Hayleys Fabric PLC

Interim Report



Third quarter

Nine months ended 31st December 2025

Corporate Information

NAME OF COMPANY
Hayleys Fabric PLC

LEGAL FORM
A Quoted Public Company with Limited Liability
(Incorporated in Sri Lanka in 1993)

COMPANY REGISTRATION NUMBER
PQ 37.

STOCK EXCHANGE LISTING
The ordinary shares of the Company are listed on Main Board of Colombo Stock Exchange of Sri Lanka

ACCOUNTING YEAR END
31st March

PRINCIPAL ACTIVITY
Manufacturing of knitted fabric

DIRECTORS
Mr. A.M. Pandithage (Chairman)
Mr. E.R.P. Goonetilleke (Managing Director)
Mr. S.C. Ganegoda
Mr. H. Somashantha
Ms. K.A.D.B. Perera
Mr. N. Ekanayake
Mr. M.N.R. Fernando
Mr. I.B.R.R. Bandara
Mr. M.H. Jayasinghe
Mr. K.P.C.P.K. Pathirana
Mr. J.A.N.R. Adhihetty
Mr. T.A.B. Speldewinde

AUDIT COMMITTEE
Mr. N. Ekanayake (Chairman)
Mr. M.N.R. Fernando
Mr. H. Somashantha
Mr. T.A.B. Speldewinde

NOMINATIONS AND GOVERNANCE COMMITTEE
Mr. N. Ekanayake (Chairman)
Mr. M.N.R. Fernando
Mr. S.C. Ganegoda

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE
Mr. N. Ekanayake (Chairman)
Mr. M.N.R. Fernando
Mr. S.C. Ganegoda

REMUNERATION COMMITTEE
Mr. N. Ekanayake (Chairman)
Mr. M.N.R. Fernando
Mr. H. Somashantha

SUBSIDIARIES
South Asia Textiles Ltd.
Hayleys Fabric Solutions Ltd.

SECRETARIES
Hayleys Group Services (Pvt) Ltd.
400, Deans Road, Colombo 10.
Telephone: (94-11) 2627650/51/52/53

REGISTERED OFFICE
400, Deans Road ,
Colombo 10.
Telephone: (94-11) 2627000
Website: www.hayleysfabric.com

MAIN OFFICE & FACTORY
Narthupana Estate , Neboda.
Telephone: 94 (34) 2297100, 2242055

BANKERS
Standard Chartered Bank PLC
Hongkong and Shanghai Banking Corporation
Hatton National Bank PLC
Bank of Ceylon
National Development Bank PLC
Sampath Bank PLC
Citibank, N.A.
Seylan Bank PLC
Pan Asia Banking Corporation PLC
People's Bank
DFCC Bank
Union Bank of Colombo PLC
Nations Trust Bank
Bank of China
Commercial Bank of Ceylon PLC

AUDITORS
Ernst & Young
Chartered Accountants,
Rotunda Towers , No 109 ,
Galle Road, Colombo 03.

Investor Information

Market value of shares	31.12.2025 (LKR)	31.12.2024 (LKR)
Last traded price	**40.80**	54.80
Highest price recorded for three months ending	**45.30**	57.30
Lowest price recorded for three months ending	**37.50**	48.50
Highest price recorded for nine months ended	**49.50**	57.30
Lowest price recorded for nine months ended	**36.80**	40.00

Share Trading		
No. of transactions	**31,822**	21,919
No. of shares traded	**99,175,462**	104,434,221
Value of shares traded (LKR)	**4,362,201,130**	4,968,181,706

First twenty Shareholders as at 31.12.2025

	Name of Shareholder	No. of Shares	%
1	Hayleys PLC No 3 Share Investment Account	244,974,046	58.96
2	Citibank Newyork S/A Norges Bank Account 2	11,914,861	2.87
3	Employee's Provident Fund	11,081,454	2.67
4	Hayleys Advantis Limited	10,073,700	2.42
5	Hayleys Agriculture Holdings Limited	6,944,514	1.67
6	Mr. Kulappuarachchige Don Harindra Perera	6,522,365	1.57
7	Union Assurance PLC - Universal Life Fund	5,569,921	1.34
8	Mrs. Thusharie Tilottama Anjalee De Silva Weerasooria	4,885,697	1.18
9	Mr. Ruwanpura Chanaka Dharmajith De Silva	4,684,961	1.13
10	Mr. Rajinda Priyanjith Weerasooriya	4,082,623	0.98
11	Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund	3,800,708	0.91
12	Finco Holdings (Private) Limited	3,766,509	0.91
13	EMFI Capital Limited	3,640,887	0.88
14	Invenco Capital Private Limited	2,633,923	0.63
15	Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund)	2,301,634	0.55
16	Employees Trust Fund Board	2,196,224	0.53
17	CT CISA Asset Management/Hanif Yusoof	2,131,219	0.51
18	Jafferjee Brothers Exports (Private) Limited	1,718,187	0.41
19	Seylan Bank PLC/JN Lanka Holdings Company (Pvt) Ltd	1,701,032	0.41
20	Union Assurance PLC - Traditional Life Participating Fund	1,634,608	0.39
	Total	**336,259,073**	**80.93**

There were no non-voting shares as at 31.12.2025.

Percentage of public holding as at 31st December 2025 was 36.80%.
Number of shareholders representing the public holding as at 31st December 2025 was 7,466.
Float adjusted Market Capitalization as at 31st December 2025 was LKR 6,222.80 Mn.

The Company complies with option 3 of the Listing Rules 7.13.1 (i) (a) which requires a minimum Public Holding of 7.5%.

DIRECTORS' SHAREHOLDING AS AT 31.12.2025

Name of the Director	No. of Shares
Mr. A.M. Pandithage	Nil
Mr. E.R.P. Goonetilleke	Nil
Mr. S.C. Ganegoda	525,000
Mr. H. Somashantha	40,000
Ms. K.A.D.B. Perera	Nil
Mr. N. Ekanayake	Nil
Mr. M.N.R. Fernando	Nil
Mr. I.B.R.R. Bandara	20,000
Mr. M.H. Jayasinghe	Nil
Mr. K.P.C.P.K. Pathirana	2,000
Mr. J.A.N.R. Adhihetty	Nil
Mr. T.A.B. Speldewinde	Nil

		31.12.2025	31.03.2025
Fully paid ordinary shares		**415,481,776**	415,481,776
Net assets per share	**LKR**	**29.33**	27.31
Dividend per share	**LKR**	**0.49**	1.85

Hayleys Fabric PLC

STATEMENT OF FINANCIAL POSITION

Group Audited As at 31.03.25 USD	Company Audited As at 31.03.25 USD		Group Unaudited As at 31.12.25 USD	Group Unaudited As at 31.12.24 USD	Company Unaudited As at 31.12.25 USD	Company Unaudited As at 31.12.24 USD
		ASSETS				
		Non-Current Assets				
46,424,814	25,238,860	Property, plant and equipment	**46,325,670**	46,124,203	**26,266,743**	25,173,479
861,080	202,201	Right of use assets	**851,192**	795,787	**196,195**	180,168
454,953	24,819	Intangible assets	**365,993**	486,850	**18,279**	29,742
-	18,281,412	Investment in Subsidiary	**-**	-	**18,281,412**	18,281,412
10,440,277	-	Goodwill	**10,440,277**	10,440,277	**-**	-
58,181,124	43,747,292		**57,983,131**	57,847,117	**44,762,629**	43,664,801
		Current Assets				
30,985,795	18,116,410	Inventories	**27,030,114**	29,727,400	**14,567,172**	17,381,065
16,892,397	10,434,105	Trade receivables	**17,522,121**	15,292,991	**9,983,691**	10,147,411
482,011	447,076	Other receivables	**595,283**	503,079	**388,250**	439,285
1,705,688	1,122,885	Advances and prepayments	**1,674,079**	1,867,098	**1,010,262**	899,212
10,504,956	7,101,596	Cash and cash equivalents	**7,857,915**	9,345,157	**4,892,058**	6,270,782
60,570,847	37,222,072		**54,679,512**	56,735,725	**30,841,433**	35,137,755
118,751,971	80,969,364	**Total Assets**	**112,662,643**	114,582,842	**75,604,062**	78,802,556
		EQUITY AND LIABILITIES				
		Capital and Reserves				
17,561,761	17,561,761	Stated capital	**17,561,761**	17,561,761	**17,561,761**	17,561,761
935,795	935,795	Revaluation reserve	**935,795**	514,795	**935,795**	514,795
19,248,746	14,449,272	Retained earnings	**20,350,679**	18,257,415	**16,748,322**	13,665,497
37,746,302	32,946,828	Total equity attributable to equity holders of the company	**38,848,235**	36,333,971	**35,245,878**	31,742,053
109	-	Non-controlling interest	**109**	175	**-**	**-**
37,746,411	32,946,828	**Total equity**	**38,848,344**	36,334,146	**35,245,878**	31,742,053
		Non-Current Liabilities				
10,299,244	6,520,933	Interest bearing loans and borrowings	**8,619,159**	12,004,147	**5,250,265**	7,575,931
198,062	131,098	Right of use assets- Lease obligations	**202,195**	137,408	**131,098**	109,979
8,513,913	6,474,530	Deferred tax liabilities	**8,191,940**	8,105,787	**6,598,204**	6,231,697
4,338,896	3,648,979	Retirement benefit obligations	**4,543,439**	4,481,678	**3,804,797**	3,754,374
23,350,115	16,775,540		**21,556,733**	24,729,020	**15,784,364**	17,671,981
		Current Liabilities				
23,843,973	14,341,422	Trade and other payables	**18,817,023**	21,692,564	**10,603,404**	13,140,607
2,082,538	2,776	Bank overdraft	**2,520,542**	1,524,681	**271,328**	316,271
18,119,336	8,211,445	Interest bearing loans and borrowings	**18,303,327**	14,883,932	**5,187,841**	6,455,606
8,667,352	5,303,893	Current portion of long term interest bearing borrowing	**8,823,059**	9,053,301	**5,855,437**	5,523,778
21,403	4,529	Current portion of Right of use assets- Lease obligations	**28,950**	30,750	**11,035**	10,479
370,437	351,956	Amounts due to Hayleys PLC	**1,054,333**	321,887	**675,855**	299,875
4,550,406	3,030,975	Other non financial liabilities	**2,710,332**	6,012,562	**1,968,920**	3,641,907
57,655,445	31,246,996		**52,257,566**	53,519,676	**24,573,820**	29,388,522
118,751,971	80,969,364	**Total Equity and Liabilities**	**112,662,643**	114,582,842	**75,604,062**	78,802,556

The Statement of Financial Position as at 31st December 2025 and Statements of Profit or Loss and other Comprehensive Income, Changes in Equity and Cash Flow for nine months then ended as well as Statement of Profit or Loss and Other Comprehensive Income for three months then ended are drawn up from the unaudited financial statements of the Company, it's subsidiaries and they provide the information required by the Colombo Stock Exchange.

These financial statements are in compliance with the requirements of the Companies Act No.07 of 2007.

Sgd.
.....
Ruwan Rohitha Bandara
Director- Finance & ESG

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by,

Sgd.
.....
A.M.Pandithage
Chairman
Colombo

Sgd.
.....
E.R.P.Goonetilleke
Managing Director/ CEO

10th February 2026

Hayleys Fabric PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group		Group					
Audited		**Unaudited**	Unaudited		**Unaudited**	Unaudited	
year ended 31st March		**Nine months ended 31st December**	Nine months ended 31st December		**Three months ended 31st December**	Three months ended 31st December	
2025		**2025**	2024	*Change %*	**2025**	2024	*Change %*
USD		**USD**	USD	*+ /(-)*	**USD**	USD	*+ /(-)*
146,036,437	**Revenue from contracts with customers**	**92,646,930**	115,278,767	*(20)*	**27,044,807**	30,485,675	*(11)*
(120,146,150)	Cost of sales	**(79,098,750)**	(94,368,881)	*(16)*	**(23,557,576)**	(25,989,765)	*(9)*
25,890,287	**Gross Profit**	**13,548,180**	20,909,886	(35)	**3,487,231**	4,495,910	(22)
916,151	Other operating income	**550,790**	666,705	(17)	**299,170**	305,129	(2)
(11,799,162)	Administrative expenses	**(9,053,164)**	(9,086,295)	*(0)*	**(3,138,137)**	(2,574,717)	*22*
(953,080)	Distribution expenses	**(452,946)**	(1,243,197)	*(64)*	**(50,447)**	(67,014)	*(25)*
(30,846)	Other expenses	**-**	(22,037)	*(100)*	**-**	-	
(3,710,318)	Net financing expense	**(1,800,366)**	(3,119,402)	*(42)*	**(486,204)**	(1,227,649)	*(60)*
10,313,032	**Profit before tax**	**2,792,495**	8,105,661	*(66)*	**111,614**	931,659	*(88)*
(3,276,821)	Income tax expense	**(1,023,547)**	(2,536,341)	*(60)*	**(87,253)**	(105,690)	*(17)*
7,036,211	**Profit for the year/period**	**1,768,948**	5,569,320	*(68)*	**24,361**	825,969	*(97)*
	Profit for the period attributable to:						
7,036,277	Owners of the parent	**1,768,948**	**5,569,320**	*(68)*	**24,361**	**825,969**	(97)
(66)	Non-controlling interest	**-**	-		**-**	-	
7,036,211	**Profit for the year/period**	**1,768,948**	5,569,320	*(68)*	**24,361**	**825,969**	*(97)*
	Other Comprehensive Income not to be reclassified to profit or loss						
601,428	Surplus on revaluation of land	**-**	-		**-**	-	
(180,428)	Tax effect on revaluation of land	**-**	-		**-**	-	
11,669	Actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
(3,501)	Tax effect on actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
7,465,379	**Total Comprehensive Income, Net of Tax**	**1,768,948**	5,569,320		**24,361**	825,969	
0.017	**Basic / Diluted Earnings per Share**	**0.004**	0.013		**0.000**	0.002	

Hayleys Fabric PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Company		Company					
Audited		**Unaudited**	Unaudited		**Unaudited**	Unaudited	
Year ended 31st March		**Nine months ended 31st December**	Nine months ended 31st December		**Three months ended 31st December**	Three months ended 31st december	
2025 USD		**2025 USD**	2024 USD	*Change % + /(-)*	**2025 USD**	2024 **USD**	*Change % + /(-)*
96,238,891	**Revenue from contracts with customers**	**61,240,072**	75,686,844	*(19)*	**17,280,810**	19,758,468	*(13)*
(77,395,608)	Cost of sales	**(49,760,159)**	(60,875,689)	*(18)*	**(13,954,887)**	(16,301,494)	*(14)*
18,843,283	**Gross Profit**	**11,479,913**	14,811,155	(22)	**3,325,923**	3,456,974	(4)
1,028,431	Other operating income	**513,048**	814,948	(37)	**322,456**	278,131	16
(8,077,012)	Administrative expenses	**(6,115,656)**	(6,261,118)	(2)	**(2,078,825)**	(1,688,074)	23
(742,103)	Distribution expenses	**(548,529)**	(594,886)	(8)	**(290,021)**	(26,570)	>100
(30,846)	Other expenses	**-**	(22,037)	(100)	**-**	-	
(2,016,108)	Net financing expense	**(794,888)**	(1,740,968)	(54)	**(169,700)**	(688,649)	(75)
9,005,645	**Profit before tax**	**4,533,889**	7,007,095	(35)	**1,109,834**	1,331,813	(17)
(3,249,964)	Income tax expense	**(1,567,825)**	(2,517,529)	(38)	**(418,925)**	(596,806)	(30)
5,755,681	**Profit for the year/period**	**2,966,064**	4,489,566	(34)	**690,909**	735,007	*(6)*
	Other Comprehensive Income not to be reclassified to profit or loss						
601,428	Surplus on revaluation of land	**-**	-		**-**	-	
(180,428)	Tax effect on revaluation of land	**-**	-		**-**	-	
2,077	Actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
(623)	Tax effect on actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
6,178,134	**Total Comprehensive Income, Net of Tax**	**2,966,064**	4,489,566		**690,909**	735,007	
0.014	**Basic / Diluted Earnings per Share**	**0.007**	0.011		**0.002**	0.002	

Hayleys Fabric PLC

STATEMENT OF CHANGES IN EQUITY

Group **For the Period ended 31st December 2025**	**Stated capital USD**	**Revaluation reserve USD**	**Retained earnings USD**	**Shareholders' funds USD**	**Non-Controlling Interest USD**	**Total Equity USD**
Balance as at 1st April 2025	**17,561,761**	**935,795**	**19,248,746**	**37,746,302**	**109**	**37,746,411**
Profit for the period	**-**	**-**	**1,768,948**	**1,768,948**	**-**	**1,768,948**
Total comprehensive income	**-**	**-**	**1,768,948**	**1,768,948**	**-**	**1,768,948**
Transactions with owners, recorded directly in equity						
Dividends to equity holders	**-**	**-**	**(667,015)**	**(667,015)**	**-**	**(667,015)**
Balance as at 31st December 2025	**17,561,761**	**935,795**	**20,350,679**	**38,848,235**	**109**	**38,848,344**
For the Period ended 31st December 2024						
Balance as at 1st April 2024	17,561,761	514,795	14,732,650	32,809,206	175	32,809,381
Profit for the period			5,569,320	5,569,320	-	5,569,320
Total comprehensive income	-	-	5,569,320	5,569,320	-	5,569,320
Transactions with owners, recorded directly in equity						
Dividends to equity holders	-	-	(2,044,555)	(2,044,555)	-	(2,044,555)
Total contributions by and distributions to owners			(2,044,555)	(2,044,555)	-	(2,044,555)
Balance as at 31st December 2024	17,561,761	514,795	18,257,415	36,333,971	175	36,334,146

Company **For the Period ended 31st December 2025**	**Stated capital USD**	**Revaluation reserve USD**	**Retained earnings USD**	**Total USD**
Balance as at 1st April 2025	**17,561,761**	**935,795**	**14,449,272**	**32,946,828**
Profit for the period	**-**	**-**	**2,966,064**	**2,966,064**
Total comprehensive Income	**-**	**-**	**2,966,064**	**2,966,064**
Dividends to equity holders	**-**	**-**	**(667,015)**	**(667,015)**
Balance as at 31st December 2025	**17,561,761**	**935,795**	**16,748,322**	**35,245,877**
For the period ended 31st December 2024				
Balance as at 1st April 2024	17,561,761	514,795	11,220,486	29,297,042
Profit for the period	-	-	4,489,566	4,489,566
Total comprehensive Income	-	-	4,489,566	4,489,566
Dividends to equity holders	-	-	(2,044,555)	(2,044,555)
Balance as at 31st December 2024	17,561,761	514,795	13,665,497	31,742,053

Hayleys Fabric PLC

STATEMENT OF CASH FLOW

Group Audited As at 31.03.25 USD	Company Audited As at 31.03.25 USD		Group Unaudited 31.12.2025 USD	Group Unaudited 31.12.2024 USD	Company Unaudited 31.12.2025 USD	Company Unaudited 31.12.2024 USD
		Cash flows from / (used in) operating activities				
10,313,032	9,005,645	Profit before income tax expenses	**2,792,495**	8,105,661	**4,533,889**	7,007,095
		Adjustments for				
4,260,851	2,466,355	Depreciation on property, plant and equipment	**3,097,702**	3,100,836	**1,692,957**	1,768,575
135,437	26,042	Amortization of intangible assets	**96,184**	103,539	**13,763**	21,118
29,050	7,301	Depreciation on lease hold land	**9,887**	7,567	**6,006**	5,299
748,938	605,740	Provision for retiring gratuity	**690,813**	733,770	**573,760**	605,918
352,582	235,952	Net unreailised (gain)/ loss on translation of foreign currency	**(681,970)**	577,762	**(472,128)**	398,941
2,653,078	1,375,337	Net finance costs	**1,882,817**	2,037,219	**888,289**	1,074,900
(18,572)	(18,238)	Profit on disposal of property, plant and equipment	**(13,587)**	(18,567)	**(13,587)**	(18,233)
30,846	30,846	Loss on impairment of idle property, plant and equipment	**-**	22,037	**-**	22,037
(269,753)	(269,753)	Creditors write back	**(223,362)**	(142,352)	**(223,362)**	(142,352)
36,447	-	Impairment charged/(reversal) for bad and doubtful debts	**188,178**	20,680	**13,472**	(2)
239,004	(390,640)	Impairment charged/(reversal) for slow moving inventories	**22,622**	924,901	**(391,178)**	(434,009)
18,510,940	13,074,586	Operating profit before working capital changes	**7,861,780**	15,473,053	**6,621,882**	10,309,287
(106,122)	1,640,482	(Increase)/decrease in trade and other receivables	**(931,174)**	1,500,906	**495,768**	1,934,970
210,870	(161,517)	(Increase)/decrease in advances and prepayments	**31,609**	49,460	**112,623**	62,156
(810,781)	(6,944)	(Increase)/decrease in inventories	**3,933,059**	(238,283)	**3,940,416**	771,770
(3,558,916)	(240,678)	Decrease in trade and other payables and other non financial liabilities	**(4,978,494)**	(4,320,998)	**(3,502,514)**	(953,756)
14,245,991	14,305,929	Cash generated from operations	**5,916,779**	12,464,138	**7,668,174**	12,124,427
(323,020)	(240,816)	Retiring gratuity paid (net)	**(310,079)**	(222,766)	**(272,138)**	(174,549)
(3,268,617)	(1,826,221)	Interest paid	**(2,146,639)**	(2,519,669)	**(1,029,251)**	(1,435,696)
(4,047,618)	(3,806,473)	Income tax paid	**(1,842,998)**	(3,157,567)	**(1,710,656)**	(3,033,232)
6,606,736	8,432,420	Net cash flows from operating activities	**1,617,062**	6,564,136	**4,656,128**	7,480,950
		Cash flows from / (used in) investing activities				
(6,031,642)	(2,168,867)	Purchase and construction of property, plant and equipment	**(3,012,068)**	(5,506,386)	**(2,734,347)**	(2,023,057)
19,600	19,600	Proceeds from disposal of property, plant and equipment	**19,870**	19,594	**19,870**	19,594
631,679	459,229	Interest received	**279,194**	493,404	**147,469**	366,973
(5,380,363)	**(1,690,038)**	Net cash flows used in investing activities	**(2,713,004)**	**(4,993,388)**	**(2,567,009)**	**(1,636,491)**
		Cash flows from /(used in) financing activities				
2,173,751	564,095	Proceeds from new term loans	**8,320,696**	1,678,876	**6,220,696**	239,220
(9,530,558)	(6,239,164)	Repayment of term loans	**(9,342,981)**	(7,135,952)	**(6,613,493)**	(4,765,520)
(39,707)	(11,035)	Payment for lease obligations	**-**	-	**-**	-
7,954,658	1,328,538	Net movement of import & short term loans	**183,991**	4,719,254	**(3,023,604)**	(427,301)
(2,384,745)	(2,384,745)	Dividend paid to equity holders	**(1,150,808)**	(2,035,095)	**(1,150,808)**	(2,035,095)
(1,826,601)	(6,742,311)	Net cash flows used in financing activities	**(1,989,102)**	(2,772,917)	**(4,567,209)**	(6,988,696)
(600,228)	71	**Net increase/(decrease) in Cash and Cash Equivalents**	**(3,085,045)**	(1,202,170)	**(2,478,090)**	(1,144,238)
9,022,646	7,098,749	**Cash and cash equivalents at the beginning of the year**	**8,422,418**	9,022,646	**7,098,820**	7,098,749
8,422,418	7,098,820	**Cash and cash equivalents at the end of the year/period**	**5,337,373**	7,820,476	**4,620,730**	5,954,511
		Note A				
		Analysis of cash and cash equivalents				
10,504,956	7,101,596	Cash and bank balances	**7,857,915**	9,345,157	**4,892,058**	6,270,782
(2,082,538)	(2,776)	Bank Overdraft	**(2,520,542)**	(1,524,681)	**(271,328)**	(316,271)
8,422,418	7,098,820		**5,337,373**	7,820,476	**4,620,730**	5,954,511

Hayleys Fabric PLC

Notes to the Financial Statements

1 These interim financial statements which have not been audited, comply with the Sri Lanka Accounting Standard LKAS 34-"Interim financial reporting" and they also provide the information required by the Colombo Stock Exchange.

2 No contingent liability as at 31st December 2025.

3 The accounting policies adopted in these financial statements are consistent with the accounting policies set out in the Annual Report for the year ended 31.03.2025.

4 No circumstances have arisen since the Statement of Financial Position date, which would require adjustments/disclose to the Financial Statements.

Hayleys Fabric PLC

STATEMENT OF FINANCIAL POSITION
TRANSLATED INTO LKR

Group	Company		Group		Company	
As at 31.03.25	As at 31.03.25		**As at 31.12.25**	As at 31.12.24	**As at 31.12.25**	As at 31.12.24
LKR '000	LKR '000		**LKR '000**	LKR '000	**LKR '000**	LKR '000
		ASSETS				
		Non-Current Assets				
13,954,371	7,586,297	Property, plant and equipment	**14,533,289**	13,702,117	**8,240,402**	7,478,286
258,823	60,777	Right of use assets	**267,036**	236,404	**61,550**	53,523
136,750	7,460	Intangible assets	**114,819**	144,629	**5,734**	8,835
-	5,495,027	Investment in Subsidiary	**-**	-	**5,735,245**	5,430,859
3,138,138	-	Goodwill	**3,275,324**	3,101,493	**-**	-
17,488,082	13,149,561		**18,190,468**	**17,184,643**	**14,042,932**	**12,971,503**
		Current Assets				
9,313,710	5,445,431	Inventories	**8,479,887**	8,831,119	**4,570,013**	5,163,393
5,077,516	3,136,283	Trade receivables	**5,497,040**	4,543,089	**3,132,084**	3,014,491
144,883	134,382	Other receivables	**186,752**	149,450	**121,802**	130,499
512,696	337,517	Advances and prepayments	**525,192**	554,659	**316,939**	267,129
3,157,580	2,134,598	Cash and cash equivalents	**2,465,185**	2,776,166	**1,534,736**	1,862,861
18,206,385	11,188,211		**17,154,057**	**16,854,482**	**9,675,574**	**10,438,373**
35,694,467	24,337,772	**Total Assets**	**35,344,524**	**34,039,125**	**23,718,506**	**23,409,876**
		EQUITY AND LIABILITIES				
		Capital and Reserves				
1,968,193	1,968,193	Stated capital	**1,968,193**	1,968,193	**1,968,193**	1,968,193
281,281	281,281	Revaluation reserve	**293,578**	152,930	**293,578**	152,930
4,913,483	3,762,101	Retained earnings	**5,251,865**	4,615,725	**4,468,093**	3,526,491
4,182,826	3,891,582	Exchange fluctuation reserve	**4,673,833**	4,056,884	**4,327,473**	3,781,998
11,345,783	9,903,157	**Total Equity attributable to equity holders of the company**	**12,187,468**	**10,793,732**	**11,057,337**	**9,429,612**
33	-	**Non-controling interest**	**34**	52	**-**	-
11,345,816	9,903,157	**Total Equity**	**12,187,502**	**10,793,784**	**11,057,337**	**9,429,612**
		Non-Current Liabilities				
3,095,747	1,960,062	Interest bearing loans and borrowings	**2,704,003**	3,566,072	**1,647,113**	2,250,582
59,533	39,406	Right of use assets- Lease obligations	**63,433**	40,820	**41,128**	32,671
2,559,112	1,946,114	Deferred tax liabilities	**2,569,975**	2,407,986	**2,069,989**	1,851,250
1,304,185	1,096,810	Retirement benefit obligations	**1,425,368**	1,331,372	**1,193,641**	1,115,312
7,018,577	5,042,392		**6,762,778**	**7,346,250**	**4,951,871**	**5,249,815**
		Current Liabilities				
7,167,022	4,310,745	Trade and other payables	**5,903,276**	6,444,210	**3,326,500**	3,903,680
625,969	835	Bank overdraft	**790,745**	452,937	**85,121**	93,955
5,446,310	2,468,196	Interest bearing loans	**5,742,120**	4,421,570	**1,627,530**	1,917,767
2,605,233	1,594,244	Current portion of long term interest bearing borrowing	**2,767,970**	2,689,464	**1,836,968**	1,640,949
6,433	1,362	Current portion of Right of use assets- Lease obligations	**9,082**	9,135	**3,462**	3,113
111,346	105,791	Amounts due to Hayleys PLC	**330,765**	95,623	**212,029**	89,084
1,367,761	911,050	Other non financial liabilities	**850,285**	1,786,152	**617,690**	1,081,901
17,330,074	9,392,223		**16,394,244**	**15,899,091**	**7,709,299**	**8,730,449**
35,694,467	24,337,772	**Total Equity and Liabilities**	**35,344,524**	**34,039,125**	**23,718,506**	**23,409,876**

The financial statements prepared and presented in US Dollars reflect the economic substance of underlying events and circumstances of the enterprise. The supplementary information in SL Rupees is presented for convenience purposes only. The statements presented in SL Rupees are not a full set of financial statements and are not purported to comply with Sri Lanka Accounting Standards. They represent selected information taken from the US Dollar financial statements, translated into SL Rupees generally using the principles set out in Sri Lanka Accounting Standard (LKAS) 21 for the translation of financial statements to a presentation currency from a functional currency. Revenue and costs are converted using the average exchange rate for the period. Assets and liabilities are converted using the exchange rate at the end of the period/year. The revenue reserves incorporates the profit for the period reflected in the income statements.

In accordance with advice received from the Urgent Issue Task Force of the Institute of Chartered Accountants of Sri Lanka, stated capital is represented at it's original SL Rupee value.

Followings exchange rates were used to convert the financials into LKR.	***31.12.2025***		***31.12.2024***	
	9 months	*3 months*	*9 months*	*3 months*
Statement of Profit or Loss and Other Comprehensive Income	*307.08*	*311.24*	*302.71*	*296.76*
Statement of Financial Position	*313.72*		*297.07*	

Hayleys Fabric PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

TRANSLATED INTO LKR

Group		Group					
Year ended 31st March		**Nine months ended 31st December**	Nine months ended 31st December		**Three months ended 31st December**	Three months ended 31st December	
2025		**2025**	2024	*Change %*	**2025**	2024	*Change %*
LKR '000		**LKR '000**	LKR '000	*+ /(-)*	**LKR '000**	LKR '000	*+ /(-)*
44,129,291	**Revenue from contracts with customers**	**28,450,019**	34,896,036	*(18)*	**8,441,372**	8,975,636	*(6)*
(36,305,764)	Cost of sales	**(24,289,644)**	(28,566,404)	*(15)*	**(7,349,586)**	(7,663,592)	*(4)*
7,823,527	**Gross Profit**	**4,160,375**	6,329,632	*(34)*	**1,091,786**	1,312,044	*(17)*
276,843	Other operating income	**169,137**	201,818	*(16)*	**92,393**	91,288	*1*
(3,565,471)	Administrative expenses	**(2,780,045)**	(2,750,512)	*1*	**(975,962)**	(759,988)	*28*
(288,002)	Distribution expenses	**(139,091)**	(376,328)	*(63)*	**(16,329)**	(16,781)	*(3)*
(9,321)	Other expenses	**-**	(6,736)	*(100)*	**-**	-	
(1,121,184)	Net financing expense	**(552,856)**	(944,274)	*(41)*	**(152,037)**	(365,984)	*(58)*
3,116,392	**Profit before tax**	**857,519**	2,453,600	*(65)*	**39,850**	260,579	*(85)*
(990,190)	Income tax expense	**(314,311)**	(767,776)	*(59)*	**(28,741)**	(24,750)	*16*
2,126,202	**Profit for the year/period**	**543,208**	1,685,824	*(68)*	**11,110**	235,829	*(95)*
	Profit for the period attributable to:						
2,126,222	Owners of the parent	**543,208**	1,685,824	*(68)*	**11,109**	235,829	*(95)*
(20)	Non-controlling interest	**-**	-		**-**	-	-
2,126,202	**Profit for the year/period**	**543,208**	1,685,824	*(68)*	**11,109**	235,829	*(95)*
	Other Comprehensive Income not to be reclassified to profit or loss						
181,740	Surplus on revaluation of land	**-**	-		**-**	-	
(54,522)	Tax effect on revaluation of land	**-**	-		**-**	-	
3,526	Actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
(1,058)	Tax effect on actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
2,255,888	**Total Comprehensive Income, Net of Tax**	**543,208**	1,685,824		**11,110**	235,829	
5.12	**Basic / Diluted Earnings per Share**	**1.31**	4.06		**0.03**	0.57	

Hayleys Fabric PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

TRANSLATED INTO LKR

Company		Company					
Year ended 31st March		**Nine months ended 31st December**	Nine months ended 31st December		**Three months ended 31st December**	Three months ended 31st December	
2025 LKR '000		**2025 LKR '000**	2024 LKR '000	*Change % + /(-)*	**2025 LKR '000**	2024 LKR '000	*Change % + /(-)*
29,081,468	**Revenue from contracts with customers**	**18,805,601**	22,911,165	*(18)*	**5,398,026**	5,814,420	(7)
(23,387,405)	Cost of sales	**(15,280,350)**	(18,427,680)	*(17)*	**(4,359,742)**	(4,801,794)	(9)
5,694,063	**Gross Profit**	**3,525,252**	4,483,485	(21)	**1,038,285**	1,012,626	3
310,772	Other operating income	**157,547**	246,693	*(36)*	**99,416**	82,593	*20*
(2,440,712)	Administrative expenses	**(1,877,996)**	(1,895,303)	*(1)*	**(646,763)**	(497,369)	30
(224,249)	Distribution expenses	**(168,442)**	(180,078)	*(6)*	**(89,597)**	(6,350)	>100
(9,321)	Other expenses	**-**	(6,736)	*(100)*	**-**	-	
(609,228)	Net financing expense	**(244,094)**	(527,008)	*(54)*	**(53,412)**	(205,324)	(74)
2,721,325	**Profit before tax**	**1,392,267**	2,121,053	*(34)*	**347,929**	386,176	*(10)*
(982,074)	Income tax expense	**(481,448)**	(762,081)	*(37)*	**(131,033)**	(174,935)	*(25)*
1,739,251	**Profit for the year/period**	**910,819**	1,358,972	*(33)*	**216,896**	211,241	3
	Other Comprehensive Income not to be reclassified to profit or loss						
181,740	Surplus on revaluation of land	**-**	-		**-**	-	
(54,522)	Tax effect on revaluation of land	**-**	-		**-**	-	
627	Actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
(188)	Tax effect on actuarial gain/(loss) on defined benefit plans	**-**	-		**-**	-	
1,866,908	**Total Comprehensive Income, Net of Tax**	**910,819**	1,358,972		**216,896**	**211,241**	
4.19	**Basic / Diluted Earnings per Share**	**2.19**	3.27		**0.52**	0.51	