INTERIM FINANCIAL STATEMENTS
for the six-month period ended 30 June 2026

Bank of Ceylon

Fitch Ratings: AA-(lka)

Financial Commentary for 1H - 2026

- Profit After Tax of Rs. 39.8 billion
- Total Assets base of Rs. 5.4 trillion
- Total Deposit base of Rs. 4.3 trillion
- Gross loans and advances of Rs. 2.8 trillion
- Rs. 39.2 billion contribution to the Government as taxes

Bank of Ceylon (BOC), Sri Lanka's leading financial institution, continued to uphold its enduring legacy as the Bankers to the Nation as it marks 87 years of service to Sri Lanka. During the 1H 2026, the Bank leveraged its financial strength and extensive nationwide network to support the Government, businesses, infrastructure development and communities, while contributing to the country's economic recovery and sustainable progress. This commitment was underpinned by a strong financial performance, with BOC recording a Profit Before Tax (PBT) of Rs. 62.7 billion, reaffirming its financial resilience and continued contribution to the nation.

Resilient Financial Performance

In 1H 2026, Net Interest Income (NII) reached Rs. 109.4 billion, reflecting the Bank's continued focus on disciplined balance sheet management, effective management of asset-liability trade-off and optimized funding strategies. Interest income grew by 4% YoY to Rs. 253.7 billion, demonstrating the Bank's ability to effectively manage its earning assets and sustain income generation through prudent financial management.

Net fee and commission income grew by 17% YoY to Rs. 12.7 billion. The growth was driven by higher transaction volumes across card services, retail banking and remittances, alongside the increasing use of digital banking solutions. Continued investment in digital capabilities and value-added financial solutions, together with the Bank's established card business and customer-focused offerings, supported the growth of non-interest income and enhanced customer engagement.

Building on its earnings momentum, the Bank recorded total operating income of Rs. 131.4 billion, representing an 9% YoY increase, driven by growth in both net interest income and fee-based income. Operating profit before taxes on financial services reached Rs. 79.0 billion, demonstrating the Bank's robust underlying earnings capacity and effective management of its core operations. The cost to income ratio stood at 32.67%, reflecting sustained operational efficiency and disciplined management of the Bank's cost base.

Profit Before Tax (PBT) reached Rs. 62.7 billion after accounting for Value Added Tax (VAT) and the Social Security Contribution Levy (SSCL). Income tax expenses amounted to Rs. 22.9 billion, resulting in a Profit After Tax (PAT) of Rs. 39.8 billion. Extending its contribution beyond financial performance, the Bank contributed Rs. 39.2 billion in total taxes to the Government, making a significant contribution to national revenue.

Prudent Risk Management and Strengthened Portfolio Resilience

BOC maintained a prudent and proactive approach to credit risk management during 1H 2026, navigating heightened geopolitical and economic uncertainties while maintaining a disciplined approach to credit exposures. An impairment charge of Rs. 14.6 billion was recognized on loans and advances, compared with Rs. 12.0 billion in the corresponding period of the previous year, reflecting a cautious assessment of credit exposures across lending segments and the Bank's continued focus on maintaining portfolio quality.

Asset quality remained resilient, as the Stage 3 loan ratio (Net) improved to 5.01%. The Stage 3 provision coverage ratio also strengthened to 61.79%, reflecting enhanced provisioning buffers and the Bank's continued focus on maintaining sound asset quality. Strengthened credit evaluation, proactive portfolio monitoring, enhanced recovery mechanisms and disciplined lending practices supported the Bank in maintaining asset quality and effectively managing credit exposures amid evolving economic conditions.

Robust Capital Position and Balance Sheet

As of 30 June 2026, the Bank maintained a robust balance sheet, with total assets of over Rs. 5.4 trillion, gross loans and advances of Rs. 2.8 trillion and a deposit base of Rs. 4.3 trillion, underscoring the Bank's substantial balance-sheet capacity and financial strength. The Bank recorded a Return on Assets (ROA) of 2.30% and a Return on Equity (ROE) of 20.44%, demonstrating its strong capacity to generate returns from its asset and capital base. The Bank remained well-capitalized, with a Tier I Capital Adequacy Ratio of 13.32% and a Total Capital Adequacy Ratio of 17.22%, comfortably maintaining regulatory capital requirements. Liquidity coverage ratios for both rupee and all currencies remained well above the minimum regulatory thresholds, reinforcing the Bank's strong liquidity position and financial resilience.

Recognition and Brand Leadership

BOC strengthened its standing on both the local and global banking landscape, being recognised as Sri Lanka's No. 1 Brand and Most Valuable Brand by Brand Finance Lanka, with a brand value of Rs. 65.5 billion. The Bank also ranked among the Top 1000 World Banks by The Banker (UK), further reinforcing its strong international standing. Further strengthening its global presence, the latest Banking 500 Report 2026 published by Brand Finance placed Bank of Ceylon among the Top 500 Banking Brands globally, making it the only Sri Lankan bank to achieve this prestigious recognition. Adding to these achievements, the BOC FLEX App secured a triple win at the Digital CX Awards 2026 in Singapore, further demonstrating BOC's leadership in digital banking innovation and customer experience.

BOC maintains a robust domestic presence with a widespread network of over 2,400 direct customer touchpoints including fully-equipped and mobile branches, SME centers, ATMs, CRMs, and BOC Connect Agent Network and the Bank ensures comprehensive financial accessibility across all provinces of the country, reinforcing its commitment to financial inclusion. Internationally, the Bank extends its presence through branches in India, Maldives, and Seychelles, a limited-services branch in Hulhumale, and a fully-owned subsidiary in London, United Kingdom, further strengthening its global footprint.

Fitch Ratings has affirmed the National Long-Term Rating at 'AA-(lka)' and the Long Term Foreign and Local Currency Issuer Default Ratings at 'CCC+' for Bank of Ceylon.

STATEMENT OF PROFIT OR LOSS

Rs. 000

30 June	Bank						Group					
	For the period ended			For the quarter ended			For the period ended			For the quarter ended		
	2026 Audited	2025 Audited	Change %	2026 Audited	2025 Audited	Change %	2026	2025	Change %	2026	2025	Change %
Total income	**283,073,273**	**268,175,027**	**5.6**	**145,604,109**	**137,425,756**	**6.0**	**288,396,675**	**272,746,992**	**5.7**	**147,911,850**	**139,758,465**	**5.8**
Interest income	253,685,357	244,817,358	3.6	128,527,738	123,694,022	3.9	258,920,105	248,801,526	4.1	131,003,556	125,758,115	4.2
Interest expenses	(144,331,951)	(142,085,650)	1.6	(72,145,215)	(71,509,556)	0.9	(146,853,235)	(143,883,217)	2.1	(73,266,141)	(72,464,038)	1.1
Net interest income	**109,353,406**	**102,731,708**	**6.4**	**56,382,523**	**52,184,466**	**8.0**	**112,066,870**	**104,918,309**	**6.8**	**57,737,415**	**53,294,077**	**8.3**
Fee and commission income	20,052,254	16,667,897	20.3	10,016,953	8,539,466	17.3	20,284,944	16,936,280	19.8	10,114,091	8,697,767	16.3
Fee and commission expenses	(7,368,763)	(5,814,144)	26.7	(3,630,875)	(2,836,008)	28.0	(7,386,985)	(5,858,138)	26.1	(3,642,601)	(2,859,079)	27.4
Net fee and commission income	**12,683,491**	**10,853,753**	**16.9**	**6,386,078**	**5,703,458**	**12.0**	**12,897,959**	**11,078,142**	**16.4**	**6,471,490**	**5,838,688**	**10.8**
Net gains/ (losses) from trading	3,622,056	2,597,530	39.4	1,942,906	2,411,768	(19.4)	3,649,799	2,616,299	39.5	1,957,614	2,418,212	(19.0)
Net fair value gains/ (losses) from												
financial instruments at fair value through profit or loss	136,400	327,255	(58.3)	431,193	596,110	(27.7)	(35,234)	(174,368)	(79.8)	340,849	473,211	(28.0)
Net gains/(losses) on derecognition of financial assets												
- at fair value through profit or loss	127,462	156,806	(18.7)	53,564	77,361	(30.8)	99,773	166,751	(40.2)	14,752	80,474	(81.7)
- at fair value through other comprehensive income	357,508	808,998	(55.8)	175,279	537,803	(67.4)	357,508	1,473,085	(75.7)	175,279	827,285	(78.8)
- at amortised cost	-	-	-	-	-	-	-	-	-	-	-	-
Other operating income	5,092,236	2,799,183	81.9	4,456,476	1,569,226	184.0	5,119,780	2,927,419	74.9	4,305,709	1,503,401	186.4
	9,335,662	**6,689,772**	**39.6**	**7,059,418**	**5,192,268**	**36.0**	**9,191,626**	**7,009,186**	**31.1**	**6,794,203**	**5,302,583**	**28.1**
Total operating income	**131,372,559**	**120,275,233**	**9.2**	**69,828,019**	**63,080,192**	**10.7**	**134,156,455**	**123,005,637**	**9.1**	**71,003,108**	**64,435,348**	**10.2**
Impairment (charge)/ reversal												
Loans and advances	(14,554,478)	(12,040,521)	20.9	(6,621,455)	(9,142,762)	(27.6)	(14,632,835)	(11,947,743)	22.5	(6,706,358)	(9,009,241)	(25.6)
Other financial assets	177,200	423,601	(58.2)	291,444	345,307	(15.6)	177,200	423,601	(58.2)	291,444	345,307	(15.6)
Net operating income	**116,995,281**	**108,658,313**	**7.7**	**63,498,008**	**54,282,737**	**17.0**	**119,700,820**	**111,481,495**	**7.4**	**64,588,194**	**55,771,414**	**15.8**
Operating expenses												
Personnel expenses	(24,488,323)	(21,371,413)	14.6	(13,606,701)	(10,999,386)	23.7	(26,047,859)	(22,754,111)	14.5	(14,371,980)	(11,697,185)	22.9
Depreciation and amortisation	(2,748,103)	(2,286,380)	20.2	(1,450,737)	(1,157,390)	25.3	(2,648,069)	(2,314,315)	14.4	(1,411,665)	(1,162,708)	21.4
Other expenses	(10,724,407)	(9,916,419)	8.1	(5,704,448)	(4,908,134)	16.2	(11,975,237)	(10,896,252)	9.9	(6,209,162)	(5,395,996)	15.1
Total operating expenses	**(37,960,833)**	**(33,574,212)**	**13.1**	**(20,761,886)**	**(17,064,910)**	**21.7**	**(40,671,165)**	**(35,964,678)**	**13.1**	**(21,992,807)**	**(18,255,889)**	**20.5**
Operating profit before taxes on financial services	**79,034,448**	**75,084,101**	**5.3**	**42,736,122**	**37,217,827**	**14.8**	**79,029,655**	**75,516,817**	**4.7**	**42,595,387**	**37,515,525**	**13.5**
Taxes on Financial Services												
Value Added Tax (VAT) on financial services	(14,381,817)	(13,732,149)	4.7	(7,775,645)	(6,861,281)	13.3	(14,506,859)	(13,901,888)	4.4	(7,820,712)	(6,969,079)	12.2
Social Security Contribution Levy (SSCL)	(1,997,450)	(1,907,132)	4.7	(1,080,090)	(953,067)	13.3	(2,014,817)	(1,932,122)	4.3	(1,086,349)	(968,718)	12.1
Operating profit after taxes on financial services	**62,655,181**	**59,444,820**	**5.4**	**33,880,387**	**29,403,479**	**15.2**	**62,507,979**	**59,682,807**	**4.7**	**33,688,326**	**29,577,728**	**13.9**
Share of profits/ (losses) of Associate companies, net of tax	-	-	-	-	-	-	59,567	55,799	6.8	17,298	20,125	(14.0)
Profit before income tax	**62,655,181**	**59,444,820**	**5.4**	**33,880,387**	**29,403,479**	**15.2**	**62,567,546**	**59,738,606**	**4.7**	**33,705,624**	**29,597,853**	**13.9**
Income tax expense	(22,863,126)	(23,512,564)	(2.8)	(12,883,610)	(10,598,000)	21.6	(23,131,156)	(23,816,019)	(2.9)	(13,021,872)	(10,822,563)	20.3
Profit for the period	**39,792,055**	**35,932,256**	**10.7**	**20,996,777**	**18,805,479**	**11.7**	**39,436,390**	**35,922,587**	**9.8**	**20,683,752**	**18,775,290**	**10.2**
Profit attributable to:												
Equity holder of the Bank	39,792,055	35,932,256	10.7	20,996,777	18,805,479	11.7	39,561,903	35,983,570	9.9	20,739,445	18,786,233	10.4
Non controlling interest	-	-	-	-	-	-	(125,513)	(60,983)	105.8	(55,693)	(10,943)	408.9
Profit for the period	**39,792,055**	**35,932,256**	**10.7**	**20,996,777**	**18,805,479**	**11.7**	**39,436,390**	**35,922,587**	**9.8**	**20,683,752**	**18,775,290**	**10.2**
Earnings per share:												
Basic earnings per share (Rs.)	1,546.52	1,429.22	8.2	816.04	748.00	9.1	1,537.58	1,431.26	7.4	806.04	747.23	7.9
Diluted earnings per share (Rs.)	1,546.52	1,396.51	10.7	816.04	730.88	11.7	1,537.58	1,398.51	9.9	806.04	730.13	10.4

Rs. 000

30 June	Bank						Group					
	For the period ended			For the quarter ended			For the period ended			For the quarter ended		
	2026 Audited	2025 Audited	Change %	2026 Audited	2025 Audited	Change %	2026	2025	Change %	2026	2025	Change %
Profit for the period	**39,792,055**	**35,932,256**	**10.7**	**20,996,777**	**18,805,479**	**11.7**	**39,436,390**	**35,922,587**	**9.8**	**20,683,752**	**18,775,290**	**10.2**
Other comprehensive income for the period , net of tax												
Items that will be reclassified to profit or loss												
Exchange differences on translation of foreign operations	5,182,356	353,075	1,367.8	5,055,932	205,431	2,361.1	5,633,223	1,031,556	446.1	5,512,456	634,244	769.1
Net gains/ (losses) on cashflow hedge instruments	(392,107)	(589,333)	(33.5)	(290,354)	(271,108)	7.1	(392,107)	(589,333)	(33.5)	(290,354)	(271,108)	7.1
Net gains/ (losses) on investments in debt instruments measured at FVTOCI	(1,121,071)	32,161	(3,585.8)	(792,684)	8,927	(8,979.6)	(1,116,359)	(20,123)	5,447.7	(792,151)	12,677	(6,348.7)
Net (gains)/ losses on FVTOCI financial investments reclassification to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax effect on net gains/ (losses) on investments in debt instruments measured at FVTOCI	335,997	(7,333)	(4,682.0)	238,408	(970)	(24,678.1)	335,997	(7,332)	(4,682.6)	238,408	(969)	(24,703.5)
Share of other comprehensive income of Associate Companies, net of tax	-	-	-	-	-	-	10,611	3,637	191.8	18,278	14,807	23.4
	4,005,175	(211,430)	(1,994.3)	4,211,302	(57,720)	(7,396.1)	4,471,365	418,405	968.7	4,686,637	389,651	1,102.8
Items that will not be reclassified to profit or loss												
Change in fair value on investments in equity instruments measured at FVTOCI	(1,097,354)	782,647	(240.2)	(105,476)	735,884	(114.3)	(953,386)	863,700	(210.4)	166,463	910,783	(81.7)
Deferred tax effect on change in fair value on investments in equity instruments measured at FVTOCI	(15,904)	(150,577)	(89.4)	(186,965)	(47,053)	297.3	(15,904)	(150,577)	(89.4)	(186,965)	(47,053)	297.3
Gain/ (Loss) of derecognition of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Changes in revaluation surplus/ (deficit)	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax effect on revaluation surplus/ (deficit)	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement of post-employment benefit obligations	6,442,440	(7,947,300)	(181.1)	6,442,440	(7,947,300)	(181.1)	6,443,373	(7,932,424)	(181.2)	6,440,242	(7,936,044)	(181.2)
Deferred tax effect on post-employment benefit obligations	(1,932,732)	2,384,190	(181.1)	(1,932,732)	2,384,190	(181.1)	(1,933,013)	2,379,728	(181.2)	(1,932,073)	2,380,845	(181.2)
	3,396,450	(4,931,040)	(168.9)	4,217,267	(4,874,279)	(186.5)	3,541,070	(4,839,573)	(173.2)	4,487,667	(4,691,469)	(195.7)
Other comprehensive income for the period, net of tax	**7,401,625**	**(5,142,470)**	**(243.9)**	**8,428,569**	**(4,931,999)**	**(270.9)**	**8,012,435**	**(4,421,168)**	**(281.2)**	**9,174,304**	**(4,301,818)**	**(313.3)**
Total comprehensive income for the period	**47,193,680**	**30,789,786**	**53.3**	**29,425,346**	**13,873,480**	**112.1**	**47,448,825**	**31,501,419**	**50.6**	**29,858,056**	**14,473,472**	**106.3**
Attributable to:												
Equity holder of the Bank	47,193,680	30,789,786	53.3	29,425,346	13,873,480	112.1	47,575,380	31,560,201	50.7	29,907,722	14,480,133	106.5
Non controlling interest	-	-	-	-	-	-	(126,555)	(58,782)	115.3	(49,666)	(6,661)	645.6
Total comprehensive income for the period	**47,193,680**	**30,789,786**	**53.3**	**29,425,346**	**13,873,480**	**112.1**	**47,448,825**	**31,501,419**	**50.6**	**29,858,056**	**14,473,472**	**106.3**

Rs. 000

As at	Bank			Group		
	30-Jun-2026 Audited	31-Dec-2025 Audited	Change %	30-Jun-2026	31-Dec-2025 Audited	Change %
Assets						
Cash and cash equivalents	214,374,415	131,083,172	63.5	217,002,439	133,811,977	62.2
Balances with Central Banks	70,193,526	79,845,952	(12.1)	70,193,526	79,845,952	(12.1)
Placements with banks	108,360,896	39,458,670	174.6	108,864,097	43,182,411	152.1
Securities purchased under resale agreements	41,149,873	345,307	11,816.9	40,525,286	604,912	6,599.4
Derivative financial assets	9,328,193	6,900,797	35.2	9,328,193	6,900,797	35.2
Financial assets recognized through profit or loss measured at fair value	19,653,114	12,600,011	56.0	25,530,940	20,452,616	24.8
Financial assets at amortized cost						
- loans and advances	2,528,836,178	2,371,751,976	6.6	2,603,979,655	2,442,422,718	6.6
- debt and other instruments	2,183,107,997	2,605,510,006	(16.2)	2,189,854,385	2,611,713,109	(16.2)
Financial assets - measured at fair value through other comprehensive income	50,644,275	37,379,176	35.5	53,152,651	39,744,042	33.7
Investment in Subsidiary companies	8,105,402	8,105,402	-	-	-	-
Investment in Associate companies	92,988	92,988	-	897,736	894,332	0.4
Investment properties	2,414,640	2,414,640	-	-	-	-
Property, plant and equipment	46,699,649	46,142,559	1.2	64,062,862	63,453,867	1.0
Right of Use Asset/ Leasehold properties	4,962,023	5,510,507	(10.0)	3,286,132	2,957,410	11.1
Intangible assets	2,948,797	2,790,651	5.7	3,330,707	2,888,809	15.3
Deferred tax assets	24,172,834	27,402,018	(11.8)	24,313,123	27,518,175	(11.6)
Other assets	105,636,053	90,216,952	17.1	106,554,506	90,659,339	17.5
Total assets	**5,420,680,853**	**5,467,550,784**	**(0.9)**	**5,520,876,238**	**5,567,050,466**	**(0.8)**
Liabilities						
Due to banks	6,566,698	26,397,898	(75.1)	6,569,375	27,225,943	(75.9)
Securities sold under repurchase agreements	282,065,518	284,215,169	(0.8)	285,906,195	288,688,312	(1.0)
Derivative financial liabilities	1,278,275	561,062	127.8	1,278,275	561,062	127.8
Financial liabilities at amortized cost						
- due to depositors	4,319,237,654	4,388,585,972	(1.6)	4,379,748,491	4,447,652,639	(1.5)
- other borrowings	25,391,728	48,719,379	(47.9)	31,107,973	56,877,726	(45.3)
Debt securities issued	-	-	-	1,689,839	1,754,101	(3.7)
Current tax liabilities	28,199,380	25,418,318	10.9	28,674,851	25,667,188	11.7
Deferred tax liabilities	-	-	-	2,736,839	3,003,753	(8.9)
Insurance contract liabilities - Life	-	-	-	556,856	483,493	15.2
Insurance contract liabilities - Non life	-	-	-	454,249	558,400	(18.7)
Other liabilities	241,432,532	228,397,006	5.7	243,469,379	227,394,869	7.1
Subordinated liabilities	103,515,168	99,455,760	4.1	103,262,517	99,203,598	4.1
Total liabilities	**5,007,686,953**	**5,101,750,564**	**(1.8)**	**5,085,454,839**	**5,179,071,084**	**(1.8)**
Equity						
Share capital	25,730,000	25,730,000	-	25,730,000	25,730,000	-
Permanent reserve fund	18,474,000	18,474,000	-	18,474,000	18,474,000	-
OCI reserve	5,459,179	7,357,511	(25.8)	7,710,573	9,459,184	(18.5)
Cashflow hedge reserve	346,099	738,206	(53.1)	346,099	738,206	(53.1)
Retained earnings	241,630,553	204,351,656	18.2	244,207,283	207,048,884	17.9
Other reserves	121,354,069	109,148,847	11.2	138,011,803	125,454,103	10.0
Total equity attributable to equity holder of the Bank	**412,993,900**	**365,800,220**	**12.9**	**434,479,758**	**386,904,377**	**12.3**
Non controlling interest	-	-	-	941,641	1,075,005	(12.4)
Total equity	**412,993,900**	**365,800,220**	**12.9**	**435,421,399**	**387,979,382**	**12.2**
Total liabilities and equity	**5,420,680,853**	**5,467,550,784**	**(0.9)**	**5,520,876,238**	**5,567,050,466**	**(0.8)**
Contingent liabilities and commitments	1,594,894,917	1,808,404,621	(11.8)	1,597,413,424	1,812,255,096	(11.9)

STATEMENT OF CHANGES IN EQUITY- BANK

Rs. 000

	Share capital	Capital pending allotment	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Total equity
						Other reserves	Revaluation reserve		
Balance as at 01 January 2025	**25,000,000**	**730,000**	**16,953,000**	**5,734,549**	**1,521,423**	**47,004,587**	**22,227,386**	**183,388,860**	**302,559,805**
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	35,932,256	35,932,256
Other comprehensive income, net of tax	-	-	-	656,898	(589,333)	353,075	-	(5,563,110)	(5,142,470)
Dividends	-	-	-	-	-	-	-	(5,000,000)	(5,000,000)
Transfers to share capital	730,000	(730,000)	-	-	-	-	-	-	-
Transfer to Other Reserves	-	-	-	-	-	500,000	-	(500,000)	-
Transfer to Special Reserve	-	-	-	-	-	18,046,759	-	(18,046,759)	-
Balance as at 30 June 2025	**25,730,000**	**-**	**16,953,000**	**6,391,447**	**932,090**	**65,904,421**	**22,227,386**	**190,211,247**	**328,349,591**
Balance as at 01 January 2026	**25,730,000**	**-**	**18,474,000**	**7,357,511**	**738,206**	**86,921,461**	**22,227,386**	**204,351,656**	**365,800,220**
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	39,792,055	39,792,055
Other comprehensive income, net of tax	-	-	-	(1,898,332)	(392,107)	5,182,356	-	4,509,708	7,401,625
Transfer to Special Reserve	-	-	-	-	-	7,022,866	-	(7,022,866)	-
Balance as at 30 June 2026	**25,730,000**	**-**	**18,474,000**	**5,459,179**	**346,099**	**99,126,683**	**22,227,386**	**241,630,553**	**412,993,900**

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital	Capital pending allotment	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Non controlling interest	Total equity
						Other reserves	Revaluation reserve			
Balance as at 01 January 2025	**25,000,000**	**730,000**	**16,953,000**	**7,328,571**	**1,521,423**	**50,641,970**	**33,584,706**	**185,536,613**	**1,151,477**	**322,447,760**
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	35,983,570	(60,983)	35,922,587
Other comprehensive income, net of tax	-	-	-	683,376	(589,333)	1,031,556	-	(5,548,968)	2,201	(4,421,168)
Dividends	-	-	-	-	-	-	-	(5,000,000)	-	(5,000,000)
Surcharge Tax	-	-	-	-	-	-	-	-	-	-
Transfers to share capital	730,000	(730,000)	-	-	-	-	-	-	-	-
Transfer to Special Reserve	-	-	-	-	-	18,046,759	-	(18,046,759)	-	-
Transfers to other reserves	-	-	-	-	-	517,958	-	(517,958)	-	-
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	-	(6,809)	(6,809)
Balance as at 30 June 2025	**25,730,000**	**-**	**16,953,000**	**8,011,947**	**932,090**	**70,238,243**	**33,584,706**	**192,406,498**	**1,085,886**	**348,942,370**
Balance as at 01 January 2026	**25,730,000**	**-**	**18,474,000**	**9,459,184**	**738,206**	**91,417,008**	**34,037,095**	**207,048,884**	**1,075,005**	**387,979,382**
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	39,561,903	(125,513)	39,436,390
Other comprehensive income, net of tax	-	-	-	(1,748,611)	(392,107)	5,633,223	-	4,520,973	(1,042)	8,012,436
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	-	(6,809)	(6,809)
Transfer to Special Reserve	-	-	-	-	-	7,022,866	-	(7,022,866)	-	-
Transfer to Other Reserves	-	-	-	-	-	(98,389)	-	98,389	-	-
Balance as at 30 June 2026	**25,730,000**	**-**	**18,474,000**	**7,710,573**	**346,099**	**103,974,708**	**34,037,095**	**244,207,283**	**941,641**	**435,421,399**

Rs.'000

For the period ended 30 June	Bank 2026	Bank 2025	Group 2026	Group 2025
Cash flows from operating activities				
Profit before income tax	62,655,181	59,444,820	62,567,546	59,738,606
Adjustments for :				
Net interest income	(109,353,406)	(102,731,708)	(112,066,870)	(104,918,309)
Dividend income	(152,501)	(312,389)	(173,852)	(340,645)
Dividends from subsidiaries and associates	(336,847)	(268,026)	-	-
Share of (profit)/ loss of associate companies, net of tax	-	-	(59,567)	(55,799)
Change in operating assets	(295,277,940)	(127,236,537)	(293,754,510)	(140,027,430)
Change in operating liabilities	(77,736,304)	247,720,318	(77,566,515)	256,772,991
Other non-cash items included in profit before tax	17,982,218	11,269,030	17,925,954	11,252,581
Other net (gains)/ losses from investing activities	(621,370)	(1,293,059)	(422,047)	(1,465,468)
	(402,840,969)	**86,592,449**	**(403,549,861)**	**80,956,527**
Benefit paid from defined benefit plans	(6,524,841)	(6,405,629)	(6,556,457)	(6,431,151)
Interest received	145,380,795	132,806,120	150,318,012	136,130,389
Interest paid	(120,179,205)	(123,946,326)	(122,138,382)	(125,544,642)
Dividends received	8,672	5,758	8,693	6,818
Net cash from / (used in) operating activities before income tax	**(384,155,548)**	**89,052,372**	**(381,917,995)**	**85,117,941**
Income tax paid	(18,375,119)	(24,226,743)	(18,623,177)	(24,573,887)
Net cash from / (used in) operating activities	**(402,530,667)**	**64,825,629**	**(400,541,172)**	**60,544,054**
Cash flows from investing activities				
Net (increase) / decrease in financial investments at amortized cost	425,726,329	(216,268,967)	425,183,044	(213,853,847)
Net (increase) / decrease in financial assets measured at fair value through OCI	(14,004,945)	13,712,573	(14,004,487)	14,371,352
Purchase of property, plant and equipment	(1,648,559)	(1,272,518)	(1,795,533)	(1,359,999)
Purchase of intangible assets	(581,389)	(690,978)	(886,704)	(694,386)
Proceeds from sale of property, plant and equipment	12,739	48,980	40,575	64,334
Dividends received	480,676	574,657	165,159	333,827
Interest received	107,710,368	120,968,466	108,007,899	121,628,364
Net cash from / (used in) investing activities	**517,695,219**	**(82,927,787)**	**516,709,953**	**(79,510,355)**
Cash flows from financing activities				
Net decrease in other borrowings	(7,294,081)	(6,862,792)	(7,004,809)	(6,834,928)
Proceeds from issue of debentures/ capital bonds	-	15,000,000	-	16,000,000
Dividends paid to non controlling interest	-	-	(6,809)	(6,809)
Interest payments on borrowings and debt securites	(5,086,244)	(2,046,787)	(5,648,351)	(2,246,038)
Net cash from / (used in) financing activities	**(12,380,325)**	**6,090,421**	**(12,659,969)**	**6,912,225**
Net increase / (decrease) in cash and cash equivalents during the period	102,784,227	(12,011,737)	103,508,812	(12,054,076)
Cash and cash equivalents at the beginning of the period	105,568,311	114,381,113	107,469,073	115,229,228
Cash and cash equivalents at the end of the period	**208,352,538**	**102,369,376**	**210,977,885**	**103,175,152**
Analysis of cash and cash equivalents				
Cash and cash equivalents	214,374,415	105,489,806	217,002,439	106,511,071
Bank overdrafts	(6,021,877)	(3,120,430)	(6,024,554)	(3,335,919)
Cash and cash equivalents at the end of the period	**208,352,538**	**102,369,376**	**210,977,885**	**103,175,152**

SELECTED PERFORMANCE INDICATORS

As at	Bank 30-Jun-2026	Bank 31-Dec-2025	Group 30-Jun-2026	Group 31-Dec-2025
Net assets value per share (Rs)	16,051.06	14,216.88	16,886.12	15,037.09
Profitability				
Interest margin *	4.02%	3.96%	4.04%	3.99%
Return on assets (before tax) *	2.30%	2.31%	2.26%	2.30%
Return on equity (after tax) *	20.44%	22.74%	19.16%	21.53%
Cost to income	32.67%	32.99%	33.95%	34.06%
Assets Quality				
Impaired Loans (Stage 3) Ratio (Net)	5.01%	5.59%		
Impaired Loans (Stage 3) Ratio (Gross)	12.11%	12.34%		
Impairment (Stage 3) to Stage 3 Loans Ratio	61.79%	57.91%		
Investor Information				
Debt to equity (%)	23.27	25.48		
Interest cover (times)	4.24	5.22		
Memorandum Information				
Credit Rating- Fitch	AA-	AA-		
Number of employees	8,915	8,912		
Number of branches	586	584		

* These ratios have been calculated by annualizing the 1H-2026 figures.

KEY REGULATORY RATIOS - CAPITAL AND LIQUIDITY

As at	Bank 30-Jun-2026	Bank 31-Dec-2025	Group 30-Jun-2026	Group 31-Dec-2025
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	266,406,046	225,968,229	278,040,498	238,613,145
Total Tier I capital	284,756,046	244,318,229	296,390,498	256,963,145
Total capital	368,018,305	333,554,992	382,008,658	349,258,391
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio	12.47%	11.44%	12.56%	11.47%
(Minimum requirement, Basel III - 8.50%)				
Total Tier I capital ratio	13.32%	12.37%	13.39%	12.35%
(Minimum requirement, Basel III - 10.00%)				
Total capital ratio	17.22%	16.89%	17.26%	16.79%
(Minimum requirement, Basel III - 15.00%)				
Leverage ratio	4.89%	4.12%	4.96%	4.26%
(Minimum requirement - 3%)				
Regulatory Liquidity				
Total Stock of High Quality Liquid Assets (Rs. ' 000)	1,852,599,779	2,314,179,943		
Liquidity coverage ratio - Rupee	283.00%	296.00%		
(Minimum requirement - 100%)				
Liquidity coverage ratio - All currency	255.90%	260.38%		
(Minimum requirement - 100%)				
Net stable funding ratio	155.19%	156.59%		
(Minimum requirement - 100%)				

SHARE INFORMATION

Shareholder	30-Jun-2026 No. of Ordinary Shares	30-Jun-2026 Holding %	31-Dec-2025 No. of Ordinary Shares	31-Dec-2025 Holding %
Government of Sri Lanka	25,730,000	100	25,730,000	100

I. The interim Financial Statements are presented in accordance with Sri Lanka Accounting Standard - LKAS 34 on "Interim Financial Reporting". These condensed Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2025. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.

II. There are no changes in accounting policies and methods of computation since the publication of Annual Financial Statements for the year 2025.

III. During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities in the Bank. All known expenses have been charged in these financial statements.

IV. The Bank evaluated the significant increase in credit risk of Individually Significant Loan (ISL) customers intensively and customers who were identified with objective evidence were classified to higher stages too. Use of management overlays were continued to identify the risk elevated industries and exposures in those industries were classified under stage 2.

V. The Bank has adopted the Alternative Treatment (SoAT) on Reclassification of Debt Portfolio, issued by the Institute of Chartered Accountants of Sri Lanka and reclassified its Debt Portfolio of Rs. 12.8 Bn from Fair Value Through Other Comprehensive Income (FVTOCI) to Amortized Cost (AC) with effect from 01 April 2022. If the current portfolio is continued to be measured at FVTOCI, the fair value and the cumulative fair value loss as at 30 June 2026 would have been Rs. 1.3 Bn and Rs. 107 Mn respectively.

VI. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.

VII. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development Limited, Merchant Bank of Sri Lanka & Finance PLC, Hotels Colombo (1963) Limited, BOC Property Development & Management (Private) Limited, BOC Travels (Private) Limited, Ceybank Holiday Homes (Private) Limited, BOC IT Solutions (Private) Limited, MBSL Insurance Company Limited, and Bank of Ceylon (UK) Limited and the Group's interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

VIII. Central Bank of Sri Lanka has directed Bank of Ceylon to maintain an additional capital buffer of 1% at a minimum, above the regulatory requirement of 14% in line with section 19(10) of the Banking Act No. 30 of 1988, as amended.

IX. In December 2025, the Bank raised Rs. 20 Bn through a listed, unsecured, subordinated and redeemable Sustainability Bond, incorporating non-viability write-down features. The proceeds of the Sustainability Bond were earmarked for financing eligible Green Projects and Social Projects in accordance with the Bank's Sustainability Bond Framework. The impact report relating to the utilisation of the proceeds and the resulting environmental and social impact has been disclosed in Annexure I to these Financial Statements.

We certify that the above Financial Statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 30 June 2026 and its profit for the six-month period ended 30 June 2026.

Sgd.
M P Ruwan Kumara
Chief Financial Officer

We, the undersigned, being the Directors and the General Manager/ Chief Executive Officer of Bank of Ceylon certify jointly that;

a) the above Financial Statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka, Rule 7.4 of Colombo Stock Exchange and Sri Lanka Accounting Standard – LKAS 34 on "Interim Financial Reporting".

b) the information contained in these Financial Statements have been extracted from the audited financial statements of the Bank and un-audited financial statements of the Group.

Sgd.	Sgd.	Sgd.
Kavinda de Zoysa	J D N Gunasekera	Y A Jayathilaka
Chairman	**Director (Senior Independent Non-Executive)**	**General Manager/ Chief Executive Officer**

14 August 2026
Colombo.

Rs. '000

As at 30 June	2026				
	Fair value through profit or loss	**Amortised cost**	**Fair value through OCI**	**Others**	**Total**
Financial assets					
Cash and cash equivalents	-	214,374,415	-	-	214,374,415
Balances with Central Banks	-	70,193,526	-	-	70,193,526
Placements with banks	-	108,360,896	-	-	108,360,896
Securities purchased under resale agreements	-	41,149,873	-	-	41,149,873
Derivative financial assets	9,328,193	-	-	-	9,328,193
Loans and advances	-	2,528,836,178	-	-	2,528,836,178
Financial investments	19,653,114	2,183,107,997	50,644,275	-	2,253,405,386
Total financial assets	**28,981,307**	**5,146,022,885**	**50,644,275**	**-**	**5,225,648,467**
Other assets	-	-	-	195,032,386	195,032,386
Total assets	**28,981,307**	**5,146,022,885**	**50,644,275**	**195,032,386**	**5,420,680,853**

	Fair value through profit or loss	**Amortised Cost**	**Others**	**Total**
Financial liabilities				
Due to banks	-	6,566,698	-	6,566,698
Securities sold under repurchase agreements	-	282,065,518	-	282,065,518
Derivative financial liabilities	1,278,275	-	-	1,278,275
Due to depositors	-	4,319,237,654	-	4,319,237,654
Other borrowings	-	25,391,728	-	25,391,728
Debt securities issued	-	-	-	-
Subordinated liabilities	-	103,515,168	-	103,515,168
Total financial liabilities	**1,278,275**	**4,736,776,766**	**-**	**4,738,055,041**
Other liabilities	-	-	269,631,912	269,631,912
Total liabilities	**1,278,275**	**4,736,776,766**	**269,631,912**	**5,007,686,953**

As at 31 December	2025				
	Fair value through profit or loss	**Amortised cost**	**Fair value through OCI**	**Others**	**Total**
Financial assets					
Cash and cash equivalents	-	131,083,172	-	-	131,083,172
Balances with Central Banks	-	79,845,952	-	-	79,845,952
Placements with banks	-	39,458,670	-	-	39,458,670
Securities purchased under resale agreements	-	345,307	-	-	345,307
Derivative financial assets	6,900,797	-	-	-	6,900,797
Loans and advances	-	2,371,751,976	-	-	2,371,751,976
Financial investments	12,600,011	2,605,510,006	37,379,176	-	2,655,489,193
Total financial assets	**19,500,808**	**5,227,995,083**	**37,379,176**	**-**	**5,284,875,067**
Other assets	-	-	-	182,675,717	182,675,717
Total assets	**19,500,808**	**5,227,995,083**	**37,379,176**	**182,675,717**	**5,467,550,784**

	Fair value through profit or loss	**Amortised Cost**	**Others**	**Total**
Financial liabilities				
Due to banks	-	26,397,898	-	26,397,898
Securities sold under repurchase agreements	-	284,215,169	-	284,215,169
Derivative financial liabilities	561,062	-	-	561,062
Due to depositors	-	4,388,585,972	-	4,388,585,972
Other borrowings	-	48,719,379	-	48,719,379
Debt securities issued	-	-	-	-
Subordinated liabilities	-	99,455,760	-	99,455,760
Total financial liabilities	**561,062**	**4,847,374,178**	**-**	**4,847,935,240**
Other liabilities	-	-	253,815,324	253,815,324
Total liabilities	**561,062**	**4,847,374,178**	**253,815,324**	**5,101,750,564**

Rs. '000

As at 30 June	2026				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	217,002,439	-	-	217,002,439
Balances with Central Banks	-	70,193,526	-	-	70,193,526
Placements with banks	-	108,864,097	-	-	108,864,097
Securities purchased under resale agreements	-	40,525,286	-	-	40,525,286
Derivative financial assets	9,328,193	-	-	-	9,328,193
Loans and advances	-	2,603,979,655	-	-	2,603,979,655
Financial investments	25,530,940	2,189,854,385	53,152,651	-	2,268,537,976
Total financial assets	**34,859,133**	**5,230,419,388**	**53,152,651**	**-**	**5,318,431,172**
Other assets	-	-	-	202,445,066	202,445,066
Total assets	**34,859,133**	**5,230,419,388**	**53,152,651**	**202,445,066**	**5,520,876,238**

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	6,569,375	-	6,569,375
Securities sold under repurchase agreements	-	285,906,195	-	285,906,195
Derivative financial liabilities	1,278,275	-	-	1,278,275
Due to depositors	-	4,379,748,491	-	4,379,748,491
Other borrowings	-	31,107,973	-	31,107,973
Debt securities issued	-	1,689,839	-	1,689,839
Subordinated liabilities	-	103,262,517	-	103,262,517
Total financial liabilities	**1,278,275**	**4,808,284,390**	**-**	**4,809,562,665**
Other liabilities	-	-	275,892,174	275,892,174
Total liabilities	**1,278,275**	**4,808,284,390**	**275,892,174**	**5,085,454,839**

As at 31 December	2025				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	133,811,977	-	-	133,811,977
Balances with Central Banks	-	79,845,952	-	-	79,845,952
Placements with banks	-	43,182,411	-	-	43,182,411
Securities purchased under resale agreements	-	604,912	-	-	604,912
Derivative financial assets	6,900,797	-	-	-	6,900,797
Loans and advances to customers	-	2,442,422,718	-	-	2,442,422,718
Financial investments	20,452,616	2,611,713,109	39,744,042	-	2,671,909,767
Total financial assets	**27,353,413**	**5,311,581,079**	**39,744,042**	**-**	**5,378,678,534**
Other assets	-	-	-	188,371,932	188,371,932
Total assets	**27,353,413**	**5,311,581,079**	**39,744,042**	**188,371,932**	**5,567,050,466**

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	27,225,943	-	27,225,943
Securities sold under repurchase agreements	-	288,688,312	-	288,688,312
Derivative financial liabilities	561,062	-	-	561,062
Due to depositors	-	4,447,652,639	-	4,447,652,639
Other borrowings	-	56,877,726	-	56,877,726
Debt securities issued	-	1,754,101	-	1,754,101
Subordinated liabilities	-	99,203,598	-	99,203,598
Total financial liabilities	**561,062**	**4,921,402,319**	**-**	**4,921,963,381**
Other liabilities	-	-	257,107,703	257,107,703
Total liabilities	**561,062**	**4,921,402,319**	**257,107,703**	**5,179,071,084**

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate 30.06.2026	Coupon rate 31.12.2025	Interest Rate of comparable Government security	Amount 30.06.2026	Amount 31.12.2025
					%	%	%	Rs '000	Rs '000
Sri Lanka rupee debentures									
Fixed interest rate									
Unlisted, unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	9.03	7,434,399	7,027,961
Unlisted, unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	9.42	67,819	64,185
Unlisted, unsecured, subordinated, redeemable debentures		Annually	30.12.2022	29.12.2027	29.00	29.00	9.80	7,373,742	6,498,997
Listed, unsecured, subordinated, redeemable debentures With non viability written down features	a	Annually	27.12.2023	26.12.2028	15.00	15.00	10.33	10,736,484	10,015,949
Listed, unsecured, subordinated, redeemable debentures With non viability written down features	a	Annually	20.09.2024	20.09.2029	13.50	13.50	10.47	16,555,144	15,545,749
Listed, unsecured, subordinated, redeemable debentures With non viability written down features	a	Annually	26.05.2025	26.05.2030	11.25	11.25	10.78	15,154,261	15,995,447
Listed, unsecured, subordinated, redeemable sustainability bond With Non- viability written down features	a	Annually	24.12.2025	24.12.2030	10.50	10.50	10.92	20,865,279	19,857,406
								78,187,128	**75,005,694**
Floating interest rate									
Unlisted, unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 250 basis points with a floor rate of 9.0%)	b	Semi annually	22.11.2021	22.11.2026	10.75	10.41	9.34	5,460,743	5,460,386
Listed, unsecured, subordinated, redeemable sustainability bond With Non- viability written down features (12 months TB (Gross) rate plus 200 basis points)	a/b	Annually	24.12.2025	24.12.2030	10.19	10.19	10.92	195,584	186,396
								5,656,327	**5,646,782**
Additional Tier I capital bonds									
Unlisted, unsecured, subordinated, perpetual capital bond (12 months TB (Net) rate plus 150 basis points with a floor rate of 9.5%)		Annually	06.07.2020	N/A	9.50	9.50	-	5,468,179	5,226,897
Unlisted, unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a floor rate of 9.0%)		Annually	01.12.2020	N/A	9.53	9.53	-	10,541,834	10,075,305
Unlisted, unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a floor rate of 9.0%)		Annually	06.07.2021	N/A	9.44	9.44	-	3,661,700	3,501,082
								19,671,713	**18,803,284**
								103,515,168	**99,455,760**

Notes

a) Debentures that are listed in the Colombo Stock Exchange.

b) Weighted average Treasury Bill interest rate at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.

	01-Jan-2026 to 30-Jun-2026 Rs.	01-Jan-2025 to 31-Dec-2025 Rs.
Market Value		
BOC Debentures 2023/2028,		
Unsecured, subordinated, redeemable with non viability written down features 5 years, fixed rate (15.00%)	Not Traded	Not Traded
BOC Debentures 2024/2029,		
Unsecured, subordinated, redeemable with non viability written down features 5 years, fixed rate (13.50%)	Not Traded	Not Traded
BOC Debentures 2025/2030,		
Unsecured, subordinated, redeemable with non viability written down features 5 years, fixed rate (11.25%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable sustainability Bond with non viability written down features 5 years, fixed rate (10.50%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable sustainability Bond with non viability written down features 5 years, floating rate (12 months TB (Gross) rate plus 200 basis points)	Not Traded	Not Traded

YIELD OF LAST TRADE DONE

	30-Jun-2026 %	31-Dec-2025 %
Interest yield as at date of last trade done		
BOC Debentures 2023/2028,		
5 years, fixed rate (15.00%)	Not Traded	Not Traded
BOC Debentures 2024/2029,		
5 years, fixed rate (13.50%)	Not Traded	Not Traded
BOC Debentures 2025/2030,		
5 years, fixed rate (11.25%)	Not Traded	Not Traded
5 years, fixed rate (10.50%)	Not Traded	Not Traded
5 years, floating rate (12 months TB (Gross) rate plus 200 basis points)	Not Traded	Not Traded
Yield to maturity of last trade done		
BOC Debentures 2023/2028,		
5 years, fixed rate (15.00%)	Not Traded	Not Traded
BOC Debentures 2024/2029,		
5 years, fixed rate (13.50%)	Not Traded	Not Traded
BOC Debentures 2025/2030,		
5 years, fixed rate (11.25%)	Not Traded	Not Traded
5 years, fixed rate (10.50%)	Not Traded	Not Traded
5 years, floating rate (12 months TB (Gross) rate plus 200 basis points)	Not Traded	Not Traded

Rs '000

1 Loans and advances to customers

	Bank		Group	
As at	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Gross loans and receivables	2,831,087,545	2,654,271,738	2,907,996,942	2,726,685,937
Stage 1	2,194,130,847	2,072,276,344	2,247,478,151	2,122,148,132
Stage 2	269,515,674	229,815,450	287,553,076	247,072,259
Stage 3	367,441,024	352,179,944	372,965,715	357,465,546
Less : Accumulated impairment	302,251,367	282,519,762	304,017,287	284,263,219
Stage 1	44,689,091	47,658,792	45,425,918	48,450,996
Stage 2	30,516,874	30,919,760	31,304,672	31,647,969
Stage 3	227,045,402	203,941,210	227,286,697	204,164,254
Net loans and advances	**2,528,836,178**	**2,371,751,976**	**2,603,979,655**	**2,442,422,718**

2 Loans and advances to customers - By product

	Bank		Group	
As at	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Local currency				
Overdrafts	125,706,821	141,062,877	125,327,435	140,567,029
Term loans	793,983,955	728,431,165	812,395,962	747,133,540
Lease rentals receivable	64,139,749	40,088,325	75,550,472	52,991,742
Credit cards	12,615,093	11,355,193	12,615,093	11,355,193
Pawning	258,051,376	225,270,883	267,440,378	233,589,292
Housing loans	68,518,236	67,018,624	68,541,029	67,041,318
Trade finance	84,258,570	77,703,078	84,258,570	77,906,646
Personal loans	391,598,674	371,148,852	392,097,865	371,705,841
Staff loans	36,318,503	32,675,857	36,784,362	33,051,374
Foreclosed properties	6,643,367	6,680,600	6,643,367	6,680,600
Other loans	86,415,312	85,124,488	86,415,312	85,124,488
Total local currency loans and advances	**1,928,249,656**	**1,786,559,942**	**1,968,069,845**	**1,827,147,063**
Foreign currency				
Overdrafts	71,935,693	75,526,822	72,485,485	76,016,505
Term loans	743,481,122	686,682,077	779,979,033	717,974,907
Trade finance	74,103,276	93,387,030	74,103,276	93,387,030
Housing loans	18,594	18,876	18,594	18,876
Staff loans	280,973	267,250	322,478	311,815
Foreclosed properties	7,854	7,041	7,854	7,041
Other loans	13,010,377	11,822,700	13,010,377	11,822,700
Total foreign currency loans and advances	**902,837,889**	**867,711,796**	**939,927,097**	**899,538,874**
Total loans and advances to customers	**2,831,087,545**	**2,654,271,738**	**2,907,996,942**	**2,726,685,937**

3 Movement in impairment provisions during the period for loans and advances to customers

	Bank			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	47,658,792	30,919,760	203,941,210	282,519,762
Charge / (reversal) during the period	(1,374,628)	(3,584,936)	20,976,665	16,017,101
Amount recovered during the period	-	-	(1,462,623)	(1,462,623)
Exchange rate variance on foreign currency impairment	(1,595,073)	3,182,050	3,590,150	5,177,127
Amount written-off during the period	-	-	(11,318)	(11,318)
Other movements	-	-	11,318	11,318
Closing balance as at 30 June 2026	**44,689,091**	**30,516,874**	**227,045,402**	**302,251,367**

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	48,450,996	31,647,969	204,164,254	284,263,219
Charge / (reversal) during the period	(1,361,273)	(3,576,213)	21,032,944	16,095,458
Amount recovered during the period	-	-	(1,462,623)	(1,462,623)
Exchange rate variance on foreign currency impairment	(1,595,073)	3,182,050	3,590,150	5,177,127
Amount written-off during the period	-	-	(11,318)	(11,318)
Other movements	(68,732)	50,866	(26,710)	(44,576)
Closing balance as at 30 June 2026	**45,425,918**	**31,304,672**	**227,286,697**	**304,017,287**

Rs.'000

4) Contingent liabilities and commitments

As at	Bank 30-Jun-2026	Bank 31-Dec-2025	Group 30-Jun-2026	Group 31-Dec-2025
By product - Domestic currency				
Acceptances and documentary credits	213,908,675	180,661,891	213,908,675	180,661,891
Bills for collection	64,074,494	59,243,457	64,074,494	59,243,457
Forward exchange contracts	155,779,367	280,870,096	155,779,367	280,870,096
Guarantees	125,177,992	121,889,795	125,357,858	122,080,519
Undrawn and undisbursed facilities	823,529,585	851,187,128	823,529,585	851,187,128
Other commitments	30,405,223	28,511,833	31,541,936	29,716,899
Total domestic currency contingent liabilities and commitments	**1,412,875,336**	**1,522,364,200**	**1,414,191,915**	**1,523,759,990**
By product - Foreign currency				
Acceptances and documentary credits	18,494,230	11,863,582	18,502,241	11,863,582
Bills for collection	9,067,751	8,775,392	9,067,751	8,775,392
Forward exchange contracts	35,738,409	50,389,566	35,738,409	50,389,566
Guarantees	12,135,157	10,849,614	12,525,062	11,141,734
Undrawn and undisbursed facilities	22,546,309	55,905,402	23,350,321	58,067,966
Other commitments	84,037,725	148,256,865	84,037,725	148,256,866
Total foreign currency contingent liabilities and commitments	**182,019,581**	**286,040,421**	**183,221,509**	**288,495,106**
Total Contingent liabilities and commitments	**1,594,894,917**	**1,808,404,621**	**1,597,413,424**	**1,812,255,096**

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank 30-Jun-2026	Bank 31-Dec-2025	Group 30-Jun-2026	Group 31-Dec-2025
Local currency				
Demand deposits	192,697,192	245,258,197	192,025,225	244,856,272
Savings deposits	974,347,340	1,013,565,616	975,626,168	1,014,996,004
Time deposits	2,128,880,785	2,202,648,549	2,155,874,026	2,228,590,700
Other deposits	7,784,362	8,360,589	7,784,362	8,360,589
Total local currency deposits	**3,303,709,679**	**3,469,832,951**	**3,331,309,781**	**3,496,803,565**
Foreign currency				
Demand deposits	59,832,982	58,937,429	61,111,698	60,076,866
Savings deposits	147,525,617	137,572,643	148,438,018	138,310,171
Time deposits	804,920,970	719,454,307	835,640,588	749,673,395
Other deposits	3,248,406	2,788,642	3,248,406	2,788,642
Total foreign currency deposits	**1,015,527,975**	**918,753,021**	**1,048,438,710**	**950,849,074**
Total due to depositors	**4,319,237,654**	**4,388,585,972**	**4,379,748,491**	**4,447,652,639**

SEGMENTAL ANALYSIS - GROUP

Rs. '000

For the six month period ended 30 June	Retail banking		Corporate and Offshore banking		International,treasury and investment		Group functions		Unallocated		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Revenue from external customers:												
Net interest income	36,909,265	28,280,831	23,865,412	17,504,806	49,727,051	57,937,498	2,713,464	2,186,600	(1,148,322)	(991,426)	112,066,870	104,918,309
Net fee and commission income	8,901,255	7,454,484	1,878,357	1,635,527	1,435,116	1,197,556	214,468	224,389	468,763	566,186	12,897,959	11,078,142
Other income	546,885	565,121	2,974,225	775,793	5,699,373	5,215,245	(144,036)	319,414	115,179	133,613	9,191,626	7,009,186
Total operating income	**46,357,405**	**36,300,436**	**28,717,994**	**19,916,126**	**56,861,540**	**64,350,299**	**2,783,896**	**2,730,403**	**(564,380)**	**(291,627)**	**134,156,455**	**123,005,637**
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(4,008,585)	(1,858,332)	(10,089,129)	(9,878,942)	(86,982)	246,314	(78,357)	92,777	(192,582)	(125,959)	(14,455,635)	(11,524,142)
Total operating expenses	(29,895,025)	(26,232,108)	(2,457,757)	(2,280,297)	(5,374,959)	(4,839,741)	(2,710,332)	(2,390,464)	(233,092)	(222,068)	(40,671,165)	(35,964,678)
Total expenses	**(33,903,610)**	**(28,090,440)**	**(12,546,886)**	**(12,159,239)**	**(5,461,941)**	**(4,593,427)**	**(2,788,689)**	**(2,297,687)**	**(425,674)**	**(348,027)**	**(55,126,800)**	**(47,488,820)**
Operating profit before taxes on financial services	**12,453,795**	**8,209,996**	**16,171,108**	**7,756,887**	**51,399,599**	**59,756,872**	**(4,793)**	**432,716**	**(990,054)**	**(639,654)**	**79,029,655**	**75,516,817**
Taxes on financial services											(16,521,676)	(15,834,010)
Operating profit after taxes on financial services											**62,507,979**	**59,682,807**
Share of profits/ (losses) of associate companies, net of tax							59,567	55,799			59,567	55,799
Profit /(loss) before income tax	**12,453,795**	**8,209,996**	**16,171,108**	**7,756,887**	**51,399,599**	**59,756,872**	**54,774**	**488,515**	**(990,054)**	**(639,654)**	**62,567,546**	**59,738,606**
Income tax expense											(23,131,156)	(23,816,019)
Profit for the period											**39,436,390**	**35,922,587**
Total assets	**1,181,731,683**	**963,555,949**	**1,262,952,376**	**1,062,606,984**	**2,733,633,823**	**3,025,316,211**	**100,195,384**	**75,853,967**	**242,362,972**	**239,882,056**	**5,520,876,238**	**5,367,215,167**
Total liabilities	**1,091,697,241**	**903,763,546**	**1,166,729,846**	**996,668,078**	**2,525,362,182**	**2,837,583,546**	**77,767,885**	**55,261,188**	**223,897,685**	**224,996,439**	**5,085,454,839**	**5,018,272,797**
Cash flows from/ (used in) operating activities	(142,040,905)	19,565,114	(87,993,061)	10,734,341	(174,225,985)	34,683,355	1,989,495	(4,281,575)	1,729,284	(157,181)	(400,541,172)	60,544,054
Cash flows from/ (used in) investing activities	112,859,779	(15,101,136)	120,616,658	(16,653,493)	261,072,216	(47,413,656)	(985,266)	3,417,432	23,146,566	(3,759,502)	516,709,953	(79,510,355)
Cash flows from/ (used in) financing activities	(6,773,747)	2,996,811	(3,389,708)	2,198,491	(1,312,612)	482,607	(279,644)	821,804	(904,258)	412,512	(12,659,969)	6,912,225
Capital expenditure to non-current assets											(2,641,663)	(2,054,385)
Depreciation and amortization expenses	599,098	416,349	640,274	459,149	1,385,860	1,307,229	(100,034)	27,934	122,871	103,654	2,648,069	2,314,315

During the period from 01.01.2023 to 30.06.2026

Year	Objective number	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utiliation as per Prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amounts utilized in Rs. (B)	% of utiliation against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg : whether lent to related party/s etc…)
2023	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.	10 Billion	27.12.2023	10 Billion	100	10 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.		on or before 27.12.2024					
2024	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.	15 Billion	20.09.2024	15 Billion	100	15 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.		on or before 20.09.2025					
2025	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.	15 Billion	26.05.2025	15 Billion	100	15 Billion	100	Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.							
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.		on or before 26.05.2026					
2025	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR).	20 Billion	24.12.2025	20 Billion	100	20 Billion	100	Rs. 3.95 Billion was invested in 6 months Treasury Bills until allocating for new green and social loans.
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios and to strenghten the Bank's liquidity position							
	3	To expand social lending portfolio of the Bank.	Maximum up to Rs. 15 Bn for financing and/or refinancing eligible social lending portfolio, out of which up to Rs. 10.5 Bn for refinancing the eligible social projects.	on or before 24.12.2027	For Refinancing 10.5 Billion		10.5 Billion	100	
					For New Loans 4.5 Billion		2.05 Billion	45.56	
		To expand green lending portfolio of the Bank.	Maximum up to Rs. 5 Bn for financing and/or refinancing eligible green lending portfolio, out of which up to Rs. 3.5 Bn for refinancing the eligible green projects.		For Refinancing 3.5 Billion		3.5 Billion	100	
					For New Loans 1.5 Billion		0.001 Billion	1	

Sustainability Bond 2025 – Impact report as at 30 June 2026

Refinancing			
Eligible category	**Sub Category**	**Impact indicator**	
Green Projects	Renewable Energy	Renewable energy capacity installed	27.32 MW
		Annual Energy Generation	29,287.3 MWh
		Avoided/reduced carbon emissions	12,417.81 tCO_2e
Social Projects	Employment Generation & Unemployment Alleviation	Number and amount of loans to SMEs	674
		Number and amount of loans to microfinance entities	121
		Number and amount of loans to women-led businesses	18
	Access to Essential Services (Education)	Number of students enrolled or benefited	5728
		Number of teachers hired or trained	30

New Financing				
Eligible category	**Sub Category**	**Impact indicator**		
Green Projects	Renewable Energy	Renewable energy capacity installed	0.00635 MW	
		Annual Energy Generation	8.6868 MW/Year	
		Avoided/reduced carbon emissions	3.7 tCO_2e/Year	
Social Projects	Employment Generation & Unemployment Alleviation		**Number of Loans**	**Amount Rs. (Mn)**
		loans to SMEs	241	1,348.0
		loans to microfinance entities	61	235.9
		loans to women-led businesses	544	942.4