

TAL LANKA HOTELS PLC

Interim Financial Statements

For the period ended
31st December 2025

TAL LANKA HOTELS PLC

PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 2025

COMPANY STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

Audited Year ended 31.03.2025 Rs' 000		Quarter ended 31st December Un Audited 2025 Rs '000	Un Audited 2024 Rs '000	Change %	9 Months ended 31st December Un Audited 2025 Rs '000	Un Audited 2024 Rs '000	Change %
3,472,131	**Revenue from contract with customers**	973,562	971,721	**0**	2,594,781	2,607,126	**0**
(2,545,571)	Cost of Sales	(673,377)	(668,342)	**-1**	(1,890,588)	(1,906,009)	**1**
926,560	**Gross Profit/(Loss)**	**300,184**	**303,379**	**-1**	**704,193**	**701,117**	**0**
15,829	Other Operating Income	7,205	822	**> 100**	8,697	13,974	**38**
(136,053)	Marketing Expenses	(34,041)	(35,669)	**5**	(96,215)	(103,876)	**7**
(857,270)	Administrative Expenses	(226,742)	(215,554)	**-5**	(631,351)	(630,155)	**0**
(50,934)	**Profit/(Loss) from Operations**	**46,608**	**52,979**	**12**	**(14,675)**	**(18,939)**	**23**
(350,933)	Finance Cost	(110,961)	(82,184)	**-35**	(316,485)	(269,950)	**-17**
10,299	Finance Income	332	59,912	**-99**	760	73,339	**-99**
(391,568)	**Profit/(Loss) Before Tax**	**(64,021)**	**30,707**	**> 100**	**(330,399)**	**(215,550)**	**-53**
63,725	Income tax (expense)/Benefit	-	-		-	-	
(327,843)	**Profit/(Loss) for the period**	**(64,021)**	**30,707**	**> 100**	**(330,399)**	**(215,550)**	**-53**
	Other Comprehensive income/(expense), net of income tax						
	Items that will not be reclassified subsequently to profit or loss:						
10,988	Re-measurement gain/(loss) on defined benefit plans	-	-		-	-	
3,814	Equity investment at FVOCI - net change in fair value	-	-		-	-	
14,802	**Other Comprehensive Income/(Expense) for the period, Net of Tax**	**-**	**-**		**-**	**-**	
(313,041)	**Total Comprehensive Income/(Expense) for the period**	**(64,021)**	**30,707**	**> 100**	**(330,399)**	**(215,550)**	**-53**
(2.35)	Earnings/(Loss) per Share (Rs.)	**(0.46)**	**0.22**		**(1.92)**	**(1.54)**	

TAL LANKA HOTELS PLC

PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 2025
STATEMENT OF FINANCIAL POSITION AS AT

Audited Year ended 31.03.2025 Rs' 000		Un Audited Period ended 31.12.2025 Rs' 000	Un Audited Period ended 31.12.2024 Rs' 000
	ASSETS		
	NON-CURRENT ASSETS		
3,263,280	Property, Plant & Equipment	3,166,586	3,298,809
7,922	Intangible Assets	6,238	8,484
725,503	Right of Use Assets	715,609	728,800
29,284	Equity securities designated as at FVOCI	29,284	23,836
4,025,989		**3,917,718**	**4,059,929**
	CURRENT ASSETS		
98,918	Inventories	111,955	99,816
156,222	Trade and Other Receivables	320,960	310,246
1,714	Amounts receivable from related parties	1,959	953
152,048	Advance and Prepayment	219,244	187,221
16,019	Tax Recoverable	19,476	14,369
212,434	Cash & Cash Equivalents	94,443	192,512
637,357		**768,038**	**805,117**
4,663,346	**TOTAL ASSETS**	**4,685,755**	**4,865,046**
	EQUITY AND LIABILITIES		
	CAPITAL AND RESERVES		
1,396,375	Stated Capital	2,717,744	1,396,375
10,637	Fair value reserve of Financial assets at FVOCI	10,637	6,823
1,134,952	Revaluation Reserves	1,040,588	1,166,407
(4,246,489)	Retained Earnings	(4,482,524)	(4,176,639)
(1,704,524)	**Total Equity**	**(713,554)**	**(1,607,033)**
	NON-CURRENT LIABILITIES		
3,239,806	Interest Bearing Borrowings	1,830,653	3,449,430
101,078	Deferred Tax Liabilities	1,012,263	1,069,644
1,012,263	Retirement Benefit Obligations	115,078	103,931
4,353,148		**2,957,994**	**4,623,005**
	CURRENT LIABILITIES		
837,959	Interest Bearing Borrowings	659,668	567,794
713,576	Trade and Other Payables	1,002,899	856,228
463,189	Amounts payable to related parties	582,105	425,053
-	Bank Overdraft	196,644	-
2,014,723		**2,441,316**	**1,849,075**
4,663,346	**TOTAL EQUITY AND LIABILITIES**	**4,685,755**	**4,865,047**
(12.21)	**Net Assets Value per Share (Rs.)**	**(4.15)**	**(11.51)**

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007

Sridhar Swain
Area Financial Controller- Sri Lanka & Maldives
Director of Finance - Taj Samudra , Colombo

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Approved and signed for and on behalf of the Board of Directors of TAL Lanka Hotels PLC

Nissanka Weerasekera
Director

Nilbo Jayathilake
Director

Colombo
13th February 2026

TAL LANKA HOTELS PLC

PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 2025
STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Revaluation Reserve	Fair value Reserve	Accumulated Losses	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 01 April 2024	1,396,375	1,260,772	6,823	(4,055,453)	(1,391,483)
Profit/(Loss) for the period	-	-	-	(215,550)	(215,550)
Transfer of depreciation,net of deferred tax	-	(94,365)	-	94,365	-
Balance as at 31 December 2024	**1,396,375**	**1,166,407**	**6,823**	**(4,176,639)**	**(1,607,033)**
Balance as at 01 April 2025	**1,396,375**	**1,134,952**	**10,637**	**(4,246,489)**	**(1,704,524)**
New Shares issued on 30th June 2025	1,321,369	-	-	-	1,321,369
Profit/(Loss) for the period	-	-	-	(330,399)	(330,399)
Transfer of depreciation,net of deferred tax	-	(94,365)	-	94,365	-
Balance as at 31 December 2025	**2,717,744**	**1,040,588**	**10,637**	**(4,482,524)**	**(713,554)**

TAL LANKA HOTELS PLC

PROVISIONAL FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST DECEMBER 2025

CASH FLOW STATEMENT

Audited Year ended 31.03.2025 Rs.'000		Un Audited Period ended 31.12.2025 Rs.'000	Un Audited Period ended 31.12.2024 Rs.'000
	Cash Flows From / (Used in) Operating Activities		
(391,568)	Profit/(Loss) before Tax	**(330,399)**	**(215,550)**
	Adjustments for		
(1,341)	Gain/(Loss) on disposal of property, plant and equipment	(1,525)	(1,116)
318,632	Depreciation on property, plant and equipment	242,829	238,825
2,338	Amortization of intangible asset	1,684	1,777
13,191	Amortization of Right of use assets	9,893	9,893
23,690	Provision for defined benefit plans	12,246	10,776
1,216	Impairment Provision for Trade and Other Receivables	-	-
(12,042)	Net Insurance claim on property, plant and equipment	(2,904)	(11,903)
227	Impairment Provision/(Reversal) for Inventories	-	-
(1,778)	Interest income	(760)	(1,287)
347,146	Interest expense	174,892	269,950
(46,453)	Unrealised exchange loss	76,187	(94,757)
253,258	**Operating Profit/(Loss) before Working Capital Changes**	**182,141**	**206,608**
13,956	(Increase) / decrease in inventories	(13,037)	13,286
183,613	(Increase) / decrease in trade and other receivables	(164,737)	30,805
3,008	(Increase) / decrease in amounts receivable from related companies	(245)	3,769
(45,080)	(Increase) / decrease in deposits, prepayments and advances	(67,196)	(80,253)
(4,451)	Increase / (decrease) in current tax asset	(3,456)	(2,800)
96,038	Increase / (decrease) in trade and other payables	164,940	114,306
142,935	Increase) in amounts payable to related companies	118,916	104,799
643,276	**Cash Generated from Operations**	**217,326**	**390,520**
-	Net Retirement benefits (paid)/receipt	1,753	70
(267,147)	Interest paid	(148,419)	(216,496)
376,129	**Net Cash flows From/(used in) Operating Activities**	**70,660**	**174,094**
	Cash Flows from / (Used in) Investing Activities		
1,341	Net proceeds from disposal of property, plant and equipment	1,525	1,116
12,042	Insurance claim received on property, plant and equipment	2,904	11,903
(176,217)	Purchase of property, plant and equipment	(146,134)	(137,884)
1,778	Interest received	760	-
(5,944)	Purchase of intangible assets	-	-
-	Net (Investment) / Withdrawal in Fixed deposits	-	-
(167,000)	**Net Cash Flows from/(Used in) Investing Activities**	**(140,944)**	**(124,865)**
	Cash Flows from (Used in) Financing Activities		
27,479	Borrowings obtained from Related party	-	27,479
-	Loans obtained from Bank	120,838	-
(275,786)	Repayment of loans	(365,188)	(135,809)
(248,307)	**Net Cash Flows Used in Financing Activities**	**(244,351)**	**(108,330)**
(39,178)	**Net Increase/(Decrease) in Cash and Cash Equivalents**	(314,635)	(59,101)
251,612	**Cash and Cash Equivalents at the beginning of the year**	212,434	251,613
212,434	**Cash and Cash Equivalents at the end of the Period**	**(102,201)**	**192,512**

For the purpose of the cash flow statement, the Period end cash and cash equivalents comprise of the following:

212,434	Cash at Bank & In Hand	94,443	192,512
-	Bank Overdraft	(196,644)	-
212,434		**(102,201)**	**192,512**

TAL LANKA HOTELS PLC

NOTES

1 Corporate information

TAL Lanka Hotels PLC (formerly known as Taj Lanka Hotels PLC) is a limited liability company incorporated in Sri Lanka and listed on the Colombo Stock Exchange. The registered office and principal place of business is situated at No. 25, Galle Face Centre Road, Colombo 03.

2 Approval of financial statements

The unaudited interim condensed financial statements of the company for the quarter ended 31st December 2025 were reviewed and recommended by the Audit Committee and approved to the board on 13th February 2026.

3 Basis of preparation

The Interim Condensed Financial Statements of the Company for the period ended 31st December 2025 have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34- Interim Financial Reporting. These Interim Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2025. The Interim Condensed Financial Statements have been prepared on a historical cost basis, except for, land and financial instruments. These Statements also provide information required by the Colombo Stock Exchange.

The accounting policies adopted in the preparation of the Interim Condensed Financial Statements are consistent with those followed in the preparation of the Annual Financial Statements for the year ended 31st March 2025.

The Stated Capital as at 31st December 2025 is Rs. 2,717,744,425/- (31 December 2024 - Rs. 1,396,374,941/-) comprising 171,866,018 fully paid Ordinary shares (31st December 2024 - 139,637,494).

4 Events after the reporting period

No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the financial statements.

5 Contingencies

There has not been a significant change in the nature of the commitments and Contingencies, which were disclosed in the Annual Report for the year ended 31st March 2025.

6 Management fee payable to TAL Hotels & Resorts Ltd

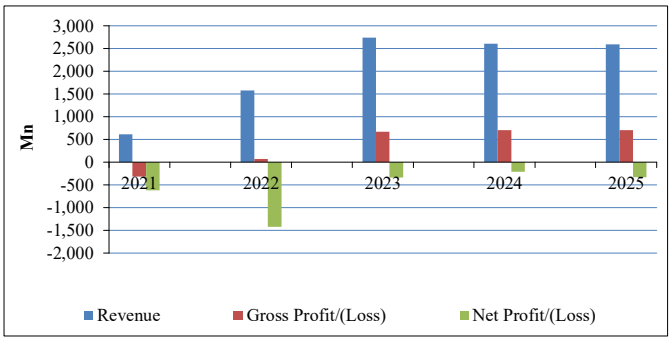
TAL Lanka Hotels PLC has entered in to a Hotel Operating agreement with TAL Hotels & Resorts Ltd. The details of fees payable to TAL Hotels & Resorts Ltd under the agreement is as follows ;

	As at 31.12.2025	As at 31.12.2024
	Rs '000	Rs '000
Basic fee Payable	360,399	277,128
Incentive fee Payable	147,564	100,535
	507,963	**377,663**

7 A Graphical analysis of Seasonality performance is given below;

5 Years Performance Evaluation for the period ended 31st December *(Figures are in '000)*

	2021	2022	2023	2024	2025
Revenue	611,555	1,579,689	2,735,512	2,607,126	2,594,781
Gross Profit/(Loss)	(318,045)	73,025	671,255	701,117	704,193
Net Profit/(Loss)	(619,539)	(1,426,720)	(338,663)	(215,550)	(330,399)



8 New accounting standards issued and effective

The Institute of Chartered Accountants of Sri Lanka has issued certain amendments to standards, which are effective for annual periods beginning after 1 January 2023. The Company shall apply these amendments prospectively.

8.1 Property, Plant and Equipment : Proceeds before Intended Use (Amendments to LKAS 16)

This amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

8.2 Classification of Liabilities as Current or Non-current (Amendments to LKAS 1)

The amendments in Classification of Liabilities as Current or Noncurrent (Amendments to LKAS 1) affect only the presentation of liabilities in the statement of financial position not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those item.

TAL LANKA HOTELS PLC

5.) Share and Investor information

ANALYSIS OF SHAREHOLDERS ACCORDING TO THE NO: OF SHARES AS AT 31ST DECEMBER 2025
(LOCAL : FOREIGN)

NO OF SHARES			NO. OF SHAREHOLDERS		TOTAL HOLDINGS		PERCENTAGE	
			FOREIGN	LOCAL	FOREIGN	LOCAL	FOREIGN	LOCAL
1	To	1000	56	8,646	24,730	1,745,746	0.01%	1.02%
1001	To	10,000	18	805	77,003	2,644,401	0.04%	1.54%
10,001	To	100,000	5	100	198,023	2,649,586	0.12%	1.54%
100,001	To	1,000,000	1	11	343,029	2,809,237	0.20%	1.63%
1,000,001	&	Above	3	4	149,855,744	11,518,519	87.19%	6.70%
TOTAL			**83**	**9,566**	**150,498,529**	**21,367,489**	**87.57%**	**12.43%**
GRAND TOTAL				**9,649**		**171,866,018**		**100%**

ANALYSIS OF SHAREHOLDERS ACCORDING TO THE NO: OF SHARES AS AT 31ST DECEMBER 2025
(COMPANY: MEMBER)

NO OF SHARES			NO. OF SHAREHOLDERS		TOTAL HOLDINGS		PERCENTAGE	
			COMPANIES	MEMBERS	COMPANIES	MEMBERS	COMPANIES	MEMBERS
1	To	1000	76	8626	23,520	1,746,956	0.01%	1.02%
1001	To	10,000	38	785	213,872	2,507,532	0.12%	1.46%
10,001	To	100,000	32	73	1,026,913	1,820,696	0.60%	1.06%
100,001	To	1,000,000	9	3	2,660,869	491,397	1.55%	0.29%
1,000,001	&	Above	7	0	161,374,263	-	93.90%	0.00%
TOTAL			**162**	**9,487**	**165,299,437**	**6,566,581**	**96.18%**	**3.82%**
GRAND TOTAL				**9,649**		**171,866,018**		**100%**

TAL LANKA HOTELS PLC

SHARE INFORMATION

1.) Share Trading Information for the quarter ended 31st December,

	2025 Rs.		2024 Rs.	
Highest	49.70	14/10/2025	23.10	31/12/2024
Lowest	36.00	29/12/2025	17.80	11/07/2024
Closing	40.90	31/12/2025	22.10	31/12/2024

Last Traded Price - Rs.	**31/12/2025**	**31/12/2024**
Open	40.80	22.10
Highest	41.00	23.10
Lowest	39.10	22.00
Closing	40.90	22.10

2.) First Twenty Shareholders as at 31st December 2025

	Name of Shareholder	Number of Shares	% of issued capital
1	TAL HOTELS AND RESORTS LIMITED	107,497,886	62.55
2	IHOCO BV	40,287,858	23.44
3	EMPLOYEE'S PROVIDENT FUND	6,937,742	4.04
4	MOUGIN INVESTMENT COMPANY LIMITED	2,070,000	1.20
5	ASSOCIATED ELECTRICAL CORPORATION LTD	1,990,303	1.16
6	SAMPATH BANK PLC/MR.ARUNASALAM SITHAMPALAM	1,304,038	0.76
7	PEOPLE S LEASING AND FINANCE PLC/L.P.HAPANGAMA	1,286,436	0.75
8	E.W. BALASURIYA & CO. (PVT) LTD ACC NO 01	901,658	0.52
9	HALLSVILLE FRONTIER EQUITIES LTD.	343,029	0.20
10	PEOPLE'S LEASING & FINANCE PLC/L.H.L.M.P.HARADASA	328,905	0.19
11	ASHAN DE ZOYSA AND COMPANY PVT LIMITED	265,000	0.15
12	Mr.KANTHIMATHINATHAN MUTHUVINAYAGAM	232,232	0.14
13	PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA & MRS.G.SC	225,455	0.13
14	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	212,390	0.12
15	PEOPLE'S LEASING & FINANCE PLC / MR.W.P.C.M.NANAYAKKAR	160,000	0.09
16	MR.NAWALAGE JOSEPH HIRAN MAHINDA COORAY	137,165	0.08
17	MRS.BINANTHI SHAMANI RASANAYAGAM	122,000	0.07
18	SENKADAGALA FINANCE PLC	114,432	0.07
19	SEYLAN BANK PLC/GOLUHEWAGE BINDU RASITHA POOJITHA C	110,000	0.06
20	MR.PRIYANK GUPTA	92,600	0.05
	Total	**164,619,129**	**95.78**

3.) Percentage of Public Holding as at 31st December 2025 **14.01%**

Total No. of Shareholders Represent in Public Holding **9,647**
Float Adjusted Market Capitalization **984,883,207**

The Company complies with option 2 of the Listing Rules 7.14.1 (b) of the Listing Rules of Colombo Stock Exchange

4.) Directors' shareholding as at 31st December

Name of Director	2025 No. of shares	2024 No. of shares
Mr. P.S. Verma	NIL	NIL
Mr. B.K. Chaudhary	NIL	NIL
Mr. R.K. Chaudhary	NIL	NIL
Mr. P. Sen Gupta	NIL	NIL
Mr. S. Datta	NIL	NIL
Mr. N. Shome	NIL	-
Mr. N. B. Weerasekera	NIL	-
Mr. C. Subramanian	NIL	-
Ms. N. Jayatilake	NIL	-

TAL LANKA HOTELS PLC

CORPORATE INFORMATION

NAME OF COMPANY	TAL Lanka Hotels PLC
COMPANY REGISTRATION NO :	PQ 183
LEGAL FORM	Public Quoted Company with limited liability originally incorporated in Sri Lanka on 14th June 1980
REGISTERED OFFICE	25, Galle Face Centre Road, Colombo 03. Telephone +94 11 244 6622 Website www.tajhotels.com
BOARD OF DIRECTORS	Mr. P.S. Verma - Chairman Mr. B.K. Chaudhary Mr. R.K. Chaudhary Mr. P. Sen Gupta Mr. S. Datta Mr. N. Shome Mr. N. B. Weerasekera Mr. C. Subramanian Ms. N. Jayatilake
SECRETARIES	Corporate Services (Private) Limited 216, De Saram Place, Colombo-10
REGISTRARS	Business Intelligence (Private) Limited No. 08, Tickell Road, Colombo 08.
AUDITORS	Messrs KPMG Sri Lanka. Chartered Accountants 32 A, Sir Mohamed Macan Markar Mawatha, Colombo - 04.
LAWYERS	Messrs F J & G De Saram 216, De Saram Place, Colombo-10
BANKERS	Hatton National Bank PLC Standard Chartered Bank Commercial Bank of Ceylon PLC Nations Trust Bank PLC
HOTEL MANAGER	TAL Hotels and Resorts Ltd, 42/F, Central Plaza, 18, Harbour Road, Wanchai, Hong Kong.