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Commercial Bank of Ceylon PLC

Results Review for 9M/3Q FY2025 and Investor Update

***Presented at the investor call held on the 19th of November 2025 at 3.30 PM IST** by the Managing Director/CEO, Chief Financial Officer and AGM Finance*

November 2025

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Agenda

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1. Managing Director’s/CEO’s Briefing on 9 Month Performance
2. Macro Economic Backdrop
3. Financial Performance - Bank
4. Q & A

Managing Director's/CEO's Briefing on 9 Month Performance

9MFY2025 Financial Highlights for the Bank

Balance Sheet – YTD Growth			ROE %		Capital (YoY)	Loan Quality (YoY)
Assets **12.0%**	Loans **+LKR 371Bn**	Deposits **+LKR 269Bn**	9M 2025 **21.0%**	9M 2024 **17.4%**	Tier 1 : **13.4%** [+ 0.8] Total : **17.3%** [+ 0.1]	Stage 3 : **1.8%** [-2.3] Cover : **71.4%** [+17.9]

Income Statement

- NII grew 16.0% (YoY) to LKR 100.2 Bn driven by NIM expansion to 4.5% during 9MFY2025 and strong loan growth
- Non-NII income was driven by healthy growth in fee-based income, trading gains and derivative instruments
- Cost to income ratio improved to 27.9% from 31.5% (YoY). One of the lowest in the industry
- Impairment on loans and advances declined to LKR 14.1 Bn from LKR 19.3 Bn. The reduction was primarily driven by additional provisioning for the Sri Lanka International Sovereign Bonds (SLISBs) held by the Bank in 9M2024
- Impairment coverage increased to 71.4% from 64.6% in 2024 December

Balance Sheet

- ROE improved to 21.0% from 17.4% (YoY), primarily driven by the earnings momentum seen during 9MFY2025
- Net Loans and Advances grew by 25.7% for the period, whilst the net stage 3 ratio declined to 1.8% from 2.8% (YTD)
- Deposits grew by 12.0% for the period, CASA improved to 39.9%, and remains one of the best in the industry

Capital

- Tier 1 capital moderated during Q3 due to strong credit growth, with Q3 profits not yet recognized in the ratio. On an adjusted basis including Q3 profits, Tier 1 would be 14.24%
- Successful completion of Tier 2 Green Bond issue strengthened total capital

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Key Highlights

During the year

PERSONAL BANKING

- Launched Agency Banking operations, branded **‘ComBank Shakthi’**
- Launch of **AI-powered SME Credit Underwriting Solution**
- **AI-powered underwriting models for retail credit facilities** is currently underway
- **Launch Google Pay:** Launch and promote ‘Gpay’, contactless wallet solution for the first time in Sri Lanka.

CORPORATE BANKING

- Organic growth through **wallet share optimization**
- Focus on Aggressive **Project Financing drive**
- Expansion of Islamic banking operations

INTERNATIONAL BANKING

- Implemented **E2Gen payment platform** across the branch network
- Launched customer front-end IT platform - **Combank TradeLink**

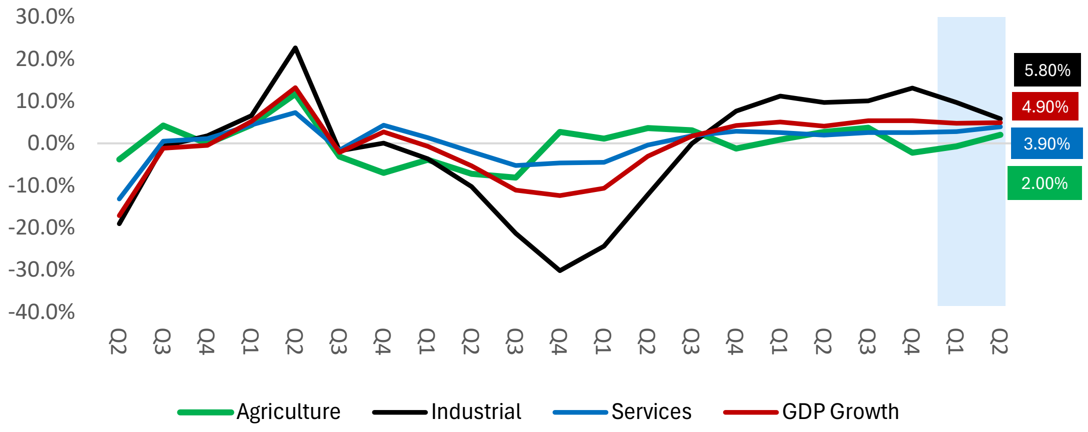
Sustainability Initiatives

- Successfully hosted the **'ForwardTogether 2025** – Sustainability Summit’
- Green Bond issue of Rs.15 Bn
- Launched first exclusive **Women’s Banking Centre,** staffed by women to serve female customers in Northern Region
- Women Entrepreneurship through Women Empowerment - Strategic partnerships/Skill Development sessions/Career Development programs

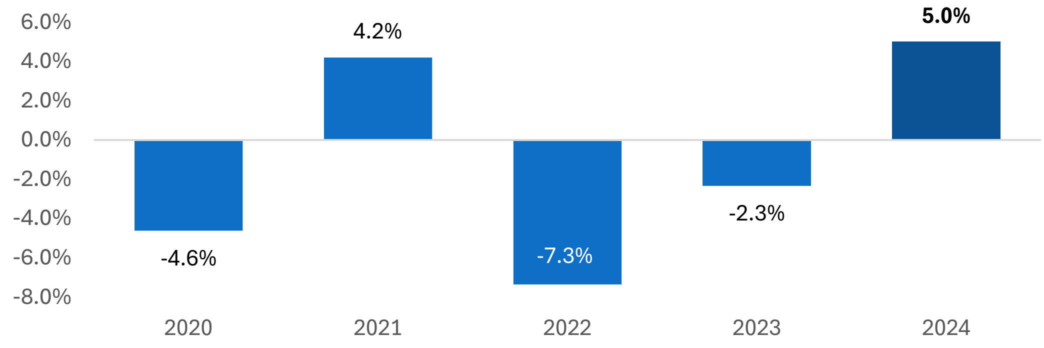
Macro Economic Backdrop

Macro conditions have progressively improved, and trend is expected to continue

GDP growth picked up to 4.8%, forecasts points to 4-5% of Y-o-Y growth for 2025

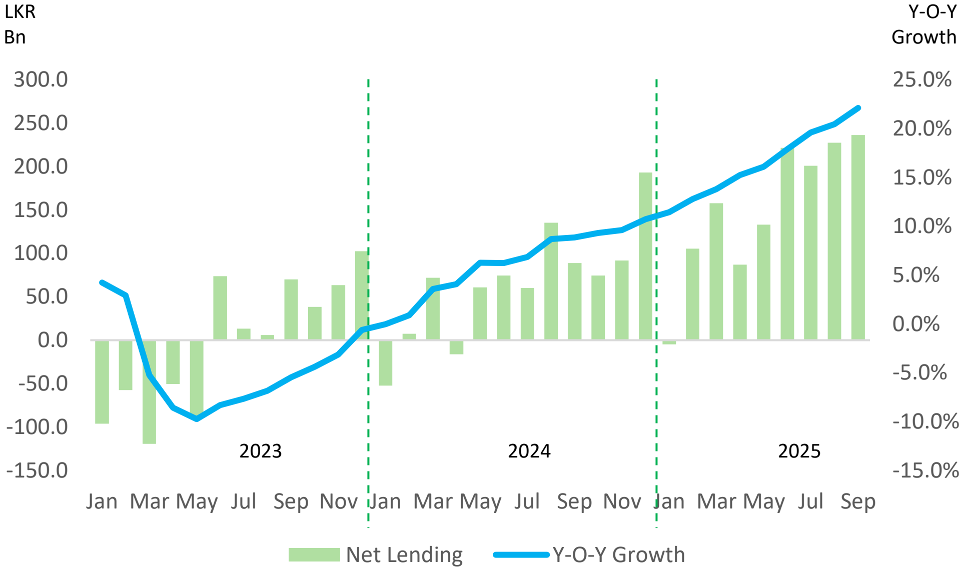


2024 GDP Growth Came in at 5%

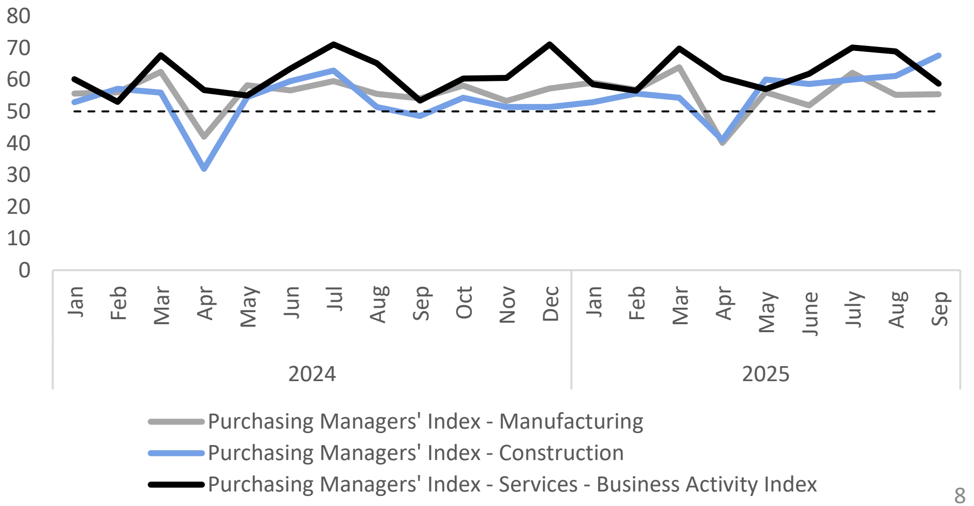


GDP Forecast (%)	2025	2026
IMF	4.2	3.1
World Bank	4.6	3.5
ADB	3.9	3.3

Growth in private credit continues, up 22.1% YoY as at Sep 2025



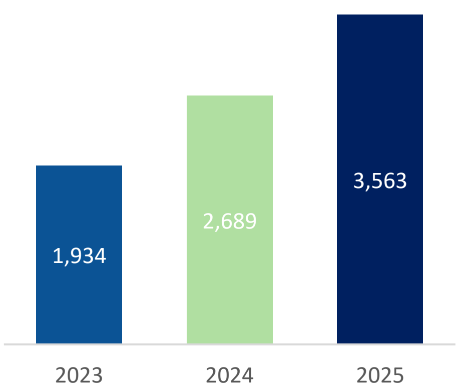
PMI points to improving activity, other HFI also point towards recovery



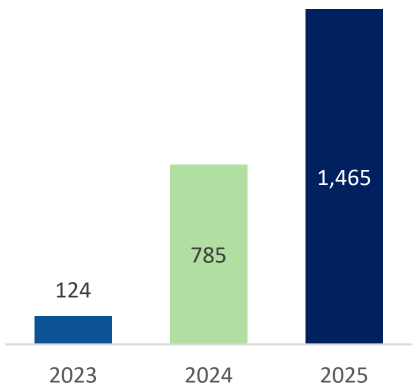
Macro conditions have progressively improved, and trend is expected to continue

Fiscal performance has improved significantly, driven by higher tax revenues and low capex utilization [LKR Bn]

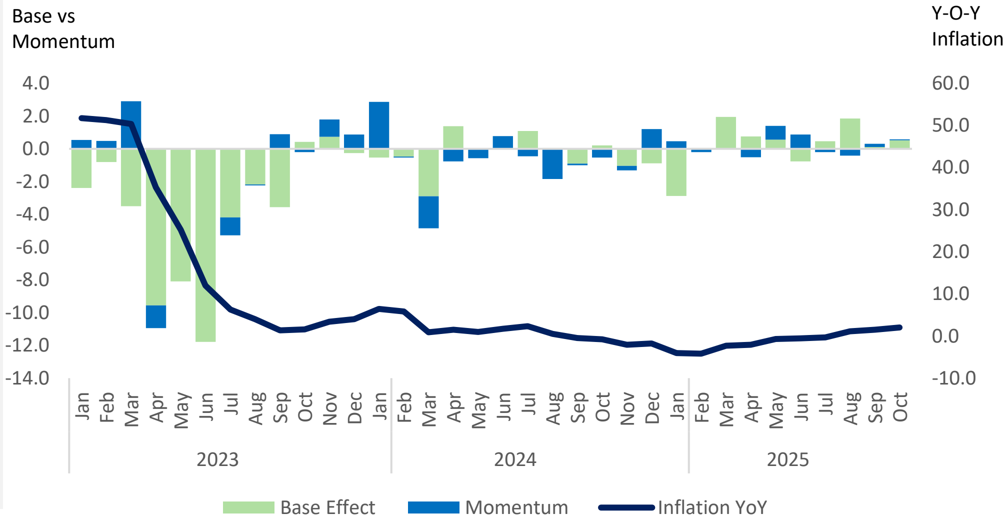
Tax Revenue Cumulative (Jan-Sep)
[LKR BN]



Primary Surplus Cumulative (Jan-Sep)
[LKR BN]

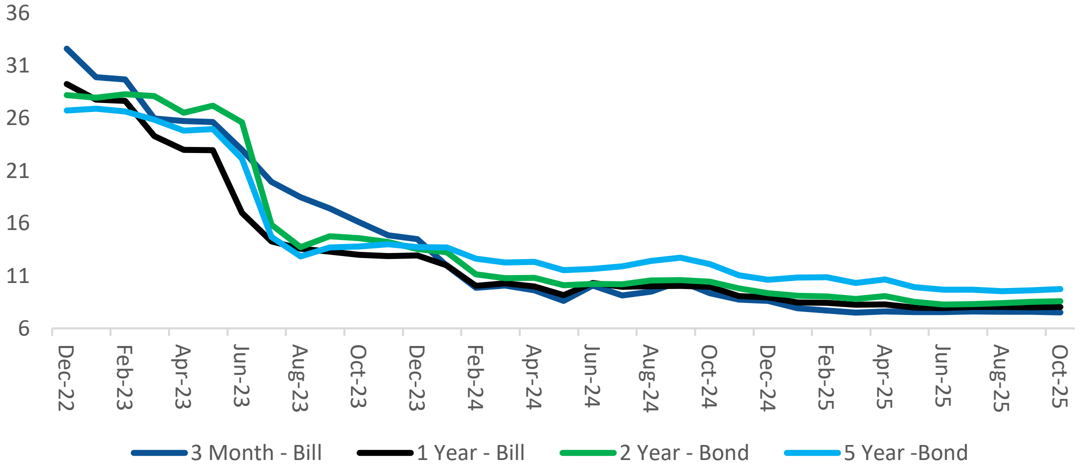


Inflation surpassed 2% for the first time since July 2024

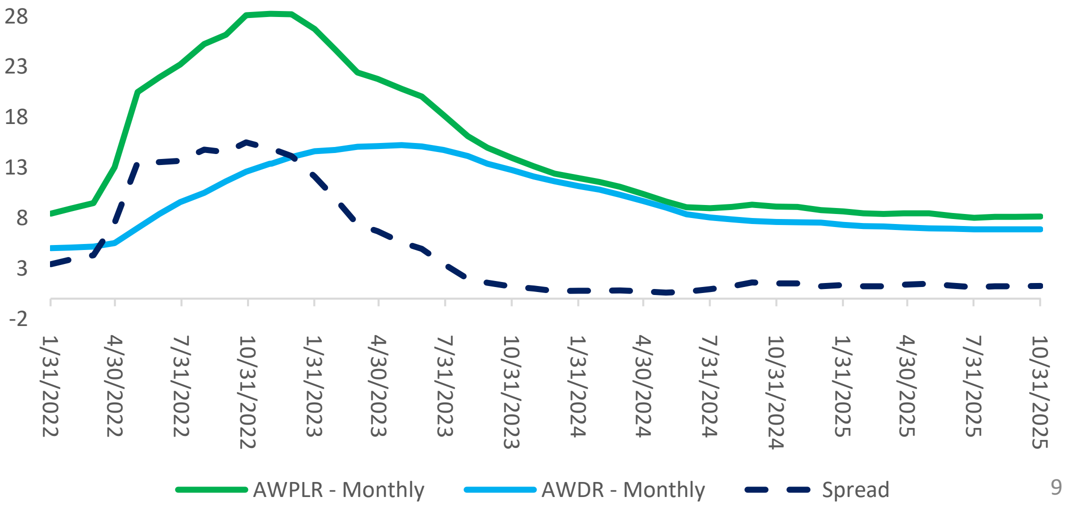


Rates expected to stabilize at current levels

Yields on government securities



Lending and deposit rates



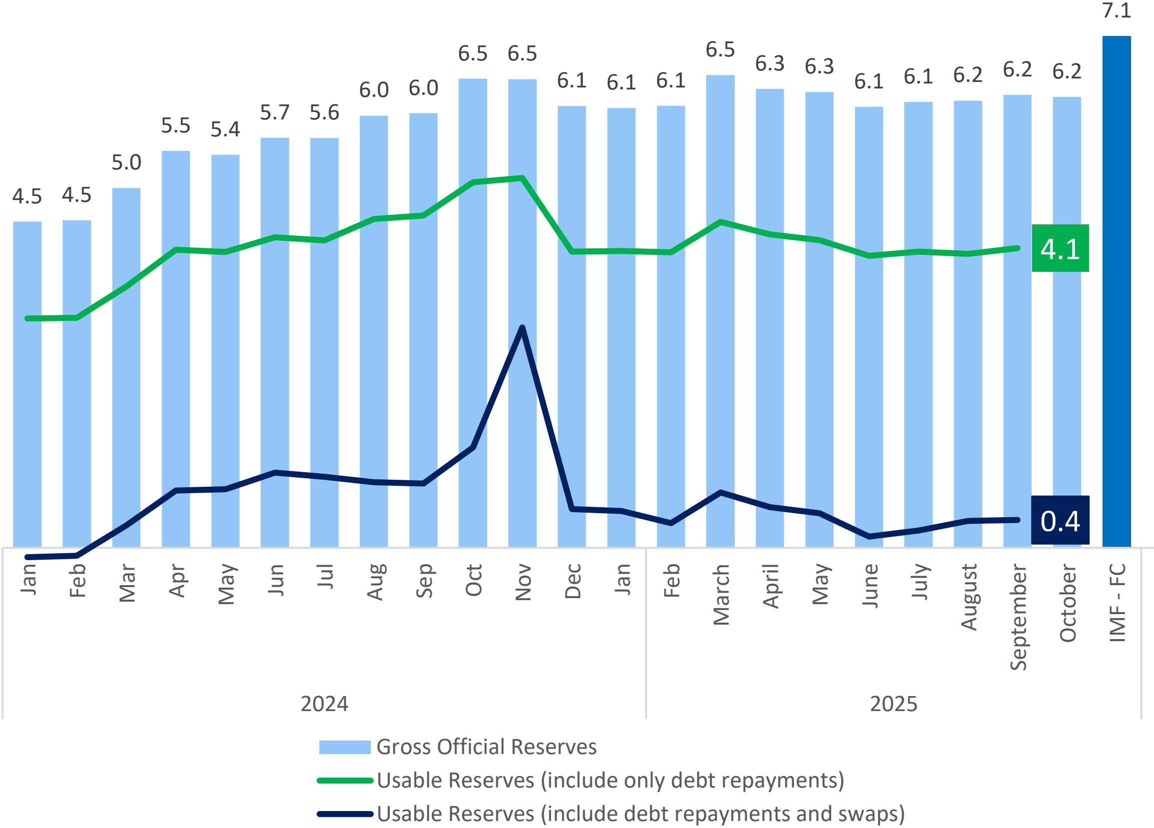
Macro conditions have progressively improved, and trend is expected to continue

External sector performance driven by tourism and remittance flows

BOP [USD Mn]	Jan – Sep (2025)		Δ
	2024	2025	
Goods exports	9,518.1	10,215.1	7%
Goods imports	13,718.3	15,389.5	12%
Trade balance	**-4,200.2**	**-5,174.4**	**-23%**
Service inflows	5,120.1	5,288.5	3%
Of which tourism net inflows	*2,348.0*	*2,472.9*	*5%*
Net services	**2,801.2**	**2,847.8**	**2%**
Remittances	4,843.8	5,811.7	20%
Current Account balance	**1,439.6**	**1,856.9**	**29%**

Gross external reserves at USD 6.2Bn

[USD Bn]



	2024 - Dec		2025 - March		2025 - Dec	2026 - Jun
	Target	Actual	Target	Actual	Target	Target
NIR (USD Mn)	(1,338)	322	(645)	285	448	949

Financial Performance – Bank

9M/3Q Ended 30th September 2025

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Earnings momentum sustained into Q3, driven by strong loan book growth

Bank

Financial Performance – [LKR Bn]	Q3		9M		YoY Δ	
	2024	2025	2024	2025	Q3	9M
NII	29.4	33.4	86.4	100.2	13.6%	16.0%
Other income	7.8	12.7	25.8	35.7	63.3%	38.4%
Total operating income	**37.2**	**46.1**	**112.1**	**135.8**	**23.9%**	**21.2%**
Opex	11.6	13.2	35.3	38.0	13.7%	7.5%
Pre-provision Pre-Tax profit	**25.6**	**32.9**	**76.8**	**97.9**	28.6%	27.4%
Impairments	0.7	3.0	19.3	14.1	343.6%	-26.9%
Operating Profit Before Taxes	**24.9**	**29.9**	**57.5**	**83.8**	**20.1%**	**45.6%**
Taxes	-12.6	-13.9	-27.2	-37.8	10.3%	39.1%
Profit for the period	**12.3**	**16.0**	**30.4**	**46.0**	**30.1%**	**51.5%**
EPS (Rs)	**8.9**	**9.8**	**22.1**	**28.2**	**9.6%**	**27.7%**
Group						
Profit to equity holders	**12.5**	**16.6**	**31.1**	**47.4**	**32.6%**	**52.4%**
EPS (Rs)	**9.1**	**10.2**	**22.6**	**29.1**	**11.6%**	**28.4%**

Balance Sheet Highlights – YTD Growth

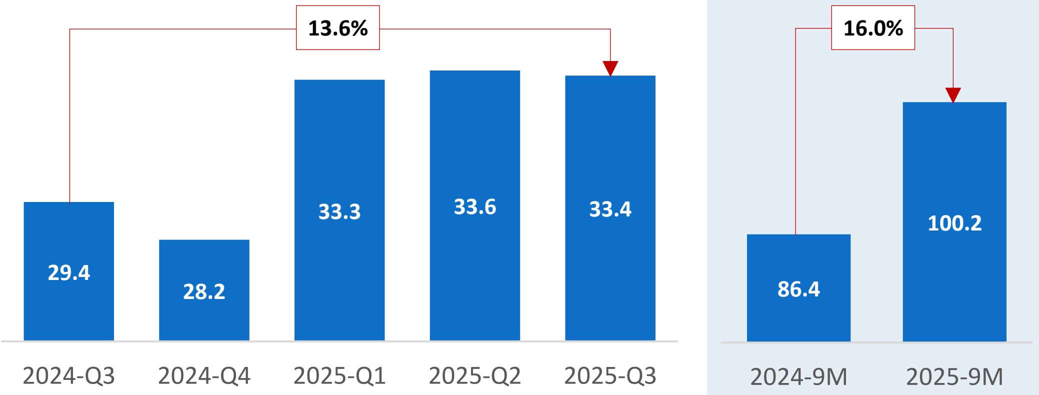
Asset 12.0% | Loans 25.7% | Deposit 12.0%

Key Ratios [%]	9M 2024	9M 2025
NIM	4.38	4.53
CASA	39.6	39.9
Stage 3 ratio	4.08	1.79
Stage 3 impairment cover	53.54	71.43
ROA (before taxes)	2.47	3.19
ROE	17.42	21.03
Tier 1 [Y/E 2024]	14.23	13.39
Total Capital [Y/E 2024]	18.14	17.28

- **Balance sheet:** +12.0% YTD; growth in total assets primarily driven by sharp increase in loans and advances
- **Earnings momentum:** Healthy growth in net interest income, coupled with a sharp uplift in non–interest income, supported a robust expansion in pre-provision, pre-tax profits. Credit costs continued to moderate, amid higher stage 03 provision coverage, further strengthening pre-tax profitability for the period
- **NII/NIM:** Growth in NII for the period was driven by NIM expansion and growth in loan book
- **Efficiency:** Cost-to-income 27.9%, among the industry's lowest
- **Asset quality:** Impairment cover increased to 71.4%; Gross Stage 3 improved to 6.8% (from 8.6% in 2024)
- **Loans:** +LKR 371 Bn in 9M (+24.9%), strong growth across all segments. COMB accounted ~23% of the loan growth in the industry
- **Deposits:** +LKR 269 Bn YTD (+12.0%), primarily driven by growth in CASA. CASA ratio improved to at 39.9%
- **Returns: ROE** and **ROA** improvements driven by core earnings drivers i.e NIM, Fee income yield
- **Capital:** Tier 1 declined due to the strong loan growth recorded during the quarter. Q3 profits were not incorporated into Tier 1 capital; if incorporated, Tier 1 would stand at 14.24%

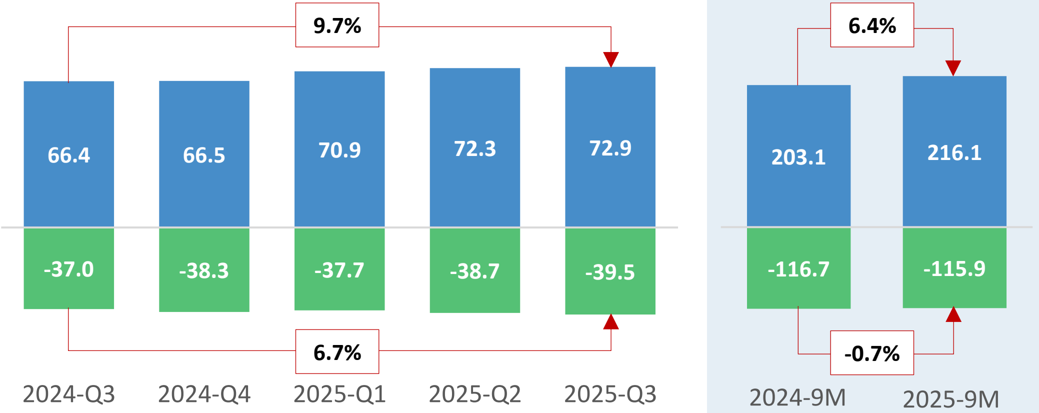
NII grew by 16.0% and 13.6% YoY for 9M 2025 and Q3 respectively

NIM and NII [LKR Bn]



	2024-Q3	2024-Q4	2025-Q1	2025-Q2	2025-Q3	2024-9M	2025-9M
NIM	4.41%	4.10%	4.74%	4.53%	4.30%	4.38%	4.53%

Interest income and costs [LKR Bn]



	2024-Q3	2024-Q4	2025-Q1	2025-Q2	2025-Q3	2024-9M	2025-9M
Yield	9.96%	9.66%	10.10%	9.77%	9.39%	10.30%	9.77%
Cost	5.55%	5.57%	5.37%	5.23%	5.09%	5.92%	5.24%

- NII grew by 13.6% and 16.0% during Q3 and 9M FY2025 supported by robust expansion in the loan book, despite moderation in NIMs
- Lending rates and fixed-income yields continued to decline in line with the broader market drop in interest rates. As a result, overall interest income yields fell 57 bps versus Q3 2024 and 53 bps compared with 9M FY2024
- Quarterly interest expenses increased driven by the 16% YoY increase in deposits, whilst cost of funds dropped by 46bps
- The improvement in CASA ratio during 9MFY2025 further contributed towards a reduction in interest expenses
- The sharper drop in cost of funds relative to yields enhanced NIM by 15 bps during the 9MFY2025. However, in Q3, as the drop in yields outpaced the drop in cost of funds, NIM recorded a drop of 23 bps

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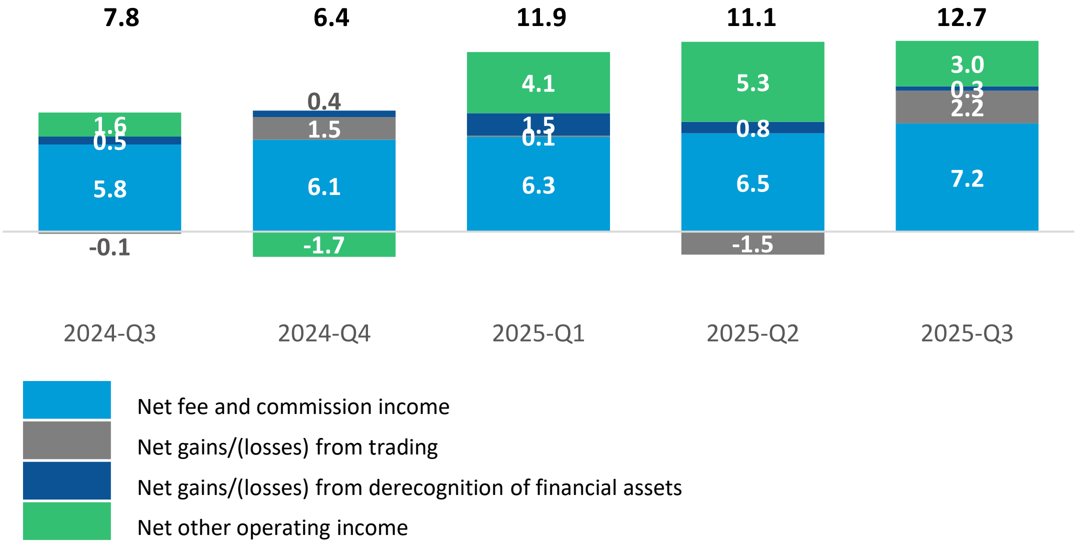
Robust non-NII growth on higher fees and trading gains

Other operating income [LKR Bn]

[LKR Bn]	2024		2025			9M		YoY Δ	
Bank	3Q	4Q*	1Q	2Q	3Q	2024	2025	3Q	9M
Net fee and com. income	5.8	6.1	6.3	6.5	7.2	16.4	20.0	24.4%	21.6%
Net gains/(losses) trading	-0.1	1.5	0.1	-1.5	2.2	-3.7	0.7	1590%	119.5%
Net gains/(losses) from derecognition of financial assets	0.5	0.4	1.5	0.8	0.3	3.7	2.6	-45.5%	-30.2%
Net other op.income	1.6	-1.7	4.1	5.3	3.0	9.4	12.4	90.2%	32.2%
Total	**7.8**	**6.4**	**11.9**	**11.1**	**12.7**	**25.8**	**35.7**	**63.3%**	**38.4%**



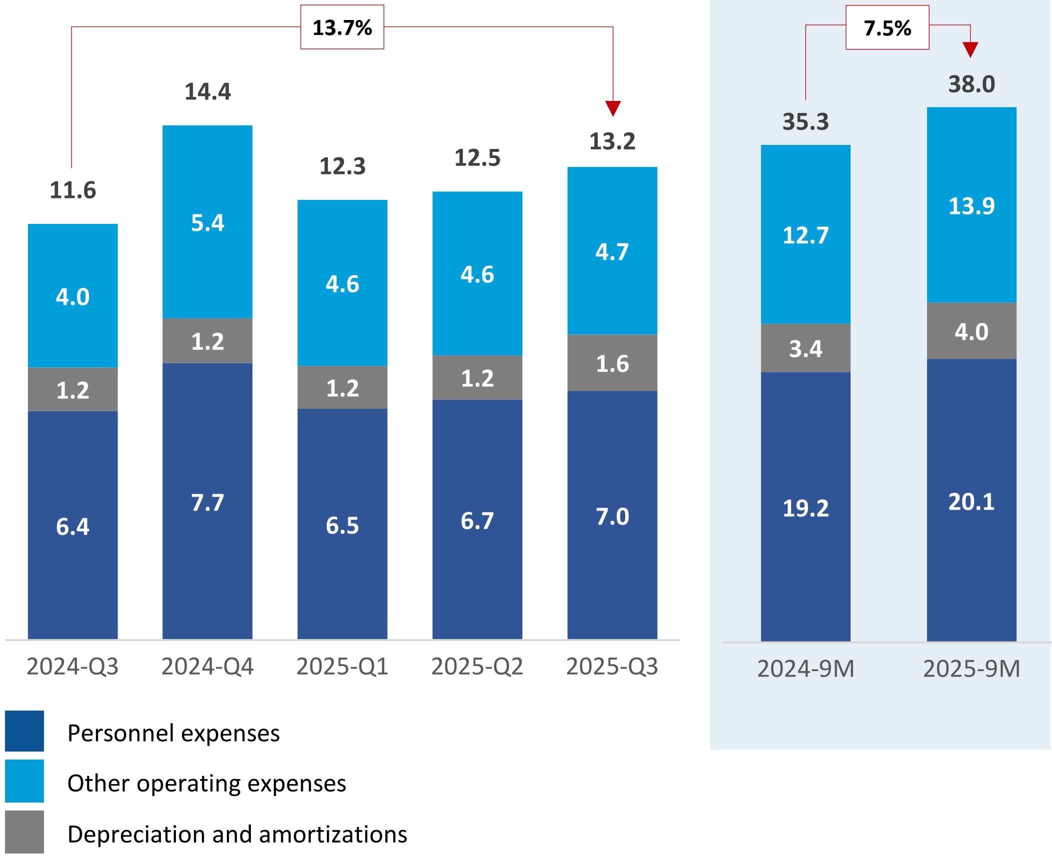
**Adjusted for SLSB restructuring impacts*

- Other operating income improved sharply during Q3FY2025 driven by higher net fee commission and income together with gains linked to government securities and derivative instruments
- **Net fee and commission income**
  - Net fee and commission income related to credit and debit cards, loans and advances and other financial services witnessed healthy growth during 3Q and 9M respectively
- **Net gains/losses from trading and derecognition of financial assets**
  - Net trading gains surged during the quarter supported by healthy gains in the government securities portfolio coupled with improved profitability on derivative instruments
  - Profitability of fixed income securities was driven by MTM gains in the banks' G-sec portfolio. Gains from derecognition of financial assets moderated due to declines in realized capital gains on government securities
- **Net other operating income**
  - Net other operating income, which is largely driven by revaluation gains from FCY assets and liabilities improved due to the currency depreciating by 3.2% during the period

Strong activity growth with disciplined cost management keeps cost-to-income under 30%

Operating expenses [LKR Bn]

	2024-Q3	2024-Q4	2025-Q1	2025-Q2	2025-Q3	2024-9M	2025-9M
Cost to Income	31.2%	41.5%*	27.2%	28.0%	28.6%	31.5%	27.9%
Cost to TA	1.7%	2.0%	1.7%	1.7%	1.7%	1.6%	1.7%



- Operating expenses increased 14% YoY in Q3 and 8% for 9MFY2025, primarily driven by increases in other operating and personnel expenses
- Strong momentum in NII and other operating income led to a meaningful widening of positive income–cost jaws in both Q3 and the 9M period, strengthening the cost-to-income ratio to 27.9%
- Cost to assets ratio was maintained in the 1.6% - 1.7% range
- Personnel expenses growth was contained at ~9% and ~5% for the quarter and 9 months respectively
- Increase in other operating expenses were driven by a rise in professional and legal expenses, utilities, marketing expenses and deposit insurance charges

*Adjusted for provision on SLSB

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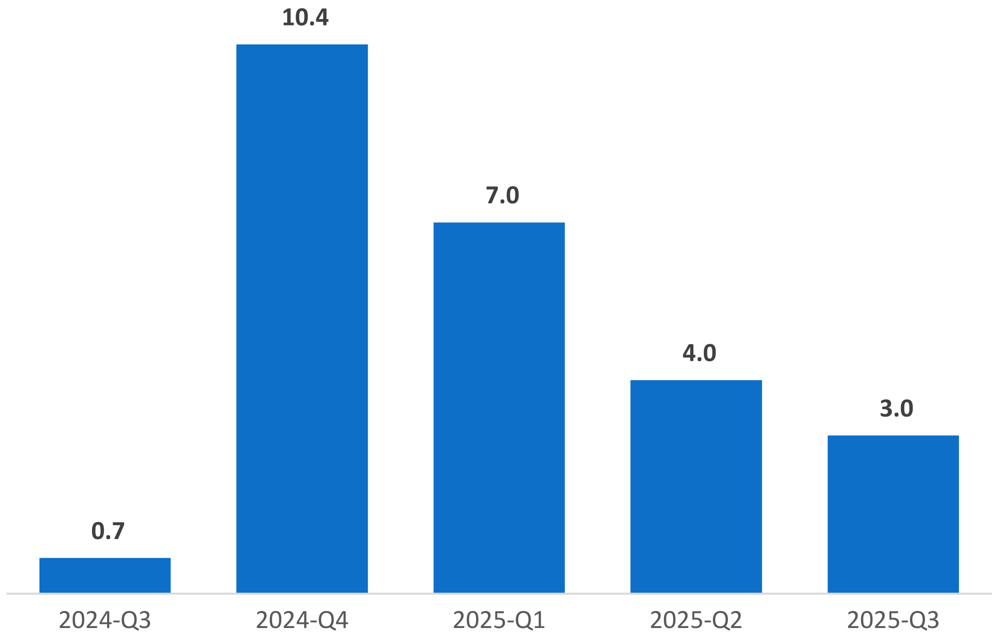
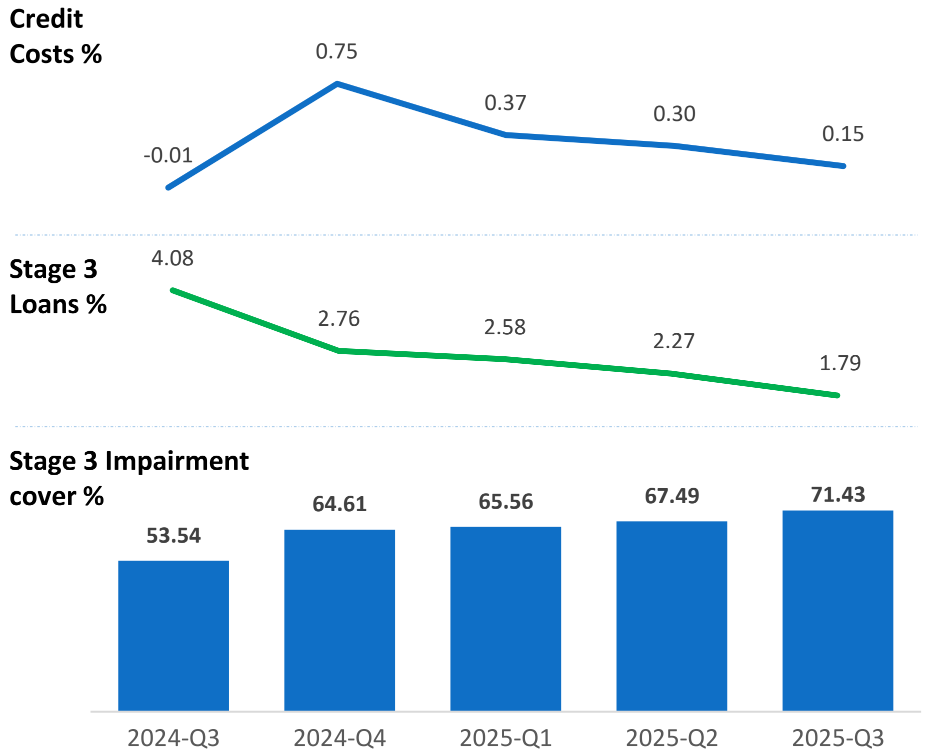
Credit quality of portfolio improved along with a sharp decline in credit costs

Impairment charge – [LKR Bn]



Credit Quality Metrics



- Credit quality strengthened further, driven by favorable macro economic conditions and disciplined underwriting
- Credit costs grew compared to 3QFY2024 driven by increase in stage 03 coverage adopted as a prudential measure. Cumulative credit costs for the 9 months stood at 0.8%
- Bangladesh operations continued to record impairment reversals, supported by improved recoverability of Stage 3 loans
- Improvement in the Gross Stage 3 [6.8% in 3QFY2025 vs 8.6% end 2024] ratio and higher provisions made during the period along with the growth in the loan book led to a 97 bps improvement in the Net Stage 3 loan ratio compared to 4QFY2024

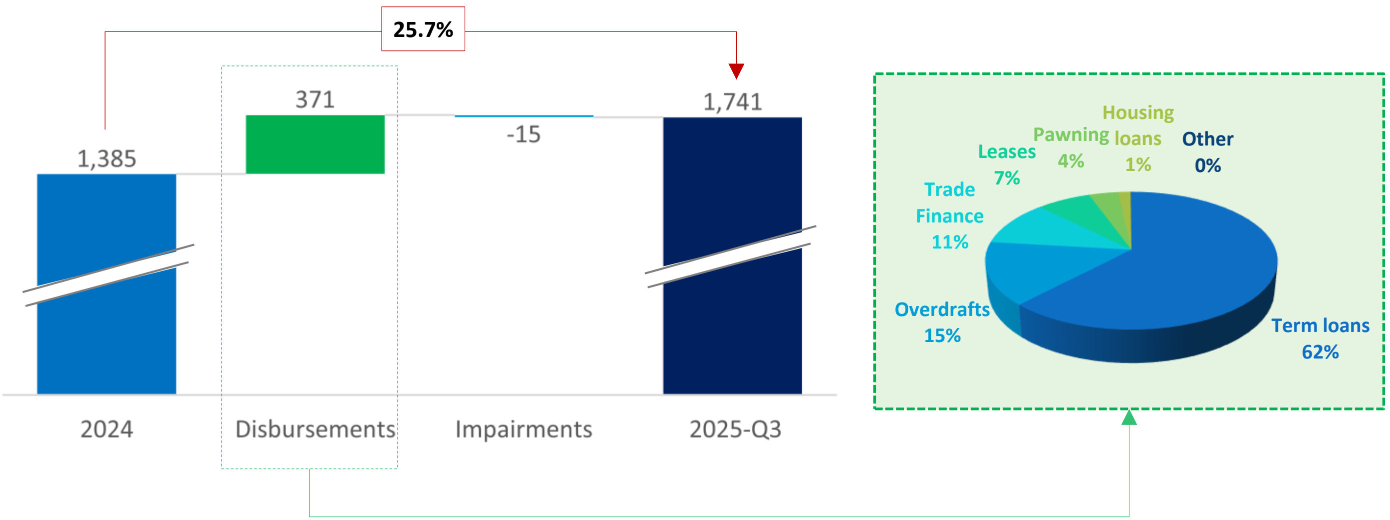
Total assets grew 12.0%, led by loan growth of 25.7%

Financial Position [LKR Bn]	2024-Q4	2025-Q3	Δ
Assets			
Loans and advances	1,384.5	1,740.8	25.7%
Other financial assets	1,061.0	1,030.9	-2.8%
Cash and placements with banks	186.1	191.8	3.0%
Balances with Central Banks	45.7	56.2	23.0%
Investments in subsidiaries and associates	5.9	6.5	11.1%
Other assets	106.6	99.2	-6.9%
Total assets	**2,789.8**	**3,125.4**	**12.0%**
Liabilities			
Deposits	2,236.6	2,506.0	12.0%
Other borrowings	148.1	155.1	4.8%
Other liabilities	129.9	154.4	18.8%
	2,514.5	**2,815.5**	**12.0%**
Equity			
Stated capital	88.0	90.9	3.3%
Retained earnings and other reserves	187.2	219.0	17.0%
	275.3	**309.9**	**12.6%**
Liabilities and equity	**2,789.8**	**3,125.4**	**12.0%**
NAV (Rs)	**170.9**	**190.1**	**11.2%**
Tier 1 (%)	**14.23**	**13.39**	
Total Capital (%)	**18.14**	**17.28**	

- Balance sheet grew by 12.0%, driven by healthy expansion of 25.7% growth in loans and advances
- Deposits grew by 12.0%, led by growth in time and savings deposits
- Tier 1 declined due to the strong loan growth recorded during the quarter. Q3 profits were not incorporated into Tier 1 capital; if incorporated, Tier 1 would stand at 14.24%

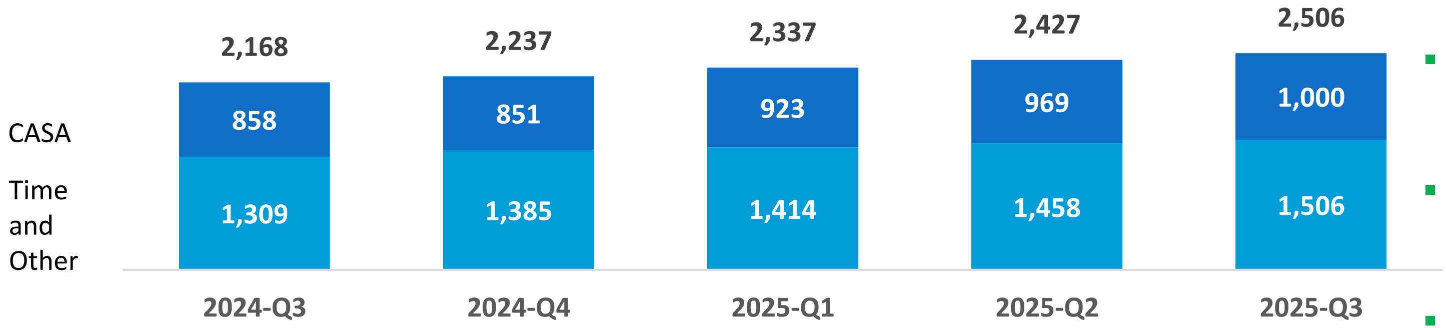
Momentum in loan growth continued along with CASA growth

Loans and advances [LKR Bn]



- Lead loan growth in the industry.
- Disbursed LKR 371 Bn year to date.
- Disbursements during the period driven by term loans, overdrafts and trade finance linked loans

Deposits [LKR Bn]



	2024-Q3	2024-Q4	2025-Q1	2025-Q2	2025-Q3
CASA %	39.6	38.1	39.5	39.9	39.9
LCR %	381.7	454.4	345.4	342.5	315.4
NSFR %	191.8	187.3	181.2	181.2	165.9

- Deposits recorded a 12.0% growth for the period.
- Growth was driven by CASA, which grew 17.5% YTD, Time deposits grew 8.7%
- Continued to maintain strong liquidity.

Overview of Bangladesh performance

Financial Performance - Highlights [BDT Bn]	9M 2024	9M 2025	YoY Δ
Profit before tax	7.7	8.9	15.4%
Net profit	4.4	5.5	24.0%
Key ratios			
NIM	6.6%	6.2%	
ROA (Annualized)	4.5%	5.0%	

Financial Position - Highlights [BDT Bn]	Dec-24	Sep-25	YTD Δ
Total assets	120.5	167.4	38.9%
Loans and advances (Net)	72.2	72.6	0.7%
Deposits	105.2	126.4	20.1%
Loan book metrics			
Impaired Loans (Stage 3) Ratio (%)	3.2%	0.5%	
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	83.8%	80.1%	
Closing Ex.Rate (BDT/ USD)	*119.5*	*121.8*	
Average Ex.Rate (BDT / USD)	*114.5*	*121.5*	

- Continued to adopt a cautious approach to the market given conditions in the country.
- Profits for 9MFY2025 grew primarily due to impairment reversals and reduction in opex
- Impairment reversals continued during the period due to
  - Reduction in limits for customers with large exposures
  - Further Improvement in servicing relative to 2024
- A focused strategy of lending to blue-chip clients in resilient sectors, reinforced by strong credit risk controls, enabled the bank to maintain NPL ratios well below industry levels

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ROE for 9M sustained at 21.03%

ROE

2013-2018*	2023	2024	2025 9M
17.1	9.8	17.0	21.0

Leverage [m]

2013-2018*	2023	2024	2025 9M
11.4	12.0	11.2	10.1

ROA [l]

2013-2018*	2023	2024	2025 9M
1.5	0.8	1.5	2.1

PT ROA [i]

2013-2018*	2023	2024	2025 9M
1.9	1.0	2.2	3.1

Non-recurring Income/TA [j]

2013-2018*	2023	2024	2025 9M
0.6	0.5	0.4	0.7

Effective Tax Rate [k]

2013-2018*	2023	2024	2025 9M
40.1	44.5	40.9	45.1

Credit Costs + Provisions [h]

2013-2018*	2023	2024	2025 9M
0.5	1.5	1.1	0.6

PP-PT* Recurring ROA [g]

2013-2018*	2023	2024	2025 9M
2.4	2.5	3.3	3.7

Recurring OP Income/TA [e]

2013-2018*	2023	2024	2025 9M
4.4	4.2	5.1	5.4

Recurring Costs to TA [f]

2013-2018*	2023	2024	2025 9M
2.0	1.7	1.9	1.7

Cost to Income - R

2013-2018*	2023	2024	2025 H1
46.3	40.7	36.2	31.6

NIM [c]

2013-2018*	2023	2024	2025 9M
3.7	3.3	4.3	4.5

Fee Income [d]

2013-2018*	2023	2024	2025 9M
0.7	0.9	0.8	0.9

IEA Yield [a]

2013-2018*	2023	2024	2025 9M
9.0	11.7	10.1	9.8

Cost of Funds [b]

2013-2018*	2023	2024	2025 9M
5.3	8.4	5.8	5.2

**PP-PT: Pre-provision pre-tax*
**Represents average between 2013-2018*

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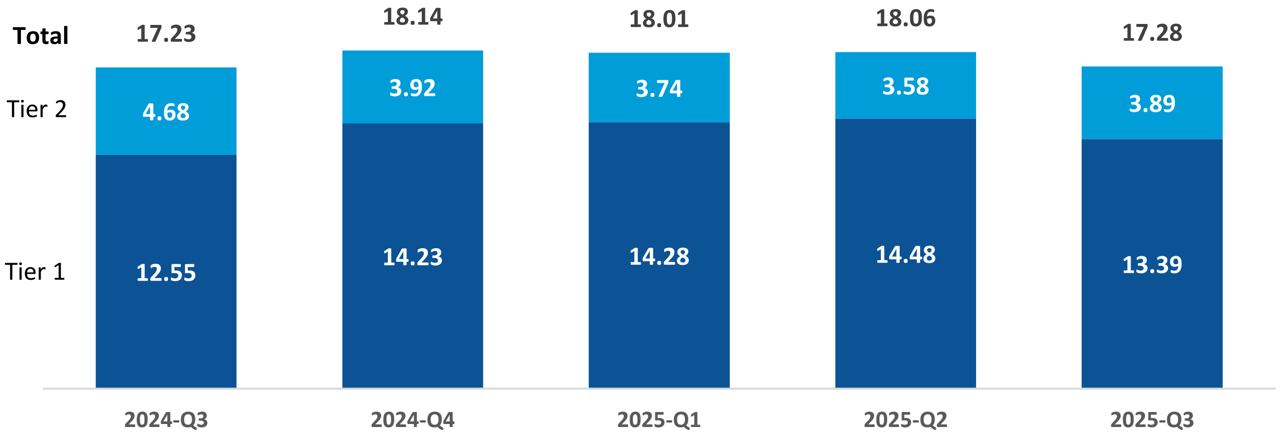
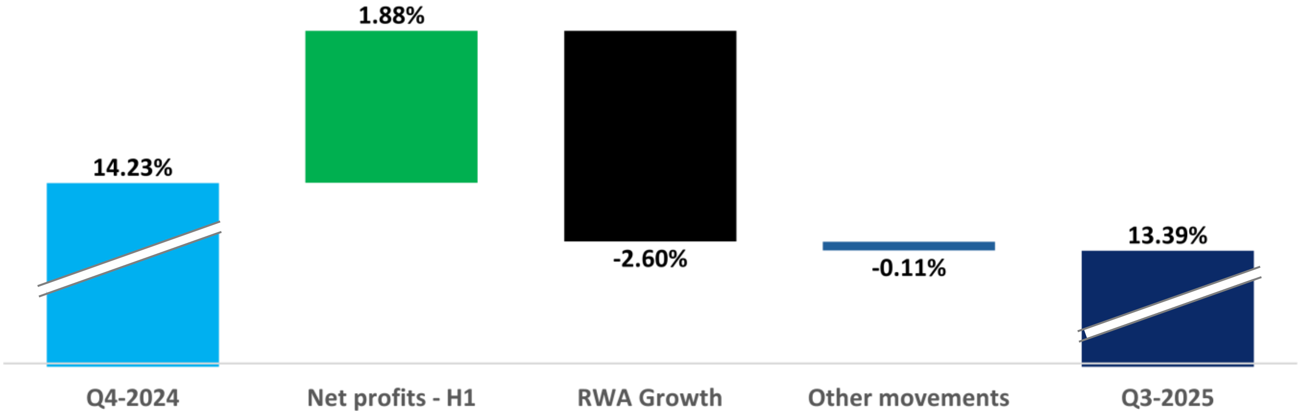
Tier 1 Capital base supported by ROE generation

Capital ratios [%]



Tier 1 movement



- Strong loan growth recorded during the period consumed 2.60% of Tier 1 capital
- However, as only H1 profits were incorporated [as the Q3 results were not audited], Tier 1 increased by only 1.88%.
- If Q3 profits were incorporated, internal profit generated would have added ~273 basis points to Tier 1, resulting in a net Tier 1 generation of ~13 bps, increasing Tier 1 to 14.24%
- The Tier 2 Green Bond Issue of LKR 15 Bn was successfully concluded and incorporated into Tier 2 and Total Capital

Q & A