DANKOTUWA

World-class tableware

Unaudited Financial Statements

For the three months ended 30 June 2026

The information contained in these statements have been extracted from the unaudited financial statements of the Company unless indicated as audited.

CORPORATE INFORMATION

Domicile & Legal Form	Dankotuwa Porcelain PLC is a Public Quoted Company with limited liability, incorporated under provisions of the Companies Act No. 17 of 1982 (Registered as a Private Limited Company in Sri Lanka on 06 January 1984 and converted to a Public Company by a special resolution on 08 July 1994). Re-registered under the Companies Act No. 07 of 2007. Quoted on the Colombo Stock Exchange on the 21 February 1995.
Principal Activity & Nature of the Company	Manufacturing and Marketing of Porcelain Tableware, Targeted to Export and Domestic Markets
Company Reg. No.	PQ 79
Board of Directors	Mr. R P Pathirana - Chairman Mr. C S Karunasena - Director Mr.R S Egodage - Director Ms.S N Egodage - Director Ms.L Rajendran - Director Dr.L H K Perera - Director Mr.V Aslibekyan - Director Mr.P.D.C.N Gunawardana - Director Mr.C Gamage - Director
Secretaries	NEXIA CORPORATE CONSULTANTS (PRIVATE) LIMITED No. 130, Second Floor, Nawala Road, Narahenpita, Colombo 05.
Registrars	S S P CORPORATE SERVICES (PRIVATE) LIMITED 101, Inner Flower Road, Colombo 3
Auditors	ERNST & YOUNG Chartered Accountants, Rotunda Tower,No 109,Galle Road,Colombo 03
Bankers	Bank of Ceylon Cargills Bank Sri Lanka Commercial Bank of Ceylon PLC DFCC Bank PLC Hattion National BanK PLC National Development Bank PLC Nations Trust Bank PLC Pan Asia Banking Corporation PLC People's Bank PLC Sampath Bank PLC Seylan Bank PLC
Factory & Office	Kurunegala Road Dankotuwa, Sri Lanka Telephone - '+94 31 5500500 Fax - '+94 31 5500599 Email :info@dankotuwa.com Website :www.dankotuwa.com
Registered Office	No. 1, Alfred House Avenue, Colombo 03, Sri Lanka. Telephone - '+94 31 5500500 Fax - '+94 31 5500599 Email :info@dankotuwa.com Website :www.dankotuwa.com

CORPORATE INFORMATION

Subsidiaries	Royal Fernwood Porcelain Limited Dankotuwa Singapore Pte.Ltd
Showrooms	**Kirulapone** 194, High Level Road (Opposite Siebel Avenue) Colombo 6, Sri Lanka Tel: +94-11-5665000 **Cinnamon Garden** 47, Guildford Crescent Colombo 7, Sri Lanka Tel: +94-11-5305555 **Negombo** No. 389 C, Main Street Negombo Tel: +94-31-5205205 **Shangri-La Shopping Mall** 1 Galle Face L3-51 Colombo 03 Tel:+94-11-5666222 **Factory Showroom** Kurunegala Road Dankotuwa, Sri Lanka Tel: +94-31-5500545
EXPORT MARKETS	Australia,Bahrain,Germany,Iceland,India, Italy, Japan, Kenya, Korea, Maldives, Nepal, Norway, Oman, Singapore, Saudi Arabia,South Africa, Sweden, UK, USA, Uzbekistan and UAE.

DANKOTUWA PORCELAIN PLC
STATEMENT OF PROFIT OR LOSS

	GROUP			COMPANY		
For the Period Ended 30th June,	**2026 Un-Audited LKR '000**	2025 Un-Audited LKR'000	% Change	**2026 Un-Audited LKR'000**	2025 Un-Audited LKR'000	% Change
Revenue	**772,628**	938,963	-18%	**365,132**	521,305	-30%
Cost of Sales	**(645,309)**	(811,336)	-20%	**(314,179)**	(443,736)	-29%
Gross Profit	**127,319**	127,627	0%	**50,953**	77,569	-34%
Other Income	**6,132**	16,644	-63%	**2,900**	1,336	117%
Selling and Distribution Expenses	**(125,194)**	(112,956)	11%	**(65,686)**	(68,983)	-5%
Administrative Expenses	**(141,241)**	(187,860)	-25%	**(102,444)**	(106,417)	-4%
Net Finance (Cost) / Income	**(48,172)**	(54,638)	-12%	**(3,895)**	(11,148)	-65%
Loss Before Tax	**(181,156)**	(211,183)	-14%	**(118,172)**	(107,643)	10%
Income /Deferred Tax (Expense)/ Reversal	**62,137**	52,381	19%	**39,658**	25,970	53%
Loss for the period	**(119,019)**	(158,802)	-25%	**(78,514)**	(81,673)	-4%
Profit Attributable to:						
Equity Holders of the Company	**(118,857)**	(158,493)	-25%			
Non - Controlling Interests	**(162)**	(309)	48%			
	(119,019)	(158,802)				-
Earnings/(Loss) per share						
Basic	**(0.73)**	(0.98)	-25%	**(0.48)**	(0.50)	-4%

The Notes on pages 8 to 9 form an integral part of these Financial Statements.
Figures in bracket indicate deductions

DANKOTUWA PORCELAIN PLC
STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Period Ended 30th June,	GROUP		COMPANY	
	2026 Un-Audited LKR'000	2025 Un-Audited LKR'000	**2026 Un-Audited LKR'000**	2025 Un-Audited LKR'000
Loss for the Period	**(119,019)**	(158,802)	**(78,514)**	(81,673)
Other Comprehensive Income				
Other Comprehensive Income /(Loss) to be Reclassified to Profit or Loss in Subsequent Year				
Translation of Foreign Operations	**-**	-	**-**	-
Net Other Comprehensive Income /(Loss) to be Reclassified to Profit or Loss in subsequent periods	**-**	-	**-**	-
Other Comprehensive Income/(Loss) not to be Reclassified to Profit or Loss in subsequent periods				
Actuarial Loss	**-**	-	**-**	-
Tax impact on Acturial Loss	**-**	-	**-**	-
Revaluation of Land and Building	**-**	-	**-**	-
Tax impact on Revaluation Gain	**-**	-	**-**	-
Net Other Comprehensive Income/(Loss) not to be Reclassified to Profit or Loss in Subsequent Year	**-**	-	**-**	-
Other Comprehensive Income/(Loss) for the year -Net of Tax	**-**	-	**-**	-
Total Comprehensive Loss for the Period	**(119,019)**	(158,802)	**(78,514)**	(81,673)
Total Comprehensive Loss Attributable to:				
Equity Holders of the Company	**(118,857)**	(158,493)		
Non - Controlling Interests	**(162)**	(309)		
	(119,019)	(158,802)		

DANKOTUWA PORCELAIN PLC
STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
As at,	**30-Jun-26**	31-Mar-26	**30-Jun-26**	31-Mar-26
	Un-Audited	Un-Audited	**Un-Audited**	Un-Audited
	LKR'000	LKR'000	**LKR'000**	LKR'000
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	**2,443,536**	2,496,531	**1,552,253**	1,595,396
Right to Use Asset	**7,939**	13,412	**7,939**	13,412
Investment Property	**769,946**	769,946	**629,700**	629,700
Intangible Assets	**77,667**	45,360	**49,491**	16,830
Investment in Subsidiaries	**-**	-	**926,753**	926,753
Deferred Tax Asset	**109,053**	84,574	**-**	-
	3,408,141	3,409,823	**3,166,135**	3,182,091
Current Assets				
Inventories	**1,681,041**	1,651,092	**1,011,469**	985,935
Trade & Other Receivables	**894,206**	1,347,777	**485,738**	673,562
Related Party Loan Receivable	**-**	-	**432,415**	429,475
Income Tax Receivable	**2,575**	2,570	**2,575**	2,570
Cash & Cash Equivalents	**621,346**	687,619	**577,458**	609,125
	3,199,168	3,689,058	**2,509,655**	2,700,667
Total Assets	**6,607,309**	7,098,881	**5,675,790**	5,882,758
EQUITY AND LIABILITIES				
Equity				
Stated Capital	**1,402,102**	1,402,102	**1,402,102**	1,402,102
Other Components of Equity	**1,762,110**	1,762,110	**1,292,946**	1,292,946
Retained Earnings	**(974,656)**	(855,799)	**317,144**	395,658
Equity Attributable to Equity Holders of the Company	**2,189,556**	2,308,413	**3,012,192**	3,090,706
Non Controlling Interests	**(1,090)**	(928)	**-**	-
Total Equity	**2,188,466**	2,307,485	**3,012,192**	3,090,706
Non-Current Liabilities				
Interest Bearing Loans and Borrowings	**180,000**	235,000	**110,000**	126,000
Retirement Benefit Liability	**337,120**	335,753	**274,756**	265,931
Deferred Tax Liability	**84,114**	121,772	**94,752**	134,410
	601,234	692,525	**479,508**	526,341
Current Liabilities				
Interest Bearing Loans and Borrowings	**3,129,348**	3,161,315	**1,841,089**	1,851,436
Lease Liability	**9,917**	12,821	**9,917**	12,821
Trade and Other Payables	**678,344**	924,735	**333,084**	401,454
	3,817,609	4,098,871	**2,184,090**	2,265,711
Total Equity and Liabilities	**6,607,309**	7,098,881	**5,675,790**	5,882,758
Net Assets Per Share (LKR)	**13.47**	14.20	**18.53**	19.01

The Notes on pages 8 to 9 form an integral part of these Financial Statements.
Figures in brackets indicate deductions

I certify that the Financial Statements have been prepared in compliance with the requirements of Companies Act No. 07 of 2007.

sgd.
Saroj Ranathunga
Chief Financial Officer-Cluster

The Directors are responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the Board.

sgd.
R P Pathirana
Chairman

sgd.
C S Karunasena
Director

11 August 2026
Colombo

DANKOTUWA PORCELAIN PLC
STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to Equity Holders of the Company					Non Controlling Interests	Total Equity
	Stated Capital	Revaluation Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total		
	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000
Balance as at 31 March 2025- Audited	1,402,102	1,703,024	(4,032)	(204,621)	2,896,473	973	2,897,446
Profit / (Loss) for the period	-	-	-	(638,481)	(638,481)	(1,850)	**(640,331)**
Other Comprehensive Income	-	64,326	(1,208)	(12,697)	50,421	(51)	**50,370**
Total Comprehensive Income for the Period	-	64,326	(1,208)	(651,178)	(588,060)	(1,901)	**(589,961)**
Balance as at 31 March 2026-Un Audited	**1,402,102**	**1,767,350**	**(5,240)**	**(855,799)**	**2,308,413**	**(928)**	**2,307,485**
Profit / (Loss) for the period	-	-	-	**(118,857)**	**(118,857)**	**(162)**	**(119,019)**
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	**(118,857)**	**(118,857)**	**(162)**	**(119,019)**
Balance as at 30 June 2026-Un Audited	**1,402,102**	**1,767,350**	**(5,240)**	**(974,656)**	**2,189,556**	**(1,090)**	**2,188,466**

COMPANY	Stated Capital	Revaluation Reserve	Foreign Currency Translation Reserve	Amalgamation Reserve	Retained Earnings	Total Equity
	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000
Balance as at 31 March 2025- Audited	1,402,102	1,345,312	(4,032)	(123,362)	717,796	3,337,816
Profit / (Loss) for the period	-	-	-	-	(311,539)	(311,539)
Other Comprehensive Income	-	76,236	(1,208)	-	(10,599)	64,429
Total Comprehensive Income for the Period	-	76,236	(1,208)	-	(322,138)	(247,110)
Balance as at 31 March 2026-Un Audited	**1,402,102**	**1,421,548**	**(5,240)**	**(123,362)**	**395,658**	**3,090,706**
Profit / (Loss) for the period	-	-	-	-	**(78,514)**	**(78,514)**
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income for the Period	-	-	-	-	**(78,514)**	**(78,514)**
Balance as at 30 June 2026-Un Audited	**1,402,102**	**1,421,548**	**(5,240)**	**(123,362)**	**317,144**	**3,012,192**

DANKOTUWA PORCELAIN PLC
CASH FLOW STATEMENT

For the period Ended 30th June	GROUP		COMPANY	
	2026	2025	**2026**	2025
			Un-Audited	
	LKR'000	LKR'000	**LKR'000**	LKR'000
Profit before Taxation	**(181,156)**	(211,183)	**(118,172)**	(107,643)
Adjustment for				
Depreciation	**23,982**	29,899	**17,454**	15,759
Amortization of Right to Use Assets	**5,473**	4,871	**5,473**	4,871
Amortization of Intangible Assets	**2,286**	1,367	**2,053**	1,014
Provision for Retirement Gratuity	**15,594**	14,992	**14,355**	13,222
Net Finance Cost / (Income)	**56,347**	67,024	**28,584**	23,535
Provision / (Reversal) of Provision for Inventories	**(9)**	53,182	**16,418**	29,341
Impairment /(Reversal) of Trade and Other Receivables	**(26,212)**	(57,246)	**(31,748)**	(54,157)
Unrealized Foreign Exchage Difference	**-**	1,036	**-**	1,036
Operating Profit before Working Capital Changes	**(103,695)**	(96,058)	**(65,582)**	(73,022)
(Increase)/Decrease in Inventories	**23,830**	83,442	**(41,953)**	91,741
(Increase)/Decrease in Trade & Other Receivables	**256,680**	120,384	**235,276**	81,012
Increase/(Decrease) in Trade & Other Payable	**(91,226)**	(11,459)	**(76,985)**	15,042
Cash Generated from Operations	**85,590**	96,310	**50,757**	114,773
Interest Paid	**(67,355)**	(80,180)	**(39,544)**	(36,595)
Retiring Gratuity Paid	**(10,200)**	(7,268)	**(5,530)**	(6,865)
Net Cash Flow from Operating Activities	**8,035**	8,862	**5,683**	71,313
Cash Flow from Investing Activities				
Acquisition of Property, Plant & Equipment	**(8,658)**	(16,350)	**(8,612)**	(14,296)
Interest Income Received	**284**	14,581	**234**	14,485
Net Cash Flow Used in Investing Activities	**(8,374)**	(1,769)	**(8,378)**	189
Cash Flow from Financing Activities				
Proceeds from Interest Bearing Loans & Borrowings, net of payments	**(76,087)**	47,045	**(5,576)**	(23,851)
Repayment of Finance Lease	**(2,904)**	(2,965)	**(2,904)**	(2,965)
Net Cash Flow from Financing Activities	**(78,991)**	44,080	**(8,480)**	(26,816)
Net Increase/Decrease in Cash & Cash Equivalent during the period	**(79,330)**	51,173	**(11,175)**	**44,686**
Cash & Cash Equivalents				
Net movement during the period	**(79,330)**	51,173	**(11,175)**	44,686
At the beginning of the period	**(363,933)**	(379,757)	**(174,571)**	(115,812)
At the end of the year (Note A)	**(443,263)**	(328,584)	**(185,746)**	(71,126)
Note A-Cash and Equivalents are as follows				
Cash in Hand & Bank	**621,346**	597,481	**577,458**	570,736
Bank & Other Borrowings	**(1,064,609)**	(926,065)	**(763,204)**	(641,862)
	(443,263)	(328,584)	**(185,746)**	(71,126)

1 Basis of preparation

The Interim Consolidated Financial Statements for the period ended 30th June 2026 have been prepared in accordance with LKAS 34 - Interim Financial Reporting. The Interim Consolidated Financial Statements do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group's Audit Financial Statements as at 31 March 2025.

2 Cases pending as of 30th June 2026

No litigation, claims or arbitration proceedings by and against the Company as at 30 June 2026.

3 Stated Capital

The Stated Capital of the Company is LKR 1,402,101,647/- represented by 162,552,920 fully paid ordinary shares.

4 Related Party Transactions

The nature of Related Party Transactions in the period under review is similar to those reported in the annual report for the year 2024/2025

5 Earnings per Share

The computation of the Basic Earnings per Ordinary Share has been done based on net profit attributable to ordinary shareholders for the year, divided by weighted average number of ordinary shares in issue as at the balance sheet date and calculated as follows.

	Group		Company	
	30/06/2026	31/03/2026	**30/06/2026**	31/03/2026
Amounts used as the Numerator				
Net Profit / (Loss) Attributable to Ordinary Shareholders - LKR'000	**(118,857)**	(158,493)	**(78,514)**	(81,673)
Weighted Average Number of Ordinary Shares in Issue (Nos.)	**162,552,920**	162,552,920	**162,552,920**	162,552,920
Basic Earnings per Ordinary Share (Rs.)	**(0.73)**	(0.98)	**(0.48)**	(0.50)

6 Comparative Information

The presentation and classification of the financial statements of the previous years have been amended, where relevant for better presentation and to be comparable with those of the current year.

7 Fair Value Measurement

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:
Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The Group held the following assets and liabilities carried at fair value in the statement of financial position:

Assets Measured at Fair Value

	Level 1		Level 2		Level 3	
GROUP	**30/06/2026**	**31/03/2026**	**30/06/2026**	**31/03/2026**	**30/06/2026**	**31/03/2026**
	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000
Investment Property	-	-	-	-	769,946	769,946
Land - Freehold	-	-	-	-	1,249,346	1,217,812
Buildings - Freehold	-	-	-	-	1,015,885	989,727
	-	-	-	-	**3,035,177**	**2,977,485**

	Level 1		Level 2		Level 3	
Company	**30/06/2026**	**31/03/2026**	**30/06/2026**	**31/03/2026**	**30/06/2026**	**31/03/2026**
	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000	LKR'000
Investment Property	-	-	-	-	629,700	629,700
Investment in Subsidiary	-	-	-	-	926,753	1,120,602
Land - Freehold	-	-	-	-	946,020	914,486
Buildings - Freehold	-	-	-	-	505,290	478,499
	-	-	-	-	**3,007,763**	**3,143,287**

8 Share Information

8.1 Market Price per Share as at 30 June

	2026 LKR	2025 LKR
Last traded price recorded for 3 months ended	**15.30**	21.50
Highest price recorded for 3 months ended	**18.60**	24.80
Lowest price recorded for 3 months ended	**14.80**	20.50

8.2 Public Share Holding as at 30 June

	2026	2025
Number of Shareholders	**6,465**	4,558
No. of Shares	**56,700,001**	20,435,986
Percentage	**34.98%**	12.57%
Float Adjusted Market Capitalization - LKR	**867,510,015**	439,373,699

The Company was transferred to the Diri Savi Board of the Colombo Stock Exchange (CSE) from the Main Board on 10 December 2024, due to the Company's non-compliance with the minimum public holding requirement of 20% applicable to Main Board entities. Accordingly, the Company is required to maintain a minimum public holding of 10% in terms of the rules applicable to the Diri Savi Board.As at 30 June 2026, the Company was in compliance with the minimum public holding requirement applicable to entities listed on the Diri Savi Board.

8.3 Twenty Major Shareholders as at 30 June 2026

	Name of Shareholder	No. of Shares	%
1	Hatton National Bank PLC/Ceyline Investments (Pvt) Ltd	105,482,433	64.89%
2	Mr.S.C Gamage	5,305,616	3.26%
3	Hatton National Bank PLC/Almas Holdings (Pvt) Ltd	1,543,201	0.95%
4	People'S Leasing And Finance PLC/L.P.Hapangama	1,263,569	0.78%
5	Mr.U.G.J Chaminda	1,002,875	0.62%
6	Ms.S.S.P Kandambi	950,575	0.58%
7	Protege Capital Access Ltd/M.G.M.Hussain	900,000	0.55%
8	People'S Leasing & Finance PLC/Mr. L.H.L.M.P Haradasa	838,818	0.52%
9	Mr. S.N.C.W.M.B.C.Kandegedara	747,941	0.46%
10	Seylan Bank PLC/S.M.P Dissanayake and Ms.O.M Upeksha	600,000	0.37%
11	Mr. A.M. Mansoor	566,955	0.35%
12	Kotapola Multipurpose Co-Operative Society Ltd	534,146	0.33%
13	Mr. D L B C Perera	501,727	0.31%
14	Seylan Bank PLC/Eagle Crest (Pvt) Ltd	500,000	0.31%
15	United Motors Lanka PLC	500,000	0.31%
16	Mr. H.P.C.R. Priyadarshana	453,280	0.28%
17	Mr. K.A. Saman	401,390	0.25%
18	Mr.H.A Nasar	401,000	0.25%
19	Mr.W.A.S.P De Saram	394,938	0.24%
20	People'S Leasing & Finance PLC/Dr.H.S.D Soysa and Mrs.G.Soysa	393,679	0.24%

8.4 Director's and Chief Excecutive Officer's Share Holding as at 30 June 2026

Name	Position	No. of Shares
Mr. R P Pathirana	Director	200,000
Mr. C S Karunasena	Director	Nil
Mr.R S Egodage	Director	Nil
Ms.S N Egodage	Director	Nil
Ms.L Rajendran	Director	Nil
Dr.L H K Perera	Director	Nil
Mr.V Aslibekyan	Director	Nil
Mr.P.D.C.N Gunawardana	Director	11,930
Mr.C Gamage	Director	Nil
Mr. Miyuru Rajapakshe	Chief Executive Officer	158,556

9 Events after the Balance Sheet date

No circumstances have arisen since the reporting date, which would require adjustment to or disclosure in the Financial Statements.

10 Interim figures are provisional and subject to an audit.