

kapruka

KAPRUKA HOLDINGS PLC

INTERIM REPORT

FOR THE PERIOD ENDED 30th June, 2026

KAPRUKA HOLDINGS PLC

Chairman & Chief Executive Officer's Review

Dear Shareholders,

I am pleased to share Kapruka Holdings PLC's results for the quarter ended 30 June 2026. This is our second consecutive profitable quarter. Last quarter marked our return to profitability, and this quarter shows that the improvement is holding. We are building a more profitable, capital-efficient and scalable business designed to create sustainable long-term value for our shareholders

A Stronger, More Profitable Kapruka

Group revenue grew 20% year-on-year to LKR 537.90 million, and **gross profit increased 41% to LKR 220.65 million.** Gross margin improved to around **41% of revenue, up from roughly 35% a year earlier**. Gross profit growing twice as fast as revenue reflects the improving quality of our sales mix and the shift toward asset-light revenue.

Operating profit was LKR 5.07 million, compared with an operating loss of LKR 2.3 million in the same quarter last year. **Profit Before Tax rose to LKR 24.90 million**, against a loss of LKR 1.61 million in the previous year. Profit Before Tax also includes other income of approximately LKR 19.8 million, primarily exchange gains and interest income arising from our growing USD revenue base and stronger cash position.

At the Company level, **Kapruka Holdings PLC recorded revenue of LKR 52.53 million and Profit Before Tax of LKR 2.94 million.**

These results follow two years of deliberate restructuring: tighter cost discipline, better margins, a larger share of technology-enabled revenue, and investment in platforms that can grow without a matching increase in capital or operating costs. Our objective is simple. We want growth that produces greater returns from the resources we have already invested, rather than growth that constantly demands more resources.

Three Growth Engines

Kapruka Partner Central, our marketplace, added more active partners during the quarter each new seller uses our customer base, logistics and payments infrastructure, so revenue grows without adding inventory risk. Partner Central was a meaningful contributor to this quarter's margin improvement.

Kapruka Services Platform continues to take Kapruka beyond physical goods into bookable services. This opens a new market on top of the same customer network, with high-margin revenue built on the trust we have earned over two decades.

Kapruka Cross Border recorded a strong increase in international order volumes this quarter. We act as the e-distributor for Sri Lankan brands on Amazon US, Amazon UK, Amazon Canada and other global marketplaces. Dollar revenue carries strategic value well beyond its rupee contribution, and this segment remains both a hedge and a long-term growth driver.

AI Across the Business

AI is now in daily use across Kapruka. This quarter, our **AI customer-care agents on WhatsApp began converting enquiries into orders at rates well above our human-assisted baseline**, and they work around the clock at very little additional cost. AI automation now supports customer service, product discovery, content generation, supply chain workflows and back-office processing. We remain on track to reach **40% back-office automation** in the coming quarters.

In practical terms, AI lets us grow revenue without growing headcount and fixed costs at the same pace. That is what turns a profitable quarter into a structurally more profitable business.

KAPRUKA HOLDINGS PLC

Chairman & Chief Executive Officer's Review

Electric Fleet Progress

Our fleet conversion has moved from plan to execution. Electric vans now make up 30% of the Kapruka delivery fleet, and they are already producing a clear downward trend in per-delivery energy and maintenance costs compared with our petrol vans.This initiative supports our ESG objectives, particularly by reducing our environmental footprint and improving the sustainability of our last-mile delivery operations. Fuel has always been one of the most volatile costs in last-mile delivery, moving with global oil prices and exchange rates outside our control. Every portion of the fleet we electrify replaces that exposure with predictable, lower per-kilometre costs. This combination of environmental benefits, cost efficiency and greater resilience will continue to strengthen our logistics margins while supporting Kapruka's broader ESG agenda.

Looking Ahead

Kapruka benefits from three trends at once: the digitisation of Sri Lankan commerce, global demand for authentic Sri Lankan products, and the falling cost of AI. We now have two consecutive profitable quarters, expanding gross margins, a marketplace model that scales, growing USD revenue, a cost base less exposed to fuel and currency shocks, and a technology platform that gets cheaper to run every quarter.

The foundation is rebuilt, and the benefits of this model are only beginning to show in the numbers. On behalf of the Board and the management team, thank you for your continued trust. We are building Kapruka for the next decade, and the work of the past two years positions us to create meaningful, durable value for shareholders.

Sincerely,

Dulith Herath
Chairman & CEO
13 August 2026

Corporate Information

Company Name
Kapruka Holdings PLC

Legal Form
The Company was incorporated in Sri Lanka on 7th February 2002 as a Private Limited Liability Company under the Companies Act No. 17 of 1982 in the name Lanka Dot Info (Private) Limited. On 7th January 2005, the Company changed its name to Kapruka Dot Com (Private) Limited under the Companies Act No.17 of 1982 and re-registered under the provisions of Companies Act No. 7 of 2007 on 29th July 2008. The status of the Company was changed from Private Limited to a Public Limited Company under provisions of the Companies Act No. 07 of 2007 on 06th November 2021. The Company changed its name from Kapruka Dot Com Limited to Kapruka Holdings Limited on 20th November 2021. Kapruka Holdings Limited was listed on the Main Board of Colombo Stock Exchange on the 7th January 2022. The status of the Company was changed from Limited to PLC on 13th April 2022.

Registered No.
Old PV 5789
New PQ00247881

Registered Office
No:147, Old Kottawa Road,
Mirihana,
Nugegoda, Sri Lanka
Tel: +94 11 7551111
Email: colombo.office@kapruka.com
Website: https://www.kapruka.com/

Board of Directors
Mr. D V Herath - Chairman & CEO
Mrs. A Herath
Mrs. T Herath
Mr. T Subasinghe
Mr. S Subasinghe
Dr. D B S C Bandara
Mr. L Abeysekera

Bankers
Sampath Bank PLC
Hatton National Bank PLC
Commercial Bank PLC
Amana Bank PLC
Nations Trust Bank PLC
Union Bank of Colombo PLC
Seylan Bank PLC
Bank of America
JPMorgan Chase & Co

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

Secretaries
Kreston Corporate Services (Pvt) Ltd
No.74A, 02nd Floor, Advantage Building, Dharmapala Mawatha,
Colombo 07, Sri Lanka

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2026

STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	30.06.2026 (Unaudited) Rs.	31.03.2026 (Unaudited) Rs.	30.06.2026 (Unaudited) Rs.	31.03.2026 (Unaudited) Rs.
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	808,448,557	770,319,741	530,516,933	531,991,837
Right of Use Assets	60,707,010	62,461,213	55,434,196	61,708,008
Investment Properties	144,706,000	221,414,000	144,706,000	144,706,000
Intangible Assets	10,930,166	11,607,280	197,666	477,280
Investments in Subsidiary	-	-	790,958,055	749,447,514
	1,024,791,734	**1,065,802,234**	**1,521,812,850**	**1,488,330,639**
Current Assets				
Inventories	134,705,539	168,286,310	-	-
Trade and Other Receivables	53,947,339	48,584,539	3,873,692	2,508,779
Amount Due From Related Parties	45,103,308	43,444,813	11,010,189	67,702,181
Deposits, Advances and Prepayments	21,008,992	16,349,564	3,839,973	3,042,620
Income Tax Receivable	3,641,279	3,641,279	3,270,271	3,270,270
Short Term Financial Assets	50,000,000	91,510,514	50,000,000	91,510,514
Cash & Cash Equivalents	128,751,028	46,795,029	7,114,972	2,576,415
	437,157,485	**418,612,048**	**79,109,097**	**170,610,779**
Total Assets	**1,461,949,219**	**1,484,414,282**	**1,600,921,947**	**1,658,941,418**
EQUITY AND LIABILITIES				
Equity Attributable to Equity Holders				
Stated Capital	769,174,795	769,174,795	769,174,795	769,174,795
Revaluation Reserve	172,767,263	172,767,263	156,705,433	156,705,433
Foreign Currency Translation Reserve	(4,304,766)	(1,975,301)	-	-
Retained Earnings	(81,390,837)	(100,573,096)	352,136,981	351,164,230
Total Equity	**856,246,455**	**839,393,661**	**1,278,017,209**	**1,277,044,458**
Non-Current Liabilities				
Interest Bearing Loans and Borrowings	117,750,546	166,137,834	88,415,883	149,044,818
Retirement Benefit Obligation	48,130,288	46,527,065	16,624,122	15,964,122
Deferred Tax Liability	85,846,376	81,622,339	89,165,576	88,689,466
Other Non-Current Liabilities	17,180,552	21,576,386	17,180,552	21,576,386
	268,907,762	**315,863,624**	**211,386,133**	**275,274,792**
Current Liabilities				
Interest Bearing Loans and Borrowings	101,273,282	95,656,737	46,249,004	66,811,351
Trade & Other Payables	150,162,310	173,506,806	6,758,690	6,202,296
Amount Due To Related Parties	7,320,938	6,899,428	16,148,551	-
Income Tax Payable	1,500,000	-	1,500,000	-
Provisions and Accrued Expenses	58,439,510	34,819,650	23,231,777	15,924,402
Other Current Liabilities	17,583,336	17,583,336	17,583,336	17,583,336
Bank Overdraft	515,627	691,040	47,247	100,783
	336,795,002	**329,156,997**	**111,518,605**	**106,622,168**
Total Equity and Liabilities	**1,461,949,219**	**1,484,414,282**	**1,600,921,947**	**1,658,941,418**
Net asset value per share (Rs.)	5.22	5.11	7.79	7.78

The interim financial statements are to be read in conjunction with the related notes, which form an integral part of these Financial Statements.
I certify that the financial statements have been prepared in compliance with the requirements of the Companies act No. 7 of 2007.

Manjula Kumara
Head of Finance

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Approved and signed for and on behalf of the board of directors of Kapruka Holdings PLC.

Dulith Herath
Director

Thilangani Herath
Director

13th August 2026
Colombo

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

	Quarter ended		
	30.06.2026 (Unaudited) Rs.	30.06.2025 (Unaudited) Rs.	Change %
Revenue from Contracts with Customers	537,902,386	448,519,473	20%
Cost of Sales	(317,248,379)	(277,329,566)	-14%
Gross Profit	**220,654,007**	**171,189,907**	29%
Other Income and Gains	19,779,228	4,253,949	365%
Administrative Expenses	(148,484,951)	(109,268,343)	-36%
Selling and Distribution Expenses	(86,877,264)	(68,503,146)	-27%
Profit / (Loss) from operating activities	**5,071,019**	**(2,327,632)**	318%
Finance Cost	(7,225,709)	(8,201,057)	11.9%
Finance Income	27,060,982	8,909,875	204%
Net Finance Income / (Cost)	19,835,273	708,818	2698%
Share of Profit / (Loss) of Investment in Associates	-	-	
Profit / (Loss) Before Tax	**24,906,293**	**(1,618,814)**	1639%
Income Tax Expense	(5,724,038)	(3,950,495)	-45%
Profit / (Loss) for the Period	**19,182,255**	**(5,569,308)**	444%
Profit / (Loss) for the period attributable to:			
Equity Holders of the Parent	19,182,255	(5,569,308)	
	19,182,255	**(5,569,308)**	
Other Comprehensive Income			
Other comprehensive income that may be reclassified to statement of profit or loss in subsequent periods			
Exchange Difference on translation of Foreign Operations	(2,329,465)	(400,104)	
Other comprehensive income that may not be reclassified to statement of profit or loss in subsequent periods			
Revaluation of Land and Building - Net of tax	-	-	
Actuarial gains/(losses) on defined benefit plans - Net of tax	-	-	
Other comprehensive income for the year, net of tax	**(2,329,465)**	**(400,104)**	
Total comprehensive income for the year, net of tax	**16,852,790**	**(5,969,413)**	
Total Comprehensive Income attributable to:			
Equity Holders of the Parent	16,852,790	(5,969,413)	
	16,852,790	**(5,969,413)**	
Basic/Diluted earnings/(deficit) per share (Note-8.6)	0.10	(0.03)	

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY

	Quarter ended		
	30.06.2026 (Unaudited) Rs.	30.06.2025 (Unaudited) Rs.	Change %
Revenue from Contract with Customers	52,538,355	56,579,162	-7%
Cost of Sales	-	-	-
Gross Profit	**52,538,355**	**56,579,162**	-7%
Other Income	4,767,498	2,341,835	104%
Administrative Expenses	(49,131,230)	(39,005,813)	-26%
Profit from operating activities	**8,174,624**	**19,915,185**	-59%
Finance Cost	(6,952,308)	(6,941,770)	0%
Finance Income	1,726,545	4,834,585	-64%
Net Finance Income/(Cost)	(5,225,764)	(2,107,185)	-148%
Profit / (Loss) Before Tax	**2,948,860**	**17,808,001**	-83%
Income Tax Expense	(1,976,110)	(2,390,265)	17%
Profit / (Loss) for the Period	**972,750**	**15,417,736**	-94%
Profit for the period attributable to:			
Equity Holders of the Parent	972,750	15,417,736	
	972,750	15,417,736	
Other Comprehensive Income			
Other comprehensive income that may be reclassified to statement of profit or loss in subsequent periods			
Exchange Deference on translation of foreign operation	-	-	
Other comprehensive income that may not be reclassified to statement of profit or loss in subsequent periods			
Revaluation of Land and Building - Net of tax	-	-	
Actuarial gains/(losses) on defined benefit plans - Net of tax	-	-	
Other comprehensive income for the year, net of tax	**-**	**-**	
Total comprehensive income for the year, net of tax	**972,750**	**15,417,736**	
Total Comprehensive Income attributable to:			
Equity Holders of the Parent	972,750	15,417,736	
	972,750	**15,417,736**	
Earning Per Share (Note-8.6)	0.01	0.09	

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2026

STATEMENT OF CHANGES IN EQUITY

GROUP

	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Foreign Currency Translation Reserve Rs.	Total Equity Rs.
Balance as at 1st April 2025	769,174,795	179,107,611	(94,165,925)	114,815	854,231,295
Profit / (Loss) for the period	-	-	(5,569,308)	-	(5,569,308)
Other comprehensive income					
Revaluation Gain/(Loss) - Net of tax	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans - Net of tax	-	-	-	-	-
Foreign currency translation differences of foreign operations	-	-	-	(400,104)	(400,104)
Total other comprehensive income	-	-	-	(400,104)	(400,104)
Total Comprehensive income for the period	-	-	(5,569,308)	(400,104)	(5,969,413)
Balance as at 30th June 2025	769,174,795	179,107,611	(99,735,234)	(285,290)	848,261,882
Balance as at 1st April 2026	769,174,795	172,767,263	(100,573,097)	(1,975,301)	839,393,660
Profit / (Loss) for the period	-	-	19,182,255	-	19,182,255
Other comprehensive income					
Revaluation Gain/(Loss) - Net of tax	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans - Net of tax	-	-	-	-	-
Foreign currency translation differences of foreign operations	-	-	-	(2,329,465)	(2,329,465)
Total other comprehensive income	-	-	-	(2,329,465)	(2,329,465)
Total Comprehensive income for the period	-	-	19,182,255	(2,329,465)	16,852,790
Balance as at 30th June 2026	769,174,795	172,767,263	(81,390,842)	(4,304,766)	856,246,450

COMPANY

	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Foreign Currency Translation Reserve Rs.	Total Equity Rs.
Balance as at 1st April 2025	769,174,795	163,780,819	306,863,317	-	1,239,818,931
Profit / (Loss) for the period	-	-	15,417,736	-	15,417,736
Other comprehensive income					
Revaluation Gain/(Loss) - Net of tax	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans - Net of tax	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total Comprehensive income for the period	-	-	15,417,736	-	15,417,736
Balance as at 30th June 2025	769,174,795	163,780,819	322,281,053	-	1,255,236,667
Balance as at 1st April 2026	769,174,795	156,705,433	351,164,231	-	1,277,044,459
Profit / (Loss) for the period	-	-	972,750	-	972,750
Other comprehensive income					
Revaluation Gain/(Loss) - Net of tax	-	-	-	-	-
Actuarial gains/(losses) on defined benefit plans - Net of tax			-		-
Total other comprehensive income	-	-	-	-	-
Total Comprehensive income for the period	-	-	972,750	-	972,750
Balance as at 30th June 2026	769,174,795	156,705,433	352,136,981	-	1,278,017,209

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2026

STATEMENT OF CASH FLOWS

For the period ended 30th JUNE	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash Flows from / (Used in) Operating Activities				
Profit / (Loss) Before Tax	24,906,293	(1,618,814)	2,948,860	17,808,001
Adjustments for				
Interest Expenses	7,182,559	8,069,147	5,789,932	6,941,770
Interest Income	(2,262,414)	(4,989,479)	(1,726,545)	(4,834,585)
Foreign Currency Exchange Gain/Loss	(24,581,807)	(3,895,847)	(216,761)	(24,548)
Disposal Gain	(13,868,080)	(110,169)	(36,610)	(110,169)
Depreciation of Property, Plant & Equipment	9,927,153	7,995,583	3,236,213	3,717,317
Depreciation of Right-of-use Assets	7,249,547	3,951,518	6,345,657	3,703,912
Amortisation for Intangible Assets	434,063	454,140	36,563	56,640
Amortisation of Deferred Profit	(4,395,834)	(1,666,666)	(4,395,834)	(1,666,666)
Allowance for Expected Credit Loss	(476,694)	(549,906)	-	-
Provision for Retirement Benefit Obligations	1,723,223	1,235,013	660,000	650,001
Operating Profit / (Loss) before Working Capital Changes	**5,838,010**	**8,874,520**	**12,641,476**	**26,241,672**
(Increase) / Decrease in Inventory	33,580,770	3,375,317	-	-
(Increase) / Decrease Trade & Other Receivables	(3,972,347)	(10,350,708)	25,396	(44,588)
(Increase) / Decrease Advances & Prepayment	(4,659,428)	(2,475,508)	(797,353)	(802,297)
Increase / (Decrease) In Trade & Other payables	(22,867,802)	(12,379,167)	556,394	(2,188,148)
Increase / (Decrease) In Accrued Expenses	23,619,860	8,065,711	7,307,375	(281,325)
Increase / (Decrease) In Amounts Due to Related Parties	421,510	(211,840)	16,148,551	(11,329,959)
(Increase) / Decrease In Amount Due From Related Parties	(1,658,495)	1,088,736	56,691,992	317,582
Cash Generated from/(Used in) Operations	**30,302,078**	**(4,012,939)**	**92,573,831**	**11,912,937**
Interest paid	(7,182,559)	(8,079,148)	(5,789,932)	(6,941,771)
Gratuity Paid	(120,000)	(427,093)	-	-
Income Tax Paid	-	(752,867)	-	(752,867)
Net Cash flow from/(Used in) Operating Activities	**22,999,519**	**(13,272,047)**	**86,783,899**	**4,218,299**
Cash Flows from/(Used in) Investing Activities				
Acquisition of Property, Plant and Equipment	(48,127,845)	(1,350,039)	(1,833,184)	-
Sale Proceed on Disposal of Property, Plant and Equipment	90,819,131	110,169	279,661	110,169
Interest Income	871,961	159,694	336,237	6,803
(Investment)/Withdrawal of Short Term Investment	41,510,514	-	41,510,514	
Investment in Subsidiary	-	-	(41,510,514)	(30,000,005)
Net Cash Flows from / (Used in) Investing Activities	**85,073,761**	**(1,080,176)**	**(1,217,286)**	**(29,883,033)**
Cash Flows from / (Used in) Financing Activities				
Proceeds From Interest Bearing Borrowings	45,000,000	30,000,000	-	30,000,000
Repayment of Finance Lease	(6,646,268)	(3,545,887)	(5,713,097)	(3,178,718)
Repayment of Interest Bearing Loans and Borrowings	(86,547,942)	(15,916,893)	(75,478,185)	(600,000)
Net Cash Flows from/(Used in) Financing Activities	**(48,194,210)**	**10,537,220**	**(81,191,281)**	**26,221,282**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	22,252,341	3,495,743	216,761	24,548
Net Increase/(Decrease) in Cash and Cash Equivalents	82,131,411	(319,259)	4,592,093	581,097
Cash and Cash Equivalents at the beginning of the period	46,103,989	31,388,221	2,475,632	1,950,362
Cash and Cash Equivalents at the end of the quarter	**128,235,401**	**31,068,961**	**7,067,725**	**2,531,459**
Cash and Cash Equivalents at the end of the quarter (Note-11)	**128,235,401**	**31,068,961**	**7,067,725**	**2,531,459**

As disclosed in Note 5, Kapruka Holdings PLC acquired interests in subsidiaries and an associate in the month of October 2021. Consolidated results, accordingly will only be applicable for the period commencing from 1st November 2021.

1. CORPORATE INFORMATION

Kapruka Holdings PLC is a Public Limited Company incorporated and domiciled in Sri Lanka, and ordinary shares of the Company are listed on the Colombo Stock Exchange. The registered office of the Company and the principal place of business are located at No.147, Old Kottawa Road, Mirihana, Nugegoda.

2. INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements for the period ended 30th June 2026, includes "the Company" referring to Kapruka Holdings PLC, as the Parent Company and "the Group" referring to the companies whose accounts have been consolidated therein.

The interim condensed financial statements of Kapruka Holdings PLC and its subsidiaries (collectively, the Group) for the period ended 30th June 2026 were authorized for issue in accordance with a resolution of the Directors on 13th August 2026.

3. BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

3.1. Basis of Preparation

The interim condensed financial statements of Kapruka Holdings PLC have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 – Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statement for the year ended 31st March 2026.

The Group has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

3.2. New Standards, Interpretations and Amendments Adopted by the Group

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

4. COMPARATIVE INFORMATION

Comparative information in relation to previous year have been presented in line with information pertaining to the current period.

5. GROUP RESTRUCTURE

The company changed its operating structure in October 2021 by transferring its operations to Kapruka E-Commerce (Pvt) Ltd, a fully owned subsidiary. Further the company acquired 100% of Kapruka Production (Pvt) Ltd and Kapruka Techroot (Pvt) Ltd. Subsequently, the Company established Kapruka USA LLC, Kapruka Global UK Ltd and Kapruka Ventures (Pvt) Ltd as fully owned subsidiaries of Kapruka Holdings PLC to support its strategic expansion initiatives.

Kapruka Holdings PLC will continue to function as an investment holding company.

Investee	Consideration		Holding	Nature of Operations
	Rs.	$/£		
Kapruka E-Commerce (Pvt) Ltd	785,556,450	-	100%	Providing E-commerce Services
Kapruka Techroot (Pvt) Ltd	20	-	100%	Registered Internet Service Provider (ISP)
Kapruka Production (Pvt) Ltd	5,370,000	-	100%	Manufacture and distribution of cakes, chocolates and baked food products
Kapruka USA LLC	31,200	100$	100%	Providing Global Payment Gateway integration facility & operate the cross-border operation in USA & Canada w.e.f. 01/01/2024
Kapruka Ventures (Pvt) Ltd	20	-	100%	Trading and distribution of global products w.e.f. 04/02/2025
Kapruka Global UK Ltd	365	1£	100%	Operate the cross-border operation in UK w.e.f. 24/01/2025
	790,958,055			

The entity's acquisition has not been considered as a Business Combination on account of shares being held under common control, and the purchase method has been adopted in relation to accounting of the acquisition.

The company also acquired 25% of the shareholding of Kapruka Global Shop (Pvt) Ltd in October 2021 for a consideration of Rs. 20/-. The Group applies the equity method in accounting for the investment in associate. For the interim period, the share of loss from the investment in associate is greater than the balance of investment in associate. Hence, the loss has recognized up to the balance in investment in associate. Therefore, the Investment in Equity Accounted Investees is zero at the interim end.

6. OPERATING SEGMENTS

	Group	
	Quarter ended 30th June	
	2026 Rs.	2025 Rs.
(a) Segmental Revenue		
E-Commerce	462,014,376	399,089,378
Production	52,207,320	49,016,109
Web Services	10,400,661	9,225,000
Cross Border Operations	127,331,079	50,966,311
Consolidation adjustments	(114,051,050)	(59,777,325)
	537,902,386	**448,519,473**
(b) Segmental Expenses		
E-Commerce	(477,538,984)	(421,882,110)
Production	(52,036,868)	(46,465,256)
Web Services	(8,189,835)	(8,442,059)
Cross Border Operations	(132,303,083)	(55,662,305)
Other Income	19,779,228	4,253,949
Consolidation adjustments	117,458,176	77,350,675
Profit / (Loss) from operating activities	**5,071,019**	**(2,327,632)**
Share of Loss of Investment in Associates	-	-
Finance Income	27,060,982	8,909,875
Finance Expense	(7,225,709)	(8,201,057)
Net Finance Income	19,835,273	708,818
Profit / (Loss) before tax	**24,906,293**	**(1,618,814)**
(c) Segmental Profit / (Loss) before tax		
E-Commerce	30,350,359	7,067,393
Production	(7,495,784)	(4,873,535)
Web Services	2,209,097	781,303
Cross Border Operations	(157,379)	(4,593,975)

7. EVENTS AFTER REPORTING PERIOD

There have no other material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

8. SHARE INFORMATION

8.1. Public shareholding

	30.06.2026
Issued Share Capital (No.)	164,130,360
Number of Transactions	6,138
Number of Share Traded	11,872,355
Value of Share Traded (Rs.)	311,683,523
Public Holdings as a Percentage of Issued Share Capital	20%
Total Number of Shareholders	2,896
No of Shareholders Representing the Public Holding	2,894
Float Adjusted Market Capitalization (Rs.)	715,587,485

The Float adjusted market capitalization of the Company falls under Option 5 of Rule 7.13.1 (i) (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

8.2. Directors' shareholding

The number of shares held by the Board of Directors as follows;

Name of the shareholder	No. of shares	
	30.06.2026	30.06.2025
Mr. H P D V Herath (Chairman & CEO)	131,304,360	131,304,360
Mrs. A M Herath	Nil	Nil
Mrs. R A T Herath	Nil	Nil
Mr. S M T H Subasinghe	Nil	Nil
Mr. D B S C Bandara	Nil	Nil
Mr. L Abeysekera	Nil	Nil
Mr.Suresh Subasinghe	Nil	Nil

8.3. Twenty Largest Shareholders of the company as follows;

	Name of the shareholder	30.06.2026	
		No. of shares	%
1	MR. H.P.D.V. HERATH	131,304,360	80.00
2	TRANQUILITY ESTATE (PVT) LTD	8,749,000	5.33
3	MR. S.M. ATAPATTU	1,142,289	0.70
4	MR. V. SUNILGAVASKER	1,107,137	0.67
5	MR. S. GURUSINGHE	962,095	0.59
6	BANK OF CEYLON A/C CEYBANK UNIT TRUST	812,194	0.49
7	BANK OF CEYLON A/C CEYBANK CENTURY GROWTH FUND	768,400	0.47
8	MR. G.H.S. KUMARA	543,034	0.33
9	MR. M.M.S.A. PARIS	425,020	0.26
10	SEYLAN BANK PLC/ANUJA CHAMILA JAYASINGHE	384,164	0.23
11	MR. M.R. THAMBINAYAGAM	300,000	0.18
12	MR. G.B.D. THILAKARATNE	282,936	0.17
13	MR. M.M. TILAKARATHNE	280,000	0.17
14	MR. P.U.K. DE SILVA	253,014	0.15
15	MR. M.S.F. HAQQUE	215,000	0.13
16	MR. H.J.A.C. PERERA	214,752	0.13
17	SEYLAN BANK PLC/GLADSTONE CAPITAL (PRIVATE) LIMITED	203,844	0.12
18	MR. H.G. JANSZ	200,000	0.12
19	MR. E.D.S. PRIYAWARNA	187,126	0.11
20	MR. K.R.T. BANDARA	186,544	0.11
		148,520,909	90.49
Others		15,609,451	9.51
Total		164,130,360	100.00

8.4. Stated Capital

Stated capital is represented by the number of shares in issue as given below;

	30.06.2026		31.03.2026	
	Number	Rs.	Number	Rs.
Balance at the beginning of the period	164,130,360	769,174,795	164,130,360	769,174,795
Issue of shares	-	-	-	-
Transaction costs attributable to issuance of shares	-	-	-	-
Balance at the end of the period	164,130,360	769,174,795	164,130,360	769,174,795

8.5. The company's Highest, Lowest and Last Traded Market Price given below;

	30.06.2026 Rs.	30.06.2025 Rs.
Last Traded	21.90	7.80
Highest	31.80	8.50
Lowest	18.20	7.10
Market	3,594,454,884	1,280,216,808

8.6. Earning per share

	3 Months ended 30th June			
	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Net profit/(loss) for the period	16,852,790	(5,969,413)	972,750	15,417,736
Weighted average number of shares	164,130,360	164,130,360	164,130,360	164,130,360
Earning/(deficit) per share (EPS)	0.10	(0.03)	0.01	0.09

Basic earnings per share is calculated by dividing the net profit / (loss) for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period as required by LKAS - 33, Earning Per Share.

9. MATERIAL CHANGES

There were no any other material changes in the composition of assets, liabilities and contingent liabilities and there is no seasonality and cyclicality affecting the interim operation.

10 CONTINUOUS DISCLOSURE REGARDING STATUS OF UTILIZATION OF FUNDS VIA IPO PROCEEDS AS AT 30.06.2026

Objective No	Objective as per Prospectus	Amount Allocated as per Prospectus in Rs.	Proposed Date of Utilization as per Prospectus	Amount Allocated Upon the Receipt of Proceeds in Rs. (A)	% of Total Proceeds	IPO Funds Reallocated for Working Capital at AGM / EGM Rs. (B) (Note)	Amount Utilized in Rs. (C)	% of Utilization Against Allocation (B+C/A)	Remaining Balance Rs. (A-B-C)	Clarification if not fully utilized including where the fund are invested
1	Existing Technologies and infrastructure upgrades	100,000,000	1Q 2022- 1Q 2023	100,000,000	19.78%	(59,065,863)	(40,934,137)	100%	-	Maintaining in company's' deposit accounts and other short term investment accounts with bank and Financial Institutions
2	Launching Kapruka partner central	200,000,000	2Q 2022- 2Q 2024	200,000,000	39.56%	(110,710,514)	(89,289,486)	100%	-	
3	Launching Personal cargo collection and delivery	50,000,000	2Q 2022- 2Q 2024	50,000,000	9.89%	-	-	0%	50,000,000	
4	Launching Kapruka Wholesale marketplace	55,520,400	1Q 2023- 1Q 2024	55,520,400	10.98%	(55,520,400)	-	100%	-	
5	Expanding Kapruka Cross border operation	100,000,000	1Q 2022- 1Q 2024	100,000,000	19.78%	-	(100,000,000)	100%	-	
6	Reallocation of funds for working capital purpose	-	-	-	-	225,296,777	(225,296,777)	100%	-	
		505,520,400		**505,520,400**			**(455,520,400)**	**90%**	**50,000,000**	

Note

IPO Funds Reallocated for Working Capital at AGM Dated on 27.09.2023 - Rs. 114,586,263.
IPO Funds Reallocated for Working Capital at EGM Dated on 27.01.2026 - Rs. 110,710,514.

11. CASH & CASH EQUIVALENTS

	Group		Company	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	Rs.	Rs.	Rs.	Rs.
Cash and Bank Balances	128,751,028	32,069,766	7,114,972	2,610,275
Bank Overdrafts	(515,627)	(1,000,805)	(47,247)	(78,816)
Cash and Cash Equivalents at the end of the period	**128,235,401**	**31,068,961**	**7,067,725**	**2,531,459**