PEGASUS HOTELS OF CEYLON PLC

A Carson Cumberbatch Company

Condensed Interim Financial Statements

For the nine months ended 31st December 2025

Pegasus Hotels of Ceylon PLC

Statement of Profit or Loss and Other Comprehensive Income

(All figures are in Sri Lankan Rupees Thousands)

	Three months ended 31st December			Nine months ended 31st December		
	2025	2024	Change %	2025	2024	Change %
Revenue	280,879	250,929	12	683,692	706,930	(3)
Direct costs	(172,740)	(172,764)	-	(474,385)	(491,632)	(4)
Gross profit	108,139	78,165	38	209,307	215,298	(3)
Other income	1,827	1,216	50	4,420	3,232	37
Selling and promotional expenses	(14,003)	(19,983)	(30)	(37,283)	(51,973)	(28)
Administrative expenses	(73,124)	(61,368)	19	(213,651)	(181,246)	18
Profit/ (loss) from operations	22,839	(1,970)	(1,259)	(37,207)	(14,689)	153
Finance income	7,007	2,468	184	22,608	7,233	213
Finance costs	(4,498)	(7,034)	(36)	(13,004)	(17,666)	(26)
Net finance income/ (cost)	2,509	(4,566)	(155)	9,604	(10,433)	(192)
Profit/ (loss) before tax	25,348	(6,536)	(488)	(27,603)	(25,122)	10
Income tax expenses	-	-	-	-	-	-
Deferred tax	6,807	(632)	(1,177)	1,751	2,373	(26)
Profit/ (loss) for the period	32,155	(7,168)	(549)	(25,852)	(22,749)	14
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income/ (Expense) for the period	32,155	(7,168)	(549)	(25,852)	(22,749)	14
Earnings / (loss) per share (Rs.)	0.76	(0.17)		(0.61)	(0.54)	
Dividend per share (Rs.)	-	-		-	-	

Change % represents the percentage change in the current period's results compared to the corresponding period of the previous year.

Figures in brackets indicate deductions.

Pegasus Hotels of Ceylon PLC

Statement of Financial Position

(All figures are in Sri Lankan Rupees Thousands)

As at	31.12.2025	31.03.2025 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,714,960	2,636,579
Compensation receivable	24,759	24,759
Total non-current assets	2,739,719	2,661,338
Current assets		
Inventories	40,924	38,386
Investment in fixed deposits	210,548	125,033
Trade and other receivables	136,598	125,850
Tax receivable	2,281	1,787
Cash and cash equivalents	97,791	248,955
Total current assets	488,142	540,011
Total assets	3,227,861	3,201,349
EQUITY AND LIABILITIES		
Equity		
Stated capital	751,549	751,549
Capital reserves	1,598,932	1,598,932
Revenue reserves	(203,519)	(177,667)
Total equity	2,146,962	2,172,814
Non-current liabilities		
Deferred tax liability	614,679	616,430
Employee benefits	28,861	27,982
Loans and borrowings	158,000	68,948
Total non-current liabilities	801,540	713,360
Current liabilities		
Trade and other payables	230,191	202,925
Loans and borrowings	49,168	112,250
Total current liabilities	279,359	315,175
Total liabilities	1,080,899	1,028,535
Total equity and liabilities	3,227,861	3,201,349
Net assets per share (Rs.)	50.86	51.48

The Statement of Financial Position as at 31st December 2025 together with the Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the period then ended, as presented on pages 1 to 4, have been prepared from unaudited financial information.

I certify that these financial statements have been prepared in compliance with the requirements of Companies Act, No. 7 of 2007.

(Sgd).
P.C. Pahalagamage
Group Financial Controller
Carsons Management Services (Private) Limited

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed on behalf of the Managers,
(Sgd).
V.R. Wijesinghe
Director
Carsons Management Services (Private) Limited

Approved and signed on behalf of the Board,
(Sgd).
M. Dayananda
Chairman

(Sgd).
K. Selvanathan
Director

11th February 2026
Colombo

Pegasus Hotels of Ceylon PLC

Statement of Changes in Equity

(All figures are in Sri Lankan Rupees Thousands)

	Stated capital	Capital reserves	Revenue reserves	Total equity
Balance as at 01st April 2025	**751,549**	**1,598,932**	**(177,667)**	**2,172,814**
Profit/ (Loss) for the period	-	-	(25,852)	(25,852)
Other Comprehensive Income for the period	-	-	-	-
Total Comprehensive Income / (Expense) for the period	-	-	(25,852)	(25,852)
Balance as at 31st December 2025	**751,549**	**1,598,932**	**(203,519)**	**2,146,962**
Balance as at 01st April 2024	751,549	1,598,932	(121,896)	2,228,585
Profit/ (Loss) for the period	-	-	(22,749)	(22,749)
Other Comprehensive Income for the period	-	-	-	-
Total Comprehensive Income / (Expense) for the period	-	-	(22,749)	(22,749)
Balance as at 31st December 2024	751,549	1,598,932	(144,645)	2,205,836

Figures in brackets indicate deductions.

Pegasus Hotels of Ceylon PLC

Statement of Cash Flows

(All figures are in Sri Lankan Rupees Thousands)

For the nine months ended 31st December	2025	2024
Cash flows from operating activities		
Profit/ (loss) before tax	(27,603)	(25,122)
Adjustments for:		
Interest income	(15,942)	(6,672)
Unrealised foreign exchange (gain) / loss	(4,740)	3,188
Finance costs	13,004	14,478
Depreciation on property, plant and equipment	44,166	47,512
Loss on disposal of property, plant and equipment	151	-
Reversal of provision for impairment of trade receivables	(155)	(150)
Provision for employee benefits	2,160	2,160
Operating profit / (loss) before working capital changes	11,041	35,394
(Increase) / decrease in inventories	(2,538)	(4,517)
(Increase) / decrease in trade and other receivables	(10,593)	25,283
Increase / (decrease) in trade and other payables	27,592	37,998
Increase / (decrease) in amounts due to related companies	-	(29,038)
Cash generated from / (used in) operations	25,502	65,120
Employee benefits paid	(1,281)	(212)
Net cash generated from / (used in) operating activities	24,221	64,908
Cash flows from investing activities		
Purchase of property, plant and equipment	(122,850)	(23,011)
Proceeds from disposal of property, plant and equipment	-	77
Investment in fixed deposits	(167,013)	(42,412)
Withdrawal of fixed deposits	87,044	9,867
Interest received	9,902	5,716
Net cash generated from / (used in) investing activities	(192,917)	(49,763)
Cash flows from financing activities		
Proceeds from borrowings	403,000	139,000
Repayments of borrowings	(377,030)	(148,120)
Interest paid on loans and borrowings	(13,178)	(14,792)
Net cash generated from / (used in) financing activities	12,792	(23,912)
Net increase / (decrease) in cash and cash equivalents	(155,904)	(8,767)
Effect of exchange rate changes on cash and cash equivalents	4,740	(3,188)
Cash and cash equivalents at the beginning of the period	248,955	59,404
Cash and cash equivalents at the end of the period	97,791	47,449
Statement of cash and cash equivalents		
Placements with banking and financial institutions	39,195	25,172
Cash at bank and in hand	58,596	22,277
Cash and cash equivalents for the purpose of statement of cash flows	97,791	47,449

Figures in brackets indicate deductions.

Notes to the Interim Financial Statements

(All figures are in Sri Lankan Rupees Thousands unless otherwise stated)

1. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements of Pegasus Hotels of Ceylon PLC (the "Company") have been prepared using the same accounting policies and methods as the audited financial statements for the year ended 31st March 2025, and are in compliance with Sri Lanka Accounting Standard LKAS 34 - "Interim Financial Reporting". The provisions of the Companies Act, No. 7 of 2007 have been considered in preparing these Interim Financial Statements.

2. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, no circumstances have arisen which would require adjustments to or disclosure in the financial statements.

3. COMMITMENTS AND CONTINGENCIES

3.1 Capital commitments

The Company had capital commitments of Rs. 31,790,410/- as at the reporting date (31st March 2025: Nil).

3.2 Contingent liabilities

The Company does not have material contingent liabilities as at the reporting date other than disclosed below.

*An individual has appealed to the Supreme Court of Sri Lanka after having received a judgement against him in the Civil Appellate Court. This individual is claiming declaratory title as co-owner to 127.5 perches of land which falls within the 1,251 perches of land acquired by the Government for a fisheries harbour project. Since the crystallisation of the contingent liability is subject to this appeal, subsequent value determination of the claim by the Government valuer and a further appeal to the Land Acquisition Board of Review, the said contingent liability cannot be quantified.

4. LIABILITIES FOR EXPENDITURE

Significant expenses and support service fees for the period have been fully accounted for in the interim financial statements.

5. COMPARATIVE FIGURES

Previous period's figures and phrases are re-arranged where necessary to conform to the current period's presentation.

6. GOING CONCERN

Based on currently available information, the directors are satisfied that the Company will continue to operate as a going concern for the foreseeable future.

7. STATED CAPITAL

The stated capital of the Company as at the reporting date was Rs. 751,548,321/50 consists of 42,210,470 fully paid Ordinary Shares.

8. RELATED PARTY TRANSACTIONS

For the nine months ended 31st December	2025	2024
Fellow subsidiaries of Carson Cumberbatch PLC group		
Support service fees paid	5,400	4,352
Providing hotel services	5,116	8,791
Purchases of goods	7,028	6,660

* As at the reporting date, the Company has obtained Letters of Comfort amounted to Rs.100,000,000/- (31st March 2025: 176,500,000/-) from its parent company, Carson Cumberbatch PLC for the bank facilities obtained.

9. TWENTY MAJOR SHAREHOLDERS AS AT 31ST DECEMBER 2025

	Name of Shareholder	Number of Shares	%
1	Carson Cumberbatch PLC A/C No.2	37,982,617	89.98
2	Merchant Bank of Sri Lanka Ltd/ C. Sathkumara	671,085	1.59
	Mr. C. Sathkumara	476,862	1.13
3	Estate of Late Mr. K.C. Vignarajah	262,055	0.62
4	Mrs. V.R. Jayasinghe	179,414	0.42
5	Mr. P. Sri Skandarajah	70,351	0.17
6	Mr. A.M. Weerasinghe	63,888	0.15
7	Mr. R.R. Vithanage	60,883	0.14
8	Mr. R. H. A. P. Karunathilaka	59,790	0.14
9	Mr. K.C. Jayawardene	58,499	0.14
10	Mr. P. R. Hettiwatta	58,252	0.14
11	Mr. M.F.J. Macan Markar	57,679	0.14
12	Mrs. I. Gwyn	55,000	0.13
13	Mrs. L.A. Jayasinghe	50,000	0.12
14	Mr. K. M. V. J. Senarathne	49,997	0.12
15	Mr. K.K.D. Senanayake	43,750	0.10
16	Mr. H.A.S Madanayake	40,000	0.09
17	Mr. N. W. N. Jayasiri	40,000	0.09
18	Mr. B. U. M. De. S. Jayasinghe	36,909	0.09
19	Mr. A. Sithampalam	30,000	0.07
20	Ms. R. C. Ranasinghe	29,164	0.07

10. PUBLIC HOLDING

The Company is in compliance with the Minimum Public Holding requirements for Companies listed on the Diri Savi Board as per Rule 7.13.1 (i) (b) of the Listing Rules of the Colombo Stock Exchange, under Option 2, i.e. Float-Adjusted Market Capitalization of less than Rs.1 Billion with 200 Public Shareholders and a Public Holding percentage of 10%.

The Company's Public Holding as at 31st December 2025

Float adjusted Market Capitalization (Rs.)	211,897,403.61
Number of Public Shareholders	2,912
Percentage of ordinary shares held by the public	10.02%

Notes to the Interim Financial Statements

(All figures are in Sri Lankan Rupees Thousands unless otherwise stated)

11. DIRECTORS SHAREHOLDING AS AT 31ST DECEMBER 2025

	No. of Shares
Mr. M. Dayananda (Chairman)	-
Mr. K. Selvanathan	-
Mr. M. T. L. Elias	-
Mr. V. R. Wijesinghe	-
Mr. S. Marimuthu	400
Mr. D.R.P. Goonetilleke	-
Mr. A.S. Amaratunga	-
Mr. G. C. Jayaweera (Appointed w.e.f. 10th February 2026)	-

MARKET PERFORMANCE- ORDINARY SHARES

12. SHARE VALUATION

As at/ for the three months ended 31st December 2025	Rs.
Last traded price per share	50.50
Highest price per share	50.60
Lowest price per share	40.00
Market capitalisation	2,114,744,547.00

Corporate Information

NAME OF THE COMPANY	Pegasus Hotels of Ceylon PLC (A Carson Cumberbatch Company)
COMPANY REGISTRATION NUMBER	PQ 40
LEGAL FORM	A Public Quoted Company with limited liability incorporated in Sri Lanka in 1966.
PARENT AND ULTIMATE CONTROLLING PARTY	Carson Cumberbatch PLC is the Parent Company of Pegasus Hotels of Ceylon PLC and Bukit Darah PLC is the Ultimate Parent and Controlling Entity of Pegasus Hotels of Ceylon PLC.
DIRECTORS	Mr. M. Dayananda (Chairman)- Non-Executive Mr. K. Selvanathan- Non-Executive Mr. M. T. L. Elias- Independent Non-Executive Mr. V. R. Wijesinghe- Executive Mr. S. Marimuthu- Independent Non-Executive Mr. D.R.P. Goonetilleke- Non-Executive Mr. A.S. Amaratunga- Independent Non-Executive Mr. G. C. Jayaweera- Independent Non-Executive- Appointed w.e.f. 10th February 2026
AUDIT COMMITTEE	Mr. A. S. Amaratunga (Chairman) - Independent Non-Executive Mr. S. Marimuthu - Independent Non-Executive Mr. D. R. P. Goonetilleke - Non-Executive Mr. G. C. Jayaweera- Independent Non-Executive- Appointed w.e.f. 10th February 2026
REMUNERATION COMMITTEE	Mr. M. T. L. Elias (Chairman) - Independent Non-Executive Mr. S. Marimuthu - Independent Non-Executive Mr. D. R. P. Goonetilleke - Non-Executive
NOMINATIONS AND GOVERNANCE COMMITTEE	Mr. S. Marimuthu (Chairman) - Independent Non-Executive Mr. M.T.L. Elias - Independent Non-Executive Mr. M. Dayananda - Non-Executive
RELATED PARTY TRANSACTIONS REVIEW COMMITTEE	Mr. A. S. Amaratunga (Chairman) - Independent Non-Executive Mr. S. Marimuthu - Independent Non-Executive Mr. D. R. P. Goonetilleke - Non-Executive Mr. G. C. Jayaweera- Independent Non-Executive- Appointed w.e.f. 10th February 2026
BANKERS	Commercial Bank of Ceylon PLC Standard Chartered Bank Sampath Bank PLC Hatton National Bank PLC People's Bank DFCC Bank PLC National Development Bank PLC SBI Sri Lanka
AUDITORS	Messrs. KPMG Chartered Accountants No. 32A, Sir Mohamed Macan Marker Mawatha, Colombo 03, Sri Lanka.
MANAGERS & SECRETARIES	Carsons Management Services (Private) Limited No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel: +94 11 2039 200 Fax: +94 11 2039 300
REGISTERED OFFICE	No. 61, Janadhipathi Mawatha, Colombo 01, Sri Lanka. Tel : +94 11 2039 200 Fax: +94 11 2039 300
PLACE OF BUSINESS	Santha Maria Mawatha, Wattala, Sri Lanka. Tel : +94 11 2049 600
HOTEL WEBSITE	www.pegasusreefhotel.com
CORPORATE WEBSITE	www.carsoncumberbatch.com