



RESILIENCE IN ADVERSITY

BUILDING A STRONGER TOMORROW

ANNUAL REPORT
2024/25

SAMSON INTERNATIONAL PLC
Akuressa Road, Bogahagoda, Galle

DSI **Samson**
group | RUBBER
WELCOMING POSSIBILITIES



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Resilience in Adversity

Building a Stronger Tomorrow

Like a fragile green shoot breaking through the cracks of parched earth, Samson International PLC has proven that true strength emerges in the harshest of environments. The year under review presented unprecedented challenges — global economic instability, energy shocks, weakened consumer demand, and volatile market conditions. Yet, instead of succumbing to these pressures, we stood resilient, finding the determination to adapt, endure, and grow.

Each obstacle we encountered became an opportunity to rethink, re-strategize, and innovate. Just as the plant in barren soil draws on hidden reserves of strength, we have harnessed the collective will of our people, the trust of our stakeholders, and the agility of our operations to push forward. The difficulties we faced did not diminish us; rather, they deepened our roots, enabling us to seek new opportunities, diversify our markets, and strengthen the foundations of our business. Guided by resilience, fueled by innovation, and inspired by our unwavering commitment, we continue to move forward with confidence, determined to transform today's challenges into tomorrow's opportunities.



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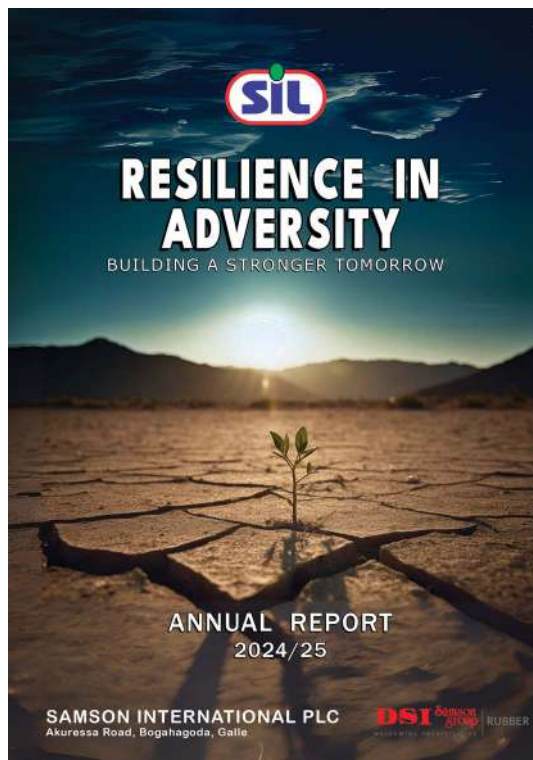


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ABOUT THIS REPORT



We present this Annual Report for the 37th financial year of Samson International PLC, covering the period from 1st April 2024 to 31st March 2025.

This report has been prepared in compliance with the Companies Act No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange (CSE), and the Sri Lanka Financial Reporting Standards (SLFRS). It provides information on the Company's governance, financial performance, risk management, and other statutory disclosures to ensure transparency and accountability to our stakeholders.

The Company operates in two primary business segments: Rubber and PVC products. We do not have any subsidiaries or associate companies.

Reporting Framework and Assurance

This report focuses on meeting mandatory financial and governance disclosure requirements for listed companies in Sri Lanka. The audited financial statements have been reviewed by our independent auditors, Messrs. Edirisinghe & Co., Chartered Accountants, whose opinion appears on page 73 of this report.

Internal audit oversight is carried out by Messrs. T & D Associates, in coordination with the Company's internal audit department. The Audit Committee of the Board monitors the effectiveness of internal controls and financial reporting systems.

Reporting Boundary

There have been no changes to the reporting boundary compared to previous years. No restatements have been made to information previously published.

Recognition of Past Reports

We take pride in the recognition received for our reporting standards:

- Merit Award from the South Asian Federation of Accountants (SAFA) for the 2021/22 report
- Bronze Award from CA Sri Lanka for 2021/22 in the manufacturing sector (turnover up to Rs. 10 Bn)
- Gold Awards for the 2018/19 and 2020/21 reports in the category of turnover up to Rs. 5 Bn

Feedback

We welcome your feedback, suggestions, and comments on this Annual Report. Please contact our Company Secretary, P W Corporate Secretarial (Pvt) Ltd, at registrars@pwcs.lk, or Mr. Sisira Abeywickrama, Finance Manager, at sisiraa@samsonint.com.

ABOUT THE COMPANY

37th year 1988-2025

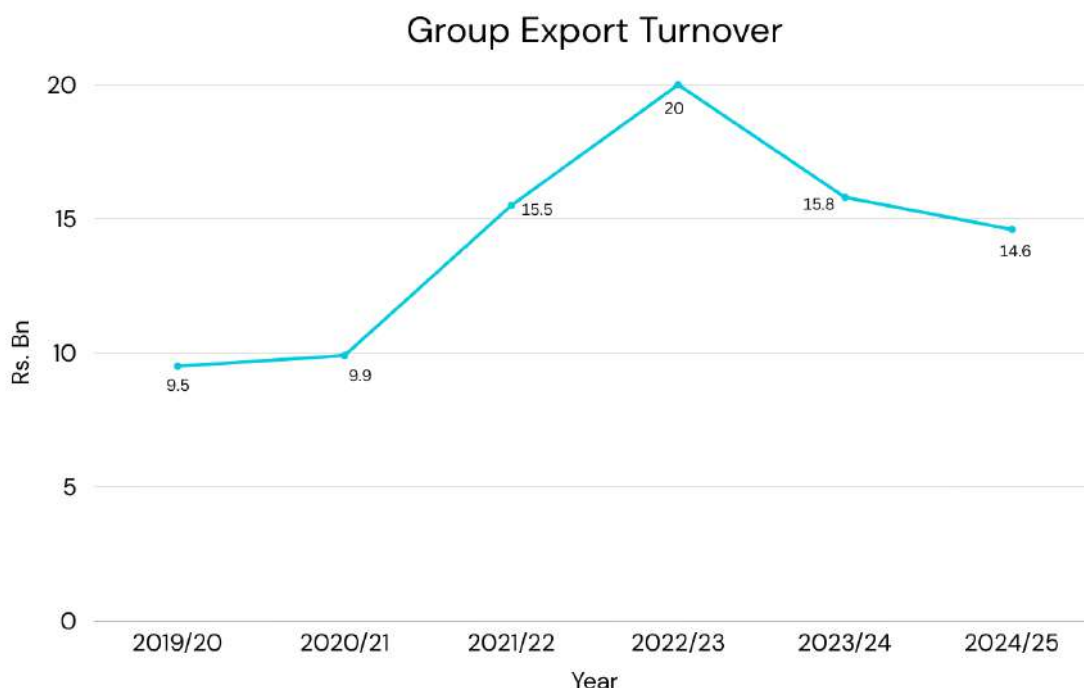
Samson International Plc has two business segments consisting of Rubber and PVC. We have at present three plants. The main plant is in Galle and another plant is in Kalutara which manufactures rubber products for export and local markets. The PVC plant is in Baddegama which is 22 km away from the main plant in Galle. Samson International Plc has 458 employees

We started its business on 14th October 1988 at a time the open economic policies had been firmly established in the country with a great tendency among the business community to commence export-oriented projects. Accordingly, this Company was initially intended to produce rubber-based products largely for export markets. At the time of incorporating this Company, the land bought for this factory was abandoned and it was an overgrown jungle and away from human habitations. Now it developed into a popularized semi-urban area due to the presence of our factory. This is the greatest deed of social responsibility Samson International Plc has delivered to the villagers in Bogahagoda. A similar program is being carried out for the villagers in Baddegama surrounding the PVC factory. Samson International Plc manufactures and exports molded and extruded rubber products such as hot water bottles, jar sealing rings, rubber mats, rubber floorings, beadings, and mud flaps mainly to international markets and also sells rubber and PVC-related products to the local market. PVC products include pressure pipes, irrigation pipes, solvents, taps, trunking, Alkathine Hose and conduits.

The Company creates value through the Business Model, which takes inputs from the six capitals and transforms through its business activities to produce outputs and outcomes that create value over time for its diverse stakeholders. We highlight the material topics that influence our business model, strategy, financial and non-financial performance, and future Prospects of our Company.

Samson International PLC is a subsidiary of DSI Samson Group (Pvt) Ltd, which was established in 1962. The DSI Samson Group has a total turnover of Rs. 54 billion, including an export turnover exceeding Rs. 14 billion (approximately USD 50 million). The Group comprises 32 subsidiary companies in Sri Lanka and two overseas subsidiaries, employing a workforce of over 9,000 individuals. Many of the Group's manufacturing facilities, including that of Samson International PLC, are located in remote rural areas, contributing to regional economic development.

Samson International PLC recorded a total turnover of Rs. 2.2 billion in 2024/25, of which Rs. 971 million was from exports. The Group has been assigned a credit rating of 'AA (Ika) – Stable Outlook' by Fitch Ratings Lanka Limited.



Our Group usually achieved a continuous export sales growth. However, there was a decline in export sales during last two year due to the economic crisis. We will give the priority to enhancing exports from the current level in the future.

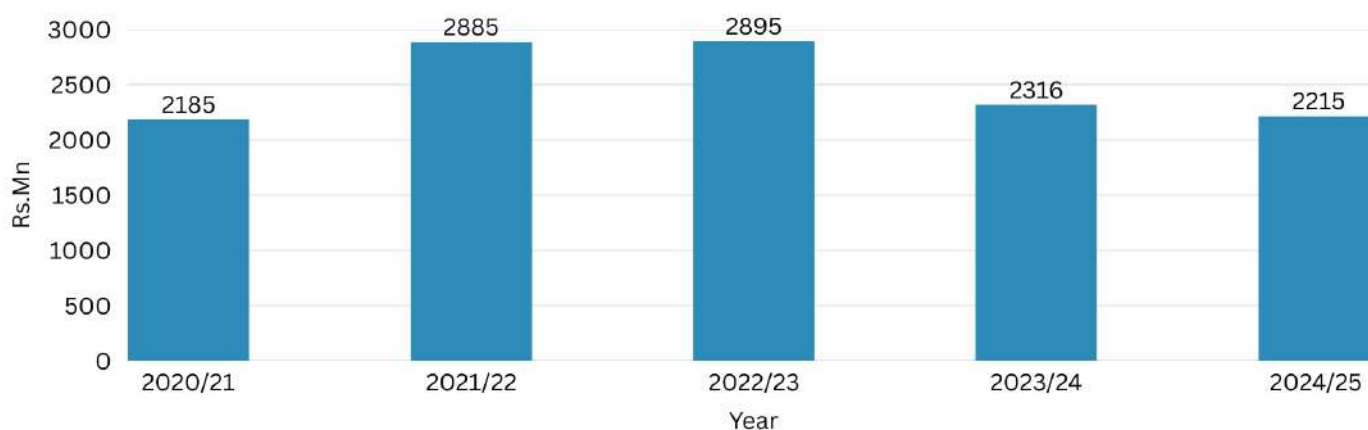
FINANCIAL AND OPERATIONAL HIGHLIGHTS

Financial Highlights

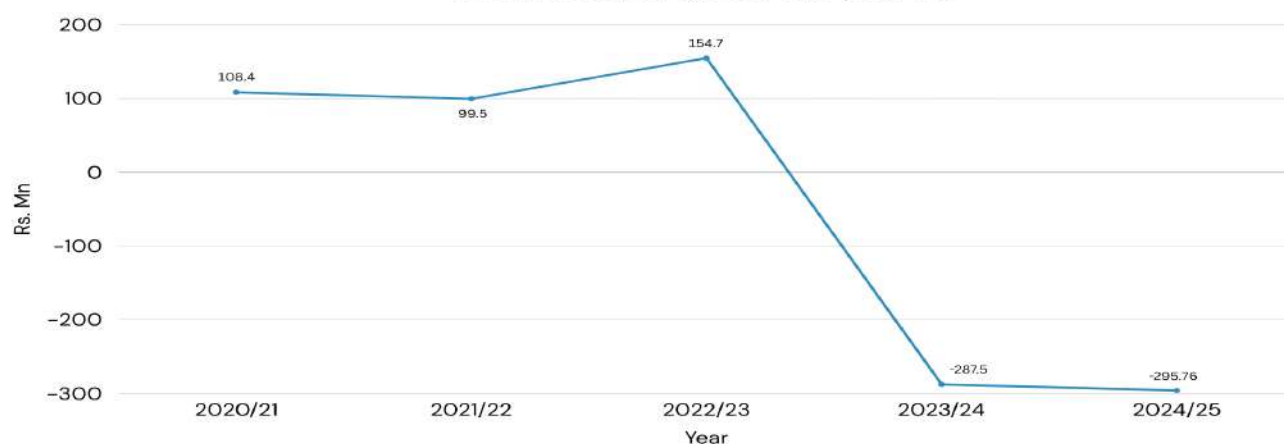
			2024/25	2023/24	Variance	%
Operating Result	Revenue	Rs. 000	2,215,454	2,316,265	(100,811)	(4.4)
	Operating profit/(loss)	Rs. 000	(201,646)	(108,502)	(93,144)	86
	Exchange gain/(loss)	Rs. 000	(9,282)	(36,716)	27,434	75
	Profit/(loss) before tax	Rs. 000	(295,770)	(287,530)	(8,240)	3
	Tax on profit (including deferred tax)	Rs. 000	(4,718)	(7,054)	2,336	33
	Profit/(loss) after tax	Rs. 000	(300,487)	(294,584)	(5,903)	2
	Rvenue growth	%	(4.4)	(20.0)	15.7	78
	Exports earnings	in US \$ Mn	3.3	3.5	(0.2)	(6)
	ROCE	%	(37.7)	(51.4)	13.7	26.7
	Gross profit to sales	%	13.5	14.6	(1.1)	(8)
	Interest cover	Times	(2.03)	(0.64)	(1.39)	(216)
Financial Position	Dividend cover	Times	-	-	-	-
	Current ratio	Times	0.89	1.20	(0.31)	(26)
	Liquidity ratio	Times	0.54	0.67	(0.13)	(19)
	Gearing	%	79	60	18.9	31
	Interest cost	Rs. 000	90,144	152,705	(62,561)	41
	Interest rate	%	8	11	(3.0)	(27)
	Financial investments	Rs. 000	36,327	33,032	3,295	10
Shareholder information	Group fitch rating		'AA (Ika) – stable Outlook'	'AA (Ika) – stable Outlook'		
	Dividend per share	Rs.	-	-	-	-
	Market price per share	Rs.	167.50	147.50	20.00	14
	Earnings per share	Rs.	70.99	(69.60)	140.59	(202)
	Net assets per share	Rs.	60.83	135.38	(74.55)	(55)
	Price Earnings Ratio	Times	(2.36)	(2.12)	(0.24)	11
	Total assets	Rs. 000	1,743,391,792	1,819,947,313	(76,555,521)	(4)
	Number of shareholders	Nos.	1,277	1,274	3	0
	Market capitalization	Rs. 000	708,990	624,334	84,656	14
	Float adjusted market capitalization	Rs. Mn.	311.5	270.8	40.7	15
	Shareholders' funds	Rs. 000	277,383	573,044	(295,661)	(52)

Financial Highlights

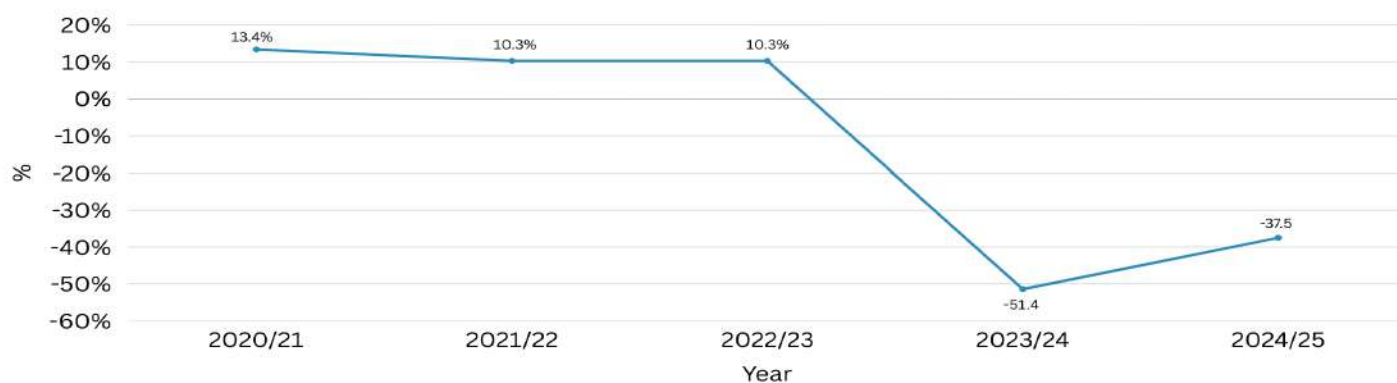
Total Revenue (Rs.Mn)



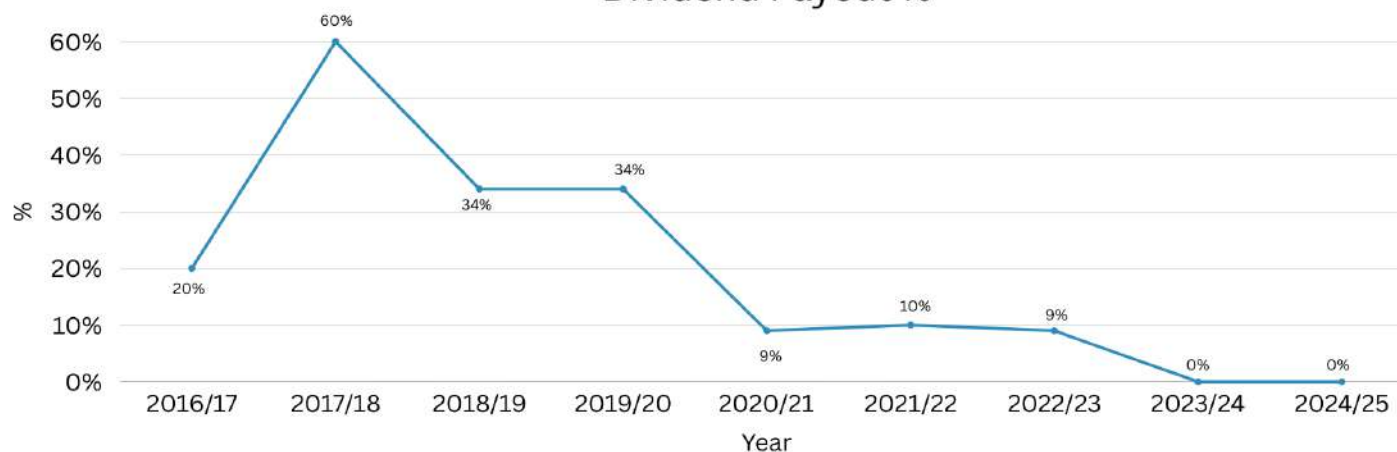
Profit before / (loss) Tax (Rs.Mn)



ROCE-%



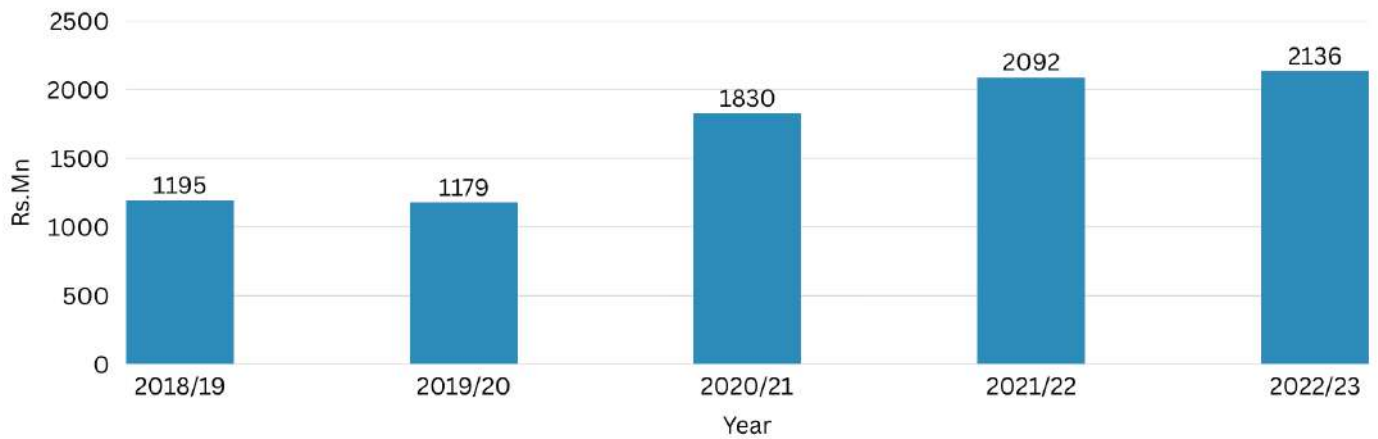
Dividend Payout %



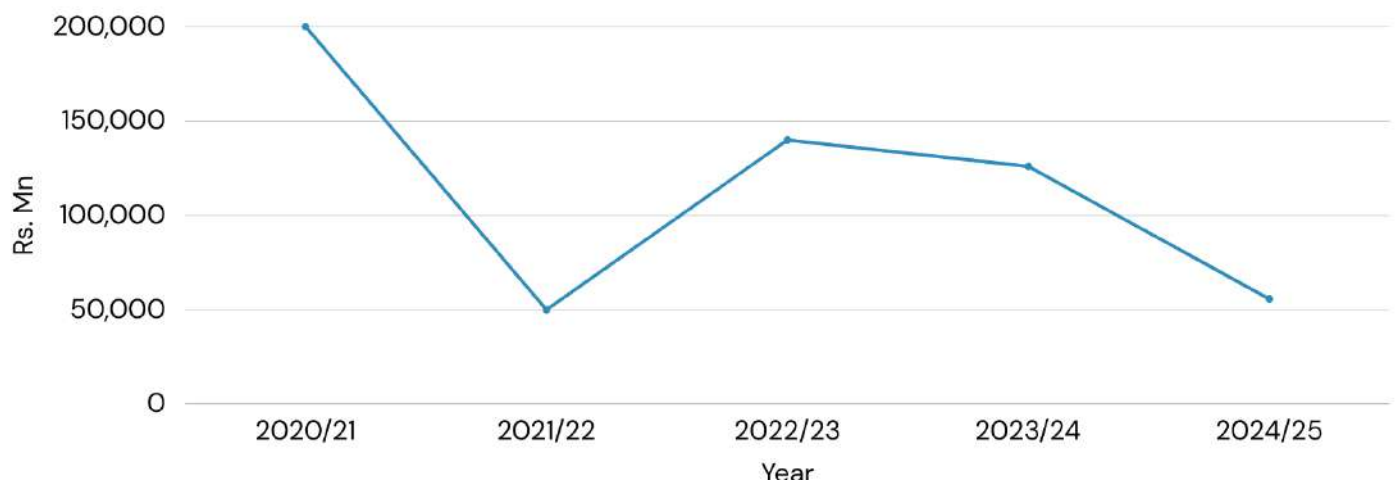
Operational Highlights

			2024/25	2023/24
Manufactured Capital	No. of factories	Nos	3	3
	Rubber compound consumed	MT	1510	1817
	Investment in PPE	Rs. 000	55,733	125,935
	Value additions	Rs. 000	398,373	417,332
	Asset Turnover Ratio	Times	0.83	1.27
Human Capital	No. of employees	Nos	460	458
	Retention rate	%	96.8	98.1
	Employee remuneration & rewards	Rs. 000	510,510	499,927
	Investment in training & development	Rs. 000	231	513
	Gender diversity ratio (Male : Female)		81:18	81:19
	Revenue per Employee	Rs. 000	4,816	5,057
	Profit per employee (after tax)	Rs	(653.23)	(643.20)
	Value additions per employee	Rs/ month	76,154	75,394
Social Relationship Capital	Donation in cash	Rs	265,300	358,429
	Number of exhibitions participated	Nos	1	1
	Total taxes (including differed tax)	Rs. 000	4,718	7,054
	Number of customer complaints	Nos	16	7
Natural Capital	Energy consumption	Kw	1,150,618	980,010
	Waste rubber reused/ recycled	Kg 000	46	49
	Total number of awards	Nos	2	2
	No. of new rubber products	Nos	6	14
	Investment in R&D	Rs. Mn	15	40

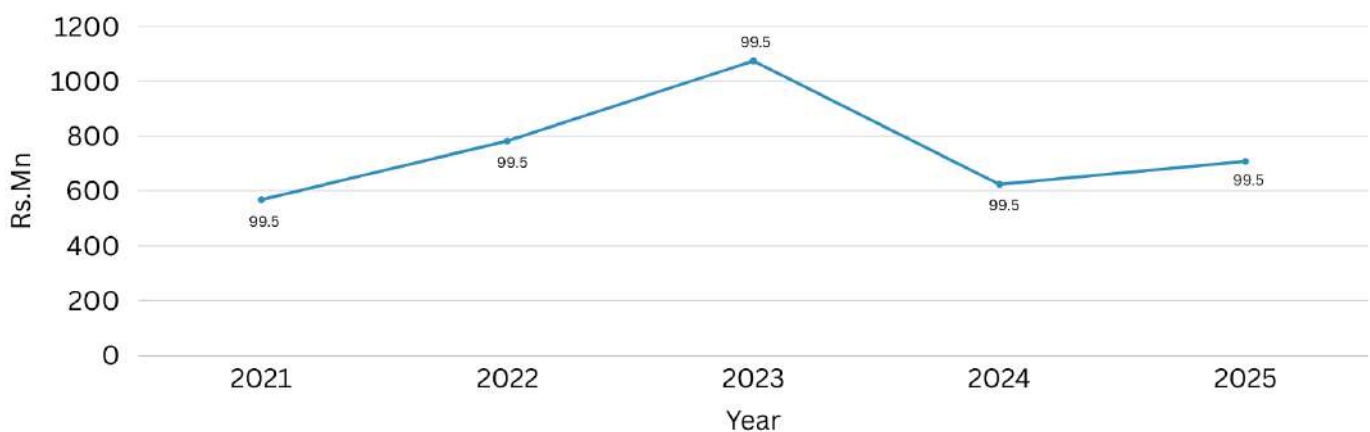
Total Assets (Rs. Mn)



Investment in PPE



Market Capitalization as at 31st March (Rs. Mn)



CORPORATE INFORMATION









Name of the Company	: Samson International Plc
Legal Form	: A public quoted Company with limited liability. It was incorporated on 14 th October 1988 and re-registered under the Companies Act No. 7 of 2007 on 3rd September 2008.
Company Registration No	: PQ 192
Stock Exchange listing	: The ordinary shares of the Company were listed on the Colombo Stock Exchange of Sri Lanka on 22 nd March 1993 and the Company was converted to a publicly quoted Company.
Principal line of Business	: Manufacture of rubber and PVC-based products for the international and local markets
Registered Office	: Akuressa Road, Bogahagoda, Galle. Te (091) 3094 469-72, Fax (091) 2224 036, Email: info@samsonint.com
Directors:	: Dr. D. K. Rajapaksa (Resigned on 30 th November 2024) Mr. T. K. Bandaranayake (Resigned on 01 st January 2025) Mr. D. D. A. Rajapaksa (Managing Director) Ms. I. Malwatte (Appointed as Chairperson on 11 th February 2025) Mr. D. G. P. S. Abeygunawardana Mr. D. C. J. Rajapaksa Mr. D. N. S. Rajapaksa Mr. S.M.T.H. Subasinghe (Appointed on 01 st January 2025)
Nominations and Governance Committee	: Mr. S.M.T.H. Subasinghe (Chairman) Ms. I. Malwatte Mr. D. C. J. Rajapaksa
Audit Committee	: Mr. T. K. Bandaranayake (Resigned on 01 st January 2025) Mr. S.M.T.H. Subasinghe (Chairman - Appointed on 01 st January 2025) Ms. I. Malwatte Mr. D. C. J. Rajapaksa (Appointed on 01 st January 2025)

Remuneration Committee	: Mr. S.M.T.H. Subasinghe (Chairman - Appointed on 01 st January 2025) Ms. I. Malwatte Mr. D. C. J. Rajapaksa (Appointed on 01 st January 2025) Mr. T. K. Bandaranayake (Resigned on 01 st January 2025) Mr. D. D. A. Rajapaksa (Resigned on 01 st January 2025)		
Related Party Transaction Review Committee :	: Mr. T. K. Bandaranayake (Resigned on 01 st January 2025) Mr. S.M.T.H. Subasinghe (Chairman - Appointed on 01 st January 2025) Ms. I. Malwatte Mr. D. C. J. Rajapaksa (Appointed on 01 st January 2025) Mr. D. D. A. Rajapaksa (Resigned on 01 st January 2025)		
Secretaries	: P W Corporate Secretarial (Pvt) Ltd. No. 3/17, Kynsey Road, Colombo 08. Te (011) 4640 360		
Factories			
• Galle Plant	: Akuressa Road, Bogahagoda, Galle. Tel (091) 3094 469-72, Fax (091) 2224 036, Email: info@samsonint.com		
• Kalutara Plant	: No. 57/B, Fullerton Industrial Zone, Nagoda, Kalutara. Tel (034) 5622 688, Email: info@samsonint.com		
• Baddegama Plant	: Gilcroft Estate, Kiribathwila, Ampegama, Baddegama. Tel (091) 3094 469-72, Fax (091) 2224 036, Email: info@samsonint.com		
Auditors	: Messrs Edirisinghe & Company, Chartered Accountants, No. 45, Braybrook Street, Colombo 02.		
Bankers	: Hatton National Bank DFCC Bank Nations Trust Bank	: Bank of Ceylon Commercial Bank Seylan Bank	: Pan Asia Bank People's Bank
Tax Registrations	: Income Tax No: 114049387-0000 Value added Tax No: 114049387-7000		
Parent Company	: DSI Samson Group (Pvt) Ltd		
Group Chairman	: Mr. Uditha Egalahewa		
Group Managing Director	: Mr. Kasun Rajapaksa		
Contact Details	: Mr. Sisira Abeywickrama Finance Manager Samson International Plc , Akuressa Road, Bogahagoda, Galle. Tel (091) 3094469-72 Fax (091) 2224036 Email: info@samsonint.com		

CORPORATE MILESTONES

Our milestone indicates significant events, achievements, or point of progress that mark a key stage or turning point in a project, journey, or process. Our milestones are used to track and measure progress, provide us with checkpoints for evaluation, and signify important accomplishments or deadlines. They serve us as guideposts that help our Company stay focused on objectives and monitor our advancement toward goals. Our milestones during the last 36 years have been shown below.

Year	Milestone	Photograph
1988/89	<ul style="list-style-type: none"> Incorporated as a private Company (36 years ago). 	
1992/93	<ul style="list-style-type: none"> Commenced business in Bogahagoda and installed first HWB machinery. Visited first European sealing customer to our factory. Converted into a publicly quoted Company (33 years ago) 	 
1994/95	<ul style="list-style-type: none"> Received the first “ ISO 9001: 1994 certificate” among the rubber-related product manufacturing companies in Sri Lanka. 	
1995/96	<ul style="list-style-type: none"> Produced hot water bottles with the British Standard (BS 1970:2006) and TUV Certification for the 1st time. 	

Year	Milestone	Photograph
2007/08	<ul style="list-style-type: none"> Stepped in to beading products and invested in a Microwave continuous line machinery. 	
2009/10	<ul style="list-style-type: none"> Purchased all assets of Aksel (Pvt) Ltd. Kalutara which has now become the 2nd factory to manufacture rubber products. 	
2014/15	<ul style="list-style-type: none"> Stepped in to the PVC pipe business and purchased assets of Okta PVC Lanka (Pvt) Ltd., Baddegama on 14th July 2014. Received the" ISO 9001:2008 certificate for PVC pressure pipes for the 1st time. First issue of bonus shares on 1: 10 to shareholders. 	
2015/16	<ul style="list-style-type: none"> Recorded first 1 Bn turnover of the Company. Produced products with FSC TM (FSC TM C134777) Certification for the 1st time. 	
2016/17	<ul style="list-style-type: none"> Received Code of Conduct in business Social Compliance Initiatives (BSCI) certification on Social Responsibility for the 1st time. 	
2017/18	<ul style="list-style-type: none"> Received 14001 Environmental Management Systems and 50001:2011 Energy Management System for the 1st time 	

Year	Milestone	Photograph
2019/20	<ul style="list-style-type: none"> Acquisition of an exclusive dealership with a Malaysian manufacturer for the PVC tap product range. 	
2021/22	<ul style="list-style-type: none"> PVC segment recorded its first Rs.1Bn turnover Stepped in to rubber mixing (backward integration) 	 
2022/23	<ul style="list-style-type: none"> Produced trunking & conduits with SLS 1206:2000 & 993:2013 under the brand name of POWERGUARD. Received the merit award for the best presented annual report (ie 1st international award received by the Company) given by the South Asian Federation of Accountants. 	 
2023/24	<ul style="list-style-type: none"> Solar project in the main plant generates 85,611 units per month from PV Capacity of 751 kW to the national grid. Invested in the second solar project in the Baddegama PVC plant for 460 kW with an investment of Rs. 55 Mn. 	
2024/25	<ul style="list-style-type: none"> Invested in a biomass in the main plant. 	 

OUR PRODUCTS AND MARKETS SUMMARY



Samson International PLC stands as a leading manufacturer and exporter of high-quality rubber-based products in Sri Lanka, with a growing presence in the domestic PVC market. Our product portfolio is diverse and tailored to meet the needs of international and local markets across multiple sectors including construction, agriculture, automotive, healthcare, and household applications. The core strength of the company lies in its rubber division, which contributes the majority of the Group's revenue and remains central to our operations and brand identity.

Our rubber product range includes industrial mats, anti-fatigue flooring, jar sealing rings, hot water bottles, extruded rubber profiles, parking accessories such as wheel stoppers, corner guards, and road humps, as well as molded rubber components for automotive and marine applications. These products are manufactured using natural and synthetic rubber compounds under stringent quality control processes and are exported to over 30 countries worldwide. Despite facing headwinds in our key export markets—especially Europe, which has been challenged by regional conflicts and high energy costs—we continue to maintain product excellence, customer

In recent years, we have also made significant strides in the domestic market through our PVC segment under the Samson PVC brand. This product line includes pressure and non-pressure pipes, electrical conduits, solvent cements, fittings, garden hoses, and rainwater systems. Manufactured with virgin PVC compounds, our PVC products meet Sri Lanka Standards (SLS) certifications and serve the construction and utility sectors with an expanding distributor network across the island. While PVC revenue declined during the year under review in line with reduced construction activity, we remain committed to regaining momentum through new product innovations and targeted local marketing.

As we navigate the ongoing recovery in Sri Lanka's economic landscape and prepare for resurgence in global demand, Samson International PLC remains committed to innovation, quality, and sustainability across all product segments. We are confident that with strategic alignment, operational discipline, and product excellence, we are well-positioned to return to profitability and growth in the upcoming financial year.

01. Pharmaceutical Industry



02. Food and packaging Industry



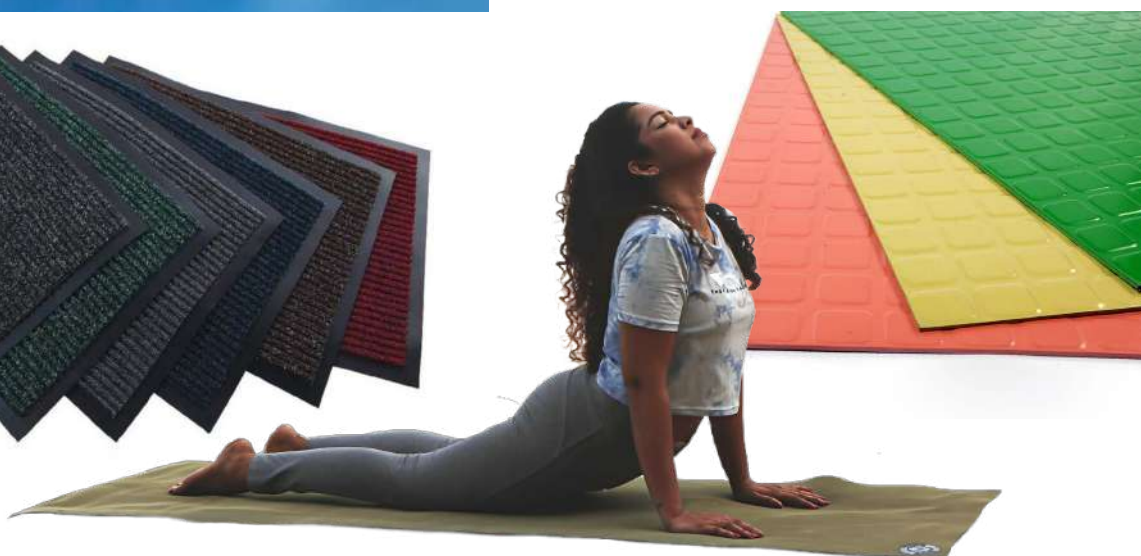
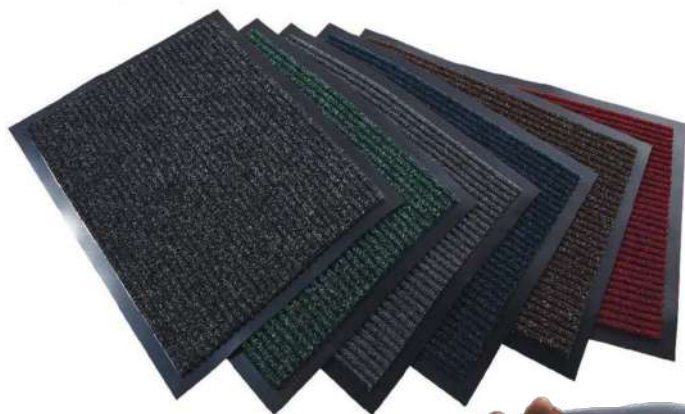
03. Bath ware Industry



04. Automotive Industry



05. Matting and Flooring Industry



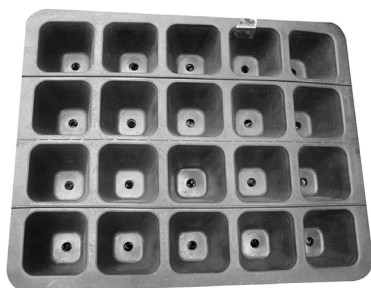
06. Foot ware Industry



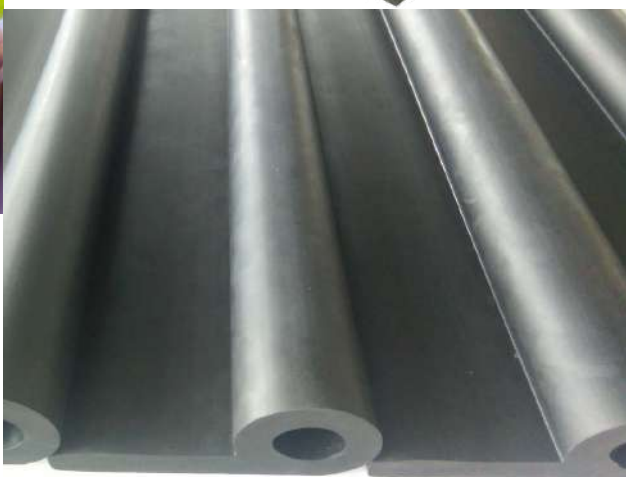
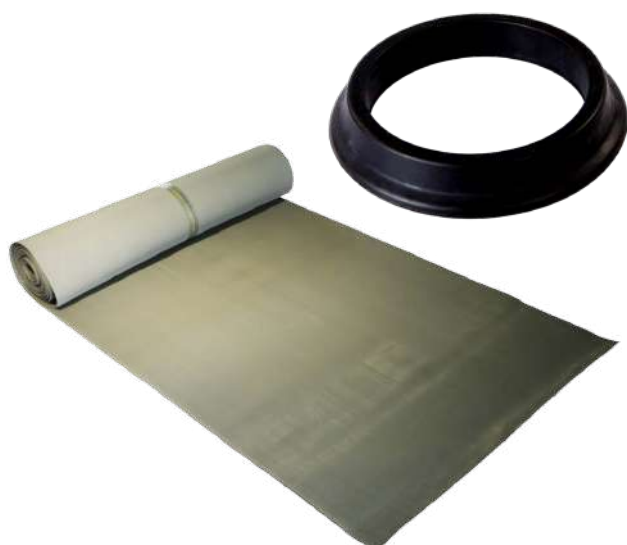
07. Construction Industry



08. Irrigation and Agriculture



09. Other Industries



CHAIRPERSON'S REVIEW



It is with a deep sense of duty and resilience that I present the Annual Report of Samson International PLC for the financial year ended 31st March 2025.

The year under review unfolded within a landscape marked by cautious recovery amidst persistent global volatility. Sri Lanka, having endured a prolonged economic downturn, began to show early signs of stabilization. Key macroeconomic indicators—such as the appreciation of the Sri Lankan Rupee and the gradual moderation of inflation—signaled a slow but hopeful resurgence. However, for an export-driven enterprise like ours, the global environment remained a critical determinant of performance, and it presented formidable challenges.

Europe, our principal export market, was significantly impacted by ongoing geopolitical tensions and the lingering effects of regional conflicts. Escalating energy costs and declining consumer demand further compounded the difficulties in this region. These global pressures, combined with narrowing margins and elevated operating costs, significantly affected our revenue and financial performance.

In this challenging environment, Samson International PLC recorded revenue of Rs. 2.2 billion, reflecting a marginal decline from the previous year. The Company reported a loss after tax of Rs. 300 million, compared to a loss of Rs. 294 million in the prior year. Despite continuous efforts to streamline operations and strengthen our product portfolio, external headwinds remained substantial, impacting short-term results.

Throughout the year, we continued to invest in quality, innovation, and operational efficiency—the foundational pillars of the Samson brand. However, gains from these initiatives were outweighed by weakened demand in key export markets and elevated finance costs. Notably, finance expenses for the year rose to Rs. 99 million, placing further pressure on our capital structure and bottom line.

Despite these challenges, I remain confident in our long-term outlook. Our unwavering commitment to quality manufacturing, customer-focused innovation, and ethical business practices continues to earn the trust of stakeholders across global markets. We are actively exploring new geographies to diversify our export base beyond Europe, while strengthening our presence in Sri Lanka's industrial rubber and hardware sectors.

As we navigate this turbulent phase, our strategic priorities are clear:

- Diversify market presence to reduce geopolitical and regional risks.
- Enhance cost efficiencies across manufacturing and distribution.
- Expand our domestic footprint to capture emerging demand from Sri Lanka's recovering industrial and construction sectors.
- Preserve liquidity and manage debt prudently to ensure financial resilience.

I wish to appreciate the immense contribution made by Dr. D. K. Rajapaksa whose unwavering commitment and dedication supported and built the Company through the years.

On behalf of the Board of Directors, I extend my sincere appreciation to my fellow Directors for their guidance and support during this challenging year. I also commend the management team for their steadfast leadership, and our employees for their unwavering dedication and resilience.

We remain deeply grateful for the continued support of our shareholders, employees, partners, and customers during this difficult period. Your confidence in our vision and potential fuels our perseverance and progress.

We are grateful to our bankers, suppliers, and partners for their continued support, and to our shareholders for their enduring confidence in Samson International PLC. Your trust inspires our commitment to sustainable recovery and long-term growth.

We also reaffirm our commitment to environmental responsibility as part of our broader sustainability agenda.

Let us move forward with renewed determination.

A handwritten signature in blue ink, reading "I. Malwatte".

I. Malwatte
Chairperson

Colombo
11th August 2025

MANAGING DIRECTOR'S OPERATIONAL REVIEW



It is with resilience and renewed determination that I present the Managing Director's Review for the financial year ended 31st March 2025. The year under review reflected a combination of cautious recovery in Sri Lanka's domestic economy and persistent turbulence in our global markets, particularly Europe, which remains our primary export destination.

Performance Overview

During the year, Samson International PLC recorded a revenue of Rs. 2.2 billion and a net loss of Rs. 300 million. This outcome was shaped by a mix of global and local challenges, including:

- Declining export demand from Europe due to prolonged geopolitical tensions, elevated energy costs, and weakening consumer sentiment.
- Rising input costs across both Rubber and PVC operations.
- Continued pressure from finance expenses and foreign exchange volatility.

Despite these headwinds, we remained committed to safeguarding the Company's fundamentals, pursuing cost rationalization measures, and strengthening our long-term competitiveness.

Rubber Sector

The Rubber Sector experienced subdued demand, largely reflecting the slowdown in European markets. Export volumes of sealing rings and hot water bottles were significantly affected by recessionary conditions, energy cost escalations, and stiff competition from lower-cost regional producers.

The depreciation and subsequent rapid appreciation of the Sri Lankan Rupee also posed dual challenges. While higher raw material and energy costs eroded margins, the strengthening Rupee reduced export competitiveness. Exchange rate fluctuations resulted in additional foreign currency losses on working capital and receivables.

However, we actively pursued market diversification beyond Europe, with initial progress in the USA, Canada, and Africa. Our Research & Development (R&D) team introduced new compound formulations to reduce raw material dependency, while cost optimization initiatives enabled us to maintain product quality and compliance with global standards such as FSC, ISO, TUV, and BS certifications.

PVC Sector

The PVC business emerged as a stabilizing force for Samson International PLC. Despite inflationary pressures and high finance costs, demand for PVC pipes and fittings in the domestic market showed positive momentum, driven by gradual recovery in the construction, infrastructure, and agriculture sectors.

Government-led infrastructure programs and renewed activity in the private construction industry provided opportunities for growth. With 40 distributors across the country, our PVC business is now positioned as a cornerstone of our long-term growth strategy and a buffer against export volatility.

Strategic Actions Implemented

To mitigate risks and lay the foundation for recovery, we undertook the following measures:

- **Cost Rationalization & Efficiency** – Streamlined operations across all divisions to reduce overheads and minimize wastage.
- **Market Diversification** – Reduced dependency on Europe by expanding into North America and Africa.
- **Strengthening Domestic Presence** – Expanded PVC distribution network and secured new hardware and building material customers.
- **Product Development & Compliance** – Sustained annual investment of over Rs. 40 million in R&D, introducing 12 new products in both local and overseas markets.
- **Sustainability Investments** – Continued expansion of solar energy projects at Galle and Baddegama, reducing factory electricity costs while supporting the Government's renewable energy vision.

Future Outlook

Looking ahead to 2025/26, we are cautiously optimistic. Early signs of recovery are visible in European markets, while Sri Lanka's domestic construction sector is expected to grow by 5.9% annually from 2024–2026, supported by infrastructure and tourism-related investments.

Our strategic priorities include:

- Expanding PVC distribution further across Sri Lanka.
- Enhancing export competitiveness by optimizing supply chains and reducing costs.
- Targeting new B2B partnerships in automotive, marine, construction, and agriculture sectors.
- Leveraging digital transformation to streamline manufacturing, distribution, and export processes.
- Exploring ASEAN, Middle Eastern, and African markets as alternative growth regions.

Acknowledgements

On behalf of Samson International PLC, I extend my sincere appreciation to our Board of Directors, employees, business partners, and shareholders for their continued trust and support. While the year under review tested our resilience, we remain steadfast in our commitment to long-term value creation, innovation, and sustainability.

Together, we will transform challenges into opportunities, rebuild profitability, and position Samson International PLC as a stronger, more diversified, and future-ready organization.



D. D. A. Rajapaksa
Managing Director

Colombo
11th August 2025

PROFILES OF THE DIRECTORS

Our Board is chiefly responsible for monitoring managerial performance while guiding corporate strategy and achieving an adequate return for shareholders. The main task of the Board of Samson International Plc is to set the company's direction and strategy. They concentrate on directing the Company and not on managing it. They direct to guide managers the way to be ahead and lead. The Board balance the review of past performance and forward-looking discussion. The Board also limits the time spent on routine & administrative matters. They are expected to prevent any conflict of interest and balance competing demands of the company. Our managers manage the company. Managing is about dealing, hands-on with the design, implementation and maintenance of effective operating models and prudent control systems.

The functions of the Board of the Samson International Plc include the following.

1. Obligation - Ensure the company's well-being
2. Responsibility - Safeguard stakeholder interest
3. Entrepreneurship - Direct the company's affairs
4. Trustee - Satisfy shareholders' interest
5. Effective control - Guide and control executive management
6. Compliance - Ensure that legal, ethical, and moral obligations are met

Our directors are aware that they have a duty of care as well as fiduciary duties. They are required to exercise this duty of degree of care, diligence and skill reasonably and do not undertake their legitimate duties to perform negligently. In the case of fiduciary duties, directors are in position of trust in relation to the Company and act in faithful, trustworthy manner towards or the company's behalf.

The Profiles of the Board of Directors of Samson International Plc as at 31st March 2025 are as follows.



Dr. D. Kulatunga Rajapaksa

PhD (H.C.) University of Sri Jayawardenapura

D. Litt University of Westminster

B. Sc (Hons) University of Peradeniya

Chairman - Resigned on 30th November 2024

Appointed to the Board on 14th October 1988 (since the inception)

Skills & Experience

Dr. Kulatunga Rajapaksa was the former Chairman and the Group Managing Director of DSI Samson Group (Pvt) Ltd. He has over 82 years of experience in the manufacture of footwear and rubber products.

Other Appointments

He has served as a Council Member of several universities and is a past president of the National Chamber of Exporters of Sri Lanka and also of the Sri Lanka Association of Manufacturers and Exporters of Rubber Products, Sri Lanka Footwear & Leather Products Manufacturers Association and a Director of the Mawbima Lanka Foundation.

Dr. Kulatunga Rajapaksa was awarded with an honorary Doctorate from University of Sri Jayawardenepura in December 2019 on his contribution to the growth of DSI Samson Group and to the Sri Lankan business community.

Number of shares held in the Company

11,159 shares

He resigned from the Board of Directors of Samson International PLC on 30th November 2025.

**Mr. Tissa K. Bandaranayake**

B.Sc. (Cey), FCA

Independent, Non-Executive Director

Appointed to the Board on 31st March 2009

Skills & Experience

Mr. Tissa Bandaranayake has many years of commercial and professional experience and was a Senior Partner of Ernst & Young from where he retired after 27 years, having serviced a large portfolio of clients, both local and multinational in various industries. Mr. Tissa Bandaranayake is a past Chairman of the Audit Faculty of the Institute of Chartered Accountants of Sri Lanka. He was the Founder Chairman of the Quality Assurance Board established by the Institute of Chartered Accountants of Sri Lanka and served in that capacity for several years.

In recognition of his contribution to the accountancy profession, the commercial sector and the community over the years, Mr Bandaranayake was admitted to the Hall of Fame of the Institute of Chartered Accountants of Sri Lanka.

Other Appointments

He currently serves as a Director in Nawaloka Hospitals Plc. and as the Chairman of Harischandra Mills PLC. He also serves as a consultant to the Governance Committee of Noritake Lanka Porcelain (Pvt) Ltd.

Number of shares held in the Company

Nil

He has resigned from the board of directors of Samson International PLC on 30th November 2025.

**Mr. D. G. Priyantha S. Abeygunawardana**

MBA, LL.M, LL.B, FCA, FCMA, FCCA, MCIM, Attorney-at -Law

Director / General Manager

Appointed to the Board on 08th August 2013

Skills & Experience

Mr. Priyantha Abeygunawardana is a triple-qualified Accountant holding the fellowship of CA, CIMA, ACCA and also an Attorney-at-Law. He obtained his LLB degree from the Open University of Sri Lanka and took his oaths as an Attorney-at-Law in 2004, having passed the requisite examinations held by the Sri Lanka Law College.

He also holds two Master's degrees in two different fields, namely, MBA from the University of Sri Jayewardenepura specializing in Finance, and LL.M from University of Colombo specializing in Company Law, Labour Law and Banking Law.

He is also member of Chartered Institute of Marketing, UK.

Previously he was at Ford, Rhodes, Thornton & Company, Hayley's, Abans and lastly at Richard Piers Exports Plc, where he worked as General Manager for six years. With regard to his sports career, he toured Malaysia and Thailand with the Mercantile Hockey Association team (Combined Companies) as vice-captain in 1992. He also toured India with the Sri Lanka Schools' Hockey team as vice-captain in 1979. He played in the CR & FC Hockey team from 1978 to 1988 and captained the CR & FC in 1986. He played Hockey and Football for Nalanda College for several years. Under his captaincy in 1979, Nalanda College Hockey team emerged champions in the under 19 All-Island inter school tournament.

Other Appointments

He currently serves as a Director in Samson Rubber Industries (Pvt) Ltd. and Director in Samson Solar Power (Pvt) Ltd.

Number of shares held in the Company

110 shares

**Mr. D. Dilshan A. Rajapaksa**

M.Sc. (Australia), B.Sc.Hons (UK), MCIM(UK)

Managing Director

Appointed to the Board on 01st June 2015

Skills & Experience

He Joined DSI Group in 2006 and has been working as the Marketing Director many DSI Clusters spanning across Footwear, Rubber products, Coir products, Clay products bring the local / export revenue to the Group.

He is the creator and the brain behind the concept of “Waves” flip flops, the market leader in flip flops in Sri Lanka and has a global footprint of over 10 countries. He has also initiated many successful brands spanning across various product sectors launched in to the market in the local and international arena.

He has more than 18 years Marketing, Management & Information Technology experience in both local and overseas Companies.

He is a Chartered Marketer and holds M.Sc. in Business Systems from the University of Monash, Australia and B.Sc. (Hons) in Information Systems from the University of Manchester Metropolitan, UK and is a Member of the Chartered Institute of Marketing – UK (MCIM).

Other Appointments

He serves as a Director of DSI Samson Group (Pvt) Ltd., D. Samson Industries (Pvt) Ltd., Samson Compounds (Pvt) Ltd., Samtessi Brush Manufacturers (Pvt) Ltd, Samson Rajarata Tiles (Pvt) Ltd.,and. Samson Investments (Pvt) Ltd. Presently he is the Vice President of the National Chamber of Exporters of Sri Lanka.

Number of shares held in the Company

Nil

**Mr. D. Chandula J. Rajapaksa**

M.Sc. (Australia), B.Sc. (UK)

Non-Executive Director

Appointed to the Board on 10th August 2018

Skills & Experience

Mr. Rajapaksa has over 10 years of management experience in both local and overseas companies. He previously worked at PricewaterhouseCoopers, Sri Lanka.

He holds an M.Sc. in International Business from Monash University, Australia, and a B.Sc. in Business with Information Technology from Staffordshire University, UK. He is also a passed finalist of the Chartered Institute of Management Accountants (CIMA), UK.

Other Appointments

He is the Managing Director of Samson Exports (Pvt) Ltd., Hydro Trust Lanka (Pvt) Ltd., Werapitiya Hydro Power (Pvt) Ltd., and Loggaloya Hydro Power (Pvt) Ltd. He also serves as a Director of Samson Rajarata Tiles (Pvt) Ltd., Samson Trading Company (Pvt) Ltd., Samson Manufacturers (Pvt) Ltd., Samson Group Corporate Services (Pvt) Ltd., Samson Compounds (Pvt) Ltd., Samson Apparel Makers (Pvt) Ltd., Samson Bikes (Pvt) Ltd., and Samson Engineers (Pvt) Ltd.

Board Committees

- Nominations and Governance Committee
- Audit Committee
- Remuneration Committee
- Related Party Transactions Review Committee

Shareholding in the Company

Nil

**Ms. Indira Malwatte**

B. A. (Economics and Geography) University of Peradeniya

Chairperson – Appointed on 11th February 2025

Independent, Non - Executive Director

Appointed to the Board on 14th August 2020

Skills & Experiences

Ms. Malwatte holds a Combined Degree in Economics and Geography from the University of Peradeniya, Sri Lanka, and was the first woman Chairperson of the Export Development Board (EDB).

She has over 45 years of experience serving the Government both locally and internationally as a leading Export Promotion Professional. Her extensive expertise spans industrial, agricultural, services, supply chain management, and international marketing sectors. She has served as a Director in several companies and government institutions, and has been the focal point of numerous export development projects supported by the World Bank, ITC, GIZ, CBI, and JETRO.

In recognition of her outstanding contribution to business and commerce, she received the Wifths Foundation Lifetime Achievement Award (Business) in 2016 in London, UK, becoming the first Sri Lankan to be honoured. She has also been recognised locally with the Zonta “Woman of Achievement” Award (2017), Women in Management Top 50 Professional & Career Woman – Gold Award (2018, State & Government Sector), and was featured in the 2018 A-List of Sri Lanka Business People by LMD Magazine.

Other Appointments

She currently serves as an Independent Non-Executive Director of Cargills (Ceylon) PLC, an Independent Non-Executive Director of Kotmale Holdings PLC, and a Director of Lanka Shipping & Logistics (Pvt) Ltd. and the Sri Lanka Handicrafts Board. She is also engaged in consultancy work on international trade, SME development, and women entrepreneurship.

Board committees

- Nominations and Governance Committee
- Audit Committee
- Remuneration Committee
- Related Party Transaction Review Committee

Number of shares held in the Company

Nil

**Mr. D. Nishan S. Rajapaksa**

B.Eng. Hons (UK), M.Sc. (UK), MBA (Australia)

Non-Executive Director

Appointed to the Board on 11th February 2021

Skills & Experience

Mr. Nishan Rajapaksa has over 24 years' experience in the Telecommunications & IT sectors, holding Engineering and Management positions in blue chip companies in the UK and Australia.

He holds a B.Eng. (First Class Hons) in Electronic & Electrical Engineering from the University College London, an M.Sc. in Telecommunications from the University College London and an MBA from the Melbourne Business School.

Other Appointments

He currently serves as an Executive Director of DSI Samson Group (Pvt) Ltd. (since 1st January 2020) and as Group Owner – Value Added Network Services at Telstra Corporation, Australia.

Number of shares held in the Company

8,297

**Tishan Subasinghe**

FCA, CPFA (UK), FCMA, CISA (USA)
MBA (Fin.) Col., LL.B (Hons.), Attorney-at-Law

Independent, Non-Executive Director
Appointed to the Board on 01st January 2025

Skills & Experience

Tishan is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and an Attorney-at-Law with a life membership from the Bar Association of Sri Lanka. He is also a Certified Information Systems Auditor [USA] and holding an MBA (Finance) from the University of Colombo with a Gold medal for Financial Reporting.

He currently serves as the Vice-President of the Institute of Chartered Accountants of Sri Lanka after serving 12 years as a Council Member. He is also a Board member of Sri Lanka Accounting and Auditing Standards Monitoring Board. He has marked his regional presence within the accounting fraternity across the Asia Pacific Region. He is currently a Board member of the South Asian Federation of Accountants (SAFA) and an elected Board member of the Confederation of Asian and Pacific Accountants (CAPA).

His exposure to the profession is multiethnic and multi-cultural. It expands not only island-wide but also to overseas work relationships with PricewaterhouseCoopers (PwC) international head office in New York, Philadelphia, and PwC in Botswana spanning several years. He also has worked for BDO Partners for 10 years as a partner Audit & assurance, Technical, Training and Human Resources.

His professional role has also extended to national level, having served as a member of the Presidential Commission on Simplification of Laws and Regulations and a member of the Committee for Revival of Failed Licenced Finance Companies established by the Central Bank of Sri Lanka.

Other Appointments

At present he is the Managing Director of Moore Consulting (Pvt) Ltd and the Joint Managing Partner of Moore Aiyar. In addition, he serves as the Chairman of Sanasa General Insurance Limited and as the Senior Independent Director of Amana Bank PLC. He was a Council Member of the University of Moratuwa from year 2020 to 2025. He is also a visiting lecturer at several government universities and has also conducted international training in Maldives and Bhutan.

Board Committees

- Nominations and Governance Committee
- Audit Committee
- Remuneration Committee
- Related Party Transactions Review Committee

Shareholding in the Company

Nil

RISK MANAGEMENT

At Samson International PLC, we recognize that risk is an inherent part of achieving business growth and sustainability. Risks can arise both internally—through employee actions, management decisions, systems or processes—and externally, from market, regulatory, economic, or climate-related changes.

Types and Sources of Risk

We categorize risks based on their nature and origin:

Type	Internal	External
Strategic	R&D decisions, M&A, product launches	Industry changes, competition, customer behavior, regulation
Financial	Liquidity, cash flows	Interest and exchange rates, credit conditions
Operational	IT systems, internal controls, supply chain	Regulatory compliance, third-party dependencies
Hazard	Employee actions, property risks	Natural disasters, supplier risks, legal contracts
Climate	Lack of adaptation plans	Extreme weather events and related physical risks

The Company adopts a structured and proactive approach to managing risk, ensuring timely identification, evaluation, mitigation, and monitoring of risks across all key areas of operations and strategy.

Risk Management Framework



RISK MANAGEMENT (Contd...)

The risk management process involves:

- **Risk Identification**

Through internal assessments, SWOT/PEST analysis, and expert guidance.

- **Risk Assessment**

Risks are categorized and prioritized based on impact and likelihood.

- **Risk Mitigation**

Action plans are developed based on avoidance, reduction, transfer, or acceptance strategies.

- **Risk Monitoring & Reporting**

Continuous review by the Board, Risk Committee, and Audit Committee using KPIs and internal audit findings.

Risk Governance

Risk oversight at Samson International PLC is embedded in the Company's corporate governance framework. The Audit Committee, appointed by the Board, oversees the Company's risk management systems, reviewing risk exposures, and monitoring the effectiveness of mitigation strategies.

The governance structure includes:

- **Board of Directors:** Holds overall accountability for setting the Company's risk appetite and ensuring risk oversight is integrated into strategic decision-making.
- **Audit Committee:** Provides risk oversight, reviews quarterly risk and control reports, and ensures that risk mitigation is aligned with organizational goals.
- **Senior Management:** Identifies, assesses, and manages risks within their functional areas and reports exposures to the Audit Committee.
- **Internal and External Audit Functions:** Provide independent assurance over the effectiveness of risk management and internal controls. (Further details under Internal Controls.)

This governance model ensures that risk is addressed systematically, with clear accountability at every level.

RISK MANAGEMENT (Contd...)

The Risk Management Table below explains the Risk identification, Risk assessment and Risk management under five risk categories.

Risk identification	Risk assessment	Risk Management	Risk Ranking as at 31 st March 2025	Risk Ranking as at 31 st March 2024
Macroeconomic Risk				
1) Market Specific Characteristics Risk	<p>Due to the recession and high energy prices in Europe, the demand for export rubber products decline.</p> <p>Seasonality period generates a substantial proportion of revenue and operating profit during the third financial quarter.</p> <p>Adverse trading in this relatively short period is likely to impact significantly the full year's results.</p>	<p>Product development and market development.</p> <p>Financial and manpower planning takes into account at the expected peak period and the business is run accordingly.</p> <p>Increase attendance bonus during the peak time.</p> <p>Maintain a buffer stock</p>	High	Medium
2) Foreign Exchange rate Risk	<p>Depreciation of the rupee value and loss of exchange in conversion in relation to export proceeds, import payments and foreign currency debt transactions.</p>	<p>Exchange rate movements are taken in to consideration before conversion and pricing.</p> <p>Practicing effective hedging techniques.</p> <p>Continuous evaluation of the impact of Central Bank regulations.</p>	High	High
3) Socioeconomic Risks	<p>Sri Lanka's socioeconomic and the political environment has an impact on the local PVC and Rubber sales.</p>	<p>Management reviews prices in comparison to inflation and negotiates with suppliers for lower prices and credit terms.</p>	High	Low
Competitor and Market Risk				
4) Risk of Competition	<p>Risk of losing our market share and sales growth to Chinese low quality products and to other substitute products.</p>	<p>Ensuring high standards of quality in the High eyes of the customer and branding all our products.</p> <p>Participate in trade fairs both local and foreign to attract new customers.</p> <p>Identify the products which are in the decline stage of the Product life cycle and take corrective action.</p>	High	High

RISK MANAGEMENT (Contd...)

Risk identification	Risk assessment	Risk Management	Risk Ranking as at 31 st March 2025	Risk Ranking as at 31 st March 2024
4) Risk of Competition (Contd...)		<p>Sourcing new markets and developing new products.</p> <p>Make necessary investments to upgrade the facilities.</p> <p>Corporate plan is prepared every three years and monitored closely.</p> <p>Increasing productivity and efficiency in order to ensure our prices remain competitive.</p> <p>Carrying out Research and Development activities to identify needs.</p> <p>The provision of various value added services for our key customers.</p> <p>Export PVC- related products where there is high demand. e.g., PVC hose</p>		
5) Technological risk	Risk of low productivity and high maintenance costs compared to the products manufactured by competitors.	<p>Frequent visits of overseas exhibitions and continuous investment in modern machinery.</p> <p>Continuous competitor analysis is carried out.</p> <p>Investing in Research and Development activities throughout the year.</p> <p>Investing in ERP system, hardware and developing software in-house.</p>	Medium	Medium
6) Reputation Risk	Adverse impact on the corporate image and brand which is likely to diminish shareholder value. This will finally lead to a decline in market share and customer base.	<p>Maintenance of highest ethical standards at all times in all business activities and make compliance audit as part of internal audit scope.</p> <p>Proper adherence to the statutory, health and safety concerns by obtaining appropriate quality certification standards.</p>	Low	Low

RISK MANAGEMENT (Contd...)

Risk Identification	Risk assessment	Risk Management	Risk Ranking as at 31 st March 2025	Risk Ranking as at 31 st March 2024
6) Reputation Risk (Contd...)		<p>Continuous review of customer comments in order to exceed customer expectations and ensure quality standards are adhered to and improved upon.</p> <p>The Company plays a corporate citizen role through CSR initiatives.</p>		
7) Product Risk	Products could turn out to be defective or inappropriate for the market in terms of price, functionality or perceived value. They are also liable to be rendered obsolete. In such instances, the Company is exposed to market risks arising from consumer dissatisfaction and consequent rejection of its products.	<p>The Company's plant and machinery are rigorously maintained and upgraded whenever necessary.</p> <p>Established quality control measures as well as product testing through sampling are performed on all product lines.</p> <p>The in-house Quality Surveillance Unit tests samples of new products or components from external suppliers before order placement.</p>	Low	Low
Operational Risk				
8) Process Risk	Internal process failures, shortage of foreign currency, fraud, pilferage and breakdown of internal controls	<p>The Company sources its products and services from approved suppliers</p> <p>Outsource internal audit to reputed audit firm to review and report on the adequacy of the financial and operational controls to the Audit Committee.</p> <p>Systems and procedures are in place to ensure compliance with internal controls, which are monitored and reviewed for their continued efficiency and effectiveness.</p> <p>Provide focused and structured training to staff at all levels to familiarize themselves with processes and procedures.</p> <p>Steps are taken to increase export sales.</p>	Medium	Medium

RISK MANAGEMENT (Contd...)

Risk identification	Risk assessment	Risk Management	Risk Ranking as at 31st March 2025	Risk Ranking as at 31st March 2024
9) Supply Chain Risk	Risk of non- availability of raw materials and excessive prices.	<p>Establishing relationships with many global and local suppliers for raw materials and commodities in order to reduce over dependency on a single supplier/brand.</p> <p>Store raw materials when the prices are low and enter into forward contracts for raw material purchases.</p> <p>Consume energy in the most efficient way.</p> <p>Re-order level and economic order quantity are established.</p>	Medium	Medium
10) Inventory Risk	Risk of having non-moving stock	Identifying slow-moving stocks and sell them in a different market.	Medium	Medium
11) People Risk	Risk of losing skilled and trained human capital	<p>Provide focused and structured training to staff at all levels to aid personal and professional development.</p> <p>Establish career development programmes and succession plans in order to retain and motivate them.</p> <p>Maintaining good relationships with employees through regular dialogue.</p> <p>Top priority is given to automation of manual work.</p>	Medium	Medium
12) Fraud, Compliance and Internal Controls Risk	As the business grows in size and geographical scope, the potential for fraud and dishonest activity by our suppliers, customers and employees increase.	<p>Clear behavioral guidance given to employees through operational manuals.</p> <p>Appropriate procedures and controls set out and audited across the business to reduce fraud risks; internal Audit and external Audit undertake detailed investigations into all business areas and report their findings to the Audit Committee.</p>	Low	Low

RISK MANAGEMENT (Contd...)

Risk identification	Risk assessment	Risk Management	Risk Ranking as at 31 st March 2025	Risk Ranking as at 31 st March 2024
		<p>Regular update and new introduction of relevant policies and procedures.</p> <p>Whistle-blower policy.</p> <p>Periodical review of the internal controls by outsourced consultants.</p>		
13) Asset Risk	Risks associated with the physical assets of the Company include the destruction, loss or theft as well as technical and other defects.	<p>All such assets are insured against all identifiable risks.</p> <p>The relevant insurance policies are subject to a comprehensive annual review, with modifications made as deemed necessary.</p> <p>Procedures in place to control technical and other defects include purchasing from reputable suppliers who comply with acceptable standards on product and service quality; active, standards-based quality assurance at all manufacturing facilities.</p> <p>Provisioning is also made against obsolete inventory, warranty claims and doubtful debtors.</p>	Low	Low
14) Governance Risk	Risk of non-compliance with changes in legal and regulatory environment, taxation, labour and other laws will result in judiciary actions.	<p>Create awareness of statutory obligations at all levels.</p> <p>Seek advice from external consultants on all matters relating to litigation and contracts.</p> <p>Product liability insurance is taken for hot water bottles.</p> <p>Have a central record room to keep all our important documents for 10 years.</p> <p>Continuous dialogue with statutory bodies to meet updated reporting requirements.</p>	Low	Low

RISK MANAGEMENT (Contd...)

Risk identification	Risk assessment	Risk Management	Risk Ranking as at 31st March 2025	Risk Ranking as at 31st March 2024
15. Global Virus Risk (such as Corona)	Having global pandemic such as Corona, there is an adverse impact to our sales and also purchase of raw materials and employee attendance which result in unfavorable cash flows.	Strictly followed guidelines given by health authorities. Educate in the workers about the virus impact. Maintain buffer stocks for both RM & FG	High	High
Financial Risk				
16) Credit Risk	Risk arising due to default of payment. Higher credit risk may adversely impact both liquidity and profitability.	Following stringent assessment procedures to ensure credit worthiness of the customers prior to the granting of credit. Credit is allowed only for the approved customers which is reviewed yearly. Obtaining bank guarantees, deposits, post- dated cheques from local debtors and insurance cover for export debtors whenever there is a doubt about recovery. Closely monitoring the debtor balances and laying down action plans accordingly.	Medium	Medium
17. Interest rate and Finance risk	Inability to satisfy debt repayments and obtain the best interest rates.	To have adequate facilities for obtaining loans and borrowings in foreign currency to bring down finance charges. Funding of long- term assets through equity and long- term loans. To have adequate short term borrowing facilities available at all times. An average gearing is maintained (52 %).	Low	Low

RISK MANAGEMENT (Contd...)

Risk Identification	Risk assessment	Risk Management	Risk Ranking as at 31 st March 2025	Risk Ranking as at 31 st March 2024
18. Investment Risks	New projects/Capital expenditures involve high risks and uncertainties in terms of delays and cost overruns. Failure of major projects will affect profitability, capital structure and reputation.	<p>Conduct a PESTEL analysis and feasibility study before initiating the projects.</p> <p>Board approval should be received for all investments.</p> <p>Post-evaluation of the projects is carried out for each investment.</p>	Low	Low
19. Liquidit Risk	Inadequate liquidity can have an adverse impact on ongoing operations, marketing and investment in new products and brands.	<p>The liquidity position of the Company is regularly reviewed and reported to the Board</p> <p>Projected net borrowings are covered by committed banking facilities and a healthy industry-related gearing ratio is maintained.</p> <p>The Company's good relationships and facilities with many banks and other sources of finance ensure reliable access to funds.</p>	Medium	Medium
Other Risk				
20. Information Systems Risk	To minimize risk associated with data security, hardware & communication and software.	<p>Data back-ups stored in off- site locations.</p> <p>Maintaining of spare servers.</p> <p>Vendor agreements for support service and regular maintenance.</p>	Low	Low
21. Caveat Risk	Although the key sources of risk and their mitigation have been discussed in this document, no assurance can be given that the Company is fully-protected against all possible risks. The best that can be achieved is reasonable management of risks through a sound operational framework that identifies, evaluates and mitigates the negative impacts in a timely manner at multiple levels.	The Company is confident that all material risk factors have been adequately assessed and managed to ensure the uninterrupted and profitable continuance of the business.	Low	Low

RISK MANAGEMENT (Contd...)

Risk identification	Risk assessment	Risk Management	Risk Ranking as at 31 st March 2025	Risk Ranking as at 31 st March 2024
22. Fire and Natural Disaste Risk	Fire and natural disasters can halt or cease operations	<p>Obtaining comprehensive insurance cover for fire and natural disasters.</p> <p>Fire safety drills and training is given to ensure the occurrence of fire is kept to a minimum.</p> <p>The Company is equipped with fire fighting equipmentat all strategic locations in the factory.</p>	Low	Low

Internal Controls

The Company maintains a comprehensive internal control system designed to safeguard assets, ensure compliance with regulations, and support accurate financial reporting.

Key features include:

- **Internal Audit:** Conducted by Messrs. T & D Associates, Chartered Accountants, who operate independently and report directly to the Audit Committee. Their audits assess the adequacy and effectiveness of internal controls across business functions.
- **Audit Committee Oversight:** Reviews audit findings, risk reports, and management responses on a quarterly basis. Recommends control enhancements where needed.
- **External Audit:** Performed by Messrs. Edirisinghe & Co., Chartered Accountants. The Company adheres to best practices by rotating the audit partner periodically to maintain auditor independence and objectivity.
- **Management Reviews and Staff Training:** Internal controls are reviewed regularly by functional heads, and staff are trained on compliance, operational procedures, and internal policies.

This system provides multiple layers of assurance and supports the Company's ability to respond to risk proactively.

Risk Culture and Outlook

Samson International PLC fosters a culture where risk awareness is embedded into everyday decision-making. Employees at all levels are encouraged to raise concerns, identify potential exposures, and participate in mitigation planning.

The Company believes that strong risk culture enhances performance and resilience. This is achieved through:

- Open communication and regular cross-functional discussions
- Employee engagement in risk identification and solution development
- Integration of risk considerations into strategic planning, budgeting, and operations

This cultural foundation is reinforced by the governance and audit mechanisms described in the Risk Governance and Internal Controls sections. By staying informed, responsive, and accountable, the Company is well-positioned to navigate uncertainty while delivering sustainable value to shareholders and stakeholders.

CORPORATE GOVERNANCE

Corporate governance is the system by which companies are directed and controlled. The Board of Directors is responsible for the governance of the Company, while the shareholders' role in governance includes appointing the Directors and Auditors and ensuring that an appropriate governance structure is in place.

The responsibilities of the Board include setting the Company's strategic objectives, providing leadership to implement those strategies, overseeing the management of the business, and reporting to shareholders on the Company's performance and stewardship. Accordingly, the Board carries out several key functions, such as reviewing and guiding corporate strategy, major action plans, risk management policies and procedures, annual budgets, and business plans.

Key elements of good corporate governance include sound board practices, a strong control environment (including audit committees, internal audit, and risk management), transparent disclosures, well-defined shareholder rights, and the Board's active commitment to corporate governance principles.

Samson International PLC adheres to these elements, principles, and procedures and places a high priority on implementing and upholding good corporate governance practices.

The corporate governance framework ensures the strategic guidance of the Company, effective oversight of management by the Board, and the Board's accountability to the Company and its shareholders.

In other words, corporate governance is fundamentally about leadership. This leadership encompasses:

- Leadership for efficiency – enabling the Company to compete effectively in the global economy.
- Leadership for probity – ensuring that management acts honestly and with integrity.
- Leadership with responsibility – addressing legitimate social and environmental concerns.
- Leadership that is transparent and accountable fostering trust among stakeholders.

Samson International PLC adheres to the leadership principles outlined above to ensure that sound corporate governance is in place. Our corporate governance policies clearly define the duties and responsibilities of the Board of Directors, establish transparent business roles and strategies, promote ethical business conduct, and emphasize meaningful stakeholder engagement through effective risk mitigation.

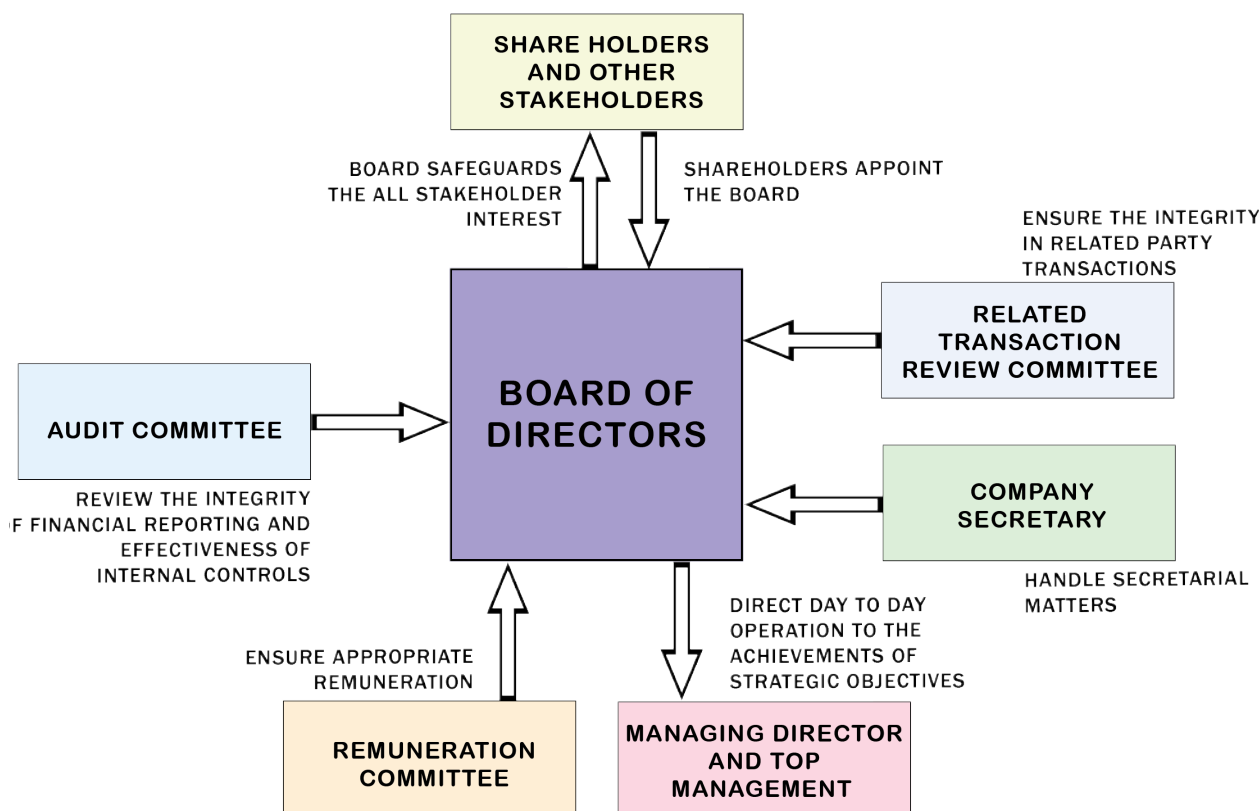
We are committed to upholding corporate responsibility and ensuring the timely and accurate disclosure of all material information. Our approach to governance is grounded in the belief that high-quality corporate governance supports long-term value creation. We foster a corporate culture that values ethical behavior, integrity, and accountability at all levels of the organization.

The four fundamental pillars of corporate governance are Transparency, Accountability, Responsibility, and Fairness. These principles guide the conduct of Directors and management to ensure ethical, effective, and stakeholder-focused governance:

- Transparency - Directors must provide clear and comprehensive explanations to shareholders and other key stakeholders regarding all material decisions made.
- Accountability - Directors are accountable to shareholders for their decisions and actions.
- Responsibility - Directors are expected to perform their duties with honesty, integrity, and a strong sense of probity.
- Fairness - All shareholders must be treated equally, with impartial and unbiased consideration by the Board and management.

This approach recognizes the importance of considering the interests of all stakeholders, including shareholders, employees, customers, and the broader community.

Governance framework



Transparency

An effective, transparent, and accountable management structure is essential to good governance. At Samson International PLC, the Board of Directors the highest governing body ensures transparency with the ultimate objective of protecting the interests of all stakeholders.

The corporate governance framework is designed to ensure that Directors take all necessary measures to avoid conflicts of interest in their activities and dealings with related parties. This includes full disclosure of such interests at Board meetings, particularly in the presence of Independent Directors. A transparent and well-functioning governance system contributes significantly to enhanced profitability and long-term sustainability.

The Board has delegated the responsibility for strategic planning and operational guidance to the Managing Director (Chief Executive Officer) and the Director/General Manager. A clear division of responsibilities and authority exists between the Chairman and the Chief Executive Officer, maintaining a healthy balance of power and oversight.

The Board remains ultimately responsible for the overall conduct of the Company's business, operating under the powers, authorities, and duties vested in it by applicable laws and the Articles of Association of the Company.

The Board meets quarterly, and the Board agenda typically includes the following items:

- Confirmation of previous minutes
- Matters arising from the previous meeting
- Review of financial performance
- Approval of interim and annual financial statements
- Review of quarterly internal audit report
- Ratification of senior management appointments
- Debtors age analysis
- Status updates of major projects
- Ratification and approval for capital expenditure
- Statutory compliance report
- New Board resolutions
- Statutory reports in the Annual report
- Any other business
- Board sub-committee reports and other matters exclusive to the Board

Accountability

• Directors

Directors have a duty to act in good faith and in the best interests of the Company, as stipulated in Section 187 of the Companies Act No. 7 of 2007. According to Section 189, Directors are required to exercise the level of skill and care reasonably expected of a person with their knowledge and experience. Additionally, Section 188 mandates that Directors must not act in a manner that contravenes any provisions of the Act or the Articles of Association of the Company.

No Director may exceed the powers conferred upon them by the Articles of Association unless such actions are approved or subsequently ratified by the shareholders. In making decisions, Directors are expected to consider the interests of all stakeholders.

External Regulations	Internal Regulations
Companies Act No. 07 of 2007	Vision and Values
Code of Best Practice on Corporate Governance 2013 jointly by the Institute of Chartered Accountants of Sri Lanka and Securities and Exchange Commission of Sri Lanka	Articles of Association of the Company issued in year
Continues Listing Requirements of the Colombo Exchange	Internal manuals, standing instructions on Stock policy and procedures
G4 Standards for Sustainability reporting issued by the Global Reporting Initiative	Board Procedures and Board Sub Committee Terms

The Board meets quarterly, and the annual calendar of Board meetings is as follows:

The Attendance of the Board of Directors – 2024/25

Name of Director	22/05/24	13/08/24	03/09/24	07/11/24	11/02/25	17/03/25
Mr D K Rajapaksa – Resigned wef 30 th November 2024	✓	✓	✓	✓	-	-
Mr D D A Rajapaksa	✓	✓	Ex	✓	✓	✓
Mr D G P S Abeygunawardena	✓	✓	✓	✓	✓	✓
Ms C I Malwatta – Appointment as Chairman wef 11 th February 2025	✓	✓	✓	✓	Ex	✓
Mr D C J Rajapaksa	✓	VC	VC	✓	-	✓
Mr D N S Rajapaksa	✓	Ex	✓	VC	VC	VC
Mr T K Bandaranayake – Resigned wef 1 st January 2025	Ex	✓	✓	✓	-	-
Mr S M T S Subasinghe – Appointment wef 1 st January 2025	-	-	-	-	✓	✓

Attendance of Committees

The attendance records for the Nominations & Governance Committee, Audit Committee, Remuneration Committee, and Related Party Transactions Review Committee are provided in their respective reports on pages 73, 69, 70 and 71 of the Annual Report.

Governance Structure

We ensure that power and information are not concentrated in the hands of one or two individuals. Our Board maintains a strong presence of both Executive and Non-Executive Directors. Non-Executive Directors contribute independent judgment and valuable experience to the Board's deliberations, enhancing its overall effectiveness.

We are committed to maintaining a balanced Board with the appropriate mix of Executive, Non-Executive, and Independent Directors, each bringing relevant skills, experience, and attributes. The Board regularly reviews its composition and structure to ensure continued alignment with the Company's strategic needs and governance best practices.

The current Board size is optimal for fostering productive and constructive discussions while enabling prompt and well informed decision-making.

Following the resignation of Mr. D. K. Rajapaksa (Chairman) on 30th November 2024 and Mr. T. K. Bandaranayake on 1st January 2025, the Board appointed Mr. S. M. T. H. Subasinghe as an Independent Non Executive Director, effective 1st January 2025. He was subsequently appointed as Chairman of the Board Sub-Committees.

Ms. I. Malwatta was appointed as Chairperson of the Company on 11th February 2025 and continues to serve as a member of all four Board Committees.

• Board committees

Board Committees are an effective mechanism for addressing the complex challenges faced by the Company. These committees enable the Board to function more efficiently and with greater focus by delegating specific responsibilities to smaller groups of Directors with relevant expertise.

The Committees serve to:

- Address a wider range of issues more effectively by allowing members to focus on specific areas and provide informed recommendations to the Board.
- Develop specialized knowledge in critical operational areas such as financial reporting, risk management, and internal controls.
- Enhance the objectivity and independence of the Board's decision-making, reducing the risk of undue influence from management or controlling shareholders particularly in sensitive areas such as remuneration, director nominations, and oversight functions.

Samson International PLC has established four key Board Committees to support good governance and ensure effective oversight.

• Nominations and Governance Committee-

In line with the requirements of Section 9 of the Colombo Stock Exchange (CSE) Listing Rules, Samson International PLC has established a Nominations and Governance Committee to support the Board in overseeing matters related to Board composition, succession planning, and corporate governance practices.

The Committee's key responsibilities include:

- Identifying and recommending suitably qualified candidates for appointment to the Board.
- Reviewing the structure, size, and composition of the Board and its Committees to ensure they remain effective and aligned with the Company's strategic needs.
- Overseeing succession planning for Board members and key senior management positions.
- Evaluating the performance and effectiveness of the Board and its Committees on a regular basis.
- Ensuring that the Company's governance framework continues to meet regulatory requirements and reflects evolving best practices.

• Audit Committee-

In accordance with Section 9.13 of the Listing Rules of the Colombo Stock Exchange (CSE), every listed company is required to have an Audit Committee. The Audit Committee of Samson International PLC plays a crucial role in supporting the Board by ensuring integrity in financial reporting and maintaining robust internal controls.

The Committee assists the Board in the following areas:

- Overseeing the preparation, presentation, and adequacy of disclosures in the financial statements in compliance with Sri Lanka Accounting Standards (SLFRS/ LKAS).
- Ensuring compliance with financial reporting requirements, including those set out in the Companies Act and other relevant financial and regulatory frameworks.
- Evaluating the adequacy of internal control systems and risk management procedures in line with Sri Lanka Auditing Standards.
- Assessing the Company's ability to continue as a going concern.

• Remuneration Committee:

As mandated by Section 7.10.5 of the CSE Listing Rules, Samson International PLC has established a Remuneration Committee to ensure a formal and transparent process in setting remuneration policies.

The Committee is responsible for:

- Developing and reviewing the Company's policy on executive remuneration.
- Determining the remuneration packages of individual Directors, ensuring fairness and alignment with performance and market benchmarks.

No Director is involved in determining their own remuneration.

• Related Party Transactions Review Committee-

In compliance with Section 9 of the CSE Listing Rules, the Company has constituted a Related Party Transactions Review Committee. This Committee ensures that all related party transactions (RPTs) are carried out on an arm's length basis and in a fair and transparent manner.

Its responsibilities include:

- Reviewing all proposed related party transactions to ensure compliance with legal and regulatory requirements.
- Recommending transactions for Board or shareholder approval where necessary.
- Ensuring adequate disclosures are made in quarterly and annual financial statements.
- Monitoring transactions that require immediate public disclosure under the Listing Rules.

• Chairperson

The Chairperson holds a central leadership role in ensuring the effectiveness of the Board. Key responsibilities include:

- Leading the Board and ensuring that it discharges its responsibilities effectively.
- Ensuring that Board meetings are conducted in an inclusive and productive manner, encouraging participation from all Directors.
- Monitoring the contributions and engagement of individual Directors.
- Ensuring the Board's agenda is focused on strategic and governance matters, without encroaching into day-to-day management.
- Reviewing the structure and composition of the Board regularly.
- Representing the Company to shareholders and other stakeholders, including addressing the Annual General Meeting.

The Chairperson fosters a climate of trust and openness, encourages diverse views, and ensures accurate documentation of discussions and decisions. The Chair also promotes independent dialogue among Non-Executive Directors.

The CEO is responsible to the Board for day-to-day management of the business, leadership of the executive team, and the execution of the Company's strategic & operational plans.

Company Secretary

The Company Secretary plays a pivotal role in supporting effective governance practices and ensuring compliance with regulatory and statutory obligations. Beyond administrative duties, the Company Secretary acts as a key advisor to the Board and senior management on matters relating to corporate law, securities regulations, and governance frameworks.

Possessing a strong background in law, accounting, and corporate governance, the Company Secretary ensures that the Board operates efficiently, ethically, and in compliance with applicable legal and regulatory requirements, including the Listing Rules of the Colombo Stock Exchange.

Key responsibilities of the Company Secretary include:

- Facilitating communication between the Board, shareholders, and other stakeholders.
- Coordinating and notifying Directors of Board and Committee meetings.
- Maintaining accurate minutes and records of Board proceedings.
- Ensuring compliance with Board procedures, applicable laws, Articles of Association, and governance policies.
- Advising the Board on statutory obligations and corporate governance best practices.
- Supporting the Chairman in ensuring that Directors receive timely and relevant information.
- Addressing shareholder matters and assisting with resolutions related to governance and administrative affairs.

The Company Secretary also serves as the primary contact point for shareholder and investor communications, in line with the Company's

Responsibility

The Board of Directors is responsible for formulating Company policy and overall business strategy. The implementation of policy and strategy is done within 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 at large. The Directors are committed to maintaining the highest standards of Corporate Governance in the interest of stakeholders having regard to the requirements of the Companies Act No.7 of 2007, Securities and Exchange Commission of Sri Lanka, and Colombo Stock Exchange. The Company has established internal control systems, including a comprehensive risk identification, measurement, and mitigation process which is in place designed to carry out the business of the Company in an orderly manner, to safeguard its assets, and secure as far as possible the accuracy and reliability of the records and protect the rights and interests of shareholders and be accountable for the overall management of the Company.

The Board approves all material contracts, investments, disposal of fixed assets, annual revenue budgets, strategies, and long-term plans in line with technological developments, major capital projects, acquisitions, financial structure, quarterly accounts and shareholder communications, the system of internal control and risk management, senior management structure and their responsibilities and succession plan.

Fairness and Business Ethics

Ethical Business Practices related to Products and Services in international trade are concepts that are increasingly recognized by buyers, shareholders and other stakeholders. Samson International PLC is bound to the application of ethical principles, fairness and values in the context of business activities. It involves making decisions and taking actions that are morally right, fair, and responsible, while also considering the impact of those decisions on all stakeholders. Some examples of ethical considerations in our business include fair treatment of employees, responsible sourcing of materials, transparency in financial reporting, and adherence to laws and regulations. The Company implements a codes of conduct and other policies to guide decision-making and promote ethical behavior. In recent years, there has been a growing emphasis on the role of sustainability in corporate governance, with companies seeking to address environmental and social concerns in their operations and supply chains.

Business ethics is important for us for building trust and maintaining a positive reputation among stakeholders, and it can also contribute to the long-term success of our company. By adhering to ethical standards, we attracted and retained customers, employees, and investors who value responsible and sustainable business practices. Employees of Samson International Plc are bound to adhere to business ethics in our business culture. It has become vital for exporters to confirm good practices related to fair trade, ethical behavior, and conformity to rules and regulations to protect all stakeholders. We were able to obtain a special award from National Chamber of Exporters of Sri Lanka as the Best Ethical Trading Exporter in 2021.

Business Ethics of the Company

- Safeguard the Company's assets and Company image.
- Work within applicable laws and regulations.
- Avoid situations where personal interest might conflict with the interest of the Company
- Exercise honesty, objectivity and diligence when performing one's duties.
- Maintain confidentiality of commercial and price-sensitive information.
- Strictly avoid giving or accepting any kind of a bribe, either directly or indirectly.
- Strictly avoid any kind of sexual harassment.
- Strictly avoid making contributions for political funds, either directly or indirectly.

Corporate Responsibility

Corporate responsibility and corporate governance are inextricably entwined, especially in the global context. Such international organizations as the organization for Economic Co-operation and Development (OECD), the United Nations (UN) and the International Labour Organizations (ILO) have all issued guidance regarding appropriate business conduct, sometimes in specific areas. A view of Corporate Responsibility would vary from company to company and region to region. This term focuses three key elements of corporate activities. Those are Economic growth, Environmental and Social sustainability. Corporate governance has developed out of a focus on the 'triple bottom line' elements of a business and their effects on the Economy, Environment and the Society in which it operates.

Companies including Samson International Plc and their Boards of Directors worldwide have been giving increasing attention to Corporate Responsibility related activities, corporate governance and even formalizing, through policies and reports, reporting and communications. The Board of Directors has the responsibility to act in good faith with due care and diligence in the best interest of the Company and its shareowners. They will set a clear vision and key strategy for the Company and monitor management to ensure quality risk controls and risk management practices are in place. It is expected that a Company will abide by all laws applicable to it.

Governance Policies and Website Disclosure (as per CSE Rule 9.2.3(i))

In compliance with Rule 9.2.3(i) of the Colombo Stock Exchange Listing Rules, the following corporate governance-related policies have been adopted by Samson International PLC. These policies are accessible on the Company's website at www.samsonint.com.

Policy

1. Policy on matters relating to the Board of Directors
2. Policy on Board Committees
3. Policy on Corporate Governance Nominations and Re-election
4. Policy on Remuneration
5. Policy on Internal Code of Business Conduct
6. Policy on Risk Management and Internal Controls
7. Policy on relations with shareholders and investors
8. Policy on Environmental, Social and Governance Sustainability
9. Policy on Control and Management of Company Assets and Shareholder Investments
10. Policy on Corporate Disclosures
11. Policy on Whistleblowing
12. Policy on Anti-Bribery and Corruption

Note: Policies not published on the website are available upon request from the Company Secretary.

Statement of Compliance

Samson International PLC is committed to upholding high standards of corporate governance to ensure transparency, accountability, and the creation of long-term value for all stakeholders.

As a listed company, we comply with the provisions of the Companies Act No. 07 of 2007 (as amended) and the applicable requirements of the Colombo Stock Exchange (CSE) Listing Rules, particularly those set out in Section 9 – Corporate Governance Rules for Listed Entities.

In line with CSE Rule 9.2.1, the Company has established and maintained the required governance-related policies, with reference to their availability disclosed in this Annual Report. The Company has also constituted all mandated Board Committees, including the Audit Committee, Remuneration Committee, Nominations and Governance Committee, and Related Party Transactions Review Committee, in compliance with the CSE Listing Rules.

Beyond regulatory compliance, Samson International PLC voluntarily adheres to the Code of Best Practice on Corporate Governance (2023) issued jointly by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the Securities and Exchange Commission of Sri Lanka. This Code provides best practice guidance on Board leadership, governance structures, stakeholder engagement, and ESG responsibilities.

Confirmation

The Board confirms that Samson International PLC has complied with all applicable corporate governance requirements during the financial year ended 31st March 2025.

A detailed disclosure of compliance with CSE Section 9 and the Code of Best Practice on Corporate Governance (2023) is presented in Appendices I and II below.

Appendix III – Compliance with CA Sri Lanka Code of Best Practice on Corporate Governance (2023)

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
A.DIRECTORS			
1. Effective Board	A.1	The Board of Directors comprises 6 Directors of whom 4 are Non-Executive Directors. The two Executive Directors are the Managing Director and Director/General Manager who are also part of the Corporate Management to whom the day-to-day running of the organization has been delegated. The Board has also appointed Board Sub Committees to assist in the discharge of their collective duties and also approves policies, governance structures, and the delegation of authority to provide a conducive business environment for the effective performance of the Company. The Board is closely involved in developing strategy and setting the short, medium, and long-term goals of the Company and regularly monitors performance against pre-determined Key Performance Indicators which include both quantitative and qualitative measures on a regular basis.	Complied
2. Regular Meetings	A.1.1	Board meetings are held quarterly whilst special Board meetings are convened as the need arises. During year ended 31 st March 2025, the Board held 4 scheduled meetings. The following Board Sub Committees met quarterly: <ul style="list-style-type: none"> • Board Audit Committee • Board Related Party Transactions Review Committee • However, the Nominations & Governance Committee and Board Remuneration Committee held one meeting each during the year under review. Attendance of Board Meetings and Sub Committee Meetings are given on pages 42 and 67 to 72 of this report.	Complied
3. Ensure the formulation and implementation of sound business	A.1.2	The Board is responsible for setting strategy, policies and for monitoring performance against agreed goals and KPIs. During the year, the Board reviewed the Corporate Plan and proposals of the Corporate Management and approved it.	Complied
4. Ensure that the Chief Executive Officer (CEO) / Managing Director (MD) and Management team possess the skills, experience and knowledge to implement the strategy	A.1.2	The Board has delegated responsibility to the Managing Director for planning and guiding the business towards meeting set objectives and reviews it regularly. The Board also reviews the performance of Key Management personnel and their skills, experience, and knowledge to implement strategy.	Complied
5. Ensure effective CEO/MD and Senior Management succession strategy	A.1.2	A procedure on selection and appointment of CEO and Key Management Personnel approved by the Board is in place.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
6. Ensure effective systems to secure integrity of information, internal controls and risk management	A.1.2	The Board Audit Committee reviews Internal Audit reports submitted by the Internal Auditors and monitors follow up action. The Internal Audit function is now carried out by T & D Associates, Chartered Accountants. They directly report to the Chairman of the Audit Committee. The Audit Committee Charter gives guidelines on audit-related matters.	Complied
7. Ensure compliance with laws, regulations and ethical standards	A.1.2	The Board and the Audit Committee review our compliance statements in addition to verifications carried out by our internal audit.	Complied
8. Ensure all stakeholder interests are considered in corporate decisions	A.1.2	The Articles of Association of the Company require the Directors to take decisions, taking into account the interests of customers, shareholders, employees and the community. Additionally, the Group Finance Committee and Group HR Committee as well as the Board-Related Party Transactions Review Committee are in place in order to uphold the interests of these key stakeholders.	Complied
9. Ensure that the Company's values and standards are set with emphasis on adopting appropriate accounting policies and fostering compliance with financial regulations	A.1.2	The Board Audit Committee and the Board review accounting policies annually or as and when required to ensure that they are in line with the business model of the Company and evolving international and local accounting standards and industry best practices.	Complied
10. Fulfill such other Board functions as are vital, given the scale, nature and complexity of the business concerned	A.1.2	The Board is committed to fulfilling its functions in line with the laws, regulations and good governance practices adopted by the Company.	Complied
11. Act in accordance with laws relevant to the organization and procedure for Directors to obtain independent professional advice at company expense	A.1.3	The Board has put in place a framework of policies, procedures and a risk management framework to ensure compliance with relevant laws, other statutory guidelines and international best practices with regard to the operations of the Company. The Board obtains independent professional advice as and when necessary in accordance with the Board approved policy on Obtaining Independent Professional Advice and these functions are coordinated through the Company Secretary.	Complied
12. Access to and appointment or removal of Company Secretary	A.1.4	All Directors have the opportunity to obtain the advice and services of the Company Secretary, Messes. PWC, is responsible for ensuring follow-up of Board procedures, compliance with relevant rules and regulations, directions and statutes, keeping and maintaining Minutes and relevant records of the Company. The Articles of Association of the Company specify that the appointment and removal of the Company Secretary should be by resolution involving the entire Board.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
13. Independent Judgment	A.1.5	The Directors of the Company have no vested interests and take decisions on matters before them using independent judgment	Complied
14. Dedication of adequate time and effort of the Directors	A.1.6	<p>The Board of Directors was allocated adequate time and effort before a meeting to review Board papers and call for additional information and clarification, and to follow up on issues consequent to the meeting.</p> <p>Therefore, they are able to familiarize with the business changes, operations, risks and controls which ultimately help to satisfactorily discharge the duties and responsibilities owed to the Company.</p>	Complied
15. Training for Directors	A.1.7	Both Managing Directors recommend directors to attend training sessions/ seminars	Complied
A.2 DIVISION OF RESPONSIBILITIES BETWEEN CHAIRMAN AND MANAGING DIRECTOR			
16. Conducting the business of the Board separately; to the executive responsibilities of the management of the Company	A.2	The functions of the Chairman and the Managing Director have been separated.	Complied
A.3 CHAIRMAN'S ROLE			
17. Chairman's role in preserving good corporate governance	A.3	The Chairman's functions and responsibilities which include all aspects specified in the Code and the continuing listing requirements of the CSE.	Complied
18. Conduct Board proceedings in a proper manner	A.3	Board proceedings are conducted according to the Agenda. The papers for discussion and the Agenda are circulated Seven (07) days prior to the meeting.	Complied
A.4 FINANCIAL ACUMEN			
19. Availability of financial acumen and knowledge to offer guidance on matters of finance	A.4	<p>Financial acumen has been a key attribute of the successful careers of the following Directors</p> <p>Mr. T.K. Bandaranayake (Resigned 01st January 2025)</p> <p>Mr. S.M.T.H. Subasinghe (Resigned 01st January 2025)</p> <p>Mr. D.G.P.S. Abeygunawardana</p> <p>Their profiles are on the pages 26 and 27.</p>	Complied
A.5 BOARD BALANCE			
20. Non Executive Directors of sufficient caliber and number	A.5.1 & A.5.2	The Board comprises the 4 Non-Executive Directors and 2 Executive Directors who are the Managing Director and the Director/ General Manager. The Non-Executive Directors are professionals/ academics/business leaders, holding senior positions in their respective fields and are therefore deemed to be of sufficient caliber. As the majority of the Board comprises Non-Executive Directors, their opinions and views carry significant weight in the Board decisions.	Complied

CORPORATE GOVERNANCE (Contd...)

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
21. Independence of Non-Executive Directors	A.5.3	2 of the Non-Executive Directors are independent of management and free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgment.	Complied
22. Annual declarations of independence from Directors	A.5.4	Annual declarations of independence or non-independence have been obtained from the Independent Directors for 2024/25.	Complied
23. Annual evaluation of independence	A.5.5	The Board makes an annual evaluation of the independence of the Directors based on the submission of the annual declarations. Based on these, the following Directors are deemed to be independent: Mr. T. K. Bandaranayake (Resigned on 1 st January 2025) Mr. S.M.T.H. Subasinghe (Appointed on 1 st January 2025) Ms. I. Malwatte	Complied
24. Senior Independent Director	A.5.6 & A.5.7	If an alternate Director is appointed by a Non-Executive Director and such Alternate Director should not be an executive of the Company. If an Alternate Director is appointed by an Independent Director, the person who is appointed also should meet the criteria of independence and the provision on the minimum number of Independent Directors also should be satisfied.	Complied
25. Senior Independent Director (SID) meeting with other Directors	A.5.8	-	Complied
26. Chairman to hold meetings with Non-Executive Directors, without Executive Directors being Present	A.5.9	The chairman meets Non-Executive Directors without the Executive Directors being present, on a need basis	Complied
27. Recording of Directors' concerns in Board Minutes	A.5.10	Board Minutes are prepared in order to record any concerns of the Board as a whole or those of individual Directors regarding matters placed for their approval/guidance/action. These Minutes are circulated and formally approved at the subsequent Board meeting. Additionally, Directors have access to the past Board papers and Minutes in case of need at all times. If a Director resigns over an unresolved issue, the Chairman will bring the issue to the attention of the Board. The Director concerned is also required to provide a written statement to the Chairman for circulation to the Board.	Complied
A.6 SUPPLY OF RELEVANT INFORMATION			
28. Provision of appropriate and timely information	A.6.1	The management provides comprehensive information including both quantitative and qualitative information for the quarterly Board Meetings, generally 7 days prior to the Board / Sub Committee meetings. The Directors also have free and open access to Management at all levels to obtain further information or clarify any concerns they may have. As described above, they also have the right to seek independent professional advice at the Company's expense, and copies of advice obtained in this manner are circulated to other Directors who request it.	

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
29. Chairman to ensure all Directors are properly briefed on issues arising at Board meetings	A.6.1	<p>All Directors are adequately briefed on matters arising at Board meetings through comprehensive Board papers. Additionally, the relevant members of the Management team are on standby for further clarifications as may be required by Directors or will make presentations at Board meetings. Any Director who does not attend a meeting is updated on proceedings prior to the next meeting through formally documented Minutes of meetings.</p> <p>A separate Board paper is prepared highlighting the items that need to be completed and need follow-up action of the previous meetings.</p> <p>This is taken up immediately after confirmation of Minutes.</p>	Complied
30. Board papers and agenda to be circulated 7 days prior to meetings	A.6.2	As described above, Board papers are generally circulated 7 days before the meeting. There is provision for circulation of urgent papers within a shorter time frame and also for approval of matters by circulation, but such instances are the exception and not the rule.	Complied
A.7 APPOINTMENTS TO THE BOARD			
31. Formal and transparent procedure for new Appointments through an established Nomination Committee	A.7.1	New Directors including Executive and Non-Executive Directors are appointed by the Board. To support this process a Board approved Policy on Selection, Nomination, Appointment, and Election of Directors is in place.	Complied
32. Annually assess Board composition	A.7.2	The Board annually assesses its composition to ascertain whether the combined knowledge and experience of the Board match the strategic demands facing the Company and is satisfied that it complies with the criteria.	Complied
33. Disclosure of information to appointment of new Directors	A.7.3	All new appointments are usually communicated to the shareholders via the Colombo Stock Exchange in the English language. Mr. S.M.T.H. Subasinghe was appointed to the Board as an Independent Non-Executive Director w.e.f. 01/01/2025	Complied
A.8 RE-ELECTION			
34. All Directors should submit themselves for reelection at regular intervals	A.8	As per the Articles of Association of the Company, 1/3rd of the Directors and also those who are more than 70 years old, should retire at each Annual General Meeting and be subject to re-election. Such Directors who retire are those who held office for the longest time period since the election / reappointment. In accordance with this provision, all the Directors other than the following retire and offer themselves for re-election: Mr. D.G.P.S. Abeygunawardana, Mr. D.D.A. Rajapaksa, Mrs. I. Malwatteand, Mr. D.N.S. Rajapaksa. The Board is actively engaged in succession planning for both Executive and Non-Executive roles to ensure that Board composition is periodically renewed and that the Board retains its effectiveness at all times.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
35. Non Executive Directors are appointed for specified terms subject to re-election	A.8.1	Non-Executive Directors are appointed for re-election at Annual General Meetings in terms of Articles of Association.	Complied
36. All Directors including Chairman to be subject to re-election at first opportunity after appointment and re-election at least every 3 years thereafter	A.8.2	All Non-Executive Directors including Chairman stand for re-election at Annual General Meetings.	Complied
37. Resignation	A.8.3	In the event of a resignation of a director prior to completion of his appointed term, the Director should provide a written communication to the Board of his reasons for resignation. Mr. D.K. Rajapaksa resigned from the Board and as Chairman w.e.f. 30.11.2024. Mr. T.K. Bandaranayake resigned from the Board w.e.f. 01.01.2025.	Complied
A.9 APPRAISAL OF BOARD PERFORMANCE			
38. Appraisal of Board Performance	A.9.1	The Board annually appraises their own performance to ensure that they are discharging their responsibilities satisfactorily.	Complied
39. Appraisal of Board Sub Committees	A.9.2	The Board Sub Committees follow the same process.	Complied
40. Disclosure of the method of appraisal of the Board and Board Sub Committee Performance	A.9.3	As explained in A.9.1 & A.9.2 above	Complied
A.10 DISCLOSURE OF INFORMATION IN RESPECT OF DIRECTORS			
41. Annual Report to disclose specified information regarding Directors	A.10.1	Information specified in the Code with regard to Directors are disclosed within this Annual Report as follows: Name, qualifications, expertise, material business interests and brief profiles are given on page 25 to 29, details of whether a Director is Executive, Non- Executive / or Independent, Non Independent are given on page 25 to 29, related Party Transactions are given on page 103 under note 28 Membership of Board Sub Committees is given on page 67 to 72 and attendance at Board Meetings and Board Sub Committee meetings are given on pages 67 to 72.	Complied
A.11 APPRAISAL OF CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR			
42. Set reasonable financial and medium nonfinancial targets to be met by the CEO / MD	A.11.1	The Board discussed and set financial and non-financial targets to be achieved during the year by the CEO with reference to the short, and longterm objectives of the Company at the beginning of the year.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
43. Evaluate performance of the CEO/MD with reference to targets	A.11.1	The performance evaluation of the CEO was carried out by the Board, HR & Remuneration Committee with reference to targets and goals achieved by the Company which was reported to the Board.	Complied
B. DIRECTORS' REMUNERATION REMUNERATION PROCEDURE			
44. Appointment of a Remuneration Committee	B.1.1	The Board has established a Board Remuneration Committee to develop policies and determine remuneration for the Directors and Key Management Personnel respectively. No Director is involved in deciding his own remuneration. The Terms of Reference of this committee complies with Schedule C of the Code and other investor guidelines. In support of this requirement, a Board approved Reward Management Policy for Key Management Personnel is in place. Further information regarding the Board Remuneration Committee is given in the Board Remuneration Committee Report on page 70.	Complied
45. Remuneration Committee to comprise Exclusively Non Executive Directors	B.1.2 & B.1.3	The Board Remuneration Committee comprises the following Directors who are all Non-Executive Directors. Mr. S.M.T.H. Subasinghe (Chairman - Appointed on 01 January 2025) Ms. I. Malwatte Mr. T.K. Bandaranayake (Resigned on 01 January 2025) Mr. D. C. J. Rajapaksa	Complied
46. Remuneration for Non- Executive Directors	B.1.4	Remuneration of Non-Executive Directors is recommended by the Board Remuneration Committee for approval of the Board in line with market practice. A Board approved Policy on Directors' Remuneration is in place.	Complied
47. Remuneration of Executive Directors	B.1.5	Remuneration of Executive Directors is determined by the Board Remuneration Committee who has access to professional advice from within or outside the company formulate their proposals which are then discussed with the Chairman. A Reward Management Policy for Key Management Personnel approved by the Board is in place.	Complied
B.2 THE LEVEL AND MAKE-UP OF REMUNERATION			
48. Remuneration for Executive Directors should attract, retain and motivate when	B.2.1 & B.2.2	Remuneration for Executive Directors is designed to attract, retain, and motivate the Executive Directors as determined by the Board Remuneration Committee. Their remuneration comprises a fixed salary component, which includes perquisites and allowances, The Board Remuneration Committee and takes into account market practices and seeks professional advice required in order to discharge its responsibilities.	Complied
49. Positioning company remuneration levels relative to other companies	B.2.3	The Board Remuneration Committee reviews the Company's remuneration levels in relation to other Companies in the country annually.	Complied
50. Performance related elements of remuneration for Executive Directors	B.2.4	A performance-related element of remuneration for Executive Directors has been implemented.	Complied
51. Share option Schemes	B.2.5	There was no share option scheme during the year under review.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
52. Designing schemes of performance related remuneration	B.2.6	A scheme of performance-related remuneration is in place.	Complied
53. Early termination of Directors'	B.2.7	Not applicable to the Board except for the MD and the Director/ General Manager who are employees of the Company and their terms of employment are governed by the respective contracts of service.	Complied
54. Dealing with early termination	B.2.8	Refer to B.2.7 above	Complied
55. Levels of remuneration for NonExecutive Directors	B.2.9	The Board & Remuneration Committee determines the levels of remuneration for Non-Executive Directors taking into account the time commitment and responsibilities of their role and market practices. A Boardapproved policy on Directors' Remuneration is in place.	Complied
B.3 DISCLOSURE OF REMUNERATION			
56. Composition of Board & Remuneration Committee, Remuneration Policy and disclosure of aggregate remuneration paid to Directors	B.3.1	<p>The composition of the Board & Remuneration Committee and its report is given on page 70. The aggregate remuneration to the Executive and Non-Executive Directors are given in Note No.08 to the Financial Statements on page 92.</p> <p>Names of the Directors of the Board & Remuneration Committee are of disclosed on pages 07 and 08 of the Annual Report.</p>	Complied
C. RELATIONS WITH SHAREHOLDERS CONSTRUCTIVE USE OF THE ANNUAL GENERAL MEETING (AGM) AND CONDUCT OF GENERAL MEETINGS			
57. Constructive use of the AGM & Other General Meetings	C.1	The Annual General Meeting is the main forum of contact between small shareholders and the Board. The Annual Report is circulated to all shareholders 15 working days prior to the AGM. Additionally, the Chairman's Review is translated into Sinhala each year.	Complied
58 Count of all proxy votes lodged	C.1.1	All proxy votes lodged, together with the votes of shareholders present at the AGM are considered for each resolution.	Complied
59. Separate resolutions for each substantially separate issue	C.1.2	A separate resolution is proposed at the AGM for each substantially separate issue. The adoption of the report and accounts is proposed as a separate resolution.	Complied
60. Availability of Board Sub Committee Chairperson at AGM	C.1.3	All Board Sub Committee Heads are present at the AGM to answer any questions raised at the AGM and will respond when requested to do so by the Chairman.	Complied
61. Circulation of Notice of AGM and related documents to shareholders	C.1.4	Notice of the AGM and related papers are sent to shareholders at least 15 working days prior to the meeting in accordance with the regulations.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
62. Summary of procedures governing voting at the AGM	C.1.5	A summary of the procedures governing voting at the AGM is provided in the Proxy Form, which is circulated to shareholders 15 working days prior to the AGM.	Complied
C.2 COMMUNICATION WITH SHAREHOLDERS			
63. Channel to reach all shareholders of the Company	C.2.1	The AGM is also a key forum for contact with shareholders. AGMs where shareholders (Who can contact AGM even via zoom) take an active role in exercising their rights. The Chairman's review is translated into Sinhala as well to facilitate greater communication with shareholders. The Company posts on its website (www.samsonint.com) & CSE website copies of annual reports, interim reports etc.	Complied
64. Policy and methodology for communication with shareholders	C.2.2	The Company provides fair disclosure with emphasis on the integrity, accuracy, timeliness, and relevance of the information provided. A Board approved Policy on Communication is in place, in which provisions for communication with shareholders are contained.	Complied
65. Implementation of the Policy and methodology for communication with shareholders	C.2.3	Shareholders are consulted on their preference to receive the Annual Report from the Company either by means of a Compact Disk or in printed form. Shareholders may elect to receive the Annual Report from the Company in printed form free of charge at any time.	Complied
66. Contact person in relation to shareholder matters	C.2.4 & C.2.6	Shareholders may, at any time, direct questions to and request for publicly available information from the Directors or management of the Company. They may also provide their comments and suggestions to the Directors or management through the Company Secretary.	Complied
67. Process to make all Directors aware of major issues and concerns of shareholders	C.2.5	The Company Secretary maintains a record of all correspondences received. They directs as soon as practicable such correspondences to the Board, individual Directors or the relevant officers as applicable.	Complied
68. Process of responding to shareholder matters	C.2.7	Please refer C.2.5 above.	Complied
C.3 MAJOR AND MATERIAL TRANSACTIONS			
69. Disclosure of major transactions	C.3.1	During the year 2023/24, the Company did not engage in or commit any "Major Related Party Transaction" which materially affected the Company's net asset base. This has been disclosed in the report of the directors.	Complied
D. ACCOUNTABILITY AND AUDIT ASSESSMENT OF THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE			
70. Balance and understandable information to shareholders	D.1	The Company's position and prospects have been discussed in detail in the following sections of this Annual Report. Chairman's Review is given on pages 22 . Managing Director's Review is given on pages 23 to 24.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
71. Presence of a balanced and understandable assessment of Accounting Company's financial position, performance and prospects in the Annual report	D.1.1	Company has presented balanced and understandable financial statements which gives a true and fair view quarterly and annually. In the preparation of Financial Statements, the company has complied with the requirements of the Companies Act No 07 of 2007 and the requirement of Sri Lanka Standards and Securities and Exchange Commission.	Complied
72. Interim reports, price-sensitive public reports, regulatory reports and statutory information requirements	D.1.2	Interim reports were published within 45 days of each quarter end which included information to assist shareholders gain an understanding of the state of affairs of the Company. Price sensitive information was disclosed in a comprehensive but concise manner to the Colombo Stock Exchange on a timely basis. Reports required by the regulators including Inland Revenue, Registrar of Companies, Colombo Stock Exchange and Central Bank were all filed in a timely manner in compliance with their requirements and these provided sufficient information for the user to obtain a balanced assessment of the Company's operations.	Complied
73. MD's & Head of Finance's approval on financial Statements prior to Board approval	D.1.3	Finance Manager and two other Directors (Chairman / MD & Director / General Manager) have signed the Financial Statements on behalf of the Board.	Complied
74. Declaration in Annual Report of the Board of Directors on the Affairs of the Company	D.1.4	The Annual Report of the Board of Directors on the Affairs of the Company on pages 61 to 67 contains the declarations as required by the Code.	Complied
75. Responsibilities of the Board for the preparation and presentation of Financial Statements and statement by the Auditors about their reporting responsibilities	D.1.5	The Statement of Directors' Responsibility for Financial Reporting and Report of Auditors which includes a statement about their reporting responsibilities are provided on pages 60 & 73 respectively	Complied
76. Include a Management Discussion & Analysis	D.1.6	The requirements of Section D 1.6 of the Code of Best Practice on Corporate Governance have been addressed through the following sections of this Annual Report: <ul style="list-style-type: none"> • Chairperson's Review (page 22) • Managing Director's Operational Review (page 23) • Financial and Operational Highlights (page 03) • Risk Management (page 30) • Corporate Governance (page 40) 	Complied
77. Summon on EGM to notify serious loss of capital	D.1.7	This situation did not occur.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
78. Related Party Transactions	D.1.8	There is an approved documented process identifying related parties, type of related party transactions and the mechanism to ensure that no favorable treatment is granted to said parties in order for related parties to avoid any conflict of interest in this regard. An effective and comprehensive system of Internal Control for identifying, recording, and disclosing related party transactions too is in place. Directors and KMPs submit declarations declaring their transactions to the Company on an annual basis. All related party transactions as defined in Sri Lanka Accounting Standards - LKAS 24 (Related Party Transactions) are disclosed in Note No. 28 to the Financial Statements on page 103.	Complied
D.2 RISK MANAGEMENT AND INTERNAL CONTROL			
79. Maintain a sound system of internal control to shareholders' investments and the Company's assets	D.2.1	The Board is responsible for formulating and implementing appropriate and adequate internal control systems. The Board Audit Committee has responsibility to the Board to ensure that the system of internal controls safeguard is sufficient and effective.	Complied
80. Review need for Internal Audit Function	D.2.2	The Company has established an Internal Audit function carried out by inhouse staff as well as outsourced to Messrs T & D Associates Chartered Accountants.	Complied
D.3 AUDIT COMMITTEE			
81. Establish arrangements for selection and application of accounting policies, financial reporting and internal control principles	D.3	The Company has established its Board Audit Committee in keeping with good governance. The principal responsibilities of the Board Audit Committee include oversight over financial reporting, internal controls and monitoring auditor independence. Its duties include gaining assurance on control over financial processes, integrity of the Company's financial reports, monitoring performance, objectivity and independence of the External Auditor and reviewing work of the internal Auditor. The Board Audit Committee Report is given on page 68 in the Annual Report.	Complied
82. Composition and Terms of Reference for Board Audit Committee	D.3.1	The Board Audit Committee consists of two Non-Executive Directors and is chaired by an Independent Non-Executive Director. Members are selected to provide a broad set of financial, commercial and other relevant experience to meet the Committee's objectives. The Executive Director/General Manager, Finance Manager, representatives of the External Auditors are invited to attend the meetings.	Complied
83. Review of External Audit function and relationship with External Auditors and terms of reference	D.3.2	<p>The Committee has a key oversight role in relation to the External Auditor Messrs Edirisinghe & Co, whose primary relationship is with the Committee.</p> <p>The Company's Auditor Independence Policy ensures that the independence and objectivity of the Auditor is not impaired. The Committee has responsibility for recommending to the Board the appointment / reappointment of the External Auditors and reviewing the nature, scope and results of the annual External Audit.</p>	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
84. Disclosures regarding Board Audit Committee	D.3.3	The Annual Report of the Board of Directors on the Affairs of the Company given on pages 67 to 72 provides the disclosures such as the composition of the Board Audit Committee & a statement regarding the independence of the Auditors.	Complied
D.4 RELATED PARTY TRANSACTIONS REVIEW COMMITTEE			
85. Related Party Transactions	D.4.1	Company is adhering to LKAS 24 and Transactions entered into with related Complied parties during the year is disclosed in note 28 to the financial statements (page 104).	Complied
86. Composition of Related Party Transactions	D.4.2	The Related Party Transactions (RPT) Review Committee of Samson International PLC acts as the company's RPT review committee and consists of, Mr T. K. Bandaranayake (Resigned on 1st January 2025) Mr. S. M. T. H. Subasinghe (Chairman – Appointed on 1 st January 2025) Ms. I. Malwatte Mr D. C. J. Rajapaksa	Complied
87. Terms of Reference	D.4.3	Related Party Transactions Review committee has written terms of reference dealing with its authority and duties. RPT review committee report describing the duties, task and attendance of the committee appear on page 70 and 71.	Complied
D.5 CODE OF BUSINESS CONDUCT AND ETHICS			
88. Code of business conduct and ethics for Directors and staff	D.5.1	Codes of Conduct and Ethics are in place for the Directors and employees.	Complied
D.6 CORPORATE GOVERNANCE DISCLOSURES			
89. Disclosure of adherence to Corporate Governance	D.6.1	The Corporate Governance Report given on pages 40 to 59 provides information regarding Corporate Governance practices in the Company which are in compliance with the Code of Best Practice on Corporate Governance is issued jointly by the Securities Exchange Commission of Sri Lanka and the Institute of Chartered Accountants of Sri Lanka.	Complied
E. SHAREHOLDERS – INSTITUTIONAL INVESTORS SHAREHOLDER VOTING			
90. Encourage voting at AGM	E.1	The Company has a history of active shareholder involvement at general meetings and all shareholders are regularly encouraged to state their intentions to vote.	Complied
91. Regular structured dialogues with institutional investors	E.1.1	A listed company should conduct a regular and structured dialogue with shareholders based on a mutual understanding of objectives. Arising from such dialogue, the Chairman should ensure the views of shareholders are communicated to the Board as a whole.	Complied
E.2 EVALUATION OF GOVERNANCE DISCLOSURES			
92. Encourage institutional investors to give due weight to relevant governance arrangements	E.2	Institutional investors are kept apprised of the Company's governance practices through the Annual Report and any new initiatives are highlighted at regular meetings to ensure that due weightage is given to good corporate governance.	Complied

Principle	SEC & CA Sri Lanka Code Reference	Compliance & Implementation	Status
F. OTHER INVESTORS			
F.1 INVESTING / DIVESTING DECISION			
93. Individual shareholders are encouraged to do enable their own analysis or seek independent advice	F.1	The Annual Report contains sufficient information for a potential investor to carry out their own analysis. This, together with the interim financial statements provided each quarter, provides sufficient information to retail investors to make informed judgments regarding the performance of the Company. Shareholders can contact, the Company Secretary for further information if required.	Complied
F.2 SHAREHOLDER VOTING			
94. Encourage shareholders to participate and vote at the AGM	F.2	It is a tradition at Company to encourage retail investors to participate and vote at the AGM. Additionally, they are encouraged to participate in the Company's affairs by way of submitting proposals.	Complied
G. INTERNET OF THINGS AND CYBERSECURITY			
95. Cyber security risk of sending and receiving information	G.1	Disaster recovery plan is implemented with hardware infrastructure. All the data backups are maintained by Group IT.	Complied
H. ENVIRONMENT, SOCIETY AND GOVERNANCE (ESG)			
96. Provide Sufficient information relating to ESG risks	H.1.1	Annual report contains sufficient and relevant information of ESG to assess how risks and Opportunities are recognized, managed, measured and reported in pages 30 to 39.	Complied

Compliance with Rule 9.5.2 – Policy on Matters Relating to the Board of Directors

In accordance with Rule 9.5.2 of the Colombo Stock Exchange Listing Rules, the Board of Samson International PLC confirms that the Company has complied with the requirements set out in its Policy on matters relating to the Board of Directors, which covers areas including Board composition, appointment procedures, succession planning, delegation of authority, and performance evaluation.

There were no instances of non-compliance with the provisions of this policy during the year under review. The Board regularly reviews and updates this policy to ensure alignment with regulatory expectations, industry best practices, and the evolving needs of the Company.

Appendix II – Compliance with CSE Listing Rule Section 9 (Corporate Governance)

Rule Ref	Governance Principle	Compliance Status
9.2.1	Governance Policies adopted and disclosed	Compliant
9.3	Formation of Board Committees	Compliant
9.3.3	Chairperson not chairing Committees	Compliant
9.4.1	General Meeting records maintained	Compliant
9.4.2	Shareholder Communication Policy	Compliant
9.5.2	Confirmation on compliance with the requirements of the Policy on matters relating to the Board of Directors. If not complied, reasons for the same with proposed remedial action.	Compliant
9.6.2	Chairperson and CEO roles separated	Compliant
9.7.1–9.7.5	Fitness and Disclosure of Directors	Compliant
9.8	Board composition and independence	Compliant
9.12	Remuneration Committee	Compliant
9.13	Audit Committee	Compliant
9.14	Related Party Transactions Review Committee	Compliant
9.17	Additional Disclosures	Compliant

STATEMENT OF DIRECTORS' RESPONSIBILITY

The following statement, which should be read in conjunction with the Auditor's responsibilities, as set out in their report, is made with a view to distinguish between the respective responsibilities of the Directors and the Auditor's, in relation to Financial Statements.

The Directors are required by the Companies Act, No 07 of 2007, to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss for the financial year. The Directors are required to prepare these Financial Statements on a going concern basis unless it is not appropriate.

Since the Directors are satisfied that the Company has the resources to continue its business for the foreseeable future, the Financial Statements continue to be prepared on the said basis.

The Directors consider that, in preparing the Financial Statements, the Company has used appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgments and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors are also required to ensure that the Financial Statements have been prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRS/ LKAS), the Rules of the Colombo Stock Exchange.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company, and which enable them to ensure that the Financial Statements comply with the Companies Act, No.07 of 2007.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

The Directors are of the opinion that the Financial Statements of the Company set out on pages 77 to 108 have been prepared in accordance with the above requirements and that they have appropriately discharged their responsibilities as set out in this Statement.

The Directors confirm that to the best of their knowledge, all taxes, duties, and levies payable by the Company and all contributions, levies, and taxes payable on behalf of and in respect of the employees of the Company, and all other known statutory dues as were due and payable by the Company, as at the Balance Sheet date have been paid, or where relevant are being provided for.

The Directors confirm that to the best of their knowledge, all taxes, duties, and levies payable by the Company and all contributions, levies, and taxes payable on behalf of and in respect of the employees of the Company, and all other known statutory dues as were due and payable by the Company, as at the Balance Sheet date have been paid, or where relevant are being provided for.

As required by Section 56 (2) of the Companies Act and the Articles of Association of the Company, the Board of Directors authorize the payment of dividends, being satisfied based on information available to it that the Company would satisfy the Solvency Test after such distributions in accordance with Section 57 of the Companies Act No. 07 of 2007. In respect of the authorized final dividend, the Company shall forward to CSE, prior to the date of dispatch of the dividend payment, a Certificate given by the Auditors to the effect that the Company is able to satisfy the Solvency Test immediately after the distribution. The Board, however, did not recommend the declaration of a dividend for the year.

Messrs Edirisinghe & Co, Chartered Accountants, the Auditors of the Company, have examined the Financial Statements made available by the Board of Directors together with all relevant financial records, related data, minutes of shareholders' and Directors' meetings and express their opinion in their Report on page 182 of this Annual Report.

The Directors are of the opinion that the Financial Statements of the Company set out on pages 185 to 218 have been prepared in accordance with the above requirements and that they have appropriately discharged their responsibilities as set out in this Statement.

On behalf of the Board



I. Malwatte
Chairperson



D. D. A. Rajapaksa
Managing Director

11th August 2025
Colombo

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Samson International PLC is pleased to present to the shareholders its Annual Report on the affairs of the Company, together with the audited Financial Statements for the year ended 31st March 2025. These Financial Statements were approved by the Board at its meeting held on 11th August 2025.

This Report provides the information as required by the Companies Act No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange, and recommended best practices on Corporate Governance.

General

Samson International PLC was incorporated as a limited liability company under the name Samson International (Private) Limited on 14th October 1988, under the Companies Act No. 17 of 1982. The Company changed its name to Samson International Limited on 24th July 1992, and its ordinary shares were subsequently listed on the Main Board of the Colombo Stock Exchange on 22nd March 1993. The Company was re-registered under the Companies Act No. 7 of 2007 on 3rd September 2008, and accordingly, its name was changed to Samson International PLC under registration number PQ 192. The Registered Office of the Company was changed from No. 110, Kumaran Ratnam Road, Colombo 02 to Akuressa Road, Bogahagoda, with effect from 26th May 2025.

The Vision, Values, and Corporate Conduct

The vision and values of the Company are given on page 04 of the Annual Report. The business activities of the Company are conducted at a high level of ethical standards in achieving its vision.

The Principal Activities of the Company

The principal activity of the Company is the manufacture of rubber and PVC-based products for both international and local markets.

Accounting Policies

A summary of the material accounting policies adopted in the preparation of the Financial Statements is given on page 81 of this report as required by Section 168 (1) (d) of the Companies Act No. 7 of 2007. The policies adopted are consistent with those adopted in the previous financial year.

Review of the year

The Chairman's review and the Managing Director's operational review together with the Financial Statements highlight the Company's performance during the period under review and the state of affairs as of 31st March 2025.

Turnover

Turnover of the Company is Rs.2,215 Mn in 2024/25 as compared to Rs. 2,316 Mn in the last year. Please see the turnover by segment given below.

Turnover by segment:

Rs in 000'		
Segment	2024/25	2023/24
Rubber-related items	1,440,853	1,638,297
PVC-related items	774,601	677,968
Total	2,215,454	2,316,265

Profits/ (Loss):

Rs in 000'		
	2024/25	2023/24
Profit/ (Loss) for the year (before tax) (after payment of all expenses, making provision for known liabilities and depreciation on property, plant and equipment)	(295,769)	(287,530)
Tax on profits / (Loss)	(4,717)	(7,054)
Profit/ (Loss) after tax	(300,487)	294,584
Actuarial gain/(loss) on Post-Employment Benefit Liability	6,894	1620
Diferred tax on Actuarial gain / (loss)	(2,068)	(486)
Total Comprehensive income/ (Expense)	(295,661)	(293,450)

Retained Earnings:

Rs in 000'		
	2024/25	2023/24
Balance brought forward	353,443	681,779
Loss for the year	(300,487)	(294,587)
Surcharge tax 2020/21	-	(26,419)
Other Comprehensive income	4,826	1,134
Final dividend	-	(8,465)
Balance carried forward	57,782	353,443

Segment Reporting

The segment-wise revenue and results of the Company are disclosed in Note 29 to the Financial Statements on page 106 of this Annual Report.

Taxation

Under the provisions of the Inland Revenue Act No (IRA) 24 of 2017, tax profit on export sales, local sales, and other income were taxed at the rate of 30%.

Investments in Property, Plant & Equipment

During the year 2024/25, the Company invested Rs. 55.7 Mn (2023/24 -Rs.126 Mn) in property, plant & equipment. The information relating to the movement in Property, plant & equipment is given in Note 13 to the Financial Statement on page 95.

Stated Capital & Reserves

Stated Capital

The movement of the Stated Capital is as follows:

	2024/25	2023/24
Stated Capital- Rs. '000	109,600	109,600
No. of Ordinary shares	4,232,771	4,232,771

Details of the Stated Capital are given in Note 21 to the Financial Statements on page 100 of this Annual Report. The rights and obligations attaching to the ordinary shares are set out in the Articles of Association of the Company, a copy of which can be obtained from the Secretaries upon request.

Reserves

The Group reserves as at 31st March were as follows:

	2024/25	2023/24
General reserves	110,000	110,000
Revenue reserves	57,782	353,443
Total reserves	167,782	463,443

Directorate

The names of the Directors who held office at the end of the financial year are given below and their brief profiles appear on pages 25 and 29.

Executive Directors

Mr. D. D. A. Rajapaksa (Managing Director)
Mr. D. G. P. S. Abeygunawardana

Non-Executive Directors

Dr. D. K. Rajapaksa (Chairman - Resigned on 30th November 2024)
Mr. D. C. J. Rajapaksa
Mr. D. N. S. Rajapaksa

Independent Non-Executive Directors

Mr. T. K. Bandaranayake (Resigned on 01st January 2025)
Ms. I. Malwatte
Mr. S.M.T.H. Subasinghe (Appointed on 01st January 2025)

Changes in the directorate during the year

Dr. D. K. Rajapaksa, Chairman, resigned from the Board with effect from 30th November 2024. Following his resignation, Ms. I. Malwatte was appointed as Chairperson with effect from 11th February 2025.

Mr. T. K. Bandaranayake resigned from the Board with effect from 1st January 2025.

Mr. S. M. T. H. Subasinghe was appointed to the Board with effect from 1st January 2025.

Retirement by Rotation and Re-Election of Directors

Mr. D.C.J. Rajapaksa will retire by rotation in terms of Articles 88 and 89 of the Article of Association, as a Director of the Company.

Recommendation for re-election of Directors who were appointed since the last Annual General Meeting

Mr. S. M. T. H. Subasinghe, who was appointed to the Board in terms of Article 95 of the Articles of Association of the Company since the last Annual General Meeting, is recommended by the Board for re-election by the shareholders.

Appointment of Directors who are over 70 years of age

Ms. C. I. Malwatte, who reached the age of 70 years on 5th July 2025, vacates office at the conclusion of the Annual General Meeting in terms of Section 210(2)(a) of the Companies Act No.7 of 2007 and is recommended by the Board, for re-appointment as a Director under Section 211 of the Companies Act, specially declaring that the age limit stipulated in Section 210 of the Companies Act shall not apply to the said Director.

Further, in accordance with Section 9.8.3 (ix) of the Listing Rules, the Nominations and Governance Committee reviewed the credentials of Ms. C. I. Malwatte, who serves as an Independent Non-Executive Director and reached the age of 70 years on 5th July 2025. Having considered her continued independence, experience, and valuable contributions to the Board, the Committee recommended to the Board that she may nevertheless continue to be designated as an Independent Non-Executive Director. The Board of Directors, at its meeting held on 11th August 2025, resolved to confirm the recommendation of the Nominations and Governance Committee.

In line with the requirements of Section 9.8.3 (ix)(c) of the Listing Rules, the recommendation of the Nominations and Governance Committee, along with the justification and rationale, and the confirmation by the Board of Directors, will be submitted for approval by way of a resolution to be passed with the affirmative votes of the majority of the Company's public shareholders voting in person or by proxy at the forthcoming Annual General Meeting.

Fit and Proper Assessment of Directors

In terms of Rule 9.7.4 of the Listing Rules of the Colombo Stock Exchange, declarations were obtained from the Directors who confirmed that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules during the Financial Year under review and as at the date of such Declarations. These Declarations were placed before the Nominations and Governance Committee, and upon review by the Nominations and Governance Committee, where no member participated in decisions relating to his/her continuation, were then presented to the Board.

The Board determined that all Directors satisfy the fit and proper assessment criteria stipulated in the Listing Rules and qualify to continue as Directors in their respective capacities, subject to those who retire by rotation and over 70 years of age being re-elected by the shareholders at the forth-coming Annual general Meeting.

Independence of Directors

The Board, based on the Declarations submitted by the Independent Directors declaring his/her independence against the criteria specified in the Listing Rules and such other information available to the Board that could reasonably be constructed to have a bearing on the independence of such Directors, determined that the two (2) Independent Directors, Ms. I. Malwatte and Mr. S.M.T.H. Subasinghe, are 'Independent' in terms of the Listing Rules.

Additional disclosures pertaining to Directors

(i) Material Business Relationships with each other

None of the Directors or close family members have any material business relationships with the other Directors of the Company.

(ii) Other Directorships held by the Directors

Other Directorships held by Directors are disclosed on pages 25 to 29.

(iii) Review of Internal Controls

The Directors have, through the Audit Committee, conducted a review of the Internal controls covering financial, operational and compliance control and risk management and thereby obtained reasonable assurance of their effectiveness and successful adherence therewith.

(iv) Applicable Laws Rules and Regulations

The Directors have made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of the changes, particularly to Listing Rules and applicable capital market provisions.

Board Meetings

Six (6) Board Meetings of the Company were held during the year under review and the Directors' attendance at those Meetings is set out on page 42 under Corporate Governance.

Directors' interest in shares

Directors' holdings of ordinary shares in the Company are given below:

	No of Shares as at 31.03.2025	No of shares as at 31.03.2024
Dr. D. K. Rajapaksa	11,159	11,159
Mr. T. K. Bandaranayake	Nil	Nil
Mr. D. G. P. S. Abeygunawardana	110	110
Mr. D. D. A. Rajapaksa	Nil	Nil
Mr. D. C. J. Rajapaksa	Nil	Nil
Ms. I. Malwatte	Nil	Nil
Mr. D. N. S. Rajapaksa	8,297	8,297
Mr. S.M.T.H. Subasinghe	Nil	Nil
Total	19,566	19,566

The Directors of the Company who have relevant interests in the shares of the Company have disclosed their share holdings in compliance with Section 200 of the Companies Act.

Directors' Remuneration and Other Benefits

The details of the Directors' remuneration and other benefits, in respect of the Company for the financial year ended 31st March 2025 is given in Note 8 to the Financial Statements on page 92 of this Report, as required by Section 168 (1) (f) of the Companies Act No. 07 of 2007. Directors' remuneration for the financial year 2024/25 is Rs. 91,195,211 (last year 61,315,602).

Directors Interests in Contracts or Proposed Contracts and Interests Register

The Company maintains an Interests Register in terms of the Companies Act No. 07 of 2007, which is deemed to form part and parcel of this Annual Report and is available for inspection upon request.

All related party transactions which encompasses the transactions of Directors who were directly or indirectly interested in a contract or a related party transaction with the Company during the accounting period are recorded in the Interests Register in due compliance with the provisions of the Companies Act.

The Directors declare that all material interests in contracts involving the Company have been disclosed to the Board and whenever any Director was materially interested in a contract or a proposed contract with the Company, they have refrained from voting on such contracts. It is further declared that during the year under review, the Company did not enter into any contracts in which any Director was materially interested.

Board Committees

The Board while assuming the overall responsibility and accountability in the management of the Company has also appointed Board Committees to ensure oversight and control over certain affairs of the Company, conforming to the corporate governance code and adopting the best practices. Accordingly, the following Committees have been constituted by the Board:

Nominations & Governance Committee

1. Mr. S.M.T.H. Subasinghe – Chairman (Independent Non-Executive Director)
2. Mrs. I. Malwatta – Member (Independent Non-Executive Director)
3. Mr. D.C.J. Rajapaksa – Member (Non-Executive Director)

The Report of the Nominations & Governance Committee is given on page 68, which forms a part of the Annual Report

Audit Committee

1. Mr. T. K. Bandaranayake (Independent, Non-Executive Director - Resigned on 01st January 2025)
2. Mr. S.M.T.H. Subasinghe (Chairman, Independent, Non-Executive Director - Appointed on 01st January 2025)
3. Ms. I. Malwatta (Independent, Non-Executive Director)
4. Mr. D. C. J. Rajapaksa (Non-Executive Director - Appointed on 01st January 2025)

The Report of the Audit Committee is given on page 68 and 70, which form part of the Annual Report

Remuneration Committee

1. Mr. S.M.T.H. Subasinghe (Chairman, Independent, Non-Executive Director - Appointed on 01st January 2025)
2. Ms. I. Malwatta (Independent, Non-Executive Director)
3. Mr. D. C. J. Rajapaksa (Non-Executive Director - Appointed on 01st January 2025)
4. Mr. T. K. Bandaranayake (Independent, Non-Executive Director - Resigned on 01st January 2025)
5. Mr. D. D. A. Rajapaksa (Executive Director - Resigned on 01st January 2025)

The Report of the Remuneration Committee is given on page 70, which forms a part of the Annual Report

Related Party Transactions Review Committee

1. Mr. T. K. Bandaranayake (Independent, Non-Executive Director - Resigned on 01st January 2025)
2. Mr. S.M.T.H. Subasinghe (Chairman, Independent, Non-Executive Director - Appointed on 01st January 2025)
3. Ms. I. Malwatta (Independent, Non-Executive Director)
4. Mr. D. C. J. Rajapaksa (Non-Executive Director - Appointed on 01st January 2025)
5. Mr. D. D. A. Rajapaksa (Executive Director - Resigned on 01st January 2025)

The Report of the Related Party Transactions Review Committee is given on pages 70 to 72, which form part of the Annual Report.

Declaration under the Listing Rules, on Related Party Transactions

The Directors declare that the Company is in compliance with the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the Financial Year ended 31st March 2025.

Employment Policies

The Company continues to invest in human resource development and implements effective practices to develop and build an efficient and effective workforce to ensure optimum contribution toward the achievement of its corporate goals. The Company's employment policies are based on recruiting the best people, providing them training to enhance their skills, and recognition of the innate skills and competencies of each individual while offering equal career opportunities regardless of gender, race or religion and retaining them with the Company as long as possible. The number of persons employed by the Company at year-end was 460 (last year 458).

System of internal controls

The Board of Directors has established an effective and comprehensive system of internal controls to ensure that proper controls are in place to safeguard the assets of the Company, to detect and prevent fraud and irregularities, to ensure that proper records are maintained and Financial Statements presented are reliable and accurate. Monthly Management Accounts are prepared, giving management relevant, reliable, and up-to-date Financial Statements and key performance indicators. The internal control systems across the organization are regularly evaluated by the internal auditors to the audit committee. The findings of the internal audit are reviewed first by the audit committee and significant issues are thereafter reported to the Board. The Statement on Directors' responsibility for financial reporting of the Company is set out on page 60 of this Report.

The Audit Committee reviews, on a regular basis, the reports, policies, and procedures to ensure that a comprehensive internal control framework is in place.

Financial Risk

The finance and interest rate risks associated with the operation of the Company are discussed in detail under risk management on page 30 of this report.

Material issues pertaining to employees and industrial relations pertaining to the Company

No material issues pertaining to employees or industrial relations of the Company occurred during the year under review which required disclosure under Rule 7.6 (vii) of the Listing Rules.

Donations

The total amount of donations in cash was Rs 265,300 in the year 2024/25 (2023/24 – Rs. 358,429) No donation was made for political purposes.

Major Transactions

There have been no transactions during the year under review that fall within the definition of “Major Transactions” in terms of Section 185 of the Companies Act, No. 07 of 2007. The total assets of the Company are Rs. 1.74 Bn and 50% of the total assets is Rs. 872 Mn. The Company has not bought any assets or undertaken any liabilities greater than Rs. 872 Mn during the year under review.

Share information

Distribution Schedule of Shareholding

Information on the distribution of shareholding and the respective percentages and analysis of shareholders are given on page 108 to 112 under investor information.

Earnings, Dividends, Net Assets and Market Value of Shares

The information pertaining to earnings per share, dividend per share, net assets per share and market value per share is given in the financial highlights on page 03 of this Annual Report.

Major Shareholders

The twenty major shareholders and percentages held by each one of them as at 31st March 2025 are given on page 111 of the Annual Report.

Public holding of shares in the Company

As at 31st March 2025, the public held 43.94% (in 2023/24- 43.38%) of the shares of the Company.

Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due to the government, other regulatory institutions, and in relation to employees have been made within the stipulated period and have been accounted for during the financial year.

Compliance with laws and regulations

To the best of the knowledge and belief of the Directors, the Company has not engaged in any activities contravening the laws and regulations of the country.

Social and Environmental Responsibility

As a responsible corporate body, the Company has taken all necessary steps and precautions to minimize any adverse impact of the Company's activities on the environment. When introducing new businesses, products, methods, and machines, maximum care is taken to ensure that these conform to accepted environmental and safety regulations and standards.

The Directors, to the best of their knowledge and belief, are satisfied that the Company has not engaged in any activities which have caused adverse effects on the environment and it has complied with the relevant environmental regulations.

Corporate Governance

The Company maintains and practices high principles of good corporate governance, ethics, and a code of conduct. The Directors are responsible for the formulation and implementation of overall business strategies, and policies and setting standards in the short, medium, and long- term adopting good governance in managing the affairs of the Company.

The Board of Directors confirm that the Company is compliant with Corporate Governance Rules set out in Section 9 of the Listing Rules of the Colombo Stock Exchange. The Corporate Governance Statement on pages 40 to 59 explains the measures adopted by the Company during the year.

Auditor's Report

The Company's external auditor, Messrs Edirisinghe & Company, performed the audit on the Financial Statements for the year ended 31 March 2025. The Auditor's Report on the Financial Statements is given on page 73 of this Report as required by Section 168 (1) (c) of the Companies Act.

Appointment of Auditors

The retiring Auditors Messrs. Edirisinghe & Company, Chartered Accountants, have expressed their willingness to continue in office. A resolution to re-appoint them as auditors and authorize the Directors to fix their remuneration will be proposed at the Annual General Meeting in terms of the Companies Act, No. 7 of 2007.

Auditor's Remuneration and Independence

The Company paid audit fees to the external auditors for the year 2024/25 amounting to Rs. 631,500 (2023/24 - Rs. 572,500). Based on the declaration provided by Messrs Edirisinghe & Co. and as far as the Directors are aware, the Auditors do not have any relationship with or interests in the Company that may have a bearing on their independence, within the meaning of the Code of Professional Conduct and Ethics issued by the Institute of Chartered Accountants of Sri Lanka.

Outstanding litigation

In the opinion of the Directors, in consultation with the Company lawyers, there is no litigation currently pending against the Company which will have a material impact on the reported financial results or future operations of the Company.

Post Balance sheet events

In the opinion of the Directors, there were no material post-balance sheet events that would require adjustment or disclosure in the financial statements.

Going Concern

The Board of Directors has reviewed the Company's business and corporate plans and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future after considering the financial position, operating conditions, regulatory and other factors required to be addressed in the Corporate Governance Code. The Directors have a reasonable expectation that the Company possesses adequate resources to continue in operation for the foreseeable future. Accordingly, the Financial Statements have been prepared on a going concern basis.

Financial Statements of the Company

The Financial Statements of the Company, duly certified by the Finance Manager and approved by two Directors in compliance with Sections 1, 151, and 168 of the Companies Act No. 7 of 2007, are given from pages 76 to 107 of the Annual Report.

Dividends

The Board of Directors has not recommended a final dividend for the financial year 2024/25, as the Company recorded a net loss of Rs. 300.5 million during the year.

Special Business to be transacted at the Annual General Meeting

The "Special Business" set out as Item 2 of the Notice of the Annual General Meeting includes:

(1) The recommendation of the Board of Directors regarding the continuation of Ms. C. I. Malwatte as an Independent Non-Executive Director, notwithstanding her having attained the age of 70 years on 5th July 2025. This recommendation, along with the justification and rationale provided by the Nominations and Governance Committee and confirmed by the Board, is being submitted for approval by the shareholders by way of an ordinary resolution, requiring the affirmative votes of the majority of public shareholders voting in person or by proxy.

(2) Amendments to certain Articles of the Articles of Association of the Company, as recommended by the Directors, to be adopted by way of a Special Resolution. The salient amendments proposed are :

(a) Article 58 be deleted in its entirety and the new heading and the Article 58 be substituted therefor for meetings of shareholders to be held in addition to physical meetings as per the present Article; by means of audio or audio and visual communication ; thereby providing the Board to have the option to determine whether a General Meeting of shareholders would be held as a physical meeting, electronic meeting or as a hybrid meeting.

(b) Currently, the minimum number of Directors shall not be less than three (03). The recent amendments to Listing Rules require the minimum number to be increased to five (05). The proposed amendment to the number of Directors is to be in line with the new Rule.

(c) The Listing Rules have introduced provisions relating to the circumstances under which / the period for which an Alternate Director may be appointed. The proposed amendment to the provisions relating to Alternate Directors is to align the existing provisions with the Listing Rules.

(d) Additional methods were brought in, to serve notice on shareholders.

(e) Publication of notice was further enhanced if permitted by law, to be done via the official website of the Company and/or the official website of the Colombo Stock Exchange so long as the Company is listed on the Colombo Stock Exchange.

33rd Annual General Meeting

The 33rd Annual General Meeting of the Company will be held by way of electronic means on 29th September, 2025 centered at the Board Room of DSI Samson Group (Pvt) Ltd, No. 110, Kumaran Ratnam Road, Colombo 02.

The Notice of the Annual General Meeting appears on page 117.

Acknowledgement

The Board of Directors have approved the Audited Financial Statements together with the Annual Report of the Board of Directors and the Reviews which form part of the Annual Report on 11th August 2025.

This Annual Report is signed for and on behalf of the Board of Directors by



I. Malwatte
Chairperson



D.D.A. Rajapaksa
Managing Director



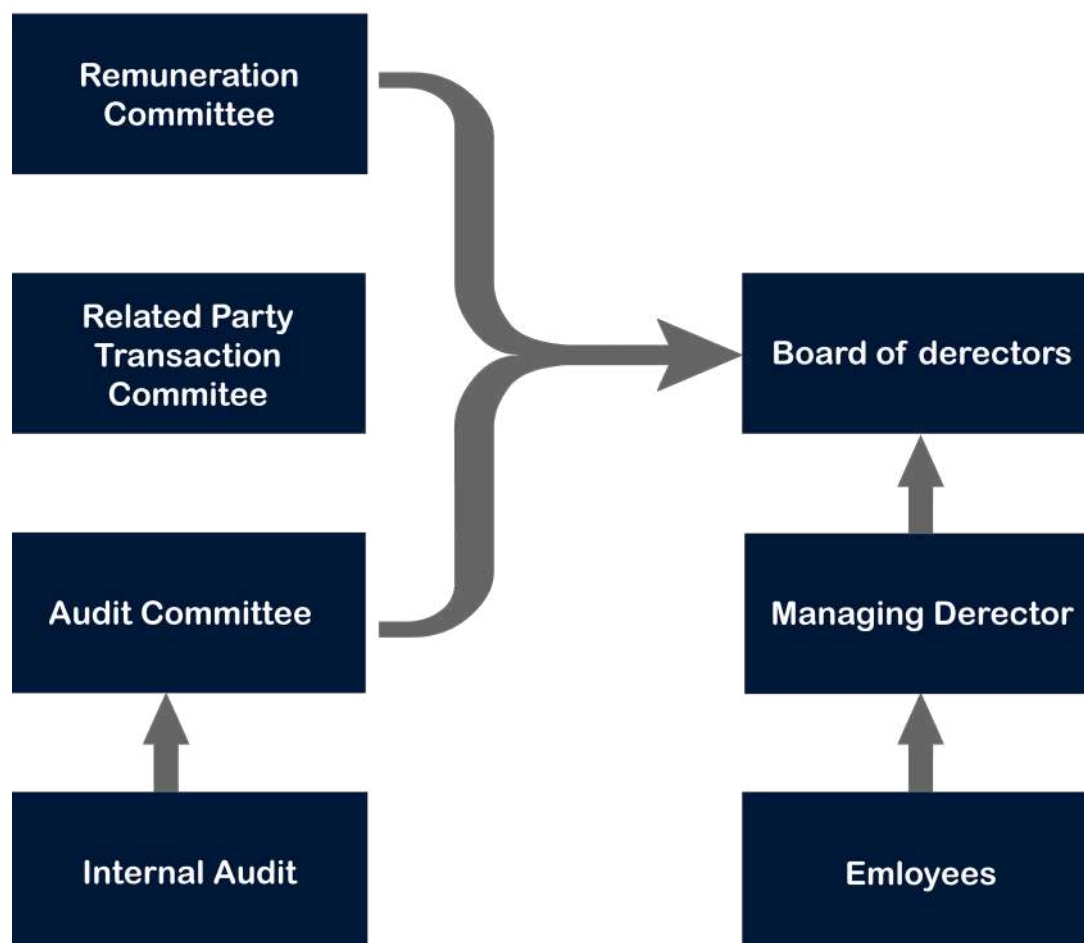
P W Corporate Secretarial (Pvt) Ltd.
Secretaries

Colombo
11th August 2025

BOARD SUB-COMMITTEES

The Company has four Board subcommittees mainly the Nominations and Governance Committee, the Audit Committee, the Remuneration Committee, and the Related Party Transaction Review Committee. The reports given by individual committees are on the subsequent periods.

Sub-committee	Composition	Mandate	No. of meetings held
Nominations and Governance Committee	Independent Nonexecutive Directors – 2 Non-Executive Director - 1	Oversees Board composition, evaluates the performance of the Board and its committees, and is responsible for identifying and recommending suitable candidates for Board appointments. Also ensures adherence to good governance practices	1
Audit Committee	Independent Nonexecutive Directors – 2 Non-Executive Director - 1	Provides oversight on financial reporting, internal controls and functions relating to internal and external audit.	5
Remuneration Committee	Independent Nonexecutive Directors – 2 Non-Executive Director - 1	Mandated with the Formulation and review of Remuneration policies and set goals and targets relating to Directors and Key Management Personnel.	1
Related Party Transactions Review Committee	Independent Nonexecutive Directors – 2 Non-Executive Director - 1	RPTRC assess all transactions with related parties to ensure that related parties are treated on par with other stakeholders.	5



Nominations & Governance Committee Report

Committee Composition

The Nominations & Governance Committee was established on 13th August 2024 in line with the requirements of the Colombo Stock Exchange (CSE) Listing Rules and the principles of the Code of Best Practice on Corporate Governance. The Committee assists the Board in ensuring appropriate Board composition, effective succession planning, and adherence to sound corporate governance practices.

As at 31st March 2025, the Committee comprised the following members:

- Mr. S.M.T.H. Subasinghe – Chairman (Independent Non-Executive Director)
- Mrs. I. Malwatta – Member (Independent Non-Executive Director)
- Mr. D.C.J. Rajapaksa – Member (Non-Executive Director)

Role of the Committee

The Committee is responsible for:

- Reviewing the structure, size, and composition of the Board and its committees
- Recommending appointments to the Board and sub-committees
- Evaluating Board effectiveness and individual director performance
- Overseeing Board and key management succession planning
- Promoting governance best practices and ensuring compliance with regulatory requirements

Meeting Held During the Year

The Committee held one meeting during the year ended 27 March 2025. The attendance of the committee members is recorded below:

Name	Status	Meeting Date (27 th Mar 2025)	Attendance
Mr. S.M.T.H. Subasinghe	NE/I	✓	1/1
Mrs. I. Malwatta	NE/I	✓	1/1
Mr. D.C.J. Rajapaksa	NE	✓	1/1

E = Executive, **“NE”** = Non- Executive, **“I”** = Independent

Key Activities in 2024/25

During the year, the Committee carried out the following functions to ensure compliance with CSE listing rules:

- Reviewed the composition of the Board and its committees following structural changes
- Initiated preliminary discussion on governance priorities for the coming year
- Reviewed relevant disclosures for inclusion in the Annual Report

Conclusion

The Committee is satisfied with the level of governance maintained during the period under review in compliance with CSE listing rules. However, the committee noted that there are still areas for improvement and these would be improved gradually in due course. The Committee remains committed to supporting the Board in upholding high standards of corporate governance and Board effectiveness.



S.M.T.H. Subasinghe
Chairman
Nominations & Governance Committee
Colombo
11th August 2025

Audit Committee Report

Audit Committee Composition:

The Audit Committee continued to function in accordance with the requirements set out in the Listing Rules of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance.

Until 31st December 2024, the Committee comprised two Independent Non-Executive Directors. It was chaired by Mr. T.K. Bandaranayake, a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and a former Senior Partner of Messrs Ernst & Young. The other member was Mrs. I. Malwatta.

With effect from 1st January 2025, following the resignation of Mr. Bandaranayake, the Board reconstituted the Committee. Mr. S.M.T.H. Subasinghe, Independent Non-Executive Director, was appointed as the Chairman of the Committee.

He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and currently serves as the Joint Managing Partner of Moore Stephens Aiyar. In addition, Mr. D.C.J. Rajapaksa, Non-Executive Director, was appointed to the Committee on the same date.

As at the reporting date, the composition of the Audit Committee is as follows:

- Mr. S.M.T.H. Subasinghe – Chairman /Independent Non-Executive Director
- Ms. I. Malwatta-Independent Non-Executive Director
- Mr. D.C.J. Rajapaksa-Non-Executive Director

The Role of the Audit Committee

The functions of the Audit committee are in line with the requirements of the Listing rules of the Colombo Stock Exchange, Companies Act, No. 7 of 2007, and the best practices of Corporate Governance. These included, inter alia, ensuring the effectiveness of internal controls and procedures for financial reporting purposes and the integrity of financial statements as well as the independence of the external auditors.

The Audit Committee was responsible for the following:

1. Meetings with the auditors to discuss audit findings including any problems and reservations arising from the audit as well as to take up any other matters which the auditors may wish to discuss independent of the management.
2. Reviewing the integrity and adequacy of the disclosures in the financial statements of the company in accordance with the Companies Act, No.7 of 2007, the Sri Lanka Accounting Standards, Continuous Listing Requirements of the Colombo Stock Exchange and Accounting Policies which are consistently applied.
3. Reviewing the financial reporting system to ensure the accuracy and timeliness of the financial statements produced.
4. Reviewing and ensuring the adequacy and effectiveness of the Company's internal control systems and risk management practices.

5. Oversight on the compliance by the company with the requirements of the statutory and regulatory framework. Compliance is monitored quarterly through 'Company Reports'.
6. Making recommendations to the Board of Directors on the appointment/ re-appointment and the remuneration of the external auditors based on their performance.
7. Examining any non-audit work performed by the auditors to ensure that their independence is not impaired.

Details of Meetings held:

The Audit Committee held Five meetings during the year under review. Appropriate personnel from the management were present at the meetings on invitation. The proceedings of the Audit Committee are regularly reported to the Board of Directors.

Below tables shows the attendance of the committee member based on the date of appointment to the Audit Committee.

Name of Director	Status	21 st May 2024	13 th Aug 2024	07 th Nov 2024	11 th Feb 2025	17 th Mar 2025	No of Attendance
Mr. T K Bandaranayake (Chairman-Resigned on 01 st Jan 2025)	NE/I	✓	✓	✓	-	-	3/3
Ms I Malwatte	NE/I	✓	✓	✓	Excused	✓	4/5
Mr.C.J.Rajapaksa (Appointed on 30 th Sept 2024)	NE	-	-	✓	✓	✓	3/3
Mr. S.M.T.H. Subasinghe (Chairman -Appointed on 01 st Jan 2025)	NE/I	-	-	-	✓	✓	2/2

Please also note that under status column, "E" = Executive, "NE"= Non- Executive and "I" = Independent

The attendance of Director/General Manager and the Finance Manager in the Audit Committee meetings by invitation is as follows.

Name of Director	Status	21 st May 2024	13 th Aug 2024	07 th Nov 2024	11 th Feb 2025	17 th Mar 2025	No of Attendance
Mr. D. G. P. S. Abeygunawardana	D/GM	✓	✓	✓	✓	✓	5/5
Mr. A. P. Sisira Kumara	Finance Manager	✓	✓	✓	✓	✓	5/5

Internal Audit Function

The Audit Committee reviews the Internal Audit Reports. The internal audit function has been outsourced to an independent professional firm of Chartered Accountants and is carried out by Messrs T & D Associates. The internal audit reports are reviewed thoroughly, including recommendations made for rectification of weaknesses or improvement of controls, whilst ensuring that adequate steps are taken to implement such recommendations as appropriate.

Conclusion

The committee reports to the Board of Directors, identifying the matters in respect of which it considers that action or improvement is needed and the steps taken to implement such improvements.

The Audit Committee is satisfied that the Company's accounting policies, operational controls and risk management practices provide reasonable assurance that the affairs of the Company are managed in accordance with the Company policies and that the Company assets are properly accounted for and adequately safeguarded. However, the committee noted that there are still areas for improvement, and these would be improved gradually in due course". The Committee has recommended to the Board of Directors that Messrs Edirisinghe & Co., Chartered Accountants, be re-appointed as the Auditors for the financial year ending 31st March 2026, subject to the approval of the shareholders at the Annual General Meeting at a fee to be determined by the management.



S.M.T.H. Subasinghe
Chairman - Audit Committee
Colombo
11th August 2025

Report of the Remuneration Committee

Members of the Remuneration Committee:

The Remuneration Committee, appointed by and responsible to the Board of Directors, is comprised of two Independent Non-Executive Directors.

Until 31st December 2024, the Committee consisted of Ms. I. Malwatta (Chairperson) and Mr. T.K. Bandaranayake. With effect from 01st January 2025, Mr. T.K. Bandaranayake resigned from the Committee, and the Board appointed Mr. S.M.T.H. Subasinghe, Independent Non-Executive Director, as the new Chairman of the Committee. In addition, Mr. D.C.J. Rajapaksa, Non-Executive Director, was also appointed to the Committee on the same date.

As at the reporting date, the composition of the Remuneration Committee is as follows:

- Mr. S.M.T.H. Subasinghe – Chairman/ Independent Non executive Director
- Ms. I. Malwatta-Independent Non executive Director
- Mr. D.C.J. Rajapaksa- Non executive Director

Meetings Held During the Year

The Committee held one meeting during the year ended 31st March 2025. The attendance of the committee members is recorded below:

Name	Status	Meeting Date (27 th Mar 2025)	Attendance
Mr. S.M.T.H. Subasinghe	NE/I	✓	1/1
Mrs. I. Malwatta	NE/I	✓	1/1
Mr. D.C.J. Rajapaksa	NE	✓	1/1

Role of the Committee:

The Remuneration Committee annually reviews and recommends to the Board of Directors the policy on remuneration for the executive staff, specific remuneration packages for the Executive Directors and the fees for the Non-Executive Directors. The aggregate remuneration received by the Directors is disclosed under Note 8.1 of the Financial Statements on page 92.

Remuneration Policy:

In a highly competitive environment, attracting and retaining high caliber executives is a key challenge faced by the Company. In this context, the Committee took into account competition, market information and performance evaluation methodology in determining the overall remuneration policy. However the committee noted that there are still areas for improvements, and these would be improved gradually in due course".

The Remuneration Committee held one meeting during the year under review.



S.M.T.H. Subasinghe
Chairman - Remuneration Committee
Colombo
11th August 2025

Report of the Related Party Transactions Review Committee

Members of the Related Party Transactions Review Committee:

The Related Party Transactions Review Committee (RPTRC) was established in accordance with the Code of Best Practice on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka (the "Code") and Section 9 of the Listing Rules of the Colombo Stock Exchange (the "Rules").

Until 31st December 2024, the Committee was chaired by Mr. T.K. Bandaranayake, Independent Non-Executive Director.

Effective from 01st January 2025, Mr. T.K. Bandaranayake and Mr. D.D.A. Rajapaksa resigned from the Committee. The Board appointed Mr. S. M. T. H. Subasinghe, Independent Non-Executive Director, as the Chairman of the Committee, and Mr. D.C.J. Rajapaksa, Non-Executive Director, as a member of the Committee.

As at the reporting date, the RPTRC is comprised of the following members:

- Mr. S.M.T.H. Subasinghe – Chairman (Independent Non-Executive Director)
- Ms. I. Malwatte (Independent Non-Executive Director)
- Mr. D.C.J. Rajapaksa (Non-Executive Director)

The composition of the Committee complies with the requirements of the Code and the Listing Rules. Brief profiles of the members are provided on pages 25 to 29 of this Annual Report

Role and Responsibilities

The mandate of the Committee is derived from the Code and the Regulations and the Rules and includes the following: -

1. Developing a Related Party Transaction Policy consistent with the provisions of the Code and the Rules for adoption by the Board of Directors of the Company.
2. Reviewing all proposed Related Party Transactions in compliance with the provisions of the Code.
3. Advising the Boards on taking appropriate action where necessary, in respect of Related Party Transactions, in

Policies and procedures adopted by the Committee for reviewing Related Party Transactions:

1. Relevant information to capture Related Party Transactions is fed into the Company Related Party data base.
2. All officers concerned are informed of the applicable regulatory requirements relating to the reporting of Related Party Transactions.
3. Key Management Personnel (KMPs) and their Close Family Members (CFMs) are identified quarterly together with their NIC numbers and business registration numbers.
4. Details are verified and validated regularly.
5. All Managers are advised to escalate information on any Related Party Transactions to the Company Secretary who has been identified as the central Point, for this purpose.
6. Details are shared with the Company Secretary to meet the regulatory requirements if required.

Review Function of the Committee:

The Committee meeting proceedings are shared with the Board of Directors for their information right through the year. All Related Party Transactions during the year are summarized and disclosed in Note 28 to the Financial Statements on page 104.

Name of Director	Status	21 st May 2024	13 th Aug 2024	07 th Nov 2024	11 th Feb 2025	17 th Mar 2025	No of Attendance
Mr. T K Bandaranayake (Chairman-Resigned on 01 st Jan 2025)	NE/I	✓	✓	✓	-	-	3/3
Ms I Malwatte	NE/I	✓	✓	✓	Excused	✓	4/5
Mr.C.J.Rajapaksa (Appoojnted on 30 th Sept 2024)	NE	-	-	✓	✓	✓	3/3
Mr. S.M.T.H. Subasinghe (Chairman -Appointed on 01 st Jan 2025)	NE/I	-	-	-	✓	✓	2/2

The Committee held five meetings during the year under review. E” = Executive, “NE”= Non- Executive,

Management representatives are invited to the meetings for discussions as considered appropriate and necessary.

The attendance of D/GM and Finance Manager in the Related Party Transaction Review Committee meetings is as follows.

Name of Director	Status	21 st May 2024	13 th Aug 2024	07 th Nov 2024	11 th Feb 2025	17 th Mar 2025	No of Attendance
Mr. D. G. P. S. Abeygunawardana	D/GM	✓	✓	✓	✓	✓	5/5
Mr. A. P. Sisira Kumara	Finance Manager	✓	✓	✓	✓	✓	5/5

Reporting to the Board:

The Minutes of the RPTRC meetings are tabled at Board meetings enabling all Board members to have access to same.

Conclusion

The Related part Transactions Review committee reviews all related party transactions being entered into by the company, Reference which is in conformity with the Listing Rules. However, the committee noted that there are still areas for improvement, and these would be improved gradually in due course.

During the financial year 2024/25, there were no non recurrent or recurrent related party transactions that exceeded the respective thresholds mentioned in the Listing Rules of the Colombo Stock Exchange which required Disclosure. On behalf of the Related Party Transactions Review Committee.



S.M.T.H. Subasinghe
Chairman
Report of the Related Party Transactions Review Committee

11th August 2025

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SAMSON INTERNATIONAL PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Samson International PLC (the Company), which comprise the statement of financial position as at March 31, 2025, and the statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at March 31, 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 Company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key Audit Matter

01) Revenue recognition

The Company has recognised revenue in the amount of Rs. 2,215,454,459.

As at 31 March 2025, the Company's revenue comprised 44% from export turnover and 56% from local sales, based on the total sales for the year.

How Our Audit Addressed the Key Audit Matter

Our procedures included the following:

Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition from sales transactions.

INDEPENDENT AUDITOR'S REPORT (Contd...)

Based on the Company's business model, there are many different types of revenues, arising from different types of transactions and events with customers.

We identified revenue recognition as a key audit matter because of its significance to the financial statements.

Testing the design, implementation, and operating effectiveness of relevant general IT controls, automated controls including testing the completeness and accuracy of key reports used in the operation of a control that addresses process risk points related to accounts with a risk of material misstatement.

Comparing revenue transactions recorded during the current year for the manufacturing, on a sample basis, with invoices, sales contracts, underlying goods delivery and acceptance notes, where appropriate, to assess whether the related revenue was recognised in accordance with the Company's revenue recognition accounting policies.

Comparing, on a sample basis, specific revenue transactions recorded before and after the financial year end date with the underlying goods delivery notes and/or invoices to assess whether the related revenue had been recognised in the correct financial period.

02) Provision for deferred tax

Provision for deferred tax has been calculated considering financial statement areas such as Retirement benefit obligation and Property, plant and equipment, where significant management estimates, judgments and uncertainties are involved.

Our procedures included the following:

Our audit procedures included verification of controls over the appropriateness of models used to calculations, the process of determining key assumptions and the identification of figures to be included within the calculations. The appropriateness of management's judgments was also independently considered in respect of calculation methodologies and individual calculations were also performed.

Other Information

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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.

INDEPENDENT AUDITOR'S REPORT (Contd...)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Managements' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

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

Report on Other Legal and Regulatory Requirements

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

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 7025.



Edirisinghe & Co.
Chartered Accountants

Colombo
11th August 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March	Note	2025 (Rs.)	2024 (Rs.)
Revenue	06	2,215,454,459	2,316,264,560
Cost of sales		(1,917,094,999)	(1,977,388,918)
Gross Profit		298,359,460	338,875,642
Other income	07	20,433,743	28,385,409
Distribution cost		(141,701,366)	(122,926,543)
Administration expenses		(378,737,865)	(352,836,903)
(Loss) from operations	08	(201,646,028)	(108,502,395)
Finance income	09.1	5,302,040	10,393,697
Finance cost	09.2	(99,425,526)	(189,421,340)
(Loss) before income tax		(295,769,514)	(287,530,038)
Income tax expenses	10	(4,717,946)	(7,054,081)
(Loss) for the year		(300,487,460)	(294,584,119)
Other comprehensive income, net of tax:			
Items that will not be reclassified subsequent to the Statement of Profit or Loss			
Actuarial gain on post employment benefit liability		6,894,711	1,619,825
Deferred tax on actuarial gain		(2,068,413)	(485,948)
Total other comprehensive income, net of tax		4,826,298	1,133,877
Total comprehensive income / (loss) for the year, net of tax		(295,661,162)	(293,450,242)
Basic loss earnings per share (Rs.Cts)	11	(70.99)	(69.60)
Dividends per share (Rs.Cts)	12	-	2.00

All values are in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicate deductions.

The significant accounting policies and notes on pages 80 to 107 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 March	Note	2025 (Rs.)	2024 (Rs.)
Assets			
Non current assets			
Property plant and equipment	13	599,384,701	637,032,378
Intangible assets	14	6,292,902	7,967,406
Financial assets at fair value through profit and loss	15	10,007,473	10,007,473
Financial assets at amortized cost	16	26,319,108	23,024,445
Deferred tax assets	17.1	22,278,263	22,304,151
Total non current assets		664,282,447	700,335,853
Current assets			
Inventories	18	422,613,918	493,978,415
Trade and other receivables	19	608,407,214	546,917,618
Cash and cash equivalents	20	48,088,213	78,715,427
Total current assets		1,079,109,345	1,119,611,460
Total assets		1,743,391,792	1,819,947,313
Equity and liabilities			
Equity			
Stated capital	21	109,600,211	109,600,211
General reserve		110,000,000	110,000,000
Retained earnings		57,782,408	353,443,570
Total equity		277,382,619	573,043,781
Non current liabilities			
Deferred tax liability	17.2	87,346,256	80,585,784
Retirement benefit obligation	22	74,260,875	74,347,166
Long term borrowings	24.1	95,860,000	160,360,000
Total non current liabilities		257,467,131	315,292,950
Current liabilities			
Trade and other payables	23	259,273,823	226,992,538
Short term borrowings	24.2	939,969,343	695,319,168
Income tax liability	25	9,298,876	9,298,876
Total current liabilities		1,208,542,042	931,610,582
Total liabilities		1,466,009,173	1,246,903,532
Total equity and liabilities		1,743,391,792	1,819,947,313

All values are in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicate deductions.
The significant accounting policies and notes on pages 80 to 107 are an integral part of these financial statements.
The above financial statements comply with the requirements of Companies Act No.07 of 2007


A.P. Sisira Kumara
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements. The financial statements on pages 76 to 107 were approved by the board of directors and were signed in Colombo on 11th August 2025 its behalf by:


I. Malwatte
Chairperson


D.D.A. Rajapaksa
Managing Director

STATEMENT OF CHANGES IN EQUITY

	Stated capital (Rs.)	General reserve (Rs.)	Retained earnings (Rs.)	Total (Rs.)
For the year ended 31 March 2024				
For the year ended 01 April 2023	109,600,211	110,000,000	681,778,769	901,378,980
Loss for the year	-	-	(294,584,119)	(294,584,119)
Other comprehensive income	-	-	1,133,877	1,133,877
Dividend paid	-	-	(8,465,542)	(8,465,542)
Surcharge tax 2020/21	-	-	(26,419,415)	(26,419,415)
Balance as at 31 March 2024	109,600,211	110,000,000	353,443,570	573,043,781
For the year ended 31 March 2025				
Balance as at 01 April 2024	109,600,211	110,000,000	353,443,570	573,043,781
Loss for the year	-	-	(300,487,460)	(300,487,460)
Other comprehensive income	-	-	4,826,298	4,826,298
Balance as at 31 March 2025	109,600,211	110,000,000	57,782,408	277,382,619

General reserve represents the amount set aside by the Directors for future expansion and to meet any contingencies.

All values are in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicate deductions.

The significant accounting policies and notes on pages 80 to 107 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

As at 31 March	Note	2025 (Rs.)	2024 (Rs.)
Cash flow from operating activities			
(Loss) before taxation		(295,769,514)	(287,530,038)
Adjustment for :			
Depreciation	13	93,380,526	84,569,591
Amortization of intangible assets	14	1,674,504	1,405,358
Provision for doubtful debt		466,477	(2,094,895)
Bad debt written off		-	158,298
Inventory impairment		(13,339,000)	(8,346,881)
General inventory wastage		36,266,464	36,805,899
Provision for retirement benefit obligation	22	14,190,354	16,784,975
Interest income	09.1	(5,302,040)	(10,393,697)
Interest cost	09.2	90,143,944	152,705,009
Operating (Loss) before working capital change		(78,288,285)	(15,936,381)
Changes in working capital:			
Decreased in inventories	18	48,437,033	285,953,016
(Increased) / Decreased in trade and other receivables	19	(61,956,071)	49,322,240
Increased in trade and other payables	23	32,281,285	67,400,510
Cash (used in) / generated from operating activities		(59,526,038)	386,739,386
Interest paid	09.2	(90,143,944)	(152,705,009)
Income tax paid		-	(27,991,370)
Retiring gratuity paid	22	(7,381,934)	(3,022,288)
Surcharge tax 2020/21 paid		-	(26,419,415)
Net cash (used in) / generated from operating activities		(157,051,916)	176,601,304
Cash flow from investing activities			
Sale proceed of property, plant and equipment	13	-	(125,934,604)
Purchase of property, plant and equipment	13	(55,732,849)	-
Sale of intangible assets	14	-	(4,612,117)
Investment in treasury bills	16	(3,294,663)	(2,060,759)
Interest income	09.1	5,302,040	10,393,697
Investment in financial assets at fair value through profit and loss		-	(3,605,983)
Net cash (used in) investing activities		(53,725,472)	(125,819,766)
Cash flow from financing activities			
Dividends paid		-	(8,465,542)
Net receipt/ (Re-payment) of short term borrowings	24	199,093,569	(6,405,418)
Repayment of long term borrowings		(81,179,999)	-
Net cash generated from / (used in) financing activities		117,913,570	(14,870,960)
Net increase / (decrease) in cash and cash equivalents		(92,863,819)	35,910,579
Cash and cash equivalents at the beginning of the year		(32,761,741)	(68,672,320)
Cash and cash equivalents at the end of the year	20.1	(125,625,560)	(32,761,741)

All values are in Sri Lankan Rupees, unless otherwise stated. Figures in brackets indicate deductions.

The significant accounting policies and notes on pages 80 to 107 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 01 - General Information

1.1 - General

The Company is a public limited liability Company incorporated and domiciled in Sri Lanka. The address of its registered office is No. 110, Kumaran Ratnam Road, Colombo 02 and the principle place of business is situated at Akuressa Road, Bogahagoda, Galle.

After the reporting period, the company changed its registered address to Akurassa Road, Bogahagoda, Galle with effect from 26 May 2025.

1.2 - Principal activities and nature of operations

During the year, the principal activities of the Company were manufacture unhardened vulcanized rubber and PVC based products to the international and local markets.

1.3 - Parent enterprise and ultimate parent

The Company's parent undertaking is DSI Samson Group (Pvt) Ltd which holds effectively (collectively inclusive of Company holding) 57% of shares of Samson International PLC.

1.4 - Approval of financial statements

These financial statements have been approved for issue by the Board of Directors on 11th August 2024.

1.5 - Number of employees

The number of employees of the Company at the end of the year was 460. (2024/25 - 458 Employees).

Note 02 - Basis of preparation

2.1 - Statement of compliance

The Company prepares the financial statements in accordance with the Sri Lanka Accounting Standards (LKASs and SLFRSs) issued by the Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No. 07 of 2007 and Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995.

2.2 - Basis of measurement

The financial statements have been prepared on the historical cost basis, except that the retirement benefit obligations are measured at the present value of the defined benefit plans as explained in the respective notes to the financial statements.

2.3 - Measurement of fair values

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the Company assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SLFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.4 - Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern in the foreseeable future and they do not foresee a need for liquidation or cessation of trading. Therefore, the financial statements continued to be prepared on the going concern basis.

2.5 - New or amended standards and interpretations effective for the year.

The following amendments and improvements to Sri Lanka Accounting Standards issued, but not effective as at the reporting date have not been applied in preparing the Financial statements. The Company plan to apply these amendments to the standards from their effective dates:

- SLFRS 17 - Insurance contracts
- SLFRS S1 - General Requirement for Disclosure of Sustainability-related Financial Information
- SLFRS S2 - Climate related Disclosures
- Amendments to LKAS 21 - Lack of Exchangeability
- Amendments to LKAS 1 - Classification of Liabilities as Current/Non current
- Amendments to SLFRS 16 - Sale and Leaseback Variable Payments

2.6 Standards issued but not yet effective

The following amendments and improvements are not expected to have a significant impact on the Company's financial statements.

- Amendment to LKAS 1 - Presentation of financial statements on classification of Liabilities
- Amendment to LKAS 8 - Accounting Policies, changes in Accounting Estimates and Errors (Definition of Accounting Estimates)
- Amendment to LKAS 12 - Deferred tax related to Assets and Liabilities arising from a Singal Transaction

2.7 - Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees which is the Company's functional currency.

2.8 - Use of estimates and judgments

The preparation of financial statements in conformity with SLFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although the judgments and estimates are based on management's best knowledge of the current events and actions, actual results may ultimately differ from those estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

Information about critical estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is provided in Note 04.

Note 03 - Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements of the company

3.1 - Foreign currency

3.1.1 - Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions.

At each reporting date, monetary items denominated in foreign currencies are translated at the closing rate. Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the year.

3.2 - Assets and bases of their valuation

Assets classified as current assets in the Statement offinancial position are cash, bank balances and those which are expected to be realized in cash, during the normal operating cycle of the Company's business, or within one year from the reporting date, whichever is shorter. Assets other than current assets are those which the Company intends to hold beyond a period of one year from the reporting date.

3.2.1 - Property, plant and equipment

Property, plant and equipment is recognized if it is probable that future economic benefits associated with the assets will flow to the entity and the cost of the assets can be measured in reliably in accordance with LKAS 16- Property, Plant and Equipment.

3.2.1.1 - Recognition and measurement

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes expenditure that is directly attributable to the acquisition of the assets.

3.2.1.2 - Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized in accordance with the derecognizing policy given below. The cost of repair and maintenance of property, plant and equipment are of profit or loss as incurred.

3.2.1.3 - De-recognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on de-recognition of the asset are determined by comparing the proceeds from disposal with the carrying amount of property, plant & equipment and are recognized within other income in the Statement of comprehensive income.

3.2.1.4 - Depreciation

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

3.2.1.4 - Depreciation

The estimated useful lives are as follows:

Asset category	Useful life (Years)
Buildings	20 years
Plant and machinery	10 years to 29 years
Machine accessories	10 years to 26 years
Furniture and fittings	10 years
Office equipment	10 years to 23 years
Motor vehicles	05 years to 19 years

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

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

3.2.2 - Leases

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

3.2.2.1 - Right-of-use assets

The Company recognizes a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are 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. Right-of-use assets (except for those which meet the definition of an investment property) are presented within "Property, plant and equipment".

3.2.2.2 - Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

Subsequently, Lease liabilities are measured at amortized cost using the effective interest method.

3.2.2.3 - Short term and low value leases

The Company has elected to not recognize right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

3.2.3 - Intangible assets

The Company recognizes intangible assets if it is probable that future economic benefit associated with the assets can be measured reliably in accordance with LKAS 38.

The Company's intangible assets include the value of acquired computer software.

3.2.3.1 - Software

All computer software cost incurred, which are not internally related to associate hardware, which can be clearly identified, reliably measured and it is probable that they will lead to future economic benefits, are included in the Statement of financial position under the category of intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

3.2.3.2 - Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred. pattern of consumption of the future economic benefits embodied in the asset.

3.2.3.3 - Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized in the profit or loss on a straight line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Category of asset	Useful life (Years)	Depreciation rate (%)
ERP Computer Software	10	10%

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

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

3.2.3.4 - De - recognition

Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

3.2.4 - Impairment of non financial assets

The Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the assets is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired assets except for properties previously revalued with the revaluation taken to Other Comprehensive Income. For such properties, the impairment is recognized in Other Comprehensive Income up to the amount of any previous revaluation. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.3 - Financial instruments

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

3.3.1 - Financial assets

3.3.1.1 - Initial recognition and measurement

Financial assets within the scope of SLFRS 09 are classified as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortized cost. The Company determines the classification of its financial assets at initial recognition. the classification depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. All financial assets are recognized initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs. Trade receivables that do not contain a significant financial component or for which the Company has applied the practical expedient are measured at the transaction price determined under SLFRS 15. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

3.3.1.2 - Subsequent measurement

3.3.1.2.1 - Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss include financial assets designated as such at fair value through profit or loss at initial recognition. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Subsequent to initial recognition, financial assets at fair value through profit loss are carried at fair value in the Statement of financial position with fair value gains or losses recognized through the Statement of comprehensive income.

3.3.1.2.2 - Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include financial assets designated as such at fair value through other comprehensive income at initial recognition. However as at 31 March 2025, there were no financial assets at fair value through other comprehensive income.

3.3.1.2.3 - Financial assets at amortized cost

Financial assets at amortized cost include financial assets designated as such at amortized cost at initial recognition. The Company have been classified investments intreasury bills and bonds, investment in fixed deposits and trad receivables under this category considering the objective is to hold such investments and receivables in order to collect contractual cash flows.

3.3.1.3 - De-recognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

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

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

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

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

3.3.2 - Impairment of financial assets

The Company assesses at each reporting date whether the credit risk on a financial assets have increased significantly since initial recognition. When making the assessment, company consider the change in the risk of default occurring over the expected life of the financial assets.

The Company recognizes a loss allowance since its initial recognition for expected credit loss on financial assets that are measured at amortized cost. For the financial assets, which the credit risk on that has increased significantly since initial recognition, the company measures and recognizes the loss allowance at an amount equal to the life time expected credit loss.

Credit risk on financial assets has not increased significantly since its initial recognition, the Company measure the loss allowance for that assets at an amount equal to 12 months expected credit loss. Trade receivable result from SLFRS 15 are measured the loss allowance at an amount equal to life time expected credit losses.

3.3.2.1 - Impaired financial assets

The Company assesses whether the financial assets which are carried at amortized cost are credit impaired at each reporting date and recognizes a life time expected credit loss. Loss allowance are deducted from the gross carrying amount of the assets.

3.3.2.2 - Write-off of financial assets

Gross carrying amount of a financial asset is written off when the company has no reasonable expectations of recovering the financial asset in its entirety or portion there of.

3.3.3 - Financial liabilities

3.3.3.1 - Initial recognition and measurement

Financial liabilities within the scope of SLFRS 09 are classified as financial liabilities at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, transaction costs that are directly attributable to the acquisition or issue of such financial liability.

The Company's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

3.3.3.2 - Subsequent measurement

Financial liabilities at amortized cost

Financial liabilities at amortized cost include financial liabilities designated upon initial recognition as at amortized cost.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method unless the effect of discounting would be insignificant in which case they are stated at cost.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit or Loss.

3.3.3.3 - De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3.4 - Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories is comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) All inventory items except manufactured inventories and work-in-progress are measured using first in, first out basis.

b) Manufactured inventories and work-in-progress are measured at weighted average factory cost which includes all direct expenditure and appropriate shares of production overhead based on normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.5 - Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits, demand deposits, and short term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value net of bank overdrafts that are repayable on demand for the purpose of the statement of cash flows.

3.6 - Post employment benefits**3.6.1 - Defined benefit plan**

Defined benefit plans are post-employment benefit plans other than defined contribution plans. The liability recognized in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated using the "Projected Unit Credit Method" with the advice of an independent professional actuary as requested by LKAS 19 on 'Employee Benefit'.

Past service costs are recognized immediately in the profit or loss while the actuarial gains and losses are charged or credited to profit or loss in the period in which they arise. The liability is not externally funded.

3.6.2 - Defined contribution plans - EPF and ETF

All employees who are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contribution are covered by relevant contribution funds in line with respective statutes and regulations. The Company contributes 12% of gross emoluments of executive and other employees respectively to the Employees' Provident Fund and 3% of gross emoluments of all employees to the Employees' Trust Fund respectively. Employer's contributions to the defined contribution plans are recognized as an expense in profit or loss when incurred.

3.7 - Stated capital

Stated capital consists solely of ordinary share capital. Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown as a deduction, net of tax, in equity from the proceeds.

3.8 - Provisions

A provision is recognized if, as a result of a past event the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.9 - Statement of comprehensive income**3.9.1 - Revenue from contract with customers****3.9.1.1 - Revenue recognition**

Revenue from contract with customers is recognized within the scope of SLFRS 15 when the following criteria are met.

- The parties to the contract have approved the contract and are committed to perform their respective obligation.
- Company can identify each party's rights regarding the goods or services to be transferred.
- Ability to identify the payment terms for the goods or services to be transferred.
- The contract has commercial substance and
- It is probable that the company will collect the consideration in exchange for the goods or services that will be transferred to the customer.

3.9.1.1.1 - Revenue from sale of goods

At the contract inception company assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer either:

- A good or service that is distinct or
- A series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer

Company recognize revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Goods or services are transferred when the customer obtains control of that asset. The amount of the transaction price which is allocated to a performance obligation is recognize as revenue.

Company consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties.

3.9.1.1.2 - Other income**Interest income**

For all financial instruments measured at amortized cost and interest bearing financial assets classified as fair value through profit and loss, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss & other income is recognized on an accrual basis.

3.9.2 - Expenditure recognition**3.9.2.1 - Operating expenses**

All expenses incurred in day to day operations of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of comprehensive income in arriving at the profit for the year. Provision has also been made for impairment of financial assets, slow moving stocks, all known liabilities and depreciation on property, plant and equipment.

3.9.2.2 - Borrowing costs

Borrowing costs directly attributable to acquisition, construction or production of assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that Company incurs in connection with the borrowing of funds.

3.9.3 - Net finance income / (expenses)

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognized on financial assets, borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

3.9.4 - Taxation**3.9.4.1 - Current taxes**

The provision for income tax on Sri Lankan operation is based on the elements of income and expenditures reported in the financial statements and computed with in accordance with the provisions of the Inland Revenue Act No 24 of 2017.

The relevant details are disclosed in the respective notes to the financial statements.

3.9.4.2 - Deferred taxation

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

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carry forward of unused tax losses / credits can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date.

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

3.10 - Related party transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged or not.

The relevant details are disclosed in the respective notes to the financial statements.

3.11 - Cash flows

Interest received and dividends received are classified as investing cash flows, while dividend paid and interest paid, is classified as financing cash flows for the purpose of presentation of Statement of Cash Flows which has been prepared using the 'Indirect Method'.

3.12 - Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the period.

3.13 - Events occurring after the reporting date

Events after the reporting period are those events favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. The materiality of the events occurring after the reporting period is considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary.

3.14 - Segment reporting

Segment information is provided for the different business segments of the Company. Business segmentation has been determined based on the nature of goods provided by the Company after considering the risks and rewards of each type of product.

The activities of the segments are described in note 28 to the financial statements.

Note 04 - Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

4.1 - Estimated useful lives of property, plant and equipment

The Company reviews annually the estimated useful lives of Property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of PPE would increase the recorded depreciation charge and decrease the property, plant and equipment balance.

4.2 - Estimated useful lives of intangible assets

The Company reviews annually the estimated useful lives of intangible assets based on factors such as business plan and strategies, expected level of usage and future developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of intangible assets would increase the recorded amortization charge and decrease the intangible assets balance.

4.3 - Defined benefit obligations

The present value of the gratuity obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for gratuity include the discount rate, salary increment rate and staff turnover rate. Any changes in these assumptions will impact the carrying amount of gratuity obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Note 05 - Financial risk management

The Board of Directors have overall responsibility for the establishment and oversight of the risk management framework, including policies and procedures. In discharging its governance responsibility it operates through the Board of Directors and the Audit Committee.

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

- Credit Risk
- Operational Process risk
- Finance and Interest rate risk
- Foreign Exchange rate risk
- Investment risk / Project Management risk
- Liquidity risk

5.1 - Credit risk

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

5.1.1 - Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows:

as at 31 March	2025 Rs.	2024 Rs.
Trade receivables	451,683,163	353,922,359
	451,683,163	353,922,359

5.1.1.1 - The maximum exposure to credit risk for trade receivables at the end of the reporting period by type of counterparty is as follows:

	2025 Rs.	2024 Rs.
Trade receivables from related parties	18,605,435	19,232,683
Trade receivables - others	433,077,728	334,689,676
	451,683,163	353,922,359

Amounts due from related companies were given on normal credit terms.

5.1.1.2 - The maximum exposure to credit risk for net trade receivables as at the reporting date by geographic was as follows:

as at 31 March	2025 Rs.	2024 Rs.
Domestic	195,288,955	206,669,592
Export	256,394,208	147,252,767
	451,683,163	353,922,359

5.2 - Finance and interest rate risk

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

5.2.1 - The following are the contractual maturities of financial liabilities within 12 months :

As at 31 March	2025 Rs.	2024 Rs.
Carrying amount		
Trade creditors - related companies	49,554,450	41,855,758
Trade creditors - direct import	34,909,459	38,533,324
Trade creditors - other	86,986,402	75,012,224
Customer advances	24,273,209	9,966,521
Customer guarantee deposits	6,689,888	8,327,300
Expenses creditors	51,864,919	46,884,382
Statutory payables	4,995,496	6,413,029
Bank borrowings - overdrafts	173,713,773	111,477,168
Bank borrowings - short term borrowings	766,255,570	583,842,000
Income tax liability	9,298,876	9,298,876
	1,208,542,042	931,610,582

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

5.3 - Foreign exchange rate risk

The Company is exposed to currency risk on sales and purchases that are denominated in a currency other than Sri Lankan Rupees (LKR). The foreign currencies in which the set transactions primarily denominated are United State Dollars (USD) and Euro.

5.3.1 - The Company's exposure to foreign currency risk based on notional amounts was as follows:

As at 31 March	2025		2024	
	USD	EUR	USD	EUR
Foreign currency advances paid	72,480	223,578	-	112,549
Trade and other receivables	78,999	624,322	57,599	376,185
Cash and cash equivalents	34,905	3,307	60,955	96,805
Short term borrowings and other payables	-	100,000	-	100,000
Gross statement of financial position exposur	186,183	951,207	118,554	685,539

5.3.2 - The following significant exchange rates were applicable during the year:

Currency	Average rate		Reporting date spot rate	
	2025	2024	2025	2024
	Rs	Rs	Rs	Rs
USD	296.32	317.93	296.34	300.44
EUR	319.77	344.91	319.86	325.25

5.4 - Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or other financial assets.

5.4.1. Management of liquidity risk

The Company approach to managing liquidity is to ensure, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation. The Company's approach to managing its liquidity risk is as follows:

- Regularly monitoring of the Company's assets and liabilities in order to forecast cash flows for up to future period.
- Monitoring the facility limit

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at 31 March 2024	On demand	Less than 1 year	1 to 5 years	Total (Rs)
Trade & other payables	-	226,992,538	-	226,992,538
Short term borrowings	-	695,319,168	-	695,319,168
Income tax liabilities	-	9,298,876	-	9,298,876
	-	931,610,582	-	931,610,582
As at 31 March 2025	On demand	Less than 1 year	1 to 5 years	Total (Rs)
Trade & other payables	-	259,273,823	-	259,273,823
Short term borrowings	-	939,969,343	-	939,969,343
Income tax liabilities	-	9,298,876	-	9,298,876
	-	1,208,542,042	-	1,208,542,042

5.5 - Risk management

The approach to mitigate the exposure of the above risks by the management is as follows;

Risk identification	Risk assessment	Risk management	Risk ranking
5.5.1 - Credit risk	Risk arising due to default of payment. Higher credit risk may adversely impact both liquidity and profitability.	<p>The following stringent assessment procedures applied to ensure credit worthiness of the customers prior to the granting of credit.</p> <p>a) Credit is allowed only to approved customers which is reviewed yearly.</p> <p>b) Obtaining bank guarantees, deposits, post- dated cheques from local debtors and insurance cover for export debtors whenever there is a doubt about recovery.</p> <p>c) Closely monitoring the debtor balances and laying down action plans accordingly.</p>	Medium
5.5.2 - Operational process risk	Internal process failures, fraud, pilferage and breakdown of internal controls.	<p>a) The Company sources its products and services from approved suppliers.</p> <p>b) Outsource internal audit to reputed Audit firm to review and report on the adequacy of the financial and operational controls to the Audit</p> <p>c) Systems and procedures are in place to ensure compliance with internal controls, which are monitored and reviewed for their continued efficiency and effectiveness.</p> <p>d) Provide focused and structured training to staff at all levels to familiarize themselves with processes and procedures.</p> <p>e) Carrying out mandatory preventive maintenance programs.</p>	Medium
5.5.3 - Financing and interest rate risk	Inability to satisfy debt repayments and obtain the best interest rates.	<p>a) To have adequate facilities for obtaining USD loans and borrowings in foreign currency to bring down finance charges.</p> <p>b) Funding of long- term assets through equity and long- term loans.</p> <p>c) To have adequate short term borrowing facilities available at all times.</p> <p>d) Low gearing is maintained.</p>	Medium
5.5.4 - Foreign exchange rate risk	Depreciation of the rupee value and loss of exchange in conversion in relation to export proceeds, import payments and foreign currency debt transactions.	<p>a) Exchange rate movements are taken in to consideration before conversion and pricing.</p> <p>b) Practicing effective hedging techniques.</p> <p>c) Continuous evaluation of the impact of Central Bank regulations.</p>	High

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

Risk identification	Risk assessment	Risk management	Risk ranking
5.5.5 - Investment risk / Project management risks	New projects/capital expenditures involve high risks and uncertainties in terms of delays and cost overruns. Failure of major projects will affect profitability, capital structure and reputation.	a) Conduct a PESTEL analysis and feasibility study before initiating the projects. b) Board approval should be received for all investments. c) Post-evaluation of the projects is carried out for each investment.	Low
5.5.6 - Liquidity risk	Inadequate liquidity can have an adverse impact on ongoing operations, marketing and investment in new products and brands.	a) The liquidity position of the Company is regularly reviewed and reported to the Board. b) Projected net borrowings are covered by committed banking facilities and a healthy industry-related gearing ratio is maintained. c) The Company's good relationships and facilities with many banks and other sources of finance ensure reliable access to funds.	Medium

FOR THE YEAR ENDED 31 ST MARCH		2025 Rs.	2024 Rs.
Note 06 - Revenue			
Sale of goods	6.1	2,215,454,459	2,316,264,560
		2,215,454,459	2,316,264,560

6.1 - Composition of revenue

Export turnover		971,462,253	1,118,104,163
Local turnover		1,243,992,206	1,198,160,397
		2,215,454,459	2,316,264,560

Note 07 - Other income

Income from solar project and miscellaneous	6.1	20,154,106	22,111,531
Fair value gain on debentures		-	3,605,983
Debtor write-off		-	573,000
Reversal of doubtful debtors		279,637	2,094,895
		20,433,743	28,385,409

Note 08 - (Loss) / profit from operations is stated after charging all expenses including following :

Cost of material consumed		1,298,603,220	1,246,653,722
Employee benefit expenses	8.1	510,509,733	499,926,728
Other overheads		12,816,009	12,242,592
Depreciation		93,380,527	84,569,590
Amortization of intangible assets		1,674,504	1,405,358
Export expenses		35,094,676	15,851,896
Machinery maintenance		44,054,616	35,676,104
Sub contract wages		14,658,215	13,128,498
Auditors remuneration - assurance services		631,500	584,000
Auditors remuneration - non assurance services		123,700	103,000
Others		425,987,530	543,010,876
		2,437,534,230	2,453,152,364

8.1 - Employee benefit expenses

Director's remuneration		91,195,211	61,315,602
Management fees		13,297,428	13,763,113
Bonus and other allowances		4,433,062	4,320,000
Salaries, wages, overtime and other staff costs		350,022,844	361,815,365
Post employment benefit - gratuity		14,190,354	16,784,975
EPF and ETF		26,931,962	28,876,842
Direct employees medical		7,572,489	9,572,359
Direct employees-travelling		2,125,607	2,665,556
Direct employees-welfare		740,776	812,916
		510,509,733	499,926,728

FOR THE YEAR ENDED 31 ST MARCH		2025 Rs.	2024 Rs.
Note 09 - Net finance cost			
9.1 - Finance income			
Interest income from fixed deposit		1,924,258	4,342,841
Interest income from foreign currency deposits		483,054	1,110,086
Interest income from treasury bills		1,880,969	3,791,652
Interest income from debentures		812,500	975,000
Interest income - Staff loans		451,945	174,118
		5,302,040	10,393,697
9.2 - Finance cost			
Interest expenses on bank borrowings		59,631,701	91,969,493
Interest on long term loans		18,931,406	41,127,755
Foreign exchange loss		9,281,582	36,716,331
Overdraft interest		11,580,837	19,607,761
		99,425,526	189,421,340
Net finance cost		(94,123,486)	(179,027,643)
Note 10 - Income tax expenses			
Income tax provision for the year	10.1	-	-
Origination and (reversal) of temporary differences of deferred tax assets and liabilities	17	4,717,946	7,054,081
		4,717,946	7,054,081
10.1 Reconciliation between income tax expenses and the accounting (loss) / profit :			
(Loss) / profit before income tax		(295,769,514)	(287,530,038)
Tax effects of:			
Total disallowable expenses		132,573,854	112,718,353
Total allowable expenses		(125,640,678)	(119,988,757)
(Tax loss) / taxable income from ordinary activities		(288,836,338)	(294,800,441)
Income not part of adjusted business (loss) / profit		(5,302,040)	(24,441,456)
Tax (loss) / taxable business profit		(294,138,378)	(319,241,898)
Interest on fixed deposits and treasury bills		5,302,040	9,283,611
Total tax (loss) / taxable income		(288,836,338)	(309,958,287)
Total taxable income			
Taxable @ 30%		-	-
		-	-
Income tax expenses			
Tax @ 30%		-	-
Tax for the year		-	-

As per the Inland Revenue (Amendment) Act No 45 of 2022 applicable tax rate is 30% and effective from 01 October 2022 .

FOR THE YEAR ENDED 31 ST MARCH	2025 Rs.	2024 Rs.
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Note 11 - Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at year end .

Amount used as the numerator

(Loss) / profit for the year	(300,487,460)	(294,584,119)
(Loss) / profit attributable to equity holders of the Company	(300,487,460)	(294,584,119)

Number of ordinary shares used as denominator

Weighted average number of ordinary shares in issue	4,232,771	4,232,771
Weighted average number of ordinary shares for earnings per share	4,232,771	4,232,771

Basic (loss) / earnings per share (Rs.Cts)	(70.99)	(69.60)
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Note 12 - Dividend per share

Amounts used as numerator

Dividend paid	-	8,465,542
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Number of ordinary shares used as the denominator

Weighted average number of ordinary shares in issue	4,232,771	4,232,771
Dividend per share (Rs. Cts.)	-	2.00

Note 13 - Property, plant and equipment

	Balance as at 01.04.2024 Rs	Additions Rs.	Additions Rs.	Balance as at 31.03.2025 Rs.
Cost/ Valuation				
<u>Freehold assets</u>				
Freehold land	28,392,755	454,000	-	28,846,755
Buildings	297,101,018	22,088,030	-	319,189,048
Plant and machinery	801,744,009	26,176,817	-	827,920,826
Machine accessories	204,141,073	4,088,772	-	208,229,845
Furniture and fittings	1,726,585	-	-	1,726,585
Office equipment	29,916,578	1,649,930	-	31,566,508
Motor vehicles	24,742,824	1,275,300	-	26,018,124
	1,387,764,842	55,732,849	-	1,443,497,691
Accumulated depreciation				
<u>Freehold assets</u>				
Freehold land	-	-	-	-
Buildings	149,222,703	12,215,437	-	161,438,140
Plant and machinery	396,236,544	64,824,841	-	461,061,385
Machine accessories	168,385,662	10,749,357	-	179,135,019
Furniture and fittings	1,194,319	29,916	-	1,224,235
Office equipment	16,813,830	2,356,336	-	19,170,166
Motor vehicles	18,879,406	3,204,639	-	22,084,045
	750,732,464	93,380,526	-	844,112,990
Written down value				
<u>Freehold assets</u>				
Freehold land	28,392,755			28,846,755
Buildings	147,878,315			157,750,908
Plant and machinery	405,507,465			366,859,441
Machine accessories	35,755,411			29,094,826
Furniture and fittings	532,266			502,350
Office equipment	13,102,748			12,396,342
Motor vehicles	5,863,418			3,934,079
Net book value	637,032,378			599,384,701

13.2 - Other explanatory notes for property, plant and equipment**(a) Fully depreciated property, plant and equipment**

A class wise analysis of the initial cost of fully depreciated property, plant and equipment of the company which are still in use as at the reporting date is as follows,

As at 31 March	2025 Rs.	2024 Rs.
Furniture and fittings	1,038,913	1,038,913
Motor vehicles	6,711,657	9,335,824
Office equipment	5,148,805	4,771,590
Plant and machinery	84,861,832	122,611,668
Machine accessories	51,430,728	91,737,528
Building	72,570,661	72,570,661
Total	221,762,596	302,066,184

(b) Temporarily idle property, plant and equipment

There were no property, plant and equipment idle from active use as at the reporting date.

(c) Property, plant and equipment retired from active use

There were no property, plant and equipment retired from active use as at the reporting date.

(d) Title restriction of property, plant and equipment

There were no restrictions on the title of property, plant and equipment as at the reporting date.

(e) Land holdings

The value of factory lands situated at Akuressa Road, Bogahagoda, Galle was valued by an independent incorporated valuer at a value of Rs. 413.5 Mn as at 27th March 2024. Paddy field at Akuressa Road Bogahagoda was valued at Rs.1.85 Mn. PVC factory at Gilcroft Estate, Kiribathwila, Ampegama, Baddegama was purchased in 2014/15 and its market value is Rs.60.2 Mn. The factory at No: 57B, Industrial Processing Zone, Nagoda, Kaluthara was purchased in 2010/2011 and its current market value is Rs 1.85 Mn.

Location	Address	No. of Buildings	Extent of land	Extent of Building
Galle Factory	Akuressa Road, Bogahagoda, Galle.	10 Buildings	7 Acres 2 Roods & 30.5 Perches	107,160 Sq ft
Kalutara Factory	No. 57/B, Fullerton Industrial Zone, Nagoda, Kalutara	3 Buildings	120 Perches	5,990 Sq ft
Baddegama Factory	Gilcroft Estate, Kiribathwila, Ampegama, Baddegama	1 Buildings	2 Acres 2 Roods & 0.11 Perches	34,915 Sq ft
Paddy Field Bohagagoda	Akuressa Road, Bogahagoda, Galle.	-	1 Acres 1 Roods & 3 Perches	-
Total			12 Acres 3 Roods & 43.11Perches	148,065 Sq ft

The above lands were valued by Mr. D. L. Pathmasiri, Bsc.(Sp) Estate Management and valuation, Associate Member of Institute of Values of Sri Lanka, of Pathmasiri Liyanage and Associates Private Limited , No 06,1st Floor, City View Shopping Complex,Talbat Town,Galle in March 2024.

FOR THE YEAR ENDED 31 ST MARCH	2025 Rs.	2024 Rs.
Note 14 - Intangible assets		
Cost		
Balance at the beginning of the year	16,745,036	12,132,919
Disposal during the year	-	4,612,117
Balance at the end of the year	16,745,036	16,745,036
Accumulated amortization		
Balance at the beginning of the year	8,777,630	7,372,272
Charge for the year	1,674,504	1,405,358
Balance at the end of the year	10,452,134	8,777,630
Net book value	6,292,902	7,967,406

Note 15 - Financial assets at fair value through profit and loss

Quoted debentures	15.1	10,007,473	10,007,473
		10,007,473	10,007,473

Note 15.1 - Quoted debentures

	No of Debentures	Market Price Rs. Cts	Market Value As at 31.03.2025 Rs.	Market Value As at 31.03.2024 Rs.
Seylan Bank	100,000	100.07	10,007,473	10,007,473
			10,007,473	10,007,473

15.2 - Level of fair value hierarchy

As at 31 March 2025, the Company held quoted debentures amounting to Rs. 10,007,473 (2024: Rs. 10,007,473), which are classified within Level 1 of the fair value hierarchy under SLFRS 13 – Fair Value Measurement. The fair value of these financial instruments is determined based on quoted prices in active markets for identical instruments at the reporting date, without any adjustments.

Note 16 - Financial assets at amortized cost

Investment in treasury bills	26,319,108	23,024,445
	26,319,108	23,024,445

Note 17 - Deferred taxation

17.1 - Deferred tax assets

Balance at the beginning of the year	22,304,151	18,661,292
Recognized in profit and loss	2,042,526	4,128,807
Recognized in other comprehensive income	(2,068,413)	(485,948)
Balance at the end of the year	22,278,263	22,304,151

17.2 - Deferred tax liabilities

Balance at the beginning of the year	80,585,784	69,402,896
Recognized in profit and loss	6,760,472	11,182,888
Balance at the end of the year	87,346,256	80,585,784
Net deferred tax liability	65,067,993	58,281,633

FOR THE YEAR ENDED 31 ST MARCH	2025 Rs.	2024 Rs.
17.3 - Composition of net deferred tax liability is as follows;		
Deferred tax liability on property, plant and equipment	87,346,256	80,585,784
Deferred tax asset on retirement benefit obligation	(22,278,263)	(22,304,150)
	65,067,994	58,281,635

Note 18 - Inventories

Raw materials	166,645,878	230,431,544
Work in progress	58,818,174	44,865,285
Finished goods	177,855,514	180,543,119
Stationery, consumable maintenance and energy	33,708,863	39,213,978
	437,028,429	495,053,926
Provision for inventories	(14,414,511)	(1,075,511)
	422,613,918	493,978,415

18.1 - Movements on the provision for inventory is as follows:

Balance at the beginning of the year	1,075,511	9,422,392
(Reversal) / provision for inventory impairment	13,339,000	(8,346,881)
Balance at the end of the year	14,414,511	1,075,511

Note 19 - Trade and other receivables

Trade receivables - Local		178,032,079	188,318,991
Trade receivables - Foreign		256,394,208	147,252,767
Trade receivables - Related parties	19.1	18,605,435	19,232,683
Less: Specific provision for doubtful trade receivables	19.2	(1,348,559)	(882,082)
Trade receivables - net		451,683,163	353,922,359
Other receivables		16,847,261	15,329,734
Deposits and prepayments		12,705,921	5,781,578
Advances		127,170,871	171,883,947
		608,407,214	546,917,618

19.1 - Trade receivables - Related parties

D. Samson Industries (Pvt) Ltd.	15,012,702	16,967,376
Samson Trading (Pvt) Ltd.	1,620,410	1,277,464
Samson Compounds (Pvt) Ltd.	600,585	322,927
Samson Rubber Industries (Pvt) Ltd.	7,152	70,773
Samson Rajarata Tiles (Pvt) Ltd.	145,503	333,192
Samson Engineering (Pvt) Ltd.	169,835	260,951
Samson Manufacturers (Pvt)Ltd.	76,063	-
Samtessi Brush Manufactures (Pvt) Ltd	973,712	-
	18,605,435	19,232,683

19.2 - Movement in provision for doubtful trade receivables

Balance at the beginning of the year	882,082	2,976,977
Provision / (reversal) for the year	466,477	(2,094,895)
Balance at the end of the year	1,348,559	882,082

The Company defines default as the failure to meet contractual payment obligations (principal or interest) when due under loan agreements or credit facilities. Default also includes breaches of financial covenants that are not rectified within the contractual grace period. This definition is consistent with the terms of lending arrangements and aligns with the Company's internal credit risk management policies in accordance with SLFRS 9.

NOTES TO THE FINANCIAL STATEMENTS (Contd....)

As of 31st March 2025, Trade Receivables of Rs. 435,579,987/- (as of 31st March 2024 was Rs.335,571,758) were fully performing.

As of 31st March 2025, Trade Receivables of Rs. 49,784,363/- (as of 31st March 2024 was Rs. 156,426,798) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The aging analysis of these trade receivables is as follows:

FOR THE YEAR ENDED 31 ST MARCH	2025 Rs.	2024 Rs.
3 to 6 months	40,398,707	84,682,570
over 6 months	9,385,655	71,744,228
	49,784,363	156,426,798

As of 31 March 2025, trade receivables of Rs. 1,348,559/- (as of 31 March 2024 Rs 882,082/-) were impaired and provided for. The individually impaired receivables mainly relate to customers, who are in unexpectedly difficult economic situations. It was assessed that no portion of the impairment provision for receivables is expected to be recovered.

19.3 - Analysis of current financial instruments by category

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss	15	10,007,473	10,007,473
		10,007,473	10,007,473

Financial assets at amortized cost

Trade and other receivables excluding prepayments, statutory payments and advances		436,858,609	356,348,360
Financial assets at amortized cost	16	26,319,108	23,024,445
Cash and cash equivalents	20	48,088,213	78,715,427
		511,265,930	458,088,232

Financial liabilities at amortized cost

Trade and other payables (Excluding statutory liabilities and advances)	23	223,315,230	202,285,688
Borrowings	24	939,969,343	695,319,168
		1,163,284,573	897,604,856

19.4 - Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows:

Trade receivables	19	451,683,163	353,922,359
		451,683,163	353,922,359

The maximum exposure to credit risk for trade receivables at the end of the reporting period by type of counterparty is as follows:

Trade receivables from related parties	19.1	17,451,735	19,232,683
		434,231,428	334,689,676
		451,683,163	353,922,359

Amounts due from related companies were given on normal credit terms.

Note 20 - Cash and cash equivalents

Cash at bank	16,861,217	49,233,815
Short term fixed deposits	31,074,309	29,359,670
Cash in hand	152,687	121,942
	48,088,213	78,715,427

FOR THE YEAR ENDED 31 ST MARCH	2025 Rs.	2024 Rs.
20.1 - For the purpose of statement of cash flows, cash and cash equivalents comprise the following:		
Cash at bank	16,861,217	49,233,815
Cash in hand	152,687	121,942
Short term deposits	31,074,309	29,359,670
Bank overdrafts	(173,713,773)	(111,477,168)
	(125,625,560)	(32,761,741)

The Company held cash and cash equivalents with reputed commercial banks.

Note 21 - Stated capital

4,232,771 Number of ordinary shares issued and fully paid	109,600,211	109,600,211
	109,600,211	109,600,211

Note 22 - Retirement benefit obligations

Balance at the beginning of the year	74,347,166	62,204,304
Current charge for the year /past service cost	5,268,694	5,572,149
Interest cost	8,921,660	11,212,826
Actuarial (gain) on obligation	(6,894,711)	(1,619,825)
Benefit paid	(7,381,934)	(3,022,288)
Balance at the end of the year	74,260,875	74,347,166

The expenses is recognized in the following line items in the Statement of Profit or Loss.

Cost of sales	8,383,363	9,993,624
Administrative expenses	5,806,991	6,791,351
Balance at the end of the year	14,190,354	16,784,975

As at 31st March 2025, the gratuity liability was actuarial valued under the Projected Unit Credit (PUC) method by a professionally qualified actuary Mr. Munisamy Poopalanathan of Actuarial and Management Consultants (Pvt) Ltd, 1st floor, 434, R.A. De Mel Mawatha, Colombo 03 who is a qualified actuary, A.I.A (London). A required account provision of the Company as at 31st March 2025 has been determined based on the recommendation on this report.

For the year ended 31 March 2025	2025	2024
Salary incremental rate	9.00%	10.00%
Rate of discount	11.00%	12.00%
Staff turnover rate	5% to 48%	5% to 48%
Retirement age	60 years	60 years

Salary increment rate decreased by 1% in the current period based on a management decision considering the inflationary conditions in the country.

Rate of discount is set based on published 11 years government treasury bond rate prevailing as at the actuarial valuation date

Staff turnover rate varies ranging from 5% to 48% per annum based on the category on the age limit. This 48% represent the casual workers

Provision has been made for the retirement benefit obligation in conformity with LKAS 19 - Employee Benefits.

22.2 - Sensitivity analysis

In order to illustrate the significance of the salary escalation and discount rate used in the actuarial valuation as at 31st

Discount Rate	Salary Escalation Rate	Staff Turnover Rate	Present Value of Defined Benefit Obligation(Rs.)
1% Increase	As per Note 22.1	As per Note 22.1	70,149,316
1% Decrease	As per Note 22.1	As per Note 22.1	79,000,756
As per Note 22.1	1% Increase	As per Note 22.1	79,201,687
As per Note 22.1	1% Decrease	As per Note 22.1	69,899,283

	2025 Rs.	2024 Rs.
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22.3 - Distribution of employee benefit obligation over future working lifetime

Within the next 12 months	8,138,515	8,138,515
Between 1 and 2 years	12,121,469	12,121,469
Between 3 and 5 years	16,736,149	16,736,149
Beyond 5 years	37,351,033	37,351,033
	74,347,166	74,347,166

Note 23 - Trade and other payables

Trade creditors - Related companies	Note 23.1	49,554,450	41,855,758
Trade creditors - Direct import		34,909,459	38,533,324
Trade creditors - Other		86,986,402	75,012,224
Customer advances		24,273,209	9,966,521
Customer guarantee deposits		6,689,888	8,327,300
Expense creditors		51,864,919	46,884,382
Statutory payables		4,995,496	6,413,029
		259,273,823	226,992,538

23.1 - Trade creditors - Related parties

D. Samson Industries (Pvt) Ltd.	769,419	432,225
Samson Reclaim Rubbers Ltd.	-	35,000
Samson Rubber Products (Pvt) Ltd.	-	2,371,292
Samson Group Corporate Services (Pvt) Ltd.	1,917,247	1,452,317
Samson Compounds (Pvt) Ltd.	21,396,776	24,373,052
Samson Rubber Industries(Pvt) Ltd	69,302	104,050
D Tech (Pvt) Ltd	596,396	764,758
D.Samson & Sons (Pvt) Ltd	3,913	300,815
Samson Engineers (Pvt) Ltd	-	170,000
Samson Brush Manufacturers (Pvt) Ltd	507,294	1,180,581
DSI Samson Group (Pvt) Ltd	15,072,639	10,643,756
Samson Logistics (Pvt) Ltd	9,221,464	27,912
	49,554,450	41,855,758

FOR THE YEAR ENDED 31ST MARCH2025
Rs.2024
Rs.**Note 24 - Bank borrowings****24.1 - Long term borrowings**

Long term borrowings	95,860,000	160,360,000
	95,860,000	160,360,000

24.2 - Short term borrowings

Short term borrowings	766,255,570	583,842,000
Bank overdrafts	173,713,773	111,477,168
	939,969,343	695,319,168

24.3 - Securities for the above facilities are as follows:

Nature of security	Nature of the Facility	Bank/Institution	Securities
Inventory	Overdraft	Hatton National Bank PLC	Finished Good Stocks & Debtors and Promissory note 14.30 Mn
Confirmed order confirmation	Packing Credit Loan	Seylan Bank PLC	Confirmed Order Confirmation
Inventory	Overdraft	Seylan Bank PLC	Finished Good Stocks & Debtors.
Current account	Overdraft	Hatton National Bank PLC	Saving account of Rs. 25,000/-
Saving account	Overdraft	Hatton National Bank PLC	Saving account of Rs. 9,186,216/-
Fixed deposit	Overdraft	Bank Of Ceylon	Fixed deposit of Rs. 10,500,000/-
Inventory	Overdraft	Bank Of Ceylon	Raw Material Stocks.
Financial assets	Overdraft	DFCC Vardhana Bank PLC	Treasury bills of Rs.23,024,445/-
Inventory	Overdraft	Commercial Bank PLC	Finished Good Stocks & Debtors.
Inventory	Overdraft	Nations Trust Bank PLC	Raw Material & Finished Goods Stocks.

Note 25 - Income tax liability

Balance at the beginning of the year	9,298,876	37,290,245
Income tax paid for previous year	-	(27,681,587)
	9,298,876	9,608,658
Tax provision for the year	-	-
Income tax paid for the year	-	(309,783)
Balance at the end of the year	9,298,876	9,298,876

Note 26 - Commitment and contingencies

There were no commitments and contingencies existing as at the reporting date.

Note 27 - Events after the reporting date

No circumstances have arisen, since reporting date, which would require adjustments to, or disclosure, in the financial statements.

Note 28 - Related party disclosures

Details of significant related party disclosures are as follows:

28.1 - Parent and ultimate controlling party

The Company's parent entity is DSI Samson Group (Pvt) Ltd, which effectively holds, both directly and indirectly (including shares held by affiliated entities), 57% of the issued shares of Samson International PLC. Accordingly, DSI Samson Group (Pvt) Ltd is identified as the ultimate controlling party of the Company.

28.2 - Key management personnel of the Company

The Key Management personnel (KMP) comprise the members of its Board of Directors. Directors' remuneration for the financial year ended March 31, 2025 is given in note 8.1 to the financial statements.

Mr. D.K. Rajapaksa - (Resigned on 30th November 2024)

Mr. T.K. Bandaranayake - (Resigned on 1st January 2025)

Mr. D.G.P.S. Abeygunawardana - (Director/General Manager)

Mr. D.D. A. Rajapaksa - (Managing Director)

Mr. D.C.J. Rajapaksa

Ms. C. I. Malwatte - (Chairperson - Apointed on 11th February 2025)

Mr. D.N.S Rajapaksa

Mr. S.M.T.H. Subasinghe - (Apointed on 1st January 2025)

28.3 - Transactions with key management personnel of the Company

28.3.1 - Key management personnel compensation	31.03.2025 Rs.	31.03.2024 Rs.
Short-term employee benefits	91,195,211	61,315,602
	91,195,211	61,315,602

The Company has not incurred any amount as termination benefits or post employment benefits on account of the key managerial personnel during the year.

28.4 - Directors interest in contracts with the Company

None of the directors of the Company had any direct or indirect interests in any existing or proposed contracts with the Company other than those stated below:

Mr. D.K Rajapaksa who is a director of the Company is also holding directorships in the following Companies within the group.

Name of the Company

Samson Plantations (Pvt) Ltd

Relationship

Director

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

Mr. D.D.A Rajapaksa who is a director of the company is also holding directorships in the following Companies within the group.

<u>Name of the Company</u>	<u>Relationship</u>
Samson Insurance Broker (Pvt) Ltd	Director
Samtessi Brush Manufacturers (Pvt) Ltd.	Managing Director
Samson Investments (Pvt) Ltd.	Director
D. Samson Industries (Pvt) Ltd.	Director
Samson Compounds (Pvt) Ltd.	Director
DSI Samson Group (Pvt) Ltd	Director
Samson Rajarata Tiles (Pvt) Ltd	Director

Mr. D.C.J Rajapaksa who is a director of the Company is also holding directorships in the following Companies within the Group.

<u>Name of the Company</u>	<u>Relationship</u>
D. Samson Industries (Pvt) Ltd.	Director
Samson Compounds (Pvt) Ltd.	Director
Samson Group Corporate Services (Pvt) Ltd	Director
Samson Bikes (Pvt) Ltd.	Director
Samson Engineers (Pvt) Ltd.	Director
Hydro Trust Lanka (Pvt) Ltd	Managing Director
Werapitiya Hydro Power (Pvt) Ltd	Managing Director
Loggal Oya Hydro Power (Pvt) Ltd	Managing Director
Samson Plantations (Pvt) Ltd	Director
Samson Trading Company (Pvt) Ltd	Director
Samson Manufacturers (Pvt) Ltd	Director
Samson Rajarata Tiles (Pvt) Ltd	Director
Samson Exports (Pvt) Ltd	Director
Samson Apparel Makers (Pvt) Ltd	Director

Mr. D.N.S Rajapaksa who is a director of the Company is also holding directorships in the following Companies within the Group.

<u>Name of the Company</u>	<u>Relationship</u>
DSI Samson Group (Pvt) Ltd	Director

28.5 - Transaction with related companies

The Company has entered into transactions during the year with following Companies in which some of the directors of the Company are also directors of those companies.

Company has performed below transaction with D. Samson Industries (Pvt) Ltd and Samson Compounds (Pvt) Ltd during the year. Aggregate value of which exceed 10% of the revenue of the company as at 31 March 2025 audited financial statements, which required additional disclosure in the 2024/25 Annual Report under Colombo Stock Exchange listing rule 9.3.2.

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

Name of Company	Relationship	Nature of the transaction	Aggregate value of the RPTs entered during the year	Aggregate value of the RPTs entered during the year as a % of 2024/25 revenue	Terms & condition
D. Samson Industries (Pvt) Ltd.	Affiliate	Sales	416,410,617	18.0%	Terms equivalent to those that prevail at arm's length transaction.
		Settlement	(10,023,186)	-0.4%	
		Purchases	9,957,565	0.4%	
Samson Compounds (Pvt) Ltd.	- do -	Sales	11,460,151	0.5%	Terms equivalent to those that prevail at arm's length transaction.
		Settlement	331,142,327	14.3%	
		Purchases	332,814,993	14.4%	

28.5.1 - Transaction with other related companies

Name of Company	Relationship	Nature of Transactions - 2025			
		Sales Rs Rs.	Purchases Rs.	Settlement Rs.	Balance as at 31 March 2025 Rs.
DSI Samson Group (Pvt) Ltd	Parent	-	(76,029,686)	(68,265,481)	(15,072,639)
Samson Rubber Industries (Pvt) Ltd	Affiliate	1,199,951	543,833	(468,147)	(62,150)
Samson Engineers (Pvt) Ltd	- do -	454,741	2,248,000	2,078,000	-
D Samson & Sons (Pvt) Ltd	- do -	-	(2,055,270)	(2,173,850)	(3,913)
Samson Group Corporate Services (Pvt) Ltd.	- do -	-	(5,557,100)	(5,292,947)	(2,151,247)
Samson Rajarata Tiles (Pvt) Ltd	- do -	1,161,096	-	-	145,503
Samson Reclaim Rubbers Ltd.	- do -	511,460	(261,352)	(261,772)	-
Samson Rubber Products	- do -	25,888,970	27,060,283	(31,716,841)	-
Samson Trading (Pvt) Ltd.	- do -	4,749,616	-	-	1,620,410
D Tech (Pvt) Ltd	- do -	-	(3,283,846)	(2,706,941)	(596,396)
Samson Manufacturers (Pvt) Ltd	- do -	126,374.4	3,281,050	2,100,469	(507,294)

There were no other related party transactions other than disclosed above.

28.6 - Outstanding amounts due from and to related parties are disclosed in Note 19.1 and 23.1 respectively.

28.7 - Terms and conditions of transactions with related parties

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions only if such terms can be substantiated.

Transactions with related parties were carried out in the ordinary course of the business. Outstanding current account balances at year end are unsecured, interest free and settlement will be made in cash subject to normal credit terms of 2 months.

Note 29 - Segmental operating results

The company is organized into operating segments based on their products which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.

(Rs.'000)

Description	RUBBER ITEMS		PVC ITEMS		COMPANY	
	2025	2024	2025	2024	2025	2024
Total turnover	1,440,853	1,638,297	774,601	677,968	2,215,454	2,316,265
Segmental Expense	(2,021,506)	(1,761,554)	(896,039)	(663,212)	(2,917,545)	(2,424,766)
Profit from operations	(580,653)	(123,257)	(121,438)	14,756	(702,091)	(108,501)
Geographical segment						
Europe	786,533	960,645	-	-	786,533	960,645
Australia and New Zealand	39,184	34,515	-	-	39,184	34,515
America / Canada	42,694	28,030	-	-	42,694	28,030
Africa and Middle -east	41,098	20,632	-	-	41,098	20,632
Asia / Sri Lanka	531,343	593,927	774,601	667,986	1,305,944	1,261,913
Total	1,440,853	1,637,750	774,601	667,986	2,215,454	2,305,736
Financial position segment						
Property, plant and equipment	251,395	251,395	386,778	385,637	638,173	637,032
Inventories	334,393	334,393	100,478	159,585	434,871	493,978
Trade and other receivables	652,992	652,992	558,987	(106,075)	1,211,979	546,917
Trade and other payables	142,286	142,286	317,083	84,707	459,369	226,993

Note 29 - Fair Value Measurement – Qualitative disclosures

The following table summarises the fair value measurement of financial instruments as at the reporting date, classified according to the SLFRS 13 fair value hierarchy:

Instrument	Fair Value (Rs.)	Fair Value Hierarchy	Valuation Technique	Key Inputs
Quoted Debentures – Seylan Bank	10,007,473	Level 1	Market approach – quoted price	Quoted market price (Rs. 100.07)

Note 29 - Fair Value Measurement of Land

The fair value of the land assets disclosed below has been determined by an independent professional valuer using the comparison method of valuation. This approach involves reference to recent market transactions of similar land parcels in comparable locations to establish an objective market value.

The inputs utilized in the valuation process are classified as Level 2 inputs in accordance with the fair value hierarchy outlined in SLFRS 13 – Fair Value Measurement, as they are derived from observable market data other than quoted prices.

The carrying amounts and key details of the land assets are as follows:

NOTES TO THE FINANCIAL STATEMENTS (Contd...)

Location	Address	Number of Buildings	Extent of Land	Extent of Building (Sq. ft.)	Fair Value per Perch (Rs.)
Galle Factory	Akuressa Road, Bogahagoda, Galle	10 Buildings	7 Acres 2 Roods & 30.5 Perches	107,160	400,000
Kalutara Factory	No. 57/B, Fullerton Industrial Zone, Nagoda, Kalutara	3 Buildings	120 Perches	5,990	15,417
Baddegama Factory	Gilcroft Estate, Kiribathwila, Ampegama, Baddegama	1 Building	2 Acres 2 Roods & 0.11 Perches	34,915	150,000
Paddy Field Bohagagoda	Akuressa Road, Bogahagoda, Galle	-	1 Acres 1 Roods & 3 Perches	-	10,000

INVESTOR INFORMATION

The Annual General Meeting (AGM) serves as a key platform for the Board to communicate with shareholders. All shareholders are encouraged to participate, and the Chairpersons of the Audit and Remuneration Committees are available to respond to any queries raised.

General

a) Stated Capital	-	Rs.109,600,211
b) No. of Shares	-	4,232,771 (as at 31st March 2025 - 4,232,771)
c) Class of Shares	-	Ordinary Shares
d) Date of Listing	-	22 nd March 1993
e) Ticker symbol	-	SIL.N0000 (in the Colombo Stock Exchange)
f) Market sector	-	Manufacturing

Submission of audited accounts to CSE

The audited income statement for the year ended 31st March 2025 and the audited balance sheet of the Company as at that date have been submitted to the Colombo Stock Exchange within the stipulated date.

Market Capitalization

The market capitalization of the Company which is the number of ordinary shares issued multiplied by the market value of a share (at the year-end), was Rs. 708.99 Mn at 31st March 2025 (Rs. 624.3 Mn as at 31st March 2024). Further, the float-adjusted market capitalization stood at Rs. 311.5 Mn, categorizing the Company under Option 5 of Rule 7.14.1(i)(a) of the CSE Listing Rules. The Company remains compliant with minimum public holding requirements.

As at	31.03.2025	31.03.2024
Public Shareholding (%)	43.94%	43.38%
Public Shareholders	1,265	1,261
Float adjusted market capitalization Rs.	311,517,672	270,845,252

Market Value of the Company's Ordinary Shares

Market Value per share	2024/25 (Rs.)	Date	2023/24 (Rs.)	Date	Difference (Rs.)
Highest Price	Rs.189.00	03.01.2025	Rs.264.00	24.04.2023	(75.00)
Lowest Price	Rs.124.00	27.08.2024	Rs.126.00	08.12.2023	(2.00)
Closing	Rs.167.50	27.03.2025	Rs.147.50	27.03.2024	20.00

Share Information	2024/25 Quarterly information				For the year	
	Q1	Q2	Q3	Q4	2024/25	2023/24
High (Rs.)	180.00	174.00	174.00	189.00	189.00	159.00
Low (Rs.)	140.00	124.00	148.50	140.25	124.00	134.00
Closing (Rs.)	165.00	155.00	156.25	167.50	167.50	147.50
Market capitalization (Rs in Mn)	698.41	656.01	661.37	708.99	708.99	624.33

Analysis of Shareholders based on number of shares held as at 31st March 2025

As at 31st March 2025

No of Shares held	No of Shareholders	% of Shareholders	Total holding	% of total holding
1-1,000	1,181	92.5	123,510	2.9
1,001 – 10,000	77	6.0	215,774	5.1
10,001-100,000	15	1.1	451,711	10.7
100,001 – 1,000,000	2	0.2	854,878	20.2
1,000.000 & Over	2	0.2	2,586,897	61.1
Total	1,274	100.0	4,232,771	100.0

DSI Group invested 57% of the stake of the Company as at 31st March 2025

As at 31st March 2024

No of Shares held	No of Shareholders	% of Shareholders	Total holding	% of total holding
1-1,000	1,174	91.2	124,520	2.9
1,001 – 10,000	79	6.2	217,447	5.1
10,001-100,000	16	1.3	449,028	10.6
100,001 – 1,000,000	3	0.2	1,084,879	25.6
1,000.000 & Over	2	0.2	2,356,897	55.7
Total	1,274	100.0	4,232,771	100.0

Analysis of Shareholders category-wise as at 31st

As at 31st March 2025

Category	No of Shareholders	% of Shareholders	Total holding	% of total holding
Individual- Local	1,225	95.9	466,088	11.0
Institutional-local	44	3.5	3,651,052	86.3
Individual – foreign	8	0.6	115,631	2.7
Institutional- foreign	-	-	-	-
Total	1,277	100.0	4,232,771	100.0

It is noted that 95.9% of the number of shareholders are Sri Lankan individuals which represent 11.0% of the stake of the Company as at 31st March 2025. The Company maintains more than 20% of the total listed ordinary shares on more than 750 public shareholders as required by the rule 7.6 (iv) of the CSE Listing rules.

As at 31st March 2024

Category	No of Shareholders	% of Shareholders	Total holding	% of total holding
Individual- Local	1,221	95.8	464,900	11.0
Institutional-local	45	3.5	3,652,240	86.3
Individual – foreign	8	0.6	115,631	2.7
Institutional- foreign	-	-	-	-
Total	1,274	100.0	4,232,771	100.0

Twenty Major Shareholders as at 31st March 2025

Shareholder	31 st March 2025		31 st March 2024		No of shares increased by	% Increase
	No of shares	(%)	No of shares	(%)		
D.S.I SAMSON GROUP (PVT) LTD	1,325,306	31.311	1,325,306	31.311	-	0%
SAMPATH BANK PLC/ SENTHILVERL HOLDINGS (PVT) LTD	1,261,591	29.805	-	-	1,261,591	100%
D.SAMSON INDUSTRIES (PVT) LIMITED	603,633	14.261	603,633	14.261	-	0%
D. SAMSON & SONS (PRIVATE) LIMITED	301,782	7.13	301,782	7.13	-	0%
MES SAMSON RUBBER INDUSTRIES (PRIVATE) LTD	106,208	2.509	106,208	2.509	-	0%
MR SANGER GMBH	86,484	2.043	86,484	2.043	-	0%
MR. A.H. MUNASINGHE	32,117	0.759	32,117	0.759	-	0%
MR. K.G.N.I. PIYASENA	27,805	0.657	-	-	27,805	100%
SAMSON MANUFACTURERS PRIVATE LIMITED	24,369	0.576	24,369	0.576	-	0%
MR H. TANIGAWA	22,506	0.532	22,506	0.532	-	0%
MRS. S. VASUDEVAN & MR. S.VASUDEVAN	19,928	0.471	19,928	0.471	-	0%
MR. C.N. PAKIANATHAN	18,216	0.43	18,216	0.43	-	0%
MR. U.I. SURIYABANDARA	17,911	0.423	17,795	0.42	116	1%
MRS. D.R. WIMALASENA	11,600	0.274	11,600	0.274	-	0%
MISS D.D.G. RAJAPAKSA	11,522	0.272	11,522	0.272	-	0%
MR D.R. RAJAPAKSA	11,350	0.268	11,350	0.268	-	0%
MR. D.K. RAJAPAKSA	11,159	0.264	11,159	0.264	-	0%
MR. D.M. RAJAPAKSA & DR.MS. D.B.D.RAJAPAKSA	10,000	0.236	10,000	0.236	-	0%
MISS N.E. RAJAPAKSA	8,412	0.199	8,412	0.199	-	0%
MR. D.N.S. RAJAPAKSA	8,297	0.196	8,297	0.196	-	0%
Total of 20 Major Shareholders	3,920,196	92.616	2,630,684	62.151	27,921	
Other Shareholders	312,575	7.384	1,602,087	37.849	(1,289,512)	
Total Shareholdings of the Company	4,232,771	100.000	4,232,771	100.000	-	

Public Holdings

As at 31st March 2025, the public held 43.94% (in 2023/24 – 43.38%) of the shares of the Company. The number of public shareholders as at 31st March 2025 and 31st March 2024 are 1,265 and 1,261 respectively.

The shares of SAMPATH BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD have been treated under public and a declaration to Colombo Stock Exchange was done.

No of Share transactions

	2024/25	2023/24
No of Transactions	1074	993
No of Shares Traded	267,944	47,829

The Value of shares traded during the year under review was Rs.40,264,802 as against Rs. 7,692,110.00 in 2023/24.

Last year AGM

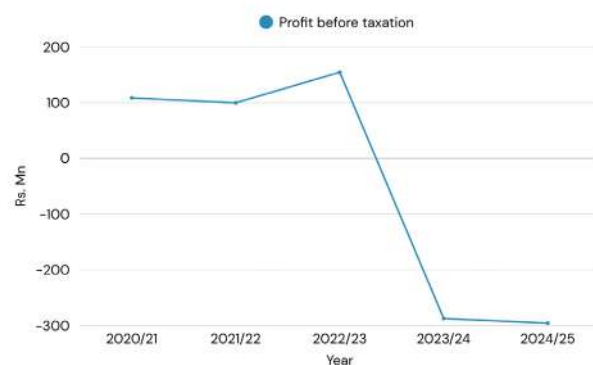
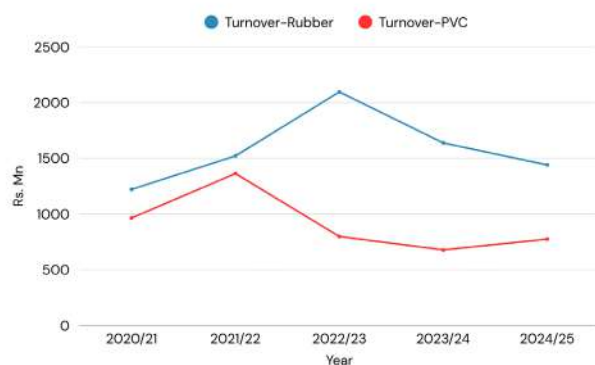
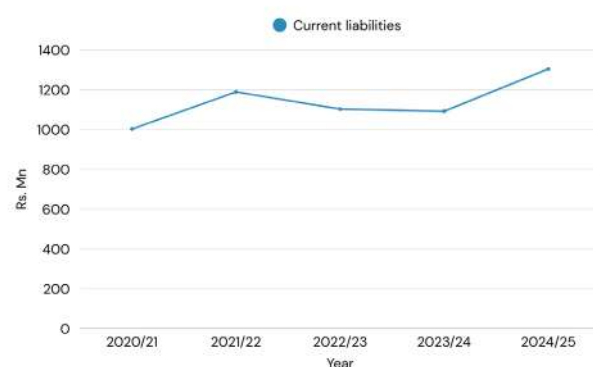
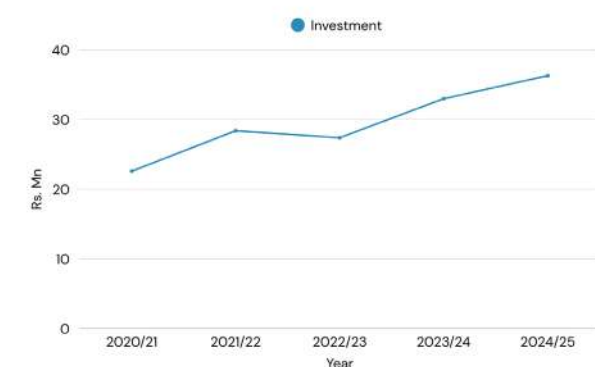
32nd Annual General Meeting of Samson International PLC was held by way of electronic means on 30th June, 2024 centered at the Board Room of Samson International PLC, No. 110, Kumaran Ratnam Road, Colombo 02 at 3.00 p.m.. The following resolutions were approved at this AGM.

32nd Annual General Meeting – Key Resolutions Passed

1. Approved the Annual Report of the Board of Directors on the affairs of Company and the Financial Statements for the year ended 31st March 2024 and the Report of the Auditors thereon.
2. Mr. D K Rajapaksa who was 79 years of age was re-elected as a Director of the Company and it was declared as provided for in Section 211 (1) of the Companies Act, No.7 of 2007 that the age limit of 70 years referred to in Section 210 of the Companies Act shall not apply to Mr. D K Rajapaksa”.
3. Mr. T K Bandaranayake who was 81 years of age was re-elected as a Director of the Company and it was declared as provided for in Section 211 (1) of the Companies Act, No.7 of 2007 that the age limit of 70 years referred to in Section 210 of the Companies Act shall not apply to Mr. T K Bandaranayake”.
4. Re-elected Mr. D.N.S. Rajapaksa who retired by rotation in terms of Article 88 (i) of the Article of Association, as a Director of the Company.
5. Re-appointed Messrs Edirisinghe & Co. Chartered Accountants as Auditors of the Company for the ensuing year and to authorize the Directors to determine their remuneration.
6. Authorized the Directors to determine donations for the year ending 31st March 2025 and up to the date of the next AGM.

TEN-YEAR FINANCIAL SUMMARY

Year ended 31st March	2024/25 Rs.'000	2023/24 Rs.'000	2022/23 Rs.'000	2021/22 Rs.'000	2020/21 Rs.'000	2019/20 Rs.'000	2018/19 Rs.'000	2017/18 Rs.'000	2016/17 Rs.'000	2015/16 Rs.'000
Income Statement :										
Turnover-Rubber	1,440,853	1,638,297	2,096,091	1,521,634	1,221,374	1,160,566	1,229,609	900,474	1,057,269	982,878
Turnover-PVC	774,601	677,968	798,769	1,363,555	964,495	429,636	339,736	215,975	192,228	195,460
Total Turnover	2,215,454	2,316,265	2,894,860	2,885,189	2,185,869	1,590,203	1,569,345	1,116,449	1,249,498	1,178,339
Profit before taxation	(295,770)	(287,530)	154,648	99,519	108,360	12,086	43,635	16,973	65,972	59,299
Taxation	(4,718)	(7,054)	(61,749)	(15,495)	(9,552)	225	(18,627)	(8,124)	(23,074)	(4,152)
Profit after taxation	(300,487)	(294,584)	92,899	84,024	98,808	12,311	25,007	8,849	42,899	55,146
Total comprehensive income	(295,661)	(293,450)	93,984	84,544	101,604	12,738	24,189	10,172	43,732	51,043
Statement of Financial Position :										
Property, plant & equipment	605,678	637,032	619,089	572,265	585,845	428,453	440,271	377,993	370,369	313,554
Investment	36,327	33,032	27,365	28,412	22,578	36,481	33,669	42,905	46,691	53,166
Current assets	1,079,109	1,119,611	1,489,199	1,491,436	1,221,292	713,640	721,310	594,336	610,232	612,043
Total assets	1,721,114	1,789,676	2,135,653	2,092,113	1,829,715	1,178,574	1,195,250	1,015,234	1,027,292	978,763
Capital and reserves										
Stated capital	109,600	109,600	109,600	109,600	109,600	109,600	109,600	109,600	109,600	109,600
Capital reserves	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Revenue reserves	57,782	353,444	681,779	596,260	520,181	422,809	418,537	334,488	332,781	297,515
Shareholders funds	277,383	573,044	901,379	815,860	739,781	642,409	638,137	554,088	552,381	517,115
Non current liabilities										
Deferred tax	65,068	58,282	69,403	34,767	38,235	48,416	59,691	51,918	33,092	14,948
Retirement benefit obligation	74,261	74,347	62,204	52,603	49,164	46,779	40,078	33,701	29,701	27,195
	139,329	132,629	131,607	87,370	87,399	95,195	99,769	85,619	62,793	42,143
Assets Employed										
Current liabilities	1,304,402	1,091,971	1,102,667	1,188,883	1,002,535	440,970	457,344	375,527	412,118	419,505
Total Equity & Liabilities	1,721,114	1,797,643	2,135,653	2,092,113	1,829,715	1,178,574	1,195,250	1,015,234	1,027,292	978,763



Year ended 31st March	Rs. in '000'					Vertical Analysis of Income Statement					Horizontal Analysis of Income Statement				
	2024/25 Rs.'000	2023/24 Rs.'000	2022/23 Rs.'000	2021/22 Rs.'000	2020/21 Rs.'000	2024/25 Rs.'000	2023/24 Rs.'000	2022/23 Rs.'000	2021/22 Rs.'000	2020/21 Rs.'000	2024/25 Rs.'000	2023/24 Rs.'000	2022/23 Rs.'000	2021/22 Rs.'000	2020/21 Rs.'000
Income Statement :															
Turnover-Rubber	1,440,853	1,638,297	2,096,091	1,521,634	1,221,374	65	71	72	53	56	118	134	172	125	100
Turnover-PVC	774,601	677,968	798,769	1,363,555	964,495	35	29	28	47	44	80	70	83	141	100
Total Turnover	2,215,454	2,316,265	2,894,860	2,885,189	2,185,869	100	100	100	100	100	101	146	132	132	100
Profit before taxation	(295,770)	(287,530)	154,648	99,519	108,360	-13	-12	5	3	5	-247	-2,379	143	92	100
Taxation	(4,718)	(7,054)	(61,749)	(15,495)	(9,552)	0	0	-2	-1	0	49	-3,135	646	162	100
Profit after taxation	(300,487)	(294,584)	92,899	84,024	98,808	-14	-13	3	3	5	-304	-2,393	94	85	100
Total comprehensive income	(295,661)	(293,450)	93,984	84,544	101,604	-13	-13	3	3	5	-291	-2,304	93	83	100
	Rs. in '000'					Vertical Analysis of Statement of Financial Position (Assuming total sales as 100)					Horizontal Analysis of Statement of Financial Position (Assuming 2020/21 as 100)				
Statement of Financial Position :															
Property, plant & equipment	605,678	637,032	619,089	572,265	585,845	35	37	29	27	32	103	114	106	98	100
Investment	36,327	33,032	27,365	28,412	22,578	2	2	1	1	1	161	146	121	126	100
Current assets	1,079,109	1,119,611	1,489,199	1,491,436	1,221,292	63	62	70	71	67	88	92	122	122	100
Total assets	1,721,114	1,789,676	2,135,653	2,092,113	1,829,715	100	100	100	100	100	94	99	117	114	100
Capital and reserves															
Stated capital	109,600	109,600	109,600	109,600	109,600	6	6	5	5	6	100	100	100	100	100
Capital reserves	110,000	110,000	110,000	110,000	110,000	6	6	5	5	6	100	100	100	100	100
Revenue reserves	57,782	353,444	681,779	596,260	520,181	3	19	32	29	28	11	68	131	115	100
Shareholders funds	277,383	573,044	901,379	815,860	739,781	16	31	42	39	40	37	77	122	110	100
Non current liabilities															
Deferred tax	65,068	58,282	69,403	34,767	38,235	4	4	3	2	2	170	211	182	91	100
Retirement benefit obligation	74,261	74,347	62,204	52,603	49,164	4	4	3	3	3	151	151	127	107	100
	139,329	132,629	131,607	87,370	87,399	8	9	6	4	5	159	177	151	100	100
Assets Employed															
Current liabilities	1,304,402	1,091,971	1,102,667	1,188,883	1,002,535	76	60	52	57	55	130	109	110	119	100
Total Equity & Liabilities	1,721,114	1,797,643	2,135,653	2,092,113	1,829,715	100	100	100	100	100	94	99	117	114	100

FOREIGN CURRENCY FINANCIAL STATEMENTS

Foreign Currency Financial Statements

FOR THE YEAR ENDED 31ST MARCH	In Euro (Major Export Currency)		In USD (Major Import Currency)	
	2025 Euro	2024 Euro	2025 USD	2024 USD
Revenue	6,928,275	6,714,783	7,476,561	7,284,538
Cost of sales	(5,995,231)	(5,732,393)	(6,469,678)	(6,218,791)
Gross Profit	933,044	982,391	1,006,883	1,065,747
Other income	63,901	82,288	68,958	89,271
Distribution cost	(443,135)	(356,360)	(478,204)	(386,598)
Administrative expenses	(1,184,407)	(1,022,864)	(1,278,138)	(1,109,655)
Operating Profit	(630,597)	(314,545)	(680,501)	(341,235)
Finance income	16,581	30,131	17,893	32,688
Finance cost	(310,928)	(549,127)	(335,534)	(595,721)
Net Finance Income	(294,347)	(518,996)	(317,641)	(563,033)
Profit before taxation	(924,945)	(833,541)	(998,142)	(904,268)
Income tax expense	(14,754)	(20,450)	(15,922)	(22,185)
Profit for the year	(939,699)	(853,991)	(1,014,064)	(926,453)

Statement Of Financial Position

AS AT	In Euro (Major Export Currency)		In USD (Major Import Currency)	
	31.03.2025 Euro	31.03.2024 Euro	31.03.2025 USD	31.03.2024 USD
ASSETS				
Non Current Assets				
Property, plant and equipment	1,873,897	1,953,907	2,022,625	2,115,122
Intangible assets	19,674	24,438	21,235	26,454
Financial assets at fair value through profit and loss	31,287	30,695	33,770	33,228
Financial assets at amortized cost	82,283	70,621	88,814	76,447
Deferred tax assets	69,650	68,411	75,178	74,056
	2,076,791	2,148,072	2,241,623	2,325,307
Current Assets				
Inventories	1,321,247	1,515,132	1,426,112	1,640,143
Trade and other receivables	1,902,105	1,677,507	2,053,072	1,815,916
Cash and cash equivalents	150,341	241,436	162,274	261,357
	3,373,693	3,434,075	3,641,457	3,717,416
Total Assets	5,450,484	5,582,147	5,883,080	6,042,723
EQUITY AND LIABILITIES				
Stated capita	342,651	336,166	369,846	363,903
General reserve	343,900	337,392	371,195	365,230
Retained earnings	180,649	1,084,083	194,987	1,173,529
Total Equity	867,200	1,757,641	936,028	1,902,662
Non- Current Liabilities				
Deferred tax liability	273,077	247,173	294,750	267,567
Retirement benefit obligation	232,167	228,038	250,593	246,853
Long term borrowings	299,694		323,480	
	804,937	475,211	868,823	514,420
Current Liabilities				
Trade and other payables	810,585	696,232	874,920	753,677
Short term borrowings	2,938,690	2,624,541	3,171,929	2,841,089
Income tax payable	29,072	28,522	31,379	30,875
	3,778,347	3,349,295	4,078,228	3,625,641
Total Liabilities	4,583,284	3,824,506	4,947,051	4,140,061
Total Equity And Liabilities	5,450,484	5,582,147	5,883,080	6,042,723

GLOSSARY OF FINANCIAL TERMS

1. Segment :	Constituent business units grouped in terms of the nature and similarity of operations.
2. Annual Sales Growth :	Percentage change over previous year's gross turnover.
3. Current Ratio :	Current assets divided by current liabilities.
4. Dividend Cover :	Profit available for appropriation divided by gross dividend.
5. Dividend per Share :	Total Gross Dividend divided by no. of shares at the end of the year.
6. Gross Dividend :	Portion of Profits, inclusive of tax withheld, distributed to shareholders.
7. Dividend Rate :	Gross Dividends declared per share.
8. Earnings per Share :	Profit attributable to shareholders divided by the no. of shares issued.
9. Interest Cover :	Profit from ordinary activities before tax and finance cost divided by finance cost.
10. Net Assets per Share :	Net Assets divided by the no. of shares.
11. Price Earnings Ratio :	Market Price per share divided by earnings per share.
12. Deferred Taxation :	Sum set aside for tax in the financial statement that will become payable in a financial year other than the current financial year.
13. Value Additions :	The quantum of wealth generated by the activities of the Company.
14. Revenue Reserves :	Reserve considered as being available for distributions and investments.
15. Capital Reserves :	Reserves identified for specific purposes and considered not available for distribution.
16. Return on Capital Employed :	Profit after interest and tax divided by capital employed or shareholders funds.
17. Shareholders Fund :	Total of stated capital and revenue reserves.
18. Capital employed :	Shareholders' funds plus long - term bearing loans and borrowings.
19. Average Capital Employed :	Mean of two consecutive years' capital employed.
20. Corporate Governance :	A system by which Companies are directed and controlled by the management in the best interest of the stakeholders ensuring greater transparency through better and timely financial reporting.
21. Market Capitalization :	Number of ordinary shares in issue multiplied by the Market Value per share at the balance sheet date.
22. Related Parties :	Parties who could control or significantly influence the financial and operating policies of the business.
23. Intangible Assets :	An intangible asset is an identifiable non-monetary asset without physical substance.
24. Impairment :	This occurs when the recoverable amount of an asset is less than its carrying amount.
25. Fair value :	This is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at arm's length transaction.
26. CGU :	CGU : Cash Generating Unit

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Thirty Third (33rd) Annual General Meeting of Samson International PLC will be held by way of electronic means on Monday, 29th September 2025 at 3.00 p.m. at the Board Room of DSI Samson Group (Pvt) Ltd, No.110, Kumaran Ratnam Road, Colombo 02 for the following purposes:

1. Ordinary Business

- 1.1 To receive and consider the Annual Report of the Board of Directors on the affairs of Company and the Financial Statements for the year ended 31st March 2025 with the Report of the Auditors thereon.
- 1.2 To re-elect Mr. D C J Rajapaksa who retires by rotation in terms of Articles 88 and 89 of the Articles of Association, as a Director of the Company.
- 1.3 To pass the ordinary resolution set out below to re-appoint Mrs. C. I. Malwatte who is 70 years of age as a Director of the Company:

“IT IS HEREBY RESOLVED THAT the age limit stipulated in Section 210 of the Companies Act No.07 of 2007 shall not apply to Mrs. C. I. Malwatte who is 70 years of age and that she be and is hereby re-appointed a Director of the Company.”
- 1.4 To re-elect Mr. S M T H Subasinghe who retires in terms of Article 95 of the Articles of Association, as a Director of the Company.
- 1.5 To re-appoint Messrs Edirisinghe & Co., Chartered Accountants, as the Auditors of the Company for the ensuing year and to authorize the Directors to determine their remuneration.
- 1.6 To authorize the Directors to determine donations for the year ending 31st March 2026 and up to the date of the next Annual General Meeting.

2. Special Business

- 2.1 To pass the ordinary resolution set out below to approve the continuation of Mrs. C. I. Malwatte, who has attained the age of 70 years, as an Independent Non-Executive Director of the Company:

“IT IS HEREBY RESOLVED THAT based on the recommendation of the Nominations and Governance Committee, along with the justification and rationale, and the confirmation by the Board of Directors of the Company as set out in the Annual Report of the Board of Directors, Mrs. C. I. Malwatte, who attained the age of 70 years on 5th July 2025, shall continue to serve as an Independent Non-Executive Director of the Company in accordance with Rule 9.8.3 (ix) of the Listing Rules of the Colombo Stock Exchange.

IT IS FURTHER RESOLVED THAT Mrs. C. I. Malwatte shall continue to serve in the capacity of Independent Non-Executive Director until the next Annual General Meeting of the Company.”

- 2.2 To consider and if thought fit, to pass the following resolution as a Special Resolution:

“IT IS HEREBY RESOLVED THAT the Articles of Association of the Company be amended:

- 01.** by the deletion of Article 58 under the heading “Resolution in lieu of Meeting” in its entirety and the substitution therefor of the following new Article 58 ;

“METHODS OF HOLDING GENERAL MEETINGS

58. (1) A General Meeting of shareholders may be held -

(i) by a number of shareholders who constitute a quorum, being assembled together at the place, date, and time appointed for the meeting; (hereinafter sometimes referred to as the Physical General Meeting); or

(ii) by means of audio, or audio and visual communication by which all shareholders participating and constituting a quorum can simultaneously hear each other throughout the meeting (hereinafter sometimes referred to as Electronic General Meeting); or

(iii) by a meeting held both physically and electronically (called Hybrid General Meeting); or

(iv) by means of a resolution in writing signed by not less than Eighty-Five per centum (85%) of the Shareholders who would be entitled to vote on a resolution at a meeting of Shareholders, who together hold not less than Eighty-Five per centum (85%) of the votes entitled to be cast on that resolution.

- (2) The Board shall determine whether a General Meeting is to be held as a Physical General Meeting as referred to in 58(1)(i) or held as an Electronic General Meeting as referred to in 58(1)(ii) or held as a Hybrid General Meeting, both physically and electronically, as referred to in 58(1)(iii) or by a Resolution in writing as referred to in 58(1)(iv).
- (3) The Board shall specify in the notice calling the General Meeting whether the meeting will be physical or electronic or hybrid or by a Resolution in writing. Such notice shall also specify (as applicable) the time, date, and place and/or electronic platform(s) of the General Meeting, as it is determined.
- (4) (i) When conducting an Electronic General Meeting, the Board shall enable persons to simultaneously attend by electronic means, with no shareholder necessarily in physical attendance at the Electronic General Meeting. The shareholders or their proxies present shall be counted in the quorum for, and entitled to vote at, the General Meeting in question.
- (ii) If it appears to the Chairman of the General Meeting that the electronic platform(s), facilities, or security at the Electronic General Meeting have become inadequate for the purposes referred to herein then the Chairman may, without the consent of the meeting, interrupt to resolve such inadequacy where possible or adjourn the General Meeting. All business conducted at that General Meeting up to the time of that adjournment shall be valid and the provisions of Article 62 shall apply to that adjournment.
- (iii) In relation to an Electronic General Meeting, the right of a shareholder to participate in the business of any General Meeting shall include, without limitation, the right to speak, vote on a poll, be represented by a proxy, and have access (including electronic access) to all documents which are required by the Act or these Articles to be made available for/at the meeting."

02. by the deletion of the word "three" in Article 80 of the Articles of Association and the substitution therefor of "five";
03. by the deletion of Article 121 under the existing heading, 'Alternate Directors' in its entirety and the substitution therefor of the following new Article 121;

"ALTERNATE DIRECTORS

121. (i) Subject to the Statutes and other laws applicable in respect of the composition of the Board, a Director may, due to exceptional circumstances, by notice in writing under his hand delivered to the Secretary, nominate an individual to be appointed as an Alternate Director of the Company for a maximum period of one (1) year from the date of appointment to attend to the duties of the Director in his absence, and the following provisions of these Articles shall apply to any person so appointed.
- (ii) If an Alternate Director is appointed for a Non-Executive Director, such Alternate Director shall not be an executive of the Company.
- (iii) If an Alternate Director is appointed to represent an Independent Non-Executive Director, such Alternate Director shall meet the criteria for independence specified in the Listing Rules of the Colombo Stock Exchange.
- (iv) The appointment of an Alternate Director shall be subject to the approval of the Board."
04. by the inclusion of the words and figures 'including the signing of resolutions in writing to be passed by circulation under Article 118 hereof.' at the end of Article 123(i);
05. by the inclusion of the words "Subject to Article 121, an" at the beginning of the Article 124 in place of the word "An";
06. by the inclusion of the following paragraph immediately after the word "newspaper" in Article 157;

"The Company may if so permitted by Statute, publish any notice required to be given to the shareholders on the official website of the Company and/or on the official website of the Colombo Stock Exchange (so long as the Company is listed on the Colombo Stock Exchange)."

07. by the inclusion of following paragraph at the end of Article 159 ;

“The Company may serve notice by electronic mail to an electronic mail account notified by a shareholder in writing or any other acceptable means, to the Company or to the Central Depository Systems (Pvt) Ltd. Where electronic mail is used, the document or notice shall be deemed to have been received by the shareholder upon the dispatch of same by the Company through electronic mail.”

By Order of the Board
SAMSON INTERNATIONAL PLC



P W Corporate Secretarial (Pvt) Ltd
Secretaries

11th August 2025
Colombo

Notes:

1. A shareholder entitled to participate and vote at the above virtual meeting is entitled to appoint a proxy to participate and vote in his/her place by completing the Form of Proxy enclosed herewith.
2. A proxy need not be a shareholder of the Company.
3. For more information on how to participate by virtual means in the above virtual meeting, please refer Registration Process enclosed herewith.

[illegible]

FORM OF PROXY

I/We.....(holder of NIC/Passport/Company Reg. No.) of.....being a Shareholder /Shareholders of Samson International PLC, do hereby appoint (holder of NIC/Passport No.) ofor failing him/her

Ms. I Malwatte	of Colombo or failing her
Mr. D D A Rajapaksa	of Colombo or failing him
Mr. D G P S Abeygunawardana	of Colombo or failing him
Mr. D C J Rajapaksa	of Colombo or failing him
Mr. N S Rajapaksa	of Colombo or failing him
Mr. S M T H Subasinghe	of Colombo

as my/our Proxy to represent me/us, to speak and vote for me/us on my/our behalf at the Thirty Third (33rd) ANNUAL GENERAL MEETING OF THE COMPANY to be held by electronic means on September 29, 2025 at 3.00 p.m. and at any adjournment thereof, and at every poll which may be taken in consequence thereof.

1. Ordinary Business

		For	Against
(1)	To re-elect Mr. D C J Rajapaksa as a Director of the Company		
(2)	To pass the ordinary resolution set out in item 1.3 of the Notice of Meeting for the re-appointment of Mrs. C I Malwatte as a Director of the Company.		
(3)	To re-elect Mr. S M T H Subasinghe as a Director of the Company		
(4)	To re-appoint Messrs. Edirisinghe & Co., Chartered Accountants, as the Auditors of the Company and to authorize the Directors to fix their remuneration.		
(5)	To authorize the Directors to determine donations for the year ending 31 st March 2026 and up to the date of the next Annual General Meeting.		

2. Special Business

		For	Against
(1)	To pass the Ordinary Resolution as set out in item 2.1 of the Notice of Meeting.		
(2)	To pass the Special Resolution as set out in item 2.2 of the Notice of Meeting.		

Signed this day of Two Thousand and Twenty Five.

.....
Signature/s

Note:

- 1) Please delete the inappropriate words.
- 2) Instructions as to completion are noted on the reverse hereof.

INSTRUCTIONS AS TO COMPLETION

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The Proxy shall –
 - (a) In the case of an individual be signed by the shareholder or by his/her attorney, and if signed by an Attorney, a notarially certified copy of the Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.
 - (b) In the case of a company or corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the company or corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute (as applicable).
3. Please indicate with a 'X' how the Proxy should vote on each resolution. If no indication is given, the Proxy in his/her discretion will vote as he/she thinks fit.
4. To be valid, the completed Form of Proxy must be deposited at the Registered Office of the Company, Akuressa Road, Bogahagoda, Galle or must be emailed to agm@samsonint.com, not later than 36 hours before the time appointed for the meeting.

In forwarding the completed and duly signed proxy to the Company, please follow the guidelines and the registration form, which are made available on the Company's official website and the CSE website.

SAMSON INTERNATIONAL PLC

Corporate Office:

Akuressa Road, Bogahagoda, Galle, Sri Lanka

Tel: +94 91 309 4469 Fax: +94 91 222 4036

Email: info@samsonint.com Web: www.samsonint.com