The Year of the Inflection — Profitable. Compounding. AI-Native.

KAPRUKA HOLDINGS PLC

INTERIM REPORT

FOR THE PERIOD ENDED 30TH SEPTEMBER, 2026



KAPRUKA HOLDINGS PLC

Chairman & Chief Executive Officer's Review

Dear Shareholders,

I am pleased to share Kapruka Holdings PLC's results for the second quarter and first half ended 30 September 2026. This is our third consecutive profitable quarter. For the first six months, we turned last year's loss of LKR 10.45 million into a profit of LKR 35.64 million. Revenue for the half grew **18%** and passed LKR 1 billion, and we did it with less inventory, less debt and more cash than six months ago.

Second Quarter Results

Group revenue grew **15%** to LKR 479.51 million, compared with LKR 416.10 million in the same quarter last year. Gross profit grew faster, up **25%** to LKR 193.75 million. Gross margin rose to **40.4%**, from 37.1% a year ago. These revenue numbers understate how much our business has grown. In past years, we sold more of our own goods and booked the full sale price as revenue. Today, more orders come through our marketplace, where we book only our commission. A marketplace order adds less to revenue, but more to profit, because we carry no stock and pay no purchase cost. This is why gross profit is growing faster than revenue.

Our operating costs grew **10%**, slower than revenue. As a result, we made an operating profit of LKR 5.72 million, against a loss of LKR 5.77 million last year. Profit before tax was LKR 16.81 million (last year: a loss of LKR 3.05 million). Profit after tax was LKR 16.40 million (last year: a loss of LKR 4.89 million). Revenue was lower than in the first quarter, as expected. The first quarter includes Sinhala and Tamil New Year and Mother's Day, our busiest gifting season of the half.

First Half Results

For the six months, revenue grew **18%** to LKR 1,020.99 million, compared with LKR 864.62 million last year. Gross profit grew **28%** to LKR 417.99 million, and gross margin improved by **3.3 percentage points** to 40.9%. Operating profit was LKR 14.29 million, against a loss of LKR 8.10 million last year. Profit before tax was LKR 41.71 million (last year: a loss of LKR 4.66 million). Profit after tax was LKR 35.64 million (last year: a loss of LKR 10.45 million), an improvement of **LKR 46.09 million**.

One area we are watching closely: over the half, administrative and selling costs grew a little faster than revenue (about 20% against 18%). In the second quarter, costs grew slower than revenue, and we intend to keep it that way.

A Stronger Balance Sheet

Compared with 31 March 2026, we now hold more cash, owe less and carry less stock. Cash and cash equivalents rose **225%** to LKR 151.86 million, from LKR 46.73 million. Borrowings, excluding overdrafts, fell 34% to LKR 172.85 million, from LKR 261.79 million. Total equity rose **4%** to LKR 861.30 million, and net asset value per share rose **4%** to LKR 5.25, from LKR 5.04. Inventory fell **23%** to LKR 133.79 million, from LKR 172.97 million, even as revenue grew. That is the marketplace model working: more of what we sell is held by our partners, not by us.

Our Growth Platforms

Kapruka Partner Central lets other sellers reach our customers and use our delivery and payment systems. We earn on each sale without buying the stock. This is a key reason our margins are rising while our inventory is falling.

Kapruka Services Platform takes us beyond physical products into services that customers can book online. It builds on the same customers and brand we have built over more than two decades, with little extra capital.

Kapruka Cross Border sells Sri Lankan brands on Amazon US, Amazon UK, Amazon Canada and other global marketplaces. It earns US dollars, which gives the Group a natural hedge and a market far larger than Sri Lanka.

KAPRUKA HOLDINGS PLC

Chairman & Chief Executive Officer's Review

Charitha Factory: Turning Our AI Experience into a Business

Over the past two years, we have built and run AI agents across our own business, in customer service, product discovery, content and back-office work. Sri Lankan companies now want the same, and demand for AI agents is growing fast.

To meet that demand, we have set up **Charitha Factory**, a business-to-business AI solutions company that designs and deploys AI agents for Sri Lankan businesses. It operates under Kapruka Tech Root (Pvt) Ltd, a fully owned subsidiary of Kapruka Holdings PLC. We expect it to start contributing to results from the next quarter.

Inside Kapruka, AI continues to lower the cost of running the business. We remain on track to automate 40% of back-office work in the coming quarters, so we can handle more orders without adding staff at the same pace.

Looking Ahead

For the second half of the year, our priorities are simple:

- Stay profitable every quarter.
- Keep costs growing slower than revenue.
- Keep improving cash, debt and inventory levels.
- Grow Partner Central, Cross Border and Charitha Factory.

Three profitable quarters in a row show that the changes of the past two years are working. Our job now is to keep this going and turn it into lasting value for shareholders.

On behalf of the Board and the management team, thank you for your continued trust.

Sincerely,

Dulith Herath
Chairman & CEO
Kapruka Holdings PLC
10 November 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 SEPTEMBER 2026

STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	30.09.2026 (Unaudited) Rs.	31.03.2026 (Audited) Rs.	30.09.2026 (Unaudited) Rs.	31.03.2026 (Audited) Rs.
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	797,720,807	770,319,741	527,499,890	531,991,837
Right of Use Assets	53,981,244	62,461,213	49,160,385	61,708,008
Investment Properties	144,706,000	221,414,000	144,706,000	144,706,000
Intangible Assets	11,193,675	11,607,280	858,675	477,280
Investments in Subsidiary	-	-	790,958,055	749,447,514
	1,007,601,725	**1,065,802,234**	**1,513,183,004**	**1,488,330,639**
Current Assets				
Inventories	133,786,516	172,973,445	-	-
Trade and Other Receivables	33,958,177	35,461,377	3,037,329	968,949
Amount Due From Related Parties	45,275,806	42,818,744	11,279,616	67,702,181
Deposits, Advances and Prepayments	18,135,573	16,349,564	3,754,583	3,042,620
Income Tax Receivable	572,310	3,524,580	201,302	3,153,572
Short Term Financial Assets	50,000,000	91,510,514	50,000,000	91,510,514
Cash & Cash Equivalents	151,856,394	46,730,596	1,996,712	2,576,415
	433,584,776	**409,368,819**	**70,269,542**	**168,954,251**
Total Assets	**1,441,186,501**	**1,475,171,053**	**1,583,452,546**	**1,657,284,889**
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	(3,599,756)	(1,986,800)	-	-
Retained Earnings	(77,045,994)	(112,682,488)	384,111,360	388,667,425
Total Equity	**861,296,309**	**827,272,771**	**1,309,991,588**	**1,314,547,653**
Non-Current Liabilities				
Interest Bearing Loans and Borrowings	80,164,441	166,137,835	76,952,838	149,044,817
Retirement Benefit Obligation	49,257,596	46,527,065	17,284,122	15,964,122
Deferred Tax Liability	80,226,502	81,622,339	89,797,524	88,689,466
	209,648,539	**294,287,238**	**184,034,484**	**253,698,405**
Current Liabilities				
Interest Bearing Loans and Borrowings	92,684,352	95,656,737	45,998,233	66,811,351
Trade & Other Payables	75,793,851	113,660,668	4,350,049	6,202,296
Amount Due To Related Parties	59,655,467	67,111,141	20,466,853	-
Provisions and Accrued Expenses	97,984,757	76,831,138	18,583,758	15,924,401
Bank Overdraft	44,123,226	351,360	27,581	100,783
	370,241,653	**353,611,044**	**89,426,474**	**89,038,831**
Total Equity and Liabilities	**1,441,186,501**	**1,475,171,053**	**1,583,452,546**	**1,657,284,889**
Net asset value per share (Rs.)	5.25	5.04	7.98	8.01

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

10th November 2026
Colombo

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH SEPTEMBER 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

	Quarter ended			Six months ended		
	30.09.2026 (Unaudited) Rs.	30.09.2025 (Unaudited) Rs.	Change %	30.09.2026 (Unaudited) Rs.	30.09.2025 (Unaudited) Rs.	Change %
Revenue from Contracts with Customers	479,506,593	416,097,863	15%	1,020,992,502	864,617,337	18%
Cost of Sales	(285,755,904)	(261,572,069)	-9%	(603,004,283)	(538,901,635)	-12%
Gross Profit	**193,750,689**	**154,525,794**	25%	**417,988,219**	**325,715,702**	28%
Other Income and Gains	4,963,483	15,140,277	-67%	20,257,317	19,385,300	4%
Administrative Expenses	(119,442,633)	(110,341,461)	-8%	(263,531,749)	(219,603,895)	-20%
Selling and Distribution Expenses	(73,548,864)	(65,089,736)	-13%	(160,426,128)	(133,592,882)	-20%
Profit / (Loss) from operating activities	**5,722,675**	**(5,765,127)**	199%	**14,287,659**	**(8,095,776)**	276%
Finance Cost	(5,274,957)	(7,689,610)	31%	(12,500,666)	(15,890,667)	21.3%
Finance Income	16,359,754	10,403,559	57%	39,926,771	19,326,882	107%
Net Finance Income / (Cost)	11,084,797	2,713,949	308%	27,426,106	3,436,215	698%
Share of Profit / (Loss) of Investment in Associates	-	-		-	-	
Profit / (Loss) Before Tax	**16,807,472**	**(3,051,177)**	651%	**41,713,765**	**(4,659,560)**	995%
Income Tax Expense	(408,720)	(1,839,236)	78%	(6,077,271)	(5,789,731)	-5%
Profit / (Loss) for the Period	**16,398,752**	**(4,890,414)**	435%	**35,636,493**	**(10,449,291)**	441%
Profit / (Loss) for the period attributable to:						
Equity Holders of the Parent	16,398,752	(4,890,414)		35,636,493	(10,449,291)	
	16,398,752	**(4,890,414)**		**35,636,493**	**(10,449,291)**	
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	716,509	(341,116)		(1,612,956)	(741,220)	
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	**716,509**	**(341,116)**		**(1,612,956)**	**(741,220)**	
Total comprehensive income for the year, net of tax	**17,115,261**	**(5,231,530)**		**34,023,537**	**(11,190,511)**	
Total Comprehensive Income attributable to:						
Equity Holders of the Parent	17,115,261	(5,231,530)		34,023,537	(11,190,511)	
	17,115,261	**(5,231,530)**		**34,023,537**	**(11,190,511)**	
Basic/Diluted earnings/(deficit) per share (Note-8.6)	0.10	(0.03)		0.21	(0.06)	

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH SEPTEMBER 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY

	Quarter ended			Six months ended		
	30.09.2026 (Unaudited) Rs.	30.09.2025 (Unaudited) Rs.	Change %	30.09.2026 (Unaudited) Rs.	30.09.2025 (Unaudited) Rs.	Change %
Revenue from Contract with Customers	52,538,355	56,579,162	-7%	105,076,710	113,158,325	-7%
Cost of Sales	-	-	-	-	-	-
Gross Profit	**52,538,355**	**56,579,162**	-7%	**105,076,710**	**113,158,325**	-7%
Other Income	597,767	3,296,944	82%	969,431	5,638,779	-83%
Administrative Expenses	(47,075,918)	(42,156,530)	-12%	(91,811,314)	(81,162,343)	-13%
Profit from operating activities	**6,060,204**	**17,719,576**	-66%	**14,234,827**	**37,634,761**	-62%
Finance Cost	(5,970,873)	(5,613,371)	-6%	(12,923,181)	(12,555,141)	-3%
Finance Income	986,911	4,156,791	-76%	2,713,455	8,993,379	-70%
Net Finance Income/(Cost)	(4,983,962)	(1,456,580)	-242%	(10,209,726)	(3,561,762)	-187%
Profit / (Loss) Before Tax	**1,076,241**	**16,262,997**	-93%	**4,025,101**	**34,073,000**	-88%
Income Tax Expense	(6,605,056)	(4,347,933)	-52%	(8,581,166)	(6,738,198)	-27%
Profit / (Loss) for the Period	**(5,528,815)**	**11,915,063**	-146%	**(4,556,065)**	**27,334,802**	-117%
Profit for the period attributable to:						
Equity Holders of the Parent	(5,528,815)	11,915,063		(4,556,065)	27,334,802	
	(5,528,815)	11,915,063		(4,556,065)	27,334,802	
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 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	**(5,528,815)**	**11,915,063**		**(4,556,065)**	**27,334,802**	
Total Comprehensive Income attributable to:						
Equity Holders of the Parent	(5,528,815)	11,915,063		(4,556,065)	27,334,802	
	(5,528,815)	**11,915,063**		**(4,556,065)**	**27,334,802**	
Earning Per Share (Note-8.6)	(0.03)	0.07		(0.03)	0.17	

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH SEPTEMBER 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	165,347,263	(121,975,918)	113,847	812,659,986
Profit / (Loss) for the period	-	-	(10,449,291)	-	(10,449,291)
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	-	-	-	(741,220)	(741,220)
Total other comprehensive income	-	-	-	(741,220)	(741,220)
Total Comprehensive income for the period	-	-	(10,449,291)	(741,220)	(11,190,511)
Balance as at 30th September 2025	769,174,795	165,347,263	(132,425,209)	(627,373)	801,469,475
Balance as at 1st April 2026	769,174,795	172,767,263	(112,682,488)	(1,986,800)	827,272,770
Profit / (Loss) for the period	-	-	35,636,493	-	35,636,493
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	-	-	-	(1,612,956)	(1,612,956)
Total other comprehensive income	-	-	-	(1,612,956)	(1,612,956)
Total Comprehensive income for the period	-	-	35,636,493	(1,612,956)	34,023,537
Balance as at 30th September 2026	769,174,795	172,767,263	(77,045,994)	(3,599,756)	861,296,308

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	151,245,433	314,364,420	-	1,234,784,648
Profit / (Loss) for the period	-	-	27,334,802	-	27,334,802
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	-	-	27,334,802	-	27,334,802
Balance as at 30th September 2025	769,174,795	151,245,433	341,699,222	-	1,262,119,450
Balance as at 1st April 2026	769,174,795	156,705,433	388,667,425	-	1,314,547,654
Profit / (Loss) for the period	-	-	(4,556,065)	-	(4,556,065)
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	-	-	(4,556,065)	-	(4,556,065)
Balance as at 30th September 2026	769,174,795	156,705,433	384,111,360	-	1,309,991,589

KAPRUKA HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS - 30TH SEPTEMBER 2026

STATEMENT OF CASH FLOWS

For the period ended 30th September	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash Flows from / (Used in) Operating Activities				
Profit / (Loss) Before Tax	41,713,765	(4,659,560)	4,025,101	34,073,000
Adjustments for				
Interest Expenses	12,411,721	15,602,189	9,161,791	10,390,595
Interest Income	(4,043,537)	(9,252,998)	(2,713,455)	(8,993,379)
Foreign Currency Exchange Gain/Loss	(35,725,400)	(10,093,876)	(157,834)	(19,992)
Disposal Gain	(13,868,080)	(10,194,915)	(36,610)	(110,169)
Depreciation of Property, Plant & Equipment	21,575,249	16,880,885	6,329,257	7,183,208
Depreciation of Right-of-use Assets	13,975,311	9,321,698	12,619,473	8,758,378
Amortisation for Intangible Assets	854,800	905,147	59,800	110,147
Amortisation of Deferred Profit	-	(4,798,610)	-	(4,798,610)
Allowance for Expected Credit Loss	(576,431)	(549,906)	-	-
Provision for Retirement Benefit Obligations	3,476,446	2,517,925	1,320,000	1,300,002
Operating Profit / (Loss) before Working Capital Changes	**39,793,844**	**5,677,980**	**30,607,522**	**47,893,179**
(Increase) / Decrease In Inventory	39,186,929	(40,482,602)	-	-
(Increase) / Decrease Trade & Other Receivables	3,927,840	(19,158,422)	266,701	1,399,374
(Increase) / Decrease Advances & Prepayment	(1,786,009)	4,876,461	(711,963)	270,035
Increase / (Decrease) In Trade & Other payables	(37,290,386)	19,378,039	(1,852,247)	(3,432,709)
Increase / (Decrease) In Accrued Expenses	21,153,619	14,152,216	2,659,356	1,336,593
Increase / (Decrease) In Amounts Due to Related Parties	(7,455,674)	(1,396,386)	20,466,853	(80,328,417)
(Increase) / Decrease In Amount Due From Related Parties	(2,457,062)	(804,881)	56,422,566	(3,413,669)
Cash Generated from/(Used in) Operations	**55,073,100**	**(17,757,597)**	**107,858,788**	**(36,275,614)**
Interest paid	(12,411,721)	(15,562,204)	(9,161,791)	(10,390,595)
Gratuity Paid	(745,915)	(992,746)	-	-
Income Tax Paid	(4,520,838)	(8,280,471)	(4,520,838)	(8,259,854)
Net Cash flow from/(Used in) Operating Activities	**37,394,627**	**(42,593,018)**	**94,176,158**	**(54,926,062)**
Cash Flows from/(Used in) Investing Activities				
Acquisition of Property, Plant and Equipment	(49,732,436)	(21,028,088)	(2,593,430)	(180,000)
Sale Proceed on Disposal of Property, Plant and Equipment	90,819,131	10,194,915	279,661	110,169
Interest Income	1,618,897	9,334,492	378,374	9,075,186
(Investment)/Withdrawal of Short Term Investment	41,510,514	30,000,005	41,510,514	30,000,005
Investment in Subsidiary	-	-	(41,510,514)	(30,000,005)
Net Cash Flows from / (Used in) Investing Activities	**84,216,106**	**28,501,324**	**(1,935,396)**	**9,005,355**
Cash Flows from / (Used in) Financing Activities				
Proceeds From Interest Bearing Borrowings	45,000,000	52,750,000	-	52,750,000
Repayment of Finance Lease	(12,942,023)	(8,340,413)	(11,612,912)	(7,581,164)
Repayment of Interest Bearing Loans and Borrowings	(126,427,222)	(30,747,584)	(81,292,185)	(1,000,000)
Net Cash Flows from/(Used in) Financing Activities	**(94,369,245)**	**13,662,003**	**(92,905,096)**	**44,168,836**
Effect of Exchange Rate Changes on Cash and Cash Equivalents	34,112,444	9,312,672	157,834	19,992
Net Increase/(Decrease) in Cash and Cash Equivalents	61,353,932	8,882,982	(506,500)	(1,731,880)
Cash and Cash Equivalents at the beginning of the period	46,379,236	24,137,780	2,475,632	1,917,382
Cash and Cash Equivalents at the end of the quarter	**107,733,168**	**33,020,762**	**1,969,131**	**185,502**
Cash and Cash Equivalents at the end of the quarter (Note-11)	**107,733,168**	**33,020,762**	**1,969,131**	**185,502**

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 September 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 September 2026 were authorized for issue in accordance with a resolution of the Directors on 10th November 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 September	
	2026 Rs.	2025 Rs.
(a) Segmental Revenue		
E-Commerce	408,487,539	361,225,517
Production	53,337,088	44,831,066
Web Services	10,411,770	9,903,366
Cross Border Operations	111,913,094	55,812,264
Consolidation adjustments	(104,642,898)	(55,674,350)
	479,506,593	**416,097,863**
(b) Segmental Expenses		
E-Commerce	(418,882,488)	(400,690,928)
Production	(51,086,305)	(42,374,417)
Web Services	(7,476,298)	(8,904,048)
Cross Border Operations	(111,407,645)	(55,130,856)
Other Income	4,963,483	15,140,277
Consolidation adjustments	110,105,335	70,096,982
Profit / (Loss) from operating activities	**5,722,675**	**(5,765,127)**
Share of Loss of Investment in Associates	-	-
Finance Income	16,359,754	10,403,559
Finance Expense	(5,274,957)	(7,689,610)
Net Finance Income	11,084,797	2,713,949
Profit / (Loss) before tax	**16,807,472**	**(3,051,177)**
(c) Segmental Profit / (Loss) before tax		
E-Commerce	20,477,472	263,163
Production	(6,723,988)	(5,205,634)
Web Services	2,928,707	997,867
Cross Border Operations	125,281	893,427

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

	30.09.2026
Issued Share Capital (No.)	164,130,360
Number of Transactions	2,469
Number of Share Traded	2,914,122
Value of Share Traded (Rs.)	57,164,765
Public Holdings as a Percentage of Issued Share Capital	20%
Total Number of Shareholders	2,962
No of Shareholders Representing the Public Holding	2,960
Float Adjusted Market Capitalization (Rs.)	581,004,518

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	
	30.09.2026	30.09.2025
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	30.09.2026	
		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	1,152,852	0.70
4	MR. V. SUNILGAVASKER	1,107,137	0.68
5	MR. S. GURUSINGHE	962,095	0.59
6	BANK OF CEYLON A/C CEYBANK UNIT TRUST	812,194	0.50
7	BANK OF CEYLON A/C CEYBANK CENTURY GROWTH FUND	768,400	0.47
8	MR. G.H.S. KUMARA	543,138	0.33
9	MR. M.M.S.A. PARIS	425,300	0.26
10	SEYLAN BANK PLC/ANUJA CHAMILA JAYASINGHE	376,155	0.23
11	MR. M.R. THAMBINAYAGAM	300,000	0.18
12	MR. M.M. TILAKARATHNE	250,000	0.15
13	MR. M.S.F. HAQQUE & MRS. S.I.HAQQUE	215,000	0.13
14	MR. H.J.A.C. PERERA	214,752	0.13
15	MR. M.H. CHAMARA	206,792	0.13
16	MR. R. KURUKULASURIYA	205,001	0.13
17	MR. H.G. JANSZ	200,000	0.12
18	MR. K.R.T. BANDARA	196,545	0.12
19	MR. E.D.S. PRIYAWARNA	187,126	0.11
20	MRS. K.S.R.D. FERNANDO	175,000	0.11
		148,350,847	90.39
Others		15,779,513	9.61
Total		164,130,360	100.00

8.4. Stated Capital

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

	30.09.2026		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;

	30.09.2026 Rs.	30.09.2025 Rs.
Last Traded	17.80	8.00
Highest	22.20	9.10
Lowest	17.20	7.50
Market Capitalization on 30.09.2026	2,921,520,408	1,313,042,880

8.6. Earning per share

	3 Months ended 30th September			
	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Net profit/(loss) for the period	17,115,261	(5,231,530)	(5,528,815)	11,915,063
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)	(0.03)	0.07

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 30.09.2026

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%	(50,000,000)	-	100%	-	
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	-	-	-	-	275,296,777	(225,296,777)	82%	50,000,000	
		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.
IPO Funds Reallocated for Working Capital at AGM Dated on 25.09.2026 - Rs. 50,000,000.

11. CASH & CASH EQUIVALENTS

	Group		Company	
	30.09.2026	30.09.2025	30.09.2026	30.09.2025
	Rs.	Rs.	Rs.	Rs.
Cash and Bank Balances	151,856,394	34,196,988	1,996,712	779,946
Bank Overdrafts	(44,123,226)	(1,176,226)	(27,581)	(594,444)
Cash and Cash Equivalents at the end of the period	**107,733,168**	**33,020,762**	**1,969,131**	**185,502**