

POLICY ON CONTROL AND MANAGEMENT OF COMPANY ASSETS AND SHAREHOLDER INVESTMENTS



LANKA REALTY
INVESTMENTS PLC

**POLICY ON CONTROL AND MANAGEMENT OF COMPANY ASSETS
AND SHAREHOLDER INVESTMENTS**

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Preamble

Lanka Realty Investments PLC (the “Company”) is committed to maintaining the utmost standards of control and management over its assets and shareholder investments. This Policy on Control and Management of Company Assets and Shareholder Investments establishes a comprehensive framework to safeguard the Company’s resources while maximizing shareholder value. By implementing robust controls and best practices, the Company aims to ensure the responsible stewardship of its assets, mitigate risks, and promote transparency in its financial operations. This policy reflects the Company’s dedication to ethical management, accountability, and compliance with all applicable laws and regulations, fostering confidence among shareholders and stakeholders alike in the Company’s long-term growth and stability.

Definition

SEC : Shall all time mean and include the Securities Exchange Commission of Sri Lanka

CSE: Shall all time mean and include the Colombo Stock Exchange of Sri Lanka

Objective

Policy on Control and Management of Company Assets and Shareholder Investments is design to achieve:

1. Ensure the protection and preservation of the Company’s physical and financial assets against loss, theft, and mismanagement.
2. Implement strategies to enhance the return on investments for shareholders while minimizing risks.
3. Develop and maintain internal controls and procedures to manage assets effectively and ensure compliance with regulatory requirements.
4. Foster clear and open communication regarding asset management practices and investment strategies to build trust with shareholders.
5. Define roles and responsibilities for asset management to ensure accountability at all levels of the organization.
6. Identify, assess, and manage potential risks associated with the Company’s assets and investments.

7. Provide a framework for informed decision-making regarding asset allocation and investment opportunities.
8. Integrate sustainability principles into asset management to align with long-term strategic goals and shareholder interests.
9. Ensure all asset management activities adhere to applicable legal and regulatory standards.
10. Regularly review and update policies and practices to reflect industry best practices and evolving market conditions.

Applicability

The above policy will be applicable to all members of the Company's board of directors, management team, and relevant staff involved in the governance and oversight of company assets and shareholder investments. Additionally, it may also extend to stakeholders and advisors engaged in decision-making processes related to these areas.

This policy applies to all types of assets held by the Company, including:

- **Physical Assets:** Residential and commercial properties, land, and facilities.
- **Financial Investments:** Investment properties, share held in other listed companies.
- **Intellectual Property:** Branding, marketing materials, and proprietary technology.

Implementation Strategy

Asset Management- Company manages a diverse portfolio of real estate assets, focusing on maximizing returns through strategic acquisition and development. They employ rigorous due diligence processes.

Investment Policies: Investment strategies of Company emphasize long-term value creation, with a focus on core, value-add, and opportunistic real estate investments.

Safeguarding Assets: Company prioritizes risk management and sustainability, implementing measures to protect both physical and financial assets.

Accountability: Company maintains clear governance structures, with regular performance reporting to stakeholders.

Risk Management

We recognize that effective risk management is essential in real estate. Company will:

- Conduct regular assessments of market conditions and property valuations to identify potential risks.
- Implement a risk mitigation strategy that includes diversification of investments and thorough due diligence before acquisitions.

Compliance and Accountability

Compliance with this policy will be monitored through:

- Regular audits of asset management practices and investment performance.
- Clearly defined roles and responsibilities for management and staff to ensure accountability in asset oversight.

Investment Strategies: Company focuses on long-term investments in high-quality real estate assets. Company employs diversification across geographic locations and property types to mitigate risks.

Shareholder Returns: Company aims to provide consistent returns through dividends and capital appreciation, regularly communicating performance metrics and investment outlooks to shareholders.

Engagement: Company actively engages with shareholders through quarterly updates (newsletters) and the Annual General meetings to discuss investment strategies and performance

Publication

The Company's website will disclose the existence of the Policy on Control and Management of Company Assets and Shareholder Investments and a summary may be shared with the shareholders of the Company upon request made to the Company Secretary.

Review and Update

This policy shall be reviewed and updated at least once every two (2) years by 30th September. The required updates and modifications shall be recommended to the Chairman of the Board for approval.

Lanka Realty Investments PLC reserves the right to modify and amend the policy at any time.

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