GALADARI HOTELS (LANKA) PLC

INTERIM FINANCIAL STATEMENTS

For the 12 months ended 31st December 2025

GALADARI HOTELS (LANKA) PLC
STATEMENT OF FINANCIAL POSITION

	As at 31.12.2025 Rs.	As at 31.12.2024 Rs. (Audited)
ASSETS		
NON CURRENT ASSETS		
Property, Plant & Equipment	**10,410,879,977**	8,226,866,669
Right of use asset	**1,269,350,661**	1,292,857,153
Intangible assets	**22,348,606**	28,994,074
	11,702,579,244	9,548,717,896
CURRENT ASSETS		
Inventories	**37,969,821**	50,749,265
Trade and other receivables	**169,133,641**	110,088,649
Advances to renovation suppliers	**1,499,728,675**	1,278,790,477
Income tax and VAT receivable	**1,000,480,204**	218,640,517
Investments	**999,169,436**	1,611,868,682
Cash and cash equivalents	**698,673,500**	1,577,201,251
	4,405,155,277	4,847,338,841
TOTAL ASSETS	**16,107,734,521**	14,396,056,737
EQUITY & LIABILITIES		
CAPITAL & RESERVES		
Stated capital	**8,988,239,455**	8,988,239,455
Revaluation reserve	**6,454,099,241**	6,901,141,937
Reserve for replacement of furniture, fittings and equipments	**998,355,150**	998,355,150
Accumulated losses	**(10,236,758,665)**	(9,636,594,615)
Total Equity	**6,203,935,181**	7,251,141,927
NON - CURRENT LIABILITIES		
Interest bearing borrowings	**5,901,115,568**	2,163,387,361
Deferred tax liabilities	**520,732,593**	989,906,528
Retirement benefit obligations	**118,212,623**	120,985,971
	6,540,060,784	3,274,279,860
CURRENT LIABILITIES		
Trade and other payables	**465,720,239**	290,831,549
Payable to renovation suppliers	**1,756,448,310**	2,777,843,158
Related party payable	**773,724,971**	482,487,426
Long term loan interest payable	**58,886,122**	11,524,669
Provisions	**308,958,914**	307,948,148
	3,363,738,556	3,870,634,950
TOTAL LIABILITIES	**9,903,799,340**	7,144,914,810
TOTAL EQUITY & LIABILITIES	**16,107,734,521**	14,396,056,737
Net assets per share	**12.39**	**14.48**

The above figures are provisional and subject to audit.
These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

Upali Perera
Financial Controller

The Board of Directors is responsible for these Financial Statements.

Sujeewa Mudalige
Director

Rohan Dunuwille
Director

20th April 2026

GALADARI HOTELS (LANKA) PLC
STATEMENT OF COMPREHENSIVE INCOME

	3 months ended 31.12.2025 Rs.	3 months ended 31.12.2024 Rs.	12 months ended 31.12.2025 Rs.	12 months ended 31.12.2024 Rs. (Audited)
Revenue	65,469,523	133,362,220	348,619,278	1,060,709,448
Cost of Sales	(82,260,567)	(111,836,693)	(348,767,747)	(665,065,143)
Gross (Loss)/ Profit	**(16,791,044)**	**21,525,527**	**(148,469)**	**395,644,305**
Other Income	9,463,707	45,054,889	30,323,807	82,078,340
Marketing Expenses	(683,273)	(358,400)	(3,464,580)	(9,594,230)
Administrative Expenses	(87,264,925)	(123,792,712)	(430,053,171)	(531,461,273)
Other Operating Expenses	(135,723,453)	(139,168,859)	(306,993,509)	(425,723,024)
Results From Operating Activities	**(230,998,988)**	**(196,739,555)**	**(710,335,923)**	**(489,055,882)**
Finance (Expense) / Income	(354,692,097)	54,664,697	(194,073,614)	239,151,377
Loss Before Tax	**(585,691,085)**	**(142,074,858)**	**(904,409,537)**	**(249,904,505)**
Income Tax Reversal	293,007,592	123,145,142	293,007,592	123,145,142
Loss For The Period	**(292,683,493)**	**(18,929,716)**	**(611,401,945)**	**(126,759,363)**
Other Comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation loss	(603,275,280)	(1,805,882,935)	(603,275,280)	(1,805,882,935)
Remeasurements of retirement benefit obligations	16,054,136	(27,319,822)	16,054,136	(27,319,822)
Write off Electrical installations from revaluation	(24,750,000)	-	(24,750,000)	-
Impact on deferred tax	176,166,343	549,960,828	176,166,343	549,960,828
Other comprehensive income for the period	**(435,804,801)**	**(1,283,241,929)**	**(435,804,801)**	**(1,283,241,929)**
Total Comprehensive Income for the period	**(728,488,294)**	**(1,302,171,645)**	**(1,047,206,746)**	**(1,410,001,292)**
Basic Loss Per Share	(0.58)	(0.04)	(1.22)	(0.25)

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

GALADARI HOTELS (LANKA) PLC
STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Revaluation Reserve	Reserve for Replacements of FF & E*	Accumulated Losses	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st January 2024	**8,988,239,455**	**8,165,259,991**	**934,390,805** C	**(9,426,747,032)**	**8,661,143,219**
Loss for the period	-	-	-	(126,759,363)	(126,759,363)
Other comprehensive income					
Revaluation of Property, Plant & Equipment	-	(1,805,882,935)	-	-	(1,805,882,935)
Deferred tax adjustment on revaluation / actuarial loss		541,764,881		8,195,947	549,960,828
Net Acturial loss from gratuity actuarial valuation	-	-	-	(27,319,822)	(27,319,822)
Total comprehensive income for the year	**-**	**(1,264,118,054)**	**-**	**(145,883,238)**	**(1,410,001,292)**
Transactions with owners of the company, recognized directly in equity					
Provision for Reserve of Replacement of Furniture Fittings & Equipment	-	-	63,964,345	(63,964,345)	-
Replacement of Furniture, Fittings & Equipment	-	-	-	-	-
Total transactions with owners of the company	**-**	**-**	**63,964,345**	**(63,964,345)**	**-**
Balance as at 31st December 2024 (Audited)	**8,988,239,455**	**6,901,141,937**	**998,355,150**	**(9,636,594,615)**	**7,251,141,927**
Balance as at 1st January 2025	**8,988,239,455**	**6,901,141,937**	**998,355,150**	**(9,636,594,615)**	**7,251,141,927**
Loss for the period	-	-	-	(611,401,945)	(611,401,945)
Other comprehensive income					
Devaluation of Property, Plant & Equipment	-	(603,275,280)	-	-	(603,275,280)
Removal of Electrical installation from revaluation		(24,750,000)	-	-	(24,750,000)
Deferred tax adjustment on devaluation / actuarial loss		180,982,584		(4,816,241)	176,166,343
Net Acturial loss from gratuity actuarial valuation	-	-	-	16,054,136	16,054,136
Total comprehensive income for the year	**-**	**(447,042,696)**	**-**	**(600,164,050)**	**(1,047,206,746)**
Transactions with owners of the company, recognized directly in equity					
Provision for Replacement of Furniture Fittings & Equipment	-	-	-	-	-
Replacement of Furniture, Fittings & Equipment	-	-	-	-	-
Balance as at 31st December 2025	**8,988,239,455**	**6,454,099,241**	**998,355,150**	**(10,236,758,665)**	**6,203,935,181**

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

FF & E* - Furniture Fittings and Equipments

GALADARI HOTELS (LANKA) PLC

CASH FLOW STATEMENT

For the 12 months ended	**31.12.2025 Rs.**	**31.12.2024 Rs. (Audited)**
Cash Flows From Operating Activities		
Loss before tax	(904,409,537)	(249,904,505)
Adjustments for		
Allowance of impairment for bad and doubtful receivables	(10,000)	(30,000)
Depreciation and amortization	174,301,547	252,021,013
Furniture and fittings write off	-	1,939,837
Provision for retirement benefit obligations	21,354,768	18,840,808
Interest for provision for litigation settlement	1,010,766	32,565,357
Unrealised exchange loss	380,000,526	(22,792,826)
Profit on disposal of old furniture	-	(68,456,730)
Interest Income	(181,056,718)	(236,173,296)
Operating loss before working capital changes	**(508,808,648)**	**(271,990,342)**
Increase in inventories	12,779,444	32,081,732
(Increase) / Decrease in trade & other receivables	(59,034,993)	78,494,997
Increase in advances to renovation suppliers	(220,938,198)	(1,278,790,477)
Increase in Income tax and VAT recoverable	(781,839,687)	(153,383,670)
Increase/ (Decrease) in trade & other payables	222,250,143	(193,983,248)
Increase in payable to renovation suppliers	(1,021,394,849)	2,777,843,158
Increase in related party payables	241,640,618	231,418,086
Cash generated from operations	**(2,115,346,169)**	**1,221,690,236**
Retirement benefits paid	(8,073,980)	(12,858,525)
Income tax paid	-	-
Net Cash flows generated from /(used in) operating activities	**(2,123,420,149)**	**1,208,831,711**
Cash flows from Investing Activities		
Acquisition of Property, Plant & Equipment	(2,956,188,174)	(3,551,151,787)
Proceeds from sale of old furniture	-	68,456,730
Interest reinvested in Fixed deposits and repos	(163,752,018)	(218,784,774)
New investment in Fixed deposits and repos	(1,000,000,000)	(250,000,000)
Withdrawal of Fixed deposits and repos	1,776,451,264	1,661,358,546
Interest Received	181,056,718	236,173,296
Net Cash flows used in Investing Activities	**(2,162,432,210)**	**(2,053,947,989)**
Cash flows from Financing Activities		
Long term loan receipts	3,407,324,608	2,155,536,697
Net Cash flows generated from Financing Activities	**3,407,324,608**	**2,155,536,697**
Net Increase in Cash & Cash Equivalents	**(878,527,751)**	**1,310,420,419**
Cash & cash equivalents at the beginning of the period	1,577,201,251	266,780,832
Cash & cash equivalents at the end of the period (Note 1)	**698,673,500**	**1,577,201,251**
Note 1		
Cash in Hand	1,375,000	1,415,000
Cash at Bank	697,298,500	1,575,786,251
	698,673,500	**1,577,201,251**

The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

GALADARI HOTELS (LANKA) PLC
NOTES TO THE FINANCIAL STATEMENTS

1 Market Value of Share

For the 3 months ended	**31st December 2025**	**31st December 2024**
Highest Market Value per Share	21.50 (02/10/2025)	19.00 (30/12/2024)
Lowest Market Value per Share	17.50 (26/12/2025)	15.40 (30/10/2024)
Last Traded Price	18.10 (31/12/2025)	18.70 (31/12/2024)

2 The Interim Financial Statements of the Company has been prepared on the basis of the same Accounting Policies and Methods applied for the year ended 31st December, 2024 and is in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting and the requirements of the Companies Act No 7 of 2007.

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

4 The number of shares included in the stated capital is 500,829,564.

5 There have been no material events subsequent to the Reporting Date, which require disclosure in the Interim Financial Statements.

6 There have been no significant Contingent Assets or Contingent Liabilities as at the Reporting Date which require disclosures in the Interim Financial Statements.

7 There are no funds raised through an IPO/Rights/Debenture issue.

8 There is no liablity to management fees or any other similar expenditure which has not been provided for in the Interim Financial Statements.

9 Public holding

As at 31st December	**2025**	**2024**
Percentage of Public Shareholding	12.57	12.57
Total No. of Shareholders Represent in the Public Holding	11,095	10,633
Float Adjusted Market Capitalisation (Rs.)	1,139,472,399	1,177,244,965

The Company complies with option 1 of Section 7.13.1(i)(b) of the listing rules, which requires to maintain 7.5% of minimum public holding of the Company if the float adjusted market capitalisation is more than Rs. 1 Billion.
The Company is in compliance of this requirement.

10 Revaluation loss on Building

Hotel building situated at No. 64, Lotus Road, Colombo 1, was revalued on 31st December 2025 by Prathap Chartered Valuation and Consultancy (Pvt.) Ltd, which resulted in a revaluation loss of Rs. 603,275,280/-, due to the ongoing renovation, and this . transferred to revaluation reserve. The Company policy is to revalue its building every year.

11 Major Shareholders as at 31st December 2025

Name of Shareholder	No of Shares	% holding
GALADARI BROTHERS CO.(LLC)	318,395,504	63.57
ICEBERG 2 LIMITED	29,510,817	5.89
ABDUL LATIF GALADARI HOLDING LIMITED	26,595,192	5.31
CALGARY HOLDINGS S. A.	18,146,303	3.62
I.A.I. GALADARI	9,810,017	1.96
M.A.I. GALADARI	9,810,017	1.96
SUHAIL A.I.H. GALADARI	9,810,016	1.96
DUBAI BANK LTD.	6,760,390	1.35
Z.A.I. GALADARI	4,905,000	0.98
SALWA A.I. GALADARI	4,905,000	0.98
F.I.A. ABBAS	3,166,094	0.63
F.N.M. KHAN	2,802,861	0.56
SANDWAVE LIMITED	2,489,278	0.50
SEYLAN BANK PLC/JN LANKAHOLDINGS COMPANY (PVT) LTD	2,000,000	0.40
S.S.P. KANDAMBI	1,517,314	0.30
EMPLOYEES PROVIDENT FUND	1,221,365	0.24
SEYLAN BANK PLC/MOHAMEDMUSHTAQ FUAD	1,193,856	0.24
SEYLAN BANK PLC/W.D.N.H.PERERA	1,000,000	0.20
SENKADAGALA FINANCE PLC/M.M.SUGATHAPALA	1,000,000	0.20
PMF FINANCE PLC/M.S.HAMZADEEN	1,000,000	0.20

12 Directors' Shareholdings

	No of shares as at	
Name	**31.12.2025**	**31.12.2024**
M. A. I. Galadari	9,810,017	9,810,017
Suhail A. I. H. Galadari	9,810,016	9,810,016
I. A. I. Galadari	9,810,017	9,810,017
V. Radhakrishnan	Nil	Nil
A. R. Dunuwille	Nil	Nil
D.T.S.H. Mudalige	Nil	Nil

13 Renovation of the Hotel building

The Refurbishment of the Hotel has been continuously carried out during the quarter ended. Currently the hotel is partially closed for the renovation.