



ANNUAL REPORT

24 - 25

CONTENTS

Group Highlights	01
Chairman's Review.....	02
Board of Directors.....	03
Management Discussion and Analysis.....	06
Corporate Governance	10
Report of the Remuneration Committee	20
Report of the Nomination and Governance Committee	21
Report of the Board Audit Committee.....	22
Report of the Related Party Transactions Review Committee.....	24
Annual Report of the Board of Directors.....	26
Statement of Directors' Responsibilities.....	31
Independent Auditor's Report.....	32
Consolidated Statement of Comprehensive Income	38
Consolidated Statement of Financial Position	39
Consolidated Statement of Changes in Equity	40
Consolidated Statement of Cash Flows	41
Notes to the Financial Statements	42
Ten Year Summary.....	78
Investor Information	79
Notice of Meeting.....	81

GROUP HIGHLIGHTS

	2024/25	2023/24
Results for the year (Rs. Mn)		
Group revenue	1,753	1,402
Profit from operations	181	155
Profit before tax	150	136
Profit attributable to equity holders of the Company	103.4	90.5
As at 31st March		
Total Assets (Rs Mn)	1,196	802
Total Liabilities (Rs Mn)	643	341
Current Ratio (times)	1.64	1.63
Return on Equity (%)	18.6	19.6
Per share (Rs.)		
Earnings per share	38.94	33.88
Net asset value per share as at 31st March	208.25	173.56
Market price per share as at 31st March	129.23	117.25

CHAIRMAN'S REVIEW

I have pleasure, on behalf of the Board of Directors, to present you the Annual Report and Accounts of Gestetner of Ceylon PLC for the year ended 31st March 2025.

An Overview

The year under review was another remarkable year thanks to the efforts of all the staff and all other stakeholders. The Group's turnover for the current financial year was Rs. 1,753.4 million. The Group recorded a profit of Rs. 103.4 million for the current financial year which was a 14.89% growth compared to previous financial year profit of Rs.90.0 million.

Dividends

The Board of Directors of the Company has paid an interim dividend of three rupee and twenty-five cents (Rs.3.25) per ordinary share on 23rd December 2024, for the financial period ended 31st March 2025.

Conclusion

My sincere thanks to the other Directors for support and assistance and to all the employees at all levels for their dedicated and committed service. I also wish to express my appreciation for the continued support from our shareholders, overseas principals, bankers, suppliers and other stakeholders.



S J M Anzsar FCA

Chairman

BOARD OF DIRECTORS

S J M ANZSAR

Chairman / Non-Independent Non-Executive Director

Mr. S J M Anzsar was appointed to the Board of Gestetner of Ceylon PLC on 07th January 1997 and as the Chairman on 12th December 1997.

He is a Chartered Accountant with a career span of over forty years that included Partnership at an international professional firm; senior management roles at a UK based conglomerate specializing in Africa. Since the mid-nineties he has been engaged in the private equity sector focusing in Africa and Sri Lanka.

L R WATAWALA

Non-Independent Non-Executive Director

Prof. Lakshman R Watawala was appointed to the Board of Gestetner of Ceylon PLC on 07th November 1996.

Prof. Watawala is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (FCA), Fellow of the Institute of Certified Management Accountants of Sri Lanka (FCMA), Fellow of the Chartered Institute of Management Accountants of UK (FCMA UK), Chartered Global Management Accountant (CGMA) and Fellow of the Institute of Chartered Professional Managers of Sri Lanka (FCPM).

He served his articles and as a Qualified Assistant at Turquand Youngs & Co. (Ernst & Young), was Chairman and Managing Director of Ceylon Leather Products Corporation, Chairman and Managing Director of the State Mining & Mineral Development Corporation, Chairman of the People's Bank, Chairman of the People's Merchant Bank, Chairman and Director General of the Board of Investment of Sri Lanka (1991- 1993) and (2005-2007), Advisor to the Ministry of Finance, Chairman of Pan Asia Bank Ltd, Director South Asia Informatics Computer Institute Ltd (Singapore), Director Richard Peiris PLC, Abans Electricals PLC and Chairman of the National Insurance Trust Fund.

He currently serves on the Company Directorates Lake House Printers & Publishers PLC.

He is the President of the Institute of Certified Management Accountants of Sri Lanka (CMA), President of the Institute of Chartered Professional Managers of Sri Lanka (CPM), Past President of the Association of Management Development Institutes of South Asia (AMDISA), Past President of the Institute of Chartered Accountants of Sri Lanka and South Asian Federation of Accountants (SAFA), Founder President of the Association of Accounting Technicians of Sri Lanka (AAT) and Past President of the Organization of Professionals Association of Sri Lanka (OPA).

He was installed in the Hall of Fame of the Institute of Chartered Accountants of Sri Lanka in 2013. In 2018 he was Awarded the Life Time Achievement Award by CMA Sri Lanka. Received the OPA National Apex Award for Professional Excellence in the Finance & Banking Sector in 2022.

A proud receiver of the National Honours Sri Lanka Sikhamani conferred for distinguished services of a general nature awarded by the President of Sri Lanka in 2019.

KEKI WADIA

Independent Non – Executive Director

Keki Wadia (commonly known as Kris Wadia) was appointed as a Non-Executive Director with effect from 13th August 2019. He was appointed as the Chairman of the Remuneration Committee and the Nomination and Governance Committee with effect from 19th June 2025.

He is a senior global executive with a proven track record of successful business launches, revenue growth, and corporate turnarounds at speed and scale. Kris has been a Partner at Accenture, the global technology consulting giant and President - Global Delivery Network at Quintiles, the world's largest clinical trials outsourcer. He is a UK Chartered Certified Accountant (FCCA) who has authored five books on business subjects and been quoted in the Financial Times (UK), CNN and Bloomberg Business Week.

A R RASIAH

Non-Independent Non-Executive Director

Mr. A R Rasiah was appointed to the Board on 23rd August, 2024. He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and finalist of Chartered Institute of Management Accountants (UK). He holds a Bachelor of Science Degree from University of Ceylon. He was appointed as a member of the Audit Committee and the Related Party Transactions Review Committee with effect from 25th August 2025, and as a member of the Remuneration Committee and the Nomination and Governance Committee with effect from 19th August 2025.

His illustrious career both in finance and commerce spans over thirty-five years. He started his career with Ernst and Young and later served at Mercantile Group of Companies and Almulla Group of Companies, Kuwait. Finally, he joined Nestle Lanka PLC as Director Finance in 1994 and was with the Group till his retirement in 2005. He was formerly Chairman of Atlas Axillia (Pvt) Ltd, Chairman of the Sri Lanka Institute of Directors and Senior Director of Nations Trust Bank PLC. Mr. Rasiah currently functions as the Chairman of Hela Apparel Holdings PLC and as a Non-Executive Director of several public and private companies. A keen sportsman who has represented Sri Lanka at Table- Tennis.

A P G A P GEETHANJALEE

Non-Independent Executive Director / GM – Finance & Operations

Ms. Geethanjalee was appointed to the Board of Gestetner of Ceylon PLC on 28th October 2022.

She is a member of the Institute of Chartered Accountants of Sri Lanka and also holds a Bachelor of Science Degree in Accounting (Sp.) from

University of Sri Jayewardenepura.

Ms. Geethanjalee counts over eight years' experience in senior management. She commenced her career at Renuka Hotels Group as Group Accountant following which she joined the Gestetner Group in 2011.

After proficiently holding the positions of Group Accountant, Finance Manager & DGM Finance & Administration she, in addition to being a Director of Fintek Managed Solutions (Pvt) Ltd, is presently functionally titled GM Finance & Operations of the Gestetner Group.

S M S S BANDARA

Non-Executive- Independent Director

Mr. S M S S Bandara was appointed to the Board on 12th June, 2025. Mr. Sanjaya is a fellow member of the Institute of Chartered Accountants of Sri Lanka.

He was appointed as the Chairman of the Audit Committee and Related Party Transaction Review Committee with effect from 19th June 2025.

He holds a Bachelor of Science Degree in Accountancy & Financial Management from the University of Sri Jayewardenepura and a Masters Degree in Business Administration from the University of Colombo. Mr. Sanjaya is the immediate past president of the Institute of Chartered Accountants of Sri Lanka. Mr. Sanjaya is a board member of the Sri Lanka Accounting and Auditing Standards Monitoring Board. He also served in The Accounting Standards Committee and Auditing Standards Committee of CA Sri Lanka. At the moment he serves as a Council member of The Institute of Chartered Accountants of Sri Lanka and The Institute of Certified Management Accountants of Sri Lanka.

Mr. Sanjaya is a partner of B.R De Silva & Co, Chartered Accountants (Member firm of Nexia International) and counts over 25 years of experience in practice. He is also an Independent Non-Executive Director of some listed companies.

U L A W BANDARA

Non-Executive- Independent Director

Mr. U L A W Bandara was appointed to the Board on 12th June, 2025. He was appointed as a member of the Audit Committee, Related Party Transaction Review Committee, Remuneration Committee and Nomination and Governance Committee with effect from 19th June 2025.

Mr. Asoka Bandara is a member of Chartered Institute of Marketing (CIM) UK and holds a Master Degree in Business Administration from the university of Colombo. His tenure with Global MNC "Nestle" included strategic roles as Head of National Sales and counts over 40 years exposure in Demand Generation (Marketing) function of which over 20 years in Senior Management experience. Headed the local conglomerate Delmege Forsyth Limited as the Group Managing Director. Heads the Group Head of Corporate Affairs & Strategy to Sri Lanka Confectionery and Dairy Blue Chip "Maliban" Biscuit Confectioneries (Pvt) Ltd. He was on the Boards of Sri Lanka's LPG market leader Litro Gas, Litro Terminals and at NBFIL Leader People's Leasing (PLC) as an Independent Director from 2020 - 2025. A visiting MBA Lecturer and a paper setting examiner for Strategic Management. Currently offers KPI based Management Consultancies and Corporate training on Emotional Intelligence with Blue Chip Sri Lanka Companies. He is the president of All island Dairy Association (AIDA) under Chamber of Commerce and Chairman of Ministry of Industries Dairy Advisory Committee and Secretary of Lanka Confectionery Manufacturers Association (LCMA).

MANAGEMENT DISCUSSION & ANALYSIS

MARKET

The office automation market remains a customer centric industry; hence the spending power of the individual or the organization plays a vital role in generating income.

The Sri Lankan economy showed gradual recovery in late 2023, ending six consecutive quarters of contraction. This recovery, supported by government and CBSL reforms, was driven by lower inflation and the appreciation of the LKR.

Evolving with technology, the Company has proved its revolutionary operational power in the local market with the introduction of many pioneering products. Our brand portfolio includes some of the top-notch global brand, such as Ricoh, BenQ, Barco, Papercut, MYQ, Scan Coin, Posmart, Vivitek, MIB, Blue, Vmax, DocuVault and GOC in addition to services provided by Nashua Lanka (Pvt) Ltd., Gestetner Printing Services (Pvt) Ltd. (Gestetner Outsource) and Fintek Managed Solutions (Pvt) Ltd under the parent Company, Gestetner of Ceylon PLC. Our core business products are of Japanese origin. While Ricoh retains one of the leading positions in global market share, BenQ projectors are within the top three in global market. The Company also sells and rents equipment in addition to undertaking high quality digital printing.

While its products are represented in all provinces of Sri Lanka, Gestetner of Ceylon PLC is also represented in the Maldives market and has nearly 10,000 satisfied customers both here and in the Maldives.

The Company has industry experienced staff covering island wide sales and service, enjoys close partnerships with top corporate and multinationals spanning an extended period of time, while meeting their service demands for the uninterrupted operation of products, ensuring efficiency and productivity.

HISTORY

Gestetner has a history which dates back over five decades, rich in inspiring growth. From that point forward, the brand has advanced in its item offering - from standalone products to comprehensive integrated solutions for the working environment. In a bid to reflect the vital role played by Gestetner in the workplace, a change was effected to the brand's personality few years back. From that point forward, the brand has advanced in leaps and bounds, while catering to the ever-evolving needs of the market.

DEVELOPMENTS

New lines of business was established during the year under review, allowing the company to expand its product portfolio. POS machines were enhanced with internally developed software solutions focusing on retail and hotel sectors.

During the financial year, the Company formed two new divisions recruiting industrial experience expertise. One division is to expand the recently introduced products such as smart boards, POS machines and already existing products like projectors, cash registers and note counters. GOC UPS, Barcode printers and Barcode readers also were launched during the year. The other division re-launched the Sharp air conditioners in Sri Lanka market. The Company envisages that both these divisions will enable the Company to grow significantly in the near future.

The Business Process Outsourcing unit which was formed to provide accounting and financial services to local and foreign clients indicated a positive trend. The unit was started with an well established UK client in the previous financial year and expects Progressively expand the business.

Ricoh Pro C7500 high end color production printer was launched in Sri Lanka within the financial year ensuring the highest quality service to our printing industry. Ricoh being a global leader, proudly launched this model and find this one of the most popular models in the Asian region due to its unique features and quality.

During the financial year the Company migrated to a Cloud ERP system to enhance the quality of customer service by increasing operational efficiency.

ECONOMIC OUTLOOK

Sri Lanka's economy rebounded strongly in 2024, achieving a real GDP growth of 5.0%, following a contraction of 2.3% in 2023. This recovery was supported by improved domestic activity, policy reforms, and growth across key sectors including agriculture, industry, services, tourism, and ICT.

Exports strengthened to USD 16.2 billion, driven by apparel, tea, and IT services, while services exports and tourism contributed to a healthy external sector. Gross official reserves rose to USD 6.5 billion by early 2025, reflecting improved foreign exchange inflows and prudent external debt management.

Inflation eased sharply, with year-end CCPI at -1.7% and NCPI at -2.0%, reflecting tighter monetary policy, easing global commodity prices, and improved domestic supply conditions.

The Central Bank of Sri Lanka maintained a cautious monetary stance, setting the Overnight Policy Rate at 8% and stabilizing the rupee through market interventions.

Overall, 2024 marked a pivotal period in Sri Lanka's post-crisis recovery, providing a more stable environment for business, investment and continued growth into 2025.

INFLATION

Inflation dynamics were a defining feature of Sri Lanka's economy during the year, with price pressures easing sharply compared to the previous two years. Headline inflation, as measured by the Colombo Consumer Price Index (CCPI), declined to -1.7% by end-2024, compared to 4.0% in 2023, while on an annual average basis CCPI inflation dropped to 1.2% in 2024 from 17.4% a year earlier. This sharp moderation reflected tighter monetary policy, easing global commodity prices, and improved domestic supply conditions.

The disinflationary trend continued into early 2025, with CCPI-based inflation reaching -2.6% in March 2025. While the easing of inflation provided relief to both consumers and businesses, challenges remained in the form of early-year rupee volatility and elevated global freight costs, which added pressure on import-dependent industries.

Looking ahead, inflation is expected to remain relatively subdued in the near term, supported by currency stability, adequate foreign exchange liquidity and prudent monetary management. However, external risks such as geopolitical tensions, fluctuations in global energy prices, and supply chain disruptions could create renewed pressures. Overall, the 2025 outlook points to a more stable price environment, supportive of trade and investment.

FINANCIAL REVIEW

Despite the economic conditions, the company adeptly navigated through the challenges. It not only sustained its core operations but also strategically expanded its business portfolio by integrating new lines of business.

The Group's turnover increased, ending the year at Rs. 1,753.4 million compared to the previous year's Rs. 1,401.5 million. The profit after tax reached a record high of Rs. 103.49 million. The Group recorded considerable growth in operating results compared to the previous year while the company showed a decrease in operating results. Contributing factors to this strong bottom line include the top line increase due to implementation of strategies to meet targets and continued supplier support, in addition to well managed operations within the challenging environment.

The annual average Weighted Prime Lending Rate (AWPLR) for Financial Year 2024/25 was 9.09% compared to the annual average of 11.11% recorded in the previous financial year. As at 31st March 2025, the AWPLR was reported at 8.39%

The low interest rates benefited the group in multiple ways. It reduced the interest cost of working capital and facilitated the Group's essential capex investments to expand the rental business and other expansion programs.

Finance costs increased to Rs. 31.04 million (Group) and Rs. 27.99 million (Company), compared to the previous

year. This increase was primarily due to the long-term borrowings as well as short-term borrowings obtained for the newly added divisions during the year.

By the end of the year, the Group's total asset base reached Rs. 1,196 million, consisting of Rs. 360.5 million in non-current assets and Rs. 835.85 million in current assets. The net asset value per share rose significantly to Rs.208.25, up from Rs.173.56 in the previous year. The Group consistently upholds a robust asset base, ensuring strong alignment with its liabilities, reinforcing our financial stability and commitment to long-term growth.

HUMAN CAPITAL

The organization has infused a highly talented work team with the intention of taking the organization to the next level. We have tapped into the best sourcing techniques thereby attracting and acquiring the best talent from the industry through a careful selection process while up-keeping the existing cultural dimensions. Efforts will be made to align job roles, skills, develop performance which will be aligned with reward system, hence cultivating a performance-based work environment.

We have provided an environment to work and progress by accepting responsibility and accountability in what they do by developing a culture where everyone is respected.

We have given well directed job descriptions and job objectives to our staff members. Periodic reviews such as monthly reviews which target the revenue generating teams and biannual and annual reviews which target all staff members are conducted to monitor and realign the performance. All staff members are rewarded based on performance.

We value our Human Capital as a key element in our long-term strategy for sustainable business growth and are dedicated to provide a safe working environment for its employees.

SUSTAINABILITY

We continue our commitment towards socio-economic development of those societies where our business presence is. In the year under review, we furthered our collaborative efforts with local communities and partner organizations, directly engaging in sustainable, participatory development initiatives from the grassroots level. We believe it is the youth that is the key driving force behind the development of a nation, therefore our efforts are geared towards developing capabilities and enhancing access to education, particularly for youth of marginalized communities in our areas of business operation.

CORPORATE GOVERNANCE

We have in place an internal governance structure with defined roles and responsibilities. Through this structure, the Board balances its role of providing oversight and guidance to the management in strategy implementation, risk management including the risk mitigation due to impact of significant foreign currency fluctuation, prevailing economic crisis in the country and meeting stakeholder expectations. The governance structure provides for delegation of authority whilst enabling the Board to retain effective control. The Board delegates authority to relevant Board committees and to the management with clearly defined mandates and authorities.

The Board operates on the firm belief that sound governance practices are fundamental to earn stakeholder trust which is critical to sustaining performance and enhancing shareholder value.

The Board perceives its role as not only to ensure that the Company succeeds well beyond their term, but that it can prosper through economic cycles and changing market conditions and is sustainable into the future.

FUTURE

As Sri Lanka continues its post-crisis recovery, 2025 is expected to offer a more stable and predictable business environment. Improved foreign exchange liquidity, moderated inflation, and currency stability are likely to ease operational costs for import-dependent companies, creating a favorable platform for growth.

The marketing strategies of the Group continue to be refined and updated according to changing consumer demands and Group will continuously increase its focus on customer retention and satisfaction. Marketing division of the Group was expanded with the establishment of new sections with industry expertise.

The Group is positive on sustainable growth considering the start of new divisions to expand the existing product lines. Additionally, continuous growth of Production Printer business and machine rental business will assist in the Group's growth. Product specialist recruited for some trending products like smart boards and software solutions will ensure that Group has built a solid foundation for its future. Additionally, the Group is contemplating the introduction of few other branded products which will expand the product portfolio of the Group.

CORPORATE GOVERNANCE

The policy of the Company is to manage its affairs in accordance with appropriate standards for good Corporate Governance. Implementation of policy and strategy is done in a framework that requires compliance with existing laws and regulations as well as establishing best practices in dealing with employees, customers, suppliers and the community.

The Company currently complies with the requirements set out in the Code of Best Practices for Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Rules on Corporate Governance contained in the Listing Rules of the Colombo Stock Exchange.

BOARD OF DIRECTORS

The Board consists of a total of seven Directors out of which Six are Non-Executive Directors including the Chairman, Mr. S J M Anzsar. The other Non-Executive Directors are Mr. L R Watawala (Deputy Chairman), Mr K M Wadia, Mr A R Rasiah, Mr. S M S S Bandara and Mr. U L A W Bandara. Out of the said Directors Messrs. K Wadia, Mr. S M S S Bandara and Mr. U L A W Bandara are Independent Directors and the others are Non-Independent Directors. Ms. A P G A P Geethanjalee is the only Executive Non-Independent Director.

A brief description of each of the Directors is set out from pages 03 to 05.

The Board meets regularly to take decisions effectively and ensure that the operations of the Group are

satisfactorily carried out and special Board Meetings are also held whenever necessary. In the year under review four (04) meetings were held and Directors' attendance thereat was as follows:

Name of Director	Meeting Attendance
Mr. S J M Anzsar- Chairman	3
Mr. L R Watawala -Deputy Chairman	1
Mr. B C U Perera (Passed away on 04 th August 2025)	4
Ms. S A J Goonetillke (Resigned with effect from 01 st October 2024)	-
Mr. K M Wadia	3
Mr. Sharhan Muhseen (Resigned with effect from 19 th August 2024)	1
Ms. A P G A P Geethanjalee	4
Mr. M Hamza (Appointed as a Director with effect from 27 th May, 2024 and Resigned with effect from 07 th May 2025)	2
Mr. A R Rasiah (Ceased to be the Alternate Director to the Chairman with effect from 25 th July, 2024. Appointed as a Director with effect from 23 rd August 2024)	2
Mr. E D P Soosaipillai (Appointed as a Director with effect from 01 st January 2025 and resigned with effect from 14 th May 2025)	1

The Non - Executive Directors of the Company have submitted declarations pertaining to their independence/non- independence as required by Listing Rules of the Colombo Stock Exchange.

APPOINTMENTS

At each Annual General Meeting one third of the Directors for the time being retire from office. The Directors to retire at each Annual General Meeting are those who being subject to retirement by rotation, have been longest in office since their last election. A retiring Director is eligible for re - election.

RESPONSIBILITY OF THE BOARD

The Company's business and Group operations are managed under the supervision of the Board and include:

- Providing entrepreneurial leadership to the Company.
- Evaluating, reviewing and approving corporate strategy and Performance.
- Approving and monitoring financial reporting of the Company.
- Recommending the appointments and fee of the External Auditor.
- Ensuring compliance with all relevant laws, regulations and codes of business practice.

FINANCIAL REPORTING

The Company makes available all the financial reports to shareholders in a timely manner, providing information as per the Colombo Stock Exchange requirements and prepares the Financial Statements as per Sri Lanka Accounting Standards (LKASs/SLFRSs) and guidelines issued by the Sri Lanka Institute of Chartered Accountants.

Adequate internal control systems are in place to ensure compliance with regulatory requirements.

BOARD AUDIT COMMITTEE

The Board Audit Committee consists of three Non - Executive Directors, Namely Mr. S M S S Bandara (Chairman) Mr. U L A W Bandara and Mr. A R Rasiah. Mr S M S S Bandara and Mr U L A W Bandara are Independent Directors whereas Mr Rasiah is an Non Independent Director.

The Committee examines any matters relating to the financial affairs of the Company, compliance with accounting standards and laws as well as internal control policies and procedures. The Committee is also responsible for the consideration and appointment of External Auditor, the maintenance of a professional relationship with them and reviewing Accounting Principles, Policies and Practices adopted in the preparation of public financial information.

The Audit Committee held four (04) meetings during the financial year ended 31st March 2025. The detailed Report of the Audit Committee is given on page 14 of the Annual Report.

BOARD OF DIRECTORS' ADHERENCE TO GOVERNANCE FRAMEWORKS

- A formal policy, governing matters relating to the Board of Directors as indicated in Rule No.9.5.1 has been established and maintained during the year and a disclosure is made in the Company's website as to how the Company has implemented this policy during the financial year.
- To ensure compliance with Listing Rule No. 9.7.1, each member of the Board has confirmed continued compliance with the fit and proper assessment criteria outlined in Listing Rule No. 9.7.3 by providing signed declarations for the year. Individuals who fail to comply with the criteria as per the above rule, will no longer be eligible to serve as Directors of the Company.

- List of Policies established and maintained by the Company that are Published in the “Corporate Website “In compliance with CSE Listing Rule No. 9.2.1, for 2024/2025.
 - A. Policy on the matters relating to the Board of Directors
 - B. Policy on Board Committees
 - C. Policy on Remuneration
 - D. Policy on Corporate Governance, Nominations & Re-election
 - E. Internal Code Of Business Conduct and Ethics, Including Policies On Trading In The Company’s Listed Security
 - F. Policy on Risk management and Internal controls
 - G. Policy on Environmental, Social and Governance Sustainability
 - H. Policy On Corporate Disclosures
 - I. Anti-Bribery and Corruption Policy
 - J. Whistleblowing Policy
 - K. Policy on Control and Management of Company Assets and Shareholder Investments
 - L. Policy on Relations with Shareholders and Investors
- The Company has established and maintained a Policy on effective communication and relations with shareholders and investors as indicated in Listing Rule No. 9.4.2 (a).

COMPLIANCE WITH RULES OF CORPORATE GOVERNANCE

LISTING RULE	REQUIREMENT	COMPANY CURRENT STATUS	COMPLIANCE STATUS
9.3.3	The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1.	Mr. S J M Anzsar does not the Chairperson of any Board Committee.	Complied
9.5.1 (a)	Policy on matters relating to Board of Directors shall recognize the need for a balance of representation between Executive and Non- Executive Directors and cover at minimum Board composition, the roles and functions of the Chairperson and Chief Executive Officer or equivalent position (hereinafter commonly referred to as the CEO), Board balance and procedures for the appraisal of Board performance and the appraisal of the CEO.	The Company has established and maintained a policy on matters relating to the Board of Directors, which is published on the corporate website. The Board Comprises of three Non- Independent Non- Executive Directors, three Independent Non -Executive Directors and one Non - Independent Executive Director.	Complied
9.5.1 (c)	It Requires diversity in Board composition for Board effectiveness in terms of a range of experience, skills, competencies, age, gender, industry requirements and importance of objective selection of Director.	The Board of the Company is composed of individuals with diverse professional backgrounds, a broad spectrum of expertise, age diversity.	Complied
9.7.1	The Listed Entities shall take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules.	In compliance with Listing Rule 9.7.1 of the Listing Rules, all members of the Board have declared conformity with the fit and proper assessment criteria set out in Listing Rule 9.7.3 by submitting signed Declarations.	Complied
9.8.1	The Board of Directors of a Listed Entity shall, at a minimum, consist of five (05) Directors.	The Board consists of seven Directors.	Complied

COMPLIANCE WITH RULES OF CORPORATE GOVERNANCE (CONTINUED)

LISTING RULE	REQUIREMENT	COMPANY CURRENT STATUS	COMPLIANCE STATUS
9.8.2 (a)	The Board of Directors of Listed Entities shall have at least two (2) Independent Directors or one-third (1/3) of the total number of Directors, whichever is greater.	Mr. S M S S Bandara, Mr. U L A W Bandara, Mr. Keki Minoo Wadia serve as Independent Non-Executive Directors with total of seven Directors on the Board	Complied
9.12.6.1 (a)	The members of the Remuneration Committee shall: Comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors	Three Directors are members. Two are Independent Non-Executive Directors	Complied
9.12.6.1 (b)	Should not comprise of Executive Directors.	The only Executive Director of the Company is not a member of the Committee	Complied
9.12.6. (2)	An Independent Director shall be appointed as the Chairperson of the Remuneration Committee by the Board of Directors.	Mr. K M Wadia, Chairperson of the Committee is an Independent Non-Executive Director.	Complied
9.11.4.1 (a)	Nominations and governance Committee -Composition (a) comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity	The Committee comprises of three Directors: two are Independent Non-Executive Directors, and one is a Non-Independent Non-Executive Director	Complied
9.11.4. (1). (b)	Should not comprise of Executive Directors.	The only Executive Director of the Company is not a member of the Committee	Complied
9.11.4 (2)	An Independent Director shall be appointed as the Chairperson	Mr. K M Wadia, Chairperson of the Committee is an Independent Non-Executive Director	Complied
9.13.3.1 (a)	The members of the Audit Committee shall; comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) or a majority of the members, whichever higher, shall be Independent Directors	The Committee comprises of three Directors. Two are independent Non-Executive Directors and one is a Non Independent Non-Executive Director.	Complied
9.13.3.1 (b)	Should not comprise of Executive Directors.	The only Executive Director of the Company is not a member of the Committee.	Complied

COMPLIANCE WITH RULES OF CORPORATE GOVERNANCE (CONTINUED)

LISTING RULE	REQUIREMENT	COMPANY CURRENT STATUS	COMPLIANCE STATUS
9.13.3.1 (d)	An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors	Mr. S M S S Bandara, Chairperson of the Committee is an Independent Non-Executive Director	Complied
9.13.3.1 (f)	The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body.	Mr. S M S S Bandara is a Fellow Member of CA Sri Lanka	Complied
9.14.2. (1)	The Related Party Transactions Review Committee shall comprise of a minimum of three (3) Directors of the Listed Entity, out of which two (02) members shall be Independent Directors of the Listed Entity. It may also include Executive Directors, at the option of the Listed Entity. An Independent Director shall be appointed as the Chairperson of the Committee.	Consists of three Members. Two are Independent Non-Executive Directors, one is a Non Independent Non-Executive Director. Mr. S M S S Bandara, Chairperson of the Committee is an Independent Non-Executive Director.	Complied
9.2.3	Listed Entities shall disclose in its Annual Report 1) the list of policies that are in place in conformity Rule 9.2.1 with reference to its website	Applicable	Complied
9.4.2. a	Listed Entities shall have a policy on effective communication and relations with shareholders and investors and disclose the existence of the same in the Annual Report and the website of the Listed Entity	Applicable	Complied
9.4.2. c	The policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholder, and such process shall be disclosed by the Entity in the Annual Report and website of the Entity	Applicable	Complied
9.7.5	Listed Entities shall include the following disclosures/reports in the Annual Report. a) A statement that the Directors of the Listed Entity satisfy the fit and proper Assessment Criteria stipulated in the Listed Rules of the Colombo Stock Exchange.	Applicable	Complied

COMPLIANCE WITH RULES OF CORPORATE GOVERNANCE (CONTINUED)

LISTING RULE	REQUIREMENT	COMPANY CURRENT STATUS	COMPLIANCE STATUS
9.10.4.	Listed Entities shall also disclose the following in relation to the Directors in the Annual Report: a) name, qualifications and brief profile.	Applicable	Complied
	b) The nature of his/her expertise in relevant functional areas.	Applicable	Complied
	d) Whether Executive, Non-Executive and/or Independent Director.	Applicable	Complied
	e) The Total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and or Key Management Personnel indicating whether such companies are Listed or un Listed Companies and whether such Director functions as an Executive or non-Executive capacity, provided that where he /she holds Directorships in companies within a Group of which the Listed Entity is a part, their names (if not Listed) need not be disclosed; it is sufficient to state that he/she holds other Directorships in such companies.	Applicable	Complied
	F) Number of Board meetings of the Listed Entity attended during the year.	Applicable	Complied
	g) Names of Board Committees in which the Director serves as Chairperson or a member.	Applicable	Complied
	h) Details of attendance of Committee Meetings of the Audit, Related Party Transactions Review, Nominations and Governance and Remuneration Committees. Such details shall include the number of meetings held and the number attended by each member.	Applicable	Complied
9.11.4. (3)	The Chairperson and the members of the Nominations and Governance Committee shall be identified in the Annual Report of the Listed Entity.	Applicable	Complied
9.11.6	The Annual Report of Listed Entities shall contain a report of the Nominations and Governance Committee signed by its Chairperson. The said report shall include the following:	Applicable	Complied
	(a) The names of the Chairperson and members of the Committee and the nature of Directorships held by such members.	Applicable	Complied
	(b) The date of appointment to the Committee	Applicable	Complied
	(c) Whether a documented policy and processes are in place when nominating Directors;	Applicable	Complied
	(F) Details to demonstrate effective implementation of policies and processes relating to appointment and reappointment of Directors.	Applicable	Complied

COMPLIANCE WITH RULES OF CORPORATE GOVERNANCE (CONTINUED)

LISTING RULE	REQUIREMENT	COMPANY CURRENT STATUS	COMPLIANCE STATUS
	(g) The following information regarding Directors who are re-elected or being proposed for re-election during the year.	Applicable	Complied
	Any relationships including close family relationships between the candidate and the Directors, the Listed Entity or its shareholders holding more than ten per-centum (10%) of the shares of the Listed Entity.	Applicable	Complied
9.12.8	Whether periodic evaluations have been conducted on the performance of the Board of Directors and the CEO of the Entity as specified in Rule 9.11.5 above. (a) Names of the Chairperson and members of the Remuneration Committee and the nature of Directorships held by such members (or persons in the parent Company's Remuneration Committee in the case of a Group Company). (b) A statement regarding the remuneration policy; and (c) The aggregate remuneration of the Executive and Non-Executive Directors.	Applicable	Complied
9.13.5 (1)	The Audit Committee shall also prepare an Audit Committee Report which shall be included in the Annual Report of the Listed Entity. The Audit Committee Report shall set out the manner in which the Entity has complied with the requirements applicable to the Audit Committee during the period for which the Annual Report relates.	Applicable	Complied
9.13.5 (2)	The Audit Committee Report shall contain the following disclosures	Applicable	Complied
	(a) The names of the Chairperson and the members of the Audit Committee, and the nature of Directorships held by such members (or persons in the parent Company's Committee in the case of a Group Company)	Applicable	Complied
	(b) The status of risk management and internal control of the Listed Entity and as a Group (where applicable)	Applicable	Complied
	(c) A statement that it has received assurance from the Executive Director of the Entity's operations and finances.	Applicable	Complied

COMPLIANCE WITH RULES OF CORPORATE GOVERNANCE (CONTINUED)

LISTING RULE	REQUIREMENT	COMPANY CURRENT STATUS	COMPLIANCE STATUS
	(d) An opinion on the compliance with financial reporting requirements, information requirements under these Rules, the Companies Act and the SEC Act and other relevant financial reporting related regulations and requirements.	Applicable	Complied
	(e) Whether the Listed Entity has a formal Audit Charter.	Applicable	Complied
	(g) Details demonstrating the effective discharge of its functions and duties for that financial year of the Listed Entity.	Applicable	Complied
	(i) A statement confirming that the Audit Committee has made a determination of the independence of auditors and the basis of such determination. It shall also contain details on the number of years that the external auditor and the audit partner were engaged. If the external auditor provides non audit services, explanations must be made of how auditor objectivity and independence are safeguarded taking into consideration fees paid for non-audit services provided by the external auditor and affiliated parties.	Applicable	Complied
9.13.5 (3)	The Annual Report shall contain a report by the Related Party Transactions Review Committee, setting out the following	Applicable	Complied
	The names of the Directors comprising the Committee;	Applicable	Complied
	A statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated its comments/observations to the Board of Directors.	Applicable	Complied
	The policies and procedures adopted by the Committee for reviewing the Related Party Transactions	Applicable	Complied
9.14.8	The Annual Report shall contain a report by the Related Party Transactions Review Committee, setting out the following		
	The names of the Directors comprising the Committee	Applicable	Complied
	1) A statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated its comments/observations to the Board of Directors.	Applicable	Complied
	2) The policies and procedures adopted by the Committee for reviewing the Related Party Transactions	Applicable	Complied

REPORT OF THE REMUNERATION COMMITTEE

The Remuneration Committee consists of three (03) Members comprising of two (02) Independent Non-Executive Directors who are Mr K M Wadia (Chairman) and Mr U L A W Bandara. Mr A R Rasiah who is the other Member is a Non- Independent Non-Executive Director.

The Remuneration Committee reviews the performance of the Group General Manger Finance & Operations and recommends appropriate remuneration benefits and other payments based on the remuneration policy of the Company, which has been formulated on market and industry factors and performance.

The Committee also approves the remuneration of the members of the Senior Management Committee on the recommendations made by the Group General Manger Finance & Operations.

The proceedings of the Committee are reported to the Board of Directors who will in turn make the final determination based on the recommendations of the Committee.

All Non-Executive Directors receive a fee for serving on the Board and serving on sub-committees. They do not receive any performance related incentive payments. The Directors' emoluments are disclosed in note 08.

The Committee meets as and when the need arises. The Remuneration Committee met once during the year ended 31st March 2025 and Directors' attendance thereat was as follows.

NAME OF DIRECTOR	CATEGORY	MEETING ATTENDANCE
Mr. M Hamza (Appointed with effect from 16 th October 2024 and Appointed as Chairman with effect from 01 st January 2025 and Resigned with effect from 7 th May 2025)	Independent Non-Executive Director	01
Prof. L R Watawala (Chairman from appointment date to 31 st December 2024 and member from 01 st January 2025 to 18 th June 2025)	Non-Independent Non-Executive Director	01
Mr. E D P Soosaipillai (Appointed with effect from 01 st January 2025 and Resigned with effect from 14 th May 2025)	Independent Non-Executive Director	01
Mr. Keki Minoo Wadia -Chairman (Appointed as the Chairman with effect from 19 th June 2025)	Independent Non-Executive Director	N/A
Mr. U L A W Bandara (Appointed as a member with effect from 19 th June 2025)	Independent Non-Executive Director	N/A
Mr. A R Rasiah (Appointed as a member with effect from 19 th June 2025)	Non-Independent Non-Executive Director	N/A

SENIOR MANAGEMENT

Senior Management meets regularly with Departmental Heads to review progress, discuss and resolve issues concerning the operations of the Company as well as to compare performance with budget and management information that contains explanations for any variances and recommendations.



KEKI MINOO WADIA
CHAIRMAN
REMUNERATION COMMITTEE
29th AUGUST 2025

REPORT OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

The Nominations and Governance Committee ensures that the governance framework of the Company aligns with the requirements of the Colombo Stock Exchange (CSE), and the Securities and Exchange Commission of Sri Lanka (SEC).

The Nominations and Governance Committee consists of three (03) Members comprising of two (02) Independent Non-Executive Directors who are Mr K M Wadia (Chairman) and Mr U L A W Bandara. Mr A R Rasiah who is the other Member is a Non- Independent Non-Executive Director.

A formal and transparent process governs the appointment of new Directors to the Board, as well as the re-election and reappointment of existing Directors. This process follows the recommendations of the Nominations & Governance Committee, in consultation with the Chairman, and complies with the Company's Articles of Association, adopted policies, and the Rules on Corporate Governance. The composition and responsibilities of the Committee are aligned with its Terms of Reference, which have been approved by the Board.

KEY RESPONSIBILITIES OF THE COMMITTEE

Recommending suitable candidates for appointment to the Board and Board Committees.

Reviewing the composition and structure of the Board to ensure the right balance of skills, experience, independence and diversity.

Facilitating regular evaluations of the Board's performance.

STATEMENT ON INDEPENDENCE AND COMPLIANCE

The Committee confirms that all Directors designated as independent meet the criteria outlined in Section 9 of the CSE Listing Rules. Further, the Company has complied with all applicable corporate governance requirements under the CSE Listing Rules as of the reporting date.

ACTIVITIES OF THE COMMITTEE IN 2024/25 INCLUDE:

- Reviewing the structure, size, composition and competencies of the Board and sub-committees. Recommendations were made for restructuring the sub-committees in line with the new amendments to the CSE Listing Rule No.09.
- Ensuring that no member of the Nomination & Governance Committee is involved in deciding his own appointment.
- Making recommendations on any other matter/s referred to the Committee by the Board of Directors.
- Newly appointed Directors are given an induction to the Company prior to their first Board meeting. Existing Directors are regularly updated with new Corporate Governance requirements, amendments to Listing Rules and other applicable laws.
- Establishing and maintaining Corporate Governance policies, with periodic reviews to ensure relevance and effectiveness.
- Continuous monitoring of adherence to CSE Listing Rules, Corporate Governance requirements, securities market regulations, and other relevant rules and regulations, with periodic updates provided to the Board of Directors.
- Ensuring that all the nominations and re-elections are conducted in accordance with the Policy on Corporate Governance Nominations and Re-election established and maintained within the company.

APPOINTMENT AND RE-ELECTION

The Director to be re-elected is Ms. A P G A P Geethanjalee.

- She has not served in any Board Committees as Member or Chairperson.
- She was appointed as a director on 28th October, 2022.
- Pursuant to her appointment as a director, she was elected at the next Annual General Meeting held on 22nd September, 2023.

In compliance with Section 210 of the Companies Act, Mr. S J M Anzsar, Mr. L R Watawala and Mr. A R Rasiah who are each over the age of 70, are proposed to be reappointed at the same meeting.

Mr.S J M Anzsar is the sole shareholder and Director of Gestetner (Eastern) Limited, the Major shareholder of the Company which holds 47.5% of the issued shares of the Company

MEETING ATTENDANCE

The Nominations and Governance Committee meets as and when the need arises. The Committee met once during the year ended 31st March, 2025 and the attendance of the Members thereat was as follows:

Name of Director	Category	Meeting Attendance
Mr. M Hamza (Appointed as a member with effect from 16 th October 2024 and Appointed as the Chairman with effect from 01 st January 2025 and Resigned with effect from 7 th May 2025)	Independent Non-Executive Director	01
Mr. B C U Perera (Appointed with effect from 16 th October 2024 and passed away 05 th August 2025)	Non-Independent Non-Executive Director	01
Prof. L R Watawala (Chairman with effect from 16 th October 2024 and member with effect from 01 st January 2025 to 18 th June 2025)	Non-Independent Non-Executive Director	-
Mr. E D P Soosaipillai (Appointed with effect from 01 st January 2025 and Resigned with effect from 14 th May 2025)	Independent Non-Executive Director	01
Mr. Keki Minoo Wadia- Chairman (Appointed as the Chairman with effect from 19 th June 2025)	Independent Non-Executive Director	N/A
Mr. U L A W Bandara (Appointed as a member with effect from 19 th June 2025)	Independent Non-Executive Director	N/A
Mr. A R Rasiah (Appointed as a member with effect from 19 th June 2025)	Non-Independent Non-Executive Director	N/A



KEKI MINOO WADIA
CHAIRMAN
NOMINATIONS & GOVERNANCE COMMITTEE
29th AUGUST 2025

REPORT OF THE BOARD AUDIT COMMITTEE

The Audit Committee is responsible to the Shareholders and other stakeholders regarding the integrity of the Company's Financial Reporting Process in accordance with Sri Lanka Accounting Standards and other legislations. The Audit Committee also ensures the Company's internal control and procedures and compliance with legal regulatory requirements.

COMPOSITION OF AUDIT COMMITTEE

The Board Audit Committee consists of three (03) Members comprising of two (02) Independent Non-Executive Directors who are Mr S M S S Bandara (Chairman) and Mr U L A W Bandara. Mr A R Rasiah who is the other Member is a Non- Independent Non-Executive Director.

All Directors are individuals with extensive experience and expertise in the fields of Finance, Corporate Management and Marketing. The qualifications of the Directors are given from pages 03 to 05 of the Annual Report.

MEETINGS OF THE AUDIT COMMITTEE

During the year ended 31st March, 2025 there were four (04) meetings and attendance of the members was as follows.

NAME OF DIRECTOR	CATEGORY	MEETING ATTENDANCE
Prof. L R Watawala (Chairman until 31 st December 2024)	Non-Executive Non-Independent Director	02
Mrs. S A J Goonetilleke (Resigned with effect from 01 st October 2024)	Non-Executive Non-Independent Director	-
Mr. E D P Soosaipillai - (Appointed as the Chairman with effect from 01 st January 2025 and Resigned with effect from 14 th May 2025)	Independent Non-Executive Director	01
Mr. Hamza (Appointed with effect from 01 st January 2025 and Resigned with effect from 7 th May 2025)	Independent Non-Executive Director	02

Mr. B C U Perera (Passed away on 04 th August 2025)	Non-Independent Non-Executive Director	04
Mr. S M S S Bandara – Chairman (Appointed with effect from 19 th August 2025)	Independent Non-Executive Director	N/A
Mr. U L A W Bandara (Appointed with effect from 19 th August 2025)	Independent Non-Executive Director	N/A
Mr. A R Rasiah (Appointed with effect from 25 th August 2025)	Non-Independent Non-Executive Director	N/A

Group General Manager Finance & Operations attends these meetings by invitation.

TERMS OF REFERENCE

The terms of reference clearly define the role, responsibilities and powers of the Audit Committee and ensures that the composition and the activities of the Audit Committee are in line with International Best Practices and Corporate Governance Rules applicable to listed companies.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The main responsibilities of the Audit Committee.

- Reviewing and monitoring the integrity of the Financial Statements.
- Reviewing the Management Letter of External Auditor and Management Response.
- Reviewing the progress of management actions to resolve highlighted significant internal controls issued by External Auditors.
- Reviewing Interim Financial Statements for purpose of quarterly announcement of financial results.
- Reviewing of Business Risk and Mitigation Plans.
- Reviewing and monitoring compliance with Companies Act No 07 of 2007.
-

- Reviewing and monitoring the effectiveness of the Internal Controls.
- Reviewing and monitoring Statutory and Regulatory Compliance Processes.

COMPLIANCE

The Committee obtained assurance from Executive Director of the entity's operations and finances. The Committee also reviewed reports tabled during the Board Meetings with regard to statutory payments and filing of Returns. Having made necessary observations, the Audit Committee is of the view that the company has complied with Companies Act No.07 of 2007, CSE Listing Rules, Securities and Exchange Commission Act, regulations and directions of Securities Exchange Commission, Colombo Stock Exchange and Sri Lanka Accounting Standards.

FINANCIAL STATEMENTS

The Committee reviewed Interim Financial Statements of all four quarters and the Annual Financial Statements prior to publication. During the review, Audit Committee ensured that Financial Statements are prepared in compliance with Sri Lanka Accounting Standards and applicable regulatory requirements.

EXTERNAL AUDITOR

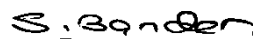
The Audit Committee evaluates the external audit functions and establishes the independence and objectivity of the external audit functions.

The Committee held meetings with the External Auditors to review the nature, approach, scope of the audit.

The Audit Committee has reviewed the non-audit services provided by the External Auditors to the company and fees paid for such services to ensure that their independence as Auditors has not been compromised.

The current Auditors Messrs BDO Partners were appointed as external auditors in FY 2021/22 and continue to hold that position at present. A partner rotation of the auditors takes place periodically and the most recent rotation of the audit partner took place in 2024/2025.

The Audit Committee has recommended to the Board that Messrs. BDO Partners, Chartered Accountants be re-appointed as External Auditors of Gestetner of Ceylon PLC for the financial year ending 31st March 2026, subject to approval by the Shareholders at the Annual General Meeting.



S M S S BANDARA
CHAIRMAN
AUDIT COMMITTEE
29th AUGUST 2025

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Board established the Related Party Transactions Review Committee in terms of the code of best practice on related party transactions issued by the Securities and Exchange Commission of Sri Lanka and the Section 9 of the Listing Rules of the Colombo Stock Exchange (CSE). The primary purpose of the Committee is to evaluate and consider all transactions with related parties of the Group, in order to ensure that related parties are treated on par with other shareholders and constituents of the Group.

COMPOSITION OF THE COMMITTEE.

The Related Party Transactions Review Committee consists of three (03) Members comprising of two (02) Independent Non-Executive Directors who are Mr S M S S Bandara (Chairman) and Mr. U L A W Bandara. Mr A R Rasiah who is the other Member is a Non-Independent Non-Executive Director.

During the year ended 31st March, 2025 the committee held four (04) meetings and the attendance thereat was as follows:

Name of Director	Category	Meeting Attendance
Prof. L R Watawala (Chairman until 31st December 2024)	Non-Executive Non-Independent Director	02
Mrs. S A J Goonetilleke (Resigned with effect from 01st October 2024)	Non-Executive Non-Independent Director	-
Mr. E D P Soosaipillai - (Appointed as the Chairman with effect from 01 st January 2025 and Resigned with effect from 14 th May 2025)	Independent Non-Executive Director	01
Mr. Hamza (Appointed with effect from 01 st January 2025 and Resigned with effect from 7 th May 2025)	Independent Non-Executive Director	02

Mr. B C U Perera (Passed away on 04 th August 2025)	Non-Independent Non-Executive Director	04
Mr. S M S S Bandara- Chairman (Appointed as the Chairman with effect from 19 th August 2025)	Independent Non-Executive Director	N/A
Mr. U L A W Bandara (Appointed with effect from 19 th August 2025)	Independent Non-Executive Director	N/A
Mr. A R Rasiah (Appointed with effect from 25 th August 2025)	Non-Independent Non-Executive Director	N/A

SCOPE OF THE COMMITTEE:

- Reviewing in advance all proposed Related Party Transactions of the Group.
- Adopting policies and procedures to review Related Party Transactions of the Group and reviewing and overseeing existing policies and procedures.
- Determining whether Related Party Transactions that are to be entered into by the Group require the approval of the Board or Shareholders of the Group.
- If Related Party Transactions are ongoing (Recurrent Related Party Transactions) the Committee establishes guidelines for senior management to follow in its ongoing dealings with the relevant related party.

- Ensuring that no Director of the Group shall participate in any discussion of a proposed Related Party Transaction for which he or she is a related party, unless such Director is requested to do so by the Committee for the express purpose of providing information concerning the Related Party Transaction to the Committee.
- If there is any potential conflict in any Related Party Transaction, the Committee may recommend the creation of a special Committee to review and approve the proposed Related Party Transaction.
- Ensuring that immediate market disclosures and disclosures in the Annual Report as required by the applicable rules/ regulations are made in a timely and detailed manner
- The Committee is required to carry out the aforementioned approval of the related parties and Related Party Transactions in line with the regulations issued by the Colombo Stock Exchange and Securities and Exchange Commission of Sri Lanka.
- During the year under review, the Committee reviewed and pre-approved all proposed Related Party Transactions. The activities and views of the Committee, have been communicated to the Board of Directors quarterly.
- There were no Recurrent or Non-Recurrent Related Party Transactions that exceeded the respective thresholds mentioned in the Listing Rules of the Colombo Stock Exchange requiring disclosure in the Annual Report.
- Details of other Related Party Transactions entered into by the Group during the financial year is disclosed in note 32 to the financial statements.



S M S S BANDARA

CHAIRMAN

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

29th AUGUST 2025

ANNUAL REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Gestetner of Ceylon PLC is pleased to present the Annual Report together with the Audited Financial Statements of Gestetner of Ceylon PLC and the Audited Consolidated Financial Statements of the Group for the year ended 31st March 2025.

This report contains information required by Section 168 of the Companies Act No.07 of 2007 and other necessary information required by the Listing Rules of Colombo Stock Exchange.

PRINCIPAL ACTIVITIES OF THE GROUP

The core business of the Company is the import and sale of Digital Copiers, Digital Duplicators, Laser Printers, Projectors, Laptops, Air Conditioners and Smart Boards and provides after sales services.

Nashua Lanka (Pvt) Limited, which is a fully owned subsidiary of the Company, imports and markets Copiers, Consumables.

Gestetner Printing Services (Pvt) Limited, which is also a fully owned subsidiary of the Company is engaged in the provision of Outsourced Photocopying / Printing Services and also IT Solutions.

Fintek Managed Solutions (Pvt) Limited, which is a fully owned subsidiary of the Company is engaged in Importing and selling of Digital Copiers, laser printers, Air conditioners, Scan coin machines, POS machines, Projectors, Note counting machines, provision of Outsourced Photocopying and providing after sales services.

Gestetner Manufacturers (Pvt) Limited, the other fully owned subsidiary of the Company was engaged in manufacturing ink and currently it is not operating.

CHANGES TO THE NATURE OF THE BUSINESS

There were no significant changes to the principal activities of the Company during the financial year ended 31st March 2025.

TURNOVER ANALYSIS

The turnover of the Group for the year Rs. 1,753,404,017/- (2023/24 - Rs. 1,401,538,397/-) analyzed among the group is as follows.

DESCRIPTION	2024/2025 Rs.	2023/2024 Rs.
Gestetner of Ceylon PLC	1,377,264,828	1,100,837,398
Subsidiaries	460,708,406	343,093,566
	1,837,973,234	1,443,930,964
Less: Intra Group Sales	(80,569,218)	(42,392,567)
Group Revenue	1,753,404,017	1,401,538,397
RESULTS AND APPROPRIATIONS		
Gross Profit	692,615,717	544,971,118
Other Income	15,158,710	5,470,634
Administrative Expenses	(310,728,301)	(272,417,681)
Selling & Distribution Expenses	(185,227,382)	(141,967,132)
Impairment (Charge) / Reversal of Trade Receivables	(12,696,363)	3,417,547
Other Operating (Expenses) / Income	(17,819,684)	15,727,526
Net Finance Cost	(31,042,996)	(18,982,431)
Profit Before Tax	150,259,643	136,219,581
Income Tax Expense	(46,825,681)	(46,161,164)
Profit for the Year	103,433,962	90,058,417
Other Comprehensive Income / (Expenses) for the Year, net of Tax	(2,663,275)	463,068
Accumulated Profit B/F	364,326,917	300,383,552
Dividend Paid	(8,637,889)	(26,578,120)
Profit Available for Appropriation	456,459,715	364,326,917
Earnings Per Share	38.92	33.88

FINANCIAL STATEMENTS

The Financial Statements of the Group and the Company are set out from pages 28 to 67 of the Annual Report.

DIRECTORATE

The Board of Directors of the Company as at date is set out in "Corporate Information". The Directors of the Company who held office during the year under review and changes thereto are indicated below.

Seyed Jemaldeen Muhammed Anzsar	Chairman
Lakshman Ravendra Watawala	Deputy Chairman
Sita Anne Juliana Goonetilleke	Resigned with effect from 01 st October, 2024
Bulathsinghalage Chandima Upul Perera	Passed away on 04 th August, 2025
Keki Minoo Wadia	
Albert Rasakantha Rasiah	Ceased to be the Alternate Director to the Chairman with effect from 25 th July, 2024. Appointed as a Director with effect from 23 rd August 2024
Sharhan Muhseen	Resigned with effect from 19 th August, 2024
Muhammed Hamza	Appointed with effect from 27 th May 2024 Resigned with effect from 07 th May 2025
Eugen Duliksha Pratharp Soosaipillai	Appointed with effect from 01 st January, 2025. Resigned with effect from 14 th May 2025
Abbillawattha Palathe Gedara Anusha Pathmashika Geethanjalee	
Singappuli Mudiyanseleage Susantha Sanjaya Bandara	Appointed with effect from 12 th June 2025
Upul Lakshman Asoka Wickramasinghe Bandara	Appointed with effect from 12 th June 2025

- In terms of Article 85 of the Articles of Association Ms. Abbillawattha Palathe Gedara Anusha Pathmashika Geethanjalee, retires by rotation and being eligible is recommended by the Board for re-election.
- In terms of Article 92 of the Articles of Association Mr Singappuli Mudiyanseleage Susantha Sanjaya Bandara retires and being eligible is recommended by the Board for election.
- In terms of Article 92 of the Articles of Association Mr Upul Lakshman Asoka Wickramasinghe retires and being eligible is recommended by the Board for election.
- Mr Seyed Jemaldeen Muhammed Anzsar who is 73 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No. 7 of 2007.

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the re-appointment of Mr. Watawala as a Director of the Company, in terms of the provisions of Section 211 of the Companies Act, No. 7 of 2007 and is referred to in the

- Mr Lakshman Ravendra Watawala who is 77 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No. 7 of 2007

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the re-appointment of Mr Watawala as a Director of the Company, in terms of the provisions of Section 211 of the Companies Act, No. 7 of 2007 and is referred to in the Notice convening the Annual General Meeting.

Mr Albert Rasakantha Rasiah who is 80 years of age, vacates his office in terms of the provisions of Section 210 of the Companies Act, No. 7 of 2007.

Notice is given by the Company to its Shareholders of the intention to move an Ordinary Resolution for the re-appointment of Mr Rasiah as a Director of the Company, in terms of the provisions of Section 211 of the Companies Act, No. 7 of 2007 and is referred to in the Notice convening the Annual General Meeting.

The qualifications and experience of the Directors are given from pages 03 to 05 of the Annual Report.

DIRECTORS' INTEREST IN CONTRACTS

The Company maintains an Interest Register in compliance with the requirements of the Companies Act No 7 of 2007. Directors' Interest in Contracts are disclosed under related party transactions in Note 32 to the Financial Statements.

DIRECTORS' SHAREHOLDINGS

Shareholdings of Directors of the Company are as follows:

Name of the Directors	As at 31.03.2025	As at 31.03.2024
Mr. S J M Anzsar	66,070	66,070
Mr. L R Watawala	1,892	1,892
Ms. S A J Goonetilleke (Mrs. S A J De Fonseka)		179,139
Mr. B C U Perera	-	-
Mr. K M Wadia	-	-
Mr. A R Rasiah	135,385	35,385
Mr. Sharhan Muhseen	-	-
Mr. E D P. Soosaipillai	-	-
Mr. M Hamza	-	-
Ms. A P G A P Geethanjalee	4,433	-

The public shareholding of the Company is 851,390 shares which amounts to 32.03% of the issued capital and the number of public shareholders of the company is 738 as at 31st March 2025.

The applicable option under CSE Rule 7.13.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.03.2025 is Rs. 110,022,792

BOARD SUB - COMMITTEES

The following Board Sub-Committees have been established by the Company:

AUDIT COMMITTEE

- Mr S M S S Bandara – Chairman
- Mr U L A W Bandara
- Mr A R Rasiah

RELATED PARTY TRANSACTION REVIEW COMMITTEE

- Mr S M S S Bandara – Chairman
- Mr U L A W Bandara
- Mr A R Rasiah

REMUNERATION COMMITTEE

- Mr K M Wadia -Chairman
- Mr. U L A W Bandara
- Mr A R Rasiah

NOMINATION AND GOVERNANCE COMMITTEE

- Mr K M Wadia -Chairman
- Mr. U L A W Bandara
- Mr A R Rasiah

DIRECTORS' FEES AND EMOLUMENTS

Directors' Fee and Emoluments paid during the financial year ended 31st March 2025 amounted to Rs. 14,237,037/-

TWENTY MAJOR SHAREHOLDERS

The total shareholders base of the company as at 31st March 2025 is 709 and twenty (20) Major Shareholders of the Company as at the said date are Indicated below:

	Shareholder	No. of Shares	%
01	GESTETNER (EASTERN) LIMITED	1,240,195	46.66%
02	SAMPATH BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	358,447	13.49%
03	MRS. C.S. DE FONSEKA	211,151	7.94%
04	MR. A.R. RASIAH	135,385	5.09%
05	MRS. S.A.J. DE FONSEKA	79,139	2.98%
06	SEYED JEMALDEEN MUHAMMED ANZSAR	58,195	2.19%
07	MR. P. TILLAKARATNE PARAMI	32,565	1.23%
08	MR. D.R.P.D. RATHNAYAKA DEEPADEEP RAVIDYA PRABATH DESIN	26,000	0.98%
09	MISS. O.U.K. JAYASUNDARA	25,500	0.96%
10	DR. H.S.D. SOYSA	20,626	0.78%
11	PEOPLE S LEASING AND FINANCE PLC/U.L.B.ARIYARATNA	20,000	0.75%
12	SENKADAGALA FINANCE PLC/S.GOBINATH	19,000	0.71%
13	MR. M.N. MOHIDEEN	18,378	0.69%
14	SEYLAN BANK PLC/EMILE JOSEPH GUNESKERA & MICHELLE	17,024	0.64%
15	MR. U.I. SURIYABANDARA	15,050	0.57%
16	MR. A.P. ARUMUGAMPILLAI ANNAMALAI PILLAI	13,315	0.50%
17	MR. M. MAHIBALAN MURUGESU	13,123	0.49%
18	EST OF MR. A.A.N. DE FONSEKA	12,100	0.46%
19	PREMPRA CAPITAL (PVT) LTD	12,000	0.45%
20	MR. M.A.T. RAAYMAKERS	11,716	0.44%

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing and presenting the Financial Statements as set out on page 21. The Financial Statements have been prepared in conformity with the Sri Lanka Accounting Standards as laid down by the Institute of Chartered Accountants of Sri Lanka, Companies Act No. 7 of 2007 and the Listing Rules of the Colombo Stock Exchange.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Financial Statements are given on pages 32 to 50 and these accounting policies have been consistently applied to all the years presented in these Financial Statements. Except for the changes set out in Note 3 of Notes to the Financial Statements, there were no changes in the accounting policies adopted by the Company during the year under review.

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in the Property, Plant and Equipment of the Group and the Company are given in Notes 11 and 12 to the Financial Statements. The carrying value of Property, Plant and Equipment does not significantly differ from market value.

DIVIDEND

A First Interim Dividend of Rs.3.25/- per share as recommended by the Board of Directors (on the total issued ordinary shares amounting to 2,657,812) for the financial year ended 31st March 2025 was paid by the Company.

The Directors have complied with the Provisions of Section 56 (2) of the Companies Act No.07 of 2007 by obtaining from the Company's Auditor's a Certificate confirming the Company will, immediately after the payment of the Dividend, satisfy the Solvency Test, as required by the said Section.

STATED CAPITAL

The current stated capital of the Company is Rs.91,965,565/- comprising of 2,657,812 Ordinary Shares.

PROVISION FOR TAXATION

Provision for Taxation has been computed at the rates given in Note 09 to the Financial Statements.

STATUTORY PAYMENTS

The Directors to the best of their knowledge and belief are satisfied that all statutory payments in relation to the Government and the Employees have been made to date.

CORPORATE GOVERNANCE

A description of the Company's Corporate Governance practices is set out from pages 10 to 13.

DETAILS OF MATERIAL ISSUES PERTAINING TO THE EMPLOYEES & INDUSTRIAL RELATIONS OF THE ENTITY

During the year under review there were no material issues pertaining to employees & industrial relations.

RELATED PARTY TRANSACTIONS

The Company's transactions with Related Parties, as detailed in Note 32 to the Financial Statements, have complied with Colombo Stock Exchange Listing Rules Section 9 and Code of Best Practices on Related Party Transactions under the Securities Exchange Commission Directive issued under Section 13 (c) of the Securities Exchange Commission Act as declared by the Board of Directors. The Related Party Transaction Review Committee Report is set out from pages 15 to 16.

GOING CONCERN

The Board of Directors is satisfied that the Group has adequate resources to continue its operation in the foreseeable future. Accordingly, the Financial Statements are prepared based on the "Going Concern Concept".

AUDITORS

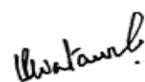
The Financial Statements for the year have been audited by Messrs. BDO Partners, Chartered Accountants, who have expressed their willingness to continue as Auditors of the Company and a resolution proposing their reappointment as Auditors and authorizing the Directors to fix their remuneration will be submitted at the forthcoming Annual General Meeting.

Audit fee payable to Auditors in respect of the Group and the Company are Rs.1,651,100/- and Rs. 1,025,100/- respectively. (2023 / 24 - Rs. 1,089,328/- (Group) and Rs. 745,200/- (Company).

AUDITORS' RELATIONSHIP WITH THE COMPANY

The Company did not have any relationship with the Auditors other than that of the Auditor, during the financial year ended 31st March 2025.

BY ORDER OF THE BOARD



L R WATAWALA
DIRECTOR



SECRETARY
JACEY & COMPANY - SECRETARIES
COLOMBO.



S M S BANDARA
DIRECTOR

STATEMENT OF DIRECTORS' RESPONSIBILITIES

This Statement of Directors' Responsibilities is to be read in conjunction with the Auditor's Report and is made to distinguish the respective responsibilities of the Directors and of the Auditors in relation to the Financial Statements contained in this Annual Report.

The Directors of the Group are required by the Companies Act No. 07 of 2007 to prepare Financial Statements which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year.

The Directors confirm that the Financial Statements of the Group for the year ended 31st March 2025 presented in the Report have been prepared in accordance with the Sri Lanka Accounting Standards and the Companies Act No 07 of 2007. In preparing the Financial Statements, the Directors have selected appropriate accounting policies and have applied them consistently to all periods presented in the Financial Statements, unless otherwise indicated. Reasonable and prudent judgments and estimates have been made and applicable Accounting Standards have been followed and the Financial Statements have been prepared on a going concern basis.

The Directors are of the view that adequate funds and other resources are available within the Group for the Group to continue in operation in the foreseeable future.

The Directors have taken all reasonable steps expected of them to safeguard the assets of the Group and to establish appropriate systems of internal controls in order to prevent, deter and detect any fraud, misappropriation or irregularities.

The Directors have also taken all reasonable steps to ensure that the Group maintain adequate and accurate accounting books of record which reflect the transparency of transactions and provide an accurate disclosure of the Group's financial position.

The Directors are required to provide the auditors with every opportunity to take whatever steps and undertake whatever inspection they consider appropriate for the purpose of enabling them to give their Audit Report.

As per the provisions of the new Companies Act No. 07 of 2007 the Board of Directors of the Group shall cause the Notice of Meeting to be sent to every shareholder of the Group not later than fifteen working days before the date fixed for holding the Annual General Meeting.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

COMPLIANCE REPORT

The Directors confirm that, to the best of their knowledge, all taxes and levies payable by the Group and all contributions, levies and taxes payable on behalf of the employees of the Group, and all other known statutory obligations as at the reporting date have been paid or provided for in the Financial Statements.

BY ORDER OF THE BOARD



SECRETARY
JACEY & COMPANY - SECRETARIES
COLOMBO



Tel : +94-11-2421878-79-70
+94-11-2387002-03
Fax : +94-11-2336064
E-mail : bdo partners@bdo.lk
Website : www.bdo.lk

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GESTETNER OF CEYLON PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Gestetner of Ceylon PLC ('the Company') and the consolidated Financial Statements of the Company and its subsidiaries ('the Group'), which comprise the statement of financial position as at 31st March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policy information and other explanatory information as set out on pages 42 to 77.

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

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with 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 judgement, were of the most significance in our audit of the Financial Statements of the current period. These matters have been addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

a) Impairment assessment of goodwill and investment in subsidiaries

Refer to summary of material accounting policies in Note 3.2.2 and 3.2.5 and explanatory notes 12 and 14 in the Financial Statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
The carrying value of the Company's investment in Fintek Managed Solutions (Private) Limited amounted to Rs. 118,260,525/- and the allocated goodwill to the said cash generating unit ("CGU") amounted to Rs. 37,647,802/- in the consolidated Financial Statements as at the reporting date.	Our audit procedures included: Assessing the existence of any indicators of impairment based on the market outlook, performance during the year and net assets

Key Audit Matter	How our audit addressed the Key Audit Matter
Due to impairment conditions identified, the management tested its investment in Fintek Managed Solutions (Private) Limited and the related receivables for impairment and determined the recoverable amount based on a discounted forecast cash flow model. This model uses several key assumptions, including estimates of future sales, expense growth rates and weighted average cost of capital (discount rate). The impairment assessment of the goodwill and investments in subsidiaries were identified as a key audit matter due to; • The subjectivity in the assessment of the recoverable amounts which require estimation and the use of assumptions. • The assessment involves consideration of future events which are inherently uncertain, and effect of those differences may significantly impact the resulting accounting estimates.	• Obtaining an understanding of management's impairment assessment process. • Assessing the appropriateness of cashflow projection in calculation of the value-in-use, evaluating the reasonableness of the key assumptions such as the revenue growth rate, gross profit margin percentage and discount rate based on our knowledge of the business and industry by comparing the assumptions to historical results and published risk-free rate and comparing the subsequent period's actual results with the forecast, and other relevant information. Further, our evaluation involved the use of comparable market data considering the impacts of the economic situation continuing in the country on those forecasts. • On a sample basis, testing the accuracy and relevance of the input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets to the historic results and subsequent period actuals. • Performing sensitivity analysis in consideration of the potential impact of reasonably possible downside changes in these key assumptions. • Evaluating the adequacy of the related disclosures in notes 12 and 14 to the Financial Statements.

b) Recoverability of Trade Receivables

Refer to summary of material accounting policies in Note 3.4.6 and explanatory note in Note 17 of the Financial Statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
The carrying value of trade receivable of the Group was Rs. 430,251,571/- as at 31 March 2025. Assessing the allowance for impairment of trade receivable requires management to make subjective judgements over both the timing of recognition and estimation of the amount required for such impairment. The Group measures loss allowances using Simplified Expected Credit Loss (ECL) method. For this purpose, the Group has established a provision matrix that is based on the historical loss experience. The Group considers reasonable and supporting information that is relevant and available without undue cost or effort. Recoverability of trade receivables was identified as a key audit matter due to: - Materiality of the reported amount, which represents 37% of the Group's total assets. - The assessment of the recoverability of trade receivables is inherently subjective and requires significant management judgement in accordance with SLFRS 09, which increases the risk of error or potential management bias.	Our audit procedures included: - Obtaining an understanding of, assessing the design and implementation of management's key internal controls relating to credit control, debt collections and making allowances for doubtful debtors. - Assessing the reasonableness of management's loss allowance estimate by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions. - Recomputing management's calculation for the impairment allowance determined based on simplified expected credit loss method. - Assessing, on a sample basis, whether items in the debtors ageing reports were classified within the appropriate ageing category by comparing individual items in the report with the underlying documentation such as sales invoices. - Requesting for confirmations from major debtors and/or verifying subsequent settlements as an alternative procedure. - Assessing the accuracy of the disclosures and evaluating the appropriateness of the accounting policies based on the requirements of the accounting standard.

Other Information included on the 2024/25 annual report

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SLAuSs, we exercise professional judgement 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 and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures, are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieve fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of the most significance in the audit of the Financial Statements of the current period and are, therefore, the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that the 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 5052.

BDO Partners
CHARTERED ACCOUNTANTS
Colombo
29th August 2025
TR/cc

GESTETNER OF CEYLON PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2025

	Notes	Group		Company	
		2024/2025 Rs.	2023/2024 Rs.	2024/2025 Rs.	2023/2024 Rs.
Revenue from contract with customers	4	1,753,404,017	1,401,538,397	1,377,264,828	1,100,837,398
Cost of sales		(1,060,788,300)	(856,567,279)	(857,657,449)	(667,393,130)
Gross profit		692,615,717	544,971,118	519,607,379	433,444,268
Other income	5	15,158,710	5,470,634	23,981,607	32,622,309
Administrative expenses		(310,728,301)	(272,417,681)	(253,371,879)	(220,967,715)
Selling and distribution expenses		(185,227,382)	(141,967,132)	(142,414,555)	(106,428,485)
Impairment reversal/(charge) for trade and other receivables	17.1	(12,696,420)	3,417,547	(7,783,736)	1,494,635
Other operating (expenses)/income	6	(17,819,684)	15,727,526	(9,883,081)	5,291,141
Profit from operations		181,302,640	155,202,012	130,135,735	145,456,153
Net finance costs	7	(31,042,996)	(18,982,431)	(27,996,336)	(22,323,799)
Profit before taxation	8	150,259,644	136,219,581	102,139,399	123,132,354
Income tax expenses	9	(46,825,681)	(46,161,164)	(28,212,855)	(28,783,279)
Profit for the year		103,433,963	90,058,417	73,926,544	94,349,075
Other comprehensive income					
Items that will not be re-classified to profit or loss					
Gain/(loss) on re-measurement of defined benefit obligation		(3,804,678)	661,526	(3,085,036)	838,000
Tax impact on re-measurement of defined benefit obligation		1,141,403	(198,458)	925,511	(251,400)
Total other comprehensive income		(2,663,275)	463,068	(2,159,525)	586,600
Total comprehensive income for the year, net of tax		100,770,688	90,521,485	71,767,019	94,935,675
Basic earnings per share (Rs.)	10	38.92	33.88	27.81	35.50
Dividend per share (Rs.)	10.1	3.25	10.00	3.25	10.00

Figures in brackets indicate deductions.

The accounting policies and notes on pages 42 to 77 form an integral part of the Financial Statements.

Colombo
29th August 2025

GESTETNER OF CEYLON PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2025

		Group		Company	
		As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
Notes					
ASSETS					
Non-current assets					
Property, plant and equipment	11	260,161,418	235,782,729	184,646,172	189,350,182
Intangible assets	12	44,902,568	42,404,200	6,989,645	4,491,276
Right-of-use assets	13	28,446,784	35,558,480	28,446,784	35,558,480
Investment in subsidiaries	14	-	-	145,260,485	145,260,485
Deferred tax assets	15	27,019,468	14,250,322	17,251,739	6,989,261
Total non-current assets		360,530,238	327,995,731	382,594,825	381,649,684
Current assets					
Inventories	16	347,398,929	123,768,257	259,076,945	90,037,796
Trade and other receivables	17	468,210,485	328,456,373	323,619,365	248,806,928
Amounts due from related companies	18	2,387,765	3,557,765	85,188,922	17,914,015
Cash and cash equivalents	19	17,855,646	18,699,960	14,248,236	11,383,487
Total current assets		835,852,825	474,482,355	682,133,468	368,142,226
Total assets		1,196,383,063	802,478,086	1,064,728,293	749,791,910
EQUITY AND LIABILITIES					
Equity					
Stated capital	20	91,965,565	91,965,565	91,965,565	91,965,565
General reserves	21	5,000,000	5,000,000	5,000,000	5,000,000
Retained earnings		456,459,717	364,326,917	374,824,826	311,695,696
Total shareholders' equity		553,425,282	461,292,482	471,790,391	408,661,261
Liabilities					
Non-current liabilities					
Lease liability - Non-current	22	22,097,495	26,751,097	22,097,495	26,751,097
Retirement benefit obligation	23	30,675,876	23,922,050	26,578,191	20,953,754
Interest bearing borrowing - Non current	26	81,227,484	-	81,227,484	-
		134,000,855	50,673,147	129,903,170	47,704,851
Current liabilities					
Trade and other payables	24	210,902,661	133,135,196	195,406,882	114,055,346
Lease liability - Current	22	7,863,734	8,807,382	7,863,734	8,807,382
Interest bearing borrowing - Current	25	114,121,293	45,000,000	98,515,293	45,000,000
Amounts due to related companies	27	2,499,201	206,401	45,328,976	50,061,053
Income tax liability	28	50,663,379	23,550,694	31,100,719	21,062,956
Bank overdraft	19	122,906,658	79,812,784	84,819,128	54,439,061
Total current liabilities		508,956,926	290,512,457	463,034,732	293,425,798
Total liabilities		642,957,781	341,185,604	592,937,902	341,130,649
Total equity and liabilities		1,196,383,063	802,478,086	1,064,728,293	749,791,910
Net assets per share		208.23	173.56	177.51	153.76
Commitments and contingencies		29 and 30			

Figures in brackets indicate deductions.

The accounting policies and notes on pages 42 to 77 form an integral part of the Financial Statements.

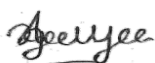
These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



U. Sanath Rangana
Head of Finance

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

Approved and signed for and on behalf of the Board.



A.P.G.A.P. Geethanjalee
Director



L.R. Watawala
Director

Colombo
29th August 2025

GESTETNER OF CEYLON PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2025

Group	Stated capital Rs.	General reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 31st March 2023	91,965,565	5,000,000	300,383,552	397,349,117
Profit for the year	-	-	90,058,417	90,058,417
Other comprehensive income for the year	-	-	463,068	463,068
Dividend paid	-	-	(26,578,120)	(26,578,120)
Balance as at 31st March 2024	91,965,565	5,000,000	364,326,917	461,292,482
Profit for the year	-	-	103,433,963	103,433,963
Other comprehensive income for the year	-	-	(2,663,275)	(2,663,275)
Dividend paid	-	-	(8,637,889)	(8,637,889)
Balance as at 31st March 2025	91,965,565	5,000,000	456,459,717	553,425,282

Company	Stated capital Rs.	General reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 31st March 2023	91,965,565	5,000,000	243,338,141	340,303,706
Profit for the year	-	-	94,349,075	94,349,075
Other comprehensive income for the year	-	-	586,600	586,600
Dividend paid	-	-	(26,578,120)	(26,578,120)
Balance as at 31st March 2024	91,965,565	5,000,000	311,695,696	408,661,261
Profit for the year	-	-	73,926,544	73,926,544
Other comprehensive income for the year	-	-	(2,159,525)	(2,159,525)
Dividend paid	-	-	(8,637,889)	(8,637,889)
Balance as at 31st March 2025	91,965,565	5,000,000	374,824,826	471,790,391

Figures in brackets indicate deductions.

The accounting policies and notes on pages 42 to 77 form an integral part of the Financial Statements.

Colombo
29th August 2025

GESTETNER OF CEYLON PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2025

	Group		Company	
	2024/2025 Rs.	2023/2024 Rs.	2024/2025 Rs.	2023/2024 Rs.
Cash flows from operating activities				
Profit before taxation	150,259,644	136,219,581	102,139,399	123,132,354
Adjustments for				
Depreciation of property, plant and equipment	107,922,075	81,633,089	84,156,696	62,367,290
Amortisation of intangible assets	2,453,632	2,272,425	2,453,631	2,040,679
Amortisation of right-of-use assets	7,111,696	6,829,356	7,111,696	6,829,356
Write off - Inventory	724,056	-	207,725	-
- Trade Receivables	174,085	4,325	174,085	4,325
Provision/(reversal) for - Inventories	16,921,543	(15,731,851)	9,463,716	(5,359,355)
- Related party receivables	-	-	37,555	63,889
Interest income	(27,759)	-	(4,503,849)	-
Interest expenses	26,904,863	15,869,814	29,326,982	23,273,246
Impairment charge /(Reversal) for trade receivables	12,696,420	(3,417,547)	7,783,736	(1,494,635)
Provision for defined benefit obligations	7,242,943	6,727,166	6,066,446	5,574,054
Dividend income	-	-	(8,882,500)	(27,221,175)
	182,123,554	94,186,777	133,395,919	66,077,674
Operating cash flows before change in working capital	332,383,198	230,406,358	235,535,318	189,210,028
Changes in working capital				
Decrease /(increase) in inventories	(241,276,271)	19,542,000	(178,710,590)	16,796,653
Decrease in trade and other receivables	(152,624,617)	(93,926,986)	(82,770,259)	(84,535,216)
Increase in trade and other payables	77,767,465	18,009,787	81,351,536	15,646,888
Decrease/(increase) in amount due from related companies	1,170,000	7,245,939	(67,274,907)	(3,228,243)
Increase/(decrease) in amount due to related companies	2,292,800	(24,235,834)	(4,769,632)	(23,038,785)
Increase in short-term borrowings	69,121,293	25,205,588	53,515,293	35,262,730
	(243,549,330)	(48,159,506)	(198,658,561)	(43,095,973)
Cash generated from operations	88,833,868	182,246,852	36,876,757	146,114,055
Interest paid	(23,142,115)	(15,234,721)	(25,564,233)	(22,638,153)
Gratuity paid	(4,293,795)	(3,449,405)	(3,527,045)	(2,127,850)
Income tax paid	(31,340,739)	(24,979,471)	(27,512,059)	(16,953,338)
	(58,776,649)	(43,663,597)	(56,603,337)	(41,719,341)
Net cash generated from operating activities	30,057,219	138,583,255	(19,726,580)	104,394,714
Cash flows from investing activities				
Purchase of property, plant and equipment and intangible assets	(137,222,420)	(152,028,288)	(84,404,686)	(133,805,192)
Proceeds from disposal of property, plant and equipment	(30,344)	-	-	-
Interest received	27,759	-	4,503,851	-
Dividend paid	(8,637,889)	(26,578,120)	(8,637,889)	(26,578,120)
Dividend income	-	-	8,882,500	27,221,175
Net cash used in investing activities	(145,862,894)	(178,606,408)	(79,656,224)	(133,162,137)
Cash flow from financing activities				
Long term loan obtained	95,000,000	-	95,000,000	-
Re-payment of long term loan	(13,772,513)	-	(13,772,513)	-
Lease rentals paid	(9,360,000)	(9,360,000)	(9,360,000)	(9,360,000)
Net cash used in financing activities	71,867,487	(9,360,000)	71,867,487	(9,360,000)
Net decrease in cash and cash equivalents during the year	(43,938,188)	(49,383,153)	(27,515,317)	(38,127,423)
Cash and cash equivalents at the beginning of the year (Note A)	(61,112,824)	(11,729,671)	(43,055,574)	(4,928,151)
Cash and cash equivalents at the end of the year (Note B)	(105,051,012)	(61,112,824)	(70,570,891)	(43,055,574)
At the beginning				Note A
Cash at bank	16,991,858	15,451,261	9,700,385	14,042,680
Cash in hand	1,708,102	756,290	1,683,102	731,290
Bank overdraft	(79,812,784)	(27,937,222)	(54,439,061)	(19,702,121)
	(61,112,824)	(11,729,671)	(43,055,574)	(4,928,151)
At the end				Note B
Cash at bank	17,140,496	16,991,858	13,572,386	9,700,385
Cash in hand	715,150	1,708,102	675,850	1,683,102
Bank overdraft	(122,906,658)	(79,812,784)	(84,819,128)	(54,439,061)
	(105,051,012)	(61,112,824)	(70,570,892)	(43,055,574)

The accounting policies and notes on pages 42 to 77 form an integral part of the Financial Statements.

Colombo
29th August 2025

NOTES TO THE FINANCIAL STATEMENTS

1 REPORTING ENTITY

1.1 Domicile and legal form

Gestetner of Ceylon PLC (the “Company”) is a Quoted Public Company with limited liability incorporated in Sri Lanka under the provisions of the Companies Act No. 17 of 1982 and re-registered under the new Companies Act No. 7 of 2007. The registered office of the Company is situated at Gestetner Centre, No. 248, Vauxhall Street, Colombo 02. The principal place of business is at No. 270, Dr. N.M Perera Mawatha, Colombo 08.

The Consolidated Financial Statements, as at and for the year ended 31st March 2025 comprise the Company and its Subsidiaries (together referred to as the “Group” and individually as “Group entities”).

1.2 Principal activities and nature of operations

The Group is primarily involved in importing and selling of digital copiers, digital duplicators, duplicators, laser printers, laptops, G&D machines, mobile phones and air-conditioners, provision of outsourced photocopying/printing services, IT solutions and providing after sales services.

Ordinary shares of the Company are listed on the Colombo stock exchange.

There were no significant changes in the nature of principal activities of the Group during the financial year under review.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The Consolidated Financial Statements of the Group and separate Financial Statements of the Company, as at 31st March 2025 and for the year then ended, have been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRSs and LKASs), laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No. 07 of 2007, and the Listing Rules of the Colombo Stock Exchange.

These Financial Statements include the following components:

- Statement of Profit or Loss and Other Comprehensive Income providing information on the financial performance of the Company and the Group for the year under review;
- Statement of Financial Position providing information on the financial position of the Company and the Group as at the year-end;
- Statement of Changes in Equity depicting all changes in shareholders’ equity of the Company and the Group during the year under review;
- Statement of Cash Flows providing information to the users, on the ability of the Company and the Group to generate cash and cash equivalents and the needs to utilise those cash flows; and
- Notes to the Financial Statements comprising Accounting Policies and other explanatory information.

NOTES TO THE FINANCIAL STATEMENTS

2.2 Basis of measurement

The Financial Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position.

The defined benefit liability is recognised at the present value of the defined benefit obligation computed using the Projected Unit Credit Method in accordance with Sri Lanka Accounting Standard 19 (LKAS 19) - "Employee Benefits".

2.3 Directors' responsibility statement

The Board of Directors is responsible for the preparation and presentation of these Financial Statements as per the provisions of the Companies Act No. 07 of 2007 and SLFRSs and LKASs.

The Financial Statements for the year ended 31st March 2025 were authorised for issue by the Board of Directors on 29th August 2025.

2.4 Functional and presentation currency

The Financial Statements have been presented in Sri Lankan Rupees, which is the Group's functional currency. All financial information presented in Sri Lankan Rupees have been rounded to the nearest Rupee.

2.5 Use of estimates and judgments

The preparation of the Financial Statements in conformity with Sri Lanka Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying the accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in the following notes;

- **Note 11 to 12** - useful lives of property, plant and equipment - review of the residual values, useful lives and methods of depreciation at each reporting date
- **Note 15** - deferred tax asset/liability - availability of future taxable profits against which carry forward tax losses can be used
- **Note 3.4.6** - provision for impairment of debtors
- **Note 3.9** - provisions for obsolete and slow-moving items - key assumptions underlying the determination of the provision percentages
- **Note 23** - measurement of defined benefit obligation - key assumptions underlying the measurement of employee benefits liability
- **Note 12** - impairment test of goodwill: key assumptions underlying recoverable amounts

NOTES TO THE FINANCIAL STATEMENTS

2.6 Going concern

The Group has prepared the Financial Statements for the year ended 31st March 2025 on the basis that it will continue to operate as a going concern.

In determining the basis of preparing the Financial Statements for the year ended 31st March 2025, based on available information, the management has assessed the prevailing market conditions and the economic situation in the country and its effect on the Group and the appropriateness of the use of the going concern basis.

It is the view of the management that there are no material uncertainties that may cast significant doubt on the Group's ability to continue to operate as a going concern. In determining the above, significant management judgements, estimates and assumptions including the impact of the current macroeconomic conditions have been considered as of the reporting date. The Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future and hence, has adopted the going concern basis in preparing and presenting these Financial Statements.

2.7 Materiality and aggregation

In compliance with the Sri Lanka Accounting Standard - LKAS 01 on 'Presentation of Financial Statements', each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately, unless they are immaterial.

3 SUMMERY MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in the Financial Statements of the Group.

3.2 Basis of consolidation

The Group's Financial Statements comprise consolidated Financial Statements of the Company and its subsidiaries prepared as per the Sri Lanka Financial Reporting Standard (SLFRS 10) on 'Consolidated Financial Statements'.

3.2.1 Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meet the definition of a business and the control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses to ascertain whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets.

NOTES TO THE FINANCIAL STATEMENTS

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

The Group measures the goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed

3.2.2 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiaries are included in the consolidated Financial Statements from the date on which the control commences until the date on which the control ceases.

The Group re-assesses to ascertain whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

The cost of an acquisition is measured at fair value of the consideration, including contingent consideration. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair value at the date of acquisition, subsequent to the acquisition, the Company continues to recognise the investment in subsidiaries at cost.

The Directors have concluded that the Group controls all subsidiaries as it has the majority control and voting rights over its subsidiaries.

Set out below are the Group's principal subsidiaries as at 31 March 2025.

Name of entity	Place of business	% of Ownership interest held by the Group	Principal activities
Gestetner Printing Services (Private) Limited	Colombo/ Sri Lanka	100%	Provision of outsourced photocopying/ printing services and also IT solution
Nashua Lanka (Private) Limited	Colombo/ Sri Lanka	100%	Imports and markets copiers and consumables
Gestetner Manufacturers (Private) Limited	Colombo/ Sri Lanka	100%	Manufacturing ink and currently is not operating. The board of directors is evaluating various business opportunities, and has ready access to financial resources from its parent entity and other related companies
Fintek Managed	Colombo/	100%	Importing and selling of digital copiers, laser

NOTES TO THE FINANCIAL STATEMENTS

Name of entity	Place of business	% of Ownership interest held by the Group	Principal activities
Solutions (Private) Limited	Sri Lanka		printers, air-conditioners, provision of outsourced photocopying and providing after sales services including services for G&D machines

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

3.2.3 Non-controlling interest (NCI)

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.2.4 Loss of control

When the Group loses the control over a subsidiary, it de-recognises the assets and liabilities of the subsidiary and any related NCI (If applicable) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest in the former subsidiary is measured at fair value when the control is lost.

The carrying amount of the investment at the date that such entity ceases to be a subsidiary would be regarded as the cost of initial measurement of a financial asset.

3.2.5 Goodwill

Goodwill recognised in a business combination is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net amount of the identifiable assets, liabilities and contingent liabilities acquired.

Following the initial recognition, the goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

3.2.6 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

3.2.7 Accounting for investment in subsidiaries

When separate Financial Statements are prepared, investments in subsidiaries are accounted for using the cost method. Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

3.3 Foreign currency translation

Transactions in foreign currencies are translated to Sri Lankan Rupees at the exchange rates prevailing at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Sri Lankan Rupees at the exchange rates at that date.

Non-monetary assets and liabilities which are stated at historical cost denominated in foreign currencies are translated to Sri Lankan Rupees at the exchange rate at the date of the transactions.

Foreign exchange differences arising on translation are recognised in the statement of profit or loss.

3.4 Financial instruments

3.4.1 Recognition and initial measurement

Trade receivable and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group 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 Fair Value through Profit or Loss (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.

3.4.2 Classification and subsequent measurement

On initial recognition, a financial asset is classified as being measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) - debt investment; FVOCI - equity investment; or FVTPL. Financial assets are not re-classified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case, all affected financial assets are re-classified 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 the following conditions and is not designated as at 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 the payments of principal and interest on the principal amount outstanding

The Group's financial assets classified under amortised cost includes trade and other receivable, amounts due from related companies and cash and cash equivalents.

A debt investment is measured at FVOCI if it meets both the following conditions and not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding

NOTES TO THE FINANCIAL STATEMENTS

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL and if doing so, eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The Group does not have any financial assets classified as measured at FVTPL.

Financial assets - Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered may include:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether the management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- How managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected

Financial Assets - Assessment whether contractual cash flows are solely the payments of principal and interest:

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value-for-money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely the payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual cash flows and as such that it would not meet this condition.

Financial assets - subsequent measurement, gain and losses:

NOTES TO THE FINANCIAL STATEMENTS

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are, subsequently, measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

3.4.3 Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are, subsequently, measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities measured at amortised cost include “interest bearing borrowings”, “trade and other payables”, “short term borrowings”, “amounts due to related companies” and “bank overdrafts”.

3.4.4 Derecognition**Financial assets**

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers the assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not de-recognised.

Financial liabilities

The Group de-recognises a financial liability when its contractual obligation is discharged or cancelled, or expire. The Group 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. On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

3.4.5 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has currently a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.4.6 Impairment of financial assets

A financial asset not carried at fair value through profit or loss (FVTPL) is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that the financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indicates that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

The Group uses simplified approach to measuring expected credit losses which use a lifetime expected loss allowance for all trade and other receivables. The Group uses its historical credit loss experience adjusted as appropriate considering the current observable data to reflect the effect of the current conditions and its forecasts of future conditions.

When determining whether the credit risk of a financial asset has increased significantly since the initial recognition and when estimating Expected Credit Losses (ECLs), the Group considers reasonable and supportive information that is relevant and available without undue cost or effort.

3.4.6.1 Credit-impaired financial assets

At each reporting date, the Group assesses to ascertain whether the financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- adverse changes in the payment status of the debtor; and
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

3.4.6.2 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.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

NOTES TO THE FINANCIAL STATEMENTS

3.4.7 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Level 1

When available, the Group measures the fair value of an instrument using the active quoted prices or dealer price quotations (assets and long positions are measured at a bid price; liabilities and short positions are measured at an ask price), without any deduction for transaction costs. A market is regarded as active if the transactions for asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. Valuation techniques include using the recent arm's length transactions between the knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses, credit models, option pricing models and other relevant valuation models. The chosen valuation technique makes the maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

Level 3

Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

Valuation techniques include net present value and discounted cash flow models in comparison with similar instruments for which observable market prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, risk premiums in estimating discount rates, bond and equity prices, foreign exchange rates, expected price volatilities and corrections.

NOTES TO THE FINANCIAL STATEMENTS

3.5 Stated capital

Ordinary shares are classified as an equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.6 Property, plant and equipment

Recognition and Measurement

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Company/Group and the cost of the asset can be reliably measured. 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 labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

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 recognised net within other income in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

De-recognition

Property, plant and equipment are de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in 'Other income' in the statement of profit or loss in the year the asset is de-recognised.

Depreciation

The Group provides depreciation from the date the assets are available for use up to the date of disposal, at the following rates on a straight-line basis over the periods appropriate to the estimated useful lives based on the pattern in which the asset's future economic benefits are expected to be consumed by the Group of the different types of assets, except for which are disclosed separately.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or the date that the asset is derecognised. Depreciation does not cease when the assets become idle or are retired from active use unless the asset is fully depreciated.

NOTES TO THE FINANCIAL STATEMENTS

The estimated depreciation rates for the current and comparative years of significant items of property, plant and equipment are as follows:

Asset category	Useful life (Years)
Plant and machinery	3-5
Furniture and equipment	05
Motor vehicles	05

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than the inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market 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 continues use that are largely independent of the cash inflows of other assets or a group of assets.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit on a pro-rata basis.

Impairment losses recognised 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 has been recognised.

3.7 Leases

At inception of a contract, the Group assesses to ascertain whether a contract is, or contains, a lease. If a contract is, or contains, a lease, the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

NOTES TO THE FINANCIAL STATEMENTS

- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are the most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either: the Group has the right to operate the asset; or
- the Group designs the asset in a way that predetermines how and for what purpose it will be used.

3.7.1 As a lessee

At inception or on re-assessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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 a rate, initially measured using the rate as at the commencement date; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

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

NOTES TO THE FINANCIAL STATEMENTS

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.

The Group presents the right-of-use assets in 'Right-of-use assets' and lease liabilities in 'Lease liability' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise the right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.7.2 As a Lessor

When the Group 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 Group makes an overall assessment of whether the lease transfers substantially all of the risks 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 Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Company applies SLFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Service Income'.

3.8 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group in accordance with the Sri Lanka Accounting Standard- LKAS 38 on 'Intangible Assets'. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated in the statement of financial position at cost less any accumulated amortisation and any accumulated impairment losses, if any.

Subsequent expenditure

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

Amortisation

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

NOTES TO THE FINANCIAL STATEMENTS

The estimated useful lives for the current and comparative years of Intangible assets are as follows:

Asset category	Useful life (Years)
Software	05
Brand	05

3.9 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of selling expenses.

Appropriate provisions will be made for the value of any stocks which are obsolete.

3.10 Liabilities and provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.11 Employee benefits

Defined contribution plans

A 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 further amounts.

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Mercantile Service Provident Fund (MSPF)

The Group and the employees except from Fintek Managed Solutions (Private) Limited contribute 12% and 10% respectively on the salary of each employee to the Mercantile Service Provident Fund.

Employee's Provident Fund

Fintek Managed Solutions (Private) Limited and their employees contribute 12% and 8% respectively on the salary of each employee to the Employee's Provident Fund.

Employees' Trust Fund

The Group contributes 3% of the salary of each employee to the Employees' Trust Fund.

NOTES TO THE FINANCIAL STATEMENTS

Defined benefit plan - Gratuity

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

Provision has been made for retirement gratuity from the first year of service for all employees in conformity with LKAS 19. However, under the payment of the Gratuity Act No.12 of 1983, the liability to an employee arises only on the completion of 5 years of continued services.

The liability is not externally funded. The defined benefit obligation is calculated by a qualified actuary as at the current reporting date using the Projected Unit Credit (PUC) method as recommended by LKAS 19 - "Employee benefits". The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of other comprehensive income and all expenses related to defined benefit plans in administrative expenses in Profit or Loss.

3.12 Revenue from contact with customers**Disaggregation of revenue**

SLFRS 15 requires an entity to disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group's contracts with customers are similar in nature and revenue from these contracts are not significantly affected by economic factors apart from exports sales. The Group believes that the objective of this requirement will be met by using the types of goods or service as per Note No 4.

3.12.1 Sale of goods

The Group's revenue comprises only the revenue from contracts with customers. Revenue principally comprises sales of digital copiers, digital duplicators, duplicators, laser printers, air-conditioners, laptops, G&D machines, spares and consumables to external customers. Revenue excludes duty, other taxes collected on behalf of third parties, rebates and discounts. The Group considers sales and delivery of products as one performance obligation and recognises revenue when it transfers control to a customer.

3.12.2 Sale of services

The Group provides outsourced photocopying / printing services, IT solutions, manages a Copy Bureau and imports and distributes office automation products. The Group recognises revenue at the time the services are rendered, when the performance obligation is satisfied.

3.13 Other income

Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non-current assets, including investments, are accounted for in the statement of profit or loss, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses.

NOTES TO THE FINANCIAL STATEMENTS

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

Dividend income is recognised in the statement of profit or loss on the date that the Group's right to receive the payment is established.

3.14 Expenditure

All expenditure incurred in running of the business and in maintaining the capital assets in a state of efficiency has been charged to profit or loss in arriving at the profit for the year.

Expenditure incurred for the purpose of acquiring, expanding or improving the assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

3.15 Finance income and finance costs

Finance income comprises interest income on funds invested recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings and overdraft interest expenses. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset is recognised in profit or loss using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether the foreign currency movements are in a net gain or net loss position.

3.16 Income tax

Income tax expense comprises the current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

3.16.1 Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and the amendments thereto.

NOTES TO THE FINANCIAL STATEMENTS

3.16.2 Deferred tax

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 measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is legally an enforceable right to offset the current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, 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 utilised. 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.

3.17 Events after the reporting date

The materiality of the events after the reporting date has been considered and appropriate adjustments and provisions have been made in the Financial Statements wherever necessary.

3.18 Basic Earnings Per Share (EPS)

The Group 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 Group by the weighted average number of ordinary shares outstanding during the year.

3.19 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 benefits 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.

3.20 Segmental reporting

The Group operates in two geographical segments-domestic and export sales.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for making the strategic decisions, allocating resources and assessing the performance of the operating segments, have been identified as the Group Chief Executive and Board of Directors.

However, operating segments are not presented as the exports make up less than 1% of the sales turnover.

NOTES TO THE FINANCIAL STATEMENTS

3.21 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 LKAS- 07 “Cash Flow Statements”. Cash and cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalent include cash in hand and balances with banks.

3.22 New Accounting Standards issued but not effective as at reporting date

The Institute of Chartered Accountants of Sri Lanka has issued following new Sri Lanka Accounting Standards which will become applicable for financial periods beginning after 1st April 2025.

The Group intends to adopt these amended standards and interpretations, if applicable, when they become effective.

The following amended standards and interpretations are not expected to have a significant impact on the Group’s financial statements.

- SLFRS S1 - General Requirements for Disclosures of Sustainability related Financial Information
- SLFRS S2 - Climate-Related Disclosures
- Lack of Exchangeability - (Amendments to LKAS 21)
- SLFRS 17 - (Amendments to SLFRS 4)

The assessment of the impact on the Group does not have any material impact on the Financial Statements.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March

4. REVENUE FROM CONTRACT WITH CUSTOMERS

	Group		Company	
	2024/2025 Rs.	2023/2024 Rs.	2024/2025 Rs.	2023/2024 Rs.
Machine sales	721,250,510	484,737,606	511,375,349	375,714,288
Spares sales	212,320,714	198,869,993	183,008,309	171,146,517
Consumable sales	304,585,358	282,750,272	254,711,960	235,621,003
Export income	-	1,926,859	-	1,926,859
Service income	597,516,730	472,182,599	428,169,210	316,428,731
	1,835,673,312	1,440,467,329	1,377,264,828	1,100,837,398

4.1 Other subsidiaries

Machine outsource income	934,923	1,525,536	-	-
Consumables sales	1,365,000	1,938,099	-	-
Inter group sales	(84,569,218)	(42,392,567)	-	-
	1,753,404,017	1,401,538,397	1,377,264,828	1,100,837,398

5. OTHER INCOME

Sundry income	1,108,969	434,523	1,049,366	365,023
Incentive for target achievement	14,049,741	5,036,111	14,049,741	5,036,111
Dividend income	-	-	8,882,500	27,221,175
	15,158,710	5,470,634	23,981,607	32,622,309

6. OTHER OPERATING EXPENSES/(INCOME)

Write off - Inventory	724,056	-	207,725	-
- Trade receivables	174,085	4,325	174,085	4,325
Provision/(reversal) for - Inventories	16,921,543	(15,731,851)	9,463,716	(5,359,355)
- Related party receivables	-	-	37,555	63,889
	17,819,684	(15,727,526)	9,883,081	(5,291,141)

7. NET FINANCE COSTS

Finance income				
Interest income - intercompany	-	-	4,476,235	3,032,265
- bank	27,759	52,675	27,615	52,675
Gain on translation of foreign currency	663,736	286,128	663,736	286,128
Total finance income	691,495	338,803	5,167,586	3,371,068

Finance cost				
Interest expense - intercompany loans	-	-	5,645,866	10,313,730
- lease liabilities	3,762,749	635,093	3,762,749	635,093
- short-term loans	13,809,913	1,375,553	13,453,543	1,265,000
- overdraft	9,332,202	13,859,168	6,464,824	11,059,423
Loss on translation of foreign currency	171,317	-	-	-
Bank charges	4,658,310	3,451,420	3,836,940	2,421,621
Total finance costs	31,734,491	19,321,234	33,163,922	25,694,867
Net finance costs	(31,042,996)	(18,982,431)	(27,996,336)	(22,323,799)

8. PROFIT FROM OPERATION IS STATED AFTER CHARGING

Profit from operation is stated after charging all expenses including the following;

Directors' emoluments	14,237,037	11,225,000	14,237,037	11,225,000
Auditor's remuneration - Statutory audit	1,651,100	1,089,328	1,025,100	745,200
Professional fees	7,523,075	9,852,781	6,050,803	8,403,516
Depreciation and amortisation	110,375,706	83,905,514	86,610,328	64,407,969
Amortisation on right-of-use asset	7,111,696	6,829,356	7,111,696	6,829,356
Write off - Inventory	724,056	-	207,725	-
- Trade Receivables	174,085	4,325	174,085	4,325
Provision/(reversal) for - Inventories	16,921,543	(15,731,851)	9,463,716	(5,359,355)
- Related party receivables	-	-	37,555	63,889
Defined benefit plan cost - employee benefits	7,242,943	6,727,166	6,066,446	5,574,054
Defined contribution plan cost (MSPS/EPF/ETF)	27,233,655	19,610,458	21,892,433	15,161,471
Salaries and wages	189,785,628	163,537,881	154,116,134	133,205,529

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March

9. INCOME TAX EXPENSE

9.1 Current income tax expenses

	2024/2025 Rs.	2023/2024 Rs.	2024/2025 Rs.	2023/2024 Rs.
Income tax expense on current year's profit (Note 9.2)	58,453,424	34,195,522	37,549,822	25,562,956
Deferred tax charge/(reversal) for the year (Note 15)	(11,627,743)	11,965,642	(9,336,967)	3,220,323
Total income tax expenses	46,825,681	46,161,164	28,212,855	28,783,279

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

Profit before income tax expenses	150,259,644	136,219,581	102,139,399	123,132,354
Aggregate disallowable expenses	161,855,026	131,128,576	121,218,036	77,495,076
Aggregate allowable expenses	(135,070,985)	(158,842,533)	(102,695,211)	(127,247,993)
Income from other sources	10,149,860	22,144,145	4,503,849	11,830,415
	187,193,545	130,649,769	125,166,073	85,209,852
Less: Tax loss utilised (Note 9.3)	(1,133,191)	(16,661,102)	-	-
Total taxable income	186,060,354	113,988,667	125,166,073	85,209,852
Income tax rate at 30%	58,453,424	34,196,600	37,549,822	25,562,956
Income tax expense for the year	58,453,424	34,196,600	37,549,822	25,562,956

In terms of the Inland Revenue Act No. 24 of 2017, the Company is liable for Income Tax at the rate of 30%.

9.3 Reconciliation of tax losses

Tax loss brought forward	6,290,155	22,951,257	-	-
Tax loss utilised	(1,133,191)	(16,661,102)	-	-
Tax loss carried forward	5,156,964	6,290,155	-	-

10. BASIC EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

	2024/2025 Rs.	2023/2024 Rs.	2024/2025 Rs.	2023/2024 Rs.
Profit attributable to ordinary shareholders	103,433,963	90,058,417	73,926,544	94,349,075
Weighted average number of ordinary shares	2,657,812	2,657,812	2,657,812	2,657,812
Basic earnings per share (Rs.)	38.92	33.88	27.81	35.50

There were no potentially dilutive ordinary shares outstanding at the end of the year, hence, the dilutive earnings per share is equal to basic earnings per share for the year.

10.1 DIVIDEND PER SHARE

The dividend per share is based on the dividend paid during the year and the number of ordinary shares outstanding as at that date.

	2024/2025 Rs.	2023/2024 Rs.	2024/2025 Rs.	2023/2024 Rs.
Dividend paid	8,637,889	26,578,120	8,637,889	26,578,120
Dividend per share	3.25	10.00	3.25	10.00

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

11 PROPERTY, PLANT AND EQUIPMENT

11.1 Group	Plant and machinery Rs.	Furniture and equipment Rs.	Motor vehicles Rs.	Total Rs.
Cost/valuation				
Balance at the beginning of the year	778,222,465	58,203,376	1,176,347	837,602,188
Additions during the year	126,048,395	6,222,025	-	132,270,420
Disposal during the year	606,882	-	-	606,882
Balance at the end of the year	904,877,742	64,425,401	1,176,347	970,479,490
Accumulated depreciation				
Balance at the beginning of the year	562,563,776	38,079,336	1,176,347	601,819,459
Charge for the year	103,120,009	4,802,066	-	107,922,075
On disposal	576,538	-	-	576,538
Balance at the end of the year	666,260,323	42,881,402	1,176,347	710,318,072
WDV as at 31.03.2025	238,617,419	21,543,999	-	260,161,418
WDV as at 31.03.2024	215,658,689	20,124,040	-	235,782,729

11.2 Company	Plant and machinery Rs.	Furniture and equipments Rs.	Motor vehicles Rs.	Total Rs.
Cost/valuation				
Balance at the beginning of the year	572,873,274	40,025,930	214,347	613,113,551
Additions during the year	77,322,749	2,129,937	-	79,452,686
Balance at the end of the year	650,196,023	42,155,867	214,347	692,566,237
Accumulated depreciation				
Balance at the beginning of the year	394,724,081	28,824,941	214,347	423,763,369
Charge for the year	80,219,092	3,937,604	-	84,156,696
Balance at the end of the year	474,943,173	32,762,545	214,347	507,920,065
WDV as at 31.03.2025	175,252,850	9,393,322	-	184,646,172
WDV as at 31.03.2024	178,149,193	11,200,989	-	189,350,182

Fully depreciated assets of the Group as at the year end is Rs.517,559,098/- (2023/2024 - Rs.392,063,127/-) and that of the Company is Rs.367,252,603/- (2023/2024 - Rs.313,790,211/-).

The temporarily idling property, plant and equipment without a carrying value amounts to Rs. 38,075,238/- (2023/2024 - Rs.38,075,238/-) as at 31st March 2025.

Security over Assets As at 31st March 2025, certain items of plant and machinery have been pledged as security for banking facilities obtained by the Company. DFCC Bank PLC and Commercial Bank of Ceylon PLC holds a primary mortgage over the Company's plant and machineries with a total carrying value of Rs. 180Mn.

There were no restrictions existed on the title to the property, plant and equipment of the Group/Company as at 31st March 2025.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

12. INTANGIBLE ASSETS

12.1 Group	As at 31.03.2025			As at 31.03.2024 Rs.
	Computer software Rs.	Goodwill Rs.	Total Rs.	
Cost				
Balance at the beginning of the year	20,517,006	37,977,635	58,494,641	57,619,061
Additions during the year	4,952,000	-	4,952,000	875,580
Balance at the end of the year	25,469,006	37,977,635	63,446,641	58,494,641
Amortisation				
Balance at the beginning of the year	15,760,608	329,833	16,090,441	13,818,016
Charge for the year	2,453,632	-	2,453,632	2,272,425
Balance at the end of the year	18,214,240	329,833	18,544,073	16,090,441
Written down value as at reporting date	7,254,766	37,647,802	44,902,568	42,404,200

Impairment of goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market, at an arm's length transaction, of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to, or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is the most sensitive to the discount rate used for the discounted cash flow model as

Assumptions used in estimating recoverable amounts are given below:

The recoverable values were subject to an impairment test based on value in use. The value in use was determined by discounting the future cash flows generated from the continued use of the unit and key assumptions used are given below.

- 1) Business Growth - The forecast has been done at minimum expected growth rates (10%) to address avoid any risk due to effect of macro economic condition.
- 2) Inflation - Based on the current inflation rate and the percentage of the total cost subjected to the inflation
- 3) Discount Rate - Weighted Average Cost of Capital (13.25%)
- 4) Margin - Current Average GP margins considered (44%)
- 5) Strategies - The marketing strategies, staff monitoring and evaluation strategies, internal controls, strategies on post sales business
- 6) The capital expenditure required for revenue generation has been budgeted adequately
- 7) Period of Projection - 5 Years

No impairment loss was recognised during the financial year.

12.2 Company	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
Computer software		
Cost		
Balance at the beginning of the year	17,241,690	16,647,087
Additions during the year	4,952,000	594,603
Balance at the end of the year	22,193,690	17,241,690
Amortisation		
Balance at the beginning of the year	12,750,414	10,709,735
Charge for the year	2,453,631	2,040,679
Balance at the end of the year	15,204,045	12,750,414
Written down value as at reporting date	6,989,645	4,491,276

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

13. RIGHT-OF-USE ASSETS

Set out below are the carrying amounts of right-of use assets recognised and the movements during the year.

	Group		Company	
	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
Cost				
Balance at the beginning of the year	69,705,260	34,146,780	69,705,260	34,146,780
Additions during the year	-	35,558,480	-	35,558,480
Balance at the end of the year	69,705,260	69,705,260	69,705,260	69,705,260
Accumulated amortisation				
Balance at the beginning of the year	34,146,780	27,317,424	34,146,780	27,317,424
Charge for the year	7,111,696	6,829,356	7,111,696	6,829,356
Balance at the end of the year	41,258,476	34,146,780	41,258,476	34,146,780
Written down value	28,446,784	35,558,480	28,446,784	35,558,480

14. INVESTMENT IN SUBSIDIARIES

	Company			
	No of shares	Percentage of holding	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
Gestetner Manufacturers (Private) Limited	99,996	100%	999,960	999,960
Gestetner Printing Services (Private) Limited	999,996	100%	9,999,960	9,999,960
Nashua Lanka (Private) Limited	1,700,000	100%	17,000,000	17,000,000
Fintek Managed Solutions (Private) Limited	12,800,000	100%	128,000,000	128,000,000
			155,999,920	155,999,920
Impairment of investment in Fintek Managed Solutions (Private) Limited			(9,739,475)	(9,739,475)
Provision for investment in Gestetner Manufactures (Private) Limited			(999,960)	(999,960)
			145,260,485	145,260,485

15. DEFERRED TAX ASSETS

	Group		Company	
	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
The movement of deferred tax				
Balance at the beginning of the year	14,250,322	26,414,422	6,989,261	10,460,984
Charge/(reversal) during the year	11,627,743	(11,965,642)	9,336,967	(3,220,323)
On re-measurement of defined benefit obligations	1,141,403	(198,458)	925,511	(251,400)
Balance at the end of the year	27,019,468	14,250,322	17,251,739	6,989,261

Deferred tax asset and liability as at 31st March 2025 were assessed on the income tax rate of 30% (2023/2024-30%)

15.1 The closing deferred tax asset / (liability) balance related to the following

	Group		Company	
	31.03.2025 Rs.	31.03.2024 Rs.	31.03.2025 Rs.	31.03.2024 Rs.
Accelerated depreciation on property, plant and equipment	(3,275,594)	(4,993,223)	(2,103,044)	(5,159,596)
Right-of-use assets	(8,534,035)	(10,667,544)	(8,534,035)	(10,667,544)
Defined benefits obligations	9,202,763	6,283,717	7,973,457	6,286,126
Provision for inventories	12,636,640	6,083,446	7,164,879	4,388,082
Provision for impairment of trade debtors	8,001,327	2,052,636	3,762,113	1,474,649
Lease liability	8,988,369	10,667,544	8,988,369	10,667,544
Brought forward tax loss	-	4,823,746	-	-
	27,019,468	14,250,322	17,251,739	6,989,261

15.2 Unrecognised deferred tax assets

Deferred tax assets arising from the tax losses have not been recognised amounting to Rs. 6,284,351/- (2023/2024 - Rs. 6,284,351/-) from Gestetner Manufacturers (Private) Limited as it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

16. INVENTORIES

	Group		Company	
	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
Inventory - Machines, accessories and spare parts	346,727,267	148,657,832	241,201,152	104,664,736
Goods in transit	41,758,724	-	41,758,724	-
	388,485,991	148,657,832	282,959,876	104,664,736
Less: Provision for obsolete inventories (Note 16.1)	(41,087,062)	(24,889,575)	(23,882,931)	(14,626,940)
	347,398,929	123,768,257	259,076,945	90,037,796

16.1 Movement of provision for obsolete inventories

Balance at the beginning of the year	24,889,575	40,621,426	14,626,940	19,986,295
Provision/ (reversal) for inventories recognised during the year	16,921,543	(15,731,851)	9,463,716	(5,359,355)
Written-off for the period	(724,056)	-	(207,725)	-
Balance at the end of the year	41,087,062	24,889,575	23,882,931	14,626,940

17. TRADE AND OTHER RECEIVABLES

Trade receivables	457,286,253	250,549,167	333,097,836	182,892,657
Less: Allowance for expected credit losses (Note 17.1)	(26,935,098)	(14,840,099)	(12,525,149)	(4,915,498)
	430,351,155	235,709,068	320,572,687	177,977,159

Deposits	2,613,811	2,625,312	2,003,721	2,375,112
Advances and prepayments	1,840,627	9,750,063	1,042,957	8,162,069
Advances to suppliers	29,582,204	71,873,681	-	55,738,938
Staff loans	281,824	281,824	-	-
Withholding tax recoverable	-	8,294	-	8,294
Other receivables	3,540,864	8,208,131	-	4,545,356
	468,210,485	328,456,373	323,619,365	248,806,928

Note 17.2

17.1 Movement of provision for impairment of trade receivable

Balance at the beginning of the year	14,840,099	18,257,646	4,915,498	6,410,133
Provision for impairment recognised during the year	12,696,420	3,712	7,783,736	-
Reversal for impairment recognised during the year	-	(3,421,259)	-	(1,494,635)
Debtor balances written-off	(601,421)	-	(174,085)	-
Balance at the end of the year	26,935,098	14,840,099	12,525,149	4,915,498

17.2 Staff loans

Balance at the beginning of the year	281,824	200,191	-	-
Loans granted during the year	-	81,633	-	-
Balance at the end of the year	281,824	281,824	-	-

18. AMOUNTS DUE FROM RELATED COMPANIES

Amount receivable within one year

Fintek Managed Solutions (Private) Limited	-	-	85,188,922	17,914,015
Vauxhall Beira Properties (Private) Limited	2,387,765	3,557,765	-	-
Gestetner Manufacturers (Private) Limited	-	-	1,102,402	1,064,847
	2,387,765	3,557,765	86,291,324	18,978,862
Provision for related party receivables	-	-	(1,102,402)	(1,064,847)
	2,387,765	3,557,765	85,188,922	17,914,015

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

Group		Company	
As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.

19. CASH AND CASH EQUIVALENTS

Favourable balances

Cash at banks	17,140,496	16,991,858	13,572,386	9,700,385
Cash in hand	715,150	1,708,102	675,850	1,683,102
	17,855,646	18,699,960	14,248,236	11,383,487

Unfavourable balances

Bank overdraft	122,906,658	79,812,784	84,819,128	54,439,061
Cash and cash equivalents for the purpose of statement of cash flow	(105,051,012)	(61,112,824)	(70,570,892)	(43,055,574)

19.1 Details of the unfavourable balance of the Group together with the related securities offered as at the reporting date are set out below.

	Facility amount Rs.	Amount outstanding Rs.	Repayment terms and interest rate	Security offered
Bank overdraft				
Commercial Bank of Ceylon PLC	30,000,000	25,426,450	AWPLR + 1.75%	Stock & Debtors
Bank of Ceylon	15,000,000	15,704,907	AWPLR + 2.50%	Stock & Debtors
Nations Trust Bank PLC	10,000,000	10,766,442	AWPLR +1.00%	Stock & Debtors
DFCC Bank PLC	25,000,000	25,039,132	AWPLR +1.00%	Machineries
				Corporate Guarantee from
Hatton National Bank PLC	25,000,000	24,143,918	AWPLR +1.25%	Vauxhall Beira Properties (Pvt)
				Limited
Hatton National Bank PLC	25,000,000	21,825,808	AWPLR +1.25%	Corporate Guarantee from
				Vauxhall Beira Properties (Pvt)
				Limited
Short-term borrowing				
Commercial Bank of Ceylon PLC	60,000,000	42,492,679	AWPLR + 1.75%	Stock & Debtors
Nations Trust Bank PLC	25,000,000	21,661,250	AWPLR +1.00%	Stock & Debtors
DFCC Bank PLC	150,000,000	34,361,364	AWPLR +1.00%	Machineries
				Corporate Guarantee from
Hatton National Bank PLC	25,000,000	15,606,000	AWPLR +1.25%	Vauxhall Beira Properties (Pvt)

Group		Company	
As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024

20. STATED CAPITAL

Number of shares - Ordinary shares (Nos.)	2,657,812	2,657,812	2,657,812	2,657,812
	2,657,812	2,657,812	2,657,812	2,657,812
Value - Ordinary shares (Rs.)	91,965,565	91,965,565	91,965,565	91,965,565
	91,965,565	91,965,565	91,965,565	91,965,565

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Group		Company	
As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.

21. GENERAL RESERVE

General reserve	5,000,000	5,000,000	5,000,000	5,000,000
	5,000,000	5,000,000	5,000,000	5,000,000

The general reserve relates to retained earnings that has been built for the purpose of expansion of similar business in future.

22. LEASE LIABILITY

Balance at the beginning of the year	35,558,480	8,724,907	35,558,480	8,724,907
Addition for the year	-	35,558,480	-	35,558,480
Interest for the year	3,762,749	635,093	3,762,749	635,093
Payments made during the year	(9,360,000)	(9,360,000)	(9,360,000)	(9,360,000)
Balance at the end of the year	29,961,229	35,558,480	29,961,229	35,558,480

22.1 Maturity analysis

Amount payable within one year	7,863,734	8,807,382	7,863,734	8,807,382
Amount payable more than one year	22,097,495	26,751,097	22,097,495	26,751,097
	29,961,229	35,558,479	29,961,229	35,558,479

22.2 Amounts recognised in profit or loss

Interest on lease liabilities	3,762,749	635,093	3,762,749	635,093
Amortisation charge for the year	7,111,696	6,829,356	7,111,696	6,829,356
	10,874,445	7,464,449	10,874,445	7,464,449

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

	Group		Company	
	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
23. RETIREMENT BENEFIT OBLIGATION				
Balance at the beginning of the year	23,922,050	21,305,815	20,953,754	18,345,550
Charge for the year	7,242,943	6,727,166	6,066,446	5,574,054
Actuarial (gain)/loss	3,804,678	(661,526)	3,085,036	(838,000)
Benefits paid during the year	(4,293,795)	(3,449,405)	(3,527,045)	(2,127,850)
Balance at the end of the year	30,675,876	23,922,050	26,578,191	20,953,754

23.1 The principal assumptions used in determining employee benefits liability were as follows:

I. Discount rate	10.5%	13%	10.5%	13%
II. Expected rate of salary increase	8%	8%	8%	8%
III. Expected rate of staff turnover	15%	15%	15%	15%
IV. Retirement age	55	55	55	55

23.2 The amount recognised in the profit or loss is as follows:

Current service cost	4,252,687	3,318,236	3,447,227	2,638,766
Interest cost	2,990,256	3,408,930	2,619,219	2,935,288
	7,242,943	6,727,166	6,066,446	5,574,054

23.3 The amount recognised in Other Comprehensive Income is as follows:

Actuarial gain/(loss)	(3,804,678)	661,526	(3,085,036)	838,000
------------------------------	--------------------	----------------	--------------------	----------------

This obligation is not externally funded.

The defined benefit obligation of the Group has been determined based on the Projected Unit Credit Method in accordance with LKAS 19-Employee Benefits.

23.4 Sensitivity analysis

Reasonably possible changes to one of the relevant assumptions at the reporting date holding other assumptions would have constantly affected the defined benefit obligation by the amounts shown below.

	Group		Company	
	Discount rate Rs.	Future salary increment rate Rs.	Discount rate Rs.	Future salary increment rate Rs.
Increase in one percentage point	196,022	216,757	1,264,874	1,404,127
Decrease in one percentage point	(178,472)	(200,250)	(1,150,912)	(1,297,675)

	Group		Company	
	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.
24. TRADE AND OTHER PAYABLES				
Trade payables	31,078,822	12,158,826	32,464,807	9,669,210
Accruals	52,646,401	86,624,353	38,241,802	78,448,929
Import creditors	78,103,038	5,999,923	78,103,038	-
Advance received from customers	15,045,644	8,511,885	14,388,482	7,799,655
MSPS/ETF Payable	5,363,380	3,921,290	4,106,024	2,922,073
Other taxes payable	28,665,376	15,918,919	28,102,729	15,215,479
	210,902,661	133,135,196	195,406,882	114,055,346
25. INTEREST BEARING BORROWINGS - CURRENT				
Commercial Bank of Ceylon PLC	42,492,679	45,000,000	42,492,679	45,000,000
Nations Trust Bank PLC	21,661,250	-	21,661,250	-
DFCC Bank PLC	34,361,364	-	34,361,364	-
Hatton National Bank PLC	15,606,000	-	-	-
	114,121,293	45,000,000	98,515,293	45,000,000
26. INTEREST BEARING BORROWINGS - NON CURRENT				
Commercial Bank of Ceylon PLC	66,666,672	-	66,666,672	-
Nations Trust Bank PLC	14,560,812	-	14,560,812	-
	81,227,484	-	81,227,484	-

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

Group		Company	
As at 31.03.2025 Rs.	As at 31.03.2024 Rs.	As at 31.03.2025 Rs.	As at 31.03.2024 Rs.

27. AMOUNTS DUE TO RELATED COMPANIES

27.1 Amount payable within one year

Gestetner Printing Services (Private) Limited	-	-	18,826,191	22,043,069
Nashua Lanka (Private) Limited	-	-	24,003,584	27,811,583
Vauxhall Beira Properties (Private) Limited	2,499,201	206,401	2,499,201	206,401
	2,499,201	206,401	45,328,976	50,061,053

28. INCOME TAX LIABILITY

Balance at the beginning of the year	23,550,694	14,334,643	21,062,956	12,453,338
Provision for the year (Note 9.1)	58,453,424	34,195,522	37,549,822	25,562,956
	82,004,118	48,530,165	58,612,778	38,016,294
Income tax paid during the year	(31,340,739)	(24,979,471)	(27,512,059)	(16,953,338)
Balance at the end of the year	50,663,379	23,550,694	31,100,719	21,062,956

29. UNRECOGNISED CONTRACTUAL COMMITMENTS

There have been no capital commitments contracted but not provided for, or authorised by the Board but not contracted for, outstanding as at the reporting date.

30. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

30.1 Contingent liabilities

There were no contingencies existing at the reporting date other than disclosed in below.

The bank guarantee issued in favor of customers amounting to Rs. 20,310,716/- for the tender process.

30.2 Contingent assets

There were no contingent assets as at the reporting date.

31. EVENTS OCCURRING AFTER THE REPORTING DATE

No circumstances other than the below have arisen since the end of the reporting date, which would require adjustments to, or disclosures, in the Financial Statements.

Fire at Company premises of Vauxhall Steet

A fire occurred at the premises of Gestetner of Ceylon PLC on 10th May 2025. As a result of the incident, certain fixed assets and inventories were damaged. The estimated loss arising from the fire amounts to approximately Rs. 234 million (Group). However, based on preliminary assessments, the estimated insurance recovery is approximately Rs. 225 million(Group). The Company is in the process of finalizing the insurance claim with the insurer .

32. GOING CONCERN OF THE SUBSIDIARY COMPANY

Gestetner Manufacturers (Private) Limited

The subsidiary company has incurred a net loss amounting to Rs.68,000/- for the financial year ended 31st March 2025 (2023/2024 - Rs.21,541/-) and its accumulated loss as at that date stands amounting to Rs.2,434,008/- (2023/2024 - Rs.2,366,008/-). The current liabilities exceed the current assets as at 31st March 2025 by Rs.1,434,008/- (2023/2024 - Rs.1,366,008/-). However, the Financials Statements of the subsidiary company have been prepared on the going concern basis without making any adjustments to the recorded assets and liabilities which may be required when the subsidiary company is unable to continue as a going concern. The Directors are confident (Financial support letter dated 25th August 2025) that the subsidiary company will be able to continue to operate as a going concern with the continuous support from its parent and other related companies.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

33. RELATED PARTY TRANSACTIONS

The Company carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard LKAS 24 'Related Party Disclosures',

33.1 The following transactions were carried out with related parties:

Name of the company	Nature of the relationship	Name of the Director	Details of transaction	2024/2025 Rs.	2023/2024 Rs.
Gestetner Printing Services (Private)	Subsidiary company	Mr S J M Anszar Mr L R Watawala	Expenses transfers	158,370	113,310
			Sale of goods and services	986,352	1,247,638
			Salaries and other expenses transfers		36,906
			Settlements	4,521,477	19,506,531
			Interest on funds	(2,449,296)	(4,641,980)
Nashua Lanka (Private) Limited	Subsidiary company	Mr S J M Anszar	Expenses transfers	80,111	13,700
			Settlements	6,924,432	12,640,833
			Interest on funds	(3,196,545)	(5,671,751)
Gestetner Manufacturers (Private) Limited	Subsidiary company	Mr S J M Anszar Mr L R Watawala	Audit and tax fee paid	37,555	63,889
Vauxhall Beira Properties (Private) Limited	Other related company	Mr S J M Anszar	Services obtained	10,560,000	9,360,000
			Settlements	(8,267,200)	(20,370,105)
Fintek Managed Solutions (Private) Limited	Subsidiary company	Mr S J M Anszar Mr A R Rasiah Ms A P G A P Geethanjalee	Expenses transfers	30,156,594	5,297,286
			Salaries and other expenses transfers	4,892,279	2,198,106
			Settlements	18,379,916	(10,276,740)
			Sales of goods and services	9,193,728	13,717,140
			Interest on funds	4,712,323	3,032,266

This note should be read in conjunction with notes 18 and 27 to the Financial Statements.

33.2 Terms and conditions of the related party transactions

All above transactions were carried out at arm's length basis. The sales to, and purchases from, related parties are carried out at terms equivalents to those that prevail in any other arm's length transaction with a party outside the Group . There is no mortgage/ guarantee provided for outstanding balances as at any given time/date, accordingly, all transactions are unsecured and interest is charged at the time of settlement at market rate . The above explanation is applicable to receivables and payables of all related parties .

33.3 Rationale for entering into related party transactions

All transaction refer to, are either purchase of items or obtaining/provision of services. Accordingly, the above refers to transactions completed within the Group, at an arm's length price.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

33. RELATED PARTY TRANSACTIONS (CONTD...)

33.4 Transactions with Key Management Personnel

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

	Group		Company	
	2024/2025	2023/2024	2024/2025	2023/2024
	Rs.	Rs.	Rs.	Rs.
Key Management compensation				
Short-term employee benefit	14,237,037	11,225,000	14,237,037	11,225,000

33.5 Transactions, arrangements and agreements involving with Key Management Personnel (KMP) and their Close Family Members (CFM)

CFM of a KMP are those family members who may be expected to influence or be influenced by that individual in their dealing with the entity. They may include;

- (a) the individual's domestic partner and children;
- (b) children of the individual's domestic partner ; and
- (c) dependants of the individual or the individual's domestic partner

CFM are related parties to the entity. There were no transaction with CFM during the year.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS

34.1 Financial assets and liabilities

	As at 31st March 2025			As at 31st March 2024		
	Group		Company	Group		Company
	Financial assets at amortised cost Rs.	Total carrying amount Rs.	Financial assets at amortised cost Rs.	Financial assets at amortised cost Rs.	Total carrying amount Rs.	Financial assets at amortised cost Rs.
Financial assets						
Trade and other receivables	459,900,064	459,900,064	335,101,557	253,174,479	253,174,479	185,267,769
Amounts due from related companies	2,387,765	2,387,765	85,188,922	3,557,765	3,557,765	17,914,015
Cash and cash equivalents	17,855,646	17,855,646	14,248,236	18,699,960	18,699,960	11,383,487
	480,143,475	480,143,475	434,538,715	275,432,204	275,432,204	214,565,271

	As at 31st March 2025			As at 31st March 2024		
	Group		Company	Group		Company
	Financial liabilities at amortised cost Rs.	Total carrying amount Rs.	Financial liabilities at amortised cost Rs.	Financial liabilities at amortised cost Rs.	Total carrying amount Rs.	Financial liabilities at amortised cost Rs.
Financial liabilities						
Trade and other payables	65,107,579	65,107,579	64,673,560	31,999,035	31,999,035	27,806,762
Lease liability	29,961,229	29,961,229	29,961,229	35,558,479	35,558,479	35,558,479
Short-term borrowings	114,121,293	114,121,293	98,515,293	45,000,000	45,000,000	45,000,000
Amounts due to related companies	2,499,201	2,499,201	45,328,976	206,401	206,401	50,061,053
Bank overdraft	122,906,658	122,906,658	84,819,128	79,812,784	79,812,784	54,439,061
	334,595,960	334,595,960	323,298,186	192,576,699	192,576,699	212,865,355

34.2 Classes of financial instruments that are not carried at fair value of which the carrying amounts are a reasonable approximation of fair value. This includes trade receivable, cash and cash equivalents, trade payable, other payables, amounts due to, and due from, related companies, lease liability and bank overdrafts. The carrying amounts of these financial assets and liabilities are a reasonable approximation of fair values due to their short-term nature.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT

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

- Credit Risk
- Liquidity Risk
- Market Risk

This note represents qualitative and quantitative information about the Group's exposure to each of the above risks, the Group's objectives, policies and procedures for measuring and managing risk.

Risk Management Framework

The Board of Directors has the overall responsibilities for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and adhere to limits.

35.1 Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all clients who wish to trade on credit terms are subject to credit appraisal. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

	Group As at 31 March		Company As at 31 March	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade and other receivables	459,900,064	253,174,479	335,101,557	185,267,769
Amounts due from related companies	2,387,765	3,557,765	85,188,922	17,914,015
Cash and cash equivalents	17,855,646	18,699,960	14,248,236	11,383,487
	480,143,475	275,432,204	434,538,715	214,565,271

	Group As at 31 March		Company As at 31 March	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Trade receivables - past due neither not impaired				
Past due 1 - 30 days	203,471,940	123,568,114	153,121,983	94,385,243
Past due 31 - 60 days	149,948,458	58,229,518	111,469,061	48,040,743
Past due 61 - 90 days	25,556,392	28,120,083	19,096,563	12,954,304
More than 90 days	51,374,365	25,791,353	36,885,079	22,596,868
	430,351,155	235,709,068	320,572,686	177,977,158

The requirement for an impairment is analysed at each reporting date on applicable basis. The calculation is based on actually incurred historical data.

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT (CONTD..)

35.1 Credit risk (Contd..)

The ageing analysis of trade receivable and provision for impairment were as follows for the Group and the Company:

	31st March 2025							
	Group				Company			
	Weighted average loss rate	Gross carrying amount Rs.	Loss allowance Rs.	Credit impaired	Weighted average loss rate	Gross carrying amount Rs.	Loss allowance Rs.	Credit impaired
Past due 1 - 30 days	0.00%	202,626,062	-	No	0.00%	153,121,983	-	No
Past due 31 - 60 days	0.97%	151,415,803	(1,467,345)	Yes	1.30%	112,936,406	(1,467,345)	Yes
Past due 61 - 90 days	1.97%	26,070,898	(514,506)	Yes	2.62%	19,611,070	(514,506)	Yes
More than 90 days	32.33%	77,173,490	(24,953,247)	Yes	22.23%	47,428,377	(10,543,297)	Yes
		457,286,253	(26,935,098)			333,097,836	(12,525,149)	

35.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its funds using a daily cash management process. This process considers the maturity of both the Group's financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations.

	Group As at 31 March		Company As at 31 March	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Liquid assets				
Cash and cash equivalents	17,855,646	18,699,960	14,248,236	11,383,487
Total liquid assets	17,855,646	18,699,960	14,248,236	11,383,487
Borrowings				
Short-term borrowings	114,121,293	45,000,000	98,515,293	45,000,000
Bank overdraft	122,906,658	79,812,784	84,819,128	54,439,061
Total borrowings	237,027,951	124,812,784	183,334,421	99,439,061
Net cash/(borrowings)	(219,172,305)	(106,112,824)	(169,086,185)	(88,055,574)

35.2.1 The following are the contractual maturities of financial liabilities as at 31 March 2025:

Group	Within 1 year Rs.	Between			More than 4 years Rs.	Total Rs.	Carrying value Rs.
		1-2 years Rs.	2-3 years Rs.	3-4 years Rs.			
Trade and other payables	65,107,579	-	-	-	-	65,107,579	65,107,579
Lease liability	7,863,734	7,021,191	6,268,921	5,597,251	-	26,751,097	26,751,097
Short term borrowings	114,121,293	-	-	-	-	114,121,293	114,121,293
Amounts due to related companies	2,499,201	-	-	-	-	2,499,201	2,499,201
Bank overdraft	122,906,658	-	-	-	-	122,906,658	122,906,658
	312,498,465	7,021,191	6,268,921	5,597,251	-	331,385,828	331,385,828

35.2.2 The following are the contractual maturities of financial liabilities as at 31 March 2024:

Group	Within 1 year Rs.	Between			More than 4 years Rs.	Total Rs.	Carrying value Rs.
		1-2 years Rs.	2-3 years Rs.	3-4 years Rs.			
Trade and other payables	31,999,035	-	-	-	-	31,999,035	31,999,035
Lease liability	8,807,382	7,863,734	7,021,191	6,268,921	5,597,251	35,558,479	35,558,479
Short term borrowings	45,000,000	-	-	-	-	45,000,000	45,000,000
Amounts due to related companies	206,401	-	-	-	-	206,401	206,401
Bank overdraft	79,812,784	-	-	-	-	79,812,784	79,812,784
	165,825,602	7,863,734	7,021,191	6,268,921	5,597,251	192,576,699	192,576,699

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT (CONTD..)

35.2.3 The following are the contractual maturities of financial liabilities as at 31 March 2025:

Company	Within 1 year Rs.	Between			More than 4 years Rs.	Total Rs.	Carrying value Rs.
		1-2 years Rs.	2-3 years Rs.	3-4 years Rs.			
Trade and other payables	64,673,560	-	-	-	-	64,673,560	64,673,560
Lease liability	7,863,734	7,021,191	6,268,921	5,597,251	-	26,751,097	26,751,097
Short term borrowings	98,515,293	-	-	-	-	98,515,293	98,515,293
Amounts due to related companies	45,328,976	-	-	-	-	45,328,976	45,328,976
Bank overdraft	84,819,128	-	-	-	-	84,819,128	84,819,128
	301,200,690	7,021,191	6,268,921	5,597,251	-	320,088,054	320,088,054

35.2.4 The following are the contractual maturities of financial liabilities as at 31 March 2024:

Company	Within 1 year Rs.	Between			More than 4 years Rs.	Total Rs.	Carrying value Rs.
		1-2 years Rs.	2-3 years Rs.	3-4 years Rs.			
Trade and other payables	27,806,762	-	-	-	-	27,806,762	27,806,762
Lease liability	8,807,382	7,863,734	7,021,191	6,268,921	5,597,251	35,558,479	35,558,479
Short term borrowings	45,000,000	-	-	-	-	45,000,000	45,000,000
Amounts due to related companies	50,061,053	-	-	-	-	50,061,053	50,061,053
Bank overdraft	54,439,061	-	-	-	-	54,439,061	54,439,061
	186,114,258	7,863,734	7,021,191	6,268,921	5,597,251	212,865,355	212,865,355

35.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchanges rates, interest rates etc. will affect the Group's income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control the market risk exposures within acceptable parameters while optimising the returns.

a). Currency risk

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk on purchases that are denominated in a currency other than the functional currency which is Sri Lankan Rupees.

The adverse exchange rate movements arose on Sri Lankan Rupee due to the uncertainty caused by the prevailing economic development and which could lead to increased pressure on the local currency resulting in higher foreign exchange risk. The Group adopted prudent measures, as and when required, to manage the negative impact on prevailing economic crisis, liquidity constraints and currency fluctuations.

Exposure to currency risk

	Group		Company	
	2025 USD	2024 USD	2025 USD	2024 USD
Trade payables - foreign creditors	367,265	-	367,265	-
	367,265	-	367,265	-

The following significant exchange rates were applicable during the year:

	Average rate		Spot rate	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
USD Rate	299.75	318.85	299.75	301.18

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT (CONTD..)

35.3 Market risk (contd...)

b). Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's Investments in securities and debt obligation. The Group utilises various financial instruments to manage exposures to interest rate risks .

At the reporting date, the Group's interest-bearing financial instruments were as follows:

	Type of rate	Carrying amount As at 31st March	
		2025 Rs.	2024 Rs.
Short-term borrowings	Variable rate	114,121,293	45,000,000
Long-term borrowings	Variable rate	81,227,484	-
Bank overdraft	Variable rate	122,906,658	79,812,784
		318,255,435	124,812,784

Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on short-term borrowing and bank overdraft where floating rates are applicable by 5%-1% interest with all other variables held

		Group		Company	
		Strengthening Profit or loss	Weakening Profit or loss	Strengthening Profit or loss	Weakening Profit or loss
		Rs.	Rs.	Rs.	Rs.
31st March 2025	USD (5% movement)	(15,912,772)	15,912,772	(13,228,095)	13,228,095
31st March 2024	USD (5% movement)	(6,240,639)	6,240,639	(4,971,953)	4,971,953

At the reporting date, the Company's interest-bearing financial instruments were as follows:

	Type of rate	Carrying amount As at 31st March	
		2025 Rs.	2024 Rs.
Financial assets			
Amounts due from related companies		-	17,914,015
		-	17,914,015
Financial liabilities			
Short term borrowings	Variable rate	98,515,293	45,000,000
Amounts due to related companies	Variable rate	45,328,976	50,061,053
Bank overdraft	Variable rate	84,819,128	54,439,061
		228,663,397	149,500,114

GESTETNER OF CEYLON PLC
NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT (CONTD..)

35.3 Market risk (Contd..)

c). Capital management

The Board's policy is to maintain a strong capital base so as to maintain the shareholder, creditor and the market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital and level of dividends to ordinary shareholders.

The Group's Net Debt to adjusted Equity ratio at the end of the reporting period was as follows:

	Group		Company	
	As at 31 March		As at 31 March	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
Total liabilities	642,957,781	341,185,604	592,937,902	341,130,649
Cash and cash equivalents	17,855,646	18,699,960	14,248,236	11,383,487
Net debt	660,813,427	359,885,564	607,186,138	352,514,136
Total equity	553,425,282	461,292,482	471,790,391	408,661,261
Net debt to equity ratio	119%	78%	129%	86%

The Group is not subject to externally imposed capital requirements.

TEN YEAR SUMMARY

Year Ended 31st March

	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'	Rs 000'
Operating Results										
Revenue	1,753,404	1,401,538	1,407,179	1,054,284	832,531	1,034,982	909,427	712,371	744,844	617,794
Profit / (Loss) before tax	150,260	136,220	103,547	(13,384)	17,737	(12,796)	56,280	72,063	61,369	48,154
Income Tax Reversal / (Expense)	(46,826)	(46,161)	(19,406)	3,842	(4,544)	8,143	(13,393)	(21,397)	(19,617)	(13,354)
Profit / (Loss) for the year	103,434	90,058	84,141	(9,542)	13,192	(4,653)	42,886	50,667	41,752	34,801
Capital Employed										
Stated Capital	456,460	91,966	91,966	91,966	91,966	91,966	91,966	91,966	91,966	91,966
Reserves	553,425	369,327	305,384	224,810	233,051	218,559	221,189	180,163	128,391	128,166
Total Equity	1,009,885	461,292	397,349	316,776	325,017	310,524	313,155	272,128	220,357	220,132

Represented By :

Non-Current Assets	360,530	327,996	243,308	267,930	284,698	304,410	153,306	161,894	160,390	95,706
Current Assets	835,853	474,482	385,706	627,098	391,706	435,367	404,450	316,116	377,528	293,346
Total Liabilities	(642,958)	(341,186)	(231,665)	(578,252)	(351,388)	(429,253)	(244,601)	(205,882)	(317,561)	(168,920)
Net Assets	553,425	461,292	397,349	316,776	325,016	310,524	313,155	272,128	220,357	220,132

Key Indicators

Earnings / (Loss) per share (Rs.)	38.92	33.88	31.66	(3.59)	4.96	(1.75)	16.14	19.06	15.71	13.23
Net assets per share (Rs.)	208.23	173.56	149.50	119.19	122.29	116.83	117.82	102.39	82.91	82.82
Market value per share (Rs.)	129.25	117.25	67.10	66.10	85.00	91.00	88.00	119.00	118.80	120.00
Dividend per share (Rs.)	3.25	10.00	-	-	-	-	1.25	-	15.00	1.00
Dividends approved (Rs.'000)	8,638	26,578	-	-	-	-	3,322	-	39,867	2,658
Annual sales growth (%)	25.11	(0.004)	33.50	26.64	(19.56)	13.81	27.70	(4.40)	20.57	(2.01)
Equity to total assets ratio (%)	46.26	57.48	63.17	35.39	48.05	41.98	56.15	56.93	40.96	56.58
Dividend cover (no of times)	11.97	3.39	-	-	-	-	12.91	-	1.05	13.23
Dividend payout ratio (%)	8.35	29.51	-	-	-	-	7.75	-	95.49	7.64
Price earnings ratio (no. of times)	3.32	3.46	2.45	(18.41)	17.12	(51.98)	5.45	6.24	7.56	9.07
Current Ratio (no. of times)	1.64	1.63	1.99	1.16	1.29	1.16	1.91	1.96	1.37	1.91

Investor Information

Gestetner of Ceylon PLC is a public quoted company, the issued ordinary shares of which are listed on the Colombo Stock Exchange.

Distribution of Shares

Shareholder Category		31 st March 2025			31st March 2024		
		No.of Shreholders	No.of Shares	%	No.of Shreholders	No.of Shares	%
1	1,000	664	89,560	3.38	637	81,782	3.08
1,001	10,000	57	197,053	7.41	50	151,829	5.71
10,001	100,000	19	426,021	16.03	17	296,932	11.17
100,001	1,000,000	3	704,983	26.52	4	887,074	33.38
1,000,001	99,999,999	1	1,240,195	46.66	1	1,240,195	46.66
Over 100,000,000		-	-	-	-	-	-
Total		744	2,657,812	100.00	709	2,657,812	100.00

MARKET VALUE

	2024/25	2023/24	2022/23
Highest	149.75	117.50	79.90
Lowest	109.50	95.10	42.20
Closing	129.25	117.25	67.10

EARNINGS

	2024/25	2023/24	2022/23
Earnings Per Share - Basic (Rs.)	38.94	33.88	31.66
Price Earning Ratio (P/E) (Times)	3.32	3.46	2.45

NET ASSET PER SHARE

	2024/25	2023/24	2022/23
The Group (Rs.)	208.23	173.56	149.50
The Company (Rs.)	177.51	153.76	128.04

GESTETNER OF CEYLON PLC

NOTICE OF MEETING

NOTICE is hereby given that the Sixty First (61st) Annual General Meeting of GESTETNER OF CEYLON PLC will be held at 270, Dr. N.M Perera Mawatha, Colombo 08 on 30th September 2025 at 11.00.a.m for the following purposes:

- 1) To receive and consider the Audited Financial Statements for the year ended 31st March, 2025 together with the Report of the Auditors thereon and the Annual Report for the said year.
- 2) (i) To re-elect Ms Abbillawattha Palathe Gedara Anusha Pathmashika Geethanjalee, Director, who retires by rotation in terms of Article 85 of the Articles of Association.

(ii) To elect Mr Singappuli Mudiyansele Susantha Sanjaya Bandara who retires in terms of Article 92 of the Articles of Association.

(iii) To elect Mr Upul Lakshman Asoka Wickramasinghe Bandara who retires in terms of Article 92 of the Articles of Association.

(iv) To re-appoint as a Director Mr Lakshman Ravendra Watawala who is 77 years of age and who vacates his office in terms of Section 210 of the Companies Act, No. 7 of 2007 (the Companies Act).

Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Companies Act, in relation to his re-appointment.

“RESOLVED THAT Mr Lakshman Ravendra Watawala who is 77 years of age be and is hereby re-appointed as a Director of Gestetner of Ceylon PLC and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr Lakshman Ravendra Watawala.”

(v) To re-appoint as a Director Mr Albert Rasakantha Rasiah who is 80 years of age and who vacates his office in terms of Section 210 of the Companies Act, No. 7 of 2007 (the Companies Act).

Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Companies Act, in relation to his re-appointment.

“RESOLVED THAT Mr Albert Rasakantha Rasiah who is 80 years of age be and is hereby re-appointed and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr Albert Rasakantha Rasiah.”

(vi) To re-appoint as a Director Mr Seyed Jemaldeen Muhammed Anzsar who is 73 years of age and who vacates his office in terms of Section 210 of the Companies Act, No. 7 of 2007 (the Companies Act).

Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Companies Act, in relation to his re-appointment.

“RESOLVED THAT Mr. Seyed Jemaldeen Muhammed Anzsar who is 73 years of age be and is hereby re-appointed as a Director of Gestetner of Ceylon PLC and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr Seyed Jemaldeen Muhammed Anzsar.”

- 3) To authorise the Directors to determine and make donations.
- 4) To re-appoint the retiring Auditors Messrs BDO Partners, Chartered Accountants, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration.

**BY ORDER OF THE BOARD
JACEY & COMPANY
SECRETARIES
COLOMBO
29th AUGUST 2025.**

NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD.

2.A PROXY NEED NOT BE A MEMBER OF THE COMPANY

3.THE COMPLETED FORM OF PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT NO.248 VAUXHALL STREET, COLOMBO 02 NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

CORPORATE INFORMATION

NAME OF THE COMPANY

Gestetner of Ceylon PLC

COMPANY REGISTRATION NO.

PQ 215

LEGAL FORM

A Public Quoted Company with limited liability, incorporated in Sri Lanka in 1964. The Shares of the Company are listed on the Colombo Stock Exchange.

BOARD OF DIRECTORS

Syed Jemaldeen Muhammed Anzsar - Chairman
Lakshman Ravendra Watawala - Deputy Chairman
Keki Minoo Wadia
Albert Rasakantha Rasiah
Abbillawattha Palathe Gedara Anusha Pathmashika Geethanjalee
Singappuli Mudiyanseelage Susantha Sanjaya Bandara
Upul Lakshman Asoka Wickramasinghe

COMPANY SECRETARY

Messrs Jacey & Company. No.9/5,Thambiah Avenue, Colombo 07.

AUDITORS

Messrs BDO Partners, Chartered Accountants,
“Charter House”, 65/2, Sir Chittampalam A Gardiner Mawatha,
Colombo – 02 – Sri Lanka

BANKERS

Commercial Bank of Ceylon PLC	Amana Bank PLC
Bank of Ceylon	Sampath Bank PLC
Hatton National Bank PLC	National Development Bank PLC
Union Bank of Sri Lanka	
DFCC Vardhana Bank	
Nations Trust Bank PLC	

REGISTERED OFFICE

Gestetner Center, No. 248 , Vauxhall Street, Colombo 02
Tel : +94-11-7725500/+ 94-11-4725500 /+ 94-11-2323826
Fax : + 94-11-2541351
E-mail : goel@gestetnersl.com
Web : www.gestetnersl.com

