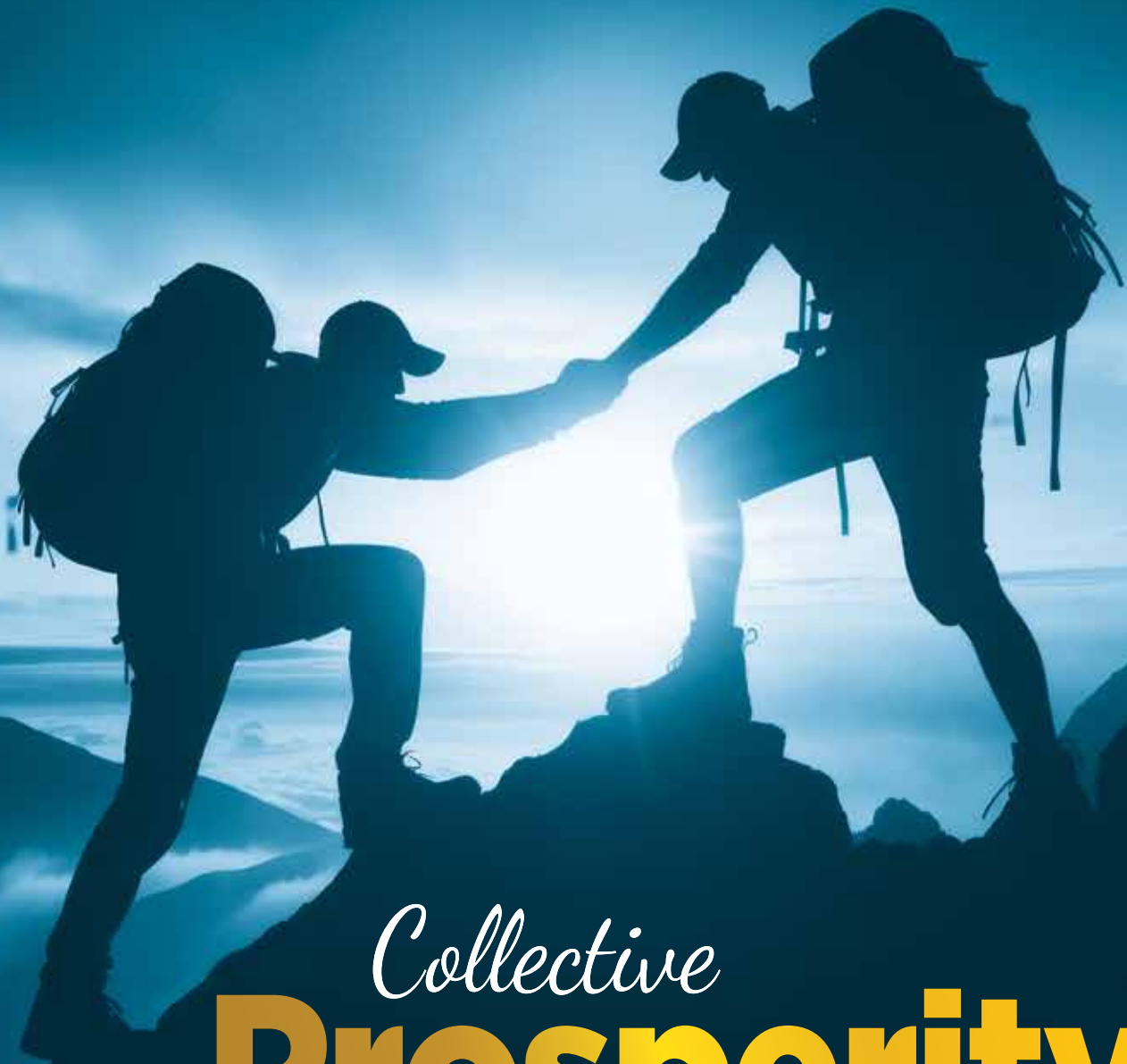




FIRST CAPITAL
MONEY MARKET FUND



Collective
Prosperity

FIRST CAPITAL MONEY MARKET FUND
ANNUAL REPORT 2024/25



Collective **Prosperity**

At First Capital Money Market Fund, we believe that prosperity grows when everyone has access to opportunity. In FY 2024/25, the Fund delivered strong returns and record inflows, reinforcing its role as a trusted, low-risk investment choice.

Our efforts extended beyond Fund performance as we strategically invested in awareness, education and outreach to promote financial literacy by empowering individuals to take charge of their financial futures. By lowering barriers to entry and simplifying the investment journey through digitalisation we are building a more inclusive investment culture where prosperity is shared, and opportunity is widespread.

Looking ahead, we remain focused on expanding reach, enhancing trust and offering innovative, accessible solutions that enable all Sri Lankans to grow with us.

CONTENTS

ABOUT THE FUND

First Capital Money Market Fund in Context | 4
 Group Structure | 8
 Awards and Recognition | 9
 Operational Structure | 10
 Fund's Structure | 10

LEADERSHIP

Chairman's Statement | 12
 Chief Executive Officer's Review | 14
 Board of Directors of the Fund Managing Company | 16
 Chief Executive Officer and Fund Management Team | 18

STRATEGY AND VALUE CREATION

Financial Highlights | 20
 Operational Highlights | 22
 Digitalisation | 23
 Value Creation Model | 24
 Materiality | 26
 Strategy and Resource Allocation | 29
 Socio Economic Impact | 32
 Director's Statement on Internal Control | 33
 Stakeholder Engagement | 35
 Risk Management Report | 38

MANAGEMENT DISCUSSION AND ANALYSIS

Operating Environment | 45
 Fund Manager's Report | 47
 Financial Capital | 49
 Manufactured Capital | 53
 Intellectual Capital | 57
 Human Capital | 62
 Social and Relationship Capital | 68
 Natural Capital | 72

GOVERNANCE AND STEWARDSHIP

Annual Report of the Board of Directors | 78
 Statement of Director's Responsibility | 80
 Declaration of Compliance by Trustee & Managing Company | 81
 Corporate Governance | 82
 Compliance Disclosures | 91
 Group Board Audit Committee Report | 100
 Group Remuneration Committee Report | 102
 Group Related Party Transactions Review Committee Report | 104
 Group Nomination and Governance Committee Report | 105
 Group Investment, Asset and Liability Committee Report | 107
 Group Board Integrated Risk Management Committee Report | 108

FINANCIAL INFORMATION

Financial Calendar | 112
 Financial Performance Highlights | 113
 Independent Auditors' Report | 115
 Statement of Profit or Loss and Other Comprehensive Income | 117
 Statement of Financial Position | 118
 Statement of Changes in Unitholders' Funds | 119
 Statement of Cash Flows | 120
 Notes to the Financial Statements | 121

SUPPLEMENTARY INFORMATION

Semi Annually Results | 155
 Five-Year Summary | 156
 Unitholders Information | 157
 Basis of Financial Ratios | 159
 Horizontal and Vertical Analysis of Income Statements Over Five Years | 160
 Horizontal and Vertical Analysis of Financial Position Over Five Years | 162
 Integrated Reporting – Content Index | 164
 GRI Content Index | 165
 Glossary of Financial and Business Terms | 169
 Start Investing with Us | 172
 Notes | 174
 Unitholders / Stakeholders Feedback Form | 175
 Annexure A - Board of Directors of the Intermediary Parent Company | 177
 Annexure B – Tri-lingual Financial Statements | 181
 Corporate Information | 187



ABOUT THE FUND

ABOUT THE REPORT

FIRST CAPITAL MONEY MARKET FUND IN CONTEXT

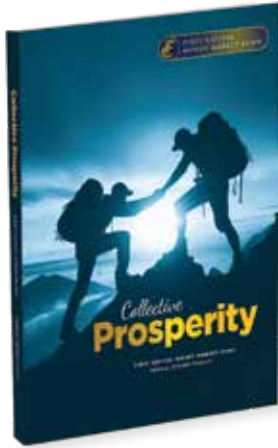
First Capital Asset Management Limited has distinguished itself as a frontrunner in the unit trust industry, offering a wide array of Funds across all regulated asset classes. In 2024/25, its flagship unit trust—the First Capital Money Market Fund—delivered appealing returns while also recording significant Fund inflows.

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, a limited liability company incorporated and domiciled in Sri Lanka established on 26 October 1998. Act as the Fund Managing Company of First Capital Money Market Fund.

First Capital Money Market Fund (FCMMF), “the Fund”, is approved by the Securities and Exchange Commission of Sri Lanka (SEC) under the Securities and Exchange Commission of Sri Lanka Act No.19 of 2021. FCMMF is structured as an “Open-ended Money Market Fund” approved by the SEC on 16 September 2014, where the investments made by Unitholders are placed exclusively in a portfolio of Fixed Income Instrument under the guidelines and rules of Collective Investment Scheme (CIS) Code - 2022.

Functioning as a collective investment scheme, the FCMMF strategically pools resources from diverse investors to invest in a varied portfolio of securities, which are eligible under the CIS Code 2022, Trust Deed and Key Investor Information Documents (KIID)/ Explanatory Memorandum. This approach brings notable advantages, including improved diversification, effective risk management, and promising yield prospects.

The success of FCMMF stems from a meticulously planned strategy since its inception. First Capital understands the importance of empowering individuals with knowledge, and endeavours to provide essential insights, tools, and expert guidance, aiming to foster sustainable wealth-building strategies. The focus extends beyond short-term financial stability to developing enduring financial literacy, equipping individuals to thrive in the complex landscape of personal finance.



Notable Improvement in the Annual Report FY 2024/25

Increased **T**ransparency regarding resource allocation and illustrate how an organisation uses various resources to create value over time for stakeholders through the six capitals, disclosure of material matters and process of stakeholder engagement.

Demonstrating **A**ccountability through following the Integrated Reporting Framework <IR> and creating inclusive value for stakeholders and the community through value added statement.

Improving **G**overnance disclosures with respect to the Collective Investment Scheme (CIS) Code – 2022 and Securities and Exchange Commission Act of Sri Lanka Act No. 19 of 2021.

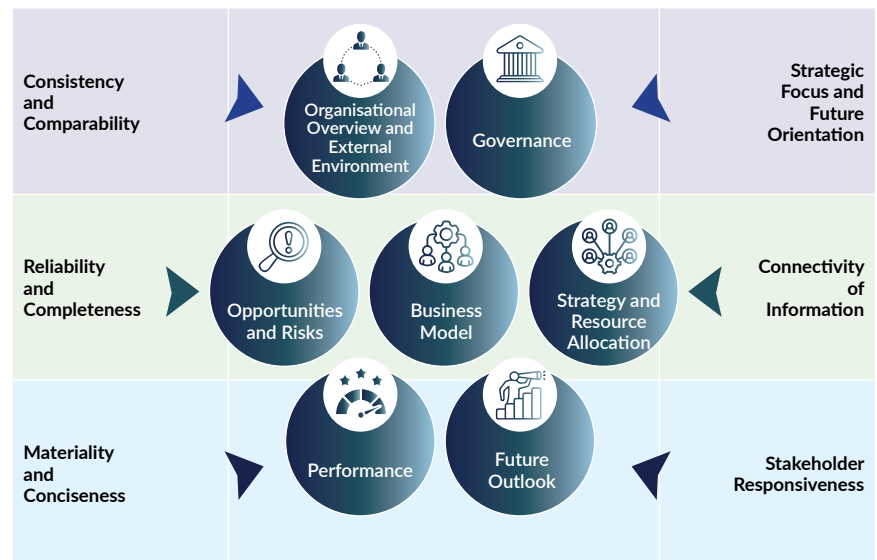
Enumerating the commitment on **S**ustainability through aligning capitals with UN SDGs & introducing Tri-lingual Financial Statements.

INAUGURAL INTEGRATED REPORT OF FCMMF

The report, which follows the integrated format, has been structured to inform stakeholders about the correlation between the Fund strategy, business model, operating context, material risks and opportunities, governance as well as operational and financial performance. Based on this approach, the report seeks to provide a holistic overview of the Fund's strategy and material risks to enable stakeholders to understand how these are managed through effective allocation of resources through various forms of capital.

The current report is the inaugural integrated report published by the FCMMF.

There are no restatements pertaining to previous reports.



Chatbot Assistance on Queries



Sinhala and Tamil version of the Audited Financial Statements of FY 2024/25 are available on Pages No. 181 to 186

ABOUT THE REPORT

FIRST CAPITAL MONEY MARKET FUND IN CONTEXT

KEY FRAMEWORKS

	Reporting Framework	Internal Assurance	External Assurance
Annual Financial Statements	<ul style="list-style-type: none"> - Sri Lanka Accounting Standards comprising Sri Lanka Financial Reporting Standards (LKASs /SLFRSs) - Inland Revenue Act No. 24 of 2017 (as amended) - Value Added Tax Act No. 14 of 2002 (as amended) - Social Security Contribution levy Act No. 25 of 2022 (as amended) 	<ul style="list-style-type: none"> - Independent Internal Auditors' Report by M/s Ernst & Young - Internal Controls - Reporting to the Board Audit Committee and the Board of Directors 	<ul style="list-style-type: none"> - Independent Auditors' Report by M/s B. R. De Silva & Co, Chartered Accountants
Integrated Annual Report	<ul style="list-style-type: none"> - International <IR> Framework of the International Integrated Reporting Council - "Guidelines for presentation of Annual Reports" issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) - "Non-Financial Reporting Guidelines" issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) 	<ul style="list-style-type: none"> - Review by the Audit Committee and the Board of Directors 	
Sustainability	<ul style="list-style-type: none"> - United Nations (UN) Sustainable Development Goals (SDGs) 	<ul style="list-style-type: none"> - Assessment of non-financial information by the Awards Committee, an executive committee with oversight on reporting excellence 	
Corporate Governance and Internal Control	<ul style="list-style-type: none"> - Collective Investment Scheme (CIS) Code – 2022 - Securities and Exchange Commission Act of Sri Lanka Act No. 19 of 2021 - Code of Best Practice on Corporate Governance issued by Institute of Chartered Accountants of Sri Lanka (2023) - Customer Due Diligence (CDD) Rules No.01 of 2016 (Applicable for conducting the KYC and account opening processes) 	<ul style="list-style-type: none"> - Review by the Risk and Compliance Division - Independent Internal Auditors' Report by M/s Ernst & Young 	

Process Disclosures

The following processes were followed in the preparation and approval of our reports:

- A cross-functional project team combining finance, fund management team, risk and compliance, research and branding

disciplines supported by internal and external advisors, ensures that a comprehensive information gathering and preparation process is followed.

- A gap analysis was conducted of the previous year's annual report, our debut in integrated reporting.

- Internal and external feedback on processes, content and focused application of the International <IR> Framework was used to improve this integrated report.

- Guidance on the reporting approach and content planning is provided by the Awards Committee. Information and perspectives of executives and

senior management are gathered by the project team to support content planning.

- Several drafts of the report are reviewed by the senior management and feedback incorporated by the project team under the Awards Committee's oversight, prior to the review by the Board Audit Committee.
- The Risk and Compliance division follows a risk identification process to determine the risk grading of material matters. Together with matters gathered by operating context assessment and identification of internal and external stakeholder matters of legitimacy, issues identified through an enterprise risk perspective is pivotal to the preparation of the integrated report. Issues that are reported as material are reviewed, filtered and finalised by the Awards Committee.
- Information included in this report is sourced through diverse internal and external sources. The Board of Directors, Board sub-committees, the Chief Executive Officer and senior management are consulted to gather deep and broad insights and to validate perspectives underlying decision-making.
- Components of the integrated report pertain to both financial and non-financial data. Such information across the report is checked and aligned for consistency by the project team with oversight by the Awards Committee.

MATERIALITY AND THE PRECAUTIONARY PRINCIPLE

The principle of Materiality has been used to determine the content included in this report. The Materiality section on pages 26 to 28 describes how Material Matters are identified, assessed and integrated in the Fund's strategy in order to generate value to deliver positive outcomes for stakeholders. It should

be noted that, in the case of social and environmental topics, the Fund also applies the precautionary principle.

The reason for the adoption of the precautionary principle is to highlight the Fund's desire to go beyond business to address the impact on society and the environment caused by its operations and to mobilise appropriate corrective action to mitigate any potential negative impacts.

ASSURANCE

The Fund has adopted the combined assurance approach where information obtained from both internal and external sources has been verified using the internal control framework, Management Committee assurance, compliance and internal audit reviews. M/s B. R. De Silva & Co, have provided external assurance regarding the Financial Statements of the Fund.

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements with regard to the Fund's financial position, strategic objectives and growth prospects. Such statements by their very nature, are often associated with risk and uncertainty as they relate to events that may or may not occur in the future. Therefore, readers are cautioned that actual results or outcomes may differ materially from what was expressed or implied by forward-looking statements.

Disclaimer – The Management considers all forward-looking statements contained herein to be applicable only as at the date.

BOARD RESPONSIBILITY STATEMENT

The Board of Directors of First Capital Asset Management Limited (the Managing Company of the Funds) takes full responsibility for integrity of this integrated annual report and assures all stakeholders that the report is an accurate representation of the performance and prospects of the Fund for FY 2024/25.

Signed for and on behalf of the Board,

(Sgd.)

Dilshan Wirasekara
Managing Director

(Sgd.)

Nishan de Mel
Chairman

Feedback and Queries

We welcome feedback and queries regarding this report as part of the overall approach to improving the quality of content and disclosures in future reports. In this regard, readers are encouraged to direct their responses to;

Mangala Jayashantha

Chief Financial Officer
First Capital Asset Management Limited (Managing Company of the Funds)
No. 02, Deal Place
Colombo 03.
mangala@firstcapital.lk



GROUP STRUCTURE

Group Structure of First Capital Asset Management Limited (Managing company of First Capital Money Market Fund)



AWARDS AND RECOGNITION

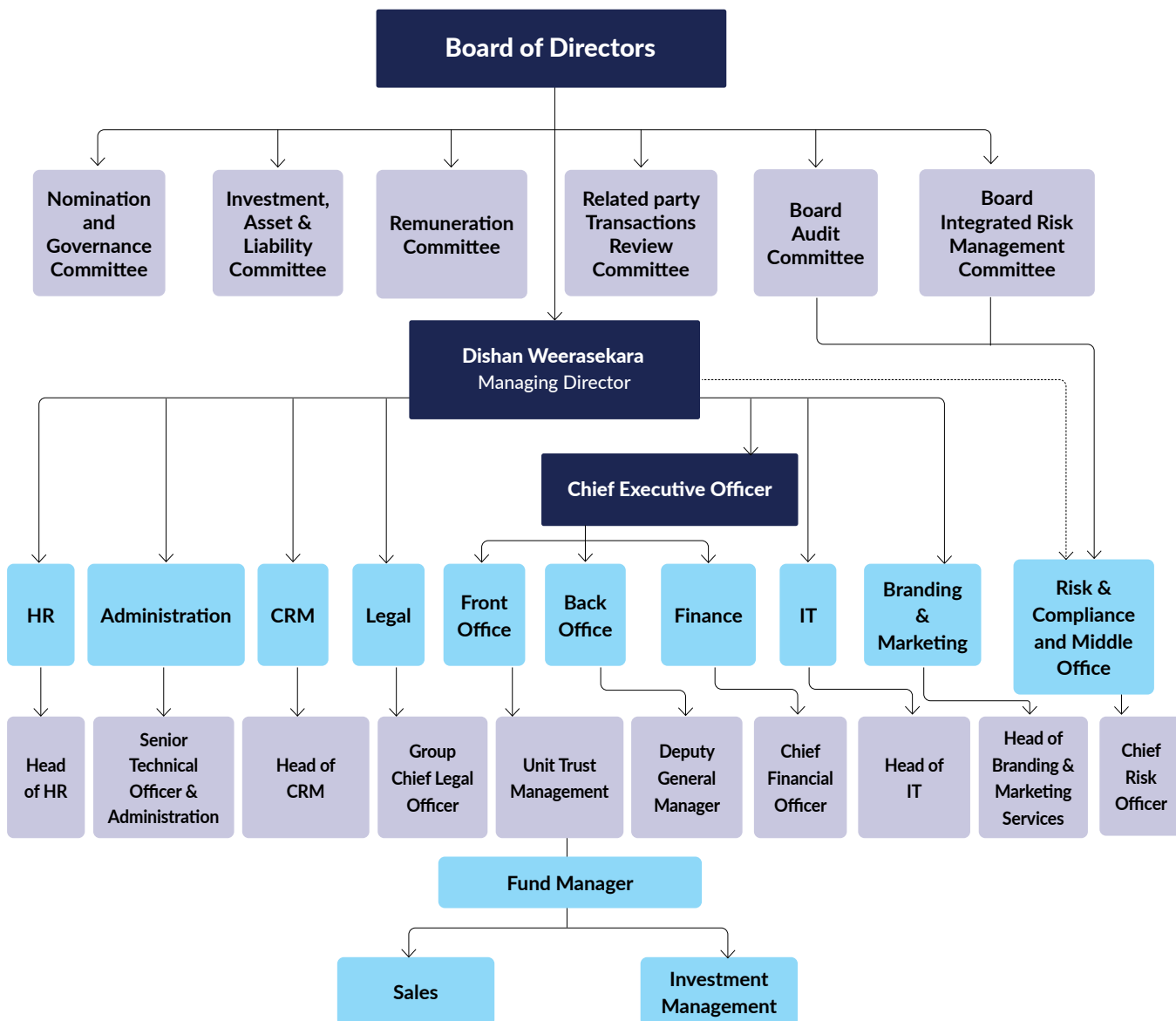


Silver winner at Capital Market Awards 2024 – Best Unit trust Fund organised by CFA Society Sri Lanka.

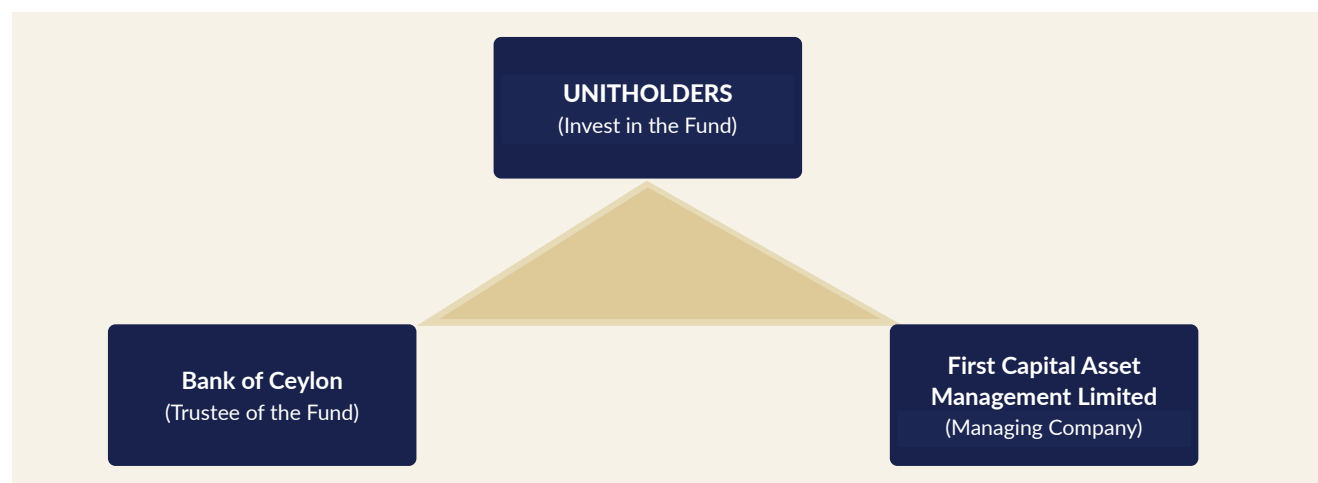


Bronze Award at CA Sri Lanka TAGS Award- Unit Trust Sector

OPERATIONAL STRUCTURE



FUND'S STRUCTURE





LEADERSHIP

CHAIRMAN'S STATEMENT

Our growth strategy will balance organic and inorganic expansion, with a focus on broadening our physical and digital touchpoints across the country and exploring select international markets. ESG principles and responsible investing will receive more attention in our value creation model.

The financial year 2024/25 was for us a period of forward-thinking and prudent action, as both global and local conditions presented complex yet promising dynamics. At First Capital Money Market Fund (FCMMF), we remained steadfast in our purpose to deliver long-term value for our investors while navigating the shifting tides of the economy and capital markets.

Navigating Complexity with Strategic Clarity

Sri Lanka's political and macroeconomic landscape went through significant changes during the year. The elections held in the second half of the year reduced political uncertainty and renewed hope of all investors. The new government, keeping with the ongoing IMF programme, pursued continuity over change in the path of macroeconomic economic policies.

In 2024, the country over-performed on growth expectations and fell below expectations on inflation. Yields in bond markets, and listed equity prices were

volatile. In this context, our strategic direction was to focus on agility, preserve investor capital, anticipate changes and capture emerging yield opportunities across the fixed-income space. We also took the opportunity to fast track our digitalisation initiatives and improve the customer experience.

Creating Collective Prosperity

During the year, we strived to widen the participation of retail investors as we accelerated our B2C outreach, addressing increased awareness through targeted education initiatives seminars, webinars, workshops, and continuous publication of market insights. Strategic use of digital and mass media platforms, including our "Thought Leadership" sessions, helped us engage a broader, more diverse audience, especially from rural segments driving shared financial growth for those under-represented in financial markets, by making unit trust investments more accessible to all Sri Lankans.

We are breaking down barriers to entry and fostering financial literacy and, by doing that, paving the way for collective prosperity; where every Sri Lankan can participate in and benefit from the country's returns on investment.

Performance Highlights and Milestones

In the year 2024/25, First Capital Money Market Fund delivered strong returns and record inflows a testament to both fund performance and enhanced investor confidence.

During the financial year, the Fund maintained a majority of its allocation in government securities consisting mainly of Treasury Bills and Reverse Repos. It capitalised on attractive capital gains due to reducing market rates amidst subdued credit growth and limited alternative investments. The portfolio was actively managed to optimise returns and maintain liquidity, while preserving strong credit quality. Under our disciplined investment framework and

prudent risk management we pursued selective diversification into fixed deposits and high-quality corporate debt when market conditions were favorable. These strategies contributed to a significant year-on-year growth in Funds under Management, rising from Rs. 48.59 Bn to Rs. 70.40 Bn by 31 March 2025 marking an impressive growth of 45%, while also maintaining a healthy level of profitability to the firm.

Investing in People, Processes, and Purpose

We made strategic investments in our team and operational platform. The fund management division was expanded to enhance our research depth and improve execution efficiency. We also became compliant with the Asset Manager Code of Conduct of CFA Society Sri Lanka, reinforcing our commitment to global best practices in ethics and governance.

Digital transformation was a central priority. We launched automated services to allow our clients to redeem funds through the online portal as well as the ubiquitous WhatsApp phone app. These innovations not only boosted client satisfaction but also supported the Fund's AUM growth and an increase in the number of active investors.

Building a Responsible and Inclusive Future

We are paying more attention to ESG principles across our business units. In the year 2024/25, we undertook targeted CSR initiatives aimed at promoting environmental sustainability and financial inclusion. We also scaled up our financial literacy programmes, with investor education sessions conducted, empowering individuals to make more informed investment decisions.

Evolving Governance for Evolving Markets

In recognition of the increasing complexity of asset management, we instituted a separate Investment Committee dedicated to First Capital Asset Management Limited (Managing

Company of FCMMF), bringing sharper focus and expertise to portfolio decision-making. Additionally, changes to the Board were made to reflect a more diverse blend of knowledge, experience, and strategic insight thereby strengthening our governance.

Awards and Accolades

During the year we won the Silver Award under the category of Best Unit Trust Fund at the Capital Market Awards, organised by the CFA Society Sri Lanka. This was a welcome affirmation of our growing industry leadership and excellent performance.

Looking Ahead

We are cautiously optimistic about 2025 and beyond. Interest rate volatility and evolving global economic cycles present both risks and opportunities. Our aim is to leverage these dynamics to secure better returns for our clients, and improve our digital features to provide them with also a better experience.

Our growth strategy will balance organic and inorganic expansion, with a focus on broadening our physical and digital touchpoints across the country and exploring select international markets. ESG principles and responsible investing will receive more attention in our value creation model.

Buoyed by the exceptional performance and record-breaking inflows in the year 2024/25, FCMMF enters the new financial year with renewed confidence and a steadfast commitment to deliver consistent value. As market conditions evolve and investor expectations grow more sophisticated, our strategic focus will be on deepening our research-driven investment approach, enhancing portfolio agility, and continuously refining our risk management practices.

Looking ahead, we aim to expand investor reach by leveraging digital platforms and financial literacy initiatives, making access to FCMMF simpler, more transparent, and aligned

with investor needs. Our team remains committed to maintaining the highest standards of fund stewardship, guided by prudent investment strategies and robust governance frameworks.

At the heart of our vision is a continued emphasis on building trust and leveraging on our positioning as a member of the JXG Group. With resilience, insight, and innovation, FCMMF is well-positioned to sustain its leadership in the money market space while unlocking greater financial inclusion and long-term value for our investors.

A Note of Appreciation

I extend my sincere appreciation to our investors, clients, board members, management team and staff, regulators, trustee, business partners and all our stakeholders for their unwavering support. With clarity of purpose and confidence in our strategy, I believe that we are well-positioned to unlock greater value in the years ahead.

(Sgd.)

Nishan de Mel
Chairman

CHIEF EXECUTIVE OFFICER'S REVIEW

"The Fund's direct income reached an all-time high of Rs. 6,477 Mn, significantly surpassing the previous year's record of Rs. 4,064 Mn. This remarkable growth was almost entirely driven by fund-based income, primarily interest earnings and trading gains which accounted for 99.95% of total direct income."

Improving lives of all Sri Lankans through financial solutions being the vision of our company is the main driving force of our performance. The performance and progress of the First Capital Money Market Fund (FCMMF) during the financial year 2024/25 is a testament of our commitment to the vision. In a year marked by macroeconomic fluctuations and shifting investor dynamics, our Fund demonstrated resilience, agility, and a strong sense of purpose. Our strategic focus on expanding retail participation, elevating the digital client experience, and strengthening governance laid the foundation for long-term value creation.

Context to Performance

Navigating macroeconomic instability demanded real-time shifts in asset allocation, while regulatory updates on reporting standards and taxation required swift internal adaptations. In parallel, we recognised the need for sustained investor education, especially as we welcomed a growing number of first-time investors. These experiences reinforced our belief that agility, clarity, and a client-first mindset are vital in uncertain times.

Against the broader backdrop, Sri Lanka's Unit Trust industry grew by 24.4%, driven largely by interest in open-ended money market funds. FCMMF's trajectory was well aligned with this momentum, buoyed by our understanding of market sentiment and investor risk appetite. We also welcome increased regulatory oversight, which we believe will enhance professionalism and protect investor interests.

Our Strategic Priorities

In a year marked by macroeconomic fluctuations and shifting investor dynamics, our Fund demonstrated resilience, agility, and a strong sense of purpose. Staying true to our core principles of capital preservation, liquidity, and delivering consistent returns, we focused on expanding retail participation, elevating the digital client experience, and reinforcing governance as pillars of long-term value creation.

Our journey was shaped by a deliberate strategy to expand investor access, empower clients through financial literacy, and digitise our engagement to deliver seamless, scalable solutions. This approach enabled us to significantly grow our investor base, especially among first-time and retail participants. Strategic outreach, simplified onboarding, and new distribution partnerships were instrumental in making investing more accessible and positioned us to enhance our portfolio. Complementing this, our "InvestED FinLit" initiative reached over 5,000 individuals across the island, demystifying key investment concepts and helping to build a culture of trust and informed decision-making.

We also embraced technology as a cornerstone of client empowerment. From real-time portfolio access to WhatsApp-based redemptions and digital onboarding, our innovations brought convenience, speed, and transparency to the forefront. This digital-first approach particularly resonated with younger investors, leading to a 45% surge in active

retail clients and enhancing investors confidence during periods of market uncertainty. A fully paperless onboarding process now enables investors to complete KYC and account activation entirely online, positioning us among the most efficient in industry. The upgrades made to our investor dashboard further improved access to insights and strengthened our reputation as a digitally forward fund manager.

A Resilient Performance

Despite a volatile economic backdrop including interest rate fluctuations and political headwinds, FCMMF remained steadfast in delivering on its mandate. I am pleased to state that the First Capital Money Market Fund concluded the financial year with its strongest performance to date, reflecting our prudent investment strategies and disciplined risk management. The Fund's direct income reached an all-time high of Rs. 6,477 Mn, significantly surpassing the previous year's record of Rs. 4,064 Mn. This remarkable growth was almost entirely driven by fund-based income, primarily interest earnings and trading gains which accounted for 99.95% of total direct income. This performance reaffirms our commitment to deliver consistent value to our investors while maintaining a sharp focus on financial strength and market responsiveness. The total unitholders' fund (net assets attributable to unitholders) grew from Rs. 48,589 Mn to Rs. 70,398 Mn during the year 2024/25, driven by increased unit creation and strong profit performance.

Our Assets under Management grew robustly, supported by both organic inflows and new client acquisitions. Competitive NAV returns underscored our prudent portfolio management and conservative risk posture. Notably, we maintained a high degree of liquidity, with over 75% of assets allocated to government securities and near-cash equivalents, which enabled us to meet redemption obligations seamlessly, even during stressed market conditions.

Investing in Our People

Internally, we believe that true innovation begins with our people. We invested in building a culture of ownership, collaboration, and continuous learning. Through cross-functional initiatives, capability development in portfolio construction and compliance, and a renewed focus on internal communication, our teams responded with agility and alignment translating into faster execution and stronger engagement across the organisation.

Governance and Accountability

Our commitment to governance remains unwavering. We uphold the Asset Manager Code laid down by the CFA Society Sri Lanka and operate within a robust investment policy framework overseen by an independent trustee and a vigilant Risk and Compliance Committee. Regular audits and third-party inspections reinforce our dedication to transparency and accountability.

We continue to listen and respond to our stakeholders be it through investor updates and digital communication channels, internal forums that amplify employee voice, or ongoing collaboration with regulators and partners to align with national financial priorities. This ethos of open dialogue and mutual respect is central to our culture and success.

Future Outlook

Sri Lanka's economy is poised for continued recovery in 2025, with GDP growth projected to exceed 3% and inflation expected to remain below 5%, aligned with the Central Bank's policy framework. Stable macroeconomic fundamentals, supported by a gradual rebound in tourism and remittances, are likely to ease interest rate pressures. Globally, economic conditions remain uncertain, and growth is expected to moderate in the coming years, influenced by several factors like moderating inflation, varying monetary policies across countries, geopolitical tensions, divergent growth paths among regions, and escalating trade tensions.

In this backdrop, our ambition is guided by a sense of accountability. We aim to be a globally respected asset manager. Our roadmap includes expanding our product suite with new low-risk, high-liquidity offerings, exploring cross-border partnerships and potential foreign listings, and embedding ESG considerations into our investment decisions. We also look forward to launching the next phase of our digital platform, incorporating real-time analytics and goal-based investment tools to further enrich the client experience.

Appreciation

I would like to extend my sincere gratitude to our investors, board of directors, staff, regulators, trustee, business partners and all our stakeholders. Your trust fuels our purpose. With your continued support, we look forward to another year of disciplined growth, digital leadership, and shared success.

(Sgd.)

Kavin Karunamorthy
Chief Executive Officer

BOARD OF DIRECTORS OF THE FUND MANAGING COMPANY



NISHAN DE MEL

Non- Executive Chairman

Nishan de Mel is an Economist (Harvard, Oxon). He is the Executive Director of Verité Research, a think tank providing analytical research and advisory services on economic, political and legal issues. He has extensive experience in academia, public policy and the private sector.

In Sri Lanka, he has been a Member of the Presidential Task Force on Health Sector Reform, Presidential Committee on Tobacco, Alcohol and Dangerous Drug Regulation and the National Steering Committee on Social Security and has served on a range of private sector boards.

Internationally, Nishan has held several governing, teaching and research positions, including as a Lecturer in Economics at Oxford University.

Other principal appointments:

Director: Eureka Technology Partners (Pvt) Ltd, Verite Research (Pvt) Ltd, Hideaway Homes (Pvt) Ltd, 24/7 Techies (Pvt) Ltd, Vanguard Survey (Pvt) Ltd, Reap Digital (Private) Limited, Bartleet & Company Limited, First Capital Asset Management Limited and First Capital Treasuries PLC



DILSHAN WIRASEKARA

Managing Director

Dilshan Wirasekara, Managing Director of First Capital Assets Management Limited is an experienced professional with a career spanning over 29 years, comprising diversified expertise in financial services including, banking, treasury and investment management, capital market strategy and corporate finance advisory services.

Having joined First Capital in 2013, Wirasekara steered the Company, a full-service investment institution holding licenses as a primary dealer in government securities, stock brokering as a full trading member of the CSE, unit trust management and wealth management licensed by SEC and debt structuring, trading and corporate finance advisory in addition to its fully fledged research unit covering macro fundamentals, equity and fixed income, to establish itself as a significant contributor to the local capital market industry.

He spearheaded the formation of key debt structuring deals with internationally based development Financial Institutions as well the signing of strategic partnerships with foreign institutions focusing on emerging markets such as Sri Lanka.

He was the former General Manager of Softlogic Capital PLC guiding investment and trading portfolio management across subsidiaries inclusive of the Group's Licensed Finance Company, Composite Insurer and Equity Brokerage; prior to which he was Head of Treasury at Nations Trust Bank PLC.

He specialises in Asset and Liability Risk Management having secured the accolade of leading and representing two Sri Lankan companies in winning the International Bank Asset and Liability competition organised annually by the Netherlands Development Finance Company (FMO), German Investment Corporation (DEG) and Proparco – a subsidiary of the Agence Française de Development (AFD).

Dilshan is an Alumnus of INSEAD having successfully completed his Executive Professional Education at INSEAD Business School in Fontainebleau, France. He is also an Alumnus of AOTS, Tokyo, Japan.

Other principal appointments:

Chairman: Colombo Stock Exchange
Deputy Chief Executive Officer: Janashakthi Limited



MINETTE PERERA

Non-Executive Director

Minette Perera was the Group Finance Director of the MJF Group from September 2000 till March 2013. The MJF Group comprises a fully vertically integrated tea operation with presence along the entire value chain and includes Companies with the finest tea gardens, factories, printing and packaging facilities and markets "Dilmah Tea" around the world. The Leisure Sector of the MJF Group marketed by Resplendent Ceylon (private) Limited, including Companies which set the benchmark for luxury boutique resorts in Sri Lanka.

During the period of her employment with the MJF Group, she was appointed a Director of the MJF Group of Companies, including MJF Holdings Limited. She continues to hold Board positions in several Companies of the MJF Group.

Minette is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, the Chartered Institute of Management Accountants of UK and the Association of Chartered Certified Accountants of UK. She has over 45 years working experience as a Finance Professional having worked in leading local and international companies as the CFO and Finance Director.

Other principal appointments:

Director: Dilmah Ceylon Tea Company PLC, Dilmah Ceylon Cinnamon Company (Pvt) Ltd, MJF Corporate Services (Pvt) Ltd, Kahawatte Plantations PLC, Elpitiya Plantations PLC, Forbes & Walker (Pvt) Ltd and Janashakthi Limited



KUDA BANDA HERATH

Non-Executive Director

Kuda Herath holds a bachelor's degree in applied chemistry from the University of Kingston, London and currently serves as an independent non-executive director of Central Finance Company PLC since 16 February 2019.

He has a career spanning over 28 years in the fast moving consumer goods industry in Sri Lanka, starting off with 16 years at Nestle Lanka Limited holding key positions in disciplines such as manufacturing, sales, marketing and global business excellence projects.

He served as an Executive Director of A. Baur & Co. (Pvt) Ltd for a period of 8 years during which period he was instrumental in establishing a consumer vertical for the company.

He joined Sunshine Holdings PLC in April 20 as the Chief Operating Officer of their Consumer business, primarily to expand their consumer footprint via mergers & acquisitions.

As a member of the Environmental Cell of the Ceylon Chamber of Commerce from year 1996 to 2001 he was part of both Governmental and Non-governmental initiatives in assessing and formalising plans to minimise adverse impacts to the environment from Industry.

Other principal appointments:

Director: Central Finance PLC, Energy Management Systems (Pvt) Ltd, Bavarian Barn German Restaurant (Pvt) Ltd, Photocinex (Pvt) Ltd.

CHIEF EXECUTIVE OFFICER AND FUND MANAGEMENT TEAM



Gavin Karunamoorthy

Chief Executive Officer - Asset Management

Bringing over 23 years of comprehensive expertise in Treasury and Investment Banking as a Licensed Investment Advisor (CSE), Gavin possesses extensive proficiency in various domains including fixed income dealing, foreign exchange, asset and liability management, corporate finance, and fund management. His seasoned insights span both local and international landscapes, honed through collaborations with esteemed banking institutions such as Nations Trust Bank, DFCC, and National Savings Bank.

Kavin's educational background includes a Master of Business Administration earned from Cardiff Metropolitan University, UK, supplemented by a Dealing Certificate conferred by the ACI Financial Markets Association, Paris. These qualifications underscore his commitment to continuous learning and mastery within the financial domain.



Kumaravarun Kanagasooriar

Assistant Vice President - Asset Management

Kumaravarun Kanagasooriar, an Assistant Vice President in Asset Management, brings a wealth of knowledge and experience to the team. With over 9 years of dedicated experience in capital markets, Kumaravarun possesses a deep understanding of financial intricacies and a proven track record of success in asset management.

With a BBA in Finance from the University of Colombo, Kumaravarun also holds the esteemed CFA Charter from the CFA Institute, USA, and is an associate member of CIMA, UK. His expertise and dedication render him an invaluable addition to unit trust funds.



Rahul Samarakoon

Senior Associate - Asset Management

Rahul Samarakoon, a Senior Associate in Asset Management, brings a robust blend of education and experience to the table with more than 5 years of practical

involvement in capital markets. Rahul has refined his skills in maneuvering through the intricacies of asset management, rendering him an invaluable addition to the team.

Armed with an M.Sc. in Business Analytics from Robert Gordon University of Aberdeen, Rahul is pursuing CFA Level 2 from the CFA institute, USA and having completed examinations with CIMA, UK, Rahul demonstrates a solid foundation in both theoretical knowledge and practical skills.



Shalomi Gunasekara

Senior Executive - Asset Management

Shalomi Gunasekara brings over 6 years of experience in the financial services sector and serves as a key member of the Asset Management team. She plays an integral role in supporting operational efficiency and contributing to the overall performance and stability of the function.

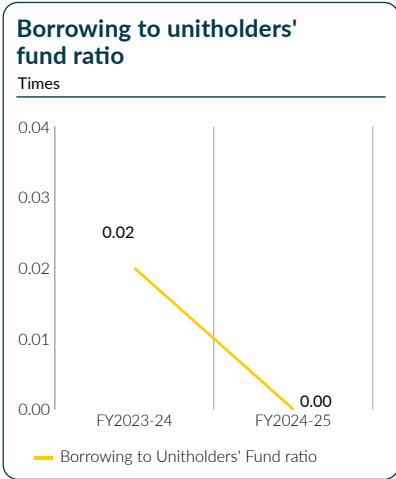
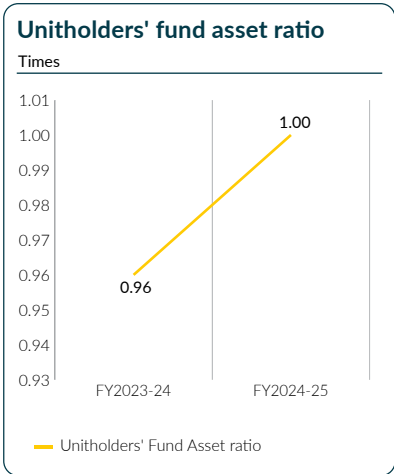
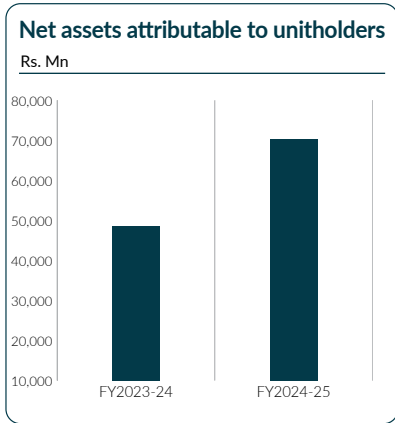
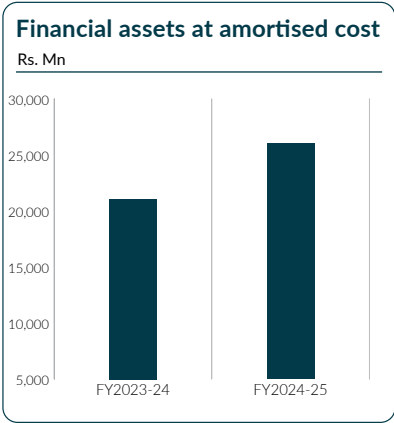
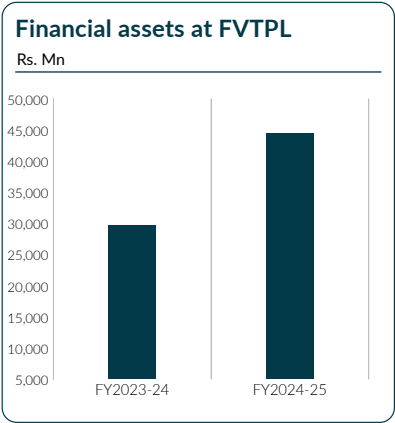
She holds a Managerial Diploma in Business Administration from the Human Resource Management Institute (HRMI) and an MBA from the University of Northampton. Her solid academic background, combined with industry exposure, enables her to deliver meaningful contributions to the team's strategic and operational goals.

The image features a blue-tinted background. In the upper center, a hand is shown moving a white chess piece (a king) on a chessboard. The chessboard is partially visible, with other pieces like a pawn and a knight in the background. Behind the chessboard, a faint world map is visible. In the foreground, there are abstract, white, wavy line art patterns that resemble topographical lines or stylized waves. The text "STRATEGY AND VALUE CREATION" is centered in the lower half of the image, overlaid on the abstract patterns.

STRATEGY AND VALUE CREATION

FINANCIAL HIGHLIGHTS

Indicator	FY2024-25	FY2023-24	Change %
Results for the Year (Rs. Mn)			
Direct income	6,477	4,064	59.4%
Net trading income	6,459	4,059	59.1%
Profit for the year	5,863	4,181	40.2%
Assets and Liabilities (Rs. Mn)			
Financial assets at FVTPL	44,430	29,691	49.6%
Financial assets at amortised cost	26,019	21,065	23.5%
Securities sold under re-purchase agreements	-	1,026	-100.0%
Net assets attributable to unitholders	70,398	48,589	44.9%
Profitability and Efficiency ratios (%)			
Net trading income margin	99.72%	99.88%	-0.2%
Net profit margin	90.52%	102.89%	-12.0%
Return on assets	9.67%	15.07%	-35.8%
Return on unitholders' fund	9.86%	15.70%	-37.2%
Annualised fund return	10.05%	22.12%	-54.6%
Cost to income ratio	7.70%	4.00%	92.5%
Investor indicators/ measures			
Total number of units	20,927,459	15,895,599	31.7%
Total redemptions (Rs. Mn)	178,438	72,338	146.7%
Total unit investments (Rs. Mn)	194,385	112,063	73.5%
Net assets value per unit (Rs.)	3,363.91	3,056.73	10.0%
Total assets per unit (Rs.)	3,366.48	3,195.37	5.4%
Unit/ Redemption Price per Unit - FY 2024/25			
High (Rs.)	3,354.14	3,036.45	10.5%
Low (Rs.)	3,037.51	2,484.75	22.2%
Unitholders' Fund/ Borrowing ratios and risk measures (times)			
Unitholders' fund asset ratio	1.00	0.96	4.5%
Borrowing to unitholders' Fund	Nil	0.02	-100.0%
Borrowing to asset ratio	Nil	0.02	-100.0%
Cash flow generated from/ (used in) - (Rs. Mn)			
Operating activities	(15,973)	(39,699)	-59.8%
Financing activities	15,946	39,725	59.9%



OPERATIONAL HIGHLIGHTS

Total Number of Units
(31.3.2025)

Rs. 20.9 Mn

(31.3.2024)
Rs. 15.89 Mn

Growth in Total
Number of Units

 **32%**

Number of Unitholders
(31.3.2025)

5,402

(31.3.2024)
3,900

Profit for the Year
(31.3.2025)

Rs. 5.86 Bn

(31.3.2024)
Rs. 4.18 Bn

Profit Growth
(YoY)

 **40%**

Growth in Net Assets
attributable to Unitholders

 **45%**

Net Assets attributable to Unitholders
(31-03-2025)

Rs. 70.4 Bn

(31.3.2024)
Rs. 48.59 Bn

Profit Growth
(YoY)

 **40%**

Total Assets
(31.3.2025)

Rs. 70.5 Bn

(31.3.2024)
Rs. 50.79 Bn

Growth in
Total Assets

 **39%**

Unit Creations for the
FY 2024-25

Rs.194.4 Bn

FY 2023-24
Rs.112.06 Bn

Unit Redemptions for the
FY 2024-25

Rs. 178.4 Bn

FY 2023-24
Rs. 72.3 Bn

DIGITALISATION

Online Portal and Mobile App

A dedicated mobile application which is link to online portal, is a key milestone in redefining the digital unitholder experience. These platforms have been designed to meet the needs of both new and existing unitholders, bringing essential fund services directly to their smartphones reducing dependency on physical service channels.

Core functionalities include:

- **Real-time balance checking** – Unitholders can now view their current holdings and track fund performance at their convenience.
- **Redemption requests** - The app allows users to submit redemption requests digitally, streamlining the withdrawal process and reducing manual interventions.
- **Daily unit price updates** - Daily unit prices are made available through the app, enabling timely and informed investment decisions.



Missed Call Balance Service – Instant Access, Zero Data Required

Recognising the importance of financial access for all unitholder segments, the Fund introduced an innovative missed call balance inquiry service. By simply giving a missed call to a designated number, unitholders receive an automated SMS with their latest account balance. This service is particularly beneficial for those in regions with feature phones, limited internet connectivity, offering a low bandwidth, no-cost solution to stay informed about their investments.

The introduction of this feature not only supports financial inclusion but also reduces service turnaround time and dependency on customer service agents for routine queries.



WhatsApp Transaction Channel – Now with Redemption Facility

Building on the success, the Company added an award-winning new feature this year: digital redemption requests via WhatsApp.

This enhancement transforms WhatsApp into a fully interactive platform where unitholders can now initiate redemptions directly with the tri-lingual option, providing another convenient and familiar touchpoint for seamless fund access.

By integrating transactional capabilities into a widely used messaging app, the Fund continues to meet unitholders' needs of convenience, speed, and engagement.

100% Ekyc Digital Onboarding – Expanding Reach with Efficiency

To support the Fund's continued growth and increased demand from new unitholders, digital onboarding process allows prospective unitholders to complete registration and account activation online—without the need for physical documentation or in-person visits.

This user-friendly interface streamlined compliance checks, creating a seamless and quick onboarding journey enabling quicker access to the Fund whilst supporting our aggressive customer acquisition goals. As a result, the number of new customers onboarded through

digital channels recorded a substantial increase during FY 2024/25, exceeding initial expectations.

In FY 2024/25, First Capital Money Market Fund continued to accelerate its digital transformation journey, aligning with the First Capital Group's broader vision of harnessing technology to enhance operational efficiency, customer experience, and scalability. The Fund's digitalisation strategy focused on deploying practical, user-centric solutions aimed at delivering real-time access, improved convenience, and wider inclusion for unitholders.



Looking Ahead

The Fund's ongoing digitalisation efforts are rooted in a long-term strategy to enhance agility, improve customer satisfaction, and future-proof operations. Each digital initiative undertaken this year reflects the Fund's commitment to delivering a seamless, inclusive, and tech-forward investment experience for all stakeholders. As the financial landscape continues to evolve, First Capital Money Market Fund remains focused on exploring new technologies and digital capabilities that reinforce its leadership position in the market and drive value for its unitholders.

VALUE CREATION MODEL

Our Input Capitals

Constraints

Fund Inputs

Financial Capital



constitutes of the pool of funds of unitholders that is available to us or income generated through investments. We are underpinned by an appropriate risk appetite framework.

- Market sentiment
- Higher expectations on fund returns
- Interest rate fluctuations
- Tax rate changes
- Competitor returns
- Cash flow management
- Investment in high-quality, short-term investments
- Unit creation/ redemption, liquidity and risk management
- Maximise returns and provide consistent returns

Human Capital



our strength lies in our robust executive and leadership teams, including experienced fund managers, as well as our highly skilled analysts and back-office professionals. We are grounded in a high-performance, client-centric, and ethical culture that is deeply aligned with our core purpose.

- Talent retention
- Training gaps
- New talent acquisition
- Skill development
- Leadership development
- Work-life balance
- Safety and well-being

Intellectual Capital



encompasses knowledge-based intangibles such as tacit knowledge, systems, procedures and protocols in addition to intangibles associated with the brand and reputation we have developed.

- Limited access to real-time data
- Cyber threats
- System needs modifications and technology barriers
- Economic and market analysis
- Research tools, investment models, proprietary knowledge
- Scenario planning
- Data-driven portfolio management
- Digital systems and mobile app
- Brand equity of the fund
- Business ethics

Social and Relationship Capital



comprises key relationships and interactions with institutions and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective well-being. These resources underpin our ability to deliver our strategy while creating sustainable and inclusive value.

- Reputational risk
- Stakeholder expectations
- Regulatory risk
- Transparent financial and non-financial reporting
- Responsive customer service
- Compliance with CIS code and explanatory memorandum
- Awareness through social media
- Regular stakeholder engagement
- Improving financial literacy

Natural Capital



unit trust fund do not directly extract or consume natural resources in their operations, they influence natural capital through their investment choices and it has become increasingly important, particularly as environmental, social, and governance (ESG) considerations become central to investment decision-making and risk assessment.

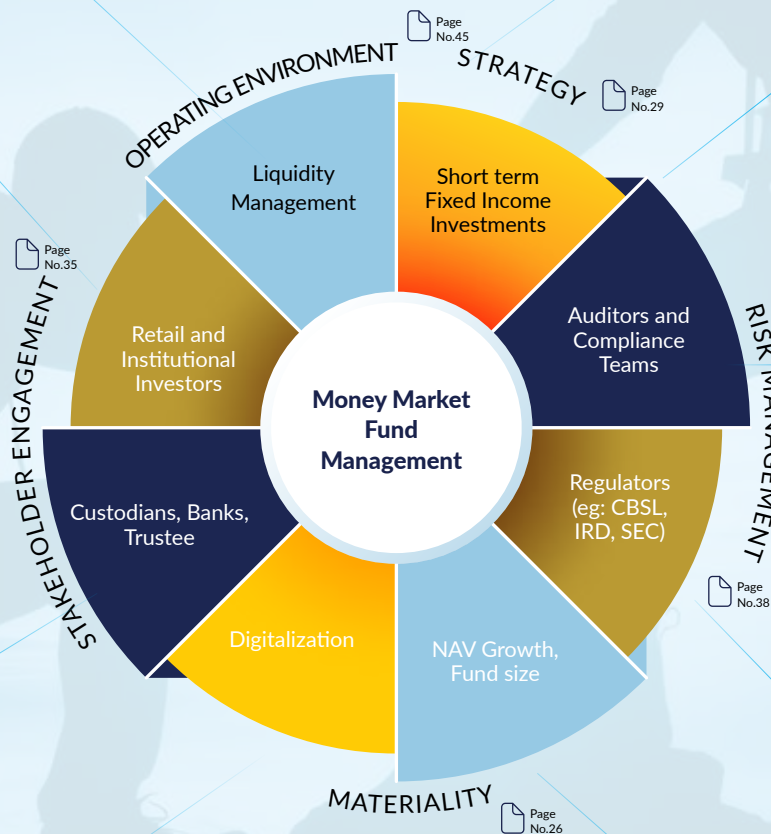
- Enhanced stakeholder expectations
- Expectations on effective resource utilisation
- Sustainable business practices
- Digital adoption
- Commitment to ESG principles and ethical investing

Manufactured Capital



represents our geographic footprint inclusive of our main place of business and systems that allows us to attain or goals of reach, scale and service excellence.

- Client reach
- Operational risk associated with systems
- Regulatory adherence
- Minimised operational risk
- Internal and regulatory audits
- Brand positioning
- Digital channels



Financial Capital

- Net assets attributable to unitholders - Rs. 70.4 Bn
- Net income generated for FY 2024/25 - Rs. 6.46 Bn
- New unitholder investments for FY 2024/25 - Rs. 194,384.60 Bn
- Redemptions for FY 2024/25 - Rs. 178,438.40 Bn



Human Capital

- ZERO incidents of harassment
- ZERO incidents of discrimination
- Retention ratio of 100%



Intellectual Capital

- Enhanced brand reputation
- An award-winning fund
- Competitive edge through innovation
- ZERO ethics violations



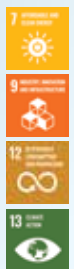
Social and Relationship Capital

- 1,502 newly onboarded clients
- Client inquiry handling via CRM team
- Minor accounts schemes
- Joint accounts schemes
- High income generation compared to traditional saving methods
- Financial literacy programmes for university students



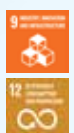
Natural Capital

- Less environmentally harmful operations
- Sustainable fund return
- Paperless culture and paper recycling



Manufactured Capital

- CIS Code, SEC, CBSL, and trustee guidelines
- Key Investor Information Document (KIID)/ Explanatory Memorandum
- Digital channels (mobile app, whatsapp, web portal)



MATERIALITY

Material matters are the critical aspects that impact the Fund’s ability to create long term value and thus are the matters that influence the strategic decisions made by the Board of Directors of the managing company in its stewardship of the Fund.

Materiality assessment is a key component, ensuring that we provide our stakeholders with relevant, timely, and transparent information about the Fund. This report outlines the significant economic, regulatory, environmental, social, and governance issues that may impact on the Fund’s ability to deliver long-term value to our unitholders and stakeholders.

Our assessment of materiality is guided by the best international practices and the principles of the Integrated Reporting Framework.



MATERIALITY MATRIX

Importance to stakeholders	Importance to the fund		
	Low	Moderate	High
High			1, 2, 4, 5, 7, 8, 9, 10, 11, 15, 16, 17
Moderate		3, 14	6, 12, 13
Low			

MATERIAL MATTERS

- 01) Policy Uncertainty
- 02) Accelerated Economic Recovery
- 03) External Debt Restructuring and rating upgrade
- 04) Digital transformation
- 05) Brand Image

- 06) Operational Efficiency
- 07) Financial Inclusion
- 08) Ethical Service Standards
- 09) Data Protection
- 10) Cyber Security
- 11) Client Centricity
- 12) Talent acquisition & attraction

- 13) Employee wellbeing
- 14) Retention & Brain- drain
- 15) Heightened Importance of risk management
- 16) Regulatory Developments
- 17) Market Volatility

No.	Material Topics	Topic Boundary	Risk Impacts	Capital Impacted	Link to SDGs
01)	Policy Uncertainty	Considering national policy changes and regulatory shifts	Strategic Risk Regulatory and Compliance Risk	 SOCIAL & RELATIONSHIP CAPITAL  FINANCIAL CAPITAL	
02)	Accelerated Economic Recovery	Considers macroeconomic recovery dynamics	Strategic Risk Market Risk Credit Risk	 FINANCIAL CAPITAL  SOCIAL & RELATIONSHIP CAPITAL	
03)	External debt restructuring and rating upgrade	Considers impact on government's renegotiations on debt repayments and country's creditworthiness on the fund's performance	Liquidity Risk Business Continuity Risk Credit Risk	 FINANCIAL CAPITAL  HUMAN CAPITAL	
04)	Digital transformation	Refers to the fund's internal efforts on automations	Information and Cybersecurity Risk	 INTELLECTUAL CAPITAL  MANUFACTURED CAPITAL	 
05)	Brand Image	Considers the internal and external factors that could influence perceptions regarding the fund	Reputation Risk Regulatory and Compliance Risk	 INTELLECTUAL CAPITAL  SOCIAL & RELATIONSHIP CAPITAL  HUMAN CAPITAL  MANUFACTURED CAPITAL	
06)	Operational Efficiency	Refers to the Fund's internal processes	Business Continuity Risk	 HUMAN CAPITAL  MANUFACTURED CAPITAL  INTELLECTUAL CAPITAL	
07)	Financial Inclusion	Refers to the fund's value creation activities	Strategic Risk Reputation Risk	 FINANCIAL CAPITAL  SOCIAL & RELATIONSHIP CAPITAL	
08)	Ethical Service Standards	Refers to the fund's service delivery norms and ethical standards	Compliance Risk Reputation Risk	 HUMAN CAPITAL  SOCIAL & RELATIONSHIP CAPITAL	
09)	Data Protection	Refers to customer and stakeholder data confidentiality	Information and Cybersecurity Risk Legal Risk	 INTELLECTUAL CAPITAL  MANUFACTURED CAPITAL	

MATERIALITY

No.	Material Topics	Topic Boundary	Risk Impacts	Capital Impacted	Link to SDGs
10)	Cyber Security	Refers to resilience against digital threats	Cybersecurity Risk Operational Risk Reputational Risk	 INTELLECTUAL CAPITAL  MANUFACTURED CAPITAL	
11)	Client Centricity	Connects to the Fund's fundamental value proposition	Strategic Risk	 SOCIAL & RELATIONSHIP CAPITAL  MANUFACTURED CAPITAL  FINANCIAL CAPITAL	
12)	Talent acquisition & attraction	Considers the impact on employees	Human Resource Risk	 HUMAN CAPITAL	
13)	Employee wellbeing	Considers the impact on employees	Human Resource Risk	 HUMAN CAPITAL	
14)	Retention & Brain- drain	Considers the impact on employees	Human Resource Risk Business Continuity Risk	 HUMAN CAPITAL  INTELLECTUAL CAPITAL	
15)	Heightened Importance of risk management	Connects to the Fund's fundamental value proposition	Interest Rate Risk Equity Risk Credit Risk Liquidity Risk Regulatory and Compliance Risk	 FINANCIAL CAPITAL  NATURAL CAPITAL	
16)	Regulatory Developments	Considers the impact of regulatory changes on the Fund performance and prospects	Regulatory and Compliance Risk Reputation Risk	 INTELLECTUAL CAPITAL  FINANCIAL CAPITAL	
17)	Market Volatility	Considers the impact of local market fluctuations	Market Risk Credit Risk Liquidity Risk	 FINANCIAL CAPITAL	

STRATEGY AND RESOURCE ALLOCATION

First Capital Asset Management Limited (the managing company of the First Capital Money Market Fund), has adopted a holistic strategy to transform from the core. To this end, the subsidiary fully embraces the Group's "Transformative" strategy, which goes beyond traditional boundaries to drive meaningful change and progress. This strategy positions the subsidiary to achieve exceptional success in every area of its operations. The "Transformative" strategy is thoughtfully built on three interconnected pillars, each designed to foster innovation and accelerate growth. By leveraging the subsidiary's strengths, it aims to seize new opportunities, address weaknesses, and proactively mitigate potential threats, ensuring sustainable long-term value creation.

At the core of this approach lies the commitment to delivering a transformative client experience, ensuring that every interaction leaves a lasting impression of value and satisfaction. This means optimising client-centricity across operations, through effective and efficient asset transformation using cutting-edge technologies to drive adaptability and enhance agility to pave the way for transformative growth in all key market domains.

STRENGTHS

Strengths are things that our Organisation does particularly well, or in a way that distinguishes us from our competitors.

WEAKNESSES

What we could improve, and the sorts of practices we should avoid

OPPORTUNITIES

Opportunities are openings or chances for something positive to happen.

THREATS

Threats include anything that can negatively affect our business from the outside.

ALLOCATING RESOURCES THROUGH THE SIX CAPITALS

The utilisation of the six capitals - financial, manufactured, intellectual, human, social & relationship, and natural, plays a crucial role in steering resources towards bolstering the strategy. Financial capital acts as the backbone, providing the necessary funding for strategic initiatives, while Manufactured capital, comprising

physical assets and digital infrastructure, is strategically deployed to facilitate operational efficiency and expansion. Intellectual capital, including proprietary knowledge, fuels innovation and human capital, which embodies the skills and expertise of employees, is harnessed to execute the strategy effectively, fostering a culture of excellence and adaptability. Social & relationship capital, built through relationships and networks,

facilitates collaboration and market penetration, reinforcing the Fund's position and credibility. Lastly, natural capital, encompassing environmental resources, is managed sustainably to mitigate risks and ensure long-term resilience, aligning with the managing company's commitment to environmental stewardship and responsible business practices.

STRATEGY AND RESOURCE ALLOCATION

Strengths	Weaknesses	Opportunities	Threats
Long standing brand reputation and industry leading position	Lack of product awareness in the market	Increasing demand for alternative investment solutions	Uncertainty in macroeconomic policies
Competent and loyal managerial team	Lag in technological investments	Potential to attract underserved retail investors due to poor financial literacy (with the right education initiatives)	High degree of vulnerability to market fluctuations and economic disruption
Strong business affiliations and high-value customer base	Limited foreign reach	Cross selling within the intra group and inter groups	Loss of skills and talent
Diverse portfolio of investments, catering to varying investor risk appetites		Diversification of Revenue Streams: Exploring new business segments and diversifying income sources can mitigate risks associated with market fluctuations	Potential changes in SEC or tax policies could impact the fund management business model
Recognition and accolades: Awards and industry recognition strengthen investor trust and marketing leverage			

OUR STRATEGIC PRIORITIES

We have refined and realigned our strategic priorities to deliver short, medium and long-term ambitions aligning with Group vision. Our strategic targets complement the core offering and business model with a commitment to incorporate its value proposition based on active dialogue with stakeholders on sustainability matters and market needs.

OUR STRATEGIC PRIORITIES



Transformative client experience

Our core business will:

- Grow our footprint and defend our market positions in core businesses
- Capture opportunities to grow our client base through exemplary services to our clients

We will use robust technology complemented by human interaction to constructively and deeply engage our clients.

We aim to build the infrastructure needed to provide our clients a truly digital and interactive, approach as required to help meet their financial goals.

Transformative execution

Our core expertise, assets, process innovations and partnerships will help:

- Design innovative, objective, profitable and bespoke client solutions
- Optimise delivery and execution
- Drive organic growth
- Provide stability
- Partner to drive value

We will invest in the transformation of our human capital to help engage and serve our stakeholders productively.

We will deliver profitable investment and trading solutions and objectives and independent advisory solutions independently and collaboratively: We will streamline systems and processes for increased efficiency.




Transformative growth

We will embrace our sustainability focus incorporating ESG perspectives in our business to create sustainable growth and value:

- Delivering financial sustainability
- Creating positive societal impact
- Finely linking resource allocation to value creation

We will drive long-term, environmentally and socially sustainable growth and value.

We will responsibly allocate our resources and strive to deliver positive societal impact.

Strategic	Key Priorities for 2024/25	Resource Allocation through capitals (Key Initiatives)	Future Plans	
			Short - Medium Term	Long-Term
 Transformative Client Experience	<ul style="list-style-type: none"> Redemptions via WhatsApp. Launch of fully fledged online portal and automation of client's transactions. Launch of "online investment platform" website-page, where it gives more information for investors to make smart investment decisions. Share knowledge with investors with various interactive sessions including videos, social media ads, radio programs etc. to help investors with decision making. 	<ul style="list-style-type: none"> Increase the financial resources through more fund allocation in the budget. Invest in technology to improve the client experience. 	<ul style="list-style-type: none"> Continue to do the knowledge sharing session and provide investor focused details. 	<ul style="list-style-type: none"> Introducing digital solutions aimed at improving accessibility, efficiency, and decision-making. Initiatives include expanding digital transaction capabilities, enhancing investor education through multi-platform outreach, and providing more intuitive access to investment insights.
 Transformative Execution	<ul style="list-style-type: none"> Operational efficiency and process automations in the UT transactions. Investor educational session ("InvestED" financial literacy program) to improve the financial literacy among young investors. 	<ul style="list-style-type: none"> Increase the investment in technological resources to improve operational efficiency. Invest in Human capital to develop knowledge and skill. Promote employees' learnings and growth. 	<ul style="list-style-type: none"> Continue to conduct investor educational sessions to promote financial literacy. 	<ul style="list-style-type: none"> Improved versions of financial literacy programs to cover larger population of investors in Sri Lanka. streamlining key internal processes through automation and investing in talent development to build a high-performing, future-ready workforce.
 Transformative Growth	<ul style="list-style-type: none"> AUM has grown by around LKR 22 Bn during the year ended on 31 March 2025, which is 45% of growth compared to year ago. Client acquisition during the period 1,502. 	<ul style="list-style-type: none"> Invest in sales and marketing team to build sustainable AUM growth. Invest in systems to accommodate market changes. Allocate capital for expansion. 	<ul style="list-style-type: none"> Increase touchpoints. across the country. 	<ul style="list-style-type: none"> Geographical expansion. Product expansion. Focused investments in systems and targeted outreach will support scalable, sustainable growth across our product and service portfolio.

SOCIO ECONOMIC IMPACT

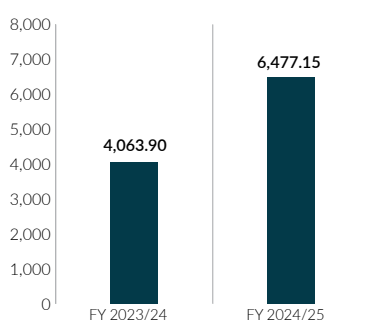
Our commitment to sustainability means creating inclusive value for stakeholders and the community.

Value Added Statement

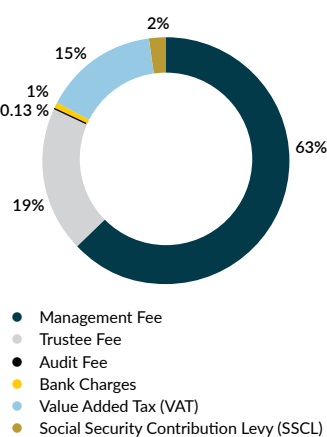
	FY 2024/25 Rs. Mn	FY 2023/24 Rs. Mn
Income generated	6,477.15	4,063.90
Distributed as Follows :		
Fund Managing Company- Management Fee (excluding VAT/SSCL)	(302.38)	(109.92)
Trustee Fee (excluding VAT/SSCL)	(90.71)	(32.98)
Other Service Providers		
- Audit Fee	(0.61)	(0.50)
- Bank Charges	(1.69)	(0.92)
Indirect Taxes		
- Value Added Tax	(72.68)	(14.96)
- Social Security Contribution Levy	(10.10)	(3.09)
Total Distribution	(478.17)	(162.37)
Retention for future expansion and growth	5,998.98	3,901.53

Income generated

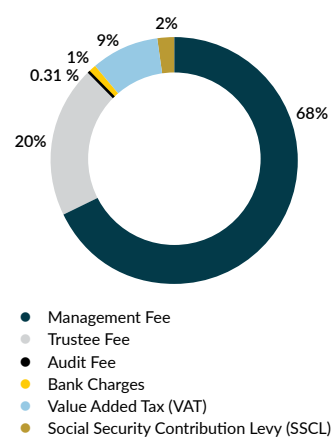
Rs. Mn



Distribution - FY 2024/25



Distribution - FY 2023/24



DIRECTORS' STATEMENT ON INTERNAL CONTROL

This statement is issued by the First Capital Holdings PLC as the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Board is responsible for maintaining a sound system of internal controls to safeguard unitholders' investments and company assets. The Board has delegated the function of monitoring the adequacy of internal controls to the Group Board Audit Committee among other duties. The function is further delegated to the Board Integrated Risk Management Committee at the Group level to monitor the same more frequently.

The main function of the Risk Management (RM) process is to identify the principal risks impacting the Fund and take mitigating actions. The Management of the Company identifies the risks that affect the Fund and reports matters to relevant sub-committees at Group level. Based on the RM framework, the Risk and Compliance division, with guidance from senior management, implements policies related to risk and control. The Risk and Compliance division is accountable to the Board for monitoring and providing assurance as to the effectiveness of internal controls. The Managing Company has commissioned M/s E&Y, as the independent internal auditor, to ensure the effectiveness of the internal control systems. As a result of their activities, several processes have been enhanced during the year under review.

The Board has implemented the following to obtain reasonable assurance that proper systems of internal controls are in place;

- The delegation of authority has been revisited with the recent changes to the organisation structure, adjustments required based on relevant changes were made to ensure system and internal controls.
- The effectiveness of the internal audit function was monitored by the Internal auditor, M/s E&Y.
- Board Audit Committee (BAC), Board Integrated Risk Management Committee (BIRMC), and Independent Internal Auditor are responsible for reviewing and reporting on internal control environment of the Fund and Managing Company.
 - The minutes of the BAC and BIRMC meetings are tabled at regular Board meetings at Group level. The reports of the BAC and BIRMC is provided in the annual report.
 - The BAC reviews and approves the internal audit plan for the year. The audit plan is structured on a matrix based on key risk areas including the adequacy of internal controls. Delivery dates of action plans are regularly monitored, and any delays are highlighted and rectified.
 - During the year under review the audit committee reviewed two audit reports and one management letter submitted by both internal and external auditors. The reports covered key findings with management comments and actions taken to rectify any control weaknesses. Control weaknesses identified in previous reviews were also tracked to ensure that the management has taken the necessary action to eliminate or minimise any risks.
 - The BAC reviewed and approved the Internal Audit scope which includes specifically ensuring the effective design and implementation of internal controls;
 - The effectiveness of the internal controls is measured based on the repetition of the control weaknesses or improvement areas that have been highlighted in the audit reports.
- Improvements in line with industry and / or non-industry best practices are also implemented on an ongoing basis.
- BAC continued to monitor the progress of the bottom-up compliance sign off process which strengthened the control environment and provide comfort to the senior management and the Board of Directors that staff at all functions are aware and conduct business transactions as per the rules and procedures.
- To maintain and ensure the data privacy, the Company conducted a Data Protection impact assessment, and the results have been escalated to the Board Integrated Risk Management Committee along with a suggestion to appoint Data Protection Officer at Group level. Implementation was delayed due to the Government decision on bringing new changes to the Act.
- The Company's group level AML/CFT Policy was updated based on the improvement suggestions made by the Financial Intelligence Unit of CBSL and Internal Auditors.
- Risk and Compliance division reviews the process and system gaps frequently and policies and processes are being implemented and updated in order to mitigate the risks identified based on such assessments.
- On Information Technology (IT) controls, the Board has initiated multiple mechanisms.
 - Vulnerability and penetration testing assessments were carried out to ensure the integrity of financial information, data security, and adequate access controls are in place with regard to the processing of data.
 - The assignment of conducting an audit of IT policies and procedures were carried out by M/s KPMG.

DIRECTORS' STATEMENT ON INTERNAL CONTROL

- To further enhance the security of our communication channels, additional email security controls were implemented which collectively reduce the risk of cyber-attacks, such as phishing and malware delivery via email.
- Recognising the increasing reliance on mobile devices for business operations, we implemented a Mobile Device Management (MDM) solution for all end users. This solution provides centralised control over mobile devices, enabling us to enforce security policies, remotely wipe devices in case of loss or theft, and ensure compliance with our security standards.
- To protect against unauthorised access, sharing, or loss of sensitive data, a Data Loss Prevention (DLP) system was implemented across our network. The DLP system actively monitors and controls the movement of sensitive data, ensuring that it is not exposed or misused, either internally or externally.
- As part of our ongoing efforts to ensure the safety of our IT environment, we implemented a robust web filtering security solution. This system restricts access to harmful or unauthorised websites, helping to prevent malware infections, data breaches, and other web-based security threats.
- The following actions were taken by the Board to enhance the effectiveness of the Corporate Governance structure and risk management framework.
 - The company restructured the composition of Board of Directors and Group Board sub-committees especially appointing new members to accelerate the independent decision making

and governance oversight. Independence criteria of the existing Directors have been thoroughly assessed against the rules and governance best practices.

- The Board Nomination Committee restructured as Board Nomination and Governance Committee by intensifying the scope and responsibilities of governance requirements.
- The Board Enterprise Risk Management Committee of the company was reconstituted under the new name of the Board Integrated Risk Management Committee (BIRMC) as a formal Board sub-committee limiting the composition to the Board of Directors. New Board members were appointed to the Committee to improve the balance and expertise.

The Company has implemented 9 policies and updated 3 policies outlined by the Listing Rules of the CSE to establish and enhance the corporate governance practices at Group level.

New Policies Implemented

- Policy on the matters relating to the Board of Directors
- Policy on Board Committees
- Policy on Corporate Governance, Nominations and Re-election
- Policy on Remuneration
- Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
- Policy on Relations with Shareholders and Investors
- Policy on Control and Management of Company Assets and Shareholder Investments
- Policy on Corporate Disclosures
- Policy on Anti-Bribery and Corruption

Policies Revised

- Policy on Risk management and Internal controls
- Policy on Whistleblowing
- Policy on Environmental, Social and Governance Sustainability

The Board having implemented the above is aware that such systems are designed to mitigate rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatements of loss.

(Sgd.)

Dilshan Wirasekara
Managing Director/ CEO
First Capital Holdings PLC

(Sgd.)

Rachini Rajapaksa
Chairperson - Board Audit Committee-
First Capital Holdings PLC

(Sgd.)

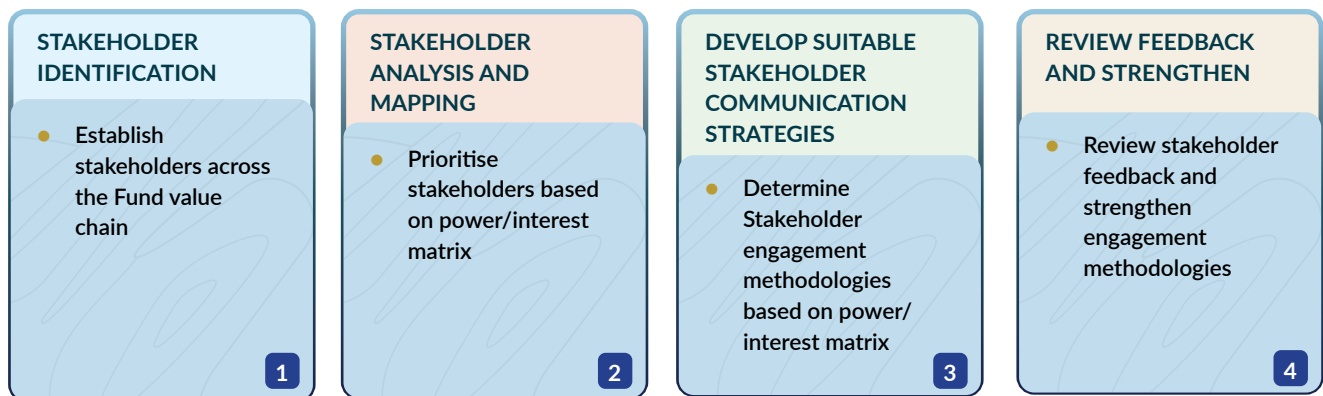
Rajendra Theagarajah
Chairman - First Capital Holdings PLC

4 June 2025
Colombo

STAKEHOLDER ENGAGEMENT

In a world that is defined by constantly changing trends, stakeholder engagement now plays an ever more important role in improving the fund's ability to strategically reorient to stay relevant. The managing company believes that connecting with stakeholders helps to understand their expectations and concerns and also provides the opportunity to inform stakeholders about the efforts taken by the fund to address these matters. The managing company embraces a comprehensive four step process to systematically strengthen relationships with key stakeholders.

Stakeholder Engagement Process





Power/ Interest Matrix







Stakeholders



STAKEHOLDER ENGAGEMENT

Stakeholder	Engagement Mechanisms and Frequency of Engagement	Key Concerns Raised	Fund Response	Key metrics of engagement quality	Strength of Relationship
 <p>Unitholders B2C and B2B unitholders</p>	<ul style="list-style-type: none"> Multiple digital and face-to-face engagement methods are used, including monitoring of unitholder complaints, and digital and online communication channels including social media, in-person meetings Frequency - Continuous 	<ul style="list-style-type: none"> Investing in times of uncertainty: investments in a low-interest rate regime Advice on the tax related matters of the unitholders and issuing balance confirmations A mix of digital and remote services and personal interaction when needed System stability, data and information security, confidentiality and privacy Risk management, market access and liquidity 	<ul style="list-style-type: none"> Expansion and enhancement of digital onboarding and reactivating hitherto dormant client relationships Delivering objective advice and bespoke solutions, leveraged by our capabilities and technology Developing new products and solutions and forming strategic partnerships in response to unitholders' evolving needs 	<ul style="list-style-type: none"> Active clients Digitally active clients Customer relationship management Cyber incident detection time System stability 	Strong
 <p>Employees</p>	<ul style="list-style-type: none"> We engage our teams through management and divisional meetings, employee surveys, online communication channels, various training events and in-person meetings. We also hold health and well-being events and offerings, employee networking and volunteering opportunities. Our culture supports an interactive, learning environment in which we engage team members for growth and development Frequency - Continuous/ Periodic 	<ul style="list-style-type: none"> Living up to our PERFORMANCE FIRST ideology Building a diverse, equitable and inclusive workplace Digital and soft skills development Enabling internal mobility and providing long-term career prospects Work-life balance and counselling needs Appropriate grievance mechanisms Fair and equitable pay practices Flexible/hybrid-work arrangements 	<ul style="list-style-type: none"> Establish a diverse and inclusive work environment Development of human resources system and IT infrastructure Conduct merit based evaluations Provide opportunities for airing of grievances or complaints including skip-level meetings Continued to engage employees and managers regarding hybrid working options 	<ul style="list-style-type: none"> Enhancement of the score of Great Place to Work® Retention measures Training and development measures 	Strong

Stakeholder	Engagement Mechanisms and Frequency of Engagement	Key Concerns Raised	Fund Response	Key metrics of engagement quality	Strength of Relationship
 Regulators Including market regulators, the SEC and Unit Trust Association	<ul style="list-style-type: none"> • We interact with regulators for obtaining licenses and in the process of meeting regulatory compliance requirements • Frequency - Continuous/ Periodic 	<ul style="list-style-type: none"> • Business Conduct • Governance, risk governance and other frameworks of control • Effective delivery of compliance with regulatory change 	<ul style="list-style-type: none"> • Engagement on material matters to ensure understanding of expectations and challenges • Enhancing our compliance and ethics oriented culture; formulation of relevant policy frameworks and enforcement • Enhancing front to back office internal controls 	<ul style="list-style-type: none"> • Constructive and positive engagements in meeting regulatory requirements including timely licensing and minimum capital and operational requirements • Risk mitigation measures • Conduct/ regulatory training 	Good
 Trustee	<ul style="list-style-type: none"> • We interact with trustee in the process of meeting regulatory compliance requirements • Frequency - As needed 	<ul style="list-style-type: none"> • Adherence to the fund's trust deed • Compliance with the reporting requirements • Risk management practices 	<ul style="list-style-type: none"> • Record keeping, suspicious and unusual transaction reporting and risk management in response to current regulatory requirements • Enhancing front to back office internal controls 	<ul style="list-style-type: none"> • Risk mitigation measures 	Good
 Business Counter Parties	<ul style="list-style-type: none"> • Through two-way engagement modes including meetings and negotiations. We work together in transactional engagements • Frequency - As needed 	<ul style="list-style-type: none"> • Opportunities for shared value through collaborative transactional engagements • Processes in which mutually inclusive value can be optimised 	<ul style="list-style-type: none"> • Building strategic alliances • Ongoing collaboration with counterparties 	<ul style="list-style-type: none"> • Successful outcomes in collaborative transactions • Tangible synergies • Trust and stability through partnering 	Good
 Communities and civil society	<ul style="list-style-type: none"> • Two-way engagement methods that can include online communication channels and in-person discussions; philanthropic activities, community engagements, dissemination of research and awareness building • Frequency - As needed 	<ul style="list-style-type: none"> • Alignment with a national agenda for pervasive and sustainable value creation • Sustainable finance • Financial stability through risk governance • Improving financial literacy • Furthering economic and social inclusion 	<ul style="list-style-type: none"> • Integrate with financial services industry and the economy through business led and inclusive growth and balanced risk management • Improve financial literacy through financial and economic education 	<ul style="list-style-type: none"> • Constructive engagements 	Good

RISK MANAGEMENT REPORT

Approach to Risk Management

Risk management lies at the heart of First Capital's operational framework. Given the role as a leading player in the local capital market space, robust and proactive risk management is vital for continued growth and value creation.

First Capital has adopted an Integrated Risk Management (IRM) approach based on the ISO 31000-2018 standard, to provide a systematic and comprehensive framework to manage all key risks. The Board-approved risk management framework stands as the overarching mandate of the IRM approach. A comprehensive risk process for the identification, assessment, and mitigation along with monitoring and reporting of all types of risks present in the Fund's risk universe, in line with the risk appetite. The effectiveness of the IRM framework is further underscored by a clearly defined risk governance structure and further supported by a strong risk culture to ensure risks are properly embedded in all planning and decision-making processes across the Fund.

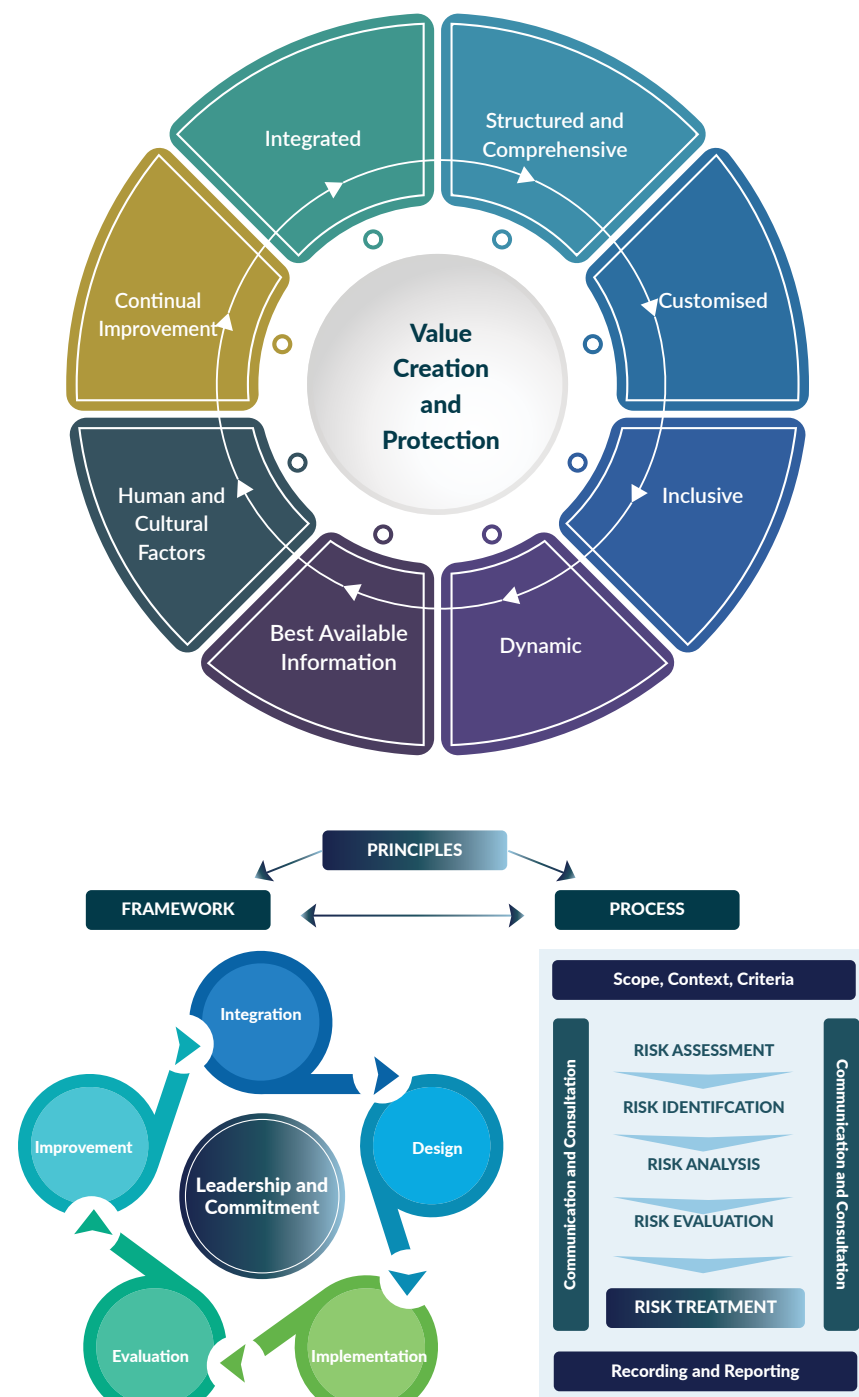
First Capital Asset Management Limited (the Managing Company of First Capital Money Market Fund), a sub-subsidiary of First Capital Holdings PLC, has adopted the risk culture and the framework related to Risk management as the main pillar when managing risks related to the Managing Company function.

Risk Appetite

Risk appetite is designed to inform business units about the maximum level of risk that the Board is prepared to accept to deliver its business objectives.

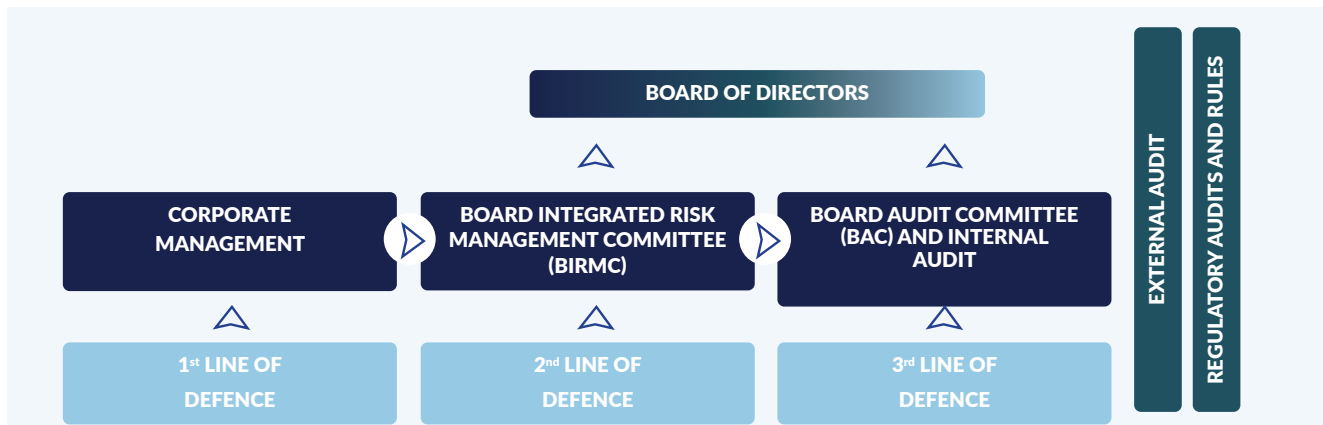
As an approved Collective Investment Scheme (Unit Trust) managed by First Capital Asset Management Limited, First Capital Money Market Fund has designed the risk appetite based on the direction given by the Board of Directors and the guidelines provided by the regulator, Securities and Exchange Commission of Sri Lanka, based on the nature of the scheme and the restrictions related to risk exposures.

Components of the Risk Management Framework



Reporting Framework	
Identification	Risks are identified mainly by the 1st line of defense. Risks are also identified by the environmental scans conducted by the Risk and Compliance Division (R&C).
Assessment	Risk assessments are conducted by the R & C to evaluate the scope and scale of the impact on the scheme. Various analysis techniques, including stress testing and scenario analysis are performed as part of the risk assessment process. Risks are further analysed using the impact and likelihood matrix, to enable each risk category to be assigned a risk score.
Mitigation	Risk treatment is based on the Board-approved risk appetite and associated tolerance limits. Accordingly, appropriate risk treatment measures are established to either mitigate, avoid, transfer, or accept risk.
Monitoring and Reporting	The R & C undertakes to proactively monitor risk tolerance limits for all risk categories, with findings documented in the Risk Register. The Risk Register is a comprehensive document that captures details of ongoing risk identification, assessment, and treatment efforts. The Risk Register is also the main tool used to support risk reporting to risk committees and the Board.

RISK GOVERNANCE STRUCTURE



First Line of Defence:

Front office, Back office, and processes supported by centralised functions. These units manage risk exposures through well-documented procedures, internal controls, and established limits. Front and back office staff ensure compliance with regulatory requirements and internal policies, contributing to an updated Risk Register, fostering a culture of risk awareness.

Second Line of Defence:

Risk and Compliance division - embeds risk management in the risk culture, providing assurance on regulatory compliance and risk tolerance.

Middle office - validates transactions, escalating exceptions for higher approval.

Investment, Asset and Liability Management Committee - directs strategy, determining limits and controls for market risks.

Third Line of Defence:

Internal Audit - conduct due diligence to provide independent assurance regarding the efficacy of the scheme's risk and control systems.

Risk Culture


The Board of Directors takes the lead in fostering a robust risk awareness culture to empower employees in aligning their actions with the scheme's risk tolerance. Recognising the pivotal role of a strong risk awareness culture, the Board promulgates the three-lines-of-defence to ensure that all staff members


understand and fulfil their duties diligently in line with Board approved policies, procedures and regulatory directives.

Under the guidance of the Board and the Board Committees, specifically the Board Integrated Risk Management Committee and the Board Audit Committee along with the Risk and Compliance Department, conduct regular training workshops to reinforce the importance of risk awareness among staff, mainly the first-line-of-defence.

RISK MANAGEMENT REPORT


MANAGING KEY RISKS AND OPPORTUNITIES

Reinvestment Risk			
Potential interest losses on scheme's fixed income security and deposit portfolios.			
Risk Context for FY 2024/25	The successful completion of the External Debt Restructuring (EDR) in 2024 helped reduce underlying uncertainties, fostering a more stable economic environment. Along with an accommodative monetary policy, low inflation expectations, and a positive macroeconomic recovery, these factors led to improved liquidity and a downward trend in interest rates. While falling rates typically increase reinvestment risk, the company effectively managed duration risk and maintained a focus on high-yield opportunities. This approach helped mitigate potential interest losses on the scheme's fixed income securities and deposit portfolios, ensuring more predictable reinvestment outcomes and supporting overall portfolio performance.		
Impact to Scheme	Scale - Low	Probability - Possible	Risk Score - Low 
Monitoring and Mitigation	Advanced forecasting models to improve the accuracy of predicting interest rate movements in order to proactively respond to changing market conditions.		
	The capability of in-house research division to provide reliable forecasts on interest rate movements.		
Opportunities derived and the response	Leveraged the Group's research and forecasting capabilities to capitalise on optimal rate movements to maintain optimum durations while adhering to regulatory guidelines, to substantially bolster income growth for the current financial year.		

Credit Risk			
Potential losses owing to the failure of borrowers and issuers of corporate debt instruments and deposit instruments to settle their dues in a timely manner.			
Risk Context for FY 2024/25	Improvements in the real sector, despite rigidities in the labour market, have gradually softened financial sector credit risk. Improved profitability in the non-financial corporate sector has led to a marked improvement in overall creditworthiness and hence a decline in credit risk.		
	Adjustments in the sovereign rating will lead to an automatic adjustment in the ratings of the major financial services institutions. The enhancement of long- or short-term credit ratings could decrease borrowing costs and improve access to markets.		
Impact to Scheme	Scale - Low	Probability - Low	Risk Score - Low 
Monitoring and Mitigation	Selective engagement in corporate debt securities based on stringent analysis of the credit customers' worthiness.		
	Frequent analysis of quality and value of collaterals.		
	Remote probability due to the duration limits imposed by the regulator.		


Liquidity Risk

Potential losses as a result of inadequate cash flows to conduct daily operations and meet regulatory obligations.

Risk Context for FY 2024/25	Average Weighted Call Money Rate (AWCMR) remained closer to the lower bound of the standing rate corridor, reflecting improved liquidity conditions within the domestic money market from 1QFY2025, facilitating a more conducive environment in terms of rupee liquidity for the financial sector.		
Impact to Scheme	Scale - Medium	Probability - Low	Risk Score - Low 
Monitoring and Mitigation	Expanded the stress testing model to assess the scheme's ability to manage and maintain sufficient liquidity amid adverse market conditions or unexpected events.		


Regulatory and Compliance Risk

Potential losses owing to non-compliance of regulations.

Risk Context for FY 2024/25	Changes to the regulatory framework resulting in the interdiction of a range of additional compliance requirements, including the directions issued under SEC Act and AML/CFT Rules by CBSL-FIU.		
Impact to Scheme	Scale - Medium	Probability - Low	Risk Score - Moderate 
Monitoring and Mitigation	Continuous and ongoing monitoring of regulatory requirements by the Risk and Compliance department and reporting to the Board to ensure timely compliance.		
	Automation of compliance monitoring requirements against regulatory thresholds.		
Opportunities derived and the response	Automation of transaction monitoring and client screening processes through the new AML system.		

Business Continuity Risk


Potential losses owing to business disruptions attributed to the failure of back end systems or inadequate human resources.

Risk Context for FY 2024/25	Positive business sentiment and economic optimism resulting from macroeconomic recovery and political transition supporting stability and continued reform.		
Impact to Scheme	Scale - Low	Probability - Low	Risk Score - Low 
Monitoring and Mitigation	Conducting routine BCP Drills in the presence of an independent observer to provide additional assurances.		
	A robust Board-approved human capital strategy aimed at attracting and retaining the best in-class team.		
	Implementing IT infrastructure to facilitate remote working in a secure environment.		
	Implementing and maintaining a strong succession and backup plan.		

RISK MANAGEMENT REPORT


Reputation Risk

Potential losses owing to service failures.

Risk Context for FY 2024/25	Drive the client acquisition process by improving awareness on Unit Trust and driving the same mainly through digital channels.		
Impact to Scheme	Scale - Low	Probability - Low	Risk Score - Low 
Monitoring and Mitigation	Continuous and ongoing monitoring of service quality parameters.		
	Regular training of staff dealing with clients on customer service.		
	Monitoring and promptly addressing customer complaints.		
Opportunities derived and the response	Implement a CRM system to enhance end-to-end services provided to customers.		


Strategic Risk

Potential losses owing to actual results being significantly different from the strategy and business plan.

Risk Context for FY 2024/25	Delays on the dependency on external service providers (mainly the system vendors faced when achieving digitalisation objectives).		
Impact to Scheme	Scale - Low	Probability - Low	Risk Score - Low 
Monitoring and Mitigation	Continuous and ongoing monitoring and follow up and regular reporting to the Board detailing actual performance against strategic objectives and targets, including through fortnightly Management Committee and monthly Board review meetings.		

Information and Cybersecurity Risk

Potential losses owing arising as a result of the loss of information due to external or internal breach of IT systems.

Risk Context for FY 2024/25	Continued and increased trend in cybercrime targeting financial institutions.		
Impact to Scheme	Scale - Medium	Probability - Possible	Risk Score - Moderate 
Monitoring and Mitigation	Comprehensive assessment of IT and Information Security (IT & IS) risks using local and international IT & IS benchmarks, with findings reported to the management and Board for necessary actions.		
	Vulnerability Assessment and Penetration Testing (VAPT) conducted by an independent third party specialist with findings reported to the Board.		
	Continuous education was provided to staff on cyber security risks.		

Operational Risk

Potential losses owing to flawed and failed systems, policies, processes, or events that disrupt business operations.

Risk Context for FY 2024/25	Incidents and near-misses were identified as a consequence of the increased business and transaction volumes and customer onboarding.		
Impact to Scheme	Scale - Moderate	Probability - Low	Risk Score - Low ●
Monitoring and Mitigation	A robust framework of policies and processes in place that mitigates operational risk.		
	Incident and near-miss policies in place to escalate operational misconduct or control lapses to the Management and the Board of Directors.		
	Frequent risk assessments and gap analysis conducted to assess the efficiency of policies and processes.		

ESG Risk

Potential losses attributed to the lack of focus on environmental, social and governance best practices.

Risk Context for FY 2024/25	Growing concerns on ESG matters globally are pushing organisations to address key ESG aspects such as promoting gender diversity in the workplace and the adoption of sustainable business practices including more emphasis on climate action goals.		
Impact to Scheme	Scale - Low	Probability - Low	Risk Score - Low ●
Monitoring and Mitigation	Board focus on ESG integration across all levels of the business.		
	Improve ESG reporting transparency through the adoption of global frameworks such as IR, GRI, SASB and as well as the SDG's at the Group level.		

Low ● Moderate ●

Risk and Opportunity Matrix


Our risk and opportunity matrix provides the impact and likelihood ratings that are utilised for risk assessments. It also provides interpretative guidance on categorisation of impact and likelihood to foster institutional uniformity in classifying, rating and prioritising risks.

Risk ratings are monitored periodically and subject to change based on overall variations in impact to the Group and percentage of likelihood.

Risk rating matrix

Depending on the results obtained, risks will be positioned in the matrix given below.

Risk Matrix

A group of seven business professionals are seated around a long table in a modern office, silhouetted against a large window. The window looks out onto a city skyline at sunset, with the sun low on the horizon, creating a warm, golden glow. A single pendant lamp hangs from the ceiling. The overall mood is professional and collaborative.

MANAGEMENT DISCUSSION AND ANALYSIS

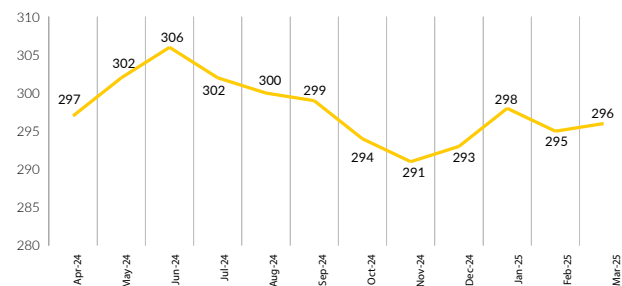
OPERATING ENVIRONMENT



Economic and Industry Overview

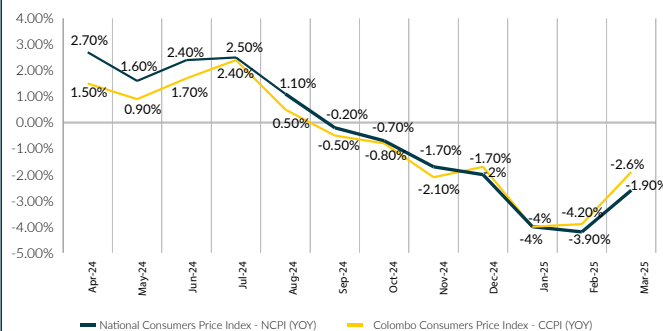
The Sri Lankan economy continued to rebound during 2024/25 period driven by macro-economic stability and continuous reduction in policy rates by the central bank of Sri Lanka. The growth in the economy was supported by all three major segments of the economy, with industry segment recording the highest growth of 11.0% YoY in 2024. Services and Agriculture segments recorded a growth of 2.4%YoY and 1.2%YoY, respectively as of 31 December 2024.

USD - LKR exchange rate movement



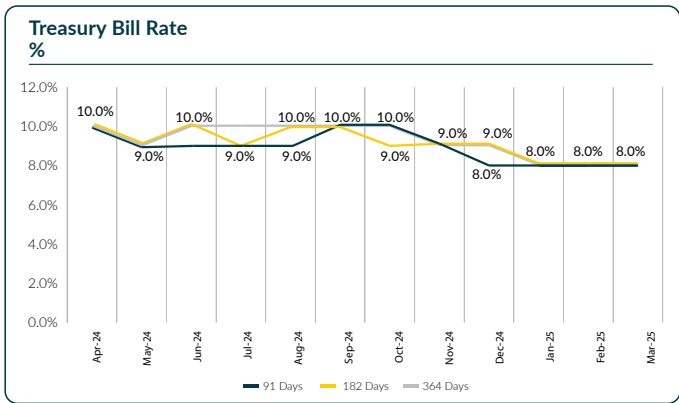
The improvement in GDP growth was also supported by the continuous improvement in key economic indicators and timely completion of the IMF reviews held thus far. Sri Lanka successfully unlocked the fourth tranche of USD 330.0 Mn after completing the third review with the IMF in March 2025. Completion of external debt restructuring was a key milestone for the review whilst Sri Lanka successfully achieved the set targets for 2024.

NCPI and CCPI (Base: 2021=100)



OPERATING ENVIRONMENT

Sri Lanka managed to successfully curtail inflation during 2024/25 period with the country currently experiencing deflation. At the end of the fourth quarter of FY25, the Colombo Consumer Price Index (CCPI) recorded a deflation rate of -2.6% (YoY). Gross official reserves continued to strengthen in line with other indicators recording USD 6.5 Bn by March 2025, aided by higher inflows from tourism and remittances supporting Balance of Payment (BOP) surplus, which led to increased USD purchases by the CBSL, which directly boosted reserves during the aforementioned period.



Central Bank of Sri Lanka continued to ease policy rates following the expansionary monetary policy direction adapted in 2H 2023. Further, CBSL during 2024 reduced policy rates on two separate occasions by 75bps whilst, in the November 2024 policy review, CBSL also adapted single policy rate with the introduction of the Overnight Policy Rate (OPR) at 8.00% below the average weighted call money rate (AWCMR) of 8.50%, indirectly offering a rate cut of 75bps to the market.

During 2024/25, there were 16 licensed unit trust managing companies with 82 funds in operation in the industry. Total assets under management of the industry reached LKR 586 Bn as at 31 March 2025 (Source: The Unit Trust Association of Sri Lanka).

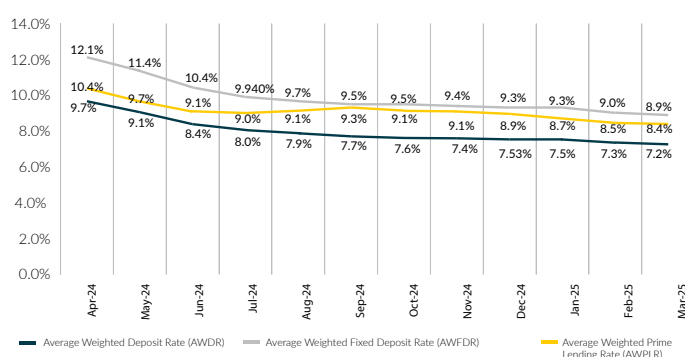
FUND MANAGER'S REPORT

Fund Performance

First Capital Money Market Fund reported a Profit after Tax of Rs. 5.86Bn for the year ended 31 March 2025 compared to Rs. 4.18Bn in the previous year (2023/24). The increase in profit after tax is mainly due to the increase in interest income on financial assets from Rs. 4.04Bn to Rs. 6.42Bn (Year on Year Basis) which is due to the higher funds under management during the year.

The Fund reported an Annualised Return of 10.05% for the year ended 31 March 2025 compared to the Average Weighted Deposit Rate of 7.96% (Source: Central Bank of Sri Lanka – Monthly Economic Indicators; <https://www.cbsl.gov.lk/statistics/economic-indicators/monthly-indicators>). The Annualised Return reported in the previous year (2023/24) was 22.12% compared to the Average Weighted Deposit Rate of 13.04% (Source: Central Bank of Sri Lanka – Monthly Economic Indicators; <https://www.cbsl.gov.lk/statistics/economic-indicators/monthly-indicators>).

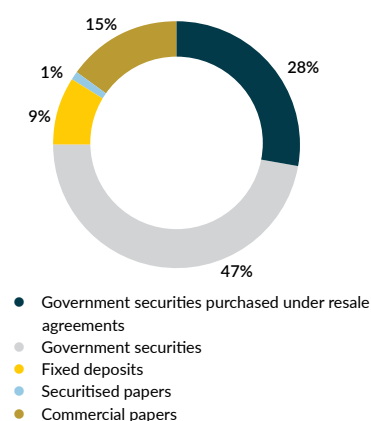
AWDR, AWFD and AWPLR



Over the course of the financial year, the fund maintained a predominant allocation to government securities—primarily Treasury Bills and government-backed Reverse Repos—driven by their comparatively attractive yields and the limited availability of alternative investment opportunities, particularly in light of the subdued credit growth observed at the beginning of the year. In addition, the Fund selectively diversified into fixed deposits and high-quality corporate debt instruments as and when favorable opportunities emerged. By capitalizing on the favorable interest rate environment in the government securities market, the Fund actively managed the duration of its portfolio to enhance returns, while cautiously structuring the maturity profile to ensure adequate liquidity. The consistent emphasis on government securities also contributed to maintaining the portfolio's strong credit quality, thereby supporting both return generation and capital preservation objectives.

The Funds under Management of the First Capital Money Market Fund as at 31 March 2025 was Rs. 70.40Bn compared to Rs. 48.59Bn year ago (as of 31 March 2024). The increase in Funds under Management (YoY basis) is also due to significant attraction on yield of the fund during year.

Asset Allocation as at 31 March 2025

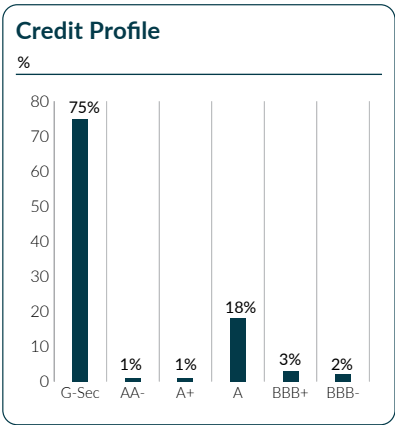


Period	Year to Date (01-April-2024 to 31-Mar-2025)	3 Months (01- Jan-2025 to 31-Mar-2025)	1 Month (01- Mar-2025 to 31-Mar-2025)
Annualised Fund Return	10.05%	8.93%	8.65%
Average Weighted Deposit Rate (AWDR)	7.96%	7.35%	7.21%

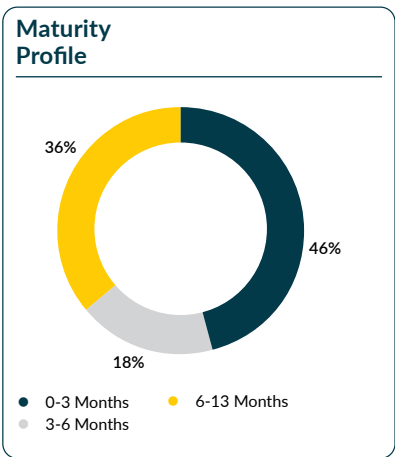
FUND MANAGER’S REPORT

At the end of the reporting period, the fund had allocated 75% of its total assets to Government securities, which included Treasury bills, Treasury bonds, and Repo investments secured by government instruments. The remaining assets were diversified into securities rated at and above investment grade, as illustrated in the accompanying credit profile chart.

Credit Profile as at 31 March 2025



Maturity Profile as at 31 March 2025



Given the current macroeconomic landscape and interest rate environment, our primary goal is to maximize returns by strategically allocating investments across high-quality asset classes, while carefully evaluating their respective risk profiles. As a Money Market Fund, we also remain firmly committed to capital preservation and maintaining sufficient

liquidity to meet client redemption needs promptly.

Approximately 54% of the fund’s total investments have maturities between 3 and 13 months, while the remaining 46% are within the 0 to 3-month maturity range. This allocation strategy helps to effectively reduce reinvestment risk

amid fluctuating interest rates, while also ensuring that a significant portion of the portfolio can be repriced at current market rates. Additionally, the investments maturing within 0 to 3 months meet the regulatory liquidity requirement for Money Market Funds, representing 20% of the fund’s assets.



FUTURE OUTLOOK

Sri Lanka made continued progress throughout 2024, as the overall economic recovery began to gradually extend its benefits across all sectors of the economy. Interest rates continue to edge down as Central Bank of Sri Lanka continued on its expansionary monetary policy stance. Moreover, 2024 also marked the completion of debt restructuring for Sri Lanka with the completion of external debt restructuring in December 2024. Further, the conclusion of both Presidential election and Parliamentary elections, with newly appointed president backed party gaining more than 2/3 offered political stability to the country.

Looking ahead, we anticipate that 2025 will be a year of continued economic recovery, with GDP growth projected to exceed 3%, supported by stable macroeconomic fundamentals. Inflation is expected to remain below the 5% threshold, in line with the Central Bank of Sri Lanka’s monetary policy guidance. The continuous recovery in the economy, together with the modest growth in tourism and remittances are expected to limit pressure on interest rates. Furthermore, the results of the local government elections held in early May 2025 are expected to have a significant impact on the country’s political stability and the direction of future policies.

The global economic outlook remains challenging in the near term, primarily due to the heightened risks stemming from the reciprocal tariffs imposed by the United States in April 2025 and fragile geopolitical events. These global events may have dampening effects on majority of countries, which may in turn impact overall growth of key global economies. As a result, overall global growth projections for 2025E and 2026E have been revised downward, reflecting the broader impact of rising trade and geopolitical tensions.

FINANCIAL CAPITAL

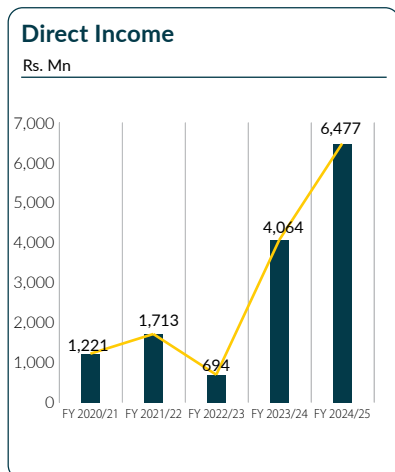
DELIVERING SUSTAINABLE RETURNS
WITH PRUDENT INVESTMENTS



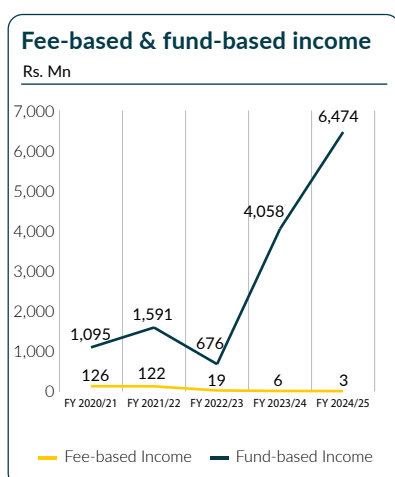
First Capital Money Market Fund concluded the financial year with its strongest performance to date. Direct income reached a record high of Rs. 6,477 Mn, marking a remarkable increase from the historical best of Rs. 4,064 Mn recorded in the previous financial year. Direct income, derived primarily from fund-based sources including interest income and trading gains accounted for 99.95% of the total, while fee-based income (placement fees) contributed the remaining 0.05% of the Fund's direct income for FY 2024/25.

FINANCIAL CAPITAL

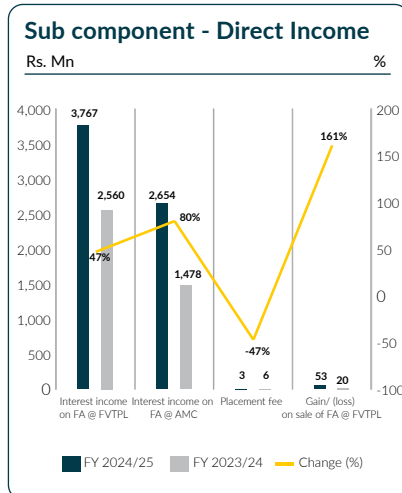
DIRECT INCOME



In the direct income composition, the fund-based income component amounted to Rs. 6,474 Mn, up by 60% from Rs. 4,058 Mn reported in the previous year. Meanwhile the fee-based income decreased by 47% to Rs. 3.4 Mn in the current year from Rs. 6.3 Mn in FY 2023/24. However, the proportionate contribution of fee-based and fund-based income to the direct income has not been changed from the previous year.



Gain on sale of financial assets recognised through profit or loss - measured at fair value comprises gain on sale of government securities accounted Rs. 52.5 Mn, i.e. 1% of direct income.



DIRECT EXPENSES

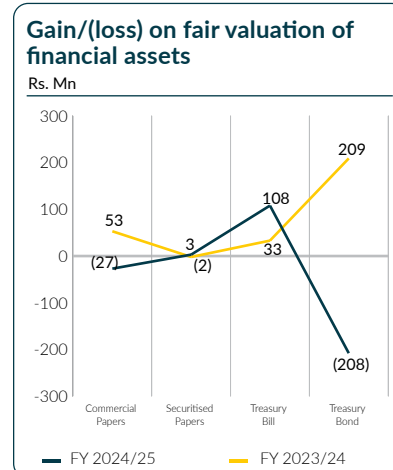
Fund direct expenses, which consist 100% of interest costs on repurchase agreements against government securities (repos), increased by Rs. 13.1 Mn to Rs. 17.8 Mn in the current year from Rs. 4.8 Mn in FY 2023/24.

NET TRADING INCOME

Bolstered by strong operating results, including Rs. 6,421 Mn worth of interest income from investment in financial assets, the fund reported a significant enhancement in net trading income, which rose to Rs. 6,459 Mn, indicating a solid increase from Rs. 4,059 Mn for the previous financial year.

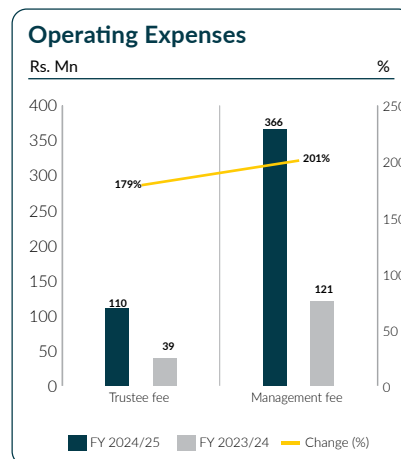
GAIN/ (LOSS) ON FAIR VALUATION OF FINANCIAL ASSETS

Fund reported a fair valuation loss of Rs. 124.5 Mn which comprises a loss from fair valuation of government security portfolio of Rs. 100.5 Mn and a loss on fair valuation of corporate debt securities amounting to Rs. 24 Mn which were measured at FVTPL.



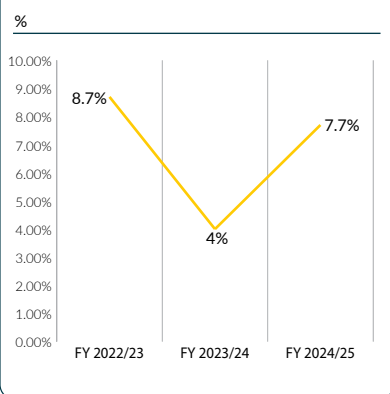
OPERATING EXPENSES

The increase in operating expenses to Rs. 476.5 Mn by 178% was primarily driven by higher management and trustee fees. Other operating expenses also saw an increase, rising to Rs. 1.7 Mn in the current year from Rs. 0.9 Mn in FY 2023/24.

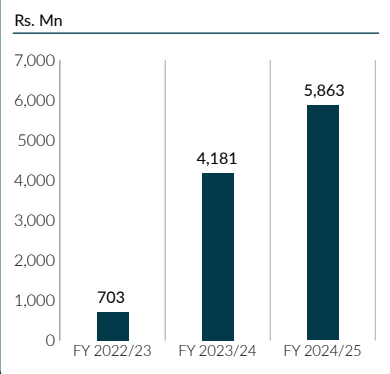


COST TO INCOME RATIO

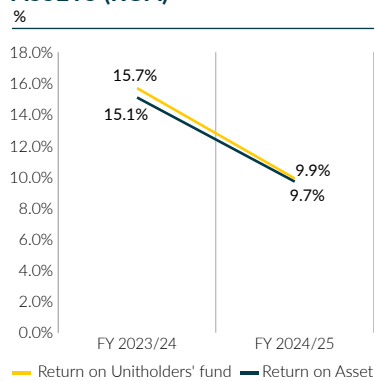
The Fund's cost to income ratio is typically measured by assessing total expenses as a proportion of total income and has increased to 7.7% in FY 2024/25, up from 4.0% in the previous year, primarily due to fair valuation losses and a rise in administrative expenses.

Cost to Income Ratio**PROFIT BEFORE TAX (PBT)**

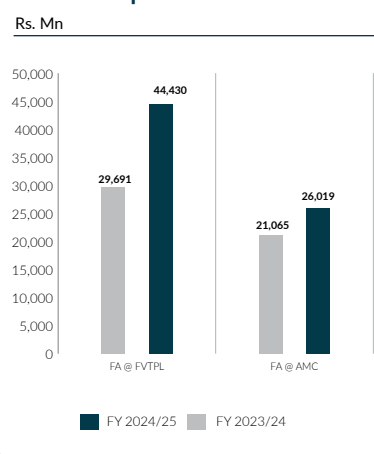
The Fund recorded a PBT of Rs. 5,863 Mn in FY 2024/25, surpassing the previous year's PBT of Rs. 4,181 Mn. This counts for a 40.2% improvement in the current financial year, compared to the previous.

Profit Before Tax**RETURN ON UNITHOLDERS' FUND AND RETURN ON ASSETS (ROA)**

The Fund's Return on Unitholder's fund and Return on Assets (ROA) decreased from 15.7% and 15.1% respectively in the previous year to 9.9% and 9.7% in FY 2024/25.

RETURN ON UNITHOLDERS' FUND AND RETURN ON ASSETS (ROA)**TOTAL ASSETS**

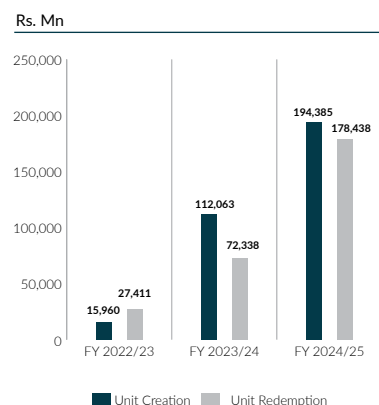
The total asset base of the Fund increased to Rs. 70,452 Mn as at 31 March 2025, up from Rs. 50,792 Mn at the end of FY 2023/24, reflecting a year-on-year growth of 38.7%. Financial assets at fair value through profit or loss (FVTPL) and financial assets measured at amortised cost together accounted for 99.9% of the Fund's total assets for FY 2024/25.

Asset Composition**TOTAL LIABILITIES**

In line with the Fund's overall growth, total liabilities declined significantly to Rs. 53.7 Mn in FY 2024/25 from Rs. 2,203.7 Mn in the previous year, reflecting a year on year decrease of 97.6%. As of the end of FY 2023/24, the largest portion of the Fund's liabilities of 46.5% was attributable to securities sold under repurchase agreements. However, no such transactions were recorded at the end of FY 2024/25. Consequently, 100% of the total liabilities as at the current financial year were comprised with management and trustee fees payable.

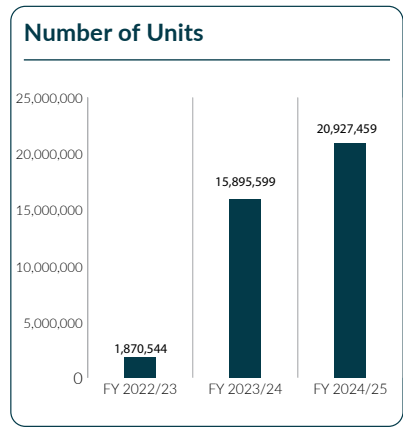
UNITHOLDERS' FUND

The total unitholders' Fund (net assets attributable to unitholders) increased from Rs. 48,589 Mn at the end of the previous year to Rs. 70,398 Mn in FY 2024/25, supported by higher unit creation and profits recorded during the year. The Fund recorded new unit investments amounting to Rs. 194,385 Mn, a 73.5% increase from Rs. 112,063 Mn reported in the previous year. Unit redemptions also rose during the year, increasing from Rs. 72,338 Mn to Rs. 178,438 Mn in FY 2024/25.

Unit Creation and Redemption movement

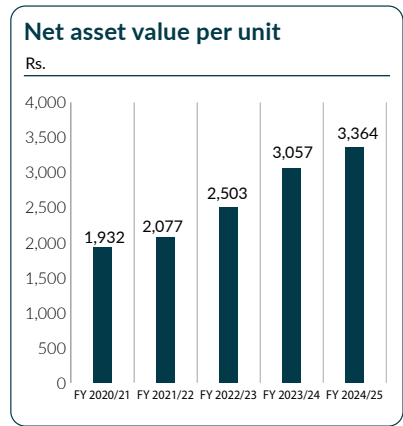
The Fund issued 20,927,459 units by the end of FY 2024/25, up from 15,895,599 units in the previous year, reflecting a year-on-year increase of 31.7%.

FINANCIAL CAPITAL



NET ASSETS VALUE PER UNIT

The Fund reported a net asset value (NAV) per unit of Rs. 3,363.91 at the end of the financial year, reflecting a 10% increase from Rs. 3,056.73 at the close of FY 2023/24.



ANALYSIS OF THE CASH FLOW STATEMENT

Operating profit before working capital changes improved significantly from Rs. 3,897 Mn in FY 2023/24 to Rs. 5,981 Mn in the current year. This improvement was supported by the interest income of Rs. 6,421 Mn and realised trading gains from government securities amounting to Rs. 52.6 Mn, which relieved offset increases in both administrative and other operating expenses. As a result, cash used in operations decreased to Rs. 15,973 Mn in the current year, compared to Rs. 39,699 Mn in the previous financial year.

Net cash flows generated from financing activities amounted to Rs. 15,946 Mn at the end of the current financial year, compared to Rs. 39,725 Mn reported in the previous year.

MANUFACTURED CAPITAL

POWERING GROWTH THROUGH
ROBUST INFRASTRUCTURE



Our commitment to continuous improvement in technological and physical assets has redefined our operational landscape throughout 2024. By investing significantly in state-of-the-art hardware, advanced security systems, and digital enhancements, we have created a resilient, scalable infrastructure that supports the evolving needs of our business. These investments not only strengthen our operational efficiency but also build a foundation for future innovation—reinforcing our competitive edge in a rapidly changing market.

MANUFACTURED CAPITAL

Key Achievements and Milestones

This year, our focus on enhancing manufactured capital has resulted in several breakthroughs that have improved both internal processes and customer experience. The table below summarises our major initiatives and their tangible outcomes:



Infrastructure Area	Key Initiative/Action	Outcome
IT Hardware & Data Processing	Group-level upgrade to the latest IBM Server Series.	Robust, future-proof data processing and enhanced system performance.
Security Enhancements	Comprehensive security implementations across IT infrastructure to strengthen data protection.	Increased cybersecurity resilience and stakeholder confidence.
Digital Transformation	Deployment of digital business cards combined with staff IDs and comprehensive digital platforms.	Reduced paper usage, streamlined communications, improved operational efficiency and greater customer satisfaction.
	Greater customer convenience through a revamped web portal, mobile app, WhatsApp channel and SMS service, missed call alert services etc.	Building a client base with seamless services.
	Introduction of CRM system for elevated customer service levels.	
	Introduction of eKYC system for a quick onboarding of new clients.	
Core System Enhancements	Core system upgrades with new features and reports.	Enhanced operational transparency, reporting, and decision-making support.
Operational and Process Efficiencies	Continued focus on process automation.	Creates operational efficiency and enhances customer efficiency.

These milestones are a testament to our proactive approach to infrastructure renewal and digital transformation, which have enabled us to maintain operational agility in a competitive marketplace.

SDGs IMPACTED: DRIVING INDUSTRY INNOVATION AND SUSTAINABLE INFRASTRUCTURE

Our focus on manufactured capital is directly aligned with Sustainable Development Goals that promote sustainable industrialisation and innovation. By modernising our infrastructure, we contribute to both economic performance and environmental sustainability.



SDG	Target/Outcome	Our Contribution
	Promote inclusive and sustainable industrialisation, foster innovation, and build resilient infrastructure.	Upgraded IT systems, modernised data centers, and advanced security systems support sustainable industrial growth and innovation.
	Enhance resource efficiency and promote sustainable practices.	Digital transformation initiatives have reduced paper usage and optimised resource consumption, contributing to a greener operation.

Our investments in manufactured capital have delivered measurable benefits, ensuring that our infrastructure supports both our immediate operational needs and long-term strategic ambitions.

Key Topics Underpinning our Manufactured Capital

Our strategy for enhancing manufactured capital centers on key topics that drive our operational efficiency and innovation. These themes guide our decision-making and investment priorities throughout the year.

Key Topic	Focus and Outcome
IT Infrastructure Modernisation	Upgrading hardware with the latest IBM Server Series has provided scalable, high-performance processing capabilities essential for our digital evolution.
Enhanced Security & Data Governance	Investing in robust security measures has fortified our infrastructure, ensuring safe, compliant, and reliable operations.
Digital Transformation and Paperless Systems	Transitioning to digital business cards and staff IDs, as well as a fully integrated digital platform, has reduced environmental impact and streamlined processes.
Operational Efficiency & System Upgrades	Core system enhancements with new functions and reports have improved internal workflows, transparency, and decision-making capabilities.

These key topics are central to our manufactured capital strategy, ensuring that every investment directly contributes to sustainable business growth and operational excellence.

Adapting Infrastructure in a Dynamic Business Environment

The year 2024 has been characterised by rapid changes in technology and increasing market demands for enhanced digital services. In response, our organisation has made significant strides in modernising our physical and digital assets. Despite external pressures such as heightened cybersecurity risks and the need for more agile data processing, our proactive investments in upgraded hardware and system innovations have kept us ahead of the curve. This dynamic environment has reinforced the importance of a robust manufactured capital base as a driver of efficiency, regulatory compliance, and superior customer service.

Foundations of Our Infrastructure and Digital Excellence

Our infrastructure strategy is built on several key pillars that have driven our achievements in manufactured capital. These pillars not only support

our current operations but also lay the groundwork for future innovation and market leadership.

Advanced IT Infrastructure

The adoption of the latest IBM Server Series across the group has not only enhanced our processing power but also ensured seamless integration across the group. This strategic move has boosted our system’s capacity to support digital initiatives and data analytics.

Robust Cybersecurity Measures

Strengthening our security framework is a top priority. Comprehensive cybersecurity implementations have safeguarded our data and operations, thereby building trust among stakeholders and ensuring regulatory compliance.



Digital Transformation and Sustainability

Through the adoption of digital business cards and other paperless initiatives, we have significantly reduced our environmental footprint. Digital transformation has also streamlined our operations, driving both cost savings and improved service delivery.

Operational Efficiency through Core System Upgrades

The enhancement of our core system with new functions and reporting capabilities have resulted in improved transparency, faster processing times, and more informed decision-making.

Priority Areas

Our focus on manufactured capital has been driven by targeted priority areas that are critical for both short-term improvements and long-term strategic positioning. Below, each key priority area is elaborated in detail with an emphasis on outcomes and future initiatives.

IT Hardware and Data Processing

Upgrading our IT hardware has been pivotal in boosting our data processing capabilities and creating a scalable foundation for digital transformation.

Current Achievements

- Successful deployment of the latest IBM Server Series across the group, ensuring high performance and reliability.
- Enhanced capacity to process large volumes of data, enabling faster transaction times and improved customer service.

Future Plans

- Continued investments in processing power to support AI initiatives.
- Ongoing maintenance and upgrade cycles to keep pace with technological advancements.

MANUFACTURED CAPITAL

Enhanced Security and Data Governance

Investments in comprehensive security measures have significantly strengthened our infrastructure against cyber threats, building a secure operational environment.

Current Achievements

- Implementation of world-class security solutions have minimised vulnerabilities and ensured compliance with regulatory standards.
- Increased stakeholder trust through demonstrable improvements in data governance.

Future Plans

- Further advancements in cybersecurity protocols, including AI-based threat detection.
- Regular audits and updates to maintain security excellence.

Digital Transformation and Sustainable Practices

Our commitment to digital transformation has not only enhanced operational efficiency but also supported our sustainability goals by reducing reliance on physical resources.

Current Achievements

- Transition to digital business cards and electronic staff IDs has cut down paper usage significantly.
- Fully integrated digital platforms have improved internal communication and customer interactions.

Future Plans

- Expand digital initiatives to cover additional operational functions.
- Explore opportunities for further reducing environmental impact through sustainable digital solutions.

Operational Efficiency and Core System Enhancements

Upgrading our core systems has transformed our internal processes, enabling more informed decision-making and streamlined operations.

Current Achievements

- Enhanced real-time data reporting supports better strategic planning.

Future Plans

- Continuous improvement and refinement of core system functionalities.
- Integrate advanced analytics tools for more predictive insights.

Challenges and Opportunities

Navigating Challenges and Seizing Opportunities

The digital revolution presents ongoing challenges, such as rapid technological changes and emerging cybersecurity threats. However, these challenges also offer opportunities to innovate and further strengthen our infrastructure.

Challenges

- Keeping pace with rapidly evolving technology.
- Ensuring continuous security in a dynamic threat landscape.

Opportunities

- Capitalising on AI and data analytics for improved operations.
- Enhancing sustainability through digital transformation and reduced paper usage.



FUTURE FOCUS

Strategic Investments for Continued Infrastructure Excellence

Our forward-looking strategy for manufactured capital is centered on sustaining the momentum of our digital and operational advancements. Future initiatives include:

Investing in AI and Big Data

Expanding our processing capabilities to incorporate AI-driven analytics and automation tools.

Enhancing Cybersecurity Measures

Continuous innovation in cybersecurity, including advanced threat detection systems and regular updates.

Expanding Digital Transformation

Further digitisation of business processes to reduce waste, improve efficiency, and drive down operational costs.

Optimising Core Systems

Ongoing enhancements to our core systems to ensure they remain state-of-the-art and fully responsive to evolving market needs.

These initiatives are designed to secure our competitive advantage and drive sustainable, long-term growth.

INTELLECTUAL CAPITAL

NURTURING KNOWLEDGE
AND INNOVATION









In today's competitive financial landscape, intellectual capital is at the heart of our growth strategy. Our unique blend of innovative thinking, brand development, and continuous knowledge enhancement has allowed First Capital Money Market Fund to carve out a distinct market position. By leveraging strategic partnerships, rigorous training programs, and industry-recognised certifications, we are not only nurturing a culture of excellence but also driving forward-thinking initiatives that create lasting value for all stakeholders.

INTELLECTUAL CAPITAL

Key Achievements and Milestones




Our journey has been marked by significant intellectual advancements that have strengthened our brand and enhanced our service offerings. The following table summarises the key intellectual milestones and their impacts::

Intellectual Area	Key Initiative/Action	Outcome
Brand Development	360° marketing campaigns focused on the flagship money market fund as a sub-brand, supported by extensive brand promotion	Increased brand recognition and customer trust
	 <div>     </div>	
Product & Service Innovation	Development of cutting-edge digital tools, from revamped online portals to enhanced CRM function for superior customer service, customer convenience through WhatsApp transactions	Improved customer experience and streamlined internal processes
Awards & Recognition	<p>Winning multiple prestigious awards including 'SLIM Brand of the Year' and several digital innovation accolades by the holding Company - First Capital Holdings PLC</p> <p>FCMMF won the Silver award for best Unit Trust Fund, at the Capital Market Awards 2024 organised by the CFA Society Sri Lanka and won Bronze Award for the annual report at the TAGS Awards 2024 organised by CA Sri Lanka.</p> 	Strengthened market reputation and enhanced credibility
Knowledge & Training	Establishment of continuous training programs, affiliations with CFA Institute and CIMA, and active participation in industry networks	Elevated staff expertise and progressive market insights
Industry Associations	Membership in the Unit Trust Association (UTA) and active engagement with the CFA Institute as an employee partner	Expanded professional network and increased cross-industry collaboration

These initiatives have not only contributed to our intellectual growth but have also resulted in concrete benefits across marketing, operational innovation, and employee development.

SDGs Impacted: Advancing Quality, Innovation, and Economic Growth

Our intellectual capital strategy aligns with several Sustainable Development Goals (SDGs), demonstrating our commitment to fostering quality education, innovation, and economic growth. By investing in knowledge enhancement and innovative practices, we contribute to broader global priorities:

SDG	Target/Outcome	Our Contribution
	Enhance skills, training, and educational opportunities	Continuous professional development programs and industry certifications
	Promote inclusive economic growth through improved skills and innovation	Robust knowledge management and digital transformation of service channels
	Foster innovation and resilient infrastructure	Investment in digital technologies and cutting-edge CRM platforms

Our ongoing initiatives not only bolster our intellectual prowess but also contribute to societal progress and sustainable economic development.

Key Topics Driving Our Intellectual Capital

Our strategy centers on several key topics that are instrumental to building and leveraging our intellectual assets. These topics underline our commitment to innovation, transparency, and market leadership.

Key Topic	Focus and Outcome
Brand and Reputation Management	Comprehensive 360° marketing and campaigns have reinforced our market position as a trusted and innovative brand.
Innovation and Digital Transformation	<p>Continuous development of digital tools, platforms, and CRM solutions has streamlined processes and enhanced customer engagement.</p> <p>The following digital initiatives transformed the operations of the Fund.</p> <p>Mobile app into online portal – A Seamless Investor Experience</p> <p>The Fund's dedicated mobile application which is link to online portal, introduced in the FY 2024/25 was key milestone in redefining the digital investor experience. The app has been designed to meet the needs of both new and existing investors, bringing essential fund services directly to their smartphones reducing dependency on physical service channels.</p> <p>Core functionalities include:</p> <ul style="list-style-type: none"> ● Real-time balance checking – Investors can now view their current holdings and track fund performance at their convenience. ● Redemption requests – The app allows users to submit redemption requests digitally, streamlining the withdrawal process and reducing manual interventions. ● Daily unit price updates – Daily Unit Prices are made available through the app, enabling timely and informed investment decisions. <p>Missed Call Balance Service – Instant Access, Zero Data Required</p> <p>Recognising the importance of financial access for all investor segments, the Fund introduced an innovative missed call balance enquiry service. By simply giving a missed call to a designated number, investors receive an automated SMS with their latest account balance. This service is particularly beneficial for those in regions with limited internet connectivity, offering a low-bandwidth, no-cost solution to stay informed about their investments.</p> <p>The introduction of this feature not only supports financial inclusion but also reduces service turnaround time and dependency on customer service agents for routine queries.</p>

INTELLECTUAL CAPITAL

Key Topic	Focus and Outcome
Innovation and Digital Transformation (Contd.)	<p>WhatsApp Channel – Now with Redemption Facility</p> <p>Building on the success of its existing WhatsApp communication channel, which previously delivered research updates and market insights, the Fund added a significant new feature this year: digital redemption requests via WhatsApp. This enhancement transforms WhatsApp into a fully interactive platform where investors can now initiate redemptions directly, providing another convenient and familiar touchpoint for seamless fund access.</p> <p>By integrating transactional capabilities into a widely used messaging app, the Fund continues to meet investors' needs of convenience, speed, and engagement.</p> <p>Digital Onboarding – Expanding Reach with Efficiency</p> <p>To support the Fund's continued growth and increased demand from new investors, the new digital onboarding process allows prospective investors to complete registration and account activation online—without the need for physical documentation or in-person visits.</p> <p>This user-friendly interface streamlined compliance checks, creating a seamless and quick onboarding journey enabling quicker access to the Fund whilst supporting our aggressive customer acquisition goals. As a result, the number of new customers onboarded through digital channels recorded a substantial increase during FY 2024/25, exceeding initial expectations</p>
Knowledge Management and Employee Development	<p>Robust training programs, strategic certifications, and industry partnerships have significantly elevated our staff's expertise.</p>

By focusing on these core topics, we ensure that our intellectual capital not only supports our current operations but also builds a strong foundation for future growth.

Navigating a Changing Intellectual Environment

The year 2024 has been transformative, characterised by rapid digitalisation, evolving customer expectations, and intense market competition. In response, we have refined our intellectual capital strategy to better capture market opportunities, leverage technological advancements, and foster an environment of continuous learning. This adaptive approach has allowed us to respond dynamically to market trends and regulatory shifts while reinforcing our commitment to innovation and brand excellence.

Foundations of Our Intellectual Capital

Our intellectual capital strategy is supported by strategic pillars that ensure we remain at the forefront of innovation and market leadership. These pillars guide our approach to developing knowledge assets, promoting research

and development, and enhancing our brand identity.

Strategic Brand Management:

We employ comprehensive, 360° marketing strategies that position our money market fund as a flagship product, driving brand recognition and customer trust.

Innovation-Driven Transformation:

Embracing digitalisation and investing in advanced CRM platforms have been pivotal in streamlining operations and enhancing service delivery.

Continuous Learning and Knowledge Sharing:

Extensive training programs, global certifications, and industry partnerships (including with CFA and CIMA) ensure our team is equipped with the latest skills and insights.

Market Intelligence and Research:

Proactive engagement with industry associations and implementation of sophisticated data analytics tools enable us to stay ahead of market trends and regulatory changes.

Awards and Industry Recognition:

Our pursuit of excellence is recognised through multiple awards, which serve as a testament to our commitment to innovation and quality.

These pillars collectively fortify our intellectual assets, ensuring that every initiative and investment contributes to the creation of enduring value.

Priority Areas

Our key priority areas define where we concentrate our efforts to enhance our intellectual capital, fostering innovation and growth. Each area is supported by targeted actions and expected outcomes.

Brand Enhancement and Market Positioning

Our commitment to building a strong, recognisable brand is at the core of our marketing strategy. Through integrated 360° campaigns and targeted communications, we have elevated the profile of our money market fund as a trusted sub-brand within the Group.

Immediate Outcomes:

- Notable increase in brand recognition.
- Reinforced trust and customer confidence through continuous campaigns.

Future Initiatives:

- Expansion of digital marketing strategies.
- Enhanced storytelling and brand narrative to further engage target audiences.

Product and Service Innovation

Investing in innovation is critical to staying ahead in a competitive market. Our focus on digital transformation and CRM enhancements has led to more streamlined operations and a superior customer experience.

Immediate Outcomes:

- Successful deployment of advanced digital platforms.
- Enhanced operational efficiency and seamless customer service.

Future Initiatives:

- Continued investment in AI-driven data analytics and next-generation CRM systems.
- Ongoing refinement of digital tools to meet evolving customer needs.

Knowledge Management and Employee Development

Our knowledge assets are continually enhanced through robust training programs, certifications, and active industry participation. These initiatives ensure that our team remains agile and at the forefront of financial innovation.

Immediate Outcomes:

- Employees holding industry-recognised certifications.

Future Initiatives:

- Expansion of continuous learning platforms.
- Greater integration of digital training modules and personalised learning paths.

Research, Market Intelligence, and Strategic Alliances

Staying informed about market trends and regulatory changes is essential for proactive strategy formulation. Our strategic alliances and investment in research have provided us with critical insights that drive our decision-making.

**Immediate Outcomes:**

- Improved market responsiveness through real-time data insights.
- Enhanced collaboration with key industry associations.

Future Initiatives:

- Further integration of AI and big data solutions for enhanced market intelligence.
- Expansion of research partnerships to bolster our competitive advantage.

**FUTURE FOCUS****Accelerating Intellectual Growth and Innovation**

As we look to the future, our strategic focus is on accelerating intellectual capital growth and driving continuous innovation. Our plans include:

Leveraging Advanced Digital Technologies:

Continued investment in AI, big data analytics, and next-generation CRM systems will provide deeper customer insights and operational efficiencies.

Expanding Global Partnerships and Certifications:

Strengthening our relationships with industry-leading organizations (e.g., CFA Institute, CIMA) will further elevate our collective knowledge base and industry credibility.

Enhancing Research and Market Intelligence:

Investing in state-of-the-art analytics tools and research initiatives will enable us to anticipate market trends and proactively address regulatory changes.

Amplifying Brand Storytelling and Digital Marketing:

Elevating our brand narrative through innovative digital campaigns will drive customer engagement and market differentiation.

Fostering a Culture of Continuous Learning:

Enriching our knowledge management systems and expanding our training programs will ensure that our team remains agile and future ready.

These forward-looking initiatives are designed to sustain our momentum, positioning us as a leader in intellectual capital and driving long-term value creation.

HUMAN CAPITAL

EMPOWERING OUR WORKFORCE
FOR SUSTAINABLE GROWTH



At First Capital Money Market Fund, our people drive sustainable success and innovation. Our commitment to developing a future-ready workforce is reflected in our comprehensive human capital strategy, which has led to measurable improvements in operational efficiency and employee engagement. By leveraging cutting-edge digital platforms and robust training programs, we have empowered our team to adapt swiftly in a dynamic financial environment.




Key Milestones

Our journey has been marked by significant milestones that have elevated both our operational capabilities and employee satisfaction. These achievements have translated into streamlined processes, enhanced digital engagement, and a culture of continuous improvement.

SDGs Impacted: Advancing Global Goals through Workforce Excellence

Our human capital initiatives are designed to drive progress against key global priorities. By aligning our internal strategies with specific SDGs, we have achieved outcomes that extend beyond our fund and contribute to broader societal and economic benefits.

SDGs Alignment Overview

SDG	Target	Our Contribution and Outcome
	Ensure inclusive and equitable quality education	Continuous professional development and digital learning boosted overall skill levels
	Promote sustained, inclusive economic growth	A dynamic work environment and robust career development led to higher productivity and innovation
	Build resilient infrastructure and promote innovation	Investment in digital transformation has modernised our HR processes and built operational resilience

Our efforts in these areas have resulted in measurable improvements in employee competencies and a more agile framework.

Key Topics: Key Areas of Focus and Their Relevance

Addressing material topics has been central to ensuring that our human capital initiatives drive sustainable performance. The focus areas outlined below represent the core themes that have guided our strategy and operational decisions throughout 2024/25.

Key Topics Overview

Key Topic	Outcome
Talent Development & Retention	Robust career pathways, competitive compensation, and continuous development have resulted in employee retention and a more skilled workforce.
Employee Remuneration, Engagement & Wellbeing	Market competitive compensation schemes, Proactive wellness programs and engagement initiatives have enhanced work-life balance and built a supportive, inclusive culture.

These topics underscore our commitment to continuous improvement and strategic alignment with industry best practices.

NAVIGATING A DYNAMIC ENVIRONMENT

In 2024/25, our human capital strategy was molded by a complex blend of challenges and opportunities. Economic recovery, rapid digital transformation, and evolving regulatory landscapes have all played a significant role in shaping our priorities.

Emerging from a crisis, our workforce has demonstrated extraordinary resilience, adapting to new technologies and process improvements with agility. Our proactive approach to digital integration and regulatory compliance has not only stabilised our operations but also positioned us for future growth. This strategic response to a dynamic environment has ensured that our human capital remains robust, capable, and ready for the challenges ahead.

Capital Focus area: Building a Future-Ready Workforce

Our focus is built on strong pillars that serve as the foundation for our human capital development. These pillars have guided our investments and initiatives, resulting in a more agile, knowledgeable, and engaged workforce.

Key Action areas:

Continuous Professional Development:

Strategic training programs and certifications have enabled our employees to stay ahead of industry trends, significantly enhancing their technical and analytical capabilities.

HUMAN CAPITAL

Employee Engagement & Wellbeing:

A range of initiatives designed to foster a healthy work-life balance and a positive corporate culture have led to higher job satisfaction and retention.



Strategic Partnerships & Global Certifications:

Collaborations with institutions such as the CFA Institute and CIMA have not only validated our training programs but also increased our global credibility.

Governance & Compliance:

A rigorous focus on ethical practices and regulatory adherence has built a foundation of trust and transparency, critical to our operational success.

Recognition of Performance:

High performers are identified at the Annual Award Ceremony to recognise the staff members of high caliber.

Each pillar has contributed to the overall strength of our human capital, ensuring that our workforce is not only capable of meeting current demands but also equipped for future challenges.



HR MANUAL		
	Recruitment and Selection	<ul style="list-style-type: none"> Recruitment Process Internal Job Posting The Referral System Call Back Interviews
	Remuneration and Benefits	<ul style="list-style-type: none"> Remuneration and Benefits Policy Leave Policy for Employees Policy for Staff Housing Loans Policy for Staff Vehicle Loans Examination Reimbursement Policy Educational Assistance Scheme Professional Subscription Policy Staff Distress Loan Extension after Retirement Gratuity, EPF/ETF Continuation after 60
	Culture and Conduct	<ul style="list-style-type: none"> Dress Code Policy Friend@Work Policy Induction and Orientation Programme Office Relationships Information Technology End User Policy Code of Conduct Gift Declaration Policy
	Performance Management	<ul style="list-style-type: none"> Performance Development Plan Cross Exposure Procedure Employee Secondments and Transfer Procedure Job rotation Policy Probationary Evaluation
	Training and Development	<ul style="list-style-type: none"> Soft skills development Technical skills development Leadership skills development Knowledge Sharing Sessions
	Leadership Development	<ul style="list-style-type: none"> Succession Planning Young Forum
	Safety and Wellbeing	<ul style="list-style-type: none"> Flexi Working Hours policy Staff Medical / Life Insurance Work From Home Policy
	Communication and Engagement	<ul style="list-style-type: none"> Focus Group Meetings Suggestion Scheme Skip Level Meetings Grievance Handling Procedure Whistleblowing Policy Employee Separation / Cessation Policy
	Rewards and Recognition	<ul style="list-style-type: none"> Recognition of Academic / Professional / Social Achievements Service Awards Annual Awards

Priority Areas during the Financial Year

Our key priority areas are the cornerstone of our human capital strategy. Each area has been meticulously developed to drive specific outcomes that enhance our operational performance and employee satisfaction.



Training, Certifications, & Professional Development

Our commitment to continuous learning has not only elevated individual competencies but also driven overall fund excellence. Enhanced training programs are directly linked to improved market performance and innovation that ultimately is beneficial to the unitholders.

Structured Training Programs:

Comprehensive training modules now cover advanced market analysis, valuation techniques, and emerging trends, leading to a measurable increase in employee skill levels.

Global Certifications & Partnerships:

As a result of strong affiliations with CFA and CIMA institutes, our workforce now benefits from internationally recognised certifications, boosting our credibility and expertise.

Lifelong Learning Culture:

Continuous development initiatives, including workshops and seminars, are fostering a culture where learning is integral to personal and professional growth. The Fund Managing Company focusses on the following three core areas for professional development of its team:

- Soft skills development
- Technical skills development
- Leadership skills development

At the annual performance evaluation all training needs are recorded which forms the base for the annual training plan. All employees and managers have the opportunity to propose training needs and record such training needs in the appraisal process.

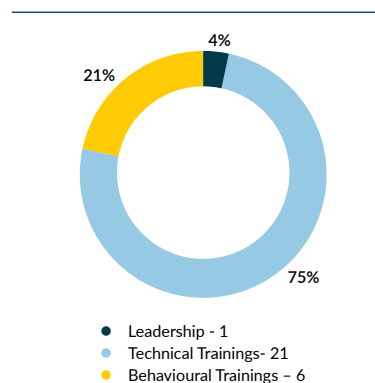
During the year, the fund management team participated in the following training and development programs.

- Diploma in Treasury and Risk Management
- Understanding Fundamentals of Strategic Economic Indicators for Business Success
- CPD - Salient features of the SEC Act relevant to investment advisors of market intermediaries
- Mergers & Acquisitions Essentials – From Concepts to Closing
- Beyond JXG: Awareness on ESG
- Beyond JXG: Master Influence and Win Win Negotiations
- ORATOR - Speechcraft Training
- Power BI Session

Average training hours - **52 hours per person**

No of participants at training programmes - **4**

Number of Trainings



Employee Remuneration, Engagement, Recognition, & Wellbeing

A thriving workforce is the result of meaningful engagement and a supportive environment. Our employee-centric initiatives have translated into tangible improvements in satisfaction and productivity.

Remuneration:

A competitive remuneration policy is in place at the fund managers which aligns with industry standards. The Company conducts regular salary surveys, and all compensation related decisions are submitted to the Remuneration Committee for approval. All compensation decisions are based on performance and contribution to the assigned targets.

Benefits such as flexible work arrangements, remote work options and parental leave facilities are provided as additional benefits.

The following employment benefits schemes are available for the staff.

Housing loan (Assistant Manager above)
Vehicle loan (Assistant Manager above)
Educational assistance scheme
Club membership reimbursement for certain grades
Examination fee reimbursement
Professional course subscription payment
Paternity leave

Engagement Programs:

Regular feedback loops, team-building activities, and wellness initiatives have led to an increase in employee engagement scores.



HUMAN CAPITAL

Rewards and recognition methods

- Rewards and recognition programs consist of Monetary rewards such as annual bonuses and increments.

Succession planning

- Succession planning reviews take place annually for the senior management team and their second levels. Succession plan is subsequently presented to the Remuneration committee every year.

Work-Life Balance Initiatives:

Flexible work arrangements and comprehensive wellbeing programs have contributed to a more balanced and productive work environment. The Fund Managing Company promotes flexible working hours and work from home practices to enhance the work – life balance.

Governance, Compliance & Ethical Standards

Maintaining high ethical standards and strict regulatory compliance has been fundamental to our operational integrity. Our commitment to governance has ensured a transparent and accountable work culture.

Regulatory Alignment:

Close collaboration with risk and compliance teams have resulted in HR policies that fully meet evolving regulatory requirements.

Transparent Reporting:

Enhanced reporting systems, in line with the IIRC framework, have improved transparency and built greater trust among stakeholders.

Ethical Culture:

A robust focus on ethical conduct has ingrained a strong sense of integrity within our workforce, which is critical to long-term success.

Health, Safety, and Well-being

The workplace has dedicated fire wardens, and they have been trained in how to react in case of a fire or any emergency.

The Fund Managing Company places significant emphasis on mental wellbeing. A certified counsellor provides counselling services to those who are in need.

Physical and mental wellbeing programs such as art and mindfulness are conducted regularly to help employees in cultivating mental health and well-being.

Employee Relations and Engagement

A comprehensive grievance handling policy and whistleblowing policy has been formulated, and the staff awareness has been created through several channels of communication.

All our policies are formed to ensure all individuals from different backgrounds feel respected, valued and are provided with equal opportunities to thrive and grow within the Fund.

The HR department does not discriminate and is responsible for implementing recruitment strategies that prioritise the inclusion of differently abled individuals, provide necessary accommodation, and facilitate ongoing support programs.

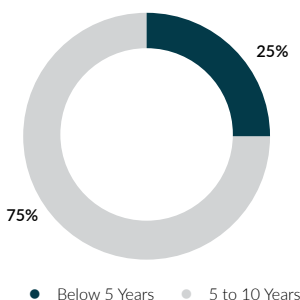
Additionally, the Company's code of conduct provides policies on non-discrimination and harassment.

Diversity of the workforce

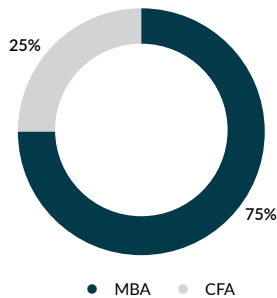
Number of Fund Management Staff

	2024/25	2023/24
Male	3	3
Female	1	1

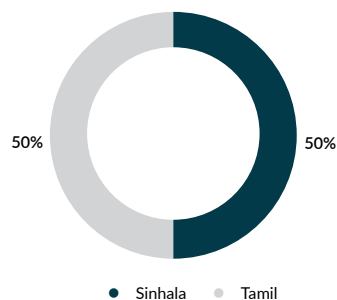
Service of the Fund Managers



Skills and Competency of the Team



Ethnicity



Challenges, Opportunities, and Performance Metrics

A forward-thinking approach requires continuous assessment of both challenges and opportunities. Our additional insights section provides an in-depth look at the external and internal factors that shape our human capital strategy, along with key performance indicators (KPIs) that measure our progress.

Challenges and Opportunities

Identifying challenges and leveraging opportunities have allowed us to fine-tune our strategies, ensuring our human capital remains resilient and adaptable.

Technological Advancements:

Rapid digital transformation presents ongoing challenges but also opens up significant opportunities for upskilling and innovation.

Regulatory Dynamics:

The ever-changing regulatory landscape necessitates agile HR policies that proactively address compliance while driving growth.

Global Best Practices:

Benchmarking against international standards has provided us with valuable insights, enabling continuous improvement and innovation in our human capital initiatives.

Key Performance Indicators (KPIs)

Transparent measurement of our initiatives ensures accountability and guides our future strategy. The following KPIs offer a clear picture of our progress and areas for improvement.

KPI Category	Metric	Outcome/Target
Training & Development	Average training hours per employee – 15 hours per person	4 times higher against the target, ensuring advanced skill levels
Certifications	Number of industry certifications achieved	Continuous growth to reflect enhanced market credibility
Employee Engagement	Employee satisfaction and retention scores	High retention of staff members

These KPIs not only reflect our current achievements but also guide our future investments in human capital.



FUTURE FOCUS

Preparing for Tomorrow's Challenges

Looking ahead the Fund Managing Company hopes to achieve the right culture, right fit at the right size whilst enabling the HR foundation and enablers are put in place. HR would function as strategic partner, change agent, employee champion and administration expertise.

EDUCATIONAL ASSISTANCE SCHEME

First Capital Educational Assistance Scheme is available for all permanent employees of the company.

Terms and Conditions

- Employee should have a clear record with no disciplinary issues.
- loan up to Rupees One Million with an interest of 12% per annum, repayable over 60 months.
- Course fee/ examination fee will be remitted directly to the appropriate institution.
- Maximum repayment period will be 60 instalments and deductions will be made from the monthly salary.
- Employees will not be eligible for this facility if the authorized deduction limit exceeds 60% of the salary.
- The entire loan balance becomes due upon the employee leaving and should be settled at the time of leaving/ will be deducted from any dues to the employee.

FLEXIBLE WORKING HOURS

The flexible working hours policy aims to promote a better work-life balance for employees.

Procedure:

- Working from office is the default arrangement.
- The standard core working hours are from 9.30 am to 4.00 pm, during which time all employees are physically expected to be in the office. The work outside of core working hours (8.00 am - 9.30 am and 4.00 pm - 5.00 pm) could be performed at the office or at home, under flexible working arrangements.
- Employees are permitted to report to work at 7.30 am or to work as late as 7.30 pm in order to fulfill their weekly contracted 45 hours.

First Capital Policy Pulse

PROFESSIONAL SUBSCRIPTION POLICY

All permanent employees of First Capital could claim one Annual Professional Subscription/ Student Membership.

Procedure

- Employee should be in the permanent cadre and will be entitled from the date of joining.
- Payment of Membership Registration fee will also be included in this scheme.
- Duly signed Professional Subscription application should be forwarded to HR Department.
- The payment will be credited to the employee's salary account.

SOCIAL AND RELATIONSHIP CAPITAL

STRENGTHENING CONNECTIONS TO
DRIVE SUSTAINABLE GROWTH



In 2024/25, the evolution of our customer interactions and community relationships has brought tangible benefits to our business outcomes. By expanding our digital outreach and reinforcing our partnerships, we have enhanced the value we deliver to our customers and stakeholders. Our initiatives ranging from innovative digital channels to comprehensive financial literacy programs reflect our commitment to building long-lasting, trust-based relationships that fuel sustainable growth.

Key Achievements and Milestones

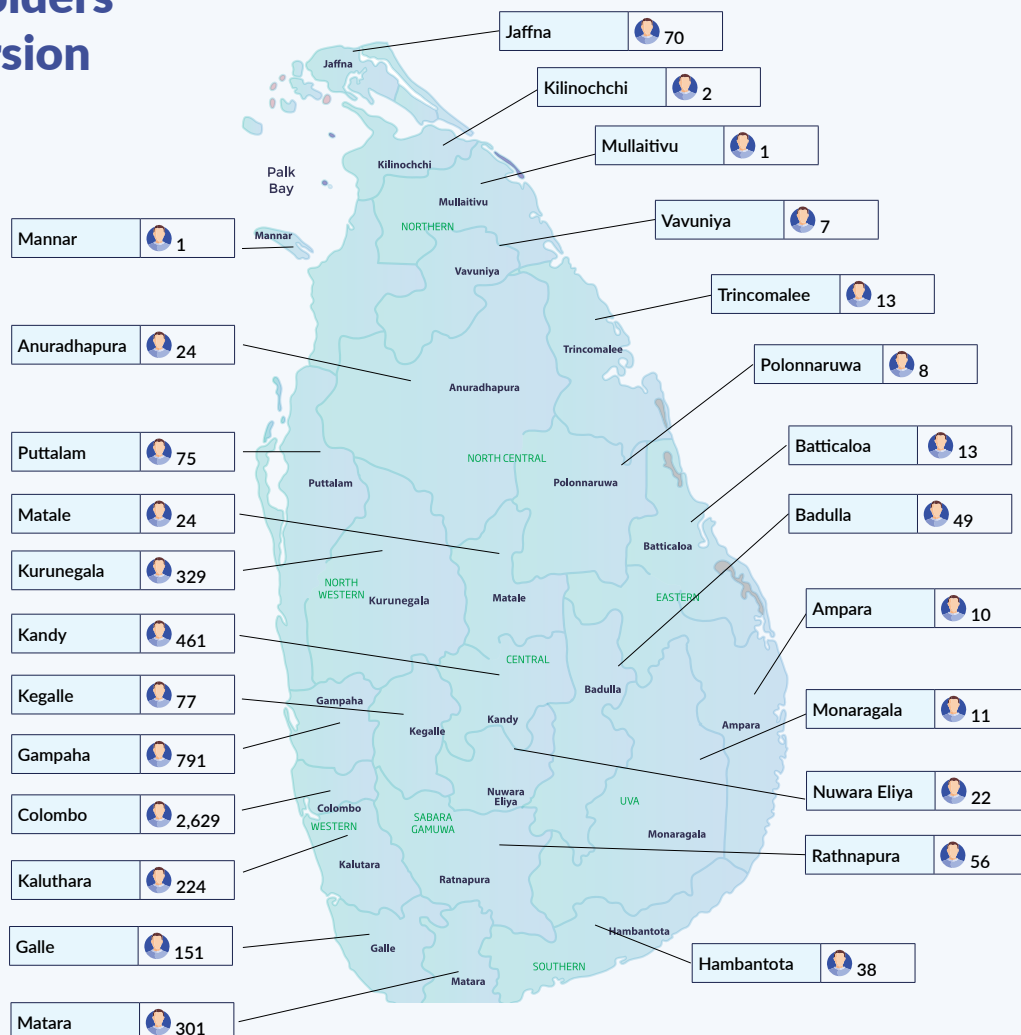
Our journey this year is defined by significant milestones in customer engagement and community outreach. The following table summarises our major achievements and their resulting impacts:

Area	Key Initiative/Action	Outcome
Customer Experience	Revamped online portal, introduction of WhatsApp channel and missed call alert system	1,502 new customers acquired; enhanced convenience and satisfaction
Community Engagement	Financial literacy awareness programs targeting university students and households	Approximately 2,000 students educated; future leaders empowered

These accomplishments underline our successful execution of strategies that not only enhance service delivery but also build enduring social and relational value for all stakeholders.

Local Unitholders Dispersion

 No of Clients



SOCIAL AND RELATIONSHIP CAPITAL

SDGs Impacted: Linking Social Impact to Global Priorities

Our social and relationship initiatives have far-reaching implications that resonate with several global sustainability priorities. By aligning our strategies with internationally recognised SDGs, we deliver measurable outcomes across economic, social, and environmental dimensions.

SDG	Objective	Our Contribution and Achievements
	Promote equitable education and skills development	Financial literacy programs that educate nearly 2,000 university students
	Foster sustainable industrialisation and promote innovation	Innovative digital channels to expand customer reach
	Ensure inclusive, safe, resilient, and sustainable communities	Expanded customer reach and community engagement programs improve financial inclusion
	Strengthen stakeholder partnerships and collaborative frameworks	Strategic collaborations with counter parties for investment options

These targeted outcomes are driving both internal innovation and broader social progress, reinforcing our role as a forward thinking financial institution.

Key Topics Underpinning Our Social and Relationship Capital

At the heart of our strategy are key material topics that have guided every decision and initiative in building strong relationships. Our focus areas include:

Key Topic	Focus and Result
Customer-Centric Experience	Integration of digital tools (WhatsApp, online portal, missed call alerts) improved service accessibility and customer satisfaction.
Community Engagement & Impact	Financial literacy and educational programs have empowered future leaders, positively influencing broader societal outcomes.



These themes are instrumental in driving our performance, ensuring that every initiative is closely linked to value creation and sustainable growth.

Operating in a Dynamic Social and Economic Environment

Last year brought a wave of transformative changes that reshaped our customer and community engagement. Emerging from a challenging crisis, our adaptive strategies particularly the acceleration of digital channels enabled us to meet heightened customer expectations while ensuring compliance with regulatory standards. This dynamic environment has provided both a challenge and an opportunity, leading to operational enhancements that support a robust, future-ready business model.

Foundations that Foster Enduring Relationships

Our approach to social and relationship capital is anchored in strategic pillars that ensure each initiative delivers measurable outcomes. These pillars guide our resource allocation, operational improvements, and targeted community efforts.

Digital Engagement & Innovation:

Adoption of comprehensive digital solutions has not only modernised customer interactions but also provided real time service accessibility. This has driven faster transactions and enhanced client satisfaction.

Robust Community Outreach:

Investing in financial literacy and educational programs has fortified our community relationships, positioning us as a trusted advisor in financial matters and fostering long-term social empowerment.

Strategic Supplier Collaboration:

By maintaining rigorous investment criteria and working closely with the counter parties for high-grade security investments, we ensure that our supplier relationships contribute to both customer trust and financial stability.

These pillars collectively empower our social and relationship capital, strengthening our market position and future growth trajectory.

Priority Areas

Our key priority areas articulate where we are focusing our efforts to foster deeper connections and drive sustained value. Each priority area is detailed below with specific actions and expected outcomes:

Digital Customer Engagement

Enhancing the digital interface is central to our transformation journey. The launch of new digital channels, including an enhanced online portal, WhatsApp service, and missed call alerts, has dramatically increased convenience and accessibility for our customers.



Immediate Outcomes:

- 1,502 new customer acquisitions.
- Streamlined fund management and transaction processing.

Future Plans:

- Further upgrades to digital infrastructure.
- Expanded the accessibility of customer services.

Community Empowerment through Financial Literacy

By investing in financial literacy, we are not only educating individuals but also cultivating future market leaders. Our targeted programs have reached nearly 2,000 students, equipping them with the knowledge to make informed financial decisions.



Immediate Outcomes:

- Increased financial awareness within key communities.
- Development of a proactive customer base that is better informed.

Future Plans:

- Scaling up literacy programs.
- Partnering with universities and other educational institutions to broaden reach.

Expanding Digital Networks

Our network expansion strategy leverages by utilisation of digital channels.



Immediate Outcomes:

- Enhanced local awareness.
- Increased customer touchpoints through online channels.

Future Plans:

- Invest in digitalisation to improve customer convenience in the investment journey.

Strengthening Supplier Relationships

Our supplier relationships are pivotal for ensuring stable, secure investments. Through stringent criteria in selecting investment counter parties by evaluating risks and returns of each, we have created a robust framework that guarantees both safety and competitive performance.

Immediate Outcomes:

- Consistent allocation of over 70% in government securities.
- Improved quality of supplier relationships, contributing to the Fund's overall stability.

Future Plans:

- Expanding supplier collaboration on obtaining competitive pricing.
- Continuous enhancement of investment evaluation process to align with market dynamics.

Future Focus: Catalysing Social and Relationship Excellence



FUTURE FOCUS

Catalysing Social and Relationship Excellence

Looking ahead, our focus remains on fortifying our social and relationship capital by embracing new technologies and expanding our community initiatives. Our forward strategy includes:

Investing in AI and Data Analytics

To further enhance digital customer engagement, we plan to leverage AI-driven analytics for personalised service delivery and proactive issue resolution.

Scaling Community Programs

The expansion of financial literacy programs and community outreach initiatives will continue to be a priority, enabling us to shape future market leaders and foster a more inclusive financial ecosystem.

Enhancing Collaborative Partnerships

Strengthening alliances with counter parties and industry associations will drive innovation and improve service quality, positioning us for continued success in an increasingly competitive market.

NATURAL CAPITAL

STRENGTHENING OUR COMMITMENT TO
A SUSTAINABLE ENVIRONMENT



At First Capital Money Market Fund, we recognise that protecting our natural environment is fundamental to long-term business success. Although our fund does not maintain a dedicated natural capital policy, our sustainability initiatives are governed by the group-level framework established by First Capital Holdings PLC. This alignment ensures that our operations, energy use, and waste management practices reflect a commitment to conservation and sustainability. As a result, our strategies have led to measurable outcomes such as reduced energy consumption, enhanced waste recycling, and lower carbon footprints—all of which contribute to a more sustainable future.

Key Achievements and Milestones

In 2024/25, our integration of natural capital initiatives has driven positive environmental impacts. Our achievements in this area are largely derived from group-level sustainability policies, innovative digital initiatives, and efficient resource management practices.

Achievements at a Glance





Environmental Area	Initiative/Action	Outcome
Energy Management	Deployment of LED bulbs across business premises and planned solar panel installation for next year	Lowered electricity consumption; preparation for renewable energy use
Waste Management	In-house recycling processes implemented at the group level	Enhanced recycling efficiency
Digital Transformation	Transition to a paperless environment, including digital onboarding and digital business cards	Significantly reduced paper consumption and carbon footprint
GHG Emission Tracking	Group-level monitoring of electricity and fuel usage as part of GHG emission testing	Improved environmental reporting and accountability

These milestones illustrate our proactive approach to environmental stewardship, reinforcing our commitment to sustainability and regulatory compliance.

SDGs Impacted: Advancing Global Sustainability Goals

Our natural capital strategy directly contributes to several Sustainable Development Goals (SDGs), underscoring our role in promoting environmental sustainability and resource efficiency.

SDGs Alignment Overview

SDG	Target/Outcome	Our Contribution
	Increase the share of renewable energy in the global energy mix	Planned installation of solar panels and energy-efficient LED systems reduce electricity usage
	Improve resource efficiency and promote sustainable practices	Transition to a paperless environment and effective waste management initiatives lower resource use
	Strengthen resilience and adaptive capacity to climate-related hazards	Consistent GHG emission tracking and reduced carbon footprint through energy management
	Foster innovation and build sustainable, resilient infrastructures	Integration of digital solutions and renewable energy projects modernises our facilities

These targeted contributions reflect our commitment not only to our internal operations but also to the broader environmental well-being of our communities and stakeholders.

Key Topics: Core Areas Driving Environmental Performance

Our environmental strategy is built around several core material topics. These topics have guided our priorities and decision-making in natural capital management over the past year.

NATURAL CAPITAL

Key Topics Overview

Key Topic	Outcome
Energy Efficiency	Adoption of LED lighting and planned solar energy installations have laid the groundwork for sustainable energy management and reduced consumption.
Waste Reduction & Recycling	Effective in-house recycling processes and commitment to digital operations have minimised waste and improved resource use.
Digital Transition for Sustainability	Embracing digital technologies (e.g., paperless onboarding, digital business cards) has substantially lowered our reliance on physical resources.
GHG Emission Monitoring	Group-level monitoring ensures that our energy usage and related emissions are continuously tracked, fostering accountability and improvement.



Focusing on these topics has allowed us to achieve significant operational efficiencies and environmental benefits, setting the stage for continued progress.

Navigating Environmental Challenges and Opportunities

In the last financial year, environmental sustainability has been shaped by a dynamic regulatory and market landscape. As external pressures to reduce carbon footprints and enhance resource efficiency have grown, our alignment with group-level policies has proved instrumental in maintaining robust natural capital practices.

Emerging from a period of transition, our integrated efforts in energy and waste management have not only met regulatory demands but also driven internal efficiencies. The digital transformation of our operations, especially the move to a paperless system—has had far-reaching

environmental benefits, significantly reducing the consumption of natural resources and demonstrating our proactive approach to climate action.

Capital Focus Area: Embedding Sustainability in Our Operations

Our sustainability strategy is built on core strategic pillars that ensure our natural capital initiatives contribute directly to operational excellence and long-term environmental stewardship.

Key Action areas:

Alignment with Group-Level Policies:

By adhering to the comprehensive sustainability framework set by Group, our natural capital initiatives are integrated across all operational levels, ensuring consistency and regulatory compliance.

Digital Transformation for Environmental Benefits:

Leveraging digital platforms to eliminate paper-based processes has significantly reduced our environmental impact. Digital business cards and electronic onboarding are prime examples of this commitment.



Energy Efficiency and Renewable Initiatives:

Through the deployment of energy-saving LED systems and upcoming investments in solar energy, we are driving efficiencies that reduce both costs and environmental footprint.

Effective Waste and Emissions Management:

Our focus on robust recycling processes and group-level GHG emission tracking ensures that we monitor and continuously improve our environmental performance.

Priority Areas during the Financial Year

First Capital Money Market Fund's environmental priorities are designed to drive measurable improvements in natural capital management. Below, each key priority area is explored in detail, highlighting both current achievements and future initiatives.

Energy Efficiency and Renewable Energy Initiatives

Investments in energy efficiency have led to reduced electricity consumption, while planned renewable energy projects are set to further lower our carbon footprint.

Current Actions:

- Widespread implementation of LED bulbs across our facilities has provided immediate energy savings.
- Group-level GHG emission testing ensures precise tracking of our energy usage.

Future Initiatives:

- Installation of solar panels is slated for next year, which will further reduce our reliance on non-renewable energy sources.
- Continued exploration of other renewable energy opportunities to enhance energy resilience.

Waste Management and Resource Optimisation

Effective resource management has minimised waste and optimised our operations, reflecting our commitment to environmental sustainability.

Current Actions:

- In-house recycling processes of used papers.
- Digital transformation initiatives (e.g., paperless onboarding, digital business cards) reduced paper usage.

Future Initiatives:

- Expansion of recycling and waste reduction programs, potentially including broader corporate sustainability practices aligned with group-level policies.
- Ongoing evaluation of resource usage to implement further cost-effective and sustainable practices.

Digital Integration for Environmental Impact

Digital transformation has been a catalyst for reducing our environmental impact by significantly lowering the need for physical resources.

Current Actions:

- Comprehensive digital systems have replaced paper-based processes, leading to a measurable decrease in resource consumption.
- Digital business cards and electronic staff IDs have eliminated the need for printed materials, supporting a paperless operation.

Future Initiatives:

- Further integration of digital solutions to drive environmental efficiencies, including automated systems that monitor resource consumption in real time.
- Continuous upgrades to our digital infrastructure to maintain and improve these sustainability outcomes.

Challenges and Opportunities

Recognising the dual nature of challenges and opportunities in sustainability has empowered us to innovate and excel.

Technological Integration:

While rapid digitalisation requires upfront investments and continuous upgrades, it offers long-term benefits in efficiency and environmental impact reduction.

Regulatory and Environmental Pressures:

The growing demand for lower carbon footprints and enhanced resource efficiency present both challenges and opportunities for proactive environmental management.

Group-Level Synergies:

Aligning with Group's robust sustainability framework has enabled us to leverage collective expertise, ensuring comprehensive and effective environmental management.

NATURAL CAPITAL



FUTURE FOCUS

Advancing Our Environmental Sustainability Agenda

Our natural capital strategy is set to evolve with a focus on innovative technologies and proactive environmental management. Our future initiatives are designed to build on current successes and further reduce our environmental footprint.

Enhanced Renewable Energy Investments

Prioritising the installation of solar panels and exploring additional renewable energy sources to ensure long-term energy independence and reduced carbon emissions.

Expansion of Waste Management Programs

Developing broader waste reduction initiatives that leverage best practices from group-level policies, with an eye toward achieving zero waste targets.

Deepening Digital Transformation

Continuing to adopt cutting-edge digital tools will further decrease our reliance on physical resources, driving a virtual-first operational model that supports sustainability.

Innovation in GHG Emission Management

Investing in advanced monitoring and reporting systems to provide real-time insights into our environmental performance, thus enabling quicker adaptations and continuous improvements.

Each of these future-focused initiatives is designed to contribute significantly to our sustainable operations, ensuring that our natural capital management remains robust and forward-thinking.



GOVERNANCE AND STEWARDSHIP

ANNUAL REPORT OF THE BOARD OF DIRECTORS

The Directors of First Capital Asset Management Limited (the Managing Company) have pleasure in presenting the Annual Report of First Capital Money Market Fund together with the Audited Financial Statements for the year ended 31 March 2025 which were approved by the Directors on 4 June 2025.

REVIEW OF OPERATIONS

A comprehensive review of the operations of the Fund during the financial year and the results of those operations are contained in the Chairman and Chief Executive Officer's Statement on pages 12 to 15 of the Annual Report.

PRINCIPAL ACTIVITIES

The Fund engages in investment in short-term fixed income securities on behalf of its clients.

The objective of the Fund is to yield superior returns to unitholders while minimising 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.

LEGAL STATUS

First Capital Money Market Fund is licensed and approved by the Securities and Exchange Commission of Sri Lanka (SEC) under the Securities and Exchange Commission Act No.36 of 1987 and its subsequent amendments.

FINANCIAL RESULTS

The Fund's profit after tax for the financial year 2024/25 was Rs. 5.86 Bn compared to Rs. 4.18 Bn in the previous year.

A summary of the financial results for the year is set out below.

	2024/25 Rs.'000	2023/24 Rs.'000
Income	6,477,154	4,063,909
Profit after tax	5,863,397	4,181,433
Total comprehensive income (TCI)	5,863,397	4,181,433

The financial statements of the Fund are set out in pages 117 to 120 of the Annual Report.

BOARD OF DIRECTORS

The Directors of the Fund Managing Company as at 31 March 2025 are as follows.

1. Dr. Nishan de Mel
2. Mr. Dilshan Wirasekara
3. Ms. Minette Perera
4. Mr. Kuda Banda Herath

The profiles of the Directors are given on pages 16 to 17 of the Annual Report.

OTHER DIRECTORSHIP/ SIGNIFICANT POSITIONS OF DIRECTORS

Information on the Other Directorships/ significant positions of the present Directors of the Fund Managing Company is given on pages 16 to 17.

RELATED PARTY TRANSACTIONS

Related party transactions have been declared in Note 23 to the financial statements.

DIRECTORS' INTERESTS OF THE FUND MANAGING COMPANY

As required by the Companies Act, No. 7 of 2007, an Interests Register was maintained by the Managing Company during the period under review. All Directors have made declarations as provided for in Section 192 (2) of the Companies Act aforesaid. The Interests Register is available for inspection as required under the Companies Act.

The Fund carries out transactions in the ordinary course of business with entities in which a Director of the Managing Company is a Director. The transactions with entities where a Director of the Managing Company either has control or exercises significant influence have been classified as related party transactions and disclosed in Note 23 to the Financial Statements.

RISK AND INTERNAL CONTROL

The Board of Directors have satisfied itself that there exists an effective and comprehensive system of internal controls to monitor, control and manage the risks to which the Fund is exposed, to carry on its business in an orderly manner, to safeguard its assets and to secure as far as possible the reliability and accuracy of records. We have discussed exposure to risk in detail under "Risk Management Report" on pages 38 to 43.

CORPORATE GOVERNANCE

The Directors acknowledge their responsibility for the Fund's corporate governance and the system of internal control. The Directors of the Fund Managing Company are responsible to the unitholders for providing strategic direction to the Fund and safeguarding the assets of the Fund. The Board is satisfied with the effectiveness of the system of internal control for the period up to the date of signing the financial statements. The compliance with recommended corporate governance practices are disclosed in pages 82 to 90 of the Annual Report.

The performance of the Fund is monitored by way of regular review meetings. These meetings provide an opportunity to ensure that progress is in line with agreed targets. Regular Board meetings are held to further strengthen the review process and ensure compliance with all statutory and regulatory obligations.

MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial statements are given on pages 121 to 153. There were no changes in the accounting policies adopted by the Fund during the year under review.

GOING CONCERN

The Board of Directors has reviewed the Fund's investment plans and is satisfied that the Fund has adequate resources to continue its operations in the foreseeable future. Accordingly, the financial statements are prepared on a going concern basis.

UNITHOLDERS' FUND

The movements in unitholders' fund during the financial year 2024/25 have been presented in the Statement of Changes in Unitholders' Fund on page 119 of the Annual Report.

The unitholders' funds as at 31 March 2025 was Rs. 70.40 Bn consisting of 5,402 unitholders.

EVENTS OCCURRING AFTER THE REPORTING DATE

There were no material events after the financial reporting period which requires an adjustment to or a disclosure in the financial statements other than those disclosed in Note 25 to the financial statements.

INDEPENDENT AUDITORS

During the period under review, the Fund's Auditors were M/s. B. R. De Silva, Chartered Accountants. The fees paid to auditors are disclosed in Note 11 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

The independent auditor's report on the financial statements is given on page 115 to 116 of the Annual Report.

AUDITORS' RIGHT TO INFORMATION

Each person who is a Director of the Managing Company at the date of approval of this report confirms that:

As far as each Director is aware, there is no relevant audit information of which the Fund's auditors are unaware.

Each Director has taken all the steps that he or she ought to have taken as a Director to make him or herself aware of any relevant audit information and to establish that the Fund's auditors are aware of that information.

FUTURE DEVELOPMENTS

An overview of the future developments of the Fund is given in the Chief Executive Officer's Review on page 14 to 15 and Management Discussion and Analysis on page 45 to 76.

This Annual Report is signed for and on behalf of the Board.

(Sgd.)

Dilshan Wirasekara
Managing Director

(Sgd.)

Nishan de Mel
Chairman

4 June 2025

STATEMENT OF DIRECTOR'S RESPONSIBILITY

The Statement sets out the responsibility of the Board of Directors of First Capital Asset Management Limited, the Managing Company, in relation to the Financial Statements of First Capital Money Market Fund.

The financial statements comprise of the Statements of Financial Position as at 31 March 2025, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Unitholders' Funds, Statement of Cash Flows for the year ended and Notes thereto. The Directors are required to prepare these financial statements on a going concern basis unless it is not appropriate.

The Directors confirm that the financial statements of the Fund give a true and fair view of;

- The state of affairs of the Fund as of 31 March 2025
- and
- The financial performance of the Fund for the financial year ended 31 March 2025

COMPLIANCE REPORT

The board of directors also wishes to confirm that;

- Appropriate accounting policies have been adopted in a consistent basis and appropriate estimates and judgements have been made to reflect the true substance and form of transactions.

- The financial statements of the Fund for the year ended 31 March 2025 incorporated in this report have been prepared in accordance with Sri Lanka Accounting Standards (LKAS/SLFRS), the requirement of the Collective Investment Scheme Code (CIS code 2022) of Securities and Exchange Commission of Sri Lanka and Trust Deed.

- They accept responsibility for the integrity and objectivity of the financial statements presented.
- The financial statements of the Fund have been certified by the Chief Financial Officer of the Managing Company who is responsible for the preparation of financial statements and signed by two Directors.
- They review and approve all internal financial statements prior to their release.
- They have taken reasonable measures to safeguard the assets of the Fund to prevent and detect frauds and other irregularities. In this regard, the Directors have laid down an effective and comprehensive internal control system.
- To the best of their knowledge, all statutory payments due in respect of the Fund as the financial reporting date have been paid or where relevant provided for.

- After considering the financial position, operating conditions and regulatory and other factors, they have a reasonable expectation that the Fund possesses adequate resources to continue in operation for the foreseeable future and that the Going Concern basis is the most appropriate in the preparation of these financial statements.

- The Auditor of the Fund, M/s. B. R. De Silva, Chartered Accountants was provided with all necessary information required by them in order to carry out their audit and to express an opinion which is contained on pages 115 to 116 of this Annual Report.

Accordingly, the Board of Directors is of the view that they have discharged their responsibilities as set out in the above statement.

By Order of the Board,

(Sgd).

Janashakthi Corporate Services Limited
Secretaries

4 June 2025
Colombo

DECLARATION OF COMPLIANCE BY TRUSTEE & MANAGING COMPANY

Declaration by Trustee and Managing Company as per CIS code 2022, sub section 50 (1) (a).

Bank of Ceylon, the Trustee and First Capital Asset Management Limited, the Managing Company of the First Capital Money Market Fund hereby declare that,

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



Managing Director
Fund Managing Company
First Capital Asset Management Limited



Chairman
Fund Managing Company
First Capital Asset Management Limited



Trustee of the Fund
Bank of Ceylon

CORPORATE GOVERNANCE

CHAIRMAN'S INTRODUCTION

The Board of Directors of First Capital Asset Management Limited, the Managing Company of First Capital Money Market Fund, affirms that ensuring good governance is a priority in all aspects of the business. The Board as a whole holds itself responsible for the overall strategy on governance and has strived to put in place clearly defined structures to support the delegation of responsibilities and effective execution. The Board remains strongly committed to continuously improving the structures and processes of good governance practices of the organisation in line with the latest regulatory and compliance requirements.

Key Governance Highlights for 2024/25

In the year under review, First Capital Asset Management Limited has re-structured the Board composition in order to be in compliance with the minimum governance requirements applicable to Market Intermediaries, as directed by the Securities and Exchange Commission of Sri Lanka.

Declaration

As Chairman of the Board, I wish to confirm that the Board remains firmly committed to observing the highest standards of corporate governance, integrity and professionalism throughout all operations. Furthermore, I have confirmation that all the members of the Board and all employees have acted in compliance with the applicable regulatory and statutory requirements and have discharged their duties in accordance with the policies, procedures and standards set out under the Corporate Governance Framework, including the Code of Conduct and the Anti-Bribery and Corruption policy.

(sgd.)

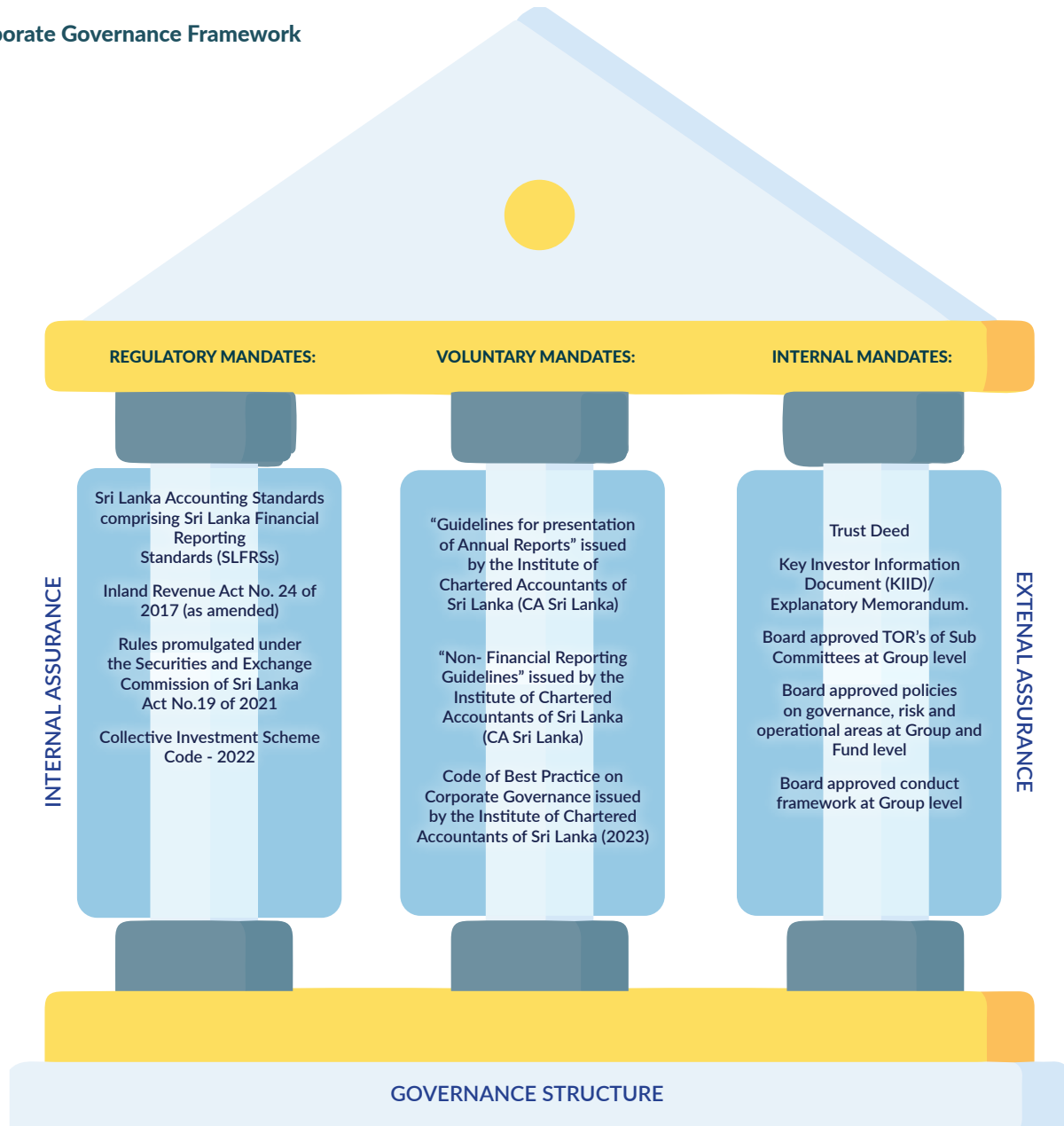
Dr. Nishan de Mel
Chairman

4 June 2025

Creating Value through Corporate Governance

The Managing Company's Corporate Governance Framework provides the basis to support growth strategy by influencing how the objectives are set and achieved, how risk is monitored and assessed, and how performance is optimised with the principle aim of creating and sustaining stakeholder value.

Corporate Governance Framework



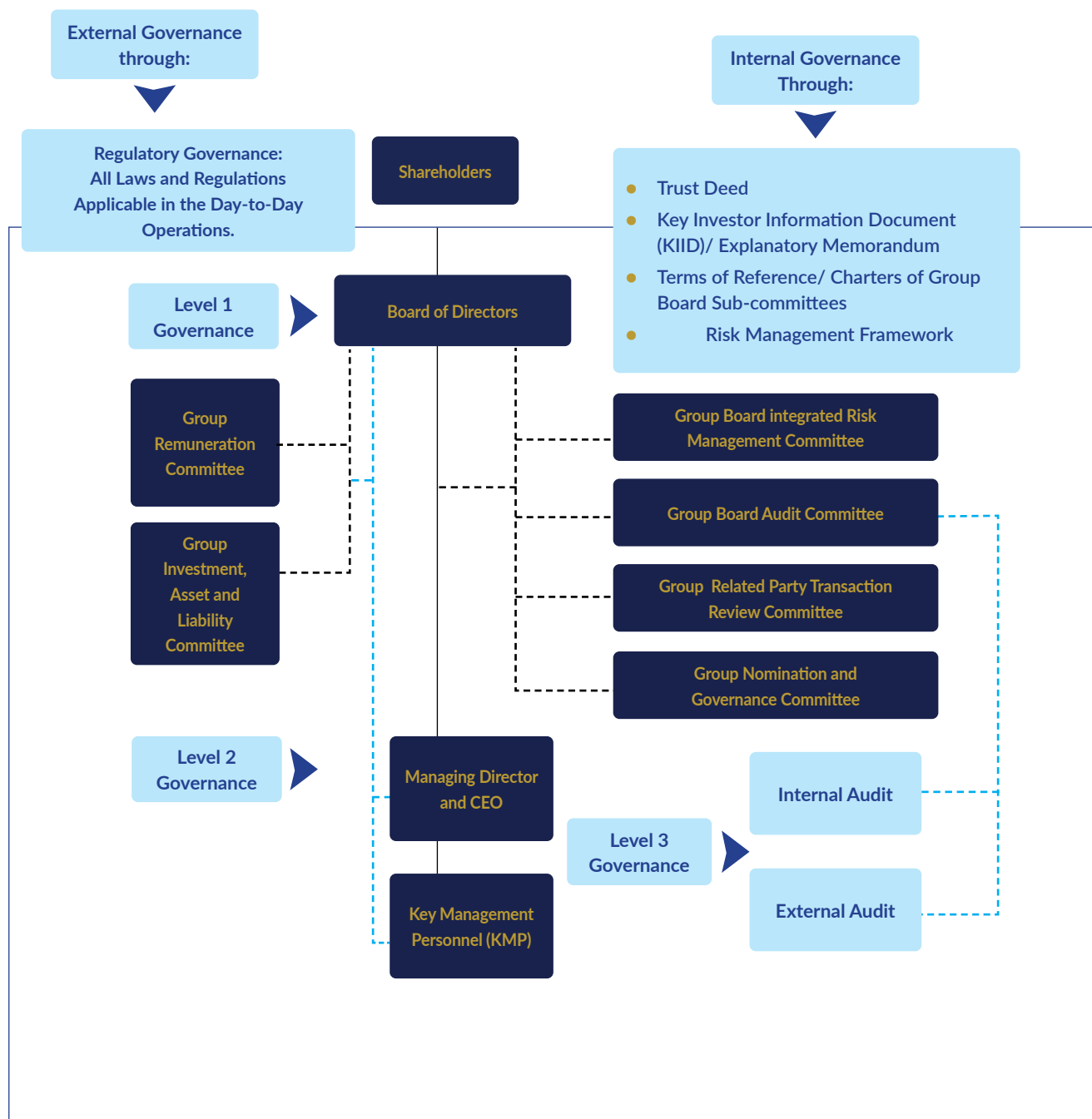
Governance Structure

The Fund Managing Company operates within a well-defined governance structure that includes a clear segregation of roles and responsibilities to facilitate effective decision making and promote the principles of accountability, transparency, fairness and integrity at all levels of the business. The Board sub-committees of the intermediary parent company, First Capital Holdings PLC, operates as the sub-committees of First Capital Asset Management Limited. The Board as the highest governing body, plays a fundamental role in anchoring the governance structure including through the selection and appointment of members of Board sub-committees and Key Management Personnel (KMP's).

CORPORATE GOVERNANCE

The Board is further responsible for reviewing and updating the governance structure to ensure necessary improvements are made in line with the growth strategy.

Governance structure



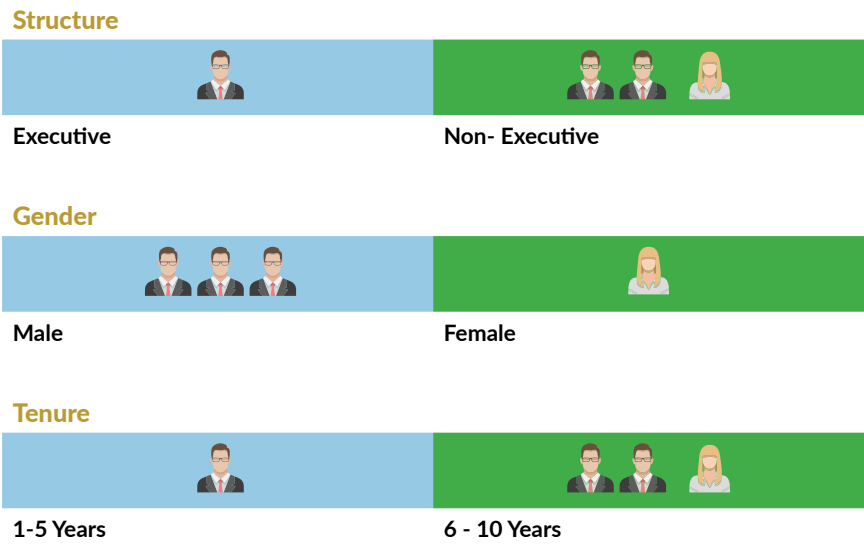
The Board of Directors

The Board of Directors of First Capital Asset Management Limited is the apex governing body and the key custodian in charge of embedding good governance principles.





Board Composition

First Capital Asset Management Limited is led by a highly competent and a well balanced Board, comprising an Executive Director and 3 Non-Executive Directors.


Board Diversity



CORPORATE GOVERNANCE

No	Director Name	Directorship Status	Appointment Date	Tenure on the Board (approx.)	Skills and Expertise
1.	Dr. Nishan de Mel		24.11.2017	06 Years	Economics, General Management
2.	Mr. Dilshan Wirasekara		01.04.2024	01 Year	Manufacturing, Sales, Marketing
3.	Ms. Minette Perera		22.04.2015	09 Years	Accounting & Finance, General Management
4.	Mr. Kuda Herath		01.05.2017	07 Years	Asset and Liability Risk Management, Investment Banking, General Management

Non-Executive Non-Independent 

Non-Executive Independent 

Executive Non-Independent 

Profiles of Board members are provided in a separate section of this Annual Report (pages 16-17).

Diversity of Skills



Accounting, Finance
& Banking



Marketing



General
Management



Economics



Risk Management

Responsibilities of Individual Directors

All Directors are expected to be willing to allocate sufficient time and efforts towards executing their duties as a member of the Board, including by attending Board meetings and actively contributing their knowledge, expertise as an independent judgement on Board matters.

All Board members are also required to participate in the annual Board evaluation process.

Managing Conflicts of Interest

All Directors are responsible for disclosing to the Board any actual or perceived Conflicts of Interest that

could potentially compromise the Directors' ability to execute his / her duties effectively. Such disclosures are periodically reviewed by the Related Party Transactions Review Committee to ensure such transactions or dealings made by the Directors with findings tabled at Board meetings.

Further, in the event, an item in which a Director has an interest is being discussed at a Board meeting, the Interested Director is expected to recuse himself from participating in any discussions on the matter.

Division of Responsibility between the Chairman and CEO

The role of the Chairman is distinct and

separate from that of the CEO. The separation of responsibilities is designed to ensure that no single person has unfettered decision-making powers and that the appropriate balance of power and authority exists on the Board.

Duties and Responsibilities of the Chairman

The Chairman leads the Board by providing stewardship for the adoption of good governance practices and for overseeing the functioning of the Board to safeguard the best interest of the Company and its shareholders.

Role of the CEO

The CEO operates with the delegated authority and oversees the day-to-day management of the Company in accordance with the Board approved policies and procedures. The CEO provides leadership and direction to KMP's and senior managers, and for fostering relations with internal and external stakeholders. The CEO reports directly to the Board through the Managing Director.

Role of the Board

The Board as the apex governance body, operates as per specific Terms of Responsibilities set out under the Policy on Matters Relating to Board of Directors. As per the policy, the Board is collectively accountable to stakeholders for the proper management of the business in keeping with good governance principles. To that end, the Board provides strategic direction and sets the strategic intent by establishing strategic objectives over the short, medium and long term time frame, and also ensuring appropriate resources, including necessary capital investments and human resources are available to support the achievement of these strategic objectives.

Compliance

The Board is accountable to stakeholders for ensuring the Company complies with applicable laws, rules, codes and standards. In executing its duties, the Board closely monitors regulatory requirements to ensure all compliance requirements are fulfilled in a timely manner, while paying special attention to the early adoption of new regulations.

As part of its commitment to compliance, the Board also promotes voluntary adoption of global best practices.

Risk Management and Internal Control

The Board is responsible for the governance of risk, including determining the nature and extent of the significant risks which the Company is willing to take.

The Board oversees the Group Risk Management Framework and policies, and ensures that Management maintains a sound system of risk management and internal controls.

The Board, with the assistance of the Group Board Audit Committee and Group Board Integrated Risk Management Committee reviews, at least annually, the adequacy and effectiveness of the Company's risk management and internal control systems considering the scope and scale of the business operations.

Please refer to the Risk Management Report on Page 38 to 43 for more details.

Conduct and Ethics

The Board is responsible for establishing a culture of fair dealing across the Group. In adherence with the Code of Conduct, the Board sets the tone from the top to promulgate strong business ethics and with the highest level of integrity at all times. To ensure these principles are cascaded down across the business, the Board has adopted the following conduct framework established at Group level.

- **Code of Conduct for Employees** that sets clear expectations concerning the culture, values and behaviours required by employees
- **Anti-Bribery and Corruption policy**, explains the prohibitions

against bribery, kickbacks, gifts and facilitation payments during the course of business and highlights the specific compliance requirements relating to these prohibitions. The Anti-Bribery and Corruption Policy applies to all Directors and employees without exception. Regular training is conducted to reinforce these principles among employees and Directors.

- **Whistleblowing Policy**, which serves as a channel for stakeholders to anonymously report possible financial irregularities, inappropriate financial reporting, internal controls or other issues that may require internal investigation. All Whistleblower complaints are reviewed by the Chairperson of the Audit Committee. Throughout the investigation process, all reasonable steps are taken to ensure the whistleblower is kept apprised of the progress of the investigation. Employees can easily access the Whistleblower policy via the intranet, while special awareness sessions are also conducted regularly to educate employees on its proper use.

The Board undertakes to review all conduct policies, at least annually to ensure appropriate amendments are made to reflect changes in business, rules, regulations and laws.

CORPORATE GOVERNANCE

POLICY FRAMEWORK

Human Resources	Technology & Digital	
HR policy manual includes,	IT policy manual includes,	
<ul style="list-style-type: none"> Recruitment policy Grievance Handling Policy Whistleblowing policy Leave Policy Flexy Working Hours policy Policy for Staff Loans Employee separation/cessation policy Job rotation policy Remuneration and benefits policy 	<ul style="list-style-type: none"> Password Policy Electronic mail (email) Policy Internet Policy Hardware and Software Policy Information Security Policy User Privilege Policy Anti-Virus Policy Backup Policy Mobile Devices Policy Remote access policy Data protection policy Physical security policy IT audit policy Data Center Policy IT asset disposal policy 	<ul style="list-style-type: none"> IT on-boarding and resignation policy Vendor management policy Information classification policy Network Policy Server Policy Incident Response Policy Application Service Provider (ASP) Policy Change Management Policy Green Computing Policy Information Technology End User Acknowledgement Policy
Ethics and Integrity	Risk Management	
<ul style="list-style-type: none"> Code of Conduct Anti-bribery and Anti-corruption Policy Whistleblowing policy Policy on Outsourcing Services Conflict of Interest policy Anti-money Laundering and Combating Financing of Terrorism risk management policy and procedure Sustainability Policy Policy for Deceased customers 	<ul style="list-style-type: none"> Delegated Authority Manual that includes. <ul style="list-style-type: none"> RACI framework Investment policy Operational DA framework Enterprise risk management framework that includes <ul style="list-style-type: none"> Interest rate risk management framework Liquidity risk management framework Compliance risk management framework Business continuity plan and risk management framework Incident and near-miss management procedure 	
Investment Policy	Communication	
<ul style="list-style-type: none"> Investment policy and procedure Investment Policy Guidelines (IPG) 	<ul style="list-style-type: none"> Complaint Handling policy Communication policy 	

IT Governance

The Board is responsible for setting the IT objectives to align with the strategic ambitions for the short, medium and long term. The Board undertakes to review the IT operations and makes proposals and recommendations for projects to support demand management and strategic alignment. In this regard the Board actively monitors external trends and latest global best practices in the IT and Cybersecurity sphere with a view to identifying IT risks and opportunities and promoting early adaptation of necessary frameworks to strengthen the IT resilience.

Accordingly, the Board approves the IT budget and establishes IT policies to support the business model and strategy. At an operational level, the responsibility for safeguarding IT infrastructure, and implementing IT policies comes under the purview of the IT Head.

HR Governance

The Board is responsible for ensuring appropriately skilled personnel are available to support all key functions. In order to attract the right talent, the Board gets involved in establishing remuneration structures and the formulation and implementation of workplace policies that comply with legal

and regulatory requirements and align with global best practices. The Board executes these responsibilities through the Head of HR. The Board is responsible for policy formulation to reflect HR best practices, while the Head of HR is charged with policy implementation as well as aligning Human Capital development activities in tandem with the strategy.

Stakeholder Engagement

The Board acknowledges its responsibility to engage regularly with the stakeholders in order to obtain their insights, views and feedback.

Shareholder/ Unitholder Relations and Communication

The Board acknowledges the shareholders/ Unitholders right to receive timely and accurate information regarding the Company/ Fund and the schemes under management. To that end, the Board is committed to publish all shareholder/investor information in compliance with statutory requirements. All shareholder/investor information, including financial statements, the Annual Report and any other relevant disclosures are published in a timely manner with due consideration of the SEC rules.

All such information is also made available on the corporate website - www.firstcapital.lk

Directors Training

All Board Directors are entitled to receive training. Directors are encouraged to undertake regular training to support continuous professional development and to stay informed on the latest developments in the financial services industry and on the regulatory front. Further, the Group Nomination and Governance Committee analyse the training needs of the Board and recommend appropriate workshops for Directors to attend.

Directors Training - FY 2024/25

Programme Focus	No. of Directors who participated
Seminar on Corporate Governance Rules	4
Awareness session on AML/ CFT	2
Anti- bribery Anti-corruption	1
Market misconduct and regulatory background	4
Board leadership refresher	1
Information and security risk	4

Meanwhile new Directors receive an orientation pack encapsulating the Code of Conduct, policies and other important information. As part of their orientation, all new Directors are introduced to KMP's.

Evaluating Board Performance

The Board collectively evaluates its performance and functional effectiveness on an annual basis, wherein all Directors will be required to submit an annual self-evaluation to the Group Nomination and Governance Committee. The Committee will then review these self-evaluations in terms of the Board composition and balance and mix of skills, experience, independence and knowledge, the gender representation, with the Committee recommendations submitted to the Board for appropriate action.

Evaluating the Performance of the CEO

The performance of the CEO is assessed annually by the Board based on pre-agreed performance criteria linked to the strategic roadmap, with the findings used as the basis for the determination of adjustments to remuneration.

Group Board Sub Committees

Group Board Committees play an important role in assisting the Board in carrying out its oversight responsibilities. The following sub-committees established at the parent company level which act as the sub-committees for all subsidiaries including FCAM.

In the current financial year, the Group Level Board revised and formally approved the Terms of Reference (TOR) were drawn up for each Committee outlining the scope of work and duties and responsibilities of the respective Committee Chairman / person and its membership in accordance with the new corporate governance rules issued by the CSE for listed entities.

The Group Board also proposes to implement the new procedure being

developed for the purpose of evaluating Board performance and effectiveness through Policy on Matters Relating to Board of Directors, for evaluating the performance and effectiveness of Board Sub Committees as well.

Group Board Audit Committee

Purpose:

Oversight of financial reporting, internal controls, internal and external audits and compliance with legal and regulatory requirements

Composition of the Committee:

Ms. Rachini Rajapaksa

Independent Non-Executive Director (Chairperson)

Ms. Inoshini Perera

Independent Non-Executive Director

Ms. Manjula Mathews

Non-Independent Non-Executive Director

Meeting Frequency:

Quarterly

Group Remuneration Committee

Purpose:

Evaluation and recommendation of the Company's remuneration structure in alignment with performance parameters.

Composition of the Committee:

Mr. Dilendra Wimalasekera

Independent Non-Executive Director (Chairman)

Mr. Rajendra Theagarajah

Independent Non-Executive Director

Mr. Ramesh Schaffter

Non-Independent Non-Executive Director

Meeting Frequency:

Semi-annually

CORPORATE GOVERNANCE

Group Investment, Asset and Liability Committee

Purpose:

Reviewing investment related analysis, liquidity positions and risks and approving investment decisions of the Group in the best interest of shareholders.

Composition of the Committee:

Mr. Rajendra Theagarajah

Independent Non-Executive Director (Chairman)

Ms. Rachini Rajapaksa

Independent Non-Executive Director

Ms. Manjula Mathews

Non-Independent Non-Executive Director

Mr. Dilshan Wirasekara

Executive Director

Meeting Frequency:

Bi-weekly

Group Related Party Transactions Review Committee

Purpose:

Ensuring that the Company takes the interest of shareholders as a whole into consideration in a manner that avoids conflict of interest.

Composition of the Committee:

Ms. Rachini Rajapaksa

Independent Non-Executive Director (Chairperson)

Ms. Inoshini Perera

Independent Non-Executive Director

Ms. Manjula Mathews

Non-Independent Non-Executive Director

Meeting Frequency:

Quarterly

Group Board Integrated Risk Management Committee

Purpose:

Establishing and maintaining a comprehensive enterprise risk management system.

Composition of the Committee:

Ms. Rachini Rajapaksa

Independent Non-Executive Director (Chairperson)

Ms. Inoshini Perera

Independent Non-Executive Director

Mr. Dilshan Wirasekara

Executive Director

Meeting Frequency:

Monthly

Group Nomination and Governance Committee

Purpose:

Reviewing the composition of the Board to ensure that the Board is properly constituted and balanced in terms of skills, experience and diversity.

Composition of the Committee:

Mr. Kuda Herath

Independent Non-Executive Director (Chairman)

Mr. Rajendra Theagarajah

Independent Non-Executive Director

Ms. Manjula Mathews

Non-Independent Non-Executive Director

Meeting Frequency:

Annually and when circumstances dictate

Role of the Company Secretary

The Company Secretary is responsible to the board for, inter alia, acting as a central source of information and advice to the board on its duties and responsibilities, adherence to good corporate governance principles, and compliance with procedures and applicable statutes and regulations. All directors have full access to the professional services and advice of the Company Secretary in all aspects of the Board's mandate and operations of the Company. In line with good governance practices, the appointment and removal of the Company Secretary is a board matter.

The assessment confirmed that - Janashakthi Corporate Services Limited has been Company Secretary:

- is competent, suitably qualified and experienced
- has the requisite skills, knowledge and experience to advise the board on good governance
- maintains an arm's length relationship with the board and directors
- has discharged her responsibilities effectively in the year under review

COMPLIANCE DISCLOSURES

Minimum governance requirements applicable to Market Intermediaries

Section	Minimum requirement	Compliance Status
Board composition	Board of directors of the Market intermediary shall comprise of a minimum of 3 Directors in total; of whom at least One (1) shall be a Non-Executive Director.	Complied
	Where the Chairman is a Non-Executive Director, the Non-Executive Director shall be 'Independent'.	Complied
	In the event the Chairman and CEO roles are combined, the Board shall appoint the Independent Non-Executive Director to be the "Senior Independent Director" (SID) with powers equivalent to that of the Chairman, as specified in the Board Charter or terms of reference.	N/A
Chief Executive Officer	<p>The CEO shall be a full-time employee, dedicated to the entity and shall;</p> <ul style="list-style-type: none"> possess a degree or a professional qualification from a recognized university/institute <p>or</p> <ul style="list-style-type: none"> a minimum of ten (10) years of senior managerial experience <p>However, where the entity holds more than one category of license issued by the SEC, a dedicated Business Head with adequate competence, reporting to the CEO shall be appointed for each license category; whilst ensuring appropriate processes are in place to have a clear demarcation of the different functions pertaining to such businesses.</p>	Complied

Compliance status with the Market Intermediary Rules

Regulator requirement	Compliance Status
<ul style="list-style-type: none"> Managing Company shall provide the financial statements prepared monthly in conformity with the Sri Lanka Accounting Standards signed by a Director and the Chief Executive Officer to the Commission before the twentieth (20th) day of the following month. 	Complied
<ul style="list-style-type: none"> An interim report and unaudited accounts shall be produced for each Scheme for the first six (6) months of each annual accounting reporting period and shall contain the same information as required in the annual audited report and accounts but need not contain an auditor's report. 	Complied
<ul style="list-style-type: none"> Interim report and unaudited accounts of a Scheme for a reporting period shall be published on the website of the Managing Company and the investors shall be informed of such fact by way of a newspaper advertisement within three (3) calendar months from the end of the interim accounting period. 	Complied
<ul style="list-style-type: none"> Annual report and audited accounts shall be submitted to the Commission by the Managing Company within four (4) calendar months after the end of the annual accounting period. 	Complied
<ul style="list-style-type: none"> The annual report and audited accounts shall be forwarded to the Trustee for approval prior to it being submitted to the Commission. 	Complied
<ul style="list-style-type: none"> Accounts, books, and other documents forming the basis for financial statements and reports are maintained and preserved for a period of five years. 	Complied
<ul style="list-style-type: none"> The annual report and audited accounts shall be made available to current Unitholders of the Scheme and also be published on the website of the Managing Company within four (4) calendar months of the end of the last day of the financial year. 	Complied
<ul style="list-style-type: none"> Daily records are kept for the units. 	Complied
<ul style="list-style-type: none"> The annual report and audited accounts of a Scheme shall be a stand-alone document and shall not contain any extraneous or financial promotion material. 	Complied

COMPLIANCE DISCLOSURES

Regulator requirement	Compliance Status
<ul style="list-style-type: none"> Securities of any firm or company in which the Managing Company has any equity interest are not being brought or sold without the prior written approval of the SEC. 	N/A
<ul style="list-style-type: none"> Total investment does not exceed any limit permitted by SEC and un-allowed investments are not being made. 	Complied
<ul style="list-style-type: none"> All transactions between the Unit Trust and an associate, joint venture, subsidiary, or holding company of the Managing Company, shall be with the prior written consent of the trustee 	Complied
<ul style="list-style-type: none"> A money market scheme shall maintain the liquidity levels: <ul style="list-style-type: none"> 5% of its net asset value maturing on an overnight basis 10% of its net asset value maturing on a weekly basis 20% of its net asset value maturing on a monthly basis 	Complied Complied Complied
<ul style="list-style-type: none"> Key Investor Information Document (KIID) is reviewed by the Managing Company and revised where material to take account of any change or any new matter. Units are not sold or offered to the public unless a copy of the latest approved KIID has been made available. KIID contains the required information and has been approved by SEC. 	In Progress-Trustee is in the process of review the latest document submitted by the Manager. Explanatory memorandum is in place.
<ul style="list-style-type: none"> Trustee has been approved by SEC. 	Complied
<ul style="list-style-type: none"> Trustee and the Managing Company of the Unit Trust are separate legal entities. 	Complied
<ul style="list-style-type: none"> Trust deed is approved by SEC. 	Complied
<ul style="list-style-type: none"> Trust deed contains the required information. 	Complied
<ul style="list-style-type: none"> Changes to the Trust Deed are not done without the prior approval of the SEC. 	Complied
<ul style="list-style-type: none"> Maintain a minimum net capital of LKR 25Mn by the Managing Company. 	Complied
<ul style="list-style-type: none"> A register of the unitholders is maintained with the required information and updated. 	Complied
<ul style="list-style-type: none"> Calculation of the issue and redemption prices of Units shall be in accordance with the provisions contains in the trust deed of the scheme. 	Complied
<ul style="list-style-type: none"> Latest available offer and redemption prices are published, in leading Sri Lankan daily newspaper or on the website of the Managing Company. 	Complied
<ul style="list-style-type: none"> If the net asset value of a Scheme is published it may be stated that this price excludes the front-end fee or exit fee if any. 	Complied
<ul style="list-style-type: none"> The Managing Company shall record each instance where the unit price is incorrect and, as soon as the error is discovered, report the fact to the Trustees of the Scheme together with details of the action taken, or to be taken, to avoid repetition. 	Complied
<ul style="list-style-type: none"> The valuation method that will be adopted in order to determine the net asset value of its portfolio of investments shall be as provided for in the KIID. 	Complied with the valuation methodology stipulated in the CIS Code - 2022
<ul style="list-style-type: none"> The net asset value of an open-ended Scheme shall be calculated at least once every business day and where such calculation is not possible for reasons as stated in the KIID, it shall be calculated at least once every week or at such frequency as may be approved by the Commission. 	Complied
<ul style="list-style-type: none"> Payment for Units shall be made in full within five (5) business days prior to their issue. 	Complied

Regulator requirement	Compliance Status
<ul style="list-style-type: none"> Allowable other expenses are being charged from the fund and adequate disclosures are being provided to unitholders for the same. 	Complied
<ul style="list-style-type: none"> Content of the advertisements shall be according to guidelines provided in the CIS Code 	Complied
<ul style="list-style-type: none"> All advertisements should be approved by the Trustee 	Complied
<ul style="list-style-type: none"> After obtaining the Trustee's approval, a copy of such advertisement is filed to the SEC 1 week prior to the publication. (A flexibility to this rule has been granted by SEC on through email) 	Complied
<ul style="list-style-type: none"> Managing Company with the approval of the Trustee shall appoint an auditor who shall provide his services for the entirety of the financial year. 	Complied
<ul style="list-style-type: none"> Audit fees of the auditor are determined by the Managing Company with the approval of the trustee. 	Complied
<ul style="list-style-type: none"> Audit opinion is distributed to unitholders. 	Complied
<ul style="list-style-type: none"> The maximum interval between the receipt of a properly documented request for redemption of Units and the payment of the redemption money to the Unitholders, shall not exceed ten (10) business days from the dealing day on which, the request was received. 	Complied
<ul style="list-style-type: none"> Where, for any exceptional reason, it is not feasible or desirable to make payment of the redemption money within ten (10) business days, the Commission shall be notified forthwith giving reasons as to why such payment should not be made within ten (10) business days. 	Complied
<ul style="list-style-type: none"> On every dealing day, the Managing Company shall inform the Trustee in writing, the number of Units of the Scheme to be issued/canceled along with the amount payable in respect thereof during such day. 	Complied
<ul style="list-style-type: none"> Managing Company should obtain SEC approval for any other business activity conducted by the Company. 	Complied
<ul style="list-style-type: none"> Ensure that managing third-party portfolios are not in conflict with the Unit Trust Operations. 	Complied
<ul style="list-style-type: none"> A Managing Company may renew the license annually three months prior to the expiry of the license. 	Complied
<ul style="list-style-type: none"> Ensure compliance with the CDD rules and related circulars issued by CBSL-FIU. 	Complied
<ul style="list-style-type: none"> Continuous Professional Development (CPD) Qualification is mandatory to the employees of the unit trusts Managing companies dealing with client's or who engage in marketing unit trust products to the public for and on behalf of the Managing Company from 01 January 2022. 	Complied
<ul style="list-style-type: none"> Ensure Compliance with the sections mentioned on Section A of Part V to the Schedule of the SEC Act. 	Complied
<ul style="list-style-type: none"> Make a quarterly compliance report including the content specified by the Rules approved by the Board of Directors and Chief Executive Officer confirming compliance with the provisions of the SEC Act before the 20th day of the following month. 	Complied
<ul style="list-style-type: none"> A Managing Company shall notify the SEC and obtain its prior consent of any change in particulars contained in a licensing/renewal application. 	Complied
<ul style="list-style-type: none"> A change in the shareholding of twenty percent (20%) or more of the total shareholding of a Managing Company shall be made only with prior consent of the Commission. 	Complied
<ul style="list-style-type: none"> The Managing Company shall not invest the assets of the CIS in the securities issued by a related company of the Managing Company without the prior written consent of the Trustee. All such transactions shall be disclosed in the annual report of the CIS. 	Complied

COMPLIANCE DISCLOSURES

The Information Technology, Data Privacy, and Cybersecurity components of the Fund are managed by the Group's IT division. The following outlines the extent to which current practices align with applicable governing principles and best practices.

Status of IT compliance to five domains introduced by The IT Governance Institute [ISACA]

	Criteria	Description	Compliance Status
1	Strategic Alignment		
1.1	Ensure IT input is obtained in strategic planning	Ensure senior IT Staff are involved in the development of the organisation's strategic plan	Complied
1.2	Review & approve IT strategic plan	Approve the IT strategic plan developed for the organisation which sets the overall direction of IT. IT goals and strategy must be periodically reviewed based on the role IT plays in the organisation	Complied
1.3	Ensure business strategy - IT alignment	The goals and plans related to information technology should facilitate the achievement of strategic goals	Complied
1.4	Review & approve IT capital expenditure	Review and approve capital expenditure on IT	Complied
1.5	Monitoring of IT investments	IT investments must be reviewed periodically to ensure that IT investments deliver the promised benefits	Complied
1.6	Stay abreast of new technologies	Monitor new technologies in order to obtain competitive advantages for business growth	Complied
2	Value Delivery		
2.1	Review & approve IT policies	Approve IT policies, review policies periodically based on changes in the internal and external environments	Complied
2.2	Obtain independent assurance on compliance & policy enforcement	Obtain assurance on compliance and ensure policy enforcement. This should cover outsourced third-party vendors who provide services	Complied
2.3	Establish mechanisms for policy communication	Ensure IT policies are communicated to staff	Complied
2.4	Obtain reports on critical review of IT infrastructure	Periodically receive review reports on IT infrastructure & platforms and ensure they are up to date in line with emerging technologies	Substantially complied
2.5	Approve key infrastructure changes	Approve key changes to IT services, vendors, business applications and infrastructure	Complied
3	Risk Management		
3.1	Review cyber risk assessments	Periodical review of cyber risk assessments including internal and external vulnerability assessments. Obtain assurance on the effectiveness of risk treatment plans	Complied
3.2	Review BCP and DRP	Review the organisation's BCP/DRP including the BCP test results	Complied
3.3	Establish security policies & protocols	Review and approve security policies and protocols ensuring a multi-layered defense encompassing MFA, firewalls, encryption, and regular patch management	Complied
3.4	Establish mechanisms for cyber security training & awareness	Ensure cybersecurity training is carried out when onboarding new employees and the conduct of periodical refresher sessions on latest cyber security threats	Complied

	Criteria	Description	Compliance Status
4	Resource Management		
4.1	Review and approve the IT budget and ensure effective resource allocation	Review the IT budget to ensure proper alignment with strategic goals. Resource allocation is dependent on IT posture, need for innovation, future plans, maintenance, and upgrades	Complied
4.2	Evaluate and optimise IT infrastructure	Rigorous evaluation and optimisation of IT infrastructure to ensure growth, scalability, value, resilience, and cost-effectiveness	Complied
4.3	Talent augmentation and succession	Invest in continuous professional development for IT professionals. Create a culture of learning where reskilling and upskilling is done to keep pace with advancements in technology and changes to the cyber threat landscape. Ensure proper succession plans are in place for Senior IT Staff	Complied
4.4	Monitor IT capital expenditure	Review reports on budget versus actual cost incurred and timelines of key capital expenditure projects	Complied
5	Performance Management		
5.1	Ensure a cyber skills competency assessment is carried out for IT function	This is required to ensure that the IT Function consists of skilled, competent and experienced employees for the various critical IT roles and are able to discharge their duties effectively	Complied
5.2	Rigorous review of the IT organisation chart and cadre	This entails a comprehensive review of the roles and responsibilities of the IT function, a review of the reporting lines to ensure proper segregation of duties and independence of certain cyber security roles	In progress. The Company is in the process of recruiting a CISO at Group level to make the IT security function Independent.
5.3	Formulate key performance indicators (KPIs)	Establishing KPIs for the IT function is important to monitor performance of IT activities, processes and projects. These KPI's may include system downtime, service response times, adherence to service level agreements (SLAs), user satisfaction rates, or on time project completion, project cost overruns	Complied
5.4	Regular assessments of processes and systems	Conduct regular audits or performance reviews which assist in identifying inefficiencies, bottlenecks, or areas that could be further optimised. Proactively analyse performance data which allows for proactive measures to be taken to enhance efficiency and address potential adverse events	Complied
5.5	Create feedback channels	Obtaining feedback from end-users and other stakeholders helps to understand user experiences and new needs. Surveys, focus groups, or helpdesk feedback may provide valuable feedback for enhancing IT service delivery and user satisfaction	Complied
5.6	Benchmarking exercises	Comparing current performance metrics against industry benchmarks or past performance assists in the identifying of areas requiring further improvement	In progress. The company is in the process of conducting an benchmarking assessment through an external service provider.

COMPLIANCE DISCLOSURES

Status of IT compliance to King IV Technology and Information Governance Principles and recommended practices

No.	Recommended practices	Compliance Status
1	The governing body should assume responsibility for the governance of technology and information by setting the direction for how technology and information should be approached and addressed in the organisation	Complied
2	The governing body should approve policy that articulates and gives effect to its set direction on the employment of technology and information	Complied
3	The governing body should delegate to management the responsibility to implement and execute effective technology and information management	Complied
4	The governing body should exercise ongoing oversight of technology and information management and, in particular, oversee that it results in the following:	
	a. Integration of people, technologies, information and processes across the organisation	Yes
	b. Integration of technology and information risks into organisation-wide risk management	Yes
	c. Arrangements to provide for business resilience	Yes
	d. Proactive monitoring of intelligence to identify and respond to incidents, including cyber-attacks and adverse social media events	Complied
	e. Management of the performance of, and the risks pertaining to, third- party and outsourced service providers	Complied
	f. The assessment of value delivered to the organisation through significant investments in technology and information, including the evaluation of projects throughout their life cycles and of significant operational expenditure	Yes
	g. The responsible disposal of obsolete technology and information in a way that has regard to environmental impact and information security	Yes
	h. Ethical and responsible use of technology and information	Yes
	i. Compliance with relevant laws	Yes
5	The governing body should exercise ongoing oversight of the management of information and, in particular, oversee that it results in the following:	
	a. The leveraging of information to sustain and enhance the organisation's intellectual capital	Yes
	b. An information architecture that supports confidentiality, integrity and availability of information	Yes
	c. The protection of privacy of personal information	Yes
	d. The continual monitoring of security of information	Yes
6	The governing body should exercise ongoing oversight of the management of technology and, in particular, oversee that it results in the following:	
	a. A technology architecture that enables the achievement of strategic and operational objectives	Yes
	b. The management of the risks pertaining to the sourcing of technology	Yes
	c. Monitoring and appropriate responses to developments in technology, including the capturing of potential opportunities and the management of disruptive effects on the organisation and its business model	Yes
7	The governing body should consider the need to receive periodic independent assurance on the effectiveness of the organisation's technology and information arrangements, including outsourced services	Yes
8	The following should be disclosed in relation to technology and information:	
	a. An overview of the arrangements for governing and managing technology and information	Yes
	b. Key areas of focus during the reporting period, including objectives, significant changes in policy, significant acquisitions and remedial actions taken as a result of major incidents	Yes
	c. Actions taken to monitor the effectiveness of technology and information management and how the outcomes were addressed	Yes
	d. Planned areas of future focus	

IT Checklist on Data Protection & Privacy as per Personal Data Protection Act, No. 9 of 2022

No.	Checklist Item	Compliance Status
1	Does the Company have a data classification policy ?	Yes
2	Does the Company know what data protection laws and regulations the organisation is subject to ?	Yes
3	Does the Company have a data protection officer ?	In progress. Chief Risk Officer has been appointed as the DPO. Formal approval of the same is delayed due to Government announcement of further amendments to the Personal Data Protection Act No. 09 of 2022 (the Act)
4	What type of personal data the Company collect and where is it located ? - type - sources - format - how it is used - structure and classification according to sensitivity - whether it is subject to access, deletion, disclosure or other individual rights and requests - location	The details have been provided in the Data Protection Policy which will be formally approved by the Company after the pending Government Announcement of the amendments to the Act.
5	What is the purpose of collecting and retaining personal data? Is it disclosed in the form of a privacy policy ?	Yes
6	Does the Company obtain consent for collecting the data ?	Yes
7	Does the Company have proper safeguards in place to protect the data ?	Yes
8	Does the Company transfer personal data across borders ?	No
9	Does the Company transfer personal data to other vendors ?	Yes (based on the specific requirements after executing NDAs)
10	Has the Company carried out a privacy due diligence prior to onboarding third party vendors ?	Yes (through the Vendor Management Policy)
11	Does the Company have privacy related clauses in the agreements with vendors ?	Yes
12	Does the Company have a right to audit vendors for compliance with "privacy" requirements ?	Yes
13	Does the company have a data privacy strategy ?	Yes (this is included in the IT policy under the Data Protection policy)
14	Does the Company have a data privacy program in place ?	In progress
15	Has the Company established a data breach notification process ?	In progress
16	Does the Company carry out awareness sessions and training for Directors and employees ?	Yes
17	Does the Company have a data destruction policy ?	In progress

COMPLIANCE DISCLOSURES

Board Level Checklist for Cyber Security

This report shows the status of compliance of the highest governance body in accordance with the Guideline on IT Governance for Directors issued by CA Sri Lanka and Schedule "o" of the Code of Best Practice on Corporate Governance 2023.

Section	Requirement	Compliance Status
1	The board should consist of at least one Director from an information technology background, preferably with knowledge and experience in cyber security	Complied
2	A dedicated board committee or the delegated Audit/Risk Committee should exercise oversight over cyber security	Complied
3	The board should ensure that the organisation has a cyber security strategy	Complied
4	The board should ensure that cyber security roles and responsibilities are defined	Complied
5	Board should ensure that staff at all levels recognise that they each have important responsibilities to ensure your organisation's cyber resilience. Make clear that you expect all staff to act with integrity and to promptly escalate observed non-compliance within or outside your organisation	Complied
6	The board should appoint a Chief Information Security Officer [CISO]. The roles of Chief Information Officer [CIO] and Chief Information Security Officer [CISO] should be segregated Ensure that this officer has regular board access, sufficient authority, command of the subject matter, experience, and resources to fulfill these duties	In progress. The Company is in the process of recruiting a CISO at Group level to make the IT security function Independent.
7	The board should ensure that the organisation adopts a risk management framework for identifying, evaluating and mitigating cyber risks and periodically review the cyber security risk assessment [including third party vendors and supply chain partners] Regularly review third-party risks related to cyber security Periodically review the performance on the cyber security control measures and consider seeking independent advice for continuous improvement Work to integrate cyber resilience and risk assessment into your organisation's overall business strategy, risk management, budgeting, and resource allocation	Complied Complied Complied Complied
8	The board should ensure that adequate time is spent on deliberating cyber risks and the adequacy of technology resilience	Complied
9	Ensure that a formal, independent cyber resilience review of your organisation is carried out annually	Complied
10	The board should determine and set the "cyber risk appetite" of the organisation Annually define your organisation's risk tolerance, ensuring it is consistent with your corporate strategy and risk appetite	Complied Complied
11	The board should allocate sufficient resources to managing cyber risks The board should ensure that the organisation has a cyber security budget sufficient to address and mitigate cyber security threats faced by the organisation	Complied Complied
12	The board should be made aware of any laws and regulations regarding cybersecurity and data protection in jurisdictions that the company operates in and ensure that a mechanism is available to ensure ongoing compliance	Complied
13	The board should ensure that the organisation has an incident response plan	Complied

Section	Requirement	Compliance Status
14	The board should ensure that the organisation adopts an effective data governance program that classifies data, determines its value and allows for a risk-based safeguarding of data covering its entire life cycle	Substantially complied
15	The board should ensure that the organisation has an up to date and tested business continuity plan	Complied
16	When an individual joins the board, ensure that they have appropriate and up-to-date skills and knowledge to understand and manage the risks posed by cyber threats	Complied
17	The board should ensure that Directors and employees receive cybersecurity training periodically	Complied
	Ensure that the board is aware of its role as the ultimate responsibility-holder for your organisation's cyber risk and resilience	Complied
	Oversee the creation, implementation, testing and ongoing improvement of cyber resilience plans, ensuring they are harmonised across your organisation and that your CISO or other accountable officer regularly reports on them to the Board	In progress. The Company is in the process of recruiting a CISO at Group level to make the IT security function Independent.
18	Solicit regular advice from management on your organisation's current and future cyber risk exposure, relevant regulatory requirements, and industry and societal benchmarks for risk appetite. Plan to engage in:	Complied
	<ul style="list-style-type: none"> Regular briefings on duties created by new regulations and legislation, 	
	<ul style="list-style-type: none"> Board and executive committee joint planning and visits to best practice peers and leaders in cybersecurity, 	
	<ul style="list-style-type: none"> Security briefings on the threat environment, and 	
	<ul style="list-style-type: none"> Board-level exchanges of information on governance and reporting 	
19	Make clear to management that they are accountable for reporting a quantified and understandable assessment of cyber risks, threats, and events as a standing agenda item during board meetings	Complied
	Regularly check in with management and other relevant personnel about developments related to ongoing systemic challenges such as supply chain vulnerabilities, common dependencies, and gaps in information sharing	Complied
	Oversee management's role in fostering and maintaining your organisation's risk culture. Regularly assess the effectiveness of your organisation's risk culture, considering the impact of culture on safety and soundness and making changes where necessary	Complied

GROUP BOARD AUDIT COMMITTEE REPORT

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Board Audit Committee (BAC) of First Capital Holdings PLC thus functions as the Audit Committee of the Fund Managing Company and is responsible for establishing and maintaining a comprehensive financial reporting framework and internal control systems for identifying, assessing and monitoring internal control practices in order to assist the Board and Corporate Management Team in terms of the BAC Charter.

Charter Of The Committee

The BAC Charter explicitly defines the Terms of Reference (TOR) of the Committee and governs the composition, functions and responsibilities. The Committee evaluates the Fund's financial reporting process, internal control systems, both the internal and external audit functions, and the Fund's procedures for ensuring compliance with applicable laws, regulations any existing internal codes of conduct and safeguarding of the unitholder funds.

Composition of the committee

The Board Committee consists of two Independent Non-Executive Directors and one Non-Independent Non-Executive Director of the Company. The Committee is chaired by Ms. Rachini Rajapaksa

Current members of the committee

The members of the Board Audit Committee as of the reporting date are as follows.

- **Ms. Rachini Rajapaksa**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024
- **Ms. Inoshini Perera**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024

- **Ms. Manjula Mathews**
Non-Independent Non-Executive Director
Appointed w.e.f 04 July 2024

Secretary to the Committee

- **Janashakthi Corporate Services Limited**
Secretaries

Former members of the committee

- **Mr. Chandana de Silva**
Independent Non-Executive Director
Resigned from being a director w.e.f 28 June 2024
- **Mr. Nishan Fernando**
Independent Non-Executive Director
Resigned from being a director w.e.f 28 June 2024
- **Mr. Ramesh Schaffter**
Non-Independent Non-Executive Director
Resigned from being a committee member w.e.f 04 July 2024

Brief profiles of the members of the Board appointed Audit Committee are given on Pages 177 to 180 of the Annual Report.

Functions

The primary function of the Committee is to assist the Board in fulfilling its oversight responsibilities, primarily through:

- Overseeing management's conduct of the Fund's financial reporting process and systems of internal accounting and financial controls;
- Monitoring the independence and performance of the Fund's external auditors;
- Providing an avenue of communication among the external auditors, internal auditors, management and the Board; and
- Review the integrity and adequacy of Fund's internal control process

Financial Reporting System

The Committee reviewed the financial reporting system adopted by the Fund with particular reference to the following;

- The preparation, presentation and adequacy of the disclosures in the Company's annual and interim financial statements in accordance with the Sri Lanka Accounting Standards, requirements of the Collective Investment Scheme Code (CIS Code 2022) and other applicable statutes.
- The underlying rationale and basis for the significant estimates and judgments to the financial statements.

Internal Audit

The Internal Audit function of the Fund has been outsourced to M/s. Ernst & Young. Control weaknesses highlighted in the internal audit reports were examined by the Committee and the follow-up action taken by the management on the audit recommendations were also reviewed. The committee reviewed the effectiveness of the internal audit function and the scope and procedures for internal audit during the ensuing year.

External Audit

The committee reviewed the annual financial statements for 2024/25 including the audit opinion with the External Auditors, M/s B. R. De Silva and Co prior to recommendation to the Board of Directors for approval. In accordance with best practices in corporate governance, the Committee also evaluated the scope of non-audit services provided by the External Auditors to ensure their independence and objectivity was not compromised.

The Committee recommended the audit fees to the Board of Directors of Managing Company (First Capital Asset Management Limited) for approval, following a detailed review.

Risk Management and Internal Controls

During the year under review, the Audit Committee carried out a comprehensive evaluation of the Fund's key financial risk exposures, together with the policies and procedures implemented by management to monitor, control, and report such risks. The Committee also assessed ongoing legal matters affecting the Fund, with particular attention to potential implications and associated risks.

The Committee was briefed on the Fund's Incident and Near Miss Reporting Procedure and Whistleblowing Policy, both of which are critical to mitigating financial and reputational risks. Significant incidents reported under these frameworks were brought to the Committee's attention for appropriate review and oversight.

The Committee reviewed the findings of the IT General Controls Review conducted by M/s KPMG. Following detailed discussions, the Committee stressed the importance of enhancing the Fund's IT risk governance framework and recommended the appointment of a Chief Information Security Officer (CISO) at the Group level.

In addition, the Committee reviewed the Compliance Register, maintained by the Compliance Division, which serves as a tool to ensure adherence to regulatory rules and corporate governance policies. The Committee also reviewed and recommended for Board approval the Policy on Engagement of External Auditors for Non-Audit Services, as presented by the Compliance Division.

Written assurance was received from the Chief Executive Officer and Chief Financial Officer, confirming that financial and business operations are functioning effectively. This assurance was supported by the submission of quarterly compliance reports.

Meetings

Four audit committee meetings were held during the year under review. External Auditors and Internal Auditors were also present at meetings on a need basis. The proceedings of the Audit Committee meetings are reported to the Board of Directors on a regular basis.

The attendance of the Members for the Audit Committee meetings during year 2024/25 is as follows.

Name of the Board Subcommittee Members	Membership Status	Attendance in 2024/25 (Attended/ Eligible to Attend)
Ms. Rachini Rajapaksa	Chairperson	3/3
Ms. Inoshini Perera	Member	3/3
Ms. Manjula Mathews	Member	3/3
Mr. Chandana de Silva	Former chairman	1/1
Mr. Nishan Fernando	Former member	1/1
Mr. Ramesh Schaffter	Former member	0/1

Regular Attendees by Invitation:

● Mr. Dilshan Wirasekara (Managing Director)	3/4
● Mr. Mangala Jayashantha (Chief Financial Officer)	4/4
● Ms. Harshanee Deshapriya (Head of Legal)	4/4
● Mr. Kapila Perera (Chief Risk Officer)	4/4

(Sgd.)

Ms. Rachini Rajapaksa

Chairperson- Board Audit Committee (First Capital Holdings PLC)

4 June 2025

Colombo

GROUP REMUNERATION COMMITTEE REPORT

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Remuneration Committee of First Capital Holdings PLC thus functions as the Remuneration Committee of First Capital Asset Management Limited.

Composition of the Committee

Current members of the committee

As at 31 March 2025, the committee comprised the following directors.

- **Mr. Dilendra Wimalasekera**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024
- **Mr. Rajendra Theagarajah**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024
- **Mr. Ramesh Schaffter**
Non-Independent Non-Executive Director
Appointed w.e.f 04 July 2024

Secretary to the Committee

- **Janashakthi Corporate Services Limited**
Secretaries

Former members of the committee

- **Mr. Chandana de Silva**
Independent Non-Executive Director (Former Chairman)
Resigned from being a director w.e.f. 28 June 2024
- **Ms. Manjula Mathews**
Non-Independent Non-Executive Director
Resigned from being a committee member w.e.f. 04 July 2024
- **Mr. Nishan Fernando**
Independent Non-Executive Director
Resigned from being a director w.e.f. 28 June 2024

Brief profiles of the members of the Board appointed Remuneration Committee are given on Pages 177 to 180 of the Annual Report.

Scope of the Remuneration Committee

The scope of the Remuneration committee covers the Company's remuneration and benefits, competency development of employees, especially the key drivers of the business, and succession planning.

Key Responsibilities of the Remuneration Committee

- Review and recommend a remuneration and incentive scheme, including any proposed equity incentive awards including terminal benefits/pension rights for the Managing Director, Chief Executive Officer and Key Management Personnel (KMP).
- Review proposed increments and market adjustments to compensation to ensure appropriate rates in relation to market/industry and the compensation philosophy of the Company.
- Approve annual increments, bonuses, incentives and any other compensation changes for the Managing Director and the Senior Management team including KMP, based on corporate and individual performance against set targets and goals.
- Ensure the remuneration and benefits are set on a fair and equitable basis.
- Ensure a proper mechanism is in place for management development and succession planning and periodic reviews of the same.
- Review market data on compensation and benefits and approve periodic recommendations made by the management.
- Communication with shareholders on the remuneration policy and the committee's work (on behalf of the Board) through a Remuneration Committee Report.
- Participate in the recruitment and selection process of the KMP based on the recommendations made by Managing Director and Chief Executive Officer.
- Recommend appropriate service contracts for Executive Directors.
- Approve the terms of any compensation package in the event of early termination of the contract of an Executive Director.
- Provide directions on disciplinary matters that involves an employee that could create a significant impact to the Company.

Committee meetings

The Remuneration Committee convened two times during the period under review.

The meeting attendance during FY 2024/25 is as follows.

Name of the Board Subcommittee Members	Membership Status	Attendance in 2024/25 (Attended/ Eligible to Attend)
Mr. Dilendra Wimalasekera	Chairman	1/1
Mr. Rajendra Theagarajah	Member	1/1
Mr. Ramesh Schaffter	Member	1/1
Mr. Chandana de Silva	Former chairman	1/1
Ms. Manjula Mathews	Former member	1/1
Mr. Nishan Fernando	Former member	1/1

Other matters

The Remuneration committee is authorised by the Board to seek appropriate professional advice inside and outside the Company as and when it considers this necessary.

(Sgd.)

Dilendra Wimalasekera

Chairman – Remuneration Committee (First Capital Holdings PLC)

4 June 2025

Colombo

GROUP RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Related Party Transactions Review Committee of First Capital Holdings PLC thus functions as the Related Party Transactions Review Committee of First Capital Asset Management Limited.

COMPOSITION OF THE COMMITTEE

Related Party Transactions Review Committee was appointed by the Board of Directors of the Company and reports directly to the Board. The Committee consists of three (3) members with a combination of two Independent Non-Executive Directors and one Non-Independent Non-Executive Director. The members of the committee are as follows:

Current members of the Committee

- **Ms. Rachini Rajapaksa**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024
- **Ms. Inoshini Perera**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024
- **Ms. Manjula Mathews**
Non-Independent Non-Executive Director
Appointed w.e.f 04 July 2024

Secretary to the Committee

- **Janashakthi Corporate Services Limited**
Secretaries

Former members of the Committee

- **Mr. Chandana de Silva**
Independent Non-Executive Director
Resigned from being a Director w.e.f 28 June 2024
- **Mr. Nishan Fernando**
Independent Non-Executive Director
Resigned from being a Director w.e.f 28 June 2024

- **Mr. Ramesh Schaffter**
Non-Independent Non-Executive Director
Resigned from being a committee member w.e.f. 04 July 2024

Brief profiles of the members of the Board appointed Related Party Transactions Review Committee are given on pages 177 to 180 of the Annual Report.

The Company Secretary functions as the Secretary to the Committee.

SCOPE

The Related Party Transactions Review Committee was formed by the Board to assist the Board in reviewing the Related Party Transactions (RPT) carried out by the Fund in relation to the stipulated rules and procedures.

POLICIES AND PROCEDURES

The Fund has adopted a Related Party Transactions (RPTs) Policy in view of structuring the Fund's policies and procedures to uphold good governance and in the best interests of the Fund.

The Committee adopted policies and procedures for

- reviewing the RPTs at each quarterly meeting,
- identifying and reporting on recurrent and non-recurrent transactions.

The Committee ensures that all transactions with related parties are in the best interests of all stakeholders, adequate transparency is maintained.

The Committee reviewed RPTs during the year and communicated its observations to the Board.

MEETINGS

The Committee held four meetings during the year under review. Proceedings of the committee meetings are regularly reported to the Board of Directors.

The meeting attendance for the year 2024/25 is as follows.

Name of the Board Subcommittee Members	Membership Status	Attendance in 2024/25 (Attended/ Eligible to Attend)
Ms. Rachini Rajapaksa	Chairperson	3/3
Ms. Inoshini Perera	Member	3/3
Ms. Manjula Mathews	Member	3/3
Mr. Chandana de Silva	Former Chairman	1/1
Mr. Nishan Fernando	Former member	1/1
Mr. Ramesh Schaffter	Former member	0/1

(Sgd.)

Rachini Rajapaksa

Chairperson-Related Party Transactions Review Committee (First Capital Holdings PLC)

4 June 2025

Colombo

GROUP NOMINATION AND GOVERNANCE COMMITTEE REPORT

Report of the Group Nomination and Governance Committee

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Nomination and Governance Committee of First Capital Holdings PLC thus functions as the Nomination and Governance Committee of the Fund Managing Company.

The principal role of the Nomination and Governance Committee is to review the composition of the Board to ensure that the Board is properly constituted and balanced in terms of skills, experience and diversity.

Charter of the Committee

The committee has the authority to discuss the issues under its purview and report back to the Board of Directors with recommendations, enabling the Board to take relevant decisions, define and establish the nomination process for Non-Executive Directors (NEDs), lead the process of Board appointments and make recommendations to the Board on the appointment of Non-Executive Directors.

In addition, the committee focuses on the following objectives in discharging its responsibilities:

- Review the composition of the Board and ensure that there is an appropriate balance between Executive and Non-Executive Directors.
- Assess the skills and knowledge required in the Board for the Board to discharge its duties effectively and strategically.
- Periodically assess the extent to which the required skills are represented at the Board.
- Prepare a clear description of the role and capabilities required for appointments.
- Identify and recommend suitable candidates for appointments to the Board.
- Ensure, on appointment to the Board, Non-Executive Directors receive a formal letter of appointment specifying clearly the expectations in terms of time commitment, involvement outside of the formal Board meetings, participation in committees, amongst others.
- Ensure that every appointee undergoes an induction to the Group.
- Ensure that the appointment of the Chairperson and the Executive Directors is a collective decision by the Board.
- Prepare a clear description of the role and capabilities required for appointments.
- Identify and recommend suitable candidates for appointments to the Board.
- Self-assessment of the Nominations and Governance Committee and its members.

Composition of the Committee

During the year under review, the Board Nomination and Governance Committee comprised following members. The Committee met twice during the year 2024/25.

Current members of the Committee

- **Mr. Kuda Herath**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024
- **Ms. Manjula Mathews**
Non-Independent Non-Executive Director
- **Mr. Rajendra Theagarajah**
Independent Non-Executive Director
Appointed w.e.f 04 July 2024

Secretary to the Committee

- **Janashakthi Corporate Services Limited**
Secretaries

Former members of the committee

- **Mr. Nishan Fernando**
Independent Non-Executive Director
Resigned from being a director w.e.f. 28 June 2024
- **Mr. Ramesh Schaffter**
Independent Non-Executive Director
Resigned from being a committee member w.e.f. 04 July 2024

Board Members and Attendance

The attendance for the meeting of Nomination and Governance Committee during the year 2024/25 is as follows.

Name of the former chairman and member.	Membership Status	Attendance in 2024/25 (Attended/ Eligible to Attend)
Mr. Kuda Herath	Chairman	2/2
Ms. Manjula Mathews	Member	2/2
Mr. Rajendra Theagarajah	Member	2/2
Mr. Nishan Fernando	Former chairmen	-
Mr. Ramesh Schaffter	Former member	-

Brief profiles of the members of the Board appointed Nomination and Governance Committee are given on Pages 177 to 180 of the Annual Report.

GROUP NOMINATION AND GOVERNANCE COMMITTEE REPORT

Committee Structure Diversity

Type of Directorship	Composition (%)
Independent Non-Executive	67%
Non-Independent Non-Executive	33%
Total	100%

Professional Advice

The Committee has the authority to seek external professional advice on matters within its purview whenever required.

The Year Ahead

The Committee will continue to review the skills and knowledge required by the Board, minimise key individual dependency risk and identify and groom suitable candidates to key positions of the organisation. The committee will also ensure the compliance with its stipulated framework.

Conclusion

The Committee continues to work closely with the Board of Directors in relation to the structure, size and composition of the Board ensuring diversity and balance of skills, knowledge and experience. The Committee is satisfied that the representation of skills, knowledge and experience on the Board is appropriate for the current needs of the Fund.

(Sgd.)

Kuda Herath
Chairman- Board Nomination and Governance Committee
(First Capital Holdings PLC)

4 June 2025
Colombo

GROUP INVESTMENT, ASSET AND LIABILITY COMMITTEE REPORT

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Investment, Asset and Liability Committee (IALCO) of First Capital Holdings PLC thus functions as the Investment, Asset and Liability Committee of First Capital Asset Management Limited.

The Investment Asset and Liability Committee (IALCO) has the delegated authority of the Board of Directors to make strategic and operational investment decisions and is primarily responsible for the investment strategy and the asset and liability management of the Group companies. Investment decisions on debt, equity, and other related investment proposals submitted by the fund managers are being evaluated by the Committee for the best interest of the Fund.

COMPOSITION OF THE COMMITTEE

Current members of the Committee

- **Mr. Rajendra Theagarajah**
Independent Non-Executive Director
(Appointed w.e.f. 04 July 2024)
- **Ms. Manjula Mathews**
Non- Independent Non-Executive Director
- **Mr. Dilshan Wirasekara**
Managing Director
- **Ms. Rachini Rajapaksa**
Independent Non-Executive Director
(Appointed w.e.f. 04 July 2024)

Secretary to the Committee

- **Janashakthi Corporate Services Limited,**
Secretaries

Resigned members of the Committee

- **Mr. Nishan Fernando**
Independent Non-Executive Director
Resigned from being a director
w.e.f. 28 June 2024

KEY RESPONSIBILITIES AND SCOPE OF WORK OF THE COMMITTEE

- Developing the investment strategy of the group based on the strategic plan
- Review, Evaluate and approve Investment decisions relating to the investment strategy
- Ensure adherence to the regulatory and Internal compliance levels and policies in making investment and borrowing decisions
- Review the performance of the existing portfolios
- Advise and recommend investment decisions for the best interests of the stakeholders

COMMITTEE MEETINGS

The Investment Committee held 25 meetings during the year under review. The proceedings of the Committee meetings have been escalated to the Board Meetings.

Attendance

The attendance for the meeting of Investment Asset and Liability Committee during the year 2024/25 is as follows.

Name of the Board Subcommittee Members	Membership Status	Attendance in 2024/25 (Attended/ Eligible to Attend)
Mr. Rajendra Theagarajah	Chairman	15/18
Mr. Dilshan Wirasekara	Member	23/25
Ms. Rachini Rajapaksa	Member	18/18
Ms. Manjula Mathews	Member	22/25
Mr. Nishan Fernando	Former Chairman	7/7

METHODOLOGY ADOPTED BY THE COMMITTEE

The committee evaluates the business environment and captures the changes in micro and macro factors in making decisions that will be best suited to the business unit prevailing under the given conditions. The committee would also instruct executive officers from time to time on investment paradigms for enhancing shareholder returns.

The committee meets bi-weekly to evaluate the strategy and risks associated with the future and past investment decisions. Also, the committee evaluated the progress of the investment decisions made by the committee in the past and measured the performance of the portfolios. The performance report with key performance indicators is presented to the Investment Committee to make better decisions and to the evaluation of past decisions.

(Sgd.)

Rajendra Theagarajah

Chairman- Investment, Asset and Liability Committee (First Capital Holdings PLC)

4 June 2025

Colombo

GROUP BOARD INTEGRATED RISK MANAGEMENT COMMITTEE REPORT

First Capital Holdings PLC is the intermediary parent company of First Capital Asset Management Limited, the Fund Managing Company of the First Capital Money Market Fund. The Board Integrated Risk Management Committee (BIRMC) of First Capital Holdings PLC thus functions as the Integrated Risk Management Committee of the Fund Managing Company and is responsible for establishing and maintaining a comprehensive risk governance and management system for identifying, assessing, monitoring, and managing risk to assist the Board and Corporate Management Team in overseeing risk in a dynamic business environment.

Charter of the Committee

The Board Integrated Risk Management Committee was reconstituted in March 2025, transitioning from the former Enterprise Risk Management Committee (established in May 2012), in line with the “Code of Best Practice on Corporate Governance”. While risk oversight was initially under the Board Audit Committee, the Board recognised the need for a more focused and integrated approach. As a result, the BIRMC was formalised as a Board subcommittee with a broadened scope and enhanced oversight responsibilities. The Committee Charter (Terms of Reference) was last reviewed and approved by the Board in March 2025.

COMPOSITION OF THE COMMITTEE

The members of the Board Integrated Risk Management Committee as of the reporting date are as follows.

Current members of the Committee

- Ms. Rachini Rajapaksa
Independent Non-Executive Director
Appointed w.e.f 28 June 2024 as chairperson and subsequently appointed chairperson of the reconstituted BIRMC on 7 March 2025.

- Ms. Inoshini Perera
Independent Non-Executive Director
Appointed w.e.f 07 March 2025 to BIRMC.

- Mr. Dilshan Wirasekara
Managing Director

Secretary to the Committee

- Mr. Kapila Perera
Chief Risk Officer

Former members of the committee

- Mr. Nishan Fernando
Independent Non-Executive Director
Resigned from being a director w.e.f 28 June 2024
- Mr. Tharusha Ekanayake
Chief Operating Officer
Resigned from being a committee member w.e.f. 7 March 2025.
- Mr. Mangala Jayashantha
Chief Financial Officer
Resigned from being a committee member w.e.f 7 March 2025.
- Ms. Sujani Sellaheewa
EVP - Operation
Resigned from being a committee member w.e.f 7 March 2025.

KEY RESPONSIBILITIES AND SCOPE OF WORK OF THE COMMITTEE

- Oversee the integrated risk management framework, including processes for identifying, assessing, responding to, and reporting on significant risks.
- Ensure business management, the first line of defense takes ownership of risk management responsibilities and operates within the defined risk appetite.
- Promote a robust risk culture across the organisation and ensure risk management is integrated into all strategic and operational activities.

- Regularly review the adequacy and effectiveness of the risk management framework as the second line of defense and recommend updates to the Board of Directors.
- Work with business unit to monitor risk exposures, regulatory compliance, and internal control activities.
- Recommend the risk ownership structure and related accountabilities for approval of the Board of Directors.
- Review risk assessments and risk registers submitted by management.
- Approve and monitor training programs to enhance risk and compliance awareness across all levels of staff.
- Approve periodic regulatory compliance reports.
- Provide support with resources such as tools and software products to monitor risk and compliance, engage external consultants where necessary, and training to upskill the risk division staff.

OTHER RESPONSIBILITIES OF THE COMMITTEE

The BIRMC also supports the Board of Directors in its oversight of compliance matters. It reviews the implementation and effectiveness of compliance programs, regulatory reporting processes, and internal policies. The Committee escalates issues of systemic risk or repeat findings to relevant Board subcommittees for further action, with a goal of improving enterprise-wide risk resilience.

COMMITTEE MEETINGS

The BIRMC (including ERM) held 10 meetings during the financial year 2024/25. The minutes and proceedings were submitted to the board of directors.

ATTENDANCE

The attendance for the meeting of Integrated Risk Management Committee during the year 2024/25 is as follows.

Name of the Board Subcommittee Members	Membership Status	Attendance in 2024/25 (Attended/ Eligible to Attend)
Ms. Rachini Rajapaksa	Chairperson (ERM and BIRMC)	08/08
Mr. Dilshan Wirasekara	Member	10/10
Ms. Inoshini Perera	Member	01/01
Mr. Nishan Fernando	Former chairman (ERM)	02/02
Mr. Tharusha Ekanayake	Former member	09/09
Mr. Mangala Jayashantha	Former member	09/09
Ms. Sujani Sellahe`a	Former member	09/09
Mr. Kapila Perera	Secretary	10/10

(Sgd.)

Rachini Rajapaksa

Chairperson – Board Integrated Risk Management Committee (First Capital Holdings PLC)

4 June 2025

Colombo



FINANCIAL INFORMATION

TABLE OF CONTENTS

Contents	Page No.
Financial Calendar	112
Financial Performance Highlights	113
Independent Auditors' Report	115
FINANCIAL STATEMENTS	
Statement of Profit or Loss and Other Comprehensive Income	117
Statement of Financial Position	118
Statement of Changes in Unitholders' Fund	119
Statement of Cash Flows	120
NOTES TO THE FINANCIAL STATEMENTS	
1 Reporting Entity	121
2 Basis of Preparation	121
3 Materiality and Preparation	122
4 Comparative Information	127
5 Unitholders' Funds	127
6 Financial Risk Management	127
7 New Amendments to the Sri Lanka Accounting Standards	128
NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	
8 Income	129
9 Direct Expenses	130
10 Gain/(loss) on financial assets recognised through profit or loss -measured at fair value	130
11 Administration Expenses	130
12 Other Operating Expenses	131
13 Income Tax Expenses	131
NOTES TO THE STATEMENT OF FINANCIAL POSITION	
14 Cash at Bank	131
15 Financial Assets Recognised through Profit or Loss- Measured at Fair Value	132
16 Financial Assets at Amortised Cost	133
17 Other Receivables	136
18 Accruals and Other Payables	136
19 Net Assets Value per Unit	136
20 Analysis of Financial Instrument by Measurement Basis	137
21 Determining of Fair Value and Hierarchy of Fair Value	138
NOTES TO THE OTHER FINANCIAL DISCLOSURES	
22 Financial Risk Management	141
23 Related Party Disclosures	150
24 Capital Commitments and Contingent Liabilities	153
25 Events Occurring after the Reporting Period	153
26 Reconciliation Between The Net Asset Value As Per Financial Statement And The Monthly Return	153

FINANCIAL CALENDAR

Financial Calendar for 2024/25

Audited annual financial statements in terms of Rule 50 (2) and interim financial statements in terms of Rule 51(5) of the Collective Investment Scheme Code (CIS Code 2022) of the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021 were issued as follows.

Reports

Provisional / Interim Financial Statements (Unaudited)
Audited Financial Statements

Date of Release

31 December 2024
4 June 2025

Financial Calendar for 2023/24

Audited annual financial statements in terms of Rule 50 (2) and interim financial statements in terms of Rule 51(5) of the Collective Investment Scheme Code (CIS Code 2022) of the Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021 were issued as follows.

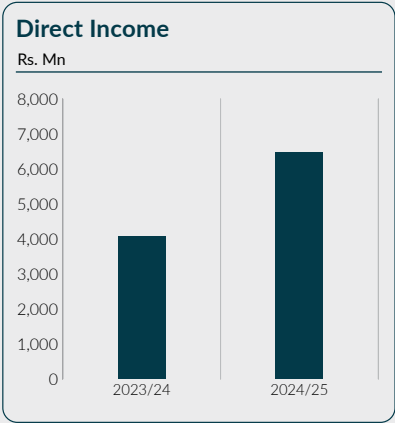
Reports

Provisional / Interim Financial Statements (Unaudited)
Audited Financial Statements

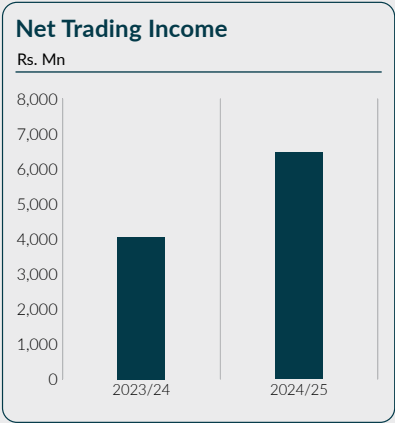
Date of Release

28 December 2023
27 May 2024

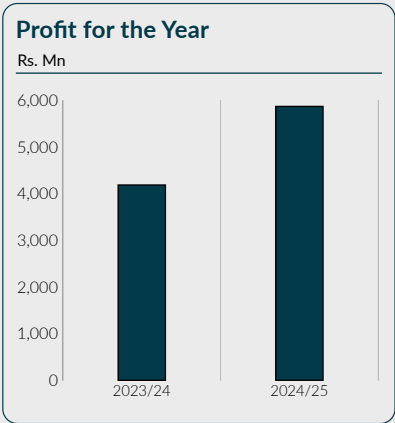
FINANCIAL PERFORMANCE HIGHLIGHTS



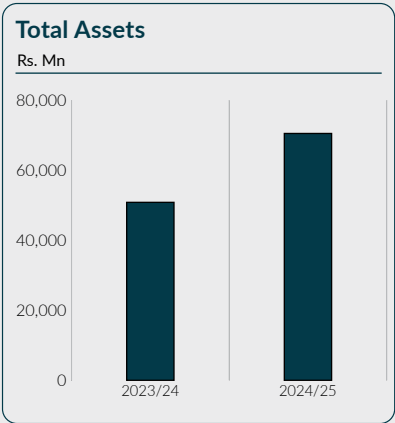
**Growth
(YoY)**
▲ 59%



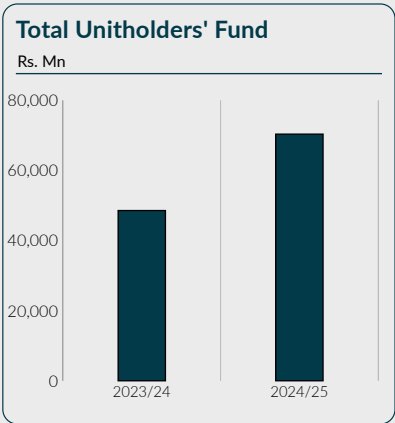
**Growth
(YoY)**
▲ 59%



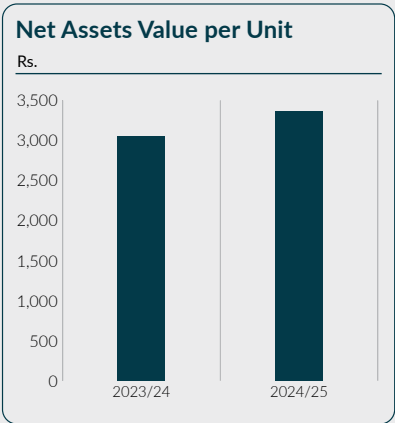
**Growth
(YoY)**
▲ 40%



**Growth
(YoY)**
▲ 39%



**Growth
(YoY)**
▲ 45%

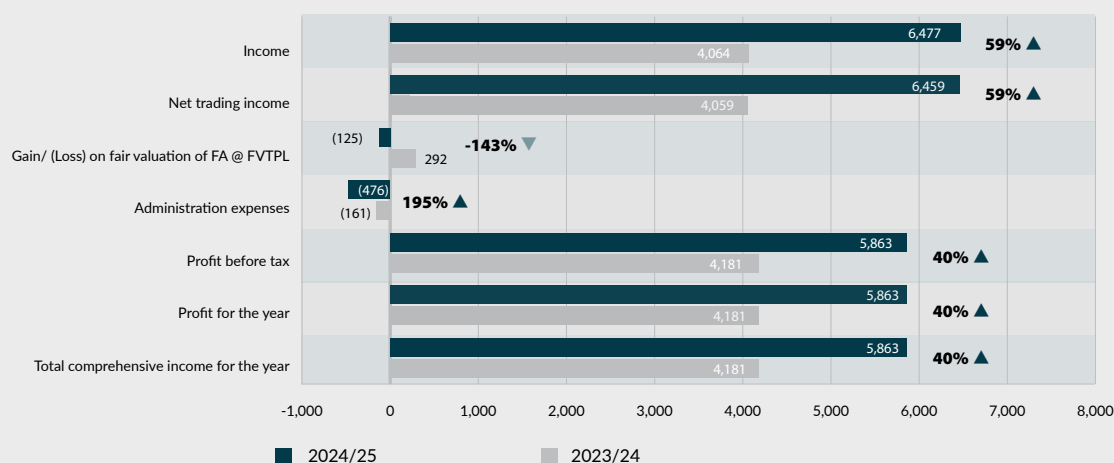


**Growth
(YoY)**
▲ 10%

FINANCIAL PERFORMANCE HIGHLIGHTS

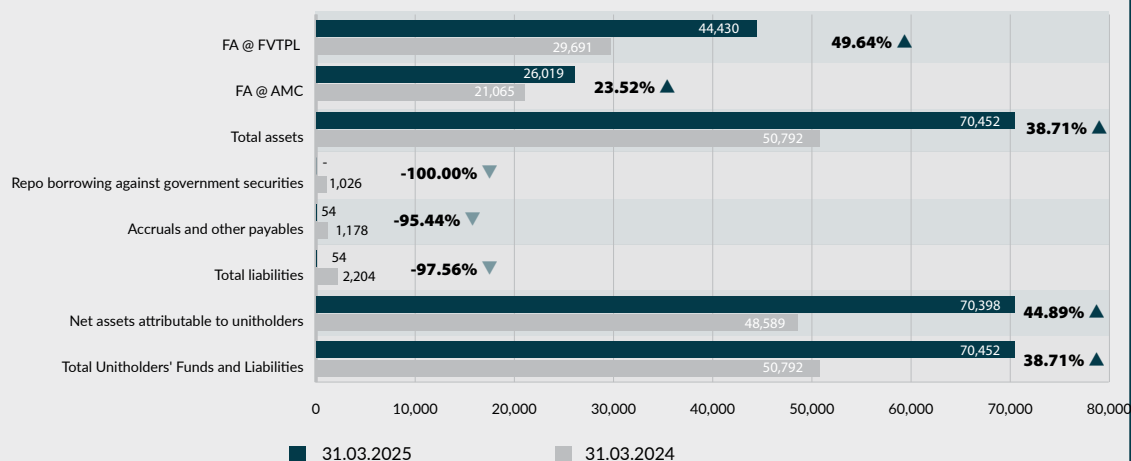
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Rs. Mn



STATEMENT OF FINANCIAL POSITION

Rs. Mn



INDEPENDENT AUDITORS' REPORT



TO THE UNITHOLDERS OF FIRST CAPITAL MONEY MARKET FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of First Capital Money Market Fund ("the Fund"), which comprise the statement of financial position as at 31 March 2025 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 2025, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 Matter

The financial statements of First Capital Money Market Fund for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 28 May 2024.

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.

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

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

Partner (Kandy) W.L.L. Perera FCA.

22 /4,
Vijaya Kumaranatunga Mw.,
Colombo 05,
Sri Lanka.
Telephone : +94112 513 420 - 22
 +94114 510 268
Fax : +94 114 512 404
E-mail : brds@eureka.lk
Web : www.brdesilva.com

INDEPENDENT AUDITORS' REPORT

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

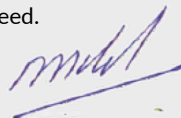
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

4 June 2025
(LW/ST/IS)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March,		2025	2024
	Note	Rs.	Rs.
Income	8	6,477,154,006	4,063,908,905
Direct expenses	9	(17,838,787)	(4,757,286)
Net trading income		6,459,315,219	4,059,151,619
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss -measured at fair value	10	(124,568,077)	291,800,161
Net trading income before expenses		6,334,747,142	4,350,951,780
Administration expenses	11	(476,462,251)	(161,453,208)
Other operating expenses	12	(1,693,165)	(916,606)
(Provision) / reversal for impairment of financial assets at amortised cost	16.3.1.	6,805,352	(7,148,541)
Profit before tax		5,863,397,078	4,181,433,425
Income tax expenses	13	-	-
Profit for the year		5,863,397,078	4,181,433,425
Other comprehensive income		-	-
Total comprehensive income for the year		5,863,397,078	4,181,433,425

Figures in bracket indicate deductions.

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

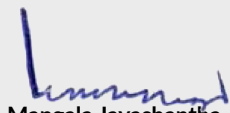
STATEMENT OF FINANCIAL POSITION

As at 31 March		31.03.2025	31.03.2024
	Note	Rs.	Rs.
Assets			
Cash at bank	14	3,656,192	30,601,078
Financial assets recognised through profit or loss - measured at fair value	15	44,429,671,754	29,690,647,936
Financial assets at amortised cost	16	26,018,561,659	21,064,743,623
Other receivables	17	-	6,328,013
Total assets		70,451,889,605	50,792,320,650
Unitholders' funds and liabilities			
Liabilities			
Repo borrowing against government securities		-	1,025,715,552
Accruals and other payables	18	53,729,680	1,178,042,147
Total liabilities		53,729,680	2,203,757,699
Unitholders' funds			
Net assets attributable to unitholders		70,398,159,925	48,588,562,951
Total Unitholders' Funds		70,398,159,925	48,588,562,951
Total Unitholders' Funds and Liabilities		70,451,889,605	50,792,320,650
Net assets value per unit (Rs.)	19	3,363.91	3,056.73

The Managing Company of First Capital Money Market 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 Managing Company on 4 June 2025.



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



Trustee of the Fund
Bank of Ceylon



Dilshan Wirasekara
Managing Director
First Capital Asset Management Limited
Fund Managing Company



Nishan de Mel
Chairman
First Capital Asset Management Limited
Fund Managing Company

STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

For the year ended 31 March 2025		Unitholders' funds
	Note	Rs.
Balance as at 1 April 2023		4,682,215,045
Increase due to unit creation during the year	19.1	112,063,368,437
Decrease due to unit redemption during the year	19.1	(72,338,453,956)
Increase in net assets attributable to unitholders		4,181,433,425
Balance as at 31 March 2024		48,588,562,951
Balance as at 1 April 2024		48,588,562,951
Increase due to unit creation during the year	19.1	194,384,604,480
Decrease due to unit redemption during the year	19.1	(178,438,404,584)
Increase in net assets attributable to unitholders		5,863,397,078
Balance as at 31 March 2025		70,398,159,925

Figures in bracket indicate deductions.

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

STATEMENT OF CASH FLOWS

Accounting policy

The statement of cash flows has 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	2025 Rs.	2024 Rs.
Cash flows from operating activities			
Profit before taxation		5,863,397,078	4,181,433,425
Adjustment for :			
Gain / (loss) on fair valuation of financial assets recognised through profit or loss -measured at fair value	9	124,568,077	(291,800,161)
Provision/ (reversal) for impairment of financial assets at amortised cost	16.3.1	(6,805,352)	7,148,541
Operating profit before working capital changes		5,981,159,803	3,896,781,805
(Increase) / Decrease in financial assets recognised through profit or loss -measured at fair value		(14,863,591,894)	(25,942,617,110)
(Increase) / Decrease in financial asset at amortised cost		(4,947,012,685)	(19,836,357,813)
Decrease / (Increase) Decrease in other receivables		6,328,013	(5,918,753)
(Decrease) / Increase in accruals and other payable		(1,124,312,467)	1,163,143,172
(Decrease) / Increase in repo borrowing against government securities		(1,025,715,552)	1,025,715,552
Cash flows used in operations		(15,973,144,782)	(39,699,253,147)
Tax paid		-	-
Net cash flows used in operating activities		(15,973,144,782)	(39,699,253,147)
Net cash flows from / (used in) investing activities		-	-
Cash flows from (used in) financing activities			
Proceeds from units creations	19.1	194,384,604,480	112,063,368,437
Payments for units redemption	19.1	(178,438,404,584)	(72,338,453,956)
Net cash flows generated from financing activities		15,946,199,896	39,724,914,481
Net (decrease)/increase in cash and cash equivalents during the year		(26,944,886)	25,661,334
Cash and cash equivalents at the beginning of the year	14	30,601,078	4,939,744
Cash and cash equivalents at the end of the year	14	3,656,192	30,601,078

Figures in bracket indicate deductions.

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

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

First Capital Money Market Fund ("the Fund") is an Open-Ended Unit Trust approved by the Securities and Exchange Commission of Sri Lanka on 16 September 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 Money Market Fund while Bank of Ceylon has been appointed as the Trustee.

1.1. Principal activities

The Fund engages in investment in short-term fixed income securities on behalf of its clients. The operations of the Fund commenced on 24 September 2014.

The objective of the First Capital Money Market 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 principle 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 2025 were authorized for issue by the Fund Managing Company on 4 June 2025.

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.

Fund is in compliance with the minimum number of unitholders requirement of fifty throughout the year (Number of unitholders as at 31 March 2025 is 5,402)

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 2025 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 (Refer Page 117).
- Statement of Financial Position (SOPF) providing the information on the financial position of the Fund as at the year-end (Refer Page 118).
- Statement of Changes in Unitholders' Fund providing the movement in the unitholders' Funds during the year under review (Refer Page 119).
- 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 (Refer page 120).
- Notes to the Financial Statements, which comprise of the Accounting Policies and other explanatory notes and information of the Fund (Refer Pages 121 to 153).

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.

NOTES TO THE FINANCIAL STATEMENTS

Category	Basis of Measurement	Note	Page Number
Financial assets recognised through profit or loss - measured at fair value	Fair value	Note 15	132
Financial assets at amortised cost	Amortised cost	Note 16	133
Financial Liabilities	Amortised Cost	Note 18	136

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	Page Number
Going concern	Note 2.4.1	122
Classification of financial assets	Note 3.3.3	123
Fair value of financial instruments	Note 21	138
Impairment losses on financial assets	Note 16.3	135
Provision for liabilities	Note 3.3.10	126

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.

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 21).

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.

3.2. Index of material accounting policy information

Accounting Policy	Note	Page Number
Material accounting policies - General		
Financial Instruments	Note 3.3	123
Material accounting policies - Recognition of income and expenses		
Direct income	Note 8	129
Direct Expense	Note 9	130
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value	Note 3.3.11 & Note 10	126 and 130
Administration expenses	Note 11	130
Income tax expenses	Note 13	131
Material accounting policies - Recognition of assets and liabilities		
Financial assets recognised through profit or loss - measured at fair value	Note 15	132
Financial assets at amortised cost	Note 16	133
Securities sold under re-purchase agreements (Repo Borrowing)	Note 3.3.7	126

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.

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;

NOTES TO THE FINANCIAL STATEMENTS

- 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 are 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 owns nor held both to collect contractual cash flows and to sell financial assets.

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 amortized 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.

Subsequent measurement

Financial assets at FVTPL	<p>A financial asset is measured at fair value through profit or loss if:</p> <ul style="list-style-type: none"> • 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 <p>Or</p> <ul style="list-style-type: none"> • 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 <p>Or</p> <ul style="list-style-type: none"> • 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. <p>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.</p>
Financial assets at amortised cost	<p>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.</p> <p>Debt instruments at amortised cost in the SOFP comprise of investments in Resale agreements against Government Securities and Fixed Deposits.</p> <p>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 in profit or loss.</p>

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.

NOTES TO THE FINANCIAL STATEMENTS

For debt instruments at amortized 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.

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

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 unitholders, in addition to cash at bank and other financial instruments such as receivables and payables, which arise directly from its operations.

Fund managers' responsibility for financial risk management

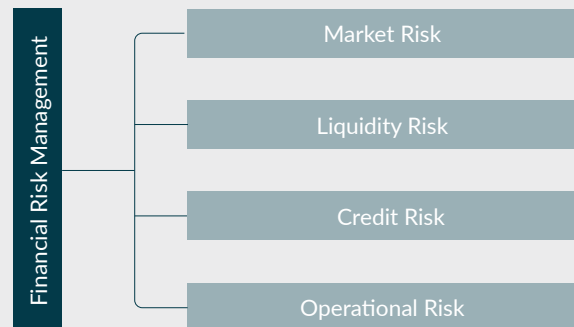
The fund manager is responsible for identifying and controlling the risk that arise from these financial instruments. Fund Manager's financial risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks 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 the 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.



NOTES TO THE FINANCIAL STATEMENTS

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 Risks represents the Unit Trust will not have adequate financial resources to meet Unit Trusts obligations as 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, investment in reverse repo agreements and forward transactions.

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, 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.

A detailed disclosure on how the financial risk management is carried out within the Fund's Financial Risk Management Framework with due consideration given to Market, Liquidity, Credit, and Concentration risks are given in the Notes to the Financial Statements Section on "Risk Management disclosures" on pages 141 to 149.

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 new amendments to the Sri Lanka Accounting Standards which will become applicable for financial periods beginning on or after 1 January 2025 (LKAS 21). However, there is no impact on the Fund via the said amendments.

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 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 through profit or loss

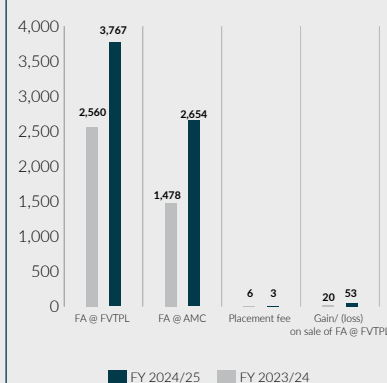
Gain/(loss) on Sale of Financial Assets measured at fair value through profit or loss comprises realised trading gains on disposal of government securities, commercial papers, securitised papers and debentures, are presented in direct income as sale of financial assets at fair value through profit or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

8. INCOME

For the year ended 31 March,	2025 Rs.	2024 Rs.
Interest income on financial assets recognised through profit or loss measured at fair value	3,766,755,484	2,559,535,082
Interest income on financial assets at amortised cost	2,654,456,245	1,477,911,509
Placement fee	3,376,592	6,328,013
Gain on sale of financial assets recognised through profit or loss - measured at fair value	52,565,685	20,134,301
	6,477,154,006	4,063,908,905

Direct Income

Rs. Mn



NOTES TO THE FINANCIAL STATEMENTS

9. DIRECT EXPENSES

For the year ended 31 March,	2025	2024
	Rs.	Rs.
Interest expense on repo borrowings	17,838,787	4,757,286
	17,838,787	4,757,286

10. GAIN / (LOSS) ON FAIR VALUATION OF FINANCIAL ASSETS RECOGNISED THROUGH PROFIT OR LOSS - MEASURED AT FAIR VALUE

For the year ended 31 March,	2025	2024
	Rs.	Rs.
Commercial Papers	(26,772,068)	52,588,507
Securitised Papers	2,787,177	(2,291,539)
Treasury Bill	107,731,658	32,605,183
Treasury Bond	(208,314,844)	208,898,010
Total	(124,568,077)	291,800,161

Gain/ (loss) on fair valuation of financial investments has been accounted for in accordance with the SLFRS 9.

11. ADMINISTRATION EXPENSES

ACCOUNTING POLICY

The management and trustee fees of the fund as per the trust deed are as follows,

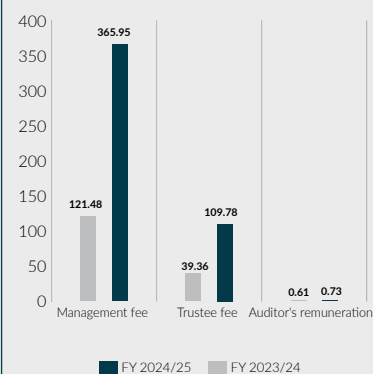
Management fee - 0.5 % p.a. of net asset value of the Fund calculated on a daily basis.

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

For the year ended 31 March,	2025	2024
	Rs.	Rs.
Management fee	365,946,189	121,483,447
Trustee fee	109,783,857	39,361,649
Auditor's remuneration	732,205	608,112
Total	476,462,251	161,453,208

Administration Expense

Rs. Mn



12. OTHER OPERATING EXPENSES

For the year ended 31 March,	2025	2024
	Rs.	Rs.
Bank charges	1,693,165	916,606
	1,693,165	916,606

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 as amended by the Inland Revenue (Amendment) Act No. 10 of 2021 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 as amended by the Inland Revenue (Amendment) Act No. 10 of 2021 and subsequent amendments thereto.

For the year ended 31 March,	2025	2024
	Rs.	Rs.
Reconciliation between current tax expense and the accounting profit		
Profit before tax as per financial statements	5,863,397,078	4,181,433,425
Less: Exempted income	(5,863,397,078)	(4,181,433,425)
Taxable income	-	-
Income tax expense	-	-

14. CASH AT BANK

ACCOUNTING POLICY

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

As at		31.03.2025	31.03.2024
	Note	Rs.	Rs.
Bank of Ceylon	14.1	3,401,652	30,342,138
Sampath Bank PLC	14.1	254,540	258,940
		3,656,192	30,601,078

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.

The above balance, represents as at 31 March 2025 is with credit rating of "AA-".

NOTES TO THE FINANCIAL STATEMENTS

15. FINANCIAL ASSETS 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 recognised at fair value through Profit or Loss are initially measured at fair value. Subsequent to initial recognition, they are remeasured at fair value. Changes in fair value are recorded in Gain/ (loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value' 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 commercial papers
- * Investment in securitised papers

As at		31.03.2025	31.03.2024
	Note	Rs.	Rs.
Commercial papers	15.1	10,559,506,033	7,154,146,879
Securitised papers	15.2	530,576,031	-
Government securities	15.3	33,339,589,690	22,536,501,057
		44,429,671,754	29,690,647,936

15.1 Commercial papers

Name of the issuer	Issuer credit rating	Value - Net as at 31 March 2025 (Rs.)	Percentage exposure to each issuer against the Net Assets Value of the Fund	Value - Net as at 31 March 2024 (Rs.)	Percentage exposure to each issuer against the Net Assets Value of the Fund
LOLC Holdings PLC	A	10,559,506,033	15%	6,625,309,551	14%
Richard Pieris Finance Limited	A	-	-	528,837,328	1%
Total		10,559,506,033	15%	7,154,146,879	15%

15.2 Securitised papers

Name of the issuer	Issuer credit rating	Value - Net as at 31 March 2025 (Rs.)	Percentage exposure to each issuer against the Net Assets Value of the Fund	Value - Net as at 31 March 2024 (Rs.)	Percentage exposure to each issuer against the Net Assets Value of the Fund
Singer Finance (Lanka) PLC	BBB+	530,576,031	1%	-	-
Total		530,576,031		-	

15.3 Government securities

	Value - Net as at 31 March 2025 (Rs.)	Percentage exposure to each issuer against the Net Assets Value of the Fund	Value - Net as at 31 March 2024 (Rs.)	Percentage exposure to each issuer against the Net Assets Value of the Fund
Treasury Bill	33,093,624,614	47.0%	15,783,411,983	32.5%
Treasury Bond	245,965,076	0.3%	6,753,089,074	13.9%
	33,339,589,690	47.3%	22,536,501,057	46.4%

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,

* Investment in government securities purchased under re-sale agreements

* Fixed deposits

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.

NOTES TO THE FINANCIAL STATEMENTS

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.

As at		31.03.2025	31.03.2024
	Note	Rs.	Rs.
Investment in government securities under resale agreements	16.1	19,395,756,234	16,845,150,057
Investments in fixed deposits (Net of Provision for impairment)	16.2	6,622,805,425	4,219,593,566
		26,018,561,659	21,064,743,623

16.1 This represent investment in Resale agreements entirely backed by Government securities. No impairment provisions derived through these investments.

16.2 Fixed Deposits

As at		31.03.2025	31.03.2024
	Note	Rs.	Rs.
Investments in fixed deposits		6,623,148,614	4,226,742,107
Less :- Provision for Impairment	16.3	(343,189)	(7,148,541)
		6,622,805,425	4,219,593,566

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

Name of the issuer	Issuer credit rating	31.03.2025		31.03.2024	
		Value - Net as at 31 March 2025 Rs.	Percentage exposure to each issuer against the Net Assets Value of the Fund	Value - Net as at 31 March 2024 Rs.	Percentage exposure to each issuer against the Net Assets Value of the Fund
Alliance Finance Company PLC	BBB-	1,523,752,964	2.16%	1,324,122,932	2.73%
Siyapatha Finance PLC	A	1,892,522,744	2.69%	509,937,067	1.05%
Mahindra Ideal Finance Limited	AA-	394,654,524	0.56%	353,617,146	0.73%
Senkadagala Finance Company PLC	BBB	-	-	507,924,166	1.05%
Asia Asset Finance PLC	A+	563,673,465	0.80%	506,757,724	1.04%
Singer Finance (Lanka) PLC	BBB+	1,055,037,700	1.50%	506,472,664	1.04%
HNB Finance PLC	A	778,128,429	1.11%	510,761,867	1.05%
Mercantile Investment & Finance PLC	BBB-	154,560,451	0.22%	-	-
Vallibel Finance PLC	BBB+	260,475,148	0.37%	-	-
Total		6,622,805,425	9.41%	4,219,593,566	8.69%

16.3 Provision for impairment in investment in fixed deposit represents expected credit losses (ECL) in accordance with SLFRS 9. Accordingly, individual impairment provision has been derived as follows,

As at	31.03.2025	31.03.2024
	Rs.	Rs.
Stage 1 - 12 months expected loss	343,189	7,148,541
Stage 2 - Life time expected loss, not credit impaired	-	-
Stage 3 - Life time expected loss, credit impaired	-	-
Total	343,189	7,148,541

16.3.1. Movement in provision for expected credit loss

As at	31.03.2025	31.03.2024
	Rs.	Rs.
Balance as the beginning of the year	7,148,541	-
Provision /(reversal) for the year	(6,805,352)	7,148,541
Balance at the end of the year	343,189	7,148,541

NOTES TO THE FINANCIAL STATEMENTS

17. OTHER RECEIVABLES

As at	31.03.2025	31.03.2024
	Rs.	Rs.
Placement fee receivables	-	6,328,013
	-	6,328,013

18. ACCRUALS AND OTHER PAYABLES

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.

As at	31.03.2025	31.03.2024
	Rs.	Rs.
Management fee payable	38,672,126	23,417,534
Trustee fee payable	11,601,638	6,977,796
Auditor's remuneration payable	717,032	593,826
Outstanding unit investments	2,738,884	29,701,226
Payable on investment in treasury bill	-	1,116,963,417
Miscellaneous payables	-	388,348
	53,729,680	1,178,042,147

19. NET ASSETS VALUE PER UNIT

As at	31.03.2025	31.03.2024
Net assets attributable to unitholders (Rs.)	70,398,159,925	48,588,562,951
Total number of units	20,927,459	15,895,599
Net assets value per unit (Rs.)	3,363.91	3,056.73

19.1 Movements in the number of units and net assets during the year is as follows:

	No. of Units	Rs.
Balance as at 1 April 2023	1,870,544	4,682,215,045
Increase due to unit creation during the year	39,263,215	112,063,368,437
Decrease due to unit redemption during the year	(25,238,160)	(72,338,453,956)
Increase in net assets attributable to unitholders	-	4,181,433,425
Balance as at 31 March 2024	15,895,599	48,588,562,951
Balance as at 1 April 2024	15,895,599	48,588,562,951
Increase due to unit creation during the year	60,739,170	194,384,604,480
Decrease due to unit redemption during the year	(55,707,310)	(178,438,404,584)
Increase in net assets attributable to unitholders	-	5,863,397,078
Balance as at 31 March 2025	20,927,459	70,398,159,925
Year on Year Increase	32%	45%

20. 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 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				
Financial asset - FVTPL	44,429,671,754	-	44,429,671,754	44,429,671,754
Financial assets not measured at fair value				
Cash at bank	-	3,656,192	3,656,192	3,656,192
Financial assets at amortised cost	-	26,018,561,659	26,018,561,659	26,018,561,659
Total financial assets	44,429,671,754	26,022,217,851	70,451,889,605	70,451,889,605
Financial liabilities not measured at fair value				
Accruals and other payables	-	53,729,680	53,729,680	53,729,680
Total financial liabilities	-	53,729,680	53,729,680	53,729,680

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March 2024	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				
Financial asset - FVTPL	29,690,647,936	-	29,690,647,936	29,690,647,936
Financial assets not measured at fair value				
Cash at bank	-	30,601,078	30,601,078	30,601,078
Financial assets at amortised cost	-	21,064,743,623	21,064,743,623	21,064,743,623
Total financial assets	29,690,647,936	21,095,344,701	50,785,992,637	50,785,992,637
Financial liabilities not measured at fair value				
Repo borrowing against government securities	-	1,025,715,552	1,025,715,552	1,025,715,552
Accruals and other payables	-	1,178,042,147	1,178,042,147	1,178,042,147
Total financial liabilities	-	2,203,757,699	2,203,757,699	2,203,757,699

21. 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 part 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 value.

Fund has not transferred any financial assets during the year FY 2024/25.

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	comparable market yield (Government Securities)	Level 2
Securitised papers	comparable market yield (Government Securities)	Level 2

CBSL - Central Bank of Sri Lanka

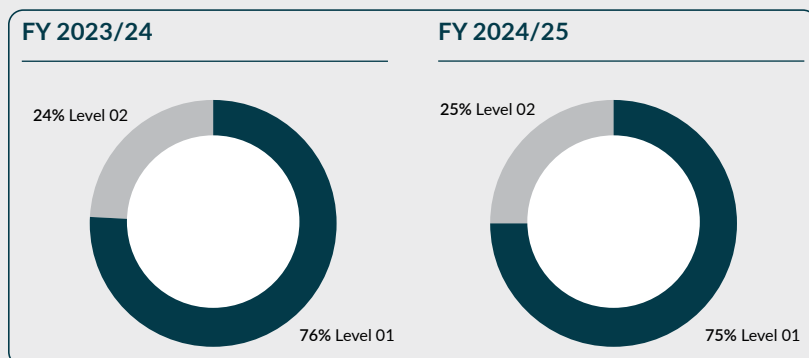
*The fair values of treasury bills and bonds have been derived using the market yields published by Central Bank of Sri Lanka. Accordingly, investments in treasury bills and bonds have been classified as level 1.

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

As at 31 March 2025	Total Carrying Amount	Quoted Prices in Active Markets	Significant Observable Inputs	Significant Unobservable Inputs	Total fair value
		Level 1	Level 2	Level 3	
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
Securitised papers	530,576,031	-	530,576,031	-	530,576,031
Commercial papers	10,559,506,033	-	10,559,506,033	-	10,559,506,033
Government securities	33,339,589,690	33,339,589,690	-	-	33,339,589,690
	44,429,671,754	33,339,589,690	11,090,082,064	-	44,429,671,754

As at 31 March 2024	Total Carrying Amount	Quoted Prices in Active Markets	Significant Observable Inputs	Significant Unobservable Inputs	Total fair value
		Level 1	Level 2	Level 3	
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
Commercial papers	7,154,146,879	-	7,154,146,879	-	7,154,146,879
Government securities	22,536,501,057	22,536,501,057	-	-	22,536,501,057
	29,690,647,936	22,536,501,057	7,154,146,879	-	29,690,647,936

NOTES TO THE FINANCIAL STATEMENTS



21.1 Measurement of fair values

21.1.1 (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
Investment in Commercial 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 commercial paper 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 (1.30% - 3.25%)	The estimated fair value would increase/decrease if risk premium of the investee company is lower or higher.
Investment in Securitised paper	The valuation model is based on Yield Curve of the Government Securities. Yields relating to Government Securities based on the maturities of the respective securitised paper 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 (0.91% - 1.21%)	The estimated fair value would increase/decrease if risk premium of the investee company is lower or higher.

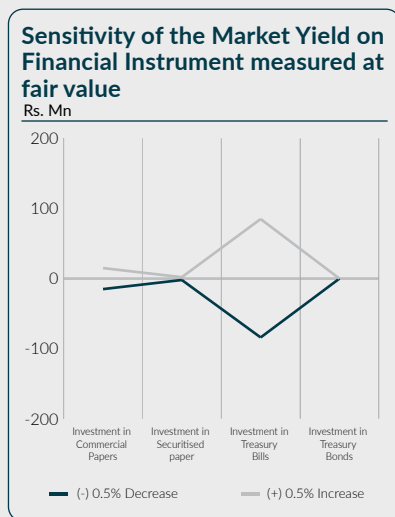
21.1.1 (b) Reconciliation of level 2 fair values

The following table shows a reconciliation from the opening balance to the closing balances for Level 2 fair values.

	Commercial papers Rs.	Securitised papers Rs.	Total Rs.
Balance as at 01 April 2024	7,154,146,879	-	7,154,146,879
Purchases	15,931,079,034	517,000,000	16,448,079,034
Sales/ matured	(12,903,729,511)	-	(12,903,729,511)
Interest accrued	404,781,699	10,788,854	415,570,553
Gain/ (loss) on fair valuation of financial assets	(26,772,068)	2,787,177	(23,984,891)
Balance as at 31 March 2025	10,559,506,033	530,576,031	11,090,082,064

21.1.1 (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.)
Investment in Commercial Papers	14,836,410	(14,781,281)
Investment in Securitised Paper	1,705,662	(1,694,507)
Investment in Treasury Bills	84,666,068	(84,087,424)
Investment in Treasury Bonds	305,320	(304,415)



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 397 days), it is assumed that the carrying amount approximates their fair values. This assumption is also applied to lending without specific maturity or revolving nature.

22. 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.

22.1 Risk management framework

The Board of Directors of the fund managing company has the overall responsibility for the establishment and oversight of the Unit Trust's risk management framework. The Managing Company has established an Board Integrated Risk Management Committee (BIRMC) 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.

22.1(a) 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 Managing Company.
- The operational authority for managing market risk is vested with the Investment, Assets and Liability Committee.
- Interest rate risk is managed within the approved limits by the Investment, Assets and Liability Committee.

NOTES TO THE FINANCIAL STATEMENTS

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 risk 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)	Effect on the profit for the year ended 31.03.2025	Effect on the profit for the year ended 31.03.2024
		Rs.	Rs.
Increase in interest rate			
Investment in Commercial Papers	+0.5%	(14,781,281)	(16,793,396)
Investment in Securitised Paper	+0.5%	(1,694,507)	-
Investment in Treasury Bills	+0.5%	(84,087,424)	(30,037,157)
Investment in Treasury Bonds	+0.5%	(304,415)	(10,966,856)
Decrease in interest rate			
Investment in Commercial Papers	-0.5%	14,836,410	16,793,396
Investment in Securitised Paper	-0.5%	1,705,662	-
Investment in Treasury Bills	-0.5%	84,666,068	30,037,157
Investment in Treasury Bonds	-0.5%	305,320	10,911,322

The interest rate profile of the fund's interest-bearing financial instrument are as follow:

As at 31 March 2025	Floating interest rate Rs.	Fixed interest rate Rs.	Total Rs.
Assets			
Commercial Papers	-	10,559,506,033	10,559,506,033
Government Securities	-	33,339,589,690	33,339,589,690
Securitised papers	-	530,576,031	530,576,031
Fixed Deposits	-	6,622,805,425	6,622,805,425
Repo Investments	-	19,395,756,234	19,395,756,234
Total financial assets	-	70,448,233,413	70,448,233,413
Liabilities			
Repo borrowing against government securities	-	-	-
Total financial liabilities	-	-	-

As at 31 March 2024	Floating interest rate Rs.	Fixed interest rate Rs.	Total Rs.
Assets			
Commercial Papers	-	7,154,146,879	7,154,146,879
Government Securities	-	22,536,501,057	22,536,501,057
Fixed Deposits	-	4,219,593,566	4,219,593,566
Repo Investments	-	16,845,150,057	16,845,150,057
Total financial assets	-	50,755,391,559	50,755,391,559
Liabilities			
Repo borrowing against government securities	-	1,025,715,552	-
Total financial liabilities	-	1,025,715,552	-

22.1(b) Liquidity risk

Liquidity risk is the risk that the Unit Trust will not have adequate financial resources to meet Unit Trusts 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

As at 31 March 2025	Carrying amount Rs.	Less than 30 days Rs.	31 - 90 days Rs.	91 - 180 days Rs.	181 - 396 days Rs.
Assets					
Cash at bank	3,656,192	3,656,192	-	-	-
Financial assets recognised through profit or loss - measured at fair value	44,429,671,754	3,055,800,143	8,805,255,709	12,391,630,775	20,176,985,127
Financial assets at amortised cost	26,018,561,659	20,257,766,468	548,019,188	-	5,212,776,003
Total financial assets	70,451,889,605	23,317,222,803	9,353,274,897	12,391,630,775	25,389,761,130
Liabilities					
Accruals and other payables	53,729,680	53,729,680	-	-	-
Total financial liabilities	53,729,680	53,729,680	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March 2024	Carrying amount	Less than 30 days	31 - 90 days	91 - 180 days	181 - 396 days
	Rs.	Rs.	Rs.	Rs.	Rs.
Assets					
Cash at bank	30,601,078	30,601,078	-	-	-
Financial assets recognised through profit or loss - measured at fair value	29,690,647,936	2,743,285,883	7,683,403,942	11,554,517,531	7,709,440,580
Financial assets at amortised cost	21,064,743,623	16,845,150,057	-	-	4,219,593,566
Total financial assets	50,785,992,637	19,619,037,018	7,683,403,942	11,554,517,531	11,929,034,146
Liabilities					
Repo Borrowing against government securities	1,025,715,552	1,025,715,552	-	-	-
Accruals and other payables	1,178,042,147	1,178,042,147	-	-	-
Total financial liabilities	2,203,757,699	2,203,757,699	-	-	-

22.1(c) 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, investment in reverse repo agreements and forward transactions.

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 risk exposure - Cash at bank

Credit risk exposure of cash at bank is depicted in the below table using carrying values as at the SOFP date.

As at 31 March 2025	Issuer Rating	Rating Agency	2025	2024
Bank of Ceylon	AA-	Fitch	3,401,652	30,342,138
Sampath Bank PLC	AA-	Fitch	254,540	258,940
Total exposure to credit risk			3,656,192	30,601,078

Credit quality by class of financial assets

As at 31 March 2025	12 Month expected credit loss	Life time expected credit losses not credit impaired	Life time expected credit losses credit impaired	Total
	Rs.	Rs.	Rs.	Rs.
Assets				
Cash at bank	3,656,192	-	-	3,656,192
Financial assets at amortised cost	26,018,561,659	-	-	26,018,561,659
Total	26,022,217,851	-	-	26,022,217,851

As at 31 March 2024	12 Month expected credit loss	Life time expected credit losses not credit impaired	Life time expected credit losses credit impaired	Total
	Rs.	Rs.	Rs.	Rs.
Assets				
Cash at bank	30,601,078	-	-	30,601,078
Financial assets at amortised cost	21,064,743,623	-	-	21,064,743,623
Total	21,095,344,701	-	-	21,095,344,701

Credit quality analysis of financial investments

As at 31 March 2025	Risk Status	Amortised Cost	FVTPL	Total
		Rs.	Rs.	Rs.
Government securities*	Risk free	19,395,756,234	33,339,589,690	52,735,345,924
Debt instruments having credit ratings**				
AA+ to A+	Low risk	-	-	-
A to BBB-	Medium risk	-	11,090,082,064	11,090,082,064
Below BBB-	High risk	-	-	-
Fixed Deposits				
AA+ to A+	Low risk	958,327,989	-	958,327,989
A to BBB-	Medium risk	5,664,477,436	-	5,664,477,436
Below BBB-	High risk	-	-	-
Total		26,018,561,659	44,429,671,754	70,448,233,413

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March 2024	Risk Status	Amortised Cost Rs.	FVTPL Rs.	Total Rs.
Government securities*	Risk free	15,819,434,505	22,536,501,057	38,355,935,562
Debt instruments having credit ratings**				
AA+ to A+	Low risk	-	-	-
A to BBB-	Medium risk	-	7,154,146,879	7,154,146,879
Below BBB-	High risk	-	-	-
Fixed Deposits				
AA+ to A+	Low risk	860,374,870	-	860,374,870
A to BBB-	Medium risk	3,359,218,696	-	3,359,218,696
Below BBB-	High risk	-	-	-
Total		20,039,028,071	29,690,647,936	49,729,676,007

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

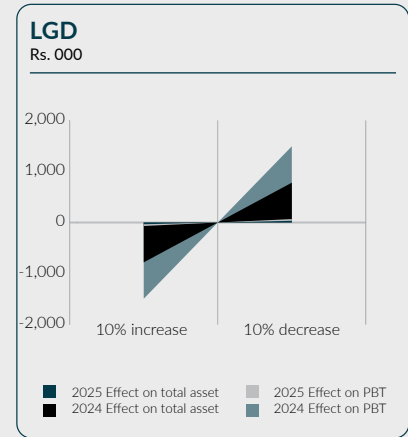
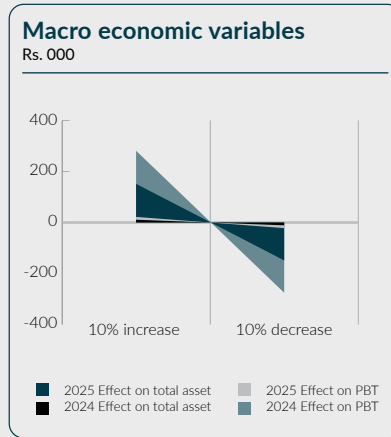
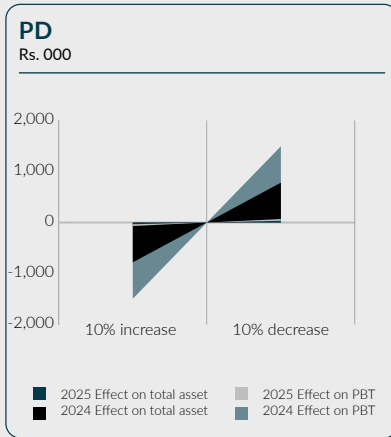
**This includes only investment in Commercial Papers and Securitised Papers and does not include equity investments.

Sensitivity of ECL to future economic conditions

The Fund has estimated the impairment provision on financial investments as at 31 March 2025, subject to various assumptions. The following table demonstrates the sensitivity of the impairment provision of the Fund as at 31 March 2025 and 2024 to a feasible change in the following variables assuming all other variables remain constant.

Sensitivity of ECL

As at 31 March	2025		2024	
	Effect on total asset Rs.	Effect on PBT Rs.	Effect on total asset Rs.	Effect on PBT Rs.
Change in Probability Default (PD) factor:				
10% increase	(34,319)	(34,319)	(714,854)	(714,854)
10% decrease	34,319	34,319	714,854	714,854
Change in macro economic variables:				
10% increase	11,178	11,178	130,155	130,155
10% decrease	(10,657)	(10,657)	(126,666)	(126,666)
Change in Loss Given Default (LGD) factor:				
10% increase	(34,319)	(34,319)	(714,854)	(714,854)
10% decrease	34,319	34,319	714,854	714,854



Analysis of concentration risk

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

As at 31 March 2025	Cash at bank	Financial assets recognised through profit or loss - measured at fair value	Financial assets - at amortised cost	Total financial assets
	Rs.	Rs.	Rs.	Rs.
Sector wise breakdown				
Government	3,401,652	33,339,589,690	19,395,756,234	52,738,747,576
Corporate	254,540	11,090,082,064	6,622,805,425	17,713,142,029
Total	3,656,192	44,429,671,754	26,018,561,659	70,451,889,605

As at 31 March 2024	Cash at bank	Financial assets recognised through profit or loss - measured at fair value	Financial assets - at amortised cost	Total financial assets
	Rs.	Rs.	Rs.	Rs.
Sector wise breakdown				
Government	30,342,138	22,536,501,057	16,845,150,057	39,411,993,252
Corporate	258,940	7,154,146,879	4,219,593,566	11,373,999,385
Total	30,601,078	29,690,647,936	21,064,743,623	50,785,992,637

NOTES TO THE FINANCIAL STATEMENTS

22.1.(d) Credit Quality by Counterparties wise

The Funds' maximum exposure to credit is analysed as follows;

Issuer Name	Instrument Type	Fair Value - LKR	Exposure (as of 31.03.2025)	Instrument Rating	
Bank of Ceylon	Repo Investments	1,595,326,231	2.3%	AAA	Sovereign
First Capital Treasuries PLC	Repo Investments	17,800,430,003	25.4%	AAA	Sovereign
Government of Sri Lanka	Government Securities	33,339,589,690	47.4%	AAA	Sovereign
LOLC Holdings PLC	Commercial Paper	10,559,506,033	15.0%	A	Lanka Rating
Singer Finance (Lanka) PLC	Securitised Papers	530,576,031	0.8%	BBB+	Lanka Rating
Mahindra Ideal Finance Limited	Fixed Deposit	394,654,524	0.6%	AA-	Fitch
Asia Asset Finance PLC	Fixed Deposit	563,673,465	0.8%	A+	Lanka Rating
HNB Finance PLC	Fixed Deposit	778,128,429	1.1%	A	Fitch
Siyapatha Finance PLC	Fixed Deposit	1,892,522,744	2.7%	A	Fitch
Singer Finance (Lanka) PLC	Fixed Deposit	1,055,037,700	1.5%	BBB+	Fitch
Alliance Finance Company PLC	Fixed Deposit	1,523,752,964	2.2%	BBB-	Lanka Rating
Mercantile Investment & Finance PLC	Fixed Deposit	154,560,451	0.2%	BBB-	Lanka Rating
Vallibel Finance PLC	Fixed Deposit	260,475,148	0.4%	BBB+	Lanka Rating
Total		70,448,233,413			

Issuer Name	Instrument Type	Fair Value - Rs.	Exposure (as of 31.03.2024)	Instrument Rating	
Bank of Ceylon	Repo Investments	447,019,071	0.9%	AAA	Sovereign
First Capital Treasuries PLC	Repo Investments	12,394,010,438	25.5%	AAA	Sovereign
HNB Securities Limited	Repo Investments	2,002,060,274	4.1%	AAA	Sovereign
Capital Alliance PLC	Repo Investments	2,002,060,274	4.1%	AAA	Sovereign
Government of Sri Lanka	Government Securities	21,510,785,506	46.4%	AAA	Sovereign
Richard Pieris Finance Limited	Commercial Paper	528,837,328	1.1%	A	Fitch
LOLC Holdings PLC	Commercial Paper	6,625,309,551	13.6%	A	Lanka Rating
Mahindra Ideal Finance Limited	Fixed Deposit	353,617,146	0.7%	AA-	Fitch
Asia Asset Finance PLC	Fixed Deposit	506,757,724	1.0%	A-	Lanka Rating
HNB Finance PLC	Fixed Deposit	510,761,867	1.1%	BBB+	Fitch
Siyapatha Finance PLC	Fixed Deposit	509,937,067	1.0%	BBB+	Fitch
Singer Finance (Lanka) PLC	Fixed Deposit	506,472,664	1.0%	BBB	Fitch
Senkadagala Finance Company PLC	Fixed Deposit	507,924,166	1.0%	BBB	Fitch
Alliance Finance Company PLC	Fixed Deposit	1,324,122,932	2.7%	BBB-	Lanka Rating
Total		49,729,676,008			

Note 1: Repo Investments and Repo Borrowings are against Government Securities.

Note 2: Rating of the Repo Investments and Repo Borrowings are the rating of Sovereign Instruments (Government Securities).

22.1 (e) 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, 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 authorization 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.

NOTES TO THE FINANCIAL STATEMENTS

23. 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 Disclosures'.

23.1. 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 2025).

Name of the company	Relationship	Dr. Nishan de Mel	Ms. Minette Perera	Mr. Dilshan Wirasekara	Mr. Kuda Banda Herath
Janashakthi Limited	Ultimate Parent	-	Director	-	-
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	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	-
Janashakthi Insurance PLC *	Subsidiary of the Ultimate Parent	Director	-	-	-
Janashakthi Capital Limited *	Subsidiary of the Ultimate Parent	-	-	-	-
Janashakthi Business Services (Private) Limited *	Subsidiary of the Ultimate Parent	-	-	-	-
Janashakthi Corporate Services Limited *	Subsidiary of the Ultimate Parent	-	-	-	-
Beckett Capital (Pvt) Ltd *	Subsidiary of the Ultimate Parent	-	-	-	-
Orient Finance PLC **	Subsidiary of the Ultimate Parent	-	-	-	-

* Mr. Ramesh Schaffter represents as a director of First Capital Holdings PLC(intermediary parent) and is also a director of Janashakthi Limited (Ultimate Parent Company), Janashakthi Insurance PLC, Janashakthi Capital Limited, Janashakthi Business Services (Private) Limited, Janashakthi Corporate Services Limited and Beckett Capital (Pvt) Limited.

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

The Company has subsequently been renamed as Janashakthi Finance PLC.

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.

23.2 Transaction with Managing Company

Name of the company	Nature of the transaction	Transaction amount 2024/25 Rs.	Amounts owed (to)/ by the related party as at 31.03.2025 Rs.	Transaction amount 2023/24 Rs.	Amounts owed (to)/ by the related party as at 31.03.2024 Rs.
First Capital Asset Management Limited	Management fee	365,946,189	(38,672,126)	121,483,447	(23,417,534)
	Benefit accrued on unit trust investments	4,884,796	-	3,042,930	-

Amounts owed (to) / by the related party	Nature of the transaction	Amounts owed (to) / by the related party as at 31.03.2025 Rs.	Amounts owed (to) / by the related party as at 31.03.2024 Rs.
First Capital Asset Management Limited *	Bank deposit made	-	(277,374)
	Investment in unit trust	(141,292,640)	(39,376,345)

* Number of units under this investment as at 31.03.2025 - 42,002.46 (31.03.2024 - 12,881.85).

NOTES TO THE FINANCIAL STATEMENTS

23.3 Transaction with ultimate parent company/ intermediary parent company/ immediate parent company/ subsidiaries of the parent companies of the Managing Company.

Nature of transaction	Year ended 31.03.2025	Amounts owed (to)/ by the related party as at 31-03-2025	Year ended 31.03.2024	Amounts owed (to)/ by the related party as at 31-03-2024
	Rs.	Rs.	Rs.	Rs.
Statement of Profit or Loss and Other Comprehensive Income				
Interest income	1,833,326,859	-	2,301,162,464	-
Interest expense	17,838,787	-	4,757,285	-
Gain on sale of financial investments - FVTPL	38,295,460	-	120,360	-
Benefit accrued on unit trust	325,817,073	-	447,232,706	-
Statement of Financial Position				
Investment in unit trust *	-	(2,799,244,676)	-	(4,096,706,402)
Repo borrowings	-	-	-	(1,025,715,552)
Government securities under resale agreements	-	17,800,430,003	-	12,394,010,438

* Number of units under this investment as at 31.03.2025 - 832,139.33 (31.03.2024 - 1,340,224.88).

23.4 Transactions with key management personnel (KMP) and their close family members (CFM)

According to Sri Lanka Accounting Standard LKAS 24 - "Related Party Disclosures", Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Accordingly, the Board of Directors of First Capital Asset Management Limited (Managing company) and Chief Executive Officer of First Capital Asset Management Limited have been classified as KMPs of the entity.

Close Family Members of a Key Management Person are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the Entity. They may include;

- The individual's domestic partner and children;
- Children of the individual's domestic partner; and
- Dependants of the Individual or the individual's domestic partner

Close Family Members are related parties to the Entity.

Transaction with key management personal and their close family members are disclosed below.

Transactions with KMP/CFM	Year ended 31.03.2025	Amounts owed (to)/ by the related party as at 31.03.2025	Year ended 31.03.2024	Amounts owed (to)/ by the related party as at 31.03.2024
	Rs.	Rs.	Rs.	Rs.
Investment in Unit Trust *	-	(348,124,338)	-	(103,647,713)
Benefit accrued on Unit Trust	16,418,014	-	39,061,018	-

* Number of units under this investment as at 31.03.2025 - 103,487.90 (31.03.2024 - 33,908.03).

24. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

ACCOUNTING POLICY

All discernible risks are accounted for in determining the amount of all known liabilities.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognised in the SOFP but are disclosed unless they are remote.

There were no material capital commitments and contingent liabilities as at the reporting date which require disclosure in the financial statements.

25. EVENTS OCCURRING AFTER THE REPORTING PERIOD

ACCOUNTING POLICY

Events occurring after the reporting period are those events, favorable and unfavorable, that occur between the reporting date and the date the Financial Statements are authorised for issue.

All material and important events that occurred after the reporting date have been considered and appropriate disclosures are made in the financial statements.

26. RECONCILIATION BETWEEN THE NET ASSET VALUE AS PER FINANCIAL STATEMENT AND THE MONTHLY RETURN

	Rs.
Net Asset Value of the Fund as per Monthly Return	70,193,616,159
Add : Gain on fair valuation of financial asset - at fair value through profit or loss	204,886,955
Less : Impairment provision for financial asset - at amortised cost	(343,189)
Net Asset Value of the Fund as per Audited Financial Statements	70,398,159,925



75 %



SUPPLEMENTARY INFORMATION

SEMI ANNUAL RESULTS

For the period	2024/25		2023/24	
	Apr- Sep	Oct-Mar	Apr- Sep	Oct-Mar
Income	3,392,555,624	3,084,598,382	1,209,352,636	2,854,556,269
Direct expenses	(14,532,542)	(3,306,245)	(378,082)	(4,379,204)
Net trading income	3,378,023,082	3,081,292,137	1,208,974,554	2,850,177,065
Gain/ (Loss) on financial assets recognised through profit or loss - measured at fair value	(312,718,417)	188,150,340	307,664,042	(15,863,881)
Net trading income before expenses	3,065,304,665	3,269,442,477	1,516,638,596	2,834,313,184
Administrative expenses and other operating expenses	(232,760,261)	(245,395,155)	(35,877,332)	(126,492,482)
(Provision) / reversal for impairment of financial assets at amortised cost	3,300,938	3,504,414	-	(7,148,541)
Profit before taxation	2,835,845,342	3,027,551,736	1,480,761,264	2,700,672,161
Income tax expense	-	-	-	-
Profit for the period	2,835,845,342	3,027,551,736	1,480,761,264	2,700,672,161
Increase in net assets attributable to unitholders	2,835,845,342	3,027,551,736	1,480,761,264	2,700,672,161

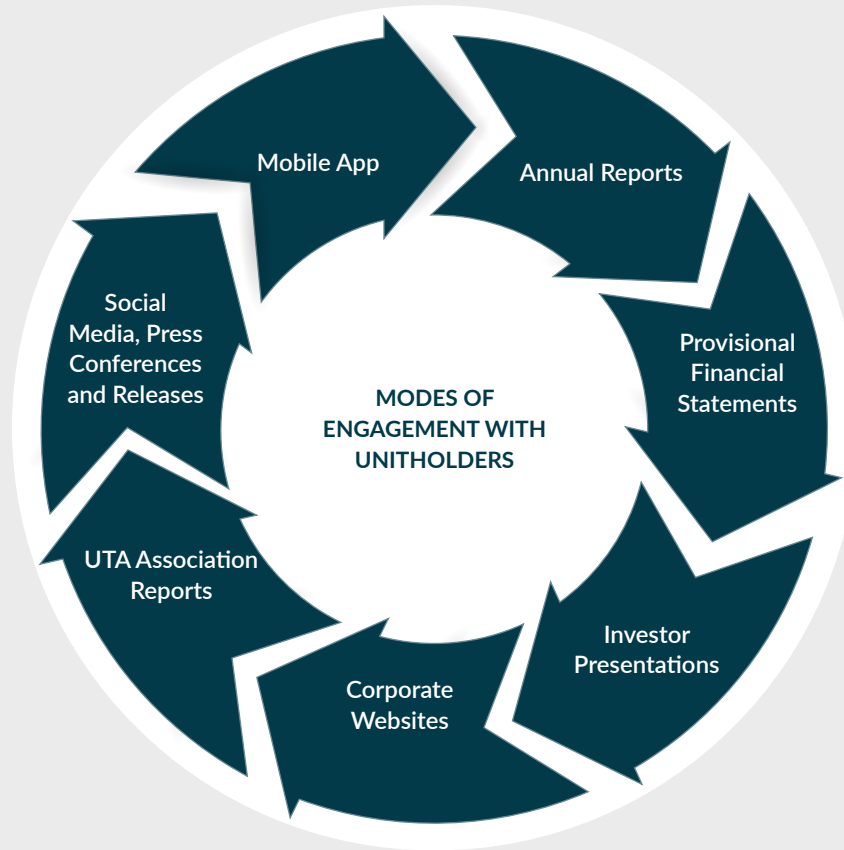
As at	2024/25		2023/24	
	Semi Annually 30-09-2024	Semi Annually 31-03-2025	Semi Annually 30-09-2023	Semi Annually 31-03-2024
Assets				
Cash at bank	12,504,316	3,656,192	14,617,219	30,601,078
Financial assets recognised through profit or loss - measured at fair value	29,250,373,605	44,429,671,754	10,126,708,917	29,690,647,936
Financial assets at amortised cost	24,324,531,810	26,018,561,659	8,905,507,672	21,064,743,623
Other receivables	-	-	409,260	6,328,013
Total Asset	53,587,409,731	70,451,889,605	19,047,243,068	50,792,320,650
Unitholders' funds and liabilities				
Repo borrowing against government securities	2,706,989,502	-	-	1,025,715,552
Accruals and other payables	49,980,288	53,729,680	177,240,761	1,178,042,147
Total liabilities	2,756,969,790	53,729,680	177,240,761	2,203,757,699
Unitholders' funds				
Net assets attributable to unitholders	50,830,439,941	70,398,159,925	18,870,002,307	48,588,562,951
Total unitholders' funds	50,830,439,941	70,398,159,925	18,870,002,307	48,588,562,951
Total unitholders' funds and liabilities	53,587,409,731	70,451,889,605	19,047,243,068	50,792,320,650

FIVE YEAR SUMMARY

Year ended 31 March	2025	2024	2023	2022	2021
	Rs.	Rs.	Rs.	Rs.	Rs.
Trading Results					
Gross income	6,477,154,006	4,063,908,905	694,203,631	1,713,285,944	1,221,227,960
Net trading income	6,459,315,219	4,059,151,619	652,754,432	1,699,324,010	1,220,867,600
Profit for the year	5,863,397,078	4,181,433,425	702,934,778	1,527,661,338	1,123,378,450
As at 31 March	2025	2024	2023	2022	2021
	Rs.	Rs.	Rs.	Rs.	Rs.
Statements of Financial Position					
Assets					
Cash at bank	3,656,192	30,601,078	4,939,744	7,688,208	18,775,444
Financial assets recognised through profit or loss - measured at fair value	44,429,671,754	29,690,647,936	3,456,230,665	8,657,802,283	9,358,051,401
Financial assets - at amortised cost	26,018,561,659	21,064,743,623	1,235,534,352	6,756,610,440	12,091,948,498
Other receivables	-	6,328,013	409,260	27,469,207	52,094,775
Total Assets	70,451,889,605	50,792,320,650	4,697,114,021	15,449,570,138	21,520,870,118
Unitholders' Funds and Liabilities					
Liabilities					
Repo borrowing against government securities	-	1,025,715,552	-	-	-
Accrual and other payables	53,729,680	1,178,042,147	14,898,976	18,404,923	42,648,665
Total Liabilities	53,729,680	2,203,757,699	14,898,976	18,404,923	42,648,665
Unitholders' Funds					
Net assets attributable to unitholders	70,398,159,925	48,588,562,951	4,682,215,045	15,431,165,215	21,478,221,453
Total Unitholders' Funds	70,398,159,925	48,588,562,951	4,682,215,045	15,431,165,215	21,478,221,453
Total Unitholders' Funds and Liabilities	70,451,889,605	50,792,320,650	4,697,114,021	15,449,570,138	21,520,870,118
Other Financial Information					
Net assets value per unit (Rs.)	3,363.91	3,056.73	2,503.13	2,076.65	1,931.73

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

UNITHOLDERS' INFORMATION



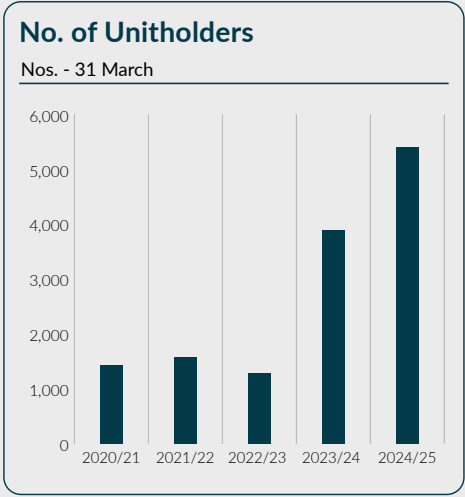
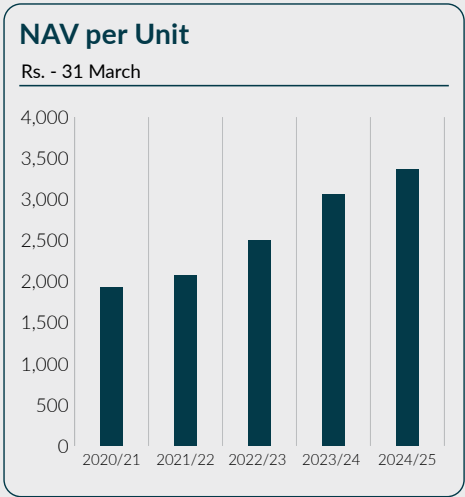
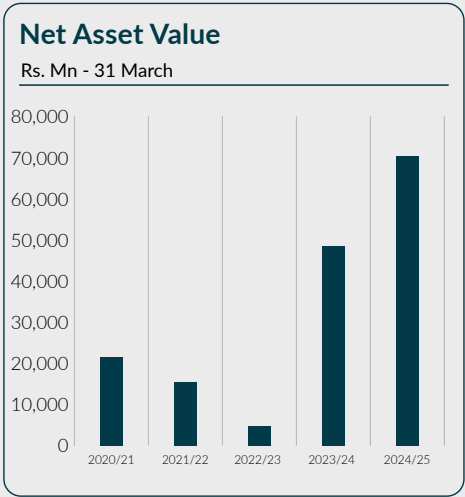
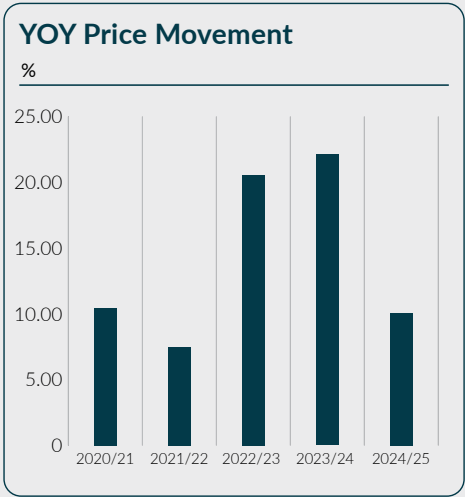
1. DISTRIBUTION OF UNITHOLDING

No. of Units held	31 March 2025			31 March 2024		
	Holding			Holding		
	Number of Units	%	Value of Units	Value	%	Value of Units
1 - 100,000	8,604,750	41.12	28,945,635,082	8,218,549	51.71	25,121,882,870
100,001 - 1,000,000	6,522,948	31.17	21,942,632,480	1,959,022	12.32	5,988,201,471
Over 1,000,000	5,799,761	27.71	19,509,892,363	5,718,028	35.97	17,478,478,610
Total	20,927,459	100.00	70,398,159,925	15,895,599	100.00	48,588,562,951

UNITHOLDERS' INFORMATION

2. ANALYSIS OF UNITHOLDING

No. of Units held	31 March 2025					31 March 2024				
	Unitholders		Holding		Value of Units	Unitholders		Holding		Value of Units
	Number	%	Value	%		Number	%	Value	%	
Individuals	5,146	95.26	10,051,787	48.03	33,813,341,488	3,688	94.56	6,079,052	38.24	18,582,022,148
Corporate	256	4.74	10,875,672	51.97	36,584,818,437	212	5.44	9,816,547	61.76	30,006,540,803
Total	5,402	100.00	20,927,459	100.00	70,398,159,925	3,900	100.00	15,895,599	100.00	48,588,562,951
Resident	5,387	99.72	20,894,744	99.84	70,288,109,295	3,893	99.82	15,888,673	99.96	48,567,392,253
Non-Resident	15	0.28	32,715	0.16	110,050,630	7	0.18	6,926	0.04	21,170,698
Total	5,402	100.00	20,927,459	100.00	70,398,159,925	3,900	100.00	15,895,599	100.00	48,588,562,951



BASIS OF RATIOS

No.	Ratios	Basis of calculation
1	Cost to income ratio (percentage, times)	Total direct and operating expenses/ Total income and fair valuation gain/losses
2	Net asset value per unit (Rs.)	Profit attributable to unitholders of the fund/ Total Number of units outstanding
3	Net trading income margin (%)	Net trading income for the year/ Income
4	Net profit margin (%)	Profit/ (loss) for the year/ Income
5	Return on assets (ROA) (%)	Profit/ (loss) for the year/ Average total assets
6	Return on Unitholders' fund (%)	Profit/ (loss) attributable to unitholders of the fund/ Average total unitholders' fund
7	Unitholders' fund asset ratio (times)	Total unitholders' fund/ Total assets
8	Borrowing to unitholders' fund (times)	Total borrowing/ Total unitholders' fund
9	Borrowing to asset ratio (times)	Total borrowing/ Total asset
10	Annualised fund return (%)	(Year end net assets value per unit/ Year beginning net assets value per unit) - 1
11	Total assets per unit (Rs.)	Total assets/ Number of units outstanding

HORIZONTAL AND VERTICAL ANALYSIS OF INCOME STATEMENT OVER FIVE YEARS

HORIZONTAL ANALYSIS

For the year ended 31 March,	2025		2024	
	Rs.	%	Rs.	%
Income	6,477,154,006	59	4,063,908,905	485
Direct expenses	(17,838,787)	275	(4,757,286)	(89)
Net trading income	6,459,315,219	59	4,059,151,619	522
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value	(124,568,077)	(143)	291,800,161	285
Net trading income before expenses	6,334,747,142	46	4,350,951,780	497
Administration expenses	(476,462,251)	195	(161,453,208)	519
Other operating expenses	(1,693,165)	85	(916,606)	89
(Provision)/ reversal for impairment of financial assets at amortised cost	6,805,352	(195)	(7,148,541)	(880)
Profit before tax	5,863,397,078	40	4,181,433,425	495
Income tax expense	-	-	-	-
Profit for the year	5,863,397,078	40	4,181,433,425	495
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	5,863,397,078	40	4,181,433,425	495

VERTICAL ANALYSIS

For the year ended 31 March,	2025		2024	
	Rs.	%	Rs.	%
Income	6,477,154,006	100	4,063,908,905	100
Direct expenses	(17,838,787)	(0)	(4,757,286)	(0)
Net trading income	6,459,315,219	100	4,059,151,619	100
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss - measured at fair value	(124,568,077)	(2)	291,800,161	7
Net trading income before expenses	6,334,747,142	98	4,350,951,780	107
Administration expenses	(476,462,251)	(7)	(161,453,208)	(4)
Other operating expenses	(1,693,165)	(0)	(916,606)	(0)
(Provision)/ reversal for impairment of financial assets at amortised cost	6,805,352	0	(7,148,541)	(0)
Profit before tax	5,863,397,078	91	4,181,433,425	103
Income tax expense	-	-	-	-
Profit for the year	5,863,397,078	91	4,181,433,425	103
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	5,863,397,078	91	4,181,433,425	103

2023		2022		2021	
Rs.	%	Rs.	%	Rs.	%
694,203,631	(59)	1,713,285,944	40	1,221,227,960	61
(41,449,199)	197	(13,961,934)	3,774	(360,360)	42
652,754,432	(62)	1,699,324,010	39	1,220,867,600	61
75,843,801	(309)	(36,327,806)	169	(13,508,215)	(218)
728,598,233	(56)	1,662,996,204	38	1,207,359,385	57
(26,095,570)	(81)	(139,782,885)	72	(81,169,878)	114
(484,170)	(5)	(512,200)	(11)	(576,566)	(84)
916,285	(82)	4,960,219	(322)	(2,234,491)	(30)
702,934,778	(54)	1,527,661,338	36	1,123,378,450	55
-	-	-	-	-	-
702,934,778	(54)	1,527,661,338	36	1,123,378,450	55
-	-	-	-	-	-
702,934,778	(54)	1,527,661,338	36	1,123,378,450	55

2023		2022		2021	
Rs.	%	Rs.	%	Rs.	%
694,203,631	100	1,713,285,944	100	1,221,227,960	100
(41,449,199)	(6)	(13,961,934)	(1)	(360,360)	(0)
652,754,432	94	1,699,324,010	99	1,220,867,600	100
75,843,801	11	(36,327,806)	(2)	(13,508,215)	(1)
728,598,233	105	1,662,996,204	97	1,207,359,385	99
(26,095,570)	(4)	(139,782,885)	(8)	(81,169,878)	(7)
(484,170)	(0)	(512,200)	(0)	(576,566)	(0)
916,285	0	4,960,219	0	(2,234,491)	(0)
702,934,778	101	1,527,661,338	89	1,123,378,450	92
-	-	-	-	-	-
702,934,778	101	1,527,661,338	89	1,123,378,450	92
-	-	-	-	-	-
702,934,778	101	1,527,661,338	89	1,123,378,450	92

HORIZONTAL AND VERTICAL ANALYSIS OF STATEMENT OF FINANCIAL POSITION OVER FIVE YEARS

HORIZONTAL ANALYSIS

As at 31 March	2025 Rs.	%	2024 Rs.	%
Assets				
Cash at banks	3,656,192	(88)	30,601,078	519
Financial assets recognised through profit or loss -measured at fair value	44,429,671,754	50	29,690,647,936	759
Financial assets at amortised cost	26,018,561,659	24	21,064,743,623	1,605
Other receivables	-	(100)	6,328,013	1,446
Total assets	70,451,889,605	39	50,792,320,650	981
Unitholders' funds and liabilities				
Liabilities				
Repo borrowing against government securities	-	(100)	1,025,715,552	100
Accruals and other payables	53,729,680	(95)	1,178,042,147	7,807
Total liabilities	53,729,680	(98)	2,203,757,699	14,691
Unitholders' funds				
Net assets attributable to the unitholders	70,398,159,925	45	48,588,562,951	938
Total unitholders' funds	70,398,159,925	45	48,588,562,951	938
Total unitholders' funds and liabilities	70,451,889,605	39	50,792,320,650	981

VERTICAL ANALYSIS

As at 31 March	2025 Rs.	%	2024 Rs.	%
Assets				
Cash at banks	3,656,192	0	30,601,078	0
Financial assets recognised through profit or loss -measured at fair value	44,429,671,754	63	29,690,647,936	58
Financial assets at amortised cost	26,018,561,659	37	21,064,743,623	41
Other receivables	-	-	6,328,013	0
Total assets	70,451,889,605	100	50,792,320,650	100
Unitholders' funds and liabilities				
Liabilities				
Repo borrowing against government securities	-	-	1,025,715,552	2
Accruals and other payables	53,729,680	0	1,178,042,147	2
Total liabilities	53,729,680	0	2,203,757,699	4
Unitholders' funds				
Net assets attributable to the unitholders	70,398,159,925	100	48,588,562,951	96
Total unitholders' funds	70,398,159,925	100	48,588,562,951	96
Total unitholders' funds and liabilities	70,451,889,605	100	50,792,320,650	100

2023		2022		2021	
Rs.	%	Rs.	%	Rs.	%
4,939,744	(36)	7,688,208	(59)	18,775,444	(96)
3,456,230,665	(60)	8,657,802,283	(7)	9,358,051,401	131
1,235,534,352	(82)	6,756,610,440	(44)	12,091,948,498	396
409,260	(99)	27,469,207	(47)	52,094,775	(73)
4,697,114,021	(70)	15,449,570,138	(28)	21,520,870,118	201
-	-	-	-	-	(100)
14,898,976	(19)	18,404,923	(57)	42,648,665	106
14,898,976	(19)	18,404,923	(57)	42,648,665	(71)
4,682,215,045	(70)	15,431,165,215	(28)	21,478,221,453	207
4,682,215,045	(70)	15,431,165,215	(28)	21,478,221,453	207
4,697,114,021	(70)	15,449,570,138	(28)	21,520,870,118	201

2023		2022		2021	
Rs.	%	Rs.	%	Rs.	%
4,939,744	0	7,688,208	0	18,775,444	0
3,456,230,665	74	8,657,802,283	56	9,358,051,401	43
1,235,534,352	26	6,756,610,440	44	12,091,948,498	56
409,260	0	27,469,207	0	52,094,775	0
4,697,114,021	100	15,449,570,138	100	21,520,870,118	100
-	-	-	-	-	-
14,898,976	0	18,404,923	0	42,648,665	0
14,898,976	0	18,404,923	0	42,648,665	0
4,682,215,045	100	15,431,165,215	100	21,478,221,453	100
4,682,215,045	100	15,431,165,215	100	21,478,221,453	100
4,697,114,021	100	15,449,570,138	100	21,520,870,118	100

INTEGRATED REPORTING - CONTENT INDEX

IR Reference	Para. No;	Description	Page No; / Note
1G	1.2	An integrated report should include a statement from those charged with governance	7
2B	2.4	Value created, preserved or eroded by an organisation over time manifests	24 to 25
2C	2.10	All organisations depend on various forms of capital for their success.	49 to 76
2D	2.20	The process through which value is created, preserved or eroded is depicted	24 to 25
3A	3.3	Strategic focus and future orientation	29 to 31
3B	3.6	Connectivity of information	Connectivity of the information is maintained throughout the report
3C	3.10	Stakeholder relationships	35 to 37
3D	3.17	Materiality	26 to 28
	3.18	The materiality determination process	26
	3.21	Identifying relevant matters	26 to 28
	3.28	Prioritising important matters	26 to 28
3E		Conciseness	Concise IR report is available on page 4 to 76
3F		Reliability and completeness	The management ensures the reliability and completeness of the information provided
3G		Consistency and comparability	Comparative information is provided for comparability and consistency
4A	4.4, 4.5, 4.6, 4.7	Organisational overview and external environment	45 to 76
4B	4.8	Governance	78 to 109
4C	4.10, 4.11, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17, 4.18, 4.19, 4.20, 4.21, 4.22	Business model	24 to 25
4D	4.23, 4.24, 4.25, 4.26	Risks and opportunities	38 to 43
4E	4.27, 4.28, 4.29	Strategy and resource allocation	29 to 31
4F	4.31, 4.32, 4.33	Performance	49 to 76
4G	4.35, 4.36, 4.37, 4.38, 4.39	Outlook	45 to 76
4H	4.41, 4.42, 4.43, 4.44, 4.45, 4.46, 4.47	Basis of preparation and presentation	6,7 and 121 to 126

GRI CONTENT INDEX

Statement of use	First Capital Money Market Fund & First Capital Asset Management Limited (the managing company) has reported in accordance with the GRI Standards for the period from 1 April 2024 to 31 March 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI standard/ Other source	Disclosure	Location/ (Page)	Omission		
			Requirement (s) omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	8,10,187			
	2-2 Entities included in the organisation's sustainability reporting				First Capital Asset Management Limited (Managing Company)
	2-3 Reporting period, frequency and contact point	4 to 7			
	2-4 Restatements of information	5			
	2-5 External assurance				
	2-6 Activities, value chain and other business relationships	24 - 25			
	2-7 Employees	62 - 67			
	2-8 Workers who are not employees		2-8 a, b, c	Not applicable	FCMMF does not engage workers who are not employees
	2-9 Governance structure and composition	84			
	2-10 Nomination and selection of the highest governance body	89			
	2-11 Chair of the highest governance body	86			
	2-12 Role of the highest governance body in overseeing the management of impacts	87			
	2-13 Delegation of responsibility for managing impacts	86			
	2-14 Role of the highest governance body in sustainability reporting	12			
	2-15 Conflicts of interest	86			

GRI CONTENT INDEX

GRI standard/ Other source	Disclosure	Location/ (Page)	Omission		
			Requirement (s) omitted	Reason	Explanation
	2-16 Communication of critical concerns	88			
	2-17 Collective knowledge of the highest governance body	16	2-18 a,b,c		
	2-19 Remuneration policies	102			
	2-20 Process to determine remuneration	102			
	2-21 Annual total compensation ratio		2-21 a,b,c	Confidentiality constraints	Constraints in disclosing total compensation ratio
	2-22 Statement on sustainable development strategy				This is covered through the Managing company's Intermediary company strategies (First Capital Holdings PLC)
	2-23 Policy commitments	34			
	2-24 Embedding policy commitments	73 - 76			
	2-25 Processes to remediate negative impacts	65			
	2-26 Mechanisms for seeking advice and raising concerns	88			
	2-27 Compliance with laws and regulations	91 - 99			
	2-28 Membership associations	68 - 72			
	2-29 Approach to stakeholder engagement	35 - 37			
	2-30 Collective bargaining agreements		2-30 a,b	Not applicable	The Managing Company Does not have collective agreements with its employees
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	26			
	3-2 List of material topics	26			

GRI standard/ Other source	Disclosure	Location/ (Page)	Omission		
			Requirement (s) omitted	Reason	Explanation
Economic Performance					
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	32			
	201-2 Financial implications and other risks and opportunities due to climate change	43			
	201-3 Defined benefit plan obligations and other retirement plans				Not applicable to the Fund
	201-4 Financial assistance received from government		201-4 a,b,c	Not applicable	FCMMF does not receive any financial assistance from the government
Indirect economic impacts					
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	25			
	203-2 Significant indirect economic impacts	25			
Anti-corruption					
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	87			
	205-2 Communication and training about anti-corruption policies and procedures	87			
	205-3 Confirmed incidents of corruption and actions taken				Nothing related to the Fund
Employment					
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	62 - 67			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	65			
	401-3 Parental leave	65			

GRI CONTENT INDEX

GRI standard/ Other source	Disclosure	Location/ (Page)	Omission		
			Requirement (s) omitted	Reason	Explanation
Training and education					
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	65			
	404-2 Programmes for upgrading employee skills and transition assistance Programmes	65			
	404-3 Percentage of employees receiving regular performance and career development reviews				Cover all employees
Diversity and equal opportunity					
GRI 405: Diversity and Equal opportunity	405-1 Diversity of governance bodies and employees	85			
Non-discrimination					
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	66			
Local communities					
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	68 - 71			
	413-2 Operations with significant actual and potential negative impacts on local communities	68 - 71			
Public policy					
GRI 415: Public Policy 2016	415-1 Political contributions				FCMMF does not receive any financial assistance from the government
Customer privacy					
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	42			

GLOSSARY OF FINANCIAL AND BUSINESS TERMS

A

» **Accounting Policies:** The specific principles, bases, conventions, rules and practices adopted by an entity in preparing and presenting financial statements.

» **Accrual Basis:** Recognising the effects of transactions and other events when they occur without waiting for receipt or payment of cash or cash equivalent.

» **Amortised Cost:** Amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and minus any reduction for impairment or uncollectability.

» **Annual Equivalent Rate (AER):** The interest rate on a financial product, loan or investment re-stated from its nominal interest rate to an interest rate with annual compound interest payable in arrears.

» **Annual Equivalent basis:** The methodology of using the Annual Equivalent Rate to depict the interest rate on a financial product.

» **Asset:** A resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.

» **Assets Under Management (AUM):** The total market value of all the financial assets which a financial institution such as an asset manager of unit trusts, investment company, venture capital firm or private equity company manages on behalf of its clients and themselves.

» **Asset Backed Securitisations:** Short or long-term financial securities which are backed by financial assets and also referred to Securitisations.

» **Asset Management** refers to the company's wealth and asset management activities which include unit trust investments, discretionary portfolio management and tailored financial advice and products such as lifestyle investment.

» **Average Weighted Deposit Rate (AWDR):** Weighted average interest rates offered for interest bearing deposits by commercial banks.

C

» **Call Money Rate:** Inter-bank overnight lending rate.

» **Cash Equivalents:** Short-term, highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

» **Commercial Paper:** A short term unsecured promissory note issued in the open market by quoted public companies representing an obligation of the issuing entity.

» **Corporate Governance:** Process by which corporate entities are governed to promote stakeholder interest. Shareholders exert collective pressure on management to ensure equitable decision making on matters that may affect the value of their holdings and base their response on statutory requirements or on so called "Best Practice".

» **Cost Method:** Cost method is a method of accounting for an investment whereby the investment is recognised at cost. The investor recognises income from the investment only to the extent that the investor receives distributions from accumulated profits of the investee arising after the date of acquisition. Distributions received in excess of such profits are regarded as a recovery of investment and are recognised as a reduction of the cost of the investment.

» **Credit Rating:** An evaluation of a corporate's ability to repay its obligations or likelihood of not defaulting, carried out by an independent rating agency.

» **Credit Risk:** The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

D

» **Deal:** Investment banking transactions.

» **De-recognition:** Removal of a previously recognised financial asset or financial liability from an entity's Statement of Financial Position.

E

» **Effective Interest Method:** A method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

» **Expected Credit Losses:** Expected credit losses are a probability – weighted estimate of credit losses over the expected life of the financial instrument.

» **12 Month Expected Credit Losses:** The portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date.

» **Lifetime Expected Credit Losses:** The expected credit losses that result from all possible default events over the expected life of a financial instrument.

F

» **Fair Value:** 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.

GLOSSARY OF FINANCIAL AND BUSINESS TERMS

» **Financial assets recognised through profit or loss -measured at fair value:** These financial assets are held within a business model with the objective to sell financial assets.

» **Financial assets at amortised cost:** These financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. These assets are tested for impairment.

» **Financial Asset or Financial Liability at Fair Value through Profit or Loss:** Financial asset or financial liability that is held for trading or upon initial recognition designated by the entity as 'at fair value through profit or loss'.

» **Financial Instrument:** Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

» **Fixed Income Securities:** Securities whose current income is fixed or based on some underlying index. These are also known as debt securities since they represent a fixed obligation of the company unlike equity, which pays dividends only when the company makes profits.

» **Fund:** Unit Trust.

G

» **Gilts:** Government securities.

» **Group:** A group is a parent and all its subsidiaries.

I

» **Impairment:** This occurs when recoverable amount of an asset is less than its carrying amount.

» **Impairment Allowances:** Impairment allowances are provisions held on the Statement of Financial Position as a result of the raising of a charge against profit for the incurred loss. An impairment allowance may either be identified or unidentified and individual (specific) or collective respectively.

» **Interest Rate Risk:** The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

K

» **Key Management Personnel:** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

L

» **Liabilities:** Debt or obligations of a business.

» **Liquidity Risk:** The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

» **Loans and Receivables:** Non derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those intends to sell immediately or in the near term and designated as fair value through profit or loss or available for sale on initial recognition.

M

» **Materiality:** The relative significance of a transaction or an event, the omission or misstatement of which could influence the decisions of users of financial statements.

O

» **Operational Risk:** This refers to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events.

» **Outright:** The purchase or sale of a currency or security for delivery on any date other than spot (not being a swap transaction).

» **Overnight:** Deposit or swap transaction for settlement on transaction date to or against the next business day after transaction date.

P

» **Parent:** A parent is an entity that has one or more subsidiaries.

» **Policy Rates:** The rates that are used by a central bank to implement or signal its monetary policy stance. The Central Bank of Sri Lanka uses the Standing Deposit Facility Rate and Standing Lending Facility Rate as policy rates.

» **Portfolio:** Income generating assets such as loans, finance leases, investment securities and bills discounted etc.

» **Primary Market:** A capital market where newly issued securities are offered to the public directly by the issuer. Initial Public Offerings and new issues where a company offers its shares or debentures directly to investors constitute the primary market.

» **Prime Lending Rate (PLR):** The interest rate a commercial bank will offer to its best customers.

R

» **Recurring income:** Core earnings closely linked to the traditional banking business but also used in investment banking to mean the portion of a company's income that is expected to continue in the future.

» **Redemption:** Refers to the liquidation of unit trust holdings; or in general, repayment of a fixed-income security before their maturity date.

» **Related Parties:** Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

» **Related Party Transactions:** A transfer of resources, services or obligations between related parties, regardless of whether a price is charged or not.

» **Repurchase Agreement:** An agreement (Repo for short) is the simultaneous sale and repurchase of a security on different settlement dates.

» **Revenue Reserves:** Reserves which may be distributed to shareholders as dividends.

» **Reverse Repurchase Agreement:** An agreement (Reverse Repo for short) is the simultaneous purchase and resale of a security on different settlement dates.

S

» **Secondary Market:** A capital market where investors purchase securities or assets from other investors, rather than from the issuing companies themselves. The Colombo Stock Exchange is a secondary market (Listed shares/ debentures).

» **Spread:** In this report refers to, net interest rate spread or the difference between the average yield received from interest-accruing activities or assets and the average rate we pay on interest-accruing borrowings or liabilities.

» **Standing Deposit Facility Rate (SDLR):** The floor rate of interest for the absorption of overnight excess liquidity from the banking system by the Central Bank of Sri Lanka.

» **Standing Lending Facility Rate (SDFR):** The interest rate applicable on reverse repurchase transactions of the Central Bank of Sri Lanka with commercial banks on an overnight basis providing the ceiling rate for the injection of overnight liquidity to the banking system by the Central Bank of Sri Lanka.

» **Statutory Reserve Requirement (SRR):** The proportion of rupee deposit liabilities that commercial banks are required to maintain as a deposit with the Central Bank of Sri Lanka.

» **Swap (currency):** The simultaneous purchase and sale of identical amounts of a currency for different value dates.

T

» **Term Repo:** A Repo with more than one day's duration. In this report we use it in relation to the Platinum Bond issued by the Company which is a Repo investment with medium to long term horizon. Also see Repurchase Agreement.

» **Transaction Costs:** Incremental costs which are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability.

U

» **Unit Trust:** An undertaking formed to invest in securities under the terms of a trust deed. May also be referred to as Fund or Mutual Fund.

Y

» **Yield Curve:** The graphical depiction of the relationship between the yield on Treasury securities and the corresponding period.

START INVESTING WITH US

First Capital Money Market Fund welcomes the new investors who seek capital preservation, daily liquidity together with attractive returns.

The person who wishes to open a Unit Trust account can choose the most convenient mode from the alternatives below.

- Digital Onboarding via <https://eonboarding.firstcapital.lk>
- Walk-in to First Capital Office

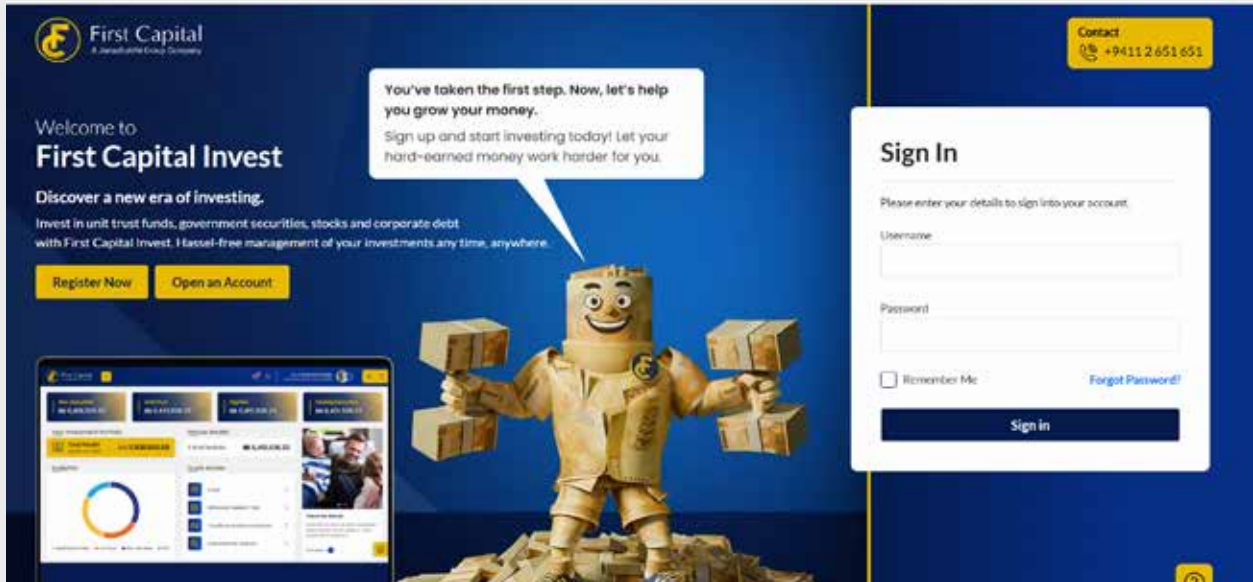


Documents need to submit:

- Copy of the National Identity Card /Passport
- Bank Details
- Address proof (if the address differs from the NIC)

To open a Unit Trust account, an investor needs to meet the following criteria.

- Citizens of Sri Lanka, Companies, and Institutions incorporated in Sri Lanka.
- Pension Funds, Provident Funds, and other legally constituted bodies incorporated in Sri Lanka.
- Minors under the age of 18 years may apply for units, but the application should be made by a parent or guardian on behalf of such minor.
- Non-citizens/institutions incorporated outside Sri Lanka based on the rules stipulated through the Foreign Exchange Act from time to time.
- Investors can check the daily unit prices through online <https://firstcapital.lk/unit-trusts/> and
- through the WhatsApp channel <https://whatsapp.com/channel/0029VaQdq7o3GJOsKQFz6G2v>



After the account approval, investor can transfer money via bank deposit or online transfer to one of the bank accounts below.

1. Account Name : First Capital Money Market Fund – Collection account

Bank : Bank of Ceylon – Corporate Branch

Number : 76544894

2. Account Name : First Capital Money Market Fund – Collection account

Bank : Sampath Bank PLC – Head Quarters

Number : 002930031383

Minimum Subscription

- The minimum initial subscription by an investor for units is LKR 1,000/-.

Investors can check their unit balances via

- Online portal <https://online.firstcapital.lk>
- Mobile app
- WhatsApp channel

Exit Fee

- There is No Exit Fee applicable for this Fund.

NOTES

UNITHOLDER/STAKEHOLDER FEEDBACK FORM

To request information to submit a comment / query to the Company, please provide the following details and return this page to –

Mangala Jayashantha
Chief Financial Officer
First Capital Asset Management Limited
02, Deal Place
Colombo 03
mangala@firstcapital.lk
Tel : 0112639898

Name :

.....

Permanent Mailing Address :

.....

Contact Number/s :

.....

Tel :

Fax :

E-Mail :

Name of the Company (If Applicable) :

.....

Designation (If Applicable) :

.....

Company Address (If Applicable) :

.....

Queries / Comments :

.....

.....

.....

Your opinion matters. Please share your views with us.

UNITHOLDER/STAKEHOLDER FEEDBACK FORM

Which stakeholder groups do you belong to?

(You may tick more than one)

☐ Employee ☐ Unitholder ☐ Community

Does the report address issues of greatest interest to you?

☐ Comprehensively ☐ Partially ☐ Not at all

Please identify any additional issues that you think should be reported on :

Do you have any additional comments on the report - or on Fund's performance?

Would you like to be consulted when we prepare our next Annual Report?

☐ Yes ☐ No

Your name, email address and / or other contact details:

.....

.....

ANNEXURE A - BOARD OF DIRECTORS OF THE INTERMEDIARY PARENT COMPANY

Rajendra Theagarajah

Independent Non-Executive Chairman

Rajendra Theagarajah is a Fellow Member of the Chartered Institute of Management Accountants, UK, a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, and holds a Master of Business Administration from Cranfield School of Business, UK.

A veteran banker, Theagarajah has had a highly successful career in banking in both the United Kingdom and Sri Lanka. Over his 36-year career, he spent the last 16 years as the CEO of three licensed commercial banks in Sri Lanka, making significant contributions towards policy advocacy issues such as the Corporate Governance Framework for Banks, Basel III adoption, and Fair Value Accounting by Banks. During this period, he chaired the Sri Lanka Banks Association, the Asian Banks Association, and the Lanka Financial Services Bureau. He also served on the boards of the Sri Lanka Institute of Directors, LankaClear, and the Colombo Stock Exchange, and was Chairman of the Ceylon Chamber of Commerce from 2017 to 2019.

In 2022, he received the title “Chairman Emeritus” of the Asian Banks Association for his outstanding contributions. He is a member of the Stakeholders Engagement Committee of the Central Bank of Sri Lanka. He is also a Senior Visiting Fellow of the Pathfinder Foundation, a leading think tank in Sri Lanka.

Other principal appointments:

Chairman: Orient Finance PLC, Payable (Pvt) Ltd, BCAS (Pvt) Ltd

Director : Siam City Cement (Lanka) Ltd, Professional Insurance Corporation Zambia

Date of appointment to the Board: 28 June 2024

Committee Membership: ● ● ●

Manjula Mathews

Non-Independent Non-Executive Director/ Deputy Chairperson

Manjula Mathews has over three decades of experience in finance, marketing, and general management, both in Sri Lanka and the United Kingdom. She is currently a Director of Janashakthi Limited, the parent company of the listed entities Janashakthi Insurance PLC, Orient Finance PLC, First Capital Holdings PLC, and others. She previously worked as Finance Manager for the UK operations of AT&T, an American multinational telecommunications company.

Since 2022, she has served on the Board of Habitat for Humanity International, a leading global nonprofit that advocates for everyone's right to live in safe, affordable housing. She served as a Director and subsequently as Board Chair of Habitat for Humanity Sri Lanka until September 2024. She currently serves as a Custodian of the Alzheimer's Association of Sri Lanka.

Manjula's former business positions include that of Managing Director and subsequently Chairperson of Dunamis Capital PLC and its several subsidiaries including First Capital. She is a former Finance Director of Janashakthi Insurance PLC and until 2021 served in the capacity of a Non-Executive Director.

More recently she has focused her energies on more service-minded endeavors working as a counsellor in private practice and as a lecturer at the Colombo Theological Seminary. Manjula is a fellow member of the Chartered Institute of Management Accountants in the UK, and holds a Master's Degree in Business Administration from the University of Cambridge, UK.

Other principal appointments:

Director: Janashakthi Limited, Mahaweli Feed Mills (Pvt) Ltd, Rock Foundation (Pvt) Ltd,

Habitat for Humanity International

Date of appointment to the Board: 27 December 2022

Committee Membership: ● ● ● ●

ANNEXURE A - BOARD OF DIRECTORS OF THE INTERMEDIARY PARENT COMPANY

Dilshan Wirasekara

Managing Director/ Chief Executive Officer

Dilshan Wirasekara, Managing Director/Chief Executive Officer of First Capital Holdings PLC is an experienced professional with a career spanning over 29 years, comprising diversified expertise in financial services including, banking, treasury and investment management, capital market strategy and corporate finance advisory services.

Having joined First Capital in 2013, Dilshan steered the Company, a full-service investment institution holding licenses as a primary dealer in government securities, stock brokering as a full trading member of the CSE, unit trust management and wealth management licensed by SEC and debt structuring, trading and corporate finance advisory in addition to its fully fledged research unit covering macro fundamentals, equity and fixed income, to establish itself as a significant contributor to the local capital market industry.

He spearheaded the formation of key debt structuring deals with internationally based development Financial Institutions as well the signing of strategic partnerships with foreign institutions focusing on emerging markets such as Sri Lanka.

He was the former General Manager of Softlogic Capital PLC guiding investment and trading portfolio management across subsidiaries inclusive of the Group's Licensed Finance Company, Composite Insurer and Equity Brokerage; prior to which he was Head of Treasury at Nations Trust Bank PLC.

He specialises in Asset and Liability Risk Management having secured the accolade of leading and representing two Sri Lankan companies in winning the International Bank Asset and Liability competition organised annually by the Netherlands Development Finance Company (FMO), German Investment Corporation (DEG) and Proparco – a subsidiary of the Agence Française de Development (AFD).

Dilshan is an Alumnus of INSEAD having successfully completed his Executive Professional Education at INSEAD Business School in Fontainebleau, France. He is also an Alumnus of AOTS, Tokyo, Japan.

Other principal appointments:

Chairman: Colombo Stock Exchange

Deputy Chief Executive Officer: Janashakthi Limited

Date of appointment to the Board: 1 May 2017

Committee Membership: ● ●

Ramesh Schaffter

Non- Independent Non- Executive Director

Ramesh Schaffter is an accomplished business leader with over three decades of experience in finance, marketing, and strategic management. As the Managing Director/Group CEO of Janashakthi Group (JXG), he is known for his visionary leadership and dedication to excellence. A Fellow of the Chartered Institute of Management Accountants (CIMA), UK, a former Council Member of the Chartered Institute of Management Accountants (CIMA) Sri Lanka branch, and an Associate of the Chartered Institute of Marketing (CIM), UK, he brings a wealth of expertise in financial strategy, corporate governance, and organisational transformation. His strategic insights have been instrumental in fostering Janashakthi's growth, enhancing its market presence, and positioning the company for continued success and innovation in the industry.

In addition to his corporate accomplishments, Ramesh is a respected social entrepreneur and life coach, focused on personal development and community engagement. His community work includes serving as former President of Habitat for Humanity Sri Lanka, a Board Member of World Vision Sri Lanka, and co-founder of Swarga TV. He also co-founded the Christian Arts Foundation (Chraft).

A gifted public speaker, he has garnered numerous accolades in Toastmasters contests, showcasing his exceptional communication skills. Driven by a passion for empowering others, he launched the Inspiring Change Foundation (ICF), aiming to share his vast knowledge and experience with the next generation of leaders.

Other principal appointments:

Managing Director/Group Chief Executive Officer: Janashakthi Limited

Director: Janashakthi Insurance PLC, Serendib Land PLC, Sarvodaya Development Finance PLC

Date of appointment to the Board: 21 December 2018

Committee Membership: ●

Kuda Banda Herath

Independent Non-Executive Director

Kuda Herath holds a bachelor's degree in applied chemistry from the University of Kingston, London and currently serves as an Independent Non-Executive Director of Central Finance Company PLC since 16 February 2019.

He has a career spanning over 28 years in the fast-moving consumer goods industry in Sri Lanka, starting off with 16 years at Nestle Lanka Limited holding key positions in disciplines such as manufacturing, sales, marketing and global business excellence projects.

He served as an Executive Director of A. Baur & Co. (Pvt) Ltd for a period of 8 years during which period he was instrumental in establishing a consumer vertical for the company.

He joined Sunshine Holdings PLC in April 2020 as the Chief Operating Officer of their Consumer business, primarily to expand their consumer footprint via mergers and acquisitions.

As a member of the Environmental Cell of the Ceylon Chamber of Commerce from year 1996 to 2001 he was part of both Governmental and Non-governmental initiatives in assessing and formalising plans to minimise adverse impacts to the environment from Industry.

Other principal appointments:

Director: Central Finance Company PLC, Energy Management Systems (Pvt) Ltd, Bavarian Barn German Restaurant (Pvt) Ltd, Photocinex (Pvt) Ltd

Chief Operating Officer: Sunshine Holdings PLC

Date of appointment to the Board: 29 April 2024

Committee Membership: ●

Rachini Rajapaksa

Independent Non-Executive Director

Rachini Rajapaksa, a Fellow Member of the Chartered Institute of Management Accountants, UK, and a Chartered Financial Analyst of the CFA Institute, USA, counts over 30 years of experience in fund management and finance. Currently, she serves as an Independent Non-Executive Director of Asia Siyaka Commodities PLC and its subsidiaries, Sri Lanka Accounting and Auditing Standards Monitoring Board and few private companies.

Rachini was an Independent Non-Executive Director at Nations Trust Bank PLC until April 2025. She was a founding member of CFA Society Sri Lanka and one of the first female charter holders in the country. She served as the first female president of the Society and held various roles including as a Director over many years. She has contributed extensively to the CFA community, locally and internationally, including as an examination grader of the CFA Institute for two decades.

She began her career at PricewaterhouseCoopers, Sri Lanka, and later worked as a Senior Fund Manager at Ceybank Asset Management Ltd. She also served as the Chief Financial Officer of IBM Sri Lanka and Bangladesh.

Other principal appointments:

Director: Asia Siyaka Commodities PLC, AgriOne Solutions (Pvt) Ltd, Asia Siyaka Warehousing (Pvt) Ltd, Sri Lanka Accounting and Auditing Standards Monitoring Board, Asset Machinery & Equipment (Pvt) Ltd, Asset Enterprises (Pvt) Ltd, and Lanka Bond House Ltd

Date of appointment to the Board: 28 June 2024

Committee Membership: ● ● ● ●

ANNEXURE A - BOARD OF DIRECTORS OF THE INTERMEDIARY PARENT COMPANY

Inoshini Perera

Independent Non-Executive Director

Inoshini Perera brings a blend of international experience from the UK and Singapore, complemented by local expertise. She holds a Master's in Finance from the University of Cambridge, UK, and a BSc in Economics with First Class Honours from the London School of Economics and Political Science, UK. Her career spans various specialties, including Investment Banking, Management Consultancy, and Corporate Banking.

She has held significant roles such as Vice President in Mergers and Acquisitions advisory at Bank of America in the UK, Associate Director at KPMG in Singapore, and senior positions at Standard Chartered Bank in Sri Lanka. Currently, she serves as an Independent Consultant and Board Director at Verite Research. With her comprehensive understanding of global markets and deep knowledge of the local landscape, Inoshini is well-equipped to navigate complex challenges and drive our strategic initiatives forward.

Other principal appointments:

Director: Verite Research

Date of appointment to the Board: 28 June 2024

Committee Membership: ● ● ●

Dilendra Wimalasekera

Independent Non-Executive Director

Dilendra Wimalasekera is an entrepreneur with over 25 years of experience in building and running IT services and digital marketing businesses. He is the Founder of three Sri Lankan-based companies: Eureka Technology Partners, 24/7 Techies, and ReapDigital, all of which leverage technology to provide services globally. These companies have collectively supported over 70,000 consumers, 3,000 small businesses, and notable enterprises such as Google, Natixis, and Wolters Kluwer across 10 countries spanning 4 continents.

Since 2017, Dilendra has served as a mentor at the Google for Startups Accelerator programme and as an Advisory Board member of SLAASCOM. He has also held roles as a past Board Director and Treasurer of the American Chamber of Commerce (AMCHAM). He holds a BA in Business Economics from the College of Wooster, USA, and completed the Birthing of Giants entrepreneur development programme at the Massachusetts Institute of Technology, USA.

Other principal appointments:

Director: Eureka Technology Partners (Pvt) Ltd, 24/7 Techies (Pvt) Ltd, ReapDigital (Pvt) Ltd

Date of appointment to the Board: 28 June 2024

Committee Membership: ●

Legend

- Nomination and Governance Committee
- Remuneration Committee
- Investment, Asset and Liability Committee
- Board Audit Committee
- Related Party Transactions Review Committee
- Board Integrated Risk Management Committee

ANNEXURE B - TRI-LINGUAL FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

லாப ஸ் அலாப ஸ் வெலத் வீக்லிர்ஷ் அடாய்ஸ் ஸ்ரகாஸ

இலாபம் அல்லது நடட்டம் மற்றும் இதர விரிவான வருமான கூற்று

For the year ended 31 March / மார்ச் 31 டுனேன் அலெக் வல வர்ஷஸ் ஸ்ரகாஸ / 31 மார்ச்சில் முடிவடைந்த ஆண்டிற்கானது	2025 Rs.	2024 Rs.
Income/ அடாய்ஸ்/ வருமானம்	6,477,154,006	4,063,908,905
Direct expenses/ ஸ்ரப் வீடெய்/ நேரடி ஸ்லவுகள்	(17,838,787)	(4,757,286)
Net trading income/ ஷீட் வெலேடி அடாய்ஸ்/ நிகர வர்த்தக வருமானம்	6,459,315,219	4,059,151,619
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss -measured at fair value/ லாப ஸ் அலாப ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஷீட் லாபம்/(அலாபம்)/ இலாபம் அல்லது நடட்டத்தின் ஸ்ரடாக நியாயமான மதிப்பில் அளவிடப்படும் நிதிச் ஸ்ரெக்ஸ்களின் மீதான நியாய மதிப்பீட்டு இலாபம் (நட்டம்)	(124,568,077)	291,800,161
Net trading income before expenses/ வீடெய் வெலேடி ஷீட் வெலேடி அடாய்ஸ்/ ஸ்லவுகளுக்கு முன் நிகர வர்த்தக வருமானம்.	6,334,747,142	4,350,951,780
Administration expenses/ ஸ்ரெக் வீடெய்/ நிர்வாக ஸ்லவுகள்	(476,462,251)	(161,453,208)
Other operating expenses/ வெலத் ஸ்ரெக் வீடெய் /ஏனைய ஸ்ரெக்ஸ்கள்	(1,693,165)	(916,606)
(Provision) / reversal for impairment of financial assets at amortised cost/ ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் கிரைய முறையில் கணக்கிடப்பட்ட நிதிச் ஸ்ரெக்ஸ்கள் மீதான கடன் ஏற்பாடு	6,805,352	(7,148,541)
Profit before tax/ வு ஸ்ரெக் லாபம்/ வரிக்கு முந்திய இலாபம்/(நட்டம்)	5,863,397,078	4,181,433,425
Income tax expenses/ அடாய்ஸ் வு வீடெய்/ வருமான வரி ஸ்லவு	-	-
Profit for the year/ வர்ஷஸ் ஸ்ரகாஸ லாபம்/ காலப்பகுதிக்கான இலாபம்/(நட்டம்)	5,863,397,078	4,181,433,425
Other comprehensive income/ வெலத் வீக்லிர்ஷ் அடாய்ஸ்/இதர விரிவான வருமானங்கள்	-	-
Total comprehensive income for the year/ வர்ஷஸ் ஸ்ரகாஸ இல வெலத் வீக்லிர்ஷ் அடாய்ஸ்/(அலாபம்)/ காலப்பகுதிக்கான மொத்த அனைத்துமுள்ளடங்கிய வருமானம்/(நட்டம்)	5,863,397,078	4,181,433,425

Figures in bracket indicate deductions./ வரலத் வு டுனேன் வெலக் வீக்லிர்ஷ் அடாய்ஸ்/அடைப்புக்குறிக்குள் உள்ள புள்ளிவிவரங்கள் குறைப்புகளைக் குறிக்கின்றன.

Note: All values are in Rupees unless otherwise stated./ ஸ்ரெக்: வெலத் அடாய்ஸ்கின் டுனேன் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக் ஸ்ரெக்
குறிப்பு: விஸேடமாக கூறப்படாவிட்டால், எல்லா மதிப்புகளும் 'ரூபாய்' இல் உள்ளது.

ANNEXURE B - TRI-LINGUAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

இலாப நஷ்டக் கணக்கின் பகுதி

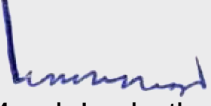
நிதி நிலைமை கணக்கு

As at/ உடன்/ ஆம் திகதி,	31.03.2025	31.03.2024
	Rs.	Rs.
Assets/ உடைமை/ சொத்துக்கள்		
Cash at bank/ வங்கி கணக்கில் உள்ள பணம்	3,656,192	30,601,078
Financial assets recognised through profit or loss - measured at fair value/ லாப அல்லது இழப்பு மூலமாக அறியப்படும் சொத்துக்கள் - நியாயமான மதிப்பில் அளவிடப்பட்ட நிதிச் சொத்துக்கள்	44,429,671,754	29,690,647,936
Financial assets at amortised cost/ விலக்கி எடுக்கப்பட்ட செலவு மூலமாக அளவிடப்பட்ட சொத்துக்கள்	26,018,561,659	21,064,743,623
Other receivables/ வேறான கட்டிடக்கலைச் செலவுகள்	-	6,328,013
Total assets/ மொத்த சொத்துக்கள்	70,451,889,605	50,792,320,650
Unitholders' funds and liabilities/ உடைமைகள் மற்றும் பொறுப்புகள்		
Liabilities/ பொறுப்புகள்		
Repo borrowing against government securities/ அரசு சேமிப்புச் சீட்டுகளை எதிராக எடுக்கப்பட்ட கடன்	-	1,025,715,552
Accruals and other payables/ உடனடி செலவுகள் மற்றும் வேறான பொறுப்புகள்	53,729,680	1,178,042,147
Total liabilities/ மொத்தப் பொறுப்புகள்	53,729,680	2,203,757,699
Unitholders' funds/ உடைமைகள் மற்றும் பொறுப்புகள்		
Net assets attributable to unitholders/ உடைமைகளை உடைய சொத்துக்கள்	70,398,159,925	48,588,562,951
Total Unitholders' Funds/ மொத்த உடைமைகள்	70,398,159,925	48,588,562,951
Total Unitholders' Funds and Liabilities/ மொத்த உடைமைகள் மற்றும் பொறுப்புகள்	70,451,889,605	50,792,320,650
Net assets value per unit (Rs.)/ உடைமைகளை உடைய சொத்துக்களின் மதிப்பு (ரூ.)	3,363.91	3,056.73

Note: All values are in Rupees unless otherwise stated./ எல்லா மதிப்புகளும் ரூபாய் இல் உள்ளன.

The Managing Company of First Capital Money Market Fund is responsible for the preparation and presentation of these financial statements in accordance with the Sri Lanka Accounting Standards./ இலங்கை கணக்கியல் நியோஜனம், இலங்கை கணக்கியல் தரநிலைகளின்படி இந்த நிதிநிலை அறிக்கைகளைத் தயாரித்து வழங்குவதற்குப் பொறுப்பாகும்.

Approved by the Fund Managing Company on 4 June 2025/ 2025 ජුනි 4 දින අරමුදලේ කළමනාකරණ සමාගම විසින් අනුමත කරන ලදී/ நிதி மேலாண்மை நிறுவனத்தால் ஜூன் 4, 2025 அன்று அங்கீகரிக்கப்பட்டது.



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



Trustee of the Fund
Bank of Ceylon



Dilshan Wirasekara
Managing Director
First Capital Asset Management Limited
Fund Managing Company



Nishan de Mel
Chairman
First Capital Asset Management Limited
Fund Managing Company

ANNEXURE B - TRI-LINGUAL FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS

பீகை கிமீயிசுதே அரமீடல வෙනசுகி கிசிடெ சுகாகச

பங்குரிமையிசு மாற்றங்கள் பற்றிய கூற்று

For the year ended 31 March 2025/ 2025 மார்ச் 31 த் அலசுத் டு வர்சு கலகா/ மார்க் 31, 2025 அன்று முடிவடைந்த ஆண்டிற்கான	Unitholders' funds/ பீகை கிமீயிசுதே அரமீடல/ பங்குரிமையாளர்களின் நிதி Rs.
Balance as at 1 April 2023/ 2023 அபுரீத் 1 வக டிகுத லேசுச/ ஏப்ரல் 1, 2023 நிலவரப்படி இருப்பு	4,682,215,045
Increase due to unit creation during the year/ வர்சுச வுல பீகை கிமீயிசுதே கிரீமீ/ வருடத்தில் அலகு உருவாக்கம் காரணமாக அதிகரிப்பு	112,063,368,437
Decrease due to unit redemption during the year/ வர்சுச வுல பீகை டுபலகிமீ கிரீமீ/ வருடத்தில் அலகு மீட்பின் காரணமாக குறைவு	(72,338,453,956)
Increase in net assets attributable to unitholders/ பீகை கிமீயிசுதே கிமீ லுடீடு வன்கமீவல வகிவீம/ பங்குரிமையாளர்களுக்கான நிகர சுகாத்துக்களில் அதிகரிப்பு	4,181,433,425
Balance as at 31 March 2024/ 2024 மார்ச் 31 டிகுத லேசுச/ மார்க் 31, 2024 நிலவரப்படி இருப்பு	48,588,562,951
Balance as at 1 April 2024/ 2024 அபுரீத் 1 வக டிகுத லேசுச/ ஏப்ரல் 1, 2024 நிலவரப்படி இருப்பு	48,588,562,951
Increase due to unit creation during the year/ வர்சுச வுல பீகை கிமீயிசுதே கிரீமீ/ வருடத்தில் அலகு உருவாக்கம் காரணமாக அதிகரிப்பு	194,384,604,480
Decrease due to unit redemption during the year/ வர்சுச வுல பீகை டுபலகிமீ கிரீமீ/ வருடத்தில் அலகு மீட்பின் காரணமாக குறைவு	(178,438,404,584)
Increase in net assets attributable to unitholders/ பீகை கிமீயிசுதே கிமீ லுடீடு வன்கமீவல வகிவீம/ பங்குரிமையாளர்களுக்கான நிகர சுகாத்துக்களில் அதிகரிப்பு	5,863,397,078
Balance as at 31 March 2025/ 2025 மார்ச் 31 டிகுத லேசுச/ மார்க் 31, 2025 நிலவரப்படி இருப்பு	70,398,159,925

Figures in bracket indicate deductions./ வர்சுச வுல டுமீவல வுலகமீ, அடி கிரீமீசு/ அடைப்புக்குறிக்குள் உள்ள புள்ளிவிரங்கள்
குறைப்புகளைக் குறிக்கின்றன.

ANNEXURE B - TRI-LINGUAL FINANCIAL STATEMENTS

For the year ended 31 March / மார்ச் 31 டிசைன் அபகக் வன வர்ணய கருவா / 31 மார்ச்சில் முடிவடைந்த ஆண்டிற்கானது	2025 Rs.	2024 Rs.
Net cash flows generated from used in operating activities/ நேகருத் துரகாரகதீ வேநிக் காவின கலு ஒடீதி இடல் சுவாக/ செயற்பாட்டு நடவடிக்கைகளில் இருந்து கிடைக்கப்பெற்று/ (பயன்படுத்தப்பட்ட) நிகர பணப் பயச்சல்	(15,973,144,782)	(39,699,253,147)
Net cash flows from / (used in) investing activities/ அயேசன துரகாரகதீ வேநிக் ருசீசாஜின/(காவின் கலு) ஒடீதி இடல் சுவாக/ முதலீட்டு நடவடிக்கைகளில் இருந்து கிடைக்கப்பெற்று/ (பயன்படுத்தப்பட்ட) நிகர பணப் பயச்சல்	-	-
Cash flows from (used in) financing activities/ இலகரண் துரகாரகதீ வேநிக் இடல் சுவாக/ நிதி நடவடிக்கைகளில் இருந்தான பணப் பயச்சல்கள்		
Proceeds from units creations/ வீகக தீதுநீ கிரீதீ வடுநீ லூவென அாடாஸம்/ அலகு உருவாகங்களிலிருந்து கிடைக்கும் வருமானம்	194,384,604,480	112,063,368,437
Payments for units redemption/ வீகக ருசலவீதீ கிரீதீ கருவா ஂவீதீ/ அலகுகளை மீட்டெடுப்பதற்கான கட்டணங்கள்	(178,438,404,584)	(72,338,453,956)
Net cash flows generated from financing activities/ இலகரண் துரகாரகதீ வேநிக் ருசீசாஜின ஒடீதி இடல் சுவாக/ நிதி நடவடிக்கைகளில் இருந்து கிடைக்கப்பெற்று/ (பயன்படுத்தப்பட்ட) நிகர பணப் பயச்சல்	15,946,199,896	39,724,914,481
Net (decrease)/increase in cash and cash equivalents during the year/ வர்ணய துல இடல் கன இடல் கமாத ஡ேவல் வல ஒடீதி (அஹீவீம்)/ வ஀வீவீம்/ காலப்பகுதிக்கான நிகர பண வரவு/ (செலவு)	(26,944,886)	25,661,334
Cash and cash equivalents at the beginning of the year/ வகர அரமீறகேடீ இடல் கன இடல் கமாத ஡ு/ காலப்பகுதியின் தொடக்கத்தில் இருந்த பணம் மற்றும் பணத்திற்கு சமமானவை	30,601,078	4,939,744
Cash and cash equivalents at the end of the year/ வகர அவிசாகடே இடல் கன இடல் கமாத ஡ு/ காலப்பகுதியின் முடிவில் உள்ள பணம் மற்றும் பணத்திற்கு சமமானவை	3,656,192	30,601,078

Figures in bracket indicate deductions./ விரதன் துடி டூட்வென ஓடுக்தவீ, அது கீரீலீய/ அடைப்புக்குறிக்குள் உள்ள புள்ளிவிரங்குகள் குறைப்புகளைக் குறிக்கின்றன.

CORPORATE INFORMATION

NAME OF THE FUND (UNIT TRUST)

First Capital Money Market 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. Dilshan Wirasekara
Ms. Minette Perera
Mr. Kuda Banda Herath

SECRETARIES

Janashakthi Corporate Services Limited
No. 324, 39 Floor, Mireka Tower
Havelock Road
Colombo 5

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
Sampath Bank PLC

