ROYAL PALMS
BEACH HOTEL
Kalutara

Interim Financial Statements - 2nd Quarter
(For the Six months ended 30 th September 2026)

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF FINANCIAL POSITION
As At 30th September 2026

	30.09.2026 Rs.'000'	30.09.2025 Rs.'000'	31.03.2026 Rs.'000'
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	2,778,146	2,754,418	2,805,395
Intangible Assets	4	17	11
Other Financial Assets	22,593	21,074	22,593
Right - of - Use Assets	6,288	5,768	7,935
	2,807,031	2,781,277	2,835,934
Current Assets			
Inventories	36,404	29,981	34,378
Trade and Other Receivables	82,820	110,841	249,305
Other Non Financial Assets	51,602	41,204	36,141
Income Tax Receivables	21,139	7,058	-
Amounts Due from Related Parties	1,957	2,743	2,763
Short Term Investments	676,867	320,210	469,000
Cash and Bank Balances	132,552	412,118	334,373
	1,003,341	924,155	1,125,960
Total Assets	3,810,372	3,705,432	3,961,894
EQUITY AND LIABILITIES			
Capital & Reserve			
Stated Capital	521,583	521,583	521,583
Revaluation Reserve	1,463,471	1,455,999	1,459,666
Fair Value Reserve of Financial Assets at FVOCI	3,241	2,177	3,241
Retained Earnings	884,245	802,636	950,822
Total Equity	2,872,540	2,782,395	2,935,312
Non-Current Liabilities			
Deferred Tax Liabilities	734,633	748,981	737,770
Lease Liability	4,365	3,775	6,370
Post Employement Benefit Liability	69,390	59,360	66,935
	808,388	812,116	811,075
Current Liabilities			
Trade and Other Payables	110,683	70,694	154,523
Income Tax Payable	-	-	37,667
Amounts Due to Related Parties	5,083	4,211	6,277
Lease Liabilities	3,873	3,685	3,610
Interest Bearing Loans and Borrowings	9,805	32,331	13,430
	129,444	110,921	215,507
Total Equity and Liabilities	3,810,372	3,705,432	3,961,894
Net Assets per Share (Rs.)	57.45	55.65	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
November 12. 2026

T.J.Ondaatjie
Director

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the Six Months Ended 30th September 2026

	Six months ended 30th September			Three months ended 30th September		
	2026 **Rs. '000'**	**2025** **Rs. '000'**	Change Rs. '000'	**2026** **Rs. '000'**	**2025** **Rs. '000'**	Change Rs. '000'
Revenue	325,014	368,586	(43,572)	165,725	180,715	(14,990)
Cost of Sales	(124,842)	(126,697)	1,855	(65,514)	(61,755)	(3,759)
Gross Profit	200,172	241,889	(41,717)	100,211	118,960	(18,749)
Other Income	39,311	49,023	(9,712)	(14,775)	7,484	(22,259)
Selling and Distribution Costs	(11,491)	(10,260)	(1,231)	(7,103)	(5,683)	(1,420)
Administrative Expenses	(307,829)	(285,883)	(21,946)	(159,106)	(145,470)	(13,636)
Other Expenses	(766)	(728)	(38)	(402)	(295)	(107)
Finance Income	15,411	8,142	7,269	8,446	4,090	4,356
Finance Cost	(717)	(825)	108	(344)	(392)	48
Profit / (Loss) Before Taxation	(65,909)	1,358	(67,267)	(73,073)	(21,306)	(51,767)
Income Tax (Expense)/ Reversal	(668)	735	(1,403)	2,776	2,979	(203)
Profit / (Loss) for the Period	(66,577)	2,093	(68,670)	(70,297)	(18,327)	(51,970)
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	3,805	3,893	(88)	1,902	2,031	(129)
Other Comprehensive Income/(Loss) for the Period	3,805	3,893	(88)	1,902	2,031	(129)
Total Comprehensive Income/(Loss) for the Period	(62,772)	5,986	(68,758)	(68,395)	(16,296)	(52,099)
Earnings Per Share - Basic	(1.33)	0.04	(1.37)	(1.40)	(0.37)	(1.03)

The above figures are provisional and subject to Audit.

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF CHANGES IN EQUITY
Six Months Ended 30th September 2026

	Stated Capital	Revaluation Reserve	Retained Earnings	Fair Value Reserves of Financial Assets as FVOCI	Total Equity Rs.'000'
	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 Loss for the Period	-	-	2,093	-	2,093
Other Comprehensive Income	-	3,893	-	-	3,893
Total Comprehensive Income	-	3,893	2,093	-	5,986
Balance as at 30th September 2025	521,583	1,455,999	802,636	2,177	2,782,395
Balance as at 1st April 2026	521,583	1,459,666	950,822	3,241	2,935,312
Net Loss for the Period	-	-	(66,577)		(66,577)
Other Comprehensive Income	-	3,805	-		3,805
Total Comprehensive Income	-	3,805	(66,577)	-	(62,772)
Balance as at 30th September 2026	521,583	1,463,471	884,245	3,241	2,872,540

The above figures are provisional and subject to Audit.

ROYAL PALMS BEACH HOTELS PLC
STATEMENT OF CASH FLOW
For the Six Months Ended 30th September 2026

	30.09.2026 Rs.'000'	30.09.2025 Rs.'000'
Cash Flows From Operating Activities		
Profit / (Loss) before Taxation	(65,909)	1,358
Adjustments for :		
Depreciation	39,986	39,200
Amortisation	7	6
Finance Income	(15,411)	(8,142)
Finance Costs	-	28
Interest Expense on Lease	717	797
Loss/(Gain) from Derecognition of Property, Plant & Equipment	(5,678)	-
Provision for Retirement Benefit Obligations	5,000	4,740
Operating Profit / (Loss) before Working Capital Changes	(41,288)	37,987
(lncrease)/ Decrease in Inventories	(2,025)	1,101
(lncrease)/ Decrease in Trade and Other Receivables	167,130	166,961
(lncrease)/ Decrease in Other Non Financial Assets	(15,461)	7,224
(lncrease)/ Decrease in Amounts Due from Related Parties	806	(49)
Increase /(Decrease) in Trade and Other Payables	(43,840)	(31,711)
Increase /(Decrease) in Amounts Due to Related Parties	(1,195)	(2,344)
Cash Generated from / (used in) Operations	64,127	179,169
Income Tax Paid	(58,805)	(22,940)
Finance Costs Paid	-	(28)
Retirement Benefit Costs Paid	(2,545)	(181)
Net Cash From / (Used in) Operating Activities	2,777	156,020
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(11,089)	(18,345)
Investments in Fixed Deposits	(199,377)	(73,672)
Interest Received	6,921	2,572
Proceeds on Disposal of Property, Plant & Equipment	5,678	-
Net Cash Flows from / (Used in) Investing Activities	(197,867)	(89,445)
Cash Flows from / (Used in) Financing Activities		
Lease Rent Payment	(2,460)	(2,460)
Net Cash Flows from / (Used in) Financing Activities	(2,460)	(2,460)
Net lncrease/(Decrease) in Cash and Cash Equivalents	(197,550)	64,115
Effect of exchange rate changes on Cash & Cash Equivalents	(646)	16,691
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)	122,747	379,787

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

Cash & Bank Balances	132,552	412,118
Bank Overdrafts	(9,805)	(32,331)
	122,747	379,787

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 period ended 30th September 2026 were authorised for issue by the Board of Directors on 12th November 2026.

2. Basis of Preparation

The interim financial statements have been prepared on the same accounting policies and methods of computation applied for the year ended 31.03.2026 and in compliance with the Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.

		30.09.2026	30.09.2025
3	Market price during the quarter - Highest (Rs.)	53.20	95.00
	- Lowest (Rs.)	40.00	36.00
	- Closing (Rs.)	40.10	80.10
	- Last Traded (Rs.)	40.00	80.10

4 There are no material events subsequent to the quarter ended 30.09.2026 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.

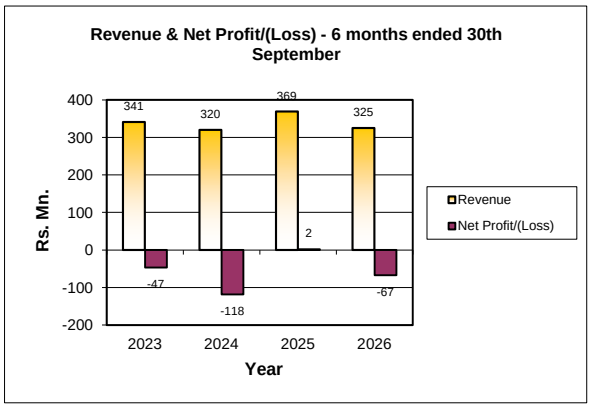
6 Six months of the financial year relates to the off season of the tourism industry.

7 There are no significant contingencies as at 30.09.2026.

8 Stated Capital

	30.09.2025		30.09.2024	
	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 SEPTEMBER 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	503,069	1.01%
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 30/09/2026		28.07%
NUMBER OF PUBLIC SHAREHOLDERS		1,740
Float Adujusted Market Capitalisation as at 30/09/2026	Rs.	562,803,500.00
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) Ltd	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%
Mr. N H V Perera	503,069	1.01%
N Vaitilingam & Co. (Pvt) Ltd	332,166	0.66%
Mr. J A S S Adhihetty	299,050	0.60%
Ceylon Galvernizing Industries Ltd	235,998	0.47%
Renuka Consultants & Services Ltd	230,000	0.46%

30/09/2026