2025/26

Audited Financial Statements

First Capital Fixed Income Fund

Managed by
FIRST CAPITAL ASSET MANAGEMENT LIMITED

First Capital
A Janashakthi Group Company

CONTENT

Report of The Manager

We have pleasure in presenting to you the Audited Financial Statements of First Capital Fixed Income Fund for the year ended 31 March 2026.

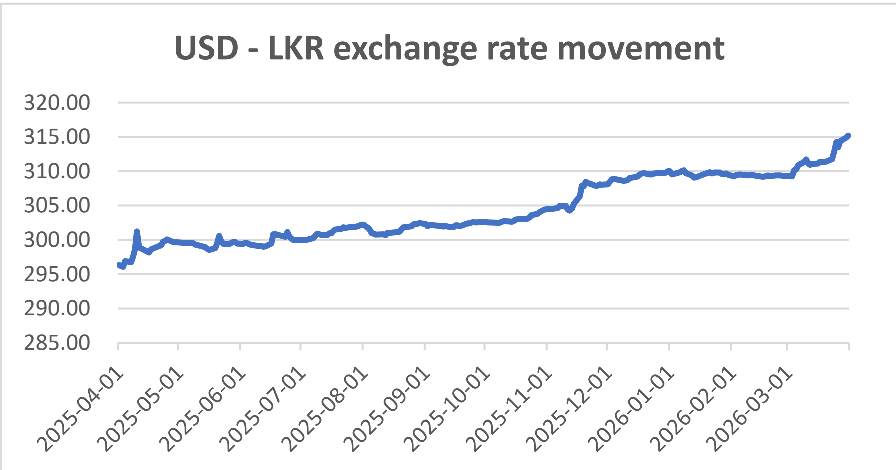
Economic and Industry Overview

The Sri Lankan economy continued its recovery during the year 2025/26, supported by sustained macroeconomic stability, improving investor confidence and continued implementation of structural reforms under the International Monetary Fund (IMF) programme. Economic growth moderated compared to the strong rebound witnessed during the previous year, the economy remained on a positive trajectory, supported by gradual improvements in private sector activity, tourism, remittance inflows and expanding domestic demand.

During the year, Sri Lanka successfully completed the fourth and fifth reviews under the IMF Extended Fund Facility programme, reinforcing policy credibility and unlocking additional external financing. Continued progress in implementing fiscal reforms, together with the successful completion of external debt restructuring, strengthened investor confidence during the period.

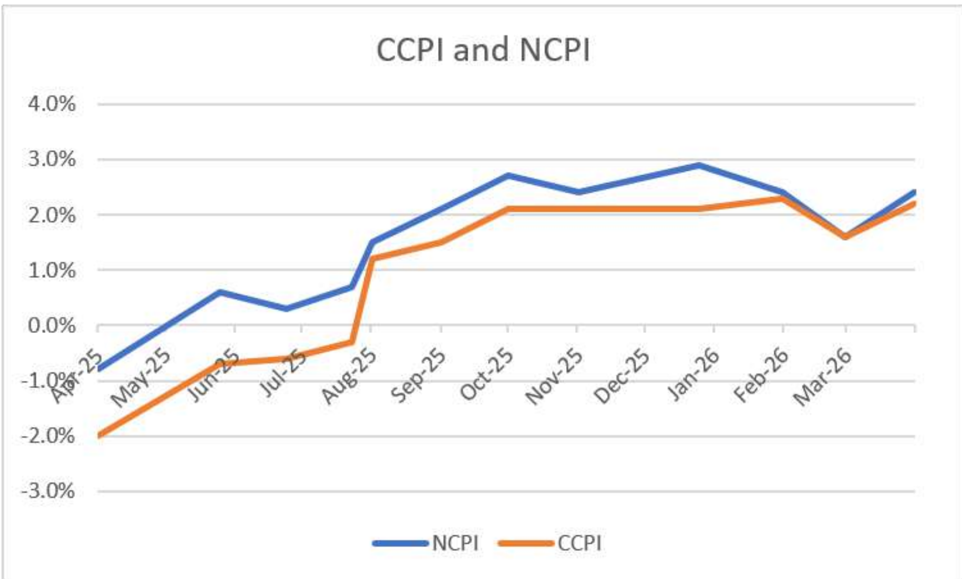
Inflation remained well below the Central Bank of Sri Lanka's medium-term target for much of the financial year owing to subdued domestic demand, favorable base effects and lower global commodity prices during the first half of the year. However, inflationary pressures gradually re-emerged towards the latter part of the period following adjustments to administered prices, stronger private sector credit growth and rising global energy prices amid heightened geopolitical tensions.

The Sri Lankan Rupee remained relatively stable throughout most of the financial year, supported by healthy foreign exchange inflows from tourism, workers' remittances and export earnings. Nevertheless, the currency experienced moderate depreciation during the final quarter of the year as global crude oil prices increased following escalating geopolitical tensions in the Middle East, leading to higher import expenditure and increased demand for foreign currency.

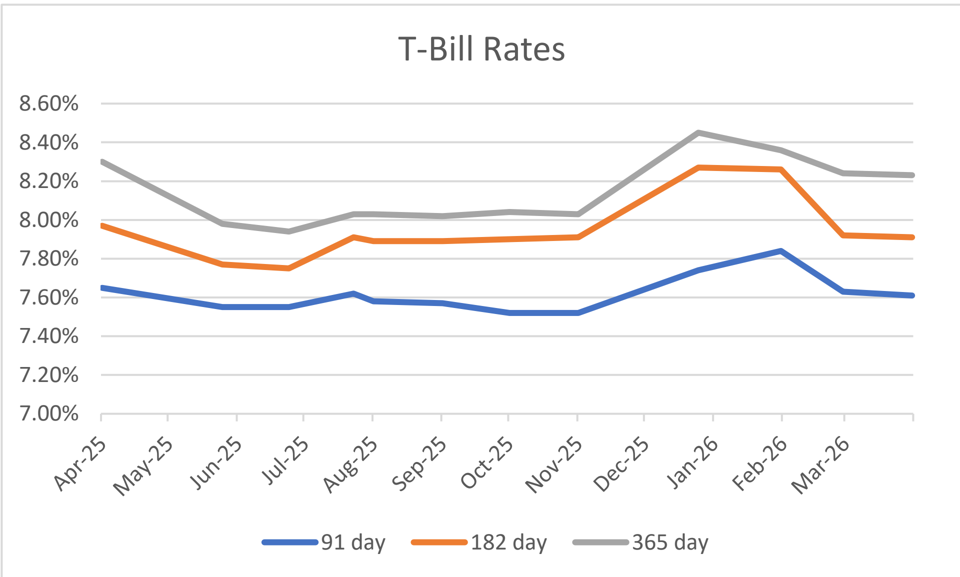


FIRST CAPITAL ASSET MANAGEMENT LIMITED
No. 2, Deal Place, Colombo 3, Sri Lanka.
Tel : +94-11-2639898, 2576878 Fax : +94-11-2576866, 2639899 E-mail : info@firstcapital.lk Web : www.firstcapital.lk
Company Reg. No : PB 187

Gross official reserves continued to improve during the year, supported by sustained foreign exchange purchases by the Central Bank of Sri Lanka, continued multilateral disbursements and stronger tourism receipts. The improved external sector position contributed to maintaining confidence in the country's balance of payments despite increased import demand during the latter part of the year.



The Central Bank of Sri Lanka maintained an accommodative monetary policy stance during the first half of the financial year as inflation remained subdued. However, with inflation expectations gradually normalizing and private sector credit recording a strong recovery, monetary policy remained largely unchanged during the latter part of the year while the Central Bank of Sri Lanka continued to monitor evolving domestic and global developments. Treasury bill yields remained broadly stable during the first half before gradually increasing towards the end of the financial year, reflecting market expectations of firmer inflation and increased government borrowing requirements.



Fund Performance

First Capital Fixed Income Fund reported a Profit after Tax of Rs. 236.3 Mn for the year ended 31 March 2026 compared to Rs. 149.3 Mn in the previous year (2024/25). The increase in Profit after Tax is mainly due to the substantial decrease in fair valuation loss on financial investments amounting to Rs. 23.4 Mn (2024/25 – fair valuation loss of Rs. 228.1 Mn was reported).

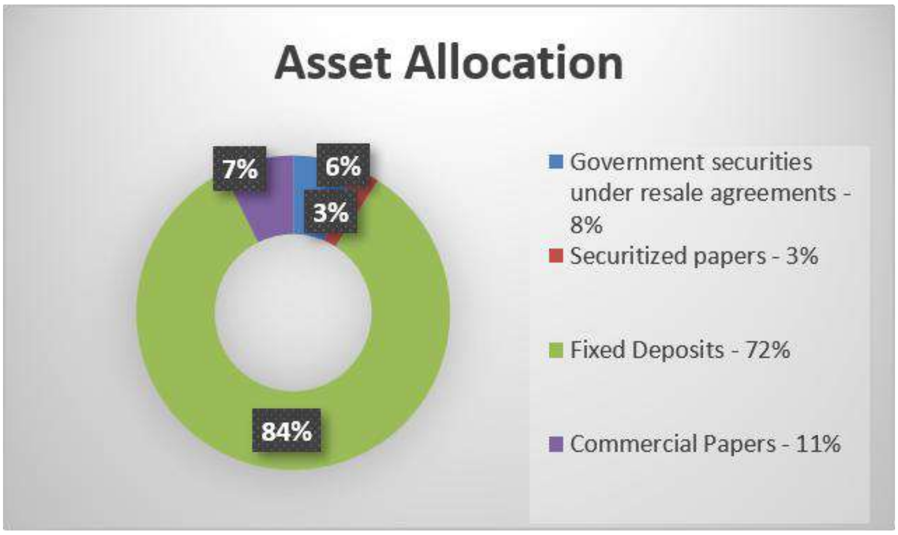
The Fund reported an Annualised Return of 8.96% for the year ended 31 March 2026 compared to the average 5-year treasury bond yield (base yield) of 9.6% (source: Central Bank of Sri Lanka - *Monthly Economic Indicators;* https://www.cbsl.gov.lk/statistics/economic-indicators/monthly-indicators. 5-year treasury bond (risk free return) is used to evaluate the performance of the Fund which denotes the return over the risk-free return since there is no appropriate benchmark index for the Fund).

The Annualised Return reported in the previous year (2024/25) was 13.8% compared to the average 5-year treasury bond yield (base yield) of 11.3% (source: Central Bank of Sri Lanka - *Monthly Economic Indicators;* https://www.cbsl.gov.lk/statistics/economic-indicators/monthly-indicators.

The Funds under Management as at 31 March 2026 were Rs. 4.5 Bn compared to Rs. 1.6 Bn as at 31 March 2025.

As the portfolio may include investments subject to mark-to-market valuation, the Fund is accounted for on a mark-to-market basis in accordance with Sri Lanka Financial Reporting Standards. Consequently, investor returns tend to decrease during periods of rising market interest rates and increase when interest rates decline.

Asset Allocation as at 31 March 2026



Future Outlook

Sri Lanka's economic recovery continued in 2025, with real GDP expanding by 5.0%, supported by stable monetary policy, continued progress under the IMF programme, and improving macroeconomic conditions.

Looking ahead, economic growth is expected to moderate to 3.0%-4.0% in year 2026 amid a more challenging operating environment. Escalating geopolitical tensions in the Middle East, tighter domestic monetary conditions, and persistent inflationary pressures are likely to weigh on household consumption and private sector activity. Meanwhile, slower-than-expected public capital expenditure may constrain investment-led growth. Inflation is expected to remain elevated in the near term, averaging between 6.0% and 8.0%, driven by higher fuel and utility prices, food inflation, and the pass-through effects of recent cost increases.

The global economic outlook remains challenging in the near term, with escalating geopolitical tensions in the Middle East posing significant downside risks to global growth. The potential disruption to energy markets and a sustained increase in oil prices could intensify inflationary pressures, tighten financial conditions, and weigh on economic activity across both advanced and emerging economies. Consequently, global growth expectations year 2026 has been revised downward, reflecting the heightened uncertainty arising from these geopolitical developments.

Appreciations

We would like to express our gratitude to our esteemed unitholders for their confidence in us. Additionally, we wish to acknowledge the invaluable support received from the Securities and Exchange Commission of Sri Lanka and our Trustee, the Bank of Ceylon.

B.R.DE SILVA & CO.
Chartered Accountants
A member of Nexia International

Private & Confidential

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF FIRST CAPITAL FIXED INCOME FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of First Capital Fixed Income Fund ("the Fund"), which comprise the statement of financial position as at 31 March 2026 and the statement of profit or loss and other comprehensive income, statement of changes in Unitholders' Funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2026, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics), and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Fund Managing Company is responsible for the other information. The other information comprises the report of the Fund Manager but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information included in the Fund Manager's report and we do not express any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

B. R. DE SILVA & CO. Chartered Accountants

Partners: N.A.C.De Silva FCA, FCMA (UK), CGMA, L.C.Piyasena FCA, L.L.S.Wickremasinghe FCA, S.M.S.S.Bandara MBA, FCA, D.N.De Silva LL.B. Attorney-at-Law ACA, ACMA (UK), CGMA

22/4,
Vijaya Kumaranatunga Mw.,
Colombo 05,
Sri Lanka
Telephone : +94 112 513 420 - 22
+94 114 510 268
Fax : +94 114 512 404
Email : [illegible]
Web : www.brdesilva.com

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

The Fund Managing Company 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 the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

B. R. DE SILVA & CO.
Chartered Accountants
Colombo 05.

Date 05th June 2026

(LW/ST/ms/835)

B. R. DE SILVA & CO. Chartered Accountants

FIRST CAPITAL FIXED INCOME FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

For the year ended 31 March	Note	2026 Rs.	2025 Rs.
Income	8	284,804,523	388,025,211
Direct expenses	9	-	(450)
Net trading income		284,804,523	388,024,761
Loss on fair valuation of financial assets recognised through profit or loss - measured at fair value	10	(23,428,975)	(228,118,236)
		261,375,548	159,906,525
Administration expenses	11	(24,393,416)	(10,453,968)
Other operating expenses	12	(131,750)	(57,975)
Provision for impairment of financial assets at amortised cost	16.5	(553,290)	(127,951)
		(25,078,456)	(10,639,894)
Profit before tax		236,297,092	149,266,631
Income tax expenses	13	-	-
Profit for the year		236,297,092	149,266,631
Other comprehensive income		-	-
Total comprehensive income for the year		236,297,092	149,266,631

Figures in bracket indicate deductions.
The accounting policies and notes form an integral part of these financial statements.

B. R. DE SILVA & CO. • Chartered Accountants •

FIRST CAPITAL FIXED INCOME FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

As at	Note	31.03.2026 Rs.	31.03.2025 Rs.
Assets			
Cash at bank	14	1,528,194	435,090
Financial assets recognised through profit or loss - measured at fair value	15	119,369,035	145,967,150
Financial assets at amortised cost	16	4,377,485,474	1,435,815,533
Total assets		**4,498,382,703**	**1,582,217,773**
Unitholders' funds and liabilities			
Liabilities			
Accruals and other payables	17	3,516,147	1,356,038
Total liabilities		**3,516,147**	**1,356,038**
Unitholders' funds			
Net assets attributable to unitholders	18	4,494,866,556	1,580,861,735
Total Unitholders' Funds		**4,494,866,556**	**1,580,861,735**
Total Unitholders' Funds and Liabilities		**4,498,382,703**	**1,582,217,773**
Net assets value per unit (Rs.)	18	4,384.21	4,023.78

The Management Company of First Capital Fixed Income Fund is responsible for the preparation and presentation of these financial statements in accordance with the Sri Lanka Accounting Standards.

The accounting policies and notes form an integral part of these financial statements.

Approved by the Fund Management Company on 5 June 2026.

Mangala Jayashantha
Chief Financial Officer
First Capital Asset Management Limited
Fund Managing Company

Trustee of the Fund
Bank of Ceylon

Kavin Karunamoorthy
Director/ Chief Executive Officer
First Capital Asset Management Limited
Fund Managing Company

Dilshan Wirasekara
Director
First Capital Asset Management Limited
Fund Managing Company

B. R. DE SILVA & CO. Chartered Accountants

FIRST CAPITAL FIXED INCOME FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS
FOR THE YEAR ENDED 31 MARCH 2026

For the year ended 31 March	Note	Unitholders' funds Rs.
Balance as at 1 April 2024		1,105,708,091
Capital infused during the year	18.1	1,369,305,399
Capital withdrawals during the year	18.1	(1,043,418,386)
Increase in net assets attributable to unitholders		149,266,631
Balance as at 31 March 2025		**1,580,861,735**
Balance as at 1 April 2025		1,580,861,735
Capital infused during the year	18.1	7,897,503,493
Capital withdrawals made during the year	18.1	(5,219,795,764)
Increase in net assets attributable to unitholders		236,297,092
Balance as at 31 March 2026		**4,494,866,556**

Figures in brackets indicate deductions.
The accounting policies and notes form an integral part of these financial statements.

B. R. DE SILVA & CO. Chartered Accountants

FIRST CAPITAL FIXED INCOME FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

Accounting policy
The statement of cash flows have been prepared using the 'Indirect Method' of preparing cash flows in accordance with the Sri Lanka Accounting Standard LKAS 7 - "Statement of Cash Flows".

For the year ended 31 March	Note	2026 Rs.	2025 Rs.
Cash flows from operating activities			
Profit before taxation		236,297,092	149,266,631
Adjustment for :			
Loss on fair valuation of financial assets recognised through profit or loss - measured at fair value	10	23,428,975	228,118,236
Provision for impairment of financial assets at amortised cost	16.4	553,290	127,951
Operating profit before working capital changes		**260,279,357**	**377,512,818**
(Increase)/ Decrease in financial assets recognised through profit or loss -measured at fair value		3,169,140	718,614,394
(Increase)/Decrease in financial investments at amortised cost		(2,942,223,230)	(1,421,528,887)
(Decrease)/ increase in accrued expenses and other liabilities		2,160,108	(245,463)
Cash flows generated from/ (used in) operating activities		**(2,676,614,625)**	**(325,647,138)**
Tax paid	13	-	-
Net cash flows generated from/ (used in) operating activities		**(2,676,614,625)**	**(325,647,138)**
Net cash flows from / (used in) investing activities		-	-
Cash flows from/ (used in) financing activities			
Proceeds from units creations	18.1	7,897,503,493	1,369,305,398
Payment for units redemption	18	(5,219,795,764)	(1,043,418,386)
Net cash flows used in financing activities		**2,677,707,729**	**325,887,012**
Net (decrease)/increase in cash and cash equivalents for the year		1,093,104	239,874
Cash and cash equivalents at the beginning of the year		435,090	195,214
Cash and cash equivalents at the end of the year	14	**1,528,194**	**435,090**

Figures in bracket indicate deductions.
The accounting policies and notes form an integral part of these financial statements.

B. R. DE SILVA & CO. Chartered Accountants

FIRST CAPITAL FIXED INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

1. REPORTING ENTITY

First Capital Fixed Income Fund ("the Fund") is an Open-Ended Unit Trust approved by the Securities and Exchange Commission of Sri Lanka on 25 April 2014.

The registered office/place of business of the Fund is located at No. 2, Deal Place, Colombo 03. First Capital Asset Management Limited is the Managing Company of First Capital Fixed Income Fund while Bank of Ceylon has been appointed as the Trustee.

The Key Investor Information Document and the Trust Deed related to the Fund are available on the website of First Capital www.firstcapital.lk/products/unit-trusts.

1.1 Principal activities

The Fund engages in investment in fixed income securities (i.e. Government Securities and Corporate Debt Instruments) on behalf of its unitholders. The operations of the Fund commenced on 25 April 2014.

The objective of the First Capital Fixed Income Fund is to yield superior returns to unitholders while minimizing their risk through investments in fixed income securities placed according to the parameters stated in the Collective Investment Scheme code (CIS code 2022) of the Securities and Exchange Commission of Sri Lanka.

There were no significant changes in the nature of the principal activities of the Fund during the year under review.

1.2 Approval of financial statements

The financial statements of the fund for the year ended 31 March 2026 were authorized for issue by the Fund Management Company on 5 June 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Fund have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRS and LKAS) laid down by the Institute of Chartered Accountants of Sri Lanka in compliance with the requirements of the Collective Investment Scheme code (CIS code 2022) of the Securities and Exchange Commission of Sri Lanka.

These SLFRSs and LKASs are available at the website of CA Sri Lanka www.casrilanka.com.

The Fund is in compliance with the minimum number of unitholders requirement of fifty throughout the year (Number of Unitholders as at 31 March 2026 is 307).

B.R. DE SILVA & CO. Chartered Accountants

Statement of compliance (Contd...)

The statement of financial position is presented on a liquidity basis and assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

2.1.1. Fund Managers' Responsibility for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of these Financial Statements in accordance with SLFRS and LKAS and CIS code 2022 of the Securities and Exchange Commission of Sri Lanka.

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Financial Statements of the Fund as at 31 March 2026 comprises of –

- The Statement of Profit or Loss and Statement of Comprehensive Income (SOPLOCI) providing information on the performance of the Fund for the year under review
- Statement of Financial Position (SOFP) providing the information on the financial position of the Fund as at the year-end
- Statement of Changes in Unit Holders' Fund providing the movement in the unitholders' Funds during the year under review
- Statement of Cash Flows, which provides the information to the users, on the ability of the Fund to generate cash and cash equivalents and utilisation of those cash flows
- Notes to the Financial Statements, which comprise of the Accounting Policies and other explanatory notes and information of the Fund

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements, except for the financial assets at fair value through profit or loss. Following are the bases of measurement of financial instruments by the Fund.

Category	Basis of Measurement	Note
Financial assets recognised through profit or loss - measured at fair value	Fair value	Note 15
Financial assets at amortised cost	Amortised cost	Note 16

B. R. DE SILVA & CO. Chartered Accountants

2.3 Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees (Rs.), which is the Fund's functional currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the Sri Lanka Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the relevant Notes as follows.

Critical Accounting Estimate/Judgment	Disclosure Note
Going concern	Note 2.4.1
Classification of financial assets	Note 3.3.3
Fair value of financial instruments	Note 20
Impairment losses on financial assets	Note 16.4

2.4.1. Going concern

The Fund Managing Company has made an assessment of the Fund's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.4.2. Determination of fair values

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk. Several of the Fund's accounting policies and disclosures require the determination of fair value for both financial assets and liabilities.

B. R. DE SILVA & CO. • Chartered Accountants •

2.4.3. Fair value of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (Note 19).

3. MATERIALITY AND PRESENTATION

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

Assets and liabilities are grouped by nature and listed in an order that reflects their relative liquidity and maturity pattern. Where appropriate, the significant accounting policies are disclosed in the succeeding notes.

Assets and liabilities are offset and the net amount reported in the SOFP, only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. Income and expenses are not offset in the Income Statement, unless required or permitted by Sri Lanka Accounting Standards.

3.1 Material accounting policies

The material accounting policies set out below have been applied consistently to all periods presented in the Financial Statements of the Fund, unless otherwise indicated.

B. R. DE SILVA & CO.

3.2. Index of material accounting policy information

Accounting Policy	Note
Material accounting policies - General	
Financial Instruments	Note 3.3
Material accounting policies - Recognition of income and expenses	
Direct income	Note 8
Direct Expense	Note 9
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value	Note 3.3.11 and Note 10
Administration expenses	Note 11
Income tax expenses	Note 13
Material accounting policies - Recognition of assets and liabilities	
Financial assets recognised through profit or loss - measured at fair value	Note 15
Financial assets at amortised cost	Note 16

3.3. Financial instruments

3.3.1. Initial recognition

Financial assets and liabilities are initially recognized on the trade date, i.e the date that the Fund becomes a party to the contractual provisions of the instrument. This includes purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

3.3.2. Initial measurement of financial instrument

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. At initial recognition, the Fund measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of profit or loss.

B. R. DE SILVA & CO. Chartered Accountants

3.3.3. Classification and Subsequent Measurement of Financial Assets

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are Assessment of whether Contractual Cash Flows are Solely Payments of Principal and Interest ("SPPI").

3.3.4. Business Model Assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to Management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether Management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's Management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

B. R. DE SILVA & CO. Chartered Accountants

3.3.5. Financial Assets

Financial assets are classified appropriately as Financial assets recognised through profit or loss (FVTPL), Financial assets measured at fair value through other comprehensive income (FVTOCI) and Financial assets at amortised cost. All the financial assets are recognised at fair value at its initial recognition.

Financial Assets - Assessment whether contractual cash flows are solely payments of principal and interest (SPPI test)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Fund considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

B. R. DE SILVA & CO. Chartered Accountants

FIRST CAPITAL FIXED INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

Subsequent measurement

Financial assets at FVTPL	A financial asset is measured at fair value through profit or loss if: (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding Or (b)It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell Or (c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within unrealised gains/(loss) during the period in which it arises. FVTPL at SOFP comprise of investment in Government Securities and Corporate Debt Securities.
Financial assets at amortised cost	A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Debt instruments at amortised cost in the SOFP comprise of investments in Resale agreements against Government Securities and Fixed Deposits. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in realised gain/(loss) on debt instruments held at amortised cost. The amortized cost is reduced by impairment losses. Interest income, and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised inprofit or loss.

B. R. DE SILVA & CO. Chartered Accountants

3.3.6 Identification, measurement and assessment of impairment

The Fund assesses on a forward-looking basis, the expected credit losses (ECLs) associated with its debt instruments not held at fair value through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).For those credit exposures from which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Fund uses the ratings from either Fitch Rating Lanka Limited or Lanka Rating Agency Limited as applicable to determine the significant deterioration in credit risk and to estimate the ECLs.

Consistent with the policies of the Fund, investments when rated below BBB- are considered as non-investment grade investments and the Fund considers such investments as having incurred significantly deteriorated credit risk. Such investments are considered for lifetime ECL calculation.

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

For debt instruments at amortised cost issued by Sovereign, the Fund applies the low-risk simplification. The Fund considers evidence of impairment for financial asset at amortised cost at both a specific asset and collective level. All individually significant financial asset at amortised cost are assessed for specific impairment. All individually significant financial asset at amortised cost found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Financial assets at amortised cost that are not individually significant are collectively assessed for impairment by grouping together financial assets at amortised cost with similar risk characteristics.

B. R. DE SILVA & CO. Chartered Accountants

Identification, measurement and assessment of impairment (Contd...)

In assessing collective impairment, the Fund uses of historical trends of the probability of default, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical data.

Impairment loss on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses/ (reversals) are recognised in profit or loss and reflected in an allowance account against loans and advances. Interest on impaired assets continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3.3.7. Securities sale and repurchase agreements (repo)

Securities sold subject to repurchase agreements (repo borrowings) remain on the SOFP, the counterparty liability is included under borrowings. Securities purchased under agreements to resell (reverse repos) are recorded as financial assets at amortised cost. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

3.3.8. De-recognition

A financial asset is de-recognized when,

1) The rights to receive cash flows from the asset have expired.

2) The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either,

   - The Fund has transferred substantially all the risks and rewards of the asset or
   - The Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

3.3.9. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the SOFP if, and only if:

- there is a currently enforceable legal right to offset the recognised amounts and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

H. R. DE SILVA & CO. Chartered Accountants

3.3.10. Provision

A provision is recognised if, as a result of a past event, the Fund has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.3.11. Gain/ (loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value

Gain/(loss) on Fair Valuation of Financial assets is the unrealised gain/ (loss) on fair valuation (marked to market valuation) of government securities, commercial papers, securitised paper and debentures. The fair valuation gain/ (loss) is presented in profit or loss in the statement of profit or loss and other comprehensive income (Note 9).

4. COMPARATIVE INFORMATION

The comparative information is re-classified wherever necessary to conform with the current year's classification in order to provide a better presentation.

5. UNITHOLDERS' FUNDS

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

6. FINANCIAL RISK MANAGEMENT

Risks arising from holding financial instruments are inherent in the fund's activities, and are managed through a process of ongoing identification, measurement and monitoring. The fund is exposed to credit risk, market risk, and liquidity risk.

Financial instruments of the fund comprise investments in government securities, treasury bills/bonds repurchase agreements under government securities, fixed deposits, securitised papers and commercial papers for the purpose of generating a return on the investment made by unit holders, in addition to cash at bank and other financial instruments such as receivables and payables, which arise directly from its operations.

B. R. DE SILVA & CO. Chartered Accountants

Fund managers' responsibility for financial risk management (Contd...)

The fund manager is responsible for identifying and controlling the risk that arise from these financial instruments. Fund Manager's financial risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Financial Risk Management Policies of the Fund translates overall risk appetite on business activities in a holistic approach to provide the guidance required for convergence of strategic and risk perspectives of the Fund.

The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities. The fund manager, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The fund manager agrees on policies for managing each of the risks identified below.

The risks are measured using a method that reflects the expected impact on SOPLOCI and SOFP of the fund from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the reporting date, measured on this basis, is disclosed below.

The fund manager also monitors information about the total fair value of financial instruments exposed to risk, as well as compliance with established investment mandate limits. These mandate limits reflect the investment strategy and market environment of the fund, as well as the level of risk that the fund is willing to accept, with additional emphasis on selected industries. This information is prepared and reported to relevant parties within the fund manager on a regular basis as deemed appropriate, including the fund manager, other key management, investment committee, and ultimately the trustee of the fund.

Concentration of risk arises when a number of financial instruments or contracts are entered in to with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions.

E. R. DE SILVA & CO. Chartered Accountants

Fund managers' responsibility for financial risk management (Contd...)

Market risk

Market risk represents the risk that the value of the fund's investments portfolios will fluctuate as a result of changes in market prices. However, the fund's exposure to price risk and currency risk are deemed negligible as all its investments are short term fixed income securities denominated in Sri Lankan Rupees. While market risk cannot be eliminated the fund manager will attempt to reduce this risk by diversifying the fund's investment portfolio in line with investment objectives of the fund.

Liquidity risk

Liquidity risk represents the risk that the Unit Trust will not have adequate financial resources to meet the Unit Trust's obligations as and when they fall due. This risk arises from mismatches in the timing of cash flows. Taking steps to ensure, as far as possible, that it will always have adequate financial resources to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Unit Trust's reputation.

Credit risk

Credit risk is the risk of financial loss to the Unit Trust if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Unit Trust's advances to clients, investment in corporate debt securities, other securities.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Fund's involvement with financial instruments, including processes, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

7. NEW AMENDMENTS TO THE SRI LANKA ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT REPORTING DATE

The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) has issued following new amendments to the Sri Lanka Accounting Standards which will become applicable for financial periods beginning after on or after 1 January 2027. Accordingly, the Fund has not applied the following new amendments to the standard in preparing these financial statements. The said new amendments to the standard are not expected to have a material impact on the Fund's financial statements.

New SLFRS / amendment to the existing SLFRS	Summary of the requirements/ Objectives
SLFRS 18 **Presentation and Disclosure in Financial Statement**	SLFRS 18 will replace LKAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following key new requirements. • Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations, and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change. • Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. • Enhanced guidance is provided on how to group information in the financial statements. • In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

B.R. DE SILVA · Chartered Accountants

Accounting policy

Interest Income and Expense

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Fund estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Interest income and expense presented in the statement of profit or loss and other comprehensive income include:

- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis; and

- interest on financial assets measured at fair value through profit or loss are calculated on an effective interest basis.

Interest income and expense on all trading assets and liabilities are considered to be incidental to the Fund's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

Gain/(loss) on sale of financial assets measured at fair value though profit or loss

Gain/(loss) on Sale of Financial Assets measured at fair value through profit or loss comprises realised trading gains on disposal of government securities, commercial papers, securitised papers and debentures, are presented in direct income as sale of financial assets at fair value through profit or loss in the statement of profit or loss and other comprehensive income.

	For the year ended 31 March	**2026**	**2025**
		Rs.	**Rs.**
8.	**Income**		
	Interest income on financial assets recognised through profit and loss - measured at fair value	13,078,777	120,906,365
	Interest income on financial assets - at amortised cost	248,997,986	30,812,986
	Gain on sale of financial assets at recognised through profit and loss- measured at fair value	22,727,760	236,305,860
		284,804,523	388,025,211
9.	**Direct expenses**		
	Interest expense on borrowings via repurchase agreements	-	450
		-	450

10. Loss on financial assets recognised through profit or loss -measured at fair value

	2026 Rs.	2025 Rs.
Commercial Papers	-	(507,724)
Debenture	-	562,650
Securitised Papers	(23,726)	-
Treasury Bill	(85,325)	(913,795)
Treasury Bond	(23,319,924)	(227,259,367)
Loss on fair valuation of financial investments has been accounted for in accordance with the SLFRS 9	(23,428,975)	(228,118,236)

11. Administration expenses

Accounting policy

The management and trustee fees of the Fund as per the trust deed is as follows.

Management fee - 0.5 % p.a. of net asset value of the Fund calculated on a daily basis.
Trustee fee - 0.15 % p.a. of net asset value of the Fund calculated on a daily basis.

Management fee	16,671,427	6,982,349
Trustee fee	7,335,428	3,072,234
Audit Fee	386,561	399,385
	24,393,416	10,453,968

12. Other operating expenses

Bank charges	131,750	57,975
	131,750	57,975

13. Income tax expenses

Accounting policy

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

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. The fund is not liable to pay income tax as at the reporting date in accordance with the Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto. The Fund's income generated through investment business are treated as "pass through vehicles" under the provisions of Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto.

13.1 Reconciliation between current tax expense and the accounting profit

Profit before tax as per financial statement	236,297,092	149,266,631
Less:- Exempted income	(236,297,092)	(149,266,631)
Taxable income	-	-
Income tax provision for the year	-	-

B. R. DE SILVA & CO. Chartered Accountants

14. Cash at bank

Accounting policy

Cash and cash equivalents in the statement of financial position comprise of cash at bank.

	Note	31.03.2026 Rs.	31.03.2025 Rs.
Bank of Ceylon *(Note 14.1)*	14.1	1,528,194	435,090
		1,528,194	435,090

The above balance represents as at 31 March 2026 is with credit rating of "AA-".

14.1 Bank balances are maintained only to settle day to day operations. Excess cash balances are reviewed on a daily basis and transferred the same to investment account. Remaining cash at bank represent current account balance with banks, which are due on demand. Accordingly no impairment provision is required.

15. Financial assets at recognised through profit or loss- measured at fair value

Accounting policy

A financial asset is classified at fair value through Profit or Loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through Profit or Loss if the fund manages such investments and makes purchase and sale decisions based on their fair value in accordance with the fund's documented risk management or investment strategy. Upon initial recognition, transaction costs are recognised in Profit or Loss as incurred.

Financial assets at fair value through Profit or Loss are measured at fair value, and subsequent therein are recognised in Profit or Loss. On fair valuation of financial assets recognised through profit or loss-measured at fairvalue' in the Statement of Profit or Loss and Other Comprehensive Income.

Following assets represent financial assets at fair value though profit or loss.

* Investment in government securities
* Investment in securitised papers

	Note	31.03.2026 Rs.	31.03.2025 Rs.
Securitised Papers	15.1	119,369,035	-
Government securities	15.2	-	145,967,150
		119,369,035	145,967,150

15.1 Securitised papers

Name of the issuer	Issuer Credit Rating	Value - Net as at 31 March 2026 (Rs.)	Percentage exposure to each issuer against the Net Asset Value of the Fund	Issuer Credit Rating	Value - Net as at 31 March 2025 (Rs.)	Percentage exposure to each issuer against the Net Asset Value of the Fund
Janashakthi Finance PLC	BB+	119,369,035	3%		-	-
Total		**119,369,035**			-	

15.2 Government Securities

		Value - Net as at 31 March 2026 (Rs.)	Percentage exposure to each issuer against the Net Asset Value of the Fund		Value - Net as at 31 March 2025 (Rs.)	Percentage exposure to each issuer against the Net Asset Value of the Fund
Treasury Bill		-	-		92,683,600	6%
Treasury Bond		-	-		53,283,550	3%
		-	-		145,967,150	

16. Financial assets - at amortised cost

Accounting policy

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost of the Fund comprise of the followings,

i. Investment in re-sale agreements
ii. Fixed Deposits
iii. Commercial Papers

Recognition and Measurement of ECL

The Fund measures loss allowances at an amount equal to lifetime ECL, except for the following, for which are measured as 12-month ECL: debt investment securities that are determined to have low credit risk at the reporting date; and other financial instruments on which credit risk has not increased significantly since their initial recognition. The Fund considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the definition of "investment grade". The Fund does not apply the low credit risk exemption to any other financial instruments. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Fund assesses financial assets under three stages in determining ECL.

➤ stage 1 :
A financial asset that is not originally credit impaired on initial recognition is classified in Stage 1. Financial instruments in Stage 1 have their ECL measured at an amount equal to the proportion of life time ECL that result from default events possible within the next 12 months (12mECL).

➤ stage 2 :
financial instruments that have experienced a significant increase in credit risk since initial recognition but for which the exposure is not yet defaulted. For these assets, lifetime ECLs are recognised, representing the expected credit losses that result from all possible default events over the expected life of the financial asset.

➤ stage 3 :
financial instruments which are deemed to be credit impaired. This is where a credit loss has already been suffered on the assets. For these assets, lifetime ECLs are recognised, representing the expected credit losses that result from all possible default events over the expected life of the financial asset.

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

➤ financial assets that are not credit impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive);

➤ financial assets that are credit impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;

➤ undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Fund if the commitment is drawn down and the cash flows that the Fund expects to receive; and

➤ financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Fund expects to recover

The mechanics of the ECL calculations are outlined below and the key elements, Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) under collective impairment assessment are as follows

Probability of Default (PD)

The PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Loss Given Default (LGD)

is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. They are calculated on a discounted cashflow basis using EIR as the discounting factor.

	Note	31.03.2026	31.03.2025
		Rs.	Rs.
Government securities under resale agreements	16.1	290,161,199	131,097,170
Fixed Deposits	16.2	3,756,049,780	1,132,217,943
Commercial papers	16.3	331,274,495	172,500,420
		4,377,485,474	1,435,815,533

E. P. DE SILVA & CO. Chartered Accountants

16.1 This represents investment in Resale agreements entirely backed by Government securities. No impairment provision is derived through these investments.

	Note	31.03.2026 Rs.	31.03.2025 Rs.
16.2 Fixed Deposits			
Investments in fixed deposits		3,756,720,158	1,132,343,748
Less :- Provision for Impairment	16.4	(670,378)	(125,805)
		3,756,049,780	1,132,217,943

16.2.1 Investments in fixed deposits (Net of provision for impairment)

Name of the issuer	Issuer credit rating	Value - Net as at 31 March 2026 Rs.	Percentage exposure to each issuer against the Net Value of the Fund	Value - Net as at 31 March 2025 Rs.	Percentage exposure to each issuer against the Net Value of the Fund
Alliance Finance Company PLC	BBB-	291,463,951	6.48%	166,903,540	10.56%
AMW Capital Leasing & Finance PLC	BBB	128,314,725	2.85%	116,662,929	7.38%
Asia Asset Finance PLC	A+	652,722,096	14.52%	212,534,693	13.44%
Abans Finance PLC	A-	151,800,209	3.38%	-	-
Lanka Orix Finance Company PLC	A	533,197,173	11.86%	-	-
HNB Finance PLC	A	355,993,719	7.92%	200,334,488	12.67%
Peoples Leasing Company PLC	A	599,803,030	13.34%	71,294,052	4.51%
Singer Finance (Lanka) PLC	BBB+	597,921,408	13.30%	202,167,901	12.79%
Siyapatha Finance PLC	A	340,578,975	7.58%	162,320,340	10.27%
Vallibel Finance PLC	BBB+	104,254,494	2.32%	-	-
		3,756,049,780		**1,132,217,943**	

	Note	31.03.2026 Rs.	31.03.2025 Rs.
16.3 Commercial Papers			
Investments in commercial papers		331,285,358	172,502,566
Less :- Provision for Impairment	16.4	(10,863)	(2,146)
		331,274,495	172,500,420

16.3.1 Investments in Commercial Papers (Net of provision for impairment)

Name of the issuer	Issuer credit rating	Value - Net as at 31 March 2026 Rs.	Percentage exposure to each issuer against the Net Value of the Fund	Value - Net as at 31 March 2025 Rs.	Percentage exposure to each issuer against the Net Value of the Fund
LOLC Holdings PLC	A-	331,274,495	7.37%	172,500,420	10.91%
		331,274,495		**172,500,420**	

16.4 Provision for impairment in investment in fixed deposit represents "Stage 1", "Stage 2" and "Stage 3" expected credit losses (ECL) in accordance with SLFRS 9. Accordingly, individual impairment provision has been derived as follows.

	Note	31.03.2026 Rs.	31.03.2025 Rs.
Stage 1 - 12 months expected loss		681,241	127,951
Stage 2 - Life time expected loss, not credit impaired		-	-
Stage 3 - Life time expected loss, credit impaired		-	-
Total	16.4.1	681,241	127,951

16.4.1 Movement in provision for expected credit loss

	31.03.2026	31.03.2025
Balance as the beginning of the year	127,951	-
Provision /(Reversal) for the year	553,290	127,951
Balance at the end of the year	681,241	127,951

SILVA & CO. Chartered Accountants

17 Accruals and other payable

Accounting policy

Financial liabilities of the Fund are measured at amortised cost, and includes all financial liabilities, other than those measured at fair value through profit or loss. The financial liabilities of the Fund include accrued expenses and other payables.

a) Initial recognition and measurement

The Fund determines the classification of its financial liabilities at initial recognition.

The Fund's financial liabilities comprise of accrued expenses and other payables in the SOFP.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the SOCI when the liabilities are derecognised as well as through the EIR amortisation process.

	31.03.2026 Rs.	31.03.2025 Rs.
Management fee payable	2,156,554	670,346
Trustee fee payable	948,884	294,952
Auditor's remuneration	410,709	390,740
	3,516,147	1,356,038

18 Net assets per unit

Net assets (Rs.)	4,494,866,556	1,580,861,735
Total number of units	1,025,240	392,880
Net assets value per unit (Rs.)	4,384.21	4,023.78

18.1 Movements in the number of units during the year is as follows:

	No. of Units	Rs.
Balance as at 1 April 2024	312,650	1,105,708,091
Increase due to unit creation during the year	343,381	1,369,305,399
Decrease due to unit redemption during the year	(263,151)	(1,043,418,386)
Increase in net asset attributable to unitholders	-	149,266,631
Income distribution to unitholders	-	-
Balance as at 31 March 2025	**392,880**	**1,580,861,735**
Balance as at 31 March 2025	392,880	1,580,861,735
Increase due to unit creation during the year	1,870,623	7,897,503,493
Decrease due to unit redemption during the year	(1,238,263)	(5,219,795,764)
Increase in net asset attributable to unitholders	-	236,297,092
Income distribution to unitholders	-	-
Balance as at 31 March 2026	**1,025,240**	**4,494,866,556**
Year on Year Increase	**161%**	**184%**

B. R. DE SILVA & CO. Chartered Accountants

19. Analysis of financial instrument by measurement basis

The following tables compare the fair values of the financial instruments with their carrying values.

As at 31 March 2026	Financial Assets/liabilities - FVTPL	Financial Assets/liabilities at amortised cost	Total carrying amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial Assets measured at fair value				
Securitised Papers	119,369,035	-	119,369,035	119,369,035
Financial Assets not measured at fair value				
Cash at bank	-	1,528,194	1,528,194	1,528,194
Financial assets - at amortised cost	-	4,377,485,474	4,377,485,474	4,377,485,474
Total	119,369,035	4,379,013,668	4,498,382,703	4,498,382,703
Financial Liabilities not measured at fair value				
Accrued expenses and other liabilities	-	3,516,147	3,516,147	3,516,147
Total	-	3,516,147	3,516,147	3,516,147

As at 31 March 2025	Financial Assets/liabilities - FVTPL	Financial Assets/liabilities at amortised cost	Total carrying amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial Assets measured at fair value				
Treasury Bill	92,683,600	-	92,683,600	92,683,600
Treasury Bond	53,283,550		53,283,550	53,283,550
Financial Assets not measured at fair value				
Cash at bank	-	435,090	435,090	435,090
Financial assets - at amortised cost	-	1,435,815,533	1,435,815,533	1,435,815,533
Total	145,967,150	1,436,250,623	1,582,217,773	1,582,217,773
Financial Liabilities not measured at fair value				
Accrued expenses and other liabilities	-	1,356,038	1,356,038	1,356,038
Total	-	1,356,038	1,356,038	1,356,038

B. R. DE SILVA & CO. CHARTERED ACCOUNTANTS

20. Determining of fair value and hierarchy of fair value

Level 1 - Inputs that are quoted market prices (unadjusted) in an active market for identical instruments.

Financial Instruments that are measured in whole or in party by reference to published quotes in an active market. A Financial Instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Financial instruments that are measured at fair value on regular basis. As market quotes generally are not readily available or accessible for these securities, their fair value measures are determined using relevant information generated by the market transactions involving comparable securities.

Level 3 - Inputs that are unobservable

Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Due to the nature of short term maturity, carrying value of the financial assets at amortised cost are approximated to their fair Fund has not transferred any financial assets during the year 2025/26.

Following table represents the fair value measurement of the fund according to fair value hierarchy

Financial instrument category	Fair value technique	Fair value hierarchy
Government securities		
Treasury bills	Valued using the CBSL yield curve	Level 1*
Treasury bonds	Valued using the CBSL yield curve	Level 1*
Corporate debt		
Commercial papers	(Government Securities)	Level 2
Securitised papers	(Government Securities)	Level 2

CBSL - Central Bank of Sri Lanka

*The fair values of treasury bills and bonds have been derived using the market yields published by Central Bank of Sri Lanka. Accordingly, investments in treasury bills and bonds have been classified as level 1.

The following tables show an analysis of financial instruments at fair value and by level of fair value hierarchy.

As at 31 March 2026	Total carrying value	Quoted Prices in Active Markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total fair value
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
- Investment in Securitised Papers	119,369,035	-	119,369,035	-	119,369,035
	265,336,185	145,967,150	119,369,035	-	265,336,185

As at 31 March 2025	Total carrying value	Quoted Prices in Active Markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total fair value
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
Investment in Government securities					
- Trasury Bills	92,683,600	92,683,600	-	-	92,683,600
- Trasury Bonds	53,283,550	53,283,550	-	-	53,283,550
	145,967,150	145,967,150	-	-	145,967,150

20. Determinination of fair value and hierarchy of fair value (Contd.)

20.1. Measurement of fair values

20.1.1.(a.) Valuation techniques and significant unobservable inputs

The following table show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant Unobservable Inputs	Inter-relationship between Significant Unobservable Inputs and Fair Value Measurement
Securitised Papers	The valuation model is based on Yield Curve of the Government Securities. Yields relating to Government Securities based on the maturities of the respective Securitized Papers is interpolated in the valuation considering the initial risk premiums (at the time of issue) of the investee companies are constant as at the reporting date.	Risk premium of the investee companies (2.26% - 2.31%)	The estimated fair value would increase/decrease if risk premium of the investee company is lower or higher.

20.1.1. (b). Reconciliation of fair values of Level 2

	Securitised Papers Rs.	Total Rs.
Balance as at 01 April 2025	-	-
Purchases	110,500,000	110,500,000
Sales / Matured	-	-
Interest accrued	8,892,761	8,892,761
Gain/ (Loss) on fair valuation of financial assets	(23,726)	(23,726)
Balance as at 31 March 2026	119,369,035	119,369,035

20.1.1. (c). Sensitivity of the Market Yield on Financial Instruments measured at Fair Value is as follows.

	(-) 0.5% Decrease (Effect in Rs.)	(+) 0.5% Increase (Effect in Rs.)
Securitized Papers	634,809	(628,201)

Financial instruments for which fair value approximates carrying value

For financial assets and financial liabilities that have a short term maturity (original maturity less than a year), it is assumed that the carrying amount approximates their fair values. This assumption is also applied to lending without specific maturity or revolving nature.

B.R. DE SILVA & CO. Chartered Accountants

21. Financial risk management

Overview

The Unit Trust has exposure to the following risks via financial instruments.

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

This Note presents information about the Unit Trust's exposure to each of the above risks and the objectives, policies and processes for measuring and managing risk.

21.1 Risk management framework

The Board of Directors of the fund manager has the overall responsibility for the establishment and oversight of the Unit Trust's risk management framework. The Managing Company has established a Board Integrated Risk Management Committee (BIRMC) of the fund manager which is tasked with reviewing wide-ranging risk categories that includes market, liquidity, credit and operational risk. The committee members have been assigned the responsibility to manage these risks prudently.

Unit Trust's risk management policies are established to identify and analyse the risk confronted by the Unit Trust, to set appropriate risk limits and controls and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

E. R. DE SILVA & CO. Chartered Accountants

21. Financial risk management (Contd.)

21.1.(a). Liquidity risk

Liquidity risk is the risk that the Unit Trust will not have adequate financial resources to meet Unit Trust's obligations as when they fall due. This risk arises from mismatches in the timing of cash flows.

Management of liquidity risk includes the following elements:

Taking steps to ensure, as far as possible, that it will always have adequate financial resources to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Unit Trust's reputation.

Maturity analysis of the financial assets and financial liabilities

	Carrying amount	Up to 3 months	3 Months to 1 year	1-3 years	3-5 years	Over 5 years
As at 31 March 2026	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Assets						
Cash at bank	1,528,194	1,528,194	-	-	-	-
Financial assets at fair value through profit or loss	119,369,035	-		119,369,035	-	-
Financial assets - at amortised cost	4,377,485,474	290,161,199	331,274,495	3,756,049,780	-	-
Total financial assets	4,498,382,703	291,689,393	331,274,495	3,875,418,815	-	-
Liabilities						
Accrued expenses and other liabilities	3,516,147	3,516,147	-	-	-	-
Total financial liabilities	3,516,147	3,516,147	-	-	-	-
As at 31 March 2025						
Assets						
Cash at bank	435,090	435,090	-	-	-	-
Financial assets at fair value through profit or loss	145,967,150	-	92,683,600	-	-	53,283,550
Financial assets - at amortised cost	1,435,815,533	131,097,170	172,500,420	1,132,217,943	-	-
Total financial assets	1,582,217,773	131,532,260	265,184,020	1,132,217,943	-	53,283,550
Liabilities						
Securities sold under repurchase agreements	1,356,038	1,356,038	-	-	-	-
Total financial liabilities	1,356,038	1,356,038	-	-	-	-

21. Financial risk management (Contd.)

21.1.(b). Credit risk

Credit risk is the risk of financial loss to the Unit Trust if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Unit Trust's investment in corporate debt securities and investment in reverse repo agreements.

Management of credit risk includes the following components:

- Formulating credit policies in consultation with business units covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures and compliance with regulatory and statutory requirements.
- Establishing the authorisation structure for the approval and renewal of credit facilities.
- Limiting concentration of exposures to counterparties.
- Reviewing compliance through regular audits by internal audit.

Credit quality by class of financial assets

As at 31 March 2026	**12 Month expected credit losses**	**Life time expected credit losses not credit impaired**	**Life time expected credit losses credit impaired**	**Total**
	Rs.	Rs.	Rs.	Rs.
Assets				
Cash at bank	1,528,194	-	-	1,528,194
Financial assets - at amortised cost	4,377,485,474	-	-	4,377,485,474
Total financial assets	4,379,013,668	-	-	4,379,013,668

As at 31 March 2025	**12 Month expected credit losses**	**Life time expected credit losses not credit impaired**	**Life time expected credit losses credit impaired**	**Total**
	Rs.	Rs.	Rs.	Rs.
Assets				
Cash at bank	435,090	-	-	435,090
Financial assets - at amortised cost	1,435,815,533	-	-	1,435,815,533
Total financial assets	1,436,250,623	-	-	1,436,250,623

Credit quality analysis of financial investments

As at 31 March 2026

	Risk Status	**Amortised Cost**	**FVTPL**	**Total**
		Rs.	Rs.	Rs.
Government securities	Risk free	-	-	-
Debt instruments having credit ratings*				
AA+ to A+	Low risk	290,161,199	-	290,161,199
A to BBB-	Medium risk	331,274,495	-	331,274,495
Below BBB-	High risk	-	-	-
Fixed Deposits				
AA+ to A+	Low risk	652,722,096	-	652,722,096
A to BBB-	Medium risk	3,103,327,684	-	3,103,327,684
Below BBB-	High risk	-	-	-
Total		4,377,485,474	-	4,377,485,474

B. R. DE SILVA & CO. Chartered Accountants

As at 31 March 2025

	Risk Status	Amortised Cost Rs.	FVTPL Rs.	Total Rs.
Government securities*	Risk free	131,097,170	145,967,150	277,064,320
Debt instruments having credit ratings**				
AA+ to A+	Low risk	-	-	-
A to BBB-	Medium risk	172,500,420	-	172,500,420
Below BBB-	High risk	-	-	-
Fixed Deposits				
AA+ to A+	Low risk	212,534,693	-	212,534,693
A to BBB-	Medium risk	919,683,250	-	919,683,250
Below BBB-	High risk		-	
Total		1,435,815,533	145,967,150	1,581,782,683

*This includes governments securities' investments and repo investments under government securities.

**This includes only investment in Commercial Papers and Securitised Papers and does not include equity investments.

21. Financial risk management (Contd.)

21.1.(b). Credit risk (Contd.)

Analysis of concentration risk

The following table shows the risk concentration by sector for the components of the Statement of Financial Position.

	Cash at Bank Rs.	Financial assets recognised through profit or loss - measured at fair value Rs.	Financial assets - at amortised cost Rs.	Total Financial Assets Rs.
As at 31 March 2026				
Sector wise breakdown				
Government	1,528,194	-	-	1,528,194
Corporate	-	119,369,035	4,377,485,474	4,496,854,509
Total	1,528,194	119,369,035	4,377,485,474	4,498,382,703
As at 31 March 2025				
Sector wise breakdown				
Government	435,090	145,967,150	131,097,170	277,499,410
Corporate	-	-	1,304,718,362	1,304,718,363
Total	435,090	145,967,150	1,435,815,532	1,582,217,773

B. R. DE SILVA & CO. Chartered Accountants

21.1. (c). Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Unit Trust's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Management of market risk includes the following elements.

- Overall authority for managing market risk is vested with the Board of Directors of the fund manager.
- The operational authority for managing market risk is vested with the Investment Asset and Liabil
- Interest rate risk is managed within the approved limits by the Investment Asset and Liabilitiy Commit

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates.

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

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably possible changes in interest rates, with all other variables held constant.

	Increase/ (decrease) in basis points	Effect on the profit for the year ended 31.03.2026 Rs.	Effect on the profit for the year ended 31.03.2025 Rs.
Increased in interest	+0.5%	(628,201)	(1,422,218)
Decreased in interest	-0.5%	634,809	1,453,709

	Floating interest rate Rs.	Fixed interest rate Rs.	Total Rs.
As at 31 March 2026			
Assets			
Securitized Papers	-	119,369,035	119,369,035
Total financial assets	-	**119,369,035**	**119,369,035**

	Floating interest rate Rs.	Fixed interest rate Rs.	Total Rs.
As at 31 March 2025			
Assets			
Government securities	-	145,967,150	145,967,150
Total financial assets	-	**145,967,150**	**145,967,150**

21. **Financial risk management (Contd.)**

21.1. (d) **Operational risk**

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

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

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Unit Trust's standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- Requirements for the reconciliation and monitoring of the transaction
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures.
- Development of business contingency plans
- Training and professional development
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective

Compliance with Unit Trust's internal controls and procedures is supported by a programme of periodic reviews undertaken by Internal Audit. The results of internal audit reviews are discussed with the management of the business unit with summaries submitted to the Board Audit Committee. During the year, the First Capital Group achieved ISO/IEC 27001:2022 certification for its Information Security Management System, further strengthening the operational and information security controls applicable to the Managing Company's operations.

B.R. DE SILVA & CO. Chartered Accountants

22. Related party disclosures

Accounting policy

The company carried out transactions in the ordinary course of business on arm's length basis with parties who are defined as related parties as per the Sri Lanka Accounting Standard- LKAS 24 'Related Party Disclosers'.

22.1. Directorships in other companies

The Directors of First Capital Asset Management Limited (Managing Company of the Unit Trusts) are also Directors of the following group companies (as of 31 March 2026).

Name of the company	Relationship	Dr. Nishan de Mel	Mr. Kavin Karunamoorthy	Mr. Dilshan Wirasekara	Mr. Kuda Banda Herath
Janashakthi Limited *	Ultimate Parent	-	-	-	-
Janashakthi Insurance PLC **	Subsidiary of the Ultimate Parent	Director	-	-	-
Janashakthi Corporate Services Limited **	Subsidiary of the Ultimate Parent	-	-	-	-
Janashakthi Finance PLC ***	Subsidiary of the Ultimate Parent	-	-	-	-
First Capital Holdings PLC**	Intermediary Parent	-	-	Managing Director/CEO	Director
First Capital Limited**	Immediate Parent	-	-	Managing Director/CEO	Director
First Capital Treasuries PLC**	Subsidiary of the Immediate Parent	Director	-	Director	-
First Capital Markets Limited	Subsidiary of the Immediate Parent	-	-	Managing Director/CEO	-
First Capital Equities (Private) Limited	Subsidiary of the Immediate Parent	-	-	Director	-
First Capital Trustee Services (Private) Limited	Subsidiary of the Immediate Parent	-	-	Managing Director/CEO	-
First Capital Advisory Services (Private) Limited	Subsidiary of the Immediate Parent	-	-	Director	-
Verite Research (Pvt) Limited	Related Company via Key Management Personnel	Director	-	-	-
Sarvodaya Development Finance PLC**	Related Company via Key Management Personnel	-	-	-	-

Mr. Kavin Karunamoorthy has been appointed as Director/Chief Executive Officer of First Capital Asset Management Limited with effect from 9 December 2025.

* Janashakthi Limited was listed on the Colombo Stock Exchange subsequent to the year end of 31 March 2026.

**Mr. Ramesh Schaffter represents as a Director of First Capital Holdings PLC (Immediate Listed Parent) Company and is also a Director of Janashakthi Limited (Ultimate Parent Company), First Capital Limited, First Capital Treasuries PLC, Janashakthi Insurance PLC, Janashakthi Corporate Services Limited and Sarvodaya Development Finance PLC.

*** Mr. Prakash Schaffter represents as a Director of Janashakthi Finance PLC and is also a Director of Janashakthi Limited (Ultimate Parent Company).

B. R. DE SILVA & CO. Chartered Accountants

22. Related party disclosures (Contd.)

First Capital Asset Management Limited manages licensed Unit Trusts namely First Capital Wealth Fund, First Capital Fixed Income Fund, First Capital Gilt-Edged Fund, First Capital Money Market Fund, First Capital Equity Fund and First Capital Money Plus Fund which are also treated as Related Parties of the Company.

The Fund carries out transactions with parties who are defined as related parties as per Sri Lanka Accounting Standard (LKAS 24), 'Related Party Disclosure', in the ordinary course of its business. The details of such transactions are reported below. The pricing applicable to such transactions is based on the assessment of risk and pricing model of the Fund and is comparable with what is applied to transactions between the Fund and its unrelated customers. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

22.2 Transaction with managing company

Transactions for the year ended

Name of the company	Nature of the transaction	Transaction amount 2025/2026 Rs.	Transaction amount 2024/2025 Rs.
First Capital Asset Management	Management fee	16,671,427	6,982,349

22.3 Transaction with ultimate parent company/ parent company/ immediate parent company, subsidiaries of the immediate parent of the managing company

Nature of transaction	Year ended 31.03.2026 2025/2026	Year ended 31.03.2026 Amounts owed (to)/ by the related party as at 31.03.2026	Year ended 31.03.2025 2024/2025	Year ended 31.03.2025 Amounts owed (to) / by the related party as at 31.03.2025
	Rs.	Rs.	Rs.	Rs.
Statement of Profit or Loss and Other Comprehensive Income				
Interest income	4,179,625	-	13,492,102	-
Interest expense	-	-	(450)	-
Gain/ (loss) on sale of financial investments - FVTPL	22,604,035	-	235,532,460	-
Benefit accrued/ realised on Unit Trust	91,494,952	-	148,608,393	-
Statement of Financial Position				
Investment in Unit Trust	-	(1,242,017,172)	-	(1,265,762,135)

CORPORATE INFORMATION

NAME OF THE FUND (UNIT TRUST)
First Capital Fixed Income Fund

FUND MANAGING COMPANY
First Capital Asset Management Limited (PB 187)

TRUSTEE OF THE FUND
Bank of Ceylon

REGISTERED OFFICE OF FUND MANAGING COMPANY
First Capital Asset Management Limited
No. 2, Deal Place
Colombo 3

BOARD OF DIRECTORS OF FUND MANAGING COMPANY
Dr. Nishan de Mel
Mr. Kavin Karunamoorthy
Mr. Dilshan Wirasekara
Mr. Kuda Banda Herath

SECRETARIES
Ms. Heidy Seneviratne
No. 02, Deal Place
Colombo 03.

EXTERNAL AUDITORS
M/s B. R. De Silva & Co
Chartered Accountants
No. 22/4, Vijaya Kumaranatunga Mawatha
Colombo 5

INTERNAL AUDITORS
M/s Ernst & Young
No. 109, Rotunda Towers
Galle Road
Colombo 3

PRINCIPAL BANKERS
Bank of Ceylon

First Capital
A Janashakthi Group Company