



30 SEPTEMBER 2025 FUND MANAGERS REVIEW

CAL FIVE YEAR CLOSED END FUND

UNIT TRUST MANAGEMENT COMPANY
Capital Alliance Investments Limited,
Level 5, Millennium House,
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Colombo 02

TRUSTEE & CUSTODIAN
Hatton National Bank,
Custody and Trustee Services,
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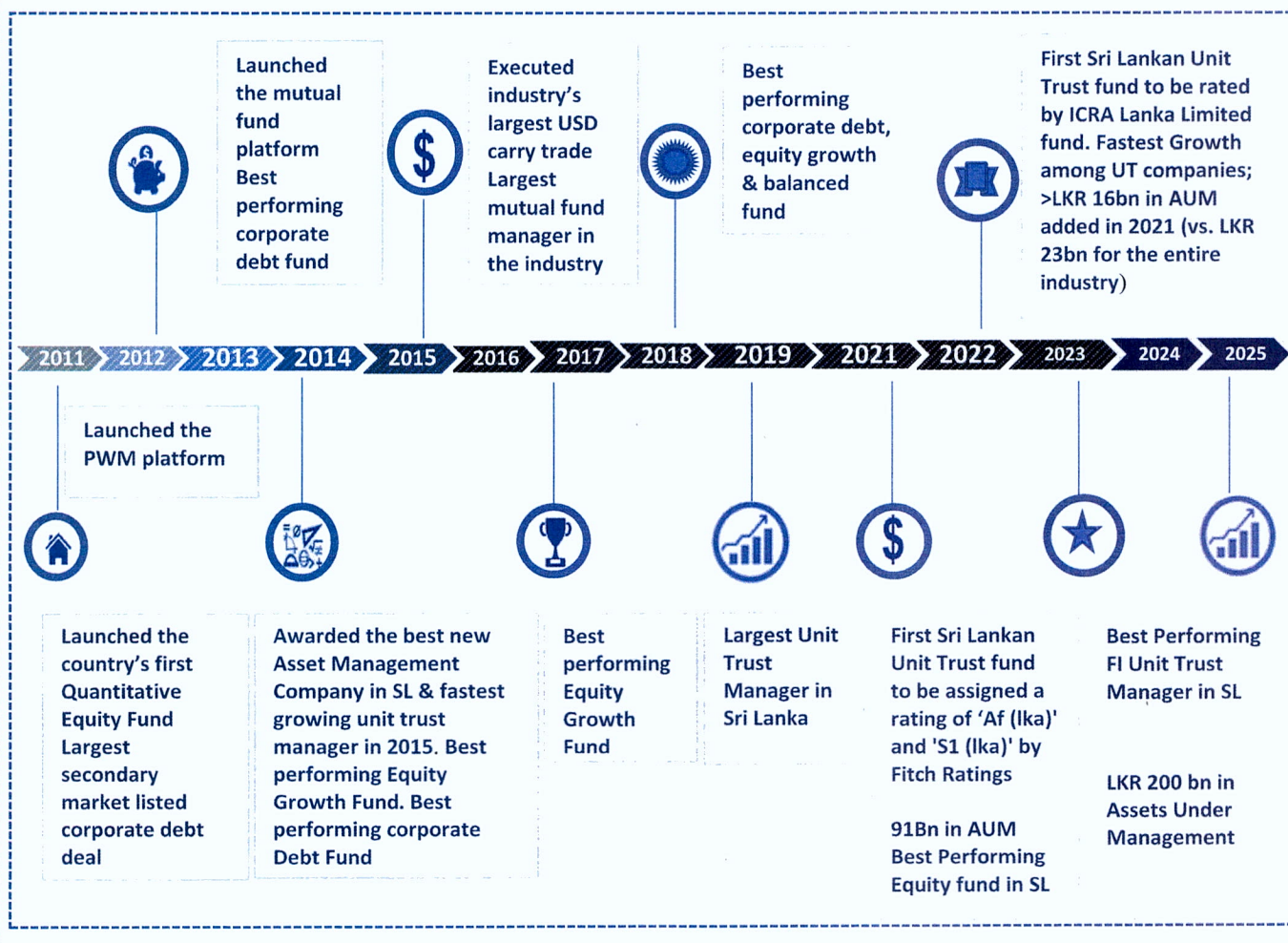
Capital Alliance Investments Limited

Capital Alliance Investments Ltd (CALI) has established itself as one of the largest wealth managers in Sri Lanka as evidenced by its Unit Trust Assets under Management of over LKR 282.49Bn (as at 30 September 2025), with Sri Lanka Insurance Corporation as our strategic Partner. CALI has been in the forefront of wealth management space and some of our milestones include:

- ✓ Largest Unit Trust Manager in Sri Lanka (as at March 2018, October 2021 and July 2022)
- ✓ Listing of the CAL Five Year Optimum Fund (1st February 2025)
- ✓ Listing the CAL Five Year Closed End Fund (20th March 2025)
- ✓ CAL Investment Grade Fund was the first Sri Lankan Unit Trust fund to be assigned a rating of 'Af (Ika)' and 'S1 (Ika)' by Fitch Ratings (May 2021)

CAL's service offering is built on the pillars of best-in-class service and market outperformance. We are confident that our intimate knowledge of the Sri Lankan economy and our established networks within its capital markets will enable us to deliver attractive returns on your investment.

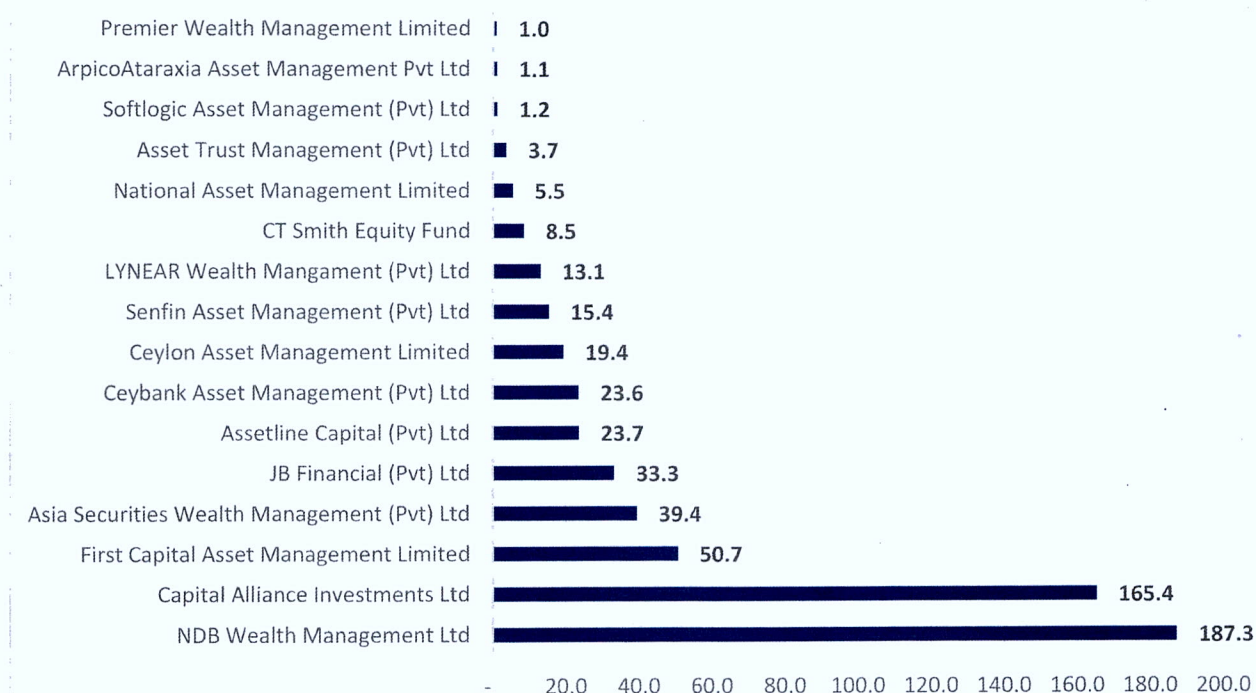
We specialize in originating, trading and investing: in fixed income and equity securities. Our focus on providing innovative solutions tailored to meet the needs of our customers has enabled us to build a reputation as "the Preferred Partner in Financial Markets."



Our strong fiduciary culture enables us to stay focused, first and foremost on our top priority, long-term investment performance. This core principle of our business, combined with advice-driven client coverage teams, has enabled us to build a leading client franchise that delivers superior investment strategies to our clients and strong financial performance to our shareholders.

CAL is a completely independent wealth management firm that works with a large network of Primary dealers, stockbrokers, Banks, registered Finance Companies and corporates to provide the best financial solutions to our clients. Our interests are aligned in every way, and as such, you can be assured of our complete and objective advice at all times.

Assets Under Management - Unit Trust Industry* (LKR Bn)



Source: utasl.lk

*As at 30 September 2025

BOARD OF DIRECTORS

Kanishke Mannakkara

Chief Executive Officer - CAL Group



A member of the CAL management team since 2018, Mr. Mannakkara has had experience working across multiple countries and cultures in a career spanning over 15 years, ranging from asset management and corporate finance, to design and product innovation. Prior to CAL he served in a number of senior positions at the MAS Group in Sri Lanka and the UK over 13 years, including as the global head of corporate finance, treasury and strategy. He was responsible for setting up the centralized treasury function at MAS in 2007 and managed the reserves of MAS across multiple asset classes, currencies and countries

during the period from 2007 to 2013.

Mr. Mannakkara has a Bachelor's Degree in Economics and Finance from the University of Bristol, UK. He has also engaged in executive education at the Wharton School and the Tuck School of Business, USA.

Sharmali Perera

Chief Risk & Compliance Officer - CAL Group



Drawing on 20-plus years of experience in the financial services industry, Ms. Perera is a founding member of Capital Alliance and has been an integral member since its establishment in 2000.

Reporting directly to the Board Risk Management Committee while being responsible for the effectiveness and compliance aspects of statutory reporting requirements, she has led the implementation of a comprehensive risk framework encompassing group-wide risk avenues.

This is of key strategic importance in realising the company's future goals, where new levels of income and market share are measured in line with the risk-reward balance.

An Associate Member of the Chartered Institute of Management Accountants (UK), Ms. Perera also serves on the Boards of three of the Group's companies, as well as Ceylon Tea Brokers PLC, Finnovation (Pvt) Limited, and Logicare (PVT) Limited.

Dr. Mihirini De Zoysa

Director

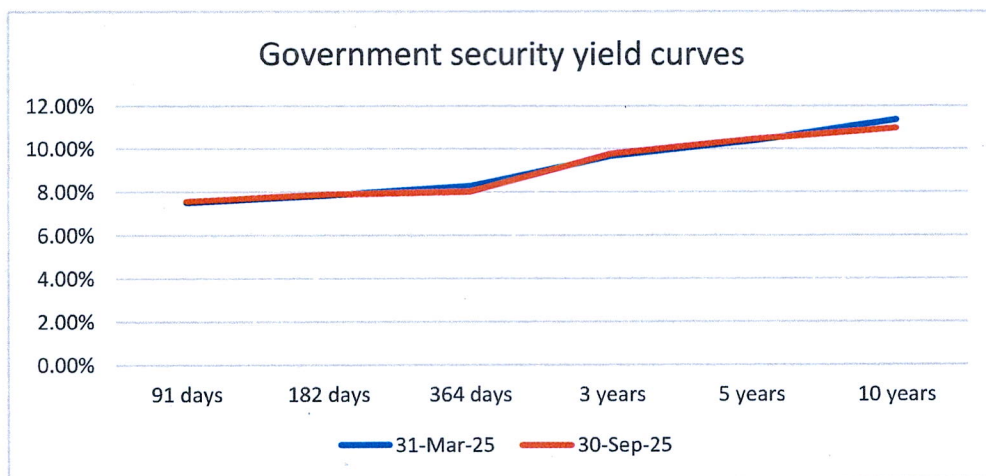


Mihirini is the founder and the current Managing Director of Corporate Druids Private Limited, which is a renowned consultancy firm focusing on training and development in leadership in business organisations. She has over 25 years of experience as a leadership and life coach, trainer, organisational development consultant and workshop facilitator in corporate, government and development sectors. She has a Doctorate (DProf) in Organizational Change from the Hult Ashridge Executive Education and Middlesex University, UK. She also has a Bachelor of Science (BSc) in Economics from the University of London, UK and a Master of Science (MSc) in Responsibility and Business Practices from the University of Bath, UK.

She is also a writer and a narrative inquirer. Mihirini has worked in diverse industries, including but not limited to Healthcare, Banking & Insurance, IT, Apparel, Publishing, Telecommunications, Plantations, Hospitality as well as in Non-Governmental Organisations and International Development Organisations such as the United Nations and World Bank.

Economic Review – September 2025

Sri Lanka has continued its accommodative monetary policy stance into the current fiscal year (FY) 2025/26. This continuation is in line with the gradual acceleration of inflation toward the target rate of 5%. Despite minor mixed movements observed in the yield curve, it has retained its upward-sloping shape, indicating a normal market condition.



The Central Bank of Sri Lanka (CBSL) has transitioned from a dual policy rate system to a single policy interest rate framework, designating the Overnight Policy Rate (OPR) as its primary monetary policy instrument. Following this shift, the CBSL reduced the OPR by 25 basis points to 7.75% in May, while maintaining the Statutory Reserve Ratio (SRR) unchanged for FY 2025/26. This policy decision aims to support the ongoing economic recovery, guide inflation toward the target, and enhance market clarity regarding the central bank's monetary stance.

Private sector credit growth continued to show positive momentum, reflecting strengthened business confidence and more favorable lending conditions. Sri Lanka's GDP for the second quarter of 2025 is estimated to have grown by 4.9% at constant 2015 prices, driven by notable expansions across key sectors. The industrial sector recorded a growth rate of 5.8%, the services sector grew by 3.9%, and the agricultural sector expanded by 2.0%.

The Colombo Consumer Price Index (CCPI), which had been in deflation for 11 consecutive months, returned to positive territory, recording inflation of 1.2% in August and 1.5% in September 2025. This upward momentum is expected to persist, gradually converging toward the Central Bank's target level of 5%. The Sri Lankan Rupee depreciated by approximately 2% following the first quarter of 2025, moving from LKR 296.3472 per USD at the end of March to LKR 302.6097 per USD by the end of September.

Sri Lanka's external position improved notably, driven by a significant current account surplus of USD 931 million recorded during the first two quarters of FY 2025/26. This performance represents a 31% increase compared to the corresponding period of the previous fiscal year. Foreign Currency Reserves stood at USD ~6.2Bn by the end of September 2025 which demonstrating MoM growth of 1% and YoY growth of 4%.

During FY2425, Sri Lanka demonstrated a strong fiscal management, exceeding key targets set under the IMF programme. Notably, CBSL maintained net credit to the government within agreed limits while continuing to build up foreign exchange and liquidity buffers. These buffers have strengthened CBSL's position at primary auctions, enabling it to manage interest rates effectively without disrupting market stability. This balance between meeting fiscal targets and defending interest rates highlights the improved credibility and policy discipline of the monetary authority.

Given the current trajectory of inflation and policy rates, we expect a sustained low-interest rate environment over the near to medium term, barring any major external shocks. This favorable macroeconomic backdrop, alongside targeted microeconomic strategies, has enabled us to rebalance our unit trust fund allocations towards higher-yielding instruments while prudently managing risk—positioning the portfolios for above-market returns.

Fund Review

Fund Update

Yield*	10.74%
AUM – 31 March 2025**	LKR 10,425 Mn
Fund Currency	LKR
Inception Date	10-Sep-24

*Annualized Yield For the period, 01 April 2025 to 30 September 2025. Yield Net of fees.

**Assets Under Management

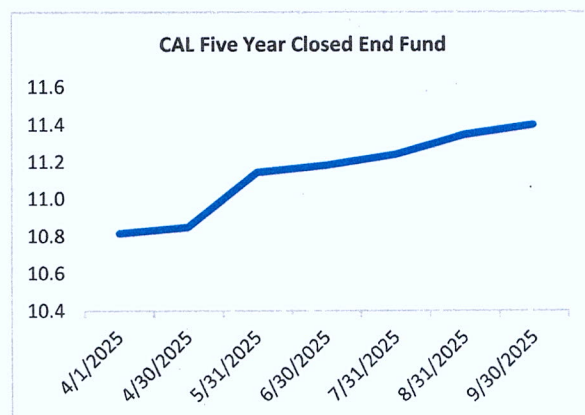
Fund Overview

The CAL Five Year Closed End Fund is a Close-ended fixed income fund that invests in Government securities, Corporate Debt, Fixed Income Commercial papers, deposits issued by Finance companies and Banks. The Fund is suitable for long term investors.

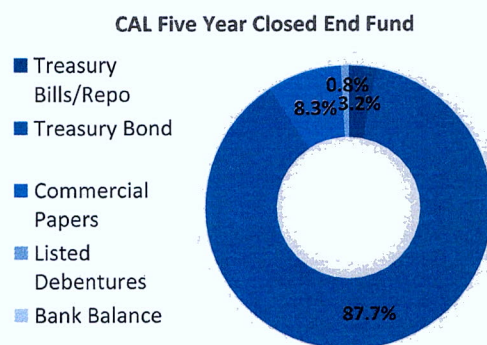
Fund Performance

The fund returned an annualized yield of 10.74% for the year ended 30 September 2025.

CAL Five Year Closed End Fund Unit Price



Portfolio Asset Allocation



As at 30 September 2025

CAL FIVE YEAR CLOSED END FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30TH SEPTEMBER

	2025	2024
	Unaudited	Unaudited
	Rs.	Rs.
Interest income - Treasury bonds	404,235,347	-
Interest income - Savings	239,401	193,809
Interest income - Reverse repurchase agreements	40,214,589	12,836,418
Interest income - Commercial papers	42,947,646	-
Interest income - Debentures	4,567,381	-
Total investment income	492,204,364	13,030,227
Realised gain on financial assets at fair value through profit or loss	38,958,400	-
Unrealised gain on financial assets at fair value through profit or loss	67,476,019	-
Expenses		
Management fees	(61,733,051)	-
Trustee fees	(8,025,297)	-
Custodian fees	(145,630)	-
Audit fees	(210,736)	-
Reversal of provision for impairment	12,301	-
Miscellaneous expenses	(96,534)	(34,400)
Total operating expenses	(70,198,947)	12,995,827
Profit before tax	528,439,836	12,995,827
Income tax expense	-	-
Net profit after tax for the Period	528,439,836	12,995,827
Total comprehensive income for the period	528,439,836	12,995,827
Increase in net assets attributable to unitholders	528,439,836	12,995,827

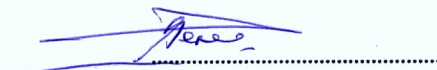
CAL FIVE YEAR CLOSED END FUND
STATEMENT OF FINANCIAL POSITION
As At

	As at 30.09.2025 Unaudited Rs.	As at 31.03.2025 Audited Rs.
Assets		
Cash and cash equivalents	499,888	1,011,339
Financial Assets at fair value through profit or loss	9,150,088,689	4,942,334,773
Financial Assets at Amortised Cost	1,285,331,276	5,016,123,955
Money market interest receivable	47	167
Total assets	10,435,919,900	9,959,470,234
Liabilities		
Fund management fee payable	(9,644,773)	(54,697,823)
Trustee fee payable	(1,253,820)	(7,110,717)
Custodian fee payable	(22,282)	(136,595)
Audit fee payable	(37,959)	(181,123)
Other payable	-	(822,746)
Total liabilities	(10,958,834)	(62,949,004)
Net assets	10,424,961,066	9,896,521,230
Unitholders' fund		
Net assets attributable to Unitholders	10,424,961,066	9,896,521,230

Signed for and on behalf of the Management Company by;



Director
Capital Alliance Investments Limited,
Management Company

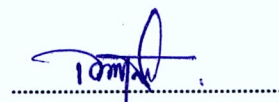


Director
Capital Alliance Investments Limited,
Management Company

Signed for and on behalf of the Trustee by;



Hatton National Bank PLC,
Trustee



Hatton National Bank PLC,
Trustee

**CAL FIVE YEAR CLOSED END FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE PERIOD ENDED 30TH SEPTEMBER**

	2025 Unaudited Rs.	2024 Unaudited Rs.
Unitholders' fund at the beginning of the period	9,896,521,230	-
Total comprehensive income for the period	528,439,836	12,995,827
Received on creation of Units	-	3,340,000,000
Paid on redemption of Units	-	-
Net Increase due to unitholders' transactions	-	-
Unitholders' fund at the end of the period	10,424,961,066	3,352,995,827

CAL FIVE YEAR CLOSED END FUND
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30TH SEPTEMBER

	2025 Unaudited Rs.	2024 Unaudited Rs.
Cash flows from operating activities		
Interest received and realised gains	409,333,360	5,206,054
Other income received	239,521	193,010
Management fee, trustee fee and custodian fee paid	(120,928,238)	-
Other expenses paid	(1,273,179)	(34,400)
Net investment in treasury bonds	(4,062,718,915)	(2,363,900,062)
Net investment in treasury bills/bonds repurchase agreements	3,774,836,000	(977,050,000)
Net cash used in operating activities	(511,451)	(3,335,585,398)
Cash flows from financing activities		
Cash received on creation of Units	-	3,340,000,000
Cash paid on redemption of Units	-	-
Net cash generated from financing activities	-	3,340,000,000
Net increase/ (decrease) in cash and cash equivalents	(511,451)	4,414,602
Cash and cash equivalents at the beginning of the Period	1,011,339	-
Cash and cash equivalents at the end of the Period	499,888	4,414,602

CAL FIVE YEAR CLOSED END FUND

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

	As at 30.09.2025 Unaudited Rs.	As at 31.03.2025 Audited Rs.
Net asset value as per financial statements	10,424,961,066	9,896,521,230
Provision for impairment	345,928	358,229
Published net asset value	10,425,306,994	9,896,879,459
Number of Units outstanding	914,925,446	914,925,446
Net asset value per unit as per the financial statements	11.3943	10.8168
Published net asset value per Unit	11.3947	10.8171

CAL FIVE YEAR CLOSED END FUND
PORTFOLIO STATEMENT
As at

	30.09.2025 Unaudited Rs.	31.03.2025 Audited Rs.	% of Deposited Property	
			Sep-25	Mar-25
Assets				
Cash and cash equivalents	499,888	1,011,339	0.0%	0.0%
Financial Assets at fair value through profit or loss	9,150,088,689	4,942,334,773	87.8%	49.9%
Financial Assets at Amortised Cost	1,285,331,276	5,016,123,955	12.3%	50.7%
Money market interest receivable	47	167	0.0%	0.0%
Total assets	10,435,919,900	9,959,470,234	100.1%	100.6%
Liabilities				
Fund management fee payable	(9,644,773)	(54,697,823)	-0.1%	-0.6%
Trustee fee payable	(1,253,820)	(7,110,717)	0.0%	-0.1%
Custodian fee payable	(22,282)	(136,595)	0.0%	0.0%
Audit fee payable	(37,959)	(181,123)	0.0%	0.0%
Other payable	-	(822,746)	0.0%	0.0%
Total liabilities	(10,958,834)	(62,949,004)	-0.1%	-0.6%
Net Assets	10,424,961,066	9,896,521,230	100.0%	100.0%

Notes:

The current period financial statements reflect the financial performance for a six-month period. However, the comparative information provided corresponds to a period of less than six months. As a result, direct comparison between the two periods may be limited due to the variance in reporting durations.

The above figures are subject to audit. The same accounting policies as in the Audited Financial Statements for the year ended 31st March 2025 have been followed in preparation of above financial statements.

Corporate Information

BOARD OF DIRECTORS

Mr. Kanishke Mannakkara

Mrs. Sharmali Perera

Ms. M De Zoysa

UNIT TRUST MANAGEMENT COMPANY

**Capital Alliance Investments
Limited**

Level 5, "Millennium House",

46 / 58 Nawam Mawatha,

Colombo 02

TRUSTEE & CUSTODIAN

Hatton National Bank PLC

No.479,

T.B Jayah Mawatha,

Colombo 01

AUDITORS

**BDO Partners
Chartered Accountants**

"Charter House"

65/2, Sir Chittampalam A Gardiner
Mawatha,

Colombo 02

TAX CONSULTANTS

**Dinitway Partners
Chartered Accountants**

No.7 1/2, Devanampiyatissa
Mawatha

Colombo 10