LANKA REALTY

INVESTMENTS PLC

INTERIM FINANCIAL STATEMENTS

30TH JUNE 2026



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LANKA REALTY INVESTMENTS PLC (ASCO.N)

Performance Review for the Quarter Ended 30 June 2026

Lanka Realty Investments PLC commenced FY2026/27 with a stronger underlying operating performance, supported by the enlarged commercial property platform and improved contribution from the Group's income generating assets. Group revenue increased to LKR 320.2 Mn, gross profit improved to LKR 179.4 Mn and operating profit increased to LKR 79.7 Mn. The quarter also reflects a materially stronger liquidity position following the Group's ongoing capital recycling and portfolio reorganisation initiatives.

Key Financial Highlights - Q1 FY2026/27 vs Q1 FY2025/26

Financial Indicator	Jun-26	Comparative	Variance	Key Message
Revenue	320.2	292.6	9.4%	Growth in Group revenue
Gross Profit	179.4	101.1	77.5%	Material gross profit improvement
Gross Margin	56.0%	34.5%	+21.5 pp	Improved income mix and margin
Operating Profit	79.7	10.9	628.7%	Stronger operating contribution
Net Finance Expenses	58.7	65.6	-10.5%	Lower net financing burden
Profit Before Tax	39.9	(54.7)	Turnaround	Returned to pre-tax profitability
Profit After Tax	48.4	(73.9)	Turnaround	Positive quarterly earnings
EPS - Group (LKR)	0.03	(0.43)	Improved	Return to positive Group EPS
Cash in Hand and at Bank*	3,403.3	165.0	+1,962%	Liquidity position strengthened
Total Assets*	30,333.0	29,630.1	2.4%	Asset base remained strong
Investment Properties*	19,701.2	22,374.0	-11.9%	Portfolio reorganisation impact
Equity Attributable to Owners*	10,917.8	10,918.5	Stable	Parent equity broadly maintained
NAV per Share (LKR)*	51.65	51.66	Stable	Underlying NAV maintained
LTV Ratio*	12.4%	12.4%	Stable	Conservative leverage profile

** Balance sheet comparatives are as at 31 March 2026. Amounts are in LKR Mn unless otherwise stated.*

Financial Performance and Profitability Review

Group revenue increased by 9.4% to LKR 320.2 Mn, while gross profit increased by 77.5% to LKR 179.4 Mn. Gross margin improved to 56.0% from 34.5% in the corresponding period, reflecting a stronger revenue mix and improved contribution from the Group's commercial property and other operating activities. Operating profit increased to LKR 79.7 Mn from LKR 10.9 Mn.

Finance income increased to LKR 17.0 Mn from LKR 7.0 Mn, which contributed to a 10.5% reduction in net finance expenses to LKR 58.7 Mn. The Group recorded profit before tax of LKR 39.9 Mn compared with a loss before tax of LKR 54.7 Mn, while profit after tax improved to LKR 48.4 Mn from a loss of LKR 73.9 Mn.

Profit attributable to equity holders of the parent amounted to LKR 6.6 Mn, resulting in Group earnings per share of Rs. 0.03 compared with a loss per share of Rs. 0.43 in the corresponding quarter. The quarter therefore reflects a meaningful improvement in underlying operating profitability while preserving a strong asset-backed balance sheet.

First Quarter Performance Review

For the quarter ended 30 June 2026, the Group recorded improved operating results across the key profitability indicators. The first full-quarter contribution from the enlarged commercial property platform strengthened recurring income, while improved gross margins and higher other operating income supported the increase in operating profit. The Group returned to positive profitability notwithstanding a more challenging interest rate and external operating environment.

Balance Sheet Strength, Liquidity and Capital Allocation

The Group's total assets stood at LKR 30.33 Bn as at 30 June 2026 compared with LKR 29.63 Bn as at 31 March 2026. Cash in hand and at bank increased significantly to LKR 3.40 Bn from LKR 165.0 Mn, while current assets increased to LKR 6.18 Bn from LKR 2.81 Bn. The stronger liquidity position provides greater flexibility to manage working capital, optimise the Group's funding structure and reduce exposure to higher-cost financing facilities where commercially appropriate.

Interest-bearing borrowings were approximately LKR 3.77 Bn, while the Group maintained an LTV ratio of approximately 12.4%. Equity attributable to owners of the parent remained broadly stable at LKR 10.92 Bn, supporting a NAV per share of approximately Rs. 51.65. The combination of stronger cash resources and a conservative LTV profile enhances the Group's capacity for disciplined capital allocation and selective strategic investments.

Corporate Finance and Portfolio Reorganisation - LRD

During the quarter, Lanka Realty Investments PLC completed the divestment of its direct 51% shareholding in Lanka Realty Developments (Private) Limited to Lee Hedges PLC as part of the Group's internal property reorganisation. At Company level, LRI PLC recognised a gain on disposal of subsidiary of approximately LKR 709.98 Mn, contributing to standalone profit after tax of LKR 750.90 Mn and standalone EPS of Rs. 3.55 for the quarter.

As the transaction was undertaken within the LRI Group, the corresponding disposal gain is eliminated on consolidation. The transaction nevertheless represents an important capital recycling action at LRI PLC level, strengthening holding company liquidity and supporting future debt optimisation and investment capacity while retaining the underlying property exposure within the Group structure.

Event After the Reporting Period - Divestment of On'ally Holdings PLC Shares

Subsequent to the reporting date, on 22 July 2026, Lanka Realty Investments PLC completed the divestment of its entire direct shareholding of 47,325,368 ordinary shares, representing 50.886% of the issued ordinary shares of On'ally Holdings PLC, to Lee Hedges PLC at a consideration of Rs. 47.76 per share, amounting to total consideration of approximately LKR 2.26 Bn.

The transaction represents an intra group restructuring of the Group's commercial property holding structure. LRI PLC no longer holds a direct interest in On'ally Holdings PLC; however, the LRI Group continues to retain control of On'ally Holdings PLC through LRI PLC's 51.00% controlling interest in Lee Hedges PLC. As the transaction was completed after 30 June 2026, it is a non-adjusting event after the reporting period in accordance with LKAS 10 and no adjustment has been made to the interim financial statements for the quarter ended 30 June 2026.

Particulars	Amount / Detail	Financial Impact	Strategic Message
On'ally shares disposed	47,325,368 ordinary shares	Represents LRI PLC's 50.886% direct holding	Intra-group commercial property restructuring
Transfer price / consideration	Rs. 47.76 per share / LKR 2.26 Bn	Capital released at LRI PLC level	Strengthens capital allocation flexibility
LRI Group control	Retained through Lee Hedges PLC	LRI PLC controls 51.00% of Lee Hedges PLC	Group control of On'ally retained
Reporting treatment	Non-adjusting event after 30 June 2026	No adjustment to June 2026 financial statements	Recognised in the subsequent reporting period
Balance sheet impact	Strengthens LRI PLC liquidity position	Supports funding and investment flexibility	Supports debt optimisation and selective growth

Property Market, Land Bank and Future Value Creation

The domestic property market continues to show gradual recovery characteristics, although construction activity remains sensitive to financing costs, imported input prices and external volatility. CBSL's Construction PMI declined to 45.7 in April 2026 due mainly to seasonal factors and higher input costs; however, new orders continued to expand and construction firms remained positive on the near-term project pipeline. This environment supports a selective approach centred on well-located, income-generating commercial properties and disciplined development activity.

LRI PLC's portfolio combines recurring commercial-property income with strategic land-bank and development assets. The Group's land holdings provide multiple value-creation options, including phased development, strategic disposals, joint ventures and capital recycling. Together with the enlarged commercial property platform under Lee Hedges PLC, this provides a balanced base for recurring earnings, asset appreciation and future development-led growth.

Tourism and Leisure Future Growth

Sri Lanka recorded 405,939 tourist arrivals during April-June 2026 compared with 445,768 in the corresponding period of 2025, reflecting near term volatility arising from regional geopolitical conditions. May 2026 nevertheless recorded year-on-year growth of 9.6%, and total tourist arrivals reached approximately 1.15 Mn during the first half of 2026. A normalisation of regional travel conditions would provide renewed upside for the tourism sector and support demand for well positioned leisure assets.

The Group's leisure exposure provides additional medium-term growth optionality alongside its core commercial property platform. Management's focus remains on disciplined capital deployment, improving operating cash generation and aligning future leisure development with sustainable demand and return thresholds.

Overall Financial Positioning

The quarter ended 30 June 2026 reflects improved operating profitability, a materially stronger cash position, stable parent NAV and a conservative LTV profile. The Group continues to execute an active corporate finance and portfolio reorganisation strategy, with capital recycling intended to strengthen liquidity, optimise financing costs and preserve capacity for selective value-accretive opportunities. The combination of recurring commercial property income, strategic land-bank optionality and leisure exposure provides multiple avenues for medium- to long-term value creation.

LANKA REALTY INVESTMENTS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Period Ended 30th June 2026

	GROUP			COMPANY		
	30-06-2026 Unaudited LKR 000	30-06-2025 Unaudited LKR 000	Change %	30-06-2026 Unaudited LKR 000	30-06-2025 Unaudited LKR 000	Change %
Revenue	**320,181**	292,579	9%	**55,520**	62,980	-12%
Direct expenses	**(140,746)**	(191,494)	-27%	**-**	-	-
Gross profit	**179,434**	101,085	**78%**	**55,520**	62,980	**-12%**
Other operating income	**39,691**	3,855	930%	**20,091**		
Administration expenses	**(134,575)**	(86,944)	55%	**(3,009)**	(3,601)	-16%
Selling and distribution expenses	**(3,446)**	(6,118)	-44%	**-**	-	0%
Other operating expense	**(1,447)**	(947)	53%	**(37)**	-	0%
Gain on Disposal subsidiary	**-**	-	0%	**709,984**	-	0%
	79,658	10,931	**629%**	**782,548**	59,379	**1218%**
Finance expense	**(75,752)**	(72,579)	4%	**(18,153)**	(15,118)	20%
Finance income	**17,045**	6,985	144%	**4,047**	566	615%
Net Finance Expenses	**(58,707)**	(65,594)	-10%	**(14,106)**	(14,552)	-3%
Change in fair value of Investment property/Inventory	**18,911**	-	0%	**-**	-	-
Profit before tax	**39,862**	(54,663)	**-173%**	**768,442**	44,827	1614%
Tax (expense)	**8,550**	(19,262)	**-144%**	**(17,537)**		0%
Profit for the period	**48,412**	(73,925)	**-165%**	**750,904**	44,828	**1575%**
Other comprehensive income						
Gain/(loss) on post employment benefit obligations	**(91)**	(1,245)	-93%	**-**	-	-
Gain on property revaluation	**-**	-	0%	**-**	-	-
Tax Effect on other comprehensive Income	**27**	373	100%	**-**	-	-
Other comprehensive income for the year, net of tax	**(64)**	(872)	**-93%**	**-**	-	**-**
Total comprehensive income for the year, net of tax	**48,348**	(74,797)	**-165%**	**750,904**	44,828	**1575%**
Profit attributable to :						
Equity holders of the parent company	**6,561**	(90,253)	-107%	**-**	-	-
Non-controlling Interest	**41,852**	16,327	156%	**-**	-	-
	48,412	(73,926)	**-165%**	**-**	-	**-**
Total comprehensive income attributable to:						
Equity holders of the parent company	**6,528**	(90,697)	-107%	**-**	-	-
Non-controlling interest	**41,820**	15,899	163%	**-**	-	-
	48,348	(74,797)	**-165%**	**-**	-	**-**
Earnings per share - LKR	**0.03**	**(0.43)**		**3.55**	0.21	

Figures in brackets indicate deductions.

LANKA REALTY INVESTMENTS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Quater Ended 30th June 2026

	GROUP			COMPANY		
	30-06-2026 Unaudited LKR 000	30-06-2025 Unaudited LKR 000	Change %	30-06-2026 Unaudited LKR 000	30-06-2025 Unaudited LKR 000	Change %
Revenue	**320,181**	292,579	9%	**55,520**	62,980	-12%
Direct expenses	**(140,746)**	(191,494)	-27%	**-**	-	-
Gross profit	**179,434**	101,085	**78%**	**55,520**	62,980	**-12%**
Other operating income	**39,691**	3,855	930%	**20,091**	-	0%
Administration expenses	**(134,575)**	(86,944)	55%	**(3,009)**	(3,601)	-16%
Selling and distribution expenses	**(3,446)**	(6,118)	-44%	**-**	-	0%
Other operating expense	**(1,447)**	(947)	53%	**(37)**	-	0%
Gain or Loss on bargain purchase/ Investment Property Disposal subsidiary	**-**	-	0%	**709,984**	-	0%
	79,658	10,931	**629%**	**782,548**	59,379	**1218%**
Finance expense	**(75,752)**	(72,579)	4%	**(18,153)**	(15,118)	20%
Finance income	**17,045**	6,985	144%	**4,047**	566	615%
Net Finance Expenses	**(58,707)**	(65,594)	-10%	**(14,106)**	(14,552)	-3%
Change in fair value of Investment property/Inventory	**18,911**		0%			-
Profit before tax	**39,862**	(54,663)	**-173%**	**768,442**	44,827	1614%
Tax (expense)	**8,550**	(19,262)	**-144%**	**(17,537)**		0%
Profit for the period	**48,412**	(73,925)	**-165%**	**750,904**	44,828	**1575%**
Other comprehensive income						
Gain/(loss) on post employment benefit obligations	**(91)**	(1,245)	-93%	**-**	-	-
Gain on property revaluation	**-**	-	0%	**-**	-	-
Tax Effect on other comprehensive Income	**27**	373	100%	**-**	-	-
Other comprehensive income for the year, net of tax	**(64)**	(872)	**-93%**	**-**	-	**-**
Total comprehensive income for the year, net of tax	**48,348**	(74,797)	**-165%**	**750,904**	44,828	**1575%**
Profit attributable to :						
Equity holders of the parent company	**6,561**	(90,253)	-107%	**-**	-	-
Non-controlling Interest	**41,852**	16,327	156%	**-**	-	-
	48,412	(73,926)	**-165%**	**-**	-	**-**
Total comprehensive income attributable to:						
Equity holders of the parent company	**6,528**	(90,697)	-107%	**-**	-	-
Non-controlling interest	**41,820**	15,899	163%	**-**	-	-
	48,348	(74,797)	**-165%**	**-**	-	**-**
Earnings per share - LKR	**0.03**	**(0.43)**		**3.55**	0.21	

Figures in brackets indicate deductions.

LANKA REALTY INVESTMENTS PLC
STATEMENT OF FINANCIAL POSITION

As at 30th June 2026

	GROUP			COMPANY		
	30-06-2026 Unaudited LKR 000	31-03-2026 Unaudited LKR 000	Change %	30-06-2026 Unaudited LKR 000	31-03-2026 Unaudited LKR 000	Change %
ASSETS						
Non-current assets						
Property, plant and equipment	**2,770,278**	2,786,796	-1%	**-**	-	
Intangible assets	**337,720**	338,404	0%	**888**	950	-7%
Investment property	**19,701,231**	22,373,964	-12%	**-**	-	-
Investment in subsidiaries	**-**	-	0%	**9,580,691**	10,599,882	-10%
Other non-current assets	**4,537**	8,037	-44%	**-**	-	-
Deferred tax assets	**136**	136	0%	**136**	136	0%
Financial Assets at Amortised Cost-Non Current	**1,343,889**	1,314,319	2%	**-**	-	-
Total non-current assets	**24,157,791**	26,821,656	-10%	**9,581,715**	10,600,968	-10%
Current assets						
Inventories	**1,686,908**	1,604,793	5%	**-**	-	-
Trade and other receivable	**525,539**	598,289	-12%	**784**	784	0%
Amount due from related parties	**185,974**	136,531	36%	**2,249,660**	2,130,542	6%
Financial assets-fair value through profit or loss	**348**	348	0%	**348**	348	0%
Financial Assets at Amortised Cost-Current	**185,140**	131,888	-	**-**	-	0%
Other current assets	**167,450**	151,115	11%	**18,055**	18,048	0%
Short-term investments	**20,473**	20,476	0%	**-**	-	-
Cash in hand and at bank	**3,403,348**	165,043	1962%	**1,545,278**	14,107	10854%
Total current assets	**6,175,180**	2,808,484	120%	**3,814,124**	2,163,829	76%
Total assets	**30,332,972**	29,630,140	2%	**13,395,842**	12,764,797	**5%**
EQUITY AND LIABILITIES						
Equity						
Stated capital	**7,048,663**	7,048,663	-	**7,048,663**	7,048,663	0%
Cumulative Redeemable Non-Convertible Preference Shares	**2,126,828**	2,126,828	-	**-**	-	0%
Other components of equity	**23,100**	23,100	-	**23,100**	23,100	0%
Revaluation reserve	**489,036**	489,021	0%	**-**	-	0%
Retained earnings	**1,230,149**	1,230,890	0%	**1,470,489**	719,585	104%
	10,917,775	**10,918,502**	0%	**8,542,252**	7,791,348	10%
Non-controlling Interest	**6,918,983**	**8,169,112**	-15%	**-**	-	-
Total equity	**17,836,758**	19,087,614	**-7%**	**8,542,252**	7,791,348	**10%**
Non-current liabilities						
Interest bearing borrowings	**307,491**	471,947	-35%	**-**	-	0%
Employee benefit liabilities	**52,191**	49,515	5%	**-**	-	-
Deferred tax liabilities	**3,878,553**	4,110,910	-6%	**-**	-	-
Amount due to related parties	**115,493**	113,190	2%	**115,493**	113,190	2%
Other non current liabilities	**356,655**	342,088	4%	**-**	-	-
Total non-current liabilities	**4,710,384**	5,087,649	**-7%**	**115,493**	113,190	2%
Current liabilities						
Trade and other payables	**201,417**	492,100	-59%	**1,138**	1,303	-13%
Current portion of Interest bearing borrowings	**3,465,650**	3,205,075	8%	**388,213**	388,165	0%
Income tax payable	**385,435**	189,427	103%	**86,081**	68,543	26%
Amount due to related parties	**1,588,961**	598,187	166%	**4,231,468**	4,213,855	0%
Bank overdraft	**1,295,943**	386,444	235%	**4,356**	163,183	-97%
Other current liabilities	**848,423**	583,644	45%	**26,837**	25,211	6%
Total current liabilities	**7,785,830**	5,454,876	**43%**	**4,738,095**	4,860,260	**-3%**
Total liabilities	**12,496,213**	10,542,526	**19%**	**4,853,588**	4,973,450	**-2%**
Total equity and liabilities	**30,332,972**	29,630,140	**2%**	**13,395,842**	12,764,797	**5%**
Net book value per share (LKR)	**51.65**	51.66		**40.41**	36.86	

I certify that the above financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd. Isuru Ekanayake
Group Assistant Accountant
Signed for and on behalf of the Board by

Sgd. S Neelakandan
Chairman

Sgd. M.H Jamaldeen
Director

Colombo. Augusr 14, 2026

LANKA REALTY INVESTMENTS PLC
STATEMENT OF CHANGES IN EQUITY
Period Ended 30th June 2026

GROUP	Attributable to equity holders of the Parent						Minority Interest
	Stated Capital	Prefference Shares	Capital Redemption Reserve	Revaluation Reserve	Retained Earnings	Total	
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Balance as at 01st April 2025	**7,048,663**	**-**	**23,100**	**358,250**	**712,902**	**8,142,915**	**1,776,948**
Profit/(loss) for the period		**-**			903,703	**903,703**	**1,014,184**
Other comprehensive income for the period	**-**		**-**	**-**	-	**-**	**-**
Prior year Adjustment					164,529	**164,529**	**-**
Revaluation of land and building	**-**	**-**	**-**	131,946	-	**131,946**	9,068
Re-measurement gain/(loss) on employee benefit liabilities	-	-	-	-	(921)	**(921)**	(1,230)
Income tax on other comprensive income		**-**		**(1,174)**	-	**(1,174)**	**(1,235)**
Dividend payment	**-**	**-**	**-**	**-**	-	**-**	**(45,670)**
Cumulative Redeemable Non-Convertible Preference Shares	**-**	**2,126,828**	**-**	-	-	**2,126,828**	710,960
Purchase of additional equity interest from non controlling shareholders	**-**	**-**	**-**	**-**	32,119	**32,119**	(171,698)
Dispose of additional equity interest from non controlling shareholders	**-**	**-**	**-**	**-**	(4,997)	**(4,997)**	25,511
Change in non-controlling interest without change in control	**-**	**-**	**-**	**-**	(576,445)	**(576,445)**	1,784,834
Bussiness Combination	**-**	**-**	**-**	**-**	-	**-**	3,067,441
Balance as at 31st March 2026	**7,048,663**	**2,126,828**	**23,100**	**489,022**	**1,230,890**	**10,918,503**	**8,169,112**
Balance as at 31st March 2026	**7,048,663**	**2,126,828**	**23,100**	**489,022**	**1,230,890**	**10,918,503**	**8,169,112**
Profit/(loss) for the period	**-**	**-**	**-**	**-**	**6,561**	**6,561**	**41,852**
Other comprehensive income for the period							
Revaluation of land and building	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Re-measurement gain/(loss) on employee benefit liabilities	**-**	**-**	**-**	**-**	**(46)**	**(46)**	**(45)**
Income tax on other comprensive income	**-**	**-**	**-**	**14**		**14**	**13**
Mandatory Offer Disposal	**-**	**-**	**-**	**-**	**(7,256)**	**(7,256)**	**146,187**
Issuence of Preference Shares	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Change in non-controlling interest without change in control	**-**	**-**	**-**	**-**	**-**	**-**	**(563,038)**
Gain or Loss on bargain purchase/ Disposal subsidiary	**-**	**-**	**-**	**-**	**-**	**-**	**(875,098)**
	-	**-**	**-**	**-**	**-**	**-**	
Balance as at 30th June 2026	**7,048,663**	**2,126,828**	**23,100**	**489,036**	**1,230,149**	**10,917,775**	**6,918,983**

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COMPANY	Stated Capital	Other Components of Equity	Revaluation Reserve	Retained Earnings	Total Equity
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Balance as at 01st April 2025	**7,048,663**	**23,100**	**-**	**478,966**	**7,550,729**
Share issue during the period					
Profit/(loss) for the period	-	-	-	240,619	**240,619**
Balance as at 01st April 2026	**7,048,663**	**23,100**	**-**	**719,585**	**7,791,348**
Balance as at 01st April 2026	**7,048,663**	**23,100**	**-**	**719,585**	**7,791,348**
Share issue during the period	-	**-**	**-**	**-**	**-**
Profit/(loss) for the period	-	-	-	750,904	**750,904**
Balance as at 30th June 2026	**7,048,663**	**23,100**	**-**	**1,470,489**	**8,542,252**

LANKA REALTY INVESTMENTS PLC
STATEMENT OF CASH FLOWS
Period Ended 30th June 2026

	GROUP		COMPANY	
	30-06-2026	31-03-2026	30-06-2026	31-03-2026
	LKR 000	LKR 000	LKR 000	LKR 000
OPERATING ACTIVITIES				
Cash used in operations	**481,150**	(843,811)	**679,564**	2,872,747
Interest received	**2,268**	2,268	**4,047**	2,159
Interest paid	**-**	(389,625)	**(12,858)**	(42,468)
Income tax paid	**-**	(54,443)	**-**	-
Gratuity paid	**-**	(1,650)	**-**	-
Net cash generated from / (used in) operating activities	**483,418**	(1,287,261)	**670,753**	2,832,437
INVESTING ACTIVITIES				
Dividend income	**-**	-	**4**	47,333
Acquisition of property, plant & equipment	**-**	-	**-**	-
Proceeds from sale of investment property	**-**	500,000	**-**	-
Investment in investment properties	**-**	-	**-**	-
Business Combination	**-**	(2,489,073)	**-**	(2,953,806)
Dispose of subsidiary	**1,610,334**		**1,019,191**	
Net cash generated from / (used in) investing activities	**1,610,334**	(1,989,073)	**1,019,195**	(2,906,472)
FINANCING ACTIVITIES				
Cumulative Redeemable Non-Convertible Preference Shares	**-**	2,837,788	**-**	-
Proceed from disposal of partial interest in subsidiaty without loss of Control	**-**	1,208,389	**-**	-
Dividend Payments	**-**	(45,670)	**-**	-
Dispose of additional equity interest from non controlling shareholders	**138,931**	20,514	**-**	-
Repayment of bank borrowings	**96,119**	(866,275)	**49**	(118,570)
Repayment of Finance Leases	**-**	-	**-**	
Net cash generated from / (used in) financing activities	**235,050**	3,154,746	**49**	(118,570)
Increase / (decrease) in cash & cash equivalents	**2,328,802**	(121,588)	**1,689,997**	(192,605)
Movement in cash & cash equivalents				
At the beginning of the period	**(200,926)**	(79,338)	**(149,075)**	43,527
Increase / (decrease)	**2,328,802**	(121,588)	**1,689,997**	(192,603)
At the end of the period	**2,127,876**	(200,926)	**1,540,921**	(149,075)
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Favorable balances				
Cash in hand and at bank	**3,403,348**	165,043	**1,545,278**	14,107
Short term investments	**20,473**	20,476	**-**	-
Unfavorable balances				-
Bank overdrafts	**(1,295,943)**	(386,444)	**(4,356)**	(163,183)
Total cash and cash equivalents	**2,127,876**	(200,924)	**1,540,921**	(149,075)

LANKA REALTY INVESTMENTS PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the Quarter Ended 30th June 2026

1 CORPORATE INFORMATION

Lanka Realty Investments PLC is a public limited liability company listed on the Colombo Stock Exchange incorporated and domiciled in Sri Lanka. The registered office is situated at 1st Floor, HQ Colombo, 464/A, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.

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

The condensed interim consolidated financial statements for the period ended 31st March 2026 which have not been audited are prepared in accordance with LKAS 34 Interim Financial Reporting. The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and these Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Audited Financial Statements for the year ended 30th June 2026. The provisions of the new Companies Act No. 7 of 2007 and the revised listing rules of the CSE have been considered in preparing the interim financial statements of the Company and the Group.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS THEREOF, ADOPTED BY THE GROUP

There are no new standards or interpretations that were adopted after 31 March 2026.

4 SEGMENT RESULTS FOR QUARTER ENDED 30th June 2026

	Investment and services	Manufacturing	Commercial property	Residential property	Land Banking & property development	Leisure	Adjustments and eliminations	Total
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Revenue	55,520	4,475	264,188	14,925	-	36,593	(55,520)	**320,180**
Direct expenses	-	(4,393)	(29,647)	(75,957)	-	(30,749)	-	**(140,746)**
Gross profit	**55,520**	**82**	**234,541**	**(61,032)**	**-**	**5,844**	**(55,520)**	**179,434**
Other operating income	20,091	-	15,132	4,018	-	451	-	**39,691**
Administration expenses	(3,009)	(1,554)	(109,103)	(3,503)	(5,456)	(11,950)	-	**(134,575)**
Selling and distribution expenses	-	(66)	-	(1,805)	-	(1,574)	-	**(3,445)**
Other operating expense	(37)	(841)	(568)	-	-	-	-	**(1,447)**
Gain arising from acquisition/Dispose of Subsidiary	709,984		794,009				(1,585,082)	**-**
Operating profit/loss	**782,548**	**(2,380)**	**934,011**	**(62,322)**	**(5,456)**	**(7,230)**	**(1,640,602)**	**79,658**
Finance expense	(18,153)	(7,658)	(8,583)	-	(91,759)	(5,113)	55,520	**(75,747)**
Finance income	4,047	-	12,996	-	1	1	-	**17,045**
Disposal Loss						-		**-**
Change in fair value of investment properties / Inventory	-	-	-	-	100,000	-	(81,089)	**18,911**
Profit/(loss) before tax	**768,442**	**(10,038)**	**938,423**	**(62,322)**	**2,786**	**(12,342)**	**(1,666,171)**	**39,867**
Tax (expense)/reversal	(17,537)	-	26,087	-	-	-	-	**8,550**
Profit/(loss) for the period	**750,904**	**(10,038)**	**964,510**	**(62,322)**	**2,786**	**(12,342)**	**(1,666,171)**	**48,417**

5 INVESTMENT PROPERTY

The investment property value as at 30th June 2026.

Description	Amount LKR
Oak Street (Pvt) Ltd	**4,924,331,021**
Crown Resort (Pvt) Ltd	**724,935,170**
On'ally Holdings PLC	**6,410,500,000**
Lee Hedges PLC	**7,620,500,000**

6 INVESTOR INFORMATION

Market value of shares

	Quarter ended 2026/2027Q1 LKR	2025/2026 Q1 LKR
Closing price	**58.70**	13.60
Highest price	**60.00**	14.90
Lowest price	**41.00**	10.00

Share trading information

	Quarter ended 2026/2027Q1	2025/2026 Q1
No. of transactions	**7,906**	3,689
No.of shares traded	**26,976,692**	52,261,770
Value of shares traded (LKR)	**1,436,395,631**	545,761,146

LANKA REALTY INVESTMENTS PLC
NOTES TO THE FINANCIAL STATEMENTS

For the Quarter Ended 30th June 2026

7 STATED CAPITAL

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

As at	30-06-2026	31-03-2026
Ordinary shares	211,370,428	211,370,428

8 DISCLOSURES

8.1 There are no significant changes in the nature of the contingent liabilities disclosed in the Audited Financial Statements for the year ended 30th June 2026.

8.2 Events after the Reporting Date

Subsequent to the reporting date, on 22 July 2026, Lanka Realty Investments PLC completed the divestment of its entire direct shareholding of 47,325,368 ordinary shares, representing 50.886% of the issued ordinary shares of On'ally Holdings PLC, to Lee Hedges PLC, a subsidiary of the Company, at a consideration of Rs. 47.76 per share, amounting to a total consideration of Rs. 2,260,259,575.68. The transaction represents an intra-group restructuring of the Group's commercial property holding structure, with the Company continuing to retain an indirect economic interest in On'ally Holdings PLC through its controlling interest in Lee Hedges PLC. As the transaction was completed after the reporting date, it has been considered a non-adjusting event after the reporting period in accordance with LKAS 10, and accordingly, no adjustment has been made to the financial statements for the period ended 30 June 2026.

8.3 Where necessary, comparative figures have been re-classified to conform with the current period's presentation.

8.4 Related Party Transactions

For the Quarter ended 31st March 2026

Transactions with related parties	2026/2027		2025/2026	
	Company	Group	Company	Group
	LKR 000	LKR 000	LKR 000	LKR 000
Sale of goods and services/interest & dividend income	55,520	55,520	116,778	116,778
Net short term loans given to/ (settle form) subsidiaries	90,000	90,000	59,715	59,715
Accrued interest to related parties	55,520	55,520	69,445	69,445
Director and key management personal remuneration	1,350	1,350	1,350	1,350

9 TOP TWENTY MAJOR SHAREHOLDERS

No.	Name	No of Shares	Percentage %
1	EIGHTH WONDER	61,662,684	29.17
2	LOLC FINANCE PLC/M.H.JAMALDEEN	35,402,545	16.75
3	MR. P. MORGAN	31,143,205	14.73
4	MR. A.J.B. WARMAN	12,878,709	6.09
5	MR. S.G. RODEN	8,622,680	4.08
6	MR. J.D. MARKLAND	8,148,828	3.86
7	PRIMA LAND (PRIVATE) LIMITED	5,013,333	2.37
8	MR. J.H. LEANAGE	3,904,493	1.85
9	ANIMAL MAGIC PRODUCTION LTD	2,520,000	1.19
10	MRS. E.S. KALBIAN	1,597,860	0.76
11	SEYLAN BANK PLC/MOHAMED MUSHTAQ FUAD	1,520,521	0.72
12	DEUTSCHE BANK AG-NATIONAL EQUITY FUND	1,488,145	0.70
13	MR. M.F. FAROOK	1,325,000	0.63
14	MR. T.C. SMITH	1,218,147	0.58
15	PEOPLE S LEASING AND FINANCE PLC/VERITE RESEARCH (PVT) LTD	1,150,000	0.54
16	STERADIAN CAPITAL INVESTMENTS PRIVATE LIMITED	1,102,563	0.52
17	PEOPLE S LEASING AND FINANCE PLC/NAGOYA CEYLON TRADING (PVT) LTD	928,533	0.44
18	MR. R.J. MCMULLEN	871,500	0.41
19	MRS. S.L. WARMAN	550,604	0.26
20	MERCHANT BANK OF SRI LANKA & FINANCE PLC/U S RATHNAYAKE	550,000	0.26
Sub Total of Top 20 Share Holders		181,599,350	85.91
Other Share holders		29,771,078	14.09
TOTAL		**211,370,428**	**100.00**

LANKA REALTY INVESTMENTS PLC
NOTES TO THE FINANCIAL STATEMENTS

For the Quarter Ended 30th June 2026

9.1 The percentage of shares held by the public as at 30th June 2026 was 30.8514%
The number of shareholders representing the public holding was 3,287

9.2 Consequent to Eighth Wonder being a party acting in concert with Lanka Realty Investments PLC in the acquisition of shares of Lee Hedges PLC with effect from 8th January 2026,
The Public Holding and the number of shareholders representing the Public Holding as at 8th January 2026 reduced to 31.0055% and 2,926 respectively.

9.3 The float adjusted market capitalization as at 30th June 2026 was LKR 3,827,869,381.40

9.4 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.

10 DIRECTORS SHAREHOLDING

	No of Shares
MR. HISHAM JAMALDEEN	35,477,545
MR. PIERS MORGAN	31,143,205
MR. ARCHIE WARMAN	12,878,709
MR. FIRDOUSE FAROOK	1,325,000
MR. SARAVANAN NEELAKANDAN	50,000
MR. BRIAN VINOD SELVANAYAGAM	N/A

LANKA REALTY INVESTMENTS PLC
CORPORATE INFORMATION

Name of Company
Lanka Realty Investments PLC

Legal Form
A Public Limited Liability Company incorporated in Sri Lanka under the Companies Ordinance No. 51 of 1938 (Cap 145), (Registered under the Companies Act No. 07 of 2007) and listed on the Colombo Stock Exchange.

Date of Incorporation
11th December 1967

Company Registration Number
PQ 139

Nature of the Business
A Holding company in the areas of Real Estate, Building Construction Material and Leisure.

Board of Directors
Mr. Sarravanan Neelakandan
Mr. Piers Morgan
Mr. Mohamed Hisham Jamaldeen
Mr. Archie James Buckland Warman
Mr. Mohamed Firdouse Farook
Mr.Brian Vinod Selvanayagam

Head office & Registered office
1st Floor,
HQ Colombo,
464/A,
T.B. Jayah Mawatha,
Colombo 10.

Subsidiary Companies
Amtrad Limited
Lanka Realty Developments (Pvt) Ltd
L & A Quarries (Pvt) Ltd
Lanka Realty Ambalangoda (Pvt) Ltd
Lanka Realty Leisure (Pvt) Ltd
Alexandra Holdings (Pvt) Ltd
Mulberry Holdings (Pvt) Ltd
Baseline Holdings (Pvt) Ltd
285 Darley Road (Pvt) Ltd
Almond Trees (Pvt) Ltd
Thudella Holdings (Pvt) Ltd
On'ally Holdings PLC
Lee Hedges PLC

Sub-Subsidiary Companies
Oak Street (Pvt) Ltd
Ilook Villa (Pvt) Ltd
Crown Resorts (Pvt) Ltd

Company Secretaries
PW Corporate Secretarial (Pvt) Ltd.

Tel : 011 4640360
Fax : 011 4740588
E mail : pwcs@pwcs.lk

Registrars
Corporate Solutions Unit,
Central Depository Systems (Pvt) Ltd
Ground Floor, M 2 M Centre,
No. 341/5, Kotte Road,
Rajagiriya.
Tel : 011 2356444
Fax : 011 2440396
E mail : registrars@cse.lk

Auditors
Ernst and Young
Chartered Accountants
Rotunda Towers, Rotunda Gardens,
Colombo 03

Bankers
Pan Asia Banking Corporation PLC
Nations Trust Bank PLC
Bank of Ceylon
Seylan Bank PLC
Commercial Bank of Ceylon PLC
Sampath Bank PLC
National Development Bank PLC
People's Bank
Hatton National Bank PLC



LANKA REALTY

INVESTMENTS PLC

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