HARISCHANDRA MILLS PLC.

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED 31 DECEMBER 2025

CORPORATE INFORMATION

Legal form
A Public Company with Limited Liability incorporated in Sri Lanka, whose shares are Listed in the Colombo Stock Exchange.

Registration No.
PQ 225

Date of incorporation
9th January 1953

Registered office
No. 11, C.A.Harischandra Mawatha, Matara.

Secretaries
Corporate Services (Pvt) Limited.
216, De Saram Place,
Colombo 10

Auditors
KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
Colombo 3.

Internal auditors
Ernst & Young
(Chartered Accountants)
201, De Saram Place,
Colombo 10

Legal advisors
F J & G De Saram
Attorneys - at - Law
216, De Saram Place,
Colombo 10

Subsidiary company
Harischandra Mills (Distributors) Limited
(wholly owned) incorporated in Sri Lanka

Board of Directors
Bandaranayake T.K. (Chairman)
Samarasinghe S.N. (Managing Director)
De Silva G.S.V.
De Silva M.P. (Mrs.)
Jayasundara S. A S.
Samarasinghe R.K (Mrs.)
Kobbekaduwa R. (Mrs.)
Sudath Kumar G.K
Wickremasinghe L.L.S

Remuneration Committee
Sudath Kumar G.K (Chairman)
Bandaranayake T.K.
Kobbekaduwa R. (Mrs.)

Audit & Risk Management Committee
Wickremasinghe L.L.S (Chairman)
Sudath Kumar G.K
Bandaranayake T.K.
Kobbekaduwa R. (Mrs.)

Related Party Transactions Review Committee
Wickremasinghe L.L.S (Chairman)
Sudath Kumar G.K
Bandaranayake T.K.
Kobbekaduwa R. (Mrs.)
Samarasinghe S.N.

Nomination and Governance Committee
Sudath Kumar G.K (Chairman)
Bandaranayake T.K.
Kobbekaduwa R. (Mrs.)

HARISCHANDRA MILLS PLC

INTERIM FINANCIAL STATEMENTS

For the nine months ended 31 December 2025

INCOME STATEMENT

GROUP

	Quarter Ended 31 December			Nine Months Ended 31 December			Year Ended 31 March (Audited)
	2025	2024	VARIANCE	2025	2024	VARIANCE	2025
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Revenue	1,788,931	1,630,841	10	4,922,873	4,721,291	4	6,321,658
Cost of sales	(1,439,060)	(1,307,757)	10	(4,015,079)	(3,813,466)	5	(5,075,709)
Gross profit	349,871	323,084	8	907,794	907,825	(0)	1,245,949
Other income	14,841	5,502	170	46,964	18,893	149	26,521
	364,712	328,586	11	954,758	926,718	3	1,272,470
Administrative expenses	(147,335)	(132,756)	11	(417,319)	(402,614)	4	(442,406)
Selling & distribution expenses	(109,124)	(126,263)	(14)	(314,276)	(341,008)	(8)	(512,686)
Result from operating activities	108,253	69,567	56	223,163	183,096	22	317,378
Finance income	12,618	9,812	29	36,250	32,719	11	43,476
Finance expenses	(4,254)	(2,177)	(95)	(8,264)	(9,251)	11	(10,654)
Net finance income/(expenses)	8,364	7,635	10	27,986	23,468	19	32,822
Profit/(Loss) from ordinary activities before tax	116,617	77,202	51	251,149	206,564	22	350,200
Income tax expenses	(24,549)	(23,161)	6	(73,371)	(62,306)	18	(97,136)
Profit/(Loss) after taxation attributable to shareholders of Harischandra Mills PLC	92,068	54,041		177,778	144,258		253,064
	Rs.	Rs.		**Rs.**	Rs.		Rs.
Basic/Diluted Earnings per Share	47.96	28.15		92.61	75.15		131.83

Notes :

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

All values are in Rs.'000, unless otherwise stated.

STATEMENT OF COMPREHENSIVE INCOME
GROUP

	Quarter Ended 31 December			Nine months ended 31 December			Year Ended 31 March (Audited)
	2025	2024	VARIANCE	2025	2024	VARIANCE	2025
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Profit/(Loss) for the period	92,068	54,041	70	177,778	144,258	23	253,064
Other comprehensive income will not be reclassified to income statement in subsequent periods							
Actuarial loss from Re- measurement of employee benefit obligation	-	-	-	-	-	-	(17,367)
Related Taxes	-	-	-	-	-	-	5,210
Other comprehensive income for the period	-	-	-	-	-	-	(12,157)
Total comprehensive income for the period	92,068	54,041	70	177,778	144,258	23	240,907

Notes :
The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.
All values are in Rs.'000, unless otherwise stated.

STATEMENT OF FINANCIAL POSITION
GROUP

	As at 31.12.2025 Rs. '000	As at 31.12.2024 Rs. '000	As at 31.03.2025 (Audited) Rs. '000
ASSETS			
Non-current assets			
Property, plant & equipment	1,105,417	880,901	895,805
Intangible assets	1,102	596	1,449
Right of use asset	-	8,655	4,945
Deferred tax asset	9,678	-	3,211
Total non-current assets	1,116,197	890,152	905,410
Current assets			
Inventories	539,425	502,691	474,958
Trade and Other Receivables	627,664	611,198	618,395
Investment in unit trusts	34,041	139,615	142,430
Investment in Fixed Deposits	626,673	511,482	487,611
Cash & bank balances	53,901	49,001	131,348
Total current assets	1,881,704	1,813,987	1,854,742
Total assets	2,997,901	2,704,139	2,760,152
EQUITY & LIABILITIES			
Equity			
Stated capital	105,578	105,578	105,578
Other capital reserves	7,011	7,011	7,011
General Reserve	12,841	12,841	12,841
Retained earnings	1,726,220	1,604,725	1,702,010
Total equity attributable to equity holders of the company	1,851,650	1,730,155	1,827,440
Non Current Liabilities			
Deferred tax liabilities	-	28,706	-
Employee benefit obligation	234,531	190,925	206,381
Total non current liabilities	234,531	219,631	206,381
Current Liabilities			
Trade and Other Payables	705,573	596,702	569,619
Provision for taxation	24,863	14,747	60,598
Bank overdraft	181,284	142,904	96,114
Total current liabilities	911,720	754,353	726,331
Total liabilities	1,146,251	973,984	932,712
Total equity & liabilities	2,997,901	2,704,139	2,760,152
	Rs.	**Rs.**	Rs. Rs.
Net Assets Value Per Share	964.60	901.31	951.99

Notes:
The above figures are provisional and subject to audit.
All values are in Rs.'000, unless otherwise stated.

I certify that these Financial Statements comply with the requirements of the Companies Act No.07 of 2007.

.....
C.T.Gajanayake - Chief Financial Officer

Signed for and on behalf of the Board,

.....
S.N.Samarasinghe
Managing Director
06 February 2026

.....
G.S.V.De Silva
Director

INCOME STATEMENT
COMPANY

	Quarter Ended 31 December			Nine months ended 31 December			Year Ended 31 March (Audited)
	2025 Rs. '000	2024 Rs. '000	VARIANCE %	2025 Rs. '000	2024 Rs. '000	VARIANCE %	2025 Rs. '000
Revenue	1,788,931	1,630,841	10	4,922,873	4,721,291	4	6,321,658
Cost of sales	(1,439,060)	(1,307,757)	10	(4,015,079)	(3,813,466)	5	(5,075,709)
Gross profit	349,871	323,084	8	907,794	907,825	(0)	1,245,949
Other operating income	14,841	5,502	170	46,964	18,893	149	26,521
	364,712	328,586	11	954,758	926,718	3	1,272,470
Administrative expenses	(147,335)	(132,690)	11	(417,319)	(402,492)	4	(442,406)
Selling & distribution expenses	(109,124)	(126,263)	(14)	(314,276)	(341,008)	(8)	(510,119)
Profit from operating activities	108,253	69,633	55	223,163	183,218	22	319,945
Finance income	12,618	9,812	29	36,250	32,719	11	43,476
Finance expenses	(4,254)	(2,177)	(95)	(8,264)	(9,251)	11	(10,654)
Net finance income	8,364	7,635	10	27,986	23,468	19	32,822
Profit/(Loss) from ordinary activities before tax	116,617	77,268	51	251,149	206,686	22	352,767
Income tax expenses	(24,549)	(23,180)	6	(73,371)	(61,669)	19	(97,136)
Profit/(Loss) after taxation attributable to shareholders of Harischandra Mills PLC	92,068	54,088		177,778	145,017		255,631
	Rs.	Rs.		**Rs.**	Rs.		Rs.
Basic/Diluted Earnings per Share	47.96	28.18		92.61	75.55		133.17

Notes :
The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.
All values are in Rs.'000, unless otherwise stated.

STATEMENT OF COMPREHENSIVE INCOME
COMPANY

	Quarter Ended 31 December			Nine months ended 31 December			Year Ended 31 March (Audited)
	2025	2024	VARIANCE	2025	2024	VARIANCE	2025
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	%	Rs. '000
Profit/(Loss) for the period	92,068	54,088	70	177,778	145,017	23	255,631
Other comprehensive income will not be reclassified to income statement in subsequent periods							
Actuarial loss from Re- measurement of employee benefit obligation	-	-	-	-	-	-	(17,367)
Related Taxes	-	-	-	-	-	-	5,210
Other comprehensive income for the period	-	-	-	-	-	-	(12,157)
Total comprehensive income for the period	92,068	54,088	70	177,778	145,017	23	243,474

Notes :
The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.
All values are in Rs.'000, unless otherwise stated.

STATEMENT OF FINANCIAL POSITION
COMPANY

	As at 31.12.2025	As at 31.12.2024	As at 31.03.2025 (Audited)
	Rs. '000	Rs. '000	Rs. '000
ASSETS			
Non-current assets			
Property, plant & equipment	1,105,417	880,901	895,805
Intangible assets	1,102	596	1,449
Right of use asset	-	8,655	4,945
Deferred tax asset	9,678	-	3,211
Total non-current assets	1,116,197	890,152	905,410
Current assets			
Inventories	539,425	502,691	474,958
Trade and Other Receivables	627,664	611,198	618,395
Investment in unit trusts	34,041	139,615	142,430
Investment in Fixed Deposits	626,673	511,482	487,611
Cash & bank balances	53,856	48,956	131,303
Total current assets	1,881,659	1,813,942	1,854,697
Total assets	2,997,856	2,704,094	2,760,107
EQUITY & LIABILITIES			
Equity			
Stated Capital	105,578	105,578	105,578
Other capital reserves	11	11	11
General Reserve	12,841	12,841	12,841
Retained earnings	1,733,475	1,610,172	1,709,265
Total equity attributable to equity holders of the company	1,851,905	1,728,602	1,827,695
Non current liabilities			
Deferred liabilities	-	28,706	-
Employee benefit obligation	234,531	190,925	206,381
Total non current liabilities	234,531	219,631	206,381
Current liabilities			
Trade and Other Payables	705,273	596,264	569,319
Provision for taxation	24,863	16,693	60,598
Bank overdraft	181,284	142,904	96,114
Total current liabilities	911,420	755,861	726,031
Total liabilities	1,145,951	975,492	932,412
Total equity & liabilities	2,997,856	2,704,094	2,760,107
	Rs.	Rs.	Rs.
Net assets value per share	964.73	900.50	952.12

Notes:
The above figures are provisional and subject to audit.
All values are in Rs.'000, unless otherwise stated.

I certify that these Financial Statements comply with the requirements of the Companies Act No.07 of 2007.

.....
C.T.Gajanayake - Chief Financial Officer

Signed for and on behalf of the Board,

.....
S.N.Samarasinghe
Managing Director

.....
G.S.V.De Silva
Director

06 February 2026

STATEMENTS OF CHANGES IN EQUITY

	2025					2024				
	Stated Capital	Other Capital Reserves	General Reserves	Retained Earnings	Total Equity	Stated Capital	Other Capital Reserves	General Reserves	Retained Earnings	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Group										
Balance as at 01 April	105,578	7,011	12,841	1,702,010	1,827,440	105,578	7,011	12,841	1,614,035	1,739,465
Retained profit for the Nine months	-	-	-	177,778	177,778	-	-	-	144,258	144,258
Interim Dividend	-	-	-	(76,784)	(76,784)	-	-	-	(76,784)	(76,784)
Final Dividend	-	-	-	(76,784)	(76,784)	-	-	-	(76,784)	(76,784)
Balance as at 31 December	105,578	7,011	12,841	1,726,220	1,851,650	105,578	7,011	12,841	1,604,725	1,730,155
Company										
Balance as at 01 April	105,578	11	12,841	1,709,265	1,827,695	105,578	11	12,841	1,618,723	1,737,153
Retained profit for the Nine months	-	-	-	177,778	177,778	-	-	-	145,017	145,017
Interim Dividend	-	-	-	(76,784)	(76,784)	-	-	-	(76,784)	(76,784)
Final Dividend	-	-	-	(76,784)	(76,784)	-	-	-	(76,784)	(76,784)
Balance as at 31 December	105,578	11	12,841	1,733,475	1,851,905	105,578	11	12,841	1,610,172	1,728,602

Notes :

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

All values are in Rs.'000, unless otherwise stated.

CASH FLOW STATEMENTS

	Nine months ended 31 December 2025		Nine months ended 31 December 2024	
	Company Rs. '000	*Group* Rs. '000	*Company* Rs. '000	*Group* Rs. '000
Cash flows from operating activities				
Net profit before taxation	251,149	251,149	206,686	206,564
Adjustment for				
Provision for gratuity (Net of Payment)	28,150	28,150	16,986	16,986
Depreciation & amortization	76,481	76,481	73,413	73,413
Net interest income	(27,986)	(27,986)	(23,468)	(23,468)
Change in fair value of unit trusts	(3,611)	(3,611)	(4,164)	(4,164)
(Profit)/Loss on sale of property, plant & equipment	(28,634)	(28,634)	(1,312)	(1,312)
Operating profit before working capital changes	295,549	295,549	268,141	268,019
Change in working capital				
Change in inventories	(64,467)	(64,467)	11,413	11,413
Change in receivables	(9,269)	(9,269)	86,981	86,981
Change in payables	135,955	135,955	(34,405)	(34,283)
Cash generated from operations	357,768	357,768	332,130	332,130
Income tax paid	(115,574)	(115,574)	(57,887)	(57,887)
Net cash flows from operating activities	242,194	242,194	274,243	274,243
Cash flows used in investing activities				
Interest received (net)	27,986	27,986	23,468	23,468
Proceeds from sale of property, plant & equipment	28,646	28,646	1,923	1,923
Acquisition of property, plant & equipment	(280,813)	(280,813)	(74,019)	(74,019)
Investment in Unit Trusts	112,000	112,000	(65,001)	(65,001)
Net cash used in investing activities	(112,181)	(112,181)	(113,629)	(113,629)
Cash flows used in financing activities				
Dividend paid	(153,568)	(153,568)	(153,568)	(153,568)
Net cash used in financing activities	(153,568)	(153,568)	(153,568)	(153,568)
Net increase/(decrease) in cash & cash equivalents	(23,555)	(23,555)	7,046	7,046
Cash & Cash equivalents at the beginning	522,800	522,845	410,488	410,533
Cash & Cash equivalent at the end	499,245	499,290	417,534	417,579
Analysis of Cash & Cash Equivalents				
Cash in Hand	53,856	53,901	48,956	49,001
Short Term Deposits	626,673	626,673	511,482	511,482
Bank Overdrafts	(181,284)	(181,284)	(142,904)	(142,904)
	499,245	499,290	417,534	417,579

Notes :

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

All values are in Rs.'000, unless otherwise stated.

1. **Basis of preparation**
The Interim financial statements have been prepared in compliance with Sri Lanka Accounting Standard - LKAS 34- Interim Financial Reporting. These Interim condensed Financial Statements do not include all the information and disclosures required in the Financial Statements and should be read in conjunction with the annual financial statements for the year ended 31 March 2025.

2. The presentation and classification of figures for the corresponding period of the previous year have been rearranged, where relevant, to be comparable with those for the current period.

3 The Company did not have any Contingent Liabilities outstanding and contingent assets as at the Balance Sheet date.

4 Final dividend of Rs. 40.00 per share was paid on 12 September 2025 for the financial year ended 31 March 2025

GROUP

5 **Industry segments analysis of turnover**	**Quarter ended**		**Nine months ended**	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
Food products	1,320,738	1,196,212	3,562,682	3,381,324
Soap products	204,705	177,881	575,163	542,259
Fuel & Lubricants	263,488	256,748	785,028	797,708
	1,788,931	1,630,841	4,922,873	4,721,291

6 **Segment information**	**Food products**		**Soap**		**Fuel & Lubricants**		**Total**	
For the Nine months ended 31 December	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	Rs. '000	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**
Consolidated turnover	3,562,682	3,381,324	575,163	542,259	785,028	797,708	4,922,873	4,721,291
Segmental operating profit/(loss)	184,495	103,448	(8,053)	58,290	(243)	2,465	176,199	164,203
Other operating income							46,964	18,893
Net finance income							27,986	23,468
Profit before taxation							251,149	206,564
Income tax expenses							(73,371)	(62,306)
Profit after taxation							177,778	144,258

Segments information	**Food products**		**Soap**		**Fuel & Lubricants**		**Total**	
For the quarter ended 31 December	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	Rs. '000	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**Rs. '000**
Consolidated turnover	1,320,738	1,196,212	204,705	177,881	263,488	256,748	1,788,931	1,630,841
Segmental operating profit/(loss)	97,646	50,290	(4,371)	13,635	137	140	93,412	64,065
Other operating income							14,841	5,502
Net finance income							8,364	7,635
Profit before taxation							116,617	77,202
Income tax expenses							(24,549)	(23,161)
Profit after taxation							92,068	54,041

Notes to the interim financial statements

7 Stated capital and number of shares

	COMPANY		
	as at 31.12.2025	**as at 31.12.2024**	**as at 31.03.2025**
Stated capital (Rs.)	105,578,000	105,578,000	105,578,000
No of shares (Nos.)	1,919,600	1,919,600	1,919,600

8 Market price recorded during the period

	as at 31.12.2025	**as at 31.12.2024**	**as at 31.03.2025**
	Rs.	**Rs.**	**Rs.**
Highest price (Rs.)	11,020.25	4,099.25	4,198.00
Lowest price (Rs.)	3,300.00	3,900.00	3,600.00
Closing price (Rs.)	5,090.25	3,955.25	4,000.00

Notes :
The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.
All values are in Rs.'000, unless otherwise stated.

ADDITIONAL NOTES:

9 Twenty largest shareholders of the company

As at	31.12.2025		30.09.2025	
Shareholder's name	No. of Shares	%	No. of Shares	%
1 Hayleys PLC	778,946	40.58%	-	-
2 Upeka de Silva	286,936	14.95%	286,936	14.95%
3 Chitra Padmini Rodrigo	278,920	14.53%	278,920	14.53%
4 Samarasinghe N.T.	266,920	13.90%	266,920	13.90%
5 Senaka Nilkantha Samarasinghe	76,670	3.99%	76,670	3.99%
6 Nanditha Rodrigo	30,736	1.60%	30,736	1.60%
7 Satyajit Arjuna Rodrigo	30,736	1.60%	30,736	1.60%
8 D.H.C.Ekanayake	28,292	1.47%	28,292	1.47%
9 A G I Selvaraj	27,014	1.41%	27,014	1.41%
10 H.D. Wijayanandana	24,543	1.28%	24,760	1.29%
11 M P de Silva	5,000	0.26%	5,000	0.26%
12 Chandra Sigamoney	4,494	0.23%	4,494	0.23%
13 C.J.Wijayawardana	3,825	0.20%	4,321	0.23%
14 Jayantha D	3,800	0.20%	3,800	0.20%
15 D.P.Navaratnam	3,449	0.18%	3,502	0.18%
16 Ramani Kamala Samarasinghe	3,200	0.17%	3,200	0.17%
17 H.A.Abeysekera	2,800	0.15%	2,800	0.15%
18 D.A.Jayasinghe	2,720	0.14%	2,720	0.14%
19 Estate of Mohommed Rafeek	2,668	0.14%	2,668	0.14%
20 Seyed Hamid Mohamed Kaleel	2,501	0.13%	2,536	0.13%

10 Public Holding

As at	**31.12.2025**	**30.09.2025**
No. of Shares	1,053,784	1,052,529
Percentage	54.90%	54.83%
Total No. of shareholders who hold public holding	867	621

The company had float adjusted market capitalization of Rs:5,364,412,901.10 and company qualifies under option One of the minimum public holding requirement for the Diri Savi Board of the CSE.

11 Directors Share Holding

As at	31.12.2025		30.09.2025	
Name of Director				
Mrs. R.K. Samarasinghe	3,200	0.17%	3,200	0.17%
Mr. S.N. Samarasinghe (CEO/MD)	76,670	3.99%	76,670	3.99%
Mrs. M.P.De Silva	5,000	0.26%	5,000	0.26%
Mr. G.S.V. De Silva	2,000	0.10%	2,000	0.10%
Mrs.R.Kobbekaduwa	-	-	-	-
Mr. S.A.S. Jayasundara	-	-	-	-
Mr.T.K.Bandaranayake	-	-	-	-
Mr.G.K.Sudath Kumar	-	-	-	-
Total	86,870	4.52%	86,870	4.52%

12 Events After Balance Sheet Date

Ambeon Capital PLC, through its subsidiary Ambeon Essentials (Private) Limited ,entered into a share sale and Purchase Agreement("SSPA") on 24 January 2026 to acquire through a voluntary offer 981,118 ordinary voting shares, representing approximately 51.11% of the total issued ordinary voting shares of Harischandra Mills PLC held by a consortium of Investors.