

PUSHING BOUNDARIES



ANNUAL REPORT 2025



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
Ejaz Chatoor
Dayasiri Warnakulasooriya
Anushya Coomaraswamy
(Resigned w.e.f. 31.03.2025)
Vajira Kulatilaka
Krishna R Ravindran
Steven Mark Enderby
Malik J Fernando
Devika Weerasinghe
(Appointed w.e.f. 27.09.2024)

Registered Office

77, Nungamugoda Road, Kelaniya.

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)	2025	2024	Change	2023
Turnover (Rs. '000s)	12,264,120	12,885,431	-5%	14,156,323

Profit / (Loss) Before Tax (Rs. '000s)*	(892,264)	535,694	-267%	1,957,380
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Profits / (Loss) attributable to equity shareholders (Rs. '000s)	(700,641)	246,939	-384%	1,489,392
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Cash from Operations (Rs. '000s)	851,957	2,005,222	-58%	1,375,830
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Balance Sheet	2025	2024	Change	2023
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Total Assets (Rs. '000s)	19,460,071	16,419,237	19%	14,370,936
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Total Equity (Rs. '000s)	7,081,907	7,869,152	-10%	6,835,204
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Key Ratios	2025	2024	Change	2023
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Gearing	53.7%	38.8%	38%	38.2%
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Return on Average Shareholders Funds	-9.8%	3.5%	-380%	26.1%
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Return on Average Total Capital	-0.8%	8.4%	-109%	27.0%
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Share Information	2025	2024	Change	2023
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Net Asset Value Per Share (Rs.)	78.65	88.02	-11%	76.71
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Dividends Per Share (Rs.)	1.00	4.50	-78%	6.00
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Earnings Per Share (Rs.)	(8.15)	2.87	-384%	17.33
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Dividend Payout Ratio	-	157%	-100%	35%
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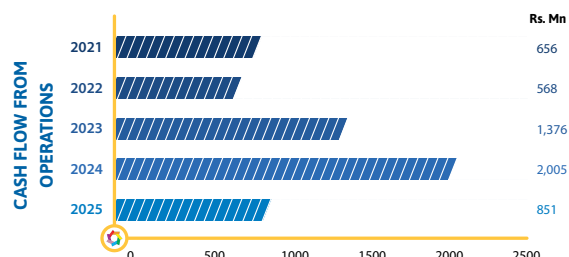
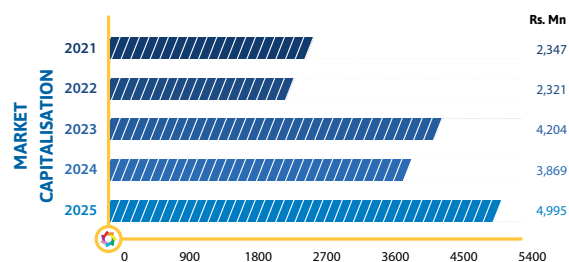
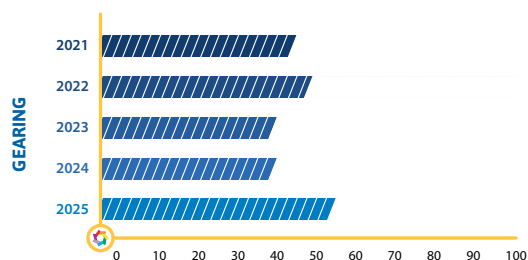
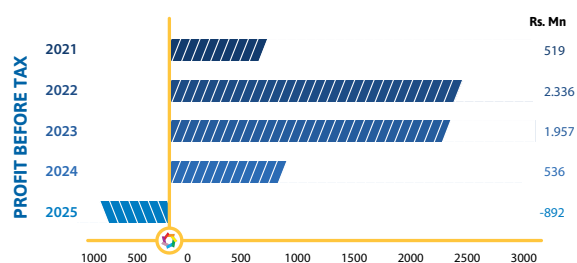
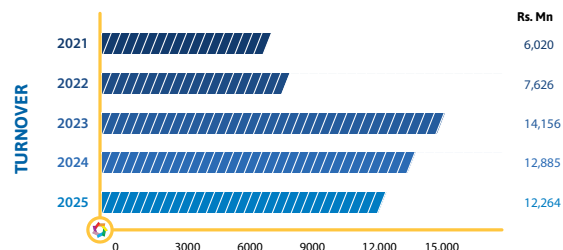
Market Price Per Share at the year end (Rs.)	58.10	45.00	29%	48.90
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Market Price Per Share - Highest (Rs.)	69.00	57.00	21%	99.00
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Market Price Per Share - Lowest (Rs.)	39.50	40.00	-1%	20.00
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No of Shares ('000)	85,967	85,967	-	85,967
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Market Capitalisation (Rs. '000s)	4,994,664	3,868,500	29%	4,203,770
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Chairman's Statement

Dear Shareholders,

The fiscal year 2024-25 has been a period of major strategic change and unique operational challenges for your company.

Although we have made bold and forward-thinking investments to position Printcare for long-term growth, these efforts, along with broader economic challenges, have affected our short-term financial results.

The tough environment we encountered this year has resulted in a loss, clearly illustrating the complexities of the global and local economic landscape.

Our consolidated revenue for the fiscal year ending March 31, 2025, was Rs. 12.3 billion, a 5% decrease from Rs. 12.9 billion the previous year. External pressures and strategic decisions mainly drove this result. Operational losses during the startup phase of our new Kenyan plant significantly contributed to the overall negative financial outcome, along with the appreciation of the Sri Lankan Rupee against the U.S. dollar. We were further impacted by extended payment delays of large sums from a major and longstanding customer. This customer, a key supplier to major UK brands, has now started a structured repayment plan.

Despite these hurdles, our commitment to long-term value creation remains strong. The year marked the successful launch of our new plant in Kenya, our most significant investment to date. Operating a greenfield project in a new market or country brings its own unique

challenges. However, I am pleased to report that our team has made considerable progress since starting operations in September 2024. We are successfully running one production shift and are on track to fill the plant in the coming year, laying a solid foundation for future growth. While the East African market offers enormous potential, we are currently facing difficulties related to limited options for capital transfer from Sri Lanka due to current regulatory frameworks. We are actively working to find the most effective and compliant solutions to this issue, ensuring smooth operations.

We also expanded our production capacity in India, a market we see undergoing significant reforms and poised for strong economic growth over the next decade. We are confident that this investment will benefit from the rising demand for packaging, both locally and for export.

The new renewable packaging line we established here in 2024, which offers biodegradable and environmentally friendly alternatives to plastic and metal, has also shown promising growth. We are pleased to report that we expect to run this plant at full capacity this year, a reflection of the increasing demand for sustainable solutions from our global clients.

These investments offer transformative opportunities, enabling Printcare to solidify its position as a leading provider of sustainable and innovative packaging in the region.

We are strategically scaling back our local lottery operations and focusing solely on export opportunities. Our decision to disengage from the government-owned lottery business was prompted by increasingly tough operational conditions. Despite being the best-equipped producer in the country and an exporter of security-printed lottery products, accessing the government-controlled local lottery market has become increasingly difficult. The Board will consider whether we want to continue in this business going forward.

Your company continues to lead the packaging market by developing new, eco-friendly materials and coatings — a key driver of growth. In addition, we've made significant progress in our digital and AI capabilities over the past year, focusing on boosting internal efficiency and improving the customer experience.

We are proud to have attracted top talent in the industry, creating a strong team that reflects the diversity of our customers and communities. Our employees have long been the foundation of our success, and I sincerely thank them for their loyalty, dedication, and valuable contributions during this challenging year.

This year, to conserve capital for our strategic growth investments, your Board of Directors has decided not to pay a dividend. We are confident that once these investments start to generate returns, we will be able to resume our usual practice of sharing profits with our shareholders.

Ms. Anushya Coomaraswamy resigned from the Board during the financial year. On behalf of the Board of Directors, I want to express our sincere gratitude for her invaluable contributions over the past 17 years and wish her the very best in her future endeavors. I also want to welcome Ms. Devika Weerasinghe to the Board as an independent Non-Executive Director.

I am deeply thankful to my fellow Board members for their valuable guidance and support, and I appreciate all our respected business partners for their continued collaboration. I sincerely thank our shareholders for their steadfast confidence in us as we navigate this transitional phase and work to build a stronger, more resilient Printcare for the future.



Abbas N Esufally

Chairman
28 August 2025

Management Discussion and Analysis

Revenue and Growth

For the fiscal year ended March 31, 2025, Printcare PLC reported consolidated revenue of Rs. 12.3 billion, compared to Rs. 12.9 billion in FY2024, a decline of 5%. The contraction was driven mainly by sluggish export demand as a result of curtailed shipments to a large customer that is delaying payments. We have been in dialog with the customer and have worked out a payment plan. We are hopeful that once payments are brought under control, we can resume work. Out of an abundance of caution we have provided Rs. 90 Mn against the receivables even though the customer has committed to pay the full amount.

During the year, the Group advanced its growth strategy of growing sustainable packaging solutions and capitalizing on growth in adjacent regional markets.

The new Kenyan operations showed encouraging traction. Operating in a new continent comes with its own challenges but the team has made good progress in building out the order pipeline. We will also use the Kenyan entity to market the higher value added Eco Products we are continuing to develop in Sri Lanka. In the broader context, Kenya is strategically placed to serve as a gateway into fast growing East African region and also developed markets with which Kenya has preferential tariff arrangements.

The Indian operations have also shown good growth last year. We have invested in expanding capacity there and expect continued growth over the next few years.

The revenues at our Eco-Packaging business also gained momentum as global demand for environmentally responsible alternatives to their existing plastic and metal packaging continues to gain traction. Whilst we are focused on indirect exports at the moment we see potential for exports and are working towards that goal in the coming year.

Profitability

The Group posted a consolidated net loss of Rs. 1,041 million in FY2025, compared to a net profit of Rs. 223 million in FY2024. The losses can be attributed largely to the opening and ramp-up expenses, and business losses during the start up phase at our Kenyan plant. We expect operating losses to reduce as our order book and plant fills up. We are currently hitting our target of filling one shift by the end of Q2 2025/26 and are looking to fill the full plant by Q2 2026/27.

Finance costs rose to Rs. 784 million from Rs. 466 million for the corresponding period last year, reflecting higher borrowings associated with the investment in the Kenyan operations. As the operations start generating cash, we should be able to bring down these expenses considerably.

We are strategically scaling down our local lottery operations to focus solely on export opportunities. Our decision to withdraw from the local government-owned lottery business was driven by increasingly challenging operational conditions that conflicted with our principles. As part of our restructuring process we have impaired the assets at our security printing operations by Rs. 50Mn.

We continue to make investments in innovation and process efficiency, and are focused on cost optimization in order to strengthen our competitiveness and operational resilience.

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 Chairman and Managing Director 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.
- Senior Vice Patron of JASTECA (Japan Sri Lanka Technical and Cultural Association).
- 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 40 years 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 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 is the founder of Resplendent Ceylon, home to a collection of luxury Sri Lankan boutique resorts, also known as the hospitality arm of Dilmah Tea. He is additionally the second-generation owner, together with his brother Dilhan, of MJF Holdings & Dilmah Tea, founded by his father, Merrill J Fernando in 1988. Having grown up and studied overseas, Malik decided to return home to pursue a career with Dilmah upon his graduation from Babson College, Boston, in 1989. Armed with his passion for the evergreen, lush nature in Sri Lanka, he strongly believed in the potential for Sri Lanka to become a luxury tourist holiday destination. Coupled with his desire to tell stories through tea, his first venture was the boutique resort, Ceylon Tea Trails, the world's first tea bungalow resort built on working tea estates, which also echoed his devotion to tea. Reflecting his goal to make Sri Lanka a luxury destination, Ceylon Tea Trails is also the first Relais & Chateaux resort in Sri Lanka, and the first on the coveted Conde Nast Gold List. In a bid to complete what he dubbed the "best of Sri Lanka circuit", comprising the three most distinctive offerings in the country – tea, sea, and safari, he went on to spearhead Cape Weligama which features breathtaking ocean views and Wild Coast Tented Lodge which gives a taste of the jungle.

Guided by the Dilmah philosophy that business must also be a matter of human service, he has led various positive impact initiatives within Resplendent Ceylon. Malik spearheaded the Peak Ridge Forest Corridor in 2021 to conserve an 18 km mountain ridge to protect leopards in the Sri Lankan tea highlands. Malik founded the Sri Lanka Tourism Alliance which works to promote sustainable tourism practices and support the tourism industry. It was established in response to the challenges faced by the tourism sector in Sri Lanka, particularly after the Easter Sunday attacks in 2019. Signature achievements of the Alliance include the first global consumer communications campaign for Sri Lanka after the economic crisis in 2022, the only dedicated tourism jobs portal to address staff shortages and an initiative to increase female participation in the tourism workforce.

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 40 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	25 Jun 24	27 Sep 24	22 Nov 24	27 Feb 25
A. N. Esufally	Y	Y	Y	Y
K. R. Ravindran	Y	Y	Y	Y
E. Chatoor	Y	Y	Y	X
D. Warnakulasooriya	Y	Y	Y	Y
A. Coomaraswamy	Y	Y	Y	Y
C. V. Kulatilaka	Y	Y	Y	Y
Krishna Ravindran	Y	Y	Y	Y
Steven Enderby	Y	Y	Y	Y
Malik J Fernando	Y	X	X	Y
Devika Weerasinghe	N/A	Y	Y	Y
Y- Present / X- Excused				
Ms. Devika Weerasinghe appointed to the Director Board w.e.f. 27 September 2024.				
Ms. Anushya Coomaraswamy resigned w.e.f. 31 st March 2025.				

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 2024/25 are reported in detail on pages 21 to 22.

Members' Attendance

Member's Name	28 May 24	18 Jun 24	06 Aug 24	12 Nov 24	07 Feb 25
A Coomaraswamy	X	Y	Y	Y	Y
C V Kulatilaka	Y	Y	Y	Y	Y
Steven Enderby	Y	Y	Y	Y	Y
Devika Weerasinghe	N/A	N/A	N/A	Y	Y
Y- Present / X- Excused					
Ms. Devika Weerasinghe appointed to the Committee w.e.f. 27 September 2024.					

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 23.

Members' Attendance

Member's Name	03 May 24
S. M. Enderby	Y
C. V. Kulatilake	Y
A. Coomaraswamy	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 24.

Members' Attendance

Member's Name	28 May 24	06 Aug 24	12 Nov 24	07 Feb 25
A Coomaraswamy	X	Y	Y	Y
C V Kulatilaka	Y	Y	Y	Y
Steven Enderby	Y	Y	Y	Y
Devika Weerasinghe	N/A	N/A	Y	Y
Y- Present / X- Excused				
Ms. Devika Weerasinghe appointed to the Committee w.e.f. 27 September 2024.				

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 25.

Members' Attendance

Member's Name	03 May 24
C. V. Kulatilake	Y
S. M. Enderby	Y
A.N. Esufally	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 54 to 59

Memberships Maintained by Printcare Group During the Year 2024/25

- 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 26 to 30 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.

The Company Secretary is designated for Shareholder communications at any time through contact details provided on the Corporate Information page of this Annual Report.

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 2025
- 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 20.

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 81
168 (1) (b)	Signed Financial Statements of the Company for the accounting period completed	Complied	Page 86 to 143
168 (1) (c)	Auditor's Report on Financial Statements of the Company	Complied	Page 86 to 89
168 (1) (d)	Accounting Policies and any changes therein	Complied	Page 94 to 111
168 (1) (e)	Particulars of the entries made in the interest register during the accounting period	Complied	Page 82
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	Complied	Page 114
168 (1) (g)	Corporate Donations made by the Company during the accounting period	Complied	Page 114
168 (1) (h)	Information on the Directorate of the Company during and at the end of the accounting period	Complied	Page 7 to 9
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 114
168 (1) (j)	Auditor's relationship or any interest in the Company	Complied	Page 84

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
168 (1) (k)	Acknowledgement of the contents of this Report and Signatures on behalf of the Board	Complied	Page 85
i	Names of persons who during the financial year were Directors of the Entity	Complied	Page 01
ii	Principal activities of the Entity and its Subsidiaries during the year and any changes therein	Complied	Page 81
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 147
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 147
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 83
vi	Information pertaining to material foreseeable risk factors of the Entity	Complied	Page 26 to 30
vii	Details of material issues pertaining to employees and industrial relations of the Entity	Complied	Page 84
viii	Extents, locations, valuations and the number of buildings of the Entity's Land Holdings and Investment Properties	Complied	Page 122
ix	Number of shares representing the Entity's stated capital	Complied	Page 132
x	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	Complied	Page 146
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 118 to 123
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	Page 16
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
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9.1 Corporate Governance Rules

9.1.3	Extent of Compliance with Corporate Governance Rules	Complied	Page 82
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9.2 Policies

9.2.1	Availability of Policies	Complied	Page 13
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 13

Rule No	Requirement	Compliance Status	Details
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9.3 Board Committees

9.3.1	Board Committees Ensure following Board Committees are established and maintained. (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee.	Complied Complied Complied Complied	Page 25 Page 23 Page 21 to 22 Page 24
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	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 12 to 13

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	
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
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9.6 Chairperson and CEO

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 07 and 09
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 25
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 10 – Corporate Governance – The Board of Directors

Rule No	Requirement	Compliance Status	Details
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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 84

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 proposed to amend the existing articles to align with the requirements on the Listing Rules on the appointment of alternate directors
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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 one Director positions has changed during the financial year and company has made immediate disclosures regarding 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 7 to 13

9.11 Nominations and Governance Committee

9.11.1	Establishment of Nominations and Governance Committee	Complied	Page 25
9.11.2	Establish and maintain formal procedures for the appointment of new directors	Complied	Page 25
9.11.3	Committee shall have a written terms of reference	Complied	Page 25
9.11.4	Composition of Committee	Complied	Page 25
9.11.5	Functions of the Committee	Complied	Page 25
9.11.6	Disclosures in Annual Report	Complied	Page 25

Rule No	Requirement	Compliance Status	Details
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9.12 Remuneration Committee

9.12.2	Availability of Remuneration Committee	Complied	Page 23
9.12.3 and 9.12.4	Remuneration Policy – Executive directors/ non-executive directors	Complied	Page 23
9.12.5	Terms of Reference	Complied	Page 23
9.12.6 (1-3)	Composition	Complied	Page 23
9.12.7	Functions	Complied	Page 23
9.12.8	Disclosures in the Annual Report	Complied	Page 23

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 21
9.13.3 (1)	Composition	Complied	Page 11, Page 22
9.13.3 (2 to 7)	Composition, meetings and other information	Complied	Page 11, Page 21-22
9.13.4	Functions	Complied	Page 21
9.13.5	Disclosures in the Annual Report	Complied	Page 21-22

9.14 Related Party Transactions Review Committee

9.14.1	Availability of Related Party Transactions Review Committee (RPTRC)	Complied	Page 24
9.14.2	Composition	Complied	Page 24
9.14.3	Functions	Complied	Page 24
9.14.4 (1)	Quarterly Meetings	Complied	Page 11, Page 24
9.14.4 (2)	Access to knowledge or expertise to assess all aspects of proposed related party transactions	Complied	Page 24
9.14.4 (3)	Approval by Board of Directors	Complied	Page 24
9.14.4 (4)	Conflict of interest	Complied	Page 24
9.14.5	Review of related party transactions by Related Party Transactions Review Committee	Complied	Page 24
9.14.6	Shareholder Approval	Complied	Page 24
9.14.7 (1)	Immediate Disclosures	Complied	Page 24
9.14.8	Disclosures in the Annual Report	Complied	Page 24

9.17 Additional Disclosures in Annual Report

9.17	Additional Disclosures in Annual Report	Complied	Page 81 to 84
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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 5 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 2025.

- 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
28 August 2025

Members:

Mr. Vajira Kulatilaka
Independent Non - Executive Director

Ms. Devika Weerasinghe
Independent Non-Executive Director

Ms. Anushya Coomaraswamy , member of the Audit committee has resigned with effect from 31st March 2025.

Ms. Devika Weerasinghe was appointed as a member of the Audit committee w.e.f from 27th September 2024.

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 4.5 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
28 August 2025

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 2024/25.

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 83 of this Annual Report.



Vajira Kulatilaka
Chairman, Related Party Transaction Review Committee
28 August 2025

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 with section 9 of the revised listing Rules of the Colombo Stock Exchange.



Vajira Kulatilaka
Chairman, Nomination & Governance Committee
28August 2025

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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.

	Risk Exposure	Implication	Mitigating Actions
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.	<ul style="list-style-type: none"> • 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.
08	Environmental Risks (Effluents, Emissions, Waste, Resource Depletion)	Regulatory non-compliance and environmental damage could harm reputation and operations.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.	<ul style="list-style-type: none"> • 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.

	Risk Exposure	Implication	Mitigating Actions
11	Geopolitical Risks (Red Sea Conflict)	Disruptions in major shipping routes lead to higher costs and supply chain shortages.	<ul style="list-style-type: none"> • Carrying additional inventory. • Diversification of product sourcing.
12	Cybersecurity Threats	Increasingly sophisticated cyberattacks threaten data security and business continuity.	<ul style="list-style-type: none"> • 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

Our commitment to sustainable value creation for our shareholders and diverse stakeholder groups remains unwavering. We believe that a sustainable approach is not only vital for the health of our planet but also essential for the long-term success of our business. As a leading printing and print services company serving a global community, we take seriously our responsibility to set a benchmark for sustainability.

We acknowledge the importance of balancing our economic performance with responsible environmental and social considerations. Beyond our natural obligation to the planet, consumer sentiment and future regulatory pressures make sustainability a critical focal point in the value chain, influencing packaging trends and directions.

We recognize our obligation to be thought leaders and partners to our customers, guiding them in revamping their packaging portfolios to address public concerns about single-use packaging waste. This presents significant opportunities for us. With our focus on innovation and our exposure to international markets, we foresee substantial growth and new partnership opportunities. We are well-positioned to support our customers in revising their packaging portfolios, leveraging our expertise and services to meet their sustainability challenges.

Looking ahead, packaging converters will need to proactively address sustainability issues as consumer demands and regulatory requirements continue to grow. At Printcare, we fully understand this and are dedicated to helping our customers innovate and seize new opportunities by addressing their sustainability challenges.



K. R. Ravindran
Chief Executive Officer



World Environment Day Celebration 2025
University of Kelaniya, Sri Lanka.



Corporate Profile

About Us

Since its establishment in 1979, Printcare has earned its reputation as one of South Asia's leading providers of printing, packaging, and digital media solutions. Boasting some of the region's most cutting-edge production facilities, the Company serves a diverse customer base across five continents and continues to innovate and expand its global presence.

From modest beginnings in a small warehouse supporting Sri Lanka's early tea bag industry, Printcare has grown into a trailblazer in specialized packaging solutions across emerging markets.

Through the years, the Company has strategically expanded its reach into several high-growth sectors, offering top-tier services to clients in Tea, Apparel, FMCG, Telecommunications, Education, Publishing, Tobacco, Finance, and Lotteries.

Today, with multiple state-of-the-art facilities, Printcare ensures seamless service, scalability, and reliability for its global clients. The Company remains Sri Lanka's top exporter of packaging and a key player in the international value-added tea market.



Printcare PLC was initially established as a Private Limited Liability Company and later restructured as a Public Limited Liability Company in 1994. The Group's head office is based in Sri Lanka, with three international subsidiaries located in India, the United Kingdom, and the newly established facility in Kenya.

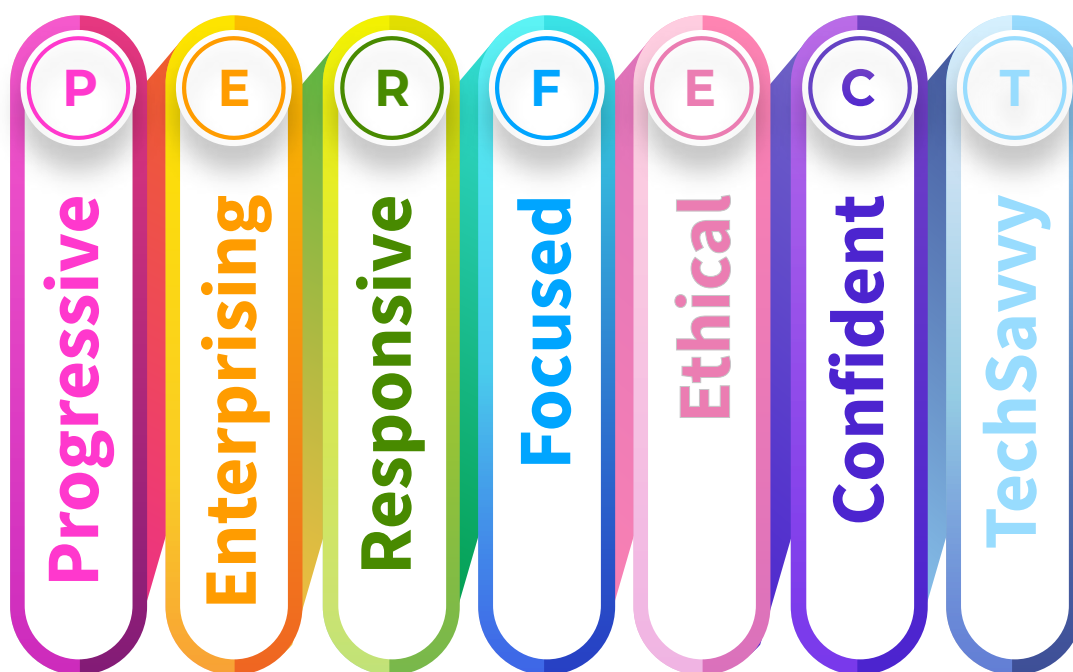
In Sri Lanka, the parent company—Printcare PLC—along with its key operating subsidiaries, Printcare Universal (Pvt) Ltd, Printcare Secure Ltd, Printcare Premedia Services Ltd, and Printcare Digital Services (Pvt) Ltd, are headquartered

in Kelaniya. Additionally, Printcare Universal (Pvt) Ltd – Plant 2 operates from Mahara.

Internationally, the Group's presence extends through Printcare India (Pvt) Ltd, Printcare Universal UK Ltd, and Printcare Packaging East Africa Ltd, located respectively in India, the UK, and Kenya. In line with the Company's growing commitment to sustainable innovation, a new venture—The Lifepak Company —was launched in Pethiyagoda, focusing on eco-friendly packaging solutions for the future.

Our Culture and Values

Printcare's culture extends far beyond organizational structure; it represents a strong statement of our core values. Our unwavering commitment to these principles has fostered genuine, transparent, and lasting relationships with our stakeholders. These values continue to serve as the foundation of our business strategy, guiding every aspect of our operations and long-term vision.



P E R F E C T

What We Do

We provide a diverse range of printing and packaging solutions—from tea bag tags and envelopes to cartons, secure prints, publications, digital media, and canisters.

Partnering with our clients, we drive innovation and deliver consistent quality with an excellent customer experience. Our advanced print technology and skilled teams ensure precision at every stage of production. Strategic outsourcing of non-core functions enables us to remain efficient, flexible, and focused on delivering high-value solutions



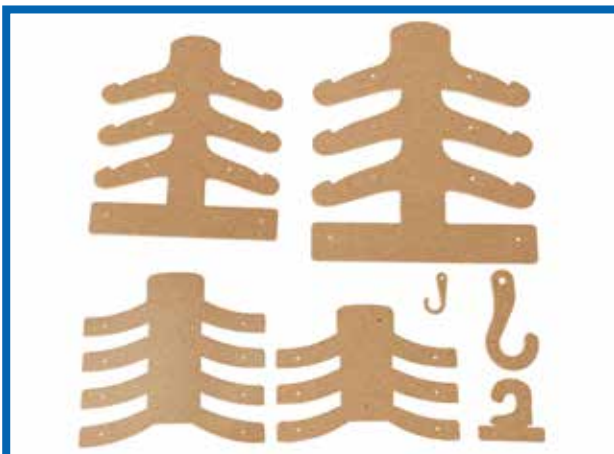
Our Product Range



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

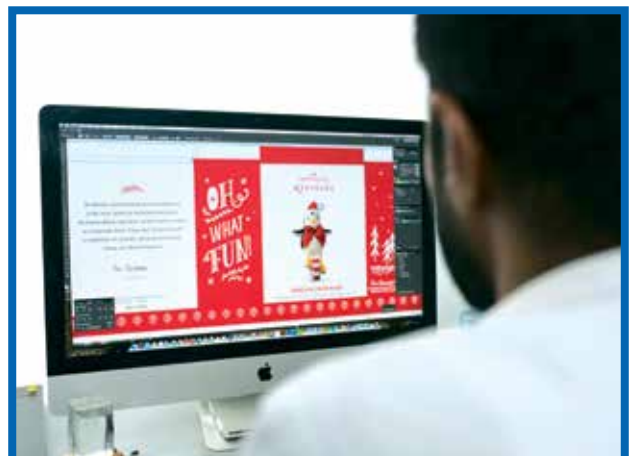
Security Printing



Packaging Design



E-learning Solutions



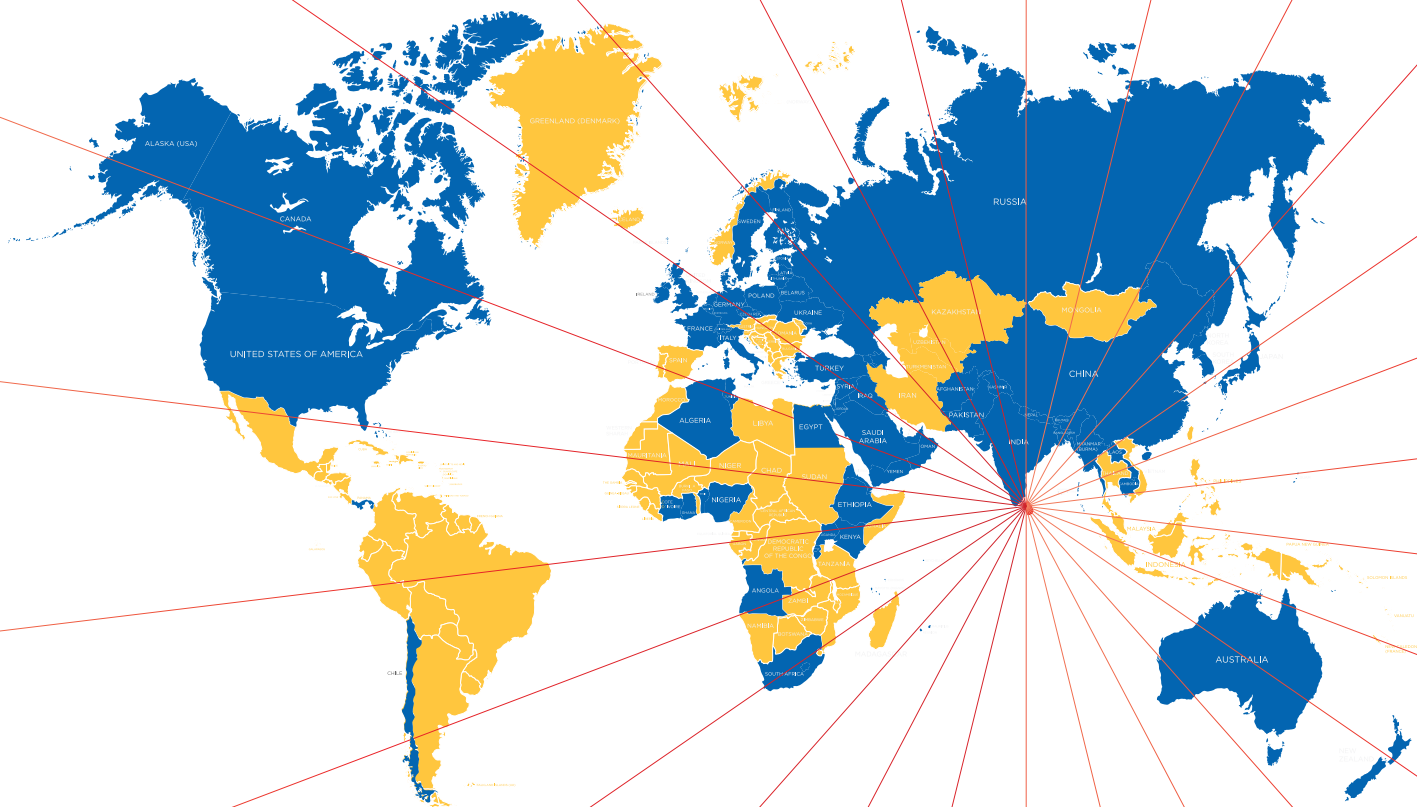
Pre-press

Digital Media Services

Our Printing &

Packaging Materials

ARE USED IN **70+**
NUMBER OF COUNTRIES



We work with **350+**
Customers

Significant Changes In The Group

During the year, Printcare PCL expanded its global footprint by launching new strategic production facilities. The establishment of Printcare Packaging East Africa in Kenya marks our entry into the corrugated packaging segment on the continent, significantly enhancing our capacity to serve emerging markets across the region.

Organizational Scale

During the year under review, our total employee count reached 807, and net revenue stood at Rs. 12.3 billion. Due to the diverse range of products manufactured across various operations, we are unable to quantify the total product output.

Certifications and Externally Developed Initiatives












Sri Lanka Business and Biodiversity Platform

Printcare is a proud patron member of the Sri Lankan Business and Biodiversity Platform—an initiative founded by the Ceylon Chamber of Commerce, Dilmah Conservation, and the International Union for Conservation of Nature (IUCN). This platform supports businesses in adopting environmentally responsible practices and advancing sustainable growth, while promoting biodiversity and ecosystem protection.

Training Partner of the Institute of Chartered Accountants

Printcare is a fully accredited training provider for Certificate and Strategic Level programs offered by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

As a training partner, we support aspiring professionals through hands-on experience in auditing, accounting, taxation, information technology, and related advisory services.

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

Precautionary Approach

The Group Risk Steering Committee is responsible for the risk management process. The committee is also responsible for reviewing any potential risks relating to social and environmental aspects. Further information of the risk management process is given in the 'Risk Management' section on page 26.

Corporate Governance

Details of the Group's governance structure, highest governance committees, their responsibilities and national and international memberships maintained by the organization are given in the 'Corporate Governance' section on page 10.

Reporting Practice

Report Profile

Now in its fifteenth edition, this Sustainability Report has been prepared in alignment with the Global Reporting Initiative (GRI) Standards: Core Option. The content reflects our commitment to transparency and accountability by addressing topics that hold significant relevance to our operations, as well as the expectations and concerns of our stakeholders. Through this report, we aim to provide a clear and comprehensive overview of our environmental, social, and economic performance. Beyond its role as a disclosure tool, we view this report as a strategic instrument for evaluating our progress, engaging with stakeholders, and continually enhancing our practices over time.

This Sustainability Report encompasses the reporting period from 1 April 2024 to 31 March 2025 and adheres to an annual publication cycle. The previous edition was included in the Printcare Annual Report 2024, published on 28 August 2024. Our Group's consolidated financial statements reflect the performance of all 10 subsidiaries outlined in the About Printcare section.

Except for the GRI disclosures on Net Revenue, Direct Economic Value Generated and Distributed, and Defined Benefit and Other Retirement Plan Obligations, all other reported disclosures are limited to Sri Lankan operations. This localized focus allows us to shape a precise Group-wide sustainability strategy and progressively enhance our reporting through continuous improvement. While

external assurance has not yet been pursued, we are actively working toward obtaining it in the future.

Material Topics And Topic Boundaries

The Printcare Sustainability Report centers on the key environmental, social, and governance issues that matter most to our stakeholders and business operations. These issues were identified through a structured materiality assessment that maps topics according to their level of impact on both the organization and its stakeholders, as illustrated in the Materiality Matrix.

The assessment process incorporated insights gathered through our stakeholder engagement initiatives, along with potential concerns deemed relevant for future consideration. We evaluated where each material topic exerts influence—both internally and externally. Internally, topics affect the entire organization, while externally they touch areas including our value chain, customers, regulatory bodies, the environment, and communities.

This year, we identified 20 material topics. Reporting on these is carried out using 27 Topic-Specific Standards, with data collection and analysis strictly aligned with the methodology outlined in the GRI Standards. This includes the assumptions, measurements, and protocols used to ensure accuracy and comparability.



externally they touch areas including our value chain, customers, regulatory bodies, the environment, and communities.

This year, we identified 20 material topics. Reporting on these is carried out using 27 Topic-Specific Standards, with data collection and analysis strictly aligned with the methodology outlined in the GRI Standards. This includes the assumptions, measurements, and protocols used to ensure accuracy and comparability. There has been no change in the scope of our reporting regarding material topics, maintaining continuity in our approach while striving for ongoing refinement and excellence.

As part of the materiality assessment, we identified where the impact of the material topics could occur, both within and outside the company. Within the Company, material topics impact the entire organization. Outside the Company, material topics impact areas such as value chain, customers, government authorities, environment and community. As a result, we identified 20 material topics.

Under the identified material topics we report on 27 Topic Specific Standards. Data measurement techniques and the bases of calculations, including assumptions and techniques applied to the compilation of the indicators and other information in the report are in accordance with indicator protocols provided under the GRI Standards.

There is no change in the scope of the report as the material topics and topic boundaries reported are same as last year.

Restatements

There are no restatements regarding any information provided in the previous reports.

Management Approach To Sustainability

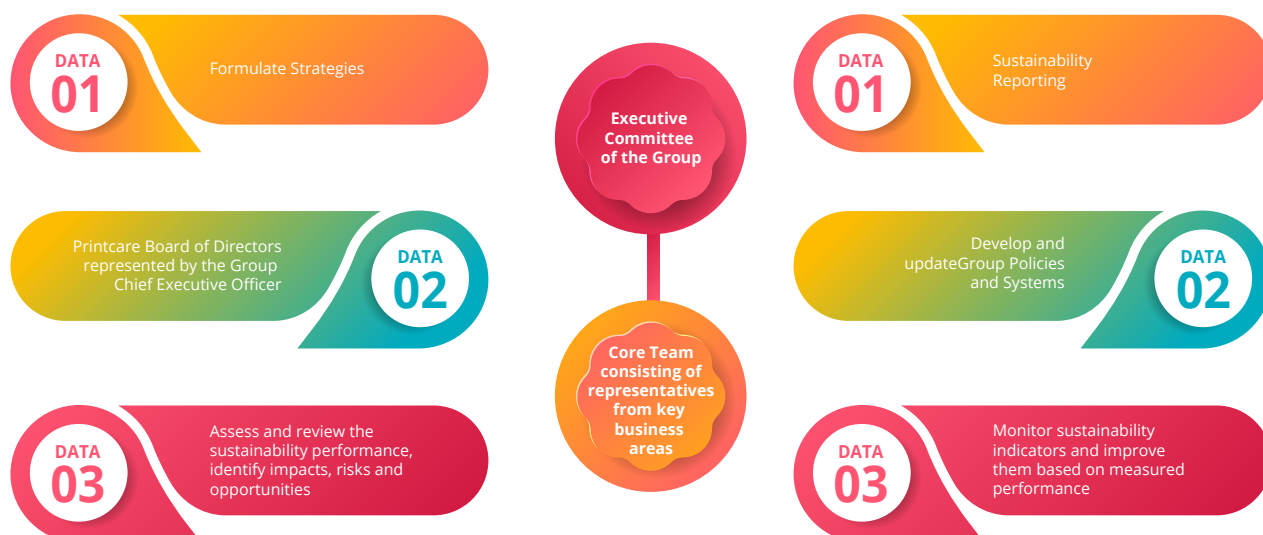
At Printcare, sustainability is not just a principle—it's a driver of long-term value creation for both our business and the communities we serve. We view sustainable practices as inseparable from responsible growth, ensuring that the products and services we deliver contribute meaningfully to society.

Sustainability is deeply embedded in our strategic decision-making. Our dedicated Sustainability Team, reporting directly to the Executive Committee, comprises representatives from critical business units across the organization. This cross-functional structure fosters collaboration and strengthens our ability to track, measure, and improve sustainability performance across selected indicators.

The team's mandate covers all group operations, with a focus on enhancing both environmental and social outcomes. By integrating sustainability into daily operations, Printcare continues to build resilience, foster accountability, and shape a future-fit enterprise rooted in ethical and ecological responsibility.

Our Sustainability Targets

- **Embed Sustainability into Corporate Culture:** Foster a mindset across the organization where sustainable thinking becomes integral to everyday decision-making and operations.
- **Enhance Performance Through Monitoring and Action:** Strengthen our impact by continuously tracking sustainability indicators and applying proactive measures to drive improvement across environmental, social, and governance dimensions.



Our Sustainability Journey

Environmental Achievements – 2024

Environment

- Obtain Bronze Award at CEA Precedential Awards
- Obtained Higg Facility Environmental Module (FEM) certification
- Launched wastewater recycling and rainwater harvesting projects
- Upgraded effluent treatment plants; reused water for ink bucket cleaning
- Implemented energy-saving measures (e.g. capacitor bank upgrades)
- Initiated ink waste reuse for wall paint manufacturing
- Calculated carbon footprint and set Science Based Targets (SBTi)

Workplace Initiatives

- Conducted awareness sessions on energy, materials, and environmental protection
- Continued annual testing: dust level, emissions, and sound levels
- Maintained health awareness campaigns on Monkeypox and Dengue

Health and Safety

- Organized Food Handler medical testing camps for relevant staff
- Upgraded the fire detection systems across facilities for enhanced emergency readiness
- Established a 24/7 Environmental Health & Safety (EHS) team and a hotline to ensure continuous monitoring and rapid response
- Introduced a QR code-based emergency reporting system to streamline incident communication and improve responsiveness
- Health awareness for the employees with the collaboration of Medical Officer of Health (MOH) under the ministry of Health

What we plan to do next

Environment

- Aiming to initiate ZDHC certification to meet global hazardous chemical compliance benchmarks.
- Planning to obtain Zero Waste to Landfill certification.
- Continuing the CSR project to support the local community.
- Will continue Higg FEM certification to maintain strong environmental performance.
- Launching a new water and energy conservation project to enhance resource efficiency and environmental stewardship.

Workplace Initiatives

- Will conduct work-life balance and stress management sessions to promote employee well-being.
- Organizing health awareness campaigns on Chikungunya and Dengue prevention to strengthen community health and resilience.
- Planning to implement a comprehensive ergonomics program across all workstations to enhance 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

We define stakeholders as individuals, groups, or organizations that influence—and are influenced by—our operations and outcomes. In many cases, these stakeholders form the very foundation of our existence.

Each business activity undertaken to fulfill our mission and objectives involves continuous interaction with stakeholders. Building relationships based on trust and transparency is essential to fostering deeper understanding across a broad spectrum of important issues.

KEY STAKEHOLDERS OF PRINTCARE



Stakeholder Engagement Process

Stakeholder engagement plays a pivotal role in aligning Printcare's sustainability strategy with its overarching business objectives. Given that stakeholders may influence—or be influenced by—our operations, their perspectives are a vital part of the organization's decision-making process. Accordingly, Printcare adopts a holistic engagement model that incorporates diverse stakeholder interests and concerns.

Beyond the day-to-day interactions managed by individual business units, a comprehensive stakeholder engagement initiative is conducted every two to three years, targeting key stakeholders across the Group.

The following flow chart outlines the stakeholder engagement process adopted by Printcare.



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 standards such as ISO,FSC and BRCGS etc 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' PrintcareWiki 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 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 company in the region, Printcare has both direct and indirect impacts on the local and international economy. The Company is continuously taking steps to maximize positive contributions while minimizing any adverse effects.

We recognize that our financial performance and economic responsibilities extend beyond shareholders and employees—to include all stakeholders affected by our business activities.

Our direct impacts include payments to investors, shareholder returns, payment of taxes and levies to the Government, salaries and benefits for employees, and payments to suppliers. Indirect impacts include community upliftment through business environment improvement, focused investments, job creation, and support for local development initiatives.

The Group remains proactive in identifying its obligations, responsibilities, and risks across the local market, environment, and broader community. Accordingly, Printcare seeks to be a growth partner to all stakeholders by integrating local suppliers into its supply chain, recruiting from surrounding communities, and contributing meaningfully to local development.

Economic Value Statement

The Economic Value Statement outlines the value created by Printcare and its distribution among stakeholders. It details the financial contributions made in the form of dividends to shareholders, salaries and wages to employees, tax payments to the government, and social investments directed toward community development.

Further information regarding operating costs, employee compensation, and shareholder earnings is provided in the Group's financial statements. This section specifically highlights payments made to the government and investments supporting the community.

	2024/25 Rs.'000	2023/24 Rs.'000
Direct Economic Value Generated		
Revenue	12,264,120	12,885,431
Other Income	520,655	176,631
Total	12,784,775	13,062,062
Economic Value Distribution		
Operating Costs	9,838,973	9,681,145
Employee Wages & Benefits	2,485,615	1,968,884
Payment to Providers of Funds	869,488	852,661
Payment to Government	149,017	312,779
Community Investment	879	1,029
Total	13,343,972	12,816,498
Economic Value Retained		
Depreciation & Amortization	568,051	409,499
Retained Profit	(1,127,248)	(163,935)
Retained for Reinvestment/ Growth	(559,197)	245,564

Defined Benefit Plan Obligations

Printcare maintains a retirement plan for its workforce, funded through general resources to fulfill obligations toward retired employees. In accordance with the Payment of Gratuity Act No. 12 of 1983, employees with over five years of service are entitled to receive half of their final month's salary for each completed year of service upon termination.

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 per cent as the employers' contribution and the employees contribute 8 per cent to the fund. Further, the Group also contributes 3 per cent to the Employees' Trust Fund.

Market Presence

Management Approach

Printcare's operations play a meaningful role in enhancing the economic wellbeing of both the community and our employees. Through our business activities, we create opportunities for local economies via employment generation, skills development, training, and targeted community investments.

We are committed to evaluating the potential impacts of our operations by fostering strong community relationships—advancing regional development while reinforcing our social license to operate.

Creating Opportunities in the Local Community

Printcare actively recruits a significant number of employees from the local community into its Senior Management Team. This approach strengthens the Company's ability to understand and respond to local needs while delivering tangible economic benefits to the surrounding community.

The Senior Management team—comprising Executive Board Members, General Managers, Assistant General Managers, and Senior Managers—includes 25 members, 93% of whom are from the Western Province, the local community where the Group operates.

	2025 Rs.	2024 Rs.
Employer Contribution to the Trust Fund	29,518,411	24,765,156
Employer Contribution to the Provident Fund	118,073,642	99,060,625
	147,592,053	123,825,781

Procurement Practices

Management Approach

As a responsible printing and packaging company, Printcare contributes to the development of our society and enhancing quality of life of people throughout the world by providing top quality printing and packaging solutions. At Printcare, procurement involves purchasing of direct materials for printing and packaging as well as indirectly related materials, services, and maintenance facilities. We drive ethical sourcing practices across our supply chain and we ensure that our procurement practices are based on the following elements.

- **Quality** - Highest quality materials are procured at all times.
- **Price** - The required quality materials are procured at the lowest possible cost.
- **Availability in the local market** – To support the local economy, preference is always given to local vendors as long as the required quality and quantity of materials are available.
- **Environmental friendliness** - As an environmentally responsible organization we look for materials that have minimal negative impact on the environment and also engage with suppliers around environmental issues.
- **Service** - Suppliers are evaluated on the reliability and consistency of their service.
- **Building long term partners** - Long term partnerships are built with suppliers by sharing knowledge and making new developments which will benefit both parties.

The significance and insignificance level of the suppliers are decided based on the direct and indirect impact each supplier has towards Printcare. All our key business functions are integrated and controlled by our ERP system.

A Procurement Committee has been established comprising of key senior personnel from procurement, finance, engineering and the heads of subsidiaries, and will be responsible for collectively overlooking key purchases for the Group.

Supply Chain

The building of strong relationships with our suppliers is essential in delivering products and services to our customers on time and running our operations. At Printcare, suppliers are viewed as strategic partners therefore we strive to continuously improve our relationship with them which is built through open, transparent and fair business practices. We establish sustainable relations with them in order to build partnerships that assure mutual success and create added value for our customers.

When selecting our suppliers we conduct a screening process based on their level of commitment, price, quality, lead time, service levels, reliability, compliance, environmental safety, corporate responsibility as well as their expertise in areas such as innovation, safety etc. However, in certain cases where a particular material is available with only one supplier, the company will not assess the supplier based on all these criteria.

Printcare's supply chain network interacts with a variety of suppliers such as brokers, wholesalers, retailers, licensees as well as third party representatives such as consultants and service contractors. In 2025, the Group spent Rs. 9.8 billion on goods and services around the world.

Printcare continues to explore new systems that enhance the efficiency and transparency of its business operations. As part of these ongoing efforts, the Group has transitioned its procurement activities to an online bidding platform, enabling registered suppliers to participate seamlessly via real-time digital connection. This online tendering process consolidates all preferred suppliers into a centralized database, allowing for streamlined monitoring of bids and service requests, easier bid comparisons, and improved accuracy in contractual documentation. In addition to strengthening process integrity, this digital transformation has significantly boosted the productivity of Procurement staff and associated divisions—facilitating swift communication with multiple suppliers and dramatically reducing paperwork.

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 2025, 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.

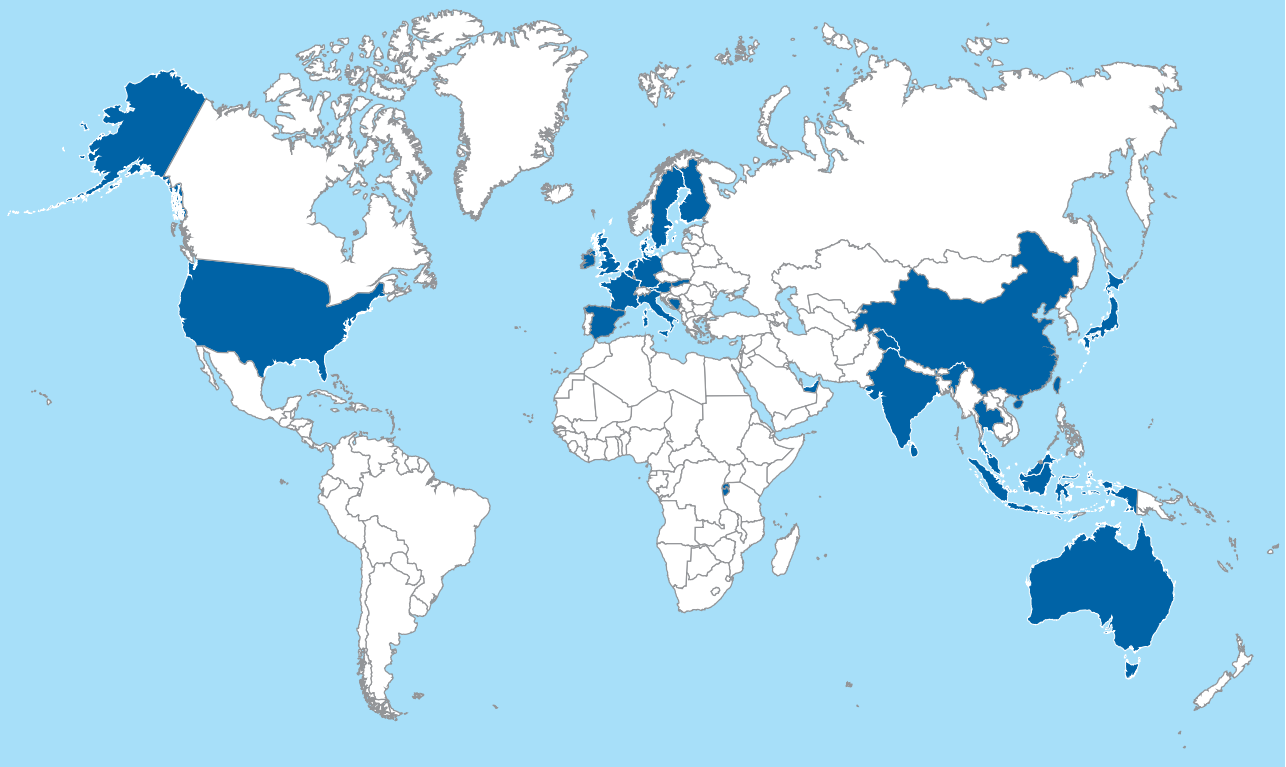


Key Factors that Affect Local Purchasing

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.

Engaged
with
472 local & global
suppliers



Anti-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-Corruption and Ethics Training

Printcare's Anti-Corruption Policy is accessible via the Company intranet "PrintcareWiki" and is included in the Employee Handbook issued at the time of recruitment. Ethical standards and anti-corruption protocols are integral components of the monthly induction programme delivered to all new hires.

During 2025, the Company circulated an awareness article highlighting the anti-corruption policy and whistleblowing mechanism to all employees. In addition to these initiatives, the Human Resources team conducts periodic training programmes and awareness sessions covering key corporate policies.

In total, 807 employees were trained on Printcare's anti-corruption policies during the year through structured orientation and scheduled refresher sessions.

Our Environmental Responsibility

Environmental responsibility is integral to our operations. We take deliberate steps to embed environmental considerations into our business decisions and activities, while actively fostering a culture of sustainability among employees through awareness programs.

We adhere to all applicable environmental laws and regulatory requirements, reinforcing our commitment to responsible growth. Driven by our mission to care for all stakeholders, we continuously improve our environmental performance by integrating sustainable practices across our operations. In the face of global climate change, we recognize the urgency for action and have adopted stringent environmental management standards. Our ongoing efforts focus on minimizing ecological impact and optimizing resource use, reflecting our belief that how a company manages environmental challenges is a true measure of its responsibility and vision.

At Printcare, the approach to environmental stewardship continues to evolve, guided by three foundational principles:

Environmental Management -

Printcare remains committed to optimizing resource use, proactively managing environmental risks, and minimizing the impact of operations to further reduce its ecological footprint.

Environmental Integration –

Environmental consciousness is embedded in decision-making processes. In 2025, Printcare deepened this integration by strengthening employee engagement through targeted awareness initiatives that foster a culture of shared responsibility.

Environmental Compliance –

Printcare upholds all applicable environmental laws and regulatory requirements, continuously striving for excellence in governance and accountability.

The spirit of sustainability is reflected in the serene landscapes surrounding Printcare's facilities—from cascading waterfalls to ponds and green spaces—symbols of a commitment to harmony with nature. This dedication is amplified through continued alignment with internationally recognized standards, including ISO 14001:2015 Environmental Management Systems, Higg FEM, and FSC Chain of Custody Certification (Forest Stewardship Council). In 2025, robust internal reviews and third-party audits reinforced Printcare's environmental performance, ensuring not only compliance but the setting of benchmarks for responsible operations.



Material Management

Management Approach

Printcare's material sourcing spans a wide network of suppliers, each contributing to both environmental impacts and the profitability of our operations. In 2025, Printcare strengthened its commitment to minimizing costs and reducing its carbon footprint by embedding material optimization and resource efficiency across all business functions. The promotion of reuse and recycling continues to be a core strategy where applicable.

Printcare's material management strategy is guided by the following key practices:

- **Planning of Material Requirements** – Material demand is carefully planned and forecast to ensure operational efficiency.
- **Acquisition** - All procured materials conform to established quality assurance protocols and environmental standards.
- **Operation, use and maintenance** - Materials are allocated with precision, and detailed records are maintained to reduce waste and promote responsible use.
- **Disposal** - Surplus materials are repurposed whenever possible or disposed of in an environmentally responsible manner.

Comprehensive analysis and oversight of material usage are facilitated by Printcare's integrated ERP system, enabling data-driven decisions to support sustainable operations.

Consumption of Materials

Printcare continues to utilize a diverse range of materials in the production of printing and packaging solutions. The Group places strong emphasis on material efficiency across reporting companies, helping reduce environmental impact and maintain product profitability. The table below outlines the primary material categories consumed, each playing a vital role in determining product cost structures. Monitoring material usage provides valuable insights into operational effectiveness and guides cost management strategies. Printcare's integrated data systems enable consistent evaluation of consumption patterns, supporting informed procurement decisions and reinforcing sustainability goals.

Raw Materials	2025	2024
Paper and Board	44,960 MT	56,640 MT
Varnish	177 MT	130 MT
Ink	262 MT	175MT
Corrugated Boxes / Fluted Boxes	667 MT	813MT
Plates	90,174 Nos	39,579 Nos
Die-cutters	810 Nos	727 Nos
Foils	2,704,365 Meters	1,081,486 Meters
Oil	2,290 Liters	2,170 Liters

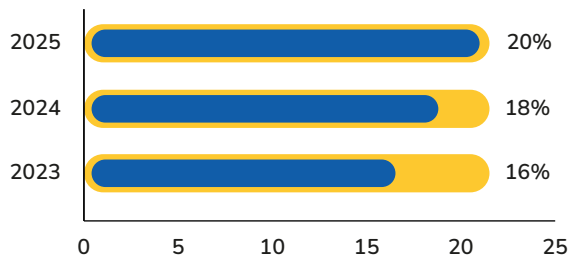
Estimations Used for Calculation

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.

Recycled Materials Consumed

Printcare incorporates a variety of recycled materials in its product lines as part of its ongoing commitment to reducing environmental impact and enhancing overall sustainability performance. Since packaging solutions are customized to meet client specifications, the choice between recycled and virgin pulp board is ultimately determined by customer preferences. During the reporting period, recycled materials accounted for approximately 20% of total material consumption.



How Printcare Helps Consumers Make Responsible Choices

Printcare supports environmentally responsible decision-making by offering and promoting sustainable material options along with certified production practices:

- **Eco-Friendly Materials** – Customers are encouraged to choose from a wide range of environmentally conscious options, including recycled and FSC-certified paper and board. Printcare also provides innovative sustainable packaging solutions such as paper canisters. All inks used in production are mineral oil-free, derived from renewable resources, and contain non-fossil carbon content—helping reduce the environmental impact throughout the product lifecycle.
- **FSC Chain of Custody Certification** – This certification enables Printcare to source and supply materials from responsibly managed forests. It guarantees that certified inputs from sustainable sources are kept separate from non-certified materials at every step of the supply chain, ensuring transparency and integrity right through to the end consumer.

Energy Management

Management Approach

Printcare delivers advanced printing and packaging solutions to leading brands across a wide range of industries. With services available across multiple locations, every facility is outfitted with state-of-the-art machinery and cutting-edge technology. To consistently deliver high-quality and innovative products, these operations require significant energy input.

Recognizing the environmental impact of energy usage, Printcare has prioritized enhancing its energy performance by focusing on efficiency, cost-effectiveness, and responsible consumption. The Group is committed to minimizing the environmental footprint associated with energy use and improving long-term sustainability outcomes.

Printcare's energy performance strategy is driven by the following objectives:

- **Cost Reduction** – Actively manage operational energy usage to lower expenses.
- **Transition to Renewable Energy** – Substitute non-renewable energy sources with clean, renewable alternatives.
- **Carbon Emission Reduction** – Reduce emissions tied to energy procurement and consumption.

To realize these goals, Printcare continues to adopt the following energy management practices:

- **Green Procurement** – Invest in high-efficiency machinery with low energy demand and zero carbon footprint through environmentally conscious sourcing policies.
- **Energy Monitoring & Review** – Conduct regular energy usage assessments and periodic performance reviews.
- **Energy-Saving Initiatives** – Execute targeted projects aimed at reducing operating costs and cutting emissions associated with energy use.

Energy Consumption within the Organization

Non-Renewable Energy	2025 Giga Joules (GJ)	2024 Giga Joules (GJ)
CEB Units	6,812	6,496
LECO Units	24,627	23,672
Diesel	1,228	430
Total Energy Consumption	32,667	30,599

Electricity for Printcare operations is supplied by the Ceylon Electricity Board (CEB) and Lanka Electricity Company (Pvt) Limited (LECO). Diesel usage, recorded specifically for generator operations, is also factored into the overall energy consumption metrics.

During the reporting period, total energy consumption across the Group increased by 6.7%, reflecting broader operational activity. While Printcare does not currently rely on energy sourced directly from renewable sources, a notable milestone was achieved with the installation and commissioning of a 500kW industrial solar power system at one of our Kelaniya factories.

Energy Intensity

	2025	2024
Energy Intensity Ratio (KJ)	3.20	2.37

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 recorded an energy intensity of 3.20 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 remains a critical and increasingly scarce resource, with global accessibility continuing to pose significant challenges. At Printcare, water plays an essential role in manufacturing processes and operational activities, making its responsible use a priority.

The Group's core objective is to minimize its water footprint by conserving and optimizing the usage of both surface and groundwater resources wherever possible. To support this, Printcare adopts the following water management practices:

- **Operational Planning** – Minimize water usage across all processes through meticulous and proactive planning.
- **Wastewater Reuse** – Treat and reuse wastewater for operational or domestic purposes to reduce dependency on fresh water.
- **Monitoring & Efficiency Projects** – Conduct periodic assessments of water consumption and implement targeted initiatives to improve efficiency.
- **Rainwater Harvesting** – Deploy rainwater harvesting systems and reuse collected water for cleaning and auxiliary functions.

Water Sources and Consumption

	2025	2024
Municipal Water Supplies (m3)	30,855	30,480
Ground Water (m3)	0	0
External Water Supply (m3)	27	27
Total Water Withdrawal (m3)	30,882	30,507

The primary sources of water for Printcare operations include the National Water Supply and Drainage Board and groundwater reserves. In instances where supply from these sources is disrupted or insufficient, water is supplemented through direct external tanker sourcing.

Compared to the previous year, total water consumption saw a slight increase of 1.2%. This change reflects operational adjustments while reinforcing the need for continued focus on conservation and efficient usage across all facilities

Effluents and Waste Management

Management Approach

Waste Management

Printcare remains dedicated to minimizing waste generation, recognizing its direct impact on profitability, environmental sustainability, and the wellbeing of surrounding communities. A key focus area within the Group's environmental management strategy is the responsible handling of both hazardous and non-hazardous waste—emphasizing minimization, proper segregation, and safe disposal.

To address this, comprehensive waste management processes are implemented across all business units. These include strict control and monitoring of production activities, regulation of waste collection, treatment, and disposal—all conducted in an environmentally responsible manner.

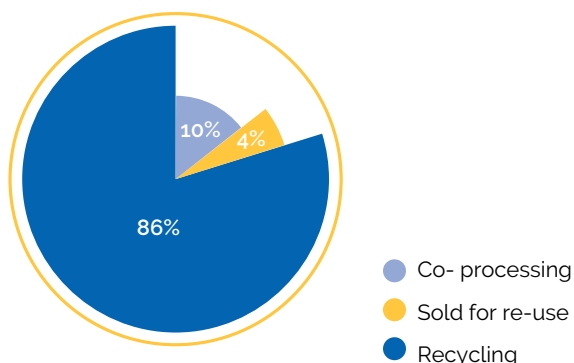
To safeguard natural ecosystems and comply with environmental regulations, Printcare ensures that hazardous waste is processed and disposed of through certified channels. During the reporting period, Rs. 10.2 million was allocated to the disposal of hazardous materials including Effluent Treatment Plant sludge, contaminated cotton waste, ink tubs, e-waste, and various chemicals. All disposal activities were carried out by a waste handler approved by the Central Environmental Authority (CEA).

Waste Generation

Minimizing waste has long been a core practice across the Group, with continued emphasis on reducing waste within production processes to drive efficiency and profitability. Responsible waste management remains an integral element of Printcare's environmental strategy.

The following table outlines the hazardous and non-hazardous waste generated across operations during the reporting period. Hazardous waste includes materials such as contaminated cotton waste, effluent treatment plant sludge, foil paper, e-waste, and various liquid waste by-products.

	2025	2024
Hazardous Waste (MT)	52.8	35
Non-Hazardous Waste (MT)	2008	2124
Non-Hazardous Waste (Nos)	10,569	10,508



Waste Disposal Methods

All non-hazardous waste items tracked by quantity were disposed of through resale for reuse. This approach supports circular economy principles, reduces landfill contributions, and promotes resource recovery across the supply chain.

Treatment for Hazardous Waste

Printcare maintains a rigorous approach to the treatment and disposal of hazardous waste, ensuring compliance with regulatory standards and a steadfast commitment to environmental responsibility. The Group's key practices include:

- **Co-Processing for Thermal Destruction** – Hazardous items such as contaminated cotton waste from machinery cleaning, chemicals used in plate processing, effluent sludge from treatment plants, and foil paper are collected separately and dispatched for co-processing, guaranteeing complete thermal destruction in specialized facilities.
- **Material Recovery** – CFL bulbs are responsibly disposed of through a Central Environmental Authority (CEA)-approved recycler, enabling safe recovery and recycling of components.
- **E-Waste Management** – All electronic waste across Printcare's operations is handed over to a CEA-certified e-waste solutions provider for proper dismantling, recycling, and disposal.

- **Effluent Treatment** – Wastewater generated during the manufacturing process is treated through Printcare's dedicated effluent treatment plant prior to reuse, preventing the release of harmful substances into the environment.

Treatment for Non-Hazardous waste

- Printcare applies responsible practices in managing non-hazardous waste across all facilities, reinforcing its commitment to sustainability and environmental accountability:
- Leftover food from staff and worker lunchrooms is segregated and collected daily. This organic waste is provided to nearby farms for use as input material, supporting local agricultural efforts.
- Items categorized as non-hazardous are either sold for reuse or sent to a Central Environmental Authority (CEA)-approved recycler for responsible processing.
- All waste paper generated within office spaces is collected separately and forwarded to a CEA-certified recycler, supporting the circular use of paper materials.

Significant Spills

There were no significant chemical leakage or spillage incurred during the year.

Environmental Compliance

Management Approach

Compliance with environmental regulations is a critical priority for Printcare, directly influencing its corporate reputation and helping to mitigate financial and operational risks. To uphold these standards, environmental performance is actively monitored by internal management as well as the Central Environmental Authority (CEA), including regular factory inspections. In addition to local oversight, Printcare's environmental practices are verified through globally recognized annual audits, including ISO 14001:2015 Environmental Management Systems, the Higg Facility Environmental Module (FEM), and FSC Chain of Custody certification—ensuring accountability and continuous improvement across all operations.

Non-Compliance with Environmental Laws and Regulations

All companies within the Group maintained full compliance with applicable environmental laws and product-related health and safety regulations throughout the reporting period. As a result, no fines or penalties were incurred, and no reputational impacts were recorded in relation to environmental non-compliance.





Our People

Employee Diversity and Equal Opportunity

Management Approach

Our workforce continues to be the driving force behind Printcare's ability to deliver impactful and future-focused solutions to clients, reinforcing our competitive presence in an evolving market. In pursuit of our strategic goals, we are committed to cultivating a work culture that is open, inclusive, and intellectually stimulating, where shared values are actively embraced across all levels.



As an equal opportunity employer, Printcare remains steadfast in treating all employees and applicants with fairness and respect—irrespective of sex, sexual orientation, marital or civil partnership status, race, colour, nationality, ethnic origin, religion, disability, gender identity, pregnancy and maternity care



responsibilities, parental obligations, or personal beliefs including religion and politics.

This principle is consistently upheld across all employment practices, including recruitment and selection, compensation and benefits, communication, training, promotion, transfers, and every other aspect of the employee life-cycle.

Printcare is dedicated to fostering a working, learning, and social environment where individual dignity and rights are honored, and where discrimination, prejudice, intimidation, harassment, and bullying have no place.

These values are implemented in strict alignment with applicable legislation across all jurisdictions in which we operate. Any act of discrimination or non-compliance will result in appropriate disciplinary action.



Diversity of Our Workforce

At Printcare, diversity continues to be recognized as a pivotal driver of sustainable business growth. Nurturing a workforce rich in varied backgrounds and perspectives enhances talent engagement, sparks innovation, elevates service quality, and contributes to improved financial outcomes.

Printcare's governance structure comprises Board Members and the Senior Management Team, which includes General Managers, Assistant General Managers, and Senior Managers.

As of 31 March 2025, our operations in the Western Province of Sri Lanka employed a total of 807 full-time team members. No part-time employees were recorded. Security and cleaning operations remain outsourced, with external service providers reporting 50 personnel at year-end.

Workforce by Employee Category

Employee Category	Total
Executive Directors	4
General Managers & AGM	20
Managers & Assistant Managers	78
Executives	153
Non - Executives	552
Total Workforce	807

There are two Executive Directors serving on the Printcare PLC Board.

Total Employees by Gender



Male

78%



Female

22%

Total Employees By Contract



Permanent
82 %



Fixed Term Contract
18 %

Permanent Employees by Gender



Male

78%



Female

22%

Contract Employees by Gender



Male

75%

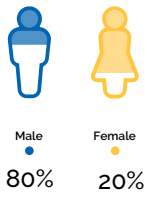


Female

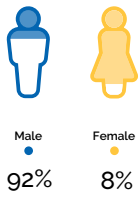
25%

Governance Body By Gender

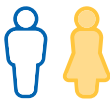
Board of Directors



Senior Management Team



100% | 0%



Executive Board Members

100% | 0%



General Managers & Assistant General Managers

78% | 22%



Managers & Assistant Managers

55% | 45%



Executives

86% | 14%

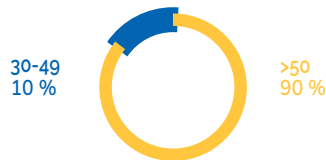


Non Executives

Male Female

Governance Body by Age

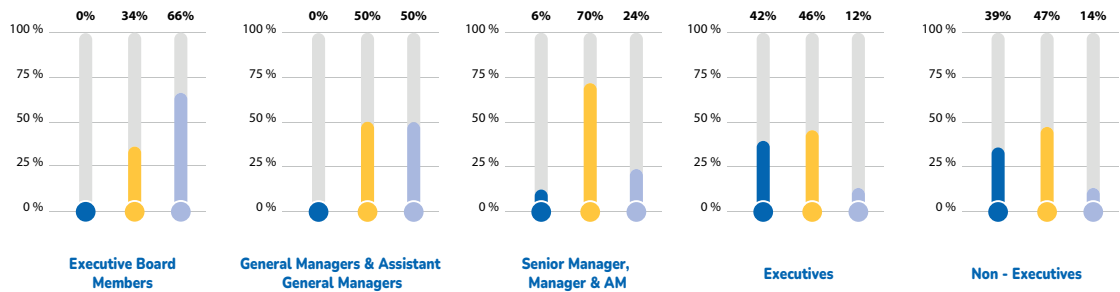
Board of Directors



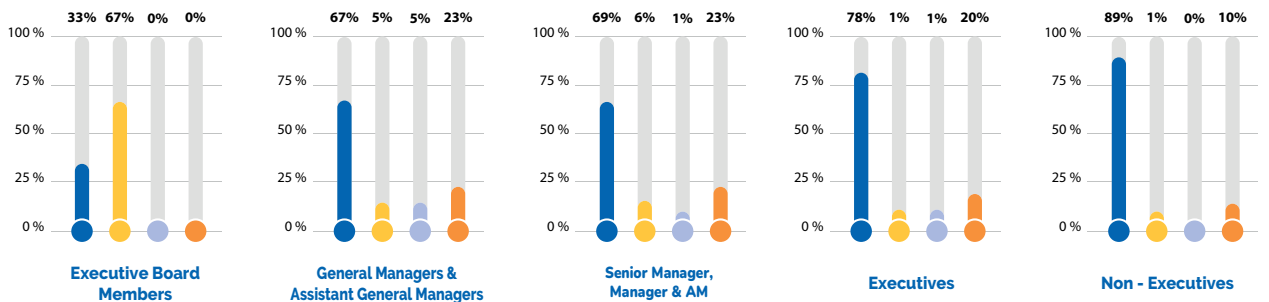
Senior Management Team



Employee Category by Age



Employee Category by Religion



Ratio of Basic Salary and Remuneration of Women to Men

Printcare upholds a fair and equitable compensation framework, ensuring remuneration is aligned with each employee's knowledge, experience, and skillset—irrespective of gender.

All additional compensation is determined exclusively by individual and organizational performance outcomes. Accordingly, we guarantee that every employee is remunerated fairly for equivalent expertise and achievement.

The average salary ratio between male and female employees is presented in the table below. For reporting purposes, the category 'Managers' encompasses the CEO, General Managers, Assistant General Managers, Managers, and Assistant Managers.

Employee Category	Male : Female
Managers	1 : 0.18
Executives	1 : 1.30
Non- Executives	1 : 0.46

Employment

Management Approach

Printcare's diverse workforce continues to be the foundation of its sustained success. Every employee plays an essential role in the performance and growth of our business. We believe that caring for our team enhances operational effectiveness and drives long-term achievement.

We remain committed to providing a safe, fair, ethical, and rewarding work environment, and we value the enduring relationship we share with our employees.

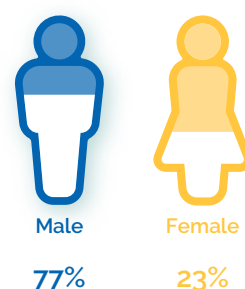
To uphold these principles, we have implemented robust HR policies and practices to support and safeguard our people.

Our people strategy emphasizes local talent development, leadership cultivation, succession planning, employee well-being, performance recognition, and strong organizational ethics. We believe these pillars are integral to fostering a workplace that attracts, inspires, and retains top talent.

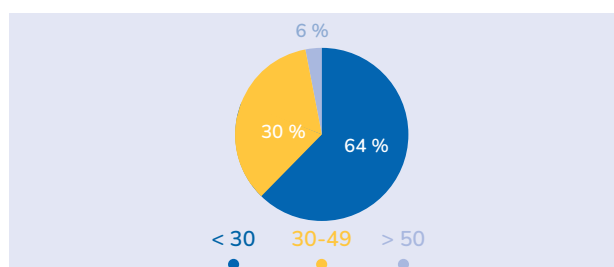
New Recruitments

225 employees were recruited during the year with a new hire rate of 28%.

New Employee Hires by Gender



New Employee Hires by Age



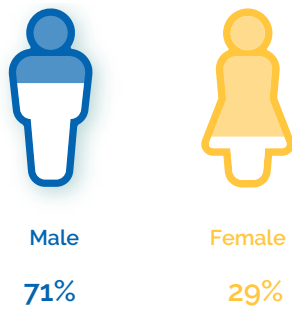
Employee Turnover

Printcare maintains continuous oversight of employee turnover and actively addresses underlying factors through a range of proactive measures.

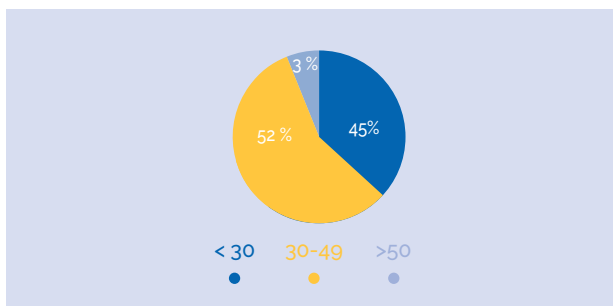
These include Employee Engagement Surveys, personalized interactions conducted by managers and supervisors, access to training and development opportunities, and the provision of comprehensive welfare benefits.

In 2025, the Group recorded an employee turnover rate of 14.2%, reflecting a 4.6% increase compared to the 9.6% reported in the previous year.

Turnover by Gender



Turnover by Age



Parental Leave

Our parental leave policies align with the provisions of the Maternity Benefits Ordinance. All 198 female employees within the Group are entitled to maternity leave. Given that paternity leave is not recognized under current employment legislation in Sri Lanka, the Company does not provide it. Upon completion of maternity leave, if a female employee is nursing a child under one year of age, she will be allowed to take two nursing intervals per day each not less than one hour.

During the reporting period, 11 out of 174 female employees utilized maternity leave, with 9 returning to work following the conclusion of their leave—reflecting a Return to Work rate of 81%.

Labour Management Relations

Management Approach

Printcare remains committed to cultivating a workforce that feels engaged and supported—both in their roles and within the broader work environment. The smooth functioning of our operations relies on the collective effort, collaboration, effective communication, and leadership attributes of all employees across the Group.

To promote a culture of harmony, the Management has introduced several initiatives. Bi-monthly Worker Representative Meetings offer a structured channel for employees to voice concerns and present ideas to Management. Additionally, our Employee Engagement Surveys—conducted every two to three years—provide further insights, allowing us to continuously refine our approach to employee relations and workplace practices.

The Open Door Policy reinforces this dialogue, enabling any employee to share feedback directly with Senior Management, including the Managing Director. This framework ensures a transparent and responsive communication environment across all levels.

Minimum Notice Period Regarding Operational Changes

Although there is no formally defined minimum notice period for operational changes, all adjustments are mutually agreed upon in advance by the relevant stakeholders. Significant organizational changes—whether beneficial or adverse—are communicated to employees with appropriate lead time, based on the nature and impact of the change.

Timely and effective communication from top management remains a core practice. The Managing Director conducts quarterly addresses to share updates, including any major organizational shifts.

Regular Worker Representative and staff meetings provide structured forums for employees to raise concerns and participate in the communication of ongoing operational developments.

Training and Education

Management Approach

To realize its vision of sustained excellence, Printcare ensures that every employee receives adequate training to perform their roles with effectiveness and efficiency. Personal and professional growth remains a top priority, and we are committed to investing in our workforce through diverse learning approaches that enhance individual capabilities.

We aspire for our team members to be the most knowledgeable, skilled, and trusted partners in the industry.

To that end, we offer a broad range of opportunities, resources, and platforms for career progression, skill development, and collaborative learning.

We also promote personal growth and employee satisfaction through open dialogue and structured career goal setting—aligned with the company's employment practices.

Training programs and development initiatives remain central to Printcare's Human Resources strategy. We view training as one of the most powerful tools to motivate, empower, and support our people.

How We Identify Training Needs

- At the factory level, workforce skill and knowledge gaps are identified through a structured Gap Analysis conducted by managers and supervisors every six months.
- At the staff level, these needs are assessed through biannual Performance Appraisals.
- Employees are also encouraged to highlight specific training requirements during these appraisals, which occur twice a year.

Based on insights gathered through these mechanisms, employees are offered opportunities to participate in relevant training programmes. In addition to these, various other learning sessions are conducted to strengthen overall employee competence. At Printcare, our approach to training and development is purposefully designed to advance job-specific technical capabilities while also nurturing individuals into well-rounded corporate professionals.

Trainings are conducted in four categories:

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

Employee Training Hours

Employee Category	2025			2024
	Number of Employees	Total Hours of Training	Average Hours of Training per Employee	Average Hours of Training per Employee
Executive Board Director	3	35.00	11.67	0.5
General Managers	12	157.75	13.15	5.71
Assistant General Managers	9	150.50	16.72	16.90
Managers	42	892.75	21.26	14
Assistant Managers	36	599.25	16.65	16.15
Executives	152	1800.50	11.85	12.82
Non-Executives	553	3832.00	6.93	8.87
Total	807	7467.50	9.25	10.11

Gender	2025			2024
	Number of Employees	Total Hours of Training	Average Hours of Training per Employee	Average Hours of Training per Employee
Male	633	5769.15	9.11	9.82
Female	174	1698.60	9.76	11.09



Performance and Career Development Reviews

At Printcare, we recognize the importance of guiding employees effectively as they navigate their career paths. To align personal aspirations with organizational goals, it is essential to manage employee expectations and establish clearly defined objectives.

Our performance management approach is designed to strengthen the link between individual development and overall business success. It encompasses the formulation of SMART goals, ongoing feedback, and both formal and informal progress reviews throughout the year.

Printcare's appraisal system is integrated with the broader performance management cycle to ensure each employee's contributions are assessed and constructive feedback is provided to motivate, guide, and sustain high performance in support of strategic objectives.

Performance evaluations are conducted biannually for the entire workforce—from the worker category to senior leadership. These reviews serve as a vital tool to encourage continuous growth, assess individual progress, and pinpoint training and development opportunities.

Performance Evaluation and Development Plan (PEDP)

Printcare's Performance Evaluation and Development Plan (PEDP) is a strategically designed framework for evaluating, challenging, and inspiring the Management Team. It also serves to assess managerial competencies in delivering on core organizational values while acknowledging individual contributions and initiatives.

PEDP evaluations are facilitated through a dedicated online platform that supports the setting and assessment of Key Performance Indicators (KPIs). KPIs are assigned specific weightage based on their strategic relevance and operational impact, making the evaluation process equitable and results-oriented.

This digital platform enhances efficiency by allowing both appraisees and appraisers to access performance data remotely, thereby improving appraisal completion timelines. It also strengthens data integrity, offering secure access exclusively to authorized personnel. Printcare firmly believes in recognizing outcomes that drive business success.



Techniques Used to Enhance Employee Motivation

Monthly voucher and Travel allowance

To support employees in navigating current economic challenges and maintaining their standard of living, Printcare provides every team member with a monthly food voucher and travel allowance.

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 its continued commitment to an 'Employee First Strategy', Printcare implements meaningful

initiatives that address the emotional and practical needs of its workforce—both within and beyond the workplace.

The Annual Scholarship Programme, conducted each year for the children of employees, is a key expression of this strategy.

In 2025, scholarships were awarded to 41 children, covering one year's worth of educational expenses including school uniforms, footwear, stationery, tuition fees, and other essential learning materials.

Employee Welfare

The Welfare Society of Printcare PLC has been established to support employees in addressing workplace-related challenges and to organize various welfare initiatives.

The Society provides a range of benefits, including:

- Distress Loan Schemes
- Death Donation Schemes
- Provision of school books and stationery for employees' children
- Easy Payment Schemes
- Charity Work
- Organization of inter-company competitions

Welfare Shop

The Welfare Society has established an on-site mini supermarket, known as the "Welfare Shop," within Printcare's premises. It offers a wide selection of goods at discounted prices and extends credit facilities to employees, providing added convenience and support for their daily needs.

Employee Health and Safety

Management Approach

A healthy workforce remains a fundamental pillar of economic progress and is essential to achieving our business objectives across all operational locations. Printcare is firmly committed to maintaining a safe

and healthy environment for employees, contractors, visitors, and others who may be affected by our activities.

To uphold this commitment, the Company continuously works to eliminate conditions and incidents that may lead to injury or ill health.

As a responsible organization, Printcare provides employees with coaching, guidance, and training to identify, assess, and control workplace hazards. It is every employee's responsibility to follow safe working practices to prevent injuries, protect others, and avoid damage to equipment, property, and infrastructure.

The Company ensures that appropriate personal protective equipment is issued to employees and contractors, and mandates its use while on duty. All factory sites undergo safety inspections every six months, conducted by the Chief Factory Inspection Engineer from the Department of Labour, reinforcing our dedication to continuous improvement in workplace safety.

Types and Rates of Injuries

Printcare consistently monitors, records, and reports on occupational injuries, diseases, lost days, and absenteeism across its workforce. Health and safety incidents within the Group are tracked through formal management systems, including Accident Reports and the Balanced Scorecard.

The Health and Safety Committee, appointed by the Managing Director, comprises SBU General Managers, the Health and Safety Manager, QA Manager, Factory Manager, Factory HR Manager, representatives from the Engineering Division, and production-level employees. This committee is responsible for identifying hazards, assessing risks, recommending safety controls, and advising on accident prevention. Since inception, the Group continues to maintain a record of zero fatal injuries.

All injury cases are reviewed systematically to raise awareness and strengthen the organization's accident prevention efforts. A "Near Misses Register" is maintained at each factory to record incidents that could potentially lead to accidents. In addition, employees may now report near misses by scanning a dedicated QR code—enabling a smart and responsive approach to incident management.

Occupational health and safety training is conducted monthly by the District Factory Inspecting Engineer of the Gampaha District. New recruits receive instruction on safety practices, fire hazard awareness, and basic first aid during orientation sessions. A dedicated First Aid Team provides on-site support during emergencies and is trained every six months by the Red Cross Society. The Company has also established a Fire Team to protect employees and assets, with biannual reviews and evacuation drills led by Fire Brigade Officers. Fire safety training is incorporated into monthly induction sessions conducted by the Group Fire Warden for both new and current employees.

To promote overall well-being, Printcare hosts a weekly in-house doctor visit, offering free consultations to employees. Additional awareness sessions are periodically conducted to educate staff on personal hygiene and general health care.

Printcare's commitment to workplace safety is underpinned by its ISO 45001:2018 certification, achieved through the adoption of OSHAS (Occupational Health and Safety Assessment Series) standards across its factories. This year, various training programmes, risk analyses, and team-based safety activities were implemented to meet certification requirements.

During the reporting period, one occupational injury was recorded, resulting in three lost workdays and absenteeism. Notably, the Group reported no occupational diseases or work-related fatalities during this period.

	2025	2024
Injury Rate		
Number of Occupational Injuries	1	0
Total Man Days	169,470	158,961
Lost Day Rate		
Number of Lost Days	3	-
Total Scheduled Man Days Worked in the Period	212,241	194,845
Absentee Rate		
Number of Absentee Days	3	0
Total Scheduled Man Days Worked in the Period	212,241	194,845

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 Vocationa 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.



Tree Planting Project at University of Kelaniya.

Protecting the environment remains a central pillar of Printcare's sustainability goals. In pursuit of this mission, the Company sponsored a multi-phase tree planting project at the University of Kelaniya, initiated last year and expanded through Phase II in 2025.

The initiative took place at the newly constructed Faculty of Computing Technology, situated on a three-acre site. Printcare continues to nurture the planted trees throughout their growth period, underscoring its long-term commitment to ecological preservation.

To support the University's broader sustainable landscaping objectives, Printcare also sponsored a horticulturist to guide the selection and planting of climate-appropriate flora in line with its 'Green' sustainable goals

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.



GRI Content Index for 'In accordance' - core

GRI Standard	Disclosure	Page No	Omission
GRI 102: General Disclosures 2021	Organizational Profile		
	102 – 1 Name of the organization	32	
	102 – 2 Activities, brands, products, and services	35 & 36-39	
	102 – 3 Location of headquarters	33	
	102 – 4 Location of operations	33	
	102 – 5 Ownership and legal form	33	
	102 – 6 Markets served	32 & 40	
	102 – 7 Scale of the organization	40	
	102 – 8 Information on employees and other workers	62	
	102 – 9 Supply chain	50-51	
	102 – 10 Significant changes to the organization and its supply chain	40	
	102 – 11 Precautionary Principle or approach	26-30 & 41	
	102 – 12 External initiatives	41	
	Strategy		
	102 – 13 Membership of associations	12	
	102 – 14 Statement from senior decision-maker	31	
	Ethics and Integrity		
	102 – 16 Values, principles, standards, and norms of behavior	35 & 71	
	Governance		
	102 – 18 Governance structure	10-13 & 41	
	Stakeholder Engagement		
	102 – 40 List of stakeholder groups	45	
	102 – 41 Collective bargaining agreements	71-72	
	102 – 42 Identifying and selecting stakeholders	45	
	102 – 43 Approach to stakeholder engagement	45	
	102-24 Embedding policy commitments	46-47	
	Reporting Practice		
	102 – 45 Entities included in the consolidated financial statements	42	
	102 – 46 Defining report content and topic boundaries	42-43	
GRI 3:Material Topics 2021	102 – 47 List of material topics	42	
	102 – 48 Restatements of information	43	
	102 – 49 Changes in reporting	43	
	102 – 50 Reporting period	42	
	102 – 51 Date of most recent report	42	
	102 – 52 Reporting cycle	42	
	102 – 53 Contact point for questions regarding the report	79	
	102 – 54 Claims of reporting in accordance with the GRI Standards	42	
	102 – 55 GRI content index	76-79	
	102 – 56 External assurance	42	

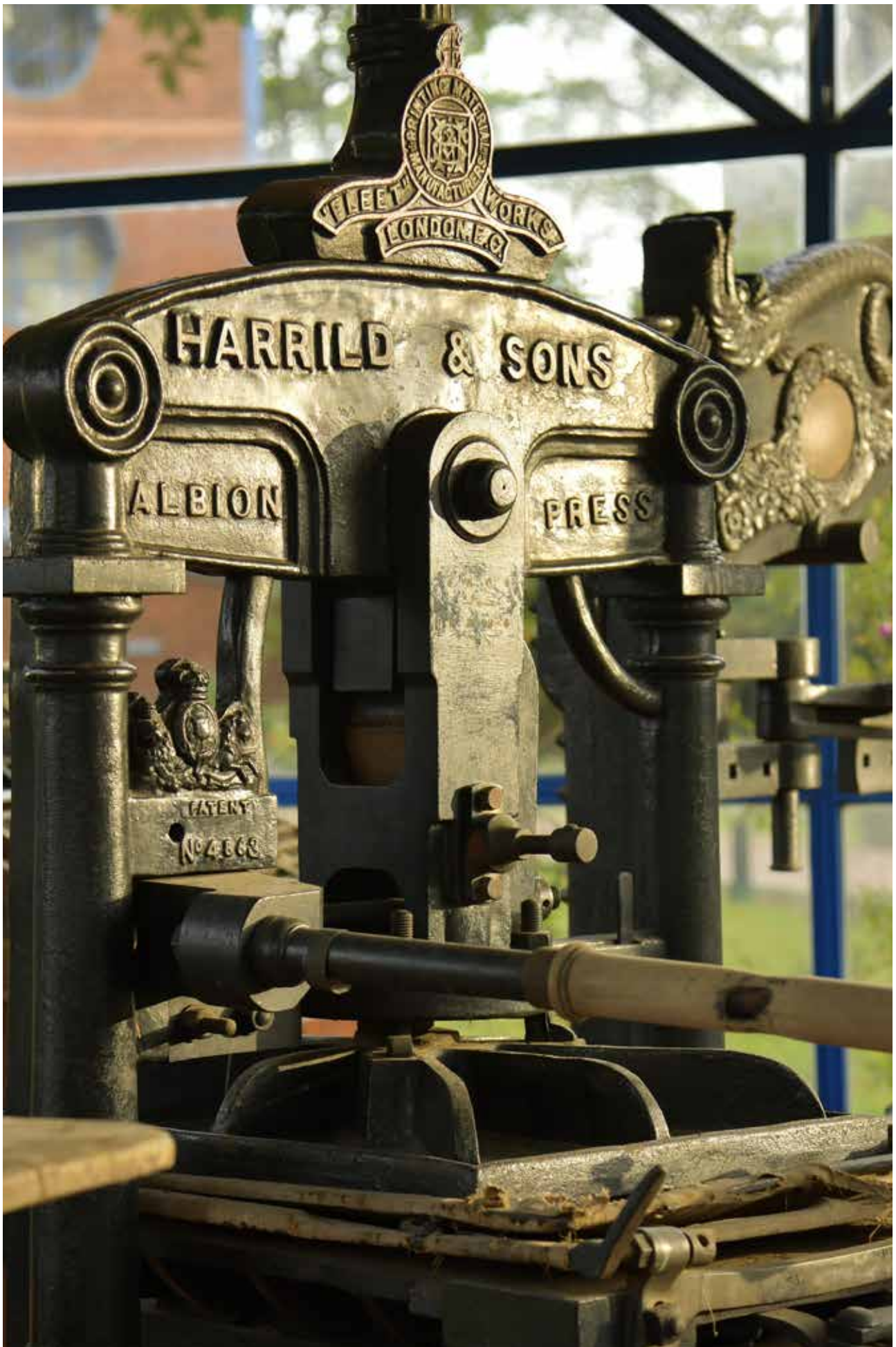
GRI Standard	Disclosure	Page No	Omission
Material Topics			
Economic Performance			
"GRI 103: Material Topics 2021"	103 – 1 Explanation of the material topic and its boundaries	43 & 44	
	103 – 2 The management approach and its components	43 & 44	
	103 – 3 Evaluation of the management approach	43 & 44	
GRI 201: Economic Performance 2016	201 – 1 Direct economic value generated and distributed	48	
GRI 3 Material Topics 2021	Market Presence		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	49	
	103 – 2 The management approach and its components	49	
	103 – 3 Evaluation of the management approach	49	
GRI 202: Market Presence 2016	202 – 2 Proportion of senior management hired from the local	49	
GRI 3: Material Topics 2021	Procurement Practices Market Presence		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	50	
	103 – 2 The management approach and its components	50	
	103 – 3 Evaluation of the management approach	50	
GRI 204: Procurement Practices 2016	204 – 1 Proportion of spending on local suppliers	51	
Anti-Corruption			
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	53	
	103 – 2 The management approach and its components	53	
	103 – 3 Evaluation of the management approach	53	
"GRI 205: Anti-Corruption 2021"	205 – 2 Communication and training about anti-corruption policies and procedures	53	
GRI 3:Material topics 2021	Energy		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	56	
	103 – 2 The management approach and its components	56	
	103 – 3 Evaluation of the management approach	56	
GRI 302: Energy 2016	302 – 1 Energy consumption within the organization	56	
	302 – 3 Energy Intensity	57	
	302-4 Reduction of Energy consumption		
GRI 3:Material topics 2021	Water		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries 52	57	
	103 – 2 The management approach and its components 52	57	
	103 – 3 Evaluation of the management approach 52	57	
GRI 303: Water 2016	303 – 1 Water withdrawal by source	57	
GRI 3:Material topics 2021	Effluents And Waste		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	57-58	
	103 – 2 The management approach and its components	57-58	
	103 – 3 Evaluation of the management approach	57-58	
GRI 306: Effluents and Waste 2016	306 – 2 Waste by type and disposal method	58	
	306 – 3 Significant spills	58	

GRI Standard	Disclosure	Page No	Omission
Environmental Compliance			
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	58	
	103 – 2 The management approach and its components	58	
	103 – 3 Evaluation of the management approach	58	
GRI 307: Environmental Compliance 2016	307 – 1 Non-compliance with environmental laws and regulations	58	
Employment			
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	64	
	103 – 2 The management approach and its components	64	
	103 – 3 Evaluation of the management approach	64	
"GRI 401: Employment 2016"	401 – 1 New employee hires and employee turnover	64-65	
	401 – 3 Parental Leave	65	
GRI 3 Material Topics 2021	Labour Management Relations		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	65	
	103 – 2 The management approach and its components	65	
	103 – 3 Evaluation of the management approach	65	
GRI 402: Labour Management Relations 2016	402 – 1 Minimum notice periods regarding operational changes	65	
GRI 3 Material Topics 2021	Occupational Health and Safety		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	69	
	103 – 2 The management approach and its components	69	
	103 – 3 Evaluation of the management approach	69	
GRI 403: Occupational Health and Safety 2016	403 – 2 Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities	70	
GRI 3 Material Topics 2021	Training and Education		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	66	
	103 – 2 The management approach and its components	66	
	103 – 3 Evaluation of the management approach	66	
"GRI 404: Training and Education 2016"	404 – 1 Average hours of training per year per employee	66	
	404 – 3 Percentage of employees receiving regular performance	66	
GRI 3 Material Topics 2021	Diversity and Equal Opportunity		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	60	
	103 – 2 The management approach and its components	60	
	103 – 3 Evaluation of the management approach	61	
GRI 405: Diversity and Equal Opportunity 2016	405 – 1 Diversity of Governance Bodies and Employees	62	
	405 – 2 Ratio of basic salary and remuneration of women to men	64	

GRI Standard	Disclosure	Page No	Omission
GRI 3 Material Topics 2021	Non-Discrimination		
	103 – 1 Explanation of the material topic and its boundaries	72	
	103 – 2 The management approach and its components	72	
	103 – 3 Evaluation of the management approach	72	
GRI 406: Non-Discrimination 2016	406 – 1 Incidents of discrimination and corrective actions taken	72	
GRI 3 Material Topics 2021	Child Labour		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	71	
	103 – 2 The management approach and its components	71	
	103 – 3 Evaluation of the management approach	71	
GRI 408: Child	408 – 1 Operations and suppliers at significant risk for incidents of child labour	71	
	Forced or Compulsory Labour		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	71	
	103 – 2 The management approach and its components	71	
	103 – 3 Evaluation of the management approach	71	
GRI 409: Forced or Compulsory Labour 2016	409 – 1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	71	
GRI 3: Material Topics 2021	Local Communities		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	74	
	103 – 2 The management approach and its components	74	
	103 – 3 Evaluation of the management approach	74	
GRI 413: Local Communities 2016	413 – 1 Operations with local community engagement, impact assessments, and development programs	74-75	
GRI 3: Material Topics 2021	Customer Health and Safety		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	73	
	103 – 2 The management approach and its components	73	
	103 – 3 Evaluation of the management approach	73	
GRI 416: Customer Health and Safety 2016	416 – 1 Assessment of the health and safety impacts of product and service categories	73	
	Socioeconomic Compliance		
GRI 103: Management Approach	103 – 1 Explanation of the material topic and its boundaries	73	
	103 – 2 The management approach and its components	73	
	103 – 3 Evaluation of the management approach	73	
GRI 419: Socioeconomic Compliance 2016	419 – 1 Non-compliance with laws and regulations in the social and economic area	73	

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

Amal Polgampala, Assistant General Manager – QA & Sustainability
77, Nungamugoda Road, Kelaniya, Sri Lanka.
Email: amal.p@printcare.lk



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 2025, to be presented at the Forty Fourth 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 94

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 90 to 143 in this Annual Report.

Group Financial Results / Profit and Appropriations

	2024/2025	2023/2024
	Rs. '000	Rs. '000
Turnover	12,264,120	12,885,431
Profit / (Loss) Before Tax	(892,264)	535,694
Taxation	(149,017)	(312,779)
Profit / (Loss) After Tax	(1,041,281)	222,915
Minority Interest	340,640	24,024
Net Profit / (Loss) for the year	(700,641)	246,939
Transfer to General Reserves	(173)	(184)
Other adjustments	16,200	(386,894)
Profit Brought Forward	3,642,162	4,169,152
Ordinary Dividends Paid	(85,967)	(386,850)
Retained Earnings	2,871,581	3,642,162
Earnings Per Share	(8.15)	2.87
Dividends Per Share	1.00	4.50
Net Asset value Per Share	78.65	88.02

Market Value Per Share	2024/2025	2023/2024
Highest Value	13.02.2025 69.00	17.07.2023 57.00
Lowest Value	26.11.2024 39.50	27.04.2023 40.00
Market Value at Year End	28.03.2025 58.10	28.03.2024 45.00

Independent Auditor's Report

The Auditor's Report on the financial statements is on pages 86 to 89 in this report.

Accounting Policies

The Accounting Policies adopted in preparation of the financial statements are given from pages 94 to 111. 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. 2,440,105,100/- (2024 Rs. 508,097,648/-) in Property, Plant & Equipment of which NIL in Freehold Land, Rs. 87,349,774/- in Building on Freehold Land, Rs. 2,092,957,956/- in Machinery & Equipment, Rs. 120,860,779/- in Computer and other Equipment, Rs. 12,565,161/- in Furniture and Fixtures, Rs. 30,311,195/- in Motor Vehicles and Rs. 96,060,236/- 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 85 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 10 to 20.

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 2025 amounted to Rs. 6,761,158,080/- as against Rs. 7,566,357,840/- as at 31st March 2024. The breakup and the movements are shown in the Statement of Changes in Equity on page 92.

Stated Capital

The stated capital of the Company was Rs. 271,893,021/- as at 31 March 2025 and was unchanged during the year. The details are given in Note 18 to the financial statements on page 132.

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 85

Interests Register

Details of the transactions with Director-related entities are disclosed in Note 24 to the financial statements on page 137 to 138. 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 21 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 23 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 25.

Share Information and Substantial Shareholdings

The distribution of shareholdings, market value of shares and Twenty Largest Shareholders are given on pages 146 to 147 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

Ms. A. Coomaraswamy retired from the Board of Directors w.e.f. 31st March 2025.

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 138.

Directors' Shareholding

The interest of Directors in the shares of the Company as at 31 March 2025 were as follows;

	No. of Ordinary Shares As at	
	31.03.2025	31.03.2024
Mr. K. R. Ravindran	17,321,690	17,321,690
Mr. A.N. Esufally	-	-
Mr. E.Chatoor	3,500,000	3,497,500
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 2025 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 114 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 Advice

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 25th September 2025 at 10.00 a.m.

The Notice of the Annual General Meeting appears on page 148.

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
28th August 2025
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 enquiries 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 86 to 89 of the Annual Report.

By Order of the Board
Printcare PLC



Managers & Secretaries (Private) Limited
Secretaries
28th August 2025
Colombo

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 2025 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 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion

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

Key audit matters

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

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

Key Audit Matter	How we addressed the key audit matter
<p>Assessment of fair value of land and buildings</p> <p>Property, Plant and Equipment include land and buildings carried at fair value. The fair value of land and buildings were determined by external valuers engaged by the Group.</p> <p>This was a key audit matter due to:</p> <ul style="list-style-type: none"> • The materiality of the reported fair value of land and buildings which amounted to Rs. 3.65 Bn representing 19% of the Group's total assets as of the reporting date; and • The degree of assumptions, judgements and estimation uncertainties associated with fair valuation of land and buildings using the market approach and depreciated replacement cost approach. <p>Key areas of significant judgements, estimates and assumptions used in assessing the fair value of land and buildings, as disclosed in Notes 2.5.4 and 7 to the financial statements, included judgements involved in ascertaining the appropriate valuation techniques and estimates such as:</p> <ul style="list-style-type: none"> • Estimate per perch value of the land. • Estimate of the per square foot value of the buildings. 	<p>Our audit procedures included the following key procedures:</p> <ul style="list-style-type: none"> • Assessed the competence, capability and objectivity of the external valuers engaged by the Group. • Read the external valuer's report and understood the key estimates made the valuation approaches taken by the valuer in determining the valuation of each property. • Assessed the reasonableness of significant assumptions, judgements and estimates made by the valuer such as per perch value, per square foot value and valuation techniques as relevant in assessing the fair value of each property. <p>We also assessed the adequacy of the disclosures made in Notes 2.5.4 and 7 to the financial statements.</p>

OTHER INFORMATION INCLUDED IN THE 2025 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

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 3755.



28 August 2025
Colombo

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

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

A member firm of Ernst & Young Global Limited

Statement of Profit or Loss and Other Comprehensive Income

For the Year ended 31 March

		Group		Company	
	Notes	2025	2024	2025	2024
		Rs.	Rs.	Rs.	Rs.
Revenue	4.1	12,264,120,079	12,885,430,731	3,849,697,593	3,873,130,095
Cost of Sales		(9,816,952,231)	(10,025,863,572)	(3,237,330,904)	(3,257,302,357)
Gross Profit		2,447,167,848	2,859,567,159	612,366,689	615,827,738
Other Operating Income	4.2	437,922,232	152,208,900	97,430,807	79,706,352
Other Operating Expense	4.6	(48,944,165)	(9,924,665)	-	-
Distribution Costs		(428,559,464)	(362,143,736)	(142,919,854)	(100,869,504)
Administrative Expenses		(2,599,061,418)	(1,662,624,582)	(467,228,518)	(330,457,739)
Operating Profit / (Loss)		(191,474,467)	977,083,076	99,649,124	264,206,847
Finance Income	4.3	82,732,649	24,421,795	64,389,651	273,603,986
Finance Costs	4.4	(783,521,484)	(465,811,324)	(110,264,815)	(154,791,750)
Changes in Fair value of Investment Property		-	-	(7,014,061)	137,948,464
Profit / (Loss) Before Tax	4.5	(892,263,802)	535,693,547	46,759,899	520,967,547
Income Tax Expense / (Reversal)	5.1	(149,017,400)	(312,778,689)	3,121,242	(58,342,323)
Profit / (Loss) for the Year		(1,041,281,202)	222,914,858	49,881,143	462,625,224
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		23,646,588	(20,245,895)	-	-
		23,646,588	(20,245,895)	-	-
Other Comprehensive Income that will not be reclassified to profit or loss in subsequent periods (Net of tax)					
Actuarial Gains/ (Losses)	21.2	(57,600,280)	34,017,636	(44,219,124)	35,675,981
Deferred Tax Effect on Actuarial Gains/(Losses)	5.3 & 5.4	17,172,562	(10,225,924)	13,265,737	(10,702,794)
Revaluation Surplus on Land & Buildings		-	1,552,137,326	-	405,907,236
Deferred Tax Effect on Capital Gain on Land & Buildings	5.3 & 5.4	-	(421,791,136)	-	(121,772,171)
Gain on Fair Value through Other Comprehensive Income Investments		1,269,323	591,965	157,723	163,565
		(39,158,395)	1,154,729,867	(30,795,664)	309,271,817
Other Comprehensive Income for the Year Net of Tax		(15,511,807)	1,134,483,972	(30,795,664)	309,271,817
Total Comprehensive Income for the Year Net of Tax		(1,056,793,009)	1,357,398,830	19,085,479	771,897,041
Profit / (Loss) Attributable to:					
Equity Holders of the Parent		(700,641,009)	246,938,584	49,881,143	462,625,224
Non - Controlling Interests		(340,640,104)	(24,023,726)	-	-
		(1,041,281,203)	222,914,858	49,881,143	462,625,224
Total Comprehensive Income Attributable to:					
Equity Holders of the Parent		(719,233,089)	1,358,746,588	19,085,479	771,897,041
Non - Controlling Interests		(337,559,920)	(1,347,758)	-	-
		(1,056,793,009)	1,357,398,830	19,085,479	771,897,041
Earning Per Share - Basic	6	(8.15)	2.87	0.58	5.38
Dividend Per Share	20	1.00	4.50	1.00	4.50

The accounting policies and notes on pages 94 through 143 form an integral part of the financial statements.

Statement of Financial Position

As at 31 March

		Group		Company	
	Notes	2025	2024	2025	2024
		Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	7	8,895,747,464	6,508,736,921	1,809,323,984	1,789,229,254
Intangible Assets	8	7,092,932	69,854,680	5,841,003	6,904,503
Investment Property	9	-	-	168,337,452	175,351,514
Investment in Subsidiaries	10	-	-	330,807,420	344,807,420
Equity Instruments at Fair Value Through Other Comprehensive Income	11.1 & 11.2	4,569,211	3,299,888	34,359,181	1,051,488
Right-of-Use Asset	12.1	871,819,778	144,078,095	-	-
Deferred Tax Assets	5.3	113,829,018	94,602,010	-	-
		9,893,058,403	6,820,571,594	2,348,669,040	2,317,344,179
Current Assets					
Inventories	13	2,899,067,573	3,049,574,388	945,679,253	958,396,662
Trade and Other Receivables	14	3,952,672,145	3,468,784,268	938,775,866	991,408,718
Prepayments	15	244,827,832	592,140,636	15,310,697	49,992,686
Taxes Recoverable	16	634,608,919	183,550,990	21,107,394	9,559,847
Short Term Investments - Fixed Deposits		429,424,142	1,526,591,840	-	-
Cash and Bank Balances	17	1,406,412,399	778,022,790	133,020,556	65,904,334
		9,567,013,010	9,598,664,912	2,053,893,766	2,075,262,247
Total Assets		19,460,071,413	16,419,236,506	4,402,562,806	4,392,606,426
EQUITY AND LIABILITIES					
Equity					
Stated Capital	18	271,893,021	271,893,021	271,893,021	271,893,021
Reserves	19	998,706,191	978,349,262	409,271,498	409,271,498
Revaluation Reserve	19.4	2,615,313,957	2,671,559,059	881,066,747	895,405,036
Retained Earnings		2,871,581,516	3,642,162,426	550,942,244	603,642,868
Fair Value Through Other Comprehensive Income Reserves	19.3	3,663,395	2,394,072	680,730	523,007
		6,761,158,080	7,566,357,840	2,113,854,240	2,180,735,430
Non Controlling Interest		320,748,636	302,794,424	-	-
Total Equity		7,081,906,716	7,869,152,264	2,113,854,240	2,180,735,430
Non-Current Liabilities					
Interest Bearing Loans and Borrowings	11.3	3,751,864,634	1,241,463,234	143,326,704	298,048,353
Deferred Tax Liabilities	5.4	1,109,119,608	1,113,827,349	434,222,387	461,644,476
Employee Benefit Liabilities	21	381,346,717	331,631,349	180,281,100	137,817,831
		5,242,330,959	2,686,921,932	757,830,191	897,510,660
Current Liabilities					
Trade and Other Payables	22	2,396,470,951	1,781,001,680	427,348,645	401,937,920
Taxes Payable	23	57,243,134	60,393,014	4,933,229	3,894,892
Income Tax Payable		234,295,222	275,438,204	30,812,535	38,639,304
Interest Bearing Loans and Borrowings	11.3	4,447,824,431	3,746,329,412	1,067,783,966	869,888,220
		7,135,833,738	5,863,162,310	1,530,878,375	1,314,360,336
Total Equity and Liabilities		19,460,071,413	16,419,236,506	4,402,562,806	4,392,606,426

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 94 through 143 form an integral part of the financial statements.

28 August 2025
Colombo

Statement of Changes In Equity

For the Year ended 31 March

Group	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
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 31 March 2023	271,893,021	1,001,082,541	(2,671,279)	4,169,452,130	1,802,107	1,153,202,746	6,594,461,266	240,743,055	6,835,204,321
	-	-	-	246,938,584	-	-	246,938,584	(24,023,726)	222,914,858
	-	-	(20,245,895)	(386,894,377)	591,965	1,518,356,313	1,111,808,006	22,675,967	1,134,483,973
	-	-	-	-	-	-	-	63,399,128	63,399,128
	-	-	-	(386,850,016)	-	-	(386,850,016)	-	(386,850,016)
	-	183,895	-	(183,895)	-	-	-	-	-
As at 31 March 2024	271,893,021	1,001,266,436	(22,917,174)	3,642,162,426	2,304,072	2,671,559,059	7,566,357,840	302,794,424	7,869,152,264
	-	-	-	(700,641,099)	-	-	(700,641,099)	(340,640,104)	(1,041,281,203)
	-	-	20,183,989	(40,045,303)	1,269,323	-	(18,591,991)	3,080,184	(15,511,807)
	-	-	-	56,245,102	-	(56,245,102)	-	-	-
	-	-	-	-	-	-	-	355,514,132	355,514,132
	-	-	-	(85,966,670)	-	-	(85,966,670)	-	(85,966,670)
As at 31 March 2025	-	172,940	-	(172,940)	-	-	-	-	-
	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

Company	Stated Capital	Other Reserve	Revaluation Reserve	Retained Earnings	Fair Value through Other Comprehensive Income Reserve	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 31 March 2023	271,893,021	409,271,498	489,497,800	624,666,644	359,442	1,795,688,405
Profit for the Year	-	-	-	462,625,224	-	462,625,224
Other Comprehensive Income/(Loss)	-	-	405,907,236	(96,798,984)	163,565	309,271,817
Dividends	-	-	-	(386,850,016)	-	(386,850,016)
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	2,113,864,240

The accounting policies and notes on pages 94 through 143 form an integral part of the financial statements.

Statement of Cash Flows

For the Year ended 31 March

		Group		Company	
	Notes	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cash Flows From / (Used in) Operating Activities					
Profit / (Loss) Before Income Tax Expense		(892,263,802)	535,693,547	46,759,899	520,967,547
Non-Cash Adjustment to Reconcile Profit Before Tax to Net Cash Flows:					
Depreciation of Property, Plant Equipment	7	559,434,272	399,503,574	103,132,302	69,601,844
Amortization of Intangible Assets	8	8,616,910	9,995,691	2,243,500	1,454,055
Amortization of Investment Property	9	-	-	-	2,882,580
Amortization of Right of Use Asset	12	148,610,120	33,352,400	-	-
(Profit) on Disposal of Property, Plant and Equipment	4.5	(875,755)	(18,546,560)	(4,236)	(13,802,224)
Fair Value Gain on Investment Property		-	-	7,014,061	(137,948,464)
Finance Costs	4.4	588,867,236	456,618,602	110,264,815	154,791,750
Finance Income on Lease Asset- Refundable Deposit	4.3	(105,610)	(98,490)	-	-
Finance Costs on Lease Liability	4.4	194,654,248	9,192,722	-	-
Finance Income	4.3	(82,627,039)	(24,323,305)	(64,389,651)	(273,603,986)
Provision for Employee Benefit Liability	21	66,516,917	75,652,186	30,493,320	37,454,051
Provision/(Reversal) for Slow Moving Stocks	4.5	(3,639,110)	5,518,126	(12,746,685)	(3,803,090)
Provision of Impairment of Trade and Other Receivables	4.5	126,487,845	14,155,270	6,359,035	1,714,913
Impairment of Investment in Subsidiary	4.5	-	-	50,000,000	-
Impairment of Property, Plant and Equipment	4.5	50,000,000	-	-	-
Write off of Intangible Asset	8	59,103,988	-	-	-
Unrealised Exchange Gain	11.3.1	(23,273,384)	(13,792,460)	(331,800)	(18,586,174)
Operating Profit before Working Capital Changes		799,506,836	1,482,921,303	278,794,560	341,122,804
Working Capital Adjustment:					
Decrease in Inventories		154,145,925	1,200,641,772	25,464,093	443,302,723
(Increase)/Decrease in Trade and Other Receivables		(610,270,111)	(138,130,781)	46,273,817	(144,996,618)
(Increase)/Decrease in Prepayments		347,312,804	(524,623,607)	34,681,989	(33,962,637)
(Increase)/Decrease in Tax Recoverable net of payable		(454,207,808)	(29,368,750)	(10,509,210)	3,460,700
Increase/(Decrease) in Trade and Other Payables		615,469,272	13,781,991	25,410,725	(150,010,529)
Cash Generated From Operation		851,956,918	2,005,221,928	400,115,974	458,916,443
Finance Costs Paid	4.4	(771,989,789)	(443,111,531)	(105,062,779)	(149,350,490)
Employee Benefit Plan Costs Paid	21	(74,401,829)	(26,664,240)	(32,249,175)	(17,458,835)
Income Tax Paid		(196,922,749)	(376,447,912)	(18,861,876)	(51,923,677)
Net Cash Flows From Operating Activities		(191,357,449)	1,158,998,245	243,942,144	240,183,441
Cash Flows From / (Used in) Investing Activities					
Acquisition of Property, Plant and Equipment	7	(2,997,223,083)	(537,796,307)	(123,227,034)	(121,057,111)
Proceeds from Sale of Property, Plant and Equipment		1,654,022	23,430,049	4,237	13,802,223
Acquisition of Intangible Assets	8	(4,959,150)	(10,797,878)	(1,180,000)	(2,800,000)
Acquisition of Investment Property		-	-	-	(224,517)
Finance Income Received	4.3	82,627,039	24,323,305	64,389,651	273,603,986
Share Issued to Non Controlling Interest		355,514,132	63,399,128	-	-
Investment in Subsidiary		-	-	(36,000,000)	(64,000,000)
Investment in Equity Instruments at Fair Value through Other Comprehensive Income		-	-	(33,149,970)	-
Investment in Other Short term Invetments		1,097,167,698	(1,363,019,490)	-	-
Net Cash Flows From/(Used in) Investing Activities		(1,465,219,340)	(1,800,461,192)	(129,163,115)	99,324,581
Cash Flows From / (Used in) Financing Activities					
Proceeds from Bank Loans	12.3.1	17,455,932,220	7,513,848,419	4,140,530,562	4,260,804,089
Repayment of Bank Loans	12.3.1	(15,326,686,093)	(6,828,950,339)	(4,106,352,915)	(4,304,805,558)
Refundable Deposit on Lease Liability		-	(691,046)	-	-
Lease Liability Paid		(12,778,823)	(39,597,623)	-	-
Ordinary Dividend Paid	20	(85,966,670)	(386,850,016)	(85,966,670)	(386,850,016)
Net Cash Flows From/(Used in) Financing Activities		2,030,500,634	257,759,395	(51,789,023)	(430,851,485)
Net Increase/(Decreased) in Cash and Cash Equivalents		373,923,846	(383,703,552)	62,990,006	(91,343,462)
Exchange Differences from translation of Foreign Operations		23,723,210	(20,245,895)	-	-
Cash and Cash Equivalents at the Beginning of the Year	17	757,084,147	1,161,033,594	65,135,468	156,478,930
Cash and Cash Equivalents at the End of the Year	17	1,154,731,203	757,084,147	128,125,474	65,135,468

The accounting policies and notes on pages 94 through 143 form an integral part of the financial statements.

Notes To The Financial Statements

Year ended 31 March 2025

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 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 28 August 2025.

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, Land, 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.

Notes To The Financial Statements

Year ended 31 March 2025

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 2025.

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

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. 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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

2.4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

There were no changes to the accounting policies during the year ended 31st March 2025.

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.

Notes To The Financial Statements

Year ended 31 March 2025

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

Revenue 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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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 valuer 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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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 generate cash inflows that are largely independent of those from other assets, recoverable of those assets will be allocated among the Independent cash generating units to determine the impairment.

Notes To The Financial Statements

Year ended 31 March 2025

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.

Notes To The Financial Statements

Year ended 31 March 2025

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 contract 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.

Notes To The Financial Statements

Year ended 31 March 2025

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.

The new and amended standards and interpretations that are issued, but not yet effective, to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Lack of exchangeability – Amendments to LKAS 21

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

Notes To The Financial Statements

Year ended 31 March 2025

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	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Revenue						
Direct Exports	1,043,773,425	1,262,678,523	1,131,594,290	1,376,072,300	2,175,367,715	2,638,750,823
Indirect Exports	2,567,924,367	2,428,899,614	3,062,458,108	2,918,836,116	5,630,382,475	5,347,735,730
Local Sales	2,382,732,656	2,640,198,650	2,075,637,233	2,258,745,528	4,458,369,889	4,898,944,178
	5,994,430,448	6,331,776,787	6,269,689,631	6,553,653,944	12,264,120,079	12,885,430,731
Segment Results						
Profit / (Loss) Before Tax	(173,098,969)	123,814,831	(719,164,833)	411,878,716	(892,263,802)	535,693,547
Taxation	(51,518,930)	(233,586,705)	(97,498,470)	(79,191,984)	(149,017,400)	(312,778,689)
	(224,617,899)	(109,771,874)	(816,663,303)	332,686,732	(1,041,281,202)	222,914,858
Non Controlling Interest	61,109,873	55,899,853	279,530,231	(31,876,127)	340,640,104	24,023,726
Profit / (Loss) Attributable to Equity Holders of the Parent	(163,508,026)	(53,872,021)	(537,133,072)	300,810,605	(700,641,098)	246,938,584
Segment Assets						
Non-Current Assets	3,715,530,827	3,445,987,474	6,177,527,576	3,374,584,120	9,893,058,403	6,820,571,594
Current Assets	2,951,499,047	3,277,132,626	6,615,513,963	6,321,532,286	9,567,013,010	9,598,664,912
	6,667,029,874	6,723,120,100	12,793,041,539	9,696,116,406	19,460,071,413	16,419,236,506
Segment Liabilities						
Non-Current Liabilities	1,436,611,360	1,409,271,611	3,805,719,599	1,277,650,321	5,242,330,959	2,686,921,932
Current Liabilities	2,748,683,266	2,420,062,637	4,387,150,472	3,443,099,673	7,135,833,738	5,863,162,310
	4,185,294,626	3,829,334,248	8,192,870,071	4,720,749,994	12,378,164,697	8,550,084,242
Other Information						
Additions to Property, Plant, Equipment, Investment Property and Intangible Assets	679,914,813	183,206,417	2,322,267,420	365,387,768	3,002,182,233	548,594,185
Depreciation and Amortization	199,315,540	216,197,467	368,735,642	193,301,798	568,051,182	409,499,265
	879,230,353	399,403,884	2,691,003,062	558,689,566	3,570,233,415	958,093,450

Notes To The Financial Statements

Year ended 31 March 2025

3. SEGMENT INFORMATION (Contd..)

Operating Segments	Printing		Packaging		Group	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Non-Cash Expenses						
Provision for Bad & Doubtful Debts	7,974,029	4,950,866	118,513,816	9,204,404	126,487,845	14,155,270
Provision for Gratuity	38,066,330	46,714,749	28,450,587	28,937,437	66,516,917	75,652,186
Provision for Slow Moving Stocks	(19,350,763)	3,864,858	15,711,653	1,653,268	(3,639,110)	5,518,126
	26,689,596	55,530,473	162,676,056	39,795,109	189,365,652	95,325,582
Finance (Income) and Cost						
Finance Cost	257,432,153	324,898,499	526,089,331	140,912,825	783,521,484	465,811,324
Finance Income	2,651,152	(4,008,759)	80,081,498	(20,413,036)	82,732,650	(24,421,795)
	260,083,305	320,889,740	606,170,829	120,499,789	866,254,134	441,389,529

Segment Revenue

	Printing Rs.	Packaging Rs.	Total Segment Rs.	Adjustments and Elimination Rs.	Consolidated Rs.
External Customers	6,171,928,269	6,341,805,941	12,513,734,210	(249,614,131)	12,264,120,079
Inter- Segment	98,145,994	413,363,166	511,509,161	(511,509,161)	-
Total	6,270,074,263	6,755,169,107	13,025,243,371	(761,123,292)	12,264,120,079

Group		Company	
2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.

4. REVENUE / OTHER INCOME AND EXPENSES

4.1 Revenue

Sale of Goods	12,264,120,079	12,885,430,731	3,849,697,593	3,873,130,095
Gross Revenue	12,264,120,079	12,885,430,731	3,849,697,593	3,873,130,095

4.1.1 Summary

Direct Exports	2,175,367,715	2,638,750,823	628,962,501	886,502,178
Indirect Exports	5,630,382,475	5,347,735,730	1,827,121,236	1,584,975,393
Local Sales	4,458,369,889	4,898,944,178	1,393,613,856	1,401,652,524
	12,264,120,079	12,885,430,731	3,849,697,593	3,873,130,095

4.2 Other Operating Income

Rent Income	-	-	14,955,360	14,955,360
IT Service Charges	-	-	30,843,288	17,142,813
Scrap Sales	61,785,040	69,689,598	5,089,984	5,166,760
Solar Power Income	11,245,847	12,039,335	-	-
Exchange Gain	115,558,838	70,479,967	46,542,175	42,441,419
Insurance Claim	249,332,507	-	-	-
	437,922,232	152,208,900	97,430,807	79,706,352

4.3 Finance Income

Dividend Income	112,000	65,800	63,854,348	271,942,221
Interest Income	82,515,039	24,257,505	535,303	1,661,765
Interest on Refundable Deposit paid under Lease Liability	105,610	98,490	-	-
	82,732,649	24,421,795	64,389,651	273,603,986

Notes To The Financial Statements

Year ended 31 March 2025

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
4. REVENUE / OTHER INCOME AND EXPENSES (Contd..)				
4.4 Finance Costs				
Interest Expense on Overdrafts	7,982,893	4,315,111	569,356	602,850
Interest Expense on Loans and Borrowings	580,884,343	452,303,491	109,695,459	154,188,900
Interest Expense on Lease Creditor	194,654,248	9,192,722	-	-
	783,521,484	465,811,324	110,264,815	154,791,750
4.5 Profit / (Loss) is stated after charging/(crediting)				
Included in Cost of Sales				
Employee Benefits including the following;				
- Employee Benefit Plan Costs - Gratuity	30,231,550	50,852,294	10,001,795	22,710,234
- Defined Contribution Plan Costs - EPF & ETF	57,763,850	51,922,127	13,165,689	11,831,657
Other Staff Costs	1,041,385,423	860,737,708	223,796,717	195,980,456
Depreciation of Property, Plant & Equipment	432,455,045	346,021,119	62,471,705	54,377,289
Included in Administrative Expenses				
Employee Benefits including the following;				
- Employee Benefit Plan Costs - Gratuity	36,285,367	24,799,892	20,491,525	14,743,817
- Defined Contribution Plan Costs - EPF & ETF	89,828,203	71,903,654	20,548,525	17,005,033
Other Staff Costs	1,230,120,240	957,731,137	248,280,723	213,513,635
Depreciation of Property, Plant & Equipment	126,979,227	53,482,455	40,660,598	15,224,555
Amortization of Investment Property	-	-	-	2,882,580
Amortization of Intangible Assets	8,616,910	9,995,691	2,243,500	1,454,055
Profit on Sale of Property, Plant & Equipment	(875,755)	(18,546,560)	(4,236)	(13,802,224)
Auditors' Remuneration - Current Year	9,376,343	6,092,610	1,106,011	1,067,100
Non Audit fees to the Auditors	3,605,864	8,719,280	170,000	170,000
Provision for Slow Moving Stocks	(3,639,110)	5,518,126	(12,746,685)	(3,803,090)
Donations	965,478	1,925,006	255,247	260,332
Bad Debts Written Off	126,487,845	14,155,270	6,359,035	1,714,913
Directors' Fees	13,040,584	9,161,264	9,210,000	4,500,000
Impairment of Investment in Subsidiaries	-	-	50,000,000	-
Impairment of Property, Plant & Equipment	50,000,000	-	-	-
Included in Distribution Costs				
Transport and Vehicle Running Expenses	100,566,444	52,803,518	5,979,203	6,060,320
Sales Promotions	75,789,062	71,833,283	7,957,153	50,616,561
4.6 Other Operating Expenses				
Exchange Loss	48,944,165	9,924,665	-	-
	48,944,165	9,924,665	-	-

Notes To The Financial Statements

Year ended 31 March 2025

Group		Company	
2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.

5. INCOME TAX

The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are :

5.1 Consolidated Statement of Profit or Loss

Current Income Tax:

Current Tax Expense on Ordinary Activities for the Year (Note 5.2)	192,405,733	304,553,058	15,485,229	30,815,769
Under/(Over) Provision of Current Taxes in Respect of Prior Years	(38,789,667)	(36,998,713)	(4,450,119)	4,958,802
	153,616,066	267,554,345	11,035,110	35,774,571

Deferred Income Tax:

Deferred Taxation Charge / (Reversal) (Note 5.3 and Note 5.4)	4,598,666	45,224,344	(14,156,352)	22,567,752
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Income Tax Expense reported in the Consolidated Statement of Profit or Loss

	149,017,400	312,778,689	(3,121,242)	58,342,323
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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 2025 and 2024 is as follows :

	Accounting Profit Before Income Tax	(892,263,802)	535,693,547	46,759,899	520,967,547
	Aggregate Disallowed Items	1,847,139,529	710,542,031	210,019,762	127,936,700
	Aggregate Allowable Expenses	(2,070,990,163)	(1,022,320,246)	(141,508,124)	(275,904,555)
	Income not Subject to Tax	(25,321,912)	(31,826,842)	(64,189,312)	(271,942,221)
	Other Assessed Income	1,688,202	28,134,431	535,304	1,661,766
	Taxable Profit/(Loss)	(1,139,748,146)	220,222,921	51,617,529	102,719,237
	Setoff Against Tax Profit (Note 5.2.1)	(133,633,992)	-	-	-
	Taxable Profit/(Loss)	(1,273,382,138)	220,222,921	51,617,529	102,719,237
5.2.1	Adjusted Taxable Profit	643,328,450	742,304,087	51,617,529	102,719,237
	Adjusted Taxable Loss	(1,916,710,588)	(522,081,166)	-	-
		(1,273,382,138)	220,222,921	51,617,529	102,719,237
5.2.2	Statutory Tax Rate - Business Profit	30%	30%	30%	30%
	- Other Income	30%	30%	30%	30%
	- Foreign Subsidiaries	25% & 30%	25%	-	-
	Current Income Tax Expense	192,405,733	304,553,058	15,485,229	30,815,769
5.2.3	Tax Losses Brought forward	(1,596,548,185)	(1,045,090,929)	-	-
	During the year loss	(1,916,710,588)	(554,339,426)	-	-
	Utilised Tax losses	133,633,992	2,882,170	-	-
	Tax Losses Carried forward	(3,379,624,781)	(1,596,548,185)	-	-

5.3 Breakup for the Carried Forward Tax Losses

Years to Expire	1 - 2 Years	3 - 4 Years	More than 4 Years	Total
Tax Losses Carried forward as at 31.03.2025	382,395,200	549,539,986	2,447,689,595	3,379,624,781

Notes To The Financial Statements

Year ended 31 March 2025

5. INCOME TAX (Contd..)

5.4 Deferred Tax Asset and Income Tax related to the following:

Deferred Tax Liability Arising on:

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Property Plant and Equipment	20,370,310	171,699,913	-	-
Net impact from Right of Use Asset and Lease Creditor	-	1,192,027	-	-
Capital Gain Tax on Revaluation of Land	4,983,900	44,065,422	-	-
	25,354,210	216,957,362	-	-

Deferred Tax Assets Arising on:

Defined Benefit Plans	(100,245)	(5,812,439)	-	-
Tax Loss Carried Forward	(136,791,164)	(305,746,933)	-	-
Net impact from Right of Use Asset and Lease Creditor	(2,291,819)	-	-	-
	(139,183,228)	(311,559,372)	-	-
	(113,829,018)	(94,602,010)	-	-

Balance Brought Forward

Transfer From Asset/ Liability	17,223,503	19,336,804	-	-
Deferred Income Tax Charge/(Credit)- Statement of Profit or Loss	(36,427,406)	48,543,294	-	-
Deferred Income Tax Charge - Statement of Other Comprehensive Income	(23,104)	32,363,137	-	-
	(113,829,018)	(94,602,010)	-	-

The Deferred Tax Asset includes an amount arising from The Lifepak (Pvt) Ltd. The Company commenced commercial operations one year ago. Based on management-approved projections, it is evident that the Company is expected to generate sufficient taxable profits to utilize the tax losses within the stipulated time period. Accordingly, the tax losses have been considered in the calculation of the Deferred Tax Asset.

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

Deferred Tax Liability Arising on:

Property Plant and Equipment	942,041,762	868,525,748	327,222,377	341,905,456
Capital Gain Tax on Revaluation of Land	398,015,867	375,935,549	161,084,340	161,084,340
	1,340,057,629	1,244,461,297	488,306,717	502,989,796

Deferred Tax Assets Arising on:

Defined Benefit Plans	(109,467,305)	(82,698,194)	(54,084,330)	(41,345,320)
Tax Loss Carried Forward	(120,938,300)	(47,935,754)	-	-
Net Impact from Right-of-Use Asset and Lease Liability	(532,416)	-	-	-
	(230,938,021)	(130,633,948)	(54,084,330)	(41,345,320)
	1,109,119,608	1,113,827,349	434,222,387	461,644,476

Balance Brought Forward

Transfer From Asset/ Liability	(17,223,503)	(19,336,804)	-	-
Deferred Income Tax Charge/(Credit)- Statement of Profit or Loss	31,828,740	(3,318,950)	(14,156,352)	22,567,752
Deferred Income Tax Charge /(Credit) - Statement of Other Comprehensive Income	(17,149,458)	399,653,923	(13,265,737)	132,474,965
Exchange Translation Difference	(2,163,520)	(2,632,577)	-	-
	1,109,119,608	1,113,827,349	434,222,387	461,644,476

Notes To The Financial Statements

Year ended 31 March 2025

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%. (2023/24 - 30%) on taxable profit during the period.

6. EARNINGS PER SHARE

- 6.1 Basic/Diluted Earnings/(Loss) Per Share is calculated by dividing the net Profit/(Loss) 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 Per Share computations.

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Amount Used as the Numerator:				
Net Profit/(Loss) attributable to Ordinary Equity Holders of the Parent for Basic Earnings	(700,641,099)	246,938,584	49,881,143	462,625,224
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	(8.15)	2.87	0.58	5.38

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 2025

7. PROPERTY, PLANT AND EQUIPMENT

7.1 Group

7.1.1 Gross Carrying Amount

	Balance as at 01.04.2024 Rs.	Additions Rs.	Disposals / Transfers Rs.	Balance as at 31.03.2025 Rs.
At Cost				
Plant and Machinery	5,064,726,154	2,092,957,956	(861,396)	7,156,822,714
Furniture and Fittings	65,904,623	12,565,161	(334,006)	78,135,778
Office Equipment	181,955,320	31,831,373	(354,000)	213,432,693
Factory Equipment	651,750,235	89,029,406	(699,331)	740,080,309
Other Fixtures	37,539,803	-	-	37,539,803
Motor Vehicles	75,078,889	30,311,195	(18,861,403)	86,528,681
Production Resource Tools	-	96,060,236	-	96,060,236
	6,076,955,024	2,352,755,327	(21,110,136)	8,408,600,214
At Valuation				
Land	1,883,832,416	-	-	1,883,832,416
Buildings on Freehold Land	1,758,222,175	87,349,774	-	1,845,571,949
	3,642,054,591	87,349,774	-	3,729,404,365
Work in Progress				
Buildings	2,662,655	106,508,646	-	109,171,301
Plant and Machinery	29,698,658	477,875,473	(27,266,137)	480,307,994
	32,361,313	584,384,119	(27,266,137)	589,479,295
Total Gross Carrying Amount	9,751,370,928	3,024,489,220	(48,376,273)	12,727,483,874

7.1.2 Depreciation & Impairment

	Balance as at 01.04.2024 Rs.	Charge for the year Rs.	Disposals/ Transfers Rs.	Impairment Rs.	Balance as at 31.03.2025 Rs.
At Cost					
Plant and Machinery	2,714,714,089	374,347,195	(583,932)	50,000,000	3,138,477,352
Furniture and Fittings	47,180,371	4,450,560	(288,662)	-	51,342,269
Office Equipment	128,198,796	22,277,318	(353,999)	-	150,122,115
Factory Equipment	334,797,532	51,588,017	(192,942)	-	386,192,607
Other Fixtures	11,544,643	5,574,091	-	-	17,118,734
Motor Vehicles	6,198,576	17,003,239	(18,861,403)	-	4,340,412
Production Resource Tools	-	9,113,507	(50,931)	-	9,062,576
	3,242,634,007	484,353,927	(20,331,869)	50,000,000	3,756,656,065
At Valuation					
Buildings on Freehold Land	-	75,080,345	-	-	75,080,345
	-	75,080,345	-	-	75,080,345
Total Depreciation	3,242,634,007	559,434,272	(20,331,869)	50,000,000	3,831,736,410

Notes To The Financial Statements

Year ended 31 March 2025

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

7.1 Group (Contd...)

7.1.3 Net Book Values

At Cost

Plant and Machinery	4,018,345,362	2,350,012,066
Furniture and Fittings	26,793,509	18,724,252
Office Equipment	63,310,578	53,756,524
Factory Equipment	353,887,702	316,952,702
Other Fixtures	20,421,069	25,995,160
Motor Vehicles	82,188,269	68,880,313
Production Resource Tools	86,997,660	-

At Valuation

Freehold Land	1,883,832,416	1,883,832,416
Buildings on Freehold Land	1,770,491,604	1,758,222,175
	3,654,324,020	3,642,054,591

Add: Work in Progress

Building	109,171,301	2,662,655
Plant and Machinery	480,307,994	29,698,658
	589,479,295	32,361,313

Total Carrying Amount of Property, Plant and Equipment

As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
4,651,944,149	2,834,321,017
1,883,832,416	1,883,832,416
1,770,491,604	1,758,222,175
3,654,324,020	3,642,054,591
109,171,301	2,662,655
480,307,994	29,698,658
589,479,295	32,361,313
8,895,747,464	6,508,736,921

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 10%, expected operating costs, and other relevant assumptions. A pre-tax discount rate of 16% 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. 50 MN on Printcare Secure Ltd in relation to Plant & Machinery the financial statements for the year ended 31.03.2025.

Notes To The Financial Statements

Year ended 31 March 2025

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

7.2 Company

7.2.1 Gross Carrying Amount

At Cost

	Balance as at 01.04.2024 Rs.	Additions Transfers Rs.	Disposals / Transfers Rs.	Balance as at 31.03.2025 Rs.
Plant and Machinery	1,126,195,536	4,900,812	-	1,131,096,348
Furniture and Fittings	21,505,515	3,049,478	(271,457)	24,283,536
Office Equipment	92,523,397	13,304,694	-	105,828,091
Factory Equipment	121,436,999	16,366,573	-	137,803,572
Motor Vehicles	65,795,244	-	-	65,795,244
Production Resource Tools	-	57,666,803	-	57,666,803
	1,427,456,691	95,288,360	(271,457)	1,522,473,594

At Valuation

Freehold Land	673,400,000	-	-	673,400,000
Buildings on Freehold Land	455,648,485	7,251,565	-	462,900,050
	1,129,048,485	7,251,565	-	1,136,300,050

Work In Progress

Buildings	-	20,687,109	-	20,687,109
	-	20,687,109	-	20,687,109

Total Gross Carrying Amount

	2,556,505,176	123,227,034	(271,457)	2,679,460,753
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7.2.2 Depreciation

At Cost

	Balance as at 01.04.2024 Rs.	Charge for the Year Rs.	Disposals / Transfers Rs.	Balance as at 31.03.2025 Rs.
Plant and Machinery	594,474,622	47,606,313	-	642,080,935
Furniture and Fittings	17,927,720	1,144,472	(271,457)	18,800,735
Office Equipment	65,995,551	8,190,837	-	74,186,389
Factory Equipment	88,579,530	8,358,871	-	96,938,401
Motor Vehicles	298,499	13,099,349	-	13,397,848
Production Resource Tools	-	6,506,521	-	6,506,521
	767,275,922	84,906,363	(271,457)	851,910,829

At Valuation

Buildings on Freehold Land	-	18,225,939	-	18,225,939
	-	18,225,939	-	18,225,939
	767,275,922	103,132,302	(271,457)	870,136,768

Notes To The Financial Statements

Year ended 31 March 2025

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

7.2 Company (Contd...)

7.2.3 Net Book Values

At Cost

Buildings on Freehold Land
Plant and Machinery
Furniture and Fittings
Office Equipment
Factory Equipment
Motor Vehicles
Production Resource Tools

At Valuation

Freehold Land
Buildings on Freehold Land

Work In Progress

Machines

Total Carrying Amount of Property, Plant and Equipment

As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
-	-
489,015,413	531,720,914
5,482,801	3,577,795
31,641,702	26,527,846
40,865,171	32,857,469
52,397,396	65,496,745
51,160,282	-
670,562,765	660,180,769
673,400,000	673,400,000
444,674,111	455,648,485
1,118,074,111	1,129,048,485
20,687,109	-
20,687,109	-
1,809,323,984	1,789,229,254

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

Group

Buildings
Plant and Machinery
Motor Vehicles
Furniture and Fittings
Office Equipment
Factory Equipment

Company

Buildings
Plant and Machinery
Motor Vehicles
Furniture and Fittings
Office Equipment
Factory Equipment

2025	2024
7 - 60 Years	7 - 60 Years
6 2/3 - 40 Years	6 2/3 - 40 Years
5-8 Years	5-8 Years
6 2/3 - 10 Years	6 2/3 - 10 Years
5 Years	5 Years
5 -20 Years	5 -20 Years
25 Years	25 Years
6 2/3 - 20 Years	6 2/3 - 20 Years
5 Years	5 Years
6 2/3 Years	6 2/3 Years
5 Years	5 Years
10 Years	10 Years

7.4 During the year the Group and the Company acquired property, plant and equipment to the aggregate value of Rs. 2,997,223,083/- and Rs. 123,227,034 /- respectively for cash. (2024 -Rs. 537,796,307/- and Rs. 121,057,111/-).

7.5 Property, Plant and Equipment includes fully depreciated assets of Group and Company having a original cost of of Rs. 812,666,449/- and Rs.301,112,396 /- (2024 - Rs. 739,437,453/- and Rs.292,018,014/-).

7.6 Revaluation of Land and Buildings

Accounting judgements, estimates and assumptions

The Group uses the revaluation model of measurement of land and Building. The Group engaged independent expert valuers to determine the fair value of its land and Buildings. Fair value is determined by reference to market-based evidence of transaction prices for similar properties. Valuations are based on open market prices, adjusted for any difference in the nature, location or condition of the specific property. These valuation techniques are those appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The most recent revaluation dates has been given below. The changes in fair value are recognised in other comprehensive income and in the statement of equity. Market Valuation has been used as the valuation technique to get the value of land and Building. Group revalues lands and Buildings every three years.

Revaluation of lands was carried out S I P Indika, an independent valuer as at 31 March 2024. Same Valuation was Considerd for the current year upon the confirmation from the valuer that there were know significant changes to the valuation done on 31st March 2024.

Notes To The Financial Statements

Year ended 31 March 2025

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	1.525	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, Weliveriya	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, Weliveriya	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	162,555,355	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	1,770,491,602	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		

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

Notes To The Financial Statements

Year ended 31 March 2025

7.8 Reconciliation of carrying amount

	2025 Cost Rs.	2025 Carrying Value Rs.	2024 Cost Rs.	2024 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	636,611,126	334,234,849
	1,313,901,867	1,039,010,064	1,226,552,092	924,175,815
Freehold Land (Company)	136,452,200	136,452,200	136,452,200	136,452,200
Buildings (Company)	192,299,296	100,555,165	185,047,731	97,191,249
	328,751,496	237,007,365	321,499,931	233,643,449

7.9 Fair Value Hierarchy

Group	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2024 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	1,770,491,604	-	-	1,770,491,604	1,758,222,175	-	-	1,758,222,175
Company	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2024 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	455,648,485	-	-	455,648,485

Notes To The Financial Statements

Year ended 31 March 2025

8. INTANGIBLE ASSETS

Cost

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 April	204,365,971	193,568,093	64,127,279	61,327,279
Additions During the Year	4,959,150	10,797,878	1,180,000	2,800,000
Written - Off During the Year	(141,736,493)	-	-	-
As at 31 March	67,588,628	204,365,971	65,307,279	64,127,279

Amortization

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 April	134,511,291	124,515,600	57,222,776	55,768,721
Amortization During the Year	8,616,910	9,995,691	2,243,500	1,454,055
Written - Off During the Year	(82,632,505)	-	-	-
As at 31 March	60,495,696	134,511,291	59,466,276	57,222,776

Net Book Value

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
	7,092,932	69,854,680	5,841,003	6,904,503

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

9. INVESTMENT PROPERTY

Fair Value

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 April	-	-	175,351,513	70,989,143
Additions During the Year	-	-	-	224,518
Fair Value Change	-	-	(7,014,061)	137,948,464
Transfer of Accumulated Amortization on Fair Value	-	-	-	(33,810,611)
As at 31 March	-	-	168,337,452	175,351,514

Amortization

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 April	-	-	-	30,928,031
Amortization During the Year	-	-	-	2,882,580
Transfer of Accumulated Amortization on Fair Value	-	-	-	(33,810,611)
As at 31 March	-	-	-	-

Net Book Value

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
	-	-	168,337,452	175,351,514

9.1 Details Of Investment Property

Fair Value of Investment Property

Company

	Valuation Method	Value Range	Building Sq.Ft.	Number of Building	2025 Rs.	2024 Rs.
Address						
No. 77, Nungamugoda Road, Kelaniya	DRC	Rs. 4000 - Rs. 12,500	37,620	01	168,337,452	175,351,514

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

Summary Results of Investment Property

	2025 Rs.	2024 Rs.
Rent Income	14,955,360	14,955,360
Expenses incurred during the Year	-	-
Net Income	14,955,360	14,955,360

Notes To The Financial Statements

Year ended 31 March 2025

Company

Fair Value of the Investment Property	2025	Level 1	Level 2	Level 3	2024	Level 1	Level 2	Level 3
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs

Fair Value of the Investment Property

Investment Property	168,337,452	-	-	168,337,452	175,351,514	-	-	175,351,514
	168,337,452	-	-	168,337,452	175,351,514	-	-	175,351,514

10. INVESTMENTS IN SUBSIDIARIES

10.1. Company

	% Holding		No of Shares		Cost	
	2025	2024	2025	2024	2025 Rs.	2024 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%	85.9%	19,533,077	15,933,077	176,500,000	140,500,000
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
					380,807,420	344,807,420
Impairment of Subsidiaries (Note 7.14)					(50,000,000)	-
					330,807,420	344,807,420

11. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

11.1 Group

	No. of Shares	Fair Value	No. of Shares	Fair Value
	2025	2025	2024	2024
	Number	Rs.	Number	Rs.
Fair Value through Other Comprehensive Income Investments				
Quoted Equity Shares				
Taj Lanka Hotels PLC	58,416	1,209,211	58,416	1,051,488
Hemas Holdings PLC	28,000	3,360,000	28,000	2,248,400
Total Fair Value through Other Comprehensive Income Investments		4,569,211		3,299,888

11.2 Company

	No. of Shares	Fair Value	No. of Shares	Fair Value
	2025	2025	2024	2024
	Number	Rs.	Number	Rs.
Fair Value through Other Comprehensive Income Investments				
Quoted Equity Shares				
Taj Lanka Hotels PLC	58,416	1,209,211	58,416	1,051,488
Unquoted Equity Shares				
Printcare Packaging East Africa (Pvt) Ltd	1,433,500	33,149,970	-	-
Total Fair Value through Other Comprehensive Income Investments		34,359,181		1,051,488

Notes To The Financial Statements

Year ended 31 March 2025

11.3 Interest Bearing Loans and Borrowings

	2025 Amount Repayable Within 1 Year Rs.	2025 Amount Repayable After 1 Year Rs.	2025 Total Rs.	2024 Amount Repayable Within 1 Year Rs.	2024 Amount Repayable After 1 Year Rs.	2024 Total Rs.
Group						
Bank Loans (Note 11.3.1)	4,093,668,938	2,849,367,596	6,943,036,534	3,694,634,900	1,130,897,196	4,825,532,096
Bank Overdrafts (Note 17.2)	251,681,196	-	251,681,196	20,938,643	-	20,938,643
Lease Liabilities (Note 12.2)	102,474,297	902,497,038	1,004,971,335	30,755,869	110,566,038	141,321,907
	4,447,824,431	3,751,864,634	8,199,689,065	3,746,329,412	1,241,463,234	4,987,792,646
Company						
Bank Loans (Note 11.3.1)	1,062,888,884	143,326,704	1,206,215,588	869,119,354	298,048,353	1,167,167,707
Bank Overdrafts (Note 17.2)	4,895,082	-	4,895,082	768,866	-	768,866
	1,067,783,966	143,326,704	1,211,110,670	869,888,220	298,048,353	1,167,936,573

11.3.1 Bank Loans

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 April	4,825,532,096	4,140,919,404	1,167,167,707	1,224,314,089
Loans Obtained During the Year	17,455,932,220	7,513,848,419	4,140,530,562	4,260,804,089
Less: Repayments	(15,326,686,093)	(6,828,950,339)	(4,106,352,915)	(4,304,805,558)
Unrealised Exchange Gain	(23,273,384)	(13,792,460)	(331,800)	(18,586,174)
Interest	11,531,695	13,507,072	5,202,034	5,441,261
As at 31 March	6,943,036,534	4,825,532,096	1,206,215,588	1,167,167,707

Notes To The Financial Statements

Year ended 31 March 2025

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	2025 Rs.	2024 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	212,394,927
Printcare PLC	Commercial Bank of Ceylon PLC	Term Loan LKR 300 Mn	Fixed Rate	Equal Instalment of LKR 5,000,000 Mature on March 2028	180,000,000	240,000,000
Printcare PLC	People's Bank	Term Loan LKR 100 Mn	Fixed Rate	Equal Instalment of LKR 3,333,333 Mature on March 2025	-	39,700,000
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 Mature on March 2028	300,000,004	400,000,004
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	140,753,808	-
Printcare Digital Solutions (pvt) Ltd	Commercial Bank of Ceylon PLC	Term Loan LKR 300 Mn	AWPLR+Margin	Equal Instalment of LKR 4,166,666 and 1 instalment of LKR4,166,714 Mature on December 2027	137,500,026	187,500,018
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	158,333,340	208,333,340
Printcare Secure Ltd	People's Bank	Term Loan LKR 150 Mn	Fixed Rate	Equal Instalment of LKR 5,000,000 Mature on April 2025	-	30,000,000
Printcare Premedia Services Ltd	Commercial Bank of Ceylon PLC	Term Loan LKR 20 Mn	Fixed Rate	Equal Instalment of LKR 555,556 Mature on March 2024	-	555,575
Printcare Premedia Services Ltd	People's Bank	Term Loan LKR 50 Mn	Fixed Rate	Equal Instalment of LKR 1,666,667 Mature on December 2024	-	13,399,378
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	250,000,000	190,000,000
Printcare East Africa (pvt) Ltd	Hatton National Bank PLC	Term Loan USD 5.5 Mn	SOFR+ Margin	Structured Repayment plan Mature on April 2031	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	33,943,062	61,910,104
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	20,413,631
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	2,727,947
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	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	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	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	83,888,819	-

Asset Pledge details has been given in Note 26.

Notes To The Financial Statements

Year ended 31 March 2025

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.

- 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 2025, the carrying amounts of such borrowings are not materially different from their calculated fair values.
- 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.
- Fair values of the unquoted ordinary shares have been estimated using net assets of the investee company.
- Fair values 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 2025, 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	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2024 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs
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Fair Value through Other Comprehensive Income

Quoted Equity Shares	4,569,211	4,569,211	-	-	3,299,888	3,299,888	-	-
	4,569,211	4,569,211	-	-	3,299,888	3,299,888	-	-

Company

Assets Measured at Fair Value	2025 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs	2024 Rs	Level 1 Rs	Level 2 Rs	Level 3 Rs
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Fair Value through Other Comprehensive Income

Quoted Equity Shares	1,209,211	1,209,211	-	-	1,051,488	1,051,488	-	-
Unquoted Equity Shares	33,149,970	-	-	33,149,970	-	-	-	-
	34,359,181	1,209,211	-	33,149,970	1,051,488	1,051,488	-	-

During the reporting period ending 31 March 2025, 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 during the year 2024/2025.

Notes To The Financial Statements

Year ended 31 March 2025

12. RIGHT-OF-USE OF ASSET AND RELATED LEASE LIABILITY

12.1 Right-of-Use of Leased Assets

Cost

As at 1 April

Additions During the Year

As at 31 March

Amortization

As at 1 April

Amortisation During the Year

Exchange Difference

As at 31 March

Carrying Value as at 31 March

12.2 Related Lease Liabilities

As at 1 April

Additions

Accretion of interest

Payments

Exchange Difference

As at 31 March

Current

Non Current

12.3 Amounts recognised in Profit or Loss:

Depreciation expense of Right-of-Use of Assets (Note 12.1)

Interest Expense on Lease Liabilities (Note 12.2)

Expenses relating to Short-Term Leases and Low Value Assets

Total amount recognised in Profit or Loss

Group	
2025 Rs.	2024 Rs.
251,266,571	147,201,548
876,380,701	104,065,023
1,127,647,272	251,266,571
107,188,476	73,836,076
148,610,120	33,352,400
28,898	-
255,827,494	107,188,476
871,819,778	144,078,095
141,321,907	68,352,828
876,380,701	103,373,980
194,654,248	9,192,722
(207,433,071)	(39,597,623)
47,550	-
1,004,971,335	141,321,907
102,474,297	30,755,869
902,497,038	110,566,038
148,610,120	33,352,400
194,654,248	9,192,722
64,512,518	54,077,351
407,776,886	96,622,473

13. INVENTORIES

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Raw Materials	2,192,432,814	2,298,768,310	680,660,903	678,334,244
Work-in-Progress	203,583,489	235,204,513	85,607,241	83,881,735
Finished Goods	139,099,911	144,566,813	10,740,074	50,853,253
Goods-in-Transit	44,143,552	58,548,410	30,419,766	29,029,580
Consumables and Spares	411,058,491	407,140,905	171,380,176	162,173,442
	2,990,318,257	3,144,228,951	978,808,161	1,004,272,254
Less: Allowance for Obsolete and Slow Moving Inventory	(91,250,684)	(94,654,563)	(33,128,907)	(45,875,592)
Total Inventories at the Lower of Cost and Net Realisable Value	2,899,067,573	3,049,574,388	945,679,253	958,396,662

During the year Group and Company Written off Inventory value of Rs.14,147,842/- and Rs. 4,507,102/- respectively.

Notes To The Financial Statements

Year ended 31 March 2025

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade Debtors - Related Parties (Note 14.1)	-	-	20,205,677	55,698,698
- Others	3,577,182,280	3,129,107,874	794,179,212	674,211,532
Less: Provision for Doubtful Debts (Note 14.5)	(156,057,588)	(40,203,927)	(7,312,486)	(953,406)
	3,421,124,692	3,088,903,947	807,072,403	728,956,824
Other Debtors - Others	76,932,356	355,498,474	43,285,179	211,392,863
- Related Parties (Note 14.2)	-	-	80,944,676	43,851,919
Advances	445,571,684	15,575,186	921,403	931,231
Loans to Company Officers (Note 14.3)	9,043,413	8,806,661	6,552,205	6,275,881
	3,952,672,145	3,468,784,268	938,775,866	991,408,718

14.1 Trade Receivable from Related Parties

	Relationship	Company	
		2025 Rs.	2024 Rs.
P C Universal Agencies (Pvt) Ltd	Subsidiary	-	19,417,797
Printcare Universal (Pvt) Ltd	Subsidiary	16,846,323	35,963,909
Printcare Secure Ltd	Subsidiary	1,372,701	-
Printcare Universal UK Ltd	Sub- Subsidiary	320,393	316,992
The Lifepak (Pvt) Ltd	Sub- Subsidiary	64,510	-
Printcare Digital Solutions (Pvt) Ltd	Sub- Subsidiary	1,601,750	-
		20,205,677	55,698,698

14.2 Other Receivable from Related Parties

Printcare Universal (Pvt) Ltd.	Subsidiary	49,652,007	30,713,656
Printcare Premedia Services Ltd.	Subsidiary	3,711,258	2,622,653
Printcare Secure Ltd.	Subsidiary	5,985,763	5,325,890
Printcare India (Pvt) Ltd	Subsidiary	4,006,816	-
Printcare Digital Solutions (Pvt) Ltd	Sub- Subsidiary	3,424,526	2,507,511
Printcare Packaging East Africa (Pvt) Ltd	Sub- Subsidiary	11,661,427	-
Printcare Universal UK Ltd	Sub- Subsidiary	425,038	-
The Lifepak (Pvt) Ltd	Sub- Subsidiary	2,077,841	2,682,209
		80,944,676	43,851,919

14.3 Loans to Company Officers

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 April	8,806,661	5,213,200	6,275,881	1,743,200
Loans Granted During the Year	10,540,209	10,036,941	8,049,000	6,036,941
Repayments	(10,303,457)	(6,443,480)	(7,772,676)	(1,504,260)
As at 31 March	9,043,413	8,806,661	6,552,205	6,275,881

Notes To The Financial Statements

Year ended 31 March 2025

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								
2025	3,577,182,280	2,114,843,386	840,072,668	291,991,861	76,708,072	23,805,072	73,703,631	156,057,588
2024	3,129,107,874	1,104,820,274	656,534,262	493,412,610	276,216,165	298,383,180	259,537,456	40,203,927
Company								
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
2024	729,910,230	530,283,767	147,698,112	32,990,240	12,722,112	729,187	4,533,406	953,406

14.5 Loss Allowance Reconciliation - Trade and Other Receivables

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Opening Balance	40,203,927	36,957,174	953,406	3,553,530
Debtors Written off During the Year	10,880,346	8,933,373	-	3,911,876
Debtors Provision/ (Reversal) During the Year	104,973,315	(5,686,620)	6,359,080	(6,512,000)
Closing Balance	156,057,588	40,203,927	7,312,486	953,406

15. PREPAYMENTS

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Prepayments - Relates to Printcare Packaging East Africa (Pvt) Ltd	136,829,504	403,083,040	-	33,150,000
Prepayments - Others	107,998,328	189,057,596	15,310,697	16,842,686
	244,827,832	592,140,636	15,310,697	49,992,686

Prepayments - Others include SAP Annual Maintenance Fees, Insurance Premiums etc.

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Value Added Tax	614,038,921	164,498,278	19,236,865	9,559,847
Economic Service Charge	16,356,583	16,356,583	-	-
Withholding Tax Receivable	4,213,415	2,696,129	1,870,529	-
	634,608,919	183,550,990	21,107,394	9,559,847

16. TAXES RECOVERABLE

Notes To The Financial Statements

Year ended 31 March 2025

Group		Company	
2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.

17. CASH AND SHORT TERM DEPOSITS

17.1 Favourable Cash & Cash Equivalent Balances

Cash & Bank Balances	1,080,515,918	738,478,950	133,020,556	65,904,334
Fixed Deposits	325,896,481	39,543,840	-	-
	1,406,412,399	778,022,790	133,020,556	65,904,334

17.2 Unfavourable Cash & Cash Equivalent Balances

Bank Overdrafts (Note 11.3)	(251,681,196)	(20,938,643)	(4,895,082)	(768,866)
Total Cash and Cash Equivalent For the Purpose of Cash Flow Statement	1,154,731,203	757,084,147	128,125,474	65,135,468

18. STATED CAPITAL

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

Other Reserve (Note 19.1)	1,001,439,376	1,001,266,436	409,271,498	409,271,498
Exchange Translation Reserve (19.2)	(2,733,185)	(22,917,174)	-	-
	998,706,191	978,349,262	409,271,498	409,271,498
Fair Value through Other Comprehensive Income Reserve (19.3)	3,663,395	2,394,072	680,730	523,007
Revaluation Reserve (19.4)	2,615,313,957	2,671,559,059	881,066,747	895,405,036

19.1

Group			Company		
As at 01.04.2024 Rs.	Transfer from Retained Earnings Rs.	As at 31.03.2025 Rs.	As at 01.04.2024 Rs.	Transfer from Retained Earnings Rs.	As at 31.03.2025 Rs.
Other Reserve	1,001,266,436	172,940	1,001,439,376	409,271,498	-
	1,001,266,436	172,940	1,001,439,376	409,271,498	-

Other Reserve which is a Revenue Reserve represents the amounts set aside by the directors for future expansions.

Notes To The Financial Statements

Year ended 31 March 2025

19. RESERVES (Contd..)

19.2

Exchange Translation Reserve

Group			Company		
As at 01.04.2024	Increase During the Year	As at 31.03.2025	As at 01.04.2024	Increase During the Year	As at 31.03.2025
(22,917,174)	20,183,989	(2,733,185)	-	-	-
(22,917,174)	20,183,989	(2,733,185)	-	-	-

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

Fair Value through Other Comprehensive Income Reserve

Group			Company		
As at 01.04.2024	Increase During the Year	As at 31.03.2025	As at 01.04.2024	Increase During the Year	As at 31.03.2025
2,394,072	1,269,323	3,663,395	523,007	157,723	680,730
2,394,072	1,269,323	3,663,395	523,007	157,723	680,730

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

Revaluation Reserve

Group			Company		
As at 01.04.2024	Transfer to Retained Earnings	As at 31.03.2025	As at 01.04.2024	Transfer to Retained Earnings	As at 31.03.2025
2,671,559,059	(56,245,102)	2,615,313,957	895,405,036	(14,338,289)	881,066,747
2,671,559,059	(56,245,102)	2,615,313,957	895,405,036	(14,338,289)	881,066,747

The revaluation includes changes in fair value of Land & Buildings

20. DIVIDENDS PROPOSED AND PAID

Declared and Paid During the Year Dividends on Ordinary Shares

	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Final Dividend	85,966,670	300,883,346	85,966,670	300,883,346
Interim Dividend	-	85,966,670	-	85,966,670
	85,966,670	386,850,016	85,966,670	386,850,016
Dividend Per Share	1.00	4.50	1.00	4.50

Notes To The Financial Statements

Year ended 31 March 2025

21. EMPLOYEE BENEFIT LIABILITY

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
21.1 Net Benefit Expense				
Current Service Cost	31,061,019	24,671,944	13,955,180	9,824,304
Interest Cost on Benefit Obligation	35,455,898	50,980,242	16,538,140	27,629,747
	66,516,917	75,652,186	30,493,320	37,454,051
Net Actuarial (Gains) / Loss	57,600,280	(34,017,636)	44,219,124	(35,675,981)
Amount Recognised in OCI	57,600,280	(34,017,636)	44,219,124	(35,675,981)
Total Expenses	124,117,197	41,634,550	74,712,444	1,778,070

21.2 Employee Benefit Liability

Changes in the present Value of the Defined Benefit Obligation are as follows:

As at 1 April	331,631,349	316,661,039	137,817,831	153,498,596
Charge for the Year	66,516,917	75,652,186	30,493,320	37,454,051
Actuarial (Gain)/Loss	57,600,280	(34,017,636)	44,219,124	(35,675,981)
Benefits Paid	(74,401,829)	(26,664,240)	(32,249,175)	(17,458,835)
As at 31 March	381,346,717	331,631,349	180,281,100	137,817,831

21.3 An actuarial valuation of the employee retirement benefit liability scheme was carried out by Messrs. Actuarial & Management Consultants (Pvt) Ltd. as at 31 March 2025. The following assumptions were used for such valuation.

	Group		Company	
	2025 Projected Unit Credit Method	2024 Projected Unit Credit Method	2025 Projected Unit Credit Method	2024 Projected Unit Credit Method
Method of Actuarial Valuation:				
Principal Assumptions				
Discount Rate	10.50%	12.00%	10.50%	12.00%
Future Salary Increases	9%+ Salary scales	10%+ Salary scales	9%+ Salary scales	10%+ 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.

Notes To The Financial Statements

Year ended 31 March 2025

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 2025.

Sensitivity Level	Group		Company			
	Discount Rate		Future Salary Increment Rate		Discount Rate	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
2025 - Impact on Defined Benefit Obligation	(16,450,228)	18,029,185	19,814,035	(18,358,217)	(8,642,521)	9,456,567
2024 - Impact on Defined Benefit Obligation	(22,349,445)	25,309,187	27,056,385	(24,216,354)	(10,470,505)	11,826,322
					12,680,762	(11,378,068)

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 April 2024		Interest Cost		Sub Total included in Profit or Loss		Benefits Paid		Actuarial Changes arising from Financial Assumptions	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Group										
Defined Benefit Obligation	331,631,349	31,061,019	35,455,898	66,516,917	(74,401,829)	9,519,520	48,080,760	57,600,280	-	381,346,717
Benefit Liability	331,631,349	31,061,019	35,455,898	66,516,917	(74,401,829)	9,519,520	48,080,760	57,600,280	-	381,346,717
Company										
Defined Benefit Obligation	137,817,831	13,955,180	16,538,140	30,493,320	(32,249,175)	4,883,467	39,335,657	44,219,124	-	180,281,100
Benefit Liability	137,817,831	13,955,180	16,538,140	30,493,320	(32,249,175)	4,883,467	39,335,657	44,219,124	-	180,281,100

21.6 Following payments are expected from the Defined Benefit Obligation in the future years:

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Within the next 12 months	60,296,259	44,133,165	28,109,233	9,838,355
Between 13 to 36 months	82,818,277	41,505,361	32,034,170	9,218,909
Between 37 to 72 months	94,176,502	44,339,903	51,491,439	17,793,331
Beyond 72 months	144,055,679	201,652,920	68,646,258	100,967,236
	381,346,717	331,631,349	180,281,100	137,817,831

Notes To The Financial Statements

Year ended 31 March 2025

22. TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Trade Payables - Related Parties (Note 22.1)	-	-	38,821,107	29,161,959
- Others	774,203,006	858,821,153	273,730,632	199,354,400
Other Payables - Others	768,790,726	153,002,706	-	-
- Related Parties (Note 22.2)	-	-	27,237,846	21,595,481
Sundry Creditors including Accrued Expenses	840,769,237	755,867,101	74,851,077	138,515,360
Unclaimed Dividends	12,707,982	13,310,720	12,707,983	13,310,720
	2,396,470,951	1,781,001,680	427,348,645	401,937,920

22.1 Trade Payable to Group Companies

	Company		
Relationship	2025	2024	
	Rs.	Rs.	
Printcare Premedia Services Ltd	Subsidiary	16,153,324	24,200,112
Printcare Secure Ltd	Subsidiary	2,809,000	3,411,781
Printcare India (Pvt) Ltd	Subsidiary	4,722,940	-
Printcare Digital Solutions (Pvt) Ltd	Sub-Subsidiary	14,747,265	1,160,658
The Lifepak (Pvt) Ltd	Sub-Subsidiary	388,578	389,408
		38,821,107	29,161,959

22.2 Non-Trade Payable to Group Companies

	Company		
Relationship	2025	2024	
	Rs.	Rs.	
Printcare Universal (Pvt) Ltd	Subsidiary	175,948	328,154
Printcare Secure Ltd	Subsidiary	72,503	-
Printcare Premedia Services Ltd	Subsidiary	332,835	-
The Lifepak (Pvt) Ltd	Sub- Subsidiary	1,510,241	-
Printcare Universal UK Ltd	Sub- Subsidiary	25,146,319	21,267,327
		27,237,846	21,595,481

23. TAXES PAYABLE

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Value Added Tax	9,078,554	12,157,201	-	-
Nation Building Tax	16,346,937	16,346,937	-	-
Economic Service Charges	22,377,250	22,377,250	1,209,812	1,209,812
Social Security Levy	8,392,669	5,533,478	3,585,659	2,629,642
Withholding Tax	1,047,724	3,978,148	137,758	55,438
	57,243,134	60,393,014	4,933,229	3,894,892

Notes To The Financial Statements

Year ended 31 March 2025

24. RELATED PARTY TRANSACTIONS

24.1 Transactions with Subsidiaries

Nature of Transactions

Company

Balance as at the Beginning of the Year	48,793,177	23,216,219
Sale of Goods	141,637,408	123,158,615
Purchase of Goods	(180,813,798)	(178,104,613)
Acquisition of Property Plant and Equipments	(151,000)	-
Short Term Loan	-	(153,700,000)
Short Term Loan Settlement	-	153,700,000
IT Service Charge	31,632,876	14,150,831
Reimbursement of Staff Related Expenses	747,826,413	497,510,639
Reimbursement of Utility charges and other expenses	45,086,584	67,196,805
Others -Interest	-	91,022
Value Added Tax	-	(29,565)
Rent	15,338,217	15,338,217
Dividend Receivable	(44,614,800)	271,942,221
Dividend Settlement	44,614,800	(271,942,221)
Settlement	(798,458,679)	(510,651,670)
Currency Adjustment	(15,799,799)	(3,083,323)
Balance as at the End of the Year	35,091,399	48,793,177

2025 Rs.	2024 Rs.
48,793,177	23,216,219
141,637,408	123,158,615
(180,813,798)	(178,104,613)
(151,000)	-
-	(153,700,000)
-	153,700,000
31,632,876	14,150,831
747,826,413	497,510,639
45,086,584	67,196,805
-	91,022
-	(29,565)
15,338,217	15,338,217
(44,614,800)	271,942,221
44,614,800	(271,942,221)
(798,458,679)	(510,651,670)
(15,799,799)	(3,083,323)
35,091,399	48,793,177

24.2 Transactions with Other Related Companies

Nature of Transactions

Group

Balance as at the Beginning of the Year	87,184,331	99,170,577
Sale of Goods	1,646,446,626	1,107,634,947
Purchase of Goods	(151,512,446)	(86,328,407)
Settlement	(1,355,229,578)	(1,033,292,786)
Balance as at the End of the Year	226,888,933	87,184,331

2025 Rs.	2024 Rs.
87,184,331	99,170,577
1,646,446,626	1,107,634,947
(151,512,446)	(86,328,407)
(1,355,229,578)	(1,033,292,786)
226,888,933	87,184,331

Company

Balance as at the Beginning of the Year	82,680,273	62,089,346
Sale of Goods	948,332,880	667,062,538
Purchase of Goods	(226,375)	(528,130)
Settlement	(962,389,428)	(645,943,482)
Balance as at the End of the Year	68,397,350	82,680,272

82,680,273	62,089,346
948,332,880	667,062,538
(226,375)	(528,130)
(962,389,428)	(645,943,482)
68,397,350	82,680,272

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 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.

Notes To The Financial Statements

Year ended 31 March 2025

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	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
a) Key Management Personnel Compensation				
Short Term Employee Benefits	226,118,166	238,832,498	68,759,798	64,533,500
Long Term Employee Benefits	80,017,115	67,793,010	57,273,065	36,765,060
	306,135,281	306,625,508	126,032,863	101,298,560

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

- 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. 329.65 Mn (2024 - Rs. 253.43 Mn) and Rs. 9.51 Mn (2024 - NIL) respectively.
- A contingent liability exists in respect of a case bearing No: DPA 31/2008, filed in the district Court of Colombo where Printcare PLC has been made a party as 21st defendant. The company lawyers have not advised any unasserted claims and assessments.

26. ASSETS PLEDGED

The following assets have been pledged as security for liabilities.

Nature of Assets	Nature of Liability	Carrying Amount		Included under
		2025 Rs.	2024 Rs.	
Printcare PLC Plant & Machinery	Primary Mortgage for Loans and Borrowings	409,832,376	443,255,655	Property, Plant & Equipment
Printcare Universal (Pvt) Ltd Cash Deposit	Loans and Borrowings	384,984,404	-	Cash and Bank Balances Short Term Investments- Fixed Deposits
Fixed Deposits		296,323,800	-	
Printcare Secure Ltd. Plant & Machinery	Loans and Borrowings	262,098,959	279,267,453	Property, Plant & Equipment
Printcare Premedia Services Ltd. Plant & Machinery	Loans and Borrowings	-	37,000,000	Property, Plant & Equipment
Inventories	Loans and Borrowings	38,237,831	21,804,835	Inventories
Trade Receivables	Loans and Borrowings	67,387,138	77,129,308	Trade and Other Receivables

Notes To The Financial Statements

Year ended 31 March 2025

26. ASSETS PLEDGED (Contd..)

Nature of Assets	Nature of Liability	Carrying Amount		Included under
		2025 Rs.	2024 Rs.	
Printcare India (Pvt) Ltd Land & Building and Plant & Machinery	Loans and Borrowings	708,421,083	352,429,786	Property, Plant & Equipment
Printcare Digital Solutions (Pvt) Ltd. Plant & Machinery	Loans and Borrowings	194,360,034	214,119,042	Property, Plant & Equipment
The Lifepak (Pvt) Ltd Plant & Machinery	Loans and Borrowings	188,033,087	202,188,438	Property, Plant & Equipment
Printcare Packaging East Africa (Pvt) Ltd Plant & Machinery	Loans and Borrowings	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;

- Market Risk
- Liquidity Risk
- Credit Risk
- 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 counterparty credit exposures and the reporting of exposures.

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.

Notes To The Financial Statements

Year ended 31 March 2025

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

28.1.1 Market Risk (Contd..)

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 Group / Company's profit before tax (through the impact on floating rate borrowings).

Year	Increase/ (decrease) in basis points	Effect on profit before tax Group - Rs.	Effect on profit before tax Company - Rs.
2025	+ 100-150 basis points	(46,074,748)	(2,054,851)
	- 100-150 basis points	46,074,748	2,054,851
2024	+ 100-150 basis points	(17,197,687)	(3,367,459)
	- 100-150 basis points	17,197,687	3,367,459

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.

Foreign Currency	2025				2024			
	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%	(1,530)	-1%	1,530	1%	2,150	-1%	(2,150)
GBP	1%	6,531	-1%	(6,531)	1%	7,940	-1%	(7,940)
USD	1%	7,986	-1%	(7,986)	1%	14,092	-1%	(14,092)
AUD	1%	(649)	-1%	649	1%	(440)	-1%	440
CHF	1%	(198)	-1%	198	1%	(179)	-1%	179
CNY	1%	-	-1%	-	1%	(299)	-1%	299
JPY	1%	(436)	-1%	436	1%	(322)	-1%	322

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 Management. Equity price risk is not material to the financial statements.

Notes To The Financial Statements

Year ended 31 March 2025

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

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	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cash and Bank Balances	1,406,412,399	778,022,790	133,020,556	65,904,334
Total Liquid Assets	1,406,412,399	778,022,790	133,020,556	65,904,334
Borrowings				
Current Portion of Borrowings	(4,196,143,236)	(3,725,390,769)	(1,062,888,884)	(869,119,354)
Bank Overdrafts	(251,681,196)	(20,938,643)	(4,895,082)	(768,866)
Total Liabilities	(4,447,824,432)	(3,746,329,412)	(1,067,783,966)	(869,888,220)
Net (Debt)	(3,041,412,033)	(2,968,306,622)	(934,763,410)	(803,983,886)

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.

Notes To The Financial Statements

Year ended 31 March 2025

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd..)

28.1 Introduction (Contd..)

28.1.2.1 Liquidity risk management (Contd..)

Maturity Analysis

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.

Group	Within 1 year					Between 1-2 years		Between 2-3 years		Between 3-4 years		Between 4-5 years		More than 5 years		Total
	Rs.		Rs.		Rs.	years		Rs.		Rs.	years	Rs.		Rs.		Rs.
Non-Current potion of Interest Bearing Borrowings	-		649,517,998		694,497,944			504,959,137		475,356,537		535,035,990		2,849,367,596		
Trade and Other Payables	2,396,470,951		-		-			-		-		-		2,396,470,951		
Current portion of Interest Bearing Borrowings	4,093,668,938		-		-			-		-		-		4,093,668,938		
Current portion of Interest Bearing Borrowings - Leased Liability	102,474,297		-		-			-		-		-		102,474,297		
Non-Current potion of Interest Bearing Borrowings Leased Liability	-		82,219,590		87,302,249			97,576,503		80,912,904		554,485,792		902,497,038		
Bank Overdrafts	251,681,196		-		-			-		-		-		251,681,196		
Total	6,844,295,382		731,737,588		781,800,193			602,535,640		556,269,431		1,079,521,782		10,596,160,016		
Company																
Non-Current potion of Interest Bearing Borrowings	-		83,326,704		60,000,000			-		-		-		143,326,704		
Trade and Other Payables	361,289,691		-		-			-		-		-		361,289,691		
Amounts due to Related Parties	66,058,954		-		-			-		-		-		66,058,954		
Current portion of Interest Bearing Borrowings	1,062,888,884		-		-			-		-		-		1,062,888,884		
Bank Overdrafts	4,895,082		-		-			-		-		-		4,895,082		
Total	1,495,132,611		83,326,704		60,000,000			-		-		-		1,638,459,315		

Notes To The Financial Statements

Year ended 31 March 2025

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.1,406,412,399/- and Rs. 133,020,556/- respectively. (Group 2024- Rs.778,022,790/- Company 2024 - Rs.65,904,334/-)

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.

Decade at a Glance

Year ended 31st March

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TRADING RESULTS (Rs. '000)										
Turnover	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	5,165,086
Profits / (Loss) before Interest and Income Tax	(108,742)	1,001,505	2,780,779	2,597,014	670,518	137,027	(79,472)	157,031	376,737	481,962
Profits / (Loss) before Income Tax	(892,264)	535,694	1,957,380	2,336,166	519,307	(29,067)	(235,019)	18,650	309,156	424,994
Profits / (Loss) attributable to equity shareholders of the Parent	(700,641)	246,939	1,489,392	2,236,812	574,956	(70,583)	(180,217)	(131,932)	213,474	313,993
Ordinary Dividend - Gross	85,967	386,850	515,800	435,604	92,206	2,612	1,832	2,748	157,597	107,707
Cash from Operations	851,957	2,005,222	1,375,830	568,268	656,217	164,533	526,943	158,601	397,029	739,997
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	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	2,544,237
	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	2,816,130
Non Controlling Interest	320,749	302,794	240,743	214,193	190,112	155,494	151,216	154,302	141,892	129,955
TOTAL EQUITY	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	2,946,085
ASSETS (Rs. '000)										
Property, Plant & Equipment	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	2,608,322
Intangible Assets	7,093	69,855	69,052	66,838	68,306	66,013	63,007	58,720	56,763	56,649
Fair Value through Other Comprehensive Income investments	4,569	3,300	2,708	2,065	3,054	2,248	72,254	54,964	43,399	40,616
Investment in Associates	-	-	-	-	131,903	68,679	56,483	46,960	10,480	3,384
Deferred Tax Asset	113,829	94,602	194,845	46,521	58,624	33,343	13,994	1,519	1,494	1,578
Right-of-Use Asset	871,820	144,078	73,365	93,727	114,507	39,779	-	-	-	-
Current Assets	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	2,313,792

Decade at a Glance

Year ended 31st March

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
LIABILITIES (Rs. '000)										
Non Current Liabilities	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	2,078,256
Current Liabilities	5,242,331	2,686,922	2,539,255	2,432,036	1,832,886	913,018	818,837	1,005,952	701,175	715,619
	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	1,362,638
NET ASSETS	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	2,946,085
KEY RATIOS										
Return on Average Total Capital (%)	-0.8%	**8.4%	*27.0%	33.5%	12.1%	2.7%	-1.6%	3.2%	9.0%	12.2%
Return on Average Shareholders Funds (%)	-9.8%	**3.5%	*26.1%	56.9%	20.7%	-2.7%	-6.7%	-4.7%	7.5%	11.6%
Gearing	53.7%	38.8%	38.2%	47.1%	46.0%	47.3%	43.3%	44.8%	31.8%	25.2%
Gross Profit Margin (%)	20.0%	22.2%	28.9%	24.4%	23.3%	19.2%	17.6%	19.0%	23.3%	24.2%
PBIT Margin (%)	-0.9%	7.8%	19.6%	34.1%	11.1%	2.8%	-1.6%	3.3%	7.7%	9.3%
PAT Margin (%)	-8.5%	1.7%	10.6%	29.7%	9.9%	-1.3%	-3.7%	-2.5%	4.9%	6.7%
MARKET INFORMATION										
Market Price Per Share at the year end (Rs.)	58.1	45.00	48.90	27.00	27.30	22.00	33.00	31.00	34.60	38.40
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	98,862
Market Capitalisation (Rs.'000)	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	3,301,120
Earnings Per Share (Rs)	(8.15)	2.87	17.33	26.02	6.69	(0.82)	(2.10)	(1.53)	2.48	3.68
Dividends Per Share (Rs)	1.00	4.50	6.00	5.00	1.00	-	-	-	1.65	1.15
NAV Per Share (Rs)	78.65	**88.02	*76.71	56.31	35.16	29.56	30.37	32.27	33.62	33.01

* 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 31.03.2025

Description	Local Holders	Foreign Holders	Local shares	Foreign Shares	Local%	Foreign %
1 To 1000 Shares	1374	4	502,206	770	0.58	0.00
1001 To 10000 Shares	352	2	1,277,223	13,850	1.49	0.02
10001 To 100000 Shares	120	7	3,409,394	263,603	3.97	0.31
100001 To 1000000 Shares	23	1	5,986,433	417,200	6.96	0.49
OVER 1000000 Shares	13	-	74,095,991	-	86.19	0.00
	1,882	14	85,271,247	695,423	99.19	0.81

Analysis of ShareHolders According to the No of Shares[Local/Foreign] as at 31.03.2024

Description	Local Holders	Foreign Holders	Local shares	Foreign Shares	Local%	Foreign %
1 To 1000 Shares	1506	5	550,199	1,070	0.64	0.00
1001 To 10000 Shares	446	4	1,627,821	21,250	1.89	0.02
10001 To 100000 Shares	133	7	4,391,266	200,597	5.11	0.23
100001 To 1000000 Shares	14	1	4,051,098	417,200	4.71	0.49
OVER 1000000 Shares	14	-	74,706,169	-	86.90	0.00
	2113	17	85,326,553	640,117	99.26	0.74

Information to Shareholders and Investors

Top 20 Shareholders

	Top 20 Shareholders as at 31st March 2025		Shareholdings as at 31st March 2024	
	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	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 and Ms. Z. Esuffaly	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	3,497,500	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	1,799,595	2.09	1,869,179	2.17
11 Mr. D. Warnakulasooriya	1,167,260	1.36	1,167,260	1.36
12 Mr. D G Wijemanna	1,045,900	1.22	-	-
13 Mr M. G. Jayawardena	1,010,500	1.18	1,010,500	1.18
14 Mr R. C. D De Silva	822,134	0.96	-	-
15 Ms. P. Ravindran	808,000	0.94	808,000	0.94
16 Lloyd and Lloyd Ltd	630,303	0.73	630,303	0.73
17 Mrs. T. T. A. De Silva Weerasooria	467,548	0.54	-	-
18 Mr. J. W. Burton	417,200	0.49	417,200	0.49
19 Mr. S. C. Weerasooriya	400,000	0.47	-	-
20 Mr. K. S. R. Nissanka	350,000	0.41	350,000	0.41
	77,991,176	90.72	69,250,702	80.57

Number of Public Shareholders as at 31 March 2025 - 1,886 (2024 - 2120)

Percentage of Shares held by Public as at 31 March 2025 35.05% (2024 - 35.06%)

Option in compliance - Option 5

Float adjusted Market Capitalisation - Less than 2.5 Bn.

NOTICE OF MEETING

Notice is hereby given that the Forty Fourth Annual General Meeting of Printcare PLC will be held on 25th September 2025 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 2025 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. E Chatoor
 - Mr. C V Kulatilaka
3. Re-elect the following Directors in terms of section 211 of the Companies Act no 7 of 2007.
 - a. Mr. D. Warnakulasooriya as a Director Accordingly the following resolution to be passed for this purpose, if thought fit.

IT IS HEREBY RESOLVED to re-elect Mr. D. Warnakulasooriya, as a Director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years in terms of Section 210 of the Companies Act shall not apply to the said Mr. D. Warnakulasooriya.

- b. Mr. K. R. Ravindran, as a Director. Accordingly the following resolution to be passed for this purpose, if thought fit.

IT IS HEREBY RESOLVED to re-elect Mr. K. R. Ravindran, as a Director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years in terms of Section 210 of the Companies Act shall not apply to the said Mr. K. R. Ravindran.

- c. Mr. A. N. Esufally, as a Director. Accordingly the following resolution to be passed for this purpose, if thought fit.

IT IS HEREBY RESOLVED to re-elect Mr. A. N. Esufally, as a Director in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years in terms of 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 2025/2026.
6. Transact any other business of which due notice has been given.

By Order of the Board

MANAGERS & SECRETARIES (PRIVATE) LIMITED



Secretaries

Colombo

28th August 2025

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.

PRINTCARE PLC
44TH 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.

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 44th Annual General Meeting of Printcare PLC to be held on 25th September 2025 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. E Chatoor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Mr. C V Kulatilaka	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Directors in terms of Section 211 of the Companies Act No. 7 of 2007.			
a. Mr. D. Warnakulasooriya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Mr. K. R. Ravindran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Mr. A. N. Esufally	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Authorize the Directors to determine contributions to charities for the financial year 2025/2026.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed this day of 2025.

.....
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.

