

Consolidated Interim Financial Statements

For the period ended 30th September

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.91.5 Mn before income tax for the second quarter in financial year of 2026/27 which is a decrease of Rs.265 Mn when compared with the corresponding period of the last year. This decline is due to the reduction in gross profit and sundry income, however the total reduction of Rs.315 Mn in gross profit and sundry income offset by the reduction in administration cost and finance cost.

The reduction in gross profit is due to the decrease in quantity sold as a result of the geopolitical impact. Tea and Rubber prices increased, together with the increase in wages as a result of the government wage increase of 15%.

However, the overall gross profit reported a decrease mainly due to the decrease in quantity sold. Rubber performance compared to last year reported an increase in loss. Oil Palm too reflected a decrease in profitability mainly due to the reduction in quantity sold and wage increase.

The Group recorded a loss of Rs.93.2 Mn before income tax, which includes results of Rubber & Allied Products (Colombo) Limited a wholly owned subsidiary.

The tea sector contributed a gross profit of Rs.61 Mn, compared to Rs.241 Mn. recorded in the previous year. The gross loss in the rubber sector has increased to Rs.97.8 Mn from Rs.46.3 Mn in last year. The gross profit of the oil palm segment too decreased to Rs.193.8 Mn, from Rs.210.8 Mn last year. The overall gross profit stood at Rs.157.1 Mn, reflecting a decrease of 61% compared to last year.

The net assets per share has decreased to Rs.7.86 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) Quarter ended 30.09.2026 Rs.'000	(Unaudited) Quarter ended 30.09.2025 Rs.'000	**Quarter Variance Rs.'000**	**(Unaudited) 06 months ended 30.09.2026 Rs.'000**	(Unaudited) 06 months ended 30.09.2025 Rs.'000	**Period Variance Rs.'000**
Revenue	**1,315,122**	1,579,139	(264,017)	**2,343,745**	3,000,618	(656,873)
Cost of Sales	**(1,244,661)**	(1,306,777)	62,116	**(2,186,635)**	(2,592,809)	406,174
Gross Profit	**70,460**	272,361	(201,901)	**157,111**	407,809	(250,698)
Fair Value gain on biological assets	**-**	-	-	**-**	-	-
Other income	**41,055**	40,620	435	**54,013**	121,521	(67,507)
Administration Expenses	**(87,278)**	(94,781)	7,503	**(173,946)**	(179,218)	5,272
Net Finance Cost	**(21,310)**	(39,351)	18,041	**(38,554)**	(80,950)	42,396
Interest paid to Government on Lease	**(46,823)**	(46,863)	40	**(91,851)**	(89,408)	(2,444)
Total Net Finance Cost	**(68,133)**	(86,214)	18,081	**(130,406)**	(170,358)	39,952
Share of Profit / (Loss) of equity accounted investee, net of tax	**-**	(85)	85	**-**	-	-
Profit before Tax Expense	**(43,896)**	131,901	(175,797)	**(93,227)**	179,754	(272,981)
Tax Expense	**(65,564)**	-	(65,564)	**(65,564)**	-	(65,564)
Profit / (Loss) for the period	**(109,460)**	131,901	(241,361)	**(158,791)**	179,754	(338,546)
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	**(109,460)**	131,901	(241,361)	**(158,791)**	179,754	(338,546)
Earnings per Share (Rs.)	**(0.26)**	0.38		**(0.38)**	0.52	

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	(Unaudited) Quarter ended 30.09.2026 Rs.'000	(Unaudited) Quarter ended 30.09.2025 Rs.'000	Quarter Variance Rs.'000	(Unaudited) 06 months ended 30.09.2026 Rs.'000	(Unaudited) 06 months ended 30.09.2025 Rs.'000	Period Variance Rs.'000
Revenue	**1,315,122**	1,563,659	(248,537)	**2,343,745**	2,925,217	(581,472)
Cost of Sales	**(1,244,661)**	(1,292,046)	47,385	**(2,186,635)**	(2,519,333)	332,698
Gross Profit	**70,460**	271,612	(201,152)	**157,111**	405,884	(248,773)
Fair Value gain on biological assets	**-**	-	-	**-**	-	-
Other Income	**41,554**	40,620	934	**54,512**	121,521	(67,008)
	-					
Administration Expenses	**(87,538)**	(105,484)	17,945	**(172,741)**	(185,327)	12,586
Net Finance Cost	**(21,323)**	(39,042)	17,719	**(38,554)**	(79,577)	41,023
Interest paid to Government on Lease	**(46,823)**	(46,863)	40	**(91,851)**	(89,408)	(2,444)
Total Net Finance Cost	**(68,146)**	**(85,905)**	**17,759**	**(130,406)**	**(168,985)**	**38,579**
Profit before Tax Expense	**(43,670)**	120,844	(164,513)	**(91,523)**	173,093	(264,617)
Tax Expense	**(65,564)**	-	(65,564)	**(65,564)**	-	(65,564)
Profit / (Loss) for the period	**(109,234)**	120,844	(230,077)	**(157,087)**	173,093	(330,181)
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	**(109,234)**	120,844	(230,077)	**(157,087)**	173,093	(330,181)
Earnings per Share (Rs.)	**(0.26)**	0.35		**(0.37)**	0.50	

Kotagala Plantations PLC

Statement of Financial Position

	Group		Company	
	As at 30.09.2026 Rs.'000 (Unaudited)	As at 31.03.2026 Rs.'000 (Audited)	**As at 30.09.2026 Rs.'000 (Unaudited)**	As at 31.03.2026 Rs.'000 (Audited)
ASSETS				
Non - Current Assets				
Leasehold Right to Bare Land of JEDB/SLSPC Estates	**1,038,330**	1,061,120	**1,038,330**	1,061,120
Tangible Assets (Other than Mature/Immature Plantations)	**2,020,446**	2,032,427	**2,020,309**	2,032,291
Intangible Assets	**3,300**	-	**3,300**	-
Biological Assets	**5,452,864**	5,419,233	**5,452,864**	5,419,233
Total Non - Current Assets	**8,514,940**	8,512,780	**8,514,803**	8,512,644
Current Assets				
Inventories	**461,592**	470,947	**461,428**	470,783
Trade and Other Receivables	**351,196**	518,000	**354,959**	520,504
Fair value of growing produce of bearer biological assets	**9,162**	9,162	**9,162**	9,162
Amounts due from Related Parties	**202,941**	209,899	**203,653**	210,021
Cash and Cash Equivalents	**80,891**	118,129	**79,982**	108,029
Total Current Assets	**1,105,782**	1,326,137	**1,109,184**	1,318,499
Total Assets	**9,620,722**	9,838,917	**9,623,987**	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	**86,682**	245,473	**134,540**	291,628
Total Equity	**3,314,036**	3,472,827	**3,326,117**	3,483,205
LIABILITIES				
Non Current Liabilities				
Interest Bearing Borrowings	**360,459**	377,542	**360,459**	377,542
Retirement Benefit Obligations	**1,280,988**	1,289,298	**1,280,225**	1,288,545
Deferred Income	**270,519**	278,090	**270,519**	278,090
Net Obligation to Lessor of JEDB/SLSPC	**1,250,560**	1,257,500	**1,250,560**	1,257,500
Deferred Tax Liability	**1,680,800**	1,680,800	**1,680,800**	1,680,800
Total Non - Current Liabilities	**4,843,326**	4,883,230	**4,842,563**	4,882,477
Current Liabilities				
Interest bearing Borrowings	**449,847**	435,224	**449,847**	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	**787,491**	802,919	**786,292**	800,374
Amounts due to Related Parties	**196,731**	215,426	**189,877**	200,572
Total Current Liabilities	**1,463,360**	1,482,860	**1,455,307**	1,465,461
Total Liabilities	**6,306,686**	6,366,090	**6,297,870**	6,347,938
Total Equity and Liabilities	**9,620,722**	9,838,917	**9,623,987**	9,831,143
Net Assets per Share (Rs.)	**7.83**	8.21	**7.86**	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.
N Fernando
Finance Manager

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

Sgd.
Sunil Poholiyadde
Director

Sgd.
K Mohideen
Director

Colombo
12th November 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)	2,412,267
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	**-**	**-**	**(157,087)**	**(157,087)**
Other Comprehensive Income expenses for the period	**-**	**-**	**-**	**-**
Balance as at 30.09.2026	**2,333,015**	**858,562**	**134,540**	**3,326,117**

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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	**-**	**-**	**-**	**(158,791)**	**(158,791)**
Other Comprehensive Income expenses for the year	**-**	**-**	**-**	**-**	**-**
Balance as at 30.09.2026	**2,333,015**	**905,809**	**(11,470)**	**86,682**	**3,314,036**

Kotagala Plantations PLC

CASH FLOW STATEMENT

	Group		Company	
For the period ended 30th September	**2026**	2025	**2026**	2025
	Rs.'000	Rs.'000	**Rs.'000**	Rs.'000
Cash Flows from Operating Activities				
Profit before income tax expense	**(93,227)**	179,754	**(91,523)**	173,093
Adjustments for :				
Depreciation /Amortization	**151,952**	173,491	**151,952**	173,491
Interest Expenses	**132,218**	173,100	**132,218**	172,036
Interest Income	**(1,813)**	(3,052)	**(1,813)**	(3,052)
Reversal of impairment of amount due to related parties	**(6,542)**	-	**(6,542)**	-
Provision for impairment of investment in subsidiaries	**-**	-	**-**	8,568
Provision for impairment of other receivable	**534**	-	**534**	-
Provision for Retirement Benefit Obligation	**90,627**	92,556	**90,615**	92,403
Amortization of Deferred Income	**(7,592)**	(7,665)	**(7,592)**	(7,665)
Operating Profit before Working Capital Changes	**266,157**	608,186	**267,849**	608,876
(Increase)/Decrease in Inventories	**9,355**	106,036	**9,355**	69,263
(Increase)/Decrease in Trade & other Receivables	**166,271**	(80,316)	**165,011**	(65,520)
(Increase)/Decrease in Amounts due from Related Parties	**13,500**	320	**12,911**	320
Increase/(Decrease) in Trade & Other Payables	**(15,429)**	(46,154)	**(14,081)**	(41,017)
Increase/(Decrease) in Amounts due to Related Parties	**(18,695)**	167,400	**(10,695)**	182,710
Cash Flow from Operating Activities	**421,159**	755,472	**430,350**	754,632
Income Tax Paid	**(65,564)**	-	**(65,564)**	-
Interest Paid	**(150,218)**	(172,364)	**(150,218)**	(171,300)
Retiring Gratuity Paid	**(98,936)**	(154,096)	**(98,936)**	(154,096)
Net Cash Flow from Operating Activities	**106,441**	429,012	**115,632**	429,236
Cash Flows from Investing Activities				
Interest Received	**1,813**	3,052	**1,813**	3,052
Purchase of Property, Plant & Equipment	**(37,127)**	(92,925)	**(37,127)**	(92,925)
Investment in Intangible Assets	**(3,300)**	-	**(3,300)**	-
Investment in immature plantations	**(95,683)**	(53,615)	**(95,683)**	(53,615)
Net Cash generated from/(used in) Investing Activities	**(134,297)**	(143,489)	**(134,297)**	(143,489)
Cash Flows from Financing Activities				
Payment of lease capital	**(6,941)**	(5,815)	**(6,941)**	(5,815)
Grants Received	**18**	-	**18**	-
Repayment of Debenture	**(78,784)**	(62,417)	**(78,784)**	(62,417)
Proceeds from Long/short Term Loans	**464,000**	220,000	**464,000**	220,000
Repayment of Long/short Term Loans	**(387,676)**	(323,407)	**(387,676)**	(323,407)
Net Cash generated from/(used in) Financing Activities	**(9,382)**	(171,639)	**(9,382)**	(171,639)
Net Increase in Cash & Cash Equivalents	**(37,238)**	113,884	**(28,047)**	114,108
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	**80,891**	215,459	**79,982**	214,764
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash at Bank and Cash in Hand	**80,891**	215,459	**79,982**	214,764
	80,891	215,459	**79,982**	214,764

Segmental Information

Group	Company		Group		Company		Group		Company	
			Quarter	Quarter	Quarter	Quarter	**06 Months**	06 Months	**06 Months**	06 Months
Year ended	Year ended		ended	ended	ended	ended	**ended**	ended	**ended**	ended
31/03/2026	31/03/2026		**30/09/2026**	30/09/2025	**30/09/2026**	30/09/2025	**30/09/2026**	30/09/2025	**30/09/2026**	30/09/2025
Rs. '000	Rs. '000		Rs. '000	Rs. '000	Rs. '000	Rs. '000	**Rs. '000**	Rs. '000	**Rs. '000**	Rs. '000
		Revenue								
4,174,978	4,174,978	Tea	**900,153**	1,077,960	**900,153**	1,077,960	**1,681,284**	2,185,165	**1,681,284**	2,185,165
1,023,920	922,079	Rubber	**205,346**	314,013	**205,346**	298,533	**328,317**	488,159	**328,317**	412,758
502,567	502,567	Oil Palm	**209,622**	187,166	**209,622**	187,166	**334,144**	327,293	**334,144**	327,293
5,701,465	5,599,624		**1,315,122**	1,579,139	**1,315,122**	1,563,659	**2,343,745**	3,000,618	**2,343,745**	2,925,217
		Gross Profit								
559,762	559,762	Tea	**(44,187)**	114,123	**(44,187)**	114,123	**60,990**	241,395	**60,990**	241,395
(79,279)	(83,338)	Rubber	**(21,133)**	32,052	**(21,133)**	31,303	**(97,757)**	(44,391)	**(97,757)**	(46,316)
302,225	302,225	Oil Palm	**135,780**	126,187	**135,780**	126,187	**193,877**	210,804	**193,877**	210,804
782,707	778,649		**70,460**	272,361	**70,460**	271,612	**157,111**	407,809	**157,111**	405,884

Segmental Information

	Company For the 06 months ended 30.09.2026			
	Tea	**Rubber**	**Oil Palm**	**Total**
Gross Profit/(Loss)	**60,990**	**(97,757)**	**193,877**	**157,111**
Fair Value Gain on Biological Assets	-	-	-	-
Other Operating Income	30,701	23,811		54,512
Administrative Expenses	(132,375)	(31,803)	(8,563)	(172,741)
Net Financing Costs	(77,038)	(40,922)	(12,446)	(130,406)
Profit/(Loss) Before Income Tax	**(117,721)**	**(146,671)**	**172,869**	**(91,523)**

Information on Debentures

The company has fully settled the debenture as at 31st August 2026

Company - End September 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 2026

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 September

	2026	2025
Highest - (Rs.)	9.00	10.40
Lowest - (Rs.)	7.80	8.60
Last Traded - (Rs.)	8.10	9.80

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 September 2026 was 45.45% and the number of public shareholders are 18,536.

10) The applicable option under CSE Rule 7.12.1.A.1 on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 30.09.2026 was Rs.1,557,771,053.90

11) Details pertaining to Directors direct shareholdings as at 30.09.2026 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 September 2026

	Name	No of Shares	%
1	CONSOLIDATED TEA PLANTATIONS LIMITED	217,617,146	51.43%
2	SAMPATH BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	23,048,044	5.45%
3	ISP SECURITIES LTD	8,457,220	2.00%
4	LANKEM TEA & RUBBER PLANTATIONS (PVT) LIMITED	6,849,009	1.62%
5	COMMERCIAL BANK OF CEYLON PLC/W. JINADASA	6,154,614	1.45%
6	SECRETARY TO THE TREASURY	5,700,834	1.35%
7	PEOPLE S LEASING AND FINANCE PLC/L.K.N.K.KULAWARDENA	5,030,244	1.19%
8	HATTON NATIONAL BANK PLC/SRI DHAMAN RAJENDRAM ARUDPRAGASAM	2,875,000	0.68%
9	HATTON NATIONAL BANK PLC/WETHTHINGE JINADASA	2,500,000	0.59%
10	SEYLAN BANK PLC/W.D.N.H.PERERA	2,500,000	0.59%
11	MR. NAVANEETHA RAJAH SELVADURAI	2,379,398	0.56%
12	DFCC BANK PLC/B. SUTHARSHAN	2,200,000	0.52%
13	MR. TIKITHANTHIRI MAHASAMILAGE PANDULA GUNASEKARA	2,050,000	0.48%
14	MR. SUNIL SOMINDRANATH POHOLIYADDE	2,000,082	0.47%
15	MR. NADESHAN PARAMESWARAN	2,000,000	0.47%
16	MR. WELLAPPULI ARACHCHIGE SATHIRA LIMAL PRABHU WELLAPPULIARACHCHI	2,000,000	0.47%
17	MR. SUPPIAHPILLAI KARUNAMOORTHY	1,800,000	0.43%
18	SEYLAN BANK PLC/ANUJA CHAMILA JAYASINGHE	1,720,326	0.41%
19	MRS. PATTINIDEVA ASOKA SWARNA KANTHIE BERUWALAGE	1,700,000	0.40%
20	MRS. MANAWADUGE PRASADIE RASHMINI SILVA	1,675,386	0.40%
Total		**300,257,303**	**70.96%**