HARISCHANDRA MILLS PLC.

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 30 JUNE 2026

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
T&D Associates
(Chartered Accountants)
No340 1/1, Galle Road, Colombo 03

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
Mr. Bandaranayake T.K. (Chairman)
Mr. Samarasinghe S.N. (Managing Director)
Mr. De Silva G.S.V.
Mr. Wickremasinghe L.L.S
Mr. Jayasundara S. A S.
Mr. Mudalige D.T.S.H (Appointed w.e.f 12.05.2026)
Mr. De Silva P.A (Appointed w.e.f 12.05.2026)
Mr. Sebastian S.L. (Appointed w.e.f 12.05.2026)
Dr. Narangoda K.S (Appointed w.e.f 12.05.2026)
Mrs. Samarasinghe R.K (Resigned w.e.f 11.05.2026)
Mrs. Kobbekaduwa R.(Resigned w.e.f 12.05.2026)
Mr. Sudath Kumar G.K (Resigned w.e.f 12.05.2026)
Mrs. De Silva M.P.(Resigned w.e.f 12.05.2026)

Remuneration Committee
Mr. Mudalige D.T.S.H (Chairman)(Appointed w.e.f 12.05.2026)
Mr. Sebastian S.L. (Appointed w.e.f 12.05.2026)
Mr. Bandaranayake T.K.
Mr. Jayasundara S. A S.
Mr. Sudath Kumar G.K (Resigned w.e.f 12.05.2026)
Mrs. Kobbekaduwa R. (Resigned w.e.f 12.05.2026)

Audit & Risk Management Committee
Mr. L.L.S.Wickremasinghe(Chairman)
Mr. Bandaranayake T.K.
Mr. Mudalige D.T.S.H (Appointed w.e.f 12.05.2026)
Mr. Sebastian S.L. (Appointed w.e.f 12.05.2026)
Mrs. Kobbekaduwa R. (Resigned w.e.f 12.05.2026)
Mr. Sudath Kumar G.K (Resigned w.e.f 12.05.2026)

Related Party Transactions Review Committee
Mr. L.L.S.Wickremasinghe(Chairman)
Mr. Bandaranayake T.K.
Mr. Mudalige D.T.S.H (Appointed w.e.f 12.05.2026)
Mr. Sebastian S.L. (Appointed w.e.f 12.05.2026)
Mrs.Kobbekaduwa R.(Resigned w.e.f 12.05.2026)
Mr. Sudath Kumar G.K (Resigned w.e.f 12.05.2026)

Nomination and Governance Committee
Mr. Mudalige D.T.S.H(Chairman) (Appointed w.e.f 12.05.2026)
Mr. Bandaranayake T.K.
Mr. Sebastian S.L. (Appointed w.e.f 12.05.2026)
Mr. Jayasundara S. A S.
Mr. Sudath Kumar G.K (Resigned w.e.f 12.05.2026)
Mrs. Kobbekaduwa R.(Resigned w.e.f 12.05.2026)

For the quarter ended 30 June 2026

INCOME STATEMENT	**Group**				**Company**			
				For the year ended 31st March				**For the year ended 31st March**
Quarter ended 30 June	**2026**	**2025**	**VARIANCE**	**2026**	**2026**	**2025**	**VARIANCE**	**2026**
	Rs. '000	**Rs. '000**	**%**	**Rs. '000**	**Rs. '000**	**Rs. '000**	**%**	**Rs. '000**
Revenue	1,928,084	1,466,635	31	6,731,091	1,928,084	1,466,635	31	6,731,091
Cost of sales	(1,580,545)	(1,210,028)	31	(5,479,085)	(1,580,545)	(1,210,028)	31	(5,479,085)
Gross profit	347,539	256,607	35	1,252,006	347,539	256,607	35	1,252,006
Other income	22,596	7,159	216	121,799	22,596	7,159	216	121,799
	370,135	263,766	40	1,373,805	370,135	263,766	40	1,373,805
Administrative expenses	(136,538)	(128,589)	6	(566,639)	(136,538)	(128,589)	6	(566,609)
Selling & distribution expenses	(128,175)	(91,999)	39	(432,119)	(128,175)	(91,999)	39	(432,119)
Result from operating activities	105,422	43,178	144	375,047	105,422	43,178	144	375,077
Finance income	12,382	11,550	7	49,136	12,382	11,550	7	49,136
Finance expenses	(7,429)	(1,489)	399	(12,457)	(7,429)	(1,489)	399	(12,457)
Net finance income/(expenses)	4,953	10,061	(51)	36,679	4,953	10,061	(51)	36,679
Profit from ordinary activities before tax	110,375	53,239	107	411,726	110,375	53,239	107	411,756
Income tax expenses	(18,511)	(15,972)	16	(116,450)	(18,511)	(15,972)	16	(116,450)
Profit after taxation attributable to shareholders of Harischandra Mills PLC	91,864	37,267	147	295,276	91,864	37,267	147	295,306
	Rs.	**Rs.**		**Rs.**	**Rs.**	**Rs.**		**Rs.**
Basic Earnings per Share	47.86	19.41		153.82	47.86	19.41		153.84

Notes :

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

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

For the quarter ended 30 June 2026

STATEMENT OF COMPREHENSIVE INCOME

	Group				Company			
				For the year ended 31st March				For the year ended 31st March
For the quarter ended 30 June	2026	2025	VARIANCE	2026	2026	2025	VARIANCE	2026
	Rs. '000	Rs. '000	%	Rs. '000	Rs. '000	Rs. '000	%	Rs. '000
Profit for the period	91,864	37,267	147	295,276	91,864	37,267	147	295,306
Other comprehensive income will not be reclassified to income statement in subsequent periods								
Re- measurement of employee benefit obligation	-	-	-	(14,201)	-	-	-	(14,201)
Related Tax	-	-	-	4,260	-	-	-	4,260
Other comprehensive income for the period	-	-	-	(9,941)	-	-		(9,941)
Total comprehensive income for the period	91,864	37,267	147	285,335	91,864	37,267	147	285,365

Notes :

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

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

HARISCHANDRA MILLS PLC

INTERIM FINANCIAL STATEMENTS

For the quarter ended 30 June 2026

STATEMENT OF FINANCIAL POSITION

	GROUP			COMPANY		
	As at 30.06.2026	As at 30.06.2025	As at 31.03.2026	As at 30.06.2026	As at 30.06.2025	As at 31.03.2026
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
ASSETS						
Non-current assets						
Property, plant & equipment	1,252,354	946,364	1,127,361	1,252,354	946,364	1,127,361
Intangible assets	874	1,334	989	874	1,334	989
Right of use asset	-	1,236	-	-	1,236	-
Diferred tax asset	27,864	3,211	17,426	27,864	3,211	17,426
Total non-current assets	1,281,092	952,145	1,145,776	1,281,092	952,145	1,145,776
Current assets						
Inventories	520,658	527,700	650,687	520,658	527,700	650,687
Trade and other receivables	637,037	548,102	726,887	637,037	548,102	726,887
Investment in unit trusts	4,722	32,830	4,633	4,722	32,830	4,633
Investment in fixed deposits	479,337	609,327	633,980	479,337	609,327	633,980
Cash & bank balances	87,950	44,152	18,515	87,905	44,108	18,470
Total current assets	1,729,704	1,762,111	2,034,702	1,729,659	1,762,067	2,034,657
Total assets	3,010,796	2,714,256	3,180,478	3,010,751	2,714,212	3,180,433
EQUITY & LIABILITIES						
Equity						
Stated capital	105,578	105,578	105,578	105,578	105,578	105,578
Other capital reserves	7,011	7,011	7,011	11	11	11
General Reserve	12,841	12,841	12,841	12,841	12,841	12,841
Retained earnings	1,926,299	1,662,493	1,834,435	1,933,584	1,669,748	1,841,720
Total equity attributable to equity holders of the company	2,051,729	1,787,923	1,959,865	2,052,014	1,788,178	1,960,150
Non Current Liabilities						
Employee benefit obligation	244,463	215,924	246,009	244,463	215,924	246,009
Total non current liabilities	244,463	215,924	246,009	244,463	215,924	246,009
Current Liabilities						
Trade and other payables	507,247	616,327	666,831	506,917	616,028	666,501
Provision for taxation	32,216	30,211	44,884	32,216	30,211	44,884
Bank overdraft	175,141	63,871	262,889	175,141	63,871	262,889
Total current liabilities	714,604	710,409	974,604	714,274	710,110	974,274
Total liabilities	959,067	926,333	1,220,613	958,737	926,034	1,220,283
Total equity & liabilities	3,010,796	2,714,256	3,180,478	3,010,751	2,714,212	3,180,433
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Net Assets Value Per Share	1,068.83	931.40	1,020.98	1,068.98	931.54	1,021.12

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.

Sgn.

C.T. Gajanayake - Chief Financial Officer

Signed for and on behalf of the Board,

Sgn.

S.N.Samarasinghe
Managing Director
30 July 2026

Sgn.

Dr.K.S.Narangoda
Director

STATEMENTS OF CHANGES IN EQUITY

	2026					2025				
	Stated Capital	Other Capital Reserves	General Reserve	Retained Earnings	Total Equity	Stated Capital	Other Capital Reserves	General Reserve	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	1,834,435	1,959,865	105,578	7,011	12,841	1,702,010	1,827,440
Retained profit for the three months	-	-	-	91,864	91,864	-	-	-	37,267	37,267
Interim Dividend	-	-	-	-	-	-	-	-	(76,784)	(76,784)
Balance as at 30 June	105,578	7,011	12,841	1,926,299	2,051,729	105,578	7,011	12,841	1,662,493	1,787,923
Company										
Balance as at 01 April	105,578	11	12,841	1,841,720	1,960,150	105,578	11	12,841	1,709,265	1,827,695
Retained profit for the three months	-	-	-	91,864	91,864	-	-	-	37,267	37,267
Interim Dividend	-	-	-	-	-	-	-	-	(76,784)	(76,784)
Balance as at 30 June	105,578	11	12,841	1,933,584	2,052,014	105,578	11	12,841	1,669,748	1,788,178

Notes :

Figures in brackets indicate deductions.

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

STATEMENT OF CASH FLOWS

For the three months ended 30 June	Group		Company	
	2026	2025	2026	2025
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash flows from operating activities				
Net profit before taxation	110,375	53,239	110,375	53,239
Adjustment for				
Provision for gratuity (net of payment)	(1,546)	9,543	(1,546)	9,543
Depreciation & amortization	37,479	23,043	37,479	23,043
Change in fair value of unit trusts	(89)	(2,400)	(89)	(2,400)
Profit on disposal of property, plant & equipment	(18,793)	-	(18,793)	-
Net interest (income)/expenses	(4,953)	(10,061)	(4,953)	(10,061)
Operating profit before working capital changes	122,473	73,364	122,473	73,364
Change in working capital				
Change in inventories	130,029	(52,742)	130,029	(52,742)
Change in receivables	89,850	70,293	89,850	70,293
Change in payables	(159,587)	46,710	(159,587)	46,710
Cash generated from operations	182,765	137,625	182,765	137,625
Income tax paid	(41,617)	(46,359)	(41,617)	(46,359)
Net cash flows from operating activities	141,148	91,266	141,148	91,266
Cash flows/(used in)investing activities				
Interest received (net)	4,953	10,061	4,953	10,061
Proceeds from disposal of property,plant and equipment	18,806	-	18,806	-
Acquisition of property, plant & equipment	(162,367)	(69,779)	(162,367)	(69,779)
Proceeds from unit trusts	-	112,000	-	112,000
Net cash flows from investing activities	(138,608)	52,282	(138,608)	52,282
Cash flows used in financing activities				
Interim Dividend Paid	-	(76,784)	-	(76,784)
Net cash flow used in financing activities	-	(76,784)	-	(76,784)
Net increase/(decrease) in cash & cash equivalents	2,540	66,764	2,540	66,764
Cash & cash equivalents at the beginning	389,606	522,844	389,561	522,800
Cash & cash equivalent at the end	392,146	589,608	392,101	589,564
Analysis of cash & cash equivalents				
Cash in hand	87,950	44,152	87,905	44,108
Short term deposits	479,337	609,327	479,337	609,327
Bank overdrafts	(175,141)	(63,871)	(175,141)	(63,871)
	392,146	589,608	392,101	589,564

Notes :

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

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

Notes to the interim financial statements

EXPLANATORY NOTES:

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. There have been no events subsequent to the Balance Sheet date, which require disclosures in the Interim Financial Statements.

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

	Group Quarter ended		Company Quarter ended	
5. Gross turnover	**30.06.2026**	**30.06.2025**	**30.06.2026**	**30.06.2025**
Food products	1,274,053	1,043,793	1,274,053	1,043,793
Soap products	191,076	167,960	191,076	167,960
Fuel and Lubricant	462,955	254,882	462,955	254,882
	1,928,084	1,466,635	1,928,084	1,466,635

6. Segments information	**Food products**		**Soap**		**Fuel & Lubricants**		**Total**	
For the Quarter ended 30 June	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Consolidated turnover	1,274,053	1,043,793	191,076	167,960	462,955	254,882	1,928,084	1,466,635
Segmental operating profit/(loss)	83,231	35,910	(2,674)	392	2,269	(285)	82,826	36,017
Other operating income							22,596	7,159
Net finance income							4,953	10,061
Profit before taxation							110,375	53,239
Income tax expenses							(18,511)	(15,972)
Profit after taxation							91,864	37,267

7. Stated capital and number of shares

	Group/Company as at	as at
	30.06.2026	**30.06.2025**
Stated capital (Rs.)	105,578,000	105,578,000
No of shares (Nos.)	1,919,600	1,919,600

8. Market price recorded during the period

	as at	as at
	30.06.2026	**31.03.2026**
	Rs.	**Rs.**
Highest price (Rs.)	6,251.25	8,500.00
Lowest price (Rs.)	4,930.00	4,600.00
Closing price (Rs.)	5,216.50	5,068.75

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

09 Twenty largest shareholders of the company

As at	30.06.2026	
Shareholder's name	No. of Shares	%
1 Ambeon Essentials(Private)Limited	981,118	51.11%
2 Hayleys PLC	780,026	40.63%
3 D.H.C.Ekanayake	28,292	1.47%
4 A G I Selvaraj	27,014	1.41%
5 H.D. Wijayanandana	21,601	1.13%
6 Chandra Sigamoney	4,494	0.23%
7 C.J.Wijayawardana	3,825	0.20%
8 Jayantha D	3,800	0.20%
9 D.P.Navaratnam	3,531	0.18%
10 H.A.Abeysekera	2,800	0.15%
11 D.A.Jayasinghe	2,720	0.14%
12 Estate of Mohommed Rafeek	2,668	0.14%
13 Seyed Hamid Mohamed Kaleel	2,358	0.12%
14 K.W.Samarawathie	1,760	0.09%
15 H.G.S.Ansell	1,593	0.08%
16 W.G.C.R.Silva	1,269	0.07%
17 S.N.Wijayanandana	1,156	0.06%
18 G.C.Goonathilake	1,080	0.06%
19 C.Dahanayake	1,040	0.05%
20 H.W.E.Tissera	1,012	0.05%

10 Public Holding

As at	**30.06.2026**
No. of Shares	938,482
Percentage	48.89%
No.of Share Holders	979

The company had float adjusted market capitalization of Rs: 826,121,455.50 and company qualifies under option one of the minimum public holding requirement for for the Diri Savi Board of the CSE.

11 Directors Share Holding

As at	**30.06.2026**		**31.03.2026**	
Name of Director				
Mr.T.K.Bandaranayake	-	-	-	-
Mr. S.N. Samarasinghe (CEO/MD)	-	-	76,670	3.99%
Mr. G.S.V. De Silva	-	-	2,000	0.10%
Mr. S.A.S. Jayasundara	-	-	-	-
Mr. L.L.S.Wickremasinghe	-	-	-	-
Mr.D.T.S.H.Mudalige (Appointed w.e.f 12.05.2026)	-	-	-	-
Mr. P.A.De Silva (Appointed w.e.f 12.05.2026)	-	-	-	-
Mr. S.L.Sebastian (Appointed w.e.f 12.05.2026)				
Dr. K.S.Narangoda (Appointed w.e.f 12.05.2026)	-	-	-	-
Mrs. R.K. Samarasinghe(Resigned w.e.f 11.05.2026)	-	-	3,200	0.17%
Mrs.R.Kobbekaduwa(Resigned w.e.f 12.05.2026)	-	-	-	-
Mr. G.K Sudath Kumar (Resigned w.e.f 12.05.2026)	-	-	-	-
Mrs. M.P.De Silva M.P(Resigned w.e.f 12.05.2026)	-	-	5,000	0.26%
Total			86,870	4.52%