Seylan Bank PLC

Interim Financial Statements
For the 06 Months Ended 30th June 2026

Seylan Bank reports PAT of LKR 6.1 Bn during H1 - 2026

- Profit before Income Tax - LKR 9.3 Bn up by 10.10%
- Profit after Tax – LKR 6.1 Bn up by 10.78%
- Total Assets reach LKR 976 Bn
- Return on Equity (ROE) of 14.74%
- Impaired Loans (Stage 3) Ratio at 1.03%

The Bank recorded a Profit Before Income Tax (PBT) of LKR 9,298 Mn during H1 2026, compared to LKR 8,444 Mn reflecting a year-on-year growth of 10.10%.

For the 6 months ended 30th June 2026, the Bank recorded a Profit after Tax of LKR 6,080 Mn representing a growth of 10.78% compared to LKR 5,489 Mn recorded in the corresponding period of 2025.

Statement of Financial Performance

Net interest income increased to LKR 19,560 Mn from LKR 17,762 Mn, an increase of 10.12% over the comparative period mainly due to the significant growth in bank's total assets over the last 12 months from LKR 812 Bn as end of H1 2025 to LKR 976 Bn as at 30th June 2026. The Bank's Net Interest Margin (NIM) moderated from 4.50% in 2025 to 4.16% during H1 2026.

Meanwhile, the Bank's net fee-based income recorded a growth of 20.85%, increasing from LKR 3,847 Mn to LKR 4,650 Mn, primarily driven by fee income from Cards, Remittances, Trade, Loans and other financial services.

Other income, comprising net gains/(losses) from trading, net gains from the derecognition of financial assets, and other operating income, increased during the period, primarily due to foreign exchange gains arising from higher trade volumes. However, this increase was partially offset by the decline in mark-to-market gains on government securities and equity investments, reflecting the impact of prevailing market interest rates and related price movements.

The Bank's total operating income was recorded as LKR 25,542 Mn, an increase of 13.34% compared to LKR 22,536 Mn recorded in the corresponding period of 2025.

Total operating expenses increased by 14.23%, rising from LKR 10,753 Mn in H1 2025 to LKR 12,282 Mn in H1 2026. Personnel expenses grew by 12.96%, from LKR 5,801 Mn to LKR 6,553 Mn, primarily due to annual salary revisions. Other operating expenses, including depreciation and amortization, increased by 15.72%, reflecting higher prices of consumables and other related cost of services over the period. The Bank continues to implement targeted cost optimization initiatives to manage overhead costs efficiently.

The Bank recorded an impairment charge of LKR 733 Mn in H1 2026, higher than LKR 419 Mn in H1 2025 with an increase of 74.98%. The Bank has ensured Impairment provisions are made prudently to reflect changes in the global and local economy, customer credit risk profiles, and the overall credit quality of the Bank's loan portfolio, ensuring adequacy of provisions recognized in the financial statements. The Bank's asset quality ratios demonstrated continued strength, with the

Impaired Loans (Stage 3) Ratio at 1.03% (2025: 1.03%) and the Stage 3 Provision Cover Ratio at 85.26% as at 30th June 2026, one of the highest in the banking industry.

Income tax expenses for H1 2026 amounted to LKR 3,218 Mn, compared to LKR 2,956 Mn reported for H1 2025. Value Added Tax (VAT) on Financial Services increased from LKR 2,564 Mn to LKR 2,833 Mn and Social Security Contribution Levy (SSCL) increased from LKR 356 Mn to LKR 396 Mn.

Statement of Financial Position

The Bank's total assets increased from LKR 921 Bn to LKR 976 Bn during H1 2026, demonstrating a strong growth over the last six months. The Bank actively pursued new-to-bank loans and deposits while retaining its existing customer base during 1H 2026. Loans and Advances grew from LKR 600 Bn to LKR 650 Bn while deposits increase from LKR 733 Bn to LKR 771 Bn. The Bank's CASA ratio stood at 27%.

Key financial ratios and indicators

As of 30th June 2026, Bank remained well-capitalized, with capital adequacy ratios comfortably above regulatory minimums. The CET1 and Total Tier 1 Capital Ratios were 10.91%, while the Total Capital Ratio stood at 15.56%, reflecting a strong capital base.

The Bank maintained the Liquidity Coverage Ratio (LCR) well above the statutory requirement. All Currency LCR Ratio and the Rupee LCR Ratio were maintained at 187.03% and 175.88% respectively.

The Return on Equity (ROE) stood at 14.74% (2025 – 15.89%) and Return on Average Assets (profit before tax) stood at 1.98% (2025 – 2.31%) for the period under review.

The Bank's Earnings per Share stood at LKR 9.57 in H1 2026 compared to LKR 8.63 reported in comparative period. The Bank's Net Assets Value per Share stood at LKR 132.87 as at 30th June 2026 (Group - LKR 136.24).

During H1 2026, Seylan Bank expanded its flagship CSR initiative by opening 5 new "Seylan Pahasara Libraries", bringing the total number of libraries established to 294. This milestone underscores the Bank's continued commitment to fostering education and supporting underprivileged schools across the island by improving access to knowledge and learning resources.

The National Long-Term Rating of Seylan Bank, was upgrade by two notches to A+(lka) with a Stable Outlook by Fitch Ratings in 2025.

Seylan Bank PLC

Income Statement

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in LKR Thousands)

	Bank			Bank		
	For the Six Months Ended 30th June			*For the Quarter Ended 30th June*		
	2026	**2025**	***Growth %***	**2026**	**2025**	***Growth %***
Interest Income	46,942,635	39,419,140	***19.09***	24,145,415	19,935,740	***21.12***
Less : Interest Expenses	27,382,235	21,657,006	***26.44***	14,319,273	10,760,202	***33.08***
Net Interest Income	**19,560,400**	**17,762,134**	***10.12***	**9,826,142**	**9,175,538**	***7.09***
Fee and Commission Income	5,701,589	4,537,889	***25.64***	2,890,347	2,338,761	***23.58***
Less : Fee and Commission Expenses	1,052,054	690,685	***52.32***	568,379	369,360	***53.88***
Net Fee and Commission Income	**4,649,535**	**3,847,204**	***20.85***	**2,321,968**	**1,969,401**	***17.90***
Net Gains from Trading	1,117,685	187,347	***496.59***	1,335,876	75,574	***1,667.64***
Net Gains from Derecognition of Financial Assets	36,612	94,964	***(61.45)***	21,559	71,214	***(69.73)***
Net Other Operating Income	177,446	644,569	***(72.47)***	(339,348)	250,524	***(235.46)***
Total Operating Income	**25,541,678**	**22,536,218**	***13.34***	**13,166,197**	**11,542,251**	***14.07***
Less : Impairment Charges	732,565	418,659	***74.98***	632,414	193,232	***227.28***
Net Operating Income	**24,809,113**	**22,117,559**	***12.17***	**12,533,783**	**11,349,019**	***10.44***
Less : Operating Expenses						
Personnel Expenses	6,552,755	5,801,136	***12.96***	3,314,751	2,995,474	***10.66***
Depreciation and Amortisation Expenses	747,823	685,326	***9.12***	378,029	346,373	***9.14***
Other Expenses	4,981,888	4,266,214	***16.78***	2,458,859	2,276,187	***8.03***
Total Operating Expenses	**12,282,466**	**10,752,676**	***14.23***	**6,151,639**	**5,618,034**	***9.50***
Operating Profit before Taxes	**12,526,647**	**11,364,883**	***10.22***	**6,382,144**	**5,730,985**	***11.36***
Less : Value Added Tax on Financial Services	2,833,100	2,564,287	***10.48***	1,431,553	1,304,511	***9.74***
Less : Social Security Contribution Levy	395,838	356,153	***11.14***	201,179	181,182	***11.04***
Profit before Income Tax	**9,297,709**	**8,444,443**	***10.10***	**4,749,412**	**4,245,292**	***11.87***
Less : Income Tax Expense	3,217,552	2,955,741	***8.86***	1,574,880	1,517,275	***3.80***
Profit for the Period	**6,080,157**	**5,488,702**	***10.78***	**3,174,532**	**2,728,017**	***16.37***
Basic/Diluted Earnings per Ordinary Share (Rs.)	**9.57**	**8.63**	***10.89***	**4.99**	**4.29**	***16.32***

Seylan Bank PLC

Statement of Profit or Loss and Other Comprehensive Income

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in LKR Thousands)

	Bank			*Bank*		
	For the Six Months Ended 30th June			*For the Quarter Ended 30th June*		
	2026	**2025**	***Growth %***	**2026**	**2025**	***Growth %***
Profit for the Period	**6,080,157**	**5,488,702**	***10.78***	**3,174,532**	**2,728,017**	***16.37***
Other Comprehensive Income/ (Loss), Net of Tax						
Items that are or may be Reclassified to Income Statement in Subsequent Periods						
Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	(1,990,726)	1,492,905	***(233.35)***	(1,301,554)	1,166,766	***(211.55)***
Deferred Tax effect relating to items that are or may be Reclassified to Income Statement	597,218	(447,872)	***233.35***	390,467	(350,030)	***211.55***
Items that will never be Reclassified to Income Statement in Subsequent Periods						
Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	403,579	671,717	***(39.92)***	290,769	771,190	***(62.30)***
Deferred Tax effect relating to items that will never be Reclassified to Income Statement	-	-	-	-	-	-
Other Comprehensive Income/ (Loss) for the Period, Net of Taxes	**(989,929)**	**1,716,750**	***(157.66)***	**(620,318)**	**1,587,926**	***(139.06)***
Total Comprehensive Income for the Period	**5,090,228**	**7,205,452**	***(29.36)***	**2,554,214**	**4,315,943**	***(40.82)***

Seylan Bank PLC

Income Statement

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in LKR Thousands)

	Group			Group		
	For the Six Months Ended 30th June			*For the Quarter Ended 30th June*		
	2026	**2025**	***Growth %***	**2026**	**2025**	***Growth %***
Interest Income	46,967,901	39,446,053	***19.07***	24,157,592	19,948,533	***21.10***
Less : Interest Expenses	27,214,957	21,494,741	***26.61***	14,236,130	10,679,050	***33.31***
Net Interest Income	**19,752,944**	**17,951,312**	***10.04***	**9,921,462**	**9,269,483**	***7.03***
Fee and Commission Income	5,701,428	4,542,401	***25.52***	2,906,505	2,357,801	***23.27***
Less : Fee and Commission Expenses	1,052,054	691,941	***52.04***	568,379	370,616	***53.36***
Net Fee and Commission Income	**4,649,374**	**3,850,460**	***20.75***	**2,338,126**	**1,987,185**	***17.66***
Net Gains from Trading	1,117,685	187,347	***496.59***	1,335,876	75,574	***1,667.64***
Net Gains from Derecognition of Financial Assets	36,612	94,964	***(61.45)***	21,559	71,214	***(69.73)***
Net Other Operating Income	97,248	558,416	***(82.59)***	(330,526)	250,215	***(232.10)***
Total Operating Income	**25,653,863**	**22,642,499**	***13.30***	**13,286,497**	**11,653,671**	***14.01***
Less : Impairment Charges	732,565	418,659	***74.98***	632,414	193,232	***227.28***
Net Operating Income	**24,921,298**	**22,223,840**	***12.14***	**12,654,083**	**11,460,439**	***10.42***
Less : Operating Expenses						
Personnel Expenses	6,580,961	5,827,531	***12.93***	3,328,506	3,009,421	***10.60***
Depreciation and Amortization Expenses	771,236	710,728	***8.51***	389,844	358,558	***8.73***
Other Expenses	5,028,576	4,297,755	***17.00***	2,476,900	2,291,687	***8.08***
Total Operating Expenses	**12,380,773**	**10,836,014**	***14.26***	**6,195,250**	**5,659,666**	***9.46***
Operating Profit before Taxes	**12,540,525**	**11,387,826**	***10.12***	**6,458,833**	**5,800,773**	***11.34***
Less : Value Added Tax on Financial Services	2,833,100	2,564,287	***10.48***	1,431,553	1,304,511	***9.74***
Less : Social Security Contribution Levy	395,838	356,153	***11.14***	201,179	181,182	***11.04***
Profit before Income Tax	**9,311,587**	**8,467,386**	***9.97***	**4,826,101**	**4,315,080**	***11.84***
Less : Income Tax Expense	3,264,141	3,001,099	***8.76***	1,598,211	1,539,427	***3.82***
Profit for the Period	**6,047,446**	**5,466,287**	***10.63***	**3,227,890**	**2,775,653**	***16.29***
Profit Attributable to :						
Equity Holders of the Bank	**6,024,037**	**5,442,913**	***10.68***	**3,214,384**	**2,763,596**	***16.31***
Non-Controlling Interest	**23,409**	**23,374**	***0.15***	**13,506**	**12,057**	***12.02***
Profit for the Period	**6,047,446**	**5,466,287**	***10.63***	**3,227,890**	**2,775,653**	***16.29***
Basic/Diluted Earnings per Ordinary Share (Rs.)	**9.48**	**8.56**	***10.75***	**5.06**	**4.35**	***16.32***

Seylan Bank PLC

Statement of Profit or Loss and Other Comprehensive Income

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in LKR Thousands)

	Group			***Group***		
	For the Six Months Ended 30th June			*For the Quarter Ended 30th June*		
	2026	**2025**	***Growth %***	**2026**	**2025**	***Growth %***
Profit for the Period	**6,047,446**	**5,466,287**	***10.63***	**3,227,890**	**2,775,653**	***16.29***
Other Comprehensive Income/ (Loss), Net of Tax						
Items that are or may be Reclassified to Income Statement in Subsequent Periods						
Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	(2,002,788)	1,496,336	***(233.85)***	(1,308,084)	1,170,225	***(211.78)***
Deferred Tax effect relating to items that are or may be Reclassified to Income Statement	600,837	(448,901)	***233.85***	392,426	(351,067)	***211.78***
Items that will never be Reclassified to Income Statement in Subsequent Periods						
Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	403,579	671,717	***(39.92)***	290,769	771,190	***(62.30)***
Revaluation of Property, Plant and Equipment	3,098	-	-	3,098	-	-
Deferred Tax effect relating to items that will never be Reclassified to Income Statement	(929)	-	-	(929)	-	-
Other Comprehensive Income/(Loss) for the Period, Net of Taxes	**(996,203)**	**1,719,152**	***(157.95)***	**(622,720)**	**1,590,348**	***(139.16)***
Total Comprehensive Income for the Period	**5,051,243**	**7,185,439**	***(29.70)***	**2,605,170**	**4,366,001**	***(40.33)***
Attributable to :						
Equity Holders of the Bank	**5,029,422**	**7,161,457**	***(29.77)***	**2,592,272**	**4,353,331**	***(40.45)***
Non-Controlling Interest	**21,821**	**23,982**	***(9.01)***	**12,898**	**12,670**	***1.80***
Total Comprehensive Income for the Period	**5,051,243**	**7,185,439**	***(29.70)***	**2,605,170**	**4,366,001**	***(40.33)***

Seylan Bank PLC
Statement of Financial Position

(Amounts in LKR Thousands)

	Bank			Group		
	As at 30.06.2026	*As at 31.12.2025 (Audited)*	***Growth %***	*As at 30.06.2026*	*As at 31.12.2025 (Audited)*	***Growth %***
Assets						
Cash and Cash Equivalents	19,031,687	18,202,545	***4.56***	19,031,727	18,202,585	***4.56***
Balances with Central Bank of Sri Lanka	8,929,650	11,218,110	***(20.40)***	8,929,650	11,218,110	***(20.40)***
Placements with Banks and Finance Companies	29,543,527	32,006,116	***(7.69)***	29,543,527	32,006,116	***(7.69)***
Derivative Financial Instruments	1,812,523	200,648	***803.33***	1,812,523	200,648	***803.33***
Financial Assets recognised through Profit or Loss	18,641,671	14,959,447	***24.61***	18,641,671	14,959,447	***24.61***
Financial Assets at Amortised Cost						
- Loans and Advances	650,365,165	599,801,944	***8.43***	650,365,165	599,801,944	***8.43***
- Debt and Other Instruments	125,333,352	120,394,298	***4.10***	125,333,352	120,489,193	***4.02***
Financial Assets measured at Fair Value through Other Comprehensive Income	88,464,728	92,796,261	***(4.67)***	88,828,721	93,167,635	***(4.66)***
Investment in Subsidiary	1,153,602	1,153,602	-	-	-	-
Property, Plant & Equipment	5,608,271	5,672,416	***(1.13)***	8,431,143	8,502,813	***(0.84)***
Tax Assets	4,029,146	3,431,810	***17.41***	3,320,560	2,731,914	***21.55***
Other Assets	23,078,710	21,165,976	***9.04***	21,570,487	19,629,675	***9.89***
Total Assets	**975,992,032**	**921,003,173**	***5.97***	**975,808,526**	**920,910,080**	***5.96***
Liabilities						
Due to Banks	24,182,056	23,898,752	***1.19***	24,182,056	23,898,752	***1.19***
Derivative Financial Instruments	235,449	6,413	***3,571.43***	235,449	6,413	***3,571.43***
Financial Liabilities at Amortised Cost						
- Due to Depositors	771,065,557	732,960,379	***5.20***	771,065,557	732,960,379	***5.20***
- Due to Borrowers	22,681,261	5,219,998	***334.51***	22,681,261	5,219,998	***334.51***
Debt Securities Issued	34,471,936	40,131,478	***(14.10)***	34,471,936	40,131,478	***(14.10)***
Tax Liabilities	8,060,074	8,607,524	***(6.36)***	8,101,467	8,634,268	***(6.17)***
Other Liabilities & Provisions	30,834,125	28,264,694	***9.09***	27,388,457	24,842,677	***10.25***
Total Liabilities	**891,530,458**	839,089,238	***6.25***	**888,126,183**	835,693,965	***6.27***
Equity						
Stated Capital	21,693,370	21,693,370	-	21,693,370	21,693,370	-
Statutory Reserve Fund	3,988,952	3,988,952	-	3,988,952	3,988,952	-
Retained Earnings	54,718,178	51,237,691	***6.79***	55,557,459	52,132,637	***6.57***
Other Reserves	4,061,074	4,993,922	***(18.68)***	5,363,207	6,301,196	***(14.89)***
Total Shareholders' Equity	**84,461,574**	81,913,935	***3.11***	**86,602,988**	84,116,155	***2.96***
Non-controlling Interest	-	-	-	1,079,355	1,099,960	***(1.87)***
Total Equity	**84,461,574**	81,913,935	***3.11***	**87,682,343**	85,216,115	***2.89***
Total Equity & Liabilities	**975,992,032**	921,003,173	***5.97***	**975,808,526**	920,910,080	***5.96***
Contingent Liabilities and Commitments	**329,354,436**	**292,985,888**	***12.41***	**329,368,094**	**293,010,210**	***12.41***
Memorandum Information						
Number of Employees	**3,300**	3,243	***1.76***	**3,318**	3,261	***1.75***
Number of Banking Centres	**172**	172	-	**172**	172	-
Net Assets Value per Ordinary Share (Rs.)	**132.87**	128.87	***3.10***	**136.24**	132.33	***2.95***

Certification;

I certify that the above Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)
Ayesha Naotunna
Assistant General Manager - Finance

We the undersigned, being the Chairman, Director/ Chief Executive Officer of Seylan Bank PLC certify jointly that,

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

b) the information contained in these statements have been extracted from the Audited Financial Statements of the Bank & Group unless indicated as audited.

(Sgd.)
Justice Buwaneka Aluwihare PC
Chairman
July 30, 2026
Colombo

(Sgd.)
Ramesh Jayasekara
Director/Chief Executive Officer

Seylan Bank PLC
Statement of Changes in Equity
For the Six Months ended 30th June - Bank

(Amounts in LKR Thousands)

		Stated Capital		Statutory Reserve Fund *	Retained Earnings	FVOCI Reserve **	Other Reserves			Total
		Ordinary Shares - Voting	Ordinary Shares - Non Voting				Revaluation Reserve	Special Reserve ***	Other Reserves	
1	**Balance as at 01st January 2025**	**13,172,977**	**8,520,393**	**3,383,537**	**41,525,916**	**530,760**	**2,070,817**	**583,497**	**700,575**	**70,488,472**
	Total Comprehensive Income for the Period									
	Profit for the Period	-	-	-	5,488,702	-	-	-	-	**5,488,702**
	Other Comprehensive Income (net of tax)									
	- Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	1,045,033	-	-	-	**1,045,033**
	- Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	671,717	-	-	-	**671,717**
2	**Total Comprehensive Income for the Period**	**-**	**-**	**-**	**5,488,702**	**1,716,750**	**-**	**-**	**-**	**7,205,452**
	Transactions with Equity Holders , Recognized Directly In Equity									
	Cash Dividend	-	-	-	(2,224,766)	-	-	-	-	**(2,224,766)**
	Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	23,456	(23,456)	-	-	-	**-**
	Transferred to Special Reserve	-	-	-	(28,087)	-	-	28,087	-	**-**
3	**Total Transactions with Equity Holders**	**-**	**-**	**-**	**(2,229,397)**	**(23,456)**	**-**	**28,087**	**-**	**(2,224,766)**
	Balance as at 30th June 2025 (1+ 2 + 3)	**13,172,977**	**8,520,393**	**3,383,537**	**44,785,221**	**2,224,054**	**2,070,817**	**-**	**700,575**	**75,469,158**
1	**Balance as at 01st January 2026**	**13,172,977**	**8,520,393**	**3,988,952**	**51,237,691**	**1,614,071**	**2,070,817**	**660,333**	**648,701**	**81,913,935**
	Total Comprehensive Income for the Period									
	Profit for the Period	-	-	-	6,080,157	-	-		-	**6,080,157**
	Other Comprehensive Income (net of tax)									
	- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	(1,393,508)	-		-	**(1,393,508)**
	- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	403,579	-		-	**403,579**
2	**Total Comprehensive Income for the Period**	**-**	**-**	**-**	**6,080,157**	**(989,929)**	**-**		**-**	**5,090,228**
	Transactions with Equity Holders , Recognized Directly In Equity									
	Cash Dividend	-	-	-	(2,542,589)	-	-	-	-	**(2,542,589)**
	Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	1,408	(1,408)	-	-	-	**-**
	Transferred to Special Reserve	-	-	-	(58,489)	-	-	58,489	-	**-**
3	**Total Transactions with Equity Holders**	**-**	**-**	**-**	**(2,599,670)**	**(1,408)**	**-**	**58,489**	**-**	**(2,542,589)**
	Balance as at 30th June 2026 (1 + 2 + 3)	**13,172,977**	**8,520,393**	**3,988,952**	**54,718,178**	**622,734**	**2,070,817**	**718,822**	**648,701**	**84,461,574**

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).

** FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve.

*** Special Reserve was created for Restructured International Sovereign Bonds as per CBSL Instructions (02/17/500/0819/016) dated 13 Feb 2025 and included in other reserves.

Seylan Bank PLC
Statement of Changes in Equity
For the Six Months ended 30th June - Group

(Amounts in LKR Thousands)

		Stated Capital		Statutory Reserve Fund *	Retained Earnings	FVOCI Reserve **	Other Reserves			Total	Non-Controlling Interest	Total Equity
		Ordinary Shares - Voting	Ordinary Shares - Non Voting				Revaluation Reserve	Special Reserve ***	Other Reserves			
1	**Balance as at 01st January 2025**	**13,172,977**	**8,520,393**	**3,383,537**	**42,360,589**	**513,900**	**3,092,283**	**583,497**	**977,742**	**72,604,918**	**1,070,894**	**73,675,812**
	Total Comprehensive Income for the Period											
	Profit for the Period	-	-	-	5,442,913	-	-	-	-	**5,442,913**	23,374	**5,466,287**
	Other Comprehensive Income (Net of Tax)											
	- Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	1,046,827	-	-	-	**1,046,827**	**608**	**1,047,435**
	- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	671,717	-		-	**671,717**	-	**671,717**
2	**Total Comprehensive Income for the Period**	**-**	**-**	**-**	**5,442,913**	**1,718,544**	**-**	**-**	**-**	**7,161,457**	**23,982**	**7,185,439**
	Transactions with Equity Holders , Recognized Directly In Equity											
	Cash Dividend	-	-	-	(2,224,766)	-	-	-	-	**(2,224,766)**	(38,891)	**(2,263,657)**
	Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	23,456	(23,456)	-	-	-	-	-	-
	Transferred to Special Reserve	-	-	-	(28,087)	-	-	28,087	-	**-**	-	**-**
3	**Total Transactions with Equity Holders**	**-**	**-**	**-**	**(2,229,397)**	**(23,456)**	**-**	**28,087**	**-**	**(2,224,766)**	**(38,891)**	**(2,263,657)**
	Balance as at 30th June 2025 (1+ 2 + 3)	**13,172,977**	**8,520,393**	**3,383,537**	**45,574,105**	**2,208,988**	**3,092,283**	**611,584**	**977,742**	**77,541,609**	**1,055,985**	**78,597,594**
1	**Balance as at 01st January 2026**	**13,172,977**	**8,520,393**	**3,988,952**	**52,132,637**	**1,594,340**	**3,120,655**	**660,333**	**925,868**	**84,116,155**	**1,099,960**	**85,216,115**
	Total Comprehensive Income for the Period											
	Profit for the Period	-	-	-	6,024,037		-	-	-	**6,024,037**	23,409	**6,047,446**
	Other Comprehensive Income (Net of Tax)											
	- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	(1,399,814)	-	-	-	**(1,399,814)**	(2,137)	**(1,401,951)**
	- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	403,579	-	-	-	**403,579**	-	**403,579**
	Revaluation of Property, Plant and Equipment						1,620			**1,620**	549	**2,169**
2	**Total Comprehensive Income for the Period**	**-**	**-**	**-**	**6,024,037**	**(996,235)**	**1,620**	**-**	**-**	**5,029,422**	**21,821**	**5,051,243**
	Transactions with Equity Holders , Recognized Directly In Equity											
	Cash Dividend	-	-	-	(2,542,589)	-	-	-	-	**(2,542,589)**	(42,426)	**(2,585,015)**
	Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	1,408	(1,408)	-	-	-	**-**	**-**	**-**
	Transferred to Special Reserve	-	-	-	(58,489)	-	-	58,489	-	**-**	**-**	**-**
	Reversal of revaluation of Property, Plant and Equipment written off	**-**	**-**	**-**	**455**	**-**	**(455)**		**-**	**-**	**-**	**-**
3	**Total Transactions with Equity Holders**	**-**	**-**	**-**	**(2,599,215)**	**(1,408)**	**(455)**	**58,489**	**-**	**(2,542,589)**	**(42,426)**	**(2,585,015)**
	Balance as at 30th June 2026 (1 + 2 + 3)	**13,172,977**	**8,520,393**	**3,988,952**	**55,557,459**	**596,697**	**3,121,820**	**718,822**	**925,868**	**86,602,988**	**1,079,355**	**87,682,343**

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax).
** FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve.
*** Special Reserve was created for Restructured International Sovereign Bonds as per CBSL Instructions (02/17/500/0819/016) dated 13 Feb 2025 and included in other reserves.

Statement of Cash Flows	Bank		Group	
For the Six Months ended 30th June	**2026**	**2025**	**2026**	**2025**
	LKR '000	**LKR '000**	**LKR '000**	**LKR '000**
Cash Flows from Operating Activities				
Interest Receipts	44,722,992	38,789,975	44,748,258	38,816,888
Interest Payments	(21,961,332)	(19,135,254)	(21,953,652)	(19,132,198)
Net Fee and Commission Receipts	4,649,535	3,847,204	4,649,374	3,845,831
Trading Income	90,870	109,987	90,870	109,987
Payments to Employees	(6,339,673)	(5,434,596)	(6,367,879)	(5,460,991)
VAT and SSCL on Financial Services Paid	(3,507,550)	(3,274,025)	(3,507,550)	(3,299,208)
Receipts from Other Operating Activities	2,038,722	730,610	2,064,943	764,309
Payments on Other Operating Activities	(5,095,195)	(5,599,815)	(5,141,883)	(5,631,356)
Repayment of Interest Portion of Lease Liabilities	(288,198)	(276,255)	(128,600)	(117,047)
Operating Profit before Changes in Operating Assets and Liabilities	**14,310,171**	**9,757,831**	**14,453,881**	**9,896,214**
(Increase)/Decrease in Operating Assets :				
Balances with Central Bank of Sri Lanka	2,288,460	733,340	2,288,460	733,340
Financial Assets at Amortized Cost - Loans and Advances	(47,840,155)	(31,455,476)	(47,840,155)	(31,455,476)
Other Assets	(3,454,274)	(1,819,930)	(3,473,669)	(1,849,448)
Increase/(Decrease) in Operating Liabilities :				
Financial Liabilities at Amortized Cost - Due to Depositors	35,468,940	22,818,518	35,468,940	22,818,518
Financial Liabilities at Amortized Cost - Due to Debt Securities Holders	17,472,215	38,846	17,472,215	38,846
Financial Liabilities at Amortized Cost - Due to Other Borrowers	3,826	(3,334)	3,826	(3,334)
Other Liabilities	51,875	3,393,262	(155,895)	3,567,549
Due to Banks	283,304	615,028	283,304	615,028
Cash Generated from Operating Activities before Income Tax	**18,584,362**	**4,078,085**	**18,500,907**	**4,361,237**
Income Tax Paid	(3,738,705)	(1,023,713)	(3,741,059)	(1,027,255)
Net Cash Generated from Operating Activities	**14,845,657**	**3,054,371**	**14,759,848**	**3,333,983**
Cash Flows from Investing Activities				
Purchase of Property , Plant & Equipment	(279,651)	(245,670)	(282,649)	(246,647)
Proceeds from Sale of Property , Plant & Equipment	6,998	398	6,998	398
Improvements in Investment Properties	-	-	(8,709)	(2,581)
Net Cash Flow from Financial Assets - FVTPL	(3,138,170)	7,567,306	(3,035,894)	7,567,306
Net Cash Flow from Debt Instruments at Amortised Cost	(7,727,046)	4,932,187	(7,727,046)	5,168,018
Net Cash Flow from Financial Assets - FVOCI	3,313,836	(29,590,776)	3,313,836	(29,807,011)
Reverse Repurchase Agreements	1,758,460	1,874,774	1,758,460	1,874,774
Purchase of Intangible Assets	(85,302)	(117,529)	(101,160)	(117,529)
Dividend Received from Investment in Subsidiaries	106,419	97,550	-	-
Dividend Received from Other Investments	19,496	2,590	19,496	2,590
Net Cash Used in Investing Activities	**(6,024,961)**	**(15,479,170)**	**(6,056,669)**	**(15,560,682)**
Cash Flows from Financing Activities				
Repayment of Subordinated Debt	(6,000,000)	(715,000)	(6,000,000)	(715,000)
Interest Paid on Subordinated Debt	(2,108,709)	(2,068,800)	(2,108,709)	(2,068,800)
Dividend Paid to Non-Controlling Interest	-	-	(42,426)	(38,891)
Dividend Paid to Shareholders of the Bank	(2,161,201)	(1,891,051)	(2,161,201)	(1,891,051)
Repayment of Principal Portion of Lease Liabilities	(191,591)	(185,309)	(31,648)	(344,518)
Net Cash Used In Financing Activities	**(10,461,501)**	**(4,860,160)**	**(10,343,984)**	**(5,058,260)**
Net Increase in Cash and Cash Equivalents	(1,640,805)	(17,284,959)	(1,640,805)	(17,284,959)
Cash and Cash Equivalents at Beginning of the Year	50,216,019	67,641,922	50,216,557	67,642,460
Cash and Cash Equivalents at End of the Period	**48,575,214**	**50,356,963**	**48,575,752**	**50,357,501**

EXPLANATORY NOTES

1. General

The Financial Statements of the Bank and Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka.

There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report.

The Interim Financial Statements of the Bank and the Group have been prepared and presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting.

The Group Financial Statements comprise of the consolidated Financial Statements of the Bank and its subsidiary Seylan Developments PLC (74.69%).

2. Information on Ordinary Shares

Market Price (LKR)	**30/06/2026**		**30/06/2025**	
	Voting	**Non-Voting**	**Voting**	**Non-Voting**
Market Price Per Share	102.25	69.60	78.50	59.10
Highest price per share during the quarter ended	109.00	74.50	79.40	59.80
Lowest price per share during the quarter ended	100.00	63.00	63.00	45.00

Stated Capital as at June 30, 2026	**No. of Shares**	**Stated Capital (LKR.'000)**
Ordinary Voting	305,236,937	13,172,977
Ordinary Non-Voting	330,410,398	8,520,393
Total	**635,647,335**	**21,693,370**

3. Shareholders Information

3.1 Twenty Largest Ordinary Voting Shareholders as at June 30, 2026

		No. of Shares	**%**
1	Brown & Company PLC A/C No. 1	31,979,642	10.48
2	Sri Lanka Insurance Corporation Ltd-General Fund	30,523,687	10.00
3	Hatton National Bank PLC/Phantom Investments (Private) Limited	30,493,163	9.99
4	Employee's Provident Fund	30,088,766	9.86
5	Sampath Bank PLC/ LOLC Investments Ltd	28,559,742	9.36
6	Sampath Bank PLC/ Ambeon Holdings PLC	25,000,000	8.19
7	Seylan Bank PLC A/C No.04-Employees Gratuity Trust Fund	20,272,555	6.64
8	Bank of Ceylon No. 1 Account	17,169,574	5.62
9	Sri Lanka Insurance Corporation Ltd-Life Fund	15,261,841	5.00
10	Sampath Bank PLC/Brown and Company PLC	10,371,776	3.40
11	Mr. M.A. Yaseen	6,000,000	1.97
12	Employees Trust Fund Board	5,235,318	1.72
13	Ambeon Holdings PLC	4,296,829	1.41
14	First Capital Holdings PLC	4,044,795	1.33
15	NDB Capital Holdings Limited Account No-02	2,391,656	0.78
16	Deutsche Bank Ag as Trustee to Assetline Income Plus Growth Fund	2,000,000	0.66
16	Mrs. L.E.M. Yaseen	2,000,000	0.66
18	Mandala Ventures Pvt Ltd	1,500,000	0.49
19	Commercial Bank of Ceylon PLC/P. A. De Silva	1,046,171	0.34
20	DFCC Bank PLC/Ambeon Holdings PLC	1,000,000	0.33
20	Indra Traders (Pvt) Ltd	1,000,000	0.33
20	JN Lanka Holdings Company (Pvt) Ltd	1,000,000	0.33
20	Mr. Y.S.H.I. Silva	1,000,000	0.33

3.2 Twenty Largest Ordinary Non-Voting Shareholders as at June 30, 2026

		No. of Shares	%
1	Sampath Bank PLC/ LOLC Holdings PLC	146,722,737	44.41
2	LOLC Holdings PLC	23,775,575	7.20
3	Employee's Provident Fund	17,623,958	5.33
4	Akbar Brothers Pvt Ltd	7,342,772	2.22
5	Auerbach Grayson and Company LLC	4,526,357	1.37
6	J.B. Cocoshell (Pvt) Ltd	3,788,708	1.15
7	Sampath Bank PLC/Andaradeniya Estate Private Limited	3,536,313	1.07
8	Commercial Bank of Ceylon PLC/W. Jinadasa	2,950,000	0.89
9	LOLC Technology Services Limited	2,885,232	0.87
10	Mr. N. Balasingam	2,584,925	0.78
11	DFCC Bank PLC A/C No.02	2,331,458	0.71
12	Hatton National Bank PLC/Arunasalam Sithampalam	2,239,527	0.68
13	Finco Holdings (Private) Limited	2,159,137	0.65
14	Mr. R. Gautam	1,962,700	0.59
15	Bank Of Ceylon A/C NDB Wealth Growth Fund	1,941,078	0.59
16	Janashakthi Insurance PLC-Shareholders	1,808,900	0.55
17	Deutsche Bank Ag Trustee To Lynear Wealth Dynamic Opportunities Fund	1,649,750	0.50
18	First Capital Holdings PLC	1,645,946	0.50
19	Miss. S. Durga	1,575,235	0.48
20	Dr. S. Yaddehige	1,506,157	0.46

3.3 Public Holding as at June 30, 2026

The Bank is compliant under Option 1 of the Section 7.13.1 of the Listing Rules of the Colombo Stock Exchange (Minimum Public Holding requirement).

	Ordinary Voting Shares (Option 1)	Ordinary Non-Voting Shares (Option 1)
Float adjusted market capitalization	LKR 17.128 Bn	LKR 10.914 Bn
Public Holding Percentage	54.88%	47.46%
No. of Public shareholders	12,315	9,560

4. Directors' and Chief Executive Officer's Shareholdings as at June 30, 2026

Name of Director	No. of Shares (Ordinary Voting)	No. of Shares (Ordinary Non-Voting)
Justice Buwaneka P. Aluwihare PC, Independent Director/ Chairman	Nil	Nil
Mr. R. J. Jayasekara, Director/Chief Executive Officer	728	35,174
Mr. D. M. D. K. Thilakaratne, Non-Executive Director	Nil	Nil
Mr. D. M. Rupasinghe, Independent Director	Nil	Nil
Mr. L. H. A. L. Silva, Independent Director	Nil	Nil
Mrs. A. A. Ludowyke, Independent Director	Nil	Nil
Mr. W. D. Batagoda, Non-Executive Director	Nil	Nil
Mrs. R. L. Samarasundera, Independent Director	Nil	Nil

5. Basic/ Diluted Earnings per Share

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting and Non- voting) during the period ended June 30, 2026. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non- availability of potentially dilutive ordinary shares.

6. Other Matters

6.1 Expected Credit Loss Computation

The Bank's estimated Expected Credit Loss (ECL) was based on the Probability of Default (PD), Loss Given Default (LGD) as at June 30, 2026 and Economic Factor Adjustment (EFA) applying the recent forecasts and projections.

In addition, where necessary, the Bank has recognized additional provisions for customer exposures assessed on a collective basis, taking into account potential increases in credit risk. Further, management overlays have been applied to customer exposures impacted by Ditwah Cyclone and Middle East Crisis to prudently cover potential future losses.

6.2 Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio

The Bank has adopted the above SoAT on Reclassification of Debt Portfolio, issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and re-classified its Debt Portfolio of LKR 24.83 Bn from Fair Value Through Other Comprehensive Income (FVOCI) to Amortized Cost (AC) with effect from 01 April 2022, being the 1st day of the reporting period of the quarter ended 30 June 2022, as a one-off reclassification and accounted for in the financials for the six months ended 30 June 2022.
If the assets lying in the current portfolio had continued to be measured as Fair Value through Other Comprehensive Income, the fair value and the cumulative mark to market loss as at June 30, 2026 would have been LKR. 558 Mn and LKR. 39 Mn respectively.

6.3 Debenture Redemption

60,000,000 Basel III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures of LKR.100/- each amounting to LKR. 6,000,000,000/- allotted in April 2021 were matured after 5 years' tenure on 11th April 2026, and then redeemed.

7. Comparative Figures

Comparative figures have been re-classified where necessary, to conform to the current period presentation.

During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank.

All known expenditure items have been provided in these Interim Accounts.

8. Seylan Bank PLC
Segment Reporting (Group)

(Amounts in Rupee Thousands)

	Banking		Treasury		Property/ Investments		Unallocated/ Eliminations		Total	
	30.06.2026	30.06.2025	**30.06.2026**	30.06.2025	**30.06.2026**	30.06.2025	**30.06.2026**	30.06.2025	**30.06.2026**	30.06.2025
Interest Income	**36,233,172**	31,596,219	**10,910,260**	8,119,788	**32,972**	30,035	**(208,503)**	(299,989)	**46,967,901**	39,446,053
Less: Interest Expenses	**21,796,440**	19,254,886	**5,445,163**	2,314,467	**26**	66	**(26,672)**	(74,678)	**27,214,957**	21,494,741
Net Interest Income	**14,436,732**	12,341,333	**5,465,097**	5,805,321	**32,946**	29,969	**(181,831)**	(225,311)	**19,752,944**	17,951,312
Fee and Commission Income	**5,691,235**	4,535,506	**8,599**	4,690	**-**	-	**1,594**	2,205	**5,701,428**	4,542,401
Less : Fee and Commission Expenses	**1,028,484**	674,991	**23,570**	15,694	**-**	1,256	**-**	-	**1,052,054**	691,941
Net Fee and Commission Income	**4,662,751**	3,860,515	**(14,971)**	(11,004)	**-**	(1,256)	**1,594**	2,205	**4,649,374**	3,850,460
Net Gains from Trading	**-**	-	**1,117,685**	187,347	**-**	-	**-**	-	**1,117,685**	187,347
Net Gains from Derecognition of Financial Assets	**-**	-	**36,612**	94,964	**-**	-	**-**	-	**36,612**	94,964
Net Other Operating Income	**87,803**	76,550	**82,654**	562,396	**212,827**	190,680	**(286,036)**	(271,210)	**97,248**	558,416
Inter Segment Revenue	**(69,610)**	(70,626)	**-**	-	**-**	-	**69,610**	70,626	**-**	-
Total Operating Income	**19,117,676**	16,207,772	**6,687,077**	6,639,024	**245,773**	219,393	**(396,663)**	(423,690)	**25,653,863**	22,642,499
Less : Depreciation and Amortization Expenses	**497,476**	419,718	**10,065**	8,849	**1,320**	538	**262,375**	281,623	**771,236**	710,728
Less : Impairment Charges	**804,379**	351,713	**(71,814)**	66,946	**-**	-	**-**	-	**732,565**	418,659
Less : Operating Expenses, VAT & SSCL on Financial Services	**10,559,579**	9,209,767	**1,298,846**	1,227,359	**82,938**	61,112	**2,897,112**	2,547,488	**14,838,475**	13,045,726
Reportable Segment Profit Before Income Tax	**7,256,242**	6,226,574	**5,449,980**	5,335,870	**161,515**	157,743	**(3,556,150)**	(3,252,801)	**9,311,587**	8,467,386
Less : Income Tax Expense									**3,264,141**	3,001,099
Profit For The Period									**6,047,446**	5,466,287
Profit Attributable To:										
Equity Holders of The Bank									**6,024,037**	5,442,913
Non-controlling Interests									**23,409**	23,374
Profit For The Period									**6,047,446**	5,466,287
Other Comprehensive Income, Net of Income Tax									**(996,203)**	1,719,152
Other Information										
Total Assets	**672,603,547**	506,255,439	**288,677,043**	283,440,758	**6,732,111**	6,591,852	**7,795,825**	16,460,227	**975,808,526**	812,748,276
Total Liabilities & Equity	**815,733,618**	701,487,523	**131,985,967**	77,497,907	**6,732,111**	6,591,852	**21,356,830**	27,170,994	**975,808,526**	812,748,276
Cash Flows from Operating Activities	**12,625,657**	663,157	**5,388,231**	5,411,665	**83,862**	112,171	**(3,337,902)**	(2,853,010)	**14,759,848**	3,333,983
Cash Flows from Investing Activities	**(191,107)**	(117,472)	**(5,681,633)**	(15,118,796)	**96,686**	26,362	**(280,615)**	(350,776)	**(6,056,669)**	(15,560,682)
Cash Flows from Financing Activities	**(191,591)**	(344,518)	**(10,269,910)**	(4,674,851)	**(167,626)**	(153,657)	**285,143**	114,766	**(10,343,984)**	(5,058,260)
Capital Expenditure	**(184,109)**	(116,468)	**(14,627)**	(2,826)	**(24,871)**	(3,853)	**(168,911)**	(243,610)	**(392,518)**	(366,757)

Seylan Bank PLC

9 Analysis of Financial Instruments by Measurement Basis - Bank

(Amounts in LKR Thousands)

30.06.2026	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost (AC)	Total
Assets				
Cash and Cash Equivalents	-	-	19,031,687	19,031,687
Balances with Central Bank of Sri Lanka	-	-	8,929,650	8,929,650
Placements with Banks and Finance Companies	-	-	29,543,527	29,543,527
Derivative Financial Instruments	1,812,523	-	-	1,812,523
Securities Purchased under Resale Agreements	-	-	369,557	369,557
Customer Loans and Advances	-	-	650,365,165	650,365,165
Debt Instruments	-	-	468,717	468,717
Equity Instruments	930,726	3,565,075	-	4,495,801
Government Securities	17,710,945	84,899,653	124,495,078	227,105,676
Group Balances Receivable	-	-	40,480	40,480
Other Financial Assets	-	-	10,999,881	10,999,881
Total Financial Assets	20,454,194	88,464,728	844,243,742	953,162,664

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost (AC)	Total
Liabilities			
Due to Banks	-	24,182,056	24,182,056
Derivative Financial Instruments	235,449	-	235,449
Due to Depositors	-	771,065,557	771,065,557
Securities Sold under Repurchase Agreements	-	22,661,081	22,661,081
Due to Other Borrowers	-	20,180	20,180
Group Balances Payable	-	231,857	231,857
Debt Securities Issued	-	34,471,936	34,471,936
Lease Liabilities	-	6,147,907	6,147,907
Other Financial Liabilities	-	11,619,470	11,619,470
Total Financial Liabilities	235,449	870,400,044	870,635,493

31.12.2025	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost (AC)	Total
Assets				
Cash and Cash Equivalents	-	-	18,202,545	18,202,545
Balances with Central Bank of Sri Lanka	-	-	11,218,110	11,218,110
Placements with Banks and Finance Companies	-	-	32,006,116	32,006,116
Derivative Financial Instruments	200,648	-	-	200,648
Securities Purchased under Resale Agreements	-	-	2,127,724	2,127,724
Customer Loans and Advances	-	-	599,801,944	599,801,944
Debt Instruments	-	-	681,840	681,840
Equity Instruments	622,451	2,863,671	-	3,486,122
Government Securities	14,336,996	89,932,590	117,584,734	221,854,320
Group Balances Receivable	-	-	40,480	40,480
Other Financial Assets	-	-	8,997,551	8,997,551
Total Financial Assets	15,160,095	92,796,261	790,661,044	898,617,400

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost (AC)	Total
Liabilities			
Due to Banks	-	23,898,752	23,898,752
Derivative Financial Instruments	6,413	-	6,413
Due to Depositors	-	732,960,379	732,960,379
Securities Sold under Repurchase Agreements	-	5,203,644	5,203,644
Due to other Borrowers	-	16,354	16,354
Group Balances Payable	-	221,437	221,437
Debt Securities Issued	-	40,131,478	40,131,478
Lease Liabilities	-	6,030,361	6,030,361
Other Financial Liabilities	-	9,821,584	9,821,584
Total Financial Liabilities	6,413	818,283,989	818,290,402

Seylan Bank PLC

9 Analysis of Financial Instruments by Measurement Basis - Group

(Amounts in LKR Thousands)

	30.06.2026			
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	**Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)**	**Financial Assets Measured at Amortised Cost (AC)**	**Total**
Assets				
Cash and Cash Equivalents	-	-	**19,031,727**	**19,031,727**
Balances with Central Bank of Sri Lanka	-	-	**8,929,650**	**8,929,650**
Placements with Banks and Finance Companies	-	-	**29,543,527**	**29,543,527**
Derivative Financial Instruments	**1,812,523**	-	-	**1,812,523**
Securities Purchased under Resale Agreements	-	-	**369,557**	**369,557**
Customer Loans and Advances	-	-	**650,365,165**	**650,365,165**
Debt Instruments	-	-	**468,717**	**468,717**
Equity Instruments	**930,726**	**3,565,075**	-	**4,495,801**
Government Securities	**17,710,945**	**85,263,646**	**124,495,078**	**227,469,669**
Other Financial Assets	-	-	**11,024,134**	**11,024,134**
Total Financial Assets	**20,454,194**	**88,828,721**	**844,227,555**	**953,510,470**

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	**Financial Liabilities Measured at Amortised Cost (AC)**	**Total**
Liabilities			
Due to Banks	-	**24,182,056**	**24,182,056**
Derivative Financial Instruments	**235,449**	-	**235,449**
Due to Depositors	-	**771,065,557**	**771,065,557**
Securities Sold under Repurchase Agreements	-	**22,661,081**	**22,661,081**
Due to Other Borrowers	-	**20,180**	**20,180**
Debt Securities Issued	-	**34,471,936**	**34,471,936**
Lease Liabilities	-	**2,956,155**	**2,956,155**
Other Financial Liabilities	-	**11,619,470**	**11,619,470**
Total Financial Liabilities	**235,449**	**866,976,435**	**867,211,884**

	31.12.2025			
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	**Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)**	**Financial Assets Measured at Amortised Cost (AC)**	**Total**
Assets				
Cash and Cash Equivalents	-	-	18,202,585	18,202,585
Balances with Central Bank of Sri Lanka	-	-	11,218,110	11,218,110
Placements with Banks and Finance Companies	-	-	32,006,116	32,006,116
Derivative Financial Instruments	200,648	-	-	200,648
Securities Purchased under Resale Agreements	-	-	2,127,724	2,127,724
Customer Loans and Advances	-	-	599,801,944	599,801,944
Debt Instruments	-	-	681,840	681,840
Equity Instruments	622,451	2,863,671	-	3,486,122
Government Securities	14,336,996	90,303,964	117,679,629	222,320,589
Other Financial Assets	-	-	9,018,613	9,018,613
Total Financial Assets	15,160,095	93,167,635	790,736,561	899,064,291

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	**Financial Liabilities Measured at Amortised Cost (AC)**	**Total**
Liabilities			
Due to Banks	-	23,898,752	23,898,752
Derivative Financial Instruments	6,413	-	6,413
Due to Depositors	-	732,960,379	732,960,379
Securities Sold under Repurchase Agreements	-	5,203,644	5,203,644
Due to other Borrowers	-	16,354	16,354
Debt Securities Issued	-	40,131,478	40,131,478
Lease Liabilities	-	2,838,264	2,838,264
Other Financial Liabilities	-	9,887,552	9,887,552
Total Financial Liabilities	6,413	814,936,423	814,942,836

Seylan Bank PLC

10 Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in LKR Thousands)

	Bank		Group	
	As at	*As at*	*As at*	*As at*
	30.06.2026	*31.12.2025*	*30.06.2026*	*31.12.2025*

10.1 Product-wise Gross Loans & Advances

	Bank As at 30.06.2026	Bank As at 31.12.2025	Group As at 30.06.2026	Group As at 31.12.2025
By product - Domestic Currency				
Export Bills	87,102	46,964	87,102	46,964
Import Bills	447,638	416,676	447,638	416,676
Local Bills	5,038	11,216	5,038	11,216
Lease Rentals Receivable	44,646,438	36,829,284	44,646,438	36,829,284
Overdrafts	65,564,342	63,054,131	65,564,342	63,054,131
Revolving Import Loans	37,603,071	36,218,200	37,603,071	36,218,200
Packing Credit Loans	7,352,289	6,473,683	7,352,289	6,473,683
Staff Loans	8,873,263	8,338,417	8,873,263	8,338,417
Housing Loans	17,967,282	17,695,857	17,967,282	17,695,857
Pawning Receivables	61,399,383	49,203,725	61,399,383	49,203,725
Refinance Loans	8,546,452	8,563,067	8,546,452	8,563,067
Credit Cards	10,217,310	9,642,294	10,217,310	9,642,294
Margin Trading	18,277,336	16,498,690	18,277,336	16,498,690
Factoring	1,638,759	1,680,629	1,638,759	1,680,629
Term Loans	349,081,301	328,644,599	349,081,301	328,644,599
Total	**631,707,005**	**583,317,432**	**631,707,005**	**583,317,432**
By product - Foreign Currency				
Export Bills	1,960,032	2,967,020	1,960,032	2,967,020
Import Bills	656,880	675,382	656,880	675,382
Local Bills	-	-	-	-
Overdrafts	1,554,509	1,357,646	1,554,509	1,357,646
Revolving Import Loans	697,958	191,756	697,958	191,756
Packing Credit Loans	14,480,286	14,348,582	14,480,286	14,348,582
Housing Loans	52,015	60,579	52,015	60,579
Term Loans	62,858,410	60,822,311	62,858,410	60,822,311
Total	**82,260,089**	**80,423,276**	**82,260,089**	**80,423,276**
Gross Loans and Advances	**713,967,095**	**663,740,708**	**713,967,095**	**663,740,708**

10.2 Product-wise Commitments and Contingencies

	Bank As at 30.06.2026	Bank As at 31.12.2025	Group As at 30.06.2026	Group As at 31.12.2025
By product - Domestic Currency				
Commitments				
Undrawn Credit Lines	192,915,095	173,332,376	192,915,095	173,332,376
Capital Commitments	654,008	255,766	667,666	280,088
Contingencies				
Acceptances	107,945	3,409	107,945	3,409
Standby Letters of Credit	-	-	-	-
Guarantees	75,075,750	64,560,817	75,075,750	64,560,817
Documentary Credit	294,376	453,220	294,376	453,220
Bills for Collection	742,209	774,062	742,209	774,062
Forward Exchange Contracts (Net)	(33,339,684)	(29,532,485)	(33,339,684)	(29,532,485)
Total	**236,449,699**	**209,847,165**	**236,463,357**	**209,871,487**
By product - Foreign Currency				
Commitments				
Undrawn Credit Lines	8,205,427	10,653,544	8,205,427	10,653,544
Capital Commitments	1,334,606	944,013	1,334,606	944,013
Contingencies				
Acceptances	13,690,210	12,836,251	13,690,210	12,836,251
Standby Letters of Credit	152,031	140,058	152,031	140,058
Guarantees	4,603,552	4,038,515	4,603,552	4,038,515
Documentary Credit	23,878,766	18,912,138	23,878,766	18,912,138
Bills for Collection	6,579,921	6,039,528	6,579,921	6,039,528
Forward Exchange Contracts (Net)	34,460,225	29,574,676	34,460,225	29,574,676
Total	**92,904,738**	**83,138,723**	**92,904,738**	**83,138,723**
Total Commitments and Contingencies	**329,354,436**	**292,985,888**	**329,368,094**	**293,010,210**

Seylan Bank PLC
Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in LKR Thousands)

	Bank		Group	
	As at 30.06.2026	*As at 31.12.2025*	*As at 30.06.2026*	*As at 31.12.2025*

10.3 Stage-wise Impairment on Loans & Advances, Commitments and Contingencies

Gross Loans and Advances, Commitments and Contingencies	**1,043,321,531**	**956,726,596**	**1,043,335,189**	**956,750,918**
Less : Accumulated Impairment under Stage 1	5,738,029	5,084,776	5,738,029	5,084,776
Accumulated Impairment under Stage 2	4,800,287	4,804,361	4,800,287	4,804,361
Accumulated Impairment under Stage 3	54,788,671	55,453,696	54,788,671	55,453,696
Net Loans & Advances, Commitments and Contingencies	**977,994,544**	**891,383,763**	**978,008,202**	**891,408,085**

Movement of Impairment during the Period	**From 01.01.2026 to 30.06.2026**	**From 01.01.2025 to 31.12.2025**	**From 01.01.2026 to 30.06.2026**	**From 01.01.2025 to 31.12.2025**
Stage 1				
Opening Balance as at 01st January	5,084,776	3,429,685	5,084,776	3,429,685
Charge/(Write back) to Income Statement	582,857	1,624,823	582,857	1,624,823
Exchange Rate Movements	70,396	30,268	70,396	30,268
Closing Balance	**5,738,029**	**5,084,776**	**5,738,029**	**5,084,776**
Stage 2				
Opening Balance as at 01st January	4,804,361	4,754,675	4,804,361	4,754,675
Charge/(Write back) to Income Statement	(9,091)	38,102	(9,091)	38,102
Exchange Rate Movements	5,017	11,584	5,017	11,584
Closing Balance	**4,800,287**	**4,804,361**	**4,800,287**	**4,804,361**
Stage 3				
Opening Balance as at 01st January	55,453,696	58,943,823	55,453,696	58,943,823
Charge/(Write back) to Income Statement	(1,224,896)	(964,372)	(1,224,896)	(964,372)
Reversal for Write-off during the Period	(39,952)	(3,141,443)	(39,952)	(3,141,443)
Exchange Rate Movements	599,823	615,688	599,823	615,688
Closing Balance	**54,788,671**	**55,453,696**	**54,788,671**	**55,453,696**
Total Impairment	**65,326,987**	**65,342,833**	**65,326,987**	**65,342,833**

11 Analysis of Deposits

(Amounts in Rupees Thousands)

Deposits - By product	Bank *As at 30.06.2026*	Bank *As at 31.12.2025*	Group *As at 30.06.2026*	Group *As at 31.12.2025*
By product - Domestic Currency				
Demand Deposits	38,592,611	47,027,482	38,592,611	47,027,482
Savings Deposits	140,383,847	144,512,468	140,383,847	144,512,468
Fixed Deposits	425,971,990	398,795,088	425,971,990	398,795,088
Certificate of Deposits	676,199	655,700	676,199	655,700
Margin Accounts	2,002,617	1,673,059	2,002,617	1,673,059
Total	**607,627,264**	**592,663,797**	**607,627,264**	**592,663,797**
By product - Foreign Currency				
Demand Deposits	6,427,443	6,405,838	6,427,443	6,405,838
Savings Deposits	23,163,519	21,500,913	23,163,519	21,500,913
Fixed Deposits	133,560,660	112,370,568	133,560,660	112,370,568
Margin Accounts	286,671	19,263	286,671	19,263
Total	**163,438,293**	**140,296,582**	**163,438,293**	**140,296,582**
Total Deposits	**771,065,557**	**732,960,379**	**771,065,557**	**732,960,379**

SEYLAN BANK PLC - DEBENTURES

	CURRENT PERIOD 01-Apr-26 to 30-Jun-26	COMPARATIVE PERIOD 01-Apr-25 to 30-Jun-25
Debt (Debentures) / Equity Ratio (Times)	0.41	0.32
Debt (Debentures plus Long term Debt) / Equity Ratio (Times)	0.43	0.32
Interest Cover (Times)	4.80	5.83
Quick Asset Ratio (Times)	0.78	0.79
2018 Issue		
Market Prices during April to June (Ex Interest)		
10 Year Fixed Semi Annual - 13.50% p.a		
- Highest Price	*	107.97
- Lowest Price	*	98.00
- Last Traded Price * / (28/05/2025)	*	98.00
Interest Yield as at Date of Last Trade		
10 Year Fixed Semi Annual - 13.50% p.a * / (28/05/2025)	*	14.24%
Yield to Maturity of Trade Done on		
10 Year Fixed Semi Annual - 13.50% p.a * / (28/05/2025)	*	14.36%
Interest Rate of Comparable Government Security		
- 10 Years	10.17%	8.86%
2021 Issue		
Market Prices during April to June (Ex Interest)		
5 Year Fixed Annual - 9.75% p.a (Debenture matured on 11/04/2026)		
- Highest Price	*	100.00
- Lowest Price	*	100.00
- Last Traded Price * / (08/04/2025)	*	100.00
5 Year Fixed Quarterly - 9.25% p.a. (Debenture matured on 11/04/2026)	*	*
Interest Yield as at Date of Last Trade		
5 Year Fixed Annual - 9.75% p.a * / (08/04/2025)	*	9.75%
5 Year Fixed Quarterly - 9.25% p.a.	*	*
Yield to Maturity of Trade Done on		
5 Year Fixed Annual - 9.75% p.a * / (08/04/2025)	*	9.74%
5 Year Fixed Quarterly - 9.25% p.a.	*	*
Interest Rate of Comparable Government Security		
- 5 Years		7.85%
2023 Issue		
Market Prices during April to June (Ex Interest)		
5 Year Fixed Annual - 28.00% p.a		
- Highest Price	129.24	100.00
- Lowest Price	129.24	100.00
- Last Traded Price (23/04/2026) / (07/05/2025)	129.24	100.00
5 Year Fixed Quarterly - 25.00% p.a.		
- Highest Price	*	132.50
- Lowest Price	*	100.00
- Last Traded Price * / (23/04/2025)	*	132.50
Interest Yield as at Date of Last Trade		
5 Year Fixed Annual - 28.00% p.a (23/04/2026) / (07/05/2025)	21.67%	28.00%
5 Year Fixed Quarterly - 25.00% p.a. * / (23/04/2025)	*	20.71%
Yield to Maturity of Trade Done on		
5 Year Fixed Annual - 28.00% p.a (23/04/2026) / (07/05/2025)	11.06%	27.97%
5 Year Fixed Quarterly - 25.00% p.a. * / (23/04/2025)	*	12.03%
Interest Rate of Comparable Government Security		
- 5 Years	10.44%	9.06%
2024 Issue		
Market Prices during April to June (Ex Interest)		
5 Year Fixed Annual - 13.25% p.a		
- Highest Price	105.06	103.84
- Lowest Price	103.82	100.00
- Last Traded Price (25/06/2026) / (23/04/2025)	104.65	103.84
5 Year Fixed Quarterly - 12.60% p.a.	*	*
7 Year Fixed Annual - 13.50% p.a	*	*
7 Year Fixed Semi Annual - 13.05% p.a	*	*
Interest Yield as at Date of Last Trade		
5 Year Fixed Annual - 13.25% p.a (25/06/2026) / (23/04/2025)	12.66%	12.76%
5 Year Fixed Quarterly - 12.60% p.a.	*	*
7 Year Fixed Annual - 13.50% p.a	*	*
7 Year Fixed Semi Annual - 13.05% p.a	*	*
Yield to Maturity of Trade Done on		
5 Year Fixed Annual - 13.25% p.a (25/06/2026) / (23/04/2025)	11.35%	12.00%
5 Year Fixed Quarterly - 12.60% p.a.	*	*
7 Year Fixed Annual - 13.50% p.a	*	*
7 Year Fixed Semi Annual - 13.05% p.a	*	*
Interest Rate of Comparable Government Security		
- 5 Years	10.56%	9.41%
- 7 Years	11.02%	10.14%
2025 Issue (Debenture allotted on 18 July 2025)		
Market Prices during April to June (Ex Interest)		
5 Year Fixed Annual - 11.25% p.a .		
- Highest Price	99.62	
- Lowest Price	97.00	
- Last Traded Price (01/06/2026)	99.62	
5 Year Fixed Quarterly - 10.80% p.a.	*	
10 Year Fixed Annual - 11.75% p.a .	*	
10 Year Fixed Semi Annual - 11.40% p.a .	*	
Interest Yield as at Date of Last Trade		
5 Year Fixed Annual - 11.25% p.a . (01/06/2026)	11.29%	
5 Year Fixed Quarterly - 10.80% p.a.	*	
10 Year Fixed Annual - 11.75% p.a .	*	
10 Year Fixed Semi Annual - 11.40% p.a .	*	
Yield to Maturity of Trade Done on		
5 Year Fixed Annual - 11.25% p.a . (01/06/2026)	11.35%	
5 Year Fixed Quarterly - 10.80% p.a.	*	
10 Year Fixed Annual - 11.75% p.a .	*	
10 Year Fixed Semi Annual - 11.40% p.a .	*	
Interest Rate of Comparable Government Security		
- 5 Years	10.90%	
- 10 Years	11.77%	

* No trading during the period.

Seylan Bank PLC
Selected Performance Indicators

Item	Bank		Group	
	30.06.2026	31.12.2025	**30.06.2026**	31.12.2024
Regulatory Capital (LKR Mn.)				
Common Equity Tier I	**69,152**	73,126	**70,938**	74,904
Total (Tier I) Capital	**69,152**	73,126	**70,938**	74,904
Total Capital Base	**98,651**	105,578	**100,437**	107,356
Regulatory Capital Ratios (%)				
Common Equity Tier I Capital Ratio (Minimum Requirement - 7.00%)	**10.91**	12.39	**11.18**	12.69
Total Tier I Capital Ratio (Minimum Requirement - 8.50%)	**10.91**	12.39	**11.18**	12.69
Total Capital Ratio (Minimum Requirement - 12.50%)	**15.56**	17.89	**15.83**	18.18
Basel III Leverage Ratio (%) (Minimum Requirement - 3.00%)	**6.63**	7.47	**6.80**	7.65
Regulatory Liquidity Requirement				
Liquidity Coverage Ratio %				
Rupee - (Minimum Requirement - 100%)	**175.88**	227.99		
All Currency - (Minimum Requirement -100%)	**187.03**	229.92		
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	**118.71**	127.25		
Assets Quality				
Impaired Loans (Stage 3) Ratio (Gross) (%)	**6.97**	7.54		
Impaired Loans (Stage 3) Ratio (Net) (%)	**1.03**	1.03		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	**85.26**	86.33		
Income & Profitability				
Net Interest Margin (%)	**4.16**	4.50		
Return on Assets (before Tax) (%)	**1.98**	2.31		
Return on Equity (%)	**14.74**	15.89		
Cost to Income Ratio (%)	**48.09**	44.52		
Memorandum Information				
Credit Rating - Fitch	**A+ (lka)**	A+ (lka)		
Number of Employees	**3,300**	3,243		
Number of Banking Centers	**172**	172		