

INTERIM FINANCIAL STATEMENTS
NINE MONTHS ENDED 30 SEPTEMBER 2025

UNLOCKING PROSPERITY
EMPOWERING A FUTURE OF SMART GROWTH



National Development Bank PLC

CSE stock code: NDB.N0000 | Bloomberg: NDB SL | Reuters: NDB.CM

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*The financial statements presented herewith are the unaudited financial statements for the nine months ended 30 September 2025 and are prepared in accordance with the Sri Lanka Financial Reporting Standards.

NDB delivers exceptional 65% growth in post-tax profit during nine months

Highlights

- **Profit after taxes reach an institutional high of LKR 7.5 billion in a normalized standalone basis**
- **Net loans, deposits and total assets expand by 22.1%, 7.2% and 10.6% respectively on a normalized basis**
- **Nine months ROE was 12.4% while 3rd quarter ROE was 16.0%**

FINANCIAL PERFORMANCE

National Development Bank PLC, released its financial results for the nine months ended September 30, 2025, to the Colombo Stock Exchange recently. The results showcase impressive profitability growth backed by sound core banking operational growth as evidenced by net operating income and pre-tax profit expands by 32.3% and 62.1% to reach LKR 28.4 billion and LKR 11.0 billion, respectively (9M-24: LKR 21.5 billion and LKR 6.8 billion).

Fund based income

Net interest income improved by 6.4% to LKR 25.9 billion over 2024. This is noteworthy considering the tapering interest rate environment which prevailed during the period under review. Reflecting the Bank's efforts to diligently maintain its margins, Net Interest Margins broadly stabilized at 4.1% (2024: 4.3%) which, excluding items of a one-off nature, was 4.3% on a like for like basis (2024: 4.5%). At end September 2025, the Bank had close to LKR 46.8 billion in Loans and Deposits under a special arrangement with its customer(s) with a netting-off feature (end 2024: LKR 19.6 billion).

Non-fund based income

Net fee and commission income grew by 13.8% to reach LKR 5.8 billion YoY, whilst for the third quarter alone it reported an impressive 24.2% over the third quarter of 2024. This evidenced targeted efforts made to strengthen non-fund sources of income, thereby enhancing the resilience of the Bank's overall income composition. This growth was enabled by improved performance across almost all aspects of the Bank's core business operations.

Credit and operating costs

Impairment charges continued to decline, driven by concerted efforts to enhance the quality of the loan book, resulting in a charge of LKR 5.9 billion for the period under review, representing a 46.7% reduction YoY. The resultant total impairment coverage ratio, excluding such one-off items of a special nature stood at 8.8% (end 2024:10.1%); which compared well with industry averages at the said period end. Operating expenses netted LKR 13.9 billion, marking a 14.8% YoY increase - predominantly driven by staff related routine increments and realignments to the

industry, and higher investments in IT infrastructure and those of a direct business development nature.

Investor key performance indicators

Return on average equity was 12.4% during the nine months period whilst for the third quarter alone it was 16.0%. Annualized Earnings per share was LKR 23.41 for the said period which was LKR 21.25 for 2024. Respective ratios at a Group level were 12.6% (2024: 12.5%) and LKR 25.28 (2024: LKR 23.05), respectively. The Bank's pre-tax return on average assets was 2.3% whilst, for the third quarter alone, it was 2.6% (2024: 3.1%, 1.5%, respectively). Net asset value per share was LKR 194.01 (2024: LKR 186.91) and compared with a closing share price of LKR 142.00, which posted a 25.4% appreciation since end 2024. Group Net asset value per share was LKR 207.34 (2024: LKR 199.13).

FINANCIAL POSITION

The Bank's total deposits amounted to LKR 702.9 billion at September 30, 2025 (end 2024: LKR 631.7 billion, 11.3% growth) whilst net loans expanded to LKR 585.4 billion (end 2024: LKR 460.7 billion, 27.1% growth). Excluding transactions of a one off and special nature, this represented a normalized absolute net growth of 7.2% and 22.1% over end 2024, respectively. The Bank's CASA ratio on a normalized basis was 23.8% having improved from 22.5% at end 2024. This continued to reflect the Bank's efforts to consistently improve its low cost funding from current levels.

The Bank's Impaired loans (Stage 3) to total loans ratio was 4.5% (end 2024: 5.2%) which compared well with the industry average. Its Stage 3 provision coverage was 55.6% (end 2024: 54.5%) which also was close to the industry norm.

LIQUIDITY AND SOLVENCY

Liquidity levels also remained strong with the Bank's Liquidity coverage ratios, across both Rupee and All currency, being 343.3% and 226.6%, respectively at September 30, 2025 (end 2024: 358.1% and 308.3%) and its Net stable funding ratio was 136.1% (end 2024: 152.4%) - all of which were well above the minimum regulatory requirements of 100.0%. The Bank's solvency levels as measured by CET1/ Tier I and Total CAR were 11.5% and 15.4%, respectively representing adequate buffers over its regulatory minimums (end 2024: 13.7% and 19.1%).

Commenting on the financial results for the nine months' period under review, the Bank's Director/Chief Executive Officer, Mr. Kelum Edirisinghe, stated:

"Our performance over the nine months' period ended provides ample testimony to the consistent positive progress made across almost all aspects of our business operations. It reflects the strategic clarity, agility, and commitment of our staff at all levels in navigating this fast-paced market landscape whilst creating excellence in every aspect of our operations. These results also speak for our internal resilience and operational excellence, and also to the encouraging progress of the Sri Lankan economy, which we are proud to be a part of.

Amongst others, one of our key performance highlights is growth of Small and Medium Scale Enterprise (SME) loan book which expanded by over 24.0% on a year-to-date basis underscoring the Bank's commitment to support the sector.

Looking ahead, we remain focused on further sharpening our strategic focus with significant groundwork underway. A broad strategic realignment is taking shape across the Bank, positioning us for sustainable growth and value creation for the benefit of our shareholders and other stakeholders in the years ahead.

As we look to the future, our commitment to Environmental, Social, and Governance (ESG) principles remains steadfast. From very early on, we have embedded sustainability into our business model, ensuring that our growth is inclusive, responsible, and aligned with the long-term well-being of our communities and stakeholders. We appreciate that this is an imperative.

I take the opportunity to extend my sincere appreciation and gratitude to all our customers for their trust and loyalty, our shareholders for their continued confidence and the staff at all levels for their relentless pursuit of excellence, and to all our other stakeholders and service providers who support us in multiple ways. Together, we remain focused on creating a future of enduring impact and shared prosperity for the benefit of all our shareholders."

STATEMENT OF PROFIT OR LOSS										
	Bank					Group				
	Period ended 30/09/2025 LKR '000	Period ended 30/09/2024 LKR '000	Change %	Quarter ended 30/09/2025 LKR '000	Quarter ended 30/09/2024 LKR '000	Period ended 30/09/2025 LKR '000	Period ended 30/09/2024 LKR '000	Change %	Quarter ended 30/09/2025 LKR '000	Quarter ended 30/09/2024 LKR '000
Gross income	72,848,382	74,179,035	(2)	25,132,294	21,750,073	75,020,557	76,013,990	(1)	26,010,881	22,352,209
Interest income	64,409,466	66,027,028	(2)	22,101,234	20,046,841	64,597,956	66,203,550	(2)	22,163,580	20,091,475
Interest expenses	38,460,075	41,638,484	(8)	13,097,543	12,154,693	38,451,187	41,591,754	(8)	13,094,550	12,123,189
Net interest income	25,949,391	24,388,544	6	9,003,691	7,892,148	26,146,769	24,611,796	6	9,069,030	7,968,286
Fee and commission income	5,863,157	5,083,132	15	2,171,468	1,723,328	7,557,654	6,575,692	15	2,806,050	2,233,028
Less: Fee and commission expenses	95,525	13,717	596	40,935	8,382	95,525	13,717	596	40,935	8,382
Net Fee and commission income	5,767,632	5,069,415	14	2,130,533	1,714,946	7,462,129	6,561,975	14	2,765,115	2,224,646
Net gain/(loss) from trading	808,896	785,946	3	230,141	215,164	808,896	785,946	3	230,141	215,164
Net gain/(loss) from financial assets at fair value through profit or loss	(42,586)	(191,365)	78	(33,805)	6,645	166,041	(6,095)	2,824	95,568	54,781
Net gains/(losses) from de-recognition of financial assets										
- at fair value through profit or loss	112,954	3,042,690	(96)	26,740	2,338,013	182,192	3,042,690	(94)	63,636	2,338,013
- at fair value through OCI	847,020	715,146	18	378,604	(2,075,045)	847,098	715,146	18	378,604	(2,075,045)
Other operating income	849,475	(1,283,542)	166	257,912	(504,873)	860,720	(1,302,939)	166	273,302	(505,207)
Total operating income	34,292,782	32,526,834	5	11,993,816	9,586,998	36,473,845	34,408,519	6	12,875,396	10,220,638
Less :Impairment charges/(reversals) on loans and other investments	5,886,295	11,049,577	(47)	1,406,429	2,652,286	5,886,295	11,035,828	(47)	1,406,429	2,647,585
Net operating income	28,406,487	21,477,257	32	10,587,387	6,934,712	30,587,550	23,372,691	31	11,468,967	7,573,053
Operating expenses										
Personnel expenses	7,410,068	6,594,563	12	2,530,272	2,251,110	8,058,364	7,210,044	12	2,771,863	2,460,132
Depreciation and amortization	850,509	807,535	5	305,050	283,991	899,418	855,551	5	321,470	310,358
Other expenses	5,608,624	4,675,881	20	1,858,042	1,546,688	6,118,034	5,183,399	18	2,021,716	1,694,915
Total operating expenses	13,869,201	12,077,979	15	4,693,364	4,081,789	15,075,816	13,248,994	14	5,115,049	4,465,405
Operating profit before tax on financial services	14,537,286	9,399,278	55	5,894,023	2,852,923	15,511,734	10,123,697	53	6,353,918	3,107,648
Less: Taxes on financial services	3,564,957	2,631,615	35	1,335,574	831,615	3,564,957	2,631,615	35	1,335,574	831,615
Operating profit after tax on financial services	10,972,329	6,767,663	62	4,558,449	2,021,308	11,946,777	7,492,082	59	5,018,344	2,276,033
Share of associate companies' profits/(losses)	-	-	-	-	-	-	-	-	-	-
Profit before taxation	10,972,329	6,767,663	62	4,558,449	2,021,308	11,946,777	7,492,082	59	5,018,344	2,276,033
Less : Income tax expenses	3,464,594	2,230,655	55	1,275,598	692,687	3,807,920	2,552,607	49	1,389,535	797,399
Profit for the period	7,507,735	4,537,008	65	3,282,851	1,328,621	8,138,857	4,939,475	65	3,628,809	1,478,634
Profit attributable to:										
Equity holders of the parent	7,507,735	4,537,008	65	3,282,851	1,328,621	8,103,183	4,918,079	65	3,615,063	1,472,093
Non controlling interests	-	-	-	-	-	35,674	21,396	67	13,746	6,541
	7,507,735	4,537,008	65	3,282,851	1,328,621	8,138,857	4,939,475	65	3,628,809	1,478,634
Basic earnings per share (in LKR)	17.63	10.68	65	7.71	3.13	19.03	11.62	64	8.49	3.48
Diluted earnings per share (in LKR)	17.63	10.68	65	7.71	3.13	19.03	11.62	64	8.49	3.48

STATEMENT OF COMPREHENSIVE INCOME										
	Period ended 30/09/2025 LKR '000	Period ended 30/09/2024 LKR '000	Change %	Quarter ended 30/09/2025 LKR '000	Quarter ended 30/09/2024 LKR '000	Period ended 30/09/2025 LKR '000	Period ended 30/09/2024 LKR '000	Change %	Quarter ended 30/09/2025 LKR '000	Quarter ended 30/09/2024 LKR '000
Profit for the period	7,507,735	4,537,008	65	3,282,851	1,328,621	8,138,857	4,939,475	65	3,628,809	1,478,634
Items that will be reclassified to statement of profit or loss										
Exchange differences on translation of foreign operations	-	-	-	-	-	3,626	(41,269)	109	2,196	(9,370)
Net Gains/(losses) on Investments in debt Instruments measured at fair value through other comprehensive income	(896,400)	(2,462,537)	64	(1,028,652)	(542,251)	(890,450)	(2,470,171)	64	(1,038,928)	(578,236)
Changes in Impairment allowance for expected credit losses	135,138	-	100	4,373	-	135,138	-	100	4,373	-
Cash flow hedge reserve-SWAP	(378,381)	(516,550)	27	77,990	(21,344)	(378,381)	(516,550)	27	77,990	(21,344)
Less :Tax expense relating to items that will be reclassified to income statements	382,434	893,726	(57)	285,199	169,078	382,434	893,726	(57)	283,645	169,078
A	(757,209)	(2,085,361)	64	(661,090)	(394,517)	(747,633)	(2,134,264)	65	(670,724)	(439,872)
Items that will not be reclassified to statement of profit or loss										
Net Gains/(losses) on investments in equity instruments measured at fair value through other comprehensive income	585,893	95,502	513	569,914	(66,578)	585,893	95,502	513	569,914	(66,578)
B	585,893	95,502	513	569,914	(66,578)	585,893	95,502	513	569,914	(66,578)
Total other comprehensive Income after Tax	(171,316)	(1,989,859)	91	(91,176)	(461,095)	(161,740)	(2,038,762)	92	(100,810)	(506,450)
Total comprehensive income for the period	7,336,419	2,547,149	188	3,191,675	867,526	7,977,117	2,900,714	175	3,528,000	972,185
attributable to:										
Equity holders of the parent	7,336,419	2,547,149	188	3,191,675	867,526	7,939,851	2,890,765	175	3,512,654	968,645
Non controlling interests	-	-	-	-	-	37,266	9,949	275	15,346	3,540
	7,336,419	2,547,149	188	3,191,675	867,526	7,977,117	2,900,714	175	3,528,000	972,185

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	BANK			Group		
	Current Year	Previous Year		Current Year	Previous Year	
	As at 30/09/2025 LKR '000	As at 31/12/2024 (Audited) LKR '000	Change %	As at 30/09/2025 LKR '000	As at 31/12/2024 (Audited) LKR '000	Change %
Assets						
Cash and cash equivalents	15,680,126	18,037,627	(13)	16,482,501	18,682,376	(12)
Balances with the Central Bank of Sri Lanka	8,951,070	8,053,358	11	8,951,070	8,053,358	11
Placements with banks	24,478,839	22,098,832	11	24,478,839	22,098,832	11
Derivative financial instruments	785,950	1,146,236	(31)	785,950	1,146,236	(31)
Financial assets recognized through profit or loss measured at fair value	1,238,990	6,776,131	(82)	4,228,645	9,905,171	(57)
Financial assets at amortised cost -loans and receivables to other customers	585,378,484	460,707,258	27	585,463,299	460,780,610	27
Financial assets at amortised cost - debt and other instruments	184,110,915	166,190,761	11	184,665,533	166,355,792	11
Financial assets measured at fair value through other comprehensive income	60,878,443	94,245,415	(35)	61,333,819	94,659,106	(35)
Investments in subsidiary companies	1,031,037	1,031,037	-	-	-	-
Investment property	-	-	-	3,107,671	3,107,671	-
Intangible assets	1,597,699	1,766,615	(10)	1,656,165	1,814,985	(9)
Property, plant & equipment	3,472,304	3,147,459	10	4,413,901	4,070,740	8
Right of use assets	1,417,926	1,260,740	12	1,459,171	1,337,042	9
Current tax assets	-	-	-	32,060	33,727	(5)
Deferred tax Assets	5,495,914	4,158,040	32	5,561,000	4,216,721	32
Other assets	10,363,881	7,066,842	47	10,975,240	7,517,853	46
Total assets	904,881,578	795,686,351	14	913,594,864	803,780,220	14
Liabilities						
Due to banks	7,755,452	4,841,342	60	7,755,452	4,841,342	60
Derivative financial instruments	144,591	344,586	(58)	144,591	344,586	(58)
Financial liabilities at amortised cost -due to depositors	702,936,153	631,682,926	11	702,581,480	631,081,461	11
Financial liabilities at amortised cost						
- due to debt securities holders	46,115,696	8,002,850	476	46,115,696	8,002,850	476
- due to other borrowers	20,713,228	22,023,798	(6)	20,713,228	22,023,798	(6)
Debt securities issued	28,181,723	33,564,708	(16)	28,181,723	33,564,708	(16)
Retirement benefit obligations	1,513,214	1,413,872	7	1,651,758	1,556,937	6
Current tax liabilities	3,273,433	5,204,643	(37)	3,625,812	5,473,755	(34)
Deferred tax liabilities	-	-	-	976,965	976,244	0
Other liabilities	11,302,159	10,860,883	4	11,744,429	11,630,328	1
Dividends payable	124,211	81,988	51	124,211	81,988	51
Total liabilities	822,059,860	718,021,596	14	823,615,345	719,577,997	14
Equity						
Stated capital	23,042,558	21,756,865	6	23,042,558	21,756,865	6
Statutory reserve fund	3,521,479	3,521,479	-	3,521,479	3,521,479	-
Retained earnings	47,690,137	43,501,855	10	53,062,048	48,276,283	10
Other reserves	8,567,544	8,884,556	(4)	8,887,230	9,188,008	(3)
Total shareholders' equity	82,821,718	77,664,755	7	88,513,315	82,742,635	7
Non controlling interests	-	-	-	1,466,204	1,459,588	0
Total equity	82,821,718	77,664,755	7	89,979,519	84,202,223	7
Total liabilities and equity	904,881,578	795,686,351	14	913,594,864	803,780,220	14
Net book value per share (LKR)	194.01	186.91	4	207.34	199.13	4
Contingent liabilities and commitments	362,421,106	288,292,666	26	363,146,428	288,367,118	26

Certification:

We hereby certify that the above financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

Azzam A. Ahamat

Vice President - Finance

We, the undersigned, being the Chairman and the Chief Executive Officer of National Development Bank PLC certify jointly that:

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.

(b) The information contained in these statements have been extracted from the unaudited financial statements of the Bank and the Group unless indicated as audited.

(Sgd.)

Sriyan Cooray

Director/ Chairman

(Sgd.)

Kelum Edirisinghe

Director/ Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY											
For the period ended 30 September	Stated Capital	Statutory reserve fund	Other Reserves					Retained earnings	Total	Non controlling interests	Total equity
			Revaluation reserve	Share based payment reserves	Fair value reserve	Cash flow hedge reserve	Special reserve ISB				
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
BANK											
Balance as at 01 January 2024	20,738,231	3,046,479	1,501,603	44,479	2,954,169	835,416	-	41,027,500	70,147,877	-	70,147,877
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	4,537,008	4,537,008	-	4,537,008
Other comprehensive income before tax	-	-	-	-	(2,367,035)	(516,550)	-	-	(2,883,585)	-	(2,883,585)
Tax on other comprehensive income	-	-	-	-	738,761	154,965	-	-	893,726	-	893,726
Total comprehensive income for the period	-	-	-	-	(1,628,274)	(361,585)	-	4,537,008	2,547,149	-	2,547,149
Transactions with equity holders											
Final dividends for year 2023 - Cash	-	-	-	-	-	-	-	(798,929)	(798,929)	-	(798,929)
Final dividends for year 2023 - Scrip	1,018,634	-	-	-	-	-	-	(1,198,393)	(179,759)	-	(179,759)
Reversal of dividends declared in prior periods	-	-	-	-	-	-	-	17,155	17,155	-	17,155
Balance as at 30 September 2024	21,756,865	3,046,479	1,501,603	44,479	1,325,895	473,831	-	43,584,344	71,733,496	-	71,733,496
Balance as at 01 January 2025	21,756,865	3,521,479	1,537,818	148,428	2,891,806	292,075	4,014,429	43,501,855	77,664,755	-	77,664,755
Total Comprehensive Income for the period											
Profit for the period	-	-	-	-	-	-	-	7,507,735	7,507,735	-	7,507,735
Other Comprehensive Income before Tax	-	-	-	-	(310,507)	(378,381)	-	135,138	(553,750)	-	(553,750)
Tax on Other Comprehensive Income	-	-	-	-	268,920	113,514	-	-	382,434	-	382,434
Total comprehensive income for the period	-	-	-	-	(41,587)	(264,867)	-	7,642,873	7,336,419	-	7,336,419
Transactions with equity holders											
Issue of Shares	224,151	-	-	(67,334)	-	-	-	-	156,817	-	156,817
Transfer to special reserve on SLISBs - Step up Bonds	-	-	-	-	-	-	137,870	(137,870)	-	-	-
Adjustment to share based payment reserves	-	-	-	(81,094)	-	-	-	-	(81,094)	-	(81,094)
Final Dividends for year 2024 - Cash	-	-	-	-	-	-	-	(2,081,455)	(2,081,455)	-	(2,081,455)
Final Dividends for year 2024 - Scrip	1,061,542	-	-	-	-	-	-	(1,248,873)	(187,331)	-	(187,331)
Reversal of dividends declared in prior periods	-	-	-	-	-	-	-	13,607	13,607	-	13,607
Balance as at 30 September 2025	23,042,558	3,521,479	1,537,818	-	2,850,219	27,208	4,152,299	47,690,137	82,821,718	-	82,821,718

STATEMENT OF CHANGES IN EQUITY											
For the period ended 30 September	Stated Capital	Statutory Reserve Fund	Other Reserves					Retained Earnings	Total	Non Controlling Interests	Total Equity
			Revaluation Reserve	Share Based Payment Reserves	Fair Value Reserve	Cash Flow Hedge Reserve	Special reserve ISB				
GROUP	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	Rs '000	LKR '000	LKR '000
Balance as at 01 January 2024	20,738,231	3,046,479	1,747,711	44,479	2,979,910	835,416	-	45,079,167	74,471,393	1,424,930	75,896,323
Total Comprehensive Income for the period											
Profit for the period	-	-	-	-	-	-	-	4,918,079	4,918,079	21,396	4,939,475
Other Comprehensive Income before Tax	-	-	-	-	(2,374,669)	(516,550)	-	(29,822)	(2,921,041)	(11,447)	(2,932,488)
Tax on Other Comprehensive Income	-	-	-	-	738,761	154,965	-	-	893,726	-	893,726
Total Comprehensive Income for the period	-	-	-	-	(1,635,908)	(361,585)	-	4,888,257	2,890,764	9,949	2,900,713
Transactions with equity holders											
Final Dividends for year 2023 : Cash	-	-	-	-	-	-	-	(798,929)	(798,929)	-	(798,929)
Final Dividends for year 2023 : Scrip	1,018,634	-	-	-	-	-	-	(1,198,393)	(179,759)	-	(179,759)
Dividend attributable to non controlling interest	-	-	-	-	-	-	-	-	-	(52,088)	(52,088)
Reversal of dividends declared in prior periods	-	-	-	-	-	-	-	17,155	17,155	-	17,155
Balance as at 30 September 2024	21,756,865	3,046,479	1,747,711	44,479	1,344,002	473,831	-	47,987,257	76,400,624	1,382,791	77,783,415
Balance as at 01 January 2025	21,756,865	3,521,479	1,815,166	148,428	2,917,910	292,075	4,014,429	48,276,283	82,742,635	1,459,588	84,202,223
Total Comprehensive Income for the period											
Profit for the period	-	-	-	-	-	-	-	8,103,183	8,103,183	35,674	8,138,857
Other Comprehensive Income before Tax	-	-	-	-	(304,557)	(378,381)	-	137,172	(545,766)	3,149	(542,618)
Tax on Other Comprehensive Income	-	-	-	-	268,920	113,514	-	-	382,434	-	382,434
Total Comprehensive Income for the period	-	-	-	-	(35,637)	(264,867)	-	8,240,355	7,939,851	38,823	7,978,673
Transactions with equity holders											
Issue of Shares	224,151	-	-	(67,334)	-	-	-	-	156,817	-	156,817
Transfer to statutory reserve fund	-	-	-	-	-	-	-	-	-	-	-
Transfer to special reserve on SLISBs - Step up Bonds	-	-	-	-	-	-	137,870	(137,870)	-	-	-
Adjustment to share based payment reserves	-	-	-	(70,812)	-	-	-	-	(70,812)	11	(70,800)
Final Dividends for year 2024 - Cash	-	-	-	-	-	-	-	(2,081,455)	(2,081,455)	-	(2,081,455)
Final Dividends for year 2024 - Scrip	1,061,542	-	-	-	-	-	-	(1,248,873)	(187,331)	-	(187,331)
Dividend attributable to non controlling interest	-	-	-	-	-	-	-	-	-	(32,218)	(32,218)
Reversal of dividends declared in prior periods	-	-	-	-	-	-	-	13,607	13,607	-	13,607
Balance as at 30 September 2025	23,042,558	3,521,479	1,815,166	10,282	2,882,273	27,208	4,152,299	53,062,048	88,513,315	1,466,204	89,979,519

STATEMENT OF CASH FLOW				
For the period ended 30 September	BANK		GROUP	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Cash flows from operating activities				
Interest received	66,364,913	70,519,436	66,500,814	70,633,995
Fee based income received	5,767,633	5,313,838	7,432,549	6,823,771
Dividend income received	158,819	105,854	151,558	155,245
Other Operating income received	2,456,954	(850,310)	2,522,467	(784,522)
Interest paid	(38,301,099)	(50,199,048)	(38,292,357)	(50,198,823)
Personnel costs paid	(7,169,575)	(6,359,813)	(7,726,478)	(6,914,458)
Other expenses paid	(6,236,572)	(5,172,282)	(6,890,073)	(5,720,314)
Operating profit before changes in operating assets and liabilities	23,041,073	13,357,675	23,698,480	13,994,894
(Increase)/decrease in operating assets				
Deposits held for regulatory or monetary control purposes	(897,713)	(1,965,672)	(897,713)	(1,965,672)
Financial Assets at amortised cost -loans and receivables to other customers	(131,856,445)	(19,330,057)	(131,856,445)	(19,330,057)
Net (increase)/decrease in operating assets	(3,154,994)	555,578	(3,277,768)	549,158
(Increase)/decrease in operating liabilities				
Financial liabilities at amortised cost - due to depositors	72,809,625	4,947,031	73,056,417	5,076,982
Financial liabilities at amortised cost - due to debt securities holders	38,112,846	(4,026,746)	38,112,846	(4,026,746)
Financial liabilities at amortised cost - due to other borrowers	2,964,788	(7,273,642)	2,964,788	(7,273,642)
Repayment of principal portion of lease liabilities	(402,234)	(237,241)	(579,943)	(243,617)
Net increase/(decrease) in other liabilities	(1,533,948)	776,687	(1,570,574)	994,711
Net cash generated/(used in) from operating activities before taxation	(917,002)	(13,196,387)	(349,912)	(12,223,989)
Tax on Financial Services paid	(1,124,674)	(2,347,184)	(1,124,674)	(2,347,184)
Income taxes paid	(6,832,033)	(5,318,626)	(7,090,292)	(5,566,629)
Net cash generated/(used in) from operating activities	(8,873,709)	(20,862,197)	(8,564,878)	(20,137,802)
Cash flows from investing activities				
Net changes in financial investments	19,834,996	13,269,885	19,842,822	12,700,930
Purchase of Intangible assets	-	(161,256)	(24,717)	(161,256)
Purchase of property, plant & equipment	(861,880)	(243,283)	(964,002)	(294,427)
Proceeds from sale of property, plant & equipment	3,837	3,731	3,863	3,742
Net cash generated /(used in) from investing activities	18,976,953	12,869,077	18,857,966	12,248,989
Cash flows from financing activities				
Proceeds from issue of ordinary of shares	163,028	-	163,028	-
Repayment of debt securities issued	(6,500,000)	(5,561,200)	(6,500,000)	(1,279,534)
Proceeds from debt securities issued	-	5,000,000	-	5,000,000
Interest paid on debts securities issued	(1,959,608)	(1,279,534)	(1,959,608)	(5,561,200)
Dividends paid to non-controlling interests	-	-	(32,218)	-
Dividends paid to shareholders of the Bank	(1,745,764)	(691,480)	(1,745,764)	(691,480)
Net cash provided by /(used in) financing activities	(10,042,344)	(2,532,214)	(10,074,562)	(2,532,214)
Net increase in cash and cash equivalents	60,900	(10,525,334)	218,526	(10,421,027)
Cash and cash equivalents at the beginning of the period	40,136,459	61,844,117	40,781,208	62,324,278
Cash and cash equivalents at the end of the period	40,197,359	51,318,783	40,999,734	51,903,251
Reconciliation of cash and cash equivalents				
Cash and cash equivalents	15,680,126	36,811,966	16,482,501	37,396,434
Placements with banks	24,478,839	14,468,790	24,478,839	14,468,790
Cash and cash equivalents at the end of the period (Net)	40,158,965	51,280,756	40,961,340	51,865,224
Add: Impairment allowance	38,394	38,027	38,394	38,027
Cash and cash equivalents at the end of the period (Gross)	40,197,359	51,318,783	40,999,734	51,903,251

SEGMENTAL ANALYSIS- GROUP										
For the period ended 30 September										
	Banking		Capital Markets		Property Investment		Others		Consolidated	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Revenue										
Interest Income	64,409,466	66,027,028	179,602	127,465	-	2,566	-	-	64,589,068	66,157,059
Fee and commission income	5,863,157	5,083,132	1,411,397	1,275,682	152,202	114,877	40,794	33,727	7,467,550	6,507,418
Net gain/(loss) from trading	808,896	785,946	-	-	-	-	-	-	808,896	785,946
Net gain/(loss) from financial assets at fair value through profit or loss	(42,586)	523,781	208,627	185,270	-	-	-	-	166,041	709,051
Net gains/(losses) from derecognition of financial assets - Fair Value through Profit or Loss	112,954	2,327,544	69,238	-	-	-	-	-	182,192	2,327,544
Net gains/(losses) from derecognition of financial assets - Fair Value Through Other Comprehensive Income	847,020	715,146	78	-	-	-	-	-	847,098	715,146
Other Operating Income	849,475	(1,283,542)	11,245	(19,397)	-	-	-	-	860,720	(1,302,939)
Total revenue from external customers	72,848,382	74,179,035	1,880,187	1,569,020	152,202	117,443	40,794	33,727	74,921,566	75,899,224
Inter-segment Revenue	-	-	38,181	60,540	60,810	54,226	-	-	98,991	114,766
Total Revenue	72,848,382	74,179,035	1,918,369	1,629,560	213,012	171,668	40,794	33,727	75,020,557	76,013,990
Impairment (charge) /reversal for										
Loans & other losses	(5,886,295)	(11,035,828)	-	-	-	-	-	-	(5,886,295)	(11,035,828)
Segment expenses	(52,402,606)	(53,670,143)	(1,160,567)	(1,113,791)	(28,519)	(30,201)	(30,834)	(40,329)	(53,622,526)	(54,854,464)
Total segment expenses	(58,288,901)	(64,705,971)	(1,160,567)	(1,113,791)	(28,519)	(30,201)	(30,834)	(40,329)	(59,508,823)	(65,890,294)
Inter-segment expenses	-	-	-	-	-	-	-	-	-	-
Segment results	14,559,481	9,473,064	757,802	515,769	184,493	141,467	9,960	(6,602)	15,511,734	10,123,697
Income tax expenses	-	-	-	-	-	-	-	-	3,807,920	2,552,607
Taxes on financial services	-	-	-	-	-	-	-	-	3,564,957	2,631,615
Profit after taxation									8,138,857	4,939,475
Other information										
Segment assets	904,841,880	763,192,196	4,653,390	3,722,215	4,034,437	3,657,658	65,157	63,043	913,594,864	770,635,112
Consolidated total assets									913,594,864	770,635,112
Segment liabilities	821,697,133	690,993,997	927,211	841,161	965,341	985,296	25,660	31,245	823,615,345	692,851,699
Consolidated total liabilities									823,615,345	692,851,699
Segmental Cash flows										
Cash flows from operating activities	(8,873,709)	(20,862,197)	278,050	709,965	31,597	42,632	(816)	(28,202)	(8,564,878)	(20,137,802)
Cash flows from investing activities	18,976,953	12,869,077	(147,885)	(564,746)	28,898	(55,342)	-	-	18,857,966	12,248,989
Cash flows from financing activities	(10,042,344)	(2,532,214)	45,630	-	(77,848)	-	-	-	(10,074,562)	(2,532,214)

Notes to the Financial Statements

- 1 The figures are extracted from the unaudited financial statements of the Bank and the Group.
The financial statements of the Bank and the Group have been prepared based on the accounting policies and methods which is in line with the requirements of Sri Lanka Accounting Standards (SLFRS / LKAS) issued by the Institute of Chartered Accountants of Sri Lanka.
There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report.
- 2 These Financial Statements also comply with Sri Lanka Accounting Standard (LKAS) 34 - "Interim Financial Reporting" and provided the information as required in terms of Rule 7.4 of the Colombo Stock Exchange and Circular No 05 of 2024 of Central Bank of Sri Lanka.
- 3 **Expected Credit Losses**
The Bank assessed the Expected Credit Losses (ECL) of credit facilities based on two approaches of individual and collective basis. The customers who have been identified as individually significant were assessed under individual basis and they were staged based on the identified indicators of increase in credit risks.
The Expected Credit Losses assessed on collective impairment approach were based on Probability of Default (PD), Loss Given Default (LGD) and the Economic Factor Adjustment (EFA) by applying the recent forecasts and projections. Further, the Bank has accounted for management overlays to mitigate any expected losses by downgrading the staging of facilities included in the identified risk elevated industries where necessary to capture significant increases in credit risk due to stressed economic conditions.
- 4 From total debt investment portfolio, the Bank has reclassified the Debt portfolio amounting to LKR 37.7 Bn, consisting of Sri Lanka Government Treasury Bonds of LKR 32.6 Bn and Sri Lanka USD Sovereign Bonds of USD 14 Mn held as "Fair Value through Other Comprehensive Income" to "Amortised cost" with effect from 01 April 2022. This reclassification is a one-time event in accordance with the Statement of Alternative Treatment (SoAT) on reclassification of debt portfolio issued by the Institute of Chartered Accountants of Sri Lanka and in line with the requirements of the SLFR 9-Financial Instruments paragraph 5.6.5. Sri Lanka USD Sovereign Bonds has been restructured in December 2024.
If these investments continued to be carried at fair value through other comprehensive income, the fair value of the remaining portfolio as at 30 September 2025 would have amounted to LKR 2.9 Bn and would have resulted in the recognition of fair value gain of LKR 104.5 Mn in other comprehensive income during the period.
- 5 **Dividends**
On 03 March 2025, the Board of Directors approved and declared a final Dividend of LKR 8.00 per share, of which LKR 5.00 was in the form of cash dividend and the balance LKR 3.00 was in the form of scrip dividend for the financial year ended 31 December 2024. Accordingly 9,415,842 ordinary voting shares have been listed as scrip dividends on 24 March 2025. As a result, the stated capital of the Bank increased to LKR 22.9 Bn (31 December 2024 - LKR 21.7 Bn).
- 6 **Special Customer Arrangements within Loans, Advances, and Deposits (Notional Pooling Arrangements)**
As at the reporting date, the Bank's portfolio of loans & advances, and deposits includes a total amount of LKR 46.8 billion (2024 year-end: LKR19.6 billion), which has been received from customer(s) under a special arrangement. This amount represents funds held on behalf of customer(s) in respect of a potential netting arrangement, wherein both lending and deposit positions are maintained concurrently. These arrangements are subject to specific contractual terms that may allow for netting of obligations between the Bank and the customer(s) in the event of certain trigger events.
- 7 There were no other events that require adjustment to the Financial Statements or disclosure in the Financial Statements that has occurred subsequent to the date of the Statement of the Financial Position of the Bank and the Group.

Notes to the Financial Statements

8. ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 30 SEPTEMBER 2025

8.1 Product wise Gross Loans and Receivables

By product-Domestic Currency

	Bank		Group	
	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000
Term loans	104,222,145	100,672,026	104,222,145	100,672,026
Medium and short term loans	93,375,376	84,404,438	93,375,376	84,404,438
Overdrafts	66,674,102	59,944,846	66,674,102	59,944,846
Trade Finance	28,152,974	18,928,605	28,152,974	18,928,605
Consumer loans	57,919,078	46,510,957	57,919,078	46,510,957
Lease rentals receivable and Hire Purchase	25,575,747	22,666,898	25,575,747	22,666,898
Housing loans	16,893,114	16,885,775	16,893,114	16,885,775
Pawning	26,093,028	16,370,797	26,093,028	16,370,797
Islamic Banking facilities	17,006,607	10,003,994	17,006,607	10,003,994
Credit cards	8,801,925	8,670,182	8,801,925	8,670,182
AF Loans	7,865,600	1,916,540	7,865,600	1,916,540
Staff loans	3,599,311	3,292,370	3,684,127	3,365,722
Sub total	456,179,007	390,267,428	456,263,822	390,340,780

By product-Foreign Currency

Term loans	77,467,049	38,617,146	77,467,049	38,617,146
Overdrafts	31,268,492	7,357,932	31,268,492	7,357,932
Medium and short term loans	25,363,724	26,288,947	25,363,724	26,288,947
Trade Finance	39,572,176	39,341,594	39,572,176	39,341,594
Islamic Banking facilities	7,073,792	7,861,113	7,073,792	7,861,113
Housing loans	16,270	42,870	16,270	42,870
Sub total	180,761,504	119,509,603	180,761,504	119,509,603
Total	636,940,511	509,777,031	637,025,326	509,850,383

8.2 Product wise commitments and contingencies considered for Impairment

By product- Domestic Currency

	Bank		Group	
	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000
Guarantees	37,364,650	41,450,872	37,339,995	41,046,086
Performance Bonds	7,929,250	8,185,025	7,929,250	8,185,025
Documentary Credits	1,408,466	935,008	1,408,466	935,008
Acceptances	684,637	391,671	684,637	391,671
Undrawn commitments	168,621,964	145,480,200	168,621,964	145,230,200
Sub Total	216,008,967	196,442,776	215,984,312	195,787,990

By product- Foreign Currency

Guarantees	7,141,505	4,022,566	7,141,505	4,022,566
Performance Bonds	1,312,256	2,602,881	1,312,256	2,602,881
Documentary Credits	23,342,811	8,922,803	23,342,811	8,922,803
Acceptances	10,358,340	8,301,696	10,358,340	8,301,696
Undrawn commitments	1,391,523	1,160,231	2,141,500	1,889,469
Sub Total	43,546,435	25,010,177	44,296,412	25,739,415
Total	259,555,402	221,452,953	260,280,724	221,527,405

Gross loans and advances ,Commitments and Contingencies

(Less): Accumulated impairment under stage 1	7,634,669	6,095,524	7,634,669	6,095,524
Accumulated impairment under stage 2	3,845,952	5,394,651	3,845,952	5,394,651
Accumulated impairment under stage 3	42,356,418	39,443,878	42,356,418	39,443,878
Net value of loans and advances, commitments and contingencies	842,658,874	680,295,931	843,469,012	680,443,735

	Bank		Group	
	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000
8.3 Movement of impairment during the period				
Under stage 1				
Balance at 1 January	6,095,524	4,751,122	6,095,524	4,751,122
Charge/(Write back) to Statement of Profit or Loss	1,539,145	1,344,402	1,539,145	1,344,402
Write-off during the period	-	-	-	-
Closing balance	7,634,669	6,095,524	7,634,669	6,095,524
Under stage 2				
Balance at 1 January	5,394,651	6,307,902	5,394,651	6,307,902
Charge/(Write back) to Statement of Profit or Loss	(1,548,699)	(913,251)	(1,548,699)	(913,251)
Write-off during the period	-	-	-	-
Closing balance	3,845,952	5,394,651	3,845,952	5,394,651
Under stage 3				
Balance at 1 January	39,443,878	34,009,586	39,443,878	34,009,586
Charge/(Write back) to Statement of Profit or Loss	5,664,135	12,854,071	5,664,135	12,854,071
Write-off during the period	(2,751,596)	(7,419,779)	(2,751,596)	(7,419,779)
Other movement	-	-	-	-
Closing balance	42,356,418	39,443,878	42,356,418	39,443,878

9. ANALYSIS OF DEPOSITS	Bank		Group	
	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000	As at 30/09/2025 LKR '000	As at 31/12/2024 LKR '000
Due to Other Customers - By product				
By product-Domestic Currency				
Demand deposits	47,756,147	42,852,398	47,731,720	42,804,180
Savings deposits	90,596,867	81,378,640	90,467,866	81,016,288
Time deposits	351,828,976	346,074,563	351,663,398	345,910,656
Other deposits	1,601,069	997,857	1,601,069	997,857
Sub total	491,783,059	471,303,458	491,464,053	470,728,981
By product- Foreign Currency				
Demand deposits	40,794,413	10,270,852	40,794,392	10,269,393
Savings deposits	22,264,400	22,109,701	22,234,123	22,089,374
Time deposits	147,790,496	127,545,145	147,785,128	127,539,942
Other deposits	303,784	453,770	303,784	453,770
Sub total	211,153,094	160,379,468	211,117,427	160,352,480
Total	702,936,153	631,682,926	702,581,480	631,081,461

Selected Performance Indicators (As per regulatory Reporting)	BANK		GROUP	
	As at 30/09/2025	As at 31/12/2024	As at 30/09/2025	As at 31/12/2024
Regulatory Capital Adequacy (LKR '000)				
Common Equity Tier 1 Capital	61,341,726	62,094,115	65,313,101	66,298,084
Tier 1 Capital	61,341,726	62,094,115	65,313,101	66,298,084
Total Capital	81,890,538	86,665,636	85,746,087	90,776,819
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 7%)	11.54	13.68	12.03	14.24
Tier 1 Capital Ratio (Minimum Requirement - 8.5%)	11.54	13.68	12.03	14.24
Total Capital Ratio (Minimum Requirement - 12.5%)	15.41	19.09	15.79	19.50
Basel III Leverage Ratio (Minimum Requirement - 3%)	6.51	7.46	6.87	7.89
Regulatory Liquidity				
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement 100%)	343.32	358.12	N/A	N/A
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement 100%)	226.64	308.26	N/A	N/A
Net stable Funding Ratio (%) (Minimum Requirement 100%)	136.10	152.43	N/A	N/A
Asset Quality (Quality of the Loan Portfolio)				
Impaired Loans (Stage 3) to Total Loans Ratio (%)	4.45	5.18	4.45	5.18
Impairment (stage 3) to Stage 3 loans Ratio (%)	55.58	54.48	55.58	54.48
Income and Profitability				
Earnings Per Share (annualised) (LKR)	23.41	21.25	25.28	23.05
Return on Equity (%)	12.42	12.22	12.57	12.46
Return on Average Assets (after Tax (%))	1.17	1.15	1.25	1.23
Return on Average Assets (before Tax (%))	2.27	3.09	2.40	3.23
Net interest margin (%)**	4.08	4.34	4.07	4.34
Cost to Income Ratio (%)	40.44	36.91	41.33	38.04
Debt Security - Related Ratios				
Interest Cover (Times)	1.67	1.64	1.68	1.64
Debt to Equity (Times)	9.73	9.01	9.10	8.45
Memorandum Information				
Credit Rating	A(lka) / Stable Outlook	A(lka) / Stable Outlook	N/A	N/A
Number of Employees	2,851	2,920	N/A	N/A
Number of Branches	113	113	N/A	N/A

** Net Interest Margin excluding special customer arrangements within loans, Advances and Deposits (Notional Pooling) would have been 4.25% (2024 year end 4.45%)

MEASUREMENT OF FINANCIAL INSTRUMENTS AS AT 30 SEP 2025 - BANK (LKR '000)

	At fair value through profit or loss	At amortised cost	At fair value through Other comprehensive income	Others	Total
ASSETS					
Cash and cash equivalents	-	15,680,126	-	-	15,680,126
Balances with the Central Bank of Sri Lanka	-	8,951,070	-	-	8,951,070
Placements with banks	-	24,478,839	-	-	24,478,839
Derivative Financial Instruments	785,950	-	-	-	785,950
Financial assets recognized through profit or loss measured at fair value	1,238,990	-	-	-	1,238,990
Financial assets at amortised cost -loans and receivables to other customers	-	585,378,484	-	-	585,378,484
Financial Assets at amortised cost - debt and other instruments	-	184,110,915	-	-	184,110,915
Financial assets measured at fair value through other comprehensive income	-	-	60,878,443	-	60,878,443
Other Financial Assets	-	1,362,264	-	-	1,362,264
Total Financial Assets	2,024,940	819,961,698	60,878,443	-	882,865,081

	At fair value through profit or loss	Amortized cost	Total
LIABILITIES			
Due to Banks	-	7,755,452	7,755,452
Derivative Financial Instruments	144,591	-	144,591
Financial Liabilities at amortised cost -due to depositors	-	702,936,153	702,936,153
Financial Liabilities at amortised cost			
- due to debt securities holders	-	46,115,696	46,115,696
- due to other borrowers	-	20,713,228	20,713,228
Debt securities issued	-	28,181,723	28,181,723
Other Financial Liabilities	-	3,439,832	3,439,832
Total Financial Liabilities	144,591	809,142,084	809,286,675

MEASUREMENT OF FINANCIAL INSTRUMENTS AS AT 30 SEP 2025 - GROUP (LKR '000)

	At fair value through profit or loss	At amortised cost	At fair value through Other comprehensive income	Others	Total
ASSETS					
Cash and cash equivalents	-	16,482,501	-	-	16,482,501
Balances with the Central Bank of Sri Lanka	-	8,951,070	-	-	8,951,070
Placements with banks	-	24,478,839	-	-	24,478,839
Derivative Financial Instruments	785,950	-	-	-	785,950
Financial assets recognized through profit or loss measured at fair value	4,228,645	-	-	-	4,228,645
Financial assets at amortised cost -loans and receivables to other customers	-	585,463,299	-	-	585,463,299
Financial Assets at amortised cost - debt and other instruments	-	184,665,533	-	-	184,665,533
Financial Assets measured at fair value through Other comprehensive income	-	-	61,333,819	-	61,333,819
Other Financial Assets	-	1,636,900	-	-	1,636,900
Total Financial Assets	5,014,595	821,678,142	61,333,819	-	888,026,556

	At fair value through profit or loss	Amortized cost	Total
LIABILITIES			
Due to Banks	-	7,755,452	7,755,452
Derivative Financial Instruments	144,591	-	144,591
Financial Liabilities at amortised cost -due to depositors	-	702,581,480	702,581,480
Financial Liabilities at amortised cost			
- due to debt securities holders	-	46,115,696	46,115,696
- due to other borrowers	-	20,713,228	20,713,228
Debt securities issued	-	28,181,723	28,181,723
Other Financial Liabilities	-	3,877,279	3,877,279
Total Financial Liabilities	144,591	809,224,858	809,369,449

MEASUREMENT OF FINANCIAL INSTRUMENTS AS AT 31 DECEMBER 2024 - BANK (LKR '000)

	At fair value through profit or loss	At amortised cost	comprehensive income	Others	Total
ASSETS					
Cash and cash equivalents	-	18,037,627	-	-	18,037,627
Balances with the Central Bank of Sri Lanka	-	8,053,358	-	-	8,053,358
Placements with banks	-	22,098,832	-	-	22,098,832
Derivative Financial Instruments	1,146,236	-	-	-	1,146,236
Financial assets recognized through profit or loss measured at fair value	6,776,131	-	-	-	6,776,131
Financial assets at amortised cost -loans and receivables to other customers	-	460,707,258	-	-	460,707,258
Financial Assets at amortised cost - debt and other instruments	-	166,190,761	-	-	166,190,761
Financial assets measured at fair value through other comprehensive income	-	-	94,245,415	-	94,245,415
Other Financial Assets	-	1,362,264	-	-	1,046,533
Total Financial Assets	7,922,367	676,134,369	94,245,415	-	778,302,151

	At fair value through profit or loss	Amortized cost	Total
LIABILITIES			
Due to Banks	-	4,841,342	4,841,342
Derivative Financial Instruments	344,586	-	344,586
Financial Liabilities at amortised cost -due to depositors	-	631,682,926	631,682,926
Financial Liabilities at amortised cost			
- due to debt securities holders	-	8,002,850	8,002,850
- due to other borrowers	-	22,023,798	22,023,798
Debt securities issued	-	33,564,708	33,564,708
Other Financial Liabilities	-	3,439,832	2,467,698
Total Financial Liabilities	344,586	702,583,322	702,927,908

MEASUREMENT OF FINANCIAL INSTRUMENTS AS AT 31 DECEMBER 2024 - GROUP (LKR '000)

	At fair value through profit or loss	At amortised cost	At fair value through Other comprehensive income	Others	Total
ASSETS					
Cash and cash equivalents	-	18,682,376	-	-	18,682,376
Balances with the Central Bank of Sri Lanka	-	8,053,358	-	-	8,053,358
Placements with banks	-	22,098,832	-	-	22,098,832
Derivative Financial Instruments	1,146,236	-	-	-	1,146,236
Financial assets recognized through profit or loss measured at fair value	9,905,171	-	-	-	9,905,171
Financial assets at amortised cost -loans and receivables to other customers	-	460,780,610	-	-	460,780,610
Financial Assets at amortised cost - debt and other instruments	-	166,355,792	-	-	166,355,792
Financial Assets measured at fair value through Other comprehensive income	-	-	94,659,106	-	94,659,106
Other Financial Assets	-	1,321,169	-	-	1,321,169
Total Financial Assets	11,051,407	677,292,137	94,659,106	-	783,002,650

	At fair value through profit or loss	Amortized cost	Total
LIABILITIES			
Due to Banks	-	4,841,342	4,841,342
Derivative Financial Instruments	344,586	-	344,586
Financial Liabilities at amortised cost -due to depositors	-	631,081,461	631,081,461
Financial Liabilities at amortised cost			
- due to debt securities holders	-	8,002,850	8,002,850
- due to other borrowers	-	22,023,798	22,023,798
Debt securities issued	-	33,564,708	33,564,708
Other Financial Liabilities	-	2,905,145	2,905,145
Total Financial Liabilities	344,586	702,419,304	702,763,890

FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Values of Financial Instruments are determined according to the following hierarchy as described below:

Level 1 - quoted market price (unadjusted): financial instruments with quoted prices in active markets

Level 2 - valuation techniques using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments are valued using models where all significant inputs are observable.

Level 3 - valuation techniques with significant unobservable inputs: This category includes all instruments valued using valuation techniques where one or more significant inputs are unobservable.

There were no material transfers between levels of fair value hierarchy during the current period of 2025. The Bank did not changed the valuation models and assumptions used to measure the fair values of Level 03 financial instruments during the year ended 31 December 2024.

FINANCIAL ASSETS & LIABILITIES MEASURED AT FAIR VALUE - FAIR VALUE HIERARCHY

Bank	2025				2024			
	Fair Value Measurement Using				Fair Value Measurement Using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	Level 1 30/09/2025 LKR '000	Level 2 30/09/2025 LKR '000	Level 3 30/09/2025 LKR '000	30/09/2025 LKR '000	Level 1 31/12/2024 LKR '000	Level 2 31/12/2024 LKR '000	Level 3 31/12/2024 LKR '000	31/12/2024 LKR '000
Financial Assets								
Derivative Financial Instruments	-	785,950	-	785,950	-	1,146,236	-	1,146,236
Financial assets recognized through profit or loss measured at fair value	1,238,990	-	-	1,238,990	6,776,131	-	-	6,776,131
Financial assets measured at fair value through other comprehensive income	56,826,397	3,894,653	157,393	60,878,443	89,393,791	5,222,888	167,713	94,245,415
Total Financial Assets	58,065,387	4,680,603	157,393	62,903,383	96,169,922	6,369,124	167,713	102,167,782
Financial Liabilities								
Derivative Financial Instruments	-	144,591	-	144,591	-	344,586	-	344,586
Total Financial Liabilities	-	144,591	-	144,591	-	344,586	-	344,586

Group	2025				2024			
	Fair Value Measurement Using				Fair Value Measurement Using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	Level 1 30/09/2025 LKR '000	Level 2 30/09/2025 LKR '000	Level 3 30/09/2025 LKR '000	30/09/2025 LKR '000	Level 1 31/12/2024 LKR '000	Level 2 31/12/2024 LKR '000	Level 3 31/12/2024 LKR '000	31/12/2024 LKR '000
Financial Assets								
Derivative Financial Instruments	-	785,950	-	785,950	-	1,146,236	-	1,146,236
Financial assets recognized through profit or loss measured at fair value	3,768,539	-	460,106	4,228,645	9,353,282	-	464,042	9,905,171
Financial assets measured at fair value through other comprehensive income	57,084,484	4,091,942	157,393	61,333,819	89,856,944	5,381,379	167,713	94,659,106
Total Financial Assets	60,853,023	4,877,892	617,499	66,348,414	99,210,226	5,942,173	631,755	105,710,513
Financial Liabilities								
Derivative Financial Instruments	-	144,591	-	144,591	-	344,586	-	344,586
Total Financial Liabilities	-	144,591	-	144,591	-	344,586	-	344,586

SHARE INFORMATION
SHARE PRICE

As at	30/09/2025	31/12/2024
Number of shares	426,889,457	415,513,426
Last traded price (LKR)	142.00	113.25
For the quarter ended	30/09/2025	31/12/2024
Highest price per share (LKR)	149.50	114.00
Lowest price per share (LKR)	114.75	76.00

TOP 20 REGISTERED SHAREHOLDERS OF NATIONAL DEVELOPMENT BANK PLC AS AT 30.09.2025

	Name	Number of Shares	%
1	STANDARD CHARTERED BANK MAURITIUS S/A NORFUND	42,448,674	9.94
2	EMPLOYEE'S PROVIDENT FUND	40,384,935	9.46
3	BANK OF CEYLON NO. 1 ACCOUNT	33,772,098	7.91
4	RICHARD PIERIS AND CO LTD A/C NO.01	26,362,399	6.18
5	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	25,823,505	6.05
6	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	21,469,210	5.03
7	COMMERCIAL BANK OF CEYLON PLC/METROCORP (PVT) LTD	20,412,310	4.78
8	MR. Y.S.H.I. SILVA	17,461,045	4.09
9	EMPLOYEES TRUST FUND BOARD	14,412,776	3.38
10	BNYM RE-TERRA GLOBAL OPPORTUNITY FUND, L.P	13,615,405	3.19
11	DR. S. YADDEHIGE	11,974,368	2.81
12	HATTON NATIONAL BANK PLC A/C NO 1	11,778,400	2.76
13	PERPETUAL TREASURIES LIMITED	10,395,291	2.44
14	SBI VEN HOLDINGS PTE LTD	10,314,556	2.42
15	AKBAR BROTHERS PVT LTD A/C NO 1	5,752,412	1.35
16	HNB INVESTMENT BANK (PVT) LTD/ MR. ELAYATHAMBY THAVAGNANASOORIYAM & MR. ELAYATHAMBY THAVAGNANA SUNDRAM	5,110,252	1.20
17	ARPICO INSURANCE PLC-SHARE HOLDERS	4,039,426	0.95
18	PEOPLE'S LEASING & FINANCE PLC/MR. D. SCHAFTER	3,429,114	0.80
19	BNYM RE-WORLDWIDE OPPORTUNITY FUND (CAYMAN) LTD	3,403,850	0.80
20	PERPETUAL EQUITIES (PRIVATE) LIMITED	3,013,599	0.71

PUBLIC HOLDING PERCENTAGE

	As at 30/09/2025
Float adjusted Market Capitalization in LKR ('000)	49,537,277
Percentage of shares held by the public	81.72%
Number of public shareholders	14,082
Option under which the Bank complies with the minimum Public Holding requirement	Option 1

DIRECTORS' INTEREST IN SHARES OF NDB AS AT 30.09.2025

Name	No. of shares
MR. SRIYAN COORAY	-
MR. BERNARD SINNIH	-
MR. SUJEEWA MUDALIGE	-
MR. KUSHAN D'ALWIS, PC	-
MS. KASTURI CHELLARAJA	-
MS. SHWETA PANDEY	-
MR. HASITHA PREMARATNE	-
MR. KELUM EDIRISINGHE	-
MR. SANJAYA MOHOTTALA	-

Rated unsecured subordinated redeemable debentures

INFORMATION ON DEBENTURES- BANK											
Type of Debenture	CSE Listing	Interest payable frequency	Balance as at 30 Sep 2025 LKR mn	Market Value			Interest Rate		Interest rate of comparable Govt. Security %	Other ratios as at last trade	
				Highest LKR	Lowest LKR	Period end LKR	Coupon Rate %	Effective Annual Yield %		Interest Yield %	Yield To Maturity %
Fixed rate - Debenture December 2024 A- Dec 2024/Dec 2029 B- Dec 2024/Dec 2029	Listed	Annually Quarterly	5,006 468	Not traded during the quarter Not traded during the quarter			13.00 12.41	12.30 12.31	10.75	Not traded during the quarter Not traded during the quarter	
Fixed rate - Debenture September 2024 A- Sep 2024/Sep 2029 B- Sep 2024/Sep 2029 C- Sep 2024/Sep 2029	Listed	Annually Semi-annually Quarterly	3,931 822 268	Not traded during the quarter Not traded during the quarter Not traded during the quarter			13.25 12.84 12.64	12.52 12.52 12.53	12.98	Not traded during the quarter Not traded during the quarter Not traded during the quarter	
Fixed rate - Debenture December 2023 A- Dec 2023/Dec 2028 B - Dec 2023/Dec 2028	Listed	Annually Quarterly	3,725 1,675	Not traded during the quarter Not traded during the quarter			15.00 14.22	14.05 14.05	14.52	Not traded during the quarter Not traded during the quarter	
Fixed rate - Debenture November 2021 A- Nov 2021/Nov 2026 B- Nov 2021/Nov 2028	Listed	Semi-annually Semi-annually	8,207 121	Not traded during the quarter Not traded during the quarter			11.90 12.00	11.66 11.73	11.14 11.61	Not traded during the quarter Not traded during the quarter	
Fixed rate - Debenture December 2013 D - Dec 2013/Dec 2025	Listed	Annually	3,959	Not traded during the quarter			14.00	13.26	12.09	Not traded during the quarter	
Total Debentures											
Debentures redeemed within the period ended 30 September 2025											
Fixed rate - Debenture September 2020 Sep 2020/ Sep 2025 - Redeemed on 24 September 2025 - Capital amount - LKR. 6.5 Bn	Listed	Annually	Nil	Not traded during the quarter			9.50	9.16	6.57	Not traded during the quarter	

Important Dates - 3Q 2025 - Financial Results Release

Event	Date
Financial statements released to the Colombo Stock Exchange, together with a Performance Commentary	04 November 2025
Investor Webinar	12 November 2025
Updates to the investor relations web page within the Bank's corporate website www.ndbbank.com	04 November 2025
Edited Transcript and video playback of the Investor webinar released/ uploaded to the Bank's website	Within 10 working days from the date of the webinar
Financial statements published in selected newspapers in the three languages of Sinhala, Tamil and English	14 November 2025

Corporate Information

Name National Development Bank PLC Legal Form Established under the National Development Bank of Sri Lanka Act No. 02 of 1979 and incorporated as a Company under the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 07 of 2007 and also licensed as a Licensed Commercial Bank in terms of the Banking Act No. 30 of 1988 as amended from time to time.	Head Office/Registered Office No. 40, Nawam Mawatha, Colombo 02, Sri Lanka Tel: +94 11 2448448 Fax: +94 11 2305031 SWIFT Code: NDBSLKLX Web Page: www.ndbbank.com E-mail: contact@ndbbank.com VAT Registration No.: 409000266-7000 Credit Rating: Long-term National Rating: A(lka)/ Stable Outlook Fitch Ratings Lanka Limited
Registration No. PQ 27 Accounting Year End 31 December	Auditors M/s Ernst & Young, Rotunda Towers, No. 109, Galle Road, Colombo 03 Company Secretary: Ms. Shehani Ranasinghe - Vice President Compliance Officer: Ms. Vidisha Jayawardena - Vice President
Board of Directors Mr. Sriyan Cooray - Chair, Board of Directors Mr. Kelum Edirisinghe - Director/Chief Executive Officer Mr. Bernard Sinniah - Director Mr. Sujeewa Mudalige - Director Mr. Kushan D'Alwis, PC - Director Ms. Kasturi Chellaraja - Director Ms. Shweta Pandey - Director Mr. Hasitha Premaratne- Director Mr. Sanjaya Mohottala -Director	Subsidiary Companies NDB Capital Holdings Limited NDB Capital Limited (Bangladesh) Development Holdings (Private) Limited NDB Investment Bank Limited NDB Wealth Management Limited NDB Securities (Private) Limited NDB Zephyr Partners Limited (Mauritius) NDB Zephyr Partners Lanka (Private) Limited Ayojana Fund (Private) Limited (Under liquidation)
Investor Relations - Contact Details	
Company Secretarial Unit Ms. Shehani Ranasinghe Vice President - Company Secretary Email: shehani.ranasinghe@ndbbank.com Tel.: +94 (0)11 2448448 Ext: 35013	Investor Relations Team Mr. Azzam A Ahamat Vice President - Finance Email: azzam.ahamat@ndbbank.com investor.relations@ndbbank.com Tel.: +94(0)11 2448448 Ext: 35301



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