

ENERGISING SRI LANKA

Responsibly



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Responsibly

Lanka IOC marks over two decades of strategic contribution to the nation's development. As a vital player in the energy sector, our journey is inextricably linked with Sri Lanka's socio-economic aspirations. From ensuring uninterrupted fuel supply to driving industrial growth and enabling mobility, we have consistently aligned our operations with national priorities. Our investments in infrastructure, digital transformation, and sustainable energy solutions reflect a forward-looking vision – one that supports the country's path to energy security and economic revival. More than a provider of energy, we are a catalyst for progress. As Sri Lanka navigates a new era of opportunity and resilience, Lanka IOC remains a trusted partner, powering possibilities and progress, with responsibility at the core.



CHAIRMAN'S MESSAGE

Page 16

"Our social contributions in the form of life-saving healthcare donations to the Government hospitals reflect a broader vision that energy must empower progress in every dimension."



MANAGING DIRECTOR'S REVIEW

Page 19

"Differentiation remained a cornerstone of our strategy, as we continued to anticipate market needs and deliver tailored solutions. During the year, we introduced XP100 premium auto fuels in the island. "

CHARTING OUR COURSE

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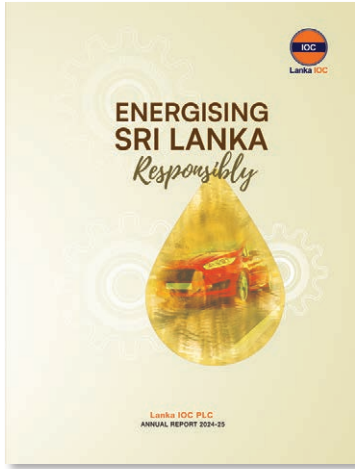
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ENERGISING *Responsibly* Empowering Sri Lanka

At Lanka IOC, responsible energy is the backbone of national progress. We empower lives, businesses, and infrastructure through consistent, high-quality fuel solutions. Every initiative we undertake strengthens Sri Lanka's path toward inclusive and sustainable development.

ABOUT THIS REPORT



Welcome to the 10th Edition of the Integrated Annual Report of Lanka IOC PLC

Financial and Statutory Reporting Boundary – 1st April 2024 – 31st March 2025

Integrated reporting allows us to present to you a comprehensive look at the combined approach of our operations. Together, we are working towards our ultimate purpose of creating sustainable value through our business activities.

Feedback

We welcome your comments on our 10th Integrated Annual Report 2024-25, together with any queries and suggestions for improvement.

Please direct your valuable feedback to:

Company Secretary

Lanka IOC PLC

Sri Lanka

E-mail: companysecretary@lankaio.com

Our Product Offerings



Automotive Fuel and
Fuelling Stations



Lubricants



Marine Bunkering



Petrochemicals



Grease



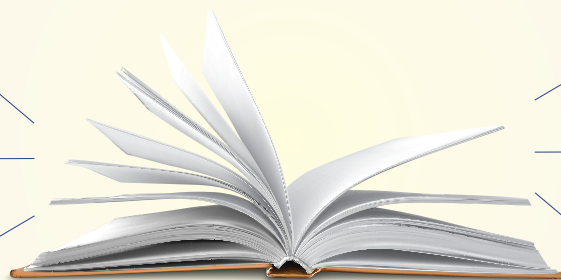
Bitumen

Our Reporting Boundary

Strategic Focus and Future
Orientation

Stakeholders' Responsiveness

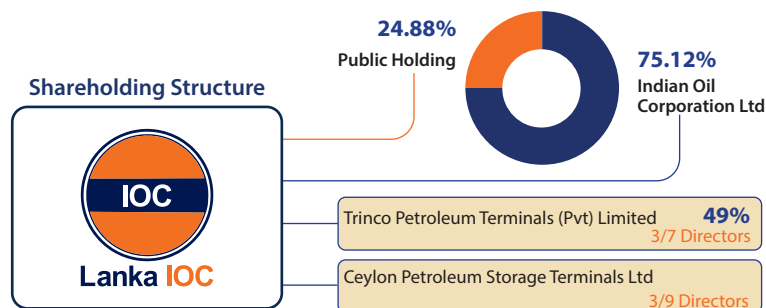
Connectivity of Innovation



Consistency and
Comparability

Reliability and
Completeness

Materiality and
Consciousness



Scope of Report

This Report covers the operations of Lanka IOC PLC for the period from 1st April 2024 to 31st March 2025. The financial and sustainability reporting of the Company is performed under an annual reporting cycle. The financial and non-financial information presented in the narrative report represents the information of the Company.

Materiality of Reported Items

The content of this Report has been carefully selected following a thorough materiality assessment. We have analysed and curated a significant amount of data to narrow the list down to the business, social, environmental and external issues which have the most significant impact on the Company's ability to generate value. The process for determining material issues is given in this Report.

Assurance Statement

Assurance regarding this report is established through a combination of internal governance mechanisms and external validation processes, reinforcing Lanka IOC PLC's commitment to delivering a reliable, transparent, and comprehensive annual report.

The contents of this report have been carefully reviewed and validated by the respective functional heads to ensure factual accuracy, consistency, and alignment with the strategic objectives of the Company. Following this internal verification, the Audit Committee of the Board conducts a detailed review, subjecting the report to rigorous examination prior to its submission for final approval by the Board of Directors.

In addition, the Company's Financial Statements have been independently

audited by our External Auditors M/s BDO partners, whose Independent Auditor's Report is presented on page [XX] of this Annual Report.

Lanka IOC PLC remains committed to upholding the highest standards of accountability and transparency in its financial and non-financial disclosures.

Forward-Looking Statements

This Annual Report contains forward-looking statements that reflect Lanka IOC PLC's current expectations regarding future business performance, strategic direction, and market conditions. These statements are based on information available at the time of publication and are aligned with the Company's strategic plans and growth aspirations.

It is important to note that forward-looking statements involve inherent risks and uncertainties. Actual outcomes may differ materially from those anticipated due to various factors, including but not limited to economic conditions, regulatory changes, market dynamics, and unforeseen global or local events.

Readers are therefore advised to exercise caution and avoid placing undue reliance on these statements, as they are not guarantees of future performance. Lanka IOC PLC assumes no obligation to publicly update or revise any forward-looking statements after the date of publication, except as required by law, to reflect changes in circumstances or the occurrence of unanticipated events.

There have been no restatements of information from prior annual reports.



Sidebar Summaries

At a Glance

- 10th Edition of Lanka IOC PLC's Integrated Annual Report
- Reporting Period: 1st April 2024 – 31st March 2025
- Reporting Cycle: Annual
- Coverage: Financial, Sustainability, and Governance Disclosures

Our Reporting Purpose

"To provide a clear, balanced, and transparent view of how Lanka IOC creates sustainable value for all stakeholders."

Assurance at Every Level

- Internal validation by functional heads
- Audit Committee oversight
- External audit by Messrs. BDO Partners

Our Reporting Frameworks

Aligned with:

- Integrated Reporting Framework (IIRC)
- Global Reporting Initiative (GRI) Standards
- Corporate Governance Codes
- Sustainable Development Goals (SDGs)
- Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka

ABOUT THIS REPORT

Risk Management Statement

At Lanka IOC PLC, risk management is not viewed as a standalone process, but as an integral part of responsible business decision-making. Our approach ensures that risks are systematically identified, assessed, monitored, and mitigated across all levels of the organisation, supporting both resilience and sustainable growth.

In an environment marked by continuous economic, regulatory, and geopolitical change, we remain proactive in strengthening our risk framework, which is built around anticipating challenges, protecting value, and enabling long-term performance. Our Risk Management Policy is embedded into our business operations and reviewed regularly to reflect the evolving risk landscape.

Oversight of risk management is conducted through a structured governance model, where the Board of Directors is ultimately responsible for the Company's risk appetite and risk strategy. The Board is supported by the Audit Committee and Senior Management, who continuously monitor and assess identified risks, ensuring that controls are robust, effective, and aligned with our corporate objectives.

This dynamic approach enables us to stay resilient in the face of operational, market, financial, regulatory, and environmental risks, and to seize emerging opportunities in a structured and responsible manner.

Target Audience

This report is structured to meet the varied information needs of Lanka IOC PLC's internal and external stakeholders, comprising employees, customers, suppliers, business partners, regulators, communities, and prospective long-term investors. The report aims to foster transparency,

strengthen relationships, and drive future growth, by addressing the specific interests and concerns of these stakeholders.

Statement of Reporting Compliance

Lanka IOC PLC is committed to preparing this Annual Report in accordance with the highest standards of accuracy, transparency, and accountability. The Report has been structured to reflect integrated thinking and long-term value creation, aligning with globally accepted reporting principles and frameworks.

Our financial, governance, risk management, and sustainability disclosures are designed to provide a balanced and comprehensive overview of the Company's performance, strategy, and stewardship. This Annual Report has been compiled with due adherence to applicable legal, regulatory, and industry best practice guidelines relevant to financial reporting, corporate governance, and sustainability reporting in Sri Lanka.

A detailed summary of the standards, frameworks, and regulatory guidelines referred to in the preparation of this report is presented in the table below.

Reporting Aspect	Frameworks / Standards / Regulations Referenced
Integrated Reporting	<ul style="list-style-type: none"> International Integrated Reporting Council (IIRC) – Integrated Reporting Framework
Financial Reporting	<ul style="list-style-type: none"> Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka Companies Act No. 07 of 2007 Listing Rules of the Colombo Stock Exchange Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 Securities and Exchange Commission of Sri Lanka (SEC) Act No. 19 of 2021 and related directives Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995
Risk and Governance Reporting	<ul style="list-style-type: none"> Code of Best Practice on Corporate Governance – Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) Code of Best Practices on Related Party Transactions (2013) – Advocated by the Securities and Exchange Commission of Sri Lanka Corporate Governance Rules for Listed Entities – Colombo Stock Exchange Companies Act No. 07 of 2007 and its amendments
Sustainability Reporting	<ul style="list-style-type: none"> Global Reporting Initiative (GRI) Standards ('with reference' basis) United Nations Sustainable Development Goals (SDGs) Guidance for Communicating Sustainability – Colombo Stock Exchange (CSE) Gender Parity Reporting Framework – Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)

Forward-Looking Statement

This report contains forward-looking statements. Actual outcomes may differ due to external and internal factors beyond the Company's control.

ABOUT US

At Lanka IOC PLC (LIOC), we are more than just an energy provider - we are a trusted partner in Sri Lanka's journey towards economic growth, infrastructure development, and energy security.



Vision

A major, integrated energy company, with a strong environment conscience, playing a national role in oil security.

Established in 2002 as a subsidiary of Indian Oil Corporation, LIOC has evolved into a cornerstone of the nation's energy landscape. Today, we are proud to be the biggest private-sector oil company operating a widespread retail network of fuel stations across the island, empowering mobility and commerce through our 267 retail outlets.

Our operations span the full spectrum of petroleum logistics - from the import, storage, and distribution of petroleum products to the blending of world-class lubricants at our state-of-the-art facility in Trincomalee. With an annual blending capacity of 18,000 tonnes, our lubricant plant supports a growing demand for high-performance products trusted by industries, motorists, and commercial fleets alike.



Our Mission

To achieve international standards of excellence in all aspect of petroleum with focus on customer delight through value of products and services and cost reduction.

To maximize creation of wealth, value and satisfaction for the stakeholders.

To attain leadership in developing, adopting and assimilating state-of-the-art technology competitive advantage.

To provide technology and services through sustained research and development.

To foster a culture of participation and innovation for employee growth and contribution.

To cultivate high standards of business ethics and total quality management for a strong corporate identity and brand equity.

To help enrich the quality of the life of the community and preserve ecological balance and heritage through a strong environment conscience.

We have strategically invested in the future of Sri Lanka's energy ecosystem. We currently hold a 33.33% share in Ceylon Petroleum Storage Terminals Limited (CPSTL), enabling access to oil terminals and reinforcing our commitment to nationwide energy reliability. Our strength in logistics is further amplified by our bunkering presence at the ports of Colombo, Trincomalee and Galle, where we currently command a 30% market share in marine fuel supply.

Financially, we have demonstrated resilience and robust performance. In FY 2024-25, we recorded a revenue of Rs. 276.29 Bn, an operating income of Rs. 9.35 Bn, and a net income of Rs. 11.15 Bn. These results are a testament to our strategic foresight, operational efficiency, and unwavering focus on stakeholder value.

FY 2024-25 Performance Snapshot



Revenue : Rs. 276.29 Bn



Operating Income : Rs. 9.35 Bn



Net Profit : Rs. 11.15 Bn



Dividend Payout : Rs. 2.67 Bn for shareholder returns

8 ABOUT US

A key asset in our infrastructure portfolio is the historic China Bay Tank Farm, a legacy of World War II comprising 99 massive storage tanks. We've revitalised 15 of these tanks to date which were given for 50-year lease and are poised to scale operations in response to growing market demand. This site is not only symbolic of our heritage but stands as a beacon of our future ambition.

Did You Know?

- ◆ The China Bay Tank Farm was built by the British during WWII and is one of the largest such complexes in Asia.
- ◆ We supply marine fuel to Colombo, Trincomalee and Galle ports, playing a key role in regional trade logistics.

Backed by the strength and legacy of Indian Oil Corporation - one of the world's largest and most respected energy companies - LIOC is driven by a purpose greater than profit. We are here to fuel progress, to power livelihoods, and to deliver reliable, responsible energy solutions for every Sri Lankan.

As we look to the future, we remain committed to sustainability, innovation, and inclusive growth. Together with our partners, our people, and our communities, Lanka IOC is building an energy-secure tomorrow - with passion, precision, and purpose.

Key Highlights (Fast Facts)



Established
2002



Retail outlets
267
island-wide



Lubricant Blending Plant
Capacity
18,000 MT per year



Shareholding
**Subsidiary of Indian
Oil Corporation
(Fortune 500)**



Bunkering Market Share
30% in Sri Lanka



Tank Farm (China Bay)
15 tanks revitalised



Employees
152 staff



Partner in CPSTL
**Access to 13 storage
terminals**



Our Purpose

"To energise Sri Lanka with reliable, sustainable, and world-class petroleum solutions that power lives, drive business, and build national resilience."

What Sets Us Apart

- ✓ Integrated energy infrastructure
- ✓ Strategic foreign investment with local impact
- ✓ Commitment to sustainability and modernisation
- ✓ Proven ability to blend global standards with local needs

KEY BUSINESS VERTICALS

Petrochemicals

Positioning

A segment which the Company has embarked on with much potential and introduced the 'Propel' brand of petrochemicals.

Bunkering

Positioning

Market leader in bunkering serving local and foreign vessels from the Colombo, Trincomalee and Galle ports.

Bitumen

Positioning

We are in the Bitumen business and sell Bitumen for industrial and road construction purposes. We also export Bitumen to neighbouring countries.

Grease

Positioning

Sri Lanka's 1st Grease plant with 3,000 MT capacity, which will serve the country's entire grease requirement.

Automotive Fuels

Positioning

Possess a market share of 21%. Auto fuels are distributed through retail fuel outlets. A range of premium and branded fuels have also been introduced to ensure fuel efficiency and engine performance.



Lubricants

Positioning

The second market player in the lubricants sector. The SERVO brand of lubricants are used for automotive, marine and industrial applications.



HISTORICAL MILESTONES

2024-2025

Introduced XP 100, a premium 100 octane petrol

Four new grades of lubricants launched

Started marketing a wide variety of Petrochemical Products

2023-2024

Renewed retail license for another 20 years

Commissioned 250th Retail Outlet

Agreement with Ceypetco for marketing of SERVO lubricants at Ceypetco retail outlets

2022-2023

Commissioned of first-ever Grease Manufacturing Plant in Sri Lanka

Highest ever revenue of Rs. 281 Bn and Profit After Tax of Rs. 37.69 Bn

First-ever LSD supply at Trincomalee

2013-2014

65% increase in Net Profit from Rs. 2.91 Bn in FY 2012-13 to Rs. 4.81 Bn in FY 2013-14

2014-2015

Lanka IOC assigned Highest Credit Rating - AAA rating by Lanka Rating Agency

2015-2016

Commenced bunkering operations from June 2015 at Trincomalee Port

Prestigious ISO 9001-2015 accredited to Lube Blending Plant at Trincomalee

2011-2012

Launch of Euro III Grade Petrol

Maiden first Dividend of Rs. 1 per share distributed

Commissioned 150th Servo Shop

2010-2011

Commissioned the first grassroots Retail Outlet

Operations & Accounting shifted to ERP [SAP] system

Commissioned the 150th Retail Outlet

2009-2010

The Turnover of the Company reached 50 Bn

Started sales of Bitumen

2021-2022

Signing of long pending Trincomalee Lease deed and Modalities agreement with GoSL and CPC to lease of 14 tanks in the Lower Tank Farm (LTF) for 50 years

Formation of Joint Venture Company, Trinco Petroleum Terminalling Pvt Ltd.

A JV between the CPC (51%) and the LIOC (49%) for development & utilization of 61 Tanks at of Upper Tanks Farm

2020-2021

Introduced new product - Wet Brake Oil SERVO MTRAC 30 introduced for first time in Sri Lanka for farmers

2019-2020

First physical bunker supplier to import the IMO 2020 compliant Low Sulphur Fuel Oil (LSFO) at Trincomalee

2016-2017

Commissioned the 200th Retail Outlet.

Awarded '8th largest company' in Sri Lanka for 2015-16 by LMD magazine

2017-2018

"Overall Gold Award Winner" of National Business of Excellence Awards 2017 which is held by the National Chamber of Commerce of Sri Lanka and seven other category awards.

2018-2019

First Bitumen Export

Lanka IOC shares included in S&P Sri Lanka 20 Index

2007-2008

Commissioned the Lube Blending Plant at Trincomalee

Started Bunker Operations in Colombo Port

2004-2005

Obtained the listing status in the Colombo Stock Exchange and became Lanka IOC PLC

2002-2003

Lanka IOC (Pvt) Limited incorporated

Agreements signed with the Board of Investment of Sri Lanka (BOI)

Commenced product sales from Lanka IOC fuel stations

PERFORMANCE HIGHLIGHTS FOR THE ECONOMIC DEVELOPMENT OF SRI LANKA

Contribution Through Our Business Activities

We pride ourselves on being one of the leading providers of petroleum products in Sri Lanka. At LIOC, we operate under the time-tested expertise and rich values of our parent company, IOC.

The local communities where we operate consist of our employees, suppliers and contractors. We continuously contribute to the revenue of the government through the taxes we pay and the taxes we collect on their behalf. This aids government expenditure on healthcare, education, transport and other essential services.

Additionally, by ensuring uninterrupted service, we directly contribute towards facilitating the smooth functioning of many businesses and industries in Sri Lanka.

The Values by Which We Operate to Create Value

In order to make a valuable contribution to society through our business, we operate based on these values which are also critical to our overall strategy.

Honesty

Integrity

Respect for people

Safety

Sustainability

We are committed to doing our business in an ethical and transparent way. Our products are reliable, and as such, many people and businesses place their trust in us.

Even with the many challenges we face with changing economic policies and pressure from competitors, we remain firmly committed to supporting the economy of the nation through our strong commitment to being a reliable energy partner.

LIOC has been resolute and steadfast in its dedication to fulfill the fuel and petroleum needs of the country.

How We Contributed to the Economy in the Year Under Review

We set ourselves goals that would help us align our actions to support sustainable and ongoing value creation.

Our Goals

Positively impact society on both a social and economic level

Aspire to a situation where everyone feels connected to what we stand for

Be respected among the communities in which we operate










Listen sincerely and with humility

Fully understand and, to the extent of our abilities, **evolve** with the changing needs and requirements of society and the environment

Build trusting and effective teams where everyone feels ownership and has a voice in how work gets done

Build strong and trusted relationships with customers and partners

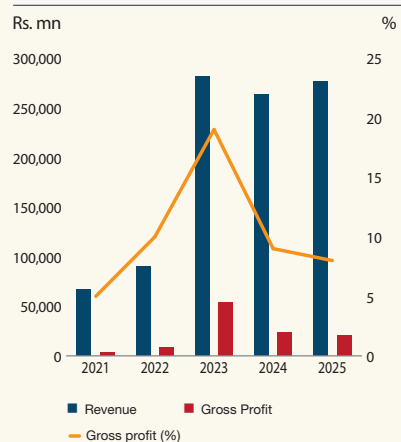
Revenue Generation and Foreign Exchange Earnings	<p>The Company's sales of petroleum products generate substantial revenue, and a larger portion of this revenue is from the auto fuel segment.</p> <ul style="list-style-type: none"> ◆ The demand for auto fuel remains consistently high at any time of the year. ◆ A high percentage of Sri Lanka's transportation relies on fossil fuels. ◆ Our ever-expanding distribution network and retail outlets across the country ensure that quality automotive fuels are available everywhere. ◆ Consistently meet the needs of individual consumers, commercial vehicles and industries.
	<p>Expanded our market presence to neighboring countries.</p> <ul style="list-style-type: none"> ◆ Exported bitumen to Nepal despite the domestic consumption of bitumen being at a standstill. ◆ This helped to contribute to earn export income. ◆ At a time when local industries were facing restrictions, we provided stability to the country's economic situation by earning foreign exchange through exports.
Employment Opportunities	<p>Our unfailing commitment to making a difference means that we are also focused on providing employment to the communities we operate in.</p> <ul style="list-style-type: none"> ◆ Providing direct and indirect employment opportunities. ◆ Seeking out skilled and competent employees for our service stations, distribution centers, and retail outlets. ◆ Employing thousands of individuals across various job categories which helps to positively grow the country's development indices.
Tax Payments	<p>LIOC adheres to tax regulations in Sri Lanka and fulfills its tax obligations to the Sri Lankan government.</p> <ul style="list-style-type: none"> ◆ Dutiful payments of various taxes, such as corporate income tax, value-added tax (VAT), and other applicable levies. ◆ Significantly contributing to the government's revenue streams as part of a commitment to being a responsible corporate citizen ◆ Directly supporting the economic growth and development of Sri Lanka
Investments in Infrastructure	<p>These investments were aimed at enhancing the country's energy infrastructure, and contributing to the efficient supply and distribution of petroleum products.</p> <ul style="list-style-type: none"> ◆ Expanding the availability of fuel stations across the country. ◆ Developing essential infrastructure such as storage facilities, distribution networks, and fuel stations. ◆ Offering wider availability means more convenience.
Corporate Social Responsibility (CSR) Initiatives	<p>Contributions to social welfare and community development to be connected to a fundamental aspect of our values.</p> <ul style="list-style-type: none"> ◆ Adopting the Sustainable Development Goals (SDGs) outlined by the United Nations into our strategic plan. ◆ Planning our CSR activities in line with the SDGs to increase their significance and impact and also to focus on more meaningful and impactful CSR projects. ◆ We plan to support projects that have the potential to benefit a significantly larger cross-section of the community.
Stability and Resilience	<p>Despite the many challenges posed by regulations and the constriction of the economy, we have been successful in maintaining uninterrupted service to all our stakeholders.</p>

 1,750 kWp Solar Energy at Fuel Stations	 Rs. 1.2 Bn Contribution to Employees - Salaries and Wages	 150+ Nos Number of Direct Employment Opportunities	 Rs. 863 Mn Investment in Infrastructure Development	 Awards and Achievements TAGS Award 2025 - Silver Award (Power and Energy) 8th position in LMD Top 100 Best IR in CMA 2024 (Energy sector)
 267 Nos No of Fuel Stations	 21 Nos Donation of dialysis machines to Government Hospitals	 Rs. 105.64 Bn Contribution to the Nation as Taxes and Levies	 USD 203.13 Mn Foreign Exchange Revenue	

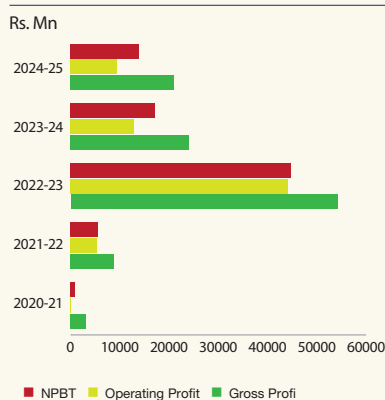
FINANCIAL HIGHLIGHTS

	Metric	2024-25	2023-24	2022-23	2021-22	2020-21
Operating Results						
Revenue	Rs. Mn	276,287	263,569	281,488	89,951	66,686
Gross Profit	Rs. Mn	21,024	24,018	54,182	8,845	3,113
Operating Profit	Rs. Mn	9,345	12,809	44,177	5,410	161
Net Profit/(Loss) Before Tax	Rs. Mn	13,864	17,083	44,702	5,612	988
Income Tax	Rs. Mn	2,715	3,138	7,006	793	105
Net Profit / (Loss) After Taxation	Rs. Mn	11,149	13,945	37,696	4,818	882
Dividends	Rs. Mn	2,662	2,130	1,198	453	399
Capital Employed						
Stated Capital	Rs. Mn	7,576	7,576	7,576	7,576	7,576
Revenue reserves (Retained earnings)	Rs. Mn	73,466	64,982	53,198	16,709	12,347
Shareholders' Funds (Total equity)	Rs. Mn	82,692	73,470	61,233	24,285	19,923
Borrowings- Short term	Rs. Mn	7,445	4,307	4,468	25,778	20,590
Other Short term Liabilities	Rs. Mn	28,104	23,915	15,906	14,568	5,842
Asset Employed						
Non-current assets	Rs. Mn	28,165	11,187	9,675	10,658	19,753
Current assets	Rs. Mn	90,614	90,608	72,538	54,413	26,654
Total assets employed	Rs. Mn	118,779	101,795	82,213	65,071	46,407
Key Ratios						
Profitability Ratios						
Earnings Per Share	Rs.	20.94	26.19	70.79	9.05	1.66
GP Ratio	%	8	9	19	10	5
Operating Profit Margin	%	3	5	16	6	0.2
Net Profit Ratio	%	4	5	13	5	1
ROCE	%	10	17	67	11	0.4
ROE	%	13	19	62	20	4
Marker Ratios						
Net Assets Per Share	Rs.	155.30	137.98	115.00	45.61	37.42
Dividend per share	Rs.	5	4	2.25	0.85	0.75
Dividend cover	Times	4.2	6.5	31.4	10.6	2.2
Equity to total assets ratio	%	70	72	74	37	43
Dividend Payout (Paid Basis)	%	19	6	25	51	95
Dividend Yield (%)	%	4	2	6	4	5
Price Earnings Ratio (P/E)	Times	6	4	2	4	11
Price to book value	Times	0.8	0.8	1.5	0.9	0.5
Liquidity Ratios						
Current Ratio	Times	2.5	3.2	3.6	1.3	1
Quick Assets Ratio	Times	1.5	1.9	1.7	0.7	0.6
Turnover to capital employed (no of times)	Times	3	4	5	4	3
Solvency Ratios						
Interest cover (no of times)	Times	18	26	22	6	0.3
Debt/Equity	%	9	6	7	106	103
Debt/Total Assets	%	6	4	5	40	44
Price Movement Rs.						
Market Value Per Share (Highest)	Rs.	147.00	182.00	296.00	81.30	31.30
Market Value Per Share (Lowest)	Rs.	100.00	94.00	158.00	18.30	13.00
Last Traded Price Record	Rs.	127.00	116.75	171.50	38.80	19.00
Market Capitalization	Rs. Mn	67,623	62,165	91,318	20,660	10,117
Enterprise Value	Rs. Mn	43,625	21,266	68,750	24,022	18,066

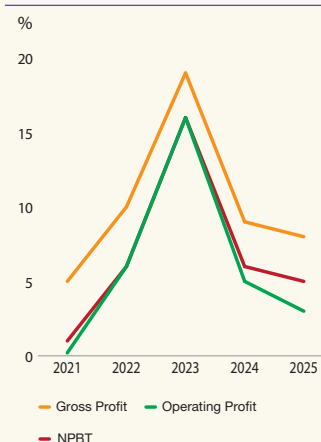
Revenue Vs Gross Profit



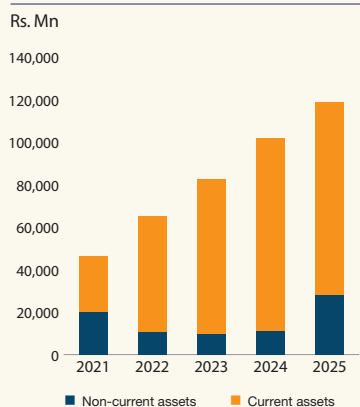
Operating Results



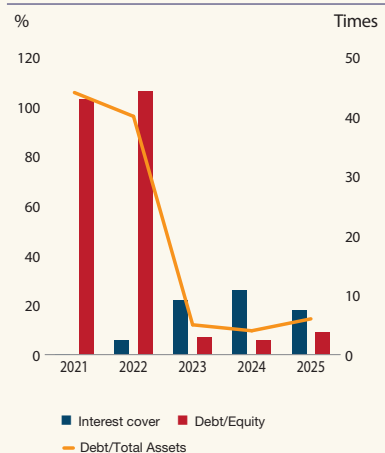
Earning Ratio



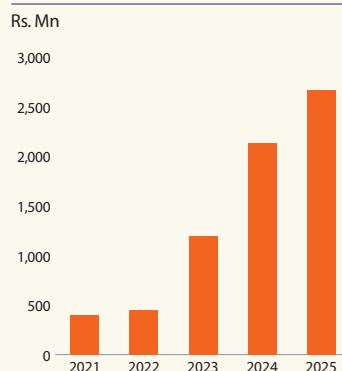
Current Vs Non Current Assets



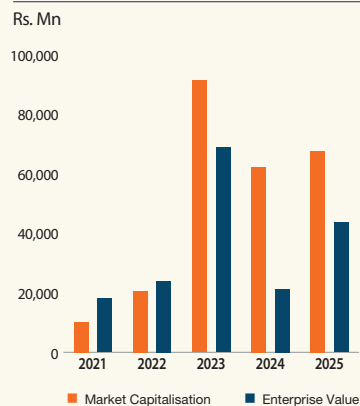
Solvency Ratio



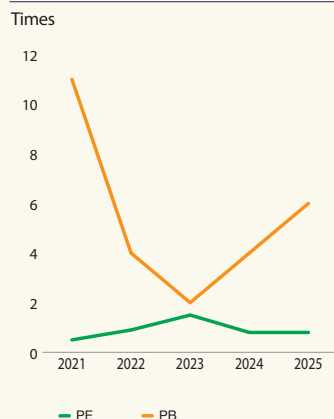
Dividends



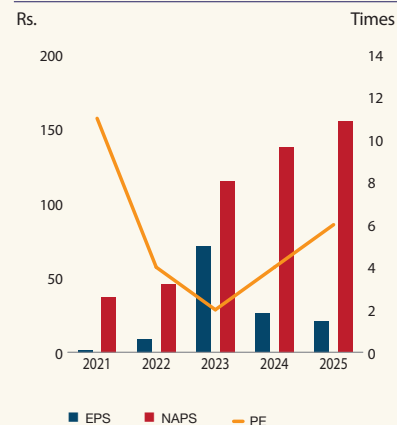
Market Cap Vs Enterprise Value



PB Vs PE



Investor Ratio



CHAIRMAN'S MESSAGE



As Lanka IOC commemorates 23 years of service in Sri Lanka, it is with great pride and gratitude that I reflect on our journey, defined by partnership, resilience, and a shared commitment to progress.

Over two decades of operations have embedded us deeply within the rhythms of the nation. We have been a trusted partner in the nation's development, ensuring energy security, investing in infrastructure, and driving innovation to meet the evolving needs of our people. This enduring presence reflects our strategic vision to be a long-term partner in Sri Lanka's growth story.

Strategic Context and Economic Landscape

The global energy sector in 2024 continued to evolve under the weight of complex and often competing pressures from geopolitical instability and the intensifying global commitment to decarbonization. Volatility in crude oil prices kept energy markets on edge, while growing investor and regulatory focus on sustainability accelerated the global transition towards cleaner energy alternatives. This era of transformation demands agility, resilience and foresight from energy companies.

Underpinned by its diversified strategy, prudent operational management, and customer-focused innovation, your Company delivered a top line of Rs. 276.29 Bn and a bottom line of Rs. 11.15 Bn.

Most large economies are actively developing and implementing energy transition roadmaps by promoting investments in renewable energy, biofuels, green hydrogen, and Natural Gas, alongside policy support for electric mobility and infrastructure modernization.

In Sri Lanka too, the government's focus on diversifying the national energy mix, including solar, wind, and LNG, has opened a strategic window for long-term investment and collaboration. Amidst these shifting dynamics, your Company has remained a constant and dependable force deeply aligned with national needs. Your Company has maintained an uninterrupted energy supply and contributed to critical infrastructure development. We remain

committed to powering the journey reliably, responsibly, and with resilience that mirrors the spirit of the nation itself.

Strategy Amidst Dynamic Conditions

In an environment marked by a more liberalized petroleum sector, the competitive dynamics of our industry have become increasingly fluid. New entrants and changing pricing frameworks have redefined the rules of engagement. Yet through these challenges, Lanka IOC has remained a pillar of stability. In FY 2024-25, Lanka IOC delivered a resilient performance with an overall volume growth of 25%. Underpinned by its diversified strategy, prudent operational management, and customer-focused innovation, your

Company delivered a top line of Rs. 276.29 Bn and a bottom line of Rs. 11.15 Bn. Compression of gross margins due to successive retail price reductions in the auto fuel segment led to a 20% decline in profit after tax during FY 2024-25 vis-à-vis FY 2023-24. However, your Company maintained a healthy financial performance during the year through disciplined cost controls. The strength of our diversified portfolio, spanning lubricants, bunkering, petrochemicals, and bitumen, provided stability and incremental revenue streams, helping offset volatility in core segments. These strategic initiatives collectively ensured that Lanka IOC remained profitable, agile, and well-positioned for sustainable growth in a dynamic energy landscape.

Our long-term investment in Sri Lanka's energy security through robust infrastructure and well-maintained facilities enabled us to serve consistently and efficiently. Lanka IOC introduced XP100 premium fuels on the island in 2024. This 100 Octane fuel provides faster acceleration and smoother drivability, particularly for high-end luxury cars and bikes. To improve customer re-filling experience, the Company is investing in improving the look and feel of its retail network through initiatives like installing new-age dispensing pumps, automation, LED lights, etc. The Company has expanded its reach by opening new retail outlets, especially in areas where fuel outlets are not available in the nearby vicinity. We have added 15 new fuel retail outlets during FY 2024-25. Through automation, digital payment and loyalty solutions, and strategic partnerships, we are committed to enhancing operational efficiency and delivering a seamless, future-ready customer experience, solidifying our presence in the evolving retail fuel landscape.

The Company's petrochemical volumes increased more than fourfold during FY 2024-25. This was possible due to the multifaceted approach it took to reaching out to potential customers and introducing new grades of petrochemical products based on customer requirements. Your Company is focused on developing this new line of business.

Leveraging Synergies

Lanka IOC leverages a strong strategic advantage through its parentage. This includes access to formulations and R&D capabilities, cost efficiencies from global bulk procurement, and integration of world-class systems. Additionally, Lanka IOC benefits from adherence to rigorous quality and safety standards, reinforcing its position as a trusted and forward-looking energy provider in Sri Lanka. This affiliation ensures that we uphold the highest benchmarks of safety, reliability, and sustainability.

Looking ahead, the world is actively pivoting toward a low-carbon future with focused investments in renewable energy, green fuels, and sustainability-led transformation. As Lanka IOC charts its course forward, it will gradually move toward this evolving vision, ensuring it remains competitive, future-ready, and aligned with both local priorities and global energy trends. The parent company's collaborations for cleaner energy solutions will be accessible to Lanka IOC, helping Lanka IOC make a gradual transition to the energy bouquet of the future.

A Commitment to Sustainability

Our presence in Sri Lanka extends beyond the forecourts. Our social contributions in the form of life-saving healthcare donations to Government hospitals reflect a broader vision that energy must empower progress in every dimension. We are also reducing freshwater consumption through rainwater harvesting at the storage terminal. We are upgrading firefighting facilities at the terminal for the safety of operations and to take care of the environment. We are setting up electric vehicle charging based on emerging trends in mobility and have taken up large-scale solarization at our Retail outlets to promote sustainability. By focusing on environmental stewardship, social responsibility, and governance, we continue to align our efforts with global sustainability standards, ensuring that Lanka IOC meets the present needs and contributes to a greener, more sustainable future for future generations.

“As Sri Lanka rebuilds and looks ahead, we remain committed to powering that journey reliably, responsibly, and with resilience that mirrors the spirit of the nation itself.”

Recognitions that Inspire Us

Lanka IOC has been honoured with top awards at CMA Excellence in Integrated Reporting and at the TAGS Awards. These prestigious recognitions underscore our unwavering commitment to transparency, accountability, and excellence in corporate reporting. These accolades inspire us to uphold the highest standards of disclosure and reflect our dedication to building trust with stakeholders and driving responsible business practices.

Governance

During the year, two esteemed Non-Executive Independent Directors, Prof. Lakshman R Watawala and Mr. Amitha Gooneratne, who are acclaimed for their knowledge and experience in their respective fields, retired from the Board after serving with distinction for more than a decade. We extend our sincere gratitude to them for their invaluable contributions, strategic guidance, and unwavering commitment to the progress of the Company.

We are pleased to welcome two new Directors to the Board, Mr. H. Manil A. Jayasinghe and Mr. S Renganathan, each bringing a wealth of experience and deep expertise across key governance and business strategy areas. Their insights will undoubtedly strengthen our leadership and support Lanka IOC's continued growth and transformation journey.

Heralding a Promising Future

The recent decline in crude oil prices, driven by global turmoil, has led to successive reductions in retail petroleum product prices, making energy more affordable and stimulating demand growth. With the expansion of Colombo Port's capacity, we foresee a surge in bunker fuel demand.

Sri Lanka's stable policy environment provides a solid foundation for attracting Foreign Direct Investment (FDI) and achieving sustainable growth. The policy continuity is conducive to fostering long-term demand for energy and ensuring that Lanka IOC remains a key player in Sri Lanka's evolving energy landscape.

Appreciation

I sincerely thank my fellow Board members for their steadfast support, strategic foresight, and unwavering commitment to governance excellence. Their advice has been instrumental in steering Lanka IOC through a dynamic operating landscape and shaping our long-term vision.

To the entire Lanka IOC team, I offer my heartfelt appreciation. Your daily efforts bring our vision to life and enable us to deliver value to our stakeholders. I also thank our loyal customers for their continued trust and patronage. You remain at the heart of everything we do, and we are committed to serving you better every day.

I also want to express my profound appreciation to our shareholders for their continued trust and confidence in Lanka IOC.

"Our social contributions in the form of life-saving healthcare donations to the Government hospitals reflect a broader vision that energy must empower progress in every dimension."

I extend my heartfelt gratitude to the Government of Sri Lanka, our stakeholders and business partners. With your continued support, we will carry this legacy forward in a stronger, smarter, and more sustainable manner.



Mr. Satish Kumar Vaduguri

Chairman

MANAGING DIRECTOR'S REVIEW



Dear Stakeholders,

For over two decades, Lanka IOC has been more than just an energy provider, it has been a trusted partner in Sri Lanka's progress. Through times of growth and hardship, we have stood shoulder to shoulder with the nation, deeply embedded in the economic fabric and the everyday lives of its people. Our journey is strongly intertwined with the aspirations of millions from the pump attendant serving with pride, to the rural farmer relying on fuel to power his livelihood, to the urban commuter counting on our network for mobility. We have grown with the nation and adapted to its changing needs. Today, Lanka IOC is not just a name, it is a part of Sri Lanka's story, rooted in resilience and committed to a future of shared prosperity.

Context to performance

Sri Lanka's economy made a remarkable recovery in 2024, surpassing growth expectations projected by international agencies. This growth has been driven by strong performances in industry and services, particularly in construction and tourism-related services. In 2025, growth is expected to moderate reflecting scarring effects of the crisis, amid global headwinds and unprecedented trade policy uncertainty.

Despite the Company doing exceedingly well on physical parameters, the compression of margins in the retail fuel segment led to fall in profit during FY 2024-25 as compared to the previous year. However, our performance across other segments has shown health growth in profitability during the year.

However, improvements in economic activity, a partial resurgence in purchasing power and reduced uncertainty provides the necessary foundation to achieve sustainable growth in the coming days.

Financial Performance - A Volume Driven Growth Story

The financial year 2024-25 was one of continued evolution and adaptation for Lanka IOC. We continued to deliver exceptional service levels while investing in national infrastructure and community welfare. We stayed focused on our core mission to provide Sri Lanka with efficient energy solutions.

During the financial year 2024-25, the Company delivered commendable topline

growth of 5%, with revenue increasing to Rs. 276.29 Bn. This growth was driven by all the major business segments, be it auto fuel, bunkering or lubricants. Our expansion initiatives undertaken in recent years has enabled us to achieve incremental volumes.

Your company posted a Profit After Tax of Rs. 11,149 Mn, compared to Rs. 13,945 Mn in FY 2023-24, recording a 20% decline. Despite the Company doing exceedingly well on physical parameters, the compression of margins in the retail fuel segment led to fall in profit during FY 2024-25 as compared to the previous year. However, our performance across other segments has shown health growth in profitability during the year. The lubricants and bunker businesses continued to add value to the bottom line, aided by

tactical pricing and efficient procurement strategies.

The volume growth in the bunkering segment was supported by increased vessel movement in regional ports and a well-calibrated pricing strategy. The lubricant segment, despite a highly competitive landscape, recorded a 10% revenue growth. Our petrochemical portfolio has done exceedingly well and achieved a fourfold increase in volumes, powered by the introduction of new PROPEL-grade products.

We remained focused on operational excellence, achieving a notable reduction in administrative expenses through cost optimisation. Our strong liquidity position and prudent treasury management generated a sizable finance income and contributed to the bottom line.

Looking ahead, we remain optimistic and prepared to build on this foundation, expanding our footprint, strengthening our product portfolio, and driving operational excellence to deliver sustainable value to all stakeholders.

Network Expansion and Customer-Centric Infrastructure

In a rapidly evolving retail fuel market with new entrants, Lanka IOC is reinforcing its presence by modernising retail outlets and leveraging technology to create a competitive edge. Our move towards increasing our digital interface from payment systems to loyalty programs aligns with global trends, enabling us to meet customer expectations for convenience and seamless service. The strategic partnership with DFCC Bank to launch a co-branded credit card enhances customer loyalty and strengthens our market position. Moreover, our ongoing upgrade of dispensing units ensures that Lanka IOC remains agile, adopting next-generation digital solutions.

To meet growing demand and improve customer accessibility, we added 15 new retail outlets during the year. Many of these new stations are in underserved areas,

reinforcing our commitment to energy access across the nation.

Sri Lanka's first all-women operated, fully automated retail outlet opened in 2023 has done exceptionally well during 2024. It's an inspiring milestone in gender empowerment. We also upgraded over 60 retail outlets with next-generation dispensing units, energy-efficient LED lighting, and improved customer amenities, including coffee shops and restrooms. Furthering towards our commitment to environmental stewardship, we have deployed solar power across many of our retail outlets,, significantly reducing our carbon footprint while lowering operational costs. These enhancements underscore our dedication to shaping a future-ready, inclusive, and responsible energy ecosystem.

Differentiation remained a cornerstone of our strategy, as we continued to anticipate market needs and deliver tailored solutions. During the year, we introduced XP100 premium auto fuels in the island. Further, there are plans to launch XtraGreen this year, which not only helps with the reduced carbon footprint but also gives our customers an improved driving experience. Lanka IOC introduced several high-performance, Sri Lanka-specific lubricants, including the SERVO 4T Zoom Tuk Oil, an industry-first for three-wheelers - SERVO Pride Supreme 20W50 for high-load diesel engines, and Servo 4T Xtra 20W50 for high-mileage motorcycles. Our market presence was further expanded through digital platforms like Daraz.lk and the rollout of SERVO-branded kiosks at select locations, enhancing both visibility and consumer convenience. In the petrochemicals segment, the launch of six new grades saw strong adoption among local manufacturers in textiles, plastics, paints, and packaging, reaffirming our agility in serving diverse industrial needs.

Lanka IOC is proactively shaping a low-carbon, technology-enabled energy future through a series of forward-looking initiatives like EV charging at Outlets, with a phased rollout planned to facilitate customer mobility.

“Differentiation remained a cornerstone of our strategy, as we continued to anticipate market needs and deliver tailored solutions. During the year, we introduced XP100 premium auto fuels in the island.”

Corporate Citizenship and Environmental Stewardship

At Lanka IOC, energy is more than a business, it's a national responsibility. Guided by a 'Nation First' ethos, our social investments in FY 2024–25 focused on uplifting lives, safeguarding communities, and protecting the environment.

In a significant contribution to the public healthcare system, Lanka IOC donated 21 state-of-the-art dialysis machines to government hospitals across the country including remote areas. This initiative aims to enhance access to critical treatment for patients suffering from chronic kidney disease, especially those in underserved regions. As part of our expanded CSR outreach, Lanka IOC also supported free cataract surgeries for economically disadvantaged senior citizens.

Recognising the unwavering dedication of our pump attendants who serve as the backbone of our fuel distribution network Lanka IOC extended life and critical illness insurance cover to over 1,500 of these essential workers. This initiative reflects our deep appreciation for their service and our commitment to ensuring their wellbeing and that of their families.

As we work toward a low-carbon future, we have accelerated the solarisation of our

retail outlets across the island, transforming traditional energy touchpoints into greener, more efficient spaces. This shift not only reduces our environmental footprint but also enhances energy resilience within our network. From fuel terminals to service stations, we are embedding sustainable practices into every level of our operations whether through renewable energy adoption, water conservation, investments in safer and cleaner infrastructure.

Demonstrating our commitment to sustainable practices, Lanka IOC undertook several green initiatives at its Trincomalee facility. These included the installation of rainwater harvesting systems to promote water conservation and the planting of over 500 trees to enhance local biodiversity and improve microclimate.

Accelerating Momentum Ahead

The road ahead is both promising and challenging. As Sri Lanka continues its journey of economic liberalisation and transformation, the energy sector will play a defining role. Lanka IOC stands well-positioned to lead this transformation leveraging our scale, deep industry expertise, and future-ready vision.

In the year ahead, Lanka IOC will continue to invest with purpose guided by a clear vision to deliver greater value to our customers, communities, and the nation. Our retail network is undergoing thoughtful modernisation to ensure elevated service and operational excellence at every touchpoint.

Acknowledgements

None of our achievements in the FY 2024-25 would be possible without the dedication, trust, and collaboration of our stakeholders. I take this opportunity to express my heartfelt

gratitude to our employees and network of dealers, business partners, whose passion and resilience power our performance every day.

I wish to extend my deep gratitude to the Chairman and to the Board of Directors for their steadfast guidance, insights and stewardship.

I take this opportunity to thank the Government of Sri Lanka, the Minister of Power & Energy, the secretary to the Ministry of Power of Energy and other regulatory authorities for their continued support and guidance. And most importantly, I thank you, our shareholders, for your unwavering confidence and support.



Dipak Das
Managing Director

Lanka IOC PLC

“At Lanka IOC, energy is more than a business, it’s a national responsibility. Guided by a ‘Nation First’ ethos, our social investments in FY 2024–25 focused on uplifting lives, safeguarding communities, and protecting the environment.”



Left to right:

Mr. S Renganathan

Mr. H M A Jayesinghe

Mr. Satish Kumar Vaduguri

Mr. Dipak Das

Mr. Nikhil Deep Mathur

Mr. R V N Vishweshwar



Mr. Satish Kumar Vaduguri

Chairman

Mr. V. Satish Kumar, a Mechanical Engineer and a postgraduate in Management from University of Ljubljana, Slovenia, has over 3 decades of rich experience in Petroleum Sector. He is the Director (Marketing) of Indian Oil Corporation Limited (IndianOil), a Fortune Global 500 company, since October 2021.

Mr. Satish Kumar is leading the critical function of Marketing at IndianOil with a customer interface of nearly 3 crores through an expansive network of 61,000+ customer touchpoints across the length and breadth of India, including 37,500+ fuel stations. He has been instrumental in achieving a significant expansion of the energy infrastructure, which has led to the establishment of a highly efficient energy storage and distribution network across the nation.

Mr. Satish Kumar also held the additional charge of Chairman of IndianOil from September to November 2024 and as Director (Finance) of IndianOil for a year from October 2022. Prior to his current role, Mr. Satish Kumar led the business activities in Madhya Pradesh & Chhattisgarh as Executive Director & State Head, managing a wide array of functions including retail and direct sales, LPG and lube sales, operations, project management, planning, HRD, and Information Technology.

During his tenure as CEO IPPL, record volumes of LPG Imports in India were handled by IPPL, which helped the country in meeting the increase in the LPG demand under the Govt. of India's ambitious PMUY Scheme. Mr. Satish Kumar has widely travelled and has addressed many National as well as International Energy conferences.

Mr. Satish Kumar is also the Non – Executive Chairman of IndianOil (Mauritius) Ltd. (Wholly owned subsidiary of Indian Oil), IndianOil Petronas Private Ltd. (IPPL) (a Joint Venture of Indian Oil & Petronas, Malaysia), Indofast Swap Energy Private Limited and Non- Executive Director in Sun Mobility Pte. Ltd, Singapore.



Mr. Dipak Das

Managing Director

Mr. Dipak Das is a Mechanical Engineering graduate from NIT Silchar, India, and holds a certification in Petroleum Management. With over 29 years of experience in the petroleum industry, he has held several key leadership roles in India within Indian Oil Corporation Ltd. (IOCL), a Fortune Global 500 company.

Throughout his career at IOCL, Mr. Das has led operations across diverse and strategic geographies, including Kerala, Telangana, Andhra Pradesh, Rajasthan, West Bengal, and the Northeastern states. During his tenure as Retail Sales Head for Kerala, he played a pivotal role in integrating the Lakshadweep Islands into India's energy network by establishing retail outlets and petroleum storage terminals in the islands of Lakshwadeep.

At his present assignment as the Managing Director of Lanka IOC PLC, Mr. Das is playing an active role in shaping the energy landscape of Sri Lanka. He also serves as the Managing Director of Trinco Petroleum Terminal (Pvt) Ltd., which is a joint venture between Ceylon Petroleum Corporation (CPC) and Lanka IOC PLC. In addition to his leadership roles, he is also a Director on the Board of Ceylon Petroleum Storage Terminals Limited (CPSTL), a JV between CPC & LIOC.

Besides his executive responsibilities, Mr. Das serves as the Chairman (Government Liaising) of the Indian CEO Forum and Vice President of the Indo-Lanka Chamber of Commerce & Industry. He is also an active member of several prominent business chambers, including Ceylon Chamber of Commerce, National Chamber of Commerce, International Chamber of Commerce Sri Lanka, and Sri Lanka-India Society.



Mr. S Renganathan

Independent Non-Executive Director

Mr. Renganathan is the former Managing Director/ Chief Executive Officer of Commercial Bank of Ceylon PLC and had held several key positions in the Bank. In addition, Mr. Renganathan served as the Managing Director and a Board Member of the Commercial Development Company PLC, and as the Deputy Chairman of Commercial Bank of Maldives Private Limited.

He is a senior banker counting over 41 years and has led Commercial Bank's acquisition of the banking operations of Credit Agricole Indosuez in Bangladesh. He was the first Chief Risk Officer of the Bank and has held positions as the Deputy General Manager in charge of Bank's island-wide branch network and Chief Operating Officer.

He served as an Executive Director in the Board of Directors of the Commercial Bank of Ceylon PLC for nearly eight years.

Mr. Renganathan has served among others, as a Member of the General Council of the Institute of Bankers of Bangladesh, Founder President of the Sri Lanka Bangladesh Chamber of Commerce and Industry, Executive Member of the Foreign Investors Chamber of Commerce and Industry in Bangladesh.

He was also a Director of the Lanka Financial Services Bureau Limited and the Sri Lanka Banks' Association (Guarantee) Limited. Further, he also served as a Council Member of the Employers Federation of Ceylon, Executive member of the Council for Business with Britain, Vice Chairman of the International Chamber of Commerce Sri Lanka, and Executive Member of the Ceylon Chamber of Commerce.

He is presently serving as a Member of the International Chamber of Commerce Sri Lanka Policy Advocacy Committee, Sri Lanka Institute of Directors, Vice President of the Sri Lanka India Society and a Consultant at Asian Development Bank.

In addition to being a member of LIOC Board, Mr. Renganathan currently serves as an Independent Non-Executive Director at Sunshine Holdings PLC, Sunshine Healthcare Lanka Ltd., Hatton National Bank PLC., Janashakthi Insurance PLC, Ceylon Hospitals PLC, Agility Innovations (Pvt) Ltd, Lina Spiro (Pvt) Ltd, Lina Manufacturing (Private) Ltd., Healthguard Pharmacy (Pvt) Ltd., Deputy Chairman of Damro Holdings Ltd and SRF Holdings Pvt Ltd. Sunshine Consumer Lanka Ltd, and Sunshine Tea (PVT) Ltd.

He is a Fellow of the Chartered Institute of Management Accountants, UK (FCMA), Chartered Global Management Accountant (CGMA),

Fellow of the London Institute of Banking & Finance, UK (FLIBF) and a Fellow of the Institute of Bankers Sri Lanka (FIB), and had received extensive Leadership, Management and Banking training locally and in overseas.



Mr. H M A Jayesinghe

Senior Independent Non-Executive Director

Mr. Jayesinghe is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, the Chartered Institute of Management Accountants (UK) and the Certified Management Accountants of Sri Lanka. He is also a member of The Chartered Institute of Public Finance & Accountancy.

Mr. Jayesinghe possesses over 41 years of experience in Advisory and Industry across key sectors in Sri Lanka, Maldives and Bhutan. He served as the Country Managing Partner of Ernst & Young Sri Lanka & Maldives from 2021 - 2023, Head of Assurance Practice for Sri Lanka and Maldives, and the Professional Practice Director of Sri Lanka from 2003 - 2023.

Mr. Jayesinghe is the current Chairman of the Statutory Accounting Standards Committee and a member of the Statutory Auditing Standards Committee. He serves in many other committees of the Institute of Chartered Accountants of Sri Lanka, chairs the Accounting Standards Committee of the South Asian Federation of Accountants (SAFA), and is a member of the Governing Board of the Central Bank of Sri Lanka.

Mr. Jayesinghe is a Past President of the Institute of Chartered Accountants of Sri Lanka. He has served as a council member of the National Chamber of Commerce of Sri Lanka, a board member of the CIMA Sri Lanka board, a member of the International Accounting Education Standards Board of the IFAC, a council member of the Moratuwa University, a member of the Board of Sri Lanka Accounting & Auditing Standards Monitoring Board, a council member of CMA Sri Lanka, a member of Commission of Securities & Exchange Commission of Sri Lanka, a board member of the Board of Investment of Sri Lanka and have served as a consultant to the Audit Committees of the Listed Companies.

Mr. Jayesinghe is an Independent Director on the Boards of Diesel and Motor Engineering PLC, Ceylon Hospitals PLC, C W Mackie PLC, Lanka Milk Foods (CWE) PLC, John Keells Holdings PLC, Lanka IOC PLC, Royal Ceramics PLC, Vallibel One PLC, Lanka Dairies (Pvt) Ltd, Sahasiya Investments Ltd and NMJ Leisure (Pvt) Ltd.



Mr. Nikhil Deep Mathur

Non-Executive Director

Mr Nikhil Deep Mathur, age 58 years, is an Executive Director (Non Fuel Retail) with Indian Oil Corporation Ltd, and has 33 years experience with India's largest enterprise Oil Refiner and Marketeer 'Indian Oil Corporation Ltd' (2023 Turnover USD 105 Bn Fortune 94) in its Petroleum downstream operations of Sales, Marketing, Construction & Maintenance of facilities for consumer products through Retail Outlets pumps (B2C) as well as Industry (B2B) in India.

He has handled tankage projects for bulk storage facilities; construction of petrol pumps; construction of railway loco fueling facilities for 5 years.

He has managed sales and maintenance of retail outlets and bulk facilities of company and customers as a sales person for 28 years in various capacities in the hierarchy and has led sales teams across India managing petroleum outlet networks in urban, highway and rural markets, development of new outlets; Government coordination for maintenance of essential POL services etc. He has also been positioned at Marketing Head Office in Retail Sales vertical for 6 years, involved in policy, strategic projects, and international market entry projects.

Mr Mathur is a Civil Engineering graduate from the prestigious Birla Institute of Technology and Science (BITS) at Pilani (Rajasthan, India). He further completed his Executive International MBA from the prestigious Management Development Institute (MDI), Gurgaon with an International Module at ESCP-EAP at its Paris and Berlin campuses.

Mr Nikhil Deep Mathur is currently posted as Executive Director (Retail Transformation) at Indian Oil Corporation's Marketing Head Office at Mumbai, in-charge of Retail Strategy including transitioning into renewable energy resources for consumers like CNG, EV Charging, battery swapping.

Mr Mathur has been nominated to the board of directors of Lanka IOC, a listed company in Sri Lanka w.e.f. 21st March 2024 by the parent company Indian Oil Corporation Ltd.



Mr. R V N Vishweshwar

Non-Executive Director

Mr. R V N Vishweshwar is working with Indian Oil Corporation for the last 31 years and holding the position of Executive Director (Corporate Finance & Treasury) at Corporate Office, New Delhi. He has completed B.Com(Hons) and Bachelor of Law from Delhi University. He is an Associate Member of the Institute of Cost Accountants of India. During the span of 32 years of service, he has handled various key positions at different levels in IOCL.

He began his career at Digboi Refinery, Assam wherein he handled consolidation of accounts, banking, insurance, payroll, and, revenue/capital payments. He was actively involved in data and system interface for development of financial management system in Ingres RDBMS, during migration to Oracle and was also the key coordinator for SAP implementation.

During his stint at Corporate Treasury for about 5 years he covered Fx transactions - spot + derivatives (plain vanilla Forwards/Options/ Swaps and Range forwards), managed overall cash flow, monitoring for the purposes of risk management, arrangement of funds - Fx as well as domestic.

While posted at Refineries Headquarters he oversaw activities of Trusts related to Provident Fund, Pension, Gratuity, Post Retirement Medical Benefit etc. catering to the retirement benefits of employees and also handed payroll.

He was the Team Lead for SAP - FICO Group at Indian Oil. He oversaw migration towards GST implementation, New GL activation, CRM and implementation, facilitating SAP interface for IOC foray into CGD business. He also oversaw SAP-HR and SAP-MM module during his tenure.

During his stint with Marketing Division at Mumbai, he was overseeing Taxation (Direct as well as Indirect), spearheading the digital initiatives and was heading the Finance function of Marketing Division before moving to his next role as Executive Director (Corporate Finance & Treasury) at Corporate Office, New Delhi. He is also a nominee Director in four other JV/Subsidiary companies.

**Ms. Amali Liyanapatabendi****Company Secretary**

Amali Liyanapatabendi is an Associate Member of Chartered Governance Institute UK & Ireland and has a Post Graduate Diploma in Business Management from the University of Colombo. She has over 25 years of experience in company secretarial practice gained by working in the private sector organizations.

SENIOR MANAGEMENT

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MR. DIPAK DAS
Managing Director



MR. AMBER AHEMAD
Senior Vice President [Retail Sales & HR]



MR. AVINASH SINGHAL
Senior Vice President [Finance]



MR. PRASHANT RAUT
Senior Vice President [LM&P]



MR. SANDEEP GUPTA
Vice President [Admin & Eng]



MR. SUNIL KANTA MAHARANA
Vice President [OPS & Bunker]



MR. NAVEEN KUMAR
VP (Ops & LBP), Trinco



MR. SANDEEP KUMAR
Vice President [Finance]



MR. BIRAJ KANTI MANDAL
VP (Ops & LBP), Trinco



ENERGISING *Responsibly* Powering Progress

We fuel the engines of industry, innovation, and economic growth with integrity and foresight. Our commitment to responsible energy ensures progress that is inclusive and enduring. With every stride forward, Lanka IOC strengthens Sri Lanka's momentum.

OPERATING ENVIRONMENT

Operating Context

Lanka IOC operates in a highly interconnected and fast-evolving energy landscape shaped by global macroeconomic conditions, regional developments, and national-level transformations. As an integrated player in Sri Lanka's petroleum sector with linkages to the wider South Asian region, Lanka IOC's strategic decisions are deeply influenced by global commodity trends, energy transition imperatives, and local policy dynamics.

Global Context and Strategic Relevance

The global energy sector in 2024 was shaped by moderate economic growth (3.1%), volatile oil markets, and accelerating efforts toward energy transition. For downstream companies like Lanka IOC, these conditions created a complex mix of risks and opportunities.

- Oil market volatility: Global crude oil prices remained volatile due to a combination of geopolitical tensions, OPEC+ production strategies, and shifts in global demand. Supply chain disruptions in the Middle East and Eastern Europe caused temporary price spikes, requiring agile procurement and pricing strategies.
- Refining and product margins: While refining margins remained healthy in early 2024, they narrowed in the latter half of the year due to slower demand in key Asian markets and the re-entry of Russian refined products into global trade channels. This impacted profitability across fuel distribution networks.
- Energy transition pressure: Major economies accelerated investment in renewables, electric mobility, and green fuels. This global shift created longer-term strategic imperatives for traditional fuel providers to diversify portfolios, enhance sustainability disclosures, and invest in cleaner alternatives.

- Currency and financial headwinds: The strong US dollar, diverging monetary policies, and risk-averse investor sentiment affected emerging markets. For fuel importers, this translated into higher landed costs and Forex risk, necessitating improved hedging and pricing mechanisms.

Strategic Implications for Lanka IOC

The global environment reinforces the importance of strategic supply chain resilience, diversified sourcing, and prudent forex risk management. Furthermore, Lanka IOC must align with the global energy evolution by exploring alternate fuels, expanding into EV-ready infrastructure, and supporting Sri Lanka's national sustainability goals.

Local Context – Sri Lanka

Sri Lanka's macroeconomic recovery in 2024 laid a stronger foundation for energy demand revival, particularly in transportation, industrial fuels, and construction-linked consumption. The economy grew by 5.0%, driven by policy reforms, increased investor confidence, and external sector resilience, all of which have implications for fuel demand patterns and energy investment.

- Fuel demand recovery: With inflation easing and real incomes stabilizing, transportation and industrial fuel consumption showed a marked rebound, particularly in the second half of the year. The revival in tourism, logistics, and domestic mobility supported higher retail volumes.
- Currency and external balances: Appreciation of the Sri Lankan Rupee, improved foreign reserves, and a current account surplus helped mitigate import cost pressures. This supported more stable fuel pricing and supply continuity.
- Construction sector resurgence: Construction grew by 19.4% in 2024,

boosting demand for bitumen, diesel, and construction-grade lubricants. Infrastructure development also opened new avenues for bulk supply and B2B partnerships.

- Policy environment: Reforms in public finance, energy pricing mechanisms, and renewed efforts toward renewable energy integration shaped the regulatory environment. The Government's focus on electric mobility and green energy is creating a dual-track opportunity for traditional fuel players to pivot while continuing to support the core fossil fuel needs of the economy.

Economic Overview

Strong economic rebound

Sri Lanka's economy recorded a consistent real GDP growth of 5.0%, marking a firm turnaround after two consecutive years of contraction. During the year 2024 growth was consistent across all four quarters, a first since 2017. Industry was the main growth engine, supported by a resurgence in manufacturing and construction. Services contributed significantly, led by strong performances in accommodation and transport sectors. Agriculture also posted positive contributions, reinforcing the broad-based nature of the recovery. GDP per capita rose to Rs. 1.36 Mn (USD 4,516), up from Rs. 1.24 Mn (USD 3,801) in 2023.

Key developments during the year

- Macroeconomic stabilisation: Corrective fiscal and monetary measures since mid-2022 laid the groundwork for sustained economic recovery.
- IMF support: The continuation of the IMF-EFF programme and completion of external debt restructuring boosted macroeconomic stability.
- Investor confidence: Renewed optimism was reflected in improved credit ratings and increased foreign investment interest.

Inflation and price stability

- ◆ A sharp disinflationary trend was witnessed due to tighter monetary and fiscal policy and falling global and domestic energy prices.
- ◆ Negative inflation trend, initiating a temporary phase of deflation which eased cost pressures on households and businesses.

Interest rates and credit conditions

- ◆ Accommodative monetary policy stance led to a broad-based decline in market interest rates.
- ◆ Credit growth rebounded in the second half of the year, with increased lending to the private sector for both consumption and investment.

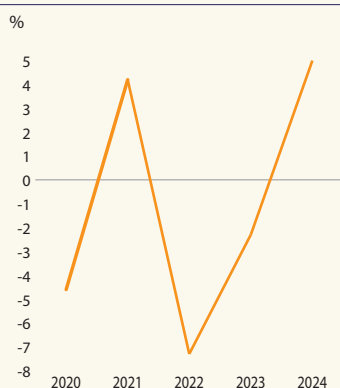
External sector stability

- ◆ Despite a widening trade deficit due to higher imports, a strong rebound in tourism earnings and worker remittances supported the balance of payments.
- ◆ The external current account recorded a surplus for the second consecutive year.
- ◆ The Central Bank purchased record levels of foreign exchange, boosting gross official reserves and contributing to a second year of currency appreciation.

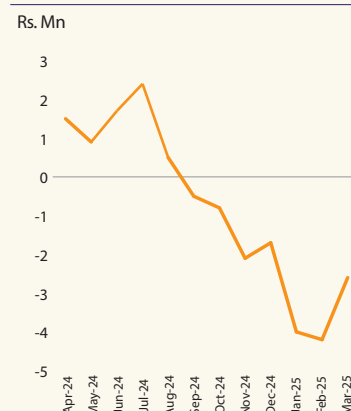
Fiscal Performance

- ◆ Fiscal consolidation improved with stronger revenue collection and a positive primary balance in 2024.
- ◆ Progress in debt restructuring and fiscal discipline contributed to macroeconomic stability and encouraged credit rating upgrades.

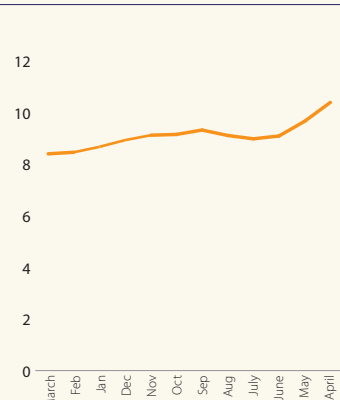
YoY GDP Growth



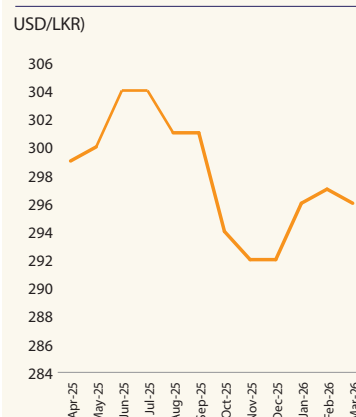
Inflation - Headline - CCPI



Monthly AWPLR



Exchange Rate Movement



Source: Central Bank of Sri Lanka

Strategic Implications for Lanka IOC

As Sri Lanka pivots from economic stabilisation to a new phase of sustainable growth, Lanka IOC stands poised to play a pivotal role in powering the nation's future. Recognising the integral link between energy security and economic resilience, LIOC is aligning its strategic priorities to support national goals while enhancing long-term value for all stakeholders.

We are deepening digital integration across our retail network, transforming the customer experience through smarter, faster, and more responsive touchpoints. Our investments in terminal and supply chain infrastructure are designed to enhance operational capacity, improve energy distribution efficiency, and safeguard supply continuity across the island.

In step with global energy trends and national sustainability goals, we are actively exploring clean and alternative energy solutions, including solar-based fuel stations and EV charging infrastructure. These efforts not only reduce our environmental footprint but also position us as a responsible energy partner for a greener tomorrow.

At the same time, we remain vigilant in navigating foreign exchange and pricing volatilities with strategic foresight and financial discipline ensuring resilience amidst uncertainty.

Driven by innovation, guided by purpose, and strengthened by our legacy, Lanka IOC is committed to being a catalyst for progress as Sri Lanka accelerates towards a more prosperous, energy-secure future.

SWOT ANALYSIS

The year 2025 presents a landscape of cautious optimism for Sri Lanka, marked by macroeconomic stabilisation, policy reforms, and a renewed focus on digital transformation and sustainability. These dynamics offer both opportunities and challenges for LIOC as it navigates the evolving market conditions.

STRENGTHS

Market leadership: LIOC maintains a significant market share in Sri Lanka's petroleum industry, supported by a widespread distribution network exceeding 267 fuel stations nationwide.

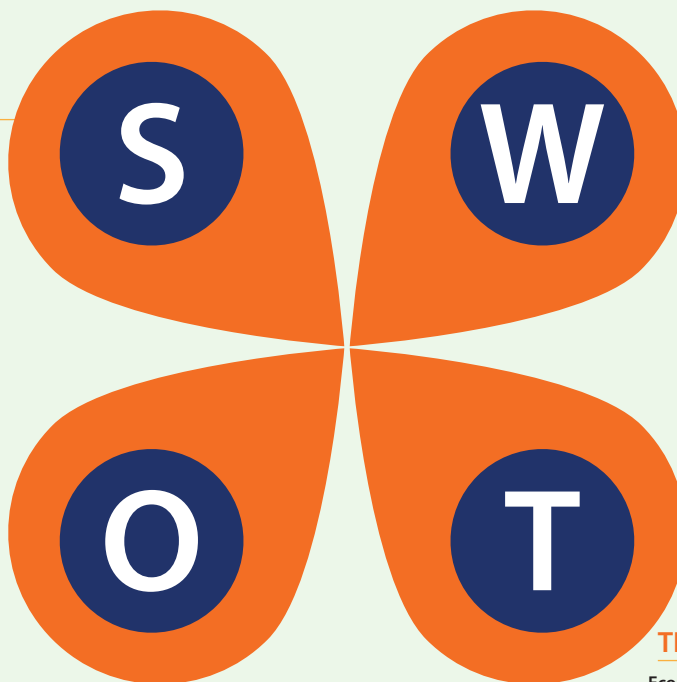
Strategic parent company support:

Being a subsidiary of Indian Oil Corporation Ltd., one of India's largest state-owned oil enterprises, LIOC benefits from substantial financial backing, technical expertise, and access to global procurement networks.

Operational resilience: The company has demonstrated agility in adapting to economic volatility, ensuring uninterrupted fuel supply and maintaining operational stability even during periods of high inflation and currency depreciation.

Brand recognition and customer trust: LIOC's commitment to quality and reliability has fostered strong brand recognition and customer loyalty across Sri Lanka.

Lanka IOC PLC stands at a strategic juncture, with its established market presence and strong parent company support providing a solid foundation to navigate the evolving economic landscape of Sri Lanka. By capitalizing on opportunities in market expansion, diversification, and technological advancements, while proactively addressing the inherent risks, LIOC is well-positioned to sustain its leadership and contribute to the nation's journey towards economic resilience and sustainable growth.



OPPORTUNITIES

Market expansion: Plans to commission additional fuel stations can enhance market presence, particularly in underserved areas, thereby increasing sales volumes and market penetration.

Diversification into adjacent sectors: Exploring opportunities in alternative energy sources and further penetration into related sectors like lubricants and petrochemicals can provide enhanced revenue streams and reduce dependence on traditional fuel sales.

Technological advancements: Leveraging technology to improve operational efficiency, such as using advanced data analytics for supply chain management and customer engagement, can enhance competitive advantage.

Digital transformation initiatives: The government's push towards a digital economy, including the launch of platforms like GovPay and the integration of Unified Payments Interface (UPI) with LankaPay, presents opportunities for LIOC to modernize payment systems and enhance customer experience.

Renewable energy projects: The development of projects like the Maha Oya Pumped Storage Power Station and the Sobadhanavi Power Station indicates a national shift towards renewable energy, offering LIOC avenues to diversify its energy portfolio.

WEAKNESSES

High dependence on imports: LIOC relies heavily on imported crude oil, making it vulnerable to international price fluctuations and geopolitical tensions that can disrupt supply chains and increase costs.

Exposure to exchange rate fluctuations: Transactions in the oil industry are predominantly conducted in U.S. dollars, rendering LIOC susceptible to the depreciation of the Sri Lankan Rupee, which significantly impacts the company's cost structure.

Elevated operating costs: Recent financial reports indicate an increase in the cost of sales, highlighting challenges in managing operating expenses, which can affect profitability.

Limited diversification: While efforts are underway, a significant portion of revenue is still reliant on traditional fuel sales, making the company vulnerable to shifts in energy consumption patterns and regulatory changes.

THREATS

Economic instability: Persistent economic challenges in Sri Lanka, such as debt burdens and currency volatility, pose significant risks to stable operations and profitability.

Regulatory changes: Changes in government policies and regulations regarding fuel pricing, taxes, and environmental standards can impact the company's operations and financial performance.

Intensifying competition: The entry of new competitors, including international players like Sinopec, can intensify market competition, potentially affecting market share and pricing power.

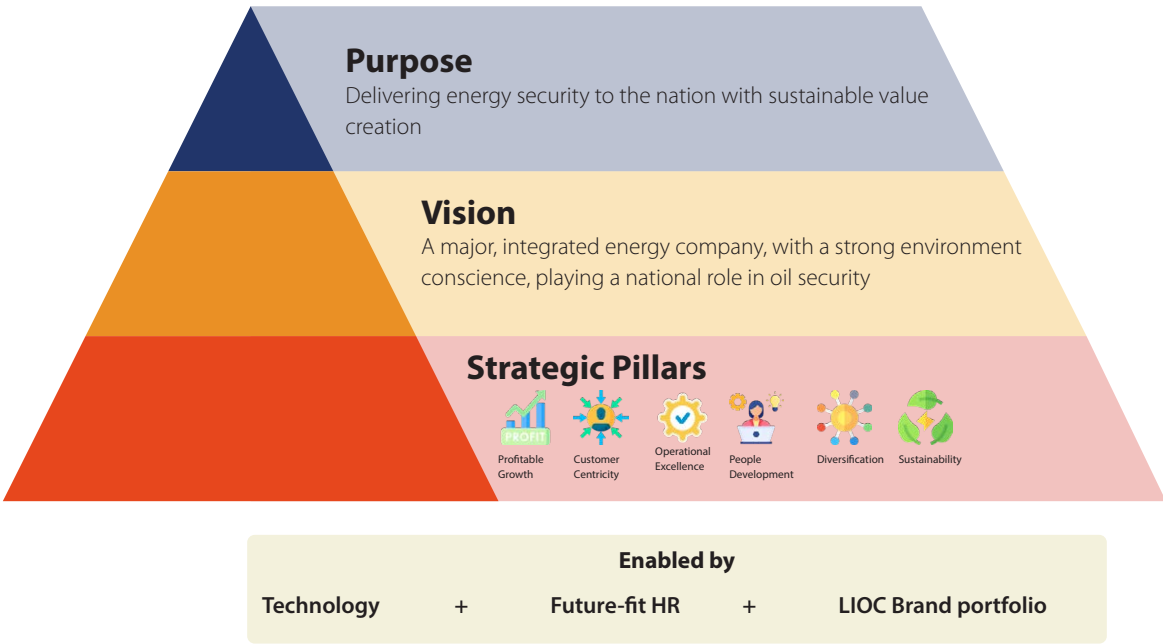
Global oil market volatility: LIOC remains vulnerable to global oil price shocks and supply disruptions due to wars, embargoes, or OPEC decisions that could influence profitability.


Environmental and social pressures: Rising expectations from regulators, communities, and investors regarding climate action and ESG compliance require proactive and transparent sustainability practices.

OUR STRATEGY

In the face of a rapidly evolving competitive landscape, Lanka IOC’s short, medium and long term strategy centres on driving organic growth while actively supporting Sri Lanka’s national revival agenda. By harnessing our strong market positions, we will deliver a well-balanced portfolio of energy products and mobility solutions that meet customer needs, sustain profitability and safeguard cash flow generation. Our integrated approach sharpens operational and financial performance and, at the same time, channels our resources and expertise toward revitalising the economy aligning the objectives of our core business with ambitious sustainability commitments and broader national priorities.

Strategic framework



Strategic focus area	2024-25 initiatives and results	2025/26 priorities
<div><p>Profitable Growth</p></div> <p>Despite the extreme uncertainty and volatility that prevailed in the external environment for most part of the year LIOC succeeded in recording substantial profits in 2024-25. Greater emphasis was placed on responding to an evolving competitive landscape whilst securing the Company’s market share to steer the Company towards profitable growth.</p> <ul style="list-style-type: none">Efficient allocation and utilization of resources.Optimizing the value and potential of each product segment.Expanding our footprint to generate higher sales.Actively monitoring price dynamics and implementing pricing strategies.	<p>Commissioned 15 new retail outlets, which have shown promising sales growth. Auto fuel contributed 73% to the revenue with a markets share of 21%</p> <ul style="list-style-type: none">Retaining 30% market share, solidifying our position as a leading bunker fuel supplier in Colombo and other ports.10% increase in lubricant sales.Generating a profit after tax of Rs. 11.15 Bn.	<ul style="list-style-type: none">Expanding the retail outlet network in 2025/26.Expanding our reach in the industrial sector.

Strategic focus area		2024-25 initiatives and results	2025/26 priorities
 Customer Centricity	<ul style="list-style-type: none"> ◆ In a rapidly changing operating context, customer centricity involves transforming internal mindsets and processes, adjusting the ways of working and service delivery to remain agile and relevant. ◆ Continue to offer uninterrupted services to our customers. ◆ Focusing on mechanisms to improve customer convenience with enhanced service offerings within the retail outlets. ◆ Improve the visual identity of the retail outlets to give our customers a more pleasant experience. 	<ul style="list-style-type: none"> ◆ Expansion of LIOC footprint with 15 new retail outlets, 31 lube distributors and 600+ SERVO shops. ◆ Replaced 250 petrol dispensing units with new automated units ◆ Revamped the visual identity of retail outlets. ◆ Facilitated transacting via digital modes for the ease of our customers. ◆ Launch of the mobile lube shop. 	<ul style="list-style-type: none"> ◆ Deliver dependable, high-quality products and services through smooth and efficient operations that prioritize customer satisfaction.
 Operational Excellence	<ul style="list-style-type: none"> ◆ The Company's emphasis on operational excellence has always been the backbone of its success and a crucial factor in its sustained profitability. ◆ Enhancing the physical and digital infrastructure. ◆ Technology driven automation. ◆ Expanding our procurement network and strengthening our supply chain. ◆ Increase the storage capacity of fast-moving additives. 	<ul style="list-style-type: none"> ◆ Completed the replacement of existing fuel pumps with new automated dispensing units. ◆ Effectively maintained our complaint management procedure. ◆ Enhancing the network of pipe lines of fuel ◆ Efficient conversion of the cone roof tank, T1 for storage and handling of Lanka Super Diesel. With the completion of this facility LIOC is now totally self-reliant for storage and handling of all six grades of diesel and petrol. 	<ul style="list-style-type: none"> ◆ Unlock value creation through transformative digital solutions in creating a safer, cost efficient and more productive environment. ◆ Improve critical activities preparation and execution.
 People Development	<p>We are committed to attracting and recruiting top talent for every role across the organization, with the aim of building a diverse and inclusive workforce that reflects the communities we serve. Our investment spans the entire employee life cycle to cultivate a skilled team and an inclusive culture - where every individual feels valued, empowered, and inspired to contribute their best.</p> <ul style="list-style-type: none"> ◆ Foster a workplace culture that encourages accountability, ownership, and the achievement of meaningful results. ◆ Deliver efficient and forward-thinking leadership and capability development programs. ◆ Offer structured and transparent career growth opportunities to support long-term development. ◆ Continuously review and enhance remuneration and rewards to remain competitive and equitable. ◆ Uphold the highest standards of employee health, safety, and well-being. 	<ul style="list-style-type: none"> ◆ Average training hours per employee - 5.6 Hrs ◆ Training investment - > 1 Mn ◆ 33 promotions. ◆ Conducted a series of motivational sessions engaging leading personalities. ◆ Provision of health care checks and screening facilities. 	<ul style="list-style-type: none"> ◆ Continuous implementation of talent strategy and initiative. ◆ Continue to prioritise employee safety and wellbeing.

Strategic focus area	2024-25 initiatives and results	2025/26 priorities
 <p>Diversification</p> <p>The business landscape is constantly evolving and is always going to feature a certain element of risk. LIOC has adopted a strategy of diversification that in turn expands its range of available markets, minimises risk and guarantees a more secure return. Despite the challenges associated with diversification it has proved to be an effective strategy to reinforce stability and lead to sustainable growth.</p> <ul style="list-style-type: none"> Grease Manufacturing Plant in Trincomalee. Joint venture entered into with Ceylon Petroleum Corporation (CPC) in January 2022 to collectively develop the Trincomalee oil tank farm. Market the 'Propel' brand of petrochemicals. 	<ul style="list-style-type: none"> Commissioning of the first grease plant in Sri Lanka, having 3,000 Mt grease to the local market. Renewed the agreement with DIMO for the supply of TATA genuine oil and grease across the island for a further period of 5 years. Introduce six new grades of Petrochemicals 	<p>Introduce more grades of Petrochemical Products</p>
 <p>Sustainability</p> <p>As the largest private sector auto fuel retailer in Sri Lanka, Lanka IOC recognizes its responsibility to lead by example in sustainability and corporate citizenship.</p> <p>We are deeply committed to embedding sustainable practices across every aspect of our operations - from sourcing and blending to distribution and retail. Our approach is guided by a strong sense of ethical responsibility and a firm commitment to creating long-term value for the nation.</p> <ul style="list-style-type: none"> Champion environmental sustainability through responsible and efficient operational practices. Uphold uncompromising standards of ethics, transparency, and integrity in all our dealings. Drive impactful CSR initiatives that address national priorities and uplift communities, reinforcing our role as a responsible corporate citizen. 	<ul style="list-style-type: none"> Rs. 109 Mn investment in social sustainability initiatives. Tourists Fuel Pass to facilitate foreign tourists visiting Sri Lanka. Installation of new PV solar panels at 02 retail outlets. Introducing and marketing climate friendly fuels (Ex- XP 100) Donation of 21 dialysis machines to state hospitals. 	<ul style="list-style-type: none"> Continue to implement climate friendly initiatives. Invest in CSR initiatives to create greater engagement with the communities that we serve Introduce XTRAGREEN diesel in the Sri Lankan market

BEYOND ENERGY – EMPOWERING A SUSTAINABLE FUTURE



At Lanka IOC, sustainability is not a standalone objective, it is intrinsically woven into our business expansion and growth strategy. We are committed to ensuring that our growth is both responsible and inclusive, creating long-term value for our stakeholders while safeguarding the planet and empowering communities. Our strategic initiatives include the solarization of our facilities to reduce our carbon footprint, the promotion of eco-friendly fuels to support the transition towards low-emission mobility, and the establishment of electric vehicle (EV) charging stations to accelerate the shift to cleaner energy sources. We also champion sustainability and green practices across our operations, setting industry benchmarks for responsible conduct.

As part of our inclusive approach to growth, we are proud to promote gender equality through initiatives such as women-only retail outlets creating safer, empowering spaces for female entrepreneurs and employees. Through these efforts, LIOC continues to position itself as a future-ready energy provider, aligned with the evolving needs of society and the environment.

Sustainability Governance

At Lanka IOC, sustainability governance is driven by a dedicated corporate leadership structure that ensures Environmental, Social, and Governance (ESG) priorities are fully integrated into our strategic and operational decision-making. The sustainability agenda is championed by a cross-functional team of senior leaders, representing key business segments including operations, finance, marketing, human resources, legal, and Health, Safety and Environment (HSE). This multidisciplinary leadership ensures that sustainability is approached holistically, capturing interdependencies and material risks across the business.

Our leadership team operates under the clear understanding that a resilient, forward-looking sustainability framework is essential to protect enterprise value, build stakeholder

trust, and ensure regulatory preparedness, particularly as global standards such as IFRS S1 and S2 and the UN Sustainable Development Goals (SDGs) reshape expectations. Sustainability considerations are thus embedded at the highest levels within our corporate purpose, vision, strategic objectives, and risk management framework.

Our Three Pillars of Sustainability

At Lanka IOC, our sustainability strategy is built on a holistic framework that balances economic, social, and environmental priorities ensuring that our growth is inclusive, responsible, and resilient. These three pillars collectively drive our long-term value creation and stakeholder engagement, while aligning with national development goals and global sustainability standards.

Economic Sustainability

As a key player in the energy sector, we are committed to strengthening both our financial foundation and Sri Lanka's broader economic fabric by:

- ◆ Driving corporate profitability and growth through responsible expansion of our retail network, infrastructure investment,

and diversification into cleaner energy solutions.

- ◆ Contributing to national economic prosperity by ensuring energy availability, import substitution, and employment across the country.
- ◆ Upholding ethical business practices, including compliance with local and international standards, transparent procurement, and responsible partnerships.

Social Sustainability

Our business touches millions of lives from customers and employees to communities and suppliers. We prioritize inclusive development and stakeholder well-being through:

- ◆ Caring for our employees, ensuring health, safety, skill development, and career growth within a supportive workplace.
- ◆ Championing diversity and inclusion, exemplified by initiatives such as our women-only fuel stations, designed to empower female participation in the energy retail sector.

- ◆ Maintaining responsible governance, with strong leadership oversight, internal controls, and stakeholder accountability mechanisms.
- ◆ Enhancing customer centricity, by ensuring fuel quality, digital convenience, safety, and service excellence at every touchpoint.
- ◆ Nurturing community relations, through CSR programs focused on health, education, and disaster relief, and by fostering local partnerships for shared growth.

Environmental Sustainability

Recognizing the environmental footprint of our operations, we are proactively transforming our business to support a lower-carbon, cleaner energy future:

- ◆ Preserving resources, through fuel-efficient logistics, solarization of retail outlets and terminals, and energy management systems.
- ◆ Managing waste and pollution, with stringent environmental compliance, oil recovery systems, and continuous monitoring of emissions and effluents.
- ◆ Supporting the energy transition and biodiversity, by promoting eco-friendly fuels, introducing EV charging infrastructure, and ensuring that all future projects undergo rigorous environmental assessments.

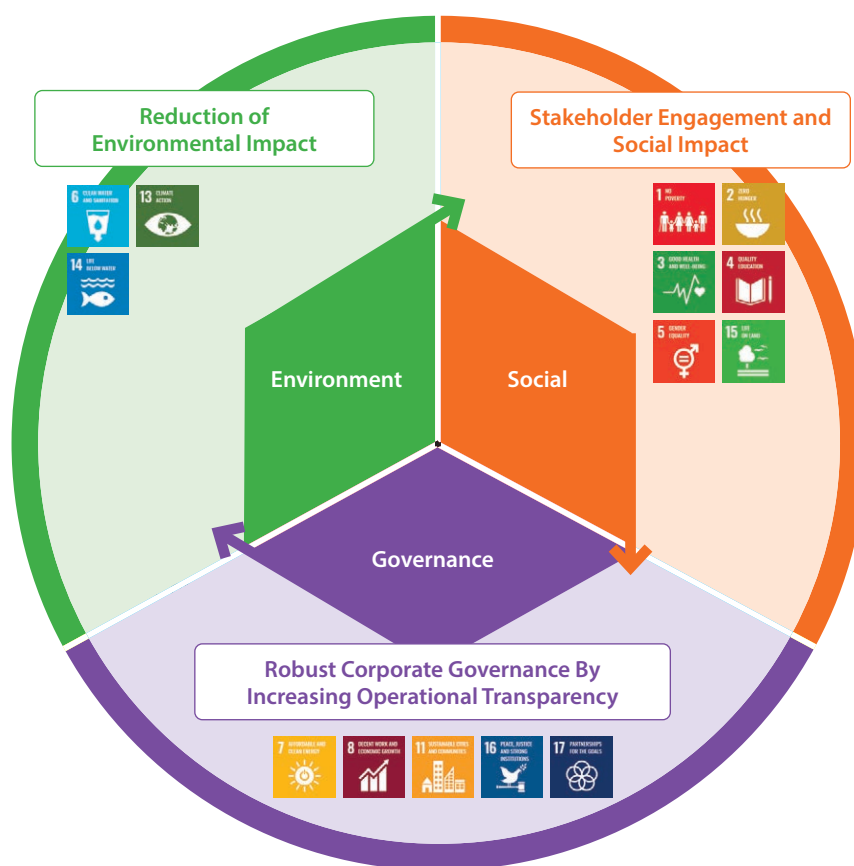
By positioning sustainability at the core of our leadership mandate, LIOC reinforces its commitment to building a resilient, ethical, and inclusive business that is equipped to thrive in a dynamic operating environment and deliver long-term value to all stakeholders.

Our Approach to Sustainability

LIOC's overarching sustainability agenda is closely aligned with the United Nations' 17 Sustainable Development Goals (SDGs), which provide a globally recognized framework for advancing inclusive,

responsible, and sustainable growth. We have strategically identified and aligned with 12 SDGs that are most material to our business model and sustainability priorities. This focused alignment enables us to channel our efforts and resources toward areas where we can drive the greatest impact environmentally, socially, and economically. By integrating the

SDGs into our operational and strategic decision-making, we strengthen our ability to create long-term, sustainable value while reinforcing our role as a responsible corporate citizen. Moreover, this approach enhances collaborative engagement with our stakeholders, ensuring our contributions are both globally relevant and locally meaningful.



Aligning with the UN Sustainable Development Goals (SDGs)

At Lanka IOC, sustainability is a strategic imperative that drives our operations, growth, and impact. Our sustainability framework is built on three interdependent pillars economic, social, and environmental

sustainability - each aligned with the UN SDGs most relevant to our business model and national role. Through this alignment, we ensure that our value creation journey also contributes meaningfully to a more sustainable, inclusive, and resilient future.



Distribution of dry to various sectors of the community such as elderly homes, orphanages, centres established for disabled children and families of underprivileged children.

Donation of dry rations and sanitary items to the communities affected by the inclement weather

Contribution to Marine Environment Protection Authority (MEPA) for conservation of the coastal lines.

Donation of funds to HelpAge Charity Eye Hospital for cataract operations of underprivileged elderly people.

Donations of wheelchairs, hearing aids, and white canes to the disabled.



- ◆ Donation of dialysis machines to government hospitals
- ◆ Providing life insurance for the team of more than 1,500 pump attendants in our network along with coverage for critical illnesses.
- ◆ Donation of 21 dialysis machines to government hospitals across the island.
- ◆ Provision of an ambulance and wheelchairs to the needy.
- ◆ Facilitating financial support for carrying out free cataract operations for disadvantaged sections of the society.



- ◆ Equal opportunity employer
- ◆ Donation of school bags and study materials to underprivileged children who attend Sunday school.
- ◆ Aid given to the Home of Compassion, Madampitiya
- ◆ Creating women-managed retail outlets in order to empower women.



- ◆ Solarization of our retail outlets.
- ◆ Introduction of climate friendly fuels.
- ◆ Rainwater harvesting plant at Trincomalee Terminal.
- ◆ Planting 500+ saplings at the Trincomalee Terminal in celebration of World Environment Day.

- ◆ Attractive remuneration and additional profit linked variable bonus.
- ◆ Opportunities for career progression and performance linked bonuses.
- ◆ Continued training and development.



- ◆ Efficient management of water and energy for production.
- ◆ Proper waste segregation systems and management of water discharge.
- ◆ Periodical water testing to ensure conformity to environmental standards.
- ◆ Oil Spill Contingency Plan approved by the MEPA.



- ◆ Board approved anti-corruption and whistleblowing policies.

- ◆ Partnered with the Rotary Club, Trincomalee for biodiversity conservation initiatives.
- ◆ Joint venture with the Ceylon Petroleum Corporation (CPC) to develop the Trincomalee oil tank farm.
- ◆ Partnership with Stafford Group for the supply of co-branded SERVO ecoPLUS, environmentally friendly fuel.

Sustainability reporting practices

At Lanka IOC, we view sustainability not only as a strategic imperative but also as a disclosure priority that reinforces transparency, accountability, and long-term value creation. In line with the IFRS Sustainability Disclosure Standards S1 and S2, we are advancing our sustainability reporting to meet global benchmarks, ensuring that material sustainability-related and climate-related risks and opportunities are identified, monitored, and communicated effectively. Through this alignment, we are embedding sustainability into our core governance, strategy, risk management, and performance metrics—creating a clear link between non-financial factors and enterprise value. By integrating S1 and S2 into our reporting framework in future, we hope to provide investors and stakeholders with a comprehensive view of how LIOC is building resilience, responding to climate imperatives, and positioning itself for sustainable growth in an evolving energy landscape. This marks a critical step in our journey to become a future-ready, transparent, and responsible energy partner.

For Lanka IOC, addressing Environmental, Social, and Governance (ESG) risks is crucial given their role in the Sri Lankan economy.

Environmental Risks:

1. Climate change impact: Mitigate carbon emissions and enhance energy efficiency across operations.
2. Resource management: Ensure sustainable water and energy use in refining and distribution processes.
3. Waste management: Implement effective waste reduction and recycling programs.

Strategy: Invest in renewable energy projects, adopt cleaner technologies, and strengthen environmental monitoring and reporting.

Social Risks:

1. Community relations: Address potential impacts on local communities from operations and supply chain activities.
2. Labour practices: Ensure fair labour

practices and safety standards for employees and contractors.

3. Health and safety: Enhance workplace safety measures to prevent accidents and occupational hazards.

Strategy: Engage in community development initiatives, uphold labor rights, and prioritize employee health and safety through training and compliance programs.

Governance Risks:

1. Ethical business practices: Uphold integrity in business dealings and prevent corruption and bribery.
2. Board diversity: Ensure diverse representation on the board and transparency in decision-making processes.
3. Regulatory compliance: Stay updated on regulatory requirements and adhere to international standards.

Strategy: Strengthen governance frameworks, conduct regular audits, and enhance transparency in reporting practices.

Sustainability Strategy:

1. Energy transition: Invest in renewable energy sources and promote energy-efficient practices.
2. Supply chain sustainability: Collaborate with suppliers to enhance sustainability practices throughout the supply chain.
3. Stakeholder engagement: Engage with stakeholders to understand and address their sustainability expectations.

Strategy: Develop a comprehensive sustainability roadmap aligned with global goals such as the UN Sustainable Development Goals (SDGs), integrate sustainability into business strategy, and communicate achievements transparently through ESG reporting.

By proactively addressing these ESG risks and implementing robust sustainability strategies, Lanka IOC can strengthen its resilience, reputation, and contribute positively to sustainable development in Sri Lanka.

Environmental Risks & Strategic Responses

1. Carbon emissions and climate transition risk

- ◆ Risk: As a petroleum and energy company, Lanka IOC is exposed to increasing scrutiny over GHG (greenhouse gas) emissions across its operations from fuel refining and transportation to retail distribution. There is growing pressure from regulators, investors, and consumers to decarbonise.

Strategic Response:

- ◆ Develop a net-zero roadmap aligned with Sri Lanka's Nationally Determined Contributions (NDCs).
- ◆ Increase the biofuel and cleaner fuel mix, and explore green hydrogen, EV charging infrastructure, and LNG options.
- ◆ Implement carbon tracking and disclosure through frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD).

2. Energy efficiency and resource depletion

- ◆ Risk: High energy and water usage in refining, logistics, and operations can lead to resource strain and inefficiencies.

Strategic Response:

- ◆ Upgrade infrastructure and operations with energy-efficient technologies (e.g., smart meters, LED lighting, automated controls).
- ◆ Implement ISO 50001-certified energy management systems.
- ◆ Optimize fleet and terminal operations for fuel and water efficiency.

3. Environmental pollution and oil spills

- ◆ Risk: Risks of oil leaks, marine pollution, and soil contamination during storage, transport, and dispensing threaten ecosystems and community well-being.

Strategic Response:

- Invest in modern safety systems including automatic leak detection, secondary containment, and real-time monitoring at terminals and filling stations.
- Regular environmental impact assessments (EIAs) and emergency response drills with government and disaster agencies.
- Adopt zero-incident culture and provide staff training on environmental protocols.

Social Risks & Strategic Responses**1. Community impact & social license to operate**

- Risk: Infrastructure development (like terminals or pipelines) may lead to displacement or affect livelihoods, eroding Lanka IOC's social license to operate.

Strategic Response:

- Adopt free, prior and informed consent (FPIC) in community consultations.
- Fund CSR programs focused on education, healthcare, disaster relief, and sustainable livelihoods.
- Report community investments and impact metrics in sustainability disclosures.

2. Occupational health and safety

- Risk: Given the hazardous nature of fuel handling, risks include fire, chemical exposure, and accidents affecting workers and the public.
- Strategic Response:
 - Implement and continuously improve a robust Health, Safety & Environment (HSE) management system.
 - Achieve OHSAS 18001 / ISO 45001 certification across key operations.
 - Regular safety audits, incident reporting, and behavioral safety training.

3. Diversity, equity and inclusion (DEI)

- Risk: Gender disparity and lack of inclusive policies could affect morale and limit talent retention.

Strategic Response:

- Promote gender diversity in leadership and technical roles.
- Institute inclusive hiring practices and anti-discrimination policies.
- Provide skill-building and leadership development for underrepresented groups.

Governance Risks & Strategic Responses**1. Regulatory non-compliance**

- Risk: Non-compliance with environmental, tax, safety, or corporate governance regulations could lead to legal and reputational damage.

Strategic Response:

- Strengthen compliance function with periodic training and automated regulatory tracking tools.
- Ensure Board-level ESG oversight, and include sustainability KPIs in executive performance appraisals.
- Regular third-party internal and external audits.

2. Corruption, bribery and ethical conduct

- Risk: Being a large state-linked enterprise with strategic assets, Lanka IOC must guard against unethical practices in procurement, lobbying, and contracting.

Strategic Response:

- Enforce a strict anti-corruption and whistleblower policy.
- Establish an ethics committee and conduct annual ethics training.
- Align with international frameworks such as UN Global Compact and OECD Anti-Bribery Convention.

3. Cybersecurity and data privacy

- Risk: Increased digitization of operations and customer services (like loyalty apps or online platforms) exposes Lanka IOC to cyber threats.

Strategic Response:

- Strengthen IT infrastructure, adopt ISO/IEC 27001 standards for information security.
- Implement data privacy policies in line with Sri Lanka's and regional privacy laws.
- Create a cybersecurity task force with risk modeling and incident response capabilities.

Integrated Sustainability Strategy for Lanka IOC**1. ESG integration into core strategy**

- Embed ESG principles into corporate strategy, planning, and capex decisions.
- Link sustainability metrics to Board-level KPIs and CEO scorecards.

2. Sustainable product and service innovation

- Expand into low-carbon fuels, EV charging infrastructure, and solar-integrated stations.
- Promote eco-friendly lubricants and bulk delivery solutions to reduce carbon footprints.

3. Stakeholder engagement and transparency

- Conduct stakeholder materiality assessments to guide sustainability focus.
- Communicate ESG progress across digital and traditional channels.

4. Partnerships and ecosystem collaboration

- Partner with government, UN bodies, and other community groups such as Rotary International to advance sustainability goals.

Lanka IOC has both a responsibility and an opportunity to lead Sri Lanka's transition to a more sustainable energy future. Proactively addressing ESG risks not only ensures regulatory compliance and protects brand equity, but also unlocks value through innovation, operational resilience, stakeholder trust, and long-term competitiveness.

COMPREHENSIVE STAKEHOLDER ANALYSIS

As a critical enabler of Sri Lanka's energy security and economic resilience, Lanka IOC operates within a dynamic and interdependent stakeholder ecosystem. This ecosystem is not merely supportive it is central to the Company's long-term strategy. Each stakeholder group, from regulators and government partners to customers, employees, suppliers, and communities, plays a vital role in ensuring the continuity of

fuel supply, enabling operational excellence, and facilitating the transition toward cleaner, more sustainable energy solutions.

Lanka IOC engages with these key stakeholder groups, through several platforms to harness. We greatly value the insights they bring and how their expectations shape our decision-making. Through continuous dialogue, trust-

building, and shared goals, we are creating a foundation for inclusive, responsible growth that aligns with national priorities and regional energy diplomacy.

Lanka IOC's stakeholder model is built on a foundation of trust, performance, national contribution, and future readiness. Every stakeholder is part of a larger vision powering Sri Lanka responsibly and resiliently.



1. Customers – Retail, Commercial & Industrial

Significance to Lanka IOC:

End-users are the ultimate beneficiaries of national energy availability. Whether personal mobility, industry, agriculture, or logistics, our customers represent demand stability and socio-economic lifelines.

- ◆ Vital in real-time demand signaling, helping the Company plan procurement and supply chain management efficiently.
- ◆ Their evolving expectations push Lanka IOC to innovate, digitise services, and introduce cleaner energy alternatives.

Customer satisfaction enhances public trust, brand reputation, and supports the Company's license to operate in a competitive and regulated environment

Strategic Role	End users across transportation, households, logistics, industry, and agriculture whose energy access underpins economic and social stability.
Engagement Platforms	Customer service centers, retail outlet feedback, mobile apps (e.g. loyalty), surveys, social media, community activations
Key Expectations	Reliable fuel access, transparent pricing, service quality, greener energy alternatives, digital payment options
Value Delivered	Mobility, economic activity, national fuel accessibility, digital convenience
Strategic Outcome	Informed demand patterns, customer retention, brand trust, social legitimacy, energy transition readiness



2. Network of Retail Outlets

Significance to Lanka IOC:

- ◆ Ensure last-mile energy delivery, even in remote areas.
- ◆ Act as the face of the brand which is critical for reliability perception, customer loyalty, and fuel security during crises.
- ◆ Enable cross-sector services (mini-marts, EV stations, lubricant distribution), boosting non-fuel income and value-added services.

Strategic Role	The last-mile delivery arm of Lanka IOC, providing critical infrastructure to sustain nationwide energy availability, especially during emergencies.
Engagement Platforms	Retailer training, audits, digital dashboards, loyalty schemes, supply chain systems, franchisee forums
Key Expectations	Timely product availability, fair margins, branding support, infrastructure development, digital tools
Value Delivered	National fuel accessibility, service innovation, revenue generation, employment
Strategic Outcome	Strengthened distribution footprint, service differentiation, operational scalability



3. Community & Public (Society at Large)

Significance to Lanka IOC:

- ◆ Sustains Lanka IOC's social license to operate, especially when expanding infrastructure like terminals or storage facilities.
- ◆ Acts as a watchdog and partner in sustainability, waste management, and clean energy transitions.

Community impact shapes public policy sentiment and regulatory goodwill, which is vital for long-term projects like biofuels, solar plants, and green logistics

Strategic Role	Societal anchor and moral compass; ensures Lanka IOC's operations are socially responsible, inclusive, and aligned with national priorities.
Engagement Platforms	CSR projects (health, education, environment), public consultations, sustainability reporting, social media
Key Expectations	Environmental care, local job creation, health & safety, economic contribution, ethical conduct
Value Delivered	Social license to operate, shared prosperity, cleaner energy, national energy awareness
Strategic Outcome	Community goodwill, enhanced reputation, crisis resilience, policy alignment



4. Distributors (Lubricants, LPG, Bitumen, B2B)

Significance to Lanka IOC:

- ◆ Enable fast, cost-effective market penetration in multiple verticals.
- ◆ Act as local influencers and community connectors, helping brand positioning and regulatory navigation at the grassroots.

Play a vital role in national development sectors like infrastructure (bitumen), logistics (diesel), and mechanized agriculture (lubricants).

Strategic Role	Extend Lanka IOC's non-retail market reach and ensure sectoral continuity across logistics, construction, manufacturing, and agriculture.
Engagement Platforms	B2B portals, channel partner meets, incentive schemes, trade fairs, technical support teams
Key Expectations	Reliable supply, competitive pricing, technical support, co-marketing opportunities
Value Delivered	Sectoral productivity, market share, diversified revenue, industrial synergy
Strategic Outcome	Channel expansion, operational efficiency, non-fuel segment growth, industrial impact



5. Employees

Significance to Lanka IOC:

- ◆ Their expertise supports high-stakes operations such as cross-border procurement, marine fuel management, and emergency response.
- ◆ Act as internal champions of Lanka IOC’s shift toward sustainable and digital energy solutions.
- ◆ Their well-being, motivation, and ethics determine the Company’s ability to deliver energy responsibly and reliably.

Strategic Role	The operational and strategic force behind Lanka IOC’s energy infrastructure, innovation pipeline, and crisis response capability.
Engagement Platforms	Town halls, performance reviews, intranet, training & upskilling programs, safety drills, innovation forums
Key Expectations	Fair rewards, career growth, safety, job purpose, ethical culture, inclusion
Value Delivered	Fuel supply continuity, service excellence, innovation, stakeholder trust
Strategic Outcome	Talent retention, high performance, safety culture, internal agility, institutional strength



6. Regulators & Government

Significance to Lanka IOC:

- ◆ Regulators and government bodies are strategic partners who shape the regulatory landscape and set the policy direction
- ◆ Regulatory clarity and policy consistency enable long-term investment and planning.
- ◆ Our relationship with both the Sri Lankan and Indian governments also strengthens regional energy cooperation. Together, we work towards a resilient, secure, and sustainable energy future.

Strategic Role	Key enablers of Lanka IOC’s national role; influence policy frameworks, import licenses, pricing models, infrastructure approvals.
Engagement Platforms	Policy dialogues, compliance reports, parliamentary committees, national energy forums
Key Expectations	Compliance, transparency, price stability, infrastructure reliability, strategic cooperation
Value Delivered	National energy resilience, public-private synergy, tax revenue, bilateral trade facilitation
Strategic Outcome	Policy trust, regulatory alignment, infrastructure growth, public-sector partnerships



7. Shareholders (Including Indian Oil Corporation)

Significance to Lanka IOC

- Indian Oil Corporation (IOC), as the parent company, brings industry leadership, technical expertise, and cross-border synergies that strengthen our operational and strategic capabilities.
- Their investment enables Lanka IOC to expand infrastructure, adopt new technologies, and lead in energy innovation.
- Shareholders expect responsible growth, risk management, and sustainable returns along with principles embedded in our business model.

Strategic Role	Providers of capital, oversight, and strategic direction. Their confidence ensures financial stability and future investment.
Engagement Platforms	AGMs, Board reports, investor briefings, disclosures, corporate governance statements
Key Expectations	Sustainable returns, growth, risk mitigation, governance, regional expansion
Value Delivered	Profits, growth in market share, brand equity, long-term positioning
Strategic Outcome	Financial strength, reinvestment capacity, strategic alignment with Indian Oil vision



8. Suppliers & Global Partners

Significance to Lanka IOC

- Suppliers and international partners bring advanced technologies, industry know-how, and best practices that enhance local operational capabilities and service standards.
- Local Capacity Building enables knowledge transfer and create opportunities for local suppliers to integrate into regional and global value chains, strengthening the domestic economy.
- Strong supplier relationships ensure uninterrupted fuel supply, operational efficiency, and adaptability to changing market demands, reinforcing Lanka IOC's strategic reliability.

Strategic Role	Supply Lanka IOC with petroleum products, additives, equipment, and technology - essential to securing national energy flows.
Engagement Platforms	Procurement systems, contract reviews, supplier audits, technical collaborations
Key Expectations	Fair trade terms, payment cycles, reliability, sustainability standards
Value Delivered	Energy imports, infrastructure readiness, innovation, resilience of supply
Strategic Outcome	Supply chain resilience, cost efficiency, quality assurance, global integration

Lanka IOC's stakeholder ecosystem is far more than an operational framework, it is the strategic engine which drives the Company's purpose and progress. Through close collaboration with a diverse network of partners, regulators, government bodies, and communities, Lanka IOC reinforces its position as a critical energy player in Sri Lanka. This interconnected network also serves as a platform for strengthening bilateral economic ties between India and Sri Lanka, underscoring the Company's role in advancing energy diplomacy. At the same time, the ecosystem plays an essential role in supporting the country's broader goals, from accelerating the energy transition and driving digital transformation to contributing meaningfully to Sri Lanka's national development agenda.

MATERIAL MATTERS

Here at LIOC, we identify and define material topics as those which have the greatest capacity to affect our ability to create value. These matters impact our overall financial performance, the sustainability of our operations and also have significant influence on the decision making of our key stakeholders.

So how do we correctly identify our material topics? This is not a single process in which

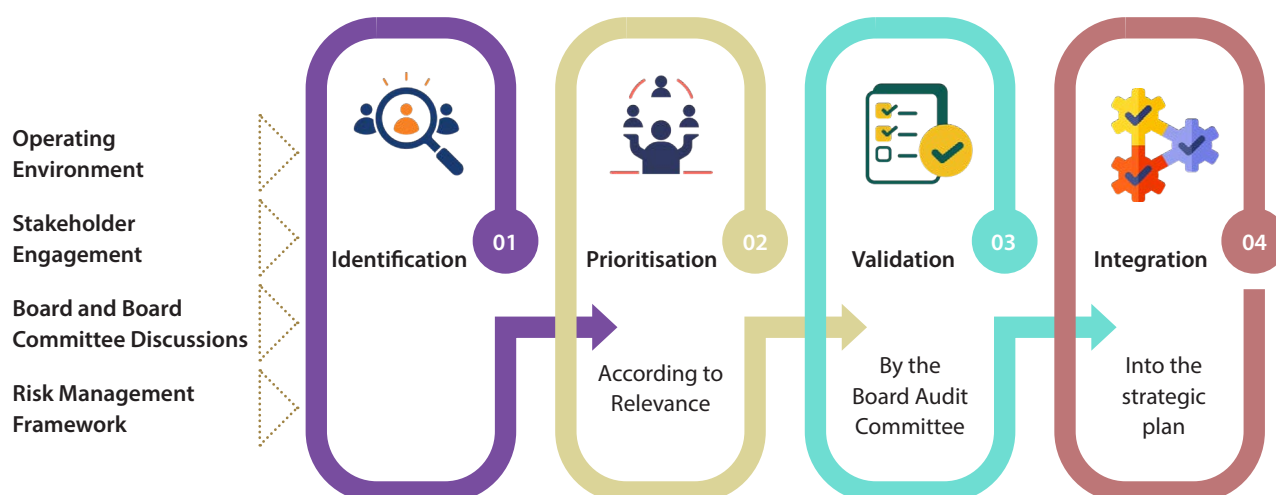
we define and set material topics indefinitely. We understand that with the constantly changing environment, we need to adapt and reassess our material topics regularly. We make changes with reference to changing operating environments, feedback from our stakeholders and according to other internal and external contextual factors.

By keeping our material matters relevant and up-to-date, we reduce the disruptions

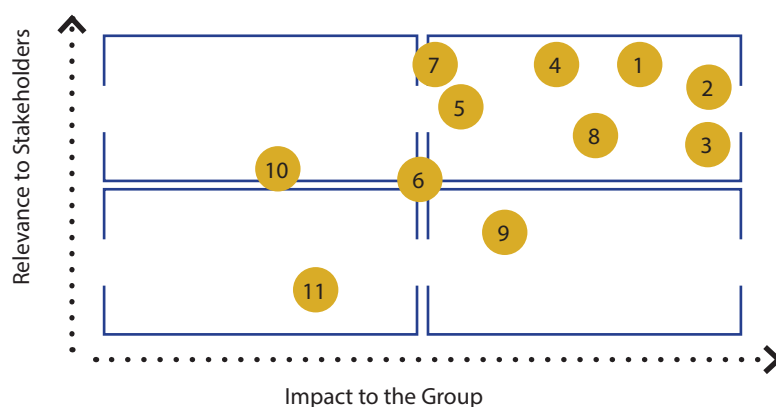
that could impact the smooth running of our operations. Our methods help us to be proactive in dealing with any economic, social, and environmental stresses so we are always ready to handle adversity whether expected or unexpected.






In the analysis conducted for this financial year, we have found no restatements of or significant changes in the list of material topics and topic boundaries when compared to the list from the previous year.

Steps to Determine Material Topics



- 1- Consistent Performance
- 2 - Economic
- 3 - Good Governance and Compliance
- 4 - Reliability of Service
- 5 - Customer Loyalty
- 6 - Supply Chain Dynamics
- 7 - Distribution Channels
- 8 - Performance-driven Culture
- 9 - Employee Safety and Wellbeing
- 10 - Community Wellbeing
- 11 - Environmental Responsibility



Consistent Performance	GRI 201-1	Supports long-term business success and enhances shareholder returns.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Dividend Consistency	Maintaining consistency when paying dividends to our investors, proving the Company's ability to provide satisfactory returns to its shareholders plus attract new and potential investors.	Shareholders	Profitable Growth Sustainability	M	H		 Financial Capital
Profitability	Profitability is seen as the foundational enabling criteria to create value for our stakeholders	Shareholders Employees	Profitable Growth	H	H	   	 Financial Capital
Quality Performance	Being available is not enough. We prioritize maintaining our quality, as our customers rely on the performance and quality of our fuels and lubricants to ensure smooth operations.	Customers	Operational Excellence	H	H	  	 Intellectual Capital
Timeliness	Along with the expansion of our availability geographically, we have also commenced 24 hrs operations to improve access.	Customers	Operational Excellence	M	M		 Social and Relationship Capital
Economic	GRI 201 GRI 207	Directly influences the Group's ability to attract and retain customers and drive revenue growth in a dynamic and challenging industry.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Economic benefits	LIOC will continue with its expansion plans and sustain the jobs created by our business activities and operations.	Community	Sustainability	L	H	  	 Social and Relationship Capital
Foreign Exchange Outflow	We critically focus on efficiently managing our foreign exchange outflows to support the countries indicative indices. Initiatives such as our grease manufacturing plant have helped increase savings by reducing import costs.	Community Regulators	Operational Excellence	H	H		 Manufactured Capital
Pricing	The product pricing in each segment determines the competitiveness of LIOC The prices of suppliers also affects the potential for revenue growth, and as such is given high priority as well.	Customers Suppliers	Operational Excellence	H	H		 Social and Relationship Capital
Growth	By achieving positive and sustainable business growth, we can conclusively identify LIOC's operational success, efficiency and productivity.	Employees Customers Shareholders	Profitable Growth	H	H	   	 Financial Capital

Good Governance and Compliance	GRI 205	Ethical operations and legal compliance build stakeholder trust to support sustainable business growth.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Compliance	We comply with laws regulations and standards which are applicable to our business to safeguard our continuity and license to operate.	Regulators	Sustainability	H	M		Governance
Good Corporate Governance and Ethical Business Conduct	All business activities at LIOC are conducted on the foundational values of good governance, legal and regulatory compliance, and ethical behaviour and conduct, which also helps shape the culture of the organization.	Employees Customers Regulators	Sustainability	H	M		Governance
Reliability of Service	GRI 418	Directly impacts customer satisfaction, and the Company's reputation, which are crucial for maintaining client trust and business continuity.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Energy Stability	We take measures to reduce our carbon footprint and energy costs to maintain resource efficiency and sustainability.	Community	Sustainability	H	H		 Natural Capital
Undisrupted Supply	Our products determine the smooth running of many operations. We prioritise uninterrupted fuel supplies to the automotive, industrial, and bunkering segments; and other segments are carefully maintained as well.	Customers Channel Partners	Operational Excellence	H	H		 Social and Relationship Capital
Customer Loyalty	GRI 416 GRI 417	Determines the Group's ability to grow during economic upturns and remain resilient amidst challenges.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Sustaining Brand Value and Reputation	At LIOC, we take pride in consistently being able to deliver on, and honour the promises made to our stakeholders. It is one of the most valuable indicators of our success.	Shareholders Employees Customers	Operational Excellence Sustainability	H	H		 Intellectual Capital
Supply Chain Dynamics	GRI 308 GRI 414	Reliable supplier networks ensure continuous supply of products to customers.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Fair Credit Terms	During economic difficulties, LIOC retained loyalty of its channel partners due to fairness in credit terms and promptness in payments due.	Channel Partners	Operational Excellence	M	H		 Social and Relationship Capital
Continuing Mutually Beneficial Relationships	At LIOC, we place high importance on maintaining and nurturing mutually beneficial relationships. This contributes towards uninterrupted and sustainable business operations	Channel Partners Suppliers	Operational Excellence	H	H		 Social and Relationship Capital

Distribution Channels	GRI 203-1	Strong distribution infrastructure enhances the Group's ability to attract and retain customers.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Ease of Access	We continue to strive towards providing value while maintaining sustainable growth by expanding our reach across the island.	Customers	Operational Excellence	H	H		 Social and Relationship Capital
Performance-driven Culture	GRI 404	Improves overall efficiency of operations.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Business Initiatives	A key driver of success in today's competitive business landscape is the ability to recognize and proactively adopt new opportunities and strategies in business.	Employees Customers	Operational Excellence	M	M	 	 Intellectual Capital
Competitive Remuneration	According to our long term vision and corporate strategy, we take all measures to retain our best talent and reduce turnover.	Employees	People Development	M	H	 	 Human Capital
Employee Safety and Wellbeing	GRI 202 GRI 401 GRI 402 GRI 403 GRI 405 GRI 406 GRI 408 GRI 409	Strengthens employee motivation and loyalty.					
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital
Job Security	We provide 100% job security to the employees who place their trust in us. This was especially important during times of high unemployment rates such as the pandemic.	Employees	People Development	L	H		 Human Capital
No Salary Reductions	During challenging times, we believe that our employees are our best chance of survival. We focused on maintaining their benefits to keep them engaged and motivated.	Employees	People Development	M	H	  	 Human Capital

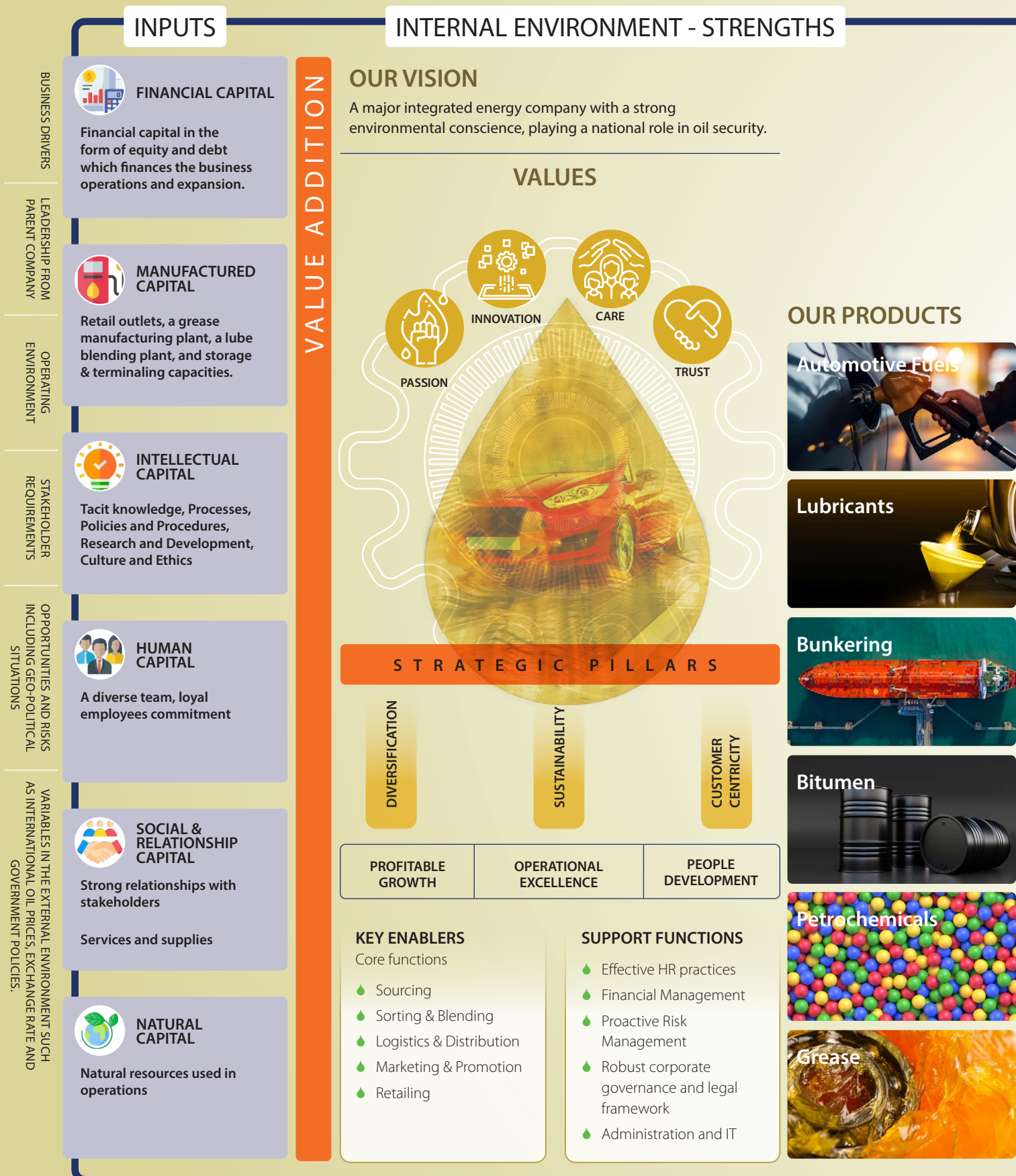
Community Wellbeing	GRI 413-1	Builds brand trust and enhances the Group's reputation and standing.						
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital	
CSR	LIOC has identified and taken steps to contribute towards improving the lives of the communities who are socially and economically disadvantaged in Sri Lanka.	Community	Sustainability	M	M	  	 Social and Relationship Capital	
Environmental Responsibility	GRI 301 GRI 302 GRI 303 GRI 305 GRI 306	Reinforces the Group's brand reputation as a responsible corporate.						
Topic	Materiality to LIOC	Impacted Stakeholders	Strategic Relevance	Impact on LIOC	Impact on Stakeholders	SDG	Impacted Capital	
New and Sustainable Technologies	Our focus is consistently directed towards adopting and embracing the latest innovations and developments in technology. Through this we stay ahead of the competition and provide better value to our stakeholders.	Employees Customers	Operational Excellence	H	H	 	 Intellectual Capital	
Social and Environmental Consciousness	We closely monitor our impact on society and the environment to positively contribute toward the protection of the environment and to uplift the lives of the community.	Community	Sustainability	H	H	     	 Social and Relationship Capital	



ENERGISING *Responsibly* Enriching Every Journey

Whether on the road, at work, or in life, we are by your side, fueling your aspirations. Our service is rooted in respect for your time, safety, and future. Lanka IOC energises not just vehicles but every journey that defines your life.

HOW WE CREATE VALUE



OUTPUT



FINANCIAL CAPITAL

Revenue: **Rs. 276.29 Bn**
 PAT: **Rs. 11.15 Bn**
 Earnings per Share : **Rs. 20.94**
 ROE: **13%**



MANUFACTURED CAPITAL

Investment in revenue
 generated assets: **Rs. 0.83 Bn**
 New Tanks: **01**
 Retail Outlets in operations:: **267**



INTELLECTUAL CAPITAL

New Products
 Introduced : **05**
8th position in LMD Top 100
 companies



HUMAN CAPITAL

Employee benefits and
 remuneration: **Rs. 1.21 Bn**
 Training hours: **861**
 No. of employees: **152**
 New recruitments: **03**
 No. of workplace injuries : **Nil**



SOCIAL & RELATIONSHIP CAPITAL

Investment in CSR: **Rs. 109 Mn**
 Exchequer payment: **Rs. 105 Bn**
 No. of touchpoints: **600+ nos**
 Retail Outlets: **267 nos**
 SERVO shops: **328 nos**
 Lube distributors: **31**



NATURAL CAPITAL

Solar installation: **85 retail outlets**
 Sludge disposal: **Nil KL**
 Electric charging stations: **05 Nos**
 Investment in green
 initiatives: **Rs. 4 Mn**
 No. of Tanks cleaned: **03 Nos**

OUTCOMES AND SDG ALIGNMENT

Shareholders



- Profitability
- Sustainable growth



Customers



- Superior customer service
- Uninterrupted product supply



Employees



- Good health and well-being
- Work-life balance
- Career progression and development
- Empowerment
- Equal opportunity



Regulators



- Compliance with all regulatory requirements



Business partners and suppliers



- Long-term relationships
- Transparency



Community and environment



- Improvements in quality of life
- Environmental conservation



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SEGMENT PERFORMANCE OVERVIEW

LANKA IOC PLC / ANNUAL REPORT 2024-25



AUTOMOTIVE FUELS

Introduction

Lanka IOC’s Automotive Fuels segment plays a vital role in Sri Lanka’s energy landscape, supplying high-quality petrol and diesel through an expanding retail network covering both urban and rural areas, as well as highways. With a strong focus on modernisation, customer convenience, and innovation, the segment continues to strengthen its leadership across the country.



267

active outlets

(15 new outlets commissioned this year)

Improved operational efficiency

Achieved

226 KL per pump

throughput

Retail Auto Fuel

Market Share rose to

21%

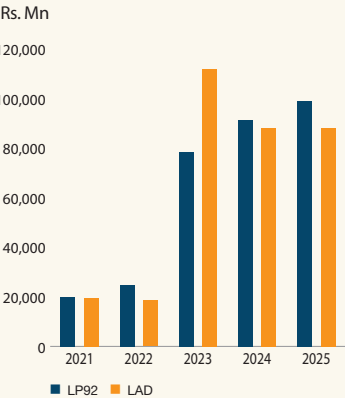
Powering National Mobility

Driving national mobility by meeting a significant share of Sri Lanka’s retail fuel demand and investing in rural infrastructure development to enhance fuel accessibility.

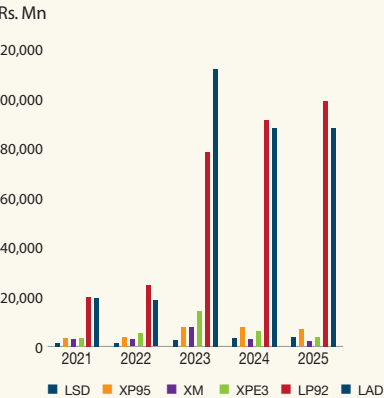
- Wider fuel access
- Efficient service
- Easy digital payments



Basic Fuels - Sales



Branded Fuels - Sales



Our Performance



Ranked 8th in

LMD100

Petrol variants

LP92

LP95

Xtra Premium Euro3

XP100

Diesel variants

Lanka Auto Diesel

Lanka Super Diesel (LSD)

XtraMile

Xtragreen (soon to be launched)



RECORD SALES & GROWTH

- ◆ Record annual sales: 769,612 KL; highest monthly sales: 71,412 KL (March 2025).
- ◆ MS volume up 24.6%; HSD up 22.5%.
- ◆ Overall Auto Fuel volumes grew 24% YoY.
- ◆ Retail Auto Fuel Market Share rose to 21%, up 2.76%.



RETAIL NETWORK EXPANSION

- ◆ Commissioned 15 new retail outlets during the year.
- ◆ Total network grew to 267 retail outlets.



PREMIUM FUELS AND BRANDING

- ◆ XP100 (100-octane petrol), now available at 7 ROs.
- ◆ MS branded fuel conversion up 8.5%; HSD branded fuel conversion up 6.5%.



EMPLOYEE WELFARE & CUSTOMER ENGAGEMENT

- ◆ Insured 1,500+ pump attendants for life, accidents, and critical illnesses.
- ◆ Decorated retail outlets for New Year and other festivals.
- ◆ Onboarded new advertising agency for social media marketing.



Inauguration of Retail Outlets

Challenges Faced During the Year

Lanka IOC encountered several challenges in navigating the competitive and cost-driven landscape of the fuel market:

- ◆ Rising competition from new international entrants in the liberalized fuel market.
- ◆ Higher refurbishment and material costs driven by price escalations.
- ◆ Managing dealer expectations amid modernization demands and operational upgrades.

OUTLOOK



- ◆ Continued modernization of retail outlets with new Retail Visual Identity (RVI), state-of-the-art electronic dispensing units and LED lighting for better illumination.
- ◆ Full rollout and implementation of automation across all outlets to streamline operations and enable loyalty programs
- ◆ Expansion into rural areas to enhance fuel accessibility and capture new markets
- ◆ Launch of Xtra Green Diesel to meet the growing demand for eco-friendly fuel options
- ◆ Strengthened focus on digital engagement, customer experience, and non-fuel revenue growth
- ◆ Enhanced customer service at forecourts through well-trained and motivated customer attendants
- ◆ Tie-ups with banks for co-branded cards to offer added value to customers
- ◆ Introduction of battery swapping and electric charging stations at select retail outlets
- ◆ Direct sales to industries for their industrial power requirements



BUNKERING

Introduction

Lanka IOC PLC is the market leader in bunker fuel supply across Sri Lanka’s key ports - Colombo, Trincomalee and Galle. As a cornerstone of our marine fuel supply chain, the bunkering segment continues to deliver high-quality marine fuels, reinforcing our strong industry presence.



28% growth

bunkering volumes
(industry growth 32%)

2,800 MT
capacity barge

at Trincomalee
(earlier 1,000MT)

500 kl/hr

flow rate
(earlier 260 kl/hr)

Powering Sri Lanka’s Maritime Edge

Lanka IOC strengthens the global appeal of Sri Lanka’s ports - fueling vessels with trusted quality and supporting the island’s position on key international shipping routes.

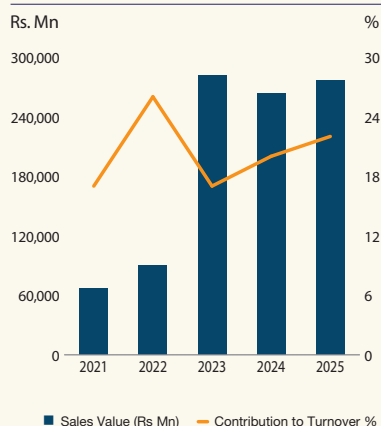
- ◆ Efficient delivery with larger barges
- ◆ Competitive, trigger-based pricing
- ◆ ISO-compliant, high-quality fuel



Products	Specialties
Very Low Sulfur Fuel Oil (VLSFO – 0.5% S)	Meets ISO 8217:2017 standards and are delivered via barges with independent surveyor oversight for assured quality.
Marine Gas Oil (MGO – 500 ppm)	Meets ISO 8217:2005 standards, backed by a reliable delivery network and strict quality controls.
High Sulfur Fuel Oil (HSFO) (to be introduced in 2025)	Planned for launch in Trincomalee, will serve high-demand niche segments.

 <h3>SALES GROWTH</h3> <ul style="list-style-type: none"> Achieved record bunker sales of 305 TMT, growing by 28% YoY. 	 <h3>FLEET EXPANSION</h3> <ul style="list-style-type: none"> Inducted a new 2,800 MT barge at Trincomalee. Delivered over 1,000 MT in a single delivery.
 <h3>MARKET LEADERSHIP</h3> <ul style="list-style-type: none"> Maintained a 30% bunker market share (40% including re-bond sales). 	 <h3>STRATEGIC ADVANTAGE</h3> <ul style="list-style-type: none"> Leveraged Trincomalee tankage for cost-effective procurement. Maintained client loyalty through consistent quality and best practices Trigger pricing mechanisms improved cost efficiency and competitiveness

Bunker Sales Analysis



Challenges faced during the year

Lanka IOC encountered several challenges in navigating the competitive and cost-driven landscape of the fuel market:

- Limited storage at Colombo Port due to shared commingled facilities
- Heightened competition with new bunker licensees and Sinopec's expansion
- Increased fuel availability at Indian ports reduced order inflow to Sri Lanka

We continue to work with the government to advocate for expanded storage at JCT to support industry growth.



OUTLOOK



- HSFO introduction in Colombo and Trincomalee to target a niche market
- Larger barge in Colombo to address volume limitations and enhance competitiveness
- Ongoing focus on infrastructure improvements and service excellence



LUBRICANTS

Introduction

Lanka IOC's lubricants segment markets high-performance SERVO Lubricant and Greases products for automotive, industrial, and marine use. Blended at ISO 9001:2015 certified, fully automated, Lube plant and Sri Lanka's only Grease manufacturing facility at Trincomalee.

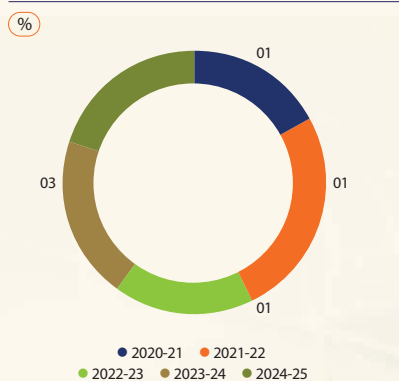
Contribution to the Sri Lankan Economy

The Lube plant produces high quality lubricants adhering to leading international standards locally. Operates country's only Grease plant. The indigenous facilities cater close to 25% of country's Lube & Greases requirement, nurturing direct and indirect employment ecosystem along with reducing dependency on imports.

Island-wide 2,500+ customer touchpoints and online access via Daraz.lk



Contribution to Total Turnover



SERVO sponsored Cricket tournament





SALES & DISTRIBUTION

- 12 new Servo Shops commissioned during the year making total Servo Shops to strong Island-wide network of 328 shops.
- New distributor appointed at Anuradhapura taking count to 32.
- New Lube CFA facility commissioned at Colombo to **SERVO** the consumers with ever faster way.

PRODUCT INNOVATION

Launched new grades:

- SERVO Pride XL Plus** – a premium long drain API CI4 Plus standard Diesel Engine Oil
- SERVO 4T Xtra 20W50** – High Performance 2/3 Wheeler API SN standard Petrol Engine Oil



BRANDING & PROMOTIONS

- Sponsored SERVO Cup: Australia tour of Sri Lanka.
- Brand activations: Christmas Carnival at Galle Face Green.
- Utilised the Hoarding Spaces at Petrol Retail Outlets for SERVO branding. 100 Outlets branded.
- Advertisement thru billboards, LED screens, and radio.
- Participated in popular Automobile show Auto Vision TV show.
- New Concept Exclusive Servo shops at Lanka IOC Petrol Retail Outlets started at 2

TRAINING & ENGAGEMENT

- Conducted Distributor Strategy Meeting and Award Ceremony.
- Trained Lube & Retail Officers on advances in Lube industry.
- Selling skills program for distributor sales reps.
- Conducted Dealer Awareness Workshops cover over 800 dealers across Island.



NEW CHANNELS

- Expanded online marketing through Daraz.lk
- Installed lube display racks at 100 Retail Outlets.

KEY CUSTOMER WINS

- Bagged supply contracts for CEB.
- Acquired business of Lanka Ashok Leyland.



OUTLOOK



- Launch of fully synthetic Petrol Car Engine Oil and transmission oils.
- Expand into brake fluids and radiator coolants, becoming a complete mobility solutions provider.
- Continued focus on brand building and brand recall.



BITUMEN & PETROCHEMICALS

Introduction

Lanka IOC’s Bitumen and Petrochemicals operations support key infrastructure and industrial sectors in Sri Lanka. Bitumen is imported and distributed primarily for road construction, while petrochemicals are sourced from IOC’s refineries in India and marketed locally under the brand Propel, catering to the plastics and manufacturing industries.

5.5x growth in petrochemical sales
compared to last year

17 industrial clients
(2023-24 - 03 Clients)

Freight cost reduced to \$48/MT
(earlier \$72/MT)

Enabling National Development

Supports national infrastructure through reliable bitumen supply and boosts industrial output by delivering competitively priced petrochemical products.

- Steady bitumen supply for infrastructure

Bitumen Products

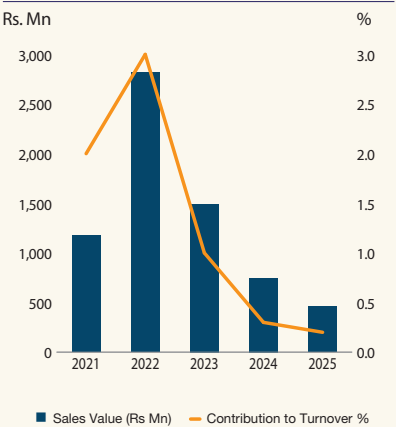
Bitumen grades 60/70

Bitumen grades 80/10

Bitumen grades VG 30

(All supplied in barrel-packed form, mainly for road construction and infrastructure projects)

Bitumen - Sales Analysis



PETROCHEMICAL



Petrochemical Products

PP (Homo-Polymer, Film, Rotational, Extrusion)

LLDPE-Injection, Film, Rotational, Extrusion

HDPE – Injection, Blow, Film, Pipe0

PE (Polyethylene) and LLDPE segments
(New focus areas)

Petrochemical Products

- ◆ PP
- ◆ LLDPE
- ◆ HDPE

Market Condition

- ◆ Sourcing products at lower cost with liaison with suppliers and achieve freight-cost optimization for cost leadership in Sri Lankan market
- ◆ Resumption of future demand for petrochemical throughout the financial year with new entrants specially the Chinese products.

Value created to our customers

- ◆ Efficient marketing product
- ◆ Quality of service and after sales service
- ◆ Honoring commitment to current and potential customers.
- ◆ Continuation of supply of all grades

- ◆ Exclusive products sold to meet specific demand from time to time

- ◆ Strategic alliance with major end users.

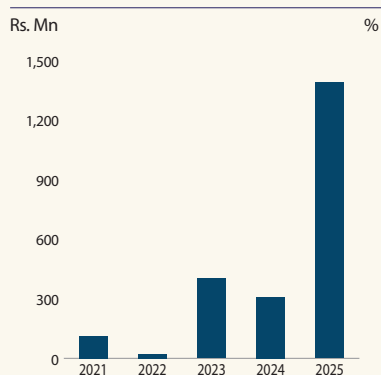
Key Achievements during the year

- ◆ Penetrated to HDPE blow, HDPE Injection, LL FILM and LLDPE injection grades
- ◆ Twelve new grades introduced to the market
- ◆ Alliances with major customers.

Value created to our customers

- ◆ Participating in International Plastics and Rubber Exhibitions annually to provide diverse product knowledge of technical session and opportunities to interact with all current and potential customers
- ◆ Time to time arranging free samples in ensuring that the new raw materials are suitable for use and that the final product meets the desired output.

Petrochemical - Sales Analysis



WAY FORWARD



- ◆ Focus on PE segment (HDPE + LLDPE). 60% of total petrochemical market demand comes from PE.
- ◆ Continued new products and sales proposition in increasing the Propel market share to 10% by FY25-26.

PERFORMANCE HIGHLIGHTS

OUR HUMAN CAPITAL



NO OF EMPLOYEES

152

2023-24 – 157



VALUE CREATION FOR SHAREHOLDERS



OUR REVENUE

Rs 276.29 Bn

2023-24 – Rs 263.57 Bn

RETURN ON EQUITY

13%

2023-24 – 19%

NET ASSETS PER SHARE

Rs. 155.30

2023-24 – Rs 137.98

CONTRIBUTION TO THE ENVIRONMENT

INVESTMENT IN
SOLARIZATION OF RETAIL
OUTLET



NO OF OUTLETS

267

2023-24 – 252

INVESTMENT

Rs 0.83 Bn

2023-24 – Rs 1.4 Bn

CONTRIBUTION TO COMMUNITY



INVESTMENT IN CSR
ACTIVITIES

Rs 109 Mn

Investment in Life and Medical
Insurance Policies to Pump
Attendants

Donated 21 Dialysis Machines to
Government Hospitals

Key figures and indicators	Unit	2024-25	2023-24
FINANCIAL EARNINGS INDICATORS			
EBITDA	Rs Mn	9,913	13,237
Operating income	Rs Mn	9,344	12,809
Profit after tax	Rs Mn	11,148	13,945
Earnings per share	Rs	20.94	26.19
ROCE (%)	%	10%	16%
CASH AND LIQUIDITY			
Cash flows from operations	Rs Mn	(2,920)	16,691
Cash flow from Investment	Rs Mn	(1,839)	(14,295)
Cash flow from Financing	Rs Mn	405	(2,219)
AVAILABLE CAPITAL AND DEBT			
Total Equity	Rs Mn	82,692	73,470
Borrowings	Rs Mn	7,445	4,307
Debt/Equity ratio	%	9%	6%
Taxes and Levy paid	Rs Mn	105,638	62,232
SUSTAINABILITY INDICATORS			
People			
No. of employees	Nos	152	157
New employees	Nos	3	4
Total turnover rate (%)	%	1.3%	3>%
Investment in training	Rs Mn	1Mn >	1Mn >
SAFETY			
No of accident	Nos	Nil	Nil
No of visit by Doctor	Nos	>60	20>
No of Health Check up	Nos	1	1
ENVIRONMENT			
Energy Consumption	Kwh	417,276	384,111
Solar Power Energy	Kwh	19,982	24,293
Sludge Disposal	KL	-	42
Municipal Water Usage	KL	34,739	44,563
Lanka Fuel Oil 800 Sec (Furnace Oil)	KL	-	0
LAD Own Use	KL	67	59
Rain Water Harvest	KL	4,500	1,000
Number of Tanks Cleaned	Nos.	3	3
New Tanks Commissioned	Nos.	1	2
No of Tanks Repaired	Nos.	1	2
No of firedrill at the Terminal	Nos.	12	12
STOCK MARKET INDICATORS			
Earnings per share	Rs	20.94	26.19
Dividends per share	Rs	5.00	4.00
Net asset per share	Rs	155.30	137.98
MPS	Rs	127.00	116.75
Market Capitalisation	Rs Mn	67,623	62,165
P/E ratio	Times	6.06	4.46
Dividend pay out	%	19%	6%

FINANCIAL CAPITAL



Lanka IOC's financial capital is the foundation that enables value creation across all our capitals. Through prudent financial management, disciplined capital allocation, and strategic investments, we sustain operational resilience and drive long-term profitability. Our robust financial position empowers us to pursue growth opportunities, navigate market volatility, and deliver consistent returns to our stakeholders.

Value Delivered

Rs. 276 Bn

Revenue



Rs. 11.1 Bn

Profit after Tax



Rs. 20.9

Earnings per share

Rs. 118.8 Bn

Total Assets

Value Generated and Distributed in 2024-25

Lanka IOC's financial outcomes for the year reflect disciplined cost management, sustained revenue growth, and a strong contribution to national development. The following breakdown illustrates how value was generated and distributed across key stakeholder groups.

Value Addition

	2024-25	2023-24
REVENUE	98.1%	98.0%
FINANCE INCOME	1.8%	1.9%
OTHER INCOME	0.1%	0.1%

The following table outlines the value delivered by the company in the fiscal years 2024-25 and 2023-24, highlighting key financial performance metrics and the corresponding changes.

Value Distribution



Payments to Government

Rs. 105.6 Bn
(2023-24 Rs. 62.2 Bn)



Payments to providers of funds

Rs. 3.2 Bn
(2023-24 Rs. 2.6 Bn)



Community Investments

Rs. 109 Mn
(2023-24 Rs. 270 Mn)



Employee Wages and Benefits

Rs. 1.2 Bn
(2023-24 Rs. 1.2 Bn)

Rs. Mn	2024-25	2023-24	
Revenue	276,287	263,569	5% ↑
Finance Income	5,025	5,033	-0.2% ↓
Other Income	186	236	-21% ↓
	281,498	268,838	5% ↑
Operating Costs	162,320	190,277	-15% ↓
Employee Wages and Benefits	1,208	1,201	1% ↑
Payments to providers of funds	3,168	2,615	21% ↑
Payments to Government	105,638	62,233	70% ↑
Community Investments	109	270	-60% ↓
	272,443	256,596	6% ↑
Depreciation and Amortisation	568	427	33% ↑
Profit after dividend	8,486	11,815	-28% ↓

Revenue, Costs, and Profitability

Lanka IOC demonstrated stable financial performance in 2024-25, navigating cost and margin pressures while continuing to deliver strong topline growth. Despite a dynamic operating environment, the Company maintained its focus on strategic volume growth and disciplined cost control.

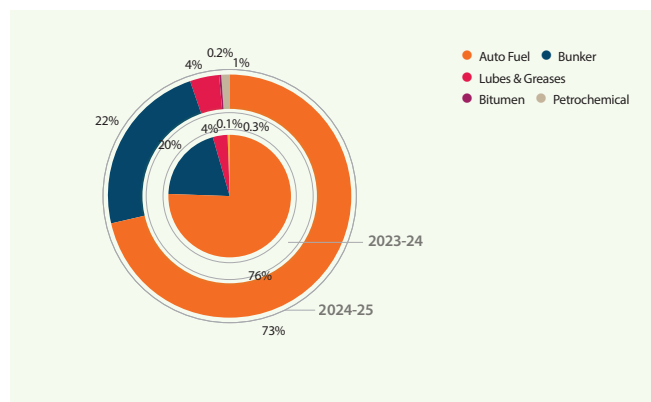
Revenue Performance

LIOC recorded a 5% revenue growth, reaching Rs. 276.29 Bn in 2024-25 compared to Rs. 263.57 Bn in 2023-24, despite the impact of auto fuel price revisions. The top line performance was underpinned by both core and diversified revenue streams, which helped cushion the effect of margin compression.

Auto Fuel remained the primary revenue driver, contributing Rs. 203.04 Bn (73% of total revenue). Although growth was modest at 1% YoY, it was supported by the Company's expanding retail footprint. Bunkering revenue rose by 15%, driven by increased vessel

movements at regional ports. Lubricants and Greases achieved 10% growth, reaching Rs. 10.98 Bn, bolstered by sustained market share gains. Bitumen sales declined by 38%, reflecting a temporary slowdown in road infrastructure development projects.

Petrochemical revenue surged over threefold with the successful launch of new grades under the PROPEL brand, demonstrating the strength of LIOC's diversification strategy.



(Rs.Mn)	2024-25	2023-24	% Δ
Auto fuel	203,043	200,116	1%
Bunker	60,414	52,417	15%
Lubes & greases	10,979	9,978	10%
Bitumen	463	748	-38%
Petrochemical	1,388	310	>100%
Total	276,287	263,569	5%

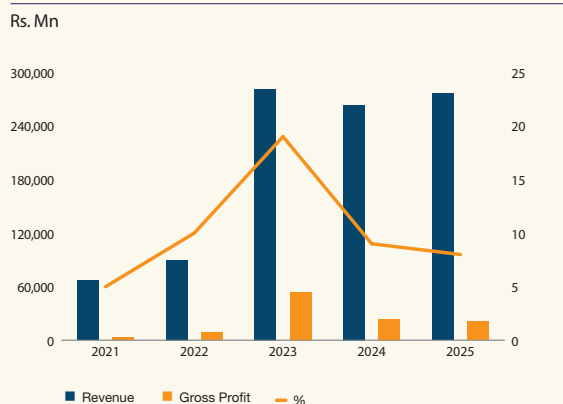
Gross Profit

Despite a 5% growth in revenue, gross profit declined by 12%, dropping to Rs. 21.02 Bn in 2024-25 from Rs. 24.02 Bn in the previous

year. The decline was primarily attributed to thinner margins in the Company's core and competitive segments.

Regulated retail pricing for petrol and diesel restricted the Company's ability to expand margins, despite increased sales volumes. This had a significant bearing on overall profitability, as the auto fuel segment contributes the lion's share of revenue. Bunkering and lubricant segments operated in an intensely competitive landscape, requiring price adjustments to retain market share, which in turn compressed margins. Although LIOC made inroads into new product categories such as petrochemicals, the overall product mix remained heavily skewed towards low-margin segments, limiting gross profit potential. While the top line expanded, gross profit margins were under pressure due to structural pricing controls and aggressive competition, particularly in high-volume segments.

Revenue Vs Gross Profits



(Rs.Mn)	2024-25	2023-24	%
Net sales	276,287	263,569	5%
Cost of sales	255,263	239,550	7%
Gross profit / (loss)	21,024	24,019	-12%

EBITDA Performance

LIOC reported EBITDA of Rs. 9.91 Bn for 2024-25, reflecting a 25% decline from Rs. 13.24 Bn in 2023-24. This decline was largely driven by margin compression in the auto fuel segment, despite positive volume trends and operational efficiencies.

Key contributing factors:

Lower gross margins, particularly from the auto fuel segment, continued to weigh down operating profits. The regulated pricing framework limited the Company's ability to pass on cost escalations to consumers. The bunkering, lubricants, and bitumen segments generated positive EBITDA, partially offsetting the margin erosion in the core retail segment. Administrative expenses were reduced by 18%, reflecting the impact of ongoing cost optimisation initiatives, including resource streamlining and process efficiencies. Distribution costs increased by 10%, in line with higher product volumes and logistical expansions undertaken to support the Company's wider retail footprint. The retail network expansion enabled LIOC to capture

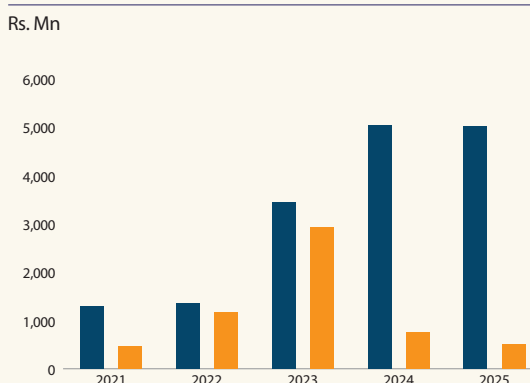
a 21% share in Sri Lanka's auto fuel market, enhancing volume throughput and reinforcing the Company's competitive positioning. Though profitability softened, the Company's focus on operational agility, market expansion, and diversified revenue streams provided resilience during a margin-sensitive year.

(Rs.Mn)	2024-25	2023-24	%
Net sales	276,287	263,569	5%
Cost of sales	(255,263)	(239,550)	7%
Gross profit / (loss)	21,024	24,019	-12%
Total other income	186	236	-21%
Overheads			
Administrative exp	(2,574)	(3,122)	-18%
Distribution cost	(8,723)	(7,896)	10%
EBITDA	9,913	13,237	-25%

Finance Income & Expenses

LIOC reported a net finance income of Rs. 4.52 Bn in 2024-25, marking a 5.7% increase compared to Rs. 4.27 Bn in 2023-24. This performance was shaped by efficient investment management.

Finance Income Vs Expenses



Finance Income

Total finance income stood at Rs. 4.96 Bn, a marginal decline of 1.6% from the previous year. The bulk of this income stemmed from short-term investments (STI), which yielded Rs. 4.76 Bn, remaining flat year-on-year. Other interest income declined by 30.6% to Rs. 194 Mn, reflecting the lower yield environment and more conservative risk positioning of investments. Despite the marginal fall in total income, improved treasury management practices and strong liquidity helped LIOC maintain a robust finance income base.

Finance Expenses

Finance expenses totalled Rs. 436 Mn, a significant decline of 42.5% compared to 2023-24.

This reduction was supported by: Relatively low interest expenses (Rs. 506 Mn), increasing by just 4.3% YoY. A substantial foreign exchange

gain of Rs. 70 Mn, compared to a loss of Rs. 274 Mn in the prior year, due to more favourable currency movements. As a result, net finance income improved, reinforcing LIOC's financial resilience.

Movement in Interest Rates & Exchange Rates

- ◆ The AWPLR declined to 8.39% in 2024-25, down from 11.11% in the previous year, driven by the central bank's monetary easing to stimulate economic recovery.
- ◆ Despite the rate reduction, LIOC successfully protected its interest income through proactive fund allocation and efficient investment strategies.
- ◆ The USD/Rs. exchange rate appreciated slightly, moving from Rs. 300.44 in 2023-24 to Rs. 296.34 in 2024-25. This favourable shift contributed to a foreign exchange gain, reversing the prior year's loss.

Income Tax Expense

LIOC recorded an income tax expense of Rs. 2.72 Bn in 2024-25, reflecting a decline of Rs. 0.42 Bn compared to Rs. 3.14 Bn in the previous year. The reduction in tax expense was mainly driven by the 19% drop in profit before tax, which stood at Rs. 13.86 Bn (2024-25) compared to Rs. 17.08 Bn (2023-24). The Company is liable to pay tax at the rate of 15% on business income and 30% on income from investments.

Net Profit

LIOC reported a net profit of Rs. 11.14 Bn in 2024-25, marking a 20% decline from Rs. 13.94 Bn in the previous year. The decrease in net profit was primarily due to the lower gross profit margin of the auto fuel segment — the Company's key profit contributor — as margins remained tightly regulated. Despite subdued consumer demand and intense price-based competition, the segment contributed positively to profitability, supported by improved market penetration and operational efficiencies.

- ◆ Delivered a strong contribution to the bottom line, driven by tactical pricing strategies and cost-optimised procurement, which helped maintain margins in a competitive environment.

Balance sheet strength

Total Assets

As at 31 March 2025, LIOC's total assets stood at Rs. 118.78 Bn, reflecting a 17% increase from Rs. 101.80 Bn in the previous year.

◆ Inventory build-up:

Inventories rose significantly to Rs. 43.74 Bn (from Rs. 26.30 Bn), as the Company strategically increased stock levels to ensure uninterrupted island-wide availability in response to its growing market share, which reached 21%.

◆ Bank deposits and investments:

A portion of the surplus liquidity was directed toward short-term investments, reinforcing LIOC's treasury management strategy.

◆ Capital expenditure:

The Company invested Rs. 0.83 Bn in revenue-generating assets, primarily targeting network infrastructure upgrades to support future scalability and improve service delivery.

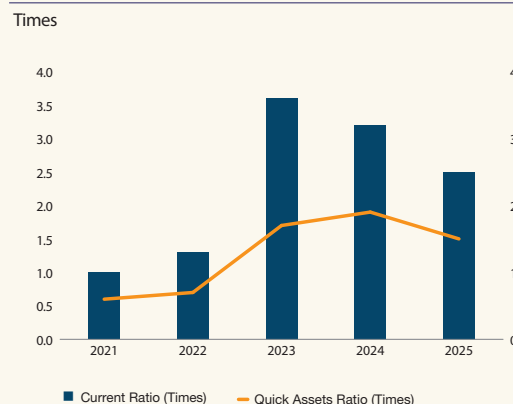
With a stronger emphasis on brand enhancement and customer experience, LIOC plans to continue investing in capacity expansion and infrastructure, aligning asset growth with long-term strategic goals.

Rs Mn	2025	2024
Non-Current Assets		
Property, Plant and Equipment	5,163	4,900
Financial Assets at FVTOCI	6,180	5,404
Intangible Assets	674	674
Right-of-use Assets	580	47
Financial Assets at Amortised Cost	165	163
Bank Deposits	15,403	-
	28,165	11,188
Current Assets		
Inventories	43,737	26,302
Trade Receivables	6,915	8,976
Financial Assets at Amortised Cost	7,848	9,386
Other Current Assets	670	738
Short Term Investments	29,520	38,929
Cash and Bank Balances	1,924	6,277
	90,614	90,608
Total Assets	118,779	101,796

Working Capital & Liquidity

As at 31 March 2025, LIOC maintained a strong liquidity position despite a decline in investments in working capital, reflecting proactive financial rebalancing in line with its operational strategy.

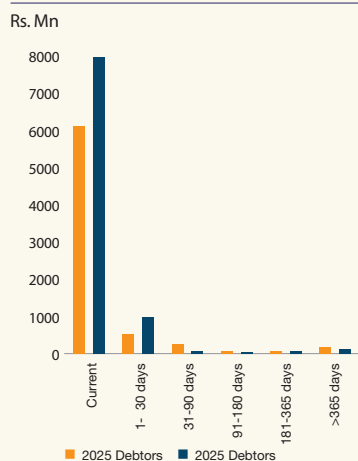
Liquidity Ratio



(Rs. Mn)	2024-25	2023-24	%
Current assets	90,614	90,608	0.0%
Current liabilities	35,549	28,221	26.0%
Working capital	55,065	62,386	-11.7%
Current ratio (times)	2.55	3.21	-20.6%
Quick ratio (times)	1.32	2.28	-42.1%

Working Capital stood at Rs. 55.07 Bn, down from Rs. 62.39 Bn in 2023-24, primarily due to a relative increase in current liabilities. Current Assets remained steady at Rs. 90.61 Bn, indicating a consistent asset base to support operations and inventory build-up. Current Liabilities rose to Rs. 35.55 Bn from Rs. 28.22 Bn, reflecting higher operational scale and procurement commitments.

Debtors Aging



Liquidity Ratios:

- o Current Ratio: 2.55 times (2023-24: 3.21 times)
- o Quick Ratio: 1.32 times (2023-24: 2.28 times)

Despite the decline, both ratios reflect a healthy liquidity cushion, reinforcing the Company's ability to meet short-term obligations.

The dip in liquidity ratios was largely a result of the Company's agile financial strategy, which supported business expansion by ensuring product availability island wide while balancing liquidity. With interest rates remaining low, LIOC reallocated part of its financial assets from short-term to long-term instruments to enhance returns. These strategies are continually reviewed to ensure they align with evolving market conditions and deliver optimal financial performance.

Debt and Capital Structure

As of 31 March 2025, LIOC's capital structure remained robust and equity-heavy, with 92% of total capital funded through shareholder equity and only 8% through short-term borrowings. This structure underscores the Company's prudent financial strategy and its low reliance on debt.

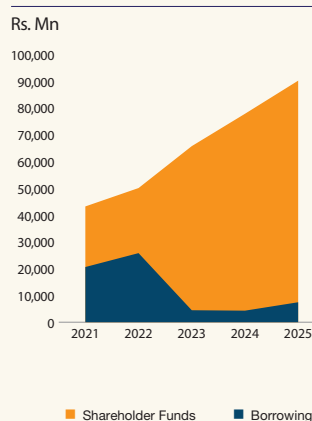
Net debt stood at Rs. 5.52 Bn, reflecting a continued net cash position despite an increase in borrowings from Rs. 4.31 Bn to Rs. 7.45 Bn. The decrease in cash and cash equivalents from Rs. 6.28 Bn to Rs. 1.92 Bn signals capital reallocation towards inventory buildup and network expansion.

The Company's healthy debt-to-equity ratio positions it well to absorb future liquidity requirements without significant leverage, thereby reinforcing financial flexibility and supporting sustainable growth.

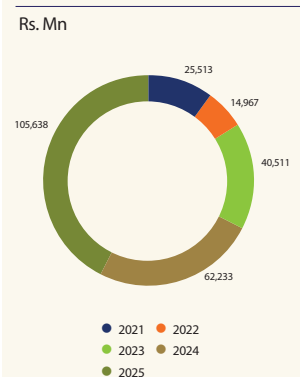
(Rs. Mn)	2024-25	%	2023-24	%
Capital Structure				
Equity	82,692	92%	73,470	94%
Debt	7,445	8%	4,307	6%
Total	90,137		77,777	

(Rs. Mn)	2024-25	2023-24
Short Term Solvency		
Cash and cash equivalents	1,924	6,277
Borrowings	(7,445)	(4,307)
Net debt	(5,521)	1,970

Borrowing Vs Shareholders Fund



Payments to Government



Shareholder Value Creation

In 2024-25, LIOC reinforced its commitment to shareholder returns despite facing margin pressures and earnings decline. The Company declared a dividend of Rs. 5.00 per share, the highest ever in its history—highlighting strong cash flow management and continued investor confidence.

The Company's stock performance remained resilient:

- ◆ The share price ended the year at Rs. 127, reflecting limited volatility and consistent investor interest.
- ◆ P/E ratio increased from 4.46 to 6.06 times, driven by reduced

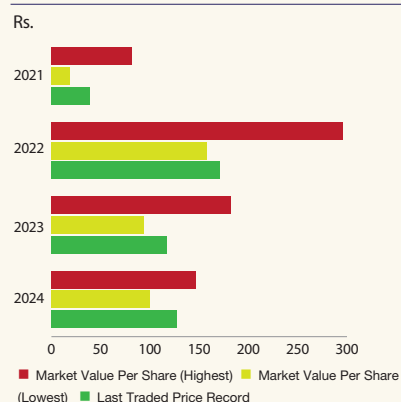
earnings but stable market sentiment.

- Price-to-book value decreased slightly to 0.82 times, suggesting a potential upside in market value with future performance improvements.

Despite a drop in earnings per share to Rs. 20.94, the net asset value per share rose to Rs. 155.30, signaling strong internal capital growth and prudent reinvestment of profits.

Looking ahead, LIOC plans to reinvest retained earnings into high-return assets and strategic expansion, aiming to enhance future profitability. The consistent dividend payout and growing book value further reinforce the Company's commitment to long-term shareholder value creation.

Share Price Movements



Share price movement

(Rs.)	2024-25	2023-24
Earnings per share	20.94	26.19
Net asset value per share	155.3	137.98
Market price per share	127	116.75
P/E ratio (times)	6.06	4.46
Price to book value (times)	0.82	0.85
Dividend per share paid	5	4

(Rs.)	2024-25	2023-24
Market value per share (highest)	147	182
Market value per share (lowest)	100	94
Last traded price record	127	117

Cash Flow Generation

During the year under review, LIOC experienced a notable shift in cash flow dynamics, moving from strong operating inflows in the previous year to a net outflow in 2024-25. This change reflects the Company's proactive investment in inventory and long-term assets to support its expanding operations.

Operating Activities:

LIOC recorded a net operating cash outflow of Rs. 2.92 Bn in 2024-25, a sharp contrast to the inflow of Rs. 16.69 Bn in the previous year. This shift was primarily driven by an inventory build-up of Rs. 17.75 Bn to support the Company's growing market share and ensure product availability across the island.

Investing Activities:

The Company reported a net investment cash outflow of Rs. 1.84 Bn in 2024-25, a significant improvement from the Rs. 14.18 Bn outflow in the previous year, reflecting a more strategic and measured allocation towards long-term investments.

Financing Activities:

The Company recorded a net financing cash inflow of Rs. 405 Mn in 2024-25, reversing the Rs. 2.22 Bn outflow in the previous year, driven by timely borrowings secured at favourable interest rates amidst a softening interest rate environment.

Overall, the Company's cash and cash equivalents decreased by Rs. 4.35 Bn, underscoring a conscious financial strategy to balance liquidity and long-term value creation.

Cash and liquidity (Rs.Mn)	2024-25	2023-24	%
Cash flows from operations	-2,920	16,691	-117.5%
Cash flow from investment	-1,839	-14,185	-87.0%
Cash flow from financing	405	-2,219	-118.3%

Future Plan

Infrastructure Investment

Lanka IOC plans to continue investing in infrastructure upgrades, focusing on expanding its network and enhancing service delivery.

Diversification of Revenue Streams

To reduce dependence on low-margin segments, LIOC aims to further diversify its product portfolio, particularly in petrochemicals and other high-growth sectors.

Cost Optimization and Efficiency

LIOC will focus on further cost optimization initiatives, streamlining operations and managing overheads efficiently.

Liquidity Management

Proactive liquidity management will remain a priority, with surplus funds allocated to short-term investments and bank deposits.

Contribution to Financial Capital

Supports scalability and align with long-term strategic goals, contributing to future revenue generation and profitability.

Bolster revenue growth and improve overall profitability.

Improve margins, protect profitability, and enhance the financial sustainability of the business.

Ensure financial flexibility and enable the company to capitalize on growth opportunities while maintaining a strong balance sheet.

MANUFACTURED CAPITAL



Lanka IOC’s manufactured capital forms the backbone of our operations, enabling seamless energy distribution and customer service across Sri Lanka. Strategic investments in infrastructure, automation, and sustainability drive long-term value creation.

Value Delivered			9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS
15 Storage Tanks	267 Retail Outlets	Rs. 832 Mn For Revenue Generating Assets			
05 products launched	05 products planned	100% product availability			

Retail Network

We continue to strengthen our retail footprint with a focus on network expansion, modernization, and customer convenience.

PERFORMANCE HIGHLIGHTS

267 active retail outlets across Sri Lanka, with 107 company-owned retail outlets

- Strengthened our national retail footprint, ensuring fuel availability across urban and rural regions.

15 new retail outlets commissioned during the year, expanding reach into underserved areas

- Strategic expansion into locations with growing demand, improving customer accessibility.

6 outlets revamped under new Retail Visual Identity (RVI) branding

- Delivered a refreshed, premium forecourt experience with upgraded aesthetics and customer-centric designs.

250 dispensing units replaced with new automated, customer-friendly models

- Enhanced fueling accuracy, transaction transparency, and customer satisfaction through upgraded dispensing technology.

Introduced dynamic QR-based POS machines for seamless digital payments

- Enabled faster, secure, and cashless transactions, supporting the national push for digital transformation.

66 Main Sign Poles and 31 retail outlets upgraded with LED lighting for better visibility and branding

- Improved brand presence and nighttime safety standards through modern, energy-efficient installations.

Nearly 150 retail outlets operating 24/7, enhancing accessibility and convenience

- Extended service hours to meet the growing mobility needs of customers across Sri Lanka.

Terminals & Storage Infrastructure

Our terminals at Trincomalee and Colombo ensure reliable fuel storage and distribution, supported by continuous upgrades to meet operational demands.

PERFORMANCE HIGHLIGHTS – TRINCOMALEE TERMINAL

Installation of a major new firefighting system for enhanced safety

- Implemented a comprehensive firefighting infrastructure to protect terminal assets, improve emergency response, and ensure regulatory compliance.

Construction of driver restrooms to enhance terminal working conditions

- Built rest and sanitation facilities for tanker drivers to improve occupational health, welfare, and safety standards at the terminal.

Replacement of old jetty pipelines to improve fuel transfer operations

- Upgraded aging infrastructure to strengthen operational efficiency, reduce transfer losses, and enhance environmental safety during marine loading and unloading.

Ongoing development of High Sulphur Fuel Oil (HSFO) storage facility

- Initiated infrastructure projects to facilitate HSFO storage and future bunkering operations, tapping into new marine fuel markets.

Development of dedicated XP-100 petrol storage and loading facility

- Established specialized storage and loading facilities to support the premium XP-100 petrol product, enabling safe, efficient handling of high-octane fuels.

Enhanced Fire and Power Safety Infrastructure

- Provision of foam pourers, inductors, and water sprinklers at POL tanks to bolster fire safety, alongside the installation of a new 1000 KVA DG set with upgraded DG room infrastructure to ensure reliable power backup.



PERFORMANCE HIGHLIGHTS – TRINCO TERMINAL

Improved Loading Infrastructure

- ◆ New loading point added for LAD TLF shed with upgraded pipeline connectivity.

Upper Tank Farm (UTF) expansion planned to enhance future storage capacity

- ◆ Planning refurbishment and operationalization of UTF tanks at Trincomalee to substantially increase storage reserves, supporting long-term supply security and business growth.

Bunkering Infrastructure

Our bunkering facilities have been upgraded to support larger orders and drive higher operational efficiencies at Sri Lankan ports.

PERFORMANCE HIGHLIGHTS

Deployment of a new 2,800 MT capacity barge at Trincomalee

- ◆ Commissioned a higher-capacity barge to cater to large-scale bunker fuel orders, expanding our service capability and improving turnaround time.

Introduction of trigger pricing model to secure better margins

- ◆ Implemented a dynamic pricing strategy that leverages real-time market trends to procure cargo more competitively and boost profitability.

Increased barge loading flow rate from ~260 KL/hr to 500 KL/hr

- ◆ Doubled the pumping rate for fuel transfer, significantly enhancing loading speed and operational productivity.

Planning for HSFO bunkering services at both Colombo and Trincomalee

- ◆ Infrastructure underway to introduce High Sulphur Fuel Oil services, enabling entry into niche marine fuel segments and supporting fleet diversity.

Solarization & Sustainability Initiatives

Our solar infrastructure contributed over Rs. 100 Mn in non-fuel revenue with a 55% YoY growth, as we continue advancing renewable integration to support environmental goals and diversify income streams.

PERFORMANCE HIGHLIGHTS

Solarised 85 company-owned retail outlets, achieving an installed capacity of 1910 kW

- ◆ Expanded solar coverage across retail outlets, reducing dependence on grid electricity and promoting green energy adoption.

Generated Rs. 104 Mn from solar revenue as of February 2025

- ◆ Achieved significant non-fuel revenue through solar energy generation and supply back to the national grid.

Additional 1,000 kW solar expansion planned for the coming year

- ◆ Targeting further solar plant installations to enhance sustainability performance and cost-efficiency.

Solar energy helping reduce operational costs and environmental footprint

- ◆ Lowered overall energy expenses while supporting Lanka IOC's environmental stewardship commitments.

Automation & Digitalization

Investments in automation and digital technologies have enhanced customer convenience, operational efficiency, and real-time monitoring. As of FY2024–25, 36 outlets are fully automated with backend integration, while AI-based grievance redressal and SOP monitoring tools have strengthened service consistency and compliance.

PERFORMANCE HIGHLIGHTS

Installed dynamic QR-enabled POS machines across retail outlets to promote digital payments

- Rolled out smart payment solutions, enhancing customer experience and supporting cashless transactions nationwide.

Increased retail outlet automation: remote price setting, real-time monitoring, improved transaction tracking

- Enabled centralized control and instant transaction visibility, improving operational transparency and responsiveness.

All new dispensing units compatible with full automation and loyalty program integration

- Future-proofed the retail network by deploying advanced systems compatible with loyalty programs and customer engagement tools.

Target to fully automate all retail outlets within the next few years

- Committed to achieving 100% automation across the retail network to boost efficiency, reduce manual errors, and deliver superior service quality.

Future Plan		Contribution to Manufactured Capital
Retail Network Expansion	Expansion into rural and underserved locations to improve fuel accessibility and customer convenience across Sri Lanka.	Increases physical asset footprint and enhances national fuel distribution reach
Solarisation Expansion	Further solar installation is planned to add 1,000 kW of renewable energy capacity across additional outlets.	Adds renewable energy capacity, lowering operating costs and improving energy sustainability
Retail Outlet Modernization	Refurbishment of 30+ outlet canopies , improving structural integrity, safety, and aesthetics, particularly for coastal locations.	Improves asset safety, lifespan, and customer experience through physical upgrades
Terminal Upgrades – Colombo & Trincomalee	Addressing storage constraints at Colombo Terminal through active engagement with stakeholders. Ongoing development of High Sulphur Fuel Oil (HSFO) storage facility at Trincomalee to support bunkering growth. Planned modernization and operationalization of Upper Tank Farm (UTF) tanks to boost national fuel storage capacity. Continued investment in critical terminal infrastructure to improve resilience and emergency readiness	Strengthens storage, transfer efficiency, and long-term operational resilience
Eco-Friendly Fuel Initiatives	Launch of Xtra Green Diesel and expansion of eco-friendly fuel options, supporting the national push for cleaner energy.	Upgrades infrastructure to support advanced fuels, ensuring long-term asset relevance
EV Charging Infrastructure	Introduction of Electric Vehicle (EV) charging stations at selected Lanka IOC retail outlets to cater to evolving mobility needs. (EV chargers operational at 5 outlets, with more planned)	Prepares outlets for future mobility trends, increasing infrastructure utility
Bunkering Operations Expansion	Launch of HSFO bunkering services at both Colombo and Trincomalee to tap into new marine fuel market segments.	Enhances marine infrastructure capacity, supporting revenue diversification and port asset utilization
Digital and Customer Engagement	Strengthening digital engagement through enhanced loyalty programs, customer apps, social media campaigns, and dynamic POS upgrades.	Digitizes retail infrastructure, enabling automation, loyalty programs, and seamless transactions

INTELLECTUAL CAPITAL



Lanka IOC's intellectual capital is driven by innovation, technology, process excellence, and the trusted strength of the Indian Oil brand. We continue to invest in smart systems, greener energy solutions, and strategic collaborations to build competitive advantage, strengthen service delivery, and power future growth.

Value Delivered

**Ranked 8th in
LMD 100 companies**

ISO certified processes

Silver Award in TAGS Award under power and Energy - 2024

CMA Excellence in Best integrated Report- 2024 Energy Sector



Brand Strength and Recognition

Lanka IOC enjoys strong loyalty and trust from a diverse customer base across Sri Lanka. Amongst local and foreign competitors, the brand is distinguished for its superior product quality and service reliability.

As a subsidiary of IndianOil, one of Asia's most valuable brands, Lanka IOC combines global credibility with impactful local brand-building initiatives.

Revamped Retail Identity (RVI):

- Updated the visual appearance of multiple retail outlets with modern orange-blue design elements, LED lighting, and premium signage
- creating a uniform, high-quality customer experience at the forecourt level.

Mass-Media Advertising Campaigns:

- Rolled out Above-The-Line (ATL) promotions across cinemas, radio, and sports sponsorships to increase brand visibility, especially among younger and rural audiences.

Digital Outreach & Social Media Engagement:

- Strengthened presence on Facebook and Instagram, now reaching over 65,000 followers, used actively to promote new offerings, campaigns, and customer interaction.

Strategic Online Expansion:

- Partnered with Daraz to make SERVO lubricants accessible via e-commerce, enhancing reach to digital-first consumers.

Institutional Trust:

- Strengthened brand reputation through successful bids and fulfillment in high-stakes government and institutional tenders.

Pioneering Industry Milestones:

- First to launch Sri Lanka's only 100-octane XP-100 petrol and establish the country's first all-women operated retail outlet, showcasing leadership in innovation and gender inclusion.

Knowledge and Experience

Lanka IOC's operational strength is built on the deep, experience-driven knowledge of its people. Years of hands-on expertise in retailing, terminal operations, and customer service enable seamless execution and quick, practical decision-making across the organisation.

Key practices that nurture and retain this institutional knowledge include:

On-the-Job Learning

- Regular on-site engagement and hands-on mentoring between senior and junior staff help transfer practical knowledge and reinforce service and safety standards.

Structured Oversight

- Monthly inspections and safety drills across outlets and terminals ensure operational consistency and embed routine-based learning.

Real-Time Communication

- WhatsApp-based communication loops connect pump attendants, field officers, and management - enabling rapid updates, price changes, and real-time issue resolution.

Standardised Training Modules

- Training programs developed by IndianOil are localised for the Sri Lankan context, covering safety, customer handling, and technical aspects of retail and terminal operations.

Informal Knowledge Sharing

- Much of the problem-solving and service quality is supported by peer-to-peer guidance and experience-based learning in areas like emergency response, equipment use, and customer service.

Innovation in Products and Services

We are continuously enhancing our offerings to meet evolving energy and mobility needs in Sri Lanka:

XP-100 Premium Petrol

- Launched Sri Lanka's first 100-octane petrol for high-performance vehicles, making the country one of only seven globally to offer this advanced fuel grade.

Xtra Green Diesel

- Introduced a more environmentally friendly diesel variant aimed at reducing emissions and supporting cleaner transport solutions.

Enhanced Non-Fuel Services

- Expanded customer offerings at outlets with value-added services like cafés, supermarkets, ATMs, and service stations - improving convenience and engagement.

Sustainability-Driven Innovation

Lanka IOC integrates sustainability into infrastructure and energy solutions, supporting long-term environmental goals and operational resilience.

Solarized Retail Network

- Solarised 85 company-owned retail outlets with a total installed capacity of 1,910 kW, generating over Rs. 100 Mn in non-fuel revenue while lowering the carbon footprint.

EV Charging Infrastructure

- Plans underway to introduce EV charging stations at key retail outlets, supporting Sri Lanka's low-carbon mobility transition.

HSFO Bunkering Development

- Upgrading infrastructure at Trincomalee and Colombo to reintroduce High Sulphur Fuel Oil (HSFO) services, targeting niche marine energy segments with regulatory compliance.

Digital Transformation

Digitalisation continues to enhance operational efficiency, transparency, and customer convenience across Lanka IOC's retail network.

Smart POS Systems

- Rolled out dynamic QR-enabled POS machines that support mobile wallet payments, card transactions, and instant invoicing for a seamless customer experience.

Retail Outlet Automation

- Automated 36 retail outlets with backend-enabled price control and transaction tracking, with a long-term goal to fully automate the retail network.

Structured Oversight

- Replaced 250 dispensing units with smart models featuring LED displays, memory functions, and system integration - improving speed, accuracy, and trust.

AI-based grievance redressal and SOP monitoring tools

- Piloted AI tools for monitoring SOP adherence and handling customer grievances - improving transparency, consistency, and turnaround time.

Social Media Presence



Follower
base

71k



Follower
base

944



Follower
base

2.6k

Strategic Partnerships & Collaborations

Lanka IOC actively partners with industry stakeholders, technology providers, and financial institutions to drive innovation, expand capabilities, and contribute to sector-wide growth.

Loyalty & Digital Engagement

- Collaborated with FuelBack (via dealers) to pilot a loyalty program — laying the groundwork for a proprietary Lanka IOC rewards platform. Launched a DFCC co-branded loyalty card to further enhance customer retention and engagement.

Industry Engagement

- Lanka IOC is an active member of leading trade bodies including
- The Ceylon Chamber of Commerce
- National Chamber of Commerce
- Indo-Lanka Chamber of Commerce Industry
- Sri Lanka Institute of Directors.

Banking Partnerships

- Partnered with Sampath Bank and Dialog to enable seamless billing, VAT-compliant invoicing, and improved customer transaction experiences.

Awards and Accolades

Lanka IOC has consistently demonstrated its commitment to transparency and best practices. The Company's efforts have been recognized multiple times, underscoring its dedication to sustainability and stakeholder engagement.

Future Plan		Contribution to Intellectual Capital
Full-Retail Automation	Plans are in motion to automate all retail outlets, building on the foundation of 36 currently automated retail outlets.	Enhances system-driven efficiency, process standardization, and digitized knowledge capture across the network.
Fuel Innovation Pipeline	The product portfolio will be expanded to include more sustainable and high-performance fuels such as Xtra Green Diesel and future low-emission alternatives.	Encourages R&D, improves technical knowledge on cleaner energy products, and strengthens the brand's innovation edge.
Tech Partnerships for Clean Mobility	Lanka IOC aims to collaborate with tech and energy partners to introduce EV charging infrastructure and green fuel solutions.	Builds strategic know-how, encourages cross-sector learning, and drives capability in emerging technologies.
AI-Driven Customer Insights	Planned integration of feedback loops and AI analytics will enable smarter, personalized customer engagement strategies.	Leverages data as an intangible asset, strengthening customer intelligence and digital marketing expertise.



HUMAN CAPITAL



Lanka IOC places high value on its human capital as the foundation of service excellence and sustainable growth. The Company’s human capital management is driven by a comprehensive set of HR policies and procedures aligned with best practices in the industry. These frameworks promote inclusive employment in a workplace that upholds dignity, mutual respect, and employee well-being.

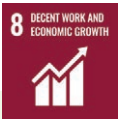
Value Delivered

Rs. 1,581 Mn
Value addition per Employee

Rs. 1.21 Bn
Salaries ang Wadges

33
Promotions

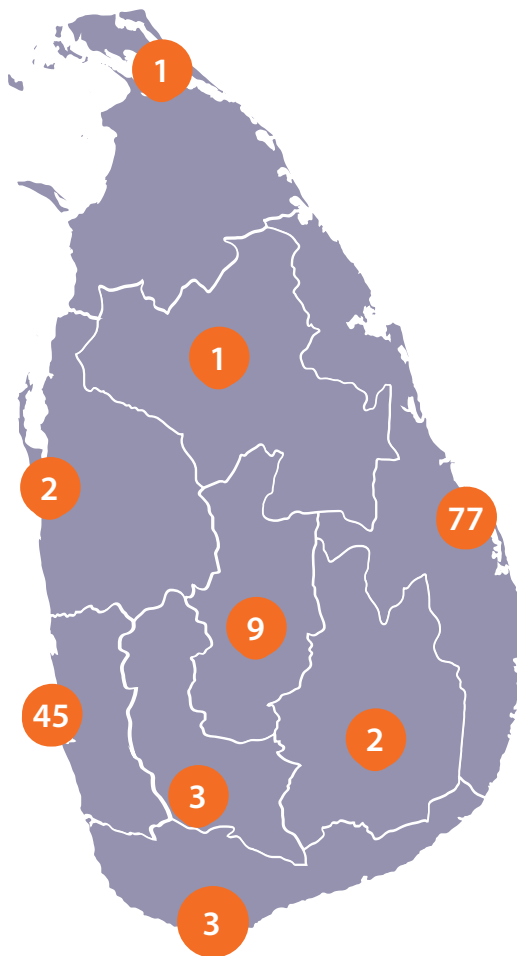
861
Training Hours



Regions	
Western	45
Southern	3
Northwestern	3
Central	9
Sabaragamuwa	2
Northern	1
Eastern	77
North Central	1
Uva	2
Expats	9
Total Employees	152

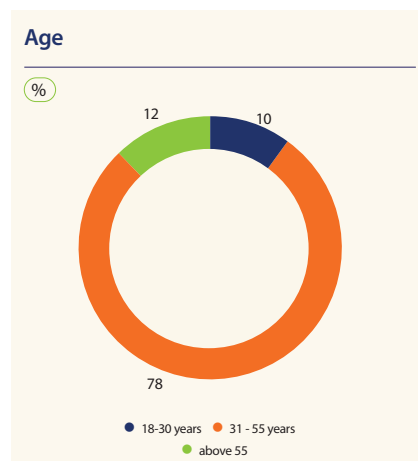
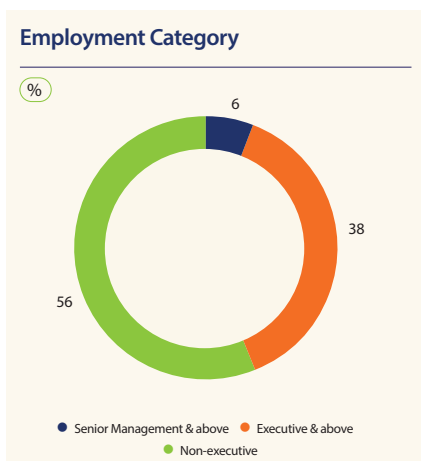
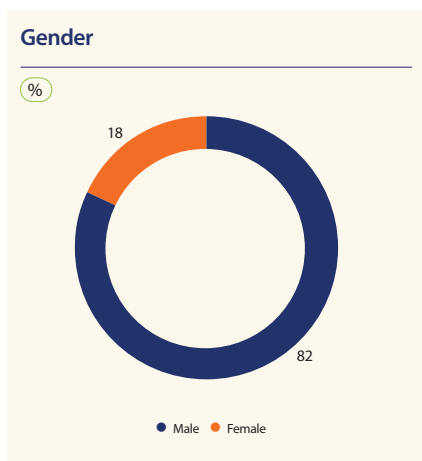
All employees are on permanent contracts, reflecting our commitment to stable, long-term employment. With 65% of staff and senior management hired from outside the Western Province, we actively support regional development and island-wide job creation.

The leadership team also includes 9 expatriates in senior management roles, bringing international expertise and cross-border industry insights to the organisation.



We are proud of our diverse, skilled, and inclusive workforce that drives operational excellence across the country.

The following charts highlight the composition of our team by gender, role, and age.



78 Human Capital

Staff movement during the year



Promotions



Retirements



Recruited



Resigned

Remuneration, Recognition and Rewards

Lanka IOC offers competitive, performance-linked remuneration aligned with industry standards. All employees are on permanent contracts and receive both fixed and variable pay based on clearly defined KPIs.

Benefits provided:

Guaranteed Compensation

- Guaranteed pay and allowances
- Fuel allowance
- Payment for unutilised annual and medical leave
- APIT tax borne by the Company

Reimbursements and Expense Support

- Cost of mobile handsets
- Unlimited medical reimbursement
- Reimbursement of spectacle expenses
- Meal and laundry allowances

Medical and Health Support

- In-house doctor and free medicine at Trincomalee
- Life insurance and disability cover
- Insurance for permanent and partial disability

Retirement and Social Security

- EPF/ETF contributions and statutory gratuity
- Additional gratuity through the Thrift Society
- Death benefit of Rs. 2 Mn
- Accidental death cover of Rs. 4 Mn

Welfare and Family Support

- Office transport facility
- Uniform provision
- Residences for employees and families (Trincomalee)
- Buses operated for employees' children
- Scholarships for children of employees
- Support for higher education with cash rewards

Employee Engagement & Recognition

- Long service awards
- Sports club membership
- Hotel stays for employees and their families
- Active employee welfare initiatives

In addition to statutory entitlements, we provide a range of benefits that support wellbeing, career growth, and work-life balance.

We also recognise excellence through structured promotions and ongoing appreciation, fostering a culture of merit and motivation.



Women's day Celebration

As part of our continued commitment to fostering an inclusive, respectful, and empowering workplace culture, Lanka IOC PLC proudly celebrated International Women's Day 2025 with a meaningful program that recognized the strength, resilience, and achievements of the women within our organization and beyond.

This year's event was graced by a distinguished guest, Mrs. Tanuja Jha, the esteemed spouse of His Excellency Mr. Santosh Jha, High Commissioner of India to Sri Lanka, who attended as the Chief Guest. Her presence added immense value to the occasion, and her thoughtful address inspired all attendees with a heartfelt message centered on the vital role women play within the family and society. She eloquently spoke about the delicate balance women maintain in managing professional responsibilities while nurturing their families, highlighting the strength, compassion, and resilience that define womanhood.

The celebration featured an engaging lineup of activities including motivational talks, staff recognitions. Our Women's Day program continues to be a cornerstone of our diversity and inclusion efforts, serving as a powerful reminder of our collective responsibility to uplift and support women at every level of the organization

Performance Management

Lanka IOC promotes a high-performance culture through a combination of structured appraisals and ongoing field-level assessments. The aim is to ensure transparency, continuous feedback, and alignment with business objectives.

Annual Performance Appraisals

- Conducted based on KPIs to ensure fair evaluations, recognize achievements, and identify development needs.

Employee Development

- Appraisals facilitate constructive feedback, career planning, and training identification, helping employees reach their potential.

Field-Level Assessments

- Monthly inspections by field officers strengthen accountability and drive consistent performance, especially in retail operations.

Real-Time Communication

- WhatsApp groups enable instant updates, issue resolution, and ongoing dialogue between attendants and management.

Training and Development

Recognizing the dynamic nature of the energy sector, Lanka IOC places strong emphasis on upskilling and reskilling its workforce. Through a blend of structured programmes and on-the-ground mentoring, we aim to equip employees with the knowledge, skills, and mindset needed to support operational excellence and long-term career growth.

Structured Learning Programmes

- Conducted based on KPIs to ensure fair evaluations, recognize achievements, and identify development needs.

On-the-Job Mentoring

- Regular site visits by field officers double as coaching opportunities, reinforcing safety practices, customer service, and regulatory compliance.

Focus on Safety and Service Quality

- Training initiatives prioritise safe fuel handling, service standards, and technical knowledge, supporting consistent and high-quality service delivery.

Commitment to Lifelong Learning

- Ongoing investment in training promotes a culture of continuous improvement, employee engagement, and alignment with the Company's strategic goals.

Occupational Health, Safety, and Well-being

Lanka IOC remains committed to creating a safe, healthy, and supportive work environment. Our approach covers physical safety, mental wellness, and overall employee

Retail and Terminal Safety Measures

- Conducted based on KPIs to ensure fair evaluations, recognize achievements, and identify development needs. well-being, enabling staff to thrive both personally and professionally.

Workplace Safety Culture

- We maintain a zero-incident goal, supported by robust safety infrastructure, regular fire and rescue training, and weekly safety committee meetings that foster transparency and continuous improvement.

Employee Health and Medical Care

- All permanent employees receive medical insurance, annual health checks, and access to affordable healthcare. Fortnightly wellness sessions by a doctor offer advice on general well-being and self-care practices.

Mental and Financial Well-being

- Mental wellness is supported through awareness sessions and external expert engagement. Financial security is ensured through competitive salaries, performance-based bonuses, and a continued commitment to zero gender-based pay disparities.



Company Day 2024 - Long service award

80 Human Capital

All health and safety incidents, including near misses, are systematically recorded to enable corrective action and support continuous learning.

Employee safety record 2024-25	
Workplace related accidents and incidents	NIL
Workplace related fatalities	NIL
No. of lost workdays due to workplace related injuries	NIL

Ethical Employment and Workplace Rights

Lanka IOC upholds the highest standards of ethical conduct, inclusivity, and legal compliance in all employment practices.

<p>Anti-Corruption</p> <ul style="list-style-type: none">◆ Policies outlined in the Conduct, Discipline and Appeal Rules strictly prohibit theft, fraud, bribery, and any form of dishonesty.	<p>Freedom of Association</p> <ul style="list-style-type: none">◆ Around 35% of employees are unionised, and we maintain open dialogue with trade unions. A minimum one-month notice is provided for significant operational changes.
<p>Child and Forced Labour</p> <ul style="list-style-type: none">◆ We maintain a zero-tolerance approach to child labour and do not engage in any form of forced or compulsory labour. All employees and attendants are age-verified and covered by formal employment agreements.	<p>Diversity and Inclusion</p> <ul style="list-style-type: none">◆ We foster a culture that values diversity and ensures equal opportunities regardless of gender, age, ethnicity, or ability. Efforts are ongoing to support women and persons with disabilities in the workforce. No discrimination incidents were reported during the year.
<p>Gender Parity</p> <ul style="list-style-type: none">◆ Lanka IOC actively supports gender equity through initiatives like Sri Lanka’s first fully female-operated retail outlet and company-wide Women’s Day celebrations, aimed at empowering women in the workforce.	

Employee Engagement and Wellbeing

We foster a culture of belonging and joy through celebrations, bonding, and welfare support.

<p>Company-Wide Celebrations</p> <p>Employees participated in</p> <ul style="list-style-type: none">◆ Annual picnic,◆ Traditional Avurudu festivities◆ Christmas gatherings◆ Recreational outings such as water park visits	<p>Volunteering and Community Participation</p> <p>Employees engaged in</p> <ul style="list-style-type: none">◆ Beach Cleanup◆ Blood Donation Drive◆ Dansala / Company Day / Sports Day / New Year Celebration
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Future Plan		Contribution to Human Capital
Enhanced Digital Training Platforms	We plan to expand digital learning tools for employees at all levels, enabling flexible and continuous skill development.	By giving employees access to on-demand training, it improves their productivity, adaptability, and career progression.
Leadership Development Programmes	Specialised initiatives will be introduced to identify and groom future leaders from within the organisation.	Investing in future leaders ensures talent pipeline continuity and promotes internal mobility, preserving institutional knowledge and strengthening succession planning.
Diversity and Inclusion Roadmap	We will roll out structured efforts to enhance diversity in hiring and workplace practices, with a focus on gender balance and accessibility.	Encouraging diversity enriches the workplace with varied perspectives and skills, leading to better collaboration, innovation, and employee retention, while reinforcing equitable human capital practices.
Employee Wellbeing Enhancements	New wellness programmes will focus on mental health, stress management, and lifestyle support, building on our current healthcare efforts.	

SOCIAL AND RELATIONSHIP CAPITAL



At Lanka IOC, our relationships are built on trust, long-term value, and mutual growth. By engaging transparently with our stakeholders - including customers, suppliers, community groups, and channel partners - we ensure sustainable progress, social impact, and customer satisfaction across Sri Lanka.

Value Delivered

600+

Touch points across the island

**Higher trust and
loyalty**



**Reliable supply
chain**

**Social upliftment &
healthcare support**

Rs. 109 Mn
spent on CSR projects

82 Social and Relationship Capital



Customers

Guided by our unwavering focus on 'customer centricity', we are committed to offering superior products and services that consistently meet the evolving needs of our customers. By continuously refining our approach, we have introduced a variety of initiatives designed to enhance our value proposition, ensuring that we remain a trusted partner in delivering exceptional experiences and lasting value.

Customer Convenience and Digital Enablement

We foster a culture of belonging and joy through celebrations, bonding, and welfare support.

<p>Dialog Touch Cards</p> <ul style="list-style-type: none">Introduced the Dialog Touch Card for corporate customers - enabling fast, secure, contactless payments with real-time alerts. Accepted at retail outlets.	<p>QR-enabled POS terminals</p> <ul style="list-style-type: none">Deployed QR-enabled POS terminals, allowing seamless mobile wallet and card payments across the retail network.
<p>Sampath Bank Collaboration</p> <ul style="list-style-type: none">Expanded collaboration with Sampath Bank to enable VAT-compliant digital billing at fuel stations.	<p>Eco-Friendly Product Offering</p> <ul style="list-style-type: none">Partnered with Spectrum Trading and Stafford Motors to supply co-branded SERVO eco PLUS - an eco-friendly, long-life lubricant - available at retail outlets for all customer segments.
<p>DFCC Collaboration</p> <ul style="list-style-type: none">The LIOC Affinity MasterCard continued to offer customers a smarter way to save while fueling up. Available across all LIOC retail outlets island-wide, the card currently offers 3% cashback (up to Rs. 1,500 per statement cycle) on fuel, lubricants, and other products.	

Enhanced Network and Access

<p>Network Expansion</p> <ul style="list-style-type: none">Commissioned 15 new retail outlets across Sri Lanka in FY24-25, with a focus on underserved and rural regions, improving last-mile fuel accessibility and customer convenience.	<p>QR-enabled POS terminals</p> <ul style="list-style-type: none">Nearly 50 retail outlets now operate 24/7, ensuring customers have uninterrupted access to fuel and essential services at any time of day, across key locations.
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Transparent Pricing and Strategic Partnerships

Lanka IOC integrates sustainability into infrastructure and energy solutions, supporting long-term environmental goals and operational resilience.

Smart Pricing Mechanism

- Continued the use of trigger pricing in the bunkering segment, enabling dynamic and competitive fuel pricing aligned with real-time market trends.

Innovative Fuel Offerings

- XP-100 has been Launched and steps has been taken to commence ExtraGreen Diesel, catering to high-performance and environmentally conscious consumers, reinforcing Lanka IOC's product leadership.

Loyalty Pilot Program

- Partnered with FuelBack (via dealers) to pilot a digital customer loyalty program, laying the foundation for a broader, Lanka IOC-branded rewards initiative.

Product Safety and Complaint Handling

Lanka IOC integrates sustainability into infrastructure and energy solutions, supporting long-term environmental goals and operational resilience.

Transparent Transactions

- All dispensing units are equipped with memory-based transaction logs, allowing swift resolution of billing-related complaints and enhancing customer trust.

Proactive Feedback Management

- Multiple customer feedback channels - including WhatsApp, hotline numbers, and social media - ensure issues are addressed quickly and efficiently.

Frontline Training & Excellence

- Pump attendants receive regular training in safety, fuel handling, and customer service, reinforcing service quality and operational discipline.

Suppliers

Lanka IOC fosters resilient supplier partnerships built on transparency, ethical sourcing, and long-term mutual growth.

Category	Key Suppliers	Procurement Process
Petroleum Products	- Indian Oil Corporation Ltd (IOC), India - Other global oil suppliers - Regional market intermediaries	Sourced through a global tendering process, aligned with Board-approved procurement policies. All transactions, including those with IOC, are conducted at arm's length under commercial terms with no preferential treatment.
Lube Base Oils & Additives	- IOC, India - Other overseas suppliers	Governed by the same transparent process as petroleum products, ensuring technical quality and compliance with internal standards.
Packaging Materials	- Local established suppliers	Selected based on technical capability and manufacturing capacity to meet Lanka IOC's packaging specifications for labels, cartons, containers, and stickers.

Ethical and Sustainable Procurement

Responsible Vendor Selection

- We engage only with compliant and licensed suppliers, especially in sensitive areas like used oil recycling and e-waste disposal, ensuring environmental and regulatory integrity.

Regular Supplier Evaluation

- Our suppliers undergo routine assessments on quality, safety, and adherence to CEA and MEPA standards, ensuring consistent performance and sustainable sourcing.

Supply Chain Resilience

Community

We uphold a strong social license to operate by embedding social responsibility into the core of our operations. Through strategic CSR initiatives, inclusive hiring practices, and sustained community engagement, Lanka IOC actively contributes to the well-being of society.

Uninterrupted Supply Chain

- Ensured reliable availability of bunker fuels, lubricants, and petrochemicals, effectively navigating global market disruptions and volatility.

Infrastructure for Resilience

- Upgraded barge capacity and terminal facilities, strengthening our logistical backbone and securing consistent supply across all operations.

CSR and Welfare Initiatives

Strategic Social Investment

- Rs. 109 Mn spent on CSR programs during 2024–25, addressing healthcare, education, and disaster relief across Sri Lanka.

Support to Vulnerable Groups

- Distributed dry rations, wheelchairs, white canes, and learning materials to marginalized communities and institutions in need.

Healthcare Impact

- Donated 11 dialysis machines to public hospitals this year (total now at 21), strengthening the island's critical care capacity.

Grassroots Engagement

- Employees actively engaged in blood donation drives, dansal for the public, and beach clean-up campaigns, reinforcing social commitment.



Environmental Awareness

Green Community Initiatives

- 500+ trees were planted at Trincomalee Terminal during World Environment Day, with community participation.

Community-Centric Employment

Regional Inclusion

- 70% of Lanka IOC staff are recruited from outside the Western Province, fostering inclusive economic development.

Women in Operations

- Female-led retail outlets were introduced and promoted, creating local employment and challenging gender norms in fuel retailing.



Distributor Award



Channel Partners

We consider our dealers, franchisees, and franchise retail operators as key stakeholders in delivering value to end-users.

Relationship Management

Training & Promotional Tools

- All dealers are equipped with training modules, technical guidance, and marketing kits to improve service quality and consistency.

Real-Time Communication

- Dedicated WhatsApp groups enable instant updates on pricing, promotions, and operational guidance, fostering seamless coordination.

Dealer Empowerment and Support

End-to-End Maintenance Support

- Lanka IOC handles free maintenance of dispensers, lighting, and outlet infrastructure, reducing operational costs for channel partners.

Flexible Commercial Terms

- Dealers benefit from credit allowances, flexible payment plans, and emerging loyalty-based incentives to ease working capital pressure.

VAT-Inclusive Operations

- Issued VAT invoices to all eligible dealers, enhancing their documentation processes and improving customer trust.

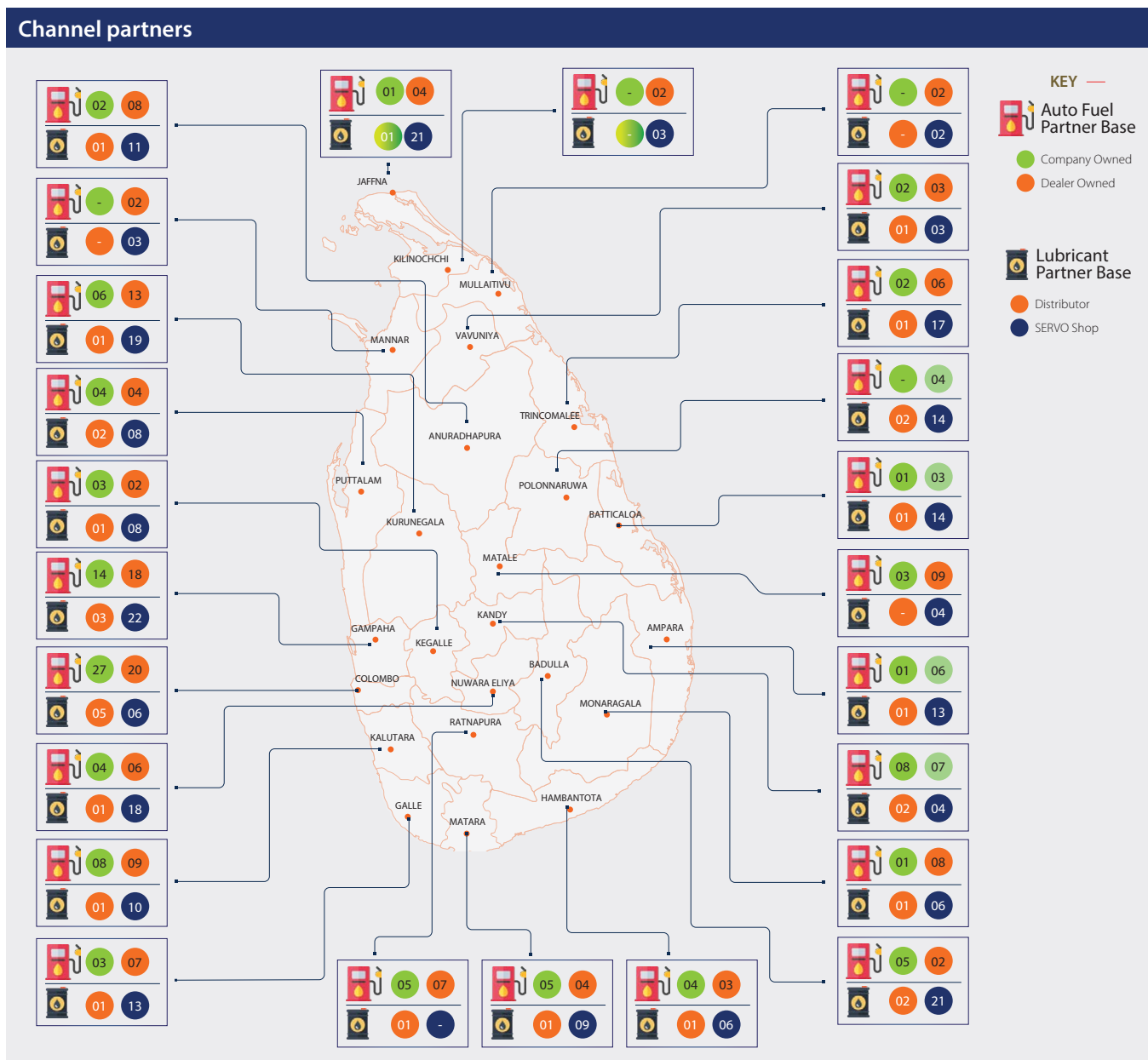
Non-Fuel Revenue Generation

Diversified Income Streams

- Enabled dealers to host value-added services like ATMs, mini-marts, cafés, service stations, and vending machines.

Revenue Growth Milestone

- Non-fuel revenue surpassed Rs. 100 Mn by March 2025, its 130 Mn showcasing the success of business diversification efforts.



Future Plan

Expanding the Loyalty Platform Nationwide

LIOC plans to scale up the pilot loyalty program (currently run with FuelBack) into a fully integrated, company-owned rewards platform accessible across all retail outlets.

Enhancing Digital Billing and CRM Integration

Building on the collaboration with Sampath Bank, LIOC aims to expand digital billing systems and integrate CRM tools to track and personalise customer interactions.

Widening Access through Retail Network Expansion

With a focus on underserved regions, LIOC plans to open additional 24/7 retail outlets and broaden the retail footprint.

Collaborations with Government and Industry for Cleaner Energy

LIOC is exploring partnerships to promote cleaner fuel options and contribute to national sustainability goals.

Contribution to Social & Relationship Capital

Enhances customer engagement, builds long-term loyalty, and strengthens relationships with key customer segments.

Improves customer service, enhances communication, and fosters trust through personalized and transparent interactions.

Strengthens community ties, ensures equitable service access, and deepens relationships with local stakeholders.

Enhances LIOC's reputation as a responsible corporate partner, fostering positive relations with regulators, customers, and environmental advocates.

NATURAL CAPITAL



As the largest private sector oil company in Sri Lanka, and a responsible energy company, Lanka IOC recognizes the profound importance of preserving natural resources and minimizing environmental impact. Our commitment to sustainable growth is underpinned by structured efforts to manage energy, water, and waste efficiently across our operations - including terminals, head office, retail outlets, and other facilities.

Value Delivered

4,500 KL
Rain water harvest

500 +
Trees to the nation

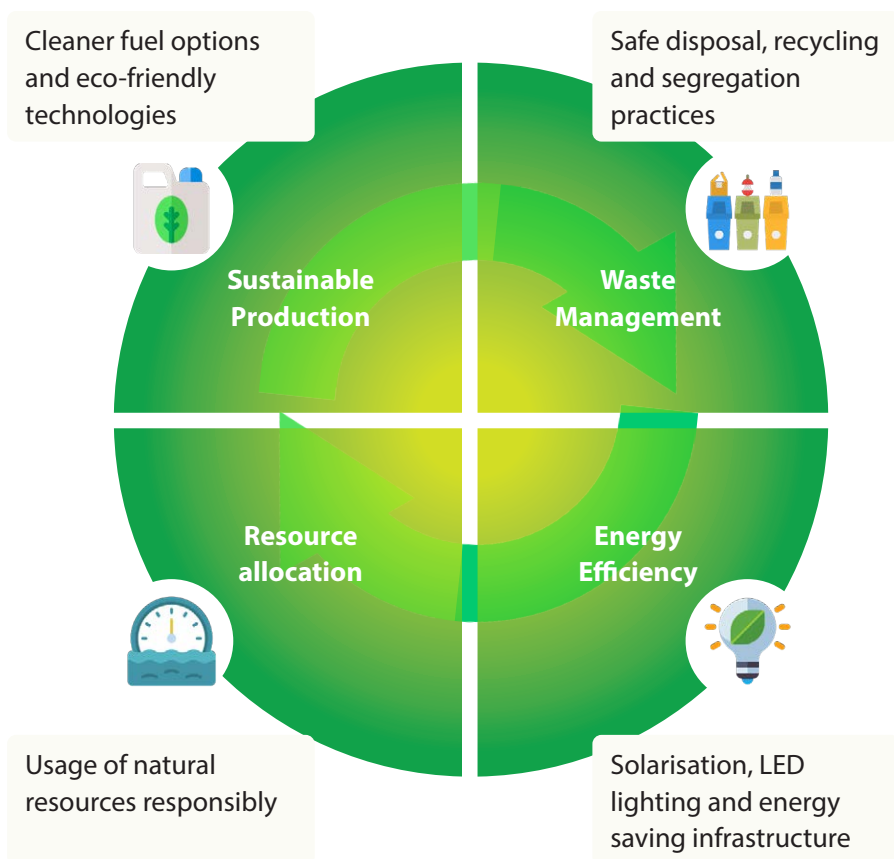
1,910 kW solar capacity installed across 85
retail outlets

Rs. 104 Mn
in solar revenue



Our approach

At Lanka IOC, our environmental responsibility is guided by four core factors that ensure the sustainable use and protection of natural resources:



1 Sustainable Production



Lanka IOC remains committed to embedding sustainability across its fuel supply chain. This includes investments in cleaner fuels, diversified infrastructure, and greener service offerings that align with national and global environmental goals.

Cleaner Fuel Options

- ◆ We are going to introduce Xtra Green Diesel, a low-emission fuel designed to reduce environmental impact and support Sri Lanka's transition to cleaner energy.

Marine Fuel Diversification

- ◆ The ongoing development of HSFO (High Sulphur Fuel Oil) bunkering capabilities strengthens our marine fuel portfolio, offering flexibility to cater to niche demand while meeting global compliance requirements.

Solarisation of Retail Network

- ◆ We continue to expand non-fuel services such as solar power generation at retail outlets, and integrated retail offerings, which contribute to lower carbon emissions and a more sustainable service model.



2 Waste Management

Our waste management practices are designed to minimise environmental harm while maintaining strict adherence to regulatory standards. From hazardous waste to recyclables, we follow structured protocols across the value chain.

Used Oil Recovery

- ◆ Used oil collected at selected retail outlets is directed to licensed recyclers or safe disposal channels.

Hazardous Waste Handling

- ◆ Oil sludge generated at terminals is handled responsibly by authorised third-party providers, ensuring no leakages or contamination risks.

E-waste Disposal

- ◆ E-waste from obsolete IT equipment is managed through certified recyclers to prevent hazardous material discharge.

Waste Segregation at Source

- ◆ Waste is segregated at source in terminals and office locations to support targeted recycling and disposal, reducing landfill impact.



③ Energy Efficiency

Improving energy efficiency across our operations is a key pillar in our sustainability journey. We have actively adopted renewable energy solutions and modernised energy infrastructure to reduce dependence on fossil fuels and lower emissions.

Solar power expansion

- Installed 1,910 kW of solar capacity across 85 company-owned retail outlets, generating over 1,360 kWh of clean electricity.

Emission Reduction & Revenue

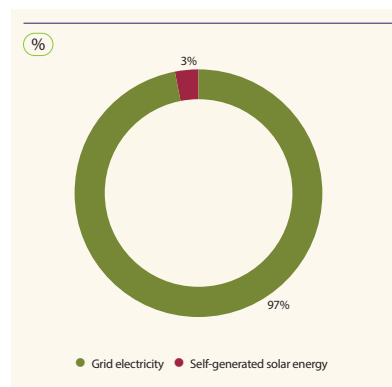
- XP 100 Petrol more Eco friendly branded fuel generated Rs 60 Mn revenue

Lighting Efficiency

- 1,118 tonnes of CO₂ emissions avoided and earned Rs. 104 Mn in solar revenue.

Smart office

- At our head office, motion-sensor lighting systems and centralized air conditioning optimise power use during operating hours, supporting energy conservation.



Goal

Solar power usage to be increased to 10% by year 2028

ENERGY CONSUMPTION BY SOURCE

Description	Metrics	FY 2024-25	FY 2023-24
Energy Consumption	Kwh	417,276 3	84,111
Solar Power Energy	Kwh	417,276 3	417,276 3
Sludge Disposal	KL	-	42
Municipal Water Usage	KL	34,739	44,563
Rain Water Harvest KL	KL	4,500	1,000



③ Resource Allocation

Efficient water and resource use helps reduce our environmental footprint and improve operational resilience.

Rainwater Harvesting

Rainwater harvesting systems are operational at Trincomalee and other terminals, supplementing operational water needs and reducing pressure on public water sources.



Water-Saving Fixtures

Water-efficient fixtures such as low-flow taps, and sensor-based systems are installed across office premises to curb water waste.



Ongoing Usage Monitoring

Ongoing water usage monitoring regularly at terminals, ensuring responsible consumption and early detection of inefficiencies or leakage.



90 Natural Capital

Environmental Engagement

As part of its environmental stewardship and commitment to community wellbeing, Lanka IOC actively participates in awareness-driven ecological initiatives beyond its operational boundaries.

World Environment Day Tree Planting

In observance of World Environment Day, Lanka IOC undertook a large-scale tree planting initiative, planting over 500 trees in and around Trincomalee. This effort contributes to long-term biodiversity restoration, improved air quality, and green cover in one of the Company’s key operational regions.

Coastal Cleanup Initiatives

The Company also supported beach cleaning campaigns in partnership with local communities and environmental groups. These cleanups aimed to reduce plastic and waste pollution along Sri Lanka’s coastlines, preserving marine ecosystems and promoting public awareness of environmental responsibility.

Regulatory Alignment and Environmental Compliance

Lanka IOC strictly adheres to national environmental regulations, aligning with Marine Environment Protection Authority (MEPA) and Central Environmental Authority (CEA) guidelines. We implement proactive systems and safeguards to prevent incidents and ensure responsible operations across all facilities.

- Trained response teams ready for swift environmental action
- Routine spill drills ensure operational preparedness
- Adherence to CEA Requirements
- Trincomalee Terminal holds a Scheduled Waste Management License
- Segregated, closed storage, and certified safety equipment in use
- Regular upgrades and audits to meet CEA compliance
- Zero Non-Compliance Incidents
- Compliance with MEPA Guidelines
- MEPA-approved Oil Spill Contingency Plan in place and regularly updated
- Equipped with modern spill containment tools and protocols

- No violations or penalties under environmental laws during the year



Donation to Clean Sri Lanka project

Future Plan		Contribution to Natural Capital
Expand Solar Coverage	Install additional solar panels across more Company-owned retail outlets and facilities.	Increases renewable energy generation, reduces grid dependency and carbon emissions, supporting climate goals.
Introduce EV Charging Stations	Set up electric vehicle charging infrastructure at selected retail locations.	Supports clean mobility and reduces fossil fuel reliance, aiding national carbon reduction efforts.
Enhance Waste Management	Upgrade waste handling systems at terminals and outlets, with better segregation and disposal protocols.	Minimizes environmental contamination and promotes circular economy practices through improved recycling and disposal.
Extend Rainwater Harvesting	Install or expand rainwater harvesting systems at additional terminals and key offices.	Conserves freshwater resources and reduces demand on municipal supply.
Scale Green Engagement	Continue environmental initiatives such as tree planting and coastal cleanups with community involvement.	Supports biodiversity, enhances green cover, and builds environmental awareness.



ENERGISING *Responsibly* Energising Communities

Beyond infrastructure, we energise the lives of people through education, health, and community upliftment. Our CSR efforts are rooted in compassion and long-term impact. We believe responsible energy extends to every home, village, and livelihood we touch.

CORPORATE GOVERNANCE

CHAIRMAN'S STATEMENT ON CORPORATE GOVERNANCE



Dear Shareholders,

Strong governance is fundamental to ensuring long-term sustainability and organizational resilience. In an environment marked by evolving risks, regulatory shifts, and economic headwinds, effective governance enables sound decision-making, ethical leadership, and the agility needed to navigate complexity. Our governance framework serves as a safeguard promoting transparency, accountability, and alignment with stakeholder expectations while reinforcing our commitment to sustainable value creation. I am pleased to introduce our Corporate Governance Report for 2024/25, which presents the principles of good governance that we practice at Lanka IOC PLC, and how governance supports our decisions to deliver our strategy and create sustainable value to all stakeholders.

Strategy and risk management

The Board continuously reviews the Company's strategy to ensure its relevance and effectiveness amidst evolving business conditions and emerging trends. This ongoing evaluation enables us to remain agile and ready to capitalise on new opportunities

while proactively managing potential risks. In response to the shifting geopolitical landscape and ongoing economic volatility, the Board has placed greater emphasis on adapting our strategy to better support our employees, customers, communities, and the nation at large. Additionally, we have intensified our focus on strengthening progress towards our environmental and social objectives.

Culture

Culture plays a key role in the effective functioning of our governance processes and systems. Together with Management, the Board sets the tone at the top to nurture a culture that supports our corporate purpose and values. We operate in accordance with clearly defined expectations on personal conduct when interacting with internal and external stakeholders and have a zero-tolerance policy for bribery and corruption. Regular engagement sessions are held to ensure employees uphold high levels of ethics and integrity within their work scope.

New appointments to the Board

Recognizing the importance of dynamic and forward-thinking leadership, we continued to strengthen our Board by appointing new Directors who bring diverse expertise, fresh perspectives, and deep industry insight.

Mr. Satish Kumar Vaduguri
Chairman Lanka IOC PLC

17.04.2025

Statement of Compliance on Corporate Governance Reporting

The subsequent discussion provides an overview of how the Board strived to create value to the organisation during the year, including its key area of focus, operations and deliverables during the year. Detailed information regarding the Company's extent of compliance with the requirements of the Corporate Governance Direction of the Listing Rules of the Colombo Stock Exchange and Code of Best Practice on Corporate Governance (2023) are available from page 92-101 of this Report.

Board of Directors

New appointments to the Board

Recognizing the importance of dynamic and forward-thinking leadership, we continued to strengthen our Board through the appointment of new Directors who bring diverse expertise, fresh perspectives, and deep industry insight.

The Board of Directors

Mr. Satish Kumar Vaduguri	Chairman
Mr. Dipak Das	Managing Director
Mr. N D Mathur	Non-Executive Director
Mr. R V N Vishweshwar	Non-Executive Director
Mr. H M A Jayasinghe	Senior Independent Non-Executive Director
Mr. S Renganathan	Independent Non-Executive Director

As per the Listing Rules 9.11.5 of CSE the Nominations and Governance Committee recommend to the Board of Directors for the re-election of the following Directors as per the Company's Articles of Association. The Board approved the re-election of Directors at the Board meeting held on 17th April 2025

Mr. R V N Vishweshwar will retire by rotation in terms of Article 29 (2) and offers himself for re-election as a Director at the forthcoming Annual General Meeting.

Mr. N D Mathur will retire by rotation in terms of Article 29 (2) and offers himself for re-election as a Director at the forthcoming Annual General Meeting.

Indian Oil Corporation Ltd nominated Mr. Satish Kumar Vaduguri Non-Executive Directors/ Chairman in place of Mr. Sujoy Choudhry Non-Executive Directors/ Chairman with effect from 1st September 2024. He will vacate his position as in terms of Article 27 (6) and offers himself for re-election at the forthcoming Annual General Meeting.

Mr. Hector Manil Anthony Jayasinghe Senior Independent Non-Executive Director and Mr. Sivakrishnarajah Renganathan Independent Non-Executive Director were appointed to the Board of Directors with effect from 1st January 2025 in place of Prof. Lakshman R Watawala Senior Independent Non-Executive Director and Mr. Amitha Gooneratne - Independent Non-Executive Director respectively

Approach to Governance

Lanka IOC PLC has an unwavering commitment to good corporate governance and conducts its affairs with the utmost intellectual honesty, integrity, and diligence whilst being mindful of its obligations to society and the environment. This tone is set at the topmost echelons of the Company's Corporate governance and echoes through the entire work culture. The Board ensures that the Governance Framework supports the achievement of the Company's strategic objectives while safeguarding the corporate values, reputation and assets and regularly reviews and updates this to be in line with the evolving regulations and best practice. This framework supports the Company to venture beyond mandatory compliance and expand conformance practices to different areas of the business, promoting responsible corporate behaviour, strengthening operations, addressing expectations of various stakeholder groups and eventually supporting sustained performance.

Governance Frameworks

Regulatory Frameworks	Voluntary standards, codes and frameworks	Internal mechanisms
<ul style="list-style-type: none"> Companies Act No.7 of 2007 Sri Lanka Accounting and Auditing Standards Act No.15 of 1995 Inland Revenue Act No. 24 of 2017 and amendments thereto Customs Ordinance No. 17 of 1869 Foreign Exchange Act No. 12 of 2017 Industrial Disputes Act No. 43 of 1950 The Shop and Office Employees Act No. 15 of 1954 	<ul style="list-style-type: none"> Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants 2023 Integrated Reporting Framework Global Reporting Initiative Standards Requirements of Environmental & Social Certifications 	<ul style="list-style-type: none"> Articles of Association Terms of References of Board sub-committees Comprehensive Framework of Board approved policies Enterprise Risk Management Policy Regulations imposed by the parent company Indian Oil Corporation (IOCL) DOA - Delegation of Authority

Governance Principles

Stewardship	Accountability, Control and Assurance	Sustainability in Business	Values and Ethics
<ul style="list-style-type: none"> Governance structure Board composition Delegation of authority Board responsibilities Company secretary Nomination and selection Appointment, retirement and resignation Independence Board evaluation Training Board remuneration 	<ul style="list-style-type: none"> Annual report Risk management and internal controls External Audit 	<ul style="list-style-type: none"> Embedding ESG considerations Diversity and gender equality 	<ul style="list-style-type: none"> Embedding policy commitments Remediating negative impacts Whistle blowing Communication of critical concerns Anti-bribery and anti-corruption Anti-competitive behaviour Conflict of interest

Governance Outcomes and Shareholder Value Creation



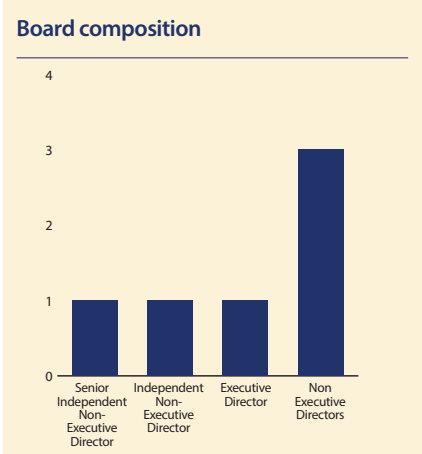
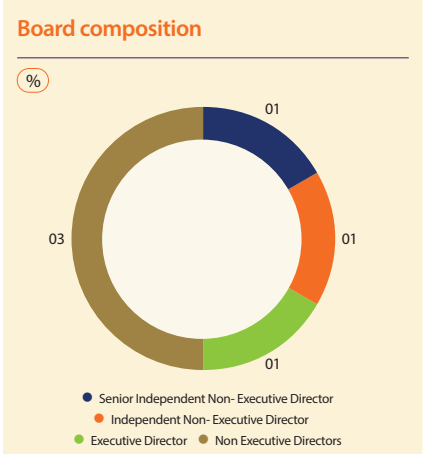
GOVERNANCE STRUCTURE

Board composition and delegation of authority

The Board of Directors provides ethical and entrepreneurial leadership, to safeguard stakeholder value creation within a framework of robust and effective controls. The Board is well balanced and competent to discharge their statutory and fiduciary duties, objectively and effectively. The Directors possess financial acumen and knowledge gained through experience from leading large enterprises and their professional backgrounds. A skilled Corporate Management Team supports the Board, and their expertise underpins the Company's ability to deliver on its strategy. The Board holds ultimate responsibility for the performance and affairs of the Company and the roles and responsibilities are clearly defined by mandates, through which authority and accountability is established.

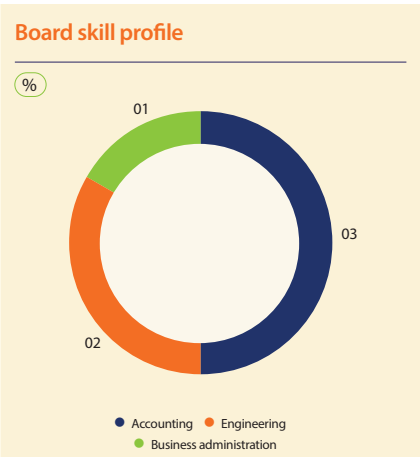
Board composition

The Board of Directors of Lanka IOC PLC comprises of 06 Directors	
01	Senior Independent Non-Executive Director
01	Independent Non- Executive Director
03	Non-Executive Directors
01	Executive Director



Board skill profile

03	Accounting
02	Engineering
01	Business administration



Delegation of Authority

Delegation of authority to Board sub-committees, allows the main Board to allocate sufficient time to matters reserved for its decision making, while ensuring delegated matters receive detailed attention. It also allows the Board to capitalise on the specific expertise of individual board members. The Committees are governed by Board approved mandates and Terms of References.

Audit Committee	1 Senior Independent Non- Executive Director	Financial Reporting	Managing Director
	1 Independent Non- Executive Directors	Internal Controls Internal Audit	Senior Vice President (Finance)
	1 Non-executive Director	External Audit	Vice President (Finance)
Remuneration Committee	1 Senior Independent Non- Executive Director	Remuneration of Key Management Personnel	Managing Director
	1 Independent Non- Executive Directors	HR Policies including Remuneration Policy	Senior Vice President (RS&HR)
	1 Non-executive Director	Organisation structure	
Related Party Transaction Review Committee	1 Senior Independent Non- Executive Director	Related Party Transaction Policy and processes	Managing Director
	1 Independent Non- Executive Directors	Market disclosures on related party transactions	Senior Vice President (Finance)
	1 Non-executive Director and Managing Director	Quarterly and annual disclosures of related party transactions	Vice President (Finance)
Nominations and Governance Committee	1 Senior Independent Non- Executive Director	Evaluate the appointment of Directors to the Board of Directors and Board Committees	Managing Director
	1 Independent Non- Executive Directors	Consider and recommend (or not recommend) the re-appointment/re-election of Directors	Senior Vice President (Finance)
	1 Non-executive Director	Establish and maintain a formal and transparent procedure to evaluate, select and appoint/re- appoint Directors of the Listed Entity. Periodically update Corporate Governance Policies Listing Rules and other Regulations	Vice President (Finance)
Risk Committee	Managing Director and all Head of Divisions	Categorize and monitor risks Analyze risk mitigating strategies	SVP Finance as the Chief Risk Officer

The Company Secretary obtained declarations from the Board of Directors on confirmation of satisfying the Fit and Proper Assessment Criteria set out in the Listing Rules of the Colombo Stock Exchange.

The Board has appointed senior executives with specific responsibilities for monitoring and managing the impacts on the economy, environment and people. The organization's senior Management are tasked with setting strategies, setting goals, and implementing initiatives to address and minimize negative impacts while maximizing positive contributions. These employees are provided with adequate training, guidance and ongoing support to improve their capabilities in impact management. While delegating responsibilities to senior executives and other employees, the Board maintains overall oversight to ensure accountability and progress.

Board's Role and Contribution to Value Creation

The Board holds collective responsibility to the shareholders for ensuring the Company's long-term success. By guiding strategic direction, upholding core values, and defining its purpose, the Board provides leadership that enables the Company to achieve both its business and sustainability goals. Its key responsibilities include:

- ◆ Monitoring macroeconomic developments and regulatory developments and evaluating potential impacts of the same.
- ◆ Assessing impact of global headwinds on supply chain and raw material prices.
- ◆ Ongoing focus on talent development, diversity and industrial relations.
- ◆ Providing leadership in driving sustainability strategy.
- ◆ Monitoring progress on community engagement initiatives.
- ◆ Contribution to economic recovery efforts of Government
- ◆ Formulating the Company's business strategy and ensuring that the necessary financial and human resources are in place to meet its objectives Accountability and Audit Establishing appropriate systems and processes to ensure accountability

Board Responsibilities

Area of focus		Responsibilities
	Strategy and Purpose	<ul style="list-style-type: none"> ◆ Setting strategic intent and establishing strategic objectives over the short, medium and long-term time frame. ◆ Ensuring appropriate resources, including necessary capital investments to support the achievement of these strategic objectives.
	Risk Management and Internal Control	<ul style="list-style-type: none"> ◆ Ensure appropriate risk management and internal control frameworks are in place to provide the necessary checks and balances in order to enable the Company to grow sustainably over time.
	Capital and Liquidity Management	<ul style="list-style-type: none"> ◆ Ensuring the Company remains well capitalised and sufficiently liquid in order to continue as a going concern for the foreseeable future.
	Governance and compliance	<ul style="list-style-type: none"> ◆ Reviewing and approval of the Terms of Reference (TOR) and membership of Board Sub Committees. ◆ Reviewing the effectiveness of Board Sub Committees and reviewing and updating the Corporate Governance framework. ◆ Approval of all principal regulatory filings on time.
	Financial Reporting	<ul style="list-style-type: none"> ◆ Review and approval of financial statements, dividends and any significant change in accounting policies or practices.
	Culture and Conduct	<ul style="list-style-type: none"> ◆ Setting the overall values and principles and for providing stewardship and guidance to ensure the Group is managed effectively in line with the highest standards of ethics and business conduct.
	HR Governance	<ul style="list-style-type: none"> ◆ Ensuring a suitable succession planning mechanism is in place to safeguard all key positions.
	IT Governance	<ul style="list-style-type: none"> ◆ Approving investments in IT systems and information security architecture to enable the Group to grow and compete effectively in the evolving business space.

Role of Chairman

- ◆ Providing leadership to the Board.
- ◆ Promoting a culture of good governance practices and maintaining the standard of integrity.
- ◆ Fostering a culture of inclusivity by encouraging the expression of diverse views by Board members and ensuring the participation of all Directors during discussions.
- ◆ Ensuring compliance to all applicable laws and regulations.
- ◆ Ensuring shareholder concerns are appropriately addressed.

Role of the Managing Director

- ◆ Management of the various businesses in tandem with the strategy and commercial objectives agreed by the Board and subject to the limits of authority established by the Board
- ◆ Implementation of the strategic decisions made by the Board and leading the team towards the achievement of these goals
- ◆ Identification, assessment and management of risks and establishing appropriate internal controls to mitigate such risks
- ◆ Development of the succession plan for the Senior Management
- ◆ Building a culture that is based on the Company's values

Senior Independent Director

The requirement of appointing a Senior Independent Director (SID) is set out in Section 9.6.3(a) iii of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange (CSE) if the Chairman is a related party. The Chairman of LIOC is an appointed ex-officio by the parent Company Indian Oil Corporation Ltd and the SID is appointed in compliance with CSE Listing Rules.

Board Meetings

The Board held 04 meetings during the year and attendance at these meetings and meetings of Sub-Committees of the Board are given below. Directors have the right to seek independent professional advice at the Company's expense and copies of advice obtained in this manner are circulated to other Directors who request it. Any Director who does not attend a meeting is updated on proceedings prior to the next meeting through:

- ◆ Formally documented minutes of discussions
- ◆ By clarifying matters from the Board Secretary
- ◆ Separate discussions at start of meeting regarding matters arising for the previous meeting
- ◆ Archived minutes and Board papers accessible electronically at the convenience of the Directors

Directors are provided with quarterly reports on performance, minutes of review meetings and such other reports and documents as necessary and they can interact with the Senior Management after the Board Meetings if required.

Board Agenda

Meeting agendas and Board papers are circulated to all Board members at least one week prior to the meeting to ensure adequate time is allowed for preparation.

Meetings

The Directors have free and open access to Management at all levels to obtain further information or clarify any concerns that they may have.

Resolutions

Any Director can call for a resolution to be presented to the Board if deemed necessary.

Minutes

Minutes of meetings are circulated with the Board packs for the next meeting within the agreed time.

Name of Director	Directorship Status	Board	Audit Committee	Related Party Transactions Review Committee	Nominations and Governance Committee	Remuneration Committee
No. of meetings held in year 2024-25		4	5	4	2	1
Mr. Satish Kumar Vaduguri	Chairman	2	-	-	-	-
Mr. Dipak Das	Managing Director	4	-	4	-	-
Mr. N D Mathur	Non-Executive Director	4	-	-	-	-
Mr. R V N Vishweshwar	Non-Executive Director	4	5	4	2	1
Mr. H M A Jayasinghe	Senior Independent Non-Executive Director	1	1	1	1	1
Mr. S Renganathan	Independent Non-Executive Director	1	1	1	1	1
Mr. Sujoy Choudhury	Chairman (Cease to be a Director on 31.08.2024)	2	-	-	-	-
Prof. Lakshman R Watawala	Senior Independent Non-Executive Director (Cease to be a Director on 31.12.2024)	3	4	3	1	-
Mr. Amitha Gooneratne	Independent Non-Executive Director (Cease to be a Director on 31.12.2024)	3	4	3	1	-

Company Secretary

The Company Secretary plays a critical role in ensuring the Board functions effectively. The key responsibilities are as follows:

- ◆ Handling matters pertaining to the conduct of Board Meetings and General Meetings
- ◆ Conduct of proceedings in accordance with the Articles of Association and relevant legislation
- ◆ Coordinating the publication and distribution of the Company's Annual Report
- ◆ Maintaining registers of shareholders, directors and secretary, Interest Register and Seal Register
- ◆ Filing statutory Returns/Forms and Accounts with the Registrar of Companies
- ◆ Adoption of best practice on corporate governance including facilitating and assisting the Directors with respect to their duties and responsibilities, in compliance with relevant legislation and best practice
- ◆ Acting as a channel of communication and information for non-Executive Directors and shareholders
- ◆ Disclosures on related parties and related party transactions required by laws and regulations
- ◆ Monitoring and ensuring compliance with the listing rules and managing relations with the Stock Exchange
- ◆ Obtaining legal advice in consultation with the Board on company law, SEC, CSE and other relevant legislations in ensuring that the Company complies with all applicable laws and regulations

Nomination and Selection

The Nominations and Governance Committee of Lanka IOC PLC is responsible for actively identifying and evaluating candidates for the Board of Directors and key management positions, ensuring a comprehensive assessment of their skills, competencies, experience, and attributes. The Committee also focuses on maintaining a diverse and well-rounded Board by considering factors such as independence and diversity standards. This selection process aims to secure individuals who best align with the company's business needs and strategic objectives.

Appointment, Retirement and Resignation of Directors

The appointment of directors at Lanka IOC follows a robust process that involves both the shareholders and the Board of Directors. During the Annual General Meeting, shareholders have the authority to appoint directors based on the recommendations put forth by the Board, which receives guidance from the Nomination Committee. In the event of any casual vacancies arising during the year, the Board is empowered to fill such positions. The suitability of these appointed directors is assessed based on their independence. These directors hold office until the next annual general meeting, where shareholders exercise their voting rights to elect directors.

At each annual general meeting, one-third of the directors in office retire, starting with the longest-serving directors. Retiring directors are eligible for re-election, ensuring continuity and stability within the Board.

Notably, the retirement by rotation provision in the company's articles of association does not apply to the director who holds the position of Managing Director, ensuring consistent leadership.

Independence

Independent Directors are independent of management and free of business dealings that may be perceived to materially interfere with the exercise of their unfettered and independent judgement. The Chairman

holds a meeting if required with only the NEDs without the presence of the Executive Directors. Directors' concerns regarding matters which are not resolved unanimously are recorded in the minutes.

Each Director needs to give advance notice of any conflict of interest to the Company Secretary prior to their appointment, and they are also required to disclose their interests each quarter at the Board meetings. Further, all Directors submit annual declarations of independence in accordance with the Corporate Governance Directions and the guidelines of the Code of Best Practice.

The Company Secretary obtained declarations from the Board of Directors on confirmation of satisfying the Fit and Proper Assessment Criteria set out in the Listing Rules of the Colombo Stock Exchange.

All Directors act in the best interests of the Company using their independent judgement on matters referred to the Board. When deemed necessary the Directors seek independent professional advice at the expense of the Company.

Board Evaluation

Effectiveness of the leadership is assessed through Board and Sub-Committee evaluations which reveal the appropriateness of the Board composition, mix of skills and ability to deliver strategic aspirations. The Chairman is responsible for evaluating the performance of the Managing Director. An annual self-evaluation of its own performance is conducted by the Board as per the Company Policies.

The annual performance assessment of the Managing Director is conducted by the Chairman as per the Company policies. The performance evaluation takes place at the end of the financial year, considering the overall performance of the Company and the prevailing operating environment. Constructive feedback is provided to facilitate professional growth.

Board Remuneration

The Remuneration Policy of the Company ensures that remuneration is fair, responsible and transparent and we follow a structured approach to remuneration that aligns with our corporate levels. The Committee sets the principles, parameters and governance framework of the Company's remuneration policy and recommends the terms and conditions of employment of the Senior Management.

Independent Non-executive directors receive a monthly fee and an additional fee for attending Board Meeting and Committee Meetings. They are not eligible for performance linked bonuses or variable pay.

Independent Director's fees are determined by the Board supported by the Remuneration Committee. The report of the Board Remuneration Committee is presented on page 114. Directors' remuneration is disclosed on page 170.

ACCOUNTABILITY, CONTROL AND ASSURANCE

Annual Report

Lanka IOC is committed to fair and transparent reporting with emphasis on integrity, timeliness and relevance of information. This report provides a balanced assessment of the Company's financial position, performance and prospects in compliance with applicable laws and voluntarily adopted reporting standards, codes and frameworks set out on page Pages 102-111. The Board of Directors approves the Annual Report and third-party assurance has been obtained where relevant, to enhance credibility.

Risk Management and Internal Controls

A continuous process is in place for identifying, assessing, managing, monitoring and reporting on the level of risks encountered by the Company and our internal control systems facilitate this process. The effectiveness of the internal control systems in place is reviewed by the

Board with the support of the Board Audit Committee as well as the Risk Committee. Internal controls are established with emphasis on safeguarding assets, making available accurate and timely information and imposing greater discipline on decision making. It covers all controls required, including financial, operational and compliance controls, and risk management.

Key focus areas addressed during the year are discussed in detail in the Enterprise Risk Management report (page 120), Report of the Audit Committee (page 112) and Risk Committee Report (page 116).

Managing IT and cybersecurity risks

The Company's IT division supported by a highly skilled IT team that ensures that IT risks and vulnerabilities are managed in a holistic and consistent manner.

Matters are escalated to the Board when deemed necessary considering risk, impact, and other prudential measures.

External Audit

The Board Audit Committee reviews the independence, the skills and experience and the work of the external auditors annually and recommends appointment/re appointment accordingly to the Board. Messrs. BDO Partners was re-appointed as the External Auditor of the Company for the year at the previous AGM. The Audit Committee remains satisfied with the independence, objectivity and effectiveness of Messrs. BDO Partners in rendering their audit and non-audit services. At the previous Audit Committee Meeting held on 17th April 2025, Messrs. BDO Partners submitted their Annual Statement confirming independence in relation to the external audit as required by the Companies Act No. 07 of 2007 and their re-appointment for the year 2024-25 will be recommended to the Shareholders at the forthcoming AGM by the Board of Directors.

SUSTAINABILITY IN BUSINESS

Embedding ESG Considerations

Lanka IOC has always remained committed to understanding and being responsive to the interests and expectations of stakeholders in creating a sustainable business and believes that good ESG attributes facilitate better performance and boost stakeholder confidence. ESG value creation across the various capitals have been integrated into the Company's strategy, business model, risk management and reporting processes and this annual report has been prepared in the form of an integrated report addressing the relevant ESG aspects required by the Code.

Diversity and Gender Equality

The Board acknowledges the important contribution that gender diversity offers and seeks to promote fair representation and equal opportunity within the organization. Flexibility and concern towards maintaining a healthy work-life balance helps our female employees to fulfil their career aspirations.

VALUES AND ETHICS

Embedding Policy Commitments

Our business processes are established ensuring that all employees act in an ethical and responsible manner. The policies incorporated and the Code of Conduct clearly define the way employees should conduct themselves, and the basic conduct they need to maintain while on duty as well as off duty. These policies are documented in a clear manner, ensuring that all employees and other relevant parties can easily refer to the policies whenever needed and effective channels of communication are used to introduce and explain policy commitments.

Actions taken to support ESG oversight in 2024-25

- 1. Many Community Development programs were conducted under the Company's CSR activities
- 2. Taking care of the Environment by augmenting fire fighting facilities, refraining oil spillage,
- 3. Donation of funds to "Clean Sri Lanka Program initiated by the GoSL Investment in infrastructure to make operations more environment friendly
- 4. Adherence to Corporate Governance Regulations

The Board considers the outcomes of the due diligence and impact management processes when making decisions and setting policies. This includes identifying risks, evaluating performance, and assessing compliance with applicable laws, regulations, and industry standards. The outcomes of the due diligence processes provide valuable information about the organization's impacts on the economy, environment, and people and guides decision-making, development of strategies and policies.

Employees and suppliers

- The Code of Conduct outlines the responsibilities and how employees should conduct themselves on official duty.

Suppliers and contractors

- Contracts and agreements explicitly outline our expectations regarding ethical practices, sustainability, and other relevant policies.

Customers and broader community

- We have established strong external communication channels including our website, social media channels, and sustainability reports to embed policy commitments.

Company Policies

The Company has established and maintaining the policies in terms of CSE Lising Rule No. 9.2.1 which are disclosed in the company website (weblink <https://www.lankaio.com/online-report/>) and there were no changes to the existing policies during the financial year

In terms of listing rule 9.5.1 the Company has restabled and is maintaining a formal policy governing matter relating to the Board of Directors

Remediating Negative Impacts

The company is committed to addressing and remediating any negative impacts we have caused or contributed to. We have established various processes to ensure remediation. We have implemented an approach to identify and address grievances, which includes the establishment of grievance mechanisms. These mechanisms provide stakeholders with a platform to voice their concerns and seek redress. In addition to our internal processes, we collaborate and cooperate with relevant stakeholders, including affected communities and organizations, to address and remediate negative impacts. We recognize the importance of working together to achieve sustainable solutions. We actively involve stakeholders, who are the intended users of the grievance mechanisms, in the design, review, operation, and improvement of these mechanisms. Their input and feedback play a crucial role in enhancing the effectiveness

of our remediation processes. We have implemented monitoring and evaluation systems to track the effectiveness of our grievance mechanisms and other remediation processes. We gather stakeholder feedback and report examples of their effectiveness, highlighting the outcomes and improvements achieved through these mechanisms.

Whistle Blowing

The corporate culture is moulded by the Code of Conduct which articulates the standards of conduct expected by all Directors and employees. To encourage a culture of transparency and accountability, we have implemented a whistle-blower policy. This policy enables employees to anonymously report any unethical or unlawful behaviour, particularly in relation to possible inappropriate financial reporting, internal controls, or other matters. It aims to instill confidence among stakeholders and provides a safe space for them to voice concerns or ask questions, ensuring confidentiality throughout the process.

As part of our commitment to responsible business conduct, we provide mechanisms for seeking advice and raising concerns. Our employees have access to a dedicated channel where they can seek guidance on implementing our policies and practices for responsible business conduct. Additionally, we have established a confidential reporting system that allows employees to raise concerns about any issues related to our organization's business conduct. These

mechanisms create a transparent and supportive environment, ensuring that our employees feel empowered to address any questions or concerns they may have.

By emphasizing the importance of our Code of Conduct, implementing a whistleblowing policy, and providing mechanisms for seeking advice and raising concerns, we foster a corporate culture that prioritizes integrity, transparency, and accountability. These initiatives not only ensure compliance with ethical and legal standards but also promote a positive and responsible work environment for all stakeholders.

Communication of Critical Concerns

The organization recognizes the importance of effectively communicating critical concerns to the highest governance body. To facilitate this, the Board has established grievance mechanisms that allow workers and affected communities to raise concerns without fear of reprisal. However, the organization understands the significance of taking appropriate actions in response to evaluations, including making changes to the composition of the highest governance body and organizational practices. When evaluations identify shortcomings or gaps in governance, organizations consider altering the composition of their highest governance body. This may involve adding new members with diverse skills, expertise, or perspectives to enhance effectiveness and accountability. Transparency and accountability are strengthened based on evaluation findings. This can include improving reporting mechanisms, enhancing disclosure practices, and establishing clearer lines of responsibility and oversight.

Evaluations also prompt organizations to adopt sustainability policies and practices. They set specific targets and goals related to environmental or social performance, implement responsible sourcing or supply chain management practices, and integrate sustainability considerations into decision-making processes. Stakeholder engagement is enhanced as evaluations emphasize the importance of considering

diverse perspectives. Organizations develop formalized stakeholder engagement strategies, establish regular dialogue channels, and create mechanisms for soliciting and responding to stakeholder feedback. Training and capacity-building initiatives are implemented to address knowledge or skills gaps identified through evaluations. This involves providing training on sustainability principles, ethical practices, and responsible business conduct to employees at all levels. To align with best practices or address identified weaknesses, organizations review and revise policies and procedures based on evaluation findings. Thorough reviews of governance, sustainability, ethics, and other relevant policies are conducted, resulting in necessary updates or improvements.

By connecting critical concerns, actions taken in response to evaluations, and subsequent organizational practices, the organization demonstrates its commitment to continuous improvement and responsible governance.

Anti-Bribery and Anti-Corruption Anti-Competitive Behaviour

There were no legal actions for anti-competitive behaviour, anti-trust and monopoly practices in 2024-25

Conflict of Interest

A Director or a person considered Key Management Personnel (KMP) is prohibited from using his or her position, or confidential or price sensitive information, for personal benefit or benefit of any third party, whether financially or otherwise. Directors notify the Board promptly of any conflicts of interest they may have in relation to particular items of business or other Directorships. Directors do not participate in and excuse themselves from the meeting when the Board considers matters in which a conflict may arise.

Processes established for the highest governance body to ensure that conflicts of interest are prevented and mitigated.

Statement of compliance under section 9 of the listing rules of the CSE on Corporate Governance
MANDATORY PROVISIONS - FULLY COMPLIANT

Rule	Complied	Reference (within the report)/ comments
9.1 Applicability of Corporate Governance Rules		
9.1.3 A statement confirming compliance with Corporate Governance Rules	Yes	Page 92 of Corporate Governance Commentary
9.2 Policies		
9.2.1 Listed Entities shall establish and maintain the stated policies and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the Entity on its website	Yes	Page 100 of Corporate Governance Commentary
9.2.2 Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted by the Listed Entity shall be fully disclosed in the Annual Report	N/A	
9.2.3 Listed Entities shall disclose in its Annual Report (i) the list of policies that are in place in conformity Rule 9.2.1 above, with reference to its website (ii) details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above	Yes	Page 100 of Corporate Governance Commentary
9.2.4 Listed Entities shall make available all such policies to shareholders upon a written request being made for any such Policy	Yes	Shareholder can make a written request
9.3 Board Committees		
9.3.1 Listed entities shall ensure that the following Board Committees are established and maintained at a minimum and are functioning effectively. The said Board Committees at minimum shall include; (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee	Yes	Page page 97 of Board Committee reports
9.3.2 Listed entities shall comply with the composition, responsibilities and disclosures required in respect of the above Board Committees as set out in these Rules	Yes	Sections 9.11, 9.12, 9.13 and 9.14
9.3.3 The chairperson of the Board of Directors of the listed Company shall not be the chairperson of the Board Committees referred to in rule 9.3.1	Yes	pages 112-117 of committee Reports
9.4 Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders		
9.4.1 Listed entities shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the entity. The entity shall provide copies of the same at the request of the Exchange and/or the SEC. (a) The number of shares in respect of which proxy appointments have been validly made (b) The number of votes in favor of the resolution (c) The number of votes against the resolution (d) The number of shares in respect of which the vote was directed to be abstained	Yes	The secretaries of the Company maintain the records of the said information along with the meeting minutes of the shareholders

Rule	Complied	Reference (within the report)/ comments
9.4.2 Listed entities shall maintain effective communication and relations with shareholders and investors	Yes	Stakeholder Relations in page 98 of the Corporate Governance Commentary and details of the contact personnel are disclosed under Corporate Information
9.5 Policy on matters relating to the Board of Directors		
9.5.1 Listed entities shall establish and maintain a formal policy governing matters relating to the Board of Directors	Yes	As per Listing Rule No. 9.2.1 (a) list of policies has been uploaded to the Company's website
9.5.2 Listed Entities shall confirm compliance with the requirements of the policy referred to in Rule 9.5.1 above in the Annual Report and provide explanations for any non-compliance with any of the requirements with reasons for such non-compliance and the proposed remedial action	Yes	There were no non-compliances during the year. Therefore, no remedial actions are to be disclosed
9.6 Chairperson and CEO		
9.6.1 The Chairperson of every listed entity shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed by such entity in terms of Rule 9.6.3	N/A	
9.6.2 Where the Chairperson of a Listed Entity is an Executive Director and/or the positions of the Chairperson and CEO are held by the same individual, such Entity shall make a Market Announcement within a period of one (1) month from the date of implementation of these Rules or an Immediate Market Announcement if such date of appointment and/or combination of the said roles falls subsequent to the implementation of these Rules.	N/A	
9.6.3 The Requirement for a SID; A listed entity shall appoint an Independent Director as the SID in the following instances: i. The Chairperson and CEO are the same person ii. The Chairperson and CEO are Close Family Members or Related Parties iii. chairperson and the CEO are close family members or related parties.	Yes	Page 97
9.6.4 Where a Listed Entity has appointed a SID as required in terms of Rule 9.6.1 above, such Entity shall set out the rationale for such appointment in the Annual Report of the Entity	N/A	
9.7 Fitness of Directors and CEOs		
9.7.2 Listed entities shall ensure that persons recommended by the Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' meeting or appointments are made	Yes	Page 98
9.7.4 Listed entities shall obtain declarations from their Directors and CEO on an annual basis confirming that each of them has continuously satisfied the Fit and Proper Assessment Criteria set out in these Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation	Yes	All the Directors of the Company and CEO provide a declaration confirming that they have continuously satisfied with the Fit and Proper Assessment Criteria, which are in the records of the Company Secretaries

Rule	Complied	Reference (within the report)/ comments
9.7.5 Disclosures in the Annual Report of Listed entities; (a) A statement that the Directors and CEO of the Listed entity satisfy the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange (b) Any non-compliance/s by a director and/or the CEO of the Listed entity with the Fit and Proper Assessment Criteria set out in these Rules during the financial year and the remedial action taken by the Listed entity to rectify such noncompliance/s	Yes	page 98 Corporate Governance Commentary
9.8 Board Composition		
9.8.1 The Board of Directors of a listed entity shall, at a minimum consist of 5 Directors	Yes	The Company has 6 members in its Board of Directors
9.8.2 Minimum number of Independent Directors (a) The Board of Directors of Listed Entities shall include at least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors of the Listed Entity at any given time, whichever is higher.	Yes	2 out of 6 are Independent Directors. page 94 of Corporate Governance Commentary
9.8.3 Criteria for determining independence of the Directors	Yes	The Independence Directors have submitted specimen declarations as per Appendix 9A of Listing Rules of CSE and those are in the records of the Company Secretaries
9.8.5 The Board of Directors of Listed entities shall require: (a) Each Independent Director to annually submit a signed and dated declaration of their 'independence' or 'non-independence' using the specified criteria and format in Appendix 9A (b) Annually assess the 'independence' or 'non-independence' of each Independent Director based on their declaration and other available information, listing the names of 'independent' Directors in the Annual Report	Yes	All Independent Directors submitted the signed declaration of their independence to the Board
9.9 Alternate Directors		
Alternate directors shall only be appointed in exceptional circumstances and shall comply with Rule 9.9 and such requirements shall also be incorporated into the Articles of Association of the Company	Yes	The Articles of Association at the of the Company has been amended in accordance with the listing rules
9.10 Disclosures relating to Directors		
9.10.1 Listed entities shall disclose its policy on the maximum number of directorships its Board members shall be permitted to hold in the manner specified in Rule 9.5.1. In the event such number is exceeded by a Director(s), the entity shall provide an explanation for such noncompliance in the manner specified in Rule 9.5.2 above	Yes	Maximum number is not exceeded
9.10.2 Listed entities shall, upon the appointment of a new Director to its Board, make an immediate market announcement	Yes	
9.10.3 Listed entities shall make an immediate market announcement regarding any changes to the composition of the Board and Board Committees	Yes	

Rule	Complied	Reference (within the report)/ comments
<p>9.10.4 Listed entities shall also disclose the following in relation to the Directors in the Annual Report:</p> <ul style="list-style-type: none"> (a) name, qualifications and brief profile (b) the nature of his/her expertise in relevant functional areas (c) whether either the Director or Close Family Members has any material business relationships with other Directors of the Listed entity (d) whether Executive, Non-Executive and/or independent Director (e) the total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and/or Key Management Personnel indicating whether such companies are listed or unlisted Companies and whether such Director functions in an executive or non-executive capacity, provided that where he/she holds directorships in companies within a Group of which the Listed entity is a part, their names (if not listed) need not be disclosed; it is sufficient to state that he/she holds other directorships in such companies (f) number of Board meetings of the Listed entity attended during the year (g) names of Board Committees in which the Director serves as Chairperson or a member (h) Details of attendance of Committee Meetings of the Audit, Related Party Transactions Review, Nominations and Governance and Remuneration Committees. Such details shall include the number of meetings held and the number attended by each member (i) The terms of reference and powers of the SID (where applicable) <ul style="list-style-type: none"> * Please refer to the Corporate Governance commentary for the number of Board meetings attended by the Board of Directors during the year * Please refer to the Committee reports for the details of attendance of Committee Meetings 	Yes	* Please refer the profiles of the Board of Directors on pages 23-25
9.11 Nominations and Governance Committee		
9.11.1 Listed entities shall have a Nominations and Governance Committee	Yes	Pages 117-118 of Nominations and Governance Committee Report
9.11.2 Listed entities shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee	Yes	Pages 117-118 of Nominations and Governance Committee Report
9.11.3 The Nominations and Governance Committee shall have a written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings	Yes	Pages 117-118 of Nominations and Governance Committee Report
<p>9.11.4</p> <ol style="list-style-type: none"> 1. Composition of the Committee <ul style="list-style-type: none"> (a) Comprise of a minimum of 3 Directors of the Listed Entity out of which a minimum of 2 members shall be Independent Directors of the Listed Entity. (b) Not comprise of Executive Directors of the Listed Entity 2. An Independent Director shall be appointed as the Chairperson of the Nominations and Governance Committee by the Board of Director 3. The Chairperson and the members of the Nominations and Governance Committee shall be identified in the Annual Report of the Listed Entity 	Yes	Pages 117-118 of Nominations and Governance Committee Report

Rule	Complied	Reference (within the report)/ comments
9.11.5 The required functions of the Committee are met	Yes	pages 117-118 of Nominations and Governance Committee Report
9.11.6 Disclosures in the Annual Report The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson	Yes	pages 117-118 of Nominations and Governance Committee Report
9.12 Remuneration Committee		
9.12.2 Listed entities shall have a Remuneration Committee	Yes	Page 114 of Remuneration Committee report
9.12.3 The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration	Yes	Page 114 of Remuneration Committee report
9.12.4 Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of nondiscriminatory pay practices among them to ensure that their independence is not impaired	Yes	Page 114 of Remuneration Committee report
9.12.5 Remuneration Committee shall have a written terms of reference clearly defining its scope, authority, duties, and matters pertaining to the quorum of meetings	Yes	Page 114 of Remuneration Committee report
9.12.6 1. Composition of the Committee (a) The remuneration committee should comprise of a minimum of three (03) Directors of the listed entity, out of which a minimum of two (02) shall be Independent Directors of the listed entity (b) The members of the Remuneration Committee shall not comprise of Executive Directors of the listed entity 2. An Independent Director shall be appointed as the Chairperson of the Remuneration Committee by the Board of Directors	Yes	Page 114 of Remuneration Committee
9.12.7 The required functions of the Committee are met	Yes	Page 114 of Remuneration Committee report
9.12.8 Disclosures in the Annual Report The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson including the remuneration policy and aggregate remuneration of the Executive and Non-Executive Directors	Yes	Page 114 of Remuneration Committee report
9.13 Audit Committee		
9.13.2 The Audit Committee shall have a written terms of reference clearly defining its scope, authority and duties	Yes	Pages 112-113 of Audit Committee Report

Rule	Complied	Reference (within the report)/ comments
<p>9.13.3 Composition of the Committee</p> <ol style="list-style-type: none"> 1. (a) The Audit Committee shall comprise of a minimum of 3 Directors of the Listed Entity, out of which a minimum of 2 or a majority of the members, whichever higher shall be independent Directors (b) The Audit Committee shall not comprise of Executive Directors of the Listed Entity 2. The quorum for a meeting of the Audit Committee shall require that the majority of those in attendance to be Independent Directors 3. The Audit Committee may meet as often as required provided that the Audit Committee compulsorily meets on a quarterly basis prior to recommending the financials to be released to the market 4. An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors 5. Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation 6. The Chairperson of the Audit Committee shall be a Member of a recognized professional accounting body. 	Yes	Pages 112-113 of Audit Committee Report
<p>9.13.4 The required functions of the Committee are met</p>	Yes	pages 112 of Audit Committee Report
<p>9.13.5 Disclosures in the Annual Report</p> <p>The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson including;</p> <ul style="list-style-type: none"> - The status of risk management and internal control of the Listed entity and as a Group - A statement that it has received assurance from the CEO and the CFO of the entity's operations and finances - An opinion on the compliance with financial reporting requirements, information requirements under these Rules, the Companies Act and the SEC Act and other relevant financial reporting related regulations and requirements - How the internal audit assurance is achieved and a summary of the work of the internal audit function - The effective discharge of its functions and duties for the financial year - A statement confirming that the external auditors approved by the SEC have provided written assurance confirming their independence throughout the audit engagement, in accordance with all relevant professional and regulatory standards - a statement confirming that the Audit Committee has determined the independence of auditors and the basis of such determination, including the details on the number of years the external auditor and the audit partner were engaged. If the external auditor provides non audit services, it should explain on how auditor objectivity and independence are safeguarded 	Yes	Page 112-113 of Audit Committee Report

Rule	Complied	Reference (within the report)/ comments
9.14 Related Party Transactions Review Committee		
9.14.1 Listed entities shall have a Related Party Transactions Review Committee (RPT) that conforms to the requirements set out in Rule 9.14 of these Rules	Yes	Page 115 of Related Party Transactions Review Committee Report
9.14.2 Composition of the Committee 1. The Related Party Transactions Review Committee shall comprise of a minimum of three (03) Directors of the Listed entity, out of which two (02) members shall be Independent Directors of the Listed entity. It may also include Executive Directors, at the option of the Listed entity. An Independent Director shall be appointed as the Chairperson of the Committee	Yes	Page 115 of Related Party Transactions Review Committee Report
9.14.3 The required functions of the Committee are met	Yes	Page 115 of Related Party Transactions Review Committee Report
9.14.4 1. The Related Party Transactions Review Committee shall meet at least once a calendar quarter. It shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors.	Yes	Page 115 of Related Party Transactions Review Committee Report
2. The members of the Related Party Transactions Review Committee should ensure that they have, or have access to, enough knowledge or expertise to assess all aspects of proposed Related Party Transactions, and where necessary, should obtain appropriate professional and expert advice from an appropriately qualified person.	Yes	Page 115 of Related Party Transactions Review Committee Report
3. Where necessary, the Committee shall request the Board of Directors to approve the Related Party Transactions which are under review by the Committee. In such instances, the approval of the Board of Directors should be obtained prior to entering into the relevant Related Party Transaction	Yes	Page 115 of Related Party Transactions Review Committee Report
4. If a Director of the Listed Entity has a material personal interest in a matter being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4(3), such Director shall not: (a) be present while the matter is being considered at the meeting; and, (b) vote on the matter	Yes	Page 115 of Related Party Transactions Review Committee Report
9.14.5 Requirements on reviewing of Related Party Transactions by the Related Party Transactions Review Committee	Yes	Page 115 of Related Party Transactions Review Committee Report
9.14.6 Shareholder Approval where necessary	Yes	There were no any Related Party Transactions which require shareholders approval for the reporting year
9.14.7 Immediate market disclosures	Yes	There were no any immediate market disclosures during the reporting year

Rule	Complied	Reference (within the report)/ comments
9.14.8 Disclosures in the Annual Report The Annual Report of the Listed Entity shall contain a report of the Committee signed by its Chairperson including; <ul style="list-style-type: none"> - details of recurrent and non-recurrent Related Party Transactions - a statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated its comments/ observations to the Board of Directors - policies and procedures adopted by the Committee for reviewing the Related Party Transactions 	Yes	Page 115 of Related Party Transactions Review Committee Report
9.14.9 Acquisition and disposal of Assets from/to related parties	Yes	As per our records, there were no acquisitions/ disposals with RP during the reporting year
9.16 Additional Disclosures by the Board of Directors		
i They have declared all material interests in contracts involving in the entity and whether they have refrained from voting on matters in which they were materially interested	Yes	None during the reporting year
ii 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, and, if unable to make any of these declarations an explanation on why it is unable to do so	Yes	Page 112 of Audit committee report
iii They made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions	Yes	Page 92-101 of Corporate Governance Commentary
iv Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the entity has operations	Yes	None during the reporting year

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

MANDATORY PROVISIONS - FULLY COMPLIANT

	Rule	Complied	Reference (within the Report)
i	Names of persons who during the financial year were directors of the Entity.	Yes	Page 92 of Corporate Governance Commentary
ii	Principal activities of the entity and its subsidiaries during the year, and any changes therein	Yes	Page 7 of this Report
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	Yes	Page 182 of Shareholder Information
iv	The float adjusted market capitalisation, public holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the Minimum Public Holding requirement The public holding percentage in respect of non-voting Shares (where applicable)	Yes	Page 183 of Shareholder Information
v	A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity	Yes	Page 182 of Shareholder Information
vi	Information pertaining to material foreseeable risk factors of the Entity	Yes	Page 119 of Risk Management
vii	Details of material issues pertaining to employees and industrial relations of the Entity	Yes	Page 119 of Risk Management
viii	Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties	Yes	pages 178-180 of Notes to the Financial Statement
ix	Number of shares representing the Entity's stated capital	Yes	Page 181 of Shareholder Information
x	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	Yes	Page 181 of Shareholder Information
xi	Market price related ratios and information	Yes	Page 183 of Shareholder Information
xii	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	Yes	178 of Extents, Locations & the No. of Buildings of Lanka IOC's Landholdings
xiii	Details of funds raised via IPO and further issues during the year	N/A	
xiv	Information in respect of Employee Share Ownership or Stock Option Schemes	N/A	
xv	Disclosures pertaining to Corporate Governance practices in terms of Rules Section 9 of the Listing Rules	Yes	Page 92-101 of Corporate Governance Commentary
xvi	Details of Related Party transactions exceeding 10% of the Equity or 5% of the total assets of the Entity as per Audited Financial Statements, whichever is lower.	N/A	

Statement of Compliance pertaining to Companies Act No. 7 of 2007
MANDATORY PROVISIONS - FULLY COMPLIANT

	Rule	Complied	Reference (within the Report)
168 (1) (a)	Nature of business of the Company or any of its subsidiaries and the classes of business in which the Company has an interest	Yes	Page 7 of the Report
168 (1) (b)	Signed financial statements of the Group and the Company	Yes	Financial Statements from page 138-139
168 (1) (c)	Auditors' Report on financial statements	Yes	Independent Auditors' Report in page 136-137
168 (1) (d)	Accounting policies and any changes therein	Yes	Significant Accounting Policies in page 177 of Notes to the Financial Statements
168 (1) (e)	Particulars of the entries made in the Interests Register	Yes	Page 126 of the Annual Report of the Board of Directors
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company	Yes	Page 99 of the Annual Report of the Board of Directors
168 (1) (g)	Corporate donations made by the Company	Yes	Page 126 of the Annual Report of the Board of Directors
168 (1) (h)	Names of the Directors of the Company as at the end of the accounting period and the names of any persons who ceased to hold office as Directors of the Company during the accounting period	Yes	Page 128 of the Annual Report of the Board of Directors
168 (1) (i)	Separate disclosure on amounts payable to the Auditors as Audit Fees and Fees for other services rendered during the accounting period by the Company	Yes	Notes to the Financial Statements (Note No. 6)
168 (1) (j)	Auditor's relationship or any interest with the Company and its subsidiaries	Yes	Audit Committee Report in page 112
168 (1) (k)	Acknowledgement of the contents of this Report and signatures on behalf of the Board	Yes	Page 126 of the Annual Report of the Board of Directors
168 (2)	Information as per Section 168 (1) (b) to (j) in relation to the subsidiaries	N/A	

AUDIT COMMITTEE REPORT



Mr. H M A Jayasinghe
Chairman - Audit Committee

Mr. H M A Jayasinghe- Chairman/
Senior Independent Non-Executive
Director (*Appointed w.e.f. 01.01.2025*)

Mr.S Renganathan- Member/
Independent Non-Executive Director
(*Appointed w.e.f. 01.01.2025*)

Mr. R V N Vishweshwar- Member/
Non-Executive Director

Prof. L R Watawala- Chairman/Senior
Independent Non-Executive Director
(*Ceased to be a member on 31.12.2024*)

Mr. Amitha Gooneratne- Member/
Independent Non-Executive Director
(*Ceased to be a member on 31.12.2024*)

Name	Eligible to Attend/ No. of meetings attended
Mr. H M A Jayasinghe	1/1
Mr. S Renganathan	1/1
Mr. R V N Vishweshwar	5/5
Prof. L R Watawala	4/5
Mr. Amitha Gooneratne	4/5

Regular Attendees

Managing Director
Senior Vice President (Finance)
Vice President (Finance)
Secretary to the Committee

Charter of the Committee

The Audit Committee supports the Board of Directors in fulfilling its responsibilities by exercising systematic supervision of financial reporting, internal audit, internal controls and external audits of the Company.

Key responsibilities of the Committee

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are true, sufficient and credible.
- Compliance with financial reporting requirements, information requirements of the Companies Act and other relevant financial reporting related regulations and requirements.
- Reviewing with the Management, Statutory and Internal Auditors, the adequacy of internal control systems.
- Discussion with Internal Auditors on Annual Internal Audit Program, Significant Audit Findings and follow up on such issues.
- Assessment of the independence and performance of the external auditors
- Post-audit discussion to ascertain any concerns.
- Reviewing the Company's financial and risk management policies.
- Make recommendations to the Board pertaining to appointment, re-appointment and removal of external auditors and approve the remuneration and terms of engagement of the external auditor.

Financial Reporting

The Committee reviews the financial reporting system adopted by the Company in preparation, presentation and adequacy of disclosures in the annual financial statements to ensure reliability of the processes, consistency of the accounting policies & methods adopted and their

compliance with the Sri Lanka Accounting Standards. In reviewing the Financial Statements, special emphasis was given on the following aspects.

- Adequacy and effectiveness of internal control and financial reporting systems and processes in place to ensure accuracy and reliability of the information provided in the Financial Statements
- Significant accounting and reporting issues
- Impact on new accounting standards
- Going to concern assumption
- Developments in the financial reporting framework and consistency of the adopted accounting policies and methods, and their compliance with the Accounting Standards (SLFRS/LKAS)

Internal Audit, Risk and Controls

The Audit Committee regularly reviews the scope of the internal audit function of the Company. The Internal Audit function has been outsourced to a leading audit firm, M/s. KPMG, Chartered Accountants. The Committee in general monitors and reviews:

- The annual audit plan
- Scope of the audit plan
- Internal audit findings
- Remedial action taken on the recommendations of the Internal Auditors

The Committee also provides independent assurance on the overall system of internal controls, and the associated risk management framework. The Committee is satisfied that an effective system of internal controls is in place to provide reasonable assurance on safeguarding the Company's assets and reliability of Financial Statements.

External Audit

The Committee has reviewed the independence and objectivity of the Independent External Auditors and is satisfied that the independence of the External Auditors has not been adversely influenced by any event or service that could

result in a conflict of interest. The key audit matters were discussed with the External Auditors with due consideration placed on judgements, assumptions and measures taken by the company and Auditors to ensure reasonability.

The Committee also reviewed all fees payable to the statutory auditors for the audits carried out during the year and recommended the same for the approval of the Board of Directors.

M/s BDO Partners has been External Auditors since 2023 and Mr. Sasanka Rathnaweera Senior Partner was engaged in the External Audit since 2023, and they do not provide non audit services to Lanka IOC.

Written assurance was obtained from BDO Partners that they are and have been independent throughout the conduct of the Audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Regulatory Compliance

The Committee obtained representation on the adequacy of provisions made for possible liabilities and reviewed reports tabled by the Managing Director certifying compliance with relevant statutory requirements. The Committee obtains quarterly updates from the Managing Director regarding compliance with laws and regulations.

The Company is fully compliant with the applicable rules on corporate governance under the Listing Rules of the Colombo Stock Exchange (CSE), the Companies Act and other applicable relevant financial reporting-related regulations and requirements.

Conclusion

The Audit Committee confirms the effectiveness of internal controls, risk management, and compliance, ensuring asset protection and financial accuracy. It affirms the External Auditors' independence and that proper accounting policies ensure true and fair financial statements.



Mr. H M A Jayasinghe

Chairman - Audit Committee

17th April 2025



Mr. H M A Jayasinghe
Chairman - Remuneration Committee

Mr. H M A Jayasinghe - Chairman/
Senior Independent Non-Executive
Director *(Appointed w.e.f. 01.01.2025)*

Mr.S Renganathan- Member/
Independent Non-Executive Director
(Appointed w.e.f. 01.01.2025)

Mr. R V N Vishweshwar- Member/
Non-Executive Director

Prof. L R Watawala- Chairman/Senior
Independent Non-Executive Director
(Ceased to be a member on 31.12.2024)

Mr. Amitha Gooneratne- Member/
Independent Non-Executive Director
(Ceased to be a member on 31.12.2024)

Name	Eligible to Attend/ No. of meetings attended
Mr. H M A Jayasinghe	1/1
Mr. S Renganathan	1/1
Mr. R V N Vishweshwar	1/1

Regular Attendees

Managing Director
Senior Vice President (Finance)
Vice President (Finance)
Secretary to the Committee

Charter of the Committee

The committee’s terms of reference outline the composition, role and responsibilities of the committee.

The committee is committed towards upholding the principles of accountability and transparency ensuring that remuneration structures are fair and aligned with the performance of the Company and long-term interest of the shareholders.

The Aggregate remuneration of the Non-Executive Directors is given in page no. 170 Of this Report.

Key responsibilities of the Committee

- Examine, evaluate and recommend to the Board of Directors the remuneration packages, annual increments and bonuses of the staff.
- Lay down guidelines and parameters for the compensation structures of directly recruited Executive and Staff of the Company.
- Evaluate the performance of the Key Management Personnel against predetermined goals.
- Provide policy direction for the Human Resource Strategy of the Company.

Professional Advice

The Committee has the authority to seek independent professional advice on matters within its purview.

Remuneration Policy

The remuneration policy is designed to attract, motivate and retain the Company’s workforce with competitive remuneration and benefits to support the overall business growth and value creation. Accordingly, appropriate compensation commensurate with the employees’ qualifications and experience, is provided giving due consideration to individual performance standards and industry norms.

Mr. H M A Jayasinghe
Chairman - Remuneration Committee

17th April 2025

REPORT OF THE RELATED PARTY TRANSACTION REVIEW COMMITTEE



Mr. S Renganathan
Chairman- Related Party Transaction Review Committee

Mr. S Renganathan- Chairman/
Independent Non-Executive Director
(Appointed w.e.f. 01.01.2025)

Mr. H M A Jayasinghe- Member/Senior
Independent Non-Executive Director
(Appointed w.e.f. 01.01.2025)

Mr. R V N Vishweshwar- Member/
Non-Executive Director

Mr. Dipak Das-Managing Director

Mr. Amitha Gooneratne- Chairman /
Independent Non-Executive Director
(Ceased to be a member on 31.12.2024)

Prof. L R Watawala- Member /Senior
Independent Non-Executive Director
(Ceased to be a member on 31.12.2024)

Name	Eligible to Attend/ No. of meetings attended
Mr. H M A Jayasinghe	1/1
Mr. S Renganathan	1/1
Mr. R V N Vishweshwar	4/4
Mr. Dipak Das	4/4
Prof. L R Watawala	3/4
Mr. Amitha Gooneratne	3/4

Regular Attendees

Senior Vice President (Finance)

Vice President (Finance)

Secretary to the Committee

Charter of the Committee

The Charter of the Related Party Transactions Review Committee clearly sets out the purpose, membership, authority, duties and responsibilities of the Committee.

The Related Party Transaction Review Committee was established by the Board of Directors in February 2016 further to the provisions contained in Section 9 of the Listing Rules of the Colombo Stock Exchange (CSE). The primary objectives of the said rules are to ensure that the interests of the Shareholders as a whole are taken into account when entering into related party transactions and to prevent Directors, Key Management Personnel or substantial Shareholders from taking advantage of their positions.

Key responsibilities of the Committee

- Ensure that the interests of shareholders are taken into account as a whole when entering into related party transactions.
- Ensure that the Company complies with the Listing Rules of Colombo Stock Exchange.
- Update the Board of Directors on the related party transactions of the Company on a quarterly basis.
- Establish the threshold values for related party transactions, i.e. transactions which have to be pre-approved by the Board, transactions which require to be reviewed in advance and annually and similar issues relating to listed Companies.
- Make immediate market disclosures on applicable transactions as required by the Listing Rules.

Conclusion

The Committee ensures that all Recurrent and Non- Recurrent related party transactions are conducted at arm's length and the Committee on quarterly basis, reviews and assesses the ongoing relationships with any related parties to ensure compliance with listing rules. During the year under review, the Company has complied with the related party transactions rules set out in Section 9 of the Listing Rules.

Mr. S Renganathan

Chairman- Related Party Transaction Review Committee

17th April 2025



Dipak Das
Chairman – Risk Management
Committee

**Mr. Dipak Das- Managing Director-
Chairman**

Mr. Avinash Singhal- Senior Vice
President, Finance- Chief Risk Officer -
Member

Mr. Amber Ahemad- Senior Vice
President, Retail Sales & HR - Member

Mr. Sunil Kanta Maharana - Vice
President, Bunkering & Operations -
Member

Mr. Sandeep Gupta- Vice President,
Engineering & Admin - Member

Mr. Prashant Raut- Senior Vice
President, Lubricants - Member

Secretary to the Committee

Amali Liyanapatabendi
Company Secretary

Meetings

The heads of divisions constantly monitor risks pertaining to their area of concern. Risk Management Committee Meetings are held as and when the requirement arises, and 01 meeting were held during the year

Charter of the Committee

The risk committee mandate outlines the composition, role and responsibilities of the committee. The objective of the committee is to assist the Board by providing necessary oversight pertaining to all aspects of risk management and ensuring that the Company has a comprehensive risk management framework, appropriate compliance policies and risk management systems in place.

Key responsibilities of the Committee

- ◆ Review the Company's risk management framework including significant policies, processes and systems.
- ◆ Review the risk appetite of the Company.
- ◆ Review the Company's compliance with all applicable laws and regulations.

Risk management policy

LIOC has a well-defined Risk Management Policy in place equipped with proper monitoring and reporting mechanisms to manage its business risks. The Policy provides the required Risk Management Framework for implementation of the policy by all concerned, effective monitoring and performance appraisal through periodic reporting to the management. The policy also provides an overview of the principles of risk management, the approach to be adopted by the Company for management of the identified risks and defines the organizational structure for effective risk management. The risks are categorized into A and B, which have been identified by each functional area of LIOC. However, there may be other risks that could emerge in the future, hence the respective division heads will constantly be monitoring and assessing the risk involved.

Professional Advice

In addition to the independent judgment by the heads of division the Committee takes into account the Risks identified by the Statutory/Internal Auditors and take mitigation action accordingly. The committee is authorized to obtain legal or other professional advice internally and/or externally as and when it deems necessary, at the Company's expense.

Activities of 2024-25

- ◆ Cost optimization measures to offset margin pressure in auto fuel segment
- ◆ Introduction of new products
- ◆ Development of petrochemical business for diversification
- ◆ Enrolling a greater number of Suppliers

Dipak Das

Chairman – Risk Management Committee

17th April 2025

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT



Mr. H M A Jayasinghe
Chairman - Nominations & Governance Committee

Mr. H M A Jayasinghe
Senior Independent Non-Executive Director - Chairman
(Appointed w.e.f 01.01.2025)

Mr. S Renganathan
Independent Non-Executive Director - Member (Appointed w.e.f 01.01.2025)

Mr. R V N Vishweshwar
Non-Executive Director - Member (Appointed w.e.f 20.03.2024)

Prof L R Watawala
Senior Independent Non-Executive Director- Chairman
(Appointed w.e.f 29.11.2023)
Ceased to be member on 31.12.2024

Mr. Amitha Gooneratne
Independent Non-Executive Director- Member (Appointed w.e.f 29.11.2023)
Ceased to be member on 31.12.2024

Brief Profile of the Committee Member are given in Pages 23-25 of this Report

The Board's Nominations and Governance Committee (N&GC) operates in accordance with its Terms of Reference, which encompass the provisions of Section 9.11.5 of the Listing Rules of the Colombo Stock Exchange. N&GC maintains a formal and transparent procedure to evaluate, select and appoint/re-appoint Directors to the Board.

Terms of Reference

- ◆ Propose a suitable Charter for the appointment and the re-appointment of Independent Non-Executive Directors to the Board.
- ◆ Provide advice and recommendation to the Board on appointing Independent Non-Executive Directors.
- ◆ Evaluate and recommend the appointment/ re-appointment of Directors to the Board and Board Committees.
- ◆ Periodically review and update the Corporate Governance policies Listing Rules, securities market regulations.
- ◆ Provide induction programs for newly appointed Directors on corporate governance Listing rules and other applicable rules and regulations.
- ◆ Periodical Meetings shall inform the Independent Directors of major issues related to Lanka IOC.
- ◆ Periodical self-appraisals are being carried out by the Board according to the Policy on matters related to the Board of Directors.

Board diversity in the range of experience, skills age and gender is given below

Skill Category	No.
Accounting	03
Engineering	02
Business administration	01

Age group	No
Between 50-55	02
Between 56-60	02
Between 61-70	02

Gender	No.
Male	Female
06	NIL

In terms of Article number 29 (2) of the Articles of Association of the Company, one third (1/3) of all the Directors except the Managing Director shall be liable for determination of retirement by rotation at every Annual General Meeting. The Retiring Director shall be eligible for re-election. The Directors who retires each year shall be who have been longest in office since their last re-election.

In terms of Article number 27 (6) the Directors shall have power at any time to appoint any person or persons as additional Director/s. Any Director appointed shall hold office only until the next Annual General Meeting and shall then be eligible for re-election but shall not be considered for determining the Directors who are to retire by rotation.

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NOMINATIONS AND GOVERNANCE
COMMITTEE REPORT

The Nominations and Governance Committee recommended the re-election of the following Directors, who are coming up for re-election in terms of Article 29 (2) at the forthcoming Annual General Meeting.

Name of Director	Last day of re-election to the Board	Directorships and other commitments held: current and preceding 3 years in other Listed entities	Board Committees served on	Close Family Member
Mr. R V N Vishweshwar	01.07.2024 (Re-elected in terms of [Article 27 6])	N/A	Audit Committee RPTR Committee and Remuneration Committee	N/A
Mr. N D Marthur	01.07.2024 (Re-elected in terms of [Article 27 6])	N/A	N/A	N/A

The Nominations and Governance Committee recommended the re-election of the following Director who is coming up for re-election in terms of Article 27 (6) at the forthcoming Annual General Meeting.

Name of Director	Date of Appointment	Directorships and other commitments held: current and preceding 3 years in other Listed entities	Any Relationship including close family member between the directors/the listed entity or its shareholders (more than 10%) and candidate
Mr. Satish Kumar Vaduguri	01.09.2024	Indian Oil Corporation Ltd, IndianOil (Mauritius) Ltd, IndianOil Petronas Private Ltd, Sun Mobility Pte. Ltd., Singapore	N/A



Mr. H M A Jayasinghe

Chairman - Nominations & Governance Committee

17th April 2025

RISK MANAGEMENT

Risk landscape 2024-25

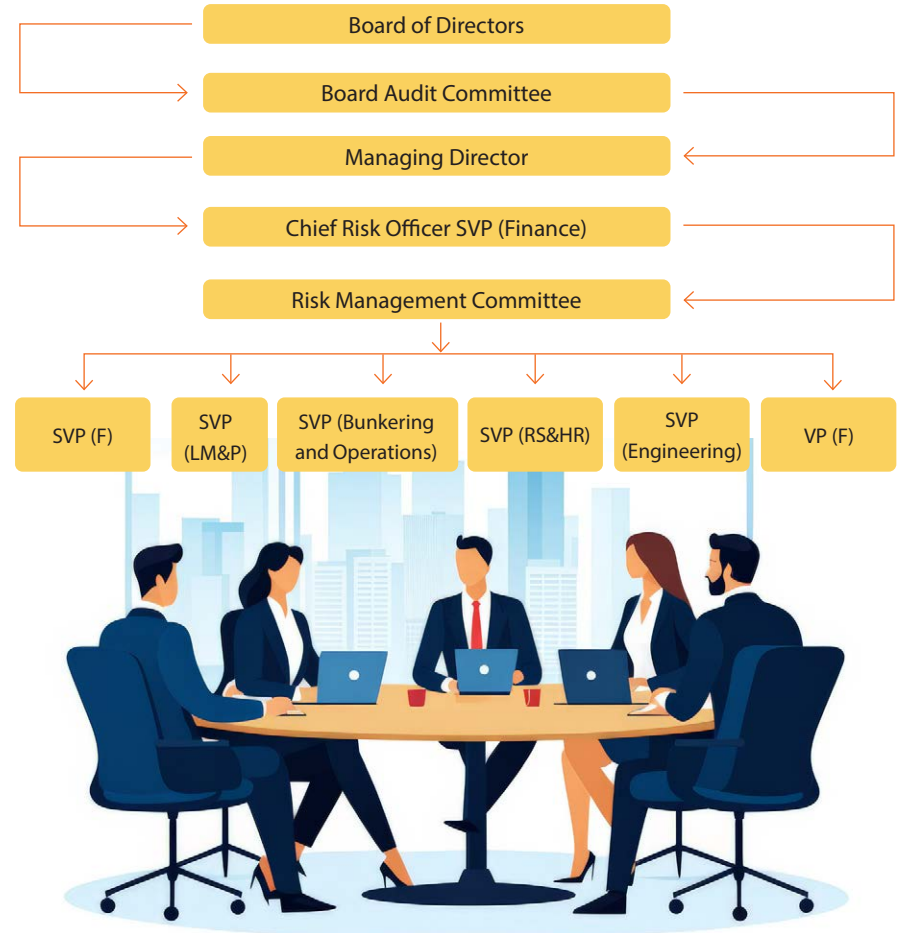
During the financial year under review, Sri Lanka's economic, social, and political landscape underwent various changes impacting numerous business entities, including Lanka IOC PLC. Fuel accessibility and pricing, consumer behavior, energy sector liberalization with new entrants to the market, competitive pressure from state player, regulatory changes such as tax regimes and exchange rate movements and shift to renewable energy sources are some critical factors that shaped Sri Lanka's energy sector.

Despite these challenges, Lanka IOC PLC maintained a focus on supporting its trained team through this difficult period and ensuring sound value creation to all connected stakeholders. Effective risk management practices allowed for the early identification and management of these risks, enabling the Company to deliver a resilient performance against emerging trends. The Company continues to vigilantly monitor the risk environment, constantly assessing changes to identify potential risks that need to be addressed.

Risk governance at Lanka IOC PLC

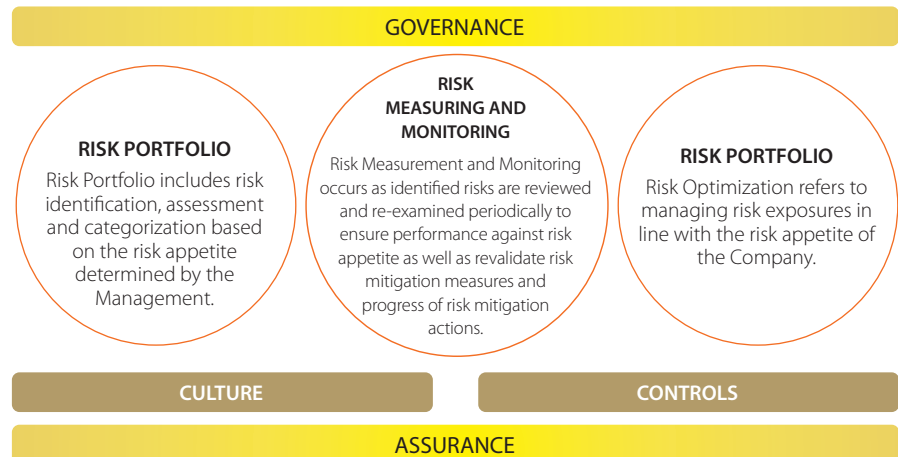
The risk governance framework at the Company ensures accountability and ownership while also promoting an adequate level of independence and segregation of duties. This framework is built upon the three lines of defense and outlines the hierarchy of authority, as well as the roles and responsibilities necessary for effective risk management throughout the Company. The Board of Directors bears the primary responsibility for recognizing and handling the Group's risk exposures. Assisting them in this task is the Board Audit Committee, which has the overarching responsibility of overseeing these efforts. Identifying risks is a continual endeavor that entails

active engagement with stakeholders and constant assessment of both internal and external business landscapes. Risk grids are regularly reviewed and updated, with presentations made to the Board for evaluation.



Risk Management Framework

The risk management framework established at LIOC sets out the processes and responsibilities for identifying, measuring, mitigating, monitoring and reporting risks.



Risk culture at LIOC

LIOC endeavors to cultivate a robust risk culture within its organization, aiming for an environment where employees maintain a comprehensive awareness of risk to make informed decisions and execute suitable actions. This commitment is operationalized through regular training sessions and awareness programs designed to imbue every member of the organization with a sense of ownership over risk. These initiatives serve to ensure that employees possess a clear comprehension of their individual roles and responsibilities concerning risk management, thus contributing to a collective effort in safeguarding the Company’s interests.

Risk Appetite

LIOC’s risk appetite delineates the boundaries within which the organization is willing to operate concerning risk-taking activities. It encapsulates the level of risk that LIOC is prepared to accept in pursuit of its strategic objectives, taking into account various factors such as its tolerance for uncertainty, financial capacity, and overall business objectives.

The establishment of a clear risk appetite framework enables LIOC to make well-informed decisions regarding the types and magnitudes of risks it is willing to undertake. This framework is typically developed in alignment with the organization’s overall strategic plan and risk management objectives. It serves as a guiding principle for management and employees at all levels, helping them to gauge the appropriateness of their actions and decisions within the context of risk.

To ensure that the risk appetite is effectively communicated and understood across the organization, LIOC employs various communication channels and training initiatives. These efforts help to instill a risk-aware culture where employees are cognizant of the organization’s risk appetite and their role in adhering to it. Furthermore, LIOC regularly reviews and revises its risk appetite framework to adapt to evolving business environments, regulatory changes, and emerging risks. This iterative process ensures that the risk appetite remains relevant and aligned with the organization’s strategic direction.

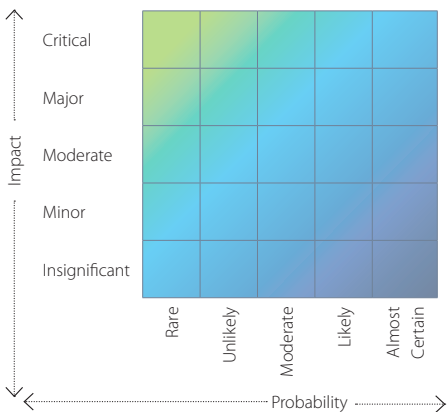
Rating criteria – impact

		Consequence Category				
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Critical
Consequence Factors (Mutually Exclusive)	Financial (Average Net Profit)-Impact on profitability	< Rs. 5 Mn	Rs. 5 – Rs. 50 Mn	Rs. 50 – Rs. 100 Mn	Rs. 101– Rs. 300 Mn	> Rs. 300 Mn
	Product wise market share vis-à-vis previous period	<0.50 % decline	0.50 -1.0 % decline	1.0 -1.5 % decline	1.5 - 2.5 % decline	>2.5 % decline
	Regulatory	Routine issues raised by Ministry/ regulatory authorities	Instructions from Ministry	Penalties/ caution / intensive scrutiny	Heavy Penalties/ restrictions on activity	Loss of rights to operate in specific areas
	Loss of talent of Senior Management	General Attrition - Negligible impact	Higher than usual level of attrition	Exit of key individual affecting operations in the short-term	Exit of several key individuals affecting operations in the short-term in various departments	Exit of several key individuals at senior management level adversely affecting operations
	New business development activities undertaken	Variance in Actual vs Budget <10%	Variance in Actual vs Budget <25%	Variance in Actual vs Budget upto <50%	Variance in Actual vs Budget >25%	Cash losses on a continuous basis (EBDTA)
	Reputation	Localized complaints	Repetitive public complaints	Negative media coverage	Short-term negative media coverage and disruption to customer/ investor confidence	Long-term negative media coverage and long-term disruption of customer/ investor confidence
	Level of Management effort required	Staff level	Junior Management	Functional Head	Managing Director	Board of Directors

- Extensive monitoring required
- Considerable monitoring required
- Moderate monitoring required

Rating Criteria – Likelihood

Rating	Likelihood	Parameters
5	Almost Certain	70-90% probability of risk occurring
4	Likely	50-70% probability of risk occurring
3	Moderate	30-50% probability of risk occurring
2	Unlikely	10-30% probability of risk occurring
1	Rare	0-10% probability of risk occurring






Principle Risks 2024-25

The Company consistently maintains a comprehensive register of principal risks rated as per the Company's clearly established risk rating model explained above. Risks are categorized in to Category A and Category B subject to specific levels of scrutiny.

Escalation level	Risk category
Board Audit Committee	A
Risk Management Committee	A and B

Risk Category	Risk Element	Implications	Mitigating Actions	Risk Level in 2023-24	Risk Level in 2024-25	Risk Trend
Financial Capital	Commodity price increases Increase in the world commodity prices which has caused exponential increases in crude oil and related products	Price fluctuations pose a direct impact on profitability margins and cash flows. During the year 2024-25 the impact of the commodity price was low because the average price per barrel of crude oil decreased to USD 78.22 from 82.49 in year 2023-24	<ul style="list-style-type: none"> Very close monitoring of global crude oil prices Constant liaison with the parent Indian IOL on pricing, trends, etc. Supply chain optimization to minimize shocks of price fluctuations 	H	M	↓
	Interest rate risk Sensitivity to interest rate changes	Increase in interest rates could impact the cost of imports due to high cost of financing and increase in the cost of borrowing. During 2024/2025 interest rates drastically reduced triggered by policy rate cuts by the Central Bank of Sri Lanka	<ul style="list-style-type: none"> Effective management of working capital Maintain a proper combination of fixed and floating rates in close liaison with key banks of the Company based on interest rates trend in the macro-economy 	H	M	↓
	Pricing of products Pricing of Auto Fuels now based on a fuel pricing formula	The Government of Sri Lanka implemented a price formula for auto fuels which has allowed greater flexibility in price revisions in tandem with changes in the global crude oil prices	<ul style="list-style-type: none"> Focus on expanding the branded and premium fuel segment Diversification by expanding to other segments to offset under recoveries on Auto Fuel 	M	M	↔
	Foreign currency risk Arises due to exposure to foreign currency positions	Auto Fuels, Lubricants and Bitumen are procured in USD and sales are carried out in Sri Lankan Rupees. Thus, the Company is exposed to exchange losses. With the depreciation of the Sri Lankan Rupee the impact has been significant. With the gradual stabilization of the Sri Lankan Rupee over the year, the impact is lessened	<ul style="list-style-type: none"> Import loans taken for a shorter tenor Proactive strategy to monitor exchange fluctuation risk Hedge foreign borrowings against foreign currency deposits 	H	M	↓

Risk Category	Risk Element	Implications	Mitigating Actions	Risk Level in 2023-24	Risk Level in 2024-25	Risk Trend
	Change in competitive platform New entrants entering the Bitumen and Bunkering space has changed the dynamics in this area	The entry of new players to an already crowded market could affect our margins and market share New small players may not strictly adhere to the best international practices Commencement of Bunkering operations at Galle may have substantial impact on Bunkering volume at Colombo and Trincomalee	<ul style="list-style-type: none"> Implementing various marketing and pricing strategies to protect its market share Expanding branding and product awareness campaigns More innovative products introduced to the market Optimization of supply chain management Focusing on excellence in customer satisfaction by automation and digitalization of processes and improving customer convenience 	M	M	
	Credit risk Occurs due to settlement default by credit customers	Results in direct losses due to bad debts and increase in finance cost due to delayed payments	<ul style="list-style-type: none"> Regular credit evaluation from reputed independent credit agencies Consistent monitoring of the debtors' aging profile Strict follow-up on customers who seek credit facilities Obtaining adequate collateral wherever there is a risk of default 	H	M	
	Risk to stocks, property and equipment	Due to the flammable nature of our products any inadequacy/ambiguity in insurance cover may result in dishonour of insurance claims by the insurance companies	<ul style="list-style-type: none"> Insurance obtained from reputed companies with strong re-insurance support Company has taken adequate insurance policies such as Fire & Commercial Insurance, General Liability Insurance Policy, Marine Insurance Policy, In transit Insurance Policy, etc. 	M	M	
	Demurrage due to inadequate port infrastructures	Due to inadequate infrastructure at the Port and non-availability of required pipelines, ships coming to the Colombo Port are compelled to wait for berthing and take more than normal discharge time leading to exposure to the Company for demurrage	<ul style="list-style-type: none"> Comprehensive planning framework for import of Petroleum goods Discussions are carried out with Port Authorities and Ceylon Petroleum Storage Terminals LTD to create desired infrastructure at the port Lay time allocation is planned upon giving due consideration to the operational constraints 	H	H	
	Government policy and regulatory changes	Frequent changes to government policies and tax structures hampers the strategic planning process of the Company	<ul style="list-style-type: none"> Duties and taxes, interest rates, exchange rates and wages are monitored and strategies reviewed and revised to minimize impact where possible Regular engagement with policy makers to strengthen and enhance the industry frameworks in place Timely action is taken to renew various licenses, permissions and approvals 	M	M	

Risk Category	Risk Element	Implications	Mitigating Actions	Risk Level in 2023-24	Risk Level in 2024-25	Risk Trend
Human capital - Occupational Health and Safety	Product Safety	The flammability of our key products exposes our staff to a wide range of health and safety risks that can result in regulatory action, legal liability and reputational losses	<ul style="list-style-type: none"> Establishing safety procedures for all operations that present risks to employees and ensuring implementation of the same Retail Outlet safety handbook is distributed to all Retail Outlets At the Trincomalee terminal, regular safety drills are conducted with employees, transporters and contractors to create awareness amongst them. Further, the Company has positioned adequate safety equipment to deal with emergency situations Ensuring all safety equipment and procedures are in place at Retail Outlets upgration of fire fighting infrastructure at Trincomalee 	H	H	
Social and Relationship Capital	Maintaining product quality and standard of service	Failure to meet product quality standards can cause harm to our employees and customers, damage our reputation and result in regulatory/legal action	<ul style="list-style-type: none"> Stringent quality control mechanisms All fuels and Lubricants are evaluated for health and safety standards by the parent company's Research Centre Compliance with regulations and certifications Strict compliances ensured material contractual specification 	H	H	
Intellectual Capital	Reputation risk	Company's image and operations may be affected due to adverse publicity/ misinformation campaigns by vested interests	<ul style="list-style-type: none"> Continuous engagement is with policy makers and our legal counsels 	M	M	
Natural capital	Waste and effluents including oils spills	Effluents from our processes comprise oil sludge and discharges from the Trincomalee Terminal. Any possible oil spills in or around Trincomalee oil jetty would have severe consequences for LIOC.	<ul style="list-style-type: none"> Responsible disposal of all waste and effluents Compliance with the regulations of the Central Environmental Authority (CEA) and the Marine Environmental Protection Authority Oil sludge is disposed by contracting third parties licensed by the CEA Provide OSCE to Trincomalee oil jetty to harmonize possible negative impact 	M	H	

Risk Category	Risk Element	Implications	Mitigating Actions	Risk Level in 2023-24	Risk Level in 2024-25	Risk Category
Human Capital	Employee relations	Around 38% of our employees are unionized as we recognize the right to freedom of association	<ul style="list-style-type: none"> Open door policy for employees to discuss areas of concern Regular structured dialogue with union representatives to identify areas of concern Balanced HR policies applied in a consistent manner building trust with employees 	M	M	↔
	Employee retention	Maintaining employee motivation and improving retention levels is a challenge given the nature of the industry and high labor migration	<ul style="list-style-type: none"> Strong employee value proposition which features attractive remuneration packages Continued investment in training and development Opportunities for career progression 	M	M	↔
Human Capital	Non availability/ limited availability of contractors for specialized work related to Oil Terminalling/ Lube Plant	Impacts the speed of execution Higher cost	<ul style="list-style-type: none"> Local parties being developed by entrusting them with jobs Enabled participation of foreign capable parties as consortium partners with the local parties 	L	M	↑
Natural Capital	Energy	Energy is critical to the Company's day to day operations at the Retail Outlets, head office and the LIOC Terminal in Trincomalee.	<ul style="list-style-type: none"> Solarization at Retail Outlets and Trincomalee Encouraging Retail Outlets to adapt energy efficient lighting systems Investing in energy efficient machinery and equipment Continuous monitoring of energy intensity ratio to drive required action Introduction of energy efficient fuels to contribute towards lower carbon emissions 	M	M	↔
	Climate change	<p>National policies could increase costs and reduce future revenue and strategic growth opportunities. There is also a direct impact through our carbon footprint and compliance with the CEA license</p> <p>Increasingly pronounced impacts of climate change including erratic weather</p>	<ul style="list-style-type: none"> Introduction of low carbon emitting Auto Fuel products Investments in energy efficient technology Continuous monitoring of emissions to ensure compliance with CEA requirements and certifications 	M	M	↔

Risk Category	Risk Element	Implications	Mitigating Actions	Risk Level in 2023-24	Risk Level in 2024-25	Risk Category
Social and Relationship Capital	Local community Relations	As a responsible corporate citizen, the Company contributes towards socio-economic progress of the communities through several timely CSR initiatives which meet the emergent needs and requirements	<ul style="list-style-type: none"> High levels of community engagement and nurturing meaningful relationships with our communities Investments in ongoing community development projects 	L	L	
Social and Relationship Capital	Product responsibility	Given the flammable nature of the product, customer health and safety impacts are critical	<ul style="list-style-type: none"> Compliance with all national health and safety standards at customer touch points Regular training provided to business associates in the handling, transportation and storage of products 	M	M	
Human Capital / Intellectual Capital	Training and development	Training and development enhance the competencies of the team to enhance productivity and safety. This enriches the tacit knowledge creating a competitive edge	<ul style="list-style-type: none"> Structured training programs in place for all employees Training needs identified through a robust performance management system 	M	M	
Intellectual capital	Cyber security and threats on data and IT systems	With increasing usage of data, digital platforms and technological infrastructure across multiple aspects of operations effectively managing cyber risks and protecting data and IT systems are increasingly challenging.	<ul style="list-style-type: none"> Strengthened technical controls such as firewalls network segregation, intrusion prevention systems, gateway level content filtering, anti-malware solutions, etc. Ongoing investments to upgrade digital defences Strong policy framework on IT security 	M	M	

Way forward

The dynamic nature of the operating environment particularly as the core commodity sold by Lanka IOC – auto fuels is subject to price and supply fluctuations in the world market has prompted Lanka IOC to continuously monitor emerging trends and strengthen risk management frameworks to align with the Company's strategic goals effectively. At Lanka IOC risk management surpasses mere compliance standards and aligns with global best practices in ensuring the safeguarding of the Company's assets, people, processes and customers, and also nature and community at large thereby reach organizational strategic objectives.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

To the Shareholders

The Board of Directors have pleasure in presenting the 23rd Annual Report of Lanka IOC PLC for the financial year ended 31st March 2025, that includes and covers the Audited Financial Statements, Chairman’s Message, Managing Directors Review, Management Discussion and Analysis, Stakeholder Engagement Report, Capital Reports, Governance Reports, Impact Management Report, Statements of Responsibility, Auditors’ Report, Independent Assurance on Non- Financial Reporting and other relevant information.

The Directors confirm that the financial statements have been prepared in accordance with the Sri Lanka Accounting Standards, (SLFRS/LKAS) which have been consistently applied and supported by reasonable and prudent judgments and estimates.

The Audited Financial Statements were approved by the Directors at the Board Meeting held on 17th April 2025

REVIEW OF THE YEAR

The Chairman’s statement describes in brief the Company’s affairs and its performance during the year.

FINANCIAL STATEMENTS

The Financial Statements of the Company for the year ended 31st March 2025, which include the comprehensive Income Statement, Financial statement, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Financial Statements, are given from page xx onwards.

PRINCIPAL ACTIVITIES OF THE COMPANY

The main activities of the Company are importing, blending, distributing, selling of petroleum products including Lubricants, Bitumen, Petrochemical and Bunkering in Sri Lanka.

AUDITORS’ REPORT

The Auditors’ Report on the financial statements is set out on page No. xx

ACCOUNTING POLICIES

The financial statements are prepared in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) issued by the Institute of Chartered Accountants of Sri Lanka (ICASL). The financial statements are prepared under the historical cost convention. Accounting policies have been consistently applied by the Company in preparing the Financial Statements of the Company in conformity with SLFRS/LKAS which require the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company’s accounting policies.

PURCHASING AND PRICING POLICY

All imports of products are made against global tender floated to various petroleum product suppliers all over the world. All transactions with the Parent Company – Indian Oil Corporation Limited, India are on purely commercial terms and conditions of contract that are applicable/applied to similar such other suppliers of the respective products. The parent company is treated at par with any other such supplying company without any preferences whatsoever.

Government of Sri Lanka does not issue any directions to Lanka IOC PLC on the retail selling prices of Petroleum Products. However, the company indirectly gets affected by the retail selling prices of petrol and diesel as fixed by the Government of Sri Lanka controlled company Ceylon Petroleum Corporation [CPC].

ENTRIES IN THE INTERESTS REGISTER

Under the provisions of Section 168(1) (e) of the Companies Act No.07 of 2007, the Interests Register is maintained by the Company and the Directors have made the necessary declarations, in terms of the Section 192 (2) of the Companies Act No.07 of 2007 which are recorded in the Interests Register and this is available for inspection in terms of the Act. Particulars of entries in the interest register is given below:

DIRECTORS’ INTERESTS IN TRANSACTIONS

The Directors of the Company have made the general disclosure provided for in section 192(2) of the Companies Act No.07 of 2007. Note No. 23.2 to the Financial Statements deals with the Director’s interest in contracts and related party transactions with the Company respectively.

DIRECTORS’ INTERESTS IN SHARES

There were no share dealings by any of the directors of the Company (Sec.200) during the financial year.

REMUNERATION AND OTHER BENEFITS OF DIRECTORS

The aggregate remuneration and other benefits of directors of the Company for the financial year 2024- 25 amounts to Rs 81.54 Mn.

DIRECTORS

The Directors of the Company for the F/Y 2024-25 were;

Mr. Satish Kumar Vaduguri	Chairman – Appointed w.e.f. 01.09.2024
Mr. Dipak Das	Managing Director
Mr. N D Mathur	Non-Executive Director
Mr. R V N Vishweshwar	Non-Executive Director
Mr. H M A Jayasinghe	Senior Independent Non-Executive Director - Appointed w.e.f 01.01.2025
Mr. S Renganathan	Independent Non-Executive Director- Appointed w.e.f 01.01.2025
Mr. Sujoy Choudhury	Chairman- Ceased to be a Director w.e.f 31.08.2024
Prof. Lakshman R Watawala	Senior Independent Non-Executive Director - Cease to be a Director w.e.f 31.12.2024
Mr.Amitha Gooneratne	Independent Non-Executive Director- Cease to be a Director w.e.f 31.12.2024

As per the Listing Rules 9.11.5 of CSE the Nominations and Governance Committee recommend to the Board of Directors for the re-election of the following Directors as per the Company's Articles of Association. The Board approved the re-election of Directors at the Board meeting held on 17th April 2025

Mr. R V N Vishweshwar will retire by rotation in terms of Article 29 (2) and offers himself for re-election as a Director at the forthcoming Annual General Meeting.

Mr. N D Mathur will retire by rotation in terms of Article 29 (2) and offers himself for re-election as a Director at the forthcoming Annual General Meeting.

Indian Oil Corporation Ltd nominated Mr. Satish Kumar Vaduguri Non-Executive Director/ Chairman in place of Mr. Sujoy Choudhry Non-Executive Director/ Chairman with effect from 1st September 2024. He will vacate his position as in terms of Article 27 (6) and offers himself for re-election at the forthcoming Annual General Meeting.

Mr. Hector Manil Anthony Jayasinghe Senior Independent Non-Executive Director and Mr. Sivakrishnarajah Renganathan Independent Non-Executive Director were appointed to the Board of Directors with effect from 1st January 2025 in place of Prof. Lakshman R Watawala Senior Independent Non-Executive Director and Mr. Amitha Gooneratne - Independent Non-Executive Director respectively

RELATED PARTY TRANSACTIONS

The Board of Directors declares as follows:

The related party transactions during the FY 2024-25 have been reviewed by the Related Party Transaction Review Committee and the related party transactions entered during the FY 2024-25 are exempted as per terms of Rule 9.5 of section 9 of CSE listing rules.

COMPLIANCE ON TRANSFER PRICING REGULATIONS ISSUED UNDER SECTION 104 OF THE INLAND REVENUE ACT NO 10 OF 2016

It is certified that the Company has complied with the Transfer Pricing Regulations issued under Section 104 of the Inland Revenue Act No 10 of 2016. The information pursuant to these Regulations is given in the approved accountant certificate produced under Section 107(2) (a) of the said Inland Revenue Act. We believe that the record of transactions entered into the associated undertakings during the period from April 1, 2024, to March 31, 2025, are at arm's length, not prejudicial to the interests of the company and not carried out for profit shifting purposes.

Records and information of all transactions have been submitted to the approved accountant who reviewed the transfer pricing records and no adverse remarks have been made in the certificate done by the approved accountant.

RE- APPOINTMENT OF AUDITORS

M/s BDO Partners Chartered Accountant are willing to continue as the Auditors of the Company and a resolution proposing their re-appointment will be tabled at the Annual General Meeting

The Independent Auditors' Report is in the Financial Statements section of the Annual Report. The Audit Committee reviews the re- appointment of the Auditors, in addition to their effectiveness, independence, and relationship with the Company including the level of audit and non-audit fees paid to the Auditor

AUDITORS RELATIONSHIP OR ANY INTEREST WITH THE COMPANY

The Directors are satisfied that, based on written representations made by the independent auditors to the Board, the auditors did not have any relationship or any interest with the Company that would impair their independence. Details of the

Auditors' remuneration are set out in note 06 to the Financial Statements on page xx

M/s. KPMG were engaged as Internal Auditors and a remuneration of Rs. 1.33 Mn (2023-24 – Rs.1.1 Mn) was incurred for the services rendered by them for internal audit and allied services.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment during the years ended 31st March 2024 and 31st March 2025 are set out in Note 11 to the financial statements.

STATED CAPITAL AND RESERVES

There was no change in the stated capital of the Company during the year under review. Majority of the shares ie: 75.12% are held by the Indian Oil Corporation Limited, India. The total retained earnings of the Company as at 31st March 2025 amounted to Rs.73,466.05 Mn (2023-24 – Rs 64,982 Mn).

STATUTORY PAYMENTS

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

CONTRIBUTION TO THE EXCHEQUER

Your Company has been making an enormous contribution to the exchequer. During the year, Rs.105,638 Mn (2023-24 Rs. Rs.62,233 Mn) was paid to the exchequer in the form of various duties, taxes and other statutory levies to the relevant authorities.

STATED CAPITAL AND CONTROL

There are no restrictions on the voting rights attaching to the Company's ordinary shares of 532,465,705 Which are fully paid up and listed on the Colombo Stock Exchange.

TURNOVER

LIOC recorded revenue of Rs 276.29 Bn during the year under review against Rs. 263.57 Bn in year 2023-24 despite the challenging operating competitive context.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The main contributor to the topline was the auto fuel segment which counted 73% of the revenue of Rs 203.04 Bn. With the regularity and continuity of the fuel supply, LIOC earned the trust of people at large as all its retail outlets continued to meet requirements of all sections of the society despite competitive landscape.

EARNING OF FOREIGN EXCHANGE

During the financial year under review, your company has earned valuable foreign exchange revenue amounting to US \$ 203.13 Mn (2023-24 – US \$ 168.77 Mn) through its operations.

RETAIL SALES

The automotive fuels segment of LIOC continued its journey to facelift itself during the financial year, as the competition is expected to heat up with opening of auto fuel segment to new service providers. Company has introduced XP100 premium 100 octane premium fuels in the island during the year gone by. Further, there are plans to launch Xtra Green Diesel this year, which not only helps with the reduced carbon footprint but also gives our customers improved driving experience. To improve customer re-filling experience, the company is on a drive to replace old fuel dispensing pumps at outlets and embark upon an automation drive. The company has expanded its reach by opening new Retail Outlets, especially in areas where fuel outlets are not available in nearby vicinity. We have added 15 new fuel Retail Outlets during FY 2024-25. The Company is also promoting digital modes of payments at its retail outlets. Management continues to focus on offering customers great re-fueling experience through our chain of retail outlets with updated infrastructure and with wider fuel choices through premium product offerings. To promote inclusivity, company has started an all women operated retail shed in 2023 and this outlet is now one of the highest selling retail outlets across the island. The company is facing challenges in terms of falling gross marketing margins with every round of fuel price cuts. To ensure that customers are offered fuels at a globally

competitive price and at the same time the company maintains a sound financial health, management is focused on optimization of sourcing cost, reducing logistics cost and other expenses.

LUBES

The introduction of new generation lubricants, including the transition from monograde to multi-grade products with extended lifetimes, has resulted in reduction in consumption of lubricants. However, the company has continued to maintain health volume growth in the lubricants business. The company has introduced four new grades during the year including Tuk-Tuk special engine oil which has been well received by customers. Servo lubricants are now available online on Daraz's platform. To promote Servo brand, management has undertaken extensive brand promotions activities including title sponsorship for the Sri Lanka- Australia test and ODI series held in the country, Servo Christmas carnival at the Galle face green, Colombo. Further to increase the reach of domestically produced Servo grease, the company has offered samples to many industrial users for testing. Management is confident that the company will be able to introduce a newer variety of automotive and industrial-grade lubricants in the market in a smaller time frame based on the consumer preferences and needs.

BUNKERING SALES

The company has continued to maintain health volume growth in the bunker business during FY 2024-25. This has been possible due to the focus of the management on sourcing products at highly competitive prices and maintaining adequate inventory at different ports. The company placed a higher capacity barge of 2800 MT at Trincomalee port. This helped in catering to larger bunker orders, improving our service capacity and turnaround time. The company is also upgrading the infrastructure facility at Trincomalee port to increase its bouquet of offerings and cater to HSFO requirement of shipping lines. The company has been able to mitigate its inventory risk through a dynamic trigger pricing strategy and at the same time offer

market linked rates to its customers. This has also helped not only the company but also the country to garner additional business volumes by offering competitive prices in comparison to other nearby ports.

PETROCHEMICALS

The company has grown its petrochemical volumes by more than 400% during FY 2024-25. This has been possible due to the multifaceted approach taken by management to reach out to potential customers, introducing six new grades of petrochemical products based on customer requirements. The company has also offered samples to manufacturers who are in the process of testing the PROPEL brand of petrochemical offerings by Lanka IOC. Management is focused on developing this new line of business by the company.

TAXATION

The Company is a Board of Investment [BOI] registered entity, registered under section 17 (2) of the BOI Act No 4, 1978 and accordingly, the Company is liable to pay tax at the rate of 15% on business income and 30% on income from investments.

OTHER OPERATING INCOME

In continuous efforts to optimize its income from various sources, your company earned Rs185.61 Mn (2023-24 -Rs.235.86 Mn) during the year lease rentals of hoardings, space and amenities, solarization at the various retail outlets, terminal services and from other resources.

FUNDING OPERATIONS

In order to have funding and other credit facilities with banks at the most competitive rates and terms, the Company renewed Facility Agreements with different banks based in Colombo at very attractive interest rates.

INTERNAL CONTROL

The company has adequate internal controls in place commensurate with the size, growth and span of business operations. Policies and procedures covering HR, Finance, Engineering, Secretarial, Plant and Terminal

Operations are in place. Adequacy of Internal Control is being evaluated and strengthened on regular basis. The Internal Auditors of the Company are M/s KPMG, Chartered Accountants, Colombo and the scope of their audit covers internal procedures, controls and systems, risk analysis, financial operations, statutory compliance etc. Auditors directly report their observations to the Audit Committee of the Board with recommendations. Management committee reviews the systems and practices, risks faced by the company due to changes in the business environment, developments in the market, Govt policies etc, and regularly initiate appropriate actions to mitigate the risks and reorient business strategies.

The Management holds Risk Management Meeting comprising of Managing Director and all its Heads of Departments to analyze the existing, impending risks etc., encountered or to be encountered by the company and take appropriate action to mitigate these risks.

CSR PROJECT

We initiated several community reach activities during the year from donating of dialysis machines to government hospitals with limited facilities, donation of dry rations to the needy families/elders homes and orphanages etc, protecting the environment we donated funds for conservation of coastal lines, fund were allocated for the needy children for English education., school equipment were donated for underprivileged schools are a few activities among many other CSR projects. Being a responsible Corporate Citizen, we shall continue to engage in meaningful dialogue with all our stakeholders, while striving to improve the social, environmental, and economic performance of our operations. Projects covering the environment, health, and education were carried out by the company and a detailed report on all activities is covered under the Social and Relationship Capital Report in the annual report.

GOING CONCERN

The Directors have adopted the going concern basis in preparing the financial statements. The directors after making inquiry and following a review of the Company's budget, future cash flows and borrowing facilities, consider the Company has adequate resources to continue in operation.

POST BALANCE SHEET EVENTS

No events have occurred since the balance sheet date which would require adjustments to, or disclosure, in the financial statements.

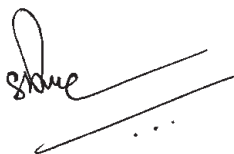
Signed on behalf of the Board



Dipak Das
Managing Director



Mr. Manil Jayasinghe
Director



Amali Liyanapatabendi
Company Secretary

Date 7th May 2025



ENERGISING *Responsibly* **Powering Progress**

We fuel the engines of industry, innovation, and economic growth with integrity and foresight. Our commitment to responsible energy ensures progress that is inclusive and enduring. With every stride forward, Lanka IOC strengthens Sri Lanka's momentum.



FINANCIAL STATEMENTS

FINANCIAL CALENDAR

Interim Financial Statements are published as per rule 7.4 of the Colombo Stock Exchange

PERIOD	PUBLISHED ON
April-June 2024	17th July 2024
July-September 2024	21st October 2024
October-December 2024	20th January 2025
January-March 2025	21st April 2025

PERIOD	PUBLISHED ON
023-24 (Ninth Integrated Report)	07th June 2024
2022-23 (Eight Integrated Report)	16th June 2023
2021-22 (Seventh Integrated Report)	10th August 2022
2020-21 (Sixth Integrated Report)	31st August 2021
2019-20 (Fifth Integrated Report)	07th October 2020

MEETING	DATE OF MEETING
2nd Annual General Meeting	01st July 2024
21st Annual General Meeting	29th June 2023
20th Annual General Meeting	19th September 2022
19th Annual General Meeting	29th November 2021

STATEMENT OF DIRECTORS' RESPONSIBILITY

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The following statement, which should be read in conjunction with the Auditor's Statement of their responsibilities set out in their report, is made with a view to distinguish the respective responsibilities of the Directors and of the Auditors, in relation to the financial statements contained in this Annual Report.

The Directors are required by Sections 150 (1) and 151 (1) of the Companies Act No.07 of 2007, to prepare financial statement for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss and of the cash flows of the company for the financial year. The Directors are required to prepare these financial statements on going concern basis, unless it is not appropriate. Since the Directors are satisfied that the Company has resources to continue in business for the foreseeable future, the financial statements continue to be prepared on the said basis.

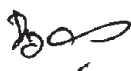
The Directors are also responsible, under Section 148 of the Companies Act No.07 of 2007, for ensuring that proper accounting records are kept to enable the determination of financial position with reasonable accuracy, preparation of Financial Statements and audit of such statements are being carried out in accordance with statutory guidelines.

The Directors confirm that in preparing the financial statements exhibited on pages 138 to 177 inclusive, appropriate accounting policies have been selected and applied on a consistent basis, reasonable and prudent judgments have been made so that the form and substance of transactions are properly reflected.

The Directors have taken action to safeguard the assets of the Company by having appropriate internal control systems to prevent and detect fraud and other irregularities.

The Directors are confident that they have discharged their responsibility as set out in this statement and confirm that to the best of their knowledge, all statutory payments payable by the Company as at the Balance Sheet Date, have been paid or where relevant, provided for.

By Order of the Board



Dipak Das

Managing Director

17th April 2025

CHIEF EXECUTIVE OFFICER'S & CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

The financial statements of Lanka IOC PLC as at March 31, 2025 are prepared and presented in conformity with the requirements of the following:

Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka, Companies Act No. 07 of 2007,

Sri Lanka Accounting & Auditing Standards Act No. 15 of 1995, Listing Rules of the Colombo Stock Exchange, 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 and Other applicable statutes.

The Significant Accounting Policies applied in the preparation of the Financial Statements are appropriate and are consistently applied as revealed in the Notes to Financial Statements. There are no material deviations from the prescribed Accounting Standards in their adoption. Comparative information has been reclassified wherever necessary to comply with the current presentation. The Company has adopted New Sri Lanka accounting standards which is effective from 01st January 2022, during the year. Application of Significant Accounting Policies and Estimate that involve a high degree of judgment and complexity were discussed with the Audit Committee and Independent Auditors.

The Board of Directors and Management of our Company accept responsibility for the integrity and objectivity of these Financial Statements. The Estimates and Judgments relating to Financial Statements were made on a prudent and reasonable basis, in order that the Financial Statements reflect in a true and fair manner, the form and substance of transactions and reasonably present the company's state of affairs. We also confirm that the company has adequate resources to continue in operation and have applied the Going Concern basis in preparation of these Financial Statements.

To ensure this, the company has taken proper and sufficient care in putting in place an effective system of internal checks and controls, for ensuring the correctness of the Financial Transactions recorded in the books of accounts, safeguarding assets and for preventing and detecting frauds as well as other irregularities, which is reviewed, evaluated and updated on an ongoing basis.

Our Internal Auditors M/s.KPMG Chartered Accountants have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls and accounting.

The Financial Statements were audited by M/s. BDO Partners Chartered Accountants, the Independent Auditors.

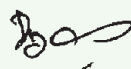
The Audit Committee of our company meets periodically with the Internal Auditors and the Independent Auditors to review the manner in which these auditors are performing their responsibilities and to discuss auditing, internal control and financial reporting issues. To ensure complete independence, the Independent Auditors and the Internal Auditors have full and free access to the members of the Audit Committee to discuss any matter of substance.

WE CONFIRM TO THE BEST OF OUR KNOWLEDGE;


The Company has complied with all applicable laws, regulations and prudential requirements and there are no material litigations that are pending against the Company other than disclose in note 25 under Contingencies.

FINANCIAL STATEMENTS

All Taxes, duties, levies and all statutory payments by the Company and all contributions, levies and taxes paid on behalf of and in respect of the employees of the Company as at the Statement of Financial Position date have been paid or where relevant provided for.



Dipak Das
Managing Director



Avinash Singhal
Senior Vice President (Finance)

17th April 2025

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LANKA IOC PLC



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Website : www.bdo.lk

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

Report on the Audit of the Financial Statements

OPINION

We have audited the Financial Statements of Lanka IOC PLC ("the Company"), which comprise the statement of financial position as at 31st March 2025 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policy information as set out on pages 05 to 45.

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

BASIS FOR OPINION

We conducted our audit in accordance with Sri Lanka Auditing

Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Refer note 2.13.16 of the Financial Statements for revenue recognition and note 03 for the disclosure of revenue from contract with customers.</p> <p>The Company's revenue consists of the sale of petroleum products. The Company's most significant revenue stream from petroleum products involves the sales of automotive fuels.</p> <p>In line with IFRS 15, the Company recognises revenue when a performance obligation is satisfied by transferring control over promised goods to the customer.</p> <p>For sale of automotive fuel, the point of revenue recognition is when the invoice is raised and the customer acknowledges the goods. A significant proportion of automotive fuel revenue is generated at the delivery point of Ceylon Petroleum Storage Terminals Limited (CPSTL) and Trinco Petroleum Terminal Limited (TPTL) which is a State-Owned Entity and in the business of storage and distribution of petroleum products. The original source documents (i.e., invoice and customer acknowledgement) pertaining to each sale generated at CPSTL's location on behalf of the Company are placed at CPSTL to which the management does not have access. However, the management gets comfort over the occurrence of a sales transaction initiated at the delivery point of CPSTL by way of accessing and referring to the details of the ERP (i.e SAP) which is also outsourced to and managed by CPSTL.</p> <p>Due to the magnitude of automotive fuel revenue generated at CPSTL, we assessed that a higher risk is associated with point of revenue recognition and measurement.</p> <p>Accordingly, the recognition and measurement of automotive fuel revenue was considered a Key Audit Matter.</p>	<p>Our audit procedures which included, amongst others, the following procedures:</p> <ul style="list-style-type: none"> reviewed the revenue recognition policy applied by the Company and its compliance with SLFRS 15 Revenue from Contracts with Customers tested the effectiveness of relevant controls over revenue recognition relating to sale of automotive fuels performed cut off procedures to ensure that the automotive fuel sales are recorded in the proper accounting period performed test of details on the automotive fuel revenue generated through the period by checking source documents in the ERP performed test of details to ensure the occurrence of automotive sales transactions by checking the customer settlements for samples of sales transactions in the bank statements reviewed the credit notes issued before and after the period end to ensure automotive fuel sales were recorded in the correct accounting period assessed the reasonableness of selling price for key products including automotive fuel by comparing average price per unit derived by dividing product wise monthly revenue by quantity sold with respective approved sales prices for the period assessed the adequacy of related disclosures on revenue in the Financial Statements with reference to the disclosure requirements given in SLFRS 15

Partners : Sujeewa Rajapakse FCA, ACCA, FCMA, MBA. Ashane J.W. Jayasekara FCA, FCMA (UK), MBA. H. Sasanka Rathnaweera FCA, ACMA.
F. Sarah Z. Afker FCA, FCMA (UK), CGMA, MCSI (UK). Dinusha C. Rajapakse FCA, LLB (Hons)(Colombo), CTA, Attorney at Law.
Nirosha Vadivel Bsc (Acc.), FCA, ACMA. R. D. Chamika N. Wijesinghe FCA, BBA (Acc.) Sp. H. M. R. Thilina Ranaweera FCA, BBA (Acc.) Sp.

BDO Partners, a Sri Lankan Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LANKA IOC PLC



OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



From the matters communicated with those charged with governance, we determine those matters that were of the most significance in the audit of the Financial Statements of the current period and are therefore, the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that 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 it appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent Auditor's Report is 4324.

BDO Partners

CHARTERED ACCOUNTANTS

Colombo
18th April 2025
HSR/dm

138 STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31st March		2025	2024
	Note	Rs '000	Rs '000
Revenue from Contracts with Customers	3	276,287,407	263,568,721
Cost of Sales		(255,263,005)	(239,550,439)
Gross Profit		21,024,402	24,018,282
Other Operating Income	4	185,612	235,857
Administrative Expenses		(3,142,285)	(3,548,774)
Selling and Distribution Expenses		(8,723,186)	(7,896,403)
Operating Profit		9,344,543	12,808,962
Finance Income	5.1	5,024,589	5,033,468
Finance Expenses	5.2	(505,602)	(759,070)
Finance Income – Net		4,518,987	4,274,398
Profit Before Tax	6	13,863,530	17,083,360
Income Tax Expenses	7.1	(2,714,925)	(3,138,366)
Profit for the Year		11,148,605	13,944,994
Other Comprehensive Income /(Loss)			
Items that will not be reclassified to profit or loss:			
Actuarial Loss on Defined Benefit Obligations	8.3	(2,130)	(37,084)
Changes in the Fair Value of Equity Investment at Fair Value Through Other Comprehensive Income		737,000	454,000
Income Tax on Other Comprehensive Income	9.2	320	5,563
Other Comprehensive Income / (loss) for the Year, Net of Tax		735,190	422,479
Total Comprehensive Income for the Year, Net of Tax		11,883,795	14,367,473
Earnings Per Share	10	20.94	26.19

Figures in brackets indicate deductions.

The accounting policies and notes on pages 142 to 177 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

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As At 31st March		2025	2024
	Note	Rs '000	Rs '000
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	11	5,162,848	4,899,713
Financial Assets at Fair Value Through Other Comprehensive Income	12	6,180,200	5,404,000
Intangible Assets	13	673,876	673,876
Right -of-use Assets	14.1	579,624	46,899
Financial Assets at Amortised Cost	17.2	165,367	162,621
Bank Deposits	22.3	15,403,055	-
		28,164,970	11,187,109
Current Assets			
Inventories	15	43,737,259	26,302,202
Trade Receivables	16	6,915,472	8,975,607
Financial Assets at Amortised Cost	17.1	7,848,299	9,385,817
Other Current Assets	18	670,107	738,372
Short Term Investments	22.2	29,519,567	38,928,945
Cash and Bank Balances	19.1	1,923,740	6,277,439
		90,614,443	90,608,383
Total Assets		118,779,413	101,795,492
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	20	7,576,574	7,576,574
Other Reserve		1,649,000	912,000
Retained Earnings		73,466,048	64,981,583
Total Equity		82,691,622	73,470,157
Non Current Liabilities			
Defined Benefit Obligation (Net)	8.2	10,914	26,533
Lease Liabilities	14.2	490,964	48,669
Deferred Tax Liability (Net)	9.1	36,688	28,775
		538,566	103,977
Current Liabilities			
Trade and Other Payables	21	27,303,080	22,682,361
Lease Liabilities	14.2	81,117	4,347
Interest Bearing Borrowings	22.1	7,444,789	4,306,616
Income Tax Payable		720,239	1,228,034
		35,549,225	28,221,358
Total Equity and Liabilities		118,779,413	101,795,492

Figures in brackets indicate deductions.

The accounting policies and notes on pages 142 to 177 form an integral part of these Financial Statements.

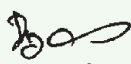
I certify that, these Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Mr. Avinash Singhal

Senior Vice President (Finance)

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by;



Mr. Dipak Das

Director



Mr. Manil Jayasinghe

Director

17th April 2025

Colombo

140 STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March		Stated Capital	Other Reserve (Financial Assets at FVOCI)	Retained Earnings	Total
	Note	Rs '000	Rs '000	Rs '000	Rs '000
As at 1 April 2023		7,576,574	458,000	53,197,972	61,232,546
Dividends Paid	27	-	-	(2,129,863)	(2,129,863)
Profit for the Year		-	-	13,944,994	13,944,994
Other Comprehensive Income/(Loss)		-	454,000	(31,521)	422,479
As at 31 March 2024		7,576,574	912,000	64,981,583	73,470,157
Dividends Paid	27	-	-	(2,662,329)	(2,662,329)
Profit for the Year		-	-	11,148,605	11,148,605
Other Comprehensive Income/(Loss)		-	737,000	(1,810)	735,190
As at 31 March 2025		7,576,574	1,649,000	73,466,048	82,691,622

Figures in brackets indicate deductions.

The accounting policies and notes on pages 142 to 177 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

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For The Year Ended 31st March		2025	2024
	Note	Rs '000	Rs '000
Cash Flows From Operating Activities			
Profit Before Income Tax Expense		13,863,530	17,083,360
Adjustments for:			
Finance Income	5.1	(5,024,589)	(5,033,468)
Finance Expenses	5.2	505,602	759,070
Dividends Income	4	-	(120,000)
Increase in Allowances for Impairment	16.1	33,070	107,174
Gain in Disposal of Property, Plant And Equipment	4	(3,623)	(116)
Defined Benefit Plan Cost	8.3	11,101	5,435
Depreciation	11.2	568,453	427,121
Adjustment to Right-to-use Assets	14.1	19,794	-
Amortisation of Right-of- use Assets	14.1	40,135	982
Interest on Lease Liabilities	14.2	5,751	6,147
Exchange Loss on Borrowing		7,718	(77,080)
Operating Profit before Working Capital Changes		10,026,942	13,158,626
Increase in Inventories		(17,435,056)	11,725,203
Increase in Trade Receivable, Other Receivables and Other Current Assets		3,630,103	(11,746,738)
Increase in Trade and Other Payables		4,609,204	7,855,601
Cash Generated From / (Used in) Operations		831,193	20,992,693
Income Taxes Paid		(3,220,966)	(3,531,660)
Interest Paid	5.2	(505,602)	(759,070)
Defined Benefit Paid		(24,326)	(10,899)
Net Cash Flows From / (Used in) Operating Activities		(2,919,701)	16,691,064
Cash Flows from Investing Activities			
Dividends Income		-	120,000
Acquisition of Property, Plant and Equipment	11.1	(831,964)	(1,423,118)
Interest Received		5,024,589	5,033,468
Proceeds from Property, Plant and Equipment		3,998	122
Net Withdrawal in Gratuity Fund		(2,395)	16,826
Investment In TPTL		(39,200)	(49,000)
Investments in Long-Term Investments		(15,403,055)	-
Investments in Short-Term Investments		9,409,379	(17,883,314)
Net Cash Used in Investing Activities		(1,838,647)	(14,185,016)
Cash Flows From Financing Activities			
Proceeds From Interest Bearing Borrowings	22.1.1	68,224,599	98,378,748
Repayments of Interest Bearing Borrowings	22.1.1	(65,094,144)	(98,463,397)
Dividends Paid	27	(2,650,814)	(2,129,863)
Payment of Lease Creditor	14.2	(74,993)	(4,354)
Net Cash (Used in) / From Financing Activities		404,649	(2,218,867)
Net Increase in Cash and Cash Equivalents		(4,353,699)	287,182
Cash and Cash Equivalents at the Beginning of the Year		6,277,439	5,990,257
Cash and Cash Equivalents at the End of the Year	19.1	1,923,740	6,277,439
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash in Hand and at Bank		1,923,740	6,277,439

Figures in brackets indicate deductions.

The accounting policies and notes on pages 142 to 177 form an integral part of these Financial Statements.

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

Lanka IOC PLC ("the Company") is a Public Quoted Company with limited liability incorporated and domiciled in Sri Lanka. The registered office of the Company is located at Level 20, West Tower, World Trade Centre, Echelon Square, Colombo 01.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company were importing, selling and distributing petroleum products.

The Company has been granted a Petroleum Products License by the Minister of Power and Energy which gives authority to import, export, store, transport, distribute, sell and supply petrol, auto diesel, heavy diesel (industrial diesel), furnace oil and kerosene, naphtha and other mineral petroleum including the premium petrol and premium diesel but excluding the aviation fuel and liquid petroleum gas. The license is valid for a period of 20 years from 22nd January 2024 and renewable thereafter.

1.3 Parent Entity and Ultimate Controlling Party

The Company's immediate and ultimate parent entity is Indian Oil Corporation Limited headquartered in India and ultimate controlling party is the Government of India.

1.4 Date of Authorisation for Issue

The Financial Statements of Lanka IOC PLC for the year ended 31st March 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 17th April 2025.

1.5 Responsibility For Financial Statement

The Board of Directors is responsible for the preparation and presentation of the financial statements of the Company as per the provisions of the Companies Act No. 07 of 2007 and in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS) laid down by the Institute of Chartered Accountants of Sri Lanka.

These Financial Statements include the following components;

- A statement of profit or loss and other comprehensive income providing the information on the financial performance of the Company for the year under review
- A statement of financial position providing the information on the financial position of the Company as at the year end

- A statement of changes in equity depicting all changes in shareholders' funds during the year under review of the company
- A statement of cash flows providing the information to users, on the ability of the Company to generate cash and cash equivalents and the needs of entities to utilize those cash flows, and
- Notes to the financial statements comprising accounting policies and other explanatory information

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards, which comprise Sri Lanka Financial Reporting Standards ("SLFRS"s), Sri Lanka Accounting Standards ("LKAS"s), relevant interpretations of the Standing Interpretations Committee ("SIC") and International Financial Reporting Interpretations Committee ("IFRIC"). Sri Lanka Accounting Standards further comprise Statements of Recommended Practices (SoRPs), Statements of Alternate Treatments (SoATs) and Financial Reporting Guidelines issued by the Institute of Chartered Accountants of Sri Lanka.

The preparation and presentation of these Financial Statements are in compliance with the Companies Act No. 07 of 2007.

2.2 Basis of Preparation

The Financial Statements have been prepared on a historical cost basis, except for defined benefit obligation which is measured at the present value of the obligation and investment in unit trust and equity instruments which are at fair value.

2.3 Changes in accounting standards

(a) New standards, interpretations and amendments adopted from 1st January 2024

- Liability in a Sale and Leaseback (Amendments to SLFRS 16 Leases) – Mandatorily effective for periods beginning on or after 1st January 2024
- Classification of Liabilities as Current or Non-Current (Amendments to LKAS 1 Presentation of Financial Statements) - Mandatorily effective for periods beginning on or after 1st January 2024)

- Non-current Liabilities with Covenants (Amendments to LKAS 1 Presentation of Financial Statements) – Mandatorily effective for periods beginning on or after 1st January 2024
- Supplier Finance Arrangements (Amendments to LKAS 7 Statement of Cash Flows and SLFRS 7 Financial Instruments: Disclosures) - Mandatorily effective for periods beginning on or after 1st January 2024

(b) New standards and amendments issued but not yet effective or early adopted in 2025

- Sustainability Disclosure Standard (SLFRS S1) as “General Requirements for Disclosure of sustainability - related Financial Information” (SLFRS S1) and SLFRS S2 on “Climate-related Disclosures” (SLFRS S2)
- Lack of Exchangeability (Amendments to LKAS 21 The Effects of Changes in Foreign Exchange Rates) – Mandatorily effective for periods beginning on or after 1st January 2025.

(c) The following amendments are effective for the period beginning 01st January 2026

- Insurance Contracts (SLFRS 17) (New accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure).

2.4 Presentation and Functional Currency

These Financial Statements are presented in Sri Lankan Rupees, the company's functional and presentation currency, which is the primary economic environment in which the company operates.

2.4 Going Concern

The Company's Management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future with no interruptions or curtailment of operations. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Financial Statements are prepared on the going concern basis.

2.5 Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in the normal operating cycle

- Held primarily for the purpose of trading
- Expected to be realised 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 the 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 reporting date to defer the settlement of the liability by transferring cash or other assets for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.6 Segment Reporting The Company deals only in Petroleum products. There are no separate activities other than the petroleum segment in the Company.

2.7 Offsetting

Assets and liabilities or income and expenses, are not offset unless required or permitted by Sri Lanka Accounting Standards.

2.8 Comparative information The presentation and classification of the Financial Statements of the previous years have been amended, where it is relevant for better presentation and to be comparable with those of the current year.

2.9 Materiality and aggregation

Each material class of similar items has been presented separately in the Financial Statements. Items of a dissimilar nature or function have been presented separately unless they are immaterial.

2.10 Significant Accounting Judgments, Estimates and Assumptions

The preparation of Financial Statements requires the application of certain critical accounting estimates and assumptions relative to the future. Further, it requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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

Other disclosures relating to the Company's exposure to risks and uncertainties include:

- Capital risk management Note 28.5
- Financial instruments risk management and policies Note 28
- Sensitivity analysis disclosures Notes 8.8 and 28.1

2.12.1 Critical Judgments in Applying the Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Financial Statements.

a) Investment in Ceylon Petroleum Storage Terminal Limited

The Company owns a 33 1/3% of stake in Ceylon Petroleum Storage Terminal Limited. The management has decided to carry the investment at fair value through other comprehensive income on the grounds that the Company has no significant influence on the financial and operating decisions of Ceylon Petroleum Storage Terminal Limited due to the government influence and the sensitivity of the industry towards the national economy. Further information is disclosed in Note 12.1

b) Investment in Trinco Petroleum Terminal (Pvt) Limited

The Company owns a 49% of stake in Trinco Petroleum Terminal (Pvt) Limited. The management has decided to carry the investment at fair value through other comprehensive income on the grounds that the Company has no significant influence on the financial and operating decisions of Trinco Petroleum Terminal (Pvt) Limited due to the government influence and the sensitivity of the industry towards the national economy. Further information is disclosed in Note 12.2.

c) Critical judgments in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings and motor vehicles, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically and reasonably certain to extend (or not terminate);
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically and reasonably certain to extend (or not terminate), and
- Otherwise, the Company considers other factors including the historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in buildings and motor vehicles leases have not been included in the lease liability because the Company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to a exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.12.2 Estimates and Assumptions

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 described below. The Company based its assumptions and estimates on parameters available when the 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 Company. Such changes are reflected in the assumptions when they occur.

a) Estimation of net realisable value for inventory

Inventory disclosed in Note 15 is stated at the lower of cost and net realisable value (NRV). NRV is assessed with reference to market conditions and prices existing at the reporting date and in the light of recent market transactions.

b) Impairment losses on Trade Receivables

The Company reviews its individually significant receivables at each reporting date to assess whether an impairment loss should be recorded in the Statement of Comprehensive Income. In particular, management's judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

In accordance with SLFRS 9, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Trade Receivables.

Simplified Approach

The Company follows a 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company

uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date. ECL impairment loss allowance (or reversal) recognised during the period is recognized as income/expense.

The impairment loss on Trade Receivables is disclosed in Notes 16.

c) Defined Benefit Obligations

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

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

Other key assumptions for gratuity obligations are based in part on current market conditions. Additional information is disclosed in Note 8.

d) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet

committed to, or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Further information is disclosed in Note 13.

e) Estimation of Useful Lives of Property, Plant and Equipment

The Company reviews annually the estimated useful lives of Property, Plant and Equipment disclosed in Note 11 based on factors such as business plan and strategies, expected level of usage and future developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of Property, Plant and Equipment would increase the recorded depreciation charge and decrease the Property, Plant and Equipment balance.

2.13 Summary Of Material Accounting Policy Information

2.13.1 Foreign Currency Translation

The Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as 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 was determined.

2.13.2 Property Plant and Equipment

Property, Plant and Equipment are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such costs include the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met.

Capital work-in-progress represents all amounts on work undertaken, and still in an unfinished state as at the end of the year.

Land is not depreciated as it is deemed to have an indefinite life. Depreciation is calculated on the straight line method to allocate the cost of each asset, to their residual values over their estimated useful lives commencing from the date of availability for use. On disposal of assets, depreciation ceases on the date that the asset is derecognised.

The asset's residual values, useful lives and method of depreciation are reviewed, and adjusted, if appropriate, at least at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the Statement of comprehensive income.

2.13.3 Intangible assets

a) Goodwill

Goodwill represents the excess of purchase consideration paid in 2003 to the Government of Sri Lanka over the net assets value representing applicable shares allotted in the acquisition of the retail outlets, which were vested with Independent Petroleum Marketers Limited (IPML). The IPML was subsequently amalgamated in 2004 with Lanka IOC PLC and dissolved under a court order. Due to the amalgamation and subsequent dissolution of this acquired company no consolidated financial statements are prepared.

Goodwill is attributed to the future economic benefits arising from other assets which were acquired from the above business combination that were not individually identified and separately recognised. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

2.13.4 Intangible assets

a) License fees on computer software

License fees represent costs pertaining to the licensing of software applications purchased. License fees are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives of 5 years.

2.13.5 Investment in Ceylon Petroleum Storage Terminal Limited and Trinco Petroleum Terminal (Private) Limited

Investment in the associate company is accounted for at cost and is classified as a long-term investment in the statement of financial position. The Company has no significant influence in the financial and operating policy decisions of the investee as more fully explained in Note 12.

2.13.6 Accounting for leases - where the Company is the lessee

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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises the right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Trinco Tank Farm - Lease Period 50 years
- WTC 20th Floor – Lease period 10 years
- WTC 21st Floor – Lease period 10 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies on Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Right-to-use Lease Liability (see Note 14.2).

2.13.7 Financial Instruments

2.13.7.1 Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value

through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

With the exception of trade receivable that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, but transaction costs. Trade receivables do not contain a significant financing component. Refer to the accounting policies in Note 2.7 Changes in Accounting Policies and Disclosures.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely the payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through Other Comprehensive Income (FVTOCI)
- Financial assets at fair value through profit or loss (unless measured at amortised cost or FVTOCI)

a) Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely the payments of principal and interest

on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include cash and short-term deposits, trade and other receivables and other financial assets.

b) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss

The Company's financial assets at fair value through profit or loss includes investment in unit trust and investment through portfolio management services

c) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments, and the Company considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely the principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

The Company's financial assets at fair value through other comprehensive income include investments in equity instruments of Ceylon Petroleum Storage Terminal Limited and Trinco Petroleum Terminal (Private) Limited.

Derecognition

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

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Company's continuing involvement in it.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.13.7.2 Impairment of Financial Assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flow from the sale of collateral held or other credit enhancement that are integral to the contractual terms.

ECLs are recognised in two stages, for credit exposures for which there has not been a significant increase in credit risk since initial recognition. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures where there has been a significant increase in credit risk since initial recognition,

a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

2.13.7.3 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, Right-to-use- Lease Liability, Bank Overdrafts and Loans and Borrowings.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Loans and Borrowings (Financial Liabilities at Amortised cost)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 22.1.

2.13.7.4 Financial Liabilities

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.13.7.5 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is currently an enforceable legal right to offset the recognised amounts and intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.13.7.6 Fair Value of Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that the market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient

data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

2.13.7.7 Fair Value of Measurement

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarised in the following notes:

- Quantitative disclosures of fair value measurement hierarchy Note 29
- Financial instruments (including those carried at amortised cost) Note 16, 17, 19, 21 & 22.

2.13.8 Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow-moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost incurred in bringing the inventories to their present location and conditions is accounted using the following cost formulae:

Finished goods (Lubricants)	- Weighted Average Cost basis
Other Products	- First in First out basis
Goods in Transit	- At Purchase Price

2.13.9 Trade and other receivables

Trade and other receivables are recognised at the amounts they are estimated to realise net of provisions for impairment. Other receivables and dues from related parties are recognised at fair value less provision for impairment. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income. Trade receivables are initially recognised at fair value and subsequently, at amortised cost using the effective interest method, less provision for impairment.

2.13.10 Cash and Short-Term Deposits

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and are subject to and insignificant risk of changes in value.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with original maturities of three months or less are also treated as cash equivalents.

2.13.11 Liabilities and provisions

2.13.11.1 Liabilities

Liabilities classified under current liabilities in the statement of financial position are those expected to fall due within one year from the statement of financial position date. Items classified as non-current liabilities are those expected to fall due at a point in time after one year from the reporting date.

Trade and other payables

Trade creditors and other payables are stated at amortised cost. Trade payables are the aggregate amount of obligations to pay for goods and services, that have been acquired in the ordinary course of business.

2.13.11.2 Short-term borrowing

Short-term borrowings are interest bearing borrowings of the Company which fall due within 12 months of the end of the financial year.

2.13.12 Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that the recovery will be received and the amount of the receivable can be measured reliably.

All the contingent liabilities are disclosed as notes to the Financial Statements unless the outflow of resources is remote.

2.13.13 Employee Benefits

a) Defined Benefit Obligations – Gratuity

The liability recognised in the statement of financial position is the present value of the defined benefit obligation at the reporting date using the projected unit credit method by an independent qualified actuaries firm, Messrs Prime Actuarial Solutions who carried out actuarial valuation as at 31 March 2025.

Recognition of Actuarial Gains and Losses

Actuarial gains and losses are recognised in Other Comprehensive Income in the year in which they arise.

b) Defined Contribution Plans

The Company also operates a defined contribution plan. The contribution payable to a defined contribution plan is in proportion to the services rendered to the Company by the employees and is recorded as an expense under 'Personnel expenses'. Unpaid contributions are recorded as a liability.

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

The Company contributes to the following Schemes:

Employees' Provident Fund

The Company and employees contribute 15% and 10% respectively of the employee's monthly gross salary (excluding overtime) to the Provident Fund for Trincomalee based (erstwhile CPC) and 12% and 8% for other employees.

Employees' Trust Fund

The Company contributes 3% of the employee's monthly gross salary excluding overtime to the Employees' Trust Fund maintained by the Employees Trust Fund Board.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to a defined contribution pension plan are recognised as an employee benefit expense in profit or loss when they are due.

2.13.14 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit for the year except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current Taxes

The Company has entered into agreements with the Board of Investment of Sri Lanka (BOI), as specified below. Such agreements specify that the sections of the Inland Revenue Act relating to the imposition, payment and recovery of income tax should not apply to the Company, as explained below.

Pursuant to the agreement between the Company and the Board of Investment of Sri Lanka, the Company was entitled to a ten year "tax exemption period" on its profits and income, commencing from the first year of making profit.

The 10 year tax exemption period commenced in the year of assessment 2002/2003 and ended in the year of assessment 2012/2013. Thereafter, the Company is taxed at 15% on its business profits.

Current Income Tax assets and liabilities for the current and prior periods are measured at the amount expected

to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. 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 relevant tax legislation.

Deferred Taxation

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

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

Sales Tax (Value Added Tax and Social Security Levy)

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred on a purchase of assets or service is not recoverable from the taxation authorities in which case the sales tax is recognised as a part of the cost of the asset or part of the

expense items as applicable and receivable and payable that are stated with the amount of sales tax included. The amount of sales tax recoverable and payable in respect of taxation authorities is included as a part of receivables and payables in the Statement of Financial Position.

IFRIC Interpretation 23 uncertainly over income tax treatment

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainly that affects the application of LKAS 12 Income Taxes. It does not apply to taxes or levies outside the scope of LKAS 12 nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specially addresses the following:

- I. whether an entity uncertain tax treatments separately
- II. the assumptions an entity makes about the examination of tax treatments by taxation authorities
- III. how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- IV. how an entity considers changes in facts and circumstances

The Company applies significant judgment in identifying uncertainties over income tax treatments. Since the Company operates in a complex environment, it assessed whether the interpretation had an impact on its financial statements.

Upon adoption of the Interpretation, the Company considers whether it has any uncertain tax positions, and the Company determines that it is probable that its tax treatments will be accepted by the taxation authorities. The Interpretation did not have an impact on the financial statements of the Company.

2.13.15 Commitments

All material commitments as at the reporting date have been identified and disclosed in the notes to the financial statements.

2.13.16 Revenue Recognition

Sales are recognised when the performance obligation is satisfied, when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Goods and services deliverable under contracts with

customers are identified as separate performance obligations ('obligations') to the extent that the customer can be benefit from the goods or services on their own or together with other resources that are readily available to the customer and that the separate goods and services are considered distinct from other goods and services in the agreement. Where individual goods and services do not meet the criteria to be identified as separate obligations they are aggregated with other goods and/or services in the agreement until a separate obligation is identified.

The Company determines the transaction price to which it expects to be entitled to in return for providing the promised obligations to the customer based on the committed contractual amounts, net of sales taxes and discounts. The transaction price is allocated between the identified obligations according to the relative standalone selling prices of the obligations. The standalone selling price of each obligation deliverable in the contract is determined according to the prices that the Company would achieve by selling the same goods and or services included in the obligation to a similar customer on a standalone basis. Where the Company does not sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the standalone price. When estimating the standalone price, the Company maximises the use of external input; observing the standalone prices for similar goods and services when sold by Ceylon Petroleum Corporation or using a cost-plus reasonable margin approach.

a) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods; with the Company not retaining neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. There is no contract asset as at reporting date.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company 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 Company executes performance obligations under the contract.

a) Rental Income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except for contingent rental income which is recognised when it arises.

The lease term is the fixed period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

Premiums received to terminate leases are recognised in the Statement of Comprehensive Income when they arise.

b) Finance Income

Finance Income is recognised using the effective interest rate method unless collectability is in doubt.

c) Dividend income

Dividend income is recognised when the right to receive payment is established.

d) Others

Other income is recognised on an accrual basis.

Net gains and losses on the disposal of property, plant and equipment have been accounted for in the income statement, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

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

2.13.17 Expenditure Recognition

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 the statement of comprehensive income for the period.

2.13.18 Finance Cost

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, losses on disposal of fair value through OCI financial assets, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables) that are recognised in the statement of profit or loss and other comprehensive income. Interest expense is recorded as it accrues using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability.

2.13.19 Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except to the extent where the borrowing costs, which are directly attributable to the acquisition, construction or production of qualifying assets which are the assets that necessarily take a substantial period of time to get ready for their intended purpose, are added to the cost of those assets until such time, as the assets are substantially ready for their intended use or sale.

Investment income, earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, is deducted from the borrowing cost eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

2.13.20 Dividend Distribution

Final dividend distribution to the Company's shareholders is recognised as a liability in the Company's Financial Statements in the period in which the dividends are approved by the Company's shareholders.

2.13.21 Events after the reporting period

All material events occurring after the statement of financial position date have been considered and where necessary, adjustments to, or disclosures, have been made in the respective notes to the Financial Statements.

2.13.22 Related party transactions

Disclosures are made in respect of the transactions in which the Company has the ability to control or exercise significant influence over the financial and operating decisions/policies of the other, irrespective of whether a price is charged.

Transactions with related parties are carried out in the ordinary course of business. Sales and purchases from related parties are made on terms equivalent to those that prevail in arm's length transaction. Intercompany interest bearing borrowings/receivables are included in the Financial Statements.

2.13.23 Earnings per share

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

3. REVENUE FROM CONTRACT WITH CUSTOMERS

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Lanka Auto Diesel	87,913,785	88,105,865
Lanka Petrol 92 Octane	98,748,333	91,370,281
IFO380/ LSFO	52,738,118	47,359,609
Xtrapremium Euro 3	3,614,520	6,230,374
Lubricants	10,979,079	9,978,062
Marine Gas Oil	7,675,628	5,057,537
Xtramile	2,234,993	3,137,156
Xtrapremium 95	6,802,095	7,751,728
Lanka Super Diesel	3,669,617	3,520,430
Bitumen	463,125	747,769
Petrochemical	1,388,554	309,911
XP-100	59,559	-
Total Sales of Petroleum Products	276,287,407	263,568,721

3.1 Segment Information

Company is dealing only in the Petroleum products. There are no separate activities other than the petroleum segment in the Company.

3.2 The Revenue from contracts with customers are recognised at a point in time upon satisfying the performance obligation.

4. OTHER OPERATING INCOME

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Dividend Income	-	120,000
Rental Income	130,104	89,892
Sundry Income	51,886	25,849
Gain on Disposal of Property, Plant and Equipment	3,623	116
	185,612	235,857

5. FINANCE INCOME AND EXPENSES

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
5.1 Finance Income		
Income from Investments and Deposits	4,761,408	4,754,898
Interest on Others	193,670	278,570
Exchange Gain	69,511	-
	5,024,589	5,033,468
5.2 Finance Expenses		
Interest Expenses	505,602	484,705
Exchange Loss	-	274,364
	505,602	759,070

6. PROFIT FROM OPERATING ACTIVITIES

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Stated after Charging /Crediting		
Directors' Emoluments	81,539	88,925
Salaries and Wages	1,208,478	1,200,734
Defined Benefit Obligation : Charge for the year (Note 8)	12,131	5,605
Audit Fee - Current year	1,500	1,500
Rent	89,631	87,472
Depreciation Charge for the year (Note 11.2)	568,452	427,121
Depreciation of Right-of-Use Assets (Note 14.1)	40,135	982
Provision for doubtful debts	33,070	107,174

7. INCOME TAX EXPENSES

The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are as follows :

7.1 Income Statement

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Current Income Tax:		
Current Tax Expense	2,707,714	3,645,922
Under/(Over) Provision of Current Taxes in respect of Prior Year	(1,021)	(733)
Deferred Tax:		
Deferred Taxation Charge (Note 9.2)	7,912	(506,823)
Income Tax Expense Reported in the Income Statement	2,714,605	3,138,366

7.2 Reconciliation between tax expense and the product of accounting profit multiplied by the statutory tax rate for the years ended 31 March 2025 and 31 March 2024 are as follows :

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Accounting Profit Before Tax	13,863,530	17,083,359
Tax calculated at a statutory income tax rate of 15%	2,079,530	2,562,504
Tax impact of expenses deductible/not deductible for tax purpose	59,972	593,753
Tax impact of income taxable at different rate	(667,593)	(673,508)
Tax impact of income not subject to tax	(84,154)	(98,613)
Tax charge on profit from trade or business	1,387,754	2,384,137
Taxable Other Income	61,911	189
Taxable Interest Income	4,337,956	4,145,762
Tax calculated at a tax rate of 30%	1,319,960	1,243,786
Tax charge on Interest Income	1,319,960	1,243,786
Taxable Dividend income	-	120,000
Tax calculated at a tax rate of 15%	-	18,000
Tax charge on Dividend Income	-	18,000
Total tax charge for the year	2,707,714	3,645,922

8. DEFINED BENEFIT OBLIGATIONS

	2025	2024
	Rs '000	Rs '000
Balance as at 01st April	152,149	92,714
Current Service Cost	10,691	5,679
Interest Cost	17,186	13,090
Actuarial (Gain) / Loss (8.4)	2,502	51,566
Benefits Paid	(27,553)	(10,899)
Balance as at 31st March	154,975	152,150

8.1 Reconciliation of Fair Value of Plan Assets

	2025	2024
	Rs '000	Rs '000
Balance as at 01st April	125,616	77,543
Contribution by Employer	28,608	31,327
Expected Return	15,746	13,163
Remeasurement	372	14,482
Benefit Paid	(26,281)	(10,899)
Balance as at 31st March	144,061	125,616

8.2 Reconciliation of Fair Value of the Plan Assets and Defined Benefit Obligation

As At 31st March	2025	2024
	Rs '000	Rs '000
Defined Benefit Obligation at the end of the year	154,975	152,149
Fair value of the plan assets at the end of the year	(144,061)	(125,616)
Amount recognised in statement of financial position	10,914	26,533

8.3 Expenses recognised on Defined Benefit Plan

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Income Statement		
Current Service Cost for the year	10,691	5,679
Net Interest Cost for the year	1,440	(74)
Transfers	(1,030)	(170)
	11,101	5,435
Other Comprehensive Income		
Actuarial (Gain) / Loss (8.4)	2,502	51,566
Remeasurement	(372)	(14,482)
	2,130	37,084

8.4 Actuarial Loss during the year has resulted from the following:

For The Year Ended 31st March	2025	2024
	Rs '000	Rs '000
Expected maturity analysis of undiscounted retirement benefit obligations:		
Changes in Financial Assumptions	(16,027)	25,921
Changes in Demographic Assumptions	-	-
Experience Adjustments	18,529	25,645
	2,502	51,566

8.5 Actuarial valuation of Retirement Benefit Obligation as at 31 March 2025 was carried out by Messrs. Prime Actuarial Solutions, a firm of professional actuaries using "Projected Unit Credit Method" as recommended by LKAS 19 - 'Employee Benefits'.

8.6 Principal Actuarial Assumptions

Principal Actuarial Financial Assumptions underlying the valuation are as follows:

For The Year Ended 31st March	2025	2024
Discount Rate	11.5%	12.4%
Salary Incremental Rate	1-7%	1-10%
Staff Turnover	0-3%	0-3%
Retirement Age	60 years	60 years
Return on Plan Assets	11.50%	14.0%

Assumptions regarding future mortality are based on 67/70 Mortality Table issued by Institute of Actuaries, London.

8.7 Maturity Profile of the Defined Benefit Obligation Plan

As At 31st March	2025	2024
	Rs '000	Rs '000
Less than 1 year	8,001	10,045
Between 2-5 years	64,958	70,050
Beyond 5 years	409,284	511,738

8.8 Sensitivity of Assumptions in Actuarial Valuation of Retirement Benefit Obligation

The following table demonstrates the sensitivity to a possible change in key assumptions employed with all other variables held constant in the Retirement Benefit Obligations measurement as at 31 March 2025. The sensitivity of the Statement of Financial Position and Statement of Comprehensive Income is the effect of the assumed changes in the discount rate and salary increment on the profit or loss and Retirement Benefit Obligation for the year.

Increase/(Decrease) in Discount Rate	Increase/ (Decrease) in Salary Increment Rate	Increase/ (Decrease) in Staff Turnover Rate	Sensitivity Effect on Statement of Comprehensive Income	Sensitivity Effect on Defined Benefit Obligation
			Rs '000	Rs '000
1%			10,730	(11,041)
-1%			(12,102)	12,564
	1%		(12,764)	13,054
	-1%		11,466	(11,643)
		1%	(2,357)	1,302
		-1%	2,550	(1,421)

8.9 Defined Benefit Plan

As per company policy, plan asset is maintained under the assets liability matching strategy. Plan asset is invested in a fund management entity and that entity is responsible for the administration of plan assets and for definition of the investment strategy.

A major categories of Plan assets is as follows :

For The Year Ended 31st March	2025	2024
Insurer-managed funds	100%	100%

8.10 The weighted average duration of defined benefit Obligation is 8.91 years.

9. DEFERRED TAX ASSETS - NET

As At 31st March		2025	2024
		Rs '000	Rs '000
9.1	Deferred Tax		
	Deferred Tax Relates to the Following:		
	Deferred Tax Assets Arising on:		
	Retirement Benefit Obligation	23,247	22,822
	ECL Provision	31,334	26,374
	Unrealized Exchange Gain	46,088	48,050
		100,669	97,246
	Deferred Tax Liability Arising on:		
	Property Plant and Equipment	(137,357)	(126,021)
	Net Deferred Tax Liability	(36,688)	(28,775)

9.2 Deferred Tax Movement

As At 31st March		2025	2024
		Rs '000	Rs '000
	Balance brought forward	28,775	541,161
	Deferred Income Tax Charge- Income Statement	8,233	(506,823)
	Deferred Income Tax Credit- Statement of Other Comprehensive Income	(320)	(5,563)
	Net Deferred Tax Liability	36,688	28,775

10. EARNINGS PER SHARE

10.1 Earnings Per Share is calculated by dividing the net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the period and the previous period are adjusted for events that have changed the number of ordinary shares outstanding, without a corresponding change in the resources such as a bonus issue.

10.2 The following reflects the income and share data used in the Earnings Per Share computation.

For The Year Ended 31st March		2025	2024
		Rs '000	Rs '000
Amounts Used as the Numerator			
Profit for the year Attributable to Ordinary Shareholders for Basic Earnings Per Share		11,148,605	13,944,994
Number of Ordinary Shares used as the Denominator:			
For The Year Ended 31st March		2025	2024
Weighted Average Number of Ordinary Shares		532,465,705	532,465,705
Basic Earnings Per Share (Rs.)		20.94	26.19

11. PROPERTY, PLANT AND EQUIPMENT

11.1 Gross Carrying Amounts

	Balance as at 01.04.2024	Additions	Transfers	Disposals	Balance as at 31.03.2025
At Cost	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Freehold Land	1,953,857	-	-	-	1,953,857
Building and Fixtures	2,345,898	-	14,131	-	2,360,029
Plant and Equipment	4,829,140	982	649,496	-	5,479,617
Office Equipment	101,031	6,239	-	(2,888)	104,382
Furniture and Fittings	474,572	1,661	190,848	(3,197)	663,884
Motor Vehicles	20,902	-	-	(3,896)	17,006
Capital Work-In- Progress	266,887	823,082	(854,475)	-	235,494
	9,992,286	831,964	-	(9,981)	10,814,269

11.2 Depreciation

	Balance as at 01.04.2024	Charge for the year	Transfers	Disposals	Balance as at 31.03.2025
At Cost	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Building and Fixtures	1,589,823	100,166	-	-	1,689,989
Plant and Equipment	3,085,290	370,350	-	-	3,455,640
Office Equipment	72,598	19,656	-	(2,512)	89,742
Furniture and Fittings	324,260	77,980	-	(3,197)	399,043
Motor Vehicles	20,602	300	-	(3,896)	17,006
Capital Work-In- Progress	-	-	-	-	-
	5,092,572	568,452	-	(9,605)	5,651,419

11.3 Net Book Value

As At 31st March	2025	2024
	Rs '000	Rs '000
Freehold Land	1,953,857	1,953,857
Building and Fixtures	670,040	756,075
Plant and Equipment	2,023,978	1,743,850
Office Equipment	14,639	28,433
Furniture and Fittings	264,841	150,312
Motor Vehicles	-	300
Capital Work-In- Progress	235,494	266,887
Total Carrying Value of Property, Plant and Equipment	5,162,848	4,899,713

11.4 During the financial year, the Company acquired Property, Plant and Equipment to aggregate value of Rs 832 Mn (2024 - Rs 1,423 Mn).

11.5 The Useful Lives of the Assets are Estimated as Follows:

As At 31st March	2025	2024
Building and Fixtures	15 Years	15 Years
Plant and Equipment	8 Years	8 Years
Office Equipment	4 Years	4 Years
Furniture and Fittings	5 Years	5 Years
Motor Vehicles	5 Years	5 Years

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025	2024
	Rs '000	Rs '000
At the Beginning of the year	5,404,000	4,901,000
Add: Investment made in Trinco Petroleum Terminal (Private) Limited	39,200	49,000
Change in Fair value of CPSTL	737,000	454,000
Balance at the end of the year	6,180,200	5,404,000

12.1 INVESTMENT - CPSTL

At the Beginning and end of the year	5,306,000	4,852,000
Change in Fair value of CPSTL	737,000	454,000
At The End Of The Year	6,043,000	5,306,000

- 12.1.1** Lanka IOC PLC owns 33 1/3% of the 750,000,000 shares of Ceylon Petroleum Storage Terminal Limited (CPSTL), also known as the "Common User Facility" (CUF). The Company paid US\$ 45 million to Treasury on 22 January 2004 for the acquisition of 250,000,000 shares. The Ceylon Petroleum Corporation owns 66 2/3% of 750,000,000 shares of CPSTL and controls through the nomination of six of the nine board members. Lanka IOC PLC nominates the balance three board members. Due to the government influence and the sensitivity of the industry towards the national economy, the directors nominated by Lanka IOC PLC do not have significant influence over decisions of CPSTL. Accordingly, the investment is recorded at Fair value through OCI.

12.2 INVESTMENT - TPTL

	2025	2024
	Rs '000	Rs '000
At the beginning of the year	98,000	49,000
Add: Investment made in Trinco Petroleum Terminal (Private) Limited	39,200	49,000
At the end of the year	137,200	98,000

- 12.2.2** LIOC PLC acquired 49% of the shares in newly formed Joint Venture Trinco Petroleum Terminal Pvt Ltd. (TPTL) for the development of Sixty-One (61) tanks, the related area, and allied facilities in the Upper Tank Farm of the China Bay Oil Tank Farm. LIOC has also entered into a Modalities Agreement with CPC and TPTL for the possession, development, and use of the China Bay Oil Tank Farm by LIOC, CPC and TPTL. The Company paid Rs 49 million for TPTL shareholding in Jan'22. The Ceylon Petroleum Corporation owns 51% shares of TPTL and nominates four board members including Chairman out of the seven board members. Lanka IOC PLC nominates the balance three board members including Managing Director. As such, the investment is recorded at Fair value through OCI.

13. INTANGIBLE ASSETS**13.1 Gross Carrying Amounts**

	Goodwill	License fees on computer software	Total
	Rs '000	Rs '000	Rs '000
At The Beginning Of The Year	759,298	14,437	773,734
At The End Of The Year	759,298	14,437	773,734

13.2 Amortisation

	Goodwill	License fees on computer software	Total
	Rs '000	Rs '000	Rs '000
At The Beginning of The Year	85,421	14,437	99,858
At The End of The Year	85,421	14,437	99,858

13.3 Net Book Value as at 31.03.2024

673,876	-	673,876
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13.4 Net Book Value as at 31.03.2025

673,876	-	673,876
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13.5 Goodwill represents the excess of purchase consideration paid in 2003 to the Government of Sri Lanka over the net assets value representing applicable shares allotted in the acquisition of the retail outlets, which were vested with Independent Petroleum Marketers Limited (IPML). The IPML was subsequently amalgamated in 2004 with Lanka IOC PLC and dissolved. Goodwill represents future economic benefits arising from other assets which were acquired from the above business combination that were not individually identified and separately recognised. Accumulated amortisation cost of Rs 85 Mn as at the statement of financial position date included the amortisation charge recognised up to 2007 based on 20 years useful life. Goodwill is tested for impairment annually. Impairment is determined for goodwill by assessing the recoverable amount of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

13.6 The Company assesses the recoverable amount of the Goodwill using value in use calculation and finds that the recoverable amount exceeds its carrying value, as such Goodwill is not impaired.

The key assumptions used to determine the recoverable amount are as follows:

EBIT

The basis used to determine the value assigned to the budgeted EBIT is the EBIT achieved in the year preceding the budgeted year adjusted for projected market conditions.

Discount rates

The discount rate used is the risk free rate, adjusted by the addition of an appropriate risk premium.

Volume growth

Volume growth has been budgeted on a reasonable and realistic basis by taking into account the industry growth rates of one to five years immediately subsequent to the budgeted year. Cash flows beyond the five year period are extrapolated using 0% growth rate.

14. LEASES

As a lessee

The Company have lease contracts for two office floors with Overseas Reality. The office building original lease terms 4 years, has been extended to 10 years with the new addition. A lease contract of 14 Tanks at Lower Tank Farm area of Trincomalee Terminal for a period of 50 years commencing 16 January 2022. The Company's obligation under its leases are secured by the lessor's title to the leases assets.

The Company also has certain leases with a lease term of 12 months or less and leases with low value. The Company applies the 'short-term lease' and lease of low - value assets' recognition exceptions for these leases.

14. LEASES (CONTD...)**14.1 Right-of-use assets**

Set out below are the carrying amount of Right-of-use Assets recognised and movements during the year.

	2025	2024
	Rs '000	Rs '000
Cost		
Balance As at 01 April	174,238	174,238
Additions during the year	560,351	-
Lease reassessment	12,509	-
Balance As at 31 March	747,098	174,238
Accumulated Amortisation		
Balance As at 01 April	127,339	126,357
Charge for the year	40,135	982
Balance As at 31 March	167,474	127,339
Net Book Value As at 31st March	579,624	46,899

14.2 Lease Liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year.

	2025	2024
	Rs '000	Rs '000
Balance As at 01st April	53,016	51,224
Additions during the year	560,351	-
Lease reassessment	27,955	-
Accretion of Interest	5,751	6,147
Payments	(74,993)	(4,354)
Balance As at 31st March	572,081	53,016
Current Liability	81,117	4,347
Non Current Liability	490,964	48,669
	572,081	53,016

14.3 Maturity Analysis of Lease Liability

As At 31st March	2025	2024
	Rs '000	Rs '000
Not later than one month	8,373	385
Later than one month not later than three months	16,745	1,155
Later than three months not later than one year	75,354	3,080
Later than a year not later than five year	468,366	25,568
Later than a five year	934,022	426,353
	1,502,859	456,540

14.4 Following are the amounts recognised in profit or loss:

As At 31st March	2025	2024
	Rs '000	Rs '000
Depreciation expenses of right-of-use assets	40,135	982
Interest expenses on lease liability	5,751	6,147
Expenses relating to short-term and low value leases included in administrative expenses	43,745	80,343
Total amount recognised in profit or loss	89,631	87,472

The total cashflows made with respect to leases is Rs.74.99 Mn. (2024 - Rs. 4 Mn).

15. INVENTORIES

As At 31st March	2025	2024
	Rs '000	Rs '000
Auto Fuel	31,282,646	17,383,374
Base oil and other raw materials	3,618,733	5,045,442
Bunker Fuel	7,740,275	3,074,791
Lubricants	556,105	530,347
Goods in Transit	539,500	268,249
	43,737,259	26,302,202

16. TRADE RECEIVABLES

As At 31st March	2025	2024
	Rs '000	Rs '000
Trade Receivable from third- party customers	7,186,890	9,213,955
Allowance for Impairment	(271,418)	(238,348)
	6,915,472	8,975,607

16.1 Set out below is the movement in the allowance for expected credit losses of trade receivables.

	2025	2024
	Rs '000	Rs '000
As at 01st April	238,348	131,174
Provision for the Expected Credit Losses	33,070	107,174
As at 31st March	271,418	238,348

16.2 As at 31 March, the age analysis of net - trade receivables is set out below.

	Total	Neither Past due nor Impaired	Past Due but not Impaired				
			Less than 30 days	31-90 days	91-180 days	181-365 days	>365 days
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
2025	7,186,890	6,120,665	526,625	244,751	69,845	62,808	162,197
2024	8,975,607	7,898,865	924,618	70,140	36,621	32,197	13,166

16.3 Allowance for impairment Rs 271 Mn (2024 Rs 238 Mn) includes provision for Expected Credit Loss line with accounting policy applicable for trade receivable for which Company has applied the simplified approach. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned in Note 28.2.

16.4 The carrying amounts of trade receivables are denominated in following currencies:

As At 31st March	2025	2024
	Rs '000	Rs '000
US Dollars	3,768,694	5,850,499
Sri Lankan Rupees	3,418,196	3,125,108
	7,186,890	8,975,607

17. FINANCIAL ASSETS AT AMORTISED COST**17.1 Financial Assets At Amortised Cost - Current**

As At 31st March	2025	2024
	Rs '000	Rs '000
Claims, Refunds, Staff loans and Others	13,874	3,766
VAT Receivables	7,650,970	9,258,627
Deposits	183,455	123,425
	7,848,299	9,385,817

17.2 Other Receivable At Amortised Cost - Non-Current

As At 31st March	2025	2024
	Rs '000	Rs '000
Staff Loans	130,847	122,188
Prepaid-deferred employee benefit	34,520	40,434
	165,367	162,621

17.3 The carrying amounts of financial assets at amortised cost are denominated in Sri Lankan Rupees.

17.4 For the other receivable, the Company applies the three stage model approach permitted by SLFRS 9, which requires Company to follow 12 months expected credit loss method or life time expected credit loss method in assessing the losses to be recognised from initial recognition. On that basis, the loss allowance as at 31 March 2025 and 31 March 2024 were immaterial.

18. OTHER CURRENT ASSETS

As At 31st March	2025	2024
	Rs '000	Rs '000
Advance Payments	179,028	189,655
Prepayments	491,079	548,716
	670,107	738,372

19. CASH AND CASH EQUIVALENTS

As At 31st March	2025	2024
	Rs '000	Rs '000
Cash and Cash Equivalent balances		
Cash and Bank Balances	1,923,740	6,277,439
Total Cash and Cash Equivalent balances	1,923,740	6,277,439

20. STATED CAPITAL

As At 31st March	2025	2024
20.1 Stated Capital (Rs '000)	7,576,574	7,576,574
20.2 Number of Ordinary Shares	532,465,705	532,465,705

21. TRADE AND OTHER PAYABLES

As At 31st March	2025	2024
	Rs '000	Rs '000
Trade Payables - Related Parties (21.1)	236,921	563,069
- Others	21,828,763	11,059,559
Other Payables- Related Parties (21.2)	267,694	824,493
Sundry Creditors Including Accrued Expenses	3,940,879	9,206,410
Provision for NBT Assessment (25.2)	1,028,823	1,028,830
	27,303,080	22,682,361

21.1 Trade Payables - Related Parties

As At 31st March	Relationship	2025	2024
		Rs '000	Rs '000
Indian Oil Corporation Limited	Immediate Parent	236,921	563,069
		236,921	563,069

21.2 Other Payables - Related Parties

	Relationship	2025	2024
Indian Oil Corporation Limited	Immediate Parent	125,306	507,607
Ceylon Petroleum Storage Terminal Limited	Affiliate	142,388	316,886
		267,694	824,493

22. OTHER FINANCIAL ASSETS AND LIABILITIES**22.1 Interest Bearing Borrowings**

As At 31st March	2025	2024
	Rs '000	Rs '000
Short-Term Loans from Banks (Note 22.1.1)	7,444,789	4,306,616

The interest rates are as follows:

Short - term loans SOFR + Margin
The SOFR rate (monthly) at the date of statement of financial position was 4.32%

22.1.1 Short-Term Loans from Banks Movement

	2025	2024
	Rs '000	Rs '000
Balance as at 01st April	4,306,616	4,468,346
Proceeds from bank loans	68,224,599	98,378,748
Repayments of bank loans	(65,094,144)	(98,463,397)
Exchange (Gain)/ Loss on bank loans	7,718	(77,080)
Balance as at 31st March	7,444,789	4,306,616

22.1.2 The short term loans from banks Rs 7,445 Mn (2024- Rs 4,359 Mn) are unsecured except for the loans from State Bank of India Colombo branch amounting to Rs 2,552 Mn (2024- Rs 1,560 Mn). These loans are secured against hypothecation over trading stock held at Kolonnawa, Muthurajawala and Trincomalee terminals.

22.2 Short-Term Investments

As At 31st March	2025	2024
	Rs '000	Rs '000
Investment in Unit Trust (Note 22.4)	7,941,226	14,842,272
Investment Through Portfolio Management Services	21,578,341	15,728,721
Short-Term Bank Deposit(Note 22.3)	-	8,357,952
	29,519,567	38,928,945

As At 31st March	2025	2024
	Rs '000	Rs '000
22.3 Bank Deposits		
Total Bank Deposits	15,403,055	8,357,952
Less: Short-Term Bank Deposits	-	(8,357,952)
Long term Bank Deposits	15,403,055	-

The short- term deposit is repayable within 12 months after the reporting date.

22.4 Investment in Unit Trust - Fair Value Through Profit or Loss

	2025	2024
	Rs '000	Rs '000
Balance as at 01st April	14,842,272	2,654,504
Net Investments	(8,244,539)	10,642,181
Fair Value Gain	1,343,492	1,545,588
Balance as at 31st March	7,941,225	14,842,272

23. RELATED PARTY DISCLOSURES**23.1 Transactions with the Related Entities**

	2025	2024
	Rs '000	Rs '000
23.1.1 Transactions with Parent		
Nature of Transaction		
Amounts Receivable as at 01st April	-	-
Amounts Payable as at 01st April	(1,070,677)	(921,193)
Fund Transfers/Payment Made	2,251,881	10,699,581
Purchases of Goods/Services	(1,469,539)	(10,724,170)
Expenses Reimbursed	(73,891)	(124,896)
Amounts Receivable as at 31st March	-	-
Amounts Payable as at 31st March	(362,226)	(1,070,677)
Net Balance as at 31st March	(362,226)	(1,070,677)

23.1.2 During the year, the Company paid a gross dividend of Rs 2,662 Mn with respect to the financial year ended 31 March 2024, out of which Rs 2,000 Mn was paid to Indian Oil Corporation Limited.

23.1.3 Transactions with Ceylon Petroleum Storage Terminal Limited (CPSTL) - Affiliate

As At 31st March	2025	2024
	Rs '000	Rs '000
Nature of Transaction		
Amounts Receivable as at 01st April	-	-
Amounts Payable as at 01st April	(316,886)	(277,948)
Fund Transfers/Payment Made	1,818,836	733,466
Services Rendered	(1,644,338)	(892,404)
Dividend	-	120,000
Amounts Receivable as at 31st March	-	-
Amounts Payable as at 31st March	(142,388)	(316,886)

23.1.4 Transactions with Trinco Petroleum Terminal Limited (TPTL) - Affiliate

As At 31st March	2025	2024
	Rs '000	Rs '000
Nature of Transaction		
Amounts Receivable as at 01st April	-	12,369
Amounts Payable as at 01st April	(7,813)	-
Fund Transfers/Payment Made	(31,387)	(49,000)
Investments In Equity	39,200	49,000
Payment made on account of TPTL Tanks Lease Rental	-	(20,182)
Amounts Receivable as at 31st March	-	-
Amounts Payable as at 31st March	-	(7,813)

Lanka IOC PLC has invested Rs.39 Mn in the financial year 2024-25 in Equity of Trinco Petroleum Terminal Limited (TPTL) - Significant Investee to hold 49% of its equity value.

23.1.5 Transactions with IOC Global Capital Management IFSC Ltd - Affiliate

As At 31st March	2025	2024
	Rs '000	Rs '000
Nature of Transaction		
Amounts Receivable as at 01st April	-	-
Amounts Payable as at 01st April	-	-
Interest on Loan	80,395	-
Loan Availment	6,336,280	-
Repayment	(4,332,695)	-
Amounts Receivable as at 31st March	-	-
Amounts Payable as at 31st March	2,083,981	-

23.1.6 Terms and Conditions

Transactions with related parties are carried out in the ordinary course of the business. Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. The intention of the Company is to settle such related party dues within a short term (less than one year).

23.2 Transactions with Key Management Personnel of the Company or its Subsidiaries

a) The Key Management Personnel are the members of the Board of Directors of the Company.

Payments made to Key Management Personnel during the year were as follows:

For Year ended 31 March	2025	2024
	Rs '000	Rs '000
Fees for Directors	2,875	2,800
Emoluments	68,810	78,198
Short-Term Employment Benefits	9,854	7,927
	81,539	88,925

23.3 Apart from the transactions reported above, the Company has transactions with other Government of India related entities, which include but are not limited to goods/services etc. These transactions are conducted in the ordinary course of the Company business on the terms comparable to other entities.

The Company enters into transactions, arrangements and agreements with the Government of India related entities and the Summary of transactions have been reported as follows.

For Year ended 31 March		2025	2024
	Nature of the transactions	Rs '000	Rs '000
(a) Items in Statement of Comprehensive Income	Finance Expenses	33,224	72,377
	Purchases	109,030	126,564
(b) Items in Statement of Financial Position	Interest bearing Loans		
	and Borrowings	2,553,752	1,559,644
	Investment in Gratuity Fund	144,061	125,616
	Trade Payable	-	23,011
(c) Off statement of Financial Position Items	Letters of credit	9,651	9,241

24. COMMITMENTS

There were no material commitments as at the reporting date except the following:

24.1 Capital Commitments

Capital expenditure contracted for at end of the period but not yet incurred amounts to Rs.669 Mn (2024 - Rs.284Mn)

24.2 Purchase Commitments

Letters of Credit opened with Banks Favouring Suppliers as at 31st March 2025 amounted to Rs.21,123 Mn (2024 - Rs. 21,266 Mn).

25. CONTINGENCIES

There were no material contingencies as at the reporting date except the following:

- 25.1** Guarantees issued by Banks on behalf of the Company as at 31 March 2025 amounted to Rs 917 Mn (2024- Rs 821Mn).
- 25.2** There is a disagreement on interpretation of NBT Act between Company and Inland Revenue Department. The case was determined by the Tax Appeal Commission in favour of IRD for the assessment period Jan 2012 to Sept 2012. Considering the merits of the case, LIOC filed the appeals in the Court of Appeal. Arguments of the appeals filed for the period of Jan 2012 to June 2012 are being heard by COA. COA given the Judgement for the period of July 2012 to Sept 2012 and allowed the LIOC appeal. IRD has appealed against the judgement of the Court of Appeal before Supreme Court (SC).

TAC has issued determinations for all other pending periods before TAC for the assessment period Oct 2012 to Dec 2015 & April 2016 to Mar 2017 in favour of LIOC. IRD has appealed before COA against TAC determinations.

Contingent Liability of Rs. 549.15 Mn has been recognised for the above case by the Company.

26. ASSETS PLEDGED

The short term loans from banks Rs 7,445Mn (2024- Rs 4,359 Mn) are unsecured except for the loans from State Bank of India Colombo branch amounting to Rs 2,552 Mn (2024- Rs 1,560 Mn). These loans are secured against hypothecation over trading stock held at Kolonnawa, Muthurajawala and Trincomalee terminals.

Except for the above, no assets have been pledged as at the reporting date.

27. DIVIDEND

	2025	2025	2024	2024
	Per Share	Rs '000	Per Share	Rs '000
Equity Dividend on Ordinary shares				
Declared and Paid during the year	5.00	2,662,329	4.00	2,129,863

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to interest rate risk, foreign currency risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's Board of Directors is supported by an Audit Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Audit Committee provides guidance to the Company's Board of Directors that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies and Company risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

28.1 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

An analysis of the carrying amount of financial instruments based on the currency they are denominated are as follows.

As at 31st March 2025	Denominated	
	in Rs	in USD
	Rs '000	Rs '000
Cash at bank and in hand	1,572,654	351,085
Interest Bearing Loans & Borrowings	-	7,444,789
Investment in Unit Trust	7,941,226	-
Investment Through Portfolio Management Services	21,578,341	-
Bank Deposit - Long term	6,283,186	9,119,870
Trade Receivables	3,418,197	3,768,694
Other Receivables at Amortised cost	8,013,667	-
Trade and Other Payables	7,184,830	20,118,250

As at 31st March 2025	Denominated	
	in Rs	in USD
	Rs '000	Rs '000
Cash at bank and in hand	5,872,176	405,263
Interest Bearing Loans and Borrowings	24,304	4,282,312
Investment in Unit Trust	14,842,272	-
Investment Through Portfolio Management Services	15,728,721	-
Short-Term Bank and REPO Deposits	-	8,357,952
Trade Receivables	3,125,108	5,850,499
Other Receivables at Amortised cost	9,548,439	-
Trade and Other Payables	12,060,723	10,621,638

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations, Unit Trust investments and other investments. The Company manages its interest rate risk by daily monitoring and managing of cash flow, by keeping borrowings to a minimum and negotiating favourable rates on borrowings.

As at 31st March 2025	Increase/ decrease in interest rate	Effect on Profit Before Tax
		Rs '000
Sensitivity only using borrowings		
Increase	+1%	(74,448)
Decrease	-1%	74,448
Sensitivity using Investment in deposits		
Increase	+1%	295,196
Decrease	-1%	(295,196)

As at 31st March 2024	Increase/ decrease in interest rate	Effect on Profit Before Tax
Sensitivity only using borrowings		
Increase	+1%	(43,066)
Decrease	-1%	43,066
Sensitivity using Investment in deposits		
Increase	+1%	389,289
Decrease	-1%	(389,289)

b) Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's USD denominated loans, short term investments, Trade Receivables and Trade Payables.

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of USD denominated liabilities).

As at 31st March 2025	Average Value	Year End Exchange Rate	Change in USD Rate	Effect on Profit Before Tax
	Rs '000			Rs '000
Bank Deposits (USD)	9,119,870	296.59	+/- 1%	+/- 91,199
Interest Bearing Loans and Borrowings (USD)	7,444,789	296.59	+/- 1%	+/- 74,448
Trade and Other Receivables (USD)	3,768,694	296.59	+/- 1%	+/- 37,687
Trade and Other Payables (USD)	20,118,250	296.59	+/- 1%	+/- 201,182
As at 31st March 2024	Average Value	Year End Exchange Rate	Change in USD Rate	Effect on Profit Before Tax
Bank Deposits (USD)	8,357,952	300.44	+/- 1%	+/- 83,580
Interest Bearing Loans and Borrowings (USD)	4,282,312	300.44	+/- 1%	+/- 42,823
Trade and Other Receivables (USD)	5,850,499	300.44	+/- 1%	+/- 58,505
Trade and Other Payables (USD)	10,621,638	300.44	+/- 1%	+/- 106,216

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD...)

28.1 Market Risk (Contd...)

b) Foreign currency risk (Contd)

The movement on the post-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars, where the functional currency of the entity is a currency other than US dollars.

28.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.

The following policies are implemented within the company in order to manage credit risk related to receivables:

- Outstanding customer receivables are regularly monitored with regular trade debtor review meetings.
- Contractual obligation to release assets only upon full payment of receivable, for related contracts and assets.

For trade receivables, the Company has applied the simplified approach in SLFRS 9 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Set out below is the information about the credit risk exposure on the Company's trade receivable using the provision matrix:

	2025		2024	
	Carrying amount at default	Expected credit loss	Carrying amount at default	Expected credit loss
	Rs '000	Rs '000	Rs '000	Rs '000
Current	6,120,665	43,726	7,955,734	56,880
< 30 days	526,625	19,401	970,480	45,862
31-90 days	244,751	17,937	75,606	5,466
91-180 days	69,845	6,405	43,555	6,935
181-365 days	62,808	27,524	58,251	26,054
>365 days	162,197	156,426	110,317	97,152
	7,186,890	271,418	9,213,944	238,348

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counter party. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore, mitigate financial loss through a counterparty's potential failure to make payments.

For other receivable at amortized cost, bank deposits and cash and Bank balances the Company applies the three stage model approach permitted by SLFRS 9, which requires Company to follow 12 months expected credit loss method or life time expected credit loss method in assessing the losses to be recognised from initial recognition. On that basis, the loss allowance as at 31 March 2025 and 31 March 2024 were immaterial.

28.3 Liquidity risk

The Company monitors its risk to a shortage of funds by forecasting its operational cash requirements on an annual basis and project cash flow requirements as per the project implementation period. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and financing for current operations is already secured.

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

As at 31st March 2025	Less than 1 year	More than 1 year	Total
	Rs '000	Rs '000	Rs '000
Interest-Bearing Loans and Borrowings	7,444,789	-	7,444,789
Lease Liabilities	81,117	490,964	572,081
Trade and Other Payables	27,303,080	-	27,303,080
	34,828,986	490,964	35,319,950

As at 31st March 2024	Less than 1 year	More than 1 year	Total
	Rs '000	Rs '000	Rs '000
Interest-Bearing Loans and Borrowings	4,306,616	-	4,306,616
Lease Liabilities	4,347	48,669	53,016
Trade and Other Payables	22,682,361	-	22,682,361
	26,993,324	48,669	27,041,993

28.4 Price Risk

The Company is exposed to the commodity price risk of petroleum products.

The Company monitors price of petroleum products on a dynamic basis and adjust inventory levels to minimise the impact.

28.5 Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company'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. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, capital is monitored on the basis of the desired gearing ratio within 40%.

As at 31st March	2025	2024
	Rs '000	Rs '000
Total borrowings (Note 22.1)	7,444,789	4,306,616
Less :- Cash and Cash Equivalents (Note 19.1)	(1,923,740)	(6,277,439)
Net debt	5,521,049	(1,970,823)
Total Equity	82,691,622	73,470,157
Total Capital	90,136,411	77,776,773
Gearing ratio	8%	6%

29. FAIR VALUES

The carrying amounts of the Company's financial instruments by classes, that are not carried at fair value in the financial statements are not materially different from their fair values.

a) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

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

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

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

As at 31st March, the Company held the following financial instruments carried at fair value on the statement of financial position:

As at 31st March	2025	Level 1	Level 2	Level 3
	Rs '000	Rs '000	Rs '000	Rs '000
b) Financial Assets measured at fair value				
Financial Assets At Fair Value Through Profit or Loss - Investment in Unit Trust (Note 22.4)	7,941,225	7,941,225	-	-
Financial Assets At Fair Value Through Other Comprehensive Income				
- Investment in CPSTL (Note 12.1)	6,043,000	-	-	6,043,000
- Investment in TPTL (Note 12.2)	137,200	-	-	137,200
Investment Through Portfolio Management Services (Note 22.2)	21,578,341	-	21,578,341	-

As at 31st March	2024	Level 1	Level 2	Level 3
	Rs '000	Rs '000	Rs '000	Rs '000
Financial Assets At Fair Value Through Profit or Loss - Investment in Unit Trust (Note 22.4)	14,842,272	14,842,272	-	-
Financial Assets At Fair Value Through Other Comprehensive Income				
- Investment in CPSTL (Note 12.1)	5,306,000	-	-	5,306,000
- Investment in TPTL (Note 12.2)	98,000	-	-	98,000
Investment Through Portfolio Management Services (Note 22.2)	15,728,721	-	15,728,721	-

During the reporting period ended 31st March 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

30. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

Financial assets and financial liabilities are measured on an ongoing basis at either fair value or amortised cost. The summary of significant accounting policies describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analyse the carrying amount of financial assets and liabilities by category as defined in SLFRS 9 - Financial Instruments : Recognition and measurement and by Statement of Financial Position heading:

As at 31st March 2025		Financial Assets and Liabilities at FVTPL	Financial Assets and Liabilities at FVOCI	Financial Assets and Liabilities at Amortised Cost	Total
	Note	Rs '000	Rs '000	Rs '000	Rs '000
Financial Assets					
Financial Assets at Amortised Cost	17	-	-	8,013,665	8,013,665
Trade Receivables	16	-	-	7,186,890	7,186,890
Bank Deposits	22.3	-	-	15,403,055	15,403,055
Investment in Unit Trust	22.4	7,941,225	-	-	7,941,225
Financial Assets At Fair Value Through Other Comprehensive Income	12	-	6,180,200	-	6,180,200
Investment Through Portfolio					
Management Services	22.2	21,578,341	-	-	21,578,341
Cash and Bank Balances	19	-	-	1,923,740	1,923,740
Total Financial Assets		29,519,566	6,180,200	32,527,350	68,227,116
Financial Liabilities					
Trade and Other Payables	21	-	-	27,303,080	27,303,080
Interest Bearing Loans and Borrowings	22.1	-	-	7,444,789	7,444,789
Total Financial Liabilities		-	-	34,747,869	34,747,869

As at 31st March 2024		Financial Assets and Liabilities at FVTPL	Financial Assets and Liabilities at FVOCI	Financial Assets and Liabilities at Amortised Cost	Total
	Note	Rs '000	Rs '000	Rs '000	Rs '000
Financial Assets					
Financial assets at amortised cost	17	-	-	9,548,438	9,548,438
Trade Receivables	16	-	-	8,975,607	8,975,607
Bank deposits	22.3	-	-	8,357,952	8,357,952
Investment in Unit Trust	22.4	14,842,272	-	-	14,842,272
Financial Assets At Fair Value Through Other Comprehensive Income	12	-	5,404,000	-	5,404,000
Investment Through Portfolio					-
Management Services	22.2	15,728,721	-	-	15,728,721
Cash and Bank Balances	19	-	-	6,277,439	6,277,439
Total Financial Assets		30,570,993	5,404,000	33,159,436	69,134,429
Financial Liabilities					
Trade and Other Payables	21	-	-	22,682,361	22,682,361
Interest Bearing Loans and Borrowings	22.1	-	-	4,306,616	4,306,616
		-	-	26,988,977	26,988,977

EXTENTS, LOCATIONS & THE NO. OF BUILDINGS OF LANKA IOC’S LANDHOLDINGS

SR. NO	CUSTOMER CODE	NAME OF COMPANY OWNED LOCATION	EXTENT OF THE AREA AS ON 31.03.2025		NO. OF BUILDINGS	NO. OF CANOPIES
			Roots	Perches		
1	102389	SAMPATH ENTERPRISES,	01R	00.03P	1	2 (Main + 2-3wheeler Canopy)
2	102432	CADILLAC IOC FILLING STATION PVT LTD	01R	27.44P	1	1
3	102320	HOMAGAMA MULTIPURPOSE CO-OPERATIVE SOCIETY LTD	32.30P		3 (PORTA CABIN + ELECTRICAL ROOM+wash Room)	1
4	102313	S.S. KOTALAWALA & CO	25.29P		1	1
5	102357	A.W. DAVITH APPUHAMY & SONS	30.70P		3 (Sales Room +Service station+Generator Room)	Nil
6	102362	PASSARA MULTIPURPOSE CO-OPERATIVE SOCIETY LTD	24.32P		Nil	Nil
7	102334	SINHA ASSOCIATES	12.14P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
8	102402	SINHA AUTO IOC SERVICES (PVT) LTD	28.70P		1	1
9	102351	GAMPOLA MPCs LTD	26.00P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
10	102317	LANKA IOC SERVICE MART (PVT) LTD	01R	11.83P	1	1
11	102391	S & D ENTERPRISES	36.94P		1	1
12	102365	MRS. R.P. JAYASINGHE	21.98P		1	1
13	102350	DON DAMINDA JAYAMAL DIAS	02R	00.72P	2 (PORTA CABIN + ELECTRICAL ROOM)	2
14	102361	W. PALIHAWADANA & SONS	25.25P		1	1
15	102331	COLOMBO SOUTH COOPERATIVE SOCIETY LTD	01R	35.45P	2 (Sales Room+ Service Stn)	1
16	102332	COLOMBO SOUTH COOPERATIVE SOCIETY LTD	24.29P		1	1
17	102380	DERANIYAGALA PANAWELA MPCs LTD	27.84P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
18	102431	MRS. WIMALA SIRISENA	34.11P		1	1
19	102424	DWM FERNANDO & SONS (PVT) LTD	36.94P		1	1
20	102449	M/S. THILAKA FILLING STATION	38.33P		1	1
21	102322	MAHARAGAMA MPCs LTD	36.67P		1	1
22	102324	KOLONNAWA MPCs LTD	29.73P		1	1
23	102383	HEWAGAM KORALE EAST MPCs LTD	20.00P		1	1
24	102390	HEWAGAM KORALE EAST MPCs LTD	34.76P		1	1
25	102406	MR. HARSHA D. WEERAKOON	38.56P		2 (Sales Room+ Service Stn)	1
26	102436	A.H.M. HUSSAIN HADJIAR SONS	01R	10.74P	1	1
27	102318	MRS. SOMA ABEYWARDHANA	24.00P		1	1
28	102321	KOTTAWA LANKA FILLING STATION	21.73P		1	1
29	102381	EHELIYAGODA MPCs LTD	34.52		2 (Sales Room+ Service Stn)	1
30	102410	W. CALISTUS PERERA & SONS	01R	19.34P	2 (Sales Room+ Service Stn)	1

SR. NO	CUSTOMER CODE	NAME OF COMPANY OWNED LOCATION	EXTENT OF THE AREA AS ON 31.03.2025		NO. OF BUILDINGS	NO. OF CANOPIES
			Roots	Perches		
31	102434	TANGALLE MPCs LTD	24.00P		1	1
32	102412	KATANA MPCs LTD	37.68P		1	1
33	102425	AMBALANGODA MPCs LTD	19.00P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
34	102409	MR. K.H. JAYASINGHE	22.44P		1	1
35	102445	RANGIRI DAMBULLA MPCs LTD	22.23P		1	1
36	102316	SLIPTO AGENCIES (PVT) LTD	01R	07.23P	2 (Sales Room+ Service Stn)	2 (Main+2-3wheeler)
37	102394	M/S. LIYANAGE ASSOCIATES	34.00P		2 (Sales Room+ Service Stn)	1
38	102450	MRS. C.R. SAMARASINGHE	02R	00.05P	2 (Sales Room+ Service Stn)	1
39	102429	MR. DUDLEY PARANAGAMA	23.48P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
40	102312	MINERAL SPRINGS (PVT) LTD	01R	12.94P	2 (Sales Room+ Service Stn)	1
41	102314	MR. A.W. RANASINGHE	15.39P		1	1
42	102336	MR. C.J. ABEYRATNE	17.20P		1	1
43	102426	MRS. K.A.A.H. DE SILVA	20.1P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
44	102341	MR. S.N. JAYASINGHE	01R	06.17P	1	1
45	102310	M/S. FELIX PEREIRA & SON	02R	01.15P	2 (Sales Room+ Service Stn)	1
46	102353	G.K. SAMIE & SONS	15.41P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
47	102319	M.G. SAMSON & SONS	36.78P		2 (Sales Room+Store Room)	1
48	102444	MR. M. SELVARAJAH	33.97P		1	1
49	102411	SANDALANKAWA NEW MPCs LTD	01R	08.36P	1	1
50	102433	KOTAPOLA MPCs LTD	13.27P		1	1
51	102385	RAIGAM UDAGAHAPATTU MPCs LTD	22.23P		0	1
52	102384	B.D.P. GUNASEKERA & SON	27.36P		1	1
53	102358	MR. P.G.W. SAMARASEKERA	01R	03.66P	2 (Sales Room+ Service Stn)	1
54	102335	S.R.B. ENTERPRISES	39.44P		1	1
55	105601	PULLENDRA FUEL STATION	43.62P		1	1
56	102387	KALUTARA MPCs LTD	28.15P		2 (Sales Room+Panel Room)	1
57	102311	MR. H.K.S. RANASINGHE	38.83P		1	1
58	102395	MR. SARATH COLONNE	35.50P		1	1
59	102379	BALANGODA MPCs LTD	34.39P		1	1
60	102356	W.A. PERERA & SONS	01R	14.84P	3 (Sales Rooms+ Service Stn)	1
61	102396	RATNAPURA MPCs LTD	34.9P		1	1
62	102451	MUTTUR AGA DIVISION MPCs LTD	01R	29.86P	2 (Sales Room + Service Stn)	1
63	102340	ATTANAGALLA MPCs LTD	12.10P		2 (Sales Room+Gen Room)	1
64	102342	LIANFIRM (PVT) LTD	36.89P		1	1
65	102352	HALIELA MPCs LTD	24.50P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
66	102388	MR. S.P. GUNASINGHE	01R	02.02P	1	Nil
67	102354	M/S. HUNNASGIRIYA AGENCIES	12.57P		1	1
68	102447	GALGAMUWA MPCs LTD	13.00P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
69	102386	KALAWANA MPCs LTD	12.89P		1	1
70	102343	POLGAHAWELA MPCs LTD	13.48P		2 (PORTA CABIN + ELECTRICAL ROOM)	1

SR. NO	CUSTOMER CODE	NAME OF COMPANY OWNED LOCATION	EXTENT OF THE AREA AS ON 31.03.2025		NO. OF BUILDINGS	NO. OF CANOPIES
			Roots	Perches		
71	102363	YATINUWARA MEDA PALATA MPCs LTD	31.04P		1	1
72	102323	WIJERAMA ENTERPRISE	24.62P		1	1
73	102339	MAWANELLA HEMMATHAGAMA MPCs LTD	24.24P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
74	102423	A.H. WIMALATUNGE & SON (PVT) LTD	39.63P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
75	102427	MRS H N W PRIYANGANI DE SILVA	29.91P		1	1
76	102435	TISSAMAHARAMA MPCs LTD	01R	00.00P	1	1
77	102401	BINGIRIYA MPCs LTD	10.46P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
78	102430	WELDISI (PVT) LTD	01R	03.58P	1	1
79	102377	SAMARANAYAKA SAHA SAMARANAYAKA	13.65P		1	1
80	102408	MR. L.P.P. PATHIRATNE	01R	01.94P	1	1
81	102446	GALEWELA MPCs LTD	23.36P		1	1
82	102315	SWASTHIKA MILLS LTD	01R	03.96P	2 (Sales Room+ MiniMart)	2 (Main+2-3wheeler)
83	102364	A.V. HINNIAPPUHAMY & COMPANY	26.37P		1	1
84	102404	JOE PERERA & SONS	14.81P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
85	102355	NOOHU MARIKAR	22.20P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
86	102403	DIVULAPITIYA MPCs LTD	06.68P		1	Nil
87	102392	PELMADULLA MPCs LTD	24.41P		1 (PORTA CABIN)	Nil
88	102407	MAWATHAGAMA MPCs LTD	11.93P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
89	102337	KEGALLE MPCs LTD	14.44P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
90	102448	KAHATAGASDIGILIYA MPCs LTD	39.77P		1	1
91	102378	D.H.J. JAYAKODY BROTHERS	25.62P		1 (Service Station)	1
92	102393	MR. P.D.H.P. KARUNARATNE	18.67P		1	1
		SS BANDARA				
93	102360	ACQUIRING A LAND (13.75 P @ RS 475,000/-)	37.81		1	1
94	102338	E.P.B. DE SOYSA (PVT) LTD	13.00P		1	1
95	102359	MR. R.M. SENEVIRATNE	24.56P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
96	102428	WIPULA DHARMADASA	15.06P		1	1
97	102333	M/S PERERA & CO & SONS	26.50P		1	1
98	102405	K.W. SUSIRIPALA ASSOCIATES	14.48P		2 (PORTA CABIN + ELECTRICAL ROOM)	1
99	102344	ATTANAGALLA MPCs LTD	22.30P		Nil	Nil

In Compliance with Section 7.6 (viii) and (xii) of the CSE Listing Rules, the Company's lands were revalued as at 31.03.2016 by Mr. Kumar Subramaniam, Chartered Valuation Surveyor as an independent Consultant empanelled by M/s SJMS Associates, Chartered Accountants, based on the current open Market Value of lands for their existing use as lands approved for the establishment of Fuel retail outlets, amounting to Rs. 6,766 Mn. However, this has not been adjusted in the Financial Statements to conform to the existing cost model being followed by the company as per its Accounting Policy as stated in Note 2.10.7 which is in line with Sri Lanka Accounting Standards LKAS -16

SHAREHOLDER INFORMATION

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RESIDENT & NON-RESIDENT SHAREHOLDING

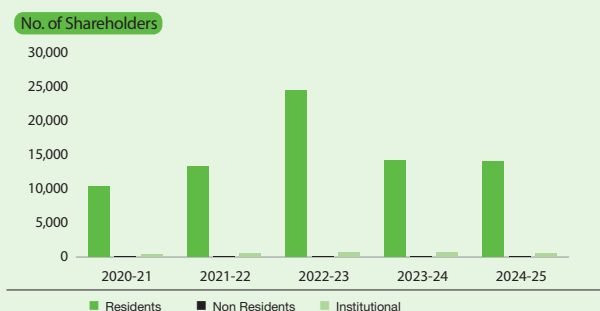
AS AT 31 MARCH 2025	Resident			Non-Resident			Total		
Share Range	No. of Share Holders	No. of Shares	Holding %	No. of Share Holders	No. of Shares	Holding %	Total No. of Share Holders	No. of Shares	Total Share holding %
1 - 1,000	9,069	2,845,410	0.534	19	9,953	0.002	9,088	2,855,363	0.536
1,001 - 10,000	4,040	11,961,074	2.246	47	204,983	0.038	4,087	12,166,057	2.285
10,001 - 100,000	706	22,138,262	4.158	18	743,083	0.140	724	22,881,345	4.297
100,001 - 1,000,000	134	36,424,160	6.841	11	2,261,119	0.425	145	38,685,279	7.265
1,000,001 - & Above	23	55,877,656	10.494	1	400,000,005	75.122	24	455,877,661	85.616
TOTALS	13,972	129,246,562	24.273	96	403,219,143	75.727	14,068	532,465,705	100.000

COMPANY & INDIVIDUAL SHAREHOLDING

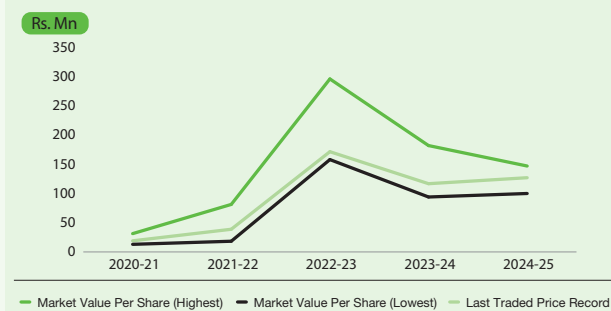
AS AT 31 MARCH 2025	Company			Individual			Total		
Share Range	No. of Share Holders	No. of Shares	Holding %	No. of Share Holders	No. of Shares	Holding %	Total No. of Share Holders	No. of Shares	Total Share holding %
1 - 1,000	112	52,321	0.010	8,976	2,803,042	0.526	9,088	2,855,363	0.536
1,001 - 10,000	220	1,015,441	0.191	3,867	11,150,616	2.094	4,087	12,166,057	2.285
10,001 - 100,000	159	6,029,834	1.132	565	16,851,511	3.165	724	22,881,345	4.297
100,001 - 1,000,000	69	20,296,309	3.812	76	18,388,970	3.454	145	38,685,279	7.265
1,000,001 - & Above	19	445,947,982	83.751	5	9,929,679	1.865	24	455,877,661	85.616
TOTALS	579	473,341,887	88.896	13,489	59,123,818	11.104	14,068	532,465,705	100.000

Financial Year	Resident Shareholders	Non Resident Shareholders	Institutional Shareholders
01.04.2020 - 31.03.2021	10,306	104	352
01.04.2021 - 31.03.2022	13,314	85	577
01.04.2022 - 31.03.2023	24,408	86	650
01.04.2023 - 31.03.2024	14,419	108	610
01.04.2024 - 31.03.2025	13,972	96	579

Shareholders Information



Share Price Movements



LANKA IOC PLC - TOP 20 SHAREHOLDERS AS AT 31ST MARCH 2024

NO	NAME	HOLDING	%
1	INDIAN OIL CORPORATION LIMITED	400,000,005	75.12
2	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	7,975,875	1.50
3	J.B. COCOSHELL (PVT) LTD	6,478,332	1.22
4	MR. K.A.S.R. NISSANKA	4,450,519	0.84
5	BANK OF CEYLON A/C CEYBANK UNIT TRUST	4,158,839	0.78
6	HATTON NATIONAL BANK PLC-SEFIN GROWTH FUND	3,586,002	0.67
7	PEOPLE'S LEASING & FINANCE PLC/MR.D.M.P.DISANAYAKE	2,959,134	0.56
8	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	2,486,170	0.47
9	EMPLOYEE'S PROVIDENT FUND	2,346,558	0.44
10	ODYSSEY CAPITAL PARTNERS (PRIVATE) LIMITED	2,305,443	0.43
11	HATTON NATIONAL BANK PLC - CAPITAL ALLIANCE QUANTITATIVE EQUITY FUND	1,893,909	0.36
12	MR. N. SAMARASURIYA & MRS. C. SAMARASURIYA	1,704,000	0.32
13	MR. R.C.D. DE SILVA	1,511,837	0.28
14	EMPLOYEES TRUST FUND BOARD	1,481,646	0.28
15	ASSETLINE FINANCE LIMITED/BRITISH AMERICAN TECHNOLOGIES PVT LTD	1,451,796	0.27
16	ACUITY PARTNERS (PVT) LIMITED/MR.ELAYATHAMBY THAVAGNANASOORIYAM/MR.ELAYATHAMBY THAVAGNANASUNDARAM	1,419,701	0.27
17	HATTON NATIONAL BANK PLC/ALMAS HOLDINGS (PRIVATE) LIMITED	1,410,290	0.27
18	JAFFERJEE BROTHERS EXPORTS (PRIVATE)LIMITED	1,337,180	0.25
19	NATIONAL SAVINGS BANK	1,241,959	0.23
20	MR. R.P. WEERASOORIYA	1,217,482	0.23
Total Top 20 Shareholders		451,416,677	84.78
Other Shareholders		81,049,038	15.22
Total Shareholders		532,465,705	100.00

DIRECTORS' SHAREHOLDING AS ON 31ST MARCH 2025

Mr. Satish Kumar Vaduguri	Nil
Mr. Dipak Das	Nil
Mr. Nikhil Deep Mathur	Nil
Mr. R V N Vishweshwar	Nil
Mr. H . M. A. Jayesinghe	Nil
Mr. S Renganathan	Nil

HIGHEST, LOWEST PRICES AND THE MARKET VALUE FIGURES

LIOC SHARE PERFORMANCE AT COLOMBO STOCK EXCHANGE (CSE)		01 April 2024 - 31 March 2025
No. of Share transactions for the year		47,730
No. of Shares traded		88,237,504
Value of Shares Traded (Rs)		11,050,565,096.50
Price Movements (Rs) 28th Jan 2025		
Highest (Rs) 28th January 2024		147.00
Lowest (Rs) 11th September 2024		100.00
Closing Price (Rs) 31st March 2025		127.00
Market Capitalization (Closing Price * Issued Quantity)		67,623,144,535.00
Float Adjusted Market Capitalization (Rs Mn)		16,823,143,900.00
Public Holding as % of Issued Share Capital		24.88%

LIOC SHARE PERFORMANCE AT COLOMBO STOCK EXCHANGE (CSE)		01 April 2023 - 31 March 2024
Public Holding as % of Issued Share Capital		24.88%
No. of Share transactions for the year		71,635
No. of Shares traded		97,363,369
Value of Shares Traded (Rs)		12,065,374,628.65
Price Movements (Rs)		
Highest (Rs) 17th April 2023		182.00
Lowest (Rs) 26th October 2023		94.00
Closing Price (Rs) 31st March 2024		116.75
Market Capitalization (Rs Mn) (Closing Price* Issued Quantity)		62,165,371,058.75
Float Adjusted Market Capitalisation (Rs Mn)		15,464,751,700.00
Public Holding as % of Issued Share Capital		24.88%

Investor Information	Metrics	2024-25	2023-24
Earning Per Share	Rs	20.94	26.19
Net Assets per Share	Rs	155.30	137.98
Price Earning Ratio (PE Ratio)	Times	6.07	4.46
Price to Book Value	Times	0.82	0.85
Dividend per Share (Paid Basis)	Rs	5	4
Dividend Payout %	%	19%	6%

Statement of use	Lanka IOC PLC has reported in accordance with the GRI Standards for the period [reporting period start and end dates].
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI 11: [Titles of the applicable GRI Sector Standards]

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organisational details	7-9				
	2-2 Entities included in the organization's sustainability reporting	5				
	2-3 Reporting period, frequency and contact point	4-6				
	2-4 Restatements of information	5				
	2-5 External assurance	135-137				
	2-6 Activities, value chain and other business relationships	7-9				
	2-7 Employees	76-80				
	2-8 Workers who are not employees	77-78				
	2-9 Governance structure and composition	92				
	2-10 Nomination and selection of the highest governance body	92				
	2-11 Chair of the highest governance body	92				
	2-12 Role of the highest governance body in overseeing the management of impacts	92				
	2-13 Delegation of responsibility for managing impacts	97				
	2-14 Role of the highest governance body in sustainability reporting	97				
	2-15 Conflicts of interest	98				
	2-16 Communication of critical concerns	101				
	2-17 Collective knowledge of the highest governance body	94				
	2-18 Evaluation of the performance of the highest governance body	98				
	2-19 Remuneration policies	99				

A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
	2-20 Process to determine remuneration	99				
	2-21 Annual total compensation ratio	-				
	2-22 Statement on sustainable development strategy	35-39				
	2-23 Policy commitments	96				
	2-24 Embedding policy commitments	96-99				
	2-25 Processes to remediate negative impacts	99				
	2-26 Mechanisms for seeking advice and raising concerns	99				
	2-27 Compliance with laws and regulations	80				
	2-28 Membership associations	75				
	2-29 Approach to stakeholder engagement	40-43				
	2-30 Collective bargaining agreements	78				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	44	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	44-48				
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	59-64				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	63				
	201-2 Financial implications and other risks and opportunities due to climate change	-				
	201-3 Defined benefit plan obligations and other retirement plans	162, Note 8				
	201-4 Financial assistance received from government	--				
Indirect economic impacts						
GRI 3: Material Topics 2021	3-3 Management of material topics	68-69				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	68-71				
	203-2 Significant indirect economic impacts	12-13, 60				
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	83				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	83				
Tax						
GRI 3: Material Topics 2021	3-3 Management of material topics	157				
GRI 207: Tax 2019	207-1 Approach to tax	157-160				
	207-2 Tax governance, control, and risk management	160				
	207-3 Stakeholder engagement and management of concerns related to tax	160				
	207-4 Country-by-country reporting	-				
Materials						
GRI 3: Material Topics 2021	3-3 Management of material topics	89				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	-				
	301-2 Recycled input materials used	-				
	301-3 Reclaimed products and their packaging materials	-				
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	89				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	89				
	302-2 Energy consumption outside of the organization	-				
	302-3 Energy intensity	-				
	302-4 Reduction of energy consumption	89				
	302-5 Reductions in energy requirements of products and services	-				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
Water and effluents						
GRI 3: Material Topics 2021	3-3 Management of material topics	89				
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	89				
	303-2 Management of water discharge-related impacts	89				
	303-3 Water withdrawal	89				
	303-4 Water discharge	-				
	303-5 Water consumption	-				
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	88				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	88				
	306-2 Management of significant waste-related impacts	88				
	306-3 Waste generated	-				
	306-4 Waste diverted from disposal	-				
	306-5 Waste directed to disposal	-				
Supplier environmental assessment						
GRI 3: Material Topics 2021	3-3 Management of material topics	83				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	83				
	308-2 Negative environmental impacts in the supply chain and actions taken	83				
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	78				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	78				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	78				
	401-3 Parental leave	78				
Labor/management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	78				
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	78				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	79				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	79-80				
	403-2 Hazard identification, risk assessment, and incident investigation	79-80				
	403-3 Occupational health services	79-80				
	403-4 Worker participation, consultation, and communication on occupational health and safety	79-80				
	403-5 Worker training on occupational health and safety	79-80				
	403-6 Promotion of worker health	79-80				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79-80				
	403-8 Workers covered by an occupational health and safety management system	79-80				
	403-9 Work-related injuries	80				
	403-10 Work-related ill health	80				
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	76				
	404-2 Programs for upgrading employee skills and transition assistance programs	79				
	404-3 Percentage of employees receiving regular performance and career development reviews	79				
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	80				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	80				
	405-2 Ratio of basic salary and remuneration of women to men	80				
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	80				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	80				
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	80				
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	80				
Child labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	80				
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	80				
Forced or compulsory labor						
GRI 3: Material Topics 2021	3-3 Management of material topics	80				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	80				
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	84				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	84				
	413-2 Operations with significant actual and potential negative impacts on local communities	-				
Customer health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	83				
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	83				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	83				
Marketing and labeling						
GRI 3: Material Topics 2021	3-3 Management of material topics	83				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REF. NO.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	83				
	417-2 Incidents of non- compliance concerning product and service information and labeling	83				
	417-3 Incidents of non- compliance concerning marketing communications	83				

Topics in the applicable GRI Sector Standards determined as not material	
TOPIC	EXPLANATION
[Title of GRI Sector Standard]	
[Topic]	[Explanation]
[Topic]	[Explanation]

[illegible]

NOTICE IS HEREBY GIVEN THAT the 23rd Annual General Meeting of the shareholders of Lanka IOC PLC will be held on Thursday, 19th June 2025 at 11.00 am virtually for the following purposes;

Agenda

1. To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and Statement of Compliance and the Financial Statements of the Company for the financial year ended 31st March 2025 with the Report of the Auditors thereon.
2. To declare a first & final dividend of Rs. 5.00 per share for the Financial Year 2024-25 as recommended by the Board.
3. (i) To re-elect Mr. R V N Vishweshwar as a Director of Lanka IOC PLC who retires by rotation as per Article 29(2) of the Articles of Association of the company and offers himself for re-election.
- (ii) To re-elect Mr. N D Mathur as a Director of Lanka IOC PLC who retires by rotation as per Article 29(2) of the Articles of Association of the company and offers himself for re-election
- (iii) To re-elect Mr. Satish Kumar Vaduguri who retires in terms of Article 27(6) of the Articles of Association of the Company and offers himself for re-election.
4. To re-appoint Messrs, B D O Partners Sri Lanka Chartered Accountants, as recommended by the Board of Directors as the Auditors of the Company for the ensuing year; and to authorize the Board of Directors to determine their remuneration.

The Annual Report of Lanka IOC PLC for 2024-25 will be available via the below links, once the Financial Statements for the year ended 31 March 2025 are released to the Colombo Stock Exchange:

- (1) Corporate Website <https://www.lankaio.com> under investor section
- (2) The Colombo Stock Exchange – <https://www.cse.lk/pages/company-profile/company-profile.component.html?symbol=LIOC.N0000>

Shareholders may also access the Annual Report and Financial Statements on their mobile phones by scanning the following QR code.



By Order of the Board

[Ms] Amali Liyanapatabendi

Company Secretary
Lanka IOC PLC.

27th May 2025

Colombo

1. A duly registered and entitled holder of the Company's shares is entitled to attend, speak and vote at the AGM and is entitled to appoint a proxyholder to attend, speak and vote on his/ her behalf;
2. A proxyholder need not be a shareholder of the Company; A proxy so appointed shall have the same right as the shareholder to vote on a show of hand or on a poll as well as to speak at the AGM;
3. The Form of Proxy is enclosed for this purpose. The completed Form of Proxy must be deposited at the Registered Office of the Company situated at Level 20, West Tower, World Trade Centre, Echelon Square, Colombo 01 or forwarded via e-mail to agmlankaio.com@gmail.com or facsimile to 011 2 391 490, not less than forty-eight (48) hours before the appointed hour of the meeting.
4. Members 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.
5. Instructions given in the Circular to shareholders dated 27th May 2025 must be followed to join the meeting via audio – visual means.

FORM OF PROXY

I/We.....[Full Name]

.....[NIC No] ofbeing a

a member/s of Lanka IOC PLC, hereby appoint Mr/Mrs/Miss.....

[NIC No]of.....whom failing:

Mr. Satish Kumar Vaduguri whom failing

Mr. Dipak Das whom failing

Mr. R V N Vishweshwar whom failing

Mr. N D Mathur whom failing

Mr. H M A Jayasinghe whom failing

Mr. S. Renganathan

as my/our Proxy holder to represent me/us to speak at the meeting and to vote on a show of hands or on a poll for me/us on my/our behalf, as indicated below at the 23rd Annual General Meeting of the Company to be held on 19th June 2025 virtually and at any adjournment thereof and at every poll which may be taken in consequence thereof.

		For	Against
1.	To receive, consider and adopt the Annual Report for the financial year ended 31st March 2025 with the Report of the Auditors thereon	<input type="checkbox"/>	<input type="checkbox"/>
2.	To declare a first & final dividend of Rs. 5.00 per share for the Financial Year 2024-25.	<input type="checkbox"/>	<input type="checkbox"/>
3.	(i) To re-elect, Mr RV N Vishweshwar who retires in terms of Article 29(2) of the Articles of Association of the Company and being eligible has offered himself for re-election.	<input type="checkbox"/>	<input type="checkbox"/>
	(ii) To re-elect N D Mathur who retires in terms of Article 29(2) of the Articles of Association of the Company and being eligible has offered himself for re-election.	<input type="checkbox"/>	<input type="checkbox"/>
	(iii) To re-elect Mr Satish Kumar Vaduguri who retires in terms of Article 27(6) of the Articles of Association of the Company and being eligible has offered himself for re-election.	<input type="checkbox"/>	<input type="checkbox"/>
4	To re-appoint Messrs, B D O Partners Sri Lanka Chartered Accountants, as Auditors of the Company for the ensuing year and authorize the Board of Directors to their remuneration	<input type="checkbox"/>	<input type="checkbox"/>

In witness I/we set my/our hand/Seal hereto on this day of 2025

.....
NIC Number

.....
Signature/s

Notes

1. A Proxy need not be a shareholder of the Company
2. Instructions as to completion are noted on the reverse hereof

Instructions as to Completion

- Please perfect the Form of Proxy by filling in legibly your full name, NIC No and address as well as the full name and NIC number of the proxy holder, by signing in the space provided and filling in the date of signature.
- The completed Form of Proxy should be deposited at Lanka IOC PLC, Level 20, West Tower, World Trade Centre, Colombo 01 or emailed to agmlankaio@gmail.com or facsimile to +94 112391490 not less than 48 hours before the time appointed for the holding of the Meeting.
- If the appointer is a Company or Corporation, this Form must be executed under its Common Seal or the hand of a duly Authorized Officer of the Company, in accordance with its Articles of Association.
- If the Form of Proxy is signed by an Attorney, the relative Power of Attorney should accompany the Form of Proxy for registration, if such Power of Attorney has not already been registered with the Company.
- If this Form of Proxy is returned without any indication of how the person appointed as Proxy shall vote, then the Proxy shall exercise his/her discretion as to how he/she votes or, whether or not he/she abstains from voting.

Please fill in the following details:

NIC No:

Full Name:

Address:
.....

Jointly with:

Tel No:

email ID:

CORPORATE INFORMATION

Name of Company

Lanka IOC PLC Company Registration
Number: PQ 179

BOI Registration No.

2613/05/12/2002

Legal Form

A Public Quoted Company with Limited Liability, incorporated in Sri Lanka on 29th August 2002 under the provisions of the Companies Act No.17 of 1982 and re-registered under the Companies Act No.07 of 2007

Stock Exchange Listing

The Ordinary Shares of the Company are listed in the Colombo Stock Exchange

Registered Office

Level 20, West Tower, World Trade Centre,
Echelon Square, Colombo 01, Sri Lanka

Telephone : + 94 11 2475720

Facsimile : + 94 11 2391490

Website : www.lankaio.com

Associates

Ceylon Petroleum Storage Terminals Limited
Trinco Petroleum Terminal (Pvt) Ltd

Board of Directors

Mr. Satish Kumar Vaduguri (Chairman)
(Appointed w.e.f 1st September 2024)

Mr. Dipak Das (Managing Director)

Mr. N D Mathur

Mr. R V N Vishweshwar

Mr. H M A Jayasinghe
(Appointed w.e.f 1st January 2025)

Mr. S Renganathan
(Appointed w.e.f 1st January 2025)

Mr. Sujoy Choudhury
(Cease to be a Director w. e. f 31.08.2024)

Prof. Lakshman R Watawala
(Cease to be a Director w. e. f 31.12.2024)

Mr. Amitha Gooneratne
(Cease to be a Director w. e. f 31.12.2024)

Company Secretary

(Ms) Amali Liyanapatabendi

Registrars

Central Depository System (Pvt) Ltd
Ground Floor, M & M Centre. 341/5, Kotte
Road, Rajagiriya

Auditors - Statutory

BDO Partners - Chartered Accountants
"Charter House"
65/2, Sir Chittampalam A Gardiner Mawatha,
Colombo 02.

Auditors - Internal

KPMG Chartered Accountants
32/A, Sir Mohamed Macan Mawatha,
Colombo 03

Lawyers

F J & G de Saram, Attorneys-at-Law
216, de Saram Place, Colombo 10

Bankers

Standard Chartered Bank
State Bank of India, Colombo
HSBC Bank
Bank of Ceylon
People's Bank
Commercial Bank of Ceylon
Hatton National Bank
National Development Bank
Cargills Bank
Deutsche Bank
Citibank N. A.

This Annual Report is
conceptualised, designed
and produced by
Redworks.





Lanka IOC PLC
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Email : info@lankaio.com



Read this Annual Report
online at www.lankaio.com

