





Consolidated Interim Financial Statements

For the period ended 30th June

2026

KOTAGALA PLANTATIONS PLC

Company No. PQ 174

Performance Review of Kotagala Plantations PLC (KPPLC)- Financial Year 2026/2027

KPPLC has recorded a loss of Rs.47.9 Mn. for the first quarter in financial year of 2026/27 which is a decrease of Rs.100 Mn when compared with the corresponding period of the last year. This decline is partly due to the reduction in gross profit and sundry income which was partially offset by the reduction finance cost. The reduction in gross profit is due to the decrease in quantity sold with a corresponding increase in stock holding as a result of the geopolitical impact. Tea prices increased, together with the increase in wages as a result of the government wage increase of 15%, resulting in net increase in profitability per Kg. However the overall gross profit reported a decrease mainly due to the decrease in quantity sold. Rubber performance compared to last year reported a marginal decrease in loss. Oil Palm too reflected a significant decrease in profitability mainly due to the reduction in quantity sold and wage increase.

The Group recorded a loss of Rs.49.3 Mn, which includes results of Rubber & Allied Products (Colombo) Limited a wholly owned subsidiary.

The tea sector contributed a gross profit of Rs.105 Mn, compared to Rs.127 Mn. recorded in the previous year. The gross loss in the rubber sector has slightly decreased to Rs.76.6 Mn from Rs.77.6 Mn in last year. However, the gross profit of the oil palm segment has decreased to Rs.58 Mn, from Rs.85 Mn last year, due to reduction in crop by 12%. The overall gross profit stood at Rs.86.6 Mn, reflecting a decrease of 35% compared to last year.

The net assets per share has decreased to Rs.8.12 from Rs.8.23 recorded as of 31st March 2026.

Future Outlook

The company is focused in maintaining a positive bottom-line performance despite the challenges faced by the industry.

To mitigate the recent increase in wages and the dearth of workers, the company has already commenced mechanization including harvesting and field operations along with automation in the processing Centers.

KPPLC is also committed to the development of Human Capital in terms of training & development, providing opportunities to enhance worker earnings including compliance with Social Capital together with Regulatory compliances & Corporate Governance.

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - GROUP

	(Unaudited) 03 months ended 30.06.2026 Rs.'000	(Unaudited) 03 months ended 30.06.2025 Rs.'000	**Period Variance Rs.'000**
Revenue	**1,028,624**	1,421,479	(392,855)
Cost of Sales	**(941,973)**	(1,286,032)	344,058
Gross Profit	**86,651**	135,447	(48,797)
Fair Value gain on biological assets	**-**	-	-
Other income	**12,958**	80,901	(67,942)
Administration Expenses	**(86,668)**	(84,437)	(2,231)
Net Finance Cost	**(17,244)**	(41,599)	24,355
Interest paid to Government on Lease	**(45,028)**	(42,545)	(2,484)
Total Net Finance Cost	**(62,272)**	(84,144)	21,872
Share of Profit / (Loss) of equity accounted investee, net of tax	**-**	85	(85)
Profit before Tax Expense	**(49,331)**	47,853	(97,183)
Tax Expense	**-**	-	-
Profit / (Loss) for the period	**(49,331)**	47,853	(97,183)
Other Comprehensive Income			
Actuarial loss on Retirement Benefit Obligation	**-**	-	-
Tax effect on Actuarial loss on Retirement Benefit Obligation	**-**	-	-
Revaluation gain	**-**	-	-
Tax effect on revaluation gain	**-**	-	-
Fair value through OCI Investments - Net Change in Fair Value	**-**	-	-
Share of other comprehensive income of equity accounted investee, net of tax	**-**	-	-
Foreign currency transaction loss	**-**	-	-
Total Comprehensive Income for the period	**(49,331)**	47,853	(97,183)
Earnings per Share (Rs.)	**(0.12)**	0.14	

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	(Unaudited) 03 months ended 30.06.2026 Rs.'000	(Unaudited) 03 months ended 30.06.2025 Rs.'000	**Period Variance Rs.'000**
Revenue	**1,028,624**	1,361,558	(332,934)
Cost of Sales	**(941,973)**	(1,227,287)	285,313
Gross Profit	**86,651**	134,271	(47,621)
Fair Value gain on biological assets	**-**	-	-
Other Income	**12,958**	80,901	(67,942)
Administration Expenses	**(85,203)**	(79,844)	(5,359)
Net Finance Cost	**(17,231)**	(40,535)	23,304
Interest paid to Government on Lease	**(45,028)**	(42,545)	(2,484)
Total Net Finance Cost	**(62,259)**	**(83,080)**	**20,821**
Profit before Tax Expense	**(47,853)**	52,249	(100,101)
Tax Expense	**-**	-	-
Profit / (Loss) for the period	**(47,853)**	52,249	(100,101)
Other Comprehensive Income			
Actuarial loss on Retirement Benefit Obligation	**-**	-	-
Tax effect on Actuarial loss on Retirement Benefit Obligation	**-**	-	-
Revaluation gain	**-**	-	-
Tax effect on revaluation gain	**-**	-	-
Fair value through OCI Investments - Net Change in Fair Value	**-**	-	-
	-	-	-
Total Comprehensive Income for the period	**(47,853)**	52,249	(100,101)
Earnings per Share (Rs.)	**(0.11)**	0.15	

Kotagala Plantations PLC

Statement of Financial Position

	Group		Company	
	As at 30.06.2026 Rs.'000 (Unaudited)	As at 31.03.2026 Rs.'000 (Unaudited)	**As at 30.06.2026 Rs.'000 (Unaudited)**	As at 31.03.2026 Rs.'000 (Unaudited)
ASSETS				
Non - Current Assets				
Leasehold Right to Bare Land of JEDB/SLSPC Estates	**1,047,486**	1,061,120	**1,047,486**	1,061,120
Tangible Assets (Other than Mature/Immature Plantations)	**2,024,599**	2,032,427	**2,024,599**	2,032,291
Biological Assets	**5,439,657**	5,419,233	**5,439,657**	5,419,233
Total Non - Current Assets	**8,511,742**	8,512,780	**8,511,742**	8,512,644
Current Assets				
Inventories	**717,993**	470,947	**717,830**	470,783
Trade and Other Receivables	**363,312**	518,000	**367,952**	520,504
Fair value of growing produce of bearer biological assets	**9,162**	9,162	**9,162**	9,162
Amounts due from Related Parties	**204,459**	209,899	**205,172**	210,021
Cash and Cash Equivalents	**108,682**	118,129	**107,662**	108,029
Total Current Assets	**1,403,608**	1,326,137	**1,407,778**	1,318,499
Total Assets	**9,915,350**	9,838,917	**9,919,520**	9,831,143
EQUITY AND LIABILITIES				
EQUITY				
Stated Capital	**2,333,015**	2,333,015	**2,333,015**	2,333,015
Revaluation Reserve	**905,809**	905,809	**858,562**	858,562
Foreign Exchange Translation Reserve	**(11,470)**	(11,470)	**-**	-
Retained Earnings	**196,142**	245,473	**243,775**	291,628
Total Equity	**3,423,496**	3,472,827	**3,435,352**	3,483,205
LIABILITIES				
Non Current Liabilities				
Interest Bearing Borrowings	**429,049**	377,542	**429,049**	377,542
Retirement Benefit Obligations	**1,299,905**	1,289,298	**1,299,142**	1,288,545
Deferred Income	**274,164**	278,090	**274,164**	278,090
Net Obligation to Lessor of JEDB/SLSPC	**1,254,031**	1,257,500	**1,254,031**	1,257,500
Deferred Tax Liability	**1,680,800**	1,680,800	**1,680,800**	1,680,800
Total Non - Current Liabilities	**4,937,949**	4,883,230	**4,937,186**	4,882,477
Current Liabilities				
Interest bearing Borrowings	**391,474**	435,224	**391,474**	435,224
Deferred Income	**15,409**	15,409	**15,409**	15,409
Net Obligation to Lessor of JEDB/SLSPC	**13,882**	13,882	**13,882**	13,882
Trade & Other Payables	**948,766**	802,919	**948,697**	800,374
Amounts due to Related Parties	**184,374**	215,426	**177,520**	200,572
Total Current Liabilities	**1,553,905**	1,482,860	**1,546,982**	1,465,461
Total Liabilities	**6,491,854**	6,366,090	**6,484,168**	6,347,938
Total Equity and Liabilities	**9,915,350**	9,838,917	**9,919,520**	9,831,143
Net Assets per Share (Rs.)	**8.09**	8.21	**8.12**	8.23

I certify that the financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007

Sgd.
R Perera
General Manager Finance

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

Sgd.
Sunil Poholiyadde
Director

Sgd.
K Mohideen
Director

Colombo
10th August 2026

Kotagala Plantations PLC

COMPANY

STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company			
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Retained Profit / (Loss) Rs. '000	Total Rs. '000
Balance as at 01.04.2025	1,571,362	858,562	(17,657)	2,412,266
Right Issue	761,653	-	-	761,653
Profit for the Period	-	-	472,976	472,976
Other Comprehensive Income expenses for the period	-	-	(163,691)	(163,691)
Balance as at 31.03.2026	2,333,015	858,562	291,628	3,483,205
Balance as at 01.04.2026	**2,333,015**	**858,562**	**291,628**	**3,483,205**
Right Issue	**-**	**-**	**-**	**-**
Profit for the Period	**-**	**-**	**(47,853)**	**(47,853)**
Other Comprehensive Income expenses for the period	**-**	**-**	**-**	**-**
Balance as at 30.06.2026	**2,333,015**	**858,562**	**243,775**	**3,435,352**

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STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to Owners of the Company				
	Stated Capital Rs. '000	Revaluation Reserve Rs.000	Foreign Currency translation reserve	Retained Profit / (Loss) Rs. '000	Total Rs. '000
Balance as at 01.04.2025	1,571,362	1,020,903	(11,361)	(54,331)	2,526,573
Rights Issue	761,653				761,653
Profit for the Period	-	-	-	348,401	348,401
Other Comprehensive Income expenses for the year	-	-	(109)	(163,691)	(163,800)
Disposal of equity accounted investee	-	(115,094)	-	115,094	-
Balance as at 31.03.2026	2,333,015	905,809	(11,470)	245,473	3,472,827
Balance as at 01.04.2026	**2,333,015**	**905,809**	**(11,470)**	**245,473**	**3,472,827**
Rights issue	**-**				**-**
Profit for the Period	**-**	**-**	**-**	**(49,331)**	**(49,331)**
Other Comprehensive Income expenses for the year	**-**	**-**	**-**	**-**	**-**
Balance as at 30.06.2026	**2,333,015**	**905,809**	**(11,470)**	**196,142**	**3,423,496**

Kotagala Plantations PLC

CASH FLOW STATEMENT

	Group		Company	
For the period ended 30th June	**2026**	2025	**2026**	2025
	Rs.'000	Rs.'000	**Rs.'000**	Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	**(49,331)**	47,853	**(47,853)**	52,249
Adjustments for :				
Depreciation /Amortization	**75,722**	69,158	**75,722**	69,158
Interest Expenses	**63,107**	86,524	**63,094**	85,460
Interest Income	**(834)**	(2,381)	**(834)**	(2,381)
Reversal of impairment of amount due to related parties	**(1,310)**	-	**(1,310)**	-
Defined Benefit Plan Cost - Retiring Gratuity	**46,342**	45,296	**45,582**	45,143
Share of profit/loss of equity accounted investee	**-**	(85)	**-**	
Amortization of Deferred Income	**(3,929)**	(3,832)	**(3,929)**	(3,832)
Operating Profit before Working Capital Changes	**129,767**	242,533	**130,472**	245,797
(Increase)/Decrease in Inventories	**(247,046)**	64,490	**(247,047)**	8,240
(Increase)/Decrease in Trade & other Receivables	**154,688**	25,179	**152,552**	24,427
(Increase)/Decrease in Amounts due from Related Parties	**6,750**	320	**6,159**	320
Increase/(Decrease) in Trade & Other Payables	**145,233**	(32,640)	**148,323**	(30,228)
Increase/(Decrease) in Amounts due to Related Parties	**(31,052)**	160,384	**(23,052)**	166,939
Cash Flow from Operating Activities	**158,340**	460,267	**167,409**	415,496
Interest Paid	**(72,107)**	(96,677)	**(72,094)**	(95,613)
Retiring Gratuity Paid	**(34,987)**	(62,964)	**(34,987)**	(62,964)
Net Cash Flow from Operating Activities	**51,246**	300,625	**60,326**	256,919
Cash Flows from Investing Activities				
Interest Income	**834**	2,381	**834**	2,381
Purchase & Construction of Property, Plant & Equipment	**(20,084)**	(19,483)	**(20,084)**	(19,483)
Investment in immature plantations	**(45,731)**	(30,401)	**(45,731)**	(30,401)
Net Cash generated from/(used in) Investing Activities	**(64,981)**	(47,503)	**(64,981)**	(47,503)
Cash Flows from Financing Activities				
Payment of lease rentals	**(3,470)**	(2,907)	**(3,470)**	(2,907)
Capital Grants Received	**-**	-	**-**	-
Repayment of Debenture	**(22,049)**	(8,069)	**(22,049)**	(8,069)
Proceeds from Long Term Loans	**227,000**	20,000	**227,000**	20,000
Repayment of Long Term Loans	**(197,193)**	(219,698)	**(197,193)**	(219,698)
Net Cash generated from/(used in) Financing Activities	**4,288**	(210,675)	**4,288**	(210,675)
Net Increase in Cash & Cash Equivalents	**(9,447)**	42,447	**(367)**	(1,259)
Cash & Cash Equivalents at the beginning of the year	**118,129**	101,574	**108,029**	100,656
Effect of Exchange Rate Changes				-
Cash & Cash Equivalents at the end of the period	**108,682**	144,022	**107,662**	99,398
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	**108,682**	188,384	**107,662**	143,760
Bank & Other Borrowings	**-**	(44,362)	**-**	(44,362)
	108,682	144,022	**107,662**	99,398

Segmental Information

Group	Company
Year ended 31/03/2026	Year ended 31/03/2026
Rs. '000	Rs. '000
	Revenue
4,174,978	4,174,978
1,023,920	922,079
502,567	502,567
5,701,465	5,599,624
	Gross Profit
562,344	562,344
(81,310)	(85,368)
301,673	301,673
782,707	778,649

Segmental Information

	Group		Company	
	03 Months ended 30/06/2026	03 Months ended 30/06/2025	**03 Months ended 30/06/2026**	03 Months ended 30/06/2025
	Rs. '000	Rs. '000	**Rs. '000**	Rs. '000
Revenue				
Tea	**781,131**	1,107,206	**781,131**	1,107,206
Rubber	**122,971**	174,146	**122,971**	114,225
Oil Palm	**124,522**	140,127	**124,522**	140,127
	1,028,624	1,421,479	**1,028,624**	1,361,558
Gross Profit				
Tea	**105,178**	127,273	**105,178**	127,273
Rubber	**(76,624)**	(76,443)	**(76,624)**	(77,619)
Oil Palm	**58,098**	84,617	**58,098**	84,617
	86,651	135,447	**86,651**	134,271

Company
For the 03 months ended 30.06.2026

	Tea	Rubber	Oil Palm	Total
Gross Profit/(Loss)	**105,178**	**(76,624)**	**58,098**	**86,651**
Fair Value Gain on Biological Assets	-	-	-	-
Other Operating Income	4,985	7,974		12,958
Administrative Expenses	(65,292)	(15,687)	(4,224)	(85,203)
Net Financing Costs	(47,710)	(11,463)	(3,086)	(62,259)
Profit/(Loss) Before Income Tax	**(2,840)**	**(95,799)**	**50,788**	**(47,853)**

Information on Debentures

Trading at Colombo Stock Exchange

Debenture Type	Highest Value (Rs.)	Lowest Value (Rs.)
D1 - D6	Not Traded	Not Traded

The company successfully rescheduled the entire debenture outstanding of Rs.500m for a period of 5 years at a reduced interest rate of 7.5%, with a defined monthly payment plan.

Comparable Interest Rate on Government Securities

1 year	10.17%

	Company - End June 2026
Debt/Equity Ratio	0.24
Quick asset Ratio	0.45

Kotagala Plantations PLC
Notes to the Financial Statements

1) Accounting policies and methods of computation adopted in the above interim accounts are same as those in the previous Audited Financial Statements and also in compliance with Sri Lanka Accounting Standard 34 - Interim Financial Reporting.

2) The above figures are provisional and subject to audit.

3) There has been no significant change in the nature of the contingent liabilities which were disclosed in the audited financial statements for the year ended 31st March 2025

4) Deferred Tax adjustment will be provided at the year end

5) Fair Valuation of Consumable biological assets will be caried out at the year end

6) There has been no material events subsequent to the interim period which require disclosure in the provisional Interim Financial Statements.

7) Market Prices Recorded during the quarter ended 30th June

	2026	**2025**
Highest - (Rs.)	10.60	11.30
Lowest - (Rs.)	7.90	7.90
Last Traded - (Rs.)	8.90	9.10

8) The Stated Capital of the Company is Rs. 2,333,015,635.00 represented by 423,140,625 Ordinary shares and One Golden Share.

9) The percentage of Shares held by the public as at 30th June 2026 was 45.45% and the number of public shareholders are 18,499.

10) The applicable option under CSE Rule 7.13.1 (i) (a) (1) on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 30.06.2026 was Rs.1,692,393,243.75

11) Details pertaining to Directors direct shareholdings as at 30.06.2026 are given below

Name of Director	**No.of Shares**
Mr. S. S. Poholiyadde	2,000,082
Mr. K.G. Punchihewa	468

12) Major Shareholders as at 30th June 2026

	Name	**No of Shares**	**%**
1	CONSOLIDATED TEA PLANTATIONS LIMITED	217,617,146	51.43%
2	SAMPATH BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	13,465,000	3.18%
3	ISP SECURITIES LTD	8,457,220	2.00%
4	EMFI CAPITAL LIMITED	6,863,280	1.62%
5	LANKEM TEA & RUBBER PLANTATIONS (PVT) LIMITED	6,849,009	1.62%
6	COMMERCIAL BANK OF CEYLON PLC/W. JINADASA	6,154,614	1.45%
7	SECRETARY TO THE TREASURY	5,700,834	1.35%
8	PEOPLE S LEASING AND FINANCE PLC/L.K.N.K.KULAWARDENA	5,095,244	1.20%
9	HATTON NATIONAL BANK PLC/SRI DHAMAN RAJENDRAM ARUDPRAGASAM	2,875,000	0.68%
10	HATTON NATIONAL BANK PLC/WETHTHINGE JINADASA	2,500,000	0.59%
11	SEYLAN BANK PLC/W.D.N.H.PERERA	2,500,000	0.59%
12	MR. NAVANEETHA RAJAH SELVADURAI	2,379,398	0.56%
13	HATTON NATIONAL BANK PLC-ARPICO ATARAXIA EQUITY INCOME FUND	2,246,707	0.53%
14	DFCC BANK PLC/B. SUTHARSHAN	2,200,000	0.52%
15	MR. TIKITHANTHIRI MAHASAMILAGE PANDULA GUNASEKARA	2,050,000	0.48%
16	MR. SUNIL SOMINDRANATH POHOLIYADDE	2,000,082	0.47%
17	MR. NADESHAN PARAMESWARAN	2,000,000	0.47%
18	MR. WELLAPPULI ARACHCHIGE SATHIRA LIMAL PRABHU WELLAPPULIARACHCHI	2,000,000	0.47%
19	MR. SUPPIAHPILLAI KARUNAMOORTHY	1,800,000	0.43%
20	MRS. PATTINIDEVA ASOKA SWARNA KANTHIE BERUWALAGE	1,700,000	0.40%
Total		**296,453,534**	**70.04%**