



# Commercial Bank of Ceylon PLC

## Results Review for FY2025 and Investor Update

*Presented at the investor call held on the 12<sup>th</sup> of March 2026 at 3.30 PM IST by the  
Managing Director/CEO, Chief Financial Officer and AGM Finance*

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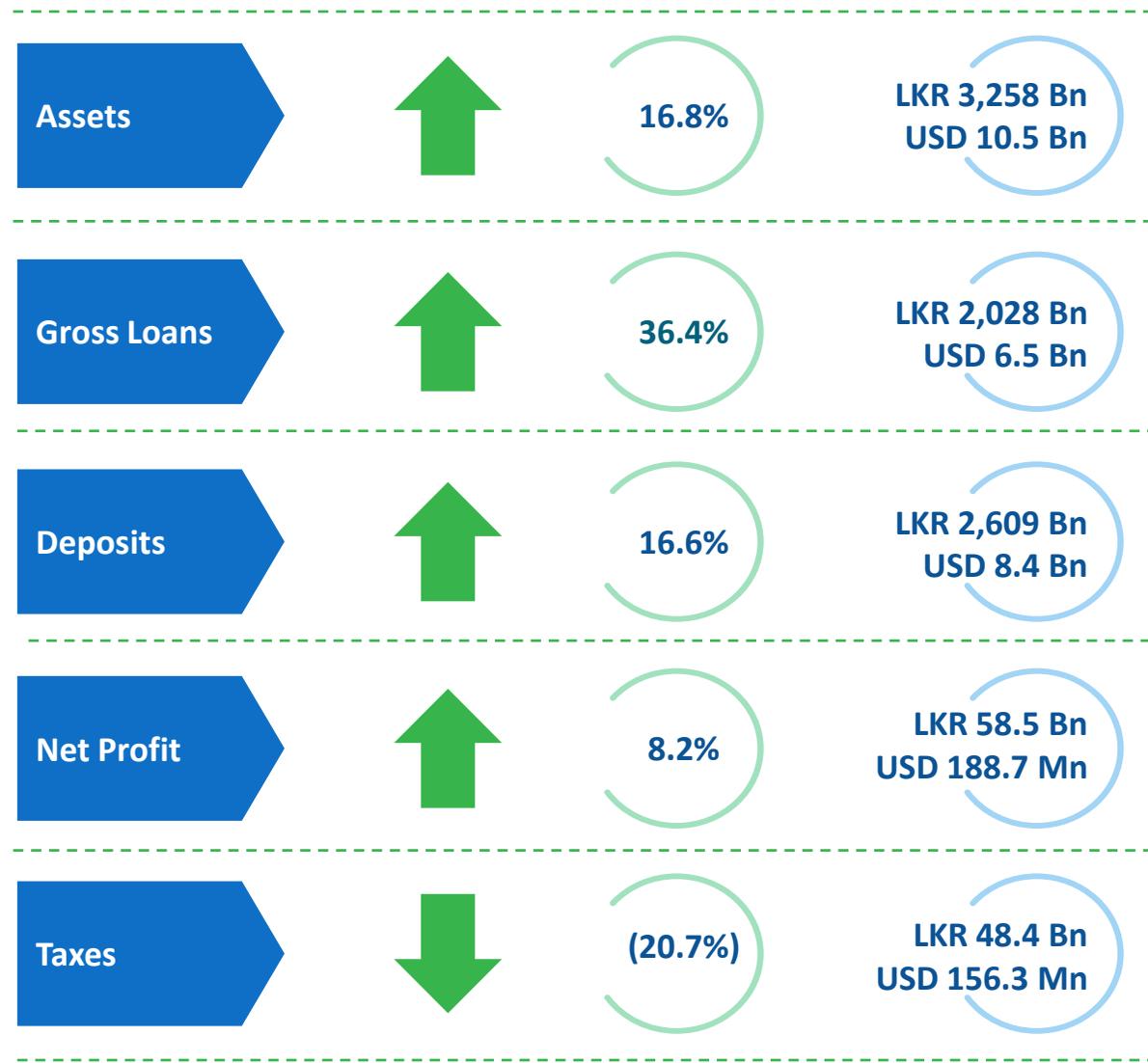
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Q & A

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# Managing Director's/CEO's Briefing on FY2025 Performance

- Scale & Growth Milestones:** Became the first private sector bank to surpass the milestone of Rs. 3 Tn/USD 10 Bn in Assets, Rs. 2 Tn in Loans and Rs. 2.5 Tn in Deposits.
- Robust Profitability:** Delivered a Net Profit of Rs. 58.487 Billion and an ROE of 19.5%, primarily driven by improvement in core business and profitability metrics.
- Dominant SME & Retail Leadership:** Retained the position as Sri Lanka’s highest SME lender for the fifth consecutive year (30.3% market share) and maintained No. 1 status in Home Loans and Debit Card usage.
- Digital Transformation at Scale:** Achieved 56% digital penetration with 1.8 million users, facilitating Rs. 7.5 Trillion in transaction value and generating Rs. 11 Billion in cost savings.
- AI-Powered Innovation:** Introduced the country’s first AI-powered SME underwriting solution, significantly accelerating credit evaluations and enhancing risk precision across retail portfolios.
- Pioneering Payment Solutions:** Reinforced market leadership by becoming the first to enable **Google Pay in Sri Lanka** and launching Dynamic Currency Conversion (DCC) for the Internet Payment Gateway.
- Deepening Financial Inclusion:** Launched the ComBank Shakthi agency banking network and opened the first exclusive Women’s Banking Centre to integrate underserved rural communities into the formal ecosystem.



## FY2025 Key Financial Highlights for the Bank

Balance Sheet – YTD Growth			ROE %		Capital (YoY)	Loan Quality (YoY)
Assets +LKR 468 Bn 16.8%	Loans +LKR 541 Bn 37.5%	Deposits +LKR 372 Bn 16.6%	FY 2025 19.5%	FY 2024 16.6%	Tier 1 : <b>13.0%</b> [-1.2] Total : <b>16.7%</b> [-1.4]	Net Stage 3 : <b>1.5%</b> [-1.2] Cover : <b>73.5%</b> [+8.9]

### Income Statement

- NII grew 19.0% (YoY) to LKR 136.3 Bn driven by NIM expansion to 4.51% during FY2025 (4.27% in FY2024) and strong loan growth
- Non-NII income was driven by healthy growth in fee-based income, trading gains and forex revaluation gains
- Despite growth in volumes, cost increases were contained at ~10%, cost to income improved to 29.7% from 33.9%
- Normalized impairment charge decreased by 19.3%, despite sharp loan growth and provision cover improving to 73.5%
- Post tax ROA improved to 1.93% from 1.51% primarily driven by improvement in core profitability metrics
- Strong ROA converted to robust ROE of 19.51% improving by 294 bps from 16.57%

### Balance Sheet

- Net Loans and Advances grew by 37.5% for the period, whilst the net stage 3 ratio declined to 1.5% from 2.8% in December 2024
- Deposits grew by 16.6% during the period, driven by strong CASA growth, with the CASA ratio improving to 39.7%—remaining among the best in the industry

### Capital

- Tier 1 capital moderated during FY 2025 due to strong credit growth. Capital ratio continues to place well above regulatory requirements
- Successful completion of Tier 2 Green Bond issue strengthened total capital during the year

### Personal Banking

- Agency Banking operations, branded '**ComBank Shakthi**'
- Supply Chain Financing
- 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/GROA**
- Focus on Aggressive **Project Financing drive, specifically Green Project loans**
- Expansion of Islamic banking operations

### International Banking and Trade

- Implemented **E2Gen payment platform** across the branch network
- Launched customer front-end IT platform - **Combank TradeLink**
- Improved export share to 21.97% (from 21.20%) and imports to 15.91% (from 14.26%)

### Sustainability Initiatives

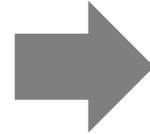
- Successfully hosted the '**ForwardTogether 2025 – Sustainability Summit**'
- Green Bond issue of Rs.15 Bn
- Launched first exclusive **Women's Banking Centre**, staffed by women to serve female customers in Northern Region
- Women Entrepreneurship through Women Empowerment

### Digital

- Google Pay: 'Gpay', contactless wallet solution for the **first time in Sri Lanka**
- **Rollout of AI use cases** across SME and Retail Banking together with BCG
- Business Banking Platform – Phase 1
- Microservices Development - **150+ APIs developed and 50+ in progress for future projects**
- **Invested in the Super App**



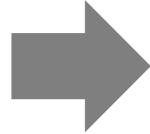
**Sustainable Market Leadership & Growth**



Drive superior financial performance and expand our market share across all key segments through prudent portfolio management and targeted growth initiatives.



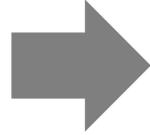
**Pervasive Digital Transformation**



Leverage cutting-edge technology, AI, and data analytics to create a seamless, secure, and scalable digital ecosystem that redefines customer and employee experiences.



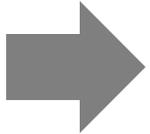
**Unrivaled Customer Centricity**



Place the customer at the heart of our strategy by delivering personalized, proactive, and value-creating experiences that build deep, lasting loyalty.



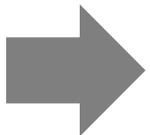
**Talent & Culture Excellence**



Cultivate a future-ready, agile, and engaged workforce, positioning the bank as the nation's premier employer of choice for top-tier talent.



**ESG Integration & Responsible Banking**



Lead the industry in environmental, social, and governance (ESG) best practices, driving sustainable finance and contributing positively to the communities we serve.

### Personal Banking

- **Retail Transformation Project** – Partnering with McKinsey to execute a comprehensive Retail Transformation Project
- **Targeted CASA Growth Strategy:** Implementing initiatives across SME and Retail segments to aggressively drive low-cost deposit acquisition and enhance relationship stickiness
- **AI-Driven Credit & Ecosystem Scaling:** Rollout AI-based credit underwriting and the continuous evolution of an AI-powered digital ecosystem for hyper-personalized banking
- **Expand reach** of Agency Banking + Supply Chain Financing

### Corporate Banking

- **Ecosystem & Digital Transformation:** Completing the Corporate Digital Banking platform to deliver a superior client experience
- **Strategic Portfolio Expansion:** Scaling high-growth sectors by expanding the Green and Climate Financing portfolio
- **Value-Driven Growth:** Sharpening the focus on relationship profitability and cross-selling to optimize Return on Assets (ROA) across the corporate segment

### International Banking

- Expand into new geographies
- Integration of **TradeLink** to corporate platform

### Sustainability Initiatives

- **Climate Transition** : Advancing the 'Climate Transition Plan' in partnership with the IFC
- **Blue Economy & Resource Stewardship:** Deepening focus on SDG 6- Clean Water and Sanitation
- **Social Impact & Inclusive Growth:** Scaling Women Entrepreneurship programs by strengthening and expanding ongoing initiatives to drive community economic empowerment
- **ESG Governance & Standards:** Adoption of Sustainability Reporting Standards (SLFRS S1 & S2)

### Digital

- **Launch of OneApp (Maldives/Sri Lanka)** to deliver a significant transformation to the Bank's mobile banking experience
- **Hyper-Personalized AI Engagement:** Deploying a Unified Data Platform (CDP) and AI chatbots to deliver real-time, 360-degree customer journeys and automated, tailored marketing etc.
- **Next-Gen Ecosystem & Islamic Solutions:** Modernizing core commerce through Zero-Touch H2H payments, an upgraded FX portal, and a dedicated IT stack for Islamic Banking growth
- **Frictionless Security & Resilience:** Fortifying the bank with autonomous, AI-driven cyber defense and automated threat containment

## Overall Strategy

- **Cognitive Banking Transformation:** Moving from decision support systems to fully autonomous, self-optimizing banking systems.
- **Infrastructure for Scale:** Building deep, intelligent infrastructure (Big Data, CDP) to support exponential growth rather than tactical, short-term gains.
- **In-House Capability:** Prioritizing internal talent scaling and specialized AI labs over third-party dependency to secure a generational moat.
- **Intelligence-Led Risk:** Embedding AI into the core risk architecture to automate monitoring and improve portfolio quality.
- **Cyber & Operational Resilience:** Leveraging AI for proactive threat detection and infrastructure reliability.

## Achievements in 2025

- **Industry-First AI Deployment:** Launched AI-led underwriting for SME, Personal, and Home Loan customers—a first in Sri Lanka.
- **Horizontal Capabilities:** Built a unified data foundation across customer, product, and transaction layers to power all future AI use cases.
- **GenAI Operational Tools:** Launched GenAI OCR and Credit Agents (GACA) for automated rule-breach flagging and instant policy query resolution
- **Regional Risk Leadership:** Launched an AI-powered Automated Risk Monitoring Engine for the SME portfolio (1,800+ rules)—a first in Asia Pacific.
- **MSOC Deployment:** Launched a Managed Security Operations Centre with 24/7 AI-driven monitoring and automated threat containment.

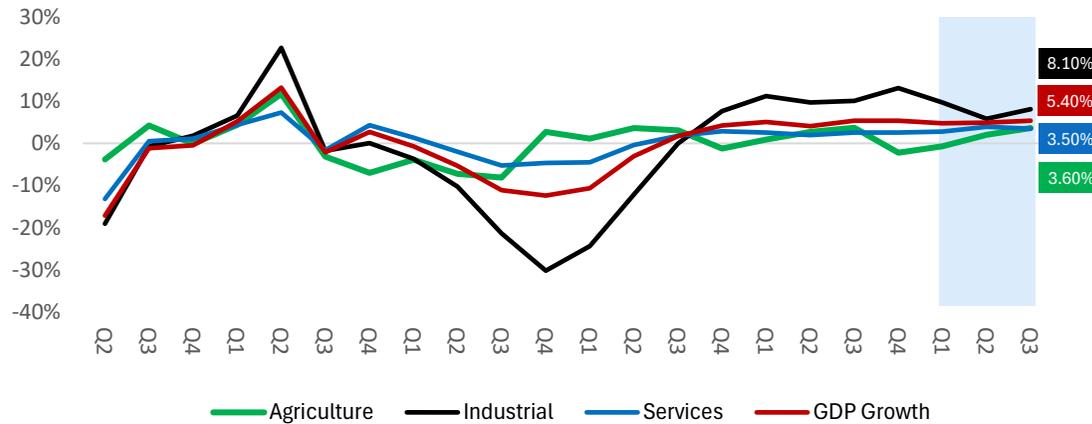
## Priorities: 2026 & Beyond

- **Full Scale Automated Credit Underwriting:** Deploy AI led underwriting across all products except for corporate and large ticket loans.
- **Deployment of Agentic AI:** Deploying Agentic AI on One App and internal processes to deliver enhanced customer experience and efficiency improvements
- **Predictive Financial Advisory:** Transitioning to AI-driven engagement for hyper-personalized, predictive customer solutions.
- **Advanced Risk Analytics:** Rolling out AI-backed credit risk analytics for cross-border lending and automated covenant monitoring.
- **Predictive Cyber Defence:** Investing in autonomous security systems to mitigate emerging threats and safeguard the digital ecosystem.

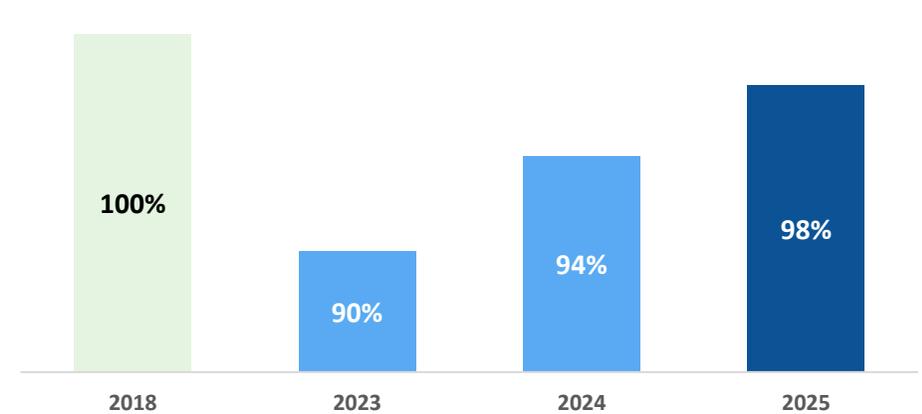
# Macro Economic Backdrop

## Sustained momentum in GDP recovery

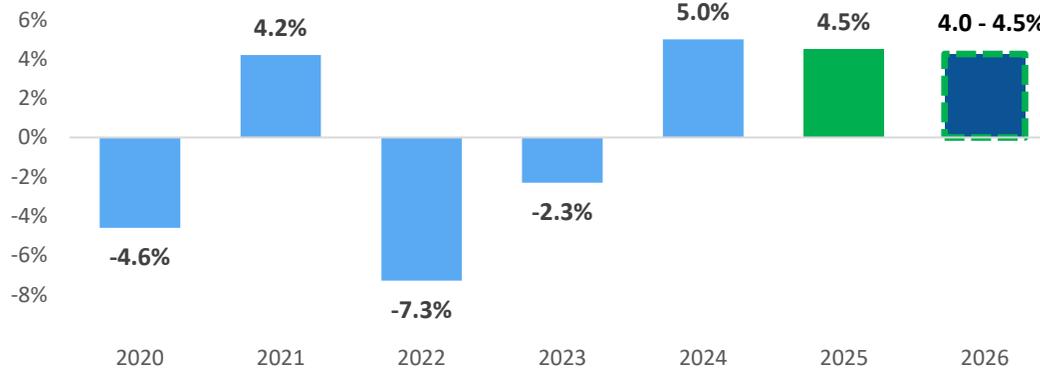
Post crisis recovery – Growth sustained at ~5% level



Real GDP nears full recovery [98% of Pre-crisis peak]

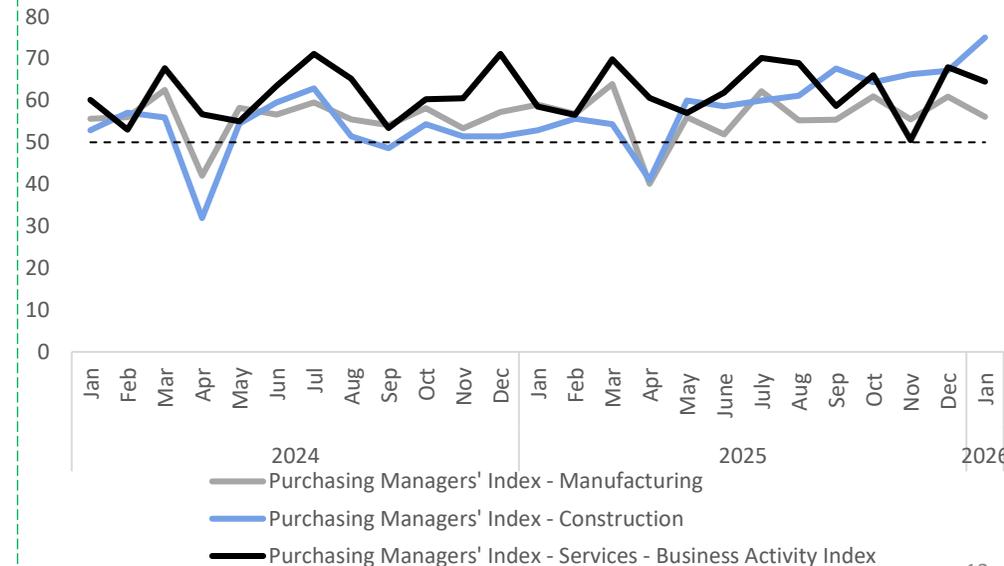


2026 expectations in the range 4.0– 4.5%, Govt. infrastructure spend a key driver



GDP Forecast (%)	2025	2026
IMF	4.2	2.9
World Bank	4.6	3.5
ADB	3.9	3.3

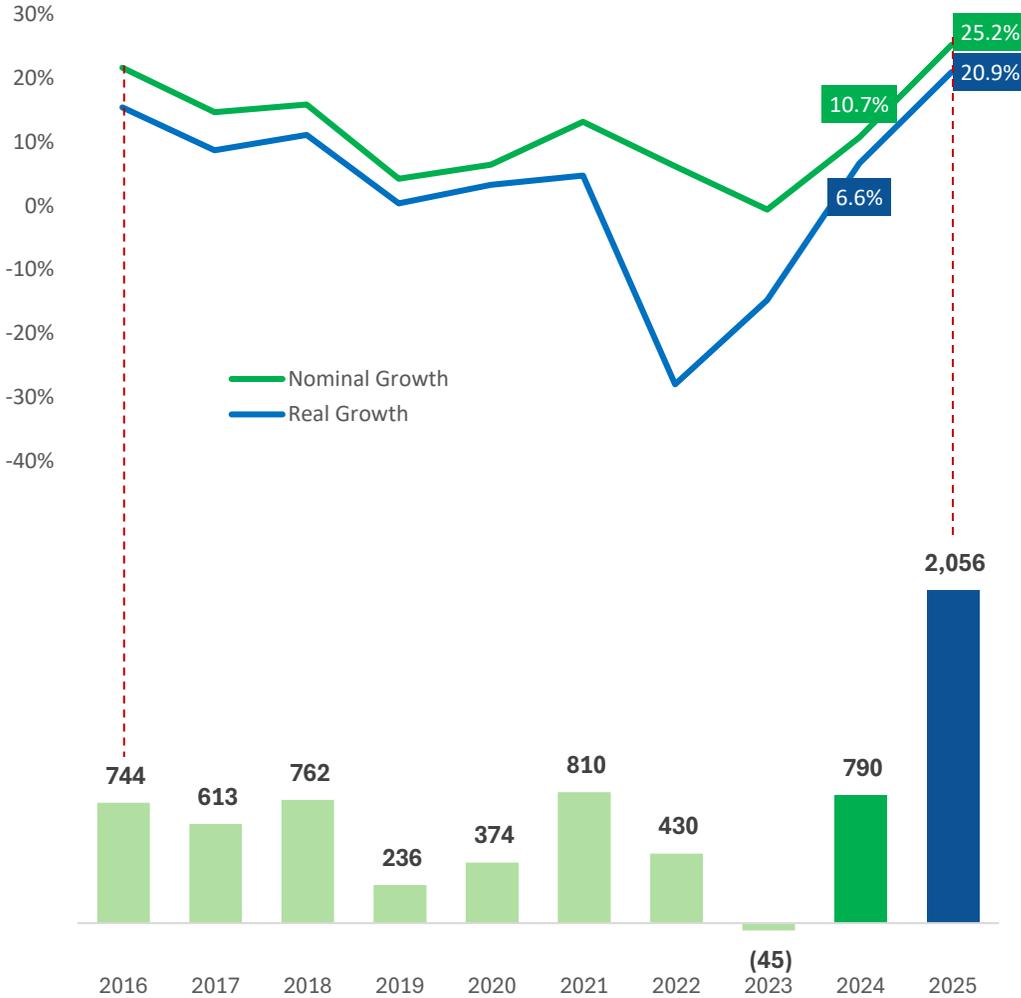
PMI continues to maintain strong recovery despite impact of Cyclone



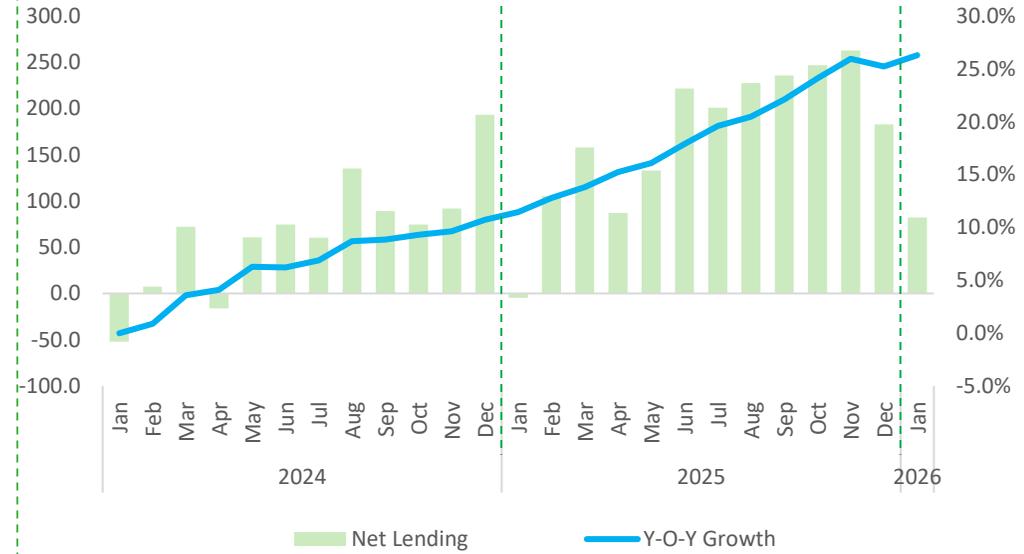
# Demand for credit posted a strong recovery in 2025

## Credit to Private Sector - Annually

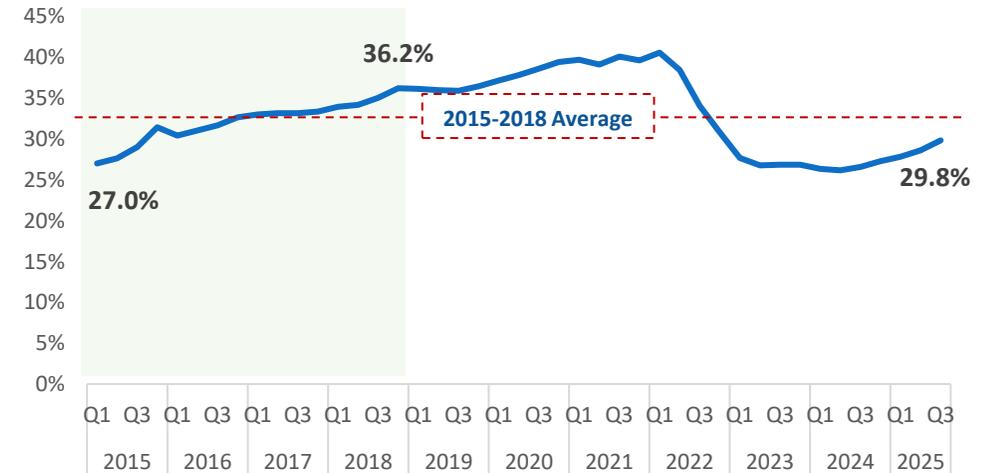
Nominal vs Real Growth



## Private Sector Credit Grew by 25.2% during 2025



## Private Sector Credit to GDP



Macro

12M/Q4 Results

Income

Expenses

Impairments

Balance sheet

Bangladesh

ROE

Capital

Dividend

Digital Pillar

Sustainability

# Growth was driven by pick up in consumption and trade, Asset quality and provisioning improved

Macro

12M/Q4 Results

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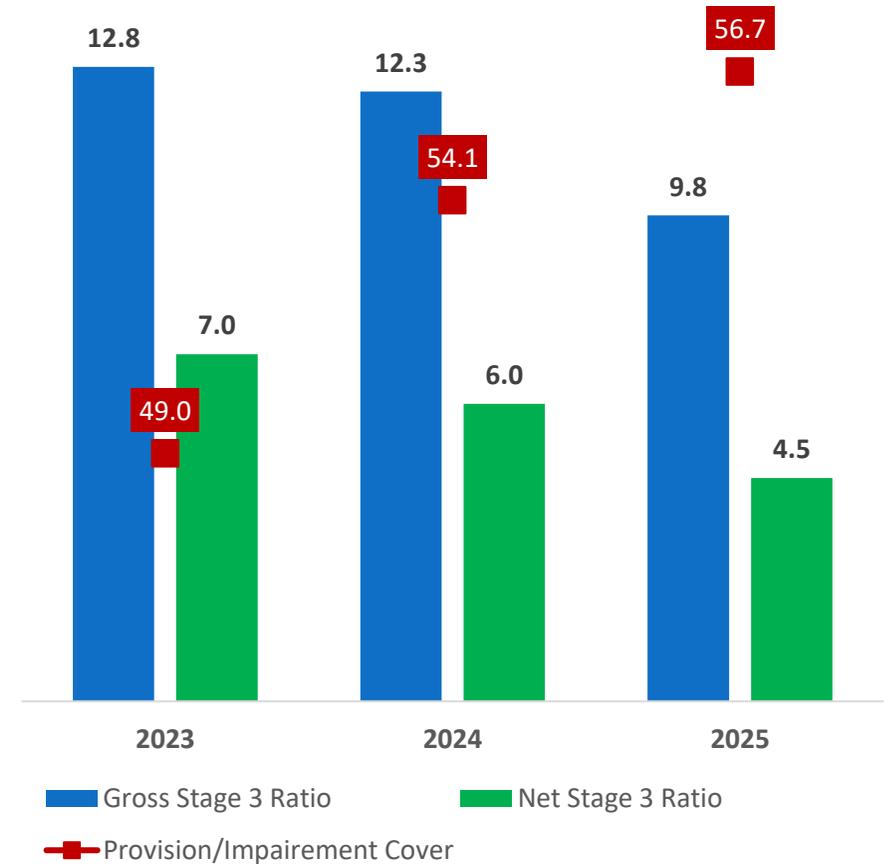
Digital Pillar

Sustainability

## Sectoral Mix and Contribution to Growth

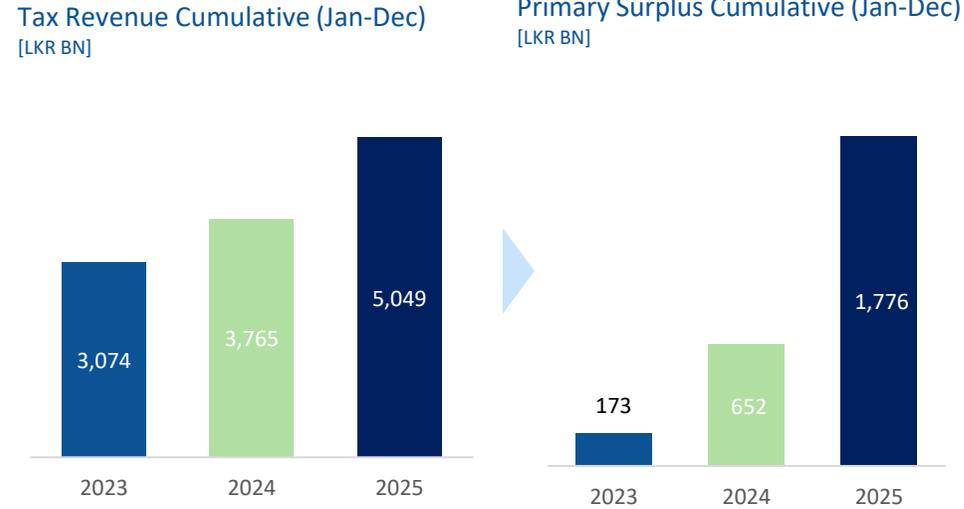
	2024	2025	Contribution to Growth
Consumption	19.2%	<b>18.6%</b>	16.1%
Construction	15.0%	<b>13.7%</b>	8.2%
Wholesale & Retail Trade	11.6%	<b>12.1%</b>	14.6%
Manufacturing	11.4%	<b>10.9%</b>	8.4%
Financial Services	4.6%	<b>9.3%</b>	30.3%
Agriculture, Forestry & Fishing	8.8%	<b>8.5%</b>	7.5%
Lending to Overseas Entities	5.7%	<b>6.4%</b>	9.3%
Infrastructure Development	6.6%	<b>5.3%</b>	-0.6%
Lending to Ministry of Finance	6.0%	<b>5.3%</b>	2.0%
Tourism	3.5%	<b>3.3%</b>	2.3%
Other	7.6%	<b>6.6%</b>	2.1%

## Sector Asset Quality

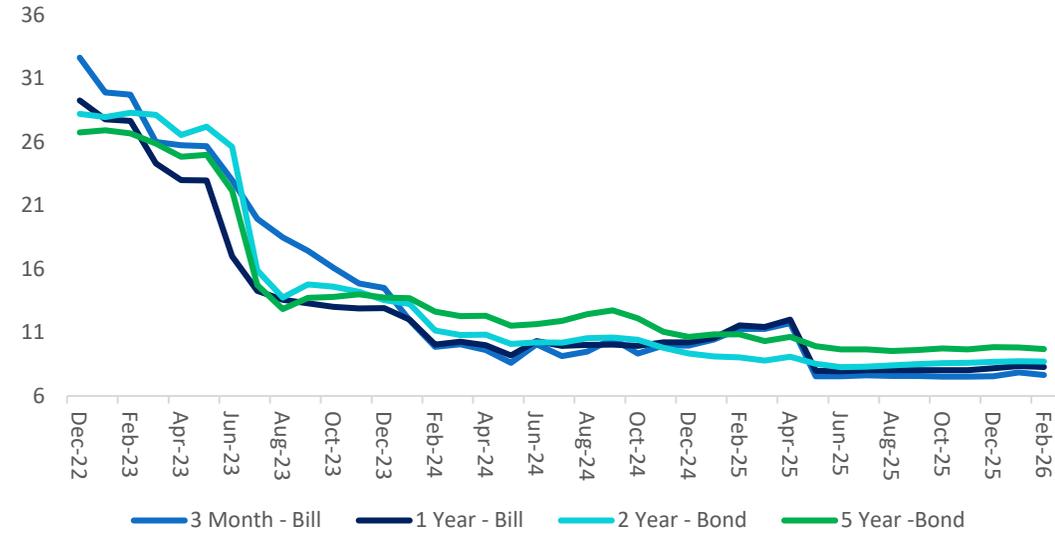


# Sustained Fiscal discipline and lower inflation support low rates

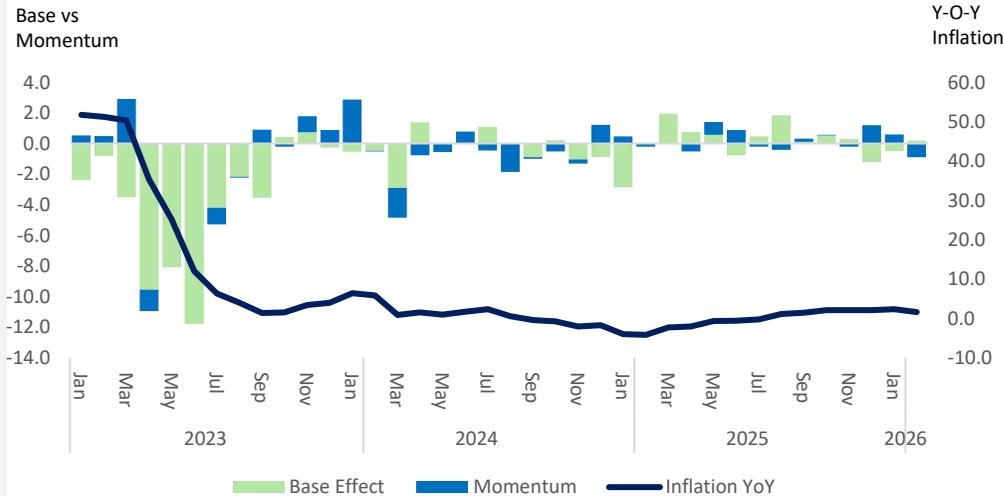
## Tax revenue outturn surpassed targets and primary balance improved in 2025 [LKR Bn]



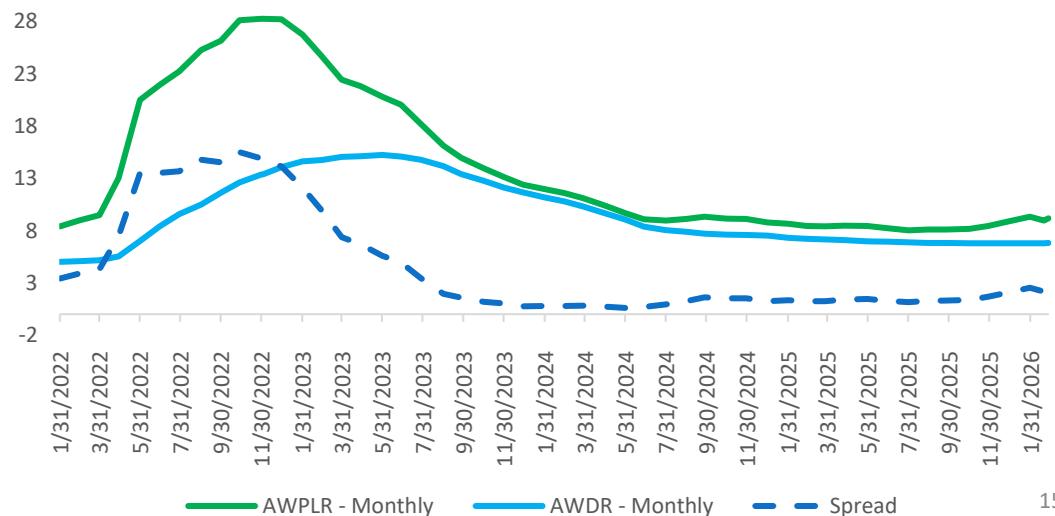
## Despite a pickup in December 2025, pressure eased early 2026



## Inflation falls below the 2% level in February 2026



## Lending and deposit rates

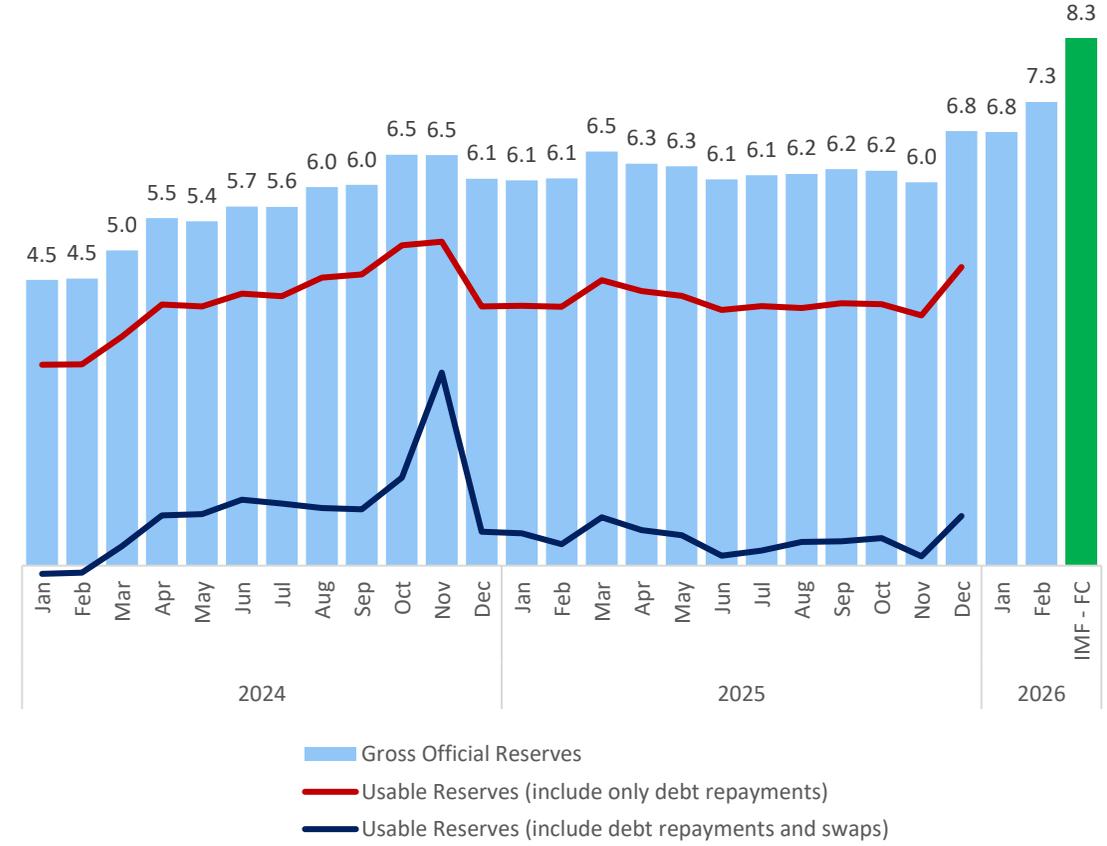


# Macro conditions have progressively improved, and trend is expected to continue

External sector performance driven by tourism and remittance flows

BOP [USD Mn]	Jan - Dec (2025)		Δ
	2025	2026	
Goods exports	12,772.0	1,581.4	6%
Goods imports	18,841.4	21,479.9	14%
<b>Trade balance</b>	<b>-6,069.4</b>	<b>-7,898.6</b>	<b>30%</b>
Service inflows	6,910.0	7,065.7	2%
<i>Of which tourism net inflows</i>	<i>3,168.6</i>	<i>3,219.2</i>	<i>2%</i>
<b>Net services</b>	<b>3,434.8</b>	<b>3,707.2</b>	<b>8%</b>
Remittances	6,575.4	8,076.2	23%
<b>Current Account balance</b>	<b>1,205.7</b>	<b>1,733.4</b>	<b>44%</b>

Gross external reserves at USD 7.3Bn [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

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- [Bangladesh](#)
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# Financial Performance – Bank

12M/4Q Ended 31<sup>st</sup> December 2025

# Robust loan book expansion drives healthy operating income growth, sustaining momentum during 2025

Macro

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## Bank

Financial Performance – Normalized [LKR Bn]	Q4		12M		YoY Δ	
	2024*	2025	2024*	2025	Q4	12M
NII	28.2	36.1	114.6	136.3	28.0%	19.0%
Other income	6.4	12.3	31.7	47.7	93.7%	50.4%
<b>Total operating income</b>	<b>34.6</b>	<b>48.4</b>	<b>146.3</b>	<b>184.0</b>	<b>40.1%</b>	<b>25.8%</b>
Opex	14.4	16.6	49.7	54.6	15.9%	9.9%
<b>Pre-provision Pre-Tax profit</b>	<b>20.2</b>	<b>31.8</b>	<b>96.6</b>	<b>129.4</b>	<b>57.3%</b>	<b>33.9%</b>
Impairments	10.4	8.7	27.9	22.5	-16.3%	-19.3%
<b>Operating Profit Before Taxes</b>	<b>9.8</b>	<b>23.1</b>	<b>68.7</b>	<b>106.9</b>	<b>134.9%</b>	<b>55.6%</b>
Taxes	-0.4	10.7	28.1	48.4	-2976.8%	72.1%
<b>Profit for the period</b>	<b>10.2</b>	<b>12.5</b>	<b>40.6</b>	<b>58.5</b>	<b>22.0%</b>	<b>44.1%</b>
<b>Basic EPS (Rs)</b>	<b>6.34</b>	<b>7.64</b>	<b>25.21</b>	<b>35.87</b>	<b>20.4%</b>	<b>42.3%</b>

## Group

<b>Profit to equity holders</b>	<b>10.5</b>	<b>12.8</b>	<b>42.2</b>	<b>60.1</b>	<b>21.3%</b>	<b>42.4%</b>
<b>Basic EPS (Rs)</b>	<b>6.53</b>	<b>7.82</b>	<b>26.21</b>	<b>36.86</b>	<b>19.7%</b>	<b>40.6%</b>

## Balance Sheet Highlights – YoY Growth

Asset 16.8%

Net Loans 37.5%

Deposit 16.6%

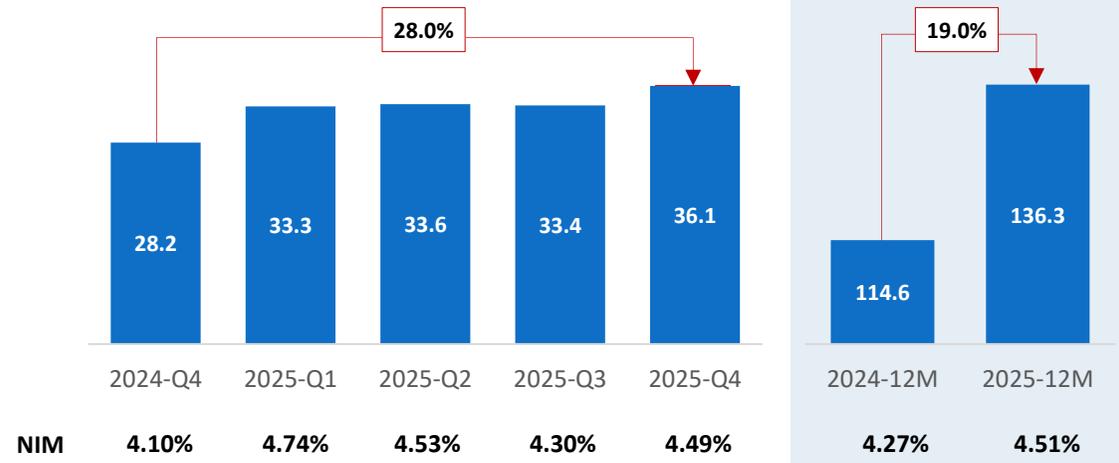
## Key Ratios [%]

	12M	
	2024	2025
NIM	4.27	4.51
CASA	38.07	39.65
Net/Gross Stage 3 ratio	2.76/7.80	1.54/5.81
Stage 3 impairment cover	64.61	73.50
Pre-Tax ROA [Normalised]	2.12	2.96
ROE [Normalised]	16.57	19.51
Tier 1 [Y/E 2025]	14.23	13.04
Total Capital [Y/E 2025]	18.14	16.70

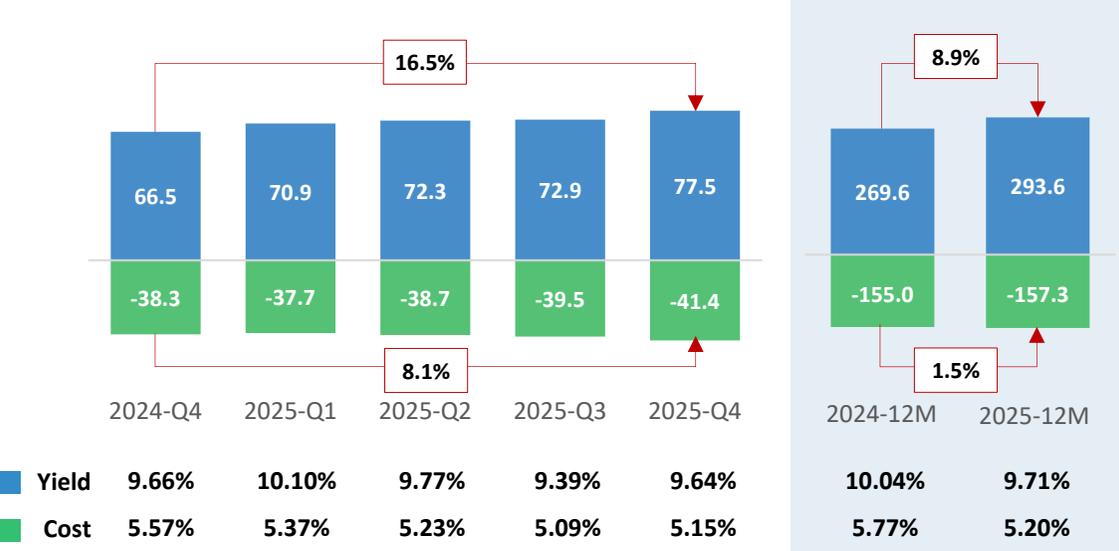
- **Balance sheet:** A +16.8% YoY growth in total assets, driven by robust growth in deposits.
- **Earnings momentum:** Robust expansion in pre-provision, pre-tax profits was supported by strong NII and non-interest income streams, whilst opex growth lagged income and volume growth significantly. Credit costs continued moderating trend, despite sharp growth in loans and increase in stage 3 impairment cover.
- **NII/NIM:** NII increase for the year was driven by NIM expansion and growth in loan book.
- **Efficiency:** Cost-to-income 29.7%, among the industry’s lowest.
- **Asset quality:** Stage 3 Impairment cover continued to strengthen, reaching 73.5%; Gross Stage 3 improved to 6.3% (from 8.6% in 2024).
- **Loans:** +LKR 541 Bn in 2025 (+36.4%), strong growth across all segments.
- **Deposits:** +LKR 372 Bn YTD (+16.6%), primarily driven by growth in CASA. CASA ratio improved to 39.7%.
- **Returns:** ROE and ROA improvements driven by core earnings drivers (i.e NIM, Fee income yield) and improved cost efficiency.
- **Capital:** Tier 1 ratio declined following the strong loan growth recorded during the year.
- **Total Shareholder Returns:** Inclusive of recommended DPS of Rs. 10.50 per share, TRS for the voting and non-voting year recorded at 45.94% and 74.03% respectively for the year.

# NII grew by 19.0% and 28.0% YoY for FY2025 and Q4 respectively

NIM and NII [LKR Bn]



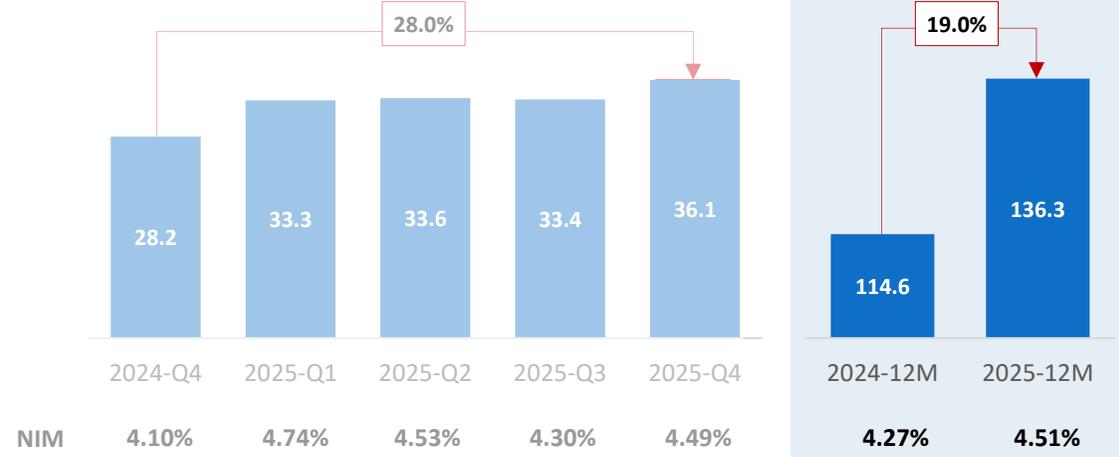
Interest income and costs [LKR Bn]



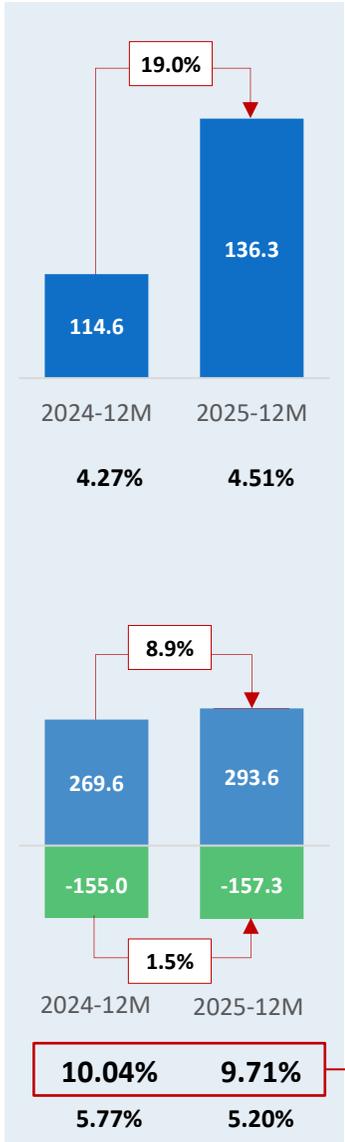
- NII growth of 19.0% for FY2025 and 28.0% in Q4FY2025 was driven by loan book expansion and improved NIM.
- Yields on lending and fixed income softened alongside falling market interest rates, leading to a 33 bps decrease in interest income yields relative to FY2024. Nevertheless, the impact was softened by rising rates in Q4FY2025, with quarterly yields falling by only a marginal 2 bps YoY.
- Interest expenses during FY2025 was driven by a 16.6% YoY increase in deposits, whilst cost of funds dropped by 57bps.
- The improvement in CASA ratio during FY2025 further contributed towards the reduction in cost of funds.
- The sharper drop in cost of funds relative to yields enhanced NIM by 24 bps during FY2025 and 39 bps in Q4FY2025.

# NII grew by 19.0% and 28.0% YoY for FY2025 and Q4 respectively

NIM and NII [LKR Bn]



Interest income and costs [LKR Bn]

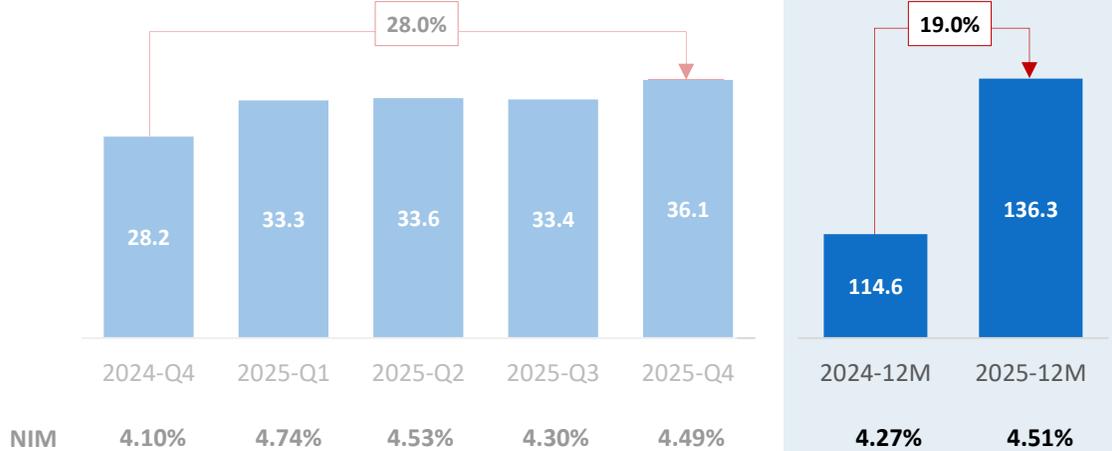


	2024	2025
Yield on IEA	11.03%	10.42%
Yield on loans and advances	11.09%	10.30%
Yield on other IEA	10.95%	10.59%
Loans %	52.37%	58.35%
Other IEA %	47.63%	41.65%
IEA to Total Assets	91.06%	93.17%
Yield on TA	10.04%	9.71%

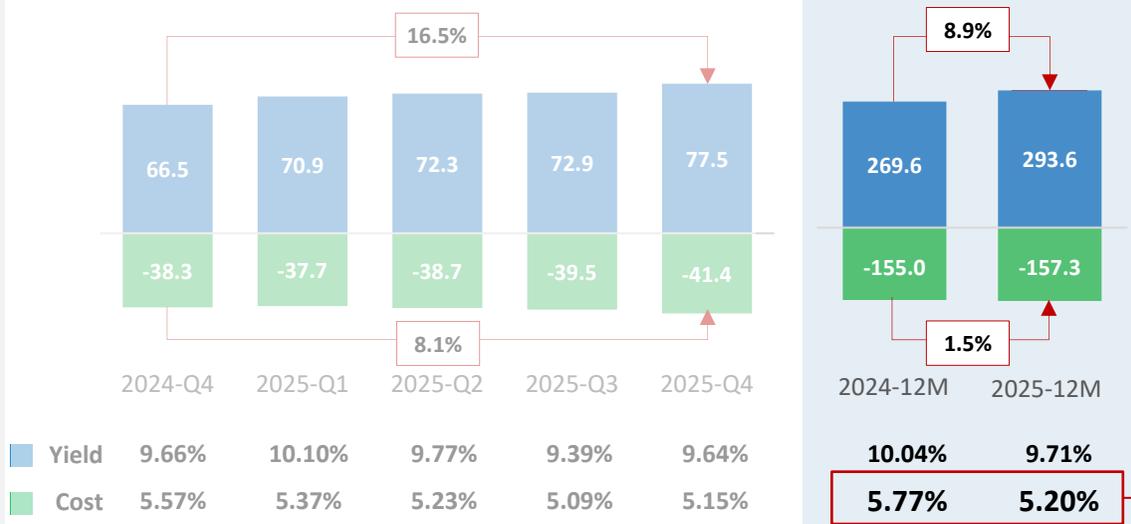
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# NII grew by 19.0% and 28.0% YoY for FY2025 and Q4 respectively

NIM and NII [LKR Bn]



Interest income and costs [LKR Bn]

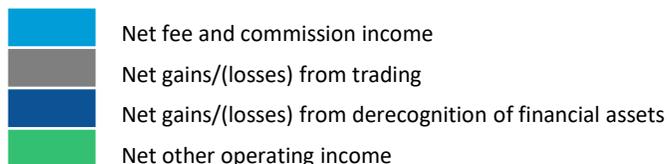
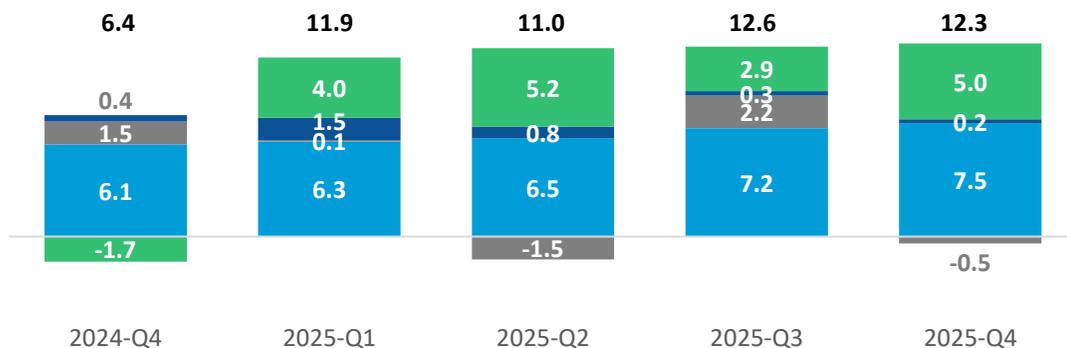


	2024	2025
Cost of funds	6.58%	5.99%
Cost of deposits	6.22%	5.62%
Cost of other IBL	10.67%	10.33%
Deposit %	91.75%	92.24%
Other IBL %	8.25%	7.76%
Funding to TA	87.71%	86.86%
<b>Cost of funds on TA</b>	<b>5.77%</b>	<b>5.20%</b>

# Robust non-NII growth on higher Fees and Other Operating Income

## Other operating income [LKR Bn]

[LKR Bn]	2024	2025				12M		YoY Δ	
	4Q*	1Q	2Q	3Q	4Q	2024	2025	4Q	12M
<b>Bank</b>									
Net fee and com. income	6.1	6.3	6.5	7.2	7.5	22.5	27.5	23.2%	22.0%
Net gains/(losses) trading	1.5	0.1	-1.5	2.2	-0.5	-2.2	0.3	-129.8%	112.4%
Net gains/(losses) from derecog. of fin. assets	0.4	1.5	0.8	0.3	0.2	4.1	2.8	-41.2%	-31.4%
Net other op.income	-1.7	4.0	5.2	2.9	5.0	7.3	17.2	403.1%	134.4%
<b>Total</b>	<b>6.4</b>	<b>11.9</b>	<b>11.0</b>	<b>12.6</b>	<b>12.3</b>	<b>31.7</b>	<b>47.7</b>	<b>93.7%</b>	<b>50.4%</b>



\*Adjusted for SLSB restructuring impacts

▪ Growth in Non NII was driven by higher fee and commission income together with net other operating income. Gains linked to government securities and derivative instruments moderated during 4QFY2025.

▪ **Net Fee and commission income grew by 22% in FY 2025**

- Primarily driven by increase in fee income related to loans and advances and credit/debit cards

▪ **Net gains/losses from trading and derecognition of financial assets**

- Net trading gains for the year improved significantly due to a sharp reduction in losses from derivative instruments and higher returns generated on the bond/bill portfolio and equity portfolio

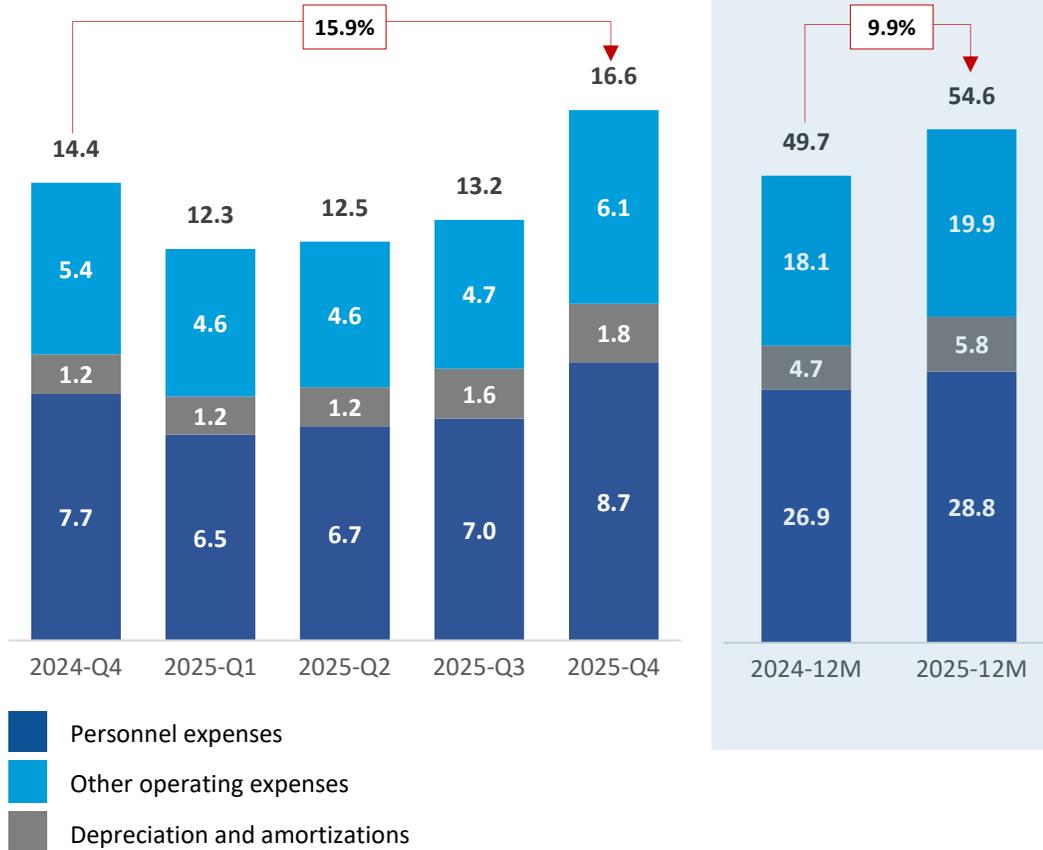
▪ **Net other operating income**

- Primarily driven by revaluation gains on foreign currency denominated assets and liabilities, which surged by Rs. 9.51 Bn. to Rs. 16.04 Bn. from Rs. 6.53 Bn. as a result of the Sri Lankan Rupee depreciation against the USD.

# Strong activity growth with disciplined cost management keeps cost-to-income under 30% during FY2025

## Operating expenses [LKR Bn]

<b>Cost to Income</b>	41.5%*	27.2%	28.1%	28.7%	34.3%
<b>Cost to TA</b>	2.08%	1.75%	1.69%	1.70%	2.07%

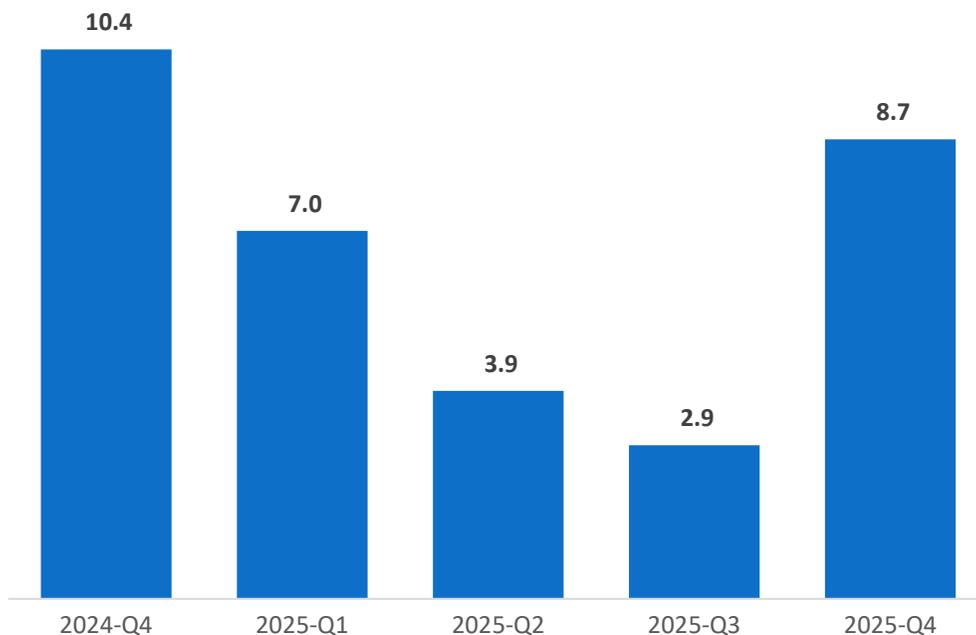


- Operating Leverage:** Despite aggressive portfolio expansion, operating expense growth was contained at 9.94% for the full year (15.9% YoY Q4), demonstrating strong scale efficiency.
- Personnel Expenses:** A primary driver of discipline was the management of personnel costs, which rose only 7.16% with a lean headcount growth of 265, achieving significant operating leverage despite large-scale operations.
- Depreciation Costs:** Growth in depreciation and amortization mirrored the Bank's sustained commitment to upgrading both physical and digital infrastructure for future scale.
- Other opex:** Increases in other operating expenses were driven by essential spending on professional services, maintenance, occupancy, and mandatory deposit insurance charges.
- Improved Cost Efficiency:** Widening "operating jaws" led to a significant reduction in the Cost-to-Income Ratio, which dropped to 29.7% from 33.9% in FY2024.
- Asset Efficiency:** The Bank's ability to scale was further reflected in the cost-to-average assets ratio, which improved to 1.81% in FY2025 from 1.85% in the prior year.

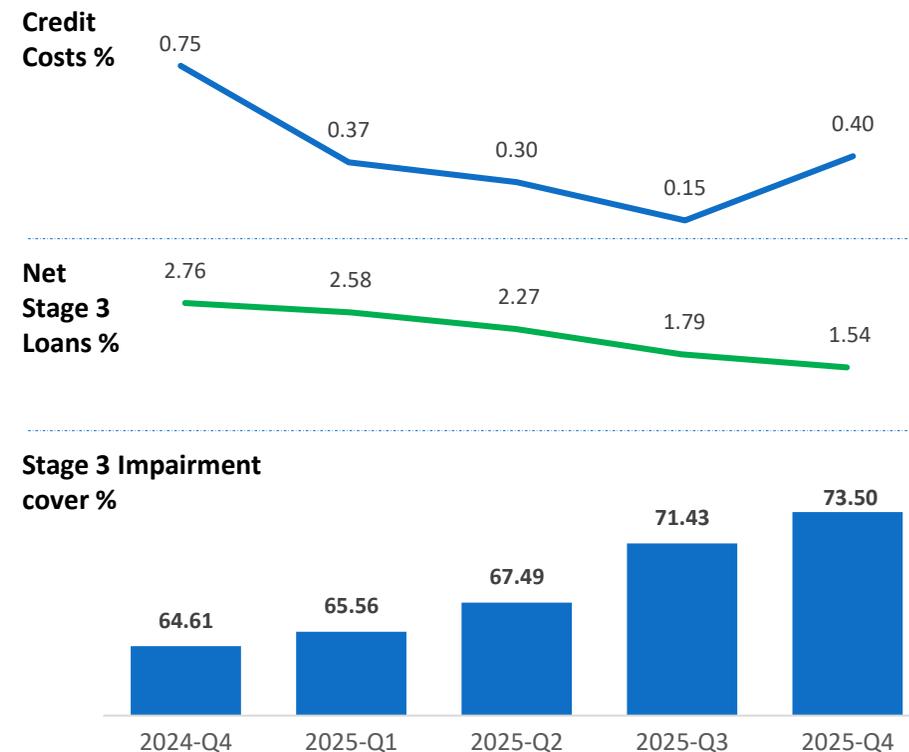
\*Adjusted for provision on SLSB

## Stronger Buffers supported an improvement in Credit quality in 2025

Impairment charge: Net of Recoveries – [LKR Bn]



Credit Quality Metrics



- Credit quality strengthened further, driven by favorable macro economic conditions and disciplined underwriting.
- Credit costs increased vs. 3QFY2025 due to higher Stage 3 coverage adopted as a prudential measure and additional provisions (LKR 1.2 Bn) related to the cyclone Ditwah, with FY2025 credit costs at 1.2%.
- Improvement in the Gross Stage 3 ratio [6.3% in 4QFY2025 vs 8.6% end 2024] and higher provisions made during the period along with the growth in the loan book led to a 122 bps improvement in the Net Stage 3 loan ratio compared to FY2024.

# Stronger Buffers supported an improvement in Credit quality in 2025

Macro

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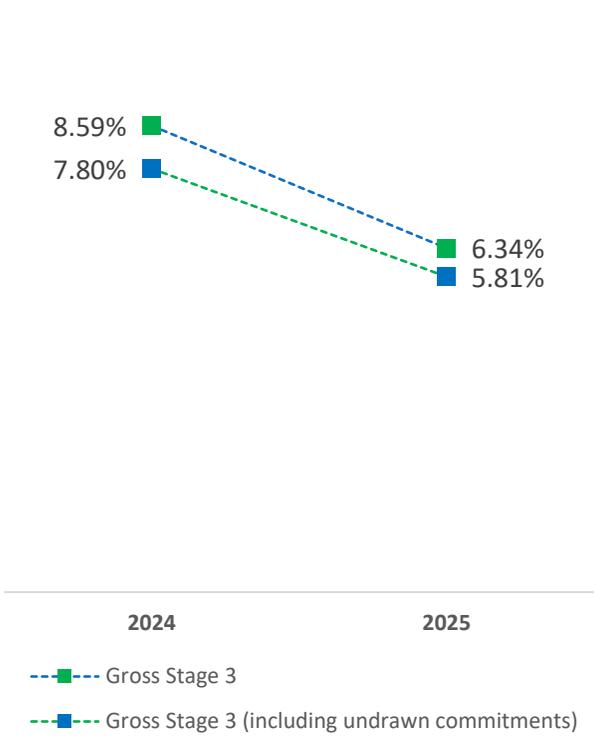
Capital

Dividend

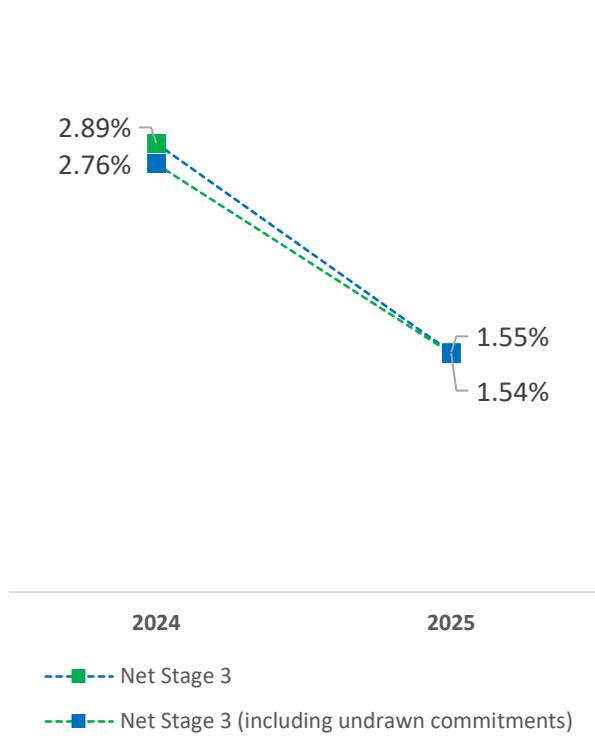
Digital Pillar

Sustainability

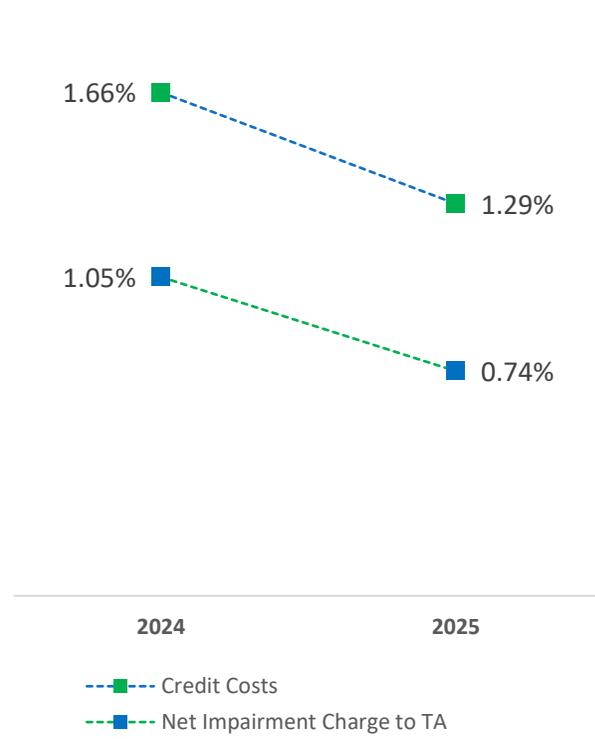
Gross Stage 3 Ratio



Net Stage 3 Ratio



Credit Costs and Impairment Charge



- Credit quality strengthened further, driven by favorable macro economic conditions and disciplined underwriting.
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## Total assets grew 16.8%, led by loan growth of 37.5%

Macro

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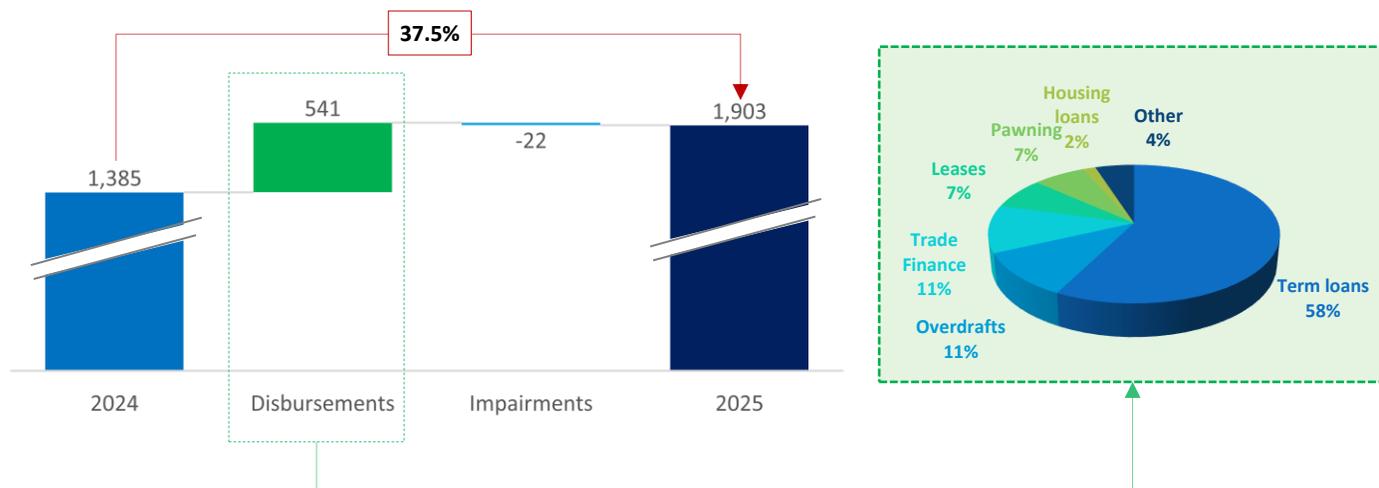
Sustainability

Financial Position [LKR Bn]	2024-Q4	2025-Q4	Δ
<b>Assets</b>			
Loans and advances	1,384.5	1,903.4	37.5%
Other financial assets	1,061.0	1,019.1	-3.9%
Cash and placements with banks	186.1	187.4	0.7%
Balances with Central Banks	45.7	38.8	-15.1%
Investments in subsidiaries and associates	5.9	7.0	18.9%
Other assets	106.6	102.3	-4.0%
<b>Total assets</b>	<b>2,789.8</b>	<b>3,257.9</b>	<b>16.8%</b>
<b>Liabilities</b>			
Deposits	2,236.6	2,608.9	16.6%
Other borrowings	148.1	154.6	4.4%
Other liabilities	129.9	170.2	31.0%
	<b>2,514.5</b>	<b>2,933.6</b>	<b>16.7%</b>
<b>Equity</b>			
Stated capital	88.0	91.6	4.0%
Retained earnings and other reserves	187.2	232.8	24.3%
	<b>275.3</b>	<b>324.3</b>	<b>17.8%</b>
<b>Liabilities and equity</b>	<b>2,789.8</b>	<b>3,257.9</b>	<b>16.8%</b>
<b>NAV (Rs)</b>	<b>170.9</b>	<b>198.3</b>	<b>16.0%</b>
<b>Tier 1 (%)</b>	<b>14.23</b>	<b>13.04</b>	
<b>Total Capital (%)</b>	<b>18.14</b>	<b>16.70</b>	

- Balance sheet grew by 16.8%, driven by healthy expansion of 37.5% growth in loans and advances.
- Deposits grew by 16.6%, led by growth in CASA.
- Tier 1 and Total Capital ratio declined due to the strong loan growth recorded during the year, but remain well above regulatory minimums.

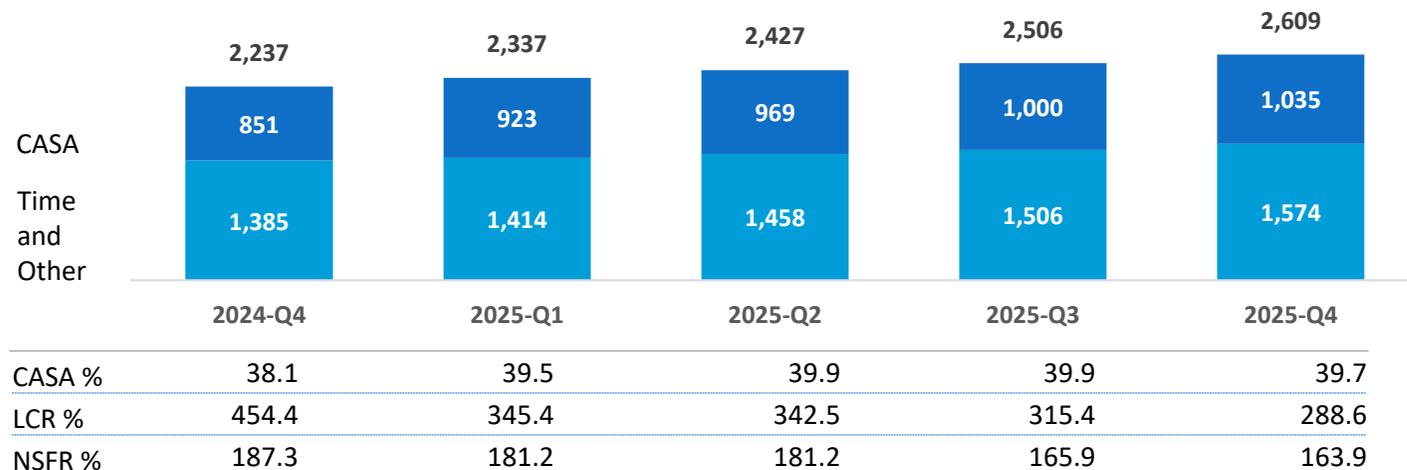
# Industry-leading Loan growth in 2025, alongside significant Deposit Expansion

Loans and advances [LKR Bn]



- Led loan growth in the industry.
- Disbursed LKR 541 Bn during 2025.
- Disbursements during the year driven by term loans, trade finance and overdraft linked loans.

Deposits [LKR Bn]



- Deposits recorded a 16.6% growth for the year.
- Growth was driven by CASA, which grew 21.5%, Time deposits grew 13.7%.
- CASA ratio improved by 159 bps to reach 39.65% (2024: 38.07%), remaining substantially higher than the industry average of 33.08%.
- Continued to maintain strong liquidity above minimum requirement.

# Loan growth driven by Wholesale and Retail Trade, Offshore Lending and Financial Services

Macro

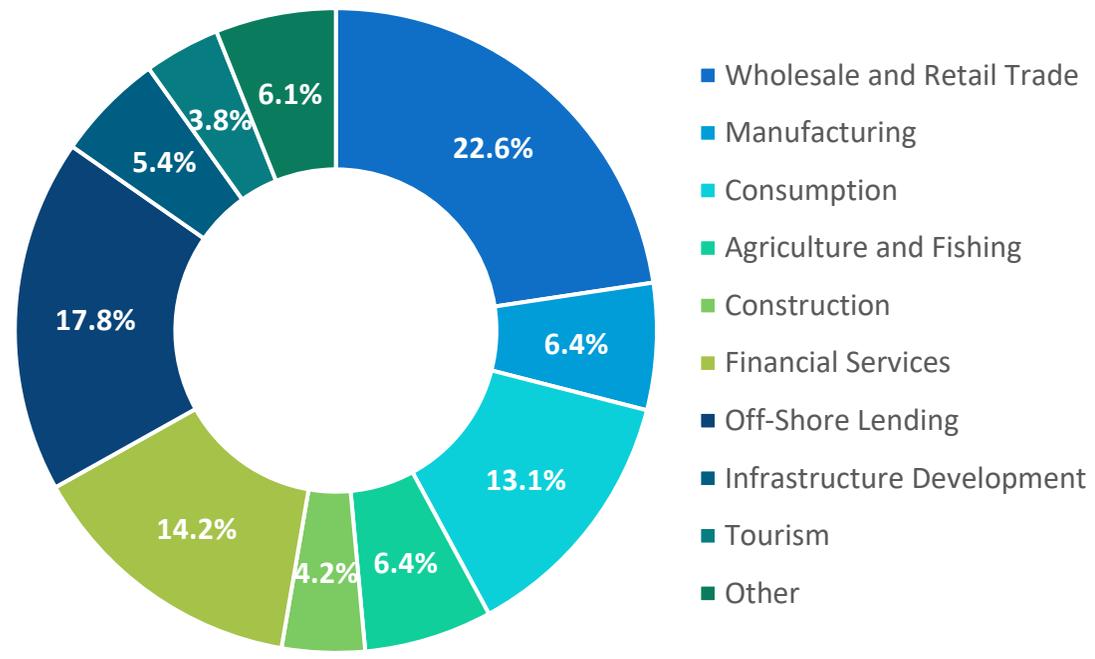
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## Loans Book Composition – 2024 vs 2025

	2024	2025
Wholesale and Retail Trade	20.8%	<b>21.3%</b>
Manufacturing	15.6%	<b>13.1%</b>
Consumption	10.4%	<b>11.1%</b>
Agricultures	9.8%	<b>8.9%</b>
Construction	10.0%	<b>8.4%</b>
Financial Services	4.4%	<b>7.0%</b>
Off-shore lending	15.7%	<b>16.2%</b>
Infrastructure development	3.5%	<b>4.0%</b>
Tourism	4.0%	<b>3.9%</b>
Other	5.9%	<b>5.9%</b>

## Contribution to Growth: 2025



# Overview of Bangladesh Performance

Macro

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Financial Performance - Highlights [BDT Bn]	12M		YoY Δ
	2024	2025	
Profit before tax	7.7	10.6	38.2%
Net profit	4.8	6.4	33.4%
<b>Key ratios</b>			
NIM	6.3%	5.7%	
ROA (After-Tax)	3.5%	4.0%	
Financial Position - Highlights [BDT Bn]	Dec-24	Dec-25	YTD Δ
Total assets	145.8	171.2	17.4%
Loans and advances (Net)	72.2	81.9	13.5%
Deposits	105.2	126.1	19.8%
<b>Loan book metrics</b>			
Net Stage 3 Ratio (%)	3.2%	1.0%	
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	83.8%	68.7%	
<i>Closing Ex.Rate (BDT/ USD)</i>	<i>119.5</i>	<i>122.2</i>	
<i>Average Ex.Rate (BDT / USD)</i>	<i>115.7</i>	<i>121.7</i>	

- Robust credit appetite fueled strong loan book growth in 4QFY2025.
- Profits for FY2025 grew primarily due to impairment reversals and reduction in opex.
- Credit quality improvement led to an impairment reversal in FY2025, supported by stronger recoveries.
- 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.

# ROE Strengthens in 2025, Sustained above Historical Levels

Macro

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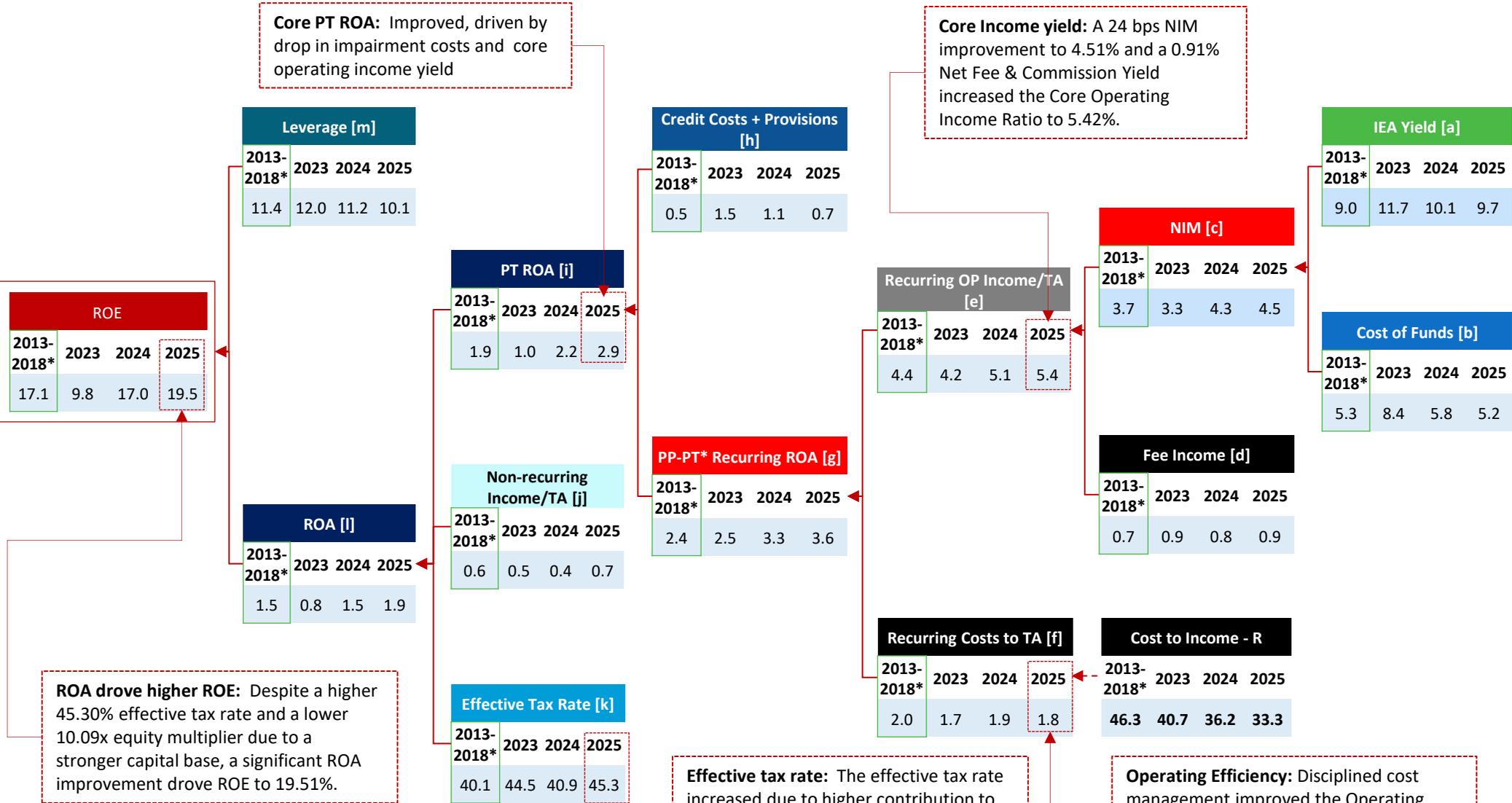
**ROE**

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

## Tier 1 Capital base supported by ROE generation

Macro

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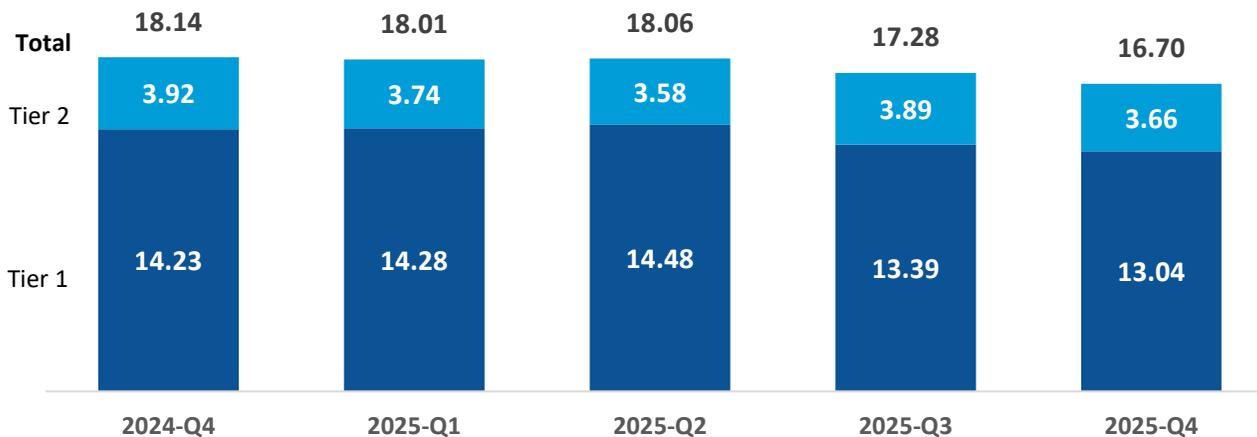
**Capital**

Dividend

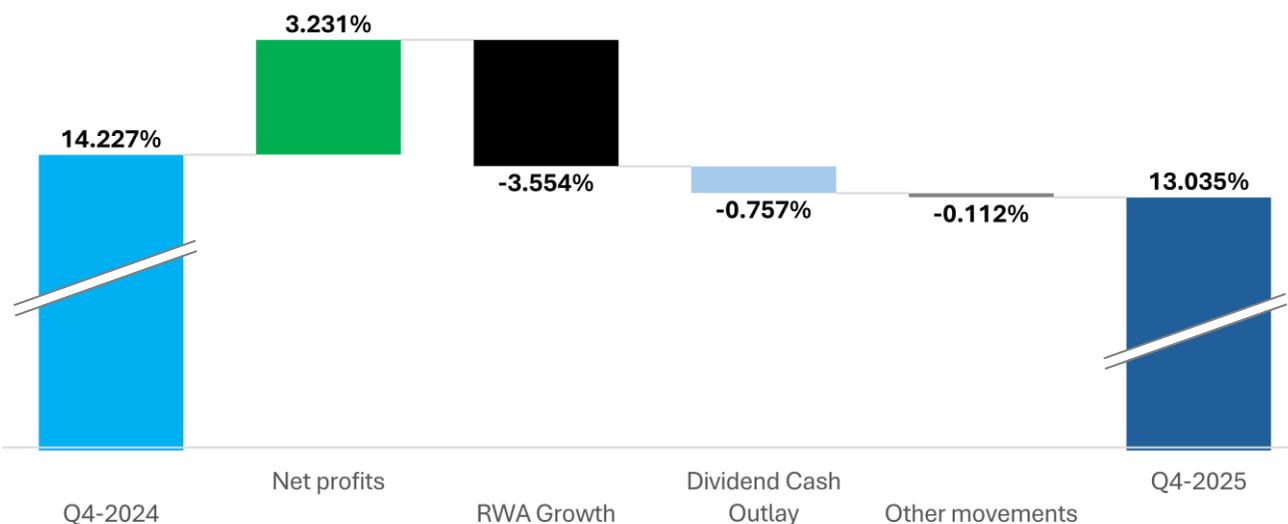
Digital Pillar

Sustainability

### Capital ratios [%]



### Tier 1 movement



- Internally generated funds supported by healthy ROE generation contributed 3.23% to the Tier-1 ratio during the year.
- However, the contribution from profit generation was offset due to a 29.98% increase in Risk-Weighted Assets (RWA) driven by robust credit growth which consumed 3.55% of capital.
- With more than 60% of net credit originating during the second half of the year, the full interest income cycle from these disbursements has not yet fully accrued to retained earnings, resulting in a net capital consumption of 0.323%.
- The Tier 2 capital was strengthened during the year with the issuance of a Green Bond Issue of LKR 15 Bn during the year.
- Despite Tier-01 moderation due to robust credit growth both ratios remained well above regulatory minimums of 10% and 14% respectively.

# Paying out 29% of Profit via Dividend Per Share of LKR 10.5 – Dividend Yield of 5.2%

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Per share	2024	2025
<b>Dividend</b>	<b>9.50</b>	<b>10.50</b>
Regular cash	5.50	8.00
Regular scrip	2.00	2.50
<i>Special cash</i>	<i>2.00</i>	<i>-</i>

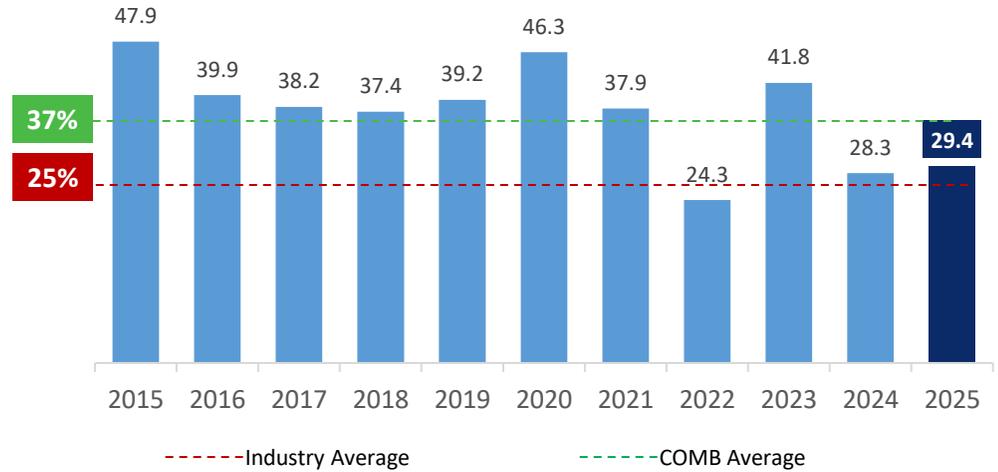
  

LKR Bn	2024	2025
<b>Dividend</b>	<b>15.3</b>	<b>17.2</b>
Regular cash	9.9	13.1
Scrip	3.2	4.1
Special cash	3.2	-

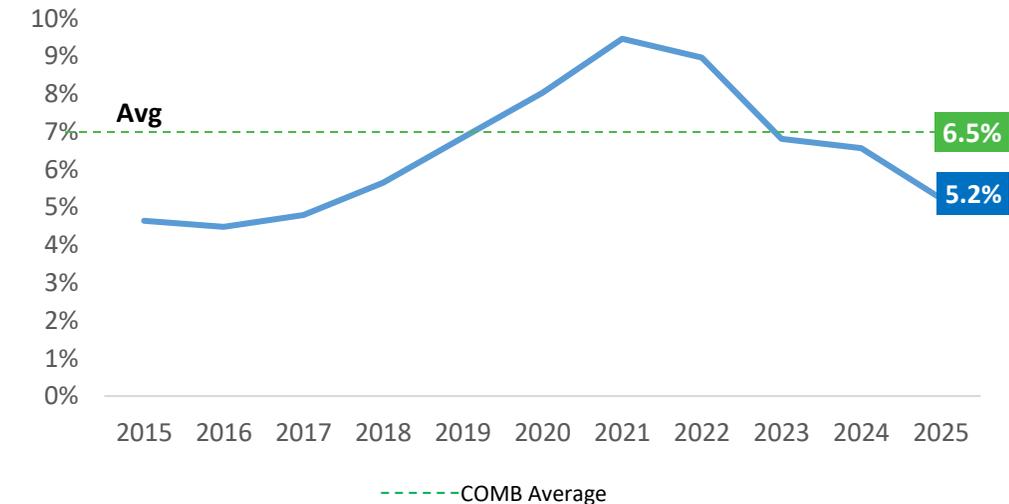
  

DPO	28.3%	29.4%
<b>5 Year Rolling Average</b>	<b>35.6%</b>	<b>32.3%</b>

**Dividend Payout Ratio [%]**



**Dividend Yield\***



\*Based on December 31<sup>st</sup> voting share price

# Digital Pillar

# Digital Footprint Continues to Expand, Ongoing Investments into Enhancing Digital Capabilities

## Digital Platforms

Making it easier for customers to enable users to **enjoy complete suite of financial services**

- **ComBank Digital:** State of the art integrated online platform (17% YoY growth in customer base & over 35% volume growth in 2025)
- **Flash Digital Bank Account:** A trilingual app (32% YoY growth in volume of transactions in 2025)
- **Q+ Payment App:** 1st QR based payment app to be certified under LANKAQR
- **RemitPlus:** Simplified worker remittances processes

### Corporate Web



8.0 Mn visits  
3.0 Mn users  
12.7 Mn page views

### ComBank Digital



1.8 Mn+ users

### E passbook



1.96 Mn+ users

Deploying the latest payment technology to **facilitate Business**

- Positioned as the most advanced android POS in SL (28% YoY growth in transaction value in 2025)
- LANKAQR Payment Facilitation (13% YoY growth in QR Merchant base and 115% YoY growth in QR transaction value in 2024)
- Preferred IPG partner (28% YoY growth in IPG volume and 12% YoY growth in IPG merchants in 2025)

### Q+ Payment App



237,000+ users

### Flash Digital Bank Account



77,106+ users

### Payment Technologies



# Sustainability Pillar

# Sustainability Framework

## Purpose

To be a responsible financial services provider by enabling and empowering people, enterprises and communities towards environmentally-responsible, socially-inclusive and economically-enriching growth

## 3-Pillar Approach to Sustainability

### SUSTAINABLE BANKING

Responsible Financing

Financial Inclusion

Sustainable Products and Services

### RESPONSIBLE ORGANIZATION

Green and Safe Workplace

Workplace Culture

Sustainable Supply Chain

### COMMUNITY ENGAGEMENT

Social Enterprise

Social Engagement

Environmental Engagement



## Guiding Principles and Standards:

- CBSL Roadmap for Sustainable Finance in SL
- CBSL Direction on Sustainable Finance Activities
- Sustainable Banking Principles of Sri Lanka Banks' Association
- United Nations Global Compact Principle
- UN Sustainable Development Goals
- GRI Standards – Issued by the Global Sustainability Standards Boards (GSSB)
- Sustainability Accounting Standards for Commercial Banks –
- Sustainability Accounting Standards Board (SASB) of the IFRS Foundation

## Memberships and Affiliations:

- Sri Lanka Banks' Association Sustainable Banking Initiative - Core Group Member
- UN Global Compact Sri Lanka - Steering Committee
- Biodiversity Sri Lanka
- United Nations Development Programme
- International Finance Corporation

# Sustainability initiatives and milestones

## Green Finance

- Committed for green finance up to Rs.100 Bn by 2030 [~USD 333 Mn]
- Green finance portfolio as at 31<sup>st</sup> December ~ LKR 71.2Bn [~USD 227.7 Mn]
- First bank to develop a Green Bond Framework: SPO by Sustainable Fitch
- The Tier 2 Green Bond issue of LKR 15 Bn was oversubscribed on the opening day of the issue. Up to 50% of the funds raised was allocated for refinancing of Eligible Green projects, while the remaining 50% of the funds will be allocated for granting new loans for the Eligible Green Projects.
- The issue enabled the bank to expand its Green Lending portfolio in the ordinary course of business over a period of twelve (12) months.



1<sup>st</sup> Sri Lankan Bank to become Carbon Neutral

## Environmental

- Our desire is to align our operations towards NetZero by 2050, supported by a climate transition plan. Sri Lanka's First 100% Carbon Neutral Bank
- Committed for green finance up to Rs.100 Bn by 2030.
- 100,000-tree planting campaign 'Trees for Tomorrow' with NWDB (This marks the second consecutive year of our 100,000-tree planting commitment under the 'Trees for Tomorrow' campaign — with this year's initiative launched in collaboration with NWDB)
- 100-Hectare Reforestation Project in Kandegama & Planted over 12,000 mangroves along a 1.25 Km stretch in Koggala Lagoon.
- Released 85,000 baby turtles into the sea at Panama beach.



1<sup>st</sup> Bank in SL to implement a Social & Environmental Management System (SEMS) in 2010

## Social

- Largest Lender to the SME Sector in Sri Lanka
- 54.45% female recruitment in year 2025
- CSR Trust surpassed Rs. 1.4 Bn. in total investment since inception, with over 74% of funds directed to education
- 193,276 training hours in 2024
- 67 CSR Projects & 277 Sustainability initiatives in 2024



United Nations Global Compact

1<sup>st</sup> SL Bank to become signatory to the 10 Principles of the UN Global Compact (UNGC) and the still the only Bank on the Steering Committee



Adoption of IFC Performance Standards.

## Governance

- Dedicated Committees to drive sustainability: Executive Sustainability Committee and Sustainability Working
- Anti-money laundering
- Compensation policies



1<sup>st</sup> Bank in SL to have a Green Financing Taxonomy, before regulation.