

SHAPING NEW VISTAS

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Sri Lanka's skyline reflects ambition and progress, defined by two landmark developments - the World Trade Center, Colombo and Havelock City, a premier mixed-use complex. The World Trade Center has set new standards in the business environment, while Havelock City embodies the perfect blend of urban living with world-class retail, dining, entertainment and modern office spaces.

With high occupancy levels across all investment properties, the Company is financially robust, supported by steady recurring revenue streams and a solid asset base. Leveraging its operational expertise, the Company is well-positioned to explore new ventures and development opportunities in the real estate landscape whilst fostering sustainable growth and creating enduring shareholder value.

Building on this strong financial foundation, the Company launched its latest project – 'Mireka Seascape' during the year, marking an exciting and important new chapter in its growth journey and reaffirming its commitment to shaping new vistas...

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Corporate Information | **Inner Back Cover**



The Annual Report 2024 was recognised at the TAGS Awards, securing the Bronze Award in the Land and Property Sector.

ABOUT US

Overseas Realty (Ceylon) PLC

Since its inception in 1980, Overseas Realty (Ceylon) PLC has been at the forefront of Sri Lanka’s property development sector, shaping the nation’s urban landscape with vision, innovation, and integrity. Listed on the Colombo Stock Exchange, the Company has earned a reputation as a trusted developer, delivering landmark projects that define Colombo’s skyline and set new benchmarks in real estate excellence.

	<p>A hallmark of our pioneering spirit is the World Trade Center Colombo, Sri Lanka’s first twin-tower complex, which reimagined the city’s commercial landscape and became an enduring symbol of ambition, modernity, and progress. Building on this legacy, our integrated developments including luxury residential towers, mixed-use precincts, and premier commercial spaces continue to transform urban living and business environments, blending architectural innovation with world-class standards.</p>
	<p>Havelock City is a landmark mixed-use development that combines luxury apartments with a premium shopping and lifestyle experience. Designed as a vibrant urban community, it offers modern living spaces, world-class amenities, and a retail mall that caters to the diverse needs of residents and visitors alike.</p>
	<p>Mireka Towers, represents the Company’s commitment to contemporary high-rise living. Strategically located, these towers provide thoughtfully designed apartments with panoramic city and sea views, blending comfort, elegance, and convenience for urban dwellers.</p>
	<p>Launched in 2025, Mireka Seascape is a premium residential development located in Dodanduwa on Sri Lanka’s southern coast. Spanning a scenic coastal setting, the project comprises 168 elegantly designed residences, each offering direct beach access and breathtaking sea views.</p> <p>Mireka Seascape combines modern architecture with the serenity of coastal living, providing residents with a harmonious blend of comfort, style, and lifestyle. Thoughtfully planned amenities and spaces reflect the Company’s commitment to quality, sustainability, and exceptional living experiences, making it a standout choice for discerning homeowners and investors alike.</p>

Together, these projects showcase the Company’s dedication to quality, innovation, and lifestyle-driven developments, creating spaces that enrich communities and enhance the urban landscape.

At Overseas Realty, we combine decades of experience with a forward-looking approach, integrating sustainability, design excellence, and community impact into every project. Our mission extends beyond constructing buildings: we create vibrant communities,

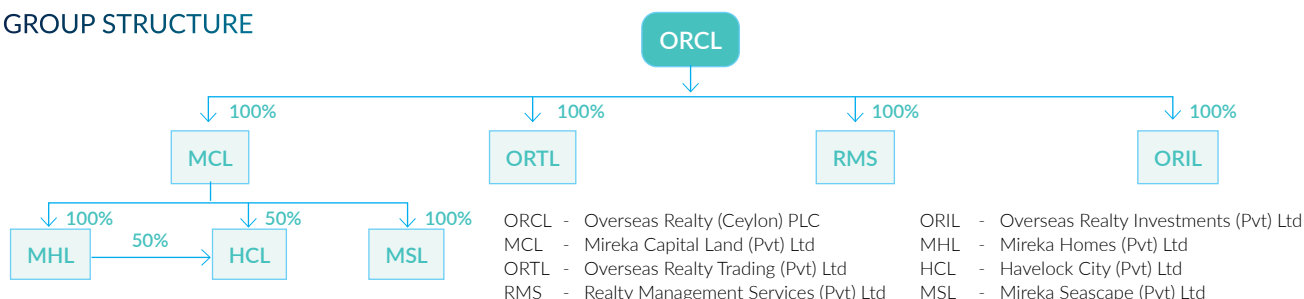
redefine urban experiences, and contribute meaningfully to the nation’s growth.

Our approach goes beyond mere construction. We envision and create spaces that foster communities, enhance lifestyles, and contribute meaningfully to the nation’s growth. Every project is guided by a philosophy that balances aesthetic excellence, operational efficiency, and long-term value creation, ensuring our developments stand the test of time.

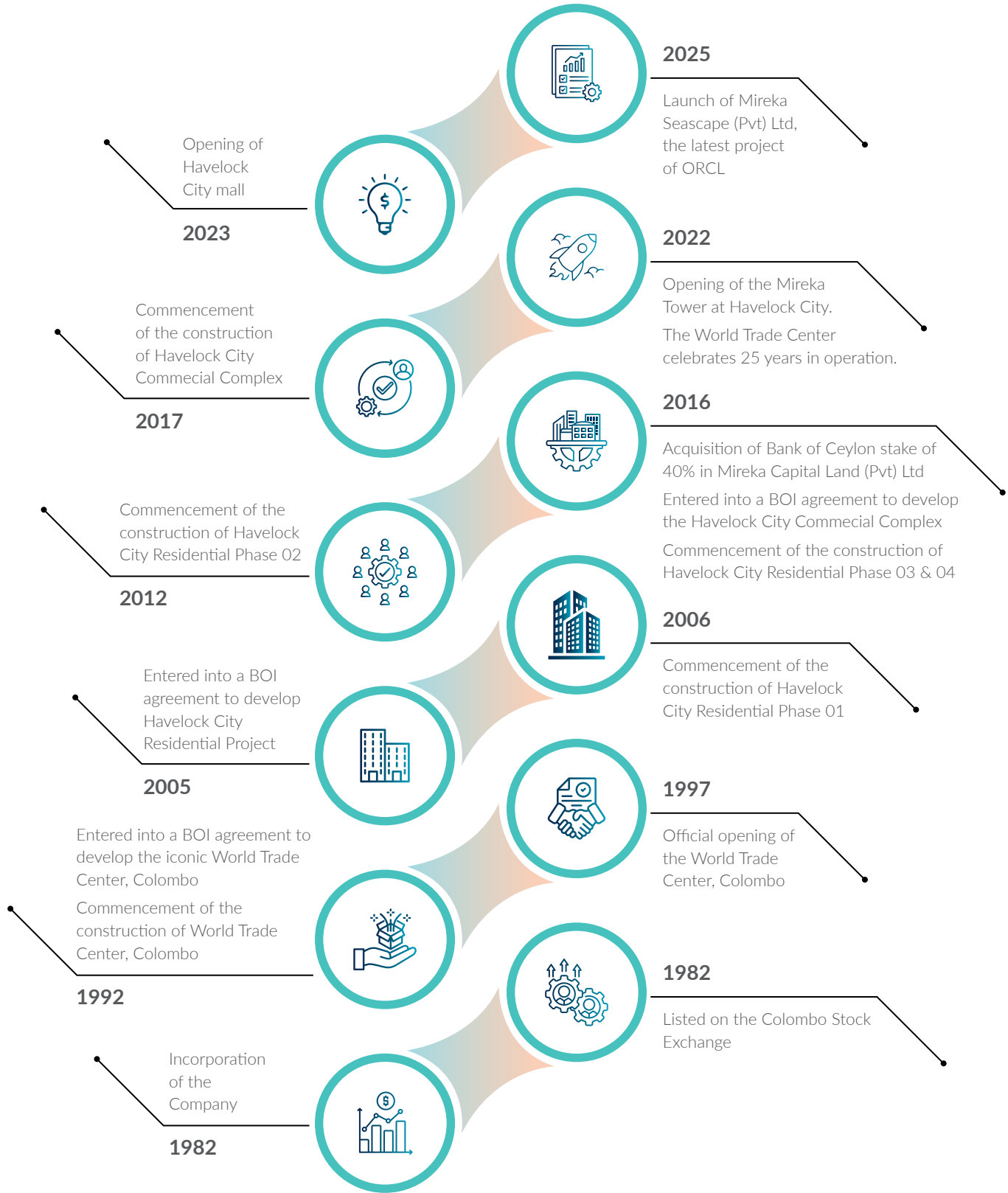
Over the decades, our pioneering spirit, strategic foresight, and commitment to quality have positioned us as a leader in shaping Colombo’s urban evolution. As we look to the future, we continue to drive innovation, set new standards in property development, and redefine what it means to build with purpose, vision, and trust for today, tomorrow, and generations to come.

<p>Vision </p> <p>Our passion is to be the most successful and innovative real estate solutions provider in the region.</p>	<p>Mission </p> <p>To be a truly Sri Lankan, self-contained, diversified, real estate solutions provider, driven by a highly motivated professional team to exceed the expectations of customers and shareholders.</p>	<p>Values </p> <ul style="list-style-type: none"> • Believe in Our People • Make a Difference Together • Honesty and Integrity • Passionate about Our Customers • Embrace Quality as Way of Life • Hold Ourselves Accountable
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GROUP STRUCTURE



OUR JOURNEY THROUGH HISTORY



ABOUT THIS REPORT

The second Integrated Annual Report of Overseas Realty (Ceylon) PLC (referred to as “ORCL” or “the Company”) provides a comprehensive, integrated account for the financial year ended 31st December 2025. It is designed to give shareholders and stakeholders a clear, balanced, and forward-looking view of the Company’s strategy, performance, governance and long-term value creation.

Purpose, Scope and Boundary

The Report explains how the Company creates sustainable value across economic, social, and environmental dimensions. It covers the Group’s principal operating segments and highlights their contribution to overall performance, cash flows, and long-term asset value. The financial information in financial statements and the narrative provides a consolidated view unless otherwise stated. The report outlines the challenges and opportunities we faced during the year and how we have addressed these through our purpose, vision, and strategy, to create long-term value for our stakeholders. We adopt an annual reporting cycle for both financial and non-financial reporting. There have not been any changes in reporting scope and boundary from the previous year and no restatements of information reported in 2024.

Both financial and non-financial information are presented to demonstrate the connectivity between strategy, performance, risk management, governance, and future priorities. The Report also emphasises ORCL’s preparedness to respond to changing market dynamics, and sustainability imperatives.

Reporting Enhancements

The Annual Report reflects the Company’s commitment to continuous improvement in transparency and usefulness.



These improvements provide stakeholders with decision-useful information and demonstrate the Company’s ongoing alignment with best practice in real estate reporting.

Alignment with Frameworks and Standards

This Report is prepared in accordance with:

- Sri Lanka Accounting Standards (SLFRS) issued by the Institute of Chartered Accountants of Sri Lanka
- Companies Act No. 07 of 2007
- Listing Rules of the Colombo Stock Exchange (CSE), Sri Lanka
- Code of best Practice on Corporate Governance (2017) issued by Institute of Chartered Accountants of Sri Lanka

- International Integrated Reporting Framework <IR> of the International Integrated Reporting Council (IIRC) using the six capitals reporting format
- A Preparer’s Guide to Integrated Reporting issued by the Institute of Chartered Accountants of Sri Lanka
- Global Reporting Initiative (GRI) standards – core option

In anticipation of the adoption of IFRS Sustainability Disclosure Standards, the Report incorporates enhanced disclosures aligned with:

- SLFRS1 – General Requirements for Disclosure of Sustainability-related Financial Information
- SLFRS S2 – Climate-related Disclosures

This includes governance, strategy, risk management, and climate-related considerations across ORCL’s portfolio. While full compliance will be phased, these disclosures represent a proactive approach to embedding sustainability and climate considerations into core reporting.

Materiality and Stakeholder Engagement

The Report content is determined through a structured materiality assessment, considering:

- Significance to the Company’s ability to create long-term value

Key enhancements include:

- **Expanded segmental disclosures** with detailed performance, risks, and growth outlooks
- Stronger **connectivity between strategy, capital allocation, and operating performance**
- Forward-looking insights on **portfolio optimisation, sustainability, and climate resilience**

ABOUT THIS REPORT

- Importance to stakeholders including shareholders, tenants, customers, employees, regulators, suppliers, and the broader community

Material topics are addressed across the Report to focus on issues critical to performance, resilience, and trust.

How to Read This Report

The Report is structured to guide readers through ORCL's value creation journey: Cross-references and navigation aids are included for connectivity and ease of understanding.



Capitals Leveraged

Financial Capital	Manufactured Capital	Human Capital	Intellectual Capital	Social and Relationship Capital	Natural Capital
Equity, retained earnings, and access to funding for development and enhancement	Diversified portfolio of office, retail, hospitality, and residential assets	Skilled employees and management expertise	Market knowledge, systems, and development capabilities	Tenant, customer, regulator, supplier, and community relationships	Land, energy, and other resources deployed responsibly

Our Value Creation Approach

The Company's value creation model demonstrates how strategic focus, asset stewardship, and operational excellence deliver long-term value.

Value Creation Philosophy






- Anchored in long-term asset stewardship, balancing financial performance with social, environmental, and economic impact
- Focused on stable income, asset enhancement, and adaptability to evolving market and tenant expectations

Assurance and Forward-Looking Statements

- Financial statements are audited in accordance with Sri Lanka Auditing Standards.
- Selected non-financial disclosures are internally reviewed for accuracy and reliability.
- Forward-looking statements reflect management assumptions; actual results may differ due to factors beyond ORCL's control.
- The Board accepts responsibility for the integrity and fairness of the Report.

Board Responsibility Statement

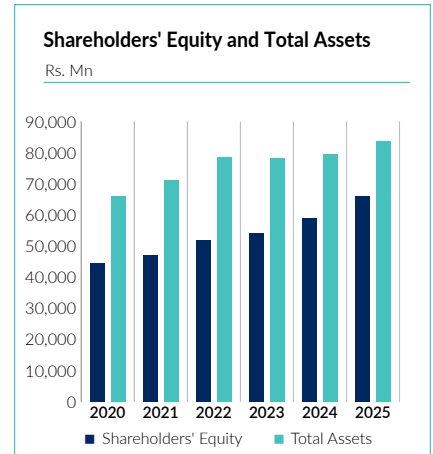
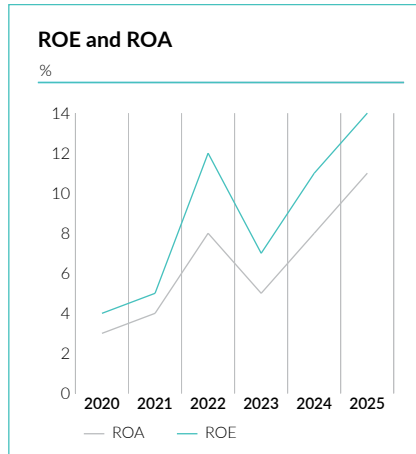
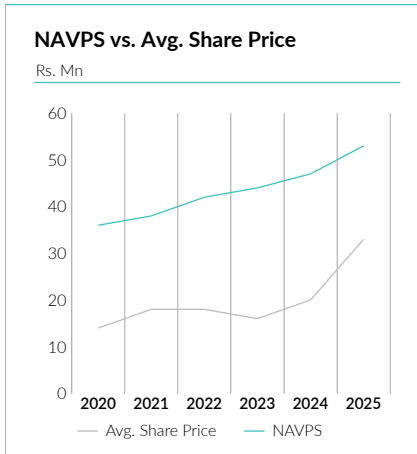
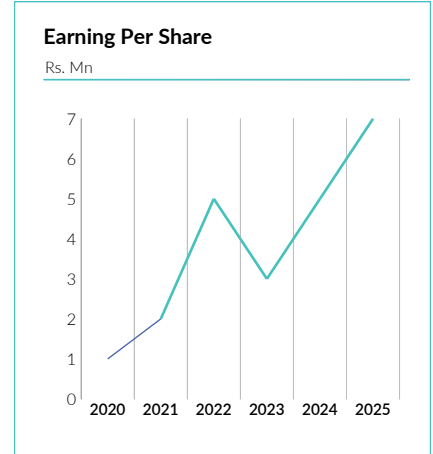
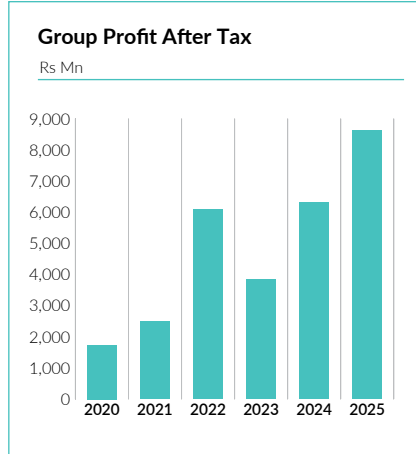
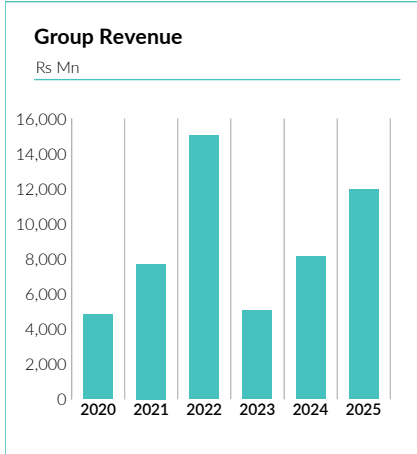
The Board of Directors of Overseas Realty (Ceylon) PLC ("ORCL") confirms its responsibility for the integrity and completeness of this Annual Report for the year ended 31 December 2025. The Report provides a true and fair view of the Company's financial and non-financial performance, material risks, and long-term value creation. The Board affirms that governance, risk management, and internal control processes are designed to safeguard assets, support reliable reporting, and ensure transparency for all stakeholders.

 <p>Available Forms</p> <p> Print Available On request</p> <p>  Online Available in PDF format at https://orcl.lk</p>	<p>Feedback and queries</p> <p>We are committed to consistently enhancing the readability and relevance of our reporting and we welcome your suggestions and comments on our Annual Report.</p>	<p> Any queries or questions regarding this report should be addressed to:</p> <p>Company Secretary #18-01, East Tower World Trade Center Echelon Square Colombo 01, Sri Lanka.</p> <p>Tel: +94 11 234 6333 /+94 11 244 9303</p>
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KEY FINANCIAL HIGHLIGHTS

For the year ended 31st December	2025	2024
	Rs. Mn	Rs. Mn
INCOME STATEMENT		
Revenue	11,944	8,024
Gross Profit	8,659	5,441
Fair Value Gain (FVG)	3,223	1,822
Profit Before Tax (PBT)	9,266	6,616
Profit After Tax (PAT)	8,631	6,210
STATEMENT OF FINANCIAL POSITION		
Total Assets	83,777	79,346
Total Liabilities	17,947	20,528
Loans and Borrowings	10,961	15,162
SHAREHOLDERS' EQUITY		
Stated Capital	18,443	18,443
Reserves	47,387	40,375
Total Equity	65,830	58,819
FINANCIAL RATIOS		
Gross Profit Margin	72%	68%
PAT (Including FVG) Margin	72%	77%
Earnings Per Share (Including FVG) (Rs.)	6.94	5.00
Return on Equity	14%	11%
Return on Assets	11%	8%
Debt Equity Ratio	17%	26%
Net Assets Per Share	52.96	47.32
Dividend Payout Ratio	19%	25%
PE Ratio	6	5

KEY FINANCIAL HIGHLIGHTS



SHAPING NEW VISTAS

➔ LEADERSHIP

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CHAIRPERSON'S MESSAGE

“
With high occupancy levels across all investment properties, strong recurring revenue streams, and a robust asset base, the Company remains financially resilient.
 ”



On behalf of the Board of Directors of Overseas Realty (Ceylon) PLC, it is my pleasure to present the Annual Report and the Audited Financial Statements for the financial year ended 31 December 2025, and to welcome our Shareholders to the 44th Annual General Meeting of the Company.

It is with deep sadness that I report the peaceful passing of Mr. A.M. De S. Jayaratne, Chairman of Overseas Realty (Ceylon) PLC, in July 2025. His exceptional leadership and unwavering commitment over his 34-year tenure on the Board will always be remembered with profound respect and gratitude.

Economic Outlook

The Sri Lankan economy is estimated to have grown by 4.6% in 2025. Although economic activity experienced a temporary slowdown following Cyclone Ditwah in December 2025, early indicators demonstrate resilience. The economy is projected to rebound and record a moderate growth of around 4% in 2026.

The core inflation, which rose to 2.7% by the end of 2025, is expected to gradually trend toward the 5% target in 2026. The Sri Lankan Rupee depreciated by 5.6% against the US Dollar in 2025, reversing gains recorded in the previous two years, and is expected to moderately weaken in 2026. Interest rates, which increased gradually during 2025, are anticipated to ease in 2026 in line with stabilizing macroeconomic conditions.

Financial Performance

Overseas Realty (Ceylon) PLC delivered a strong financial performance in 2025, recording Group Revenue of Rs. 11,944 million, reflecting a 49% increase over the previous year. This growth was primarily driven by higher apartment sales and increased rental income across investment properties.

The Group reported a Profit Before Tax of Rs. 9,266 million, supported by a Fair Value Gain of Rs. 3,223 million from Investment Properties.

Revenue from the World Trade Center, Colombo amounted to Rs. 2,973 million, representing a 7% increase over the previous year, mainly attributable to improved rental rates.

Revenue from Residential Sales at Havelock City reached Rs. 2,824 million, a 57% increase compared to 2024.

Mireka Tower and Havelock City Mall recorded revenues of Rs. 2,955 million and Rs. 2,233 million respectively, representing increases of 159% and 34% over 2024. This performance was supported by higher occupancy levels and improved rental rates.

World Trade Center, Colombo

Strategically located in the heart of Colombo's Central Business District, the 39-floor twin towers of the World Trade Center offer 576,606 square feet of premium Grade "A" office space. Since its inception, the World Trade Center has remained the City's preferred business address, fostering the largest business-to-business community under one roof. Occupancy levels stood at 83% at the end of 2025.

Mireka Tower and Havelock City Mall

The 50-storey Mireka Tower, offering approximately 587,000 square feet of premium Grade “A” office space, anchors the Havelock City Commercial Development alongside the 190,000 square feet international-standard shopping mall.

The LEED Gold-certified Mireka Tower has earned a reputation as one of the most technologically advanced and functionally efficient commercial buildings in the country, providing comfortable and distinctive workspaces. Occupancy levels rose steadily to 89% by the end of 2025.

Havelock City Mall has firmly established itself as a premier lifestyle destination, offering a diverse mix of fashion, dining, and entertainment experiences. Its shopper-friendly design, strong brand partnerships, engaging promotional events, and high service standards continue to redefine the retail landscape in Sri Lanka. Occupancy levels reached an impressive 98% by year-end.

Residential

The Havelock City Residential Development has successfully completed eight towers comprising 1,070 units across four phases. As at 31 December 2025, only 18 units remained unsold in Phases 3 and 4. Revenue from the residential segment increased by 57% to Rs. 2,824 million in 2025.

Mireka Seascape, located on the southern coast of Sri Lanka and comprising 168 luxury apartments and villas, was launched to the market in June 2025. The project has achieved strong market acceptance, reflecting its prime location, contemporary design, and lifestyle appeal. Piling work is expected to commence in the first quarter of 2026.

Future Outlook

The stable economic and political environment, supported by prudent fiscal and monetary policies under the IMF-backed reform programme, is expected to guide the country toward moderate economic growth and improved investor confidence.

With high occupancy levels across all investment properties, strong recurring revenue streams, and a robust asset base, the Company remains financially resilient. We are well positioned to accelerate the exploration of new development opportunities within the real estate sector to foster sustainable growth and deliver long-term shareholder value.

Dividend

The Board of Directors recommends a first and final dividend of Rs. 1.75 per share, amounting to Rs. 2,175 million (2024 – Rs. 1,678 million), subject to Shareholder approval at the forthcoming Annual General Meeting.

Acknowledgement

On behalf of the Board of Directors, I wish to express my sincere appreciation to all our stakeholders for their continued confidence and support. I also acknowledge the dedication and commitment of our Management and Staff, whose efforts have been instrumental in achieving these results. My gratitude is also extended to my fellow Directors for their guidance and valued counsel throughout the year.



Dr. Ranee Jayamaha
Chairperson

4th March 2026

PROFILES OF THE BOARD OF DIRECTORS

Dr. Raneey Jayamaha

B.A. (Hons) (University of Ceylon, Peradeniya, Sri Lanka), MSc (University of Stirling, U.K.), PhD (University of Bradford, U.K.), DUniv (University of Stirling, U.K.)

Dr. Jayamaha was appointed to the Board on 15th March 2013.

Dr. Jayamaha currently holds Director posts at the Regional Centre for Strategic Studies, the Transnational Lanka (Pvt) Limited and New Interiors (Pvt) Ltd. She was also the Chairperson of Hatton National Bank PLC, HNB Assurance PLC and Sithma Development (Pvt) Ltd. She served as an appointed member of the Monetary Board of the Central Bank of Sri Lanka (CBSL) during July 2020-Sep 2023.

Dr. Jayamaha had been the Deputy Governor in charge of Financial System Stability of CBSL from 2004 up to her retirement in 2009. Having held a number of positions in the CBSL and outside, she has over 50 years of experience in the field of economics, banking, finance, payment systems and regulation. On release from the CBSL, she has served as Secretary - Presidential Commission on Finance and Banking, Advisor - Financial Sector Reform Committee, Ministry of Finance and Special Advisor (Economic), Commonwealth Secretariat, London, UK.

Dr. Jayamaha has been a member of the Securities and Exchange Commission of Sri Lanka, the Insurance Board of Sri Lanka, the Chairperson of Credit Information Bureau of Sri Lanka and the National Payments Council. Internationally, Dr. Jayamaha has been a Member of the Working Group on General Payment System Development of the Bank for International Settlements, Member of the Global Payments Forum, Member of the Advisory Panel of the G-8 Remittance Working Group and Member of the Expert Panel of the Safeguard Assessment Policy Review 2010 of the IMF.

Dr. (Ms) Mildred Tao

Dr. (Ms) Mildred Tao was appointed to the Board on 12th April 1991.

Dr. (Ms) Tao received her MBBS from University College London in 1972 and MRCP (UK) in Pediatrics in 1975. She however gave up medical practice to join the Shing Kwan Group in 1977 where she has been actively involved in all aspects of the Group's property portfolio encompassing the residential, commercial and retail sectors through its controlling interest in Singapore Land Limited (until 1990), P T Jakarta Land (until 2005) and Overseas Realty (Ceylon) PLC. Dr. (Ms) Tao participated in the Advanced Management Program in Harvard Business School in 1983.

Dr. (Ms) Tao currently oversees the Shing Kwan Group's real estate investments in Singapore and abroad.

Mr. En Ping Ong

Mr. En Ping Ong was appointed to the Board on 18th January 2010.

Mr. En Ping Ong graduated from Harvard University in 2001 with a BA (Hons) in Applied Mathematics (Economics) and later received his MBA from the Stanford Graduate School of Business in 2008. In 2002, Mr. Ong started his career in investment banking at JPMorgan in Hong Kong and Singapore. Over the years, he has been directly involved in residential real estate development, as well as turn-around projects in retail and conservation property in Singapore. In 2012, Mr. Ong co-founded Barghest Building Performance, building it into a leading regional Energy Efficiency solutions company in partnership with private equity partners, before selling the business in 2025.

Mr. Leslie Ralph de Lanerolle

Mr. Leslie Ralph de Lanerolle was appointed to the Board on 3rd June 2010.

Mr. de Lanerolle has over 50 years of work experience in both in the public and private sectors, where he has held senior management positions.

A Chartered Engineer, Mr. de Lanerolle holds a Bachelor's degree in Civil Engineering (First Class Honours) from the University of Ceylon and a Master's degree from the University of Waterloo, Ontario, Canada. He is a member of the Association of Professional Bankers of Sri Lanka, a Fellow of the Economic Development Institute of the World Bank, Washington and a Honorary Life Member of the Institute of Engineers Sri Lanka.

Mr. de Lanerolle has worked primarily in the field of Project Finance and Management, undertaking assignments in diverse sectors of the economy, especially in the financial services, real estate and property, tourism, hotel and transportation sectors. In an individual capacity, he has served as Consultant to several private companies, providing project related advisory services from pre-investment to implementation.

Mr. Pravir Dhanoush Samarasinghe

Mr. Pravir D. Samarasinghe was appointed to the Board on 31st March 2014.

Mr. Samarasinghe is the Director / Chief Executive Officer of Overseas Realty (Ceylon) PLC, the premier real estate investment, development and management company listed in the Colombo Stock Exchange.

Mr. Samarasinghe has 39 years of professional and commercial experience, including 24 years in senior leadership roles. He has broad property, industrial, service, retail, plantation and export sector experience. He serves on the Board of Directors of several Public Listed Corporates and chairs Board

Sub Committees and is familiar with all aspects of corporate governance.

Mr. Samarasinghe is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and Chartered Institute of Management Accountants UK and holds a Master's Degree in Business Administration.

Mr. Samarasinghe was the Past Chairman of the Sri Lanka Institute of Directors, Employers' Federation of Ceylon, Industrial Association of Sri Lanka, Condominium Developers Association of Sri Lanka, and EFC Affiliated Group of Companies. He was the Past President of the Chartered Institute of Management Accountants Sri Lanka Division and former Council Member CIMA (UK). He served as a Board Member of the Ceylon Chamber of Commerce and Sri Lanka Accounting and Auditing Standard Monitoring Board.

Mr. Samarasinghe has been exposed to a number of executive development programs including those conducted by the National University of Singapore, Harvard University (Harvard International Program) and the Australian Institute of Directors.

Mr. Ben Nien Benny Tao

Mr. Ben N.B. Tao was appointed to the Board on 27th October 2021.

Mr. Ben N.B. Tao received his BFA from Tisch School of the Arts, New York University in 1982. He was an Engineer and Producer at Sierra Alegre Inc, a Music Production Company in Los Angeles from 1995 to 2000. In 2000, he founded Chalice Recording Studio, a premier music recording studio in Los Angeles, which he still owns. He has been a Director of the Shing Kwan Group of Companies since late 1970s.

In 2017, Mr. Tao returned to Asia. During 2018, he became a Director of the Central Hotel, Nanjing and the Jinling Hotel Corporation and the Chairman of Nanjing Peeli Real Estate Management Corporation. All 3 companies have

operations in the City of Nanjing, China. He became Sole Director of Peeli Ltd in 2019. The Peeli Companies are the Personal Commercial Legacies of late Mr. S.P. Tao.

Mr. Tao also represents the donor at the Jiangsu Tao Shing Pee Education Foundation, an Education Foundation set up by Mr. and Mrs. S.P. Tao with a donation of over RMB 1 Billion to sponsor University Education for students from rural and underprivileged backgrounds throughout China. Annually the Foundation serves 4,500 students studying in 22 Universities in Jiangsu Province.

Mr. Brian Tao

Mr. Brian Tao was appointed to the Board on 18th October 2023.

Mr. Brian Tao graduated from Harvard University in 2022 with a BA (Hons) in Economics. He has experience in private equity real estate investment, and now works on primary market equity investment at Loyal Valley Capital, a Shanghai based asset management firm. He has been a Director at Shing Kwan Investment (Singapore) Pte Ltd since 2018, and at Peeli Ltd since 2023.

Dr. Arittha Rahula Wikramanayake

Dr. Arittha R. Wikramanayake was appointed to the Board on 2nd November 2023.

Dr. Wikramanayake is an Attorney-at-Law and the Precedent Partner of Heritage Partners. He is a veteran Corporate and M&A lawyer and heads the Firm's corporate and acquisitions practice.

Dr. Wikramanayake received his professional education at the Sri Lanka Law College and was admitted to the Bar in 1981. He has received LL.M degrees from the Vrije Universiteit (Brussels, Belgium), the University of Georgia (Athens, USA) as well as a Master's in Law and Diplomacy (MALD) from the Fletcher School of Law and Diplomacy,

Tufts University (USA). In 2013, he was awarded a Doctorate from the University of Colombo, Sri Lanka.

Dr. Wikramanayake has held several senior positions on the public and private sector in Sri Lanka. After commencing his career as a State Counsel at the Attorney General's Department in 1980 he moved on the Securities and Exchange Commission of Sri Lanka as its Director General. He left the public service to establish Nithya Partners, which became one of the leading corporate law firms in Sri Lanka. In 2020, Dr. Wikramanayake retired from Nithya Partners to establish his present law firm Heritage Partners. He has been consistently ranked as a leading individual in the fields of Corporate and M&A by Chambers & Partners and the Legal 500 Asia Pacific.

Dr. Wikramanayake has served in various key regulatory and policy formulating bodies in the country including the Sri Lanka Accounting and Monitoring Standards Board, the Public Enterprises Reform Commission and Committees for the formulation of Codes of Corporate Governance. He also served as the Chairman of the Company Law Advisory Commission, a Member of the Advisory Commission on Intellectual Property Law, the National Trade Negotiation Committee and the State Owned Enterprises Reform Unit of the Ministry of Finance.

Mr. Carl Noel Shamil Mendis

Mr. Shamil Mendis was appointed to the Board on 21st February 2024.

Mr. Mendis is the Chairman/Managing Director of Spear Global Holdings (Pvt) Ltd which is engaged in the export of coir substrates, value added coir/coconut fiber products, food ingredients and spices. These products are exported to over 33 countries worldwide.

Prior to which, Mr. Mendis was the Deputy Chairman and Group Director of the Delmege Forsyth Group from 1982 - 2011 and was responsible for the growth of diverse businesses ranging

PROFILES OF THE BOARD OF DIRECTORS

from Imports, Exports, Shipping, Airlines and Logistics to Insurance.

Mr. Mendis was a Past President of the Sri Lanka Singapore Business Council from 2006 – 2017 and was actively involved in the promotion and facilitation of International trade and investment. He was also a Past President of the Sri Lanka China Business Council. He is currently the President of the Sri Lanka Korea Business Council and Vice President of both the Sri Lanka Japan Business Council and the Sri Lanka Italy Business Council, all of which are affiliated to the Ceylon Chamber of Commerce.

He has also served as a Council Member of the National Chamber of Commerce of Sri Lanka and a member of the Board of the Export Development Board of Sri Lanka.

Mr. Mendis is a Member of the Chartered Institute of Marketing UK.

Mr. P. Yohan S. Perera

Mr. Yohan Perera was appointed to the Board on 24th July 2024.

Mr. Perera is a Chartered Accountant by profession and retired from the position of Managing Partner of KPMG Sri Lanka and Maldives on 31st March 2023. He served on the KPMG Middle East & South Asia Board during his tenure as Managing Partner of the Firm. He counts over 40 years of experience in audits of conglomerates and listed companies with diversified business interests.

He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (FCA) and a Fellow Member of the Chartered Institute of Management Accountants (FCMA) - UK.

Mr. Perera served as the President of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) during the years 2006 and 2007 and was a former Chairman of the Sri Lanka Auditing

Standards Committee. He also served as a Board Member of the Confederation of Asian and Pacific Accountants (CAPA) from 2004 to 2010.

He has also served as a Commissioner of The Securities & Exchange Commission of Sri Lanka, Member of the Monetary Policy Consultative Committee of the Central Bank of Sri Lanka and Member of the Governing Council of the Post Graduate Institute of Management of the University of Sri Jayewardenepura.

Mr. Perera currently serves as an Independent Non-Executive Director of Hayleys PLC, Haycarb PLC, Dipped Products PLC, E. B. Creasy & Co. PLC, Laxapana PLC, Muller & Phipps (Ceylon) PLC and Commercial Bank of Ceylon PLC.

Mr. Indrajit Asela Wickramasinghe

Mr. Indrajit A. Wickramasinghe was appointed to the Board on 23rd October 2024.

Mr. Wickramasinghe was the former Director/Chief Executive Officer of Union Bank for over nine years up to his retirement on 15th August 2024. He counts over 36 years of management experience having worked in both the financial services and FMCG sectors in local and multinational companies. He holds a MBA from the Post Graduate Institute of Management, University of Sri Jayewardenepura, and is a Fellow of the Chartered Institute of Marketing UK. He has been exposed to Executive Education Programmes at the National University of Singapore, The Said Business School of the University of Oxford UK and INCEAD (France). He is a member of the Oxford Business Alumni, University of Oxford UK.

Prior to his appointment as Director/CEO of Union Bank, he served as the Chief Operating Officer of NDB Bank where he was responsible for all business areas including Retail Banking, Corporate Banking, SME Banking and Project

Finance. Prior to joining the financial services sector, he was with the leading Multi National Company, Reckitt and Colman where he held numerous senior management positions.

Mr. Wickramasinghe has also served on a number of Boards as an Executive Director and Non-Executive Director. He was the Chairman of the Financial Ombudsman Sri Lanka (Guarantee) and a Director of the Credit Information Bureau of Sri Lanka.

He currently also serves on the Boards of AIA Insurance Lanka, Diesel and Motor Engineering PLC (DIMO), Fintrex Finance Ltd, Three Acre Farms PLC, Ceylon Grain Elevators PLC, C.W. Mackie PLC, Colombo Fort Land and Building PLC and DFCC Bank PLC.

SHAPING NEW VISTAS



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VALUE CREATION

INPUTS

 <p>Financial Capital</p>	<ul style="list-style-type: none"> • Our financial resources are represented by short term investments and debt capital 	<ul style="list-style-type: none"> » Short term investments: Rs. 5,125 Mn » Borrowings: Rs. 10,961 Mn
 <p>Human Capital</p>	<ul style="list-style-type: none"> • A motivated workforce • Competent and skilled employees • Digital expertise 	<ul style="list-style-type: none"> » Investment in training and development Rs. 5 Mn
 <p>Intellectual Capital</p>	<ul style="list-style-type: none"> • Positive brand image • Technical know-how 	<ul style="list-style-type: none"> » Investment in technology » Development of Business Continuity Plan and Disaster Recovery Framework investing Rs. 3 Mn
 <p>Social Capital</p>	<ul style="list-style-type: none"> • Customer relationships • Business partnerships 	<ul style="list-style-type: none"> » Over 300 Tenants » Over 2,000 Suppliers » Over 4 Mn Customers visited the State of art Shopping Mall
 <p>Manufactured Capital</p>	<ul style="list-style-type: none"> • Technological facilities • IT management systems 	<ul style="list-style-type: none"> » Rs. 9 Mn invested in digitalisation » Rs. 65 Mn invested in capex
 <p>Natural Capital</p>	<ul style="list-style-type: none"> • Natural resources consumed in carrying out • Our business activities 	<ul style="list-style-type: none"> » Fuel consumption Rs. 8 Mn » Energy consumption Rs. 432 Mn

VALUE TRANSFORMATION PROCESS

Vision

Our passion is to be the most successful and innovative real estate solutions provider in the region.

Our Strategic Pillars

Expand income portfolio

Achieve cost and operational efficiency with sustainable Business Practices



Key Drivers or Competitive Advantage

- Active Landbank Management
- Robust Capital Management
- Strong Financial Discipline
- Sustainable Talent & Performance Management
- Effective Governance & Stakeholder Management
- Corporate Sustainability Model



OUTPUTS AND OUTCOMES

Embark on digitalisation	Launch new growth areas
--------------------------	-------------------------

Business Activities

2 Property Trading

Financial Capital

- Returns to shareholders

▶ PAT - Rs. **8,631** Mn
 NAV - Rs. **52.96** per Share
 EPS - Rs. **6.94** per Share

Human Capital

- Fair remuneration and benefits
- Training opportunities
- Career progression
- Flexible work model

▶ Rs. **702** Mn remuneration and benefits
 ▶ **2,981** Hours
 ▶ **18** promotions

Intellectual Capital

- Brand strength
- Retained market position
- Better customer experience
- Integrability of platform
- Innovation

▶ **31%** increase in Shopper visits

Social Capital

- Contribution to social development
- Compliance with social and legal regulations

▶ Rs. **337** Mn tax contribution

Manufactured Capital

- Enhanced business volumes
- Updated portfolio of services
- Digital infrastructure and scalability

▶ Strengthened Safety Standards
 ▶ Introduced Smart Parking Systems, Automated Kiosks

Natural Capital

- Efficient energy consumption

▶ Environmentally-friendly business practices

In the context of

Global economy Technological advancements	Local economy Regulatory changes	Political considerations Climate change considerations
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RESPONDING TO OUR STAKEHOLDERS

Stakeholder Analysis

Our stakeholder engagement ensures that each group’s needs are addressed and integrated into strategic decision-making. Stakeholder analysis is a structured approach to identifying the individuals and groups who influence, or are affected by, organisational decisions. It recognises that effective decisions depend on understanding stakeholder interests, expectations and levels of influence, rather than acting in isolation.

Stakeholder analysis also helps uncover opportunities for collaboration, innovation and value creation, while enabling organisations to prioritise where to focus resources for maximum impact.

The process generally involves identifying stakeholders, assessing their interests and potential impacts, analysing their power and influence,

and then prioritising them according to the level of engagement required. This insight is translated into strategies that guide communication, consultation and relationship management, helping to secure alignment and mitigate challenges. Since stakeholder expectations and power dynamics evolve, the process must be revisited regularly.

In essence, stakeholder analysis strengthens decision-making by ensuring it is evidence-based, contextually aware and responsive to the needs of those who shape or are shaped by organisational actions.

The table below illustrates the key stakeholders, their interests, influence, and engagement mechanisms:

Stakeholder	Interest / Needs	Influence	Impact on Business	Engagement / Actions
Investors / Shareholders	Returns, dividend, asset value, transparency	High	Determines capital, share price, and approvals	Annual/quarterly reports, AGM, investor briefings
Tenants (Office & Retail)	Infrastructure, leases, safety, amenities, sustainability	High	Occupancy & rental revenue	Leasing support, tenant surveys, FM services
Local Community & Authorities	Traffic, environmental impact, local employment, CSR	Medium	Social license, approvals	Community forums, CSR initiatives, consultations
Employees & Service Providers	Job security, training, safe environment	Medium	Operational efficiency, service quality	Training, SOPs, performance incentives, safety protocols
Contractors & Suppliers	Timely payments, clear contracts, safe working conditions	Medium	Project completion, quality, cost control	Contract management, performance reviews
Customers / Visitors	Convenience, experience, safety, amenities	Medium	Footfall, retail revenue	Experience programs, loyalty schemes, events
Media & Analysts	Accurate reporting, ESG performance, market trends	Medium	Public perception, reputation	Press releases, site visits, analyst briefings

Stakeholder Engagement Matrix

Engaging with stakeholders is central to how we operate and make decisions. We recognise that the individuals and groups who influence, or are affected by, our actions bring valuable perspectives, concerns and expectations that we must understand and respond to. For us, effective engagement is not simply about sharing information; it is about listening actively, building trust and creating opportunities for meaningful dialogue.

We aim to involve stakeholders early in the process so that we can surface insights, anticipate risks and identify potential areas of resistance before decisions are finalised. This helps us shape solutions that are practical, credible and aligned with stakeholder needs, rather than relying solely on internal assumptions. We also see engagement as a pathway to collaboration, where stakeholders can contribute ideas, expertise and support that enhance outcomes and create shared value.

The level of engagement we adopt varies depending on stakeholder influence and interest. Some relationships require close, ongoing interaction and co-creation, while others may be served through regular updates and opportunities for feedback. Regardless of the approach, we prioritise transparency, responsiveness and follow-through, because stakeholders need to see that their input matters and that we are accountable for the commitments we make.

To maintain effective relationships, we implement a structured engagement approach:

Stakeholder	Engagement Type	Frequency	Key Metrics / KPIs
Investors	Reports, briefings, meetings	Quarterly	ROE, EPS, dividend, occupancy
Tenants	Committees, surveys	Bi-annual	Occupancy, retention, SLA compliance
Residents	Forums, newsletters	Quarterly	NPS, complaints, amenities usage
Community	Public consultations, CSR projects	Bi-annual	Complaints, local employment, project impact
Employees	Training, feedback, recognition	Continuous	Retention, satisfaction, safety incidents
Contractors	Contract reviews, audits	Ongoing	On-time delivery, quality
Media / Analysts	Briefings, site visits	Quarterly	Media sentiment, coverage quality

Value added to stakeholders

The table below demonstrates how ORCL's strategy is designed to generate positive outcomes for the Company, through its holistic efforts to create stakeholder value.

Stakeholder	Value for the stakeholder	Value for the Company	Indicator	Outcome		Trend
				2025	2024	
Customers/ Tenants	<ul style="list-style-type: none"> Spaces that offer a wide range of services that meet customers' diverse needs A recognised and trusted provider of property services for residential, office space, shop space. 	<ul style="list-style-type: none"> More satisfied customers Enhanced reputation Increased customer loyalty Higher revenue from existing and new customers 	Growth in customer base (%)			
			World Trade Center	83%	85%	-2%
			Havelock City Mall	98%	94%	4%
			Mireka Tower	89%	42%	112%
			No. of complaints solved			
World Trade Center	2,600	2,829	-8%			
Havelock City Mall	59	30	97%			
Mireka Tower	932	878	6%			
	Growth in revenue from customers (%)	49%	61%	-20%		
Suppliers	<ul style="list-style-type: none"> Fair, ethical and transparent engagement when dealing with the Company 	<ul style="list-style-type: none"> Strong relationships and opportunities for mutual growth Ease of transacting and fair business practices 	No. of suppliers	1,976	2,608	-24%
Employees	<ul style="list-style-type: none"> A supportive work environment where all employees can achieve their full potential Performance-based culture that recognises and rewards employees Opportunities for career development An open culture 	<ul style="list-style-type: none"> Highly motivated and engaged workforce as a key competitive advantage A diverse and experienced workforce equipped to meet current and future needs of the company 	Payments to employees (Rs. Mn)	701,579	801,712	-12%
			Investment in training (Rs. Mn)	5,375	12,537	-57%
			Total training hours	2,981	5,969	-50%
			No. of promotions	18	20	-10%

RESPONDING TO OUR STAKEHOLDERS

Stakeholder	Value for the stakeholder	Value for the Company	Indicator	Outcome		Trend
				2025	2024	
Investors	<ul style="list-style-type: none"> Sustainable returns on investment 	<ul style="list-style-type: none"> Strong capital base to fuel growth 	Return on equity	14%	11%	27%
			Earnings per share	6.94	5.00	39%
	<ul style="list-style-type: none"> Increased earnings potential 	<ul style="list-style-type: none"> Greater trust in the Company 	Profit after tax (Rs. Mn)	8,631	6,210	39%
			Dividend per share (Rs.)	1.35	1.25	8%
Regulator	<ul style="list-style-type: none"> Contribution towards the country's revenue 	<ul style="list-style-type: none"> Sound corporate values, high ethical standards, market integrity and good conduct practices Sustainable operations 	Taxes paid (Rs. Mn)	337	355	-5%
Community and environment	<ul style="list-style-type: none"> Created employment opportunities 	<ul style="list-style-type: none"> Social and environmental compliance embedded into operational processes 	New employment opportunities	206	120	72%
			Reduction in carbon footprint (tCO ₂ e)	146.19	165.73	-12%

DETERMINING MATERIALITY

Materiality and Stakeholder Engagement (Dual Materiality Framework)

Overseas Realty (Ceylon) PLC recognizes that sustainable value creation requires addressing both financial materiality and impact materiality. Dual materiality helps the Group focus on issues that:

- Financial materiality: directly influence revenues, costs, profitability, and long-term business resilience.
- Impact materiality: reflect the environmental, social, and governance effects of the Group’s operations on stakeholders and society at large.

Our materiality determination process is grounded in the principles of dual materiality, recognising that sustainability issues are material not only when they influence our financial performance, but also when our activities have a significant impact on the economy, environment, society and stakeholders. This dual lens allows us to understand both how sustainability matters affect us, and how we, in turn, affect the world around us.

We begin by mapping the full spectrum of sustainability topics relevant to our industry, strategy and operating context, using regulatory frameworks, sustainability standards, peer insights and emerging global trends. We then assess these topics through two complementary perspectives: financial materiality, which

captures risks and opportunities that could influence our enterprise value, and impact materiality, which evaluates the scale and significance of our impacts on people, communities and the environment.

Stakeholder engagement plays a central role in this process. We engage with key internal and external stakeholders to understand their concerns, expectations and priorities, enabling us to identify sustainability topics that require heightened attention, transparency or strategic investment. Perspectives gathered are evaluated alongside data-driven assessments, risk analysis and subject-matter expertise to ensure that decision-making is both evidence-based and stakeholder-informed.

Once assessed, topics are prioritised based on their significance, likelihood and magnitude of impact or financial effect. These are then mapped to a materiality matrix that visually distinguishes issues posing material risk or opportunity to our business, as well as those with significant external impacts. This analysis informs

our strategy, performance metrics, disclosures and resource allocation, ensuring alignment between our sustainability priorities and organisational decision-making.

We periodically review and update our materiality assessment to reflect evolving stakeholder expectations, regulatory requirements, market dynamics and environmental or social conditions. Through this process, we embed materiality into the heart of our sustainability strategy, ensuring that our actions are financially sound, socially responsible and aligned with long-term value creation.

Dual Materiality Assessment 2025

We adopt a dual materiality approach to identify sustainability matters that are financially material (impacting enterprise value) and impact material (affecting society, the environment, and stakeholders). SLFRS S1 requires reporting on how sustainability matters affect enterprise value creation, while SLFRS S2 specifically focuses on climate-related risks and opportunities.

Material Topic	Financial Materiality	Impact Materiality	Relevant SLFRS Standard	Stakeholders Concerned	Priority
Revenue & Occupancy Stability	Office, retail, residential occupancy, leasing revenue, asset valuation, rental yield	Medium: provides stable workplaces & services for tenants	S1	Investors, Tenants, Property Managers	High
Residential Sales & Affordability	Cash flow, inventory turnover, asset recovery	High: access to housing, affordability, social wellbeing	S1	Apartment buyers, Investors, Local Community	High
Climate & Energy Management	Operating cost savings, energy efficiency, compliance with regulations, asset resilience	High: carbon emissions, energy use, contribution to climate change	S2	Investors, Regulators, Tenants	High
Environmental Impact	Regulatory penalties, reputational risks, insurance	High: waste, water, biodiversity impacts	S1/S2	Local community, Authorities, Investors	Medium-High

DETERMINING MATERIALITY

Material Topic	Financial Materiality	Impact Materiality	Relevant SLFRS Standard	Stakeholders Concerned	Priority
Health & Safety	Cost avoidance (accidents, insurance claims), operational continuity	High: employee, contractor, visitor safety	S1	Employees, Tenants, Contractors	High
Tenant & Customer Experience	Retention, revenue stability, reputation, lease renewals	Medium: work environment, shopping experience	S1	Tenants, Visitors	High
Regulatory & Legal Compliance	Avoid fines, litigation, license revocation	Medium: enforcement ensures societal norms	S1	Government, Regulators	High
Governance & ESG Disclosure	Investor confidence, financing, reputation	Medium: transparency, accountability	S1	Investors, Regulators	High
Innovation & Digitalization	Operational efficiency, smart building solutions	Medium: enhances user experience	S1	Tenants, Investors	Medium
Community Engagement & Social Impact	Reputation, social license, long-term project viability	High: traffic, local employment, CSR contributions	S1	Community, Residents	Medium

ORCL's material topics are evaluated for their effect on enterprise value creation over the short, medium, and long term:

Short-term (0-12 months)	Medium-term (1-3 years)	Long-term (3-10 years)
Leasing revenue, mall footfall, operational efficiency, safety compliance.	Residential sales, tenant retention, occupancy growth, ESG improvements, digitalization.	Climate resilience, energy efficiency, ESG reputation, community impact, regulatory alignment.

Climate-Related Risks & Opportunities (IFRS S2 Focus)

Climate Topic	Type	Impact on Business / Enterprise Value	Mitigation / Opportunity
Energy consumption	Transition risk	Higher operational cost if energy inefficient	Adopt energy-efficient systems, solar integration
Carbon emissions	Transition risk & reputational risk	Investor scrutiny, ESG score impact	Measure & disclose emissions, LEED certification
Extreme weather / flooding	Physical risk	Damage to buildings, business interruption	Climate-resilient design, risk-based insurance coverage
Water & waste management	Physical & regulatory risk	Compliance fines, community impact	Sustainable water systems, waste reduction initiatives
ESG-aligned investment	Opportunity	Attract ESG-conscious tenants and investors	Green certifications, transparent ESG reporting

Engagement & Reporting Mechanisms

- **Investors:** Quarterly ESG-integrated financial reports; sustainability updates; engagement on climate and social impacts.
- **Tenants:** Sustainable building operations, green initiatives, energy reporting, tenant advisory committee.
- **Community & Authorities:** CSR programs, traffic & environmental mitigation, regulatory reporting, local employment.
- **Employees & Contractors:** Health, safety, ESG training, digital tools for sustainability management.
- **Public & Media:** Annual sustainability disclosures aligned with SLFRS S1/S2, climate-related disclosures, website updates.

SEGMENTAL REVIEW OF OPERATIONS

Property Leasing



By December 2025, leased occupancy at World Trade Center Colombo moderated slightly from 85% to 83%. Despite the marginal decline in occupancy, average rental rates increased to Rs. 499 per sq. ft., reflecting resilient demand for premium office space. As a result, WTC Colombo recorded Revenue of Rs. 2,973 Mn and Gross Profit of Rs. 2,184 Mn, representing year-on-year growth of 7% and 9%, respectively.

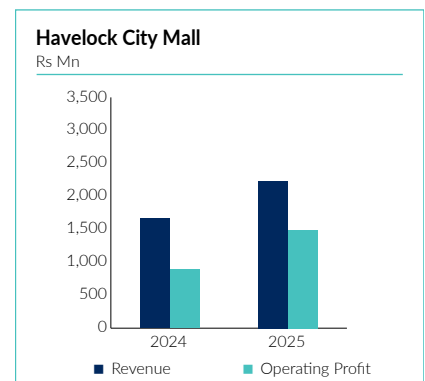
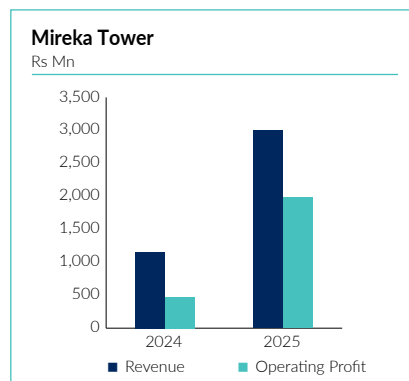
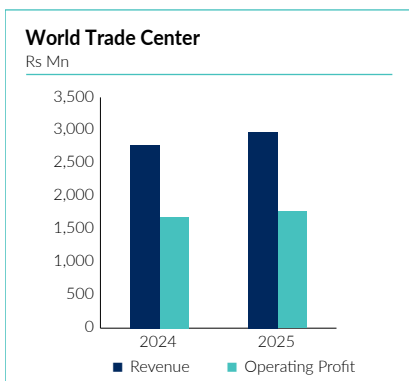
Mireka Tower achieved a leased occupancy of 89% by December 2025,

with average rental rates rising to Rs. 479 per sq. ft. during the year under review. The property delivered strong financial performance, recording Revenue of Rs. 2,995 Mn and Gross Profit of Rs. 2,364 Mn for the year ended 31 December 2025, marking significant year-on-year growth of 159% and 182%, respectively.

Havelock City Mall maintained a robust leased occupancy of 98% as at December 2025. Average rental rates increased to Rs. 823 per sq. ft., underscoring sustained

demand for premium retail space. Consequently, the mall recorded Revenue of Rs. 2,233 Mn, reflecting a 34% year-on-year increase, while Gross Profit rose by 44% to Rs. 1,747 Mn.

Overall, the Property Leasing Segment generated Revenue of Rs. 8,201 Mn and Gross Profit of Rs. 6,295 Mn for the year ended 31 December 2025, representing year-on-year growth of 46% and 55%, respectively.



SEGMENTAL REVIEW OF OPERATIONS

Property Trading

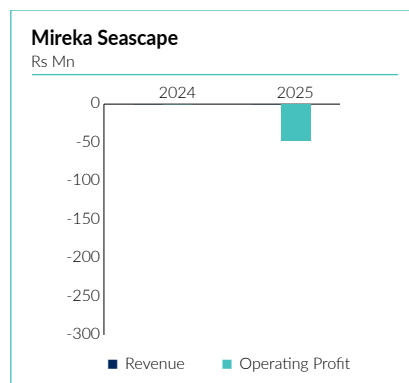
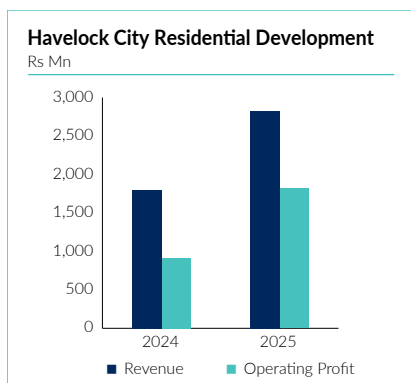


The Property Trading Segment recorded Revenue of Rs. 2,824 Mn and Gross Profit of Rs. 2,012 Mn for the year ended 31 December 2025, reflecting strong year-on-year growth of 57% and 75%, respectively.

Havelock City currently has an unsold inventory of 18 completed, move-in-ready apartments available for sale.

Mireka Seascape, comprising 168 luxury apartments and villas, is located in the tranquil coastal town of Dodanduwa along Sri Lanka’s southern shoreline. Launched in June 2025, the project received strong early market acceptance. Operating expenses amounting to Rs. 58 Mn were incurred for Mireka Seascape during the year under review.

The gradual recovery of the economy, together with improved political stability, is expected to strengthen market demand and accelerate sales offtake in 2026.



Property Services



Facility Management Division

The Facility Management Division continued to strengthen its position as a provider of integrated property management, energy management, and advisory solutions for both residential and commercial developments.

Supported by improved market dynamics, the Division recorded a 47% increase in Revenue to Rs. 633 Mn in 2025. This performance reflects the growing emphasis placed by property owners and developers on efficiency, sustainability, and long-term asset value enhancement.

Real Estate Agency Division

The Real Estate Agency Division, engaged in the leasing and sale of properties, operated within a market environment that remained measured yet progressively improving. The Division recorded Revenue of Rs. 34 Mn in 2025, broadly in line with the previous year.

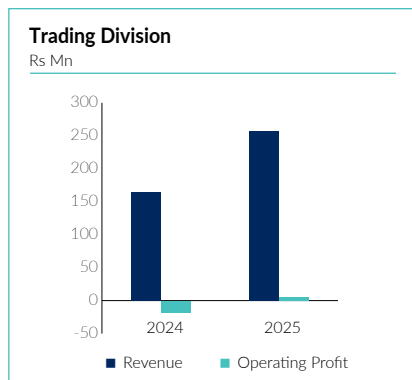
Despite relatively stable top-line performance, strengthened cost discipline and operational efficiencies enabled Realty Management Services to deliver a 26% increase in Gross Profit to Rs. 127 Mn during the year under review.

Trading Division

Overseas Realty Trading continued to build its presence in the projects market through its portfolio of exclusive distributorships serving the industrial, commercial, retail, hospitality, and residential sectors.

The construction industry in 2025 operated within a cautious yet recovery-oriented environment. While challenges persisted, activity levels improved gradually compared to previous years, supported by easing economic pressures and the early signs of renewed private sector investment.

Against this backdrop, the Trading Division delivered a strong recovery in performance. Revenue increased by 57% to Rs. 257 Mn, while Gross Profit rose by 84% to Rs. 114 Mn, reflecting improved trading volumes and enhanced margin management.



FINANCIAL CAPITAL

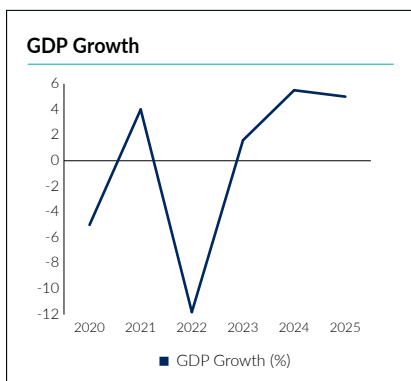
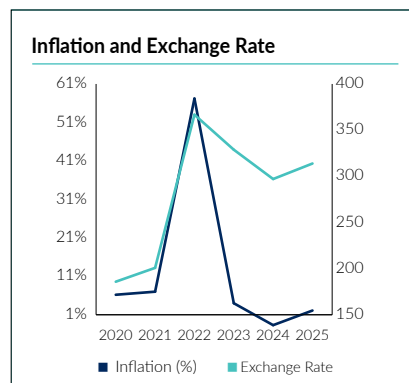


Overseas Realty is underpinned by a portfolio of premium, income-generating assets that deliver stable, recurring rental income and resilient cash flows. With disciplined capital management and capacity for expansion, this financial foundation supports consistent returns, reinvestment, and long-term value creation. It positions the Company to sustain growth while strengthening shareholder value over the long term.

The Economy

Sri Lanka's economy advanced by 5% year-on-year in the third quarter of 2025. Inflation in Sri Lanka rose in 2025, reaching 2.1% in December. Food inflation edged up to 3.3% from 3.0% in December, despite the impact of November's cyclone and subsequent floods, which caused significant damage to crops and infrastructure. Inflation is expected to stabilise around the targeted level of 5% over the medium term, according to the Central Bank.

The Sri Lankan rupee depreciated by 5.6% during the year 2025.



As the economy continues to stabilize, the Group recorded a worthy performance for the year under review.

Revenue

During the year under review, Group revenue stood at Rs. 11,944 Mn (2024 - Rs. 8,024 Mn). The main sources of income were derived from Overseas Realty (Ceylon) PLC; through leasing of office space at the World Trade Center (WTC) Colombo, Havelock City (Pvt) Ltd.; through leasing of office space at the Mireka Tower and retail space at the Shopping Mall at Havelock City (HC), Mireka Homes (Pvt) Ltd. (MHL); and Mireka Capital Lands (Pvt) Ltd.,(MCL); through the sale of condominium units at

Havelock City (HC), Realty Management Services (Pvt) Ltd., (RMS); through Property Management and Real Estate Agency services and Overseas Realty Trading (Pvt) Ltd., (ORTL); through trading of imported Building Materials.

Revenue from leasing spaces at WTC increased by 7% to Rs. 2,973 Mn (2024 - 2,692 Mn), due mainly to the increased rental rates.

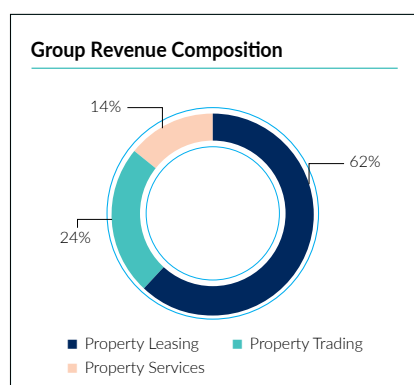
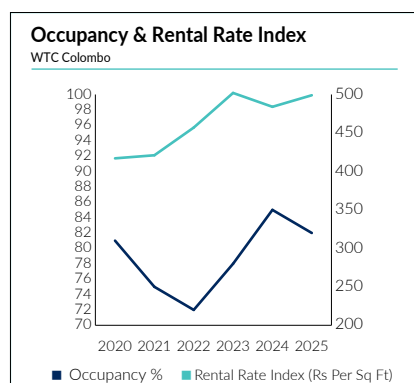
The Mireka Tower and Shopping Mall at Havelock City, generated a revenue of Rs. 5,228 Mn (2024 - Rs. 2,826 Mn) during the year, with an increase of 85% over the previous year.

Revenue from the sale of condominium units at Havelock City amounted to Rs. 2,824 Mn (2024 - Rs. 1,794 Mn), an increase of 57% over the previous year.

RMS contributed Rs. 669 Mn (2024 - Rs. 470 Mn) to the Group revenue including Rs. 634 Mn (2024 - Rs. 430 Mn) from Property Services and Rs. 34 Mn (2024 - Rs. 35 Mn) from Agency Services.

In December 2025, the Average Weighted Prime Lending Rate (AWPLR) increased to 11.48% compared to 10% in the previous year, while the Weighted Fixed Deposit Rate (AWFDR) decreased to 8.41% compared to 9.27% in the previous year.

ORTL contributed Rs. 257 Mn (2024 - Rs. 164 Mn) to the Group revenue from Trading of imported lighting solutions, LV Systems and Switches and Sockets during the current financial period.



Direct Operating Expenses

The Company's operating expenses for the year of Rs. 766 Mn (2024 - Rs. 754 Mn), included the expenditure on Members Contribution and Property Rates.

Group Direct Operating expenses excluding administration and marketing expenses were Rs. 3,285 Mn (2024 - Rs. 2,583 Mn), which was an increase of 27%, due mainly to the increased operations of the Havelock City Shopping Mall and the Office Tower.

Gross Profit

The Group Gross Profit of Rs. 8,659 Mn (2024 - Rs. 5,441 Mn) was 59% higher than prior year. Gross Profit from property leasing of the WTC Colombo was Rs. 2,184 Mn (2024 - Rs. 1,998 Mn), an increase of 9% over the previous

year, due mainly to an increase in service charges. The property leasing of Mireka Tower and shopping mall at Havelock City, earned a Gross Profit of Rs. 4,111 Mn (2024 - Rs. 2,055 Mn) during the year under review. Gross Profit from the sales of apartments at Havelock City was Rs.2,012Mn (2024 - Rs. 1,152 Mn), an increase of 75% over the previous year, due mainly to the higher revenue recognition from Phase 3 & Phase 4 apartment sales of Havelock City.

Fair Value Gain

The Company accounted for a fair value gain of Rs. 1,212 Mn from the Investment Property of the World Trade Center. Further, a fair value gain of Rs. 39 Mn was recorded from two floors of Overseas Realty Investments (Pvt) Ltd. The HCL Investment Property also recorded a gain of Rs. 1,973 Mn based on the independent surveyor's assessment for the year ended 31st December 2025. Accordingly, the total fair value gain for the Company and Group was Rs. 1,211 Mn and Rs. 3,223 Mn respectively.

Operating profit

The Company's operating profit (excluding fair value gain) of Rs. 1,690 Mn (2024 - Rs. 1,627 Mn) was 4% higher than last year, due mainly to increase in service charges. Consequently, the operating profit margin of 59% (excluding fair value gain) was slightly lower than last year. Havelock City (Pvt) Ltd recorded an operating profit (excluding fair value gain) of Rs. 3,363 Mn during the year, securing an operating Profit Margin of 66%.

Finance Income and Finance Expenses

The Group recorded a Finance income of Rs. 323 Mn (2024 - Rs.376 Mn) during the year, a decrease of 14% over the previous year, mainly due to the lower market interest rates.

The Group recorded a finance cost of Rs. 965 Mn (2024 - Rs. 1,399 Mn) during the year, which represents interest expenses on the Havelock City project borrowings.

Exchange Gain/Loss

The Company recorded an exchange gain of Rs. 111 Mn from USD denominated Fixed Deposit and Trade Debtors. The Group recorded a net exchange loss of Rs. 511 Mn on USD loans obtained for Havelock City (Pvt) Ltd and USD denominated Fixed Deposit and Trade Debtors.

Profit Before Tax (PBT)

The Group Profit Before Tax (Excluding Fair Value Gain) for the year of Rs. 6,043 Mn (2024 - Rs. 4,794 Mn) was 26% higher than last year, due mainly to higher operating profits from Havelock City Office Tower and Shopping Mall and lower interest costs. The Company and Havelock City (Pvt) Ltd earned a Profit Before Tax (excluding fair value gain) of Rs. 1,964 Mn and Rs. 1,967 Mn respectively.

Taxation

The income tax expense of the Group and the Company for the year was Rs. 635 Mn (2024 - Rs. 405 Mn) and Rs. 95 Mn (2024 - 145 Mn) respectively. The Group Income tax expense for the year was 57% higher than the previous year due mainly to the recognition of Deferred Tax on Temporary Differences arising from the fair value gain of Havelock City (Pvt) Ltd.

Cash and Borrowings

The Group's cash and short-term investment as at 31st December 2025 were Rs. 6,382 Mn (2024 - Rs. 4,188 Mn) representing a significant increase of 52% over the previous year, due mainly to improved Profitability in Havelock City (Pvt) Ltd.

The Group's total borrowing was Rs. 10,961 Mn (2024 - Rs. 15,162 Mn), which mainly includes loans obtained to finance the Havelock City Commercial Development Project undertaken by Havelock City (Pvt) Ltd.

FINANCIAL CAPITAL

Net Assets

The Group Net Asset value per share as at 31st December 2025 stood at Rs. 52.96 (2024 - Rs. 47.32).

Earnings per Share

The Group earnings per share for the year 2025 was Rs. 6.94 per ordinary share (2024 - Rs. 5.00).

Price Earnings Ratio

The Price Earnings Ratio of the Company as at 31st December 2025 was 6 times (2024 - 5 times).

Return on Equity (ROE)

The Group Return on Equity (ROE) was 14% for the year 2025 (2024 - 11%).

Assets

The total Group asset base increased by 6% to Rs. 83,777 Mn in the year 2025. The increase was mainly derived from the Investment Properties and Cash and Short-term Investment.

Liability

Total Liabilities as at 31st December 2025 decreased to Rs. 17,947 Mn compared to Rs. 20,528 Mn in the previous year, due mainly to the loans settlements during the year.

Total Equity

Total Equity of the Group increased by Rs. 7,012 Mn to Rs. 65,830 Mn (2024 - Rs. 58,819 Mn) mainly due to the increased profit after tax.

Accounting Policies

The Financial Statements contained in this report are prepared in accordance with the Sri Lanka Financial Reporting Standards (SLFRS), the requirements of the Colombo Stock Exchange and the Companies Act No. 07 of 2007.

Future Plans



- Reduce the exposure to USD denominated liabilities.
- Grab potential new opportunities with regard to Property Development.
- Reduce the cost through sustainability measures.

MANUFACTURED CAPITAL



Manufactured Capital represents the physical and digital infrastructure that form the backbone of ORCL’s value creation. As the owner and operator of some of Sri Lanka’s most iconic real estate assets, the Company remains committed to enhancing asset quality, operational resilience, and long-term sustainability across all properties.

Strategic Priority	Value Delivered in 2025
Asset Enhancement & Maintenance	Improved asset reliability and preserved landmark quality through regular upgrades, preventive maintenance, and continuous enhancement of facilities.
Operational Efficiency & Building Performance	Optimised building operations through intelligent management systems, energy-efficient air-conditioning, and enhanced service reliability.
Safety, Security & Resilience	Strengthened safety standards with continuous CCTV surveillance, upgraded fire detection systems, access controls, and emergency readiness.
Digital Infrastructure Advancement	Enhanced connectivity and operational efficiency through investments in fibre-optic networks, digital systems, and upgraded IT infrastructure.
Customer & Tenant Convenience	Improved overall user experience with smart parking systems, automated kiosks, and reliable power backup, ensuring seamless daily operations.
Sustainable and Smart Building Practices	Progressed toward long-term sustainability through smart technologies, efficient resource use, and environmentally responsible building operations.

Physical Infrastructure

ORCL’s property portfolio includes some of the most prestigious and widely recognised developments in Sri Lanka:

Investment in Asset Upgrades

To preserve the quality and longevity of ORCL’s landmark properties, the Group continued to invest in upgrading furniture, fittings, and equipment across its key developments. These enhancements support improved customer experiences, operational reliability, and sustained asset value.

World Trade Center, Colombo

One of the tallest Grade A office buildings in the country, located at the heart of Colombo’s business district, offering world-class amenities and attracting a diverse corporate clientele.

Havelock City

A premier urban development comprising luxury residential towers, Sri Lanka’s most modern shopping mall, a state-of-the-art clubhouse, and the landmark Mireka Tower office complex.

MANUFACTURED CAPITAL

Property	2022	2023	2024	2025
World Trade Center (Rs.)	450,257	734,400	283,719	1,220,730
Havelock City Mall & Mireka Tower (Rs.)	37,436,707	44,515,596	50,399,135	33,029,191

The above investments were made to upgrade furniture, fittings and equipment.

Land and Property

The Company's portfolio of land and buildings represents a vital strategic asset, enabling the creation of long-term value. At present, the Company holds five properties, strategically located across Colombo and Galle districts, supporting commercial, recreational, and future development opportunities.

Property	Location	Extent
World Trade Center	Echelon Square, Colombo 01	2A
Havelock City Clubhouse	Havelock Road, Colombo 06	3R 22P
Havelock City Commercial	Havelock Road, Colombo 06	4A 3R 32P
Dodanduwa Land	Galle	2A 0R 39P
Havelock City - Phase IV	Havelock Road, Colombo 06	3R 27P

Digital Infrastructure Investments

ORCL continues to prioritise investment in digital technologies to enhance efficiency, modernise operations, and elevate the overall tenant and customer experience. By strategically deploying resources in digital infrastructure, we are streamlining processes, improving service delivery, and driving innovation across our properties.

Property	2022	2023	2024	2025
World Trade Center (Rs.)	617,501	848,500	2,646,010	2,755,500
Havelock City Mall & Mireka Tower (Rs.)	32,189,077	19,708,180	18,551,350	2,410,403

Above investments were made for the acquisition of computer, electronic equipment, development of software and introduce applications.

Future Plans





ORCL remains focused on enhancing its Manufactured Capital to maximise stakeholder value. Key priorities include:

- Asset enhancement and preventive maintenance across all landmark properties.
- Upgrading amenities and common areas to elevate working, living, and shopping experiences.
- Investing in smart and sustainable infrastructure, including energy-efficient systems, automation tools, and advanced building technologies.
- Develop a land bank for future Property development related opportunities.

SOCIAL AND RELATIONSHIP CAPITAL



Social and Relationship Capital reflects the strength of ORCL’s relationships with tenants, customers, regulators, service partners, and the surrounding communities across its properties. These relationships underpin service excellence, high occupancy levels, customer loyalty, and ORCL’s reputation as a trusted and customer-centric real estate developer.

Strategic Priority	Value Delivered in 2025
Tenant Relationship Strengthening 	Deepened tenant engagement through recognition programmes, regular touchpoints, and responsive support mechanisms
Customer Experience Enhancement 	Enhanced retail, entertainment, F&B offerings, and loyalty platforms to drive footfall and satisfaction.
Community & CSR Engagement 	Delivered impactful health, children’s welfare, and community support initiatives.
Regulatory Coordination 	Maintained smooth licence renewals and compliance through proactive engagement with authorities.
Footfall & Sales Growth 	Achieved strong year-on-year growth in mall visitors and tenant sales performance.
Urban & Economic Contribution 	Supported employment generation and uplifted surrounding neighbourhoods through landmark developments

World Trade Center

As Sri Lanka’s leading commercial address, the WTC Colombo integrates business with lifestyle, offering a sophisticated and innovative space for professionals and clients.

World-Class Facilities

Home to prominent multinational corporations, the WTC Colombo boasts premium office spaces equipped with advanced technology and sustainable design principles.

Customer-Centric Services

Comprehensive services, such as concierge facilities and secure access systems, cater to tenant needs, ensuring a smooth and efficient operational environment.

Community Initiatives

Regular networking events, corporate wellness programs, and festive celebrations foster a sense of community among tenants and visitors.

Technology Integration

WTC Colombo remains at the forefront of technological advancements, including real-time footfall tracking systems and data-driven space optimization, ensuring seamless tenant and visitor experiences.

Mireka Tower

Mireka Tower strengthened tenant relationships in 2025 through proactive engagement, consistent service quality, and transparent communication. Modern facilities, responsive operational support,

SOCIAL AND RELATIONSHIP CAPITAL

and structured feedback mechanisms enabled uninterrupted business operations and reinforced tenant confidence.

Proactive Tenant Engagement

Regular discussions, personalised support, and structured onboarding for new tenants.

Integrated Service Support

A 24/7 Help Desk providing continuous assistance for operational and facilities-related matters.

Feedback & Communication

Annual tenant satisfaction surveys, frequent e-flyers, and open communication channels to address concerns early.

Operational Excellence

Efficient maintenance, prompt technical support, and coordinated facilities management ensured seamless building operations.

Sustained Occupancy & Reputation

Strong tenant retention reinforced Mireka Tower's premium positioning and strengthened ORCL's commercial real estate brand.

Mireka Tower contributes to Colombo's urban and economic development by attracting local and international businesses, supporting job creation, and enhancing the cityscape through modern architecture and sustainable practices. In parallel, the Tower continues to strengthen stakeholder trust and transparency through focused, forward-looking initiatives:

- Regular feedback engagements to enhance tenant communication
- Improved digital channels for timely information sharing
- Increased emphasis on sustainability and CSR reporting
- Continued focus on service excellence, safety, and accessibility

Havelock City Mall

Havelock City Mall continued to strengthen its role as a vibrant community hub in 2025, driving customer engagement, tenant performance, and social impact through a curated calendar of experiential events and meaningful community initiatives. These efforts enhanced footfall, boosted tenant sales, and reinforced the Mall's position as a preferred lifestyle destination in Colombo.

Tenant Relationships & Satisfaction

Havelock City Mall continued to excel in nurturing strong, transparent, and



<https://havelockcitymall.lk/>

Strong Engagement & Supportive Tenant Management:

Dedicated Relationship Management

Two Leasing representatives maintained regular communication with tenants, ensuring concerns were addressed early and expectations were managed effectively.

Responsive Operational Support

All operational and technical requests were efficiently handled through the tenant services team, concierge operations, and a 24HR central help desk, enabling seamless day-to-day operations.

Tenant Recognition Awards 2025

To commemorate its second anniversary, Havelock City Mall conducted Sri Lanka's first Tenant Recognition Awards at a shopping mall, recognising outstanding tenant performance and collaboration while reinforcing trust and long-term partnerships.

responsive relationships with its tenants. The mall maintained a consistent engagement model that ensured needs were addressed promptly, feedback was heard, and partnerships were strengthened.

Touchpoints

Through dedicated touchpoints such as concierge services, a user-friendly interactive website, vibrant social media channels, and the HCM Loyalty Smiles platform, the mall maintains continuous engagement with its patrons. These channels enable the collection of valuable feedback, helping to enhance customer experiences and address evolving needs.

Tenant Morning

Regular tenant review meetings were conducted to facilitate open communication, provide marketing and promotional support, explore partnership opportunities for business growth, and recognise tenant contributions.

Engagement with Government Regulators & Partners

Regulatory engagement remained smooth and issue-free throughout the year.

- Tenants were supported with necessary documentation, including Certificates of Conformity and building approvals, to obtain or renew trading licences.
- Public Health Inspectors (PHIs) continued regular inspections of F&B tenants.
- All operations were coordinated efficiently with regulatory authorities.
- Close cooperation ensured uninterrupted business performance and full compliance.

Customer & Community Engagement Events

A diverse range of signature events was hosted during the year, attracting families, art enthusiasts, sports fans, and lifestyle audiences while delivering measurable commercial outcomes for tenants.

Kid's Art Competition

March 2025

A family-focused creative event encouraging artistic expression among children, drawing strong weekend footfall.



Avurudu at Havelock City Mall

April 2025

A vibrant celebration of Sri Lankan traditions through culture, colour, games, and festive shopping experiences.



SOCIAL AND RELATIONSHIP CAPITAL

Warna - "A Festival of Art"

May 2025

For the first time in Sri Lanka a festival of arts was conducted at a shopping mall showcasing internationally-renowned local elite artists and a platform for budding artists and craftsman was created.

Attracting art & craft collectors and enthusiasts and large crowds to experience the wonders of art and crafts creations from our very own Sri Lankans.



Celebrating Two Years at Havelock City Mall

October 2025

Second anniversary of redefining urban retail, community connection, and memorable experiences for shoppers and partners.



Checkmate 2025 – Blitz Chess Fiesta**June 2025**

A competitive and interactive chess event that attracted a niche yet highly engaged audience.

**Elite Auto Show 2025****July 2025**

A premium automobile showcase that drew enthusiasts and high-intent visitors to the Mall.



SOCIAL AND RELATIONSHIP CAPITAL

CarniWow 2025

August 2025

A carnival-style event designed to appeal to families and younger audiences.



Wonderland 2025

October 2025

A large-scale seasonal attraction that enhanced festive engagement across multiple days.



Corporate Social Responsibility (CSR) Initiatives – 2025

Havelock City Mall remained committed to delivering positive social impact through inclusive and purpose-driven CSR initiatives aligned with national priorities and community well-being.

Pink For Life – National Breast Cancer Awareness Month

October 2025

Havelock City Mall partnered with Pink For Life, the National Breast Cancer Awareness Month initiative. From insightful awareness sessions and a moving fashion show to a vibrant exhibition, the event served as a powerful reminder of the strength and resilience within our community. Through this meaningful partnership, HCM helped raise awareness, celebrate survivors, and honour those continuing their fight against breast cancer.



I See You – Mental Health Awareness campaign with Stephanie Siriwardhana

December 2025

In collaboration with Stephanie Siriwardhana, a symbolic mirror installation was placed along the Mall walkway to encourage self-reflection and conversations around mental well-being.

SOS Children’s Village Fund Raising Initiative

December 2025

A charity booth at the Christmas Village (Level 1 Atrium) supported SOS Children’s Villages by raising funds for children’s meals, reinforcing the Mall’s commitment to supporting vulnerable communities.



SOCIAL AND RELATIONSHIP CAPITAL

Havelock City Mall Cares – Flood Relief Initiative

December 2025

Havelock City Mall Cares, a community outreach initiative, actively supported families affected by the floods across Sri Lanka. Over three days, essential dry rations and relief items were collected at two central points: Mireka Tower and the World Trade Centre. Thanks to the generous contributions from the public, the initiative gathered a substantial number of relief packs, which were distributed on 4th December to more than 1,000 families impacted by the floods.



Tenant Engagement & Support Initiatives

Havelock City Mall continued to invest in long-term tenant success through:

- Performance Monitoring & Review: Regular assessments of tenant sales performance with targeted support to improve turnover.
- Assisted Promotions: Helping tenants develop marketing initiatives and promotional campaigns when sales declined.
- Free Advertising Support: Including digital screens, in-mall displays, and the Mall's social media channels.
- Collaborative Marketing: Joint campaigns to boost brand visibility, footfall, and sales.

These efforts strengthened the partnership mindset - recognising that tenant success directly contributes to mall performance and customer attraction.

Christmas at Havelock City Mall

December 2025

The mall transformed into a festive wonderland, with seasonal entertainment, exclusive offers, and magical moments.



Supporting Local and Global Brands

The Company's approach to retail emphasizes a balance between supporting local and international brands. The mall houses a mix of popular global names such as Nike, Adidas, Polo, Aldo etc. alongside beloved local household names.

By maintaining an over 95% occupancy rate, Havelock City Mall provides a thriving platform for tenants, reinforcing its reputation as a leading retail destination in Colombo.



Contribution to National & Urban Development

Havelock City Mall continued to play a significant role in economic and urban enhancement:

- Job Creation: Over 80 direct employment opportunities at the mall, in addition to extensive indirect jobs created by 113 retailers and multiple service providers.
- Elevating Lifestyles: Introducing modern mall culture, recreational spaces, and premium entertainment options for surrounding communities.
- Boosting Colombo's Attractiveness: Enhancing tourism appeal with state-of-the-art facilities, including one of Sri Lanka's most advanced cinemas.
- Secondary Economic Impact: Continuous demand for goods, logistics, services, and supply chains supporting retailers.

Building Trust & Transparency

Trust remained anchored in transparent processes, international-standard mall management practices, and consistent performance. With the highest trading density per square foot among Colombo malls, tenants recognised Havelock City Mall as a top-performing destination.

Partnerships were strengthened by:

- Prompt communication
- Clarity on operational procedures
- Continuous sharing of performance insights
- Ending the year with a 98% occupancy rate

Customer Engagement, Loyalty & Footfall Growth

The Havelock City Mall App remained a critical engagement tool, offering customers points, vouchers, parking redemption, and reward options including movie coupons.

- Active loyalty membership now stands at ~30,000 customers.
- Customers can redeem points instantly, enhancing convenience and loyalty stickiness.
- Launch of the HCM Smiles Signature – Residents Loyalty Card recognizing the Havelock City Residents and their valued loyalty.

Performance Highlights:

- Customer footfall has grown by ~30% YoY.
- Mall-wide sales increased by ~40% YoY.

- Total cumulative visitors since opening will reach 9.2 million by the end 2025.

These numbers reinforce the Mall's position as one of Sri Lanka's most successful retail destinations.

**Future Outlook
Strengthening Customer & Tenant Experience**



Looking ahead, Havelock City Mall plans to enhance:

- Entertainment offerings to elevate customer experience.
- F&B diversity, introducing new culinary choices aligned with global trends.
- Enhanced loyalty programme features to reward customer engagement.
- Increasing parking capacities to mitigate conjunction.

HUMAN CAPITAL

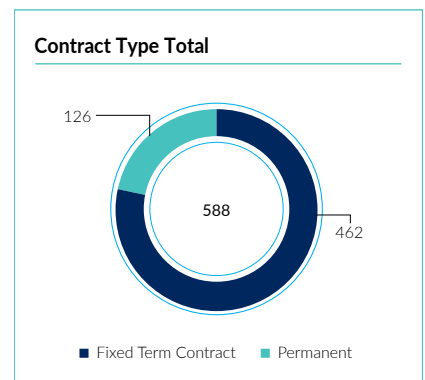
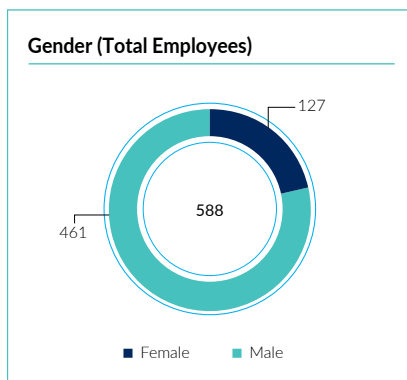


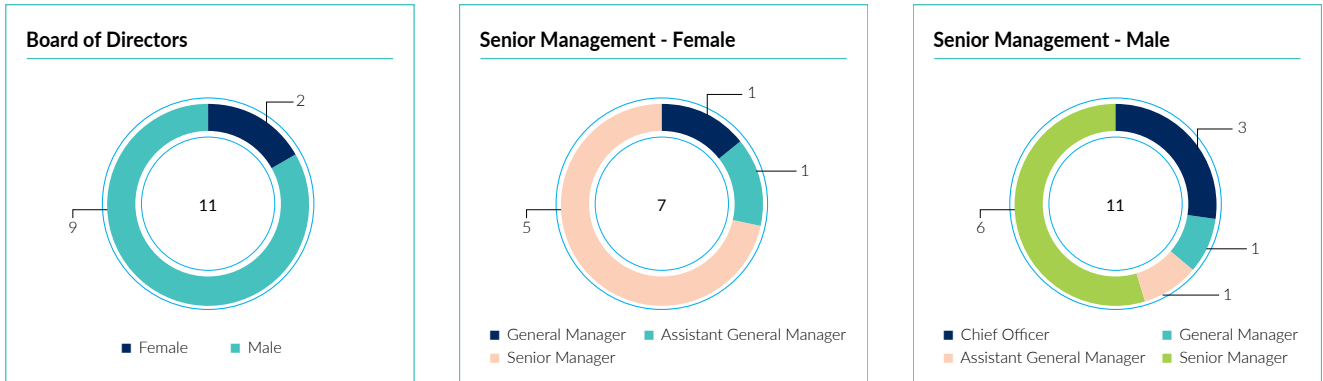
Our Human Capital strategy focuses on building an empowered, engaged, and future-ready workforce. Guided by values of integrity, teamwork, empowerment, and a customer-centric culture, ORCL remains committed to creating an enabling environment where people thrive and contribute to long-term growth.

Strategic Priority	Value Delivered in 2025
Employee Morale & Engagement	 Strengthened employee morale through high participation in corporate events, team activities, and training sessions.
Leadership & Career Development	 Enhanced leadership pipeline and career growth through Speechcraft programmes, finance-for-non-finance training, performance evaluation workshops, and overseas exposure visits.
Workplace Safety & Well-being	 Maintained international safety standards at Havelock City and WTC through updated drills, protocols, and well-being initiatives.
Learning & Development	 Expanded organization-wide learning with soft skills training, technical programmes, managerial development sessions, and specialized industry training.
Employee Retention & Motivation	 Sustained strong retention supported by open-door leadership access, competitive pay including 13th month salary, performance-based incentives, and ongoing engagement activities.

Workforce Composition

Our workforce in 2025 continued to demonstrate diversity across gender, roles, and employment categories. We remain committed to achieving gender parity and balanced representation at all levels of the organization. While male employees continue to form a larger share of managerial and senior leadership positions, efforts are ongoing to promote inclusivity and expand pathways for greater female representation across the Group.



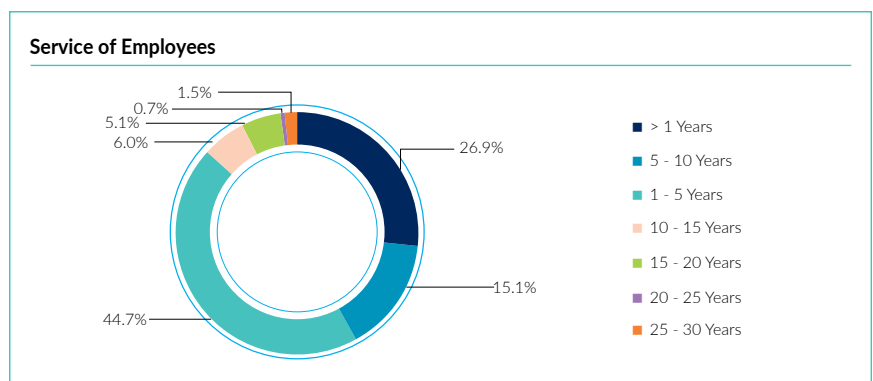


The table below presents the total number of employees categorized by gender and job designation, highlighting workforce distribution across various roles within the organization.

Category	Female	Male	Total
Director	2	9	11
Chief Officer	-	3	3
General Manager	1	1	2
Assistant General Manager	1	1	2
Consultant	2	5	7
Senior Manager	5	6	11
Manager	6	23	29
Assistant Manager	12	33	45
Senior Executive	15	28	43
Executive	45	48	93
Junior Executive	14	8	22
Non-Executive	24	296	320
Grand Total	127	461	588

Service Analysis of Employees

Our workforce in 2025 reflects a well-balanced mix of tenure, combining the strengths of seasoned professionals with the energy of newer talent. A significant proportion of employees fall within the 1 to 5-year service range, demonstrating the organisation's ability to attract and retain skilled individuals during a formative stage in their careers. At the same time, a strong group of employees with over 10 years of service highlights the deep commitment and loyalty cultivated within ORCL's work culture.



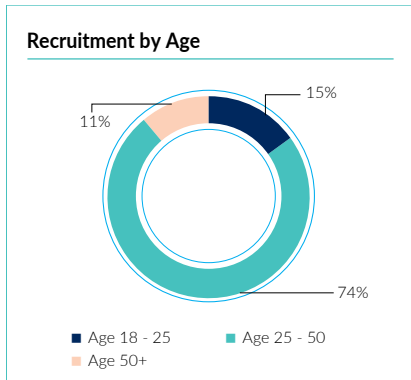
HUMAN CAPITAL

Recruitment and Retention

Recruitment efforts in 2025 emphasised attracting skilled talent capable of supporting growing operational demands across Havelock City, WTC, Mireka Tower, and RMS. A structured recruitment process including background checks, assessments, and competency-based interviews ensured high-quality hires.

Employee retention remained strong, backed by:

- An open-door culture extending from senior leadership to operational levels
- Competitive remuneration including the 13th month salary
- Annual performance-based incentives
- Corporate engagement activities and recognition frameworks



Remuneration and Recognition

A ORCL maintains a performance-driven culture where contributions are recognised through monetary and non-monetary rewards.



Category	Female	Male	Grand Total
Senior Manager	-	1	1
Manager	2	8	10
Assistant Manager	7	14	21
Senior Executive	3	6	9
Executive	33	30	63
Junior Executive	6	5	11
Non-Executive	9	82	91
Grand Total	60	146	206

Attrition

Employee attrition in 2025 was observed across various age groups and employment categories, offering important insights into workforce dynamics. The highest movement occurred within the 25-50 age range, which is typically the most active phase of career progression in the industry. Turnover among executive-level employees was relatively higher compared to non-executive roles, indicating the need for continued focus on targeted retention and career development initiatives for mid-tier leadership.

Differences in turnover patterns between male and female employees also highlight opportunities to further strengthen gender-focused retention strategies.

Attrition Rate	Female	Male	Total
Age 18 -25	2	7	9
Age 25 - 50	8	25	33
Age 50 +	2	5	7
Total	12	37	49

Turnover Rate	
Male	10%
Female	12%
Total	10%
Non-Executive	11%
Executive	15%


Performance Measurement Process

ORCL follows a structured and transparent performance evaluation framework designed to support employee growth, align individual goals with organizational priorities, and ensure fair and consistent assessments across all levels. The process includes:



Gender Parity

Gender parity remains a key focus of our commitment to diversity and inclusion. ORCL strives to maintain a workplace where every individual feels respected, valued, and supported, regardless of gender. Achieving balanced representation is essential to fostering innovation, enhancing decision-making, and strengthening our ability to serve a diverse customer base.

 <p>Embracing Gender Diversity</p> <p>Creating an environment that welcomes and respects employees of all genders, ensuring equitable participation across the organization.</p>	 <p>Promoting Equal Opportunities</p> <p>Upholding unbiased recruitment, promotion, and development practices that enable merit-based growth and advancement.</p>	 <p>Fostering Inclusion</p> <p>Building a supportive culture where all employees feel empowered, included, and provided with equal opportunities to contribute and progress.</p>
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Parental Leaves

ORCL supports work-life balance through comprehensive parental leave policies, ensuring employees are supported during significant life events.

In 2025, one female employee availed maternity leave.

Employee Engagement Activities

Employee engagement continued to be a central pillar of ORCL's people strategy in 2025, fostering a motivated, collaborative, and connected workforce. A variety of initiatives were introduced to strengthen team spirit, enhance well-being, and promote a positive workplace culture. Key activities included:

- Team-building and social events that encouraged collaboration and strengthened interpersonal relationships.
- Sports meets, wellness initiatives, and annual gatherings designed to promote physical well-being, camaraderie, and overall morale.
- Pirith chanting ceremonies and cultural celebrations that nurtured togetherness and supported work-life harmony.
- Open-door access to leadership, enabling employees to freely communicate concerns, ideas, and feedback in a supportive environment.



HUMAN CAPITAL



Learning and Development

Our commitment to continuous professional growth is reflected in the extensive training initiatives conducted in 2025, aimed at enhancing technical expertise, leadership capabilities, and functional skills.

Key initiatives included:

- **Speechcraft Programme (Toastmasters)**

Enhancing communication, presentation, and language skills for employees at Havelock City and WTC. The programme will continue into 2026.

- **Finance for Non-Finance**

Tailored modules to improve financial literacy and decision-making across non-finance functions.

- **Performance Evaluation Training**

Delivered to assistant managers and above, focusing on conducting effective and unbiased performance reviews.

- **Technical Skill Enhancement**

- ◆ Training/Workshops on implementation of Sustainability related Standards S1 and S2 for Sustainability Steering Committee.
- ◆ Training on the Personal Data Protection Act No. 9 of 2022 for Head of Departments.
- ◆ Training for maintenance teams, RMS staff, and operational units.

- **Overseas Exposure and Industry Visits**

- ◆ Shopping Mall Management Training in Mauritius
- ◆ Dubai site visit for Havelock City management
- ◆ RMS team training on facility management best practices

Upcoming Initiatives

- ◆ AI-readiness training for future organisational needs

Training Type	No. of Participants	No. of Trainings Per Type	Investment (Rs)
Leadership Development	60	2	433,430
Corporate Value Development	300	7	1,191,260
Technical Development	129	25	2,049,026
Soft Skill Development	170	28	1,701,000
Total	659	62	5,374,716

Employment Category	Male (Avg. Hours)	Female (Avg. Hours)	Total (Avg. Hours)
Executive	1,346	589	1,935
Non-Executive	945	101	1,046
Total	2,291	690	2,981

Labor Practices

ORCL remains committed to fostering a fair, ethical, and inclusive workplace where employees are respected, valued, and supported in their growth. Key practices include:



Fair Compensation & Benefits
Ensuring equitable and competitive remuneration.




Health & Safety
Maintaining a safe and secure work environment.



Employee Engagement
Promoting initiatives that support professional growth and well-being.



Well-Being Programs
Supporting physical, mental, and emotional health.




Grievance Mechanism
Providing a structured process for employees to raise concerns and receive prompt resolutions.




Resignation, Termination & Transfers
Managing transitions with fairness, transparency, and respect for employee dignity.



Compliance & Anti-Corruption
Adhering strictly to laws and regulations, ensuring ethical operations and decision-making.



Diversity & Inclusion
Celebrating differences and creating a workplace where every voice is heard and valued.

Future Outlook 2025 and Beyond 

Looking ahead, ORCL's HR strategy focuses on:

- **Succession Planning:** Building a strong leadership pipeline.
- **Employee Retention:** Offering personalised career development pathways and enhanced engagement initiatives.
- **Strengthening Organisational Culture:** Deepening the integration of core values across the organisation.
- **Technical and AI Capability Building:** Preparing employees for future technological and operational requirements.

NATURAL CAPITAL



At Overseas Realty (Ceylon) PLC (ORCL), Natural Capital reflects our commitment to environmental sustainability and responsible resource management. WTC Colombo and Havelock City exemplify our efforts to minimize environmental impacts while delivering superior service quality, setting benchmarks in Sri Lanka's commercial real estate sector.

Strategic Priority	Value Delivered in 2025	
Energy Efficiency		Reduced energy consumption and maintained efficiency benchmarks.
Renewable Energy		Initiated solar PV projects at WTC and Havelock City.
Waste & Water Management		Strengthened recycling and rainwater harvesting systems.
Green Certifications		Maintained ISO 50001: 2018 and LEED Gold certifications.
Tenant Engagement and Awareness		Promoted recycling and sustainability awareness.
Recognition and Benchmarking		WTC - Colombo won Gold award as the Most Energy Efficient Commercial Building in Sri Lanka for 2025.
		WTC - Colombo won Silver Award at National Cleaner Production Awards Ceremony held in Colombo.
Recognition and Benchmarking		

At Overseas Realty (Ceylon) PLC (ORCL), Natural Capital represents the environmental resources and ecosystem services that underpin the long-term resilience, operational continuity, and value creation of our commercial real estate portfolio. Our approach recognises that energy, water, air quality, land use, and waste streams

are critical inputs to our business model and must be managed responsibly to safeguard both financial performance and stakeholder trust.

In alignment with the enhanced disclosure requirements under SLFRS S1 and SLFRS S2, Natural Capital reporting this year focuses on how environmental

resources are integrated into strategy, risk management, and performance monitoring. Detailed governance, risk management processes, climate-related metrics, and targets are presented under the Sustainability Related Disclosures section of this Report.

Our Approach to Natural Capital Management

Natural Capital stewardship at ORCL is embedded within the operational management of:

- **World Trade Center - Colombo**
- **Havelock City mixed use development**

Both properties are managed as high-performance commercial assets with structured environmental management systems, internationally recognised certifications, and continuous monitoring mechanisms.

Our approach is guided by four core principles:

1. Resource Efficiency – Optimising energy, water, and material use.
2. Decarbonisation – Reducing Scope 1 and Scope 2 greenhouse gas emissions intensity.
3. Pollution Prevention – Minimising waste generation and ensuring responsible disposal.
4. Resilience and Adaptation – Strengthening asset durability against climate-related physical risks.

Energy and Decarbonisation

Energy represents the most material natural capital dependency within our operations. Electricity consumption directly influences operating costs, carbon emissions, and tenant service reliability.

Across both WTC Colombo and Havelock City, energy management is driven through:

- ISO 50001-based structured energy management systems
- Continuous monitoring of energy intensity (kWh/sqm/year)
- HVAC optimisation and part-load efficiency improvements

- LED lighting conversions and intelligent controls
- Variable Frequency Drive (VFD) installations
- Building automation refinements
- Progressive integration of rooftop solar PV systems (300kW at each location – implementation phase)

Energy intensity reduction targets are established on an intensity basis and reviewed annually. Performance progress and GHG emission data are disclosed under Sustainability Related Disclosures – Metrics and Targets.

Our decarbonisation strategy is designed not only to reduce emissions but also to enhance energy resilience against grid volatility and regulatory transition risks.

Water Stewardship

Water is managed as a critical operational resource with structured conservation practices in place at both properties.

Key initiatives include:

- Rainwater harvesting systems
- Condensate water recovery systems
- Water-efficient sanitary fittings aligned with green building standards
- Routine monitoring of consumption patterns
- Leak detection and preventive maintenance
- Cooling tower water quality management

These initiatives reduce dependence on municipal supply, enhance operational reliability during drought conditions, and contribute to long-term resource conservation.

Water intensity monitoring and targets are reported in the Sustainability Related Disclosures section.

Waste Management and Circularity

Waste generation within high-density commercial properties presents environmental and reputational risks. ORCL adopts a structured waste segregation and responsible disposal framework designed to support circular economy principles.

Across both developments:

- Waste is segregated at source (general, recyclable, organic, hazardous streams).
- Certified and authorised recycling partners are engaged.
- E-waste, lamps, batteries, and maintenance-related hazardous materials are handled through controlled processes.
- Tenant engagement programmes reinforce proper disposal behaviours.

Operational audits and monitoring ensure compliance with environmental regulations and continuous improvement in waste diversion performance.

Quantitative waste metrics and progress toward reduction and recycling targets are disclosed separately under Sustainability Related Disclosures.



The Zero Plastic initiative, launched in collaboration with Coca-Cola, facilitated the collection and recycling of significant amounts of plastic waste, helping to reduce contributions to landfills and promoting circular economy practices.

4,173 Kg plastic recycled in 2025

NATURAL CAPITAL

Indoor Environmental Quality

Maintaining high indoor environmental quality protects human capital while preserving asset value.

Key focus areas include:

- Preventive maintenance of HVAC and air handling systems
- High-efficiency filtration systems
- Ventilation rate optimisation
- Use of low-VOC materials during refurbishment
- Routine air quality inspections and monitoring

These measures ensure occupant comfort, support productivity, and align with international building performance standards.

Climate Resilience and Physical Risk Management

Climate-related risks such as extreme rainfall, rising temperatures, and regulatory transitions are assessed through structured materiality and risk evaluation processes.

Natural capital resilience measures include:

- Façade and glazing enhancements to minimise heat gain
- Increased HVAC efficiency to address temperature rise
- Budget allocations for climate adaptation upgrades
- Preventive inspections and system reinforcements
- Renewable energy investments to mitigate transition risk

The integration of climate risk into capital planning strengthens long-term asset durability and financial sustainability.

Further details on climate-related risks, time horizons, and mitigation strategies are presented under Sustainability Related Disclosures – Strategy and Risk Management.

Certifications and Environmental Performance

- **WTC Colombo** – ISO 50001:2018 certified Energy Management System; Gold-rated Green Building (Sri Lanka Green Building Council).
- **Havelock City Commercial & Mall** – LEED Gold certified.

These certifications reinforce disciplined environmental management practices and support continual performance enhancement.

Value Creation Through Natural Capital

Effective natural capital management contributes to:

- Reduced operating costs
- Lower carbon intensity
- Regulatory compliance
- Increased tenant attractiveness
- Enhanced brand reputation
- Long-term asset value preservation

By embedding environmental stewardship into facilities management, capital planning, and operational governance, ORCL strengthens its ability to deliver sustainable returns to shareholders while contributing positively to the broader environmental ecosystem.

Future Plans



Looking ahead, Havelock City Mall plans to enhance:


- Advance renewable energy integration
- Improve energy and water intensity performance
- Enhance circular waste practices
- Strengthen climate resilience planning
- Align disclosures fully with evolving SLFRS S1 and S2 requirements

INTELLECTUAL CAPITAL



Intellectual capital encompassing brand equity, expertise, and digital innovation remains a cornerstone of value creation at Overseas Realty (Ceylon) PLC. Grounded in deep industry knowledge and process excellence, the Company continues to integrate state-of-the-art technology, sustainable design, and global best practices to create secure, future-ready spaces.





In 2025, this commitment was reinforced through enhanced digital integration, cloud-based systems, and stronger data protection measures, ensuring continued leadership in modern real estate innovation.

Strategic Priority	Value Delivered in 2025
Personal Data Protection Act (PDPA) 	Initiated a Group-wide PDPA compliance project, appointed an external legal firm, and commenced implementation to strengthen data governance.
ERP System Upgrade 	Identified the need for a system version upgrade to enhance functionality and improve integration, including alignment with the Leasing Management Module.
Cloud Integration (Microsoft Intune) 	Migrated from on-premises Active Directory to a cloud-based Intune platform, improving device management and strengthening cybersecurity.
Knowledge Sharing 	Extended tested digital solutions from Havelock City to the wider Group, enabling replication of proven innovations.
Continuous Improvement 	Conducted training and system familiarisation programmes to enhance IT capability and digital readiness.

Strong Brand Positioning

As a premier developer shaping Sri Lanka's urban landscape, Overseas Realty (Ceylon) PLC has created some of Colombo's most iconic landmarks - The World Trade Center (WTC) Colombo, Havelock City Residential, Mireka Tower and State of the Art Shopping Mall. These developments stand as symbols of prestige, innovation, and enduring value, reinforcing Colombo's position as a thriving business and lifestyle hub.

INTELLECTUAL CAPITAL

 <p>The World Trade Center Colombo</p> <p>A symbol of global excellence, the World Trade Center Colombo remains one of Sri Lanka's tallest Grade A office buildings. With its prime location, superior facilities, and affiliation with the global World Trade Centers Association network of 322 centers across 91 countries, it continues to represent international connectivity and modern business standards.</p>	 <p>Havelock City</p> <p>One of the largest mixed-use developments in Colombo, redefines urban living through a seamless integration of luxury residences, a vibrant retail and entertainment mall, and premium commercial spaces.</p>	 <p>Mireka Tower</p> <p>At the heart of this development, Mireka Tower elevates Colombo's corporate landscape with its state-of-the-art office facilities and sustainable design, creating a benchmark for next-generation business environments.</p>	 <p>RMS Realty Management Services (RMS)</p> <p>Complementing these landmark developments, RMS provides facilities management solutions to over 28 major commercial and residential projects across Sri Lanka, upholding high standards of service and operational excellence.</p>
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Technological and IT Upgrades - Transition to Cloud-Based Active Directory

During the year, ORCL successfully migrated from a traditional on-premises Active Directory environment to a cloud-based platform powered by Microsoft Intune. This strategic upgrade enhanced device management strengthened data security, and improved vulnerability monitoring across Group entities.

Initially piloted at Havelock City, the solution was subsequently extended across the Group, demonstrating effective knowledge transfer and collaborative innovation.

ERP System and Process Efficiency

The Group's existing ERP system (implemented in 2019) continues to play a central role in streamlining financial and operational processes across subsidiaries. However, recognizing the evolving needs of the business, ORCL has identified the need for a version upgrade to enhance functionality and integration.

This upgrade is currently in the planning stage.

Data Protection and Cybersecurity Enhancements

In response to increasing data governance requirements, ORCL commenced implementation of Sri Lanka's Personal Data Protection Act (PDPA) in November 2025 by engaging an external specialist. The initiative focuses on strengthening data privacy policies, formalising data-handling protocols, and identifying gaps within existing security frameworks.

PDPA compliance will serve as a foundation for future cybersecurity enhancements and preparation for ISO 27001 certification.

Data-Driven Decision-Making

ORCL continues to leverage real-time insights through platforms such as the Tenant Revenue Management System (TRMS) and ZOHO CRM, supporting informed, timely, and data-driven decision-making across operations.

Knowledge Transfer and Innovation

The Group fosters a culture of innovation and continuous learning through cross-entity knowledge sharing. The successful Group-wide rollout of the Intune platform

highlights ORCL's ability to scale proven digital solutions, maximising value and operational efficiency.

Regular training and system familiarisation programmes further strengthen organisational capability and ensure effective adoption of new technologies.

Future Plans



- Completing the **PDPA compliance project** across all Group entities.
- Proceeding with the **ERP system version upgrade** to improve operational integration.
- Gradually preparing for **ISO 27001 certification** following PDPA implementation.
- Expanding data analytics capabilities to further support **strategic and operational decision-making**.
- **AI** capability building and Business Process Re-engineering.
- Strengthen **IT** General Controls.
- Introduce more **specific module** to Leasing business

SHAPING NEW VISTAS

➔ SUSTAINABILITY RELATED DISCLOSURES

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BASIS OF PREPARATION

1.1 General Requirement

1.1.1 Sources of Guidance

This report has been prepared in accordance with the SLFRS Sustainability Disclosure Standards, specifically:

SLFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information, and

SLFRS S2 – Climate-related Disclosures, issued by Institute of Chartered Accountants of Sri Lanka (adopted based on the IFRS S1 and IFRS S2 issued by the International Sustainability Standards Board).

Overseas Realty (Ceylon) PLC has adopted the full requirements of SLFRS S1 and SLFRS S2 for the financial year ending 31 December 2025. The Company has applied the transitional 'Climate-First' relief during the current reporting period.

The disclosures presented here are intended to support primary users of general-purpose financial reports in understanding the sustainability-related risks and opportunities that could reasonably be expected to affect the ORCL's:

- Cash flows
- Access to finance
- Cost of capital over the short, medium and long term

Where applicable, the Company has considered guidance from following frameworks and standards, in identifying and disclosing sustainability-related risks and opportunities:

- Sustainability Accounting Standards Board (SASB) Standards - Real Estate and Real Estate Services

1.1.2 Timing of Reporting/ Reporting Entity

This report covers the financial year from 1 January 2025 to 31 December 2025, consistent with the Company's financial reporting period. The disclosures presented herein apply to ORCL, including all operations and assets within the financial reporting boundary, in line with the Company's general purpose financial reports. This includes:

- Overseas Realty (Ceylon) PLC
- Realty Management Services (Pvt) Ltd
- Mireka Capital Land (Pvt) Ltd
- Mireka Homes (Pvt) Ltd
- Havelock City (Pvt) Ltd
- Overseas Realty Investments (Pvt) Ltd
- Overseas Realty Trading (Pvt) Ltd
- Mireka Seascape (Pvt) Ltd

1.1.3 Statement of Compliance

This report represents a complete set of sustainability-related financial disclosures for ORCL and its subsidiaries (collectively, the Group) for the year ended 31 December 2025. The Group's sustainability-related disclosures have been prepared in accordance with SLFRS Sustainability Disclosure Standards as issued by the Institute of Chartered Accountants of Sri Lanka.

1.2 Judgments and Uncertainties pertaining to identification and disclosure of CRRO

ORCL's sustainability-related financial disclosures involve professional judgment and estimation due to the future-oriented and evolving nature of relevant risks. The Company applies reasonable and supportable information available at the reporting date, without incurring undue cost or effort. Further, the Company has used the skills, capabilities and resources available at the reporting date wherever quantifying the impact of identified sustainability related risks and opportunities for a full breakdown of areas involving material judgment, estimation uncertainty, and forward looking assumptions.

1.3 Materiality

Overview

As a real estate industry organization, we operate in a sector directly exposed to a wide range of sustainability-related risks and opportunities - particularly those linked to climate change, energy use, urban development, and tenant expectations.

Our materiality assessment, conducted in alignment with SLFRS S1 and S2, identifies and prioritizes the sustainability factors most likely to affect our enterprise value over the short, medium, and long term.

Defining Materiality

We apply a financial materiality lens, as defined in SLFRS S1 and S2. This means we focus exclusively on sustainability-related issues that could reasonably be expected to influence decisions by investors, lenders, and other capital market participants.

This differs from broader stakeholder-focused approaches (like GRI), as it emphasizes sustainability topics that impact our ability to generate, preserve, or erode enterprise value.

Materiality Assessment Approach

Our assessment followed a four-step process:

1. Identification of Relevant Topics

Sources included:

- Industry-specific SASB standards (Real Estate and Real Estate Services)
- Regulatory trends (e.g., building performance disclosure, green finance)
- Internal documents (risk assessments)
- Stakeholder engagement (investors, property managers, tenants)

2. Assessment of Impact and Likelihood

Topics were evaluated based on:

- Potential financial impact on property values, costs, and occupancy rates
- Likelihood of occurrence and regulatory trends
- Relevance to strategy, capital allocation, and operations

3. Validation with Key Stakeholders

Internal validation sessions were conducted with:

- Sustainability and risk teams
- Asset and investment managers
- Finance and legal functions
- Executive leadership and audit committee

4. Prioritization of Material Topics

Topics that met the financial materiality threshold and have a demonstrable link to enterprise value were prioritized in accordance with SLFRS S1 and S2. Non-material issues (under this standard) were not included in disclosure

Financial Materiality Thresholds

The following thresholds were applied to determine the financial materiality of sustainability-related risks and opportunities (SRROs) for Overseas Realty (Ceylon) PLC during the reporting period,

Quantitative Criteria	Qualitative Criteria
<p>A sustainability-related item is deemed financial items not meeting the quantitative thresholds may still be deemed material based on professional judgment where: material if it meets one or more of the following thresholds, either individually or cumulatively:</p>	<p>Items not meeting the quantitative thresholds may still be deemed material based on professional judgment where:</p>
<p>Impact on revenue, cost, or capital expenditure exceeding Rs. 87 million in any given reporting year;</p>	<p>Reputational risks arising from failure to meet ESG expectations could impair brand image.</p>
<p>Adjustment to carrying value of assets exceeding 2% of total asset base;</p>	<p>Non-compliance with evolving regulatory frameworks could result in penalties, or investment detraction.</p>
<p>Variability in operating cash flows of $\pm 2\%$ or more linked to a sustainability factor.</p>	

GOVERNANCE

2. Governance Related Disclosure – SLFRS Sustainability-related Financial Disclosures

The Board of Directors retains ultimate responsibility for the governance of sustainability-related matters, including the oversight of risks and opportunities as required under SLFRS S1 and S2. Recognizing the importance of robust governance structures to ensure compliance and effective implementation, the Board has delegated specific oversight responsibilities to the Audit Committee.

2.1 Role of the Audit Committee

The Audit Committee is responsible for overseeing the implementation of, and compliance with, SLFRS Sustainability-related Financial Disclosures. This includes:

- Oversight of SLFRS Sustainability Reporting Compliance
- Review of Sustainability-Related Financial Disclosures
- Integration with General Purpose Financial Reporting
- Materiality Assessment Oversight
- Governance of Sustainability-related risks and opportunities
- Assessment of Strategy and Risk Management Disclosures
- Monitoring Metrics and Targets
- Data Integrity and Internal Controls
- Coordination with Financial and Sustainability Reporting Functions
- Regulatory Monitoring and Updates
- Skills and Competencies

2.2 Skills and Competencies

ORCL Board and Committees are committed to develop skills and competencies related to Sustainability related expertise.

- The Board Audit Committee includes members with experience in the real estate sector, corporate governance and overseeing sustainability related risks and opportunities.

- Board composition is periodically reviewed to ensure alignment with emerging ESG practices.
- A structured development program provides.
 - ESG training and awareness sessions frequently (Ex:- ISO 50001 Awareness, Corporate GHG Emissions Accounting, Motor Systems Optimisation)
 - Regulatory briefings
 - Updates on investor ESG trends and Sri Lanka-specific changes.

2.3 Reporting Frequency

- The Steering Committee shall report directly to the Audit Committee on matters related to sustainability reporting, including significant issues and recommendations on quarterly basis.

2.4 How Board of Directors address the Risks and Opportunities and Monitoring

The Board of Directors plays a central role in overseeing how the Company identifies, assesses, and responds to sustainability-related risks and opportunities in alignment with the Sri Lanka Financial Reporting Standards (SLFRS) – S1 & S2. Their responsibility extends beyond financial oversight, ensuring that sustainability considerations are integrated into the Company's governance, strategy, and risk management framework.

Governance and Oversight

- The Board ensures that sustainability-related matters are embedded into the Company's decision-making and governance processes.
- The Board provides oversight on how management identifies, evaluates, and monitors material sustainability risks (e.g., climate-related risks, regulatory changes, social impacts) and opportunities (e.g., renewable energy adoption, green product innovation).

- Clear accountability is established at Board and management levels to ensure progress is measurable and transparent.

Integration with Strategy

- The Board reviews how identified risks and opportunities align with the Company's overall strategy and long-term business model.
- Opportunities such as new sustainable markets, efficiency gains, or reputational benefits are factored into strategic planning, while risks such as resource scarcity, climate transition, or stakeholder pressure are mitigated through resilience-focused strategies.
- The Board ensures that sustainability priorities are consistent with shareholder expectations and broader stakeholder needs.

Risk Management

- The Board ensures that sustainability-related risks are integrated into the Company's Enterprise Risk Management (ERM) framework.
- The Board oversee the use of scenario analysis, stress testing, and materiality assessments to understand both short-term and long-term impacts.
- The Board monitor the Company's ability to adapt to regulatory, environmental, and market changes, ensuring compliance with SLFRS S1 & S2 requirements.

Performance Monitoring and Metrics

- The Board approves the use of sustainability performance indicators and climate-related metrics that align with SLFRS disclosure standards.
- The Board monitors progress against defined targets (e.g., emissions reduction, resource efficiency, supply chain sustainability).

Stakeholder Engagement and Transparency

- The Board recognizes that addressing sustainability risks and opportunities strengthens trust among investors, regulators, customers, and employees.
- The Board oversees transparent disclosure in the Company's sustainability reports, ensuring alignment with SLFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and SLFRS S2 (Climate-related Disclosures).
- The Board ensures that disclosures reflect not only compliance but also the Company's commitment to long-term value creation and resilience.

Under SLFRS S1 & S2, the Board of Directors ensures that sustainability-related risks and opportunities are identified, integrated into strategy, monitored, and transparently reported, thereby aligning financial performance with long-term environmental, social, and governance priorities.

2.5 Management's Role – Sustainability Reporting Steering Committee

To ensure effective execution at management level, the Company has established a Sustainability Reporting Steering Committee with cross-functional representation from key business units and corporate functions. This Committee is responsible for:

- Define and communication of sustainability reporting objectives.
- Define scope, reporting boundaries, and reporting cycles.

- Set clear, measurable targets related to SRROs and monitor progress towards achieving these targets, including climate related targets.
- Evaluate and decide on the necessary infrastructure and modifications to existing processes, procedures, and policies to facilitate the Sustainability policy implementation.
- Development and execution of strategies to address sustainability-related risks and opportunities within the Corporate Strategy, Business Model, Value Chain and Strategic Decision Making.
- Advise the Board Audit Committee on current Sustainability trends, risks, opportunities, and regulatory changes.
- Development of a robust internal control system surrounding the non-financial reporting integrating with financial reporting and other relevant functions.
- Oversee alignment with global sustainability reporting standards and frameworks.

The cross-functional composition of the Sustainability Reporting Steering Committee ensures a holistic approach to managing sustainability-related matters, embedding responsibility across the business, and supporting transparent, timely, and high-quality reporting in accordance with SLFRS standards.

2.6 Procedures and Processes to be followed at the Management level

The Sustainability Steering Committee at the management level acts as the central coordinating body to drive, oversee, and monitor sustainability

reporting and performance within the Company. Its primary role is to ensure that sustainability-related information is prepared in line with SLFRS S1 and S2, and that sustainability considerations are integrated into strategic and operational decision-making.

- Planning and Scoping
- Risk and Opportunity Assessment
- Data Collection and Management
- Policy and Framework Alignment
- Drafting and Review of Reports
- Internal Monitoring and Reporting
- Capacity Building and Awareness

STRATEGY AND DECISION-MAKING

COMMITMENT AND STRATEGY

Our society is facing unprecedented environmental/ climate challenges, like extreme weather conditions, which have significant implications for global economies, market dynamics, and public policy. In response, governments worldwide continue to introduce and strengthen environmental laws, regulations, and policy frameworks. In this context, Overseas Realty (Ceylon) PLC is firmly committed to full compliance with all applicable environmental legislation and regulations, while actively contributing to the mitigation of these global challenges through responsible business practices.

Our Environmental Policy provides a comprehensive framework to guide all Business Units (BUs) in operating with strong environmental stewardship. The policy addresses key focus areas such as regulatory compliance, pollution prevention, carbon and resource management and stakeholder engagement on environmental performance.

To minimize adverse environmental impacts, the Group periodically evaluates the environmental performance of its operations, associated risks, existing control measures, and management approaches. These assessments support continuous improvement and informed decision-making.

Recognizing the importance of a long-term, structured approach to sustainability, Overseas Realty (Ceylon) PLC has adopted a strategic focus on driving continuous improvements in environmental performance and eco-efficiency. The Group aims to go beyond minimum compliance with international and local ESG disclosure requirements by setting clear, measurable environmental targets for 2030. Progress against these targets is supported through regular monitoring of operational performance, while each Business Unit remains accountable for tracking and evaluating the effectiveness of implemented initiatives. The table below summarizes the Group's environmental targets and progress achieved to date.

Environmental targets by 2030

	Baseline Year	Overall Target Reduction
GHG Emission (Scope 01 and 02)	2025	6%
Electricity Intensity	2025	6%
Water Intensity	2025	3%
Waste Management	2025	Reduce waste generation and increase recycling

WTC Colombo is an ISO 50001: 2018 Energy Management system certified Gold Rated Green building. In addition, HCL is a LEED Gold-certified building, and management is committed to further improving the energy efficiency by implementing various initiatives. Robust and proactive building maintenance practices are recognized as a key enabler in this journey, ensuring that all building systems operate in accordance with their original design intent and continue to perform at optimal efficiency throughout the operational phase.

SUSTAINABLE BUILDING

World Trade Center (WTC) Colombo

Sustainable development at World Trade Center Colombo is driven by a long-term vision to enhance operational efficiency, reduce life-cycle costs, and minimize environmental impact while delivering superior value to tenants and stakeholders. Sustainability principles are integrated across the planning, refurbishment, operation, and maintenance of the complex, reflecting internationally recognized best practices in sustainable and high-performance building management.

WTC Colombo has progressively incorporated green building and energy-efficient features through strategic modernization initiatives, including upgrades to HVAC systems, lighting, water infrastructure, vertical transportation, and building controls. These initiatives demonstrate a strong commitment in improving energy efficiency, water conservation, indoor air quality, and overall asset performance in a high-rise commercial environment.

National Cleaner Production Awards 2025

In prestigious recognition of its unwavering commitment to environmental stewardship, World Trade Center Colombo, a flagship property of Overseas Realty (Ceylon) PLC, has been recognized as Sri Lanka's Most Sustainable Building at the National Cleaner Production Awards 2025.

The award ceremony, held on 6th November 2025 at Cinnamon Lakeside, Colombo, was organized by national authorities to honor organizations championing sustainability and cleaner production practices across industries.

This esteemed accolade validates World Trade Center Colombo's strategic and integrated approach to sustainability, going beyond infrastructure to embed resource efficiency and cleaner production methodologies into the very core of its operations. The recognition highlights the building's success in minimizing environmental impact while maintaining world-class service standards.

Sri Lanka National Energy Efficiency Awards 2025

World Trade Center Colombo was awarded the Gold Award in the Large Scale Commercial Buildings category at the Sri Lanka National Energy Efficiency Awards 2025, in the award ceremony held on 24th February 2026. This was organized by Ministry of Power and Energy and Sri Lanka Sustainable Energy Authority.

Sustainable building performance is reinforced through robust facilities management, preventive maintenance, and continuous monitoring of building systems to ensure they operate in accordance with their design intent and optimal efficiency. This operational focus contributes to reduced energy consumption, enhanced occupant comfort, improved reliability of critical systems, and prolonged asset life.

Environmental and sustainability initiatives at WTC Colombo are subject to continuous review and improvement to align with evolving regulatory requirements, international sustainability benchmarks, and stakeholder expectations. Through ongoing investment in sustainable operations, staff capability development, and green practices, World Trade Center Colombo demonstrates its commitment to responsible building management, long-term asset value preservation, and broader environmental stewardship objectives.

Havelock City Office Tower and Shopping Mall

Sustainable construction delivers long-term value by reducing life-cycle and maintenance costs while generating significant environmental benefits through

improved resource efficiency and waste minimization. At Havelock City Mireka Tower and Shopping Mall, sustainability principles are embedded in the planning, design, construction, and operation of the development, in line with leading international best practices for green buildings.

The Havelock City Office Tower is a LEED Gold-certified development, reflecting our commitment to high standards of environmental performance in areas such as energy efficiency, water management, indoor air quality, and sustainable material selection. Management is focused on maintaining this certification and progressively enhancing building performance, with the long-term objective of improving energy efficiency and moving towards LEED Platinum standards where feasible.

Sustainable building performance is supported through robust operational and maintenance practices, ensuring that all building systems continue to operate at their design intent and optimum efficiency throughout the operational phase. These practices contribute in reducing environmental impact, improved occupant comfort, and enhanced asset value.

Across the Havelock City development, including the shopping mall, environmental initiatives are continuously reviewed and strengthened to align with evolving sustainability expectations, regulatory requirements, and stakeholder expectations. This ongoing commitment demonstrates our dedication to advancing sustainable building operations and contributing to broader environmental stewardship goals.

CLIMATE RISKS AND RESILIENCE MANAGEMENT

Metrics and Targets

Metric		Baseline 2025	Target 2026	Remarks
Scope 1 & 2 GHG Emissions (tCO ₂ e/sqm/year)		7,720	7,643	1.0% reduction
Energy Intensity (kWh/sqm/year)	WTC	178.0	174.5	2.0% reduction
	HCL	233.1	228.4	

Target	Scope 1 & 2 GHG Emissions (tCO ₂ e)	Energy Intensity (kWh/sqm/year)
Metric/measurement/KPI	GHG Emissions (tCO ₂ e/sqm/year)	Electricity Consumption (kWh)
Objective	Mitigation	Mitigation
Scope	World Trade Center Colombo & Havelock City (Pvt) Ltd	World Trade Center Colombo & Havelock City (Pvt) Ltd
Period	Annual	Annual
Base Period	Previous reporting year	Previous reporting year
Milestones and interim targets	Monthly	Monthly
Target type (if quantitative whether it is an absolute or intensity target)	Intensity target	Intensity target
Alignment with jurisdiction commitment	Internally set target	Internally set target
Validation	Internally and 3rd party verification body	Internally
Review Process	Internally and 3rd party verification body	Internally and ISO 50001 certification body
Metrics for monitoring progress	Organizational GHG Emission	Energy intensity with statistical analysis
Revision	Annually	Annually
Progress achieved during the year and status at year end	In progress	In progress

STRATEGY AND DECISION-MAKING

Materiality Assessment

The following thresholds were applied to determine the quantitative and qualitative materiality of sustainability-related risks and opportunities (SRROs).

Quantitative Assessment

Materiality levels were defined based on the Group's Financial Statements as given below.

Financial Statements	Parameter	Measurement	Materiality Level (Rs.)
Statement of Profit and Loss	Operating Profit (Excluding FV)	2% of operating profit	87,343,120
Statement of Financial Position	Total Assets	1% of Total Assets	795,926,189
Statement of Cash Flows	Operating Cash Flows	2% of Operating Cash Flows	65,626,502

Qualitative Assessment

- Reputational risks arising from failure to meet ESG expectations which could impair brand image.
- Non-compliance with evolving regulatory frameworks could result in penalties, or investment detraction.

Time Horizons Used for Assessment

Short term	Medium term	Long term
0 to 3 Years	3 to 7 Years	More than 7 Years

STRATEGIES FOR IMPLEMENTATION

The potential current and anticipated future impacts and materiality levels of the identified risks and opportunities on the Company were identified as follows.

CRRO 1	Extreme Weather Events - Risk	
CRROs impact on Prospects	Description	Heavy rainfall, Rise in Sea Levels, Heat Waves, Heavy Storms and Cyclones and Drought conditions will impact the business operation.
	Physical Risk or Transition Risk	Physical
	Time Horizon	Medium and Long term
Business Model and Value Chain	Current Effects on Business Model and Value Chain	No material impact on current business model and value chain.
	Anticipated Effects on Business Model and Value Chain	<ol style="list-style-type: none"> Additional operation and maintenance cost. Additional staff cost on work arrangements
	Where is it Concentrated?	<ol style="list-style-type: none"> Additional cost for alternative water supply arrangements (Drinking and Washroom requirements). Additional cost for the Generator fuel due to frequent power outages caused by limited hydro power. Additional cost to clean facade glasses due to dusty weather conditions leading to increase in cleaning frequency. Additional cost to replace the HVAC filters due to dusty weather conditions. Additional cost on remote work arrangements for the employees.
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	Building structure and the services will be upgraded or modified to match with the extreme weather patterns
	How the Company is Resourcing and Plan to Resource Activities	Increasing budgetary allowances to accommodate the cost of improvements based on periodic inspections
	Progress (qualitative and quantitative)	Currently ongoing based on annual inspection results.

CRRO 2		Outdoor Temperature Increase - Risk
CRROs impact on Prospects	Description	Increased cooling load in buildings, leading to higher energy consumption and operating costs.
	Physical Risk or Transition Risk	Physical
	Time Horizon	Medium and Long term
Business Model and Value Chain	Current Effects on Business Model and Value Chain	No material impact on current business model and value chain.
	Anticipated Effects on Business Model and Value Chain	<ol style="list-style-type: none"> 1. Effect of thermal comfort of the customers leading to negative reputational on the buildings. 2. Effect of thermal comfort of the employees leading to reduced productivity. 3. Additional cost for HVAC equipment and capacity improvements.
	Where is it Concentrated?	<ol style="list-style-type: none"> 1. Additional cost for electricity to run the HVAC equipment at higher capacities. 2. Additional maintenance cost for HVAC equipment.
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	Facade glasses will be improved to minimize the external heat gain
	How the Company is Resourcing and Plan to Resource Activities	Increasing budgetary allowances to accommodate the cost of improvements based on periodic inspections
	Progress (qualitative and quantitative)	Currently ongoing based on annual budgetary allocations.

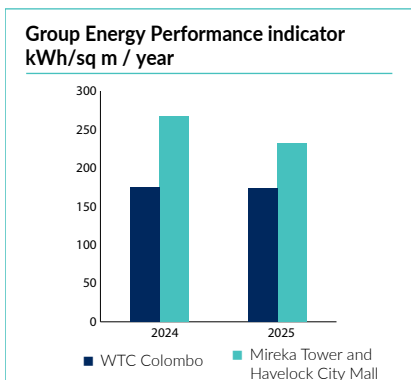
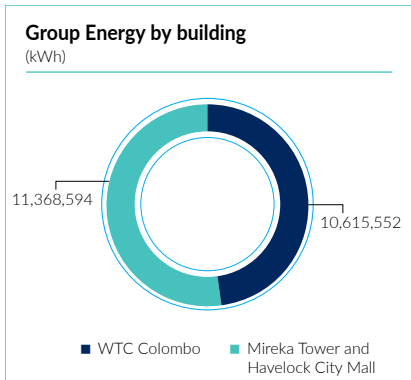
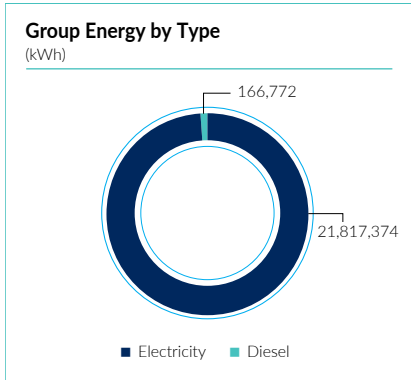
CRRO 3		Strict Environmental Regulations - Risk
CRROs impact on Prospects	Description	Government will impose regulations on energy efficiency, Water consumption and GHG emissions.
	Physical Risk or Transition Risk	Transition
	Time Horizon	Short, Medium and Long term
Business Model and Value Chain	Current Effects on Business Model and Value Chain	No material impact on current business model and value chain.
	Anticipated Effects on Business Model and Value Chain	<ol style="list-style-type: none"> 1. Additional costs to be incurred for retrofitting. 2. Additional costs to be incurred to reduce carbon footprint. 3. Increase in administrative cost. 4. Increase cost due to non-compliances.
	Where is it Concentrated?	<ol style="list-style-type: none"> 1. Additional cost of third-party verification process/ certifications. 2. Additional cost of modifying equipment is required by the regulations.
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	<ol style="list-style-type: none"> 1. Feasibility study is carried out to establish solar power energy system 2. Establishing operational team to monitor organizational sustainability activities
	How the Company is Resourcing and Plan to Resource Activities	<ol style="list-style-type: none"> 1. Plan to install Solar PV system within 2026 2. Improving the capacity of the committee members on sustainability activities through training programs
	Progress (qualitative and quantitative)	<ol style="list-style-type: none"> 1. Request for Proposals for Solar PV system has been issued. 2. Operational level team already established, and training programs are conducted.

STRATEGY AND DECISION-MAKING

CRRO 4		Resource Efficiency and Resilience - Opportunity
CRROs impact on Prospects	Description	Opportunity for high reputation among the tenants and competitors of being a green and energy efficient building.
	Time Horizon	Medium and Long term
Business Model and Value Chain	Current Effects on Business Model and Value Chain	No material impact on current business model and value chain.
	Anticipated Effects on Business Model and Value Chain	<ol style="list-style-type: none"> 1. Increase in revenue and reputation due to higher demand. 2. Attraction of multinational and sustainability-conscious companies expecting higher sustainability standards.
	Where is it Concentrated?	Reduction in operational cost of the buildings.
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	<ol style="list-style-type: none"> 1. Implementation of ISO 50001:2018 Energy Management System across Group operations. (WTC implemented/ HCL will be implemented in 2026) 2. Enhancing water and waste management systems for circular economy alignment. 3. Incorporating resilience measures into facilities management and project design.
	How the Company is Resourcing and Plan to Resource Activities	<ol style="list-style-type: none"> 1. Annual budget allocations for energy efficiency upgrades and maintenance. 2. Collaboration with external consultants and auditors for system optimization. 3. Capacity building for facilities management and engineering teams
	Progress (qualitative and quantitative)	<ol style="list-style-type: none"> 1. ISO 50001 certified for energy management – continual improvement cycle in place. 2. Annual energy intensity reduction against targets are being monitored. 3. Positive tenant feedback and growing occupancy rates among sustainability-oriented clients.

CRRO 5		Investment in Renewable Energy - Opportunity
CRROs impact on Prospects	Description	Feasibility has been carried out to ascertain the viability of installing Solar PV.
	Time Horizon	Short and Medium term
Business Model and Value Chain	Current Effects on Business Model and Value Chain	No material impact on current business model and value chain.
	Anticipated Effects on Business Model and Value Chain	<ol style="list-style-type: none"> 1. Reduction in energy cost and carbon footprint. 2. Increased resilience to grid electricity price fluctuations. 3. Enhanced sustainability image attracting green investors and tenants
	Where is it Concentrated?	Reduction of electricity cost
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	<ol style="list-style-type: none"> 1. Completion of solar PV system installation within 2026. <ul style="list-style-type: none"> • WTC – Low block rooftop – 300kW • HCL – Mall rooftop – 300kW
	How the Company is Resourcing and Plan to Resource Activities	<ol style="list-style-type: none"> 1. Capital investment allocation in 2026 budget.
	Progress (qualitative and quantitative)	<ol style="list-style-type: none"> 1. Feasibility study completed, and tender document floated. 2. Expected implementation in 2026 with projected annual savings on Electricity cost 2.5% (WTC) and 2% (HCL).

ENERGY MANAGEMENT & DECARBONIZATION

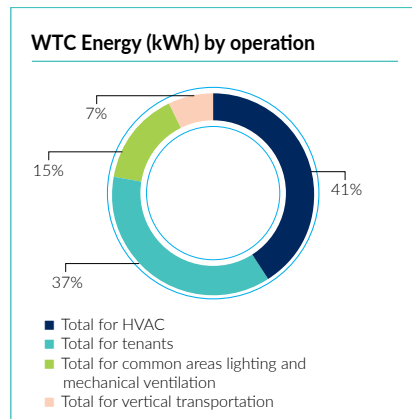
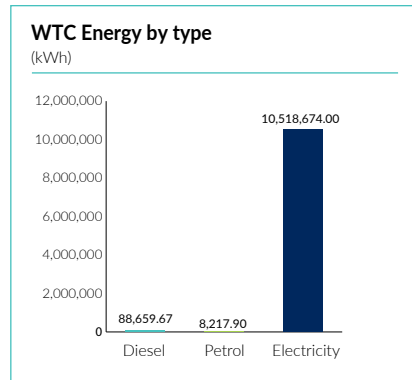


WTC Colombo - Energy Management & Decarbonization

In line with Overseas Realty Ceylon PLC's commitment to sustainability, operational excellence and climate stewardship, the World Trade Center Colombo has made significant advancements in energy management and decarbonization throughout the reporting period.

Our approach is grounded in the ISO 50001 Energy Management System framework, enabling structured,

data-driven improvements in energy performance across the Group. Through systematic measurement, monitoring and analysis of energy use, WTC Colombo has optimized building systems and enhanced operational efficiency without compromising tenant comfort or safety.



Key initiatives implemented during the year included:

- Upgrading HVAC and chiller plant controls to improve part-load performance and reduce peak energy demand.
- LED conversion and intelligent lighting controls across common areas, service corridors and tenant zones, resulting in measurable reductions in electrical consumption.
- Installation of building automation system enhancements to fine-tune equipment scheduling based on occupancy and real-time requirements.

- Awareness programmes for building users and operations staff, reinforcing energy-conscious behaviours and practices.
- Regular energy audits, benchmarking, and performance tracking, leading to targeted action plans aligned with carbon reduction goals.

These efforts have collectively contributed to a year-on-year decrease in energy intensity and a reduction in greenhouse gas emissions associated with building operations. The continuous improvement model adopted at WTC Colombo not only supports the decarbonization agenda of Overseas Realty (Ceylon) PLC but also adds value to tenants through lower operating costs and enhanced environmental performance.

Going forward, WTC Colombo remains dedicated to advancing sustainable technologies, integrating renewable energy opportunities, and championing responsible energy use as a part of our long-term environmental strategy.

WTC Air Quality Management

At the World Trade Center Colombo, maintaining a healthy and productive indoor environment for occupants remains a key operational priority. Air quality management is embedded into the building's facilities management and maintenance framework to ensure compliance with local regulations and alignment with international best practices.

Indoor air quality is managed through well-maintained HVAC systems, effective filtration, and regular inspection and cleaning regimes. Preventive maintenance programmes are implemented for air handling units, ductwork, and filters to minimise particulate matter, odours, and airborne contaminants within occupied spaces. Fresh air intake rates are carefully controlled to maintain adequate ventilation while optimising energy efficiency.

STRATEGY AND DECISION-MAKING

The use of low-VOC materials and finishes in refurbishment and fit-out activities further supports improved indoor environmental quality. Periodic monitoring and tenant feedback mechanisms enable early identification and resolution of air quality concerns, ensuring occupant comfort, health, and wellbeing are consistently upheld.

Through these measures, WTC Colombo continues to provide a safe, comfortable, and high-quality indoor environment for tenants, visitors, and staff.

WTC Colombo Water Management

Water stewardship is a core component of sustainability at the World Trade Center Colombo, with a strong focus on efficiency, conservation, and responsible consumption. Water management practices are designed to reduce wastage while maintaining reliable service standards across all building operations.

Key initiatives include the rainwater harvesting system, installation and maintenance of water-efficient plumbing fixtures, proactive leak detection and rectification, and regular monitoring of water consumption patterns. Consumption data is analysed to identify abnormal usage trends and implement corrective actions in a timely manner.

Operational water quality is managed through routine testing and treatment programmes for cooling towers and domestic water systems, ensuring compliance with health and safety requirements while extending the life of plant and equipment. Awareness initiatives among operations teams and building users further promote responsible water usage.

These measures have contributed to improved water efficiency and reduced operational risk, supporting Overseas Realty (Ceylon) PLC's broader environmental sustainability objectives.

WTC Waste Management and Resource Efficiency

The World Trade Center Colombo adopts a structured and responsible approach to waste management, focusing on waste reduction, segregation, recycling, and efficient use of resources. Waste management practices are integrated into daily building operations to minimise environmental impact and promote circular economy principles where feasible.

Waste is segregated at source into defined streams such as general waste, recyclables, and hazardous waste, with authorised service providers engaged for collection, recycling, and disposal in compliance with regulatory requirements. Special attention is given to the safe handling and disposal of electronic waste, lamps, batteries, and chemical containers generated through maintenance activities.

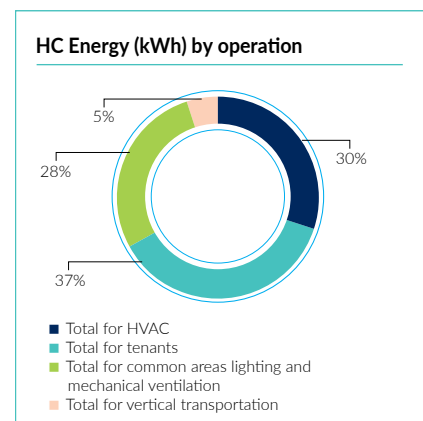
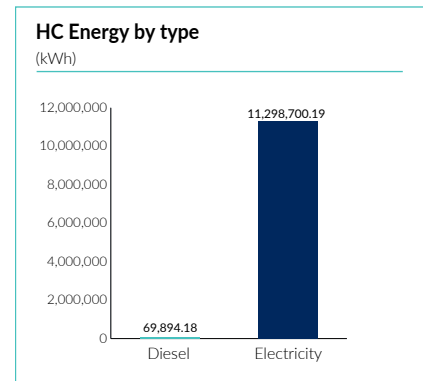
Resource efficiency is enhanced through initiatives such as material reuse during refurbishment works, optimisation of consumables, and controlled procurement practices aimed at reducing unnecessary waste generation. Continuous engagement with tenants and service providers supports awareness and participation in waste minimisation programmes.

Through disciplined waste management and efficient resource use, WTC Colombo reinforces its commitment to environmental responsibility while maintaining high operational standards within a premier commercial development.

HCL - Energy Management & Decarbonization

As a leading real estate developer with a strong commitment to social and environmental responsibility, Havelock City recognizes its role in supporting global efforts to reduce carbon emissions and address the challenges associated with climate change. The Group acknowledges that indirect energy consumption constitutes a significant

portion of its overall carbon footprint. In response, continuous improvement of energy efficiency and operational cost-effectiveness remains a key focus across the Havelock City commercial and shopping mall developments.



Energy conservation is embedded within Havelock City's operational practices. Clear energy-efficient operating guidelines have been established and communicated to staff, supported by regular inspections and monitoring to ensure effective implementation. These measures enhance awareness and accountability for responsible energy use in day-to-day operations and contribute to improved energy performance.

These initiatives form an integral component of Havelock City's broader sustainability and decarbonization strategy. Key energy conservation initiatives implemented at Havelock City during the reporting period are outlined below.

No	Initiative taken	Remarks	kWh saved during the period of 2025
1.	Replacement of 2700 Nos of 28W T5 fluorescent light fittings with 18W LED lighting	Achieved measurable energy savings during the year 2025 through improved lighting efficiency and reduced power consumption.	192,720
2.	Installation of Variable Frequency Drives (VFDs) for Mall toilet exhaust fans	Nine VFD units were installed to optimize fan operation, resulting in reduced energy usage and improved system control.	42,395
3.	Installation of six numbers of Variable Frequency Drives (VFDs) for AHUs in Level 1	Enhance operational efficiency and align energy use with actual demand.	16,816
4.	Optimization of car park lighting operating hours	Car park lighting schedules were reviewed and adjusted to minimize unnecessary energy consumption while maintaining safety and visibility standards.	84,332
5.	Optimization of chiller operating hours	Chiller operation schedules were refined to improve energy efficiency without compromising occupant comfort or system performance.	227,134
6.	Adoption of renewable energy solutions	Initial steps were taken to install 300kW rooftop solar system.	Implementation is ongoing
7.	28W T5 Fluorescent 368 NOs to 18W LED change with Emergency Kits –Emergency Staircases	Achieved measurable energy savings during the year 2025 through improved lighting efficiency and reduced power consumption.	5,830

HCL - Air Quality Management

Recognizing the significant health risks associated with air pollution, Havelock City is committed to maintaining and enhancing air quality across all its operations to safeguard the health and wellbeing of employees, visitors, tenants, and the wider community. To achieve this, the indoor air quality management system for Havelock City Commercial and Shopping Mall has been designed and operates in strict accordance with ASHRAE 90.1 standards. All air handling units (AHUs) are equipped with high-efficiency filters to ensure superior air filtration, meeting and exceeding premium office and commercial indoor air quality requirements.

In addition, continuous monitoring of air quality parameters, regular maintenance of ventilation systems, and adherence to

the best-practice operational protocols ensure that the indoor environment remains safe, comfortable, and healthy. These measures reflect Havelock City's proactive approach to environmental health and its commitment in creating sustainable, occupant-friendly spaces.

HCL - Water Management

Havelock City is committed to responsible water management across its commercial and shopping mall developments, in line with its sustainability objectives. All sanitary fittings have been specified to comply with LEED Gold-certified flow rate requirements, and management ensures that these standards are maintained throughout the operational phase, including during the replacement of any damaged fixtures.

Key water-saving systems, such as the Condenser water recovery system, are fully operational and maintained in accordance with design specifications, contributing to significant reductions in overall water consumption. Additionally, the rainwater harvesting system provides an important mechanism for reducing reliance on municipal water supplies while supporting groundwater recharge, further enhancing the environmental performance of the development.

Through these initiatives, Havelock City continues to demonstrate its commitment to sustainable resource management and environmental stewardship, ensuring efficient water use while minimizing the impact on the surrounding ecosystem.

SHAPING NEW VISTAS

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CORPORATE GOVERNANCE FRAMEWORK

Corporate Governance

Corporate Governance at Overseas Realty (Ceylon) PLC focuses on promoting corporate impartiality, transparency, accountability, and responsibility in the direction and control of the Company, in the best interests of its stakeholders. Accordingly, all governance structures, principles, and policies are designed to ensure that the Company is governed in a manner that safeguards the interests of all stakeholders. This report provides an overview of how these governance practices are implemented in practice.



Company's Brief and Commitment towards Corporate Governance

We firmly believe that good Corporate Governance is not only fundamental to ensuring that the Company is well managed in the interests of all its stakeholders but is also essential to attaining long term sustainable growth. Corporate Governance is of utmost importance in driving the company towards high standards management in an ethical, efficient and effective manner whilst fostering an entrepreneurial culture.

Compliance with Corporate Governance Codes

Overseas Realty (Ceylon) PLC's practices are consistent with the requirements given in the Code of Best Practice on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the Securities and Exchange Commission of Sri Lanka (SEC) as well as Rule Number 9 of Listing Rules issued on Corporate Governance by the Colombo Stock Exchange (CSE). The principles set out in these codes have been adopted by the Company to shape its corporate governance stance.

Regulatory frameworks	Voluntary standards, codes and frameworks	Internal mechanisms
Companies Act No.7 of 2007	Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants 2023	Articles of Association
Sri Lanka Accounting and Auditing Standards Act No.15 of 1995	Non-Financial Reporting Guideline of CA Sri Lanka	Board and Sub-Committee Charters
Continued Listing Requirements of the Colombo Stock Exchange	Integrated Reporting Framework	Policy framework
Inland Revenue Act No. 24 of 2017 and amendments thereto	Non-Financial Reporting Guideline of CA Sri Lanka	Board and Sub-Committee Charters
Customs Ordinance No. 17 of 1869		
Foreign Exchange Act No. 12 of 2017		
Industrial Disputes Act No. 43 of 1950		
The Shop and Office Employees Act No. 15 of 1954		
Sri Lanka Sustainability Disclosure Standards 2024		

Statement of Compliance

We aim to ensure that good corporate governance provides a solid basis for our business, in promoting transparent, accountable, sustainable and ethical business conduct at all levels and adds value for our stakeholders. Accordingly, we continue to be committed to the highest standards of corporate governance across all dimensions of our operations and these standards are encapsulated in our governance policies and documents.

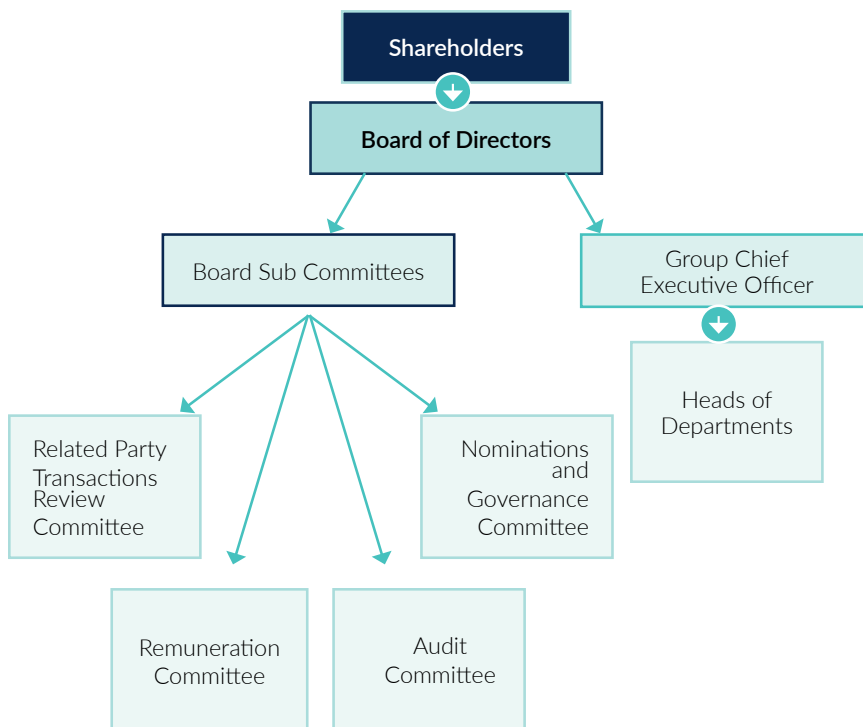
Our status of compliance with each section of the Code of Best Practice on Corporate Governance issued jointly by CA Sri Lanka and the Securities and Exchange Commission of Sri Lanka (SEC) set out from page 83 to 96. We have also included a table summarizing the status of compliance with Rule No 9 of the Listing Rules of the CSE, on pages 71 to 82.

The Board of Directors also wishes to confirm that, to the best of the Board's knowledge and belief, the Company has complied with all requirements under the Companies Act No 07 of 2007 and has satisfied all its statutory payment obligations to the Government and other statutory/ regulatory bodies.

Governance Structure

The Governance Structure of Overseas Realty (Ceylon) PLC allows effective and efficient decision making while interconnecting elements in governance. It is enabled by maintaining the right balance of authority and power throughout the organization. It comprises processes and structures that affect the way the organization is directed, managed, and monitored and how its activities are reported.

Our Internal Governance Structure



Shareholders participate in supervision and control of the Company and exercise their right to speak and vote at Annual General Meetings. Shareholders' right to influence the company centers on certain fundamental corporate decision making, such as the election/ removal of Board members, suggesting amendments to the Company's Articles of Associations, approving of major transactions, approval or election of Auditors distribution of profits and other basic issues as specified in the companies Act.

One of the main objectives of the Board of Directors of the Company is to represent, formulate and realize the interests and expectations of its shareholders.

CORPORATE GOVERNANCE FRAMEWORK

Communications with Shareholders

All our stakeholders are encouraged to maintain continued dialogue with the management and the Board.

The Company facilitates institutional investors, Brokers and Financial Analysts to collect the required information and maintain constant dialogue in order to assess Company's perceived value. However, the Board and the management strictly adhere to statutory and ethical guidelines regarding their responsibility to maintain the confidentiality of price sensitive information.

Annual General Meetings

An AGM is held each year as required by the provisions of the Companies Act. Shareholders are allowed to directly communicate with the Board of Directors, and this is regarded as the most effective mode of communication with all Shareholders. The 43rd Annual General Meeting of the Company was held on the 23rd April 2025 at the Havelock City Clubhouse, after giving them fifteen working days' notice in advance of the meeting as required by the Companies Act.

Annual Report

The Company's Annual Report is the main document used to disclose corporate information to the Shareholders. The Company discloses both financial and non-financial information. Further quarterly financial statements, dividend declarations and other required information are published in the CSE website for the reference of all shareholders.

Board of Directors

The Company's commitment to uphold the highest standards of corporate governance is driven by the Board of Directors which is led by the Chairperson, and assumes overall responsibility for the governance of the company. Each Director identifies themselves with a duty to act in good faith and in the best interest of the Company. The Board is responsible to the Shareholders for creating and delivering sustainable shareholder value through managing of business activities.

Role of Board of Directors



The fundamental role of the Board is to provide entrepreneurial and coherent leadership within a framework of prudent and efficient controls, which enables risks to be assessed and managed. The Board has the final decision-making authority and directs the management team to uphold the highest of integrity, function in compliance with the applicable rules and regulations and delegate the necessary authority to fulfill their job responsibilities. Each Director has unrestricted access to information and the services of Senior Management and the Company Secretary. Prior notice is given to the Directors regarding

Board Meetings. The Board papers are circulated well in advance so that all Directors can actively deliberate and contribute to the Board proceedings.

Board Composition

The Board portrays a balance between Executive and Non-executive Directors, each of whom brings a strong and in-depth mix of knowledge, business skills and experience to the Board's deliberation. By the end of the year there were eleven directors on the Board. Of these, ten directors are non-executive and four are considered independent. The Board is collectively responsible for the long-term success of the Company and is accountable to shareholders for financial and operational performance.

Please refer from page 12 to 14 for profile of the members of the Board of Directors.

Board's Interaction with the Management

The Board is regularly updated by Management on the performance and prospects of the Group, through detailed reports at Board Meetings. Directors also have direct access to Management to obtain any information necessary to make timely decisions.

Attendance of the Board Meeting

The number of meetings of the Board and individual attendance by the members are as follows:

Name	Directorship Status	Meeting Attended/ Eligible to Attend
Mr. A. M. De S. Jayaratne*	Chairman and Non-Executive Director	2/2
Dr. Ranee Jayamaha**	Chairperson and Non-Executive Director	4/4
Mrs. Mildred Tao Ong	Non-Executive Director	3/4
Mr. En Ping Ong	Non-Executive Director	4/4
Mr. L.R. De Lanerolle	Non-Executive Director	4/4
Mr. P. D. Samarasinghe	Executive Director	4/4
Mr. Ben Nien Tao	Non-Executive Director	4/4
Mr. Brian Tao	Non-Executive Director	4/4
Dr. A.R. Wikramanayake	Independent Non-Executive Director	3/4

Name	Directorship Status	Meeting Attended/ Eligible to Attend
Mr. C.N.S. Mendis	Independent Non-Executive Director	3/4
Mr. P.Y.S. Perera	Independent Non-Executive Director	4/4
Mr. I. A. Wickramasinghe	Independent Non-Executive Director	4/4

***Note** – Mr. A.M. De S. Jayaratne ceased to be a Director with effect from 10th July 2025 upon his demise.

****Note** - Dr. Rane Jayamaha was appointed as the Chairperson of the Company with effect from 23rd July 2025.

Board Meetings

Meetings of the Board and its Committees are held in an atmosphere of robust, direct and constructive debate among Board and Committee members. These meetings are held at least quarterly to discuss key areas of operations, including strategy and governance.

Board Committees

The board has delegated certain functions to Board Committees established in line with the corporate governance framework of the Company. This enables the Board to allocate adequate time to all matters within its sphere.

Board committees consist of Non- Executive Directors and experienced Chairmen. In determining the composition of the Committees, and the Board takes into account applicable regulations, skills and experience of its members.

The Committee Chairmen report to the Board on the activities of their respective committees during Board meetings and are accountable for the effective functioning of the committees.

Board Nomination and Governance Committee, Remuneration Committee, Audit Committee and Related party Transactions review Committee function as Board Sub Committees comprising Directors who possess the requisite qualifications and experience.

	Nomination and Governance Committee	Remuneration Committee	Audit Committee	Related Party Transactions Review Committee
Composition	Please refer Page 102 in the Nomination and Governance Committee Report.	Please refer Page 106 in the Remuneration Committee Report.	Please refer Page 104 in the Audit Committee Report.	Please refer Page 107 in the Related Party Transaction Review Committee Report.

Internal Audit

Our internal audit function is responsible for providing independent, risk-based oversight to the Audit committee over financial, operational, and IT functions as well as regulatory compliances. Independent firm of Chartered Accountants carries out the Group internal audit function under the supervision and guidance of Group Audit Committee.

Re-election

According to the provisions of the Articles of Association of the Company, The Board possesses the power to appoint any person, at any time, as a director, either to fill a casual vacancy or as an additional member of the Board. Any director so appointed shall hold office until the next Annual General Meeting where they are then eligible for re-election.

The re-election of a director safeguards the rights of the shareholders by providing a regular reassessment of the composition of the board. The names of the Directors submitted for re-election are provided to the shareholders along with the notice of the Annual General Meeting, enabling them to make informed decisions regarding such appointments.

Directors' Remuneration

Please refer to pages 88 and 91 under Section B for information relating to the remuneration procedure and page 165 for details on Directors' remuneration.

Role of the Chief Executive officer (CEO)

The CEO is the top executive of the Company and is responsible for the management of day-to-day functions and operations with the support of Management. The CEO is accountable to the Board to recommend the Group's strategy and its subsequent implementation, to ensure that appropriate internal controls are in place to manage and assess risks and these controls fully complied with, and represents the management at Board meetings.

CORPORATE GOVERNANCE FRAMEWORK

Adoption on Corporate Governance Policies

In accordance with requirement of Section 9 of the Listing rules of the Colombo Stock Exchange, Overseas Realty (Ceylon) PLC maintains robust corporate governance and operational policies to ensure transparency and accountability. We disclose the existence and implementation details of the following policies:

(a) Policy on the Matters Relating to the Board of Directors:

This policy defines the roles, responsibilities, and composition of the Board to ensure effective oversight and strategic direction.

(b) Policy on Board Committees:

This policy establishes clear mandates, membership criteria, and operational guidelines for Board committees to enhance governance effectiveness.

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

This policy outlines criteria and procedures for Board nominations, evaluations, and succession planning, promoting diversity and competence.

(d) Policy on Remuneration:

This policy governs remuneration frameworks for Directors and executives, aligning incentives with long-term shareholder value and company performance.

(e) Policy on Internal Code of Business Conduct and Ethics:

This policy sets standards for ethical behavior, integrity, and compliance for all employees and Directors.

(f) Policy on Risk Management and Internal Controls:

This policy establishes a structured approach to identify, assess, and manage risks, ensuring robust internal controls and mitigation strategies.

(g) Policy on Relations with Shareholders and Investors:

This policy promotes open communication, transparency, and equitable treatment of shareholders, fostering trust and long-term relationships.

(h) Policy on Environmental, Social, and Governance (ESG) Sustainability:

This policy integrates sustainability principles into business practices, addressing environmental impact, social responsibility, and governance.

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

This policy safeguards company assets and shareholder investments through effective management and oversight practices.

(j) Policy on Corporate Disclosures:

This policy ensures timely and accurate disclosure of material information to stakeholders in compliance with regulatory requirements.

(k) Policy on Whistleblowing:

This policy provides channels for confidential reporting of unethical behavior or violations, safeguarding whistleblowers from retaliation.

(l) Policy on Anti-Bribery and Corruption:

This policy establishes zero-tolerance for bribery and corruption, outlining preventive measures and reporting mechanisms.

The Company remains committed to upholding these policies to foster a culture of integrity, accountability, and sustainable growth, thereby enhancing shareholders' value and stakeholders' trust.

For detailed policy statements, please visit our corporate website www.orcl.lk.

The disclosures below demonstrate the Company's adherence to Corporate Governance Rules as set out under Section 9 of the Listing Rules of the Colombo Stock Exchange.

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.2.1	<p>Listed Entities shall establish and maintain the following policies and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the Entity on its website;</p> <p>(a) Policy on the matters relating to the Board of Directors</p> <p>(b) Policy on Board Committees</p> <p>(c) Policy on Corporate Governance, Nominations and Re-election</p> <p>(d) Policy on Remuneration</p> <p>(e) Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities</p> <p>(f) Policy on Risk management and Internal controls</p> <p>(g) Policy on Relations with Shareholders and Investors</p> <p>(h) Policy on Environmental, Social and Governance Sustainability</p> <p>(i) Policy on Control and Management of Company Assets and Shareholder Investments</p> <p>(j) Policy on Corporate Disclosures</p> <p>(k) Policy on Whistleblowing</p> <p>(l) Policy on Anti-Bribery and Corruption</p>	✓	The Company established the listed policies and disclosed the fact of existence of such policies on the website.
9.2.2	Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report.	✗	The management will be alerted to identify such matters and disclose them when necessary.
9.2.3	<p>Listed entities must disclose in their Annual Report:</p> <p>(i) the list of policies that are in place in conformity Rule 9.2.1 above, with reference to its website.</p> <p>(ii) details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above.</p>	✓	The list of policies referred to in section 9.2 included in the Annual Report.
9.2.4	Listed Entities shall make available all such policies to shareholders upon a written request being made for any such Policy.	✓	The Company Secretary assigned to provide policies to shareholders upon a written request being made for any such policy.

CORPORATE GOVERNANCE FRAMEWORK

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.3.1	Listed Entities shall ensure that the following Board committees are established and maintained at a minimum and are functioning effectively. The said Board committees at minimum shall include;		
(a)	Nominations and Governance Committee	✓	Please refer page 102 of this Report
(b)	Remuneration Committee	✓	Please refer page 106 of this Report
(c)	Audit Committee	✓	Please refer page 104 of this Report
(d)	Related Party Transactions Review Committee	✓	Please refer page 107 of this Report
9.3.2	Listed Entities shall comply with the composition, responsibilities and disclosures required in respect of the above-Board committees as set out in these Rules.	✓	Please refer to sections 9.11, 9.12, 9.13 & 9.14 below.
9.3.3	The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 above.	✓	The Chairperson of the Company Dr. Ranee Jayamaha has not chaired any Board Committees currently.
9.4.1	Listed Entities shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Entity. The Entity shall provide copies of the same at the request of the Exchange and/or the SEC.	✓	The secretaries of the company maintain the records of the said information along with the meeting minutes of the shareholders.
(a)	The number of shares in respect of which proxy appointments have been validly made;		
(b)	The number of votes in favor of the resolution		
(c)	The number of votes against the resolution; and		
(d)	The number of shares in respect of which the vote was directed to be abstained		
9.4.2	Communication and relations with shareholders and investors:	✓	The management has taken steps to establish the company policy on effective communication and relations with Shareholders and disclosed the existence of the same in the Annual Report and the website. Please refer page 70 of this report.
(a)	Listed Entities shall have a policy on effective communication and relations with shareholders and investors and disclose the existence of the same in the Annual Report and the website of the Listed Entity.		
(b)	Listed Entities shall disclose the contact person for such communication.		
(c)	The policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders, and such process shall be disclosed by the Entity in the Annual Report and the website of the Entity		






Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
(d)	Listed Entities that intend to conduct any shareholder meetings through virtual or hybrid means shall comply with the Guidelines issued by the Exchange in relation to same and published on the website of the Exchange.	✓	
9.5.1	Listed entities must establish and maintain a formal policy for their Board of Directors, which includes:	✓	The entity established a formal policy for the Board of Directors which shall address the criterias stipulated in section 9.5.1
(a)	Recognize the need for a balance of representation between Executive and Non-Executive Directors and cover at minimum board composition, the roles and functions of the Chairperson and Chief Executive Officer or equivalent position (hereinafter commonly referred to as the CEO), Board balance and procedures for the appraisal of Board performance and the appraisal of the CEO.		
(b)	Where a Listed Entity decides to combine the role of the Chairperson and CEO.	✗	The positions of the Chairperson's and Chief Executive Officer's are separated.
(i)	set out the rational for combining such positions; and,		
(ii)	require the Board Charter of the Listed Entity to contain terms of reference/functions of the Senior Independent Director (SID) and the powers of the SID, which should be equivalent to that of the Chairperson in the instance of a conflict of interest.		
(iii)	set out the measures implemented to safeguard the interests of the SID.		
(c)	Require diversity in Board composition for Board effectiveness in terms of a range of experience, skills, competencies, age, gender, industry requirements and importance of objective selection of directors.	✓	Please refer Directors 'profile from Page 12 to 14.
(d)	Stipulate the maximum number of Directors with the rationale for the same.	✓	
(e)	Specify the frequency of Board meetings, having regard to the requirements under the Listing Rules.		
(f)	Provide mechanisms for ensuring that Directors are kept abreast of the Listing Rules and on-going compliance and/or non-compliance by the Listed Entity with obligations arising under such Rules.	✓	

CORPORATE GOVERNANCE FRAMEWORK

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
(g)	Specify the minimum number of meetings, in numbers and percentage, that a Director must attend, in order to ensure consistent attendance at Board Meetings and to avoid being deemed to vacate such position.	✓	
(h)	Provide requirements relating to trading in securities of the Listed Entity and its listed group companies and disclosure of such requirements.	✓	
(i)	Specify the maximum number of directorships in Listed Entities that may be held by Directors.	✓	
(j)	Recognize the right to participate at meetings of the Board and Board Committees by audio visual means and for such participation to be taken into account when deciding on the quorum.	✓	
9.5.2	Listed Entities shall confirm compliance with the requirements of the policy referred to in Rule 9.5.1 above in the Annual Report and provide explanations for any non-compliance with any of the requirements with reasons for such non-compliance and the proposed remedial action.	✓	The entity confirms the compliance of section 9.5.1 in the Annual Report for the year ended 31st December 2025.
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 SID is appointed by such Entity in terms of Rule 9.6.3 below.	✓	The Chairperson of the Entity is a Non-Executive Director. The functions of Chairperson and CEO are clearly separated to ensure balance of power and authority.
9.6.2	A Listed Entity that is unable to comply with Rule 9.6.1 above shall make a Market Announcement within a period of one (1) month from the date of implementation of these Rules or an immediate Market Announcement from the date of non-compliance (if such date falls subsequent to the implementation of these Rules).	✗	Not Applicable
9.6.3	The Requirement for a SID	✗	The functions of chairperson and CEO are clearly separated.
9.7.1	The Listed Entities shall take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules: In evaluating fitness and propriety of the persons referred in these Rules, Listed Entities shall utilize the 'Fit and Proper Assessment Criteria'.	✓	The company conducted a Fit and Proper Assessment for all directors, as stipulated in section 9.7.3.
9.7.2	Listed Entities shall ensure that persons recommended by the Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' meeting or appointments are made.		Nomination and Governance Committee conducts the Fit and Proper Assessment of the directors at least once a year for existing directors and keeps records of the same.

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.7.3	Fit and Proper Assessment Criteria	✓	The Company has taken steps to establish Fit and Proper Assessment Criteria.
9.7.4	Listed Entities shall obtain declarations from their Directors and CEO on an annual basis confirming that each of them has continuously satisfied the Fit and Proper Assessment Criteria set out in these Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation.	✓	All the directors of the company and CEO provided a declaration confirming that they have continuously satisfied with the FIT and Proper Assessment Criteria.
9.7.5	Disclosures in the Annual Report of Listed Entities In their Annual Report, listed entities must include the following:	✓	Relevant disclosures made on the annual report of the company. Please refer page 102 and 103 of this report for Nominations and Governance Committee report.
(a)	A statement that the Directors and CEO of the Listed Entity satisfy the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange.		
(b)	Any non-compliance/s by a director and/or the CEO of the Listed Entity with the Fit and Proper Assessment Criteria set out in these Rules during the financial year and the remedial action taken by the Listed Entity to rectify such noncompliance/s		
9.8.1	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	✓	The total number of directors was eleven (11) as at 31st December 2025.
9.8.2	Minimum Number of Independent Directors:	✓	The total number of Independent directors was four (4) as at 31st December 2025.
(a)	The Board of Directors of Listed Entities shall include at least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors of the Listed Entity at any given time, whichever is higher.		
(b)	Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.		The Ratio has been maintained over the year.
9.8.3	Criteria for determining independence	✓	The entity ensured that all the criterias required in determining independence are satisfied by the independent directors of the Company.
9.8.4	For the purposes of Rule 9.8.3; - Definitions	✓	

CORPORATE GOVERNANCE FRAMEWORK

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.8.5	The Board of Directors of Listed Entities shall require:		All the independent directors submitted the signed declaration of their independence to the board.
(a)	Require each Independent Director to annually submit a signed and dated declaration of their "independence" or "nonindependence" using the specified criteria and format in Appendix 9A.		Required disclosures are mentioned in the annual report. Please refer page 68 of this report.
(b)	Annually assess the "independence" or "non-independence" of each Independent Director based on their declaration and other available information, listing the names of "independent" Directors in the Annual Report.		
(c)	If the Board finds that the independence of an Independent Director is compromised according to the criteria in Rule 9.8.3, it should immediately issue a Market Announcement regarding this determination.		No such instances been occurred during the year.
	If a Listed Entity provides for the appointment of Alternate Directors, it shall be required to comply with the following requirements and such requirements shall also be incorporated into the Articles of Association of the Entity:		No alternative directors been appointed during the year.
(a)	Alternate directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment.		
(b)	If an Alternate Director is appointed for a Non-Executive Director such an alternate should not be an executive of the Listed Entity.		
(c)	If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence specified in these Rules and the Listed Entity shall satisfy the requirements relating to the minimum number of Independent Directors specified in these Rules. The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such an appointment is made.		

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
(d)	<p>The Listed Entity shall make an immediate Market Announcement regarding the appointment of an Alternate Director. Such Market Announcement shall include the following:</p> <ul style="list-style-type: none"> i) The exceptional circumstances leading to such appointment. ii) The information on the capacity in which such Alternate Director is appointed, i.e., whether as an Executive, Nonexecutive or Independent Director; iii) The time period for which he/she is appointed, which shall not exceed one (1) year from the date of appointment; and, iv) A Statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity. 	✘	No alternative directors been appointed during the year.
(e)	The attendance of any Alternate Director at any meeting, including a Board Committee Meeting shall be counted for the purpose of quorum.		
9.10.1	Listed Entities shall disclose its policy on the maximum number of directorships its Board members shall be permitted to hold in the manner specified in Rule 9.5.1. In the event such number is exceeded by a Director(s), the Entity shall provide an explanation for such non-compliance in the manner specified in Rule 9.5.2 above.	✔	The Company's maximum number of directors is 12.
9.10.2	<p>Listed Entities shall, upon the appointment of a new Director to its Board, make an immediate Market Announcement setting out the following:</p> <ul style="list-style-type: none"> i) a brief resume of such Director; ii) his/her capacity of directorship; and iii) Statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity. 	✔	At the time of appointment of a new director to the board, the relevant market announcements are made in accordance with section 9.10.2 also such appointments are reviewed by the Nominations and Governance Committee.
9.10.3	Listed Entities shall make an immediate Market Announcement regarding any changes to the composition of the Board Committees referred to in Rule 9.3 above containing, at minimum, the details of changes including the capacity of directorship with the effective date thereof.	✔	Relevant disclosures will be made if any changes in the composition of the board or any changes in the capacity of directorship arise.

CORPORATE GOVERNANCE FRAMEWORK

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.10.4	<p>Listed Entities shall also disclose the following in relation to the Directors in the Annual Report:</p> <ul style="list-style-type: none"> (a) name, qualifications and brief profile; (b) the nature of his/her expertise in relevant functional areas; (c) whether either the Director or Close Family Members has any material business relationships with other Directors of the Listed Entity; (d) whether Executive, Non-Executive and/or independent Director; (e) the total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and/or Key Management Personnel indicating whether such companies are listed or unlisted Companies and whether such Director functions in an executive or non-executive capacity, provided that where he/she holds directorships in companies within a Group of which the Listed Entity is a part, their names (if not listed) need not be disclosed; it is sufficient to state that he/she holds other directorships in such companies; (f) number of Board meetings of the Listed Entity attended during the year; (g) names of Board Committees in which the Director serves as Chairperson or a member; (h) Details of attendance of Committee Meetings of the Audit, Related Party Transactions Review, Nominations and Governance and Remuneration Committees. Such details shall include the number of meetings held and the number attended by each member.; and, (i) The terms of reference and powers of the SID (where applicable). 	✓	<p>Please refer page 12 to 14 of this report for the profiles of the Board of Directors.</p> <p>Please refer to the page 68 for the number of Board meetings attended by the Board of Directors during the year. Please refer to the pages below for the details of attendance of Committee Meetings.</p> <ul style="list-style-type: none"> i) Page 104 and 105 of this report for Audit Committee report. ii) Page 107 of this report for Related Party Transactions Review Committee report. iii) Page 102 and 103 of this report for Nominations and Governance Committee report. iv) Page 106 of this report for Remuneration Committee report.
9.11	Nominations and Governance Committee		
9.11.1	Listed Entities shall have a Nominations and Governance Committee that conforms to the requirements set out in Rule 9.11 of these Rules.	✓	Please refer page 102 and 103 of this report.
9.11.2	Listed Entities shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.		
9.11.3	The Nominations and Governance Committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.		



Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.11.4	Composition	✓	As per section 9.11.4 the committee comprised of four (04) Directors, out of which two (02) members are Independent Directors of the Entity.
1	The members of the Nominations and Governance Committee shall;		
(a)	comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity.		Chairperson of the Nominations and Governance Committee is an Independent Non-Executive Director.
(b)	It should not comprise of Executive Directors of the Listed Entity.		Please refer from page 102 to 103 of this report.
2	An Independent Director shall be appointed as the Chairperson of the Nominations and Governance Committee by the Board of Directors.		
3	The Chairperson and the members of the Nominations and Governance Committee shall be identified in the Annual Report of the Listed Entity.		
9.11.5	Functions of the Nomination and Governance Committee	✓	Please refer to pages from page 102 to 103 of this report.
9.11.6	Disclosures in Annual Report	✓	
9.12	Remuneration Committee		
9.12.1	For the purposes of Rule 9.12, the term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received.	✓	The Remuneration Committee established and maintained a formal and transparent procedure for developing policy on remuneration of Executive Directors and Non-Executive Directors as stipulated in section 9.12.
9.12.2	Listed Entities shall have a Remuneration Committee that conforms to the requirements set out in Rule 9.12 of these Rules.		
9.12.3	The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration.		
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.		
9.12.5	Remuneration Committee shall have a written terms of reference clearly defining its scope, authority, duties, and matters pertaining to the quorum of meetings.	✓	Please refer to pages from page 106 of this report.

CORPORATE GOVERNANCE FRAMEWORK

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.12.6	Composition	✓	The Remuneration Committee consists of four members, all of whom are Non-Executive Directors, out of whom a majority is independent.
1	The members of the Remuneration Committee shall;		
(a)	comprise a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity.		
b	not comprise of Executive Directors of the Listed Entity.		
2	In a situation where both the parent company and the subsidiary are 'Listed Entities', the Remuneration Committee of the parent company may be permitted to function as the Remuneration Committee of the subsidiary.	✗	Not Applicable as only the parent entity is listed.
3	An Independent Director shall be appointed as the Chairperson of the Remuneration Committee by the Board of Directors.	✓	The company appointed an independent director as the chairperson of the committee. Please refer to pages from page 106 of this report.
9.12.7	Functions	✓	Please refer to the Remuneration Committee Report from page 106 of this report.
1	The Remuneration Committee shall recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations.		
2	The Remuneration Committee may engage any external consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.	✓	
9.12.8	Disclosure in Annual Report	✓	Please refer to the Remuneration Committee Report from page 106 of this report.
	The Annual Report should set out the following:		
(a)	Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members or persons in the parent company's Remuneration Committee in the case of a group company;		
(b)	A statement regarding the remuneration policy; and,		
(c)	The aggregate remuneration of the Executive and Non-Executive Directors.		

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.13	Audit Committee		
9.13.1	Where Listed Entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed Entities shall additionally perform the Risk Functions set out in Rule 9.13 of these Rules.	✓	The entity assigned the audit committee the task of performing the audit and risk functions as set out in Section 9.13.4
9.13.2	The Audit Committee shall have a written terms of reference clearly defining its scope, authority and duties.	✓	Please refer to the Audit Committee Report from page 104 to 105 of this report.
9.13.3	Composition		
	1 The members of the Audit Committee shall; (a) comprise of a minimum of three (03) directors of the Listed Entity, out of which a minimum of two (02) or a majority of the members, whichever higher, shall be Independent Directors. (b) not comprise of Executive Directors of the Listed Entity.	✓	Audit Committee consists of three Non-Executive Directors two of whom are Independent.
2	The quorum for a meeting of the Audit Committee shall require that the majority of those in attendance to be independent directors	✓	
3	The Audit Committee may meet as often as required provided that the Audit Committee compulsorily meets on a quarterly basis prior to recommending the financials to be released to the Colombo Stock Exchange.	✓	Please refer to the Audit Committee Report from page 104 to 105 of this report.
4	If both, the Parent Company and the subsidiary are 'Listed Entities', the Audit Committee of the Parent Company may function as the Audit Committee of the subsidiary	✗	Not Applicable as only the holding company is listed.
5	An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.	✓	Please refer to the Audit Committee Report from page 104 to 105 of this report.
6	Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation. Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.	✓	The Group Chief Executive Officer and Group Finance Controller attends the meetings by invitation.
7	The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. Provided however, this Rule shall not be applicable in respect of Risk Committees where a Listed Entity maintains a separate Risk Committee and Audit Committee	✓	The Chairperson of the Audit Committee is a Chartered Accountant with a vast knowledge on Financial Reporting, Assurance and Compliance.

CORPORATE GOVERNANCE FRAMEWORK

Rule No.	Corporate Governance Rule	Compliance Status	Company's Commitment
9.13.4	Functions of the Audit Committee	✓	Please refer to the Audit Committee Report from page 104 to 105 of this report.
9.13.5	Disclosures in Annual Report	✓	Please refer to the Audit Committee Report from page 104 to 105 of this report.
9.14	Related Party Transactions Review Committee		
9.14.1	Listed Entities shall have a Related Party Transactions Review Committee (RPT) that conforms to the requirements set out in Rule 9.14 of these Rules.	✓	Please refer to the Related Party Transaction Review Committee Report from page 107 of this report.
9.14.2	Composition		
1	The Related Party Transactions Review Committee (RPT) shall comprise of a minimum of three (03) Directors of the Listed Entity, out of which two (02) members shall be Independent Directors of the Listed Entity. It may also include executive directors, at the option of the Listed Entity. An Independent Director shall be appointed as the Chairperson of the Committee.	✓	Related Party Transactions Review Committee consists of three Non-Executive Directors two of whom are Independent.
2	If a parent company and the subsidiary are Listed Entities, the Related Party Transactions Review Committee of the parent company may be permitted to function as the Related Party Transactions Review Committee of the subsidiary.	✗	Not Applicable as only the parent entity is listed.
9.14.3	Functions of the Related Party Transaction Review Committee	✓	The RPT committee function as specified in this section.
9.14.4	General Requirements	✓	Please refer to the Related Party Transaction Review Committee Report from page 107 of this report.
9.14.5	Review of Related Party Transactions by the Related Party Transactions Review Committee	✓	The committee will comply with section 9.14.5 when reviewing the RPT.
9.14.6	Shareholder Approval		The committee will comply with section 9.14.6 when reviewing the RPT.
9.14.7	Disclosures		The committee will make relevant disclosures as per section 9.14.7
9.14.8	Disclosures in the Annual Report		Please refer to the Note 26 in page 164 to 165 of this report.

***Note.**

Dr. Raneey Jayamaha was appointed as a Non-Executive Director to the Board on 15.03.2013, continues to be a Non-Executive Director of the Company amidst her tenor in office exceeding ten years.

Mr. P.D. Samarasinghe was appointed to the Board as an Executive Director on 24.04.2014.

Mrs. Mildred Tao Ong, Mr. En Ping Ong, Mr. Ben Tao Nien and Mr. Brian Tao represent the main Shareholder Shing Kwan Group which hold more than 50% of shares of the Company.

Mr. L.R. De Lanerolle who was appointed to the Board on 03.06.2010 is also an Executive Director of Mireka Capital Land (Private) Limited, which is a subsidiary of the Company.

The Board is of the collective opinion that the majority of Non-Executive Directors are Independent of the management of the company and free from any business or other relationship that could materially interfere in the exercise of their free and fair judgment.

Code of Best Practice of Corporate Governance issued jointly by the Securities and Exchange Commission of Sri Lanka (SEC) and the Institute of Chartered Accountants of Sri Lanka.

Section Number		Compliance Status	Company' Commitment
1. The Company			
A Directors			
A.1 The Board	Every public company should be headed by an effective Board, which should direct, lead and control the Company.	✓	The Company is headed by an effective Board. The role of the Board and its members, Board functions, Board procedures and governance activities are discussed in detail from page 110 to 114.
A.1.1 Regular Board Meetings	Frequency of Board meetings. (at least once every quarter)	✓	Board meets once every quarter, mainly to review the Company's performance and to determine whether its strategies and business practices are in line with the expectation of the Board. Individual attendance is given on page 68.
A.1.2 Board Responsibilities	Ensure formulation and implementation of a sound business strategy.	✓	The Board assumes the primary responsibility for the overall success of the company. The Board is involved in formulating the overall strategy and measuring, that it is implemented by the CEO. The CEO, together with the management team develops corporate strategies, annual budgets and action plans to implement corporate strategies on annual basis. The corporate plan and annual budget are approved by the Board every year and achievement of the objectives set in the plan is monitored closely by the Board.
	Ensure that the MD/CEO and the management team possess the necessary skills, experience and knowledge for effective implementation of the strategy.	✓	The Board actively works to ensure that the CEO and the management team continue to have the right balance of skills, experience and knowledge necessary to discharge their responsibilities in accordance with the highest standards of governance.
	Adapt effective CEO and senior management succession strategy.	✓	Succession plans are in place for the CEO and for other key managerial positions and are monitored continuously.
	Ensure that effective systems are in place to secure integrity of information, internal controls, business continuity and risk management.	✓	Effective systems and procedures are in place to ensure the integrity of information, internal controls and information security. Such systems are continuously monitored by the management, internal and external auditors and at times by independent experts.
	Ensure that the company's activities are conducted in compliance with laws, regulations and ethical standards.	✓	The Board has adopted a compliance policy to give direction to the management with regard to compliance activities. The company has also issued a group policy that employees should comply with.
	Ensure that all stakeholder interests are considered in corporate decisions.	✓	The board ensures that the interest of all stakeholders is considered and safeguarded in making corporate decision.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
A.1.2 Board Responsibilities (Contd.)	Recognized sustainable business development in corporate strategy, decisions and activities.	✓	The Board recognizes the necessity of sustainable business development in the corporate strategy, decisions and activities. Please refer sustainability report on page 52 to 63.
	Ensure that the Company's values and standards are set with emphasis on adopting appropriate accounting policies and fostering compliance with financial regulations.	✓	The company's accounting policies are fully in line with Sri Lanka Financial Reporting Standards (SLFRS/LKAS) which was adopted from the financial year 2013. Further the accounting policies are reviewed annually to be in line with the changing business requirements and best practices in the industry. Please refer independent auditor's report given on page 118.
	Fulfill other Board functions that are vital, given the scale, nature and complexity of the business concerned.	✓	The Board takes all its decisions paying due attention to the interest of all stakeholders. The Board also intervenes when necessary, in any other function that is vital given the scale, nature and the complexity of the company's business.
A.1.3 Compliance with Laws and Access to Independent Professional Advice	Act in accordance with the laws of the country and seek professional advice whenever required.	✓	The board act in accordance with the laws in the country. The Board has permitted all Directors to seek independent professional advice.
A.1.4 Access to Advice and the Services of a Company Secretary	Advice and Services of the Company Secretary.	✓	The company secretary, who is an attorney-at-law by profession, is accessible by any Director for the services of the company. The company secretary advises the board and ensures that matters concerning the Companies Act, board procedures and other applicable rules and regulations are followed. She also serves as the secretary to the audit committee and the Related Party Transaction Review Committee.
	The company should obtain appropriate insurance cover as recommended by the nominations committee for board, directors, and key management personnel.	✓	Insurance cover obtained for directors and key management personnel as recommended by the board.
A.1.5 Independent Judgment of Directors	Bring Independent judgment on various business issues and standards of business conduct.	✓	All directors exercise independent judgment on decisions made by the board on issues of strategy, performance, resource allocation and the conduct of business.

Section Number		Compliance Status	Company' Commitment
A 1.6 Dedication of adequate time and effort to matters of the Board and the Company	Every Director should dedicate adequate time and effort to matters of the Board and the Company, to ensure that the duties and responsibilities owed to the Company are satisfactorily discharged.	✓	To ensure that the duties and responsibilities owned to the Company are satisfactorily discharged, the Directors attend quarterly Board meetings and discuss the matters. As far as possible the company endeavors to circulate the board papers amongst its members at least one week prior to each Board meeting in order to enable the Directors to analyse and call for additional information and clarifications. The number of meetings attended by each Director is given on page 68.
A 1.7	One third of the directors can call for a resolution to be presented to the board where they feel it is in best interest to the company to do so.	✗	
A 1.8 Training and continuous Development of Directors	Every Director should receive appropriate training when first appointed to the Board and subsequently as necessary.	✓	All Directors in the Company are highly qualified and well experienced personalities. The Directors are also kept abreast of applicable legislation and regulations, changes to rules, latest trends, standards and codes as well as relevant regulatory changes and development.
A.2 Chairperson and Chief Executive Officer	Chairpaerson and CEO are two different positions and need to be divided responsibilities.	✓	The functions of the Chairperson and CEO are clearly separated to ensure balance of power and authority.
A.2.1	Disclosure required if the positions of the Chairperson and the CEO are combined.	✗	The positions of the Chairperson and CEO are separated.
A.3 Chairperson's Role	The Chairperson's role in preserving good Corporate Governance.	✓	The Chairperson is responsible for leading the Board and ensuring that it operates under the highest standards of governance.
A.4 Financial Acumen	Availability of sufficient financial acumen and knowledge to offer guidance on matters of finance.	✓	The following members of the Board are knowledgeable and experienced individuals who can provide guidance on matters of finance. All Directors possess qualifications and/or experience in accounting and finance. Mr. P.Y.S. Perera is a qualified Chartered Accountant. Please refer profiles of Directors from page 12 to 14.
A.5 Board Balance	The Board should have a balance of executive and non- Executive Directors.	✓	At the end of the year, the Board comprised eleven Directors and ten of the board directors are non-executive, thereby promoting critical review and control. Please refer page 12 to 14 of the Profile of Directors.
A.5.1	Presence of non- Executive Directors.	✓	Ten of the eleven Board members are non-Executive including the chairperson, which is in excess of one third of the total number of Directors.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
A.5.2	Independent Directors.	✓	Four Non-Executive Directors are independent, which is more than one third of the Non-Executive Directors.
A.5.3	Criteria to evaluate "Independence" of Non-Executive Directors.	✓	All four independent non-executive directors meet the criteria for independence as per the code of best practices, corporate governance (code) and listing rules and free of business or other relationships that could moderately influence the exercise of their unfettered and independence judgment.
A.5.4	Annual Declaration of Non-Executive Directors.	✓	All Non-Executive directors have submitted the declaration of independence or non-independence as per the code.
A.5.5	Annual determination of 'Independence' of Non-Executive Directors by the Board.	✓	The Note on page 68 of this annual report has determined the independence or non-independence of each director.
A.5.6	Appointment of an Alternate Directors by a Non-executive/ independent Directors.	✗	Currently there are no alternative directors appointed.
A.5.7	Appointment of Senior Independent Director.	✗	Since the role of the Chairperson and the CEO of the Company are separated, this requirement does not arise.
A5.8	Availability of the senior independent director for confidential discussions with other directors.		
A 5.9	Responsibility of Chairperson to hold meetings only with Non-executive Directors.	✓	The Chief Executive officer functions as the apex executive in charge of the day-to-day management of the Company. The chairperson hold meetings with non-executive Directors whenever necessary.
A.5.10	Recording of concerns which cannot be unanimously resolved in Board minutes.	✓	All decisions of the Board were taken unanimously and there are no concerns raised by the directors during the year which needed to be recorded in the board minutes. However, if such concerns do arise the company's policy is to record them accordingly.
A.6 Supply of Information	The Board should be provided with timely information in a form and of a quality appropriate to enable it to discharge its duties.	✓	Financial and non-financial information are analyzed and presented to the board to make accurate decisions.





Section Number		Compliance Status	Company' Commitment
A.6.1	Managements responsibility to provide the Board with appropriate and timely information.	✓	The management ensures that a set of timely accurate relevant and comprehensive information is provided to the Directors before the Board Meeting every quarter, with adequate time for them to review the same and prepare for discussions. All significant financial and non-financial information for the period is included in this analysis.
A.6.2	Preparation of minutes, agenda and Board papers prior to the Board meetings.	✓	The Company Secretary ensures that the agenda and Board papers to be tabled at Board meetings are prepared and circulated at least one week prior to the Board Meeting together with the minutes of the previous meeting.
A.7 Appointments to the Board; Nomination Committee	There should be a formal and transparent procedure for the appointment of new Directors to the Board.	✓	All new appointments of the Board are made following a formal and transparent procedure.
A.7.1	Composition of the Nomination Committee	✓	Please refer to the page 102 of the Annual Report.
A.7.2	Annual assessment of the board composition against pre-defined criteria of skill and knowledge requirements.	✓	Please refer to the page 102 of the Annual Report for Nomination Committee Report.
A.7.3	Succession plan for the Chief Executive Officer and for Key Management Personnel and determine the training and development for those identified for succession.	✓	The Board ensures the establishment of a succession plan for Chief Executive Officer and for Key Management Personnel and proper training and development for those identified for succession.
A.7.4	Disclosure of details of new directors to shareholders.	✓	All appointments of new directors are informed to the shareholders with sufficient details via immediate notification to the CSE.
A.7.5	The chairperson and members of the nomination committee should be identified in the annual report.	✓	Please refer to the page 102 of the Annual Report.
A.7.6	Terms and reference for nomination committees	✓	Please refer to the page 102 of the Annual Report.
A.8 Re Election	All Directors should be required to submit themselves for re-election at regular intervals and at least once in every three years.	✓	Please refer page 181 of the annual report for details of re-election of Directors.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
A.8.1	Appointment and re-election of non-Executive Directors.	✓	Please refer page 181 of the Annual Report.
A.8.2	Election of Directors by the shareholders.	✓	Please refer page 181 of the Annual Report.
A.8.3	In the event of a resignation of a director prior to completion of his appointed term, the director should provide a written communication to the board of his reasons for resignations.	✗	
A.9 Appraisal of Board Performance	Board should periodically appraise their own performance.	✓	The Board recognizes that it is necessary to periodically appraise their own performance in order to ensure that Board responsibilities are satisfactorily discharged.
A.10 Disclosure of Information of Directors.	Shareholders should be kept advised of relevant details in respect of Directors.		
A.10.1	Disclosures on Directors in the annual report.	✓	<p>Required information with respect to Directors are disclosed in this annual report, where relevant. Names, qualifications and profiles, including expertise in relevant functional areas of all Board Members are provided from page 12 to 14.</p> <p>Details of Directors interest in contracts are given on page 112.</p> <p>Details of related party transactions are provided on page 164 and 165.</p> <p>Details on Directors attendance and other sub committees are provided on page 68.</p>
A.11 Appraisal of CEO	The Board should require, at least annually, to assess the performance of the CEO.	✓	Annually the Remuneration Committee and the Board assess the CEO's performance.
A.11.1	Setting annual target for MD/CEO.	✓	Based on long term strategy annual objectives are fixed by the Board.
A.11.2	Evaluation of the performance of the CEO.	✓	Evaluations of achievement the set targets are reviewed annually by the Board.
B			
B.1 Directors Remuneration	Companies should establish a formal and transparent procedure for developing policies on executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding his/her own remuneration.		

Section Number		Compliance Status	Company' Commitment
B.2 Level and Makeup of Remuneration	The Levels of remuneration of both Executive and Non-Executive Directors should be sufficient to attract and retain the Directors needed to run the Company successfully.		
B.2.1	Presence of a Remuneration Committee.	✓	A Remuneration Committee has been appointed and functions within agreed terms of reference. Please refer page 106 for the Remuneration Committee Report.
B.2.2	Composition of Remuneration Committee.	✓	Please refer page 106 for details of the composition of Remuneration Committee.
B.2.3	Ability to consult the Chairperson and/ or CEO and to seek professional advice by the committee.	✓	The committee consults the Chairperson and the CEO, where necessary, has access to the professional advice within and outside the company.
B.2.4	Determination of remuneration of Non-Executive Directors.	✓	Non-Executive Directors who are nominees of the parent company are paid a nominal fee for their attendance at the Board and subcommittee meetings.
B.2.5	Remuneration packages of Executive Directors.	✓	The Remuneration Committee and the Board ensure that the Executive Director is provided with an appropriate remuneration package.
B.2.6	Comparison of remuneration with other Companies.	✓	The Remuneration Committee compares the remuneration levels of the company with such packages of comparable companies in the industry and is sensitive to changes in the remuneration levels.
B.2.7	The remuneration committee should be sensitive to remuneration and employment conditions elsewhere in the company or group of which it is a part, especially when determining annual salary increase.	✓	Remuneration committee is ensuring their sensitivity to the conditions of the remuneration and employment when conducting reviews in the annual salary increases.
B.2.8	Designing performance – based remuneration of Executive Directors.	✓	Objectives for the Executive Directors on the Board are set at the beginning of the year to align their interests with those of the company. Accordingly, their remuneration including the performance bonus is decided based upon the degree of achievement of such pre-set targets.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
B.2.9	Executive share options should not be offered at a discount, save as permitted by the listing rules of the Stock Exchange. Shares granted under share option schemes should not be exercisable in less than three years and the remuneration committee should consider requiring directors to hold a minimum number of shares and to hold shares for a further period after vesting or exercise.		No any share options were offered to the directors by the company.
B.2.10	In designing schemes of performance-related remuneration, remuneration committee should follow the provisions that would enable the company to recover sums paid or withhold a portion of such performance related remuneration and specify the circumstances in which a company may not entitled to do so.		
B.2.11	The remuneration committee should consider what compensation commitments their chief executive's and executive directors 'contracts of services, if any, entail in the event of early termination.		Commitments and Termination of the Executive Director (CEO) is governed by his contract of service/ employment.
B.2.12	Where the initial contract does not explicitly provide for compensation commitments, remuneration committee should, within legal constraints, tailor their approach in early termination cases to the relevant circumstances.		
B.2.13 B.2.14	Remuneration of Non-Executive Directors.		Non-Executive Directors are paid only on their attendance at meetings.









Section Number		Compliance Status	Company' Commitment
B.2.15	The chairman and members of the remuneration committee should be listed in the annual report each year.	✓	Please refer page 106 for the Remuneration Committee Report.
B.2.16	The terms and reference for remuneration committee.	✓	Please refer page 106 for the Remuneration Committee Report.
B.3 Disclosure of Remuneration	The Company's Annual Report should contain a statement of Remuneration policy and details of Remuneration of the Board as whole.		
B.3.1	Disclosure of Remuneration.	✓	The aggregate remuneration paid to the CEO and non-Executive Directors is disclosed on page 165 of this report. The Remuneration Committee's Report which highlights the remuneration policy at the Company is give on page 106.
B.3.2			
C. Relations with Share Holders			
C.1 Constructive use of the Annual General Meeting (AGM) and Conduct of General Meeting	Boards should use the AGM to communicate with shareholders and should encourage their participation.	✓	Please refer page 181 for details of the Annual General Meeting.
C.1.1	Companies should arrange for the Notice of the AGM and related papers to be sent to shareholders as determined by statute, before the meeting.	✓	The Annual Report together with notice of meeting and related documents and other resolutions if any is circulated to the shareholders at least 15 working days prior to the date of the AGM. The Annual Report 2024 was submitted to the CSE on 21st March 2025 and was posted to all shareholders by 21st March 2025. The AGM was held on 23rd April 2025.
C.1.2	Separate Resolution to be proposed for each item.	✓	The Company proposes separate resolutions on each substantially separate issue. So, shareholders are given the opportunity to vote separately on each substantial issue.
C.1.3	Use of Proxy Votes.	✓	The Company has a mechanism to count all proxy votes to indicate to the chairperson the level of proxies lodged on each resolution and the number of votes for and against such resolution.
C.1.4	Availability of Chairmen of Board Committees at the AGM.	✓	The Chairperson of the Board ensures that the Chairmen of Board Sub- committees are present at AGM to answer any query by shareholders.
C.2	The Board should implement effective communication with shareholders.	✓	The AGM and the Annual Report are the primary means of communication with shareholders. Additionally, the Company makes disclosures on material and price sensitive matters from time to time to the CSE for dissemination among the public.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
C.2.1	Communication channel to reach shareholders.	✓	All financial information is released to the shareholders through the Annual Report, Annual General Meeting, financial and other notices when required through the Colombo Stock Exchange and the Corporate website.
C.2.2	Company's Communication policy and methodology.		
C.2.3			
C.2.4	The Company should disclose the contact person for such communications.	✓	The Company Secretary will be the main contact person with regard to any public disclosures. Further the Group Financial Controller can also be contacted with regard to any clarifications on financial information published.
C.2.5	Process to make directors aware of major issues and concerns of shareholders.	✓	The company Secretary maintain record of all correspondence received from shareholders and direct the same to the appropriate channel. if there are any major issues/or concerns raised by shareholders they are referred to the Board.
C.2.6	Person to be contacted on shareholders matters.	✓	The company Secretary to be contacted for shareholder matters. The Company Secretary's detail is given on inner back cover.
C.2.7	Formulation of a process for responding to shareholders and disclosure on them.	✓	Upon receipt of instructions from the Board or other relevant channel, the company Secretary responds as directed.
C.3 Major and Material Transaction	Disclosure of all material transactions including related party transactions.	✗	Major Transactions that required to disclose separately are disclosed in page 164.
D. Accountability and Audit			
D.1 Financial and Business Reporting	The Board should present a balanced and understandable assessment of the Company's financial position, performance and prospects.		
D.1.1	Board responsibility for statutory and regulatory reporting.	✓	The Company presents its financial statements in line with Sri Lanka Financial Reporting Standards (SLFRS) and other applicable laws and regulations.
D.1.2	Declarations by Directors in the Directors' report.	✓	The Directors have made all required declarations in the Annual Report of the Board of Directors on the affairs of the company which is given from page 110 to 114.

Section Number		Compliance Status	Company' Commitment
D.1.3	Declarations by the Chief Executive Officer and the Group Financial Controller on the financial statements before the approval of the board of directors.	✓	Chief Executive Officer and the Group Financial Controller make their declarations on the financial statements before the approval of the board of directors.
D.1.4	Declaration by the Board on going concern of the business.	✓	The Board after conducting necessary reviews and enquires decided to apply the 'going concern' assumption in preparing the company's Financial Statements for the year 2025. The declaration of the company as a 'going concern' is given in the Directors Report on page 114.
D.1.5	Statements by Directors and Auditors on responsibility for financial reporting.	✓	Page 113 Contains the statement setting out the responsibility of the Board for the preparation and presentation of Financial Statements.
D.1.6	Management Discussion Analysis.	✓	The Management discussion and analysis are appearing from page 16 to 50.
D.1.7	Requirement to summon an Extraordinary General Meeting (EGM) to notify serious loss of capital.	✗	
D.1.8	Adequate and accurate disclosure of related party transactions.	✓	The company has a related party transactions policy in place. This policy provides detailed procedures on identification of related parties and related party transactions. A Related Party Transaction Review committee was established in 2016 and details of the committee are presented in the Related Party Transactions Review Committee report on page 107. Related party transactions are disclosed on page 164 and 165.
D.2 Risk Management and Internal Control	Risk Internal Controls.	✓	The Board maintains a sound system of risk Management and internal controls to safeguard shareholders' investments and the Company assets.
D.2.1	Directors to conduct an annual review of Risk Management and internal controls.	✓	The Board has overall responsibility for the system of risk management and internal controls and has delegated some of these responsibilities to the Audit Committee.
D.2.1.1	Robust assessment of the principal risks facing the company.	✓	Please refer risk management report from page 97 to 101.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
D.2.1.2	The board should describe the risk management framework, processes, responsibilities and explain in the annual report how they are being managed or mitigated.		
D.2.1.3 to D.2.1.8	Establishment of a risk committee to oversee risk management, and its composition, duties, authority and the disclosure in the annual report.		The entity assigned the audit committee the task of performing the audit and risk functions.
D.2.2	Establishment of a risk management framework.		Please refer page 97 for the report on risk management.
D.2.2.1	The board should ensure that effective system of internal controls is establish in respect of financial, operational and compliance system, processes, and practices and are monitored regularly.		Please refer page 104 for the Audit committee report.
D.2.2.2	The need for an internal audit function.		The Company has appointed Messrs. Deloitte as the Internal Auditors of the Company. All reports by the Internal Auditors are tabled at the Audit Committee meetings.
D 2.2.3	Audit Committee to ensure carrying out the reviews of the process and effectiveness of risk management and Internal Control.		Audit committee review quarterly the effectiveness of risk management and internal control with Internal Auditors and the Management.
D.2.2.4	Responsibilities of directors in maintaining a sound system of internal control and the contents of the statement of internal control.		Please refer page 115 for the directors' statement on internal controls.
D.3	Audit Committee.		The Board has established formal and transparent arrangement for considering how they should select and apply accounting policies, financial reporting, risk management and internal control principles and maintain an appropriate relationship with the company auditors.

Section Number		Compliance Status	Company' Commitment
D.3.1	The Board Should establish an Audit Committee.	✓	Please refer Audit committee Report on from page 104 to 105.
D.3.2	Duties of the Audit Committee. Terms of reference of the Audit Committee.	✓	The Audit Committee monitors and reviews the External Auditors independence, objectivity and the effectiveness of the audit process, taking into account the relevant professional and regulatory requirements. The Audit Committee operates with clearly defined terms of reference which are reviewed annually.
D.3.3	Disclosure of names of the members of the Audit Committee. The number of meetings held attendance of each director. The scope of work and how its roles and responsibilities were discharged.	✓	Names of Directors comprising the Audit Committee are set out on page 104 of the Annual Report.
D.4 Risk Committee	The board should establish a procedure for risk management including how they determine, risk culture, risk appetite, risk identification and classification, rating and management of risk.	✓	Audit Committee reviews the effectiveness of risk management of the group. A Risk Register is maintained by the Company.
D.5 Related Party Transactions Review Committee	The Board Should establish a procedure to ensure that the Company does not engage in transactions with 'related parties" in a manner that would grant such parties "more favorable treatment" than that accorded to third parties in the normal course of business.	✓	The Board has appointed a committee to review Related Party Transactions and the committee has laid down procedures and policies to identify related party and track the transactions. The Committee meet every quarter to review the Related Party Transactions. Page 107 includes the Related Party Transaction Review Committee Report
D.6	Code of Business Conduct & Ethics.	✓	Companies must adopt a Code of Business Conduct and Ethics for Directors and Members of the Senior Management team and must promptly disclose any waivers of the code by Directors or others.
D.7	Corporate Governance Disclosure.	✓	Directors should disclose the extent to which the Company addresses to establish principles and practices of good corporate governance.

CORPORATE GOVERNANCE FRAMEWORK

Section Number		Compliance Status	Company' Commitment
D.7.1	Disclosure of compliance with the Corporate Governance Code.	✓	Page 83 to 96 set out the manner and extent to which the company has complied with the principles and provisions of the Code of Best Practice on Corporate Governance issued jointly by the SEC and the CA Sri Lanka.
2. Shareholders			
E. Institutional Investors			
E1.1	A listed company should conduct a regular and structured dialogue with shareholders.		
E.2	Evaluation on Governance Disclosures		
F. Other Investors			
F.1 Investing/ Divesting Decisions	Individual Shareholders are encouraged to seek independent advice on investing or divesting decisions.		
F.2 Shareholder Voting	All Shareholders are encouraged to participate at Annual General Meeting and cast their votes.		
3. Other matters			
G. Interest of Things and Cybersecurity	The Board review the IT environment through its audit committee.		
H. Environment, Society and Governance (ESG)			
H.1.1 - H.1.5	Disclose the policies and procedures adopted to develop environment, society and Governance (ESG).	✓	Refer Sustainability Reporting from page 52 to 63.
I. Special Considerations for Listed Entities			
I.1	Establishment and maintenance of policies	✓	The board has taken necessary steps for the establishment of policies mentioned under principle I.1.1.
I.2	Policy on matters relating to the board of directors		

RISK MANAGEMENT REPORT

Enterprise Risk Management process

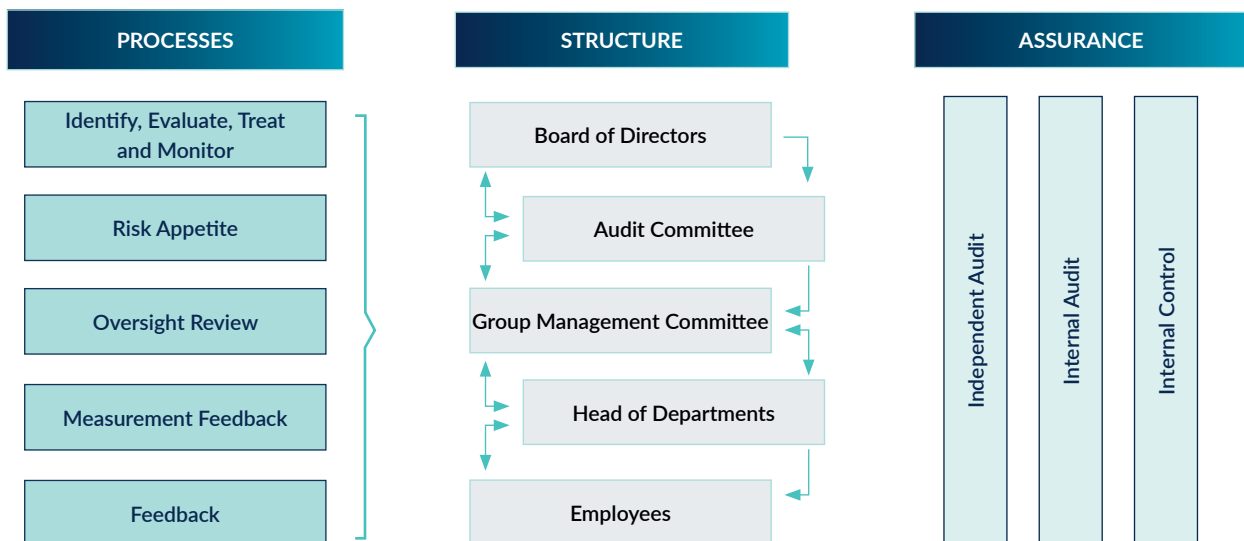
Overview

Risk and Opportunity arise in all our business activities. Risk, in our context, is the component, which has the potential to negatively affect business or an organization. Its' significance is measured in terms of the probability of occurrence. Opportunity, in our context, is a component that has the potential to positively influence the business or organization by enhancing value creation, performance, or growth.

Therefore, an integrated risk and opportunity management framework has become a mandatory existence, which provides the guideline for managing risks and opportunities.

Managing risk is a key aspect of the Board's stewardship obligations and a component of the 'performance' dimension of Enterprise Governance, where managing opportunities is a key aspect of the Board's strategic stewardship responsibilities and a vital component of the 'conformance and performance' dimensions of Enterprise Governance, aimed at driving innovation and sustainable value creation.

The risk management framework illustrates our approach to risk management, reflecting the risk management process, the structure in place to administer the process and sources of comfort with regard to its effectiveness.



Risk and Opportunity Management Framework

A risk or opportunity cannot be viewed in isolation, as both are interconnected within the business environment, where one aspect may give rise to various other influencing factors. The Overseas Realty Group has established a structured Risk and Opportunity Management process to address key categories such as Strategic, Operational, Compliance, Financial, and Emerging Opportunities that may positively impact business performance and long-term value creation.

The Board is responsible for ensuring the effectiveness of both risk and opportunity management. It recognizes that the proper identification, evaluation, and management of risks—as well as

the proactive identification and pursuit of opportunities—are core leadership functions that must be embedded across all levels of the Organization.

The Internal Audit process coordinates the identification and documentation of control-risk areas throughout the Group, while also supporting the recognition of improvement opportunities that strengthen operational efficiency and governance. This enhances the overall management system and ensures ongoing monitoring of its effectiveness at regular intervals. In addition, at year-end, the External Auditor issues a Management Letter to the Group Management Committee, Audit Committee, and the Board of Directors, communicating the outcome of their evaluations. These

outcomes, together with identified opportunities for enhancement, are incorporated into the continuous improvement of our Risk and Opportunity Management systems. The Audit Committee also constantly evaluates risks, their impact, the measures taken to manage them, and the opportunities that may arise from changing business conditions.

The principal aim of the Group's governance structure and system of Internal Control is to manage business and operational risks while simultaneously identifying and leveraging opportunities that can enhance shareholder value, support sustainable growth, and safeguard the Group's assets.

RISK MANAGEMENT REPORT

We have established a number of key policies, processes, and independent control mechanisms to provide assurance to the Board regarding the integrity of our reporting and the effectiveness of our systems of Internal Control, as well as the Group's ability to anticipate risks and capitalize on opportunities that contribute to strategic success.

The following grid summarizes the main risk areas focused by the Group, its ranking and strategies/action plans.

Business Risks	Rank	Factor	Strategies/ Action Plan
Strategic Risk	Low	Risks of not achieving strategic goals and objectives of the Company, and variations etc.	Company operates with a clear Business Plan. Company also operates within an approved Annual Budget & variances are reviewed periodically by the Board of Directors.
Legal and Regulatory Framework	High	Risks relating to Anti Money Laundering / Countering Terrorism Finance.	Carrying out customer/tenant KYC's as directed by the Financial Intelligence Unit of the Central Bank and reporting any suspicious transactions.
Legal and Regulatory Framework	Medium	Risks due to changes to tax and other legal regulations including changes in Government policies.	Constant dialogue and lobbying with Regulatory authorities. Monthly scanning of Government bills. The company has retained the services of Tax Consultants, Legal Consultants & a professional Company Secretary and a Compliance officer for the respective regulatory requirements.
Construction Costs	Medium	Risks from increase in construction material and other costs.	Fixed price SLRS/USD contracts are entered into with contractors.
Brand & Reputation	Low	Risks relating to product quality, timely delivery and service standards.	Maintaining high product and service quality standards and quality assurance/control systems in project and facilities management. Regular reviews of customer comments and feedback.
Fire	Low	Risks of a fire at the World Trade Center Colombo and Havelock City Commercial Complex.	Periodic review and maintenance of building fire systems, training of staff on fire protection procedures, conducting regular fire drills, obtaining services of a Professional fire consultant and having adequate insurance covers.

Financial Risks	Rank	Factor	Strategies/ Action Plan
Foreign Currency	High	Risks from foreign currency borrowing for the Havelock City Project.	<p>Some apartment sales are contracted in USD. Estimated Currency fluctuation was factored into cost of development.</p> <p>Exchange rate movements are constantly monitored, and foreign currency borrowings are minimized through Cash Flow Management.</p> <p>USD priced Leasing contracts are enforced with Tenants.</p>
Interest Rate	Medium	Risks relating to Interest Income and Cost of Borrowing.	<p>Monitoring and management of cash flows daily.</p> <p>Negotiating favorable rates and terms on borrowings and deposits.</p> <p>Maintain an appropriate combination of fixed and floating rate borrowings.</p>
Credit Recovery	Low	Non-Recovery of Receivables.	<p>Regular review of Trade Receivables and follow-up. Contractual obligation which allows the Company to obtain adequate refundable deposits from lessees of leased property.</p> <p>Contractual obligation to repudiate an Apartment Unit whilst retaining 10% of purchase price.</p> <p>Contractual obligation to release assets only upon full payment is made for relevant property.</p>
Fraud Risk	Low	Risks due to inadequate internal controls, processes and systems. Also due to employee abusing entrusted power for private gains leading to misappropriation of assets.	<p>The company applies an independent internal audit mechanism.</p> <p>Comprehensive policy manual covering all major departments, operations and processes are in place.</p>
Competition	Medium	Risks arising from new Commercial and Residential Developments.	<p>Monitoring of existing and new supply of Commercial and Residential Developments.</p> <p>Obtain and analyse regular competitor Analysis reports.</p>

RISK MANAGEMENT REPORT

Operational Risks	Rank	Factor	Strategies/ Action Plan
Building- Health and Safety	Low	Risk occurring from threats to personal, staff, tenants and general public at World Trade Center Colombo and Havelock City Commercial Complex.	<p>The company complies with all Industrial Safety Requirements.</p> <p>Preventive maintenance programs, potable water quality testing and air quality testing etc. are regularly carried out.</p> <p>Specialized equipment and life support systems maintained by qualified professionals.</p>
Technology Risk	Low	Risks occurring from failure to absorb Technological advancements.	<p>The company has its own engineering maintenance teams abreast with latest technology.</p> <p>Continuous updating & implementation of Energy Efficiency Projects.</p> <p>Participation at Overseas trainings on technical enhancement and changes.</p>
Sustainability Related Risks (SRR)	Rank	Factor	Strategies/ Action Plan
Human Capital	Medium	Failure to achieve growth plans as a result of failure to attract and retain sufficient numbers of qualified and experienced employees and/ or inability to ensure their ongoing engagement and commitment.	<p>Senior management involvement in talent retention led by the Human Resources (HR) Department.</p> <p>Significant level of investment in training and development.</p> <p>Adoption of best practices in Human Resources Management.</p>
Climate Related Risks (CRR)	Rank	Factor	Strategies/ Action Plan
Physical Risk: Extreme Weather Conditions	Medium	Heavy rainfall, Rise in Sea Levels, Heat Waves, Heavy Storms and Cyclones and Drought conditions will lead to additional operational, maintenance and staff cost for alternative work arrangements.	Building structure and the services will be upgraded or modified to match the extreme weather patterns.
Physical Risk: Outdoor temperature increase	Medium	Increased cooling loads in buildings, leading to higher energy consumption and operating costs.	Façade glasses will be improved to minimize the external heat gain.
Transition Risk: Strict Environmental Regulations	Low	Government will impose regulations on Energy efficiency, Water consumption and GHG emissions lead to additional costs on retrofitting, reducing carbon footprint and non-compliance.	<p>Feasibility study is carried out to establish solar power energy system.</p> <p>Established operational team to monitor organizational sustainability activities.</p>

Climate Related Opportunities (CRO)	Rank	Factor	Strategies/ Action Plan
Resource Efficiency and Resilience	Medium	Opportunity for high reputation among the tenants and competitors of being a green and energy efficient building.	<p>Implementation of ISO 50001:2018 Energy Management System across Group operations. (WTC implemented/ HCL will be implemented in 2026)</p> <p>Enhancing water and waste management systems for circular economy alignment.</p> <p>Incorporating resilience measures into facilities management and project design.</p>
Investment in Renewable Energy	Low	Feasibility has been carried out to ascertain the viability of installing Solar PV.	<p>Completion of solar PV system installation within 2026.</p> <ul style="list-style-type: none"> • WTC – Low block roof top – 400kW • HCL – Mall roof top – 350 kW

NOMINATION AND GOVERNANCE COMMITTEE REPORT

Role and Responsibilities

The Committee establishes and maintains a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee. The Committee is also responsible for having written terms of reference clearly defining its scope, authority, duties and matters pertaining to quorum of meetings.

Composition of the Committee

The present Nomination and Governance Committee consists of four members out of whom two are Independent Non-Executive Directors. The Committee's composition fulfils the requirements of rule 9.11.4 of the Listing Rules of the Colombo Stock Exchange. As at 31st December 2025, the Nomination and Governance Committee consists of the following members;

Dr. A. R. Wikramanayake (Chairman)	Independent Non-Executive Director
Mr. En Ping Ong	Non-Executive Director
Dr. Raneer Jayamaha	Non-Executive Director
Mr. C.N.S. Mendis	Independent Non-Executive Director

The brief profiles of the directors are given from page 12 to 14 of the Annual Report.

Meetings and Attendance

The Committee met on one (1) occasion during the financial year ended 31st December 2025 and the attendance record is given below.

Name	Meeting Attended/ Eligible to Attend
Dr. A. R. Wikramanayake	1/1
Mr. A. M. De S. Jayaratne*	1/1
Mr. En Ping Ong	0/1
Dr. Raneer Jayamaha	1/1
Mr. C.N.S. Mendis	0/1

*Note - Mr. A.M. De S. Jayaratne ceased to be a Director and the Nomination and Governance Committee member with effect from 10th July 2025 upon his demise.

In addition to the Committee members, the meetings are attended by the Group Chief Executive Officer. The Company Secretary was also present at the meeting.

Nomination and Governance Policy

The Company's Nomination and Governance Policy aims to;

- Evaluate the appointment of Directors to the Board of Directors and its Committees, ensuring the required expertise and succession.
- Consider and recommend (or not recommend) the re-appointment/re-election of current Directors based on the combined knowledge, experience, performance and contribution made by the Director to meet the strategic demands of the Company the discharge of the Board's overall responsibilities and the number of directorships held by the Director in other listed and unlisted companies and other principal commitments.

- Establish and maintain a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors of the Company.
- 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 Company 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 Company to ensure that their responsibilities are satisfactorily discharged.
- Develop succession plan for Board of Directors and Key Management Personnel of the Company.
- 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 Company 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 Company 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 Company including the Company'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.

Conclusion

The Committee is satisfied that the policies and procedures related to the Nomination and Governance of the Company are effectively implemented as required.



Dr. A. R. Wikramanayake

Chairman - Nomination and Governance Committee

4th March 2026

AUDIT COMMITTEE REPORT

Role of the Audit Committee

The Audit Committee's main objective is to assist and represent the Board of Directors in discharging its responsibilities by overseeing the financial reporting process to ensure the integrity and transparency of the financial reporting of the Company, compliance with financial reporting requirements, information requirements of the Companies Act, No. 07 of 2007 and other related financial reporting regulations, oversee the internal and external audit process, review the effectiveness and adequacy of the internal control and risk management process, assessing the performance of the internal and external auditors, ensuring independence of the Company's Auditors and ensuring compliance with laws and regulations.

In fulfilling this role, the Audit Committee is empowered to examine the financial records of the Company, internal auditor's reports, and other communications as necessary in order to ensure the Company adheres to accepted norms of ethical guidelines, rules and regulations.

The Audit Committee recommends the appointment of external auditors to ensure their independence and maintain a close professional relationship with them. The Committee also recommends the fees payable to them in the execution of these services.

Charter of the Committee

The Terms of Reference of the Committee are clearly defined in the Charter of the Audit Committee. The Charter of the committee was last reviewed and adopted by the Board in July 2025 to formalize the Committee's responsibilities in exercising its oversight role in the areas of financial reporting, internal controls, risk management and regulatory/statutory compliance. The Rules on Corporate Governance under Listing Rules of the Colombo Stock Exchange' and the 'Code of Best Practice on Corporate Governance' issued by CA Sri Lanka, further regulate the composition, roles and functions of the Committee.

Composition

The Audit Committee appointed by the Board of Directors of Overseas Realty (Ceylon) PLC, comprises of three Non-Executive Directors and two of them being Independent Non-Executive Directors. The composition of the Committee fulfilled the requirements of the Listing Rule No. 9.13.3 of the Colombo Stock Exchange throughout the financial year. As at 31st December 2025, the Board Audit Committee comprised of the following Directors:

Mr. P.Y.S. Perera	Independent Non-Executive Director (Chairman)
Mr. I.A. Wickramasinghe	Independent Non-Executive Director
Dr. Raneey Jayamaha*	Non-Executive Director

* Dr. Raneey Jayamaha was appointed as a member of Audit Committee with effect from 14th July 2025.

The Chairman of the Committee Mr. P.Y.S. Perera, an Independent Non-Executive Director, is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka.

The members have a well-balanced blend of experience in commercial, financial and audit, real estate and real estate development sectors and have displayed high standards of integrity and business acumen. These attributes and the wealth of experience and exposure they bring in, contribute to the effectiveness in which the Committee carries out its duties.

The profiles of the members which detail their background and professional experience are from page 12 to 14 of this Report.

Meetings and Attendance

The Audit Committee has met four (04) times during the financial year ended 31st December 2025 and the attendance was as follows:

Name	Meeting Attended/ Eligible to Attend
Mr. P.Y.S. Perera	4/4
Mr. A. M de S. Jayaratne*	2/2
Mr. I.A. Wickramasinghe	4/4
Dr. Raneey Jayamaha**	2/2

* **Note** - Mr. A.M. De S. Jayaratne ceased to be a Director and Audit Committee member with effect from 10th July 2025 upon his demise.

** **Note** - Dr. Raneey Jayamaha was appointed as a member of Audit Committee with effect from 14th July 2025.

The Company Secretary functions as the Secretary to the Audit Committee. Meetings are attended by the Group Chief Executive Officer, Group Financial Controller, Internal Auditors and External Auditors by invitation. The proceedings of the Audit Committee are recorded with adequate details and regularly reported to the Board of Directors.

Financial Reporting

The Committee reviews the quarterly financial statements of the Company before Director's Approval and submission to Colombo Stock Exchange and year-end Financial Statements before certification by External Auditors in order to monitor integrity of the Financial Statements of the Company, prepared for disclosure and significant financial reporting assumptions and judgments contained therein.

Sustainability Reporting

The Committee is responsible for overseeing the integrity, accuracy, and completeness of the Company's sustainability reporting in line with SLFRS S1 and S2 standards. The Committee ensures that sustainability-related disclosures are supported by robust internal controls and reliable data management systems. It reviews the alignment between sustainability information and financial reporting, ensuring consistency and transparency for stakeholders. The Committee also monitors the effectiveness of risk management processes relating to environmental, social, and governance (ESG) matters, evaluating the adequacy of disclosures on sustainability-related risks and opportunities.

Internal Controls, Risk Management Function and Going Concern

The Committee keeps under review the Company's internal controls and risk management systems ensuring the procedures are adequate to meet the requirements of the Sri Lanka Auditing Standards. The Committee also assesses the Company's ability to continue as a going concern in the foreseeable future.

The Committee reviewed and approved the Directors' Statement on Internal Controls over financial reporting to be included in the Annual Report.

Internal Audit

The internal audit function is outsourced to Messrs. Deloitte for all companies in the Group as recommended by the Audit Committee. The observations of the internal auditors are tabled at the Audit Committee, and the Committee invites representatives of Deloitte to discuss observations and recommendations made in their reports. Follow up and implementation of previous internal audit recommendations are also discussed and reviewed by the Committee with Deloitte representatives. The Committee appraises the Board on the status and adequacy of internal controls and the effectiveness thereof.

The Committee is of the view that adequate controls, processes and procedures are in place to provide reasonable assurance to the Board, the Company's assets are safe guarded and adequate financial reporting systems are in place. The internal auditor's reports are made available to external auditors as well.

External Audit

The Company has appointed Messrs. Ernst & Young as its external auditor and the services provided by them are segregated between audit/assurance services and other advisory services such as tax consultancy. The Audit Committee reviews these audit and non-audit functions of the external Auditors before such services are assigned in order to ensure that the provisions of such services do not impair independence and that work is assigned in such a manner as to prevent any conflict of interest.

The Audit Committee has reviewed and discussed the key observations and recommendations on the Management Letter issued by Messrs. Ernst & Young in the presence of their representatives.

Messrs. Ernst & Young has also issued a declaration as required by the Companies Act No. 7 of 2007, that they do not have any relationship or interest in any of the companies in the Group, which may have a bearing on the independence of their role as auditors.

The Committee has recommended to the Board the re-appointment of Messrs. Ernst & Young as Auditors for the financial year ending 31st December 2026, at a fee to be determined by the Board of Directors, subject to the approval by the shareholders at the Annual General Meeting.

Property Valuation

An independent Chartered Valuation Surveyor Mr. Lochana I Silva has conducted the annual valuation of the Investment Properties of the Group. The Committee has discussed and understood the valuation method and the assumptions used in the determination of the fair value of Investment Properties.

Conclusion

The Committee is satisfied that the Company's internal controls and Risk management process are effectively implemented as designed, and that the Company's assets are adequately safeguarded. The Company's internal and external Auditors have been effective and independent throughout the year.

The Committee is also satisfied that the operational controls and the application of appropriate accounting policies provide reasonable assurance that the financial statements of the Company are true and fair.



Mr. P.Y.S. Perera

Chairman - Audit Committee

4th March 2026

REMUNERATION COMMITTEE REPORT

Role and Responsibilities

The Committee deliberates and recommends to the Board of Directors on the remuneration package, annual increments and bonuses paid to the Chief Executive Officer and other senior level staff. The Committee is also responsible for the determination of the compensation of the Executive Directors and fees paid to the Non-Executive Directors for participation at Board and sub-committee meetings.

Composition of the Committee

The present Remuneration Committee consists of four members out of whom three are Independent Non-Executive Directors. The Committee's composition fulfils the requirements of rule 9.12.6 of the Listing Rules of the Colombo Stock Exchange. The Remuneration Committee as at 31st December 2025 consists of the following members.

Mr. C.N.S. Mendis (Chairman)	Independent Non-Executive Director
Mr. En Ping Ong	Non-Executive Director
Dr. A.R. Wikramanayake	Independent Non-Executive Director
Mr. I.A. Wickramasinghe	Independent Non-Executive Director

The brief profiles of the directors are given from page 12 to 14 of the Annual Report.

Meetings and Attendance

The Committee met on two (2) occasions during the financial year ended 31st December 2025 and the attendance record is given below.

Name	Meeting Attended/ Eligible to Attend
Mr. C.N.S. Mendis	1/2
Mr. A. M.de S. Jayaratne*	1/1
Mr. En Ping Ong	2/2
Dr. A.R. Wikramanayake	2/2
Mr. I.A. Wickramasinghe	2/2

* **Note** - Mr. A.M. De S. Jayaratne ceased to be a Director and Remuneration Committee member with effect from 10th July 2025 upon his demise.

In addition to the Committee members, the meetings are attended by the Group Chief Executive Officer.

Remuneration Policy

The Company's remuneration policy aims to attract and retain qualified and experienced team of high caliber managers and professionals and reward their performance.

Remuneration policy of the Company with regard to increment and bonus schemes is based on the performance management system and evaluation systems being practised by the Company. Once the remuneration policy of the Company, as recommended by the Committee is approved by the Board, the Remuneration Committee will then approve and recommend to the Board, the finalised proposals for the granting of increments to the key senior level staff.

All Non-Executive Directors receive a fee for serving on the Board and on sub-committees. They do not receive any performance related incentive payments.

The Remuneration Committee take into account the performance of the Company and long-term shareholder returns, in all their deliberations.

The Directors' emoluments are disclosed in Note 26 on page 165.



Mr. C.N.S. Mendis
Chairman - Remuneration Committee

4th March 2026

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

Introduction

The Related Party Transactions Review Committee was formed as a Board Sub Committee. The role of the Committee is to provide independent review, and oversight of all related party transactions on behalf of the Board in compliance with the provisions contained in the Listing Rules of Colombo Stock Exchange.

Composition of the Committee

The present Related Party Transactions Review Committee consists of three members out of whom two are Independent Non-Executive Directors. The composition of the Committee fulfilled the requirements of the Listing Rule No. 9.14.2 of the Colombo Stock Exchange throughout the financial year.

Members of the Related Party Transactions Review Committee as at 31st December 2025 are as follows:

Mr. I.A. Wickramasinghe (Chairman)	Independent Non-Executive Director
Dr. Raneer Jayamaha	Non-Executive Director
Mr. P.Y.S. Perera	Independent Non-Executive Director

Meetings and Attendance

The Committee met on four (4) occasions during the financial year ended 31st December 2025 and the attendance record is given below.

Name	Meeting Attended/ Eligible to Attend
Mr. I.A. Wickramasinghe	4/4
Mr. A. M de S. Jayaratne*	2/2
Dr. Raneer Jayamaha	4/4
Mr. P.Y.S. Perera	4/4

* **Note** - Mr. A.M. De S. Jayaratne ceased to be a Director and Related Party Transactions Review Committee member with effect from 10th July 2025 upon his demise.

In addition to the Committee members, the meetings were attended by the Group Chief Executive Officer and Group Finance Controller on invitation. The Company Secretary was also present at the meeting.

Policies and Procedures

The members of the Board of Directors and Group Chief Executive Officer of the Company have been identified as Key Management Personnel. In accordance with the Related Party Transaction Policy, declarations are obtained from all Key Management Personnel of the Company for the purpose of identifying parties related to them. Based on the information furnished in these declarations, the Company retrieves data on related party transactions from the database of the Company.

Terms of Reference

The terms of reference of the Related Party Transactions Review Committee deals with its authority and duties and covers aspects relating to matters prescribed in the Listing Rules of the Colombo Stock Exchange.

Terms of reference of the Committee include the following:

- Review in advance all proposed Related Party Transactions of the Company except those explicitly exempted by the Code.
- Determine whether Related Party Transactions that are to be entered into by the Company require the

approval of the Board or Shareholders of the Company.

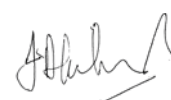
- Update the Board of Directors on the Related Party Transactions of the Company on a quarterly basis.
- Review all Related Party Transactions in line with the regulatory requirements.
- Adopt policies and procedures to review Related Party Transactions of the Company and oversee existing policies and procedures.
- Make immediate market disclosure on any applicable Related Party Transactions as required under Section 9 of the Listing Requirements of the Colombo Stock Exchange.
- Make appropriate disclosures in the Annual Report on Related Party Transactions as per the regulatory guidelines in a timely and detailed manner.

Related Party Transactions during the Year

During the year, the Committee reviewed the related party transactions and their compliances in the Company and its Group Companies and communicated the same to the Board. Details of Related Party Transactions entered into by the Company and its Group Companies during the year are disclosed in Note 26 to the Financial Statements.

Declaration

A detailed disclosure of all the related party transactions including recurrent and non-recurrent related party transactions which are required to be disclosed under section 9 of the Listing Rules of the Colombo Stock Exchange has been made in note 26 to the financial statements given on page 164 and 165 to this report.



Mr. I.A. Wickramasinghe
Chairman – Related Party Transactions Review Committee

4th March 2026

SHAPING NEW VISTAS

➔ FINANCIAL REPORTS

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FINANCIAL CALENDER

Interim Financial Statements

	Targeted date	Submitted date
1st Quarter ended 31st March	15th May 2025	23rd April 2025
2nd Quarter ended 30th June	15th August 2025	24th July 2025
3rd Quarter ended 30th September	15th November 2025	22nd October 2025
4th Quarter ended 31st December	28th February 2026	24th February 2026

Annual Report and Financial Statements to Shareholders

2024		21st March 2025
2025	5th March 2026	

Annual General Meeting

43rd Annual General Meeting		23rd April 2025
44th Annual General Meeting	29th April 2026	

ANNUAL REPORT OF THE BOARD OF DIRECTORS

General

The Board of Directors has pleasure in presenting their report on the affairs of the Company together with the audited Financial Statements of Overseas Realty (Ceylon) PLC and the audited Consolidated Financial Statements of the Group and the Auditor's Report on these Financial Statements for the Financial year ended 31st December 2025. The details set out herein provide the pertinent information required under Section 168 of the Companies Act No. 07 of 2007, the Colombo Stock Exchange Listing Rules and the Code of Best Practice on Corporate Governance issued jointly by the Securities and Exchange Commission of Sri Lanka and The Institute of Chartered Accountants of Sri Lanka.

Overseas Realty (Ceylon) PLC is a Public Listed Company with limited liability, incorporated in Sri Lanka on 28th October 1980 and re-registered under the Companies Act No. 07 of 2007. The Company was listed on the main board of the Colombo Stock Exchange of Sri Lanka on 1st January 1982 and subsequently transferred to Dirisavi Board from 9th August 2023.

Principal Activities

The principal activities of the Company during the year continued to be property leasing, property trading, and provision of property services. There were no significant changes in the nature of principal activities of the Company and its subsidiaries during the financial year under review.

Mireka Capital Land (Pvt) Ltd., is a subsidiary of the Company which has undertaken the development of the "Havelock City" Project and providing infrastructure facilities to the project. The development of residential apartments is undertaken by Mireka Homes (Pvt) Ltd., a fully owned subsidiary of Mireka Capital Land (Pvt) Ltd. Havelock City (Pvt) Ltd., has undertaken the development of the Commercial component of the "Havelock City" project and the principal activity

of the Company is property leasing. Mireka Seascape (Pvt) Ltd, a fully owned subsidiary of Mireka Capital Land (Pvt) Ltd, engaged in property development, construction, and sale of residential apartments in Dodanduwa, Galle District. Realty Management Services (Pvt) Ltd, provides property services and Overseas Realty trading (Pvt) Ltd carries out trading of lighting solutions and building materials.

Review of Business and Future Developments

An overall assessment of financial and operational performance of the Company and its subsidiaries during the year and the future developments of the Group is contained in the Management Review of Operations (page 16 to 50) and Financial Capital (page 26 to 28) of this Annual Report. Segment wise contribution to Group revenue, results, assets and liabilities is disclosed in Notes to the Financial Statements on page 142 and 143 of this Annual Report. These reports together reflect the state of affairs of the Company and its subsidiaries during the period under review.

Financial Statements

The Financial Statements of the Group and the Company which have been prepared in accordance with the Sri Lanka Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of Companies Act No. 07 of 2007, are appearing from page 122 to 169 of this Annual Report.

Auditors' Report

The Auditors' Report on the Financial Statements of the Group and the Company is given from page 118 to 121.

Accounting Policies

The Board of Directors wishes to confirm that there were no changes to the Accounting Policies used by the Group and the Company during the year under review. Significant Accounting policies, together with the notes adopted in preparation of the Financial Statements

of the Group and the Company are given from page 127 to 139.

Group Turnover

The turnover of the Group during the year under review was Rs. 11,943,978,891/- (2024 - Rs. 8,024,093,804/-). A detailed analysis of the Group's turnover, profits and asset allocation relating to the different segments of the business is given in Note 4 to the Financial Statements from page 141 to 143.

Financial Results and Dividend

The Group recorded a consolidated net profit after tax of Rs. 8,631,060,292/- (2024 - Rs. 6,210,453,550/-) for the year. The Consolidated Statement of Profit or Loss along with the Company's Income Statement for the year is given from page 122 to 123.

The Directors recommended the payment of a first and final dividend of Rs 1.35 per share for the financial year ended 31st December 2024 which was approved by the shareholders at the Annual General Meeting of the Company held on 23rd April 2025.

The dividend was paid out of profits after tax under BOI concessions granted to the Company.

Further, the Board of Directors recommended the payment of a first and final dividend of Rs. 1.75 per ordinary share for the financial year ended 31st December 2025 to be approved by the Shareholders at the Annual General Meeting of the Company to be held on 29th April 2026.

Directors have confirmed that the Company would satisfy the Solvency test requirement under Section 56 of the Companies Act No. 07 of 2007 and the Listing Rules of the CSE. As required by Section 56 (2), the Board of Directors have obtained a certificate from the Auditor on the Statement of Solvency in respect of each dividend payment conforming to the above statutory provision.

Property, Plant & Equipment

Capital expenditure during the year, on property plant & equipment by the Group and by the Company incurred amounted to Rs. 65,215,101/- (2024 - Rs. 71,263,687/-) and Rs. 10,745,234/- (2024 - Rs. 2,929,729/-) respectively. The carrying value of the Property, Plant and Equipment of the Group and the Company as at the reporting date amounted to Rs. 1,557,610,919/- (2024 - Rs. 1,499,786,396/-) and Rs. 506,673,350/- (2024 - Rs. 489,032,730/-) respectively.

An analysis of the property, plant & equipment of the Group and the Company, additions and disposals made, together with the depreciation charge for the year, is set out in Note 6 to the Financial Statements from page 147 to 149.

Market Value of the Buildings

All the buildings owned by the Group were subjected to a revaluation by an independent qualified valuer. The carrying value of the buildings of the Group is Rs. 1,298,663,461/- (2024 - Rs. 1,247,239,253/-). The details are provided in Note 6 to the Financial Statements.

Fair Value of Investment Properties

The fair value of Investment properties owned by the Group as at 31st December 2025 is included in the Financial Statements at Rs. 72,390,481,111/- (2024 - Rs. 69,565,766,248/-) based on the independent valuations undertaken by a Chartered Valuation Surveyor in December 2025. The Directors are of the opinion that the value is not more than the current market value. The details are provided in Note 5 to the Financial Statements.

Investments

The details of investments held by the Company are disclosed in Note 8 and 21 from page 150 and 161 of the Financial Statements.

Stated Capital

The total stated capital of the Company amounts to Rs. 18,443,353,347/- (2024 - Rs. 18,443,353,347/-) comprising No. of Shares 1,243,029,582/- (2024 - 1,243,029,582), as given in Note 13 to the Financial Statements.

Reserves

Total Group Reserves as at 31st December 2025 was Rs. 47,386,905,186/- (2024 - Rs. 40,375,383,455/-). The movement of these reserves is shown in the Statement of Changes in Equity in the Financial Statements on page 125.

Share Information

Information relating to earnings, dividends, net assets, market value per share and share trading is given from page 173 to 176 in the Supplementary Information section of this Report.

Substantial Shareholdings

Significant shareholder information along with substantial shareholder details such as Major Share Holdings, Public Holding and other share related information is presented in detail under the title 'Shareholder Information' from page 173 to 176 of this Annual Report.

Board of Directors

Names of the Board of Directors together with their profiles including skills and experiences are set out from page 12 to 14 of this Report.

The basis on which Directors are classified as Independent Non-Executive Directors is discussed in the Corporate Governance Report.

The proposed resolutions proposes that the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to Mr. Leslie Ralph de Lanerolle, who attained the age of 70 years on 5th January 2013, Mrs. Mildred Tao Ong, who attained the age of 70 years on 28th February 2019, Dr. Ranee Jayamaha who attained the age of 70 years on 27th May 2019 and that they be re-elected as Directors of the Company.

Meetings

The Details of Board meetings and Board Subcommittee meetings which comprise Remuneration Committee, Audit Committee, Related Party Transactions Review Committee and Nominations and Governance Committee are presented in the Corporate Governance Report on page 66 and other committee Reports from page 102 to 107.

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Directors' Interest in Shares

The Directors' individual shareholdings along with the Chief Executive Officer's individual shareholding in the Company at the beginning and at the end of the year was as follows:

Name	Position	31st December 2024		31st December 2025	
		Direct Interest	Deemed Interest	Direct Interest	Deemed Interest
Dr. Ranees Jayamaha*	Chairperson and Non-Executive Director	Nil	Nil	Nil	Nil
Mr. A.M. De S. Jayaratne**	Chairman and Non-Executive Director	Nil	Nil	N/A**	N/A**
Mrs. Mildred Tao Ong	Non-Executive Director	Nil	910,962,114***	Nil	910,962,114***
Mr. L. R. de Lanerolle	Non-Executive Director	Nil	Nil	Nil	Nil
Mr. En Ping Ong	Non-Executive Director	20,914,890	Nil	20,914,890	Nil
Mr. P. D. Samarasinghe	Executive Director / CEO	15,892,093	Nil	15,892,093	Nil
Mr. Ben Nien Tao	Non-Executive Director	Nil	904,785,721***	Nil	904,765,721***
Mr. Brian Tao	Non-Executive Director	Nil	Nil	Nil	Nil
Dr. A. R. Wikramanayake	Independent Non-Executive Director	Nil	Nil	Nil	Nil
Mr. C.N. S. Mendis	Independent Non-Executive Director	Nil	Nil	Nil	Nil
Mr. P.Y.S. Perera	Independent Non-Executive Director	Nil	Nil	Nil	Nil
Mr. I. A. Wickramasinghe	Independent Non-Executive Director	Nil	Nil	Nil	Nil

* Dr. Ranees Jayamaha was appointed as the Chairperson of the Company with effect from 23rd July 2025.

** Mr. A.M. De S. Jayaratne ceased to be a Director with effect from 10th July 2025 upon his demise.

***Mrs. Mildred Tao Ong is declared as a Director/Shareholder of the Shing Kwan Group, a Director of Unity Builder Limited and Orthopaedic Clinic Pte Ltd. Mr. Ben Nien Tao, interest is declared as a Director / Shareholder of the said Shing Kwan Group, Peeli Limited and Able Trend Ventures Limited.

Employee Share Option Scheme

At the Extraordinary General Meeting of the Company held on 24th May 2012 the establishment and implementation of an employee share option plan ("ESOP") to issue to the executive directors and executives employed by the Company and its subsidiaries, as may be decided by the Board was approved. ESOP which will entitle such employees and Executive Directors to subscribe to and purchase shares offered by the Company totaling to 25,305,530 amounting to 3% of the issued shares in the Company

("the Options") at an exercise price being the market price of the shares of the Company at the time of granting of the Option or the volume weighted average price of the shares of the Company thirty (30) days prior to the grant of the Option whichever is higher, was approved at the EGM held on 24th May 2012.

The Option was not granted to any category of employees of the Company during the financial year under review.

Interest Register

The Company maintains an Interest Register as per the Companies Act No. 07 of 2007. The Directors of the Company have duly declared the information as provided for in section 192 (2) of the Companies Act No. 07 of 2007 and the declarations made were tabled for the information of the Directors and the entries in the Interest Register were made and/or updated accordingly. The Interest Register is kept at the registered office of the Company for inspection.

Directors' Interest in Transactions

The Directors of the Company have made general declarations of their interests in transactions of the Company as per Section 192(2) of the Companies Act No. 07 of 2007. The particulars of those transactions are set out from page 164 to 165 under related party transactions of the Annual Report.

Directors' Remuneration

Directors' remuneration, in respect of the Group and the Company for the financial year ended 31st December 2025 is given in the Note 26 to the Financial Statements, on page 165.

Directorship held in Other Entities

Directors have made a general disclosure of their directorships and positions held in other entities and the Interest Register has been accordingly updated.

Related Party Transactions

The related party transactions of the Company during the financial year have been reviewed by the Related Party Transactions Review Committee and are in compliance with the Section 9 of the CSE Listing Rules.

The Directors have disclosed transactions, if any, that could be classified as Related Party Transactions in terms of LKAS 24 - 'Related Party Disclosures' and are given in Note 26 to the Financial Statements.

In addition, the company carries out transactions in the ordinary course of business on an arm's length basis with entities where a Director of the Company is a Director of such entities.

Director/Company	Relationship	Transaction	Rs.
Mr. P. Y. S. Perera	Non-Executive	Deposits held as at 31st	1,357,319,529
Commercial Bank of Ceylon PLC	Director	December 2025	
		Interest Income earned - 2025	93,956,438

Environmental Protection

The Directors confirm that to the best of their knowledge the Company and its subsidiaries have not engaged in any activity, which causes detriment to the environment.

Insurance and Indemnity

The Company has obtained an indemnity and insurance policy from Allianz Insurance Lanka Limited for its Directors and Officers amounting to Rs. 300 Mn for the period covering 1st January to 31st December 2026.

Internal Controls

The Board ensures that there is an effective and comprehensive process for identifying, evaluating and managing any significant risks faced by the Company and its subsidiaries, compliance controls and risk management to safeguard the assets. The Board places emphasis in assuring proper accounting records are maintained and the reliability of financial information. The Audit Committee of the Company receives the reports of the internal audit reviews, monitors the effectiveness of internal control systems of the Company and makes periodical recommendations to the Board.

The Risk Management report and the Directors' Statement on Internal Controls on page 97 and 115 give further details.

Corporate Governance

The Board places emphasis in instituting and maintaining good governance practices and principles. Therefore, the management and operation of the Company and its subsidiaries are effectively directed and controlled within the Corporate Governance framework as set out from page 66 to 107 in this Report.

Directors' Responsibility for Financial Reporting

The Directors are responsible for the preparation of Financial Statements of the Group and the Company to reflect a true and fair view of the state of affairs of the Group and the Company. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards (SLFRS/LKAS), Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, Companies Act No. 07 of 2007, Inland Revenue Act No. 24 of 2017 and amendments thereto, and the Listing Rules of the Colombo Stock Exchange. The Statement of Directors' Responsibility for Financial Reporting is given on page 116 and forms an integral part of this report.

Compliance with Laws and Regulations

The Directors, to the best of their knowledge and belief, confirm that the Company and its subsidiaries has not engaged in any activities contravening the Laws and Regulations of the country.

Statutory Payments

The Directors to the best of their knowledge and belief are satisfied that all statutory payments due to the government, other regulatory institutions and in relation to the employees have

ANNUAL REPORT OF THE BOARD OF DIRECTORS

been made in full and on time.

Events after Reporting Date

There have not been any material events that have occurred subsequent to the date of the Statement of Financial Position that require adjustments to the Financial Statements, other than those disclosed in Note 30 to the Financial Statements.

Going Concern

The Board of Directors is satisfied that the Company and its subsidiaries have adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements are prepared in accordance with the going concern concept.

Auditors Remuneration and Reappointment

Messrs. Ernst & Young, Chartered Accountants served as the Company's Auditor during the year under review. The Auditors have confirmed that they do not have any relationship or interest in the Company or its subsidiaries other than those disclosed below.

The Auditors, Messrs. Ernst & Young, Chartered Accountants were paid Rs. 7,148,000/- (2024 - Rs. 6,250,000/-) and Rs. 2,652,100/- (2024 - Rs. 2,411,000/-) as audit fees by the Group and the Company respectively. In addition, they were paid Rs. 3,899,236/- (2024 - Rs. 3,161,088/-) and Rs. 2,001,998/- (2024 - Rs 824,198/-), by the Group and the Company, for permitted non-audit related services.

The Audit Committee reviews the appointment of the Auditors, their effectiveness, independence and relationship with the Company and its subsidiaries. In accordance with the Companies Act No. 07 of 2007, a resolution proposing the re-appointment of Messrs. Ernst & Young, Chartered Accountants, as Auditors to the Company will be submitted at the forthcoming

Annual General Meeting.

Annual General Meeting

The Annual General Meeting will be held on 29th April 2026 at 10.00 a.m. at the Havelock City Club House, No. 324, Havelock Road, Colombo 06. The Notice of the Annual General Meeting appears on page 181 of the Annual Report.

For and on behalf of the Board,



Ranee Jayamaha
Director



P. Y. S. Perera
Director



Melissa Janz
Company Secretary

4th March 2026

DIRECTORS' STATEMENT ON INTERNAL CONTROLS

Requirement

The Section D.1.5 of the 'Code of Best Practice on Corporate Governance 2023' (The Code) issued jointly by the Securities and Exchange Commission and the Institute of Chartered Accountants of Sri Lanka recommends that the Board of Directors present a Statement on Internal Controls in the Annual Report.

Responsibility

The Board of Directors is responsible for maintaining a sound system of internal controls to safeguard Shareholders' Investments and the Company's Assets. The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and the Company. This process includes enhancing the system of internal controls as and when there are changes to the business environment or regulatory guidelines. The process is regularly reviewed by the Board.

The Board is of the view that the system of internal controls in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting, and the preparation of Financial Statements for external purposes and is in accordance with relevant accounting principles and regulatory requirements.

The Board has implemented the following to obtain reasonable assurance that proper systems of internal controls are in place:

- The Board Committees and Management Committee are established to assist the Board in ensuring the effectiveness of Company's operations and that the operations are in accordance with the corporate strategies and annual budget.
- The Company's internal audit function has been outsourced to Messrs. Deloitte (Chartered Accountants). The Internal Auditors check for compliance with policies and procedures and the effectiveness of the internal control systems on an ongoing basis using

samples and rotational procedures and highlight significant findings in respect of any non-compliance. Audits are carried out on all subsidiaries in accordance with the annual audit plan approved by the Audit Committee. Findings are submitted to the Audit Committee for review at their periodic meetings.

- The Audit Committee reviews internal control issues identified by the Internal Auditors and the Independent External Auditors and evaluates the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit function with particular emphasis on the scope of audits and quality of internal audits. The minutes of the Audit Committee meetings are tabled at the Board meetings for the information of the Board on a quarterly basis.
- In assessing the internal control system on financial reporting, relevant senior officers of the company collate relevant procedures and controls that are connected with significant accounts and disclosures of the Financial Statement of the Company. These in turn are observed and checked by the Internal Auditors for suitability and effectiveness on an ongoing basis.
- The adoption of new Sri Lanka Accounting Standards comprising SLFRS and LKAS in 2012 and processes required to comply with the new requirements of recognition, measurement, presentation and disclosures were introduced and implemented. Continuous monitoring is in progress and steps are being taken for improvements where required.
- The comments made by External Auditors in connection with the internal control system during the financial year ended 31st December 2025 were taken into consideration and appropriate steps have been taken to rectify them.

Conclusion

Based on the above processes, the Board of Directors confirm that the financial reporting system of the Group and the Company has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes, have been done in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS), requirements of the Company's Act No. 07 of 2007 and the Listing Rules of the Colombo Stock Exchange.



P.Y.S. Perera
Chairman, Audit Committee



Rane Jayamaha
Director

4th March 2026

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The responsibility of the Directors, in relation to the Financial Statements of the Group and the Company in accordance with the relevant provisions of the Companies Act No. 07 of 2007 and other statutes which are applicable in preparation of Financial Statements is set out in this statement.

The consolidated Financial Statements of the Company and its Subsidiaries comprise:

- Statement of Financial position as at 31st December 2025, which present a true and fair view of the state of affairs of the Company and its subsidiaries as at the end of the financial year and
- Income Statements which present a true and fair view of the profit and loss of the Company and its subsidiaries for the financial year then ended.

Accordingly, the Directors confirm that the Financial Statements of the Company and its subsidiaries for the year ended 31st December 2025 incorporated in this report have been prepared in accordance with the Sections 150 (1), 151, 152 and 153 (1) & (2) of the Companies Act No. 07 of 2007, Sri Lanka Accounting Standards (SLFRS/LKAS), Listing Rules of the Colombo Stock Exchange, the Code of Best Practice on Corporate Governance issued jointly by the Securities and Exchange Commission of Sri Lanka (SEC) and The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and generally accepted accounting policies. The Directors consider that, in preparing the Financial Statements exhibited from page 122 to 126 they have adopted appropriate accounting policies on a consistent basis,

supported by reasonable and prudent judgments and estimates.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Company and its subsidiaries and to prevent and detect frauds and other irregularities. In this regard, the Directors have instituted an effective and comprehensive system of internal controls comprising internal checks, internal audit, financial and other controls required to carry on the Group's businesses in an orderly manner and to safeguard its assets and secure as far as practicable the accuracy and reliability of the records.

In compliance with Section 148 (1) of the Companies Act No. 07 of 2007, the Directors are also responsible for ensuring that proper accounting records which explain the transactions of the Company and its subsidiaries and assist in determining the financial position of the Group and the Company with reasonable accuracy at any time are maintained by the Company and its subsidiaries enabling the preparation of Financial Statements.

The Directors also ensured that the Group has adequate resources to continue in operation to justify applying the going concern basis in preparing these Financial Statements. Further, the Directors have a responsibility to ensure that the Group and the Company maintains sufficient accounting records to disclose, with reasonable accuracy, the financial position of the Group and the Company.

Messrs. Ernst & Young, Chartered Accountants, have carried out an audit in accordance with Sri Lanka Auditing Standards and their report is given on page 118 of the Annual Report.

The Directors are required to prepare the Financial Statements and to provide the Auditor with every opportunity to take whatever steps and undertake whatever inspections they may consider appropriate to enable them to give their audit opinion. The Directors are of the view that they have discharged their responsibilities as set out in this Statement.

The Directors confirm to the best of their knowledge that all taxes, duties, levies and financial obligations of the Company and its subsidiaries have been either paid or adequately provided for in the Financial Statements, except as specified in Note 28 to the Financial Statements covering contingent liabilities.

For and on behalf of the Board,



Raneer Jayamaha
Director



P. Y. S. Perera
Director

4th March 2026

GROUP CHIEF EXECUTIVE OFFICER'S AND GROUP FINANCIAL CONTROLLER'S RESPONSIBILITY STATEMENT

The Consolidated Financial Statements of Overseas Realty (Ceylon) PLC are prepared in compliance with Sri Lanka Financial Reporting Standards/SLFRS issued by the Institute of Chartered Accountants of Sri Lanka, Companies Act No 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, and the Listing Rules of the Colombo Stock Exchange. The Accounting Policies used in the preparation of the Consolidated Financial Statements are appropriate and are consistently applied by the Company (material departures, if any, have been disclosed and explained in the notes to the Consolidated Financial Statements). There are no departures from the prescribed Accounting Standards in their adoption. Comparative information has been reclassified wherever necessary to comply with the current presentation.

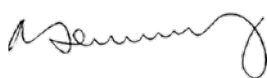
The significant accounting policies and estimates that involve a high degree of judgment and complexity were discussed with our External Auditors and the Audit Committee. The Board of Directors, the Audit Committee and the Group Financial Controller of the Company accept responsibility for the integrity and objectivity of these Consolidated Financial Statements. The estimates and judgments relating to the consolidated Financial Statements were made on a prudent and reasonable basis, in order that the Consolidated Financial Statements reflect in a true and fair manner, the forms and substance of transactions and that the Company's state of affairs is reasonably presented. To ensure this, the Company has taken proper and sufficient care in installing a system of internal control and accounting records, for safeguarding assets and for preventing and detecting frauds as well as other irregularities, which is reviewed, evaluated and updated on an ongoing basis. Internal Auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed. However, there are inherent limitations that should be recognized in weighing the assurance provided by any system of internal controls and accounting.

The Consolidated Financial Statements of the Company were audited by Messrs. Ernst & Young, Chartered Accountants and their report is given on page 118 of this Annual Report. The Audit Committee of the Company meets periodically with the internal audit team and the External Auditors to review their audit plans, assess the manner in which these Auditors are performing their responsibilities and to discuss their reports on internal controls and financial reporting issues. To ensure complete independence, the External Auditors and the Internal Auditors have full and free access to the members of the Audit Committee to discuss any matters of substance.

The Audit Committee pre-approves the audit and non-audit services provided by our External Auditors Ernst & Young in order to ensure that the provision of such services does not impair the External Auditor's independence. We confirm that the Company has complied with all applicable laws and regulations and guidelines and that there are no material litigations that is pending against the Company other than those disclosed in the Financial Statements in this Annual Report.



E.C. Ranasinghe
Group Financial Controller



P.D. Samarasinghe
Group Chief Executive Officer

4th March 2026

INDEPENDENT AUDITORS' REPORT



Shape the future
with confidence

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

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

TO THE SHAREHOLDERS OF OVERSEAS REALTY (CEYLON) PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Overseas Realty (Ceylon) 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 December 2025, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 December 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with 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.

Partners: D K Hulangamuwa FCA FCMA LLB (London), 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, M U M Mansoor ACA

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

A member firm of Ernst & Young Global Limited

Key Audit Matter	How our audit addressed the key audit matter
<p>Assessment of Fair Value of Completed Investment Property</p> <p>As at 31 December 2025, Group's completed Investment Property amount to LKR 72,390 Million and represent 86% of the Group's total assets.</p> <p>As described in Note 5 and 2.5.15 to the financial statements, the Group measures completed Investment Property at fair value, based on the annual valuation carried out by an external valuer. Assessment of fair value of the completed Investment Property is a key audit matter due to:</p> <ul style="list-style-type: none"> the materiality of the reported amount. use of significant assumptions, judgements and estimates by management in the determination of fair value of completed Investment Property, such as estimated market rent per square feet, rate of growth in future rentals, capitalization rate, and anticipated maintenance cost and valuation techniques such as discounted cash flow and open market value that are subject to significant estimation uncertainty, as disclosed in Note 5 to the financial statements. 	<p>Our audit procedures, included the following key procedures:</p> <ul style="list-style-type: none"> We assessed the competence, capability and objectivity of the external valuer engaged by management and obtained an understanding of the technique adopted in estimating the fair value of the completed Investment Property. We obtained and read the Valuation Reports and had discussions with the external valuer to obtain an understanding of the key unobservable inputs used. We involved our internal specialists to assess the appropriateness of the valuation techniques and the reasonableness of key judgments, estimates and assumptions used by Management such as estimated market rent per square foot and projected rental growth. Our procedures included comparing a sample of tenant rentals to lease agreements and reviewing the Group's contractual rights for future revisions / variations. We also corroborated the capitalization rate and expected maintenance costs with available industry data, considering relevant market factors. We also evaluated the adequacy of Group's disclosures on key assumptions, judgments and estimates to which the outcome of the valuation is most sensitive as stated in Note 5 to the financial statements.
<p>Measurement of the Carrying Value of Completed Apartments for Sale</p> <p>As at 31 December 2025, Group's Inventories included Completed Apartments for Sale amounting to LKR 479 Million as disclosed in Note 10 to the financial statements. Completed Apartments for Sale are measured at the lower of cost and Net Realizable Value (NRV) as described in Note 2.5.9 and 2.4.2.2 to the financial statements.</p> <p>Measurement of the carrying value of Completed Apartments for Sale is a key audit matter due to:</p> <ul style="list-style-type: none"> the relative size of the carrying value of Completed Apartments for Sale included in Inventories; and As disclosed in Note 2.4.2.2 to the financial statements, the use of significant judgment by Management in estimating the selling prices as such are impacted by market and economic conditions. Such judgments have a material impact on the calculation of the NRV and therefore, in determining the carrying value of Completed Apartments for Sale. 	<p>Our audit procedures included the following key procedures:</p> <ul style="list-style-type: none"> We assessed the reasonableness of the management's estimated future demand and selling prices with available recent market data of comparable properties, based on our knowledge of the Group's business. We obtained an understanding of prevailing market and economic conditions relevant to the property market. We assessed the management's estimated selling prices with our own estimate range that included applying stress factors for current market and economic conditions. We tested the components of cost accumulated for such inventories and compared the carrying value to their Net Realizable Value for any potential indicators of impairment and evaluate the reasonableness of the carrying value reported. We evaluated the adequacy of Group's disclosures including those relating to estimation uncertainty as stated in Note 10 to the financial statements.

INDEPENDENT AUDITORS' REPORT

Key Audit Matter	How our audit addressed the key audit matter
<p>Recognition of revenue from sale of apartments</p> <p>The Group develops and sells completed residential properties, and revenue of LKR 2,824 Million was recognized during the year, as disclosed in Note 03 to the financial statements, classified under the property trading operating segment.</p> <p>The recognition of revenue from sale of apartments was considered to be a key audit matter due to:</p> <ul style="list-style-type: none"> the use of significant judgement by management in determining the timing of revenue recognition based on the point of transfer of control, as disclosed in Note 2.4.1.1. the significance of the amount of revenue, which represents 24% of the Group's total revenue, and the connected incentives to the salespersons. 	<p>Our audit procedures included the following key procedures:</p> <ul style="list-style-type: none"> We obtained an understanding of and assessed the reasonableness of the judgments applied by Management in determining the point at which control of transfers to the customer for revenue recognition purposes. As part of these procedures, we understood the key contractual terms within sales agreements, including clauses related to delivery, acceptance, risk transfer, and performance obligations and compared these terms to the specific criteria outlined in the Group's revenue recognition policy to evaluate whether Management's assessment of the timing of control transfer was appropriate and consistent with its revenue recognition policy. We compared the recognized revenue to the contractual terms and the timing of payments by the customers during the year and in the subsequent period up to report date. We reviewed the incentive scheme of the salesperson and tested the incentives paid for recognized sales during the year. We evaluated the adequacy of Group's disclosures as stated in Note 03 to the financial statements.

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 for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

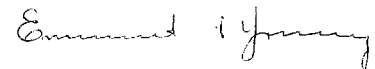
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken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

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

Report on other legal and regulatory requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2199.



04 March 2026
Colombo

STATEMENT OF PROFIT AND LOSS

Year Ended 31st December 2025		Group		Company	
	Note	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Revenue	3	11,943,978,891	8,024,093,804	2,865,485,254	2,691,833,961
Direct Operating Expenses	3.2	(2,589,422,253)	(2,014,349,488)	(766,371,459)	(754,391,545)
Cost of Sales of Apartments	3.2	(695,518,529)	(568,462,666)	-	-
Gross Profit		8,659,038,109	5,441,281,650	2,099,113,795	1,937,442,416
Fair Value Gain/(Loss) on Investment Property	5.1	3,222,688,863	1,822,205,196	1,211,133,347	1,034,427,922
Administration Expenses		(1,050,226,177)	(1,147,322,875)	(408,864,111)	(310,585,683)
Marketing and Promotional Expenses		(501,028,431)	(309,461,582)	-	-
Operating Profit		10,330,472,364	5,806,702,389	2,901,383,031	2,661,284,655
Finance Cost	22.1	(965,201,207)	(1,399,252,311)	(12,255,847)	(88,107,648)
Finance Income	22.2	323,405,972	376,250,309	174,879,967	285,773,892
Other Income	22.3	87,897,200	99,040,122	-	-
Exchange Gain/ (Loss)		(510,965,419)	1,733,157,445	111,000,052	(84,120,368)
Profit Before Tax	23	9,265,608,910	6,615,897,954	3,175,007,203	2,774,830,531
Income Tax Expense	24.1	(634,548,618)	(405,444,404)	(94,927,363)	(145,126,444)
Profit After Tax		8,631,060,292	6,210,453,550	3,080,079,840	2,629,704,087
Attributable to:					
Equity Holders of the Parent		8,631,060,292	6,210,453,550		
Non-controlling Interest		-	-		
		8,631,060,292	6,210,453,550		
Earnings Per Share - Basic and Diluted (Rs.)	25	6.94	5.00	2.48	2.12
Dividend Per Share (Rs.)	20	1.35	1.25	1.35	1.25

The accounting policies and notes on pages 127 through 169 form an integral part of the Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

Year Ended 31st December 2025		Group		Company	
	Note	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Profit For the Year		8,631,060,292	6,210,453,550	3,080,079,840	2,629,704,087
Other Comprehensive Income:					
Items that will not be reclassified to profit or loss:					
Revaluation of Buildings	14.1	77,890,252	47,140,102	23,264,252	36,262,053
Deferred Tax Effect		(8,659,185)	(2,356,948)	(465,285)	(725,241)
		69,231,067	44,783,154	22,798,967	35,536,812
Actuarial Gains on Defined Benefit Plans	16	(12,208,008)	(2,297,479)	(6,332,822)	(156,194)
Deferred Tax Effect		1,528,317	257,987	126,656	3,124
		(10,679,691)	(2,039,492)	(6,206,166)	(153,070)
		58,551,376	42,743,662	16,592,801	35,383,742
Other Comprehensive Income for the Year, Net of Tax		58,551,376	42,743,662	16,592,801	35,383,742
Total Comprehensive Income for the Year, Net of Tax		8,689,611,668	6,253,197,212	3,096,672,641	2,665,087,829
Attributable to:					
Equity Holders of the Parent		8,689,611,668	6,253,197,212		
Non-controlling Interest		-	-		
		8,689,611,668	6,253,197,212		

The accounting policies and notes on pages 127 through 169 form an integral part of the Financial Statements.

STATEMENT OF FINANCIAL POSITION

As at 31st December		Group		Company	
ASSETS	Note	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Non-Current Assets					
Investment Property	5	72,390,481,111	69,565,766,248	29,039,063,540	28,225,904,193
Property, Plant and Equipment	6	1,557,610,919	1,499,786,396	506,673,350	489,032,730
Intangible Assets	7	6,286,300	7,274,873	-	-
Investments in Subsidiaries	8	-	-	14,740,484,591	14,740,484,591
Inventories	10.2	596,473,761	89,480,683	401,113,000	-
Deferred Tax Assets	9	8,259,566	11,446,485	-	-
Other Assets	12	-	-	-	65,000,000
		74,559,111,657	71,173,754,685	44,687,334,481	43,520,421,514
Current Assets					
Inventories	10.3	589,160,037	1,248,724,703	18,644,174	9,058,238
Trade and Other Receivables	11	2,246,689,858	2,735,321,786	1,024,395,394	1,183,378,706
Cash and Short Term Deposits	21	6,381,995,462	4,188,487,626	3,006,208,261	2,486,534,815
		9,217,845,357	8,172,534,115	4,049,247,829	3,678,971,759
Total Assets		83,776,957,014	79,346,288,800	48,736,582,310	47,199,393,273
EQUITY AND LIABILITIES					
Equity Attributable to Equity Holders of the Parent					
Stated Capital	13	18,443,353,347	18,443,353,347	18,443,353,347	18,443,353,347
Revaluation Reserve	14.1	718,714,248	649,483,181	526,097,752	503,298,785
Retained Earnings		46,668,190,938	39,725,900,274	27,294,340,043	25,898,556,306
Total Equity		65,830,258,533	58,818,736,802	46,263,791,142	44,845,208,438
Non-Current Liabilities					
Post Employment Benefit Liability	16	108,914,013	79,865,891	55,249,396	40,658,377
Amounts due to Related Parties	19	10,880,022,874	15,036,967,133	-	-
Deferred Tax Liabilities	9	1,266,782,253	1,037,865,105	589,809,750	573,485,571
Total Non-Current Liabilities		12,255,719,140	16,154,698,129	645,059,146	614,143,948
Current Liabilities					
Trade and Other Payables	17	1,913,233,251	1,633,025,986	571,337,811	531,917,882
Rental and Customer Deposits	18	3,355,988,863	2,347,618,742	1,143,555,770	1,069,230,748
Interest Bearing Loans and Borrowings	15.1	80,803,240	125,214,754	-	-
Income Tax Payable		309,347,614	236,807,346	81,232,068	108,705,216
Dividends Payable	20	31,606,373	30,187,041	31,606,373	30,187,041
		5,690,979,341	4,372,853,869	1,827,732,022	1,740,040,887
Total Liabilities		17,946,698,481	20,527,551,998	2,472,791,168	2,354,184,835
Total Equity and Liabilities		83,776,957,014	79,346,288,800	48,736,582,310	47,199,393,273
Net Assets Value Per Ordinary Share (Rs.)		52.96	47.32	37.22	36.08

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Emil Ranasinghe

Group Financial Controller

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



Raneey Jayamaha

Director



P. Yohan S. Perera

Director

The accounting policies and notes on pages 127 through 169 form an integral part of the Financial Statements.

04th March 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

Year Ended 31st December 2025	Note	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Rs.
Group					
Balance as at 01 January 2024		18,443,353,347	604,700,027	35,071,273,194	54,119,326,568
Profit for the Year		-	-	6,210,453,550	6,210,453,550
Other Comprehensive Income for the Year		-	44,783,154	(2,039,492)	42,743,662
Dividends Paid for Ordinary Shares for Y/E 31/12/2023		-	-	(1,553,786,978)	(1,553,786,978)
Balance as at 31 December 2024		18,443,353,347	649,483,181	39,725,900,274	58,818,736,802
Profit for the Year		-	-	8,631,060,292	8,631,060,292
Other Comprehensive Income for the Year		-	69,231,067	(10,679,691)	58,551,376
Dividends Paid for Ordinary Shares for Y/E 31/12/2024	20	-	-	(1,678,089,937)	(1,678,089,937)
Balance as at 31 December 2025		18,443,353,347	718,714,248	46,668,190,938	65,830,258,533
Company					
Balance as at 01 January 2024		18,443,353,347	467,761,973	24,822,792,267	43,733,907,587
Profit for the Year		-	-	2,629,704,087	2,629,704,087
Other Comprehensive Income for the Year		-	35,536,812	(153,070)	35,383,742
Dividends Paid on Ordinary Shares for Y/E 31/12/2023		-	-	(1,553,786,978)	(1,553,786,978)
Balance as at 31 December 2024		18,443,353,347	503,298,785	25,898,556,306	44,845,208,438
Profit for the Year		-	-	3,080,079,840	3,080,079,840
Other Comprehensive Income for the Year		-	22,798,967	(6,206,166)	16,592,801
Dividends Paid on Ordinary Shares for Y/E 31/12/2024	20	-	-	(1,678,089,937)	(1,678,089,937)
Balance as at 31 December 2025		18,443,353,347	526,097,752	27,294,340,043	46,263,791,142

The accounting policies and notes on pages 127 through 169 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

Year Ended 31st December 2025		Group		Company	
	Note	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Cash Flows from Operating Activities:					
Profit Before Tax Expense		9,265,608,910	6,615,897,954	3,175,007,203	2,774,830,531
Adjustments for -					
Depreciation Charge for the Year	6	85,263,482	67,227,606	16,368,866	15,565,826
Amortization	7.1	1,934,648	4,225,769	-	2,450,566
Assest Disposal Loss		17,347	-	-	-
Post Employment Benefit Expense	16	24,717,304	26,278,789	8,708,197	11,292,403
Finance Cost	22.1	965,201,207	1,399,252,311	12,255,847	88,107,648
Finance Income	22.2	(323,405,972)	(376,250,309)	(174,879,967)	(285,773,892)
Exchange (Gain)/ Loss		146,147,841	(1,815,874,574)	11,854,067	22,074,668
Provision for Doubtful Debts	11	82,326,526	-	25,180,509	-
Fair Value (gain)/ loss on Investment Property	5	(3,222,688,863)	(1,822,205,196)	(1,211,133,347)	(1,034,427,922)
Operating profit before working capital changes		7,025,122,430	4,098,552,350	1,863,361,375	1,594,119,828
Decrease / (increase) in Trade and Other Receivables, Other Assets and Contract Assets		569,223,373	86,333,991	164,645,897	275,282,207
Increase / (decrease) in Rental and Customer Deposits		893,863,731	261,617,602	74,508,364	(324,014,991)
Decrease / (increase) in Inventories		553,684,588	531,248,260	(9,585,936)	1,979,733
(Decrease) / increase in Trade and Other Payables		138,715,701	618,153,528	27,164,082	345,414,143
Increase/ (decrease) in Amounts due to Related Parties		(4,424,107,392)	(2,110,500,000)	-	(242,766,065)
Cash generated from operations		4,756,502,432	3,485,405,731	2,120,093,782	1,650,014,855
Income Tax Paid		(337,035,151)	(354,983,927)	(106,414,961)	(187,408,787)
Finance Cost Paid		(656,687,011)	(1,037,126,868)	-	-
Defined Benefit Plan Costs Paid	16	(7,877,190)	(5,417,100)	(450,000)	(984,200)
Net cash generated from operating activities		3,754,903,080	2,087,877,836	2,013,228,821	1,461,621,868
Cash Flows from Investing Activities :					
Additions or expenses incurred on Property Plant and Equipment	6	(65,215,101)	(71,263,687)	(10,745,234)	(2,929,729)
Additions or expenses incurred on Intangible Assets	7.1	(946,075)	(4,182,700)	-	-
Additions/ Transfers or expenses incurred on Invest- ment properties	5.1	(3,139,000)	(37,520,634)	(3,139,000)	(52,365,000)
Receipt from Related Party Loan		-	-	65,000,000	35,000,000
Investment in Subsidiaries	8	-	-	-	(680,000,000)
Finance Income Received		228,987,051	250,796,698	131,999,464	183,022,064
Net cash (used in) / generated from investing activities		159,686,875	137,829,677	183,115,230	(517,272,665)
Cash flows from financing activities :					
Repayment of Interest Bearing Loans and Borrowings	15.1.3	(98,499,856)	(891,028,609)	-	-
Net Dividends Paid		(1,646,915,938)	(1,531,142,836)	(1,646,915,938)	(1,531,142,836)
WHT Paid on Dividends Paid		(29,754,667)	(27,748,765)	(29,754,667)	(27,748,765)
Proceed from Interest Bearing Loans and Borrowings	15.1.3	45,500,000	88,155,559	-	-
Net cash flow (used in) / generated from financing activities		(1,729,670,461)	(2,361,764,651)	(1,676,670,605)	(1,558,891,601)
Net increase in Cash and Cash Equivalents		2,184,919,494	(136,057,138)	519,673,446	(614,542,398)
Cash and Cash Equivalents at the Beginning of the Year	21	4,151,428,432	4,287,485,570	2,486,534,815	3,101,077,213
Cash and Cash Equivalents at the End of the Year	21	6,336,347,926	4,151,428,432	3,006,208,261	2,486,534,815

The accounting policies and notes on pages 127 through 169 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

Overseas Realty (Ceylon) PLC ("Company") is a Public Listed Company with limited liability incorporated and domiciled in Sri Lanka. The registered office of the Company is located at Level # 18-01, East Tower, World Trade Center, Colombo 01, which is the principal place of its business.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company were property Leasing, property services and property trading.

Mireka Capital Land (Private) Limited, a subsidiary, is engaged in purchasing, hiring and acquiring real estate properties, real estate development and providing infrastructure facilities and land to the Havelock City development project.

Mireka Homes (Private) Limited, a sub-subsidiary, is engaged in constructing and developing the Havelock City condominium Residential and related infrastructure. Further it is involved in sale, lease, management or any similar transactions in respect of the same and any other business carried out with regard investment in land, development of land and development of real estate.

Overseas Realty Investments (Private) Limited, a subsidiary, is engaged in leasing office space of Level 36 & 37 of West Tower, World Trade Center, Colombo 01.

Realty Management Services (Private) Limited, a subsidiary, is engaged in Property Management, Development Management, Energy Management, Advisory

Management and Real Estate Agency Services.

Havelock City (Pvt) Ltd, a sub-subsidiary is engaged in Property Leasing at Havelock City Mireka Tower and shopping mall and carry out shopping mall related activities and promotions.

Overseas Realty Trading (Pvt) Ltd, a subsidiary is engaged in trading of lighting solution and other construction industry related products.

Mireka Seascape (Pvt) Ltd, a subsidiary is engaged in property development, construction, and sale of residential apartments in Dodanduwa, Galle District.

1.3 Parent Entity and Ultimate controlling party

In the opinion of the Directors, there is no identifiable ultimate controlling party.

1.4 Date of Authorization for Issue

The Financial Statements of Overseas Realty (Ceylon) PLC for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 04 March 2026.

2. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS (hereafter referred as "SLAS") as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

These consolidated financial statements presented in Sri Lankan Rupees have been prepared on a historical cost basis, except for investment properties, buildings classified as property, plant and equipment,

short term investments that have been measured at fair value.

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

2.1 Going Concern

The Company's Management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of the Group. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 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

NOTES TO THE FINANCIAL STATEMENTS

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date it 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 in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The following companies have been consolidated.

- Mireka Capital Land (Private) Limited (Subsidiary)
- Mireka Homes (Private) Limited (Sub-subsidiary)
- Realty Management Services (Private) Limited (Subsidiary)
- Overseas Realty Investments (Private) Limited (Subsidiary)
- Overseas Realty Trading (Private) Limited (Subsidiary)
- Havelock City (Private) Limited (Sub-Subsidiary)
- Mireka Seascape (Private) Limited (Sub-Subsidiary)
- Hospitality International (Private) Limited (Subsidiary) - Non Operational
- Property Mart (Private) Limited (Subsidiary) - Non Operational
- Mireka Residencies (Private) Limited (Sub-subsidiary) - Non Operational
- Mireka Property (Private) Limited (Sub-subsidiary) - Non Operational

2.2.1 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 be sold or consumed in the normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realized within twelve months after the reporting period
- Or
- Cash or 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 unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

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

2.3 Segmental reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The primary segment reporting format is determined to be a business segment.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, 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 assets or liabilities affected in future periods.

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

- Capital management - Note 32
- Financial instruments risk management objectives and policies - Note 31
- Sensitivity analyses disclosures - Note 5.3, 16.4 and 31.

2.4.1 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 recognized in the consolidated financial statements:

2.4.1.1 Determining the timing of revenue recognition on the sale of apartments

The Group has assessed the timing of revenue recognition for property sales through a thorough analysis of the rights and obligations outlined in the contract terms. Generally, the Group has determined that contracts for the sale of completed properties are recognized at the point control is transferred. Specifically, for revenue from apartment sales

to be recognized, the Group identifies the point at which a significant percentage of the sale price is paid, and the conditions of the sale and purchase agreement are fulfilled as the point control is transferred. Additionally, the Group considers the holding of the transfer of legal title as a safeguard against potential non-payment by the customer. The Group has determined that contracts involving the sale of completed property do not contain significant financing components. In addition, there is no non-cash consideration or consideration payable to customers. The initial deposits are used to protect the Group from the customer failing to adequately complete some or all of its obligations under the contract.

2.4.2. Estimates and assumptions

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

2.4.2.1. Valuation of the Investment Properties

The fair value of investment property is determined by real estate valuation experts using recognized valuation techniques and the principles of SLFRS 13 Fair Value Measurement.

Investment property is measured based on estimates prepared by independent real estate valuation experts, except where such values cannot be reliably determined. The significant methods and assumptions used by valuers in estimating the fair value of investment property are set out in Note 5.3

2.4.2.2. Estimation of net realizable value for inventory property

At year end, the Group holds inventory property which is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for property in the same geographical market serving the same real estate segment.

2.5. Summary of significant accounting policies

2.5.1. Foreign currencies

The Group's consolidated financial statements are presented in Sri Lankan Rupees, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

NOTES TO THE FINANCIAL STATEMENTS

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss, with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, liability, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the

non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

2.5.2. Taxation

Current Taxes

Companies in the Group have entered into agreements with the Board of Investment of Sri Lanka (BOI), as specified below. Such agreements specify that the sections of the Inland Revenue Act relating to the imposition, payment and recovery of income tax should not apply to the respective companies, as explained below for the specified businesses.

Overseas Realty (Ceylon) PLC

Pursuant to the agreement between the Company and the Board of Investment of Sri Lanka, the Company was entitled to a fifteen year "tax exemption period" on its accounting profits and income, commencing from the first year of making profit. The Company entered into a supplementary agreement with the Board of Investment of Sri Lanka on 12 August 2005 with regard to the above.

The 15 year tax exemption period commenced in 2005 and ended in 2020 where business income was exempted and other income was taxable at normal rate. Thereafter Company is taxed at 2% on turnover for another 15 years until 2035. Other income shall be liable to income tax at the rate of 30% as per the Inland Revenue Act No. 24 of 2017 and subsequent amendments there to.

Havelock City (Private) Limited

Pursuant to the agreement with the Board of Investment of Sri Lanka (BOI) dated 10 June 2016, Havelock City (Private) Limited is exempted from income tax for a period of 15 years. Such exemption period is reckoned from the year in which the Company commences to make profit or any year of assessment not later than 2 years from the date of commencement of commercial operations, whichever is earlier, as may be specified in the BOI agreement. The Company commenced its commercial operations in 2023.

Mireka Homes (Private) Limited

Pursuant to the agreement with Board of Investment of Sri Lanka (BOI) dated 26th August 2005, Mireka Homes (Private) Limited was exempted from Income Tax for a period of 12 years. Such exemption period is reckoned from the year in which the Company commences to make profits or any year of assessment not later than 2 years from the date of commencement of commercial operations, whichever is earlier, as may be specified in the BOI agreement.

The 12 years tax exemption period commenced in 2007 and ended in 2019 and income tax rate was at 10% for 2020 and 2021, thereafter sources falling under the BOI agreement is liable to income tax at 15%. Income from sources falling outside the BOI approved business, is liable to income tax at 30%, as per the Inland Revenue Act No. 24 of 2017 and subsequent amendments there to.

Mireka Capital Land (Private) Limited

Pursuant to the agreement with Board of Investment of Sri Lanka (BOI) dated 28th April 2005, Mireka Capital Land (Private) Limited was exempted from Income Tax for a period of 8 years. Such exemption period is reckoned from the year in which the Company commences to make profits or any year of assessment not later than 2 years from the date of commencement of commercial operations, whichever was earlier, as may be specified in a certificate by BOI.

The 8 years tax exemption period commenced in 2006 and ended in 2014 where business income was exempted and other income was taxable at normal rate. thereafter sources falling under the BOI agreement is liable to income tax at 15%. Income from sources falling outside the BOI approved business, is liable to income tax at 30%, as per the Inland Revenue Act No. 24 of 2017 and subsequent amendments there to.

All other operating subsidiaries are liable to pay income tax at 30%, as per the Inland Revenue Act No. 24 of 2017 and subsequent amendments there to.

Deferred Taxation

Deferred income 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.

Deferred income tax liabilities are recognized for all taxable temporary differences except where 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.

Deferred income tax assets are recognized 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 assets and unused tax losses can be utilized except where the deferred income 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; and

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 income tax asset to be utilised.

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

Deferred taxation on Investment Property and owner occupied property

As described in Note 2.5.2, the company enjoyed tax exemption status up to the year 2020, and thereafter till 2035, company will be taxed at 2% based on its turnover.

During the year, the Income tax provisions for the year ended 31st December 2025 have been made as per the provisions of the Inland Revenue Act No. 24 of 2017 (as amended subsequently). Based on the new law, the gain arising from sale of Investment property and owner occupied property is treated as part of business income, provided that management would execute the option given in the BOI agreement to be taxed at 2% on turnover. As a result, the Company has recognized a deferred tax liability on Company's Investment Property and owner occupied property considering possible tax liability that could arise at the time of sale as per the provisions of the Inland Revenue Act No. 24 of 2017 by applying the applicable tax rate of 2% based on the BOI agreement.

Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax except where the sales tax incurred on a purchase of assets or service is not recoverable from the taxation authorities in which case the sales tax is recognized as a part of the cost of the asset or part of the expense items as applicable and receivable and payable that are stated with the amount of sales tax included. The amount of sales tax recoverable and payable in respect of taxation authorities is included as a part of receivables and payables in the reporting date.

2.5.3. Revenue recognition

The Group's key sources of income include:

- Rental income.
- Services to tenants including service charges and other expenses recoverable from tenants.

NOTES TO THE FINANCIAL STATEMENTS

- Revenue from contracts with customers arising from sale of completed inventory property.

Rental Income, Services to tenants are treated on service while sales of completed inventory property are considered on sale of goods, and recognized point in time. Disaggregated amount sharing each type of revenue is disclosed in Note 3.

The accounting for each of these elements is discussed below.

Rental income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to ownership of an investment property. In addition, the Group subleases investment property acquired under head leases with lease terms exceeding 12 months at commencement. Subleases are classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying investment property. All the Group's subleases are classified as operating leases.

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Revenue from services to tenants

For investment property held primarily to earn rental income,

the Group enters as a lessor into lease agreements that fall within the scope of SLFRS 16. These agreements include certain services offered to tenants (i.e., customers) including common area maintenance services (such as cleaning, security, landscaping and garbage removal of common areas). The consideration charged to tenants for these services includes fees charged based on a special rate per sq.ft and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced.

The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of SLFRS 15. The Group allocates the consideration in the contract to the separate lease and revenue (non-lease) components on a relative stand-alone selling price basis.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

The consideration charged to tenants for these services is based on a percentage of the rental income.

The variable consideration only relates to the non-lease component and is allocated to each distinct period of service (i.e., each day) as it meets the variable consideration allocation exception criteria.

Revenues from the sale of inventory property

The Group enters into contracts with customers to sell completed inventory property.

The sale of completed property constitutes a single performance obligation and the Group has determined that this is satisfied at the point in time when control transfers. For unconditional exchange of contracts, this generally occurs when legal title transfers to the customer. For conditional exchanges, this generally occurs when all significant conditions are satisfied.

For some contracts involving the sale of property, the Group is entitled to receive an initial deposit. This is not considered a significant financing component because it is for reasons other than the provision of financing to the Group. The initial deposits are used to protect the Group from the other party failing to adequately complete some or all of its obligations under the contract where customers do not have an established credit history or have a history of late payments.

2.5.4. Trade receivables

Trade receivables represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note 2.5.12.a) Financial instruments – initial recognition and subsequent measurement.

Rent receivables

Rent receivables are recognized at their original invoiced value except where the time value of money is material, in which case rent receivables are recognised

at fair value and subsequently measured at amortised cost. Refer to accounting policies on financial assets in this note 2.5.12.a.

2.5.5. Tenant deposits

Tenant deposits are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term. Refer also to accounting policies on financial liabilities in this note 2.5.12.b.

2.5.6. Finance Income

Finance income is recognized as the interest accrues unless collectability is in doubt.

2.5.7. Others

Other income is recognized on an accrual basis.

2.5.8. Intangible Assets

(a) WTC Membership

Membership paid to World Trade Centers' Association (WTC Membership) is shown at historical cost. It is considered to have a finite useful life and carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost over its estimated useful life of 20 years.

(b) Computer Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful life of 5 years. Costs associated with maintaining computer software programs are recognized as an expense as incurred.

2.5.9. Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land
- Amounts paid to contractors for development
- Planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs necessary to make the sale.

When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory property recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

Consumables and Spares

Consumable and spares are stated at cost, accounted using at actual cost on weighted average basis.

2.5.10. Cash and Short-Term Deposits

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

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

2.5.11. Property, Plant and Equipment

Property, plant and equipment except for 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.

Buildings are measured at fair value less depreciation and impairment charged subsequent to the date of the revaluation.

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at least at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Valuations are performed with sufficient regularity, to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

When an item of property, plant & equipment is revalued, any accumulated depreciation at the date of the valuation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Any revaluation surplus (related to property, plant & equipment) is credited to the revaluation reserve included in the equity section of the statement of financial position, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss. In which case, the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except that a deficit directly offsetting a previous surplus on the same asset is directly offset against the surplus in the revaluation reserve.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the Statement of Profit or Loss.

2.5.12. Financial Instruments - Initial Recognition and Subsequent Measurement

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

a) Financial Assets Initial recognition and measurement

Financial assets are classified, 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 asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component.

In order for a financial asset to be classified and measured at amortized 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 recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortized 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 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 amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes cash and short-term deposits, trade and other receivables and other financial assets.

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 at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in

the statement of profit or loss.

This category includes short term investments which the Group had not irrevocably elected to classify at fair value through OCI. Income from these investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (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 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 the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset

to the extent of its continuing involvement. In that case, the Group also recognizes 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.

b) Financial Liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and

losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

This category applies to interest-bearing loans and borrowings. For more information, refer to Note 15.

Derecognition

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

2.5.13. Fair value measurement

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

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

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

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

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

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

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

For assets and liabilities that are recognised in the financial

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

The Management of the Group determines the policies and procedures for both recurring fair value measurement, such as investment properties and Property, Plant and Equipment-Buildings.

External valuer, Mr. Lochana I Silva is involved in valuation of significant assets, such as Investment properties and Buildings. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group's external valuer, which valuation techniques and inputs to use for each case.

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

The Management, in conjunction with the Group's external valuer, also compares the change in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

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

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

- Disclosures for valuation methods, significant estimates and assumptions Note 5
- Quantitative disclosures of fair value measurement hierarchy Note 5
- Property, plant and equipment under revaluation model Note 6
- Investment properties Note 5
- Financial instruments (including those carried at amortised cost) Note 15

2.5.14. Investments

(a) Investment in Subsidiaries

Investments are stated at cost in the Company's financial Statements. Carrying amounts are reduced to recognize a decline other than temporary, determined for each investment individually. These reductions for other than temporary declines in carrying amounts are charged to the Statement of Profit or Loss.

2.5.15. Investment Property

Investment property comprises completed property and re-development that is held, or to be held, to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production

or administrative functions.

Investment property comprises principally offices, and retail property that are occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Investment property is measured initially at cost, including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and (only in case of investment property held under a lease) initial leasing commissions to bring the property to the condition necessary for it to be capable of operating.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise, including the corresponding tax effect. For the purposes of these financial statements, in order to avoid double counting, the fair value reported in the financial statements is:

- Reduced by the carrying amount of any accrued income resulting from the spreading of lease incentives and/or minimum lease payments
- In the case of investment property held under a lease, increased by the carrying amount of any liability to the head lessor that has been recognised in the statement of financial position as a finance lease obligation. Transfers are made to (or from)

investment property only when there is evidence of a change in use (such as commencement of development or inception of an operating lease to another party). For a transfer from investment property to inventories, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss.

The Group considers as evidence the commencement of development with a view to sale (for a transfer from investment property to inventories) or inception of an operating lease to another party (for a transfer from inventories to investment property).

Investment property is derecognised either when it has been disposed of (i.e., at the date the recipient obtains control of the investment property in accordance with the requirements for determining when a performance obligation is satisfied in SLFRS 15) or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Group considers the effects of variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any) in accordance with the requirements for determining the transaction

price in SLFRS 15.

2.5.16. Provision

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

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

2.5.17. Retirement Benefit Obligations

(a) Defined Benefit Plan – Gratuity

The Group is liable to pay gratuity in terms of the Gratuity Act No.12 of 1983.

The Group measures the present value of the promised retirement benefits of gratuity, which is a defined benefit plan with the advice of an independent actuary.

For the purpose of determining the charge for any period before the next regular actuarial valuation falls due, an approximate estimation provided by the qualified actuary is used.

The cost of providing benefits under the defined benefit

NOTES TO THE FINANCIAL STATEMENTS

plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, excluding net interest (not applicable to the Group), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognizes the following changes in the net defined benefit obligation under 'cost of sales' and 'administration expenses' in the Statement of Profit or Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income The gratuity liability is not externally funded. This item is stated under Post Employee Benefit Liability in the Statement of Financial Position.

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

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations. The Group contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively. These costs are included in statement of Profit or Loss.

2.5.18. 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 CGU's fair value less costs of disposal and its value in use. The recoverable amount 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. When 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, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognised in the Statement of Profit or Loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit or Loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

2.5.19. Comparative information

Presentation and classification of the financial statements of the previous year have been amended, where relevant for better presentation and to be comparable with those of current year. These have not resulted any change is results of the Company and Group.

2.5.20. Effect of Sri Lanka accounting standards (SLFRS) issued but not yet effective:

The new and amended accounting standards issued up to the date these financial statements are authorised for issue, but not yet effective for the current reporting period, are disclosed below. These standards and amendments will be adopted, if applicable, when they become effective.

- **SLFRS 17 Insurance Contracts**

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

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

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

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

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

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organized and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In

addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

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

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

- **SLFRS 19 Subsidiaries without public accountability: Disclosures**

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

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

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

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

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

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

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

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

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

- **Annual improvements to Sri Lanka Accounting Standards**

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

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Revenue from Property Leasing and Services	9,120,266,427	6,230,437,512	2,865,485,254	2,691,833,961
Revenue from Property Trading	2,823,712,464	1,793,656,292	-	-
	11,943,978,891	8,024,093,804	2,865,485,254	2,691,833,961

The Group has entered into leases on its property portfolio. The commercial property leases typically have lease terms between 1 and 5 years and includes clauses to enable upward revision of the rental charge according to prevailing market conditions

Future rental receivables under operating leases as at 31st December 2025 are as follows.

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
No later than 1 year	7,563,537,961	4,548,956,017	2,683,557,024	1,725,667,968
Later than 1 year and no later than 2 years	5,680,784,125	3,797,638,988	1,789,791,940	1,216,199,977
Later than 2 years and no later than 3 years	2,664,775,807	2,281,496,818	881,913,709	543,544,215
Later than 3 years and no later than 4 years	1,256,367,211	1,359,917,303	279,476,293	324,318,626
Later than 4 years and no later than 5 years	1,023,423,713	940,978,306	130,056,763	182,382,618
Over 5 Years	4,287,204,956	3,387,109,908	207,405,777	250,815,597
Total	22,476,093,773	16,316,097,340	5,972,201,506	4,242,929,000

3.1 Revenue from Property Leasing, Trading and Services

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Revenue from Property Leasing and Services				
Revenue from Property Leasing and Services (Excluding Straight-Lining of Lease Incentives)	9,003,000,004	6,176,831,205	2,859,924,660	2,776,970,184
Straight-lining of lease incentives	117,266,423	53,606,307	5,560,594	(85,136,223)
	9,120,266,427	6,230,437,512	2,865,485,254	2,691,833,961
Revenue from Property Trading				
Revenue from Contract with Customers	2,823,712,464	1,793,656,292	-	-
	2,823,712,464	1,793,656,292	-	-
There is no right of return for apartment sold and sales and purchase agreements are signed				
Revenue from Property Leasing, Trading and Services	11,943,978,891	8,024,093,804	2,865,485,254	2,691,833,961

3.2 Operating Expenses

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Direct Cost Including Property Rates and Members Contribution	1,906,520,795	1,548,783,120	766,371,459	754,391,545
Cost of Sales of Property Services	682,901,458	465,566,368	-	-
Total Direct Operating Expenses	2,589,422,253	2,014,349,488	766,371,459	754,391,545
Cost of Sales of Apartments	695,518,529	568,462,666	-	-
Total Direct Operating Expenses and Cost of Sales of Apartments	3,284,940,782	2,582,812,154	766,371,459	754,391,545

4 SEGMENTAL INFORMATION

The Group has three business segments, Property Leasing, Property Trading and Property Services. Property Leasing is derived by Overseas Realty (Ceylon) PLC (ORC PLC), Havelock City (Pvt) Ltd (HCL) and Overseas Realty Investments (Pvt) Ltd (ORIL). Property Trading is derived by Mireka Capital Land (Pvt) Ltd (MCL), Mireka Homes (Pvt) Ltd (MHL) and Mireka Seascape (Pvt) Ltd (MSL). Property Services are derived by Realty Management Services (Pvt) Ltd (RMS) and Overseas Realty Trading (Pvt) Ltd (ORTL). ORC PLC and ORIL earn rental income through renting out the space at World Trade Center located at Echelon Square, Colombo 1. HCL earns rental income through renting out space at the Mireka Tower and Shopping Mall at Havelock City. MCL earns revenue through the sale of land and infrastructure and MHL earns revenue through the sale of condominium units at Havelock City. RMS earns revenue through Property Management and Real Estate Agency Services, while ORTL earns revenue through the sale of lighting solutions and other building materials.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

NOTES TO THE FINANCIAL STATEMENTS

4.1 Segmental Results

	2025				2024					
	Property Leasing	Property Trading	Property Services	Inter/Intra Segment Eliminations	Consolidated	Property Leasing	Property Trading	Property Services	Inter/Intra Segment Eliminations	Consolidated
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue from Property Leasing and Services	8,201,395,307	-	924,208,353	(5,337,233)	9,120,266,427	5,601,930,104	628,507,408	628,507,408	-	6,230,437,512
Revenue from Property Trading	-	2,823,712,464	-	-	2,823,712,464	-	1,793,656,292	-	-	1,793,656,292
Total Revenue	8,201,395,307	2,823,712,464	924,208,353	(5,337,233)	11,943,978,891	5,601,930,104	1,793,656,292	628,507,408	-	8,024,093,804
Direct Operating Expenses	(1,906,520,795)	(682,901,458)	-	-	(2,589,422,253)	(1,548,783,120)	(465,566,368)	-	-	(2,014,349,488)
Cost of Sales	-	(811,961,765)	-	116,443,236	(695,518,529)	-	(642,061,125)	73,598,459	-	(568,462,666)
Gross Profit/ (Loss)	6,294,874,512	2,011,750,699	241,306,895	111,106,003	8,659,038,109	4,053,146,984	1,151,595,167	162,941,040	73,598,459	5,441,281,650
Fair Value Gain on Investment Property	3,222,688,863	-	-	-	3,222,688,863	1,822,205,196	-	-	-	1,822,205,196
Administration Expenses	(695,475,909)	(172,855,069)	(191,215,343)	9,320,144	(1,050,226,177)	(818,191,553)	(181,432,991)	(147,698,331)	-	(1,147,322,875)
Marketing and Promotional Expenses	(350,924,104)	(143,692,470)	(6,411,857)	-	(501,028,431)	(186,927,212)	(119,570,994)	(2,963,376)	-	(309,461,582)
Operating Profit	8,471,163,362	1,695,203,160	43,679,695	120,426,147	10,330,472,364	4,870,233,415	850,591,182	12,279,333	73,598,459	5,806,702,389
Exchange Gain/(Loss)	(512,898,533)	1,684,101	249,013	-	(510,965,419)	1,671,772,780	67,210,393	(5,825,728)	-	1,733,157,445
Finance Cost	(1,001,871,427)	(1,251,586)	(6,817,762)	44,739,568	(965,201,207)	(1,347,011,083)	(62,113,942)	(5,692,489)	15,565,203	(1,399,252,311)
Finance Income	310,553,433	55,078,500	2,513,607	(44,739,568)	323,405,972	344,887,261	81,183,470	1,773,097	(51,593,519)	376,250,309
Other Income	-	85,851,396	2,045,804	-	87,897,200	-	93,858,582	5,181,540	-	99,040,122
Net Profit Before Tax	7,266,946,835	1,836,565,571	41,670,357	120,426,147	9,265,608,910	5,539,882,373	1,030,729,685	7,715,753	37,570,143	6,615,897,954
Income Tax Expense	(337,563,542)	(284,017,550)	(12,967,526)	-	(634,548,618)	(215,360,272)	(174,467,840)	(15,616,292)	-	(405,444,404)
Profit After Tax	6,929,383,293	1,552,548,021	28,702,831	120,426,147	8,631,060,292	5,324,522,101	856,261,845	(7,900,539)	37,570,143	6,210,453,550

4.2 Segmental Assets and Liabilities

	2025				
	Rental and Other Services (Property Leasing)	Sale of Apartments (Property Trading)	Realty Services (Property Services)	Inter/Intra Segment Eliminations	Consolidated
	Rs.	Rs.	Rs.	Rs.	Rs.
2025					
Total Assets	96,352,961,469	28,422,903,333	337,355,855	(41,336,263,643)	83,776,957,014
Total Liabilities	16,664,916,702	1,347,491,902	226,770,578	(292,480,701)	17,946,698,481
2024					
Total Assets	91,218,848,572	26,041,724,742	272,698,569	(38,186,983,082)	79,346,288,800
Total Liabilities	20,310,060,493	614,241,080	187,978,921	(584,728,495)	20,527,551,998

4.3 Other Segmental Information

	2025				2024			
	Property leasing	Property Trading	Property Services	Consolidated	Property leasing	Property Trading	Property Services	Consolidated
Total Cost Incurred during the Year to Acquire								
Property, Plant and Equipment	46,184,828	15,896,163	3,134,110	65,215,101	67,697,514	1,152,586	2,413,588	71,263,688
Depreciation								
Charge for the Year	60,911,212	22,433,912	1,918,358	85,263,482	44,049,666	21,429,584	1,748,355	67,227,605
Amortization	1,883,116	51,532	-	1,934,648	4,225,769	-	-	4,225,769
Employee Benefit Costs	259,003,923	32,546,192	385,311,284	676,861,399	411,406,346	35,827,716	248,703,504	695,937,566

5 INVESTMENT PROPERTY

The Group's Investment Property consist of those that are competed. These are measured at fair value.

5.1 Investment Property Completed

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
As at 1 January	69,565,766,248	67,706,040,418	28,225,904,193	27,139,111,271
Additions/ Adjustments	3,139,000	37,520,634	3,139,000	52,365,000
Transfers *	(401,113,000)	-	(401,113,000)	-
Fair value Gain/(Loss) Completed Investment Property	3,222,688,863	1,822,205,196	1,211,133,347	1,034,427,922
As at 31 December, total Completed Investment Property	72,390,481,111	69,565,766,248	29,039,063,540	28,225,904,193

* A land block measuring A1-R2-P22 was allocated to Mireka Seascape (Pvt) Ltd (MSL) for a Apartment Project and transferred to Long-Term Inventory at its fair value of Rs. 401,113,000 as at 31 December 2024, upon the signing of a Development Agreement between the Company and MSL.

NOTES TO THE FINANCIAL STATEMENTS

The detail of Fair Value of Investment Properties of the Group as follows

	Type	Location	Valuation Technique	Area (Acres/Rood/Perch)	Value in Rs
Company					
Overseas Realty (Ceylon) PLC	Condominium Unit	Colombo 01	Discounted Cash Flow (DCF)	2A	28,983,812,540
Overseas Realty (Ceylon) PLC	Land	Galle	Open Market Value (OMV)	0A , 2R , 8P	55,251,000
					29,039,063,540
Group					
Overseas Realty Investment (Private) Limited	Condominium Unit	Colombo 01	Discounted Cash Flow (DCF)	-	1,142,800,000
Havelock City (Pvt) Ltd	Commercial Building	Colombo 05	Discounted Cash Flow (DCF)	4A , 3R , 32P	42,208,617,571
					72,390,481,111

The significant assumptions used by the valuer in the years 2025 and 2024 are as follows:

5.2 Significant Unobservable Inputs

Valuation Technique	World Trade Center-ORCL		World Trade Center -ORIL		Havelock City	
	2025	2024	2025	2024	2025	2024
Estimated Market Rent per sq:ft	: Rs.537	: Rs.445	: Rs.566	: Rs.525	: Rs.519	: Rs.520
Rate of Growth in Future Rentals		: 1 to 2 years 0%		: 1 to 2 years 0%		: 1 years 0%
Discounted cash flow (DCF method)	1.5% for perpetuity	: 3-10 years 2% p.a.	3% for perpetuity	: 3-10 years 4% p.a.	1.5% for perpetuity	: 2 - 5 years 3% to 10% p.a.
		: After 10 years 0% p.a.		: After 10 years 0% p.a.		: 6 - 10years 5% p.a.
						After 10 years 0% p.a.
Anticipated Maintenance Cost and Void	: 51.5% of rentals	: 47.5% of rentals	: 45% of rentals	: 48% of rentals	: 53% to 66% of rentals	: 42.5 % of rentals
Capitalization Rate	: 7.00% p.a.	: 6.75% p.a.	: 7% p.a.	: 6.75% p.a.	: 6.75% p.a.	: 6.25% p.a.

5.2.A Fair value of the Investment Properties are ascertained by annual independent valuations carried out by Mr. Lochana I Silva, Chartered Valuation Surveyor who has experience in valuing properties of akin location and category.

Investment Properties are appraised in accordance with Sri Lanka Financial Reporting Standards and 8th edition of International Valuation Standards published by the International Valuation Standards Committee (IVSC). In determining the fair value, the capitalization of net income method has been adopted using the Discounted Cash Flow (DCF) technique, which is based upon assumptions including future rental income, anticipated maintenance costs, appropriate discounting rate and making reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are approximated within appropriate range of values.

5.2.B Description of the valuation technique

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market-derived discount rate is applied to establish the present value of the income stream associated with the asset. Under the OMV method, the asset valued at which would be exchanged between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in a competitive and open market.

5.3 Sensitivity Analysis of Assumptions Employed in Investment Property Valuation

Group

The table below presents the sensitivity of the valuation to changes in the most significant assumptions underlying the valuation of Investment Property, in respect of the year 2025.

The sensitivity of the Statement of Profit or Loss and Statement of Financial Position is the effect of the assumed changes in each aspect (taken individually, while other variables are held constant) on the profit or loss and carrying value of Investment Property for the year.

2025

Capitalisation Rate	Increase / (Decrease)		Completed Investment property	
	Growth in Future Rentals	Anticipated Maintenance Cost	Investment Property valuation	Fair Value Gain/(Loss) on Investment Property
			Rs.	Rs.
1%			65,422,423,126	(6,912,806,985)
-1%			83,258,082,588	10,922,852,477
	1%		77,479,033,856	5,143,803,745
	-1%		69,277,920,995	(3,057,309,116)
		5%	65,339,371,028	(6,995,859,083)
		-5%	80,119,036,105	7,783,805,994

2024

Capitalisation Rate	Increase / (Decrease)		Completed Investment property	
	Growth in Future Rentals	Anticipated Maintenance Cost	Investment Property valuation	Fair Value Gain (Loss) on Investment Property
			Rs.	Rs.
1%			58,893,294,013	(9,960,063,512)
-1%			82,016,437,171	13,163,079,646
	1%		73,247,542,933	4,394,185,408
	-1%		64,544,779,851	(4,308,577,674)
		5%	66,040,331,317	(2,813,026,208)
		-5%	71,285,034,378	1,506,467,130

NOTES TO THE FINANCIAL STATEMENTS

Company

2025

Capitalisation Rate	Increase / (Decrease)		Completed Investment property	
	Growth in Future Rentals	Anticipated Maintenance Cost	Investment Property valuation Rs.	Fair Value Gain (Loss) on Investment Property Rs.
1%			27,452,666,582	(1,531,145,958)
-1%			31,708,791,240	2,724,978,700
	1%		31,501,108,212	2,517,295,672
	-1%		27,599,714,365	(1,384,098,175)
		5%	26,442,163,913	(2,541,648,627)
		-5%	32,520,822,284	3,537,009,744

2024

Capitalisation Rate	Increase / (Decrease)		Completed Investment property	
	Growth in Future Rentals	Anticipated Maintenance Cost	Investment Property valuation Rs.	Fair Value Gain (Loss) on Investment Property Rs.
1%			23,918,895,671	(3,853,875,522)
-1%			33,000,692,855	5,227,921,662
	1%		29,455,133,507	1,682,362,314
	-1%		26,193,058,412	(1,579,712,781)
		5%	26,654,108,222	(1,118,662,971)
		-5%	28,891,390,239	1,118,619,046

5.4 The Group and Company use unobservable market inputs in determining the fair value of the Investment Property (i.e. Falling under Level 3 of the fair value hierarchy)

5.5 Rental Income earned and Direct operating expenses relating to Investment Property is tabulated below:

	Group (Rs. Mn)		Company (Rs. Mn)	
	2025	2024	2025	2024
Rental income	8,201	5,602	2,865	2,692
Direct operating expenses	1,907	1,549	766	754

6 PROPERTY, PLANT AND EQUIPMENT

6.1 Group

6.1.1 Gross Carrying Amounts

	At Cost						At Valuation	
	Land*	Temporary Building	Equipment	Computer and Electronic Equipment	Furniture and Fittings	Motor Vehicles	Buildings	Total Gross Carrying amount
At Cost or Valuation	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at								
1 January 2025	86,144,695	3,747,975	98,356,347	131,773,807	131,421,283	14,160,575	1,247,239,253	1,712,843,935
Additions during the Year	-	8,708,535	29,083,862	9,251,652	10,798,362	603,686	6,769,004	65,215,101
Disposals	-	-	-	(164,945)	(63,081)	-	-	(228,026)
Transfers**	-	-	-	-	-	-	(33,235,048)	(33,235,048)
Revaluations	-	-	-	-	-	-	77,890,252	77,890,252
Balance as at								
31 December 2025	86,144,695	12,456,510	127,440,209	140,860,514	142,156,564	14,764,261	1,298,663,461	1,822,486,214

6.1.2 Depreciation

	Temporary Building	Equipment	Computer and Electronic Equipment	Furniture and Fittings	Motor Vehicles	Buildings	Total Depreciation
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January 2025	3,747,975	50,883,772	86,459,026	57,866,915	14,099,852	-	213,057,540
Charge for the Year	342,342	23,000,259	18,894,122	9,701,233	90,478	33,235,048	85,263,482
Disposals	-	-	(164,944)	(45,735)	-	-	(210,679)
Transfers**	-	-	-	-	-	(33,235,048)	(33,235,048)
Balance as at 31 December 2025	4,090,317	73,884,031	105,188,204	67,522,413	14,190,330	-	264,875,295

6.1.3 Net Book Value

	2025		2024
	Rs.		Rs.
At Cost			
Land	86,144,695		86,144,695
Temporary Building	8,366,193		-
Equipment	53,556,178		47,472,575
Computers and Electronic Equipment	35,672,310		45,314,781
Furniture and Fittings	74,634,151		73,554,369
Motor Vehicles	573,931		60,723
	258,947,458		252,547,143
At Valuation			
Buildings	1,298,663,461		1,247,239,253
	1,298,663,461		1,247,239,253
	1,557,610,919		1,499,786,396

* Land extent of OA 3R 17P where the club house building is located, recorded at it's cost.

**This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying value of the revalued asset.

NOTES TO THE FINANCIAL STATEMENTS

6.2 Company

6.2.1 Gross Carrying Amounts

	At Cost				At Valuation	
	Equipment	Computers and Electronic Equipment	Furniture and Fittings	Motor Vehicles	Buildings	Total Gross Carrying Amount
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January 2025	9,422,369	36,356,631	20,915,608	14,160,575	481,239,252	562,094,435
Additions during the Year	592,432	2,755,500	628,298	-	6,769,004	10,745,234
Transfers*	-	-	-	-	(14,085,048)	(14,085,048)
Revaluation	-	-	-	-	23,264,252	23,264,252
Balance as at 31 December 2025	10,014,801	39,112,131	21,543,906	14,160,575	497,187,460	582,018,873

6.2.2 Depreciation

	At Cost				At Valuation	
	Equipment	Computers and Electronic Equipment	Furniture and Fittings	Motor Vehicles	Buildings	Total Depreciation
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January 2025	8,583,022	31,714,364	18,664,467	14,099,852	-	73,061,705
Charge for the Year	408,224	1,310,703	504,168	60,723	14,085,048	16,368,866
Transfers*	-	-	-	-	(14,085,048)	(14,085,048)
Balance as at 31 December 2025	8,991,246	33,025,067	19,168,635	14,160,575	-	75,345,523

*This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying value of the revalued asset.

6.2.3 Net Carrying Amounts

	2025	2024
	Rs.	Rs.
At Cost		
Equipment	1,023,555	839,347
Computers and Electronic Equipment	6,087,064	4,642,267
Furniture and Fittings	2,375,271	2,251,141
Motor Vehicles	-	60,723
	9,485,890	7,793,478
At Valuation		
Buildings	497,187,460	481,239,252
	497,187,460	481,239,252
	506,673,350	489,032,730

- 6.3** The fair value of building (Level 18 of the World Trade Centre held as owner occupied property) was determined by means of a revaluation during the financial year 2025 by Mr. Lochana I Silva, Chartered Valuation Surveyor. The results of such revaluation were incorporated in these Financial Statements from its effective date which is 31 December 2025. The surplus arising from the revaluation was transferred to a revaluation reserve. The valuation that was used to ascertain the value of investment property was used for the determination of the fair value of the Buildings-Level 18 carried at fair value. Further, similar assumptions have been used in determining the fair value of the property as given in Note 5.2.
- 6.4** The fair value of Building (Club House at Havelock City) was determined by means of a revaluation using the replacement cost approach during the financial year 2025 by Mr. Lochana I Silva, Chartered Valuation Surveyor. The results of such revaluation were incorporated in these Financial Statements from its effective date which was 31 December 2025.
- 6.5** Cash payments amounting to Rs.65,215,101/- (2024 : Rs.71,263,687/-) were made during the year by the Group and Rs.10,745,234/- (2024 : Rs.2,929,729/-) were made by the Company for purchase of Property, Plant and Equipment.
- 6.6** Depreciation is calculated on a straight line basis over the useful life of the assets as follows :

	2025	2024
Buildings	Over 50 to 60 Years	Over 50 to 60 Years
Temporary Building	Over 5 Years	Over 5 Years
Computer and Electronic Equipment	Over 4 Years	Over 4 Years
Equipment	Over 5 - 10 Years	Over 5 - 10 Years
Furniture & Fittings	Over 10 Years	Over 10 Years
Motor Vehicles	Over 5 Years	Over 5 Years

- 6.7** Property, Plant and Equipment of the Group and the Company includes fully depreciated assets having a gross carrying amount of Rs.145,264,050/- and Rs. 68,448,490/- (2024 : Rs.142,264,050/- and Rs.68,448,490/-) respectively.
- 6.8** The carrying amount of revalued assets that would have been included in the Financial Statements had the assets been carried at cost less depreciation is as follows:

Class of Asset	Cost	Cumulative Depreciation If assets were carried at cost	Net Carrying Amount 2025	Net Carrying Amount 2024
Group	Rs.	Rs.	Rs.	Rs.
Building - Level 18	87,431,566	(38,427,508)	49,004,058	50,461,250
Building - Club House	728,785,769	(169,081,374)	559,704,395	578,854,395

- 6.9** The Group and Company use unobservable market inputs in determining the fair value of the Buildings reflected at its fair value (i.e. Falling under Level 3 of the fair value hierarchy).

NOTES TO THE FINANCIAL STATEMENTS

7 INTANGIBLE ASSETS

7.1 Group/Company

	Group			Company		
	WTC Membership	Computer Software	Total	WTC Membership	Computer Software	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Summary	(Note 7.2)	(Note 7.3)		(Note 7.2)	(Note 7.3)	
Cost						
As at 1 January 2025	7,297,734	57,729,773	65,027,507	7,297,734	48,458,072	55,755,806
Additions	-	946,075	946,075	-	-	-
As at 31 December 2025	7,297,734	58,675,848	65,973,582	7,297,734	48,458,072	55,755,806
Amortization						
As at 1 January 2025	7,297,734	50,454,900	57,752,634	7,297,734	48,458,072	55,755,806
Amortization for the Year	-	1,934,648	1,934,648	-	-	-
As at 31 December 2025	7,297,734	52,389,548	59,687,282	7,297,734	48,458,072	55,755,806
Net book value						
As at 1 January 2025	-	7,274,873	7,274,873	-	-	-
As at 31 December 2025	-	6,286,300	6,286,300	-	-	-

7.2 WTC membership fee represent the original amount paid to be eligible to use the trade name "World Trade Centre".

7.3 Computer software represents the Enterprise Resource Planning System (ERP) consisting of application software, user licenses including implementation services, the Tenant Revenue Management System (TRMS) and the Havelock City Mall Loyalty system for which the management of the Company has determined the useful life as five (5) years. Amortization has been made on a straight-line basis in the Statement of Profit of Loss.

8 INVESTMENTS IN SUBSIDIARIES

	Company	
	2025	2024
	Rs.	Rs.
Ordinary Shares with Voting Rights (Note 8.1)	14,388,884,591	14,388,884,591
Preference shares (Note 8.2)	351,600,000	351,600,000
	14,740,484,591	14,740,484,591

8.1

	% Holding	Company	
		2025	2024
		Rs.	Rs.
Non-Quoted Investment at cost			
Mireka Capital Land (Pvt) Ltd.	100%	14,314,322,400	14,314,322,400
Hospitality International (Pvt) Ltd.	100%	112,159,107	112,159,107
Realty Management Services (Pvt) Ltd.	100%	10,020	10,020
Overseas Realty Trading (Pvt) Ltd	100%	10	10
Property Mart (Pvt) Ltd.	100%	20	20
Overseas Realty Investments (Pvt) Ltd	100%	74,552,141	74,552,141
		14,501,043,698	14,501,043,698
Provision for Impairment: Hospitality International (Pvt) Ltd.		(112,159,107)	(112,159,107)
		14,388,884,591	14,388,884,591

8.2 Investments in Preference Shares of a subsidiary

	Company	
	2025	2024
	Rs.	Rs.
Overseas Realty Investments (Pvt) Ltd (ORIL).	351,600,000	351,600,000
	351,600,000	351,600,000

8.3 The terms of Interest bearing borrowings are as follows:

Issuer shall give Thirty (30) days prior notice to Company for the redemption of all or part of the preference shares.

The preference shares shall not be entitled to any fixed rate of dividend unless the company at its sole discretion declares a dividend for preference shares.

The dividend on preference shares if any shall not be cumulative.

The preference shares shall not confer any voting rights to vote at a general meeting of the company.

8.4 All subsidiaries are incorporated in Sri Lanka.

9 DEFERRED TAX

9.1 Group

	Statement of Financial Position		Statement of Profit or Loss		Statement of Other Comprehensive income	
	2025	2024	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Deferred Tax Assets Arising on:						
Unused Carried Forward Tax Losses	-	4,439,828	(4,439,828)	(14,000,597)	-	-
Post Employment Benefit Liability	7,482,008	7,006,657	(1,052,966)	3,630,400	1,528,317	257,987
Property Plant and Equipment	777,558	-	777,558	(857,831)	-	-
	8,259,566	11,446,485	(4,715,236)	(11,228,028)	1,528,317	257,987
Deferred Tax Liability Arising on:						
Investment Property	(923,621,271)	(895,685,230)	(27,936,041)	50,597,489	-	-
Property Plant and Equipment	(343,160,982)	(142,179,875)	(192,321,922)	(130,590,750)	(8,659,185)	(2,356,948)
	(1,266,782,253)	(1,037,865,105)	(220,257,963)	(79,993,261)	(8,659,185)	(2,356,948)
Deferred Tax Expense/(Income)	(1,258,522,687)	(1,026,418,620)	(224,973,199)	(91,221,289)	(7,130,868)	(2,098,961)
Net Deferred Tax Asset/ (Liability)						

Reflected in the Statement of Financial Position as follows:

	2025	2024
	Rs.	Rs.
Balance brought forward	1,026,418,620	933,098,370
Deferred Income Tax (Credit)/Charge-Statement of Profit or Loss	224,973,199	91,221,289
Deferred Income Tax (Credit)/Charge- Statement of Comprehensive Income	7,130,868	2,098,961
Net Deferred Tax (Asset)/Liability	1,258,522,687	1,026,418,620

NOTES TO THE FINANCIAL STATEMENTS

9.2 Company

	Statement of Financial Position		Statement of Profit or Loss		Statement of Other Comprehensive income	
	2025	2024	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Deferred Tax Assets Arising on:						
Post Employment Benefit Liability	1,104,988	813,168	165,164	206,164	126,656	3,124
	1,104,988	813,168	165,164	206,164	126,656	3,124
Deferred Tax Liability Arising on:						
Investment Property	(580,781,271)	(564,518,084)	(16,263,187)	(21,735,859)	-	-
Property Plant and Equipment	(10,133,467)	(9,780,655)	112,473	252,722	(465,285)	(725,241)
	(590,914,738)	(574,298,739)	(16,150,714)	(21,483,136)	(465,285)	(725,241)
Deferred Tax Expense/(Income)			(15,985,550)	(21,276,972)	(338,629)	(722,117)
Net Deferred Tax Asset/(Liability)	(589,809,750)	(573,485,571)				

9.3 Reflected in the Statement of Financial Position as follows

	2025	2024
	Rs.	Rs.
Balance brought forward	573,485,571	551,486,481
Deferred Income Tax (Credit)/Charge-Statement of Profit or Loss	15,985,550	21,276,972
Deferred Income Tax (Credit)/Charge- Statement of Comprehensive Income	338,629	722,117
Net Deferred Tax (Asset)/Liability	589,809,750	573,485,571

10 INVENTORIES

10.1 Summary

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Land Stock	490,593,683	89,480,683	401,113,000	-
Completed Apartments for Sale	478,714,989	1,164,998,830	-	-
Work In Progress	105,880,078	-	-	-
	1,075,188,750	1,254,479,513	401,113,000	-
Consumables and Spares	110,445,048	83,725,873	18,644,174	9,058,238
	1,185,633,798	1,338,205,386	419,757,174	9,058,238

10.2 Non Current Inventories

Land Stock	490,593,683	89,480,683	401,113,000	-
Work In Progress	105,880,078	-	-	-
	596,473,761	89,480,683	401,113,000	-

10.3 Current Inventories

Completed Apartments for Sale	478,714,989	1,164,998,830	-	-
Consumables and Spares	110,445,048	83,725,873	18,644,174	9,058,238
	589,160,037	1,248,724,703	18,644,174	9,058,238
	1,185,633,798	1,338,205,386	419,757,174	9,058,238

10.4 A summary of movement in inventories are set out below

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
At 1 January	1,338,205,386	1,869,453,646	9,058,238	11,037,971
Incurred during the year	335,301,609	263,191,709	58,252,374	53,050,250
Transfers (Note 5.1)	401,113,000	-	401,113,000	-
Recognised in Cost of Sales	(839,299,628)	(736,410,678)	-	-
Recognised in Administration Expense	(49,686,569)	(58,029,291)	(48,666,438)	(55,029,983)
At 31 December	1,185,633,798	1,338,205,386	419,757,174	9,058,238

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade Receivables	800,965,034	1,376,434,524	140,194,346	397,921,512
Less: Allowance for Impairment	(82,326,526)	-	(25,180,509)	-
	718,638,508	1,376,434,524	115,013,837	397,921,512
Other Receivables	576,675,678	540,514,981	386,443,998	262,038,376
Accrued Rental Income	479,039,076	359,950,406	168,783,648	163,223,054
	1,774,353,262	2,276,899,911	670,241,483	823,182,942
Advances and Prepayments	472,336,596	458,421,875	354,153,911	360,195,764
	2,246,689,858	2,735,321,786	1,024,395,394	1,183,378,706

11.2 As at 31 December, the age analysis of trade receivables, is as follows

Group

	Total	Past Due but not Impaired					
		Before 30 days	31-60 days	61-90 days	91-120 days	121-150 days	> 150 days
2025	800,965,034	466,517,693	139,388,496	89,819,110	35,203,511	13,397,085	56,639,138
2024	1,376,434,524	539,177,738	269,916,346	190,536,325	21,643,021	3,362,780	351,798,314

Company

	Total	Past Due but not Impaired					
		Before 30 days	31-60 days	61-90 days	91-120 days	121-150 days	> 150 days
2025	140,194,346	33,381,534	9,012,622	62,395,019	9,168,533	3,956,723	22,279,915
2024	397,921,512	187,548,272	57,773,518	121,338,891	11,278,717	-	19,982,114

11.3 Rent and Service Charge Receivable are not interest bearing and usually due within 30 days. The Group holds no collateral in respect of these receivables. However, the Group is in a position to recover long outstanding dues from rental deposits and customer deposits obtained from tenants and customers.

In the case of Residential Apartments, the company hands over possession of the unit once all payments are settled. When a customer defaults payments the company has the right to cancel the agreement and forfeit 10% from the Purchase Consideration.

A provision has been made for receivables outstanding beyond 90 days which amount are exceeded the Customer and Rent Deposits based on management's assessment of recoverability.

NOTES TO THE FINANCIAL STATEMENTS

12. OTHER ASSETS - Non Current

Relationship	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Amounts Due From Related Party (Note 12.1) Subsidiary	-	-	-	65,000,000
	-	-	-	65,000,000

12.1 Amounts Due From Related Party - Financial Asset- Non Current

Relationship	Company			
	As At 01.01.2025 Rs.	Accrued Interest During the Year Rs.	Settlements During the Year Rs.	As At 31.12.2025 Rs.
Overseas Realty Investments (Pvt) Ltd. Subsidiary	65,000,000	3,846,622	(68,846,622)	-
	65,000,000	3,846,622	(68,846,622)	-

12.1.1 The terms of Interest bearing borrowings are as follows:

Unsecured

The Interest rate is Prime Lending Rate + 2% and calculated quarterly

Repayable by Subsidiary within 20 years by lump sum payment

ORIL settled Rs. 65,000,000 from capital and interest amounting to Rs. 3,846,622 during the year.

12.2 Amounts Due From Related Party -Current

Relationship	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Realty Management Services (Pvt) Ltd. Subsidiary	-	-	-	-
Mireka Capital Land (Pvt) Ltd Subsidiary	-	-	-	-
Havelock City (Pvt) Ltd Sub-Subsidiary	-	-	-	-
Mireka Homes (Pvt) Ltd. Sub-Subsidiary	-	-	-	-
Overseas Realty Investment (Pvt) Ltd. Subsidiary	-	-	-	-
Overseas Realty Trading (Pvt) Ltd. Subsidiary	-	-	-	-
Mireka Seascape (Pvt) Ltd. Sub-Subsidiary	-	-	-	-
	-	-	-	-
Less : Allowance for Impairment	-	-	-	-
	-	-	-	-

13. STATED CAPITAL

	2025	2024
	Rs.	Rs.
Balance as at 1 January	18,443,353,347	18,443,353,347
Issue of shares during the Year	-	-
Balance as at 31 December	18,443,353,347	18,443,353,347

13.1. Number of Ordinary Shares

	2025	2024
	Rs.	Rs.
Balance as at 1 January	1,243,029,582	1,243,029,582
Issue of shares during the Year	-	-
Balance as at 31 December	1,243,029,582	1,243,029,582

14 RESERVES**14.1. Revaluation Reserve**

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January	649,483,181	604,700,027	503,298,785	467,761,973
Surplus during the Year	77,890,252	47,140,102	23,264,252	36,262,053
Deferred Tax Effect	(8,659,185)	(2,356,948)	(465,285)	(725,241)
Balance as at 31 December	718,714,248	649,483,181	526,097,752	503,298,785

14.2 Revaluation Reserve represents the surplus related to the regular revaluation as explained in Note 6.3.

15 OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES**15.1 Interest Bearing Loans and Borrowings****15.1.1 Group**

	2025	2025	2025	2024	2024	2024
	Amounts Repayable within 1 Year	Amounts Repayable after 1 Year	Total	Amounts Repayable within 1 Year	Amounts Repayable after 1 Year	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Loan from Commercial Bank (Note 15.1.3)	35,155,704	-	35,155,704	88,155,560	-	88,155,560
Bank Overdrafts (Note 21)	45,647,536	-	45,647,536	37,059,194	-	37,059,194
	80,803,240	-	80,803,240	125,214,754	-	125,214,754

NOTES TO THE FINANCIAL STATEMENTS

15.1.2 Company

	2025			2024		
	Amounts Repayable within 1 Year	Amounts Repayable after 1 Year	Total	Amounts Repayable within 1 Year	Amounts Repayable after 1 Year	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Bank Overdrafts	-	-	-	-	-	-
Total Loans and Overdraft	-	-	-	-	-	-

Movement in the Interest Bearing Loans and Borrowings

15.1.3 Loan - Commercial Bank

	As At 01.01.2025	Loans Obtained during the Year	Accrued Interest During the Year	Repayments	Exchange Difference	As At 31.12.2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Loan - Commercial Bank	88,155,560	45,500,000	4,911,863	(103,411,719)	-	35,155,704
	88,155,560	45,500,000	4,911,863	(103,411,719)	-	35,155,704

Interest is payable AWPLR+1.5%. The loan proceeds has been utilized for working capital requirements of Overseas Realty Trading (Pvt) Ltd.

16 POST EMPLOYMENT BENEFIT LIABILITY

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January	79,865,891	56,707,453	40,658,377	30,193,980
Charge for the Year (Note 16.1)	24,717,304	26,278,789	8,708,197	11,292,403
Actuarial (Gain)/ Loss (16.2)	12,208,008	2,296,749	6,332,822	156,194
Payments Made during the Year	(7,877,190)	(5,417,100)	(450,000)	(984,200)
Balance as at 31 December	108,914,013	79,865,891	55,249,396	40,658,377

16.1 Post Employee Benefit Expense for

Year Ended 31 December	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Current Service Cost	15,772,327	18,004,387	4,154,459	7,065,246
Interest Cost	8,944,977	8,274,402	4,553,738	4,227,157
Post Employment Benefit Expense	24,717,304	26,278,789	8,708,197	11,292,403

16.2 Actuarial Gain or loss

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Actuarial changes arising from changes in financial assumptions	12,208,008	2,297,479	6,332,822	156,194
	12,208,008	2,297,479	6,332,822	156,194

16.3 Messrs. Piyal S Goonetilleke and Associates : Actuaries, carried out an actuarial valuation of the Group as at 31 December 2025. Appropriate and compatible assumptions were used in determining the cost of post employment benefits. The principal assumptions used are as follows:

	2025 Rs.	2024 Rs.							
a) Demographic Assumptions									
Retirement Age	60 Years	60 Years							
b) Assumed rate of employee turnover is ranging from 0% to 19% at different ages									
Age	20	25	30	35	40	45	50	55	59
Turnover	0%	14%	10%	20%	12%	18%	14%	7%	5%
	2025 Rs.	2024 Rs.							
c) Financial Assumptions									
Discount Rate	10.00%	11.20%							
Salary Increment Rate	8%	8%							
Expected Average Future Working Life of Employees	5 years	6.5 years							

NOTES TO THE FINANCIAL STATEMENTS

16.4 Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonable possible change in the key assumptions used, with all other variables held constant in the post employment benefit liability measurement, in respect of the year 2025.

The sensitivity of the Statement of Profit or Loss and Statement of Financial Position is the effect of the assumed changes in discount rate and salary increment rate on the profit or loss and post employment benefit obligation for the year.

Increase/(Decrease)		Group		Company	
		2025		2025	
In Discount Rate	In Salary Increment Rate	Effect on Income Statement (reduction)/ increase in results for the Year	Performa Post Employment Benefit Liability	Effect on Income Statement (reduction)/ increase in results for the Year	Performa Post Employment Benefit Liability
		Rs.	Rs.	Rs.	Rs.
-1%	-	3,898,365	112,812,378	1,433,998	56,683,394
1%	-	(3,574,998)	105,339,015	(1,332,813)	53,916,583
-	-1%	(3,402,905)	105,511,108	(1,142,980)	54,106,416
-	1%	3,658,677	112,572,690	1,218,314	56,467,710

16.5 Maturity analysis of the payment

The following payments are expected on employee benefit plan - Gratuity in future years.

	Group		Company	
	2025	2024	2025	2024
As at 31st December	Rs.	Rs.	Rs.	Rs.
Within the next 12 Months	18,042,484	10,935,755	8,809,011	4,460,872
Between 1 and 2 years	56,171,962	46,953,339	38,075,404	33,895,536
Between 2 and 5 years	43,136,897	21,554,634	16,585,808	4,584,427
Between 5 and 10 years	107,373,390	86,545,924	22,538,611	27,263,947
Beyond 10 years	215,254,069	347,659,217	37,720,619	74,206,647
Total Expected payments	439,978,802	513,648,869	123,729,453	144,411,429

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
As at 31st December	Rs.	Rs.	Rs.	Rs.
Trade Payables - Related Parties	-	-	-	-
- Payable to Contractor	24,677,295	47,728,280	-	225,000
- Others	-	-	-	-
	24,677,295	47,728,280	-	225,000
Other Payables	269,527,049	45,534,614	150,002	382,823
Sundry Creditors including Accrued Expenses	1,619,028,907	1,539,763,092	571,187,809	531,310,059
	1,913,233,251	1,633,025,986	571,337,811	531,917,882

18. RENTAL AND CUSTOMER DEPOSITS

As at 31st December	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Customer Deposits	3,355,988,863	2,347,618,742	1,143,555,770	1,069,230,748
	3,355,988,863	2,347,618,742	1,143,555,770	1,069,230,748
Classified Under:				
Current Liabilities	3,355,988,863	2,347,618,742	1,143,555,770	1,069,230,748
Non Current Liabilities	-	-	-	-

19. AMOUNTS DUE TO RELATED PARTIES

	Relationship	Group		Company	
		2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Mireka Capital Land (Pvt) Ltd.	Subsidiary	-	-	-	-
Realty Management Services (Pvt) Ltd	Subsidiary	-	-	-	-
Havelock City (Pvt) Ltd.	Sub-Subsidiary	-	-	-	-
Mireka Homes (Pvt) Ltd.	Sub-Subsidiary	-	-	-	-
Overseas Realty Trading (Pvt) Ltd.	Subsidiary	-	-	-	-
Mireka Seascape (Pvt) Ltd.	Sub-Subsidiary	-	-	-	-
Shang Kwan Pte Ltd (Note 19.1 & 19.2)	Affiliate	-	643,104,807	-	-
Shang Kwan Investment (Singapore) Pte Ltd (Note 19.1 & 19.2)	Affiliate	10,880,022,874	14,393,862,326	-	-
		10,880,022,874	15,036,967,133	-	-
Classified Under:					
Current Liabilities		-	-	-	-
Non Current Liabilities		10,880,022,874	15,036,967,133	-	-
Total		10,880,022,874	15,036,967,133	-	-

19.1 Terms of the loans

Interest rate	3 months SOFR + 2% p.a
Repayment of loan and interest	7 years from commencement of commercial operations or 31.12.2021 whichever occurs latter. Commercial Operation commenced in 2023. Accordingly, this loan is required to settle in full by end of 2029.

NOTES TO THE FINANCIAL STATEMENTS

19.2 Name of Related Party

Relationship	During the Year Transactions % of Equity	During the Year Transactions % of Total Assets	As At		Repayments	Interest Cost	Exchange Difference	As A 31.12.2025	As At 31.12.2025	As At 31.12.2024
			01.01.2025	Rs.						
Shang Kwan Pte Ltd	Affiliate	1.47%	1.40%	643,104,807	(679,952,862)	3,532,087	33,315,967	-	-	2,595,468
Shing Kwan Investment (Singapore)	Affiliate	10.70%	10.16%	14,393,862,326	(4,951,129,415)	802,516,024	634,773,939	10,880,022,874	34,668,524	48,030,642
				15,036,967,133	(5,631,082,277)	806,048,111	668,089,906	10,880,022,874	34,668,524	50,626,110

The Interest and the Exchange difference was capitalized to the Development Cost of the Havelock City (Pvt) Ltd's Commercial Complex during the construction Period.

Interest and Exchange differences have been charged to the income statement from 01.01.2023.

20. DIVIDEND PER SHARE AND DIVIDEND PAYABLE

Dividend per share is calculated by dividing the dividend paid/proposed for the year attributable to ordinary share holders of the Company by the weighted average number of ordinary shares outstanding during the year. Dividends on ordinary shares are recognised as a liability and deducted from equity when they are recommended and declared by the Board of Directors and approved by the shareholders. Interim dividends are deducted from Equity when they are declared and no longer at the discretion of the Company.

Dividends for the year, that are approved after the reporting date and not provided for, are disclosed as an event after the reporting period in accordance with the Sri Lanka Accounting Standard – LKAS 10 on “Events after the Reporting Period” as stated in Note 30.

	Note	2025 Rs.	2024 Rs.
For the year ended 31st December 2024			
Dividend paid/ proposed- during the year (20.1)	20.1	1,678,089,936	1,553,786,978
Weighted average number of ordinary shares		1,243,029,582	1,243,029,582
Dividend per share		1.35	1.25

20.1 Dividend Paid/ Proposed During the Year

	2025 Rs.	2024 Rs.
Final dividend of Rs. 1.35 and Rs. 1.25 per share declared/paid for 2025 and 2024 respectively.	1,678,089,936	1,553,786,978
	1,678,089,936	1,553,786,978

20.2 Dividends Payable as at the end of the Year

	2025	2024
	Rs.	Rs.
Dividends on Ordinary Shares Unclaimed	31,606,373	30,187,041
	31,606,373	30,187,041

21. CASH AND SHORT TERM DEPOSITS

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
As at 31st December				
Cash and Bank Balances	1,256,930,484	1,246,353,421	238,343,261	139,585,813
Call Deposits and Fixed Deposits	5,125,064,978	2,942,134,205	2,767,865,000	2,346,949,002
	6,381,995,462	4,188,487,626	3,006,208,261	2,486,534,815
Bank Overdraft (Note 15.1.1)	(45,647,536)	(37,059,194)	-	-
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	6,336,347,926	4,151,428,432	3,006,208,261	2,486,534,815

22. FINANCE COST AND INCOME**22.1 Finance Cost**

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
As at 31st December				
Interest Expense on Interest Bearing Loans and Borrowings	821,077,253	1,295,410,867	-	-
Fair Value Adjustment on Rental Deposits	144,123,954	103,841,444	12,255,847	88,107,648
	965,201,207	1,399,252,311	12,255,847	88,107,648

22.2 Finance Income

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
As at 31st December				
Income from Investments	259,112,705	316,031,096	158,278,496	237,555,889
Amortization of Deferred Lease Interest Income on Rental Deposits	64,293,267	60,219,213	12,754,849	37,517,430
Interest Income - Related party loan	-	-	3,846,622	10,700,573
	323,405,972	376,250,309	174,879,967	285,773,892

22.3 Other Income

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
As at 31st December				
Dividend Income	-	-	-	-
Club House Income & Other Income	87,897,200	99,040,122	-	-
	87,897,200	99,040,122	-	-

NOTES TO THE FINANCIAL STATEMENTS

23 PROFIT BEFORE TAX

	Group		Company	
	2025	2024	2025	2024
Stated after Charging /(Crediting)	Rs.	Rs.	Rs.	Rs.
Directors Fee	17,105,000	5,200,000	17,105,000	5,200,000
Auditors Remuneration	7,148,000	6,250,000	2,652,100	2,411,000
Depreciation Charge for the Year	85,263,482	67,227,606	16,368,866	15,565,826
Exchange (Gain)/Loss	510,965,419	(1,733,157,445)	(111,000,052)	84,120,368
Employee Benefit Expenses Including the following;				
- Staff salaries	610,412,902	695,937,566	206,557,084	159,762,009
- Defined Benefit Plan Cost - Gratuity	24,717,304	26,278,789	8,708,197	11,292,403
- Defined Contribution Plan Cost - EPF & ETF	66,448,497	79,495,563	18,712,858	16,314,360
Amortization	1,934,648	4,225,769	-	2,450,566

24. INCOME TAX EXPENSE

The major components of income tax expense for the years ended 31 December 2025 and 31 December 2024 are as follows

24.1 Statement of Profit or Loss

	Group		Company	
	2025	2024	2025	2024
	Rs.	Rs.	Rs.	Rs.
Current Tax Expense (24.2)	410,919,205	302,706,557	81,232,068	114,454,537
Over Provision of Current Taxes in respect of Prior Year	(1,343,786)	11,516,558	(2,290,255)	9,394,934
Deferred tax:				
Recognition of Deferred Tax on Temporary Differences	224,973,199	91,221,289	15,985,550	21,276,973
Income Tax Expense Reported in the Statement of Profit or Loss	634,548,618	405,444,404	94,927,363	145,126,444

24.2 Reconciliation between tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Accounting Profit Before Tax	9,265,608,910	6,615,897,954	3,175,007,203	2,774,830,531
Income Exempted from Tax	(70,909,065)	(62,259,270)	(70,909,065)	(62,259,270)
Less : Other Income	(81,267,837)	(198,631,508)	(79,715,950)	(197,125,719)
Aggregate Disallowed Items	22,015,639	1,185,368,059	(158,518,019)	250,395,515
Aggregate Allowed Item	(4,168,796,150)	(3,645,660,508)	-	-
Net Profit /(Loss) from Trade	4,966,651,497	3,894,714,727	2,865,864,169	2,765,841,057
Other Income	104,948,391	276,377,923	79,715,950	197,125,719
Total Statutory Income	5,071,599,888	4,171,092,650	2,945,580,119	2,962,966,776
Less Tax Losses Claimed	(54,651,445)	(68,643,481)	-	-
Assessable Liabile Income	5,016,948,443	4,102,449,169	2,945,580,119	2,962,966,776
Income Tax at the Concession Rate 2%	57,317,283	55,316,821	57,317,283	55,316,821
Income Tax at the Concession Rate 15%	291,723,362	162,522,902	-	-
Income Tax at the Statutory Rate 30%	61,878,560	84,866,834	23,914,785	59,137,716
Current Tax Expense on Total Assessable income	410,919,205	302,706,557	81,232,068	114,454,537

24.3 The above current tax expense relates to the interest income and other miscellaneous income that are not covered by the tax concessions enjoyed by Overseas Realty (Ceylon) PLC and its subsidiaries as detailed in note 2.5.2.

24.4 The carried forward unutilized tax losses of the Company and Group respectively as at 31 December 2025 amounting to Rs. Nil and Rs. 31 Mn (2024 - Rs. Nil and Rs. 47 Mn) respectively.

25. EARNINGS PER SHARE

25.1 Earnings Per Share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year and the previous year are adjusted for events that have changed the number of ordinary shares outstanding, without a corresponding change in the resources such as a bonus issue.

25.2 The following reflects the income and share data used in the earnings per share computation.

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Amounts Used as the Numerator				
Net Profit Attributable to Shareholders for Earnings Per Share	8,631,060,292	6,210,453,550	3,080,079,840	2,629,704,087
Number of Ordinary Shares Used as the Denominator				
Weighted Average Number of Ordinary Shares in Issue Applicable to Earnings Per Share (Note 25.3)	1,243,029,582	1,243,029,582	1,243,029,582	1,243,029,582
Earnings Per Share - Basic and Diluted (Rs.)	6.94	5.00	2.48	2.12

NOTES TO THE FINANCIAL STATEMENTS

25.3 Weighted Average Number of Ordinary Shares in Issue

	Group	
	2025 Rs.	2024 Rs.
Applicable to Earnings Per Share		
Ordinary Shares at the beginning of the year	1,243,029,582	1,243,029,582
Weighted Average Number of Ordinary Shares in Issue	1,243,029,582	1,243,029,582

26. RELATED PARTY DISCLOSURES

26.1 Transactions with Related Entities

26.1.1 Subsidiaries

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Amounts Receivable as at 1 January	-	-	-	5,000,000
Amounts Payable as at 1 January	-	-	-	(242,766,065)
Loan Interest	-	-	3,846,622	10,700,573
Reimbursement of Expenses	-	-	35,433,739	17,759,609
Settlements	-	-	(39,280,361)	209,305,883
Amounts Receivable as at 31 December	-	-	-	-
Amounts Payable as at 31 December	-	-	-	-

The above transactions are included in Current Liabilities as Amounts Due to Related Parties and in Current Assets as Amounts due from Related Parties (Note 19).

26.1.2 Affiliates

	Group		Company	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Amounts Receivable as at 1 January	-	-	-	-
Amounts Payable as at 1 January	(15,036,967,133)	(18,660,608,810)	-	-
(Funds received) / Settlements	5,631,082,277	3,036,991,660	-	-
Interest Accrued	(806,048,111)	(1,184,775,660)	-	-
Exchange Gain/ (Loss)	(668,089,906)	1,771,425,677	-	-
Amounts Receivable as at 31 December	-	-	-	-
Amounts Payable as at 31 December	(10,880,022,874)	(15,036,967,133)	-	-

The above transactions are included in Non Current Liabilities as Amounts Due to Related Parties (Note 19).

26.1.3 The non-recurrent transactions are disclosed in note 19.1 and 19.2 as prescribed in Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practice on Related Party Transactions under the Securities and Exchange Commission Directive issued under section 13(c) of the Securities and Exchange Commission Act.

26.1.4 There were no recurrent related party transactions which in aggregate value exceeds 10% of the company revenue as per financial statements ending December 31, 2025, which require additional disclosures in the 2025 annual report under the Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practice on Related Party Transactions under the Securities and Exchange Commission Directive issued under section 13(c) of the Securities and Exchange Commission Act.

26.2 Transactions with Key Management Personnel of the Company or its Subsidiaries

a) Key Management personnel include members of Board of Directors of Overseas Realty (Ceylon) PLC and subsidiary companies,

Payments made to Key Management Personnel during the year were as follows:	2025 Rs.	2024 Rs.
Short Term Employment Benefits	114,996,543	94,234,094
Post Employment Benefits	6,867,050	6,131,250
	121,863,593	100,365,344

27. COMMITMENTS

Mireka Seascape (Pvt) Ltd, a fully owned Sub- Subsidiary of Overseas Realty (Ceylon) PLC has made commitments amounting to Rs. 133 Mn in respect of an apartment project to be developed at Dodanduwa, Galle district.

28. CONTINGENCIES

Legal Claim:

The following entities in the Group are involved in legal actions described below. Although there can be no assurance, the Directors believe, based on the information currently available, that the ultimate resolution of such legal procedures would be favorable to the Company and therefore would not have an adverse effect on the results of operations or financial position.

The Company's subsidiary Mireka Capital Land (Pvt) Ltd was assessed for Value Added Tax (VAT) for periods between January 2006 and January 2009 amounting to Rs 190 Mn plus penalties. The Company appealed against same and filed a Writ Application in the Court of Appeal to prevent recovery action being taken by Authorities. The Company appealed at the Tax Appeal Commission (TAC) on the same matter and the TAC Determination has been issued dismissing the said appeal of the Company. The Company has appealed against the TAC Determination in the court of Appeal. Although there can be no assurance, the Directors believe, based on the expert advise received and the information currently available, that the ultimate resolution of the said legal proceedings would be favorable to the Company and therefore would not have an adverse effect on the results of operations or financial position.

The Company's' Subsidiary Mireka Homes (Pvt) Ltd (MHL) has been assessed for ESC amounting to Rs 2.9 Mn plus penalties and the Company has appealed against same. Further the Department of Inland Revenue has raised assessments disallowing input VAT of Rs 324 Mn and the Company has appealed at the Tax Appeal Commission and the TAC determination has been issued dismissing the said appeal of the company. The Company has appealed against the TAC Determination in the court of Appeal. Although there can be no assurance, the Directors believe, based on the information currently available, that the ultimate resolution of appeal / legal proceedings would be favorable to the Company and therefore would not have an adverse effect on the results of operations or financial position.

NOTES TO THE FINANCIAL STATEMENTS

29. ASSETS PLEDGED

Company	Nature of the Asset	Nature of Liability	Land Extent			Group	
						Fair value of the Assets pledged	
						2025	2024
						Rs.	Rs.
Have lock City (Pvt) Ltd	Land and Building	Primary mortgage over loans and borrowings to the extent of Rs.9 Bn	A	R	P	42,208,617,571	40,235,971,571

30. EVENTS OCCURRING AFTER THE REPORTING DATE

Pursuant to the resolution adopted on 04th March 2026, the Board of directors of the company recommended, a payment of a final dividend of Rs. 2,175,301,769 for the financial year ended 31 December 2025.

Except for the above, no material events occurring after the Balance Sheet date that require adjustments to or disclosure in the Financial Statements.

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to interest rate risk, foreign currency risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Board of Directors is supported by an Audit Committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Audit Committee provides guidance to the Board of Directors that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

31.1 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and unit prices will affect the Group's income or the value of its holdings of financial instruments.

An analysis of the carrying amount of financial instruments based on the currency they are denominated are as follows:

Group	Denominated in	
	LKR	USD
Cash at bank and in hand	223,279,495	720,489
Short term deposits	4,325,064,978	14,045,974
Interest Bearing Loans & Borrowings	10,880,022,874	34,668,524
Customer Deposits	796,320,270	2,545,751

Company	Denominated in	
	LKR	USD
Cash at bank and in hand	33,816,440	109,120
Short term deposits	1,967,865,000	6,350,000
Customer Deposits	206,022,887	664,804

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations. The Group manages its interest rate risk by monitoring and managing of cash flow, by keeping borrowings to a minimum and negotiating favorable rates on borrowings and deposits and by borrowing at fixed rates.

	Group		Company		
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.	
Financial Assets and Liabilities					
Financial Assets	5,125,064,978	2,942,134,205	2,767,865,000	2,346,949,002	
Financial Liabilities	80,803,240	125,214,754	-	-	
	Effect on profit before tax		Effect on profit before tax		
Increase/ Decrease	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.	
Cash flow sensitivity analysis for financial instruments					
Financial Assets	+ - 1000 bp	51,250,650	29,421,342	27,678,650	23,469,490
Financial Liabilities	+ - 1000 bp	808,032	1,252,148	-	-

31.2 Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management.

The following practice are implemented within the Group in order to manage credit risk related to receivables:

- Adequate customer deposits are collected from lessees of leased property.
- Outstanding customer receivables are regularly monitored with regular trade debtor review meetings.
- Contractual obligation to release assets only upon full payment of receivable, for related contracts and assets."

Credit quality information is provided in Note 11.

31.3 Liquidity risk

The Group monitors its risk to a shortage of funds by forecasting its operational cash requirements on an annual basis and forecasts cash flow requirements as per the project implementation period. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. Access to sources of funding is sufficiently available and financing for current operations is already secured.

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

2025 Group	On Demand	Less than 3 Months	3 to 12 months	1 to 5 years	More than 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Trade and Other Payables (Note 17)	-	-	1,913,233,251	-	-	1,913,233,251
Amounts due to Related Parties (Note 19)	-	-	-	-	10,880,022,874	10,880,022,874

NOTES TO THE FINANCIAL STATEMENTS

2025 Group	On Demand	Less than 3 Months	3 to 12 months	1 to 5 years	More than 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Interest Bearing Loans and Borrowings (Note 15.1)	-	-	80,803,240	-	-	80,803,240
Rental and Customer Deposit (Note 18)	-	259,610,962	576,727,624	2,185,562,464	334,087,813	3,355,988,863
	-	259,610,962	2,570,764,114	2,185,562,464	11,214,110,687	16,230,048,228

Company

Trade and Other Payables (Note 17)	-	-	571,337,811	-	-	571,337,811
Rental and Customer Deposit (Note 18)	-	103,557,326	317,140,893	695,771,117	27,086,434	1,143,555,770
	-	103,557,326	888,478,704	695,771,117	27,086,434	1,714,893,581

2024 Group	On Demand	Less than 3 Months	3 to 12 months	1 to 5 years	More than 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Trade and Other Payables (Note 17)	-	-	1,633,025,986	-	-	1,633,025,986
Amounts due to Related Parties (Note 19)	-	-	-	-	15,036,967,133	15,036,967,133
Interest Bearing Loans and Borrowings (Note 15.1)	-	-	125,214,754	-	-	125,214,754
Rental and Customer Deposit (Note 18)	-	265,885,530	243,648,157	1,760,895,544	77,189,511	2,347,618,742
	-	265,885,530	2,001,888,897	1,760,895,544	15,114,156,644	19,142,826,615

Company

Trade and Other Payables (Note 17)	-	-	531,917,882	-	-	531,917,882
Rental and Customer Deposit (Note 18)	-	265,885,530	243,648,161	559,697,057	-	1,069,230,748
	-	265,885,530	775,566,043	559,697,057	-	1,601,148,630

32. CAPITAL MANAGEMENT

The stated capital of the Company, and Group reserves are given in Note 13 & 14 respectively.

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Group's capital management is to ensure that it remains within its quantitative banking covenants and maintains a strong credit rating. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2025.

33. FAIR VALUES

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

33.1 Determination of Fair Value and Fair Value Hierarchy

As at 31st December 2025, the Group and Company held the following assets carried at fair value on the statement of financial position. The Company uses the following hierarchy for determining and disclosing the fair value of these assets by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Level 1 Rs.	Level 2 Rs.	level 3 Rs.	Total Rs.
Group				
As at 31.12.2024				
Investment Property - Land and Building	-	-	69,565,766,248	69,565,766,248
As at 31.12.2025				
Investment Property - Land and Building	-	-	72,390,481,111	72,390,481,111
Company				
As at 31.12.2024				
Investment Property - Land and Building	-	-	28,225,904,193	28,225,904,193
As at 31.12.2025				
Investment Property - Land and Building	-	-	29,039,063,540	29,039,063,540

33.2 Reconciliation of fair value measurement of "Level 3" assets

The reconciliation from the opening balance to the closing balance for level 3 fair values are shown below:

	Group Rs.	Company Rs.
Investment Properties		
Balance as at 01.01.2025	69,565,766,248	28,225,904,193
Additions/ Adjustments during the year	3,139,000	3,139,000
Transfers	(401,113,000)	(401,113,000)
Fair value gain during the year	3,222,688,863	1,211,133,347
Balance as at 31.12.2025	72,390,481,111	29,039,063,540

34. COMPARATIVE RECLASSIFICATION

The presentation and classification of following item which related to Investment in subsidiaries and other asset in these financial statements are amended to ensure comparability with the current year.

Statement of Financial Position

Group	COMPANY/ GROUP		
	As Disclosed previous year	Adjustment	Current P resentation
Investment in subsidiaries (Note.8)	14,388,884,591	351,600,000	14,740,484,591
Other assets (Note.12)	416,600,000	(351,600,000)	65,000,000

The above requalification did not have any impact on Statement of Comprehensive income, Statement of Cash Flows for the year ended 31 December 2024.

SHAPING NEW VISTAS

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GROUP PERFORMANCE - TEN YEAR SUMMARY

Income Statement	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
Rental Revenue	8,196	5,246	3,463	2,387	2,083	2,261	2,409	2,334	2,090	1,886
Revenue from Other Services	924	985	450	267	481	344	414	351	292	259
Apartment Revenue	2,824	1,794	1,163	12,391	5,144	2,192	6,098	4,100	1,935	285
Total Revenue	11,944	8,024	5,076	15,046	7,708	4,797	8,922	6,785	4,317	2,431
Direct Operating Expenses	(2,589)	(2,014)	(1,421)	(839)	(974)	(757)	(833)	(768)	(695)	(615)
Cost of Sales of Apartment	(696)	(568)	(336)	(7,364)	(3,000)	(1,610)	(3,838)	(2,272)	(1,307)	(160)
Gross Profit	8,659	5,441	3,319	6,843	3,734	2,429	4,251	3,744	2,316	1,656
Fair Value Gain on Investment Property	3,223	1,822	499	317	(432)	(281)	774	1,223	1,191	1,267
Other Operating Expenses	(1,551)	(1,457)	(1,157)	(950)	(623)	(541)	(588)	(523)	(417)	(323)
Net Finance Income / (Expense)	(642)	(1,023)	(856)	586	113	210	212	253	450	277
Profit from Operating Activities	9,689	4,784	1,804	6,797	2,792	1,817	4,648	4,697	3,540	2,878
Other Income	88	99	78	39	23	20	4	41	41	85
Exchange Gain / (Loss)	(511)	1,733	2,429	189	18	9	(10)	222	175	11
Net Profit Before Tax	9,266	6,616	4,311	7,025	2,833	1,847	4,642	4,960	3,756	2,974
Income Taxes	(635)	(405)	(458)	(945)	(334)	(113)	(307)	(142)	(582)	(44)
Net Profit After Tax	8,631	6,210	3,853	6,079	2,499	1,734	4,336	4,817	3,173	2,930
Profit Attributable to Equity Holders of the Parent	8,631	6,210	3,853	6,079	2,499	1,734	4,336	4,817	3,173	2,911
Non-controlling Interest					-	-	-	-	-	19
	8,631	6,210	3,853	6,079	2,499	1,734	4,336	4,817	3,173	2,930
STATEMENT OF FINANCIAL POSITION										
Assets										
Non-Current Assets										
Investment Property	72,390	69,566	67,706	27,764	27,447	27,570	27,851	27,077	25,854	24,652
Property Plant & Equipment	1,558	1,500	1,449	39,669	26,856	20,215	12,100	5,965	3,799	1,782
Intangible Assets	6	7	7	7	11	16	11	0	1	2
Inventory	596	89	89	89	89	89	89	266	1,841	3,193
Deferred Tax Assets	8	11	22	138	116	142	139	170	154	149
	74,559	71,174	69,274	67,667	54,519	48,033	40,190	33,478	31,649	29,779
Current Assets										
Inventory	589	1,249	1,780	2,102	7,478	9,695	9,071	6,967	1,983	94
Trade & Other Receivables	2,247	2,735	2,859	4,321	5,743	4,089	4,468	4,688	2,445	1,456
Other Assets	-	-	-	-	-	372	217	-	-	-
Amounts due From Related Parties	-	-	-	-	-	-	-	-	-	-
Income Tax Recoverable	-	-	-	2	2	11	-	23	14	17
Short Term Investments	-	-	-	-	1,820	2,399	2,275	2,018	2,615	1,473
Cash & Short Term Deposits	6,382	4,188	4,319	4,300	1,696	1,307	1,012	2,877	4,817	1,344
	9,218	8,173	8,958	10,725	16,739	17,873	17,043	16,573	11,874	4,383
TOTAL ASSETS	83,777	79,346	78,232	78,392	71,258	65,906	57,233	50,050	43,522	34,161

GROUP PERFORMANCE - TEN YEAR SUMMARY

Income Statement	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
Equity & Liabilities										
Stated Capital	18,443	18,443	18,443	18,443	18,443	18,443	18,443	18,443	18,443	11,163
Revaluation Reserve	719	649	605	575	438	412	393	373	335	464
Retained Earnings	46,668	39,726	35,071	32,771	28,240	25,727	23,998	21,219	17,956	16,207
Equity Attributable to Equity Holders	65,830	58,819	54,119	51,790	47,121	44,582	42,834	40,035	36,734	27,833
Minority Interest	-	-	-	-	-	-	-	-	-	-
Total Equity	65,830	58,819	54,119	51,790	47,121	44,582	42,834	40,035	36,734	27,833
Non-Current Liabilities										
Post Employment Benefit Liability	109	80	57	58	57	60	48	40	30	27
Customer Deposit	-	-	-	-	-	-	1	1,138	735	1,215
Amounts due to Related Parties	10,880	15,037	18,661	19,566	10,053	9,149	4,426	1,050	825	759
Deferred Tax Liability	1,267	1,038	956	923	837	860	859	831	775	226
Total Non Current Liabilities	12,256	16,155	19,674	20,546	10,946	10,068	5,333	3,059	2,365	2,226
Current Liabilities										
Trade & Other Payables	1,913	1,633	1,075	1,398	2,819	2,425	2,980	2,812	1,301	780
Rental Income Received in Advance	-	-	-	-	-	-	-	-	131	105
Rental & Customer Deposits	3,356	2,348	2,060	1,247	1,937	1,212	1,217	1,080	927	856
Amounts Due to Related Parties	-	-	-	36	1	-	-	51	22	35
Interest Bearing Loans & Borrowings	81	125	992	2,686	8,102	7,471	4,692	2,914	2,007	2,304
Income Tax Payable	309	237	278	657	308	123	152	79	19	8
Dividend Payable	32	30	35	31	24	24	25	21	16	13
Total Current Liabilities	5,691	4,373	4,440	6,056	13,191	11,256	9,066	6,956	4,424	4,101
TOTAL EQUITY & LIABILITIES	83,777	79,346	78,232	78,392	71,258	65,906	57,233	50,050	43,522	34,161
Earnings Per Share	6.94	5.00	3.10	4.89	2.01	1.40	3.49	3.88	2.55	3.28
Earnings Per Share (Excluding Fair Value Gain)	4.35	3.53	2.70	4.64	2.36	1.62	2.87	2.89	1.59	1.85
Dividend Per Share	1.35	1.25	1.25	1.25	1.25	-	-	1.25	1.25	1.50
Net Asset Value Per Share	52.96	47.32	43.54	41.66	37.91	35.87	34.46	32.21	29.55	31.35
Share Price (High)	44.30	25.00	16.90	25.40	21.50	15.00	17.20	18.80	21.80	26.10
Share Price (Low)	21.70	14.50	14.50	11.00	13.80	12.10	14.20	15.30	16.80	19.30
Current Ratio	1.62	1.87	2.02	1.77	1.27	1.59	1.88	2.38	2.68	1.07
Return on equity (%)	14%	11%	7%	12%	5%	4%	10%	13%	10%	10%
Total Debt to Total Assets (%)	13%	19%	25%	28%	25%	25%	16%	8%	7%	9%
Debt Equity Ratio (%)	17%	26%	36%	43%	39%	37%	21%	9.9%	7.7%	11.0%
Return on Assets (%)	11%	8%	5%	8%	4%	3%	8%	10%	8%	9%
Asset Turnover (%)	15%	10%	6%	20%	11%	8%	17%	15%	11%	7%
Dividend Payout Ratio (%)	19%	25%	40%	26%	62%	0%	0%	32%	49%	46%

SHAREHOLDER INFORMATION

1. STATED CAPITAL

	31st December 2025	31st December 2024
Issued and Fully paid Capital (Rs.)	18,443,353,347	18,443,353,347
No of Shares	1,243,029,582	1,243,029,582
Class of Shares	Ordinary Shares	
Voting Rights	One Vote per Ordinary Share	

2. STOCK EXCHANGE LISTING

The issued ordinary shares of Overseas Realty (Ceylon) PLC are listed with the Colombo Stock Exchange of Sri Lanka. The Audited Statement of Profit or Loss and Other Comprehensive Income for the year ended 31st December 2025 and the Audited Statement of Financial Position at that date have been submitted to the Colombo Stock Exchange within three months of the reporting date.

3. ORDINARY SHAREHOLDERS AS AT 31ST DECEMBER 2025

The number of Share Holders as at 31st December 2025 was 7,905 (As at 31st December 2024 - 4,607).

Shareholdings	Resident			Non Resident			Total		
	No. of Shareholders	No. of Shares	Percentage (%)	No. of Shareholders	No. of Shares	Percentage (%)	No. of Shareholders	No. of Shares	Percentage (%)
1 - 1,000	4,390	1,364,976	0.12%	22	11,460	0.00%	4,412	1,376,436	0.12%
1,001 - 10,000	2,433	9,223,306	0.74%	13	51,087	0.00%	2,446	9,274,393	0.74%
10,001 - 100,000	845	26,561,757	2.14%	14	571,257	0.05%	859	27,133,014	2.19%
100,001 - 1,000,000	160	44,770,091	3.60%	6	2,280,451	0.18%	166	47,050,542	3.78%
Over 1,000,000	14	67,770,076	5.45%	8	1,090,425,121	87.72%	22	1,158,195,197	93.17%
	7,842	149,690,206	12.05%	63	1,093,339,376	87.95%	7,905	1,243,029,582	100.00%

Categories of Shareholders

Category	As of 31 December 2025		As of 31 December 2024	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
Individual	7,563	108,854,398	4,344	91,554,345
Institutional	342	1,134,175,184	263	1,151,475,237
	7,905	1,243,029,582	4,607	1,243,029,582

4. SHARE TRADING INFORMATION

	31 December 2025		31 December 2024	
	Date	Price (Rs.)	Date	Price (Rs.)
Highest	24.10.2025	44.30	31.12.2024	25.00
Lowest	24.04.2025	21.70	19.01.2024	14.50
Closing Price	31.12.2025	38.70	31.12.2024	24.50

	31 December 2025	31 December 2024
	Price (Rs.)	Price (Rs.)
Number of Transactions	50,874	8,745
Number of Shares Traded	212,367,254	226,227,694
Value of Shares Traded (Rs.)	7,076,218,381	4,187,773,326

SHAREHOLDER INFORMATION

5. MARKET CAPITALISATION

Market Capitalisation of the Company which is the number of Ordinary Shares in Issue multiplied by the Market value of a share as at end of the year was Rs.48.1 Bn (2024 - Rs.30.5 Bn).

6. DIVIDENDS

	31 December 2025	31 December 2024
Dividends Per Share (Rs.)	1.35	1.25
Dividends Payment (Rs.)	1,678,089,936	1,553,786,978
Dividend Payout (%)	19%	25%
Dividend Payout (%) (Excluding Fair Value Gain)	31%	35%

7. DIRECTOR'S SHAREHOLDINGS

The Shareholding of the Directors at the beginning and at the end of the year was as follows:

Name of Director	31 December 2025	31 December 2024
	No of Shares	No of Shares
Dr. Ranee Jayamaha	Nil	Nil
Mrs. Mildred Tao Ong	Nil	Nil
Mr. En Ping Ong	20,914,890	20,914,890
Mr. Leslie Ralph De Lanerolle	Nil	Nil
Mr.Pravir Dhanoush Samarasinghe	15,892,093	15,892,093
Mr. Ben Nien Benny Tao	Nil	Nil
Mr. Brian Tao	Nil	Nil
Dr. Ariththa Rahula Wikramanayake	Nil	Nil
Mr. C.N. Shamil Mendis	Nil	Nil
Mr. P. Yohan S. Perera	Nil	Nil
Mr. Indrajit A. Wickramasinghe	Nil	Nil

8. TOP TWENTY SHAREHOLDERS AS AT 31ST DECEMBER 2025

Name	As at 31st December 2025		As at 31st December 2024	
	Number of Shares	%	Number of Shares	%
Shing Kwan Investment Company Limited	477,655,116	38.43	477,655,116	38.43
Unity Builder Limited	231,951,090	18.66	231,951,090	18.66
Orthopaedic Clinic (Pte.) Ltd	163,032,386	13.12	163,032,386	13.12
Peeli Limited	151,835,993	12.21	151,835,993	12.21
Shing Kwan Investment (Singapore) Pte Ltd	38,323,522	3.08	38,323,522	3.08
Peoples Bank Manager-Treasury-OPS	30,538,203	2.46	30,538,203	2.46
Mr. E.P. Ong	20,914,890	1.68	20,914,890	1.68
Mr. P.D. Samarasinghe	15,892,093	1.28	15,892,093	1.28
Able Trend Ventures Limited	5,000,000	0.40	5,020,000	0.40
Mr. A.M. Weerasinghe	3,505,698	0.28	2,052,073	0.17
Hatton National Bank PLC/NDB Wealth Growth & Income Fund	3,000,000	0.24	-	-
Mr. Hanif Yusoof	1,810,000	0.15	-	-
Hatton National Bank PLC/Dinesh Nagendra Sellamuttu	1,765,880	0.14	1,765,880	0.14
Employees Trust Fund Board	1,732,598	0.14	10,029,468	0.81
Mr. Gautam Rahul	1,712,124	0.14	-	-
Seylan Bank PLC /JN Lanka Holdings Company (Pvt) Ltd	1,595,796	0.13	-	-
Peoples Leasing & Finance PLC/ Nagoya Ceylon Trading (Pvt) Ltd	1,558,701	0.13	-	-
Mr. Ariyaratnam Ketheeswaran	1,424,000	0.11	-	-
NDB Wealth Management Ltd/Hanif Yusoof	1,315,979	0.11	-	-
Ranavav Holdings (Private) Ltd A/C No. 04	1,280,000	0.10	-	-
Total	1,155,844,069	92.99	1,149,010,714	92.44
Balance held by other Shareholders	87,185,513	7.01	94,018,868	7.56
Total number of Ordinary Shares	1,243,029,582	100.00	1,243,029,582	100.00
Public Holding	138,424,492	11.48	138,404,492	11.48
Others	1,104,605,090	88.52	1,104,625,090	88.52
Total	1,243,029,582	100.00	1,243,029,582	100.00

SHAREHOLDER INFORMATION

9. PUBLIC SHAREHOLDING

	31 December 2025	31 December 2024
Parent/Group/Subsidiary	No. of Shares	No. of Shares
Shing Kwan Investments Company Limited	477,655,116	477,655,116
Unity Builders Limited	231,951,090	231,951,090
Peeli Ltd	151,835,993	151,835,993
Shing Kwan Investment (Singapore) Pte Ltd	38,323,522	38,323,522
Able Trend Ventures Limited	5,000,000	5,020,000
Orthopaedic Clinic (Pte.) Ltd	163,032,386	163,032,386
	1,067,798,107	1,067,818,107
Issued number of ordinary shares as at 31 December	1,243,029,582	1,243,029,582
Less		
Parent/Group	477,655,116	477,655,116
Subsidiaries or Associate Companies of Parent	590,142,991	590,162,991
Holding of 10% or More - Jointly or Severally	-	-
Directors' Shareholding	36,806,983	36,806,983
Spouses of Directors and CEO	-	-
Public Holding	138,424,492	138,404,492
Public Holding as a percentage of Issued Ordinary Shares	11.14%	11.13%
Float adjusted Market Capitalization	Rs. 5.3 Bn	Rs. 3.3 Bn
In terms of Rule 7.13.1(b) of the Listing Rules of the CSE, the Company qualifies under option 1 of the minimum public holding requirement	7.5%	7.5%
Public Holding as a % of issued Share Capital	11.14%	11.13%
Number of Public Shareholders	7,905	4,607

GLOSSARY OF FINANCIAL TERMS

Net Asset Value Per Share

Net assets at the year-end divided by the number of shares in issue.

Current Ratio

Total Current Assets divided by total Current Liabilities.

Return on Equity

Profit Attributable to Equity Holders divided by Average Equity Attributable to Equity Holders of the Parent.

Total Debt to Total Assets

Total Liabilities divided by total Assets.

Debt Equity Ratio

Total Interest Bearing Loans and Borrowing divided by Equity Attributable to Equity Holders of the Parent.

Return on Assets

Profit Attributable to Equity Holders divided by Average Assets.

Asset Turnover

The amount of sales generated for every rupee worth of assets. It is calculated by dividing total Revenue by total Average Assets.

Dividend Payout Ratio

The percentage of earnings paid to shareholders in dividends.

Price Earning Ratio

“Price Earning Ratio” measures a Company’s current stock price relative to its Earnings Per Share (EPS).

GROUP REAL ESTATE PORTFOLIO

Location	Land Extent			Market Value (Rs. Mn)	Category	No of Building	Building Area (Sqft)
	A	R	P				
Echelon Squire, Colombo 01. WTC Building	2	-	-	28,984	Investment Property / Property Plant & Equipment	1	976,538
No 324, Havelock City, Colombo 06. Clubhouse Building	-	3	17	2,411	Property Plant & Equipment	1	45,130
No 324, Havelock City, Colombo 06. Havelock City Commercial	4	3	32	42,207	Lease Hold Land/ Investment Property	2	1,205,030
No 324, Havelock City, Colombo 06. Mireka Capital Land	-	3	27	89	Inventory – Long term Assets	-	-
No 414/1, Dodanduwa Road, Galle. Dodanduwa Land	-	2	8	55	Investment Property	-	-
No 414/1, Dodanduwa Road, Galle. Dodanduwa Land	1	2	22	401	Inventory – Long term Assets	-	-

GRI CONTENT INDEX

Statement of use	Overseas Realty (Ceylon) PLC has reported in accordance with the GRI Standards for the period from 1st January 2025 to 31st December 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	About Us (Page 3), About This Report (Page 5)
	2-2 Entities included in the organization's sustainability reporting	About Us (Page 3), About This Report (Page 5)
	2-3 Reporting period, frequency and contact point	About This Report (Page 5)
	2-4 Restatements of information	About This Report (Page 5)
	2-6 Activities, value chain and other business relationships	About Us (Page 3)
	2-7 Employees	Human Capital (Page 40)
	2-8 Workers who are not employees	Human Capital (Page 40)
	2-9 Governance structure and composition	Governance Structure (Page 67)
	2-10 Nominations and selection of the highest governance body	Governance Structure (Page 87)
	2-11 Chair of the highest governance body	Governance Structure (Page 68)
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Structure (Page 68)
	2-13 Delegation of responsibility for managing impacts	Governance Structure (Page 68)
	2-14 Role of the highest governance body in sustainability reporting	Governance Structure (Page 96)
	2-15 Conflicts of interest	Governance Structure (Page 69)
	2-16 Communication of critical concerns	Governance Structure (Page 91)
	2-17 Collective knowledge of the highest governance body	Governance Structure (Page 85)
	2-18 Evaluation of the performance of the highest governance body	Governance Structure (Page 88)
	2-19 Remuneration policies	Governance Structure (Page 88)
	2-20 Process to determine remuneration	Governance Structure (Page 88)
	2-23 Policy commitments	Governance Structure (Page 70)
2-24 Embedding policy commitments	Governance Structure (Page 70)	
2-27 Compliance with laws and regulations	Governance Structure (Page 66)	
2-28 Membership associations	About Us (Page 3)	
2-29 Approach to stakeholder engagement	Responding to Our Stakeholders (Page 18)	
2-30 Collective bargaining agreements	Human Capital (Page 45)	
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Determining Materiality (Page 21)
	3-2 List of material topics	Determining Materiality (Page 21)
Anti-corruption		
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Human Capital (Page 45)

GRI CONTENT INDEX

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	Financial Capital (Page 27)
	207-2 Tax governance, control, and risk management	Risk management Report (Page 97)
	207-3 Stakeholder engagement and management of concerns related to tax	Responding to Our Stakeholders (Page 20)
Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustainability Related Disclosures (Page 61 and 62)
	302-4 Reduction of energy consumption	Sustainability Related Disclosures (Page 63)
	302-5 Reductions in energy requirements of products and services	Sustainability Related Disclosures (Page 63)
Water and effluents		
	303-4 Water discharge	Sustainability Related Disclosures (Page 62 and 63)
	303-5 Water consumption	Sustainability Related Disclosures (Page 62 and 63)
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Sustainability Related Disclosures (Page 62)
	306-2 Management of significant waste-related impacts	Sustainability Related Disclosures (Page 62)
	306-3 Waste generated	Sustainability Related Disclosures (Page 62)
	306-4 Waste diverted from disposal	Sustainability Related Disclosures (Page 62)
	306-5 Waste directed to disposal	Sustainability Related Disclosures (Page 62)
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Capital (Page 42)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital (Page 43)
	401-3 Parental leave	Human Capital (Page 43)
Occupational health and safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Human Capital (Page 44)
	403-5 Worker training on occupational health and safety	Human Capital (Page 44)
Training and education		
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital (Page 44)

NOTICE OF MEETING

Notice is hereby given that the Forty Fourth (44th) Annual General Meeting of **OVERSEAS REALTY (CEYLON) PLC** will be held on 29th April 2026 at 10.00 a.m. at the Pavilion Hall, Havelock City Club House, No. 324, Havelock Road, Colombo 06, for the following purposes:

AGENDA

1. To receive and consider the Report of the Board of Directors and the Financial Statement as at 31st December 2025 and the Report of the Auditors thereon.
2. To declare a First and Final dividend of Rs. 1.75 per Ordinary Share as recommended by the Board of Directors.
3. To propose and adopt the following Ordinary Resolutions;
 - (I) That the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to **LESLIE RALPH DE LANEROLLE**, who attained the age of 70 years on 5th January 2013 and that he be re-elected as a Director of the Company.
 - (II) That the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to **MILDRED TAO ONG**, who attained the age of 70 years on 28th February 2019 and that she be re-elected as a Director of the Company.
 - (III) That the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to **RANEE JAYAMAHA**, who attained the age of 70 years on 27th May 2019 and that she be re-elected as a Director of the Company.
4. To re-appoint Messrs. Ernst & Young, Chartered Accountants, as Auditors to the Company and to authorize the Directors to determine their remuneration.

By Order of the Board
Overseas Realty (Ceylon) PLC



Melissa Jansz
Company Secretary

Colombo on this 4th March 2026

CORPORATE INFORMATION

Legal Form

A Public Listed Company with limited liability, incorporated in Sri Lanka on 28th October 1980 under the Companies Ordinance (Cap.145) bearing Company Registration No.PBS 1084 and listed on the Colombo Stock Exchange. The Company was re-registered under Companies Act No. 7 of 2007 and bears the Company Registration No. PQ 39.

Directors

Dr. Ranee Jayamaha - Chairperson
Mildred Tao Ong
Leslie Ralph de Lanerolle
En Ping Ong
Pravir Dhanoush Samarasinghe
Ben Nien Tao
Brian Tao
Dr. Aritha Rahula Wikramanayake
Carl Noel Shamil Mendis
P. Yohan S. Perera
Indrajit A. Wickramasinghe

Audit Committee

P. Yohan S. Perera - Chairman
Indrajit A. Wickramasinghe
Dr. Ranee Jayamaha

Remuneration Committee

Carl Noel Shamil Mendis - Chairman
Indrajit A. Wickramasinghe
Dr. Aritha Rahula Wikramanayake
En Ping Ong

Related Party Review Committee

Indrajit A. Wickramasinghe - Chairman
P. Yohan S. Perera
Dr. Ranee Jayamaha

Nomination and Governance Committee

Dr. Aritha Rahula Wikramanayake - Chairman
Carl Noel Shamil Mendis
Dr. Ranee Jayamaha
En Ping Ong

Company Secretary

Melissa Jansz - Attorney - at - Law

Auditors

Messrs. Ernst & Young - Chartered Accountants

Registrars

S S P Corporate Services (Private) Limited

Registered Office

Overseas Realty (Ceylon) PLC
18-01 - East Tower
World Trade Center
Echelon Square
Colombo 01
Tel: +94 011 2346333

Subsidiaries

Realty Management Services (Pvt) Ltd
Mireka Capital Land (Pvt) Ltd
Mireka Homes (Pvt) Ltd
Havelock City (Pvt) Ltd
Mireka Residencies (Pvt) Ltd
Mireka Property (Pvt) Ltd
Overseas Realty Investments (Pvt) Ltd
Overseas Realty Trading (Pvt) Ltd
Mireka Seascape (Pvt) Ltd

Websites

www.orcl.lk
www.wtc.lk
www.havelockcity.lk
www.mirekatower.lk
www.havelockcitymall.lk

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