



YOUR PARTNER IN PROGRESS

Interim Financial Statements

For the six months ended 30th June 2026

FINANCIAL COMMENTARY FOR THE PERIOD ENDED 30th JUNE 2026

- Balance Sheet crosses key milestones amid strong business growth
- Loan book grew by 15% in 1H 2026
- Asset Quality holds firm with Net Stage 3 at 1.17%
- Liquidity and Capital Strength continue to support Growth
- Named Best Bank for Large Corporates by Euromoney for a second consecutive year

Navigating a period of economic volatility and inflationary pressures, HNB Group reported a Profit After Tax (PAT) of Rs 22.5 Bn for the six months ended June 2026, while the Bank recorded a PAT of Rs 23.1 Bn for the same period. The performance reflected strong balance sheet growth, with advances increasing by Rs 224 Bn and deposits by Rs 138 Bn during the first half of the year, while maintaining strong asset quality with a Net Stage 3 ratio of 1.17%

The Bank's Net Interest Income increased by 21% YoY to Rs. 55.2 Bn and the Net Interest Margin (NIM) increased to 4.40% from 4.26% in 2025 supported by strong lending momentum, with the significant increase in interest income from loans and advances offsetting funding cost pressures stemming from the evolving interest rate environment.

Further strengthening the Bank's non-interest income streams, net fee and commission income increased by 30% YoY, driven by rising digital banking activity, increased card-related transactions, and strong contributions from the transaction banking and leasing businesses. The combined impact of strong growth in net interest income and non-interest income resulted in a 27% YoY increase in Total Operating Income to Rs. 76.7 Bn. While operating expenses increased moderately during the period, largely due to higher foreign currency-denominated technology and payment processing costs, the Bank maintained prudent expense management, supporting overall profitability and a lower annualised cost-to-income ratio of 34.48% compared to 38.56 % in 2025.

Reflecting the significant expansion of the Bank's lending portfolio during the period, impairment provisions amounted to Rs. 4.1 Bn in 1H 2026, compared to an impairment reversal in the corresponding period of the previous year.

The Bank's balance sheet continued to strengthen during the first half of 2026, with the Bank's asset base exceeding Rs. 2.55 Tn and gross loans and advances expanding by Rs. 224 Bn to reach Rs. 1.7 Tn. Customer deposits grew by Rs 138 Bn and surpassed the Rs. 2.1 Tn mark, underpinned by a CASA base of approximately 34%, reflecting the strength of the Bank's low-cost deposit franchise and stable funding base. This reflects sustained business momentum, continued customer confidence and the Bank's disciplined approach to balance sheet management.

The Bank continues to maintain a strong capital and liquidity position, with a Tier I Capital Ratio of 15.44%, a Total Capital Ratio of 18.18% and an all-currency Liquidity Coverage Ratio (LCR) of 186.69%, providing ample capacity to support future business growth while remaining well above regulatory requirements.

HNB, rated AA-(lka) by Fitch Ratings Lanka Ltd., added another international accolade to its portfolio during the period, being named "Best Bank for Large Corporates in Sri Lanka 2026" by Euromoney. The Bank has also been recognised as "Best Bank in Sri Lanka" by The Banker (UK) and "Sri Lanka's Strongest Bank" by The Asian Banker, reflecting the breadth and strength of its franchise. Across its business segments, HNB was named "Best Retail Bank in Sri Lanka" for the 16th time by The Asian Banker, while Global Business Magazine recognised the Bank as "Best Retail Bank and Best SME Bank" for 2026. The Bank was also honoured as "Sri Lanka's Best Corporate Citizen 2025" by the Ceylon Chamber of Commerce.

INCOME STATEMENT												
	Bank			Bank			Group			Group		
	For the 6 months ended 30th June			For the quarter ended 30th June			For the 6 months ended 30th June			For the quarter ended 30th June		
	2026	2025	Increase/ (Decrease)	2026	2025	Increase / (Decrease)	2026	2025	Increase / (Decrease)	2026	2025	Increase / (Decrease)
	(Audited)											
	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%
Gross income	139,464,383	116,708,619	19.50	73,320,179	57,924,298	26.58	171,074,916	142,741,725	19.85	87,903,790	71,252,565	23.37
Interest income	117,544,519	101,668,755	15.62	60,823,419	50,109,353	21.38	135,009,808	114,563,764	17.85	69,871,792	56,849,842	22.91
Less : Interest expenses	62,265,185	56,082,564	11.02	32,421,956	28,209,236	14.93	68,272,904	60,352,198	13.12	35,672,990	30,549,278	16.77
Net interest income	55,279,334	45,586,191	21.26	28,401,463	21,900,117	29.69	66,736,904	54,211,566	23.10	34,198,802	26,300,564	30.03
Fee and commission income	13,829,025	10,559,988	30.96	6,840,058	5,618,193	21.75	15,015,889	11,567,765	29.81	7,346,861	5,985,107	22.75
Less: Fee and commission expenses	456,902	303,750	50.42	233,107	162,625	43.34	971,657	489,496	98.50	491,836	255,153	92.76
Net fee and commission income	13,372,123	10,256,238	30.38	6,606,951	5,455,568	21.10	14,044,232	11,078,269	26.77	6,855,025	5,729,954	19.63
Net interest, fee and commission income	68,651,457	55,842,429	22.94	35,008,414	27,355,685	27.97	80,781,135	65,289,835	23.73	41,053,827	32,030,518	28.17
Net gains / (losses) from trading	1,953,655	218,604	793.70	3,896,805	(270,948)	1,538.21	123,876	1,536,044	(91.94)	2,271,014	823,211	175.87
Net gains from financial investments at fair value through other comprehensive income	427,028	402,297	6.15	10,545	-	100.00	436,067	452,896	(3.72)	16,687	-	100.00
Net insurance premium income	-	-	-	-	-	-	14,427,666	10,535,283	36.95	6,510,806	5,130,963	26.89
Net other operating income	5,710,156	3,858,975	47.97	1,749,352	2,467,700	(29.11)	6,061,610	4,085,973	48.35	1,886,630	2,463,442	(23.41)
Total operating income	76,742,296	60,322,305	27.22	40,665,116	29,552,437	37.60	101,830,353	81,900,031	24.33	51,738,964	40,448,134	27.91
Less: Impairment charge / (reversal) for loans and other losses	4,087,680	(5,123,462)	179.78	1,540,090	(4,743,750)	132.47	5,029,839	(4,843,460)	203.85	1,947,599	(4,649,153)	141.89
Net operating income	72,654,616	65,445,767	11.01	39,125,026	34,296,187	14.08	96,800,514	86,743,491	11.59	49,791,365	45,097,287	10.41
Less : Operating expenses												
Personnel expenses	11,860,132	11,284,766	5.10	6,061,829	5,638,634	7.51	15,545,654	14,288,157	8.80	7,963,274	7,177,223	10.95
Depreciation and amortisation	1,808,886	1,618,881	11.74	930,107	794,106	17.13	2,346,729	2,216,306	5.88	1,209,446	1,155,815	4.64
Benefits, claims and underwriting expenditure	-	-	-	-	-	-	14,430,227	11,240,052	28.38	6,354,862	5,418,880	17.27
Other expenses	12,836,660	10,358,831	23.92	6,110,829	5,625,586	8.63	16,795,118	13,085,480	28.35	8,272,562	6,978,865	18.54
Total operating expenses	26,505,678	23,262,478	13.94	13,102,765	12,058,326	8.66	49,117,727	40,829,995	20.30	23,800,144	20,730,783	14.81
Operating profit before taxes on financial services	46,148,938	42,183,289	9.40	26,022,261	22,237,861	17.02	47,682,787	45,913,496	3.85	25,991,221	24,366,504	6.67
Less : Taxes on financial services	9,804,840	9,050,773	8.33	5,430,963	4,726,668	14.90	10,488,383	9,826,412	6.74	5,754,832	5,148,301	11.78
Operating profit after taxes on financial services	36,344,098	33,132,516	9.69	20,591,298	17,511,193	17.59	37,194,404	36,087,084	3.07	20,236,389	19,218,203	5.30
Share of profit of equity accounted investees (net of tax)	-	-	-	-	-	-	82,060	395,666	(79.26)	78,234	197,313	(60.35)
PROFIT BEFORE INCOME TAX	36,344,098	33,132,516	9.69	20,591,298	17,511,193	17.59	37,276,465	36,482,750	2.18	20,314,623	19,415,516	4.63
Less: Income tax expense	13,200,979	11,945,911	10.51	7,398,544	6,553,885	12.89	14,717,717	13,321,604	10.48	8,112,593	7,309,671	10.98
PROFIT FOR THE PERIOD	23,143,119	21,186,605	9.23	13,192,754	10,957,308	20.40	22,558,747	23,161,146	(2.60)	12,202,031	12,105,845	0.79
Profit attributable to:												
Equity holders of the Bank	23,143,119	21,186,605	9.23	13,192,754	10,957,308	20.40	21,863,683	22,441,465	(2.57)	11,774,399	11,743,150	0.27
Non-controlling interests	-	-	-	-	-	-	695,064	719,681	(3.42)	427,632	362,695	17.90
PROFIT FOR THE PERIOD	23,143,119	21,186,605	9.23	13,192,754	10,957,308	20.40	22,558,747	23,161,146	(2.60)	12,202,031	12,105,845	0.79
Earnings per share												
Basic earnings per ordinary share (Rs)	40.09	36.70	9.23	22.85	18.98	20.40	37.87	38.87	(2.57)	20.39	20.34	0.27
Diluted earnings per ordinary share (Rs)	40.09	36.70	9.23	22.85	18.98	20.40	37.87	38.87	(2.57)	20.39	20.34	0.27

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME												
	Bank			Bank			Group			Group		
	For the 6 months ended 30th June			For the quarter ended 30th June			For the 6 months ended 30th June			For the quarter ended 30th June		
	2026	2025	Increase /	2026	2025	Increase /	2026	2025	Increase /	2026	2025	Increase /
	(Audited)	(Audited)	(Decrease)			(Decrease)			(Decrease)			(Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%	Rs 000	Rs 000	%
PROFIT FOR THE PERIOD	23,143,119	21,186,605	9.23	13,192,754	10,957,308	20.40	22,558,747	23,161,146	(2.60)	12,202,031	12,105,845	0.79
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods												
Change in fair value of investments in equity instruments designated at fair value through other comprehensive income	(1,092,184)	483,089	(326.08)	(175,253)	951,578	(118.42)	(1,092,184)	485,067	(325.16)	(175,253)	953,556	(118.38)
Remeasurement of post-employment benefit obligations	-	-	-	-	-	-	(18,334)	(22,600)	(18.88)	(18,334)	(22,600)	(18.88)
Revaluation gain/(loss) on freehold land and buildings	-	-	-	-	-	-	(216)	65,817	(100.33)	(216)	-	(100.00)
Less: Tax expense relating to items that will not be reclassified to profit or loss including the effect of rate change	-	-	-	-	-	-	5,500	(12,957)	142.45	5,500	(12,957)	142.45
Total other comprehensive income that will not be reclassified to profit or loss	(1,092,184)	483,089	(326.08)	(175,253)	951,578	(118.42)	(1,105,234)	515,327	(314.47)	(188,303)	917,999	(120.51)
Other comprehensive income that will be reclassified to profit or loss in subsequent periods												
Debt instruments at fair value through other comprehensive income :												
Net gains / (losses) on investments in debt instruments measured at fair value through other comprehensive income	(2,927,787)	1,255,931	(333.12)	(1,769,162)	668,210	(364.76)	(3,745,802)	1,604,578	(333.44)	(2,304,248)	967,114	(338.26)
Reclassification of net gains/(losses) on de-recognition of debt instruments at fair value through other comprehensive income to income statement	-	-	-	-	-	-	36,336	(45,469)	179.91	18,446	-	100.00
Net change in expected credit losses of debt securities measured at fair value through other comprehensive income (Net of exchange gain arising from translation)	(252,266)	(263,001)	(4.08)	(309,751)	(351,058)	(11.77)	(252,266)	(263,001)	(4.08)	(309,751)	(351,058)	(11.77)
Transfer to / (from) life policy holder reserve fund	-	-	-	-	-	-	619,098	(278,879)	322.00	451,874	(230,123)	296.36
Share of other comprehensive income of equity accounted investees that will be reclassified to profit or loss	-	-	-	-	-	-	84,001	(25,768)	425.99	45,288	31,569	43.46
Foreign Currency Conversion Adjustments	-	-	-	-	-	-	419,340	169,614	147.23	383,609	190,377	101.50
Less: Tax expense relating to items that will be reclassified to profit or loss including the effect of rate change	878,344	(376,779)	333.12	530,749	(200,463)	364.76	895,956	(381,349)	334.94	541,951	(208,160)	360.35
Total other comprehensive income that will be reclassified to profit or loss	(2,301,709)	616,151	(473.56)	(1,548,164)	116,689	(1,426.74)	(1,943,337)	779,726	(349.23)	(1,172,831)	399,720	(393.41)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	(3,393,893)	1,099,240	(408.75)	(1,723,417)	1,068,267	(261.33)	(3,048,571)	1,295,053	(335.40)	(1,361,134)	1,317,719	(203.29)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	19,749,226	22,285,845	(11.38)	11,469,337	12,025,575	(4.63)	19,510,178	24,456,200	(20.22)	10,840,897	13,423,564	(19.24)
Total comprehensive income attributable to:												
Equity holders of the Bank	19,749,226	22,285,845	(11.38)	11,469,337	12,025,575	(4.63)	18,558,500	23,632,178	(21.47)	10,181,381	12,934,242	(21.28)
Non-controlling interests	-	-	-	-	-	-	951,678	824,022	15.49	659,516	489,322	34.78
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	19,749,226	22,285,845	(11.38)	11,469,337	12,025,575	(4.63)	19,510,178	24,456,200	(20.22)	10,840,897	13,423,564	(19.24)

STATEMENT OF FINANCIAL POSITION

	Bank			Group		
	As at 30th June 2026	As at 31st December 2025 (Audited)	Increase / (Decrease)	As at 30th June 2026	As at 31st December 2025 (Audited)	Increase / (Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
ASSETS						
Cash and cash equivalents	57,406,118	55,375,004	3.67	58,890,623	56,743,380	3.78
Placements with banks	6,314,925	27,317,501	(76.88)	16,940,847	42,282,404	(59.93)
Balances with Central Bank of Sri Lanka	21,150,726	37,288,440	(43.28)	21,151,808	37,288,716	(43.28)
Reverse repurchase agreements	7,592,342	22,319,688	(65.98)	24,164,637	25,046,586	(3.52)
Derivative financial instruments	6,946,246	1,976,631	251.42	6,946,246	1,976,631	251.42
Financial assets measured at fair value through profit or loss	294,715	1,237,231	(76.18)	69,082,950	72,322,060	(4.48)
Financial assets measured at amortised cost - loans and advances to customers	1,652,598,431	1,433,237,237	15.31	1,733,084,136	1,505,587,603	15.11
Financial assets measured at amortised cost - debt and other financial instruments	553,992,692	650,618,623	(14.85)	588,040,167	684,366,194	(14.08)
Financial assets measured at fair value through other comprehensive income	181,585,540	94,855,469	91.43	203,208,039	115,172,024	76.44
Investment in equity accounted investees	-	-	-	6,948,705	6,382,955	8.86
Investment in subsidiaries	10,785,759	10,785,759	-	-	-	-
Investment properties	445,767	448,434	(0.59)	728,887	744,786	(2.13)
Property, plant and equipment	30,661,743	30,506,130	0.51	57,465,841	57,340,062	0.22
Right-of-use assets	8,793,887	8,730,560	0.73	3,751,463	2,974,167	26.13
Intangible assets and goodwill	1,702,835	1,718,483	(0.91)	3,591,842	3,645,478	(1.47)
Deferred tax assets	3,132,909	891,810	251.30	3,329,960	1,340,386	148.43
Other assets	15,711,532	13,305,385	18.08	29,027,494	25,023,466	16.00
Total assets	2,559,116,167	2,390,612,385	7.05	2,826,353,645	2,638,236,898	7.13
LIABILITIES						
Due to banks	14,944,647	11,343,172	31.75	14,944,647	11,343,172	31.75
Derivative financial instruments	1,420,663	300,191	373.25	1,420,663	300,191	373.25
Securities sold under repurchase agreements	38,333,761	28,197,135	35.95	101,116,868	81,505,432	24.06
Financial liabilities measured at amortised cost - due to depositors	2,100,605,701	1,961,851,197	7.07	2,155,867,854	2,017,732,197	6.85
Financial liabilities measured at amortised cost - other borrowings	15,329,134	15,511,110	(1.17)	25,021,680	27,213,296	(8.05)
Debt securities issued	10,584,945	10,044,766	5.38	10,501,667	9,986,711	5.16
Current tax liabilities	27,930,154	24,351,386	14.70	30,313,428	26,968,009	12.41
Deferred tax liabilities	-	-	-	6,801,692	6,857,168	(0.81)
Insurance provision - life	-	-	-	55,696,188	49,245,402	13.10
Insurance provision - non life	-	-	-	7,304,720	6,788,999	7.60
Other provisions	13,666,374	16,987,948	(19.55)	16,282,077	17,294,532	(5.85)
Other liabilities	25,557,973	23,525,467	8.64	39,471,201	33,364,371	18.30
Subordinated term debts	29,657,540	28,179,053	5.25	34,397,742	32,156,082	6.97
Total liabilities	2,278,030,892	2,120,291,425	7.44	2,499,140,427	2,320,755,562	7.69

STATEMENT OF FINANCIAL POSITION						
	Bank			Group		
	As at 30th June 2026	As at 31st December 2025 (Audited)	Increase / (Decrease) %	As at 30th June 2026	As at 31st December 2025 (Audited)	Increase / (Decrease) %
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
EQUITY						
Stated capital	45,288,467	42,858,227	5.67	45,288,467	42,858,227	5.67
Statutory reserve fund	14,910,000	14,910,000	-	14,910,000	14,910,000	-
Retained earnings	119,255,996	108,774,720	9.64	134,483,600	125,166,317	7.44
Other reserves	101,630,812	103,778,013	(2.07)	116,987,094	119,850,762	(2.39)
Total shareholders' equity	281,085,275	270,320,960	3.98	311,669,161	302,785,306	2.93
Non-controlling interests	-	-	-	15,544,057	14,696,030	5.77
Total equity	281,085,275	270,320,960	3.98	327,213,218	317,481,336	3.07
Total equity and liabilities	2,559,116,167	2,390,612,385	7.05	2,826,353,645	2,638,236,898	7.13
Contingent liabilities and commitments	1,168,051,028	1,009,361,708	15.72	1,168,051,028	1,009,361,708	15.72
Net assets value per ordinary share (Rs.)	486.88	468.23	3.98	539.85	524.47	2.93
Memorandum Information						
Number of Employees	5,633	5,645				
Number of Customer Centers	259	257				

CERTIFICATION

I certify that the above financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007 and amendments thereto and give a true and fair view of the state of affairs of Hatton National Bank PLC and the Group as at 30th June 2026 and its profit for the period ended 30th June 2026.

-Sgd-

Anuradhi Delage
Chief Financial Officer
12th August 2026

We the undersigned, being the Managing Director/Chief Executive Officer and the Chairman of Hatton National Bank PLC certify jointly that :

- (a) the above statements have been prepared in compliance with the formats 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 it's Subsidiary Companies unless indicated as audited

-Sgd-

Damith Pallewatte
Managing Director/Chief Executive Officer
12th August 2026

-Sgd-

Suresh Shah
Chairman
12th August 2026

STATEMENT OF CHANGES IN EQUITY - BANK									
	Stated Capital		Statutory	Other Reserves					Total
	Voting	Non-Voting		Capital	Fair value	Special	General	Retained	
	Shares	Shares		Reserve	Reserve	Reserve	Reserve	Earnings	
	Rs 000	Rs 000		Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	
For the 6 months ended 30th June 2026									
Balance as at 1st January 2026	35,072,240	7,785,987	14,910,000	17,240,454	14,648,260	10,789,299	61,100,000	108,774,720	270,320,960
Total comprehensive income for the period									
Net profit for the period	-	-	-	-	-	-	-	23,143,119	23,143,119
Other comprehensive income for the period, net of tax	-	-	-	-	(3,393,893)	-	-	-	(3,393,893)
Total comprehensive income for the period	-	-	-	-	(3,393,893)	-	-	23,143,119	19,749,226
Transactions with equity holders, recognised directly in equity									
Contributions by and distributions to equity holders									
Dividends to equity holders									
Final dividend 2025 - Cash	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)
Final dividend 2025 - Scrip	1,937,866	492,374	-	-	-	-	-	(2,859,106)	(428,866)
Total contributions by and distributions to equity holders	1,937,866	492,374	-	-	-	-	-	(11,436,424)	(9,006,184)
Transfer of /(subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	-	21,273	21,273
Transfers during the period	-	-	-	-	-	1,246,692	-	(1,246,692)	-
Balance as at 30th June 2026	37,010,106	8,278,361	14,910,000	17,240,454	11,254,367	12,035,991	61,100,000	119,255,996	281,085,275
	Stated Capital		Statutory	Other Reserves					Total
	Voting	Non-Voting		Capital	Fair value	Special	General	Retained	
	Shares	Shares		Reserve	Reserve	Reserve	Reserve	Earnings	
	Rs 000	Rs 000		Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	
For the 6 months ended 30th June 2025 (Audited)									
Balance as at 1st January 2025	35,072,240	7,785,987	12,610,000	17,240,454	11,805,828	9,548,564	60,100,000	77,316,202	231,479,275
Total comprehensive income for the period									
Net profit for the period	-	-	-	-	-	-	-	21,186,605	21,186,605
Other comprehensive income for the period, net of tax	-	-	-	-	1,099,240	-	-	-	1,099,240
Total comprehensive income for the period	-	-	-	-	1,099,240	-	-	21,186,605	22,285,845
Transactions with equity holders, recognised directly in equity									
Contributions by and distributions to equity holders									
Dividends to equity holders									
Final dividend 2024 - Cash	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)
Total contributions by and distributions to equity holders	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)
Transfers during the period	-	-	-	-	-	553,002	-	(553,002)	-
Balance as at 30th June 2025	35,072,240	7,785,987	12,610,000	17,240,454	12,905,068	10,101,566	60,100,000	89,372,487	245,187,802

STATEMENT OF CHANGES IN EQUITY - GROUP														
	Stated Capital			Other Reserves							Retained	Shareholders'	Non	Total
	Voting	Non-Voting	Statutory	Capital	General	Fair value	Special	Life Policy	Restricted	Exchange				
	Shares	Shares	Reserve	Reserve	Reserve	Reserve	Reserve	Holder Reserve Fund	Regulatory Reserve	Equalization Reserve				
For the 6 months ended 30th June 2026	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
Balance as at 1st January 2026	35,072,240	7,785,987	14,910,000	32,451,492	61,100,000	14,335,603	10,789,299	340,588	381,156	452,624	125,166,317	302,785,306	14,696,030	317,481,336
Total comprehensive income for the period														
Net profit for the period	-	-	-	-	-	-	-	-	-	-	21,863,683	21,863,683	695,064	22,558,747
Other comprehensive income for the period, net of tax	-	-	-	2,228	-	(3,473,205)	-	-	-	-	165,793	(3,305,184)	256,614	(3,048,571)
Total comprehensive income for the period	-	-	-	2,228	-	(3,473,205)	-	-	-	-	22,029,476	18,558,499	951,678	19,510,178
Transactions with equity holders, recognised directly in equity														
Contributions by and distributions to equity holders														
Effect of change in ownership without changing control in subsidiary	-	-	-	-	-	-	-	-	-	(20,285)	(50,350)	(70,635)	316,796	246,161
Dividends to equity holders														
Final dividend 2025 - Scrip	1,937,866	492,374	-	-	-	-	-	-	-	-	(2,859,106)	(428,866)	-	(428,866)
Final dividend 2025 - Cash	-	-	-	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)	(420,447)	(8,997,765)
Total contributions by and distributions to equity holders	1,937,866	492,374	-	-	-	-	-	-	-	-	(11,486,774)	(9,076,819)	(103,651)	(9,180,470)
Transfer to life policy holder reserve fund	-	-	-	-	-	-	-	(619,098)	-	-	-	(619,098)	-	(619,098)
Transfer of / (subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	-	-	-	-	21,273	21,273	-	21,273
Transfers during the period	-	-	-	-	-	-	1,246,692	-	-	-	(1,246,692)	-	-	-
Balance as at 30th June 2026	37,010,106	8,278,361	14,910,000	32,453,720	61,100,000	10,862,398	12,035,991	(278,510)	381,156	432,339	134,483,600	311,669,161	15,544,057	327,213,218

STATEMENT OF CHANGES IN EQUITY - GROUP														
	Stated Capital			Other Reserves							Retained	Shareholders'	Non	Total
	Voting	Non-Voting	Statutory	Capital	General	Fair value	Special	Life Policy	Restricted	Exchange				
	Shares	Shares	Reserve	Reserve	Reserve	Reserve	Reserve	Holder Reserve Fund	Regulatory Reserve	Equalization Reserve				
For the 6 months ended 30th June 2025	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
Balance as at 1st January 2025	35,072,240	7,785,986	12,610,000	32,325,287	60,100,000	11,649,447	9,548,564	201,549	381,156	301,767	91,384,909	261,360,907	8,388,566	269,749,473
Recognition of Non controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	3,130,321	3,130,321
Total comprehensive income for the period														
Net profit for the period	-	-	-	-	-	-	-	-	-	-	22,441,465	22,441,465	719,681	23,161,146
Other comprehensive income for the period, net of tax	-	-	-	22,286	-	1,107,776	-	-	-	-	60,651	1,190,713	104,341	1,295,054
Total comprehensive income for the period	-	-	-	22,286	-	1,107,776	-	-	-	-	22,502,116	23,632,178	824,022	24,456,200
Transactions with equity holders, recognised directly in equity														
Contributions by and distributions to equity holders														
Dividends to equity holders														
Final dividend 2024 - Cash	-	-	-	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)	(261,474)	(8,838,792)
Rights issue by subsidiary HNB Finance PLC	-	-	-	-	-	-	-	-	-	-	-	-	679,712	679,712
Total contributions by and distributions to equity holders	-	-	-	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)	418,238	(8,159,080)
Transfer to life policy holder reserve fund	-	-	-	-	-	-	-	278,879	-	-	-	278,879	-	278,879
Transfers during the period	-	-	-	-	-	-	553,002	-	-	-	(553,002)	-	-	-
Balance as at 30th June 2025	35,072,240	7,785,986	12,610,000	32,347,573	60,100,000	12,757,223	10,101,566	480,428	381,156	301,767	104,756,705	276,694,646	12,761,147	289,455,793

STATEMENT OF CASH FLOWS

For the 6 months ended 30th June	Bank		Group	
	2026	2025	2026	2025
	Rs 000	Rs 000	Rs 000	Rs 000
Cash flows from operating activities				
Interest receipts	113,438,519	97,969,825	130,908,071	110,607,095
Interest payments	(60,828,285)	(55,746,335)	(67,809,280)	(60,092,973)
Net commission receipts	13,229,538	9,884,818	13,901,647	10,947,941
Payments to employees	(13,670,292)	(13,268,215)	(17,292,814)	(16,356,190)
Taxes on financial services	(11,648,860)	(16,168,494)	(12,208,719)	(16,539,223)
Receipts from other operating activities	20,226,796	8,664,989	35,991,375	20,293,138
Payments for other operating activities	(13,559,376)	(10,943,632)	(22,350,464)	(19,093,059)
Operating profit before changes in operating assets and liabilities	47,188,040	20,392,956	61,139,816	29,766,729
(Increase)/decrease in operating assets				
Balances with Central Bank of Sri Lanka	16,133,876	(11,062,785)	16,133,070	(11,062,930)
Financial assets measured at amortised cost - loans and advances to customers	(208,974,179)	(115,034,042)	(218,097,746)	(129,490,522)
Reverse repurchase agreements	14,800,000	-	1,035,936	(11,974,995)
Other assets	1,825,593	(1,114,406)	(367,298)	(2,007,620)
	(176,214,710)	(127,211,233)	(201,296,038)	(154,536,067)
Increase/(decrease) in operating liabilities				
Financial liabilities measured at amortised cost - due to depositors	105,431,982	141,855,475	104,592,706	153,002,814
Financial liabilities measured at amortised cost - other borrowings	3,461,600	(2,629,610)	2,383,431	(2,466,284)
Securities sold under repurchase agreements	10,147,742	24,189,973	19,622,552	53,046,182
Other liabilities	2,211,468	6,797,201	2,738,005	11,093,931
	121,252,792	170,213,039	129,336,694	214,676,643
Net cash generated from/ (used in) operating activities before income tax	(7,773,878)	63,394,762	(10,819,530)	89,907,305
Income tax paid	(10,984,973)	(2,074,788)	(12,480,464)	(3,292,899)
Net cash generated from/(used in) operating activities	(18,758,851)	61,319,974	(23,299,994)	86,614,406
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,138,746)	(739,652)	(1,364,599)	(1,146,153)
Proceeds from the sale of property, plant and equipment	71,162	176	71,238	489
Net proceeds from sale, maturity and purchase of financial investments	11,265,884	(85,607,485)	9,285,443	(112,356,087)
Net purchase of intangible assets	(284,687)	(218,845)	(298,646)	(294,932)
Acquisition of subsidiary	-	(6,500,000)	-	(3,923,371)
Unallotted investment in subsidiary	(2,146,522)	-	-	-
Investment in right issue of subsidiary	-	(513,474)	-	-
Dividends received from investments in subsidiaries	386,123	300,368	-	-
Dividends received from other investments	112,705	268,838	141,951	319,437
Net cash generated from/(used in) investing activities	8,265,919	(93,010,074)	7,835,388	(117,400,617)
Cash flows from financing activities				
Proceeds from non-controlling interest relating to rights issue of subsidiary	-	-	-	679,712
Proceeds from the debt securities issued	-	-	1,000,000	2,250,000
Dividend paid to non controlling interest	-	-	(251,616)	(249,507)
Dividend paid to shareholders of the parent company	(8,491,202)	(8,474,148)	(8,491,202)	(8,474,148)
Net cash generated from/(used in) financing activities	(8,491,202)	(8,474,148)	(7,742,818)	(5,793,943)
Net increase/ (decrease) in cash and cash equivalents	(18,984,134)	(40,164,248)	(23,207,424)	(36,580,154)
Cash and cash equivalents at the beginning of the period	82,707,579	105,261,283	99,041,291	112,769,278
Cash and cash equivalents at the end of the period	63,723,445	65,097,035	75,833,867	76,189,124
Cash and cash equivalents at the end of the period				
Cash and cash equivalents	57,408,388	52,684,293	58,892,890	53,172,912
Placements with banks	6,315,057	12,412,742	16,940,977	23,016,212
	63,723,445	65,097,035	75,833,867	76,189,124

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 30th June 2026	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	57,406,118	-	57,406,118
Placements with banks	-	6,314,925	-	6,314,925
Balances with Central Bank of Sri Lanka	-	21,150,726	-	21,150,726
Reverse repurchase agreements	-	7,592,342	-	7,592,342
Derivative financial instruments	6,946,246	-	-	6,946,246
Financial assets measured at fair value through profit or loss	294,715	-	-	294,715
Financial assets measured at amortised cost - loans and advances to customers	-	1,652,598,431	-	1,652,598,431
Financial assets measured at amortised cost - debt and other financial instruments	-	553,992,692	-	553,992,692
Financial assets measured at fair value through other comprehensive income	-	-	181,585,540	181,585,540
Other financial assets	-	688,996	-	688,996
Total financial assets	7,240,961	2,299,744,230	181,585,540	2,488,570,731
Liabilities				
Due to banks	-	14,944,647	-	14,944,647
Derivative financial instruments	1,420,663	-	-	1,420,663
Securities sold under repurchase agreements	-	38,333,761	-	38,333,761
Financial liabilities measured at amortised cost - due to depositors	-	2,100,605,701	-	2,100,605,701
Financial liabilities measured at amortised cost - other borrowings	-	15,329,134	-	15,329,134
Debt securities issued	-	10,584,945	-	10,584,945
Other financial liabilities	-	13,468	-	13,468
Subordinated term debts	-	29,657,540	-	29,657,540
Total financial liabilities	1,420,663	2,209,469,196	-	2,210,889,859

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 31st December 2025 (Audited)	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	55,375,004	-	55,375,004
Placements with banks	-	27,317,501	-	27,317,501
Balances with Central Bank of Sri Lanka	-	37,288,440	-	37,288,440
Reverse repurchase agreements	-	22,319,688	-	22,319,688
Derivative financial instruments	1,976,631	-	-	1,976,631
Financial assets measured at fair value through profit or loss	1,237,231	-	-	1,237,231
Financial assets measured at amortised cost - loans and advances to customers	-	1,433,237,237	-	1,433,237,237
Financial assets measured at amortised cost - debt and other financial instruments	-	650,618,623	-	650,618,623
Financial assets measured at fair value through other comprehensive income	-	-	94,855,469	94,855,469
Other financial assets	-	634,327	-	634,327
Total financial assets	3,213,862	2,226,790,820	94,855,469	2,324,860,151
Liabilities				
Due to banks	-	11,343,172	-	11,343,172
Derivative financial instruments	300,191	-	-	300,191
Securities sold under repurchase agreements	-	28,197,135	-	28,197,135
Financial liabilities measured at amortised cost - due to depositors	-	1,961,851,197	-	1,961,851,197
Financial liabilities measured at amortised cost - other borrowings	-	15,511,110	-	15,511,110
Debt securities issued	-	10,044,766	-	10,044,766
Other financial liabilities	-	7,629	-	7,629
Subordinated term debts	-	28,179,053	-	28,179,053
Total financial liabilities	300,191	2,055,134,062	-	2,055,434,253

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 30th June 2026	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	58,890,623	-	58,890,623
Placements with banks	-	16,940,847	-	16,940,847
Balances with Central Bank of Sri Lanka	-	21,151,808	-	21,151,808
Reverse repurchase agreements	-	24,164,637	-	24,164,637
Derivative financial instruments	6,946,246	-	-	6,946,246
Financial assets measured at fair value through profit or loss	69,082,950	-	-	69,082,950
Financial assets measured at amortised cost - loans and advances to customers	-	1,733,084,136	-	1,733,084,136
Financial assets measured at amortised cost - debt and other financial instruments	-	588,040,167	-	588,040,167
Financial assets measured at fair value through other comprehensive income	-	-	203,208,039	203,208,039
Other financial assets	-	8,729,888	-	8,729,888
Total financial assets	76,029,196	2,451,002,106	203,208,039	2,730,239,341
Liabilities				
Due to banks	-	14,944,647	-	14,944,647
Derivative financial instruments	1,420,663	-	-	1,420,663
Securities sold under repurchase agreements	-	101,116,868	-	101,116,868
Financial liabilities measured at amortised cost - due to depositors	-	2,155,867,854	-	2,155,867,854
Financial liabilities measured at amortised cost - other borrowings	-	25,021,680	-	25,021,680
Debt securities issued	-	10,501,667	-	10,501,667
Other financial liabilities	-	10,996,327	-	10,996,327
Subordinated term debts	-	34,397,742	-	34,397,742
Total financial liabilities	1,420,663	2,352,846,785	-	2,354,267,448

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 31st December 2025 (Audited)	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
Assets				
Cash and cash equivalents	-	56,743,380	-	56,743,380
Placements with banks	-	42,282,404	-	42,282,404
Balances with Central Bank of Sri Lanka	-	37,288,716	-	37,288,716
Reverse repurchase agreements	-	25,046,586	-	25,046,586
Derivative financial instruments	1,976,631	-	-	1,976,631
Financial assets measured at fair value through profit or loss	72,322,060	-	-	72,322,060
Financial assets measured at amortised cost - loans and advances to customers	-	1,505,587,603	-	1,505,587,603
Financial assets measured at amortised cost - debt and other financial instruments	-	684,366,194	-	684,366,194
Financial assets measured at fair value through other comprehensive income	-	-	115,172,024	115,172,024
Other financial assets	-	7,341,373	-	7,341,373
Total financial assets	74,298,691	2,358,656,256	115,172,024	2,548,126,971
Liabilities				
Due to banks	-	11,343,172	-	11,343,172
Derivative financial instruments	300,191	-	-	300,191
Securities sold under repurchase agreements	-	81,505,432	-	81,505,432
Financial liabilities measured at amortised cost - due to depositors	-	2,017,732,197	-	2,017,732,197
Financial liabilities measured at amortised cost - other borrowings	-	27,213,296	-	27,213,296
Debt securities issued	-	9,986,711	-	9,986,711
Other financial liabilities	-	9,585,626	-	9,585,626
Subordinated term debts	-	32,156,082	-	32,156,082
Total financial liabilities	300,191	2,189,522,516	-	2,189,822,707

EXPLANATORY NOTES

1 There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2025.

2 There are no material changes during the period in the composition of assets, liabilities and contingent liabilities and use of funds raised through debentures. All known expenditure items have been provided for.

3 These interim financial statements are presented in accordance with Sri Lanka Accounting Standard (LKAS 34) "Interim Financial Reporting" and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

4 ECL Assessment and computation

The Bank reassessed the impairment provisions recognized for individually significant customers during the reporting period to ensure that adequate provisions were maintained in line with the respective risk profiles of these customers. In addition, key parameters used in the assessment of collective impairment were reviewed during the period ended 30 June 2026.

Management overlays were applied to exposures in specific industries where elevated risk levels were identified.

Based on these assessments, the Bank recognized adequate provisions for expected credit losses in the financial statements as at 30 June 2026, ensuring that potential risks within the loan portfolio were appropriately covered. The Bank will continue to monitor developments and make adjustments to impairment provisions, where necessary.

5 Where required, figures on the audited annual financial statements have been reclassified to conform to Central Bank of Sri Lanka publication requirements.

6 Reporting entity

The Bank does not have an identifiable parent of its own. Hatton National Bank PLC is the ultimate parent of the Group. The consolidated financial statements of the Bank cover the Bank and its subsidiaries, HNB Life PLC, Sithma Development (Pvt) Ltd, HNB Finance PLC & HNB Investment Bank (Pvt) Ltd.

7 Utilization of funds raised via capital markets

7.1 The funds raised through sustainability bond issue 2025

Objective number	Objective as Per Prospectus	Amount allocated as Per prospectus in Rs	Proposed date of Utilisation as Per prospectus	Amount allocated from proceeds in Rs Mn (A)	% of total proceeds	Amounts utilized in Rs Mn (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1. a	Financing and Refinancing of Green Projects	Upto 60% of the funds raised (Minimum of Rs 1 Bn to be disbursed)	In up to 24 months upon allotment of the Bonds	6,000	60%	4,185	69.75%	The unutilised funds are invested in government securities
1. b	Financing and Refinancing of Social Projects	Upto 40% of the funds raised (Minimum of Rs 1 Bn to be disbursed)	In up to 24 months upon allotment of the Bonds	4,000	40%	599	14.0%	

7.2 The funds raised through debentures previously issued were fully utilized for the objectives mentioned in the respective prospectuses

8 There are no material events that took place after the balance sheet date which require adjustment or disclosure in the financial statements.

SEGMENT REPORTING																						
	Corporate		Retail		SME		Micro		Treasury		Real Estate		Insurance		Investment Banking		NBF1*		Eliminations / Unallocated		Consolidated	
For the 6 months ended 30th June	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	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	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Net interest income	11,089,363	6,462,560	17,241,500	14,685,433	7,919,427	6,535,086	1,510,966	1,199,903	17,735,508	18,405,439	62,662	57,111	4,357,671	3,900,916	1,296,046	1,313,292	5,261,286	3,203,752	262,475	(1,551,926)	66,736,904	54,211,566
Foreign exchange income	371,240	260,188	837,377	680,628	486,871	372,771	34,849	21,044	(155,583)	536,821	-	-	-	-	-	-	-	-	5,017,674	957,760	6,592,428	2,829,212
Net fee and commission income	4,146,893	2,794,739	6,497,624	4,858,523	2,771,567	2,436,728	510,252	364,095	1,710	2,912	-	-	201,841	284,928	243,676	217,389	228,016	569,032	(557,347)	(450,077)	14,044,232	11,078,269
Other operating income / (loss)	-	-	-	-	-	-	-	-	-	-	676,674	528,169	15,049,957	11,144,514	(1,835,205)	1,226,824	1,164,824	1,002,093	(599,458)	(120,616)	14,456,791	13,780,984
Total operating income / (loss)	15,607,496	9,517,487	24,576,501	20,224,584	11,177,865	9,344,585	2,056,067	1,585,042	17,581,635	18,945,172	739,336	585,280	19,609,469	15,330,358	(295,483)	2,757,505	6,654,126	4,774,877	4,123,344	(1,164,859)	101,830,353	81,900,031
Impairment charge / (reversal) for loans and other losses	2,790,452	(4,651,564)	380,505	303,324	1,041,549	(86,463)	282,018	(137,484)	(387,398)	(241,077)	-	-	44	(3,341)	-	-	942,115	283,343	(19,446)	(310,198)	5,029,839	(4,843,460)
Net operating income / (loss)	12,817,044	14,169,051	24,195,996	19,921,260	10,136,316	9,431,048	1,774,049	1,722,526	17,969,033	19,186,249	739,336	585,280	19,609,425	15,333,699	(295,483)	2,757,505	5,712,011	4,491,534	4,142,790	(854,661)	96,800,514	86,743,491
Profit from operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,194,404	36,087,084
Share of profit of equity accounted investee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82,060	395,666
Less: Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,717,717	13,321,604
Less: Non - controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	695,064	719,681
Net Profit for the period attributable to equity holders of the parent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,863,683	22,441,465
As at 30th June	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	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	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Segment assets	900,733,638	642,362,253	430,875,552	303,236,114	262,555,134	202,504,596	58,434,107	38,533,793	762,629,583	927,756,025	11,359,435	11,333,247	86,897,277	70,155,358	87,231,378	100,682,700	99,966,406	68,743,668	118,722,430	139,877,982	2,819,404,940	2,505,185,736
Investment in equity accounted investee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,948,705	6,084,071	6,948,705	6,084,071
Total assets	900,733,638	642,362,253	430,875,552	303,236,114	262,555,134	202,504,596	58,434,107	38,533,793	762,629,583	927,756,025	11,359,435	11,333,247	86,897,277	70,155,358	87,231,378	100,682,700	99,966,406	68,743,668	125,671,135	145,962,053	2,826,353,645	2,511,269,807
Segment liabilities	405,420,584	363,359,444	1,249,365,349	1,120,608,739	364,752,489	309,943,417	45,646,171	39,275,523	42,894,428	58,706,810	11,359,435	11,333,247	86,897,277	70,155,358	87,231,378	100,682,700	99,966,406	68,743,668	432,820,128	379,364,546	2,826,353,645	2,511,269,807
Total liabilities	405,420,584	363,359,444	1,249,365,349	1,120,608,739	364,752,489	309,943,417	45,646,171	39,275,523	42,894,428	58,706,810	11,359,435	11,333,247	86,897,277	70,155,358	87,231,378	100,682,700	99,966,406	68,743,668	432,820,128	379,364,546	2,826,353,645	2,511,269,807
For the 6 months ended 30th June	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	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	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Information on cash flows																						
Cash flows from operating activities	(96,208,501)	(70,613,193)	50,936,918	131,097,813	16,339,410	31,662,683	(3,945,462)	5,128,392	62,124,853	29,442,750	359,891	221,820	1,276,562	3,494,654	2,931,120	(92,866)	3,867,886	(1,600,339)	(60,982,671)	(42,127,308)	(23,299,994)	86,614,406
Cash flows from investing activities	-	-	-	-	-	-	-	-	11,265,884	(16,404,384)	-	-	16,811	(2,473,278)	409,166	(26,027,543)	(2,884,845)	1,752,219	(971,628)	(74,247,631)	7,835,388	(117,400,617)
Cash flows from financing activities	-	-	-	-	-	-	-	-	-	-	-	-	(251,616)	(249,507)	-	-	1,000,000	2,929,712	(8,491,202)	(8,474,148)	(7,742,818)	(5,793,943)
Net cash flow generated / (used in) during the period	(96,208,501)	(70,613,193)	50,936,918	131,097,813	16,339,410	31,662,683	(3,945,462)	5,128,392	73,390,737	13,038,366	359,891	221,820	1,041,757	771,869	3,340,286	(26,120,409)	1,983,041	3,081,592	(70,445,501)	(124,849,087)	(23,207,424)	(36,580,154)
Capital expenditure																						
– Property, plant and equipment																					1,364,599	1,146,153
– Intangible assets																					298,646	294,932
Total Capital Expenditure																					1,663,245	1,441,085
* Business of HNR Finance PLC																						

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

	As at	As at	As at	As at
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	Bank		Group	
BASEL III				
Regulatory Capital				
Common Equity Tier 1. Rs. Mn	230,236	222,010	280,457	271,805
Tier 1 Capital. Rs. Mn	230,236	222,010	280,457	271,805
Total Capital. Rs. Mn	271,156	262,951	321,377	312,449
Regulatory Capital Ratios				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 2026 - 8.00%: 2025 - 8.00%)	15.44%	16.85%	16.85%	18.65%
Tier 1 Capital Ratio (Minimum Requirement - 2026 - 9.50%: 2025 - 9.50%)	15.44%	16.85%	16.85%	18.65%
Total Capital Ratio (Minimum Requirement 2026 - 13.50%: 2025 - 13.50%)	18.18%	19.95%	19.30%	21.47%
Leverage Ratio (Minimum Requirement- 3.00%)	7.71%	7.99%	8.44%	8.80%
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) to Total Loans, Ratio, %*(Net)	1.17%	1.09%		
Impaired Loans (Stage 3) to Total Loans Ratio, %*(Gross)	4.42%	4.56%		
Impairment (Stage 3) to Stage 3 Loans Ratio, %*	73.42%	75.97%		
Profitability (Annualised)				
Interest Margin, %	4.40%	4.26%		
Return on Assets (before Tax), %	2.94%	3.20%		
Return on Equity, %	16.79%	18.11%		
Cost to Income, %	34.48%	37.82%		
Regulatory Liquidity				
Liquidity Coverage Ratio (%) - Rupee	208.33%	193.97%		
(Minimum Requirement - 2026 - 100%, 2025 - 100%)				
Liquidity Coverage Ratio (%) - All Currency	186.69%	227.75%		
(Minimum Requirement - 2026 - 100%, 2025 - 100%)				
Net Stable Funding Ratio(Minimum Requirement - 2026 - 100%, 2025 - 100%)	125.06%	137.89%		
Credit Rating	AA-(Ika)	AA-(Ika)		

**Including Undrawn Portion of Credit*

LISTED DEBENTURE INFORMATION

Market Value					Last traded price		Interest Yield as at Last Trade Done		
Quarter ended 30th June	2026		2025		2026	2025	Quarter ended 30th June	2026	2025
	Highest	Lowest	Highest	Lowest				%	%
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			
HNB DEBENTURES 2019							HNB DEBENTURES 2019		
7 year Fixed Rate (12.80% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Fixed Rate (12.80% p.a.)	N/T	N/T
HNB DEBENTURES 2021							HNB DEBENTURES 2021		
10 year Fixed Rate (9.50% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (9.50% p.a.)	N/T	N/T
HNB DEBENTURES 2024							HNB DEBENTURES 2024		
5 year Fixed Rate (13.00% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	5 year Fixed Rate (13.00% p.a.)	N/T	N/T
5 year Fixed Rate (12.60% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	5 year Fixed Rate (12.60% p.a.)	N/T	N/T
7 year Fixed Rate (13.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Fixed Rate (13.25% p.a.)	N/T	N/T
10 year Fixed Rate (13.50% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (13.50% p.a.)	N/T	N/T
HNB SUSTAINABALE BOND 2025							HNB SUSTAINABALE BOND 2025		
5 years fixed rate (10.25% p.a)	N/T	N/T	N/T	N/T	N/T	N/A	5 years fixed rate (10.25% p.a)	N/T	N/T
7 years fixed rate (11.00% p.a)	N/T	N/T	N/T	N/T	N/T	N/A	7 years fixed rate (11.00% p.a)	N/T	N/T
N/T – Not Traded as at 30th June, N/A – Not Applicable as at 30th June							N/T – Not Traded as at 30th June, N/A – Not Applicable as at 30th June		

SHARE INFORMATION

As at	30-Jun-26	31-Dec-25
Number of Shares		
Voting	460,218,180	455,968,474
Non-voting	117,103,990	115,852,722
Last Traded Price per share		
Voting	403.75	398.50
Non-voting	336.00	318.75

For the Quarter Ended	30-Jun-26	31-Dec-25
Highest price per share		
Voting	419.50	433.00
Non-voting	365.00	340.00
Lowest price per share		
Voting	388.00	383.50
Non-voting	317.50	295.00

PUBLIC SHAREHOLDING PERCENTAGE

	30-Jun-26	
	Number	%
Number of shareholders representing the public holding (Voting)	15,830	70% approx.
Number of shareholders representing the public holding (Non Voting)	16,326	99% approx.
Compliant under Option 1 - Float Adjusted Market Capitalization	Rs. 130.07 Bn	

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDING

	Number of shares		Type of Directorship
	30-Jun-26	31-Dec-25	
1. Mr. Suresh Kumar Shah (Appointed as Chairman w.e.f 01st April 2026)	-	-	Independent / Non-Executive
2. Mr. P. G. D. B. Pallewatte (Managing Director / Chief Executive Officer)	-	-	Executive
3. Mr. M.P.D.Cooray	9,593	9,491	Independent / Non-Executive
4. Mr. G. B. R. P. Gunawardana	26,536	26,261	Independent / Non-Executive
5. Dr. T.K.D.A.P Samarasinghe	-	-	Non-Independent / Non-Executive
6. Mr. M. N. R. Fernando	-	-	Independent / Non-Executive
7. Mr. S. Renganathan	-	-	Independent / Non-Executive
8. Ms. Dilani Champika Alagaratnam Goonatilleke	-	-	Independent / Non-Executive
9. Mr. P.D.V.P.K De Almeida	-	N/A	Independent / Non-Executive
10. Mr. Murtaza Ali Jafferjee	253,285	N/A	Independent / Non-Executive
11. Ms. R.M.R. Dhanika Rajapaksa	-	N/A	Independent / Non-Executive
12. Mr. Lahiru Malith Lokuwithana	-	N/A	Non-Independent / Non-Executive
13. Ms. P.Champika Dodanwela	-	N/A	Independent / Non-Executive

**20 MAJOR SHAREHOLDERS (VOTING) OF HNB PLC
AS AT 30TH JUNE 2026**

	Name	No. of Shares	% on voting capital
1.	CEYLON STEEL CORPORATION LIMITED	46,020,031	9.99
2.	EMPLOYEE'S PROVIDENT FUND	44,857,582	9.75
3.	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	38,047,605	8.27
4.	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	36,391,882	** 7.91
5.	STASSEN EXPORTS (PVT) LIMITED	31,543,274	** 6.85
6.	MR. Y. S. H. I. SILVA	30,041,371	6.53
7.	SONETTO HOLDINGS LIMITED	22,619,251	4.91
8.	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	19,546,851	4.25
9.	MR. H. H. ABDULHUSEIN	17,000,000	3.69
10.	NATIONAL SAVINGS BANK	13,270,608	2.88
11.	DISTILLERIES COMPANY OF SRI LANKA PLC	10,580,239	**2.30
12.	STANDARD CHARTERED BANK SINGAPORE S/A HL BANK SINGAPORE BRANCH	8,637,884	1.88
13.	MR. Y.S.H.R.S. SILVA	8,145,221	1.77
14.	COMMERCIAL BANK OF CEYLON PLC/ PHANTOM INVESTMENTS (PRIVATE) LIMITED	7,867,396	1.71
15.	COMMERCIAL BANK OF CEYLON PLC/ N.A. MADANAYAKE	5,248,464	1.14
16.	GALLE FACE CAPITAL PARTNERS PLC	4,724,424	1.03
17.	SIMONAS TRUST SERVICE PVT LTD	4,683,980	1.02
18.	MR. N.A. MADANAYAKE	4,169,362	0.91
19.	FIRST CAPITAL HOLDINGS PLC	3,633,552	0.79
20.	STAR PACKAGING (PVT) LTD	2,926,000	0.64

**Pursuant to the provisions of the Banking Act Directions No. 1 of 2007, the total collective voting rights in the Bank, of Milford Exports (Ceylon) Limited, Stassen Exports Limited and Distilleries Company of Sri Lanka (who collectively hold 17.06% of the voting shares of the Bank) are limited to 10% of the total voting rights of the Bank with effect from 15th March 2012 as the voting rights in excess of such percentage is deemed invalid from that date.

**20 MAJOR SHAREHOLDERS (NON-VOTING) OF HNB PLC
AS AT 30TH JUNE 2026**

	Name	No. of Shares	% on non voting capital
1.	COMMERCIAL BANK OF CEYLON PLC/ METROCORP (PVT)LTD	9,252,656	7.90
2.	AKBAR BROTHERS PVT LTD	7,818,296	6.68
3.	HNB INVESTMENT BANK (PVT) LTD/ MR. ELAYATHAMBY THAVAGNANASOORIYAM & MR. ELAYATHAMBY THAVAGNANA SUNDR	4,598,080	3.93
4.	COMMERCIAL BANK OF CEYLON PLC/G.A.B.HARISCHANDRA	2,848,116	2.43
5.	COMMERCIAL BANK OF CEYLON PLC/G.S.N.PEIRIS	1,713,316	1.46
6.	COMMERCIAL BANK OF CEYLON PLC/MR. K. R. E. M. D. M. B. JAYASUNDARA	1,667,820	1.42
7.	SABOOR CHATOOR (PVT) LTD	1,446,080	1.23
8.	J.B. COCOSHELL (PVT) LTD	1,355,560	1.16
9.	PEOPLE'S LEASING & FINANCE PLC/MR. I. D. R. PERERA	1,216,000	1.04
10.	EMPLOYEES TRUST FUND BOARD	1,138,367	0.97
11.	MRS. SWYRIE BALENDRA	1,105,451	0.94
12.	MR. KRISHAN NIRAJ JAYASEKARA BALENDRA	1,048,609	0.90
13.	MR.EJAZ CHATOOR	1,046,178	0.89
14.	MR.NIRMAL ANRUDHA MADANAYAKE	1,010,800	0.86
14.	N P CAPITAL LTD	1,010,800	0.86
15.	MR. ROGER KEITH MODDER	938,134	0.80
16.	SAMPATH BANK PLC/ ANDARADENIYA ESTATE PRIVATE LIMITED	909,720	0.78
17.	RIL PROPERTY PLC	881,923	0.75
18.	SENKADAGALA FINANCE PLC/ E. THAWAGNASUNDARAM	867,680	0.74
19.	HATTON NATIONAL BANK PLC A/C NO 2 - (EMPLOYEES PROVIDENT FUND)	842,698	0.72
20.	RANAVAV HOLDINGS (PVT) LTD	839,102	0.72

ANALYSIS OF LOANS & ADVANCES AND IMPAIRMENT				
As at	Bank		Group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	Rs 000	(Audited) Rs 000	Rs 000	(Audited) Rs 000
1) Gross loans and advances to customers	1,737,856,573	1,513,959,514	1,824,868,036	1,592,680,455
Less : Accumulated impairment under stage 1	9,308,079	9,267,472	9,941,543	10,049,218
Accumulated impairment under stage 2	6,886,891	7,801,917	7,428,619	8,258,516
Accumulated impairment under stage 3	69,063,173	63,652,888	74,413,737	68,785,118
Net loans and advances to customers	1,652,598,431	1,433,237,237	1,733,084,136	1,505,587,603
Product-wise Gross loans and advances to customers				
By product-Domestic Currency				
Overdrafts	166,595,347	146,346,329	166,185,234	145,994,828
Bills of exchange	201,418	210,388	201,418	210,388
Commercial papers	260,136	260,136	260,136	260,136
Credit Cards	28,222,367	25,873,222	28,222,367	25,873,222
Trust receipts	55,540,098	50,547,750	55,540,098	50,547,750
Packing credit loans	13,627,009	13,615,915	13,627,009	13,615,915
Staff loans	26,523,214	25,181,189	26,914,597	25,474,630
Term loans	775,218,984	701,228,274	807,165,394	731,569,869
Lease rentals receivable	156,453,103	126,158,149	211,536,886	174,595,555
Housing loans	77,683,466	70,335,992	77,683,466	70,335,992
Pawning advances	145,401,397	116,256,970	145,401,397	116,256,970
Sub total	1,445,726,539	1,276,014,314	1,532,738,002	1,354,735,255
By product-Foreign Currency				
Overdrafts	7,784,687	6,192,905	7,784,687	6,192,905
Bills of exchange	1,772,543	1,501,788	1,772,543	1,501,788
Trust receipts	4,135,504	3,982,714	4,135,504	3,982,714
Packing credit loans	29,284,378	25,160,394	29,284,378	25,160,394
Term loans	247,684,819	199,582,059	247,684,819	199,582,059
Lease rentals receivable	77,229	121,037	77,229	121,037
Housing loans	1,390,874	1,404,303	1,390,874	1,404,303
Sub total	292,130,034	237,945,200	292,130,034	237,945,200
Total	1,737,856,573	1,513,959,514	1,824,868,036	1,592,680,455
Movements in stage-wise impairment of loans & advances during the period				
	Bank			Total
	Stage 1	Stage 2	Stage 3	
	Rs 000	Rs 000	Rs 000	
Opening balance as at 1st January 2025	9,924,864	8,383,867	77,756,383	96,065,114
Net impairment charge /(reversal) for the period	(68,158)	(1,675,216)	(2,469,937)	(4,213,311)
Write-offs during the period	-	-	(18,404)	(18,404)
Effect of exchange rate fluctuations/Other movements	14,458	24,406	(1,511,595)	(1,472,731)
Closing balance as at 30th June 2025	9,871,164	6,733,057	73,756,447	90,360,668
Opening balance as at 1st January 2026	9,267,472	7,801,917	63,652,888	80,722,277
Net impairment charge /(reversal) for the period	(32,223)	(947,041)	4,942,197	3,962,933
Write-offs during the period	-	-	(64,338)	(64,338)
Effect of exchange rate fluctuations/Other movements	72,830	32,015	532,426	637,271
Closing balance as at 30th June 2026	9,308,079	6,886,891	69,063,173	85,258,143
	Group			Total
	Stage 1	Stage 2	Stage 3	
	Rs 000	Rs 000	Rs 000	
Opening balance as at 1st January 2025	10,477,990	8,897,502	83,393,374	102,768,866
Net impairment charge /(reversal) for the period	(1,326,101)	(1,888,651)	(711,875)	(3,926,627)
Write-offs during the period	-	-	(18,404)	(18,404)
Effect of exchange rate fluctuations/Other movements	14,458	24,406	(1,511,595)	(1,472,731)
Closing balance as at 30th June 2025	9,166,347	7,033,257	81,151,500	97,351,104
Opening balance as at 1st January 2026	10,049,218	8,258,516	68,785,118	87,092,852
Net impairment charge /(reversal) for the period	(180,505)	(861,912)	5,872,171	4,829,754
Write-offs during the period	-	-	(775,977)	(775,977)
Effect of exchange rate fluctuations/Other movements	72,830	32,015	532,426	637,271
Closing balance as at 30th June 2026	9,941,543	7,428,619	74,413,737	91,783,900

ANALYSIS OF COMMITMENTS, CONTINGENCIES AND IMPAIRMENT				
As at	Bank		Group	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	(Audited)		(Audited)	
	Rs 000	Rs 000	Rs 000	Rs 000
2) Gross commitments and contingencies	1,168,051,028	1,009,361,708	1,168,051,028	1,009,361,708
Less : Accumulated impairment under stage 1	1,039,264	1,254,325	1,039,264	1,254,325
Accumulated impairment under stage 2	128,800	110,160	128,800	110,160
Accumulated impairment under stage 3	2,449,922	2,047,184	2,449,922	2,047,184
	1,164,433,042	1,005,950,039	1,164,433,042	1,005,950,039
Product-wise commitments and contingencies				
By Product - Domestic Currency				
Documentary credit	1,445,368	1,404,074	1,445,368	1,404,074
Guarantees	91,519,387	71,062,918	91,519,387	71,062,918
Acceptances	185,334	629,072	185,334	629,072
Bills for collection	702,202	1,394,343	702,202	1,394,343
Cheques sent on clearing	10,706,814	7,013,082	10,706,814	7,013,082
Undrawn credit lines - Direct	401,073,808	324,906,889	401,073,808	324,906,889
Undrawn credit lines - Indirect	120,835,763	121,213,122	120,835,763	121,213,122
Sub total	626,468,676	527,623,500	626,468,676	527,623,500
By Product - Foreign Currency				
Documentary credit	71,015,606	46,685,453	71,015,606	46,685,453
Guarantees	17,700,332	16,529,226	17,700,332	16,529,226
Acceptances	16,463,155	16,516,774	16,463,155	16,516,774
Bills for collection	40,441,177	39,037,611	40,441,177	39,037,611
Forward exchange contracts				
Forward exchange sales	63,875,347	62,138,808	63,875,347	62,138,808
Forward exchange purchases	212,395,131	189,232,293	212,395,131	189,232,293
Cheques sent on clearing	87,602	47,930	87,602	47,930
Undrawn credit lines - Direct	1,162,152	2,249,289	1,162,152	2,249,289
Undrawn credit lines - Indirect	118,441,850	109,300,824	118,441,850	109,300,824
Sub total	541,582,352	481,738,208	541,582,352	481,738,208
Total	1,168,051,028	1,009,361,708	1,168,051,028	1,009,361,708
Movements in stage-wise impairment of commitments and contingencies during the period				
	Bank / Group			
	Stage 1	Stage 2	Stage 3	Total
	Rs 000	Rs 000	Rs 000	Rs 000
Opening balance as at 1st January 2025	1,984,084	106,880	1,872,125	3,963,089
Net impairment charge /(reversal) for the period	(666,714)	20,170	74,387	(572,157)
Closing balance as at 30th June 2025	1,317,370	127,050	1,946,512	3,390,932
Opening balance as at 1st January 2026	1,254,325	110,160	2,047,184	3,411,669
Net impairment charge /(reversal) for the period	(215,061)	18,640	402,738	206,317
Closing balance as at 30th June 2026	1,039,264	128,800	2,449,922	3,617,986

ANALYSIS OF DEPOSITS				
	Bank		Group	
As at	30.06.2026	31.12.2025 (Audited)	30.06.2026	31.12.2025 (Audited)
	Rs 000	Rs 000	Rs 000	Rs 000
3) Due to Customers - By product				
Local Currency Deposits				
Current account deposits	114,724,103	111,338,421	107,680,084	110,425,151
Savings deposits	485,832,986	486,308,809	487,090,301	487,264,933
Time deposits	1,046,817,553	979,064,965	1,108,679,080	1,035,649,970
Certificates of deposit	276,276	274,257	276,276	274,257
Margin deposits	4,617,777	4,026,162	4,617,777	4,026,162
Sub total	1,652,268,695	1,581,012,614	1,708,343,518	1,637,640,473
Foreign Currency Deposits				
Current account deposits	13,766,228	9,053,988	13,766,228	9,053,988
Savings deposits	98,756,522	85,448,431	98,708,826	85,433,691
Time deposits	335,771,299	286,303,400	335,006,325	285,571,281
Margin deposits	42,957	32,764	42,957	32,764
Sub total	448,337,006	380,838,583	447,524,336	380,091,724
Total	2,100,605,701	1,961,851,197	2,155,867,854	2,017,732,197

FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

Fair value Disclosure of Financial Instruments

The Group measures the fair values of financial instruments using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Fair value measurement using unadjusted quoted market price

When available, the fair values of financial instruments are determined using quoted market prices (unadjusted) in active markets for identical instruments. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. Accordingly, the fair values of treasury bills and bonds have been derived using the market yields and market prices published by Central Bank of Sri Lanka while fair value of quoted equity securities and PDI Bonds have been valued using the quoted market prices as at the reporting date

Level 2: Fair value measurement using significant observable inputs

In the absence of an active market for a financial instrument, the fair value is determined using quoted market prices in active markets for similar instruments or quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. The spot and forward premiums available as at the reporting date have been used to estimate the fair value of derivative financial instruments while the fair value of unquoted units have been measured using manager's selling prices. The fair values of financial assets and financial liabilities carried at amortised cost have been estimated by comparing the interest rates when they were first recognised with the current market rates of similar instruments. The Bank classified the fair value of USD Step up Bond & PDI Bond under Level 2.

Level 3: Fair value measurement using significant unobservable inputs

Financial instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

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 Group has not changed the valuation models and assumptions used to measure the fair values of Level 3 financial instruments during the period ended 30th June 2026.

FINANCIAL ASSETS & LIABILITIES MEASURED AT FAIR VALUE - FAIR VALUE HIERARCHY

As at 30th June 2026	Bank				Group			
	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000
Financial assets measured at fair value								
Derivative financial instruments	-	6,946,246	-	6,946,246	-	6,946,246	-	6,946,246
Financial assets measured at fair value through profit or loss	294,715	-	-	294,715	69,082,950	-	-	69,082,950
Financial assets measured at fair value through other comprehensive income	167,250,626	14,150,734	184,180	181,585,540	188,867,666	14,150,734	189,638	203,208,038
Total financial assets measured at fair value	167,545,341	21,096,980	184,180	188,826,501	257,950,616	21,096,980	189,638	279,237,234
Financial liabilities measured at fair value								
Derivative financial instruments	-	1,420,663	-	1,420,663	-	1,420,663	-	1,420,663
Total financial liabilities measured at fair value	-	1,420,663	-	1,420,663	-	1,420,663	-	1,420,663

As at 31st December 2025	Bank				Group			
	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000
Financial assets measured at fair value								
Derivative financial instruments	-	1,976,631	-	1,976,631	-	1,976,631	-	1,976,631
Financial assets measured at fair value through profit or loss	1,237,231	-	-	1,237,231	72,322,060	-	-	72,322,060
Financial assets measured at fair value through other comprehensive income	77,304,693	17,366,596	184,180	94,855,469	97,615,574	17,366,596	189,854	115,172,024
Total financial assets measured at fair value	78,541,924	19,343,227	184,180	98,069,331	169,937,634	19,343,227	189,854	189,470,715
Financial liabilities measured at fair value								
Derivative financial instruments	-	300,191	-	300,191	-	300,191	-	300,191
Total financial liabilities measured at fair value	-	300,191	-	300,191	-	300,191	-	300,191

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES CARRIED AT AMORTISED COST

As at 30th June 2026	Bank					Group				
	Carrying Value Rs 000	Fair Value			Total Rs 000	Carrying Value Rs 000	Fair Value			Total Rs 000
		Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000			Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	
Financial Assets										
Financial assets measured at amortised cost										
Loans and advances to customers	1,652,598,431	-	1,696,403,174	-	1,696,403,174	1,733,084,136	-	1,784,048,750	-	1,784,048,750
Debt and other financial instruments	553,992,692	453,628,844	86,369,731	-	539,998,575	588,040,167	467,929,343	105,232,198	-	573,161,541
Total financial assets measured at amortised cost	2,206,591,123	453,628,844	1,782,772,905	-	2,236,401,749	2,321,124,303	467,929,343	1,889,280,948	-	2,357,210,291
Financial Liabilities										
Financial liabilities measured at amortised cost										
Due to depositors	2,100,605,701	-	2,125,771,035	-	2,125,771,035	2,155,867,854	-	2,176,454,124	-	2,176,454,124
Other borrowings	15,329,134	-	15,329,134	-	15,329,134	25,021,680	-	25,021,680	-	25,021,680
Debt securities issued	10,584,945	-	10,724,136	-	10,724,136	10,501,667	-	10,640,858	-	10,640,858
Subordinated term debts	29,657,540	-	32,044,240	-	32,044,240	34,397,742	-	36,784,442	-	36,784,442
Total financial liabilities measured at amortised cost	2,156,177,320	-	2,183,868,545	-	2,183,868,545	2,225,788,943	-	2,248,901,104	-	2,248,901,104

As at 31st December 2025	Bank					Group				
	Carrying Value Rs 000	Fair Value			Total Rs 000	Carrying Value Rs 000	Fair Value			Total Rs 000
		Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000			Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	
Financial Assets										
Financial assets measured at amortised cost										
Loans and advances to customers	1,433,237,237	-	1,467,835,478	-	1,467,835,478	1,505,587,603	-	1,545,848,151	-	1,545,848,151
Debt and other financial instruments	650,618,623	574,184,801	73,792,913	-	647,977,714	684,366,194	591,288,572	93,541,370		684,829,942
Total financial assets measured at amortised cost	2,083,855,860	574,184,801	1,541,628,391	-	2,115,813,192	2,189,953,797	591,288,572	1,639,389,521	-	2,230,678,093
Financial Liabilities										
Financial liabilities measured at amortised cost										
Due to depositors	1,961,851,197	-	1,986,523,403	-	1,986,523,403	2,017,732,197	-	2,042,114,922	-	2,042,114,922
Other borrowings	15,511,110	-	15,511,110	-	15,511,110	27,213,296	-	27,213,297	-	27,213,297
Debt securities issued	10,044,766	-	10,038,952	-	10,038,952	9,986,711	-	9,980,897	-	9,980,897
Subordinated term debts	28,179,053	-	30,287,425	-	30,287,425	32,156,082	-	34,264,454	-	34,264,454
Total financial liabilities measured at amortised cost	2,015,586,126	-	2,042,360,890	-	2,042,360,890	2,087,088,286	-	2,113,573,570	-	2,113,573,570