



Transforming
LIVES

INTERIM FINANCIAL STATEMENTS

For the period ended 30 September 2025

Union Bank Delivers LKR 1.2 Bn PBT for 9M 2025

29 October 2025, Colombo, Sri Lanka

Union Bank reported an impressive financial performance for the nine months ended 30 September 2025, reaffirming its position as one of Sri Lanka's fastest-growing private commercial banks. The Bank posted a Profit Before All Taxes (PBT) of LKR 1,178 million, an impressive 52% increase compared to the corresponding period of 2024. Profit After Tax (PAT) rose by an exceptional 194% to LKR 343 million, underscoring the Bank's successful strategic execution and prudent financial management.

The Bank's Gross Income rose by 7% to LKR 13,199 million, reflecting continued business expansion and improved earnings from both core and non-core activities. Net Interest Income (NII) increased by a healthy 11% to LKR 3,981 million, supported by strong loan growth and effective margin management. Complementing this performance, Net Fee and Commission Income recorded an outstanding 39% growth to LKR 1,133 million, driven by higher transactional volumes, digital channel utilization, and trade-related services. As a result, Net Operating Income increased by 19% to LKR 5,705 million.

Union Bank's Results from Operating Activities improved significantly by 41% to LKR 1,106 million, despite a 14% rise in operating expenses, reflecting continued investments in digital infrastructure and capacity building. This demonstrates enhanced operational efficiency and earnings quality.

Meanwhile, the Non-Performing Loan (NPL) ratio was maintained at a stable level, reflecting the Bank's robust credit risk management framework and proactive portfolio oversight, which have ensured high asset quality amidst a challenging operating environment. The Bank's Capital Adequacy Ratios remain within regulatory thresholds, reinforcing its prudent risk and capital management practices. The Bank has also announced its intention to raise up to LKR 3 billion through Tier II Basel III compliant debentures to reinforce its capital base and support future business growth.

The Bank's Total Assets grew by a robust 17% to LKR 171,864 million as of 30 September 2025, reflecting solid balance sheet expansion. Loans and Advances increased by a remarkable 32% to LKR 107,592 million, affirming Union Bank's strengthened lending portfolio and continued support for businesses and individuals. Meanwhile, Customer Deposits grew by 8% to LKR 111,895 million, underscoring growing customer confidence and deepening relationships across market segments. Total assets of the Group grew by 18% to LKR 182,946 million.

Key operational highlights included the expansion of the Bank's product range with Junior Elite for children, Power HER for women entrepreneurs, and the introduction of Gold Loans alongside pawning. The Bank also leveraged its BizDirect cash management solution to grow SME business, while Corporate Banking focused on enhancing customer profitability. Advancing its digital agenda, the Bank upgraded its core banking infrastructure and mobile app, reaffirmed its PCI-DSS certification, and partnered with Mastercard to enhance digital payment solutions.

Commenting on the results, Dilshan Rodrigo, Director/CEO, said:

"Union Bank's exceptional performance in the first nine months of 2025 is a testament to our unwavering commitment to growth and customer centricity. We remain focused on leveraging technology, innovation, and strong governance to deliver sustainable value. The significant improvement in profitability and balance sheet strength reflects our disciplined strategy, the agility of our teams, and the trust placed in us by our valued customers and stakeholders."

Chairman Dinesh Weerakkody added:

"These results reflect the continued progress of Union Bank's transformation journey and the disciplined execution of its strategic priorities. Our focus remains on building a more productive, technology-driven, and customer-centric institution that consistently delivers value to shareholders, customers, and the broader economy. We will continue to pursue sustainable growth and strategic partnerships that further strengthen Union Bank's position in Sri Lanka's financial sector."

INTERIM FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

Period ended 30 September 2025

	BANK						GROUP					
	For the Nine months ended			For the quarter ended			For the Nine months ended			For the quarter ended		
	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %
Gross Income	13,199,632	12,323,875	7	4,704,114	3,865,798	22	15,183,134	13,984,277	9	5,396,622	4,407,614	22
Interest income	10,938,999	10,572,411	3	3,835,571	3,255,571	18	12,682,071	12,043,919	5	4,447,231	3,733,809	19
Less: Interest expenses	6,957,524	6,999,495	(1)	2,433,972	2,226,274	9	7,798,627	7,924,238	(2)	2,718,097	2,495,336	9
Net interest income	3,981,475	3,572,916	11	1,401,599	1,029,297	36	4,883,444	4,119,681	19	1,729,134	1,238,473	40
Fee and commission income	1,471,991	1,101,991	34	611,978	392,266	56	1,613,811	1,205,486	34	662,691	431,223	54
Less: Fee and commission expenses	338,082	288,979	17	127,865	99,288	29	372,836	308,757	21	139,642	105,933	32
Net fee and commission income	1,133,909	813,012	39	484,113	292,978	65	1,240,975	896,729	38	523,049	325,290	61
Net fair value gains / (losses) on:												
- financial assets at fair value through profit or loss	26,532	46,583	(43)	(27,931)	8,996	(411)	34,351	56,858	(40)	(25,533)	11,513	(322)
Net gains / (losses) on derecognition of financial assets:												
- at fair value through profit or loss	187,561	398,248	(53)	94,265	132,573	(29)	187,561	398,333	(53)	94,265	132,742	(29)
- at fair value through other comprehensive income	374,512	219,884	70	107,188	62,420	72	374,512	219,884	70	107,189	62,250	72
Net other operating income	200,037	(15,241)	1412	83,043	13,973	494	290,828	59,798	386	110,779	36,077	207
Total operating income	5,904,026	5,035,401	17	2,142,277	1,540,236	39	7,011,671	5,751,282	22	2,538,883	1,806,345	41
Less: Impairment for loans and other losses	198,070	220,443	(10)	221,595	(142,049)	256	295,431	234,283	26	240,023	(122,992)	295
Net operating income	5,705,956	4,814,958	19	1,920,682	1,682,285	14	6,716,240	5,516,999	22	2,298,860	1,929,337	19
Less: Personnel expenses	2,002,730	1,791,267	12	665,919	629,115	6	2,370,864	2,064,343	15	798,114	728,849	10
Depreciation and amortisation	774,612	594,544	30	260,240	207,594	25	844,380	654,332	29	284,488	227,996	25
Other expenses	1,822,141	1,646,123	11	678,687	610,957	11	2,139,810	1,915,808	12	785,395	688,581	14
Total operating expenses	4,599,483	4,031,934	14	1,604,846	1,447,666	11	5,355,054	4,634,483	16	1,867,997	1,645,426	14
Results from operating activities	1,106,473	783,024	41	315,836	234,619	35	1,361,186	882,516	54	430,863	283,911	52
Share of profit of equity accounted investees, net of tax	71,681	(9,988)	818	28,158	11,426	146	-	-	-	-	-	-
Profit before value added tax (VAT) & social security contribution Levy (SSCL) on financial services	1,178,154	773,036	52	343,994	246,045	40	1,361,186	882,516	54	430,863	283,911	52
VAT on financial services	456,574	364,419	25	144,022	113,755	27	553,709	417,511	33	180,521	136,443	32
SSCL on financial services	63,413	50,614	25	20,003	15,914	26	75,922	57,988	31	25,072	19,065	32
Profit before tax	658,167	358,004	84	179,969	116,376	55	731,555	407,017	80	225,270	128,402	75
Less: Tax expenses	315,220	241,318	31	88,127	72,052	22	384,259	295,964	30	128,959	82,174	57
Profit after tax	342,947	116,686	194	91,842	44,324	107	347,296	111,053	213	96,311	46,228	108
Profit Attributable to:												
Equity holders of the parent	342,947	116,686	194	91,842	44,324	107	337,132	110,549	205	91,846	44,344	107
Non-controlling interest	-	-	-	-	-	-	10,164	504	1915	4,465	1,884	137
Profit after tax	342,947	116,686	194	91,842	44,324	107	347,296	111,053	213	96,311	46,228	108
Earnings per share												
Earnings per share - Basic	0.32	0.11	194	0.08	0.04	107	0.31	0.10	205	0.08	0.04	107
Earnings per share - Diluted	0.32	0.11	194	0.08	0.04	107	0.31	0.10	205	0.08	0.04	107

* NM- "Not meaningful"

	BANK						GROUP					
	For the Nine months ended			For the quarter ended			For the Nine months ended			For the quarter ended		
	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %	30.09.2025 LKR '000	30.09.2024 LKR '000	Change %
Profit for the period	342,947	116,686	194	91,842	44,324	107	347,296	111,053	213	96,311	46,228	108
Other comprehensive income to be reclassified to profit or loss in subsequent periods:												
Net change in fair value during the period	57,328	6,853	737	(85,393)	(90,672)	6	57,328	6,853	737	(85,393)	(90,672)	6
Reclassification to the income statement	(242,912)	(90,664)	(168)	(80,590)	(33,819)	(138)	(242,912)	(90,664)	(168)	(80,590)	(33,819)	(138)
Less: Tax effect on above	55,675	25,143	121	49,795	37,347	33	55,675	25,143	121	49,795	37,347	33
Total items that will be reclassified to the statement of profit or loss	(129,909)	(58,668)	(121)	(116,188)	(87,144)	(33)	(129,909)	(58,668)	(121)	(116,188)	(87,144)	(33)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:												
Actuarial gains and losses on defined benefit plans	-	-	-	-	-	-	-	96	(100)	-	-	-
Change in revaluation surplus	257,550	-	NM	-	-	-	257,550	-	NM	-	-	-
Revaluation gains/ (losses) on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	4,643	9,654	(52)	-	-	-
Less: Tax effect on above	(77,265)	-	NM	-	-	-	(77,265)	(2,896)	(2,568)	-	-	-
Share of other comprehensive income of equity accounted investees, net of tax	4,176	6,164	(32)	-	-	-	-	-	-	-	-	-
Total items that will not be reclassified to the statement of profit or loss	184,461	6,164	2,892	-	-	-	184,928	6,854	2,598	-	-	-
Other comprehensive income for the period, net of tax	54,552	(52,504)	204	(116,188)	(87,144)	(33)	55,019	(51,814)	206	(116,188)	(87,144)	(33)
Total comprehensive income for the period, net of tax	397,499	64,182	519	(24,346)	(42,820)	43	402,315	59,239	579	(19,877)	(40,916)	51
Attributable to:												
Equity holders of the parent	397,499	64,182	519	(24,346)	(42,820)	43	391,684	58,043	575	(24,342)	(42,801)	43
Non-controlling interest	-	-	-	-	-	-	10,631	1,196	789	4,465	1,885	137
Total comprehensive income for the period, net of taxes	397,499	64,182	519	(24,346)	(42,820)	43	402,315	59,239	579	(19,877)	(40,916)	51

INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	BANK			GROUP		
	30.09.2025	31.12.2024	Change	30.09.2025	31.12.2024	Change
	LKR '000	LKR '000	%	LKR '000	LKR '000	%
	Audited			Audited		
Assets						
Cash and cash equivalents	3,236,631	3,736,158	(13)	3,569,490	4,333,380	(18)
Balances with Central Bank of Sri Lanka	1,020,220	375,596	172	1,020,220	375,596	172
Placements with banks	954,662	1,135,072	(16)	954,579	1,135,072	(16)
Reverse repurchased agreements	1,564,617	562,470	178	1,564,617	562,470	178
Derivative financial instruments	8,619	44,429	(81)	8,619	44,429	(81)
Financial assets recognised through profit or loss - measured at fair value	7,035,925	4,884,509	44	7,350,913	4,994,837	47
Financial assets at amortised cost - loans and advances	107,592,099	81,202,856	32	119,050,754	89,885,133	32
Financial assets at amortised cost - debt and other instruments	19,429,270	22,863,756	(15)	20,327,435	23,874,378	(15)
Financial assets measured at fair value through other comprehensive income	21,638,474	23,322,397	(7)	21,674,774	23,353,910	(7)
Investments in real estate	-	-	-	30,093	46,225	(35)
Investments in subsidiaries	3,116,848	3,043,405	2	-	-	-
Goodwill and intangible assets	1,317,606	1,615,188	(18)	1,650,550	1,941,454	(15)
Property, plant and equipment and right of use assets	2,138,909	2,109,613	1	2,611,140	2,530,960	3
Deferred tax assets	622,142	582,376	7	666,973	654,579	2
Other assets	2,188,217	1,713,847	28	2,466,540	1,861,798	32
Total assets	171,864,239	147,191,673	17	182,946,697	155,594,221	18
Liabilities						
Due to banks	15,386,919	7,996,693	92	16,309,383	8,215,859	99
Derivative financial instruments	21,282	22,162	(4)	21,282	22,162	(4)
Repurchased agreements	20,750,758	13,197,001	57	20,750,758	13,197,001	57
Financial liabilities at amortised cost - Due to customers	111,895,878	103,740,584	8	118,673,473	110,629,257	7
Financial liabilities at amortised cost - Other borrowed funds	-	-	-	2,315,103	407,128	469
Current tax liabilities	349,890	34,978	900	385,459	36,285	962
Other liabilities	3,221,311	2,359,897	37	3,879,752	2,877,701	35
Total liabilities	151,626,038	127,351,315	19	162,335,210	135,385,393	20

INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	BANK			GROUP		
	30.09.2025	31.12.2024	Change	30.09.2025	31.12.2024	Change
	LKR '000	LKR '000	%	LKR '000	LKR '000	%
	Audited			Audited		
Equity						
Stated capital	16,334,782	16,334,782	-	16,334,782	16,334,782	-
Share warrants	65,484	65,484	-	65,484	65,484	-
Statutory reserve fund	309,299	292,152	6	338,905	319,758	6
FVOCI reserve	203,966	333,875	(39)	216,202	346,111	(38)
Retained earnings	3,144,385	2,771,202	13	3,054,079	2,537,465	20
Revaluation Reserve	180,285	-	NM	180,285	-	NM
ESOP reserve	-	42,863	(100)	-	42,863	(100)
Regulatory Loss Allowance Reserve	-	-	-	50,442	201,688	(75)
Total equity attributable to equity holders of the bank	20,238,201	19,840,358	2	20,240,179	19,848,151	2
Non-controlling interests	-	-		371,308	360,677	3
Total equity	20,238,201	19,840,358	2	20,611,487	20,208,828	2
Total equity and liabilities	171,864,239	147,191,673	17	182,946,697	155,594,221	18
Contingent liabilities and commitments	47,167,562	37,395,156	26	47,167,562	37,270,156	27
Net asset value per share (LKR)	18.68	18.31		18.68	18.32	

Memorandum information

Number of Employees	1,192	1,189
Number of Branches	61	61

CERTIFICATION:

We, the undersigned, being the Chairman, Director/ Chief Executive Officer and Chief Financial Officer of Union Bank of Colombo PLC certify jointly that:

- (a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- (b) the information contained in these statements have been extracted from the unaudited financial statements of the Bank and the Group unless indicated as audited.
- (c) the above statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.

.....
Shanka Abeywardene
Chief Financial Officer

Sgd.

.....
Dilshan Rodrigo
Director / Chief Executive Officer

Sgd.

.....
Dinesh Weerakkody
Chairman

Date: 29 October 2025

BANK	Stated Capital	Share Warrants	Statutory Reserve Fund	FVOCI Reserve	Retained Earnings	Revaluation Reserve	ESOP Reserve	Total Equity
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Balance as at 1 January 2024	16,334,782	65,484	277,142	83,899	2,461,628	-	41,091	19,264,026
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	116,686	-	-	116,686
Other comprehensive Income	-	-	-	(58,668)	6,164	-	-	(52,504)
Total comprehensive Income	-	-	-	(58,668)	122,850	-	-	64,182
Transactions with equity holders, recognised directly in equity								
Share based payment expense	-	-	-	-	-	-	1,329	1,329
Transfers during the period	-	-	5,834	-	(5,834)	-	-	-
Balance as at 30 September 2024	16,334,782	65,484	282,976	25,231	2,578,644	-	42,420	19,329,537
Balance as at 1 January 2025	16,334,782	65,484	292,152	333,875	2,771,202	-	42,863	19,840,358
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	342,947	-	-	342,947
Other comprehensive Income	-	-	-	(129,909)	4,176	180,285	-	54,552
Total comprehensive Income	-	-	-	(129,909)	347,123	180,285	-	397,499
Transactions with equity holders, recognised directly in equity								
Share based payment expense	-	-	-	-	-	-	344	344
Transfers during the period	-	-	17,147	-	26,060	-	(43,207)	-
Balance as at 30 September 2025	16,334,782	65,484	309,299	203,966	3,144,385	180,285	-	20,238,201

GROUP	Stated Capital	Share Warrants	Statutory Reserve Fund	FVOCI Reserve	Retained Earnings	Revaluation Reserve	ESOP Reserve	Regulatory Loss Allowance Reserve	Total	Non-controlling Interest	Total Equity
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Balance as at 1 January 2024	16,334,782	65,484	304,748	96,135	2,203,461	-	41,091	228,647	19,274,348	332,095	19,606,443
Total comprehensive income for the period											
Net profit for the period	-	-	-	-	110,549	-	-	-	110,549	504	111,053
Other comprehensive Income	-	-	-	(58,668)	6,164	-	-	-	(52,504)	690	(51,814)
Total comprehensive Income	-	-	-	(58,668)	116,713	-	-	-	58,045	1,194	59,239
Transactions with equity holders, recognised directly in equity											
Share based payment expense	-	-	-	-	-	-	1,329	-	1,329	-	1,329
New share rights issued	-	-	-	-	-	-	-	-	-	25,576	25,576
Transfers during the period	-	-	5,834	-	(5,834)	-	-	-	-	-	-
Transfer to Regulatory Loss Allowance Reserve	-	-	-	-	(43,525)	-	-	43,525	-	-	-
Balance as at 30 September 2024	16,334,782	65,484	310,582	37,467	2,270,815	-	42,420	272,172	19,333,722	358,865	19,692,587
Balance as at 1 January 2025	16,334,782	65,484	319,758	346,111	2,537,465	-	42,863	201,688	19,848,151	360,677	20,208,828
Total comprehensive income for the period											
Net profit for the period	-	-	-	-	337,132	-	-	-	337,132	10,164	347,296
Other comprehensive Income	-	-	-	(129,909)	4,176	180,285	-	-	54,552	467	55,019
Total comprehensive Income	-	-	-	(129,909)	341,308	180,285	-	-	391,684	10,631	402,315
Transactions with equity holders, recognised directly in equity											
Share based payment expense	-	-	-	-	-	-	344	-	344	-	344
Transfers during the period	-	-	19,147	-	24,060	-	(43,207)	-	-	-	-
Transfer to Regulatory Loss Allowance Reserve	-	-	-	-	151,246	-	-	(151,246)	-	-	-
Balance as at 30 September 2025	16,334,782	65,484	338,905	216,202	3,054,079	180,285	-	50,442	20,240,179	371,308	20,611,487

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

Period ended 30 September 2025

	BANK		GROUP	
	30.09.2025 LKR '000	30.09.2024 LKR '000	30.09.2025 LKR '000	30.09.2024 LKR '000
Cash flow from operating activities				
Interest received	10,804,417	9,990,121	12,574,859	11,521,934
Fees and commission receipts	1,133,908	813,012	1,240,975	896,729
Interest paid	(6,593,875)	(8,407,874)	(7,409,021)	(10,164,769)
Receipts from Other operating activities	774,774	765,153	873,387	850,553
Payments on Other operating activities	(4,474,639)	(3,952,463)	(5,251,012)	(4,397,022)
Operating cash flow before changes in operating assets & liabilities	1,644,585	(792,051)	2,029,188	(1,292,575)
(Increase)/decrease in operating assets:				
Balance with Central Bank of Sri Lanka	(644,624)	(755,519)	(644,624)	(755,519)
Funds advanced to customers	(26,174,817)	(13,238,314)	(29,117,828)	(14,249,257)
Others	(474,372)	230,988	(604,740)	199,283
	(27,293,813)	(13,762,845)	(30,367,192)	(14,805,493)
Increase/(decrease) in operating liabilities:				
Due to other customers	9,223,637	12,224,729	9,357,329	12,441,361
Repurchased agreements	7,468,718	(10,015,933)	7,468,718	(10,015,933)
Other liabilities	912,430	1,045,994	1,036,119	1,076,738
	17,604,785	3,254,790	17,862,166	3,502,166
Net cash from/(used in) operating activities before income tax	(8,044,443)	(11,300,106)	(10,475,837)	(12,595,902)
Retirement benefit obligation paid	(65,040)	(62,793)	(70,993)	(62,793)
Income tax paid	(131,416)	(394,775)	(132,149)	(394,774)
Net cash from/ (used in) operating activities	(8,240,899)	(11,757,674)	(10,678,980)	(13,053,470)
Cash flow from/(used in) investing activities				
Net financial investment at fair value through profit or loss	(2,130,564)	2,831,261	(2,302,649)	2,831,487
Net financial assets at amortised cost - Debt and other instruments	3,300,828	1,626,397	3,413,285	3,131,409
Net financial investment at fair value through other comprehensive income	1,460,832	858,979	1,456,045	849,325
Net investment in real estates	-	-	(16,132)	(12,755)
Purchase of property & equipment	(160,474)	(537,312)	(265,173)	(618,079)
Purchase of intangible assets	(29,204)	(108,606)	(39,752)	(109,281)
Net cash from/ (used in) investing activities	2,441,418	4,670,719	2,245,624	6,072,106
Cash flow from/(used in) financing activities				
Increase in borrowings	6,258,181	1,117,504	7,923,374	951,095
New share rights issued	-	-	-	25,576
Net cash from/ (used in) financing activities	6,258,181	1,117,504	7,923,374	976,671
Net increase/(decrease) in cash and cash equivalents	458,700	(5,969,451)	(509,982)	(6,004,693)
Cash and cash equivalents at beginning of the year	5,224,670	9,766,679	5,603,664	9,849,960
Cash and cash equivalents at end of the period	5,683,370	3,797,228	5,093,682	3,845,267
Reconciliation of cash and cash equivalents				
Cash in hand and at banks	3,236,631	3,358,827	3,569,490	3,522,262
Reverse repurchased agreements	1,564,617	68,718	1,564,617	68,718
Placements with banks	953,724	413,876	953,641	413,066
Due to banks - Unfavorable balances with banks	(71,602)	(44,193)	(994,066)	(158,779)
	5,683,370	3,797,228	5,093,682	3,845,267

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

Period ended 30 September 2025

Reconciliation of liabilities arising from financing activities

For the period ended 30 September 2025	30 Sep 2025 LKR '000	Cash change - Cash flow LKR '000	Non cash change - Foreign exchange movement LKR '000	1 Jan 2025 LKR '000
BANK				
Due to banks	10,592,203	6,215,368	-	4,376,835
Less : Unfavorable balances with banks	(71,602)	136,489	-	(208,091)
Less : Interest payable	(107,412)	(93,676)	-	(13,736)
	10,413,189	6,258,181	-	4,155,008
GROUP				
Due to banks	11,514,668	6,918,668	-	4,596,000
Other borrowed funds	2,315,103	1,907,975	-	407,128
Less : Unfavorable balances with banks	(994,066)	(566,810)	-	(427,257)
Less : Interest payable	(351,897)	(336,459)	-	(15,438)
	12,483,806	7,923,373	-	4,560,433
For the period ended 30 September 2024	30 Sep 2024 LKR '000	Cash change - Cash flow LKR '000	Non cash change - Foreign exchange movement LKR '000	1 Jan 2024 LKR '000
BANK				
Due to banks	3,018,935	1,183,089	-	1,835,847
Less : Unfavorable balances with banks	(44,193)	(22,174)	-	(22,019)
Less : Interest payable	(53,775)	(43,411)	-	(10,364)
	2,920,966	1,117,504	-	1,803,463
GROUP				
Due to banks	3,033,408	1,131,266	-	1,902,143
Less : Unfavorable balances with banks	(158,779)	(136,760)	-	(22,019)
Less : Interest payable	(53,777)	(43,411)	-	(10,365)
	2,820,852	951,095	-	1,869,758

- 1 There are no changes to the accounting policies and methods of computation since the publication of the annual financial statements for the year 2024.
- 2 In accordance with the Statement of Alternative Treatment (SoAT) issued by the Institute of Chartered Accountants of Sri Lanka on the reclassification of the debt portfolio, the Bank has classified LKR 18,893 Mn of the debt portfolio from Fair Value through Other Comprehensive Income to Amortised Cost category on 30 June 2022 as holding these instruments in the fair value through other comprehensive income category was not commercially viable in the current economic environment. The cumulative losses from these instruments previously recognised in Other Comprehensive Income has been removed from equity and adjusted against the fair value of the financial asset at the reclassification date. Accordingly, the reclassified assets have been measured at the reclassification date as if they had always been measured at Amortised Cost. The cumulative losses and the fair value as at 30 September 2025 if the assets have continued to be measured at Fair Value through Other Comprehensive Income amounts to LKR 32 Mn and LKR 2,487 Mn respectively.
- 3 The Bank had issued 218,281,250 warrants to be exercised within a period of 6 years at a price of LKR 16 per warrant. Given the Bank does not have an immediate need for new capital, with the request of Culture Financial Holdings, the Board of Directors of the Bank decided to extend the exercise period of the warrants until 31 March 2025 and revise the exercise price to a price that is equivalent to the average closing price per share for the five day period that immediately precedes the exercise of warrants. The Bank has obtained the concurrence of the Central Bank of Sri Lanka and the Securities and Exchange Commission of Sri Lanka for the extension of the warrants' exercise period and the revision to the exercise price, as described above. Further extension has been given by the letter dated 13 December 2024 by the Central Bank of Sri Lanka to extend the period until 31 December 2025. By the letter dated 28 March 2025, the Securities and Exchange Commission has granted approval to extend the exercise period of warrants only up to the extent of the shortfall of LKR 500Mn to meet the minimum capital requirement of LKR 20Bn and the rest of the warrants deemed to have been expired on 31 March 2025.
- 4 There are no material changes during the period in the composition of assets, liabilities and contingent liabilities. All known expenditure items have been provided for.
- 5 These Interim financial statements are presented in accordance with LKAS 34 - "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
- 6 The Group financial statements comprises of consolidation of the financial statements of the Bank and its subsidiaries, National Asset Management Limited & UB Finance PLC.
- 7 No material events have been taken place subsequent to the reporting period that require disclosures or/ and adjustment in the Financial Statements.

8 Information on Ordinary Shares

Market Value	30.09.2025	30.09.2024
	LKR	LKR
Last traded price	15.60	9.50
Highest price for the quarter	16.20	9.80
Lowest price for the quarter	10.50	8.50

9. ANALYSIS OF LOANS & ADVANCES TO CUSTOMERS AND IMPAIRMENT

9.1 Product-wise Gross Loans & Advances

	BANK		GROUP	
	30.09.2025 LKR '000	31.12.2024 LKR '000 Audited	30.09.2025 LKR '000	31.12.2024 LKR '000 Audited
Term loans	67,287,406	54,819,313	72,713,410	58,858,518
Overdrafts	13,458,857	8,828,241	13,458,857	8,828,241
Trade finance	7,603,355	5,368,247	7,603,355	5,368,247
Lease and hire purchase	4,856,176	1,197,339	9,443,942	4,881,083
Factoring	405,274	402,501	633,793	632,663
Pawning & Gold loans	4,636,850	2,117,924	6,715,804	3,706,909
Credit cards	3,827,608	3,818,427	3,827,608	3,818,427
Staff loans	1,160,658	1,042,436	1,204,861	1,072,134
By Product - Local Currency	103,236,184	77,594,428	115,601,630	87,166,222
Term loans	5,490,569	4,385,314	5,490,569	4,385,314
Overdrafts	587,154	495,819	587,154	495,819
Trade finance	5,355,906	5,788,972	5,355,906	5,788,972
By Product - Foreign Currency	11,433,629	10,670,105	11,433,629	10,670,105
Total Loans and Receivables	114,669,813	88,264,533	127,035,259	97,836,327

9.2 Stage-wise impairment on loans & advances to customers

	BANK		GROUP	
	30.09.2025 LKR '000	31.12.2024 LKR '000 Audited	30.09.2025 LKR '000	31.12.2024 LKR '000 Audited
Gross loans and advances (Note 9.1)	114,669,813	88,264,533	127,035,259	97,836,327
Less: Accumulated impairment under stage 1	(1,312,096)	(873,007)	(1,386,307)	(956,860)
Accumulated impairment under stage 2	(327,378)	(503,095)	(381,525)	(547,156)
Accumulated impairment under stage 3	(5,438,240)	(5,685,575)	(6,216,673)	(6,447,178)
Net value of loans and advances	107,592,099	81,202,856	119,050,754	89,885,133

9.3 Movement of impairment during the period for Loans and Advances to customers

	Stage 1	Stage 2	Stage 3	Total
	LKR '000	LKR '000	LKR '000	LKR '000
BANK				
Opening balance as at 1 January 2025	873,007	503,095	5,685,575	7,061,677
Charge/(reversal) to statement of profit or loss	439,089	(175,717)	(139,373)	123,999
Net write-off during the period	-	-	(107,962)	(107,962)
Closing Balance as at 30 September 2025	1,312,096	327,378	5,438,240	7,077,714
GROUP				
Opening balance as at 1 January 2025	956,860	547,156	6,447,178	7,951,194
Charge/(reversal) to statement of profit or loss	429,447	(165,631)	(58,547)	205,269
Net write-off during the period	-	-	(171,958)	(171,958)
Closing Balance as at 30 September 2025	1,386,307	381,525	6,216,673	7,984,505
BANK - (Audited)				
Opening balance as at 1 January 2024	454,376	1,124,029	5,357,137	6,935,544
Charge/(reversal) to statement of profit or loss	418,631	(620,935)	348,696	146,392
Net write-off during the year	-	-	(20,259)	(20,259)
Closing Balance as at 31 December 2024	873,007	503,095	5,685,575	7,061,677
GROUP - (Audited)				
Opening balance as at 1 January 2024	532,272	1,200,700	6,143,318	7,876,290
Charge/(reversal) to statement of profit or loss	424,589	(653,544)	414,366	185,411
Net write-off during the year	-	-	(110,506)	(110,506)
Closing Balance as at 31 December 2024	956,860	547,156	6,447,178	7,951,194

10. ANALYSIS OF DUE TO CUSTOMERS

	BANK		GROUP	
	30.09.2025 LKR '000	31.12.2024 LKR '000 Audited	30.09.2025 LKR '000	31.12.2024 LKR '000 Audited
Local Currency Deposits				
Demand deposits	7,871,827	7,515,342	7,868,727	7,514,826
Savings deposits	20,352,298	13,810,697	20,291,611	13,808,697
Fixed deposits	64,471,357	64,522,114	71,312,739	71,413,303
Other deposits	1,269,578	1,250,326	1,269,578	1,250,326
Total	93,965,060	87,098,479	100,742,655	93,987,152
Foreign Currency Deposits				
Demand deposits	306,520	477,462	306,520	477,462
Savings deposits	4,299,340	4,332,919	4,299,340	4,332,919
Fixed deposits	13,324,958	11,831,724	13,324,958	11,831,724
Total	17,930,818	16,642,105	17,930,818	16,642,105
Total Deposits	111,895,878	103,740,584	118,673,473	110,629,257

11. ANALYSIS OF COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

11.1 Product-wise Commitments and Contingencies

	BANK		GROUP	
	30.09.2025	31.12.2024	30.09.2025	31.12.2024
	LKR '000	LKR '000	LKR '000	LKR '000
		Audited		Audited
Undrawn loan commitments	11,789,227	10,184,300	11,789,227	10,059,300
Guarantees	5,740,292	6,449,889	5,740,292	6,449,889
Documentary credit	30,500	2,441,961	30,500	2,441,961
Forward contracts	11,213,278	10,290,065	11,213,278	10,290,065
Spot contracts	90,771	54,689	90,771	54,689
Acceptances	219,762	2,016,840	219,762	2,016,840
Forward borrowing	-	216,302	-	216,302
Other contingent items	789,670	1,199,032	789,670	1,199,032
By Product - Local Currency	29,873,500	32,853,078	29,873,500	32,728,078
Undrawn loan commitments	218,252	18,192	218,252	18,192
Guarantees	5,562,935	3,126,491	5,562,935	3,126,491
Documentary credit	6,338,744	1,196,843	6,338,744	1,196,843
Forward contracts	1,587,913	-	1,587,913	-
Spot contracts	124,834	-	124,834	-
Acceptances	2,805,226	90,534	2,805,226	90,534
Other contingent items	656,158	110,019	656,158	110,019
By Product - Foreign Currency	17,294,062	4,542,079	17,294,062	4,542,079
Commitments and Contingencies	47,167,562	37,395,156	47,167,562	37,270,156

11.2 Stage-wise impairment on Commitment and Contingencies

	BANK		GROUP	
	30.09.2025	31.12.2024	30.09.2025	31.12.2024
	LKR '000	LKR '000	LKR '000	LKR '000
		Audited		Audited
Gross Commitments and Contingencies (Note 11.1)	47,167,562	37,395,156	47,167,562	37,270,156
Less: Accumulated impairment under stage 1	(189,798)	(118,672)	(189,798)	(116,608)
Accumulated impairment under stage 2	(2,384)	(1,563)	(2,384)	(1,563)
Accumulated impairment under stage 3	(474)	(764)	(474)	(764)
Net value of commitments and contingencies	46,974,906	37,274,158	46,974,906	37,151,221

11.3 Movement of impairment during the period for Commitments & Contingencies

	Stage 1	Stage 2	Stage 3	Total
	LKR '000	LKR '000	LKR '000	LKR '000
BANK				
Opening balance as at 1 January 2025	118,672	1,563	764	120,999
Charge/(reversal) to statement of profit or loss	71,127	821	(290)	71,658
Closing Balance as at 30 September 2025	189,798	2,384	474	192,656
GROUP				
Opening balance as at 1 January 2025	116,608	1,563	764	118,935
Charge/(reversal) to statement of profit or loss	73,190	821	(290)	73,721
Closing Balance as at 30 September 2025	189,798	2,384	474	192,656
BANK - (Audited)				
Opening balance as at 1 January 2024	101,583	26,652	1,149	129,384
Charge/(reversal) to statement of profit or loss	17,089	(25,088)	(385)	(8,384)
Closing Balance as at 31 December 2024	118,672	1,563	764	120,999
GROUP - (Audited)				
Opening balance as at 1 January 2024	95,881	30,151	15,745	141,777
Charge/(reversal) to statement of profit or loss	20,727	(28,587)	(14,981)	(22,841)
Closing Balance as at 31 December 2024	116,608	1,563	764	118,936

	Corporate		SME		Retail		Treasury		Other		Other Group Companies		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
For the period ended 30th September 2025														
Net Interest Income	573,603	574,913	916,721	449,742	1,225,584	1,081,261	287,982	282,847	964,562	1,180,540	914,992	550,378	4,883,444	4,119,681
Other Income	259,571	262,188	291,108	201,998	610,212	452,749	735,230	524,361	3,847	22,193	228,259	168,112	2,128,227	1,631,601
Total Net Income	833,174	837,101	1,207,829	651,740	1,835,796	1,534,010	1,023,212	807,208	968,409	1,202,733	1,143,251	718,490	7,011,671	5,751,282
Less : Expenses including impairments	(235,424)	238,367	785,831	663,578	1,831,581	1,308,617	131,233	41,705	2,263,317	1,999,828	873,947	616,670	5,650,485	4,868,764
<i>Impairment</i>	(335,467)	130,715	127,438	44,208	403,868	43,695	-	-	2,413	2,825	97,179	12,840	295,431	234,283
<i>Depreciation & amortisation</i>	662	682	1,140	909	19,205	18,636	979	818	752,626	573,499	69,768	59,788	844,380	654,332
<i>Other expenses</i>	99,381	106,970	657,253	618,461	1,408,508	1,246,286	130,254	117,107	1,508,278	1,423,504	707,000	467,824	4,510,674	3,980,151
Segmental Results	1,068,598	598,734	421,998	(11,838)	4,215	225,393	891,979	765,503	(1,294,908)	(797,095)	269,304	101,819	1,361,186	882,516
Less: VAT and SSDL on Financial Services													629,631	475,499
Less: Taxation													384,259	295,964
Profit after Taxation													347,296	111,053
As at 30th September 2025														
Other Information														
Segment Assets	41,095,631	38,295,302	38,722,280	27,023,910	32,229,426	16,420,586	50,336,330	50,101,537	-	-	13,137,737	10,998,001	175,521,403	142,839,336
Unallocated													7,425,294	7,348,817
Consolidated Total Assets													182,946,697	150,188,153
Segment Liabilities	13,319,192	10,979,891	22,415,076	19,978,507	78,071,773	67,672,558	31,295,097	15,576,629	-	-	12,968,862	11,766,038	158,070,000	125,973,622
Unallocated													4,265,210	4,521,944
Consolidated Total Liabilities													162,335,210	130,495,566
For the period ended 30th September														
Cash flow from operating activities	(1,024,550)	(2,100,439)	(1,485,261)	(1,635,335)	(2,257,469)	(1,058,126)	(1,258,238)	(2,025,431)	(1,190,847)	(3,017,877)	(3,462,615)	(3,216,262)	(10,678,980)	(13,053,470)
Cash flow from investing activities	(22,539)	(94,013)	(32,674)	(73,196)	(49,662)	(172,282)	2,603,416	5,225,981	337,194	976,761	(590,111)	208,855	2,245,624	6,072,106
Cash flow from financing activities	-	-	-	-	-	-	6,639,497	999,862	-	-	1,283,877	(23,192)	7,923,374	976,670

INFORMATION ON ORDINARY SHARES OF THE BANK

As at 30 September 2025

TOP 20 SHAREHOLDERS

Name	No. of shares as at 30.09.2025	% holding
1 Culture Financial Holdings Ltd	767,558,888	70.84%
2 Vista Knowledge Pte Ltd	64,677,973	5.97%
3 Associated Electrical Corporation Ltd	28,446,137	2.63%
4 Sampath Bank PLC / Yaden Capital (Pvt)Ltd	25,881,430	2.39%
5 Mr. D.A.J. Warnakulasuriya	19,862,730	1.83%
6 Mr. C.P.A. Wijeyesekera	18,375,314	1.70%
7 Mrs. P. D. A. S Beruwalage	9,513,410	0.88%
8 Seylan Bank PLC /Sarath Kumara Wijekoon	9,270,176	0.86%
9 People's Leasing & Finance PLC/L.P. Hapangama	7,793,668	0.72%
10 Ashyaki Holdings (Pvt) Ltd	7,792,806	0.72%
11 Mr.S.P Khattar	7,323,365	0.68%
12 Mr. A.I.T.Hettiarachchi	3,848,735	0.36%
13 Ajita De Zoysa & Company Limited	3,110,183	0.29%
14 Sampath Bank PLC / Andaradeniya Estate (Pvt) Ltd	3,099,273	0.29%
15 Commercial Agencies (Ceylon) Ltd	2,973,748	0.27%
16 Mr. P. Brahmanage	2,825,000	0.26%
17 Mrs. H.K.S.R. Perera	2,800,000	0.26%
18 Peoples Leasing & Finance PLC /L.H.L.M.P.Haradasa	2,376,932	0.22%
19 Assetline Finance Ltd / S. K Wijekoon	2,087,055	0.19%
20 Mr. A.M. Weerasinghe	2,009,220	0.19%
	991,626,043	91.55%
Other shareholders	91,932,295	8.45%
Total	1,083,558,338	100.00%

As at 30 September 2025

Number of shares in public holding	315,988,950
Number of public shareholders	27,594
Percentage of public holding	29.16%
Market capitalisation (LKR)	16,903,510,073
Float adjusted market capitalisation	4,929,435,414
Required minimum public holding percentage under option 4 of rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange	10%

DIRECTORS' INDIVIDUAL HOLDING IN SHARES

Name	No. of shares held as at 30.09.2025
Mr. Dinesh Weerakkody	None
Mr. Nirvana Kumar Chaudhary	None
Mr. Dilshan Peter Nirosh Rodrigo	None
Ms. Dilshani Wijayawardana	None
Mr. Ahamed Sabry Ibrahim	None
Mr. Sanjay Pokhrel	None
Dr. Dharmasri Kumaratunge	None
Mr. W.P. C. Mahesh Nanayakkara	None
Mr. Gyanendra Dhungana	None

The Minimum Public Holding of Union Bank of Colombo PLC as at 30 September 2025 complied with option 4 of rule 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange.

INTERIM FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS

As at 30 September 2025

MEASUREMENT OF FINANCIAL INSTRUMENTS

Bank - As at 30 September 2025

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	3,236,631	3,236,631
Balances with Central Bank of Sri Lanka	-	-	1,020,220	1,020,220
Placements with banks	-	-	954,662	954,662
Reverse repurchased agreements	-	-	1,564,617	1,564,617
Derivative financial instruments	8,619	-	-	8,619
Financial assets recognised through profit or loss - measured at fair value	7,035,925	-	-	7,035,925
Financial assets at amortised cost - loans and advances	-	-	107,592,099	107,592,099
Financial assets at amortised cost - debt and other instruments	-	-	19,429,270	19,429,270
Financial assets measured at fair value through other comprehensive income	-	21,638,474	-	21,638,474
Other financial assets	-	-	63,182	63,182
Total financial assets	7,044,544	21,638,474	133,860,681	162,543,699

	Fair Value through P&L LKR '000	Amortised cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	15,386,919	15,386,919
Derivative financial instruments	21,282	-	21,282
Repurchased agreements	-	20,750,758	20,750,758
Financial liabilities at amortised cost - Due to customers	-	111,895,878	111,895,878
Other financial liabilities	-	1,375,702	1,375,702
Total financial liabilities	21,282	149,409,257	149,430,539

Bank - As at 31 December 2024 (Audited)

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	3,736,158	3,736,158
Balances with Central Bank of Sri Lanka	-	-	375,596	375,596
Placements with banks	-	-	1,135,072	1,135,072
Reverse repurchased agreements	-	-	562,470	562,470
Derivative financial instruments	44,429	-	-	44,429
Financial assets recognised through profit or loss - measured at fair value	4,884,509	-	-	4,884,509
Financial assets at amortised cost - loans and advances	-	-	81,202,856	81,202,856
Financial assets at amortised cost - debt and other instruments	-	-	22,863,756	22,863,756
Financial investments at fair value through other comprehensive income	-	23,322,397	-	23,322,397
Other financial assets	-	-	36,493	36,493
Total financial assets	4,928,938	23,322,397	109,912,401	138,163,736

	Fair Value through P&L LKR '000	Amortised cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	7,996,693	7,996,693
Derivative financial instruments	22,162	-	22,162
Repurchased agreements	-	13,197,001	13,197,001
Financial liabilities at amortised cost - Due to customers	-	103,740,584	103,740,584
Other financial liabilities	-	1,375,702	1,375,702
Total financial liabilities	22,162	126,309,980	126,332,142

MEASUREMENT OF FINANCIAL INSTRUMENTS

Group - As at 30 September 2025

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised Cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	3,569,490	3,569,490
Balances with Central Bank of Sri Lanka	-	-	1,020,220	1,020,220
Placements with banks	-	-	954,579	954,579
Reverse repurchased agreements	-	-	1,564,617	1,564,617
Derivative financial instruments	8,619	-	-	8,619
Financial assets recognised through profit or loss - measured at fair value	7,350,913	-	-	7,350,913
Financial assets at amortised cost - loans and advances	-	-	119,050,754	119,050,754
Financial assets at amortised cost - debt and other instruments	-	-	20,327,435	20,327,435
Financial assets measured at fair value through other comprehensive income	-	21,674,774	-	21,674,774
Other financial assets	-	-	68,953	68,953
Total financial assets	7,359,532	21,674,774	146,556,048	175,590,354

	Fair Value through P&L LKR '000	Amortised Cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	16,309,383	16,309,383
Derivative financial instruments	21,282	-	21,282
Repurchased agreements	-	20,750,758	20,750,758
Financial liabilities at amortised cost - Due to customers	-	118,673,473	118,673,473
Financial liabilities at amortised cost - Other borrowed funds	-	2,315,103	2,315,103
Other financial liabilities	-	1,877,323	1,877,323
Total financial liabilities	21,282	159,926,040	159,947,322

Group - As at 31 December 2024 (Audited)

	Fair Value through P&L LKR '000	Fair Value through OCI LKR '000	Amortised Cost LKR '000	Total LKR '000
ASSETS				
Cash and cash equivalents	-	-	4,333,380	4,333,380
Balances with Central Bank of Sri Lanka	-	-	375,596	375,596
Placements with banks	-	-	1,135,072	1,135,072
Reverse repurchased agreements	-	-	562,470	562,470
Derivative financial instruments	44,429	-	-	44,429
Financial assets recognised through profit or loss - measured at fair value	4,994,837	-	-	4,994,837
Financial assets at amortised cost - loans and advances	-	-	89,885,133	89,885,133
Financial assets at amortised cost - debt and other instruments	-	-	23,874,378	23,874,378
Financial assets measured at fair value through other comprehensive income	-	23,353,910	-	23,353,910
Other financial assets	-	-	58,141	58,141
Total financial assets	5,039,266	23,353,910	120,224,170	148,617,346

	Fair Value through P&L LKR '000	Amortised Cost LKR '000	Total LKR '000
LIABILITIES			
Due to banks	-	8,215,859	8,215,859
Derivative financial instruments	22,162	-	22,162
Repurchased agreements	-	13,197,001	13,197,001
Financial liabilities at amortised cost - Due to customers	-	110,629,257	110,629,257
Financial liabilities at amortised cost - Other borrowed funds	-	407,128	407,128
Other financial liabilities	-	1,797,256	1,797,256
Total financial liabilities	22,162	134,246,501	134,268,663

FAIR VALUE OF ASSETS AND LIABILITIES

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described below;

Fair values are determined according to the following hierarchy:

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

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

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

The following table provides an analysis of assets and liabilities measured at fair value as at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. These amounts were based on the values recognised in the Statement of Financial Position:

Assets and liabilities recorded at fair value

Bank - As at 30 September 2025

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	8,619	-	8,619
Financial assets recognised through profit or loss - measured at fair value	7,035,925	-	-	7,035,925
Financial assets measured at fair value through other comprehensive income	21,635,944	-	2,530	21,638,474
Total financial assets	28,671,869	8,619	2,530	28,683,018
Financial liabilities measured at fair value				
Derivative financial instruments	-	21,282	-	21,282
Total financial liabilities	-	21,282	-	21,282

Bank - As at 31 December 2024 (Audited)

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	44,429	-	44,429
Financial assets recognised through profit or loss - measured at fair value	4,884,509	-	-	4,884,509
Financial assets measured at fair value through other comprehensive income	23,319,867	-	2,530	23,322,397
Total financial assets	28,204,375	44,429	2,530	28,251,335
Financial liabilities measured at fair value				
Derivative financial instruments	-	22,162	-	22,162
Total financial liabilities	-	22,162	-	22,162

Group - As at 30 September 2025

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	8,619	-	8,619
Financial assets recognised through profit or loss - measured at fair value	7,350,913	-	-	7,350,913
Financial assets measured at fair value through other comprehensive income	21,635,944	-	38,830	21,674,774
Total financial assets	28,986,856	8,619	38,830	29,034,306
Financial liabilities measured at fair value				
Derivative financial instruments	-	21,282	-	21,282
Total financial liabilities	-	21,282	-	21,282

Group - As at 31 December 2024 (Audited)

	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
Financial assets measured at fair value				
Derivative financial instruments	-	44,429	-	44,429
Financial assets recognised through profit or loss - measured at fair value	4,994,837	-	-	4,994,837
Financial assets measured at fair value through other comprehensive income	23,319,867	-	34,043	23,353,910
Total financial assets	28,314,704	44,429	34,043	28,393,176
Financial liabilities measured at fair value				
Derivative financial instruments	-	22,162	-	22,162
Total financial liabilities	-	22,162	-	22,162

FAIR VALUE OF ASSETS AND LIABILITIES

Fair value of financial assets and liabilities not carried at fair value

Bank - As at 30 September 2025

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	115,112,448	-	115,112,448	114,669,813
Financial assets at amortised cost - debt and other instruments	19,425,076	-	-	19,425,076	19,429,270
Total	19,425,076	115,112,448	-	134,537,524	134,099,083
Financial liabilities					
Due to Banks	-	15,386,919	-	15,386,919	15,386,919
Due to customers	-	79,124,259	-	79,124,259	79,065,893
Total	-	94,511,179	-	94,511,179	94,452,812

Bank - As at 31 December 2024 (Audited)

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	87,285,436	-	87,285,436	88,264,533
Financial assets at amortised cost - debt and other instruments	23,143,525	-	-	23,143,525	22,863,756
Total	23,143,525	87,285,436	-	110,428,961	111,128,289
Financial liabilities					
Due to Banks	-	7,996,693	-	7,996,693	7,996,693
Due to customers	-	77,728,425	-	77,728,425	77,604,164
Total	-	85,725,118	-	85,725,118	85,600,857

Group - As at 30 September 2025

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	127,069,763	-	127,069,763	127,035,259
Financial assets at amortised cost - debt and other instruments	20,207,791	-	-	20,207,791	20,327,435
Total	20,207,791	127,069,763	-	147,277,554	147,362,694
Financial liabilities					
Due to Banks	-	16,309,383	-	16,309,383	16,309,383
Due to customers	-	86,143,774	-	86,143,774	85,907,275
Other borrowed funds	-	1,964,292	-	1,964,292	2,315,103
Total	-	104,417,449	-	104,417,449	104,531,761

Group - As at 31 December 2024 (Audited)

	Fair Value				Carrying Value LKR '000
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Value LKR '000	
Financial assets					
Financial assets at amortised cost - loans and advances	-	96,426,592	-	96,426,592	97,836,327
Financial assets at amortised cost - debt and other instruments	24,154,147	-	-	24,154,147	23,874,378
Total	24,154,147	96,426,592	-	120,580,739	121,710,705
Financial liabilities					
Due to Banks	-	8,214,285	-	8,214,285	8,215,859
Due to customers	-	84,824,282	-	84,824,282	84,495,353
Other borrowed funds	-	350,322	-	350,322	407,128
Total	-	93,388,889	-	93,388,889	93,118,340

For financial assets and financial liabilities that have short term maturity, it is assumed that carrying amounts approximates their fair value. This assumption is applied for following assets and liabilities which are short-term maturity or re-price to current market rates.

Assets	Liabilities
▶ Cash and cash equivalents	▶ Repurchased agreements
▶ Balances with Central Bank of Sri Lanka	▶ Savings and demand deposits in "Financial liabilities at amortised cost - Due to customers"
▶ Placements with banks	▶ Other financial liabilities
▶ Reverse repurchased agreements	
▶ Other financial assets	

INTERIM FINANCIAL STATEMENTS
SELECTED PERFORMANCE INDICATORS

Item	BANK		GROUP	
	30.09.2025	31.12.2024	30.09.2025	31.12.2024
Regulatory Capital Adequacy - LKR '000				
Common Equity Tier 1	14,788,269	14,775,811	17,218,786	17,100,703
Tier 1 Capital	14,788,269	14,775,811	17,218,786	17,100,703
Total Regulatory Capital	16,053,150	15,742,925	18,570,137	18,132,523
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement as per Basel III - 7%)	12.2%	15.6%	13.3%	16.9%
Tier 1 Capital Ratio (Minimum Requirement as per Basel III - 8.5%)	12.2%	15.6%	13.3%	16.9%
Total Capital Ratio (Minimum Requirement as per Basel III - 12.5%)	13.2%	16.6%	14.3%	17.9%
Basel III Leverage Ratio (Minimum Requirement - 3%)	6.9%	8.3%	7.5%	9.1%
Regulatory Liquidity				
Liquidity Coverage Ratio (%), Rupee (Minimum Requirement - 100%)	328.8%	565.9%		
Liquidity Coverage Ratio (%), All Currency (Minimum Requirement - 100%)	228.3%	486.6%		
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	134.0%	136.0%		
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) to Total Loans, Ratio (%)	8.9%	12.3%		
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)	32.6%	32.0%		
Profitability				
Net Interest Margin, %	3.3%	3.4%		
Return on Assets (Before Tax), %	0.6%	0.5%		
Return on Equity (After Tax), %	2.3%	1.5%		
Cost to Income Ratio, %	77.9%	80.4%		
Memorandum Information				
Credit Rating	BBB-(lka)	BBB-(lka)		
Number of Employees	1,192	1,189		
Number of Branches	61	61		

Name of Company

Union Bank of Colombo PLC

Legal Form

A Public Limited Liability Company incorporated in Sri Lanka under the Companies Act No. 17 of 1982.

Re-registered under the Companies Act No. 7 of 2007. Listed as a public quoted Company at the Colombo Stock Exchange.

A Licensed Commercial Bank under the Banking Act No. 30 of 1988.

Date of Incorporation

February 2nd, 1995

Company Registration Number

PB 676 PQ

Accounting Year-end

December-31

Subsidiary Companies

National Asset Management Ltd

UB Finance PLC

Tax Payer Identity Number (TIN)

134005610

VAT Registration Number

134005610-7000

Credit Rating

Fitch : BBB- (lka) (Negative watch)

Registered Office & Principal Place of Business

No. 64, Galle Road,

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Telephone : +94 11 2374100

Fax: +94 11 2370971

E-mail: ubc@unionb.com

Web Address: www.unionb.com

Auditor

M/s. Ernst & Young

Chartered Accountants,

Rotunda Towers,

Galle Road,

Colombo 03.