INTERIM
FINANCIAL STATEMENTS

For the Period ended 30th September 2026

Rating 'A (lka)'

Merchant Bank of Sri Lanka & Finance PLC

Co.Reg.No. PQ10

Merchant Bank of Sri Lanka Strengthens Capital Base Through A Rights Issue

"Merchant Bank of Sri Lanka & Finance PLC (MBSL) completed its Rights Issue in August 2026, raising Rs. 806 million in additional capital. The funds raised have further strengthened the Company's capital base and enhanced its capacity to support the expansion of its core business.

The strengthened capital position will enable MBSL to pursue its growth strategy while maintaining prudent capital management and financial resilience. The Company remains focused on deploying the additional capital effectively to achieve sustainable business growth and create long-term value for its shareholders."

Interim Financial Statements

Statement of Profit or Loss

	Company						Group					
	Quarter ended			Nine months ended			Quarter ended			Nine months ended		
	9/30/2026	9/30/2025	Change %	9/30/2026	9/30/2025	Change %	9/30/2026	9/30/2025	Change %	9/30/2026	9/30/2025	Change %
	LKR '000	LKR '000		LKR '000	LKR '000		LKR '000	LKR '000		LKR '000	LKR '000	
Income	**2,073,268**	**2,140,298**	**(3.1)**	**6,255,089**	**5,747,408**	**8.8**	**2,161,139**	**2,210,769**	**(2.2)**	**6,592,244**	**6,093,681**	**8.2**
Interest and similar income	2,022,540	1,905,697	6.1	6,213,212	5,179,326	20.0	2,067,331	1,951,311	5.9	6,334,559	5,332,481	18.8
Less: Interest and similar expenses	1,288,714	1,114,985	15.6	3,886,956	3,030,216	28.3	1,286,186	1,113,499	15.5	3,880,513	3,022,601	28.4
Net interest income	733,826	790,712	(7.2)	2,326,256	2,149,110	8.2	781,145	837,812	(6.8)	2,454,046	2,309,880	6.2
Fee and commission income	32,872	66,746	(50.8)	116,391	179,146	(35.0)	40,330	73,168	(44.9)	140,307	197,754	(29.0)
Less: Fee and commission expenses	1,865	24,367	(92.3)	22,244	68,362	(67.5)	1,026	23,199	(95.6)	19,247	63,681	(69.8)
Net fee and commission income	31,007	42,379	(26.8)	94,147	110,784	(15.0)	39,304	49,969	(21.3)	121,060	134,073	(9.7)
Insurance premium income	-	-	-	-	-	-	74,324	66,776	11.3	215,426	217,209	(0.8)
Net claims and benefits	-	-	-	-	-	-	(88,788)	(127,007)	30.1	(279,130)	(331,979)	15.9
Net trading income	(7,692)	82,924	(109.3)	(35,382)	757,973	(104.7)	(7,692)	82,924	(109.3)	(35,381)	757,973	(104.7)
Net gain/(loss) on financial instruments at fair value through profit or loss	1,139	(43,219)	102.6	(170,196)	(545,211)	68.8	818	(38,160)	102.1	(170,816)	(539,782)	68.4
Other operating income	24,409	128,150	(81.0)	131,064	176,174	(25.6)	(13,972)	74,750	(118.7)	108,149	128,046	(15.5)
Total operating income	782,689	1,000,946	(21.8)	2,345,889	2,648,830	(11.4)	785,139	947,064	(17.1)	2,413,354	2,675,420	(9.8)
Less: Impairment charge/(reversal) from loans and other losses	52,616	(11,242)	568.0	126,700	(22,374)	666.3	52,616	(11,242)	568.0	126,701	(22,374)	666.3
Net operating income	730,073	1,012,188	(27.9)	2,219,189	2,671,204	(16.9)	732,523	958,306	(23.6)	2,286,653	2,697,794	(15.2)
Less: Operating expenses												
Personnel expenses	412,224	381,955	7.9	1,183,086	1,125,110	5.2	453,782	417,270	8.8	1,299,794	1,242,173	4.6
Depreciation and amortisation	88,671	76,593	15.8	256,254	216,328	18.5	96,463	85,271	13.1	280,769	243,038	15.5
Other operating expenses	228,434	251,383	(9.1)	647,948	657,963	(1.5)	287,282	265,405	8.2	788,090	745,115	5.8
Total operating expense	729,329	709,931	2.7	2,087,288	1,999,401	4.4	837,527	767,946	9.1	2,368,653	2,230,326	6.2
Profit/(loss) from operations	744	302,257	(99.8)	131,901	671,803	(80.4)	(105,004)	190,360	(155.2)	(82,000)	467,468	(117.5)
Less: Impairment charge/(reversal) from investment in Subsidiary companies	61,966	-	-	61,966	-	-	-	-	-	-	-	-
Profit/(loss) from operations after impairment from subsidiary investments	(61,222)	302,257	(120.3)	69,935	671,803	(89.6)	(105,004)	190,360	(155.2)	(82,000)	467,468	(117.5)
Less: Taxes on financial services	57,119	105,105	(45.7)	199,528	299,834	(33.5)	57,119	105,105	(45.7)	199,528	299,834	(33.5)
Profit/(loss) from operations after tax on financial services	(118,341)	197,152	(160.0)	(129,593)	371,969	(134.8)	(162,123)	85,255	(290.2)	(281,528)	167,634	(267.9)
Share of associate companies profit/(loss) before tax	-	-	-	-	-	-	(76)	45,541	(100.2)	40,734	78,749	(48.3)
Profit/(loss) before income tax	**(118,341)**	197,152	**(160.0)**	**(129,593)**	371,969	**(134.8)**	**(162,199)**	130,796	**(224.0)**	**(240,794)**	246,383	**(197.7)**
Less: Income tax expense/(reversal)	223	66,568	(99.7)	27,834	169,935	(83.6)	523	80,238	(99.3)	40,372	193,568	(79.1)
Profit/(loss) for the period	**(118,564)**	**130,584**	**(190.8)**	**(157,427)**	**202,034**	**(177.9)**	**(162,722)**	**50,558**	**(421.9)**	**(281,166)**	**52,815**	**(632.4)**
Profit/(loss) for the period attributable to:												
Equity holders of the parent	(118,564)	130,584	(190.8)	(157,427)	202,034	(177.9)	(133,973)	73,784	(281.6)	(202,461)	118,739	(270.5)
Non controlling interests	-	-	-	-	-	-	(28,750)	(23,226)	(23.8)	(78,705)	(65,924)	(19.4)
Profit/(loss) for the period	**(118,564)**	**130,584**	**(190.8)**	**(157,427)**	**202,034**	**(177.9)**	**(162,723)**	**50,558**	**(421.9)**	**(281,166)**	**52,815**	**(632.4)**
Earnings per share:												
Basic/Diluted earnings/(loss) per share (LKR)	(0.23)	0.25	(190.8)	(0.30)	0.39	(177.9)	(0.26)	0.14	(281.6)	(0.39)	0.23	(270.5)

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Statement of Comprehensive Income

	Company						Group					
	Quarter ended			Nine months ended			Quarter ended			Nine months ended		
	9/30/2026	9/30/2025	Change %	9/30/2026	9/30/2025	Change %	9/30/2026	9/30/2025	Change %	9/30/2026	9/30/2025	Change %
	LKR '000	LKR '000		LKR '000	LKR '000		LKR '000	LKR '000		LKR '000	LKR '000	
Profit/(loss) for the period	**(118,564)**	**130,584**	**(190.8)**	**(157,427)**	**202,034**	**(177.9)**	**(162,722)**	**50,558**	**(421.9)**	**(281,166)**	**52,815**	**(632.4)**
Other comprehensive income/(expense) for the period												
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-	-	-	-	-	-	-
Fair value reserves (Financial investments at fair value through other comprehensive income):												
Gains/(Losses) on re-measuring financial investments at fair value through other comprehensive income	-	9,254	(100.0)	-	13,004	(100.0)	(1,885)	7,355	(125.6)	(9,365)	9,842	(195.1)
Other comprehensive income/(expense) before tax	-	9,254	(100.0)	-	13,004	(100.0)	(1,885)	7,355	(125.6)	(9,365)	9,842	(195.1)
Less: Deferred tax (charge)/credit relating to components of other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income/(expense) for the period, net of tax	**-**	**9,254**	**(100.0)**	**-**	**13,004**	**(100.0)**	**(1,885)**	**7,355**	**(125.6)**	**(9,365)**	**9,842**	**(195.1)**
Total comprehensive income/(expense) for the period, net of tax	**(118,564)**	**139,838**	**(184.8)**	**(157,427)**	**215,038**	**(173.2)**	**(164,607)**	**57,913**	**(384.2)**	**(290,531)**	**62,657**	**(563.7)**
Total comprehensive income/(expense) attributable to:												
Equity holders of the parent	(118,564)	139,838	(184.8)	(157,427)	215,038	(173.2)	(134,987)	82,016	(264.6)	(207,500)	130,041	(259.6)
Non controlling interests	-	-	-	-	-	-	(29,621)	(24,103)	(22.9)	(83,030)	(67,384)	(23.2)
	(118,564)	**139,838**	**(184.8)**	**(157,427)**	**215,038**	**(173.2)**	**(164,607)**	**57,913**	**(384.2)**	**(290,530)**	**62,657**	**(563.7)**

Interim Financial Statements

Statement of Financial Position

as at	Company 9/30/2026 LKR '000	Company 12/31/2025 (Audited) LKR '000	Company Change %	Group 9/30/2026 LKR '000	Group 12/31/2025 (Audited) LKR '000	Group Change %
Assets						
Cash and cash equivalents	672,981	618,703	8.8	1,072,363	891,554	20.3
Placements with banks & financial institutions	-	-	-	440,997	452,254	(2.5)
Financial investments at fair value through profit or loss	4,434,364	7,634,038	(41.9)	4,451,102	7,652,964	(41.8)
Loans & receivables at amortised cost	36,942,818	39,585,583	(6.7)	36,944,052	39,586,838	(6.7)
Financial investments at fair value through other comprehensive income	54	54	-	111,515	126,834	(12.1)
Financial investments at amortised cost	6,284,206	4,425,177	42.0	6,691,686	5,051,559	32.5
Real Estate Stock	10,713	26,029	(58.8)	10,713	26,029	(58.8)
Investment in associate company	81,084	81,084	-	162,655	177,966	(8.6)
Investment in subsidiary	256,602	318,568	(19.5)	-	-	-
Property, equipment and right-of-use assets	871,712	1,080,743	(19.3)	910,654	1,139,639	(20.1)
Intangible assets	342,750	38,374	793.2	342,750	40,147	753.7
Deferred tax Assets	130,134	130,134	0.0	130,829	130,830	(0.0)
Other assets	422,843	449,308	(5.9)	732,458	884,192	(17.2)
Total assets	**50,450,261**	**54,387,795**	**(7.2)**	**52,001,774**	**56,160,806**	**(7.4)**
Liabilities						
Due to banks	7,005,087	14,889,904	(53.0)	7,025,074	14,894,488	(52.8)
Due to customers at amortised cost	35,287,053	31,792,758	11.0	35,115,515	31,620,482	11.1
Debt issued and borrowed funds at amortised cost	1,835,093	1,821,393	0.8	1,835,093	1,821,393	0.8
Insurance provision - life	-	-	-	562,078	539,669	4.2
Insurance provision - non life	-	-	-	458,973	572,437	(19.8)
Current tax liabilities	17,894	166,186	(89.2)	17,894	166,186	(89.2)
Other liabilities	1,071,710	1,159,257	(7.6)	1,439,865	1,543,426	(6.7)
Retirement benefits obligations	451,536	424,091	6.5	464,643	434,666	6.9
Total liabilities	**45,668,373**	**50,253,589**	**(9.1)**	**46,919,135**	**51,592,747**	**(9.1)**
Equity						
Stated capital	5,081,557	4,276,448	18.8	5,081,557	4,276,448	18.8
Retained earnings	(1,092,320)	(1,011,105)	(8.0)	(1,012,028)	(885,779)	(14.3)
OCI reserve	-	-	-	698	5,736	(87.8)
RLA Reserve	342,150	418,362	(18.2)	342,150	418,362	(18.2)
Statutory reserves	450,501	450,501	0.0	450,501	450,501	(0.0)
Total equity attributable to the parent	4,781,888	4,134,206	15.7	4,862,878	4,265,268	14.0
Non controlling interests	-	-	-	219,761	302,791	(27.4)
Total equity	**4,781,888**	**4,134,206**	**15.7**	**5,082,639**	**4,568,059**	**11.3**
	50,450,261	**54,387,795**	**(7.2)**	**52,001,774**	**56,160,806**	**(7.4)**
Commitments and contingencies	101,924	61,624	65.4	106,574	105,791	0.7
Net assets value per share (LKR)	7.58	7.88	(3.8)	7.74	8.13	(4.9)

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007
Information contained in these statements have been extracted from the unaudited Financial Statements of the Company unless indicated as "Audited".

(sgd.)
U. I. Samarawickrama
Actg. Chief Financial Officer

(sgd.)
W. P. R. P. H. Fonseka
Chief Executive Officer

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 by,

(sgd.)
A. M. A. Perera
Chairman

(sgd.)
A. J. Ismail
Director

Colombo, Sri Lanka
13/Nov/2026

Interim Financial Statements

Statement of Changes in Equity

Company	Stated Capital: Ordinary Share	Stated Capital: Preference Share	Statutory reserves	OCI reserve	RLA reserve	Retained profits	Total equity
	LKR ' 000		LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000
Balance as at 01st January 2025	4,276,448	-	392,265	(22,100)	424,622	(1,189,204)	3,882,031
Net profit/(loss) for the period	-	-	-	-	-	202,034	202,034
Other comprehensive income	-	-	-	13,004	-	-	13,004
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	-	(63,081)	63,081	-
Balance as at 30th September 2025	**4,276,448**	**-**	**392,265**	**(9,096)**	**361,541**	**(924,089)**	**4,097,069**
Balance as at 01st January 2026	4,276,448	-	450,501	-	418,362	(1,011,105)	4,134,206
Net profit/(loss) for the period	-	-	-	-	-	(157,427)	(157,427)
Preference Shares Issued	-	805,109	-	-	-	-	805,109
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	-	(76,212)	76,212	-
Balance as at 30th September 2026	**4,276,448**	**805,109**	**450,501**	**-**	**342,150**	**(1,092,320)**	**4,781,888**

Group	Stated Capital: Ordinary Share	Stated Capital: Preference Share	Statutory reserves	OCI reserve	RLA reserve	RR reserve	Retained profits	Non controling interest	Total equity
	LKR ' 000		LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000
Balance as at 01st January 2025	4,276,448	-	392,264	(22,206)	424,622	35,443	(940,832)	429,121	4,594,861
Net profit/(loss) for the period	-	-	-	-	-	-	118,739	(65,924)	52,815
Other comprehensive income	-	-	-	11,303	-	-	-	(1,460)	9,843
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	-	(63,081)	-	63,081	-	-
Balance as at 30th September 2025	**4,276,448**	**-**	**392,264**	**(10,903)**	**361,541**	**35,443**	**(759,012)**	**361,737**	**4,657,519**
Balance as at 01st January 2026	4,276,448	-	450,501	5,736	418,362	-	(885,779)	302,791	4,568,059
Net profit/(loss) for the period	-	-	-	-	-	-	(202,461)	(78,705)	(281,166)
Preference Shares Issued	-	805,109	-	-	-	-	-	-	805,109
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	-	(76,212)	-	76,212	-	-
Other comprehensive income	-	-	-	(5,038)	-	-	-	(4,325)	(9,363)
Balance as at 30th September 2026	**4,276,448**	**805,109**	**450,501**	**698**	**342,150**	**-**	**(1,012,028)**	**219,761**	**5,082,639**

Interim Financial Statements

Statement of Cash Flows

For the period ended 30th September	Company		Group	
	2026 LKR '000	2025 LKR '000	2026 LKR '000	2025 LKR '000
Cash flows from operating activities				
Profit before income tax	(129,593)	371,969	(240,794)	246,383
Adjustments for :				
Net Interest Income	(2,326,256)	(2,149,110)	(2,454,046)	(2,309,880)
Impairment charges for loans and other losses	126,700	(22,374)	126,700	(22,374)
Impairment (reversal)/charge of investment in subsidiary	61,966	-	-	-
Share of associate company's profit/(loss) before tax	-	-	(40,734)	(78,749)
Depreciation and amortisation	256,254	216,328	280,769	243,038
Profit from sales of real estate	(4,541)	(1,758)	(4,541)	(1,758)
Profit from sales of property & equipment and investment property	(27,444)	(21,357)	(27,444)	(21,357)
Dividend income from investment companies	(43,506)	(73,650)	-	(12,037)
Dividend income from financial assets	(5,424)	(1,486)	(5,446)	(1,529)
Contribution to defined benefit plans	63,000	63,000	67,500	67,500
Fair value change of financial assets	170,196	545,211	160,832	542,050
	(1,858,648)	(1,073,227)	(2,137,204)	(1,348,713)
Interest paid to customers at amortised cost	(2,523,105)	(2,155,298)	(2,523,105)	(2,155,298)
Interest paid on other borrowings	(1,125,736)	(596,904)	(1,130,463)	(603,990)
Interest received on loans & receivables at amortised cost	5,387,162	4,278,234	5,387,162	4,278,233
Interest received on other investment	899,173	943,360	1,031,690	1,111,215
Gratuity paid	(35,554)	(47,612)	(37,524)	(49,394)
Change in operating assets				
Loans & receivables at amortised cost	2,515,577	(10,554,975)	2,515,597	(10,551,788)
Other operating assets	117,135	(830,300)	239,618	(862,490)
Change in operating liabilities				
Due to customers at amortised cost	3,344,263	5,901,268	3,344,263	5,901,268
Payments made under operating leases	(204,326)	(173,685)	(230,109)	(198,681)
Insurance provision	-	-	(91,055)	150,378
Other liabilities	72,800	845,502	82,575	797,686
Net cash generated from/(used in) operating activities before tax	6,588,741	(3,463,637)	6,451,445	(3,531,573)
Income tax paid	(175,896)	(242,731)	(175,896)	(242,731)
Net cash generated from/(used in) operating activities	6,412,845	(3,706,368)	6,275,549	(3,774,304)
Cash flows from investing activities				
Net increase/(decrease) in financial investments at FVTOCI	-	20,000	-	20,000
Net increase/(decrease) in financial investments at amortised cost	(1,867,155)	647,796	(1,644,885)	1,071,661
Net (increase)/decrease in placements with banks & financial institutions	-	150,000	11,994	200,095
Net (increase)/decrease in investment of government securities at FVTPL	2,922,449	(102,547)	2,922,449	(102,547)
Net (increase)/decrease in other financial investments at FVTPL	42,528	(67,439)	56,668	(83,611)
Proceeds from real estate stock	19,857	11,748	19,857	11,748
Purchase of property & equipment	(106,039)	(114,641)	(106,039)	(117,593)
Purchase of intangible assets	(336,460)	(9,839)	(336,460)	(9,839)
Proceeds from sale of property & equipment and investment property	27,444	21,357	27,444	21,357
Dividends received	48,930	75,136	48,951	1,529
Net cash generated from/(used in) investing activities	751,554	631,571	999,979	1,012,800
Cash flows from financing activities				
Net increase/(decrease) reverse repo agreements	(5,201,023)	(244,468)	(5,201,023)	(244,468)
Net increase/(decrease) in other borrowings at amortised cost	(2,134,500)	3,350,000	(2,134,500)	3,350,000
Proceeds from preference shares issue	805,109	-	805,109	-
Net cash generated from/(used in) financing activities	(6,530,414)	3,105,532	(6,530,414)	3,105,532
Net increase / (decrease) in cash and cash equivalents during the period	633,985	30,735	745,114	344,028
Cash and cash equivalents at the beginning of the period	(211,020)	554,066	57,246	655,904
Cash and cash equivalents at the end of the period	**422,965**	**584,801**	**802,360**	**999,932**
Note				
Analysis of Cash and Cash Equivalents				
Cash and short term funds	672,981	749,559	1,072,363	1,164,690
Dues to banks	(250,016)	(164,758)	(270,003)	(164,758)
	422,965	**584,801**	**802,360**	**999,932**

Reporting entity

Merchant Bank of Sri Lanka & Finance PLC is a public quoted company incorporated and domiciled in Sri Lanka on 04 March 1982. The registered office and principal place of business of the Company is located at the Bank of Ceylon Merchant Tower, No. 28, St Michael's Road, Colombo 03. The shares of the Company are listed in the Colombo Stock Exchange.

The Directors confirm, the Company's parent enterprise and its ultimate parent enterprise is Bank of Ceylon.

The consolidated Financial Statements comprises of the Company, it's subsidiary: MBSL Insurance Company Ltd and it's interest in associate; Lanka Securities Ltd.

The consolidated Financial Statements for the period ended were authorized for issue on 13th November 2026, in accordance with the resolution of the Directors passed on 13th November 2026.

Basis of preparation and accounting policies

The interim condensed Financial Statements for the period ended 30th September 2026 have been prepared in accordance with LKAS 34 - 'Interim Financial Reporting'. The interim condensed consolidated Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements.

There were no changes to the Accounting Policies and methods of computation since the publication of the last Annual Audited Financials except the Group changes its business model for managing its financial assets and financial liabilities.

All known expenses including fees and similar expenses have been provided in this Financial Statements.

Measurement of Financial Instruments

Company LKR.'000

As at	Financial instrument at FVTPL		Financial instrument at amortised Cost		Financial instrument at FVTOCI		Total	
	9/30/2026	12/31/2025	9/30/2026	12/31/2025	9/30/2026	12/31/2025	9/30/2026	12/31/2025 (Audited)
Financial assets								
Cash and cash equivalents	-	-	672,981	618,703	-	-	672,981	618,703
Placements with banks & financial institutions	-	-	-	-	-	-	-	-
Financial investments at fair value through profit or loss	4,434,364	7,634,038	-	-	-	-	4,434,364	7,634,038
Loans & receivables at amortised cost	-	-	36,942,818	39,585,583	-	-	36,942,818	39,585,583
Financial investments at fair value through other comprehensive income	-	-	-	-	54	54	54	54
Financial investments at amortised cost	-	-	6,284,206	4,425,177	-	-	6,284,206	4,425,177
Other assets	-	-	48,282	160,310	-	-	48,282	160,310
Total	4,434,364	7,634,038	43,948,287	44,789,773	54	54	48,382,705	52,423,865

LKR.'000

	Other financial liabilities at amortised cost		Total	
	9/30/2026	12/31/2025	9/30/2026	12/31/2025 (Audited)
Other Financial liabilities				
Due to banks	7,005,087	14,889,904	7,005,087	14,889,904
Due to customers at amortised cost	35,287,053	31,792,758	35,287,053	31,792,758
Debt issued and borrowed funds at amortised cost	1,835,093	1,821,393	1,835,093	1,821,393
Other liabilities	76,919	77,908	76,919	77,908
Total	44,204,152	48,581,963	44,204,153	48,581,963

Group LKR.'000

As at	Financial instrument at FVTPL		Financial instrument at amortised Cost		Financial instrument at FVTOCI		Total	
	9/30/2026	12/31/2025	9/30/2026	12/31/2025	9/30/2026	12/31/2025	9/30/2026	12/31/2025 (Audited)
Financial assets								
Cash and cash equivalents	-	-	1,072,363	891,554	-	-	1,072,363	891,554
Placements with banks & financial institutions	-	-	440,997	452,254	-	-	440,997	452,254
Financial investments at fair value through profit or loss	4,451,102	7,652,964	-	-	-	-	4,451,102	7,652,964
Loans & receivables at amortised cost	-	-	36,944,052	39,586,838	-	-	36,944,052	39,586,838
Financial investments at fair value through other comprehensive income	-	-	-	-	111,515	126,834	111,515	126,834
Financial investments at amortised cost	-	-	6,691,686	5,051,559	-	-	6,691,686	5,051,559
Other assets	-	-	48,282	160,310	-	-	48,282	160,310
Total	4,451,102	7,652,964	45,197,380	46,142,515	111,515	126,834	49,759,998	53,922,313

LKR.'000

	Other financial liabilities at amortised cost		Total	
	9/30/2026	12/31/2025	9/30/2026	12/31/2025 (Audited)
Other Financial liabilities				
Due to banks	7,025,074	14,894,488	7,025,074	14,894,488
Due to customers at amortised cost	35,115,515	31,620,482	35,115,515	31,620,482
Debt issued and borrowed funds at amortised cost	1,835,093	1,821,393	1,835,093	1,821,393
Other liabilities	76,919	77,908	76,919	77,908
Total	44,052,601	48,414,271	44,052,602	48,414,271

Movement in individual and collective impairment during the period

LKR. '000

	Company		Group	
Less: Impairment charge/(reversal) from loans and other losses	**2026**	**2025**	**2026**	**2025**
Impairment from Loans and advances-individual impairment	(46,650)	(379,280)	(46,649)	(379,280)
Impairment from Loans and advances-collective impairment	118,708	17,599	118,708	17,599
Write off	54,597	339,337	54,597	339,337
Cash and cash equivalent	9	(9)	9	(9)
Placements with banks & financial institutions	-	(22)	-	(22)
Other losses	37	-	37	-
	126,700	**(22,374)**	**126,700**	**(22,374)**
Individual impairment charge/(reversal)				
As at 01 January	1,137,888	1,737,290	1,655,176	1,737,290
Charge/(reversal) to income statement from loans and advances	7,947	(39,943)	7,947	(39,943)
Write off	(54,597)	(339,337)	(54,597)	(339,337)
As at 30th September	1,091,238	1,358,010	1,608,526	1,358,010
Collective impairment charge/(reversal)				
As at 01 January	592,289	671,041	1,087,042	671,041
Charge/(reversal) to income statement from loans and advances	118,708	17,599	118,708	17,599
Write off	-	-	-	-
As at 30th September	710,996	688,641	1,205,749	688,641
Loans and advances impairment	**1,802,235**	**2,046,650**	**2,814,275**	**2,046,650**

Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- The Leasing segment includes providing Finance Leases and Hire Purchase facilities.
- The Loan segment includes providing personal loans, pawning, term loans, short term loans, staff loans, margin trading, bill discounting, cheque discounting, micro finance and bank guarantees.
- Corporate advisory includes corporate advisory services and capital market activities.
- The insurance includes general and life insurance.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects.

The following table presents income, profit and asset information regarding the Group's operating segments for the period ended 30th September 2026 and comparative figures for the period ended 30th September 2025.

Group

For the Period ended 30th September	Leasing		Loans		Corporate Advisory & Capital Markets		Insurance		Eliminations / Unallocated		**Total**	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
	LKR.'000	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**	**LKR.'000**
Revenue from external customers												
Interest and similar income	1,842,296	1,955,442	3,356,910	2,178,431	187,459	191,823	132,517	167,855	815,377	838,930	6,334,559	5,332,481
Interest and similar expenses	813,884	770,471	1,880,742	1,186,286	137,931	133,660	4,727	7,085	1,043,229	925,099	3,880,513	3,022,601
Net interest income	**1,028,412**	**1,184,971**	**1,476,168**	**992,145**	**49,528**	**58,163**	**127,790**	**160,770**	**(227,852)**	**(86,169)**	**2,454,046**	**2,309,880**
Net fee and commission income	17,949	80,746	21,969	47,346	120	-	26,913	23,288	54,109	(17,308)	121,060	134,073
Insurance premium income	-	-	-	-	-	-	215,426	217,209	-	-	215,426	217,209
Net claims and benefits	-	-	-	-	-	-	(279,130)	(331,979)	-	-	(279,130)	(331,979)
Real estate profit	-	-	-	1,758	-	-	-	-	-	-	-	1,758
Trading and other income	29,053	25,326	2,830	33,891	(38,045)	35,606	19,972	(42,698)	(111,857)	292,354	(98,048)	344,479
Total operating income	**1,075,413**	**1,291,043**	**1,500,967**	**1,075,140**	**11,603**	**93,769**	**110,971**	**26,590**	**(285,600)**	**188,877**	**2,413,354**	**2,675,420**
Impairment (charges)/reversal for loans and other losses	(7,237)	168,620	(119,454)	(112,166)	-	118,405	-	-	(9)	(152,484)	(126,700)	22,374
Net operating income	**1,068,176**	**1,459,663**	**1,381,513**	**962,974**	**11,603**	**212,174**	**110,971**	**26,590**	**(285,609)**	**36,393**	**2,286,654**	**2,697,794**
Personnel expenses	(248,439)	(287,468)	(574,098)	(442,612)	(8,806)	(9,946)	(116,707)	(117,063)	(351,744)	(385,084)	(1,299,794)	(1,242,173)
Depreciation and amortisation	(53,811)	(55,272)	(124,348)	(85,102)	(174)	(82)	(24,515)	(26,710)	(77,921)	(75,871)	(280,769)	(243,038)
Other operating expenses	(136,064)	(168,111)	(314,420)	(258,839)	(4,618)	(6,342)	(140,142)	(87,152)	(192,846)	(224,671)	(788,090)	(745,115)
Segment result	**629,862**	**948,812**	**368,647**	**176,421**	**(1,995)**	**195,804**	**(170,393)**	**(204,335)**	**(908,120)**	**(649,233)**	**(82,000)**	**467,468**
Profit/(loss) from operations after impairment from subsidiary investments											**(82,000)**	467,468
Value added tax on financial services											(199,528)	(299,834)
Share of associate company's profit/(loss) before tax											40,734	78,749
Profit/(loss) before income tax											**(240,794)**	**246,382**
Income tax expense											**(40,372)**	(193,568)
Profit/(loss) for the period											**(281,166)**	**52,815**
Assets												
Capital expenditures												
Property, equipment and right-of-use assets	**22,267**	29,291	**51,456**	45,099	**3,774**	5,081	**-**	2,952	**28,542**	35,169	**106,039**	**117,593**
Intangible assets	**70,654**	2,514	**163,269**	3,871	**11,974**	436	**-**	-	**90,564**	3,018	**336,460**	**9,839**
Total segment assets	**9,702,389**	**12,469,327**	**25,537,263**	**22,419,371**	**1,703,166**	**2,042,082**	**1,898,083**	**2,274,195**	**13,160,874**	**12,906,038**	**52,001,774**	**52,111,014**
Total segment liabilities	**8,782,756**	**11,370,750**	**23,116,734**	**20,444,171**	**1,541,733**	**1,862,170**	**1,423,178**	**1,462,100**	**12,054,735**	**12,323,279**	**46,919,135**	**47,462,470**

Information on Debentures

Debenture Categories	CSE Listing	Interest Payable Frequency	Face Value as at 30/9/2026	Market Values			Interest Rates		Interest rate of comparable Government Security %	Interest yield			Yield to Maturity		
			LKR' 000	Highest LKR.	Lowest LKR.	Period end LKR.	Coupon Rate	Effective Annual Yield		Highest	Lowest	Last traded	Highest	Lowest	Last traded
Fixed Rate															
Nov 2022 - Nov 2027	Listed	Annually	23,990	Not traded during the quarter			24.00%	24.00%	9.96%	Not traded during the quarter			Not traded during the quarter		
Nov 2022 - Nov 2027	Listed	Bi Annually	32,880	Not traded during the quarter			23.50%	24.88%	9.96%	Not traded during the quarter			Not traded during the quarter		
Floating Rate															
Nov 2022 - Nov 2027	Listed	Quarterly	10,830	Not traded during the quarter			One Year Avg T Bill Rate + 300 basis points		9.96%	Not traded during the quarter			Not traded during the quarter		
Fixed Rate															
April 2023 - April 2028	Listed	Annually	276,660	Not traded during the quarter			29.50%	29.50%	10.29%	Not traded during the quarter			Not traded during the quarter		
April 2023 - April 2028	Listed	Bi Annually	255,140	Not traded during the quarter			28.00%	29.96%	10.29%	Not traded during the quarter			Not traded during the quarter		
April 2023 - April 2028	Listed	At maturity	91,030	Not traded during the quarter			24.57%	24.57%	10.29%	Not traded during the quarter			Not traded during the quarter		
Fixed Rate															
May 2025 - May 2030	Listed	Annually	972,710	Not traded during the quarter			12.50%	12.50%	11.02%	Not traded during the quarter			Not traded during the quarter		
May 2025 - May 2030	Listed	Bi Annually	27,290	Not traded during the quarter			11.75%	12.10%	11.02%	Not traded during the quarter			Not traded during the quarter		
Total Debentures			1,690,530												

All debentures are unsecured. Company has not repurchased any of its own debts and has not had any default of principal, interest or other breaches with regard to all liabilities during the period.

Debenture issue proceeds utilization as at 30th September 2026

No.	Objective as per the prospectus	Amount allocated as per prospectus	Date of Utilization	Amount allocated from proceed LKR (A)	% of Total Proceeds	Amount Utilized in LKR (B)	% of Utilization (B/A)	Clarification if not fully utilized
1	**Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 67.7 Mn during the year 2022**							
a.	The funds raised through this Debenture Issue utilized to increase the medium term fund base to match the medium to long term lending portfolio.					67,700,000	100%	N/A
b.	To enhance the Total Capital base of the Company, for which the Company has obtained approval from the Central Bank of Sri Lanka (CBSL).	67,700,000	16-Nov-22	67,700,000	100%	27,080,000	40%	Discounting of the amount counted as capital by 1/5 each year during the four years proceding the maturity.
2	**Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 622.83 Mn during the year 2023**							
a.	The funds raised through this Debenture Issue utilized to meet the regulatory capital requirements of the company (tier II)	622,830,000	10-Apr-23	622,830,000	100%	249,132,000	40%	Discounting of the amount counted as capital by 1/5 each year during the four years proceding the maturity.
b.	To reduce the maturity mismatch by increasing the mediam term fund base to match the medium to long term lending portfolio of the company.					622,830,000	100%	N/A
3	**Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 1,000 Mn during the year 2025**							
a.	The funds raised through this Debenture Issue utilized to meet the regulatory capital requirements of the company (tier II)	1,000,000,000	30-May-25	1,000,000,000	100%	800,000,000	80%	Discounting of the amount counted as capital by 1/5 each year during the four years proceding the maturity.
b.	To enhance the Lending Portfolio of the Company					1,000,000,000	100%	N/A

Events after the statement of financial position date

There were no material events reported since 30th September 2026 that require disclosure in these Financial Statements.

Selected Performance Indicators

Indicator	9/30/2026	9/30/2025
Liquidity Rs.('000)		
Required minimum amount of liquid assets	**3,704**	3,761
Available liquid assets	**9,369**	8,299
Required minimum amount of Government securities	**2,583**	2,207
Available amount of Government securities	**8,665**	7,576
Capital Adequacy (%)		
Core capital ratio (Minimum requirement - 8.5%)	**9.70**	9.50
Total risk weighted capital ratio (Minimum requirement - 12.5%)	**13.33**	14.17
Capital funds to deposit liabilities ratio (Minimum requirement - 10%)	**16.71**	17.54
Debt Security (%)		
Debt to equity ratio (Times)	**1.85**	4.04
Interest cover (Annualized)	**0.967**	1.123

Information on ordinary shares

Market price per ordinary share recorded during the quarter ended 30th September (LKR)	2026	2025
-High	13.50 (1-7-2026)	9.30 (22-8-2025)
-Low	9.50 (30-9-2026)	7.20 (18-7-2025)
-Last Transaction	9.90 (30-9-2026)	8.70 (30-9-2025)

Ordinary share capital as at	9/30/2026	12/31/2025
Number of ordinary shares issued	524,539,637	524,539,637
Stated capital (LKR)	4,276,447,883	4,276,447,883

Twenty largest ordinary shares holders as at 30th September 2026

No.	Name of the share holder	No. of Ordinary Shares	Holding %
01	BANK OF CEYLON NO. 1 ACCOUNT	401,577,367	76.56%
02	BOC PROPERTY DEVELOPMENT & MANAGEMENT (PVT) LTD	41,666,682	7.94%
03	BANK OF CEYLON A/C CEYBANK UNIT TRUST	11,798,960	2.25%
04	MR. A.M. WEERASINGHE	3,227,403	0.62%
05	HATTON NATIONAL BANK PLC/DINESH NAGENDRA SELLAMUTTU	2,907,670	0.55%
06	PMF FINANCE PLC/R.A. NIRANJANA	1,442,289	0.27%
07	HATTON NATIONAL BANK PLC/WETHTHINGE JINADASA	1,371,008	0.26%
08	PEOPLE S LEASING AND FINANCE PLC/B.A.D.H.C.MAHIPALA	1,178,375	0.22%
09	MR. K.D.N.A. KARUNATHILAKE	1,150,000	0.22%
10	MR. B.T. PRATHAPASINGHE	1,121,250	0.21%
11	DFCC BANK PLC/W.JINADASA	1,000,000	0.19%
12	CITIZENS DEVELOPMENT BUSINESS FINANCE ACCOUNT NO. 1	951,765	0.18%
13	MR. A.H. MUNASINGHE	950,000	0.18%
14	MR. R.R.S. ANANDA	784,246	0.15%
15	MR. K.B.R.R. KARIYAWASAM	735,000	0.14%
16	MR. S. GURUSINGHE	700,000	0.13%
17	DIALOG FINANCE PLC/K.W.J.P.L. PERERA	593,725	0.11%
18	CITIZENS DEVELOPMENT BUSINESS FINANCE PLC/F.H.T.C.SILVA	574,917	0.11%
19	MR. U.G.S. SANDARUWAN	574,098	0.11%
20	PEOPLE'S LEASING & FINANCE PLC/MR. F.B.R.D. SILVA	533,500	0.10%

Ordinary shares held by public as at 30th September 2026

The percentage of ordinary shares held by the public as at 30th September 2026 was 15.49% and the number of public shareholders as at 30th September 2026 were 11,833

The Float adjusted market capitalization on ordinary shares as at 30th September 2026 - Rs. 804,578,663

The Float adjusted market capitalization of the Company falls under Option 2 of Rule 7.13.1 (i) (b), of the Listing Rules of the Colombo Stock Exchange and upon being transferred to the Diri Savi Borad of the CSE w.e.f. 26th April 2023, the Company is now compliant with the minimum public holding requirement.

Information on preference shares

Market price per preference share recorded during the quarter ended (LKR)	2026	2025
-High	11.70 (14-8-2026)	-
-Low	8.20 (14-8-2026)	-
-Last Transaction	9.80 (30-9-2026)	-

Preference share capital as at	9/30/2026	12/31/2025
Number of preference shares issued	80,510,925	-
Stated capital (LKR)	805,109,250	-

Twenty largest preference shares holders as at 30th September 2026

No.	Name of the share holder	No. of Ordinary Shares	Holding %
01	BANK OF CEYLON NO. 1 ACCOUNT	76,490,927	95.01%
02	MR. A.M. WEERASINGHE	614,743	0.76%
03	MR. D.P. NAVARATNAM	400,000	0.50%
04	PEOPLE S LEASING AND FINANCE PLC/MR. B.A.D.H.C. MAHIPALA	224,452	0.28%
05	CITIZENS DEVELOPMENT BUSINESS FINANCE ACCOUNT NO.1	208,380	0.26%
06	MR. A. WIJESIRIWARDANE	103,196	0.13%
07	PEOPLE'S LEASING & FINANCE PLC/MR. F.B.R.D. SILVA	101,619	0.13%
08	MR. G. WICKREMASINGHE	101,442	0.13%
09	SENKADAGALA FINANCE PLC/MR. W.G. HERATH	100,946	0.13%
10	MR. K.B. ABEYRATNE	100,155	0.12%
11	MR. K. LINUSHAN	100,000	0.12%
12	MR. W.G. HERATH	94,748	0.12%
13	MR. S. GURUSINGHE	69,747	0.09%
14	SITHLANKA (PRIVATE) LIMITED	65,000	0.08%
15	MR. W.P.R.P.H. FONSEKA	50,000	0.06%
16	MR. E.P. KODITHUWAKKAU	47,619	0.06%
17	MR. L.S.S. PERERA	43,809	0.05%
18	MR. J.P. HEWAGAMAGE	41,695	0.05%
19	MR. D.H.N. DISANAYAKE	39,523	0.05%
20	COMMERCIAL BANK OF CEYLON PLC/ MR. P.G.C. RODRIGO HALLOOWELLA PROPERTY DEVELOPMENT PVT LTD	38,095 38,095	0.05% 0.05%

Preference shares held by public as at 30th September 2026

The percentage of ordinary shares held by the public as at 30th September 2026 was 4.93% and the number of public shareholders as at 30th September 2026 were 843

Preference share issue proceeds utilization as at 30th September 2026

Objective No.	Objective/s as per Circular/Prospectus	Amount allocated as per Circular/Prospectus in Rs.	Proposed Date of Utilization as per Circular/Prospectus	Amount allocated upon the receipt of proceeds in Rs. [A]	As a % of Total Proceeds	Amount Utilized in the objective/sub objective in Rs. [B]	% of Utilization against allocation [B/A]	Clarification if not fully utilized (Whether the funds are deposited in a bank account /lent to a related party/any other investment	Objective Deviation from Circular/Pros pectus (Yes/No)	Objective deviation informed to the market as per Appendix 8A	Details of deviation	Board Approval Date for the deviation in objective / Confirmation of full utilization of funds by Board
1	To rectify the current noncompliance.	140,796,000	Immediately upon the allotment of Rights Shares.	140,796,000	100%	140,796,000	100%	N/A	No	N/A	N/A	N/A
2	and to perpetuate compliance with the relevant CBSL direction, thus enabling company to expand its business volumes including lending activities.	999,123,120	within approximately Nine (09) months of allotment of the funds.	805,109,250	100%	805,109,250	100%	N/A	No	N/A	N/A	N/A

Directors' shareholding as at 30th September 2026

Name of the Director	No. of Ordinary Shares	No. of Preference Shares
Mr. A. M. A. Perera	Nil	Nil
Mr. G. A. Jayashantha	Nil	Nil
Mr. R. M. N. Jeewantha	Nil	Nil
Ms. R. Dulani Fernando	Nil	Nil
Mr. A. J. Ismail	Nil	Nil
Mr. H. M. P.B. Herath	Nil	Nil
Mr. M. A. Niyarepola	Nil	Nil
Mr. I. S. N. Perera	Nil	Nil

CEO's shareholding as at 30th September 2026

	No. of Ordinary Shares	No. of Preference Shares
Mr. W. P. R. P. H. Fonseka	25,000	50,000