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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No. PAS/A/SLPA/1/2025/01

ඔබේ අංකය / உமது இல. / Your No.

දිනය / திகதி / Date 14 May 2026

Chairman,
Sri Lanka Ports Authority

Auditor General's Report on the Financial Statements and Other Legal and Regulatory Requirements of Sri Lanka Ports Authority and its subsidiaries for the year ended 31 December 2025, in terms of Section 12 of the National Audit Act, No. 19 of 2018.

A draft of the aforementioned report is sent herewith.

2. If there are any matters in the said report which are inaccurate, or which cannot be agreed upon, or the publication of which is considered to be contrary to the public interest, it would be appreciated if you could inform me within 07 days from the date of this letter.

3. Please note that if no reply is received from you within 07 days as mentioned above, the final report will be issued based on the draft report.

N.H.A.R.K. Gunarathna
Senior Assistant Auditor General
For Auditor General

RECEIVED
15 MAY 2026
CHAIRMAN'S OFFICE
S. L. P. A.
CH 2237

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.
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(Draft)

(Confidential)

PAS/A/SLPA/1/2025/01
Chairman
Sri Lanka Ports Authority

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Ports Authority and its subsidiaries for the year ended 31 December 2025 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

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1. Financial Statements

1.1 Opinion

The audit of the financial statements of the Sri Lanka Ports Authority ("Authority") and its subsidiaries ("Group") for the year ended 31 December 2025 comprising the statement of financial position as at 31 December 2025 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

The audit opinion will be formulated and issued subsequent to evaluation of the actions taken, formal responses and clarifications provided by the Chairman of the Sri Lanka Ports Authority for this draft report.

1.2 Basis for Opinion

(a) In accordance with the recognition criteria stipulated in Paragraphs 4.3 to 4.6 Chapter 4 of the Conceptual Framework and Paragraph 7(a) of LKAS 16, an item of property, plant, and equipment shall be recognized as an asset only when it is probable that future economic benefits associated with the item will flow to the entity. However, the Authority erroneously included its financial statements three lands totaling 6 acres, 1 rood, and 24.51 perches specifically, 2 acres ceded to Sri Lanka

Customs (Rs. 947.5 million), 2 acres 3 roods 9.61 perches acquired for the Lotus Tower project (Rs. 628.5 million), and 1 acre 2 roods 14.9 perches held by the Urban Development Authority (Rs. 83.7 million). As these lands do not meet the "control" and "future economic benefit" thresholds for the Authority, their inclusion has resulted in a material overstatement of non-current assets by an aggregate value of Rs. 1,659.7 million.

(b) Contrary to the measurement principles stipulated in Paragraph 9 of LKAS 2, which mandates that inventories be valued at the lower of cost and net realizable value, the Authority exclusively utilized historical cost for its inventory valuation as of 31 December 2025. By failing to perform a formal NRV assessment to identify potential obsolescence or price declines, Management has bypassed a critical valuation requirement, thereby creating a risk of material overstatement in the carrying amount of inventories and a corresponding misrepresentation of the entity's financial position.

(c) Contrary to the classification requirements of Paragraph 7 of LKAS 7, which mandates that short-term, highly liquid investments maturing within three months or less from the date of acquisition be recognized as cash equivalents, the Authority misclassified investments totaling Rs. 170 million pertaining to the Trincomalee Port. By erroneously reporting these instruments under "Other Financial Assets" despite their meeting the criteria for cash equivalents, the Authority has understated its immediate liquidity position and distorted the presentation of its financial assets in the Statement of Financial Position.

(d) In violation of the derecognition principles stipulated in Paragraph 67(b) of LKAS 16, the Authority failed to remove non-existent, disposed, or condemned assets from its financial records, resulting in a material overstatement of fixed assets by Rs 1,053.01 million as of 31 December 2025. This discrepancy, corroborated by both Asset Life Review Committee reports and independent field verifications, includes Rs. 21.77 million in demolished or unidentifiable buildings, Rs. 1,018.93 million in physically unavailable or sold floating equipment, and Rs. 12.31 million in disposed or untraceable motor vehicles. The inclusion of these items in the Fixed Asset Register, despite conclusive evidence of their disposal or loss of physical control, reflects a significant breakdown in internal controls and a failure to reconcile financial accounts with the physical status of the assets, thereby distorting the true and fair view of the entity's non-current asset base.

In accordance with the mandatory requirements of Paragraph 09 of LKAS 36 , an entity shall assess at each reporting date whether indicators of impairment exist, with Paragraph 14(c) explicitly identifying a significant decline in an asset's operating performance as a primary internal indicator. It was revealed that South Asia Commercial and Logistic Hub Limited (SACLH), an unlisted investee company, incurred substantial accumulated losses totaling Rs. 1,219 million for the year ended 31 December 2024. Despite this objective evidence of impairment, the Authority had neither conducted a formal impairment assessment nor recognized a provision for

impairment in the financial statements. Consequently, the carrying value amount of Rs.1,706.5 million of this investment in the financial statements remains unsubstantiated, resulting in a potential material overstatement of the Authority's non-current assets and a corresponding distortion of the net financial results for the period under review.

(e) Pursuant to the internal indicators of impairment stipulated in Paragraphs 12(e) and (f) of LKAS 36 which provide evidence of obsolescence or physical damage as triggers for assessment, the Authority failed to evaluate or adjust the carrying values of intangible assets totaling Rs. 905.58 million. Although these assets were formally identified as obsolete and reported with a nil net book value in the Intangible Asset Review Report, they remained improperly capitalized within the "Cost" category of the Statement of Financial Position as of 31 December 2025. This failure to perform a mandatory impairment assessment and subsequently derecognize or adjust these obsolete holdings has resulted in a material overstatement of the gross cost of intangible assets, thereby undermining the transparency and technical accuracy of the non-current asset disclosures.

(f) In accordance with the recognition criteria established under Paragraphs 16(a) and (b) of LKAS 40, which mandate that investment property be recognized when future economic benefits are probable and costs can be reliably measured, the Authority failed to record substantial land holdings, leading to a material understatement of its non-current assets. Specifically, audit verification identified that seven land lots totalling 5 acres and 23.181 perches at the Port of Galle remain entirely omitted from the Asset Register, while at the Port of Trincomalee, a critical valuation gap exists where only 12.84 hectares were recognized out of an identified total of 2,964.147 hectares spanning 18 lots. This systematic failure to capitalize significant landed property under the Authority's control obscures the true value of its investment portfolio and compromises the integrity of the Statement of Financial Position.

(g) In accordance with the initial measurement requirements of Paragraph 5.1.1 of SLFRS 9, the Authority failed to accurately determine the fair value of employee loans, resulting in material misstatements within the financial statements. Specifically, the fair value of loans recoverable within a three-to-four-year horizon was erroneously calculated based on an inappropriate five-year tenure, while a clerical error involving the duplication of data from the Trincomalee Port further inflated the fair value by Rs. 67.9 million. Consequently, these cumulative errors led to a subsequent overstatement of Rs. 29.2 million in both the unwinding of prepaid staff benefits and staff cost amortization, thereby distorting the reported financial position and performance for the period under review.

(h) In violation of the mandatory consolidation procedures stipulated in Paragraph B92 of SLFRS 10, the Authority failed to align the reporting dates of its subsidiaries and fair value through OCI investments with its reporting date for the preparation of consolidated financial statements. Accordingly, the Authority utilized the prior year's

financial data (as of 31 December 2024) for its investments in Lanka Gas Terminal (Pvt) Ltd, Lanka Coal Company (Pvt) Ltd, and South Asia Commercial and Logistic Hub Limited, instead of obtaining statements drawn up to the current reporting date. This misalignment represents a significant departure from the applicable financial reporting framework and undermines the concurrent accuracy and reliability of the consolidated financial position and performance presented in the financial statements.

(i) The amount of Rs. 4.39 million to the Hambantota Divisional Secretariat in 2014 for field work and land clearance for the Hambantota Port Project, and an amount of Rs. 108.77 million in 2015 and 2016 for compensation to those who lost their lands had been paid. A sum of Rs. 113.16 million had been incurred as above as of 30 April 2021 for compensation payments and expenses and it had been transferred to the work-in-progress account of Hambantota Port without identifying and capitalizing cost of the land.

(j) Audit examinations of the fixed asset registers for the ports of Colombo, Galle, and Trincomalee as of 31 December 2025 revealed a substantial, unexplained variance of Rs. 3,313.66 million between the year-to-date depreciation charge of Rs. 8,793.37 million maintained in the subsidiary records and the Rs. 5,479.71 million reported in the financial statement disclosures. This material discrepancy signifies a fundamental breakdown in the internal control environment, specifically regarding the periodic reconciliation between the fixed asset registers and the general ledger. Consequently, the depreciation expense and the carrying amount of property, plant, and equipment appear to be significantly misstated, undermining the reliability of the financial reporting.

(k) According to Note 5.1.1 of the Statement of Financial Position as of December 31, 2025, the depreciation expense identified for Investment Properties for the year 2025 was Rs.1,348.18 million. However, upon examining the depreciation column in the Investment Property Asset Register, the value was recorded as Rs. 1,349.18 million, resulting in a discrepancy of Rs. 1.002 million. This discrepancy indicates a potential material understatement of depreciation expenses and a failure to reconcile the fixed asset register with general ledger resulting in an understatement of depreciation expenses and potentially compromising the accuracy of the carrying value of Investment Properties reported in the Statement of Financial Position.

(l) Audit examinations of the intangible asset registers for the Colombo, Galle, and Trincomalee ports as of 31 December 2025 revealed material discrepancies between the subsidiary records and the financial statement disclosures. Specifically, the year-to-date amortization expense recorded in the registers were Rs. 395.59 million and the corresponding accumulated amortization was Rs. 1,733.26 million exceeded the figures reported in the Statement of Financial Position notes amounting Rs. 83.62 million and Rs. 1,679.95 million, respectively resulting in unexplained variances of Rs. 311.97 million in current year charges and Rs. 53.31 million in aggregate amortization. These significant inconsistencies underscore a critical failure in the

reconciliation process between the intangible asset subsidiary ledgers and the general ledger, indicating that amortization expenses and the net carrying value of intangible assets are misstated, thereby undermining the reliability of the Authority's financial reporting.

(m) Audit examination of the Colombo Port's asset records as of 31 December 2025 revealed a lack of physical verification for two land lots totalling 11 acres and 22 perches, with a value of Rs. 1,330.78 million. Although these properties are maintained within the Authority's Asset Register, they were omitted from the Board of Survey report. This discrepancy highlights a weakness in internal control procedures and leaves the existence and ownership of these material land assets, potentially leading to a material misstatement of the Authority's non-current assets.

(n) A physical verification exercise revealed that 23 land lots, spanning an aggregate extent of 169 acres, 1 rood, and 21.32 perches, have been utilized as investment properties without being formally recognized in the Authority's Asset Register. This significant omission reflects a fundamental failure in the reconciliation protocols between physical asset management and financial accounting records, resulting in a material understatement of the Authority's non-current assets. The failure to capitalize these identified assets conceals the true value of the entity's investment portfolio and necessitates an immediate valuation and accounting adjustment to ensure the Statement of Financial Position accurately reflects all property under the Authority's control.

(o) Significant discrepancies were observed in the extraction of gross debit and credit balances from the Shipping Agent Debtor Account during the preparation of the Statement of Financial Position. While the supporting schedules reflected gross debit and credit balances of Rs. 6,670.59 million and Rs. 1,742.97 million, respectively (resulting in a net balance of Rs. 4,927.62 million), the corresponding balances recognized in the Statement of Financial Position were reported as Rs. 5,826.54 million and Rs. 898.92 million, respectively. Although the net balance remained consistent, this error resulted in an understatement of both Trade and Other Receivables under Current Assets, and Supply of Goods and Services and Other Creditors under Current Liabilities Rs. 844.05 million in the financial statements for the year ended 31 December 2025.

(p) The Authority's credit management environment has significantly deteriorated, with overdue shipping agent debt escalating to Rs. 3,809.26 million representing 57% of the total gross balance compared to 40% in the preceding year primarily driven by a overdue balance of Rs. 2,974.41 million from a specific Terminal Service Agreement (TSA) agent (No. 247). This exposure is directly attributable to a prolonged administrative lapse where the Terminal Service Agreement (TSA) remained expired for nineteen months, creating substantial legal impediments to debt recovery. Furthermore, the failure to incorporate proactive renewal clauses resulted in a negotiated settlement that excludes the Authority from recovering a 3% annual

surcharge on arrears accumulated prior to 31 July 2025. This systemic failure to ensure contractual continuity has not only caused a direct financial loss but has also severely compromised the Authority's leverage in enforcing timely collections, highlighting an urgent need for a robust framework governing contract renewals and overdue debt recovery.

(q) When the establishment of South Asia Gateway Terminals (SAGT) in 1999, the Authority transferred three cranes valued at USD 7,236,000, for which USD 3,618,000 in equity shares were initially issued to the Authority. However, following a partial payment of USD 1,193,715 made in 2012, a residual balance of USD 2,424,285 (equivalent to Rs. 141.63 million) remains still outstanding. As a result, the Authority has failed to initiate recovery actions or secure the issuance of additional shares to settle this long-standing receivable, on this capital asset for over two decades. This persistent oversight reflects a significant failure in asset management and financial follow-up, necessitating immediate measures to recover the dues or capitalize the remaining value.

(r) It was revealed that, discrepancies between the reciprocal balances of the Authority and Sri Lanka Ports Management and Consultancy Services Limited (SLPMCS) as of the reporting date. While the Authority's financial statements reported a receivable balance of Rs. 64.6 million for services rendered, the corresponding records of SLPMCS reported a trade debtor balance of Rs. 65.34 million, resulting in an unreconciled difference of Rs. 732,522. This inconsistency indicates a lack of periodic verification and confirmation of balances between these related parties, thereby undermining the accuracy of the trade receivables and reliability of financial statements.

(s) The closing inventory balances in stores as of 31 December 2025 must be reconciled with the Oracle system control account (No. 141001), with any discrepancies formally explained via a reconciliation statement. However, for the Colombo Port, the Oracle system balance maintained by the Supply Division was Rs. 5,388.74 million, while the general ledger reflected Rs. 5,411.76 million. As the higher ledger balance was adopted for the financial statements without reconciliation, assets were overstated by Rs. 23.03 million. Furthermore, a critical discrepancy of Rs. 329.33 million was observed between the Oracle system record for Main Stores comprising 11 sub-stores (Rs. 1,388.23 million) and the physically verified stock value (Rs. 1,058.9 million).The failure to furnish reconciliation statements to explain these material variances indicates a breakdown in internal controls over inventory management and undermines the existence and valuation assertions of the reported inventory balances.

(t) Although the surcharge tax of twenty-five per cent calculated on the Authority's taxable income of Rs. 4,787.77 million for the year 2020/21 was Rs. 1,196.94 million, in accordance with Section 2 (1) (a) of the Surcharge Act, No.14 of 2022, the Authority had paid Rs. 1,952.2 million as surcharge tax in the relevant year. This overpaid amount of Rs. 755.33 million which was stated as receivable even by the

end of the year under review in terms of Section 5 (1) of the Surcharge Act, No. 14 of 2022. The Inland Revenue Department (IRD) has not yet responded to the Authority's request for a refund or set-off. In the absence of a confirmation from the IRD, and given that this balance has remained outstanding for a prolonged period, significant uncertainty exists regarding the recoverability of this receivable.

(u) Although the excess Nation Building Tax (NBT) payment of Rs. 8.88 million recognized in the tax return for the quarter ended 31 December 2019 was recorded under other tax receivables as of the reporting date, the Inland Revenue Department (IRD) has not yet responded to the Authority's request for a refund or set-off. In the absence of a confirmation from the IRD, and given that this balance has remained outstanding for a prolonged period, significant uncertainty exists regarding the recoverability of this receivable.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Other information included in the Group's 2025 Annual Report.

The other information comprises the information included in the Annual Report but does not the financial statements and my auditor's report thereon, which I have obtained prior to the date of this auditor's report, Management is responsible for the other information.

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

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution that will be tabled in due course.

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

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Authority and the Group are required to maintain proper books and records of all their income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Authority and the Group.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 internal control of the Authority and the Group.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

2.1.1 I have obtained all relevant information and explanation that were required for the audit and as far as appears from my examination, proper accounting records have

been kept by the Authority as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6(1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained which were limited to matters that are material, nothing has come to my attention;

2.2.1 To state that any member of the governing body of the Authority has any direct or indirect interest in any contract entered into by the Authority which are out of the normal course of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.

2.2.2 To state that the Authority has not complied with any applicable written law, general and special directions issued by the governing body of the Authority as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for

Reference to Laws, Rules and Regulations or Directions issued by the governing body	**Non-Compliance**
(a) Section 5 (1) of Part II of the Gratuity Act No. 12 of 1983	In accordance with statutory obligations, the settlement of gratuity payments shall be made within 30 days of service termination for employees with at least five years of service. The value of unpaid gratuity within 30 days provided by the Authority for the year 2025 was Rs. 76.91million. This persistent delay in settling employee terminal benefits also exposes the Authority to potential legal claims and additional financial surcharges.
(b) Section 5 (2) (b) of Chapter II of the Inland Revenue Act, No. 24 of 2017	(i) Travel allowances and other related allowances earned by an employee in respect of employment should be included in employment income and subjected to Advance Personal Income Tax (APIT). However, the Authority had paid combined travel

		allowances and additional allowances to officers engaged in official journeys based on their salary category and the time spent outside the office, without considering the actual expenditure incurred. Nevertheless, allowances amounting to Rs. 7.571 million paid during the year 2025 had not been included in taxable employment income for the purpose of calculating Advance Personal Income Tax (APIT).
		(ii) From January 2025 to October 2025, the personal income tax was calculated without taking into account the value of Rs. 21.98 million which is the vehicle allowance paid to 46 employees at a monthly rate of Rs. 50,000 each. Accordingly, the government has lost a value of Rs. 8.24 million as personal income tax for the above-mentioned vehicle allowance
(c)	Section 5(2)(f) and Section 27 of the Inland Revenue Act, No. 24 of 2017 dated 27 October 2017, and Section 2(d) of Inland Revenue Department Circular No. SEC/2023/E/02 dated 06 April 2023	The fair market value of any benefit derived by an employee from employment, including the value of accommodation provided by the employer, should be included in employment income for the relevant year of assessment and considered when calculating Advance Personal Income Tax (APIT). Such benefits are required to be quantified based on their fair market value. However, when providing official quarters to employees, the Authority had only deducted a rental charge from the gross salary of the employees. As a result, the net benefit amounting to Rs. 153.3 million had not been included in employment income for the purpose of calculating Advance Personal Income Tax (APIT).

(d)	Section 4.1.1 (a) of the Procurement Guidelines 2024	Master Procurement Plans (MPP) is the document in which all of the identified, planned procurements that are coming under the purview of the respective Procuring Entity (PE) within a period of three years. MPP of each PE which are coming under the purview of a particular Ministry, including the Ministry itself, shall be compiled as a "Consolidated MPP" which shall be submitted to the National Procurement Commission for the purpose of monitoring of procurement activities, before the of end of January. However the authority prepares a procurement plan for one year; but a separate master procurement plan was not prepared separately.
(e)	Public Enterprise Circular No. PED 01/2015 (ii) dated 14th January 2022	Despite the dissenting opinion of the Treasury Representative, the Authority's monthly fuel limits were established under Board of Directors Approval No. PA/HD/25, dated 02 March 2022. This deviation from Treasury guidance resulted in an expenditure of Rs. 3.63 million between January and June 2025, covering 10,298.76 liters of fuel consumed in excess of the officially approved limits for entitled officers. Such a conflict highlights a significant compliance risk, as the directives of the Treasury typically supersede internal Board decisions in public enterprises to ensure fiscal discipline.
(f)	Public Enterprises Circular No. PED/01/2021 dated 16 November 2021, Paragraph 3.2 (i) and letter No. DMS/F1/3/3-1 dated 23 January 2013 issued by the Department of Management Services.	Despite the formulation of a draft Scheme of Recruitment and Promotion, the Authority has failed to secure the mandatory formal approval from the Department of Management Services, in contravention of established public sector governance protocols. Operating without a sanctioned scheme undermines the legal and administrative legitimacy of the Authority's human resource.

(g) The Guidelines on Corporate Governance for State-Owned Enterprises issued with the State Enterprise Circular No. 01/2021 dated 16 November 2021		
(i)	Chapter. 2.2.1 (a) and (c)	Despite the fundamental fiduciary responsibility of the Board of Directors to align the entity's strategic direction with national policies and to oversee the execution of the Strategic Plan, audit observations indicate a significant failure in the Board's monitoring and evaluation functions. The lack of continuous oversight and timely corrective intervention regarding the implementation of stated objectives constitutes a lapse in corporate governance and strategic leadership. This compromises the Authority's ability to achieve its long-term goals in accordance with national priorities, necessitating the immediate establishment of a robust performance monitoring framework to ensure accountability and the successful realization of the entity's strategic mandate.
(ii)	Sub-paragraph (b) (vi) of Chapter 2.2.2	Although Board must also enter into a performance contract with the CEO which is a reflection of the strategic plan, against which the CEO's performances must be evaluated annually and the incentives including bonuses must be decided, a bonus amounting to Rs. 160,000 had been paid to the Managing Director of the Authority during the year 2025 without a performance evaluation conducted by the Board of Directors.
(iii)	Chapter 2.2.5 and Paragraphs 2 and 3 of the Public Enterprises Circular No. 01/2021 (ii) dated 27 September 2023	The Authority has failed to formulate and implement a Board-approved subsidiary policy to govern its investments, leading to a critical void in oversight and accountability. This administrative oversight conceals the Authority's visibility into its investment risks and performance outcomes, necessitating the immediate development of a comprehensive formal policy framework to ensure that

	subsidiaries operate in alignment with the authority's strategic objectives.
(iv) Chapter. 4.3	Notwithstanding the requirement for the Risk Committee to be convened on a quarterly basis, it was revealing that the Committee failed to meet regularly during the period under review. This procedural non-compliance indicates a significant lapse in the Authority's risk governance framework, as the absence of regular oversight by non-executive directors compromises the entity's ability to identify, assess, and mitigate emerging operational and financial risks in a timely manner.
(h) Operations Manual for State Owned Enterprises issued with the Public Enterprises Circular No 01/2021 dated 16 November 2021.	
(i) Chapter No. 2.3	All SOEs have their own systems, processes, and protocols clearly defined in Manuals covering all major operations, reviewed and updated at least every 5 years. All SOEs are required to adopt their own Administrative and Financial Manuals in line with the relevant provisions of this Manual and should be approved by the Board of directors. However, the Container Operations Manual of the Port Authority had been approved only by the Director (Operations) in 2018 and had not been approved by the Board of Directors. Furthermore, no subsequent review or updating of the manual had been carried out to date., Financial Manual and Administrative Manual of the Authority had last been reviewed in 2006 and approved by the Board of Directors; however, they had not been reviewed and approved thereafter.

(ii)	Chapter No. 6.6	Although the draft Annual Report and financial statements must be submitted to the Auditor General within sixty (60) days of the financial year's end, the Authority failed to submit its draft Annual Report for the year ended 31 December 2025 within the prescribed timeframe.
(i)	Section 03 of Public Enterprises Circular No. PED 2/2024 dated 28th February 2024 relating to collective agreements	Despite divisional performance indicators being submitted to the Department of Public Enterprises, the Authority proceeded to pay Rs. 1,341.71 million as performance allowances from January and October 2025 without receiving formal approval. This disbursement occurred in the absence of a Treasury-sanctioned framework, violating public financial regulations that mandate validated metrics and explicit Treasury authorization before any such incentive payments.
(j)	Section 01, 04 and 07 of Circular No. 27/2023 of the Sri Lanka Ports Authority dated 22 April 2024	i. As per Section 07 of Circular, the maximum period of occupancy of an official residence is 05 years and after this period the official residence must be returned to the Authority. However, as per Section 4 of the Circular, the period of occupancy has been extended on the basis of increasing rent for staff official residences up to 25 years from the date of first allotment. Due to this, there is a contradiction between the two sections. ii. As per the circular, residences have been assigned to specific positions based on service requirements. The official residence allocated to the post of Managing Director of the Authority, located at No. 01, 18th Lane, Aluth Mawatha Road, Colombo 15. However, even after removal of his position in October 2024, action had not been taken to hand over the

relevant official residence to the Authority.

2.2.3 To state that the Authority has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 To state that the resources of the Authority had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018 except for;

(a) In accordance with Clause 14.1 of the Special Conditions (Section 3, Volume 1) for the procurement of the Eastern Container Terminal Operations Management System, an advance payment of 20% of the contract value must be secured by an equivalent advance security, valid until the contract is officially handed over to the buyer. Although the contractor submitted an advance security of US$ 3,746,362 against the total project cost of US$ 18,731,810, this security was allowed to expire on April 30, 2024. Despite internal notes from the Additional Managing Director (Technology) suggesting that an extension was unnecessary due to Authority-led delays in civil works, the failure to maintain a valid security until the final handover constitutes a direct non-compliance with the contractual agreement, leaving the advanced funds financially unsecured.

(b) In relation to the aforementioned contract, and pursuant to Cabinet Decision No. MPS/2022/01/21 dated 09 August, 2022, the total project was awarded to the selected bidder at a cost of US$ 34,916,310. Subsequently, as per the Cabinet Decision No. AMAP/22/1164/628/007/TBR dated 22 August, 2022, a maintenance agreement valued at US$ 16,184,500 was signed under clauses 2.5.1 and 2.5.2. However, while the Cabinet had only granted approval for the signing of the maintenance agreement, the Board of Directors (Decision No. PA/HD/25) independently approved the primary project agreement worth US$ 18,731,810 on 22 September, 2022. Consequently, the main project agreement was executed solely based on Board approval, bypassing the required Cabinet authorization for the remaining contract value.

(c) Regarding the aforementioned procurement, authorized officers from the Information Technology Division accepted 4,721 units of equipment valued at USD 6,161,025 via a Goods Acceptance Certificate dated 24 January , 2025. Although the maintenance agreement signed on 02 November , 2022, provides for a five-year warranty, the contractor notified the Authority on 20 December , 2024, that the warranty period for all units would be activated based on their respective delivery dates. The contractor has further asserted through various correspondences that equipment installation has been delayed due to factors beyond their control. Consequently, while the warranty for this high-value

equipment is currently running, the assets remain in a state of disuse. This creates a significant risk that the Authority will exhaust a substantial portion of the warranty period and the equipment's useful life without deriving any operational benefit, potentially leading to additional costs for repairs or maintenance once the systems are finally commissioned.

(d) As stipulated in the agreement executed between the Authority and the selected bidder on 02 November, 2022, the contract was to be completed within 16 months, establishing a completion deadline of 02 April, 2024. However, despite nearly two years having elapsed since the signing of the agreement, the project remains incomplete, representing a significant delay beyond the contractually mandated timeline.

3. Other Matters

(a) Audit reveal that the Authority has failed to optimize the utilization of three significant lands, collectively spanning 25 acres and 11.02 perches, with a recognized valuation of Rs. 593.02 million as of 31 December 2025. Despite the entity's stated strategic intent to lease these assets or deploy them for alternative productive purposes, these high-value holdings remains idle and underutilized. This inaction results in a failure to generate anticipated economic returns, reflecting a lack of proactive estate management and an ineffective execution of asset utilization strategy.

(b) Under the 2022 Tariff, a 2% monthly surcharge is applicable to overdue invoices paid in local currency by shipping agents whose contracts do not contain specific surcharge provisions. However, it is revealed that this surcharge is applied as a flat 2% fee, regardless of the duration of the delinquency even for balances outstanding for more than 365 days. The current application of the surcharge fails to account for the time value of money or the increasing risk associated with long-term arrears. By maintaining a static rate instead of a cumulative or escalating monthly charge, the Authority may inadvertently incentivize agents to further delay payments, as the cost of the penalty does not increase over time relative to the age of the debt.

(c) As of 31 December, 2025, disputed debts totaled Rs. 53.83 million, in addition to re-disputed items amounting to Rs. 445,296. Within the disputed category, Rs. 2.43 million remained unresolved for over six months, indicating a delay in the grievance redressal and verification process. Furthermore, a balance of Rs. 912.53 million was observed in the Advances account. These represent advance payments made by agents for port services, according to standard procedure, which should be settled and refunded promptly after deducting actual service costs. However, Rs. 248.82 million of this balance has remained unrefunded for periods ranging from six months to over five years.

(d) Audit revealed that an advance payment of Rs. 60.74 million, made by the Authority to the Sri Lanka Customs Department during the years 2008 and 2009, remained unsettled as of 31 December, 2025. This advance was originally paid for the procurement of LXE Equipment for the Radio Data Network. Despite the lapse of approximately 17 years, the Authority has failed to finalize the procurement documentation or reconcile the balance, resulting in the amount being carried forward as an 'unsettled advance' for a significant period.

(e) Examinations of Capital Expenditure Advances to Contractors revealed a total outstanding balance of Rs. 254.40 million which includes significant long-standing advances that have not been reconciled. Specifically, an advance of Rs. 8.89 million paid to the Department of Archaeology has remained unsettled for nearly three years, while payments totalling Rs. 115.63 million made to Haskoning DHV Consulting (Pvt) Ltd during 2020 and 2021 have remained outstanding for approximately five years. The failure to settle these mobilization and consultancy advances in a timely manner indicates a lack of rigorous monitoring over project milestones and a breakdown in the process of reconciling contractor progress against initial payments.

(f) Although South Asian Commercial and Logistics Hub Limited (SACLH) had paid a lease advance of USD 12 million and a lump sum premium of USD 14 million to the Authority in terms of clauses 1.3 and 26.4 of the lease agreement entered between the Authority and the SACLH on 21 April 2023, the balance of Rs. 1,349.89 million, which was the value of Value Added Tax (VAT) and penalty charges related to it, had not been settled even by the date of audit. As a result, this value had remained as a receivable balance.

(g) The land adjacent to the western boundary of the Multi-purpose Communication Tower (Lotus Tower), transferred to the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) in 2013, lacks a formal lease agreement, leading to a long-standing recovery failure and a material misstatement of assets. As of the audit date, the Authority continues to recognize an outstanding balance of Rs. 37.86 million of which Rs. 18.85 million has been overdue for more than five years despite the TRCSL's formal refusal to settle these invoices based on a claim of ownership under a Free Grant via letter TRC/SP/01/03/07/18 VOL iii dated August 11, 2022. The continued inclusion of these disputed receivables in the financial statements, without a solid legal basis or a formal contractual framework, has resulted in an overstatement of the Authority's assets and highlights a critical failure in inter-agency asset transfer protocols and effective debt resolution management.

(h) It is revealed that the Unclaimed Gratuity Account carried an unsettled balance of Rs. 2.08 million as of 31 December 2025. It was further noted that this balance comprises accumulated amounts that have been carried forward since 1983.

Despite the lapse of over four decades, no effective measures have been taken to verify the eligibility of the claimants, settle the outstanding dues, or write back the long-outstanding amounts.

(i) The Government of Sri Lanka had entered into an agreement with the Exim Bank of India to secure a of USD 45.27 million loan for the renovation of the Kankesanthurai Port with the aim of achieving the North-Eastern Gateway Zone concept. Although the approval of Cabinet of Ministers had been obtained to increase the loan amount to USD 61.5 million with an additional USD 16.23 million predicting that the loan amount will not be sufficient, the approval of the lender could not be able to be secured. Therefore, construction works on the port had not yet been commenced. Further, only USD 0.905 million (USD 905,194.38) of the loan had been disbursed and an amount of USD 49,276.52 (Rs. 14.4 million) paid as commitment charges for undrawn loans and an amount of USD 61,111.86 (Rs. 18.31 million) paid as loan interest up to 31 December 2025 had also been un productive expenses.

(j) Although the armoury storing weapons and ammunitions is a high-risk security zone, a Closed-Circuit Television System. (CCTV) had not been installed for surveillance. It is essential to install a CCTV camera system to monitor activities taking place in the armoury where weapons and ammunition are stored. The absence of such system posed a high security risk for unauthorized access for security of the weapons and creates difficulty in identifying unauthorized access.

(k) Magampura Port Management Services (Private) Company (MPMCS), a subsidiary of the Authority, which had ceased operations since November 2017, had obtained a loan of US$ 24 million from a private bank in 2014. The bank had filed 02 cases against the subsidiary and the Authority in the Colombo District Court in 2019 to recover these loans and the case has been filed against that order in the Court of Appeal upon receiving the order in the case against the port. Further, when obtaining a bank guarantee to borrow money from external parties, although insurance should be obtained to cover the risk of the relevant subsidiary or the relevant party defaulting on the loan, the Authority had not acted in this manner. Consequently, the Authority is exposed to the risk of incurring substantial interest costs, potentially approaching the principal loan amount, without corresponding economic benefit. This indicates weaknesses in high-level management decision-making and may adversely impact the Authority's financial stability and institutional reputation. Furthermore, the mismanagement of loans for fuel purchases, which resulted in significant financial losses and subsequent investigations by the Commission to Investigate Allegations of Bribery or Corruption (CIABOC), underscores systemic weaknesses in high-level executive decision-making and a fundamental breakdown in the governance framework over subsidiary operations.

(l) Contrary to the directives established in Board Decisions No. PA/HD/28 and 26, which mandated that the 2024 salary enhancements including a 25% basic salary hike and a Rs. 20,000 monthly allowance be contingent upon Treasury approval and transition to a performance-based remuneration model after one year, the Authority has continued these payments without the requisite structural adjustments. The failure to develop and implement a performance-linked indicator system as prescribed has resulted in an unauthorized and unsubstantiated salary expenditure totalling Rs. 3,933.25 million for the final quarter of 2025. This persistent non-compliance with Board mandates and the absence of Treasury-sanctioned performance metrics reflect a significant lapse in budgetary control and human resource governance, leading to the continued disbursement of public funds without a validated link to institutional productivity or performance outcomes.

(m) Vehicle No. CAR 2154 had been provided on a hired basis for the office of the Managing Director of the Authority with effect from 01 January 2022 and aggregating to Rs. 2.08 million had been made during the tenure of the relevant Managing Director. However, the rental period of the motor vehicle bearing No. CAR 2154 had expired on 22 November 2024, and no action had been taken to extend the rental period or to make any other necessary arrangements in this regard. Nevertheless, the vehicle had continued to be used until it was returned on 28 May 2025. No payment had been made by the Authority to the supplier in respect of this period. It was observed that the vehicle had been utilized without approval, and there exists a risk that the supplier may initiate a legal action in the future due to the continued use of the vehicle beyond the agreed rental period without returning it to the supplier and without making any payment. The rental for the above period approximately Rs. 870,100.

Auditor General

2025

Financial Statements



SRI LANKA PORTS AUTHORITY

SRI LANKA PORTS AUTHORITY

HEAD OFFICE

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Tel.: 2421201-5, 2421231-7, 2432736-7
Telegrams "Portslanka"
E-mail –webmaster@slpa.lk
Web-www.slpa.lk

PORT OF GALLE

Closenberg Jetty, Magalle, Galle.
Tel.: 091-2232213, 2234936, 2232138

PORT OF TRINCOMALEE

Inner Harbour Road, Trincomalee.
Tel.: 026-2233600

Bankers
Bank of Ceylon, People's Bank, Hatton National Bank, Standard Chartered Bank, Bank of China, Sampath Bank, Commercial Bank

Auditors
The Auditor General, National Audit Office, No.306/72, Polduwa Road, Battaramulla, Sri Lanka

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Directors Responsibility for Financial Reporting

Under section (12) & (13.6) of the Finance Act No 38 of 1971, Directors of the Authority have responsibility for ensuring that the Sri Lanka Ports Authority keeps proper books of accounts of all the transactions and prepare Financial statements that give a true and fair view of the state of affairs and of the profit /loss for the year.

Accordingly, the Directors have directed the Authority to maintain proper books of accounts and reviewed the financial reporting system at their regular meetings and through the Audit Committee.

In preparing the financial statements exhibited in this booklet, Directors have considered adopting appropriate Accounting Policies on a consistent basis and supporting by reasonable and prudent judgments and estimates.

The Directors have taken such steps as are reasonably open to them to safeguard the assets of the Authority and to prevent and detect frauds and other irregularities. In this respect the Directors have instituted an effective and comprehensive system of internal controls comprising of internal check, internal audit and financial and other controls required to carry out the business of Sri Lanka Ports Authority in an orderly manner to safeguard its assets and secure as far as practicable the accuracy and reliability of our records.

By order of the Board

P.Weerasooriya

Pamudi P.Weerasooriya
Secretary to the Board

Statutory Compliance Statement

The statuses of compliance on statutory requirements are detailed below.

1. **Employees Provident Fund – Authority & Employee contributions**

   The Sri Lanka Ports Authority contribution of 15% and the employee contribution of 10% on all permanent employees are to be remitted to the Employees' Provident Fund, CBSL before the last date of the succeeding month.

   All monies deducted from employees and the respective Authority contribution for employees has been remitted on or before the stipulated date.

2. **Employees Trust Fund**

   The Authority's monthly contribution of 3% has been remitted on or before the stipulated date.

3. **Income Tax**

   Income tax payments in relation to income earned have been made quarterly on the due dates whenever there is a taxable income, in terms of Section 90 of the Inland Revenue Act No. 24 of 2017.

4. **The Annual Return**

   Annual Return in respect of Income Tax of the Authority has been filed annually with the Department of Inland Revenue up to year ending 31 December 2024. These have been completed and handed over on or before 30th November of the immediately succeeding year of assessment.

5. **Annual Reporting**

   Annual Budget, Accounts & Annual Report have been submitted to the Parliament of Sri Lanka, General Treasury & Ministry.

6. **Social Security Contribution Levy (SSCL)**

   The Authority has paid SSCL on the liable turnover at the rate of 2.5% and has been remitted on or before the stipulated date.

THE AUTHORITY AND ITS FUNCTIONS

Sri Lanka Ports Authority was established by the Sri Lanka Ports Authority Act. No.51 of 1979 on 1st August 1979 and subsequently amended by Act Nos.7 and 35 of 1984.

Section 6 (1) of the Sri Lanka Ports Authority Act defines its objectives and duties as follows.

- To provide in any specified port, efficient and regular services for stevedoring, lighter age, shipping and transshipping, landing and warehousing, of dry and wet cargo and cargo bulk, for wharf age, the supply of water, fuel and electricity to vessels, for handling petroleum, petroleum products and lubricating oils to and from vessels and between bunkers and depots, for pilotage and mooring of vessels, for diving and underwater ship repairs and any other services incidental thereto;

- To provide in any specified port, efficient and regular tally and protective services;

- To Regulation and control of navigation within the limits of and the approaches to the ports;

- To Maintenance of Port installations and promotion of the use, improvement and development of the specified ports;

- To Co-ordination and regulation of all activities within any specified port excluding the functions of the Customs Department,

- To Establishment and maintenance on and off the coast of Sri Lanka of such lights and other means for the guidance and protection of vessels as are necessary for navigation in and out of the specified ports;

- To Performing such other duties as are imposed on the Ports Authority by the Act;

- To Conduct the business of the Ports Authority in such manner and to make in accordance with this Act such charges for services rendered by the Authority as will secure that the revenue of the Authority is not less than sufficient for meeting the charges which are proper to be made to the revenue of the Authority, to replace assets, make new investments and to establish and maintain an adequate general reserve; and

- To Endeavour to manage the specified ports and each of them as self-supporting enterprise in accordance with the provisions of the Act.

Board of Directors of Sri Lanka Ports Authority from 01.01.2025-31.12.2025				
No	Designation	Name	Date of Appointment	Date of Resignation
1	Chairman	Admiral S S Ranasinghe (Rtd) WWV,RWP,VSV,USP	02.10.2024	-
2	Vice Chairman	Eng. Herath M.P. Jayawardhana	02.10.2024	-
3	Managing Director	Eng. T.K.G.L. Hemachandra	03.10.2024	-
4	Board Member	Mrs. Damitha Kumari Ratnayake	07.11.2024	-
5	Board Member	Mr. P.B.S.C Nonis	27.07.2022	26.08.2025
6	Board Member	Mrs. N.A.A.P.S Nissanka	31.12.2019	-
7	Board Member	Mr. E.M.S.B.Jayasundara	13.01.2024	14.08.2025
8	Board Member	Mr. Upul Dhammika Jayatissa	16.10.2024	-
9	Board Member	Mr. U.L.Anura Bandara	16.10.2024	07.05.2025
10	Board Member	Mr. Theekshana Kumara	21.01.2025	31.10.2025
11	Board Member	Mrs. Tharani Anoja Gamage	28.04.2025	31.10.2025
12	Board Member	Mr. (Eng) M.M.S.Moremada	28.05.2025	-
13	Board Member	Mr. S.P.Arukgoda	26.08.2025	-
14	Board Member	Mrs. Nirmala S. Athukorala	20.11.2025	-
15	Board Member	Mr. Upul Abeysiriwardana	10.12.2025	-

FOR THE YEAR ENDED 31 DECEMBER

	COLOMBO	TRINCOMALEE	GALLE	SLPA 2025	SLPA 2024
NUMBER OF SHIPS CALLED (NO)					
Cargo Ships	3,604	93	-	3,697	3,897
Other Ships	676	31	8	715	238
Other Vessels	646	17	52	715	785
	4,926	141	60	5,127	4,920
TROUGHPUT					
CONTAINER TEU's (SLPA)					
Transhipment	1,853,448	-	-	1,853,448	2,042,577
Domestic	390,003	-	-	390,003	285,204
Re-Stowing	139,688	-	-	139,688	85,381
TOTAL TEU's	2,383,139	-	-	2,383,139	2,413,162
CONTAINER TEU's (SAGT)					
Transhipment	1,697,180	-	-	1,697,180	1,757,097
Domestic	221,041	-	-	221,041	229,291
Re-Stowing	30,714	-	-	30,714	39,452
TOTAL TEU's	1,948,935	-	-	1,948,935	2,025,840
CONTAINER TEU's (CICT)					
Transhipment	2,467,190	-	-	2,467,190	2,515,521
Domestic	658,802	-	-	658,802	654,760
Re-Stowing	125,918	-	-	125,918	182,786
TOTAL TEU's	3,251,910	-	-	3,251,910	3,353,067
CONTAINER TEU's (CWIT)					
Transhipment	569,401	-	-	569,401	-
Domestic	59,700	-	-	59,700	-
Re-Stowing	88,125	-	-	88,125	-
TOTAL TEU's	717,226	-	-	717,226	-
CONTAINER TEU's (PORT OF COLOMBO)					
Transhipment	6,587,219	-	-	6,587,219	6,315,195
Domestic	1,329,546	-	-	1,329,546	1,169,255
Re-Stowing	384,445	-	-	384,445	307,619
TOTAL TEU's	8,301,210	-	-	8,301,210	7,792,069
(M/T) - SLPA					
Containerised Cargo	32,131,582	-	-	32,131,582	36,487,633
Conventional Cargo	2,196,222	2,288,142	275	4,484,639	4,084,862
Liquid	5,902,946	580,579	-	6,483,525	5,898,228
TOTAL (M/T)	40,230,750	2,868,721	275	43,099,746	46,470,723
(M/T) - SAGT					
Containerised Cargo	24,615,913	-	-	24,615,913	25,563,582
Conventional Cargo	-	-	-	-	-
Liquid	-	-	-	-	-
TOTAL (M/T)	24,615,913	-	-	24,615,913	25,563,582
(M/T) - CICT					
Containerised Cargo	42,463,960	-	-	42,463,960	45,172,714
Conventional Cargo	-	-	-	-	-
Liquid	-	-	-	-	-
	42,463,960	-	-	42,463,960	45,172,714
(M/T) - CWIT					
Containerised Cargo	8,050,998	-	-	8,050,998	-
Conventional Cargo	-	-	-	-	-
Liquid	-	-	-	-	-
	8,050,998	-	-	8,050,998	-
(M/T) - PORT OF COLOMBO					
Containerised Cargo	107,262,453	-	-	107,262,453	107,223,929
Conventional Cargo	2,196,222	2,288,142	275	4,484,639	4,084,862
Liquid	5,902,946	580,579	-	6,483,525	5,898,228
TOTAL (M/T)	115,361,621	2,868,721	275	118,230,617	117,207,019
GROSS TONNAGE HANDLED (SLPA)					
Containerised Cargo	73,086,123	-	-	73,086,123	59,994,051
Conventional Cargo	5,283,490	2,521,584	38,824	7,843,898	7,116,537
Others	4,155,542	823,293	199	4,979,034	5,760,304
TOTAL TONNAGE	82,525,155	3,344,877	39,023	85,909,055	72,870,892
GROSS TONNAGE HANDLED (SAGT)					
Containerised Cargo	29,110,790	-	-	29,110,790	37,467,631
Conventional Cargo	-	-	-	-	-
Others	-	-	-	-	-
TOTAL TONNAGE	29,110,790	-	-	29,110,790	37,467,631
GROSS TONNAGE HANDLED (CICT)					
Containerised Cargo	86,536,197	-	-	86,536,197	100,254,864
Conventional Cargo	-	-	-	-	-
Others	-	-	-	-	-
TOTAL TONNAGE	86,536,197	-	-	86,536,197	100,254,864
GROSS TONNAGE HANDLED (CWIT)					
Containerised Cargo	19,245,817	-	-	19,245,817	-
Conventional Cargo	56,593	-	-	56,593	89,881
Others	-	-	-	-	19,611
TOTAL TONNAGE	19,302,410	-	-	19,302,410	109,492
GROSS TONNAGE HANDLED (PORT OF COLOMBO)					
Containerised Cargo	207,978,927	-	-	207,978,927	197,716,546
Conventional Cargo	5,340,083	2,521,584	38,824	7,900,491	7,206,418
Others	4,155,542	823,293	199	4,979,034	5,779,915
TOTAL TONNAGE	217,474,552	3,344,877	39,023	220,858,452	210,702,879
PERSONNEL					
Number of Employees	6,650	306	242	7,198	7,624

Figures in brackets indicates deduction.

Notes to the Financial Statements continued on page 06

(Expressed in Sri Lankan Rupees)

SRI LANKA PORTS AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER	Note	Group 2025	Group 2024 Restate	SLPA 2025	SLPA 2024 Restate
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	3	351,097,376,389	313,561,764,973	350,989,485,911	313,436,868,277
Leased Hold Asset	3.2	35,821,015	47,153,242	35,821,015	47,153,242
Intangible Assets	4	553,971,318	614,349,807	553,347,232	613,495,181
Investment Properties	5	209,226,502,300	210,565,049,327	209,226,502,300	210,565,049,327
Investment in Subsidiaries	6	-	-	1,000,000	1,000,000
Investment in Associates	7	35,193,040,866	35,496,314,277	39,196,120,030	39,196,120,030
Financial Assets at FVOCI	8	80,718,209,638	77,056,659,020	80,718,209,638	77,056,659,020
Amount Due From State Mortgage Bank	9	16,218,799	23,348,799	16,218,799	23,348,799
Receivable From General Treasury - People's Bank Loan	10	-	2,140,048,561	-	2,140,048,561
Employee Loan	11	4,918,432,778	7,241,807,803	4,880,515,770	5,339,137,531
Total Non-Current Assets		**681,759,573,103**	**646,746,495,810**	**685,617,220,694**	**648,418,879,968**
Current Accounts Galle & Trincomalee					
Intercompany					
Current Assets					
Inventories	12	5,496,409,783	5,259,282,461	5,478,820,185	5,237,627,376
Trade and Other Receivables	13	19,002,740,426	20,096,723,407	19,001,931,147	20,097,252,503
Deposits and Advances	14	687,605,579	3,098,209,219	687,605,579	3,098,209,219
Prepaid Expenses		348,674,930	378,492,249	321,117,761	352,149,952
Employee Loans	15	1,849,099,657	63,993,332	1,828,788,685	1,909,272,993
Other Financial Assets	16	91,760,082,428	42,493,379,723	90,942,269,811	41,895,420,510
Cash and Cash Equivalents	17	7,550,434,299	43,320,999,482	7,430,699,131	43,099,960,237
Total Current Assets		**126,695,047,101**	**114,711,079,874**	**125,691,232,298**	**115,689,892,790**
TOTAL ASSETS		**808,454,620,204**	**761,457,575,683**	**811,308,452,992**	**764,108,772,759**
EQUITY & LIABILITIES					
Equity					
Capital Employed	18	7,591,379,785	7,591,379,785	7,591,379,785	7,591,379,785
Capital Reserve	19	113,405,856,806	113,405,856,806	113,405,856,805	113,405,856,805
Other Reserves	20	1,125,903	1,125,903	1,125,903	1,125,903
Deferred Income	21	165,481,806,362	172,033,800,843	165,481,806,362	172,033,800,843
Loan Redemption Reserve	22	4,613,549,887	4,613,549,887	4,613,549,887	4,613,549,887
Revaluation Reserve	23	71,943,064,669	71,945,706,076	71,943,064,667	71,945,706,074
Financial Assets at FVOCI Reserve		63,233,137,155	59,571,586,537	63,233,137,154	59,571,586,536
Retained Earnings		225,094,106,717	186,625,763,346	228,029,258,497	189,355,234,846
Total Equity		**651,364,027,284**	**615,788,769,183**	**654,299,179,060**	**618,518,240,678**
Non-Current Liabilities					
Borrowings - Government of Sri Lanka	24.1	47,810,047,083	51,334,904,544	47,810,047,083	51,334,904,544
Borrowings - Financial Institutions	25.1	-	2,140,048,561	-	2,140,048,561
Government Grants	26	29,042,577,152	29,353,136,954	29,042,577,152	29,353,136,954
Deferred Tax Liabilities	27	22,197,027,280	22,245,069,216	22,193,585,856	22,242,461,972
Retirement Benefits Obligation	28	11,048,346,107	11,072,941,262	11,013,357,030	11,041,842,169
Total Non-Current Liabilities		**110,097,997,622**	**116,146,100,537**	**110,059,567,121**	**116,112,394,199**
Current Liabilities					
Supply of Goods and services and other creditors	29	11,565,794,383	3,997,776,717	11,633,098,215	4,065,113,827
Borrowings - Government of Sri Lanka	24.2	7,471,700,667	6,789,630,405	7,471,700,667	6,789,630,405
Borrowings - Financial Institutions	25.2	-	329,238,237	-	329,238,237
Finance lease obligation	25.4.1	-	9,578,902	-	9,578,902
Deposits and Advances Received	30	7,424,663,823	10,875,171,847	7,378,370,601	10,828,878,625
Current Tax Payable	31	2,648,397,889	(2,328,810,617)	2,606,335,509	(2,373,872,381)
Provisions and Accrued Expenses	32	17,881,999,389	9,850,081,325	17,860,201,818	9,829,570,264
Payable to General Treasury	32.2	39,146	39,146		
Total Current Liabilities		**46,992,595,298**	**29,522,705,963**	**46,949,706,810**	**29,478,137,879**
TOTAL EQUITY & LIABILITIES		**808,454,620,204**	**761,457,575,683**	**811,308,452,992**	**764,108,772,759**

The Accounting policies on pages 10 to 26 and Notes to the Financial Statements on Pages 27 to 59 form an integral part of these Financial Statements.
These Financial Statements give a true and fair view of the state of affairs of the Authority as at 31/12/2025

.....
G.N. Liyanage
Director Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards. These Financial Statements were approved by the Board of Directors and signed on their behalf.

.....	.....	.....
Parakrama Dissanayake	T.K.G.L Hemachandra	Upul Dammika Jayatissa
CHAIRMAN	**MANAGING DIRECTOR**	**BOARD MEMBER**

Date : 28th June 2026
Figures in brackets indicate deductions.

SRI LANKA PORTS AUTHORITY

(Expressed in Sri Lankan Rupees)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER	Note	Group 2025	Group 2024 Restate	SLPA 2025	SLPA 2024 Restate
Operating Revenue	33	81,768,490,312	74,567,391,882	81,768,490,312	74,567,391,882
Direct Expenses	34	(36,981,889,740)	(36,757,941,704)	(36,732,668,881)	(36,487,583,466)
Gross Profit		**44,786,600,572**	**37,809,450,178**	**45,035,821,431**	**38,079,808,416**
Other Revenue	35	28,673,160,796	23,022,424,099	28,703,986,121	23,043,599,287
Administrative Expenses	36	(18,273,929,888)	(14,894,321,186)	(18,643,437,361)	(15,443,796,059)
Operating Profit		**55,185,831,480**	**45,937,553,091**	**55,096,370,191**	**45,679,611,644**
Net Finance (Cost)/ Income	37	1,957,192,885	1,433,005,502	1,884,515,805	1,358,964,129
Foreign Exchange Gain/(Loss)		265,339,073	(689,629,043)	265,339,073	(689,629,043)
Share of Profit of Associates	7	(303,559,870)	(562,234,827)	-	-
Profit Before Tax		**57,104,803,567**	**46,118,694,723**	**57,246,225,069**	**46,348,946,731**
Income Tax Expenses	38	(14,370,409,460)	(7,204,959,408)	(14,311,901,943)	(7,097,550,974)
Differed Tax Expenses	27	48,041,937	(718,541,351)	48,876,116	(721,407,727)
Net Profit after Tax		**42,782,436,044**	**38,195,193,965**	**42,983,199,242**	**38,529,988,030**
Contribution to Consolidated fund		(5,000,000,000)	(607,310,383)	(5,000,000,000)	(607,310,383)
Profit For the year		**37,782,436,044**	**37,587,883,582**	**37,983,199,242**	**37,922,677,647**
Attributable to - Equity holders of the Parent		**37,782,436,044**	**37,587,883,582**	**37,983,199,242**	**37,922,677,647**
Other Comprehensive Income					
Profit for the Year		37,782,436,044	37,587,883,582	37,983,199,242	37,922,677,647
Remeasurement of retirement benefit obligation	28.2	688,456,303	(1,260,277,458)	688,183,000	(1,253,589,778)
Share of Other Comprehensive Income of Equity account investess	7	286,459	(1,959,546)	-	-
Change in Value of Financial Assets at FVOCI on Listed Investments	8.1	243,978,916	33,667,341	243,978,916	33,667,341
Change in Value of Financial Assets at FVOCI on Unlisted Investments	8.2	3,417,571,702	(2,947,532,198)	3,417,571,702	(2,947,532,198)
Total Other Comprehensive Income for the Year		**4,350,293,380**	**(4,176,101,860)**	**4,349,733,618**	**(4,167,454,634)**
Total Comprehensive Income for the year		**42,132,729,424**	**33,411,781,722**	**42,332,932,860**	**33,755,223,013**
Attributable to - Equity holders of the Parent		**42,132,729,424**	**33,411,781,722**	**42,332,932,860**	**33,755,223,013**

Figures in brackets indicate deductions.

The Accounting policies on pages 10 to 26 and Notes to the Financial Statements on Pages 27 to 59 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

(Expressed in Sri Lankan Rupees)

	Capital Employed	Capital Reserve	Other Reserve	Differed Income	Loan Redemption Reserve	Revaluation Reserve	Financial Assets at FVOCI Reserve	Retained Earnings (at debit)	Total
Group									
Balance as at 01 January 2024	7,591,379,785	113,405,856,806	1,125,903	171,123,863,104	4,613,549,887	73,286,013,685	62,485,451,394	147,041,794,365	579,549,034,929
									-
Lease rent -SACLHL								(74,314,575)	(74,314,575)
Lumpsump - SACLHL								(41,903,641)	(41,903,641)
Arrears Rent-CEB								171,883,960	171,883,960
Adjusted Opening Balance	7,591,379,785	113,405,856,806	1,125,903	171,123,863,104	4,613,549,887	73,286,013,685	62,485,451,394	147,097,460,109	579,604,700,674
Profit for the Year								37,900,994,596	37,900,994,596
Restated 2024								(313,111,014)	(313,111,014)
Re stated Profit for the Year 2024								37,587,883,582	37,587,883,582
Dividends Paid								(3,750,000)	(3,750,000)
Adjustment on Revaluation Surplus- Colombo						(1,340,297,143)		1,340,297,143	-
Adjustment on Revaluation Surplus- Trinco						(10,466)		10,466	-
Share of Associate of Other comprehensive Income								(1,959,546)	(1,959,546)
Prior year adjustment (Note 42)								1,866,099,048	1,866,099,048
Remeasurement of retirement benefit obligation								(1,260,277,458)	(1,260,277,458)
Upfront Fee paid by CICT- Amortization				(103,534,286)					(103,534,286)
Amortization on Lump Sum Premium Laughs Terminal Ltd				(658,207)					(658,207)
Amortization of Lump Sum Premium Distilleries company of Sri Lanka				(10,300,000)					(10,300,000)
Amortization of Lump Sum Premium Tokiyo Cement Company (Lanka)PLC				(31,626,840)					(31,626,840)
Amortization of Leasehold rights-HIPS				(731,198,730)					(731,198,730)
Amortization of Leasehold rights-HIPG				(981,799,130)					(981,799,130)
Up front fees received from CWIT				3,053,300,000					3,053,300,000
Amortization of Upfront Fees paid by CWIT				(185,107,468)					(185,107,468)
Lump Sum Premium NFCL Penna Port Storage				(6,900,000)					(6,900,000)
Adjustment on listed Investment							33,667,341		33,667,341
Adjustment on Unlisted Investment							(2,947,532,198)		(2,947,532,198)
Amortization ofpremium of SACLHL				(92,237,600)					(92,237,600)
Balance as at 31 December 2024	7,591,379,785	113,405,856,806	1,125,903	172,033,800,843	4,613,549,887	71,945,706,076	59,571,586,537	186,625,763,345	615,788,769,183
Profit for the Year								37,782,436,044	37,782,436,044
Dividends Paid								(5,476,840)	(5,476,840)
Adjustment on Revaluation Surplus- Colombo						(911,941)		911,940.75	-
Adjustment on Revaluation Surplus- Trinco						(1,729,467)		1,729,466.51	-
Share of Associate of Other comprehensive Income					-			286,459	286,459
Prior year adjustment (Note 42)								-	-
Remeasurement of retirement benefit obligation								688,456,303	688,456,303
Upfront Fee paid by CICT- Amortization				(103,534,286)					(103,534,286)
Amortization on Lump Sum Premium Laughs Terminal Ltd				(10,300,000)					(10,300,000)
Amortization of Lump Sum Premium Distilleries company of Sri Lanka				(658,207)					(658,207)
Amortization of Lump Sum Premium Tokiyo Cement Company (Lanka)PLC				(31,626,840)					(31,626,840)
Amortization of Leasehold rights-HIPS				(731,198,730)					(731,198,730)
Amortization of Leasehold rights-HIPG				(981,799,130)					(981,799,130)
Amortization of Upfront Fees paid by CWIT				(208,238,528)					(208,238,528)
Lump Sum Premium NFCL Penna Port Storage				(6,900,000)					(6,900,000)
Adjustment on listed Investment							243,978,916		243,978,916
Adjustment on Unlisted Investment							3,417,571,702		3,417,571,702
Amortization ofpremium of SACLHL				(4,477,738,759)					(4,477,738,759)
Balance as at 31 December 2025	7,591,379,785	113,405,856,806	1,125,903	165,481,806,362	4,613,549,887	71,943,064,669	63,233,137,155	225,094,106,717	651,364,027,286

SLPA	Capital Employed	Capital Reserve	Other Reserve	Differed Income	Loan Redemption Reserve	Revaluation Reserve	Financial Assets at FVOCI Reserve	Retained Earnings (at debit)	Total
Balance as at 01 January 2024	7,591,379,785	113,405,856,805	1,125,903	171,123,863,104	4,613,549,887	73,286,013,685	62,485,451,392	149,424,063,079	581,931,303,640
Company Formation Expenses- Gas Terminal								11,500	11,500
Lease rent -SACLHL								(74,314,575)	(74,314,575)
Lumpsump - SACLHL								(41,903,641)	(41,903,641)
Arrears Rent-CEB								171,883,960	171,883,960
Adjusted Opening Balace	7,591,379,785	113,405,856,805	1,125,903	171,123,863,104	4,613,549,887	73,286,013,685	62,485,451,392	149,479,740,323	581,986,980,885
Profit for the Year								38,246,336,801	38,246,336,801
Restated 2024								(323,659,153)	(323,659,153)
Re stated Profit for the Year 2024								37,922,677,647	37,922,677,647
Adjustment on Revaluation Surplus - Colombo						(1,340,297,143)		1,340,297,143	-
Adjustment on Revaluation Surplus - Trinco						(10,466)		10,466	-
Prior year adjustment (Note 42)								1,866,099,048	1,866,099,048
Remeasurement of retirement benefit obligation								(1,253,589,778)	(1,253,589,778)
Upfront fee paid by CICT				(103,534,286)					(103,534,286)
Amortization on Lump Sum Premium Laughs Terminal Ltd				(658,207)					(658,207)
Amortization of Lump Sum Premium Distilleries company of Sri Lanka				(10,300,000)					(10,300,000)
Amortization of Lump Sum Premium Tokoyo Cement Company (Lanka)PLC				(31,626,840)					(31,626,840)
Lease hold rights from HIPS amotization				(731,198,730)					(731,198,730)
Lease hold rights from HIPG amotization				(981,799,130)					(981,799,130)
Up front fees received from CWIT				3,053,300,000					3,053,300,000
Amortization of Upfront Fees paid by CWIT				(185,107,468)					(185,107,468)
Amortization of NFCL Penna Port Storage				(6,900,000)					(6,900,000)
Adjustment on listed Investment							33,667,341		33,667,341
Adjustment on Unlisted Investment							(2,947,532,198)		(2,947,532,198)
Amortization of Lumpsum premium of SACLHL				(92,237,600)					(92,237,600)
Balance as at 31 December 2024	7,591,379,785	113,405,856,805	1,125,903	172,033,800,843	4,613,549,887	71,945,706,074	59,571,586,536	189,355,234,849	618,518,240,681
Profit for the Year								37,983,199,242	37,983,199,242
Adjustment on Revaluation Surplus - Colombo						(911,940 75)		911,941	-
Adjustment on Revaluation Surplus - Trinco						(1,729,467)		1,729,467	-
Prior year adjustment (Note 42)									-
Remeasurement of retirement benefit obligation								688,183,000	688,183,000
Adjustment on Loan Redemption									-
Upfront fee paid by CICT				(103,534,286)					(103,534,286)
Amortization on Lump Sum Premium Laughs Terminal Ltd				(658,207)					(658,207)
Amortization of Lump Sum Premium Distilleries company of Sri Lanka				(10,300,000)					(10,300,000)
Amortization of Lump Sum Premium Tokoyo Cement Company (Lanka)PLC				(31,626,840)					(31,626,840)
Lease hold rights from HIPS amotization				(731,198,730)					(731,198,730)
Lease hold rights from HIPG amotization				(981,799,130)					(981,799,130)
Amortization of Upfront Fees paid by CWIT				(208,238,528)					(208,238,528)
Amortization of NFCL Penna Port Storage				(6,900,000)					(6,900,000)
Adjustment on listed Investment							243,978,916		243,978,916
Adjustment on Unlisted Investment							3,417,571,702		3,417,571,702
Amortization of Lumpsum premium of SACLHL				(4,477,738,759)					(4,477,738,759)
Balance as at 31 December 2025	7,591,379,785	113,405,856,805	1,125,903	165,481,806,362	4,613,549,887	71,943,064,667	63,233,137,154	228,029,258,497	654,299,179,060

(Expressed in Sri Lankan Rupees)

STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025		Group		SLPA	
		2025	2024	2025	2024
Profit Before Tax		57,104,803,567	46,118,694,723	57,246,225,069	46,348,946,731
Adjustments for					
Share of Profit of Associate (Net of Dividends)		303,559,870	562,234,827	-	-
Deprecation		6,847,126,502	3,864,493,136	6,827,894,518	3,846,733,666
Bad and Doubtfull Debt		17,438,539	(77,844,468)	17,426,858	(77,852,705)
Amotisation of Intangible Assets		83,850,695	191,179,022	83,620,155	191,095,182
Amotisation of Lease Hold Assets		11,332,228	11,332,228	11,332,228	11,332,228
Gratuity Charge for the Year and related costs		1,717,236,815	1,716,508,136	1,711,270,857	1,711,622,526
Previous year-Revenue		-	2,187,928,247	-	2,187,928,247
Previous year -Expenditure		-	41,354,632	-	41,354,632
Previous year Adjestments -2025		-	261,793,301	-	261,793,301
Dividend Income		(7,966,969,873)	(3,481,095,860)	(7,998,005,300)	(3,502,427,759)
Interest Income		(5,200,669,937)	(5,417,654,217)	(5,127,493,950)	(5,336,798,854)
Interest Expenses		2,869,718,343	3,552,160,034	2,869,718,343	3,546,207,792
Amotisation of Government Grants		(538,483,801)	(464,105,117)	(538,483,801)	(464,105,117)
Net Exchange Unrealised Gain/ Loss		3,027,298,610	(6,800,000,994)	3,027,298,610	(6,800,000,994)
Upfront fees by CICT		(103,534,286)	(103,534,286)	(103,534,286)	(103,534,286)
Provision for claims		3,303,394,450	71,186,436	3,303,394,450	71,186,436
Amortised during the year Laughs Terminal Ltd		(658,207)	(658,207)	(658,207)	(658,207)
Amortised during the year Distilleries Company of Sri Lanka		(10,300,000)	(10,300,000)	(10,300,000)	(10,300,000)
Amortised of lease hold rights -HIPG/HPS		(1,712,997,860)	(1,712,997,860)	(1,712,997,860)	(1,712,997,860)
Lum Sum Premium NFCL Penna Port Storage		(6,900,000)	(6,900,000)	(6,900,000)	(6,900,000)
Expenses on Impairment		-	-	-	100
Amortised during the year Tokiyo Cement Company (Lanka)PLC		(31,626,840)	(31,626,840)	(31,626,840)	(31,626,840)
Amortised during the year CWIT		(208,238,528)	(185,107,468)	(208,238,528)	(185,107,468)
Proceeds from Disposal of Fixed Assets		(1,821,500)	(184,534,330)	(1,821,500)	(184,534,330)
Operating Profit Before Working Capital Changes		59,503,558,791	40,102,505,076	59,358,120,819	39,801,356,422
Changes in working Capital					
Inventories		(237,127,322)	(557,515,927)	(241,192,809)	(546,850,407)
Trade Receivables		3,420,722,632	(7,393,954,204)	3,458,584,956	(7,394,052,528)
Deposits and Advances		2,410,603,640	3,693,315,242	2,410,603,640	3,693,315,242
Prepaid Expenses		29,817,320	41,856,962	31,032,192	30,068,151
Employee Loans / Others		538,268,700	(954,969,868)	539,106,068	(949,294,398)
Supply of Goods and services and other creditors		3,090,278,907	(183,075,282)	3,090,245,629	(184,741,391)
Deposits and Advances Received		(3,450,508,024)	2,399,226,519	(3,450,508,024)	2,413,739,774
Provisions and Accrued Expenses		4,728,523,614	963,651,907	4,727,237,104	962,686,784
Cash Generated from Operations		70,034,138,258	38,111,040,425	69,923,229,575	37,826,227,648
Interest Paid		(3,068,222,719)	(3,907,617,684)	(3,068,222,718)	(3,901,665,443)
Contribution to Consolidated Fund		(5,000,000,000)	(607,310,383)	(5,000,000,000)	(607,310,383)
Gratuity Paid		(1,053,375,667)	(1,066,963,071)	(1,051,572,997)	(1,066,472,996)
Taxes Paid		(10,945,181,015)	(14,815,592,473)	(10,883,674,114)	(14,684,523,763)
Net Cash from Operating Activities		49,967,358,857	17,713,556,814	49,919,759,745	17,566,255,064
Cash Flows from Investing Activities					
Acquisition of Property, Plant and Equipment		(765,453,284)	(448,277,148)	(763,227,513)	(410,383,316)
Proceeds from Disposal of Fixed Assets		1,844,979	186,092,322	1,844,979	186,092,322
Capital Work-in-Progress		(42,266,260,075)	(39,515,859,921)	(42,266,260,075)	(39,515,859,921)
Acquisition of Intangible Assets		(35,973,220)	(40,897,762)	(35,973,220)	(40,674,879)
Dividend Received		7,960,965,838	3,477,427,759	7,960,965,838	3,502,427,759
Interest Received		4,079,760,765	4,595,144,046	4,006,584,778	4,514,288,683
Grant received		227,924,000	212,829,868	227,924,000	212,829,868
Up front fee received by CWIT		-	3,053,300,000	-	3,053,300,000
Investment made during the year CWIT		-	(3,002,656,500)	-	(3,002,656,500)
Amount Due From State Mortgage Bank		7,130,000	7,587,030	7,130,000	7,587,030
Net Proceeds from Other Financial Assets	*	(49,266,702,705)	38,239,114,285	(49,046,849,301)	38,837,073,498
Net Cash from (used in) investing activities		(80,056,763,703)	6,763,803,979	(79,907,860,514)	7,344,024,544
Cash Flows from Financing Activities					
Repayment of Borrowings to Government of Sri Lanka		(5,671,581,435)	(5,820,931,324)	(5,671,581,435)	(5,820,931,324)
Repayment of Borrowings to Financial Institution		-	(85,198,610)	-	-
Lease Installments Paid		(9,578,902)	(13,685,710)	(9,578,902)	(10,455,933)
Net Cash From (used in) Financing Activities		(5,681,160,337)	(5,919,815,644)	(5,681,160,337)	(5,831,387,257)
Net Changes in Cash & Cash Equivalents		(35,770,565,183)	18,557,545,150	(35,669,261,106)	19,078,892,346
Cash & cash Equivalents at the Beginning of the year		43,320,999,482	24,763,454,332	43,099,960,237	24,021,067,891
Cash & Cash Equivalents at the End of the Year	**(Note 17)**	7,550,434,299	43,320,999,482	7,430,699,131	43,099,960,237

* As at 31.12.2024 there were Fixed Deposits(FD) invested for 3 months period which were classify as cash and cash equivalents now converted to FD 's for 6 months and this has been transfer to other financial assets as at 31.12.2025

Figures in brackets indicate deductions.

1 CORPORATE INFORMATION

1.1 GENERAL

Sri Lanka Ports Authority was established by the Sri Lanka Ports Authority Act No. 51 of 1979 on 01st August 1979 and subsequently amended by Act Nos. 7 & 35 of 1984.

1.2 PRINCIPAL ACTIVITIES AND NATURE OF OPERATIONS

Provision of efficient and regular services for stevedoring shipping, and transshipping, landing and warehousing; wharfage, the supply of water, fuel and electricity to vessel for handling petroleum, petroleum products and lubricating oils to and from vessels and between bunkers and depots for pilotage and mooring of vessels for diving and underwater ship repairs and any other services included thereto.

1.3 FINANCIAL YEAR

The Authority's financial reporting period ends on 31st December.

1.4 REGISTERED OFFICE

Registered office of the Authority is at No. 19, Chaitiya Road, Colombo 01, P.O. Box 595.

1.5 NUMBER OF EMPLOYEES

The number of employees of the Authority as at 31 December 2025 was 7,198 (2024 – 7,624)

1.6 DATE OF AUTHORIZATION FOR ISSUE

The financial statements of the Authority for the year ended 31 December 2025 were authorized for issue in accordance with a resolution of the Board of Directors dated 24th February 2026.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1.1 Basis of Preparation

The consolidated financial statements of the Group & Separate financial statement of the Authority have been prepared in accordance with Sri Lanka Accounting Standards (SLFRSs / LKASs) issued by the Institute of Chartered Accountants of Sri Lanka. The consolidated Financial Statements have been prepared accrual basis under the historical cost convention, except for Financial Instruments designated as Fair Value through Other Comprehensive Income (FVOCI) which are measured at fair value. The preparation of financial statements, in conformity with Sri Lanka Accounting Standards (SLFRSs / LKASs)), requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies.

2.1.2 Consolidated Financial Statements

The Consolidated Financial Statements of the Group for the year ended 31 December 2025 Comprises of Sri Lanka Ports Authority ('the Company') and all its Subsidiaries Financial Statements have been consolidated therein.

2.1.3 Components of Financial Statements

The complete set of Financial Statements comprises,

- Statement of Financial Position providing the information on the financial position of the Group and the SLPA as at the year end.
- Statement of Comprehensive Income, providing the information on the financial performance of the Group and the SLPA. for the year under review.
- Statement of Changes in Equity depicting all changes in shareholders' funds during the year under review of the Group and the SLPA.

Notes to the Financial Statements continued on Page 11

- Statement of Cash flows for the year, providing the information to the users, the amount of cash and cash equivalents inflows to and outflows from the Group and the SLPA.
- Notes to the Financial Statements comprising Significant Accounting Policies and other explanatory information.

2.2 Going Concern

2.2.1

The SLPA has prepared the financial statements for the year ended 31 December 2025 on the basis that it will continue to operate as a going concern. In determining the basis of preparing the financial statements for the year ended 31 December 2025, based on available information, the management has assessed the prevailing macroeconomic conditions and its effect on the Group companies and the appropriateness of the use of the going concern basis. It is the view of the management that there are no material uncertainties that may cast significant doubt on the SLPA's ability to continue to operate as a going concern. The management has formed judgment that the SLPA has adequate resources to continue in operational existence for the foreseeable future driven by the continuous operationalization of risk mitigation initiatives and monitoring of business continuity and response plans.
In determining the above, significant management judgment, estimates and assumptions, the impact of the macroeconomic uncertainties, including exchange rate volatilities, supply chain disruptions, foreign exchange market limitations and interest rate volatilities have been considered as of the reporting date and specific considerations have been disclosed under the notes, as relevant. Financial Statements are prepared based on the "Going Concern Concept".

2.2.2 Materiality and Aggregation

Each material class of similar items presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

2.2.3 Comparative Information

Except when SLFRS / LKAS permit or require otherwise, SLPA presents comparative information in respect of the preceding period for all amounts reported in the current period's financial statements.

2.3 Consolidation

2.3.1 Subsidiary

Subsidiary is an entity over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiary is fully consolidated from the date on which control is transferred to the group. It is excluded from consolidation from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred to the subsidiary forms fair values of the assets transferred and the liabilities incurred to form the subsidiary. The group does not recognize any non-controlling interest in acquire as the subsidiary is wholly-owned by the Authority.

Inter-entity transactions, balances, income and expenses on transactions between group entities are eliminated. Profits and losses resulting from Inter-entity transactions that are recognized in assets are also eliminated. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group.

2.3.2 Associate

Associate is an entity over which the group has significant influence but not control, generally accompanying a shareholding directly or indirectly 20 per cent or more of the voting rights. The Group's investment in associate is accounted for using the equity method of accounting. The SLPA's

Notes to the Financial Statements continued on Page 12

Investment in associate is accounted for using the Cost method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the group's share of the profit or loss of the investee after the date of acquisition.

The group's share of post-acquisition profit or loss is recognized in the statement of comprehensive income and its share of post-acquisition movements in the investee's other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of profit/ (loss) of associates in the statement of comprehensive income.

2.4 Foreign Currency Translation

2.4.1 Functional and Presentation Currency

Transaction and balances included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated Financial Statements are presented in Sri Lanka Rupees (LKR), which is the group's presentation currency.

2.4.2 Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Foreign currency monetary liabilities (excluding loans) are translated using the selling exchange rate prevailing at the end of the reporting period. Borrowings are translated using the selling exchange rate at year-end to match the loan balances of the General Treasury.
Foreign currency monetary assets are translated using the buying exchange rate prevailing at year-end.
Foreign exchange gains and losses resulting from the translation of monetary items are recognized in the statement of comprehensive income.
Translation differences related to changes in amortized cost are recognized in the statement of comprehensive income

2.5 Property, Plant and Equipment

2.5.1 Cost laying in the working progress Accounts will be capitalized once the work completion certificated issued by the relevant department.

2.5.2 Property, plant and equipment are initially recognized if and only if it is probable that the future economic benefits associate with the item will flow to the entity/group and the cost of the item can be measured reliably. An item of property, Plant and Equipment that qualifies for recognition as an asset is measured at its cost. Cost includes any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Group's management.

Notes to the Financial Statements continued on Page 13

Property, Plant and equipment are stated at deemed cost less accumulated depreciation and any accumulated impairment losses. Other property, plant and equipment are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as ~~a~~ an asset, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

2.5.3 Depreciation

Each part of an item of property, plant and equipment with a significant cost in relation to the total cost of the item are depreciated separately.

Land is not depreciated, depreciation on other assets is calculated using the straight-line method to allocate their cost or deemed cost over their estimated useful lives, as follows.

Assets Category		Rates
Operational Buildings & Structures	05-115 Years	0.87% -20%
Floating Equipments	02-22 Years	4.55%-50%
Handling Equipments	02 -23Years	4.35% - 50%
Plant and Machinery	01-25 Years	4% -100%
Office and Welfare Buildings	02-73 Years	1.37% - 50%
Computer Hardware	01-15 Years	6.67% -100%
Motor Vehicle	01-15 Years	6.67% -100%
Electrical and Electronic Equipment	1-12 Years	8.33% -100%
Furniture and Office Equipment	1-15 Years	6.67% -100%
Staff Quarters & other Buildings	13-43 Years	2.33% -7.69%
Other Assets	1-20 Years	5% -100%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition

The carrying amount of an item of property, plant and equipment are derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized. Gains shall not be classified as revenue.

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Notes to the Financial Statements continued on Page 14

2.5.4 Intangible Assets

Intangible Assets are recognized if it is probable that the expected future economic benefits that attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost and amortized by using straight- line method.

Acquired computer software and operating systems are capitalized on the basis of the costs incurred to acquire and bring to use the specific software and systems. Intangible assets acquired subsequently are stated at cost less accumulated amortization and accumulated impairment losses. These costs are amortized over their estimated useful lives as follows:

Computer Software	1 – 17 Years	5.88% - 100%

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

2.5.5 Investment Properties

An owned investment property is recognized as an asset when and only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost of the investment property can be measured reliably. Investment property held to earn rentals is measured initially at its cost.

Investment properties were carried at revalued amount in the statement of financial position prepared in accordance with SLAS prior to 31 December 2011. The Authority has considered revalued amounts of the Investment properties as deemed cost at the date of the revaluation as the sale values of Investment properties were broadly comparable to fair value. Accordingly, the Investment properties are stated at deemed cost less accumulated depreciation and amounts arising any accumulated impairment losses. Other Investment properties are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

Land is not depreciated, depreciation on buildings is calculated using the straight-line method to allocate their cost or deemed cost over their estimated useful lives, as follows:

Investment Properties	05-100 Years	1% - 20%

2.5.6 Asset review Policy

Any revision to the residual value or useful life is accounted for as a change in accounting estimate and applied prospectively.

2.5.7 Lease Hold Assets

In accordance with SLFRS 16 Leases, at the inception of a contract, SLPA assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Only if the terms and conditions of the contract are changed SLPA reassess whether a contract is, or contains, a lease.

Notes to the Financial Statements continued on Page 15

SLPA & the Group as a Lessee
At the commencement date of a lease arrangement, SLPA recognize a right-of-use asset and a lease liability. Right of use Asset is initially measured at cost which comprise the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, SLPA use its' incremental borrowing rate.

Subsequent measurement of the right-of-use asset and Lease Liability
SLPA measure the right-of-use asset applying cost model which is measured by Asset's Cost less any accumulated depreciation as per LKAS 16 Property, Plant and Equipment and any accumulated impairment losses as per LKAS 36 Impairment of Assets and any adjustments for re-measurement of the lease liability.

SLPA measure the lease liability subsequently by, increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications specified in, or to reflect revised in-substance fixed lease payments.

SLPA & the Group as a Lessor
SLPA classify at the inception of the contract a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, unless the lease agreement is classified as an Operating Lease. Such a classification depends on the substance of the transaction rather than the form of the contract. Only if there is a Lease modification the lease classification is reassessed subsequently.

Finance Leases
At the commencement date, SLPA recognizes assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease. The interest rate implicit in the lease is used to measure the net investment in the lease.

Subsequently, SLPA recognize finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the SLPA's net investment in the lease.

SLPA aims to allocate finance income over the lease term on a systematic and rational basis and applied the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income. SLPA applies the derecognition and impairment requirements in SLFRS 9 to the net investment in the lease.
These costs are amortized over their estimated useful lives, as follows:

Leased Hold Motor Vehicle	08-15 Years	6.67%-12.50%

Notes to the Financial Statements continued on Page 16

Operating Leases
SLPA recognizes lease payments from operating leases as income on straight-line basis or another systematic basis where if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. Any costs, including depreciation, incurred in earning the lease income is recognized as an expense. Any initial direct costs incurred in obtaining an operating Lease is added to the carrying amount of the underlying asset and recognize those costs as an expense over the lease term on the same basis as the lease income.

The depreciation policy for depreciable underlying assets subject to operating leases is consistent with the SLPA's normal depreciation policy for similar assets. Depreciation is calculated in accordance with LKAS 16 and applies LKAS 36 to determine whether an underlying asset subject to an operating lease is impaired and to account for any impairment loss identified.

2.5.8 Impairment of Non-Financial Assets

At each end of reporting period, the Group reviews the carrying amounts of its property, plant and equipment, investment properties and intangible assets to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the cash-generating unit and estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income.

2.6 Financial Assets

2.6.1 Financial Asset classification

The SLPA and the Group classify its financial assets in the following measurement categories.

- Financial Assets measured at Amortized Cost,
- Financial Assets measured at Fair Value through Other Comprehensive Income (FVOCI)
- Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

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

Financial assets measured at fair value, gains and losses will either be recorded in Statement of Comprehensive Income or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the SLPA and the Group have made an irrevocable election at the time of initial recognition to account for the equity investment at Fair Value Through Other Comprehensive Income (FVOCI). The Entity and the Group reclassify Financial Assets when and only when its business model for managing those assets changes.

Notes to the Financial Statements continued on Page 17

2.6.2 Recognition and initial measurement

At Initial Recognition, SLPA & Group measure a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in comprehensive income.

As per SLFRS 09 Employee loans given to the employees is an investment in debt instrument of SLPA. As applicable interest rates are different to the market rate, it is required to recognize the fair value of similar loans given in the market by adjusting the deferred difference. Employee loan is a financial asset which is initially recognized at amortized cost.

2.6.3 Subsequent Measurement

Investment in Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which debt instruments are classified:

Amortized cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at Amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in Statement of comprehensive income and presented in other income/ (losses) together with foreign exchange gains and losses.

FVOCI:

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to comprehensive income and recognized in other income/ (losses).Interest income from these financial assets included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in comprehensive income.

FVTPL:

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in comprehensive income and presented net within other gains/ (losses) in the period in which it arises.

Investment in Equity instruments

The SLPA and the Group subsequently measure all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to comprehensive income following the de-recognition of the investment.

Notes to the Financial Statements continued on Page 18

Dividends from such investments continue to be recognized in comprehensive income as other income when the group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognized in other gains/ (losses) in the statement of comprehensive income as applicable.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Employee loans given to the SLPA employees are subsequently measured using the effective Interest rate (EIR) method.

2.6.4 Impairment

The SLPA and Group assess the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the SLPA apply the simplified approach permitted by SLFRS 9, 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables (Varies with management Decisions).

De-recognition

SLPA derecognizes a financial assets when, and only when;

- The contractual rights to the cash flows from the financial asset expire, or
- It transfers the financial asset and the transfer qualifies for de-recognition

Fair Valuation

As per the SLFRS 13, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability; or in the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

SLPA and the Group use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For that following mentioned inputs are used;

Notes to the Financial Statements continued on Page 19

Level 1 Inputs : Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Inputs : Unobservable inputs for the asset or liability.

Assets measured at Fair Value

Asset Category	Note No in Financial Position	Value as at 2025.12.31	Level 01	Level 02	Level 03
Financial Assets at Fair Value through OCI					
Listed Investments					
Colombo Dockyard PLC	8.1	388,048,903	388,048,903		
Unlisted Investments					
Colombo International Container Terminal Ltd	8.2	16,638,920,142			16,638,920,142
South Asia Gateway Terminals Limited (SAGT)	8.2	4,055,555,494			4,055,555,494
Hambantota International Port Group (Private)Ltd.	8.2	50,249,145,074			50,249,145,074
Lanka Coal Company (Pvt) Ltd	8.2	17,908,000			17,908,000
Colombo West International Terminal (Pvt) Ltd.	8.2	7,662,140,650			7,662,140,650
South Asia Commercial & Logistics Hub Limited	8.2	1,706,491,374			1,706,491,374
Total		**80,718,209,638**	**388,048,903**		**80,330,160,735**

2.7 Inventories

According to the para 9 of of LKAS 02, Inventories shall be measured at the lower value of cost and Net Realizable Value. (NRV). Cost is determined using the First-In, First-Out (FIFO) method & Weighted Average Cost (WAC) method. The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories comprise of spare parts and consumables for vessels and cargo handling equipments, fuel and lubricants. Inventories are in the form of materials or supplies to be consumed in the rendering of services.

Net Realizable Value is the estimated selling price in the ordinary course of business less the estimate cost of completion and the estimate cost necessary to make the sale.

Notes to the Financial Statements continued on Page 20

2.8.1 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Collection is expected in the normal operating cycle of the business and they are classified as current assets. Trade receivables are recognized initially at their transaction price unless they contain significant financing components, when they are recognized at fair value.

The SLPA hold the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.
Other receivables generally arise from transactions outside the usual operating activities of the SLPA.

In accordance with SLFRS 9, the SLPA applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Trade Receivables.

Simplified Approach

The SLPA follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the SLPA to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
As a practical expedient, the SLPA uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the SLPA estimates provision on trade receivables at the reporting date. Impairment loss allowance charges (or reversal) recognized during the period is recognized as income/ expense.

			Basis
1.	Sri Lanka Forces	Up to 12 Months	-No Provisions
		After 12 Months	-50%
2.	Government Institution	Up to 12 Months	-No Provisions
		After 12 Months	-100%
3.	Shipping Agents-Under Litigations		-100%
	Shipping Agents-Suspended and Non-Operating		-100%
	Shipping Agents with Significant Amounts (More than one Million)	Up to 12 Months	-No Provisions
		After 12 Months (Except TSA agents)	-50%

2.8.2 Rent Debtors & Electricity Debtors

For the Port of Colombo Rent & electricity receivables are viewed individually to measure the impairment losses. Rent & electricity Debtors for more than 12 months were provided 100% as a provision. Rent & Electricity debtor balances within 0-12 months were viewed individually and made specific provisions based on the past payment patterns and on-going disputes.

Notes to the Financial Statements continued on Page 21

2.9 Cash and Cash Equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Capital Employed

Capital represents that all movable and immovable properties including money in the funds and all debts, liabilities and obligations in connection with or appertaining to such properties transferred and vested to Sri Lanka Ports Authority from Colombo Port commission, Port Cargo Corporation and Port Tally and Protective Services Corporation.

2.11 Financial Liabilities

The group classifies financial liabilities into other financial liabilities. The Group's other financial liabilities include borrowings, trade and other payables. The other financial liabilities are recognized initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

2.12 Trade and Other Payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities as in the normal operating cycle of the business.

Trade and other payables are recognized initially at fair value, which is the transaction price and subsequently measured at the original invoice amount as they are expected to be paid within a short period, such that the time value of money is not significant.

2.13 Borrowings

The Group's borrowings include ports development loans borrowed from the Government of Sri Lanka and financial institutions. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost using the effective interest method. Floating rate borrowings are measured in each subsequent period at amortized cost using floating interest rate (effective interest rate) prevailing at the end of the reporting period.

Loan arrangement fee, structuring fee, processing fee and management paid on the establishment of borrowing facilities are recognized as transaction costs of the borrowings.

Foreign exchange gains and losses arising from measurement of carrying value of loans at amortized cost at each reporting period end are recognized in the statement of comprehensive income.

2.14 Borrowing Cost

Borrowing costs, that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use, are capitalized as a part of the cost of those assets, until such time as the assets are substantially ready for their intended use. Capitalization of borrowing costs, during the extended periods in which it suspends active development of a qualifying asset, will be suspended.

All other borrowing costs are recognized as an expense in the statement of comprehensive income in the period in which they are incurred.

Notes to the Financial Statements continued on Page 22

2.15 **Government Grants**

Grants from the government including non-monetary grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in noncurrent liabilities as deferred government grants and are recognized in the statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

Non-monetary grants are measured at fair value of the non-monetary asset and account for both grant and asset at the fair value.

2.16 **Current and Deferred Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognized in the statement of comprehensive income statement, except to the extent that it relates to items recognized in other comprehensive income. In this case, the tax is also recognized in other comprehensive income.
The current income tax charge is calculated on the basis of the tax laws enacted at the reporting period end applicable for the Authority its subsidiaries operate and generate taxable income. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted at the reporting period end date and are expected to apply when the related deferred tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

2.17 **Employee Benefits**

The group has both defined benefit and defined contribution plans.

a) **Defined Contribution plan**

A defined contribution plan is a post-employment benefit plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions. The contributions are recognized as employee benefit expense when they are due.

Notes to the Financial Statements continued on Page 23

The group contributes 15% on gross emoluments of employee to Employee Provident Fund (EPF) and 3% on gross emoluments of employee to Employee Trust Fund (ETF).

b) **Defined benefit plan**
The group obligation in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future benefit that employee have earned in return for their services in the current and prior period.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the statement of comprehensive income in the period in which they arise.
The retirement benefit obligation is not externally funded.

c) **Short-term employee benefit**
Short-term employee benefit obligations are measured on an undiscounted amount expected to be paid for related services provided by the employee.

2.18 **Provisions and Contingent Liabilities**
Provisions for volume rebates, legal claim and other expenses are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.
Provisions will be reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable than an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Contingent liabilities are disclosed as a note to the financial statements unless the possibility of an outflow of resources is remote.

2.19 **Revenue From contract with Customers**

SLPA account a Contract with a Customer when meets the criteria set out in SLFRS 15.

1. Identify the contract with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price.
5. Recognize revenue when the entity satisfies a performance obligation

At contract inception, Group and SLPA assess the goods or services promised in a contract with a customer and shall identify a performance obligation each promise to transfer to the customer either:

(a) A good or service (or a bundle of goods or services) that is distinct; or
(b) A series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer

Notes to the Financial Statements continued on Page 24

SLPA recognizes revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (ie.an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Goods/Services transferred Over the Period of Time
Under SLFRS 15, the Group determines, at contract inception, whether it satisfies the performance obligation over time or at a point in time. For each performance obligation satisfied over time, the SLPA recognizes the revenue over time by measuring the progress towards complete satisfaction of that performance obligation, when the control of goods & service is transferred over time, and therefore satisfies a performance obligation and recognizes revenue overtime.

Goods/Services transferred at a Point in Time
Under SLFRS 15, revenue is recognized upon satisfaction of a performance obligation. The revenue recognition occurs at a point in time when control of the asset is transferred to the customer.

Measurement of Revenue
A Performance Obligation is satisfied, SLPA recognize as Revenue the amount of the Transaction Price that is allocated to that Performance Obligation. It is considered the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. When determining the transaction price, Group and SLPA consider the effects of all of the following:

- Variable consideration
- Constraining estimates of variable consideration
- The existence of a significant financing component in the contract
- Non-cash consideration
- Consideration payable to a customer

The Group applies the revenue recognition criteria set out below to each identifiable major types of services rendered.

a) **Landing and Delivery Services**
The group renders services such as loading, discharging cargo and stores renting in respect of import and export cargo operations. For these sales of services, revenue is recognized in the period in which the services are rendered based on completion of job or transaction and assessed on the basis of the actual services rendered.
Ground rent due from containers stored in the yard for an extended period due to uncertainty surrounding the collectability of revenue is recognized as contingent revenue. Hence the revenue will be recognized once collection becomes probable.

b) **Navigation and Related Services**
Revenue from light dues, entering dues and over-hour dues and pilotage are recognized at the point in which dues become receivable, which is the point of vessel arrival. Revenue arises from navigation and related services is recognized in the period in which the services are rendered based on completion of job or transaction and assessed on the basis of the actual services rendered.

c) **Stevedoring Services**
Revenue from stevedoring services in respect of container operation and conventional cargo operation is recognized in the period in which the services are rendered based on completion of job or transaction and assessed on the basis of the actual services rendered.

Notes to the Financial Statements continued on Page 25

Interest income

Interest income is recognized using the effective interest method. When a loan granted or a receivable is impaired, the SLPA reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continue unwinding the discount as interest income. Interest income on impaired loan and receivables are recognized using the original effective interest rate. Interest income on bank balances and bank deposits are recognized on accrual basis.

Rental Income

Rental income receivable under operating leases is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises. The lease term is the fixed period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option. Premiums received to terminate leases are recognized in the Statement of Comprehensive Income when they arise.

Dividend income

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

Royalty Income

Royalty income is recognized on an accrual basis in accordance with the substances of the relevant agreement and when it is probable that the economic benefits associated with the royalty income will flow to the entity and amount of the revenue can be measured reliably.

Gains and Losses on Disposal of Property Plant and Equipment

Net gains and losses on the disposal of property, plant & equipment have been accounted for in the statement of comprehensive income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

2.20 Expenses

All expenditure incurred in the running of the operation has been charged to income in arriving at the profit for the reporting period.

2.21 Events Occurring after the Reporting Period

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

2.22 Commitments

All material commitments at the reporting period end have been identified and disclosed in the notes to the financial statements.

2.23 Significant Accounting Estimates and Judgments

When preparing the financial statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Notes to the Financial Statements continued on Page 26

2.23.1 The following are significant judgments in applying the accounting policies that have most significant effect on the financial statements.

(a) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

2.23.2 Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

(a) Useful life time of Depreciable Assets

Management reviews its estimate of the useful life time of depreciable assets at each reporting date, based on the expected economic utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

(b) Defined benefit plan

The present value of the defined benefit plan obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions are used in determining the net cost and obligation for defined benefit plan including the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligation.

2.24 Climate related Disclosures

Important activities of the SLPA includes transportation of containerized bulk freight, including consumer goods & wide range of commodities and transportation of chemical & petroleum products in tankers. Hence, SLPA is in the process of developing strategies in relation to emission reduction, Green port infrastructures, infrastructure resilience and sustainable logistics. Additionally SLPA has undertaken risk assignment to protect infrastructure from the impact of rising sea levels and extreme weather events.

Notes to the Financial Statements continued on Page 27

3 Property, Plant & Equipment

Group	As At 01 January 2025	Additions	(Disposals)	Re_Class /Adjustment	As At 31 December 2025
3.1 At Cost					
Land	97,043,782,129	26,392,674	-	-	97,070,174,803
Operational Buildings & Structures	139,057,118,699	8,247,692,030	-	(12,871,753)	147,291,938,976
Floating Equipment	9,059,972,137	220,200,620	(100,000)	-	9,280,072,757
Handling Equipment	48,910,900,359	71,997,790	-	-	48,982,898,149
Plant & Machinery	1,284,333,531	34,217,276	(122,478)	-	1,318,428,329
Office & Welfare Buildings	1,467,349,100	34,217,902	-	(3,933,535)	1,497,633,467
Staff Quarters and Other Buildings	461,048,717	-	-	-	461,048,717
Computer Hardware	756,412,539	41,184,746	-	16,855,300	814,452,585
Electric & Electronic Equipment	3,350,764,742	102,059,731	(295,060)	-	3,452,529,413
Office Furniture & Equipment	253,415,223	107,333,291	(1,020,837)	-	359,727,678
Motor Vehicles	1,251,410,389	16,585,773	(6,669,707)	-	1,261,326,455
Other Assets	434,748,315	182,991,818	(1,039,815)	-	616,700,318
	303,331,255,879	9,084,873,651	(9,247,897)	50,012	312,406,931,646

3.1.1 Depreciation	As At 01 January 2025	Charge for the Year	(Disposals)	Re_Class /Adjustment	As At 31 December 2025
Operational Buildings & Structures	40,954,650,920	2,489,293,331	-	(5,119,728)	43,438,824,523
Floating Equipment	6,367,578,131	320,546,528	(99,900)	-	6,688,024,760
Handling Equipment	18,169,935,564	2,376,720,572	-	-	20,546,656,136
Plant & Machinery	879,478,537	61,412,560	(122,355)	-	940,768,742
Office & Welfare Buildings	548,859,181	69,850,098	-	(2,050,976)	616,658,303
Staff Quarters and Other Buildings	308,374,896	13,227,336	-	-	321,602,231
Computer Hardware	495,110,486	24,708,684	-	4,354,286	524,173,455
Electric & Electronic Equipment	2,630,430,519	91,370,836	(292,537)	-	2,721,508,818
Office Furniture & Equipment	204,237,268	20,106,078	(1,015,846)	-	223,327,500
Motor Vehicles	885,253,011	(8,576,681)	(6,663,037)	-	870,013,292
Other Assets	304,999,721	40,285,552	(1,030,743)	-	344,254,530
	71,748,908,234	5,498,944,894	(9,224,418)	(2,816,418)	77,235,812,291

3.1.2 Net Carrying Values	As At 31 December 2025	As At 31 December 2024
Property, Plant & Equipment		
Land	97,070,174,803	97,043,782,129
Operational Buildings & Structures	103,853,114,453	98,102,467,779
Floating Equipment	2,592,047,997	2,692,394,006
Handling Equipment	28,436,242,013	30,740,964,795
Plant & Machinery	377,659,587	404,854,994
Office & Welfare Buildings	880,975,164	918,489,919
Staff Quarters and Other Buildings	139,446,486	152,673,822
Computer Hardware	290,279,130	261,302,053
Electric & Electronic Equipment	731,020,595	720,334,222
Office Furniture & Equipment	136,400,177	49,177,956
Motor Vehicles	391,313,163	366,157,378
Other Assets	272,445,788	129,748,594
	235,171,119,355	231,582,347,646
Capital Work-in-Progress (Note 3.3)	115,926,257,034	81,979,417,327
	351,097,376,389	313,561,764,973

Group	As At 31 December 2025	As At 31 December 2024
	351,097,376,389	313,561,764,973

1. Rs.65,062,022.07 worth of asset are used in religious places.
2. As per the asset register the total cost of the fully depreciated assets still in use as at 31.12.2025 is Rs.10,296,335,535
4. Inter Port Asset Transfers details are as follows.

Asset Category	Colombo	Trinco	Galle
Oper. Building & Structure	(2,400,000.00)	2,400,000.00	-
Handling Equipment	(6,463,029.21)	1,863,029.21	4,600,000.00
Plant & Machinery	21,377,088.27	-	(21,377,088.27)
Computer Hardware	(771,700.00)	771,700.00	
Elect. & Electronic Eqipment	17,101.05	(124,351.05)	107,250.00
Office Furniture & Equipment	(403,770.00)	-	403,770.00
Motor Vehicle	(4,913,745.00)	3,700,000.00	1,213,745.00
Other Assets	180,000.00	(180,000.00)	-
Total	6,621,945.11	8,430,378.16	(15,052,323.27)

4. Asset Reclassification details are as follows.

	Reclassified to	Amount Rs.
Oper. Building & Structure	Investment Property - Building	12,871,753
Office & Welfare Building	Investment Property - Building	3,933,535
Intangible Asset	Computer Hardware & Software	16,855,300

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 28

3 Property, Plant & Equipment

SLPA	As At 01 January 2025	Additions	(Disposals)	Re_Class /Adjustment	As At 31 December 2025
3.1 Cost					
Land	97,043,782,129	26,392,674	-	-	97,070,174,803
Operational Buildings & Structures	139,054,508,405	8,247,692,030	-	(12,871,753)	147,289,328,682
Floating Equipment	9,059,972,137	220,200,620	(100,000)	-	9,280,072,757
Handling Equipment	48,910,900,359	71,997,790	-	-	48,982,898,149
Plant & Machinery	1,161,450,461	33,081,785	(122,478)	-	1,194,409,768
Office & Welfare Buildings	1,467,349,100	34,217,902	-	(3,933,535)	1,497,633,467
Staff Quarters and Other Buildings	461,048,717	-	-	-	461,048,717
Computer Hardware	747,204,293	40,786,996	-	16,855,300	804,846,589
Electrical & Electronic Equipment	3,350,764,742	102,059,731	(295,060)	-	3,452,529,413
Office Furniture & Equipment	219,770,379	106,640,761	(1,020,837)	-	325,390,303
Motor Vehicles	1,189,246,960	16,585,773	(6,669,707)	-	1,199,163,026
Other Assets	434,748,315	182,991,818	(1,039,815)	-	616,700,318
	303,100,745,997	9,082,647,880	(9,247,897)	50,012	312,174,195,993

3.1.1 Depreciation	As At 01 January 2025	Charge for the Year	(Disposals)	Re_Class /Adjustment	As At 31 December 2025
Operational Buildings & Structures	40,954,553,182	2,489,244,462	-	(5,119,728)	43,438,677,916
Floating Equipment	6,367,578,131	320,546,528	(99,900)	-	6,688,024,760
Handling Equipment	18,169,935,564	2,376,720,572	-	-	20,546,656,136
Plant & Machinery	835,132,510	50,631,874	(122,355)	-	885,642,029
Office & Welfare Buildings	548,859,181	69,850,098	-	(2,050,976)	616,658,303
Staff Quarters and Other Buildings	308,374,896	13,227,336	-	-	321,602,231
Computer Hardware	487,979,023	23,787,762	-	4,354,286	516,121,071
Electrical & Electronic Equipment	2,630,430,519	91,370,833	(292,537)	-	2,721,508,815
Office Furniture & Equipment	185,743,415	16,830,166	(1,015,846)	-	201,557,736
Motor Vehicles	849,708,903	(12,782,276)	(6,663,037)	-	830,263,590
Other Assets	304,999,721	40,285,552	(1,030,743)	-	344,254,530
	71,643,295,046	5,479,712,907	(9,224,418)	(2,816,418)	77,110,967,117

3.1.2 Net Carrying Values		As At 31 December 2025	As At 31 December 2024
Property, Plant & Equipment			
Land		97,070,174,803	97,043,782,129
Operational Buildings & Structures		103,850,650,766	98,099,955,223
Floating Equipment		2,592,047,997	2,692,394,006
Handling Equipment		28,436,242,013	30,740,964,795
Plant & Machinery		308,767,739	326,317,951
Office & Welfare Buildings		880,975,164	918,489,919
Staff Quarters and Other Buildings		139,446,486	152,673,822
Computer Hardware		288,725,519	259,225,270
Electric & Electronic Equipment		731,020,598	720,334,222
Office Furniture & Equipment		123,832,568	34,026,964
Motor Vehicles		368,899,436	339,538,057
Other Assets		272,445,788	129,748,594
		235,063,228,876	231,457,450,952
Capital Work-in-Progress	(Note 3.3)	115,926,257,034	81,979,417,327
		350,989,485,911	313,436,868,277

SLPA	As At 31 December 2025	As At 31 December 2024
	350,989,485,911	313,436,868,277

1. Rs.65,062,022.07 worth of asset are used in religious places
2. As per the asset register the total cost of the fully depreciated assets still in use as at 31.12.2025 is Rs.10,296,335,535
4. Inter Port Asset Transfers details are as follows.

Asset Category	Colombo	Trinco	Galle
Oper. Building & Structure	(2,400,000.00)	2,400,000.00	
Handling Equipment	(6,463,029.21)	1,863,029.21	4,600,000.00
Plant & Machinery	21,377,088.27		(21,377,088.27)
Computer Hardware	(771,700.00)	771,700.00	
Elect. & Electronic Eqipment	17,101.05	(124,351.05)	107,250.00
Office Furniture & Equipment	(403,770.00)		403,770.00
Motor Vehicle	(4,913,745.00)	3,700,000.00	1,213,745.00
Other Assets	180,000.00	(180,000.00)	
Total	6,621,945.11	8,430,378.16	(15,052,323.27)

4. Asset Reclassification details are as follows.

Current Category	Reclassified to	Amount Rs.
Oper. Building & Structure	Investment Property - Building	12,871,752.51
Office & Welfare Building	Investment Property - Building	3,933,535
Intangible Asset	Computer Hardware & Software	16,855,300

3.2 Leased Hold Asset

Group /SLPA	As At 01 January 2025	Additions	(Disposals)	As At 31 December 2025
Cost	95,948,157	-		95,948,157
Depreciation	48,794,915	11,332,227		60,127,143

	As At 31 December 2025	As At 31 December 2024
Net Carrying Value	35,821,015	47,153,242

Above represent the assets obtained under finance lease for the period of Five Years.
Figures in brackets indicates deductions.
Notes to the Financial Statements continued on page 29

3.3 Capital Work-in-Progress

	SLPA/Group			
Group / SLPA	As At 01 January 2025	Incurred /Transfer During the Year/Adjustment	Transferred	As At 31 December 2025
Colombo Port Development	379,943,880	179,777,817	(162,487,577)	397,234,120
JCT V Project	6,717,631,558	727,573,166	(7,445,204,724)	-
Development & Rehabilitation of KKS port	184,096,082	(253,831)	-	183,842,251
Galle Port	39,182,668	-	(39,182,668)	-
Trincomalee Port	372,685,187	68,146,330	(34,217,902)	406,613,616
Port City Development	2,924,107	780,000	-	3,704,107
Purchasing of Capital Assets (Local)	949,050	-	(949,050)	-
Development of East Container Terminal	28,954,765,710	18,230,756,406	-	47,185,522,115
Development of Operation Building - ECT	849,262,700	168,192,782	(637,378,447)	380,077,035
Terminal Management System- ECT	1,948,243,407	456,644,372	-	2,404,887,779
Development of Handling Equipment- ECT	42,367,468,923	22,408,479,712	-	64,775,948,635
Hambanthota Port	114,078,199	-	-	114,078,199
Work shop complex from Grant received	48,185,855	26,163,321	-	74,349,176
	81,979,417,327	42,266,260,075	(8,319,420,368)	115,926,257,034

Group	As At 01 January 2025	Additions /	(Disposals)	Adjustments	As At 31 December 2025
4.1 At Cost					
Computer Software	2,215,221,956	35,973,220	-	(16,855,300)	2,234,339,876
Total	2,215,221,956	35,973,220	-	(16,855,300)	2,234,339,876

	As At 01 January 2025	Charge for the Year			As At 31 December 2025
4.2 Amortisation					
Computer Software	1,600,872,149	83,850,695	-	(4,354,286)	1,680,368,557
Total	1,600,872,149	83,850,695	-		1,680,368,557

4.3 Net Carrying Values	As At 31 December 2025	As At 31 December 2024
Computer Software	553,971,318	614,349,807
	553,971,318	614,349,807

4 Intangible Assets

SLPA	As At 01 January 2025	Additions	(Disposals)	Adjustments	As At 31 December 2025
4.1 At Cost					
Computer Software	2,214,181,373	35,973,220	-	(16,855,300)	2,233,299,293
Total	2,214,181,373	35,973,220	-	(16,855,300)	2,233,299,293

	As At 01 January 2025	Charge for the Year			As At 31 December 2025
4.2 Amortisation					
Computer Software	1,600,686,192	83,620,155	-	(4,354,286)	1,679,952,060
Total	1,600,686,192	83,620,155	-	(4,354,286)	1,679,952,060

4.3 Net Carrying Values	As At 31 December 2025	As At 31 December 2024
Computer Software	553,347,232	613,495,181
	553,347,232	613,495,181

Figures in brackets indicates deductions.
Notes to the Financial Statements continued on page 30

5 Investment Properties Cnt..

Group/Authority	As At 01 January 2025	Transferred/ Reclassified	Additions/Adjustment	(Disposals)	As At 31 December 2025
5.1 At Cost					
Land	88,297,537,853	-	-	-	88,297,537,853
Buildings	143,673,330,904	16,805,288	-	-	143,690,136,191
Total	231,970,868,757	16,805,288	-	-	231,987,674,044

	As At 01 January 2025	Transferred/ Reclassified	Charge for the Year/Adjustment	(Disposals)	As At 31 December 2025
5.1.1 Depreciation					
Buildings	21,405,819,430	7,170,704	1,348,181,611	-	22,761,171,745
Total	21,405,819,430	7,170,704	1,348,181,611	-	22,761,171,745

	As At 31 December 2025	As At 31 December 2024
5.1.2 Net Carrying Values		
Land	88,297,537,853	88,297,537,853
Buildings	120,928,964,447	122,267,511,474
	209,226,502,300	210,565,049,327
	209,226,502,300	210,565,049,327

When land and buildings belonging to the Sri Lanka Ports Authority are given to an outside party on a temporary lease basis, the relevant lease rent is determined based on the assessed value obtained from the Chief Valuer of the Government, taking into account the extent of the property. However, when the extent given to an outside party is removed from the land and buildings and reclassify as investment property, it is practically impossible to determine the value of that part.

6 Investment in Subsidiaries

			Group		SLPA	
			2025	2024	2025	2024
Unlisted	No of Shares	% of Holding				
Jaya Container Terminals Limited	100,000	100%	-	-	1,000,000	1,000,000
Magampura Port Management Company (Note 17)	7,500,000	100%	-	75,000,000	-	75,000,000
Impairement on MPMCS 100%			-	(75,000,000)	-	(75,000,000)
Lanka Gas Terminal (Pvt) Ltd	1	100%			-	100
Impairement on Lanka Gas Terminals 100%						(100)
			-	-	1,000,000	1,000,000

Since Lanka Gas Terminal (Pvt) Ltd is a non operating company ,SLPA will take action to remove it from the accounts after following the due procedure.
According to the LKAS 36, it is required to make impairement provision for investment in subsidiary company when actual net cash flows or operating profit or loss flowing from the asset that are significantly worse than budgeted.Accordigly, Magampura Port Management Company Ltd (MPMC) is a continuosly loss making subsidiary & it reflects a negative net asset position. Hence Making 100% impairement provision for MPMC

7 Investment in Associates

		Group		SLPA	
		2025	2024	2025	2024
Unlisted					
Sri Lanka Port Management & Consultancy Services Ltd	(Note 7.1.1)	95,657,447	84,605,138	40,030	40,030
Hambanthota International Port Services Ltd	(Note 7.1.2)	35,097,383,419	35,411,709,139	39,196,080,000	39,196,080,000
		35,193,040,866	35,496,314,277	39,196,120,030	39,196,120,030

7.1 Movement of Investments in Associate Companies

7.1.1 Sri Lanka Port Management & Consultancy Services Ltd				
Balance at 01 January	84,605,138	82,837,560	40,030	40,030
Share of Net Results of Associates	10,765,850	3,509,305	-	-
Share of Other Comprehensive Income of Equity account Investees	286,459	(1,659,827)		
Dividend received		(81,899)		
Balance at 31 December	95,657,447	84,605,138	40,030	40,030
7.1.2 Hambanthota International Port Services Ltd				
Balance at 01 January	35,411,709,139	35,977,752,990	39,196,080,000	39,196,080,000
Share of Net Results of Associates	(314,325,720)	(565,744,133)	-	-
Share of Other Comprehensive Income of Equity account Investees	-	(299,718.94)		
Balance at 31 December	35,097,383,419	35,411,709,139	39,196,080,000	39,196,080,000
Total of SLPMCS & HIPS				
Balance at 01 January	35,496,314,277	36,060,590,549	39,196,120,030	39,196,120,030
Share of Net Results of Associates	(303,559,870)	(562,234,827)	-	-
Share of Other Comprehensive Income of Equity account Investees	286,459	(1,959,546)		
Dividend received		(81,899)		
Balance at 31 December	35,193,040,866	35,496,314,277	39,196,120,030	39,196,120,030

7.2 Summary of Financial Results of Associate, and its aggregated assets and liabilities

Sri Lanka Port Management & Consultancy Services Ltd

	No. of Shares	% of Holding	Assets	Liabilities	Revenue	Net Profit	Impact of Other Comprehensive Income
At 31 December 2025	4,003	39.97%	569,907,316	405,498,053	346,765,362	26,934,825	716,685
At 31 December 2024	4,003	39.97%	483,866,375	345,819,757	230,678,775	8,779,848	(4,152,683)

Hambanthota International Port Services Ltd

			Assets	Liabilities	Revenue	Net Profit	Impact of Other Comprehensive Income
At 31 December 2025	3,919,608,000	42%	174,607,118,856	1,427,009,115	2,672,757,558	(748,394,571)	
At 31 December 2024	3,919,608,000	42%	166,769,460,177	606,544,050	1,571,633,865	(1,347,009,839)	(713,617)

Figures in brackets indicates deductions.
Notes to the Financial Statements continued on page 31

Categories of Financial Assets and Financial Liabilities
The carrying amounts of financial assets and financial liabilities in each category are as follows:

Financial Assets

Group/SLPA	Fair Value Through OCI		Amortised Cost	
	2025	2024	2025	2024
Listed Investments	388,048,903	144,069,987		
Unlisted Investments	80,330,160,735	76,912,589,032		
Trade and Other Receivables			19,002,740,426	20,096,723,407
Deposits and Advances			687,605,579	3,098,209,219
Employee Loans			1,849,099,657	63,993,332
Investment in Government Securities & Fixed Deposit				
			91,760,082,428	42,493,379,723
Cash and Cash Equivalents			7,550,434,299	43,320,999,482
Total	**80,718,209,638**	**77,056,659,020**	**120,849,962,388**	**109,073,305,163**
Authority				
Listed Investments	388,048,903	144,069,987		
Unlisted Investments	80,330,160,735	76,912,589,032		
Trade and Other Receivables			19,001,931,147	20,097,252,503
Deposits and Advances			687,605,579	3,098,209,219
Employee Loans			6,709,304,455	7,248,410,524
Investment in Government Securities & Fixed Deposit				
			90,942,269,810.54	41,895,420,510
Cash and Cash Equivalents			7,430,699,131	43,099,960,237
Total	**80,718,209,638**	**77,056,659,020**	**124,771,810,123**	**115,439,252,993**

Financial Liabilities measured at Amortised Cost	Group		SLPA	
	2025	2024	2025	2024
Other Financial Liabilities				
Non-Current Borrowings				
Government of Sri Lanka	47,810,047,083	51,334,904,544	47,810,047,083	51,334,904,544
Financial Institution	-	2,140,048,561	-	2,140,048,561
Finance Lease Obligation	-	-	-	-
Current Borrowings				
Government of Sri Lanka	7,471,700,667	6,789,630,405	7,471,700,667	6,789,630,405
Financial Institution	-	329,238,237	-	329,238,237
Finance Lease Obligation	-	9,578,902	-	9,578,902
Trade and Other Creditors	11,565,794,383	3,997,776,717	11,633,098,215	4,065,113,827
Deposits and Advances Received	7,424,663,823	10,875,171,847	7,378,370,601	10,828,878,625
Total	**74,272,205,957**	**75,476,349,214**	**74,293,216,566**	**75,497,393,101**

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 32

SRI LANKA PORTS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

(Expressed in Sri Lankan Rupees)

		Group / SLPA 2025	2024
8 Financial Assets at FVOCI			
Listed Investments	(Note 8.1)	388,048,903	144,069,987
Unlisted Investments	(Note 8.2)	80,330,160,735	76,912,589,032
		80,718,209,638	77,056,659,020
8.1 Listed Investment (Colombo Dockyard PLC)			
Balance at 01 January		144,069,987	110,402,646
Net Gains / (Losses) Transfer to AFS Reserve		243,978,916	33,667,341
Balance at 31 December		388,048,903	144,069,987

8.2 Unlisted Investments

As per the SLFRS 09 being adjusting of unlisted investment to represent the fair value Due to the unavailability of Active market Data for Unlisted Investments , Fair Value of SAGT has been derived using the available information from Audited Financial Statements for the year ended 31.03.2025 & CWIT as at 31st December 2025 HIPG,CICT from the draft Financial Statement as at 31.12.2025 . Fair Value of Lanka Coal derived using the available information from Audited Financial Statements for the year 2024 due to non submission of Audited Financial Statements of year 2025 .For SACLHL, the initially invested amount in USD is considered the fair value. Accordingly, the impact of exchange rate fluctuations has also been taken into account, as the invested funds are expected to be received in USD and the entity is currently in the process of liquidation.Accordingly Fair value of Investment in SAGT, CWIT, CICT ,HIPG & Lanka Coal shares adjusted based on Net asset based valuation since it is It is difficult to use other methods such as P/E Ratio due to the unavailablity of market value per share of the particular company & there are no similar nature listed companies also. It is difficult to use Dividend valuation method & free cash flow method due to the unavailability of Cost of Equity (Required Rate of Return)

The Exchange rate used for the valuation of HIPG,SAGT,CICT & SACLH is 1 USD = LKR 306.2933 (2024, 1 USD=LKR 292.5833)

Unlisted investment's are USD investments other than Lanka Coal Company.

During the year, SLPA sold the rights relating to 9,837,859 shares of Colombo Dockyard PLC (CDPLC) through NDB Securities (Pvt) Ltd at the Colombo Stock Exchange, generating proceeds of Rs. 618,390,642.75. Following the sale, SLPA's shareholding in CDPLC as at 31 December 2025 was 2,186,191 shares.

Fair value of the USD investment are given below in USD terms

	Group/SLPA 2025	2024
Colombo International Container Terminals (Pvt) Ltd	54,323,487	56,628,465
South Asia Gate Way Terminal Limited	13,240,758	12,445,176
Hambathota International Port Group Ltd	164,055,646	164,055,646
Colombo West International Terminal Ltd	25,015,698	24,628,458
South Asia Commercial & Logistics Hub	5,571,429	5,075,572
	262,207,018	262,833,316

Fair value of Colombo West International Terminal Ltd investment amount has increased due to the new investment made during the year

	No of Shares	Group / SLPA 2025	2024
Lanka Coal Company	200,000	17,908,000	11,950,000
Colombo International Container Terminal Ltd	28,456,515	16,638,920,142	16,568,543,120
South Asian Gateway Terminels Limited (SAGT)	56,827,288	4,055,555,494	3,641,250,684
Hambathota International Port Group Ltd	2,646,058,800	50,249,145,074	47,999,942,173
Colombo West International Terminal Ltd	77,447,981	7,662,140,650	7,205,875,503
South Asia Commercial & Logistics Hub	5,571,429	1,706,491,374	1,485,027,552
	2,814,562,013	80,330,160,735	76,912,589,032
Balance at 01 January (CICT)		16,568,543,120	14,532,400,733
Net Gains / (Losses) Transfer to FVOCI		70,377,022	2,036,142,387
Balance at 31 December		16,638,920,142	16,568,543,120
Balance at 01 January (SAGT)		3,641,250,684	3,555,074,221
Net Gains / (Losses) Transfer to FVOCI		414,304,810	86,176,463
Balance at 31 December		4,055,555,494	3,641,250,684
Balance at 01 January (HIPG)		47,999,942,173	52,363,280,962
Net Gains / (Losses) Transfer to FVOCI		2,249,202,901	(4,363,338,789)
Balance at 31 December		50,249,145,074	47,999,942,173
Balance at 01 January (lanka coal)		11,950,000	11,950,000
Net Gains / (Losses) Transfer to FVOCI		5,958,000	
Balance at 31 December		17,908,000	11,950,000
Balance at 01 January (CWIT)		7,205,875,503	4,616,470,105
Investment made during the year			3,002,656,500
Net Gains / (Losses) Transfer to FVOCI		456,265,147	(413,251,102)
Balance at 31 December		7,662,140,650	7,205,875,503
Balance at 01 January (SACLH)		1,485,027,552	1,778,288,708
Investment made during the year			-
Net Gains / (Losses) Transfer to FVOCI		221,463,822	(293,261,156)
Balance at 31 December		1,706,491,374	1,485,027,552

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 33

	Group/ SLPA	
Net Gains / (Losses) Transfer to AFS Reserve (CICT, SAGT, IHPG, Lanka coal ,CWIT & SACLH)	2025	2024
Net Gains / (Losses) Transfer to AFS	70,377,022	2,036,142,387
Net Gains / (Losses) Transfer to AFS	414,304,810	86,176,463
Net Gains / (Losses) Transfer to AFS	2,249,202,901	(4,363,338,789)
Net Gains / (Losses) Transfer to AFS	5,958,000	-
Net Gains / (Losses) Transfer to AFS Reserve -CWIT	456,265,147	(413,251,102)
Net Gains / (Losses) Transfer to AFS Reserve -SACHL	221,463,822	(293,261,156)
	3,417,571,702	(2,947,532,198)

9 Amount Due from State Mortgage Bank

The balance represents the amount transferred to State Mortgage and Investment Bank to grant housing loan to SLPA employees less recoveries of principal re-payments

	Group/ SLPA	
	2025	2024
Opening Balance	23,348,799	30,935,829
Transferred during the year	(7,130,001)	(7,587,030)
Closing Balance	16,218,799	23,348,799

10 Receivable From General Treasury - PB Loan

As per the Cabinet Decision dated 05.12.2017 General Treasury has to provide provisions in respect of the repayment and servicing of interest and capital to SLPA for the loan obtained to settle the ICC arbitration (No.21959/CYK/PTA) between 1.China Harbour Engineering Company Ltd 2.Sinohydro Corporation Vs. SLPA - Construction of Sooriyawewa International Cricket Stadium at Hambanthota under variation order no .6 of Hamabnthota Port Development Project (Phase I). Hence this will not have any impact on Statement of Comprehensive Income of the SLPA since secretary to the Treasury has given an undertaking to provide required budgetory Provision. This is in addition to the note no. 60 in Page No. 50 As per the Cabinet decission dated 9th Feb 2025,the ministry of Transport,Highways,Port & Civil aviation has settled the loan on 29th May 2025.

11 Employee Loan (Non-current)

	Group		SLPA	
	2025	2024 Restat	2025	2024 Restat
Receivable from Employees	1,750,033	3,446,976	1,750,033	3,446,976
Vehicle Loan	343,488,119	647,025,512	343,488,119	450,378,535
Loans	4,518,456,840	6,513,668,220	4,518,456,840	4,867,367,312
Mis Loans given to Employee	54,737,786	63,673,808	16,820,778	17,944,708
Advance	-	13,993,288	-	-
Fair Value adjustment on Employee Loan	(411,808,485)	(1,137,644,302)	(411,808,485)	(1,136,573,391)
	4,506,624,293	6,104,163,501	4,468,707,285	4,202,564,140
Prepaid Employee Benefit	411,808,485	1,137,644,302	411,808,485	1,136,573,391
	4,918,432,778	7,241,807,803	4,880,515,770	5,339,137,531

Staff Loan Valuation -Disclosure Note 57

12 Inventories

	Group		SLPA	
	2025	2024	2025	2024
Goods in Stock	5,434,854,168	5,156,524,878	5,434,854,168	5,156,524,878
Stock in Hand - Admiralty Kitchen	20,154,343	24,200,530	20,154,343	24,200,530
Sawmill - New Beira	20,049,028	13,649,364	20,049,028	13,649,364
Stock in Medical Stores	3,840,465	3,815,456	3,840,465	3,815,456
Inventry Material Overhead Value	(142,319)	(118,535)	(142,319)	(118,535)
Inventry receiving clearing accounts	64,500	39,555,682	64,500	39,555,682
Others	17,589,598	21,655,085	-	-
	5,496,409,783	5,259,282,461	5,478,820,185	5,237,627,376
Less : Provision for impairment of inventories	-	-	-	-
	5,496,409,783	5,259,282,461	5,478,820,185	5,237,627,376

In SLPA, provision to write-down has not been made for slow moving stocks as the inventories are usable.

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 34

13 Trade and Other Receivables

	Group		SLPA	
	2025	2024 Restate	2025	2024 Restate
Trade Receivable	7,010,120,831	5,219,901,491	7,010,120,831	5,219,901,491
Provision for Impairment	(427,943,553)	(532,688,694)	(427,943,553)	(532,688,694)
	6,582,177,279	4,687,212,797	6,582,177,279	4,687,212,797
Other Receivable				
Shipping Agents Dispute	54,273,773	21,438,624	54,273,773	21,438,624
Agent Revenue	1,637,539,098	2,108,652,458	1,637,539,098	2,108,652,458
Other Receivable (Note 13.1)	8,412,551,420	11,801,968,902	8,411,742,141	11,802,497,998
Income Tax Receivable (Note 13.3)	2,307,314,526	1,468,566,295	2,307,314,526	1,468,566,295
Other Tax Receivable	8,884,330	8,884,330	8,884,330	8,884,330
	12,420,563,147	15,409,510,610	12,419,753,868	15,410,039,706
Trade and Other Receivables	19,002,740,426	20,096,723,407	19,001,931,147	20,097,252,503

As at 31 December 2025, the Authority's trade receivables amounts to Rs.5,935,959,310.61 (2024:Rs 4,300,170,088) were past due but not impaired The age analysis of these trade receivables is as follows:

Ageing of Trade Receivable	Group		SLPA	
	2025	2024	2025	2024
Up to 6 Months	5,231,299,910	4,091,132,624	5,231,299,910	4,091,132,624
6 to 12 Months	704,659,400	209,037,464	704,659,400	209,037,464
	5,935,959,311	4,300,170,088	5,935,959,311	4,300,170,088

More than 12 months trade receivables have been reviewed for impairment. Certain trade receivables are found to be impaired and provision for impairment has been made on the basis as stated in note 2.8.The impaired trade receivables are mostly due from Government institutions and the shipping agents who are under litigation

The Details of Provision for Impairment of the Trade Receivables.	Group		SLPA	
	2025	2024 Restate	2025	2024 Restate
Trade Receivable				
Shipping Agents Under Litigation	89,582,916	117,567,150	89,582,916	117,567,150
Government Institutions	311,966,281	414,568,298	311,966,281	414,568,298
Total	26,253,381	553,245	26,253,381	553,245
	427,802,578	532,688,694	427,802,578	532,688,694

13.1 Other Receivable

		Restate		Restate
Royalty_SAGT	223,205,338	224,704,834	223,205,338	224,704,834
Royalty_CICT	459,720,105	2,491,478,920	459,720,105	2,491,478,920
Lease Rent-SAGT	87,855,729	81,545,182	87,855,729	81,545,182
Receivable Revenue HIPG	76,144,533	61,882,674	76,144,533	61,882,674
Receivables from the Ministry	305,158	305,158	305,158	305,158
Receivable revenue - Galle Face Green	6,735,226	2,928,579	6,735,226	2,928,579
Receivable From SACLHL	1,341,894,810	1,282,168,260	1,341,894,810	1,282,168,260
Supply of Fuel to Ministry	53,059,163	12,776,102	53,059,163	12,776,102
Meals & Tea Supplied to Outside Parties	5,112,271	3,932,146	5,112,271	3,932,146
Jaya Container Terminals Ltd	-	0	(832,279)	506,096
Electricity for SLPA Employees & outside parties	3,372,520	2,144,037	3,372,520	2,144,037
Reimbursement from SLMPCS Galle Face- Viewing Deck	2,481,318	4,300,952	2,481,318	4,300,952
Foreign Purchase Advance- Non Budget	448,139,064	870,983,157	448,139,064	870,983,157
Receivable from Treasury Operations -People's Bank Loan	-	329,238,237	-	329,238,237
Receivable from HIPS	9,865,600	6,800,775	9,865,600	6,800,775
Shares Receivable - SAGT (Note 13.2)	141,632,944	141,632,944	141,632,944	141,632,944
Other Receivables	(1,773,192)	(465,763)	(1,773,192)	(465,763)
Receivable from Sri lanka Gas Terminals	-	-	23,000	23,000
Receivable from Water Debtors	20,390,133	16,794,191	20,390,133	16,794,191
Receivable - CWIT Royalty	588,513,780		588,513,780	
Receivable Revenue - CWIT Lease Rent	4,736,215,062	6,096,365,351	4,736,215,062	6,096,365,351
	8,202,869,561	11,629,515,736	8,202,060,282	11,630,044,832
13.1.1				
Rent Debtors	212,010,281	164,210,606	212,010,281	164,210,606
Provision for Impairment	(136,232,580)	(133,509,436)	(136,232,580)	(133,509,436)
Electricity Debtors	177,051,029	172,052,156	177,051,029	172,052,156
Provision for Impairment	(43,146,870)	(30,300,160)	(43,146,870)	(30,300,160)
	209,681,858	172,453,166	209,681,858	172,453,166
Total	8,412,551,420	11,801,968,902	8,411,742,141	11,802,497,998

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 35

13.2 Share Receivable - SAGT

Share receivable from SAGT represents the balance receivable from South Asia Gateway Terminal Ltd (SAGT) arising from the difference between the mutual value of cranes given to SAGT and shares issued for in-kind contribution However, SAGT has resolved on 14 May 2010 that the SLPA will be entitled to be issued an additional "in kind" shares in SAGT to the extent of USD 2,424,285 equivalent to Rs 141,632,943.84 only in the event of further capital call for the phase 1 facilities No provision for impairment has been made for the receivable since, the Ministry of Finance and Planning has instructed the Authority to show the balance USD 2,424,285 equivalent to Rs.141,632,943.84 as share receivable from SAGT in the Financial Statements

13.3 Income Tax Receivable	Group		SLPA	
	2025	2024	2025	2024
Withholding Tax	1,551,980,061	713,231,830	1,551,980,061	713,231,830
Surcharge for Tax Receivable	755,334,465	755,334,465	755,334,465	755,334,465
	2,307,314,526	1,468,566,295	2,307,314,526	1,468,566,295

14 Deposits and Advances	Group		SLPA	
	2025	2024	2025	2024
Government Deposits	62,794,924	62,794,924	62,794,924	62,794,924
Corporation Deposits	98,492,263	98,481,075	98,492,263	98,481,075
Company Deposits	26,625,273	30,552,637	26,625,273	30,552,637
Advance to Suppliers	245,291,062	344,862,611	245,291,062	344,862,611
Advance to Contractors - Capital Expenditure	254,402,057	2,561,517,972	254,402,057	2,561,517,972
	687,605,579	3,098,209,219	687,605,579	3,098,209,219
Prepaid Expenses	348,674,930	378,492,249	321,117,761	352,149,952

15 Employee Loans				
Loan for Purchase of Vehicle	4,677,661	1,507,960	4,677,661	5,975,227
General Purpose Loan	211,445,382	32,706,189	191,134,410	205,552,740
Guarantor Recovery - transport & Multi purpose	1,349,489	74,460	1,349,489	1,075,260
Guarantor Recoveries -3 Months 10 Months	10,155,618	100,446	10,155,618	7,772,093
Employee advances & receivable	13,014,172		13,014,172	14,181,678
Ten Month (Short Term)	1,603,444,820	29,519,137	1,603,444,820	1,670,186,241
Three Month (Short Term)	5,012,515	85,140	5,012,515	4,529,754
	1,849,099,657	63,993,332	1,828,788,685	1,909,272,993
Fair value adjustment on employee loans	(321,981,420)	(8,070,011)	(321,981,420)	(8,070,011)
Employee Loan Adjusted	1,527,118,237	55,923,321	1,506,807,265	1,901,202,982
Prepaid employee benefit				
Total Loan outstanding	321,981,420	8,070,011	321,981,420	8,070,011
	1,849,099,657	63,993,332	1,828,788,685	1,909,272,993

Staff Loan Valuation -Disclosure Note 56

16 Other Financial Assets	Group		SLPA	
	2025	2024	2025	2024
16 Other Financial Asset (Investments more than 3 months)				
Fixed Deposits - Local	5,185,017,008	4,485,964,414	4,367,204,391	3,888,005,201
Fixed Deposits - Foreign	86,574,405,419	37,131,312,766	86,574,405,419	37,131,312,766
Savings	660,000	697,987	660,000	697,987
Repo	-	875,404,555	-	875,404,555
Total	91,760,082,428	42,493,379,723	90,942,269,811	41,895,420,510
	91,760,082,428	42,493,379,723	90,942,269,811	41,895,420,510

Fixed deposit placed in National Saving Bank represents the fines collected from employees who are charged for misconduct. The deposit is maintained seperately as required by No 51 Sri Lanka Ports Authority Act, for rewarding employees

17 Cash and Cash Equivalents	Group		SLPA	
	2025	2024	2025	2024
Favourable Balances				
Cash and Bank Balances - LKR	1,184,372,604	604,410,204	1,184,352,852	604,392,809
Bank Balances - Foreign Currency	1,530,498,063	990,045,233	1,530,498,063	990,045,233
Call Deposit	30,573,033	24,837,650	30,573,033	24,837,650
Repo Investment	2,131,276,202	1,682,699,481	2,131,276,202	1,682,699,481
Fixed deposit Less than 3 Months- Foreign	-	38,328,864,625	-	38,328,864,625
Fixed deposit Less than 3 Months- Local	2,632,695,032	1,620,661,596	2,553,998,981	1,469,120,438
Savings	41,019,365	69,480,692	-	-
Cash & Cash Equivalents for the Purpose of Cash Flow Statement	7,550,434,299	43,320,999,482	7,430,699,131	43,099,960,237
	7,550,434,299	43,320,999,482	7,430,699,131	43,099,960,237

Cash and short term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits and money market investments with a maturity of three months or less

Above short term fixed deposits are kept for the funding Mega Projects such as ECT (ECT equipments & ECT Civil works), straddle carriers, transfer crane, ECT (TMS) & Gratuity Commitments.

18 Capital Employed

Capital represents all movable and immovable properties including money in the funds and all debts, liabilities and obligations in connection with or appertaining to such properties transferred and vested to Sri Lanka Ports Authority from Colombo Port commission, Port Cargo Corporation and Port Tally and Protective Services Corporation

19 Capital Reserve

This represents the value of the capital assets transferred from Lanka Marine Services Ltd and other institutions

20 Other Reserves	Group		SLPA	
Other Reserves	2025	2024	2025	2024
	1,125,903	1,125,903	1,125,903	1,125,903

21 Deferred Income				
Upfront Fee Paid by CICT (21.1)	2,124,119,998	2,227,654,284	2,124,119,998	2,227,654,284
Lump Sum Premium_Laughs Terminal Ltd (21.2)	9,609,472	10,267,680	9,609,472	10,267,680
Lump Sum Premium_Distilleries Company of Sri Lanka PLC(21.3)	219,770,959	230,070,959	219,770,959	230,070,959
Lump Sum Premium_Tokyo Cement Co Ltd (21.4)	699,905,514	731,532,355	699,905,514	731,532,355
Lease Hold Rights_HIPS (21.5)	66,493,008,904	67,224,207,634	66,493,008,904	67,224,207,634
Lease Hold Rights_HIPG (21.6)	89,281,854,066	90,263,653,196	89,281,854,066	90,263,653,196
Lump Sum Premium_ NFCPPS (21.7)	155,726,301	162,626,301	155,726,301	162,626,301
Upfront Fee Paid by CWIT (21.8)	6,497,811,147	6,706,049,675	6,497,811,147	6,706,049,675
Lease Hold Rights_SACLHL (21.9)	-	4,477,738,759	-	4,477,738,759
	165,481,806,362	172,033,800,843	165,481,806,362	172,033,800,843

21.1 Upfront Fee Paid by CICT				
Balance at 01 January	2,227,654,284	2,331,188,570	2,227,654,284	2,331,188,570
Amortized During the year	(103,534,286)	(103,534,286)	(103,534,286)	(103,534,286)
Balance at 31 December	2,124,119,998	2,227,654,284	2,124,119,998	2,227,654,284

As per the Royalty agreement between SLPA and CICT a Lump sum premium of US$ 15 million has been received in the year 2012 and US$ 10 million has been received in the year 2016.This lump sum premium is amortized over 35 years

21.2 Lump Sum Premium_Laughs Terminal Ltd				
Balance at 01 January	10,267,680	10,925,887	10,267,680	10,925,887
Amortized During the year	(658,207)	(658,207)	(658,207)	(658,207)
Balance at 31 December	9,609,472	10,267,680	9,609,472	10,267,680

Lump Sum payment Rs.16,455,184.23 received from M/S Laughs Terminals Ltd for the leased out property (A land called Lewaya Egodaha ,part of reclaimed area by SLPA Hambanthota situated at Kolonna Village in Hambanthota)for the period of 25 years from 07.08.2015 to 06.08.2040

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 36

(Expressed in Sri Lankan Rupees)

	Group		SLPA	
	2025	2024	2025	2024
21.3 Lump Sum Premium_Distilleries Company of Sri Lanka PLC				
Balance at 01 January	230,070,959	240,370,959	230,070,959	240,370,959
Amortized During the year	(10,300,000)	(10,300,000)	(10,300,000)	(10,300,000)
Balance at 31 December	219,770,959	230,070,959	219,770,959	230,070,959

Lump Sum payment Rs 309,000,000 received from M/S Distilleries Company Sri Lanka PLC for the leased out property (PVQ Repository Warehouse at Colombo Port) for the period of 30 years from 04.05.2017 to 03.05.2047

21.4 Lump Sum Premium_Tokyo Cement Co.Ltd				
Balance at 01 January	731,532,355	763,159,195	731,532,355	763,159,195
Amortized During the year	(31,626,840)	(31,626,840)	(31,626,840)	(31,626,840)
Balance at 31 December	699,905,514	731,532,355	699,905,514	731,532,355

Lump Sum payment Rs 370,000,000 received from M/S Tokyo Cement (Lanka) PLC for the leased out property (No.01 warehouse of Prince Vijaya Quay in Colombo Port) for the period of 30 years from 14.12.2017 to 14.12.2047

21.5. Lease Hold Rights_HIPS				
Balance at 01 January	67,224,207,634	67,955,406,365	67,224,207,634	67,955,406,365
Amortized during the year	(731,198,730)	(731,198,730)	(731,198,730)	(731,198,730)
Balance at 31 December	66,493,008,904	67,224,207,634	66,493,008,904	67,224,207,634
21.6. Lease Hold Rights_HIPG				
Balance at 01 January	90,263,653,196	91,245,452,327	90,263,653,196	91,245,452,327
Amortized during the year	(981,799,130)	(981,799,130)	(981,799,130)	(981,799,130)
Balance at 31 December	89,281,854,066	90,263,653,196	89,281,854,066	90,263,653,196

As per the Concession Agreement lease out the Hambanthota Port and all immovable assets transferred for 99 years operating lease and lease hold right also amortized over 99 years.

21.7 Lum Sum Premium NFCL Penna Port Storage				
Balance at 01 January	162,626,301	169,526,301	162,626,301	169,526,301
Amortized during the year	(6,900,000)	(6,900,000)	(6,900,000)	(6,900,000)
Balance at 31 December	155,726,301	162,626,301	155,726,301	162,626,301
21.8 Up front fee paid by CWIT				
Balance at 01 January	6,706,049,675	3,837,857,143	6,706,049,675	3,837,857,143
Received during the year	-	3,053,300,000	-	3,053,300,000
Amortized During the year	(208,238,528)	(185,107,468)	(208,238,528)	(185,107,468)
Balance at 31 December	6,497,811,147	6,706,049,675	6,497,811,147	6,706,049,675

Lump sum premium of USD 15 Mn. received from CWIT in 2022 and USD 10 mn was received during the year These lump sum premiums were amortized over 35 & 33 years respectively

21.9. Lump sum premium_SACLHL				
Balance at 01 January	4,477,738,759	4,569,976,359	4,477,738,759	-
Transferred to payable a/c	(4,477,738,759)	(92,237,600)	(4,477,738,759)	(92,237,600)
Balance at 31 December	-	4,477,738,759	-	4,477,738,759
Total	165,481,806,362	172,033,800,843	165,481,806,362	172,033,800,843

Lump sum premium of USD 14 Mn received from South Asia Commercial & Logistic Hub Limited in 2023,but in year 2025 onward SACHL is under liquidation . As a result of that lump sum premium transferred to payable account

22 Loan Redemption Reserve

Loan Redemption Reserve has been created according to Finance Act Section 10(d) which requires the Authority to transfer to this reserve, when there is cumulative retained earnings

23 Revaluation Reserve

The revaluation reserve relates to the revaluation surplus of property, plant and equipment, once the respective revalued assets have been disposed, portion of revalued surplus is transferred to retained earnings

24 Borrowings - Government of Sri Lanka

	Group / SLPA	
	2025	2024
Carrying Amount at Amortized Cost		
24.1 Settlement Fall Due More than One Year		
Colombo Port Development Project		
KKS Loan	1,423,360,617	1,731,726,553
Colombo Port Expansion - (South Harbor)	284,078,329	268,857,395
Galle Port Development Project	45,651,168,249	48,864,696,874
	451,439,888	469,623,722
	47,810,047,083	51,334,904,544
24.2 Settlement Fall Due Within One Year		
Colombo Port Development Project		
KKS Loan	421,863,858	401,929,859
Colombo Port Expansion - (Southern Harbor)	6,439,419	2,029,920
Galle Port Development Project	6,997,579,952	6,342,282,775
	45,817,438	43,387,851
	7,471,700,667	6,789,630,405
	55,281,747,750	58,124,534,949

The above borrowings were provided by the Government of Sri Lanka for ports expansion projects and development projects under subsidiary loan agreement. The loan granted to Colombo Port Expansion, carries floating rate of interest and others are at fixed rates of interest.

The carrying amounts of the borrowings are denominated in the following currencies:

	Group / SLPA	
Japan Yen loans in sri Lankan Rupee Terms	2,342,481,801	2,646,667,985
United States Dollars in sri Lankan Rupee Terms	52,939,265,950	55,477,866,964
	55,281,747,750	58,124,534,949
24.3 Movement of the Loans		
Balance at 01 January	58,124,534,949	71,100,924,917
Capital Paid During the Year	(5,671,581,434)	(5,820,931,324)
Accrued interest paid for prior year	(1,237,354,419)	(1,592,833,405)
Exchange (Gain) / Loss on Translation	3,027,298,610	(6,800,000,994)
Accrued interest under Short Term	1,038,850,044	1,237,375,755
Balance at 31 December	55,281,747,750	58,124,534,949

25 Borrowings - Financial Institutions

	Group		SLPA	
	2025	2024	2025	2024
Carrying Amount at Amortized Cost				
25.1 Settlement Fall Due More than One Year				
Peoples Bank - Construction of Soonyawewa Stadium	-	2,140,048,561	-	2,140,048,561
	-	2,140,048,561	-	2,140,048,561
25.2 Settlement Fall Due Within One Year				
Peoples Bank-Construction of Soonyawewa Stadium	-	329,238,237	-	329,238,237
	-	329,238,237	-	329,238,237
	-	2,469,286,798	-	2,469,286,798

Terms and conditions of borrowing facilities are in page 50.

Notes to the Financial Statements continued on page 37

	Group		SLPA	
	2025	2024	2025	2024
The carrying amounts of the borrowings are denominated in the following currency.				
Sri Lankan Rupees	-	2,469,286,798	-	2,469,286,798
	-	2,469,286,798	-	2,469,286,798

	Group		SLPA	
	2025	2024	2025	2024
25.3 Movement of the Loans				
Balance at 01 January	2,469,286,797	2,883,723,645	2,469,286,798	2,798,525,036
Paid During the Year	(2,469,286,797)	(414,436,848)	(2,469,286,798)	(329,238,238)
Balance at 31 December	-	2,469,286,797	-	2,469,286,798

25.4 Finance Lease Obligation

	Group		SLPA	
	2025	2024	2025	2024
Balance as at 01 January	9,578,902	23,264,611	9,578,902	20,034,835
Repayments	(9,578,902)	(10,455,933)	(9,578,902)	(10,455,933)
At the End of the Year	(0.00)	12,808,678	(0.00)	9,578,902
Finance Charge Unamortised		-		-
Net Lease Obligation as at 31 December	-	9,578,902	-	9,578,902

25.4.1 Maturity Analysis of Finance Lease Obligation

	2025	2024	2025	2024
Finance Lease Obligations repayable within 1 Year from year- end				
Differed Finance Cost				
Net Lease Obligations	-	9,578,902	-	9,578,902
	-	9,578,902	-	9,578,902

26 Government Grants

Balance at 01 January	29,353,136,954	29,604,412,203	29,353,136,954	29,604,412,203
Grants Received During the Year	227,924,000	212,829,868	227,924,000	212,829,868
Amortization of Government Grants	(538,483,801)	(464,105,117)	(538,483,801)	(464,105,117)
Balance at 31 December (Note 26.1)	29,042,577,152	29,353,136,954	29,042,577,152	29,353,136,954
26.1 The Carrying Values				
Mega Port Project	89,851,183	89,851,183	89,851,183	89,851,183
Kankasanturai Break Water Project	7,944,197	8,182,847	7,944,197	8,182,847
Oluvil Port Development Project	11,254,644	11,920,977	11,254,644	11,920,977
Colombo Port Expansion Project	1,267,513,012	1,294,481,374	1,267,513,012	1,294,481,374
Renovation project of UCT Terminal	324,266,667	329,600,000	324,266,667	329,600,000
Hambantota Bunkering & Tank Farm	1,572,235	1,660,398	1,572,235	1,660,398
Hambantota port development project	53,294,000	58,138,909	53,294,000	58,138,909
Crown Land for Hambantota Port Project-HIPS	4,093,595,732	4,138,611,472	4,093,595,732	4,138,611,472
Crown Land for Hambantota Port Project-HIPG	20,443,486,701	20,668,296,072	20,443,486,701	20,668,296,072
Galle Yatch Marina Development	2,699,336	2,772,291	2,699,336	2,772,291
Renovation of Ligh House (Round Island/Faul Point)	57,939,967	1,585,021,193	57,939,967	1,585,021,193
Grant received from IOM	7,041,262	1,092,675,165	7,041,262	1,092,675,165
Work shop complex	1,552,643,046	64,643,006	1,552,643,046	64,643,006
Night Navigation	981,555,657	7,282,068	981,555,657	7,282,068
Ambulance received as Grant	11,700,000		11,700,000	
Korean Institute for Navigation	136,219,515		136,219,515	
	29,042,577,152	29,353,136,954	29,042,577,152	29,353,136,954

The above grants received from the Government of Sri Lanka and International Government Agencies for the development of ports and other constructions The amounts spent have been capitalised either work-in-progress or under the relevant class of property, plant and equipment respectively.

The corresponding grant is being amortised over the useful life of the related assets.

Balance amount of the grant received for Mega Port Project have been utilised to carry out Maintenance Expenses of Mega Port Project since the useful life of the related asset is over by 2015.
Estimated Value for the Crown Land is obtained based on the valuation Department letter which will be adjusted after receiving correct values from department of Valuation.

27 Deferred Tax Liabilities

	Group		SLPA	
	2025	2024	2025	2024
Balance at 01 January	22,245,069,216	21,526,527,865	22,242,461,972	21,521,054,244
Recognised in Profit or Loss	(48,041,937)	718,541,351	(48,876,116)	721,407,727
Balance at 31 December	22,197,027,280	22,245,069,216	22,193,585,856	22,242,461,972
27.1 The Analysis of Deferred Tax Assets and Liabilities				
Deferred Tax Assets				
Provision for Gratuity	(11,048,346,107)	(11,072,941,262)	(11,013,357,029.94)	(11,041,842,169)
From Accounting Provisions	(15,618,542,522)	(8,304,679,892)	(15,618,542,522.25)	(8,304,679,892)
	(26,666,888,629)	(19,377,621,154)	(26,631,899,552)	(19,346,522,061)
Deferred Tax Liability				
From Accelerating Depreciation	92,094,207,861	88,972,245,918	92,047,747,363.54	88,932,456,009.93
Gain on Realization of Investment Properties	8,562,771,710	4,555,605,957	8,562,771,710.15	4,555,605,957.20
	100,656,979,571	93,527,851,875	100,610,519,074	93,488,061,967
Net Deferred Tax Liability	73,990,090,941	74,150,230,722	73,978,619,521	74,141,539,907
Tax Rate @ 30%	22,197,027,280	22,245,069,216	22,193,585,856	22,242,461,971.69
Reversal of deffered tax charge on revalustion	-	-	-	-
Closing Balance	22,197,027,280	22,245,069,216	22,193,585,856	22,242,461,972

Provision has been made on other sources of income using the current applicable tax rate at 30%
Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 38

FOR THE YEAR ENDED 31 DECEMBER 2025

(Expressed in Sri Lankan Rupees)

		Group		SLPA	
		2025	2024	2025	2024
28 Retirement Benefits Obligation					
Balance at 01 January		11,072,941,262	9,163,118,739	11,041,842,169	9,143,102,861
Expense Recognised in the Statement of Comprehensive Income	(Note 28.1)	1,717,236,815	1,716,508,136	1,711,270,858	1,711,622,526
Benefit Paid During the Year		(1,053,375,667)	(1,066,963,071)	(1,051,572,997)	(1,066,472,996)
Actuarial (Gain) / Loss on Obligation	(Note 28.2)	(688,456,303)	1,260,277,458	(688,183,000)	1,253,589,778
Balance at 31 December		11,048,346,107	11,072,941,262	11,013,357,030	11,041,842,169
28.1 Expense Recognised in the statement of Comprehensive Income					
Interest Cost		1,218,023,540	1,191,005,277	1,214,602,640	1,188,603,372
Current Service Cost		499,213,275	525,502,859	496,668,218	523,019,154
		1,717,236,815	1,716,508,136	1,711,270,858	1,711,622,526
28.2 Expense Recognised in the statement of Other Comprehensive Income					
Actuarial (Gain) / Loss on Obligation		(688,456,303)	1,260,277,458	(688,183,000)	1,253,589,778

These assumptions are developed by independent actuarial consultant is based on the management's best estimates of variables used to measure the retirement benefits obligation

The principal actuarial assumptions used are as follows
For group, assumptions are expressed as range

Discount rate [%] per annum	10.5%	11%
Future Salary Increases - Salary [%] per annum	10%	10%
- Allowances [%] per annum	10%	10%
Staff Turnover Factor - Up to age 54 Yrs. [%] per annum	1%-3%	1%-3%
- after 54 Yrs. per annum	-	-
Retirement age [Yrs.]	60	60

Discount rate is determined by examining the market rates of interest on Long-term corporate bonds/ government bond and the anticipated long-term rate of inflation. Other assumptions such as mortality, staff turnover, disability and promotion are used by the actuarial consultants are based on management's historical experience

Sensitivity Analysis of Present Value of Defined Benefit Obligation (All Port)	+ 1%	- 1%
	(Rs.)	(Rs.)
A One Percentage Point Change in the discount rate	10,332,515,738	11,779,136,390
A One Percentage Point change in the salary/wage Escalation Rates	11,776,995,573	10,322,415,694

Distribution of Present Value of Defined Benefit Obligation In Future Years (All Port)

(Maturity Profile of Defined Benefit Obligation)-Present Value of Expected Benefit Payments

	31.12.2025
	(Rs)
Less than one year	996,745,756
Between 1-2 years	2,053,835,450
Between 3-5 years	2,497,370,438
Between 6-10 years	3,226,071,551
Beyond 10 years	2,239,333,835
	11,013,357,030

Weighted Average Duration of Defined Benefit Obligation (Years) 7.20

Asset Liability Matching (Gratuity Benefit Obligations) - Disclosure Note 63

	Group		SLPA	
	2025	2024	2025	2024
29 Supply of Goods and services and other creditors				
Supply of Goods & Service Creditors	374,223,645	592,504,555	374,223,645	592,504,555
Other Creditors	7,720,741.32	7,715,682	7,058,659	7,331,383
Jaya Container Terminals Limited	(0.00)	-	67,965,914	67,721,408
Payable to Consolidated Fund	607,310,383.00	607,310,383	607,310,383	607,310,383
Shipping Agents - Credit Balance	1,773,553,946.20	1,529,375,964	1,773,553,946	1,529,375,964
Compensation Payments	385,670,000.00	385,670,000	385,670,000	385,670,000
Salary Abatements	241,100,797.84	488,203,073	241,100,798	488,203,073
Unclaimed Wages	16,634,869.42	14,961,244	16,634,869	14,961,244
Payable to SACLHL	8,159,580,000.00	372,035,816	8,159,580,000	372,035,816
	11,565,794,383	3,997,776,717	11,633,098,215	4,065,113,827
30 Deposits and Advances Received				
Deposits - Shipping Agents				
Deposit for Landing & Delivery	400,844,775	378,955,068	400,844,775	378,955,068
Bonding Deposits	13,885,936	16,258,191	13,885,936	16,258,191
Shipping Agents Advance	8,530,746	6,480,055	8,530,746	6,480,055
Deposit from customers	912,535,848	982,216,916	912,535,848	982,216,916
Employers Fidelity Deposits	13,582,811	13,433,337	13,582,811	13,433,337
Rent Deposit	2,541,026	1,584,332	2,541,026	1,584,332
Trading deposits	311,104,614	313,499,020	311,104,614	313,499,020
Contractor deposits	3,320,881,811	6,608,790,695	3,320,881,811	6,608,790,695
Special Deposits	2,315,508,352	2,426,306,217	2,315,508,352	2,426,306,217
Miscellaneous Deposits	2,440,177	4,842,695	2,543,777	4,946,295
	122,807,728	122,805,322	76,410,906	76,408,500
	7,424,663,823	10,875,171,847	7,378,370,691	10,828,878,625
31 Current Tax Payable				
Summary of current tax payable is as follow:				
Corporate Tax(Note 31.1)	10,526,812,552	6,460,979,438	10,493,270,050	6,425,468,087
Value Added Tax 18%	(8,016,530,736)	(10,276,392,378)	(8,025,050,615)	(10,285,942,791)
Payable to IRD- SACLH	61,099,357	1,282,168,260	61,099,357	1,282,168,260
Social Security Contribution Levy	45,263,441	40,607,505	45,263,441	40,607,505
Withholding Tax (Payments)	25,694,823	42,314,305	25,694,823	42,314,305
Ports and Airport Development Levy	6,058,452	6,058,452	6,058,452	6,058,452
Payable to IRD- WHT -CICT	-	115,453,800	-	115,453,800
	2,648,397,889	(2,328,810,617)	2,606,335,509	(2,373,872,381)
31.1 Corporate Tax				
Balance at 01 January	6,460,979,437	4,389,654,395	6,425,468,087	4,329,163,510
Charge for the Period	12,667,000,484	8,097,060,022	12,608,492,967	7,989,651,588
Adjustments on Under / (Over) Provision	1,703,408,975	(892,100,614)	1,703,408,975	(892,100,614)
Tax paid for 2023/2024	-	(2,295,121,144)	-	(2,295,121,144)
Tax paid for 2024/2025	(7,476,126,597)	(1,564,183,502)	(7,415,650,231)	(1,564,183,502)
Tax paid for 2025/2026	(2,115,217,918)		(2,115,217,918)	
Tax credit	(713,231,830)	(1,274,329,719)	(713,231,830)	(1,141,941,751)
Balance at 31 December	10,526,812,552	6,460,979,437	10,493,270,050	6,425,468,087
32 Provisions and Accrued Expenses		Restate		Restate
Provision for Volume Rebate	6,261,606,538	2,161,963,071	6,261,606,538	2,161,963,071
Accrued Expenditure	1,361,449,660	1,084,492,495	1,339,652,089	1,063,981,434
Provision for Claims (Note 49)	8,674,612,880	5,371,218,430	8,674,612,880	5,371,218,430
Provision for Expenses	1,584,330,310	1,232,407,329	1,584,330,310	1,232,407,329
	17,881,999,389	9,850,081,325	17,860,201,818	9,829,570,264
32.1 Provision for Claims				
Balance at 01 January	5,371,218,430	5,308,426,712	5,371,218,430	5,308,426,712
During the year provision	3,338,804,007	75,389,022	3,338,804,007	75,389,022
During the year paid/reverse dismiss during the year	(35,409,557)	(12,597,303)	(35,409,557)	(12,597,303)
Balance at 31 December	8,674,612,880	5,371,218,430	8,674,612,880	5,371,218,430
32.2 Payable to General Treasury	39,146	39,146	-	-

Payable to the General Treasury: Rs. 39,146 from Lanka Gas Terminal for its formation expenses.

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 39

33 Operating Revenue

	Group		SLPA	
	2025	2024	2025	2024
Navigation (Note:33.1)	22,079,253,812	20,476,730,046	22,079,253,812	20,476,730,046
Stevedoring (Note: 33.2)	35,973,405,903	33,900,882,212	35,973,405,903	33,900,882,212
Wharf Handling	10,097,628,134	9,098,243,536	10,097,628,134	9,098,243,536
Port Facilities (Note: 33.3)	9,906,115,501	7,951,420,099	9,906,115,501	7,951,420,099
Other Service ((Note: 33.4)	3,470,217,116	3,558,101,310	3,470,217,116	3,558,101,310
	81,526,620,466	74,985,377,202	81,526,620,466	74,985,377,202
Foreign Exchange Gain/(Loss)	241,869,845	(417,985,320)	241,869,845	(417,985,320)
Net Operational Revenue	81,768,490,312	74,567,391,882	81,768,490,312	74,567,391,882
(Note:33.1)				
Navigation	22,312,103,854	20,577,037,126	22,312,103,854	20,577,037,126
Less: Rebate on Navigational Charges	(232,850,042)	(100,307,080)	(232,850,042)	(100,307,080)
	22,079,253,812	20,476,730,046	22,079,253,812	20,476,730,046
(Note: 33.2)				
Stevedoring	42,254,209,959	40,957,956,315	42,254,209,959	40,957,956,315
Less : Rebate on Stevedoring Charges	(6,280,804,056)	(7,057,074,104)	(6,280,804,056)	(7,057,074,104)
	35,973,405,903	33,900,882,212	35,973,405,903	33,900,882,212
(Note: 33.3)				
Port Facilities	12,032,097,991	11,467,500,619	12,032,097,991	11,467,500,619
Less: Rebate on Storage	(2,125,982,490)	(3,516,080,520)	(2,125,982,490)	(3,516,080,520)
	9,906,115,501	7,951,420,099	9,906,115,501	7,951,420,099
(Note: 33.4)				
Other Service Operations	4,140,113,899	4,555,153,920	4,140,113,899	4,555,153,920
Less : Volume Rebate_Inter Terminal Trucking	(669,896,783)	(997,052,611)	(669,896,783)	(997,052,611)
	3,470,217,116	3,558,101,310	3,470,217,116	3,558,101,310

Rebate on stevedoring charges include: Volume rebates on transshipment containers, Volume rebates on domestic containers, rebates on Transshipment Containers (ECI ,2% etc.) Rebates on Domestic Containers 2%,Rebate on Conventional Cargo (15%,20% & Etc.) and charge on carrier rebate.

The revenue earned from USD term for year 2024 is USD 240,484,205.09 and 2025 is USD 285,972,615.91

34 Direct Expenses

	Group		SLPA	
Operational Expenses	2025	2024	2025	2024
Salaries wages & Allowances	8,504,345,709	9,020,877,169	8,309,296,634	8,821,904,983.04
Overtime	3,266,205,964	3,330,100,827	3,266,205,964	3,330,100,827
Traveling Subsistence & Fuel Allowance	4,070,900	3,271,196	4,070,900	3,271,196
Fuel Electricity & Other Expenses	4,208,223,434	5,297,792,692	4,165,715,849	5,235,368,546
Cost of Water	72,119,825	74,065,335	71,285,181	73,309,621
External Hire Chargers / Contracts	4,417,435,073	5,417,045,306	4,417,435,073	5,417,045,306
Contract works for Rep. & Main.	162,556,777	153,302,139	162,556,777	153,302,139
Insurance & License	15,111,368	21,270,591	15,111,368	21,270,591
Material Issued for Operational activities	735,462	46,961	735,462	46,961
Depreciation	6,541,580,073	3,721,355,869	6,530,750,518	3,713,149,676
	27,192,384,585	27,039,128,085	26,943,163,726	26,768,769,846
Repair and Maintenances Expenses				
Salaries Wages & Allowances	4,609,731,273	4,899,499,970	4,609,731,273	4,899,499,970.39
Overtime	2,568,354,433	2,577,279,447	2,568,354,433	2,577,279,447
Travelling, Subsistence & Fuel Allowances	2,252,956	5,384,694	2,252,956	5,384,694
Fuel Electricity & Other Expenses	161,797,220	140,198,313	161,797,220	140,198,313
External Hire Charges/ Contracts	445,250	445,035	445,250	445,035
Contract works for Rep. & Main.	26,920,650	4,724,938	26,920,650	4,724,938
Insurance & License	5,682,915	17,310,874	5,682,915	17,310,874
Material Issued for Operational Activities	2,364,307,847	2,032,635,223	2,364,307,847	2,032,635,223
Depreciation	50,012,610	41,335,126	50,012,610	41,335,126
	9,789,505,154	9,718,813,620	9,789,505,154	9,718,813,620
	36,981,889,740	36,757,941,704	36,732,668,881	36,487,583,466

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 40

(Expressed in Sri Lankan Rupees)

FOR THE YEAR ENDED 31 DECEMBER 2025	Group 2025	Group 2024 Restate	SLPA 2025	SLPA 2024 Restate
35 Other Revenue				
Other Services - Non Operational				
Hire of Equip. & Floating Craft other than Cargo Handling	4,717,692	6,539,439	4,717,692	6,539,439
Supply of Water for Local Consumption	736,294	648,537	736,294	648,537
Supply of Electricity for Local Consumption	93,398,176	141,516,658	93,398,176	141,516,658
Telephone Calls and Medical Facilities	25,542	18,172	25,542	18,172
Training Fees	14,257,295	12,096,486	14,257,295	12,096,486
Special Jobs done for Outside Parties	949,865	668,879	949,865	668,879
Income from Specialized Activities	17,987,725	11,625,895	17,987,725	11,625,895
Fuel issued (Outside Parties)	213,456,390	211,041,648	213,456,390	211,041,648
	345,528,978	384,155,713	345,528,978	384,155,713
Port Estate				
Lease out Lands	5,826,289,610	5,857,336,488	5,826,289,610	5,857,336,488
Royalty	8,483,681,783	7,665,659,713	8,483,681,783	7,665,659,713
Rent on Housing Scheme	49,776,769	40,674,790	49,776,769	40,674,790
Revenue from Circuit Bungalows	2,334,223	1,792,956	2,334,223	1,792,956
Rent / Lease out Buildings / Warehouses	115,867,735	105,368,809	115,867,735	105,368,809
Miscellaneous	40,099,978	1,564,003	40,099,978	1,564,003
Debit note issued by Ledger & Credit Control	1,614,346	326,996	1,614,346	326,996
Auditorium & Class room Hiring Charges	382,400	384,322	382,400	384,322
Interest from deferred lease rent of CWIT	214,496,337	307,023,948	214,496,337	307,023,948
Rent Lease out Sea Area	12,041,305	7,446,946	12,041,305	7,446,946
	14,746,584,486	13,987,578,972	14,746,584,486	13,987,578,972
Miscellaneous				
Dividend Received	7,966,969,873	3,481,095,860	7,998,005,300	3,502,427,759
Penalty and Surcharge on L & D Bills/ Stevedore Billing	169,825,756	213,521,096	169,825,756	213,521,096
Surcharge on Overdue Bills	4,277,294	5,117,040	4,277,294	5,117,040
Tender Sales Revenue	15,877,953	165,509,594	15,877,953	165,509,594
Surcharges on Employees	20,780	67,850	20,780	67,850
Charges on Dishonored Bond Items & Debtors Balances	20,254,773	12,025,820	20,254,773	12,025,820
Fines & Insurance Commission	6,974	7,438	6,974	7,438
	8,177,233,403	3,877,344,698	8,208,268,830	3,898,676,597
Central Division				
Port Entry Permits & Temporary Port Permit Charges	342,627,710	295,432,149	342,627,710	295,432,149
Annual Vehicle Permits & Casual Vehicle Permits	175,090,255	163,516,665	175,090,255	163,516,665
Fees on Chandler's License & Survey Fees	66,894,848	63,995,351	66,894,848	63,995,351
Licensing of Wharf Clearing Agencies in Three Ports	73,665,386	91,316,859	73,665,386	91,316,859
Licensing of Harbour Craft	3,254,039	2,673,201	3,254,039	2,673,201
Profit on Disposals of Fixed Assets	1,821,500	184,534,330	1,821,500	184,534,330
Proceeds on Hire of Welfare Buses	16,465,847	16,921,998	16,465,847	16,921,998
Miscellaneous	783,533,858	120,580,984	783,323,756	120,424,272
Sale of Books & Publications	24,265	31,160	24,265	31,160
Compensation Receipts	7,350,966	4,353,305	7,350,966	4,353,305
Grant Income	538,483,801	464,105,117	538,483,801	464,105,117
Revenue from Colombo Oil Bank	1,305,939,949	1,308,855,709	1,305,939,949	1,308,855,709
Upfront Fee Paid by CICT	103,534,286	103,534,286	103,534,286	103,534,286
Admission/Monthly/Term Fees for SLPA creche	592,500	529,000	592,500	529,000
Lump Sum Premium - Laughs Terminal Ltd	658,207	658,207	658,207	658,207
Lump Sum Premium - Distilleries Company of Sri Lanka	10,300,000	10,300,000	10,300,000	10,300,000
Lump Sum Premium - Tokiyo Cement Company (Lanka)PLC	31,626,840	31,626,840	31,626,840	31,626,840
Lum Sum Premium - NFCL Penna Port Storage	6,900,000	6,900,000	6,900,000	6,900,000
Amortization of Lease hold rights - HIPS & HIPG	1,712,997,860	1,712,997,860	1,712,997,860	1,712,997,860
Inc.Received from Restaurant for Exe. Officers	309,260	337,260	309,260	337,260
Upfront Fees paid by CWIT	208,238,528	185,107,468	208,238,528	185,107,468
Galle Face Green	13,074,552	5,036,966	13,074,552	5,036,966
Revenue from Media Coverage	429,472		429,472	
	5,403,813,930	4,773,344,716	5,403,603,828	4,773,188,004
	28,673,160,796	23,022,424,099	28,703,986,121	23,043,599,287

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 41

(Expressed in Sri Lankan Rupees)

FOR THE YEAR ENDED 31 DECEMBER 2025	2025	2024 Restate	2025	SLPA 2024 Restate
36 Administrative Expenses				
Salaries Wages & Allowances	8,990,483,726	8,995,370,661	8,941,396,457	8,945,337,512
Overtime	1,988,887,890	2,109,729,194	1,988,887,890	2,109,729,194
Traveling Subsistence & Fuel Allowance	29,103,274	33,981,656	29,103,274	33,981,656
Fuel / Electricity & Other Expenses	690,473,751	758,857,650	678,367,375	746,561,029
Cost of Water	272,951,812	256,116,357	271,409,815	254,381,453
External Hire Chargers / Contracts	135,290,400	118,270,951	133,084,927	116,246,887
Contract Works for Rep. & Main	785,922,534	692,798,224	785,922,534	692,798,224
Communication Expenses	44,407,737	49,314,852	44,407,737	49,314,852
Rent on Premises / Rates & Taxes	55,980,993	59,432,474	55,980,993	59,432,474
Insurance & License Fees / Legal Fees	22,889,062	44,998,473	20,292,875	42,051,463
Office Requisites / Security Charges	78,987,872	112,805,773	63,918,142	94,780,807
Training Expenses	130,537,085	70,962,690	96,974,903	47,019,856
Welfare Expenses	880,158,206	572,374,165	864,617,603	556,053,654
Publicity & Public Relations	20,415,450	33,610,353	20,415,450	33,610,353
Sundry Expenses	137,407,296	140,096,322	136,291,554	138,934,236
Research & Development	23,640,411	20,427,346	23,640,411	20,427,346
Provision for Claims	3,303,394,450	71,186,436	3,303,394,450	71,186,436
Depreciation	254,862,271	307,946,301	246,459,842	298,393,021
Amortization of Lease Hold Asset	11,332,228	11,332,228	11,332,228	11,332,228
Amortization of Intangible Assets	83,850,695	191,281,139	83,620,155	191,095,182
Business Promotion / Other Charges	44,796,298	11,627,185	44,067,563	10,774,185
Bad & Doubtful Debt	17,438,539	(77,844,468)	17,426,858	(77,852,705)
Expenses on VAT	208,694,875	202,944,649	208,694,875	202,944,649
Stamp Duty	50,410	603,361	50,110	602,961
Social Security Contribution Levy Expenditure	42,553,632	53,211,334	29,098,612	35,214,569
Audit Fees	5,204,579	4,785,620	4,488,579	4,123,620
Gain/Loss on the disposal of a Revalued Assets	-	-	-	-
Corporate Social Responsibility Projects	472,954	6,650,483	472,954	6,650,483
Admin & Infrastructure Fees paid to JCT Ltd	-	-	538,200,787	719,870,640
Non Inventory Expense Account	2,078,344	28,393,266	2,078,344	28,393,266
Invoice Price Variance	(956,221)	(484,636)	(956,221)	(484,636)
Director Fee	1,800,000	1,172,968	-	-
Computer repair & Maintenance	6,492,592	8,135,929	-	-
Expenses on Impairment	-	-	-	100
Expenditure on Disaster Related Incidents	-	180,093	-	180,093
Profit & Loss on Disposal	296,285	710,969	296,285	710,969
Prepaid loan Expenses-SLFRS	4,030,458	3,341,186	-	-
	18,273,929,888	14,894,321,186	18,643,437,361	15,443,796,059

37 Net Finance (Cost)/ Income				
Interest Income				
Interest on FDs & Call Deposits	4,484,580,648	4,662,131,747	4,481,273,468	4,658,106,603
Interest on Securities / Investments	87,082,716	73,031,698	23,241,410	2,210,397
Interest on Loans given to outside parties	-	1,694,285	-	1,694,285
Interest on Loans to Employees	302,029,566	289,781,671	296,002,065	283,772,753
Unwinding of Prepaid Staff Benefit	297,462,225	391,014,815	297,462,225	391,014,815
	5,171,155,155	5,417,654,217	5,097,979,168	5,336,798,854
Interest Expenses				
Interest on Loans	(2,869,718,343)	(3,552,160,034)	(2,869,718,343)	(3,546,207,792)
Other Finance Charges	(46,301,907)	(39,819,555)	(45,803,000)	(39,095,736)
Finance Charges Payable under Finance Lease	(479,795)	(1,654,310)	(479,795)	(1,516,381)
Amortization of Staff Cost on Employee Loan	(297,462,225)	(391,014,815)	(297,462,225)	(391,014,815)
	(3,213,962,270)	(3,984,648,715)	(3,213,463,363)	(3,977,834,725)
	1,957,192,885	1,433,005,502	1,884,515,805	1,358,964,129

38 Income Tax Expenses

Inland Revenue Act ,No. 24 of 2017 (New Inland Revenue Act) comes into operation with effect from 01, April ,2018.

Major components of income tax are as follows:	Group 2025	Group 2024	SLPA 2025	SLPA 2024
Current Tax Expense for the Year (Note 38.1)	12,667,000,485	8,097,060,022	12,608,492,968	7,989,651,588
Income Tax Over Provision in Previous Year	1,703,408,975	(892,100,614)	1,703,408,975	(892,100,614)
	14,370,409,460	7,204,959,408	14,311,901,943	7,097,550,974
Deferred Tax Charge / (Reversal) (Note 27)	(48,041,937)	718,541,351	(48,876,116)	721,407,727
	14,322,367,524	7,923,500,759	14,263,025,828	7,818,958,701

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 42

FOR THE YEAR ENDED 31 DECEMBER 2025	Group 2025	Group 2024	SLPA 2025	SLPA 2024
38.1 Reconciliation Between the Current Tax Expense and the Product of Accounting Profit.				
Accounting Profit Before Taxation	57,105,123,990	47,082,401,320	57,246,225,073	46,734,444,152
Disallowed Expenses	17,409,515,125	19,402,101,336	17,409,515,125	19,402,101,336
Allowable Expenses	(15,210,900,467)	(26,094,198,085)	(15,210,900,467)	(26,094,198,085)
Other Income Liable for Tax - Interest Income	779,499,953	1,030,251,431	779,499,953	1,030,251,431
Exempt amount & income from other sources	(13,533,396,889)	(15,572,313,547)	(13,533,396,889)	(15,572,313,547)
Taxable Profit Subsidiary	195,025,057	10,070,945		-
Other Adjustments	337,367,099	1,739,197,054	337,367,099	1,739,197,054
Statutory Income	47,082,233,868	27,597,510,454	47,028,309,894	27,239,482,341
Tax Losses Utilized/	-		-	-
Assessable Income / Taxable Income	47,082,233,868	27,597,510,454	47,028,309,894	27,239,482,341
Less: Qualifying payment	(5,000,000,000)	(607,310,383)	(5,000,000,000)	(607,310,383)
Taxable Income	42,223,334,951	26,879,908,563	42,028,309,894	(607,310,383)
Tax Chargers at Statutory Tax Rates of 30%	12,667,000,485	8,097,060,022	12,608,492,968	7,989,651,588
Tax Chargers at Statutory Tax Rates of 14% & 15%	-	-	-	-
Current Tax on Ordinary Activities	12,667,000,485	8,097,060,022	12,608,492,968	7,989,651,588

39. Sooriyawewa Cricket Stadium construction cost

As per the cabinet decision dated 05.12.2017 it has been approved to obtain loan from Peoples Bank for the settlement of outstanding dues to the Contractor of International Cricket Stadium at Sooriyawewa. According to the comfort letter issued by the Ministry of Finance and Mass Media dated 14.12.2017 it has been guaranteed to provide adequate budgetary allocations to SLPA for debt servicing.as per the cabinet decission dated 9th February 2025, the Ministry of Transport,Highways,Ports and Civil Aviation has settled the loan on 29th May 2025.

40. Contingent liabilities

The Authority has contingent liabilities in respect of legal claims arising in the ordinary course of business. Unless recognized as a provision (Note 32), management considers these claims to be unjustified and possibility of an outflow of resources for their settlement is remote.

40.1 Settlement of Court of Appeal Case Bearing No.CA (PHC) APN 45/2006-MV "JAAMI"

The Court of Appeal case Bearing No. CA (PHC) APN 45/2006 was terminated on 29.05.2024 since the parties entered with the joint motion dated 12.02.2018 and parties were advised to act according to the terms of settlment which has already dispatched to the Action in Rem 11/2005.
Action in Rem 11/2005 was called on 10.02.2025 and CID officer submitted his report and informed to courts he needs further time to investigate this matter. Thereafter this matter was called on several days i.e. 20.05.2025 and 16.09.2025 and filed further reports and informed to courts that the investigations are on-going. This matter is listed for mention on 27.01.2026 as per the report filed on 16.09.2025.

Further, from the total outstanding balance of Rs. 197,093,842.00 related to MV-JAAMI, Rs. 95,849,458.80 was written-off from the Financial Statements in 2025 and the actual receivable rupee value of USD 346,040 that would be paid to SLPA as per the court decision was kept as a receivable accordingly.

40.2 Cases in Court of Appeal

For the Years of Assessments 2007/2008, 2008/2009, 2009/2010 and 2010/2011, the Department of Inland Revenue made assessments disallowing the deduction of foreign loan interest claimed under section 32 of the Inland Revenue Act No. 10 of 2006 and foreign exchange losses claimed under section 25(1)of the Inland Revenue Act. Being dissatisfied with the determinations made by the Commissioner General, Department of Inland Revenue in respect of the Assessments of 2007/2008, 2008/2009, 2010/2011, SLPA made appeals to the Tax Appeals Commission. The Tax Appeals Commission confirmed the determinations of the Commissioner General of Department of Inland Revenue for the said assessment years. As the SLPA is not agreeable with the decisions of Tax Appeals Commission, SLPA has made appeals against the said three decisions of the Tax Appeal Commission to the Court of Appeal. For the matter in 2009/2010 Assessment Year, the Tax Appeals Commission held in favor of SLPA and the Department of Inland Revenue has made an appeal to the Court of Appeal against the decision of the Tax Appeals Commission.All the said appeals are still pending before the Hon Court of Apeal On the similar exchange loss matter, the appeal is pending before the Tax Appeal Commission for the year of assessment 2018/2019, 2019/2020 & 2020//2021 ."

CA/TAX/06/2013 (Assesment Year 2007/2008)

40.3 This is filed by SLPA against the determination of TAX (Tax Appeal Commission) dated 24-01-2013 with regard to 2007/2008 Assessment year Returns of Income to the Inland Revenue Claiming deductions for Foreign Exchange Losses and Foreign Loan Interest

CA/TAX/06/2018 (Assesment Year 2008/2009)

40.4 This is filed by the SLPA against the determination dated 02-02-2018 of TAX (Tax Appeal Commission), for the Assessment year 2008/2009

CA/TAX/25/19

40.5 This is filed by SLPA against the determination of TAX (Tax Appeal Commission) dated 11-06-2019 with regard to 2010/2011 Assessment year Returns of Income to the Inland Revenue Claiming deductions for Foreign Exchange Losses and Foreign Loan Interest

CA/writ/242/24

40.6 This matter has been filed by the SLPA to quesh the Industrial Arbitration award of Arbitration No. A60/2020

40.7 HNB LC-Facility - MPMC Ltd

In view of the judgment delivered in DDR 1349/19 against the SLPA and the pending the Revision Application bearing No WP/HCCA/COI/ 41/24 RA, regarding the said Judgmen considering the settlement process commenced in line with the High Levels Official Committee appointed by the Cabinet of Ministers , the Board of Directors considered to kee provision for a sum of USD 10 Mn only, since the exact liability if any shall be determined based on the Terms of Settlement to be entered between the parties to the pending court case

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 43

C.H.C. 281/09 (2) (DC 52526/MR)
40.8 Plaintiff filed this Case seeking the amount of Rs. 75,389,021.54 from the Defendents, In the matter judgment was delivered on 06-03-2017 and the SLPA (2nd Defendant) was discharged without any Cost and the SLMPCS (1st Defendant) is liable to pay Rs. 28,902,456.92 together with the Legal interest to the Plaintiff. Hence, 2nd Defendent filed this matter.

HCALT/41/2025 (LT/02/Add/02/21)
40.9 SLPA filed this Case in the HC to Appeal against the order of the Labour Tribunal in the Case No: LT02/Add/02/2021

DMR/4130/19 Freedom of Highseas (Pvt) Ltd
40.10 Plaintiff filed this Case against SLPA claiming Rs. 1,964,408.50 + Income from SLPA as key have already paid as navigational dues to SLPA

LTA/63/2025 (LT/13/245/2011) B.K.M. Mahinda
40.11 LT/245/2011 matter was decided in favour of Applicant on 30-06-2025 and order to pay compensation of Rs. 2,620,280/-. Hence SLPA has Appealed against the said order

A/73/2024 K. Sugath Muthukumarana
40.12 Industrial Arbitration Case filed by on employee who was terminated by the 11 employees seeking to instate them in the appropriate Salary Grade since 18-10-2005

41. Restatement of Comparative in the Group/SLPA Financial Figures
The Following items have been restated with receipt of Audited Financial Statements of Associates company & error correction of SLPA after Audited Financial Statements of SLPA were issued for the year 2024

Impact of the Restatement
* Rs. 5,178,684.00 amount from Deposit for hiring of welfare buses to SLPA employees has transfered to the previous year adjustment account.
* Transfered Rs. 24,245,360.76 amount to previous year adjustment account from salary payments to the employees of SLMPCS and other institutions for services obtained.
* Transfered Rs. 505,000.00 Legal expenses amount to the previous year adjustment account
* Rs. 59,000.00 of Ex-gratia payments related to prior year has transferred to the prior year adjustment accounts.
* Transfered excess medical eneashment provision for Trincomalee Rs. 222,145.95 related to the prior year.
* Transfered Rs.73,000.00 cost related to the felicitation plaque for the former Managing Director (Susantha Abeysiriwardena) pertaining to te previous year.
* Transferred Rs. 5,466.18 amount related to the previous year incorporation of the proposed company at the registrar of Companies Secretariat to manage and operate the East Container Terminal.
* Electricity Income Rs. 177,232.40 for the month of December 2024 has transferred to the previous year adjustment account.
* Being adjust accured expences amount Rs.7,500.00 related to the previous year.
*The outstanding CEB rent arrears into Rs.173,170,776.11 related to the period commencing 2016 CEB has requested approval to settle the above outstanding amount 24 equal installments accordingly SLPA Board Approval has been granted on May 2025 to recover this balance trough 24 installments. Rs.171,883,960.11 relevant to year 2016 to 2023 and 1,286,816.03 relevant to in year 2024.
* Transferred accrued expenditure amount Rs.7,500.00 to the previous year adjustment.
* Being Adjust WHT amount accounted erroneuously as Rs. 16,147.14 instead of Rs. 16,351.53 relevant to MC larence Container (Pvt) Ltd for 2024.
* Revenue generated from previous year tender salaes amount Rs.15,307,042.47 has transfred to previous year adjustment account.
* Transfered Rs.188,084.08 amount electricity bills pertaining to Media Division for the previous year.
* Rs. 11,421.13 amount excess provision of Audit fee related to Trincomalee Port has transferred to the privious year adjustment account.
* Transferred Overtime amount Rs. 28,318,737.60 to the previous year adjustment account.
*Accrued expenditure Rs. 42,518,611.10 which are not used and kept for prior year has been adjusted.
*Provision for expenditure Rs. 234,252,855.68 which are not used and kept for prior year has been adjusted.
*Lump sum premium Rs.92,237,600.00 SALHL has been adjusted.
*Lease rent Rs. 163,580,000.00 has been adjusted.
*Grant Income Rs.2,767,765 has been adjusted.
* Office & Welfare Building, Computer Hardware, Electric & Electronic Equipment, Office Furniture & Equipment depriciation amount has been adjusted as Rs. 2,107,993.97 , Rs.309,118.00, Rs.761,885.45, Rs. 4,685,674.19 respectively.
*Adjustment done based on the audited financial statements of SLPMCS & HIPS for investment in Associates.
*Depreciation adjustment on prior year Rs.198,262,888.7 (JCT V,Pilot Station, road belong to Dockyard, Guide pier etc)
*Being adjusting Rs. 61,838,268.03 for the Impact of the restatement of PPE - 2024.
* Rent on land & Building related to administration activities for HIPS in year 2024 Rs.1,906,177.50

(Rs.)

Financial Statement Item		SLPA			Group		
		As Previously Reported	Adjustment	Restated Amount	As Previously Reported	Adjustment	Restated Amount
Other Operating Income	Supply of Electricity for Local Consumption	141,693,891	(177,232)	141,516,658	141,693,891	(177,232)	141,516,658
	Rovalty	7,665,293,223	366,490	7,665,659,713	7,665,293,223	366,490	7,665,659,713
	Land Lease Out	104,046,293	(162,293,184)	(58,246,891)	104,046,293	(162,293,184)	(58,246,891)
	Dividend Received	3,502,869,690	(441,931)	3,502,427,759	3,481,619,690	(523,831)	3,481,095,860
	Tender Sales Revenue	150,202,552	15,307,042	165,509,594	150,202,552	15,307,042	165,509,594
	Proceeds on Hire of Welfare Buses	11,743,314	5,178,684	16,921,998	11,743,314	5,178,684	16,921,998
	Grant Income	461,337,352	2,767,765	464,105,117	461,337,352	2,767,765	464,105,117
	Lum Sum Premium - SALHL	92,237,600	(92,237,600)	-	92,237,600	(92,237,600)	-
Impact to the Other Operating Income			**231,529,966**			**231,611,866**	
Operational Expenses	Cost of Water	73,309,104	517	73,309,621	74,064,818	517	74,065,335
	External Hire Chargers / Contracts	5,515,699,748	(98,654,441)	5,417,045,306	5,515,699,748	(98,654,441)	5,417,045,306
	Contract works for Rep. & Main.	162,214,194	(8,912,056)	153,302,139	162,214,194	(8,912,056)	153,302,139
	Operational- Depreciation	3,514,886,787	198,262,889	3,713,149,676	3,523,092,980	198,262,889	3,721,355,869
Repair and Maintenances Expenses	Material Issued for Operational Activities	2,032,809,623	(174,400)	2,032,635,223	2,032,809,623	(174,400)	2,032,635,223
Administrative Expenses	Salaries Wages & Allowances	8,772,655,867	172,681,645	8,945,337,512	8,822,689,016	172,681,645	8,995,370,661
	Overtime	2,081,410,457	28,318,738	2,109,729,194	2,081,410,457	28,318,738	2,109,729,194
	Fuel / Electricity & Other Expenses	748,043,486	(1,482,457)	746,561,029	760,340,107	(1,482,457)	758,857,650
	External Hire Chargers / Contracts	117,361,738	(1,114,851)	116,246,887	119,385,802	(1,114,851)	118,270,951
	Contract Works for Rep. & Main.	692,890,653	(92,429)	692,798,224	692,890,653	(92,429)	692,798,224
	Communication Expenses	50,158,421	(843,569)	49,314,852	50,158,421	(843,569)	49,314,852
	Insurance & License Fees / Legal Fees	41,546,463	505,000	42,051,463	44,493,473	505,000	44,998,473
	Office Requisites / Security Charges	95,498,787	(717,980)	94,780,807	113,523,753	(717,980)	112,805,773
	Training Expenses	48,009,856	(990,000)	47,019,856	71,952,690	(990,000)	70,962,690
	Welfare Expenses	679,956,742	(123,903,088)	556,053,654	696,277,253	(123,903,088)	572,374,165
	Publicity & Public Relations	34,342,550	(732,197)	33,610,353	34,342,550	(732,197)	33,610,353
	Sundry Expenses	154,928,722	(15,994,487)	138,934,236	156,090,808	(15,994,487)	140,096,322
	Depriciation	290,528,353	7,864,669	298,393,021	300,081,630	7,864,669	307,946,298
	Expenses on VAT	202,944,853	(204)	202,944,649	202,944,853	(204)	202,944,649
	Audit Fees	4,177,463	(53,842)	4,123,620	4,839,463	(53,842)	4,785,620
Differed Tax	Differed tax expense	783,245,995	(61,838,268)	721,407,727	780,379,618	(61,838,268)	718,541,351
Share of Profit of Associates	Share of Profit of Associates -SLMPCS				572,864,870	(10,630,043)	562,234,827
Impact to the Expense			**92,129,187**			**81,499,144**	
Profit (net impact)			**323,659,153**			**313,111,014**	
Other Comprehencive Income	Share of Other Comprehensive Income of Equity account Investees-SLPMCS	-	-	-	1,659,827	299,719	1,959,546

Impact on Statement of Financial Position

(Rs.)

Financial Statement Item		SLPA			Group		
		As Previously Reported	Adjustment	Restated Amount	As Previously Reported	Adjustment	Restated Amount
Property, Plant & Equipment (NBV)	Office & Welfare Buildings	920,597,913	(2,107,994)	918,489,919	920,597,913	(2,107,994)	918,489,919
	Operational Building	98,298,218,112	(198,262,889)	98,099,955,223	98,300,730,668	(198,262,889)	98,102,467,779
	Computer Hardware	259,534,388	(309,118)	259,225,270	261,611,171	(309,118)	261,302,053
	Electric & Electronic Equipment	721,096,108	(761,885)	720,334,222	721,096,108	(761,885)	720,334,222
	Office Furniture & Equipment	38,712,638	(4,685,674)	34,026,964	53,863,630	(4,685,674)	49,177,956
Investment in Associates	Total of SLPMCS & HIPS	-	-	-	36,060,590,549	(564,194,373)	35,496,396,176
Employee Loan (Non-current)	Receivable from Employees	31,765,713	(28,318,738)	3,446,976	31,765,713	(28,318,738)	3,446,976
Trade and Other Receivables	Agent Revenue	1,935,923,613	172,728,845	2,108,652,458	1,935,923,613	172,728,845	2,108,652,458
	Other Receivables	(832,253)	2,272,668	1,440,415	(832,253)	2,272,668	1,440,415
	Other Receivables- Receivable from sri lanka Gas Terminals	11,500	11,500	23,000	-	-	-
	Receivable from HIPS	4,894,597	1,906,178	6,800,775	4,894,597	1,906,178	6,800,775
	Electricity Debtors	172,229,389	(177,232)	172,052,156	172,229,389	(177,232)	172,052,156
Retained Earnings	Re stated Profit for the Year 2024	189,623,216,758	(267,981,909)	189,355,234,849	186,883,508,333	(257,744,989)	186,625,763,345
Government Grants	Amortization of Government Grants	(461,337,352)	(2,767,765)	(464,105,117)	(461,337,352)	(2,767,765)	(464,105,117)
Supply of Goods and services and other creditors	Salary Abatements	314,868,428	173,334,645	488,203,073	314,868,428	173,334,645	488,203,073
	payable to SACLHL	-	372,035,816	372,035,816	-	372,035,816	372,035,816
Deposits and Advances Received	Trading deposits	6,624,097,737	(15,307,042)	6,608,790,695	6,624,097,737	(15,307,042)	6,608,790,695
	Special Deposits	10,124,979	(5,178,684)	4,946,295	10,021,379	(5,178,684)	4,842,695
Current Tax Payable	Value Added Tax 18%	(10,285,942,791)	1,282,168,260	(9,003,774,531)	(10,276,392,378)	1,282,168,260	(8,994,224,118)
	Withholding Tax (Payments)	42,314,510	(204)	42,314,305	42,314,510	(204)	42,314,305
Provisions and Accrued Expenses	Accrued Expenditure	1,081,428,055	(17,446,621)	1,063,981,434	1,101,939,116	(17,446,621)	1,084,492,495
	Provision for Expenses	1,466,867,810	(234,460,482)	1,232,407,329	1,466,867,810	(234,460,482)	1,232,407,329
Deffered Tax	Differed Tax Liability	22,304,300,240	(61,838,268)	22,242,461,972	22,306,907,484	(61,838,268)	22,245,069,216

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 44

42. Foreign Exchange Gain/Loss

As per the LKAS 01 permitted additional line item which adjust the foreign exchange gain/loss has added to the Statement of Comprehensive Income, because such presentation is relevant to understanding of SLPA and group Financial Performance effectively as it make high impact to the net profit at the year end.When obtaining the operational revenue Foreign exchange loss incurred with reference to dollar receipt on operational revenue adjusted using selling rate and year-end monitory items are re-measure using year - end buying rate & selling rate.

43.Consolidated Financial Statements 2025

Jaya Container Terminals Ltd (JCT Ltd)which is the Subsidiary company of SLPA , Hambanthota International Port Services Ltd (HIPS) & Sri Lanka Port Management Consultancy Services Ltd (SLPMCS) which are associate companies of SLPA have submitted Unaudited Financial Statements for year 2025.
Lanka Gas Terminal (Pvt) Ltd the Subsidiary company of SLPA has not still submitted their Audited Financial Statements. Therefore the consolidated Financial Statements has been prepared referring draft Financial Statement of JCT Ltd 2025, Lanka Gas Terminals (Pvt) Ltd for the year ended 31.12.2024
MPMC is currently in the liquidation process & MPMC Financial Statements have been prepared only up to 31.12.2022. Therefore, according to the SLFRS 10 (Consolidated Financial Statements) para B37, MPMC deconsolidated from Group Financial Statement with effect from year 2023 & 2024

43.1 Magampura Port Management Company (Private) Limited (MPMC)

Magampura Port Management Company (Private) Limited is fully owned subsidiary of SLPA. The said company is under winding-up order of the Commercial High Court of Western Province (Colombo, Civil) in case no. (Civil) 97/2021/CO With the effect from 1st of June 2022 & Liquidator is appointed with effect from 1st of When the liquidator was appointed, power vested with the liquidator under 290 of the Companies Act No.07 of 2007.
According to the SLFRS-10 (Consolidated Financial Statements), para B37, "An investor does not have power over an investee, even though the investor holds the majority of the voting rights in the investee, when those voting rights are not substantive. For example, an investor that has more than half of the voting rights in an investee cannot have power if the relevant activities are subject to direction by a government, court, administrator, receiver,liquidator or regulator.
Accordingly, SLPA lost the control of MPMC Ltd as per SLFRS 10, PARA (20) from the date of 01/06/2022. Since there are audited Financial Statements are available as at 31/12/2022 consolidation of MPMC Ltd with SLPA has been performed upto 31/12/2022. Accordigly, derecognize the MPMC accounts from the year 2023 in the Group FS.

43.1.1 Discontinued Operation

Magampura Port Management Company (Private) Limited (MPMC) is discontinued operation from year 2023 onwards.According to the SLRFS 5 (Non current asset held for sale & Discontinued operations) disclosures, there is no any profit or loss from MPMC in year 2023 onwards, since it is discontinued its operation from year 2023 onwards.

Further, there is no any disposal gain/loss from MPMC Since, there is no receipt consideration.

44. Review of Useful Life Time of the Assets

According to the para 51 of the Sri Lanka Accounting Standard LKAS 16, (Property, Plant & Equipment), "The residual value & the useful life of an asset shall be reviewed at least at each Financial year-end.Accordingly as approved by Audit committee of SLPA, review of useful life and residual value of fully depreciated fixed assets which are still in use as at 31-12-2025 were carried out by the respective review committees appointed by Director (Technical).
SLPA shall estimate the remaining useful life of fully depreciated assets and shall reinstate the accumulated depreciation at amounts reflected in the balance sheet on the date of reinstatement as per LKAS 08 prospectively adjusted.
Accordigly, out of 11 Asset catergories, 08 asset catergories were adjusted to the accounts and this will carry out as a continuouse process

45. Lifetime of the Investment Property at Port of Hambantota

The estimated life time of the property leased for the 99 years period to HIPG and HIPS were taken as 100 years since the revenue from leasehold rights will be amortized during the same period

46. Compensation Paid for a Land Not Within Port of Hambantota Project Area

The SLPA has paid compensation for a land area in the Port of Hanbanthota, which is not within the project area handed over to the HIPG Limited.
However, these lands remain under the purview of the Divisional Secretary - Hambantota for vesting to SLPA, along with other adjacent lands compensated through the General Treasury funds.

47. Reason for Not Determining Fair Value of Investment Properties

Investment properties are port infrastructure mainly comprising of maritime developments and structures . Whilst recent port development projects of this non existence nature are few if In these circumstances there was no basis to obtain a rational estimate for market value , whereas adequate sources data were apply for cost based valuation

48. Asset Clearing

Asset clearing account is a temporary account provided to keep amounts until capitalized. The balance available in the asset clearing account remaining until goods are being delivered to the relevant division and till the documents are received to Finance Division for capitalization purpose.

49. Provisions for Claims

During the year SLPA has kept a reliable estimate of Rs.8,674,612,880.39 as general provision for legal claims.Detail description which describe the pending legal cases arae given in page No.53-59

50. Contingent Revenue

Outstanding Seized/Detained Custom Bills as at 31.12.2025

Outstanding Seized/Detained Custom Bills that have been sent to Sri Lanka Customs but not settled yet is Rs.313,325,449 & due to doubtfulness of receivable, same to be disclosed as a note instead of recognizing it as revenue.

Receivable revenue on uncleared containers and vehicles as at 31.12.2025

Until clear the containers & vehicles from SLPA premises we have not issued bills and recognized revenue due to uncertainety surrounding the collectibility of revenue. Accordingly, it has been disclosed as contingent revenue as follows,

Receivable Rent on Uncleared 327 Containers is Rs.2,228,165,742.00 (Excluding Taxes)
Receivable Wharfage on Uncleared 327 Containers is Rs.3,617,270.00 (Excluding Taxes)
Receivable Rent on Uncleared 499 Vehicle is Rs.2,419,500,504.01 (Excluding
Receivable Wharfage on Uncleared 499 Vehicle is Rs. 4,347,940.18 (Excluding Taxes)

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 45

51 Contribution for the consolidated Fund

According to Section 30(1)(c) of the SLPA Act No. 51 of 1979, the maximum annual contribution to the Consolidated Fund arising from the Government's contribution at the formation of the SLPA, valued at LKR 7,591,379,785, is limited to LKR 607 million. Accordingly, a provision of LKR 607,310,382.80 has been allocated for the year 2025 as the contribution to the Consolidated Fund.

However, during the year 2025, a total payment of LKR 5 billion was made based on the profit after tax of the year 2024,in accordance with the request of the General Treasury.

52.1 LC Facility for ECT Equipment

"The letter of Credit (LC) facility amounting to USD 282.56 Mn for the purpose of importation of ECT handling equipment was obtained on 31st December 2021.As at 31.12.2025 above LC facility has been reduced to USD 25.40 Mn."

LC Facility for in compliance with banking Act

"The letter of Credit (LC) facility amounting to USD 3 Mn for in compliance with banking Act determinations Nos. 04 of 2024 and 01 of 2025.

52.2 Letter of Guarantee

"Letter of Guarantee amounting to USD 1 Mn (Bank of Ceylon) to be submitted to the District Court in case bearing No. DDR/1349/2019 filed by the HNB against SLPA"

53 Income Tax Receivable

The balance tax receivable as at 31.12.2025 is Rs.755,334,465 is for surcharge tax overpayment and already requested the refund from Department of Inland Revenue.

54 Sri Lanka Gas Terminals Company Limited

SLPA is in the process of obtaining approvals to wind up the Subsidiary company, Lanka Gas Terminal Pvt Ltd.(SLGTCL). Hence, the required disclosures would be made as per SLFRS 05 when it is classified as Held For Sale.To proceed with the strike off procedure in terms of the section 394 of the companies Act No. 07 of 2007, we have initially submitted the Financial Statements of the company to the Auditor General by the letters dated 09.02.2024, 10.07.2024 & 23.08.2024 & 03.11.2025 enclosing the Affidavits signed by the Directors of the company, Financial Statements and certified copies of relevant payments during the establishment of SLGTCL and we are awaiting the response/ Audited Financial Statements from the Auditor General to get confirming that the company has been a dormant company from inception."

55 Port Access Elevated Highway Project

Consrtution of Workshop Complex

Construction of Workshop Complex under Port Access Elevated Highway Project .As at 31.12.2024 payment release to contractor was Rs.1,618,907,363.49 taken as work in progress .Once the construction work completed grant will amortized. Capitalized during the year 2024 & grant has amortized accordingly.Grant amotized amount for 2025 is, 32,378147.27

Maritime facility Centre (Head Office Building)

The payments are being paid By RDA on behalf of the land obtained to construct highway and once the construction completed value will be taken to SLPA books.Under Port Access Elevated Highway Project some building of SLPA demolished and partially demolished. After considering the new assets generated and cost of SLPA demolished and partially demolished buildings relevant adjustments will be done when completed the project.

56 Staff Loan Valuation

As per the requirements of SLFRS 9 – Financial Instruments and SLFRS 13 – Fair Value Measurement, staff loans provided at concessionary rates are recognized Under SLFRS 9, staff loans are classified as financial assets and measured at amortized cost using the effective interest rate (EIR) method. At initial recognition, the loan is discounted using a market interest rate applicable to similar loans granted under normal commercial terms, and the difference between the loan's fair value and the actual amount granted is recognized as an employee benefit expense under LKAS 19 – Employee Benefits.

SLFRS 13 mandates that fair value is determined using a discounted cash flow method, incorporating market-based inputs such as prevailing interest rates for similar unsecured loans, with the measurement typically falling under Level 2 of the fair value hierarchy, as it uses observable market data for discount rate determination.
Staff loans are recorded as financial assets at amortized cost on the Statement of Financial Position, The Statement of Profit or Loss reflects the initial fair value adjustment as an employee benefit expense. The unwinding of the discount is recognized as interest income over the loan period.

Staff Loan	Colombo	Galle	Trinco	SLPA
Balance at the beginning of the year	5,668,463,272	242,252,925	221,369,663	6,132,085,860
Loan Granted During the year	8,454,412,254	343,476,140	370,394,502	9,168,282,896
Loan Recoverred During the year	(8,939,102,064)	(374,833,024)	(421,772,614)	(9,735,707,702)
Remeassurement of Staff Prepaid Benefit	677,234,786	27,232,307	81,492,983	785,960,076
Transfffered to Staff Prepaid Benefit during the year	(613,590,744)	(27,981,528)	(30,035,348)	(671,607,620)
Amortisation of prepaid Benefit	271,148,289	11,344,359	14,969,577	297,462,225
Balance at the end of the year	**5,518,565,792**	**221,491,179**	**236,418,763**	**5,976,475,734**
Prepaid Employee Benefit as at 31.12.2025	670,482,153	28,459,674	33,886,894	732,828,721
Employee Loan Outstanding as at 31.12.2025	**6,189,047,945**	**249,950,853**	**270,305,657**	**6,709,304,455**
Employee Loan Current	1,678,064,668	67,516,454	83,207,563	1,828,788,685
Employee Loan - Non Current	4,510,983,277	182,434,399	187,098,094	4,880,515,770
	6,189,047,945	249,950,853	270,305,657	6,709,304,455

57 Asset Liability Matching (Gratuity Benefit Obligations)

"In accordance with LKAS 19 – Employee Benefits, the company recognizes its gratuity benefit obligation as an unfunded liability and does not maintain plan assets as defined under the standard. However, to ensure financial preparedness, SLPA maintains a fixed deposit, which serves as an internal reserve for meeting gratuity payments.

This fixed deposit is not legally separated from the SLPA assets and remains under the SLPA's direct control. As a result, it does not qualify as a plan asset under LKAS 19. Instead, the company follows an accounting reserve method, where, Regular allocations are made to an accounting reserve in the financial statements to recognize the gratuity obligation. Gratuity benefits paid to employees upon leaving service are charged against this reserve.

The adequacy of the reserve and the fixed deposit is reviewed periodically to ensure sufficient funding for future gratuity obligations.

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 46

SRI LANKA PORTS AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

(Expressed in Sri Lankan Rupees)

58 **Related Party Disclosures**
The Authority's related parties includes Treasury of Sri Lanka, Government related institutions, subsidiary, associate and key management personnel.

58 **Transactions with Key Management Personnel**
According to the Sri Lanka Accounting Standards LKAS.24 "Related Party disclosures" key Management personnel are those having responsibility for planning, directing and controlling the activities of the entity directly or indirectly. Accordingly, the Board of Directors including executive and Non-Executive Directors has been classified as key management personnel.

Transactions with Key Management Personnel are given below.	2025	2024
Remuneration and Other Short-Term Employee Benefits	58,833,903	66,182,965
Balance Outstanding - Loans and Advances	141,580	391,060
Termination Benefits		

58 **Related Party Transactions**
Details of significant related party transactions that Authority carries out are as follows:

Name of the Institution	Relationship	Name of Directors / Representatives	Nature of Transactions	Transaction Value	Payable	Receivable
Treasury of Sri Lanka	Capital Contributor		Loan repaid	5,671,581,434	-	-
			Interest paid	3,072,653,554	-	-
			Transport Allowance	100,000	-	-
Sri Lanka Port Management & Consultancy Services (Pvt) Ltd	Associate Company		Payment for Janitorial Services received	76,920,222	-	-
			Payment for Loading and Unloading services	108,440,325	27,125,557	-
			Hiring of Operators	249,879,268	26,905,262	-
			Lashing & Unlashing Service	167,700,512	25,056,976	-
			Intra Terminal Trucking	526,429,795	96,411,077	-
			Inter Terminal Trucking	82,990,348	7,416,840	-
			SLPA -Hatch Clerks	62,838,715	7,839,621	-
			Reefer Monitoring	14,158,464	4,234,944	-
			Working Operators	32,623,317	9,060,501	-
			Welfare Creche	4,923,077	820,513	-
			ECT Granty Operator salary Areas	7,241,544	2,362,433	-
			ECT Granty Operator salary	33,782,436	7,059,338	-
			Compensation	750,000	5,598,800	-
			SLPA Salaries Reimbursement	35,930,695	1,898,750	-
			Supplies of Fuel	126,711,373	-	52,348,742
			Management fees for GFG	13,409,797	-	6,735,226
			Receivable from Galle Face Project- Viewing Deck	7,609,036	-	2,481,318
			Outsource Labour Services on Assignment Basis	176,130,854	52,706,103	-
			Discarded Payable	25,830,338	-	3,037,440
Jaya Container Terminal Ltd	Subsidary Company	Admiral S.S. Ranasinghe (Rtd) Eng. Herath M.P. Jayawardhane Mr. Upul Dhammika Jayatissa	Administrative & Infrastucture fee paid	538,200,787	67,965,914	-
			Dividend received	31,035,427	-	-
			Supply of fuel	3,347,777	832,279	-
			Issuance of Medicines	53,479	-	55,023
			Telephone Bills	74,021	-	-
South Asia Gateway Terminal (Pvt) Ltd	Related Company	Admiral S.S. Ranasinghe (Rtd) Eng. Herath M.P. Jayawardhane	Rent received	1,167,780,098	-	87,855,729
			Royalties received	2,266,504,857	-	223,205,338
			Dividend received	1,552,230,410	-	-
			Training fees	1,042,000	-	-
			Share receivable	-	-	141,632,944
Lanka Coal Company (Pvt) Ltd	Related Company	Capt. Nimal Silva	No Transactions are made during the year	-	-	-
Colombo International Container Terminal Ltd	Related Company	Admiral S.S. Ranasinghe (Rtd) Eng. Herath M.P. Jayawardhane	Lease/Rent Received	2,011,107,027	-	1,833,348,327
			Royalty received	5,302,701,166	-	459,720,105
			Differed interest received	6,377,700,000	-	-
			Training fees	202,500	-	-
			Lump Sum Premium Income	103,534,286	-	-
			ECT yard for Tempory Stacking	18,717	-	89,601,633
Colombo Dockyard PLC	Related Company		Navigational related services	16,709,981	-	1,157,500
Hambanthota International Port Services Ltd	Associate Company	Admiral S.S. Ranasinghe (Rtd) Eng. Herath M.P. Jayawardhane Mr. T.K.G.L Hemachandra	Salary Receivable from HIPS	84,195,258	-	9,865,660
Hambanthota International Port Group Ltd	Related Company	Admiral S.S. Ranasinghe (Rtd) Eng. Herath M.P. Jayawardhane	Royalty Income	63,049,392	-	76,144,533
Colombo West International Terminal pvt Ltd	Related Company	Admiral S.S. Ranasinghe (Rtd) Eng. Herath M.P. Jayawardhane	Lump Sum Premium Income	208,238,528	-	-
			Lease/Rent Income/ Interest	2,198,487,272	-	4,736,215,062
			Royalty	875,882,031	-	620,551,898
			Training fees	233,000	-	-
South Asia Comercial & Logistic Hub	Related Company	Admiral S.S. Ranasinghe (Rtd)	Lump Sum Premium / Lease Rent	-	8,159,580,000	1,341,894,810
Ministry of Ports & Civil Aviation	Line Ministry		Water & Electricity bills of former Ministers' Quarters	-	-	305,158
			Supply of Fuel	2,354,240	-	224,957
			Transport Allowance	100,000	-	-
Sri Lanka Gas Terminal	Related Company		Receivable from Sri Lanka Gas Terminal	-	-	23,000

Financial Risk Management

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

1. Credit Risk
2. Liquidity Risk
3. Market Risk (Currency Risk and Interest Rate Risk)

The financial instruments of the Authority comprise of equity investments (listed and unlisted), investment in debenture, term deposits, money market investments, and cash. The main purpose of investment in term deposits, money market investments are to raise and maintain liquidity for the operations. Investments in equity and debenture securities are strategic investments and the Authority has other financial instruments such as trade & other receivables and trade & other payables which arise directly from its business activities. Further, the Authority has interest bearing borrowings which were borrowed from the Government of Sri Lanka and financial institutions for ports expansion and development projects.

1. Credit Risk

Credit risk is the risk of financial loss to the Authority if a customer fails to meet its contractual Obligations, and arises principally from the receivables from customers including Sri Lanka forces, other Government institutions and investment securities.

Trade Receivables

The Authority trades mainly with shipping agents and Government institutions. The management assesses the credit quality of the shipping agents based on the past experience and other factors such as financial guarantees from shipping agents. In addition, outstanding balances are monitored on an ongoing basis in the management committee and the Board.

The SLPA follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the SLPA to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the SLPA uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the SLPA estimates provision on trade receivables at the reporting date. Impairment loss allowance charges (or reversal) recognized during the period is recognized as income/ expense.

Other Financial Assets

Credit risk arising from other financial assets of the Authority comprises term deposits, cash and cash equivalents and investment in debentures. The authority's exposure to credit risk arises from default in meeting contractual obligation of contractual parties, with a maximum exposure equal to the carrying amount of these financial instruments. The Authority manages its credit risks with regard to these financial instruments by mainly placing its fund with state financial institutions and other government institutions.

Notes to the Financial Statements continued on Page 48

2. Liquidity Risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and unexpected conditions, without incurring unacceptable losses or risking damage to the Authority's reputation.

Forecasting of operational cash flows (Recurring Budgets) and Capital Budgets are prepared annually. The finance division monitors the both capital and recurring budgets and liquidity requirements to ensure the Authority has sufficient cash to meet operational needs. At the end of the reporting period, the Authority held term deposits, short-term government securities and other liquid assets amounting to Rs. 98,372,968,941.12 (2024: Rs. 84,995,380,747.04).

The following table depicts the Authority's financial liabilities maturity analysis based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

SLPA

Expressed in Sri Lanka Rs.

Financial Liabilities	31-Dec-25			31-Dec-24		
	Less than 1 Year	More than 1 Year	Total	Less than 1 Year	More than 1 Year	Total
Borrowings - Government	7,471,700,667	47,810,047,083	55,281,747,750	6,789,630,405	51,334,904,544	58,124,534,949
Borrowings - Financial Institutions	-	-	-	329,238,237	2,140,048,561	2,469,286,798
Trade and Other Creditors	11,633,098,215	-	11,633,098,215	4,065,113,827	-	4,065,113,827
Total	19,104,798,882	47,810,047,083	66,914,845,965	11,183,982,469	53,474,953,105	64,658,935,574

Group

Financial Liabilities	31-Dec-25			31-Dec-24		
	Less than 1 Year	More than 1 Year	Total	Less than 1 Year	More than 1 Year	Total
Borrowings - Government	7,471,700,667	47,810,047,083	55,281,747,750	6,789,630,405	51,334,904,544	58,124,534,949
Borrowings - Financial Institutions				329,238,237	2,140,048,561	2,469,286,798
Trade and Other Creditors	11,565,794,383	-	11,565,794,383	3,997,776,718	-	3,997 776,718
Total	19,037,495,050	47,810,047,083	66,847,542,133	11,116,645,360	53,474,953,105	64,591,598,465

Notes to the Financial Statements continued on Page 49

3. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates which will affect the Authority's income or the carrying value of holdings of financial instruments.

3.1 Currency Risk

The Authority's exposure to currency risk arising from fluctuations in the value of US Dollar (USD) against the Sri Lankan Rupee after Central Bank of Sri Lanka allowed the Sri Lanka Rupees to freely float against US Dollar during the reporting period. The Company's functional currency is Sri Lanka Rupees in which most of the transactions are denominated. However, Interest bearing borrowings in relating to ports expansion and development projects and certain bank balances and a shipping agent receivables (Example "APL Lanka (Pvt) Ltd" etc.) are denominated in foreign currencies (Japan Yen and US Dollars. As a result of the free floating of US Dollar & Japanese Yen due to appreciation/ depreciation of the Sri Lanka Rupees against the USD/ JPY Yen had an impact on the operating results for the reporting period 2025 which amounts to Rs. 507,208,918 arising from re-payment of borrowings and invoicing of services rendered to shipping agent (example "APL Lanka (Pvt) Ltd" etc.) However, the Authority in order to mitigate the impact of currency movement for repayment of borrowings uses the same currency for repaying through bank deposits maintained in the same currency.

Please refer the note 24 and 25 to the financial statements relating to interest bearing borrowings and details of the borrowings denominated in foreign currencies.

3.2 Interest Risk

The Authority's exposure to interest risk is the changes in market interest rates relate to the interest bearing borrowings with a fixed and floating interest rate and bank deposits and Government securities.

Rs. 52,648,748,201(2024: Rs. 57,676,266,448) of the Authority's interest bearing loans and borrowings carried interest at floating rates others amounts to Rs. 2,632,999,549 (2024: Rs. 2,917,555,300) carried interest at fixed rates.

The Authority has cash and bank balances including deposits placed with the Government and state banks. The Authority monitors interest rate risk by actively monitoring interest rate movements.

Loan	2025 (RS.)	2024 (RS.)
Floating Rate		
Colombo Port Expansion (South Harbour)	52,648,748,201	55,206,979,649
Construction of Sooriyawewa Stadium - Peoples Bank Loan		2,469,286,799
Total	**52,648,748,201**	**57,676,266,448**
Fixed Rate		
Colombo Port Development Project	2,342,481,801	2,646,667,985
Rehabilitation of KKS Loan	290,517,748	270,887,315
Total	**2,632,999,549**	**2,917,555,300**

60.Terms and conditions of borrowing facilities

Loan Name	Lending Institution	Currency	Interest Rate	Loan Amount (In Loan currency)	Accrued Interest (In Loan currency)	OutStandingBalance as @ 31/12/2025 (Rs)	Borrowing cost (Rs)
JBIC Loans SLP-41	Export Import Bank of India	JPY	2.60%	4,878,185,478		-	
SLP-46		JPY	2.60%	2,644,187,565	6,821,911	1,184,406,193	
SLP-67 i		JPY	1.80%	1,354,512,318	160,578	660,818,282	
SLP-67 ii		JPY	0.75%	217,445,997			
SLP-85		JPY	0.30%	14,495,000,000	333,903	497,257,326	
Rehabiliattion of KKS loan		USD	1.75%	45,270,000	20,519	290,517,749	10,418,123
ADB-2319	Asian Development Bank	US $	Libor+0.6%	300,000,000	3,242,679	52,648,748,202	
Constrction of Sooriyawawa Stadium	Peoples Bank	LKR	AWPLR+2.5%	3,950,858,870			
			Total			55,281,747,752	10,418,123

Note 24	Borrowings - Government of Sri Lanka	55,281,747,752
Note 25	Borrowings - Financial Institutions	-
		55,281,747,752

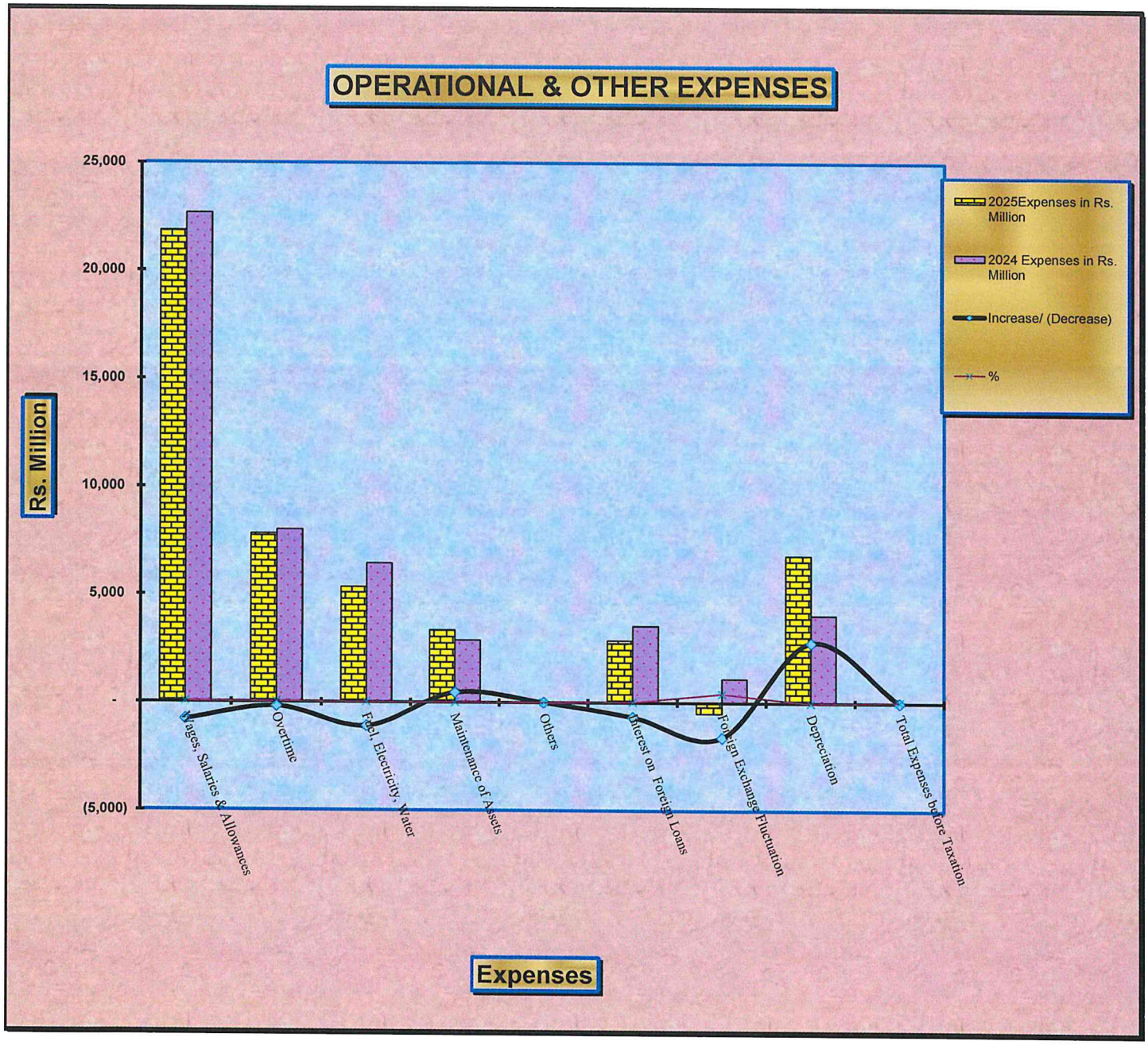
Foreign currency borrowings were converted using the selling exchange rate as at 31.12.2025 to match with the outstanding loan balances as confirmed by General Treasury.

Figures in brackets indicates deductions.

Notes to the Financial Statements continued on page 51

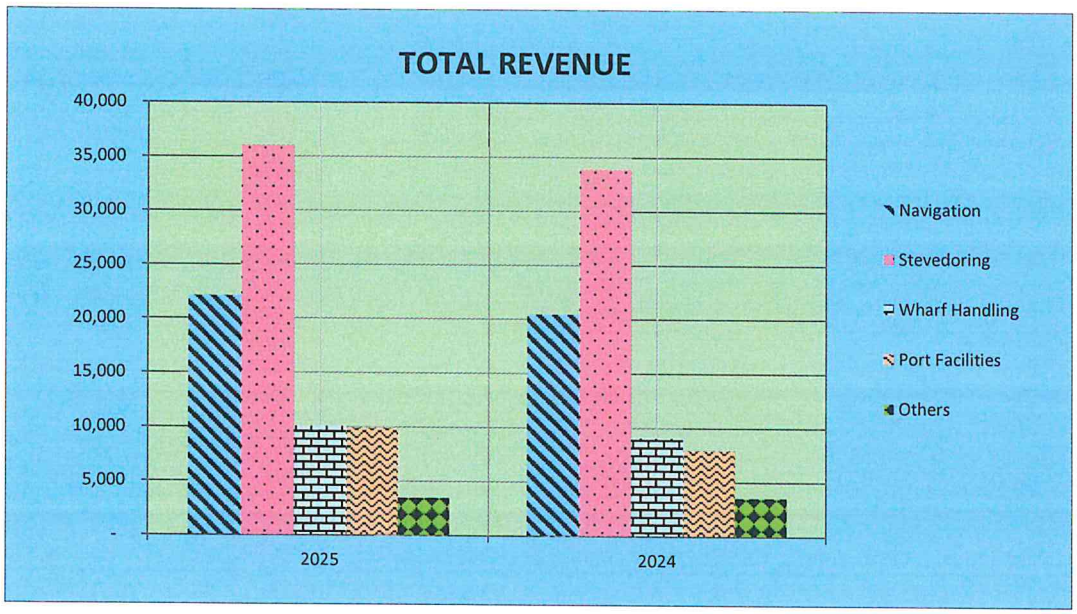
SRI LANKA PORTS AUTHORITY
GRAPHICAL REVIEW

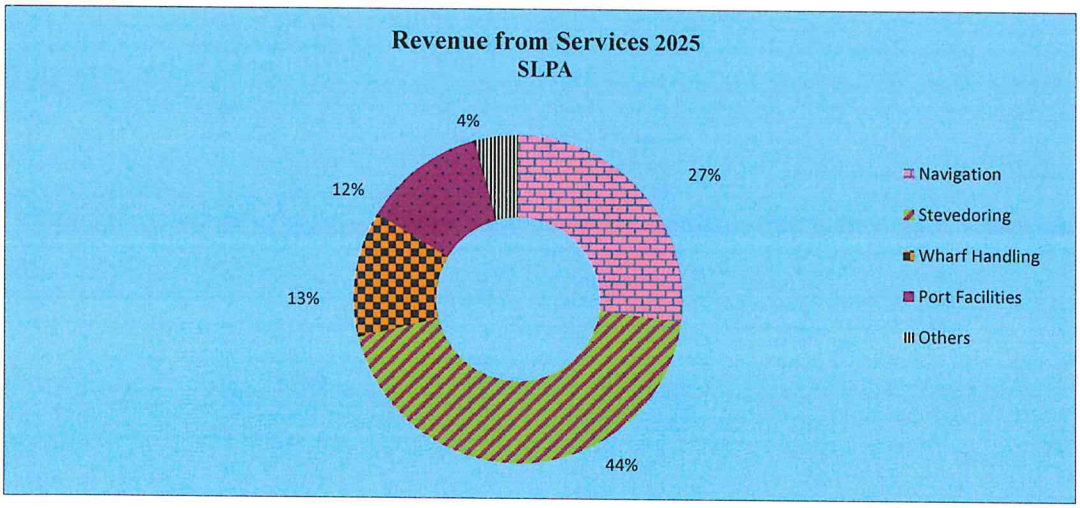
FOR THE YEAR ENDED 31 DECEMBER 2025



SRI LANKA PORTS AUTHORITY
GRAPHICAL REVIEW

FOR THE YEAR ENDED 31 DECEMBER 2025





PENDING LITIGATION COMPLAINTS / ACTIONS / APPLICATIONS AGAINST SLPA AS AT 31.12.2025

Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
SC Cases						
01	SC (Appeal) 35/12 SC/HC/LA 81/2011 HC/ARB/1926/2009	04-08-2011	Daya Construction (Pvt) Ltd	SLPA filed a case bearing No. HC/ARB/1926/09 In order to set aside the award given by Arbitration to pay Rs. 11,882,723.86 with interest and the order was delivered in favour of Defendant, subsequently SLPA made an appeal to Supreme Court under Case No. SC/LA/35/12 against the said order.	This case was file against the order delivered on Case bearing No HC/ARB/1926/19	Concluded on 27-03-2025
02	SC/FR/418/13	17-12-2013	Edward Rohan Ponniah	This is with regard to the ownership of the Land situated adjacent to "Sweet Bay" Trincomalee filed by the Petitioner	Laid by	Laid by
03	SC/Appeal/183/15	05-06-2013	Amaran Group Limited	Petitioner was filed this matter for partition of the Land called Kumbulawela & SLPA cited as 4th Respondent stating that the SLPA claim to the said Land without any right This case filed against the Judgement dated 27-03-2013 in Civil Appeal Case No WP/HCCA/COL/838/2002(F)		Support on 30-01-2026
04	SC/FR/351/15	05-07-2016	David Peiris Motor Company Limited	This is with regard to the ownership of the Land situated adjacent to "Devid Man's Core" Trincomalee filed by the Petitioner David Peiris Motor Company.		Laid by
05	SC/CHC/Appeal/25/2017	17-09-2019	Tanya Haulage (Pvt) Ltd	Plaintiff filed this Case seeking the amount of Rs 75,389,021.54 from the Defendents, In the matter judgement was delivered on 06-03-2017 and the SLPA (2nd Defendant) was discharged without any Cost and the SLPMCS (1st Defendant) is liable to pay Rs. 28,902,456.92 together with the Legal interest to the Plaintiff. Hence, 2nd Defendent appealed this matter and filed a Case in Supreme Court bearing Case No. SC/CHC/Appeal/25/17 against the oreder dated 06-03-2017 and prayed to set a side the order dated 06-03-2017		Order Reserved
06	SC/FR/349/19	06-09-2019	W.A.S. Wijewardana	This Case was filed by the employees who were said to have been "Piyaputhu" employees seeking appointments to Accounts Clerks and quashing re appointments to of 16th - 40th Respondents to the post of Accounts Clerk. However, notices has yet to be received by SLPA & SLPA has not filed the SLPA's proxy		Petition is dismissed on 01-04-2025
07	SC/FR/176/2021	07-07-2021	B.T.S. Iddamalgoda W.G. Fernando W.K.S. Fernando	Petitioners filed this as public interst litigation case seeking redress for fisherman affected by Express Peral insident and sought relief from all Responders including (4th Respondant Chairman/SLPA) to award Rs. 500,000/- per each fisherman		Dismissed on 27-05-2025
08	SC/FR/277/2021	09-09-2021	1. The Bishop of Colombo 2. Cardinal Malcolm Ranjith	In this Case Petitioners cited SLPA, Chairman SLPA, MD, Harbour Master and 18 others as Respondents Petitioners seeking relief under fundamental Rights Jurisdiction of Supreme Court on MV X-press pearl disaster incident. Leave to proceed granted for this case on 01-12-2021 and fixed for file the objection to 20-01-2022		Dismissed on 27-05-2025
09	SC/FR/184/2021	01-07-2021	1) Dr. Asantha Perera 2) Jeran Jegatheesan	Petitioners filed this application as public interest litigation seeking cost and compensation from Respondents for the devastating impact to the marine environment and pollution with the incident of "Express Pearl" vessel and also dealing FR to equally and Equal protection of Law guaranted in Article 12(1) of the Constitution is being infringed.		Dismissed on 27-05-2025
10	SC/FR/168/2021	16-11-2021	Centre for Environmental Justice (Guarantee) Ltd	The Petitioner claim that pertaining to MV X-press Pearl, the Respondents have failed and/or omitted inter alia to discharge the task vested in them and protect the sea and coastal area of Sri Lanka and to secure the right to engage the livelihood of the fisherman and thus have violated their fundamental rights		Dismissed on 27-05-2025
11	SC/FR/196/2022	06-06-2022	Dr. U.S. Jayasekera	The Petitioner has sought several reliefs including interim order to stay he operation of the diciplinary punishment imposed on the Petitioner by letter dated 17-05-2022 until the final hearing and determination of the application		Argument 29-01-2026
12	SC SPL LA 24/2023	23-01-2023	The National Union of Seafarers	This case was filed against the order made on 21-02-2023 in CA (writ) 124/13		Mention 10-02-2026
13	SC SPL LA 182/2023 (CA TAX 9/16)	18-07-2023	The Commissioner General Inland Revenue Dept. (Petitoner)	This Application has been filed by SLPA against the order of the Court of Appeal on Preliminary Objction raised by SLPA in the case No. CA/TAX/09/2016		Support on 16-01-2026
14	SC FR 182/2023	18-07-2023	K.W. Nishantha de Silva and 6th others Petitioners	Case filed by members and officers bearer of the Miscellanious Work Assistant Society of SLPA to seek relief as promotion to post of Junior Management Assistant		Application Dismissed 09-10-2025
15	SC/SPL/LA/49/24	21-02-2024	S.W.W. Singhebahu	This case was filed by SLPA against the Judgement delivered on 11-01-2024 case bearing No CA(writ) 409/2020 and to very and/or set aside the said Judgment		Support on 10-03-2026
16	SC/FR/43/24	16-02-2024	Rasiah Tushyanthan	The Petioner has filed this case to null and void the appointment made by the SLPA for the post of Deputy Chief Engineer (Machanical) SLM 2 to the 9th Respondent of this Case		Agreement 15-06-2026

NOTES TO THE FINANCIAL STATEMENTS CONTINUED ON PAGE 54

Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
17	SC/FR/166/24	10-06-2024	1. Aliyar Labbai Usan 2. K. Jamaldeen 3. A.H. Abdul Haleem 4 A.M M. Fareed	This matter was filed by one of enchorochers of Trincomalee Port premises and sought relief for their fundemental rights violated through the vesting order to vest lead to SLPA		Application Dismissed 24-06-2025
18	SC/FR/164/24	10-06-2024	A.M Safarulla	This matter was filed by one of enchorochers of Trincomalee Port premises and sought relief for their fundemental rights violated through the vesting order to vest lead to SLPA		Application Dismissed 24-06-2025
19	SC/FR/299/24	06-11-2024	Staff Officer Association	The Staff Officer Association filed this Application and sought relief as an Order from Supreme Court declaring violation of Fundamental rights under the constitution		Application Dismissed 01-04-2025
20	SC/FR/35/25	18-02-2025	R M.C.S. Rratnayake	This Application has filed newly recruitted Management Trainees against the decision made by the SLPA Management to suspend the training of them and sought relief as to declare their fundemental rights violated		Withdrawn is allowed and the Prtition is Dismissed on 31-07-2025
21	SC/HCLA/22/25 (CHC 29/25 MR)	04-04-2025	Cannel (Pvt) Ltd	The Petitioner filed this application against the Order of the Commercial HC in the Cse bearing No. CHC/29/2025(MR)		Application Dismissed 27-11-2025
22	SC/FR/172/25	04-08-2025	AINM Import (Pvt) Ltd	This Application relates to a consignment of salt imported by the Petitioner and the Petitioner has sought severa; re;iefs from the Respondents inter alia Interim relief as prayed for in the Petition		Mention 26-03-2026
23	SC/SPL/LA/86/25	22-08-2025	Cannel (Pvt) Ltd	The Petitioner filed this application and sought the Supreme Court to revised the Interim relief order delivered by the Commercial High Court in the Case bearing No: CHC/29/25/MR		Support on 21-01-2026
CA Cases						
01	CA/Tax/09/16	02-08-2016	The Commissioner General Inland Revenue Dept (Petitioner)	This is filed by the Dept of Inland Revenue against the determination of TAX (Tax Appeal Commission) dated 14-06-2016 for the 2009/2010 Assessment year		Mention 29-01-2026
02	CA/PHC/78/2020 (HC/225/17)	30-03-2021	N.S.P. De Costa	This Case was filed against the order dated 28-07-2020 in Case No. HC/225/17(G)		Application dismissed on 20-11-2025
03	CA/383/2021	05-08-2021	Centre for Environmental Justice (Gurantee) Ltd	This Case cited as 9th Respondent, Department of Imports & Export Control, President Secretariat, Ministry of Finance, Sampath Bank PLC, SAGT (Pvt) Ltd, Central Bank of Sri Lanka, Ministry of Industries, Ministry of Ports & Shipping and Attorney General have been cited as other Respondents, Petitioner is seeking interim orders to release the Shipping Documents of the container, release the Shipments without charging demurrages		Date yet to be given
04	CA/409/2020	15-10-2020	S.W.W. Singhebahu	This case was filed by Multi Skilled Craftsmen Workers of SLPA. SLPA and its Board of Directors and other Officers have acted as 1st - 16th Respondents. Hon. Minister and Secretary of Ministry of Ports and Shipping have acted as 17th -18th Respondents Ceylon Shipping Corporation Ltd. and its Directors cited as other Respondents. these Petitioners were followed Diploma Course in Marine Engineering conducted by Mahapola Training Institute and they filed this case stating that they couldnot complete this course successfully because on-board training was not given to them during the course period. Thereafter they have recruited to the SLPA as Multi Skilled Craftsman Now they filed this case seeking Writ of Mandamus compelling the Respondents to place the Petitioners in proper Non-Labour job category and to issue proper certification as per the international satndards for the course they have followed.		Judgement delivered on 11-01-2024 in favour of Petitioners. SLPA has filed the Appeal matterin Supreme Court case bearing No SC (SPL) 49/2024 against the said Judgment
05	CA (Writ) 427/2022	09-11-2022	E.G. Anton and 2nd other Petitoner	Case Filed by officers attested to Sri Lanka Customs Dept against SLPA and other Respondents seek relief as writ to compel the Respondent to pay reward entitled to them for investigation conducted by them on Gantry Crane imported by SLPA without declaration		To be Resumed on 24-02-2026 , 04-03-2026
06	CA (Writ) 455/23	04-08-2023	Master Divers (Pvt) Ltd	Petiotner filed this matter against SLPA and other Respondent to seek relief as permit them to move the subject Crane to CDL premises and claim which was purchased by them fron 2nd Respondent (SR Steels (Pvt) Ltd) and interim relief to hold the sale of the subject Crane by SLPA		Order on 20-01-2026
07	CA/writ/807/23	12-12-2023	Susantha Priyadarshana	Petitioner has filed this case against SL Customs for detention of vehicle imported by him and sought relief to waive off demurrage Charges incurred thereon		Mention 28-01-2026

NOTES TO THE FINANCIAL STATEMENTS CONTINUED ON PAGE 55

Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
08	CA/writ/211/24	28-03-2024	Reborn Medicom Company (Pvt) Ltd	Petitioner filed this action and sought relief as to direct the National Medisines Regularity Authority to issue registration certificate to Dental Chairs imported by them and direct SLPA to refrain from dispossing the subject cargo by sale		Application Dismissed on 03-12-2025
09	CA/writ/432/24	13-12-2024	A M. Amsudeen	Petitioners filed this Application to quash the validity of the resting order gazetted to vest lands to Trincomalee Port		Application Dismissed on 23-05-2025
10	CA/COC/0031/24	22/07/2024	H W. Prasanna Kumara	Petitioners filed this Application in order to obtain a remady and/or compensation, as well as an order that the Respondents violated the contempt of Court Tribunal or Institution Act No. 8 of 2024		Mention 26-03-2026
11	CA/writ/599/24	18-09-2024	P.S.S. Sumanarathna	Petitioners filed this Application seeking writ of certiorari quashing the site Lease Agreement entered with the South Asia Commercial and Logistics Hub Limited		Mention 22-01-2026
12	CA/writ/637/24	07-10-2024	Prabath J Malavige	Petitioners filed this Application seeking writ of certiorari quashing the letter of removal dated 02-10-2024 from the position of Managing Director and to restoring the Petitioner in the position of the Managing Director		Argument 17-02-2026
13	CA/writ/698/24	30-10-2024	Diesel and Motor Engineering PLC	Petitioners filed this Application seeking writ of ertiorari quashing the Cabinet Decision made at the meeting of the Cabinet Ministers held on 13th September 2024 to grant approval to award the contract the procurement of 15 Straddle Carriers for the East Container Terminal of the SLPA to 19th Respondent of this Application		Settled on 17-06-2025 and Application Withdrawn
14	CA/writ/743/24	16-11-2024	H.W. Prasanna Kumara	This Application filed by Petitioners and sought relief as per the Gazzette published on 24-04-2018 with regard to relef to these Petitioner		16-10-2025 Application Dismissed
15	CA/writ/816/24	17-12-2024	G.P.K.Dharshana	This Application filed by Petitioner and sought relief from Court of Appeal in the nature of writ to compel the Respondent Banks to restrain from taking action to recover the loans obtain from them.		Dimissed on 15-10-2025
16	CA/INJ/01/25	17-02-2025	Cannel (Pvt) Ltd	The Petitioner has filed this Application in the Court of Appeal for Injunctions in terms of Article 143 of the constitution and the Court has issued the injunctions against SLPA restraining SLPA inter alia from terminating the Site Lease Agreement bearing No 1202 dated 19-06-2024		Withdraw 21-03-2025
17	CA/MCR/4/25	24-04-2025	Kalaltheen	This Application have filed by deveral enchroches of the SLPA Lands in Trincomalee and sought revision of orders delivered by yhe Trincomalee Magistrate Court for Cases filed under State Lands (Recovery of Possesion) Act		Application Dismissed on 30-06-2025
18	CA/writ/171/25	07-03-2025	R.B. Sanjaya Kumara	Petitioner is an employee of SLPA and interdicted after indictment filed by the CIABOC in the HC of Colombo and filed this Application and sought relief of reinstatment in Service		Application Dismissed on 16-10-2025
19	CA/writ/746/25	14-07-2025	A. Kasun Sanjaya	The Petitioner filed this Applicaion seeking writ of certiorari to quash the decision of Respondents and writ of prohibition to prevent Respondents from demolishing the Petitioner's buildings		Argument on 03 03-2026
20	CA/writ/747/25	14-07-2025	S. S. Paranawithana	The Petitioner filed this Applicaion seeking writ of certiorari to quash the decision of Respondents and writ of prohibition to prevent Respondents from demolishing the Petitioner's buildings		Argument on 03 03-2026
21	CA/CPA/47/25	28-05-2025	A. Kasun Sanjaya	Petitioner filed this Application and appeal against the decision of the High Court of Galle regarding the revision application from MC of Galle		Appeal dismissed on 12-12-2025
22	CA/CPA/48/25	28-05-2025	A. Kasun Sanjaya	Petitioner filed this Application and appeal against the decision of the High Court of Galle regarding the revision application from MC of Galle		Appeal dismissed on 12-12-2025
23	CA/CPA/49/25	28-05-2025	S.S Paranawtithan	Petitioner filed this Application and appeal against the decision of the High Court of Galle regarding the revision application from MC of Galle		Appeal dismissed on 12-12-2025
24	CA/CPA/50/25	28-05-2025	S.S Paranawithana	Petitioner filed this Application and appeal against the decision of the High Court of Galle regarding the revision application from MC of Galle		Appeal dismissed on 12-12-2025
25	CA/writ/690/25	23-03-2025	S.R.L.C. de Alwis	Petitioner filed this Application and sought to relief as waive off entire damurrage charges as granted by Cabinet Decision		Mention 13-01-2026

NOTES TO THE FINANCIAL STATEMENTS CONTINUED ON PAGE 56

Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
26	CA/writ/861/25	26-08-2025	D.L.C. Kumara	Petitioner filed this action and sought relief from Court of Appeal by writ of certiorari and mendumus to compel the SLPA to extend the No pay leave for foreign employment		Mention 12-01-2026
27	CA/writ/1021/25	15-10-2025	T.C.K Thotawatha	Petitioner filed this Application and sought to relief as SL Customs to allow re-export the Cargo imported by them and subsequently detained by SL Customs due to violation of import regulation and sought relief as damage waiver from SLPA		Application dismissed on 18-12-2025
28	CA/writ/1002/25	23-10-2025	Harbour View Piers (Pvt) Ltd	The Petitioner has filed this action with regard the Demolition OrderDO/2025/214 given by the Director General of Department of Coast Conservation and Coastal Resources Management for the unauthorised construction made by the Petitioner in the land leased to the Eastern Province Tourism Bureau by entering into the Lease Agreement with SLPA on 28-03-2024 Therefore the Petitioner pleads by filling this Petition for mandates in the nature of Writs of Certiorari, Prohibition against the 1st and 2nd Respondents for quashing the said demolishing oreder. Further Petitioner pleads against 1st 5th Respondents an Interim Order staying the operation of said order or its contents pending the final determination of this Application		To be resumed on 19-02-2026
29	CA/writ/805/25	01-08-2025	MANS Lanka (Pvt) Ltd	The Petitioner has filed this action with regard the Two consignment importing the diced mozzarella cheese where the Sri Lanka Customs refused to release the same to the Petitioner. Therefore the Petitioner pleads by filing this Petition for mendates in the nature of Writs of Certiorari, Prohibition and Mandamus against the 1st to 4th Respondents for prohibiting from detaining/ seizing any consignments of the Petitioner based on and/or in accordance with the Advance Classification Ruling dated 19th September 2025. Further, Petitioner pleads against 4th Respondant (SLPA) an Interim Order restraining the 4th Respondent from selling, alienating or any manner disposing of 2nd consignments [CRSU 6015956] or its contents pending the final determination of this Application		Argument 26-01-2026
30	CA/writ/816/25	04-08-2025	M.C Dissanayake			Argument 26-01-2026
31	CA/writ/847/25	25-08-2025	B.P.C.Pravi Karunaratne			Argument on 14-01-2026
32	CA/writ/989/25	08-10-2025	W.A.N.K. Seneviratne			Argument 26-01-2026
33	CA/writ/728/25	30-10-2025	US Car Sales (Pvt) Ltd			Argument 26-01-2026
34	CA/writ/1126/25	24-11-2025	K.P.M Shanaka de Silva			Order 30-01-2026
35	CA/writ/1115/25	19-11-2025	P.E.Kumarage			Order 30-01-2026
36	CA/writ/1032/25	21-10-2025	M.N. Deen			08-01-2026 Order is delivered
37	CA/writ/1081/25	10-11-2025	Chithila Enterprises			Order 30-01-2026
38	CA/writ/1186/25	10-12-2025	Decent Trading Intl (Pvt) Ltd			Mention 29-01-2026
39	CA/writ/1187/25	10-12-2025	Over Land Autometical (Pvt) Ltd			Mention 29-01-2026
40	CA/writ/812/25	04-08-2025	Auto Zeal (Pvt) Ltd			Argument 14-01-2026
41	CA/writ/815/25	04-11-2025	AMC Green Power (Pvt) Ltd			Argument 26-01-2026
42	CA/writ/1161/25	03-12-2025	V.G.S. Samarawickrama			Counter Objection 13-02-2026
43	CA/writ/1116/25	20-11-2025	Jubilant Food Works (Pvt) Ltd	The Petitioner has filed this action with regard the Two consignment importing the diced mozzarella cheese where the Sri Lanka Customs refused to release the same to the Petitioner. Therefore the Petitioner pleads by filing this Petition for mendates in the nature of Writs of Certiorari, Prohibition and Mandamus against the 1st to 4th Respondents for prohibiting from detaining/ seizing any consignments of the Petitioner based on and/or in accordance with the Advance Classification Ruling dated 19th September 2025. Further, Petitioner pleads against 4th Respondant (SLPA) an Interim Order restraining the 4th Respondent from selling, alienating or any manner disposing of 2nd consignments [CRSU 6015956] or its contents pending the final determination of this Application		Notice Return on 27-01-2026
44	CA/writ/1127/25	01-12-2025	Avent Garde Maritime (Pvt) Ltd	Petitioner filed this Application to quash the decision made by the Ministry of Defence and SL Navy to terminate the Argument that provide facility to maintain an Armoury and SLPA also cited as party to this action		Order on 27-01-2026
45	CA/writ/1128/25	01-12-2025	Rear Admiral L.D. Dharmapriya (Retd)	Petitioner filed this Application to quash the decision made by the Ministry of Defence and SL Navy to terminate the Argument that provide facility to maintain an Armoury and SLPA also cited as party to this action		Order on 27-01-2026

NOTES TO THE FINANCIAL STATEMENTS CONTINUED ON PAGE 57

Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
HC Cases						
01	HC/ඉදි/225/17 (MC/62680/16)	08-09-2017	N.S P Costha	SLPA filed this case under State land Recoveries and Possession Act No 7 of 1979 to eject the Defendant from the unauthorised Occupation of SLPA land.		Judgment was delivered on 28-07-2020 in favour of SLPA Appeal dismissed on 20-11-2025
02	HC (Civil) 49/16/Co	21-09-2016	Ever Green Marine Corporation (Taiwan) Ltd	SLPA intervened in this application filed by the Green Lanka Shipping Ltd in terms of Section 270(e), 534 of cmopanies Act No 7 of 2007 (winding up of Company) as Invervement Respondent to recover its outstanding amount of Rs 21,112,681.05 for Port Services rendered by SLPA to the Company		Further Trial on 23-02-2026
03	HC/Rem/11/05	30-05-2005	Jami	SLPA instructed this Action in order Sec 2 (l)(k),(l) and m) of Admitalty Juridiction Act No. 40 of 1983 seeking sum of US$ 1,945,712.66 together with interest and Cost		Calling on 27-01-2026.
04	HC/REV/880/25 HC (Galle)	21-02-2025	A. Kasun Suranga	This case has been filed by an unauthorised occupier in the SLPA Land in Galle and sought revision of order of the Magistrate Court of Galle in case filed under State Land (Recovery of Possession) Act by SLPA		Appeal Dismissed 30-04-2025
05	HC/REV/881/25 HC (Galle)	21-02-2025	A. Kasun Suranga	This case has been filed by an unauthorised occupier in the SLPA Land in Galle and sought revision of order of the Magistrate Court of Galle in case filed under State Land (Recovery of Possession) Act by SLPA		Appeal Dismissed 30-04-2025
06	HC/REV/882/25 HC (Galle)	21-02-2025	S.S. Paranawithana	This case has been filed by an unauthorised occupier in the SLPA Land in Galle and sought revision of order of the Magistrate Court of Galle in case filed under State Land (Recovery of Possession) Act by SLPA		Appeal Dismissed 30-04-2025
07	HC/REV/883/25 HC (Galle)	21-02-2025	S.S. Paranawithana	This case has been filed by an unauthorised occupier in the SLPA Land in Galle and sought revision of order of the Magistrate Court of Galle in case filed under State Land (Recovery of Possession) Act by SLPA		Appeal Dismissed 30-04-2025
08	HC/Civil/29/25MR	17-03-2025	Cannel (Pvt) Ltd	The Petitioner has filed this Application and sought relief as interim injunctions to restraining the SLPA from terminating the Site Lease Agreement		Trial on 22-01-2026
09	WP/HCCA/146/24(F) (DSP 163/12)	12-03-2025	Premier Shipping (Pvt) Ltd	The DC Case filed under Sec 42(1)A of the SLPA Act and the Case was decided in favour of SLPA thereafter the defendant filed this revision application and sought the Civil appelate HC to revised the order of the DC		Argument on 17-02-2026
10	WP/HCCA/COL/230/17 (F) DMR/26/36/2014	22-07-2025	Consolidated Marine Engineering Ltd	The Petitioner filed this Application to set the side the order of the dismissed dated 4th March 2022 given by the WP/HCCA/COL/230/17(F)		Dismissed on 10-08-2025
11	WP/HCCA/COL/158/25 LA (DLM 107/24)	19-09-2025	A.M. Sapurulla	SLPA filed this Application in the Civil Appeal at High Court against the interim order of the District Court of mColombo on prieliminary objection raised by SLPA in the DC Case No. DLM/107/2024		Mention 28-04-2026
DC Cases						
01	DSP 163/12	21-06-2012	Premier Shipping (Pvt) Ltd	This case was filed by plaintiff in terms of Sec 42A(2) to setaside the certificate used by SLPA for the payment of Rs. 55,988,836/-		Judgment was delivered on 03-07-2024 in favour of SLPA. Defendent filed the appeal papers against the said Judgment and also the revision Application case bearing No WP/HCCA/COL/146/2024 (F)
02	DDR/1349/2019	18-12-2019	HNB PLC	HNB claims outstanding dues from SLPA on the credit facility provided to MPMC wherein SLPA has given corporate guarantee which amounts to USD 22,324,585.35 together with interest at the rate of LIBOR+3 5% per annum with effect from 23-03-2019.	Decree nisi was served SLPA filed its objections as to whether why that decree nisi should not be made absolute	On 10-09-2024 Judgement delivered against SLPA. SLPA filed appeal papers against the said Judgment and also the Revision Application case bearing No. WP HCCA Col 41/24/RA

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Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
03	DSP/156/2021	22-06-2021	1. D.A Widhana Gamage 2. D.K Jayasinghe	The plaintiffs have field this action against Chairman, Election Committee of Sri Lanka Carrom Federation and 25 others and Sri Lanka Ports Authority has been cited as 18th Defendants An Enjoining order, en forced until 04-10-2021 restraining the 1st to 3rd Defendants from holding any elections for the election of the Executive Committee for the CFSL and the 5th to 25th Defendants from voting at any elections for the election of the Executive Committee for the CESL		This case was not handling by SLPA
04	DLA 35/21	15-11-2022	K.W. Abesuriya	This action has been filed by the plaintiff under the Land Acquisition Act in order to accertain the title of the Land referred to in the schedule this case		Commission Report on 17-03-2026
05	DLA 37/21	17-11-2022	K.W. Abesuriya	This action has been filed by the plaintiff under the Land Acquisition Act in order to accertain the title of the Land referred to in the schedule this case		Commission Report on 17-03-2026
06	DLA 38/21	17-11-2022	K.W. Abeysooriya	This action has been filed by the plaintiff under the Land Acquisition Act in order to accertain the title of the Land referred to in the schedule this case		Inquiry on 28-04-2026
07	DLA 41/21	17-11-2022	K.W. Abeysooriya	This action has been filed by the plaintiff under the Land Acquisition Act in order to accertain the title of the Land referred to in the schedule this case		Commission Report on 09-02-2026
08	DLA 43/21	17-11-2022	K.W. Abeysooriya	This action has been filed by the plaintiff under the Land Acquisition Act in order to accertain the title of the Land referred to in the schedule this case		Commission Report on 17-03-2026
09	DLA 39/21	17-11-2022	K.W. Abeysooriya	This action has been filed by the plaintiff under the Land Acquisition Act in order to accertain the title of the Land referred to in the schedule this case		Court Order to release the compensation deposited in the Court to SLPA
10	DLM/107/2024	19-09-2025	A.M. Sapurilla	This matter was filed by one of enchorochers of Trincomalee Port premises and claim prescriptive title to the land possessed by him with a deed of declaration		Calling on 17-02-2026
11	DLM/123/2024	22-10-2024	M.A.M. Aliraji	This matter was filed by one of enchorochers of Trincomalee Port premises and claim prescriptive title to the land possessed by him with a deed of declaration		Pre Trial 27-01-2026
12	DLM/124/2024	22-10-2024	A.R.H Ahamed	This matter was filed by one of enchorochers of Trincomalee Port premises and claim prescriptive title to the land possessed by him with a deed of declaration		Pre Trial 27-01-2026
13	DLM/98/2024	30-08-2024	A.R.Jeumudeen	This matter was filed by one of enchorochers of Trincomalee Port premises and claim prescriptive title to the land possessed by him with a deed of declaration		Trial on 13-02-2026
14	DLM/43/25	24-03-2025	S. Irfan	This matter was filed by one of enchorochers of Trincomalee Port premises and claim prescriptive title to the land possessed by him with a deed of declaration		Answer final 25-03-2026
15	DLM/44/25	24-03-2025	A.M. Safrulla	This matter was filed by one of enchorochers of Trincomalee Port premises and claim prescriptive title to the land possessed by him with a deed of declaration		Answer final 25-03-2026
16	DSP/140/25	09-05-2025	South Asia Fertilizer Terminal Ltd	The plaintiffs have field this Case against the MOU signed between SLPA and Plaintiff. Plaintiff pleads to issue an interim order against the SLPA preventing the land reffered in the MOU to lensed any other third party until the final determination of this Case		Written Submission on 28-01-2026
Industrial Abitrations						
01	A/61/2023	25-10-2023	W.A.A. Chaminda	Industrial Arbitration Case filed by on employee who was terminated by SLPA on the basis of misconduct and filed this matter and sought relief as reinstatment or compensation Next Inquiry date 30-12-2024		Award on 22-07-2025

NOTES TO THE FINANCIAL STATEMENTS CONTINUED ON PAGE 59

Case Records			Complainant /Plaintiff or Petitioner	Nature of the Case & the relief	Present Position	Next Step
S.No.	Case No.	Date of Institution				
Labour Tribunal						
01	LT13/245/2011	03-12-2020	B.K.M. Mahinda	Applicant sought relief to reinstate them or to pay reasonable compensation	In LT, SLPA has taken up the position that as per Section 54of the SLPA Act, applicant should give prior one month's notice to SLPA before filing LT Application In the revision application in High Court This was decided in favour of SLPA. Applicant filed appeal in Supreme Court against the HC Order.	This matte rwas decided in favour of the Applicant on 30-06-2025 and order to pay compensation of Rs. 2,620,280/-. Hence, SLPA has Appealed against the said order. Under the Case No, LTA/63/25 and the matter is not supported yet
02	LT/2/Add/2/21	20-04-2021	M Nimal Seneviratne	Due to misconduct commited by Mr.M.N.Seneviratne (Applicant) ASO (Possession of undeclared goods) after conducting a domestic inquiry, he was terminated & against that decision, Applicant has field this case against SLPA seeking reinstatement or compensation amounting to Rs. 15,000,000 (15 M)		This Case was decided in favour of Applicant and order to reinstate the Applicant with back wages of Rs. 3,115,582/- and SLPA has prefer an Appeal against the order under the Case No HCALT/41/2025 Now the Appeal Case has been fixed for calling on 27-04-2026
Customs Inquiry						
01	D/INV/2008/100		Director General of Customs	Laid by		This was taken up on 21.07.2020 for inquiry and again laid by until honorable AG's advise is received.
02	PCAD/HQO/10 (2016) (CA/220/17) (SC/SPL/LA/443/18)		Appeals against DGC	This is an appeal filed by SLPA against the CA Judgement dated 09-11-2018 (CA (writ) 220/2017) filed by SLPA seeking to quash the Customs inquiry order over non-payment of Taxes on Container Hanling Equipment and Spares		SC/SPL/LA/443/2018) Case was concluded Decision to be informed to Customs