Kahawatte Plantations PLC

Interim Financial Statements

Nine Months ended 31st December 2025

KAHAWATTE

CEYLON TEA, SPICE AND COFFEE GROWERS

KAHAWATTE PLANTATIONS PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter Ended			*Nine Months Ended*		
	Unaudited 31.12.2025 Rs.'000	*Unaudited 31.12.2024 Rs.'000*	*Change +/(-) Rs.'000*	*Unaudited 31.12.2025 Rs.'000*	*Unaudited 31.12.2024 Rs.'000*	*Change +/(-) Rs.'000*
Revenue	**1,010,218**	**1,277,600**	(267,382)	**3,411,284**	**4,029,539**	(618,255)
Cost of Sales	**(889,354)**	**(1,351,340)**	461,986	**(3,036,276)**	**(3,692,705)**	656,429
Gross Profit /(Loss)	**120,864**	**(73,740)**	194,604	**375,008**	**336,834**	38,174
Other Income	19,464	**21,690**	(2,226)	**50,543**	**57,318**	(6,775)
Fair Value Gain on Biological Assets	-	**155,879**	(155,879)	**-**	**155,879**	(155,879)
Administrative Expenses	(62,707)	**(59,529)**	(3,178)	**(188,351)**	**(168,488)**	(19,863)
Management Fee	-	**-**	-	**-**	**-**	-
Operating Profit	**77,621**	**44,300**	33,321	**237,200**	**381,543**	(144,343)
Finance Income	**(9)**	**2,823**	(2,832)	**457**	**2,917**	(2,460)
Finance Cost	**(40,448)**	**(62,082)**	21,634	**(127,629)**	**(209,165)**	81,536
Profit/(Loss) before Taxation	**37,164**	**(14,959)**	52,123	**110,028**	**175,295**	(65,267)
Income Tax Expense	**(5,940)**	**(108,933)**	102,993	**(17,821)**	**(191,340)**	173,519
Profit/(Loss) for the period	**31,224**	**(123,892)**	155,116	**92,207**	**(16,045)**	108,252
Other Comprehensive Income						
Items that will not be Reclassified to Profit or Loss						
Actuarial Loss on retirement Benefit obligation	**-**	(6,829)	6,829	**-**	**(19,996)**	19,996
Deferred tax reversal on Retirement Benefit Obligation	**-**	2,049	(2,049)	**-**	**5,999**	(5,999)
Total Comprehensive Income/(expense) for the Period	**31,224**	**(128,672)**	159,896	**92,207**	**(30,042)**	122,249
Basic Earnings/(Loss) Per Share (Rs.)	**0.31**	**(1.25)**	1.56	**0.93**	**(0.16)**	1.09

KAHAWATTE PLANTATIONS PLC

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.'000	*Revaluation Reserve Rs.'000*	*Accumulated Profit/(Loss) Rs.'000*	*Total Rs.'000*
Balance as at 1st Apri 2024	**1,698,952**	**340,596**	**(995,560)**	**1,043,988**
Loss for the Period	**-**	**-**	(16,045)	(16,045)
Other Comprehensive Income/(Expense)				
Actuarial Loss on Defined Benefit Obligation, Net of Tax	-	-	(13,997)	(13,997)
Balance as at 31st December 2024	**1,698,952**	**340,596**	**(1,025,602)**	**1,013,946**
Balance as at 1st April 2025	**1,698,952**	**340,596**	**(1,088,448)**	**951,100**
Profit for the Period	-	-	**92,207**	**92,207**
Other Comprehensive Income/(Expense)				
Actuarial Loss on Defined Benefit Obligation, Net of Tax	-	-	**-**	**-**
Balance as at 31st December 2025	**1,698,952**	**340,596**	**(996,241)**	**1,043,307**

KAHAWATTE PLANTATIONS PLC
STATEMENT OF FINANCIAL POSITION

As at	*Unaudited 31.12.2025 Rs.'000*	*Unaudited 31.12.2024 Rs.'000*	*Audited 31.03.2025 Rs.'000*
ASSETS			
Non Current Assets			
Leasehold Right to Bare Land of JEDB/SLSPC Estates	**231,029**	**240,487**	**237,533**
Immovable Leased Assets of JEDB/SLSPC Estates (Other than Bare Land)	**1,372**	**10,144**	**7,900**
Property, Plant & Equipment	**1,339,506**	**1,116,213**	**1,131,073**
Biological Assets	**3,912,270**	**3,862,294**	**3,867,982**
	5,484,177	**5,229,138**	**5,244,488**
Current Assets			
Produce on Bearer Biological Assets	**23,406**	**22,814**	**23,406**
Inventories	**493,314**	**441,766**	**457,975**
Trade and Other Receivable	**251,799**	**129,126**	**225,451**
Amount Due from Related Parties	**3,619**	**14,229**	**999**
Cash and Bank Balance	**68,787**	**22,216**	**100,098**
	840,925	**630,151**	**807,929**
TOTAL ASSETS	**6,325,102**	**5,859,289**	**6,052,417**
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	**1,698,952**	**1,698,952**	**1,698,952**
Revaluation Reserve	**340,596**	**340,596**	**340,596**
Retained Earnings	**(996,241)**	**(1,025,602)**	**(1,088,448)**
Total Equity	**1,043,307**	**1,013,946**	**951,100**
Non Current Liabilities			
Deferred Income	**857,864**	**849,202**	**865,755**
Deferred Tax Liability	**1,045,203**	**953,172**	**1,027,382**
Interest Bearing Loans and Borrowings	**1,070,793**	**216,094**	**455,065**
Retiring Benefit Obligations	**712,464**	**719,481**	**732,529**
Net Liability to Lessor of JEDB/SLSPC Estates	**245,106**	**248,210**	**245,106**
	3,931,430	**2,986,159**	**3,325,837**
Current Liabilities			
Interest Bearing Loans and Borrowings	**484,244**	**1,057,194**	**787,900**
Net Liability to Lessor of JEDB/SLSPC Estates	**2,398**	**1,718**	**2,398**
Trade and Other Payable	**645,662**	**595,126**	**633,124**
Amounts due to Related Parties	**52,990**	**56,219**	**59,986**
Bank Overdraft	**165,071**	**148,927**	**292,072**
	1,350,365	**1,859,184**	**1,775,480**
Total Liabilities	**5,281,795**	**4,845,343**	**5,101,317**
Total Equity and Liabilities	**6,325,102**	**5,859,289**	**6,052,417**
Net Assets Per Share (Rs.)	**10.50**	**10.20**	**9.57**

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

Sgd.
Vinesh Athukorala
Chief Financial Officer

Signed on behalf of the Board of Directors of Kahawatte Plantations PLC

Sgd.
Binesh N Pananwala
Director / CEO

Sgd.
Darshana Gunasekera
Director

13th February 2026

KAHAWATTE PLANTATIONS PLC
STATEMENT OF CASH FLOWS

For the Period ended	Unaudited 31.12.2025 Rs.'000 9 Months	Unaudited 31.12.2024 Rs.'000 9 Months	Audited 31.03.2025 Rs.'000 15 Months
Cash Flow from Operating Activities			
Profit Before Taxation	**110,028**	**175,295**	**357,070**
Adjustment For			
Depreciation/Amortization	**227,094**	**233,281**	**380,903**
Impairment Losses on Inventories	**-**	**3,017**	**3,017**
Write-off of Bearer Biological Assets	**2,613**	**9,912**	**9,248**
Write-off of Capital Work In Progress	**-**	**-**	**1,058**
Write-off of young plants - Consumable Biological Assets	**-**	**-**	**1,586**
Interest Expenses	**127,629**	**209,165**	**339,003**
Interest Income	**(457)**	**(2,917)**	**(3,077)**
Provision for Retirement Benefit Obligations	**59,510**	**129,129**	**191,927**
Fair Value Gain on Biological Assets	**-**	**(150,053)**	**(188,907)**
Change in Consumable Biological Assets Due to Harvest	**-**	**-**	**19,804**
Amortization of Grants	**(12,982)**	**(12,177)**	**(23,182)**
Write-off of Other Receivables	**-**	**-**	**826**
Write Back of Other Payables	**-**	**-**	**(1,345)**
Operating Profit before Working Capital Changes	**513,435**	**594,652**	**1,087,931**
(Increase) / Decrease in Inventories	**(35,339)**	**130,514**	**142,906**
(Increase) / Decrease in Trade and Other Receivable	**(26,348)**	**95,817**	**(85,743)**
(Increase) / Decrease in Amounts Due from Related Companies	**(2,620)**	**6,929**	**11,258**
Increase / (Decrease) in Trade and Other Payable	**28,099**	**(51,868)**	**36,985**
Increase / (Decrease) in Amount Due to Related Companies	**(6,996)**	**(157,556)**	**(186,605)**
	470,231	**618,488**	**1,006,732**
Interest Paid	**(92,064)**	**(179,417)**	**(288,390)**
Payment of Retirement Benefit Obligations	**(94,245)**	**(120,999)**	**(206,158)**
Income Tax paid	**-**	**-**	**-**
Net Cash Generated from Operating Activities	**283,922**	**318,072**	**512,184**
Cash Flow from Investing Activities			
Investment in Immature Bearer Biological Assets	**(138,991)**	**(89,333)**	**(125,937)**
Investment in Immature Consumable Biological Assets	**(5,291)**	**-**	**(8,765)**
Purchase of Property Plant and Equipment	**(325,284)**	**(40,258)**	**(113,558)**
Interests Income	**457**	**214**	**327**
Net Cash Used In Investing Activities	**(469,109)**	**(129,377)**	**(247,933)**
Cash Flow from Financing Activities			
Proceeds from Bank Borrowings	**469,000**	**100,000**	**446,000**
Repayments of Bank Borrowings	**(149,739)**	**(219,863)**	**(643,840)**
Grants Received	**5,090**	**605,661**	**629,247**
Proceed from Intercomapany Borrowings	**(783)**	**19,160**	**19,160**
Repayments of Intercompany Borrowings	**-**	**(65,000)**	**(65,000)**
Lease Rentals Paid to JEDB/SLSPC	**(27,775)**	**(17,839)**	**(41,940)**
Lease Payments to Central Finance PLC	**(14,916)**	**(14,916)**	**(24,860)**
Net Cash (Used In)/ Generated from Financing Activities	**280,877**	**407,203**	**318,767**
Net Increase / (Decrease) in Cash and Cash Equivalents	**95,690**	**595,898**	**583,018**
Cash and Cash Equivalents at the Beginning of the Period	**(191,974)**	**(722,608)**	**(774,992)**
Cash and Cash Equivalents at the End of the Period	**(96,284)**	**(126,711)**	**(191,974)**

KAHAWATTE PLANTATIONS PLC
SEGMENTAL INFORMATION

(A) Segment Revenue

Segment	Quarter Ended			Nine Months Ended		
	Unaudited 31.12.2025 Rs.'000	Unaudited 31.12.2024 Rs.'000	Change +/(-) Rs.'000	Unaudited 31.12.2025 Rs.'000	Unaudited 31.12.2024 Rs.'000	Change +/(-) Rs.'000
Tea	**813,050**	**1,062,694**	*(249,644)*	**2,793,617**	**3,524,486**	*(730,869)*
Rubber	**137,265**	**161,869**	*(24,604)*	**453,811**	**400,475**	*53,336*
Other Crop	**59,903**	**53,037**	*6,866*	**163,856**	**104,578**	*59,278*
	1,010,218	**1,277,600**	*(267,382)*	**3,411,284**	**4,029,539**	*(618,255)*

(B) Segment Cost of Sale

Segment	Quarter Ended			Nine Months Ended		
	Unaudited 31.12.2025 Rs.'000	Unaudited 31.12.2024 Rs.'000	Change +/(-) Rs.'000	Unaudited 31.12.2025 Rs.'000	Unaudited 31.12.2024 Rs.'000	Change +/(-) Rs.'000
Tea	**(722,996)**	**(1,142,959)**	*419,963*	**(2,504,800)**	**(3,192,777)**	*687,977*
Rubber	**(135,366)**	**(149,207)**	*13,841*	**(417,307)**	**(383,518)**	*(33,789)*
Other Crop	**(30,992)**	**(59,174)**	*28,182*	**(114,169)**	**(116,410)**	*2,241*
	(889,354)	**(1,351,340)**	*461,986*	**(3,036,276)**	**(3,692,705)**	*656,429*

(C) Segment Results

Segment	Quarter Ended			Nine Months Ended		
	Unaudited 31.12.2025 Rs.'000	Unaudited 31.12.2024 Rs.'000	Change +/(-) Rs.'000	Unaudited 31.12.2025 Rs.'000	Unaudited 31.12.2024 Rs.'000	Change +/(-) Rs.'000
Tea	**90,054**	**(80,265)**	170,319	**288,817**	**331,709**	(42,892)
Rubber	**1,899**	**12,662**	(10,763)	**36,504**	**16,957**	19,547
Other Crop	**28,911**	**(6,137)**	35,048	**49,687**	**(11,832)**	61,519
Gross Profit	**120,864**	**(73,740)**	194,604	**375,008**	**336,834**	38,174
Unallocated						
Other Income	**19,464**	**21,690**	(2,226)	**50,543**	**57,318**	(6,775)
Fair Value Gain on Biological Assets	**-**	**155,879**	(155,879)	**-**	**155,879**	(155,879)
Administrative Expenses	**(62,707)**	**(59,529)**	(3,178)	**(188,351)**	**(168,488)**	(19,863)
Management Fee	**-**	**-**	-	**-**	**-**	-
Operating Profit	**77,621**	**44,300**	33,321	**237,200**	**381,543**	(144,343)
Finance Income	**(9)**	**2,823**	(2,832)	**457**	**2,917**	(2,460)
Finance Cost	**(40,448)**	**(62,082)**	21,634	**(127,629)**	**(209,165)**	81,536
Profit/(Loss) before Taxation	**37,164**	**(14,959)**	52,123	**110,028**	**175,295**	(65,267)
Income Tax Expense	**(5,940)**	**(108,933)**	102,993	**(17,821)**	**(191,340)**	173,519
Profit for the period	**31,224**	**(123,892)**	155,116	**92,207**	**(16,045)**	108,252

KAHAWATTE PLANTATIONS PLC
NOTES TO THE INTERIM FINANCIAL

01 Corporate Information

Kahawatte Plantations PLC is a public limited liability company incorporated and domiciled in Sri Lanka. It is listed on the Colombo Stock Exchange. The registered office of the Company is located at No. 111, Negombo Road, Peliyagoda. As the principal activities, the Company is involved in the cultivation, manufacturing and sale of Tea, Rubber, Cinnamon, Coffee and other agricultural crops and to improve, manage, develop, make use of and in any manner whatsoever exploit land, other immovable property, resources of land, water resources, and solar power etc.

02 Basis of Preparation

The interim condensed financial statements have been prepared in accordance with Sri Lanka Accounting Standards (SLAS) LKAS 34 – Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the period ended 31 March 2025.

The presentation and classification of the financial statements of the previous period(s) have been amended, where relevant, for better presentation and to be comparable with those of the current period

The interim condensed financial statements are presented in Sri Lankan Rupees and all values are rounded to the nearest thousand except when otherwise indicated."

03 Approval of Financial Statements

The Interim Financial Statements of the Company as at 31st December 2025 were authorized for issue by the Board of Directors on 13th February 2026.

04 Contingencies, Capital and Other Commitments

There has not been a significant change in the nature of the contingent liabilities which were disclosed in the Annual Report for the 15 Months ended 31st March 2025.

05 Events Occurring After the Reporting Date

Disclosure on Wage Increase :
As per the Sri Lanka National Budget presented on 7th November 2025 , it has been proposed to increase the daily wage of estate workers from Rs. 1,350/- to Rs. 1,550/-, with effect from January 2026.

The gratuity liability arising from this wage increase will be recognized at the financial year-end as at 31st March 2026, based on an independent actuarial valuation, consistent with the practice followed in prior years.

Other than the matter disclosed above, No circumstances have arisen since the Statement of Financial Position date which would require adjustments/disclosures to the Interim Financial statements.

06 External Audit

The figures are extracted from unaudited financial statements of the Company.

07 Related Party Transactions

The nature of related party transactions in the current period is similar to those reported in the Audited Financial Statements for the period ended 31st March 2025.

08 Company Registration

Company Registration is No. PQ 109.

09 Change of Balance Sheet Date

The Company has changed its reporting date from 31st December to 31st March to be in line with the reporting date of the Group which is 31st March and a market announcement was made on 27th December 2024. Accordingly Comparative information in this Interim Financial Statements has been prepared, where relevant for better presentation and to be comparable with those of the current period.

KAHAWATTE PLANTATIONS PLC
SHAREHOLDERS INFORMATION

(A) **MAJOR SHAREHOLDERS**

S/N	*Name of the Shareholder*	*As at 31st December 2025*	
		No of Shares	*%*
01	Forbes Plantations (Private) Ltd	50,955,581	*51.26%*
02	MJF Teas Private Limited	19,516,886	*19.63%*
03	Dilmah Ceylon Tea Company Plc	12,571,800	*12.65%*
04	Mr. T.L.M. Nawash	1,196,961	*1.20%*
05	Mr. S.N.C.W.M.B.C. Kandegedara	842,886	*0.85%*
06	Sanasa General Insurance Company Ltd	832,183	*0.84%*
07	Mrs. H.M.A.R.K. Kaluhendiwela	685,947	*0.69%*
08	Sampath Bank PLC/Senthilverl Holdings (Pvt) Ltd	501,250	*0.50%*
09	Mr. S. Yusoof	500,000	*0.50%*
10	Dr. A.A.M. Dharmadasa	340,295	*0.34%*
11	Senkadagala Finance PLC/K.R.A.L.Kahatapitiya	283,307	*0.28%*
12	Mr. N.R.S.M.R.A. Giragama	251,207	*0.25%*
13	Miss. S.N.C.W.M.T.R. Kandegedara	250,000	*0.25%*
14	Bank Of Ceylon A/C Ceybank Unit Trust	221,147	*0.22%*
15	Dr. L.U. Edirisinghe	171,385	*0.17%*
16	Assetline Finance Limited/H.A.S.P.Kumara	158,275	*0.16%*
17	Commercial Bank Of Ceylon Plc/R.H.P. Janadheera	152,000	*0.15%*
18	Mr. M.M.C. Cooray	150,100	*0.15%*
19	Assetline Finance Limited/C.H.Liyanage	149,998	*0.15%*
20	Mr. A.S.M. Ismaath	149,992	*0.15%*
		89,881,200	*90.42%*
	Others	9,525,492	*9.58%*
	Total	**99,406,692**	*100.00%*

(B) **PUBLIC SHARE HOLDING**

	As at 31st December 2025
The Percentage Shares Held by the Public	16.42%
Total No. of Shareholders Who Hold the Public Holding %	19,770

KAHAWATTE PLANTATIONS PLC
SHAREHOLDERS INFORMATION

(C) STATEMENT OF EACH DIRECTOR'S HOLDING
HOLDING IN SHARES OF THE EQUITY

S/N	Name	*As at 31st December 2025*	
		Amount	%
	Directors		
01	Mr. Dilhan C Fernando (Chairman)	Nil	-
02	Mr. Malik J Fernando	Nil	-
03	Ms. Minette D A Perera	4,000	0.004
04	Mr. Himendra S. Ranaweera (Resigned w.e.f. 19/08/2025)	Nil	-
05	Mr. Darshana Gunasekera	Nil	-
06	Mr. Dilantha S Seneviratne	Nil	-
07	Mr. Madawala A Wijeratne	Nil	-
08	Mr. Binesh N Pananwala (CEO)	Nil	-
09	Mr. B R P Peiris	Nil	-

(D) MARKET VALUE

S/N		*Q/E 31st Dec 2025*		*Q/E 31st Dec 2024*	
		Rs.	*Date*	*Rs.*	*Date*
A	Highest	25.00	08-Oct-25	21.80	06-Dec-24
B	Lowest	19.00	05-Dec-25	15.90	11-Oct-24
C	Last Traded	20.60		20.00	

(E) The Float-adjusted market capitalization as at 31st December 2025 - **Rs.336,417,055/-**

(F) The Company is listed on the Dirisavi Board having complied with a minimum public holding of 10% of the total listed shares in the hands of a minimum of 200 public shareholders. The Float-adjusted market capitalization of the Company falls under option 2 of Rule 7.13.1 (i) (b) of the Listing Rules of the Colombo Stock Exchange.