KELANI TYRES PLC

(Reg: No. PQ 123)

INTERIM FINANCIAL STATEMENTS

FOR TWELVE MONTHS ENDED MARCH 31, 2026

Corporate Office

203, Union Place

Colombo 02.

KELANI TYRES PLC AND ITS GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(all amounts in Sri Lankan Rupees thousands)

	Group		Company		Group		Company	
	Apr. -Mar.		Apr. - Mar.		Jan. -Mar.		Jan. -Mar.	
	2026 *(Un audited)*	2025 *(Audited)*	2026 *(Un audited)*	2025 *(Audited)*	2,026	2,025	2,026	2,025
Revenue	-	-	-	-	-	-	-	-
Direct costs	-	-	-	-	-	-	-	-
Gross margin	-	-	-	-	-	-	-	-
Operating income	**50,422**	**46,378**	**800,422**	**646,378**	**10,947**	**9,104**	**10,947**	**9,104**
	50,422	46,378	800,422	646,378	10,947	9,104	10,947	9,104
Net gain from fair value adjustment on Investment Property	5,468	58,300	5,468	58,300	5,468	58,300	5,468	58,300
Administrative costs	(92,113)	(106,742)	(91,965)	(106,603)	(20,503)	(14,515)	(20,447)	(14,460)
Management Expenses	(103,586)	(94,502)	(103,586)	(94,502)	(24,313)	(24,226)	(24,313)	(24,226)
Depriciation	(1,181)	(1,140)	(1,181)	(1,140)	(305)	(279)	(305)	(279)
Operating profit	**(140,991)**	**(97,707)**	**609,158**	**502,433**	**(28,707)**	**28,383**	**(28,650)**	**28,439**
Finance Income	83,828	84,077	83,828	84,077	20,915	18,047	20,915	18,048
Finance costs	(3,820)	(1,423)	(3,820)	(1,423)	(1,541)	(299)	(1,541)	(299)
Net Finance Income	**80,008**	**82,654**	**80,008**	**82,654**	**19,374**	**17,748**	**19,374**	**17,749**
Share of results of JV Net of Tax	544,282	763,888	-	-	185,689	162,687	-	-
Profit/(Loss) before tax	483,299	748,834	689,166	585,087	176,356	208,818	(9,276)	46,188
Tax	(13,084)	(46,418)	(13,084)	(46,418)	(6,035)	(28,298)	(6,035)	(28,298)
Profit/(Loss) for the period	**470,215**	**702,416**	**676,081**	**538,669**	**170,321**	**180,520**	**(15,311)**	**17,890**
Other comprehensive income:								
Items that will not be reclasified to profit or (loss)								
Acturial gain/(loss) on retairment -benefit obligation	(1,137)	(898)	(1,137)	(898)	(1,137)	(898)	(1,137)	(898)
Gain on revaluation of Property Plant - & Equipment	10,354	-	10,354	-	10,354	-	10,354	-
Share of OCI of Equity accounted investee								
Gain on revaluation of Property Plant - & Equipment	-	363,667	-	-	-	363,667	-	-
Share of other comprehensive - -Income/expenses from Joint Venture	(6,289)	13	-	-	(6,751)	19,140	-	-
Total comprehensive income - -for the period, net of tax	**473,143**	**1,065,198**	**685,299**	**537,771**	**172,787**	**562,429**	**(6,094)**	**16,992**
Earning per share (for the period)	**5.85**	**8.74**	**8.41**	**6.70**	**2.12**	**2.25**	**(0.19)**	**0.22**

KELANI TYRES PLC AND ITS GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSSITION

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
ASSETS	**31-03-2026** *(un-audited)*	**31-03-2025** *(audited)*	**31-03-2026** *(un-audited)*	**31-03-2025** *(audited)*
Non-current assets				
Property, plant and equipment	42,716	32,060	42,716	32,060
Investment Property	800,000	755,800	800,000	755,800
Investments in subsidiaries	-	-	10	10
Investment in JV	5,545,010	5,757,018	139,607	139,607
	6,387,727	6,544,878	982,333	927,477
Current assets				
Trade and other receivables	16,763	3,384	16,763	3,384
Amounts due from related parties	28,800	34,200	28,800	34,200
Income Tax Refund	12,498	11,259	11,895	10,656
Other Investments	1,009,102	910,576	1,009,102	910,576
Cash and cash equivalents	316,587	292,536	312,965	288,765
	1,383,750	1,251,955	1,379,525	1,247,581
Total assets	**7,771,477**	**7,796,833**	**2,361,858**	**2,175,058**
EQUITY AND LIABILITIES				
Equity attributable to equity holders				
Stated capital	402,000	402,000	402,000	402,000
Revaluation reserves	1,127,311	1,116,957	32,403	22,049
Retained earnings	5,993,055	6,052,866	1,678,394	1,526,049
Total equity	7,522,366	7,571,823	2,112,797	1,950,098
Non - current liabilities				
Retirement benefit obligations	15,908	14,751	15,908	14,751
Deferred tax liability	112,289	112,289	112,289	112,289
	128,197	127,040	128,197	127,040
Current liabilities				
Trade and other payables	113,040	86,349	112,990	86,299
Provision for Taxation	3,800	-	3,800	-
Bank Overdraft	4,075	11,621	4,075	11,621
	120,915	97,970	120,865	97,920
Total liabilities	**249,112**	**225,010**	**249,062**	**224,960**
Total equity and liabilities	**7,771,477**	**7,796,833**	**2,361,858**	**2,175,058**
Net Asset Value Per share	93.56	94.18	26.28	24.25

I certify that these financial statements have been prepared in compliance with requirements of the Companies Act, No. 07 of 2007.

Sgd.
P. R. Mann
Finance Officer

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

Sgd.
Rohan T. Fernando
Managing Director
May 14, 2026

Sgd.
E. T. Fernando
Director

KELANI TYRES PL AND ITS GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(all amounts in Sri Lanka Rupees Thousands)

Company

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2024 (audited)	**402,000**	**22,049**	**1,470,678**	**1,894,727**
Profit for the Period	-	-	538,669	538,669
Other comprehensive income	-	-	(898)	**(898)**
Dividend paid	-	-	(482,400)	**(482,400)**
Balance at 31st Mar. 2025 (audited)	**402,000**	**22,049**	**1,526,049**	**1,950,098**
Balance at 1 April 2025 (audited)	**402,000**	**22,049**	**1,526,049**	**1,950,098**
Profit for the Period	-	-	676,081	676,081
Other comprehensive income		10,354	(1,137)	9,217
Dividend paid	-	-	(522,600)	(522,600)
Balance at 31st Mar. 2026 (un-audited)	**402,000**	**32,403**	**1,678,394**	**2,112,797**

Group

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2024 (audited)	**402,000**	**753,290**	**5,833,735**	**6,989,025**
Profit for the Period	-	-	702,416	702,416
Other comprehensive income	-	363,667	(885)	362,782
Dividend paid	-	-	(482,400)	(482,400)
Balance at 31st Mar. 2025 (audited)	**402,000**	**1,116,957**	**6,052,866**	**7,571,823**
Balance at 1 April 2025 (audited)	**402,000**	**1,116,957**	**6,052,866**	**7,571,823**
Profit for the Period	-	-	470,215	470,215
Other comprehensive income	-	10,354	(7,426)	2,928
Dividend paid	-	-	(522,600)	(522,600)
Balance at 31st Mar. 2026 (un-audited)	**402,000**	**1,127,311**	**5,993,055**	**7,522,366**

KELANI TYRES PLC AND ITS GROUP

Cash flow statement

(all amounts in Sri Lankan Rupees thousands)

	Twleve months ended 31st Mar. 2026		Twleve months ended 31st Mar. 2025	
	Group	**Company**	**Group**	**Company**
Cash flows from operating activities				
Cash generated from (used in) operations	(125,201)	(125,053)	(132,874)	(132,733)
Interest received	83,828	83,828	84,077	84,077
Interest paid	(3,820)	(3,820)	(1,423)	(1,423)
Tax paid	(9,284)	(9,284)	(20,322)	(20,322)
Gratuity paid	(2,496)	(2,496)	-	-
Net cash generated from (used in) operating activities	**(56,974)**	**(56,826)**	**(70,542)**	**(70,401)**
Cash flows from investing activities				
Purchases of property, plant and equipment	(40,312)	(40,312)	(214)	(214)
Dividend received	750,000	750,000	600,000	600,000
Investment in government securities	(98,526)	(98,526)	(35,624)	(35,624)
Proceeds from sale of property, plant and equipment	10	10	-	-
Net cash (used in)/generated from investing activities	**611,172**	**611,172**	**564,161**	**564,162**
Cash flows from financing activities				
Dividend payment	(522,600)	(522,600)	(482,400)	(482,400)
Net cash (used in)generated from financing activities	**(522,600)**	**(522,600)**	**(482,400)**	**(482,400)**
Net (decrease)/increase in cash and cash equivalents	**31,598**	**31,746**	**11,219**	**11,361**
Movement in cash and cash equivalents				
At the start of period	280,915	277,144	269,696	265,784
(Decrease)/increase	31,598	31,746	11,219	11,361
At the end of period	**312,512**	**308,890**	**280,915**	**277,144**

KELANI TYRES PLC AND ITS GROUP

NOTES TO THE INTERIM FINANCIAL STATEMENTS:

(all amounts are in Sri Lanka Rupees thousands)

1 **General Information**

Company

The company is a limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The address of its registered office is P.O.Box 8, Nungamugoda, Kelaniya.

Group

Joint Venture (JV):

The JV's principal activity is the manufacture of tyres and tubes locally and its sale thereof locally and internationaly.

Subsidiary company:

The principal business activity is to hire out motor vehicles.

2 **Basis of preparation**

The Interim Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard (LKAS-34) Interim Financial reporting .These interim financial statements should be read in conjunction with the annual financial statement for the year ended 31 Mar. 2025,

3 **Significant Accounting Policies**

The Company has adopted consistent accounting policies and method applied for the year ended 31st March 2025 and the presentation and classification of the financial statements of the previous year have been ammended where relevent for better presentation and to be comparable with those of the current year.

4 **Stated Capital**

Stated Capital represented by issued shares is given below:

	31/03/2026	31/12/2025	31/03/2025
Ordinery shares as at	**80,400**	**80,400**	**80,400**

5 There have been no other events subsequent to the Balance Sheet date, which require disclosure in the Interim Financial Statements.

6 Provision was made for taxation by Company and joint venture (JV) CEAT SRI LANKA as follows:

	Company (Rs.)	*JV (Rs.)*
Profit before Tax JV	689,166	1,840,410
Less: Provision for Tax	(13,084)	(751,846)
Profit /(Loss) after Tax	**676,081**	**1,088,563**

7 There were no Contingent Liabilities or Contingent Assets since the Balance Sheet date.

8 There were no Liability towards Management fee or any similar expenditure not provided for in the Interim Financial Statements.

9 **Dividend per share**

	Group		Company	
	31/03/2026	31/03/2025	31/03/2026	31/03/2025
Dividend received from the JV	**750,000**	**600,000**	**750,000**	**600,000**
Dividend declared & paid to shareholders	**522,600**	**482,400**	**522,600**	**482,400**
Number of shares in issue (thousands)	80,400	80,400	80,400	80,400
Dividend per share - (Rs.)	**6.50**	**6.00**	**6.50**	**6.00**

10 The figures have been presented in these financial statements are provisional and subject to audit, and also comparative figures have been reclasified where necessary.

11 Market price per share:

for the quarter ended 31st Mar.

	2026	2025
	Rs.	Rs.
Highest Price (09/01/26 & 03/01/25)	93.60	94.00
Lowest Price (30/03/26 & 11/03/25)	80.00	77.00
Closing Price	80.60	80.90
Last Traded Price	83.50	81.00

KELANI TYRES PLC

TOP 20 SHARE HOLDERS LIST

AS AT 31-03-2026

No.	Name	No of Shares	%
1	SILVERSTOCK LIMITED	39,994,246	49.744
2	MR. H. M. UDESHI	5,518,474	6.864
3	BANK OF CEYLON A/C CEYBANK UNIT TRUST	5,123,886	6.373
4	EMPLOYEES TRUST FUND BOARD	2,453,639	3.052
5	MR. R. C. D. DE SILVA	2,000,000	2.488
6	EMPLOYEE'S PROVIDENT FUND	1,553,800	1.933
7	BANK OF CEYLON ACCOUNT CEYBANK - CENTURY GROWTH FUND	1,011,585	1.258
8	J. B. COCOSHELL (PVT) LTD	664,067	0.826
9	MRS. T. T. A. DE SILVA WEERASOORIYA	622,612	0.774
10	MOULDEX (PVT) LTD	600,000	0.746
11	MONA EXPORTS (PVT) LTD	597,228	0.743
12	MR. A. M. WEERASINGHE	520,000	0.647
13	SAMPATH BANK PLC / ARUNA ENTERPRISES(PVT) LTD	437,600	0.544
14	MRS. K. PUSPARAJ	426,172	0.530
15	MR. B POBRAN	350,240	0.436
16	MR. S. M. SANGANI	334,044	0.415
17	RANSIRI ENTERPRISES (PRIVATE) LIMITED	310,000	0.386
18	COMMERCIAL BANK OF CEYLON PLC A/C NO. 03	305,500	0.380
19	MRS N MULJIE	290,694	0.362
20	MR. T. T. L. NAKIB (DECEASED)	250,000	0.311

PUBLIC HOLDING

The percentage of shares held by the public as at 31st March 2026 is 46.812% comprising of 10,274 shareholders
(31st March 2025 - 46.958% comprising of 9,448 shareholders)

FLOAT ADJUSTED MARKET CAPITALIZATION AS AT 31ST MARCH 2026 - RS. 3,033,513,909/40

The Company is in compliance with Option 4 of Rule 7.13.1.i (a) of the Listing Rule of the Colombo Stock Exchange pertaining to minimum public holding.

SHARE HOLDINGS BY THE DIRECTORS AS AT 31ST MARCH 2026

Names of Directors	No of Shares as at 31st Mar. 2026	%
Mr. Chanaka De Silva	2,000,000	2.488%
Mr. Rohan T. Fernando	Nil	Nil
Mr. Eraj T. Fernando	84,553	0.093%
Mr. R. P. Weerasooria	Nil	Nil
Mr. P. Samarasekera	Nil	Nil
Mrs. S. S. Jayatilaka	240	0.000
Mrs. R. M. R. D. Rajapaksa	Nil	Nil
Mr. B. T. De Silva Weerasooria (Alternate Director to Mr. R. P. Weerasooria)	60,000	0.075%

Joint Venture Performance

The assets and liabilities and the income and the expenses of the Joint venture as follows:

Summarised Financial Position

	31-03-2026	31-03-2025
Non-Current Assets	**8,352,722**	**8,478,782**
Current Assets	**8,471,246**	**9,346,101**
Total Assets	**16,823,968**	**17,824,883**
Capital and Reserves	**11,090,021**	**11,514,036**
Non-Current Liabilities	**2,031,847**	**1,646,609**
Current Liabilities	**3,702,100**	**4,664,239**
Total Equity & Liabilities	**16,823,968**	**17,824,883**

Summarised Income Statement

	2026 Apr. to Mar.	2025 Apr. to Mar.
Production (MT)	**14,914**	**15,077**
Total Sales (MT)	**15,396**	**15,158**
Domestic Sales	**16,930,693**	**17,775,172**
Export Sales	**1,158,057**	**1,261,121**
Total Sales	**18,088,751**	**19,036,292**
Cost of Sales	**(13,746,064)**	**(14,120,046)**
Gross Profit	**4,342,687**	**4,916,247**
Distribution/Administrative Cost	**(2,747,105)**	**(2,584,258)**
Finance Cost less Income	**70,817**	**41,637**
Other Operating Income	**174,012**	**129,396**
Pofit before tax	**1,840,410**	**2,503,020**
Taxation	**(751,846)**	**(975,245)**
Profit for the period	**1,088,564**	**1,527,776**
Other Comprehensive income/(expenses)	**(12,578)**	**727,361**
Total Comprehensive income	**1,075,986**	**2,255,136**