

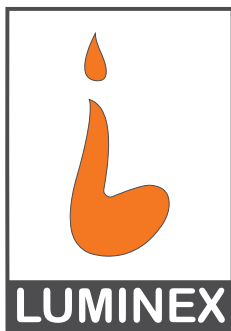
ANNUAL REPORT 2022 - 2023



LUMINEX LUMINEX PLC

CORPORATE INFORMATION

Company	Luminex PLC
Registered Office	No. 24, New Galle Road, Moratuwa, Sri Lanka. Tel: +94 112644511
Legal Form	A Limited Liability Company Incorporated in Sri Lanka on 12/02/1986 under the Companies Act No. 17 of 1982 and re-registered on 19/2/2000 Under the Companies Act No. 07 of 2007. The legal form of the company was changed from Private Limited company to a Limited Company under Provisions of the Companies Act No. 07 of 2007 on 06th August 2021. The ordinary shares of the Company were listed with the Colombo Stock Exchange of Sri Lanka on 23rd June 2022.
Company Secretary	R N H Holdings (Private) Limited No 107, Dewala Road, Nugegoda, Sri Lanka Tel: +94 11 4 970 104 Fax: +94 11 2 815 144 Email: mgr.sec@rnhgroup.lk
Registrar to the Company	Central Depository Systems (Pvt) Ltd West Block, World Trade Centre, Echelon Square, Colombo 01.
Auditors	Nihal Hettiarachchi and Co. Chartered Accountants "R H N House", No 622B, Kotte Road, Kotte, Sri Lanka Tel: +94 11 4 975 555 / +94 11 4 975 999 Fax: +94 11 4 511 473 Email: info@nh-co.lk
Bankers	Sampath Bank PLC National Development Bank PLC Bank of Ceylon



LUMINEX we believe, the service we deliver which exceeds customer expectations along with innovative ideas, high quality standards and state-of-the-art technology is our footprint. This identity has been recognised as a one of a highest graded.

(Eg:-EM 1) companies in Sri Lanka, by Construction Industry Development Authority (CIDA), Ministry of Engineering & Construction Development. We are specialized in the fields of Telecommunication Network Development, Electrical Engineering (Low Tension (LT) & High Tension (HT)), Civil, Water and Sewerage Construction.

ABOUT US



OUR VISION

To be the most preferred company in providing total engineering and construction solutions in Sri Lanka and the region.

OUR VALUES

Quality & Service Excellence

We deliver high quality products along with pioneering ideas and an exceptional service that exceeds customer expectations.

Teamwork

We value our human resources and recognize them as our esteemed assets. We constantly train and develop them whilst providing them with every opportunity to grow to their full potential.

Integrity

We are committed to honesty and fairness in all our dealings and practice the highest ethical standards in the industry.

Commitment

We promise to fulfill our obligations to the best of our ability, thereby building sustainable relationships with our clients.

Originality

We inspire each project with vision and ingenuity, thereby making each of them innovative, exclusive and outstanding.

Safety

We place great emphasis on environmental and work place safety by employing industrialized and personal safety methods, applied practically to protect our work force. We do not compromise or overlook our responsibility in keeping our people safe.



ELECTRICAL

Electrical construction and infrastructure electrification of high-rise buildings, construction of High tension and Low-tension electrical power transmission systems & Building Management.



WATER & SEWERAGE

Construction activities relating Water & Sewerage and further provides wide range of services including water supply, sanitation improvements and construction of water transmission plant.



TELECOMMUNICATION

Telecommunication outside Plant and laying of Fiber Optic Cables by using state-of-the-art-machinery such as Micro Trenching & Horizontal Directional Drilling (HDD).



CIVIL

Construction services relating to Buildings, Roads and Bridges. Currently Company is in the level C3 under the CIDA grading.

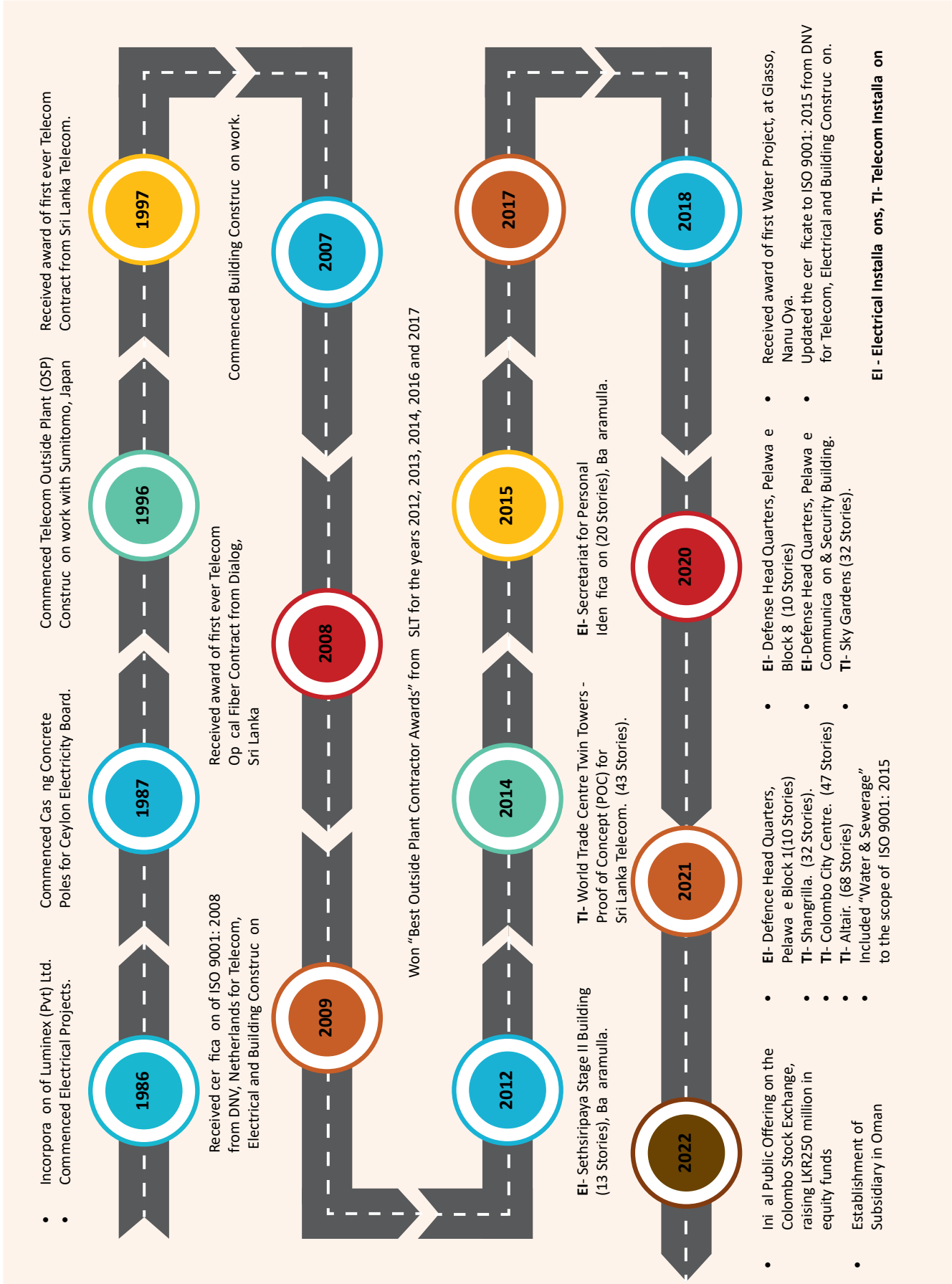


LUMINEX
at a Glance

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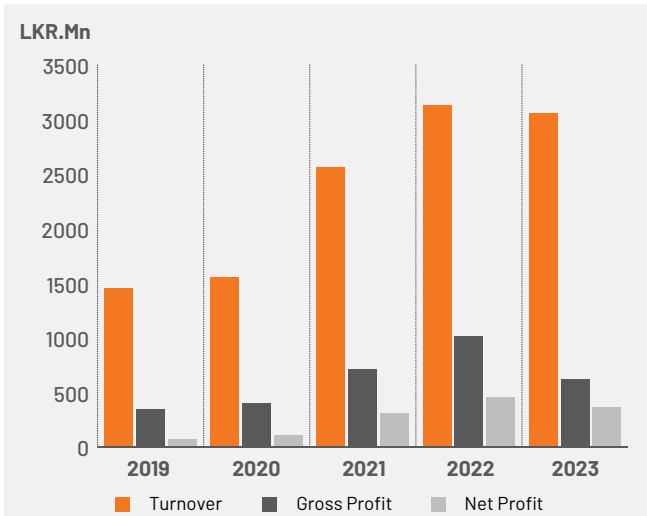
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KEY MILESTONES OF THE COMPANY

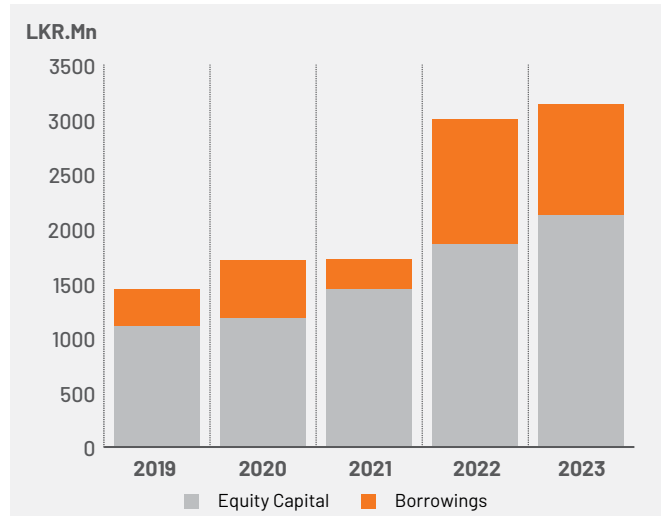


KEY FINANCIAL PERFORMANCE AT A GLANCE - COMPANY

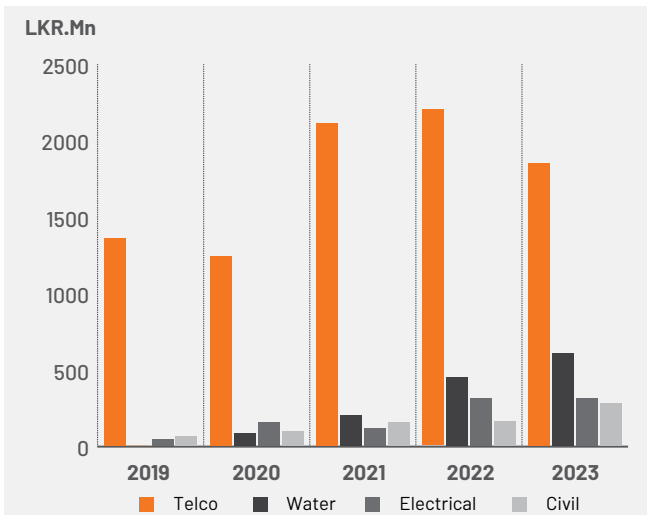
Turnover | Gross Profit | Net Profit



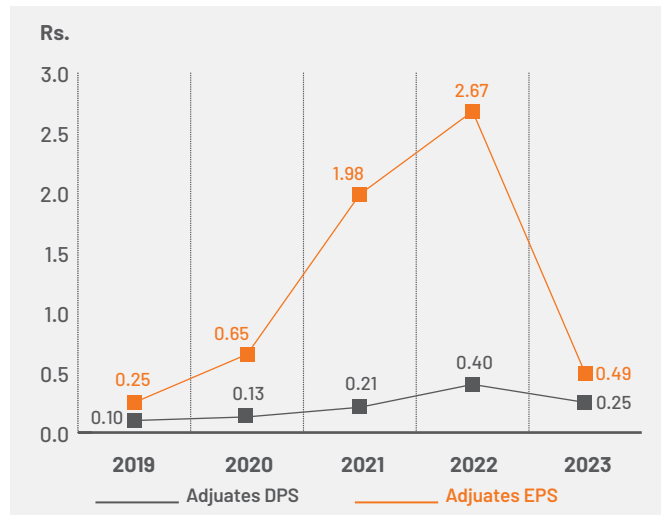
Capital Structure



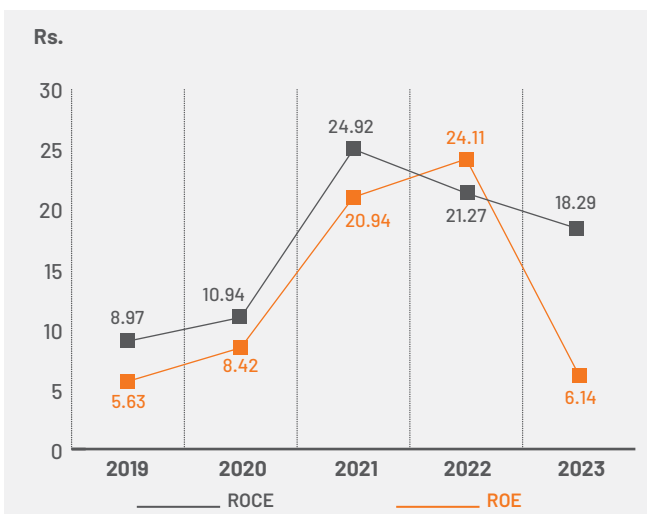
Revenue Composition



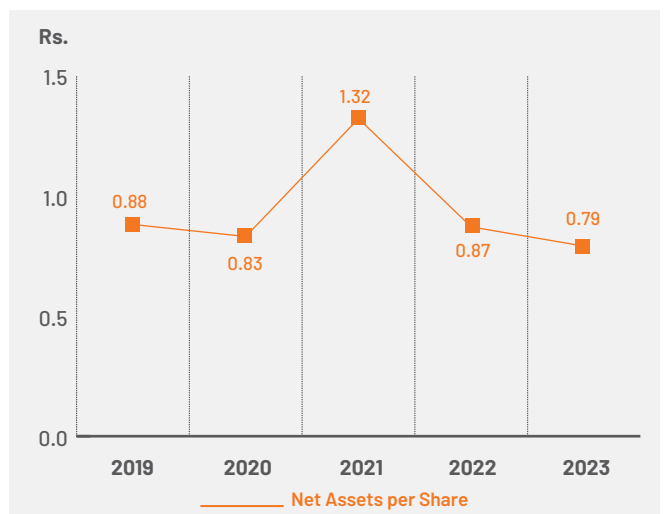
Adjusted DPS | Adjusted EPS



ROCE | ROE

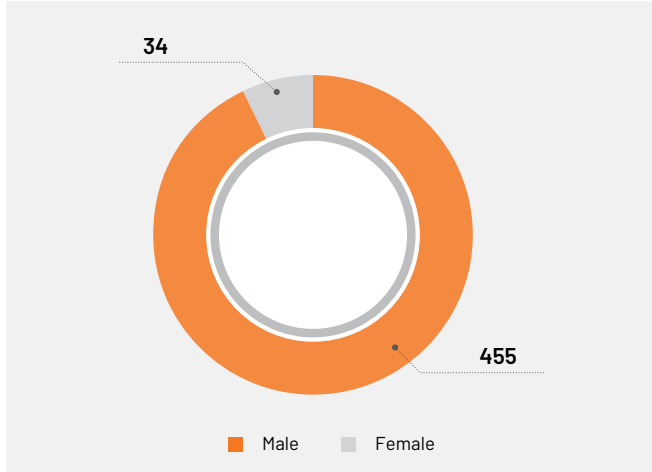


Assets Turnover Ratio

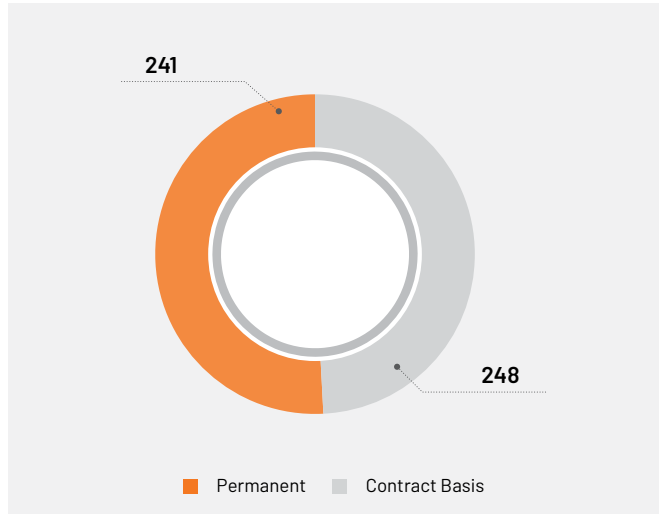


COMPOSITION OF HUMAN CAPITAL

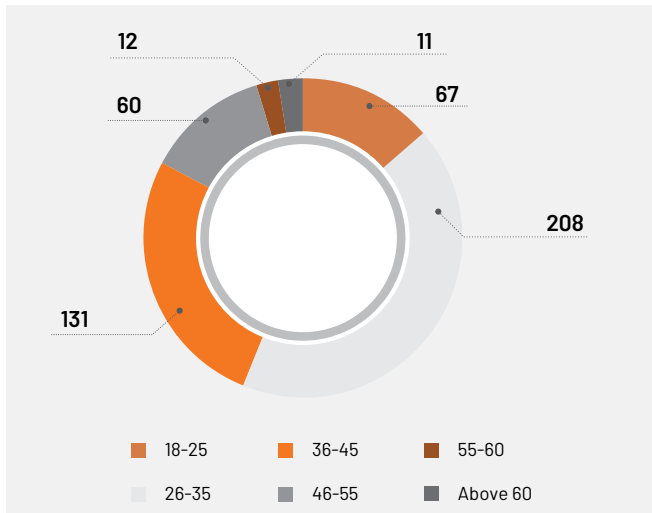
Composition of Human Capital Based on the Gender



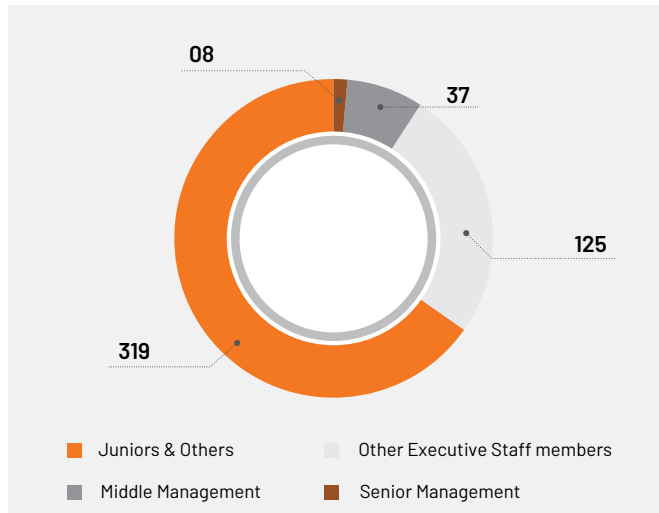
Categories of Employees



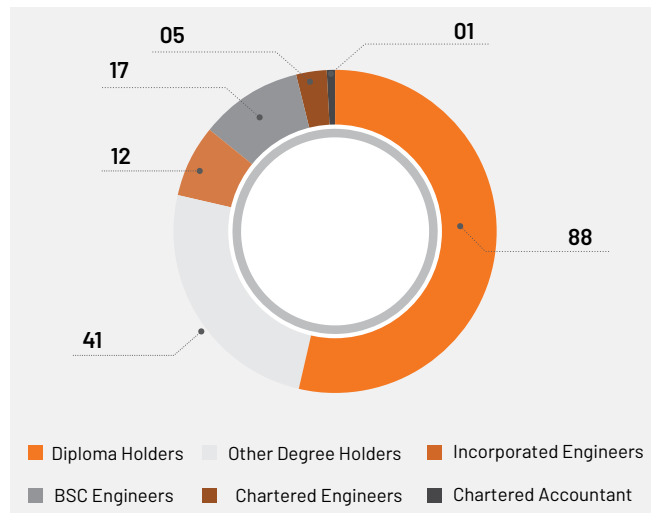
Age Categories of Employees



Composition of Staff Categories



Skilled Staff Categories



UPLIFTING LIVES



MOTIVATING CHILDREN TO PURSUE EDUCATION

Luminex PLC initiated the donation of schoolbooks and stationery to needy children of low-income and socially deprived families in the Angulana area. The program sought to enhance their educational experience and foster their aspirations by equipping them with the necessary educational resources. The aim was to empower them to overcome the challenges they face, strengthen their educational prospects, and instill high moral values. Through this, our end goal is to contribute towards a better future for all members of the community.



DANSALA PROGRAMME ORGANIZED AT LUMINEX TELECOM PROJECT OFFICE-KURUNEGALA

On Posen Poya day, our staff from the Kurunegala office organized a grand scale Dansala showcasing a meritorious act. Where over three thousand devotees, sightseeing crowd and the needy were joyfully served a wholesome meal consisting of rice, curry, and desserts. This initiative aimed to nourish and delight the pilgrims, reflecting the spirit of giving and compassion on this auspicious religious.



THE ACT OF DONATING PRECIOUS BLOOD HAS THE POTENTIAL TO SAVE LIVES

In both the Moratuwa and Negombo areas, we organized blood donation camps that brought together a diverse group of participants. The generous donors included Luminex employees from Moratuwa and Negombo, as well as compassionate individuals from the surrounding suburbs. The campaign proved to be a tremendous success, with hundreds of donors joining hands for this worthy cause. Their collective efforts made a significant impact in fulfilling the vital need for blood donations.

CHAIRMAN'S REVIEW



Lionel Imbulana
Chairman

Shaping the Challenging Environment

As the Chairman of Luminex PLC, I am honored to convey this message to all our esteemed shareholders and partners through the annual publication for the year 2022/23. We were listed as a public company during a critical period marked by the heavy impact of the COVID-19 pandemic on the country's economy, followed by public unrest.

Given the economic downturn, both government entities and corporate as well as SME businesses sought to reshape their investments and reduce operational costs. This challenging environment presented new business opportunities such as the work-from-home culture and the need for improved digitalization.

Luminex PLC, as a major telecommunication infrastructure construction company, collaborated with the country's leading telecommunication players to enhance their broadband infrastructure improving the customer penetration. Additionally, we successfully completed several significant projects in water, civil, and electrical sectors nationwide.

To further enhance employee productivity, we fine funded performance-based incentives and improved grievance handling procedures. Despite these challenging circumstances, our company achieved a remarkable turnover of over Rs. 3 billion. Furthermore, we recorded a profit after tax (PAT) of Rs. 106 million for the group and Rs.129 million for the company.

As a publicly listed company, we diligently executed several corporate social responsibility projects to support the underprivileged and also provided assistance to our employees and their families. I am pleased to announce that we expanded our global footprint by venturing into Oman, where commenced telco construction activities. The success of this endeavor will pave the way for further business expansions in potential countries.

We owe our accomplishments to the unwavering support of our board of directors, senior management team, and our dedicated employees. Lastly, I extend my heartfelt appreciation to all our valuable shareholders and our esteem clients for their continued trust and confidence placed in us, even during these difficult times.

Lionel Imbulana
Chairman,
Luminex PLC

JOINT STATEMENT FROM THE MANAGING DIRECTOR AND THE CHIEF EXECUTIVE OFFICER



Dear Shareholder,

As we present to you the Annual Report of Luminex PLC for the financial year 2022/23, we wish to express our deep sense of relief to realise that the company has accomplished to an extent, what was near impossible, especially being in the local construction sector which is undoubtedly the worst affected.

Operating Environment

The year 2022 / 23 has seen Sri Lanka going through its the most challenging times which has proved to be the most unprecedented conditions for the company in its 37 year history.

The country was just struggling to recover from the double blows, the Easter Sunday debacle and the Covid-19 pandemic when the Sri Lankan economy had to face severe foreign currency liquidity shortage, that soon erupted to a high degree crisis in all fronts, resulting in local currency devaluation, exponential inflation, soaring interest rates etc. The fuel crisis proved to be one of the most critical issues to many sectors of the society causing prolonged power cuts, highly restricted transportation making the nation feel a kind of anarchy. Authorities tightened import restrictions leading all sectors of the economy facing enormous uncertainties which gradually left the self employed deprived of their daily earnings. Among all sectors, the construction sector in particular was the worst affected.

Performance in 2022 / 23

Recognizing the highly critical and sensitive nature of the crisis, amidst the project commitments, Luminex management team stepped up to the challenges, by initiating appropriately prudent actions in multiple fronts to minimize possible damages and keep running operations in a low-key mode.

We, indeed are very much relieved to announce to its shareholders that Luminex is one of the few in the construction sector to survive the recession and even record a modest profit.

Braving the fallout from the Easter Sunday attack and the Covid-19 pandemic followed by the nation's current socio-economic turmoil which together stand as a testament to our strong business fundamentals, unwavering focus and dedication towards the performance of the company.

Amidst a crisis that lasted almost 4 long years, we achieved a top line of LKR 3,045. million for the company which represents 98% of the previous year's figure. The PAT recorded is LKR 129 million for the Company and LKR 106 million for the Group.

Mitigation of Challenges

In the face of import restrictions, currency devaluation, rising cost of imported and local construction materials, cost overruns due to delays in all fronts, high financial costs and hyper inflations, Luminex moved with a greater degree of agility to reorient quickly to achieve the above results.

Rallying the support of subcontractors, suppliers and other business partners to overcome this unprecedented situation, we had to take some strategic decisions to minimize disruptions.

We implemented multiple cost rescaling initiatives that resulted in significant savings.

We had to revisit and change the modalities of the banking facility of our flagship supplier credit contract with Sri Lanka Telecom, making it suitable and convenient for our cash flow in a high interest situation.

Our decision to agree for Treasury bonds in lieu of long overdue payments from two land mark electrical contracts at Palawatte Defence Head Quarters, has also paid dividends as high interest Treasury Bonds have gained in value today.

A decision was also taken to change the strategies in tendering to face the stiff competition created by the reduced number of projects in the industry.

Review of Business Segments

Telecom Projects

A significant dip in the revenue from the dominant Telco sector has been recorded, especially because of Sri Lanka Telecom and Dialog both scaling down its development work temporarily, in the face of cost escalation and lower demand offered from the society. The revenue from Telco projects during the year has come down to LKR 1,849 million compared to LKR 2,198 million in the previous year.

Electrical Projects

In the Electrical Engineering segment, LKR 642.0 million electrical projects in two 10 storied buildings in the Defence Headquarter Building Complex at Pelawatte was made to progress at a slow pace keeping in line with the settlement of progress bills. The sector recorded a revenue of LKR 313.0 million almost in par with that of previous year, LKR 309.0 million.

JOINT STATEMENT FROM THE MANAGING DIRECTOR AND THE CHIEF EXECUTIVE OFFICER

Water Projects

The water sector recorded a revenue of LKR 603.0 million with 34% growth, compared to LKR 450.0 million last year. The sector could have achieved more if not for the National Water Board's decision to descope and temporally suspended projects already planned.

Civil Projects

A significant achievement of 72% growth of this segment could be primarily attributed to the Cargo Village building we completed for Civil Aviation Authority, Katunayake. A revenue of LKR 280.0 million has been recorded compared to LKR 162.0 million previous year.



Innovation

Continuing our commitment to innovation, we introduced an internally developed on-line software systems for Assets management , and vehicle and machinery maintenance expecting a significant cost saving.

An IT support center was also established to provide remote assistance to our project staff working in the regional branches and remote site offices. This center enables speedy computer repairs and reduces outsourcing costs.

In addition we continued to improve our ERP system to accommodate the changing requirements of our clients.

Human Capital

Despite clients inclining to scale down development activities during the first half of the year we were compelled to keep about 200 of our employees on paid leave. While many companies in the construction industry resorted to retrench their excess employees, we are happy that we managed to continue their employment with us amidst many working capital difficulties, knowing their value when situation returns to normalcy.

We made use of this lull period to engage staff to implement our programs to update and maintain company records.

Our involvement with Construction Industry Development Authority (CIDA) was increased to provide much needed vocational training and refreshing the knowledge of the relevant technical staff.

The programme with National Apprentice and Industrial Training Authority (NAITA) to provide vocational training to the youth who have followed academic courses was also continued.





Future Outlooks & Prospects

Since Luminex has achieved reasonably satisfactory top and bottom line figures while battling extreme adversities, we remain quite optimistic about the future, especially after September 2023, when the country is expected come out from the bankruptcy status.

The construction sector is expected to grow exponentially in tandem with the commencement of suspended large scale projects in the face of coming live of the international credit lines, like World Bank, Asian Development Bank, JICA etc.

Having proved our ability to withstand worst situations, Luminex is now well positioned to launch for a sustainable growth.

Our prospects in Oman telco operations look promising as we continue to work with cutting-edge technology, leveraging the wealth of experience in Sri Lanka over the past 8 years. Although our operations in Oman are currently at a low key with only 15 staff we anticipate expanding the contingent after securing a larger scale project. We are also exploring opportunities in certain other countries in the West Asia and in Indonesia

IPO Objective Fulfilment

We are happy to announce that Luminex has successfully fulfilled the objectives set forth in the IPO, upholding the promises to its shareholders.

Out of LKR 250.0 million raised from the IPO, LKR 150.0 million was used for additional working capital requirement created by implementation of Sri Lanka Telecom's flagship project, "Accelerated Expansion of Fiber Access Network" under the Supplier Credit Terms. The revenue recorded from SLT was LKR 1,640.0 million.

Additional working capital requirement of LKR 100.0 million was utilized in Karagoda, Basnagala and Rathmalkandiya water projects which contributed LKR 139.0 million revenue up to 31.03.2023.

As a result, the revenue from water projects increased to LKR 603.0 million from LKR 450.0 million recorded in the previous year.

Appreciations

We would like to express our sincere appreciation to the Chairman and Board of Directors for their leadership and guidance which immensely helped us to overcome the avalanche of challenges in the past year.

Also we wish to convey a very special word of thanks to our valuable clients, business partners, principals, shareholders and all other stake holders who have been with us and contributed in the need of hour. The valuable contributions and corporation received from our management team, staff of all categories, subcontractors and service providers for their passion, commitment and dedication which continue to underline our sustainability in the industry.

Upul Lekamge
Managing Director

Palitha Herath
Chief Executive Officer / Executive Director



BOARD OF DIRECTORS



Mr. Lionel Imbulana
Chairman
Independent – Non-Executive Director

Lionel Imbulana is a highly accomplished and experienced Chartered Engineer with a degree in Electronics and Radio Engineering from the Institute of Electronics and Radio Engineers (IERE) UK. He is also a member of the Institute of Engineering Technology (IET) UK. With over 35 years of experience, Lionel has served Sri Lanka Telecom in various capacities, gaining a wealth of knowledge and expertise in the field.

Lionel's leadership and management skills have been honed throughout his career, and he's currently serving as the Chairman of Luminex PLC, a telecommunication, civil and water infrastructure development company.

Prior to his retirement from Sri Lanka Telecom, he held a Senior Management Position as a Chief Officer (Director) in charge of Regional Operations for 17 districts of the country. In this role, he oversaw a significant portion of the company's operations, ensuring that they ran smoothly and efficiently.

In addition to his impressive professional accomplishments, Lionel has participated in seminars, trainings, and discussions in more than 20 countries, giving him a wider exposure to global perspectives on telecommunications and engineering.

Currently, Lionel is involved in a number of engagements. He is a Career Development Panel Member of the IT and Management faculty at Rajarata University and a member of the TVEC (Technical Vocational Education Commission) NVQ interview panel. Furthermore, he is a Visiting Lecturer at Sri Lanka Telecom Training Institutes and a Management Trustee Board member of Vidyalkara Piriwena International Conference Hall (VICH).

Overall, Lionel Imbulana is a highly accomplished and respected engineer with a proven track record of success in the telecommunications industry. His expertise, leadership, and commitment to professional development have made him a valuable asset to the industry and the organizations he serves.



Mr. Upul Ranjith Lekamge
Managing Director
Non-Independent Executive Director

An engineering professional with 29 years of expertise in the fields of construction, manufacturing industry and infrastructure development. Obtained a first degree in Mechanical Engineering from University of Peradeniya and Post Graduate Diploma in Industrial Engineering from Open University of Sri Lanka.

A member of Institute of Engineers Sri Lanka (IESL) and a Chartered Engineer. He has worked in mechanical engineering projects, mini hydro power development projects, water supply projects, electrical and telecommunications projects locally. He has held a leading position in a UK based company in the Gulf and has worked in several High-rise building projects with supply and installation of MEP systems. Currently, he serves as the Managing Director position in Luminex PLC.



Mr. H M D Palitha Herath
Chief Executive Officer (CEO)
Non-Independent – Executive Director

Mr. Palitha Herath holds a BSc. Eng (Hons) Degree in the field of Electrical and Electronics Engineering from University of Peradeniya, Sri Lanka and also holds a Master's in Business Administration from Cardiff Metropolitan University UK. He is a Chartered Engineer and a member of the Institution of Engineers and the Engineering Council of Sri Lanka.

He has over 25 years of experiences in Telecom Industry. Starting as a professional Engineer he has served for various Technical and Senior Managerial positions in the recognized Telecom Organizations in Sri Lanka in different Telecommunication Networks and contributed his proficiency in Planning, Designing, Implementation and also the operation and maintenance of the Networks.

Presently He serves as the CEO and Director for Luminex PLC, while leading the Telecom division.

Evaluation Committee member of the "Annual NCE Export Awards 2019, 2020, 2021 & 2022", a member of the panel of judges at "INFOTEL 2019" and "The Sri Lanka Entrepreneur of the year 2019 Awards", "Asia Marketing Excellence Awards 2019" judging in Jakarta, Indonesia, organized by Asia Marketing Federation (AMF).

BOARD OF DIRECTORS



Mr. Snjaya Bandara
Independent- Non-Executive Director

Mr. Bandara holds a Bachelor of Science Degree in Accountancy & Financial Management from the University of Sri Jayawardenapura and a Master's Degree in Business Administration from the University of Colombo. He is a fellow member of the Institute of Chartered Accountants of Sri Lanka and the Association of Accounting Technicians, Sri Lanka. Mr Bandara counts over 24 years of experience in the auditing practice.

Mr Bandara is the President of the Institute of Chartered Accountants of Sri Lanka and a Board Member of the Confederation of Asian Pacific Accountants (CAPA), South Asian Federation of Accountants (SAFA) and Sri Lanka Accounting and Auditing Standards Monitoring Board. He is a partner of B. R De Silva & Co, Chartered Accountants (Member firm of Nexia International) and a Director of Nexia Services Management (Private) Limited and Nexia BPO (Private) Limited. He is also a visiting faculty member at leading state and private sector universities.



Mr. Suranjith Swaris
Independent- Non-Executive Director

Suranjith, a Certified Professional Marketer and Practicing Marketer, holds an MBA from Buckinghamshire New University (UK), a Post Graduate Diploma in Project Management from Cardiff Metropolitan University (UK), a Post Graduate Diploma in Marketing (SL), and is a Certified Management Accountant (Aus).

With a rich portfolio, Suranjith serves as the Country Director for Inextricable Group (UK) and Director of Business Development & Sales Operations at Creative Information Technologies (SL). He is also the Founder & Director of OPR Global Business Networks (Private) Limited, Director of Sales & Customer Leads at Prologics IT Solutions (Private) Limited, and Director of Aura Insights (Pvt) Ltd.

Suranjith's extensive corporate journey includes roles as Director of Market Development, Operations & HR at Bellose Lanka (Pvt) Ltd, Director/CEO at Care Belle International (Pvt) Ltd, General Manager - Sales at Lalan Engineering (Pvt) Ltd, and Sales & Marketing Manager at Coats Thread Exports (Pvt) Ltd. His expertise spans Manufacturing, Sales, Marketing, Business Development, Operations & Consultation, reflecting his dynamic leadership.

He boasts leadership experience beyond business, having been Past President of SLIM, Past President of the ex Rotary Club of Mount Lavinia, and Past Assistant Governor of Rotary district 3220. He also advised the Junior Old Boys Union of Thurstan College.

Currently, Suranjith serves as Vice President of Colombo Business Association (CBA) and imparts his knowledge as a visiting Lecturer for the Department of Integrated Design, Faculty of Architecture at the University of Moratuwa and Sri Lanka Institute of Information Technology (SLIIT).

He actively collaborates with the Export Development Board of Sri Lanka (EDB) on various projects as a Marketing Expert. Notably, he participated in esteemed roles such as Technical Evaluation Committee member for the "Annual NCE Export Awards" and judge for "INFOTEL 2019," "The Sri Lanka Entrepreneur of the Year 2019 Awards," and "Asia Marketing Excellence Awards 2019" organized by Asia Marketing Federation (AMF).

BOARD OF DIRECTORS



Mr. G R P Fernando
Non-Independent - Executive Director

Mr. Fernando is a Graduate from University of Moratuwa with BSc. Hons, degree in Electrical Engineering, had a stint of 2 years at Mahaweli Development Board and 16 years at Department of Telecommunication / and Sri Lanka Telecom corporation where he left as a Deputy General Manager.

He is also a Corporate Member at The Institution of Engineering and Technology, UK and a Chartered Engineer at The Engineering Council, UK.

Being the founder of Luminex, Mr. Fernando has a wide industry experience covering all aspects of business development including technology, finance and strategic business diversification.

He is also a founder member of Luminex Bookshops (Pvt) Ltd. and Luminex Power Projects(Pvt)Ltd.

Guided Luminex to achieve many accolades from Sri Lanka Telecom after establishing the Telco Sector at Luminex in 1996.

Led Luminex to its present status being in the capacity of MD/CEO until he stepped down in 2023. And he continues to function as an Executive Director and takes part in all strategic management processes of the company as a mentor.



Mr. Anura De Alwis
Non-Independent-Executive Director

Mr. Alwis is a director of the company since its inception in 1986. He is a reputed and well known businessman from Panadura and also a respected philanthropist of the area. He is a prominent figure in Social Service activities in Panadura & Outstations.

His contribution to develop the religious institutions is praiseworthy and appreciated by different communities.

He gained the technical expertise in Telecommunication technology, leadership & personality development by following well recognized courses at School of Signals managed by Sri Lanka Signal Corps.

He counts vast experience in Telecom Project Management and strategic planning by active participation in King Khalid Military City, Saudi Arabia.

He is a Director of Luminex Bookshops (Pvt) Ltd. and Luminex Power Projects(Pvt)Ltd. too.

Resigned Directors During the Financial Year

- **Dr. Harsha N De Silva**
Chairman
Non-Independent Non-Executive Director
Resigned on 15th April 2023
- **Mr. Asoka Hettigoda**
Independent Non-Executive Director
Resigned on 15th December 2022
- **Mr. Maithree Suraweera**
Independent Non-Executive Director
Resigned on 08th June 2023

MANAGEMENT TEAM



Upul Lekamge
*Head of Civil, Water & Electrical Projects
Managing Director
Non-Independent Executive Director*

Refer profile under Board of Directors.

Mr. H M D Palitha Herath
*Head of Telcom Projects
Non-Independent - Executive Director & CEO*

Refer profile under Board of Directors.

Kalinga Wijesinghe
*General Manager
Water Projects and Building services*

He holds a Bachelor of Science Degree in Civil Engineering from the University of Moratuwa in 1999 and a Postgraduate Diplomas in Business Administration specialized in Project Management from University of Moratuwa, Building Services Engineering from University of Peradeniya, Structural Engineering from University of Ruhuna and Construction Law & Dispute Resolution from University of Moratuwa. He holds a certificate of Certified Business Accountant from CA Sri Lanka.

He has 22 years' experience in Project & Contract Management in the field of Building Construction, Water & Sewerage Construction and Building Services by serving for leading construction companies in Sri Lanka and Overseas.



Nimal Baranasuriya
General Manager - Civil projects

A professionally qualified Chartered Civil Engineer with a Master of Science Degree in Irrigation Engineering from the University of Southampton, UK. He retired from Government Service after 35 years of service, first at the Irrigation Department and then at the Ministry of Highways & Road Development. Nimal was the Additional Secretary (Engineering) at the Ministry of Highways & Road Development at the time of his retirement. He heads the Civil Engineering Division at Luminex at present

Mr. G C Fonseka
General manager HRD and Administration

Counts over 35 years of experience in senior positions in Human Resources Development and Supplies and materials management in reputed local and Multinational establishments. Associate Member - Institute of Personnel Management (UK) and Institute of Supply and Material Management (UK). Ex-employee Ministry of Defense, Sultanate of Oman. Recipient, Oman peace Medal and 25th Anniversary Medal. Presently heads the HRD Division of Luminex.



Mr. Prasanna Walisundara
General Manager Finance & Tax

Mr. Prasanna Walisundara is a Qualified Chartered Accountant and counts over 20 years' working experience in various industries as a Finance and tax professional. Currently he is serving as General Manager Finance & Tax in Luminex PLC and as an Independent Non-Executive Director of Lee Hedges PLC. He started his career at Ernst & Young (EY) and he was providing various consultancy services through the Accounting Compliance & Reporting Service Division & the Tax compliance service division under Global Compliance Reporting (GCR) sector of EY-Global before joining Luminex PLC.

Mr. Walisundara holds a Bachelor of Science Degree in Business Administration from the University of Sri Jayewardenepura and a master's degree in business administration (MBA) from the University of Colombo. He is a fellow member of Chartered Accountants of Sri Lanka (FCA) and Associate member of the Association of Chartered Certified Accountants in UK (ACCA) and is also an Associate Member of Certified Management Accountant of Sri Lanka (ACMA). Further he is an Associate member of the Institute of Taxation of Sri Lanka.

ANNUAL REPORT OF THE DIRECTORS ON THE AFFAIRS OF THE COMPANY

GENERAL

The Directors of Luminex PLC have pleasure in presenting to the shareholders affairs of the Company and audited Consolidated Financial Statements of the Group for the year ended 31st March 2023.

The information stated in the Annual Report of the Board of Directors on the Affairs of the Company, contains the information required in terms of the Companies Act No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange and guided by recommended best accounting practices.

The report has been approved by the Directors on 11th August 2023.

REVIEW OF THE BUSINESS

• PRINCIPAL ACTIVITY OF THE COMPANY AND ITS SUBSIDIARIES

- The principal activities of the Company is shown on page 40 in this Report.
- The Directors, to the best of their knowledge and belief, confirm that the Company has not engaged in any activities that contravene laws and regulations.
- The Company was listed on the Colombo Stock Exchange on 23rd June 2022 subsequent to an Initial Public Offering.

• REVIEW OF OPERATIONS AND FINANCIAL HIGHLIGHTS

The Financial Statements which include the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the notes to the financial statements of the company for the year ended 31st March 2023 are set out on pages 36 to 72 of the Annual Report.

INDEPENDENT AUDITORS REPORT

Independent Auditors' Report on the Financial Statements is given on page 32 to 35

• RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the Financial Statements so that they present a true and fair view of the state of affairs of the Company. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Companies Act No.07 of 2007, the Sri Lanka Accounting and Auditing Standards and the Continuing Listing Rules of the Colombo Stock Exchange.

• STATED CAPITAL AND RESERVES

The Company's stated capital as at 31st March 2023 was Rs.450,000,000/= represented by 271,250,000 ordinary shares.

The total capital and reserves for the Company stood at Rs. 2,110,803,938/- as at 31st March 2023.

• ACCOUNTING POLICIES

The details of the accounting policies adopted by the Company in preparation of the financial statements and the impact thereon, of changes in the Sri Lanka Accounting Standard made during the year are disclosed on pages 40 to 73 of the Annual Report.

• DIVIDENDS

The Board of Directors of the Company has recommended a first and final dividend of Rs0.25 (Twenty-Five Cents) per share for the financial year ended 31st March 2023, out of profits of the company for the year ended 31st March 2023. As required by Section 56(2) of the Companies Act No.07 of 2007, the Board of Directors have certified that the company satisfies the solvency test in accordance with section 57 of the Act. The dividend will be paid by 19th October 2023 to the shareholders on the register as at end of trading on 3rd October 2023.

• PROPERTY PLANT & EQUIPMENT

Capital expenditure during the year on property, plant and equipment by the Company was Rs. 13.6Mn (2022 - Rs. 80.1Mn). The information relating to the movement of property, plant and equipment during the year is given in Note 10 to the Financial Statement. The freehold lands and building of the Company have been reported at cost for the year under consideration.

• INVESTMENT PROPERTY

The details relating to the movement in investment properties are given in Note 13 to the Financial Statements. All investment properties are held at cost.

• STATUTORY PAYMENTS

To the best of their knowledge and belief, the Directors are satisfied that all statutory payments in relation to the Government and to the Employees have been settled to date or are provided for in the books of the company.

• POST BALANCE SHEET EVENTS

Details of events after the reporting date are reflected in note 33 Page 68 to the Financial Statements.

• GOING CONCERN

After considering the financial position, the Company's Corporate / Business plans, operating conditions, regulatory and other factors and such matters required to be addressed in the Code of Best Practice on Corporate Governance, issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka, the Directors have a reasonable expectation that the Company possesses adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

• CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

The Contingent liabilities and capital commitment made on account of capital expenditure as at 31st March 2023 are given in Notes 32 to the Financial Statements.

• INTEREST REGISTERS

In terms of the Companies Act No.07 of 2007, the company maintains an Interest Register and the entries have been made therein. All related party transactions during the period are recorded in the Interest Register.

The Board of Directors has duly disclosed their directorships in related companies and share dealing with the company and related companies at board meetings in terms of section 200 of the Companies Act No.2007.

The related party transactions and the Directors' interest in contracts and proposed contracts with the company are also disclosed in Note 31 to the Financial Statements.

• SHARE INFORMATION

Information on earnings, dividends, net assets and share trading, 20 largest shareholders as at 31st March 2023, and public holding are disclosed on page 75.

• DIRECTORS AS AT 31st MARCH 2023

The Board of Directors of Luminex PLC comprise of 07 Directors and 02 of them serves as Independent Non-Executive Directors. The qualifications and experience of the Directors are given on page 12 of the Report.

The names of the Directors who held office during the year and as at 31st March 2023 under review are as follows:

ANNUAL REPORT OF THE DIRECTORS ON THE AFFAIRS OF THE COMPANY

- **Dr. Harsha N De Silva**
(Resigned from 15th April 2023)
Chairman/ Non-Independent
Non-Executive Director
- **Lionel Imbulana**
Chairman/ Independent - Non-Executive
Director (Appointed as Chairman from 15th
April 2023)
- **Ruwan Fernando**
Managing Director (up to 15th April 2023)
Non-Independent - Executive Director
- **Anura De Alwis**
Non-Independent-Executive Director
- **Asoka Hettigoda**
(Resigned from the Board
on 15th December 2022)
Independent - Non-Executive Director
- **Sanjaya Bandara**
(Appointed on 14th December 2022)
Independent - Non-Executive Director
- **Upul Lekamge**
Managing Director (from 15th April 2023)/
Non-Independent Executive Director
- **Palitha Herath**
CEO/Non-Independent - Executive Director

Mr G R P Fernando and Mr A.A.C De Alwis who are over 70 years of age retire in terms of section 210 of the Companies Act No.07 of 2007 and to be re-elected as Directors of the Company for a further period of one year from the conclusion of the Annual General Meeting and that the age limit stipulated in section 210 of the Companies Act No. 07 of 2007 shall not be applicable.

Mr. S.M.S Sanjaya Bandara who was appointed to the Board on 14.12.2022 shall retire in terms of Article 79(i) of the Article of Association of the company and being eligible is recommended by the directors for re-election.

All the Non-Executive Directors have submitted annual declaration regarding their independence or non-independence. Brief resume of all the Directors are given on page 14 to the Annual Report.

BOARD SUB COMMITTEE

The Board, while assuming overall responsibility and accountability for the management of the Company and in line with the Corporate Governance Code of Colombo Stock Exchange, has appointed three Board Sub-Committees; Audit Committee, Remuneration Committee and Related Party

Transactions Review Committee, to ensure oversight and control over certain affairs of the Company. The Board-approved Terms of references for these Sub Committees conform to the recommendations made by various regulatory bodies such as the Institute of Chartered Accountants of Sri Lanka, the Securities and Exchange Commission of Sri Lanka and the Colombo Stock Exchange. Composition and function of each subcommittee are given on pages 21 to 27 of the corporate governance section of this Annual Report.

1. Audit Committee
2. Remuneration Committee
3. Related Party Transactions Review Committee

AUDIT COMMITTEE

Following are the names of the Directors comprising the Audit Committee of the Company.

1. Dr. Harsha N De Silva
(Chairman up to 14th February 2023)
2. Sanjaya Bandara (Chairman)
(From 14th February 2023)
3. Asoka Hettigoda
(up to 15th December 2022)
4. Lionel Imbulana

The report of the Audit Committee on page 28 set out the manner of compliance by the Company in accordance with the requirements of the Rule 7.10.6 (c) of the Rules of the Colombo Stock Exchange on Corporate Governance.

REMUNERATION COMMITTEE

Following are the names of the Directors comprising the Remuneration Committee of the company.

1. Lionel Imbulana (Chairman)
2. Dr. Harsha N De Silva (Upto 15th April 2023)
3. Asoka Hettigoda (up to 15th December 2022)
4. Sanjaya Bandara (From 14th December 2022)

The primary objective of the Remuneration Committee is to lead and establish a formal and transparent procedure for the development of a remuneration policy and the establishment of a remuneration structure.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

Following are the names of the directors comprising Related Party Transactions Review Committee of the company.

1. Asoka Hettigoda
(Chairman up to 15th December 2022)
2. Sanjaya Bandara
(Chairman- From 14th February 2023)
3. Dr. Harsha N De Silva
(Upto 15th April 2023)
4. Lionel Imbulana

The committee met four times during the financial year 2022/2023. The Related party transactions review committee report is given on page 29 on this Annual Report.

NON-RECURRENT RELATED PARTY TRANSACTIONS

There is no Non-Recurrent Related Party Transactions for the period under review.

RECURRENT RELATED PARTY TRANSACTIONS

All the Recurrent Related Party Transactions which in aggregate value exceeds 10% of the revenue of the Company as per audited Financial Statements of 31st March 2023 are disclosed under Note 31 on page 66 to the Financial Statements, as required by Colombo Stock Exchange listing Rule 9.3.2.

DIRECTORS' DECLARATION ON RELATED PARTY TRANSACTIONS

The Directors declare that the Company is in compliance with Section 9 of the Listing Rules of the Colombo Stock Exchange pertaining to Related Party Transactions during the financial year ended 31st March 2023. The Directors declare that there were no related party transactions required to be disclosed under the listing rules of the CSE other than as disclosed under Note 31 to the financial statements. other than as disclosed under Note 31.3 to the financial statement.

ANNUAL REPORT OF THE DIRECTORS ON THE AFFAIRS OF THE COMPANY

• DIRECTORS DEALINGS WITH THE SHARES OF THE COMPANY

Director's shareholding in the company as at 1st April 2022 and 31st March 2023 are as follows:

Names of Directors	Shareholding	
	01.04.2022	31.03.2023
Dr. Harsha N De Silva	None	None
Mr. G R P Fernando	120,900,000	120,900,000
Mr. A.A.C De Alwis	57,750,000	57,750,000
Mr. Asoka Hettigoda	None	None
Mr. I B Lionel	None	None
Mr. Upul Ranjith Lekamge	None	62,500
Mr. H M D Palitha Herath	None	62,500
Mr. Sanjaya Bandara	None	None

• THE BOARD OF DIRECTORS DECLARE AS FOLLOWS:

- The Company has not engaged in any activity which contravenes laws and regulations.
- All material interests in contracts involving the Company have been disclosed or interested parties have refrained from voting on matters in which they were materially interested;
- The Company has made all endeavors to ensure the equitable treatment of Shareholders;
- The Directors have complied with best practices of Corporate Governance;
- The Directors have conducted a review of internal controls covering financial, operational and compliance controls and risk management have obtained reasonable assurance of their effectiveness;
- The business is a going concern, with supporting assumptions or qualifications as necessary; and they have conducted a review of the internal controls, covering financial, operational and compliance controls and risk management, and have obtained reasonable assurance of their effectiveness and successful adherence therewith;

• MATERIAL FORESEEABLE RISKS

The company do not envisage material foreseeable risks that would have adverse impact on the performance of the company.

• MATERIAL ISSUES PERTAINING TO EMPLOYEES AND INDUSTRIAL RELATIONS OF THE COMPANY

The Board of Luminex Plc assesses all the issues with regard to employee and industrial relations which influence the performance of the Company.

• REMUNERATION OF DIRECTORS

Remuneration received by the Directors is set out in Note 31.30 to the Financial Statements on page 67.

• DIRECTORS INTEREST IN CONTRACTS

The Directors' interest in contracts and proposed contracts with the company are disclosed in Note 31.30 to the Financial Statements.

• AUDITORS' RELATIONSHIP

Messrs. Nihal Hettiarachchi & Co Chartered Accountants who are willing to continue in office are recommended for re-appointment, at a remuneration to be decided by the Board of Directors.

The fees paid to auditors are disclosed in Note 07 to the Financial Statements.

As far as the Directors are aware, the Auditors do not have any relationship (other than that of an auditor) with the company other than those disclosed above. The auditors also do not have any interest in the Company. They confirm that they are independent in accordance with the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka.

The Audit Committee has assessed and reviewed the effectiveness of the external auditors Messrs. Nihal Hettiarachchi & Co and recommended to the Board of Directors that Messrs. Nihal Hettiarachchi & Co be re-appointed as auditors for the ensuing financial year subject to the approval of the shareholders at the Annual General Meeting. The Independent Auditors' Report on the Financial Statements of the company is given on pages 32 to 35.

• ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on 26th September 2023 at 10.00 a.m. as a virtual meeting.

• ACKNOWLEDGEMENT OF THE CONTRACT OF THE REPORT

As required by the section 168(1) (K) of the Companies Act No.07 of 2007, the Board of Directors do hereby acknowledge the content of this Annual Report.

For and on behalf of the Board,



Lionel Imbulana
Chairman



Upul Lekamge
Managing Director



Secretaries
RNH HOLDINGS (PRIVATE) LIMITED.
Colombo
11th August 2023

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENT

This statement sets out the responsibilities of the Directors in relation to the Financial Statements of the Company.

In terms of Sections 150 (1), 151, 152 and 153 of the Companies Act No. 07 of 2007, the Directors of Luminex PLC are responsible for ensuring that the Company keep proper books of account of all the transactions and prepare Financial Statements that give a true and fair view of the financial position of the Company as at end of each financial year and of the financial performance of the Company for each financial year and place them before a general meeting. The Financial Statements comprise of the Statement of Financial Position as at March 31, 2023, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and Notes thereto.

Accordingly, the Directors confirm that the Financial Statements of the Company give a true and fair view of:

- a. The financial position of the Company as at Reporting date;
and
- b. The financial performance of the Company for the financial year ended on the Reporting date.

The Directors are required to ensure that the Financial Statements of the Company for the year ended 31st March 2023 have been prepared and presented based on the Sri Lanka Accounting Standards (SLFRSs and LKASs), Companies Act No. 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, the Listing Rules of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance issued jointly by The Institute of Chartered Accountants of Sri Lanka (CASL) and the Securities and Exchange Commission of Sri Lanka (SEC).

In terms of Section 148 (1) of the Companies Act, the Directors are also responsible for ensuring that proper accounting records are kept to enable the determination of the financial position of the Company with reasonable accuracy and to facilitate the preparation and auditing of financial Statements in a timely manner. Accordingly, the Directors have taken reasonable steps to ensure that the Company maintain proper books of accounts and review the financial reporting system through the Audit Committee.

The Board of Directors also approves the Interim Financial Statements prior to their release to the Colombo Stock Exchange, upon a review and recommendation by the Board Audit Committee.

The Directors confirm that these Financial Statements for the year ended 31st March 2023, prepared, and presented in this Annual Report are in agreement with

- a. appropriate accounting policies selected and applied in a consistent manner and material departures if any have been disclosed and explained.
- b. all applicable accounting standards that are relevant, have been followed.
- c. Judgments and estimates have been made which are reasonable and prudent.

The Directors also have taken reasonable measures to safeguard the assets of the Company and to prevent and detect frauds and other irregularities. In that regard, the Directors have instituted an effective and comprehensive system of internal controls.

The Directors have reasonable expectations, after making enquiries and following a review of the budget for the ensuing year including cash flows and borrowing facilities, that the Company has adequate resources to continue in operational existence for the foreseeable

future, and therefore, has continued to adopt the going concern basis in preparing the financial statements.

Compliance Report

The Directors confirm that to the best of their knowledge, Statutory levies and financial obligations of the Company have been either paid or adequately provided for in the Financial Statements.

By Order of the Board of Directors of Luminex PLC.



RNH HOLDINGS (PRIVATE) LIMITED.
Company Secretaries

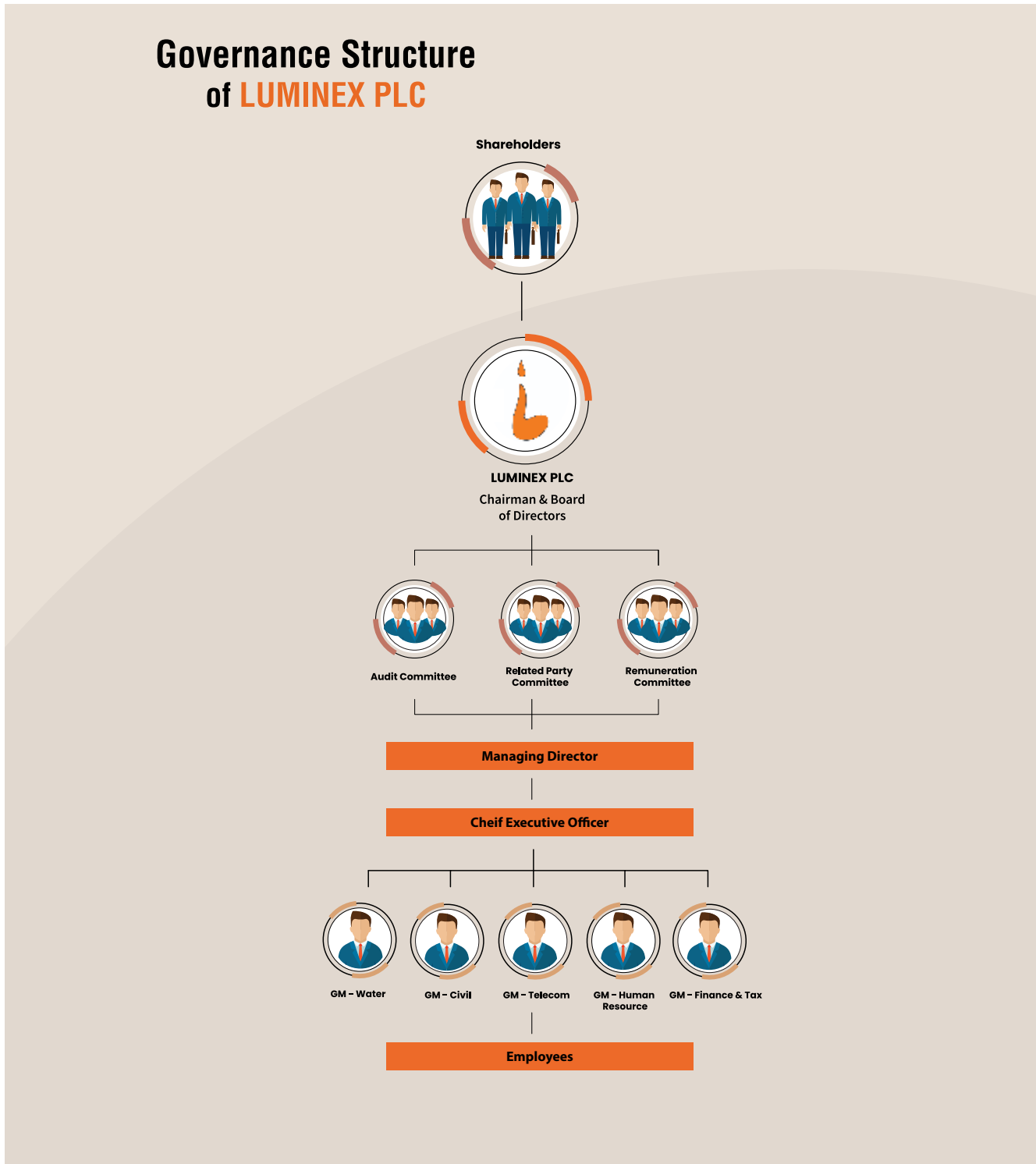
11th August 2023.
Colombo

CORPORATE GOVERNANCE

GOVERNANCE STRUCTURE

As the Board of Directors of Luminex PLC, we continuously work to strengthen the corporate governance structure of the company to ensure the business protection and the continuity of the business for the purpose of betterment for our existing shareholders and the prospective shareholders. In this respect we have delegated the responsibilities pertaining to specific functions by creating various committees to assist the Board of Directors of the company. Accordingly, the main committees established are the Audit Committee, Remuneration Committee and the Related Party Transaction Committee. Please refer to the Reports of the sub-committees from page 28 to page 30 of this Report for further information..

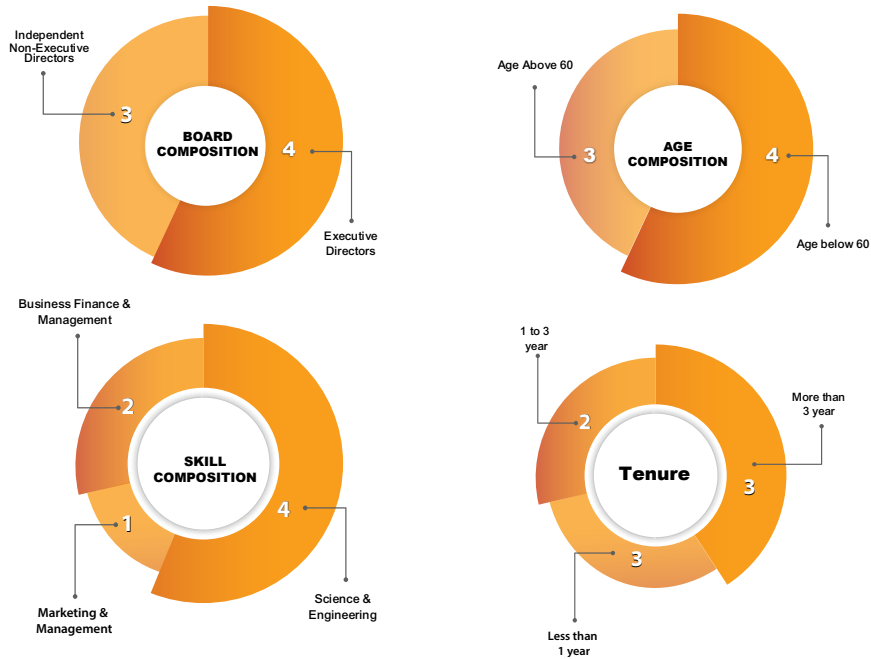
The Governance Structure is graphically illustrated below:



CORPORATE GOVERNANCE

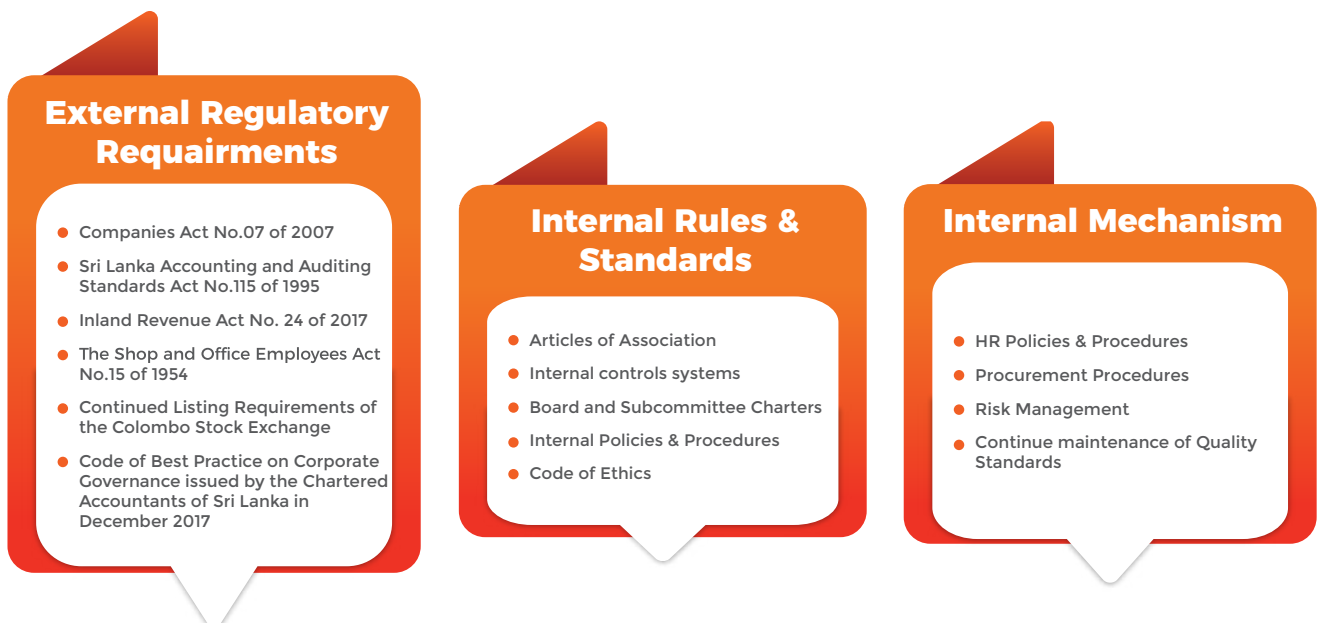
THE BOARD COMPOSITION

The composition of the Board is paramount for smooth functioning of the Board, as the board is consists with expertise with various decsiplenes, they are able to contribute their valuble experience and the expertise to best interest of the company before finalizing the strategic decisions. Specially the diversity of experience and the skills is helpful to maintain the good governance in the management process.



Company Governance Framework

Company Government frame work comprises the Exterenal Regulatory requirements, Internal rules & standards and other related Interenal mechanism to function the governance structure;



The Company's Corporate Governance Structure is detailed below which demonstrates the extent to which the Company adheres to in relation to Provisions of the Companies Act No.07 of 2007 and CSE regulations on Corporate Governance.

CORPORATE GOVERNANCE

Compliance in terms of the Companies Act No. 07 of 2007

Section Reference	Requirement	Annual Report Reference (Page)
168(1)(a)	The nature of the business of the Company with any change thereof during the accounting period	40
168(1)(b)	Signed Financial Statements of the Company for the accounting period completed	37
168(1)(c)	Auditors' Report on Financial Statements of the the Company	32 - 35
168(1)(d)	Accounting Policies and any changes made during the accounting period	40 - 73
168(1)(e)	Particulars of the entries made in the Interests Register during the accounting period	16
168(1)(f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	67
168(1)(g)	Corporate donations made by the Company during the accounting period	07
168(1)(h)	Information on the Directorate of the Company and its Subsidiaries during and at the end of the accounting period	12 -14
168(1)(i)	Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered during the accounting period	49
168(1)(j)	Auditors' relationship or any interest with the Company and its Subsidiaries	18
168(1)(k)	Acknowledgement of the contents of this Report and Signatures on behalf of the Board (Annual Report of the Board of Directors)	18

Company is also compliant with The Code of Best Practices on Corporate Governance jointly issued by the Securities and Exchange Commission of Sri Lanka and The Institute of Chartered Accountants of Sri Lanka (The Code) Best Practices of Corporate Governance and extent to which the company is compliant with the principles of the Code are detailed below.

THE BOARD- PRINCIPLE A. OF THE CODE

The Board of Directors comprise 07 Directors of which 03 are Non Executive Independent Directors. The Board represents extensive industry expertise. Board meet at least once in every quarter to discuss company's performance and evaluate its strategic direction. There were 04 Board meetings and 04 sub committee meetings held during the year under review and the attendance of the Board members are given below.

Name	Directorship	Board Meeting	Audit Committee Meeting	Related Party Transaction Meetings	Remuneration Committee Meeting
Dr. Harsha N De Silva	Chairman/ Non Independent Non- Executive Director (Up to 15th April 2023)	04	04	04	04
Mr. G R P Fernando	Executive Director	04	04	04	04
Mr. A.A.C De Alwis	Executive Director	04	04	04	04
Mr. Asoka Hettigoda	Independent Non Executive Director (Up to 15th December 2022)	03	03	03	03
Mr. I B Lionel	Chairman/Independent Non Executive Director (Chairman Appointment from 15th April 2023)	04	04	04	04
Mr. Upul Ranjith Lekamge	Managing Director/ Executive Director	04	04	04	04
Mr. H M D Palitha Herath	CEO/Executive Director	04	04	04	04
Mr. S.M.S.Sanjaya Bandara	Independent Non Executive Director (from 14th December 2022)	01	01	01	01

CORPORATE GOVERNANCE

At all Audit Committee meetings and Board meetings, statutory compliance statement showing extent to which the company is compliant with the rules and regulations are circulated amongst the Directors for information of the Board. All the Board members have access to the advice of the Company Secretary, RNH Holdings (Pvt) Limited who acts as the registered company secretaries to the company.

The Board of Directors demonstrate independent judgement on aspects related to company's corporate strategy, performance and financial evaluation. All the Directors are given fair treatment at Board meetings and encourage them to express their views at Board meetings.

Board meeting and sub committee meeting dates are circulated to the Board well in advance. Board Papers are circulated to the Board in advance, enabling Board members to dedicate adequate time and effort in studying the papers. Board members are free to request any additional information on matters that are being discussed at Board level.

Chairman ensures that there is a proper balance between Non Executive Directors and Executive Directors.

The Board comprises of individuals with sound financial acumen and they guide the Board on financial matters.

There are three Non Executive Independent Directors. Independent Directors meet the criteria set out in the CSE regulations for

"independence". Annual declarations are obtained from all Non Executive Directors and submitted to the Board.

Senior Management of the company provides all information required for decision making by the Board of Directors. Where necessary Directors obtain independent opinion from legal and accounting professionals in order to bring in wider perspectives on matters of importance.

Information relating to the Directors are given on page 12 of this Annual Report. Directors attendance at Board and sub committee meetings are given on page 22 of this report.

DIRECTORS' REMUNERATION- PRINCIPLE B

Remuneration of Executive Director is determined in terms of company remuneration policy which is in line with industry practices, and the Remuneration Committee reviews the such policy and make recommendations to the Board.

SHAREHOLDER RELATIONS- PRINCIPLE C

Annual General Meeting (AGM) is the main platform for the Shareholders to raise queries from the Board. AGM notices and Annual Report in CD form are sent to all the shareholders by giving required statutory notice of the AGM, and shareholders are encouraged to use the AGM to constructively to discuss matters. Chairmen of sub committees are available at AGM to respond any queries of shareholders.

There were no major or material transactions entered into or proposed to be entered into by the company during the period under review.

ACCOUNTABILITY AND AUDIT- PRINCIPLE D

The Board has the task to present balanced and understandable assessment of the company's performance, financial position and outlook. Directors declaration on the preparation of financial statements are given on page 16 of this report.

RELATIONSHIP WITH SHAREHOLDERS - PRINCIPLE E TO F

Board encourages shareholders to participate at Annual General Meetings (AGM) and make effective dialogue with the Board, and use their voting rights. Shareholders are free to raise any queries on agenda items listed in the notice of AGM.

Company's level of compliance to CSE regulations on corporate governance is given below.

CORPORATE GOVERNANCE

Statement of Compliance under Section 7.6 of the Listing Rules of the Colombo Stock Exchange (CSE) on Annual Report Disclosure.

	Requirement	Annual Report Reference (Page)
(i)	Names of persons who were Directors of the Entity Profiles of Directors	12 - 14
(ii)	Principal activities of the entity and its subsidiaries during the year, and any changes therein	40
(iii)	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	75
(iv)	The public holding percentage	75
(v)	A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity at the beginning and end of each financial year	18
(vi)	Information pertaining to material foreseeable risk factors of the Entity Details of material issues pertaining to employees and industrial relations of the Entity During the year 2022/23, there were no material issues pertaining to employees and industrial relations of the Company	18
(vii)	Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties	45
(viii)	Number of shares representing the Entity's stated capital	74
(ix)	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	74
(x)	Financial ratios and market price information	74 - 76
(xi)	Significant changes in the Company's or its subsidiaries' fixed assets, and the market value of land, if the value differs substantially from the book value as at the end of the year Notes to the Financial Statements -	51
(xii)	Details of funds raised through a public issue, rights issue and a private placement during the year -	N/A
(xiii)	Information in respect of Employee Share Ownership or Stock Option Schemes	N/A
(xiv)	Disclosures pertaining to Corporate Governance practices in terms of Rules 7.10.3, 7.10.5 c. and 7.10.6 c. of Section 7 of the Listing Rules	25
(xv)	Related Party transactions exceeding 10 per cent of the equity or 5 per cent of the total assets of the Entity as per audited financial statements, whichever is lower Notes to the Financial Statements	N/A

CORPORATE GOVERNANCE

Statement of Compliance under Section 7.10 of the Listing Rules of the Colombo Stock Exchange (CSE) on Annual Report Disclosure

Rule No.	Applicable Requirement	Compliance Status	Details
7.10.1(a)	The Board of Directors of a Listed Entity shall include at least, two non-executive Directors; or - such number of non-executive Directors equivalent to one third of the total number of Directors whichever is higher.	Complied	Out of 07 Directors, company has 03 Non Executive Directors.
7.10.2(a)	Two or 1/3 of non-executive Directors appointed to the Board of Directors, whichever is higher shall be 'independent'.	Complied	Out of 07 Directors, company has 03 Independent Non Executive Directors
7.10.2(b)	The Board shall require each non-executive director to submit a signed and dated declaration annually of his/her independence or non Independence against the specified criteria	Complied	All Non-Executive Directors have submitted their confirmation of independence as per the criteria set by the CSE rules, which is in line with the regulatory requirements.
7.10.3(a)	The Board shall determine annually as to the independence or non-independence of each non-executive Director based on such declaration and other information available to the Board and shall set out in the annual report the names of Directors determined to be 'independent'	Complied	The Board has made such determination and the basis for determination of "Independence" is in line with the definition of the CSE Regulations in force.
7.10.3(b)	In the event a director does not qualify as 'independent' against any of the criteria set out in the regulation but if the Board, taking account all the circumstances, is of the opinion that the Director is nevertheless 'independent', the Board shall specify the criteria not met and the basis for its determination in the annual report.	Complied	All the Non Executive Directors have declared their independence or non independence. All the new Board appointments were informed to shareholders by making an announcement in Colombo Stock Exchange in compliance with Rule 7.10.3 (d).
7.10.3(c)	The Board shall publish in its annual report a brief resume of each director on its Board which includes information on the nature of his/her expertise in relevant functional areas.	Complied	Brief Resume of each Director is given on page 12 of the Annual Report.
7.10.3(d)	Upon appointment of a new Director to its Board, the Entity shall forthwith provide to the Exchange a brief resume of such director for dissemination to the public.	Complied	Whenever there is a new Director appointed to the Board, announcement is made to Colombo Stock Exchange together with his brief resume.
7.10.5(a)	The remuneration committee shall comprise; of a minimum of two independent non-executive Directors (in instances where an Entity has only two Directors on its Board); or of non-executive Directors a majority of whom shall be independent, whichever shall be higher. In a situation where both the parent company and the subsidiary are 'listed Entities', the remuneration committee of the parent company may be permitted to function as the remuneration committee of the subsidiary.	Complied	Composition of the Remuneration Committee is given on page 30 of the Annual Report under Remuneration Committee Report.
7.10.5(b)	The Remuneration Committee shall recommend the remuneration payable to the Executive Directors and Chief Executive Officer of the Listed Entity and/or equivalent position thereof, to the Board of the Listed Entity which will make the final decision upon consideration of such recommendations.	Complied	Remuneration committee reviews the Company remuneration policy and make recommendations to the Board.
7.10.5(c)	The annual report should set out the names of Directors (or persons in the parent company's committee in the case of a group company) comprising the remuneration committee, contain a statement of the remuneration policy and set out the aggregate remuneration paid to executive and non-executive Directors.	Complied	The names of the Directors of the Remuneration Committee are set out on .30 of this report.
7.10.6(a)	The audit committee shall comprise; of a minimum of two independent non-executive Directors (in instances where a Entity has only two Directors on its Board); or of non-executive Directors a majority of whom shall be independent, whichever shall be higher. In a situation where both the parent company and the subsidiary are 'Listed Entities', the audit committee of the parent company may function as the audit committee of the subsidiary.	Complied	The Audit Committee consists of 03 Non Executive independent Directors. Report of the Audit Committee is given on page 28 to the Annual Report Out of the 3 members, one of them is a member of the recognized professional accounting body.

CORPORATE GOVERNANCE

7.10.6(b)	<p>Function of the Audit committee shall include, (i) Overseeing of the preparation, presentation and adequacy of disclosures in the financial statements of a Listed Entity, in accordance with Sri Lanka Accounting Standards.</p> <p>(ii) Overseeing of the Entity's compliance with financial reporting requirements, information requirements of the Companies Act and other relevant financial reporting related regulations and requirements.</p> <p>(iii) Overseeing the processes to ensure that the Entity's internal controls and risk management, are adequate, to meet the requirements of the Sri Lanka Auditing Standards.</p> <p>(iv) Assessment of the independence and performance of the Entity's external auditors.</p> <p>(v) To make recommendations to the Board pertaining to appointment, re-appointment and removal of external auditors and to approve the remuneration and terms of engagement of the external auditors.</p>	Complied	The Audit Committee charter encompasses, its functions and responsibilities covering functions prescribed in rule 7.10.6(b)
7.10.6(c)	<p>The names of the Directors comprising the audit committee should be disclosed in the annual report. The committee shall make a determination of the independence of the auditors and shall disclose the basis for such determination in the annual report. The annual report shall contain a report by the audit committee, setting out the manner of compliance by the Entity in relation to the above, during the period to which the annual report relates.</p>	Complied	<p>Name of the Directors on the Audit committee is given on page 28 of the Annual Report. Audit Committee report is given on page 28 of the report.</p> <p>Statement of Auditors independence is disclosed in page 28 of the Audit Committee report.</p>

Statement of Compliance under Section 09 of the Listing Rules of the Colombo Stock Exchange (CSE) on Annual Report Disclosure

Rule No.	Applicable Requirement	Compliance Status	Details
9.2.1 & 9.2.2	<p>All Related Party Transactions should be reviewed by the "Related Party Transactions Review Committee. The Committee should comprise a combination of non-executive Directors and independent non-executive Directors. The composition of the Committee may also include executive Directors, at the option of the Listed Entity. One independent non-executive director shall be appointed as Chairman of the Committee.</p>	Complied	Composition of related party review committee is given on page 29 of the related party review committee report.
9.2.3	<p>In a situation where both the parent company and the subsidiary are Listed Entities, the Related Party Transactions Review Committee of the parent company may be permitted to function as the Related Party Transactions Review Committee of the subsidiary.</p>	N/A	This is not applicable.
9.2.4	<p>The Committee shall meet at least once a calendar quarter. The Committee shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors.</p>	Complied	Attendance of the Related party review committee is given on page 29 of the Annual Report under Related Party Review Committee Report.
9.3.1	<p>A Listed Entity shall make an immediate announcement to the Exchange; - of any non-recurrent Related Party Transaction with a value exceeding 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements. OR - of the latest transaction, if the aggregate value of all non-recurrent Related Party Transactions entered into with the same Related Party during the same financial year amounts to 10% of the Equity or 5% of the Total Assets whichever is lower, of the Entity as per the latest Audited Financial Statements. (ii) Listed Entity shall disclose subsequent non-recurrent transactions which exceed 5% of the Equity of the Entity, entered into with the same Related Party during the financial year.</p>	Complied	Required disclosures have been made to CSE wherever necessary. Details of Related party transactions are disclosed on note 30 to the Annual Report.
9.3.2(a)	<p>In the case of Non-recurrent Related Party Transactions, if aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets, whichever is lower, of the Listed Entity as per the latest Audited Financial Statements the related information must be presented in the Annual Report:</p>	Complied	There were no Non recurrent related party transactions, to be disclosed.

CORPORATE GOVERNANCE

9.3.2(b)	In the case of Recurrent Related Party Transactions, if the aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue/income (or equivalent term in the Income Statement and in the case of group entity consolidated revenue) as per the latest Audited Financial Statements, the Listed Entity must disclose the aggregate value of recurrent Related Party Transactions entered into during the financial year in its Annual Report. The name of the Related Party and the corresponding aggregate value of the Related Party Transactions entered into with the same Related Party is given on note 30 to the Financial Statements.	Complied	Please refer note 30 To the financial statements
9.3.2(c)	Annual Report shall contain a report by the Related Party Transactions Review Committee, setting out the following: <ul style="list-style-type: none"> • Names of the Directors comprising the Committee; • A statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated the comments/observations to the Board of Directors. • The policies and procedures adopted by the Committee for reviewing the Related Party Transactions. • The number of times the Committee has met during the Financial Year 	Complied	Report of the Related party Review Committee on page 29 of the Annual Report comply with the requirement.
9.3.2(d)	A declaration by the Board of Directors in the Annual Report as an affirmative statement of the compliance with these Rules pertaining to Related Party Transactions or a negative statement in the event the Entity has not entered into any Related Party Transaction/s.	Complied	Affirmative statement is included in the Related Patry Review Report on page 29 of the Annual Report

AUDIT COMMITTEE REPORT



Mr. Sanjaya Bandara

Chairman

Independent Non-Executive Director

Purpose of the Committee

The Board has established an Audit Committee, tasked with monitoring the Company's financial reporting system, selecting, and implementing accounting policies, establishing internal controls, and maintaining a suitable working relationship with external auditors.

Members of the Committee

Mr. Sanjaya Bandara

Chairman (From 14th February 2023)

Independent - Non-Executive Director

Dr. Harsha N De Silva

Chairman (up to 14th February 2023)

Non-Independent - Non-Executive Director

Mr. Asoka Hettigoda

Independent - Non-Executive Director

(Up to 15th December 2022)

Mr. I B Lionel

Independent - Non-Executive Director

Role of the Committee

Brief profiles of each member are given on pages 12 to 14 of this report. Their individual and collective financial knowledge and business acumen and the independence of the Committee, are brought to bear on their deliberations and judgments on matters that come within the Committee's purview. The composition meets the requirements of the Listing Rules of the Colombo Stock Exchange.

The Audit Committee is appointed by and reports to the Board of Directors and is empowered to examine any matter relating to the financial reporting systems of the Company and its external audits with unrestricted access to the books and records of the Company.

The Audit Committee assist the Board in the following:

- To review the financial statements in details to ensure that the financial reporting process is in compliance with the required standards.
- To review the year-end financial statements and interim financial statements and recommend for Board approval prior to submission to the shareholders and relevant authorities.
- Provide oversight assessing the Company's ability to continue as a going concern in the foreseeable future.
- Making recommendations to the Board with regard to the reappointment of external auditors, their remuneration and terms of engagement.
- To assess the effectiveness of the company's internal controls and risk management.

Review of Financial Statements

The Audit Committee reviews the quarterly and annual Financial Statements prior to its publication. The review includes appropriateness of changes in accounting policies if any, significant estimates and judgements made by the management, compliance with relevant Accounting Standards and applicable regulatory requirements.

External Audit

The External Audit function of the Company is carried out by Messrs. Nihal Hettiarachchi & Co Chartered Accountants. The External Auditors Letter of Engagement including the scope of the Audit is discussed with the External Auditors and the Management prior to commencement of the Audit.

The Committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to a conflict of interest. Confirmation has been obtained from the External Auditors of their compliance with the independence guidance given in the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka.

Having reviewed the effectiveness of the external audit, the Committee recommended to the Board that Messrs. Nihal Hettiarachchi & Co, Chartered Accountants, be re-appointed External Auditors of the Company for the year ending 31st March 2024, subject to approval by the Shareholders at the forthcoming Annual General Meeting.

Meetings

The committee met 4 times during the year under review. The attendance of the members of audit committee meeting is stated in the table below.

Meeting	Dr. Harsha N De Silva (Chairman up to 14th February 2023)	Mr. Sanjaya Bandara (Chairman from 14th February 2023)	Mr. Asoka Hettigoda (Up to 15th December 2022)	Mr. I B Lionel
1-29th June 2022	√	N/A	√	√
2-29th August 2022	√	N/A	√	√
3-24th November 2022	√	N/A	√	√
4-14th February 2023	√	√	N/A	√

Mr. Sanjaya Bandara
Chairman-Audit Committee
Colombo
11th August 2023

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT



Mr. Sanjaya Bandara
Chairman
Independent Non-Executive Director

Purpose of the Committee

The objective of the Committee is to exercise oversight on behalf of the Board, that all Related Party Transactions ("RPTs") of Luminex PLC and its subsidiaries, are consistent with the Code and that the required disclosures are made in a timely manner as required by the Code.

The objective of the RPTRC is to review all related party transactions of the Company prior to the transaction being entered into or prior to completion of the transaction in the event the transaction commences subject to the review by the RPTRC.

Members of the Committee

Mr. Sanjaya Bandara
Chairman (From 14th February 2023)
Independent Non-Executive Director

Mr. Asoka Hettigoda
Chairman (Up to 15th December 2022)
Independent - Non-Executive Director

Dr. Harsha N De Silva
Non-Independent - Non-Executive Director

Mr. I B Lionel
Independent - Non-Executive Director

Duties and Responsibilities

The policies and procedures adopted by the Committee for reviewing the Related Party Transactions are as follows:

- To review all Related Party transactions pertaining to transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged and making a decision if the transaction needs the approval of the Board of Directors prior to entering to the transaction.
- When reviewing a transaction, the RPTRC would decide whether the proposed transaction is carried out on an arm's length basis irrespective of whether it is recurrent or non-recurrent in nature.
- Reviewing and approval would be either by meeting of members or by circulation.
- Details of transactions exceeding 10% of the Company's equity or 5% of the total assets of the Company are promptly disclosed to the Colombo Stock Exchange for transparency.
- The members of the Board of Directors and their close family members are identified and information pertaining to them for the purpose of identifying parties related to them. The information is shared with the Company Secretaries in order to fulfill the regulatory requirements.
- Further, in accordance with the RPT Policy, the criteria for identifying the Company's Key Management Personnel (KMP) was established and all Executive & Non-Executive Directors of Board, and all members of the Senior Management teams were identified as the KMPs in order to establish greater transparency and governance. Also, declarations were obtained from each Director and KMP of the Company for the purpose of identifying parties related to them and to provide annual disclosure.

Meetings

The Committee met 4 times during the year under review. The attendance of the members of Audit Committee meeting is stated in the table below.

Meeting	Dr. Harsha N De Silva (Chairman up to 14th February 2023)	Mr. Sanjaya Bandara (Chairman from 14th February 2023)	Mr. Asoka Hettigoda (Up to 15th December 2022)	Mr. I B Lionel
1-29th June 2022	√	N/A	√	√
2-29th August 2022	√	N/A	√	√
3-24th November 2022	√	N/A	√	√
4-14th February 2023	√	√	N/A	√

Related Party transactions review committee reviewed all related party transactions during the financial year and their comments and observations have been communicated to the Board.

Mr. Sanjaya Bandara
Chairman-Related Party Review Committee
Colombo
11th August 2023

REMUNERATION COMMITTEE REPORT



Mr. Lionel Imbulana
Chairman
Independent Non -executive Director

Purpose of the Committee

The Remuneration Committee was appointed by the Board of Directors with the aim of recommending the remuneration payable to the Executive Directors, Chief Executive Officer, and the senior management persons of the Company.

Members of the Committee

Mr. I.B Lionel
Chairman
Independent Non -executive Director

Dr. Harsha N De Silva
Non-Independent
Non-Executive Director
(up to 15th April 2023)

Mr. Asoka Hettigoda
Independent, non-executive Directors
(Up to 15th December 2022)

Mr. Sanjaya Bandara
Independent, non-executive Director
(From 14th February 2023 onwards)

The duties of the Committee are as follows:

Determining the compensation of the Chairman & Chief Executive, Executive Directors and the Members of the Company Management Committee.

Lay down guidelines and parameters for the compensation structures of all management staff within the Company taking into consideration industry norms.

Recommend the contract of employment or related contracts with executive Directors on

behalf of the Company.

Determine terms of any compensation package in the event of early termination of the contract of any Executive Director.

The Committee makes every endeavour to maintain remuneration levels that are sufficient to attract and retain executive Directors and senior Management.

The Committee meets as a when the need arises.

Meetings

The Committee met 4 times during the year under review. The attendance of the members of Audit Committee meeting is stated in the table below.

Meeting	Dr. Harsha N De Silva	Mr. Sanjaya Bandara (from 14th February 2023)	Mr. Asoka Hettigoda (Up to 15th December 2022)	Mr. I B Lionel
1-29th June 2022	√	N/A	√	√
2-29th August 2022	√	N/A	√	√
3-24th November 2022	√	N/A	√	√
4-14th February 2023	√	√	N/A	√

Mr. I B Lionel
Chairman-Remuneration Committee
Colombo
11th August 2023

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT



TO THE SHAREHOLDERS OF LUMINEX PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Luminex PLC (“the Company”) and the consolidated financial statements of the Company and its subsidiary (“the Group”), which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2023, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics 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 consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p>Recognition of Revenue</p> <p>Refer Note 4 to the Audited Financial Statements.</p> <p>Risk description:</p> <p>The revenue of the Company and the Group amounted to Rs. 3.045Bn and 3.046Bn respectively, and comprised revenues from Civil construction revenue and Infrastructure development revenue that is material to the financial statements.</p>	<ul style="list-style-type: none"> Understanding whether the management’s process of recognizing revenue is in line with the requirements of SLFRS 15 – Revenue from Contracts with Customers and ensure these policies had been applied to individual contracts with customers appropriately.

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Dinuk Hettiarachchi FCA, FCMA (SL & UK), FCPA (AUS)
Tax Director :
Dinusha Ilankoon BB.Mgt Accountancy(Sp),CTA

Erandi Weerasuriya FCA, BSc (Mgt.Pub)Sp.



INDEPENDENT AUDITORS' REPORT

Key Audit Matter

Revenue was a key audit matter due to:

Inherent risk around the accuracy of revenue recorded given the complexity of multiple agreements with customers and the impact of pricing models to revenue recognition.

How our audit addressed the key audit matter

- Performing appropriate analytical procedures to understand and assess the reasonableness of the reported revenues.
- Evaluating the design of internal controls and testing the operating effectiveness of relevant controls over revenue recognition.
- We checked, on a sample basis, to contracts, invoices, project status reports, interim payments certificates approved by quantity surveyors appointed by the customers or payment applications from the in-house surveyor and other relevant correspondence to evaluate whether the performance obligation of the agreed contracts have been satisfied.
- Inspecting a sample of project budgets, contract agreements with customers and subcontractors to identify key terms and assessing whether these key terms have been appropriately reflected in the amounts recognized in the financial statements.
- Assessing the adequacy of disclosures in respect of revenues.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

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

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

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

INDEPENDENT AUDITORS' REPORT

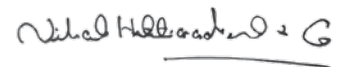
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 4515.

COLOMBO,
August 11, 2023



NIHAL HETTIARACHCHI & CO.,
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME

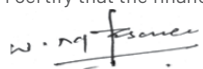
For the year ended 31st March,	Notes	Group	Company	
		2023 Rs.	2023 Rs.	2022 Rs.
Revenue	4	3,046,286,240	3,045,264,832	3,121,311,743
Operating expenses		(2,343,062,768)	(2,342,451,111)	(2,126,455,278)
Gross profit		703,223,472	702,813,721	994,856,465
Other income	5	86,085,834	86,085,834	45,470,536
Administration expenses		(498,992,517)	(475,071,069)	(412,568,970)
Other expenses		(37,545,509)	(37,545,509)	(2,404,589)
Operating profit for the year		252,771,280	276,282,977	625,353,442
Finance income	6	297,254,071	297,254,071	11,993,334
Finance costs	6	(391,006,388)	(391,006,388)	(78,873,424)
Profit before tax	7	159,018,963	182,530,660	558,473,352
Income tax expense	8	(52,852,814)	(52,852,814)	(114,226,668)
Profit for the year		106,166,149	129,677,846	444,246,684
Other comprehensive income				
Remeasurement gain or (loss) on retirement benefit obligation		(4,219,757)	(4,219,757)	35,307,257
Deferred tax charge / (reversal) on remeasurement gain or (loss) on retirement benefit obligation		1,265,927	1,265,927	(4,943,016)
Currency translation on foreign operations		(13,873,113)	-	-
Other comprehensive income for the year		(16,826,943)	(2,953,830)	30,364,241
Total comprehensive income for the year		89,339,206	126,724,016	474,610,925
Profit / (loss) for the year				
Attributable to:				
Equity holders of the parent		113,219,658		
Non-controlling interest		(7,053,509)		
		106,166,149		
Other comprehensive income				
Attributable to:				
Equity holders of the parent		(12,665,009)		
Non-controlling interest		(4,161,934)		
		(16,826,943)		
Basic earnings per share	9	0.40	0.49	2.67
Diluted earnings per share	9	0.40	0.49	2.67
Dividend per share		0.25	0.25	0.40

The significant accounting policies and notes from pages 40 to 73 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION


As at	Notes	Group	Company	
		2023 Rs.	2023 Rs.	2022 Rs.
ASSETS				
Non-current assets				
Property, plant and equipment	10	197,901,069	193,404,469	221,381,046
Capital work-in-progress	11	-	-	1,056,400
Right-of-use assets	12	84,400,640	84,400,640	139,094,535
Investment properties	13	51,481,439	51,481,439	51,339,619
Intangible assets	14	946,243	946,243	2,202,606
Investment in subsidiary	15	-	100,438,800	-
Trade and other receivables	19	56,633,026	56,633,026	-
Other non-current financial assets	18	763,323,793	763,323,793	-
		1,154,686,210	1,250,628,410	415,074,206
Current assets				
Inventories	17	1,047,331,572	1,047,331,572	1,386,554,638
Trade and other receivables	19	1,067,900,107	1,066,911,924	1,428,002,870
Amounts due from related parties	20	32,935,135	7,437,070	9,532,887
Other financial assets	18	285,058,629	282,418,196	183,330,409
Cash and cash equivalents	21	198,447,359	182,846,474	171,145,444
		2,631,672,802	2,586,945,236	3,178,566,248
Total assets		3,786,359,012	3,837,573,646	3,593,640,454
Equity and liabilities				
Equity				
Stated capital	22	450,000,000	450,000,000	200,000,000
Retained earnings		1,644,345,750	1,660,803,938	1,642,579,922
Other components of equity		(9,711,179)	-	-
Equity attributable to equity holders of the parent		2,084,634,571	2,110,803,938	1,842,579,922
Non-controlling interest		31,829,757	-	-
Total equity		2,116,464,328	2,110,803,938	1,842,579,922
Non-current liabilities				
Retirement benefit obligation	23	42,929,035	42,929,035	34,431,390
Interest bearing borrowings	24	555,589,100	555,589,100	43,841,900
Lease liabilities	25	30,369,703	30,369,703	63,778,236
Deferred tax liabilities	16	1,194,149	1,194,149	9,368,106
		630,081,987	630,081,987	151,419,632
Current liabilities				
Trade and other payables	27	560,887,748	558,267,287	485,544,571
Amounts due to related parties	28	-	59,495,485	-
Interest bearing borrowings	24	395,757,813	395,757,813	786,161,788
Lease liabilities	25	36,258,220	36,258,220	47,604,584
Other financial liabilities	26	7,000,000	7,000,000	7,000,000
Income tax payable	29	39,908,916	39,908,916	67,434,939
Bank overdrafts	21	-	-	205,895,018
		1,039,812,697	1,096,687,721	1,599,640,900
Total liabilities		1,669,894,684	1,726,769,708	1,751,060,532
Total equity and liabilities		3,786,359,012	3,837,573,646	3,593,640,454

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007.



Prasanna Walisundara
General Manager Finance & Tax

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of The Board by,



Upul Lekamge
Managing Director
11th August 2023



Palitha Herath
Chief Executive Officer / Director

The significant accounting policies and notes from pages 40 to 73 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY (Group)

FOR THE YEAR ENDED	Attributable to Equity Holders of the Parent				Total
	Stated Capital	Retained Earnings	Foreign currency translation reserve	Non-controlling interest	
	Rs.	Rs.	Rs.	Rs.	
Balance as at 01st April, 2021	200,000,000	1,237,968,997	-	-	1,437,968,997
Profit for the year (Reclassified)	-	444,246,684	-	-	444,246,684
Other comprehensive income (Reclassified)	-	30,364,241	-	-	30,364,241
Total comprehensive income for the year net of tax	-	474,610,925	-	-	474,610,925
Dividends	-	(70,000,000)	-	-	(70,000,000)
Balance as at 31st March, 2022	200,000,000	1,642,579,922	-	-	1,842,579,922
Balance as at 01st April, 2022	200,000,000	1,642,579,922	-	-	1,842,579,922
Profit / (Loss) for the year	-	113,219,658	-	(7,053,509)	106,166,149
Currency translation on foreign operations	-	-	(9,711,179)	(4,161,934)	(13,873,113)
Other comprehensive income	-	(2,953,830)	-	-	(2,953,830)
Total comprehensive income for the year net of tax	-	110,265,828	(9,711,179)	(11,215,443)	89,339,206
Dividends	-	(108,500,000)	-	-	(108,500,000)
Issue of shares	250,000,000	-	-	43,045,200	293,045,200
Balance as at 31st March, 2023	450,000,000	1,644,345,750	(9,711,179)	31,829,757	2,116,464,328

STATEMENT OF CHANGES IN EQUITY (Company)

	Stated Capital	Retained Earnings	Total
	Rs.	Rs.	Rs.
Balance as at 01st April, 2021	200,000,000	1,237,968,997	1,437,968,997
Profit for the year (Reclassified)	-	444,246,684	444,246,684
Other comprehensive income (Reclassified)	-	30,364,241	30,364,241
Total comprehensive income for the year net of tax	-	474,610,925	474,610,925
Dividends	-	(70,000,000)	(70,000,000)
Balance as at 31st March, 2022	200,000,000	1,642,579,922	1,842,579,922
Balance as at 01st April, 2022	200,000,000	1,642,579,922	1,842,579,922
Profit for the year	-	129,677,846	129,677,846
Other comprehensive income	-	(2,953,830)	(2,953,830)
Total comprehensive income for the year net of tax	-	126,724,016	126,724,016
Issue of shares	250,000,000	-	250,000,000
Dividends	-	(108,500,000)	(108,500,000)
Balance as at 31st March, 2023	450,000,000	1,660,803,938	2,110,803,938

The significant accounting policies and notes from pages 40 to 73 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31st March	Notes	Group	Company	
		2023 Rs.	2023 Rs.	2022 Rs.
Cash flows from operating activities				
Profit for the year		159,018,963	182,530,660	558,473,352
Adjustments for non - cash income and expenses :				
Amortization of intangible assets	14	1,256,363	1,256,363	1,357,872
Depreciation of investment property	13	1,897,180	1,897,180	998,394
Amortization of right-of-use assets	12	58,798,895	58,798,895	62,265,238
Depreciation of property, plant and equipment	10	41,796,231	41,609,253	37,184,731
Receivable written off		-	-	320,939
Provision for impairment on trade debtors	19	2,318,644	2,318,644	1,927,800
Interest income	06	(297,254,071)	(297,254,071)	(11,619,030)
Changes in fair value of investment in unit trust	05	(221,730)	(221,730)	(171,550)
Profit on disposal of assets	05	(14,100,000)	(14,100,000)	-
Profit on sale and lease back transaction	05	(3,681,668)	(3,681,668)	(4,594,438)
Provision for gratuity	23	9,452,675	9,452,675	12,007,692
Loan interest	06	158,889,958	158,889,958	27,841,215
Lease interest	06	12,053,845	12,053,845	15,204,850
Operating cash flows before change in working capital		130,225,285	153,550,004	701,197,065
Changes in working capital				
Decrease / (Increase) in trade and other receivables		301,151,093	302,139,276	(799,014,325)
(Increase) / Decrease in amounts due from related parties		(23,402,248)	2,095,817	(1,649,835)
Decrease / (Increase) in inventories		339,223,066	339,223,066	(839,706,858)
Increase in trade and other payables		79,024,845	76,404,384	355,922,708
Increase in amounts due to related parties		-	59,495,485	-
Cash flows from / (used in) operating activities		826,222,041	932,908,032	(583,251,245)
Income tax paid	29	(87,286,866)	(87,286,866)	(77,054,429)
Interest paid		(158,889,958)	(158,889,958)	(27,841,215)
Gratuity paid	23	(5,174,787)	(5,174,787)	(2,435,281)
Net cash flows from / (used in) generated from operating activities		574,870,430	681,556,421	(690,582,170)
Cash flows from / (used in) investing activities				
Interest received		259,124,021	259,124,021	17,798,677
(Investment) / Withdrawal of other financial assets		(826,700,232)	(824,059,800)	130,030,031
Purchase of property, plant and equipment	10	(14,543,581)	(9,874,700)	(80,175,645)
Purchase of intangible assets	14	-	-	(118,170)
Investment in investment property	13	(2,039,000)	(2,039,000)	-
Investment in capital work-in-progress	11	(2,701,577)	(2,701,577)	(1,056,400)
Purchase of lease right		(705,000)	(705,000)	(14,298,570)
Investment in subsidiary	15	-	(100,438,800)	-
Net investment in joint venture		-	-	(6,298)
Sales proceeds from disposal of assets		14,100,000	14,100,000	7,200,000
Net cash flows (used in) / from investing activities		(573,465,369)	(666,594,856)	59,373,625
Cash flows from / (used in) financing activities				
Dividend paid		(108,500,000)	(108,500,000)	(70,000,000)
Proceeds received from borrowings	24	1,578,954,567	1,578,954,567	1,025,688,410
Repayment of capital portion of borrowings	24	(1,457,611,342)	(1,457,611,342)	(330,708,860)
Repayment of lease rentals	25	(60,208,742)	(60,208,742)	(61,517,730)
Proceed from share issue		288,328,862	250,000,000	-
Net cash flows from financing activities		240,963,345	202,634,483	563,461,820
Net Increase / (Decrease) in cash and cash equivalents		242,368,406	217,596,048	(67,746,725)
Cash and cash equivalents at the beginning of the year		(34,749,574)	(34,749,574)	32,997,151
Increase / (Decrease)		242,368,406	217,596,048	(67,746,725)
Effect of exchange rate changes on cash		(9,171,473)	-	-
Cash and cash equivalents at the end of the year	21	198,447,359	182,846,474	(34,749,574)

The significant accounting policies and notes from pages 40 to 73 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

01. CORPORATE INFORMATION

1.1 Reporting Entity

Luminex PLC is a public limited liability incorporated and domiciled in Sri Lanka. The address of the Company's Registered Office and the principal place of business is No. 24, New Galle Road, Moratuwa, Sri Lanka. Ordinary shares of the Company are listed at the Colombo Stock Exchange on the 23rd June, 2022.

1.2 Consolidated financial statements

The financial statements for the year ended 31 March 2023 comprise "the Company" referring to Luminex PLC as the holding Company and "the Group" referring to the subsidiary that has been consolidated therein.

1.3 Principal activities and nature of operations of the holding company

The Company is engaged in the business of,

- electrical, electronics, telecommunication, civil and mechanical engineering contractors, consultants and technical advisers.
- manufacture, assemble, maintain, repair, service and sell both wholesale and retail, electrical, electronic and telecommunication equipment and telecommunication outside plant constructions.
- import, export distribute, sell both wholesale and retail, hire, rent, lease electrical, electronic and telecommunication equipment and telecommunication outside plant constructions both within Sri Lanka and outside Sri Lanka.

1.4 Group information

Name of the Company	Nature of the relationship	Nature of the business	Functional Currency	Country
Luminex International LLC	Subsidiary	Construction contracts in water, Electricity, and telephone Network station and installation of communication wiring and fiber optical cables.	Omani Rial	Sultanate of Oman

The Commercial operation of the Subsidiary commenced on the 28th November 2022 whereas the investment by the parent Company occurred on 28th November 2022.

02. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 General

2.1.1 Basis of preparation

Statement of compliance

The statement of financial positions, statement of comprehensive income, statements of changes in equity and cash flows, together with the notes, (the "Financial Statements") thereto have been prepared in accordance with the Sri Lanka Accounting Standards (LKASs and SLFRSs) laid down by the Institute of Chartered Accountants of Sri Lanka, and the requirements of the Companies Act No 7 of 2007 and Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995.

Approval of Financial Statements by Directors

The Financial Statements were authorized for issue by the Board of Directors on 11th August 2023

2.1.2 Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and as per the provisions of the Companies Act No. 07 of 2007. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

2.1.3. Comparative information

The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year. Further, comparative information is reclassified wherever necessary to comply with the current year presentation.

2.1.4 Basis of measurement

The financial statements of the Group have been prepared on the historical cost basis, unless otherwise stated in the relevant section to these financial statements.

2.1.5 Materiality and Aggregation

Each material class of similar item is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard - LKAS 01 on 'Presentation of Financial Statements' and amendments to the LKAS 1 on 'Disclosure Initiative' which was effective from January 01, 2016.

Notes to the financial statements are presented in a systematic manner which ensures the understandability and comparability of financial statements of the Group. Understandability of the financial statements is not compromised by obscuring material information with immaterial information or by aggregating material items that have different nature or function.

2.1.6 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and

NOTES TO THE FINANCIAL STATEMENTS

settle the liabilities simultaneously. Income and expenses are not offset in the income statement, unless required or permitted by Sri Lanka Accounting Standard and as specially disclosed in the Significant Accounting Policies of the Group.

2.1.7 Summary of significant accounting judgments, estimates and assumptions

The preparation of the Group's Financial Statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's Accounting policies, Management has made various judgments. Those which Management has assessed to have the most significant effect on the amounts recognized in the Financial Statements have been discussed in the individual Notes of the related Financial Statement line items.

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 March 2023 is included in the following notes:

- Measurement of defined benefit obligation: key actuarial assumptions – Note 23
- Income Tax (current tax and deferred tax) – Note 29 & 16
- Impairment of non financial assets: key assumption underlying recoverable amount – Note 3.13
- Fair value measurement of financial instruments – Note 30
- Impairment of financial assets: key assumption underlying recoverable amount – Note 3.5.2.3

2.1.8 Going concern

The Group has prepared the Financial Statements for the year ended 31st March 2023 on the basis that it will continue to operate as a going concern. In determining the basis of preparing the Financial Statements for the year ended 31st March 2023, based on available information, the management has assessed the prevailing macroeconomic conditions and its effect on the Group and the appropriateness of the use of the going concern basis.

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

2.1.9 Functional and presentation currency

The financial statements are prepared and presented in Sri Lankan Rupees (Rs.).

03. SIGNIFICANT ACCOUNTING POLICIES

3.1 Consolidated Financial Statements

The Consolidated Financial Statements of Luminex PLC, as at and for the year ended 31 March 2023 encompass the Group and its subsidiary (together referred to as the "Group"). The subsidiary in the Group is limited liability Company namely Luminex International LLC incorporated and domiciled in Sultanate of Oman.

3.1.1 Business Combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The consolidated Financial Statements comprise the financial statements of the Parent and its subsidiaries in terms of the Sri Lanka Accounting Standard – SLFRS 10 on "Consolidated Financial Statements". Thus, the consolidated financial statements present financial information about the Group as a single economic entity distinguishing the equity attributable to the parent (Controlling Interest) and attributable to minority shareholders with non-controlling interest.

3.1.2 Subsidiaries

Subsidiaries are those entities controlled by the Parent Company. Control exists when the Parent Company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, the Parent Company takes into consideration potential voting rights that are currently exercisable and other contractual arrangements.

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.
- When the Parent Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
 - The contractual arrangement(s) with the other vote holders of the investee.
 - Rights arising from other contractual arrangements.
 - The Parent Company's voting rights and potential voting right.

The Company re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Parent Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full consolidation.

NOTES TO THE FINANCIAL STATEMENTS

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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

3.1.3 Non-Controlling Interest

Non-Controlling Interests represent the portion of profit or loss and net assets that is not held by the Company and are presented separately in the Consolidated Statement of profit and loss and within equity in the Consolidated Statement of Financial Position separately from parent shareholders' equity non-controlling interest are measured at their proportionate share of the acquire's identifiable net assets at the acquisition date. The Parent Company elects whether to measure the non-controlling interest in the proportionate share of the acquire's fair value or at the proportionate share of the acquire's identifiable net assets.

3.1.4 Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the Consolidated Financial Statements.

3.2 Foreign currency transaction and Balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in the Statement of Profit or Loss. Tax charges and credit attributable to exchange differences on those monetary items are also recognised in Other Comprehensive Income.

Non-monetary assets and liabilities which are measured in terms of historical cost in a foreign currency are translated using exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of gain or loss on the change in fair value of the item (i.e., translation differences on items of which fair value gain or loss is recognised in OCI or Profit or Loss are also recognised in OCI

or Profit or Loss, respectively). In determining the spot exchange rate to use on initial recognition of the related asset, expense, or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Foreign currency differences arising on re-translation is recognized in the Statement of Comprehensive Income.

3.3 Foreign operations

On consolidation, the assets and liabilities of foreign operations are translated into Sri Lanka Rupees at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date. However no goodwill arose on consolidation.

3.4 Current versus non-current classification

The Group presents assets and liabilities in a statement of financial position based on current/non-current classification. An asset as current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period. Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in a normal operating cycle.
- It is held primarily for the purpose of trading.

- It is due to be settled within twelve months after the reporting period. Or
- It does not have a right at the reporting date to defer the settlement of the liability for at least twelve months after the reporting date.

The Group classifies all other liabilities as non-current.

3.5 Financial Instruments

3.5.1 Recognition and initial measurement

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.

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

3.5.2 Financial Assets

3.5.2.1 Classification

On initial recognition, a financial asset is classified as measured at amortized cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designed as at FVTPL:

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

This assessment is referred to as the SPPI test and it is performed at an instrument level. The Group's financial assets classified under amortized cost includes trade and other receivable and cash and cash equivalents.

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

NOTES TO THE FINANCIAL STATEMENTS

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

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

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

3.5.2.2 Business Model Assessment

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

The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

- transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

3.5.2.3 Impairment

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

In certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.5.2.4 Presentation of allowance for ECL in the statement of financial position

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

3.5.2.5 Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures to recovery of amounts due.

3.5.3 Financial Liabilities

3.5.3.1 Classification, subsequent measurement and gain and losses

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

expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

3.6 Fair value Measurement

SLFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A Fair value measurement requires an entity to determine all the following:

1. The particular asset or liability that is the subject of the measurement.
2. For a non-financial asset, the valuation premise that is appropriate for the measurement (consistently with its highest and best use).
3. The principal (or most advantageous) market for the asset or liability.
4. The valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or liability and the level of the fair value hierarchy within which the inputs are categorized.

Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same, to estimate the price at which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

NOTES TO THE FINANCIAL STATEMENTS

When a price for an identical asset or liability is not observable, an entity measures fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. As a result, an entity's intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

When an asset is acquired or a liability is assumed in an exchange transaction for that asset or liability, the transaction price is the price paid to acquire the asset or received to assume the liability (an entry price). In contrast, the fair value of the asset or liability is the price that would be received to sell the asset or paid to transfer the liability (an exit price).

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

3.6.1 Determining Fair Values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumption and other risks affecting the specific instrument.

- Level 1 - Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

3.7 Taxation

a) Current taxes

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 No.24 of 2017 and amendments thereto.

b) Deferred taxation

Deferred taxation is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected realization or settlement of assets and liabilities using tax rate enacted at the reporting date.

A Deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

c) Turnover based taxes

Turnover based taxes include Value Added Tax (V.A.T.) and Social Security Contribution Levy (SSCL), which are payable to the Department of Inland Revenue in respect of business activities and the Company pay such taxes in accordance with the respective statutes.

3.8 Property, Plant and Equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services or for administrative purposes and are expected to be used during more than one accounting year.

3.8.1 Recognition and Measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

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

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

Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized within other income in profit or loss.

3.8.2 Subsequent Costs

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

3.8.3 Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of significant items of property, plant and equipment are as follows:

Type of assets	Year
Computer equipment	05 Years
Buildings	20 Years
Plant, machinery and equipment	05 Years
Furniture and fittings	10 Years
Motor vehicles	04 Years
Formation expenses of telex bureau	05 Years

No depreciation is provided on freehold land.

The depreciation charges are determined separately for each significant part of an item of property, plant and equipment and begin to depreciate when it is available for use and cease on disposal of such assets.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

NOTES TO THE FINANCIAL STATEMENTS

3.8.4 De-recognition

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

When replacement costs are recognised in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is de-recognised.

3.9 Leases

At the inception of a contract, the Group assesses to ascertain whether a contract is, or contains, a lease. A contract is, or 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 a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in SLFRS 16.

3.9.1 Right-of-use assets and Lease liabilities

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

The Group determines its incremental borrowing rate by obtaining interest rates from debt financing arrangements at the inception of the lease period.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate.

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

3.9.2 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

3.10 Intangible assets

3.10.1 Software

Software acquired by the Group is measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Software is amortised on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software is 5 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

3.11 Investment property

3.11.1 Recognition

Investment properties are measured initially at cost, including transaction costs. The carrying value of investment property includes the cost of replacing part of an existing investment property, at the time that cost is incurred if the recognition criteria are met, and excludes the cost of day-to-day servicing of investment property.

Subsequent to initial recognition, all investment properties are carried at cost less any accumulated depreciation thereon.

Address / Location of the investment property

	Group	Company	
	As at 31.03.2023 At Cost (Rs.)	As at 31.03.2023 At Cost (Rs.)	As at 31.03.2022 At Cost (Rs.)
Investment property - Land			
No.465, Galle Road, Panadura	16,709,000	16,709,000	16,709,000
No 646, Galle Road, Rawatawatta, Moratuwa	14,175,000	14,175,000	14,175,000
Investment property - Building			
Three storey Building at No 465, Galle Road, Panadura	20,072,296	20,072,296	20,072,296
Three storey Building at No 646, Galle Road, Rawatawatta, Moratuwa	19,904,717	19,904,717	17,865,717

NOTES TO THE FINANCIAL STATEMENTS

3.11.2 Depreciation

The provision for depreciation is calculated by using a straight-line method on the cost of investment property, in order to write off such amounts over the estimated useful lives by equal installments.

The useful life of investment property is as follows:

Class of investment property	Useful life	Depreciation method
Buildings	20 Years	Straight-line method

3.11.3 Derecognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Relevant income and expenditure relating to investment properties.

	Group	Company	
	For the year ended 31st March 2023 (Rs.)	For the year ended 31st March 2023 (Rs.)	For the year ended 31st March 2022 (Rs.)
Rent income	10,180,321	10,180,321	10,072,697
	10,180,321	10,180,321	10,072,697
Expenditure incurred (Rates)	221,360	221,360	221,360
	221,360	221,360	221,360

3.12 Inventories

Inventories are measured at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items. The cost of inventories are based on a weighted average costs. 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, excluding borrowing cost.

Borrowing cost for inventories that are qualifying assets are capitalized as part of cost. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Inventory movement is reviewed at the end of reporting period by an expert to assess the recoverability of inventory and the items that are identified as irrecoverable are written off during the year.

3.12.1 Work-in-progress

Remaining work-in-progress are stated at cost.

3.13 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired.

If any indication exists, or when the annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or CGU's fair value less cost 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 a group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. In determining the fair value less costs to sell, an appropriate valuation model is used. These calculations are

corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuous operations are recognized in the Statement of Profit or Loss in those expense categories consistent with the function of the impaired asset, except for the property previously revalued where the revaluation was taken to equity. In this case, the impairment is also recognized in equity up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date to ascertain as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit or Loss unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase.

3.14 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.14.1 Defined benefit plans – Gratuity

The employee benefit liability of the Group is based on the actuarial valuation carried out by independent actuarial specialists. The actuarial valuations are involved in making assumptions about discount rates and future salary increases. The complexity of the valuation, the underlying assumptions and its long term nature, the defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Comparative figures have been calculated using the formula method, and there is no material impact due to the change in the computation method.

NOTES TO THE FINANCIAL STATEMENTS

3.14.2 Defined Contribution Plan

Defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay any further amounts. Obligations for contributions to Employees Provident Fund and Employees Trust Fund covering all employees are recognized as an expense in the statement of comprehensive income, as incurred.

3.14.3 Employees' Provident Fund

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

3.14.4 Employees' Trust Fund

The Group contributes 3% of the salary of each employee to the Employees' Trust Fund. The total amount recognized as an expense to the Group for contribution to ETF and EPF is disclosed in the Note 07 to the financial statements.

3.14.5 Short-Term Benefits

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

3.15 Related Party Disclosures

3.15.1 Transactions with Related Parties

The Group carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard No. 24. The Pricing applicable to such transactions is based on the assessment of the risk and pricing model of the Group and is comparable with what is applied to transactions between the Group and its unrelated Customers.

3.15.2 Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard No. 24 "Related Party Disclosures", Key management personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including executive and non-executive Directors), and their immediate family members have been classified as Key Management Personnel of the Group.

STATEMENT OF COMPREHENSIVE INCOME

3.16 Revenue and income

SLFRS 15 – Revenue from contracts with customers

Revenue represents the amounts derived from the construction contracts, sale of goods and provision of services, which fall within the Group's ordinary activities net of trade discounts and turnover-related taxes. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Timing of transferring the goods and services to the customer is determined based on judgments taking into the consideration of the nature of the goods and services that offers to the customers.

A five-step model with reference to SLFRS 15, Revenue from contracts with customers is applied before the revenue is recognised;

1. Identify the contract with customers.
2. Identify the separate performance obligations
3. Determine the transaction price of the contract
4. Allocate the transaction price to each of the separate performance obligations and;
5. Recognise the revenue as each performance obligation is satisfied.

The following specific criteria are used for the purpose of recognition of revenue:

3.16.1 Construction contracts

Revenue from construction-related contracts is recognised upon satisfaction of a performance obligation agreed in the contract. At contract inception, the Group determines whether it satisfies the performance obligation over time or at a point in time. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer. For each performance obligation satisfied over time, the Group recognise the revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

The progress is assessed based on surveys of work performed. When the outcome of construction contract can not be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. By considering loss making contracts, a provision is immediately made in profit or loss for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price when the forecast costs are greater than the forecast revenue.

3.16.2 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group executed performance obligations under the contract. The Customer deposits disclosed under Note 27 is considered as contract liabilities.

3.16.3 Other income

3.16.3.1 Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

3.16.3.2 Rental income

Rental income includes rental income from properties leased out to tenants under operating leases and income from other related services. Rental income from operating leases is recognised on an effective interest rate basis over the lease term in accordance with the SLFRS 16.

3.16.3.3 Interest income

Interest income is recognized as it accrues. Interest income is included under finance income in the statement of comprehensive income.

3.16.3.4 Rendering of services

Revenue from rendering of services is recognised in the Statement of Profit or Loss when each performance obligations are satisfied by transferring promised service to the customer.

NOTES TO THE FINANCIAL STATEMENTS

3.17 Expenses recognition

Expenses are recognised in the statement of comprehensive income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

For the presentation of the statement of comprehensive income, the directors are of the opinion that the nature of the expenses method presents fairly the element of the Group's performance, and hence, such presentation method is adopted.

3.17.1 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset 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 and borrowing costs incurred after the completion of the underlying construction are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.17.2 Tax expenses

Income tax expense comprises the current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

Income tax provisions for the year ended 31st March 2023 have been made as per the provision of the Inland Revenue Act No. 24 of 2017 and the amendments thereto.

3.17.3 Current tax expense

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflect the uncertainty related to income taxes, if any. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

3.18 Earnings per share (EPS)

The Group presents Basic Earnings per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

3.19 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the "Indirect Method" of preparing Cash Flows in accordance with the Sri Lanka Accounting Standard 07-Statement of Cash Flows. Cash and cash equivalents include notes and coins on hand, balances with banks, money at call and short notice with less than three months maturity from the date of acquisition.

Investments with short maturities, i.e. three months or less from the date of acquisition are also treated as cash equivalents.

Interest paid are classified as operating cash flows, interests received are classified as investing cash flows while dividends paid are classified as financing cash flows for the purpose of presenting of statement of cash flows.

3.20 Events occurring after the Reporting Period

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

3.21 Segment Reporting

An operating segment is a component within the Group that engage in business activities for which it may earn distinguish revenue and expenses for such segment.

The operating results arising from Construction activities as a whole is reviewed regularly by the Group's Chief Operating Decision Maker to make decisions about resource to be allocated and to assess its performance. The Group has only one segment hence no separate disclosure is given for operating segment.

3.22 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 other than on a business combination, are shown as a deduction, net of tax, in equity from the proceeds.

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders.

3.23 Contingent liabilities and commitments

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be readily measured as defined in the Sri Lanka Accounting Standard-LKAS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'. Contingent Liabilities are not recognized in the statement of

financial position but are disclosed unless its occurrence is remote.

Details of the commitments and contingencies are given in Note 32 to the financial statements.

3.24 New accounting standards, amendments and interpretations issued but not yet effective

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

- Amendment to LKAS 1 : Classification of liabilities as Current or Non-current.
- Amendment to LKAS 1 : Disclosure of Accounting Policies.
- Amendment to LKAS 8 : Definition of Accounting Estimates.
- Amendment to LKAS 12 : Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March		Group	Company	
		2023 Rs.	2023 Rs.	2022 Rs.
4.	REVENUE			
	Civil construction revenue	489,911,846	488,890,438	676,789,041
	Infrastructure development revenue	2,556,374,394	2,556,374,394	2,444,522,702
		3,046,286,240	3,045,264,832	3,121,311,743
5.	OTHER INCOME			
	Commission income	15,328,412	15,328,412	-
	Changes in fair value of investment in unit trust	221,730	221,730	171,550
	Other sales income	16,984,740	16,984,740	1,878,942
	Profit on sale and lease back transaction	3,681,668	3,681,668	4,594,438
	Profit from disposal of property, plant and equipment	14,100,000	14,100,000	-
	Rent income	10,180,321	10,180,321	10,072,697
	Exchange gain	25,588,963	25,588,963	28,752,909
		86,085,834	86,085,834	45,470,536
6.	NET FINANCE INCOME			
	Finance income (Note - 6.1)	297,254,071	297,254,071	11,993,334
	Finance cost (Note - 6.2)	(391,006,388)	(391,006,388)	(78,873,424)
		(93,752,317)	(93,752,317)	(66,880,090)
6.1.	Finance Income			
	Interest income (Note 6.1.1)	32,646,698	32,646,698	11,619,030
	Interest income on promissory notes	264,607,373	264,607,373	374,304
		297,254,071	297,254,071	11,993,334
6.1.1	Interest income			
	Interest on fixed deposits	17,987,754	17,987,754	8,875,639
	Interest on savings	2,697,272	2,697,272	2,743,391
	Interest on treasury bonds	11,961,672	11,961,672	-
		32,646,698	32,646,698	11,619,030
6.2.	Finance cost			
	Bank guarantee commission	19,487,156	19,487,156	22,005,295
	Bank charges	5,536,490	5,536,490	4,929,616
	Bank commission	79,000	79,000	48,579
	Interest expense on promissory notes	166,453,447	166,453,447	-
	Interest on bank overdrafts	28,506,492	28,506,492	8,843,869
	Interest on leases	12,053,845	12,053,845	15,204,850
	Interest on loans	158,889,958	158,889,958	27,841,215
		391,006,388	391,006,388	78,873,424
7.	PROFIT BEFORE TAX			
	Is stated after charging all expenses including the following:			
	Amortization of intangible assets	1,256,363	1,256,363	1,357,872
	Depreciation of investment property	1,897,180	1,897,180	998,394
	Amortization of right- of- use assets	58,798,895	58,798,895	62,265,238
	Depreciation of property, plant and equipment	41,781,534	41,609,253	37,184,731
	Auditor's remuneration	585,872	585,872	523,100
	Directors' remuneration	12,249,000	12,249,000	5,655,000
	Loan interest	158,889,958	158,889,958	27,841,215
	Lease interest	12,053,845	12,053,845	15,204,850
	Personnel cost include :			
	- Annual bonus	12,283,030	12,283,030	10,243,141
	- Defined benefit plan costs - Gratuity	9,452,675	9,452,675	12,007,692
	- Defined contribution plan cost - E.P.F. & E.T.F.	30,080,457	30,080,457	27,519,494
	- Other staff costs	77,234,259	76,450,640	68,854,929
	- Salaries and wages	150,463,513	464,331,067	488,214,749

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March		Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
8.	INCOME TAX EXPENSE			
	Adjustment made in respect of previous years	7,724,367	7,724,367	19,576,963
	Current income taxes (Note - 8.1)	52,036,477	52,036,477	88,401,468
	Deferred tax charge / (reversal)(Note - 16)	(6,908,030)	(6,908,030)	6,248,237
		52,852,814	52,852,814	114,226,668
8.1.	Reconciliation between accounting profit and taxable profit			
	Accounting profit before income tax expense	159,018,963	182,530,660	558,473,352
	Aggregate disallowable expenses	320,936,527	317,051,905	173,167,080
	Aggregate allowable expenses	(244,418,969)	(243,913,885)	(127,512,797)
	Exempt income / other sources of income	(93,143,569)	(93,143,569)	(23,742,219)
	Taxable profit from disposal of property plant & equipment	14,100,000	14,100,000	-
	Adjusted business profit	156,492,951	176,625,110	580,385,416
	Investment income	42,827,019	42,827,019	29,750,316
	Total statutory income	199,319,970	219,452,129	610,135,732
	Less : Tax loss allowed for the year	-	-	-
	Taxable profit	199,319,970	219,452,129	610,135,732
	Statutory tax rate			
	Company :			
	For first period			
	Business Income : On construction income	14%	14%	14%
	: On other business income	24%	24%	14%
	Investment income	24%	24%	24%
	For second period			
	Business Income : On construction income	30%	30%	14%
	: On other business income	30%	30%	14%
	Investment income	30%	30%	24%
	Subsidiary			
	Corporate tax rate	15%	-	-
	Current income tax expense			
	On business income	40,473,182	40,473,182	81,261,392
	On investment income	11,563,295	11,563,295	7,140,076
	Current income tax expense	52,036,477	52,036,477	88,401,468

9. EARNINGS PER SHARE

9.1. Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year. The weighted average number of ordinary shares in issue during the previous year are adjusted for events that have changed the number of ordinary shares in issue without a corresponding change in the resources. Diluted Eps is calculated by dividing the profit attributed to ordinary equity holders at the parent by the weighted average number of ordinary shares outstanding during the year.

9.2. The following data has been used in the computation of the basic earnings per share for the year. Earning per share has been calculated for all periods based on the number of shares in issue as at 31st March 2023,

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
Amount used as the numerator			
Net profit attributable to ordinary shareholders of the Company	106,166,149	129,677,846	444,246,684
Amount used as the denominator			
Weighted average number of ordinary shares in issue	266,041,667	266,041,667	166,666,667
Basic earnings per share	0.40	0.49	2.67
Diluted earnings per share	0.40	0.49	2.67

NOTES TO THE FINANCIAL STATEMENTS

10. PROPERTY, PLANT AND EQUIPMENT

10.1 Group

	(Reclassified) As at 01st April, 2022 Rs.	Additions / Adjustments Rs.	(Disposals) / Adjustments / Transfers Rs.	As at 31st March, 2023 Rs.
Cost				
Freehold assets				
Land	81,800,193	-	-	81,800,193
Buildings	21,790,447	-	-	21,790,447
Plant, machinery and equipment	281,393,285	8,622,638	-	290,015,923
Furniture and fittings	12,170,175	4,206,558	-	16,376,733
Computers	21,842,789	1,426,538	-	23,269,327
Motor vehicles	228,028,332	4,045,824	20,347,857	211,726,298
Formation expenses of telex bureau	224,775	-	-	224,775
	647,249,996	18,301,558	20,347,857	645,203,696
Accumulated depreciation				
Freehold assets				
Buildings	7,864,820	880,497	-	8,745,317
Plant, machinery and equipment	200,008,247	25,993,843	-	226,002,090
Furniture and fittings	7,396,756	840,842	-	8,237,598
Computers	12,816,750	3,022,996	-	15,839,746
Motor vehicles	197,557,603	11,043,356	20,347,857	188,253,102
Formation expenses of telex bureau	224,774	-	-	224,774
	425,868,950	41,781,534	20,347,857	447,302,627
Carrying value	221,381,046			197,901,069

During the financial year, the Group acquired Property, Plant and Equipment to the aggregate value of Rs.18,301,558/- by means of cash.

Property, plant and equipment includes fully depreciated assets for the cost of Rs.354,401,508/-.

10.2 Company

	(Reclassified) As at 01st April, 2022 Rs.	Additions / Adjustments Rs.	(Disposals) / Adjustments / Transfers Rs.	As at 31st March, 2023 Rs.
Cost				
Freehold assets				
Land	81,800,193	-	-	81,800,193
Buildings	21,790,447	-	-	21,790,447
Plant, machinery and equipment	281,393,285	8,309,619	-	289,702,904
Furniture and fittings	12,170,175	4,206,558	-	16,376,733
Computers	21,842,789	1,116,500	-	22,959,289
Motor vehicles	228,028,332	-	20,347,857	207,680,474
Formation expenses of telex bureau	224,775	-	-	224,775
	647,249,996	13,632,677	20,347,857	640,534,815
Accumulated depreciation				
Freehold assets				
Buildings	7,864,820	880,497	-	8,745,317
Plant, machinery and equipment	200,008,247	25,988,626	-	225,996,873
Furniture and fittings	7,396,756	840,842	-	8,237,598
Computers	12,816,750	3,002,327	-	15,819,077
Motor vehicles	197,557,603	10,896,961	20,347,857	188,106,707
Formation expenses of telex bureau	224,774	-	-	224,774
	425,868,950	41,609,253	20,347,857	447,130,346
Carrying value	221,381,046			193,404,469

The company property, plant and equipment with a cost of Rs.354,401,508/- (2022 - Rs.344,944,709/-) have been fully-depreciated and continue to be in use by the Company.

There were no capitalised borrowing costs related to the acquisition of property, plant and equipment during the year 2022/23 (2021/22 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

Location and extent of land value

Address	Extent	No. of Buildings	Current use	Cost (Rs.)
No 15/03 St. Joseph's Street, Moratuwa	10.5 P	1	Vehicle parking facility	15,700,950
No 18, Galle Road, Moratuwa	21.50 P	1	Use for office space of the Company	50,241,150
No.24, Galle Road, Moratuwa	12.25P	1	Use for office space of the Company	7,032,243
No. 502/A, Thotupola Road, Pallimulla	22P	1	Space for workshop	8,825,850

Property, plant and equipment pledged as security

Property pledged as securities against loans and borrowings are described in Note 24 and 34.

The Company reviewed the carrying values of property, plant and equipment as at the reporting date especially the potential impact the current economic crisis.

Current economic crisis could have impact on the Company's assets and determined that no impairment is necessary, after evaluating their business continuity plans and is satisfied the steps taken to safeguard the assets.

There were no restrictions existed on the title of the assets of the Company as at the reporting date.

There are no temporarily idle assets as at the reporting date.

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
11. CAPITAL WORK-IN-PROGRESS			
Balance at the beginning of the year	1,056,400	1,056,400	-
Add : Expense incurred during the year	2,701,577	2,701,577	1,056,400
	3,757,977	3,757,977	1,056,400
Less : Capitalized during the year	(3,757,977)	(3,757,977)	-
Balance at the end of the year	-	-	1,056,400
12. RIGHT -OF-USE -ASSETS			
Cost			
Balance as at the beginning of the year	294,197,576	294,197,576	225,109,200
Add : Additions made during the year	4,105,000	4,105,000	73,088,376
Transferred /disposal /adjustments during the year	-	-	(4,000,000)
Balance as at the end of the year	298,302,576	298,302,576	294,197,576
Less :			
Amortization			
Balance as at the beginning of the year	155,103,041	155,103,041	96,004,470
Add : Amortization for the year	58,798,895	58,798,895	62,265,238
Transferred /disposal /adjustments during the year	-	-	(3,166,667)
Balance as at the end of the year	213,901,936	213,901,936	155,103,041
Carrying amount at the end of the year	84,400,640	84,400,640	139,094,535

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT PROPERTY

13.1 Group

Cost	(Reclassified) Cost as at 01.04.2022	Additions	Transfers / Disposal	Balance as at 31.03.2023
Property	Rs.	Rs.	Rs.	Rs.
Panadura Land No 465, Galle Road, Panadura.	16,709,000	-	-	16,709,000
Panadura Building No 465, Galle Road, Panadura. (Three storey Building)	20,072,296	-	-	20,072,296
Rawatawatta Land No 646, Galle Road, Rawatawatta, Moratuwa.	14,175,000	-	-	14,175,000
Rawatawatta Building No 646, Galle Road, Rawatawatta, Moratuwa (Three storey Building)	17,865,717	2,039,000	-	19,904,717
	68,822,013	2,039,000	-	70,861,013
Depreciation	Accumulated depreciation as at 01.04.2022	Additions	Transfers / Disposal	Balance as at 31.03.2023
Property	Rs.	Rs.	Rs.	Rs.
Panadura Building No 465, Galle Road, Panadura (Three storey Building)	11,039,763	1,003,615	-	12,043,378
Rawatawatta Building No 646, Galle Road, Rawatawatta, Moratuwa (Three storey Building)	6,442,630	893,565	-	7,336,195
	17,482,394	1,897,180	-	19,379,574
Net book values	51,339,619			51,481,439

13.1.1. Relevant income and expenditure relating to investment properties

Rental income earned for the year ended 31.03.2023 10,180,321

NOTES TO THE FINANCIAL STATEMENTS

13. INVESTMENT PROPERTY (Cont.)

13.2 Company

Cost	(Reclassified) Cost as at 01.04.2022	Additions	Transfers / Disposal	Balance as at 31.03.2023
Property	Rs.	Rs.	Rs.	Rs.
Panadura Land No 465, Galle Road, Panadura.	16,709,000	-	-	16,709,000
Panadura Building No 465, Galle Road, Panadura. (Three storey Building)	20,072,296	-	-	20,072,296
Rawatawatta Land No 646, Galle Road, Rawatawatta, Moratuwa.	14,175,000	-	-	14,175,000
Rawatawatta Building No 646, Galle Road, Rawatawatta, Moratuwa (Three storey Building)	17,865,717	2,039,000	-	19,904,717
	68,822,013	2,039,000	-	70,861,013
Depreciation	Accumulated depreciation as at 01.04.2022	Additions	Transfers / Disposal	Balance as at 31.03.2023
Property	Rs.	Rs.	Rs.	Rs.
Panadura Building No 465, Galle Road, Panadura (Three storey Building)	11,039,763	1,003,615	-	12,043,378
Rawatawatta Building No 646, Galle Road, Rawatawatta, Moratuwa (Three storey Building)	6,442,630	893,565	-	7,336,195
	17,482,394	1,897,180	-	19,379,574
Net book values	51,339,619			51,481,439

13.2.1 Relevant income and expenditure relating to investment properties

Rental income earned for the year ended 31.03.2023	10,180,321
Rental income earned for the year ended 31.03.2022	10,072,697

Location and extent of land value

Address	Extent	Current use	Cost (Rs.)
No 465, Galle Road, Panadura	19.25 P	Rented out to Luminex Bookshops (Pvt) Ltd	16,709,000
No 646, Galle Road, Rawathawaththa, Moratuwa.	10.5 P	Rented out to Luminex Bookshops (Pvt) Ltd	14,175,000

NOTES TO THE FINANCIAL STATEMENTS

		Group	Company	
		2023	2023	2022
		Rs.	Rs.	Rs.
14. INTANGIBLE ASSETS				
Cost				
Balance as at the beginning of the year		7,906,570	7,906,570	7,788,400
Add : Additions made during the year		-	-	118,170
Balance as at the end of the year		7,906,570	7,906,570	7,906,570
Less :				
Amortization				
Balance as at the beginning of the year		5,703,964	5,703,964	4,346,092
Add : Amortization for the year		1,256,363	1,256,363	1,357,872
Balance as at the end of the year		6,960,327	6,960,327	5,703,964
Carrying amount at the end of the year		946,243	946,243	2,202,606

Software in intangible assets mainly consists of Accounting package (SAGE), Project Management System (PMS) & Inventory Management System (IMS) acquired by the Group.

Intangible assets with a cost of Rs.1,702,985/- (2022 - Rs.1,609,111/-) have been fully amortised and continue to be in use by the Group respectively.

There were no intangible assets pledge by the Company as security for facilities obtained from the Banks (2022 - Nil).

		Group	Company	
		2023	2023	2022
		Rs.	Rs.	Rs.
15. Investment in Subsidiary				
	Percentage of Shareholding			
Investment in subsidiaries	70 %	-	100,438,800	-
Luminex International LLC		-	100,438,800	-

		Group	Company	
		2023	2023	2022
		Rs.	Rs.	Rs.
16. DEFERRED TAX ASSET / (LIABILITY)				
Balance as at the beginning of the year		(9,368,106)	(9,368,106)	1,823,147
Reversal / (Provision) for the year:				
Recognized in other comprehensive income		1,265,927	1,265,927	(4,943,016)
Recognized in profit or loss statement				
- Deferred tax expense resulting from increment in tax rate		(10,706,407)	(10,706,407)	-
- Deferred tax income / (expenses) resulting from the reversal and origination of temporary difference		17,614,437	17,614,437	(6,248,237)
Balance at the end of the year		(1,194,149)	(1,194,149)	(9,368,106)

16.1. Group

Deferred tax assets / (liabilities) arising from :

	2023	
	Temporary Difference	Tax effect on Temporary Difference
	Rs.	Rs.
Deferred tax provision;		
Deferred tax liabilities		
On property, plant and equipment	(46,909,531)	(14,072,859)
Deferred tax assets		
On retirement benefit obligation	42,929,035	12,878,711
	(3,980,496)	(1,194,149)

Group tax expense is based on the taxable profit of individual companies within the Group. At present the tax laws of Sri Lanka do not provide for Group taxation.

NOTES TO THE FINANCIAL STATEMENTS

16. DEFERRED TAX ASSET / (LIABILITY) (CONTINUED)

16.2. Company

Deferred tax assets / (liabilities) arising from :

	2023		2022	
	Temporary Difference Rs.	Tax effect on Temporary Difference Rs.	Temporary Difference Rs.	Tax effect on Temporary Difference Rs.
Deferred tax provision;				
Deferred tax liabilities				
On property, plant and equipment	(46,909,531)	(14,072,859)	(101,346,433)	(14,188,501)
Deferred tax assets				
On retirement benefit obligation	42,929,035	12,878,711	34,431,390	4,820,395
	(3,980,496)	(1,194,149)	(66,915,043)	(9,368,106)
Effective tax rate		30%		14%

	Group 2023 Rs.	Company	
		2023 Rs.	2022 Rs.
17. INVENTORIES			
Raw material	332,916,704	332,916,704	329,195,976
Work in progress	714,414,868	714,414,868	1,057,358,662
	1,047,331,572	1,047,331,572	1,386,554,638
18. OTHER FINANCIAL ASSETS			
Other non current financial assets			
Promissory notes (Note- 18.2)	604,122,928	604,122,928	-
Treasury bonds	159,200,865	159,200,865	-
	763,323,793	763,323,793	-
Other current financial assets			
Investments in fixed deposits (Note 18.1)	195,503,867	195,503,867	181,659,281
Promissory notes (Note 18.2)	31,952,268	31,952,268	-
Treasury bonds (Note 18.3)	52,825,368	52,825,368	-
Staff loans & advances	3,381,428	740,995	497,160
Investment in unit trust	1,395,698	1,395,698	1,173,968
	285,058,629	282,418,196	183,330,409
18.1. Investments in fixed deposits			
Sampath Bank PLC.	182,122,844	182,122,844	176,467,371
Pan Asia Banking Corporation PLC.	-	-	4,093,264
Fixed deposit interest receivable	13,381,023	13,381,023	1,098,646
	195,503,867	195,503,867	181,659,281
18.2. Promissory notes			
Promissory notes	614,165,165	614,165,165	-
Promissory notes interest receivable	21,910,031	21,910,031	-
	636,075,196	636,075,196	-
Matured within one year	31,952,268	31,952,268	-
Matured after one year	604,122,928	604,122,928	-
	636,075,196	636,075,196	-
18.3. Treasury bonds			
Treasury bonds	208,088,591	208,088,591	-
Treasury bond interest receivable	3,937,642	14,362,835	-
	212,026,233	222,451,426	-
Matured within one year	52,825,368	52,825,368	-
Matured after one year	159,200,865	159,200,865	-
	212,026,233	212,026,233	-

NOTES TO THE FINANCIAL STATEMENTS

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
19. TRADE AND OTHER RECEIVABLES			
Gross trade debtors	715,939,736	714,951,553	1,277,301,977
Less : Provision for impairment on trade debtors	(2,318,644)	(2,318,644)	(1,927,800)
Net trade debtors (Note 19.2)	713,621,092	712,632,909	1,275,374,177
Deferred interest expense	222,465,612	222,465,612	-
Other receivables			
Advance for purchases	73,500,010	73,500,010	75,733,778
Insurance prepayment	2,549,426	2,549,426	1,412,026
Rates and taxes prepayment	250,071	250,071	-
Fuel deposit	3,250,000	3,250,000	1,570,000
House and rent deposit	4,487,000	4,487,000	3,932,000
Refundable deposits	391,941	391,941	321,941
Rent receivable	4,523,692	4,523,692	2,743,371
Retention by customers (Note 19.1)	42,861,263	42,861,263	66,915,577
	131,813,403	131,813,403	152,628,693
	1,067,900,107	1,066,911,924	1,428,002,870
19.1. Retention by customers			
DBN contract retention	37,985,977	37,985,977	60,849,657
Civil Contract retentions, Camso Loadstar (Ja-Ela)	4,397,074	4,397,074	1,939,587
MEP (JF-Bus Stand) retention	478,212	478,212	4,126,333
	42,861,263	42,861,263	66,915,577
19.2. Deferred interest expense			
Matured within one year	222,465,612	222,465,612	-
Matured after one year	56,633,026	56,633,026	-
	279,098,638	279,098,638	-

19.3. Age analysis of trade debtors (Group)

	Total Rs.	1 to 30 days Rs.	31 to 60 days Rs.	61 to 90 days Rs.	Less than one year Rs.	More than one year Rs.
Balance as at 31st March, 2023	713,621,092	460,657,471	85,697,403	56,032,236	109,717,615	1,516,367

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
20. AMOUNTS DUE FROM RELATED PARTIES			
Luminex Bookshops (Pvt) Ltd.	7,437,070	7,437,070	1,132,887
Navara Capital Limited	-	-	8,400,000
Ms. Watfa Mohammed Abdullah Al Breiki	25,498,065	-	-
	32,935,135	7,437,070	9,532,887

NOTES TO THE FINANCIAL STATEMENTS

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
21. CASH AND CASH EQUIVALENTS			
Favourable balance			
Current accounts			
Sampath Bank PLC.	54,962,160	54,962,160	514,659
Pan Asia Banking Corporation PLC.	413,243	413,243	1,974,125
National Development Bank	278,997	278,997	-
Hatton National Bank	47,600	47,600	-
Bank of Ceylon	214,379	214,379	3,794,601
Bank Dhofar	14,919,483	-	-
Savings accounts			
Sampath Bank PLC.	19,369,024	19,369,024	26,664,182
DFCC Bank	128,161	128,161	280,039
National Development Bank	97,838,734	97,838,734	131,421,261
Petty cash	10,275,578	9,594,176	6,496,577
	198,447,359	182,846,474	171,145,444
Unfavourable balances			
Bank overdrafts			
Sampath Bank PLC.	-	-	162,277,986
National Development Bank	-	-	43,617,032
	-	-	205,895,018
Cash and cash equivalents for the purpose of statement of cash flows.	198,447,359	182,846,474	(34,749,574)
22. STATED CAPITAL			
240,000,000 Ordinary shares as at 31.03.2022			
271,250,000 Ordinary shares as at 31.03.2023	450,000,000	450,000,000	200,000,000

Note :

a) The company declared and paid dividend of Rs. 0.40/- Per share for the year ended 31st March, 2022.

Class of Shares	Payment date	Dividend per share Rs.	No of shares	Amount Rs.
Ordinary Shares	05th October 2022	0.40	271,250,000	108,500,000

b) The company declared dividend of Rs. 0.25/- Per share for the year ended 31st March, 2023 and to be approved by the shareholders at the AGM.

Class of Shares	Dividend per share Rs.	No of shares	Amount Rs.
Ordinary Shares	0.25	271,250,000	67,812,500

NOTES TO THE FINANCIAL STATEMENTS

	Group 2023 Rs.	Company	
		2023 Rs.	2022 Rs.
23. RETIREMENT BENEFIT OBLIGATION			
Balance at the beginning of the year	34,431,390	34,431,390	60,166,236
Add : current service cost	4,050,390	4,050,390	3,318,586
Interest charge for the year	5,402,285	5,402,285	8,689,106
(Gain)/Loss arising from changes in assumptions	4,219,757	4,219,757	(35,307,257)
Less : Payments made during the year	(5,174,787)	(5,174,787)	(2,435,281)
Balance at the end of the year	42,929,035	42,929,035	34,431,390

The gratuity liability as at 31st March, 2023 amounting to RS. 42,929,035/- was based on actuarial valuation method.

23.1. Accounting judgements, estimates and assumptions

The Management tested several scenarios based calculations on possible changes of the assumptions due to the prevailing macroeconomic conditions. Based on those calculations, the management has concluded that there is no material impact to retirement benefit obligation liability of the Group.

The principal assumptions used in determining the cost of employee benefits were:

	Group 2023	Company	
		2023	2022
Expected salary increment	5.00%	5.00%	4.00%
Discounting / Interest	18.50%	18.50%	15.69%
Staff turnover factor (As a%)	16.50%	16.50%	12.00%

23.2. Sensitivity of assumptions used

A percentage change in the assumptions would have the following effects to employee defined benefit plan - gratuity.

As at 31 March	Group 2023 Rs.	Company	
		2023 Rs.	2022 Rs.
Discount rate:			
1% Increase	41,979,939	41,979,939	-
1% Decrease	43,938,510	43,938,510	-
Salary Increment rate:			
1% Increase	44,259,991	44,259,991	-
1% Decrease	41,662,969	41,662,969	-

NOTES TO THE FINANCIAL STATEMENTS

23. RETIREMENT BENEFIT OBLIGATION (CONTINUED)

23.3. Maturity analysis of the payments

The following payments are expected on employee benefit plan - gratuity in future years.

As at 31 March	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
Within the next 12 months	12,818,853	12,818,853	-
Between 1 and 2 years	-	-	-
Between 2 and 5 years	7,057,520	7,057,520	-
Between 5 and 10 years	23,052,662	23,052,662	-
Beyond 10 years	-	-	-
Total expected payments	42,929,035	42,929,035	-
Weighted average duration (years) of defined benefit obligation	5.48	5.48	-

The Group will continue in business as going concern. The above provision has not been externally funded.

	Group 2023 RS.	Company 2023 Rs.	2022 Rs.
24. INTEREST BEARING BORROWINGS			
Amounts payable between one year and five years			
Long term loan payables (Note - 24.2)	555,589,100	555,589,100	43,841,900
	555,589,100	555,589,100	43,841,900
Amounts payable within one year			
Short term loan payables (Note - 24.1)	380,037,899	380,037,899	777,145,708
Long term loan payables (Note - 24.2)	15,719,914	15,719,914	9,016,080
	395,757,813	395,757,813	786,161,788
24.1. Short term loans			
Balance at the beginning of the year	777,145,708	777,145,708	124,358,078
Add : Obtained during the year	1,051,487,453	1,051,487,453	975,688,410
Less : Repayments made during the year	(1,448,595,262)	(1,448,595,262)	(322,900,780)
Balance at the end of the year	380,037,899	380,037,899	777,145,708
24.2. Long term loans			
Balance at the beginning of the year	52,857,980	52,857,980	9,666,060
Add : Obtained during the year	527,467,114	527,467,114	50,000,000
Less : Repayments made during the year	(9,016,080)	(9,016,080)	(6,808,080)
Balance at the end of the year	571,309,014	571,309,014	52,857,980
Payable within one year	15,719,914	15,719,914	9,016,080
Payable between one year and five years	555,589,100	555,589,100	43,841,900
	571,309,014	571,309,014	52,857,980

NOTES TO THE FINANCIAL STATEMENTS

24. INTEREST BEARING BORROWINGS (CONTINUED)

Analysis of loans and borrowings and assets pledged as securities

Long term loans

Lending institution	Loan No	Rate of Interest (p.a.)	Maturity	Security	Loan value (Rs.)	Amount outstanding as at 31.03.2023 (Rs.)	Amount outstanding as at 31.03.2022 (Rs.)
Sampath Bank PLC	398070000025	AWPLR +2.5%	01.11.2031	Property at No 15/3, St. Joseph Street, Moratuwa balance as at the reporting date Rs.15,700,950/-	16,000,000	13,856,000	15,464,000
Sampath Bank PLC	398070000019	AWPLR +2.5%	10.07.2031	Property at No 18, New Galle Road, Moratuwa balance as at the reporting date Rs.50,241,150/-	34,000,000	28,320,000	31,728,000
Sampath Bank PLC	300170000065	AWPLR +2.5%	26.07.2023	Property at No 646 & 646A, Galle Road, Moratuwa balance at the reporting date of Rs.26,743,522/-	40,000,000	1,665,900	5,665,980

Medium term loans

Lending institution	Loan No	Rate of Interest (p.a.)	Maturity	Security	Loan value (Rs.)	Amount outstanding as at 31.03.2023 (Rs.)	Amount outstanding as at 31.03.2022 (Rs.)
Sampath Bank PLC	398060000137	AWPLR +1%	30.09.2023	Mortgage of Promissory Note Number UR/ LU/2021/070	3,085,726	3,085,726	-
Sampath Bank PLC	398060000138	AWPLR +1%	30.10.2023	Mortgage of Promissory Note Number UR/ LU/2021/083	3,719,228	3,719,228	-
Sampath Bank PLC	398060000139	AWPLR +1%	30.08.2023	Mortgage of Promissory Note Number UR/ LU/2021/058	2,233,060	2,233,060	-
Sampath Bank PLC	398060000041	AWPLR +1%	30.05.2024	Mortgage of Promissory Note Number UR/ LU/2022/127	4,536,025	4,536,025	-
Sampath Bank PLC	398060000042	AWPLR +1%	30.07.2024	Mortgage of Promissory Note Number UR/ LU/2022/145	11,748,958	11,748,958	-
Sampath Bank PLC	398065000043	AWPLR +1%	30.09.2024	Mortgage of Promissory Note Number UR/ LU/2022/159	12,571,273	12,571,273	-
Sampath Bank PLC	398065000044	AWPLR +1%	30.10.2024	Mortgage of Promissory Note Number UR/ LU/2022/172	99,946,194	99,946,194	-
Sampath Bank PLC	398065000045	AWPLR +1%	30.01.2025	Mortgage of Promissory Note Number UR/ LU/2023/191	316,997,949	316,997,949	-
Sampath Bank PLC	398065000046	AWPLR +1%	28.02.2025	Mortgage of Promissory Note Number UR/ LU/2023/198	72,628,701	72,628,701	-

NOTES TO THE FINANCIAL STATEMENTS

24. INTEREST BEARING BORROWINGS (CONTINUED)

Short term loans

Lending institution	Loan No	Rate of interest (p.a.)	Repayment & loan expiry	Security	Amount outstanding as at 31.03.2023 (Rs.)
Sampath Bank PLC	3980 7500 1014	AWPLR + 2%	Monthly ending 28th May 2023	Inventory value located at Stores balance as at the reporting date is Rs.332,916,704/-.	693,130
Sampath Bank PLC	3980 8000 0495	AWPLR + 2%	Monthly ending 22nd June 2023		2,579,006
Sampath Bank PLC	3980 8000 0500	AWPLR + 2%	Monthly ending 29th June 2023		15,150,966
Sampath Bank PLC	3980 7500 1065	AWPLR + 2%	Monthly ending 01st July 2023		3,713,335
Sampath Bank PLC	3980 7500 1088	AWPLR + 2%	Monthly ending 26th July 2023		836,432
Sampath Bank PLC	3980 8000 0524	AWPLR + 2%	Monthly ending 21st August 2023		45,088,082
Sampath Bank PLC	3981 8000 0533	AWPLR + 2%	Monthly ending 02nd September 2023		21,918,186
Sampath Bank PLC	3980 7500 1177	AWPLR + 2%	Monthly ending 25th September 2023		9,895,523
Sampath Bank PLC	3980 7500 1198	AWPLR + 2%	Monthly ending 13th October 2023		26,480,856
Sampath Bank PLC	3980 7500 1222	AWPLR + 2%	Monthly ending 23rd October 2023		2,792,344
Sampath Bank PLC	3980 7500 1247	AWPLR + 2%	Monthly ending 30th August 2023		48,140,202
Sampath Bank PLC	3980 7500 1266	AWPLR + 2%	Monthly ending 13th November 2023		5,344,671
Sampath Bank PLC	3982 8000 0635	AWPLR + 2%	Monthly ending 21st December 2023		8,966,814
Sampath Bank PLC	3980 7500 1321	AWPLR + 2%	Monthly ending 16th December 2023		6,334,885
Sampath Bank PLC	3980 8000 0658	AWPLR + 2%	Monthly ending 17th January 2024		Inventory value located at Stores balance as at the reporting date is Rs.332,916,704/-.
Sampath Bank PLC	3980 8000 0660	AWPLR + 2%	Monthly ending 17th January 2024	17,000,000	
Sampath Bank PLC	1044 9001 0042	AWPLR + 2%	Monthly ending 05th April 2023	Savings account No 106110497507 balance as at the reporting date Rs.9,805,514/-, Saving account No.106110510821 balance as at the reporting date Rs.10,170,948/- and the personal guarantees from Mr.G.R.P. Fernando and Mr.A.A.C.D.Alwis for Rs.700,000,000/-.	41,699,638
Sampath Bank PLC	1045 6001 0040	AWPLR + 2%	Monthly ending 01 April 2023		21,037,389
Sampath Bank PLC	1044 9001 0171	AWPLR + 2%	Monthly ending 01 April 2023		7,436,966
Sampath Bank PLC	1144 9001 3585	AWPLR + 2%	Monthly ending 09th March 2024		42,261,045
Sampath Bank PLC	1144 9001 4042	AWPLR + 2%	Monthly ending 13th March 2024		2,500,000
Sampath Bank PLC	1144 9001 6878	AWPLR + 2%	Monthly ending 22nd March 2024		12,813,079
Sampath Bank PLC	1144 9001 5658	AWPLR + 2%	Monthly ending 17th March 2024	9,355,350	

NOTES TO THE FINANCIAL STATEMENTS

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
25. LEASE LIABILITIES			
Balance at the beginning of the year	111,382,820	111,382,820	98,905,894
Add : Leases acquired during the year	3,400,000	3,400,000	58,789,807
Add : Interest expense for the year	12,053,845	12,053,845	15,204,850
Less : Repayments made during the year	(60,208,742)	(60,208,742)	(61,517,731)
Net liability at the end of the year	66,627,923	66,627,923	111,382,820
Payable within one year	36,258,220	36,258,220	47,604,584
Payable between one year and five years	30,369,703	30,369,703	63,778,236
	66,627,923	66,627,923	111,382,820

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
26. OTHER FINANCIAL LIABILITIES			
Temporary loans (Note - 26.1)	7,000,000	7,000,000	7,000,000
	7,000,000	7,000,000	7,000,000
26.1. Inter company loan			
Luminex Bookshops (Pvt) Ltd.			
Balance at the beginning of the year	7,000,000	7,000,000	8,000,000
Add : Obtained during the year	-	-	-
Less : Repayments made during the year	-	-	(1,000,000)
Balance at the end of the year	7,000,000	7,000,000	7,000,000

The Group has obtained non - interest bearing loan from Luminex Bookshops (Pvt) Ltd has been classified as on demand payable.

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
27. TRADE AND OTHER PAYABLES			
Trade payables	79,677,702	79,677,702	199,119,527
Advance received	333,994,888	333,994,888	213,704,845
Retention	10,938,267	10,938,267	10,335,073
Other payables			
E.P.F. & E.T.F payables	3,920,356	3,920,356	4,295,929
Salaries	41,314,785	38,741,381	45,074,043
Unclaimed salary	7,856,478	7,856,478	14,262
Unearned profit from sale and leaseback transaction	1,751,944	1,751,944	5,433,611
V.A.T.	67,313,563	67,266,506	6,990,331
W.H.T. payable	50,800	50,800	-
A.P.I.T. payable	518,351	518,351	-
Stamp duty payable	44,600	44,600	53,850
	122,770,877	120,150,416	61,862,026
Accruals			
Auditors' remuneration	585,872	585,872	523,100
Electricity and water	211,796	211,796	-
Telephone	366,474	366,474	-
Social security contribution levy payable	12,341,872	12,341,872	-
	13,506,014	13,506,014	523,100
	560,887,748	558,267,287	485,544,571

NOTES TO THE FINANCIAL STATEMENTS

	Group 2023 Rs.	Company 2023 Rs.	2022 Rs.
28. AMOUNTS DUE TO RELATED PARTIES			
Luminex International LLC	-	59,495,485	-
	-	59,495,485	-
29. INCOME TAX PAYABLE			
Balance at the beginning of the year	67,434,939	67,434,939	36,510,937
Add : Provision for the year Income tax	52,036,477	52,036,477	88,401,468
Provision for the tax assessment - 2019/20	7,838,900	7,838,900	-
Adjustment made in respect of previous years	(114,534)	(114,534)	19,576,963
	127,195,782	127,195,782	144,489,368
Less : Payments made during the year			
Income tax	83,135,507	83,135,507	77,054,429
Withholding tax	231,910	231,910	-
Payments for the tax assessment - 2019/20	3,919,449	3,919,449	-
	87,286,866	87,286,866	77,054,429
Balance at the end of the year	39,908,916	39,908,916	67,434,939

30. FAIR VALUES OF FINANCIAL INSTRUMENTS AND ITS CLASSIFICATION

30.1. Group

The following table shows the categories of the financial assets and financial liabilities under SLFRS 9 including their levels in the fair value hierarchy of the Group.

	NOTES	Financial assets and liabilities by categories in accordance with SLFRS 9				Fair Values			
		AC Rs.	FVTOCI Rs.	FVTPL Rs.	Total Rs.	Level 01 Rs.	Level 02 Rs.	Level 03 Rs.	Total Rs.
Balance as at 31.03.2023									
Non current financial assets									
Other financial assets									
-Promissory notes	18	-	-	604,122,928	604,122,928	604,122,928	-	-	604,122,928
-Treasury bonds	18	159,200,865	-	-	159,200,865	-	-	-	-
Trade and other receivables	19	56,633,026	-	-	56,633,026	-	-	-	-
		215,833,891	-	604,122,928	819,956,819	604,122,928	-	-	604,122,928
Current financial assets									
Other financial assets									
-Fixed deposits	18	195,503,867	-	-	195,503,867	-	-	-	-
-Promissory notes	18	-	-	31,952,268	31,952,268	31,952,268	-	-	31,952,268
-Treasury bonds	18	52,825,368	-	-	52,825,368	-	-	-	-
-Staff loans & advances	18	3,381,428	-	-	3,381,428	-	-	-	-
-Investment in unit trust	18	1,395,698	-	-	1,395,698	-	-	-	-
Trade and other receivables	19	1,067,900,107	-	-	1,067,900,107	-	-	-	-
Cash and cash equivalents	21	198,447,359	-	-	198,447,359	-	-	-	-
		1,519,453,827	-	31,952,268	1,551,406,095	31,952,268	-	-	31,952,268
Non current financial liabilities									
Interest bearing borrowings	24	555,589,100	-	-	555,589,100	-	-	-	-
Lease liabilities	25	30,369,703	-	-	30,369,703	-	-	-	-
		585,958,803	-	-	585,958,803	-	-	-	-
Current financial liabilities									
Interest bearing borrowings	24	395,757,813	-	-	395,757,813	-	-	-	-
Lease liabilities	25	36,258,220	-	-	36,258,220	-	-	-	-
Other financial liabilities	26	7,000,000	-	-	7,000,000	-	-	-	-
		439,016,033	-	-	439,016,033	-	-	-	-

30. FAIR VALUES OF FINANCIAL INSTRUMENTS AND ITS CLASSIFICATION (CONTINUED)

30.2. Company

The following table shows the categories of the financial assets and liabilities under SLFRS 9 including their levels in the fair value hierarchy of the Company.

Balance as at 31.03.2023	NOTES	Financial assets and liabilities by categories in accordance with SLFRS 9				Fair Values			
		AC Rs.	FVTOCI Rs.	FVTPL Rs.	Total Rs.	Level01 Rs.	Level02 Rs.	Level03 Rs.	Total Rs.
Non current financial assets									
Other financial assets									
-Promissory notes	18	-	-	604,122,928	604,122,928	604,122,928	-	-	604,122,928
-Treasury bonds	18	159,200,865	-	-	159,200,865	-	-	-	-
Trade and other receivables	19	56,633,026	-	-	56,633,026	-	-	-	-
		215,833,891		604,122,928	819,956,819	604,122,928	-	-	604,122,928
Current financial assets									
Other financial assets									
-Fixed deposits	18	195,503,867	-	-	195,503,867	-	-	-	-
-Promissory notes	18	-	-	31,952,268	31,952,268	31,952,268	-	-	31,952,268
-Treasury bonds	18	52,825,368	-	-	52,825,368	-	-	-	-
-Staff loans & advances	18	740,995	-	-	740,995	-	-	-	-
-Investment in unit trust	18	1,395,698	-	-	1,395,698	-	-	-	-
Trade and other receivables	19	1,066,911,924	-	-	1,066,911,924	-	-	-	-
Cash and cash equivalents	21	182,846,474	-	-	182,846,474	-	-	-	-
		1,500,224,326	-	31,952,268	1,532,176,594	31,952,268	-	-	31,952,268
Non current financial liabilities									
Interest bearing borrowings	24	555,589,100	-	-	555,589,100	-	-	-	-
Lease liabilities	25	30,369,703	-	-	30,369,703	-	-	-	-
		585,958,803	-	-	585,958,803	-	-	-	-
Current financial liabilities									
Interest bearing borrowings	24	395,757,813	-	-	395,757,813	-	-	-	-
Lease liabilities	25	36,258,220	-	-	36,258,220	-	-	-	-
Other financial liabilities	26	7,000,000	-	-	7,000,000	-	-	-	-
		439,016,033	-	-	439,016,033	-	-	-	-
Balance as at 31.03.2022									
Current financial assets									
Other financial assets									
-Fixed deposits	18	181,659,281	-	-	181,659,281	-	-	-	-
-Staff loans & advances	18	497,160	-	-	497,160	-	-	-	-
-Investment in unit trust	18	1,173,968	-	-	1,173,968	-	-	-	-
Trade and other receivables	19	1,428,002,870	-	-	1,428,002,870	-	-	-	-
Cash and cash equivalents	21	171,145,444	-	-	171,145,444	-	-	-	-
		1,782,478,723	-	-	1,782,478,723	-	-	-	-
Non current financial liabilities									
Interest bearing borrowings	24	43,841,900	-	-	43,841,900	-	-	-	-
Lease liabilities	25	63,778,236	-	-	63,778,236	-	-	-	-
		107,620,136	-	-	107,620,136	-	-	-	-
Current financial liabilities									
Interest bearing borrowings	24	786,161,788	-	-	786,161,788	-	-	-	-
Lease liabilities	25	47,604,584	-	-	47,604,584	-	-	-	-
Other financial liabilities	26	7,000,000	-	-	7,000,000	-	-	-	-
Bank overdrafts	21	205,895,018	-	-	205,895,018	-	-	-	-
		1,046,661,390	-	-	1,046,661,390	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

31. RELATED PARTY TRANSACTIONS

The Group carried out transactions in the ordinary course of its business with parties who are defined in Sri Lanka Financial Reporting Standards LKAS 24 (Related Party Transactions). The details of which are given below.

31.1. Transactions with related parties

The amounts composites with the inter-company current account balances between the affiliated companies ;

	Relationship	2023 Rs.	2022 Rs.
Amounts due from related parties			
Luminex Bookshop (Pvt) Ltd.	Affiliate	437,070	-
Navara Capital Limited	Shareholder	-	8,400,000
Amounts due to related parties			
Luminex Bookshop (Pvt) Ltd.	Affiliate	-	5,867,113
Luminex International LLC	Subsidiary	59,495,485	-
Transactions with related entities			
Amounts paid on behalf of affiliate companies		893,173	2,314,354
Rent income to be received		10,999,335	10,797,300
Settlements or funds transfers		(10,636,424)	(18,861,819)
Investment in share capital		(100,438,800)	-

31.2. Nature of relationship

Directorship in related Companies

Name of the Director	Luminex Bookshops (Pvt) Ltd.	Navara Capital Limited	Luminex International LLC
Mr. G. R. P. Fernando	X	-	-
Mr. A. A. C. De Alwis	X	-	-
Mr. I. B. Lionel	-	-	-
Mr. U. R. Lekamge	-	-	-
Mr. H. M. D. P. Herath	-	-	-
Mr. S. M. S. S. Bandara	-	-	-
Mr. B.P.S. Swaris	-	-	-

Directors' shareholding in related Companies

Name of the Director	Luminex Bookshops (Pvt) Ltd.	Navara Capital Limited	Luminex International LLC
Mr. G. R. P. Fernando	X	-	-
Mr. A. A. C. De Alwis	X	-	-
Mr. I. B. Lionel	-	-	-
Mr. U. R. Lekamge	-	-	-
Mr. H. M. D. P. Herath	-	-	-
Mr. S. M. S. S. Bandara	-	-	-
Mr. B.P.S. Swaris	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

31.3. Transactions with key management personnel

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

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

- (a) The KMP's domestic partner and children;
- (b) Children of the KMP's domestic partner ; and
- (c) Dependents of the KMP or the KMP's domestic partner

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

A. Directors' loans

Loans have not granted by the directors during the year.

B. Compensation of Key Management Personnel of the group

For the year ended	2023 Rs.	2022 Rs.
Short term employee benefits	12,249,000	5,655,000
Interest on directors loan	-	-
Total compensation paid to Key Management Personnel	12,249,000	5,655,000

Under the year 2023, benefits of four executive Directors and the Director fee of non-executive Directors were included, under the year 2022, benefits of two executive Directors were included.

32. CAPITAL COMMITMENTS AND CONTINGENCIES

32.1. Details of bank guarantees

Bank guarantees issued by the banks on behalf of the company are as follows.

Bank	Group 2023 Rs.	Company	
		2023 Rs.	2022 Rs.
National Development Bank PLC.	324,705,191	324,705,191	410,702,359
Sampath Bank PLC.	790,283,541	790,283,541	715,137,772
	1,114,988,732	1,114,988,732	1,125,840,131

Lending institution	Security
National Development Bank PLC.	Security which have been disclosed under note number 24 and the Savings account No.10659000622 balance as at the reporting date the USD 236,666/-
Sampath Bank PLC.	Personal guarantees from the Directors of the company for Rs.975,000,000/- and saving account No.1031 1374 0755 balance as at the reporting date was Rs.19,082,122/-

NOTES TO THE FINANCIAL STATEMENTS

32.2. Capital expenditure/operational commitments

The Group does not have any significant capital or operational commitments as at the reporting date.

32.3. Contingent liabilities

There were no material contingent liabilities outstanding as at the reporting date which require adjustments to or disclosure in the financial statements.

33. EVENTS OCCURRING AFTER THE REPORTING DATE

There were no material events other than disclosed below occurring after the reporting date, that require adjustments to or disclosure in the financial statements.

The board of directors of the Company has declared a final dividend of 0.25 (Twenty Five Cents) per share for the financial year ended 31st March 2023. As required by section 56(2) of the Companies Act No. 07 of 2007, the board of directors has confirmed that the Company satisfies the solvency test in accordance with Section 57 of the Companies Act No. 07 of 2007, and has obtained a certificate from auditors, prior to declaring a final dividend which is to be paid on or before 12th October 2023.

In accordance with LKAS 10, Events after the reporting period, the final dividend has not been recognized as a liability in the financial statements as at 31st March 2023.

34. ASSETS PLEDGED AS SECURITIES

The loans of the Company have been secured against the mortgage of the under mentioned assets of the Company and other securities offered as per details given below.

Assets pledged as securities under long term loans and short term loans are disclosed in Note 24.

Bank overdrafts

Lending institution	Security
Sampath Bank PLC.	Fixed deposits totaling to Rs. 195,503,867/- as at the reporting date.
National Development Bank PLC.	Securities which have been disclosed under Note 24.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Introduction and overview

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

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

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

Risk management framework

The Board of Directors has the overall responsibilities for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with their risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit department. Internal Audit department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

NOTES TO THE FINANCIAL STATEMENTS

35.1. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Group's investments and deposits with banks.

The Group is exposed to credit risk from its investing and financing activities, including deposits with banks and other financial assets.

Management of credit risk includes the following components

The Group does an extensive and continuous evaluation of credit worthiness of its customers / financial institutions by assessing external credit ratings (if available) or historical information about default rates and change the credit limits and payment terms where necessary.

Impairment of financial assets

The Group has a well-established credit control policy & process to minimize credit risk. Group has established policies & procedures to ensure that the Group held cash and cash equivalents of Rs. 198.45 Mn at 31st March 2023 (2022- Rs. 171.15Mn), which represents its maximum credit exposure on these assets.

The cash and cash equivalents are held with banks, which are rated A (Ika), based on fitch ratings.

Corporate guarantee

The Group has obtained an overdraft facility for the working capital requirement of the Group and secured by a term deposit and long-term loan facility against to the promissory notes in hand Rs.636 Mn of the Group for the year end.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group	Company	
	As at 31.03.2023 Rs.	As at 31.03.2023 Rs.	As at 31.03.2022 Rs.
Financial assets at amortized cost	1,048,382,422	1,045,741,989	183,330,409
Cash & cash equivalents	198,447,359	182,846,474	(34,749,574)

Trade & other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customers.

However, management also considers the default risk of the industry in which customers operate, as this factor may have an influence on credit risk. Each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The group's review includes external ratings, when available and in some cases bank references.

The group has obtained customer advances before executing the assignment and from major customers by reviewing their past performance and creditworthiness. In addition, receivable balances are monitored on an ongoing basis with the result that Group's exposure to bad debts is not significant. Further if there is a risk to recover the outstanding balance from the respective customers making the provision appropriately.

The overall credit rating of sri lanka telecom is AA (Ika) and dialog axiata credit rating is AAA (Ika) as per the classification of fitch ratings.

However, the group has made an arrangement with its banker to discount/mortgage the promissory notes issued by the main customer sri lanka telecom and therefore the exposure to risk for collection has been reduced.

	Carrying amount	Group	Company	
		As at 31.03.2023 Rs.	As at 31.03.2023 Rs.	As at 31.03.2022 Rs.
Trade receivable		713,621,092	712,632,909	1,275,374,177
Other receivables		354,279,015	354,279,015	152,628,693
Total trade & other receivables		1,067,900,107	1,066,911,924	1,428,002,870

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont.)

Cash and cash equivalents and other financial assets

The cash and cash equivalents are held with banks and financial institutions which are rated above A (Ika).

The allowance accounts in respect of cash at bank and financial institutions, and financial assets at FVTPL and other financial assets, are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible.

At that point, the amounts are considered irrecoverable and are written off against the financial assets directly.

35.2. Liquidity risk

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

Management of liquidity risk

The Group manages the liquidity risk by carrying out cash flow forecasts and identifying future cash needs. Investments are planned ensuring money is available for settlements. Adequate banking facilities are approved and kept for use as and when necessary. Strong relationships have been built with banks to ensure that urgent borrowing needs are met at short notice.

The table below summaries the maturity profile of the Group's and Company's financial liabilities based on contractual undiscounted (principle plus interest) payments.

Group

	Carrying Amount Rs.	Less than 3 Months Rs.	3-12 Months Rs.	1-5 Years Rs.	More than 5 Years Rs.
Balance as at 31.03.2023					
Non - derivative financial liabilities					
Trade and other payables	560,887,748	560,887,748	-	-	-
Bank overdraft	-	-	-	-	-
Loans and borrowings	951,346,913	380,037,901	6,681,900	547,531,115	17,095,997
Lease liabilities	66,627,923	36,258,219	30,369,704	-	-
	1,578,862,584	977,183,868	37,051,604	547,531,115	17,095,997

Company

	Carrying Amount Rs.	Less than 3 Months Rs.	3-12 Months Rs.	1-5 Years Rs.	More than 5 Years Rs.
Balance as at 31.03.2023					
Non - derivative financial liabilities					
Trade and other payables	558,267,287	558,267,287	-	-	-
Bank overdraft	-	-	-	-	-
Loans and borrowings	951,346,913	380,037,901	6,681,900	547,531,115	17,095,997
Lease liabilities	66,627,923	36,258,219	30,369,704	-	-
	1,578,242,123	974,563,407	37,051,604	547,531,115	17,095,997

Company

	Carrying Amount Rs.	Less than 3 Months Rs.	3-12 Months Rs.	1-5 Years Rs.	More than 5 Years Rs.
Balance as at 31.03.2022					
Non - derivative financial liabilities					
Trade and other payables	485,544,571	485,544,571	-	-	-
Bank overdraft	205,895,018	205,895,018	-	-	-
Loans and borrowings	830,003,688	249,002,426	537,163,762	26,745,900	17,091,600
Lease liabilities	111,382,820	18,534,673	29,280,638	63,567,509	-
	1,632,826,097	958,976,688	566,444,400	90,313,409	17,091,600

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont.)

35.3. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control the market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risks;

- Foreign exchange risk
- Interest rate risk
- Equity price risk

35.3.1. Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on investments in balances denominated in US Dollars (USD).

The exposure to currency risk as at the reporting date is as follows:

Group	USD	Omani Rial (OR)
As at 31st March 2023		
Bank balances	236,669	17,516
As at 31st March 2022		
Bank balances	321,996	-
Company	USD	Omani Rial (OR)
As at 31st March 2023		
Bank balances	236,669	-
As at 31st March 2022		
Bank balances	321,996	-

Sri Lankan Rupee has been depreciated significantly due to changes of exchange rate policy to free float status by the Central Bank of Sri Lanka (CBSL).

Sensitivity analysis

The following table demonstrates the sensitivity of Group's profits to a reasonable possible change in the US Dollar (USD) exchange rate with all other variables held constant. The impact on the profit before tax due to change in the fair value of monetary assets and liabilities denominated in foreign currency is as follows:

Group	Increase / decrease in exchange rate	Effect on profit before tax Rs.
2023		
US Dollar (USD)	25%	19,356,045
	-25%	(19,356,045)
Omani Rial (OR)	25%	3,639,301
	-25%	(3,639,301)
Company	Increase / decrease in exchange rate	Effect on profit before tax Rs.
2023		
US Dollar (USD)	25%	19,356,045
	-25%	(19,356,045)
2022		
US Dollar (USD)	25%	23,656,060
	-25%	(23,656,060)

NOTES TO THE FINANCIAL STATEMENTS

34.3.2. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of change in market interest rates relates primarily to the Group's short term and long-term debt obligations with floating interest rates.

The Group manage its working capital requirement through short term borrowings and excess money investing in financial institutions ensuring the best gains to the Group.

The Central Bank of Sri Lanka (CBSL) applied a tightening monetary policy by mid of March in the financial year and therefore the interest rates movement trend was upward. This decision leads to increase the Group borrowing cost and the gain out of the investment made in the financial instruments.

Group	As at 31.03.2023 Rs.	
Fixed rate instruments		
Financial Assets		
Financial assets at amortized cost	1,048,382,422	
Financial Liabilities		
Lease creditors	(66,627,923)	
	981,754,499	
Variable rate instruments		
Financial Assets		
Bank balances	198,447,359	
Financial Liabilities		
Loans & borrowings	(951,346,913)	
Bank overdraft	-	
	(752,899,554)	
	(554,452,195)	
Company	As at 31.03.2023	As at 31.03.2022
	Rs.	Rs.
Fixed rate instruments		
Financial Assets		
Financial assets at amortized cost	1,045,741,989	183,330,409
Financial Liabilities		
Lease creditors	(66,627,923)	(111,382,820)
	979,114,066	71,947,589
Variable rate instruments		
Financial Assets		
Bank balances	182,846,474	171,145,444
Financial Liabilities		
Loans & borrowings	(951,346,913)	(830,003,688)
Bank overdraft	-	(205,895,018)
	(768,500,439)	(864,753,262)
	(585,653,965)	(693,607,818)

The following table demonstrates the sensitivity to a reasonable possible change in variable interest;

Group	Profit or loss	Equity
	For the year ended	For the year ended
	31.03.2023	31.03.2023
	Rs.	Rs.
5% Increase	(20,385,718)	(20,385,718)
5% Decrease	20,385,718	20,385,718

NOTES TO THE FINANCIAL STATEMENTS

Company	Profit or loss		Equity	
	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2023	For the year ended 31.03.2022
	Rs.	Rs.	Rs.	Rs.
5% Increase	(20,385,718)	(3,940,847)	(20,385,718)	(3,940,847)
5% Decrease	20,385,718	3,940,847	20,385,718	3,940,847

35.3.3. Equity price risk

Listed equity securities are susceptible to equity price risk arising from uncertainties of future values of the investment securities. The Group manages the equity price risk through diversification of its portfolio to different business segments and different geographical locations.

35.4. Operational risk

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

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

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

- Requirements for appropriate segregation of duties, including the independent authorization of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Risk mitigation, including insurance when this is effective.
- Requirements for the reporting of operational losses and proposed remedial action.
- Training and professional development.
- Ethical and business standards.
- Diversification of business activities.

Capital management

The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of stated capital and reserves of the Group. The board of directors monitors the return on capital, which the group defines as a result from operating activities divided by total shareholders' equity. The board of directors also monitors the level of dividends to ordinary shareholders.

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The group manages its capital structure, and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the group may issue new shares, have a rights issue or buy back of shares.

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

	Group	Company	
	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Debt to equity ratio	48%	48%	62%

36. RECLASSIFICATION

The land costs on which the investment property buildings were located, being previously classified under property, plant and equipment, have been reclassified under investment property.

PAST FIVE YEAR SUMMARY

LUMINEX PLC Year Ended 31st March	2023 Rs.	2022 Rs.	2021 Rs.	2020 Rs.	2019 Rs.
TRADING RESULTS					
Revenue	3,045,264,832	3,121,311,743	2,554,040,787	1,545,368,584	1,446,443,182
Profit/(loss) before taxation	182,530,660	558,473,352	364,474,271	125,619,878	91,192,410
Income tax expense	(52,852,814)	(114,226,668)	(63,385,015)	(27,187,250)	(29,602,093)
Profit / (loss) after taxation	129,677,846	444,246,684	301,089,256	98,432,628	61,590,317
STATEMENT OF FINANCIAL POSITION					
Assets					
Property, plant & equipment	193,404,469	221,381,046	209,274,132	192,983,145	248,117,121
Capital work-in-progress	-	1,056,400	-	-	-
Right-of-use assets	84,400,640	139,094,535	129,104,730	126,613,238	-
Investment property	51,481,439	51,339,619	21,454,013	23,350,913	-
Investment in joint venture	-	-	-	18,086	-
Investment in subsidiary	100,438,800	-	-	-	-
Trade & other receivables	56,633,026	-	-	-	-
Other non - current financial assets	763,323,793	-	-	-	-
Intangible assets	946,243	2,202,606	3,442,308	5,389,408	619,248
Deferred tax assets	-	-	1,823,147	761,305	-
Non current assets	1,250,628,410	415,074,206	365,098,330	349,116,095	248,736,369
Current assets	2,586,945,236	3,178,566,248	1,566,633,393	1,514,293,043	1,386,374,565
Total assets	3,837,573,646	3,593,640,454	1,931,731,723	1,863,409,138	1,635,110,934
Equity and liabilities					
Stated capital	450,000,000	200,000,000	200,000,000	40,000,000	40,000,000
Revenue reserves	1,660,803,938	1,642,579,922	1,237,968,997	1,128,824,088	1,054,803,382
Total equity attributable to equity holder of the parent	2,110,803,938	1,842,579,922	1,437,968,997	1,168,824,088	1,094,803,382
Current liabilities	1,096,687,721	1,599,640,900	370,733,908	564,265,828	397,945,735
Non current liabilities	630,081,987	151,419,632	123,028,818	130,319,222	142,361,817
Total equity and liabilities	3,837,573,646	3,593,640,454	1,931,731,723	1,863,409,138	1,635,110,934
RATIOS AND STATISTICS					
Return on capital employed (times)	-	0.28	0.19	0.05	0.04
Return on shareholders' funds (%)	6.14	24.11	20.94	8.42	5.63
Current ratio (times)	2.36	1.99	4.23	2.68	3.48
Quick assets ratio (times)	1.40	1.12	2.73	1.20	1.85
Debt / equity ratio (%)	81.81	95.03	34.34	59.43	49.35
Equity to total assets (%)	55.00	51.27	74.44	62.73	66.96
Dividend pay out ratio (times)	0.63	0.15	0.24	0.06	0.39
Net assets per share (rs.)	7.78	7.68	71.90	292.21	273.70
Dividend per share	0.25	0.40	3.50	1.50	6.00
Number of shares	271,250,000	240,000,000	20,000,000	4,000,000	4,000,000

SHAREHOLDERS' INFORMATION

Twenty Largest Shareholders of the Company are as follows;

	Name of Shareholder	2023		2022	
		No. of share	%	No. of share	%
1.	MR. G.R.P. FERNANDO	120,900,000	44.57%	120,900,000	50.38%
2.	MR. A.A.C. DE ALWIS	57,750,000	21.29%	57,750,000	24.06%
3.	MRS. D.H.S. RAMANAYAKA	57,750,000	21.29%	57,750,000	24.06%
4.	MR. G.V.M.C. FERNANDO	11,997,200	4.42%	-	0.00%
5.	MISS. G.V.M.B.R. FERNANDO	7,875,000	2.90%	1,800,000	0.75%
6.	MRS. A.H.D. DE ALWIS	5,000,000	1.84%	1,800,000	0.75%
7.	ROSEWOOD (PVT) LIMITED-ACCOUNT NO.1	2,500,000	0.92%		
8.	NAVARA CAPITAL LIMITED	1,800,000	0.66%		
9.	MANDARIN CAPITAL LIMITED	1,800,000	0.66%		
10.	MR. V.J. ALAHENDRA	150,000	0.06%		
11.	MR. W.G.A.D. DHARMARATHNA	125,000	0.05%		
12.	MR. B.W.N. RUPASINGHE	63,500	0.02%		
13.	MR. T.A.S. PREMALAL	62,500	0.02%		
14.	MR. H.M.D.P. HERATH	62,500	0.02%		
15.	MR. U.R. LEKAMGE	62,500	0.02%		
16.	MR.S.R.SAMARASINGHE	30,000	0.01%		
17.	MR. G.V.M.P.A.FERNANDO	29,534	0.01%		
18.	MR. K.A.P.DHARMASIRI	25,270	0.01%		
19.	MR.E.G.K.PRIYANANDA	25,100	0.01%		
20.	MR. H.T.A.CALDERA	25,062	0.01%		
	OTHERS	3,216,834	1.21%		
	Total	271,250,000	100%	240,000,000	100%

The Company had not issued any nonvoting shares as at 31st March 2023.
Total Number of Shareholders of the company is 553

STATED CAPITAL

The total Stated Capital as at 31st March 2023 was Rs.450,000,000/- comprising 271,250,000 Ordinary Shares. There was no change in the Stated Capital during the year.

STOCK EXCHANGE LISTING-

The Stock Exchange Code for Luminex PLC shares is "LUMX.N0000".

The Total number of Ordinary Shares after the listing is 271,250,000 number of shares.

Public Holding

The shares that are held publicly account for 11.475% of the total shareholding consisting 546 shareholders comprising of shares as at 31st March 2023.

The float adjusted market capitalisation of the Company was Rs.214,762,500./-. The float adjusted market capitalisation of the Company falls under option five of Rule 7.13.1(a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

DIVIDEND

A Final Dividend of Rs./25 (Twenty Five cents) per share has been proposed for payment by 19th October 2023. (2022 -Rs./40).

SHAREHOLDERS' INFORMATION

DISTRIBUTION OF SHAREHOLDERS

There were 05 registered Shareholders as at 31st March 2023, distributed as follows:

No of Shares held	as at 31st March 2023			as at 31st March 2022		
	No of Shareholders	Total Holding	Holding %	No of Shareholders	Total Holding	Holding %
1-1,000	165	41,879	0.02	-	-	-
1,001-10,000	209	1,102,944	0.40	-	-	-
10,001-100,000	168	2,457,977	0.91	-	-	-
100,001-1,000,000	02	275,000	0.10	-	-	-
1,000,001-& Above	09	267,372,200	98.57	5	240,000,000	100
		271,250,000	100.00	5	240,000,000	100

MARKET INFORMATION ON ORDINARY SHARES OF THE COMPANY

Share Information	2022/23	Date
Highest price (rs.)	8.90	29.11.2022
Lowest price (rs.)	6.50	23.06.2022 24.06.2022 20.10.2022
Last traded date (rs.)	6.90	30.03.2023

Trading Statistics	2022/23
No. of transactions	1,766
No. of shares traded	915,533
Share turnover (Rs.)	6,830,293.10
Day traded	175

CATEGORIES OF SHAREHOLDERS AS AT 31ST MARCH 2023

Shareholder Information	No. of Shareholders	No. of Shares	%
Local Individuals	542	265,084,095	97.73
Local Institutions	11	6,165,905	2.27
Foreign Individuals	-	-	-
Foreign Institutions	-	-	-
Total	553	271,250,000	100.00

IPO PROCEEDS UTILISATION

As of the date of this Annual Report and in terms of Section 8.1(b) of the Listing Rules of the Colombo Stock Exchange, the entirety of the Company's IPO Proceeds have been utilised in line with the objectives stated in its Prospectus dated 05th April 2022.

Objective No.	Objective as per Prospectus	Amount allocated as per Prospectus in LKR	Proposed date of utilisation as per Prospectus	Amount allocated upon the receipt of proceeds in LKR (A)	As a % of Total proceeds	Utilised funds as of the Annual Report Date in LKR (B)	% of utilised against allocation (B/A)
1.	Accelerated Expansion of Fiber Access Network with SLT(Under Supplier Credit Terms)	150,000,000/=	Utiliation in full within 03 months from the IPO date	150,000,000/=	60%	150,000,000	100%
2.	Investment in Water related Projects. -Karagoda -Basnagala -Rathmalkandiya	100,000,000/=	Utiliation in full within 03 months from the IPO date	100,000,000/=	40%	100,000,000	100%
Total		250,000,000/=		250,000,000/=	100%	250,000,000	100%

NOTICE OF MEETING

Notice is hereby given that the Seventeenth Annual General Meeting of Luminex PLC will be held on Tuesday, 26th September 2023 at 10.00 A.M. as a virtual meeting. The Board of Directors has proposed to held the said Annual General Meeting (AGM) through and "online virtual" platform by using "audio" or "visual" tools.

The said Annual General Meeting will be held for the following purposes :

1. To Read the notice convening the meeting.
2. To receive, consider and adopt the Annual Report of the Directors on the affairs of the Company together with the, Audited Financial Statements for the financial year ended 31st March 2023 and the Report of the Auditors thereon.
3. To declare the first and final dividend of Rs 0/25 (Twenty-Five Cents) per share for the year ended 31st March 2023, as recommended by the Directors.
4. To re-elect Mr. G R P Fernando who retires at the Annual General Meeting as a Director, in terms of Section 210 of the Companies Act No. 07 of 2007. The notice having been given pursuant to Sections 210 and 211 of the Companies Act No. 07 of 2007 of the intention to propose the following resolution as an ordinary resolution :
"Resolved that Mr. G R P Fernando who has reached the age of 72 years be and hereby re-elected as a Director of the Company and it is specifically declared that the age limit specified in Section 210 of the Companies Act No. 07 of 2007 shall not apply to Mr. G R P Fernando"
5. To re-elect Mr. A.A.C De Alwis who retires at the Annual General Meeting as a Director, in terms of Section 210 of the Companies Act No. 07 of 2007. The notice having been given pursuant to Sections 210 and 211 of the Companies Act No. 07 of 2007 of the intention to propose the following resolution as an ordinary resolution:
"Resolved that Mr. A A C De Alwis who has reached the age of 73 years be and hereby re-elected as a Director of the Company and it is specifically declared that the age limit specified in Section 210 of the Companies Act No. 07 of 2007 shall not apply to Mr. A A C De Alwis"
6. To re-elect Mr. S M S Sanjaya Bandara who retires by rotation in terms of Article 79(i) of the Articles of Association.
7. To re-appoint Messrs. Nihal Hettiarachchi & Co., Chartered Accountants as Auditors of the Company as set out in Section 154(1) of the Companies Act No. 07 of 2007 and to authorize the Directors to fix their remuneration.
8. To authorize the Directors to determine donations for the year 2023/2024 not exceeding Rs.2,000,000/-.

By Order of the Board of

LUMINEX PLC



R N H Holdings (Private) Ltd

Company Secretaries

Colombo, this 11th Day of August 2023

Note:

1. A shareholder who is unable to attend the meeting is entitled to appoint a proxy to attend and vote in his/her place and a proxy need not be a shareholder of the Company.
2. A Form of Proxy accompanies this Notice.
3. Shareholders are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to vote on their behalf and to include their voting preferences on the resolutions to be taken up at the Meeting in the form of proxy.
4. The complete form of proxy should be deposited at Luminex PLC, No: 24, New Galle Road, Moratuwa, not less than 36 hours before the time appointed for the holding of the Meeting.
5. A vote can be taken on a show of hands or by a poll. If a poll is demanded, each share is entitled to one vote. Votes can be cast in person, by proxy or corporate representatives. In the event an individual Member and his/her Proxy holder are both present at the Meeting, only the Member's vote is counted. If the Proxy holder's appointor has indicated the manner of voting, only the appointor's indication of the manner to vote will be used.
6. Instructions as to attending the virtual Meeting are attached.
7. Notice of Meeting, Circular to the Shareholders, Proxy form, Guidelines and Registration process for the Annual General Meeting (AGM) via online meeting platform, are available on the Corporate website of the Company <https://www.luminexpl.com/Finance> and the website of the Colombo Stock Exchange (CSE) - <https://www.cse.lk/pages/company-profile/company-profile.component.html?symbol=LUMX.N0000>.
8. Shareholders may also access the Annual Report and Financial Statements on their mobile phones by scanning the following QR code.



FORM OF PROXY

I/We,.....

NIC NO..... of

being a shareholder/shareholders of LUMINEX PLC, hereby appoint :.....

.....of.....(or failing him)

- | | |
|--------------------------|---------------------------|
| Mr. G R P Fernando | of Colombo or failing him |
| Mr. A.A.C De Alwis | of Colombo or failing him |
| Mr. I B Lionel | of Colombo or failing him |
| Mr. Upul Ranjith Lekamge | of Colombo or failing him |
| Mr. H M D P Herath | of Colombo or failing him |
| Mr. S M S S Bandara | of Colombo or failing him |
| Mr. B P S Swaris | of Colombo |

as my/our Proxy to represent and speak and vote for me/us* and on my/our behalf at the Annual General Meeting of the Company to be held on 26th September 2023 and at any adjournment thereof and at every poll which may be taken in consequence thereon.

I/We, the undersigned, hereby direct my/our proxy to vote for me/us and on my/our behalf on the specified Resolution as indicated by the letter "X" in the appropriate cage:

		For	Against
1	To receive and consider the audited financial statements for the year ended 31st March 2023 together with the Annual Report of the Board of Directors and of the auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
2	To declare a final dividend of Rs. 0/25 (Twenty-five cents) per share.	<input type="checkbox"/>	<input type="checkbox"/>
3	To re-elect Mr. G R P Fernando who retires by rotation in terms of section 210 of the Companies Act no.07 Of 2007.	<input type="checkbox"/>	<input type="checkbox"/>
4	To re-elect Mr A.A.C De Alwis who retires by rotation in terms of section 210 of the Companies Act no.07 Of 2007.	<input type="checkbox"/>	<input type="checkbox"/>
5	To elect Mr. S M S S Bandara as a director who retires in terms of Article 79(i) of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
6	To re-appoint Messrs, Nihal Hettiarachchi & Company the retiring auditors and authorize the directors to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
7	To authorize the directors to determine donations not exceeding Rs. 2,000,000/-.	<input type="checkbox"/>	<input type="checkbox"/>

In witness my/our* hands this.....day of.....Two Thousand and Twenty-Three.

*Please delete the inappropriate words.

.....
Signature

INSTRUCTIONS AS TO COMPLETION OF PROXY FORM

- i. Please perfect the Form of Proxy by filling in legibly your full name and address, signing in the space provided and filling in the date of signature.
- ii. The complete form of proxy should be deposited at Luminex PLC, No: 24, New Galle Road, Moratuwa, not less than 36 hours before the time appointed for the holding of the Meeting.
- iii. If you wish to appoint a person other than the Chairman or a Director of the Company, please insert the relevant details at the space provided (above the names of the Board of Directors) on the Proxy Form.
- iv. If the Form of Proxy is signed by an Attorney, the relevant Power of Attorney should accompany the completed form of proxy for registration, if such Power of Attorney has not already been registered with the Company.
- v. If the appointor is a company or corporation, the Form of Proxy should be executed under its Common Seal or by a duly authorised officer of the company or corporation in accordance with its Articles of Association or Constitution.





LUMINEX PLC

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