BALANGODA PLANTATIONS PLC

110, Norris Canal Road, Colombo 10

Company Reg. No: P Q 165

INTERIM FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2025

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

CORPORATE INFORMATION

Company	:	Balangoda Plantations PLC
Legal Form	:	Public Listed Company
Date of Incorporation	:	11th June 1992
Company Registration No	:	P Q 165
Registered Office	:	110, Norris Canal Road, Colombo 10
Board of Directors	:	Mr. D H S Jayawardena - Executive Chairman Mr. C R Jansz - Non Executive Director Mr. M A N S Perera - Executive Director (Resigned w.e.f 18-09-2025) Mr. K Dayaparan - Non Executive Director Mr. M R Mihular - Senior Independent Director Dr. R A Fernando - Independent Non-Executive Director Mr. P A Jayatunga - Executive Director / Company Secretary
Secretary	:	Mr. P A Jayatunga 833, Sirimavo Bandaranaike Mawatha Colombo 14. Telephone 2524734 / 2522871
Registrars	:	Central Depository Systems (Pvt) Limited (CDS) Ground Floor, M & M Center 341/5, Kotte Road, Rajagiriya.
Auditors	:	Messrs. KPMG (Chartered Accountants) 32A, Sir Mohamad Macan Markar Mawatha Colombo 03.
Bankers	:	Hatton National Bank PLC City Office 16, Janadhipathi Mawatha Colombo 01.
Parent Company	:	Melstacorp PLC 110, Norris Canal Road Colombo 10.

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

STATEMENT OF FINANCIAL POSITION

As at	Unaudited 31/12/2025 Rs '000	Audited 31/12/2024 Rs '000
ASSETS		
Non Current Assets		
Right of Use Assets	449,513	455,942
Immovable Leased Assets	332	349
Property, Plant and Equipment	1,890,863	1,364,752
Intangible Assets	1,786	683
Investment Property	576,808	508,763
Bearer Biological Assets	1,452,526	1,596,474
Consumable Biological Assets	3,834,421	3,366,849
Financial Assets Measured at FVOCI	947	742
	8,207,196	**7,294,554**
Current Assets		
Produce on Bearer Biological Assets	6,436	8,166
Inventories	493,886	563,352
Trade and Other Receivables	260,142	144,458
Amounts due from Related Company	8,028	5,324
Cash and Cash Equivalents	17,143	43,273
Total Current Assets	**785,635**	**764,573**
Total Assets	**8,992,831**	**8,059,127**
EQUITY AND LIABILITIES		
Equity		
Stated Capital	2,359,091	2,359,091
Revaluation Reserves	1,302,860	760,008
Timber Reserves	3,609,180	3,139,656
FVOCI Reserve	798	593
Accumulated Losses	(2,770,189)	(2,542,327)
Total Equity	**4,501,741**	**3,717,021**
Non Current Liabilities		
Retirement Benefit Obligations	1,450,015	1,216,247
Deferred Tax Liability	1,799,915	1,591,131
Deferred Income	94,318	103,091
Lease Liability	529,856	516,951
	3,874,104	**3,427,420**
Current Liabilities		
Interest Bearing Loans and Borrowings	-	132,609
Lease Liability	6,740	5,721
Trade and Other Payables	483,274	470,813
Amounts due to Related Companies	23,042	3,485
Bank Overdraft	103,930	302,058
Total Current Liabilities	**616,986**	**914,686**
Total Liabilities	**4,491,090**	**4,342,106**
Total Equity and Liabilities	**8,992,831**	**8,059,127**
Net Assets per Share	**95.23**	**78.63**

It is certified that these interim financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

- Signed -

D S Heenatigalage

General Manager - Finance

The board of directors are responsible for the preparation and presentation of these Financial Statements.
Approved & signed for and on behalf of the board of directors of Balangoda Plantations PLC by ;

- Signed -

D H S Jayawardena

Chairman

- Signed -

C R Jansz

Director

Colombo, 25th February 2026

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended	**03 Months ended 31/12/2025 Rs. '000**	03 Months ended 31/12/2024 Rs. '000	Variance %	**Unaudited Year ended 31/12/2025 Rs. '000**	Audited Year ended 31/12/2024 Rs. '000	Variance %
Revenue	902,903	1,207,837	(25)	4,279,555	4,856,174	(12)
Cost of sales	(855,729)	(919,469)	(7)	(3,854,597)	(3,988,221)	(3)
Gross profit	**47,174**	288,368	(84)	**424,958**	867,953	(51)
Other income	81,644	29,409	178	278,001	172,341	61
Gain on changes in fair value of biological assets	187,378	60,665	209	467,794	373,211	25
Administrative expenses	(68,170)	(41,901)	63	(245,416)	(192,705)	27
Other expenses	(75,637)	(24,363)	210	(100,000)	(107,487)	(7)
Profit from operating activities	**172,389**	312,178	(45)	**825,337**	1,113,313	(26)
Finance income	116	492	(76)	2,123	1,945	9
Finance costs	(19,718)	(33,651)	(41)	(88,575)	(158,058)	(44)
Net Finance costs	*(19,602)*	(33,159)	*(41)*	(86,452)	(156,113)	(45)
Profit before taxation	**152,787**	279,019	(45)	**738,885**	957,200	(23)
Income tax expense	(28,690)	(13,844)	107	(118,279)	(215,985)	(45)
Profit for the period	**124,097**	265,175	(53)	**620,606**	741,215	(16)
Other comprehensive income / (expenses)						
Items that will not be Reclassified to Profit or Loss						
Reveluation gain	536,428		100	536,428		100
Gain on revaluation of assets transferred to Investment Property	6,424		100	6,424		100
Deferred tax charge on revaluation gain	(1,927)		100	(162,856)		100
Actuarial loss on retirement benefit obligations	(241,167)	(232,127)	4	(241,167)	(232,127)	4
Deferred tax on actuarial loss on retirement benefit obligations	72,350	69,638	4	72,350	69,638	4
Net change in the fair value of financial assets measured at FVOCI	17	(12)	(242)	205	333	(38)
Total other comprehensive income/(Expense)	372,125	(162,501)	329	211,385	(162,156)	230
Total comprehensive income	**496,222**	102,674	383	**831,991**	579,059	44
Basic earnings per share	**2.63**	5.61		13.13	15.68	

Figures in brackets indicate deductions.
The above figures are not audited

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

STATEMENT OF CHANGES IN EQUITY

	Stated Capital *Rs.'000*	Revaluation Reserves *Rs.'000*	Timber Reserves *Rs.'000*	FVOCI Reserves *Rs.'000*	Accumulated Loss *Rs.'000*	Total Equity *Rs.'000*
Balance as at 1st January 2024	2,359,091	760,008	2,769,314	260	(2,750,711)	3,137,962
Profit for the Period					741,215	741,215
Transferred to Timber Reserve			370,342		(370,342)	-
Actuarial Loss on Retirement Benefit Obligations, net of tax					(162,489)	(162,489)
Other comprehensive Income / (Expenses), net of tax				333	-	333
Balance as at 31st December 2024	2,359,091	760,008	3,139,656	593	(2,542,327)	3,717,021
Balance as at 1st January 2025	**2,359,091**	**760,008**	**3,139,656**	**593**	**(2,542,327)**	3,717,021
Profit for the Period					620,606	620,606
Transferred to Timber Reserve			469,524		(469,524)	-
Dividend Paid					(47,271)	(47,271)
Actuarial Loss on Retirement Benefit Obligations, net of tax					(168,817)	(168,817)
Revaluation gain, net of tax		542,852			(162,856)	379,996
Other comprehensive Income / (Expenses), net of tax				205	-	205
Balance as at 31st December 2025	**2,359,091**	**1,302,860**	**3,609,180**	**798**	**(2,770,189)**	**4,501,741**

Figures in brackets indicate deductions.
The above figures are not audited

BALANGODA PLANTATIONS PLC

INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

STATEMENT OF CASH FLOWS

For the Year Ended	Unaudited 31/12/2025 Rs. '000	Audited 31/12/2024 Rs. '000
Cash Flows From Operating Activities		
Profit Before Taxation	738,885	957,200
Adjustments for		
Depreciation and Amortization	221,552	225,168
Impairment of Immature Plantation- Rubber	100,000	104,746
Provision for /Write off of other Receivables	-	1,940
Provision for obsolete Inventory	-	801
Gain on Disposal of Property, Plant and Equipment	(29,404)	(3,300)
Interest Income	(2,123)	(1,945)
Provision for Retirement Benefit Obligations	208,306	173,588
Amortization of Government Grants	(8,773)	(8,773)
Interest Expenses	88,575	158,058
Write off Capital Work in Progress	-	8,780
Gain on sale of timber	(6,638)	-
Change in Fair Value Gain on Investment properties	(41,707)	(56,008)
Gain on Changes in Fair Value of Biological Assets	(469,524)	(373,211)
Operating Profit before Working Capital Changes	**799,149**	1,187,044
Working Capital Changes		
Decrease / (Increase) in Inventories	71,195	(14,433)
(Increase) / Decrease in Trade and Other Receivables	(115,685)	(18,032)
Decrease/ (Increase) in Amounts Due From Related Companies	(2,704)	24,779
Increase / (Decrease) in Trade and Other Payables	12,461	203,912
Increase / (Decrease) in Amounts Due to Related Companies	19,557	2,536
Cash Generated from Operations	**783,973**	1,385,806
Retirement Benefit Obligations Paid	(215,705)	(187,309)
Interest Paid	(88,575)	(88,114)
Net Cash Generated from / (Used in) Operating Activities	**479,693**	1,110,383
Cash Flows From Investing Activities		
Interest Received	2,123	1,944
Purchase of Property, Plant and Equipment	(113,709)	(57,942)
Acquisition of Intangible Assets	(963)	-
Investment in Immature Bearer Biological Assets	(44,024)	(54,704)
Investment in Consumable Bialogical Assets	(1,408)	(1,055)
Proceeds from timber sales	6,638	-
Proceeds from Disposal of Property, Plant And Equipment	29,404	3,300
Net Cash Generated from / (Used In) Investing Activities	**(121,939)**	(108,457)
Cash Flows from Financing Activities		
Repayment of Long Term Borrowings	(132,609)	(927,368)
Repayment of Lease Liabilities	(5,876)	(4,671)
Dividend Paid	(47,272)	-
Net Cash Generated from/(Used In) Financing Activities	**(185,757)**	(932,039)
Net Increase / (Decrease) in Cash and Cash Equivalents	171,997	69,887
Cash and Cash Equivalents at Beginning of the Period	(258,784)	(328,672)
Cash and Cash Equivalents at End of the Period (Note A)	**(86,787)**	(258,785)
Note A		
Cash and Cash Equivalents	17,143	43,273
Bank Overdraft	(103,930)	(302,058)
Cash and Cash Equivalents at End of the Period	**(86,787)**	(258,785)

Figures in brackets indicate deductions.

The above figures are not audited

NOTES TO THE INTERIM FINANCIAL STATEMENTS

01. Segmental Information

Operating Segments	Tea		Rubber		Total	
For the Year Ended	**31/12/2025 Rs. '000**	31/12/2024 Rs. '000	**31/12/2025 Rs. '000**	31/12/2024 Rs. '000	**31/12/2025 Rs. '000**	31/12/2024 Rs. '000
(a) Segment Results						
Revenue	3,834,986	4,404,530	444,569	451,644	4,279,555	4,856,174
Cost of Sales	(3,330,836)	(3,498,338)	(523,761)	(489,883)	(3,854,597)	(3,988,221)
Segment Results	504,150	906,192	(79,192)	(38,239)	424,958	867,953
Unallocated						
Other Operating Income					278,001	172,341
Gain on Change in Fair Value of Biological Asset					467,794	373,211
Administrative Expenses					(245,416)	(192,705)
Other Expenses					(100,000)	(107,487)
Net Finance Cost					(86,452)	(156,113)
Profit Before Taxation					**738,885**	957,200
Income tax charge					(118,279)	(215,985)
Profit for the Period					**620,606**	741,215
(b) Segment Assets						
As at	**31/12/2025 Rs. '000**	31/12/2024 Rs. '000	**31/12/2025 Rs. '000**	31/12/2024 Rs. '000	**31/12/2025 Rs. '000**	31/12/2024 Rs. '000
Non Current Assets	2,272,883	2,232,251	1,461,082	1,613,879	3,733,965	3,846,130
Current Assets	660,505	631,898	89,525	86,350	750,030	718,248
Total	**2,933,388**	2,864,149	**1,550,607**	1,700,229	**4,483,995**	4,564,378
Unallocated						
Non Current Assets					4,473,231	3,448,424
Current Assets					35,605	46,325
Total Assets					**8,992,831**	8,059,127
Segment Liabilities						
Non Current Liabilities	1,032,871	875,520	145,990	201,382	1,178,861	1,076,902
Current Liabilities	394,052	432,544	88,861	93,565	482,913	526,109
Total	**1,426,923**	1,308,064	**234,851**	294,947	**1,661,774**	1,603,011
Unallocated						
Non Current Liabilities					2,695,243	2,350,518
Current Liabilities					134,073	388,577
Total Liabilities					**4,491,090**	4,342,106
Equity					4,501,741	3,717,021
Capital expenditure						
As at						
- Allocated	112,707	60,582	9,166	28,372	121,873	88,954
- Unallocated					36,823	23,693
					158,696	**112,647**
Depreciation						
- Allocated	103,766	89,549	100,629	98,625	204,395	188,174
- Unallocated					17,157	36,994
					221,552	**225,168**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

02 These interim financial statements of the company for the year ended 31st December 2025 were approved by the board of directors on 25th February 2026.

03 The interim Financial Statements have been prepared in accordance with the Accounting Policies set out in the most recent Annual Report and are in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.

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

05 Stated Capital of Balangoda Plantations PLC amount to Rs. 2,359,090,865 represented by 47,272,726 ordinary shares and a Golden share which has special rights held by the Secretary to the Treasury.

06 There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the year ended 31st December 2024.

INVESTOR INFORMATION

01 Market Price Per Share	**Year ended 31/12/2025**	Year ended 31/12/2024
Highest during the period Rs.	107.00	76.00
Lowest during the period Rs.	60.00	43.00
Last traded price Rs.	71.90	72.00

02 Directors' shareholding

A statement of each Director's holding and Chief Executive Officer's holding in shares of the entity at the end of the financial period 31st December 2025

Name	**As at 31/12/2025**	As at 31/12/2024
Mr. D H S Jayawardena - Executive Chairman	-	-
Mr. C R Jansz - Non Executive Director	-	-
Mr. K Dayaparan - Non Executive Director	-	-
Mr. M A N S Perera - Executive Director (Resigned w.e.f 18-09-2025)	-	-
Mr. M R Mihular - Senior Independent Non-Executive Director	-	-
Dr. R A Fernando - Independent Non-Executive Director	-	-
Mr. P A Jayatunga - Executive Director / Company Secretary	-	-
CEO's Shareholding as at 31st December 2025		
Mr. D D Wekunagoda	-	-

INVESTOR INFORMATION

03 Twenty (20) largest shareholders as at 31st December 2025

	NAME	No. of shares	%
1	MELSTACORP PLC	34,134,932	72.21
2	DEUTSCHE BANK AG-NATIONAL EQUITY FUND	883,331	1.87
3	SEYLAN BANK PLC/MOHAMED MUSHTAQ FUAD	534,446	1.13
4	RANAVAV HOLDINGS (PVT) LTD	411,000	0.87
5	COMMERCIAL BANK OF CEYLON PLC/M.M. FUAD	300,000	0.63
6	MISS. O.U.K. JAYASUNDARA	285,000	0.60
7	SEYLAN BANK PLC/R.A.RISHARD	278,330	0.59
8	MR. M.Z. RASHEED	204,122	0.43
9	MR. M.H.M. FAWSAN	193,739	0.41
10	PEOPLE S LEASING AND FINANCE PLC/NAGOYA CEYLON TRADING (PVT) LTD	184,431	0.39
11	MR. M.R. RASHEED	182,300	0.39
12	SEYLAN BANK PLC/MOHAMED SUBAIR FOUZAL HAQQUE	180,000	0.38
13	WINSKY MARKETING (PVT) LTD	149,900	0.32
14	COMMERCIAL BANK OF CEYLON PLC/RANANJAYA HOLDINGS (PVT)LTD	142,529	0.30
15	SENKADAGALA FINANCE PLC/M.M.SUGATHAPALA	135,000	0.29
16	SENKADAGALA FINANCE PLC/M.S.F.HAQQUE	133,591	0.28
17	MR. S.A. COORAY & MR. P.T.COORAY,MRS. S.NUGAPITIYA	129,423	0.27
18	AMANA BANK PLC/HI-LINE TOWERS PVT LIMITED	126,435	0.27
19	COCOSHELL ACTIVATED CARBON COMPANY (PRIVATE) LIMITED	120,400	0.25
20	MR. M.A. HUSSAIN	118,080	0.25
		38,826,989	**82.13**
	Other Shareholders	8,445,737	17.87
	TOTAL	**47,272,726**	**100.00**

	31/12/2025	31/12/2024
Public holding percentage (%)	27.79	25.39
Number of Shareholders representing public shareholdings	18,460	18,529
Float adjusted market capitalization (Rs. '000)	944,557	864,319

Minimum public holding

The Float adjusted market capitalization of the company falls under option 5 of Rule 7.13.1(a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.