

Majestic
City



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AN ICONIC LANDMARK



CT Land Development PLC is the owning company of Majestic City, Sri Lanka's premier shopping mall-cum-entertainment complex, the vision of the founding Chairman, the late Mr. Albert A. Page.

We are a part of CT Holdings Group of Companies and take pride in continuing the founding Chairman of Mr. Albert A. Page's pioneering vision of growth and success in every activity we undertake...

Majestic City, fondly known as MC by many, is situated in the heart of Colombo and has been the pulse of all Lankans for over four decades. True to its name it is a city which is majestic in structure as well as in the array of services offered.

Covering all aspects of entertainment from **Cinemas to GameOn, Shopping to Food Arena**, it's a retreat for the young and the old. With the convenience of multiple access and over 160 parking slots, it also houses several ATMS as well as a leading Supermarket, making it the perfect one-stop-shop for locals as well as tourists. Being the trailblazer in bringing a premier lifestyle experience that elevated our city to international standards, Majestic City is still the most sought out shopping destination by one and all.

Financial Highlight

| Year ended 31st March | 2024 | | 2023 | 2022 | 2021 | 2020 |
|-------------------------------------------|-----------|----------|-----------|-----------|-----------|-----------|
| | Rs. '000 | % Change | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| OPERATING RESULTS | | | | | | |
| Revenue | 467,672 | 33.8% | 349,472 | 146,783 | 347,468 | 559,710 |
| Results from Operating Activities | 1,065,727 | 334.3% | 245,375 | 72,852 | 152,001 | 315,336 |
| Finance Cost | (25,667) | -18.6% | (31,538) | (16,835) | (16,100) | (6,975) |
| Share of Profit-Equity Accounted Investee | - | - | - | (41,848) | (72,681) | (48,853) |
| Profit before Taxation | 1,040,064 | 371.7% | 220,499 | 14,169 | 63,220 | 259,508 |
| Profit after Taxation | 728,306 | -1511.9% | (51,582) | (16,964) | 127,738 | 187,330 |
| Total Comprehensive Income for the year | 716,357 | 1631.4% | (46,777) | (10,316) | 123,343 | 179,184 |
| ASSETS | | | | | | |
| Non Current Assets | 6,018,470 | 20.9% | 4,976,091 | 4,819,600 | 4,755,874 | 4,743,615 |
| Current Assets | 151,831 | 5.0% | 144,596 | 159,012 | 206,396 | 207,782 |
| EQUITY & LIABILITIES | | | | | | |
| Stated Capital | 1,982,500 | 0.0% | 1,982,500 | 1,982,500 | 1,982,500 | 1,982,500 |
| Reserves | 2,668,180 | 36.7% | 1,951,823 | 2,011,277 | 2,021,593 | 1,959,187 |
| Deferred Liabilities | 1,129,497 | 42.6% | 792,346 | 514,785 | 486,624 | 560,058 |
| Other Long Term Liabilities | 265,641 | -10.9% | 298,224 | 356,587 | 208,910 | 233,062 |
| Current Liabilities | 124,482 | 29.9% | 95,795 | 113,461 | 262,642 | 216,590 |
| KEY INDICATORS | | | | | | |
| Earnings per Share (Rs.) | 8.96 | -1500.6% | (0.64) | (0.21) | 1.57 | 2.31 |
| Net Assets per Share (Rs.) | 57.24 | 18.2% | 48.42 | 49.15 | 49.28 | 48.51 |
| Market Price per Share (Rs.) | 25.80 | -4.4% | 27.10 | 25.80 | 27.00 | 20.40 |
| OTHERS | | | | | | |
| Market Capitalization (Rs. '000) | 2,096,250 | -4.4% | 2,201,875 | 2,096,250 | 2,193,750 | 1,657,500 |
| Price Earnings Ratio (times) | 2.88 | -106.8% | (47.07) | (203.22) | 17.17 | 8.85 |
| Dividends per Share (Rs.) | - | - | - | - | 0.75 | 2.25 |
| Interest Cover (times) | 41.52 | -5.21 | 7.78 | 4.33 | 9.44 | 45.21 |
| Current Ratio (times) | 1.22 | -19.2% | 1.51 | 1.40 | 0.79 | 0.96 |
| Dividend Yield (%) | - | - | - | - | 2.78 | 11.03 |
| Equity to Total Assets (%) | 75.37 | -1.9% | 76.83 | 80.22 | 80.69 | 79.61 |
| Number of Shares in Issue ('000) | 81,250 | 0.0% | 81,250 | 81,250 | 81,250 | 81,250 |

Chairman's Message

Dear Shareholders,

I am pleased to present the Annual Report of the Company for the year ended 31st March 2024.

Performance Highlights

Despite the challenges presented by the global economic environment, our company has demonstrated remarkable resilience and adaptability. Our shopping mall has continued to attract a diverse range of tenants and shoppers, leading to sustained footfall and robust financial performance. We have maintained a strong occupancy rate, reflecting the continued demand for premium retail spaces in our properties.

In the previous two years, we reported about the impact on the company due to the macro-economic challenges faced by the company and the decisions made to face such challenges. One component was the support extended to some tenants via rental reductions to sustain their businesses through the period of economic turmoil. The levels of such discounts were reduced in a step-by-step manner and have now been almost completely lifted. Further, rentals of other tenants were revised upwards during the year as well. These revisions resulted in an increase in rental income for the year by 51.8% compared to the previous year. Rental incomes will see further increase in the ensuing year when the full year's impact of the rental increases are reflected in the financial statements. Total occupancy of the premises stands at 72%, which is approximately the same as the previous year.

The increased income, however, was offset by increases in expenses, primarily in Electricity tariffs. Cost increases in services such as security and janitorial services also increased expenses. Staff costs also had to be revised in keeping with market conditions.

The Company booked a gain on the revaluation of Investment Property of Rs 1,023.4 Mn (2023 - Rs 162.8 Mn). The increased gain on the re-valuation of the Investment

Property takes cognizance of the increasing rental income as well. The value of the property subsequent to the re-valuation is Rs 5.80 Bn which is made up of the land value of Rs 4.2 Bn and building value of Rs 1.6 Bn. The fair value gain does not constitute a cash profit.

Refurbishment of property

This improving trend in the topline revenue and in line with our commitment to providing a high-quality shopping experience, the Board of Directors and the management are presently evaluating proposals for a major refurbishment of our flagship Mall, which is expected to commence shortly. This initiative represents a significant investment in our future and underscores our dedication to maintaining the highest standards of excellence in our properties.

The refurbishment will encompass several key elements such as:

- **Modernization of Facilities:** Upgrading common areas, enhancing accessibility, and improving overall aesthetics to create a more inviting and comfortable environment for our visitors.
- **Sustainability:** Implementing eco-friendly technologies and practices to reduce our environmental footprint and promote sustainability throughout our operations.
- **Technological Integration:** Enhancing our digital infrastructure to provide connectivity, innovative services, and a personalized shopping experience for our customers.
- **Tenant Mix Optimization:** Curating a diverse and dynamic tenant mix that meets the evolving preferences of our shoppers and enhances the overall vibrancy of our mall.

The entire project is expected to cost about Rs 2.0 Bn and will be funded through internal funds and borrowings. The Mall will function throughout the period of the work and may cause some limited disruptions. However, every effort will be made to minimize inconvenience to patrons of the mall.

Looking Ahead

As we embark on this exciting new chapter, I am confident that the refurbishment project will not only enhance the value of our assets but also position us for sustained success in the years to come. Our strategic vision remains focused on delivering long-term value to our shareholders, tenants, and customers through innovation, excellence, and community engagement.

I would like to express my gratitude to our board of directors, management team, employees, and partners for their unwavering dedication and hard work. I also wish to thank our shareholders for their continued trust and support. Together, we will navigate the challenges and opportunities ahead, ensuring a bright and prosperous future for our company.

Signed.

Louis Page

Chairman

10th July 2024

Profile of Directors

Mr. L. R. Page

Chairman, Non-Executive Director

Louis R. Page is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and a Fellow Member of the Chartered Institute of Management Accountants (UK). He is also the Chairman of Cargills (Ceylon) PLC. He has held a number of Board and Senior Management positions at the highest level in overseas public companies and public institutions.

Mr. Joseph Page

Deputy Chairman/Managing Director, Executive Director

Mr. Joseph C. Page is a Director of CT Holdings PLC and Cargills (Ceylon) PLC. He is also a Director of Ceylon Theatres (Pvt.) Ltd. and C T Properties Limited. He has over 35 years of management experience in the private sector.

Mr. R. Selvaskandan

Independent Non-Executive Director

With more than four decades of experience in legal practice and management, Mr. Selvaskandan is a highly accomplished Attorney-at-Law (SL) and admitted as a Solicitor of England & Wales, Canberra and Hong Kong. He is an expert in corporate and commercial transactions, mergers and acquisitions, banking and financing matters, investment structuring and project development.

Mr. Selvaskandan is a Senior Partner at Varners, a leading law firm in Sri Lanka, where he has served since 2004. He was admitted to the Supreme Court of Sri Lanka as an

Attorney-at-Law in 1982 and has since built an impressive career in private practice and public service.

He was a State Counsel at the Attorney General's Department in Sri Lanka before serving as a Partner in a renowned law firm in Hong Kong for more than two decades.

Mr. Selvaskandan is also Director of Laugfs Gas PLC and serves on the board of several other prominent companies, including Abans PLC and Abans Electricals PLC.

Mr. A. T. P. Edirisinghe

Independent Non-Executive Director

Mr. A. T. Priya Edirisinghe is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, Fellow Member of the Chartered Institute of Management Accountants (UK), and holds a Diploma in Commercial Arbitration. He was the Senior Partner of Bakertilly Edirisinghe & Co., Chartered Accountants and currently serves as Consultant/Advisor. He is the Managing Director of PE Management Consultants (Pvt) Ltd. He counts over 50 years' experience in both public practice and in the private sector. He serves on the boards of a number of other listed and non-listed companies where in some companies he also serves as Chairman/Member of the Audit Committee, Related Party Transactions Review Committee, and Member of the Remuneration Committee.

Mr. Edirisinghe is a member of the Company's Audit Committee, Related Party Transactions Review Committee and Remuneration Committee.

Dr. T. Senthilverl

Non Executive Director

Dr. T. Senthilverl has over five decades of active engagement in manufacturing, trading, land development, irrigation, power and energy, construction, management, industrial turnkey projects, air and sea cargo logistics and share trading. He is a director of several public and private companies.

Mr. Sanjay Niles

Executive Director

Mr. Sanjay Chandrahasan Niles is an Associate Member of the Institute of Chartered Accountants of Sri Lanka and the Chartered Institute of Management Accountants, UK. He is also a Director of CT Holdings PLC, Executive Director of Ceylon Theatres (Pvt) Ltd., and a Director of other Companies within the CT Holdings Group.

Mr. Ranjit Page

Non-Executive Director

Mr. Ranjit Page has been a pivotal figure in the transformation of Cargills (Ceylon) PLC, playing a crucial role in evolving the company from a small-scale operation to a leading Sri Lankan corporate that meets the diverse needs of communities across Sri Lanka. His visionary leadership and strategic acumen were key in establishing the Cargills business model, which facilitated the company's expansion into various sectors including food retailing, food manufacturing, restaurants, and banking. Under his guidance, Cargills has become a household name

in Sri Lanka, known as a socially responsible and community-focused organization. He also serves as the Deputy Chairman and Managing Director of CT Holdings PLC and serves on the board of several Group subsidiaries. He was also the former Chairman of Cargills Bank.

Mr. P. P. Edirisinghe
Independent Non-Executive Director

Mr. Priyan Edirisinghe was appointed to the Board in October 2021 and currently serves as an Independent Director of the Company and Chairman of the Audit and Related Party Transactions Review committees.

Mr. Edirisinghe is a Chartered Accountant with over 20 years of experience in the private sector and in the professional practice. He is presently Managing Partner of Baker Tilly Edirisinghe & Co., Chartered Accountants, one of the top ten audit, tax, and consulting firms in Sri Lanka. He is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka (FCA), and an Associate Member of the Chartered Institute of Marketing UK (ACIM). He also holds an MBA from the University of Southern Queensland, Australia.

Mr. Edirisinghe currently serves as a Non-Executive Director of Dialog Finance PLC, and Chairman of the Audit and Related Party Transactions Review Committees.

Mr. H. A. S. Madanayake
Independent Non-Executive Director

Mr. Suren Madanayake is a Mechanical Engineer from the University of Texas at Austin, USA. He was appointed to the Board of ACL Cables PLC in June 1991 and appointed as Managing Director in September 2005. He serves directorship in various companies, including Kelani Cables PLC. He also serves as Trustee of CCC Foundation of Sri Lanka, which is an approved charity.

Mr. A. J. D. Selvanayagam
Senior Independent Director

Mr. Anthony Joel Dilharan Selvanayagam received his education at St. Josephs' College, Colombo 10. He is currently the Chairman of Hovael Construction (Private) Limited and Hovael Holdings (Private) Limited.

Corporate Governance

Section 9 of the Listing Rules of the Colombo Stock Exchange - “Corporate Governance” sets out the Corporate Governance requirements of listed companies. The Directors hereby confirm that the Company complies with the said section of the Listing Rules as at 31st March 2024.

Company’s adherence to the Corporate Governance Rules as required by Section 9 of the Listing Rules of the CSE:

| | CSE Rule | Status of Compliance | Details/Reference |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------|
| 9.1 | Applicability of Corporate Governance Rules | | |
| 9.1.3 | A statement confirming compliance with Corporate Governance Rules | Compliant | |
| 9.2 | Policies | | |
| 9.2.1/ 9.2.2/ 9.2.3/ 9.2.4 | Requirement pertaining to establishment and disclosure of policies set out in the listing rules. | Effective from 01/10/2024 | |
| 9.3 | Board Committees | | |
| 9.3.1 | Ensuring that the following Board committees are established and are functioning effectively. (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee | Effective from 01/10/2024 | |
| 9.3.2 | Comply with the composition, responsibilities and disclosures required in respect of the above Board committees as set out in CSE Rules. | Compliant | |
| 9.3.3 | The Chairperson of the Board of Directors shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 above. | Effective from 01/10/2024 | |
| 9.4 | Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders | | |
| 9.4.1 | Maintain records of all resolutions and specified information pertaining to the resolutions considered at any General Meetings. | Compliant | |
| 9.4.2 a)/b)/ c)/d) | Communication and relations with shareholders and investors | Compliant | |
| 9.5 | Policy on matters relating to the Board of Directors | | |
| 9.5.1 | Establish and maintain a formal policy governing matters relating to the Board of Directors | Effective from 01/10/2024 | |
| 9.5.2 | Confirm compliance with the requirements of the policy referred to in Rule 9.5.1 in the Annual Report | Effective from 01/10/2024 | |
| 9.6 | Chairperson and CEO | | |
| 9.6.1 | The Chairperson 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. | Compliant | Position of the Chairperson and CEO is not held by the same person and the Chairman is a NED |

| | CSE Rule | Status of Compliance | Details/Reference |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------|
| 9.6.2 | Where the Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such Entity shall make a Market Announcement | N/A | |
| 9.6.3 a)/b)/ c)/d) | Requirement pertaining to Senior Independent Director (SID) | Compliant | Mr. A.J.D. Selvanayagam was appointed as SID |
| 9.6.3 e) | A signed explanatory disclosure by SID demonstrating the effectiveness of duties of the SID. | Compliant | Report from SID page number 12 |
| 9.6.4 | Explanation for non-compliance with Rule 9.6.1 in the Annual Report. | N/A | |
| 9.7 | Fitness of Directors and CEOs | | |
| 9.7.1/ 9.7.2/ 9.7.3/ 9.7.4/ 9.7.5 | Requirement to meet the fit and proper criteria stipulated by the CSE Listing Rules and disclosure in Annual Report | Compliant | Annual Report of the Board of Directors page 16 |
| 9.8 | Board Composition | | |
| 9.8.1/ 9.8.2 | Requirement pertaining minimum number of Directors and independent Directors | Compliant | |
| 9.8.3 | Conformity to the criteria set by CSE on determining the independence of the Directors | Compliant | |
| 9.8.5 a)/b)/c) | Requirement pertaining to self-declarations annual determination of independence and market announcement in the event of the impairment of the independence. | Complaint | |
| 9.9 | Alternate Directors | | |
| 9.9 a)/b)/ c)/d)/e) | Non executive directors shall be appointed as alternate directors in exceptional circumstances and for a maximum period of one (1) year from the date of appointment | N/A | |
| 9.10 | Disclosures relating to Directors | | |
| 9.10.1 9.10.2 9.10.3 | Requirement pertaining to the disclosure of the Directors | Compliant | |
| 9.10.4 | Disclosure of details pertaining to Directors in the Annual Report | Compliant | Directors' Profile pages 06 to 07 |
| 9.11 | Nominations and Governance Committee | | |
| 9.11.1/ 9.11.2/ 9.11.3 | Existence of Nominations and Governance Committee, formal procedure for appointment and re-election of new Directors and written terms of reference of Nomination Committee | Effective from 01/10/2024 | |
| 9.11.4 | Composition of Nomination and Governance Committee members and appointment of its chairperson | Effective from 01/10/2024 | |
| 9.11.5 | The Committee functions are in accordance with the set criteria as per the CSE Listing Rules | Effective from 01/10/2024 | |
| 9.11.6 | Annual Report contains a report of the Nominations and Governance Committee signed by its Chairperson. | Effective from 01/10/2024 | |

Corporate Governance

| | CSE Rule | Status of Compliance | Details/Reference |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------|
| 9.12 | Remuneration Committee | | |
| 9.12.2 | A Remuneration Committee shall be established that conforms to the requirements | Compliant | |
| 9.12.3/ 9.12.4 | CSE Listing requirement pertaining to remuneration of the Directors. | Compliant | |
| 9.12.5 | Remuneration Committee shall have a written terms of reference | Compliant | |
| 9.12.6 | Composition of the Remuneration Committee | Compliant | Remuneration Committee Report on page 14 |
| 9.12.6 (3) | Remuneration Committee chaired by an Independent Director. | Effective from 01/10/2024 | Remuneration Committee Report on page 14 |
| 9.12.7 | Recommendation to the Board of Directors regarding remuneration. | Compliant | Remuneration Committee Report on page 14 |
| 9.12.8 (a) | Disclosure of Chairperson and members of the Remuneration Committee in the Annual Report. | Compliant | Remuneration Committee Report on page 14 |
| 9.12.8 (b) | A statement regarding the remuneration policy | Compliant | Remuneration Committee Report on page 14 |
| 9.12.8 (c) | Disclosure of the aggregate remuneration of the Executive and Non-Executive Directors. | Compliant | Note 09 to the financial statements |
| 9.13 | Audit Committee | | |
| 9.13.1 | Entities who do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee (AC) shall additionally perform the Risk Functions | Effective from 01/10/2024 | |
| 9.13.2 | The Audit Committee shall have a written terms of reference | Effective from 01/10/2024 | |
| 9.13.3 | Composition of the Audit Committee | | |
| (1) | Composition of the independent directors of the Audit Committee | Compliant | |
| (2) | Quorum comprising majority of Independent Directors | Compliant | |
| (3) | Minimum number of meetings and quarterly meetings prior to releasing the quarterly financial statements. | Compliant | |
| (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 | N/A | |
| (5) | An Independent Director being the Chairperson of the Audit Committee | Compliant | Audit Committee Report on page 19 |
| (6) | Attendance of CEO and CFO at the Audit Committee meetings by invitation | Compliant | Audit Committee Report on page 19 |

| | CSE Rule | Status of Compliance | Details/Reference |
|---------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------------|
| (7) | The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. | Compliant | Audit Committee Report on page 19 |
| 9.13.4 | Functions of the Audit Committee | | |
| (1) | Functions of the Audit Committee as set out in CSE Listing Rules | Effective from 01/10/2024 | Audit Committee Report page 19 |
| 9.13.5 | Disclosures (AC) in the Annual Report | | |
| | Disclosure of stipulated information in the Audit Committee report included in the Annual Report | Compliant | Audit Committee Report page 19 |
| 9.14 | Related Party Transaction Review Committee (RPTRC) | | |
| 9.14.1 | Listed Entities shall have a Related Party Transactions Review Committee | Compliant | |
| 9.14.2 | Composition of RPTRC | | |
| (1) | Composition of the independent directors and chairperson being an Independent director. | Compliant | RPTRC report on page 13 |
| (2) | If both parent subsidiary are Listed Entities, the RPTRC of the parent company may function as the RPTRC of the subsidiary | N/A | |
| 9.14.3 | Functions of RPTRC | | |
| | Functions of the PTRC as set out in CSE Listing Rules | Effective from 01/10/2024 | |
| 9.14.4 | General Requirements of RPTRC | | |
| (1) | General requirement stipulated in CSE Listing Rules (1) to (4) | Compliant | |
| 9.14.5 | Review of RPTs by the RPTRC | | |
| | Requirement pertaining to review of Related Party Transaction by RPTRC set out by CSE Listing Rules | Compliant | |
| 9.14.6 | Shareholder Approval | | |
| | Requirement pertaining to shareholder approval set out by CSE Listing Rules. | Compliant | |
| 9.14.7 | Immediate Disclosures | | |
| | Immediate Market Announcement to the Exchange as set out by CSE Listing Rules | Compliant | |
| 9.14.8 | Disclosures in the Annual Report | | |
| (1)/(2) | Disclosure of RPTs details in the Annual Report. | Compliant | Notes to the Financial Statements Note 13 |
| (3) | Related Party Transactions Review Committee Report in the Annual Report | Compliant | RPTRC Report on page 13 |
| (4) | A declaration by the Board of Directors in the Annual Report confirming that RPT Rules are complied with. | Compliant | RPTRC Report on page 13 |
| 9.14.9 | Shareholder approval and competent independent advice on acquisition and disposal of assets from/to related parties | N/A | |
| 9.16 | Additional Disclosures | | |
| | Additional Disclosures by the Board of Directors in the Annual Report | Compliant | Statement of Directors' Responsibility page 18 |

Report of Senior Independent Director

This report is presented in compliance with the requirement set out in Section 9.6.3 (e) of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange which came into effect on 01st October 2023.

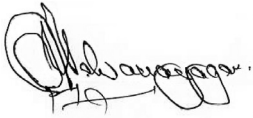
The requirement of appointing a “Senior Independent Director” (SID) to CT Land Development PLC is in accordance with Section 9.6.3 (a) ii of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka.

Role and Responsibilities of Senior Independent Director

In terms of the role and responsibilities of the SID, the principal role of the SID is to support the Chairman in his role and duties, acting as an intermediary for the Non-Executive Directors and to facilitate the due exercise of the functions of the Chairman with the Non-Executive Directors as and when necessary.

The role and the responsibilities vested on the SID of the Board is relevant in the current context of Corporate Governance regulations, standards, and best practices which are frequently reviewed and revised by regulators.

My role is to ensure requisite governance standards are complied with while providing necessary assistance to the Chairman of the Board through discussion and communication between Non-executive and Independent Directors of the Company in addressing matters relevant to the Board as a whole to enhance the overall effectiveness of the Board.



A. J. D. Selvanayagam
Senior Independent Director
10th July 2024

Related Party Transactions Review Committee Report

The Related Party Transactions Review Committee of CT Land Development PLC is appointed by the Board of Directors of the Company and reports directly to the Board. It consists of three Independent Non-Executive Directors. The Committee met four times during the year (once per calendar quarter). The members and the details of their participation at meetings of the Committee during the reporting period are as follows: –

| Name | Non-Executive Directors | Meetings Held | Attendance at Meetings |
|----------------------------------|-------------------------|---------------|------------------------|
| Mr. P. P. Edirisinghe (Chairman) | Independent | 4 | 4 |
| Mr. A. T. P. Edirisinghe | Independent | 4 | 3 |
| Mr. R. Selvaskandan | Independent | 4 | 3 |

The Managing Director is an ex-officio member of the Committee. The Company Secretary functions as the Secretary of the Committee. The composition of the members of the Committee satisfies the criteria as specified in the corporate governance rules of the CSE.

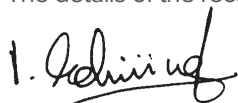
The Committee is tasked with:-

- Reviewing Related Party Transactions,
- Calling for supporting documents and/or justification of the terms and conditions of such transactions and,
- Identifying and reporting on recurrent and non-recurrent transactions with related parties in line with the applicable CSE Rules.
- Obtaining quarterly declarations of Directors with regard to significant shareholding/ownership in group companies and companies outside of the group.
- Ensuring that appropriate disclosures are made as applicable to the CSE (where immediate market disclosures are required) and the Annual Report.

The policy adopted by the Committee is to ensure that transactions within its purview are consistent with the RPT Code of the SEC.

The Committee noted that there were no non-recurrent transactions with related parties during the year. It also noted that in respect of recurrent transactions, the transactions were in the ordinary course of business, there were no changes to practices followed over the years and general terms and conditions applicable to rental agreements entered into with related parties are similar to those entered into with non-related parties taking into account, if any, due consideration of factors such as the long term nature of the occupancy, anchor tenancies, the extent and location of the area occupied and the ability of the entity concerned to attract customers into the complex. The observations of the Committee have been communicated to the Board of Directors, and the Board in turn has made a declaration to the effect that the Company has complied with the requirements of the Rules pertaining to Related Party Transactions as contained in Section 9 of the listing rules of the CSE.

The details of the recurrent transactions entered into with Related Parties are disclosed in note 34.2 to the Financial Statements.



P. P. Edirisinghe

Chairman - Related Party Transactions Review Committee

10th July 2024

The Remuneration Committee Report

The Remuneration Committee of CT Land Development PLC is appointed by the Board of Directors of the Company and reports directly to the Board.

As is well known, Human Resources in Companies are a vital cog in the wheel to successfully carry out its business activities in a fair and equitable manner in the interest of its shareholders, employees, and other stakeholders and in all instances, within the laws of the country to enhance / add shareholder value for the benefit of its respective stakeholders, Executive Directors and Senior Management are pivotal drivers and there is a need to ensure that such employees are adequately and fairly compensated in line with market conditions applicable to the respective sectors.

Accordingly, the Committee is tasked with studying and recommending appropriate remuneration packages for the Executive Directors in line with applicable market values. The Committee also maintains the process of consultation with regard to the setting up of remuneration/compensation structures. After deliberations, its recommendations are forwarded for approval to the Board of Directors.

The Committee of CT Land Development PLC consists of the following Non-Executive Directors.

| Name | Non-Executive Directors |
|---------------------------|-------------------------|
| Mr. L. R. Page - Chairman | |
| Mr. A. T. P. Edirisinghe | Independent |
| Mr. R. Selvaskandan | Independent |

The Deputy Chairman/Managing Director of the Company is also invited to join in the deliberations as required.

The Committee is authorized to carry out periodic reviews to ensure that remuneration is in line with market conditions.

The Committee met once during the year and all members of the Committee were present at the said meeting.

Signed.

Louis Page

Chairman – Remuneration Committee

10th July 2024

Financial Statements

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

In compliance with the provisions of the Companies Act No. 07 of 2007, the Directors present their Report on the state of affairs of the Company together with the Audited Financial Statements for the year ended 31st March 2024. The report also provides information as required by the Listing Rules of the Colombo Stock Exchange, best Accounting Practices and other disclosures deemed relevant to the stakeholders of the Company.

Principal Activity

The principal activity of the Company is property development as approved by the Urban Development Authority.

Review of Operations

The Chairman's Statement appearing on page 4 of the Annual Report gives a review of the operations carried out and the performance of the Company during the current financial year, and forms an integral part of this report.

Financial Statements

The Audited Financial Statements of the Company for the financial year ended 31st March 2024 are given on pages 24 to 60 and form an integral part of the Annual Report.

Accounting Policies

The Accounting Policies adopted in preparation of the Financial Statements are given on pages 28 to 38

Property, Plant & Equipment & Investment Property

The movement of property, plant and equipment is shown in Note 14 to the financial statements. Investment property as shown in Note 17 is stated at market value as at 31st March 2024. The current effective capital value of the investment property increased to Rs. 5.8 Bn which sum the Board has adopted as the fair value of the investment property in accordance with LKAS 40 and, arising therefrom, the fair value gain on investment

property of Rs. 1.02 Bn is recorded in the Statement of Comprehensive Income for the year ended 31st March 2024.

Stated Capital

The Stated Capital of the Company as at 31st March 2024 was Rs. 1.98Bn (2023- Rs. 1.98Bn) comprising 81.25Mn ordinary (voting) shares (2023- 81.25Mn).

Directors

The directors indicated below have been Directors of the Company throughout the year under review.

Mr. V.R. Page and Mr. P. P. Edirisinghe retire under Articles 103 and 104 of the Articles of Association of the Company and being eligible, offer themselves for re-election.

Pursuant to sections 210 and 211 of the Companies Act No. 7 of 2007 Mr. L.R. Page and Dr. T. Senthilverl who are over 70 years of age offer themselves for re-election.

Mr. Priya Edirisinghe who has been a Director since 24 March 2008 retires in terms of Section 210 (2) (b) of the Companies Act No. 07 of 2007 at the conclusion of the AGM having surpassed seventy years of age. He does not seek re-election.

The re-election of the retiring Directors has the unanimous support of the other Directors.

Details of attendance at meetings during the financial year:-

| Name | Board Meetings | | General Meetings | |
|---------------------------|----------------|----------|------------------|----------|
| | Held | Attended | Held | Attended |
| Mr. L. R. Page | 4 | 4 | 1 | 1 |
| Mr. J. C. Page | 4 | 3 | 1 | 1 |
| Mr. A. J. D. Selvanayagam | 4 | 4 | 1 | 1 |
| Mr. P. P. Edirisinghe | 4 | 4 | 1 | 1 |
| Mr. A. T. P. Edirisinghe | 4 | 3 | 1 | 1 |
| Mr. R. Selvaskandan | 4 | 3 | 1 | 1 |
| Mr. S. C. Niles | 4 | 4 | 1 | 1 |
| Mr. V. R. Page | 4 | 2 | 1 | 1 |
| Dr. T. Senthilverl | 4 | 1 | 1 | 1 |
| Mr. H. A. S. Madanayake | 4 | 2 | 1 | 0 |

The Directors hereby confirm that the Directors and CEO of the company satisfy the Fit and Proper Assessment Criteria stipulated in section 9.7 of the Listing Rules of the Colombo Stock Exchange for the year.

Directors' Interests in Contracts / Related Party Transactions

The Directors' interests in Contracts of the Company are included in Note 33 to the Financial Statements under related party transactions.

The Related Party Transactions Review Committee appointed by the Board was tasked with reviewing Related Party Transactions, calling for supporting documents and/or justification of the terms and conditions of such transactions

and identifying and reporting on recurrent and non-recurrent transactions with related parties in line with the applicable CSE Rules. The Directors have declared their interests to the Related Party Transactions Review Committee appointed by the Board. The Directors have no direct or indirect interest in any other contract or proposed contract of the Company.

The said Committee has informed the Board that there were no non-recurrent transactions with related parties during the year. It also noted that in respect of recurrent transactions, the transactions were in the ordinary course of business, there were no changes to practices followed over the years and general terms and conditions applicable to rental agreements entered into with Related Parties are similar to those entered into with non-related parties taking into account, if any, due consideration of factors such as the long term nature of the occupancy, anchor tenancies, the extent and location of the area occupied and the ability of the entity concerned to attract customers into the complex.

The Directors hereby confirm that the Company is in compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange in respect of related party transactions entered into by the company during the year.

Interests Register

The company maintains an Interests Register conforming to the provisions of the Companies Act No. 7 of 2007.

Dividends

No Dividend was paid to shareholders for the year ended 31st March 2024.

Directors' Shareholdings

The interests of the Directors in the shares of the Company at the Balance Sheet date were as follows.

| | As at 31.03.2024 | As at 31.03.2023 |
|---------------------|---------------------|---------------------|
| L.R. Page | 447,478 | 447,478 |
| J.C. Page | 1,018,007 | 1,018,007 |
| R. Selvaskandan | - | - |
| A.T.P. Edirisinghe | - | - |
| S.C. Niles | 3,333 | 3,333 |
| V.R. Page | - | - |
| Dr. T. Senthilverl | 4,346,725 | 4,346,725 |
| P.P. Edirisinghe | - | - |
| H.A.S. Madanayake | - | - |
| A.J.D. Selvanayagam | - | - |
| | 5,815,543 | 5,815,543 |

Donations

During the year the Company made charitable donations amounting to Rs. 21,000/- (2023–Rs. 143,688/-).

Statutory Payments

All statutory payments due to the Government of Sri Lanka and on behalf of employees have been made or accrued as at the reporting date.

Going Concern

The Directors are satisfied that the Company has adequate resources to continue its operations in the foreseeable future. The financial statements of the Company have accordingly been prepared on a going concern basis.

Auditors

M/s. KPMG, Chartered Accountants are deemed re-appointed in terms of Section 158 of the Companies Act No.7 of 2007, as Auditors of the Company. A resolution authorising the Directors to determine their remuneration will be submitted at the Annual General Meeting.

The fees paid to the Auditors are disclosed in Note 9 to the Financial Statements.

As far as the Directors are aware, the Auditors do not have any relationship (other than that of an auditor) with the Company.

For and behalf of the Board of Directors

Signed.

Louis Page
Chairman



A. T. P. Edirisinghe
Director



Charuni Gunawardana
Secretary

Colombo
10th July 2024

Statement of Directors' Responsibility

Maintenance of Accounting Records

Under the provisions of the Companies Act No. 07 of 2007 ("the Act"), every company is required to maintain accounting records which correctly record and explain the Company's transactions, and will at any time enable the financial position of the Company to be determined with reasonable accuracy, enable the Directors to prepare financial statements in accordance with the Act and also enable the financial statements of the Company to be readily and properly audited.

Preparation of Financial Statements of the Company and Group

The Act places the responsibility on the Board of Directors to ensure that financial statements are prepared within the prescribed time period in conformity with the Act. Such financial statements of a Company shall give a true and fair view of the state of affairs of the Company as at the reporting date and the profit or loss or income and expenditure, as the case may be, of the Company for the accounting period ending on that reporting date.

Dividends

In the event of any distribution of dividends, the Board of Directors are required to satisfy themselves that the Company will, immediately after the relevant distribution is made, satisfy the solvency test, provided that such a certificate is obtained from the auditors. No dividends were declared by the company during the year.

Annual Report

The Board of Directors are required to prepare an Annual Report on the affairs of the Company during the accounting period ending on the reporting date in the prescribed format and circulate the same to every shareholder of the Company within the time frame prescribed in the Act.

Independent Audit

The Act requires the Company to appoint an Auditor to audit the financial statements of the Company for the reporting period. Accordingly, M/s. KPMG presently function as the Auditors of the Company. Their responsibility with regard to the financial statements as auditors of the Company are set out in the Independent Auditors' Report set out on pages 20 to 23.

Management

The Directors are responsible for the proper management of the resources of the Company. The internal control system has been designed and implemented to obtain reasonable but not absolute assurance that the Company is protected from undue risks, frauds and other irregularities.

Compliance

Considering the present financial position of the Company and the foreseeable future, the Directors have adopted the going concern basis for the preparation of these financial statements.

The Directors confirm that:

- (a) The Company is in compliance with the requirements of the Act as aforementioned.
- (b) These financial statements have been prepared in accordance with the requirements of the Companies Act No. 07 of 2007 and applicable Sri Lanka Accounting Standards, which have been consistently applied and supported by reasonable and prudent judgments and estimates.
- (c) The Company is in compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange in respect of the related party transactions entered in to by the Company during the year.
- (d) All statutory payments have been made up to date.

The Directors are satisfied that the control procedures within the Company operated effectively during the year.

By Order of the Board of Directors



Charuni Gunawardana
Company Secretary

10th July 2024

Audit Committee Report

The Audit Committee of C T Land Development PLC is appointed by the Board of Directors of the Company and reports directly to the Board. It consists of three Independent Non-Executive Directors. The Chairman of the Audit Committee is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka. The composition of the members of the Audit Committee satisfies the criteria as specified in Section 9 of the Listing Rules on Corporate Governance for listed companies. The members and the details of their participation at meetings of the Committee during the reporting period are as follows:

| Name | Non-Executive Directors | Meetings Held | Attendance at Meetings |
|-------------------------------------|-------------------------|---------------|------------------------|
| Mr. P. P. Edirisinghe (Chairman) | Independent | 5 | 5 |
| Mr. A. T. P. Edirisinghe | Independent | 5 | 4 |
| Mr. R. Selvaskandan | Independent | 5 | 3 |

The Audit Committee is empowered to examine all matters pertaining to the financial affairs of the Company and assist the Board of Directors in effectively discharging their duties. The Committee also reviews the process of external reporting of financial information to ensure compliance with presentation and disclosure requirements in accordance with the prevailing legal and accounting framework and best practice.

The Audit Committee also reviews the adequacy and proper continuous functioning of the Internal Control Procedures of the Company to obtain reasonable assurances that the financial statements accurately reflect the state of affairs of the Company and the results for the period to which it relates.

The Committee is also empowered to liaise directly with the External Auditors of the Company and study all matters brought to the attention of the Management by the External Auditors. The Committee met with the External Auditors twice, to review matters pertaining to the Financial Statements of the previous year. In addition, where required, the quarterly financial statements were circulated, discussed, and recommended to the Board prior to Board approval. In all instances, the Audit Committee obtained relevant declarations from relevant key officials stating that the respective financial statements are in conformity with the applicable Accounting Standards, Company Law, and other Statutes including Corporate Governance Rules, and that the presentation of such Financial Statements are consistent with those of the previous quarter or year as the case may be and listing any departures from financial reporting, statutory requirements, and Group policies, if any.

The Deputy Chairman and/or the Finance Manager attended all Audit Committee meetings and other Senior Managers attended such meetings as and when requested to do so by the Audit Committee.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee is of the opinion that the control procedures and environment within the Company provide reasonable assurance regarding the monitoring of the operations, accuracy of the financial statements, and safeguarding of assets of the Company.

The Audit Committee has obtained a statement from Messrs. KPMG, confirming their independence and objectivity in accordance with Section 163 (3) of the Companies Act No. 07 of 2007. This confirmation pertains to the audit of the Statement of Financial Position, and the related Statements of Income, Changes in Equity, and Cash Flows of the Company and the Group.

The Audit Committee has assessed the independence and performance of the External Auditors, M/s. KPMG, Chartered Accountants, and recommends to the Board of Directors that they be reappointed as Auditors of the Company for the year ending 31st March 2025, subject to the approval by the shareholders at the Annual General Meeting.



P. P. Edirisinghe
Chairman - Audit Committee
10th July 2024

Independent Auditor's Report



KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. O. Box 186,
Colombo 00300, Sri Lanka.

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To the Shareholders of CT Land Development PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CT Land Development PLC (“the Company”), which comprise the statement of financial position as at March 31, 2024, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at March 31, 2024, and of its financial performance and its 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 Company 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.

KPMG, a Sri Lankan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

C. P. Jayatilake FCA
Ms. S. Joseph FCA
R.M.D.B. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA
T. J. S. Rajakarier FCA
W. K. D. C. Abeyrathne FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R.W.M.O.W.D.B. Rathnadiwakara FCA

W. W. J. C. Perera FCA
G. A. U. Karunaratne FCA
R. H. Rajan FCA
A.M.R.P. Alahakoon ACA

Principals: S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law, H.S.Goonewardene ACA, Ms. F.R Ziyad FCMA (UK), FCIT
K. Somasundaram ACMA(UK)



| Valuation of Investment Property | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Refer to note 3.6 and 17 to the financial statements | |
| Risk Description | Our Response |
| <p>As at 31st March 2024, the Company carries its Investment Property at fair value, amounting to Rs. 5.8 Bn. The Company has engaged an independent professional Valuer with appropriate expertise to determine the fair value of these properties in accordance with recognized industry standards.</p> <p>Estimating the fair value is a complex process which involves a significant degree of judgement and estimates in respect of price per perch of the land, capitalization rates, value per square feet, fair market rental and diversity of locations and nature of the land and buildings and investment properties.</p> <p>Further, the Company has incorporated risk adjustments for prevailing uncertain and volatile economic conditions in property valuation to reflect the associated risks in the valuation model based on reasonable and supportable information available to management at the reporting date.</p> <p>We identified this as a key audit matter because of the significance of the value of these properties to the Financial Statements and significant judgement/estimation involves in the valuation.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessing the objectivity, independence, competence and qualifications of the external valuer. Discussions with management and the external valuer and comparison of the key assumptions used against externally published market comparable or industry data where available and knowledge of the industry, and challenging the reasonableness of the method, assumptions, and data with the assistance of KPMG valuation Specialist. Discussions with management and the external valuer in relation to the possible impact on the key assumptions and the resulting valuation due to current uncertain economic conditions. Assessing the adequacy of the disclosures in the financial statements, including the description and appropriateness of the inherent degree of subjectivity and key assumptions in the estimates. |

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and we have nothing to report in this regard.

Independent Auditor's Report



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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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.



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 2599.

A handwritten signature in black ink, appearing to read 'K. M.', with a long horizontal flourish extending to the right.

CHARTERED ACCOUNTANTS

Colombo, Sri Lanka

10th July 2024

Statement of Profit or Loss & Other Comprehensive Income

| For the Year ended 31st March | Note | 2024 Rs. '000 | 2023 Rs. '000 |
|--------------------------------------------------------------|------|------------------|------------------|
| Revenue | 6 | 467,672 | 349,472 |
| Other Income | 7 | 13,666 | 32,851 |
| Change in Fair Value of Investment Property | 17.1 | 1,023,378 | 162,821 |
| Personnel Cost | 8 | (139,123) | (94,726) |
| Depreciation & Amortization | | (19,120) | (20,725) |
| Other Operating Cost | | (280,742) | (177,656) |
| Results from Operating Activities | 9 | 1,065,727 | 245,375 |
| Finance Costs | 10 | (25,667) | (31,538) |
| Profit before Taxation | | 1,040,064 | 220,499 |
| Income Tax Expense | 11 | (311,758) | (272,081) |
| Profit/(Loss) for the Year | | 728,306 | (51,582) |
| Other Comprehensive Income | | | |
| <i>Items that will not be Reclassified to Profit or Loss</i> | | | |
| Actuarial Gain/(Loss) on Employee's Benefit Liability | 25 | (17,070) | 6,864 |
| Deferred tax reversal / (Charge) on actuarial (loss)/ gain | | 5,121 | (2,059) |
| Other Comprehensive Income /(Expense) for the Year | | (11,949) | 4,805 |
| Total Comprehensive Income/(Expense) for the year | | 716,357 | (46,777) |
| Profit/ (Loss) Per Share (Rs.) | 12 | 8.96 | (0.64) |

Figures in brackets indicate deductions.

The Notes on pages 28 to 60 form an integral part of these Financial Statements.

Statement of Financial Position

| As at 31st March | Note | 2024 Rs. '000 | 2023 Rs. '000 |
|-----------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| Non Current Assets | | | |
| Property, Plant & Equipment | 14 | 162,521 | 152,696 |
| Right of Use Assets | 15.1 | 37,321 | 40,813 |
| Intangible Assets | 16 | 7,907 | 3,375 |
| Investment Property | 17 | 5,797,013 | 4,767,400 |
| Capital Work-in-progress | 18 | 13,708 | 11,808 |
| Investment in Equity Accounted Investee | 19 | - | - |
| | | 6,018,470 | 4,976,092 |
| Current Assets | | | |
| Inventories | 20 | 4,825 | 8,094 |
| Trade and Other Receivables | 21 | 96,657 | 66,343 |
| Income Tax Receivables | 31 | 11,503 | - |
| Short Term Investments at FVIPL | 22 | 38,761 | 70,095 |
| Cash and Cash Equivalents | 23 | 84 | 64 |
| | | 151,830 | 144,596 |
| Total Assets | | 6,170,300 | 5,120,688 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Stated Capital | 24 | 1,982,500 | 1,982,500 |
| Retained Earnings | | 2,668,180 | 1,951,823 |
| | | 4,650,680 | 3,934,323 |
| Liabilities | | | |
| Non Current Liabilities | | | |
| Defined Benefit Plans - Gratuity | 25 | 84,662 | 54,422 |
| Lease Liabilities | 15.2 | 51,352 | 51,080 |
| Deferred Tax Liabilities | 26 | 993,482 | 686,844 |
| Security Deposits | 27 | 193,132 | 167,309 |
| Deferred Interest | 28 | 9,483 | 23,465 |
| Interest bearing borrowings | 29 | 63,026 | 107,450 |
| | | 1,395,138 | 1,090,570 |
| Current Liabilities | | | |
| Trade and Other Payables | 30 | 45,382 | 35,256 |
| Lease Liabilities | 15.2 | 4,041 | 4,460 |
| Income Tax Payable | 31 | - | 3,058 |
| Interest bearing borrowings | 29 | 44,424 | 44,424 |
| Bank Overdraft | 23 | 30,635 | 8,597 |
| | | 124,482 | 95,795 |
| Total Liabilities | | 1,519,620 | 1,186,365 |
| Total Equity and Liabilities | | 6,170,300 | 5,120,688 |

The notes on pages 28 to 60 form an integral part of these Financial Statements.

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




Ms. W. A. Y. P. Wijesinghe
Finance Manager

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

The Financial Statements have been approved by the Board on 10th July 2024

Signed for and on behalf of the Board.



A. J. D. Selvanayagam
Senior Independent Director



A. T. P. Edirisinghe
Director

Statement of Changes in Equity

| | Note | Stated Capital Rs.'000 | Retained Earnings Rs.'000 | Total Rs.'000 |
|----------------------------------------------------------|------|------------------------------|---------------------------------|------------------|
| Balance as at 01st April 2022 | | 1,982,500 | 2,011,277 | 3,993,777 |
| Profit for the Year | | - | (51,582) | (51,582) |
| Other Comprehensive Income | | | | |
| - Actuarial Gain/(Loss) on Employees Benefit Obligations | | - | 6,864 | 6,864 |
| - Tax on Other Comprehensive Income | | - | (2,059) | (2,059) |
| Total Comprehensive Income | | - | (46,777) | (46,777) |
| Surcharge Tax Paid for the Year ended 31st March 2021 | | - | (12,677) | (12,677) |
| Balance as at 31st March 2023 | | 1,982,500 | 1,951,823 | 3,934,323 |
| Balance as at 01st April 2023 | | 1,982,500 | 1,951,823 | 3,934,323 |
| Profit for the Year | | - | 728,306 | 728,306 |
| Other Comprehensive Income | | | | |
| - Actuarial Gain/(Loss) on Employees Benefit Obligations | | - | (17,070) | (17,070) |
| - Tax on Other Comprehensive Income | | - | 5,121 | 5,121 |
| Total Comprehensive Income | | - | 716,357 | 716,357 |
| Balance as at 31st March 2024 | | 1,982,500 | 2,668,180 | 4,650,680 |

The notes on pages 28 to 60 form an integral part of these Financial Statements.

Statement of Cash Flows

| For the year ended 31st March | Note | 2024 Rs'000 | 2023 Rs'000 |
|--------------------------------------------------------------------|---------|----------------|----------------|
| Cash flows from Operating Activities | | | |
| Profit before Taxation | | 1,040,064 | 220,499 |
| Adjustments for: | | | |
| Depreciation & Amortization | 14,16 | 15,628 | 18,653 |
| Amortisation of Right of use Assets | 15.1 | 3,492 | 2,071 |
| Change in Fair Value of Investment Properties | 17.1 | (1,023,378) | (162,821) |
| Change in Fair Value of Short-term Investments | 22 | (13,666) | (18,668) |
| Provision for Defined Benefit Obligation | 25.1(a) | 13,441 | 9,813 |
| Reversal for Impairment of Trade Receivables | 21 | - | (10,365) |
| Interest Expenses on Leases | 15.2 | 7,158 | 6,662 |
| Gain on Disposal of PPE | 7 | - | (3,818) |
| Interest Expenses | 10 | 25,667 | 24,876 |
| | | 68,406 | 86,902 |
| Changes In; | | | |
| Inventories | 20 | 3,269 | (8,094) |
| Trade & Other Receivables | 21 | (30,315) | 1,525 |
| Trade & Other Payables | 30 | 10,127 | (11,923) |
| Security Deposits & Deferred Interest on Security Deposits | 27,28 | 11,841 | (13,939) |
| Cash Generated from Operating Activities | | 63,328 | 54,471 |
| Interest Paid | 10 | (25,667) | (24,876) |
| Retirement Benefits paid | 25 | (271) | - |
| Surcharge Tax paid | | - | (12,677) |
| Withholding tax paid | 31 | (14,560) | (1,112) |
| Net Cash Generated from Operating Activities | | 22,830 | 15,806 |
| Cash Flow from Investing Activities | | | |
| Acquisition of Property, Plant & Equipment and Intangible Assets | 14,16 | (29,985) | (604) |
| Proceeds from disposal of Property, Plant & Equipment | - | - | 3,818 |
| Expenses incurred on Capital WIP | 18 | (1,900) | (11,808) |
| Addition to Investment property | 17 | (6,235) | (1,982) |
| Repayment of Interest Bearing Borrowings | 29 | (44,423) | (46,236) |
| Proceeds from Disposal of Short Term Investments | 22 | 45,000 | 50,000 |
| Net Cash used in from Investing Activities | | (37,543) | (6,812) |
| Cash Flow from Financing Activities | | | |
| Payment of Lease Liabilities | 15.2 | (7,305) | (6,616) |
| Net Cash used in Financing Activities | | (7,305) | (6,616) |
| Net Increase In Cash & Cash Equivalents during The Year | | (22,018) | 2,376 |
| Cash & Cash Equivalents at the Beginning of the Year | 23 | (8,533) | (10,909) |
| Cash & Cash Equivalents at the End of the Year | | (30,551) | (8,533) |

Figures in brackets indicate deductions

The notes on pages 28 to 60 form an integral part of these Financial Statements.

Notes to the Financial Statements

1. REPORTING ENTITY

CT Land Development PLC (“the Company”) is a “Public Quoted Company” with limited liability incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Company’s registered office is situated at No 10, Station Road, Colombo 04.

The staff strength of the Company as at 31 March 2024 is 29 (2023 - 27).

The Company is in the business of development of property, administration & maintenance.

The Company’s immediate & ultimate parent is CT Holdings PLC, which is a quoted public limited liability Company domiciled in Sri Lanka and listed in the Colombo Stock Exchange.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements of the Company which comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes thereto have been prepared in accordance with the Sri Lanka Accounting Standards (LKASs and SLFRSs) laid down by the Institute of Chartered Accountants of Sri Lanka, and the requirements of the Companies Act No. 7 of 2007.

2.2 Approval of Financial Statements by Directors

The Company’s Financial Statements were authorised for issue by the Board of Directors in accordance with the resolution of the Directors on 10th July 2024.

2.3 Basis of Measurement

The financial statements have been prepared on a historical cost basis with no adjustments being made for inflationary factors affecting the financial statements, except for the following;

- Investment property are measured at cost at the time of acquisition and subsequently at fair value.
- The liability for defined benefit obligation is recognized as the present value of the defined benefit obligation.
- Short term investments in Unit Trusts are measured at fair value.

2.4 Functional and Presentation Currency

The financial statements are presented in Sri Lankan Rupees, which is the Company’s functional currency. All financial information presented in Sri Lankan Rupees has been rounded up to the nearest thousands, unless stated otherwise.

2.5 Presentation of Financial Statements

The assets and liabilities of the Company presented in its Statement of Financial Position are grouped by nature and listed in an order that reflects their liquidity and maturity pattern.

Income and expenses are not offset in the Statement of Profit or Loss and Other Comprehensive Income unless required or permitted by an Accounting Standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

2.6 Key accounting judgements and estimates

The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2.6.1 Judgements

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements are described in the relevant notes.

- Note 17 – Investment Property
- Note 25 – Measurement of Defined Benefit Obligation
- Note 26 – Deferred Taxation

2.6.2 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 March 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 25 - Measurement of defined benefit obligations: key actuarial assumptions;

- Note 17 - Determination of fair value of investment property: key valuation assumptions;
- Note 19 - Equity-accounted investees: whether the Company has significant influence over an investee; and
- Note 39 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

2.7 Materiality and Aggregation

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

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Company has consistently applied the following material accounting policies to all periods presented in the financial statements, except as mentioned otherwise.

Changes in material Accounting Policies.

Material accounting policy information

The Company also adopted Disclosure of Accounting Policies (Amendments to LKAS 1 and IFRS practice statement 2) from 1 April 2023. Although the amendments result in changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The

amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand the other information in the financial statements.

Deferred tax related to assets and liabilities arising from a single transaction

The Company has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to LKAS 12) from 1 January 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Company previously accounted for deferred tax on leases and decommissioning liabilities by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the

Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of LKAS 12. There was also no impact on the opening retained earnings as at 01 April 2023 as a result of the change.

The Institute of Chartered Accountants of Sri Lanka has issued number of new amendments to Sri Lanka Accounting Standards (SLFRSs/ LKASs) that are effective for the current financial year. These amendments and interpretations did not have any significant impact on the reported financial statements of the Company.

3.1 Financial Instruments

3.1.1 Financial Assets Initial Recognition and Measurement

The Company initially recognizes trade receivables when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes to the Financial Statements

Classification and Subsequent Measurement of Financial Assets

On initial recognition, financial assets are classified as amortised cost; FVOCI (Fair value through OCI) debt investment; FVOCI - equity investment; or FVTPL (Fair value through profit or loss).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets classified under amortised cost includes Cash, trade and other receivable.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost

or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Re-classification of Financial Assets

Re-classification of financial assets is required if the Company changes its business model for managing those financial assets. Re-classification is applied prospectively from the date of the re-classification.

De-recognition of Financial Assets

On de-recognition of a financial asset in its entirety, the difference between: The carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss.

Impairment of Financial Instruments

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on:

- financial assets measured at amortised cost;

Loss allowances for trade receivables is always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Presentation of Allowance for ECL in the Statement of Financial Position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3.1.2 Financial Liabilities

Financial Liabilities are initially recognised only when the Company becomes a party to the contractual provisions of the financial instrument. All financial liabilities are recognized initially at fair value. The Company's financial liabilities include trade and other payables. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. A financial liability is derecognized only when it is extinguished - i.e. when the obligation specified in the contract is discharged or cancelled or expires.

De-recognition

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also de-recognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

3.2 Property, Plant and Equipment

3.2.1 Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes,

- the cost of materials and direct labour.
- any other costs directly attributable to bringing the asset to a working condition for their intended use.
- and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalized as a part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

3.2.2 Subsequent Costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance is expensed as incurred.

3.2.3 De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from de-recognition of an item of property, plant & equipment is included in profit and loss when the item is derecognized.

When replacement costs are recognized in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost of inspection is derecognized.

3.2.4 Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Notes to the Financial Statements

| | Depreciation | Useful Life |
|----------------------------------------|--------------|-------------|
| Buildings | 2% | 50 |
| Plant & Machinery-Light, A/C Equipment | 10% | 10 |
| Plant & Machinery-Other | 5% | 20 |
| Furniture and Equipment | 10% | 10 |
| IT Equipment | 25% | 04 |
| Motor Vehicles | 25% | 04 |

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.3 Intangible Assets

3.3.1 Basis of Recognition

An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

3.3.2 Measurement

The cost of an intangible asset comprises of its purchase price, including any import duties and non-refundable purchase taxes, and any directly attributable expenditure on preparing the asset for its intended use.

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

3.3.3 Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit or loss as incurred.

3.3.4 Amortization

Amortisation is recognized in the statement of profit or loss and other comprehensive income on a straight line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful life for intangible assets held by the Company is as follows:

| | Amortisation | Useful Life |
|-----------------------------------|--------------|-------------|
| Website | 50% | 2 years |
| Improvement of Leasehold property | 10% | 10 years |

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.4 Identification and Measurement of Impairment

3.4.1 Non-derivative financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables (Net balance), the Company applies the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

At each reporting date the Company assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). An impairment loss is calculated as

the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in a provision account.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognised when they are assessed as uncollectible.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in profit or loss.

3.4.2 Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 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 or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

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

3.5 Equity Accounted Investee

Equity accounted investees are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another

entity. Equity accounted investee is accounted for using the equity method. The Financial Statements include the Company's share of income and expenses and equity movements of equity accounted investee from the date that significant influence commences until the date significant influence ceases. When the Company's share of losses exceeds its investment in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has incurred obligations or has made payments on behalf of the investee.

A listing of the Company's equity accounted investees is set out in Note 19 to the Financial Statements.

3.6 Investment Property

Investment properties are those which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value. An external, independent valuation Company, having an appropriate recognized professional qualification and recent experience in the location and category of property being valued, values the portfolio every year. The fair values are based on open market value, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Valuations reflect, where appropriate; the type of tenants actually in occupation or responsible for meeting lease commitments or likely

Notes to the Financial Statements

to be in occupation after letting of vacant accommodation and the market's general perception of their credit-worthiness; the allocation of maintenance and insurance responsibilities between lessor and lessee; and the remaining economic life of the property.

It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases, all notices and where appropriate counter notices have been served validly and within the appropriate time.

Any gain or loss arising from a change in fair value is recognized in profit or loss. Rental income from investment property is accounted for as described in the accounting policy.

When an item or property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognized directly in equity if it is a gain. Upon disposal of the item, the gain is transferred to retained earnings. Any loss arising in this manner is recognized in profit or loss immediately.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

When the Company begins to redevelop an existing investment property for continued future use as investment property, the property

remains an investment property, which is measured based on fair value model, and is not reclassified as property, plant and equipment during the redevelopment.

3.7 Investment Property under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development (development projects) and stated at cost until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property. At the date of transfer, the difference between fair value and cost is recorded as income in profit or loss.

All costs directly associated with the purchase and construction of a property and all subsequent capital expenditure for the development qualifying as acquisition costs are capitalized. Related borrowing costs are recognized in profit or loss as they are incurred.

3.8 Liabilities and Provisions

3.8.1 Dividend payable

Provision for final dividends is recognized at the time the dividend recommended and declared by the Board of Directors, is approved by the shareholders. Interim dividends payable is recognized when the Board approves such dividend in accordance with the Companies Act No. 7 of 2007.

3.8.2 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that

an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.9 Leases

The Company has applied SLFRS 16 using the modified retrospective approach

3.9.1 As a Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease

term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise,

lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.9.2 As a Lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially

all of the risk and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic useful life of the asset.

When the Company is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies sub-lease as an operating lease.

The Company recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of 'revenue'.

Generally, the accounting policies to the Company as a lessor in the comparative period were not different from SLFRS 16.

3.10 Stated Capital - Ordinary Shares

The company's stated capital comprises of ordinary shares, which are classified as equity.

3.11 Employee Benefits

3.11.1 Defined Benefit Plan

Defined Benefit Plan is a post-employment benefit plan other than defined contribution plan. The liability recognized in the statement of financial position in respect of defined

Notes to the Financial Statements

benefit plan is the present value of the defined benefit obligation at the statement of financial position date. The defined benefit obligation is calculated annually by independent actuaries, using projected unit credit method, as recommended by LKAS 19 Employee Benefit. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates that apply to the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability. The assumptions based on which the results of the actuarial valuation were determined are included in the note 25 to the Financial Statements.

This liability is not externally funded and the item is grouped under non-current liabilities in the statement of financial position. However, under the payment of gratuity Act No. 12 of 1983 the liability to an employee arises only on completion of five years of continued service.

The Company recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and expenses related to defined benefit plans in staff expenses in profit or loss.

3.11.2 Defined Contribution Plan

Defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay any further amounts. Obligations for contributions to Employees Provident Fund and Employees Trust Fund covering all employees are

recognized as an expense in the statement of comprehensive income, as incurred.

(a) Employees' Provident Fund
The Company and employees contribute 12% and 8% respectively on the salary of each employee to the Employees' Provident Fund.

(b) Employees' Trust Fund
The Company contributes 3% of the salary of each employee to the Employees' Trust Fund. The total amount recognized as an expense to the Company for contribution to ETF is disclosed in the Note 8 to the financial statements.

(c) Short-Term Benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.12 Commitments and Contingencies

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognized in the Statement of Financial Position but are disclosed unless they are remote.

3.13 Turnover

The turnover of the Company represents the gross rental, service charge, car park income, promotional income, play zone income and sundry income.

3.13.1 Rental Income

Rental income from investment property leased out under operating lease is recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

3.13.2 Service Charge and Car Park Income

Service charge and car park income are recognized on accrual basis in the profit or loss.

3.14 Other Income

3.14.1 Dividends

Dividend income is recognized when the right to receive income is established. Usually this is the ex-dividend date for equity securities.

3.14.2 Others

Other income is recognized on an accrual basis. Net gains and losses of a revenue nature on the disposal of plant and equipment and other non-current assets including investments have been accounted for in profit or loss, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

3.15 Expenses

Expenses are recognized in profit or loss as they are incurred, in the period to which they relate on an accrual basis.

3.16 Finance Costs

Finance costs comprise of interest expense on borrowings, interest on lease liabilities, interest on overdrafts and other charges.

3.17 Taxation

3.17.1 Current taxes

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

3.17.2 Deferred Taxation

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

temporary differences on the initial recognition of assets or liabilities in a transaction that:

is not a business combination; and at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;

temporary differences related to investments in subsidiaries, associates and joint arrangements

to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3.17.4 Offsetting of Tax Assets and Liabilities

Current and deferred tax assets and liabilities are offset only to the extent that they relate to income taxes imposed by the same taxation authority, there is a legal right and intentions to settle on a net basis and it is allowed under the tax law.

3.18 Earnings per Share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the

profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.19 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "Indirect Method" of preparing Cash Flows in accordance with the Sri Lanka Accounting Standard 07 - Statement of Cash Flows. Cash and cash equivalents include notes and coins on hand, balances with banks.

3.20 Events occurring after the Reporting Period

All material events after the reporting date have been considered and where appropriate, adjustments or disclosures have been made in respective Notes to the financial statements.

3.21 Comparative information

Comparative information has been reclassified to conform to the current year's presentation, where necessary. Except when a standard permits or requires otherwise, comparative information is disclosed in respect of the previous period. Where the presentation or classification of items in the financial statements are amended, comparative amounts are reclassified unless it is impracticable.

During 2023, the company has modified the classification of Interest Expenses of Lease Liabilities to reflect more appropriately the way in which economic benefits are derived from its use. Comparative amounts in the statement of profit or Loss and OCI were reclassified for consistency. As a result, Rs. 6,662 thousand was reclassified from 'administrative expenses' to 'Finance expenses'.

Notes to the Financial Statements

4. DIRECTORS' RESPONSIBILITY STATEMENT

Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

5. NEW AND AMENDED STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

The Institute of Chartered Accountants of Sri Lanka has issued a number of new amendments to Sri Lanka Accounting Standards (SLFRSs/ LKASs) that are effective for annual periods beginning after the current financial year. Accordingly, the Company has not early adopted them in preparing these financial statements.

The following amended standards are not expected to have a significant impact on the Company's financial statements.

Classification of liabilities as current or non-current and Noncurrent liabilities with covenants (Amendments to LKAS 1)

The amendments aims to clarify the requirements on determining whether a liability is current or non-current, and require new disclosures for non-

current liabilities that are subject to future covenant. The amendments apply for annual reporting period beginning on or after 1 January 2024. The amendments in classification of liabilities as current or noncurrent (Amendments to LKAS 01) affect only the presentation of liabilities in the statement of financial position not the amount or timing of recognition of any asset, liability, income or expenses or the information that entities disclose about those item.

Supplier finance arrangements (Amendments to LKAS 7 and SLFRS 7)

The amendments introduce new disclosures relating to supplier financed arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk. The amendments apply for annual reports beginning on or after 1 January 2024.

Lease liability in a sale and leaseback (Amendments to SLFRS 16)

The amendment is intended to improve the requirements for sale and leaseback transactions in SLFRS 16. It does not change the accounting for leases unrelated to sale and leaseback transactions. The amendment applies retrospectively to annual reporting periods beginning on or after 1 January 2024.

Lack of exchangeability (Amendment to LKAS 21)

The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of

information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments apply to annual reporting periods beginning on or after 1 January 2025.

For the following Standards the impact is yet to be assessed by the Company.

General requirements for disclosure of sustainability-related financial information (SLFRS S1) and Climate-related disclosures (SLFRS S2)

In June 2023 the International Sustainability Standards Board (ISSB) released its first two sustainability disclosure standards, IFRS S1 and IFRS S2. During the year, CA Sri Lanka issued the localised standards based on these IFRSs designated as SLFRS S1 SLFRS S2. These standards will become effective for the Group from 1 April 2025. No financial impact is expected on the Group except for additional disclosures.

| For the Year ended 31st March | 2024 Rs. '000 | 2023 Rs. '000 |
|--------------------------------------------------------------------------------------------------------------|------------------|------------------|
| 6. Revenue | | |
| Rental Income | 301,018 | 198,267 |
| Service Charges | 119,246 | 108,872 |
| Car Park Income | 16,612 | 15,997 |
| Promotional Income | 2,370 | 8,075 |
| Play Zone Income | 24,948 | 17,629 |
| Sundry Income | 3,478 | 632 |
| | 467,672 | 349,472 |
| 7. Other Income | | |
| Change in Fair Value of Short Term Investments (Note 22) | 13,666 | 18,668 |
| Bad & Doubtful Debts provision Reversal | - | 10,365 |
| Profit on Disposal of PPE | - | 3,818 |
| | 13,666 | 32,851 |
| 8. Personnel Cost | | |
| Salaries and Wages | 97,845 | 63,855 |
| Contribution to Employees Provident Fund | 9,925 | 6,660 |
| Contribution to Employees Trust Fund | 2,481 | 1,768 |
| Provision for Staff Retirement Benefits | 13,442 | 9,813 |
| Other | 15,430 | 12,630 |
| | 139,123 | 94,726 |
| 9. Results from Operating Activities | | |
| Results from operating activities are stated after deducting all operating expenses including the following: | | |
| Directors Fees | 5,183 | 9,811 |
| Audit Fees | 793 | 708 |
| Legal & Secretarial Fees | 2,609 | 2,042 |
| Professional Fees | 683 | 505 |
| 10. Net Finance Cost | | |
| Finance expenses | | |
| Interest on Bank Overdraft | 7,678 | 10,432 |
| Interest on loans | 10,831 | 14,444 |
| Interest on Lease Liabilities (Note 15.2) | 7,158 | 6,662 |
| | 25,667 | 31,538 |

Notes to the Financial Statements

11. Income Tax Expense

11.1 Tax recognized in the Statement of Comprehensive Income

| For the Year ended 31st March | 2024 Rs. '000 | 2023 Rs. '000 |
|--------------------------------------------|------------------|------------------|
| a) Current Tax (Note 11.2) | | |
| Current Year | - | - |
| | - | - |
| b) Deferred Tax Expense (Note 26.1) | | |
| Origination of Temporary Differences | 311,758 | 272,081 |
| | 311,758 | 272,081 |
| Total Tax Expense | 311,758 | 272,081 |

11.2 Reconciliation of Accounting Profit and Taxable Income

| | | |
|---------------------------------------------|----------------|----------------|
| Profit Before Tax | 1,040,064 | 220,499 |
| Disallowable Expenses | 50,240 | 36,971 |
| Allowable Expenses | (70,893) | (100,580) |
| Income from other sources | | - |
| Change in Fair Value of Investment Property | (1,023,378) | (162,821) |
| Business Income | (3,967) | (5,931) |
| Income from Other Sources | - | - |
| Statutory Income | (3,967) | (5,931) |
| Assessable Income | (3,967) | (5,931) |
| Less: Deductions | - | - |
| Total Taxable Income | (3,967) | (5,931) |
| Tax Expense | - | - |
| Total Tax Expense | - | - |
| Effective Tax Rate | 30% | 30% |

Income tax and Deferred tax have been provided as per the new rate of 30% legislated by the Inland Revenue (Amendment) Act No 45 of 2022 (2022/23-30%).

Surcharge Tax Act No. 14 of 2022 was enacted on 8 April 2022 and is applicable to the CT Holdings Group as the collective taxable income of companies belonging to the Group, calculated in accordance with the provisions of the Inland Revenue Act No. 24 of 2017, exceeds Rs. 2,000 million, for the year of assessment 2020/2021. The liability is computed at the rate of 25 per cent on the taxable income of the individual Group companies, net of dividends from subsidiaries and deemed to be an expenditure in the financial statements in the year of assessment which commenced on 1 April 2020.

| | 2024 Rs. '000 | 2023 Rs. '000 |
|------------------------------------|------------------|------------------|
| 11.3 Tax Losses | | |
| Tax Loss Brought Forward | 163,832 | 159,312 |
| Adjustments related to prior years | (4,539) | (1,411) |
| Tax Losses for the year | 3,967 | 5,931 |
| | 163,260 | 163,832 |

12. Earnings/(Loss) per Share

The calculation of the Earnings/(Loss) per share is based on the profit/(loss) attributable to ordinary shareholders of the company divided by the weighted average number of ordinary shares in issue during the year.

| | 2024 | 2023 |
|------------------------------------------------------------------------------|---------|--------|
| Profit/(Loss) attributable to ordinary shareholders of the company(Rs. '000) | 728,304 | 51,582 |
| Weighted Average no. of Ordinary Shares (Nos. '000) | 81,250 | 81,250 |
| Earnings/(Loss) per share (Rs.) | 8.96 | (0.64) |
| Diluted Earnings/(Loss) per Share is same as computed above. | | |
| Weighted Average no. of Ordinary Shares: | | |
| Issued ordinary shares (Nos.'000) | 81,250 | 81,250 |
| Effect of shares issued during the year | - | - |
| Weighted average no. of ordinary shares at year end (Nos.'000) | 81,250 | 81,250 |

13. Dividends per Share

Dividends per share is based on the dividends paid during the year covered by the financial statements. No dividends has been declared or paid during the year or previous year.

14. Property Plant & Equipment

| | Buildings | Furniture & Equipment | IT Equipment | Motor Vehicles | Plant & Machinery | Total 2024 | Total 2023 |
|---------------------------------|-----------|-----------------------|--------------|----------------|-------------------|------------|------------|
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Cost/ Valuation | | | | | | | |
| As at 01st April | 11,222 | 17,135 | 8,510 | 29,929 | 168,752 | 235,548 | 238,048 |
| Additions | - | 21,541 | 880 | - | - | 22,421 | - |
| Disposals | - | - | - | - | - | - | (2,500) |
| As at 31st March | 11,222 | 38,676 | 9,390 | 29,929 | 168,752 | 257,969 | 235,548 |
| Accumulated Depreciation | | | | | | | |
| As at 01st April | 6,305 | 12,031 | 7,107 | 29,929 | 27,480 | 82,852 | 67,520 |
| Charge for the year | 224 | 851 | 1,268 | - | 10,253 | 12,596 | 17,832 |
| Disposals | - | - | - | - | - | - | (2,500) |
| As at 31st March | 6,529 | 12,882 | 8,375 | 29,929 | 37,733 | 95,448 | 82,852 |
| Carrying Value | | | | | | | |
| NBV as at 31/03/2024 | 4,693 | 25,794 | 1,015 | - | 131,019 | 162,521 | - |
| NBV as at 31/03/2023 | 4,917 | 5,104 | 1,403 | - | 141,272 | - | 152,696 |

Property, Plant and Equipment includes fully depreciated assets having a gross carrying value of Rs. 10.24 Mn (2023 - Rs. 5.166Mn) which has been fully depreciated and continue to be in use by the company.

Notes to the Financial Statements

There is no property, plant and equipment pledged by the Company as security for facilities obtained from Banks.

As per the policy, especially due to the prevailing uncertain and volatile macro economic conditions could have on the company assets, the Company reviewed the carrying values of property, plant and equipment as at the reporting date and determined that no impairment is necessary. The Company has evaluated its business continuity plans and is satisfied that all necessary steps have been taken to safeguard its assets.

15. Leases

The leasehold land at No. 12, Station Road, Colombo 04 which is being used as a Car Park by the company was reclassified as a Right to Use Leased Asset with effect from 01st April 2019 in conformity with SLFRS 16.

15.1 Right of Use Assets

| | 2024 Rs. 000 | 2023 Rs. 000 |
|------------------------------------------------------------------|-----------------|-----------------|
| Cost | | |
| Balance as at 01st April | 51,229 | 51,229 |
| Additions during the year | - | - |
| Balance as at 31st March | 51,229 | 51,229 |
| Accumulated Depreciation | | |
| Balance as at 01st April | 10,416 | 8,345 |
| Amortization | 3,492 | 2,071 |
| Balance as at 31st March | 13,908 | 10,416 |
| Carrying amounts | | |
| As at 31 March | 37,321 | 40,813 |
| 15.2 Lease Liabilities | | |
| As at 1st April | 55,540 | 55,494 |
| Expense for the year | 7,158 | 6,662 |
| Payments made during the year | (7,305) | (6,616) |
| As at 31st March | 55,393 | 55,540 |
| Included in the Statement of Financial Position as below; | | |
| Current | 4,041 | 4,460 |
| Non - Current | 51,352 | 51,080 |
| | 55,393 | 55,540 |
| Maturity Analysis - contractual undiscounted cash flows | | |
| Less than one year | 6,947 | 6,616 |
| Upto two years | 10,188 | 13,756 |
| Upto five years | 14,952 | 38,107 |
| More than five years | 88,666 | 69,084 |
| Total undiscounted liabilities as at 31 March | 120,753 | 127,563 |
| 15.3. Amounts recognized in Profit or Loss | | |
| Amortization of Expense Right-of-Use Assets | 3,492 | 2,071 |
| Interest Expense on Lease Liabilities | 7,158 | 6,662 |
| Balance as at 31st March | 10,650 | 8,733 |

15.4 Amounts recognized in Statement of Cash Flows

| | 2024 Rs. 000 | 2023 Rs. 000 |
|-----------------------------------|-----------------|-----------------|
| The total Cash outflow for Leases | (7,305) | (6,616) |
| | (7,305) | (6,616) |

16. Intangible Assets

| | 2024 Rs. 000 | 2023 Rs. 000 |
|---------------------------------|-----------------|-----------------|
| Cost | | |
| Balance as at 01st April | 7,205 | 6,601 |
| Additions | 7,564 | 604 |
| Balance as at 31st March | 14,769 | 7,205 |
| Accumulated Amortization | | |
| Balance as at 01st April | 3,830 | 3,009 |
| Amortization | 3,032 | 821 |
| Balance as at 31st March | 6,862 | 3,830 |
| Carrying amounts | | |
| As at 31 March | 7,907 | 3,375 |

17. Investment Property**17.1 Reconciliation of Carrying Amount**

| | Land | | Building | | Total | |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2024 Rs. 000 | 2023 Rs. 000 | 2024 Rs. 000 | 2023 Rs. 000 | 2024 Rs. 000 | 2023 Rs. 000 |
| As at 01 April | 2,971,425 | 2,673,875 | 1,795,975 | 1,928,722 | 4,767,400 | 4,602,597 |
| Additions | - | - | 6,235 | 1,982 | 6,235 | 1,982 |
| Fair value gain | 1,199,621 | 297,550 | (176,243) | (134,729) | 1,023,378 | 162,821 |
| As at 31 March | 4,171,046 | 2,971,425 | 1,625,967 | 1,795,975 | 5,797,013 | 4,767,400 |

Investment Property comprises a number of commercial units that are leased to third parties and related companies. Each of the leases contains a maximum period of 6 years. Subsequent renewals are negotiated with the lessee. No contingent rents are charged.

In accordance with LKAS 40, a property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the company holds it to earn rentals or for capital appreciation or for both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Changes in fair values are recognised in Statement of Profit or Loss and Other Comprehensive Income

17.2 Measurement of Fair Values**17.2.1 Fair Value Hierarchy**

The carrying amount of investment property is the fair value of property as determined by an external, independent property valuer, having an appropriate recognized professional qualification and recent experience in the location and the category of the property being valued. Fair values were determined having regard to recent market transactions for similar properties in the same location as the company's investment property.

Notes to the Financial Statements

The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The negative pledge has been granted over the property at Majestic City, No.10, Station Road, Colombo 04 as security for an overdraft facility and short term borrowings (refer Note 23 and Note 29).

17.2.2 Valuation Technique

| Location | Extent | Name of the Valuer | Date of Valuation | Market Value Rs. '000 |
|---------------------------------|-------------------------------|-------------------------------------------|-------------------|--------------------------|
| No 10, Station Road, Colombo 04 | 1A-2R-17.25P (70,036 Sqft) | Mr. T Weeraratne (Incorporated Valuer) | 31st March 2024 | 5,797,013 |

| Description Investment Property | Fair Value at 31st March 2024 Rs. '000s | Valuation Technique(s) Rs. '000s | Square Feet / Perch | Unobservable Inputs | Inter-relationship between key Unobservable Inputs |
|---------------------------------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Land | 4,171,046 | Income Approach - This approach is fair and reasonable to estimate the 'FAIR VALUE' of the freehold property | Front Land 0A-2R-35P | Voids - 20%; Annual Out-goings, rates & insurance - 40%; Capitalization - 5.4%; Income per Square Foot According to estimated fair rents for each floor let- table area. | the estimated fair value would increase / decrease if Voids rate was lower / higher, Capitalization rate was higher / lower, Annual outgoings, rates and insurance was lower / higher |
| | | | Rear Land 0A-3R- 22.25P | | |
| Building (1) | 1,625,967 | | Floor Area 277,514 Sq.ft | | |
| | 5,797,013 | | | | |

18. Capital Work-in-Progress

| | 2024 Rs.'000 | 2023 Rs.'000 |
|--------------------------|-----------------|-----------------|
| Balance as at 01st April | 11,808 | - |
| Addition | 1,900 | 11,808 |
| Balance as at 31st March | 13,708 | 11,808 |

19. Investment in Equity Accounted Investee

The Company's investment in its associate is Rs.225.Mn (2023-Rs.225Mn). The following table analyses, in aggregate, the carrying amount and share of profit and OCI of the associate. Company Share of Loss had been accounted upto the value of the Investment which had been fully set off in 2022/23

During the year, the Company did not receive any dividend from its equity accounted investee (2023-Nil). Summary of financial information for the equity accounted investee, is as follows;

| | Aprl-Oct 23 2023 Rs.'000 | Nov 23- Mar 24 2024 Rs.'000 | As at 31 March 2024 Rs.'000 | 2023 Rs.'000 |
|------------------------------------------------------------------|--------------------------------|--------------------------------------|-----------------------------------|-----------------|
| CEYLON THEATRES (PVT) LTD | | | | |
| Ownership | 45% | 26% | 26% | 45% |
| Current Assets | 178,263 | 149,472 | 149,472 | 45,399 |
| Non current Assets | 392,704 | 486,062 | 486,062 | 430,902 |
| Total Assets | 570,967 | 635,534 | 635,534 | 476,301 |
| Current Liabilities | 298,193 | 341,332 | 341,332 | 209,921 |
| Non current Liabilities | 234,998 | 297,654 | 297,654 | 320,388 |
| Total Liabilities | 533,191 | 638,986 | 638,986 | 530,309 |
| Net Assets | 37,776 | (3,452) | (3,452) | (54,008) |
| Income | 416,423 | 194,762 | 611,185 | 448,799 |
| Expenses | (436,986) | (240,886) | (636,746) | (443,395) |
| Total Comprehensive Income/ (Expense) | (20,563) | (46,124) | (25,561) | 5,404 |
| Company Share of Profit/ (Loss) | 9,253 | (11,992) | (6,646) | 2,432 |
| Company Share of Loss Accounted upto the value of the Investment | - | - | - | - |

19.1. During the year ended 31 March 2024, amount due from 'Ceylon Theatres (Private) Limited to CT Holdings PLC and Cargills (Ceylon) PLC have been capitalized by issuing shares at 2.00 per share. Due to this transaction the ownership percentage of CT Land Development was reduced from 45% to 26%.

20. Inventories

| | 2024 Rs.'000 | 2023 Rs.'000 |
|--------------------------------|-----------------|-----------------|
| Stocks of Diesel for Generator | 4,825 | 8,094 |
| | 4,825 | 8,094 |

21. Trade and Other Receivables

| As at 31st March | 2024 Rs. '000 | 2023 Rs. '000 |
|--------------------------|------------------|------------------|
| Trade Receivables | 56,456 | 29,120 |
| Deposits & Advances | 19,030 | 18,350 |
| Other Receivables | 21,258 | 18,959 |
| | 96,744 | 66,429 |
| Provision for impairment | (86) | (86) |
| | 96,658 | 66,343 |

Notes to the Financial Statements

The Company re-evaluated recoverability of trade receivable balances in the light of the prevailing macro economic condition and specific provisions were made where necessary.

Movement of the provision for impairment

| | 2024 Rs. '000 | 2023 Rs. '000 |
|--------------------------------|------------------|------------------|
| As at 01 April | 86 | 10,451 |
| Provision made during the year | - | - |
| Reversal of Provision | - | (10,365) |
| As at 31 March | 86 | 86 |

22. Short-term Investments at FVTPL

| | 2024 | | 2023 | |
|--------------------------|--------------|----------|--------------|----------|
| | No. of units | Rs. '000 | No. of units | Rs. '000 |
| Balance as at 01st April | 4,923 | 70,095 | 7,959 | 101,427 |
| Purchase | - | - | - | - |
| Disposal | (2,671) | (45,000) | (3,036) | (50,000) |
| FV Gain | - | 13,666 | - | 18,668 |
| | 2,252 | 38,761 | 4,923 | 70,095 |

Investment is held at CTCLSA Asset Management Ltd and Interest is earned and cumulated at the prevailing Market rates. The Unit price as at 31st March 2024 is Rs. 17.21 (2023- Rs.14.24)

23. Cash and Cash Equivalents

| | 2024 Rs. '000 | 2023 Rs. '000 |
|----------------------------------------------------------|------------------|------------------|
| Cash and Bank Balances | 84 | 64 |
| Bank Overdrafts | (30,635) | (8,597) |
| Cash and Cash Equivalents in the Statement of Cash Flows | 30,551 | (8,533) |

The Company has obtained Overdraft Facility from Commercial Bank of Ceylon PLC for Rs. 100Mn secured through a the Negative pledge over the property at Majestic City , No.10, Station Road, Colombo 4. Repayable On demand, based on monthly AWPLR+0.75%.

24. Stated Capital

| | No. of Shares '000 | | 2024 | 2023 |
|----------------------------------|--------------------|--------|-----------|-----------|
| | 2024 | 2023 | Rs. '000 | Rs. '000 |
| On Issue as at 01st April | 81,250 | 81,250 | 1,982,500 | 1,982,500 |
| Issued during the year | - | - | - | - |
| Closing balance as at 31st March | 81,250 | 81,250 | 1,982,500 | 1,982,500 |

The holders of ordinary shares are entitled to one vote per individual present at meetings of the shareholders and one vote per share in case of a poll and are also entitled to receive dividends as declared from time to time.

25. Defined Benefit Plans - Gratuity

| | 2024 Rs. '000 | 2023 Rs. '000 |
|----------------------------------------------------------------------|------------------|------------------|
| Liability for Defined Benefit Obligations as at 1st April | 54,422 | 51,473 |
| <i>Included in Profit or Loss:</i> | | |
| Current Service Cost | 2,557 | 2,092 |
| Interest Cost | 10,884 | 7,721 |
| <i>Included in OCI:</i> | | |
| Actuarial (Gain) / Loss immediately recognised | 17,070 | (6,864) |
| Payments during the year | (271) | - |
| Liability for Defined Benefit Obligations as at 31st March | 84,662 | 54,422 |
| 25.1 (a) Amount Recognized in the Statement of Profit /(Loss) | | |
| Current Service Cost | 2,557 | 2,092 |
| Interest Cost | 10,884 | 7,721 |
| Provision for Staff Retirement Benefit (Note 8) | 13,441 | 9,813 |
| 25.1 (b) Amount Recognized in Other Comprehensive Income | | |
| Actuarial (Gain) / Loss arising from; | | |
| - Experience Adjustment | 8,578 | (2,626) |
| - Financial Assumptions | 7,220 | (4,639) |
| - Demographic Assumptions | 1,272 | 401 |
| | 17,070 | (6,864) |

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. The Company determines the net interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Interest expense and other expenses related to defined benefit plans are recognised in the Income Statement.

25.1 (c) Principal Actuarial Assumptions used

The following are the principal actuarial assumptions at the reporting date

The defined benefit obligation liability of the Company is based on an actuarial valuation carried out by Mr. M. Poopalanathan (AIA) of Actuarial & Management Consultants (Pvt) Ltd. an Independent Actuary. The actuarial valuation involves making assumptions about discount rates and future salary increases. Due to the complexity of the valuation and the underlying assumptions and its long term nature, the defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company has considered the impact on the defined benefit obligations due to changes in economic factors as a result of the prevailing macroeconomic conditions, with support of the independent actuarial expert.

Long-term treasury bond rate of 12.00% p.a. has been used to discount future liabilities taking into consideration remaining working life of eligible employees. Further, the salary increment rate of 15% is considered appropriate to be in line with the Company's targeted future salary increments when taking into account the current market conditions and inflation rate.

Notes to the Financial Statements

Due to the discount rate and salary increment rate assumptions used, nature of non-financial assumptions and experience of the assumptions of the company, there is no significant impact to employment benefit liability as a result of prevailing macro-economic conditions

| | 2024 Rs. 000 | 2023 Rs. 000 |
|--------------------------------|-----------------|-----------------|
| Financial Assumptions | | |
| Discount Rate | 11.0% | 20.0% |
| Salary Increment Rate | 15.0% | 15.0% |
| Demographic Assumptions | | |
| Staff Turnover rate | 9% | 3% |
| Retirement Age (Years) | 60 / 70 | 60 / 66 |

Assumptions regarding future mortality are based on the A1967/70 issued by the Institute of Actuaries, London. Weighted average duration for retirement obligation is 3 years (2023-5Years).

25.1 (d) Sensitivity of Assumptions Employed in Actuarial Valuation

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would affect the defined benefit obligation by the amounts shown below.

| Change in Assumption | 31st March 2024 | | 31st March 2023 | |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | Increase Rs. '000 | Decrease Rs. '000 | Increase Rs. '000 | Decrease Rs. '000 |
| Discount Rate (Change by 1%) | (2,171) | 2,313 | (1,763) | 1,885 |
| Salary Increment Rate (Change by 1%) | 2,442 | (2,328) | 2,038 | (1,930) |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another and such methodology has not been changed compared to the previous year

Maturity Analysis of the payments

The following payments are expected on employee benefit liabilities in future years

| | 2024 Rs. 000 | 2023 Rs. 000 |
|---------------------------|-----------------|-----------------|
| Within the next 12 months | 3,789 | 2,049 |
| Between 1-2 Years | 63,586 | 2,055 |
| Between 2-5 Years | 9,121 | 43,768 |
| Between 5-10 Years | 3,467 | 2,547 |
| Beyond10 Years | 4,700 | 4,003 |
| | 84,662 | 54,422 |

26. Deferred Tax Liabilities

| | 2024 Rs. '000 | 2023 Rs. '000 |
|-------------------------------------------|------------------|------------------|
| As at 1 April | 686,844 | 412,705 |
| Recognised in statement of profit or loss | 311,758 | 272,080 |
| Recognised in other comprehensive income | (5,121) | 2,059 |
| As at 31 March | 993,482 | 686,844 |

| As at 31st March | Temporary Difference | | Assets | | Liabilities | | Net Liability | |
|-----------------------------------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2024 Rs.'000 | 2023 Rs.'000 | 2024 Rs.'000 | 2023 Rs.'000 | 2024 Rs.'000 | 2023 Rs.'000 | 2024 Rs.'000 | 2023 Rs.'000 |
| Investment Property-Land | 2,106,823 | 907,202 | - | - | 632,047 | 272,161 | 632,047 | 272,161 |
| Investment Property-Building | 1,363,224 | 1,522,860 | - | - | 408,967 | 456,858 | 408,967 | 456,858 |
| Property,Plant & Equipment | 109,466 | 92,334 | - | - | 32,840 | 27,700 | 32,840 | 27,700 |
| Intangible Assets | (1,341) | 149 | - | - | (402) | 44 | (402) | 44 |
| Defined Benefit Obligations | (84,662) | (54,422) | (25,399) | (16,327) | - | - | (25,399) | (16,327) |
| Bad Debt Provision | - | (86) | - | (26) | - | - | (26) | (26) |
| Lease Liability | (55,394) | (55,541) | (16,618) | (16,662) | - | - | (16,618) | (16,662) |
| ROU Assets | 37,321 | 40,813 | - | - | 11,196 | 12,244 | 11,196 | 12,244 |
| Tax Losses | (163,829) | (163,829) | (49,149) | (49,149) | - | - | (49,149) | (49,149) |
| Net Deferred Tax (Assets) / Liabilities | 3,311,608 | 2,412,496 | (91,166) | (82,164) | 1,084,648 | 769,007 | 993,482 | 686,844 |

26.1 Movement in Deferred Tax balances during year

| | 2024 | | | | 2023 | | | |
|------------------------------|--------------------------|------------------------------|-------------------|--------------------------|--------------------------|------------------------------|-------------------|--------------------------|
| | Balance as at 01st April | Recognized in Profit or Loss | Recognized in OCI | Balance as at 31st March | Balance as at 01st April | Recognized in Profit or Loss | Recognized in OCI | Balance as at 31st March |
| Investment Property-Land | 272,161 | 359,886 | - | 632,047 | 60,963 | 211,198 | - | 272,161 |
| Investment Property-Building | 456,858 | (47,891) | - | 408,967 | 390,875 | 65,983 | - | 456,858 |
| Property,Plant & Equipment | 27,701 | 5,139 | - | 32,840 | 16,946 | 10,755 | - | 27,701 |
| Intangible Assets | 45 | (447) | - | (402) | 44 | 1 | - | 45 |
| Defined Benefit Obligations | (16,326) | (3,951) | (5,121) | (25,398) | (12,353) | (6,032) | 2,059 | (16,326) |
| Bad Debt Provision | (25) | 26 | - | 1 | (2,508) | 2,483 | - | (25) |
| Lease Liability | (16,663) | 44 | - | (16,619) | (13,319) | (3,344) | - | (16,663) |
| ROU Assets | 12,244 | (1,048) | - | 11,196 | 10,292 | 1,952 | - | 12,244 |
| Tax Losses | (49,149) | - | - | (49,149) | (38,235) | (10,914) | - | (49,149) |
| | 686,844 | 311,758 | (5,121) | 993,482 | 412,705 | 272,082 | 2,059 | 686,844 |

Income tax and Deferred tax have been provided as per the new rate of 30% legislated by the Inland Revenue (Amendment) Act No 45 of 2022 with effect from 1st October 2022 (2022/23-30%). The deferred tax charge in the Income Statement includes Rs.311.8 Mn for the Company relating to the tax rate differential. The deferred tax charge in the Other Comprehensive Income statement includes Rs. 5.1 Mn for the Company relating to the tax rate differential.

Notes to the Financial Statements

Deferred tax assets including those related to tax effects of income tax losses and credits available to be carried forward, are recognised only to the extent that it is probable that future taxable profit will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised.

27. Security Deposits

For the year ended 31st March

| | 2024 Rs. '000 | 2023 Rs. '000 |
|-------------------|------------------|------------------|
| Related Companies | 7,526 | 7,032 |
| Others | 185,606 | 160,277 |
| | 193,132 | 167,309 |

28. Deferred Interest

On Security Deposits Received

| | | |
|--|-------|--------|
| | 9,483 | 23,465 |
| | 9,483 | 23,465 |

29. Interest bearing borrowings

As at 01 April

Repayment during the year

As at 31 March

| | | |
|--|----------|----------|
| | 151,874 | 198,110 |
| | (44,424) | (46,236) |
| | 107,450 | 151,874 |

Term Loan liabilities

Payable after one year

Payable within one year

| | | |
|--|---------|---------|
| | 63,026 | 107,450 |
| | 44,424 | 44,424 |
| | 107,450 | 151,874 |

| Facility | Principal Amount (Rs. '000) | Amount Outstanding (Rs. '000) | Security offered |
|------------------------------------------|--------------------------------|----------------------------------|--------------------------------------------|
| Term Loan Facility | 160,000 | 87,282 | General Terms and conditions of Term Loans |
| Term Loan Facility under green financing | 40,000 | 20,168 | General Terms and conditions of Term Loans |
| Total | 200,000 | 107,450 | |

30. Trade & Other Payable

For the year ended 31st March

| | 2024 Rs. '000 | 2023 Rs. '000 |
|-------------------|------------------|------------------|
| Trade Creditors | 23,474 | 13,191 |
| Other Payables | 8,841 | 5,877 |
| Dividends Payable | 10,580 | 10,580 |
| Accrued Expenses | 2,488 | 5,608 |
| | 45,383 | 35,256 |

31. Income Tax (Receivable)/ Payable

| | 2024 Rs. '000 | 2023 Rs. '000 |
|------------------------------------------------|------------------|------------------|
| As at 1st April | 3,058 | 4,168 |
| Less: Withholding tax payments during the year | (14,561) | (1,110) |
| Provision made during the year | - | - |
| As at 31st March | (11,503) | 3,058 |

32. Financial Risk Management

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board consists of seven non-executive directors including four independent directors with wide financial and commercial knowledge and experience.

The Board discharges its governance responsibility through the Board of Directors and the Audit Committee. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Audit Committee is responsible for monitoring compliance with the company's risk management policies and procedures.

Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligation, and arise principally from the company's receivables from customers.

The maximum exposure to credit risk at the reporting date was as follows;

Carrying value

| | 2024 Rs. '000 | 2023 Rs. '000 |
|-----------------------|------------------|------------------|
| Trade Receivables | 56,456 | 29,120 |
| Refundable Deposits | 16,580 | 16,580 |
| Cash at Bank | 5 | 5 |
| Short Term Investment | 38,761 | 70,096 |

Notes to the Financial Statements

Management of Credit Risk

Trade & Other Receivables

The Company has a well-established credit control policy & process to minimize credit risk. Customers are categorized according to segments and credit limits have been fixed as per the security deposits given by the respective customer. Transactions will be started only when the company receives the security deposit from the customers and further invoicing will be accommodated only for the customers whose outstanding balance do not exceed the security deposit.

The Company's exposure to credit risk is influenced mainly by the individual credibility of each tenant.

The Board of Directors has established a credit policy under which each new tenant is analysed individually for creditworthiness. The company's review of each tenant includes review of their business activities and legal ownership for the business

The company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures.

The aging of gross trade receivables at the reporting date are as follows

The movement in the provision for impairment in respect of trade and other receivables during the year was as follows.

| | 2024 Rs. '000 | 2023 Rs. '000 |
|------------------------------------|------------------|------------------|
| Below 31 days | 30,590 | 19,597 |
| 31 - 62 days | 12,320 | 5,569 |
| 63 - 93 days | 7,110 | 2,909 |
| 94 - 124 days | - | 959 |
| Over 125 | 6,437 | 86 |
| | 56,457 | 29,120 |
| As at 1st April | 86 | 10,451 |
| Impairment loss recognised | - | - |
| Bad Debts Written off/ (Reversal) | - | (10,365) |
| As at 31st March | 86 | 85 |

The company believes that the unimpaired amounts that are past due by more than 45 days are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk. Based on the Company's monitoring of customer credit risk, the company believes that, except as indicated above, no impairment allowance is necessary in respect of trade receivables not past due.

Cash & Cash equivalents

The company held cash of Rs.84,441/- as at 31st March 2024 (2023 - Rs.64,450/-).

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including estimated Lesae interest.

The maturity analysis of Liabilities of the Company:

| As at 31 March 2024 | Contractual Cash Flows | | | | | |
|----------------------------------------|------------------------|----------|---------------------|--------------|--------------------------|---------------|
| | Carrying Value | Total | Current Upto 1 year | Upto 2 years | Non Current Upto 5 years | Above 5 years |
| | Rs.'000s | Rs.'000s | Rs.'000s | Rs.'000s | Rs.'000s | Rs.'000s |
| Bank Overdrafts | 30,635 | 30,635 | 30,635 | - | - | - |
| Trade and Other Payables | 32,315 | 32,315 | 32,315 | - | - | - |
| Security Deposit and Deferred Interest | 202,615 | 202,615 | 202,615 | - | - | - |
| Lease Liabilities | 55,394 | 120,753 | 6,947 | 10,188 | 14,952 | 88,666 |
| Interest Bearing Borrowings | 107,450 | 154,696 | 55,208 | 99,488 | - | - |

| As at 31 March 2023 | Contractual Cash Flows | | | | | |
|----------------------------------------|------------------------|---------|---------------------|--------------|--------------------------|---------------|
| | Carrying Value | Total | Current Upto 1 year | Upto 2 years | Non Current Upto 5 years | Above 5 years |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Bank Overdrafts | 8,597 | 8,597 | 8,597 | - | - | - |
| Trade and Other Payables | 19,067 | 19,067 | 19,067 | - | - | - |
| Security Deposit and Deferred Interest | 190,773 | 190,773 | 190,773 | - | - | - |
| Lease Liabilities | 55,541 | 113,321 | 6,809 | 14,656 | 43,551 | 48,306 |
| Interest Bearing Borrowings | 151,874 | 173,680 | 55,208 | 99,488 | 18,985 | - |

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency Risk

Currency risk is the risk that the value of a foreign currency financial instrument will fluctuate due to a change in foreign exchange rates. The Company is not exposed to currency risk on sales and purchases that are dominated in foreign currency other than the Sri Lankan Rupees (LKR)

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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations. The Company 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.

Notes to the Financial Statements

Sensitivity analysis

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

| As at 31st March | 2024 Rs.'000s | 2023 Rs.'000s |
|-------------------|------------------|------------------|
| Finance cost | 18,508 | 24,876 |
| +100 basis points | 8,223 | 46,340 |
| -100 basis points | (5,288) | (7,107) |

Equity Risk

Equity risk is "the financial risk involved in holding equity in a particular investment. The Company wishes to raise additional capital to invest in more diversified investments to mitigate the Equity risk.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to management within the Company. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance when this is effective

Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The company monitors the return on capital, which the company defines as Results from Operating Activities divided by Total Shareholders' Equity. The company also monitors the level of dividends to ordinary shareholders.

The company's debt to adjusted capital ratio at the end of the reporting period was as follows.

| As at 31st March | 2024 Rs.'000s | 2023 Rs.'000s |
|--------------------------------------|------------------|------------------|
| Total liabilities | 1,519,620 | 1,186,363 |
| Less: cash and cash equivalents | (84) | (64) |
| Net debt | 1,519,536 | 1,186,299 |
| Total equity | 4,650,682 | 3,934,325 |
| Net debt to equity ratio at 31 March | 0.33 | 0.30 |

There were no changes in the company's approach to capital management during the year. The Company wishes to raise additional capital to invest in more diversified investments to mitigate the future operational risk.

Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of the financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : Inputs for the assets or liability that are not based on observable market data (unobservable inputs)

| 31st March 2024 | Note | Carrying Amounts (Rs.'000) | | | | Fair Values (Rs.'000) | | | |
|---------------------------------------------------------|------|----------------------------|-------------------|----------------|------------------|-----------------------|--------------------|--------------------|------------------|
| | | FVTPL Rs.'000 | FAMAAC Rs.'000 | OFL Rs.'000 | Total Rs.'000 | Level 1 Rs.'000 | Level 2 Rs.'000 | Level 3 Rs.'000 | Total Rs.'000 |
| Financial Assets Measured at Fair Value | | | | | | | | | |
| Short Term Investments | 22 | 38,761 | - | - | 38,761 | - | 38,761 | - | 38,761 |
| | | 38,761 | - | - | 38,761 | - | 38,761 | - | 38,761 |
| Financial Assets Not Measured at Fair Value | | | | | | | | | |
| Trade and Other Receivables | 21 | - | 96,658 | - | 96,658 | - | - | - | - |
| Cash and Cash equivalents | 23 | - | 84 | - | 84 | - | - | - | - |
| | | - | 96,741 | - | 96,741 | - | - | - | - |
| Financial Liabilities Measured at Fair Value | | | | | | | | | |
| Security Deposits | 27 | - | - | 193,132 | 193,132 | - | - | 193,132 | 193,132 |
| Financial Liabilities Not Measured at Fair Value | | | | | | | | | |
| Trade and Other Payables* | 30 | - | - | 32,315 | 32,315 | - | - | - | - |
| Bank Overdraft/(Secured) | 23 | - | - | 30,635 | 30,635 | - | - | - | - |
| | | - | - | 62,949 | 62,949 | - | - | - | - |

Notes to the Financial Statements

| 31st March 2023 | Note | Carrying Amounts (Rs.'000) | | | | Fair Values (Rs.'000) | | | |
|---------------------------------------------------------|------|----------------------------|-------------------|----------------|------------------|-----------------------|--------------------|--------------------|------------------|
| | | FVTPL Rs.'000 | FAMAAC Rs.'000 | OFL Rs.'000 | Total Rs.'000 | Level 1 Rs.'000 | Level 2 Rs.'000 | Level 3 Rs.'000 | Total Rs.'000 |
| Financial Assets Measured at Fair Value | | | | | | | | | |
| Short Term Investments | 22 | 70,096 | - | - | 70,096 | - | 70,096 | - | 70,096 |
| | | 70,096 | - | - | 70,096 | - | 70,096 | - | 70,096 |
| Financial Assets Not Measured at Fair Value | | | | | | | | | |
| Trade and Other Receivables | 21 | - | 66,344 | - | 66,344 | - | - | - | - |
| Cash and Cash equivalents | 23 | - | 64 | - | 64 | - | - | - | - |
| | | - | 66,408 | - | 66,408 | - | - | - | - |
| Financial Liabilities Not Measured at Fair Value | | | | | | | | | |
| Trade and Other Payables* | 30 | - | - | 19,067 | 19,067 | - | - | - | - |
| Bank Overdraft/(Secured) | 23 | - | - | 8,597 | 8,597 | - | - | - | - |
| Security Deposits | 27 | - | - | 167,308 | 167,308 | - | - | 167,308 | 167,308 |
| | | - | - | 194,972 | 194,972 | - | - | 167,308 | 167,308 |

During the year there were no any transfers between the levels.

* Accrued Expenses that are not Financial Liabilities are not included

FVTPL - Fair Value through Profit or Loss

FVTOCI - Fair Value Through OCI

FAMAAC - Financial Assets measured at Amortized Cost

OFL - Other Financial Liabilities

33. Related Party Transactions

Parent and the Ultimate Controlling Party

The Company is a subsidiary of C T Holdings PLC, the ultimate parent, which owns 67.9% of the controlling interest of the Company.

33.1 Transactions, Arrangements and Agreements involving Key Management Personnel (KMP) and their close family members(CFM);

According to Sri Lanka Accounting Standard 24 - Related Party Disclosures, Key Management Personnel are those having authority for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors has been classified as Key Management Personnel of the Company.

Close Family Members (CFM) of a KMP are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity. They may include;

- the individual's domestic partner and children;
- children of the individual's domestic partner; and
- dependents of the individual or the individual's domestic partner

CFM are related parties to the entity. There were no transactions other than those disclosed below with CFM during the year

The following Directors are Directors of CT Holdings PLC as well.

Mr. L. R. Page

Mr. J.C.Page

Mr. A.T.P. Edirisinghe

Mr. S. C. Niles

a. Loans given to Key Management Personnel

There are no loans given to Directors or Key Management Personnel during the year.

b. Key Management Personnel compensation for the period comprised of the following.

| | 2024 Rs.'000s | 2023 Rs.'000s |
|------------------------------|------------------|------------------|
| Short term employee benefits | 69,582 | 42,962 |
| | 69,582 | 42,962 |

c. Key Management Personnel and Directors transactions

Directors of the company control 7.16% (2023-7.16%) of the voting shares of the company.

A number of key management personnel and their related parties hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

A number of these entities transacted with the Company during the year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel of related entities on an arm's length basis.

There are no other transactions and outstanding balances with key management personnel except for the items mentioned in Note No. 33.1(b).

Notes to the Financial Statements

33.2 The aggregate value of transactions and outstanding balances related to Related Parties are as follows.

| Parties Accommodated | Relationship | Transaction | Transaction Value for the year ended 31st March | | | | Balance outstanding as at 31st March Due From / (Due To) | |
|-------------------------------------|---------------|--------------------------|-------------------------------------------------|-----------------------|-----------------|-----------------------|----------------------------------------------------------|-----------------|
| | | | 2024 Rs.'000 | % of Total Revenue | 2023 Rs.'000 | % of Total Revenue | 2024 Rs.'000 | 2023 Rs.'000 |
| Ceylon Theatres (Pvt) Ltd | Group Company | Rental & Service Charges | 32,443 | 8% | 17,977 | 5% | 11,599 | 6,538 |
| | | Security Deposit | - | - | - | 0.0% | (2,011) | (2,011) |
| CT CLSA Securities (Pvt) Ltd | Group Company | Rental & Service Charges | 18,420 | 4% | 13,326 | 1% | 63 | 43 |
| | | Security Deposit | - | - | - | - | (1,161) | (780) |
| CT CLSA Capital (Pvt) Ltd | Group Company | Rental & Service Charges | 2,562 | 0.6% | 2,104 | 0.3% | - | - |
| | | Security Deposit | - | - | - | - | (190) | (128) |
| Comtrust Asset Management (Pvt) Ltd | Group Company | Rental & Service Charges | 3,566 | 0.8% | 3,981 | 0.6% | 28 | 25 |
| | | Security Deposit | - | - | - | - | (264) | (295) |
| | | Income from Investment | 13,666 | - | 18,668 | - | - | - |
| | | Short Term Investment | (45,000) | - | (50,000) | - | 38,761 | 70,096 |
| CT CLSA Holdings Ltd | Group Company | Rental & Service Charges | 3,128 | 0.7% | 4,101 | 0.7% | 12 | 22 |
| | | Security Deposit | - | - | - | - | (232) | (334) |
| Cargills Foods Co. (Pvt) Ltd | Group Company | Rental & Service Charges | 29,575 | 7.0% | 40,180 | 4.2% | (723) | 669 |
| | | Security Deposit | - | - | - | - | (2,407) | (2,249) |
| Cargills Food Processors (Pvt) Ltd | Group Company | Rental & Service Charges | 35,316 | 8.4% | 32,971 | 2.4% | 2,536 | 447 |
| | | Security Deposit | - | - | - | - | (1,261) | (1,234) |
| Millers Ltd | Group Company | Services Provided | 271 | - | 465 | - | 23 | (49) |

The rental and service charges are from the related parties who have occupied the investment property. The terms and conditions of the Related Party transactions are general terms applicable to all tenants taking into consideration factors such as the long term nature of the occupancy, the extent and location of the area occupied and the ability of the entity concerned to attract customers into the complex.

34. Litigation and Claims

There is no litigation and no claims against the Company as at the reporting date.

35. Employee and Industrial Relations Issues

There are no Employee and Industrial Relations Issues as at the reporting date.

36. Assessment of Going Concern

The Financial Statements of CT Land Development PLC for the year ended 31 March 2024, have been prepared on the basis that the Company is a going concern.

Based on the prevailing information, the management has considered the consequences of the uncertainty faced by the country and, whilst these challenges would have a bearing on the inflation, space rental demand and supply chain, Company has adapted strategies to mitigate its impact and does not contemplate a significant doubt upon the entity's ability to continue as a going concern

37. Events after the reporting date

No circumstances have arise since the reporting date which would require adjustments to or disclosure in the Financial Statements other than those disclosed in the financial statement.

38. Commitments

A Corporate Guarantee of Rs.25,000,000 has been given by the Company to Commercial Bank of Ceylon PLC, for granting the banking facilities to Ceylon Theatres (Pvt) Ltd.

39. Contingent Liabilities

Contingent Liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be readily measured as defined in the Sri Lanka Accounting Standard - LKAS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed unless its occurrence is remote.

The Deputy Commissioner of Inland Revenue has made an additional assessment of Income Tax for the year ended 31st March 2018 of Rs. 60.5 Mn on the company and also imposed a penalty of Rs. 29.6 Mn by considering the difference between the total value of credits in the Company's Bank current account and the declared revenue as undeclared revenue. The Company's Financial Statements have been prepared on an accruals basis as per generally accepted

Notes to the Financial Statements

accounting principles and have been duly audited and reported on by the Auditors. The declared revenue of the Company according to its Financial Statements is accurate and the assumption made by the Deputy Commissioner that all deposits other than fund transfers need to be considered as revenue cannot be accepted. A full reconciliation between the Company's declared revenue and the total value of deposits credited to our Bank Account has been carried out and included in an appeal made to the CGIR through its Tax Consultants. The Appeal is still pending due to the department's frequent internal replacements of Assessors.

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Company's control. There were no material contingencies outstanding as at the reporting date that require adjustment to or disclosure in the Financial Statements other than the following Guarantee given to the company.

No adjustments have been made in the Financial Statements in this regard as the management of the Company believes that there is no likelihood of an unfavourable outcome.

Statement of Value Added

| Year ended 31st March | 2024 | | 2023 | | 2022 | |
|--------------------------------------------------------|------------|------------------|------------|----------------|------------|----------------|
| | % of Total | Rs. '000 | % of Total | Rs. '000 | % of Total | Rs. '000 |
| Creation of Value Added | | | | | | |
| Revenue | | 467,672 | | 349,472 | | 146,783 |
| Operating Expenses | | (280,742) | | (184,318) | | (148,644) |
| Value Added from Operations | | 186,931 | | 165,154 | | (1,861) |
| Other Income | | 13,666 | | 32,851 | | 3,127 |
| Change in Fair Value of Investment Property | | 1,023,378 | | 162,821 | | 180,641 |
| Share of Profit/(Loss) of Equity Accounted Investee | | - | | - | | (41,848) |
| Total Value Added | | 1,223,975 | | 360,826 | | 140,059 |
| Distribution of Value Added | | | | | | |
| To Associates | | | | | | |
| Salaries, Wages and related costs | 11.37 | 139,123 | 26.25 | 94,726 | 60.82 | 85,183 |
| To Government | | | | | | |
| as Income Taxes | - | - | - | - | - | - |
| as Deferred Taxes | 25.47 | 311,758 | 75.40 | 272,081 | 22.23 | 31,133 |
| | | 311,758 | | 272,081 | | 31,133 |
| To Lenders of Capital | | | | | | |
| as Interest | 2.10 | 25,667 | 6.89 | 24,876 | 12.06 | 16,894 |
| To Shareholders | | | | | | |
| as Dividends | - | - | - | - | - | - |
| Retained for Growth | | | | | | |
| Depreciation | 1.56 | 19,121 | 5.74 | 20,725 | 17.00 | 23,813 |
| Retained Earnings | 59.50 | 728,306 | (14.29) | (51,582) | (12.11) | (16,964) |
| | | 747,427 | | (30,857) | | 6,849 |
| | 100.00 | 1,223,975 | 100.00 | 360,826 | 100.00 | 140,058 |

Shareholder and Investor Information

1. STOCK EXCHANGE LISTING

The issued ordinary shares of CT Land Development PLC are listed with the Colombo Stock Exchange.

2. DISTRIBUTION OF SHAREHOLDINGS

| Size of shareholding | 31st March 2024 | | | | 31st March 2023 | | | |
|----------------------|-----------------|-------------|-------------------|-------------|-----------------|-------------|-------------------|-------------|
| | Shareholders | | Holdings | | Shareholders | | Holdings | |
| | Number | % | Number | % | Number | % | No. | % |
| 1-1,000 | 1615 | 63.4% | 433,392 | 0.5% | 1,606 | 62.6% | 438,391 | 0.5% |
| 1,001-10,000 | 755 | 29.6% | 2,326,670 | 2.9% | 776 | 30.3% | 2,371,847 | 2.9% |
| 10,001-100,000 | 151 | 5.9% | 3,760,025 | 4.6% | 156 | 6.1% | 3,736,414 | 4.6% |
| 100,001-1,000,000 | 21 | 0.8% | 6,418,116 | 7.9% | 22 | 0.9% | 6,583,678 | 8.1% |
| 1,000,001-Over | 5 | 0.2% | 68,311,797 | 84.1% | 5 | 0.2% | 68,119,670 | 83.8% |
| | 2,547 | 100% | 81,250,000 | 100% | 2,565 | 100% | 81,250,000 | 100% |

3. ANALYSIS OF SHAREHOLDERS

| | 31st March 2024 | | | | 31st March 2023 | | | |
|---------------|-----------------|-------------|-------------------|-------------|-----------------|-------------|-------------------|-------------|
| | Shareholders | | Holdings | | Shareholders | | Holdings | |
| | Number | % | Number | % | Number | % | No. | % |
| Individuals | 2,429 | 95% | 11,978,804 | 15% | 2,446 | 95% | 69,179,207 | 85% |
| Institutional | 118 | 5% | 69,271,196 | 85% | 119 | 5% | 12,070,793 | 15% |
| | 2,547 | 100% | 81,250,000 | 100% | 2,565 | 100% | 81,250,000 | 100% |

| | 31st March 2024 | | | | 31st March 2023 | | | |
|---------------|-----------------|-------------|-------------------|-------------|-----------------|-------------|-------------------|-------------|
| | Shareholders | | Holdings | | Shareholders | | Holdings | |
| | Number | % | Number | % | Number | % | No. | % |
| Non Residents | 45 | 2% | 1,213,197 | 1% | 45 | 2% | 1,142,994 | 1% |
| Residents | 2,502 | 98% | 80,036,803 | 99% | 2,520 | 98% | 80,107,006 | 99% |
| | 2,547 | 100% | 81,250,000 | 100% | 2,565 | 100% | 81,250,000 | 100% |

4. TOP 20 SHAREHOLDERS

The holding of top 20 shareholders as at 31st March 2024 is given below

| As at | 31st March 2024 | | 31st March 2023 | |
|---------------------------------------------------|-------------------|-------------|-------------------|-------------|
| | Number of shares | % | Number of shares | % |
| 1 C T Holdings PLC | 55,139,348 | 67.9% | 55,139,348 | 67.9% |
| 2 Seylan Bank PLC/Senthilverl Holdings (Pvt) Ltd | 6,717,277 | 8.3% | 6,525,150 | 8.0% |
| 3 Sampath Bank PLC/Dr. T. Senthilverl | 4,346,725 | 5.3% | 4,346,725 | 5.3% |
| 4 Mr. A.A. Page | 1,090,440 | 1.3% | 1,090,440 | 1.3% |
| 5 Mr. J.C. Page | 1,018,007 | 1.3% | 1,018,007 | 1.3% |
| 6 Tudawe Brothers Limited | 835,175 | 1.0% | 835,175 | 1.0% |
| 7 Merrill J Fernando & Sons (Pvt) Limited | 654,225 | 0.8% | 654,225 | 0.8% |
| 8 Mrs. T. Selvaratnam | 626,355 | 0.8% | 626,355 | 0.8% |
| 9 Mrs. Cecillia Page | 672,507 | 0.8% | 460,007 | 0.6% |
| 10 Mr. S. N. D. Abeyagunawardene | 528,000 | 0.6% | 432,816 | 0.5% |
| 11 Mrs. J.N. Mather | 451,030 | 0.6% | 451,030 | 0.6% |
| 12 Mr. L.R. Page | 447,478 | 0.6% | 447,478 | 0.6% |
| 13 Mrs. M. M Page | 200,000 | 0.2% | 400,000 | 0.5% |
| 14 Late Mr. P.G.K. Fernando | 274,415 | 0.3% | 274,415 | 0.3% |
| 15 Merchant Bank of Sri Lanka- C. Sathkumara | 255,212 | 0.3% | 320,212 | 0.4% |
| 16 Bank of Ceylon A/c Ceybank Century Growth Fund | 188,354 | 0.2% | 188,354 | 0.2% |
| 17 Orit Apparels Lanka (Pvt) Ltd. | 166,667 | 0.2% | 166,667 | 0.2% |
| 18 Mr. G.C. Goonetilleke | 153,357 | 0.2% | 153,357 | 0.2% |
| 19 Mr. J D Bandaranayake | 265,624 | 0.3% | 133,812 | 0.2% |
| 20 B. P. De Silva Ceylon Ltd. | 126,900.00 | 0.2% | 126,900 | 0.2% |
| 21 Dr. A.C. Visvalingam | - | - | 164,952 | 0.2% |
| 22 Mrs. V. R. Jayasinghe | - | - | 140,284 | 0.2% |
| | 74,157,096 | 91.3% | 74,095,709 | 91.2% |
| Other Shareholders | 7,092,904 | 8.7% | 7,154,291 | 8.8% |
| | 81,250,000 | 100% | 81,250,000 | 100% |

Shareholder and Investor Information

5. SHARE VALUATION

The market value of each Ordinary share on 31st March 2024 was Rs.23.00 (2023 - Rs. 27.10) the highest and lowest values recorded during the year ended 31st March 2024 were Rs.28.50 and Rs. 20.20 respectively. The highest value was recorded on 05th September 2023 and the lowest value was recorded on 07th June 2023.

6. Share Trading

| For the year ended 31st March | 2024 | 2023 |
|-------------------------------|------------|------------|
| No. of Transactions | 1,546 | 820 |
| No. of Shares Traded | 1,065,216 | 1,236,979 |
| Value of Shares Traded (Rs.) | 25,391,898 | 30,780,296 |

7. Dividends

The Directors have not recommended a Dividend for the year ended 31st March 2024

8. Public Holding

The percentage of shares held by the public and number of public shareholders as at 31st March 2024 are 15.56% (2023-16.06%) and 2,536 (2023 - 2,554) respectively.

The Float adjusted Market Capitalization of the Company as at 31st March 2024 was Rs. 290.8 Mn (2023 - Rs.353.6Mn).

According to the Minimum Listing Requirements of the Diri Savi Board of the CSE on which the company is listed, the public holding % should be 10% and the number of shareholders should be 200. The company is in compliance with these requirements as per Option 2 of clause 7.13.1 (b).

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty First Annual General Meeting of the Company will be held at the Institute of Chartered Accountants of Sri Lanka, No. 30A, Malalasekara Mawatha, Colombo 07 on Thursday, 01st August 2024 at 11.30 a.m.:

1. To receive and consider the Report of the Directors and the Statement of Accounts for the year ended 31st March 2024 with the Report of the Auditors thereon.
2. To re-elect Mr. V.R. Page who is due to retire by rotation and is eligible for re-election.
3. To re-elect Mr. P.P. Edirisinghe who is due to retire by rotation and is eligible for re-election.
4. To re-elect Mr. L.R. Page who is 74 years of age as a Director.

“Resolved that Mr. Louis Page, a retiring Director, who has attained the age of seventy four years be and is hereby reappointed a Director of the Company and it is hereby declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the appointment of the said Director”

5. To re-elect Dr. T. Senthilverl who is 78 years of age as a Director.

“Resolved that Dr. T. Senthilverl, a retiring Director, who has attained the age of seventy eight years be and is hereby reappointed a Director of the Company and it is hereby declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the appointment of the said Director”

6. To authorise the Directors to determine the remuneration of the Auditors, Messrs. KPMG, who are deemed reappointed as auditors at the General Meeting of the Company in terms of Section 158 of the Companies Act No. 7 of 2007.

The Annual Report and Financial Statements of the Company for the year ended 31st March 2024 are available on the:

- Corporate Website: https://www.majesticcity.lk/doc/CTLand_AR_2023-2024.pdf
- The Colombo Stock Exchange: <https://www.cse.lk/home/company-info/CTLD.N0000/financial>

The said Annual Report and Financial Statements of CT Land Development PLC for 2023/24 can also be accessed by scanning the following QR code.



Should Members wish to obtain a hard copy of the Annual Report 2023/24, they may send a request to the Company by filling the Form of Request attached to the Form of Proxy. A printed copy of the Annual Report will be forwarded by the Company within eight (8) market days, subject to the prevailing circumstances at the time, from the date of receipt of the request.

For clarification on how to download and/or access the Annual Report and Financial Statements, please contact:

Ms. Saku Perera on 074060220 during normal office hours (8.30 a.m. to 5.00 p.m.)

By order of the Board,



Charuni Gunawardana
Secretary

Colombo
10th July 2024

Notice of Annual General Meeting

Notes:

- a. Members are encouraged to vote by Proxy through the appointment of the Chairman of the Board of Directors of the company to represent them and vote on their behalf. Shareholders are advised to complete the Form of Proxy and indicate their voting preferences on the specified resolutions to be taken up at the Meeting and submit the same to the company in accordance with the instructions given on the reverse of the Form of Proxy.
- b. A member is entitled to appoint a proxy to attend and vote at the meeting in his or her stead and the proxy need not be a member of the Company.
- c. A Form of Proxy is enclosed for this purpose.
- d. In the event the Company is required to take any further action in relation to the Meeting in the best interests of the attendees in the context of any communication, guidelines, directives or orders issued by the Government of Sri Lanka, Notice of such action shall be given by way of additional announcements made to the Colombo Stock Exchange.

Form of Proxy

For use at the Forty First Annual General Meeting

I/We.....

 of being a Member/Members of CT Land Development PLC hereby appoint
 of
 whom failing of
 or failing him/her the Chairman of the Meeting as
 my/our proxy to represent me/us and to vote on my/our behalf at the Forty First Annual General Meeting of the Company
 to be held on 1st August 2024 and at any adjournment thereof and at every Poll which may be taken in consequence
 thereof in the manner indicated below.

Ordinary Resolutions (The resolutions are as indicated in the Notice of Meeting in the Annual Report)

| Resolution No. | 1 | 2 | 3 | 4 | 5 | 6 |
|----------------|---|---|---|---|---|---|
| For | | | | | | |
| Against | | | | | | |

.....
 Signature of Shareholder (s)

.....

Date

Notes:

- a. Strike out whichever is not desired.
- b. Instructions as to completion are set out on the reverse hereof.
- c. A Proxy holder need not be a member of the company.
- d. Please indicate how you wish your vote to be cast by placing an "X" in the space provided. If no indication is given, or if there is in the view of the proxy holder, any doubt (by reason of the manner in which the instructions contained in the Proxy have been completed) as to the way in which the Proxy Holder should vote, the Proxy Holder in his/her discretion may vote as he/she thinks fit.

Form of Proxy

INSTRUCTIONS AS TO COMPLETION OF THE FORM OF PROXY:

1. To be valid, the completed Form of Proxy should be deposited at the Registered Office of the company at No. 10, Station Road, Colombo 04 or electronic document with e-signature or scan of the signed document emailed to info@majesticcity.lk, with the subject title "CTLD-AGM 2024" not less than 48 hours before the time appointed for holding the meeting.
2. In perfecting the form, please ensure that all details are legible. If you wish to appoint a person other than the Chairman as your Proxy, please fill in your full name and address and the name and address of the Proxy holder and sign in the space provided and fill in the date of the signature.
3. The instrument appointing a Proxy shall, in the case of an individual, be signed by the appointer or by his Attorney and in the case of a limited liability company must be executed under its Common Seal or in such other manner prescribed by its Articles of Association or other constitutional documents.
4. If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy, if it has not already been registered with the Company.
5. In the case of joint holders, only one needs to sign. The votes of the senior holder who tenders a vote will alone be counted.
6. In the case of non-resident Shareholders, the stamping will be attended to upon return of the completed form of proxy to Sri Lanka.

Corporate Information

Legal Form

A Quoted Public Company with Limited liability incorporated under the Companies Act No. 17 of 1982 on 09th March 1983 and re-registered under the Companies Act No. 07 of 2007.

Registration No.

PQ 159

Registered Office

10, Station Road, Colombo 4
Phone: +94112508673/4
Fax: : +94112592427
Email: info@majesticcity.lk
Web:www.majesticcity.lk

Board of Directors

Mr. L R Page (Chairman)
Mr. J C Page (Deputy Chairman/Managing Director)
Mr. A J D Selvanayagam (Senior Independent Director)
Mr. A T P Edirisinghe
Mr. R Selvaskandan
Mr. S C Niles
Mr. V R Page
Dr. T Senthilverl
Mr. P. P. Edirisinghe
Mr. H. A. S. Madanayake

Company Secretary / Legal Consultant

Ms. Charuni Gunawardana

Management

Mr. J C Page (Deputy Chairman/Managing Director)
Mr. Udaya Jayasooriya (General Manager/ Engineer)
Ms. W A Y P Wijesinghe (Finance Manager)
Mr. A.C. Hewage (Accounts Manager- Tenant Relationship)

Holding Company

C T Holdings PLC

Audit Committee

Mr. P P Edirisinghe (Chairman)
Mr. R Selvaskandan
Mr. A.T.P. Edirisinghe

Remuneration Committee

Mr. L R Page (Chairman)
Mr. A T P Edirisinghe
Mr. R Selvaskandan

Related Party Transactions Review Committee

Mr. P P Edirisinghe (Chairman)
Mr. R Selvaskandan
Mr. A T P Edirisinghe

Auditors

KPMG
Chartered Accountants

Tax Consultants

KPMG
Chartered Accountants

Bankers

Cargills Bank Ltd
Commercial Bank of Ceylon PLC

Stock Exchange Listing

Colombo Stock Exchange



CT LAND DEVELOPMENT PLC