in that business, acting as a litigation partner, has objected to the additional capital injected to support the operation, delaying the full restructuring. We expect this matter to be settled during the year, enabling the business to move forward on a firmer footing.

We continue to pursue recovery of a longstanding receivable from UK and Kenya based Gold Crown Foods, a customer we supplied for over a decade.

Agreed payment commitments have not been met, and the Company is now pursuing all available avenues to secure full recovery.

Strength across the Group

Alongside these recovery initiatives, several businesses continue to provide a strong and dependable foundation for the Group. Our business in India continues to hold a dominant share of the Indian tea-bag packaging market, and we are actively exploring further opportunities there. Our digital printing segment, following its realignment, performed well throughout the year and remains a reliable contributor. These businesses demonstrate the value of Printcare's diversified regional presence and capabilities.

Recognition

Shortly after the close of the year under review, Printcare was named Sri Lanka's Master Printer - the highest individual honour in the country's printing industry - at the Sri Lanka National Print Excellence Awards, where the Company was also the most celebrated participant overall. Judged by a panel of international technical experts across print quality, design, finishing and innovation, the award recognised our craftsmanship and the strength of our colour-management capability.

This recognition is a powerful affirmation of the technical excellence, innovation and commitment that remain at the heart of Printcare. It also reinforces our confidence that the Group possesses the capabilities required to compete successfully and create lasting value.

Our people

Our people have been central not only to navigating the challenges of the year, but also to preparing Printcare for its next phase. Teams across Sri Lanka, Kenya and India delivered cost-reduction initiatives, plant restructuring and demanding customer-recovery efforts while maintaining the quality and service our customers expect. I thank them sincerely for their resilience, loyalty and continued commitment. Their expertise and determination give me confidence in what we can achieve together.

Looking ahead

We enter the new financial year with a clearer path forward. Nearly all the US volume lost during the tariff disruption has been recovered. The Kenyan operation is under strengthened leadership and tighter cost discipline. The security printing business is stabilising and diversifying, while our Indian and digital businesses continue to provide dependable foundations.

Management's priorities are clear: accelerate the turnaround in Kenya, convert recovered export volumes into improved earnings, complete the restructuring of underperforming operations, sharpen our portfolio and maintain disciplined control of costs and working capital. These actions do not remove every risk, and execution remains critical, but they provide a stronger platform for the year ahead.

The Board believes that 2025-26 should be viewed as a year in which Printcare absorbed exceptional disruptions and took the actions necessary to reset the business. We move forward with recovered customer volumes, clearer strategic priorities, high-quality assets and an experienced team. With disciplined execution and a more stable external environment, we expect a substantial improvement in Group performance and remain firmly focused on returning Printcare to profitability and sustainable growth.

Abbas N Esufally

Chairman

31 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the fiscal year ended 31 March 2026, Printcare PLC's consolidated revenue grew 5.3% to Rs. 12.91 Bn, from Rs. 12.26Bn in FY2025. Growth was achieved despite a difficult start to the year, as the imposition of tariffs led some export customers to adjust their ordering patterns in the early months, before demand recovered progressively towards the end of the year as tariff rates applicable to Sri Lanka were equalized with competing countries.

The Group recorded a wider net loss before tax of Rs. 1.85 Bn for the year, compared to a loss of Rs. 1.04 Bn in FY2025. The increase was driven mainly by the slower than expected ramp-up of our Kenyan operations. The narrowing of Kenya's losses that we anticipated in last year's report did not materialize over the course of the year. We have taken steps to expedite revenue growth whilst also reduce our cost structure.

Revenue Growth

Revenue Growth was broad-based: our Indian operation continued its growth trajectory noted last year, our Kenyan operation added further volume as it progressed through its ramp-up, and our Sri Lankan export and businesses held broadly steady mainly due to disruptions because of US tariffs. This was achieved even as we continued the planned realigning of some of our other underperforming businesses.

Segment Review

Our Printing segment held its ground well over the year, supported by resilient export demand. Our Packaging segment saw higher overall volumes, helped by continuing progress in Kenya.

The Printing segment (Rs. 5,436.1 million of net sales, 42.1% of the Group) closed the year with a small pre-tax loss of Rs. 28.9 Mn, due to restructuring charges as we continued to scale back our security-printing operations in line with the strategy outlined last year.

The Packaging segment (Rs. 7,475.4 million of net sales, 57.9% of the Group) recorded a pre-tax loss of Rs. 1,574.8 million for the year. This reflects the inclusion of losses from our Kenyan operation during its ramp-up phase, together with thinner trading margins in parts of the segment that our cost rationalization program, described below, is intended to address over the coming year. We also incurred expenses realigning our eco packaging businesses with current demand and future opportunity.

Overseas Operations

Printcare India continued to perform well over the year. It remains one of the more encouraging parts of our growth strategy, and we expect continued growth there over the next few years.

Printcare Packaging East Africa, our Kenyan operation, continued to build out its order book, but remained loss-making, and was the largest single factor behind the Group's results for the year. The plant has not yet reached the level of utilization originally targeted for this stage, and its funding needs have added to the Group's borrowings and finance costs over the year. We remain confident in the long-term strategic rationale for the investment and are progressively addressing the issues constraining growth — Kenya offers a gateway into the wider East African market and preferential tariff access to a number of developed markets — and management is reviewing the plant's production and profitability timeline with the Board, with a continued focus on the operational and commercial steps needed to bring it to planned utilization.

One serious constraint remains the regulations restricting the transfer of capital required to support the operation. We are actively pursuing different options to achieve this as a resolution will allow the Kenyan business to execute its plans more effectively.

Profitability

The Group's gross profit margin was 17.7% for the year, compared to 20.0% in FY2025, reflecting the factors described above. Finance costs rose to approximately Rs. 949.8 million from Rs. 783.5 million, continuing to reflect borrowings associated with the Kenyan investment; as the operation matures and moves toward full utilization, we expect finance costs to ease as a proportion of Group results.

In response to this year's performance, the management put in place a structured cost rationalization program spanning all business units. This includes a review of organizational structure and staffing levels to improve productivity, AI enabled re-engineering of processes and greater automation of manual processes. Each business unit has been given clear efficiency and profitability targets, and we expect the program to deliver a meaningful improvement in the group's cost base as it takes full effect during the coming years.

Financial Position and Gearing

Total assets grew 10.36% to Rs. 21.48 Bn, reflecting the investment in the Kenyan facility and higher inventory levels as a result of the supply chain disruptions taking place. Group borrowings increased over the year, in part to fund the Kenyan investment. Working-capital discipline, including inventory and receivables initiatives, remain a priority lever for improving the Group's cash position.

Outlook

Looking ahead, our priorities for the coming year are clear: to bring the Kenyan operation further along its path to full utilization, build on the growth achieved in India, ensure that the recovered export volumes deliver higher earnings, and complete the restructuring of underperforming operations. In the coming year we should also start seeing the benefits of the cost rationalization program currently being carried out across the Group and the improvements we are making to working capital.

DIRECTORS' PROFILES

Mr. A.N.Esufally

Chairman

Mr. A.N.Esufally is a Fellow of both the Institute of Chartered Accountants of England & Wales and the Institute of Chartered Accountants of Sri Lanka. He is an all-Island Justice of the Peace and is the Hon. Consul-General of the Kingdom of Bhutan in Sri Lanka.

He has experience in business of over 40 years in Sri Lanka and overseas and has been in the forefront of the leisure industry in Sri Lanka. He is a Director of Hemas Holdings PLC and several other unlisted companies.

Mr. E. Chatoor

Non-Executive Director

Mr. Ejaz Chatoor has been a member of Printcare PLC Board as a Non-Executive Director since 1994. He is the Managing Director of Saboor Chatoor (Private) Limited, a leading exporter of spices and other agricultural products from Sri Lanka. He has over 45 years of management experience in the export trade and holds a BSc degree in Business Administration from the University of Southern California and a MBA from the University of California, Los Angeles.

Mr. K.R. Ravindran

Managing Director

Mr. K.R. Ravindran, Co-Founder and CEO of Printcare PLC, has over 40 years of experience in the printing and packaging industry. He is a graduate in Commerce from Loyola College, formerly University of Madras, India. He also serves as a Director in all of the group companies as well as other companies and charitable trusts and Foundations both in Sri Lanka and overseas.

In 2015/16, Mr. Ravindran served as the global head of the Chicago headquartered 117 year old Rotary International, one of the world's largest service organizations. He is the only Sri Lankan and the tenth Asian to have ever been elected to this prestigious office in 2015-16. He also served as the Chairman of the Board of Trustees of the multibillion dollar Rotary Foundation in 2020-21.

He has been recognized by the Sri Lanka Association of Printers with the signature Lifetime Achievement Award and was conferred with the title of Sri Lanka Sikhamani (Jewel of Sri Lanka) by the Government of Sri Lanka. A postage stamp was released by the government in his honor and with his visage.

Mr. D. Warnakulasooriya

Non-Executive Director

Mr. Dayasiri. Warnakulasooriya is the Founder and Chairman of the Midaya Group of Companies. The Midaya Group has accumulated several honours since its inception in 1968, including the Presidential Export Award, the National Exporters Association Exporters' Award, the National Productivity Award Certificate of Merit and several categories of the Entrepreneur of the year award, certification in ISO 9001-2015.

He is also a recipient of the "The Order of the Sacred Treasure, Gold Rays with Rosette" an honour bestowed upon him by the Emperor of Japan (awarded in the year 1996).

Mr Warnakulasooriya also serves in the following roles:

- Past President of the Sri Lanka Ceramics Council.
- Vice Patron of Japan Sri Lanka Technical and Cultural Association. (JASTECA)
- Past Chairman of the Board of Trustees of the Sasakawa Memorial Sri Lanka Japan Cultural Centre Trust.
- President – Japanese Language Education Association of Sri Lanka.
- Immediate Past President - National Council for Child and Youth Welfare.
- Committee Member of the Friends of the Accident Service (National Hospital).
- Committee Member of the Lanka Japan Business Cooperation Committee.
- Past President (85th) of the Rotary Club of Colombo.

Mr. Krishna Ravindran

Executive Director

Mr. Krishna Ravindran joined Printcare in 2005 as a Senior Manager in the Finance division, and subsequently held several leadership positions within the Group covering General Management, Finance, Supply Chain, Technology, and Quality over the years. Mr. Krishna Ravindran currently serves as Executive Director of Printcare PLC, and a Director in all of its subsidiaries. Prior to joining Printcare, Mr. Ravindran had worked as an Investment Banker in the Leveraged Finance Group at JP Morgan in New York, and in the Corporate Advisory Division at NDB Investment Bank in Sri Lanka. He received a Bachelor of Science Degree in Business Administration from Georgetown University in Washington DC and also attended the University of Oxford in the United Kingdom.

Mr. Vajira Kulatilaka

Independent Non - Executive Director

Mr. Vajira Kulatilaka holds a Bsc. in Civil Engineering with First Class Honors from the University of Moratuwa and a Msc. in Industrial Engineering and Management from the Asian Institute of Technology, Thailand. He is also a Chartered Financial Analyst (CFA) and has obtained Fellow Membership of the Chartered Institute of Management Accountants, UK.

He counts over 40years of experience in Banking and Finance and Capital Market operations in Sri Lanka.

Mr. Kulatilaka served as the Director/CEO of the NDB Investment Banking Cluster, where he was adjudged the Best Investment Banking CEO Sri Lanka in 2014 and 2015 by Global Banking and Finance Review in recognition of his contribution to the investment banking field in Sri Lanka.

Mr. Kulatilaka served as the Chairman of the Colombo Stock Exchange from 2014 to 2017, the Chairman of the South Asian Federation of Exchanges (SAFE) from 2015 and 2017, and as a Council Member of the University of Moratuwa from 2015 to 2019.

He currently serves on the board of Sampath Bank PLC, LTL Holdings Ltd, Hemas Hospitals (Pvt) Ltd, and Access Engineering PLC. as an Independent Non-Executive Director.

Mr Steven Enderby

Independent Non - Executive Director

Mr Enderby has had a successful career in private equity with Actis, a leading global emerging markets fund, and CDC, the UK government's development finance arm. The majority of his experience has been in India and Sri Lanka, where he has been based for most of the past 27 years. He has led a number of innovative private equity deals including the privatisation and expansion of a container terminal in the Port of Colombo, the buy out of one of India's largest tractor manufacturers and the acquisition of Sri Lanka's leading industrial gases business. He was a partner in Actis from its formation in the early 2000's.

After studying for his Masters at University of Melbourne, he returned to Sri Lanka in 2013 as Deputy CEO and Director, Hemas Holdings PLC, a leading Sri Lankan Consumer and Healthcare business. He was appointed Group CEO from 2014 until 2020.

Today, he is the Non-Executive Chairman of Ironwood Capital Partners, Sri Lanka's leading private equity fund and serves as a non executive director/advisor to a number of Indian and Sri Lankan businesses.

He is a Fellow Member of the Chartered Institute of Management Accountants, holds a Degree in Economics and Accounting from Queen's University Belfast and a Master's Degree in Development Studies from the University of Melbourne.

Ms. Devika Weerasinghe

Independent Non - Executive Director

Ms K Devika Weerasinghe is a senior finance professional with over 30 years of experience in finance and management, having worked with renowned institutions such as PricewaterhouseCoopers and the John Keells Group. Her extensive expertise spans financial oversight, strategic planning, and governance in private and publicly listed companies. Prior to retiring in June 2024, Ms Weerasinghe was the CFO of the John Keells Group, overseeing financial operations for multiple sectors.

She is an Associate Member of the Chartered Institute of Management Accountants (UK) and holds a Bachelor's Degree (Bsc.) in Business Administration – University of Sri Jayawardenapura.

She currently serves as an Independent Non- Executive Director of Vallibel One PLC, Vallibel Power Erathna PLC, Lanka Ceramic PLC and The Fortress Resorts PLC.

Malik J. Fernando

Non-Executive Director

Malik J Fernando is Co-Chair of MJF Holdings, the parent company of Dilmah Tea, and Founder of Resplendent Ceylon, Sri Lanka's leading experiential luxury hospitality brand.

Educated at S. Thomas' Preparatory School, Stonyhurst College and Babson College, where he graduated with Honours in Business Management and Entrepreneurship, Malik joined Dilmah Tea on his return to Sri Lanka. Working alongside his brother Dilhan Fernando and under the mentorship of his father, Merrill J. Fernando, he spent over two decades helping build Dilmah into a globally respected, producer-owned brand present in more than 100 countries, guided by the philosophy of business as a matter of human service.

Drawing on that experience, Malik went on to pioneer Sri Lanka's luxury tourism sector, founding Ceylon Tea Trails, the world's first tea bungalow resort, followed by Cape Weligama and Wild Coast Tented Lodge. Together these properties hold six Michelin Keys and are Sri Lanka's only members of the Relais & Châteaux fellowship. He later added the Reverie Collection, a portfolio of smaller, design-led properties including Ahu Bay and Kayaam House.

Malik is also Founder of the Sri Lanka Tourism Alliance and Chair of the Pekoe Trail, and remains an active voice in conservation, having launched the Peak Ridge Forest Corridor Project to protect leopard habitats in the central highlands. He is a regular international commentator on South Asian tourism, featured by Bloomberg, the BBC World Service and others.

CORPORATE GOVERNANCE REPORT

Corporate Governance at Printcare means creating value for shareholders whilst promoting a culture of ethical behavior and practice. Printcare is committed to maintaining the highest standards of ethical values and professionalism in all its activities.

The Group provides all the market participants and regulatory authorities with timely, accurate, complete and reliable information of the Company while continuing to regulate and improve its corporate governance structure.

The Board of Directors

Board Composition and Independence

The Printcare Board consists of nine directors comprising seven non-executive directors and two executive directors with one director functioning as the Managing Director/Chief Executive Officer for the Group. The seven Non-Executive Directors include the Chairman and three Independent Directors.

The role of the Chairman and that of the Managing Director are distinct and separate. Members of the Board possess substantive knowledge and experience in a variety of industries and fields. The Managing Director has over 43 years of experience in the printing and packaging industry.

The balance between the Executive and Non-Executive Directors is maintained as per SEC regulations. Each Director provides independent judgment on major issues discussed at Board meetings. All directors have attended Board meetings and discharged their duties in a conscientious and responsible manner. The Company has adopted an Independent Directors system whereby three Independent Non-Executive Directors have been appointed to the Board in line with the CSE ruling. The primary duties of the Independent Non-Executive Directors are to protect the interests of the shareholders independently and objectively.

Each director has a responsibility towards independence and conflict of interest is avoided by taking judgments or decisions after declaring and / or assessing any interest in the transaction. Such potential direct and indirect material relationships with the Company are reviewed by the board from time to time.

Diversity of the Board

In the year under review the Company looked at how diversity in the Board impacts the success of the Company. It is strongly believed that diversity adds much depth, breadth, insight and perspective to the experience which the Board represents, and contributes toward corporate success. The Printcare Board is diverse in age, gender, leadership, skills, competencies, philosophies and life experiences, and hence bring in a wide range of perspectives resulting in strengthening the corporate governance structure at Printcare.

In terms of section 9.7.3 and 9.7.4 of the CSE Listing Rules the Company obtained an annual declaration from the Directors confirming that they have met the Fit and Proper assessment criteria as of the reporting date.

The Board's Key Responsibilities

The Printcare Board of Directors represents the shareholders' interest in the Group's successful operation. This active responsibility includes optimizing long-term financial returns and delivering value to customers, employees, communities and other key stakeholders. The Board is accountable for the Company executing its responsibilities in a legal and ethical manner.

The responsibilities include

- Providing direction and guidance to the Company in the formulation of its strategies and in the pursuance of its operational and financial goals.
- Monitoring systems of governance and compliance.
- Overseeing systems of internal control and risk management.
- Approving major acquisitions, disposals and capital expenditure.
- Approving annual budgets and strategic plans.
- Reviewing the statutory and SEC governance rules and ensuring compliance.
- Formulating proposals for dividend and bonus distributions, and for the increase or reduction of capital.
- Exercising other powers, functions and duties as conferred by the Company's articles of association.

Directors' Attendance

Director's Name	07 Jul 25	19 Sep 25	26 Jan 26	26 Mar 26
A. N. Esufally	Y	Y	Y	Y
K. R. Ravindran	Y	Y	Y	Y
E. Chatoor	Y	Y	Y	X
D. Warnakulasooriya	Y	X	Y	X
C. V. Kulatilaka	Y	X	Y	X
Krishnamoorthi Rajabather Ravindran	Y	Y	Y	Y
Steven Mark Enderby	Y	Y	Y	Y
Malik J Fernando	X	Y	Y	Y
Devika Weerasinghe	X	Y	Y	Y
Y- Present / X- Excused				

Delegation of Authority

The executive authority of the Board is delegated to the Managing Director who is also a member of the Board. The Managing Director is fully accountable to the Board for the day to day running of the Company. The performance of the Company is monitored by way of monthly management meetings. These meetings provide an opportunity to look at performance deviations and take remedial action.

The Board is assisted in fulfilling its responsibilities by delegating some of its functions to four sub committees while retaining final decision rights pertaining to matters under the purview of these committees.

Audit Committee

The Audit Committee consists of three Independent Non-Executive Directors. The role of the Committee is to review the accounting principles, policies and the practices adopted in the preparation of financial information. The Committee is responsible for consideration and the appointment of the external auditors. Further the Committee supports the Board in discharging their responsibilities in areas such as the overseeing of internal controls, business risk and statutory compliance.

The Audit Committee report including the subjects reviewed during the financial year 2025/26 are reported in detail on pages 22 to 23

Members' Attendance

Member's Name	21 May 25	05 Aug 25	07 Nov 25	06 Feb 26
Steven Mark Enderby	Y	Y	Y	Y
C. V. Kulatilaka	Y	Y	Y	Y
Devika Weerasinghe	Y	Y	Y	Y
Y- Present / X- Excused				

Remuneration Committee

The Remuneration Committee consists of three Independent Non- Executive Directors. The role of the Committee is to determine the remuneration policy for the Chief Executive Officer, Executive Director, Independent Non Executive Directors and the Senior Managers, and to ensure that the statutory and legal requirements pertaining to the remuneration are complied with.

The Remuneration Committee report and the subjects reviewed during the financial year are presented on page 24

Members' Attendance

Member's Name	Mar 26
Steven Mark Enderby	Y
C.V. Kulatilaka	Y
Devika Weerasinghe	Y
Y- Present / X- Excused	

Related Party Transaction Review Committee

The Related Party Transaction Review Committee consists of three Independent Non-Executive Directors. The objective of the Committee is to exercise oversight on behalf of the Board, that all Related Party Transactions are taken note of and dealt with in a manner consistent with the code of listing rules.

The Related Party Transaction Review Committee report and the subjects reviewed during the financial year are presented on page 25.

Members' Attendance

Member's Name	21 May 25	05 Aug 25	07 Nov 25	06 Feb 26
Steven Mark Enderby	Y	Y	Y	Y
C. V. Kulatilaka	Y	Y	Y	Y
Devika Weerasinghe	Y	Y	Y	Y
Y- Present / X- Excused				

Nominations & Governance Committee

The Nominations & Governance Committee consists of one Non Executive Director and two Independent Non-Executive Directors. The objective of the Committee is to exercise general oversight with respect to the governance of the Board of Directors.

The Nominations & Governance Committee report is presented on page 26.

Members' Attendance

Member's Name	March 26
Steven Mark Enderby	Y
C.V. Kulatilaka	Y
Devika Weerasinghe	Y
Y- Present / X- Excused	

Economic, Environmental and Social Engagement with Stakeholders

Printcare Sustainability Strategy endorses the triple bottom line principles.

The Company frequently engages in issues pertaining to economic and social related aspects. Our labour and workplace management practices are supported by the principles of the ILO Declaration (International Labour Organization). These have been described in detail under Economic Performance, Printcare Workplace and Community Involvement sections in the Sustainability Report.

A group wide environmental management system has been implemented and the Group has put a great deal of emphasis on environmental factors such as energy, water, waste management and materials. These have been described in detail in the Environmental Impact section on pages 55 to 59

Memberships Maintained by Printcare Group During the Year 2025/26

- Employers' Federation of Ceylon (EFC) Ceylon Chamber of Commerce
- Sri Lanka Tea Board
- National Chamber of Commerce
- Sri Lanka Association of Printers
- Sri Lankan Business and Biodiversity Platform - (Patron Member)
- Export Association of Sri Lanka

Risk Management

The Company has adopted an Enterprise Risk Management methodology to assess the potential multitude of risk exposure in each of the group companies. After identifying the significant risks, relevant response strategies were formulated in the year under review. This is a continuous process and a quarterly report is presented to the Board Audit Committee.

More details are provided on pages 27 to 31 and note 28 of the Financial Statements.

Accountability, Audit and Reporting

The Board recognizes its responsibility to present a balanced and understandable assessment of the Group's financial position, performance and prospects in accordance with the requirements of the Companies Act No 07 of 2007. Directors are responsible to furnish information to shareholders in relation to Financial Statements with required information which are depicted in the Annual Report. The Financial Statements are prepared based on the applicable Accounting Standards with relevant disclosures. Further reasonable steps have been taken to ensure the accuracy and timeliness of the Financial Statements by the Board of Directors.

Group operations, planning, decision rights and monitoring are vested with the Executive Committee and monthly review meetings are conducted. In addition, a monthly management presentation is also made to review operational performances by all managers.

Investor Relations and Communication to Shareholders

The shareholders' role as explained in the code of best practices is to appoint directors and auditors and to satisfy themselves that an appropriate governance structure is in place. The Company communicates the quarterly financial results to the shareholders within the period stipulated by the Colombo Stock Exchange.
The Board of Directors' policy is to disclose all relevant information to stakeholders within the bounds of prudent commercial judgement.
The Company ensures that the notice of the AGM along with the Annual Report containing the performance of the Company and the Group for the financial year under review are delivered to the shareholders at least 15 working days prior to the scheduled meeting.

Shareholders have the opportunity at the scheduled Annual General Meeting to ask questions from the Board of Directors on these statements. The content of the Annual Report also enables the existing and prospective stakeholders to make better informed decisions in their dealings with the Company securities.

Compliance

The Company's compliance with its statutory obligations is monitored regularly by the management to ensure that they have all been met. In addition, the minutes of the Audit Committee meetings are tabled on a quarterly basis at the Board Meetings by the Audit Committee which also examines the statutory compliance reports periodically. A set procedure has also been implemented to validate the Board's own performance.

In terms of sections 7.6 and 9 of the Listing Rules of the Colombo Stock Exchange, Printcare PLC has complied with the relevant provisions under Corporate Governance Rules which are applicable to entities listed on the Main Board.

In compliance with Section 9.2.1 and 9.2.3 of the Listing Rules of the Colombo Stock Exchange, the Company confirms that the following policies have been established and are maintained in accordance with the said rules:

1. Policy on matters relating to the Board of Directors
2. Policy on Board Committees
3. Policy on Corporate Governance, Nominations and Re-election
4. Policy on Remuneration
5. Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
6. Policy on Risk management and Internal controls
7. Policy on Relations with Shareholders and Investors
8. Policy on Environmental, Social and Governance Sustainability
9. Policy on Control and Management of Company Assets and Shareholder Investments
10. Policy on Corporate Disclosures
11. Policy on Whistleblowing
12. Policy on Anti-Bribery and Corruption

In compliance with Section 9.1.3 of the Listing Rules of the Colombo Stock Exchange the Directors affirm that: The Board has established and maintains all required Board Policies while carrying out regular reviews to ensure that best practices are followed in its day-to-day operations.

- The Board has constituted all mandated Board Sub-Committees, namely, Audit Committee, Remuneration Committee, Nominations and Governance Committee, Related Party Transactions Review Committee. These Committees meet all regulatory requirements and function based on Board approved Terms of Reference.
- The Company has adhered to regulated procedures for shareholder dealings and adoption of resolutions, maintaining transparency and accountability in shareholder communications.
- The Company has adhered to regulations relating to the Board composition.
- The Board has ensured that all Directors continue to satisfy the 'Fit and Proper' Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange.
- Declarations of independence have been obtained from all Independent Directors for the financial year under review.
- All disclosure requirements relating to the Board of Directors, Board Sub-Committees and Corporate Governance Rules have been made in accordance with the CSE Listing Rules.
- The Board of Directors affirms that the Company has complied with Section 9 of the Listing Rules of the Colombo Stock Exchange on Related Party Transactions for the financial year ended 31st March 2026.
- The Board of Directors remains committed to the principles of good governance and consistently strives to uphold best practices. The Company ensures strict compliance with mandatory requirements while also voluntarily adhering to additional standards as and when required, to enhance value creation to its stakeholders.

Companies Act No 7 of 2007, CSE Listing Rules (section 07) and Corporate Governance Rules (section 09) are provided on the pages 14 to 21.

Appendix 1: Annual Report Disclosures mandated by the Companies Act No 7 of 2007

Rule No	Requirement	Compliance Status	Details
168 (1) (a)	The nature of the business of the Company together with any change thereof during the accounting period	Complied	Page 83
168 (1) (b)	Signed Financial Statements of the Company for the accounting period completed	Complied	Page 92 to 145
168 (1) (c)	Auditor's Report on Financial Statements of the Company	Complied	Page 88 to 91
168 (1) (d)	Accounting Policies and any changes therein	Complied	Page 96 to 112
168 (1) (e)	Particulars of the entries made in the interest register during the accounting period	Complied	Page 84
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	Complied	Page 117
168 (1) (g)	Corporate Donations made by the Company during the accounting period	Complied	Page 117
168 (1) (h)	Information on the Directorate of the Company during and at the end of the accounting period	Complied	Page 8 to 10
168 (1) (i)	Amount paid/ payable to the External Auditors as audit fees and fees for other services rendered during the accounting period	Complied	Page 117
168 (1) (j)	Auditor's relationship or any interest in the Company	Complied	Page 86
168 (1) (k)	Acknowledgement of the contents of this Report and Signatures on behalf of the Board	Complied	Page 87

Appendix 2: The summary of compliance with the Corporate Governance requirements under the Section 7.6 of the Listing Rules of the Colombo Stock Exchange

Rule No	Requirement	Compliance Status	Details
i	Names of persons who during the financial year were Directors of the Entity	Complied	Page 8 to 10
ii	Principal activities of the Entity and its Subsidiaries during the year and any changes therein	Complied	Page 83
iii	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Complied	Page 149
iv	The Float adjusted Market Capitalization, public holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the Minimum Public Holding Requirement	Complied	Page 149
v	A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity at the beginning and end of each financial year	Complied	Page 85
vi	Information pertaining to material foreseeable risk factors of the Entity	Complied	Page 27 to 30
vii	Details of material issues pertaining to employees and industrial relations of the Entity	Complied	Page 86
viii	Extents, locations, valuations and the number of buildings of the Entity's Land Holdings and Investment Properties	Complied	Page 124 to 125
ix	Number of shares representing the Entity's stated capital	Complied	Page 134
x	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	Complied	Page 149
xi	Financial Ratios and market price information	Complied	Page 03
xii	Significant changes in the Entity's or its Subsidiaries' fixed assets and the market value of land, if the value differs substantially from the book value	Complied	Page 120 to 125
xiii	If during the year the Entity has raised funds either through a public issue, Rights issue, and / or private placement	Not Applicable	Not Applicable
xiv	Employee Share Option Schemes and Employee Share Purchase Schemes	Not Applicable	Not Applicable
xv	Disclosures pertaining to Corporate Governance Practices in terms of Section 9 of the Listing Rules	Complied	Please refer Appendix 3
xvi	Related Party Transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per Audited Financial Statements, whichever is lower	Complied	Transaction within the threshold
xvii	Additional disclosures to be disclosed as per Section 7 of CSE Listing Rules, in the event a Listed Entity has its Foreign Currency denominated Securities listed on the Exchange	Not Applicable	Not Applicable

Appendix 3: The summary of compliance with the Corporate Governance requirements under the Section 9 of the Listing Rules of the Colombo Stock Exchange

Rule No	Requirement	Compliance Status	Details
9.1 Corporate Governance Rules			
9.1.3	Extent of Compliance with Corporate Governance Rules	Complied	Page 14
9.2 Policies			
9.2.1	Availability of Policies	Complied	Page 14
9.2.2	Waivers and Exemptions from compliance with the code of business conduct and ethics	Not Applicable	No Wavers or exemptions from compliance with the code.
9.2.3	Disclosures in the Annual Report on Policies a) Matters relating to the Board of Directors. b) Board Committees c) Corporate Governance, Nominations and re-election d) Remuneration e) Internal Code of Business conduct and Ethics for all Directors and employees, including trading in the Entity's listed securities. f) Risk management and Internal controls. g) Relations with Shareholders and Investors. (h) Environmental, Social and Governance Sustainability. (i) Control and Management of Company Assets and Shareholder Investments. (j) Corporate Disclosures. (k) Whistleblowing. (l) Anti-Bribery and Corruption	Complied	Page 14

Rule No	Requirement	Compliance Status	Details
9.3 Board Committees			
9.3.1	Board Committees		
	Ensure following Board Committees are established and maintained.		
	(a) Nominations and Governance Committee	Complied	Page 26
	(b) Remuneration Committee	Complied	Page 24
	(c) Audit Committee	Complied	Page 22 to 23
	(d) Related Party Transactions Review Committee.	Complied	Page 25
9.3.2	Comply with the composition, responsibilities and disclosures.	Complied	Refer Sub committee reports
9.3.3	The Chairperson of the Board shall not be the Chairperson of the Board Committees.	Complied	Refer Sub committee reports
9.4 Adherence to principles of democracy in the adoption of meeting procedures and the conduct of General Meetings with Shareholders			
9.4.1	9.4.1 Maintain records of all resolutions and information pertaining to its adoption	Complied	The Company Secretary maintains records of all resolutions and requisite information.
9.4.2	Communication and relations with Shareholders and Investors	Complied	Page 13 to 14
9.5 Policy on matters relating to the Board of Directors			
9.5.1	Formal governing policy on matters relating to the Board of Directors	Complied	Effective date of Compliance 01 October 2024
9.5.2	Disclosures in the Annual Report relating to 9.5.1	Complied	The Company has fully complied with the requirements in the policy.

Rule No	Requirement	Compliance Status	Details
9.6 Chairperson and CEO			
9.6.1	9.6.1 The Chairperson of every Listed Entity shall be a Non- Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a Senior Independent Director is appointed by such Entity in terms of Rule 9.6.3	Complied	Page 08 to 10
9.6.2	Where the Chairperson of a Listed Entity is an Executive Director and/ or the positions of the Chairperson and CEO are held by the same individual, such Entity shall make a Market Announcement.	Not Applicable	CEO and Chairperson are two different individuals and chair person is a Non Executive Director.
9.6.3	The requirement for a SID	Not Applicable	Not Applicable
9.6.4	Entity shall set out the rationale for appointment of SID in the Annual Report	Not Applicable	Not Applicable
9.7 Fitness of Directors and CEO			
9.7.1	The Board Nominations and Governance Committee has been delegated with the authority to ensure that the directors and the CEO meet the fitness and propriety criteria under the Listing Rules	Complied	The Board Nominations and Governance committee has been delegated with the authority to ensure that the Directors and the CEO meets the Fitness and proper criteria under the listing rules.
9.7.2	The Board Nominations and Governance Committee makes recommendations to the Board on the appointment of a new director or when a director is coming up for re-election/ reappointment at the AGM.	Complied	Page 26.
9.7.3 and 9.7.4	Annual Declaration from Directors on Fit and Proper Assessment Criteria	Complied	The Company obtained an annual declaration from the Directors confirming that they have met the Fit and Proper assessment criteria as of the reporting date.
9.7.5	Disclosures in the Annual Report	Complied	Page 11 – Corporate Governance – The Board of Directors

Rule No	Requirement	Compliance Status	Details
9.8 Board Composition			
9.8.1	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	Complied	The Board comprised nine (9) Directors as of the reporting date.
9.8.2	Minimum number of Independent Directors, (Min: 2 or 1/3 of total number, whichever is higher)	Complied	The Board comprised three (3) Independent Directors as of the reporting date
9.8.3	Criteria for determining independence	Complied	As of reporting date the Company has met the criteria for determining independence
9.8.5	Declaration	Complied	Page 83
9.9 Alternate Directors			
9.9	Appointment of Alternate Director	Complied	No Alternate Directors were appointed to the Board throughout the period from 01.01.2024. A resolution is pro- posed to amend the exist- ing articles to align with the requirements on the Listing Rules on the ap- pointment of alternate directors
9.10 Disclosures relating to Directors			
9.10.1	Policy on maximum number of Directorships	Complied	Policy on matters relating to the Directors established and maintained
9.10.2	Appointment of New Director	Complied	Only Director positions has changed during the financial year and company has made immediate disclosures reagarding the subject matter.
9.10.3	Changes to compositions	Complied	Any changes to the composition of Board committees were duly disclosed.
9.10.4	Annual Report Disclosures	Complied	Page 6 to 14
9.11 Nominations and Governance Committee			
9.11.1	Establishment of Nominations and Governance Committee	Complied	Page 26
9.11.2	Establish and maintain formal procedures for the appointment of new directors	Complied	Page 26
9.11.3	Committee shall have a written terms of reference	Complied	Page 26
9.11.4	Composition of Committee	Complied	Page 26
9.11.5	Functions of the Committee	Complied	Page 26
9.11.6	Disclosures in Annual Report	Complied	Page 26

Rule No	Requirement	Compliance Status	Details
9.12 Remuneration Committee			
9.12.2	Availability of Remuneration Committee	Complied	Page 24
9.12.3 and 9.12.4	Remuneration Policy – Executive directors/ non-executive directors	Complied	Page 24
9.12.5	Terms of Reference	Complied	Page 24
9.12.6 (1-3)	Composition	Complied	Page 24
9.12.7	Functions	Complied	Page 24
9.12.8	Disclosures in the Annual Report	Complied	Page 24
9.13 Audit Committee			
9.13.1	Audit and Risk functions	Complied	Both the risk and audit functions are performed by the Management Risk Committee under the supervision of Board Audit Committee
9.13.2	Terms of Reference	Complied	Page 22
9.13.3 (1)	Composition	Complied	Page 23
9.13.3 (2 to 7)	Composition, meetings and other information	Complied	Page 12, Page 22-23
9.13.4	Functions	Complied	Page 22-23
9.13.5	Disclosures in the Annual Report	Complied	Page 22-23
9.14 Related Party Transactions Review Committee			
9.14.1	Availability of Related Party Transactions Review Committee (RPTRC)	Complied	Page 25
9.14.2	Composition	Complied	Page 25
9.14.3	Functions	Complied	Page 25
9.14.4 (1)	Quarterly Meetings	Complied	Page 12
9.14.4 (2)	Access to knowledge or expertise to assess all aspects of proposed related party transactions	Complied	Page 25
9.14.4 (3)	Approval by Board of Directors	Complied	Page 25
9.14.4 (4)	Conflict of interest	Complied	Page 25
9.14.5	Review of related party transactions by Related Party Transactions Review Committee	Complied	Page 25
9.14.6	Shareholder Approval	Complied	Page 25
9.14.7 (1)	Immediate Disclosures	Complied	Page 25
9.14.8	Disclosures in the Annual Report	Complied	Page 25
9.17 Additional Disclosures in Annual Report			
9.17	Additional Disclosures in Annual Report	Complied	Page 78 to 81

AUDIT COMMITTEE REPORT

The Audit Committee of the Company during the last financial year consisted of three Independent Non-Executive Directors with several years of experience in Finance and Management.

Objectives of the Audit Committee

The primary purpose of the Audit committee is to assist the Board in performing its duties effectively and efficiently. Its objectives are as follows.

- To oversee the preparation, presentation, and adequacy of disclosures in the financial statements in accordance with the Sri Lanka Financial Reporting Standards (SLFRS/ LKAS).
- To ensure compliance with the financial reporting and information requirements of the Companies' Act, and with other regulations relevant to financial reporting.
- To ensure that adequate internal controls and risk management processes are in place and that they meet the requirements of the Sri Lanka Accounting Standards (SLFRS/ LKAS) and general best commercial practice.
- To assess the independence, performance, and the qualifications of the external auditors.
- To make recommendations to the Board as appropriate pertaining to the appointment, re-appointment and/or removal of external auditors.
- To approve the remuneration and terms of engagement of the external auditor.

Meetings of the Audit Committee

The Audit Committee held 4 meetings during the financial year. The Managing Director, Chief Financial Officer, and Internal Auditors (who are outsourced) were present at these meetings by invitation. Other officials of the Company were also invited to attend the meetings when required. The External Auditors were invited to meetings at which matters pertaining to their functions were to be discussed.

The key findings and views of the Audit Committee were communicated to the Board of Directors by tabling the minutes of the meetings of the committee at the subsequent Board Meetings, and with clarifications and elaboration at Board Meetings as and when required.

Terms of Reference

The Audit Committee has a Board approved Terms of Reference designed to delegate authority and establish the duties and responsibilities and the scope of work of the Committee.

Responsibilities and Activities Carried Out During the Year

The Audit Committee carried out the following during the financial year ended 31st March 2026.

- Reviewed the activities and the financial affairs of the Company and its subsidiaries to ensure that a reliable financial reporting system was in place.
- Reviewed and discussed the Group's unaudited quarterly interim financial statements with the management prior to approval for submission to the CSE.
- Reviewed and discussed the Group's annual financial statements with the management and the external auditors, prior to approval for publication, including the appropriateness of the accounting policies, material judgmental matters, and the extent of compliance with the Sri Lanka Accounting Standards adopted by the Company and its subsidiaries. The Committee also met with the External Auditors, prior to the finalisation of the financial statements.
- Reviewed and discussed with the management and the external auditors the adequacy of disclosures in the financial statements as required by applicable laws, rules, and guidelines.
- Met with the External Auditors after the completion of the Audit to discuss initially the Audit Process and thereafter to determine, among other matters, whether there had been any shortcomings that were seen during the course of the Audit.
- Reviewed the Statutory Compliance Reports submitted quarterly by the management to ensure that a proper framework is in place to comply with relevant rules, laws, and regulations. Reports from the internal auditors on these matters are also considered and discussed.
- Approved the Internal Audit Plan for the year, at the beginning of the year and monitored the implementation of such plans; reviewed the Internal Audit reports submitted every quarter with the management; and monitored the follow up action taken by the management to ensure that the recommendations proposed by the Internal Auditors have been implemented.

The Committee has reviewed with the management, the Internal Controls systems, and Risk Management procedures in the Group to identify any weaknesses. Having considered the actions taken to address the gaps identified, the Committee is satisfied with the implementation of the Group's internal controls and Risk Management Framework and that the Group's assets are adequately safeguarded.

The Committee is satisfied that the application of appropriate accounting principles and policies provides reasonable assurance that the financial statements of the Group give a true and fair view of the Company's performance.

Assurance from the Management

Representations and assurances were obtained from CEO, the Accountant, and the management team on the entity's finances and operations including assurances regarding provisions for possible liabilities. Compliance reports were reviewed to ensure adherence to statutory requirements, including CSE Rules, Sri Lanka Financial Reporting Standards, and the Companies Act No. 07 of 2007. Regular updates on HR and legal compliance matters were also obtained.

Compliances

The Committee is of the opinion that the Company is in compliance with the relevant legal and regulatory requirements including financial reporting requirements, CSE Rules, Companies Act and SEC Act and other relevant reporting related regulations and requirements.

Internal and External Auditors

The Committee is of the view that the Group's Internal and External Auditors have been effective and independent throughout the year.

The Committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to a conflict of interest. Due consideration has been given to the nature of the services provided by the Auditors and the level of audit and non-audit fees received by the Auditors from the Printcare Group. The Committee also reviewed the arrangements made by the Auditors to maintain their independence and confirmation has been received from the Auditors of their compliance with the independent guidance given in the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka. Having reviewed the scope and effectiveness of the external auditors, the Audit Committee has recommended to the Board of Directors, the re- appointment of Messrs. Ernst & Young, Chartered Accountants, as the external auditor for the ensuing year, subject to the approval of the shareholders at the Annual General Meeting.

Steven Enderby
Chairman, Audit Committee
31 August 2026

Members:
Mr. Vajira Kulatilaka
Independent Non - Executive Director

Ms. Devika Weerasinghe Independent Non-Executive Director

REMUNERATION COMMITTEE REPORT

The Remuneration Committee consists of three Independent Non-Executive Directors. The Committee considers and sets the current remuneration policy relating to senior management of the Company to support the strategic aim of the business by enabling the company to attract, motivate, develop, and retain high caliber senior executives. The Committee also ensures that the Company complies with regulatory and other statutory requirements.

The objective of the Printcare Remuneration Committee is to support the Board in fulfilling its corporate governance responsibilities with regard to matters relating to remuneration, and includes the following:

- To enable the Company to attract and retain senior executives with the appropriate professional, managerial and operational expertise, and the experience necessary to support the Company's mission and create value for Shareholders.
- To ensure that the remuneration packages of senior executives are linked to individual performance, responsibility, expertise, and contribution.
- To practice policies, which will reward the Chief Executive Officer and senior executives in a fair and responsible manner based on the financial performance of the Group.
- To ensure that the Company has in place appropriate remuneration policies and an effective system to monitor its implementation.
- To ensure that disclosures in the financial statements related to remuneration meet all relevant legal and statutory requirements.
- The Remuneration Committee is responsible for reviewing and recommending the framework and policy for remuneration of Senior Management, Executive Directors and Independent Non-executive Directors of the Company. It is ensured that the remuneration at each level of management is competitive and based on performance they are rewarded in a fair manner.
- The aggregate remuneration of the Executive and Non-Executive Directors is disclosed in the note 24 of the financial statements.

Terms of Reference

The Remuneration Committee has a Board approved Terms of Reference designed to delegate authority and establish the duties and responsibilities and the scope of work of the Committee.

The Committee has reviewed all significant Human Resource policies, initiatives and salary structures and the terms and conditions relating to the Chief Executive Officer and other senior management staff to ensure that it has been structured in a manner that is fair and equitable to both the employee and the Company.

Steven Enderby
Chairman, Remuneration Committee
31 August 2026

Members:
Mr. Vajira Kulatilaka
Independent Non - Executive Director

Ms. Devika Weerasinghe
Independent Non - Executive Director

RELATED PARTY TRANSACTION REVIEW COMMITTEE REPORT

The Related Party Transaction Review Committee (RPTR) is appointed by the Board in accordance with the Code of Best Practice on Related Party Transactions issued by the Securities & Exchange Commission of Sri Lanka and section 9 of the Listing Rules of the Colombo Stock Exchange.

The Committee is comprised of three Independent Non- Executive Directors.

Primary Function Of The Committee

- To review in advance all proposed related party transactions of the Group as defined by the Code, either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such review, prior to the completion of the transaction.

- To seek any information the Committee requires from management, employees or external parties with regard to any transaction entered into with a related party.

- To obtain knowledge or expertise to assess all aspects of proposed related party transactions, including where necessary obtaining appropriate professional and expert advice from suitably qualified persons.

- To monitor and recommend the acquisition or disposal of substantial assets between related parties, including obtaining competent independent advice from independent professional experts with regard to the value of the substantial asset of the related party transaction.

- To review all transactions with related parties to determine whether any further action is required and/ or recommend, where necessary, to the Board and obtain their approval prior to the execution of any related party transaction.

- To monitor and recommend the acquisition or disposal of substantial assets between related parties, including obtaining competent independent advice from independent professional experts with regard to the value of the substantial asset of the related party transaction.

- To review all transactions with related parties to determine whether any further action is required and/ or recommend, where necessary, to the Board and obtain their approval prior to the execution of any related party transaction.

- To monitor and determine that all related party transactions of the entity are transacted on normal commercial terms and are not prejudicial to the interests of the entity and its minority shareholders.

- To review the transfer of resources, services or obligations between related parties regardless of whether a price is charged.

- To review the economic and commercial substance of both recurrent/non recurrent related party transactions.

- The Committee ensures that no Director of the Company shall participate in any discussion of a proposed related party transaction for which he or she is a related party, unless such Director is requested to do so by the Committee for the express purpose of providing information concerning the related party transaction to the Committee.

- Make recommendations to obtain shareholder approval for applicable related party transaction as per the provisions in the Code of Best Practice and Section 9 of CSE Listing Rules. Such approval shall be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.

- The Committee shall make immediate market disclosures on applicable related party transactions as required by the CSE Listing Rules.

Activities During The Year

The RPTR Committee held four meetings during the year under review. All recurrent and non-recurrent RPTs were submitted by Management on a quarterly basis to the committee for consideration and review.

The Committee is satisfied that all RPTs have been reviewed by the Committee during the year 2025/26.

The proceedings of the RPT Committee meetings have been communicated to the Board of Directors through verbal briefings, and by the tabling of the minutes of the Committee's meetings of the Board.

An affirmative declaration by the Board of Directors regarding compliance with related party transaction rules is included in the Annual Report of the Board of Directors on the Affairs of the Company, found on page 85 of this Annual Report.

Vajira Kulatilaka
Chairman, Related Party Transaction Review Committee
31 August 2026

Members:
Mr. Steven Enderby
Independent Non-Executive Director

Ms. Devika Weerasinghe
Independent Non-Executive Director

NOMINATION AND GOVERNANCE COMMITTEE REPORT

The Nomination and Governance Committee consists of two Independent Non-Executive Directors and one Non- Executive Director

Primary Function Of The Committee

- Evaluate provide advice and recommendations to the Board on the appointment of Directors to the Board of Directors and Board Committees.
- Consider and recommend (or not recommend) the re-appointment/re-election of current Directors.
- Review criteria such as the combined knowledge, experience, performance and key attributes required for eligibility to be considered for appointment to the Board.
- Consider the contribution made by the Directors to meet the strategic demands of the Entity and the discharge of the Board's overall responsibilities taking into consideration the number of directorships held by the Director in other Listed and Unlisted companies and other principal commitments.
- Establish and maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors.
- Establish and maintain a set of criteria for selection of Directors such as the academic/professional qualifications, skills, experience and key attributes required for eligibility, taking into consideration the nature of the business of the Entity and industry specific requirements.
- Establish and maintain a suitable process for the periodic evaluation of the performance of the Board of Directors and the CEO of the Entity to ensure that their responsibilities are satisfactorily discharged.
- Develop succession plan for Board of Directors and Key Management Personnel of the Entity.
- Review the structure, size and composition of the Board and Board Committees with regard to effective discharge of duties and responsibilities.
- Review and recommend the overall corporate governance framework of the Entity taking into account the Listing Rules of the Exchange, other applicable regulatory requirements and industry/ international best practices.
- Periodically review and update the corporate Governance Policies / Framework of the Entity in line with the regulatory and legal developments relating to same, as a best practice.
- Receive reports from the Management on compliance with the corporate governance framework of the Entity including the Entity's compliance with provisions of the SEC Act, Listing Rules of the Exchange and other applicable laws, together with any deviations/non-compliances and the rational for same.

During the year, the Nomination and Governance Committee was constituted by the Board to ensure compliance in accordance with the requirements of the Rule 9.11 of the listing Rules of the Colombo Stock Exchange on Corporate Governance.

Vajira Kulatilaka
Chairman, Nomination & Governance Committee
31 August 2026

Members:
Mr. Steven Enderby
Independent Non - Executive Director

Mr. A. N. Esufally
Non - Executive Director

RISK MANAGEMENT

Risk management is a core component of our business strategy, ensuring resilience and long-term sustainability. It involves systematic identification, evaluation, and prioritization of risks, followed by the effective allocation of resources to minimize, monitor, and control their potential impact. Recognizing the competitive and dynamic business environment in Sri Lanka and globally, the Company is committed to proactive risk management practices.

While risks cannot be entirely eliminated, a structured and transparent Enterprise Risk Management (ERM) framework enables us to identify, assess, and manage risks in a controlled and informed manner, striking the right balance between risk and return. The adoption of lean practices, including "value stream mapping," continues to strengthen our responsiveness to customer demand.

The Board of Directors bears overall responsibility for maintaining a sound system of internal control and risk management. The Audit Committee, acting on behalf of the Board, works closely with management to oversee the process and ensure its effectiveness. Risk review is a standing agenda item at Audit Committee meetings, reinforcing the importance placed on continuous monitoring.

Our ERM framework is regularly reviewed and enhanced to align with regulatory requirements, global best practices, and evolving market dynamics. Printcare upgraded its risk management system in line with ISO 31000 standards, adopting a comprehensive, enterprise-wide approach. This integrated system enables the Group to evaluate the impact of risks across all operations, processes, stakeholders, and services.

Implementation of the risk management process is carried out through Steering Committees at the Business Unit level, under the supervision of the Group Risk and Compliance Unit. These committees, comprising representatives from multiple disciplines, are tasked with identifying, evaluating, and managing risks, as well as reviewing the process on an ongoing basis.

Risks are classified under four key categories: Strategic, Compliance & Regulatory, Financial, and Operational. Each risk is assessed for both its likelihood and business impact on a scale of 1 to 5, with results mapped into a risk matrix ranging from 'Insignificant' to 'Ultra Risk.' This quantitative assessment allows the Company to prioritize risks effectively and design appropriate mitigation strategies.

The ultimate objective of our risk management framework is to safeguard the Group's people, assets, and operations, ensuring business continuity and sustained delivery of value to all stakeholders.

Key Risks and Mitigation Strategies

The Group operates in a dynamic and challenging environment, both locally and globally, and is exposed to a wide range of risks. A summary of the key risks identified, their implications, and the strategies adopted to mitigate them are outlined below:

	Risk Exposure	Implication	Mitigating Actions
01	Loss of Principals & Business Partners	Global mergers, acquisitions, and competitive pressures may result in the loss of key principals or business partners, adversely impacting growth prospects.	• Ongoing evaluation of existing relationships and strategies to strengthen them. • Exploration of new partnerships locally and internationally. • Active participation in global trade fairs, expos, and webinars to identify trends and expand the customer base.
02	Dependency on Few Industries/ Products	Heavy reliance on limited industries creates performance volatility.	• Development of new packaging solutions using existing capabilities. • Investment in high-tech machinery to expand product lines and enable faster, customized deliveries. • Diversification into many sectors such as Tobacco, Pharmaceuticals, Apparel, Security Printing, Education, Distilleries, and FMCG.
03	Raw Material Price Increases/ Shortages	As paper is the Group's largest cost component, price fluctuations or supply shortages can erode margins and damage customer confidence.	• Development of alternative material sources for key materials. In a rush to source alternatives ,quality may suffer, affecting brand reputation and customer satisfaction. • Strategic stockpiling of fast-moving paper grades. • Negotiation of fixed-price contracts for key substrates. • Strengthened relationships with strategic suppliers. • Continuous product innovation to identify substitutes.
04	Environmental Damage from Natural Disasters	Natural disasters may disrupt operations.	• Collaboration with insurers to identify gaps and preventive measures. • Facility upgrades across plants in Sri Lanka, Coimbatore, and Kenya to serve as partial backups.

	Risk Exposure	Implication	Mitigating Actions
05	IT System Failures	Disruptions in IT systems can severely impact operations and finances.	• Strengthened IT infrastructure and network security policies. • Independent audits of Disaster Recovery (DRP) and Business Continuity Plans (BCP). • Regular reviews of IT policies and employee compliance. • Changes to the existing policies/procedures on the use of e-platforms were critically evaluated to improve the internal controls. • Enhanced internal controls for digital platforms.
06	Scarcity of Skilled Workforce	Shortages of competent professionals pose operational and strategic challenges.	• Building a strong employer brand to attract talent. • Well focused structured training, career development, and job rotations at all levels. • Performance-based reward systems for senior management. • Regular employee surveys to improve engagement. Increase awareness among Gen Z about the career opportunities in Printing Trade . • Benchmarking compensation against market standards.
07	Fraud, Human Error, Operational Inefficiencies, Loss of Data and disclosure of sensitive information.	Weak internal controls may lead to losses from fraud, errors, or disclosure of sensitive data.	• Clear systems, policies, and procedures to strengthen internal controls. • Periodic independent reviews of processes. • Independent internal audits by an external firm with quarterly reporting to the Audit Committee.

	Risk Exposure	Implication	Mitigating Actions
08	Environmental Risks (Effluents, Emissions, Waste, Resource Depletion)	Regulatory non-compliance and environmental damage could harm reputation and operations.	• Strong environmental policies covering waste, water, energy, and emissions. • Upgrade from internal policies to science-based targets (SBTi) or ISO 14064 carbon footprint certification. • Ongoing energy conservation projects and adoption of eco-friendly technology. • Upgraded water treatment plants for recycling contaminated wastewater. • Introduce Zero Liquid Discharge (ZLD) systems to ensure no contaminated wastewater leaves the facility & acquire ZDHC certification • Publish annual sustainability / ESG reports audited by third parties to build stakeholder trust.
09	Regulatory Changes	Frequent amendments to local and international regulations increase uncertainty and compliance risks.	• Continuous monitoring of regulatory developments through expert consultations. • Dynamic internal processes to adapt to changes. • Participation in industry forums for policy clarity.
10	Currency and Interest Rate Volatility	Fluctuations in exchange and interest rates affect borrowing costs and overall performance.	• Active monitoring and forecasting of markets. • Application of hedging techniques to manage volatility. • Engagement with financial experts to assess trends. • Negotiation with banks to restructure loans on fixed terms.
11	Geopolitical Risks (Red Sea Conflict)	Disruptions in major shipping routes lead to higher costs and supply chain shortages.	• Carrying additional inventory. • Diversification of product sourcing.
12	Cybersecurity Threats	Increasingly sophisticated cyberattacks threaten data security and business continuity.	• Implementation of world-class preventive security measures and incident response (IR) plans. • Advanced threat isolation and containment systems. • Regular backups of critical data. • Best-in-class antivirus and security software, continuously updated.

SUSTAINABILITY REPORT

Message From the CEO

The direction of our industry is no longer in question. Sustainability has moved from the edge of the packaging conversation to the centre of it, pushed there by customers accountable for their own commitments, by resource costs that no longer trend downward, and by regulation growing both broader and more precise. At Printcare, we do not treat this as a compliance burden to be absorbed. We treat it as the ground on which the next decade of competition in our sector will be decided.

The clearest signal comes from Europe. The Packaging and Packaging Waste Regulation and the Deforestation Regulation set firm expectations on waste prevention, recyclability, responsible fibre sourcing and traceability, in the case of EUDR, back to the plot of land where a tree was grown. For a converter serving international brand owners, these are not distant policy debates. They are questions already appearing in tenders and supplier audits, and the quality of our answer is now a commercial variable.

Our response rests on three commitments.

The first is capability. Working with discerning customers we are investing in the ability to assess a material or a pack design against recyclability criteria before it reaches production, not after , and to reduce what we consume in making it.

The second is evidence. We have understood that a claim a customer cannot verify is worth very little. We are building the certification, chain-of-custody documentation and traceability data that allow our customers to stand behind what they put on shelf.

The third is partnership. Neither the recyclability of a pack nor the origin of its fibre is something a converter can resolve alone. These changes are largely driven by the customer. Conversely we are also working upstream with suppliers to secure traceable material, and passing that knowledge to our customers early in the design process, where the decisions that determine a pack's environmental outcome are actually made.

I am conscious that ambition in this area is easy to state and harder to deliver, particularly across the range of markets and material streams we serve. Progress will be incremental, and we intend to report it plainly ,including where we fall short.

What I am confident of is the direction. The companies that will lead this transition are those already doing the work rather than preparing to begin it. That is the position we are building for Printcare: not compliance at the last possible moment, but the capability to help our customers move first.

K. R. Ravindran
Chief Executive Officer

CORPORATE PROFILE

About Us

For over four decades, Printcare PLC has been at the forefront of Sri Lanka's printing and packaging industry, evolving into one of South Asia's leading providers of innovative printing, packaging, and digital media solutions. Combining advanced technology, operational excellence, and a strong commitment to sustainability, the Group delivers high-quality solutions to customers across five continents while continuously strengthening its global presence.

What began in 1979 as a small operation serving Sri Lanka's emerging tea bag industry has transformed into a diversified multinational packaging solutions provider. Through strategic investments in technology, manufacturing capabilities, and human capital, Printcare has established itself as a trusted partner to globally recognized brands, delivering value through innovation, quality, and reliability.

Today, the Group serves a broad portfolio of industries, including Tea, Apparel, FMCG, Pharmaceuticals, Telecommunications, Education, Publishing, Tobacco, Finance, and Lotteries. Its ability to provide end-to-end printing and packaging solutions, supported by internationally recognized quality standards and sustainable manufacturing practices, continues to strengthen long-term customer partnerships across local and international markets.

With a network of modern manufacturing facilities equipped with cutting-edge technology, Printcare maintains the flexibility and capacity to meet the evolving demands of global customers. The Group continues to be Sri Lanka's leading exporter of packaging and a significant contributor to the international value-added tea packaging industry. Reinforcing its position as an industry leader, Printcare PLC was honoured with the prestigious Master Printer Award—the highest recognition in Sri Lanka's printing and packaging sector—for two consecutive years, recognizing its outstanding achievements in print quality, innovation, and operational excellence.

Established in 1979, Printcare PLC was incorporated as a Private Limited Liability Company before being converted into a Public Limited Liability Company in 1994. The Group's corporate headquarters is located in Kelaniya, Sri Lanka, while its international operations extend through subsidiaries in India, the United Kingdom, and Kenya.

Within Sri Lanka, the Group comprises Printcare PLC together with its key subsidiaries—Printcare Universal (Pvt) Ltd, Printcare Secure Ltd, Printcare Premedia Services Ltd, The Lifepak Company – Pethiyagoda, and Printcare Digital Services (Pvt) Ltd—all headquartered in Kelaniya. Printcare Universal (Pvt) Ltd also operates a manufacturing facility in Mahara, while the newly commissioned Printcare Universal manufacturing facility in Wathurugama further expands the Group's production capacity and enhances its ability to serve a growing international customer base.

Beyond Sri Lanka, Printcare continues to strengthen its global footprint through Printcare India (Pvt) Ltd, Printcare Universal UK Ltd, and Printcare Packaging East Africa Ltd. This international network enables the Group to deliver innovative and sustainable packaging solutions efficiently while supporting customers across diverse geographic markets and reinforcing its vision of becoming a globally preferred printing and packaging partner.


PRINTCARE


FLEET WORKS
LONDON E.C.
HARRILD & SONS
ALBION
PRESS

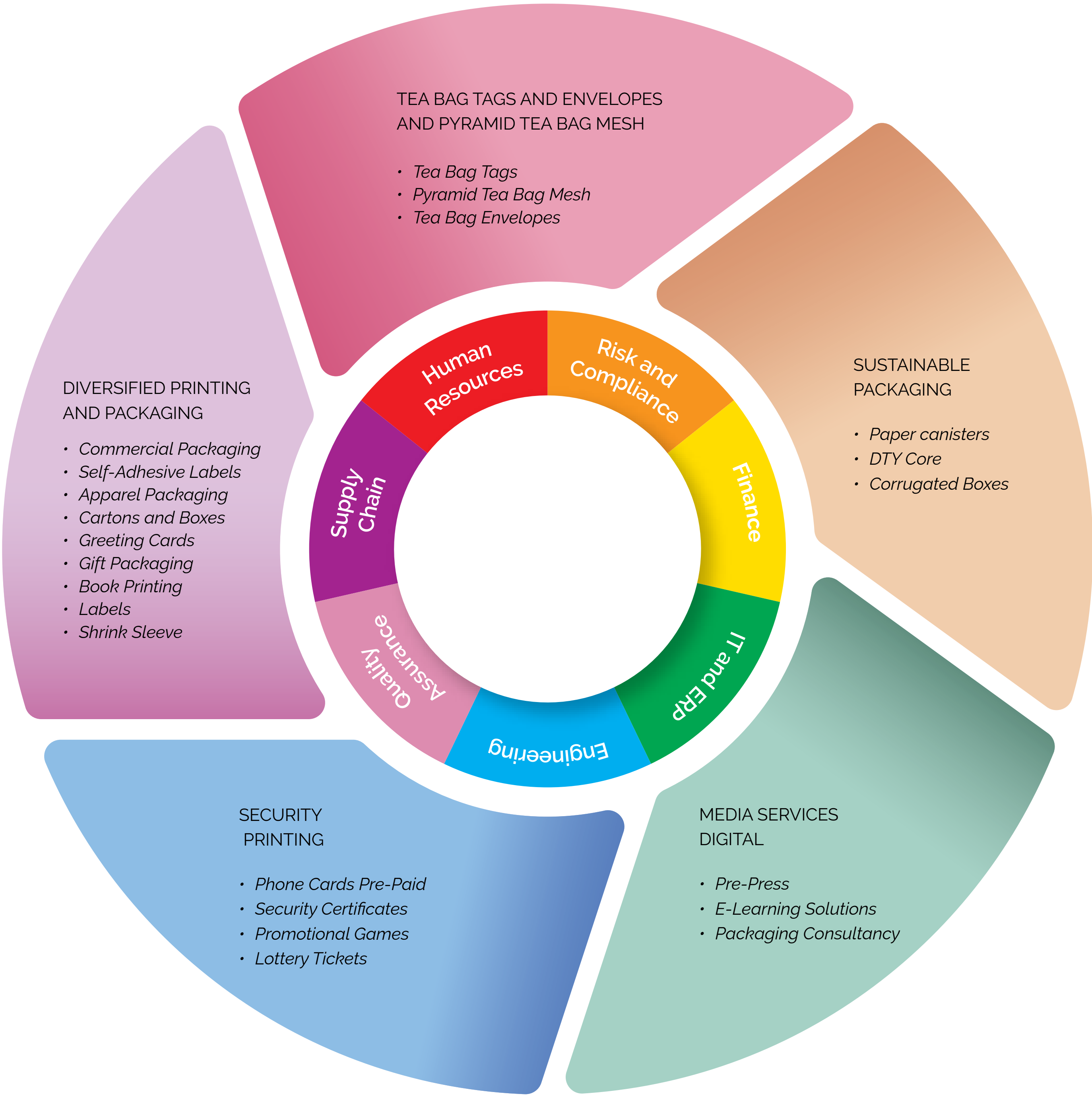
OUR CULTURE AND VALUES

At Printcare, our culture is the driving force behind our continued success, shaping the way we think, collaborate, and create value for our stakeholders. More than an organizational framework, it reflects the principles, integrity, and shared purpose that define who we are as an organization. Our unwavering commitment to these values cultivates trust, encourages innovation, and strengthens enduring relationships with our employees, customers, suppliers, and wider community. As the foundation of our corporate identity, these values guide strategic decision-making, operational excellence, and our commitment to sustainable growth and long-term value creation.

What We Do

Printcare provides a diverse portfolio of printing, packaging, and digital solutions, including tea bag tags and envelopes, cartons, secure prints, publications, digital media, sustainable packaging solutions, packaging design, and pre-press services.

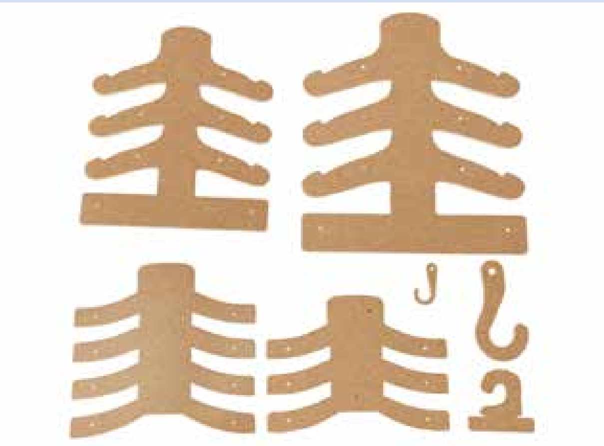
Partnering closely with our clients, we deliver innovative solutions while ensuring consistent quality and an enhanced customer experience. Our advanced printing technologies and skilled teams enable precision across every stage of production. Through strategic resource management and operational excellence, we remain agile, efficient, and focused on delivering high-value solutions.


TEA BAG TAGS AND ENVELOPES
AND PYRAMID TEA BAG MESH
• Tea Bag Tags
• Pyramid Tea Bag Mesh
• Tea Bag Envelopes
SUSTAINABLE
PACKAGING
• Paper canisters
• DTY Core
• Corrugated Boxes
MEDIA SERVICES
DIGITAL
• Pre-Press
• E-Learning Solutions
• Packaging Consultancy
SECURITY
PRINTING
• Phone Cards Pre-Paid
• Security Certificates
• Promotional Games
• Lottery Tickets
DIVERSIFIED PRINTING
AND PACKAGING
• Commercial Packaging
• Self-Adhesive Labels
• Apparel Packaging
• Cartons and Boxes
• Greeting Cards
• Gift Packaging
• Book Printing
• Labels
• Shrink Sleeve
Human Resources
Risk and Compliance
Finance
IT and ERP
Engineering
Quality Assurance
Supply Chain

OUR PRODUCT RANGE

Gift Packaging

Apparel Packaging



Paper Hangers

Eco Packaging

Self-Adhesive Labels

Cartons And Boxes

Diversified Printing and Packaging

Greeting Cards

Labels

Commercial Printing

Book Printing

Diversified Printing and Packaging

Tea Bag Tags And Envelopes

Pyramid Tea Bag Mesh

Tea Bag Tags, Envelopes and Pyramid Tea Bag Mesh

Pre-Paid Phone Cards

Lottery Tickets

Promotional Games

Security Certificates

Security Printing

Packaging Design, Pre-press, E-learning Solutions

AWARDS AND RECOGNITION

Sri Lanka National Print Awards 2026

Printcare's commitment to excellence in printing and packaging was recognised at the Sri Lanka National Print Awards 2026, where the Company was honoured with the prestigious Master Printer Sri Lanka 2026 title. Printcare also received 27 awards, comprising 10 Gold, 7 Silver, and 9 Bronze Awards, together with the Special Innovation in Printing Award, reflecting the Company's technical expertise, creativity, and continued commitment to innovation in printing and packaging.

Presidential Environment Awards 2025

Printcare was awarded the Silver Award at the Presidential Environment Awards 2025, recognising the Company's continued commitment to responsible environmental management and sustainable manufacturing practices.

INGRIN Golden Star Award for Excellence in Human Resource Development 2025

Printcare received the Golden Star Award for Excellence in Human Resource Development 2025 at the 19th INGRIN Award Ceremony, recognising the Company's commitment to developing professional capabilities and investing in its people through continuous learning and skills development.

OUR PRINTING & PACKAGING MATERIALS

ARE USED IN 70+ NUMBER OF COUNTRIES

We work with 350+ Customers

Significant Changes In The Group

During the reporting period, the Printcare PLC Group expanded its operations with the addition of Printcare Universal, Wathuragama, established to cater to the growing international demand for value-added books and calendars and to further strengthen the Group's capabilities in serving global markets.

Organizational Scale

During the year under review, Printcare continued to strengthen its operational capacity and organizational footprint, supported by a dedicated workforce of 831 employees and generating a net revenue of Rs. 13 billion. The Group's diverse portfolio of printing, packaging, and digital solutions, delivered through multiple manufacturing operations, reflects the scale and complexity of its business activities.

Due to the wide range of customized products manufactured across different operations and markets, the Company does not measure its total production output as a single consolidated volume indicator.

Certifications and Externally Developed Initiatives

Sri Lanka Business and Biodiversity Platform

Printcare is a proud patron member of the Sri Lanka Business and Biodiversity Platform, an initiative established by the Ceylon Chamber of Commerce, Dilmah Conservation, and the International Union for Conservation of Nature (IUCN). Through this platform, the Company engages with industry stakeholders to promote responsible business practices, strengthen biodiversity conservation efforts, and support sustainable development. The initiative provides a valuable platform for businesses to enhance environmental awareness, share best practices, and integrate biodiversity considerations into corporate sustainability strategies.

Training Partner of the Institute of Chartered Accountants of Sri Lanka

Printcare is a fully accredited training partner of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), supporting the development of future accounting and finance professionals through practical industry exposure. As a recognized training organization, the Company provides opportunities for aspiring professionals to gain hands-on experience in auditing, accounting, taxation, information technology, and related advisory services, contributing to professional capacity building within Sri Lanka.

ISO 9001:2015 Quality Management System Printcare PLC Printcare Universal (Pvt) Ltd (Kadawatha & Kelaniya) Printcare Pre-Media Services Ltd Printcare India (Pvt) Ltd Printcare Packaging East Africa (Pvt) Ltd	**ISO 14001:2015** Environmental Management System Printcare PLC Printcare Universal (Pvt) Ltd (Kadawatha & Kelaniya) Printcare Pre-Media Services Ltd Printcare Packaging East Africa (Pvt) Ltd	**ISO 45001:2018** Occupational Health & Safety Management System Printcare PLC Printcare Universal (Pvt) Ltd (Kadawatha & Kelaniya) Printcare Pre-Media Services Ltd	**FSSC 22000 Version 6** Food Safety Management System Printcare India (Pvt) Ltd
BRC GS "Grade A" "Issue 7" – Global Standard for Packaging and Packaging Material Printcare Universal (Pvt) Ltd The Lifepak (Pvt) Ltd Printcare PLC	SEDEX Member (Supplier Ethical Data Exchange) Printcare PLC Printcare Universal (Pvt) Ltd (Kelaniya) Printcare India (Pvt) Ltd Printcare Packaging East Africa (Pvt) Ltd	FSC Chain of Custody Certification FSC C115972 Printcare PLC Printcare Universal (Pvt) Ltd (Kadawatha & Kelaniya) Printcare India (Pvt) Ltd Printcare Digital Solutions (Pvt) Ltd	Customs Trade Partnership Against Terrorism (CTPAT) Printcare Universal (Pvt) Ltd (Kelaniya)
Printcare Universal (Pvt) Ltd (Kelaniya)	Halal Printcare India (Pvt) Ltd	Programme for the Endorsement of Forest Certification Printcare India (Pvt) Ltd	

Precautionary Approach

The Group Risk Steering Committee oversees the Company's risk management framework and ensures effective identification, evaluation, and mitigation of potential risks. The Committee is also responsible for **assessing emerging risks associated with social, environmental, and operational aspects to support informed decision-making. Further details regarding the risk management process are provided in the 'Risk Management' section on page 27 .

Corporate Governance

The Group Risk Steering Committee oversees the Company's risk management framework and ensures effective identification, evaluation, and mitigation of potential risks. The Committee is also responsible for assessing emerging risks associated with social, environmental, and operational aspects to support informed decision-making. Further details regarding the risk management process are provided in the 'Risk Management' section on page 11 .

REPORTING PRACTICE

Report Profile

This is our sixteenth Sustainability Report, and it has been prepared in accordance with the GRI Standards: Core Option. In preparing the content for this report, we have considered the topics that can have a material impact on our business, as well as the interests and expectations of our stakeholders. This report aims to provide a transparent overview of our environmental, social, and economic performance as defined by the Global Reporting Initiative (GRI). We view the compilation of this report not only as a reporting tool but also as a means of accountability for our activities and a mechanism to continuously improve our performance over time.

This report covers the period from 1 April 2025 to 31 March 2026 and follows an annual reporting cycle. Our previous Sustainability Report was published as part of the Printcare Annual Report 2025, which was released on 28 August 2025.

The Group's consolidated financial statements cover all nine companies mentioned in the 'About Printcare' section. However, except for the GRI disclosures on Net Revenue (102-7), Direct Economic Value Generated and Distributed (201-1), and Defined Benefit Plan Obligations and Other Retirement Plans (201-3), all other GRI disclosures reported are limited to Sri Lankan operations, namely the Kelaniya and Kadawatha plants. This approach enables us to establish a focused sustainability reporting framework across the Group while progressively expanding our reporting scope and enhancing performance through continuous improvement.

We have not yet pursued external assurance for our sustainability reporting; however, we are working towards obtaining assurance in the future.

Material Topics And Topic Boundaries

Printcare's Sustainability Report focuses on the sustainability challenges and topics that are most relevant to our stakeholders and business operations. To identify these areas, we conduct a structured materiality assessment. The material topics are determined by mapping them in the 'Materiality Matrix' based on their level of impact on Printcare and its stakeholders. During this process, key concerns identified through stakeholder engagement and issues that have the potential to become material are also considered.

As part of the materiality assessment, we identify where the impacts associated with material topics occur, both within and outside the Company. Within the Company, material topics affect the entire organization. Outside the Company, these impacts extend to areas such as the value chain, customers, government authorities, the environment, and communities. Based on this assessment, we identified 20 material topics.

Under the identified material topics, we report on 27 Topic-Specific Standards. Data measurement methodologies and calculation bases, including assumptions and techniques applied in compiling indicators and other reported information, are aligned with the indicator protocols provided under the GRI Standards.

There has been no change in the scope of this report, as the material topics and topic boundaries remain consistent with the previous year.

Restatements

There are no restatements or revisions to any information disclosed in previous reports.

Management Approach To Sustainability

At Printcare, sustainability is a fundamental component of our long-term business strategy and value creation approach. We recognize that responsible business practices, environmental stewardship, social responsibility, and climate resilience are essential to achieving sustainable growth while creating value for our stakeholders.

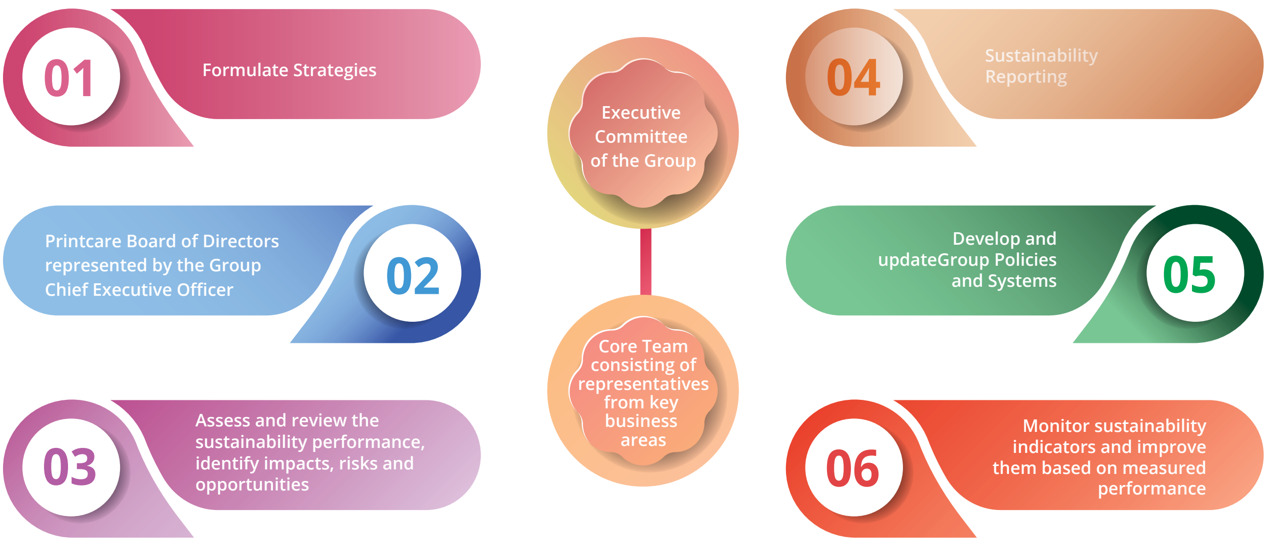
Sustainability considerations are embedded into our strategic decision-making processes through a structured governance approach. Our dedicated Sustainability Team, reporting directly to the Executive Committee, comprises representatives from key business functions across the organization. This cross-functional structure enables effective collaboration, monitoring, and continuous improvement of sustainability performance across identified material topics.

The team is responsible for coordinating sustainability initiatives across Group operations, with a focus on managing environmental and social impacts, including climate change-related risks and opportunities. Through initiatives focused on reducing greenhouse gas emissions, improving resource efficiency, strengthening environmental management practices, and enhancing social performance, Printcare continues to build organizational resilience and support a sustainable future.

By integrating sustainability principles into our operations and decision-making processes, Printcare remains committed to accountability, transparency, and continuous improvement while advancing our journey towards responsible and climate-resilient growth.

Our Sustainability Targets

- Integrate Sustainability into Business Operations Embed sustainability principles across the organization, ensuring that responsible and sustainable decision-making becomes an integral part of our corporate culture and day-to-day operations.
- Drive Continuous Improvement in ESG Performance: Strengthen our environmental, social, and governance performance by monitoring key sustainability indicators, evaluating progress, and implementing proactive initiatives that support long-term value creation.



Our Sustainability Journey

Environmental Achievements – 2025

Environment

- Won the Silver Award at the Presidential Environment Awards 2025
- Achieved Higg Facility Environmental Module (FEM) verification
- Partnered with the CEA to develop local recycling solutions for waste solvents and ink
- Initiated wastewater recycling and rainwater harvesting projects
- Conducted environmental awareness programmes across the Group
- Launched initiatives to reduce single-use plastics across operations
- Upgraded effluent treatment plants and increased water reuse
- Implemented energy efficiency projects, including capacitor bank upgrades and lighting improvements.

Workplace Initiatives

- Conducted awareness sessions on energy conservation, material efficiency, and environmental protection
- Continued annual workplace monitoring, including dust levels, emissions, illumination levels, and noise levels within factory premises.
- Conducted annual vision screening programmes for production employees at all levels.
- Facilitated health awareness programmes on Leptospirosis and Dengue in collaboration with the MOH Office, Kelaniya.

Health and Safety

- Upgraded fire detection systems across facilities to enhance emergency preparedness and response capabilities.
- Established a 24/7 Environmental, Health and Safety (EHS) team and hotline to ensure continuous monitoring and timely response.
- Introduced a QR code-based emergency reporting system to streamline incident reporting and improve responsiveness.
- Conducted employee awareness sessions through town hall meetings across facilities in collaboration with Medical Officers of Health (MOH) under the Ministry of Health.

What we plan to do next

Environment

- Initiate ZDHC certification to strengthen hazardous chemical management.
  Obtain Zero Waste to Landfill certification.
  Continue community and school CSR initiatives.
- Commit to the Science Based Targets initiative (SBTi) and develop a roadmap towards the Net Zero 2050 ambition.
- Build employee competencies in climate change, resource efficiency, and circular economy practices through awareness, training, and capacity-building initiatives.
- Obtain Eco-label certification for sustainability products

Workplace Initiatives

- Scheduled to conduct a drug prevention and employee well-being awareness programme series under the "A Nation United" national mission across the Group
- Organize health awareness campaigns on Chikungunya and Dengue prevention to strengthen employee and community health resilience.
- Plan to implement a comprehensive ergonomics programme across workstations to enhance employee comfort, safety, and productivity.

Health and Safety

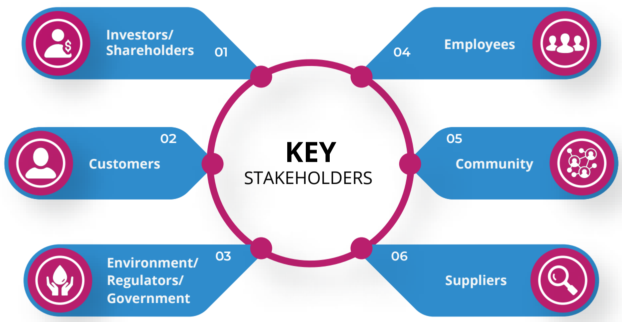
- Planning to obtain the National Occupational Safety and Health Excellence Award, recognizing our commitment to workplace safety and well-being.
- Aiming to expand awareness sessions and training programs on health and safety topics to reach all employees across facilities.
- Will enhance preventive measures and safety protocols to uphold an accident-free workplace culture.

OUR STAKEHOLDERS

At Printcare, stakeholders are defined as individuals, groups, or organizations that can influence or are influenced by our activities, operations, and business decisions. We recognize that meaningful engagement with stakeholders is essential to understanding expectations, identifying emerging concerns, and creating long-term value.

Our business activities involve continuous interaction with a diverse range of stakeholders. Maintaining open, transparent, and trust-based relationships enables us to strengthen collaboration, address stakeholder expectations, and make informed decisions that support sustainable growth.

KEY STAKEHOLDERS OF PRINTCARE



Stakeholder Engagement Process

Stakeholder engagement is an integral component of Printcare's sustainability approach and supports the alignment of our sustainability priorities with business objectives. We recognize that stakeholder perspectives provide valuable insights into environmental, social, and economic matters that may impact our operations and value creation process.

Printcare follows a structured and inclusive stakeholder engagement approach, considering the interests, expectations, and concerns of key stakeholder groups. While routine engagement is conducted through regular interactions managed by respective business functions, a comprehensive stakeholder engagement process is carried out periodically to obtain broader insights from identified stakeholder groups across the Group.

The stakeholder engagement process enables Printcare to identify material topics, strengthen relationships, and continuously improve our sustainability performance.

Engagement with Our Key Stakeholders

Stakeholder	Importance of engaging with them	How we engage	Key issues	How we respond to these issues
Customers	They are the reason we are in business. Therefore by engaging with our customers we can broaden our understanding of our customer needs and expectations. This will help us identify the areas of business that needs to be improved and will also assist in building customer loyalty.	Direct feedback through regular weekly, monthly and annual meetings Customer visits Customer engagement surveys Printed reports Corporate website	Product quality Price Service standards On time delivery Certifications and compliance with standards Ethical operations Sustainable practices Innovative printing and packaging solutions	Adhering to various quality standards such as ISO, BRCGS / Adhering to various quality Sourcing of more environmentally friendly raw materials Set up a new product development team for continuous developments and new innovations Constantly finding solutions to reduce costs More involvement with the community and environment through sustainable practices
Employees	Employees are the foundation that our business is built on. Engaging with them help us retain and motivate our employees and it makes Printcare a great place to work at.	Workers' representative meetings Employee engagement surveys Regular one-on-one meetings Open door policy Semi-annual performance review The internal newsletter 'Vision' Annual events Training and development programmes	Remuneration and benefits Career progress Health and safety Training and development Organizational ethics Job security Awareness on company policies	Performance Evaluation Development Plan (PEDP) has been implemented which facilitate transparent evaluation, dialogue and performance based remuneration and rewards Providing more training programmes and learning initiatives to all employees across the Group Continuous monitoring of occupational hazards, risks and implementation of safety controls by the Health and Safety Committee

Stakeholder	Importance of engaging with them	How we engage	Key issues	How we respond to these issues
Suppliers	They coexist to fulfill customer needs and expectations They can be used as a resource to develop supplier business efficiencies.	Regular one-on-one meetings with suppliers and business partners Supplier engagement surveys Conference calls and emails	Fair business practices and collaboration on new developments Regular meetings Payment terms and conditions	Products are purchased only from qualified sources Supplier performance is monitored Semi- annually
Investors/ Shareholders	As they provide capital to drive our business it is important for us to engage with them to have access to growth capital.	Annual General Meeting Distribute quarterly financial reports that provide timely feedback on our financial performance Corporate website with frequent updates	Investor returns Strong governance Risk management Sustainable growth	Continuously developing measures to improve governance and reduce risks Launching new products Investing in new machines and providing new facilities
Environment and regulators	We affect the environment we operate in therefore engaging with them is important as it will help reduce our environmental footprint by pursuing better environmental management practices.	Ongoing meetings to design environmentally friendly systems, processes and products Environmental audits are carried out as part of ISO 14001 Implementation	Effluent and Waste Use of materials obtained from sustainable sources Resource consumption	Monitoring and managing waste Implementing initiatives to reduce the impact on the environment
Local community	To maintain our reputation and gain the full support of our neighbours. This will improve better communication which will promote enhanced community relations.	Regular meetings with key community institutions Corporate Social Responsibility programmes	Health and safety Economic welfare Education of children	Engaging in various projects towards the benefit of the community

OUR ECONOMIC IMPACT

Economic Performance

Management Approach

As a leading printing and packaging solutions provider in the region, Printcare recognizes its role in generating economic value and contributing to sustainable economic development.

The Company's economic performance creates direct and indirect impacts across a wide range of stakeholders, including shareholders, employees, suppliers, customers, government authorities, and local communities.

Printcare is committed to enhancing positive economic contributions while managing potential risks associated with its operations. The Company's approach to economic performance extends beyond financial results, focusing on responsible value creation, sustainable business growth, and strengthening relationships with stakeholders.

The Group's direct economic contributions include value generated through business operations and distributed among stakeholders through investor returns, employee salaries and benefits, payments to suppliers, and statutory payments including taxes and other government levies. Indirect economic impacts include supporting local economic development through supplier engagement, employment opportunities, business partnerships, community initiatives, and investments that contribute to a stronger business ecosystem.

Printcare continuously evaluates its responsibilities, obligations, and potential impacts within the markets and communities where it operates. By integrating local suppliers into its value chain where feasible, providing employment opportunities to surrounding communities, and supporting community development initiatives, the Group aims to be a responsible growth partner for all stakeholders.

Economic Value Statement

The Economic Value Statement presents the value generated by Printcare through its operations and the distribution of this value among key stakeholders. It highlights the economic contributions made through dividends to shareholders, salaries and benefits provided to employees, payments made to government authorities through taxes and levies, and social investments supporting community development.

Further details regarding operating costs, employee compensation, and shareholder returns are disclosed in the Group's Financial Statements. This section specifically highlights the economic value distributed through government contributions and community-focused investments.

	2025/26 Rs.'000	2024/25 Rs.'000
Direct Economic Value Generated		
Revenue	12,911,468	12,264,120
Other Income	560,541	520,655
Total	**13,472,009**	**12,784,775**
Economic Value Distribution		
Operating Costs	11,064,650	9,838,973
Employee Wages & Benefits	2,260,290	2,485,615
Payment to Providers of Funds	949,841	869,488
Payment to Government	250,718	149,017
Community Investment	1,455	879
Total	**14,526,952**	**13,343,972**
Economic Value Retained		
Depreciation & Amortization	799,441	568,051
Retained Profit	(1,854,384)	(1,127,248)

Defined Benefit Plan Obligations

Printcare provides a retirement plan for its workforce by using general resources to pay the obligations to retired employees. Employees with more than 5 years of service are entitled to half of the last months' salary for every year of service on termination under the Payment of Gratuity Act No. 12 of 1983.

Defined Contribution Plan Obligations

According to the terms of Employees' Provident Fund (EPF) Act No. 15 of 1958 and its subsequent amendments and Employees' Trust Fund (ETF) Act No. 46 of 1980 and its subsequent amendments, employees are eligible for EPF and ETF contributions. The companies contribute the relevant percentages of the eligible gross emoluments of employees to the respective Provident Funds and to the Trust Fund respectively, both of which are externally funded.

In relation to the rules of the provident fund, to which such contributions are made, the Group contributes 12% as the employers' contribution and the employees contribute 8% to the fund. Further, the Group also contributes 3% to the Employees' Trust Fund.

Market Presence

Management Approach

The Group's existence directly benefits the economic wellbeing of the community and its employees. Our business activities provide opportunities to local economies through employment, skills development, community investments and training. We focus on identifying the potential impacts from our operations by actively building strong community relations to strive to achieve development of the economy and strengthen our social license to operate.

Creating Opportunities in the Local Community

Printcare is committed to supporting local economic development by providing employment opportunities to individuals within the communities where it operates. The Company actively recruits employees from the local community, including representation within its management teams, enabling stronger connections with local stakeholders and a better understanding of community needs.

The Senior Management Team, comprising Executive Board Members, General Managers, Assistant General Managers, and Senior Managers, consists of 27 members, of whom 92% are from the Western Province, reflecting the Company's contribution towards developing and retaining local talent.

	2026 Rs.	2025 Rs.
Employer Contribution to the Trust Fund	31,827,870	29,518,411
Employer Contribution to the Provident Fund	127,588,411	118,073,642
	159,416,281	**147,592,053**

Procurement Practices

Management Approach

As a responsible printing and packaging solutions provider, Printcare recognizes the importance of sustainable and ethical procurement practices in creating value across its supply chain. The Company contributes to economic and social development by sourcing quality materials, products, and services while considering environmental and social impacts associated with procurement activities.

Printcare's procurement activities include the sourcing of direct materials required for printing and packaging operations, as well as indirect materials, services, and maintenance requirements. The Company promotes responsible sourcing practices by engaging with suppliers and ensuring procurement decisions are guided by the following principles:

- **Quality -** Procuring materials that meet required quality standards to ensure product excellence and customer satisfaction.
- **Cost Efficiency -** Obtaining required materials at competitive costs while maintaining quality and reliability.
- **Local Supplier Development –** Supporting the local economy by prioritizing local suppliers where required quality, capacity, and availability can be ensured.
- **Environmental Responsibility -** Considering environmentally preferable materials and engaging suppliers on environmental performance and improvement opportunities.
- **Service Reliability -** Evaluating suppliers based on delivery performance, reliability, and consistency of service.
- **Long-Term Partnerships -** Developing mutually beneficial relationships with suppliers through knowledge sharing, collaboration, and continuous improvement initiatives.

The significance of suppliers is assessed based on their direct and indirect impact on Printcare's operations, ensuring appropriate supplier management and engagement. The Company's key business functions are integrated and managed through its Enterprise Resource Planning (ERP) system to strengthen procurement controls, transparency, and efficiency.

A Procurement Committee comprising senior representatives from Procurement, Finance, Engineering, and subsidiary management oversees key procurement decisions across the Group, ensuring effective governance, accountability, and alignment with business and sustainability objectives.

Supply Chain

Printcare recognizes that strong supplier relationships are essential to maintaining operational excellence, ensuring timely delivery of products and services, and creating long-term value for customers. Suppliers are considered strategic partners, and the Company is committed to developing transparent, fair, and collaborative relationships that support mutual growth and sustainable value creation.

Supplier selection and evaluation are conducted through a structured screening process that considers key criteria, including commitment, quality, pricing, lead time, service performance, reliability, compliance, environmental practices, corporate responsibility, innovation capability, and safety performance. In specific instances where a particular material is available from a limited or single source, supplier evaluations are conducted considering the relevant business requirements and circumstances.

Printcare's supply chain network consists of diverse suppliers, including brokers, wholesalers, retailers, licensees, consultants, and service contractors. During 2026, the Group invested Rs. 10.8 billion in goods and services sourced globally, supporting its manufacturing operations and business activities.

The Group continues to enhance procurement efficiency, transparency, and governance through digital transformation initiatives. As part of this journey, Printcare has implemented an online bidding platform that enables registered suppliers to participate in procurement activities through real-time digital engagement.

The digital tendering system integrates preferred suppliers into a centralized database, enabling efficient monitoring of bids, improved comparison of supplier proposals, enhanced accuracy in contract documentation, and better procurement decision-making. This transformation has also improved operational efficiency by enabling faster communication with suppliers, reducing manual processes, and minimizing documentation requirements.

Supplier Diversity

Printcare prioritizes sourcing goods and services from local suppliers where it aligns with overall business viability. This policy supports the development of local businesses and skills, contributing to community upliftment.

However, due to the specialized nature of our operations and customer requirements, certain materials must be sourced externally, limiting the extent of local procurement.

In 2026, 25% of Printcare's purchases were made through locally based suppliers, while 75% originated from international sources. The value of local procurement increased by 4% compared to the previous year, despite limited availability of specific raw materials in the domestic market.

Key Factors that Affect Local Purchasing

Printcare continues to prioritize local sourcing where feasible. However, certain factors influence the extent to which materials can be procured domestically:

- **Customer Requirements -** Specific materials requested by clients are often unavailable in the local market, necessitating importation to meet production specifications.
- **Price and Availability -** For large-volume orders, it is more cost-effective to import materials in bulk. Additionally, local suppliers may not carry sufficient inventory to fulfill these requirements.
- **Quality Standards -** In some cases, locally available materials do not meet the high-performance standards required by Printcare. To ensure product excellence, we source from international suppliers without compromising on quality.

Anti- Bribery Corruption

Our Approach

Printcare's long standing commitment to doing business with integrity means avoiding corruption in any form, including bribery and complying with the anti-corruption laws of every country in which we operate. Ethical practices are placed as one of the core values of Printcare and it maintains a zero tolerance policy towards corruption and bribery in all its transactions.

It is our principle not to pay any sort of bribe or accept favours from customers, suppliers, politicians, government advisers or representatives, private person or company. It is not permitted to establish accounts or internal budgets for the purpose of facilitating bribes or influencing transactions.

Our top management is committed to operating and managing an ethical organization with a strong sense of responsibility towards all stakeholders. Therefore, our leadership team at the top is committed to positively influence our management and our people towards transparency, integrity, ethical and honest behaviour in all business operations. To create awareness of the Company's anti-corruption policies periodic training programmes are held for all employees.

In order to sustain our commitments we have also created a safe environment and procedures so that our people are able to report any unethical behaviours and violations they have identified using the whistle blowing mechanism at Printcare.

Anti-Bribery, Anti-Corruption and Ethics Training

Printcare's Anti-Corruption Policy is accessible through the Company intranet, "PrintcareWiki," and is included in the Employee Handbook provided to employees upon recruitment.

Ethical standards and anti-corruption protocols are integral components of the monthly induction programme conducted for all new hires.

The Human Resources Development team conducts periodic training programmes and awareness sessions covering key corporate policies, including anti-bribery and anti-corruption practices, child labour prevention, forced labour prevention, equal opportunities, diversity and inclusion, and whistleblowing mechanisms. These initiatives ensure that employees are aware of their ethical responsibilities and the Company's commitment to maintaining a transparent and responsible business culture.

OUR ENVIRONMENTAL RESPONSIBILITY

Environmental responsibility is a fundamental pillar of Printcare's sustainability strategy and long-term business success.

We are committed to minimizing the environmental impacts of our operations while creating sustainable value for our stakeholders through responsible resource management, environmental stewardship, and continuous improvement. By integrating environmental considerations into business decisions, investments, and day-to-day operations, we strengthen our resilience to emerging environmental challenges, including climate change, and support the transition towards a low-carbon and circular economy.

Our environmental management approach is founded on proactive risk management, regulatory compliance, and the efficient use of natural resources. Through clearly defined objectives and performance monitoring, we continuously enhance our environmental performance by reducing emissions, improving energy and water efficiency, minimizing waste generation, promoting circular economy practices, and protecting biodiversity. Environmental awareness and employee engagement remain key enablers in embedding a culture of sustainability throughout the organization.

At Printcare, our environmental strategy is guided by three core principles:

Environmental Management -

We are committed to minimizing the environmental impacts of our operations through effective environmental management systems, efficient resource utilization, pollution prevention, climate change mitigation, and the continuous improvement of environmental performance.

Environmental Integration –

Environmental sustainability is integrated into strategic planning, operational decision-making, and daily business activities. We continue to strengthen employee awareness and engagement, fostering a culture where environmental responsibility is shared across all levels of the organization.

Environmental Compliance –

We maintain full compliance with applicable environmental legislation, regulatory requirements, and other voluntary commitments while continuously strengthening governance, accountability, and environmental risk management across our operations.

Our commitment to environmental excellence is supported by internationally recognized management systems and sustainability frameworks, including ISO 14001:2015 Environmental Management System, Higg Facility Environmental Module (FEM), and FSC® Chain of Custody Certification. During the reporting year, our environmental management systems were strengthened through comprehensive internal reviews and independent third-party assessments, ensuring continual improvement and alignment with international best practices.

In recognition of these ongoing efforts, Printcare PLC was honoured with the Silver Award in the Printing and Packaging category at the Presidential Environment Awards 2025, reaffirming our commitment to environmental leadership, sustainable manufacturing, and responsible business practices.

Material Management and Circularity

Management Approach

Printcare recognizes that responsible material management is fundamental to sustainable manufacturing, operational efficiency, and environmental stewardship. Our material sourcing network supports business continuity while influencing the environmental footprint of our operations. Accordingly, we are committed to optimizing material use, improving resource efficiency, reducing waste, and promoting circular economy principles throughout the value chain.

Our material management approach integrates sustainability considerations into every stage of the material lifecycle and is guided by the following practices:

- **Material Planning –** Material requirements are accurately planned and forecast to optimize inventory levels, improve operational efficiency, and minimize material losses.
- **Responsible Procurement -** Materials are sourced in accordance with established quality standards, customer requirements, and applicable environmental criteria.
- **Efficient Material Utilization -** Materials are managed through controlled allocation, monitoring, and maintenance of accurate records to maximize utilization and reduce waste generation.
- **Recovery and Responsible Disposal -** Surplus materials are reused, recycled, or recovered wherever feasible, while unavoidable waste is managed through environmentally responsible disposal practices.

Printcare's integrated Enterprise Resource Planning (ERP) system provides comprehensive monitoring and analysis of material consumption, enabling data-driven decision-making, improved resource efficiency, and the continuous enhancement of material management practices across the Group.

Consumption of Materials

Printcare utilizes a diverse range of raw and packaging materials to manufacture high-quality printing and packaging solutions. Effective material management is essential to improving resource efficiency, minimizing environmental impacts, and supporting sustainable production across the Group.

The table below presents the principal material categories consumed during the reporting period, each of which contributes significantly to product quality, operational performance, and cost efficiency. Continuous monitoring and analysis of material consumption enable Printcare to identify opportunities for optimization, reduce material losses, and enhance resource utilization.

Supported by integrated data management systems, the Company continuously evaluates material consumption patterns to strengthen procurement planning, improve operational efficiency, and advance its sustainability and circular economy objectives.

Raw Materials	2026	2025
Paper and Board	49,762 MT	44,960 MT
Varnish	185 MT	177 MT
Ink	249 MT	262MT
Corrugated Boxes / Fluted Boxes	669 MT	667MT
Plates	96,293 Nos	90,174 Nos
Die-cutters	1,097 Nos	810 Nos
Foils	3,043,332 Meters	2,704,365 Meters
Oil	2,435 Liters	2,290 Liters

Estimations Used for Calculation

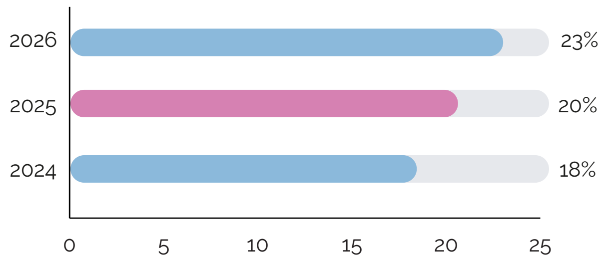
Certain material measurements are recorded numerically rather than by weight, requiring Printcare to apply estimation methods to maintain consistency and accuracy in reporting.

- **Corrugated Boxes –** These items are tracked by unit count rather than actual weight. To enable meaningful analysis, an estimated weight is derived using average weight calculations.
- **Printing Plates & Die-cutters –** Due to the varied sizes of plates and Die - cutters used across different facilities, it is not feasible to calculate an average weight. As a result, usage is recorded by quantity instead of total weight.

Use of Recycled Materials

Printcare promotes the use of recycled materials as part of its commitment to responsible resource management, circular economy principles, and reducing the environmental impacts of its products. The Company actively encourages sustainable material choices while continuing to meet customer quality and performance requirements.

As packaging solutions are manufactured according to individual customer specifications, the selection of recycled or virgin fibre-based materials is primarily determined by customer requirements and product applications. During the reporting period, recycled materials represented approximately 23% of the Group's total material consumption, supporting our ongoing efforts to improve resource efficiency and promote sustainable sourcing..



Helping Customers Make Responsible Choices

Printcare supports responsible consumption by offering sustainable materials, innovative packaging solutions, and internationally recognized certified products that enable customers to make environmentally responsible purchasing decisions.

- **Sustainable Materials and Packaging Solutions –** Customers are encouraged to select environmentally preferable options, including recycled and FSC-certified paper and board. Printcare also offers innovative sustainable packaging solutions, such as paper canisters and home-compostable packaging, designed to reduce environmental impacts while meeting customer and market requirements. In addition, the Company uses mineral oil-free inks derived from renewable resources with non-fossil carbon content, supporting a lower environmental footprint throughout the product lifecycle.

- **FSC® Chain of Custody Certification –** Printcare's FSC® Chain of Custody Certification provides customers with confidence that certified forest-based materials are sourced from responsibly managed forests and are traceable throughout the supply chain. The certification ensures the integrity and segregation of certified materials from source to finished product, supporting responsible forest management and enabling customers to make informed and sustainable purchasing choices.

Energy Management and Climate Change

Our Approach

Printcare recognises the importance of efficient energy management and addressing the potential impacts of climate change on its operations. The Group is committed to improving energy efficiency, reducing unnecessary energy consumption and progressively increasing the use of cleaner energy sources.

Printcare's approach focuses on:

- **Energy Efficiency –** Improving energy performance through monitoring, process improvements and energy-efficient technologies.
- **Renewable Energy –** Increasing the use of renewable energy and reducing reliance on conventional energy sources.
- **Energy Conservation –** Implementing initiatives to minimise unnecessary energy consumption across operations.
- **Climate Resilience –** Strengthening operational resilience to potential climate-related impacts such as extreme weather, water-related risks and disruptions to operations.

Energy Management

Printcare regularly monitors energy consumption and identifies opportunities to improve energy efficiency. Energy-efficient equipment and technologies are considered where feasible, while conservation initiatives are implemented across operations to reduce energy consumption and associated environmental impacts.

The Company also continues to increase its utilisation of renewable energy through solar power and evaluates further opportunities to expand renewable energy generation and use.

Climate Change

Printcare recognises that climate change may affect manufacturing operations, infrastructure, energy availability, water resources and supply-chain continuity. Accordingly, the Company considers climate-related risks as part of its broader environmental and operational risk management approach.

During the reporting period, Printcare continued initiatives that contribute to climate resilience, including:

- increasing renewable energy utilisation;
- improving energy efficiency;
- strengthening water conservation and rainwater management;
- improving environmental management practices;
- maintaining emergency preparedness and business continuity measures; and
- monitoring environmental and operational risks.

At present, Printcare has not established a formal organisational GHG emissions calculation process or independently quantified its Scope 1, Scope 2 and Scope 3 emissions. The Company recognises the importance of strengthening its GHG emissions management and intends to progressively develop appropriate measurement and monitoring processes.

Looking Ahead

Printcare will continue to strengthen its energy and climate management approach by improving energy performance, increasing renewable energy utilisation, developing its GHG emissions measurement capability and identifying appropriate climate-related targets and actions.

Energy Consumption and Renewable Energy Initiatives

Non-Renewable Energy	2026 Giga Joules (GJ)	2025 Giga Joules (GJ)
CEB Units	6,647	6,812
LECO Units	23,775	24,627
Diesel	769	1,228
Total Energy Consumption	31,190	32,667

Printcare Sri Lanka operations are primarily powered by electricity supplied through the Ceylon Electricity Board (CEB) and Lanka Electricity Company (Pvt) Ltd (LECO). Diesel consumption associated with generator operations.

During the reporting period, total energy consumption across the Sri Lankan operation decreased by 4.5%, reflecting the positive impact of energy efficiency initiatives and conservation measures implemented across operations.

As part of Printcare's commitment to reducing its environmental footprint and supporting the transition towards renewable energy, the Company achieved a significant milestone with the installation and commissioning of a 500 kW industrial solar power system at one of its Kelaniya facilities. This initiative represents an important step towards increasing renewable energy utilization and reducing dependence on conventional energy sources.

Printcare will continue to expand its renewable energy initiatives through a phased approach, with future projects focused on increasing renewable energy contribution, improving energy efficiency, and supporting the Group's long-term climate action goals.

Energy Intensity

	2026	2025
Energy Intensity Ratio (KJ)	3.13	3.20

Printcare continues to pursue improvements in the energy efficiency of its existing operations. To measure progress, the Group calculates its energy intensity ratio based on the turnover of its Sri Lankan operations. This ratio encompasses all non-renewable energy types reported in the preceding sections.

During the reporting period, Printcare's Sri Lankan operations recorded an energy intensity of 3.13 kilojoules per rupee earned—a benchmark that reflects the ongoing effort to optimize consumption and manage environmental impact across production facilities.

Water Management

Management Approach

Water is a critical resource that supports Printcare's manufacturing processes, employee well-being, and operational continuity. The Group is committed to responsible water stewardship by improving water use efficiency, reducing freshwater consumption, maximizing water reuse, and ensuring responsible wastewater management while complying with all applicable regulatory requirements.

Water management is integrated into the Group's Environmental Management System (EMS) and guided by the principles of efficient resource utilization, pollution prevention, and continual improvement. Water consumption is monitored regularly to identify conservation opportunities, while initiatives such as process optimization, wastewater treatment and reuse, and rainwater harvesting help reduce dependence on freshwater resources and enhance operational resilience.

The Group's primary water sources include the National Water Supply and Drainage Board (NWSDB) and groundwater extracted under the required regulatory approvals. Where necessary, additional water is obtained from authorized external suppliers to ensure uninterrupted operations.

During the reporting period, total water consumption across the Group's Sri Lankan operations decreased by 15.3% compared with the previous year, reflecting the effectiveness of the Company's water conservation initiatives and continuous efforts to improve operational efficiency. Printcare remains committed to further enhancing water performance through infrastructure improvements, employee awareness, and continuous monitoring to support the sustainable management of water resources.

Water Sources and Consumption

	2026	2025
Municipal Water Supplies (m3)	26,106	30,855
Ground Water (m3)	0	0
External Water Supply (m3)	49.5	27
Total Water Withdrawal (m3)	26,156	30,882

Waste Management and Resource Circularity

Management Approach

Printcare is committed to minimizing the environmental impacts associated with waste generation and wastewater discharge by adopting responsible waste management practices throughout its operations. Our approach is guided by the principles of the waste hierarchy—prevent, reduce, reuse, recycle, recover, and responsibly dispose—supporting resource efficiency, circular economy objectives, and pollution prevention.

Waste management is integrated into the Group's Environmental Management System, ensuring that waste generated across manufacturing and supporting operations is systematically identified, segregated, monitored, and managed in accordance with applicable legal and regulatory requirements. Continuous process improvements, employee awareness programmes, and operational controls enable the Company to reduce waste generation while increasing opportunities for material recovery and recycling.

Printcare manages both hazardous and non-hazardous waste through approved handling, storage, transportation, recovery, recycling, and disposal processes. Hazardous waste streams are carefully controlled to prevent adverse impacts on human health and the environment and are transferred only to waste management service providers authorized by the Central Environmental Authority (CEA). During the reporting period, the Group invested Rs. 7.8 million in the environmentally responsible management and disposal of hazardous waste, including effluent treatment plant (ETP) sludge, contaminated cotton waste, ink containers, electronic waste, and chemical waste.

Wastewater generated from manufacturing operations is treated through dedicated effluent treatment facilities prior to reuse or discharge in accordance with regulatory requirements. Printcare continues to invest in wastewater treatment, reuse initiatives, and waste minimization programmes to improve resource recovery, reduce environmental impacts, and strengthen its transition towards a circular economy.

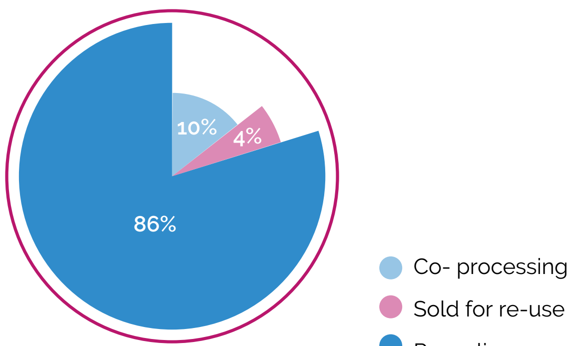
Waste Generation

Waste generation is closely monitored across Printcare's operations as part of the Group's commitment to improving resource efficiency and reducing the environmental impacts of manufacturing activities. Through process optimization, material utilization, and waste reduction initiatives, the Company continuously seeks opportunities to prevent waste generation and maximize resource recovery wherever practicable.

The table below presents the hazardous and non-hazardous waste generated during the reporting period. Hazardous waste streams include effluent treatment plant (ETP) sludge, contaminated cotton waste, foil-based materials, electronic waste, and other regulated liquid and solid waste generated through manufacturing processes. Monitoring these waste streams enables Printcare to evaluate performance, strengthen waste reduction initiatives, and support its long-term circular economy objectives.

	2026	2025
Hazardous Waste (MT)	66.3	52.8

	2026	2025
Non-Hazardous Waste (MT)	2,180	2124
Non-Hazardous Waste (Nos)	10,630	10,508



Waste Disposal and Recovery

Printcare prioritizes waste recovery and resource circulation by maximizing opportunities for reuse, recycling, and material recovery before disposal. Non-hazardous waste streams that can be recovered are diverted from landfill through resale, recycling, or beneficial reuse, supporting circular economy principles and reducing the environmental footprint of operations.

Hazardous Waste Treatment

Hazardous waste is managed through controlled collection, storage, transportation, and treatment processes in accordance with regulatory requirements and approved environmental practices. Key treatment methods include:

- **Co-processing and thermal destruction –** Contaminated cotton waste, chemical residues, ETP sludge, foil-based waste, and other hazardous process wastes are transferred to authorized co-processing facilities for high-temperature destruction and energy recovery.

- **Specialized recycling and recovery –** CFL lamps and other recoverable hazardous materials are handed over to CEA-authorized recyclers for safe material recovery and environmentally sound processing.

- **Electronic waste management –** E-waste generated across operations is collected separately and transferred to licensed e-waste recyclers for dismantling, component recovery, and responsible disposal.

- **Wastewater treatment and reuse –** Industrial wastewater is treated through dedicated effluent treatment facilities prior to reuse within operations or discharge in accordance with applicable environmental standards.

Non-Hazardous Waste Management

Non-hazardous waste is managed through segregation at source, recovery, recycling, and beneficial reuse initiatives across all facilities. Organic food waste from employee dining areas is collected separately and supplied to nearby agricultural users, while recyclable materials such as paper, plastic, and other recoverable waste streams are sold for reuse or transferred to CEA-approved recycling partners to support resource recovery and circular material flows.

Significant Spills

No significant chemical leaks, spills, or environmental contamination incidents were reported during the reporting period.

Environmental Compliance

Management Approach

Printcare is committed to maintaining the highest standards of environmental compliance by integrating legal and regulatory requirements into its environmental management framework. Compliance forms a fundamental component of the Group's governance approach, supporting responsible operations, effective risk management, and the protection of the environment.

Environmental compliance is monitored through regular internal evaluations, statutory inspections by the Central Environmental Authority (CEA), and independent third-party assessments. The effectiveness of the Group's environmental management system is further validated through internationally recognized certifications, including ISO 14001:2015 Environmental Management System, Higg Facility Environmental Module (FEM), and FSC® Chain of Custody Certification. These assessments provide assurance that environmental controls remain effective while driving continual improvement across the organization.

Compliance with Environmental Laws and Regulations

During the reporting period, all Group companies complied with applicable environmental legislation, permit conditions, and product-related environmental, health, and safety requirements. Consequently, no significant fines, penalties, sanctions, or non-monetary penalties were incurred, and the Group experienced no material incidents of environmental non-compliance or associated reputational impacts

BIODIVERSITY AND ECOSYSTEM MANAGEMENT

Printcare recognises the importance of protecting biodiversity and maintaining healthy ecosystems as part of its broader environmental management approach. The Company seeks to minimise the potential environmental impacts associated with its operations and supply chain while promoting responsible resource use and environmental stewardship.

Biodiversity Management Approach

Printcare's Kelaniya premises maintain areas of greenery within the site, contributing to the maintenance of vegetation and green spaces within the operational environment. While a formal biodiversity assessment has not yet been conducted at the premises, the Company recognises the importance of understanding its potential impacts and dependencies on biodiversity and ecosystems.

As part of its commitment to promoting environmental awareness and supporting biodiversity-related initiatives, Printcare conducted a tree-planting programme at a university in Kelaniya during the reporting period. Such initiatives contribute to increasing vegetation cover and promoting awareness of the importance of trees and ecosystems among the wider community.

Responsible Sourcing and Biodiversity

Printcare recognises that the sourcing of paper and fibre-based materials can have potential implications for forests, ecosystems and biodiversity. As part of its responsible sourcing approach, approximately **20% of materials procured by Printcare's Sri Lankan operations during the reporting period were FSC-certified**.

The Company continues to explore opportunities to increase the use of responsibly sourced materials and strengthen sustainable sourcing practices across its value chain. Responsible sourcing certifications such as FSC provide a mechanism for supporting more sustainable forest management practices and reducing potential environmental impacts associated with raw material sourcing.

Biodiversity Impact Assessment

During the reporting period, Printcare had **not conducted a formal biodiversity assessment** covering its operational sites or value chain. Consequently, the Company has not yet established a comprehensive quantitative assessment of its impacts on biodiversity, including the identification and evaluation of potentially significant biodiversity-sensitive locations.

Printcare recognises this as an area for further development and plans to conduct a biodiversity assessment to better understand its impacts and dependencies on biodiversity and ecosystems. The assessment is expected to support the identification of relevant risks and opportunities, prioritisation of significant impacts, and development of appropriate biodiversity management measures.

Environmental Incidents

No significant environmental incidents affecting biodiversity or ecosystems were recorded during the reporting period from **1 April 2025 to 31 March 2026**.

Printcare continues to manage its environmental aspects through its Environmental Management System and established controls relating to waste management, wastewater management, emissions, chemical management and resource consumption.

Future Commitment

Going forward, Printcare intends to strengthen its approach to biodiversity by improving the availability of biodiversity-related information, assessing the potential impacts of its operations and value chain, and identifying opportunities for conservation and ecosystem enhancement.

The planned biodiversity assessment will provide a foundation for establishing more specific biodiversity-related objectives, targets and management actions, where relevant, based on the significance of the Company's identified impacts.

OUR PEOPLE

Employee Diversity and Equal Opportunity

Management Approach

Our people remain central to Printcare's ability to deliver innovative packaging and printing solutions while sustaining operational excellence in a dynamic business environment. Their diverse skills, perspectives, and experience contribute to innovation, strengthen collaboration, and support the achievement of our strategic objectives. We are committed to fostering an inclusive, respectful, and high-performing workplace where every individual is empowered to contribute and succeed.

As an equal opportunity employer, Printcare is committed to providing a workplace where employment decisions are based solely on qualifications, competence, performance, and business requirements. Fair and equitable practices are maintained throughout the employee lifecycle, including recruitment, remuneration, learning and development, performance management, career progression, transfers, and all other employment-related decisions, without discrimination on the grounds of gender, sexual orientation, marital or civil partnership status, race, nationality, ethnicity, religion, disability, pregnancy, parental or caregiving responsibilities, gender identity, political beliefs, or any other protected characteristic.

Respect, dignity, and inclusion form the foundation of our workplace culture. Discrimination, harassment, bullying, intimidation, and unfair treatment are not tolerated under any circumstances. These principles are embedded in our policies, reflected in our leadership practices, and implemented in compliance with applicable employment legislation across all jurisdictions in which we operate. Any breach of these standards is addressed through appropriate disciplinary procedures, reinforcing our commitment to maintaining a fair, inclusive, and accountable workplace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Diversity of Our Workforce

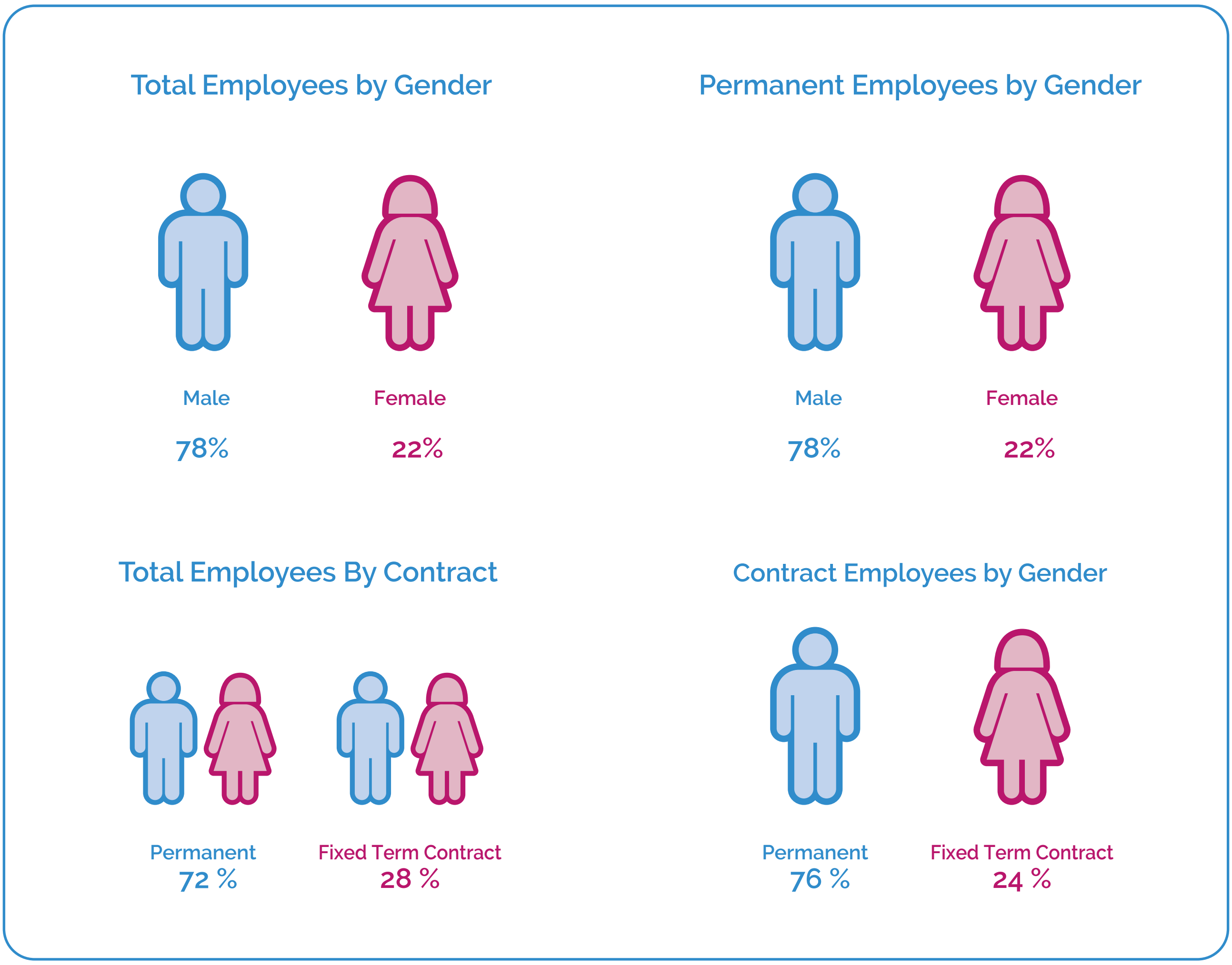
Printcare recognises workforce diversity as an important contributor to organisational capability, innovation, and sustainable business performance. An inclusive workforce enriched by diverse backgrounds, experiences, and perspectives encourages collaboration, broadens decision-making, and contributes to the creation of long-term value for our customers, employees, and other stakeholders.

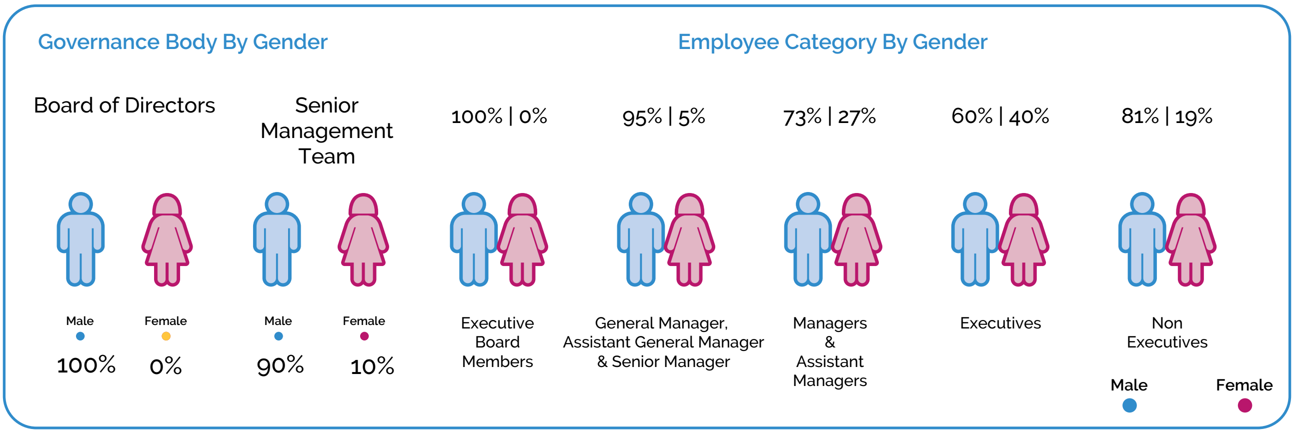
The Group's governance structure comprises the Board of Directors and the Senior Management Team, including General Managers, Assistant General Managers, Senior Managers, and functional leaders, who provide strategic direction and operational oversight across the business.

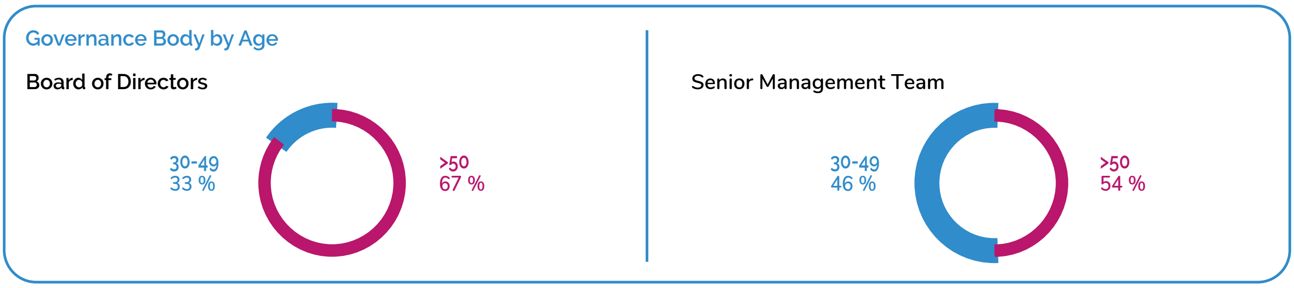
As at 31 March 2026, Printcare employed 831 full-time employees across its operations in Sri Lanka and Kenya. In addition, security and cleaning services were outsourced, with 50 personnel engaged through external service providers.

Workforce by Employee Category

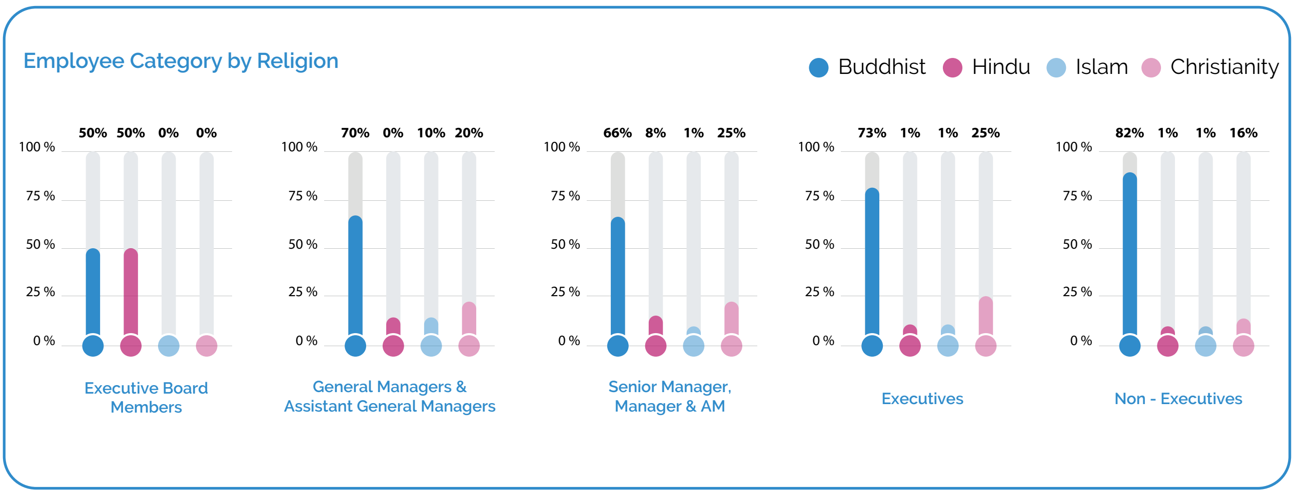
Employee Category	Total
Executive Directors	2
General Managers & AGM	22
Managers & Assistant Managers	80
Executives	124
Non - Executives	603
Total Workforce	831




Governance Body By Gender
Employee Category By Gender
Board of Directors
Senior Management Team
100% | 0%
95% | 5%
73% | 27%
60% | 40%
81% | 19%
Male
Female
Male
Female
100%
0%
90%
10%
Executive Board Members
General Manager, Assistant General Manager & Senior Manager
Managers & Assistant Managers
Executives
Non Executives
Male
Female


Governance Body by Age
Board of Directors
30-49
33 %
>50
67 %
Senior Management Team
30-49
46 %
>50
54 %


Employee Category by Age
<30
30-49
>50
0% 50% 50%
0% 41% 59%
2% 70% 28%
24% 58% 18%
39% 48% 13%
100 %
75 %
50 %
25 %
0 %
Executive Board Members
General Managers & Assistant General Managers
Senior Manager, Manager & AM
Executives
Non - Executives


Employee Category by Religion
Buddhist
Hindu
Islam
Christianity
50% 50% 0% 0%
70% 0% 10% 20%
66% 8% 1% 25%
73% 1% 1% 25%
82% 1% 1% 16%
100 %
75 %
50 %
25 %
0 %
Executive Board Members
General Managers & Assistant General Managers
Senior Manager, Manager & AM
Executives
Non - Executives

Ratio of Basic Salary and Remuneration of Women to Men

Printcare is committed to maintaining a fair, equitable, and performance-driven remuneration framework that recognises individual capability, experience, and performance, irrespective of gender. Our remuneration practices are designed to ensure employees receive equitable compensation for comparable roles, responsibilities, qualifications, and contributions.

Performance-based incentives and other components of remuneration are determined through objective performance evaluations that reflect both individual achievement and organisational performance. This approach supports pay equity while reinforcing a high-performance culture founded on fairness, transparency, and accountability.

The average salary ratio between male and female employees is presented in the table below. For reporting purposes, the "Managers" category includes the Chief Executive Officer, General Managers, Assistant General Managers, Managers, and Assistant Managers.

Employee Category	Male : Female
Managers	1 : 0.23
Executives	1 : 0.92
Non- Executives	1 : 1.58

Employment

Management Approach

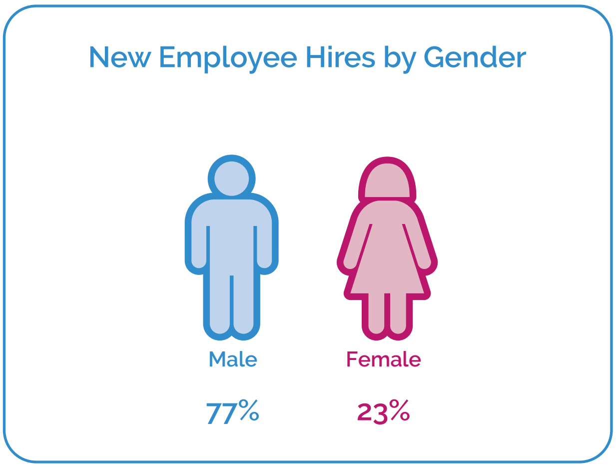
Our people are fundamental to Printcare's long-term success and continued ability to deliver value to customers and stakeholders. A capable, engaged, and motivated workforce enables us to sustain operational excellence, drive innovation, and support the Company's long-term strategic growth ambitions.

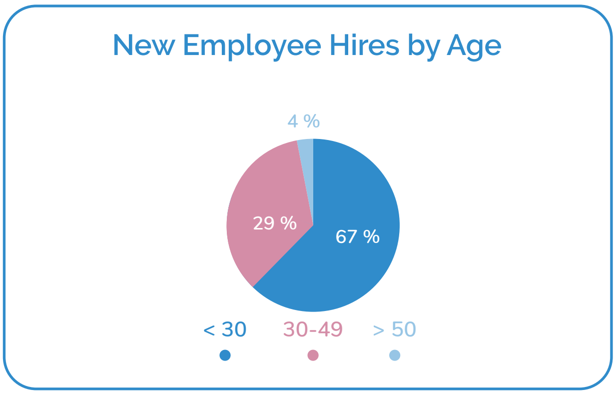
Creating a workplace that is safe, inclusive, ethical, and rewarding remains central to our people philosophy. Employees are encouraged to perform at their best while pursuing meaningful and fulfilling careers, supported by comprehensive human resource policies and practices that promote employee well-being, uphold fair employment standards, and foster a culture founded on trust, respect, and accountability.

Our people strategy is centred on attracting, developing, and retaining talent while strengthening leadership capability and organisational resilience. Structured learning and development, leadership programmes, succession planning, performance recognition, and employee well-being initiatives continue to build a future-ready workforce equipped to meet the evolving needs of our business and customers

New Recruitments

188 employees were recruited during the year with a new hire rate of 23%.



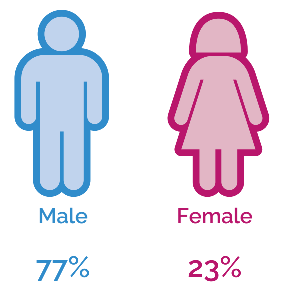


Employee Turnover

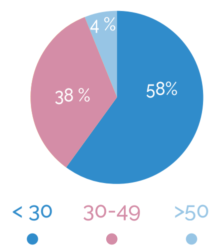
Printcare closely monitors employee turnover as an important indicator of workforce stability and organizational health. Employee retention is supported through proactive engagement initiatives, regular employee engagement surveys, open communication between employees and managers, continuous learning and development opportunities, and a comprehensive employee welfare programme.

During the reporting year, the Group recorded an employee turnover rate of 17%, compared with 14.2 % in the previous year. While turnover increased during the reporting period, we remain focused on deepening employee engagement, enhancing the overall employee experience, and strengthening organizational capability to support sustainable business performance.

Turnover by Gender



Turnover by Age



Parental Leave and Return to Work

Printcare's parental leave practices are aligned with the requirements of the Maternity Benefits Ordinance of Sri Lanka, ensuring eligible employees receive statutory maternity benefits. All 197 female employees within the Group are entitled to maternity leave in accordance with applicable legal requirements.

As paternity leave is not currently recognized under Sri Lankan employment legislation, the Company does not provide statutory paternity leave. However, Printcare remains committed to supporting employee well-being and maintaining a workplace environment that promotes work-life balance.

Following the completion of maternity leave, female employees who are nursing a child below one year of age are provided with two nursing intervals per working day, each lasting not less than one hour, in accordance with applicable legal provisions.

During the reporting period, 3 out of 197 eligible female employees utilized maternity leave, and 2 employees returned to work following the completion of their maternity leave. This represents a Return to Work Rate of 67%.

Labour Management Relations

Management Approach

Maintaining constructive labour relations is fundamental to sustaining employee engagement, operational effectiveness, and organisational performance. At Printcare, we cultivate a culture founded on mutual trust, open communication, collaboration, and shared accountability, recognising that strong employee relationships contribute directly to long-term business success.

Meaningful employee dialogue is encouraged through a range of structured communication platforms established by Management. Bi-monthly Worker Representative Meetings provide employees with a formal forum to raise concerns, share feedback, and contribute ideas for continuous improvement. Employee Engagement Surveys, conducted every two to three years, provide valuable insights that support the continuous improvement of workplace practices and the overall employee experience.

Complementing these initiatives, our Open-Door Policy enables employees to engage directly with Senior Management, including the Managing Director. This approach promotes transparency, responsiveness, and mutual respect, ensuring employee perspectives are heard and considered while fostering a collaborative and inclusive working environment.

Minimum Notice Period Regarding Operational Changes

While the Group has not established a formally prescribed minimum notice period for operational changes, significant organisational developments are communicated to employees in a timely manner, with appropriate notice provided based on the nature, scope, and potential impact of the change. Such changes are implemented in consultation with the relevant stakeholders to facilitate effective implementation and minimise disruption.

Transparent and timely communication remains an integral part of our management approach. The Managing Director conducts quarterly addresses to share updates, including any major organizational shifts.

Worker Representative Meetings and regular staff forums further strengthen two-way communication by providing employees with structured opportunities to raise concerns, share feedback, and remain informed of organisational developments.

Training and Education

Management Approach

Developing the knowledge, skills, and attitudes of our people remains fundamental to Printcare's long-term success. We are committed to fostering a learning-oriented workplace that equips employees with the competencies required to perform effectively, respond to evolving business needs, and contribute to the Company's strategic objectives.

Our learning and development approach combines structured training, continuous professional development, and knowledge-sharing opportunities that support individual career progression while strengthening organisational capability. Through these initiatives, employees continue to build technical expertise, leadership capability, and cross-functional collaboration across the business.

Continuous learning is embedded within our workplace culture through open dialogue, regular performance discussions, and structured career development aligned with our people practices. As an integral part of our Human Resources strategy, training and development enable us to build a capable, engaged, and future-ready workforce that supports sustainable business performance.

How We Identify Training Needs

- Printcare adopts a structured and systematic approach to identifying learning and development requirements, ensuring that training investments are aligned with individual performance, operational priorities, and organisational capability.
- Factory employees: Skill and competency gaps are identified through structured gap analyses conducted by managers and supervisors every six months.
- Staff employees: Learning and development needs are assessed through biannual performance appraisals and analysis of the business strategies and goals.
- Employee input: Employees are encouraged to conduct self-assessments to identify individual learning priorities and career aspirations as part of the performance appraisal process.

Insights gained through these assessments are used to design targeted learning and development programmes that address both current operational requirements and future organisational needs. Beyond role-specific training, employees also participate in a range of initiatives aimed at strengthening technical expertise, broadening professional competencies, and supporting well-rounded career development.

Training programmes are delivered across four key categories:

- Induction and Orientation
- Work-Life Development
- Technical Competency Development
- General Competency Development

Employee Training Hours - Sri Lanka Operations

Employee Category	2026			2025
	Number of Employees	Total Hours of Training	Average Hours of Training per Employee	Average Hours of Training per Employee
Executive Board Director	2	13	6.5	11.67
General Managers	13	126.5	9.7	13.15
Assistant General Managers	9	129.75	14.4	16.72
Managers	35	672.75	19.2	21.26
Assistant Managers	45	690.25	15.3	16.65
Executives	124	1654	13.3	11.85
Non-Executives	603	4602.25	7.6	6.93
Total	831	7888.50	86.2	98.23

Gender	2026			2025
	Number of Employees	Total Hours of Training	Average Hours of Training per Employee	Average Hours of Training per Employee
Male	645	6688.25	10.4	9.11
Female	185	1200.25	6.4	9.76

Performance and Career Development Reviews

At Printcare, performance management is a key enabler of individual growth, organisational capability, and long-term business success. Our approach aligns employees' career aspirations with business objectives through clearly defined expectations, ongoing development, and meaningful engagement.

Performance appraisals are fully integrated into the broader performance management framework, ensuring employee contributions are assessed objectively while identifying opportunities for learning, career progression, and future growth.

Evaluations are conducted biannually across the workforce, from operational employees to senior leadership, reinforcing a culture of continuous learning, professional development, and high performance in support of the Company's strategic objectives.

Performance Evaluation and Development Plan (PEDP)

Printcare's Performance Evaluation and Development Plan (PEDP) is a structured performance management framework designed to strengthen leadership capability, reinforce accountability, and align managerial performance with the Company's strategic objectives. The framework assesses management competencies, measures achievement against agreed performance targets, and recognises individual contributions that drive sustainable business performance. Appropriate weightings are assigned to performance measures based on their strategic importance and operational impact, ensuring a transparent, consistent, and objective appraisal process.

Through PEDP, Printcare continues to cultivate a performance-driven culture that recognises achievement, encourages continuous learning, and supports long-term organisational success.

Techniques Used to Enhance Employee Motivation

Monthly voucher and Travel allowance

Recognising the impact of prevailing economic conditions on employees, Printcare continued to provide monthly food vouchers and travel allowances to promote the financial well-being of its workforce. These initiatives form part of the Company's broader commitment to employee welfare, helping employees build financial resilience while maintaining workforce engagement.

Corporate events

Following a pause in physical events over the past few years, the Companies within the Group recommenced in-person engagement through small-scale gatherings and celebratory activities during the year.

Annual Scholarship Programme

As part of our commitment to employee well-being, Printcare continues to invest in initiatives that benefit employees and their families beyond the workplace. The Annual Scholarship Programme reflects this commitment by helping to ease the educational expenses of employees' children while recognising the important role education plays in building stronger communities and future generations.

The Printcare Scholarship Scheme facilitates building trust and maintaining credibility with employees and their families. During the year, two types of scholarships were awarded:

- Group Scholarship – Awarded to 42 children of Printcare employees.
- Mrs. Sathanandan Memorial Scholarship – Awarded to the child of a Printcare employee who achieved the highest marks in the Grade 5 Government Scholarship Examination and qualified to receive a scholarship worth Rs. 30,000.

The scholarship provides financial assistance towards one year's educational expenses, including school uniforms, footwear, stationery, tuition fees, and other essential learning materials. This initiative remains an important component of our employee welfare programme, reaffirming our commitment to the well-being of our people and their families

Employee Welfare

The Printcare Welfare Society plays an important role in promoting employee well-being by providing financial assistance, welfare support, and opportunities that foster a strong sense of community across the organisation. Through a range of employee-focused initiatives, the Society complements the Company's broader commitment to creating a supportive and inclusive workplace.

Key welfare initiatives include:

- Distress Loan Schemes
- Death Donation Schemes
- Provision of school books and stationery for employees' children
- Wedding gifts
- Easy Payment Schemes
- New Year's token of appreciation for all employees
- Inter-company sports and recreational competitions
- Relief for floods and other natural disasters

Welfare Shop

The Printcare Welfare Society operates an on-site Welfare Shop within the Company's premises, providing employees with convenient access to a range of essential goods at concessionary prices. The facility also offers credit arrangements, supporting employees in managing their day-to-day household needs while contributing to their overall financial well-being and convenience.

Employee Health and Safety

Management Approach

A healthy and safe workforce remains fundamental to sustainable business performance and the achievement of Printcare's operational objectives across all locations. The Company is committed to maintaining a safe working environment for employees, contractors, visitors, and other stakeholders who may be affected by its activities. This commitment is underpinned by a proactive approach to identifying, assessing, and mitigating occupational risks to prevent injuries and work-related health impacts.

Printcare continues to cultivate a strong safety culture by equipping employees with the coaching, guidance, and training required to recognise hazards and adopt safe working practices. Employees are encouraged to take ownership of their own safety while helping to protect colleagues, Company assets, and operational infrastructure.

Appropriate personal protective equipment (PPE) is provided to employees and contractors, supported by compliance with established safety requirements across all operational sites. In addition, every manufacturing facility undergoes periodic safety inspections every six months by the Chief Factory Inspection Engineer of the Department of Labour. These inspections promote continual improvement by reinforcing regulatory compliance, identifying potential risks, and strengthening workplace safety standards across the organisation.

Types and Rates of Injuries

Printcare maintains a structured approach to monitoring and managing occupational health and safety performance across all operations. Occupational injuries, diseases, lost workdays, and absenteeism are systematically recorded through established reporting mechanisms, including Accident Reports and the Balanced Scorecard, enabling timely corrective action and continual improvement.

Oversight of occupational health and safety is provided by the Health and Safety Committee, appointed by the Managing Director and comprising representatives from senior management, quality assurance, engineering, human resources, and production. The Committee is responsible for identifying workplace hazards, assessing associated risks, recommending appropriate control measures, and strengthening accident prevention practices across the Group. Since its establishment, the Group has maintained a record of zero work-related fatalities.

All reported incidents are subject to formal review to identify root causes and strengthen preventive measures across the organisation. Each manufacturing facility maintains a Near Miss Register to capture potential incidents before they result in injury. During the year, the reporting process was further enhanced through the introduction of a QR code-based reporting system, providing employees with a more accessible and responsive platform for reporting near misses while promoting a proactive safety culture.

Health and safety awareness is reinforced through a structured training programme conducted throughout the year to promote a strong safety culture across the organization.

Monthly occupational safety awareness programmes are conducted by the Group Manager - Environmental Health and Safety (EHS) ensuring employees remain informed of current legislative requirements and safe work practices. All new employees undergo a comprehensive induction programme covering occupational safety, fire prevention, emergency procedures, and basic first aid.

The Company's Emergency Response Team (ERT) receives refresher training every six months in collaboration with the Sri Lanka Red Cross Society and regularly participates in emergency preparedness exercises and fire evacuation drills conducted in coordination with the Fire Brigade. In addition, the Company's Emergency Response Team (ERT) undergoes specialized fire safety training to strengthen its capability to respond effectively to workplace fire emergencies.

Fire safety awareness is also incorporated into the Company's monthly induction programme, conducted by the Group Manager – Environment, Health & Safety (EHS), for both new and existing employees, ensuring continuous awareness and preparedness across the workforce.

Employee well-being extends beyond workplace safety. Employees have access to a weekly in-house medical consultation service provided free of charge, complemented by periodic health awareness programmes that promote personal hygiene and preventive healthcare.

The Group's commitment to maintaining a safe and healthy workplace is reinforced through its ISO 45001:2018-certified Occupational Health and Safety Management System, which provides a structured framework for managing occupational risks and driving continual improvement. During the year, a range of risk assessments, competency development programmes, and employee engagement initiatives were implemented to strengthen compliance with the standard while further embedding a culture of safety across the organisation.

During the reporting period, one occupational injuries were recorded, resulting in nine lost workdays. No occupational diseases or work-related fatalities were reported during the year, reflecting the continued effectiveness of the Group's occupational health and safety management practices.

	2026	2025
Injury Rate		
Number of Occupational Injuries	1	1
Total Man Days	195,132	169,470
Lost Day Rate		
Number of Lost Days	9	3
Total Scheduled Man Days Worked in the Period	295,608	212,241
Absentee Rate		
Number of Absentee Days	9	3
Total Scheduled Man Days Worked in the Period	295,608	212,241

OUR BUSINESS ETHICS

Codes of Conduct and Codes of Ethics

Printcare's labour and workplace practices are anchored in the principles of the International Labour Organization (ILO) Declaration—promoting the elimination of child labour, forced labour, and discrimination, while upholding the right to freedom of association.

Our employment framework reflects Sri Lankan labour laws and embodies our ongoing commitment to fairness, equity, and mutual respect. Harassment or discrimination in any form is strictly prohibited across all Company operations.

All policies, value statements, standards, and codes of conduct are consolidated within the Employee Handbook, which is issued to new recruits and reviewed during monthly orientation sessions.

To foster ongoing awareness, these policies are available via the Printcare intranet and regularly updated. Policy revisions are communicated through structured training programmes.

Additionally, a summary of key policies is featured in each biannual issue of Vision Magazine, our employee e-newsletter, reinforcing a culture of transparency and shared values.

Child Labour, Forced or Compulsory Labour

Management Approach

Printcare is fully committed to complying with all relevant local and international labour regulations, treaties, and conventions to safeguard the health and safety of children.

The use of forced or compulsory labour is strictly prohibited within our operations, and we uphold employee dignity with integrity and respect.

The Company does not employ individuals below the age of 18 and collaborates closely with subcontractors to prevent and eliminate any instances of child labour. All efforts are taken in accordance with the best interest of the child and to ensure subcontractor compliance with lawful, ethical labour practices.

Our operations adhere rigorously to the principles of the ILO Declaration and Sri Lankan labour legislation. Employee rights at Printcare include a zero-tolerance approach to child and forced labour, and we enforce these principles consistently.

We do not retain original birth certificates or personal documentation during recruitment. Employees working beyond regular hours receive transportation support and are appropriately compensated for overtime.

Furthermore, our child and forced labour policies are clearly communicated to contractors, who are contractually obligated to uphold these standards.

Human Rights Grievance Mechanisms

Non-Discrimination

Management Approach

Printcare Group is committed to a philosophy that ensures all employees and job applicants are treated with equal respect and dignity. Hence, any unlawful practices based on race, colour, nationality, ethnic or national origin, religion, disability, marital or civil partnership status, gender reassignment, pregnancy and maternity caring, parental responsibilities or their beliefs on matters such as religion and politics will not be tolerated.

Furthermore the Company will ensure that no requirement or condition will be imposed without justification which could disadvantage individuals on any of the above grounds. Printcare is committed to provide an environment which promotes positive attitudes. The policy applies to recruitment and selection, terms and conditions of employment including pay and benefits, communications, training, promotion, transfer and every other aspect of employment.

Grievance mechanisms such as worker representative meetings, open door policy and whistle blowing procedures are in place for employees to report any violations to human rights or voice their concerns.

There were no incidents of discrimination identified during the financial year. The Group is committed in maintaining a work environment of equal opportunities free of discrimination and sexual harassment while keeping up with its Human Rights Policy, Equal Opportunities Policy and Sexual Harassment Policy. The employee charts reported under 'Employee Diversity and Equal Opportunity' section attests that we have a diversified workforce free of discrimination.

Open Door Policy

Employees are actively encouraged to express themselves openly if any problem arises relating to work. We practice an "Open Door Policy" which permits all employees to provide a feedback to any Senior Manager of the Management Team including the Managing Director.

Worker Representative Meetings

Regular Worker Representative Meetings are held every two months to communicate with our workforce and are represented by senior managers and individuals from each section of the workforce selected by the employees themselves. These meetings allow employees to exchange ideas, suggestions and the necessary actions are taken to solve any issues or concerns. Therefore, currently none of our employees are covered by collective bargaining agreements, as such agreements have not been found to be necessary within Printcare.

Whistle Blowing Mechanism

The Whistle Blowing policy also states the mechanism on how to blow the whistle in the event of discovering any malpractice. Accordingly, employees can raise their concerns to their immediate Supervisor or Head of Department. In situations where the individual is uncomfortable in approaching the said people, they can raise the concerns to the Head of HR or any Head of Department. If the disclosure is extremely severe in nature employees can notify their concerns to the Managing Director via email or a letter. During the year, there were no incidents of grievances relating to human rights recorded.

Customer Health & Safety

Management Approach

Printcare is dedicated to delivering high-quality products on time, consistently exceeding customer expectations while upholding the highest environmental safety standards. As a responsible manufacturer, we recognize our accountability for waste generated not only during production but also throughout the post-consumer lifecycle. Accordingly, we continuously assess the health and safety impacts of our products and services across each stage of their life cycle.

Operations involving food-related products are certified under global food safety standards. These certifications ensure health and safety considerations are thoroughly evaluated at every phase of our production process—from development to delivery.

Potential risks to individuals and the environment arising from Printcare's business operations are systematically evaluated through our Business Risk Review process. Steering Committees at the business unit level are tasked with identifying, assessing, and managing risks associated with both existing and emerging operations.

Assessment of Health and Safety Impacts of Products and Services

Printcare's product portfolio—including tea bag tags, envelopes, and carton packaging for food-related goods—has a direct influence on end-user health and safety. In Sri Lanka, 60% of the Group's food packaging operations are linked to this responsibility.

To ensure the safety of food items throughout the consumption process, we strictly comply with internationally recognized standards such as FSSC 22000:V.6 and BRCGS Global Food Safety programmes, both tailored for food packaging manufacturers to mitigate safety risks.
In alignment with these standards, we conduct annual medical examinations for employees directly involved in food-related production processes, reinforcing our commitment to safeguarding consumer health.

Social Compliance

Management Approach

Printcare conducts its business in full adherence to Sri Lankan labour laws and the standards set forth by the International Labour Organization (ILO). Quarterly compliance reviews are carried out across the Group to ensure that each business unit aligns with legal and statutory requirements.
At the Board level, the Audit Committee is responsible for reviewing and validating the Group's adherence to financial regulations, maintaining robust internal controls, and ensuring that risk management protocols are properly executed.

Legal Compliance with Laws and Regulations

In 2025, the Group recorded no fines or monetary sanctions related to accounting fraud, workplace discrimination, or corruption.

LOCAL COMMUNITY

Community

Management Approach

Printcare is committed to being a responsible corporate citizen, ensuring that the communities in which we operate benefit from our presence. Beyond fulfilling an altruistic drive to contribute meaningfully, we believe that positive engagement with our neighbourhoods strengthens their support and trust in our Company.

We engage with surrounding communities through mutually agreed, sustainable, inclusive initiatives that aim to reach as many beneficiaries as possible. Our community investment efforts focus primarily on economic upliftment and the enhancement of educational standards.

Printcare actively seeks opportunities that generate shared value for the Company, our stakeholders, and society at large. Over the years, we have built strong relationships with government entities, neighbours, schools, religious institutions, and educational bodies—fostering goodwill and a supportive environment for our business to thrive. The Group's community investment and philanthropic activities centre around two key pillars: economic welfare and educational advancement. We contribute both directly, by supporting learning and infrastructure for education, and indirectly, by facilitating opportunities for long-term growth and development.

Local Community Engagement, Impact Assessments and Development Programmes

As a significant employer, Printcare recognizes its responsibility to contribute positively to the broader community—not only to its immediate stakeholders. We actively encourage our Group companies to enhance the positive impact on both the local community and the surrounding environment.

While a formal community impact assessment method is not currently in place, steps are underway to implement a structured approach. In the interim, designated Printcare representatives engage informally with local Urban Councils, schools, and temples in the Kelaniya and Kadawatha areas to understand community needs and identify any operational impacts.

In line with Printcare's established risk management process, annual environmental impact and aspect assessments are conducted across operations. Activities are categorized by business function, and their effects on both the environment and community are systematically evaluated. These impacts are then graded according to defined criteria, with high-impact aspects classified as significant. All such areas are addressed through the implementation of targeted operational controls.

Development and Education of the Community

Supporting IT Learning

For the past 15 years, Printcare has been consistently committed to empowering youth through access to digital education. As part of this ongoing initiative, the Company provides financial support to the Sri Gnananadashrama computer centre, which offers IT training to students in surrounding villages.

Printcare sponsors the centre by covering the monthly cost of the instructor, helping local youth build essential skills and unlock their full potential in an increasingly technology-driven world.

Building Skills and Knowledge

Printcare creates long-term value for stakeholders by empowering individuals who seek to advance their job-related skills and career prospects. As part of this commitment, the Company has built collaborative partnerships with esteemed educational institutions—including the University of Moratuwa, University of Kelaniya, and Technical college Vocational Training Institutions such as NAITA, VTA and private institutions such as the Academy of Design (AOD) and Ingrin Printing & Graphics Academy.

Through these alliances, Printcare supports university students by enriching their academic experience and offering practical exposure to industrial and corporate environments—effectively bridging the gap between academic learning and real-world application.

Supporting Community Groups and Charities

Distribution of Food Hampers

Each year, Printcare distributes food hampers containing dry rations to several underprivileged families in Nungamugoda village in celebration of Poson Full-Moon Poya. This long-standing initiative has enabled the Company to support over 90 families annually, reflecting its ongoing commitment to uplifting the local community through meaningful acts of goodwill.

Dansala Campaign

As part of its charitable efforts, the Printcare Welfare Society organizes an annual Dansala campaign for the local community, fostering goodwill and promoting shared values of compassion and generosity among employees and neighboring residents.

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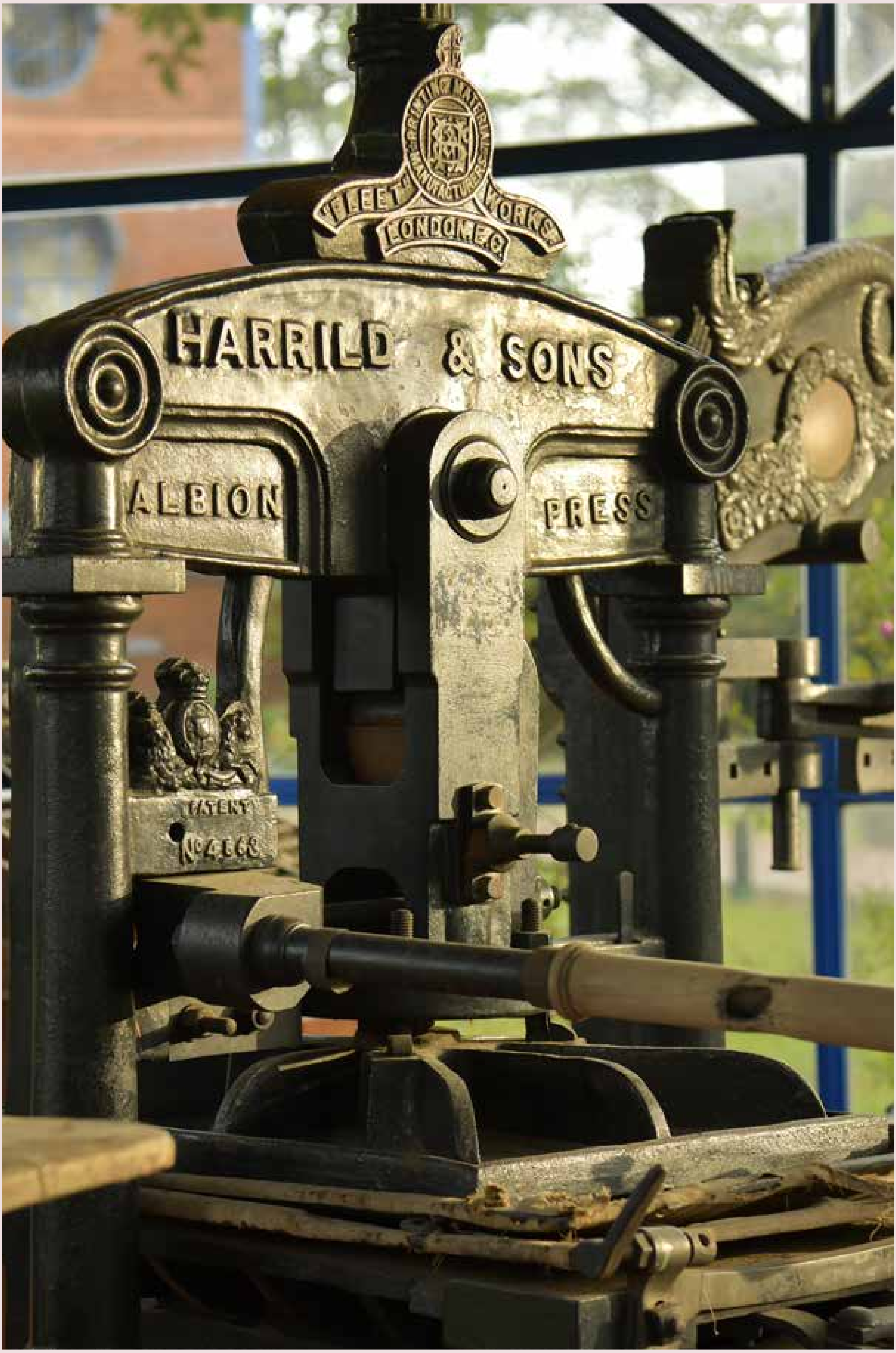
	103 – 2 The management approach and its components	73	
	103 – 3 Evaluation of the management approach	73	
GRI 409: Forced or Compulsory Labour 2016	409 – 1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	73	
GRI 3: Material Topics 2021	Local Communities		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	76	
	103 – 2 The management approach and its components	76	
	103 – 3 Evaluation of the management approach	76	
GRI 413: Local Communities 2016	413 – 1 Operations with local community engagement, impact assessments, and development programs	76-77	
GRI 3: Material Topics 2021	Customer Health and Safety		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	75	
	103 – 2 The management approach and its components	75	
	103 – 3 Evaluation of the management approach	75	
GRI 416: Customer Health and Safety 2016	416 – 1 Assessment of the health and safety impacts of product and service categories	75	
	Socioeconomic Compliance		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	75	
	103 – 2 The management approach and its components	75	
	103 – 3 Evaluation of the management approach	75	
GRI 419: Socioeconomic Compliance 2016	419 – 1 Non-compliance with laws and regulations in the social and economic area	75	

The General and Topic Specific Standard Disclosure items listed above have not been externally assured.
For further information or any inquiries on our Sustainability Report, contact:

Amal Polgampala, Assistant Genaral Manager – QA & Sustainability
77, Nungamugoda Road, Kelaniya, Sri Lanka.
Email: amal.p@printcare.lk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ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Directors are pleased to submit their report together with the Audited Accounts of the Company and the Group, for the year ended 31 March 2026, to be presented at the Forty Fifth Annual General Meeting of the Company.

Review of the Year

The Chairman's review on pages 4 to 5 describes the Company's affairs and mentions important events that occurred during the year, and up to the date of this Report. This Report together with the audited financial statements reflect the state of the affairs of the Company.

Principal Activities / Core Business

The Core Business of the Company is the Manufacturing / Printing of tea bag tags, envelopes, cartons, and adhesive Labels.

The Companies within the group and its business activities are described in Note 1.2 to the financial statements on page 96.

There were no significant changes to the principal activities of the company or its subsidiaries during the year.

Financial Statements

The financial statements of the Company and Group, which have been prepared in accordance with the Sri Lanka Accounting Standards and in compliance with the requirements of Section 151 of the Companies Act No 7 of 2007, are given from pages 92 to 145 in this Annual Report.

Group Financial Results / Profit and Appropriations

	2025/2026	2024/2025
	Rs. '000	Rs. '000
Turnover	12,911,468	12,264,120
Profit / (Loss) Before Tax	(1,603,666)	(892,264)
Taxation	(250,718)	(149,017)
Profit / (Loss) After Tax	(1,854,384)	(1,041,281)
Minority Interest	603,747	340,640
Net Profit / (Loss) for the year	(1,250,637)	(700,641)
Transfer to General Reserves	(173)	(173)
Other adjustments	35,499	16,200
Profit Brought Forward	2,871,582	3,642,162
Ordinary Dividends Paid	-	(85,967)
Retained Earnings	1,656,271	2,871,581
Earnings Per Share	(14.55)	(8.15)
Dividends Per Share	-	1.00
Net Asset value Per Share	65.15	78.65

Market Value Per Share	2025/2026		2024/2025	
Highest Value	05.05.2025	68.00	13.02.2025	69.00
Lowest Value	23.03.2026	43.00	26.11.2024	39.50
Market Value at Year End	31.03.2026	48.00	28.03.2025	58.10

Independent Auditor's Report

The Auditor's Report on the financial statements is on pages 88 to 91 in this report.

Accounting Policies

The Accounting Policies adopted in preparation of the financial statements are given from pages 96 to 112. There were no changes in Accounting Policies adopted by the Company during the year under review except for the policies disclosed under Note 2.4 to the Financial Statements.

Property, Plant & Equipment

During the year under review the Group invested a sum of Rs. 585,194,806/- (2025 Rs. 2,440,105,100/-) in Property, Plant & Equipment of which NIL in Freehold Land, Motor Vehicles
Rs. 42,717,396/- in Building on Freehold Land,
Rs. 108,213,898/- in Building on Leasehold Land,
Rs. 318,968,504/- in Machinery & Equipment,
Rs. 78,035,396/- in Computer and other Equipment,
Rs. 21,008,812/- in Furniture and Fixtures,
Rs. 16,250,800/- in Production Resource Tools.

Information relating to movement in Property, Plant & Equipment during the year is disclosed under Note 07 to the financial statements.

Investments

Details of long-term Investments held by the Company are given in Notes 10 to 11.2 to the financial statements.

Directors' Responsibilities

The Statement of Directors' Responsibilities is given on page 87 of this Report.

Corporate Governance

The Board of Directors confirm that the company has complied with the corporate governance rules laid down under section 9 of the Listing Rules of the Colombo Stock Exchange.

The report on extent of compliance with applicable regulatory directions, rules and guidelines on Corporate Governance have been disclosed in the Corporate Governance Report published in the Annual Report on page 11 to 21.

Dividend

The Directors do not recommend payment of a dividend for the financial year ended 31st March 2025.

Reserves

The Reserves and Accumulated Profits as at 31st March 2026 amounted to Rs. 5,586,281,901/- as against Rs. 6,761,158,080/- as at 31st March 2025. The breakup and the movements are shown in the Statement of Changes in Equity on page 94.

Stated Capital

The stated capital of the Company was Rs. 271,893,021/- as at 31 March 2026 and was unchanged during the year. The details are given in Note 18 to the financial statements on page 134.

Post Balance Sheet Events

There were no material events occurring after the Balance Sheet date that require adjustments, or disclosure in the Financial Statements other than those mentioned in Note 27 to the Financial Statements.

Statutory Requirements

The declaration relating to statutory requirements is made in the Statement of Directors' Responsibilities on page 87

Interests Register

Details of the transactions with Director-related entities are disclosed in Note 24 to the financial statements on page 139 to 140. These have been declared at Board meetings, pursuant to Section 192 (2) of the Companies Act No. 7 of 2007.

Directors of the Company make necessary declarations of their interests in contracts which are duly recorded in the Directors' Interest Register. The Directors will have no direct or indirect interest in any contracts or proposed contracts with the Company other than those disclosed in the Interest Register. During the Financial Year under review there were no such interested transactions that require disclosures.

BOARD COMMITTEES

Audit Committee

Following are the names of the Directors comprising the Audit Committee of the Board.

1. Mr. S. M. Enderby (Chairman)
2. Mr. C. V. Kulatilaka
3. Ms. K. D. Weerasinghe

The report of the Audit Committee on page 22 sets out the mandate of the committee and the manner in which the company has complied with the requirements of Rule 9.13 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance.

Related Party Transactions Review Committee

Following are the Directors comprising the Related Party Transactions Review Committee of the Board.

1. Mr. C. V. Kulatilaka (Chairman)
2. Mr. S. M. Enderby
3. Ms. K. D. Weerasinghe

The Company's transactions with Related Parties are given in Note 24 to the Financial Statements. The related party transactions of the Company during the financial year have been reviewed by the Related Party Transactions Review Committee and have been dealt with in compliance with section 9.14 of the Listing Rules of the Colombo Stock Exchange.

The Board of Directors declare that there were no related party transactions during the financial year falling within the ambit of rule 9.14.8 of Listing Rules of the Colombo Stock Exchange.

All other related party transactions that could be classified as related party transactions in terms of LKAS 24 - Related Party Disclosures, are given in note 24 In terms of section 9.14.8 (4) of the Listing Rules of the Colombo Stock Exchange the Board confirms that the company has complied with all requirements pertaining to Related Party Transactions.

Remuneration Committee

Following are the names of Directors comprising the Remuneration Committee of the Board.

1. Mr. S. M. Enderby (Chairman)
2. Mr. C. V. Kulatilaka
3. Ms. K. D. Weerasinghe

The report of the Remuneration Committee on page 24 contains a statement of the remuneration policy relating to the senior management of the company.

Nominations & Governance Committee

The Objective of the Committee is to exercise general oversight with respect to the governance of the Board of Directors.

Following are the names of Directors comprising the Nominations & Governance Committee of the Board.

1. Mr. C. V. Kulatilaka (Chairman)
2 Mr. S. M. Enderby
3. Mr. A. N. Esufally

The report of the Nominations & Governance Committee on page 26. In accordance with the requirements of the Rule 9.11 of the listing Rules of the Colombo Stock Exchange on Corporate Governance.

Share Information and Substantial Shareholdings

The distribution of shareholdings, market value of shares and Twenty Largest Shareholders are given on pages 148 to 149 and Page 03.

The earnings per share, dividends per share and net assets per share are given in the Financial Highlights on page 03 of this Annual Report.

Directors

The names of all Directors of the Company as at date are listed on page 01 In terms of article 83 (iii) of the Articles of Association of the Company, Mr. Mr. E Chatoor and Mr. Mr. C V Kulatilaka being eligible offer themselves for re-election.

In accordance with Section 211 of the Companies Act No 7 of 2007, the following Directors retire and being eligible have offered themselves for re-appointment.

- Mr. D. Warnakulasooriya
- Mr. K. R. Ravindran
- Mr. A. N. Esufally

The details of the aggregate remuneration paid to the Executive and Non- Executive Directors during the financial year are given in Note 24 to the financial statements on page 140.

Directors' Shareholding

The interest of Directors in the shares of the Company as at 31 March 2026 were as follows;

	No. of Ordinary Shares As at	
	31.03.2026	**31.03.2025**
Mr. K. R. Ravindran	17,321,690	17,321,690
Mr. A. N. Esufally	-	-
Mr. E.Chatoor	3,500,000	3,500,000
Mr. D. Warnakulasooriya	1,167,260	1,167,260
Mr. C. V. Kulatilaka	-	-
Mr. Krishna Ravindran	6,032,000	6,032,000
Mr. Steven Mark Enderby	-	-
Mr. Malik J. Fernando	-	-
Ms/ K. D. Weerasinghe	-	-

Independence of Directors

In accordance with Rule 9.8.3 of Colombo Stock Exchange on Corporate Governance ('CSECG Rules'), Mr. C.V. Kulatilaka, Mr. S. M. Enderby and Ms. K. D. Weerasinghe who are Non-Executive Directors of the Company have submitted signed and dated declarations to the Board of their Independence.

Employment

The Group has an equal opportunity policy and these principles are enshrined in specific selection, training, development and promotion policies, ensuring that all decisions are based on merit. The Group practices 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 during the year.

Auditors

A resolution to re-appoint the present Auditors, Messrs. Ernst & Young Chartered Accountants, who have expressed their willingness to continue in office, will be proposed at the Annual General Meeting. The Board on 20th August 2026 resolved to recommend to Shareholders the re-appointment of the Auditors.

The Audit fees and expenses paid to the Auditors is disclosed in Note 4.5 on page 117 of this Annual Report.

As far as the Directors are aware, the Auditors do not have any relationship or interest in the Company.

The Audit Committee reviews the appointment of the Auditor, their effectiveness and their relationship with the Company including the level of audit and non-audit fees paid to the Auditor.

Internal Controls and Assurance

The Board takes steps to gain assurance on the effectiveness over the financial, operational and risk management control systems in place. The Audit Committee receives regular reports on the adequacy and effectiveness of internal controls in the Group, compliance with laws and regulations and established policies and procedures of the Group.

Compliance with Laws and Regulations

To the best of the knowledge and belief of the Directors, the Company and the Group have not engaged in any activity, which contravenes laws and regulations of the country.

Obtaining Independent Professional Advise

The Board is encouraged to seek independent professional advice, when necessary, at the Company's expense and also have access to the Company Secretary to obtain advice and services as required. The Board of Directors are given the opportunity to obtain an in-depth understanding of the Company's business, its strategies, risks and processes, changes in laws and regulations relevant to the Company on a continuous basis. This enables the Directors to discharge their duties effectively.

Notice of Meeting

The Annual General Meeting will be held at the registered office of the Company, Printcare PLC No. 77, Nungamugoda Road, Kelaniya via Zoom (Audio / Video - Virtual AGM) on 28th September 2026 at 10.00 a.m.

The Notice of the Annual General Meeting appears on page 150.

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

For and on behalf of the Board.

K. R. Ravindran
Director

Steven Enderby
Director

Managers & Secretaries (Pvt) Ltd)

Secretaries
31 August 2026
Colombo

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Companies Act No.07 of 2007 requires Directors to ensure that the Company keeps proper books of accounts of all the transactions and prepares financial statements that give a true and fair view of the state of the Company's affairs and of the profit and loss for the year.

The Directors are also required to ensure that the financial statements have been prepared and presented in accordance with the Sri Lanka Accounting Standards and provide the information required by the Companies Act 07 of 2007 and the Rules of the Colombo Stock Exchange. They are also responsible for taking reasonable measures to safeguard the assets of the Company, and in that context to have proper regard to the establishment of appropriate systems of internal control with a view to prevention and detection of fraud and other irregularities.

The Directors are of the view that, these financial statements have been prepared under the generally accepted accounting principles and in accordance with the Sri Lanka Accounting Standards as laid down by the Institute of Chartered Accountants of Sri Lanka.

The Directors endeavor to ensure that the Company maintains sufficient records to be able to disclose with reasonable accuracy, the financial position of the Company and to be able to ensure that the financial statements of the Company meet with the requirements of the Companies Act, Sri Lanka Accounting Standards and the Rules of the Colombo Stock Exchange.

The Directors have reasonable expectation, after making inquiries and following a review of the Company's budget for the ensuing year including cash flows and borrowing facilities, that the Company has adequate resources to continue in operational existence for the foreseeable future, and therefore have continued to adopt the going concern basis in preparing the Accounts.

Messrs. Ernst & Young the Auditors of the Company have examined the financial statements made available by the Board of Directors together with all relevant financial records, related data, minutes of Shareholders and Directors meeting and express their opinion in their report on page 88 to 91 of the Annual Report.

By Order of the Board
Printcare PLC

Managers & Secretaries (Private) Limited
Secretaries
31 August 2026
Colombo

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRINTCARE PLC

Report on the Audit of Financial Statements

Opinion

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

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

Basis for opinion

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

Key audit matters

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

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

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Key Audit Matter	How we addressed the key audit matter
Existence and measurement of Inventories As at 31 March 2026, the net carrying value of inventory amounted to Rs. 3.64Bn after considering an allowance for slow moving and obsolete inventory in accordance with its accounting policy, as disclosed Note 2.5.10 and 13 to the financial statements. Existence and measurement of inventory was a key audit matter due to: • Materiality of the reported amount, which represents 17% of the Group's total assets • Significance of estimates used in measuring inventories at lower of cost and Net Realizable Value. The measurement of inventories include different components, the identification of which includes estimates in relation to the allocation of labour and overhead cost which are incurred in bringing the inventories to its present condition.	**Our audit procedures, amongst others included the following** • Observed the physical inventory count and reconciled the count results to the year-end inventory. • Assessed the reasonableness of the estimates made in relation to the overhead allocation. Our procedures included checking the apportionments of allocation of direct labour, direct material and production overhead and assessing the appropriateness of overhead allocation basis used. • Assessed the reasonableness of significant management judgements applied in determining allowance for slow-moving inventory. • Tested whether inventories were stated at the lower of cost and net realizable value, by comparing cost with subsequent selling prices of such items. We have also assessed the adequacy of the disclosures made in Note 2.5.10 and 13 to the financial statements.

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OTHER INFORMATION INCLUDED IN THE 2026 ANNUAL REPORT

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

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

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

Responsibilities of the management and those charged with governance

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Company and the Group.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to

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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.

- Obtain sufficient 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 audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics 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, related safeguards.

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

Report on other legal and regulatory requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 8913.

31 August 2026
Colombo

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year ended 31 March

		Group		Company	
	Notes	2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
Revenue	4.1	12,911,468,153	12,264,120,079	3,802,275,617	3,849,697,593
Cost of Sales		(10,624,843,121)	(9,816,952,231)	(3,040,844,224)	(3,237,330,904)
Gross Profit		2,286,625,032	2,447,167,848	761,431,393	612,366,689
Other Operating Income	4.2	467,439,282	437,922,232	122,402,318	97,430,807
Other Operating Expense	4.6	(51,469,725)	(48,944,165)	-	-
Distribution Costs		(472,266,485)	(428,559,464)	(95,739,531)	(142,919,854)
Administrative Expenses		(2,977,255,319)	(2,599,061,418)	(602,581,887)	(474,242,578)
Operating Profit / (Loss)		(746,927,215)	(191,474,467)	185,512,294	92,635,065
Finance Income	4.3	93,101,965	82,732,649	14,074,134	64,389,651
Finance Costs	4.4	(949,840,548)	(783,521,484)	(96,160,482)	(110,264,815)
Profit / (Loss) Before Tax	4.5	(1,603,665,798)	(892,263,802)	103,425,946	46,759,899
Income Tax (Expense) / Reversal	5.1	(250,717,829)	(149,017,400)	(47,817,801)	3,121,242
Profit / (Loss) for the Year		(1,854,383,627)	(1,041,281,202)	55,608,145	49,881,143
Other Comprehensive Income					
Other Comprehensive Income that may be reclassified to profit or loss in subsequent periods (Net of tax)					
Exchange Differences on Translation of Foreign Operations		92,130,473	23,646,588	-	-
		92,130,473	23,646,588	-	-
Other Comprehensive Income that will not be reclassified to profit or loss in subsequent periods (Net of tax)					
Actuarial Losses	21.2	(31,217,091)	(57,600,280)	(7,767,614)	(44,219,124)
Deferred Tax Effect on Actuarial Losses	5.4 & 5.5	9,379,651	17,172,562	2,330,284	13,265,737
Gain on Fair Value through Other Comprehensive Income Investments		1,578,458	1,269,323	794,458	157,723
		(20,258,982)	(39,158,395)	(4,642,872)	(30,795,664)
Other Comprehensive Income for the Year Net of Tax		71,871,491	(15,511,807)	(4,642,872)	(30,795,664)
Total Comprehensive Income for the Year Net of Tax		(1,782,512,136)	(1,056,793,009)	50,965,273	19,085,479
Profit / (Loss) Attributable to:					
Equity Holders of the Parent		(1,250,636,805)	(700,641,009)	55,608,145	49,881,143
Non - Controlling Interests		(603,746,822)	(340,640,104)	-	-
		(1,854,383,627)	(1,041,281,203)	55,608,145	49,881,143
Total Comprehensive Income Attributable to:					
Equity Holders of the Parent		(1,152,630,437)	(719,233,089)	50,965,273	19,085,479
Non - Controlling Interests		(629,881,699)	(337,559,920)		-
		(1,782,512,136)	(1,056,793,009)	50,965,273	19,085,479
Earnings Per Share - Basic	6	(14.55)	(8.15)	0.65	0.58
Dividends Per Share	20	-	1.00	-	1.00

The accounting policies and notes on pages 96 through 145 form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 March

		Group		Company	
	Notes	2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	7	8,689,142,269	8,895,747,464	1,760,449,559	1,809,323,984
Intangible Assets	8	1,604,993	7,092,932	3,587,146	5,841,003
Investment Property	9	-	-	161,239,427	168,337,452
Investment in Subsidiaries	10	-	-	255,208,670	330,807,420
Equity Instruments at Fair Value Through Other Comprehensive Income	11.1 & 11.2	6,147,669	4,569,211	35,153,639	34,359,181
Right-of-Use Asset	12.1	938,163,117	871,819,778	198,026,190	-
Deferred Tax Assets	5.4	123,011	113,829,018	-	-
		9,635,181,059	9,893,058,403	2,413,664,631	2,348,669,040
Current Assets					
Inventories	13	3,640,952,505	2,899,067,573	939,096,077	945,679,253
Trade and Other Receivables	14	4,096,001,601	3,952,672,145	1,076,274,676	938,775,866
Prepayments	15	36,716,482	244,827,832	11,921,516	15,310,697
Taxes Recoverable	16	912,516,665	634,608,919	19,864,005	21,107,394
Short Term Investments - Fixed Deposits		1,672,688,216	429,424,142	-	-
Cash and Bank Balances	17	1,481,221,824	1,406,412,399	116,651,510	133,020,556
		11,840,097,293	9,567,013,010	2,163,807,785	2,053,893,766
Total Assets		21,475,278,352	19,460,071,413	4,577,472,416	4,402,562,806
EQUITY AND LIABILITIES					
Equity					
Stated Capital	18	271,893,021	271,893,021	271,893,021	271,893,021
Reserves	19	1,108,513,332	998,706,191	409,271,498	409,271,498
Revaluation Reserve	19.4	2,559,068,855	2,615,313,957	866,728,457	881,066,747
Retained Earnings		1,656,271,121	2,871,581,516	615,451,349	550,942,244
Fair Value Through Other Comprehensive Income Reserves	19.3	5,241,853	3,663,395	1,475,188	680,730
		5,600,988,182	6,761,158,080	2,164,819,513	2,113,854,240
Non Controlling Interest		(301,593,602)	320,748,636	-	-
Total Equity		5,299,394,580	7,081,906,716	2,164,819,513	2,113,854,240
Non-Current Liabilities					
Interest Bearing Loans and Borrowings	11.3	4,540,795,892	3,751,864,634	435,582,906	143,326,704
Deferred Tax Liabilities	5.5	1,142,757,387	1,109,119,608	417,878,501	434,222,387
Employee Benefit Liabilities	21	449,616,105	381,346,717	200,602,877	180,281,100
		6,133,169,384	5,242,330,959	1,054,064,284	757,830,191
Current Liabilities					
Trade and Other Payables	22	2,914,521,491	2,396,470,951	535,546,902	427,348,645
Taxes Payable	23	52,434,917	57,243,134	7,780,876	4,933,229
Income Tax Payable		151,620,076	234,295,222	76,623,274	30,812,535
Interest Bearing Loans and Borrowings	11.3	6,924,137,905	4,447,824,431	738,637,567	1,067,783,966
		10,042,714,389	7,135,833,738	1,358,588,619	1,530,878,375
Total Equity and Liabilities		21,475,278,352	19,460,071,413	4,577,472,416	4,402,562,806

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

....

Nishantha Kaluarachchi
Chief Financial Officer

The Board of Directors is responsible for these financial statements. Signed for and on behalf of the Board by:

....

K.R. Ravindran
Director

....

Steven Enderby
Director

The accounting policies and notes on pages 96 through 145 form an integral part of the financial statements.

31 August 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

For the Year ended 31 March

	Attributable to Equity Holders of the Parent								
	Stated Capital	Other Reserve	Exchange Translation Reserve	Retained Earnings	Fair Value Through Other Comprehensive Income Reserve	Revaluation Reserve	Total	Non Controlling Interests	Total Equity
Group	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 31 March 2024	271,893,021	1,001,266,436	(22,917,174)	3,642,162,426	2,394,072	2,671,559,059	7,566,357,840	302,794,424	7,869,152,264
Loss for the Year	-	-	-	(700,641,099)	-	-	(700,641,099)	(340,640,104)	(1,041,281,202)
Other Comprehensive Income/(Loss)	-	-	20,183,989	(40,045,303)	1,269,323	-	(18,591,991)	3,080,184	(15,511,807)
Transfer to Retained Earnings	-	-	-	56,245,102	-	(56,245,102)	-	-	-
Share Issued During the Year	-	-	-	-	-	-	-	355,514,132	355,514,132
Dividends	-	-	-	(85,966,670)	-	-	(85,966,670)	-	(85,966,670)
Transfer to Other Reserves	-	172,940	-	(172,940)	-	-	-	-	-
As at 31 March 2025	271,893,021	1,001,439,376	(2,733,185)	2,871,581,516	3,663,395	2,615,313,957	6,761,158,080	320,748,636	7,081,906,716
Loss for the Year	-	-		(1,250,636,805)			(1,250,636,805)	(603,746,822)	(1,854,383,627)
Other Comprehensive Income/(Loss)	-	-	109,634,201	(13,206,291)	1,578,458		98,006,368	(26,134,877)	71,871,491
Transfer to Retained Earnings	-	-	-	56,245,102	-	(56,245,102)	-	-	-
Acquisition of Minority Interest	-	-	-	(7,539,461)	-	-	(7,539,461)	7,539,461	-
Transfer to Other Reserves	-	172,940	-	(172,940)	-	-	-	-	-
As at 31 March 2026	271,893,021	1,001,612,316	106,901,016	1,656,271,121	5,241,853	2,559,068,855	5,600,988,182	(301,593,602)	5,299,394,580

	Stated Capital	Other Reserve	Revaluation Reserve	Retained Earnings	Fair Value through Other Comprehensive Income Reserve	Total
Company	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 31 March 2024	271,893,021	409,271,498	895,405,036	603,642,868	523,007	2,180,735,430
Profit for the Year	-	-	-	49,881,143	-	49,881,143
Other Comprehensive Income / (Loss)	-	-	-	(30,953,387)	157,723	(30,795,664)
Dividends	-	-	-	(85,966,670)	-	(85,966,670)
Transfer to Retained Earnings	-	-	(14,338,289)	14,338,289	-	-
As at 31 March 2025	271,893,021	409,271,498	881,066,747	550,942,244	680,730	2,113,854,240
Profit for the Year	-	-	-	55,608,145	-	55,608,145
Other Comprehensive Income / (Loss)	-	-	-	(5,437,330)	794,458	(4,642,872)
Transfer to Retained Earnings	-	-	(14,338,289)	14,338,289	-	-
As at 31 March 2026	271,893,021	409,271,498	866,728,457	615,451,349	1,475,188	2,164,819,513

The accounting policies and notes on pages 96 through 145 form an integral part of the financial statements.

STATEMENT OF CASH FLOWS

For the Year ended 31 March

		Group		Company	
	Notes	2026	2025	2026	2025
Cash Flows From / (Used in) Operating Activities		Rs.	Rs.	Rs.	Rs.
Profit / (Loss) Before Income Tax Expense		(1,603,665,796)	(892,263,802)	103,425,946	46,759,899
Non-Cash Adjustment to Reconcile Profit Before Tax to Net Cash Flows:					
Depreciation of Property, Plant Equipment	7	795,430,658	559,434,272	124,558,939	103,132,302
Amortization of Intangible Assets	8	2,685,588	8,616,910	2,253,857	2,243,500
Amortization of Investment Property	9	-	-	7,098,025	-
Amortization of Right of Use Asset	13	153,216,204	148,610,120	25,950,829	-
Profit) /Loss on Disposal of Property, Plant and Equipment	4.5	(1,833,282)	(875,755)	2,381,104	(4,236)
Fair Value Gain on Investment Property		-	-	-	7,014,061
Finance Costs	4.4	782,096,068	588,867,236	85,637,925	110,264,815
Finance Income on Lease Asset- Refundable Deposit	4.3	-	(105,610)	(88,953)	-
Finance Costs on Lease Liability	4.4	167,744,480	194,654,248	10,522,557	-
Finance Income	4.3	(93,101,965)	(82,627,039)	(14,074,134)	(64,389,651)
Provision for Employee Benefit Liability	22	72,558,330	66,516,917	35,320,166	30,493,320
Provision/(Reversal) for Slow Moving Stocks	4.5	243,347,152	(3,639,110)	3,117,255	(12,746,685)
Gain or Loss from Lease Termination		(4,925,984)			
Provision of Impairment of Trade and Other Receivables	4.5	323,321,069	126,487,845	(1,933,092)	6,359,035
Impairment of Investment in Subsidiary		-	-	76,500,000	50,000,000
Impairment of Plant & Machinery		178,752,782	50,000,000	-	-
Write off of Intangible Asset		-	59,103,988	-	-
Unrealised Exchange (Gain) / Loss		20,993,633	(23,273,384)	-	(331,800)
Operating Profit before Working Capital Changes		1,036,618,937	799,506,836	460,670,423	278,794,560
Working Capital Adjustment:					
(Increase)/ Decrease in Inventories		(985,232,084)	154,145,925	3,465,920	25,464,093
(Increase)/Decrease in Trade and Other Receivables		(466,650,525)	(610,270,111)	(131,552,798)	46,273,817
Decrease in Prepayments		208,111,349	347,312,804	3,389,181	34,681,989
(Increase)/Decrease in Tax Recoverable Net of payable		(277,907,746)	(454,207,808)	4,091,036	(10,509,210)
Increase in Trade and Other Payables		513,242,322	615,469,272	98,898,258	25,410,725
Cash Generated From /(Used in) Operation		28,182,254	851,956,918	438,962,021	400,115,974
Finance Costs Paid		(763,091,375)	(771,989,789)	(82,504,352)	(105,062,779)
Employee Benefit Plan Costs Paid	21	(34,945,826)	(74,401,829)	(22,766,003)	(32,249,175)
Income Tax Paid		(175,207,879)	(196,922,749)	(16,020,664)	(18,861,876)
Net Cash Flows From /(Used in) Operating Activities		(945,062,826)	(191,357,449)	317,671,002	243,942,144
Cash Flows From / (Used in) Investing Activities					
Acquisition of Property, Plant and Equipment	7	(585,194,806)	(2,997,223,083)	(78,176,983)	(123,227,034)
Proceeds from Sale of Property, Plant and Equipment		20,913,821	1,654,022	111,364	4,237
Acquisition of Intangible Assets	8	(36,568)	(4,959,150)	-	(1,180,000)
Finance Income Received	4.3	93,101,965	82,627,039	14,074,134	64,389,651
Shares/Pref. shares Issued to Non controlling Interest		347,666,753	355,514,132	-	-
Investment in Subsidiary		-	-	(901,250)	(36,000,000)
Investment in Equity Instruments at Fair Value through Other Comprehensive Income		-	-	-	(33,149,970)
Investment in Other Short term Investments		(1,243,264,074)	1,097,167,698	-	-
Net Cash Flows From/(Used in) Investing Activities		(1,366,812,909)	(1,465,219,340)	(64,892,734)	(129,163,115)
Cash Flows From / (Used in) Financing Activities					
Proceeds from Bank Loans	11.3.1	18,896,261,670	17,455,932,220	4,718,455,339	4,140,530,562
Repayment of Bank Loans	11.3.1	(16,269,956,010)	(15,326,686,093)	(4,949,070,925)	(4,106,352,915)
Proceeds from Related Party Loans		26,712,439	-	-	-
Lease Liability Paid	12.2	(268,005,519)	(12,778,823)	(37,980,000)	-
Ordinary Dividend Paid	20	-	(85,966,670)	-	(85,966,670)
Net Cash Flows From/(Used in) Financing Activities		2,385,012,580	2,030,500,634	(268,595,586)	(51,789,023)
Net Increase/(Decreased) in Cash and Cash Equivalents		73,136,846	373,923,846	(15,817,313)	62,990,006
Exchange Differences from translation of Foreign Operations		(109,333,505)	23,723,210	-	-
Cash and Cash Equivalents at the Beginning of the Year	17	1,154,731,201	757,084,147	128,125,474	65,135,468
Cash and Cash Equivalents at the End of the Year	17	1,118,534,542	1,154,731,203	112,308,154	128,125,474

The accounting policies and notes on pages 96 through 145 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

1. CORPORATE INFORMATION

1.1 General

Printcare PLC is a limited liability company incorporated and domiciled in Sri Lanka whose shares are publicly traded on the Colombo Stock Exchange. The registered office and the principal place of business is located at No. 77, Nungamugoda Road, Kelaniya.

In the Annual Report of the Board of Directors and in the Financial Statements, "the Company" refers to Printcare PLC as the holding company and "the Group" refers to the companies whose accounts have been consolidated therein.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company and the other Group Companies were as follows;

The Holding Company	Activities
Printcare PLC	Manufacturing and printing of tea bag tags, envelopes and adhesive labels
Subsidiary Companies	
Printcare Universal (Pvt) Ltd.	Manufacturing and printing of Packing Materials, Specialising in Food-Grade Packaging
P C Universal Agencies (Pvt) Ltd	Indenting agency for selected materials, papers, and specialised papers.
Printcare Premedia Services Ltd.	Graphic Design, Prepress, and Premedia Services
Printcare Secure Ltd.	Specialised Printing of Products with Security Features
Printcare India (Pvt) Ltd.	Manufacturing and Printing of tea bags tags and Envelopes
Printcare Universal UK Ltd	Trading packing materials, specializing in Food Grade packaging
Printcare Digital Solutions (Pvt) Ltd	Providing Solutions for Printing and Packaging needs using Digital Technology
The lifepak (Pvt) Ltd	Manufacture and supply of paper canisters, paper containers using eco-friendly material.
Printcare Packaging East Africa Pvt Ltd	Manufacture and Printing of Packing Materials, Corrugated Cartons and Paper bags.

1.3 Directors' Responsibility Statement

The Board of Directors is responsible for the preparation and presentation of these financial statements.

1.4 Date of Authorization for Issue

The Financial Statements of the Company and the Group for the year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Directors on 31 August 2026.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS (hereafter referred as "SLFRS"), as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

2.1.1 Basis of Measurement

The Financial Statements of the Company and the Group presented in Sri Lanka rupees, have been prepared on an accrual basis and under the historical cost convention, except for Fair Value through Other Comprehensive Income Investments, Lands, Buildings included under Property Plant and Equipment and Investment Properties that has been measured at Fair Value.

2.1.2 Statement of Compliance

The preparation and presentation of these financial statements are in compliance with the Companies Act No. 07 of 2007.

2.1.3 Going Concern

The Directors have made an assessment of the Company's and Group's ability to continue as a going concern and they do not intend either to liquidate or to cease the operations.

Having presented the outlook and after due consideration of the range and likelihood of outcomes, the Directors are satisfied that the Group/Company, have adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing and presenting these Financial Statements.

2.1.4 Comparative Information

The accounting policies have been consistently applied by the Group and the Company and are consistent with those used previously.

2.2 Basis of Consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Group and its Subsidiaries ("the Group") as at 31 March 2026.

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

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

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a Subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, Liabilities, Income and Expenses of a Subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of Subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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

2.2.1 Financial Year

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

2.2.2 Country of Incorporation

All Subsidiaries and Associate are incorporated in Sri Lanka, except for the following:

Name of Subsidiary	Country of Incorporation
Printcare India (Pvt) Ltd.	India
Printcare Universal UK Ltd.	United Kingdom
Printcare Packaging East Africa (Pvt) Ltd	Kenya

2.2.3 Functional and Presentational Currency

The Financial Statements are presented in Sri Lanka Rupees (LKR), which is the Group's functional and presentation currency.

For each entity, the Group determines the functional currency and items included in the Financial Statements of each entity are measured using the functional currency.

There was no change in the Group's presentation and functional currency during the year under review.

Functional currency of all Group companies is Sri Lanka Rupees other than the following companies whose functional currency is given below.

Name of Subsidiary	Relationship	Country of Incorporation	Reporting Currency
Printcare India (Pvt) Ltd.	Subsidiary	India	Indian Rupees
Printcare Universal UK Ltd.	Sub-Subsidiary	United Kingdom	Pound Sterling
Printcare Packaging East Africa (Pvt) Ltd	Sub-Subsidiary	Kenya	Kenyan Shilling

2.2.4 Current versus Non- Current Classification

The Group presents assets and liabilities in the Statement of Financial Position based on current/ non -current classification

An asset is current when it is

- Expected to be realized or intended to sell or be consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non- current.

A liability is current when

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no un conditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all Other Liabilities as Non-current.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

2.3 Significant Accounting Judgements, Estimates and Assumptions

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

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the Consolidated Financial Statements:

(a) Deferred Tax

Deferred Tax Assets are recognised for unutilised tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of Deferred Tax Assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. As such a five year projection is prepared for each of the companies with a carried forward tax loss to determine if the same would earn enough to cover its tax losses.

(b) Transfer Pricing Regulation

The Group is subject to Income Taxes and Other Taxes including Transfer Pricing regulations. Prevailing uncertainties with respect to the interpretation of respective transfer pricing regulations necessitated using management judgement to determine the impact of transfer pricing regulations. Accordingly, critical judgements and estimates were used in applying the regulations in aspects including but not limited to identifying associated undertakings, estimation of the respective arm's length prices and selection of appropriate pricing mechanism. The current tax charge is subject to such judgements. Differences between estimated income tax charge and actual payable may arise as a result of management's interpretation and application of transfer pricing regulation.

Estimates and Assumptions

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

(a) Employee Benefits

The cost as well as the Present Value of Defined Benefit Plans - Gratuity is determined using Actuarial Valuations. The Actuarial Valuation involves making assumptions about discount rates, future salary increases and other important related data. Due to the long-term nature of employee benefits, such estimates are subject to significant uncertainty. Further details of assumptions together with an analysis of their sensitivity as carried out by the management in relation to the above key assumptions and the results of the sensitivity analysis are given in Note 21.3 & 21.4.

(b) Useful Lives of Property, Plant and Equipment, Intangible Assets and Investment Property

The Group reviews the assets' residual values, useful lives and methods of depreciation or amortisation at each reporting date. Judgement by management is exercised in the estimation of these values, rates and methods.

(c) Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market price less incremental costs of disposing of the asset. The Value in Use calculation is based on the discounted Cash Flow Model (DCF). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected cash inflows and the growth rate used for extrapolation purpose.

2.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

There were no changes to the accounting policies during the year ended 31st March 2026.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Group in preparing its Consolidated Financial Statements.

2.5.1 Foreign Currency Translation

The Group's Consolidated Financial Statements are presented in Sri Lanka Rupees, which is also the Company's functional and presentation currency. For each entity the Group determines the functional currency and items included in the Financial Statements of each entity are measured using that functional currency. The Group uses the direct method of Consolidation and has elected to recycle the gain or loss arising from this method.

The functional currency is the currency of the primary economic environment in which the entities of the Group operate.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rate as at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange as at the reporting date. All differences are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference.

Foreign Operations

The assets and liabilities of foreign operations are translated into Sri Lanka Rupees at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions.

The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of Other Comprehensive Income relating to that particular foreign operation is recognised in the Statement of Profit or Loss.

2.5.2 Revenue Recognition

SLFRS 15 "Revenue from Contracts with Customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers. It establishes a five-step model that will apply to revenue arising from contracts with customers.

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that create enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2: Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer that is distinct.

Step 3: Determine the transaction price: Transaction price is the amount of consideration to which the entity expects to be entitled to in exchange for transferring the promised goods and services to a customer, excluding amounts collected from third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the entity will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

a) **Sale of Goods**

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer.

b) **Rendering of Services**

Revenue from rendering of services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

c) **Interest Income**

For all Financial Instruments and Interest Bearing Financial Assets measured at Amortised Cost, Interest Income or Expense is recorded using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Interest Income is recognised as the interest accrued unless collectability is in doubt. Interest income is included in finance income in the Consolidated Statement of Profit or Loss.

d) **Dividend Income**

Dividend Income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

e) **Rental Income**

Rental income arising from Operating Leases is accounted for on a straight-line basis over the lease term and is included in revenue due to its operating nature.

f) **Others**

Other Income is recognised on an accrual basis.

Net Gains and Losses on the disposal of Property, Plant & Equipment have been accounted for in the Statement of Profit or Loss, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and Losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

2.5.3 Taxes

Current Income Tax

Current Income Tax Assets and Liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the reporting date.

Current Income Tax relating to items recognised directly in equity is recognised in equity and not in the Consolidated Statement of Profit or Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The provision for Income Tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Inland Revenue Act.

Withholding Tax on Dividends received from Subsidiaries is recognised as a tax expense in the Consolidated Statement of Profit or Loss.

Deferred Tax

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

Deferred Tax Liabilities are recognised for all taxable temporary differences, except, when the Deferred Income Tax Liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or/and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

2.5.4 Property, Plant and Equipment

Property, Plant and Equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured.
Property, Plant and Equipment except for Land and Buildings 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.

Land and Buildings are measured at fair value less impairment charged and depreciation charges subsequent to the date of the revaluation. The Group has adopted a policy of revaluing Land and Buildings by professional value in every 3 years.

Any revaluation surplus is recognised in Other Comprehensive Income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the Income Statement, in which case the increase is recognised in the income statement. A revaluation deficit is recognised in the income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

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

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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognised.
Depreciation is calculated on a straight line basis over the useful life of the assets as disclosed in Note 7.3.

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

2.5.5 Investment Properties

Investment Property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment Property is measured at its fair value and accumulated impairment losses, if any.

Investment Properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and fairvalue of the asset is recognised in the Consolidated Statement of Profit or Loss in the period of derecognition.

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

Intangible Assets

Computer Software and Candela Learning Material

Acquired computer software licenses and Candela Learning Material are capitalised on the basis of the costs incurred to acquire and bring to use this asset and expenses incurred which are directly attributed for the development of the intangible asset. The costs relating to computer software licenses and Candela Learning Material are amortised over their estimated useful life of 5 years and 10 years respectively. Costs associated with carrying out the tasks are recognised as an expense as and when incurred.

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. Internally generated Intangible Assets except Candela related expenses are not capitalised and expenditure is reflected in the statement of profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be finite. Intangible Assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life 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 considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss under the expense category that is consistent with the function of the intangible asset.

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 profit or loss when the asset is derecognised.

2.5.6 Borrowing Costs

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

2.5.7 Financial Assets and Financial Liabilities

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

Financial Assets

2.5.7.1 Initial Recognition and Measurement

Financial assets are classified as at initial recognition, as subsequently measured at amortized 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. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under SLFRS 15
In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

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

2.5.7.2 Subsequent measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial Assets at Fair Value through Profit or loss

2.5.7.3 Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

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

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

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

    The Group's financial assets at amortised cost include trade receivables.

2.5.7.4 Financial assets at fair value through OCI (debt instruments)

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

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

and

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

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

2.5.7.5 Financial assets designated at fair value through OCI (equity instruments)

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

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

The Group elected to classify irrevocably its Listed / Non-Listed equity investments under this category.

2.5.7.6 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 payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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

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

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.5.7.7 Derecognition

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

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

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

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

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

2.5.7.8 Impairment of Financial Assets

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs.

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

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows

2.5.7.9 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, 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.

Subsequent Measurement

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

a) 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 consolidated statement of profit or loss 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 is an integral part of the EIR. The EIR amortisation is included in finance costs in the consolidated statement of profit or loss.

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 consolidated statement of profit or loss.

2.5.7.10 Offsetting of Financial Instruments

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

2.5.8 Fair Value of Financial Instruments

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

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

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

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

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

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

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 11.5.

2.5.9 Impairment of Non-Financial Assets

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

In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculations on detailed budgets and forecasts which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecasts generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit or loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined net of depreciation had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

If the asset does not generates cash inflows that are largely independent of those form other assets, recoverable of those assets will be allocated among the Independent cash generating units to determine the impairment.

2.5.10 Inventories

Inventories are valued 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 the estimated cost necessary to make the sale.

The cost incurred in bringing inventories to its present location and condition is accounted using the following cost formulae:

Raw Materials	-	At Weighted Average Cost basis
Finished Goods	-	At the cost of direct materials, direct labour and systematic allocation of production overheads based on machine hours. Production overheads are those indirect cost of production that remain relatively constant regardless of the volume of production, such as depreciation and maintenance of factory buildings and equipment, and the cost of factory management and administration
Work in Progress	-	At the cost of direct materials, direct labour and systematic allocation of production overheads based on machine hours. Production overheads are those indirect cost of production that remain relatively constant regardless of the volume of production, such as depreciation and maintenance of factory buildings and equipment, and the cost of factory management and administration.
Consumables & Spares	-	At actual cost on Weighted Average Cost Basis
Goods in Transit	-	At purchase cost

2.5.11 Cash and Short-Term Deposits

Cash and bank balance includes cash at bank and in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.5.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.5.13 Employee Benefits

(a) Defined Benefit Plan – Gratuity

The Group measures the cost of Defined Benefit Plan-Gratuity; every financial year using the Projected Unit Credit Method with the advice of an actuary.

The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Actuarial gains and losses are recognised in Other Comprehensive Income in the period in which it arises. The item is stated under Employee Benefit Liability in the Consolidated Statement of Financial Position.

This is not an externally funded defined benefit plan.

(b) Defined Contribution Plans - Employees' Provident Fund & Employees' Trust Fund

All employees who are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions are covered by relevant contribution funds in line with respective statutes and regulations. The Group contributes 12% and 3% of gross emoluments of employees to the Employees' Provident Fund and Employees' Trust Fund respectively.

2.5.14 Right-of Use-Asset and Leases

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

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

The Group only reassesses whether a contract is, or contains, a lease subsequent to initial recognition if the terms and conditions of the contract are changed.

Right-of-Use-Assets

The Group recognises Right of Use Assets at the commencement date of the lease, when the underlying asset is available for use. Right of Use Assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of Lease Liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised Right of Use Assets are depreciated on a straight line basis over the shorter of its estimated useful life or the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, amortisation is calculated using the estimated useful life of the asset. Right of Use Assets are subject to impairment.

Lease Liability

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The Group's lease liabilities are included in Interest-bearing loans and borrowings

Short-term Leases and Leases of Low-value Assets.

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

2.6 STANDARDS ISSUED BUT NOT YET EFFECTIVE.

Sustainability Disclosure Standards – SLFRS S1 and SLFRS S2

SLFRS S1 and SLFRS S2, issued by CA Sri Lanka, are not yet effective for the Group and have not been early adopted.

SLFRS S1 sets out general requirements for disclosing information about an entity's sustainability related risks and opportunities. SLFRS S2 sets out specific requirements for disclosing information about an entity's climate-related risks and opportunities.

These standards will be effective for the Group for annual reporting periods beginning on or after 1 January 2027. Early adoption is permitted, provided both standards are applied together.

The Group is currently assessing the impact of these standards on its future financial statements and disclosures.

1. **Climate-related disclosure standards effective from 1 January 2027:** The Standards Issued Not

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

Yet Effective note issued by PPG is limited to Sri Lanka Accounting Standards applicable to the preparation of financial statements. Climate-related disclosures (e.g., sustainability reporting standards) are currently presented within the "Other Information" section of Annual Reports. Accordingly, these have been excluded from the Standards Issued Not Yet Effective note included within the statutory financial statements of a Company.

2. SLFRS 18 Presentation and Disclosure in Financial Statements SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organized and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position. SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted. The potential impact of SLFRS 18 on the financial statements and the related notes is currently being identified and evaluated.

3. SLFRS 19 Subsidiaries without public accountability: Disclosures SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles. SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19. The Standard becomes effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted Select as appropriate The entity is not eligible to apply SLFRS 19. OR The potential impact of SLFRS 19 is currently being identified and evaluated.

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

  The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments -

  particularly features such as sustainability-linked terms and nature-dependent electricity contracts.

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

  The impact of these amendments is currently being identified and evaluated.

- Annual improvements to Sri Lanka Accounting Standards

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable segments as follows:

The printing segment, which engages in Digital Printing, manufacturing and printing of tea bags and envelopes, exporting of printed papers and boards and printing of products with security features.

The packaging segment, which engages in manufacturing and printing of packing materials, printing and binding of books, magazines, brochures and catalogue, graphic design, prepress and providing premedia services.

No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Operating Segments	Printing		Packaging		Group	
	2026 Rs.	2025 Rs	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Revenue						
Direct Exports	691,839,082	1,043,773,425	652,256,239	1,131,594,290	1,344,095,321	2,175,367,715
Indirect Exports	1,759,128,910	2,567,924,367	2,889,815,453	3,062,458,108	4,648,944,363	5,630,382,475
Local Sales	2,985,084,548	2,382,732,656	3,933,343,921	2,075,637,233	6,918,428,469	4,458,369,889
	5,436,052,540	5,994,430,448	7,475,415,613	6,269,689,631	12,911,468,153	12,264,120,079
Segment Results						
Loss Before Tax	(28,879,933)	(173,098,969)	(1,574,785,865)	(719,164,833)	(1,603,665,798)	(892,263,802)
Taxation	(221,430,374)	(51,518,930)	(29,287,455)	(97,498,470)	(250,717,829)	(149,017,400)
	(250,310,307)	(224,617,899)	(1,604,073,320)	(816,663,303)	(1,854,383,627)	(1,041,281,202)
Non Controlling Interest	59,865,694	61,109,873	543,881,128	279,530,231	603,746,822	340,640,104
Loss Attributable to Equity Holders of the Parent	(190,444,613)	(163,508,026)	(1,060,192,192)	(537,133,072)	(1,250,636,805)	(700,641,009)
Segment Assets						
Non-Current Assets	3,441,529,536	3,715,530,827	6,193,651,524	6,177,527,576	9,635,181,059	9,893,058,403
Current Assets	2,683,425,013	2,951,499,047	9,156,672,280	6,615,513,963	11,840,097,293	9,567,013,010
	6,124,954,549	6,667,029,874	15,350,323,804	12,793,041,539	21,475,278,352	19,460,071,413
Segment Liabilities						
Non-Current Liabilities	1,621,353,664	1,436,611,360	4,511,815,720	3,805,719,599	6,133,169,384	5,242,330,959
Current Liabilities	2,823,701,709	2,748,683,266	7,219,012,680	4,387,150,472	10,042,714,389	7,135,833,738
	4,445,055,373	4,185,294,626	11,730,828,400	8,192,870,071	16,175,883,773	12,378,164,697
Other Information						
Additions to Property, Plant, Equipment, Investment Property and Intangible Assets	90,604,765	679,914,813	494,626,609	2,322,267,420	585,231,374	3,002,182,233
Depreciation and Amortization	287,944,750	199,315,540	510,171,495	368,735,642	798,116,245	568,051,182
	378,549,515	879,230,353	1,004,798,104	2,691,003,062	1,383,347,620	3,570,233,415

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

3. SEGMENT INFORMATION (Contd..)

Operating Segments	Printing		Packaging		Group	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Non-Cash Expenses						
Provision for Bad & Doubtful Debts	7,989,971	7,974,029	315,331,098	118,513,816	323,321,069	126,487,845
Provision for Gratuity	41,785,817	38,066,330	30,772,512	28,450,587	72,558,330	66,516,917
Provision for Slow Moving Stocks	13,260,060	(19,350,763)	230,087,092	15,711,653	243,347,152	(3,639,110)
	63,035,848	26,689,596	576,190,702	162,676,056	639,226,551	189,365,652
Finance (Income) and Cost						
Finance Cost	238,982,800	257,432,153	710,857,748	526,089,331	949,840,548	783,521,484
Finance Income	(2,098,525)	2,651,152	(91,003,440)	80,081,498	(93,101,965)	82,732,650
	236,884,275	260,083,305	619,854,308	606,170,829	856,738,583	866,254,134

Segment Revenue	Printing Rs.	Packaging Rs.	Total Segment Rs.	Adjustments and Elimination Rs.	Consolidated Rs.
External Customers	5,634,824,510	7,583,460,705	13,218,285,215	(306,817,062)	12,911,468,153
Inter- Segment	49,087,524	806,825,679	855,913,203	(855,913,203)	-
Total	5,683,912,034	8,390,286,384	14,074,198,418	(1,162,730,265)	12,911,468,153

Management also monitors the operating & financials results in terms of geographical segments.

	Sri Lanka		India		Kenya & Others		Total	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Revenue								
Direct Exports	1,254,336,517	2,046,461,768	89,758,804	128,905,946	-	-	1,344,095,321	2,175,367,714
Indirect Exports	4,171,256,639	5,015,295,391	477,687,724	615,087,083	-	-	4,648,944,363	5,630,382,475
Local Sales	3,818,695,215	3,163,383,865	839,532,207	791,988,765	2,260,201,047	502,997,259	6,918,428,469	4,458,369,889
	9,244,288,371	10,225,141,025	1,406,978,735	1,535,981,794	2,260,201,047	502,997,259	12,911,468,153	12,264,120,078
Segment Results								
Profit Before Tax	(449,239,011)	(261,175,990)	57,717,308	93,643,177	(1,212,144,095)	(724,730,989)	(1,603,665,798)	(892,263,802)
Taxation	(272,951,746)	(211,289,396)	14,531,916	15,548,579	7,702,000	46,723,417	(250,717,830)	(149,017,400)
	(722,190,757)	(472,465,387)	72,249,224	109,191,756	(1,204,442,095)	(678,007,572)	(1,854,383,628)	(1,041,281,202)
Non Controlling Interest	207,883,013	59,351,739	-	-	395,863,809	281,288,365	603,746,822	340,640,104
Profit Attributable to Equity Holders of the Parent	(514,307,744)	(413,113,648)	72,249,224	109,191,756	(808,578,286)	(396,719,207)	(1,250,636,806)	(700,641,009)
Segment Asset								
Non-Current Assets	5,790,245,213	5,741,120,032	820,948,822	911,550,411	3,023,987,021	3,240,387,961	9,635,181,056	9,893,058,404
Current Assets	7,920,179,665	6,717,952,689	644,844,762	545,063,854	3,275,072,869	2,303,996,468	11,840,097,296	9,567,013,010
	13,710,424,879	12,459,072,720	1,465,793,584	1,456,614,264	6,299,059,889	5,544,384,429	21,475,278,352	19,460,071,414
Segment Liabilities								
Non-Current Liabilities	3,134,218,020	2,472,361,802	250,296,122	338,255,243	2,748,655,242	2,431,713,914	6,133,169,384	5,242,330,960
Current Liabilities	5,583,462,128	4,089,836,967	510,916,723	415,057,172	3,948,335,535	2,630,939,596	10,042,714,387	7,135,833,735
	8,717,680,148	6,562,198,769	761,212,845	753,312,415	6,696,990,777	5,062,653,511	16,175,883,771	12,378,164,695
Other Information								
Additions to Property, Plant, Equipment, and Intangible Assets	418,352,123	779,003,024	18,119,567	53,631,309	148,759,685	2,169,547,900	585,231,374	3,002,182,233
Depreciation and Amortization	357,301,238	353,729,897	73,164,406	42,592,013	367,650,601	171,729,272	798,116,245	568,051,182
	775,653,361	1,132,732,921	91,283,973	96,223,323	516,410,286	2,341,277,172	1,383,347,620	3,570,233,415
Non-Cash Expenses								
Provision for Bad & Doubtful Debts	190,269,111	126,487,845	-	-	133,051,958	-	323,321,069	126,487,845
Provision for Gratuity	54,676,068	52,099,819	17,882,262	14,417,095	-	-	72,558,330	66,516,914
Provision for Slow Moving Stocks	195,220,232	(3,639,110)	-	-	48,126,921	-	243,347,153	(3,639,110)
	440,165,411	174,948,554	17,882,262	14,417,095	181,178,879	-	639,226,552	189,365,649
Finance(Income) and cost								
Finance Cost	388,773,185	313,530,305	53,049,342	54,847,860	508,018,022	415,143,318	949,840,549	783,521,483
Finance Income	73,562,572	62,971,965	1,369,040	1,221,565	18,170,353	18,539,119	93,101,965	82,732,650
	462,335,757	376,502,270	54,418,382	56,069,425	526,188,375	433,682,437	1,042,942,514	866,254,133

Segment Revenue	Sri Lanka	India	Kenya & Others	Total Segment	Adjustments and Elimination	Consolidated
External Customers	9,926,681,514	1,406,978,735	2,260,201,047	13,593,861,295	(682,393,142)	12,911,468,153
Inter- Segment	480,337,121	-	-	480,337,121	(480,337,121)	-
	10,407,018,635	1,406,978,735	2,260,201,047	14,074,198,417	(1,162,730,264)	12,911,468,153

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
4. REVENUE / OTHER INCOME AND EXPENSES				
4.1 Revenue				
Sale of Goods	12,911,468,153	12,264,120,079	3,802,275,617	3,849,697,593
Gross Revenue	12,911,468,153	12,264,120,079	3,802,275,617	3,849,697,593
4.1.1 Summary				
Direct Exports	1,344,095,321	2,175,367,715	574,737,231	628,962,501
Indirect Exports	4,648,944,363	5,630,382,475	1,796,610,551	1,827,121,236
Local Sales	6,918,428,469	4,458,369,889	1,430,927,835	1,393,613,856
	12,911,468,153	12,264,120,079	3,802,275,617	3,849,697,593
4.2 Other Operating Income				
Rent Income	-	-	14,955,360	14,955,360
IT Service Charges	-	-	30,661,728	30,843,288
Scrap Sales	96,200,529	61,785,040	4,530,162	5,089,984
Solar Power Income	7,222,803	11,245,847		-
Exchange Gain	362,182,668	115,558,838	72,255,068	46,542,175
Insurance Claim	-	249,332,507		-
Gain on Disposal	1,833,282			
	467,439,282	437,922,232	122,402,318	97,430,807
4.3 Finance Income				
Dividend Income	133,000	112,000	12,450,827	63,854,348
Interest Income	92,968,965	82,515,039	1,623,307	535,303
Interest on Refundable Deposit paid under Lease Liability		105,610		-
	93,101,965	82,732,649	14,074,134	64,389,651
4.4 Finance Costs				
Interest Expense on Overdrafts	163,674	7,982,893	1,265,171	569,356
Interest Expense on Loans and Borrowings	796,463,357	580,884,343	84,372,154	109,695,459
Interest Expense on Lease Creditor	153,213,517	194,654,248	10,523,157	-
	949,840,548	783,521,484	96,160,482	110,264,815
4.5 Profit / (Loss) is stated after charging/(crediting)				
Included in Cost of Sales				
Employee Benefits including the following;				
- Employee Benefit Plan Costs - Gratuity	32,825,723	30,231,550	12,500,645	10,001,795
- Defined Contribution Plan Costs - EPF & ETF	59,208,647	57,763,850	16,104,583	13,165,689
Other Staff Costs	1,134,359,271	1,041,385,423	256,924,444	223,796,717
Depreciation of Property, Plant & Equipment	650,493,751	432,455,045	81,374,724	62,471,705
Included in Administrative Expenses				
Employee Benefits including the following;				

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
- Employee Benefit Plan Costs - Gratuity	41,523,707	36,285,367	22,819,521	20,491,525
- Defined Contribution Plan Costs - EPF & ETF	100,207,634	89,828,203	25,958,439	20,548,525
Other Staff Costs	892,164,770	1,230,120,240	258,978,116	248,280,723
Depreciation of Property, Plant & Equipment	129,681,989	126,979,227	50,282,241	40,660,598
Amortization of Investment Property	78,753,857	-	2,253,857	-
Amortization of Intangible Assets	-	8,616,910	2,243,500	2,243,500
Profit on Sale of Property, Plant & Equipment	(1,833,282)	(875,755)	2,381,104	(4,236)
Auditors' Remuneration - Current Year	(737,301)	9,376,343	2,026,444	1,106,011
Non Audit fees to the Auditors	10,624,403	3,605,864	-	170,000
Provision for Slow Moving Stocks	243,347,152	(3,639,110)	3,117,255	(12,746,685)
Donations	(1,315,698)	965,478	202,056	255,247
Provision for Bad Debts & writeoffs	323,321,069	126,487,845	(1,933,092)	6,359,035
Directors' Fees	8,330,200	13,040,584	8,330,200	9,210,000
Impairment of Invesment in Subsidiaries	-	-	76,500,000	50,000,000
Impairment of Property, Plant & Equipment	178,752,782	50,000,000	-	-
Included in Distribution Costs				
Transport and Vehicle Running Expenses	5,884,102	100,566,444	5,884,102	5,979,203
Sales Promotions	38,791,524	75,789,062	38,215,675	7,957,153

4.6 Other Operating Expenses

Exchange Loss	(51,469,725)	48,944,165	-	-
	(51,469,725)	48,944,165	-	-

5. INCOME TAX

The major components of income tax expense for the years ended 31 March 2026 and 31 March 2025 are :

5.1 Consolidated Statement of Profit or Loss

Current Income Tax:				
Current Tax Expense on Ordinary Activities for the Year (Note 5.2)	92,520,987	192,405,733	61,828,052	15,485,229
Under/(Over) Provision of Current Taxes in Respect of Prior Years	11,747	(38,789,667)	3,351	(4,450,119)
	92,532,734	153,616,066	61,831,403	11,035,110
Deferred Income Tax:				
Deferred Taxation Charge / (Reversal) (Note 5.3, Note 5.4 and Note 5.5)	158,185,095	4,598,666	(14,013,602)	(14,156,352)
Income Tax Expense reported in the Consolidated Statement of Profit or Loss	250,717,829	149,017,400	47,817,801	(3,121,242)

5.2 A Reconciliation between Tax Expense and the Product of Accounting Profit / (Loss) multiplied by the Statutory Tax Rate for the Years Ended 31 March 2026 and 2025 is as follows :

Accounting Profit/(Loss) Before Income Tax	(1,603,665,796)	(892,263,802)	103,425,946	46,759,899
Aggregate Disallowed Items	3,057,889,167	1,847,139,529	295,338,863	210,019,762
Aggregate Allowable Expenses	(2,516,515,876)	(2,070,990,163)	(181,353,306)	(141,508,124)
Income not Subject to Tax	(38,432,531)	(25,321,912)	(12,841,182)	(64,189,312)
Other Assessed Income	103,674,479	1,688,202	1,534,353	535,304
Taxable Profit/(Loss)	(997,050,557)	(1,139,748,146)	206,104,674	51,617,529
Setoff Against Tax Profit (Note 5.2.1)	(1,440,311)	(133,633,992)	-	-
Taxable Profit/(Loss)	(998,490,868)	(1,273,382,138)	206,104,674	51,617,529

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

		Group		Company	
		2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
5.2.1	Adjusted Taxable Profit	358,178,431	643,328,450	206,104,674	51,617,529
	Adjusted Taxable Loss	(1,356,669,298)	(1,916,710,588)	-	-
		(998,490,868)	(1,273,382,138)	206,104,674	51,617,529
5.2.2	Statutory Tax Rate - Business Profit	15% & 30%	30%	30%	30%
	- Other Income	30%	30%	30%	30%
	- Foreign Subsidiaries	25% & 30%	25% & 30%	-	-
	Current Income Tax Expense	92,520,987	192,405,733	61,828,052	15,485,229
5.2.3	Tax Losses Brought forward	(3,379,624,781)	(1,596,548,185)	-	-
	During the year loss	(1,777,168,493)	(1,916,710,588)	-	-
	Utilised Tax losses	1,440,311	133,633,992	-	-
	Tax Losses Carried forward	(5,155,352,963)	(3,379,624,781)	-	-

5.3 Breakup for the Carried Forward Tax Losses

Years to Expire	1 - 2 Years	3 - 4 Years	More than 4 Years	Total
	Rs.	Rs.	Rs.	Rs.
Tax Losses Carried forward as at 31.03.2026	777,408,689	247,641,857	4,130,302,417	5,155,352,963

5. INCOME TAX (Contd..)
5.4 Deferred Tax Asset and Income Tax related to the following:

	Group 2026	Group 2025	Company 2026	Company 2025
Deferred Tax Liability Arising on:				
Property Plant and Equipment	27,401,786	20,370,310	-	-
Net impact from Right of Use Asset and Lease Creditor	-	-	-	-
Capital Gain Tax on Revaluation of Land	-	4,983,900	-	-
Unrealized Exchange Gain	-	-	-	-
	27,401,786	25,354,210	-	-
Deferred Tax Assets Arising on:			-	-
Defined Benefit Plans	(1,072,774)	(100,245)	-	-
Stock Provision	870,350	-	-	-
Debtors Provision	-	-	-	-
Tax Loss Carried Forward	(189,790)	(136,791,164)	-	-
Net impact from Right of Use Asset and Lease Creditor	347,535	(2,291,819)	-	-
Unrealised Exchange Loss	(25,689,951)	-	-	-
Net Impact from Other Liability	(1,544,144)	-	-	-
	(27,278,773)	(139,183,228)	-	-
	(123,011)	(113,829,018)	-	-
			-	-
Balance Brought Forward	(113,829,018)	(94,602,010)	-	-
Transfer From Asset/ Liability	-	17,223,503	-	-
Deferred Income Tax Charge/(Credit)- Statement of Profit or Loss	113,691,483	(36,427,406)	-	-
Deferred Income Tax Charge - Statement of Other Comprehensive Income	14,524	(23,104)	-	-
	(123,011)	(113,829,018)	-	-

5.5 Deferred Tax Liability and Income Tax Related to the following:

Deferred Tax Liability Arising on:				
Property Plant and Equipment	940,633,859	942,041,762	311,103,728	327,222,377
Capital Gain Tax on Revaluation of Land	419,947,090	398,015,867	161,084,340	161,084,340
Debtor Bad Debt Provision	1,236,924			
Unrealised Exchange Loss	-	-	18,358,971	-
	1,361,817,874	1,340,057,629	490,547,039	488,306,717
Deferred Tax Assets Arising on:				
Defined Benefit Plans	(130,234,109)	(109,467,305)	(60,180,871)	(54,084,330)
Tax Loss Carried Forward	(5,799,887)	(120,938,300)	-	-
Net Impact from Right-of-Use Asset and Lease Liability	(698,019)	(532,416)	-	-
	(81,025,300)	(230,938,022)	-	(54,084,330)
Provision for Stocks			(10,873,849)	
Provision for Debtors	(90,648,139)	-	(1,613,818)	-
Unrealised Exchange Loss	94,023,030	-	-	-
Net Impact from Other Liability	(4,678,063)	-	-	-
	(219,060,487)	(230,938,022)	(72,668,538)	(54,084,330)
	1,142,757,387	1,109,119,608	417,878,501	434,222,387
Balance Brought Forward	1,109,119,608	1,113,827,349	434,222,387	461,644,476
Transfer From Asset/ Liability		(17,223,503)	-	-
Deferred Income Tax Charge/(Credit)- Statement of Profit or Loss	44,493,612	31,828,740	(14,013,602)	(14,156,352)
Deferred Income Tax Charge /(Credit) - Statement of Other Comprehensive Income	(9,365,127)	(17,149,458)	(2,330,284)	(13,265,737)
Exchange Translation Difference	(1,490,706)	(2,163,520)	-	-
	1,142,757,387	1,109,119,608	417,878,501	434,222,387

5.6 Tax Rate

As per the Inland Revenue Act No. 24 of 2017 and the subsequent amendments thereto, all Group companies which are resident in Sri Lanka are liable to Income Tax at 30%. (2024/25 - 30%) on taxable profit during the period.

6. EARNINGS PER SHARE

6.1 Basic/Diluted Earnings Per Share is calculated by dividing the net profit/(Losses) for the year attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the Earnings/Loss Per Share computations.

	Group		Company	
	2026 Rs.	**2025** Rs.	**2026** Rs.	**2025** Rs.
Amount Used as the Numerator:				
Net Profit/(Loss) attributable to Ordinary Equity Holders of the Parent for Basic Earnings	(1,250,636,805)	(700,641,009)	55,608,145	49,881,143
Number of Ordinary Shares Used as the Denominator:	Number	Number	Number	Number
Weighted Average Number of Ordinary Shares at the Beginning of the Year	85,966,670	85,966,670	85,966,670	85,966,670
Weighted Average Number of Ordinary Shares at the End of the Year	85,966,670	85,966,670	85,966,670	85,966,670
Earnings/(Loss) Per Share - Basic	(14.55)	(8.15)	0.65	0.58

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

7. PROPERTY, PLANT AND EQUIPMENT

7.1 Group

7.1.1 Gross Carrying Amount

At Cost	Balance as at 01.04.2025 Rs.	Additions Rs.	Disposals / Transfers Rs.	Translation Difference Rs.	Balance as at 31.03.2026 Rs.
Buildings on Leasehold Land	-	200,805,755	-	5,495,002	206,300,757
Plant and Machinery	7,156,822,714	795,655,234	(11,760,360)	14,032,928	7,954,750,516
Furniture and Fittings	78,135,778	21,008,812	(1,987,033)	(6,729,807)	90,427,750
Office Equipment	213,432,693	13,829,282	(4,788,996)	(2,035,410)	220,437,570
Factory Equipment	740,080,309	62,156,887	(2,020,103)	2,185,822	802,402,916
Other Fixtures	37,539,803	2,049,227	(29,357,445)	(2,049,227)	8,182,358
Motor Vehicles	86,528,681	-	-	18,242,717	104,771,398
Production Resourse Tools	96,060,236	16,250,800	-	(109,642)	112,201,393
	8,408,600,214	1,111,755,997	(49,913,937)	29,032,384	9,499,474,659
At Valuation					
Land	1,883,832,416	-	-	46,213,234	1,930,045,650
Buildings on Freehold Land	1,845,571,950	42,717,396	-	59,270,275	1,947,559,620
	3,729,404,366	42,717,396	-	105,483,509	3,877,605,271
Work in Progress					
Buildings	109,171,301	-	(92,591,857)	4,271,483	20,850,928
Plant and Machinery	480,307,994	20,687,108	(497,373,838)	10,450,146	14,071,410
	589,479,295	20,687,108	(589,965,695)	14,721,629	34,922,338
Total Gross Carrying Amount	12,727,483,874	1,175,160,501	(639,879,632)	149,237,523	13,412,002,267

7.1.2 Depreciation & Impairment

At Cost	Balance as at 01.04.2025 Rs.	Charge for the year Rs.	Disposals/ Transfers Rs.	Impairment Rs.	Translation Difference Rs.	Balance as at 31.03.2026 Rs.
Plant and Machinery	3,138,477,352	568,606,586	(8,226,742)	160,659,341	(46,261,118)	3,813,255,419
Furniture and Fittings	51,342,270	10,754,655	(1,042,383)	-	(7,661,022)	53,393,520
Office Equipment	150,122,115	24,847,617	(3,252,315)	10,263,450	(11,025,580)	170,955,287
Factory Equipment	386,192,606	57,390,537	(261,782)	602,069	(2,443,776)	441,479,654
Other Fixtures	17,118,734	4,336,207	(18,050,175)	192,217	-	3,596,983
Motor Vehicles	4,340,412	17,589,769	-	-	17,117,512	39,047,693
Production Resource Tools	9,062,577	20,693,999	-	-	3,534,245	33,290,821
	3,706,656,066	704,219,370	(30,833,397)	171,717,077	(46,739,739)	4,555,019,377
At Valuation						
Buildings on Freehold Land	75,080,345	91,211,288	-	7,035,705	(5,486,716)	167,840,622
	75,080,345	91,211,288	-	7,035,705	(5,486,716)	167,840,622
Total Depreciation	3,781,736,411	795,430,658	(30,833,397)	178,752,782	(52,226,455)	4,722,859,998

Impairment

At Cost	Balance as at 01.04.2025 Rs.	Charge for the year Rs.	Disposals / Transfers Rs.	Balance as at 31.03.2026 Rs.
Plant & Machinery	50,000,000	178,752,782	-	228,752,782
	50,000,000	178,752,782	-	228,752,782

7. PROPERTY, PLANT AND EQUIPMENT (Contd..)

7.1 Group (Contd...)

7.1.3 Net Book Values

	As at 31.03.2026 Rs.	As at 31.03.2025 Rs.
At Cost		
Buildings on Leasehold Land	206,300,757	-
Plant and Machinery	4,141,495,097	4,018,345,362
Furniture and Fittings	37,034,230	26,793,509
Office Equipment	49,482,283	63,310,578
Factory Equipment	360,923,262	353,887,702
Other Fixtures	4,585,376	20,421,069
Motor Vehicles	65,723,706	82,188,269
Production Resource Tools	78,910,572	86,997,660
	4,944,455,282	4,651,944,149
At Valuation		
Freehold Land	1,930,045,650	1,883,832,416
Buildings on Freehold Land	1,779,718,999	1,770,491,604
	3,709,764,649	3,654,324,020
Add: Work in Progress		
Building	20,850,928	109,171,301
Plant and Machinery	14,071,410	480,307,994
	34,922,338	589,479,295
Total Carrying Amount of Property, Plant and Equipment	8,689,142,269	8,895,747,464

7.1.4 Impairment of Property, Plant and Equipment

The Company assesses at each reporting date whether there are indicators that items of property, plant and equipment (PPE) may be impaired. If any such indication exists, or when an annual impairment test is required, the Group estimates the recoverable amount of the asset or the cash-generating unit (CGU) to which it belongs. An indication of impairment was identified in current year as the expected revenue and cash inflows from operations were not sufficient to fully recover the carrying amount of certain assets.

The recoverable amount is determined as the higher of:

- Fair value less costs to sell (FVLCTS) – based on observable market prices, recent transactions, or independent valuations, where available; and
- Value in use (VIU) – determined by estimating the future cash flows expected to arise from the asset/CGU and discounting them to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the current financial year, management determined the recoverable amount of the relevant assets based on the Value in Use (VIU) approach, as this method was considered more appropriate given the absence of reliable market-based evidence of fair value.

If the recoverable amount is less than the carrying amount, the asset is written down to its recoverable amount, and the impairment loss is recognized in profit or loss. Impairment losses recognized in prior periods are reviewed for possible reversal at each reporting date.

The value in use was calculated using discounted future cash flow projections prepared from management-approved budgets and forecasts for 5 years period. These projections incorporated management's best estimates, including an assumed revenue growth rate of 5%, expected operating costs, and other relevant assumptions. A pre-tax discount rate of 12.2% was applied, reflecting current market assessments of the time value of money and risks specific to the assets.

Based on this assessment, the Group recognized an impairment provision of Rs. 76.5 MN on Printcare Secure Ltd in relation to Plant & Machinery and Rs. 102.2 MN on The Lifepak (pvt) Ltd in relation to Property Plant and Equipment in the financial statements for the year ended 31.03.2026.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

7. PROPERTY, PLANT AND EQUIPMENT (Contd..)

7.2 Company

7.2.1 Gross Carrying Amount	Balance as at 01.04.2025	Additions Transfers	Disposals / Transfers	Balance as at 31.03.2026
At Cost	Rs.	Rs.	Rs.	Rs.
Plant and Machinery	1,131,096,348	45,822,988	(8,715,225)	1,168,204,111
Furniture and Fittings	24,283,536	3,005,125	-	27,288,660
Office Equipment	105,828,092	3,490,826	-	109,318,918
Factory Equipment	137,803,572	4,888,682	-	142,692,254
Motor Vehicles	65,795,244	-	-	65,795,244
Production Resource Tools	57,666,803	16,250,800	-	73,917,603
	1,522,473,594	73,458,420	(8,715,225)	1,587,216,790
At Valuation				
Freehold Land	673,400,000	-	-	673,400,000
Buildings on Freehold Land	462,900,050	25,405,671	-	488,305,721
	1,136,300,050	25,405,671	-	1,161,705,721
Work In Progress				
Machine	20,687,108	(20,687,108)	-	-
	20,687,108	(20,687,108)	-	-
Total Gross Carrying Amount	2,679,460,753	78,176,983	(8,715,225)	2,748,922,511

7.2.2. Depreciation	Balance as at 01.04.2025	Charge for the Year	Disposals / Transfers	Balance as at 31.03.2026
At Cost	Rs.	Rs.	Rs.	Rs.
Plant and Machinery	642,080,935	52,141,956	(6,222,756)	688,000,135
Furniture and Fittings	18,800,735	1,252,427	-	20,053,162
Office Equipment	74,186,389	10,388,317	-	84,574,706
Factory Equipment	96,938,401	8,538,769	-	105,477,169
Motor Vehicles	13,397,848	13,099,349	-	26,497,197
Production Resourse Tools	6,506,521	20,693,999	-	27,200,520
	851,910,829	106,114,816	(6,222,756)	951,802,889
At Valuation				
Buildings on Freehold Land	18,225,939	18,444,123		36,670,062
	18,225,939	18,444,123	-	36,670,062
	870,136,768	124,558,939	(6,222,756)	988,472,951

7. PROPERTY, PLANT AND EQUIPMENT (Contd..)

7.2 Company (Contd...)

7.2.3 Net Book Values

	As at 31.03.2026 Rs.	As at 31.03.2025 Rs.
At Cost		
Plant and Machinery	480,203,976	489,015,413
Furniture and Fittings	7,235,499	5,482,801
Office Equipment	24,744,212	31,641,702
Factory Equipment	37,215,085	40,865,171
Motor Vehicles	39,298,047	52,397,396
Production Resource Tools	46,717,083	51,160,282
	635,413,901	670,562,765
At Valuation		
Freehold Land	673,400,000	673,400,000
Buildings on Freehold Land	451,635,659	444,674,111
	1,125,035,659	1,118,074,111
Work In Progress		
Machines	-	20,687,109
	-	20,687,109
Total Carrying Amount of Property, Plant and Equipment	1,760,449,559	1,809,323,984

7.3 The useful lives of the assets is estimated as follows;

	2026	2025
Group		
Buildings	7 - 60 Years	7 - 60 Years
Plant and Machinery	6 2/3 - 40 Years	6 2/3 - 40 Years
Motor Vehicles	5-8 Years	5-8 Years
Furniture and Fittings	6 2/3 - 10 Years	6 2/3 - 10 Years
Office Equipment	5 Years	5 Years
Factory Equipment	5 -20 Years	5 -20 Years
Production Resource Tool	3 Years	3 Years
Company		
Buildings	25 Years	25 Years
Plant and Machinery	6 2/3 - 20 Years	6 2/3 - 20 Years
Motor Vehicles	5 Years	5 Years
Furniture and Fittings	6 2/3 Years	6 2/3 Years
Office Equipment	5 Years	5 Years
Factory Equipment	10 Years	10 Years
Production Resource Tool	3 Years	3 Years

7.4 During the year the Group and the Company acquired property, plant and equipment to the aggregate value of Rs. 585,194,806/- and Rs. 78,176,983/- respectively for cash. (2025 -Rs. 2,997,223,083/- and Rs. 123,227,034/-).

7.5 Property, Plant and Equipment includes fully depreciated assets of Group and Company having a original cost of of Rs. 1,121,255,727/- and Rs. 402,279,387/- (2025 - Rs. 812,666,449/- and Rs. 301,112,396/-).

7.6 Revaluation of Land and Buildings

Accounting judgements, estimates and assumptions

The Company adopts the revaluation model for freehold land and buildings. A comprehensive independent valuation of the Company's land and buildings was performed as at 31 March 2024 by S I P Indika, an independent professionally qualified valuer.

The Group/Company policy is to revalue land and buildings in every three years. As a result, as at 31 March 2026, management performed an assessment to determine whether the carrying amounts of the land and buildings continued to approximate their fair values. The assessment was performed using available market information and recent comparable market transactions together with an evaluation of changes in economic and market conditions subsequent to the last independent valuation.

7. PROPERTY, PLANT AND EQUIPMENT (Contd..)

7.6 Revaluation of Land and Buildings (Contd...)

Based on this assessment, management concluded that there were no material changes in the fair values of the land and buildings from those determined at the date of the most recent independent valuation and, accordingly, no further revaluation adjustment was required as at the reporting date.

7.7 Land and Building Value Details

Group

Lands

Property	Valuation Method	Value Range	Measurement	Extent	Carrying Value (Rs.)	Fair Value (Rs.)	Revaluation Surplus (Rs.)	Effective date (Rs.)	No of Buildings
No 77, Nungamugoda Road, Kelaniya	Open Market Valuation	Rs. 700,000 - Rs. 1,450,000	Perch	954.30	204,433,564	1,238,273,057	1,033,839,493	31.03.2025	4
10, Sangothipalayam, Arasur(PO), Coimbatore	Open Market Valuation	INR 15,000,000	Acre		29,654,202	73,759,359	44,105,157	31.03.2025	1
No 21, Pushparama Road, Pahala Biyanwila, Kadawatha	Open Market Valuation	Rs. 700,000- Rs. 775,000	Perch	327.80	67,627,000	248,000,000	180,373,000	31.03.2025	1
Nos 160 & 162, Siwralumulla Road, Nadungamuwa, Weliweriya	Open Market Valuation	Rs. 550,000 - Rs. 750,000	Perch	802.60	288,226,200	323,800,000	35,573,800	31.03.2025	None
					589,940,966	1,883,832,416	1,293,891,450		

Company

Lands

Property	Valuation Method	Value Range	Measurement	Extent	Carrying Value (Rs.)	Fair Value (Rs.)	Revaluation Surplus (Rs.)	Effective date (Rs.)	No of Buildings
No 77, Nungamugoda Road, Kelaniya	Open Market Valuation	Rs. 750,000 - Rs. 1,450,000	Perch	474.78	130,000,000	664,600,000	534,600,000	31.03.2025	1
No 163 , Siwralumulla Road, Nadungamuwa, Weliweriya	Open Market Valuation	Rs. 550,000 - Rs. 750,000	Perch	14.60	6,452,200	8,800,000	2,347,800	31.03.2025	None
					136,452,200	673,400,000	536,947,800		

Group

Buildings

Property	Valuation Method	Value Range	Measurement	Extent	Carrying Value (Rs.)	Fair Value (Rs.)	Revaluation Surplus (Rs.)	Effective date (Rs.)	No of Buildings
No 77, Nungamugoda Road, Kelaniya	DRC	Rs. 4000 - Rs. 12,500	SQFT	153,141	275,219,831	1,305,536,247	1,030,316,416	31.03.2025	4
10, Sangothipalayam, Arasur(PO), Coimbatore	DRC	INR 3,46,74,154	SQFT	39,780	155,212,969	162,555,358	7,342,389	31.03.2025	1
No 21, Pushparama Road, Pahala Biyanwila, Kadawatha	DRC	Rs. 700,000 - Rs. 775,000	SQFT	39,500	18,636,298	302,400,000	283,763,702	31.03.2025	1
					449,069,098	1,770,491,605	1,321,422,507		

Company

Buildings

Property	Valuation Method	Value Range	Measurement	Extent	Carrying Value (Rs.)	Fair Value (Rs.)	Revaluation Surplus (Rs.)	Effective date (Rs.)	No of Buildings
No 77, Nungamugoda Road, Kelaniya	DRC	Rs. 4000 - Rs. 12,500	SQFT	69,381	100,555,165	444,674,111	344,118,947	31.03.2025	1
					100,555,165	444,674,111	344,118,947		

7. PROPERTY, PLANT AND EQUIPMENT (Contd..)

7.7 Land and Building Value Details (Contd...)

- DRC Stands for Depreciated Replacement Cost
- Significant increase/ (Decrease) in estimated price per perch and price per square feet in isolation would resulting in a significant high/ (low) fair value.

7.8 Reconciliation of carrying amount

	2026 Cost Rs.	2026 Carrying Value Rs.	2025 Cost Rs.	2025 Carrying Value Rs.
Freehold Land (Group)	589,940,966	589,940,966	589,940,966	589,940,966
Buildings (Group)	723,960,901	449,069,098	723,960,901	449,069,098
	1,313,901,867	1,039,010,064	1,313,901,867	1,039,010,064
Freehold Land (Company)	136,452,200	136,452,200	136,452,200	136,452,200
Buildings (Company)	192,299,296	100,555,165	192,299,296	100,555,165
	328,751,496	237,007,365	328,751,496	237,007,365

7.9 Fair Value Hierachy

Group	2026 Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.	2025 Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
Fair Value of Free Hold Land	1,883,832,416	-	-	1,883,832,416	1,883,832,416	-	-	1,883,832,416
Fair Value of Buildings on Free Hold Land	1,770,491,605	-	-	1,770,491,605	1,770,491,605	-	-	1,770,491,605

Company	2026 Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.	2025 Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
Fair Value of Free Hold Land	673,400,000	-	-	673,400,000	673,400,000	-	-	673,400,000
Fair Value of Buildings on Free Hold Land	444,674,111	-	-	444,674,111	444,674,111	-	-	444,674,111

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
8. INTANGIBLE ASSETS				
Cost				
As at 1 April	67,588,628	204,365,971	65,307,279	64,127,279
Additions During the Year	36,568	4,959,150	-	1,180,000
Written - Off During the Year	-	(141,736,493)	-	-
Translation differences	(2,838,920)			
As at 31 March	64,786,276	67,588,628	65,307,279	65,307,279
Amortization				
As at 1 April	60,495,696	134,511,291	59,466,276	57,222,776
Amortization During the Year	2,685,588	8,616,910	2,253,857	2,243,500
Written - Off During the Year	-	(82,632,505)	-	-
As at 31 March	63,181,283	60,495,696	61,720,133	59,466,276
Net Book Value	1,604,993	7,092,932	3,587,146	5,841,003

Intangible assets include SAP ERP ECC6, Tally ERP 9, Hsenid HRIS Module Version 6 which are amortized over 05- 10 years.

9. INVESTMENT PROPERTY

	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Fair Value				
As at 1 April	-	-	175,351,513	175,351,513
Additions During the Year	-	-	-	-
Fair Value Change	-	-	-	-
Transfer of Accumulated Amortization on Fair Value	-	-	-	-
As at 31 March	-	-	175,351,513	175,351,513
Amortization				
As at 1 April	-	-	(7,014,061)	-
Amortization During the Year	-	-	(7,098,025)	(7,014,061)
As at 31 March	-	-	(14,112,086)	(7,014,061)
Net Book Value	-	-	161,239,427	168,337,452

9.1 Details Of Investment Property

Fair Value of Investment Property

Company Address	Valuation Method	Value Range	Building Sq.Ft.	Number of Building	2026 Rs.	2025 Rs.
No. 77, Nungamugoda Road, Kelaniya	DRC	Rs. 4000 - Rs. 12,500	37,620	01	161,239,427	168,337,452

Value has been determined based on the Depreciated Replacement cost method done by S.I.P Indaka AIV

Summary Results of Investment Property	2026 Rs.	2025 Rs.
Rent Income	14,955,360	14,955,360
Expenses incurred during the Year		-
Net Income	14,955,360	14,955,360

Company

Fair Value of the Investment Property	2026 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs
Fair Value of the Investment Property								
Investment Property	161,239,427	-	-	161,239,427	168,337,452	-	-	168,337,452
	161,239,427	-	-	161,239,427	168,337,452	-	-	168,337,452

10. INVESTMENTS IN SUBSIDIARIES

10.1. Company

	% Holding		No of Shares		Cost	
	2026	2025	2026	2025	2026 Rs.	2025 Rs.
Printcare Universal (Pvt) Ltd	100%	100%	4,320,000	4,320,000	43,200,000	43,200,000
Printcare Premedia Services Ltd	65%	65%	3,250,004	3,250,004	32,500,040	32,500,040
Printcare Secure Ltd	88.2%	88.2%	19,533,077	19,533,077	176,500,000	176,500,000
Printcare India (Pvt) Ltd	100%	100%	527,308	527,308	128,107,400	128,107,400
PC Universal Agencies (Pvt) Ltd	100%	100%	49,998	49,998	499,980	499,980
Printcare Digital (Pvt) Ltd	100%	-	1,250,000		901,250	
					381,708,670	380,807,420
Impairment of Subsidiaries (Note 10.2)					(126,500,000)	(50,000,000)
					255,208,670	330,807,420

10.2 Management performed an impairment assessment of its investment in Printcare Secure Limited as at 31 March 2026 in accordance with LKAS 36. The recoverable amount was determined using a value-in-use model based on discounted cash flow projections approved by management. Based on this assessment, an impairment loss of Rs. 76.50 million, (2024/2025-Rs.50 million) was recognized in profit or loss, reducing the carrying amount of the investment to Rs.50 million. The key assumptions used in the valuation included a pre-tax discount rate of 10.39%, terminal growth rate of 2.5% and projected revenue growth rate of 3%.

11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

11.1 Group

Fair Value through Other Comprehensive Income Investments	No. of Shares 2026 Number	Fair Value 2026 Rs.	No. of Shares 2025 Number	Fair Value 2025 Rs.
Quoted Equity Shares				
Taj Lanka Hotels PLC	58,416	2,003,669	58,416	1,209,211
Hemas Holdings PLC	28,000	4,144,000	28,000	3,360,000
Total Fair Value through Other Comprehensive Income Investments		6,147,669		4,569,211

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

11.2 Company

Fair Value through Other Comprehensive Income Investments	No. of Shares 2026 Number	Fair Value 2026 Rs.	No. of Shares 2025 Number	Fair Value 2025 Rs.
Quoted Equity Shares				
Taj Lanka Hotels PLC	58,416	2,003,669	58,416	1,209,211
Unquoted Equity Shares				
Printcare Packaging East Africa (Pvt) Ltd	1,433,500	33,149,970	1,433,500	33,149,970
Total Fair Value through Other Comprehensive Income Investments		35,153,639		34,359,181

11.3 Interest Bearing Loans and Borrowings

	2026 Amount Repayable Within 1 Year Rs.	2026 Amount Repayable After 1 Year Rs.	2026 Total Rs.	2025 Amount Repayable Within 1 Year Rs.	2025 Amount Repayable After 1 Year Rs.	2025 Total Rs.
Group						
Bank Loans (Note 11.3.1)	6,452,364,041	3,148,843,779	9,601,207,820	4,093,668,938	2,849,367,596	6,943,036,534
Redeemable Preference Shares -Printcare East Africa	-	347,666,753	347,666,753	-	-	-
Bank Overdrafts (Note 17.2)	362,687,281	-	362,687,281	251,681,196	-	251,681,196
Loans from Related Parties	-	26,712,439	26,712,439			
Lease Liabilities (Note 12.2)	109,086,583	1,017,572,921	1,126,659,504	102,474,297	902,497,038	1,004,971,335
	6,924,137,905	4,540,795,892	11,464,933,712	4,447,824,431	3,751,864,634	8,199,689,065
Company						
Bank Loans (Note 11.3.1)	710,733,573	268,000,000	978,733,573	1,062,888,884	143,326,704	1,206,215,588
Bank Overdrafts (Note 17.2)	4,343,357	-	4,343,357	4,895,082	-	4,895,082
Lease Liabilities (Note 12.2)	23,560,637	167,582,905	191,143,542	-	-	-
	738,637,566	435,582,905	1,174,220,472	1,067,783,966	143,326,704	1,211,110,670

11.3.1 Bank Loans

	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
As at 1 April	6,943,036,534	4,825,532,096	1,206,215,588	1,167,167,707
Loans Obtained During the Year	18,896,261,670	17,455,932,220	4,718,455,337	4,140,530,562
Less: Repayments	(16,269,956,010)	(15,326,686,093)	(4,949,070,925)	(4,106,352,915)
Unrealised Exchange Gain/(Losses)	12,860,932	(23,273,384)	-	(331,800)
Interest	19,004,693	11,531,695	3,133,573	5,202,034
As at 31 March	9,601,207,820	6,943,036,534	978,733,573	1,206,215,588

11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Contd..)

11.3 Interest Bearing Loans and Borrowings (Contd..)

11.3.2 Bank Loans-Repayment Terms

Company	Lending Institution	Nature of Facility	Interest Rate	Repayment Terms	2026 Rs.	2025 Rs.
Printcare PLC	National Development Bank PLC	Term Loan USD 1,570,367	1 M LIBOR + Margin	Yearly Instalment of USD 314,200 Mature on May 2026	-	116,381,172
Printcare PLC	Commercial Bank of Ceylon PLC	Term Loan LKR 300 Mn	Fixed Rate	Equal Instalment of LKR 5,000,000 Matured on March 2028	120,000,000	180,000,000
Printcare PLC	Hatton National Bank PLC	Term Loan LKR 280 Mn	Fixed Rate	Equal Instalment of LKR 4,800,000 Matured on March 2033	265,600,000	-
Printcare Universal (Pvt) Ltd	Commercial Bank of Ceylon PLC	Term Loan LKR 500Mn	Fixed Rate	Equal Instalment of LKR 8,333,333 and 1 instalment of LKR8,333,353 Matured on Mar-2028	200,000,102	300,000,004
Printcare Universal (Pvt) Ltd	Standard Chartered Bank	Term Loan USD 0.5 Mn	SOFR+ Margin	Equal Instalment of USD 8,333 Matured on Dec-2029	118,327,216	140,753,808
Printcare Universal (Pvt) Ltd	Hatton National Bank PLC	Term Loan LKR 420 Mn	Fixed Rate	Equal Instalment of LKR 7,150,000 Matured on March 2033	398,550,000	-
Printcare Secure Ltd	Commercial Bank of Ceylon PLC	Term Loan LKR 250 Mn	Fixed Rate	Equal Instalment of LKR 4,166,666 and 1 instalment of LKR4,166,714 Mature on April 2028	108,333,356	158,333,340
The Lifepak (Pvt) Ltd	DFCC Bank PLC	Term Loan LKR 250 Mn	Fixed Rate	Equal Instalment of LKR 4,166,667 Mature on December 2030	237,500,000	250,000,000
Printcare East Africa Ltd	Hatton National Bank PLC	Term Loan USD 5.5 Mn	SOFR+ Margin	Structured Repayment plan Mature on April 2031	1,729,586,331	1,625,190,118
Printcare India (pvt) Ltd	Bank of Ceylon	Term Loan INR 32 Mn	Fixed Rate	Equal Instalment of INR 687,805 Mature on July 2026	7,099,690	33,943,062
Printcare India (pvt) Ltd	Bank of Ceylon	Term Loan INR 9 Mn	Fixed Rate	Equal Instalment of INR 287,246 Mature on December 2025	8,616,514	8,616,514
Printcare India (pvt) Ltd	Housing Development Finance Corporation	Term Loan INR 1.06 Mn	Fixed Rate	Equal Instalment of INR 25,867 Mature on November 2026	-	1,667,877
Printcare India (pvt) Ltd	Bank of Ceylon	Term Loan INR 44.5 Mn	Fixed Rate	Equal Instalment of INR 979,111 Mature on September 2029	86,476,683	143,571,420
Printcare India (pvt) Ltd	Bank of Ceylon	Term Loan INR 35.48 Mn	Fixed Rate	Equal Instalment of INR 780,298 Mature on October 2029	70,949,321	116,078,689
Printcare India (pvt) Ltd	Housing Development Finance Corporation	Term Loan INR 6 Mn	Fixed Rate	Equal Instalment of INR 124,259 Mature on June 2029	13,945,190	18,195,014
Printcare India (pvt) Ltd	Bank of Ceylon	Term Loan INR 24.7 Mn	Fixed Rate	Equal Instalment of INR 543,210 Mature on December 2029	66,781,909	83,888,819

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Year ended 31 March 2026

11.4 Fair Values

The fair values of the financial assets and liabilities are assessed at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. There is no difference between carrying amounts and fair values of the Group's and Company's financial assets and liabilities.

The following methods were used to estimate the fair values.

A. Long-term receivables/borrowings are evaluated by the Company based on parameters such as interest rates, risk characteristics of the financed project etc. As at 31 March 2026, the carrying amounts of such borrowings are not materially different from their calculated fair values.

B. Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

C. Fair values of the unquoted ordinary shares have been estimated using net assets of the investee company.

D. Fair values of of remaining fair value through other comprehensive income financial assets are derived from quoted market prices in active markets

11.5 Fair Value Hierarchy

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

Fair value are determined according to the following hierarchy.

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

Level 2: Other valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Valuation techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 March 2026, the Group or/and the Company held the following financial instruments carried at fair value on the statement of financial position.

Group

Assets Measured at Fair Value	2026 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs
Fair Value through Other Comprehensive Income								
Quoted Equity Shares	6,147,669	6,147,669	-	-	4,569,211	4,569,211	-	-
	6,147,669	6,147,669	-	-	4,569,211	4,569,211	-	-

Company

Assets Measured at Fair Value	2026 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs
Fair Value through Other Comprehensive Income								
Quoted Equity Shares	2,003,669	2,003,669	-	-	1,209,211	1,209,211	-	-
Unquoted Equity Shares	33,149,970	-	-	33,149,970	33,149,970	-	-	33,149,970
	35,153,639	2,003,669	-	33,149,970	34,359,181	1,209,211	-	33,149,970

During the reporting period ending 31 March 2026, there were no transfers between Level 1 and Level 2 fair value measurements.

Cost of Acquisition of shares of Printcare Packaging East Africa (Pvt) Ltd was considered as the fair value since the Acquisition was done on 15 September 2023.

12. RIGHT-OF-USE OF ASSET AND RELATED LEASE LIABILITY

	Group		Company	
	2026	2025	2026	2025
12.1 Right-of-Use of Leased Assets	Rs.	Rs.	Rs.	Rs.
Cost				
As at 1 April	1,127,647,272	251,266,571	-	-
Additions During the Year	209,863,705	876,380,701	223,977,019	-
Terminations During the year	(35,209,653)	-	-	-
Translation Difference	51,374,041	-	-	-
As at 31 March	1,353,675,364	1,127,647,272	223,977,019	-
Amortization				
As at 1 April	255,827,495	107,188,476	-	-
Amortisation During the Year	153,216,204	148,610,120	25,950,829	-
Translation	6,468,549	28,898	-	-
As at 31 March	415,512,247	255,827,494	25,950,829	-
Carrying Value as at 31 March	938,163,117	871,819,778	198,026,190	-
12.2 Related Lease Liabilities				
As at 1 April	1,004,971,331	141,321,907	-	-
Additions	231,239,627	876,380,701	211,880,986	-
Accretion of Interest	167,744,480	194,654,248	10,522,557	-
Payments	(289,381,442)	(207,433,071)	(31,260,000)	-
Transfer	-	47,550	-	-
Terminations During the Year	(40,135,637)	-	-	-
Translation Differences	52,221,145			
As at 31 March	1,126,659,504	1,004,971,335	191,143,543	-
Current	109,086,583	102,474,297	23,560,637	
Non Current	1,017,572,921	902,497,038	167,582,906	
12.3 Amounts recognised in Profit or Loss:				
Amortization of Right-of-Use of Assets (Note 12.1)	153,216,204	148,610,120	25,950,829	-
Interest expense on Lease Liabilities (Note 12.2)	167,744,480	194,654,248	10,522,557	-
Interest Income on Refundable Deposit	-	-	(88,953)	-
Expenses relating to short-term Leases and Low Value Assets	59,405,163	54,077,351	-	-
Total amount recognised in Profit or Loss	380,365,847	397,341,718	36,384,433	-

13. INVENTORIES

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Raw Materials	2,850,105,132	2,192,432,814	692,697,228	680,660,903
Work-in-Progress	210,421,880	203,583,489	25,655,015	85,607,241
Finished Goods	254,547,506	139,099,911	52,289,381	10,740,074
Goods-in-Transit	272,165,480	44,143,552	46,746,195	30,419,766
Consumables and Spares	362,521,585	411,058,491	157,954,421	171,380,176
	3,949,761,583	2,990,318,257	975,342,239	978,808,161
Less: Allowance for Obsolete and Slow Moving Inventory	(308,809,078)	(91,250,684)	(36,246,162)	(33,128,907)
Total Inventories at the Lower of Cost and Net Realisable Value	3,640,952,505	2,899,067,573	939,096,077	945,679,253

During the year Group and Company Written off Inventory value of Rs.17,143,325/- and Rs. 16,057,390/- respectively.

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade Debtors - Related Parties (Note 14.1)	-	-	31,247,544	20,205,677
- Others	4,074,440,010	3,577,182,280	750,113,293	794,179,212
Less: Provision for Doubtful Debts (Note 14.5)	(435,940,301)	(156,057,588)	(5,379,394)	(7,312,486)
	3,638,499,710	3,421,124,692	775,981,443	807,072,403
Other Debtors - Others	388,939,768	76,932,356	38,531,293	43,285,179
- Related Parties (Note 14.2)	-	-	252,953,496	80,944,676
Advances	58,049,800	445,571,684	5,012,027	921,403
Loans to Company Officers (Note 14.3)	10,512,323	9,043,413	3,796,417	6,552,205
	4,096,001,601	3,952,672,145	1,076,274,676	938,775,866

14.1 Trade Receivable from Related Parties

	Relationship	Company 2026 Rs.	Company 2025 Rs.
P C Universal Agencies (Pvt) Ltd	Subsidiary	-	-
Printcare Universal (Pvt) Ltd	Subsidiary	29,507,248	16,846,323
Printcare Secure Ltd	Subsidiary	1,277,289	1,372,701
Princare Universal UK Ltd	Sub- Subsidiary	347,958	320,393
The Lifepak (Pvt) Ltd	Sub- Subsidiary	115,050	64,510
Printcare Digital Solutions (Pvt) Ltd	Sub- Subsidiary	-	1,601,750
		31,247,544	20,205,677

14.2 Other Receivable from Related Parties

	Relationship	Company 2026 Rs.	Company 2025 Rs.
Printcare Universal (Pvt) Ltd.	Subsidiary	44,945,141	49,652,007
Printcare Premedia Services Ltd.	Subsidiary	3,081,183	3,711,258
Printcare Secure Ltd.	Subsidiary	-	5,985,763
Printcare India (Pvt) Ltd	Subsidiary	644,716	4,006,816
Prtincare Digital Solutions (Pvt) Ltd	Sub- Subsidiary	3,161,928	3,424,526
Printcare Packaging East Africa (Pvt) Ltd	Sub- Subsidiary	175,564,644	11,661,427
Princare Universal UK Ltd	Sub- Subsidiary	746,881	425,038
PC Universal Agencies Pvt Ltd	Subsidiary	194,660	-
The Lifepak (Pvt) Ltd	Sub- Subsidiary	4,785,094	2,077,841
		233,124,246	80,944,676
Intercompany Loan Receivables			
Printcare Secure Ltd (Note 14.2.1)		19,740,000	-
Accruied Interest		89,250	-
		19,829,250	-
		252,953,496	80,944,676

14.2.1 Interest rate on intercompany loans are at market rate (AWPLR) and settlement terms are on revolving basis.

14.3 Loans to Company Officers

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
As at 1 April	9,043,413	8,806,661	6,552,205	6,275,881
Loans Granted During the Year	6,637,208	10,540,209	1,981,175	8,049,000
Repayments	(5,168,298)	(10,303,457)	(4,736,963)	(7,772,676)
As at 31 March	10,512,323	9,043,413	3,796,417	6,552,205

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Year ended 31 March 2026

14. TRADE AND OTHER RECEIVABLES (Contd..)

14.4 Trade Receivables are non-interest bearing and are generally on terms of 30-120 days,

	Total	Neither past due nor Impaired	Past due but not Impaired					Past due and Impaired
			< 30 days	30 - 60 days	61 - 90 days	91 - 120 days	> 120 days	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Group								
2026	4,074,440,010	1,721,313,832	861,678,843	403,246,593	98,082,335	116,436,202	437,741,904	435,940,301
2025	3,577,182,281	2,114,843,386	840,072,668	291,991,861	76,708,072	23,805,074	73,703,634	156,057,587
Company								
2026	781,360,837	715,942,352	41,494,458	18,544,634	-	-	-	5,379,394
2025	814,384,889	704,014,389	54,846,392	21,522,764	13,992,734	5,908,734	6,787,390	7,312,486

14.5 Loss Allowance Reconciliation - Trade and Other Receivables

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Opening Balance	156,057,588	40,203,927	7,312,486	953,406
Debtors Written off During the Year	-	3,911,876	4,315,036	4,315,036
Debtors Provision/ (Reversal) During the Year	327,045,273	111,941,784	(6,248,129)	2,044,044
Closing Balance	435,940,301	156,057,588	5,379,394	7,312,486

15. PREPAYMENTS

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Prepayments - Relates to Printcare Packaging East Africa (Pvt) Ltd	-	136,829,503	-	-
Prepayments - Others	36,716,482	107,998,328	11,921,516	15,310,698
	36,716,482	244,827,832	11,921,516	15,310,698

Prepayments others include SAP Annual Maintenance Fees, Insurance Premiums etc.

16. TAXES RECOVERABLE

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Value Added Tax	897,531,912	614,038,921	16,344,617	19,236,865
Economic Service Charge	1,222,985	16,356,583	-	-
Withholding Tax Receivable	13,761,768	4,213,415	3,519,388	1,870,529
	912,516,665	634,608,919	19,864,005	21,107,394

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.

17. CASH AND SHORT TERM DEPOSITS

17.1 Favourable Cash & Cash Equivalent Balances

	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Cash & Bank Balances	1,140,172,275	1,080,515,918	116,651,510	133,020,556
Fixed Deposits	341,049,549	325,896,481	-	-
	1,481,221,824	1,406,412,399	116,651,510	133,020,556

17.2 Unfavourable Cash & Cash Equivalent Balances

	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Bank Overdrafts (Note 11.3)	(362,687,281)	(251,681,196)	(4,343,357)	(4,895,082)
Total Cash and Cash Equivalent For the Purpose of Cash Flow Statement	1,118,534,542	1,154,731,203	112,308,154	128,125,474

18. STATED CAPITAL

	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Group/Company				
Ordinary Shares (Number)	85,966,670	85,966,670	85,966,670	85,966,670
Ordinary Shares (Rs.)	271,893,021	271,893,021	271,893,021	271,893,021

19. RESERVES

	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Other Reserve (Note 19.1)	1,001,612,316	1,001,439,376	409,271,498	409,271,498
Exchange Translation Reserve (19.2)	106,901,016	(2,733,185)	-	-
	1,108,513,332	998,706,191	409,271,498	409,271,498
Fair Value through Other Comprehensive Income Reserve (19.3)	5,241,853	3,663,395	1,475,188	680,730
Revaluation Reserve (19.4)	2,559,068,855	2,615,313,957	866,728,457	881,066,747

19.1

	Group			Company		
	As at 01.04.2025 Rs.	Transfer from Retained Earnings Rs.	As at 31.03.2026 Rs.	As at 01.04.2025 Rs.	Transfer from Retained Earnings Rs.	As at 31.03.2026 Rs.
Other Reserve	1,001,439,376	172,940	1,001,612,316	409,271,498	-	409,271,498
	1,001,439,376	172,940	1,001,612,316	409,271,498	-	409,271,498

Other Reserve which is a Revenue Reserve represents the amounts set aside by the directors for future expansions.

19. RESERVES (Contd..)

19.2

	Group			Company		
	As at 01.04.2025	Increase during the year	As at 31.03.2026	As at 01.04.2025	Decreased during the year	As at 31.03.2026
Exchange Translation Reserve	(2,733,185)	109,634,201	106,901,016	-	-	-
	(2,733,185)	109,634,201	106,901,016	-	-	-

Exchange translation reserve comprises the net exchange movement arising from the currency translation of foreign operations and equity accounted investees into Sri Lankan rupees.

19.3

	Group			Company		
	As at 01.04.2025	Increase During the Year	As at 31.03.2026	As at 01.04.2025	Increase During the Year	As at 31.03.2026
Fair Value through Other Comprehensive Income Reserve	3,663,395	1,578,458	5,241,853	680,730	794,458	1,475,188
	3,663,395	1,578,458	5,241,853	680,730	794,458	1,475,188

The fair value reserve of financial assets at FVOCI includes changes in fair value of financial instruments designated as financial assets at FVOCI.

19.4

	Group			Company		
	As at 01.04.2025	Transfer to Retained Earnings	As at 31.03.2026	As at 01.04.2025	Transfer to Retained Earnings	As at 31.03.2026
Revaluation Reserve	2,615,313,957	(56,245,102)	2,559,068,855	881,066,747	(14,338,289)	866,728,457
	2,615,313,957	(56,245,102)	2,559,068,855	881,066,747	(14,338,289)	866,728,457

The revaluation includes changes in fair value of Land & Buildings

20. DIVIDENDS PROPOSED AND PAID

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Declared and Paid During the Year				
Dividends on Ordinary Shares				
Final Dividend	-	85,966,670	-	85,966,670
Interim Dividend	-	-	-	-
	-	85,966,670	-	85,966,670
Dividend Per Share	-	1.00	-	1.00

21. EMPLOYEE BENEFIT LIABILITY

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
21.1 Net Benefit Expense				
Current Service Cost	36,487,367	31,061,019	16,390,651	13,955,180
Interest Cost on Benefit Obligation	36,070,963	35,455,898	18,929,515	16,538,140
	72,558,330	66,516,917	35,320,166	30,493,320
Net Actuarial Loss	31,217,091	57,600,280	7,767,614	44,219,124
Amount Recognised in OCI	31,217,091	57,600,280	7,767,614	44,219,124
Total Expenses	103,775,421	124,117,197	43,087,780	74,712,444

21.2 Employee Benefit Liability

Changes in the Present Value of the Defined Benefit Obligation are as follows:				
As at 1 April	381,346,717	331,631,349	180,281,100	137,817,831
Charge for the Year	72,558,330	66,516,917	35,320,166	30,493,320
Actuarial Loss	31,217,091	57,600,280	7,767,614	44,219,124
Benefits Paid	(34,945,826)	(74,401,829)	(22,766,003)	(32,249,175)
Exchange	(560,207)	-	-	-
As at 31 March	449,616,105	381,346,717	200,602,877	180,281,100

21.3 An Actuarial Valuation of the employee Retirement Benefit Liability scheme was carried out by Messrs. Actuarial Consultants Pvt Ltd (Gratuity.lk). as at 31 March 2026. The following assumptions were used for such valuation.

	Group		Company	
	2026	2025	2026	2025
Method of Actuarial Valuation:	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method
Principal Assumptions				
Discount Rate	10.00%	10.50%	10.00%	10.50%
Future Salary Increases	5% to 10% + Salary scales	9%+ Salary scales	5% to 10% + Salary scales	9%+ Salary scales
Other Assumptions				
Retirement Age	60 Years	60 Years	60 Years	60 Years
Mortality Table	A 67/70 Ultimate Mortality Table	A 67/70 Ultimate Mortality Table	A 67/70 Ultimate Mortality Table	A 67/70 Ultimate Mortality Table

Discount Rate was based on the yields available on government bonds or high-quality corporate bonds as of 31 March.

21. EMPLOYEE BENEFIT LIABILITY (Contd..)

21.4 Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonable possible change in the key assumptions employed with all other variables held constant in the employment benefit liability measurement, in respect of the year 2026.

Sensitivity Level	Group				Company			
	Discount Rate		Future Salary Increment Rate		Discount Rate		Future Salary Increment Rate	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%	1%	1%	1%	1%
2026 - Impact on defined benefit obligation	(15,394,631)	16,697,323	14,661,237	(13,769,303)	(7,540,925)	8,171,040	7,173,476	(6,744,201)
2025 - Impact on Defined Benefit Obligation	(16,450,228)	18,029,185	19,814,035	(18,358,217)	(8,642,521)	9,456,567	10,421,304	(9,670,088)

21.5 Changes in the Defined Benefit Obligation

The following table demonstrates the changes in the defined benefit obligation.

		Amounts Charged to Profit or Loss				Re measurement Gains/(Losses) in Other Comprehensive Income				
	01.04.2025	Service Cost	Interest Cost	Sub Total included in Profit or Loss	Benefits Paid	Actuarial Changes arising from Changes in Financial Assumptions	Experience Adjustment	Subtotal Included in OCI	Translation Difference	31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Group										
Defined Benefit Obligation	381,346,717	36,487,367	36,070,963	72,558,330	(34,945,826)	25,980,580	5,236,511	31,217,091	(560,207)	449,616,105
Benefit Liability	381,346,717	36,487,367	36,070,963	72,558,330	(34,945,826)	25,980,580	5,236,511	31,217,091	(560,207)	449,616,105
Company										
Defined Benefit Obligation	180,281,100	16,390,651	18,929,515	35,320,166	(22,766,003)	12,878,033	(5,110,418)	7,767,614	-	200,602,877
Benefit Liability	180,281,100	16,390,651	18,929,515	35,320,166	(22,766,003)	12,878,033	(5,110,418)	7,767,614	-	200,602,877

21.6 Following payments are expected from the Defined Benefit Obligation in the future years:

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Within the next 12 months	4,611,411	60,296,259	4,611,411	28,109,233
Between 13 to 36 months	38,065,537	82,818,277	11,433,280	32,034,170
Between 37 to 72 months	278,982,281	94,176,502	145,628,382	51,491,439
Beyond 72 months	127,956,876	144,055,679	38,929,804	68,646,258
	449,616,105	381,346,717	200,602,877	180,281,100

22. TRADE AND OTHER PAYABLES

		Group		Company	
		2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
Trade Payables	- Related Parties (Note 22.1)	-	-	30,532,104	38,821,107
	- Others	1,499,678,466	774,203,006	274,818,532	231,926,849
Other Payables	- Others	381,151,022	768,790,726	37,158,272	41,803,783
	- Related Parties (Note 22.2)	-	-	34,976,488	27,237,846
Sundry Creditors including Accrued Expenses		1,024,070,990	840,769,237	145,306,920	74,851,077
Unclaimed Dividends		9,621,013	12,707,982	12,754,586	12,707,983
		2,914,521,491	2,396,470,951	535,546,902	427,348,645

22.1 Trade Payables to Related Parties

	Relationship	Company 2026 Rs.	Company 2025 Rs.
Printcare Premedia Services Ltd	Subsidiary	23,575,041	16,153,324
Printcare Secure Ltd	Subsidiary	3,204,662	2,809,000
Printcare Universal (Pvt) Ltd	Subsidiary	774,946	4,722,940
Printcare Digital Solutions (Pvt) Ltd	Sub-Subsidiary	1,209,396	14,747,265
The Lifepak (Pvt) Ltd	Sub-Subsidiary	1,768,058	388,578
		30,532,104	38,821,107

22.2 Non-Trade Payables to Related Parties

	Relationship	Company 2026 Rs.	Company 2025 Rs.
Printcare Universal (Pvt) Ltd	Subsidiary	1,334,829	175,948
Printcare Secure Ltd	Subsidiary	15,702,190	72,503
Printcare Premedia Services Ltd	Subsidiary	1,287,380	332,835
The Lifepak (Pvt) Ltd	Sub- Subsidiary	-	1,510,241
Printcare Universal UK Ltd	Sub- Subsidiary	9,151,375	25,146,319
Printcare Digital Solutions (Pvt) Ltd	Sub-Subsidiary	7,500,713	-
		34,976,488	27,237,846

23. TAXES PAYABLE

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Value Added Tax	673,669	9,078,554	-	-
Nation Building Tax	16,256,792	16,346,937	-	-
Economic Service Charges	24,196,010	22,377,250	1,209,812	1,209,812
Social Security Levy	7,662,910	8,392,669	3,595,672	3,585,659
Withholding Tax	3,645,536	1,047,724	2,975,392	137,758
	52,434,917	57,243,134	7,780,876	4,933,229

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2026

24. RELATED PARTY TRANSACTIONS

24.1 Transactions with Subsidiaries

Nature of Transactions	2026 Rs.	2025 Rs.
Company		
Balance as at the Beginning of the Year	35,091,399	48,793,177
Sale of Goods	158,680,386	141,637,408
Purchase of Goods	(146,322,127)	(180,813,798)
Acquisition of Property Plant and Equipment	(2,340,363)	(151,000)
Short Term Loan	(130,260,000)	-
Short Term Loan Settlement	150,000,000	-
Inter company Interest	118,513	
IT Service Charge	31,857,725	31,632,876
Reimbursement of Staff Related Expenses	833,830,310	747,826,413
Reimbursement of Utility charges and other expenses	55,320,689	45,086,584
Rent	(14,179,097)	15,338,217
Dividend Receivable	12,450,827	(44,614,800)
Dividend Settlement	(12,450,827)	44,614,800
Settlement	(813,997,064)	(798,458,679)
Investment	(901,250)	-
Value Added Tax	51,793,200	-
Currency Adjustment	10,000,126	(15,799,799)
Balance as at the End of the Year	218,692,448	35,091,399

24.2 Transactions with Other Related Companies

Nature of Transactions	2026 Rs.	2025 Rs.
Group		
Balance as at the Beginning of the Year	226,888,934	87,184,331
Sale of Goods	2,044,326,916	1,646,446,626
Purchase of Goods	(204,345,001)	(151,512,446)
Settlement	(1,947,480,109)	(1,355,229,578)
Balance as at the End of the Year	119,390,741	226,888,933
Company		
Balance as at the Beginning of the Year	68,397,350	82,680,273
Sale of Goods	1,055,051,776	948,332,880
Purchase of Goods	(876,760)	(226,375)
Settlement	(1,066,438,012)	(962,389,428)
Balance as at the End of the Year	56,134,355	68,397,350

24.2.1 Other Related Companies include :

Dilma Ceylon Tea Company PLC., Hemas Manufacturing (Pvt) Ltd., Hemas Hospitals (Pvt) Ltd., Midaya Packaging Industries (Pvt) Ltd., MJF Exports (Pvt) Ltd, Amana Takaful PLC, Sampath Bank PLC and Morlan (Pvt) Ltd

24.3 There have been no non-recurrent related party transactions exceeding the threshold in the group & Company during the year under review. All the recurrent related party transactions of the group & company are below the threshold.

24. RELATED PARTY TRANSACTIONS (Contd..)

24.4 Transactions with Key Management Personnel of the Group

Key Management Personnel include the members of the Board of Directors, of Printcare PLC and its subsidiaries.

	Group		Company	
a) Key Management Personnel Compensation	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Short Term Employee Benefits	180,703,034	226,118,166	92,265,743	68,759,798
Long Term Employee Benefits	90,116,077	80,017,115	65,008,477	57,273,065
	270,819,111	306,135,281	157,274,220	126,032,863

Other than above no significant transaction had taken place involving key Management Personnel and their close family members during the year.

24.5 Terms and Conditions of Transactions with Related Parties

Transactions with related parties are carried out in the ordinary course of the business. Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. Interest bearing borrowings are at pre-determined interest rates and terms.

24.6 The sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free.

25. COMMITMENTS AND CONTINGENCIES

25.1 Financial Commitments

There were no financial commitments as at the reporting date.

25.2 Contingencies

a) Group and the company have obtained bank guarantees and bid bonds for customers and Sri Lanka Customs Department in the course of carrying out business as at the reporting date, such outstanding guarantees and bonds amounting to Rs. 312.04 Mn (2025 - Rs. 329.65 Mn) and NIL (2025 - 9.51Mn) respectively.

b) District Court Case – DPA/3/2008
A contingent liability exists in respect of Case No. DPA/3/2008, filed before the District Court of Colombo, in which Printcare PLC has been named as the 21st Defendant. The Company's lawyers have not advised of any unasserted claims or assessments in relation to this matter. The ultimate outcome of the case cannot presently be determined.

c) Commercial High Court Case – HC/Civil/83/2024/CO
A contingent liability exists in respect of Case No. HC/Civil/83/2024/CO, instituted by Printnex Enterprises (Pvt) Ltd, a minority shareholder, before the Commercial High Court. The action has been filed against Printcare Secure Ltd and 10 other respondents, seeking interim relief and various declarations. The ultimate outcome of the case cannot presently be determined.

d) Defamation Case – DMR/2800/2021
A contingent liability exists in respect of Case No. DMR/2800/2021, instituted by Printcare Secure Ltd against Mr. Amrit Muttukumaru in relation to alleged defamatory statements concerning the Company published in an article in the Daily Mirror. The ultimate outcome of the case cannot presently be determined.

e) Fundamental Rights Application – SC/FR/227/2024
A contingent liability exists in respect of Fundamental Rights Application No. SC/FR/227/2024, filed by Printcare Secure Ltd before the Supreme Court against 44 respondents, including the Development Lotteries Board. The application relates to the alleged failure to follow the lawful process before the Procurement Appeals Board (PAB). The ultimate outcome of the proceedings cannot presently be determined.

26. ASSETS PLEDGED

The following assets have been pledged as security for liabilities.

Nature of Assets	Nature of Liability	Carrying Amount		Included under
		2026 Rs.	2025 Rs.	
Printcare PLC Plant & Machinery	Primary Mortgage for Loans and Borrowings	376,409,097	409,832,376	Property, Plant & Equipment

26. ASSETS PLEDGED (Contd..)

Nature of Assets	Nature of Liability	Carrying Amount 2026 Rs.	Carrying Amount 2025 Rs.	Included under
Printcare Universal (Pvt) Ltd				
Cash Deposit	Loans and Barrowings	171,506,955	384,984,404	Cash and Bank Balances
Fixed Deposits		1,509,110,000	296,323,800	Short Term Investments-Fixed Deposits
Printcare Secure Ltd.				
Plant & Machinery	Loans and Borrowings	244,928,439	262,098,959	Property, Plant & Equipment
Printcare Premedia Services Ltd.				
Inventories	Loans and Borrowings	29,500,635	38,237,831	Inventories
Trade Receivables	Loans and Borrowings	163,857,606	67,387,138	Trade and Other Receivables
Printcare India (Pvt) Ltd				
Land & Building and Plant & Machinery	Loans and Borrowings	638,137,508	708,421,083	Property, Plant & Equipment
Printcare Digital Solutions (Pvt) Ltd.				
Plant & Machinery	Loans and Borrowings	159,081,917	194,360,034	Property, Plant & Equipment
The Lifepak (Pvt) Ltd				
Plant & Machinery	Loans and Borrowings	173,877,736	188,033,087	Property, Plant & Equipment
Printcare Packaging East Africa (Pvt) Ltd				
Plant & Machinery	Loans and Borrowings	1,662,933,829	1,570,199,738	Property, Plant & Equipment

27. EVENTS AFTER THE REPORTING PERIOD

No circumstances have arisen since the reporting date which would require adjustments to, or disclosure in the financial Statements.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

28.1 Introduction

Risk is inherent in the Group's business activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Board of Directors of the Group places special consideration on the management of such risks. The Group is mainly exposed to;

a. Market Risk
b. Liquidity Risk
c. Credit Risk
d. Capital Management

28.1.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings and fair value through other comprehensive Income Investments.

Financial risk management is carried out by Printcare PLC and its subsidiaries under policies approved by the Board which set out the principles and procedures with respect to risk tolerance, internal controls, management of foreign currency, interest rate and counter party credit exposures and the reporting of exposures.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

28.1.1 Market Risk (Contd..)

The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the entity's financial performance.

Commodity Price Risk

The entity is affected by the availability & price of certain commodities. The main impact for Printcare PLC and its subsidiaries is through imported raw material. The imported raw material price risk is mitigated by centralizing the purchases and continuously seeking alternative suppliers.

Interest Rate Risk

Interest rate risk is the risk that the entity's financial position will be adversely affected by movements in floating interest rates. The entity exposure to interest rate risk is minimized by maintaining an appropriate mix between Rupee borrowings & Dollar borrowings and by looking for the cheapest sources of funds.

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

Year	Increase/ (decrease) in basis points	Effect on profit before tax Rs.
2026	+ 100-150 basis points	(44,263,697)
	- 100-150 basis points	44,263,697
2025	+ 100-150 basis points	(46,074,748)
	- 100-150 basis points	46,074,748

The assumed spread of basis points for the interest rate sensitivity analysis is based on the currently observable market environment changes to base rates such as LIBOR, SLIBOR, AWPLR.

Foreign Currency Risk

Exchange risk arises out of the commercial transactions that the entity enters into outside Sri Lanka. The company has a natural hedging by way of its operational transactions as the inflow of foreign currency through export/indirect export sales off sets the import cost.

The following table demonstrates the sensitivity of net operating cash flows to a reasonably possible change of such underlining foreign currencies (EUR, GBP, USD & AUD).

Exchange rate is against the identified currency, with all other variables held constant. The company's exposure to foreign currency changes for all other currencies is not material.

	2026				2025			
Foreign Currency	Change in Exchange Rate	Effect on Profit Before Tax (Rs.'000)	Change in Exchange Rate	Effect on Profit Before Tax (Rs.'000)	Change in Exchange Rate	Effect on Profit Before Tax (Rs.'000)	Change in Exchange Rate	Effect on Profit Before Tax (Rs.'000)
EUR	1%	(3,037)	-1%	3,037	1%	(1,530)	-1%	1,530
GBP	1%	590	-1%	(590)	1%	6,531	-1%	(6,531)
USD	1%	9,052	-1%	(9,052)	1%	7,986	-1%	(7,986)
AUD	1%	(636)	-1%	636	1%	(649)	-1%	649
CHF	1%	(367)	-1%	367	1%	(198)	-1%	198
CNY	1%	-	-1%	-	1%	-	-1%	-
JPY	1%	(346)	-1%	346	1%	(436)	-1%	436

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

Equity Price Risk

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Management of the Group monitors the mix of debt and equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the GMC. Equity price risk is not material to the financial statements.

Financial instruments at fair value through other comprehensive income statement

All unquoted equity investments are made after obtaining Board of Directors approval.

28.1.2 Liquidity Risk

Liquidity risk arises from the financial liabilities of the entity and the entity's subsequent ability to meet its obligation to repay its financial liabilities as and when they fall due.

Liquidity risk management involves maintaining available funding and ensuring the entity has access to an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Printcare PLC and its subsidiaries aim to maintain flexibility within the funding structure through the use of bank overdrafts, short term loans, letter of credit & guarantees.

The Group also regularly performs a comprehensive analysis of all cash inflows and outflows that relate to financial assets and liabilities.

The Group's objectivity is to maintain a balance between continuity of funding and flexibility through the use of multiple source of funding including bank loans and overdrafts.

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash and Bank Balances	1,481,221,824	1,406,412,399	116,651,510	133,020,556
Total Liquid Assets	1,481,221,824	1,406,412,399	116,651,510	133,020,556
Borrowings				
Current Portion of Borrowings	(6,561,450,624)	(4,196,143,236)	(734,294,209)	(1,062,888,884)
Bank Overdrafts	(362,687,281)	(251,681,196)	(4,343,357)	(4,895,082)
Total Liabilities	(6,924,137,905)	(4,447,824,432)	(738,637,566)	(1,067,783,966)
Net (Debt)	(5,442,916,080)	(3,041,412,033)	(598,425,420)	(934,763,410)

28.1.2.1 Liquidity Risk Management

The Group attempts to match cash outflows in each time bucket against a combination of operational cash inflows plus other inflows that can be generated through the sale of assets or other secured borrowing.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

28.1.2.1 Liquidity risk management (Contd..)

Maturity Analysis

The table below summarises the maturity profile of the Group's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

	Within 1 year	Between 1-2 years	Between 2-3 years	Between 3-4 years	Between 4-5 years	More than 5 years	Total
Group	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Non-Current potion of Interest Bearing Borrowings	-	694,578,743	574,261,770	604,330,621	650,048,975	625,623,670	3,148,843,779
Current portion of Interest Bearing Borrowings	6,452,364,041	-	-	-	-	-	6,452,364,041
Non-Current potion of Interest Bearing Borrowings Leased Liability	-	118,627,288	119,931,766	124,382,090	106,949,831	547,681,946	1,017,572,921
Current portion of Interest Bearing Borrowings - Leased Liability	109,086,583	-	-	-	-	-	109,086,583
Trade and Other Payables	2,914,521,491	-	-	-	-	-	2,914,521,491
Bank Overdrafts	362,687,281	-	-	-	-	-	362,687,281
Total	9,838,659,396	813,206,031	694,193,536	728,712,711	756,998,806	1,173,305,616	14,005,076,096
Company							
Non-Current potion of Interest Bearing Borrowings	-	117,600,000	57,600,000	57,600,000	35,200,000	-	268,000,000
Current portion of Interest Bearing Borrowings	710,733,573	-	-	-	-	-	710,733,573
Non-Current potion of Interest Bearing Borrowings Leased Liability	-	36,385,893	41,161,272	45,726,064	32,557,955	11,751,720	167,582,905
Current portion of Interest Bearing Borrowings - Leased Liability	23,560,637	-	-	-	-	-	23,560,637
Trade and Other Payables	470,038,311	-	-	-	-	-	470,038,311
Amounts due to Related Parties	65,508,593	-	-	-	-	-	65,508,593
Bank Overdrafts	4,343,357	-	-	-	-	-	4,343,357
Total	1,274,184,471	153,985,893	98,761,272	103,326,064	67,757,955	11,751,720	1,709,767,375

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

28.1.3 Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily from trade receivables) and from its financing activities, including deposits with banks.

The Group minimises its credit risk towards its customers by having agreements with customers and having a regular follow up of the debt collections.

28.1.3.1 Credit Risk Exposure

The maximum risk positions of trade and other receivables which are generally subject to credit risks are equal to their carrying values. Refer note 14.4 for age analysis of trade receivables as at 31 March.

28.1.3.2 Credit Risk Relating to Cash and Cash Equivalents

In order to mitigate settlements and operational risk related to cash and cash equivalents, the Group and Company use several banks with acceptable credit ratings. The Group and Company held favourable cash and cash equivalents of Rs. 1,481,221,824/- and Rs. 116,651,510/- respectively. (Group 2025- Rs. 1,406,412,399/- Company 2025 - Rs. 133,020,556/-)

28.1.4 Capital Management

The Board of Directors reviews the capital structures of the Group on a regular basis. The intention of the Board of Directors is to maintain an optimum capital structure while minimising cost of financing and safeguarding key stakeholders' interests.

29. RECLASSIFCATION OF COMPARATIVES

Company

Changes in fair value of investment property included when deriving at Profit before tax has been reclassified under Administrative expense as amortization of investment property for better presentation purposes.

29.1

Impact on the Statement of Profit or Loss For the Year ended 31 March 2025	Previously Reported	Impact Adjustment	Reclassified Amount
Administrative Expenses	467,228,517	7,014,061	474,242,578
Changes in Fair value of Investment Property	7,014,061	(7,014,061)	-
	474,242,578	-	474,242,578

DECADE AT A GLANCE

Year ended 31 March 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
TRADING RESULTS (Rs. '000)										
Turnover	12,911,468	12,264,120	12,885,431	14,156,323	7,626,233	6,019,906	4,981,110	4,901,156	4,703,203	4,889,545
Profits / (Loss) before Interest and Income Tax	(625,108)	(108,742)	1,001,505	2,780,779	2,597,014	670,518	137,027	(79,472)	157,031	376,737
Profits / (Loss) before Income Tax	(1,603,666)	(892,264)	535,694	1,957,380	2,336,166	519,307	(29,067)	(235,019)	18,650	309,156
Profits / (Loss) attributable to equity shareholders of the Parent	(1,250,637)	(700,641)	246,939	1,489,392	2,236,812	574,956	(70,583)	(180,217)	(131,932)	213,474
Ordinary Dividend - Gross	-	85,967	386,850	515,800	435,604	92,206	2,612	1,832	2,748	157,597
SHAREHOLDERS' FUNDS (Rs. '000)										
Share Capital	271,893	271,893	271,893	271,893	271,893	271,893	271,893	271,893	271,893	271,893
Reserves	5,329,095	6,489,265	**7,294,465	*6,322,568	4,568,507	2,750,288	2,268,996	2,338,718	2,502,081	2,618,175
	5,586,219	6,761,158	7,566,358	6,594,461	4,840,400	3,022,181	2,540,889	2,610,611	2,773,974	2,890,068
Non Controlling Interest	(301,594)	320,749	302,794	240,743	214,193	190,112	155,494	151,216	154,302	141,892
TOTAL EQUITY	5,299,395	7,081,907	7,869,152	6,835,204	5,054,593	3,212,293	2,696,383	2,761,827	2,928,276	3,031,960
ASSETS (Rs. '000)										
Property, Plant & Equipment	8,689,142	8,895,747	6,508,737	4,823,190	3,764,777	3,268,535	3,026,315	3,229,419	3,360,486	2,656,079
Intangible Assets	1,605	7,093	69,855	69,052	66,838	68,306	66,013	63,007	58,720	56,763
Fair Value through Other Comprehensive income investments	6,148	4,569	3,300	2,708	2,065	3,054	2,248	72,254	54,964	43,399
Investment in Associates	-	-	-	-	-	131,903	68,679	56,483	46,960	10,480
Deferred Tax Asset	123	113,829	94,602	194,845	46,521	58,624	33,343	13,994	1,519	1,494
Right-of-Use Asset	938,163	871,820	144,078	73,365	93,727	114,507	39,779	-	-	-
Current Assets	11,840,097	9,567,013	9,598,665	9,207,775	7,615,807	3,903,573	3,002,269	2,494,448	2,852,917	2,720,958

DECADE AT A GLANCE

Year ended 31 March 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
LIABILITIES (Rs. '000)	16,175,884	12,378,165	8,550,084	7,535,732	6,535,141	4,336,209	3,542,263	3,167,778	3,447,290	2,457,212
Non Current Liabilities	6,133,169	5,242,331	2,686,922	2,539,255	2,432,036	1,832,886	913,018	818,837	1,005,952	701,175
Current Liabilities	10,042,714	7,135,834	5,863,162	4,996,476	4,103,105	2,503,323	2,629,246	2,348,941	2,441,338	1,756,037
NET ASSETS	5,299,394	7,081,907	7,869,152	6,835,204	5,054,593	3,212,293	2,696,383	2,761,827	2,928,276	3,031,960
KEY RATIOS										
Return on Average Total Capital (%)	-4.0%	-0.8%	**8.4%	*27.0%	33.5%	12.1%	2.7%	-1.6%	3.2%	9.0%
Return on Average Shareholders Funds (%)	-20.3%	-9.8%	**3.5%	*26.1%	56.9%	20.7%	-2.7%	-6.7%	-4.7%	7.5%
Gearing	65.32%	53.7%	38.8%	38.2%	47.1%	46.0%	47.3%	43.3%	44.8%	31.8%
Gross Profit Margin (%)	17.7%	20.0%	22.2%	28.9%	24.4%	23.3%	19.2%	17.6%	19.0%	23.3%
PBIT Margin (%)	-15.9%	-0.9%	7.8%	19.6%	34.1%	11.1%	2.8%	-1.6%	3.3%	7.7%
PAT Margin (%)	-14.4%	-8.5%	1.7%	10.6%	29.7%	9.9%	-1.3%	-3.7%	-2.5%	4.9%
MARKET INFORMATION										
Market Price Per Share at the year end (Rs.)	48.00	58.1	45.00	48.90	27.00	27.30	22.00	33.00	31.00	34.60
No. of Shares	85,967	85,967	85,967	85,967	85,967	85,967	85,967	85,967	85,967	85,967
Dividend Payments Rs. ' 000s (Gross)	-	85,967	386,850	515,800	429,833	85,967	-	-	-	141,845
Market Capitalisation (Rs.'000)	4,126,416	4,994,664	3,868,500	4,203,770	2,321,100	2,346,890	1,891,267	2,836,900	2,664,967	2,974,447
Earnings Per Share (Rs)	(14.55)	(8.15)	2.87	17.33	26.02	6.69	(0.82)	(2.10)	(1.53)	2.48
Dividends Per Share (Rs)	-	1.00	4.50	6.00	5.00	1.00	-	-	-	1.65
NAV Per Share (Rs)	65.15	78.65	**88.02	*76.71	56.31	35.16	29.56	30.37	32.27	33.62

* Group has revalued Land during the year. Refer note 07 for details.

** Group has revalued Land & Buildings during the year. Refer note 07 for details.

INFORMATION TO SHAREHOLDERS AND INVESTORS

Analysis of ShareHolders According to the No of Shares[Local/Foreign] as at 31.03.2026

Description	Local Holders	Foreign Holders	Local shares	Foreign Shares	Local%	Foreign %
1 To 1000 Shares	1382	3	497,634	270	0.58%	0.00%
1001 To 10000 Shares	327	2	1,155,065	13,850	1.34%	0.02%
10001 To 100000 Shares	106	7	3,023,925	282,603	3.52%	0.33%
100001 To 1000000 Shares	20	1	4,973,213	417,200	5.79%	0.49%
OVER 1000000 Shares	12	0	75,602,910	0	87.94%	0.00%
	1,847	**13**	**85,252,747**	**713,923**	**99.17%**	**0.83%**

Analysis of ShareHolders According to the No of Shares[Local/Foreign] as at 31.03.2025

Description	Local Holders	Foreign Holders	Local shares	Foreign Shares	Local%	Foreign %
1 To 1000 Shares	1374	4	502,206	770	0.6%	0.0%
1001 To 10000 Shares	352	2	1,277,223	13,850	1.5%	0.0%
10001 To 100000 Shares	120	7	3,409,394	263,603	4.0%	0.3%
100001 To 1000000 Shares	23	1	5,986,433	417,200	7.0%	0.5%
OVER 1000000 Shares	13	0	74,095,991	0	86.2%	0.0%
	1882	**14**	**85,271,247**	**695,423**	**99.2%**	**0.8%**

INFORMATION TO SHAREHOLDERS AND INVESTORS

Top 20 Shareholders

		Top 20 Shareholders as at 31st March 2026		Top 20 Shareholders as at 31st March 2025	
		Shares	Percentage	Shares	Percentage
1	M J F Holdings Ltd	23,100,080	26.87	23,100,080	26.87
2	Mr. K. R. Ravindran	17,321,690	20.15	17,321,690	20.15
3	Finco Holdings (Pvt) Ltd	9,637,795	11.21	6,071,976	7.06
4	Mr. Krishna R. Ravindran	6,032,000	7.02	6,032,000	7.02
5	Mr. A. N. Esufally , Mr. A Esufally, Ms. Z. Esufally	4,675,830	5.44	4,675,830	5.44
6	Mr. S. Nadesan	3,600,000	4.19	3,600,000	4.19
7	Mr. E. Chatoor	3,500,000	4.07	3,500,000	4.07
8	M J F Exports Ltd	2,615,160	3.04	2,615,160	3.04
9	Saboor Chatoor (Pvt) Ltd	2,156,000	2.51	2,156,000	2.51
10	Mr. M. F. Hashim	1,797,095	2.09	1,799,595	2.09
11	Mr. D. Warnakulasooriya	1,167,260	1.36	1,167,260	1.36
12	Ms. P. Ravindran	808,000	0.94	808,000	0.94
13	Lloyd and Lloyd Ltd	630,303	0.73	630,303	0.73
14	Mr. J. W. Burton	417,200	0.49	417,200	0.49
15	Global Stanford Campus (Pvt) Ltd	392,215	0.46	-	0
16	Mr. K.S.R Nissanka	350,000	0.41	350,000	0.41
17	Mr. S.H. Jayasuriya	299,978	0.35	-	-
18	People's Leasing and Finance PLC/ L.P. Hapangama	264,524	0.31	-	-
19	People's Leasing and Finance PLC/ Sadaharitha Capital Trust Limited	237,000	0.28	-	-
20	Mrs. T.T.A. De Silva Weerasooriya	211,559	0.25	467,548	0.54
		79,213,689	**92.12**	**74,712,642**	**86.91**

Number of Public Shareholders as at 31 March 2026 - 1,850 (2025 - 1886)

Percentage of Shares held by Public as at 31 March 2026 35.05% (2025 - 35.05%)

Option in compliance - Option 5

Float adjusted Market Capitilisation - Less than 2.5 Bn.

NOTICE OF MEETING

Notice is hereby given that the Forty Fifth Annual General Meeting of Printcare PLC will be held on 28th September 2026 at 10.00 a.m. at the registered office of the Company, Printcare PLC No. 77, Nungamugoda Road, Kelaniya / via Zoom (Audio / Video - Virtual AGM) to transact the following businesses.

1. To receive and consider the Report of the Directors and the Statement of Accounts for the year ended 31 March 2026 and Report of the Auditors thereon.

2. Re-elect following Directors by Rotation in terms of Article 83 (iii) of the Articles of Association of the Company.
   - Mr. Malik J Fernando
   - Mr. Steven Mark Enderby

3. Re-appointment of Directors in terms of Section 211 of the Companies Act No.07 of 2007 and following resolutions to be passed for this purpose, if thought fit;

   a. Mr. D. Warnakulasooriya

   IT IS HEREBY RESOLVED:

   That Mr. D. Warnakulasooriya, who is over 70 years of age, being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director in terms of Section 211 of the Companies Act and it is specially declared that the age limit referred to in Section 210 of the Companies Act shall not apply to the said Mr. D. Warnakulasooriya.

   b. Mr. K. R. Ravindran

   IT IS HEREBY RESOLVED:

   That Mr. K. R. Ravindran, who is over 70 years of age, being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director in terms of Section 211 of the Companies Act and it is specially declared that the age limit referred to in Section 210 of the Companies Act shall not apply to the said Mr. K. R. Ravindran.

   c. Mr. A. N. Esufally

   IT IS HEREBY RESOLVED

   That Mr. A. N. Esufally, who is over 70 years of age, being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director in terms of Section 211 of the Companies Act and it is specially declared that the age limit referred to in Section 210 of the Companies Act shall not apply to the said Mr. A. N. Esufally.

4. Re-appoint the retiring Auditors Messrs. Ernst & Young, Chartered Accountants for the ensuing year and authorize the Directors to determine their remuneration.

5. Authorize the Directors to determine contributions to charities for the financial year 2026/2027.

6. Transact any other business of which due notice has been given.

By Order of the Board

MANAGERS & SECRETARIES (PRIVATE) LIMITED

Secretaries

Colombo

31 August 2026

NOTICE OF MEETING

Notes:

1. A member entitled to attend and vote at the above meeting is required to complete and submit a pre-registration form in order to ensure participation at the AGM of the Company.
2. Only members of Printcare PLC are entitled to take part at the AGM of Printcare PLC.
3. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his/her behalf. A proxy need not be a member of the Company.
4. A Pre-registration form and a form of Proxy are enclosed for this purpose to be completed by Printcare PLC Shareholders only.
5. The Pre-registration Form and Form of proxy must be completed and deposited at the Registered Office of the Company Secretaries, Managers & Secretaries (Private) Limited, No. 10, Gothami Road, Colombo 08, or e-mailed to samanga@msl.lk not less than forty eight hours prior to the time appointed for holding the meeting.

Annexure I

PRINTCARE PLC

45^{TH} ANNUAL GENERAL MEETING (AGM)

PRE - REGISTRATION FORM

To: Registered Office of the Company Secretaries
Managers and Secretaries (Pvt) Ltd
No. 10, Gothami Road, Colombo 08

1. Full Name of the Shareholder: ....

   ....

2. Membership No. / CDS Account No : ....

3. Address of Shareholder : ....

   ....

   ....

4. NIC No. / Passport No. / Co. Reg. No. of Shareholder : ....

5. Contact details of Shareholder

   Telephone: Residence: .... Office .... Mobile ....

   e-mail: (Please print clearly) ....

6. Names / NIC No. of Joint holder/ (s) (If any):

   i. Name : .... NIC No. : ....

   ii. Name : .... NIC No. : ....

....	....	....
Shareholder's Signature / Date	1st Joint holder's Signature / Date	2nd Joint holder's Signature / Date

INSTRUCTIONS AS TO COMPLETION

i. Shareholders are advised to complete the form legibly in order to facilitate their participation through the online platform.

ii. The "Web Link" for participation at the AGM through the online platform will be forwarded to the Shareholder's above noted email address.

iii. In the case of a Company/Corporation, the Pre-Registration Form must be under its common seal which should be affixed and attested in the manner prescribed by its Articles of Association.

iv. In the case of the Pre -Registration form signed by an Attorney, the Power of Attorney must be deposited at the Registered Office of the Company for registration.

v. The duly completed Pre-Registration Form must be deposited at the Registered Office of the Company Secretaries, Managers & Secretaries (Private) Limited, No. 10, Gothami Road, Colombo 08, or e-mailed to samanga@msl.lk , not less than forty eight hours prior to the date of the AGM.

Annexure II

NIC/Member No

FORM OF PROXY

I / We, the undersigned ....
of ....

bearing NIC No. .... being a member/members of Printcare PLC, hereby appoint,

- Full name of proxy - ....
- NIC of Proxy - ....
- Address of Proxy - ....
- Contact Numbers - Land ...., Mobile ....
- Email address ....

or failing him / her

Mr. A.N. Esufally	or failing him
Mr. K.R. Ravindran	or failing him
Mr. E. Chatoor	or failing him
Mr. D. Warnakulasooriya	or failing him
Mr. C. V. Kulatilaka	or failing him
Mr. Krishna Ravindran	or failing him
Mr. S. M. Enderby	or failing him
Mr. Malik J. Fernando	or failing him
Ms. K. D. Weerasinghe	

as my/our proxy to represent me/us, vote for me/us, and speak on my/our behalf at the 45th Annual General Meeting of Printcare PLC to be held on 28th September 2026 at 10.00 a.m. at the registered office of the Company, Printcare PLC No. 77, Nungamugoda Road, Kelaniya via Zoom (Audio / Video - Virtual AGM) and at any adjournment thereof.

Please mark your preference with "X"

Ordinary Resolution	**For**	**Against**	**Abstained**
1. Re-election of Directors in terms of Article 83 (iii) of Articles of Association of the Company.			
a. Mr. Malik J Fernando	☐	☐	☐
b. Mr. Steven Mark Enderby	☐	☐	☐
2. Re-election of Directors in terms of Section 211 of the Companies Act No. 7 of 2007.			
a. Mr. D. Warnakulasooriya	☐	☐	☐
b. Mr. K. R. Ravindran	☐	☐	☐
c. Mr. A. N. Esufally	☐	☐	☐

3. Re-appointment of the retiring Auditors M/s Ernst & Young, Chartered Accountants for the ensuing year and authorize the Directors to determine their remuneration.			
4. Authorize the Directors to determine contributions to charities for the financial year 2026/2027.			

Signed this .... day of 2026.

....

Signature of Shareholder

Notes:

* Please indicate your NIC / Passport No. /Co. Reg. No. on the top of the form of Proxy.
** Please indicate with an "x" in the space provided, how your Proxy is to vote on the Resolutions.
If no indication is given, the Proxy in his discretion will vote as he thinks fit.

Instructions for completion of Proxy

1. In order to appoint a proxy, this form shall in the case of an individual be signed by the shareholder or by his/her Attorney and in the case of a company/corporation, the form of proxy must be under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association.

2. The full name, NIC No. and address of the Proxy holder and of the Shareholder appointing the Proxy holder should be entered legibly in the form of proxy.

3. The duly completed form of proxy must be deposited at the Registered Office of the Company Secretaries, Managers & Secretaries (Private) Limited, No. 10, Gothami Road, Colombo 08, or e-mailed to samanga@msl.lk not later than 48 hours prior to the time appointed for holding the meeting.

4. In the case of a proxy signed by an Attorney, the relevant Power-of-Attorney or a certified copy thereof should also accompany the completed form of proxy and must be deposited at the Registered Office of the Company or email as above noted.

Produced By : PRINTCARE