



Consolidated Interim Financial Statements

For the period ended 31st December
2025



KOTAGALA PLANTATIONS PLC

Company No. PQ 174

Performance Review of Kotagala Plantations PLC (KPPLC)- Financial Year 2025/2026

KPPLC has recorded a profit before tax of Rs.262 Mn. for the nine months of the Financial year 2025/26 which is a decrease of 10% when compared with the corresponding period of the last year. This decline is primarily due to the impact of the wage increase effected on September 10, 2024 and reduction in tea prices by Rs.42 per kg against the last year.

The Group recorded a profit before tax of Rs.269 Mn, which included results of Rubber & Allied Products (Colombo) Limited a wholly owned subsidiary.

The quantities sold in tea, rubber oil palm increased by 0.322 Mn Kgs, 0.064 Mn Kgs and 0.457 Mn Kgs respectively. The company's revenue increased by 12% to Rs. 4.1 Bn, driven by the increase in production and higher prices for rubber and oil palm.

The tea sector contributed a gross profit of Rs. 400 Mn, compared to Rs. 564 Mn. recorded in the previous year. The gross loss in the rubber sector has increased to Rs.58 Mn from Rs.31 Mn. In contrast, the gross profit of the oil palm segment has increased to Rs. 252 Mn, from Rs.163 Mn last year. However, the overall gross profit stood at Rs.595 Mn, reflecting a decrease of 14% compared to last year.

With the steady performance of the Company, net assets per share have increased to Rs.8.02 from Rs.7.00 recorded as of 31st March 2025.

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 31.12.2025 Rs.'000	(Unaudited) Quarter ended 31.12.2024 Rs.'000	Quarter Variance Rs.'000	(Unaudited) 09 months ended 31.12.2025 Rs.'000	(Unaudited) 09 months ended 31.12.2024 Rs.'000	Period Variance Rs.'000
Revenue	1,293,108	1,382,735	(89,626)	4,293,726	3,841,910	451,816
Cost of Sales	(1,102,630)	(1,177,658)	75,028	(3,695,439)	(3,129,605)	(565,834)
Gross Profit	190,479	205,077	(14,598)	598,287	712,306	(114,018)
Other income	61,362	48,532	12,830	182,883	110,138	72,745
Administration Expenses	(95,291)	(80,188)	(15,104)	(274,509)	(258,192)	(16,317)
Net Finance Cost	(68,688)	(96,637)	27,949	(239,045)	(272,707)	33,662
Share of Profit / (Loss) of equity accounted investee, net of tax	1,473		1,473	1,473		1,473
Profit before Tax Expense	89,335	76,784	12,551	269,089	291,544	(22,455)
Tax Expense			-	-	-	-
Profit / (Loss) for the period	89,335	76,784	12,551	269,089	291,544	(22,455)
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	-	25,063	(25,063)	-	31,292	(31,292)
Share of other comprehensive income of equity accounted investee, net of tax	-	-	-	-	-	-
Foreign currency transaction loss	-	-	-	-	-	-
Total Comprehensive Income For The Period	89,335	101,846	(12,511)	269,089	322,836	(53,747)
Earnings per Share (Rs.)	0.24	0.22		0.73	0.84	

Kotagala Plantations PLC

STATEMENT OF COMPREHENSIVE INCOME - COMPANY

	(Unaudited) Quarter ended 31.12.2025 Rs.'000	(Unaudited) Quarter ended 31.12.2024 Rs.'000	Quarter Variance Rs.'000	(Unaudited) 09 months ended 31.12.2025 Rs.'000	(Unaudited) 09 months ended 31.12.2024 Rs.'000	Period Variance Rs.'000
Revenue	1,267,961	1,322,054	(54,092)	4,193,178	3,732,728	460,450
Cost of Sales	(1,078,621)	(1,125,960)	47,339	(3,597,954)	(3,036,505)	(561,449)
Gross Profit	189,341	196,094	(6,753)	595,224	696,224	(100,999)
Other Income	61,362	48,532	12,830	182,883	110,138	72,744
Administration Expenses	(92,583)	(75,395)	(17,188)	(277,910)	(242,929)	(34,981)
Net Finance Cost	(68,567)	(95,430)	26,863	(237,551)	(270,119)	32,568
Profit before Tax Expense	89,553	73,801	15,752	262,646	293,313	(30,668)
Tax Expense	-	-	-	-	-	-
Profit / (Loss) for the period	89,553	73,801	15,752	262,646	293,313	(30,668)
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	-	25,063	(25,063)	-	31,292	(31,292)
Total Comprehensive Income For The Period	89,553	98,863	(9,310)	262,646	324,605	(61,959)
Earnings per Share (Rs.)	0.24	0.21		0.72	0.84	

Kotagala Plantations PLC

Statement of Financial Position				
	Group		Company	
	As at 31.12.2025 Rs.'000 (Unaudited)	As at 31.03.2025 Rs.'000 (Audited)	As at 31.12.2025 Rs.'000 (Unaudited)	As at 31.03.2025 Rs.'000 (Audited)
ASSETS				
Tangible Assets (Other than Mature /Immature Plantations)	1,825,221	1,787,716	1,825,221	1,787,580
Biological Assets	5,407,189	5,449,806	5,407,189	5,449,806
Leasehold Properties	1,030,929	1,069,101	1,030,929	1,069,101
Investments in Subsidiaries	-	-	1,044	12,187
Investment in Associates	220,595	219,122	91,442	91,442
Total Non - Current Assets	8,483,934	8,525,745	8,355,825	8,410,116
Inventories	545,534	607,065	544,430	546,189
Trade and Other Receivables	335,553	313,959	328,208	311,467
Fair value of growing produce of bearer biological assets	16,591	16,591	16,591	16,591
Amounts due from Related Parties	581	879	703	1,001
Cash and Cash Equivalents	242,888	147,915	233,643	146,997
Total Current Assets	1,141,148	1,086,409	1,123,576	1,022,245
Total Assets	9,625,082	9,612,154	9,479,401	9,432,361
EQUITY				
Stated Capital	2,333,015	1,571,362	2,333,015	1,571,362
Revaluation Reserve	1,020,903	1,020,903	858,562	858,562
Foreign Exchange Translation Reserve	(11,361)	(11,361)	-	-
Retained Earnings	171,593	(97,496)	201,822	(60,824)
Total Equity	3,514,150	2,483,408	3,393,399	2,369,100
LIABILITIES				
Interest bearing Borrowings	574,397	449,463	574,397	449,463
Deferred Income - Capital Grant	292,159	302,879	292,159	302,879
Deferred Tax Liabilities	1,733,930	1,733,930	1,733,930	1,733,930
Net Obligation to Lessor of JEDB/SLSPC	1,224,838	1,224,838	1,224,838	1,224,838
Retirement Benefit Obligations	1,043,428	1,107,671	1,042,812	1,107,105
Total Non - Current Liabilities	4,868,752	4,818,781	4,868,136	4,818,215
Interest bearing Borrowings	364,373	763,832	364,373	763,832
Trade & Other Payables	827,659	1,150,585	820,687	1,138,501
Amounts due to Related Parties	50,148	349,207	32,807	296,372
Bank Overdraft	-	46,341	-	46,341
Total Current Liabilities	1,242,180	2,309,965	1,217,867	2,245,046
Total Liabilities	6,110,932	7,128,746	6,086,003	7,063,261
Total Equity and Liabilities	9,625,082	9,612,154	9,479,401	9,432,361
Net Assets per Share (Rs.)	8.30	7.34	8.02	7.00

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.
A. Rajaratnam
Director

Sgd.
K Mohideen
Director

Kotagala Plantations PLC

COMPANY

STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company						
	Stated Capital	Revaluation Reserve	Fair value through Other Comprehensive Income	General Reserves	Retained Profit / (Loss)	Total	
	Rs. '000	Rs.000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	
Balance as at 01.04.2024	1,571,362	459,656	99,114	-	240,000	(469,429)	1,900,703
Right Issue							-
Profit for the Period						377,308	377,308
Other Comprehensive Income expenses for the year	-	569,865	-	-	-	(439,738)	130,127
Deferred tax on revaluation	-	(170,959)	-	-	-	131,921	(39,038)
Transactions with owners of the Company, recognized directly in equity							
Transfer of cumulative gain on equity instruments at fair value through other comprehensive income to accumulated losses			(99,114)			99,114	-
Transferred to Retained Earnings					(240,000)	240,000	-
Balance as at 31.03.2025	1,571,362	858,562	0	-	-	(60,824)	2,369,100

Balance as at 01.04.2025	1,571,362	858,562	-	-	-	(60,824)	2,369,100
Right Issue	761,653						761,653
Profit for the Period	-	-	-	-	-	262,646	262,646
Other Comprehensive Income expenses for the year	-	-	-	-	-	-	-
Balance as at 31.12.2025	2,333,015	858,562	-	-	-	201,822	3,393,399

STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to Owners of the Company						
	Stated Capital	Revaluation Reserve	Fair value through Other Comprehensive Income	Foreign Currency translation reserve	General Reserves	Retained Profit / (Loss)	Total
	Rs. '000	Rs.000	Rs. '000		Rs. '000	Rs. '000	Rs. '000
Balance as at 01.04.2024	1,571,362	506,903	96,200	(11,389)	240,000	(511,640)	1,891,436
Rights Issue							-
Revaluation							-
Profit for the Period						385,761	385,761
Other Comprehensive Income expenses for the year	-	684,959	-	28	-	(439,738)	245,249
Deferred tax on revaluation	-	(170,959)	-	-	-	131,921	(39,038)
Transactions with owners of the Company, recognized directly in equity							
Transfer of cumulative gain on equity instruments at fair value through other comprehensive income to accumulated losses			(96,200)			96,200	-
Transferred to Retained Earnings					(240,000)	240,000	-
Balance as at 31.03.2025	1,571,362	1,020,903	0	(11,361)	-	(97,496)	2,483,408

Balance as at 01.04.2025	1,571,362	1,020,903	-	(11,361)	-	(97,496)	2,483,408
Rights issue	761,653						761,653
Profit for the Period	-	-	-	-	-	269,089	269,089
Other Comprehensive Income expenses for the year	-	-	-	-	-	-	-
Balance as at 31.12.2025	2,333,015	1,020,903	-	(11,361)	-	171,593	3,514,150

CASH FLOW STATEMENT

For the period ended 31st December	Group		Company	
	2025 Rs.'000	2024 Rs.'000	2025 Rs.'000	2024 Rs.'000
Cash Flows from Operating Activities				
Profit before Taxation	269,089	291,544	262,646	293,313
Adjustments for :				
Depreciation /Amortization	265,285	216,270	261,598	216,104
Fair value gain on biological assets	-	-	-	-
Profit on disposal of assets	-	-	-	-
Interest Expenses	243,423	272,512	241,929	272,512
Interest Income	(4,378)	(2,393)	(4,378)	(2,393)
Provision for impairment of investment in subsidiaries	-	-	11,142	-
Defined Benefit Plan Cost - Retiring Gratuity	138,166	143,089	138,118	143,074
Share of profit/loss of equity accounted investee	-	-	-	-
Amortization of Deferred Income	(11,497)	(9,882)	(11,497)	(9,882)
Operating Profit before Working Capital Changes	900,088	911,139	899,558	912,727
(Increase)/Decrease in Inventories	61,531	(150,612)	1,759	(147,336)
(Increase)/Decrease in Trade & other Receivables	(21,594)	15,003	(16,741)	1,033
(Increase)/Decrease in Amounts due from Related Parties	298	7,657	298	7,534
Increase/(Decrease) in Trade & Other Payables	(347,725)	(80,856)	(337,591)	(68,425)
Increase/(Decrease) in Amounts due to Related Parties	(299,060)	59,341	(263,565)	39,764
Cash Flow from Operating Activities	293,538	761,674	283,717	745,298
Income Tax Paid	-	-	-	-
Interest Income	4,378	2,393	4,378	2,393
Interest Paid	(135,068)	(193,105)	(133,574)	(193,105)
Retiring Gratuity Paid	(202,412)	(98,488)	(202,412)	(98,488)
Net Cash Flow from Operating Activities	(39,564)	472,474	(47,891)	456,098
Cash Flows from Investing Activities				
Purchase & Construction of Property, Plant & Equipment	(118,199)	(87,700)	(118,199)	(87,700)
Investment in immature plantations	(73,605)	(77,449)	(73,605)	(77,449)
Disposal of investment in fair value through OCI investment	-	184,892	-	184,892
Proceed from issue of right shares	761,653	-	761,653	-
Net Cash generated from/(used in) Investing Activities	569,849	19,742	569,849	19,742
Cash Flows from Financing Activities				
Payment of lease rentals	(115,222)	(143,211)	(115,222)	(143,211)
Capital Grants Received	777	5,669	777	5,669
Repayment of Debenture	(84,498)	(65,915)	(84,498)	(65,915)
Proceeds from Long Term Loans	220,000	60,000	220,000	60,000
Repayment of Long Term Loans	(410,030)	(188,470)	(410,030)	(188,470)
Net Cash generated from/(used in) Financing Activities	(388,973)	(331,927)	(388,973)	(331,927)
Net Increase in Cash & Cash Equivalents	141,312	160,289	132,984	143,913
Cash & Cash Equivalents at the beginning of the year	101,574	54,842	100,656	44,903
Effect of Exchange Rate Changes	-	-	-	-
Cash & Cash Equivalents at the end of the period	242,888	215,131	233,643	188,820
Analysis of Cash & Cash Equivalents at the end of the Period				
Cash in Hand & Bank	242,888	263,065	233,643	236,754
Bank & Other Borrowings	-	(47,934)	-	(47,934)
	242,888	215,131	233,643	188,820

Segmental Information
Segmental Information

Group	Company
Year ended	Year ended
31/03/2025	31/03/2025
Rs. '000	Rs. '000
Revenue	
3,894,801	3,894,801
910,356	792,695
381,080	381,080
5,186,237	5,068,576

Gross Profit

758,101	758,101
(40,753)	(56,971)
202,371	202,371
919,718	903,500

Group		Company		Group		Company	
Quarter ended	Quarter ended	Quarter ended	Quarter ended	09 Months ended	09 Months ended	09 Months ended	09 Months ended
31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Revenue							
971,507	1,008,161	971,507	1,008,161	3,156,673	2,919,877	3,156,673	2,919,877
225,911	284,961	200,764	224,281	714,070	619,519	613,522	510,337
95,690	89,612	95,690	89,612	422,984	302,514	422,984	302,514
1,293,108	1,382,735	1,267,961	1,322,054	4,293,726	3,841,910	4,193,178	3,732,728
Gross Profit							
158,508	135,871	158,508	136,425	399,904	563,475	399,904	564,029
(10,051)	26,523	(11,189)	17,055	(54,442)	(14,455)	(57,505)	(31,022)
42,021	42,683	42,021	42,613	252,825	163,286	252,825	163,216
190,479	205,077	189,341	196,094	598,287	712,306	595,224	696,224

**Company
For the 09 months ended 31.12.2025**

	Tea	Rubber	Oil Palm	Total
Gross Profit/(Loss)	399,904	(57,505)	252,825	595,224
Fair Value Gain on Biological Assets	-	-	-	-
Other Operating Income	120,722	62,160	-	182,883
Administrative Expenses	(221,098)	(44,676)	(12,137)	(277,911)
Net Financing Costs	(142,383)	(76,176)	(18,992)	(237,551)
Profit/(Loss) Before Income Tax	157,145	(116,197)	221,697	262,646

Information on Debentures
Trading at Colombo Stock Exchange

Debenture Type	Highest Value (Rs.)	Lowest Value (Rs.)	Last Traded Value (Rs.)
D1 - D6	Not Traded	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	8.19%
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Company - End December 2025	
Debt/Equity Ratio	0.28
Quick asset Ratio	0.48

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) There has been no material events subsequent to the interim period which require disclosure in the provisional Interim Financial Statements other than the disclosure made below

On 30th January 2026, The Regional Plantation Companies signed a Memorandum of Understanding (MOU) with the Ministry of Plantation and Community Infrastructure, the Ministry of Labour, the Employers' Federation of Ceylon and the Planters Association of Ceylon to increase the daily consolidated wage of registered manual grade workers to Rs.1,550/- and to facilitate the payment of the Government Funded incentive of Rs. 200 per day with effect from January 2026

- 5) Market Prices Recorded during the quarter ended 31st December

	2025	2024
Highest - (Rs.)	12.30	9.80
Lowest - (Rs.)	9.10	5.90
Last Traded - (Rs.)	10.00	9.10

- 6) The Stated Capital of the Company is Rs. 2,333,015,635.00 represented by 423,140,625 Ordinary shares and One Golden Share.
- 7) The percentage of Shares held by the public as at 31st December 2025 was 45.57% and the number of public shareholders are 17,928.
- 8) The applicable option under CSE Rule 7.13.1 (i) (a) on minimum public holding is option 5 and the Float Adjusted Market Capitalization as of 31.12.2025 was Rs.1,947,534,346.40
- 9) Details pertaining to Directors direct shareholdings as at 31.12.2025 are given below

Name of Director	No.of Shares
Mr. S. S. Poholiyadde	1,500,082
Mr. K.G. Punchihewa	468

- 10) Major Shareholders as at 31st December 2025

Name	No of Shares	%
1 CONSOLIDATED TEA PLANTATIONS LIMITED	217,617,146	51.43%
2 SAMPATH BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	13,464,390	3.18%
3 EMFI CAPITAL LIMITED	12,694,090	3.00%
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	5,276,250	1.25%
8 HATTON NATIONAL BANK PLC-ARPICO ATARAXIA EQUITY INCOME FUND	3,004,992	0.71%
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 MRS. RAJENDRAN RAJANI	2,500,000	0.59%
12 SEYLAN BANK PLC/W.D.N.H.PERERA	2,500,000	0.59%
13 MR. NAVANEETHA RAJAH SELVADURAI	2,379,398	0.56%
14 MR. TIKITHANTHIRI MAHASAMILAGE PANDULA GUNASEKARA	2,375,000	0.56%
15 MR. NADESHAN PARAMESWARAN	2,250,000	0.53%
16 DFCC BANK PLC/B. SUTHARSHAN	2,200,000	0.52%
17 MR. POODDIWELA MARAGE WIMAL CHANDANA KUMARA	2,190,238	0.52%
18 MR. WELLAPPULI ARACHCHIGE SATHIRA LIMAL PRABHU WELLAPPULIARACHCHI	2,000,000	0.47%
19 MRS. PATTINIDEVA ASOKA SWARNA KANTHIE BERUWALAGE	1,700,000	0.40%
20 MRS. MANAWADUGE PRASADIE RASHMINI SILVA	1,629,925	0.39%
Total	297,860,886	70.39%

11) **Disclosure regarding status of utilization of Rights Issue Proceeds as at 31.12.2025**

The Company made a Rights Issue of Eighty Four Million Six Hundred and Twenty Eight Thousand One Hundred and Twenty Five (84,628,125) Ordinary Shares at a price of Rs. 9.00 per share to the holders of the issued Ordinary Shares of the Company as at end of trading on 18th September, 2025 in the proportion of One (01) New Ordinary Share for every four (04) existing issued Ordinary Shares held in the Capital of the Company. The Issue closed on 14th October, 2025

The issue was fully subscribed and the consideration received was Rs. 761,653,125/-.

Subsequent to the Rights Issue of Shares the Company's Stated Capital amounts to Rs. 2,333,015,635/- .

Objective Number	Objective as per circular	Amount allocated as per circular in LKR	Proposed date of utilization as per circular	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amount utilized in LKR (B)	% of proceeds utilized against allocation (B/A)	Clarification, if not fully utilized including where funds are invested (eg. Whether lent to related party etc.)
1	To settle Related Parties debts amounting to Rs. 296,371,761/- as at 31st March, 2025	296,371,761	Immediately after the conclusion and finalization of the Right Issue	296,371,761	39%	296,371,761	100%	Fully utilized for the purpose.
2	To repay Broker Borrowings amounting to Rs.369,145,325/- as at 31st March, 2025	369,145,325	Immediately after the conclusion and finalization of the Right Issue	369,145,325	48%	369,145,325	100%	Fully utilized for the purpose.
3	The balance of Rs. 96,136,039 /-will be held for future working capital requirements	96,136,039	Will be used within six months from the conclusion and finalisation of the Rights Issue	96,136,039	13%	96,136,039	100%	Fully utilized for the purpose.