GALADARI HOTELS (LANKA) PLC

INTERIM FINANCIAL STATEMENTS

For the 9 months ended 30th September 2026

GALADARI HOTELS (LANKA) PLC

STATEMENT OF FINANCIAL POSITION

	As at 30.09.2026 Rs.	As at 30.09.2025 Rs.	As at 31.12.2025 Rs. (Audited)
ASSETS			
NON CURRENT ASSETS			
Property, Plant & Equipment	**15,597,852,854**	10,464,353,994	10,410,879,977
Right of use asset	**1,251,720,778**	1,275,227,271	1,269,350,661
Intangible assets	**53,187,404**	24,009,977	22,348,606
	16,902,761,036	11,763,591,242	11,702,579,244
CURRENT ASSETS			
Inventories	**41,058,796**	36,508,215	37,969,821
Trade and other receivables	**152,739,320**	218,350,105	169,133,640
Advances to renovation suppliers	**791,492,879**	1,910,229,923	1,554,589,675
Income tax and VAT receivable	**2,054,283,702**	652,523,645	1,000,480,204
Investments	**373,244,744**	1,833,509,167	999,169,436
Cash and cash equivalents	**613,679,181**	155,713,718	646,631,110
	4,026,498,622	4,806,834,773	4,407,973,886
TOTAL ASSETS	**20,929,259,658**	16,570,426,015	16,110,553,130
EQUITY & LIABILITIES			
CAPITAL & RESERVES			
Stated capital	**8,988,239,455**	8,988,239,455	8,988,239,455
Revaluation reserve	**6,454,099,241**	6,901,141,937	6,454,099,241
Reserve for replacement of furniture, fittings and equipments	**998,355,150**	998,355,150	998,355,150
Accumulated losses	**(10,936,369,055)**	(9,955,313,066)	(10,237,016,478)
Total Equity	**5,504,324,791**	6,932,423,476	6,203,677,368
NON - CURRENT LIABILITIES			
Interest bearing borrowings	**7,950,063,640**	4,078,292,322	5,633,682,365
Deferred tax liabilities	**520,990,407**	989,906,528	520,990,407
Retirement benefit obligations	**99,937,072**	134,870,833	118,212,623
	8,570,991,119	5,203,069,683	6,272,885,395
CURRENT LIABILITIES			
Trade and other payables	**688,020,954**	267,708,236	465,720,238
Payable to renovation suppliers	**402,759,813**	2,925,438,616	1,756,448,310
Related party payable	**3,267,238,368**	698,412,963	773,724,971
Interest bearing borrowings	**1,723,030,859**	113,653,193	329,137,934
Provisions	**308,958,914**	308,958,914	308,958,914
Bank overdraft	**463,934,840**	120,760,934	-
	6,853,943,748	4,434,932,856	3,633,990,367
TOTAL LIABILITIES	**15,424,934,867**	9,638,002,539	9,906,875,762
TOTAL EQUITY & LIABILITIES	**20,929,259,658**	16,570,426,015	16,110,553,130
Net assets per share	**10.99**	**13.84**	**12.39**

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.

Shamil Perera
Financial Controller

The Board of Directors is responsible for these Financial Statements.

Sujeewa Mudalige
Director

Rohan Dunuwille
Director

12/11/2026

GALADARI HOTELS (LANKA) PLC
STATEMENT OF COMPREHENSIVE INCOME

	3 months ended 30.09.2026 Rs.	3 months ended 30.09.2025 Rs.	9 months ended 30.09.2026 Rs.	9 months ended 30.09.2025 Rs.	12 months ended 31.12.2025 Rs. (Audited)
Revenue	62,477,132	92,478,515	177,161,783	283,149,755	348,619,278
Cost of Sales	(62,497,072)	(85,843,744)	(200,791,120)	(266,507,180)	(348,767,747)
Gross (Loss)/ Profit	**(19,940)**	**6,634,771**	**(23,629,337)**	**16,642,575**	**(148,469)**
Other Income	2,104,562	8,388,197	6,728,692	20,860,100	30,323,807
Marketing Expenses	(415,079)	(609,406)	(1,363,835)	(2,781,307)	(3,464,580)
Administrative Expenses	(105,853,062)	(82,287,827)	(298,759,419)	(342,788,246)	(430,053,171)
Other Operating Expenses	(182,772,886)	(74,868,818)	(418,224,760)	(171,270,056)	(306,993,509)
Results From Operating Activities	**(286,956,405)**	**(142,743,083)**	**(735,248,659)**	**(479,336,934)**	**(710,335,922)**
Finance Income / (Expense)	404,333,103	38,502,178	35,896,082	160,618,483	(194,073,614)
Profit / Loss Before Tax	**117,376,698**	**(104,240,905)**	**(699,352,577)**	**(318,718,451)**	**(904,409,536)**
Income Tax Reversal	-	-	-	-	292,749,778
Profit / Loss For The Period	**117,376,698**	**(104,240,905)**	**(699,352,577)**	**(318,718,451)**	**(611,659,758)**
Other Comprehensive income					
Items that will not be reclassified to profit or loss					
Revaluation loss	-	-	-	-	(603,275,280)
Remeasurements of retirement benefit obligations	-	-	-	-	16,054,136
Write off Electrical installations from revaluation	-	-	-	-	(24,750,000)
Impact on deferred tax	-	-	-	-	176,166,343
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**(435,804,801)**
Total Comprehensive Income for the period	**117,376,698**	**(104,240,905)**	**(699,352,577)**	**(318,718,451)**	**(1,047,464,559)**
Basic Profit / (Loss) Per Share	0.23	(0.21)	(1.40)	(0.64)	(1.22)

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 2025	**8,988,239,455**	**6,901,141,937**	**998,355,150**	**(9,636,594,615)**	**7,251,141,927**
Loss for the period	-	-	-	(318,718,451)	(318,718,451)
Total comprehensive income for the period	**-**	**-**	**-**	**(318,718,451)**	**(318,718,451)**
Balance as at 30th September 2025	**8,988,239,455**	**6,901,141,937**	**998,355,150**	**(9,955,313,066)**	**6,932,423,476**
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	-	-	-	(611,659,758)	(611,659,758)
Other comprehensive income					
Revaluation 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 revaluation / 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)**	**-**	**(600,421,863)**	**(1,047,464,559)**
Balance as at 31st December 2025 (Audited)	**8,988,239,455**	**6,454,099,241**	**998,355,150**	**(10,237,016,478)**	**6,203,677,368**
Balance as at 1st January 2026	**8,988,239,455**	**6,454,099,241**	**998,355,150**	**(10,237,016,478)**	**6,203,677,368**
Loss for the period	-	-	-	(699,352,577)	(699,352,577)
Total comprehensive income for the year	**-**	**-**	**-**	**(699,352,577)**	**(699,352,577)**
Balance as at 30th September 2026	**8,988,239,455**	**6,454,099,241**	**998,355,150**	**(10,936,369,055)**	**5,504,324,791**

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 9 months ended	30.09.2026 Rs.	30.09.2025 Rs.	For Year Ended 31.12.2025 Rs. (Audited)
Cash Flows From Operating Activities			
Loss before tax	(699,352,577)	(318,718,451)	(904,409,536)
Adjustments for			
Allowance of impairment for bad and doubtful receivables	-	1,350,000	(10,000)
Depreciation and amortization	110,808,692	132,559,164	174,301,547
Provision for retirement benefit obligations	11,623,405	21,500,000	21,354,768
Interest for provision for litigation settlement	-	1,010,766	1,010,766
Unrealised exchange loss	-	-	382,674,406
Profit on disposal of old furniture	-	(4,346,185)	-
Interest Income	(35,277,155)	(155,928,447)	(181,056,718)
Operating loss before working capital changes	**(612,197,635)**	**(322,573,153)**	**(506,134,767)**
Decrease in inventories	(3,088,975)	14,241,050	12,779,445
(Increase) / Decrease in trade & other receivables	16,394,320	(109,611,457)	(59,034,991)
Increase / (Decrease) in advances to renovation suppliers	763,096,796	(631,439,446)	(275,799,198)
Increase in Income tax and VAT recoverable	(1,053,803,498)	(433,883,128)	(781,839,687)
Increase/ (Decrease) in trade & other payables	222,300,757	79,005,211	225,068,749
Increase in payable to renovation suppliers	(1,353,688,497)	147,595,458	(1,021,394,848)
Increase in related party payables	2,493,513,397	215,925,537	238,966,738
Cash generated from operations	**472,526,665**	**(1,040,739,929)**	**(2,167,388,559)**
Retirement benefits paid	(29,898,958)	(7,615,138)	(8,073,980)
Net Cash flows used in operating activities	**442,627,707**	**(1,048,355,067)**	**(2,175,462,539)**
Cash flows from Investing Activities			
Acquisition of Property, Plant & Equipment	(4,926,050,841)	(2,347,432,509)	(2,956,188,174)
Proceeds from sale of old furniture	-	4,346,185	-
Interest reinvested in Fixed deposits and repos	(32,965,053)	(144,066,527)	(163,752,018)
New investment in Fixed deposits and repos	-	(1,000,000,000)	(1,000,000,000)
Withdrawal of Fixed deposits and repos	658,889,745	922,426,042	1,776,451,264
Interest Received	35,277,155	155,928,447	181,056,718
Net Cash flows used in Investing Activities	**(4,264,848,994)**	**(2,408,798,362)**	**(2,162,432,211)**
Cash flows from Financing Activities			
Long term loan receipts	3,881,375,931	1,914,904,962	3,407,324,608
Long term loan and interest repayment	(556,041,413)	-	-
Net Cash flows generated from Financing Activities	**3,325,334,518**	**1,914,904,962**	**3,407,324,608**
Net Decrease in Cash & Cash Equivalents	**(496,886,769)**	**(1,542,248,467)**	**(930,570,141)**
Cash & cash equivalents at the beginning of the period	646,631,110	1,577,201,251	1,577,201,251
Cash & cash equivalents at the end of the period (Note 1)	**149,744,341**	**34,952,784**	**646,631,110**
Note 1			
Cash in Hand	1,275,000	1,365,000	1,375,000
Cash at Bank	612,404,181	154,348,718	645,256,110
Bank overdraft	(463,934,840)	(120,760,934)	-
	149,744,341	**34,952,784**	**646,631,110**

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 9 months ended	**30th Sep 2026**	**30th Sep 2025**
Highest Market Value per Share	17.60 (10/07/2026)	21.40 (05/08/2025)
Lowest Market Value per Share	14.90 (17/08/2026)	17.60 (11/07/2025)
Last Traded Price	15.20 (30/09/2026)	20.00 (30/09/2025)

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, 2025 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 30th September	**2026**	**2025**
Percentage of Public Shareholding	12.57	12.57
Total No. of Shareholders Represent in the Public Holding	11,207	10,741
Float Adjusted Market Capitalisation (Rs.)	956,904,998	1,259,085,524

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 Foreign exchange differences arising on foreign currency borrowings that are directly attributable to the acquisition, construction or production of a qualifying asset are considered for capitalisation as part of borrowing costs in accordance with LKAS 23 *Borrowing Costs* . Accordingly, necessary adjustment have been made in these Interim Financial Statements and net foreign exchange loss or gain is shown under Finance Income.

11 Reopening of the Hotel is to occur in the latter part of the fourth quarter of 2026.

12 The increase in property, plant and equipment is primarily attributable to additions made to capital work in progress during the period. Capital work in progress comprises expenditures incurred in connection with the hotel renovation project.

13 Major Shareholders as at 30th September 2026

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
SEYLAN BANK PLC / JN LANKA HOLDINGS COMPANY (PVT) LTD	2,000,000	0.40
S.S.P. KANDAMBI	1,517,314	0.30
CEYLINCO GENERAL INSURANCE LIMITED	1,515,391	0.30
SEYLAN BANK PLC / W.D.N.H.PERERA	1,310,000	0.26
SEYLAN BANK PLC / MOHAMED MUSHTAQ FUAD	1,193,846	0.20
SANASA GENERAL INSURANCE COMPANY LTD	1,017,000	0.20
SENKADAGALA FINANCE PLC / M.M.SUGATHAPALA	1,000,000	0.20
PMF FINANCE PLC / M.S.HAMZADEEN	1,000,000	0.20

14 Directors' Shareholdings

	No of shares as at	
Name	**30.09.2026**	**30.09.2025**
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