Nation Lanka Finance PLC
Statement of Financial Position

	Company		Group	
	As at 31st December 2025	As at 31st March 2025	As at 31st December 2025	As at 31st March 2025
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
ASSETS				
Cash and Cash Equivalents	23,407	45,075	23,407	45,075
Deposits With Licensed Commercial Banks	417,105	497,918	417,105	497,918
Financial Assets Recognized Through Profit or Loss–Measured at fair value	13,210	13,158	13,210	13,158
Financial Assets Measured at Fair Value Through Other Comprehensive Income	61,253	59,928	61,253	59,928
				-
Financial Assets Measured at Amortized Cost				-
- Loans and Advances	1,163,618	1,841,451	1,163,618	1,841,451
- Debt and Other Instruments	65,291	363,445	65,291	363,445
Real Estate Stock	249,734	252,575	249,734	252,575
Investment Property	1,453,216	1,537,939	1,453,216	1,537,939
Property, Plant & Equipment	196,805	141,510	196,805	141,510
Right-to-use Asset	59,594	109,652	59,594	109,652
Intangible Assets	12,888	8,065	12,888	8,065
Trade & Other Receivables	96,317	321,643	96,317	321,643
Retirement Benefit Plan Assets	86,520	111,654	86,520	111,654
Deferred Tax Asset	831,294	831,294	831,294	831,294
TOTAL ASSETS	4,730,253	6,135,307	4,730,253	6,135,307
LIABILITIES				
Due to Banks and Financial Institutions	413,534	621,594	413,534	621,594
Financial Liabilities at amortized cost-due to depositors	4,079,961	4,005,051	4,079,961	4,005,051
Lease liability	72,964	149,397	72,964	149,397
Amounts Due To Related Parties	344	344	-	-
Other Borrowings	1,261,548	1,287,511	1,261,548	1,287,511
Current Tax Liability	60,973	-	60,973	-
Retirement Benefit Obligations	7,288	81,796	7,288	81,796
Trade & Other Payables	678,933	708,081	679,002	708,425
Subordinated Debentures	-	-	-	-
TOTAL LIABILITIES	6,575,544	6,853,774	6,575,269	6,853,774
CAPITAL AND RESERVES				
Stated Capital	4,108,421	4,108,421	4,108,421	4,108,421
Reserve Fund	131,422	131,422	131,422	131,422
Fair value reserve	(77,276)	(77,276)	(77,276)	(77,276)
Revaluation Reserve	145,501	-	145,501	-
Other Reserves	9,000	9,000	9,000	9,000
Retained Earnings	(6,162,358)	(4,890,033)	(6,162,083)	(4,890,033)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(1,845,291)	(718,467)	(1,845,016)	(718,467)
Non-Controlling Interest	-	-	-	-
TOTAL EQUITY	(1,845,291)	(718,467)	(1,845,016)	(718,467)
TOTAL LIABILITIES & EQUITY	4,730,253	6,135,307	4,730,253	6,135,307
Net Assets Per Share	(0.26)	(0.10)	(0.26)	(0.10)
Contingent liabilities and commitments	200	15,200	200	15,200

CERTIFICATION

We, the undersigned being Head of Finance, Head of Corporate Finance & Strategic Planning and P.W.D.N.R. Rodrigo -Administrator of Nation Lanka Finance PLC appointed by the CBSL certify jointly that:

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of SriLanka and Companies Act no 07 of 2007.

(b) the information contained in these statements have been extracted from the unaudited financial statements of the Nation Lanka Finance PLC unless indicated as audited.

Signed by :
Janaka Goonasekara
Head of Finance
Nation Lanka Finance PLC
11th February 2026

Signed by :
Prasanna Habaragamuwa
Head of Corporate Finance & Strategic Planning
Nation Lanka Finance PLC
11th February 2026

Signed by :
P W D N R Rodrigo
Administrator of Nation Lanka Finance PLC
Appointed by the CBSL
11th February 2026

Nation Lanka Finance PLC

Statement of Profit or Loss and Other Comprehensive Income

	Company				Group			
	Quarter ended 31st December 2025	Quarter ended 31st December 2024	Nine months ended 31st December 2025	Nine months ended 31st December 2024	Quarter ended 31st December 2025	Quarter ended 31st December 2024	Nine months ended 31st December 2025	Nine months ended 31st December 2024
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
Interest income	45,423	68,819	143,398	536,556	45,423	68,819	143,398	536,556
Interest expense	(176,863)	(190,917)	(524,123)	(695,419)	(176,863)	(190,917)	(524,123)	(695,419)
Net interest income	(131,440)	(122,098)	(380,725)	(158,864)	(131,440)	(122,098)	(380,725)	(158,864)
Net income / (loss) on property development	-	62,851	976	3,239	-	62,851	976	3,239
Fee and commission income	176	748	470	5,129	176	748	470	5,129
Net fair value gains/(losses) from financial instruments at fair value through profit or loss	-	12,595	-	10,420	-	12,595	-	10,420
Other operating income	8,820	132,226	13,280	67,474	8,820	132,226	13,280	67,474
Collection from contracts previously written off	3,535	6,346	16,988	18,285	3,535	6,346	16,988	18,285
Total operating income	(118,909)	92,668	(349,011)	(54,316)	(118,909)	92,668	(349,011)	(54,316)
Impairment for loans and other losses	(35)	23,423	52	23,423	(35)	23,423	52	23,423
Net operating income	(118,943)	116,091	(348,958)	(30,893)	(118,943)	116,091	(348,958)	(30,893)
Net gain from de-recognition of financial assets							-	-
Gain on disposal of investment in subsidiary							-	-
Operating Expenses								
Personnel Costs	(34,090)	(109,487)	(128,402)	(394,872)	(34,090)	(109,487)	(128,402)	(394,872)
Premises Equipment & Establishment Expenses	(13,655)	(67,674)	(60,661)	(182,668)	(13,655)	(67,674)	(60,661)	(182,668)
Other Overhead Expenses	(69,970)	(137,092)	(213,953)	(334,847)	(69,970)	(137,092)	(213,953)	(334,847)
Other Finance Cost	(199)	(638)	(588)	(1,260)	(199)	(638)	(588)	(1,260)
Total Operating Expenses	(117,913)	(314,892)	(403,604)	(913,648)	(117,913)	(314,892)	(403,604)	(913,648)
Operating profit / (loss) before VAT	(236,857)	(198,801)	(752,562)	(944,541)	(236,857)	(198,801)	(752,562)	(944,541)
Vat on financial services	-	-	-	-	-	-	-	-
Operating profit / (loss) after VAT	(236,857)	(198,801)	(752,562)	(944,541)	(236,857)	(198,801)	(752,562)	(944,541)
Tax expenses	-	-	-	(1,957)	-	-	-	(1,957)
Profit / (loss) for the period	(236,857)	(198,801)	(752,562)	(946,498)	(236,857)	(198,801)	(752,562)	(946,498)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	(236,857)	(198,801)	(752,562)	(946,498)	(236,857)	(198,801)	(752,562)	(946,498)
Profit / (Loss) attributable to								
Equity holders of the company					(236,857)	(198,801)	(752,562)	(946,498)
Non controlling interest					-	-	-	-
					(236,857)	(198,801)	(752,562)	(946,498)
Total comprehensive income attributable to								
Equity holders of the company					(236,857)	(198,801)	(752,562)	(946,498)
Non controlling interest					-	-	-	-
					(236,857)	(198,801)	(752,562)	(946,498)
Basic earnings per ordinary share	(0.03)	(0.03)	(0.11)	(0.14)	(0.03)	(0.03)	(0.11)	(0.14)

Nation Lanka Finance PLC

Statement of Changes in Equity as at 31st December 2025

	Stated Capital Rs.'000	Fair Value Reserve Rs.'000	Reserve Fund Rs.'000	Revaluation Reserve Rs.'000	General Reserve Rs.'000	Retained Profit Rs.'000	Minority Interest Rs.'000	Total Equity Rs.'000
Company								
Balance as at 01.04.2024	4,108,421	(90,841)	131,422		9,000	(3,718,246)	-	439,755
Profit / (loss) for the year	-	-	-		-	(946,498)	-	(946,498)
Other comprehensive income for the year	-	-	-		-	-	-	-
Balance as at 31.12.2024	4,108,421	(90,841)	131,422		9,000	(4,664,744)	-	(506,742)
Balance as at 01.04.2025	4,108,422	(77,276)	131,422		9,000	(5,409,796)	-	(1,238,229)
Profit / (loss) for the year	-	-	-		-	(752,562)	-	(752,562)
Revaluation Gain on Property Plant & Equipment				145,501				145,501
Other comprehensive income for the year	-	-	-		-	-	-	-
Balance as at 31.12.2025	4,108,422	(77,276)	131,422	145,501	9,000	(6,162,358)	-	(1,845,290)
Group								
Balance as at 01.04.2024	4,108,421	(90,841)	131,422		9,000	(3,717,674)	-	440,328
Profit / (loss) for the year	-	-	-		-	(946,498)	-	(946,498)
Other comprehensive income for the year	-	-	-		-	-	-	-
Balance as at 31.12.2024	4,108,421	(90,841)	131,422		9,000	(4,664,172)	-	(506,170)
Balance as at 01.04.2025	4,108,422	(77,276)	131,422		9,000	(5,409,521)	-	(1,237,953)
Profit / (loss) for the year	-	-	-		-	(752,562)	-	(752,562)
Revaluation Gain on Property Plant & Equipment				145,501				145,501
Other comprehensive income for the year	-	-	-		-	-	-	-
Balance as at 31.12.2025	4,108,422	(77,276)	131,422	145,501	9,000	(6,162,083)	-	(1,845,015)

Nation Lanka Finance PLC

Statement of Cash Flows

	Company		Group	
	Rs. '000'		Rs. '000'	
For Nine months ended 31st December	2025	2024	2025	2024
Cash Flow from Operating Activities				
Profit/(Loss) before Income Tax Expense	(752,562)	(944,541)	(752,562)	(944,541)
Adjustments for				
Net fair value gains/(losses) from financial instruments Measured at FVTPL	-	4,279	-	4,279
Dividend Income	(364)	(2,668)	(364)	(2,668)
Depreciation and amortization	53,644	28,939	53,644	28,939
Interest Expenses	524,123	695,419	524,123	695,419
Interest income on Government Securities	(14,712)	(67,925)	(14,712)	(67,925)
Impairment of Loans and Receivables	(52)	(2,936)	(52)	(2,936)
Provision / (Reversal) for Retiring Benefit Obligations	16,321	(21,891)	16,321	(21,891)
Impairment of other investments	-	-	-	-
Operating Profit Before Working Capital Changes	(173,603)	(311,324)	(173,603)	(311,324)
Working Capital Changes				
Decrease/(Increase) in Financial Assets at Amortized cost	372,532	2,042,086	372,532	2,042,086
Decrease/(Increase) in Investment in Real Estate	(4,561)	14,612	(4,561)	14,612
Decrease/(Increase) in Related Party Receivables	-	(137,772)	-	(137,772)
Decrease/(Increase) in Trade and Other Receivables	16,434	84,237	16,434	84,237
Increase/(Decrease) in Related Party Payables	-	(166)	-	(166)
Increase/(Decrease) Trade & Other Payables	(451,397)	(116,571)	(451,397)	(116,571)
Increase/(Decrease) Due to Banks & Financial Institutions		704,947		704,947
Increase/(Decrease) Financial Liabilities at amortized cost -due to depositors	81,807	(1,073,687)	81,807	(1,073,687)
Cash from Operations	(158,789)	1,206,362	(158,789)	1,206,362
Income Tax Paid	-	(9,248)	-	(9,248)
Interest expenses paid	(445,247)	(695,419)	(445,247)	(695,419)
Retiring Gratuity Paid	(31,143)	(2,887)	(31,143)	(2,887)
Net Cash generated from Operating Activities	(635,179)	498,808	(635,179)	498,808
Cash Flow from Investing Activities				
Acquisition of Property, Plant & Equipment	(54,783)	36,170	(54,783)	36,170
Acquisition of Intangible Assets	5,106	4,083	5,106	4,083
Net proceed from government securities	313,093	807,537	313,093	807,537
Dividend Income received from other investments	364	2,668	364	2,668
Investment in Deposits with Licensed Commercial Banks	374,853	(28,871)	374,853	(28,871)
Net Cash used in Investing Activities	638,633	821,587	638,633	821,587
Cash Flow from Financing Activities				
Repayment of Loans	(25,963)	(1,104,973)	(25,963)	(1,104,973)
Proceeds from Borrowings	(129,998)	-	(129,998)	-
Net Cash generated from Financing Activities	(155,961)	(1,104,973)	(155,961)	(1,104,973)
Increase/(Decrease) in Cash & Cash Equivalents	(152,506)	215,421	(152,506)	215,421
Cash & Cash Equivalents at the Beginning of the Year	(237,621)	(440,855)	(237,621)	(440,855)
Cash & Cash Equivalents at the End of the year	(390,127)	(225,434)	(390,127)	(225,434)
Reconciliation of Cash & Cash Equivalents				
Cash in Hand & at Bank	23,407	131,860	23,407	131,860
Short Term Investments	-	-	-	-
Bank Overdraft	(413,534)	(357,294)	(413,534)	(357,294)
	(390,127)	(225,434)	(390,127)	(225,434)

Nation Lanka Finance PLC
Selected Performance Indicators (as per regulatory reporting)

	As at 31st December 2025 '000'	As at 31st March 2025 '000'
Regulatory Capital Adequacy		
Core capital (Tier 1 capital)	(2,417,415)	(1,106,854)
Total capital base	(3,261,597)	(1,946,213)
	Minimum 8.5%	Minimum 8.5%
Core capital adequacy ratio , as % of risk weighted assets	-79.29%	38.32%
	Minimum 12.5%	Minimum 12.5%
Total capital adequacy ratio , as % of risk weighted assets	-79.29%	38.32%
Asset Quality (Quality of loan portfolio)		
Gross Non -Performing Accommodations	4,866,813	5,098,431
Gross Non -Performing Accommodations %	95.50%	93.00%
Regulatory Liquidity		
Required minimum amount of liquid assets	443,781	437,000
Available amount of liquid assets	73,833	98,279

Nation Lanka Finance PLC

Segment Information

	Lending		Real Estate	
	Nine months ended 31st December 2025	Nine months ended 31st December 2024	Nine months ended 31st December 2025	Nine months ended 31st December 2024
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
Interest income	143,398	467,736	-	-
Interest expense	(524,123)	(504,502)	-	-
Net interest income	(380,725)	(36,766)	-	-
Net income / (loss) on property development	-	-	976	-
Fee and commission income	470	4,380	-	-
Net fair value gains/(losses) from financial instruments at fair value through profit or loss	-	(2,175)	-	-
Change in fair value of investment property	-	-	-	-
Other operating income	13,280	(64,752)	-	-
Collection from contracts previously written off	16,988	11,939	-	-
Total operating income	(349,987)	(87,373)	976	-
Impairment for loans and other losses	52	-	-	-
Net operating income	(349,935)	(87,373)	976	-
Operating Expenses				
Personnel Costs	(128,402)	(285,385)	-	-
Premises Equipment & Establishment Expenses	(60,661)	(114,993)	-	-
Other Overhead Expenses	(213,953)	(197,755)	-	-
Other Finance Cost	(588)	(622)	-	-
Total Operating Expenses	(403,604)	(598,756)	-	-
Operating profit / (loss) before VAT	(753,538)	(686,129)	976	-
Vat on financial services	-	-	-	-
Operating profit / (loss) after VAT	(753,538)	(686,129)	976	-
Tax expenses	-	(1,957)	-	-
Profit / (loss) for the period	(753,538)	(688,086)	976	-
Other comprehensive income	-	-	-	-
Total comprehensive income	(753,538)	(688,086)	976	-
Inter segment revenue	-	-	-	-
Revenue from external customers	(349,987)	(87,373)	976	-
Segment assets	4,477,679	6,801,152	252,575	252,575
Segment liabilities	6,572,033	7,298,466	3,236	3,236

Nation Lanka Finance PLC

Analysis of Financial Instruments by measurement basis

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It also includes details relating to non financial assets and liabilities.

Company	Carrying values Rs. '000'					Fair value Rs. '000'			
As at 31st December 2025	Fair Value Through Profit or Loss	Amortized Cost	Fair Value Through Other Comprehensive Income	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Financial Assets Recognized Through Profit or Loss–Measured at fair value	13,210	-	-	-	13,210	13,210	-	-	13,210
Financial Assets Measured at FVTOCI	-	-	61,253	-	61,253	-	-	61,253	61,253
Investment property	-	-	-	-	-	-	-	1,453,216	1,453,216
Financial assets not measured at fair value									
Financial Assets Measured at Amortized Cost									
- Loans and Advances	-	1,163,618	-	-	1,163,618	-	-	-	-
- Debt and Other Instruments	-	65,291	-	-	65,291	-	-	-	-
Trade & Other Receivables	-	96,317	-	-	96,317	-	-	-	-
Amounts Due From Related Parties	-	-	-	-	-	-	-	-	-
Deposits With Licensed Commercial Banks	-	417,105	-	-	417,105	-	-	-	-
Cash and Cash Equivalents	-	23,407	-	-	23,407	-	-	-	-
	13,210	1,765,738	61,253	-	1,840,201	13,210	-	1,514,469	1,527,680
Financial liabilities not measured at fair value									
Due to Banks and Financial Institutions	-	-	-	413,534	413,534	-	-	-	-
Financial Liabilities at amortized cost-due to depositors	-	-	-	4,079,961	4,079,961	-	-	-	-
Amounts Due To Related Parties	-	-	-	344	344	-	-	-	-
Other Borrowings	-	-	-	1,261,548	1,261,548	-	-	-	-
Trade & Other Payables	-	-	-	678,933	678,933	-	-	-	-
	-	-	-	6,434,320	6,434,320	-	-	-	-

Group	Carrying values Rs. '000'					Fair value Rs. '000'			
As at 31st December 2025	Fair Value Through Profit or Loss	Amortized Cost	Fair Value Through Other Comprehensive Income	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Financial Assets Recognized Through Profit or Loss–Measured at fair value	13,210	-	-	-	13,210	13,210	-	-	13,210
Financial Assets Measured at FVTOCI	-	-	61,253	-	61,253	-	-	61,253	61,253
Investment property	-	-	-	-	-	-	-	1,453,216	1,453,216
Financial assets not measured at fair value									
Financial Assets Measured at Amortized Cost									
- Loans and Advances	-	1,163,618	-	-	1,163,618	-	-	-	-
- Debt and Other Instruments	-	65,291	-	-	65,291	-	-	-	-
Trade & Other Receivables	-	96,317	-	-	96,317	-	-	-	-
Amounts Due From Related Parties	-	-	-	-	-	-	-	-	-
Deposits With Licensed Commercial Banks	-	417,105	-	-	417,105	-	-	-	-
Cash and Cash Equivalents	-	23,407	-	-	23,407	-	-	-	-
	13,210	1,765,738	61,253	-	1,840,201	13,210	-	1,514,469	1,527,680
Financial liabilities not measured at fair value									
Due to Banks and Financial Institutions	-	-	-	413,534	413,534	-	-	-	-
Financial Liabilities at amortized cost-due to depositors	-	-	-	4,079,961	4,079,961	-	-	-	-
Amounts Due To Related Parties	-	-	-	-	-	-	-	-	-
Other Borrowings	-	-	-	1,261,548	1,261,548	-	-	-	-
Trade & Other Payables	-	-	-	679,002	679,002	-	-	-	-
	-	-	-	6,434,045	6,434,045	-	-	-	-

Explanatory Notes

Interim Financial Statements

1. There are no significant changes in the accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2023/2024.

2. The interim financial statements for nine months ended 31st December 2025 are drawn up from unaudited accounts of the company , its subsidiary company Nation Micro Investment Ltd .

3. The interim financial statements are in compliance with the Sri Lanka Accounting Standard - LKAS 34: Interim Financial Reporting and the provisions of the Companies act No 07of 2007 and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

4. There have been no material events subsequent to the reporting date , which require adjustments to or disclosures in the interim financial statements.

5. Comparative figures and phrases have been re-arranged where ever necessary to conform to the current year's presentation.

6. There was no liability for management fees or any other similar expenditure as at the balance sheet date.

7. There are no other related party transactions within the interim period other than the repayment of credit facilities mentioned in the Annual Report of 2023/2024.

8. The float adjusted market capitalization of the company falls under option (V) of rule 7.13.1 (a), of the Listing Rules of the Colombo Stock Exchange and the company has complied with the minimum public holding requirement applicable under the said option.

Total number of shareholders	15,488
Public holding percentage	34.28%
Total number of public shareholders	15,485
Float adjusted market capitalization	239,849,414
Number of shares representing entity's stated capital	6,996,774,035

9. Information on ordinary shares of the company

Trading of the Securities of Nation Lanka Finance PLC (CSF) was suspended with effect from 21st July 2025 due to Qualified Audit Opinion and emphasis of matter on going concern in the Independent Auditor's Report in the Annual Report for the year ended 31st March 2023 under listing rule of 7.5.(d) (ii).

Share prices for the period from 1st of September to 30th December	2025	2024
Highest	0.0	0.3
Lowest	0.0	0.2
31st December	0.1	0.3

10. Monetary board of Central Bank of Sri Lanka has imposed a cap on deposits and lending with effect from 30th September 2019.

Nation Lanka Finance PLC

Top Twenty Shareholders as at 31st December 2025

NO	NAME OF SHAREHOLDER	NO OF SHARES	PERCENTAGE
1	Singhe Capital Investment Limited	2,673,696,955	38.22
2	Mutual Holdings Limited	958,308,467	13.7
3	Mr. V R Ramanan	965,842,690	13.8
4	Mr. N S A Cooray	249,077,211	3.56
5	Dunamis Capital PLC	228,466,987	3.27
6	Mr. A J C Senathipathy	154,835,302	2.21
7	First Capital Limited	99,836,063	1.43
8	Mr. H K J Dharmadasa	87,536,211	1.25
9	People's Leasing & Finance PLC/Mr. K K Shujeevan	69,299,669	0.99
10	Mr. S H Amarasekera	50,200,000	0.72
11	Mutiara Holdings (Private) Ltd	50,000,000	0.71
12	Mr. A N Handunpathirana	35,000,000	0.5
13	Mr. A K A Majeed	33,000,002	0.47
14	Mr. M F Cader	30,000,351	0.43
15	Mr. A P Dhammika	30,000,000	0.43
16	Ms.N D P Jayatunga	28,370,408	0.41
17	Central Investments & Finance Limited (Under Liqui.)	26,881,118	0.38
18	Ms. W A D S Sanjeewani	24,927,377	0.36
19	MR. T Yoshida	22,580,148	0.32
20	Mr. M V P N Chandrakumara	21,000,000	0.3
		5,838,858,959	**83.46**

Total Number of Shareholders **15,488**

Nation Lanka Finance PLC

Directors Shareholding as at 31st December 2025

No.	Name	No of shares	Percentage
1	Mr. V R RAMANAN	965,842,690	13.80
2	Mr. A G M PRIYANTHA	-	-
3	Mrs.S A WICKRAMASINGHE	-	-
4	Mrs. K G D W K BANDARA	-	-
5	Mr. N W M GUNAWANSHA	-	-
6	Mr. U R SENEVIRATHNE	-	-
7	Mrs. L M M JAYAWICKREMA	-	-
8	Mr. K S WIMALASIRI	-	-