

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 31 DECEMBER 2025**

**The Kandy Hotels Company (1938) PLC**

A Member of the Galle Face Hotel Group of Companies

## **Corporate Information**

### **Name of the Company**

The Kandy Hotels Company (1938) PLC

### **Company Registration No.**

PQ 201

### **Legal Form**

A public quoted company with limited liability incorporated in Sri Lanka in 1924

### **Stock Exchange Listing**

The ordinary shares of the Company are listed on the Colombo Stock Exchange of Sri Lanka.

### **Board of Directors**

Sanjeev Gardiner - Chairman

Priyantha Maddumage

Nilanga Dela

Shalike Karunasena

Asela Indrajith Fernando - Independent Non Executive Director

Nirmal De Soysa Cooke - Senior Independent Director

### **Registered Office**

No.327, Union Place, Colombo 02.

Tel :- 011-7657900, 011 2421847

Email : Corporateoffice@ceylonhotels.net

Corporate website: [www.chcplc.com](http://www.chcplc.com)

### **Secretaries**

Deloitte Corporate Services (Private) Limited

No 100, Braybrooke Place, Colombo 02.

Tel:- 011-7719700

### **External Auditors**

Messrs. Ernst & Young, Chartered Accountants

No.839/2, Peradeniya Road, Kandy.

Tel:- 011-5426426

### **Hotel Reservations**

The Kandy Hotels Company (1938) PLC

No. 327, Union Place, Colombo 02.

Tel: 011 7765555

Email : [reservations.queens@kandyhotels.lk](mailto:reservations.queens@kandyhotels.lk), [reservations.suisse@kandyhotels.lk](mailto:reservations.suisse@kandyhotels.lk)

Website : [www.queenshotel.lk](http://www.queenshotel.lk), [www.hotelsuisse.lk](http://www.hotelsuisse.lk)

# THE KANDY HOTELS COMPANY (1938) PLC

## Statement of Financial Position

(All amounts in Sri Lanka Rupees thousands)

	Group		Company	
	31-Dec-25 (Unaudited)	31-Mar-25 (Audited)	31-Dec-25 (Unaudited)	31-Mar-25 (Audited)
<b>ASSETS</b>				
<b>Non - Current Assets</b>				
Property, plant & equipment	12,201,063	12,252,343	10,122,423	10,166,931
Intangible assets	2,917	2,840	268	520
Right-of-use assets	99,238	103,136	-	-
Advances for future share issue	-	-	323,000	323,000
Investment in subsidiary	-	-	4,718,064	4,718,064
Investment in joint venture	539,803	582,520	-	-
	<b>12,843,021</b>	<b>12,940,839</b>	<b>15,163,755</b>	<b>15,208,515</b>
<b>Current Assets</b>				
Inventories	159,409	132,041	97,262	81,107
Trade and other receivables	257,310	253,282	71,679	102,965
Advances and prepayments	66,461	112,945	66,461	86,918
Amounts due from related companies	50,516	51,014	15,101	9,535
Income tax recoverable	2,120	1,937	-	-
Cash and cash equivalents	1,238,790	1,209,512	24,638	12,057
	<b>1,774,606</b>	<b>1,760,731</b>	<b>275,141</b>	<b>292,582</b>
<b>TOTAL ASSETS</b>	<b>14,617,627</b>	<b>14,701,570</b>	<b>15,438,896</b>	<b>15,501,097</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated capital	2,661,816	2,661,816	2,661,816	2,661,816
Other capital reserves	7,225,891	7,370,761	7,003,930	7,137,763
Merger reserve	(1,116,643)	(1,116,644)	-	-
Retained earnings	1,309,840	1,147,475	1,333,894	1,306,516
<b>Total Equity</b>	<b>10,080,904</b>	<b>10,063,408</b>	<b>10,999,640</b>	<b>11,106,095</b>
<b>Non-Current Liabilities</b>				
Interest-bearing loans and borrowings	977,499	720,515	492,170	288,427
Employee benefit obligations	25,135	23,731	6,285	5,945
Lease liabilities	117,380	107,392	-	-
Deferred tax liabilities	2,296,918	2,343,828	2,077,783	2,123,877
	<b>3,416,932</b>	<b>3,195,466</b>	<b>2,576,238</b>	<b>2,418,249</b>
<b>Current Liabilities</b>				
Trade and other payables	542,727	634,311	269,442	390,447
Contract liabilities	7,331	12,788	7,331	12,788
Interest-bearing loans and borrowings	119,852	357,984	52,562	176,081
Lease liabilities	6,968	19,125	-	-
Amounts due to related companies	57,005	84,585	1,370,622	1,191,295
Income tax liabilities	35,844	-	-	-
Bank overdrafts	350,064	333,904	163,061	206,142
	<b>1,119,791</b>	<b>1,442,696</b>	<b>1,863,018</b>	<b>1,976,753</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,617,627</b>	<b>14,701,570</b>	<b>15,438,896</b>	<b>15,501,097</b>
<b>Net Assets per Share (Rs.)</b>	<b>13.36</b>	<b>13.34</b>	<b>14.58</b>	<b>14.72</b>

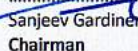
The notes on pages 6 to 8 form an integral part of these financial statements.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.

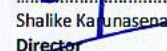


Kowshika Vijithan  
Group Accountant

The Board of Directors is responsible for the preparation and presentation of these financial statements.  
Approved and signed for and on behalf of the Board of Directors.

  
Sanjeev Gardiner  
Chairman

February 10, 2026

  
Shalike Karunasena  
Director

## THE KANDY HOTELS COMPANY (1938) PLC

### Statement of Comprehensive Income

(All amounts in Sri Lanka Rupees thousands)

	Group				Company				Variance - YTD
	Three Months Ended 31st December		Nine Months Ended 31st December		Three Months Ended 31st December		Nine Months Ended 31st December		Group
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)	%
Revenue	571,087	378,231	1,406,781	932,698	217,764	116,233	597,057	354,108	51%
Less: Cost of sales	(124,709)	(93,313)	(347,740)	(247,265)	(49,957)	(38,444)	(156,887)	(112,978)	41%
<b>Gross profit</b>	<b>446,378</b>	<b>284,918</b>	<b>1,059,041</b>	<b>685,433</b>	<b>167,808</b>	<b>77,789</b>	<b>440,170</b>	<b>241,130</b>	55%
Other operating income	633	11,691	1,664	13,476	394	700	1,364	1,268	-88%
<b>Less: Operating expenses</b>									
Selling and distribution expenses	(47,630)	(19,187)	(117,961)	(60,815)	(23,054)	(4,844)	(55,004)	(19,263)	94%
Administrative expenses	(305,253)	(230,868)	(869,952)	(712,321)	(142,387)	(75,123)	(411,230)	(246,122)	22%
Other operating expenses	-	-	1,140	-	-	-	-	-	100%
<b>Profit/(loss) from operations</b>	<b>94,128</b>	<b>46,554</b>	<b>73,932</b>	<b>(74,227)</b>	<b>2,760</b>	<b>(1,478)</b>	<b>(24,700)</b>	<b>(22,987)</b>	-200%
Finance income	45,447	27,878	126,828	113,978	203	183	560	548	11%
Less: Finance costs	(60,253)	(53,003)	(175,825)	(152,691)	(46,173)	(41,042)	(128,283)	(77,934)	15%
Net foreign exchange gain/(losses)	10,065	(15,962)	24,240	(22,434)	(51)	79	(98)	236	-208%
<b>Net finance income/(cost)</b>	<b>(4,741)</b>	<b>(41,087)</b>	<b>(24,757)</b>	<b>(61,147)</b>	<b>(46,021)</b>	<b>(40,780)</b>	<b>(127,821)</b>	<b>(77,150)</b>	-60%
Share of profit of equity accounted investees, net of tax	(16,395)	65,299	(42,717)	65,299	-	-	-	-	
<b>Profit/(loss) before income tax</b>	<b>72,993</b>	<b>70,766</b>	<b>6,458</b>	<b>(70,075)</b>	<b>(43,261)</b>	<b>(42,258)</b>	<b>(152,521)</b>	<b>(100,137)</b>	-109%
Less: Income tax reversal/ (expense)	(34,393)	7,557	11,066	47,825	10,303	17,485	46,094	22,213	-77%
<b>Profit/(loss) for the period</b>	<b>38,600</b>	<b>78,323</b>	<b>17,524</b>	<b>(22,250)</b>	<b>(32,958)</b>	<b>(24,773)</b>	<b>(106,427)</b>	<b>(77,924)</b>	-179%
<b>Other comprehensive income</b>									
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-	
<b>Total comprehensive income for the period, net of tax</b>	<b>38,600</b>	<b>78,323</b>	<b>17,524</b>	<b>(22,250)</b>	<b>(32,958)</b>	<b>(24,773)</b>	<b>(106,427)</b>	<b>(77,924)</b>	-179%
<b>Profit/(loss) for the period attributable to:</b>									
Equity Holders of the Company	38,600	78,323	17,524	(22,250)	(32,958)	(24,773)	(106,427)	(77,924)	
Non Controlling Interest	-	-	-	-	-	-	-	-	
	<b>38,600</b>	<b>78,323</b>	<b>17,524</b>	<b>(22,250)</b>	<b>(32,958)</b>	<b>(24,773)</b>	<b>(106,427)</b>	<b>(77,924)</b>	
<b>Total comprehensive income attributable to:</b>									
Equity holders of the Company	38,600	78,323	17,524	(22,250)	(32,958)	(24,773)	(106,427)	(77,924)	
Non controlling interest	-	-	-	-	-	-	-	-	
<b>Total comprehensive income for the period</b>	<b>38,600</b>	<b>78,323</b>	<b>17,524</b>	<b>(22,250)</b>	<b>(32,958)</b>	<b>(24,773)</b>	<b>(106,427)</b>	<b>(77,924)</b>	
<b>Basic/ Diluted Earnings/(loss) per share (Rs.)</b>	<b>0.05</b>	<b>0.10</b>	<b>0.02</b>	<b>(0.03)</b>	<b>(0.04)</b>	<b>(0.03)</b>	<b>(0.14)</b>	<b>(0.10)</b>	

The notes on pages 6 to 8 form an integral part of these financial statements.

# THE KANDY HOTELS COMPANY (1938) PLC

## Consolidated Statement of Changes in Equity

(All amounts in Sri Lanka Rupees thousands)

	Stated Capital	FVOCI Reserve	Revaluation Reserves	Merger Reserve	Retained Earnings	Total Equity
<b>Balance at 1 April 2024</b>	<b>2,661,816</b>	-	<b>6,589,826</b>	<b>(1,116,643)</b>	<b>948,469</b>	<b>9,083,468</b>
Issue of Ordinary Shares	-	-	-	-	-	-
Acquisition under common control (Note 5)	-	-	-	-	-	-
Profit / (loss) for the year	-	-	-	-	111,886	111,886
Other comprehensive income	-	-	733,488	-	(1,643)	731,845
<b>Total comprehensive income for the year</b>	-	-	<b>733,488</b>	-	<b>110,243</b>	<b>843,731</b>
Transfer of excess depreciation on revaluation	-	-	(88,800)	-	88,800	-
Share of other comprehensive income attributable to joint venture	-	-	136,247	-	-	136,247
Dividends-(15% Cumulative preference shares)	-	-	-	-	(38)	(38)
<b>Balance at 31 March 2025</b>	<b>2,661,816</b>	-	<b>7,370,761</b>	<b>(1,116,643)</b>	<b>1,147,475</b>	<b>10,063,408</b>
Profit / (loss) for the period	-	-	-	-	17,524	17,524
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-	<b>17,524</b>	<b>17,524</b>
Transfer of excess depreciation on revaluation	-	-	(144,870)	-	144,870	-
Dividends-(15% Cumulative preference shares)	-	-	-	-	(28)	(28)
<b>Balance at 31 December 2025</b>	<b>2,661,816</b>	-	<b>7,225,891</b>	<b>(1,116,643)</b>	<b>1,309,840</b>	<b>10,080,904</b>

	Stated Capital	FVOCI Reserve	Revaluation Reserves	Merger Reserve	Retained Earnings	Total Equity
<b>Balance as at 1 April 2023</b>	<b>16,750</b>	<b>131,741</b>	<b>6,998,267</b>	-	<b>871,265</b>	<b>8,018,023</b>
Correction of errors	-	-	(200,977)	-	64,784	(136,193)
<b>Restated balance as at 1 April 2023</b>	<b>16,750</b>	<b>131,741</b>	<b>6,797,290</b>	-	<b>936,049</b>	<b>7,881,830</b>
Issue of Ordinary Shares	2,645,066	-	-	-	-	2,645,066
Acquisition under common control (Note 5)	-	(131,741)	-	(1,116,643)	-	(1,248,384)
Profit / (loss) for the year	-	-	-	-	(119,856)	(119,856)
Correction of errors	-	-	-	-	44,936	44,936
Other comprehensive income	-	-	(7,626)	-	(1,809)	(9,435)
<b>Total comprehensive income for the year</b>	-	-	<b>(7,626)</b>	-	<b>(76,729)</b>	<b>(84,355)</b>
Transfer of excess depreciation on revaluation	-	-	(89,187)	-	89,187	-
Share of other comprehensive income attributable to joint venture	-	-	(110,651)	-	-	(110,651)
Dividends-(15% Cumulative preference shares)	-	-	-	-	(38)	(38)
<b>Balance at 31 March 2024</b>	<b>2,661,816</b>	-	<b>6,589,826</b>	<b>(1,116,643)</b>	<b>948,469</b>	<b>9,083,468</b>
Issue of Ordinary Shares	-	-	-	-	-	-
Acquisition under common control (Note 5)	-	-	-	-	-	-
Profit / (loss) for the period	-	-	-	-	(22,250)	(22,250)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	-	<b>(22,250)</b>	<b>(22,250)</b>
Transfer of excess depreciation on revaluation	-	-	(66,600)	-	66,600	-
Dividends-(15% Cumulative preference shares)	-	-	-	-	(28)	(28)
<b>Balance at 31 December 2025</b>	<b>2,661,816</b>	-	<b>6,523,226</b>	<b>(1,116,643)</b>	<b>992,791</b>	<b>9,061,189</b>

The notes on pages 6 to 8 form an integral part of these financial statements.

# THE KANDY HOTELS COMPANY (1938) PLC

## Statement of Changes in Equity - Company

(All amounts in Sri Lanka Rupees thousands)

	Stated Capital	FVOCI Reserve	Revaluation Reserves	Retained Earnings	Total Equity
<b>Balance at 1 April 2024</b>	<b>2,661,816</b>	<b>-</b>	<b>6,477,982</b>	<b>1,323,118</b>	<b>10,462,917</b>
Profit / (loss) for the year	-	-	-	(89,934)	(89,934)
Other comprehensive income	-	-	733,488	(338)	733,150
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>733,488</b>	<b>(90,272)</b>	<b>643,216</b>
Transfer of excess depreciation on revaluation	-	-	(73,707)	73,707	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
<b>Balance at 31 March 2025</b>	<b>2,661,816</b>	<b>-</b>	<b>7,137,763</b>	<b>1,306,516</b>	<b>11,106,095</b>
Profit / (loss) for the period	-	-	-	(106,427)	(106,427)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(106,427)</b>	<b>(106,427)</b>
Transfer of excess depreciation on revaluation	-	-	(133,833)	133,833	-
Dividends-(15% Cumulative preference shares)	-	-	-	(28)	(28)
<b>Balance at 31 December 2025</b>	<b>2,661,816</b>	<b>-</b>	<b>7,003,930</b>	<b>1,333,894</b>	<b>10,999,640</b>

	Stated Capital	FVOCI Reserve	Revaluation Reserves	Retained Earnings	Total Equity
<b>Balance as at 1 April 2023</b>	<b>16,750</b>	<b>131,741</b>	<b>6,551,689</b>	<b>1,181,494</b>	<b>7,881,674</b>
Issue of Ordinary Shares	2,645,066	-	-	-	2,645,066
Acquisition under common control (Note 5)	-	(131,741)	-	131,741	-
Profit / (loss) for the year	-	-	-	(62,789)	(62,789)
Other comprehensive income	-	-	-	(998)	(998)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(63,787)</b>	<b>(63,787)</b>
Transfer of excess depreciation on revaluation	-	-	(73,707)	73,707	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
<b>Balance at 31 March 2024</b>	<b>2,661,816</b>	<b>-</b>	<b>6,477,982</b>	<b>1,323,118</b>	<b>10,462,916</b>
Profit / (loss) for the period	-	-	-	(77,924)	(77,924)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(77,924)</b>	<b>(77,924)</b>
Transfer of excess depreciation on revaluation	-	-	(55,280)	55,280	-
Dividends-(15% Cumulative preference shares)	-	-	-	(28)	(28)
<b>Balance at 31 December 2025</b>	<b>2,661,816</b>	<b>-</b>	<b>6,422,702</b>	<b>1,300,446</b>	<b>10,384,964</b>

The notes on pages 6 to 8 form an integral part of these financial statements.

# THE KANDY HOTELS COMPANY (1938) PLC

## Statement of Cash Flows

(All amounts in Sri Lanka Rupees thousands)

For the nine months ended December 31,

**Profit/(loss) before income tax from operations**

**Adjustments for:**

Depreciation of property, plant and equipment  
Amortization of intangible assets  
Amortization of right-of- use assets  
Provision for employee benefit obligation  
Finance income  
Finance expenses  
Reversal/ (Provision) for obsolete and slow moving stock  
Net foreign exchange (gain)/ losses  
Share of results of joint venture

**Operating profit/ (loss) before working capital changes**

(Increase)/decrease in inventories  
(Increase)/decrease in trade and other receivables  
(Increase)/decrease in amounts due from related parties  
(Increase)/decrease in advances and prepayments  
Increase/(decrease) in trade and other payables  
Increase/(decrease) in contract liabilities  
Increase/(decrease) in amounts due to related parties

**Cash generated from/ (used in) operations**

Interest paid  
Employee benefit obligations paid

**Net cash generated from/(used in) operating activities**

**Cash flows from investing activities**

Purchase/(disposal) of property, plant and equipment  
Interest income received  
Investment in Joint Venture

**Net cash generated from/(used in) investing activities**

**Cash flows from financing activities**

Loan Repayment during the period  
Loans obtained during the period  
Payment of lease liabilities

**Net cash flow from /(used in) financing activities**

**Net increase/(decrease) in cash & cash equivalents**

**Movement in cash & cash equivalents**

At the beginning of the year  
Net increase/ (decrease) in cash & cash equivalents  
**At the end of the year**

**Cash and cash equivalents at the end of the financial year consist of the following.**

Cash in hand and banks  
Bank overdrafts

Group		Company	
2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
<b>6,458</b>	<b>(70,075)</b>	<b>(152,521)</b>	<b>(100,137)</b>
114,656	111,824	66,535	56,959
817	471	252	256
3,898	4,013	-	-
4,411	3,321	1,820	1,717
(126,828)	(113,978)	(560)	(548)
175,825	152,691	128,283	77,935
-	-	-	-
22,297	(22,451)	98	-
42,717	(65,299)	-	-
<b>244,251</b>	<b>517</b>	<b>43,907</b>	<b>36,182</b>
(27,368)	2,424	(16,155)	4,741
(4,027)	180,568	31,384	34,470
498	58,347	(5,008)	4,857
46,484	(237,278)	20,457	(248,271)
(91,915)	83,691	(121,235)	35,987
(5,457)	-	(5,457)	-
(27,579)	20,653	100,151	739,042
<b>134,887</b>	<b>108,922</b>	<b>48,044</b>	<b>607,008</b>
(169,099)	(46,045)	(17,197)	(9,235)
(3,007)	(2,456)	(1,480)	(479)
<b>(37,219)</b>	<b>60,421</b>	<b>29,367</b>	<b>597,294</b>
(63,678)	(159,634)	(22,027)	(134,377)
126,257	46,406	3	15
-	(292,500)	-	(292,500)
<b>62,579</b>	<b>(405,728)</b>	<b>(22,024)</b>	<b>(426,862)</b>
(198,033)	(308,711)	(151,681)	(196,758)
200,000	-	200,000	-
(14,209)	(12,250)	-	-
<b>(12,242)</b>	<b>(320,961)</b>	<b>48,319</b>	<b>(196,758)</b>
<b>13,118</b>	<b>(666,268)</b>	<b>55,662</b>	<b>(26,326)</b>
<b>875,608</b>	<b>1,671,338</b>	<b>(194,085)</b>	<b>(131,301)</b>
13,118	(666,268)	55,662	(26,326)
<b>888,726</b>	<b>1,005,069</b>	<b>(138,423)</b>	<b>(157,627)</b>
1,238,790	1,269,576	24,638	4,982
(350,064)	(264,507)	(163,061)	(162,609)
<b>888,726</b>	<b>1,005,069</b>	<b>(138,423)</b>	<b>(157,627)</b>

The notes on pages 6 to 8 form an integral part of these financial statements.

# THE KANDY HOTELS COMPANY (1938) PLC

## Notes to the condensed consolidated interim financial statements

(all amounts in the notes are in Sri Lanka Rupees thousands unless otherwise stated.)

### 1. General Information

The Kandy Hotels Company (1938) PLC ("the Company") is a public limited liability company incorporated and domiciled in Sri Lanka and is listed on the Colombo Stock Exchange. The registered office of the Company is located at No. 327, Union Place, Colombo 02.

The Company and its subsidiaries (together "the Group") refer to The Kandy Hotels Company (1938) PLC, Suisse Hotel (Pvt) Limited, United Hotels Company Limited, Tissa Resort (Pvt) Limited, Ceylon Hotels Maldives (Pvt) Limited and the Group's interest in equity-accounted investees. Suisse Hotel Kandy (Pvt) Limited is a joint venture for the Group.

### 2. Basis of preparation

The condensed interim financial statements for the quarter ended December 31, 2025, of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standard (SLAS) LKAS 34, 'Interim Financial Reporting'. These interim statements should be read in conjunction with the audited financial statements for the year ended March 31, 2025.

### 3. Segment information

A segment is a distinguishable component of an enterprise that is engaged in either providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of the segment. However, there are no distinguishable components to be identified as segments for the company.

### 4. Accounting policies and estimates

The accounting policies are in line with the policies published in the audited financial statements for the year ended March 31, 2025.

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed consolidated interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the sources of uncertainty in estimates are consistent with the audited financial statements for the year ended March 31, 2025.

### 5. Effect of changes in composition of the Group

There has not been a change in the composition of the Group which require disclosure in the financial statements for the quarter ended December 31, 2025.

### 6. Stated Capital

The number of shares representing the stated capital is 754,309,253 ordinary shares and 50,000 fully paid, cumulative preference shares as of December 31, 2025.

### 7. Contingent liabilities

There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the audited financial statements for the year ended March 31, 2025.

### 8. Comparative information

Where necessary, comparative figures have been adjusted to conform with the changes in presentation in the current year.



# THE KANDY HOTELS COMPANY (1938) PLC

## Notes to the condensed consolidated interim financial statements

(all amounts in the notes are in Sri Lanka Rupees thousands unless otherwise stated.)

### 9. Related Party Transactions

The company carries out transactions in the ordinary course of its business with the following related entities, whose details are reported below:

For the 03 months ended 31st December  
In LKR '000

	Note	Company 2025	2024
<b>i) Transactions with Parent Company</b>			
<b>Ceylon Hotels Corporation PLC</b>			
Net Temporary Advance	B	1,691	(9,945)
Expenses paid by CHC on behalf of the Company	A	(1,226)	(1,455)
Settlement of expenses paid to CHC	A	2,400	-
<b>ii) Subsidiaries and affiliates</b>			
Expenses incurred by affiliates on behalf of KHC	A	-	-
Expenses incurred by KHC on behalf of affiliates	A	-	115
Reimbursement of expenses incurred by affiliates on behalf of KHC	A	-	-
Service provided by GFH Mgt Co. (Pvt) Limited	A	(3,942)	(3,035)
Settlement of fees for services provided by GFH Mgt Co. (Pvt) Limited	A	15,778	5,000
Temporary Advance	B	(41,786)	(576,705)
Interest charged for the advances provided by KHC	B	203	178
Interest charged to affiliates for the advances obtained	B	(26,753)	(23,549)
Shareholder advance in respect of investment in the Joint Venture (pending capitalization)	B	-	292,500

### Non recurrent Related Party Transactions

There are no non-recurrent related party transactions for the period ended 31st December 2025.

Note :

- A) Transactions carried out in the ordinary course of business and charged at the face value of the expenses.
- B) Temporary advances given in the ordinary course of business and no interest is charged on the outstanding balances. Payable on demand and short term in nature.
- C) Terms and conditions related to intercompany borrowings/lendings.

Company	Party	Repayment
The Kandy Hotels Company (1938) PLC	Borrower	AWPLR + 1.5%
United Hotels Company Limited	Lender	

### 10. Events after the reporting period

No circumstances have arisen since the statement of financial position date that require adjustments to, or disclosure in the financial statements.

# THE KANDY HOTELS COMPANY (1938) PLC

## Share Information

### 1. Public shareholdings

Information pertaining to public shareholding is as follows:

	<u>31 Dec 2025</u>	<u>31 Dec 2024</u>
Public holding percentage	23.55%	15.95%
Public shareholding	177,650,443	120,294,503
Number of public shareholders	2,693	1,938
Float adjusted market capitalisation (Rs.)	3,304,100,821	1,503,904,073

As the float-adjusted market capitalization is more than Rs. 2.5 billion, The Kandy Hotels Company (1938) PLC complies under option 4 of the listing rules 7.14.1 (a) with the minimum public holding.

### 2. Directors' shareholdings

The details of shares held directly by the Directors and their close family members as at Dec 31, 2025 are as follows.

Name of Director	Number of shares	
	Ordinary	Preference
Mr. Sanjeev Gardiner	87,500	9,500

None of the Directors and their close family members other than those disclosed above directly held any shares in the Company.

### 3. Twenty two largest ordinary shareholders of the Company

Names of shareholders	Position	No of Shares	%
1 Ceylon Hotels Corporation PLC	1	528,661,003	70.09
2 Seylan Bank PLC / Ambeon Holdings PLC (Margin Trading)	2	45,904,622	6.09
3 Ceylon Hotels Investment (Pvt) Ltd	3	44,715,471	5.93
4 Adiuvat Investment Fund	4	36,582,097	4.85
5 Progruss Investments Limited	5	32,863,522	4.36
6 Mr. N.V.S. Saackville	6	4,368,000	0.58
7 DFCC Bank PLC / ATX Partners (Pvt) Ltd	7	2,500,000	0.33
8 Seylan Bank PLC / Gladstone Capital (Private) Limited	8	2,000,000	0.27
9 Mr. P.R.F. Collas	9	1,965,250	0.26
10 Mr. G.C. Goonetilleke	10	1,945,755	0.26
11 Mrs. L. Ratwatte	11	1,853,000	0.25
12 Seylan Bank PLC / Arcasia Investments & Trading (Pvt) Ltd	12	1,780,019	0.24
13 Mr. P.V. Gunasekera	13	1,750,000	0.23
14 Mrs. M.F. Gunasekera	13	1,750,000	0.23
15 Mrs. A.U.R. Pethiyagoda	14	1,500,000	0.20
16 Ms. M. Chevallaz	15	1,496,250	0.20
17 Mr. P. Chevallaz	15	1,496,250	0.20
18 Mr. A. Chevallaz	15	1,496,250	0.20
19 Mr. J. Laravoire	15	1,496,250	0.20
20 Mr. E. Laravoire	15	1,496,250	0.20
21 Ms. H. Sauties	15	1,496,250	0.20
22 Mr. J.P. Sauties	15	1,496,250	0.20
<b>Sub total</b>		<b>720,612,489</b>	<b>95.53</b>
Balance held by others		33,696,764	4.47
<b>Total number of shares</b>		<b>754,309,253</b>	<b>100.00</b>

### 4. Market Price per share

For nine months ended 31 December

	<u>2025</u> <u>(Rs.)</u>	<u>2024</u> <u>(Rs.)</u>
Highest Market Price	24.00	14.20
Lowest Market Price	14.90	7.80
Last Traded Price	18.60	12.50