

Interim Financial Statements - 1st Quarter
(For the Three months ended 30 th June 2026)

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF FINANCIAL POSITION

As At	30.06.2026 Rs.'000'	30.06.2025 Rs.'000'	31.03.2026 Rs.'000'
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	2,789,218	2,767,157	2,805,395
Intangible Assets	8	20	11
Investments	22,593	21,074	22,593
Right - of - Use Assets	7,111	6,559	7,935
	2,818,930	2,794,810	2,835,934
Current Assets			
Inventories	31,542	31,651	34,378
Trade and Other Receivables	85,951	96,026	249,305
Other Non Financial Assets	61,021	46,734	36,141
Income Tax Receivables	-	3,401	-
Amounts Due from Related Parties- Other Financial Assets	6,083	2,674	2,763
Short Trem Investments - Other Financial Assets	612,413	315,205	469,000
Cash and Bank Balances	269,599	434,442	334,373
	1,066,609	930,133	1,125,960
Total Assets	3,885,539	3,724,943	3,961,894
EQUITY AND LIABILITIES			
Capital & Reserve			
Stated Capital	521,583	521,583	521,583
Revaluation Reserve	1,461,569	1,453,968	1,459,666
Fair Value Reserve of Financial Assets at FVOCI	3,241	2,177	3,241
Retained Earnings	954,542	820,964	950,822
Total Equity	2,940,935	2,798,692	2,935,312
Non-Current Liabilities			
Deferred Tax Liabilities	739,311	752,367	737,770
Lease Liability	5,386	4,743	6,370
Post Employement Benefit Liability	67,932	57,128	66,935
	812,629	814,238	811,075
Current Liabilities			
Trade and Other Payables	108,120	73,176	154,523
Income Tax Payables	5,176	-	37,667
Amounts Due to Related Parties	4,582	3,413	6,277
Lease Liability	3,738	3,562	3,610
Interest Bearing Loans and Borrowings	10,359	31,862	13,430
	131,975	112,013	215,507
Total Equity and Liabilities	3,885,539	3,724,943	3,961,894
Net Assets per Share (Rs.)	58.82	55.97	58.71

The above figures are provisional and subject to Audit.

It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

M.I.Shahabdeen
Chief Financial Officer

A.M.Ondaatjie
Chairperson
August 10, 2026

T.J.Ondaatjie
Director

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF COMPREHENSIVE INCOME
For The Three Months Ended 30th June 2026

	Three months ended 30th June		
	2026 **Rs. '000'**	**2025** **Rs. '000'**	Change Rs. '000'
Revenue	159,289	187,871	(28,582)
Cost of Sales	(59,328)	(64,942)	5,614
Gross Profit	99,961	122,929	(22,968)
Other Income	54,086	41,539	12,547
Selling & Distribution Costs	(4,388)	(4,578)	190
Administrative Expenses	(148,723)	(140,412)	(8,311)
Other Expenses	(363)	(433)	70
Finance Income	6,965	4,052	2,913
Finance Cost	(374)	(432)	58
Profit/(Loss) Before Taxation	7,164	22,665	(15,501)
Income Tax Expense	(3,444)	(2,244)	(1,200)
Profit / (Loss) for the Period	3,720	20,421	(16,701)
Other Comprehensive Income			
Other Comprehensive Income to be reclassified to Profit or Loss in subsequent periods(net of tax)	-	-	-
Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods(net of tax)	-	-	-
Income Tax effect on Revaluation of Land & Buildings	1,903	1,862	41
Other Comprehensive Income/(Loss) for the Period	1,903	1,862	41
Total Comprehensive Income/(Loss) for the Period	5,623	22,283	(16,660)
Earnings Per Share - Basic	0.07	0.41	(0.34)

The above figures are provisional and subject to Audit.

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF CHANGES IN EQUITY
Three Months Ended 30th June 2026

	Stated Capital	Revaluation Reserve	Retained Earnings	Fair Value Reserve of Financial Assests at FVOCI	Total Equity
	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'
Balance as at 1st April 2025	521,583	1,452,106	800,543	2,177	2,776,409
Net Profit for the Period	-	-	20,421		20,421
Other Comprehensive Income		1,862	-		1,862
Total Comprehensive Income	-	1,862	20,421	-	22,283
Balance as at 30th June 2025	521,583	1,453,968	820,964	2,177	2,798,692
Balance as at 1st April 2026	521,583	1,459,666	950,822	3,241	2,935,312
Net Loss for the Period	-	-	3,720		3,720
Other Comprehensive Income		1,903			1,903
Total Comprehensive Income	-	1,903	3,720	-	5,623
Balance as at 30th June 2026	521,583	1,461,569	954,542	3,241	2,940,935

The above figures are provisional and subject to Audit.

ROYAL PALMS BEACH HOTELS PLC
CASH FLOW STATEMENT
For Three Months Ended 30th June 2026

	30.06.2026 Rs.'000'	30.06.2025 Rs.'000'
Cash Flows From Operating Activities		
Profit before Taxation	7,164	22,665
Adjustments for :		
Depreciation	19,991	19,312
Amortisation of Intangible Assets	3	3
Finance Income	(6,965)	(4,052)
Finance Costs	-	19
Interest Expense on Lease	374	413
Loss / (Gain) from Disposal of Property, Plant & Equipment	(5,678)	-
Provision for Retirement Benefit Obligations	2,500	2,370
Operating Profit/(Loss) before Working Capital Changes	17,389	40,730
(lncrease)/ Decrease in Inventories	2,837	(570)
(lncrease)/ Decrease in Trade and Other Receivables	148,616	172,038
(lncrease)/ Decrease in Other Non Financial Assets	(24,880)	1,695
(lncrease)/ Decrease in Amounts Due from Related Parties	(3,319)	19
Increase /(Decrease) in Trade and Other Payables	(46,403)	(29,229)
Increase /(Decrease) in Amounts Due to Related Parties	(1,696)	(3,142)
Cash Generated from / (Used in) Operations	92,544	181,541
Income Tax Paid	(32,491)	(20,907)
Finance Costs Paid	-	(19)
Retirement Benefit Costs Paid	(1,503)	(44)
Net Cash from / (Used in) Operating Activities	58,550	160,571
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(2,991)	(11,986)
Investments in Fixed Deposits	(137,942)	(71,541)
Interest Received	1,494	1,355
Proceed on Disposal of Property, Plant & Equipment	5,678	-
Net Cash Flows from Investing Activities	(133,761)	(82,172)
Cash Flows from / (Used in) Financing Activities		
Lease Rent Payment	(1,230)	(1,230)
Net Cash Flows Used in Financing Activities	(1,230)	(1,230)
Net lncrease/(Decrease) in Cash and Cash Equivalents	(76,441)	77,169
Effect of exchange rate changes on Cash & Cash Equivalents	14,738	26,430
Cash and Cash Equivalents at the beginning of the Period	320,943	298,981
Cash and Cash Equivalents at the end of the Period (Note A)	259,240	402,580

Note A
CASH AND CASH EQUIVALENTS
Components of Cash and Cash Equivalents

Cash & Bank Balances	269,599	434,442
Bank Overdrafts	(10,359)	(31,862)
	259,240	402,580

The above figures are provisional and subject to Audit.

ROYAL PALMS BEACH HOTELS PLC

NOTES TO THE FINANCIAL STATEMENTS

1 Corporate Information

Royal Palms Beach Hotels PLC is a public limited liability company incorporated and domiciled in Sri Lanka listed on the Colombo Stock Exchange. The Interim Financial Statements of the Company for the quarter ended 30th June 2026 were authorised for issue by the Board of Directors on 10th August 2026.

2 Basis of Preparation

The interim financial statements have been prepared on the basis of same accounting policies and methods of computation applied for the year ended 31st March 2026 and in compliance with the Sri Lanka Accounting Standard 34 - Interim Financial Reporting.

		30.06.2026	**30.06.2025**
3	Market price during the quarter - Highest (Rs.)	66.00	39.80
	- Lowest (Rs.)	48.70	31.60
	- Closing (Rs.)	52.00	37.90
	- Last Traded (Rs.)	52.00	37.90

4 There are no material events subsequent to the quarter ended 30.06.2026 that need disclosure.

5 There were no material changes in the composition in the assets and liabilities of the company during the quarter under review.

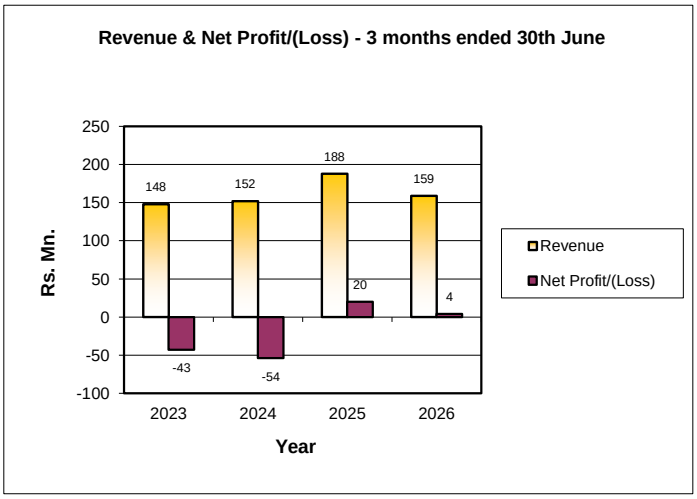
6 Six months of the financial year relates to the off season of the tourism industry.

7 There are no significant contingencies as at 30.06.2026

8 Stated Capital

	30th June 2026		**30th June 2025**	
	Number	**Rs.**	**Number**	**Rs.**
Ordinary Share Capital	50,000,000	521,583,448	50,000,000	521,583,448
	50,000,000	521,583,448	50,000,000	521,583,448

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ROYAL PALMS BEACH HOTELS PLC

DIRECTORS' SHAREHOLDINGS AS AT 30TH JUNE 2026

	No. of Shares held	
Ms. A M Ondaatjie	1,126,733	2.25%
Mr. G G Ondaatjie	1,081,734	2.16%
Mr. T J Ondaatjie	1,414,233	2.83%
Mr. N H V Perera	295,798	0.59%
Mr. A de Zoysa	625	0.00%
Mr. J D Vaz	33	0.00%
Mr. P S R Casie Chitty	-	0.00%
Ms. P T K Navaratne	-	0.00%
Mr. G K Sudath Kumar	-	0.00%
Ms. A Nanayakkara	-	0.00%

PUBLIC HOLDING PERCENTAGE AS AT 30/06/2026		28.46%
NUMBER OF PUBLIC SHAREHOLDERS		1,743
Float Adujusted Market Capitalisation as at 30/06/2026	Rs.	739,960,000.00
The Company is compliant with the minimum public holding requirement under option 2 of 7.13.1 (i)(b)		
Number of shares repesenting the Stated Capital		50,000,000

20 Largest Shareholders

Tangerine Beach Hotels PLC	14,202,786	28.41%
Mercantile Investments and Finance PLC	8,576,700	17.15%
Tangerine Tours (Pvt) Ltd	3,966,289	7.93%
The Nuwara Eliya Hotels Co. PLC	2,750,000	5.50%
Mr. U M Maniku	2,552,823	5.11%
Mr. D C Fernando	2,189,642	4.38%
Mr. M J Fernando	1,467,261	2.93%
Mr. T J Ondaatjie	1,414,233	2.83%
Ms. A M Ondaatjie	1,126,733	2.25%
Mr. G G Ondaatjie	1,081,734	2.16%
Mercantile Fortunes (Pvt) Ltd	829,870	1.66%
Peoples Leasing & Finance PLC/ Suhada Gas Distributors (Pvt) L	761,162	1.52%
Nilaveli Beach Hotels (Pvt) Ltd	707,375	1.41%
Assetline Finance Ltd/ Suhada Gas Distributors (Pvt) Ltd	650,691	1.30%
Security Ceylon (Pvt) Ltd	650,000	1.30%
Mrs. K M N Perera (Deceased)	414,542	0.83%
N Vaitilingam & Co. (Pvt) Ltd	332,166	0.66%
Mr. J A S S Adhihetty	299,050	0.60%
Mr. N H V Perera	295,798	0.59%
Ceylon Galvernizing Industries Ltd	235,998	0.47%