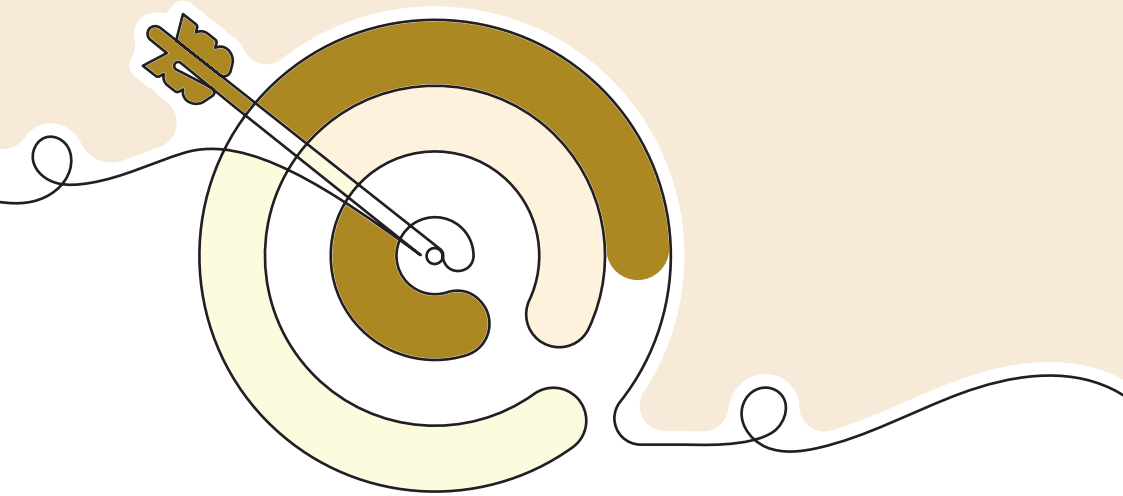
Since 1964 60 YEARS

industrial asphalts (ceylon) PLC

INTERIM FINANCIAL STATEMENTS

Q1 - 2026/2027



FORESIGHT ★ AUDACITY

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STATEMENT OF COMPREHENSIVE INCOME

		For the three months ended			For the quarter ended		
	Notes	30.06.26 (unaudited) Rs'000	30.06.25 (unaudited) Rs'000	Change %	30.06.26 (unaudited) Rs'000	30.06.25 (unaudited) Rs'000	Change %
Revenue	4	12,605	13,858	-9%	12,605	13,858	-9%
Realized Gain/ (Loss) on Financial Asset at FVTPL		(3,742)	(614)	-510%	(3,742)	(614)	-510%
Other Income		-	-	-	-	-	-
Administrative Expenses		(14,124)	(15,528)	9%	(14,124)	(15,528)	9%
Unrealized Gain/ (Loss) on Financial Asset at FVTPL		23,232	10,880	114%	23,232	10,880	114%
Gain/ (Loss) on Revaluation of Investment Property		-	-	-	-	-	-
Profit/ (Loss) from Operating Activities		17,971	8,596	109%	17,971	8,596	109%
Net Finance Income/ (Charges)		(1,651)	(3,099)	47%	(1,651)	(3,099)	47%
Profit/ (Loss) before Tax		16,319	5,497	197%	16,319	5,497	197%
Tax (Expense)/ Reversal		(134)	(1,673)	92%	(134)	(1,673)	92%
Profit/ (Loss) for the period		16,186	3,824	323%	16,186	3,824	323%
Other Comprehensive Income/ (Expenses) for the period, net of tax							
Items that will not be reclassified to profit or loss							
Actuarial gain/ (loss) on defined benefit plans		-	-	-	-	-	-
Tax effects on Other Comprehensive Income		-	-	-	-	-	-
Other Comprehensive Income/ (Expenses) for the period, net of tax		-	-	-	-	-	-
Total Comprehensive Income/ (Expenses) for the period, net of tax		16,186	3,824	323%	16,186	3,824	323%
Profit/ (Loss) attributable to:							
Equity Holders of the Company		16,186	3,824	323%	16,186	3,824	323%
Total Comprehensive Income/ (Expenses) attributable to:							
Equity Holders of the Company		16,186	3,824	323%	16,186	3,824	323%
Earnings per share (Rs.):							
Diluted and Basic Earnings/ (Loss) per Ordinary Share		0.004	0.001		0.004	0.001	

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

STATEMENT OF FINANCIAL POSITION

As at	Notes	30.06.26 (unaudited) Rs'000	31.03.26 (unaudited) Rs'000	Change %
ASSETS				
Other Fixed Assets		6,806	7,492	-9%
Investment Property	5	1,447,000	1,447,000	0%
Right Of Use Asset		21,860	23,758	-8%
Non-current Assets		1,475,666	1,478,249	0%
Receivables and Prepayments	6	46,652	42,759	9%
Other Financial Assets	7	70,520	22,570	212%
Financial Assets at FVTPL		11,700	119,333	-90%
WHT Recoverable		15,017	13,849	8%
Cash & Cash Equivalents		233	164	42%
Current Assets		144,122	198,675	-27%
TOTAL ASSETS		1,619,789	1,676,924	-3%
EQUITY & LIABILITIES				
Capital & Reserves				
Stated Capital		156,642	156,642	0%
General Reserve		15,141	15,141	0%
Retained Earnings		1,310,147	1,293,962	1%
Total Equity		1,481,930	1,465,745	1%
LIABILITIES				
Lease Liabilities		9,151	10,208	10%
Deferred Tax Liability		60,552	60,124	-1%
Retirement Benefit Obligation		19,656	18,906	-4%
Non-current Liabilities		89,360	89,239	0%
Other Payables		6,919	6,995	1%
Lease Liabilities		4,065	3,960	-3%
Refundable Rent Deposit Received		35,400	35,400	-
Unclaimed Dividends		1,685	1,685	-
Bank Overdraft		429	73,901	99%
Current Liabilities		48,498	121,941	60%
Total Liabilities		137,858	211,179	35%
TOTAL EQUITY & LIABILITIES		1,619,789	1,676,924	-3%
Net Assets Value per Ordinary Share (Rs.)		0.47	0.38	

The Statement of Financial Position as at 30 June 2026 and related Statements of Comprehensive Income, Changes in Equity and Cash Flow for the period ended 30 June 2026 are drawn up from the unaudited Financial Statements of the Company, and they provide the information required by the Colombo Stock Exchange.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. The Financial Controller certifies that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

S. Fernando
Financial Controller

Approved and signed for and on behalf of the Board of Directors

Mr. G. Ramanan
Director

Mr. R. Kishore Ignatius
Director

17th August 2026
Colombo

STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2026

	Stated Capital Rs.'000	General Reserve Rs.'000	Retained Earnings Rs.'000	Total Equity Rs.'000
Balance as at 1 April 2025 (audited)	156,642	15,141	1,238,858	1,410,641
Net Profit/ (Loss) for the three months	-	-	3,824	3,824
Other Comprehensive Income/ (Expenses) net of tax	-	-	-	-
Total Comprehensive Income/ (Expenses) for the period	156,642	15,141	1,242,682	1,414,465
Net Profit/ (Loss) for the nine months	-	-	49,864	49,864
Other Comprehensive Income/ (Expenses) net of tax	-	-	1,415	1,415
Total Comprehensive Income/ (Expenses) for the period	-	-	51,280	51,280
Transactions with Equity Holders				
Dividend paid	-	-	-	-
Balance as at 31 March 2026 (unaudited)	156,642	15,141	1,293,962	1,465,745
Balance as at 1 April 2026 (unaudited)	156,642	15,141	1,293,962	1,465,745
Net Profit/ (Loss) for the three months	-	-	16,186	16,186
Other Comprehensive Income/ (Expenses) net of tax	-	-	-	-
Total Comprehensive Income/ (Expenses) for the period	156,642	15,141	1,310,147	1,481,930
Transactions with equity holders				
Dividend paid	-	-	-	-
Balance as at 30 June 2026 (unaudited)	156,642	15,141	1,310,147	1,481,930

STATEMENT OF CASH FLOWS

For the three months ended 30 June

	Unaudited 2026 Rs'000	Unaudited 2025 Rs'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before Tax	16,319	5,497
Adjustments for:		
Depreciation & Amortization	685	2,760
Right of Use Assets Amortization	1,898	253
Provision for Gratuity	750	750
(Gain)/Loss on Revaluation of Investment Property	-	-
Unrealized Gain/ (Loss) on Financial Asset at FVTPL	(23,232)	(10,880)
Net Finance Cost	1,651	3,099
Operating Profit before Working Capital changes	(1,928)	1,480
Changes in Working Capital:		
(Increase)/ Decrease in Receivable on Equity Investments	-	(43,109)
(Increase)/ Decrease in Deposits & Prepayments	(3,894)	(9,774)
Increase/ (Decrease) in Payable on Equity Investments	-	(39,910)
Increase/ (Decrease) in Accrued Expenses	221	(2,697)
Cash generated from/ (used in) Operations	(5,602)	(94,010)
Interest Paid	(1,651)	(3,099)
WHT Paid	(1,170)	(1,120)
Gratuity paid	-	-
Taxation paid	-	-
Net Cash generated from/ (used in) Operating Activities	(8,424)	(98,228)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase and construction of Property, Plant & Equipment	-	(1,893)
Investment in Other Financial Assets	(47,950)	86,162
Investments in Financial Assets at FVTPL	130,865	4,774
Sales Proceeds from Property, Plant & Equipment	-	-
Dividend Received	-	-
Net Cash from/ (used in) Investing Activities	82,915	89,043
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(951)	(128)
Net Increase/ (Decrease) in Interest Bearing Loans/ Borrowings	-	-
Dividends paid	-	-
Net Cash generated from/ (used in) Financing Activities	(951)	(128)
Net Increase/ (Decrease) in Cash & Cash Equivalents	73,541	(9,313)
Cash & Cash Equivalents at beginning of period	(73,736)	(65,722)
Cash & Cash Equivalents at end of period	(196)	(75,035)
Cash & Short-term Funds as at 30 June	233	136
Bank Overdraft as at 30 June	(429)	(75,170)
	(196)	(75,035)

NOTES TO THE FINANCIAL STATEMENTS

1 The Interim Financial Statements for the three months ended 30 June 2026 are drawn up from unaudited accounts of the Company.

2 These Interim Financial Statements are presented in accordance with LKAS 34 - Interim Financial Reporting and as required by Colombo Stock Exchange in terms of Rule 7.4.

3 There have been no changes to the accounting policies applied by the Company. The valuation technique used to determine the fair value of the Company's Investment Property for the current period is described in Note 5. There have been no other changes to the methods of computation since the Company's audited financial statements for the year ended 31 March 2025, being the most recent audited financial statements available as at the date of this report.

4 Revenue

	For the Three Months Ended		For the Quarter Ended	
	30.06.26	30.06.25	30.06.26	30.06.25
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Rent Income from Investment Property	11,704	11,195	11,704	11,195
Interest Income on Short term Investments	901	1,355	901	1,355
Dividend Income	-	1,308	-	1,308
	12,605	13,858	12,605	13,858

5 Revaluation of Investment Property for year ended 31 March 2026

The Company obtained a valuation report for 31 March 2026 from Mr. N.A.A.D. Siri Nissanka, Chartered and Incorporated Valuer – FIV, FSVA, MSIZ, IRRV, FIABIC, on the basis of the Direct Capital Comparison Method. Mr. Nissanka's valuation treats the land as compensation land, received by the Company from the Government of Sri Lanka in lieu of freehold land lost during the 1983 civil disturbances, and accordingly values it on an effectively freehold basis. On this basis, the valuation given by Mr. Nissanka for 31 March 2026 is Rs. 1,850,000,000/-.

Subsequently, the Investment Property was revalued by Mr. Thushal De Silva – FRICS of KPMG Real Estate & Valuation Services (Private) Limited. KPMG's valuation instead reflects the Company's present leasehold interest in the land, for the remaining term of the lease, and applies the Comparison Method to the leasehold land interest and the Depreciated Replacement Cost (DRC) method to the building. Under this approach, the land element is valued by determining an equivalent market rental for the freehold land and converting it to a capital value for the remaining lease term of 57.21 years, using yields appropriate to leasehold interests of this nature. On this basis, the total fair valuation given by KPMG for the Investment Property as at 31 March 2026 is Rs. 1,447,000,000/-.

The Board of Directors has considered both valuations and, having regard to the Company's present leasehold interest in the land, has adopted the more conservative valuation of Rs. 1,447,000,000/- given by KPMG Real Estate & Valuation Services (Private) Limited as the basis for the carrying value of the Investment Property as at 31 March 2026.

6 Receivables and Prepayments

Receivables and Prepayments as at 30 June 2026 include an amount of Rs. 45,875,000/- (31 March 2026: Rs. 41,875,000/-) advanced to the Executive Director, Mr. G Ramanan, who is a Key Management Personnel under an employment contract with the Company. Under the terms of employment he is entitled to an incentive scheme based on value creation. The advance provided is against value creation he achieved in monetizing the investment property. Where the sale is completed, then the advance is recovered against the incentive due on the sale and alternatively where the sale is not completed under any circumstances then the advance is recovered by the Company. He is considered a related party in terms of LKAS 24 – Related Party Disclosures.

NOTES TO THE FINANCIAL STATEMENTS

7 Other Financial Assets comprise of short term investments in Government Securities and investment in Fixed Deposits.

8 There were no material capital commitments and contingencies as at 30 June 2026.

9 **Events occurring after the Financial Position date**

No circumstances have arisen since the Statement of Financial Position date which would require adjustments to or disclosure in the Financial Statements, except for the following.

Binding share sale and purchase agreement and disposal of controlling interest in the Company -

The Executive Director, Mr. Govindasamy Ramanan entered into a binding share sale and purchase agreement on 7th July 2026, with Arcasia Investment & Trading (Pvt) Ltd and ATX Partners (Pvt) Ltd, to sell one billion eight hundred million six hundred and ninety three thousand ten (1,800,693,010) amounting to approximately 48.03% of the total issued ordinary voting shares held by him in Industrial Asphalts (Ceylon) PLC. The market announcement pertaining to the same was published on the Colombo Stock Exchange on 8th July 2026.

Announcement under Rule 9 of the Company Take-overs and Mergers Code 1995 (as amended) - Voluntary Offer

The Offerors intend to make a voluntary offer to acquire all the issued shares in Industrial Asphalts (Ceylon) PLC amounting to three billion seven hundred and forty nine million four hundred and eleven thousand two hundred and fifty (3,749,411,250) shares at a price of Sri Lanka Cents Forty (Rs.0.40) per share. The Offer was approved by the Securities and Exchange Commission of Sri Lanka (SEC) on 24th July 2026 and the said announcement was published on the Colombo Stock Exchange on 24th July 2026.

10 Certain comparative figures have been restated to conform to the classification and presentation as at 30 June 2026.

11 **Dividends paid (Per Share in Rupees)**

	Quarter ended 30.06.26	Quarter ended 30.06.25
Voting Ordinary Shares	-	-

SHAREHOLDERS INFORMATION

Top 20 Shareholders as at 30 June

Name of the Shareholder	2026 No. of shares	2026 %	2025 No. of shares	2025 %
MR. GOVINDASAMY RAMANAN	1,800,693,010	48.03%	1,800,693,010	48.03%
MR. B. SRIKUMAR	160,000,000	4.27%	160,000,000	4.27%
MISS. ANNE JUDITH SYLVIA NIMSMI AMERASINGHE	76,500,000	2.04%	76,500,000	2.04%
SAMPATH BANK PLC/MR SHABBIR ABBAS GULAMHUSEIN	66,223,946	1.77%	66,223,946	1.77%
MRS. S. BALENDRA	56,565,103	1.51%	56,565,103	1.51%
MR. DON BUDDHADASA WETHASINGHE	54,000,000	1.44%	54,000,000	1.44%
MR. M.A.A.H. MOOSAJEE	49,576,949	1.32%	-	-
CITIZENS DEVELOPMNT BUSINESS FINANCE PLC/M.N. RATNAPRIYA	42,654,955	1.14%	5,874,092	0.16%
MRS. M.A.C. FELSINGER	29,000,000	0.77%	-	-
MR. A.D.I. PUSHPAKUMARA	27,763,474	0.74%	1,113,474	0.03%
MR. M.L.C. FERNANDO	25,000,000	0.67%	19,000,000	0.51%
DIALOG FINANCE PLC/S.A.DE SILVA AND D.R.DE SILVA	19,600,000	0.52%	19,600,000	0.52%
SENKADAGALA FINANCE PLC/K.T.L.A.J.PEIRIS	19,550,000	0.52%	-	-
MR. K.K. WEERASINGHE	18,180,697	0.48%	-	-
MR. MODERAGE MARIAN JANEK WAAS JAYASEKARA	17,521,110	0.47%	17,521,1 11	0.47%
MRS. PREMILA O. BOGAHALANDA	16,731,000	0.45%	16,731,000	0.45%
MR. J. RUDRA & MRS. S.RUDRA	15,500,000	0.41 %	6,000,000	0.16%
STAR PACKAGING (PVT) LTD	15,000,000	0.40%	15,000,000	0.40%
MISS. M.I. THANUDARA	14,046,440	0.37%	9,149,825	0.24%
MS. MANIKKU BADATHURU PESHALI SARANYA FERNANDO	13,998,465	0.37%	13,998,465	0.37%
	2,538,105,149	67.69%	2,337,970,026	62.36%

Computation of Public Shareholding as at 30 June	2026 No. of shares	2026 Holding %	2025 No. of shares	2025 Holding %
Parent Company	-	-	-	-
Subsidiaries and Associate Companies of Parent	-	-	-	-
Subsidiaries of Company	-	-	-	-
Related Party entities				
- Sigma Holdings (Pvt) Limited	2,115,000	0.06%	2,115,000	0.06%

SHAREHOLDERS INFORMATION

Directors Shareholding as at 30 June

Director Name	No. of shares	Holding %	No. of shares	Holding %
Mr. G Ramanan	1,800,693,010	48.03%	1,800,693,010	48.03%
Mr. N.K. Dahanayake	1,000,000	0.03%	1,000,000	0.03%
Mr. R. Kishore Ignatius	-	0.00%	-	0.00%
Mr. S. Marimuthu	8,100,000	0.22%	7,700,000	0.21%
Mr. R. Raguneethan	7,017,338	0.19%	7,017,338	0.19%
	1,816,810,348	48.46%	1,816,410,348	48.45%
Spouse and children of Directors	-	-	-	-
Public Holding	1,930,485,902	51.49%	1,930,885,902	51.50%
Total Number of Ordinary shares in issue (Voting)	3,749,411,250	100.00%	3,749,411,250	100.00%

Number of Shareholders	30-Jun-26	30-Jun-25
Total number of shareholders	6,908	5,366
Number of shareholders representing the Public holding	6,902	5,360
Float adjusted Market Capitalization (Rs.)	965,242,951	772,354,361

The Company complies with the Minimum Public Holding Requirement under option 5 as set out in the Listing Rules 7.13.1(a) as at reporting date.

Market value of shares for the quarter ended	30-Jun-26	30-Jun-25
Highest price per share (Rs.)	0.80	0.40
Lowest price per share(Rs.)	0.30	0.30
Last traded price per share (Rs.)	0.50	0.40

CORPORATE INFORMATION

Name of Company
Industrial Asphalts (Ceylon) PLC

Legal Form
Quoted Public Company with limited liability listed on the Colombo Stock Exchnage since 1978.

Date of Incorporation
30 June 1964

Date of Re-registration
1 August 2008

New Registration Number
PQ185

Registered Office
MMBL Pathfinder Office Complex
No.345/D, Negombo Road, Peliyagoda.
Tel :011 3 771 739, Fax : 011 5 289 849
Email : info@iac.lk

Corporate Website
www.iac.lk

Accounting year end
31 March

Auditors
B.R. De Silva & Co.
Chartered Accountants
No.22/4, Vijaya Kumaranatunga Mw.,
Colombo 5

Bankers
Commercial Bank of Ceylon PLC
Bank of Ceylon
Hatton National Bank PLC

Company Secretaries
Ninecap Corporate Solutions (Pvt) Ltd.
No.55, Vinayalankara Mawatha,
Colombo 10

Registrars
Central Depository Systems (Pvt) Ltd.
Ground Floor, M & M Center,
341/5, Kotte Road, Rajagiriya

Board of Directors
Mr. G. Ramanan (Executive Director)
Mr. S. Marimuthu (Non-Executive, Senior Independent Director)
Mr. N.K. Dahanayake (Non-Executive Director)
Mr. R. Kishore Ignatius (Non-Executive Independent Director)
Mr. R. Raguneethan (Non-Executive Independent Director)

Board Sub-Committees

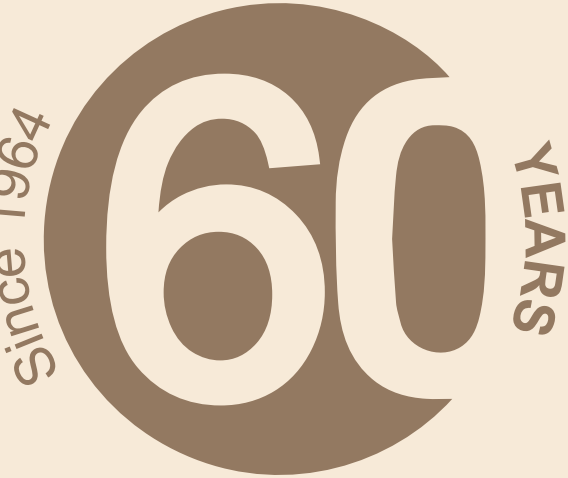
Board Audit Committee
Mr. R. Kishore Ignatius - Chairman
Mr. S. Marimuthu
Mr. N.K. Dahanayake

Investment Committee
Mr. S. Marimuthu - Chairman
Mr. R. Kishore Ignatius
Mr. N.K. Dahanayake

Nominations and Governance Committee
Mr. S. Marimuthu - Chairman
Mr. N.K. Dahanayake
Mr. R. Kishore Ignatius

Related Party Transactions Review Committee
Mr. R. Kishore Ignatius - Chairman
Mr. N.K. Dahanayake
Mr. S. Marimuthu

Remuneration Committee
Mr. S. Marimuthu - Chairman
Mr. N.K. Dahanayake
Mr. R. Kishore Ignatius



industrial asphalts (ceylon) PLC

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