INTERIM FINANCIAL STATEMENTS

For the six months ended June 30, 2026

COMMERCIAL DEVELOPMENT COMPANY PLC

STATEMENT OF COMPREHENSIVE INCOME

	For the Six Months Ended			For the Quarter Ended		
	June 30, 2026	June 30, 2025	Change	**June 30, 2026**	June 30, 2025	Change
	Rs. 000	Rs. 000	**%**	**Rs. 000**	Rs. 000	**%**
Revenue	**440,775**	363,697	21.2	**227,574**	184,760	23.2
Cost of Sales	**(308,696)**	(214,147)	44.2	**(160,301)**	(109,782)	46.0
Gross Profit	**132,079**	149,550	(11.7)	**67,273**	74,978	(10.3)
Other Income	**1,503**	812	85.1	**1,298**	304	327.0
	133,582	150,362	(11.2)	**68,571**	75,282	(8.9)
Administrative Expenses	**(38,421)**	(29,689)	29.4	**(19,348)**	(14,687)	31.7
Operating Profit	**95,161**	120,673	(21.1)	**49,223**	60,595	(18.8)
Net Finance Income	**43,393**	48,418	(10.4)	**19,748**	24,247	(18.6)
Profit before Tax	**138,554**	169,091	(18.1)	**68,971**	84,842	(18.7)
Income Tax Expense	**(42,151)**	(50,530)	(16.6)	**(21,301)**	(25,327)	(15.9)
Net Profit for the period	**96,403**	118,561	(18.7)	**47,670**	59,515	(19.9)
Other Comprehensive Income, Net of Tax	**-**	-	-	**-**	-	-
Total Comprehensive Income for the period, Net of Tax	**96,403**	118,561	(18.7)	**47,670**	59,515	(19.9)
Earnings per Share (Rs.)	**8.03**	9.88	(18.7)	**3.97**	4.96	(19.9)

The above figures are provisional and subject to audit unless indicated as audited.

Explanatory Notes

1 Financial Statements of the Company have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended December 31, 2025.

2 These Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

3 The increase in cost of sales during the period ended June 30, 2026, was mainly due to progress payments of Rs. 29.0 million for the Indoor Air Quality Improvement Project, Rs. 18.1 million incurred on CCTV operations commenced in August 2025, a Rs. 10.0 million increase in depreciation following the addition of vehicles to the hired vehicle fleet, and a Rs. 10.0 million increase in outsourced staff costs due to salary revisions. The increase was also attributable to higher municipal rates, a provision of Rs. 11.0 million for repairing cracks and waterproofing the Commercial House building (scheduled for completion during 2026), and other cost escalations.

4 Related Party Transactions

(a) Mr.S.C.U.Manatunge, a non executive Director of the Company is also the Managing Director/Chief Executive Officer of Commercial Bank of Ceylon PLC (CBC), the sole tenant and the parent of the Company. Mr.M.D.C.P.Dharmasena, non executive Director of the Company functions as the Assistant General Manager- Services, of the CBC. During the quarter ended June 30, 2026, the Company received Rs. 214.5 Mn. as rental income, charges on account of outsourcing services, vehicle hiring charges and fees for other utility services from the CBC (Rs.182.9 Mn. during the quarter ended June 30, 2025).

(b) As at the reporting date, the Company has invested Rs.615.5 Mn. in Fixed Deposits (inclusive of interest) at market interest rates at CBC Finance Limited, which is a fully owned subsidiary of the CBC (Rs 1,074.0 Mn.as at June 30, 2025). The interest income recognised on fixed deposits for the quarter ended June 30, 2026 amounted to Rs. 15.0 Mn (Rs.24.2 Mn. for the quarter ended June 30, 2025).

Further, the Company has also invested Rs.248.4 Mn (inclusive of interest) in Listed Debentures issued by CBC Finance Limited at 11.5% per annum as at June 30, 2026. These Debentures were allotted to the Company on December 13, 2025. The interest income recognised during the quarter amounted Rs.6.7 Mn.

(c) The Company paid Rs.0.7 Mn. to Orysis Limited, which is a fully owned subsidiary of the parent Company for upgrading its windows operating system. (No payments were made during the quarter ended June 30, 2025).

5 During the quarter, there were no material changes in the composition of assets and liabilities.

6 All known expenses have been provided for in these Interim Financial Statements.

7 There were no material events that took place since June 30, 2026, that require disclosure in these Interim Financial Statements other than those disclosed above.

8 There were no contingent assets, contingent liabilities or capital commitments outstanding as at the Reporting date.

STATEMENT OF FINANCIAL POSITION

As at	June 30, 2026	December 31, 2025 (Audited)	Change
ASSETS	**Rs.'000**	Rs.'000	%
Non-Current Assets			
Property, Plant & Equipment	**421,131**	61,692	582.63
Right of Use Assets	**45,040**	68,366	(34.12)
Intangible Assets	**155**	394	(60.66)
Investment Property	**3,754,673**	3,754,673	-
Financial Investments	**248,438**	235,149	5.65
Deposits Receivable	**9,991**	12,859	(22.30)
	4,479,428	4,133,133	8.38
Current Assets			
Trade and Other Receivables	**224,960**	122,555	83.56
Financial Investments	**615,476**	930,149	(33.83)
Cash and Cash Equivalents	**52,756**	129,589	(59.29)
	893,192	1,182,293	(24.45)
Total Assets	**5,372,620**	5,315,426	1.08
EQUITY AND LIABILITIES			
Equity			
Stated Capital	**120,000**	120,000	-
Other Reserves	**2,923,982**	2,923,982	-
Retained Earnings	**1,459,687**	1,411,284	3.43
Total Equity	**4,503,669**	4,455,266	1.09
Non-Current Liabilities			
Deposits Payables	**68,132**	49,876	36.60
Employee Benefits	**119,420**	115,576	3.33
Lease Creditors	**45,358**	53,600	(15.38)
Deferred Tax	**542,284**	535,632	1.24
	775,194	754,684	2.72
Current Liabilities			
Trade and Other Payables	**66,636**	45,109	47.72
Lease Creditors	**975**	12,747	(92.35)
Deferred Revenue	**18,850**	17,289	9.03
Current Tax	**7,296**	30,331	(75.95)
	93,757	105,476	(11.11)
Total Equity and Liabilities	**5,372,620**	5,315,426	1.08
Net Assets Value Per Ordinary Share (Rs.)	**375.31**	371.27	1.09

The above figures are provisional and subject to audit unless indicated as audited.

I certify that these Financial Statements have been prepared in accordance with the requirements of the Companies Act No.07 of 2007 and amendments thereto.

(Sgd.)

W.H. Wijesekara

Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

(Sgd.)
A.L.GOONERATNE
CHAIRMAN

(Sgd.)
S.C.U.MANATUNGE
DIRECTOR

July 27, 2026

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Fair Value Reserve - Investment Property	Retained Earnings	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at January 1, 2025	120,000	2,787,045	1,215,973	4,123,018
Total Comprehensive Income for the six months ended June 30, 2025				
Profit for the six months ened June 30, 2025	-	-	118,561	118,561
Other Comprehensive Income for the six months ended June 30, 2025	-	-	-	-
	-	-	118,561	118,561
Transaction with equity holders, recognized directly in equity				
Final Dividend for 2024	-	-	(48,000)	(48,000)
Balance as at June 30, 2025	**120,000**	**2,787,045**	**1,286,534**	**4,193,579**
Total Comprehensive Income for the six months ended December 31, 2025				
Profit for the six months ended December 31, 2025	-	-	302,974	302,974
Other Comprehensive Income for the six months ended December 31, 2025	-	-	(5,762)	(5,762)
	-	-	297,212	297,212
Transaction with equity holders, recognized directly in equity				
Interim Dividend for 2025	-	-	(36,000)	(36,000)
Unclaimed Dividends Written Back	-	-	475	475
Transfer of Fair Value Gains on Investment Property	-	136,937	(136,937)	-
Balance as at December 31, 2025 - Audited	**120,000**	**2,923,982**	**1,411,284**	**4,455,266**
Total Comprehensive Income for the six months ended June 30, 2026				
Profit for the six months ened June 30, 2026	-	-	96,403	96,403
Other Comprehensive Income for the six months ended June 30, 2026	-	-	-	-
	-	-	96,403	96,403
Transaction with equity holders, recognized directly in equity				
Final Dividend for 2025	-	-	(48,000)	(48,000)
Balance as at June 30, 2026	**120,000**	**2,923,982**	**1,459,687**	**4,503,669**

The above figures are provisional and subject to audit unless indicated as audited.

STATEMENT OF CASH FLOWS

For the six months ended June 30,	2026	2025
	Rs.'000	Rs.'000
Cash Flows from Operating Activities		
Profit before Tax	**138,554**	169,091
Non-cash adjustments to reconcile Profit before Tax to Net Cash Flows		
Depreciation/Amortization	**22,900**	12,535
Profit on disposal of Property, Plant and Equipment	**(1,069)**	-
Interest Income	**(50,337)**	(51,927)
Provision for Employee Benefits	**6,255**	6,255
Interest Expenses	**6,733**	3,315
	123,036	139,269
Changes in;		
Trade & Other Receivables	**(99,535)**	(36,326)
Deposits Payables	**18,256**	89
Deferred Revenue	**1,561**	22
Trade and Other Payables	**26,639**	12,519
	69,957	115,573
Interest Paid	**(6,733)**	(3,315)
Employee Benefits paid	**(2,413)**	(181)
Current Tax paid	**(58,533)**	(29,103)
Net Cash Flow Generated from Operating Activities	**2,278**	82,974
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	**(365,333)**	(64,753)
Proceeds from Sale of Property, Plant and Equipment	**7,627**	-
Interest Received	**50,337**	51,927
Net Change in Financial Investments	**301,385**	(46,492)
Net Cash Flow (Used in)/Generated from Investing Activities	**(5,984)**	(59,318)
Cash Flows from Financing Activities		
Settlement of Lease Liabilities	**(20,015)**	(7,656)
Dividend Paid	**(53,112)**	(53,119)
Net Cash Flow Used in Financing Activities	**(73,127)**	(60,775)
Net Increase in Cash and Cash Equivalents	**(76,833)**	(37,119)
Cash and Cash Equivalent at the beginning of the Year	**129,589**	162,252
Cash and Cash Equivalent at the end of the Period	**52,756**	125,133
Analysis of Cash and Cash Equivalents		
Cash at Bank	**52,461**	125,050
Cash in Hand	**295**	83
	52,756	125,133

The above figures are provisional and subject to audit unless indicated as audited.

TWENTY LARGEST SHAREHOLDERS AS AT JUNE 30, 2026

	Name of the Shareholder	No. of Shares	%
01	Commercial Bank of Ceylon PLC	10,800,000	90.00
02	Talpawila Kankanamge Don Aruna Prasad	120,000	0.55
03	People's Leasing & Finance PLC/Mr. K.K.Shujeevan	72,187	0.60
04	Assetline Leasing Co.LTD/British American Technologies (Pvt) Ltd	56,100	0.47
05	CDB Finance /K.Laveendrakumar	48,371	0.40
06	Binanthi Shamani Rasanayagam	44,570	0.37
07	Amirally Lukmanjee	44,168	0.37
08	Dinesh Anthony Perera	30,446	0.25
09	People’s Leasing and Finance PLC/K.Laveendrakumar	30,228	0.25
10	Gajath Chrysantha Goonetilleke	30,077	0.25
11	Surendra Wickramasinghe	27,200	0.23
12	Sithamparapillai Gowrisangar	27,000	0.23
13	Henry Anthony Rohan Pieris	26,000	0.22
14	Sampath Bank PLC/Mr. Abishek Sithampalam	26,000	0.22
15	Zoebaly Gulamabass Carimjee	25,000	0.21
16	Manel Senanayake	24,000	0.20
17	Wijewickrama Pathinayakage Asanka Dinunuwan Gunathilaka	22,000	0.18
18	Sithampalam Durga	21,500	0.18
19	Arunasalam Sithampalam	19,055	0.16
20	Gunendra Rasitha Sellahewa	18,576	0.15
		11,512,478	95.49
	Other shareholders	487,522	4.51
	Total	12,000,000	100.00

Percentage of public holding in the Stated Capital of the Company as at June 30, 2026 was 10%. There were 1,170 shareholders representing the public holding percentage stated above.

The Float Adjusted Market Capitalisation of the Company as at June 30, 2026 was Rs.366,000,000/-.

The Company complies with the minimum public holding as a continuous listing requirement as per the Option 2 of the Listing Rule No. 7.13.1 (b) of of the Colombo Stock Exchange.

None of the Directors held shares of the Company as at June 30, 2026.

Name of the Company
Commercial Development Company PLC

Legal Form
A public limited liability company incorporated in Sri Lanka on March 14, 1980 under the Companies Ordinance No. 51 of 1938 and quoted in the Colombo Stock Exchange in March 1983. The Company was re - registered, under the Companies Act No. 07 of 2007 on January 17, 2008.

Registered Office
06th Floor, Paul VI Centre, No 24, Malwatta Road
(Front Street), Petteh, Colombo 11, Sri Lanka.
Telephone/Facsimile : 011 - 2447300
Email : info@cdcplc.net
Website : www.cdcplc.net

Company Registration No.
PQ 114

Tax Payer Identification No. (TIN)
124010578

Accounting Year - end
December 31

Board of Directors
Mr.A.L.Gooneratne - Chairman (Non-Executive Non-Independent Director)
Mr.S.C.U.Manatunge (Non-Executive Non-Independent Director)
Dr.R.A. Attalage (Non-Executive Independent Director)
Mr.P.L.P.Withana (Non-Executive Independent Director)
Mr.N.Abeysuriya (Non-Executive Independent Director)
Mr. M D C P Dharmasena (Non-Executive Non-Independent Director)
(Appointed w.e.f. 01.01.2026)

Company Secretary
Mr.L.W.P. Indrajith

Auditors
KPMG
Chartered Accountants
32A, Sir Mohamed Macan Markar Mawatha
Colombo 03, Sri Lanka.

Registrars
SSP Corporate Services (Private) Limited
101,Inner Flower Road,
Colombo 03,
Sri Lanka.

Lawyers
Julius & Creasy
No 371, R.A.De Mel Mawatha,
Colombo 03,
Sri Lanka.

Stock Exchange Listing
The Ordinary Shares of the Company are listed on the Diri Savi Board of the Colombo Stock Exchange.

Audit Committee
Mr.P.L.P.Withana - Chairman
Dr.R.A.Attalage
Mr.N.Abeysuriya

Related Party Transactions Review Committee
Mr.P.L.P.Withana - Chairman
Dr.R.A.Attalage
Mr.N.Abeysuriya

Nominations and Governance Committee
Dr.R.A.Attalage - Chairman
Mr.P.L.P.Withana
Mr.N.Abeysuriya

Remuneration Committee
Dr.R.A.Attalage - Chairman
Mr.A.L.Gooneratne
Mr.P.L.P.Withana
Mr.N.Abeysuriya

Principal Banker
Commercial Bank of Ceylon PLC

Information on Shares

	2026	2025
	Rs.	Rs.
Market Value of a Share As at June 30,	**305.00**	182.00
Highest price during the quarter ended June 30,	**332.00**	185.00
Lowest price during the quarter ended June 30,	**281.25**	116.00
Number of Ordinary Shares in issue as at June 30,	**12,000,000**	12,000,000

Financial Ratios

As at June 30,	**2026**	2025
Interest Cover (times)	**14.13**	36.40
Quick Assets Ratio (times)	**9.53**	11.98
Net Assets Value Per Share (Rs.)	**375.31**	349.46