

CBC FINANCE LIMITED

(A FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC)

PUBLICATION OF INTERIM FINANCIAL STATEMENTS AS PER THE CENTRAL BANK GUIDELINE NO. 02 OF 2006

FitchRatings ^{STABLE} A (lka)

Key financial data for the 06 months ended 30 June	2025 *Unaudited (In Rupees Million)	As % of interest income	2024 Audited (In Rupees Million)	As % of interest income
Interest income	1,340.03	100.00%	1,075.32	100.00%
Interest expenses	(728.53)	-54.37%	(713.86)	-66.39%
Net interest income	611.50	45.63%	361.46	33.61%
Other income	224.05	16.72%	161.33	15.00%
Operating expenses	(491.02)	-36.64%	(366.83)	-34.11%
Impairment	(137.95)	-10.29%	(239.65)	-22.29%
Profit / (loss) before taxation	206.58	15.42%	(83.69)	-7.78%
Taxes	(139.15)	-10.38%	8.69	0.81%
Profit / (loss) for the period	67.43	5.03%	(75.00)	-6.97%

*The profit has been certified by the Company's external auditors

Key financial data as at 30 June	2025 Unaudited (In Rupees Million)	As % of total assets	2024 Audited (In Rupees Million)	As % of total assets
Assets				
Cash and bank balances	115.38	0.55%	76.90	0.51%
Government securities	1,806.45	8.69%	1,745.99	11.52%
Due from related parties	153.90	0.74%	114.97	0.76%
Loans	17,033.40	81.90%	11,658.09	76.94%
Investments in equity	2.36	0.01%	2.18	0.01%
Investment properties	700.00	3.37%	569.17	3.76%
Property, plant, equipment and right of use assets	528.08	2.54%	523.68	3.46%
Other assets	457.95	2.20%	461.08	3.04%
Total assets	20,797.52	100.00%	15,152.06	100.00%
Liabilities				
Due to banks	3,393.18	16.32%	490.50	3.24%
Due to related parties	2,192.70	10.54%	2,484.25	16.40%
Deposits from customers	10,327.96	49.66%	8,715.30	57.52%
Other liabilities	1,261.24	6.06%	559.66	3.69%
Total liabilities	17,175.08	82.58%	12,249.71	80.85%
Equity				
Stated capital	3,755.00	18.06%	3,255.00	21.48%
Statutory reserve fund	37.41	0.18%	33.33	0.22%
Retained earnings	(502.26)	-2.42%	(543.00)	-3.58%
Other reserves	332.29	1.60%	157.02	1.04%
Total equity	3,622.44	17.42%	2,902.35	19.15%
Total liabilities and equity	20,797.52	100.00%	15,152.06	100.00%
Net assets value per share (Rupees)	14.02		13.09	

Selected key performance indicators as at 30 June	2025 Unaudited		2024 Audited	
Regulatory Capital Adequacy (%)	Actual	Required	Actual	Required
Tier 1 capital adequacy ratio	15.98	8.50	16.57	8.50
Total capital adequacy ratio	15.98	12.50	16.57	12.50
Capital funds to deposit liabilities ratio	41.03	10.00	27.44	10.00
Quality of Loan Portfolio (%)				
Gross stage 03 loans ratio	21.33		28.27	
Net stage 03 loans ratio	12.91		17.43	
Net stage 03 loans to core capital ratio	75.46		99.55	
Stage 03 impairment coverage ratio	39.48		38.35	
Total impairment coverage ratio	10.14		13.10	
Profitability (%)				
Net interest margin	6.68		5.30	
Return on assets	2.24		-1.45	
Return on equity	3.84		-5.12	
Cost to income ratio	58.77		70.17	
Liquidity (%)				
Available liquid assets to required liquid assets (minimum 100%)	147.97		179.00	
Liquid assets to external funds	12.99		16.00	
Memorandum Information				
Number of branches	19		16	
External credit rating (Fitch Ratings)	A(lka) Stable		BBB+(lka) Stable	
There are no regulatory restrictions imposed by the Central Bank of Sri Lanka on the operations of the Company.				

Certification

We, the undersigned, being the Managing Director / Chief Executive Officer, the Head of Finance and the Compliance Officer of CBC Finance Limited certify jointly that:

- (A) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka (CBSL)
- (B) The information contained in these statements has been extracted from the unaudited financial statements of the Company unless indicated as audited.

.....(Sgd.)

Chamilantha Fernando

Managing Director / Chief Executive Officer

Date:- 27.08.2028

.....(Sgd.)

Purna Kandamarachchi

Head of Finance

Date:- 27.08.2025

.....(Sgd.)

Mahasen Kamathewatte

Compliance Officer

Date:- 27.08.2025

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