

MUTUAL FUNDS

INTERIM REPORT
2025-2026

ASSETLINE

Assetline Capital (Pvt) Limited

FLEXIBLE WEALTH CREATION

ASSETLINE MUTUAL FUNDS
INTERIM REPORT FOR THE SIX MONTHS PERIOD ENDED
SEPTEMBER 30, 2025

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1. Corporate Information

Assetline Mutual Funds: Assetline Income Fund
Assetline Income Plus Growth Fund

MANAGEMENT COMPANY & REGISTRAR

Assetline Capital (Private) Limited

Registered Office & Principal Place of Business:

No. 120, 120A
Pannipitiya Road
Battaramulla
Sri Lanka

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. A.Y.D. De Silva (Chairman)
Mr. K M C Jayanath (CEO - w.e.f. 03rd November 2025)
Mr. N. D. P. S. R. Kalyanaratne
Mr. A. G. De Alwis
Mr. A. N. S. Aluthgamage

TRUSTEE & CUSTODIAN

Deutsche Bank AG
Colombo branch
Level 21
One Galle Face Tower
1A, Centre Road, Galle Face
Colombo 2
Sri Lanka

AUDITORS

Ernst & Young
Rotunda Towers
No. 109, Galle Road,
Colombo 03.
Ernst & Young
Sri Lanka

TAX CONSULTANTS

B.R.De Silva & Company
No. 22/4
Vijaya Kumaranatunga Mawatha
Colombo 05
Sri Lanka

BANKERS

Commercial Bank of Ceylon PLC
Commercial House
No. 21
Sir Razik Fareed Mawatha
Colombo 01
Sri Lanka

National Development Bank PLC
No. 40
Navam Mawatha
Colombo 02
Sri Lanka

Sampath Bank PLC
No. 110
Sir James Peiris Mawatha
Colombo 02
Sri Lanka

Deutsche Bank AG
Colombo branch
Level 21
One Galle Face Tower
1A, Centre Road, Galle Face
Colombo 2
Sri Lanka

Nations Trust Bank PLC
No. 242
Union Place
Colombo 02
Sri Lanka

Seylan Bank PLC
Seylan Towers
No. 90
Galle Road
Colombo 03
Sri Lanka

Hatton National Bank PLC
HNB Towers
No. 479
T. B. Jayah Mawatha
Colombo 10
Sri Lanka

People's Bank
No. 75
Sir Chittampalam A. Gardiner Mawatha
Colombo 02
Sri Lanka

2. Fund Manager's Report

We are delighted to present to our esteemed investors the Half-Yearly Fund Management Report of the Assetline Mutual Fund (AMF) for the period April 1, 2025, to September 30, 2025.

The financial year commenced on an encouraging trajectory, driven by renewed investor optimism and favourable macroeconomic conditions that created a dynamic environment for strategic investment. The period under review witnessed notable improvements across Sri Lanka's political, economic, and financial spheres, contributing to enhanced market sentiment and stronger growth prospects.

During the review period, the Monetary Policy Board reduced the Standing Policy Rate (OPR) by 25 basis points to 7.75%, reflecting a balanced assessment of both domestic and global economic developments. Headline inflation, as measured by the Colombo Consumer Price Index (CCPI), turned positive in August 2025, marking the end of an eleven-month deflationary phase. In alignment with this policy direction, Government securities yields continued to ease across both primary and secondary markets. Fund Managers remained vigilant in monitoring interest rate movements, adopting timely and data-driven investment strategies to capitalise on opportunities and deliver superior value to investors.

The equity market maintained its upward trajectory following the 2024 presidential election, supported by renewed investor confidence and favourable macroeconomic fundamentals. Both the All-Share Price Index (ASPI) and the S&P Sri Lanka 20 Index reached record highs on multiple occasions during the review period.

A greater portion of the portfolio was allocated to Banking and Finance sector equities, reflecting optimism following the Government's decision to lift vehicle import restrictions at the start of the financial year. The prevailing low-interest-rate environment enabled banks to expand lending facilities while maintaining healthy profit margins. Enhanced policy clarity and improved fiscal discipline further strengthened domestic investor sentiment. Meanwhile, foreign participation, though modest, displayed a gradual and positive recovery. Fund Managers maintained a disciplined investment approach, ensuring compliance with regulatory requirements on liquidity and asset allocation while proactively managing and mitigating potential risks.

The external sector demonstrated resilience, supported by increased inflows from tourism and workers' remittances, despite a widening trade deficit. Continuous net foreign exchange purchases by the Central Bank helped sustain gross official reserves at USD 6.24 billion by end-September, notwithstanding ongoing external debt-servicing obligations. As a result, the Sri Lankan rupee remained broadly stable. Moreover, all three major international credit

rating agencies upgraded Sri Lanka's sovereign ratings, reflecting improved creditworthiness and a stronger external position.

Strategic and prudent investment decisions during the review period enabled the Assetline Income Plus Growth Fund (AIGF) to deliver enhanced returns to investors, while maintaining sufficient liquidity to capitalise on future market opportunities. Conversely, the Assetline Income Fund (AINF) recorded a marginal decline in yield performance, primarily due to its exposure to interest rate sensitivity and adherence to liquidity management parameters.

Looking ahead, Fund Managers will continue to adopt a proactive and research-driven approach in navigating evolving market dynamics. The focus will remain on optimising returns, safeguarding investor interests, and maintaining a strong compliance framework in alignment with regulatory standards and the company's long-term strategic objectives.

Assetline Capital (Pvt) Ltd currently manages two collective investment schemes — the Assetline Income Fund (AINF) and the Assetline Income Plus Growth Fund (AIGF) — each strategically structured to meet the diverse risk profiles and investment objectives of our clientele.

The Assetline Income Fund (AINF) is positioned for investors seeking capital preservation and steady income, with a low to moderate risk appetite and a short-term investment horizon. The fund's portfolio primarily comprises Government securities, corporate debt instruments, and bank fixed deposits with maturities of less than 397 days.

Conversely, the Assetline Income Plus Growth Fund (AIGF) is designed for investors with a higher risk tolerance and a long-term investment outlook. The fund maintains a diversified portfolio encompassing Government securities, corporate debt, bank fixed deposits, and equity investments — without specific tenor restrictions — thereby offering greater flexibility to capture market opportunities and enhance long-term returns.

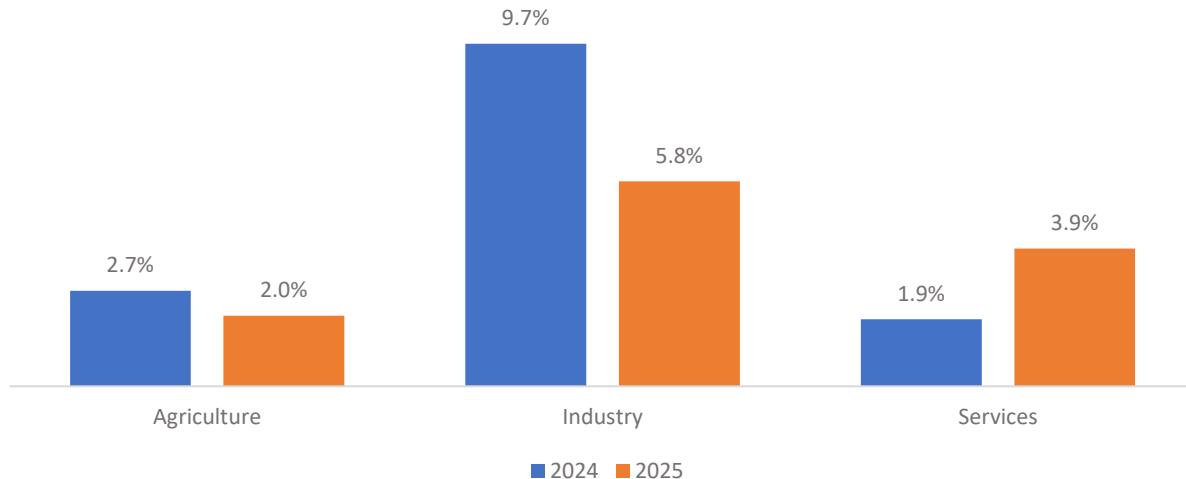
As of September 30, 2025, AINF and AIGF posted financial-year yields of 7.31% and 13.54%, respectively. The number of unitholders stood at 970 for AINF and 113 for AIGF. The Net Asset Value (NAV) of AINF was Rs. 9.14 billion, while AIGF amounted to Rs. 14.52 billion.

Source: Central Bank of Sri Lanka, Monetary Policy Review No. 3 of 2025

ECONOMIC OUTLOOK FOR 2025

GDP and Sectorial Growth – Second Quarter of the Year 2025

Comparison of Growth rates in the second quarter 2024 and 2025



Source: Department of Census and Statistics, Sri Lanka

Sri Lanka's Economic Expands by 4.9% in Second Quarter of 2025.

The Department of Census and Statistics (DCS), in its communiqué issued alongside the *National Accounts Estimates*, reported that Sri Lanka's real Gross Domestic Product (GDP) recorded a growth rate of 4.9% in the second quarter of 2025. At constant (2015) prices, the country's GDP increased to Rs. 2,883,559 million, compared to Rs. 2,749,504 million in the corresponding quarter of 2024, reflecting continued momentum in economic recovery.

At current prices, GDP for the second quarter of 2025 was estimated at Rs. 7,362,510 million, up from Rs. 6,661,030 million in the same quarter of 2024, representing a 10.5% year-on-year increase.

Benefiting from the favorable economic conditions that prevailed over the past seven quarters, the Sri Lankan economy recorded a 4.9% expansion in the second quarter of 2025. This marks the eighth consecutive quarter of positive growth, underscoring the economy's sustained recovery from the previous downturn. The easing of vehicle import restrictions, together with relatively lower interest rates, supported stronger performance across several key sectors, including wholesale and retail trade (including motor vehicle repairs), goods and passenger transport (including warehousing activities), financial services, insurance, and taxes less subsidies on products.

Moreover, traditional growth drivers of the Sri Lankan economy, such as construction and mining and quarrying, also reported notable expansions during the quarter. Meanwhile, manufacturing activities recorded a moderate but steady increase, reflecting gradual improvements in domestic demand and external market conditions.

In terms of sectoral composition, the three major sectors of the economy—Agriculture, Industry, and Services—contributed 10.1%, 25.1%, and 52.8%, respectively, to the overall GDP, while Taxes less subsidies on products accounted for 12.0%.

All major sectors recorded positive growth during the quarter, with Agriculture expanding by 2.0%, Industry by 5.8%, and Services by 3.9%. Notably, Taxes less subsidies on products grew by 13.5%, primarily reflecting higher tax revenues arising from increased vehicle imports during the period.

Source: Department of Census and Statistics, National Accounts Estimates – 2nd Quarter of 2025, Page 2

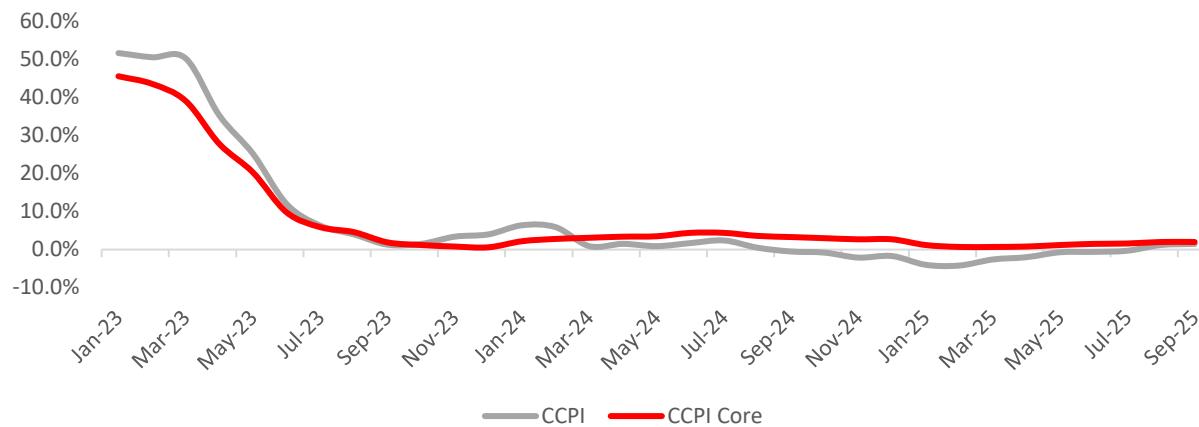
Balance of Trade



Sri Lanka's external sector recorded a monthly current account deficit in September 2025, following eight consecutive months of surpluses from January to August. Despite this reversal, the current account maintained a cumulative surplus of approximately USD 1.9 billion for the first nine months of the year. The merchandise trade deficit also widened on a year-on-year basis in September, as total import expenditure surpassed USD 2 billion, driven largely by a significant increase in vehicle imports. Vehicle import expenditure alone amounted to USD 286 million in September, bringing cumulative imports of personal and commercial vehicles to USD 1.204 billion during January–September 2025. Meanwhile, the terms of trade improved year-on-year in September, supported by export prices rising at a faster pace than import prices.

Source: Central Bank of Sri Lanka, External Sector Performance – September 2025, Page 2

CCPI Inflation of Headline and Core, YoY Basis



Source: Department of Census and Statistics

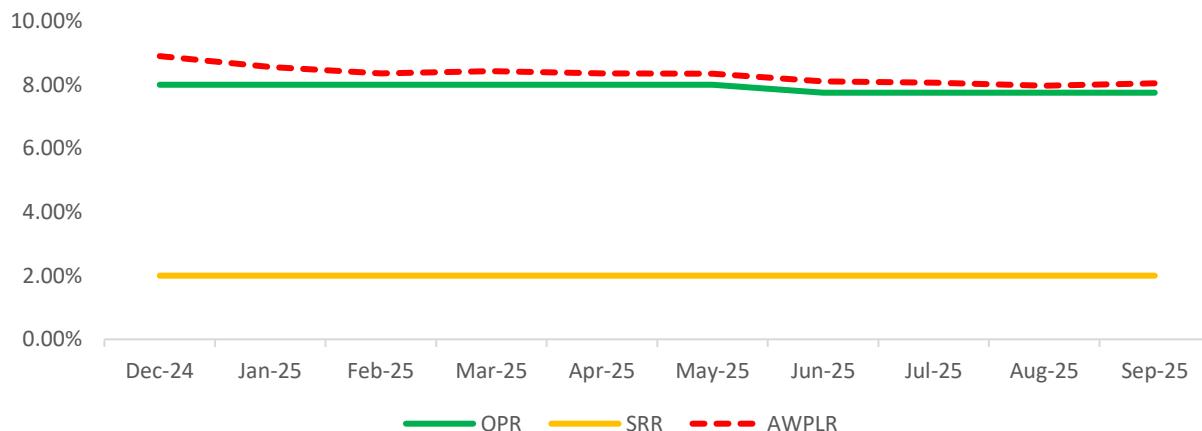
Consistent with expectations, CCPI-based headline inflation edged towards the target in September 2025.

Headline inflation, measured by the Colombo Consumer Price Index on a year-on-year (Y-o-Y) basis, returned to positive territory in August 2025 and continued its upward trend toward the inflation target in September. Headline inflation rose to 1.5% in September, from 1.2% in August, in line with the Central Bank's near-term projections. Food inflation increased to 2.9%, while Non-Food inflation eased slightly to 0.7%. On a month-on-month basis, the CCPI recorded a 0.17% increase, with contributions of 0.10 and 0.07 percentage points from Food and Non-Food categories, respectively.

Core inflation, reflecting underlying price pressures, remained unchanged at 2.0%. The quarterly average headline inflation for Q3-2025 was consistent with Central Bank projections. Looking forward, inflation is expected to gradually accelerate toward the 5% target, supported by appropriate policy measures.

Source: [Central Bank of Sri Lanka, Inflation Press Release – September 2025, Page 1](#)

Policy Rates Movements Vs AWPLR



Source: CBSL

Accommodative Monetary Policy and Interest Rate Adjustments

The Central Bank of Sri Lanka maintained an accommodative monetary policy stance following the easing cycle initiated in June 2023, reflecting over two years of policy support amid subdued aggregate demand and a low inflation environment. After the policy rate reduction in November 2024, the Central Bank adopted a brief pause, allowing market interest rates to adjust in line with the eased policy stance. As a result, the Overnight Policy Rate (OPR) was kept unchanged in January and March 2025, in consideration of projected gradual convergence of inflation toward the target, despite deflationary pressures from declining energy prices. The decision was supported by the gradual reduction in market interest rates, strong credit growth, and a resilient recovery in domestic economic activity alongside stability in the external sector.

In May 2025, the Central Bank further eased monetary policy by reducing the OPR by 25 basis points. This measure aimed to support a gradual normalization of inflation, which was expected to be slower than previously projected due to delayed electricity tariff adjustments and the potential impact of rising global uncertainties. The reduction also sought to encourage further declines in market interest rates, given the moderate pace of adjustment in most lending rates during this period.

Source: [Central Bank of Sri Lanka, Monetary Policy Report – August 2025, Page 7](#)

3. Fund Performance – Assetline Income Fund (AINF)

As of 30 September 2025, the Net Asset Value (NAV) of the Assetline Income Fund (AINF) stood at Rs. 9.14 billion, with the fund achieving a financial-year yield of 7.31%. The number of unitholders increased slightly from 958 to 970 during the six-month period.

As of 31 March 2025, the NAV stood at Rs. 5.90 billion. During the six-month period, the NAV fluctuated between Rs. 5.90 billion and Rs. 13.62 billion.

The decline in yields was primarily driven by easing market interest rates, reflecting the Central Bank of Sri Lanka's accommodative monetary policy stance, continued easing of inflationary pressures, and improving investor confidence that reduced risk premiums. Despite challenging macro-financial conditions, financial system stability was maintained during the first half of 2025, enabling the continuation of measured policy rate reductions to support economic recovery. This supportive environment contributed to a sustained decline

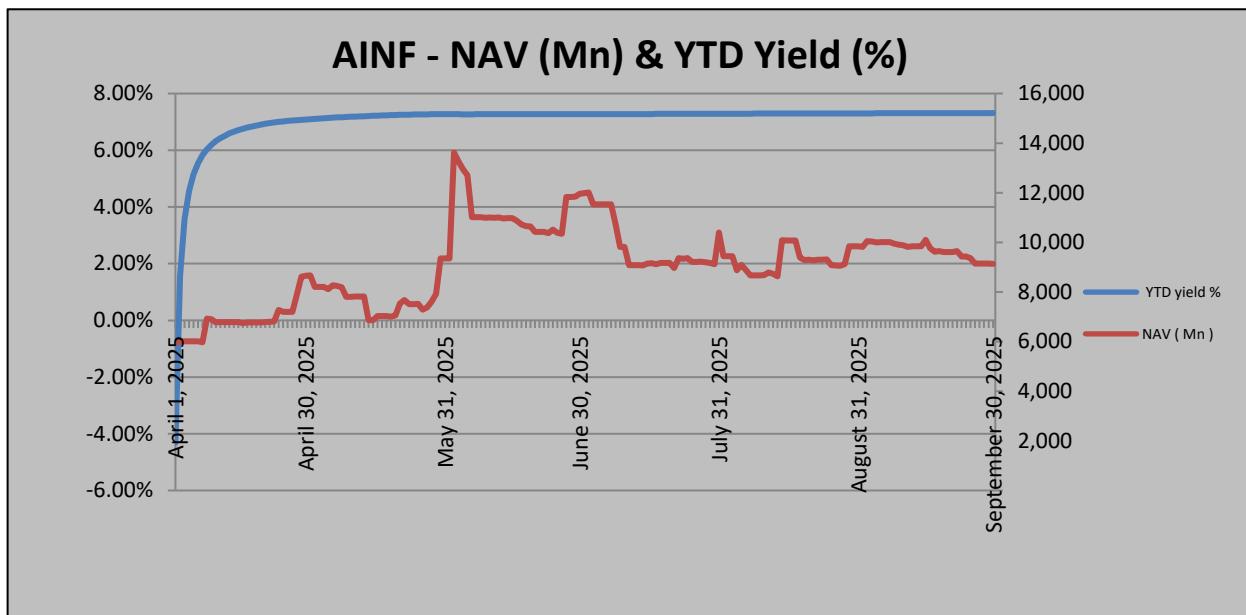
in yields across fixed-income instruments during the review period.

During the period under review, AINF managed to maintain a stable yield in line with its interest rate outlook. Most of the fund was allocated to Treasury Bills to minimize uncertainty and optimize investment opportunities, while the remainder was invested in Repos, Fixed Deposits, and money market deposits.

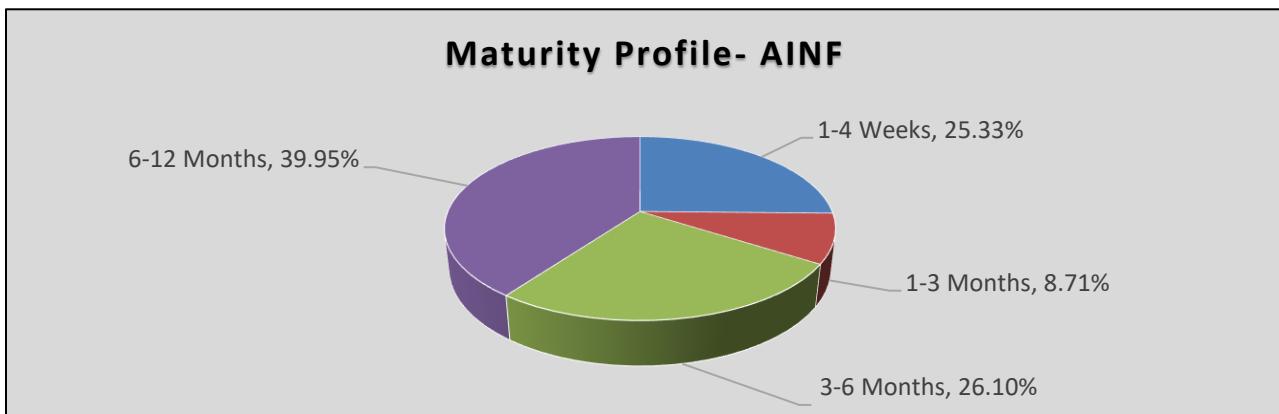
Fund Managers focused on delivering higher returns while mitigating risks associated with interest rate volatility. They placed 60.13% of investments in the short-term maturity bucket, anticipating potential upward rate adjustments in the latter part of the year. The remaining portion was allocated to the 6–12-month maturity bucket, ensuring adequate liquidity for unitholders.

The investment mix of AINF comprised 0.13% in money market savings accounts, 5.68% in Fixed Deposits, 70.17% in Treasury Bills, and 24.10% in Repos.

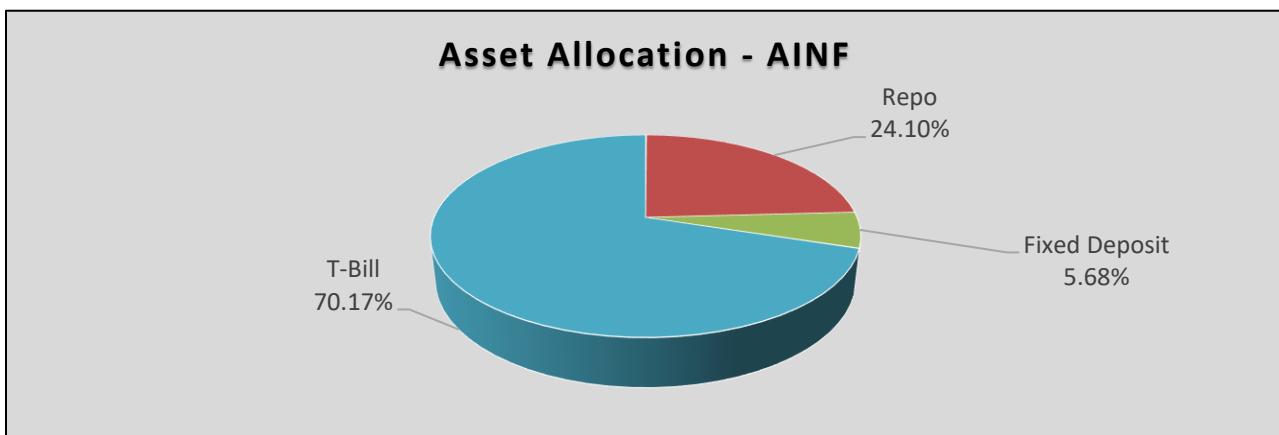
A significant portion (70.21%) of the funds under management was invested in government securities and companies with a credit rating of A+ or higher, while 29.81% was allocated to counterparties with a credit rating of A.



(Figure 1: NAV and financial-year yield of AINF)



(Figure 2: Maturity profile of AINF as of 30th September 2025)



(Figure 3: Asset allocation of AINF as of 30th September 2025)

Rating	Fitch		LRA		Total	
	Amount (LKR)	As % of NAV	Amount (LKR)	As % of NAV	Amount (LKR)	As % of NAV
Government Securities	-	-	-	-	6,411,010,655.62	70.17%
AA-	1,356,252.66	0.01%	-	-	1,356,252.66	0.01%
A+	2,330,845.74	0.03%	-	-	2,330,845.74	0.03%
A	2,204,876,913.06	24.13%	518,985,684.93	5.68%	2,723,862,597.99	29.81%
A-	5,333,481.25	0.06%	-	-	5,333,481.25	0.06%
Total	2,213,897,492.71	24.23%	518,985,684.93	5.68%	9,143,893,833.25	100.08%

(Figure 4: Credit profile of AINF as of 30th September 2025)

Assetline Income Fund managed by Assetline Capital (Pvt) Ltd
 STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
<u>Investment Income</u>			
Interest income from financial assets at amortised cost	01	367,586,201	536,203,106
Total investment income		367,586,201	536,203,106
<u>Expenses</u>			
Management fee		(26,904,956)	(32,182,336)
Trustee and custodian fee		(12,599,211)	(15,216,462)
Audit fee		(281,614)	(602,669)
Professional fee		(54,362)	(121,949)
Provision for tax receivable	02	(42,338,456)	-
Total operating expenses		(82,178,600)	(48,123,416)
Net operating profit		285,407,601	488,079,690
Finance cost	03	(184,155)	(329,924)
Profit after deductions and before tax		285,223,447	487,749,766
Income tax expense		-	-
Increase in net assets attributable to unitholders		285,223,447	487,749,766

Assetline Income Fund managed by Assetline Capital (Pvt) Ltd
 STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 September 2025 (Unaudited)	As at 31 March 2025 (Audited)
ASSETS			
Cash and cash equivalents		5,865,033	5,579,445
Financial assets at amortised cost	04	9,138,368,703	5,898,172,052
Income tax receivables		-	42,338,456
Total assets		9,144,233,736	5,946,089,953
LIABILITIES			
Current liabilities			
Accrued expenses and other payables		7,344,312	5,043,824
Liabilities (Excluding net assets attributable to unitholders)		7,344,312	5,043,824
UNITHOLDERS' FUNDS			
Net assets attributable to unitholders		9,136,889,424	5,941,046,129
Total unitholders' funds and liabilities		9,144,233,736	5,946,089,953
Net assets per unit (Rs.)		28.9082	27.8859

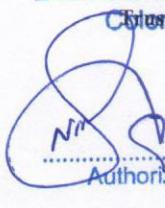

 Director

Management Company


 Director

Management Company

DEUTSCHE BANK AG
 Colombo Branch


 Authorized Signatories
 Trustee


16/12/2025
 Date of Approval

Assetline Income Fund managed by Assetline Capital (Pvt) Ltd
STATEMENT OF CHANGES IN UNITHOLDERS' FUND

	Notes	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Unitholders' funds at beginning of the period		5,941,046,129	5,511,658,717
Increase in net assets attributable to unitholders		285,223,447	487,749,766
Received on unit creations		22,731,933,247	26,973,469,652
Paid on unit redemptions		(19,821,313,398)	(27,031,832,006)
Unitholders' funds at end of the period	05	<u>9,136,889,424</u>	<u>5,941,046,129</u>

The accounting policies and notes on pages 07 through 19 form an integral part of these financial statements.

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Cash flows from operating activities		
Proceeds from sale of Financial assets at amortised cost	157,660,375,376	147,669,113,242
Purchase of Financial assets at amortised cost	(160,703,757,654)	(148,220,251,345)
Interest received	213,110,283	656,638,253
Management fees paid	(25,205,576)	(31,595,567)
Other expenses paid	(54,856,692)	(15,632,331)
Net cash flows from operating activities	(2,910,334,263)	58,272,252
Cash flows from financing activities		
Proceeds from subscription by unitholders	22,731,933,247	26,973,469,652
Payment for redemption by unitholders	(19,821,313,398)	(27,031,832,006)
Net cash flows from financing activities	2,910,619,849	(58,362,354)
Net increase / (decrease) in cash and cash equivalents	285,588	(90,102)
Cash and cash equivalents at beginning of the period	5,579,445	5,669,547
Net increase / (decrease) in cash and cash equivalents	285,588	(90,102)
Cash and cash equivalents at end of the period	5,865,033	5,579,445

The accounting policies and notes on pages 07 through 19 form an integral part of these financial statements.

01 INTEREST INCOME FROM FINANCIAL ASSETS AT AMORTISED COST

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Interest income from fixed deposits	19,820,193	37,177,920
Interest income from money market savings	624,934	51,700,826
Interest income from treasury bills	236,755,068	362,069,333
Interest Income From repurchase agreements	110,386,006	85,255,027
Total Interest income from financial assets at amortised cost	367,586,201	536,203,106

02 PROVISION FOR TAX RECEIVABLE

The fund has a Withholding Tax (WHT) receivable balance of Rs. 42,338,456 carried forward from periods in which the fund was liable for income tax. This balance can only be utilized if the fund becomes liable for income tax in the future. As this is unlikely, the recoverability of the balance is considered remote. Accordingly, management has decided to make a full provision in the accounts.

This has no impact on the unit price, as the unit price has always been computed excluding this balance.

03 FINANCE COST

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Bank Charges	184,155	329,924
	184,155	329,924

04 FINANCIAL ASSETS MEASURED AT AMORTISED COST

	As at 30th September 2025 (Unaudited)	As at 31st March 2025 (Audited)
Investment in fixed deposits	518,985,677	537,022,662
Investment in money market savings	6,320,905	406,200,121
Investment in treasury bills	6,411,010,618	4,034,990,393
Investment in repurchase agreements	2,202,051,503	919,958,876
Total financial assets at amortised cost	9,138,368,703	5,898,172,052

05. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	Number of units	Net assets attributable to unitholders (Rs)
Opening balance	214,450,615	5,511,658,717
Subscriptions	1,014,889,201	26,973,469,652
Redemptions	(1,017,810,000)	(27,031,832,006)
Increase in net assets attributable to unitholders	-	487,749,766
As at 31st March 2025	211,529,817	5,941,046,129
Opening balance	211,529,817	5,941,046,129
Subscriptions	802,319,541	22,731,933,247
Redemptions	(697,784,581)	(19,821,313,398)
Increase in net assets attributable to unitholders	-	285,223,447
As at 30th September 2025	316,064,777	9,136,889,424

06. RELATED PARTY TRANSACTIONS

a) Responsible entity

The responsible entity of Assetline Income Fund is Assetline Capital (Private) Limited.

b) Key management personnel

i) Directors

Key management personnel includes persons who were directors of Assetline Capital (Private) Limited at any time during the financial year.

MR. A.Y.D. De Silva - Chairman (From 25.09.2024 onwards, served as a Director since 01.05.2016)
 MR. N.D.P.S.R. Kalyanaratne - Non-Executive Director (From 01.06.2020 onwards)
 MR. A. G. De Alwis -Independent Non-Executive Director (From 16.01.2024 onwards)
 MR. A.N.S. Aluthgamage -Non-Executive Director (From 15.10.2024 onwards)

ii) Other key management personnel

There were no other key management persons other than persons given in 06 [b(i)] above with responsibility for planning, directing and controlling the activities of the fund, directly or indirectly during the financial year.

c) Key management personnel unit holdings

The key management personnel of Assetline Capital (Private) Limited and the Parent companies held units in the fund as follows.

30 September 2025

Unit holder	No of units held opening	No of units held closing	Fair value of investment (Rs.)
MR. A.Y.D. De Silva	528,790	845,543	24,443,136
MR. N.D.P.S.R. Kalyanaratne	94	94	2,721

06. RELATED PARTY TRANSACTIONS (Contd...)

d) Related party unitholding

The Management Company of the Fund Assetline Capital (Pvt) Ltd. DPMC Assetline Holdings (Private) Limited, the immediate parent company of the Management Company and other related parties of the Management Company, held units in the Fund as follows:

<i>30 September 2025</i>	<i>No of units held opening</i>	<i>No of units held closing</i>	<i>Fair value of investment (Rs.)</i>
Assetline Capital (Pvt) Ltd	175,867	1,299,378	37,562,675
DMC Assetline Holdings (Pvt) Ltd	1,405,145	1,214,436	35,107,145
<i>Other related parties:</i>			
David Pieris Motor Company (Lanka) Limited	-	11,100,211	320,887,106
David Pieris Motor Company (Private) Limited	-	21,231,222	613,756,418
David Pieris City Developments (Pvt) Ltd	1,672,825	1,534,326	44,354,592
David Pieris Automobiles (Pvt) Limited	19,543	2,859,423	82,660,770
Assetline Lands (Private) Limited	3,715,930	6,077,966	175,703,071
David Pieris Holdings (Private) Limited	1,805,443	19,595,303	566,464,931
Assetline Insurance Brokers (Pvt) Limited	887,415	1,342,352	38,804,976
David Pieris Leisure (Pvt) Ltd	3,368,504	1,723,385	49,819,951
D P Logistics (Pvt) Ltd	1,534,068	-	-
David Pieris Racing and Leisure (Pvt) Ltd	2,227,196	507,583	14,673,320
David Pieris Aviation (Private) Limited	8,613	8,613	248,985
Assetline Corporate Services (Private) Limited	68,557	688,851	19,913,450
David Pieris Renewable Energy (Private)	2,871,201	610,142	17,638,096
DP Global Ventures (Pvt) Ltd	1,550,431	1,372,963	39,689,878
David Pieris Trust	319,321	319,321	9,231,005
MR. T.M.J.K. Ratnayake	938,646	642,208	18,565,070
MR. K.A.H. Kuruppu	332,717	10,861	313,976
MR. Rengasamy Rajeshkumar	217	280	8,080
MR. K.S. Katipearachchi	213,564	150,234	4,342,982
MR. K.S. Katipearachchi joint with			
MRS: Yamuna Samadara Silva (MR. K S Katipearachchi's spouse)	182,443	138,298	3,997,933
MR: D.N. Madugalle	863	863	24,954
MR: Ashan Nissanka	-	1,889	54,604
MRS: Esther Maureen Pieris	91,291,004	87,596,268	2,532,250,435
MR: David Percival Pieris	70,218,670	119,913,354	3,466,479,212
MR: Eshan David Pieris	3,524,267	7,443,544	215,179,454
MR: Johann David Pieris	1,758,344	6,944,584	200,755,437
MR: Johani David Pieris joint with MRS. A.D. Wettimuny (MR. J.D. Pieris's spouse)	11,969,576	10,610,791	306,738,869
MRS: Galhenage Yasanthi Poornima Perera	26,496	37,284	1,077,804
<i>Close family members of KMP</i>			
MRS: Hettiarachchige Sepali Nilmini	737,745	737,745	21,326,869
BABY: Ambalangodage Dihain Harshika	17,420	17,420	503,584

e) Transactions held with and amounts due to related parties

The management company and the trustee charged fees for services rendered during the period. The outstanding balances relating to these fees as at the period-end are presented below.

	<i>Charge for the period ended 30th September 2025</i>	<i>Charge for the period ended 31st March 2025</i>	<i>Balance outstanding as at 30th September 2025</i>	<i>Balance outstanding as at 31st March 2025</i>
	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
	Management fees	26,904,956	32,182,336	4,697,151
Trustee & custodian fee	12,599,211	15,216,463	2,198,172	1,413,843
	39,504,167	47,398,799	6,895,324	4,411,614

06. RELATED PARTY TRANSACTIONS (Contd...)

f) Transactions held with related parties (fellow subsidiary of Managing Company)

Purchase of Financial assets from related parties (Investment in fixed deposits)

	<i>As at 30th September 2025</i>	<i>As at 31st March 2025</i>
Assetline Finance Limited	518,985,677	537,022,662
	518,985,677	537,022,662

4. Fund Performance – Assetline Income Plus Growth Fund (AIGF)

As of 30 September 2025, the Net Asset Value (NAV) of the Assetline Income Plus Growth Fund (AIGF) stood at Rs. 14.52 billion. The fund generated a return of 13.54% for the financial year, with the number of unitholders at the end of the review period totaling 113.

During the financial year, AIGF's yield fluctuated between -11.53% and 14.70%, primarily due to high volatility in interest rates and equities.

Sri Lanka's economy continued to recover over the past six months, supported by improved macro-financial stability, easing inflation, and an accommodative monetary policy stance. The Central Bank of Sri Lanka reduced its policy rate to 7.75% in May 2025, as inflation moved from deflation toward its 5% medium-term target. Economic growth remained positive, driven by stronger domestic demand, improved external balances, and rising investor confidence.

Falling interest rates and reduced risk premiums led to lower yields on government securities, while financial system stability was maintained with adequate liquidity and capital buffers. Private sector credit growth strengthened, reflecting improving business sentiment.

The equity market recorded robust gains over the past six months, as the CSE All-Share Index climbed by approximately 37.71% during the period amid renewed investor confidence and favourable macroeconomic dynamics. Improved policy clarity and fiscal discipline bolstered domestic momentum, while foreign participation—though still modest—began to increase more noticeably.

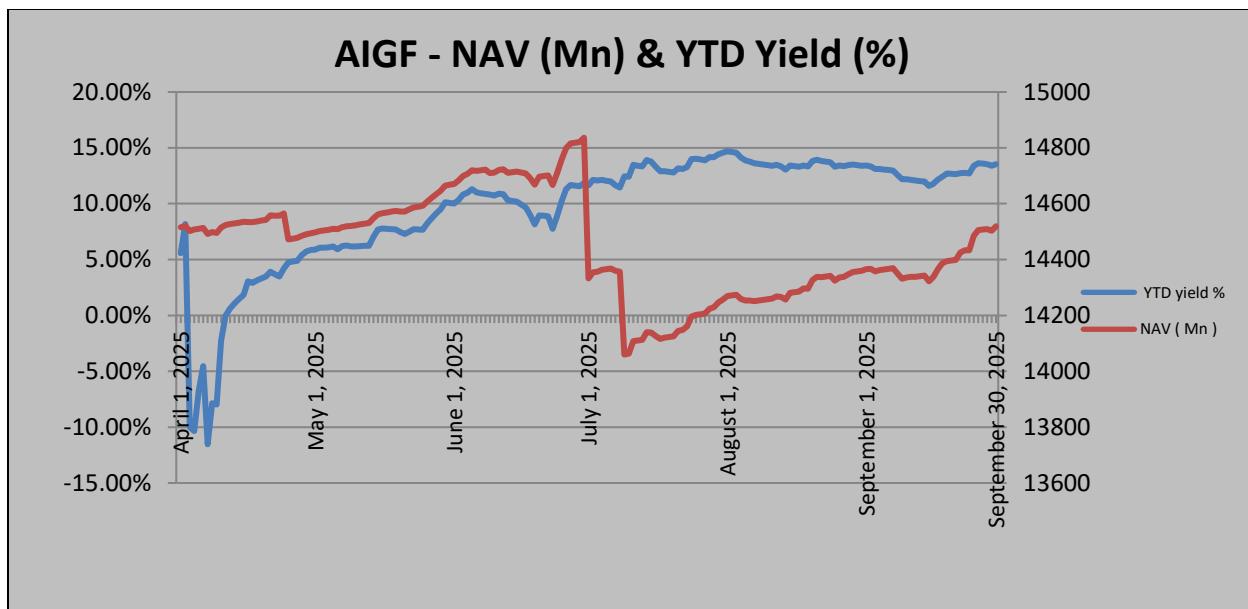
Over the next six months, macroeconomic conditions are expected to remain stable, with modest growth, low inflation, and continued policy support. Fixed-income yields are likely to remain low, while equity markets may post moderate gains amid improving domestic confidence.

In line with the investment objective and outlook on future interest rates, the fund's asset allocation at the end of September 2025 was maintained at 12.55% in equities and 87.40% in fixed-income securities (FIS).

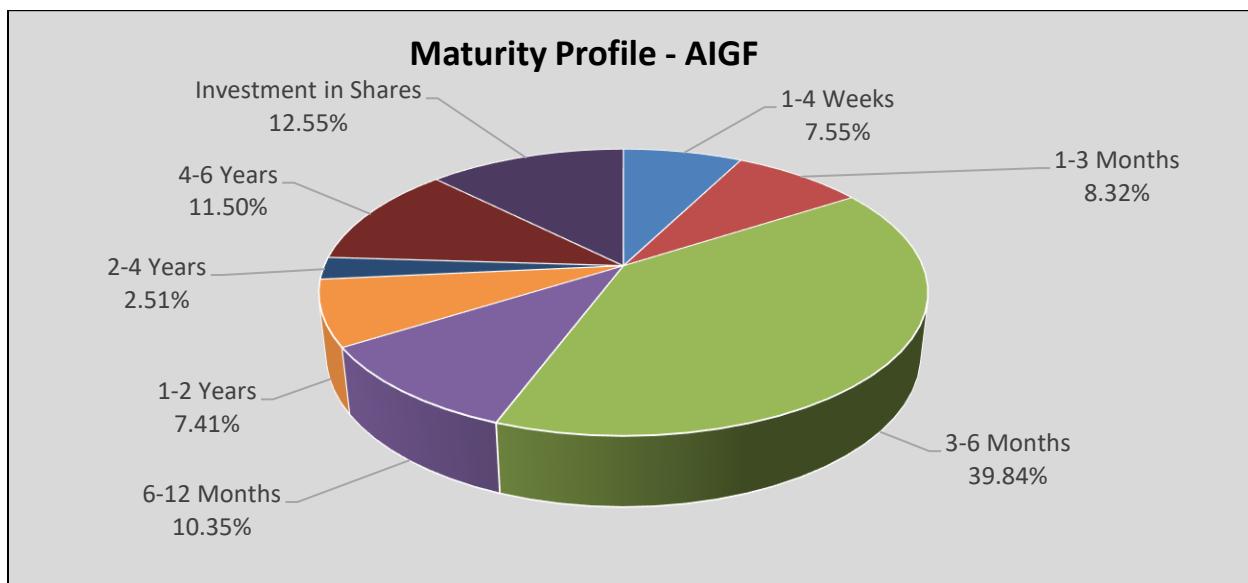
Equity transactions were managed under an active investment strategy focused on market timing and selective sector exposure. Stock selections were guided by growth potential, valuation attractiveness, and dividend income prospects to optimise total returns. Fund Managers also capitalised on short-term price movements within the portfolio, realising gains through tactical trading opportunities while maintaining a balanced risk-return profile.

A portion of fixed-income holdings was maintained to ensure portfolio liquidity, with allocations to money market instruments (0.03%) and Treasury bond repos (3.21%), which provided competitive short-term returns.

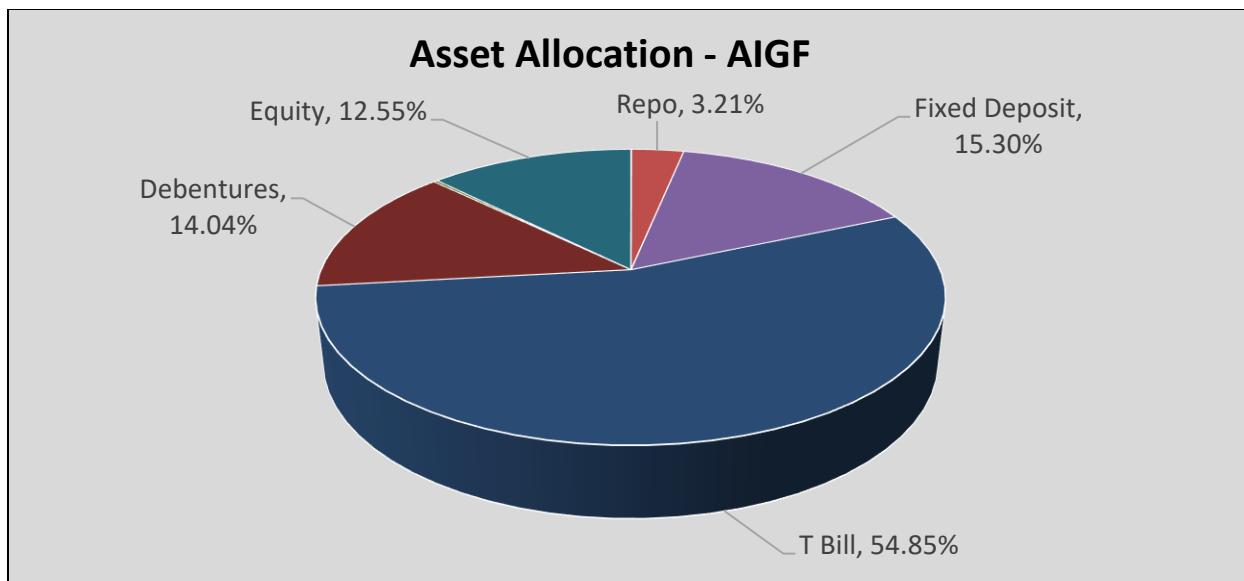
The fixed-income portfolio comprised a diversified maturity structure ranging from short- to long-term instruments. Approximately 7.56% of investments matured within 1–4 weeks, 48.27% within 1–6 months, and 10.37% within 6–12 months, while 21.47% were held in securities with maturities exceeding one year.



(Figure 1: NAV and financial-year yield of AIGF)



(Figure 2 : FIS Maturity profile of AIGF as at 30th September 2025)



(Figure 3 : Asset allocation of AIGF as at 30th September 2025)

Rating	Fitch		LRA		Total	
	Amount	As a % of NAV	Amount	As a % of NAV	Amount	As a % of NAV
Government Securities	-	-	-	-	7,963,773,726.75	54.85%
AA-	1,082,591,211.91	7.46%	-	-	1,082,591,211.91	7.46%
A+	204,827,704.90	1.41%	-	-	204,827,704.90	1.41%
A	1,219,763,342.96	8.40%	2,221,541,113.01	15.30%	3,441,304,455.98	23.70%
A-	1,262,353.67	0.01%	-	-	1,262,353.67	0.01%
BBB-	1,990,856.83	0.01%	-	-	1,990,856.83	0.01%
Total	2,510,435,470.27	17.29%	2,221,541,113.01	15.30%	12,695,750,310.04	87.44%

(Figure 4 : Credit profile of AIGF – Fixed Income Securities as at 30th September 2025)

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
<u>Investment Income</u>			
Interest income from financial assets at amortised cost	01	134,684,771	146,126,534
Interest income from financial assets at fair value through other comprehensive income	02	90,643,925	53,298,908
Dividend income		31,057,357	25,722,108
Net gains on financial assets at fair value through profit or loss	03	785,692,677	1,677,214,215
Total investment income		1,042,078,730	1,902,361,765
<u>Expenses</u>			
Management fee		(85,485,632)	(169,123,682)
Trustee and custodian fee		(19,470,605)	(38,524,318)
Audit fee		(281,614)	(603,879)
Professional fee		(54,362)	(121,949)
Brokerage Charges		(28,605,931)	(45,183,678)
Provision for tax receivable	04	(1,622,001)	-
Total operating expenses		(135,520,146)	(253,557,506)
Net operating profit		906,558,584	1,648,804,259
Finance cost	05	(62,800)	(143,320)
Profit after deductions and before tax		906,495,784	1,648,660,939
Income tax expense		-	-
Increase in net assets attributable to unitholders before other comprehensive income		906,495,784	1,648,660,939
<u>Other Comprehensive Income</u>			
Profit on changes in fair value on financial assets at fair value through other comprehensive income	02	38,713,426	22,320,432
Total Other Comprehensive Income		38,713,426	22,320,432
Increase in net assets attributable to unitholders		945,209,210	1,670,981,371

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
 STATEMENT OF FINANCIAL POSITION

	Note	As at 30 September 2025 (Unaudited)	As at 31 March 2025 (Audited)
ASSETS			
Cash and cash equivalents		1,288,237	2,629,517
Financial assets at amortised cost	06	2,691,807,356	3,563,186,710
Financial assets held at fair value through profit or loss	07	9,785,433,128	9,412,557,444
Financial assets held at fair value through through other comprehensive income	08	2,038,880,999	1,553,943,648
Other Receivables		36,412,174	-
Income tax receivables		-	1,622,001
Total assets		14,553,821,894	14,533,939,320
LIABILITIES			
Current liabilities			
Accrued expenses and other payables		35,017,772	18,479,554
Liabilities (Excluding net assets attributable to unitholders)		35,017,772	18,479,554
UNITHOLDERS' FUNDS			
Net assets attributable to unitholders		14,518,804,122	14,515,459,766
Total unitholders' funds and liabilities		14,553,821,894	14,533,939,320
Net assets per unit (Rs.)		32.1982	30.1515

Salyante
 Director
 Management Company
DEUTSCHE BANK AG
 Colombo Branch
 Trustee
 Authorized Signatories
 Trustee

A
 Director
 Management Company

16/12/2025
 Date of Approval

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
STATEMENT OF CHANGES IN UNITHOLDERS' FUND

Note	Unitholders' Capital & Retained Earning Rs.	FVTOCI Reserve Rs.	Net Assets attributable to unitholders Rs.
Balance as at 31st March 2024	14,141,125,861	12,737,082.00	14,153,862,943
Increase in net assets attributable to unitholders	1,648,660,939	22,320,432	1,670,981,371
Received on unit creations	34,898,833	-	34,898,833
Paid on unit redemptions	(1,344,283,381)	-	(1,344,283,381)
Balance as at 31st March 2025	14,480,402,252	35,057,514	14,515,459,765
 Increase in net assets attributable to unitholders	 906,495,784	 38,713,426	 945,209,210
Received on unit creations	36,950,000	-	36,950,000
Paid on unit redemptions	(978,814,853)	-	(978,814,853)
Balance as at 30th September 2025	09 14,445,033,183	73,770,940	14,518,804,122

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
STATEMENT OF CASH FLOW

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Cash flows from operating activities		
Proceeds from sale of financial instruments held at fair value through profit or loss	3,349,491,609	19,425,495,741
Purchase of financial assets at fair value through profit or loss	(3,158,683,942)	(16,369,030,959)
Proceeds from sale of Financial assets at amortised cost	57,984,777,554	71,358,599,535
Purchase of Financial assets at amortised cost	(57,038,867,144)	(73,245,485,416)
Purchase of financial assets at fair value through other comprehensive income	(355,580,000)	(1,200,000,000)
Dividend received	28,508,787	27,072,108
Interest received	267,347,893	1,567,690,693
Management fees paid	(86,060,854)	(168,679,614)
Other expenses paid	(50,410,330)	(84,109,087)
Net cash flows from operating activities	940,523,573	1,311,553,001
Cash flows from financing activities		
Proceeds from subscription by unitholders	36,950,000	34,898,833
Payment for redemption by unitholders	(978,814,853)	(1,344,283,381)
Net cash flows from financing activities	(941,864,853)	(1,309,384,548)
Net increase / (decrease) in cash and cash equivalents	(1,341,280)	2,168,453
Cash and cash equivalents at beginning of the period	2,629,517	461,064
Net increase / (decrease) in cash and cash equivalents	(1,341,280)	2,168,453
Cash and cash equivalents at end of the period	1,288,237	2,629,517

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
NOTES TO THE FINANCIAL STATEMENTS

01. INTEREST INCOME FROM FINANCIAL ASSETS AT AMORTISED COST

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Interest income from Fixed Deposits	95,983,924	75,227,404
Interest Income From Money Market Savings	96,709	3,663,942
Interest Income From repurchase agreements	38,604,138	67,235,187
Total interest income from financial assets at amortised cost	134,684,771	146,126,534

02. INTEREST INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Interest Income From Debentures	90,643,925	53,298,908
	90,643,925	53,298,908
Fair value gain/loss on Debentures	38,713,426	22,320,432
	38,713,426	22,320,432

03. NET GAIN / (LOSS) ON FINANCIAL ASSETS HELD FOR TRADING & FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Net gain / (loss) on financial assets held for trading	458,706,022	487,669,929
Net gain / (loss) on financial assets measured at fair value through profit or loss	326,986,655	1,189,544,286
	785,692,677	1,677,214,215
Net realised gain / (loss) on financial assets held for trading & financial assets measured at fair value through profit or loss	(a) 517,785,249	1,787,835,280
Net unrealised gain / (loss) on financial assets held for trading & financial assets measured at fair value through profit or loss	(b) 267,907,429	(110,621,065)
	785,692,677	1,677,214,215
(a) Net realised gain / (loss) on financial assets held for trading & financial assets measured at fair value through profit or loss		
Gain/(Loss) on disposal of equity securities	140,664,108	428,358,692
Income from Treasury Bills	315,376,464	955,977,674
Income from Treasury Bonds	61,744,677	403,498,914
	517,785,249	1,787,835,280
(b) Net unrealised gain / (loss) on financial assets held for trading & financial assets measured at fair value through profit or loss		
Unrealised gain / (loss) of equity securities	318,041,914	59,311,238
Unrealised gain / (loss) of Treasury Bills	(19,099,522)	(37,431,887)
Unrealised gain / (loss) of Treasury Bonds	(31,034,963)	(132,500,416)
	267,907,429	(110,621,065)

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
NOTES TO THE FINANCIAL STATEMENTS

04 PROVISION FOR TAX RECEIVABLE

The fund has a Withholding Tax (WHT) receivable balance of Rs. 1,622,001 carried forward from periods in which the fund was liable for income tax. This balance can only be utilized if the fund becomes liable for income tax in the future. As this is unlikely, the recoverability of the balance is considered remote. Accordingly, management has decided to make a full provision in the accounts.

This has no impact on the unit price, as the unit price has always been computed excluding this balance.

05. FINANCE COST

	For the period from 1 April 2025 to 30 September 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Bank Charges	62,800	143,320
	<hr/>	<hr/>
	62,800	143,320
	<hr/>	<hr/>

06. FINANCIAL ASSETS MEASURED AT AMORTISED COST

	As at 30th September 2025 (Unaudited)	As at 31 March 2025 (Audited)
Investment in fixed deposits	2,221,541,120	2,133,713,908
Investment in money market savings	4,665,483	4,571,624
Investment in repurchase agreements	465,600,752	1,424,901,178
Total financial assets at amortised cost	2,691,807,356	3,563,186,710
	<hr/>	<hr/>

07. FINANCIAL ASSETS HELD FOR TRADING & FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Financial assets held for trading

	As at 30th September 2025 (Unaudited)	As at 31 March 2025 (Audited)
Equity securities [See Note (a) below]	1,821,658,980	407,252,508
Total financial assets held for trading	1,821,658,980	407,252,508

(b) Financial assets measured at fair value through profit or loss

	As at 30th September 2025 (Unaudited)	As at 31 March 2025 (Audited)
Treasury Bills [See Note (b) below]	7,963,774,148	7,133,264,650
Treasury Bonds [See Note (b) below]	-	1,872,040,287
Total Financial assets measured at fair value through profit or loss	7,963,774,148	9,005,304,936
Total Financial assets held for trading & financial assets measured at fair value through profit or loss	9,785,433,128	9,412,557,444
	<hr/>	<hr/>

a) Investment in equity securities

30th September 2025

Cost	Market value
1,453,280,432	1,821,658,980
<hr/>	<hr/>

31st March 2025

Cost	Market value
356,915,874	407,252,508
<hr/>	<hr/>

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
NOTES TO THE FINANCIAL STATEMENTS

07. FINANCIAL ASSETS HELD FOR TRADING & FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

b) Investment in Treasury bills & Treasury bonds

30th September 2025	Cost	Market value
Investment in Government Security -Treasury Bills	7,538,652,185	7,963,774,148
	<u>7,538,652,185</u>	<u>7,963,774,148</u>

31st March 2025	Cost	Market value
Investment in Government Security -Treasury Bills	6,949,975,441	7,133,264,650
Investment in Government Security -Treasury bonds	1,755,058,300	1,872,040,287
	<u>8,705,033,741</u>	<u>9,005,304,936</u>

08. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30th September 2025 (Unaudited)	As at 31 March 2025 (Audited)
Investment in debentures	2,038,880,999	1,553,943,648
	<u>2,038,880,999</u>	<u>1,553,943,648</u>

09. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	Number of units	Net assets attributable to unitholders (Rs)
Opening balance	527,110,842	14,153,862,943
Subscriptions	1,184,415	34,898,833
Redemptions	(46,932,752)	(1,344,283,381)
Increase in net assets attributable to unitholders	-	1,670,981,371
As at 31st March 2025	481,362,505	14,515,459,765
Opening balance	481,362,505	14,515,459,765
Subscriptions	1,193,323	36,950,000
Redemptions	(31,636,132)	(978,814,853)
Increase in net assets attributable to unitholders	-	945,209,210
As at 30th September 2025	450,919,696	14,518,804,122

10. RELATED PARTY TRANSACTIONS

a) Responsible entity

The responsible entity of Assetline Income Plus Growth Fund is Assetline Capital (Private) Limited.

b) Key management personnel

i) Directors

Key management personnel includes persons who were directors of Assetline Capital (Private) Limited at any time during the financial year.

MR. A.Y.D. De Silva - Chairman (From 25.09.2024 onwards, served as a Director since 01.05.2016)

MR. N.D.P.S.R. Kalyanaratne - Non-Executive Director (From 16.06.2020 onwards)

MR. A. G. De Alwis -Independent Non-Executive Director (From 16.01.2024 onwards)

MR. A.N.S. Aluthgamage -Non-Executive Director (From 15.10.2024 onwards)

Assetline Income Plus Growth Fund managed by Assetline Capital (Pvt) Ltd
NOTES TO THE FINANCIAL STATEMENTS

10. RELATED PARTY TRANSACTIONS (Contd...)

ii) Other key management personnel

There were no other key management persons other than persons given in 10 [b(i)] above with responsibility for planning, directing and controlling the activities of the fund, directly or indirectly during the financial year.

a) Key management personnel unit holdings

The key management personnel of Assetline Capital (Private) Limited and the Parent companies held units in the fund as follows.

30 September 2025

Unit holder	No of units held opening	No of units held closing	Fair value of investment (Rs.)
MR. A.N.S. Aluthgamage	178,367	178,367	5,734,858

b) Related party unit holding

Assetline Capital (Private) Limited the Management Company of the Fund, DPMC Assetline Holdings (Private) Limited, the immediate parent company of management company and other related parties of the Management Company, held units in the Fund as follows:

30 September 2025

Unitholder	No of units held opening	No of units held closing	Fair value of investment (Rs.)
Assetline Capital (Pvt) Ltd	6,050,266	6,050,266	194,528,773
DPMC Assetline Holdings (Pvt) Ltd	1,474,526	1,472,252	47,335,994
<i>Other related parties:</i>			
David Pieris Motor Company (Lanka) Limited	113,741,166	87,060,573	2,799,180,240
David Pieris Holdings (Private) Limited	112,197,097	108,888,479	3,500,993,264
David Pieris Automobiles (Pvt) Limited	27,712,871	27,712,871	891,026,997
MR: David Percival Pieris	138,182,331	138,182,331	4,442,852,124
MRS: Esther Maureen Pieris	74,819,532	74,819,532	2,405,605,091
MR. K.A.H. Kuruppu	6,781,499	6,310,216	202,886,706

c) Transactions held with and amounts due to related parties

The management company and the trustee charged fees for services rendered during the period. The outstanding balances relating to these fees as at the period-end are presented below.

	Charge for the year ended 30th September 2025	Charge for the year ended 31st March 2025	Balance Outstanding 30th September 2025	Balance Outstanding 31st March 2025
	Rs.	Rs.	Rs.	Rs.
Management fees	85,485,633	169,123,683	13,961,733	14,536,954
Trustee & custodian fee	19,470,605	38,524,318	3,180,596	3,310,389
	104,956,238	207,648,001	17,142,329	17,847,343

d) Transactions held with related parties (fellow subsidiary of Managing Company)

Purchase of Financial assets from related parties (Investment in fixed deposits)

	As at 30th September 2025 (Unaudited)	As at 31 March 2025 (Audited)
Assetline Finance Limited	2,221,541,120	2,133,713,908
	2,221,541,120	2,133,713,908