

**CT SMITH**  
ASSET MANAGEMENT

# ANNUAL REPORT

**2025**

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**CT SMITH GROWTH EQUITY FUND**

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**Declaration By Trustees and Management Company**

*Declaration by Trustees and Managing Company as per SEC Circular No: 02/2009 on Guidelines for Trustees and Managing Companies of Unit Trusts Funds.*

Deutsche Bank AG, the Trustee and CT Smith Asset Management (Pvt) Ltd the Managers of **CT Smith Growth Equity Fund**, hereby declare that

1. The requirements of the Guidelines for Trustees and Managing Companies of Unit Trust Funds set by the Securities and Exchange Commission of Sri Lanka have been complied with during the year.
2. The transactions were and will be carried out at an arm's length basis and on terms which are best available for the fund, as well as act, at all times, in the best interest of the fund's unit holders.

*Cealint*  
.....

Director  
Management Company

*Abagala*  
.....

Director  
Management Company

**DEUTSCHE BANK AG**  
Colombo Branch

*[Signature]*  
.....

Authorized Signatories  
Trustee  
Trustee of the Fund


## 02. About the Fund

CT Smith Growth Equity Fund {Formerly known as CT CLSA Growth Equity Fund}, is an open ended Collective Investment Scheme (CIS) approved by the Securities and Exchange Commission of Sri Lanka. The Fund was launched on 27 February 2012. The Fund was managed by Guardian Acuity Asset Management (Private) Limited until 12 January 2023. Effective 13 January 2023, the management of the Fund was transferred to CT CLSA Asset Management (Private) Limited (formerly Comtrust Asset Management), a company incorporated and domiciled in Sri Lanka. With effect from 14 August 2025, CT CLSA Asset Management (Pvt) Limited rebranded and relaunched its corporate identity as CT Smith Asset Management (Pvt) Limited. The registered office of the Management Company is located at No. 4-07, Majestic City, Colombo 04. The Trustee of the Fund is Deutsche Bank AG, with its place of business at Level 21, One Galle Face Tower, 1A Central Road, Galle Face, Colombo 02. The main investment objective of the Fund is to achieve long term capital appreciation through prudently investing in a portfolio of listed shares and to provide investors an opportunity to participate in the long-term performance of the Sri Lankan equity market thus giving investors access to investments with medium to long term capital growth potential. The Fund will invest in a diversified portfolio of companies to maximise the performance of the Fund.

### 03. Fund Information- CT Smith Growth Equity Fund

<b>Fund Objective</b>	:	To achieve capital appreciation in the medium to long term time horizon,
<b>Fund Strategy</b>	:	The fund shall invest a minimum of 80% of its Net Asset Value (NAV) in equity and the balance in fixed income securities.
<b>Fee Structure</b>	Front End Fee	: Nil
	Management Fee	: 2.25% p.a
	Trustee Fee	: 0.25% p.a
	Custodian Fee	: Rs.15,000/- p.a
	Exit Fee	: Nil
<b>Fund Structure</b>	Minimum Subscription	: Rs.1,000/-
	Fund Structure	: Open Ended
	Switching	Allowed
	Dividend	: -
	Initial Offer Price	: Rs.10/-
	Inception date	: 27-Feb-12
<b>Liquidity</b>	Redemption period	: Within T+1 days

## 04. Service Provider

<p><b>Fund Manager</b></p> <p>CT Smith Asset Management (Pvt) Limited 4-15, Majestic City 10 Station Road Colombo 04</p>	<p><b>Trustee and Custodian</b></p> <p>Deutsche Bank AG, Colombo Level 21, One Galle Face Tower, 1a, Centre Road, Galle Face, Colombo 02, Sri Lanka</p>
<p><b>Registrar</b></p> <p>CT Smith Asset Management (Pvt) Limited 4-15, Majestic City 10 Station Road Colombo 04</p>	<p><b>Banker</b></p> <p>Deutsche Bank AG, Colombo Level 21, One Galle Face Tower, 1a, Centre Road, Galle Face, Colombo 02, Sri Lanka</p>
<p><b>Collection Agents</b></p> <p>Cargills Food City Supermarket Banking Service</p>  <p>Collection Bank Accounts Of CT Smith Asset Management (Pvt) Limited</p> <p>Hatton National Bank Account No. 002010553053 Branch. City Office</p> <p>Cargills Bank Account No. 0019500001191 Branch. Head Office</p> <p>Deutsche Bank AG, Colombo Account No.0043133000 Branch. Head Office</p>	<p><b>Auditors</b></p> <p>Nihal Hettiarachchi &amp; Company Chartered Accountants RNH House No.622B Kotte Rd, Sri Jayawardenepura Kotte</p>

## 05. Fund Fact Sheet

# CT SMITH

ASSET MANAGEMENT

## CT Smith Growth Equity Fund Fact Sheet – 31<sup>st</sup> December 2025

### Fund Snapshot

Inception Date	27th February 2012
Fund Size 31 <sup>st</sup> Dec 2025	LKR 156.61Mn
Fund Manager	CT Smith Asset Management (PVT) LTD
Portfolio Manager	Mr.Kuhan Vinayagasundaram
Minimum Investment	LKR 1,000

### Key Indicators

Unit Price as at 31 <sup>st</sup> Dec 2025	43.7989
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### Fund Fees

Management Fee (VAT excluded) (as a percentage of NAV )	2.25% p.a.
Custodian and Trustee Fee (VAT excluded) (as a percentage of NAV )	0.30% p.a.
Exit Fee (If withdrawn prior to 1 year )	2.00% p.a.

### About the Fund

CT Smith Growth Equity Fund, formerly known as CT CLSA Growth Equity Fund, was established on 27th February 2012. The objective of the Fund is to provide investors with an opportunity to participate in the long-term performance of the Sri Lankan equity market, thus giving investors access to investments with medium to long-term capital growth potential. The Fund will invest in a diversified portfolio of companies to maximize the performance of the Fund. The Fund is an open-ended unit trust which can offer units to investors on a continuing basis. Deutsche Bank is the Trustee and the Custodian of the Fund.

### Risk - Reward Indicator



Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks and Political and Legal risks.

### Fund Returns

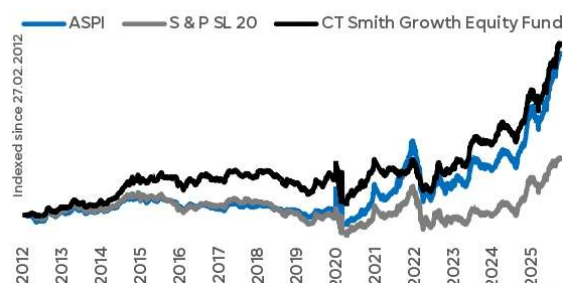
RETURNS*				
PERIOD*	FUND	BENCHMARK ASPI	S&P SL 20	ASTRI
2025 December	0.51%	-0.39%	-1.75%	-0.24%
3 Months	4.56%	3.88%	0.50%	4.40%
Year To Date (YTD 2025)	33.10%	41.89%	26.64%	49.06%
Since Inception Cum.	337.99%	313.11%	108.33%	417.09%
Since Inception CAGR	11.25%	10.78%	5.44%	12.63%

The fund recorded a 0.51% return for the month and 4.56% return for 3 Months. The YTD return of the fund was 33.10% vs. the benchmark ASPI return was 41.89%.

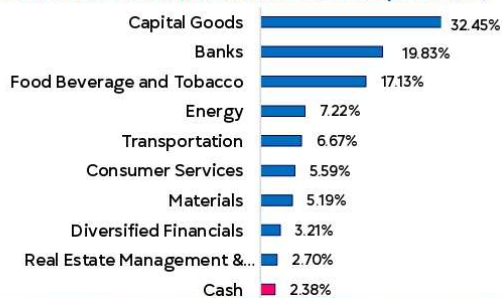
### Top 05 Holdings Based on NAV

STOCK	TICKER	% OF NAV
DIGITAL MOBILITY SOLUTIONS LANKA PLC	PKME.N0000	6%
COMMERCIAL BANK OF CEYLON PLC	COMB.N0000	6%
HATTON NATIONAL BANK PLC	HNB.N0000	6%
ACCESS ENGINEERING PLC	AEL.N0000	6%
ACL CABLES PLC	ACL.N0000	5%

### CT Smith GEF VS. The Market



### Sector Allocation (With Cash & Cash Equivalents)



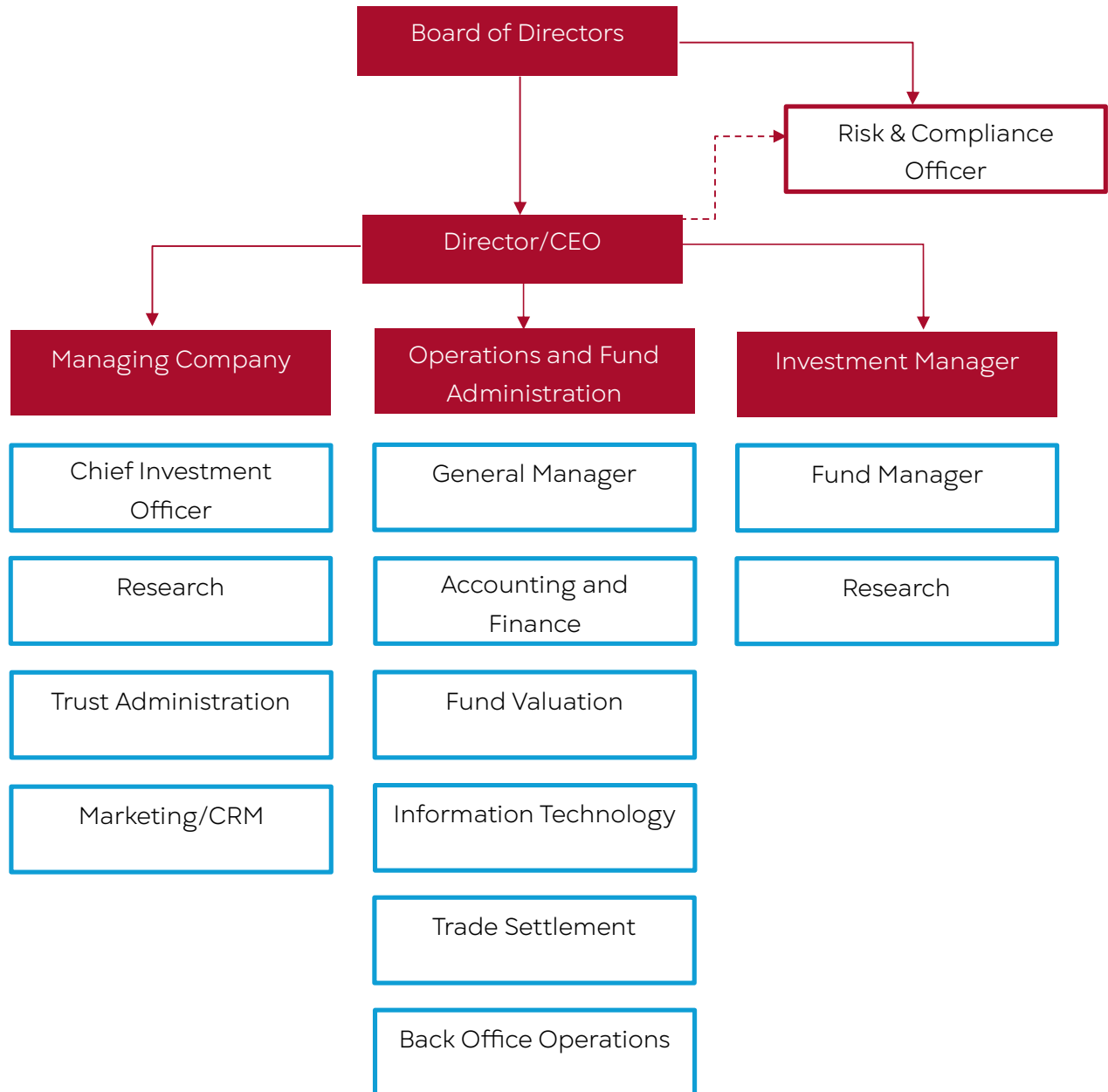
Note: All Share Price Index (ASPI) All Share Total Return Index (ASTRI) & S&P Sri Lanka 20 Index (S&P SL 20) are based on CSE data as of 31<sup>st</sup> December 2025.

\*Performances are based on month end prices as 31<sup>st</sup> December 2025 Performance data included in this document represents past performance and is no guarantee of the future results.

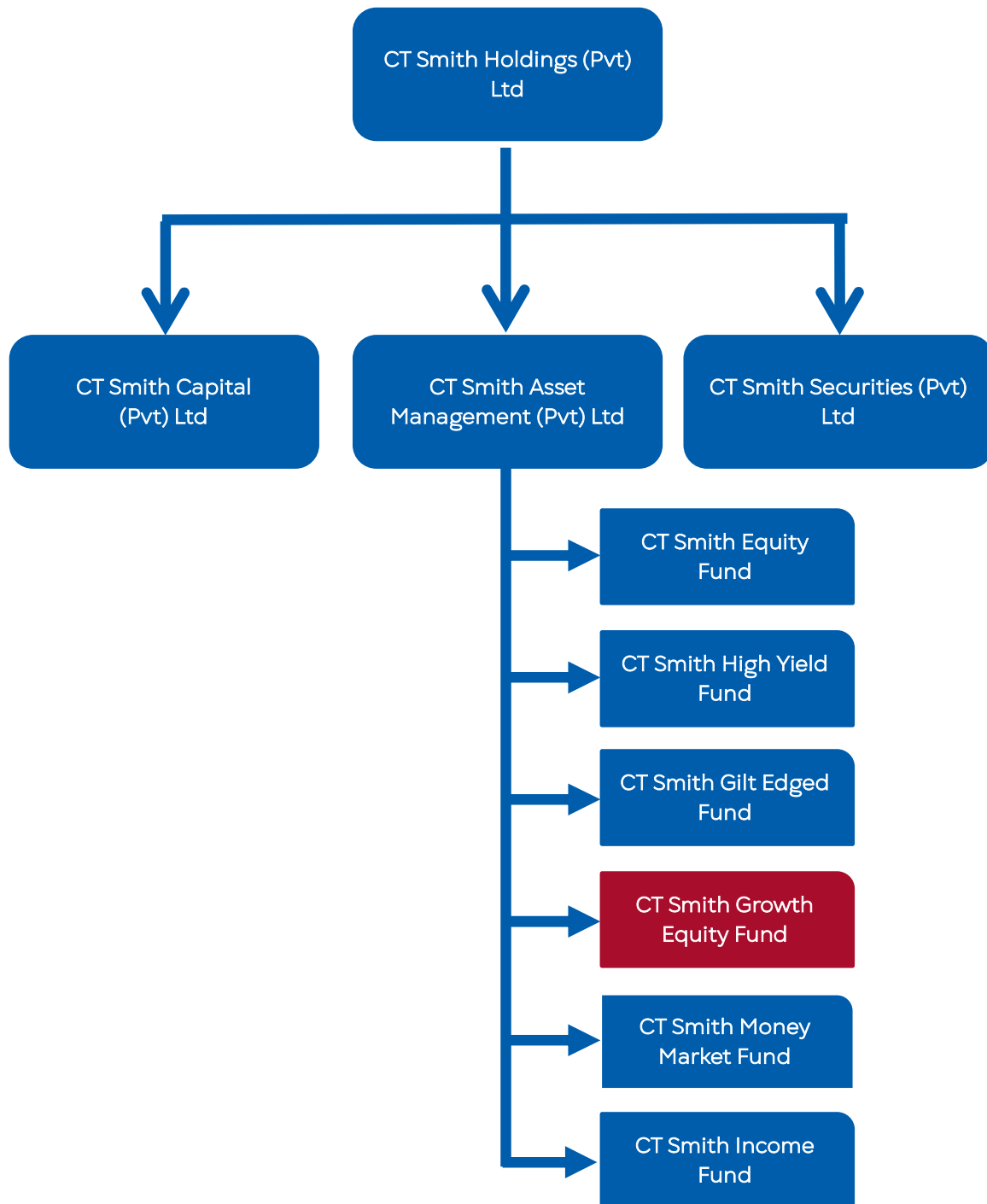
Investors are advised to read and understand the contents of the Explanatory Memorandum before investing. Among others, investors should consider the fees and the charges involved.

CT SMITH ASSET MANAGEMENT (PRIVATE) LIMITED

## 06. Organization Structure



## 07. Group Structure



## 08. Board of Directors of The Fund Management Company



**Mrs. Cecilia Page**  
Chairperson

Cecilia Page is the Chairperson of CT Smith Holdings Ltd, CT Smith Securities (Private) Limited, CT Smith Capital (Private) Limited, and CT Smith Asset Management (Private) Limited. She has headed the CT Smith Group since inception. She is also a Director of CT Holdings PLC. She is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka and a Fellow Member of the Chartered Institute of Management Accountants, UK



**Mr. Joseph Page**  
Director

Joseph Page is Deputy Chairman/Managing Director of CT Land Development PLC, and a Director of CT Holdings PLC, Cargills (Ceylon) PLC, Kotmale Holdings PLC, and the Deputy Chairman of Ceylon Theatres (Pvt) Ltd. He has over 37 years of Management experience in the private sector.



**Mr. Simon Hemphel**  
Director

Simon Hemphel is an experienced financial services COO and banking executive with a background in Equities. Recent roles include operating as COO for a 1,000+ global equity operation across EMEA, APAC and North America. He has been appointed to a number of senior regulated roles, including Alternate Chief Executive of Macquarie's Hong Kong bank branch and as Director of its US registered Broker

Dealer. He is a Passed US SEC Securities licensing exams for the Series 24, Series 7 and Series 99 and he possesses Masters of Finance (investment Banking), INSEAD, paris (Graduated on Dean's list), Chartered Accountant, Institute of Chartered Accounts of Australia & New Zealand, Grad. Dip. Applied Finance & Investment, Securities Institute of Australia, Sydney, Graduate Conversion Course in Accountg, UTS, Sydney, Bachelor of Business (Banking & Finance) / Bachelor of Laws, eUT, Brisbane.

**Mr. Zakir Mohamedally**

Director

Zakir has over 19+ years of experience in Sri Lanka's capital market and he joined CT Smith Group in 2007. He has participated in several landmark transactions in Sri Lanka capital market worth over LKR 450 Billion covering both equity and debt in various industries. Prior to joining the CT Smith Group, he was working with PricewaterhouseCoopers (PWC) Sri Lanka. Zakir is a Fellow Member of the Association

of ACCA and is an Associate Member of the CIMA. He is also a member of the Institute of CMA of Sri Lanka and holds a Post Graduate Diploma in Marketing from the CIM UK.

Zakir serves as Director/Group Chief Operating Officer of CT Smith Holdings, Director/CEO of CT Smith Capital, and Director of CT Smith Securities and CT Smith Asset Management.

**Miss. Bimane Meepagala**

Director / Chief Executive Officer

She offers a successful background in asset management and has over 19+ years of experience with in the capital markets in Sri Lanka. Prior to joining CT Smith Asset Management, she served as the Chief Bancassurance Officer at Union Assurance PLC, one of the largest insurance companies in Sri Lanka. She also worked in the capacity of Vice President- Asset Management at NDB Wealth

Management Limited; the largest private sector fund management Company in Sri Lanka for over 12 years. She holds a Master of Arts in Financial Economics (MAFE) from the University of Colombo and a Bachelor of Arts Degree from the same University. She is also a Fellow Member of the Chartered Institute of Management Accountants (UK) FCMA, and a member of Chartered Global Management Accountant (CGMA).

## 09. Fund Management Team



### **Miss. Bimanee Meepagala**

Director / Chief Executive Officer

She offers a successful background in asset management and has over 19+ years of experience with in the capital markets in Sri Lanka. Prior to joining CT Smith Asset Management, she served as the Chief Bancassurance Officer at Union Assurance PLC, one of the largest insurance companies in Sri Lanka. She also worked in the capacity of Vice President- Asset Management at NDB Wealth Management Limited; the largest private sector fund management Company in Sri Lanka for over 12 years. She holds a Master of Arts in Financial Economics (MAFE) from the University of Colombo and a Bachelor of Arts Degree from the same University. She is also a Fellow Member of the Chartered Institute of Management Accountants (UK) FCMA, and a member of Chartered Global Management Accountant (CGMA).



### **Mr. Pasan Abeygunawardane**

General Manager

Pasan counts over 19 years of experience in both local and global markets. His academic and professional exposure encompasses accounting and finance, Stock Broking, capital market operation, portfolio administration, transfer agency, risk and compliance. He holds a Masters of Business Administration from Postgraduate Institute of management affiliated to University of Sri Jayewardenepura and a Bachelor of Science Degree from the same University. He is also an Associate Member of the Chartered Institute of Management Accountants (UK) ACMA, and a member of Chartered Global Management Accountant (CGMA).



### **Mr. Kuhan Vinayagasundaram**

Chief Investment Officer

Kuhan possesses over a decade of combined experience in portfolio management and investment research covering an equity/fixed income universe spanning multiple sectors and geographies including Sri Lanka. He has extensive academic and professional exposure in accounting & finance, Investment research and valuations. Previously at CT Smith, his responsibilities included building fundamentally robust financial models, drafting investment research reports with commercially focused valuations and introducing new research products. He is a Member of the Association of Chartered Certified Accountants (ACCA UK) and a level 2 candidate of the CFA qualification.

**Miss. Suresha Nilmini**

## Fund Manager

Suresha counts over 4 years of experience in Capital Markets, and Banking Sector. Her academic and professional exposure encompasses Investment and Portfolio Management, Financial Modelling and Forecasting, Business Valuation, Corporate Finance, Risk Management and Insurance, Economics, and Accounting. She holds a bachelor's degree in Finance (BSc Finance Special - First Class) from the University of Sri Jayewardenepura.

**Miss. Hansini Aravinda**

## Senior Financial Analyst

Hansini Aravinda has over 6 years of professional experience working in diverse industries. Her academic and professional exposure encompasses project management, research, and analysis in capital markets and valuations. She is a passed finalist of CIMA (Chartered Institute of Management Accountants). Further, Hansini holds a first-class degree in Bachelor of Engineering (Hons) in Electronics and Communication Engineering offered by the University of Wolverhampton (UK).

**Miss. Sachinee Chanduka**

## Compliance Officer

Sachinee has over four years of experience in finance and accounting. Before joining CT Smith AM, she lead the finance and accounting operations at VoiceD. Her skill set include compliance monitoring, financial statement preparation, financial analysis forecasting, revenue management, and payroll procedures. She holds a Bachelor of Science (Honors) in Finance and Insurance from the University of Colombo, Faculty of Science.

## 10. Investment Committee



**Mr. Ravi Ratnasabapathy**  
FCMA(UK), MBA(UOSJ), FE(UOC)

Seasoned professional, 25 years experience across key sectors including telecommunications, agribusiness and power. Qualified accountant, FCMA (UK), with a Masters in Business Administration (PIM, Sri J) and a Masters in Financial Economics (Colombo).

An active member of the Sri Lanka Institute of Directors, well-versed in the governance standards required of listed companies. Holds non-Executive board positions in two mid-cap CSE listed entities.

Currently an independent consultant, assignments have been successfully completed for international agencies including The International Trade Centre (a joint agency of the WTO and UN), the EU Delegation to Sri Lanka, the Asian Development Bank, and USAID projects.



**Mr. Hiran Samarasinghe**  
CFA, FCCA(UK)

Hiran heads the Investor Relations and Strategy function of the Sunshine group, primarily focused on managing a transparent investor relations function, and seeking new growth opportunities for the group. Sunshine Holdings is a diversified holding company with key focus areas in healthcare, FMCG, agriculture, and specialized retail.

Prior to joining Sunshine Holdings, he gained capital market experience with several International Banking Institutions working as an Equity Analyst for Amba Research. Prior to that he was attached to PricewaterhouseCoopers as an Associate Consultant advising both local and international clients on valuation and strategy engagements. He is a CFA charter holder and a Fellow member of ACCA.



**Mr. Zakir Mohamedally**

Director

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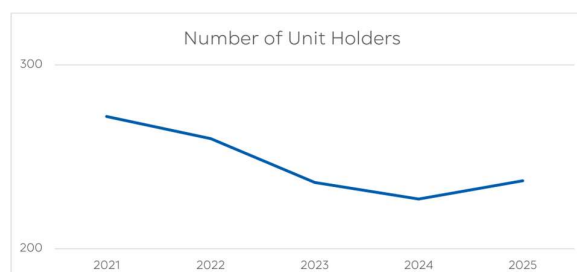
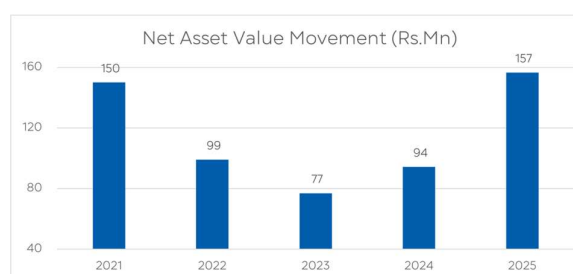
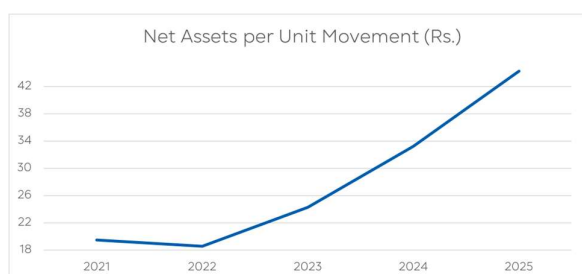
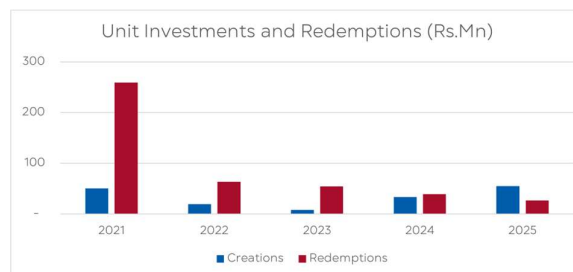
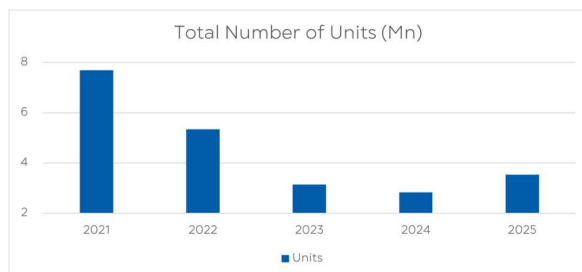
of ACCA and is an Associate Member of the CIMA. He is also a member of the Institute of CMA of Sri Lanka and holds a Post Graduate Diploma in Marketing from the CIM UK.

Zakir serves as Director/Group Chief Operating Officer of CT Smith Holdings, Director/CEO of CT Smith Capital, and Director of CT Smith Securities and CT Smith Asset Management.

## 11. Financial Highlights

Indicator	31.12.2025	31.12.2024	Change %
<b>Results for the Year</b>			
Income for the year	41,244,113	29,266,282	12%
Profit for the year	34,087,811	23,290,496	46%
<b>Assets and Liabilities</b>			
Financial assets at amortised cost	10,002,164	15,150,377	-34%
Financial assets at fair value through profit and loss	143,206,008	76,862,198	86%
Net assets attributable to unitholders	156,600,446	94,351,176	66%
<b>Profitability and Efficiency Ratios</b>			
Net profit margin	83%	80%	4%
Return on Assets	22%	24%	-9%
Cost to income ratio	17%	20%	-15%
<b>Investor Indicators/ Measures</b>			
Total number of units	3,539,016	2,835,600	25%
Total redemptions	26,587,131	39,206,349	-32%
Total unit investments	54,748,590	33,315,000	64%
Net assets value per unit	44.2521	33.2098	33%
Total assets per unit	44.4682	34.6420	28%
<b>Cash Flow generated from/ (used in)</b>			
Operating activities	-30,943,799	4,723,015	-755%
Financing activities	28,210,459	-5,839,349	-583%

## Financial Highlights (In Graph)

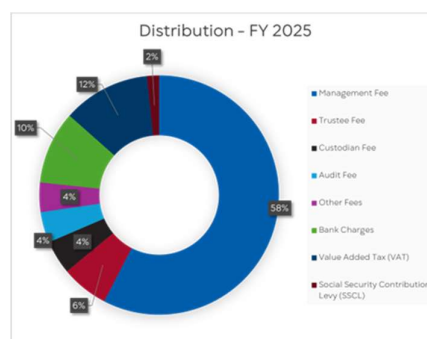
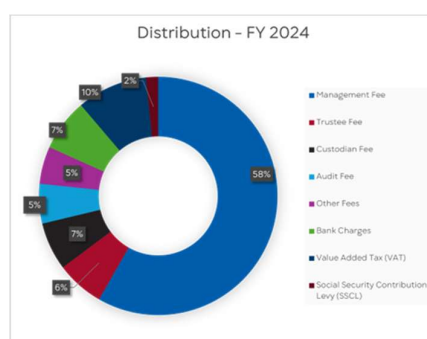


## 12. Socio-Economic Impact

Our commitment to sustainability means creating inclusive value for stakeholders and the community.

### Value Added Statement

	2025 Rs.	2024 Rs.
Income generated	41,244,113	29,266,282
<b>Distributed as Follows :</b>		
Fund Managing Company- Management Fee (excluding VAT/SSCL)	2,673,135	1,897,265
Trustee Fee (excluding VAT/SSCL)	297,031	210,819
Custodian Fee (excluding SSCL)	211,966	212,400
<b>Other Service Providers</b>		
- Audit Fee	192,500	175,000
- Other Operating Expenses	457,613	230,673
- Other Fees	185,257	165,071
<b>Indirect Taxes</b>		
- Value Added Tax	548,338	311,109
- Social Security Contribution Levy	81,593	59,500
Total Distribution	4,641,998	3,256,390
Retention for future expansion and growth	36,602,115	26,009,892



## 13. Stakeholder Interaction

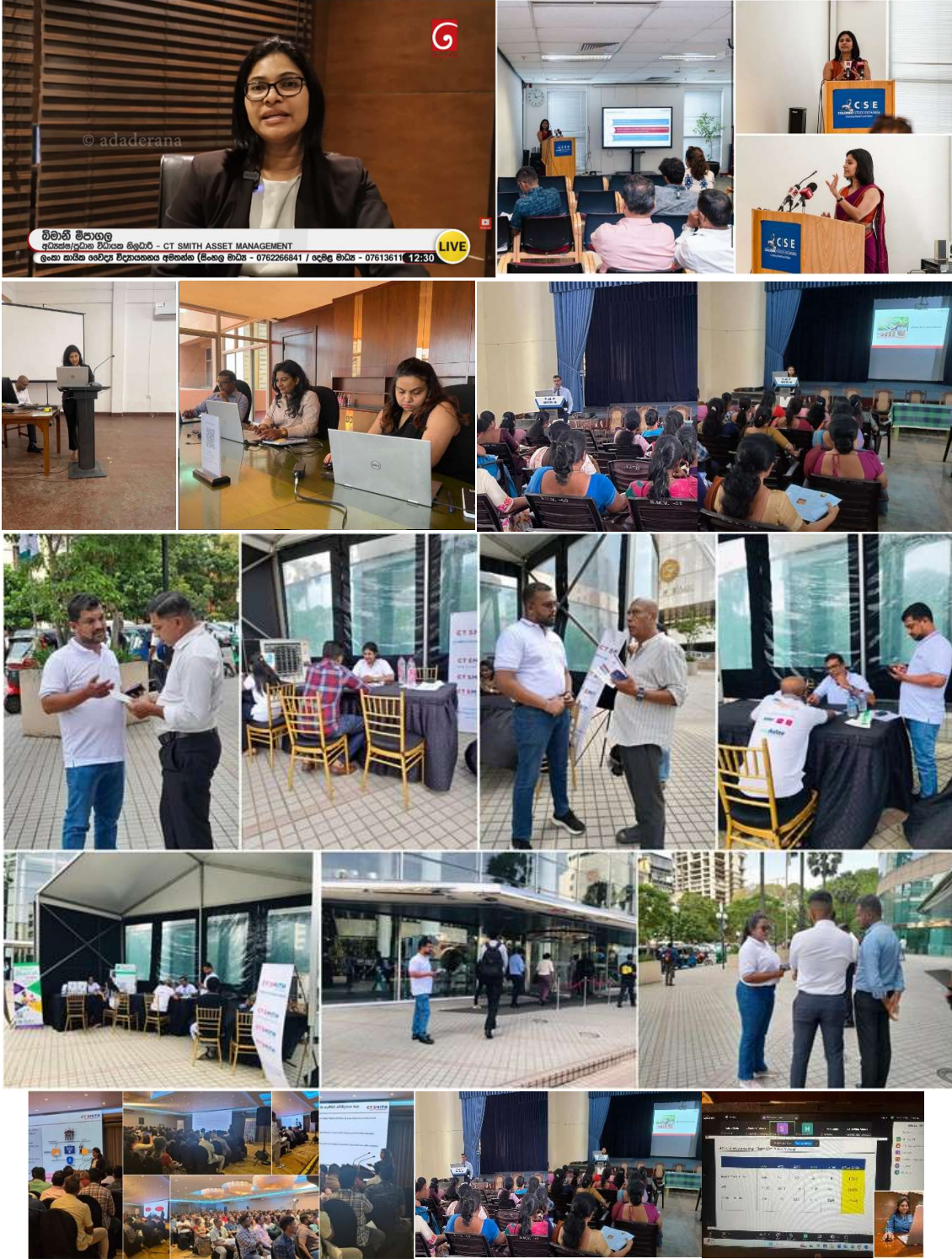


## 14. Our Commitment to Financial Literacy

During the year ended 2025, CT Smith Asset Management (Pvt) Limited (CT Smith AM) conducted various awareness sessions to improve the financial literacy of general public. These programs were focused on personal financial management and Unit Trust as an alternative investment option. The Summary of programs as follows.

Type of the Program	Program Name	Date	Calibrating institution	Audience
<b>Educational</b>	Importance of Personal Finance Management	18 January 2025	CT CLSA - Virtual Financial Education Series - Part 2	Potential CT CLSA AM clients, Existing clients
	Capital markets awareness session and panel discussion	06 March 2025	University of Colombo	Undergraduates
	Financial Literacy Session	28 August 2025	University of Moratuwa	Undergraduates
	Financial Literacy Program and discussion for Journalists	29 October 2025	Unit Trust Association of Sri Lanka and CSE	Journalists, representatives from the Unit Trust Industry and members of the public
<b>Unit Trust Awareness Sessions</b>	Stock market Investments through Equity Unit Trust Funds	25 February 2025	CSE Negombo	Potential CSE Investors
	Investing in Stock market through a Unit Trust	10 March 2025	CSE Ratnapura	Potential CSE Investors
	Unit Trusts as a pathway to Equities	26 March 2025	CSE Negombo	Potential CSE Investors
	Investing in Stock market through a Unit Trust	22 May 2025	CSE Panadura	Potential CSE Investors
	Investing in Stock market through a Unit Trust	27 May 2025	CSE Batticaloa	Potential CSE Investors
	Market Condition Analysis	12 June 2025	CSE Bandarawela	Potential CSE Investors
	Introductory Session to Unit Trust	27 August 2025	Securities and Exchange Commission (SEC)	Commerce stream teachers in the Kelaniya educational zone
	Investing in stock market through a unit trust	28 August 2025	CSE Bandarawela	Potential CSE Investors

	Access to Stock Market through Equity Unit Trust Funds	11 September 2025	CSE Negombo	Potential CSE Investors
	Investing in Unit Trust Funds	16 September 2025	SEC	Commerce stream teachers in the Kalutara educational zone
	Market Condition Analysis	17 September 2025	CSE Batticaloa	Potential CSE Investors
	Invest in Stock Market through Unit Trust funds	26 September 2025	CSE Panadura	Potential CSE Investors
	Unit Trust Awareness Campaign	28 October 2025	Unit Trust Association of Sri Lanka	General Public
	Introduction to the Unit Trust funds	17 November 2025	CSE Batticaloa	Potential CSE Investors
	Awareness session on Collective Investment Schemes	08 December 2025	SEC	SEC Employees
	Introduction to the Unit Trust funds	11 December 2025	CSE Bandarawela	Potential CSE Investors
<b>Macro Economy Discussions</b>	How to achieve financial success in 2025?	04 January 2025	Ada Derana 24 - The Nightly business Report	General Public
	2025 Will Be Good for Equities: Investor's Guide Roundtable	11 January 2025	Echelon	General Public
	Sri Lanka's Macro Economy and Capital Market in 2025	01 February 2025	CA Sri Lanka	General Public
	Investor Forum	20 November 2025	SEC and CSE in Gampaha	Potential CSE Investors
	Economic impact of Cyclone "Ditwah" to Sri Lankan Economy	06 December 2025	TV Derana	General Public
	Outlook for 2026	31 December 2025	CA Sri Lanka	General Public

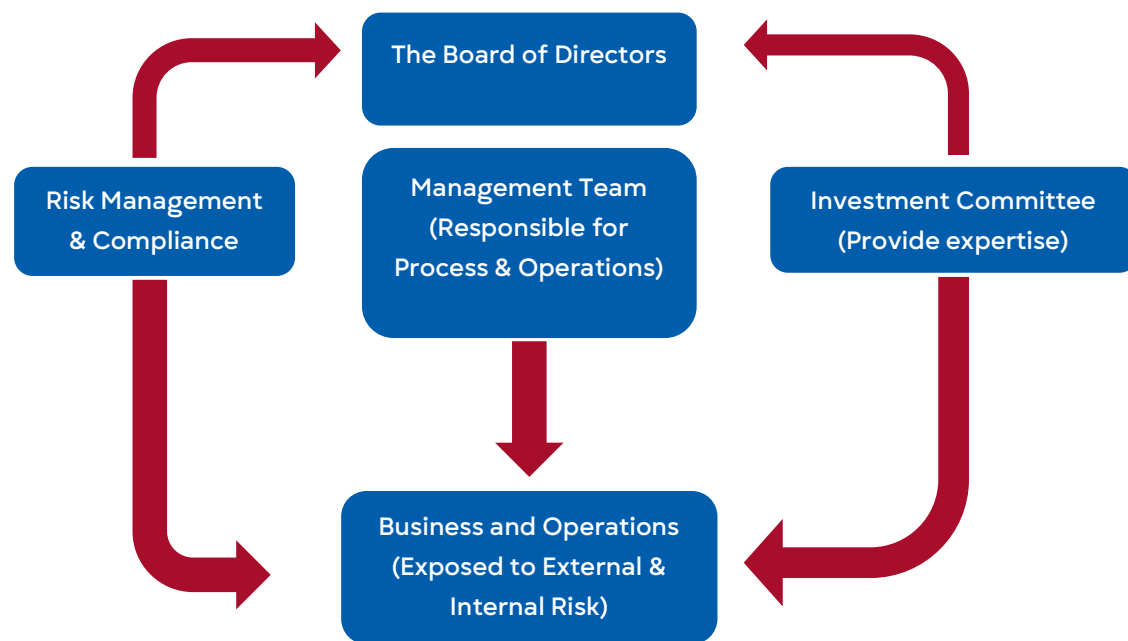


## 15. Governance and Risk Management Framework

### Overview of Risk Management

Risk Management is the process of identification and assessment of risks arising due to factors which are internal and external to the entity, in order to mitigate such risks. Management of risk helps avoid or minimize unanticipated losses being incurred. It is not a one time or period assessment, rather it is a continuous process, which is also an integral part of normal business operations and the management of the entity.

### Risk Management Structure



The function of Risk Management is delegated to the management team of the Company. Fund Managers are responsible for the management of investments portfolios, whereas the research division provides recommendations together with analysis at both macro and micro environment level. The Investment Committee share their insights and knowledge to enhance the quality of the decision-making process. The management team responsible for business and operations, identify and assess the risk involved in the Company and its environment, and adopt risk mitigating actions. Compliance conducts process / compliance audits periodically and provide recommendations to the Board of Directors and Management team in order to improve the internal controls on operations and process, as well as risk management practices.

## Key Risk Categories

Overall macro-economic conditions and political factors affect the risk profiles of unit trusts. The variations of macro-economic variables like Gross Domestic Product (GDP), interest rate, inflation, exchange rates and changes in the political environment and government policies affect the performance and the variations of returns of the funds.

Unit trust funds are exposed to the following key risks, arising from the nature of its investment objectives and investment strategies.

<b>Growth Equity Funds</b>		
CT Smith Growth Equity Fund : Invest in a portfolio of securities that will mature within 397 days.	Default Risk :  Loss of capital invested and interest entitled due to a default by the financial institution/ counter party.	Evaluation of financial stability, reputation of the institution which is performed as an ongoing practice as a part of investment process.  Consider standard rating criteria in evaluating credit quality.
The investment objective of the fund is to provide an annual income by investing in a portfolio of securities which will mature within 397 days with a lower level of risk.	Interest Rate Risk :  Changes to interest rates will cause the values of the instruments in the portfolio to vary which will have a direct bearing on the yield of the fund. This will have an impact on the comparative return of the fund.	Close monitoring of environmental conditions in financial sector. Internal financial institution/ counter party approval process.
	Liquidity Risk :  Insufficient liquidity of the fund to meet investors' redemptions. Losses due to distressed sale of instruments caused by lack of marketability.	Closely monitoring the behaviour of interest rate determinant factors, and adopt an investment strategy in line with anticipated interest rate trends.  Maintenance of sufficient amount of allocation into more liquid instruments such as overnight repos and weekly repos.  Maintenance of other assets with a routine maturity cycle.

	Know your clients (KYC)/ Anti-Money Laundering (AML)	Adhere to the relevant KYC documents and proper follow up procedures. Third party verifications on high-risk clients. Cash collections are done through the banks, hence not accepting the cash physically. KYC reviews are conducted on a periodic basis to ensure that existing customer information is kept updated.
Reputation Risk	Risk of losing the trust due to fraudulent activities or mis-selling	Strong Board oversight on matters of strategy, policy, execution and transparent reporting. Effective corporate governance and communication among staff members Proper cultural alignment to manage compliance in proactive and holistic manner. Quality public reporting

## 16. Compliance Disclosures

Regulatory Requirement	Compliance Status
Managing Company must renew licence by submitting an application three months prior to the expiry	Complied
Managing Company shall at all times maintain the minimum Shareholders' Funds as specified by the SEC from time to time.	Complied
A change in the shareholding of twenty per centum (20%) or more of the total shareholding of a Managing Company shall be made only with prior consent of the SEC.	Complied
Managing Company must maintain adequate systems and resources, enforce functional barriers to protect sensitive information, and ensure proper information recording for regulatory inspection.	Complied
Persons making investment decisions on behalf of the Managing Company shall possess the adequate qualification set out by SEC	Complied
Managing Company shall ensure that a minimum of two persons possessing qualifications and/or experience as set out by SEC, are employed by the Managing Company to make investment decisions in accordance with the investment objective and policy set out in the KIID and the trust deed of the CIS and to deal with Unit Holders.	Complied
A Managing Company and individuals dealing with Unit Holders must ensure CIS transactions align with its objectives, regulations, and risk profile while refraining from intentional cross trades involving personal or related accounts.	Complied
Managing Company shall disclose to the Commission all other business activities it is engaged in at the time of applying for its licence and inform the Commission in writing prior to engaging in any other business activity after obtaining a licence from the SEC.	Complied
Unless approved by the SEC a Managing Company shall be prohibited from buying or selling any securities in its own name or having equity interest in any entity wholly or partly, directly or indirectly engaged in the business of dealing in securities.	N/A
A Managing Company shall not invest the assets of the CIS in the securities issued by a related company of the Managing Company without the prior written consent of the Trustee. All such transactions shall be disclosed in the annual report of the CIS.	N/A

Transactions between the CIS and the Managing Company, its Key Management Person/employee or their immediate family members, as well as transactions with an associate, joint venture, subsidiary, or holding company of the Managing Company, require prior written consent from the Trustee and must be disclosed in the CIS annual report	Complied
A Managing Company may amend its KIID either by the substitution of a completely new memorandum or by the addition or deletion of any information contained therein with the prior approval of the Trustee	Complied
The Managing Company shall give the Unit Holders, not less than one-month prior written communication of any increase in the Managing Company's annual charges, up to the maximum permitted level specified in the trust deed.	Complied
A Managing Company shall maintain and retain for six years records of Unit Holders, including their register, nominees, beneficial owners, unit holdings with fractions, registration dates, and units in issue, with records of redeemed units retained for six years from the redemption date.	Complied
The Managing Company shall ensure that a Unit Holder's information is updated regularly and in any event on an annual basis.	Complied
Managing Company shall have an internal compliance manual applicable to its directors and employees which shall include amongst others adequate compliance procedures and practices	Complied
All advertisements and promotional material in respect of a CIS shall be prepared in accordance with the guidelines contained in Appendix 2 of the CIS Code and No advertisement or promotional material shall be issued or published by the Managing Company on behalf of a CIS, without the prior written approval of the Trustee.	Complied
A Managing Company shall maintain accurate accounting records and books reflecting its transactions and financial position in compliance with Sri Lanka Accounting Standards, ensure they are auditable, and retain them for at least six years.	Complied
Management Company shall provide the financial statements prepared monthly in conformity with the Sri Lanka Accounting Standards signed by a Director and the Chief Executive Officer to the Commission before the twentieth (20th) day of the following month.	Complied
An interim report and unaudited accounts shall be produced for each Scheme for the first six months of each annual accounting reporting period and shall contain the same information as required in the annual audited report and accounts but need not contain an auditor's report.	Complied

Interim report and unaudited accounts of a Scheme for a reporting period shall be published on the website of the Management Company and the investors shall be informed of such fact by way of a newspaper advertisement within three (3) calendar months from the end of the interim accounting period.	Complied
Annual report and audited accounts shall be submitted to the Commission by the Management Company within four calendar months after the end of the annual accounting period.	Complied
The annual report and audited accounts shall be forwarded to the Trustee for approval prior to it being submitted to the Commission.	Complied
The annual report and audited accounts shall be made available to current Unitholders of the Scheme and also be published on the website of the Management Company within four calendar months of the end of the last day of the financial year.	Complied
The annual report and audited accounts of a Scheme shall be a stand-alone document and shall not contain any extraneous or financial promotion material.	Complied
Ensure compliance with the CDD rules and related circulars issued by CBSL-FIU.	Complied
Make a quarterly compliance report including the content specified by the Rules approved by the board of Directors and Chief Executive Officer confirming compliance with the provisions of the SEC Act before the 20th day of the following month.	Complied
A minimum liquidity level of 3% of the net asset value shall be maintained in cash or near-cash instruments.	Complied

## 17. Limitation on Investment

Requirement		Compliance Status
(A) Listed Entity Listed Equity Securities	<p>Fifteen per centum (15%) of the NAV of the CIS; or percentage of the NAV which is equivalent to the 'Market Capitalization Percentage' of the Security; whichever is higher,</p> <p>subject to a maximum of ten per centum (10%) of the issued voting share capital of the Listed Entity.</p> <p>For this purpose, 'Market Capitalization Percentage' shall mean the Market Capitalization of the security as a percentage of the total Market Capitalization of the Exchange.</p>	N/A
Unlisted Equity Securities	No investment shall be made in unlisted equity securities of a Listed Entity	N/A
(B) Listed Entity Listed Debt Securities	25% of NAV	N/A
Unlisted Debt Securities	<p>If guaranteed (security) from a Licensed Commercial Bank; 15% of NAV</p> <p>If rated (entity/security) BBB – (minimum rating); 15% of NAV</p>	Complied
(C) Unlisted Entity Listed Debt Securities	25% of NAV	N/A
Unlisted Debt Securities	<p>If guaranteed (security) from a Licensed Commercial Bank; 100% of NAV.</p> <p>If rated (entity/security) BBB- (minimum rating); 10% of NAV.</p>	Complied
(D) Listed Entity - Aggregate Exposure Listed equity, listed debt and unlisted debt	Aggregate value of <i>investments</i> made in <i>securities</i> specified under (A) and (B) above in a listed entity shall not exceed twenty-five per centum (25%) of the NAV.	Complied

(E) Unlisted Entity - Aggregate Exposure Listed debt and unlisted debt securities (subject to disclosure Requirements)	Aggregate value of investments made in an unlisted entity as specified in 'C' above shall not exceed twenty-five per centum (25%) of the NAV,	Complied
(F) Total exposure with a Commercial Bank, Specialized Bank or a Finance Company Licensed by the CBSL Whether through investments inter a/la Equity, Debt Security, Deposits, REPOS and Guarantees	No investment shall be made with a Commercial Bank, a Specialized Bank or a Finance Company licensed by the Central Bank of Sri Lanka unless such Banks and Finance Companies carry a minimum rating of BBB- or above rated by a Credit Rating Agency licensed by the SEC and shall not exceed twenty-five per centum (25%) of the NAV.	Complied
(G) Investment in Equity Securities through IPO's, Offers for Sale, and Rights Issues	Investments made in Initial Public Offers (IPOs), Offers for Sale and Rights Issues of Equity shall not exceed fifteen per centum (15%) of the NAV at the initial subscription.	N/A
(H) Investments in CIS	Investments in CIS's managed by: (i) the same managing company shall not exceed five per centum (5%) of NAV. (ii) other managing companies shall not exceed ten per centum (10%) of NAV.	N/A

## 18. Chief Executive Officer's Report

I am pleased to present an overview of the performance of the CT Smith Growth Equity Fund for the year 2025.

### Economy at a Glance

Sri Lanka's economy in 2025 continued its growth momentum, posting nine straight quarters of positive performance. Despite the positive growth trajectory in the fourth quarter of 2025 the devastating Cyclone Ditwah impacted the Sri Lankan economy. Given the prudent buffers built on the external, monetary and fiscal fronts, we remain confident that the country will successfully navigate the Ditwah setback despite some envisaged near-term challenges.

Inflation remained well anchored, providing a positive impetus for a more sustained interest rate environment. This makes equity-based unit trust products such as the CT Smith Growth Equity Fund, an attractive proposition that enables unit holders to obtain a higher return amidst the declining interest rate environment. What provides long-term positivity to the economy is that Sri Lanka continued to post positive primary surpluses and current account surpluses for the third consecutive year. Furthermore, the legislative framework in place including the Central Bank Act and Fiscal Responsibility Act, provides capital market participants with the optimism to invest in markets confidently.

Against this macro backdrop our team at CT Smith Asset Management (CT CLSA AM) has focused on generating above-average risk-adjusted returns, reflecting our commitment to prudent investment strategies and strong risk management practices. Given the low-interest rate regime and growing investor awareness over the years, we believe more investors will invest in unit trust options, such as the CT Smith Growth Equity Fund, to enhance their returns.

### CT Smith's Commitment to Financial Education

At CT Smith AM we are committed to improving financial literacy among the Sri Lankan community by continuously engaging in financial literacy programs on timely topics such as "Personal Financial Management," "Unit Trust as an Alternative Investment Option," and "Current Market Trends." We believe these types of continuous investor education engagements will improve financial literacy and unit trust penetration levels in Sri Lanka. To reach a younger audience, we leveraged social media channels and WhatsApp broadcasting to engage with the youth and raise awareness regarding their savings and investment needs.

In 2025, one of our key focus areas was to enhance financial literacy beyond the Western Province to promote shared financial growth for those under-represented in financial

markets. We have leveraged our digital platforms and financial literacy programs to make unit trust investments more accessible to all Sri Lankans. We are breaking down barriers to entry and fostering financial literacy, thereby paving the way for collective prosperity where every Sri Lankan can participate in and benefit from the country's capital markets growth.

## Outlook

Given the solid policy frame, we remain optimistic for the FY 2026. We believe the local economy will continue on its upward growth trajectory despite rising global geopolitical risks which may pose market volatility in the near term. It's our belief that volatility presents opportunity and the team at CT Smith is well experienced to navigate uncertainty and take well informed investment decisions. The low interest rate environment provides an opportunity for unit trust funds such as CT Smith Growth Equity fund as an attractive investment proposition as it provides higher returns compared to traditional Fixed income

## Appreciation

I take this opportunity to thank our valued unitholders for the confidence placed in us. We also place on record our appreciation for the unstinted support extended by the Securities and Exchange Commission of Sri Lanka, our Trustee Deutsche Bank, Board of Directors at CT Smith AM and the dynamic team at CT Smith AM who has made this a success a possibility.

While we celebrate yet another year of success, we remain grounded in our belief that the pursuit of excellence is an ongoing journey. In line with this, we are setting our sights on innovation, operational efficiency and client-centricity as we continue to build the future of capital markets in Sri Lanka.

Signed



Bimanee Meepagala

Director / Chief Executive Officer

CT Smith Asset Management (Pvt ) Ltd

## 19. Fund Manager's Review

### Economic Review

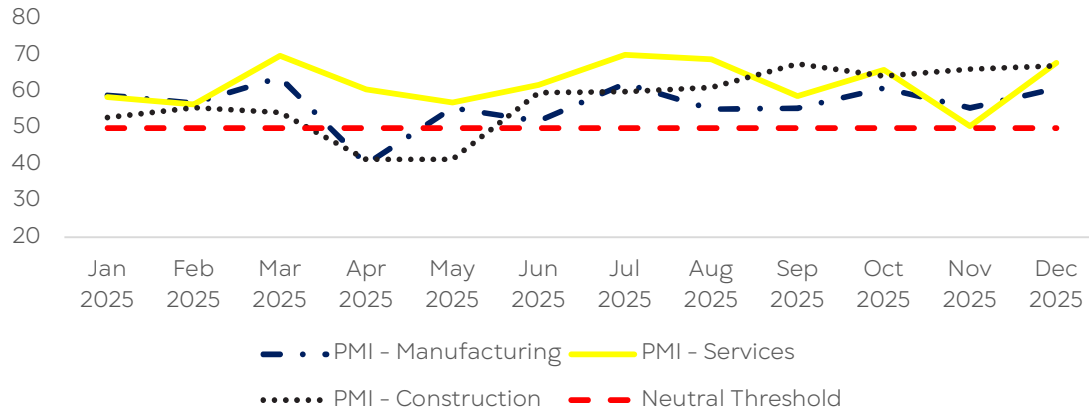
The year 2025 was shaped by a range of global economic and geopolitical developments. Major central banks continued to adjust monetary policies, with several maintaining accommodative stances to support growth amid easing inflationary pressures. Bond markets, particularly in the United States, remained volatile as investors weighed fiscal deficits, debt sustainability, and inflation expectations. In the commodity markets, oil prices remained relatively stable, supported by moderate demand growth and continued production from non-OPEC countries. Geopolitical tensions, particularly between United States and Iran remained high with limited progress in diplomatic talks adding to global uncertainty.

The Sri Lankan economy recorded a 5.0%<sup>1</sup> (YoY) growth in 2025, supported by broad based expansion across all three sectors, The Industrial Sector led this growth with a notable increase of 7.8%<sup>1</sup> followed by the service sector which grew by 3.3%<sup>1</sup> while agricultural sector recorded a modest expansion of 1.4%.<sup>1</sup> This growth momentum was further supported by strong tourism activity and inflows of worker remittances which boosted economic activity. Accordingly, the economy demonstrated greater resilience despite the disruptions caused by cyclone Ditwah during the latter part of the year.

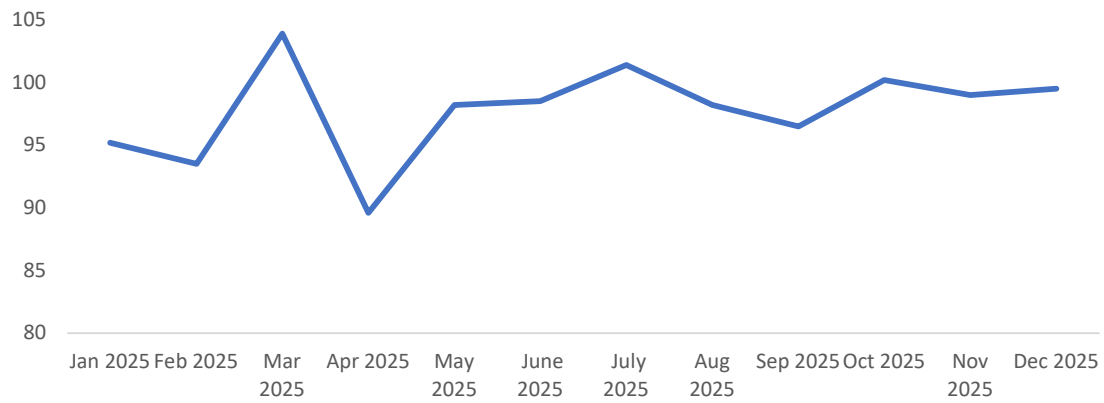
The political environment in 2025 remained stable, with the government continuing to advance key policy and economic reforms following the 2024 elections. Progress in fiscal consolidation and structural reforms under the IMF Extended Fund Facility (EFF) helped strengthen the country's macroeconomic framework. Sri Lanka maintained its improved credit profile, with Fitch Ratings maintain the rating at CCC+, reflecting ongoing improvements in debt sustainability, public finance stability, and investor confidence.



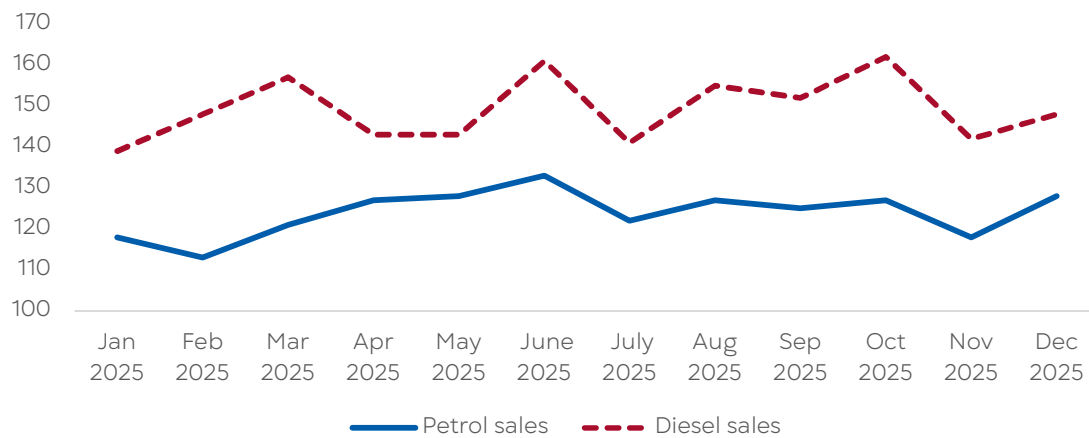
### Purchasing Manager Indices

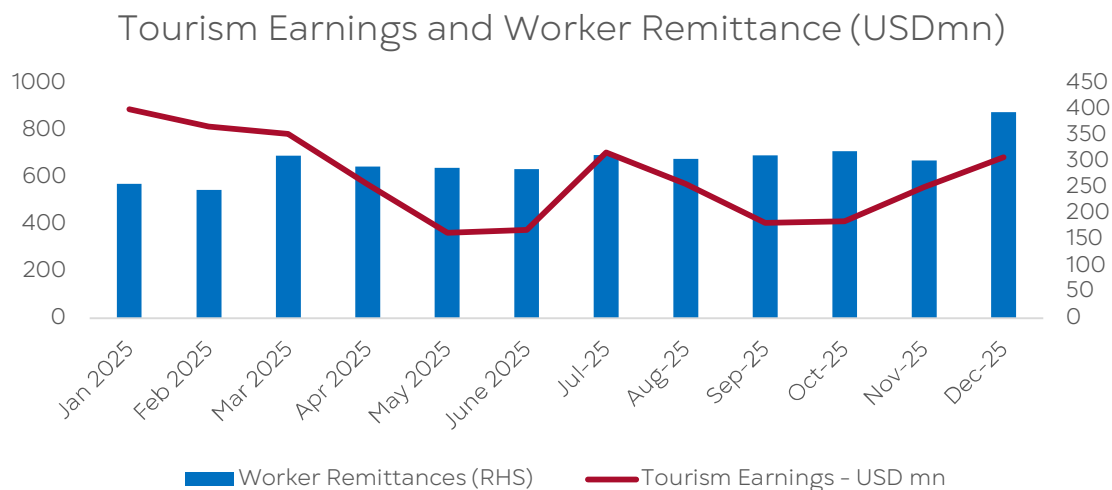


### Index of Industrial Production



### Petrol and Diesel Sales - (000 MT)





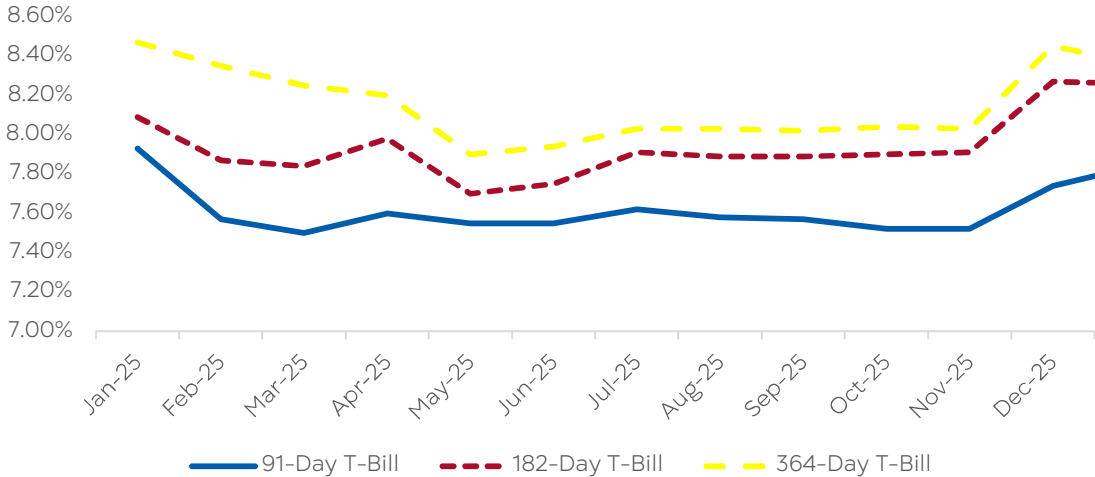
High frequency data tracked by CT Smith Asset Management show positivity.

## Interest Rate Environment

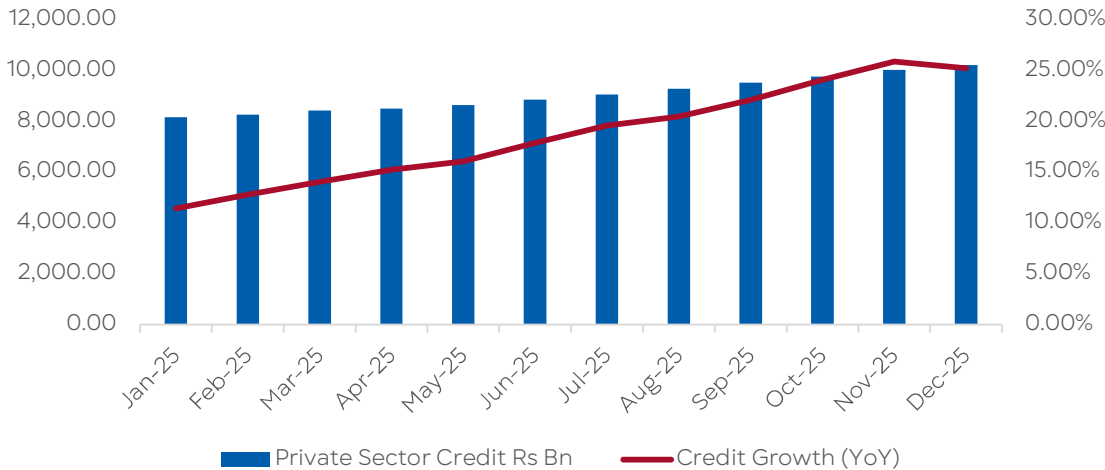
The Central Bank continued its accommodative Monetary Policy stance in 2025. In line with this, the Overnight Policy Rate (OPR) was reduced by 25bps in May 2025 to 7.75%<sup>2</sup> and maintained at the same level throughout the year as inflation returned to positive territory and moving closer to the medium-term target. Reflecting the accommodative monetary policy, the market interest rates, including those on government securities has broadly adjusted downwards during 2025, however anomalies observed in short term interest rates during the latter part of the year likely due to higher government borrowing expectations for post-Cyclone Ditwah recovery efforts. Accordingly, Treasury bill rates for 91-day, 182-day, 364-day maturities stood at 7.74%<sup>2</sup>, 8.27%<sup>2</sup>, and 8.45%<sup>2</sup> respectively by year end.

Domestic money market liquidity remained in surplus during 2025 with some volatility, largely supported by net purchases of foreign exchange by the Central bank. Credit to the private sector increased by Rs 2.1 Tn<sup>2</sup> representing a 25.2%<sup>2</sup> increase over 2024 due to the expansion in economic activity and increased demand for vehicle imports.

### Treasury Bill Rates



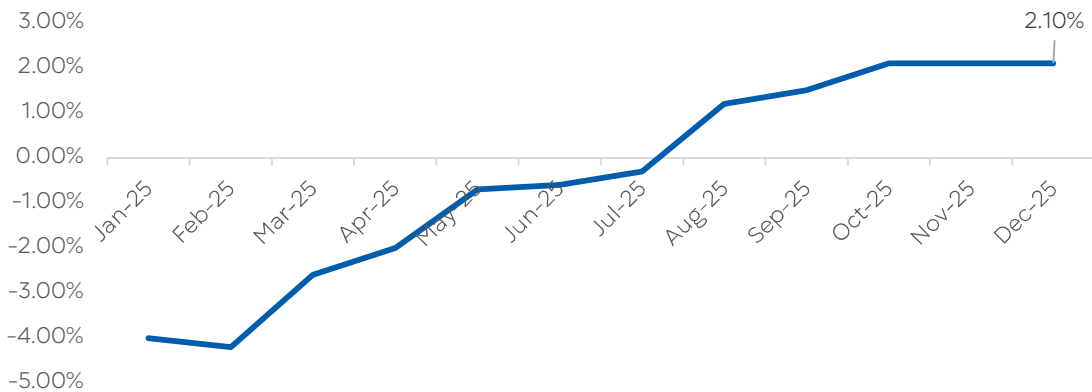
### Private Sector Credit



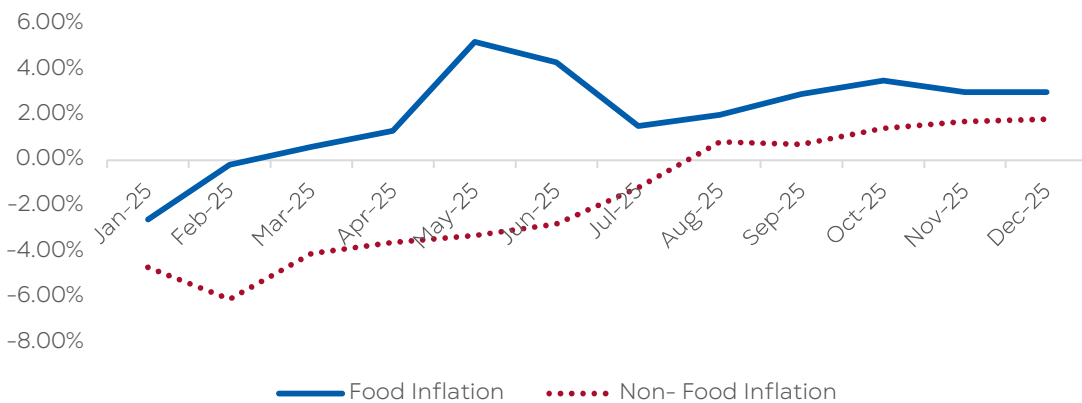
## Inflation

Headline inflation measured by Colombo Consumer price index (CCPI, 2021 =100) showed a gradual recovery during 2025 following a period of deflation in the previous year. Inflation remained negative during the early months of the year, reflecting subdued demand and declines in energy and transportation prices. However, it began to recover during the second half of the year, supported by easing deflationary pressures, adjustments to administered prices such as electricity tariffs, and favourable statistical base effects. Accordingly, inflation measured by both the Colombo Consumer Price Index (CCPI) and the National Consumer Price Index (NCPI) turned positive and trended upward towards the end of the year, with CCPI-based headline inflation stabilising at around 2.1%<sup>2</sup> by December 2025, while NCPI-based headline inflation increased to 2.9%<sup>2</sup>. Despite some temporary food price pressures caused by supply disruptions and seasonal demand, overall inflation remained moderate and well below the medium-term target of 5%<sup>2</sup> during the year.

### CCPI - Point to Point Inflation



### Food Inflation & Non-Food Inflation



## External Sector

The external sector recorded a notable improvement in 2025, supported by stronger inflows from workers' remittances, tourism, and services exports. The current account recorded an estimated surplus of around US\$ 1.7 Bn<sup>2</sup> for the year, reflecting improved foreign exchange inflows despite continued challenges in merchandise trade. Export earnings reached historically high levels in 2025, However, the trade deficit widened to approximately US\$ 7.9 Bn<sup>2</sup> as import expenditure grew at a faster pace than export earnings, partly due to rising demand for consumer goods and vehicles. At the same time, workers' remittances exceeded US\$ 8 Bn<sup>2</sup>, providing a significant source of foreign exchange, while tourism earnings rose by 1.6%<sup>2</sup> compared with 2024 with tourist arrivals surpassing pre-crisis levels recorded in 2018.

Gross Official Reserves increased to around US\$ 6.8 Bn<sup>2</sup> by the end of 2025 amidst ongoing external debt service payments, primarily supported by receipts from multilateral institutions and the net foreign exchange purchases by the Central Bank. On the currency front, the Sri Lankan rupee depreciated by 5.6%<sup>2</sup> during 2025 ending the year at 309.992 against the US dollar. Meanwhile, foreign investment in government security market recorded a net inflow of US \$ 248 Mn<sup>2</sup> compared to net outflow recorded in 2024.

### Exhibit 01: Summary of External Sector Performance<sup>2</sup>

Category	2024 USD Mn	2025 USD Mn	Change %
Merchandise Exports	12,772	13,581.4	6.3
Merchandise Imports	18,841.4	21,479.9	14.0
Trade Balance	-6,069.4	7,898.6	
Worker Remittances	6,575.4	8,076.2	22.8
Tourism Earnings	3,168.6	3,219.2	1.6
Current Account Balance	1,205.7	1,733.4	43.8

## Fiscal Sector

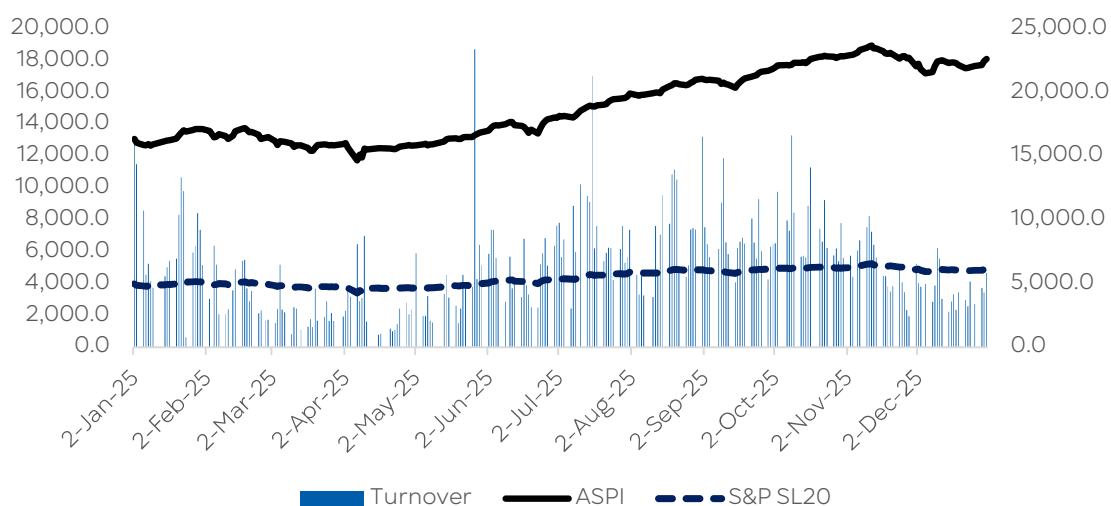
Fiscal sector performance strengthened further in 2025, supported by robust revenue based fiscal consolidation measures. Government Revenue increased by 34.1% (YoY)<sup>2</sup> in 2025 primarily driven by tax revenue while total expenditure increased marginally by 1.6% (YoY)<sup>2</sup> mainly reflecting increases in salaries, wages and interest payments. Accordingly, overall fiscal deficit narrowed to Rs 744.86 Bn<sup>2</sup> with a primary surplus of Rs 1,755.81 Bn<sup>2</sup> by end 2025.

The fiscal sector, however faced pressures from post-Cyclone Ditwah recovery efforts, including restoring livelihoods and rebuilding damaged infrastructure. In response, The Government implemented targeted relief measures and reconstruction initiatives, supported by the overperformance of the primary surplus in 2025. Additionally, a Supplementary Estimate of Rs. 500 Bn<sup>2</sup> for Budget 2026 was approved, to be financed through existing cash buffers while maintaining the borrowing limit unchanged.

### Exhibit 02: Summary of Fiscal Sector Performance<sup>2</sup>

Category	2024 Rs Bn	2025 Rs Bn	Change %
Total Revenue	4,090.81	5,485.55	34.1%
Total Expenditure	6,130.74	6,230.41	1.6%
Primary Balance	649.57	1,755.81	170.3%
Overall Budget Balance	(2,039.93)	(744.86)	-63.5%

## Colombo Stock Exchange (CSE) Performance – 2025



The Colombo Stock Exchange commenced 2025 on a strong note extending the positive momentum from the previous year following the presidential elections. During the latter part of 1Q 2025, the market experienced some profit taking in line with seasonal trends observed in previous years. In April 2025, the market experienced a sharp decline following the unexpected announcement of reciprocal tariffs by the United States, compounded by rising geopolitical tensions between Israel and Iran.

However, market sentiment improved thereafter, supported by the receipt of the fourth tranche from the IMF, a sovereign credit rating upgrade to CCC+ and the subsequent revision of US tariffs to 20% from 44%. These developments together with strong domestic investor participation and improved corporate earnings expectations contributed to a sustained market rebound, which continued through November 2025. Towards the end of the year, the market witnessed a notable downturn due to the economic impact of Cyclone Ditwah. Nevertheless, renewed momentum was observed following the receipt of emergency financing support under the IMF's Rapid Financing Instrument (RFI), helping restore investor confidence.

Accordingly, both the All Share Price Index (ASPI) and S&P SL20 surpassed new milestones during the year, reflecting broad-based participation across banking, diversified financials, and selected manufacturing counters. By end December 2025, ASPI witnessed an increase of 41.89%<sup>1</sup> while the more liquid S&P SL 20 increased by 26.64%<sup>3</sup> compared to 2024. Market capitalization also expanded significantly reaching Rs 8068.62 Bn<sup>3</sup> by end 2025. Overall, 2025 marked another year of solid recovery and consolidation for Sri Lanka's equity market.

## CT Smith Growth Equity Fund (Inception: 26th July 2021)

### Fund Manager

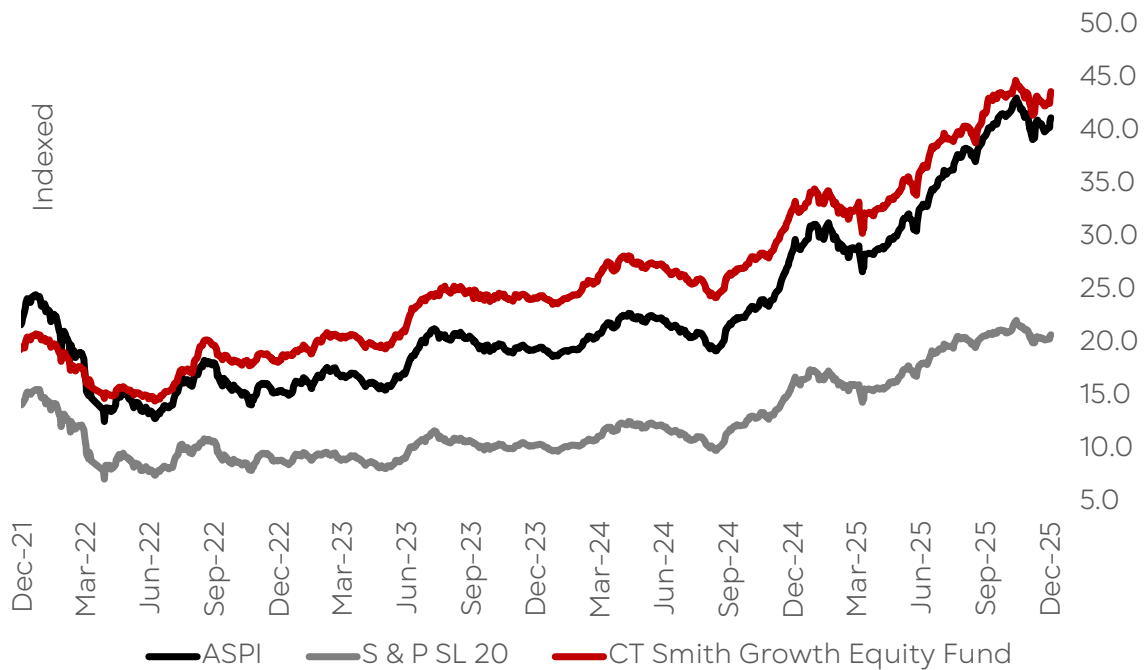
Kuhan Vinayagasundaram

### Fund Objective and Benchmark

The Fund is an open-ended growth fund which invests in a diversified portfolio of listed equity securities in Colombo Stock Exchange with the objective of achieving medium to long term capital appreciation.

### Commentary

### Fund return vs Benchmark return



### Fund Fees

Management Fee 2.25% p.a (As a % of NAV)

Custodian & Trustee Fee 0.30% p.a (As a % of NAV)

**Exhibit 03: Fund Return vs. Benchmark Return**

PERIOD*	FUND	BENCHMARK		ASTRI
		ASPI	S&P SL 20	
YTD – 2025	<b>33.10%</b>	41.89%	26.64%	49.06%
Since Inception Cum.	<b>337.99%</b>	313.11%	108.33%	417.09%
Since Inception CAGR	<b>11.25%</b>	10.78%	5.44%	12.63%

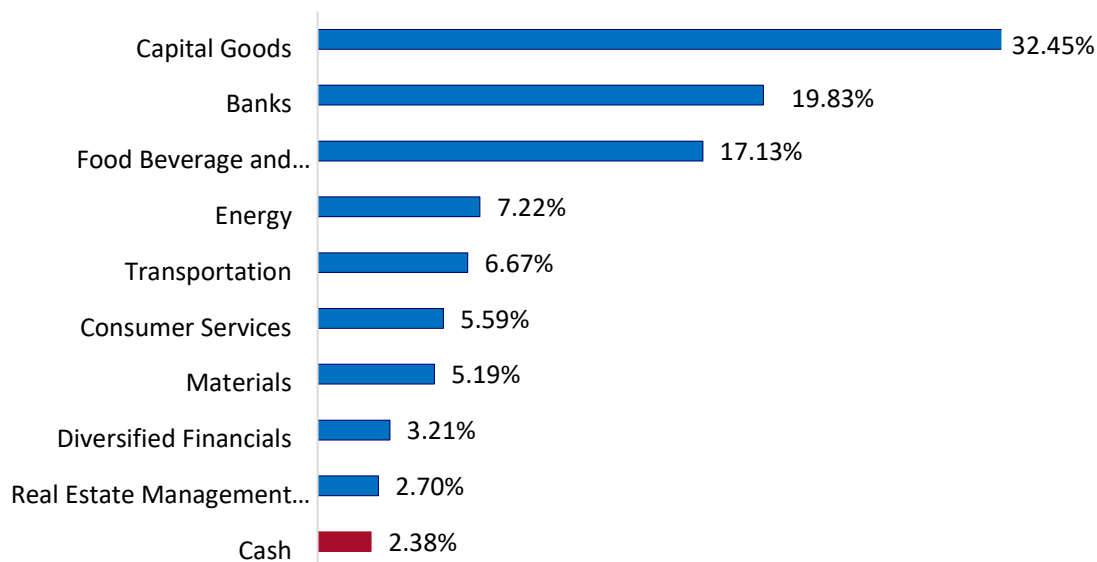
Note: All Share Price Index (ASPI), All Share Total Return Index (ASTRI) & S&P Sri Lanka 20 Index (S&P SL 20) are based on CSE data as of 31<sup>st</sup> December 2025

\*Performances are based on month end prices as of 31<sup>st</sup> December 2025. Performance data included in this document represents past performance and is no guarantee of the future results.

For the period ended 31<sup>st</sup> December 2025, the fund increased by 33.10% while ASPI & S&P SL 20 Indices increased by 41.89%<sup>3</sup> and 26.64%<sup>3</sup> respectively. Since inception the fund has provided a return 337.99% outperforming the All-Share Price Index's performance of 313.11% for the same period.

**Exhibit 04: Top 5 holding of the fund as at 31<sup>st</sup> December, 2025**

TOP 5 HOLDINGS BASED ON NAV		
	TICKER	% OF NAV
DIGITAL MOBILITY SOLUTIONS LANKA PLC	PKME.N0000	6%
COMMERCIAL BANK OF CEYLON PLC	COMB.N0000	6%
HATTON NATIONAL BANK PLC	HNB.N0000	6%
ACCESS ENGINEERING PLC	AEL.N0000	6%
ACL CABLES PLC	ACL.N0000	5%

**Exhibit 05: Sector allocation of the fund as at 31<sup>st</sup> December, 2025****SECTOR ALLOCATION (WITH CASH & CASH EQUIVALENTS)**

During the period under review, the fund increased its allocation to equities in response to declining interest rate environment, improving macroeconomic conditions and strong fiscal performance. At the same time the fund adopted discipline approach by strategically realising gains during market peaks while building positions during market weakness. Accordingly, in early 2025 during market peaks the fund realized some profits from the banking sector and other counters and reallocated investments towards selected value counters during market weakness observed in April and May. In addition, amid the market decline following Cyclone Ditwah, the fund strategically increased its exposure to construction and construction related companies with a view to benefiting from the anticipated rise in infrastructure rebuilding activities. Accordingly, the equity exposure of the fund stood at 91% as of end December 2025.

Looking ahead, the outlook for equity markets remains favourable in the near term, supported by a low interest rate environment and continued strength in corporate earnings despite geopolitical tensions. Equities also offer tax-efficient investment opportunities, and a gradual shift by domestic investors from fixed income to

equities is further expected. Given this outlook, the Fund remains overweight in equities to capture potential upside while delivering long-term value to unitholders.

As at 31<sup>st</sup> December 2025, the total net asset value of the fund was Rs.156.61 million with 237-unit holders in the fund. The redemption price for the fund on 31<sup>st</sup> December 2025 was Rs. 43.7989

#### Sources

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<sup>1</sup> Department of Census and Statistics

<sup>2</sup> Central Bank of Sri Lanka

<sup>3</sup> Colombo Stock Exchange

## Auditor Financial Statement



# CT SMITH GROWTH EQUITY FUND

{FORMERLY KNOWN AS CT CLSA GROWTH EQUITY FUND}

FINANCIAL STATEMENTS - 31ST DECEMBER, 2025

WE ARE AN  
INDEPENDENT  
MEMBER OF



THE GLOBAL  
ADVISORY AND  
ACCOUNTING  
NETWORK



CHARTERED ACCOUNTANTS

LOCAL IN TOUCH GLOBAL IN REACH

## Independent auditor's report

To the Unitholders of CT Smith Growth Equity Fund {formerly known as CT CLSA Growth Equity Fund}

### Report on the audit of the financial statements

#### Our opinion

We have audited the financial statements of CT Smith Growth Equity Fund (the fund). The financial statements of the Fund comprise the statement of financial position as at 31st December 2025, the statement of profit or loss and other comprehensive income, the statement of movement in unitholders' fund and the statement of cash flows for the year then end and the notes to the financial statements, which include a summary of material accounting policies.


In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31st December 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 Accounting 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.

#### Independence

We are independent of the Fund in accordance with the Code of Ethics for Professional Accountants Issued by the Institute of Chartered Accountants of Sri Lanka ("CA Sri Lanka Code of Ethics"). We have fulfilled our other ethical responsibilities in accordance with the CA Sri Lanka Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.


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#### Partners :

R. N. Hettiarachchi FCA, FCMA, FCPA (AUS),  
Dinuk Hettiarachchi FCA, FCMA (SL & UK), FCPA (AUS)

#### Tax Director :

Dinusha Ilankoon BB.Mgt Accountancy(Sp),CTA

Erandi Weerasuriya FCA, BSc (Mgt.Pub)Sp,  
Nadeeka Suranjana ACA, Bsc(Acc)Sp.

## Independent auditor's report

### Other information

The Managing Company, CT Smith Asset Management Limited {formerly known as CT CLSA Asset Management Limited} is responsible for the other information. The other information comprises the Annual Report to the Unitholders but does not include the financial statements and our auditor's report thereon. The Annual Report to the Unitholders is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report to the unitholders, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of management and those charged with governance for the financial statements

The Managing Company, CT Smith Asset Management Limited and the Trustee of the Fund are 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, the Management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to be 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.

## Independent auditor's report

### Auditor's responsibilities for the audit of the financial statements (Continued)

As part of an audit in accordance with SLAuSs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

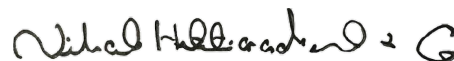
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Fund'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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund 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 Trustee and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

### Report on other legal and regulatory requirements

The financial statements have been prepared and presented in accordance with and comply with the requirements of the Unit Trust Deed and Collective Investment Scheme Code of Securities and Exchange Commission of Sri Lanka. (CIS Code 2022).

COLOMBO,  
March 19, 2026



NIHAL HETTIARACHCHI & CO.,  
Chartered Accountants

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER

	NOTES	2025 Rs.	2024 Rs.
<b>INCOME</b>			
Interest income	(04)	727,372	1,468,363
Dividend income		4,043,590	3,146,492
Realised gain on financial assets at fair value through profit and loss	(09.3)	22,794,368	7,266,785
Unrealised gain on financial assets at fair value through profit and loss	(09.4)	13,678,783	17,384,642
Total income		41,244,113	29,266,282
<b>OPERATING EXPENDITURE</b>			
Audit fees	(06)	192,500	(82,376)
Brokerage expenses		2,508,869	2,971,325
Management fees		3,235,178	2,218,102
Other operating expenses		457,613	230,673
Tax consultancy fees	(07)	185,257	165,071
Trustee and custodian fees		576,885	472,991
Total operating expenditure		7,156,302	5,975,786
<b>Profit before tax</b>		34,087,811	23,290,496
Income tax expenses	(05)	-	-
<b>Profit after tax</b>		34,087,811	23,290,496
Total comprehensive income		34,087,811	23,290,496
<b>Increase in net assets attributable to unitholders</b>		34,087,811	23,290,496

The significant accounting policies and notes from pages 6 to 27 form an integral part of these financial statements.

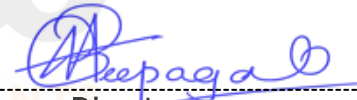
## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER

	NOTES	2025 Rs.	2024 Rs.
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	(08)	3,190,470	5,923,810
Financial assets at fair value through profit and loss	(09)	143,206,008	76,862,198
Financial instruments at amortised cost	(10)	10,002,164	15,150,377
Other receivables	(11)	975,179	294,578
<b>Total assets</b>		<b>157,373,821</b>	<b>98,230,963</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Unitholders' fund and liabilities</b>			
<b>Current liabilities</b>			
Accrued expenses	(12)	773,375	3,879,787
<b>Total liabilities</b>		<b>773,375</b>	<b>3,879,787</b>
<b>Unitholders funds</b>			
Net assets attributable to unitholders		156,600,446	94,351,176
<b>Total unitholders' funds and liabilities</b>		<b>157,373,821</b>	<b>98,230,963</b>

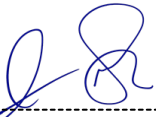
The Management company is responsible for the preparation and presentation of these financial statements and these financial statements were approved by the Board of Directors of the Management Company.



Director  
Management Company



Director  
Management Company



Trustee  
Deutsche Bank AG

March 19, 2026

The significant accounting policies and notes from pages 6 to 27 form an integral part of these financial statements.

**STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS  
FOR THE YEAR ENDED 31ST DECEMBER**

	2025 Rs.	2024 Rs.
Net assets attributable to unitholders at 1st January	94,351,176	76,952,029
Increase in net assets attributable to unitholders	34,087,811	23,290,496
Proceeds from creation of units	54,748,590	33,315,000
Paid on redemption of units	(26,587,131)	(39,206,349)
Net increase / (decrease) due to unitholders' transactions	28,161,459	(5,891,349)
Net assets attributable to unitholders at 31st December	<u>156,600,446</u>	<u>94,351,176</u>



The significant accounting policies and notes from pages 6 to 27 form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31ST DECEMBER**

	2025 Rs.	2024 Rs.
<b>Cash flows from operating activities</b>		
Interest received	733,819	1,248,355
Dividend received	4,043,590	3,146,492
Management fees and trustee fees paid	(3,644,005)	(2,637,894)
Other expenses paid	(6,618,709)	(332,080)
Cash proceeds from sale of equity securities	98,073,382	138,853,532
Purchase of equity investments	(128,680,089)	(139,654,824)
Net investment in treasury bonds / repurchase agreement	5,148,213	4,099,434
<b>Net cash (absorbed in) / generated from operating activities</b>	<b>(30,943,799)</b>	<b>4,723,015</b>
<b>Cash flows from financing activities</b>		
Proceeds from creation of units	54,797,590	33,367,000
Payments on redemption of units	(26,587,131)	(39,206,349)
<b>Net cash generated from / (absorbed in) financing activities</b>	<b>28,210,459</b>	<b>(5,839,349)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,923,810</b>	<b>7,040,144</b>
Net decrease in cash and cash equivalents	(2,733,340)	(1,116,334)
<b>Cash and cash equivalents at the end of the year (Note 08)</b>	<b>3,190,470</b>	<b>5,923,810</b>



The significant accounting policies and notes from pages 6 to 27 form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

(In the notes all amounts are shown in Sri Lankan Rupees unless otherwise stated)

### (01) GENERAL INFORMATION

CT Smith Growth Equity Fund {Formerly known as CT CLSA Growth Equity Fund}, is an open-ended Collective Investment Scheme (CIS) approved by the Securities and Exchange Commission of Sri Lanka. The Fund was launched on 27 February 2012.

The Fund was managed by Guardian Acuity Asset Management (Private) Limited until 12 January 2023. Effective 13 January 2023, the management of the Fund was transferred to CT CLSA Asset Management (Private) Limited (formerly Comtrust Asset Management), a company incorporated and domiciled in Sri Lanka. With effect from 14 August 2025, CT CLSA Asset Management (Pvt) Limited rebranded and relaunched its corporate identity as CT Smith Asset Management (Pvt) Limited. The registered office of the Management Company is located at No. 4-07, Majestic City, Colombo 04. The Trustee of the Fund is Deutsche Bank AG, with its place of business at Level 21, One Galle Face Tower, 1A Central Road, Galle Face, Colombo 02.

References to the 'CT Smith Asset Management (Pvt) Limited' in the accompanying financial statements relate to CT CLSA Asset Management (Private) Limited {Formerly Comtrust Asset Management}.

The main investment objective of the Fund is to achieve long term capital appreciation through prudently investing in a portfolio of listed shares and to provide investors an opportunity to participate in the long-term performance of the Sri Lankan equity market thus giving investors access to investments with medium to long term capital growth potential. The Fund will invest in a diversified portfolio of companies to maximise the performance of the Fund.

### (02) SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss. The financial statements are presented in Sri Lankan rupees. The statement of financial position is presented on a liquidity basis.

The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.6.

The financial statements of the Fund for the year ended 31<sup>st</sup> December 2025 were authorized for issue by the Fund Management Company and the Trustee on 19<sup>th</sup> March 2026.

Notes to the financial statements continued on page 7.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(02) SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****2.2 Statement of compliance**

The financial statements which comprise the statement of financial position as at 31 December 2025, statement of profit or loss and other comprehensive income, statement of net assets attributable to unitholders and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information have been prepared and presented in accordance with Sri Lanka Accounting Standards and the requirements of the Trust Deed and Collective Investment Scheme (CIS) Code of the Securities and Exchange Commission of Sri Lanka.

**2.3 Functional and presentation currency**

The Fund's investors are from Sri Lanka, with the subscriptions and redemptions of the units of the Fund denominated in Sri Lankan Rupees. The primary activity of the Fund is to provide investors an opportunity to participate in listed securities and invest for capital appreciation taking a higher risk level in the medium to long term. The performance of the Fund is measured and reported to the investors in Sri Lankan Rupees. The Fund considers the Sri Lankan Rupee as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Sri Lankan Rupees, which is the Fund's functional and presentation currency.

**2.4 Going concern**

These financial statements are prepared on the assumption that the Fund is a going concern i.e. as continuing in operation for the foreseeable future. It is therefore assumed that the Fund has neither the intention nor the necessity of liquidation or of curtailing materially the scale of its operation.

Management of the fund has assessed the potential impact of the current economic condition on the Fund's operations, and is confident that it will not impact the going concern ability of the fund. In a period of rising inflation and interest rates, maturing investments will be typically re-invested at new and higher rates. This will result in a general increase in the fund's running returns.

**2.5 Financial instruments****(a) Classification**

The Fund classifies all of its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss and
- those to be measured at amortized cost

The classification depends on the Fund's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss. For investments in equity instruments that are not held for trading, this will depend on whether the Fund has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Notes to the financial statements continued on page 8.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(02) SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****2.5 Financial instruments (Continued)****(a) Classification (Continued)**

The Fund reclassifies debt investments when and only when its business model for managing those assets changes.

The Fund's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

**(b) Recognition, derecognition and measurement**

Regular purchases and sales of investments are recognised on the trade date - the date on which the Fund commits to purchase or sell the investment. At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial liabilities are classified as measured at amortized cost.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership or in which the Fund neither transfers nor retains sustainably all of the risks and rewards of the ownership and it does not retain the control of the financial assets.

The fund derecognizes a financial liability when its contractual obligation is discharged, canceled, or expired. The fund also derecognised a financial liability when its terms are modified and the cash flows of the modified liability are subsequently different, in which case a new financial liability based on the modified term is recognised at fair value. On derecognition of financial liability the difference between the carrying amount and consideration paid is recognised as profit or loss.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within other net changes in fair value of financial assets at fair value through profit or loss in the period in which they arise. Financial Liabilities are subsequently measured at amortized cost using the effective interest method. Financial Liabilities measured at amortized cost include accrued expenses and other payables.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of profit or loss within dividend income when the Fund's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably. Interest on debt securities at fair value through profit or loss is recognized in the statement of profit or loss.

Notes to the financial statements continued on page 9.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
**(02) SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****2.5 Financial instruments (Continued)****(b) Recognition, derecognition and measurement (Continued)**

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at amortised cost in the statement of financial position comprise of investments in treasury bond and repurchase agreements. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in realised gain / (loss) on debt instruments held at amortised cost.

**(c) Fair value estimation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent ordinary transactions between market participants, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

**(d) Transfers between levels of the fair value hierarchy**

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

**(e) Subsequent measurement and gains and losses**

Financial assets at ammortised cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortised is reduced by impairment losses, if any. Interest income, losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Instruments at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Notes to the financial statements continued on page 10.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(02) SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****2.6 Impairment**

The Fund assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at an approximation of the original effective interest rate.

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 from which 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).

The Fund uses ratings from Fitch Rating and ICRA both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

Consistent with the policies of the Fund, rated below BBB- are considered non-investment grade investments and Fund considers such investments as significant deterioration of credit risk incurred. Such investments are considered for life time ECL calculation.

Further, movements within the ratings of the investment grade stipulate significant deterioration of credit risk. Significant deterioration is measured through a two notches downgrade of the external credit rating of the counterparty since the origination of the instrument.

For debt instruments at amortised cost issued by Sovereign, the Fund applies the low risk.

**2.7 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(02) SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****2.8 Other receivables**

Other receivables are recognised initially at fair value and are subsequently measured at amortised cost. The other receivables balance is held for collection.

At each reporting date, the Fund shall measure the loss allowance on other receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that amounts may be credit impaired.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

**2.9 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand; deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in current liabilities in the statement of financial position.

As at 31 December 2025, cash and cash equivalents in the statement of financial position and statement of cash flows comprise of cash at bank.

**2.10 Accrued expenses**

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

**2.11 Dividend income**

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably.

**2.12 Transaction costs**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in profit or loss as an expense.

Notes to the financial statements continued on page 12.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### (02) SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 2.13 Increase / (decrease) in net assets attributable to unitholders of the Fund

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the statement of profit or loss and other comprehensive income.

#### 2.14 Income tax

Fund is not liable to pay income tax as at the reporting date. The fund's income generated through investment business is treated as "pass through vehicles" under the provisions of Inland Revenue Act No. 24 of 2017 and subsequent amendment thereto.

#### 2.15 Expenses

The management, trustee fees and custodian fee of the Fund as per the trust deed is as follows;

Management fee	- 2.25% p.a of net asset value of the Fund
Trustee fee	- 0.25% p.a of net asset value of the Fund
Custodian fee	- Rs. 15,000 per month

#### 2.16 Unitholders' funds

Unitholders' Funds has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities, other than those due to unitholders as at the reporting date.

Units can be issued and redeemed based on the Fund's net asset value per unit, calculated by dividing the net assets of the Fund as described in the Trust Deed and directives issued by the Securities and Exchange Commission of Sri Lanka, by the number of units in issue. Income not distributed is included in net assets attributable to unit holders.

#### 2.17 Standards and amendments to existing standards effective from 1st January 2025

No significant impact resulted on the financial statements of the Fund due to changes in accounting standards and disclosures during the year and standards issued but not yet effective.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(03) FINANCIAL RISK MANAGEMENT**

The Fund's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Trust Deed and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. Financial risk management is carried out by the Management Company.

Financial instruments of the Fund comprise investments in trading securities, repurchase agreements, commercial papers and fixed deposits for the purpose of generating a return on the investment made by Unit holders, in addition to cash at bank and other financial instruments such as receivables and payables, which arise directly from its operations.

In accordance with SLFRS 9, Financial Instruments: Recognition and Measurement, the Fund's debt securities are classified as financial assets at amortised cost, and equity instruments held for trading are measured at fair value through profit or loss (FVTPL). Amounts attributable to Unit Holders are presented as Unit Holders' Funds at their redemption value (net asset value). Payables are recorded as accrued expenses at amortised cost.

Risk arising from holding financial instruments is inherent in the Fund's activities, and is managed through a process of ongoing identification, measurement and monitoring. The Manager is responsible for identifying and controlling the risk arising from the financial instruments held in the Fund and has policies for managing each of the risks identified below.

The Manager also monitors information about the total fair value of financial instruments exposed to risk, as well as compliance with established investment mandate and regulatory limits. These mandate limits reflect the investment strategy and market environment of the Fund, as well as the level of risk that the Fund is willing to accept, with additional emphasis on selected industries. This information is prepared and reported to relevant parties within the Management Company on a regular basis as deemed appropriate, including the Fund Manager, Risk and Investment Personnel and ultimately the Trustees of the Fund.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and ratings analysis for credit risk.

Concentration of risk arises when a number of financial instruments or contracts are entered in to with the same counterparty, or where a number of counterparties are engaged in similar business activities. The Securities and Exchange Commission of Sri Lanka as Regulator has stipulated the level of concentration permitted per counter party. The Fund itself applies and adheres to stringent internal limits.

Further, the Manager has appointed an investment committee which meets quarterly to review, evaluate and reassess the investment policies and risk.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(03) FINANCIAL RISK MANAGEMENT (CONTINUED)****3.1 Market risk**

Market risk represents the risk that the value of the Fund's investments portfolios will fluctuate as a result of changes in market prices. While market risk cannot be eliminated the Fund manager will attempt to reduce this risk by diversifying the Fund's investment portfolio in line with investment objectives of the Fund is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Fund also manages its exposure to price risk by analysing the investment portfolio by industrial sector and benchmarking the sector weighting to that of the All-Share Price Index (ASPI). The Fund's policy is to concentrate the investment portfolio in sectors where management believe the Fund can maximise the returns derived for the level of risk to which the Fund is exposed. Note 9.2 provides a summary of the significant sector concentrations within the equity portfolio, net of securities sold short.

**(a) Price risk**

Price risk is the risk that the fair value of the Fund's investment in trading securities in fluctuates as a result of changes in the price of the Fund's investments in trading securities. Price risk exposure arises from the Fund's investment portfolios.

This risk is managed by ensuring that all investment activities are undertaken in accordance with established investment restrictions and investments strategies. As such, Unit holders can manage this risk through their choices of which investment portfolios to participate in.

Within the underlying investment portfolio, diversification is achieved at a number of levels. The diversified portfolio is invested across a range of market sectors.

Paragraph below sets out how this component of price risk is managed and measured. Investments are classified in the statement of financial position at fair value through profit or loss. All securities investments present a risk of loss of capital, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The table below shows the impact on the statement of profit or loss and other comprehensive income and statement of financial position due to a reasonably possible change in the price of the Fund's investment in financial assets held at fair value through profit or loss in Note 09, with all other variables held constant:

	2025	2024
	Increase / (decrease) of (loss) / profit before tax and amounts attributable to Unit Holders	
Change in price of the Fund's investments in financial assets held at fair value through		
+ 10%	14,320,601	7,686,220
- 10%	14,320,601	(7,686,220)

Notes to the financial statements continued on page 15.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(03) FINANCIAL RISK MANAGEMENT (CONTINUED)****3.1 Market risk (Continued)****(b) Interest rate risk**

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets.

The Fund's interest-bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis. However, due to the short-term nature of the instruments it is reasonably expected that the fluctuation in interest rate will not materially impact the net assets value of the Fund. The table below summarizes the Fund's exposure to interest rate risks.

	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
<b>31st December 2025</b>				
<i>Financial assets</i>				
Financial instruments at amortised cost	-	10,002,164	-	10,002,164
Cash and cash equivalents	-	3,190,470	-	3,190,470
Other receivables	-	975,179	-	975,179
<b>Total exposure</b>	<b>-</b>	<b>14,167,813</b>	<b>-</b>	<b>14,167,813</b>
	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
<b>31st December 2024</b>				
<i>Financial assets</i>				
Financial instruments at amortised cost	-	15,150,377	-	15,150,377
Cash and cash equivalents	-	5,923,810	-	5,923,810
Other receivables	-	294,578	-	294,578
<b>Total exposure</b>	<b>-</b>	<b>21,368,765</b>	<b>-</b>	<b>21,368,765</b>

Notes to the financial statements continued on page 16.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(03) FINANCIAL RISK MANAGEMENT (CONTINUED)****3.2 Credit risk**

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration of credit risk, to which the Fund is exposed, arises from the Fund's investment in government repurchases agreements and cash and cash equivalents. The exposure to credit risk for repurchase agreements is very low as the Fund has considered the collateral that the primary dealers provided which are government bills and bonds rated as risk free.

The Fund is also subject to credit risk on its bank balance and receivables. The carrying value of these assets under SLFRS 9 impairment represents the Fund's maximum exposure to credit risk on financial instruments and are not deemed to be significant. Hence, no separate credit risk disclosure is provided for these instruments.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The maximum exposure to credit risk before any credit enhancements at 31 December is the carrying amount of the financial assets as set out below:

	2025 (Rs.)	2024 (Rs.)
Financial instruments at amortised cost	10,002,164	15,150,377
Cash and cash equivalents	3,190,470	5,923,810
Other assets	975,179	294,578
<b>Total</b>	<b>14,167,813</b>	<b>21,368,765</b>

**3.3 Liquidity risk**

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of units. Due to the nature of a Collective Investment Scheme (CIS), it is unlikely that a significant number of unit holders would exit at the same time. However, to control liquidity risk, it primarily holds investments that are traded in an active market and can be readily disposed.

The time frame for return of cash to investors is six business days in which time equities may be liquidated to realise cash for redemption payouts. In addition, the Securities Exchange Commission and the Fund require additional business days' notice to the Fund from large investors redeeming over 3% of the Fund and the Fund is also permitted to borrow up to 15% of the deposited property for redemption payouts.

Notes to the financial statements continued on page 17.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(03) FINANCIAL RISK MANAGEMENT (CONTINUED)****3.3 Liquidity risk (Continued)**

Furthermore, the Collective Investment Scheme (CIS) code requires a minimum of 3% of the deposited property to be maintained in cash or near cash (near cash means investments such as bank/call deposits, repurchase agreements with maturities of less than 3 months, commercial paper endorsed or guaranteed by a Licensed Commercial Bank or Licensed Specialised Bank with maturities of less than 3 months and government securities including government bonds with maturities of less than one year which can be readily convertible into cash).

The table below analyses the Fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts stated below are the contractual undiscounted cash flows.

	Less than 7 days	7 days to 1 month	1 to 12 Months	More than 12 months
<i>31st December 2025</i>				
Accrued expenses and other payables	485	403,036	369,854	-
<i>31st December 2024</i>				
Accrued expenses and other payables	3,316,480	234,978	328,329	-

**3.4 Capital risk management**

The Fund considers its net assets attributable to unit holders as capital. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the Management Company under the terms of the Collective Investment Scheme (CIS) Code, the Management Company has the discretion to reject an application for units and to defer redemption of units if the exercise of such discretion is in the best interests of unit holders.

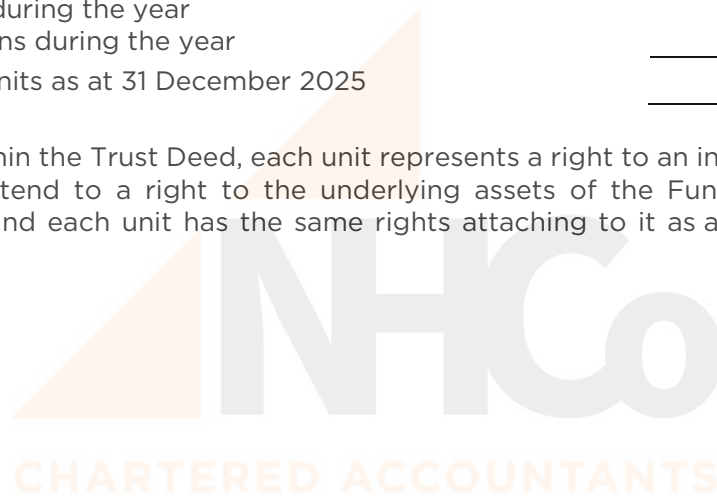
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(03) FINANCIAL RISK MANAGEMENT (CONTINUED)****3.4 Capital risk management (Continued)**

Following being the disclosures of Unitholders' funds;

The movement in the Unitholder's funds as at 31st December 2025

<b>In term of value</b>	<b>(Rs.)</b>
Unitholders' funds as at 01 January 2025	94,351,176
Creations during the year	54,748,590
Redemptions during the year	(26,587,131)
Increase in net assets attributable to Unitholders	34,087,811
Unitholders' Funds as at 31 December 2025	<u>156,600,446</u>
<b>In term of no. of units</b>	
Opening no. of units as at 01 January 2025	2,835,600
Unit creations during the year	1,433,279
Unit redemptions during the year	(729,863)
Closing no of units as at 31 December 2025	<u>3,539,016</u>

As stipulated within the Trust Deed, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	2025 Rs.	2024 Rs.
<b>(04) INTEREST INCOME</b>		
Commercial papers	-	118,425
Repurchase agreements	540,714	701,951
Savings deposits	186,658	208,162
Treasury bills	-	374,885
Treasury bonds	-	64,940
	<u>727,372</u>	<u>1,468,363</u>
<b>(05) INCOME TAX EXPENSE</b>		
Current tax expense	-	-
	<u>-</u>	<u>-</u>

Fund is not liable to pay income tax as at the reporting date. The fund's income generated through investment business is treated as "pass through vehicles" under the provisions of Inland Revenue Act No. 24 of 2017 and subsequent amendment thereto.

	2025 Rs.	2024 Rs.
<b>(06) AUDIT FEE</b>		
Audit fees	192,500	175,000
Audit fees over provision - 2023	-	(257,376)
	<u>192,500</u>	<u>(82,376)</u>
<b>(07) TAX CONSULTANCY FEE</b>		
Tax consultancy fees	177,354	153,329
Tax consultancy fees under provision - 2023	-	11,742
Tax consultancy fees under provision - 2024	7,903	-
	<u>185,257</u>	<u>165,071</u>
<b>(08) CASH AND CASH EQUIVALENTS</b>		
<b>Favourable balances</b>		
<b>Current accounts</b>		
Deutsche Bank		
- A/c. No. 004313300	3,190,470	5,835,057
DFCC Bank PLC		
- A/c. No. 102003721164	-	88,753
Cash and cash equivalents for the purpose of statement of cash flows	<u>3,190,470</u>	<u>5,923,810</u>

Notes to the financial statements continued on page 20.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## (09) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

	(Note 9.1)	2025		2024	
		Cost Rs.	Carrying value Rs.	Cost Rs.	Carrying value Rs.
Equity securities		129,527,225	143,206,008	59,477,556	76,862,198
<b>Total financial assets at fair value through profit and loss</b>		<b>129,527,225</b>	<b>143,206,008</b>	<b>59,477,556</b>	<b>76,862,198</b>

	2025 Rs.	2024 Rs.
Other net changes in fair value on financial assets at fair value through profit and loss:		
Realised	22,794,368	7,881,103
Unrealised	13,678,783	17,384,642
<b>Total net changes in fair value on financial assets at fair value through profit and loss</b>	<b>36,473,151</b>	<b>25,265,745</b>
<b>(9.1) Investment in equity shares</b>		
Cost as at 31st December	129,527,225	59,477,556
Unrealised gain on financial assets at fair value through profit and loss	13,678,783	17,384,642
<b>Market value as at 31st December</b>	<b>143,206,008</b>	<b>76,862,198</b>

## (9.2) Equity investment by category

Company	2025			2024		
	Number of shares	Fair value Rs.	% of net assets	Number of shares	Fair value Rs.	% of net assets
<b>Banks</b>						
Amana Bank PLC	82,823	2,484,690	2%	-	-	-
Sampath Bank PLC	40,480	5,930,320	4%	40,980	4,845,885	5%
Sanasa Development Bank PLC	22,187	1,289,065	1%	-	-	-
Commercial Bank of Ceylon PLC	46,749	9,384,862	6%	10,831	1,567,787	2%
Hatton National Bank PLC	23,353	9,306,171	6%	9,353	2,990,622	3%
		<b>28,395,107</b>	<b>18%</b>		<b>9,404,294</b>	<b>10%</b>
<b>Capital goods</b>						
John Keells Holdings	277,500	6,021,750	4%	52,500	1,186,500	1%
Central Industries PLC	21,500	5,493,250	4%	-	-	-
Hemas Holdings PLC	170,000	5,899,000	4%	-	-	-
Sierra Cables PLC	130,000	4,589,000	3%	-	-	-
Access Engineering PLC	118,508	8,686,636	6%	170,435	5,880,008	6%
Hayleys PLC	37,265	7,294,624	5%	43,265	5,678,531	6%
Royal Ceramics Lanka PLC	-	-	-	70,000	3,045,000	3%
ACL Cables PLC	94,500	8,486,100	5%	26,876	3,184,806	3%
		<b>46,470,360</b>	<b>30%</b>		<b>18,974,845</b>	<b>20%</b>

Notes to the financial statements continued on page 21.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(09) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (CONTINUED)**

Company	2025			2024		
	Number of shares	Fair value Rs.	% of net assets	Number of shares	Fair value Rs.	% of net assets
<b>Consumer services</b>						
Serendib Hotels PLC	110,300	2,481,750	2%	87,800	1,914,040	2%
Aitken Spence Hotel Holdings PLC	41,000	4,643,250	3%	-	-	-
Dolphin Hotels PLC	14,972	886,342	1%	-	-	-
		<u>8,011,342</u>	<u>5%</u>		<u>1,914,040</u>	<u>2%</u>
<b>Diversified financials</b>						
People's Leasing and Finance PLC	184,022	4,600,550	3%	309,402	5,259,834	6%
LOLC Holdings PLC	-	-	-	5,600	3,865,400	4%
		<u>4,600,550</u>	<u>3%</u>		<u>9,125,234</u>	<u>10%</u>
					-	
<b>Energy</b>						
Lanka IOC PLC	30,100	3,882,900	2%	-	-	-
Laughs Gas PLC	50,000	3,585,000	2%	-	-	-
		<u>7,467,900</u>	<u>5%</u>		<u>-</u>	<u>-</u>
<b>Food &amp; Staples Retailing</b>						
Cargills (Ceylon) PLC	-	-	-	8,503	3,571,260	4%
		<u>-</u>	<u>-</u>		<u>3,571,260</u>	<u>4%</u>
<b>Food Beverage and Tobacco</b>						
Distilleries Company of Sri Lanka	89,742	5,294,778	3%	86,742	3,382,938	4%
Ceylon Tobacco Company PLC	4,350	7,505,925	5%	3,000	4,191,750	4%
Lanka Milk Foods PLC	105,000	7,119,000	5%	-	-	-
Sunshine Holdings PLC	-	-	-	50,706	5,070,600	5%
Melstacorp PLC	26,500	4,611,000	3%	20,000	2,460,000	3%
		<u>24,530,703</u>	<u>16%</u>		<u>15,105,288</u>	<u>16%</u>
<b>Insurance</b>						
Janashakthi Insurance PLC	-	-	-	15,000	825,000	1%
		<u>-</u>	<u>-</u>		<u>825,000</u>	<u>1%</u>

Notes to the financial statements continued on page 22.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(09) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS (CONTINUED)**

Company	2025			2024		
	Number of shares	Fair value Rs.	% of net assets	Number of shares	Fair value Rs.	% of net assets
<b>Materials</b>						
Tokyo Cement Company (Lanka) PLC	5,000	567,500	0.4%	49,339	3,453,730	4%
CIC Holdings PLC	90,000	3,132,000	2%	-	-	-
Dipped Products PLC	61,160	3,736,876	2%	48,660	2,651,970	3%
		<u>7,436,376</u>	<u>5%</u>		<u>6,105,700</u>	<u>6%</u>
<b>Real Estate</b>						
Overseas Reality (Ceylon) PLC	100,000	3,870,000	2%	-	-	-
		<u>3,870,000</u>	<u>2%</u>		<u>-</u>	<u>-</u>
<b>Telecommunication</b>						
Dialog Axiata PLC	-	-	-	160,000	1,872,000	2%
		<u>-</u>	<u>-</u>		<u>1,872,000</u>	<u>2%</u>
<b>Transportation</b>						
Digital Mobility Solutions Lanka PLC	64,000	9,552,000	6%	-	-	-
		<u>9,552,000</u>	<u>6%</u>		<u>-</u>	<u>-</u>
<b>Consumer Durables &amp; Hayleys Fabric PLC</b>						
	70,557	2,871,670	2%	80,557	4,430,635	5%
		<u>2,871,670</u>	<u>2%</u>		<u>4,430,635</u>	<u>5%</u>
<b>Independent Power Producers &amp; Energy Traders</b>						
Windforce PLC	-	-	-	151,575	3,743,903	4%
		<u>-</u>	<u>-</u>		<u>3,743,903</u>	<u>4%</u>
<b>Retailing</b>						
LB Finance PLC	-	-	-	20,000	1,790,000	2%
		<u>-</u>	<u>-</u>		<u>1,790,000</u>	<u>2%</u>
		<u>143,206,008</u>	<u>91%</u>		<u>76,862,198</u>	<u>81%</u>

**(9.3) Net realised gain on financial assets at fair value through profit and loss**

	2025 Rs.	2024 Rs.
<b>Equity securities</b>		
Proceeds on sale of equity shares	98,656,774	136,092,009
Cost of equity shares sold	(75,862,406)	(128,210,906)
	<u>22,794,368</u>	<u>7,881,103</u>
<b>Debt securities</b>		
	-	(614,318)
	<u>22,794,368</u>	<u>7,266,785</u>
<b>(9.4) Net change in unrealised gain on financial assets at fair value</b>		
<b>Equity securities</b>		
	13,678,783	17,384,642
	<u>13,678,783</u>	<u>17,384,642</u>

Notes to the financial statements continued on page 23.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(10) FINANCIAL ASSETS AT AMORTISED COST**

		2025 Rs.	2024 Rs.
<b>Debt instruments at amortised cost</b>			
Treasury bill / bond repurchase agreements	(Note - 10.1)	10,002,164	15,150,377
		<u>10,002,164</u>	<u>15,150,377</u>

**(10.1) Treasury bill / bond repurchase agreements**

	2025		2024	
	Carrying value Rs.	Holding as a % of net asset value	Carrying value Rs.	Holding as a % of net asset value
First Capital Treasuries PLC - LKB00628A153	-	-	5,121,918	5%
First Capital Treasuries PLC - LKB01231C151	-	-	5,022,774	5%
First Capital Treasuries PLC - LKB01231C151	-	-	5,005,685	5%
HNB Securities Limited - LKB00827A151	10,002,164	6%	-	-
	<u>10,002,164</u>	<u>6%</u>	<u>15,150,377</u>	<u>16%</u>

**(10.2) Repurchase (REPO) Investments - Collateral**

As at the reporting date, the Company held a repurchase (REPO) investment (Deal No. RF251231-00056) amounting to Rs. 10,002,164 measured at amortised cost. The investment is secured by Government securities (Treasury Bond - ISIN: LKB00827A151) with a face value of Rs. 11,000,000 held as collateral under the terms of the agreement.

	2025 Rs.	2024 Rs.
<b>(11) OTHER RECEIVABLES</b>		
Amount receivable on creation of units	22,130	71,130
Sales proceeds receivable	583,392	-
Interest receivable	-	29
Subscription to IPO - Pending allotment	152,656	-
Other receivable	217,001	223,419
	<u>975,179</u>	<u>294,578</u>

Notes to the financial statements continued on page 24.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

	2025 Rs.	2024 Rs.
<b>(12) ACCRUED EXPENSES</b>		
Auditors remuneration	192,500	175,000
Fund manager payable	345,625	194,420
Other payables	485	2,778
Purchases awaiting settlement	-	3,313,702
Tax consultancy fees	177,354	153,329
Trustee fee and custodian fee payable	57,411	40,558
	<b>773,375</b>	<b>3,879,787</b>

**(13) FAIR VALUE OF FINANCIAL INSTRUMENTS****Determination of fair value and fair value hierarchy**

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Inputs are unobservable inputs for the asset or liability

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	Level 1	Level 2	Level 3
<b>Financial assets held at fair value through profit or loss</b>			
<i>Quoted equity securities</i>			
As at 31st December 2025	143,206,008	Nil	Nil
As at 31st December 2024	76,862,198	Nil	Nil

**Financial assets and financial liabilities not carried at fair value**

For financial assets and financial liabilities that have a short term maturity (original maturities less than a year), it is assumed that the carrying amounts approximate their fair values.

Accordingly, the following is a list of financial instruments whose carrying amount is a reasonable approximation of fair value.

**Assets**

Cash and cash equivalents  
Financial instruments at amortised cost  
Other receivables

**Liabilities**

Accrued expenses and other payables

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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### (14) CONTINGENT LIABILITIES

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

### (15) CAPITAL COMMITMENTS

There were no material capital expenditure commitments as at the reporting date which require adjustments to, or disclosure in, the financial statements.

### (16) UNITS IN ISSUE AND UNIT PRICE

Units in issue and deemed to be in issue as at 31 December 2025 is 3,539,016 (31 December 2024: 2,835,600) and the creation unit price as at this date is Rs. 44.7053 (31 December 2024: Rs. 33.5133) and the redemption unit price as at this date is Rs. 43.7989 (31 December 2024: Rs. 32.9062).

### (17) RELATED PARTY DISCLOSURE

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

#### (17.1) Management company and trustee

The Management Company is CT Smith Asset Management (Private) Limited.

The Trustee and Custodian of the Fund is Deutsche Bank AG.

Notes to the financial statements continued on page 26.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### (17) RELATED PARTY DISCLOSURE (CONTINUED)

#### (17.2) Key management personnel

Key management personnel includes persons who were directors of CT Smith Asset Management (Private) Limited at any time during the financial year.

##### Directors

Ms. Cecilia Page  
 Mr. Joseph Page  
 Mr. Zakir Mohameddally  
 Ms. Bimane Meepagala  
 Mr. Chanakya Dissanayake  
 Mr. Simon Hempel

Other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial year.

Mr. Kuhan Vinayagasundarama - Chief Investment Officer  
 Ms. Hansini Aravinda - Senior Financial Analyst

#### (17.3) Key management personnel compensation

Key management personnel are paid by CT Smith Asset Management (Private) Limited. Payments made from the Fund to CT Smith Asset Management (Private) Limited do not include any amounts directly attributable to the compensation of key management personnel.

#### (17.4) Other transactions within the Fund

Apart from those details disclosed in Note 15.5 and 15.6 key management personnel have not entered in to any other transactions involving the Fund during the financial year.

#### (17.5) Related party unit holding and other transactions

As at 31st December 2025	Relationship	No. of units	Value of units held	Total interest held	Distribution paid or payable by the Fund
			Rs.	%	
Ms. Bimane Meepagala	Key Management Personnel	10,687	468,071	0.299%	No
Ms. Hansini Aravinda	Key Management Personnel	-	-	-	No

Notes to the financial statements continued on page 27.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****(17) RELATED PARTY DISCLOSURE (CONTINUED)****(17.5) Related party unit holding and other transactions (Continued)**

As at 31st December 2024	Relationship	No. of units	Value of units held	Total interest held	Distribution paid or payable by the Fund
Unitholder			Rs.	%	
Ms. Bimanee Meepagala	Key Management Personnel	4,336	142,669	0.151%	No
Ms. Hansini Aravinda	Key Management Personnel	890	29,292	0.031%	No

**(17.6) Transactions with and amounts due to related parties**

The fees charged by the Management Company, Trustee and other related parties for services provided during the year and the balances outstanding from such dues as at year end are as disclosed below:

	Charge for the year 31st December		Payable as at 31st December	
	2025 Rs.	2024 Rs.	2025 Rs.	2024 Rs.
<b>CT Smith Asset Management (Private) Limited</b> Management fees	3,235,178	2,218,102	345,625	175,000
<b>Deutsche Bank AG</b> Trustee fees and custodian fees	576,885	472,991	57,411	194,420

**(18) RECONCILIATION BETWEEN THE NET ASSET VALUE AS PER FINANCIAL STATEMENTS AND THE PUBLISHED NET ASSET VALUE**

	2025 Rs.	2024 Rs.
Net asset value as per financial statements	156,600,446	94,351,176
Audit fee adjustment	8,500	(181,576)
Published net asset value	156,608,947	94,169,599
Number of units outstanding	3,539,016	2,835,600
Net asset value per unit	44.2521	33.2098

**(19) EVENTS OCCURRING AFTER THE REPORTING DATE**

There have been no material events occurring after the reporting date that require adjustments to, or disclosure in, the financial statements.

## NIHAL HETTIARACHCHI & COMPANY

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## 21. Five Year Summary – Financial Statements

Year ended 31 December

Trading Results	2025	2024	2023	2022	2021
Gross income	41,244,113	29,266,282	33,135,405	(726,117)	19,991,927
Profit for the year	34,087,811	23,290,496	24,445,872	(6,935,329)	6,580,300
<b>Statements of Financial Position</b>					
<b>Assets</b>					
Cash at bank	3,190,470	5,923,810	7,040,144	11,969,648	20,316,137
Financial assets at amortised cost	10,002,164	15,510,377	19,864,129	10,026,710	-
Financial assets at fair value through profit and loss	143,206,008	76,862,198	48,033,638	77,878,575	130,176,933
Other receivables	975,179	294,578	2,888,094	99,000	9,657,151
<b>Unitholders' funds and liabilities</b>					
<b>Liabilities</b>					
Accrual and other payables	773,375	3,879,787	873,974	823,567	10,128,069
<b>Total Liabilities</b>					
<b>Unitholders' funds</b>					
Net assets attributable to unitholders	156,600,446	94,351,176	70,952,029	99,150,366	150,022,151
<b>Total Unitholders' Funds and Liabilities</b>	<b>157,373,821</b>	<b>98,230,963</b>	<b>77,826,003</b>	<b>99,973,933</b>	<b>160,152,221</b>
<b>Other Financial Information</b>					
Net assets value per unit	44.2521	33.2098	24.2738	18.5712	19.5101

Financial Instruments as at 31 December 2025, 31 December 2024, 31 December 2023, 31 December 2022 and 31 December 2021 have been presented in accordance with SLFRS 9.





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ASSET MANAGEMENT

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