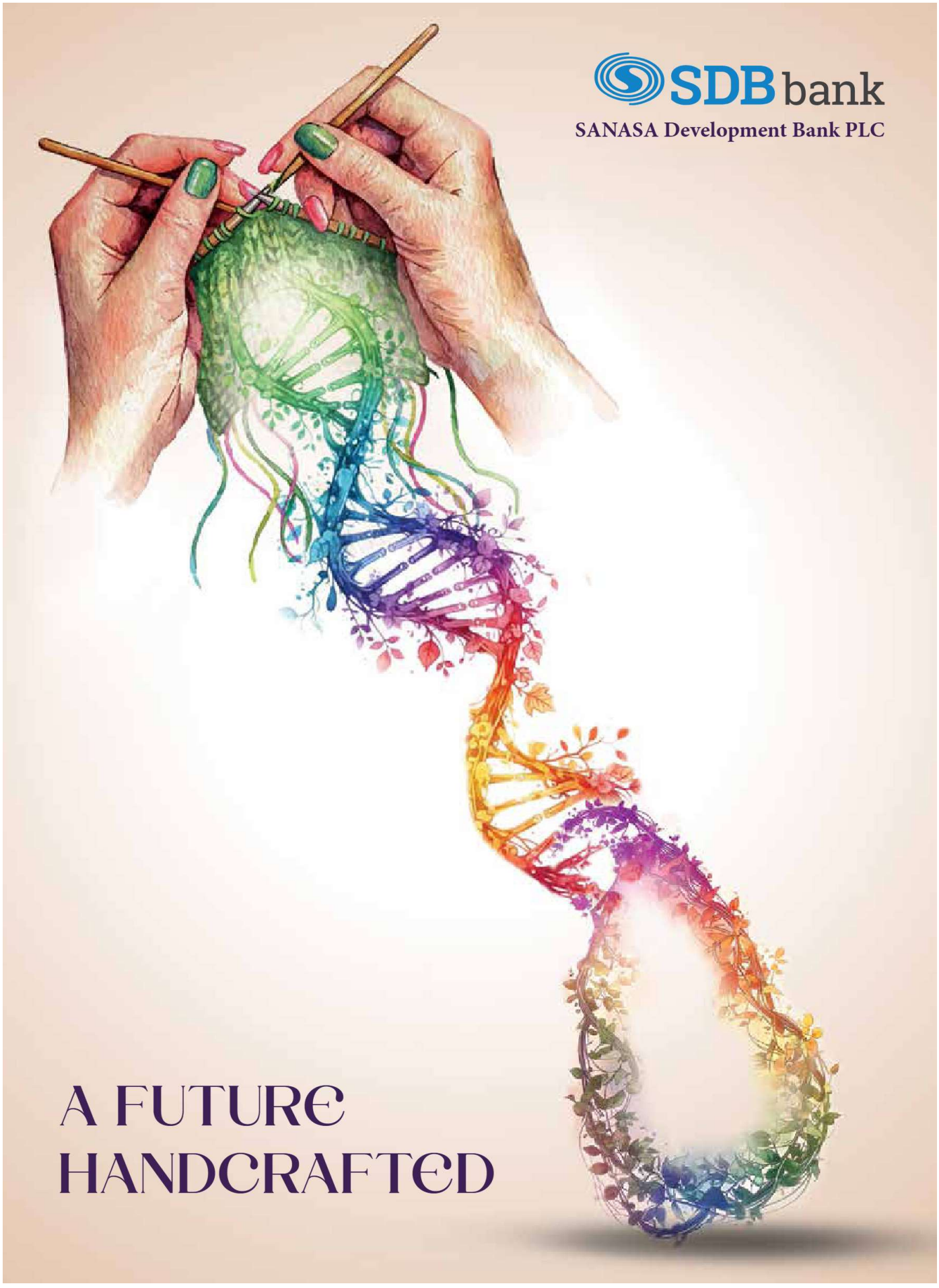
Interim Financial Statements

For the Period ended 31st March 2026



SDB bank Records Stable Financial Performance and Sustained Growth in Q1 2026

- Profit after tax hit Rs. 60 Mn.
- Net-Fee income increased by 29%.
- Total Capital Ratio maintained at 15.15%.
- Liquidity Coverage Ratio maintained at 145.08%

Stable Financial Performance in Q1 2026

SDB Bank delivered a stable financial performance in Q1 2026, reflecting its continued ability to convert disciplined financial management into sustainable growth. The Bank recorded a Profit After Tax of Rs. 60 Mn, representing a 7% increase compared to Q1 2025, supported by improved operational efficiency and prudent strategic execution. Growth in customer advances across key sectors, including agriculture, SMEs, cooperatives, and retail, signals renewed business confidence and supports the Bank's steady profitability trajectory. Notably, all capital adequacy ratios remained comfortably above the regulatory minimum requirements, reinforcing the Bank's strong capital position.

The Bank's strengthened credit discipline, coupled with proactive portfolio management, enhances its capacity to manage risk while sustaining forward-looking growth. Continued focus on building a stable, low-cost deposit base and improving funding efficiency has further reinforced balance sheet strength. Anchored in its purpose-driven approach, SDB bank remains committed to delivering sustainable progress while contributing to inclusive and forward-looking economic development.

Net Fee Income

Net Fee Income recorded a notable growth of 29% in Q1 2026, underscoring the Bank's continued progress in strengthening its non-funded income streams and deepening client relationships. This performance reflects SDB bank's focused efforts to diversify its revenue base through enhanced service capabilities, increased digital adoption, and customer-oriented financial solutions.

The sustained momentum in fee-based income highlights the Bank's strategic emphasis on building a more balanced and resilient income profile, while delivering greater value through innovative and value-added offerings. This approach positions the Bank to achieve consistent, sustainable growth while further strengthening its client engagement and long-term financial stability.

Sustainability Commitments

During Q1 2026, SDB bank as a purpose-driven organization, further progressed its sustainability priorities by advancing environmentally responsible financing and strengthening its inclusive banking initiatives. Focus remained on broadening financial access across priority sectors and on supporting entrepreneurship, including initiatives to empower women-led businesses and rural upliftment projects.

The Bank continued to integrate sustainable practices into its operations, aligning its business activities with long-term economic development objectives while maintaining a balanced and responsible growth approach.

About SDB bank

A future-ready bank, dedicated to offering customer-centric and comprehensive support tailored to each individual's needs, SDB bank is a licensed specialized bank regulated by the Central Bank of Sri Lanka, with a listing on the Main Board of the Colombo Stock Exchange and a Fitch Rating of BB+ (lka). Through the network of 94 branches island-wide, the Bank provides a comprehensive range of financial services to its Retail, SME, Co-operative, and Business Banking clients across the country. Environmental, Social, and Governance (ESG) principles are deeply ingrained in SDB bank's ethos, with a steadfast focus on uplifting local communities and businesses through sustainable practices. The Bank is particularly committed to promoting women's empowerment, sustainable development of SMEs, and digital inclusion, aiming to propel Sri Lanka to new heights.

SANASA DEVELOPMENT BANK PLC
INCOME STATEMENT

In Rupees Thousands (Rs'000)	Bank		
	For the Period ended 31st March		Change
	2026	2025	
Interest income	4,235,973	4,306,882	-2%
Interest expenses	(2,264,483)	(2,293,571)	-1%
Net interest income	**1,971,490**	**2,013,311**	**-2%**
Fee and commission income	167,225	138,895	20%
Fee and commission expenses	(15,118)	(20,677)	-27%
Net fee and commission income	**152,107**	**118,217**	**29%**
Net gains/(losses) from trading	-	(553)	-100%
Net fair value gains/(losses) on financial assets at fair value through profit or loss	85,723	123,194	-30%
Net other operating income	11,827	4,336	173%
Total operating income	**2,221,146**	**2,258,505**	**-2%**
Impairment for loans and other losses	(173,391)	(195,451)	-11%
Net operating income	**2,047,755**	**2,063,054**	**-1%**
Personnel expenses	(1,005,535)	(1,057,563)	-5%
Depreciation and amortization expenses	(188,875)	(163,432)	16%
Other expenses	(572,257)	(548,819)	4%
Total Admin and Other Operational Expences	**(1,766,667)**	**(1,769,813)**	**-**
Operating profit/ (loss) before VAT on financial services & SSCL	**281,088**	**293,240**	**-4%**
Value Added Tax (VAT) on financial services	(157,165)	(165,335)	-5%
Social Security Contribution Levy (SSCL)	(18,865)	(24,916)	-24%
Operating profit/(loss) after VAT on financial services and SCCL	**105,058**	**102,990**	**2%**
Profit/(loss) before tax	**105,058**	**102,990**	**2%**
Income tax expenses	(44,974)	(46,918)	-4%
Profit/(loss) for the period	**60,084**	**56,071**	**7%**
Profit/(loss) attributable to:			
Equity holders of the parent	60,084	56,071	7%
Non-controlling interests	-	-	-
	60,084	**56,071**	7%
Earnings per share on profit			
Basic earnings per ordinary share (Rs.)	0.37	0.34	8%
Diluted earnings per ordinary share (Rs.)	0.37	0.34	8%

SANASA DEVELOPMENT BANK PLC
STATEMENT OF COMPREHENSIVE INCOME

In Rupees Thousands (Rs'000)	Bank		
	For the Period ended 31st March		Change
	2026	2025	
Profit/(loss) for the period	60,084	56,071	7%
Other comprehensive income/(expenses) not to be reclassified to income statement			
Actuarial gains/(losses) on defined benefit plans	-	-	-
Deferred tax relating to defined benefit plans	-	-	-
Gains/(Losses) on re-measuring investments in equity instruments designated at fair value through other comprehensive income	-	-	-
Revaluation Surplus on Property, Plant and Equipment	-	-	-
Deferred tax relating to Revaluation Surplus on PPE	-	-	-
Other comprehensive income/(expenses) for the period net of taxes	**-**	**-**	
Total comprehensive income/(expenses) for the period	**60,084**	**56,071**	**7%**
Total comprehensive income/(expenses) attributable to:			
Equity holders of the parent	60,084	56,071	7%
Non-controlling interests	-	-	-
Total comprehensive income/(expenses) for the period	**60,084**	**56,071**	**7%**

SANASA DEVELOPMENT BANK PLC
STATEMENT OF FINANCIAL POSITION

In Rupees Thousands (Rs'000)	Bank		
	As at 31.03.2026	As at 31.12.2025 (Audited)	Change
Assets			
Cash and cash equivalents	5,878,991	7,104,306	-17%
Placements with banks	7,424,325	7,801,227	-5%
Financial assets fair value through Profit or Loss	905,633	-	100%
Financial assets at amortised cost			
- loans and receivebles from other customers	112,356,146	109,825,059	2%
- debt and other instruments	14,233,976	16,605,323	-14%
Financial assets measured at fair value through other comprehensive income	196,805	196,698	-
Investment in subsidiary	6,163	6,163	-
Property, plant and equipment	943,157	970,551	-3%
Right of use assets	1,398,899	1,358,411	3%
Intangible assets	633,874	659,061	-4%
Deferred tax assets	756,173	756,172	-
Other assets	2,166,193	1,675,127	29%
Total assets	146,900,335	146,958,097	-
Liabilities			
Financial liabilities at amortised cost			
- due to depositors	106,104,072	105,680,974	-
- due to other borrowers	19,843,395	20,616,321	-4%
Retirement benefit obligations	1,326,303	1,286,496	3%
Current tax liabilities	900,957	892,809	1%
Other liabilities	3,861,117	3,677,090	5%
Total liabilities	132,035,844	132,153,690	-
Equity			
Stated capital/assigned capital	11,406,602	11,406,602	-
Statutory reserve fund	381,295	381,295	-
Retained earnings	2,758,474	2,698,389	2%
Other reserves	318,120	318,120	-
Total equity	14,864,491	14,804,406	-
Total equity and liabilities	146,900,335	146,958,097	0%
Contingent liabilities and commitments	1,022,611	1,032,893	-1%
Net asset value per share (Rs.)	90.55	90.18	-
Memorandum information			
Number of employees	1,263	1,263	-
Number of branches	94	94	-

Certification:

We certify that the above Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

SGD
Sanjeeva Jayasinghe
Head of Finance

SGD
Manoj Akmeemana
Senior Deputy General Manager / DCEO

We, the undersigned, being the Chairperson and Director of the SANASA Development Bank PLC,
jointly certify 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 unaudited financial statements of the Bank, unless indicated as audited.

SGD
Dinithi Ratnayake
Chairperson

SGD
Chaaminda Kumarasiri
Director

15th May 2026
Colombo

SANASA DEVELOPMENT BANK PLC
STATEMENT OF CHANGES IN EQUITY

In Rupees Thousands (Rs'000)	Bank						
	Stated capital / Assigned capital	Reserves					Total equity
				Other reserves			
	Ordinary voting shares	Statutory reserve fund	Retained earnings	OCI reserve	Revaluation reserve	General reserves	
For the Period ended 31.03.2025							
Balance as at 01.01.2025 (Opening balance)	11,406,602	361,049	2,388,242	(19,052)	403,001	46,657	14,586,500
Total comprehensive income for the period							
Profit/(loss) for the period (net of tax)	-	-	56,071	-	-	-	56,071
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Total comprehensive income/(expenses) for the period	**-**	**-**	**56,071**	**-**	**-**	**-**	**56,071**
Transfer to statutory reserve fund	-	-	-	-	-	-	-
Transactions with equity holders, recognized directly in equity							
Other	-	-	-	-	-	-	-
Total transactions with equity holders	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31.03.2025 (Closing balance)	**11,406,602**	**361,049**	**2,444,314**	**(19,052)**	**403,001**	**46,657**	**14,642,571**
For the Period ended 31.03.2026							
Balance as at 01.01.2026 (Opening balance)	11,406,602	381,295	2,698,389	(30,500)	301,963	46,657	14,804,406
Total comprehensive income for the period							
Profit/(loss) for the period (net of tax)	-		60,084	-	-	-	60,084
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Total comprehensive income/(expenses) for the period	**-**	**-**	**60,084**	**-**	**-**	**-**	**60,084**
Transfer to statutory reserve fund	-	-	-	-	-	-	-
Transactions with equity holders, recognized directly in equity							
Dividend to equity holders	**-**	**-**	-	-	-	**-**	-
Other transactions	-	-	-				-
Total transactions with equity holders	-	-	-	-	-	-	-
Balance as at 31.03.2026 (Closing balance)	**11,406,602**	**381,295**	**2,758,473**	**(30,500)**	**301,963**	**46,657**	**14,864,490**

Statutory Reserve Fund

Every Licensed Specialised Bank has to make a Provision not less than 5% out of profit after tax to the Statutory Reserve Fund. Such provision should be made annually as stipulated by the Banking Act No. 30 of 1988 as amended by Banking (Amendment) Act No. 24 of 2024 until the said Reserve Fund is equal to 50% of the Equity Capital of the Bank. Thereafter, the Bank has to make a provision not less than 2% out of profit after tax to the Statutory Reserve Fund until the said Fund is equal to the Equity Capital of the Bank.

General Reserve

The General Reserve is created after provisioning for a Statutory Reserve Fund and Interim Dividend payments for the respective shareholders, this reserve will be used by the Bank for the future capitalisation purposes of the Bank.

Fair value through OCI / Available For Sale Reserve / Revaluation Reserve

These reserves consist of fair value adjustments relevant to investment portfolios and land and buiding.

SANASA DEVELOPMENT BANK PLC
STATEMENT OF CASH FLOWS

In Rupees Thousands (Rs'000)	Bank	
	01.01.2026 to 31.03.2026	01.01.2025 to 31.12.2025 (Audited)
Cash flows from / (used in) operating activities		
Interest received	4,352,226	19,694,746
Fee and commission received	203,165	848,429
Receipts from other operating activities	1,038	5,934
Interest payment	(1,600,947)	(8,567,284)
Cash payment to employees	(922,109)	(3,816,520)
Payments to suppliers and other operating activities	(623,875)	(2,142,685)
Fee and commission expenses	(15,118)	(41,620)
Operating profit before changes in operating assets	**1,394,379**	**5,981,000**
(Increase)/decrease in operating assets		
Funds advanced to customers	(2,880,818)	(18,176,883)
Net (increase)/ decrease in other short term securities	(855,880)	871,597
Net (increase)/ decrease in other assets	(637,144)	(1,138,773)
Increase/(decrease) in operating liabilities		
Deposits from customers	(176,690)	(1,574,200)
Net increase/ (decrease) in other liabilities	244,650	431,535
Net cash from operating activities before income tax	**(2,911,504)**	**(13,605,725)**
VAT and SSCL on financial services	(211,727)	(848,909)
Income tax paid	(35,481)	(253,325)
Net cash from operating activities	**(3,158,712)**	**(14,707,959)**
Cash flows from / (used in) investing activities		
Dividend received	108	476
(Increase)/ Decrease in Non Dealing Securities	(108)	-
(Increase)/ decrease in dealing securities	(819,910)	7,297,713
(Increase)/ decrease in treasury bonds and other investments	3,634,405	10,003,383
Proceeds from sale of property, plant and equipment	13	4,835
Purchase of property, plant and equipment	(38,305)	(91,136)
Purchase of intangible assets	(25,312)	(94,124)
Net cash from/ (used in) investing activities	**2,750,890**	**17,121,147**
Cash flows from (used in) financing activities		
Repayment of long term borrowing	(5,495,779)	(9,551,482)
Increase/(decrease) in borrowing	4,678,286	11,097,850
Net cash flow from/ (used in) financing activities	**(817,493)**	**1,546,368**
Net increase/ (decrease) in cash and cash equivalents	(1,225,314)	3,959,556
Cash and cash equivalent at the beginning of the period	7,404,306	3,444,750
Cash and cash equivalents at the end of the period	**6,178,991**	**7,404,306**
Reconciliation of cash and cash equivalents		
Cash and cash equivalents	5,878,991	7,104,306
Fixed deposits less than 3 months	300,000	300,000
	6,178,991	**7,404,306**

SANASA DEVELOPMENT BANK PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Bank - As at 31st March 2026				
In Rupees Thousands (Rs'000)	**AC**	**FVPL**	**FVOCI**	**Total**
FINANCIAL ASSETS				
Cash and cash equivalents	5,878,991	-	-	5,878,991
Placements with banks	7,424,325	-	-	7,424,325
Financial assets fair value through Profit or Loss	-	905,633	-	905,633
Financial assets at amortised cost				
- loans and receivebles from other customers	112,356,146	-	-	112,356,146
- debt and other instruments	14,233,976	-	-	14,233,976
Financial assets measured at fair value through other comprehensive income	-	-	196,805	196,805
Total financial assets	139,893,438	905,633	196,805	140,995,876

In Rupees Thousands (Rs'000)	**AC**	**FVPL**	**Total**
FINANCIAL LIABILITIES			
Financial liabilities at amortised cost			
- due to depositors	106,104,072	-	106,104,072
- due to other borrowers	19,843,395	-	19,843,395
Subordinated debt	-	-	-
Total financial liabilities	125,947,467	-	125,947,467

Bank - As at 31st December 2025 (Audited)				
In Rupees Thousands (Rs'000)	**AC**	**FVPL**	**FVOCI**	**Total**
FINANCIAL ASSETS				
Cash and cash equivalents	7,104,306	-	-	7,104,306
Placements with banks	7,801,227	-	-	7,801,227
Financial assets fair value through Profit or Loss	-	-	-	-
Financial assets at amortised cost				
- loans and receivebles from other customers	109,825,059	-	-	109,825,059
- debt and other instruments	16,605,323	-	-	16,605,323
Financial assets measured at fair value through other comprehensive income	-	-	196,698	196,698
Total financial assets	141,335,914	-	196,698	141,532,612

In Rupees Thousands (Rs'000)	**AC**	**FVPL**	**Total**
FINANCIAL LIABILITIES			
Financial liabilities at amortised cost			
- due to depositors	105,680,974	-	105,680,974
- due to other borrowers	20,616,321	-	20,616,321
Subordinated debt	-	-	-
Total financial liabilities	126,297,295	-	126,297,295

AC - Amortised Cost
FVPL - Financial assets recognized through Profit or Loss - measured at Fair Value
FVOCI - Financial assets measured at Fair Value through Other Comprehensive Income

SANASA DEVELOPMENT BANK PLC
FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

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:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

There are no material changes in the fair value of financial assets categorised under Level 3 compared to the values reported as at 31st December 2025. The Bank has not changed the valuation models and assumptions used to measure the fair values of Level 3 financial instruments during the period ended 31st March 2026.

Financial Assets & Liabilities Measured at Fair Value - Fair Value Hierarchy - In Rupees Thousands (Rs'000)

	As at 31st March 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
	LKR	**LKR**	**LKR**	**LKR**
Financial assets fair value through profit or loss				
Sri Lanka Government securities- Treasury bills and bonds	-	-	-	-
Unit trusts	-	905,633	-	905,633
Quoted Equities	-	-	-	-
Fair Value through other comprehensive income				
Unquoted equity securities	-	-	196,805	196,805
	-	905,633	196,805	1,102,438

	As at 31st December 2025 (Audited)			
	Level 1	**Level 2**	**Level 3**	**Total**
	LKR	**LKR**	**LKR**	**LKR**
Financial assets fair value through profit or loss				
Sri Lanka Government securities- Treasury bonds	-	-	-	-
Unit trusts	-	-	-	-
Quoted Equities	-	-	-	-
Fair Value through other comprehensive income				
Unquoted equity securities	-	-	196,698	196,698
	-	-	196,698	196,698

Fair value of financial assets and liabilities not carried at fair value - In Rupees Thousands (Rs'000)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Bank's financial instruments that are not carried at fair value in the Financial Statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

		As at 31st March 2026	
	Level	Carrying value LKR	Fair value LKR
Financial assets			
Cash and cash equivalents	Note*	5,878,991	5,878,991
Placements with banks	Note*	7,424,325	7,424,325
Financial assets at amortised cost			
- Loans and receivables to other customers	2	112,356,146	110,359,511
- Debt and other instruments	Note*	14,233,976	14,233,976
Total financial assets		139,893,438	137,896,804
Financial liabilities			
Due to other customers	2	106,104,072	116,861,889
Other borrowings	2	19,843,395	19,843,395
Total financial liabilities		125,947,467	136,705,284

		As at 31st December 2025 (Audited)	
		Carrying value LKR	Fair value LKR
Financial assets			
Cash and cash equivalents	Note*	7,104,306	7,104,306
Placements with banks	Note*	7,801,227	7,801,227
Financial assets at amortised cost			
- Loans and receivables to other customers	2	109,825,059	108,023,575
- Debt and other instruments	Note*	16,605,323	16,605,323
Total financial assets		141,335,914	139,534,431
Financial liabilities			
Due to other customers	2	105,680,974	118,472,363
Other borrowings	2	20,616,321	20,616,321
Total financial liabilities		126,297,295	139,088,684

Note*
The following describes the methodologies and assumptions used to determine the fair values for those financial instruments which are not already recorded at fair value in the Financial Statements:

For financial assets and financial liabilities that have a short term maturity (less than a year), it is assumed that the carrying amounts approximate to their fair value. This assumption is applied to savings deposits without a specific maturity. Loans and advances to customers with a variable rate also considered to be carried at fair value.

The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates for similar financial instruments. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing interest rates of the Bank.

SANASA DEVELOPMENT BANK PLC
ANALYSIS OF LOANS AND ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

In Rupees Thousands (Rs'000)	Bank	
	As at 31.03.2026	As at 31.12.2025 (Audited)
Product-wise gross loans and advances		
By product: LKR		
Pawning	13,013,735	11,298,992
Cash margin	6,633,508	6,220,305
Staff loans	1,663,791	1,670,503
Lease rentals receivable	11,766,516	10,538,365
Term loans	-	-
Business loans	1,854,341	1,708,010
SME loans	20,495,887	21,883,380
Co-operative loans	4,147,278	2,952,610
Housing loans	2,506,126	2,509,197
Fixed and floating personal loans	19,113,098	19,725,096
Upahara loans	39,439,295	39,496,299
Other personal loans	620,435	546,336
Total	121,254,008	118,549,092
Product-wise commitments and contingencies		
By product: LKR		
Guarantees	377,856	389,540
Undrawn Credit Lines	644,755	643,353
Total	1,022,611	1,032,893
Total loans and advances, commitments and contingencies	**122,276,620**	**119,581,985**
Stage-wise impairment on loans and advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	**122,276,620**	**119,581,985**
Less: Accumulated impairment under stage 1	(948,196)	(1,018,577)
Accumulated impairment under stage 2	(745,539)	(608,890)
Accumulated impairment under stage 3	(7,204,127)	(7,096,565)
Net loans and advances, commitments and contingencies	**113,378,757**	**110,857,952**
Movement of impairment during the period		
Under Stage 1		
Opening balance	1,018,577	678,781
Charges / (Write back) to income statement	(70,381)	339,796
Other movements	-	-
Closing balance	948,196	1,018,577
Under Stage 2		
Opening balance	608,890	787,537
Charges / (Write back) to income statement	136,649	(178,646)
Other movements	-	-
Closing balance	745,539	608,890
Under Stage 3		
Opening balance	7,096,565	6,578,292
Charges / (Write back) to income statement	107,562	556,975
Write - off during the year	-	(38,702)
Other movements	-	-
	7,204,127	7,096,565
Total impairment	**8,897,863**	**8,724,033**

SANASA DEVELOPMENT BANK PLC
ANALYSIS OF DEPOSITS

In Rupees Thousands (Rs'000)	Bank	
	As at 31.03.2026	As at 31.12.2025 (Audited)
By product: Rs.		
Savings deposits	21,355,426	22,008,225
Fixed deposits	84,748,646	83,672,749
Total deposits	**106,104,072**	**105,680,974**

SANASA DEVELOPMENT BANK PLC
SEGMENT REPORTING

Bank									In Rupees Thousands (Rs'000)	
	Banking		Leasing & HP		Treasury		Pawning		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
For the year ended 31st March										
Interest income	2,909,566	2,904,969	455,864	316,038	464,548	814,266	405,995	271,610	4,235,973	4,306,882
Add: Inter-segment interest income	2,520,325	2,657,653	-	-	2,731,049	2,280,756	-	-	5,251,374	4,938,409
Total interest income	**5,429,891**	**5,562,622**	**455,864**	**316,038**	**3,195,597**	**3,095,022**	**405,995**	**271,610**	**9,487,347**	**9,245,291**
Interest expenses	(1,603,173)	(1,784,172)	(191,673)	(142,043)	(234,708)	(189,286)	(234,929)	(178,070)	(2,264,483)	(2,293,571)
Add: Inter-segment interest expense	(2,731,049)	(2,280,756)	-	-	(2,520,325)	(2,657,653)	-	-	(5,251,374)	(4,938,409)
Net interest income	**1,095,669**	**1,497,693**	**264,191**	**173,995**	**440,564**	**248,083**	**171,065**	**93,539**	**1,971,490**	**2,013,311**
Fee and commission income	148,976	128,325	18,249	10,570	-	-	-	-	167,225	138,895
Fee and commission expenses	(13,503)	(19,813)	(1,614)	(864)	-	-	-	-	(15,118)	(20,677)
Net fee and commission income	**135,473**	**117,469**	**16,634**	**9,706**	**-**	**-**	**-**	**-**	**152,107**	**118,217**
Net gains/(losses) from trading	-	-	-	-	-	(553)	-	-	-	(553)
Net fair value gains/(losses) from financial assets at fair value through profit or loss	-	-	-	-	85,723	123,194	-	-	85,723	123,194
Other operating income (net)	11,720	4,336	-	-	108	-	-	-	11,827	4,336
Total operating income	**1,242,861**	**1,619,498**	**280,826**	**183,701**	**526,394**	**370,724**	**171,065**	**93,539**	**2,221,147**	**2,258,505**
Impairment for loans and other losses	(119,710)	(117,180)	(49,159)	(68,592)	439	(272)	(4,960)	(9,408)	(173,391)	(195,451)
Net operating income	**1,123,151**	**1,502,318**	**231,666**	**115,110**	**526,833**	**370,452**	**166,105**	**84,131**	**2,047,755**	**2,063,054**
Depreciation and amortization	(149,132)	(138,505)	(17,830)	(11,027)	(60)	(77)	(21,854)	(13,824)	(188,875)	(163,432)
Segment Result	**974,019**	**1,363,814**	**213,837**	**104,083**	**526,773**	**370,375**	**144,251**	**70,308**	**1,858,880**	**1,899,622**
Un-allocated expenses									(1,577,793)	(1,606,381)
Value Added Tax (VAT) on financial services									(157,165)	(165,335)
Social Security Contribution Levy									(18,865)	(24,916)
Profit before tax									**105,059**	**102,990**
Tax expenses									(44,974)	(46,918)
Profit for the period									60,084	56,071
Other comprehensive income										
Other comprehensive income for the period net of tax									-	-
Total comprehensive income for the period									**60,084**	**56,071**
As at 31st March										
Segment assets	88,742,022	82,277,991	10,609,846	6,550,366	28,639,731	40,163,153	13,004,277	8,211,801	140,995,876	137,203,311
Un allocated assets	-	-	-	-	-	-	-	-	5,904,459	5,101,922
Total assets	**88,742,022**	**82,277,991**	**10,609,846**	**6,550,366**	**28,639,731**	**40,163,153**	**13,004,277**	**8,211,801**	**146,900,336**	**142,305,233**
Segment liabilities	88,001,029	93,970,558	10,521,254	7,481,242	20,617,868	16,832,078	12,895,692	9,378,784	132,035,844	127,662,661
Total equity	-	-	-	-	-	-	-	-	14,864,491	14,642,572
Total equity & liabilities	**88,001,029**	**93,970,558**	**10,521,254**	**7,481,242**	**20,617,868**	**16,832,078**	**12,895,692**	**9,378,784**	**146,900,336**	**142,305,233**
For the year ended 31st March										
Additions to non-current assets	50,247	5,623	6,007	448	-	-	7,363	561	63,617	6,632

SANASA DEVELOPMENT BANK PLC
SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

Item	Bank	
	As at 31.03.2026	As at 31.12.2025 (Audited)
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	13,414	13,389
Core (Tier 1) Capital	13,414	13,389
Total Capital Base	14,405	14,372
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (%) - (Minimum Requirement - 2026-7.00%, 2025-7.00%)	14.11	14.20
Tier 1 Capital Ratio (%) - (Minimum Requirement - 2026-8.50%,2025-8.50%)	14.11	14.20
Total Capital Ratio (%) - (Minimum Requirement - 2026-12.50%, 2025-12.50%)	15.15	15.24
Leverage Ratio (Minimum Requirement - 3%)	9.15	9.14
Regulatory Liquidity		
Total Stock of High-Quality Liquid Assets (LKR in Millions)	13,504	16,671
Liquidity Coverage Ratio (%) (Minimum Requirement - 2026-100%, 2024-100%)	145.08	151.86
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	136.97	144.82
Assets Quality (Quality of Loan Portfolio)		
Impaired Loans (Stage 3) to Total loan, Ratio (%)*	5.40	5.36
Impairment (Stage 3) to Stage 3 Loans Ratio (%)*	52.26	52.61
Profitability		
Interest Margin (%)	5.35	5.37
Return on Assets (before Taxes) (%)	0.77	1.11
Return on Equity (%)	1.62	2.76

* Including Undrawn Portion of Credit

Share Information	31.03.2026	31.12.2025
Last traded price per share (Rs.)	52.70	58.10
Highest price per share for the period (Rs.)	70.30	69.40
Lowest price per share for the period (Rs.)	50.50	47.00

SANASA DEVELOPMENT BANK PLC
SHAREHOLDER INFORMATION

Twenty Largest Shareholders as at 31.03.2026			
No.	**Name of the Shareholder**	**Number of Shares**	**Holding (%)**
1	Senthilverl Holdings (Pvt) Ltd	24,624,974	15.00%
2	LOLC Investment Holdings One (Private) Limited	24,624,948	15.00%
3	Finco Holdings (Private) Limited	24,622,810	15.00%
4	Belgian Investment Company For Developing Countries SA/NV	16,416,564	10.00%
5	Mr. D.G. Wijemanna	7,000,000	4.26%
6	Alliance Finance Company PLC	3,592,187	2.19%
7	JN Lanka Holdings Company (Pvt) Ltd	3,458,547	2.11%
8	Peoples Leasing & Finance PLC/L.P.Hapangama	2,189,606	1.33%
9	Mr.L.J.M.A.Jayasundara	2,182,273	1.33%
10	Peoples Leasing & Finance PLC/Mr. A.M.Induruwage	1,590,915	0.97%
11	Bank of Ceylon A/C Ceybank Unit Trust	1,573,477	0.96%
12	Hatton National Bank PLC/Sarravanan Neelakandan	1,471,083	0.90%
13	Kegalle SANASA Share Holders Trust Company Limited	1,287,440	0.78%
14	Polgahawela SANASA Societies Union Ltd	1,035,980	0.63%
15	Nikawaratiya Thrift and Credit Co-Operative Society Union Limited	1,014,273	0.62%
16	J N Lanka Holdings Company (Pvt) Ltd	1,000,000	0.61%
17	Bingiriya Multi Purpose Cooperative Society Ltd	991,850	0.60%
18	SANASA Federation Limited	829,333	0.51%
19	Mr. R. Gautam	805,100	0.49%
20	Seylank Bank PLC/ Gladstone Capital (Pvt) Ltd	704,202	0.43%
Sub total		121,015,562	73.72%
Shares held by other shareholders		43,150,932	26.28%
Total		**164,166,494**	**100.00%**

Note -In compliance with the Section 7.6 (iii) of CSE Listing Rules, the bank has disclosed top 20 shareholders after amalgamating several CDS accounts in to one group belonging to the same shareholder in this financial statements.

As at 31.03.2026

Total number of shares	164,166,494
Number of shares in public holding	135,840,920
Number of public shareholders	38,827
Percentage of public holding	82.75%
Market capitalisation	8,651,574,234
Float adjusted market capitalisation	7,158,816,484
Required minimum public holding percentage under option 3 of rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange	5.0%

Directors' Shareholding as at 31.03.2026		
No.	**Name**	**No. of Shares**
1	Ms.Dinithi Ratnayake (Chairperson)	-
2	Mr.Chaaminda Kumarasiri	-
3	Mr.Prasanna Premaratna	1,532
4	Mr.Thusantha Wijemanna	-
5	Mr.S.H.Sarath Nandasiri	-
6	Mr.Conrad Dias	-
7	Mr.Romani De Silva	106,907
8	Mr.Chandana Dissanayake	-
9	Mr.Kapila Ariyaratna	-

SANASA DEVELOPMENT BANK PLC
EXPLANATORY NOTES

1 These Interim Financial Statements have been prepared in accordance with LKAS 34 - "Interim Financial Reporting" and present information required by Listing Rule of 7.4 of Colombo Stock Exchange. These Financial Statements are drawn up from the unaudited Financial Statements of the Bank.

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

3 There are no material changes in the composition of assets, liabilities and contingent liabilities.

4 ATM Transaction Cost, which was previously classified under Other Expenses, has been reclassified under Fee & Commission Expenses in the financial statements to enhance presentation clarity. Accordingly, the comparative figures have also been adjusted.

5 Staff Festival Advance, which was previously classified under loans and receivebles from other customers, has been reclassified under Other assets in the financial statements to enhance presentation clarity. Accordingly, the comparative figures have also been adjusted.

6 **Investment in Subsidiary**

Investment in Subsidiary includes the investment made by the Bank in Payment Services (Private) Limited, amounting to Rs.6,163,100/-. Payment Services (Private) Limited is a fully-owned subsidiary of the Bank, that was acquired on 26th May 2020. It was engaged in the business of providing online payment solutions on the web and mobile platforms under the brand name "UPay". The subsidiary's assets, liabilities, equity, income, expenses and cash flows does not have a material effect on the consolidated financial statements of the Group. Therefore, the subsidiary has been deemed immaterial and has not been consolidated when preparing and presenting the financial statements of the Group.