SINGER®

SINGER (SRI LANKA) PLC

INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30TH JUNE 2026

Statement of Profit or Loss and Other Comprehensive Income

For the Three Months ended 30th June	Group			Company		
	2026 Rs. '000	2025 Rs. '000	Change %	2026 Rs. '000	2025 Rs. '000	Change %
Revenue	38,722,928	27,552,849	41%	33,913,773	24,591,604	38%
Cost of Sales	(23,932,189)	(17,451,753)	-37%	(24,037,818)	(17,486,137)	-37%
Direct Interest Cost	(2,373,301)	(1,340,533)	-77%	-	-	
Gross Profit	12,417,438	8,760,563	42%	9,875,955	7,105,467	39%
Other Income	159,898	109,095	47%	238,324	46,230	416%
Selling and Administrative Expenses	(7,589,655)	(5,738,354)	-32%	(6,192,620)	(4,762,384)	-30%
Impairment Loss on Trade and Other Receivables	(187,255)	(120,344)	-56%	(39,270)	(32,363)	-21%
Operating Profit	4,800,426	3,010,960	59%	3,882,389	2,356,950	65%
Finance Cost	(1,207,220)	(786,019)	-54%	(1,195,881)	(783,983)	-53%
Finance Income	235,373	348,761	-33%	139,044	212,833	-35%
Net Finance Cost	(971,847)	(437,258)	-122%	(1,056,837)	(571,150)	-85%
Value Added Tax on Financial Services	(354,254)	(239,326)	-48%	(54,000)	(24,000)	-125%
Profit Before Tax	3,474,325	2,334,376	49%	2,771,552	1,761,800	57%
Income Tax Expense	(1,233,253)	(781,115)	-58%	(856,463)	(546,159)	-57%
Profit for the Period	2,241,072	1,553,261	44%	1,915,089	1,215,641	58%
Total Comprehensive Income for the Period, Net of Tax	2,241,072	1,553,261		1,915,089	1,215,641	
Profit Attributable to -						
Owners of the Company	2,147,610	1,492,548		1,915,089	1,215,641	
Non - Controlling Interests	93,462	60,713		-	-	
	2,241,072	1,553,261		1,915,089	1,215,641	
Total Comprehensive Income Attributable to -						
Owners of the Company	2,147,610	1,492,548		1,915,089	1,215,641	
Non - Controlling Interests	93,462	60,713		-	-	
Total Comprehensive Income for the Period, Net of Tax	2,241,072	1,553,261		1,915,089	1,215,641	
Basic / Diluted Earnings Per Share (Rs.)	1.84	1.28		1.64	1.04	

Above figures are provisional and subject to audit.

Share Prices	For the Three Months ended 30th June 2026 Rs.	For the Three Months ended 30th June 2025 Rs.
Highest	92.50	47.80
Lowest	66.00	29.50
Last Traded Price	76.00	46.50

Statement of Financial Position

As at	Group			Company		
	30th June 2026 Rs.'000	30th June 2025 Rs.'000	31st March 2026 Rs.'000	30th June 2026 Rs.'000	30th June 2025 Rs.'000	31st March 2026 Rs.'000
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	9,305,040	8,769,135	9,272,870	8,018,179	7,565,430	8,062,151
Investment Property	177,450	29,502	177,450	30,400	29,502	30,400
Right -of- Use Assets	5,869,989	5,316,897	6,077,702	4,925,670	4,596,470	5,171,531
Intangible Assets	408,841	464,415	460,879	286,439	368,629	341,206
Investment in Subsidiaries	-	-	-	3,365,121	1,760,085	3,365,121
Financial Assets at FVOCI	21,963	22,468	21,963	19,778	20,283	19,778
Trade and Other Receivables	32,036,832	20,828,820	30,536,629	2,208,512	1,250,894	2,144,977
Deferred Tax Assets	1,430,987	1,055,557	1,185,041	1,062,208	778,774	843,319
	49,251,102	36,486,794	47,732,534	19,916,307	16,370,067	19,978,483
Current Assets						
Inventories	33,118,821	23,336,847	34,223,144	32,120,623	22,828,147	33,282,479
Income Tax Receivables	112,768	281,920	112,768	112,768	281,920	112,768
Trade and Other Receivables	94,230,838	56,682,826	88,322,871	30,073,959	21,313,031	27,745,529
Amounts Due from Related Parties	44,696	92,042	103,805	326,540	257,049	170,289
Deposits with Banks	4,486,481	2,562,719	3,406,713	4,191,677	2,285,309	3,406,713
Short term Investments	3,403,729	8,152,466	3,699,762	-	-	-
Other Financial Assets	-	347,013	-	-	347,013	-
Cash in hand and Bank	4,149,936	3,542,603	4,192,809	2,818,245	2,606,841	2,187,829
	139,547,269	94,998,436	134,061,872	69,643,812	49,919,310	66,905,607
Total Assets	188,798,371	131,485,230	181,794,406	89,560,119	66,289,377	86,884,090
EQUITY AND LIABILITIES						
Equity						
Stated Capital	1,138,857	1,138,857	1,138,857	1,138,857	1,138,857	1,138,857
Other Components of Equity	4,033,538	3,802,969	4,064,742	3,221,155	3,305,617	3,252,359
Revenue Reserves	16,321,362	10,912,782	14,726,357	11,438,745	7,225,120	10,076,261
Total Equity Attributable to Owners of the Company	21,493,757	15,854,608	19,929,956	15,798,757	11,669,594	14,467,477
Non-Controlling Interest	1,972,091	1,285,800	1,934,400	-	-	-
Total Equity	23,465,848	17,140,408	21,864,356	15,798,757	11,669,594	14,467,477
Non-Current Liabilities						
Interest - Bearing Loans and Borrowings	22,268,006	19,008,692	20,920,044	4,224,500	6,449,700	3,899,550
Lease Liabilities	5,169,122	4,880,626	5,365,992	4,269,644	4,192,202	4,481,211
Deferred Tax Liabilities	85,770	87,750	85,263	-	-	-
Employee Benefit Obligations	1,591,579	1,400,631	1,533,848	1,326,614	1,243,170	1,278,090
Security Deposits	2,433,244	2,001,136	2,291,434	2,433,244	2,001,136	2,291,434
Other Financial Liabilities	16,986,318	5,605,546	13,744,991	-	-	-
Deferred Revenue	244,651	155,554	229,072	244,651	155,554	229,072
Other Non - Current Liabilities	376,691	267,488	349,327	376,691	267,488	349,327
	49,155,381	33,407,423	44,519,971	12,875,344	14,309,250	12,528,684
Current Liabilities						
Trade and Other Payables	19,567,461	13,997,999	20,392,924	16,750,300	12,701,762	17,809,783
Deferred Revenue	581,702	442,932	540,864	581,688	442,918	540,850
Dividends Payable	119,674	82,826	148,606	112,397	78,163	143,957
Amounts Due to Related Parties	1,678,933	1,045,937	1,852,534	2,470,537	1,497,926	2,618,496
Income Tax Payables	2,103,443	1,909,794	2,237,085	1,499,601	1,403,475	1,657,215
Other Financial Liabilities	28,865,658	23,888,866	27,533,542	-	-	-
Lease Liabilities	1,297,398	1,294,209	1,294,233	1,136,861	1,113,290	1,132,617
Interest - Bearing Loans and Borrowings	58,052,971	36,300,489	58,676,202	35,810,552	22,109,189	34,269,214
Bank Overdrafts	3,909,902	1,974,347	2,734,089	2,524,082	963,810	1,715,797
	116,177,142	80,937,399	115,410,079	60,886,018	40,310,533	59,887,929
Total Liabilities	165,332,523	114,344,822	159,930,050	73,761,362	54,619,783	72,416,613
Total Equity and Liabilities	188,798,371	131,485,230	181,794,406	89,560,119	66,289,377	86,884,090
Net Assets per Share (Rs.)	18.41	13.58	17.07	13.53	9.99	12.39

I certify that the above Financial Statements comply with the requirments of the Companies Act No.07 of 2007.

(Sgd.)
Shalinka Seresinhe
Finance Director

Above figures are provisional and subject to audit.
The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board by,

(Sgd.)
A.M. Pandithage
Chairman

(Sgd.)
Mahesh Wijewardene
Group Managing Director

Colombo,
10th August 2026

Statement of Changes in Equity

Group	Attributable to equity holders of the Company								
	Stated Capital	Other Components of Equity			Revenue Reserves		Total	Non -Controlling Interest	Total Equity
		Statutory Reserve	Revaluation Reserves	Fair Value of Financial Assets at FVOCI Reserve	General Reserves	Retained Earnings			
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 31st March 2025	1,138,857	495,639	3,318,584	4,348	2,700,000	7,078,270	14,735,698	1,225,087	15,960,785
Realisation of Revaluation Surplus	-	-	(15,602)	-	-	15,602	-	-	-
Profit for the Period	-	-	-	-	-	1,492,548	1,492,548	60,713	1,553,261
Total comprehensive income for the period	-	-	(15,602)	-	-	1,508,150	1,492,548	60,713	1,553,261
Transactions with Owners of the Company, Recognised Directly in Equity									
Distributions to Owners of the Company									
Interim Dividend - 2025/2026	-	-	-	-	-	(373,638)	(373,638)	-	(373,638)
Total Distributions to Owners of the Company	-	-	-	-	-	(373,638)	(373,638)	-	(373,638)
Balance at 30th June 2025	1,138,857	495,639	3,302,982	4,348	2,700,000	8,212,782	15,854,608	1,285,800	17,140,408
Rights Issue - Singer Finance (Lanka) PLC	-	-	-	-	-	-	-	403,075	403,075
Realisation of Revaluation Surplus	-	-	(52,904)	-	-	52,904	-	-	-
Transferred to /(from) during the period	-	315,031	-	-	-	(315,031)	-	-	-
Profit for the Period	-	-	-	-	-	5,849,449	5,849,449	255,420	6,104,869
Other Comprehensive Income									
Actuarial Gain / (Loss) on Employee Benefit Obligations	-	-	-	-	-	1,656	1,656	(14,136)	(12,480)
Fair Value Change in Equity instruments designated at fair value through other comprehensive income	-	-	-	(506)	-	-	(506)	-	(506)
Related Taxes									
Deferred Tax on Actuarial Gain / (Loss) on Employee Benefit Obligations	-	-	-	-	-	(624)	(624)	4,241	3,617
Deferred Tax on Equity Investments at Fair Value Through Other Comprehensive Income	-	-	-	152	-	-	152	-	152
Total Other Comprehensive Income for the Period	-	-	-	(354)	-	1,032	678	(9,895)	(9,217)
Total Comprehensive Income for the Period, Net of Tax	-	-	-	(354)	-	5,850,481	5,850,127	245,525	6,095,652
Transactions with Owners of the Company, Recognised Directly in Equity									
Distributions to Owners of the Company									
Interim Dividend - 2025/2026	-	-	-	-	-	(1,774,779)	(1,774,779)	-	(1,774,779)
Total Transactions with Owners of the Company, Recognised Directly in Equity	-	-	-	-	-	(1,774,779)	(1,774,779)	-	(1,774,779)
Balance at 31st March 2026	1,138,857	810,670	3,250,078	3,994	2,700,000	12,026,357	19,929,956	1,934,400	21,864,356
Realisation of Revaluation Surplus	-	-	(15,602)	-	-	15,602	-	-	-
Profit for the Period	-	-	-	-	-	2,147,610	2,147,610	93,462	2,241,072
Total comprehensive income for the period, Net of Tax	-	-	(15,602)	-	-	2,163,212	2,147,610	93,462	2,241,072
Transactions with Owners of the Company, Recognised Directly in Equity									
Distributions to Owners of the Company									
Interim Dividend - 2026/2027	-	-	-	-	-	(583,809)	(583,809)	(55,771)	(639,580)
Total Distributions to Owners of the Company	-	-	-	-	-	(583,809)	(583,809)	(55,771)	(639,580)
Balance at 30th June 2026	1,138,857	810,670	3,218,874	3,994	2,700,000	13,621,362	21,493,757	1,972,091	23,465,848

Statement of Changes in Equity

Company	Stated Capital	Other Components of Equity		Revenue Reserves		Total Equity
		Revaluation Reserves	Fair Value of Financial Assets at FVOCI Reserve	General Reserves	Retained Earnings	
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 31st March 2025	1,138,857	3,318,584	2,635	2,700,000	3,667,515	10,827,591
Realisation of Revaluation Surplus	-	(15,602)	-	-	15,602	-
Profit for the period	-	-	-	-	1,215,641	1,215,641
Total comprehensive income for the period	-	(15,602)	-	-	1,231,243	1,215,641
						-
Transactions with Owners of the Company, Recognised Directly in Equity						
Distributions to Owners of the Company						
Interim Dividend - 2025/2026	-	-	-	-	(373,638)	(373,638)
Total Distributions to Owners of the Company	-	-	-	-	(373,638)	(373,638)
Balance at 30th June 2025	1,138,857	3,302,982	2,635	2,700,000	4,525,120	11,669,594
Realisation of Revaluation Surplus	-	(52,904)	-	-	52,904	-
Profit for the Period	-	-	-	-	4,531,560	4,531,560
Other Comprehensive Income						
Actuarial Loss on Employee Benefit Obligations	-	-	-	-	59,223	59,223
Fair Value Change in Equity instruments designated at fair value through other comprehensive income	-	-	(506)	-	-	(506)
Related Taxes						
Deferred Tax on Actuarial Gain on Employee Benefit Obligations	-	-	-	-	(17,767)	(17,767)
Deferred Tax on Fair Value Change in Equity Instruments Designated at Fair Value through Other Comprehensive Income	-	-	152	-	-	152
Total Other Comprehensive Income for the Period	-	-	(354)	-	41,456	41,102
Total Comprehensive Income for the Period, Net of Tax	-	-	(354)	-	4,573,016	4,572,662
Transactions with Owners of the Company, Recognised Directly in Equity						
Distributions to Owners of the Company						
Interim Dividend - 2025/2026	-	-	-	-	(1,774,779)	(1,774,779)
Total Distributions to Owners of the Company	-	-	-	-	(1,774,779)	(1,774,779)
Balance at 31st March 2026	1,138,857	3,250,078	2,281	2,700,000	7,376,261	14,467,477
Realisation of Revaluation Surplus	-	(15,602)	-	-	15,602	-
Profit for the Period	-	-	-	-	1,915,089	1,915,089
Total comprehensive income for the period	-	(15,602)	-	-	1,930,691	1,915,089
Transactions with Owners of the Company, Recognised Directly in Equity						
Distributions to Owners of the Company						
Interim Dividend - 2026/2027	-	-	-	-	(583,809)	(583,809)
Total Distributions to Owners of the Company	-	-	-	-	(583,809)	(583,809)
Balance at 30th June 2026	1,138,857	3,218,874	2,281	2,700,000	8,738,745	15,798,757

STATEMENT OF CASH FLOWS

For the Three Months ended 30th June	Group		Company	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Cash Flows from/(used in) Operating Activities				
Profit before Income Tax Expense	3,474,325	2,334,376	2,771,552	1,761,800
Adjustments for:				
Depreciation on Property, Plant and Equipment	240,251	206,349	180,040	157,677
Amortization of Intangible Assets	61,789	14,897	56,477	10,493
Amortization of Right of Use Assets	356,170	329,619	307,761	289,163
Loss on Disposal of Property, Plant and Equipment	103	67	-	67
Interest Expenses	1,180,806	766,613	1,138,923	733,539
ROU Termination Gain	(433)	-	-	-
Interest Income	(151,518)	(153,902)	(55,219)	(31,597)
Impairment of Inventories	576,976	351,554	574,506	351,554
Impairment Provision on Trade and Other Receivables	187,255	120,344	39,270	32,363
Dividend Income	-	-	(188,768)	-
Provision for Employee Benefit Obligation	68,104	61,530	57,036	52,338
Operating Profit before Working Capital Changes	5,993,828	4,031,447	4,881,578	3,357,397
Decrease in Inventories	527,350	94,103	587,345	54,130
(Increase) / Decrease in Debtors falling Due after one Year	(1,500,203)	(2,103,796)	(63,535)	178,923
(Increase) / Decrease in Debtors falling Due within one year	(6,069,612)	(4,468,989)	(2,342,089)	232,480
(Increase) / Decrease in Dues from Related Parties	59,108	(73,363)	(156,251)	(204,361)
Increase / (Decrease) in Dues to Related Parties	104,845	(144,649)	130,487	(408,353)
Increase in Security Deposits	141,810	106,506	141,810	106,506
Decrease in Trade and Other Payables	(798,100)	(1,614,719)	(1,032,119)	(1,341,695)
Increase in Deferred Liabilities	56,417	55,711	56,417	55,711
Cash Generated from /(used in) Operations	(1,484,557)	(4,117,749)	2,203,642	2,030,738
Finance Costs Paid	(991,874)	(551,851)	(978,567)	(545,793)
Employee Benefits Paid	(10,373)	(23,077)	(8,512)	(22,056)
Income Tax Paid	(1,612,334)	(483,197)	(1,232,965)	(300,000)
Net Cash from/ (used in) Operating Activities	(4,099,138)	(5,175,874)	(16,402)	1,162,889
Cash Flows from /(used in) Investing Activities				
Acquisition of Property, Plant and Equipment and Intangible Assets	(282,437)	(180,930)	(137,792)	(85,370)
Transfer of Fixed Deposits to Cash and Cash Equivalents	576,217	-	576,217	-
Proceeds from Disposal of Property Plant and Equipment	160	146	15	146
(Increase)/ Decrease in Investment in Investment Securities	296,033	(5,339,810)	-	-
Interest Income Received	125,908	133,055	29,609	10,750
Dividends Received	-	-	188,768	-
Net Cash Flows from/ (used in) Investing Activities	715,881	(5,387,539)	656,817	(74,474)
Cash Flows from/ (used in) Financing Activities				
Net proceeds from Interest - Bearing Loans and Borrowings	730,339	8,794,012	1,870,031	1,770,183
Net settlements to Lease Creditors	(536,269)	(421,808)	(433,321)	(370,348)
Increase in Customer Deposit Liabilities	4,573,443	1,180,271	-	-
Dividends Paid	(946,957)	(444,568)	(893,814)	(444,568)
Net Cash Flows from Financing Activities	3,820,556	9,107,907	542,896	955,267
Net Increase/ (Decrease) in Cash and Cash Equivalents	437,299	(1,455,506)	1,183,311	2,043,682
Cash and Cash Equivalents at the Beginning of the Year	1,458,720	5,933,494	472,033	2,231,671
Cash and Cash Equivalents as at the end of Period	1,896,019	4,477,988	1,655,344	4,275,353
ANALYSIS OF CASH & CASH EQUIVALENTS				
Favourable balances				
Cash in hand and at bank	4,149,936	3,889,616	2,818,245	2,953,854
Fixed Deposits with the Maturity of Less than 3 Months	1,655,985	2,562,719	1,361,181	2,285,309
Unfavourable balances				
Bank overdrafts	(3,909,902)	(1,974,347)	(2,524,082)	(963,810)
	1,896,019	4,477,988	1,655,344	4,275,353

Notes to the Financial Statements

1.0 BASIS OF PREPARATION AND GROUP'S ACCOUNTING POLICIES

The interim condensed consolidated financial statements for the three months ended 30th June 2026 have been prepared in accordance with LKAS 34 Interim Financial Reporting.

The Financial Statements for the period ended 30th June 2026, includes "the Company" referring to Singer (Sri Lanka) PLC, as the holding company and "the Group" referring to the companies whose accounts have been consolidated therein.

The interim condensed Consolidated Financial Statements do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group's Annual Consolidated Financial Statements as at 31st March 2026.

The presentation and classification of the Financial Statements of the previous period 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 (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

1.1 Fair Value measurement and related fair value disclosures - Financial Instruments

	Group		Company			
	2026 June	2025 June	2026 June	2025 June	Level	
Recurring Fair Value Measurements	Rs. '000	Rs. '000	Rs. '000	Rs. '000		
Investment in Equity Securities	21,963	22,468	19,778	20,283	3	Financial Assets at FVOCI
	21,963	22,468	19,778	20,283		

The Board of Directors passed a resolution on 30th April 2026 granting approval to sell the entirety of the 9.28% stake held in Equity Investments Lanka Limited for a consideration of Rs. 10,989,000/-based on an offer made by an investor. The sale of the investment has not materialized as at 30th June 2026.

2.0 Segmental Analysis of Company Net Turnover is as follows:

	Three Months ended 30th June 2026	Three Months ended 30th June 2025
	Rs. '000	Rs'000
Consumer Electronics	3,644,603	2,937,006
Financial Services	2,419,680	1,846,562
Furniture	1,633,319	1,570,585
Home Appliances	13,558,054	9,781,308
Digital Products	6,926,371	5,753,736
Sewing Machines	1,015,917	811,421
Automobile and Other	4,715,829	1,890,986
	33,913,773	24,591,604

2.1 Segmental Analysis of Company Profits Before Tax is as follows:

	Three Months ended 30th June 2026	Three Months ended 30th June 2025
	Rs. '000	Rs'000
Consumer Electronics	425,595	340,507
Financial Services	788,372	520,001
Furniture	166,678	124,698
Home Appliances	1,450,245	948,451
Digital Products	509,951	292,893
Sewing Machines	100,855	88,661
Automobile and Other	291,195	74,102
Dividend Income	188,768	-
Impairment Loss on Trade and Other Receivables	(39,270)	(32,363)
Operating Profit	3,882,389	2,356,950
Net Finance Cost	(1,056,837)	(571,150)
VAT on Financial Services	(54,000)	(24,000)
Profit Before Tax	2,771,552	1,761,800

Notes to the Financial Statements

2.2 Segmental Analysis of Group Net Turnover is as follows:

	Three Months ended 30th June 2026 Rs. '000	Three Months ended 30th June 2025 Rs'000
Consumer Electronics	3,644,603	2,937,006
Financial Services	7,183,959	4,802,169
Furniture	1,633,319	1,570,585
Home Appliances	13,602,930	9,786,945
Digital Products	6,926,371	5,753,736
Sewing Machines	1,015,917	811,421
Automobile and Other	4,715,829	1,890,987
	38,722,928	27,552,849

2.3 Segmental Analysis of Group Profits Before Tax is as follows:

	Three Months ended 30th June 2026 Rs. '000	Three Months ended 30th June 2025 Rs'000
Consumer Electronics	425,595	340,507
Financial Services	1,925,521	1,230,883
Furniture	166,678	124,698
Home Appliances	1,565,906	977,623
Digital Products	509,951	292,893
Sewing Machines	100,855	88,661
Automobile and Other	293,175	76,039
Impairment Loss on Trade and Other Receivables	(187,255)	(120,344)
Operating Profit	4,800,426	3,010,960
Net Finance Cost	(971,847)	(437,258)
VAT on Financial Services	(354,254)	(239,326)
Profit Before Tax	3,474,325	2,334,376

3 STATED CAPITAL

	30th June 2026	30th June 2025
Value-Ordinary Shares (Rs.)	1,138,856,653	1,138,856,653
Number of Ordinary Shares at the end of the period	1,167,617,912	1,167,617,912
Voting Rights	One Vote per Ordinary Share	One Vote per Ordinary Share

Notes to the Financial Statements

4 CONTINGENCIES

a) Commissioner General of Inland Revenue has issued assessment notices on Singer (Sri Lanka) PLC pertaining to an additional VAT Liability/ Payment on account of Deemed VAT for seven quarters during the period 1st January 2014 to 30th September 2015. The assessments were for a Deemed VAT payment of Rs. 1,076 million and penalty of Rs. 423 million, totalling to Rs. 1,499 million. The assessments were appealed against and the Commissioner General of Inland Revenue issued the determination on the appeal. In terms of the same, Rs. 791 million of Deemed VAT liability and penalty of Rs. 395 million totalling to Rs.1,186 million was held to be the Deemed VAT liability for the seven quarters for the period from 1st January 2014 to 30th September 2015. The Company after carefully reviewing the situation and based on the advice of tax consultants, was of the opinion that there is no basis for the Company to be made liable for Deemed VAT. Accordingly the Company decided to appeal to the Tax Appeals Commission against the determination. Further, the Company had previously provided bank guarantees amounting to Rs. 297 million to the Commissioner General of Inland Revenue - Tax Appeals Commission.

The Tax Appeals Commission hearings were concluded on 28th February 2023, and the determinations were consequently issued on the 17th of May 2023 and 23rd May 2023 for all seven quarters for the period from 1st January 2014 to 30th September 2015 – Though the Company was not informed of such determinations for a period of approximately one month from such dates. The Tax Appeals Commission in determining the case has confirmed the purported determinations made by the Commissioner General of Inland Revenue for all seven quarters. Accordingly at the time of receiving the said determinations on the 20th of June 2023, the company deposited 10% of the pending assessed value amounting to Rs. 108 Mn in lieu of renewing the bank guarantees which were previously given. The Rs. 108 Mn. has by now been transferred by the Tax Appeals Commission to the Department of Inland Revenue.

The Company after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that there is no basis for the Company to be made liable for Deemed VAT. Accordingly, the Company has decided to seek the judicial review in the Appellate Court against the determination issued by the Tax Appeals Commission by making an application for a case stated, which was submitted to the Court of Appeal in August 2023. Hence, no provision has been made in the Financial Statements until the matter has been determined by the Court.

b) Commissioner General of Inland Revenue has issued assessment notices on Singer Digital Media (Pvt) Ltd which has been amalgamated with Singer (Sri Lanka) PLC pertaining to an additional Income Tax Liability for the Year of Assessment 2018/2019. The assessment was for an income tax payment of Rs. 86 million and interest and penalty of Rs. 44 million and Rs. 16 million respectively, totalling to Rs. 147 million.

Since, the Commissioner General of Inland Revenue has failed to make the determination on the appeal, the Company has decided to appeal to the Tax Appeal Commission against the assessment dated 25th May 2022. Further, the Company has previously provided a bank guarantee amounting to Rs. 37 million to the Commissioner General of Inland Revenue - Tax Appeals Commission on 02nd March 2023.

The determination was issued by the Tax Appeals Commission for the year of assessment 2018/2019 on 21st November 2023 confirming the assessment notices issued. The tax authorities have exercised the bank guarantee of Rs. 37 million on 7th December 2023.

The Company after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that it is unlikely that the company will be made liable for Income Tax. Accordingly, the Company has decided to seek the judicial review in the Appellate Court against the determination issued by the Tax Appeals Commission by making an application for a case stated , which was submitted to the Court of Appeal in February 2024. Hence, no provision has been made in the Financial Statements until the matter has been determined by the Court.

c) The Company has received default notices for assessments issued to Singer Digital Media (Pvt) Ltd which has been amalgamated with Singer (Sri Lanka) PLC, in relation to Income Tax and National Building Tax (NBT). These include income tax in default for the Year of Assessment 2015/2016, comprising tax payable of Rs. 2.8 million and a penalty of Rs. 2.7 million, income tax penalty for the Year of Assessment 2016/2017 amounting to Rs. 10.5 million and NBT default for the period 1620 comprising tax payable of Rs. 5.4 million and a penalty of Rs. 2.7 million, totalling to Rs. 24.1 million.

The Company responded to the Inland Revenue Department on 21 April 2026, stating that the liability relating to the income tax default notice for the Year of Assessment 2015/2016 had already been settled on 13 November 2015. The Company also submitted responses on 28 April 2026 in respect of the remaining default notices, requesting the Inland Revenue Department to amend or waive the respective assessments and penalties in accordance with the applicable tax provisions.

d) Singer (Sri Lanka) PLC has provided bank guarantees amounting to Rs.807 million to Director General of Customs to clear imports during the years 2008 to June 2026. The bank guarantee related to alleged additional duty payable on imports, claimed by the customs and is being contested by the Company in courts. The Court of Appeal ordered that the Director General of Customs continue with the investigations. The Company being aggrieved by the decision has filed an appeal, which is pending before the Supreme Court. The Company lawyers are of the opinion that there is no basis that the Company is liable for the additional duty. Based on assessment the probability is higher that the Company would not be required to settle the liability. Hence, no provision is made in the Financial Statements.

Notes to the Financial Statements

e) Inland Revenue Department has issued assessment notices on Singer (Sri Lanka) PLC pertaining to VAT for 17 quarters from 1st Quarter 2017 to 1st Quarter 2022. The assessment is for a VAT payment of Rs. 662.44Mn and penalties thereon amounting to Rs. 847.46Mn. The reason for these assessments is due to a mismatch between the tax invoice numbers/values associated with third-party input VAT claims (as reported in Customer VAT Schedule 02) and those recorded and declared by the company in VAT Schedule 01 of Singer (Sri Lanka) PLC.

The Company after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that there is no basis for the Company to be made liable for VAT. Accordingly, the Company has decided to appeal against the assessments issued by the Senior Deputy Commissioner of the Inland Revenue Department.

f) Inland Revenue Department has raised assessment notices on Singer (Sri Lanka) PLC pertaining to an additional Income Tax Liability for the Years of Assessment 2017/2018, 2018/2019, 2019/2020 and 2020/2021. These assessments were for income tax payments of Rs. 596 million and interest and penalty of Rs. 575 million and Rs. 205 million respectively, totalling to Rs. 1,376 million. The reason for these assessments is due to mismatches between the tax invoice numbers/values associated with third-party input VAT claims (as reported in Customer VAT Schedule 02) and those recorded and declared by the company in VAT Schedule 01 of Singer (Sri Lanka) PLC. Thus, the Inland Revenue Department arguing that there is an undeclared revenue, thereby resulting in an understatement of the taxable profit.

The Company after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that there is no basis for the Company to be made liable for Income Tax. Accordingly, the Company has decided to appeal against the assessments issued by the Senior Deputy Commissioner of the Inland Revenue Department.

g) The Commissioner General of Inland Revenue has issued assessments against Regnis Appliances (Pvt) Ltd, a 100% subsidiary of Singer (Sri Lanka) PLC. The assessments were raised on VAT for 1st & 4th Quarters of 2016, 4th Quarter of 2019 and 1st Quarter of 2023. The total amount assessed is Rs. 3.3 Mn. After carefully reviewing the assessments and based on the advice of tax consultants, the company appealed against the assessments raised.

The Company, after carefully reviewing the situation and based on the advice of tax consultants, is of the opinion that there is no basis for the Company to be made liable for VAT. Accordingly, the Company has decided to appeal against the assessments issued by the Commissioner of the Inland Revenue Department.

h) Singer Finance (Lanka) PLC has provided letters of guarantee totalling to Rs.30,400,000/- against Fixed Deposits of Rs.30,400,000/- as at 30th June 2026.

i) The Commissioner General of Inland Revenue has issued an assessment notice to Singer Finance (Lanka) PLC regarding an additional surcharge tax liability for the taxable period from 1st April 2020 to 31st March 2021. The assessment includes a surcharge tax of Rs. 333.5 million and interest of Rs. 49.7 million, totalling to Rs. 383.2 million.

Following a comprehensive review of the relevant facts and applicable tax legislation, management concluded that there were reasonable grounds to challenge the assessment. Accordingly, the Company submitted a request for an administrative review on 31 December 2024. Subsequent to this review, the Department of Inland Revenue issued its Determination on 19 January 2026. As per the Determination, the surcharge tax was revised to Rs. 300.2 million, with interest of Rs. 166.2 million and a penalty of Rs. 49.4 million, prior to adjusting for payments already made. The Company had previously settled Rs. 53 million in 2022 and Rs. 100.3 million in September 2024. After accounting for these payments, the outstanding amounts were a surcharge tax of Rs. 247.2 million, interest of Rs. 65.9 million, and a penalty of Rs. 49.4 million.

Upon careful consideration of the Determination and based on professional advice obtained from tax consultants, management determined that there are sufficient grounds to further contest the position taken by the Department of Inland Revenue. Accordingly, an appeal was filed with the Tax Appeals Commission on 11 February 2026. Appeal hearing process is yet be commenced.

j) The Commissioner General of Inland Revenue has issued an assessment notice to Singer Finance (Lanka) PLC regarding an additional Income tax liability for the taxable period from 1st April 2020 to 31st March 2021. The assessment includes an Income tax of Rs. 102.2 million and interest of Rs. 49 million, totalling Rs. 151.2 million.

After carefully reviewing the situation and based on the advice of tax consultants, the Company has settled part of the assessed amount, totalling Rs. 19.5 million, which includes interest of Rs. 6.4 million. The Company is of the view that it has strong grounds to contest the remaining portion of the assessment. Accordingly, the Company lodged an appeal for an administrative review on 20th June 2024. The administrative review interview was held on 06th March 2025, and a written submission was provided on 15th May 2025. Furthermore, the additional requested information has been submitted via email.

It was negotiated with the Department of Inland Revenue at the administrative review stage and agreed on a settlement of Rs.12,977,179/- inclusive of a reduced penalty of Rs. 642,093/- and interest of Rs. 2,735,797/-. The settlement amount was paid on 29 January 2026.

Notes to the Financial Statements

k) The Commissioner General of Inland Revenue has issued an assessment notice to Singer Finance (Lanka) PLC regarding an additional Income tax liability for the taxable period from 1st April 2021 to 31st March 2022. The assessment includes an Income tax of Rs. 22.8 million and interest of Rs. 9.9 million, totalling Rs. 32.7 million.

After carefully reviewing the situation and based on the advice of tax consultants, the Company has settled part of the assessed amount, totalling Rs. 16.2 million. The Company is of the view that it has strong grounds to contest the remaining portion of the assessment. Accordingly, the Company lodged an appeal for an administrative review on 12th March 2025. The appeal hearing was held on 17th March 2026, and the Company submitted additional information upon request by the Inland Revenue Department on several occasions. The matter is yet to be finalized.

l) Regnis (Lanka) PLC which is now merged with Singer (Sri Lanka) PLC has cleared a shipment of imported goods during the year 2008 on provision of a bank guarantee to the Director General of Customs amounting to Rs. 7 million. The bank guarantee relates to alleged additional duty payable on imports which is contested by the Company. The customs inquiry initiated in 2008 is still pending. The Management is of the opinion that there is no basis that the Company is liable for the additional duty and hence, no provision is made in the Financial Statements on additional duty payable on imports which is contested by the Company.

m) The Commissioner General of Inland Revenue has issued Default tax notices on Regnis (Lanka) PLC which was amalgamated with Singer (Sri Lanka) PLC on 31st January 2024 pertaining to VAT, IT, Dividend tax & ACT Liabilities from year 1998 to 2007. The default notices were Default tax amounting to for Rs. 12.2 million and penalty of Rs.5.5 million, totalling Rs. 17.7 million.

Based on the advice of tax consultants, the company has given a reply to the IRD mentioning reasons as to why the company should not be assessed.

n) The Commissioner General of Inland Revenue has issued assessments/default notices on Singer Industries (Ceylon) PLC which was amalgamated with Singer (Sri Lanka) PLC on 31st January 2024 pertaining to VAT, IT, Dividend tax & PAYE Liabilities from year 1993 to 2024. The assessments/ default notices were for Default tax amounting to Rs. 30.1 million and penalty of Rs.20.8 million, totalling Rs. 50.9 million. Following the submission of the requested information, the Inland Revenue Department cleared assessments amounting to Rs. 1.1 million. Accordingly, the outstanding assessments currently amount to Rs. 49.8 million.

After an extensive evaluation of the circumstances and tax legislation, management asserts that there are valid reasons to contest the assessments/ default notices. Therefore,no provision has been made in the financial statements.

o) Commissioner General of Inland Revenue has issued an assessment notice on Singer (Sri Lanka) PLC pertaining to an additional VAT on Financial Services Liability for the taxable period of 01st January 2016 to 31 December 2016. The assessment was for a VAT on Financial Services payment of Rs. 27 million and penalty of Rs. 16 million, totalling to Rs. 43 million. Subsequently, Commissioner General of Inland Revenue had given the determination on the appeal. As per the same, Rs . 26 million of VAT on Financial Services and a penalty of Rs. 26 million totalling Rs. 52 million is payable as VAT on Financial Services for the period 1st January 2016 to 31st December 2016. The Company after carefully reviewing the situation and based on the advice of tax consultants, was of the opinion that the Company has strong grounds on which to contest the CGIR's determination. Accordingly, the Company decided to appeal to the Tax Appeal Commission against the determination on 17th August 2021. Further, the Company has provided a bank guarantee amounting to Rs.13 million to the Commissioner General of Inland Revenue - Tax Appeal Commission on 03rd December 2021.

The Tax appeal commission annulled the assessment and the determination of the Commissioner General of Inland Revenue on the case through their determination made on the 24th December 2024.

5 Events Occurring After The Balance Sheet Date

There have been no events occurring after the balance sheet date that require disclosure in the financial statements except for the following.

1. Singer (Sri Lanka) PLC executed a Sale and purchase agreement with ACME Printing and Packaging PLC on 28th April 2026 to purchase the premises bearing Assessment No. 345, Gonamadiththa Road, Piliyandala at a price of Rs. 630 Mn for the purpose of expanding the local manufacturing business of the Company. The acquisition took place on 24th July 2026.

6 Interim Dividend

On 30th June 2026, the Board of Directors have declared a First interim dividend of Rs. 0.50 per share amounting to Rs. 583,808,956.00 and payment was made on 22nd July 2026.

Notes to the Financial Statements

7 Top 20 Shareholders as at 30th June 2026

	Name	Number of Shares	Percentage
1	HAYLEYS PLC	783,801,111	67.13
2	HAYLEYS ADVANTIS LIMITED	111,382,980	9.54
3	VOLANKA (PVT) LIMITED	34,787,235	2.98
4	HAYLEYS AVENTURA (PRIVATE) LIMITED	31,595,745	2.71
5	CARBOTELS (PVT) LIMITED	29,042,553	2.49
6	HAYLEYS AGRICULTURE HOLDINGS LIMITED	28,404,255	2.43
7	MR. KULAPPU ARACHCHIGE DON DHAMMIKA PERERA	20,807,739	1.78
8	MRS. MIHIRI VIRANI FERNANDO	6,025,000	0.52
9	PEOPLE'S LEASING AND FINANCE PLC/M.E.AMARASINGHE	5,049,504	0.43
10	DEUTSCHE BANK AG TRUSTEE TO LYNEAR WEALTH DYNAMIC OPPORTUNITIES FUND	4,271,210	0.37
11	HATTON NATIONAL BANK PLC - CAPITAL ALLIANCE QUANTITATIVE EQUITY FUND	3,989,096	0.34
12	MR. GONALAGODAGHE BUWANEKA DINUWAN THILAKARATNE	3,009,270	0.26
13	PEOPLE'S LEASING AND FINANCE PLC/L.P.HAPANGAMA	2,742,905	0.23
14	DFCC BANK PLC A/C NO.02	2,305,990	0.20
15	HATTON NATIONAL BANK PLC - NDB WEALTH GROWTH AND INCOME FUND	2,000,000	0.17
16	DEUTSCHE BANK AG - NATIONAL EQUITY FUND	1,458,194	0.12
17	UNION INVESTMENTS (PRIVATE) LIMITED	1,300,170	0.11
18	INVENCO CAPITAL PRIVATE LIMITED	1,229,161	0.11
19	MISS NAI KALUGE RUVANI HEMAMALA DE SILVA	1,192,914	0.10
20	MR. ABEYSIRI HEMAPALA MUNASINGHE & MR. A.R.R. MUNASINGHE	1,143,220	0.10
	Sub Total	1,075,538,252	92.11
	Other Shareholders	92,079,660	7.89
	Total Issued Shares	1,167,617,912	100.00

There were no non-voting shares as at 30.06.2026

Notes to the Financial Statements

8 Director' s and GMD's Shareholding as at

Name of the Director	Shareholding 30th June 2026 Number of Shares	Shareholding 30th June 2025 Number of Shares
Mr. Mohan Pandithage	-	-
Mr. Mahesh Wijewardene (GMD)	-	-
Mr. Deepal Sooriyaarachchi	-	-
Mr. Sarath Ganegoda	-	-
Mr. Dilip De Silva Wijeyeratne	-	-
Ms. Gayani De Alwis	-	-
Ms. Brindhiini Perera	-	-
Ms. Kawshi Amarasinghe	-	-
Mr. Jonathan Alles	-	-
Mr. Shalinka Seresinhe	-	-
Mr. Thulitha Mendis	-	-
Mr. Vajira Tennakoon	-	-

9 Public Holding

Shares held by public as at 30th June 2026

	Number of share holders	Number of shares	Percentage
	8,717	127,691,294	10.94%

Float adjusted market capitalization - Rs. 9,704,538,344/=

The Company complies with option 2 of the Listing Rules 7.13.1 (i) (a) which requires a minimum Public Holding of 5%.

10 Company Secretaries / Registrars

Hayleys Group Services (Private) Limited
400, Deans Road, Colombo 10, Sri Lanka
Contact No. 0112627650

CORPORATE INFORMATION

Name of the Company

Singer (Sri Lanka) PLC

Legal form

Public company with limited liability. Incorporated as a public company in SriLanka on 30th December 1974 under the Companies Ordinance and re-registered under the Companies Act No. 07 of 2007 on 13th June 2008. Founded in 1877 as a Branch of Singer Sewing Machine Company, USA. The shares of the Company are listed on the Colombo Stock Exchange.

Registered office

Singer (Sri Lanka) PLC
No. 112, Havelock Road,
Colombo 05, Sri Lanka.
Phone: +94 11 231 6316 (13 lines) Facsimile: +94 11 242 3544
Email: singer@singersl.com
Website: www.singer.lk

Company registration number

New – PQ 160
Old – PBS 802 (S.P.)

Tax payer Identification Number

124008026

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
Deutsche Bank Sri Lanka
Hatton National Bank PLC
MCB Bank Sri Lanka
Nations Trust Bank PLC
NDB Bank PLC
Pan Asia Bank PLC
People's Bank
Seylan Bank PLC
Sampath Bank PLC
Standard Chartered Bank (Sri Lanka) Limited
The Hongkong & Shanghai Banking Corporation
Union Bank PLC
Habib Bank Limited
DFCC Bank PC
Cargills Bank PLC

Auditors

KPMG
Chartered Accountants
No. 32A, Sir Mohamed Macan Markar Mawatha,
P.O. Box 186,
Colombo 3, Sri Lanka.

Registrars

Hayleys Group Services (Private) Limited
No. 400, Deans Road,
Colombo 10, Sri Lanka.

Company secretaries

Hayleys Group Services (Private) Limited
No. 400, Deans Road,
Colombo 10, Sri Lanka.

Lawyers

Neelakandan & Neelakandan Attorneys-at-Law & Notaries Public M&N Building (Level 5),
No. 2, Deal Place,
Colombo 3, Sri Lanka.

Directorate

Mr. Mohan Pandithage
Chairman (Executive)
Mr. Mahesh Wijewardene
Group Managing Director
Mr. Deepal Sooriyaarachchi
Mr. Sarath Ganegoda
Mr. Dilip De S. Wijeyeratne
Ms. Gayani de Alwis
Ms. Brindhiini Perera
Ms. Kawshi Amarasinghe
Mr. Jonathan Alles
Mr. Shalinka Seresinhe
Mr. Thulitha Mendis
Mr. Vajira Tennakoon

Audit Committee

Mr. Dilip De Silva Wijeyeratne
(Chairman) Senior Independent
Mr. Deepal Sooriyaarachchi
Non Executive
Mr. Jonathan Alles
Independent Non Executive
Ms. Gayani De Alwis
Independent Non Executive

Nominations and Governance Committee

Mr. Dilip De Silva Wijeyeratne
(Chairman) Senior Independent
Mr. Sarath Ganegoda
Non Executive
Mr. Jonathan Alles
Independent Non Executive
Ms. Kawshi Amarasinghe
Independent Non Executive

Remuneration Committee

Mr. Dilip De Silva Wijeyeratne
(Chairman) Senior Independent
Mr. Deepal Sooriyaarachchi
Non Executive
Mr. Jonathan Alles
Independent Non Executive
Ms. Gayani De Alwis
Independent Non Executive

Related Party Transactions Review Committee

Mr. Jonathan Alles
(Chairman) Independent Non Executive
Mr. Dilip De Silva Wijeyeratne
Senior Independent
Mr. Deepal Sooriyaarachchi
Non Executive
Ms. Gayani De Alwis
Independent Non Executive

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