LANKA REALTY

INVESTMENTS PLC

INTERIM FINANCIAL STATEMENTS

30TH SEPTEMBER 2026



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LANKA REALTY INVESTMENTS PLC (ASCO.N)

Quarterly Financial Performance Review | 30 September 2026

Lanka Realty Investments PLC reported a strong year-on-year earnings recovery in Q2 FY2026/27, with Group revenue rising 154.9% to LKR 416.00 Mn and profit after tax reaching LKR 146.65 Mn, against a loss of LKR 52.59 Mn in the prior-year quarter. The Group's commercial property platform continues to anchor recurring revenue, complemented by a larger cash balance and a diversified portfolio of bank fixed deposits and other investments. The LKR 166.85 Mn exceptional Mulberry finance cost reversal is separately identified to distinguish one off gains from recurring earnings.

Key Financial Highlights | Q2 FY2026/27

Financial Indicator	Sep-26	Prior	Variance	Key Message
Revenue	416.00	163.23	+154.9%	Expansion in Group revenue
Gross Profit	245.04	105.38	+132.5%	Increased absolute gross earnings
Gross Margin	58.9%	64.6%	-5.7 pp	Mix and cost changes; margin monitoring
Operating Profit	66.53	24.43	+172.3%	Higher operating contribution
Net Finance Result	115.66	(50.93)	+166.59 Mn	Positive result includes exceptional credit
Profit Before Tax	186.11	(26.50)	Turnaround	Return to pre-tax profit
Profit After Tax	146.65	(52.59)	Turnaround	Positive consolidated earnings
Group EPS (LKR)	0.61	(0.41)	Improved	Positive shareholder earnings
Cash in Hand / at Bank	1,117.73	164.83	+578.1%	Higher reported cash balances
Bank Fixed Deposits – Current	209.51	152.36	+37.5%	Current deposits; access subject to terms
Bank Fixed Deposits - Non-Current	1,374.47	1,314.32	+4.6%	Longer-tenor deposits; financial-asset strength
Total Bank Fixed Deposits	1,583.98	1,466.68	+8.0%	Combined current and non-current deposits
Other Current Assets	576.30	133.06	+333.1%	Includes unit trusts / short-term investments; amount not split
Total Current Assets	2,976.71	1,471.25	+102.3%	Larger current-asset base; not all liquid
Investment Properties	21,235.15	23,693.96	-10.4%	Portfolio and ownership reorganisation
Total Assets	28,659.86	29,612.89	-3.2%	Changed consolidated asset base
NAV per Share (LKR)	48.47	50.35	-3.7%	Reported NAV per share movement
Interest-Bearing Borrowings	4,500.20	3,677.04	+22.4%	Acquisition-linked debt; excluding OD

Financial Performance and Investment Position

Group revenue increased 154.9% to LKR 416.00 Mn from LKR 163.23 Mn in Q2 FY2025/26, while gross profit increased 132.5% to LKR 245.04 Mn. Operating profit was LKR 66.53 Mn, compared with LKR 24.43 Mn a year ago. Commercial-property operations generated segment revenue of LKR 274.95 Mn and segment operating profit of LKR 194.12 Mn before Group eliminations, highlighting the role of rental and investment-property operations in the Group portfolio. Gross margin was 58.9% versus 64.6% in the comparable quarter. Profit before tax improved to LKR 186.11 Mn from a loss of LKR 26.50 Mn, with profit after tax of LKR 146.65 Mn versus a loss of LKR 52.59 Mn. Group earnings per share recovered to LKR 0.61 from negative LKR 0.41. For the six months ended 30 September 2026, revenue was LKR 721.63 Mn (prior year: LKR 455.80 Mn) and profit after tax was LKR 195.07 Mn (prior year: loss of LKR 125.57 Mn). The exceptional finance credit arising from the Mulberry settlement materially supports the Q2 profit outcome and should not be extrapolated as recurring earnings.

Alongside its real estate portfolio, the Group reported LKR 1,583.98 Mn of bank fixed deposits as at 30 September 2026 (31 March 2026: LKR 1,466.68 Mn; +8.0%). Management identifies LKR 1,374.47 Mn of non-current financial assets at amortised cost and LKR 209.51 Mn of current financial assets at amortised cost as bank fixed deposits. Separately, other current assets increased to LKR 576.30 Mn from LKR 133.06 Mn, a balance that management confirms includes unit trust holdings and short-term investments, alongside other items not separately analysed in the interim financial statements. Group cash plus the separately classified bank fixed deposits totalled LKR 2,701.71 Mn; this gross measure spans different maturities and does not represent unrestricted cash.

Second Quarter Performance and Quality of Earnings

The reporting-period improvement reflects increased Group revenue, commercial-property earnings and the settlement of a legacy financing obligation at Mulberry. A positive LKR 166.85 Mn credit in residential property finance expenses was reported in the segment disclosure. Group net finance income was LKR 115.66 Mn, compared with a net expense of LKR 50.93 Mn in Q2 FY2025/26; these movements include the exceptional credit and should not be interpreted as a recurring reduction in interest expense.

Excluding the LKR 166.85 Mn one-off credit on a simple, pre-tax basis would result in approximately LKR 19.26 Mn of profit before tax, versus the reported LKR 186.11 Mn. This is an illustrative, non-statutory figure without consequential tax or non-controlling interest adjustments, not a substitute for the interim financial statements.

Treasury Management, Debt and Liquidity

Lanka Realty Investments PLC continued to strengthen its financial resources during the quarter through disciplined treasury management, active cash-flow planning and an emphasis on securing attractive returns on surplus funds. The Group's treasury strategy balances readily available cash, fixed deposit investments and carefully managed investment maturities, supporting ongoing operations and creating flexibility to evaluate high quality, income generating property opportunities. The Company remains focused on capital preservation, funding efficiency and sustainable long-term value creation for shareholders.

As at 30 September 2026, the Group's cash in hand and at bank had increased substantially to LKR 1,117.73 Mn, compared with LKR 164.83 Mn as at 31 March 2026, representing growth of 578.1%. In addition, current bank fixed deposits amounted to LKR 209.51 Mn, taking gross cash and current fixed deposit holdings to LKR 1,327.23 Mn. The Group also maintained LKR 1,374.47 Mn in non current bank fixed deposits, bringing total fixed deposits to LKR 1,583.98 Mn. Consequently, gross cash and fixed-deposit holdings stood at LKR 2,701.71 Mn, demonstrating the scale and breadth of the Group's financial asset base. These figures represent gross balances; the availability of individual deposits depends on their maturity and other terms.

The Group's total current assets increased to LKR 2,976.71 Mn from LKR 1,471.25 Mn at the preceding year end. Other current assets of LKR 576.30 Mn include unit trusts and short-term investments, contributing to a diversified treasury investment portfolio, although the investment portion is not separately disclosed in the interim statements. At the standalone Company level, cash and bank balances reached LKR 924.42 Mn, with positive net cash and cash equivalents of LKR 919.09 Mn. Alongside this enhanced financial resource base, LRI PLC continues to manage its LKR 4,500.20 Mn of interest bearing borrowings (excluding overdrafts) with a focus on borrowing costs, maturity alignment and the cash yields generated by income producing properties. The full settlement of Mulberry's project specific bank facility and the negotiated LKR 166.85 Mn finance cost reversal mark meaningful progress in resolving legacy obligations. The Group intends to maintain a prudent financing structure, optimise treasury returns and allocate capital selectively to investments with attractive risk-adjusted income and long-term appreciation potential.

Balance Sheet, NAV and Capital Allocation

At 30 September 2026, Group assets totalled LKR 28.66 Bn (March 2026: LKR 29.61 Bn), including LKR 21.24 Bn of investment property. Bank fixed deposits of LKR 1,583.98 Mn, together with LKR 576.30 Mn in other current assets that include unit trusts and short-term investments, broaden the Group's financial-resource base. These separately reported asset categories should not be equated with cash equivalents or double counted. Equity attributable to the parent was LKR 10.24 Bn, with reported NAV per share of LKR 48.47 (March 2026: LKR 50.35). The movement in reported NAV per share principally reflects the Group's evolving capital structure following the acquisition of Lee Hedges PLC and the preference-share financing undertaken through Lanka Realty Developments Pvt Ltd (LRD).

Corporate Finance and Portfolio Reorganisation - On’ally

The direct holding in On’ally Holdings PLC was transferred to Lee Hedges PLC within the Group. The September interim statements record an LKR 788.72 Mn gain within the standalone Company’s Q2 profit or loss; this gain is eliminated on consolidation. The Company reported Q2 profit after tax of LKR 959.41 Mn, which is therefore not a proxy for Group recurring earnings. The restructuring places On’ally alongside the Lee Hedges / LRD commercial-property platform to support coordinated asset management and capital allocation.

Mulberry Settlement, Preference Redemption and Investment Actions

Transaction / Action	Amount / Detail	Financial Significance	Management Priority
Mulberry debt settlement	Bank facility fully settled	Closure of project-specific bank borrowing	Release legacy funding pressure
Mulberry finance-cost reversal	LKR 166.85 Mn one-off	Positive residential finance-cost credit	Separate from recurring earnings
LRD preference redemption	LKR 800.00 Mn cash outflow	Preference-capital redemption	Improve long-term capital structure
On’ally intra-group transfer	LKR 788.72 Mn Company gain	Eliminated in Group statements	Integrate commercial asset oversight
Income-producing property finance	Borrowings increased LKR 823.16 Mn	Funding linked to portfolio investment	Target net yield above funding cost

Commercial Property - Recurring Earnings and Asset Management

The Group’s commercial-property portfolio is central to its strategy of strengthening recurring income and long-term asset values. Lee Hedges PLC, Lanka Realty Developments (LRD) and On’ally Holdings PLC provide exposure to strategically located Colombo office, retail and other commercial income-producing properties. The Q2 segment disclosure records commercial-property revenue of LKR 274.95 Mn and operating profit of LKR 194.12 Mn before Group eliminations. This underscores the contribution of active property operations to Group earnings, while the segment should not be equated with the consolidated operating result. Management is prioritising tenant retention, occupancy and rent reviews, service-charge recoveries, collection efficiency, energy and maintenance-cost control, and carefully selected improvements that raise sustainable net operating income.

The 30 September 2026 investment-property note identifies Lee Hedges PLC group (LRD and LHI) at LKR 7.65 Bn, On’ally at LKR 6.44 Bn, Oak Street at LKR 4.96 Bn, Baseline Holdings at LKR 1.44 Bn and Crown Resort at LKR 0.74 Bn. These are disclosed carrying values, not newly established market valuations. The Group aims to enhance value through active leasing, asset repositioning, redevelopment optionality and disciplined capital expenditure, while evaluating acquisition opportunities with resilient tenants, attractive net rental yields and debt-service coverage. Any claimed uplift in land or investment-property value requires appropriate independent valuation support.

Colombo Land Bank, Baseline and Residential Value Potential

LRI PLC's established land-bank and redevelopment holdings in and around the Colombo metropolitan commercial corridors provide strategic exposure to land scarcity, connectivity improvements and future urban regeneration. Oak Street / 285 Darley Road and other strategically positioned sites offer potential for higher-value use, phased development, joint ventures, or selective capital recycling, subject to title, litigation, planning approvals, project feasibility and funding capacity. Preserving well-located land while managing holding costs can create long-term optionality; however, prospective land appreciation is a strategic opportunity rather than realised accounting profit. Independent appraisals and supported market comparables will be needed to substantiate any future uplift.
The Baseline property exposure adds a residential and land-value dimension to the portfolio. Management expects Colombo's established residential corridors to benefit over time from demand for accessible apartment locations and better-quality housing, creating potential for improved selling prices and development margins. Such outcomes are dependent on prevailing buyer affordability, transaction volumes, construction and financing costs, and project-specific approvals. Management will monitor observable apartment sales prices, absorption and land comparables to guide the timing of any development, marketing or disposal decision; no unverified appreciation gain is assumed in this review.

Leisure Portfolio and Diversified Earnings

The Group's leisure exposure through the Weligama and Ahangama properties complements its core commercial-rental platform and provides a route to tourism-led revenue diversification. The Q2 leisure segment reported revenue of LKR 38.94 Mn before Group eliminations and a loss before tax of LKR 25.61 Mn. The next operating priority is to convert seasonal tourist demand into stronger gross operating profit by lifting occupancy and achieved room rates, increasing direct bookings, controlling food-and-beverage cost, improving digital distribution, and completing critical property maintenance ahead of peak trading.

Winter 2026/27 Tourism Season and Air Connectivity

Sri Lanka recorded 168,625 tourist arrivals in October 2026 (+2.1% year-on-year; +6.3% month-on-month), taking January-October arrivals to approximately 1.86 million. The rise signals stronger visitor momentum ahead of the winter season, though arrivals do not automatically translate into room yield or tourism receipts. India, the UK, China, Australia and Germany were prominent October source markets. This supports the Weligama and Ahangama outlook, subject to effective marketing, room-rate discipline and conversion into paid bookings.

International access is strengthening. On 6 November 2026, nearly 550 Polish visitors arrived via three Enter Air charter flights; 42 flights were scheduled through 2 April 2027. Announced winter routes include Azur Air to Mattala, with further planned services or capacity from S7 Airlines, French Bee, Centrum Air and Edelweiss. Management can target European and other inbound markets through surf packages, airport-transfer tie-ups, direct-booking campaigns and travel-agent partnerships. Planned airline services and passenger demand remain subject to change.

South Coast Surfing, Guest Experience and Leisure Earnings Potential

Weligama, Midigama and Ahangama are positioned for the south-coast surfing season, normally November-April, with relatively consistent conditions December-March. Weligama is particularly attractive to novice surfers, while Ahangama and nearby reef breaks draw more experienced travellers. Longer-stay surfing, wellness, excursions and food-and-beverage packages can increase guest expenditure and diversify revenue beyond room sales.

A winter-season plan should combine dynamic pricing, international surf marketing, direct-booking conversion, timely preventive maintenance and cost control. Weekly monitoring of occupancy, ADR, RevPAR, gross operating profit and collections will be essential to achieving sustained positive leisure earnings. Tourist-arrival and airline information is post-30 September 2026 outlook context, not a Q2 realised benefit.

Overall Financial Positioning and Outlook

Q2 FY2026/27 reflects strong growth in reported revenue and a return to profitability, supported by commercial-property operations, active asset management and the resolution of Mulberry's legacy financing exposure. The Group's cash and bank balances increased to LKR 1,117.73 Mn, while current and non-current bank fixed deposits totalled LKR 1,583.98 Mn. Other current assets of LKR 576.30 Mn additionally include unit trusts and short-term investments, although the portion attributable to those investments is not separately disclosed. This strengthening of the Group's gross financial-resource base is a constructive indicator for shareholders and other stakeholders, providing a foundation for disciplined treasury management and consideration of value-accretive opportunities. The Group will continue to pursue sustainable commercial-property earnings, active management of Colombo land-bank and Baseline assets, and improved leisure-sector performance, alongside selective acquisitions assessed against investment returns, funding requirements and available liquidity. The LKR 166.85 Mn Mulberry finance-cost benefit is separately presented as an exceptional item.

LANKA REALTY INVESTMENTS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Quarter Ended 30th September 2026

	GROUP			COMPANY		
	30-09-2026 Unaudited LKR 000	**30-09-2025 Unaudited LKR 000**	**Change %**	**30-09-2026 Unaudited LKR 000**	**30-09-2025 Unaudited LKR 000**	**Change %**
Revenue	**416,004**	163,225	155%	**105,231**	58,456	80%
Direct expenses	**(170,961)**	(57,850)	-196%	**-**	-	-
Gross profit	**245,044**	105,375	**133%**	**105,231**	58,456	**80%**
Other operating income	**15,209**	6,377	138%	**-**	-	0%
Administration expenses	**(187,790)**	(89,137)	-111%	**(6,025)**	(2,803)	-115%
Selling and distribution expenses	**(5,926)**	2,805	-311%	**-**	-	0%
Other operating expense	**(12)**	(987)	99%	**(33)**	-	0%
Gain or Loss on bargain purchase/ Investment Property Disposal subsidiary	**-**	-	0%	**788,715**	-	0%
	66,525	24,433	**172%**	**887,888**	55,653	**1495%**
Finance expense	**11,395**	(56,052)	120%	**(7,163)**	(11,840)	40%
Finance income	**104,264**	5,120	1936%	**61,142**	387	15699%
Net Finance Expenses	**115,659**	(50,932)	327%	**53,979**	(11,453)	571%
Change in fair value of Investment property/Inventory	**3,925**	-	0%	**-**	-	-
Profit before tax	**186,109**	(26,499)	**802%**	**941,868**	44,200	2031%
Tax (expense)	**(39,455)**	(26,088)	**-51%**	**17,537**	-	0%
Profit for the period	**146,653**	(52,587)	**379%**	**959,405**	44,200	**2071%**
Other comprehensive income						
Gain/(loss) on post employment benefit obligations	**(40)**	-	0%	**-**	-	-
Gain on property revaluation	**-**	-	0%	**-**	-	-
Tax Effect on other comprehensive Income	**-**	-	100%	**-**	-	-
Other comprehensive income for the year, net of tax	**(40)**	-	**0%**	**-**	-	**-**
Total comprehensive income for the year, net of tax	**146,613**	(52,587)	**379%**	**959,405**	44,200	**2071%**
Profit attributable to :						
Equity holders of the parent company	**129,581**	(86,654)	250%	**-**	-	-
Non-controlling Interest	**17,072**	34,067	-50%	**-**	-	-
	146,653	(52,587)	**379%**	**-**	-	**-**
Total comprehensive income attributable to:						
Equity holders of the parent company	**129,571**	(86,654)	250%	**-**	-	-
Non-controlling interest	**17,042**	34,067	-50%	**-**	-	-
	146,613	(52,587)	**379%**	**-**	-	**-**
Earnings per share - LKR	**0.61**	**(0.41)**		**4.54**	0.21	

Figures in brackets indicate deductions.

LANKA REALTY INVESTMENTS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Period Ended 30th September 2026

	GROUP			COMPANY		
	30-09-2026 Unaudited LKR 000	30-09-2025 Unaudited LKR 000	Change %	30-09-2026 Unaudited LKR 000	30-09-2025 Unaudited LKR 000	Change %
Revenue	**721,626**	455,803	58%	**160,751**	121,436	32%
Direct expenses	**(282,164)**	(249,344)	-13%	**-**	-	-
Gross profit	**439,461**	206,459	**113%**	**160,751**	121,436	**32%**
Other operating income	**66,988**	10,232	555%	**20,091**	-	
Administration expenses	**(365,433)**	(176,081)	-108%	**(9,034)**	(6,404)	-41%
Selling and distribution expenses	**(9,551)**	(3,313)	-188%	**-**	-	0%
Other operating expense	**(245)**	(987)	75%	**(70)**	(19)	0%
Gain on Disposal subsidiary	**-**	-	0%	**1,498,699**	-	0%
	131,221	36,310	**261%**	**1,670,436**	115,013	**1352%**
Finance expense	**(79,661)**	(128,632)	38%	**(25,316)**	(26,958)	6%
Finance income	**148,035**	12,105	1123%	**65,189**	953	6740%
Net Finance Expenses	**68,374**	(116,527)	159%	**39,873**	(26,005)	253%
Change in fair value of Investment property/Inven	**22,836**	-	0%	**-**	-	-
Profit before tax	**222,431**	(80,217)	**377%**	**1,710,309**	89,008	1822%
Tax (expense)	**(27,365)**	(45,350)	**40%**	**-**	(9,166)	0%
Profit for the period	**195,066**	(125,567)	**255%**	**1,710,309**	79,842	**2042%**
Other comprehensive income						
Gain/(loss) on post employment benefit obligations	**(104)**	-	0%	**-**	-	-
Gain on property revaluation	**-**	-	0%	**-**	-	-
Tax Effect on other comprehensive Income	**-**	-	100%	**-**	-	-
Other comprehensive income for the year, net of Tax	**(104)**	-	**0%**	**-**	-	**-**
Total comprehensive income for the year, net of Tax	**194,961**	(125,567)	**255%**	**1,710,309**	79,842	**2042%**
Profit attributable to :						
Equity holders of the parent company	**136,142**	(176,907)	177%	**-**	-	-
Non-controlling Interest	**58,924**	51,342	15%	**-**	-	-
	195,066	(125,565)	**255%**	**-**	-	**-**
Total comprehensive income attributable to:						
Equity holders of the parent company	**136,099**	(176,907)	177%	**-**	-	-
Non-controlling interest	**58,863**	51,342	15%	**-**	-	-
	194,961	(125,565)	**255%**	**-**	-	**-**
Earnings per share - LKR	**0.64**	**(0.84)**		**8.09**	0.38	

Figures in brackets indicate deductions.

LANKA REALTY INVESTMENTS PLC

STATEMENT OF FINANCIAL POSITION

As at 30th September 2026

	GROUP			COMPANY		
	30-09-2026 Unaudited LKR 000	31-03-2026 Audited LKR 000	Change %	30-09-2026 Unaudited LKR 000	31-03-2026 Audited LKR 000	Change %
ASSETS						
Non-current assets						
Property, plant and equipment	**2,711,603**	2,786,753	-3%	**-**	-	
Intangible assets	**337,856**	338,390	0%	**846**	950	-11%
Investment property	**21,235,149**	23,693,964	-10%	**-**	-	-
Investment in subsidiaries	**-**	-	0%	**8,115,239**	10,599,882	-23%
Other non-current assets	**4,537**	8,037	-44%	**-**	-	-
Deferred tax assets	**13,479**	175	7602%	**175**	175	0%
Right-of-use assets	**6,045**	-	0%	**-**	-	-
Financial Assets at Amortised Cost-Non Current	**1,374,474**	1,314,319	5%	**-**	-	-
Total non-current assets	**25,683,143**	28,141,638	-9%	**8,116,260**	10,601,007	-23%
Current assets						
Inventories	**216,780**	285,394	-24%	**-**	-	-
Trade and other receivable	**649,019**	598,724	8%	**784**	784	0%
Amount due from related parties	**207,043**	136,531	52%	**3,238,963**	2,130,542	52%
Financial assets-fair value through profit or loss	**342**	348	-2%	**342**	348	-2%
Financial Assets at Amortised Cost-Current	**209,507**	152,364	-	**-**	-	0%
Other current assets	**576,298**	133,063	333%	**511,768**	10,274	4881%
Short-term investments	**-**	-	0%	**-**	-	-
Cash in hand and at bank	**1,117,725**	164,827	578%	**924,421**	14,107	6453%
Total current assets	**2,976,714**	1,471,250	102%	**4,676,278**	2,156,055	117%
Total assets	**28,659,857**	29,612,889	-3%	**12,792,538**	12,757,062	**0%**
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	**1,717,573**	2,126,828	-	**-**	-	0%
Other components of equity	**23,100**	23,100	-	**23,100**	23,100	0%
Revaluation reserve	**471,525**	471,525	0%	**-**	-	0%
Retained earnings	**983,769**	972,063	1%	**2,339,124**	628,815	272%
	10,244,629	**10,642,178**	-4%	**9,410,887**	7,700,578	22%
Non-controlling Interest	**6,450,628**	**8,195,980**	-21%	**-**	-	-
Total equity	**16,695,257**	18,838,158	**-11%**	**9,410,887**	7,700,578	**22%**
Non-current liabilities						
Interest bearing borrowings	**2,180,515**	667,354	227%	**-**	-	0%
Employee benefit liabilities	**40,673**	45,853	-11%	**-**	-	-
Deferred tax liabilities	**4,180,884**	4,451,588	-6%	**-**	-	-
Amount due to related parties	**109,631**	113,190	-3%	**83,695**	113,190	-26%
Other non current liabilities	**330,903**	342,088	-3%	**-**	-	-
Total non-current liabilities	**6,842,607**	5,620,071	**22%**	**83,695**	113,190	-26%
Current liabilities						
Trade and other payables	**544,690**	441,089	23%	**1,292**	1,303	-1%
Current portion of Interest bearing borrowings	**2,319,688**	3,009,688	-23%	**-**	388,165	-100%
Income tax payable	**309,738**	191,534	62%	**131,812**	131,812	0%
Amount due to related parties	**331,365**	598,096	-45%	**3,111,695**	4,213,855	-26%
Other current liabilities	**452,170**	528,025	-14%	**47,824**	44,978	6%
Bank overdraft	**1,164,343**	386,227	201%	**5,332**	163,183	-97%
Total current liabilities	**5,121,994**	5,154,659	**-1%**	**3,297,956**	4,943,294	**-33%**
Total liabilities	**11,964,600**	10,774,731	**11%**	**3,381,651**	5,056,484	**-33%**
Total equity and liabilities	**28,659,857**	29,612,889	**-3%**	**12,792,538**	12,757,062	**0%**
Net book value per share (LKR)	**48.47**	50.35		**44.52**	36.43	

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. November 10, 2026

LANKA REALTY INVESTMENTS PLC

STATEMENT OF CHANGES IN EQUITY

For the Period Ended 30th September 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**	**471,525**	**972,063**	**10,642,178**	**8,195,980**
Profit/(loss) for the period	-	-	-	-	**136,142**	**136,142**	**58,924**
Other comprehensive income for the period							
Revaluation of land and building	-	-	-	-	-	-	-
Re-measurement gain/(loss) on employee benefit liabilities	-	-	-	-	**(43)**	**(43)**	**(61)**
Income tax on other comprensive income	-	-	-	-	-	-	-
Mandatory Offer Disposal	-	-	-	-	**(27,347)**	**(27,347)**	**146,187**
Redemption of preference shares (LRD)	-	**(409,255)**	-	-	**1,255**	**(408,000)**	**(392,000)**
Change in non-controlling interest without change in control	-	-	-	-	**(98,301)**	**(98,301)**	**(1,472,204)**
Gain or Loss on bargain purchase/ Disposal subsidiary	-	-	-	-	-	-	-
Dividends paid to non-controlling interest	-	-	-	-	-	-	**(86,197)**
Balance as at 30th September 2026	**7,048,663**	**1,717,573**	**23,100**	**471,525**	**983,769**	**10,244,629**	**6,450,628**

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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**	**-**	**628,815**	**7,700,578**
Share issue during the period	-	-	-	-	-
Profit/(loss) for the period	-	-	-	1,710,309	**1,710,309**
Balance as at 30th September 2026	**7,048,663**	**23,100**	**-**	**2,339,124**	**9,410,887**

LANKA REALTY INVESTMENTS PLC

STATEMENT OF CASH FLOWS

For the Period Ended 30th September 2026

	GROUP		COMPANY	
	30-09-2026	31-03-2026	30-09-2026	31-03-2026
	LKR 000	LKR 000	LKR 000	LKR 000
OPERATING ACTIVITIES				
Cash used in operations	**(116,458)**	80,461	**(2,086,983)**	2,917,376
Interest received	**148,035**	61,950	**65,189**	2,053
Interest paid	**(79,661)**	(112,269)	**(25,316)**	(42,468)
Income tax paid	**(193,168)**	(56,205)	**-**	(7,774)
Gratuity paid	**-**	(4,801)	**-**	-
Net cash generated from / (used in) operating activities	**(241,252)**	(30,866)	**(2,047,110)**	2,869,188
INVESTING ACTIVITIES				
Dividend income	**-**	-	**-**	47,333
Acquisition of property, plant & equipment and intangibles	**(14,708)**	(26,943)	**-**	-
Proceeds from sale of investment property	**2,700,000**	426,500	**-**	-
Proceeds from sale of property, plant & equipment	**68,014**	-	**-**	-
Investment in financial assets (net)	**(613,791)**	(55,816)	**(499,994)**	-
Investment in investment properties	**(222,274)**	(277,377)	**-**	-
Business Combination	**-**	(3,015,802)	**-**	(2,990,554)
Dispose of subsidiary	**-**	-	**4,003,432**	-
Net cash generated from / (used in) investing activities	**1,917,241**	(2,949,438)	**3,503,438**	(2,943,221)
FINANCING ACTIVITIES				
Acquisition of NCI (LRD) and transfer costs	**(1,570,506)**	-	**-**	-
Cumulative Redeemable Non-Convertible Preference Shares	**(800,000)**	2,837,788	**-**	-
Proceed from disposal of partial interest in subsidiaty without loss of Control	**-**	1,089,323	**-**	-
Dividend Payments	**(86,197)**	(45,670)	**-**	-
Dispose of additional equity interest from non controlling shareholders	**138,931**	-	**-**	-
Proceeds from interest bearing borrowings	**1,941,152**	65,500	**-**	-
Repayment of bank borrowings	**(1,124,112)**	(1,088,224)	**(388,165)**	(118,570)
Repayment of lease liabilities	**(474)**	-	**-**	-
Net cash generated from / (used in) financing activities	**(1,501,206)**	2,858,717	**(388,165)**	(118,570)
Increase / (decrease) in cash & cash equivalents	**174,783**	(121,586)	**1,068,164**	(192,603)
Movement in cash & cash equivalents				
At the beginning of the period	**(221,400)**	(99,814)	**(149,075)**	43,527
Increase / (decrease)	**174,783**	(121,586)	**1,068,164**	(192,603)
At the end of the period	**(46,618)**	(221,400)	**919,088**	(149,075)
ANALYSIS OF CASH AND CASH EQUIVALENTS				
Favorable balances				
Cash in hand and at bank	**1,117,725**	164,827	**924,421**	14,107
Short term investments	**-**	-	**-**	-
Unfavorable balances				-
Bank overdrafts	**(1,164,343)**	(386,227)	**(5,332)**	(163,183)
Total cash and cash equivalents	**(46,618)**	(221,400)	**919,088**	(149,075)

LANKA REALTY INVESTMENTS PLC

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the Quarter Ended 30th September 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 30th September 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 31st March 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 SEPTEMBER 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	99,312	1,636	274,947	77,483	-	38,943	(76,316)	**416,004**
Direct expenses	-	(2,236)	(2,630)	(120,961)	-	(31,673)	(13,461)	**(170,961)**
Gross profit	**99,312**	**(600)**	**272,317**	**(43,478)**	**-**	**7,270**	**(89,778)**	**245,044**
Other operating income	-	-	102,454	5,037	-	551	(92,833)	**15,209**
Administration expenses	(6,254)	(723)	(180,656)	(2,180)	(1,763)	(13,376)	17,161	**(187,790)**
Selling and distribution expenses	-	(12)	-	(584)	-	(5,330)	-	**(5,926)**
Other operating expense	(6)	-	-	-	(6)	-	-	**(12)**
Gain arising from acquisition/Dispose of Subsidiary	788,715	-	-	-	-	-	(788,715)	**-**
Operating profit/loss	**881,767**	**(1,335)**	**194,115**	**(41,204)**	**(1,769)**	**(10,885)**	**(954,164)**	**66,525**
Finance expense	(7,186)	(8,602)	(137,923)	166,849	(95,388)	(14,724)	108,369	**11,395**
Finance income	61,142	-	86,766	-	0	4	(43,648)	**104,264**
Disposal Loss	-	-	-	-	-	-	-	**-**
Change in fair value of investment properties / Inventory	-	-	3,925	-	-	-	-	**3,925**
Profit/(loss) before tax	**935,724**	**(9,937)**	**146,883**	**125,645**	**(97,157)**	**(25,605)**	**(889,443)**	**186,109**
Tax (expense)/reversal	-	-	(39,455)	-	-	-	-	**(39,455)**
Profit/(loss) for the period	**935,724**	**(9,937)**	**107,428**	**125,645**	**(97,157)**	**(25,605)**	**(889,443)**	**146,653**

5 INVESTMENT PROPERTY

The investment property value as at 30th September 2026.

Description	Amount LKR
Oak Street (Pvt) Ltd	**4,960,858,096**
Crown Resort (Pvt) Ltd	**741,783,416**
On'ally Holdings PLC	**6,442,226,214**
Lee Hedges PLC group (LRD and LHI)	**7,649,586,000**
Baseline Holdings (Pvt) Ltd	**1,440,695,476**

6 INVESTOR INFORMATION

Market value of shares

	Quarter ended	
	2026/2027Q2 LKR	2025/2026 Q2 LKR
Closing price	**51.00**	28.00
Highest price	**59.60**	30.50
Lowest price	**48.00**	13.20

Share trading information

	Quarter ended	
	2026/2027Q2	2025/2026 Q2
No. of transactions	**2,974**	24,451
No.of shares traded	**11,686,566**	82,394,683
Value of shares traded (LKR)	**634,000,858**	2,055,214,038

LANKA REALTY INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter Ended 30th September 2026

7 STATED CAPITAL

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

As at	**30-09-2026**	**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 31st March 2026 up to 30th September 2026.

8.2 Events after the Reporting Date

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

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 30th September 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	99,312	99,312	62,980	62,980
Net short term loans given to/ (settle form) subsidiaries	365,221	365,221	(41,413)	(41,413)
Accrued interest to related parties	73,197	73,197	57,169	57,169
Director and key management personal remuneration	1,125	1,125	1,350	1,350

9 TOP TWENTY MAJOR SHARE HOLDERS

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	3,495,716	1.65
9	ANIMAL MAGIC PRODUCTION LTD	2,520,000	1.19
10	SEYLAN BANK PLC/MOHAMED MUSHTAQ FUAD	1,747,637	0.83
11	DEUTSCHE BANK AG-NATIONAL EQUITY FUND	1,630,019	0.77
12	MRS. E.S. KALBIAN	1,597,860	0.76
13	PEOPLE S LEASING AND FINANCE PLC/NAGOYA CEYLON TRADING (PVT) LTD	1,400,000	0.66
14	MR. M.F. FAROOK	1,325,000	0.63
15	MR. T.C. SMITH	1,218,147	0.58
16	PEOPLE S LEASING AND FINANCE PLC/VERITE RESEARCH (PVT) LTD	1,150,000	0.54
17	STERADIAN CAPITAL INVESTMENTS PRIVATE LIMITED	1,102,563	0.52
18	MR. R.J. MCMULLEN	871,500	0.41
19	MR. S.A. COORAY & MR. P.T.COORAY,MRS. S.NUGAPITIYA	871,000	0.41
20	VERITE RESEARCH (PVT) LTD	560,000	0.26
Sub Total of Top 20 Share Holders		182,361,426	86.28
Other Share holders		29,009,002	13.72
TOTAL		**211,370,428**	**100.00**

LANKA REALTY INVESTMENTS PLC

NOTES TO THE FINANCIAL STATEMENTS

For the Quarter Ended 30th September 2026

9.1 The percentage of shares held by the public as at 30th September 2026 was 30.8510%

9.2 The number of shareholders representing the public holding was 3,342
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 September 2026 was LKR 3,325,700,922.00

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



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