NAGENAHIRA RESORTS (PVT) LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2026

NAGENAHIRA RESORTS (PRIVATE) LIMITED

FINANCIAL STATEMENTS - 31ST MARCH 2026

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF NAGENAHIRA RESORTS (PRIVATE) LIMITED

Report on the Financial Statements

Opinion

We have audited the financial statements of **Nagenahira Resorts (Private) Limited** , which comprise the Statement of Financial Position as at March 31, 2026 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at March 31, 2026 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs).

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 issued by CA Sri Lanka 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.

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

Management is responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 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 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 detected a material misstatements when exist. 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.

Report on Other Legal and Regulatory Requirements

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

Keerthi Mihiripenna & Co.

KEERTHI MIHIRIPENNA & CO;
CHARTERED ACCOUNTANTS
COLOMBO,
20th April 2026

KEERTHI MIHIRIPENNA & CO. Chartered Accountants

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NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

	Notes	2026	2025
Revenue		-	-
Cost of Sales		-	-
Gross Profit / (Loss)		-	-
Other Income	**3**	5,399,571	81,691
Administrative Expenses	**4**	(23,600,145)	(7,471,419)
Finance Expenses	**5**	(3,981,726)	-
Operating Profit / (Loss)		**(22,182,300)**	**(7,389,728)**
Taxation		-	-
Profit / (Loss) for the Year		**(22,182,300)**	**(7,389,728)**
Other Comprehensive Income for the Year		**-**	**-**
Total Comprehensive Income for the Year		**(22,182,300)**	**(7,389,728)**

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.

NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH

(Expressed in Sri Lankan Rupees)

	Notes	2026	2025
ASSETS			
Non-Current Assets			
Right of Use Asset	**6**	581,000,000	593,000,000
Capital Work-in-Progress	**7**	57,406,317	-
Total Non-Current Assets		**638,406,317**	**593,000,000**
Current Assets			
Cash & Cash Equivalents	**8**	102,817,632	32,930,816
Total Current Assets		**102,817,632**	**32,930,816**
Total Assets		**741,223,949**	**625,930,816**
EQUITY AND LIABILITIES			
Equity			
Stated Capital	**9**	600,000,000	600,000,000
Retained Earnings *(at Debit)*		(29,572,027)	(7,389,728)
Total Equity		**570,427,973**	**592,610,272**
Current Liabilities			
Trade and Other Payables	**10**	170,795,976	33,320,544
Total Current Liabilities		**170,795,976**	**33,320,544**
Total Equity and Liabilities		**741,223,949**	**625,930,816**

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

Approved and signed for and on behalf of the Board .

Director
20th April 2026
Colombo.

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.

NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

	Stated Capital	Retained Earnings *(at Debit)*	Total
Balance as at 1st April 2024	-	-	-
Share Issued	600,000,000	-	600,000,000
Total Comprehensive Income for the Year	-	(7,389,728)	(7,389,728)
Balance as at 31st March 2025	**600,000,000**	**(7,389,728)**	**592,610,272**
Balance as at 1st April 2025	600,000,000	(7,389,728)	592,610,272
Total Comprehensive Income for the Year	-	(22,182,300)	(22,182,300)
Balance as at 31st March 2026	**600,000,000**	**(29,572,027)**	**570,427,973**

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.

NAGENAHIRA RESORTS (PRIVATE) LIMITED

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

	2026	2025
Cash Flows from Operating Activities		
Profit / (Loss) Before Taxation	(22,182,300)	(7,389,728)
Adjustments for:		
Interest	-	-
Operating Profit / (Loss) before Working Capital Changes	**(22,182,300)**	**(7,389,728)**
Changes in Working Capital		
(Decrease) / Increase in Trade & Other Payables	137,475,432	33,320,544
(Decrease) / Increase in Right of Use Asset	12,000,000	(593,000,000)
Cash Generated from / (used in) Operations	**127,293,133**	**(567,069,184)**
Tax Paid		
Interest Paid	-	-
Net Cash from Operating Activities	**127,293,133**	**(567,069,184)**
Cash Flow from Investing Activities		
Capital Work-in-Progress	(57,406,317)	-
Net Cash Flow used in Investing Activities	**(57,406,317)**	**-**
Cash Flow from Financing Activities		
Proceed from Issue of Shares	-	600,000,000
Net Cash Flow from Investing Activities	**-**	**600,000,000**
Net Changes in Cash and Cash Equivalents During the Year	**69,886,816**	**32,930,816**
Cash & Cash Equivalents at Beginning of the Year	32,930,816	-
Cash & Cash Equivalents at End of the Year	**102,817,632**	**32,930,816**

Cash and Cash Equivalents at End of the Year Represent By ;	**31-Mar-26**	**31-Mar-25**
Cash at Bank	102,817,632	32,930,816
	102,817,632	**32,930,816**

The accounting policies on pages 6 to 7 and notes on pages 8 to 9 form an integral part of these financial statements.

Figures in brackets indicate deductions.

Report of the auditors' on page 1.

NAGENAHIRA RESORTS (PRIVATE) LIMITED

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. CORPORATE INFORMATION

1.1 Domicile and Legal Forms

Nagenahira Resorts (Private) Limited is a limited liability company incorporated and domiciled in Sri Lanka. The registered office and principal place of business is situated at 15th Floor, West Tower, World Trade Center, Colombo 1.

1.2 Principal Activity

The principal activity of the company is to carry on the business of hoteliers and projects connected with tourism and setting up of leisure and health resorts in sri lanka.

2 GENERAL ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared on a going concern basis and in compliance with the Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs) issued by The Institute of Chartered Accountants of Sri Lanka.

All values appearing in the financial statements are presented in Sri Lanka Rupees (Rs.) unless indicated otherwise.

No adjustments have been made for inflationary factors affecting these Financial Statements.

The preparation and presentation of these Financial Statements is in compliance with the requirements of the Companies Act. 7 of 2007.

2.2 Taxation

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act.

2.3 Assets and Bases of Their Valuation

2.3.1 Property, Plant & Equipment

The cost of Property, Plant & Equipment is the cost of purchase together with any incidental expenses thereon. The properties, Plant & Equipment are recorded at cost less accumulated depreciation, which is provided on the basis specified below.

2.3.2 Depreciation

Depreciation is provided using the straight line method so as to write off the assets over there estimated useful lifetime as follows.

Building	10%
Furniture & Fittings	20%
Motor vehicle	20%
Computer Software	25%
Office & Other Equipment	20%
Electric Equipment	33.33%

The assets residual values and useful lives are reviewed, and adjusted if appropriate at each balance sheet date. An asset's carrying amount is immediately to its recoverable amount if the carrying amount is grater than its estimated recoverable amount.

The gain or loss on disposal of property plant and equipment is the different between the net sales proceed and the carrying amount of relevant asset, and recognized in the income statement.

NAGENAHIRA RESORTS (PRIVATE) LIMITED

SIGNIFICANT ACCOUNTING POLICIES

2.4 Leases

The Company has made a one-time, lump-sum lease rental payment of Sri Lankan Rupees Six Hundred Million (Rs. 600,000,000) for the use of the demised premises over a lease period of fifty (50) years, commencing on September 1, 2024, and concluding on August 31, 2074. This lease includes an option to extend the term for an additional forty (40) years, subject to specific terms and conditions.

Right of Use Lands are recognized as assets on the Company's balance sheet, recorded at the fair value of the leased property, or at the present value of the lease payments. Finance charges related to the lease are recognized in the profit or loss statement.

2.4 Trade receivables

Trade receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

2.5 Liabilities & Provisions

2.5.1 Trade and other payables

Trade and other payables are stated at their cost

2.6 Income Statement

2.6.1 Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefit will flow to the company and the revenue can be reliably measured.

2.6.2 Revenue Expenditure

Expenditure incurred in the running of the business and in maintaining the capital assets in state of efficiency is charged to revenue in arriving at the profit or loss for the year.

2.6.3 Capital Expenditure

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

2.7 Cash Flow Statement

The cash flow statement have been prepared using the 'indirect method'.

For the purpose of the Cash Flow Statement, cash and cash equivalents comprise of cash in hand and deposit with banks, net of outstanding bank overdrafts.

Interest paid is classified as operating cash flows, interest received is classified as investing cash flows while dividend paid is classified as financing cash flows for the purpose of presentation of the cash flow statement reported based on indirect method.

NAGENAHIRA RESORTS (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

		2026	2025
3	**Other Income**		
	Unrealized Exchange Gain	5,310,650	81,691
	Interest Income - USD	88,921	-
		5,399,571	**81,691**
4	**Administrative Expenses**		
	Audit Fees	125,000	125,000
	Tax Computation Fees	75,000	75,000
	Reporting Charges	300,000	200,000
	Visa Charges	18,500	-
	Business Development Expense	3,159,822	-
	Website and Telephone Charges	81,341	-
	Amortization - Lease	12,000,000	7,000,000
	Secretary Fees	121,750	65,544
	Remittance Tax	7,682,124	-
	Bank Charges	31,609	875
	Other Expenses	5,000	5,000
		23,600,145	**7,471,419**
5	**Finance Expenses**		
	Loan Interest	3,981,726	-
		3,981,726	**-**

		2026	2025
6	**Right of Use Asset**	**600,000,000**	**600,000,000**
	Balance at the beginning of the Year	593,000,000	-
	Lease Facility Obtained During the Year	-	600,000,000
	Amortization during the Year	(12,000,000)	(7,000,000)
	Carrying Value	**581,000,000**	**593,000,000**

7 Capital Work-in-Progress

Work-in-Progress	**As at 01.04.2025**	**Additions**	**Transferred To PPE**	**As at 31.03.2026**
Building / Professional Fees	-	49,139,234	-	49,139,234
Site Development / Landscaping	-	8,147,343	-	8,147,343
Survey Charges	-	119,741	-	119,741
	-	**57,406,317**	**-**	**57,406,317**
Written Down Value	**-**			**57,406,317**

		2026	2025
8	**Cash and Cash Equivalents**		
	Nations Trust Bank - LKR	112,406	32,930,816
	HSBC - USD	101,339,882	-
	HSBC - LKR	1,365,344	-
		102,817,632	**32,930,816**

NAGENAHIRA RESORTS (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

(Expressed in Sri Lankan Rupees)

		Number of Shares	Total Value (Rs.)
9	**Stated Capital**		
	As At 31st March 2025	60,000,000	600,000,000
	As At 31st March 2026	**60,000,000**	**600,000,000**

All issued shares are fully paid.

Details of shareholders holding shares in the Company

	As at March 31, 2026	
Name of the shareholder	No. of shares	holding in the class
Equity shares of Rs. 10 each fully paid		
Ventive Hospitality Limited	**60,000,000**	**100%**

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

		2026	2025
10	**Trade & Other Payables**		
	Investment Loan - Ventive Hospitality Limited	166,000,000	-
	Loan Interest Payable	3,981,726	-
	Nagenahira Abiviruthi (Pvt) Ltd	514,250	33,120,544
	Audit Fees Payable	125,000	125,000
	Tax Computation Fees Payable	75,000	75,000
	Reporting Charges Payable	100,000	-
		170,795,976	**33,320,544**

11 Contingent Liabilities

There were no material contingent liabilities as at the statement of financial position date.

12 Commitments

Capital Commitments

There were no material capital commitments outstanding as at the statement of financial position date.

Financial Commitments

There were no material financial commitments outstanding as at the statement of financial position date.

13 Post the Statement of Financial Position Events

No events have occurred since the statement of financial position date which would require adjustments to, or disclosure in, these financial statements.