KELANI TYRES PLC

(Reg: No. PQ 123)

INTERIM FINANCIAL STATEMENTS

FOR THREE MONTHS ENDED JUNE 30, 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	
	Apr. -Jun.		Apr. - Jun.	
	2026	2025	2026	2025
	(Un audited)	*(Un Audited)*	*(Un audited)*	*(Un Audited)*
Revenue	-	-	-	-
Direct costs	-	-	-	-
Gross margin	-	-	-	-
Operating income	**15,732**	**15,027**	**15,732**	**765,027**
	15,732	15,027	15,732	765,027
Administrative costs	(13,699)	(9,151)	(13,690)	(9,144)
Management Expenses	(24,193)	(22,453)	(24,193)	(22,453)
Depriciation	(313)	(278)	(313)	(278)
Operating profit	**(22,474)**	**(16,855)**	**(22,464)**	**733,152**
Finance Income	18,494	17,508	18,494	17,508
Finance costs	(124)	(421)	(124)	(421)
Net Finance Income	**18,370**	**17,087**	**18,370**	**17,087**
Share of results of JV Net of Tax	162,973	(53,699)	-	-
Profit/(Loss) before tax	158,868	(53,467)	(4,095)	750,239
Tax	-	(2,400)	-	(2,400)
Profit/(Loss) for the period	**158,868**	**(55,867)**	**(4,095)**	**747,839**
Other comprehensive income:				
Items that will not be reclasified to profit or (loss)				
Share of OCI of Equity accounted investee				
Share of other comprehensive - -Income/expenses from Joint Venture	(1,278)	148	-	-
Total comprehensive income - -for the period, net of tax	**157,591**	**(55,719)**	**(4,095)**	**747,839**
Earning per share (for the period)	**1.98**	**(0.69)**	**(0.05)**	**9.30**

KELANI TYRES PLC AND ITS GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSSITION

(all amounts in Sri Lankan Rupees thousands)

	Group		Company	
	30-06-2026	**31-03-2026**	**30-06-2026**	**31-03-2026**
ASSETS	*(un-audited)*	*(Un-audited)*	*(un-audited)*	*(Un-audited)*
Non-current assets				
Property, plant and equipment	42,468	42,716	42,468	42,716
Investment Property	800,000	800,000	800,000	800,000
Investments in subsidiaries	-	-	10	10
Investment in JV	5,706,705	5,545,010	139,607	139,607
	6,549,173	6,387,727	982,085	982,333
Current assets				
Trade and other receivables	11,052	11,376	11,052	11,376
Amounts due from related parties	30,636	28,800	30,636	28,800
Income Tax Refund	11,895	11,895	11,895	11,895
Other Investments	1,013,607	1,010,516	1,013,607	1,010,516
Cash and cash equivalents	312,064	316,587	308,501	312,965
	1,379,254	1,379,174	1,375,691	1,375,552
Total assets	**7,928,427**	**7,766,901**	**2,357,776**	**2,357,885**
EQUITY AND LIABILITIES				
Equity attributable to equity holders				
Stated capital	402,000	402,000	402,000	402,000
Revaluation reserves	1,127,310	1,127,310	32,402	32,402
Retained earnings	6,148,903	5,991,312	1,673,159	1,677,254
Total equity	7,678,213	7,520,623	2,107,562	2,111,656
Non - current liabilities				
Retirement benefit obligations	15,250	16,450	15,250	16,450
Deferred tax liability	112,289	112,289	112,289	112,289
	127,539	128,739	127,539	128,739
Current liabilities				
Trade and other payables	114,279	113,040	114,279	112,990
Provision for Taxation	425	425	425	425
Bank Overdraft	7,971	4,075	7,971	4,075
	122,675	117,540	122,675	117,490
Total liabilities	**250,214**	**246,279**	**250,214**	**246,229**
Total equity and liabilities	**7,928,427**	**7,766,901**	**2,357,776**	**2,357,885**
Net Asset Value Per share	95.50	93.54	26.21	26.26

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	**Sgd**
Rohan T. Fernando	E. T. Fernando
Managing Director	**Director**

11th August 2026

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 2025 (audited)	**402,000**	**22,049**	**1,526,049**	**1,950,098**
Profit for the Period	-	-	747,839	747,839
Other comprehensive income	-	-	-	-
Balance at 30th Jun. 2025 (un audited)	**402,000**	**22,049**	**2,273,888**	**2,697,937**
Balance at 1 April 2026 (un-audited)	**402,000**	**32,402**	**1,677,254**	**2,111,656**
Profit for the Period	-	-	(4,095)	(4,095)
Other comprehensive income		-	-	-
Balance at 30th Jun. 2026 (un-audited)	**402,000**	**32,402**	**1,673,159**	**2,107,562**

Group

	Stated capital	Revaluation Reserve	Retained Earnings	Total
Balance at 1 April 2025 (audited)	**402,000**	**1,116,957**	**6,052,866**	**7,571,823**
Profit for the Period	-	-	(55,867)	(55,867)
Other comprehensive income	-	-	148	148
Balance at 30th Jun. 2025 (un- audited)	**402,000**	**1,116,957**	**5,997,147**	**7,516,103**
Balance at 1 April 2026 (un-audited)	**402,000**	**1,127,310**	**5,991,312**	**7,520,623**
Profit for the Period	-	-	158,868	158,868
Other comprehensive income	-	-	(1,278)	(1,278)
Balance at 30th Jun. 2026 (un-audited)	**402,000**	**1,127,310**	**6,148,903**	**7,678,213**

KELANI TYRES PLC AND ITS GROUP

Cash flow statement

(all amounts in Sri Lankan Rupees thousands)

	Three months ended 30th Jun. 2026		Three months ended 30th Jun. 2025	
	Group	**Company**	**Group**	**Company**
Cash flows from operating activities				
Cash generated from (used in) operations	(25,523)	(25,464)	(33,287)	(33,231)
Interest received	18,494	18,494	17,508	17,508
Interest paid	(124)	(124)	(421)	(421)
Gratuity paid	(1,200)	(1,200)	-	-
Net cash generated from (used in) operating activities	**(8,354)**	**(8,294)**	**(16,200)**	**(16,143)**
Cash flows from investing activities				
Purchases of property, plant and equipment	(65)	(65)	(173)	(173)
Dividend received	-	-	750,000	750,000
Investment in government securities	-	-	(754,760)	(754,760)
Net cash (used in)/generated from investing activities	**(65)**	**(65)**	**(4,933)**	**(4,933)**
Cash flows from financing activities				
Net cash (used in)generated from financing activities	**-**	**-**	**-**	**-**
Net (decrease)/increase in cash and cash equivalents	**(8,419)**	**(8,359)**	**(21,133)**	**(21,076)**
Movement in cash and cash equivalents				
At the start of period	312,512	308,890	280,915	277,144
(Decrease)/increase	(8,419)	(8,359)	(21,133)	(21,076)
At the end of period	**304,093**	**300,530**	**259,782**	**256,067**

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. 2026,

3 **Significant Accounting Policies**

The Company has adopted consistent accounting policies and method applied for the year ended 31st March 2026 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:

	30/06/2026	30/06/2025	31/03/2026
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 joint venture (JV) CEAT SRI LANKA as follows:

	JV (Rs.)
Profit before Tax JV	463,185
Less: Provision for Tax	(137,240)
Profit /(Loss) after Tax	**325,945**

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	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Dividend received from the JV	-	750,000	-	750,000
Dividend declared & paid to shareholders	-	-	-	-
Number of shares in issue (thousands)	80,400	80,400	80,400	80,400
Dividend per share - (Rs.)	-	-	-	-

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 30th Jun.

	2026	2025
	Rs.	Rs.
Highest Price (08/04/26 & 30/06/25)	92.00	91.60
Lowest Price (09/06/26 & 08/04/25)	80.00	76.70
Closing Price	89.10	89.40
Last Traded Price	89.00	90.00

KELANI TYRES PLC

TOP 20 SHARE HOLDERS LIST

AS AT 30-06-2026

No.	Name	No of Shares	%
1	SILVERSTOCK LIMITED	39,994,246	49.744
2	MR. H. M. UDESHI	5,520,948	6.867
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	RANSIRI ENTERPRISES (PRIVATE) LIMITED	310,000	0.386
17	COMMERCIAL BANK OF CEYLON PLC A/C NO. 03	305,500	0.380
18	MRS N MULJIE	290,694	0.362
19	MR S. SIVAJEAN	260,000	0.323
20	MR. T. T. L. NAKIB (DECEASED)	250,000	0.311

PUBLIC HOLDING

The percentage of shares held by the public as at 30th June 2026 is 46.811% comprising of 10,305 shareholders
(30th June 2025 - 46.958% comprising of 9,454 shareholders)

FLOAT ADJUSTED MARKET CAPITALIZATION AS AT 30th JUNE 2026 - RS. 3,353,425,425/90

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 30TH JUNE 2026

Names of Directors	No of Shares as at 30th Jun. 2026	%
Mr. Chanaka De Silva	2,000,000	2.488%
Mr. Rohan T. Fernando	Nil	Nil
Mr. Eraj T. Fernando	84,553	0.105%
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%

KELANI TYRES PLC AND ITS GROUP

NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont..):

Joint Venture Performance

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

Summarised Financial Position

	30-06-2026	31-03-2026
Non-Current Assets	8,392,076	8,352,722
Current Assets	9,324,192	8,471,246
Total Assets	17,716,268	16,823,968
Capital and Reserves	11,413,410	11,090,021
Non-Current Liabilities	2,493,619	2,031,847
Current Liabilities	3,809,239	3,702,100
Total Equity & Liabilities	17,716,268	16,823,968

Summarised Income Statement

	2026 Apr. to Jun.	2025 Apr. to Jun.
Production (MT)	3,619	3,082
Total Sales (MT)	3,283	3,169
Domestic Sales	3,940,711	3,692,090
Export Sales	141,116	161,069
Total Sales	4,081,827	3,853,159
Cost of Sales	(3,119,288)	(3,071,096)
Gross Profit	962,539	782,063
Distribution/Administrative Cost	(559,225)	(587,877)
Finance Cost less Income	39,808	11,711
Other Operating Income	20,063	14,930
Pofit before tax	463,185	220,827
Taxation	(137,240)	(328,226)
Profit for the period	325,945	(107,399)
Other Comprehensive income/(expenses)	(2,556)	296
Total Comprehensive income	323,389	(107,103)