

SMB FINANCE PLC

PUBLICATION OF FINANCIAL STATEMENTS AS PER SECTION 29 (5) OF THE FINANCE BUSINESS ACT NO. 42 OF 2011

Key Financial Data for the Period Ended June 30 (Unaudited)				
In Rupees Millions	Current Period		Previous Period	
	From 01.01.2026 to 30.06.2026	As a % of Interest Income	From 01.01.2025 to 30.06.2025	As a % of Interest Income
Interest Income	341	100.0%	299	100.0%
Interest Expenses	(126)	37.0%	(97)	32.4%
Net Interest Income	215	63.3%	202	67.6%
Fee and Commission Income	4	1.2%	7	2.5%
Gains / (losses) From Trading Activities	-	0.0%	-	0.0%
Other Income	3	1.0%	9	3.1%
Operating Expenses (excluding impairment)	(220)	64.6%	(189)	63.2%
Impairment	139	40.7%	41	13.7%
Profit / (Loss) Before Tax	142	41.6%	70	23.6%
VAT on FS & SSCL	(43)	12.7%	(27)	9.0%
Income Tax	(20)	5.8%	(4)	1.2%
Share of Profit / (Loss) of Associate Company	-	0.0%	-	0.0%
Profit / (Loss) After Tax	79	23.1%	39	13.1%

Key Financial Data as at June 30 (Unaudited)				
In Rupees Millions	As at 30.06.2026	As a % of Total Assets	As at 30.06.2025	As a % of Total Assets
Assets				
Cash and Bank Balance	46	0.7%	47	0.7%
Government Securities	262	3.7%	122	1.9%
Placements with Banks	2,671	37.9%	2,655	40.8%
Due from Related Parties	213	3.0%	1	0.0%
Loans (excluding due from related parties)	2,019	28.7%	2,280	35.1%
Financial Investments	165	2.3%	150	2.3%
Investments in Equity	-	0.0%	-	0.0%
Investment Properties	1,184	16.8%	729	11.2%
Property, Plant & Equipment	59	0.8%	77	1.2%
Intangible Asset	263	3.7%	266	4.1%
Other Assets	168	2.4%	174	2.7%
Total Assets	7,050	100.0%	6,501	100.0%
Liabilities				
Due to Banks	2,456	34.9%	2,226	34.2%
Due to Related Parties	10	0.1%	4	0.1%
Deposits from Customers	331	4.7%	271	4.2%
Other Borrowings	143	2.0%	138	2.1%
Other Liabilities	225	3.2%	185	2.8%
Total Liabilities	3,165	44.9%	2,824	43.4%
Equity				
Stated Capital	3,063	43.4%	3,063	47.1%
Statutory Reserve Fund	63	0.9%	55	0.9%
Retained Earnings	682	9.7%	490	7.5%
Other Reserves	77	1.1%	69	1.1%
Total Equity	3,885	55.1%	3,677	56.6%
Total Equity and Liabilities	7,050	100.0%	6,501	100.0%
Net Assets Value Per Share (Rs.)	0.41		0.38	

Selected key performance indicators				
Item	As at 30.06.2026		As at 30.06.2025	
	Actual	Required	Actual	Required
Regulatory Capital Adequacy				
Tier 1 Capital Adequacy Ratio	77.51%	8.5%	81.53%	8.5%
Total Capital Adequacy Ratio	76.88%	12.5%	80.86%	12.5%
Capital Funds to Deposit Liabilities Ratio	985.93%	10.0%	1206.69%	10.0%
Quality of Loan Portfolio				
Gross Stage 3 Loans Ratio	17.11%		31.99%	
Net Stage 3 Loans Ratio	7.82%		15.04%	
Net Stage 3 Loans to Core Capital Ratio	5.91%		13.34%	
Stage 3 Impairment Coverage Ratio	54.29%		52.98%	
Total Impairment Coverage Ratio	12.21%		22.42%	
Profitability				
Net Interest Margin	6.11%		6.23%	
Return on Assets	4.0%		2.2%	
Return on Equity	4.05%		2.12%	
Cost to Income Ratio	98.65%		86.08%	
Liquidity				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	981.48%		1033.08%	
Liquid Assets to External Funds	16.68%		16.78%	
Memorandum Information				
Number of Branches	9		9	
External Credit Rating	BB		BB	

The Company did not have any regulatory penalties imposed and restrictions on deposits, borrowings and lending for the period ended 30 June 2026.

Re-classification of non-performing accommodations has been done in accordance to the guidelines issued by the Central Bank of Sri Lanka.

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer (Acting), the Head of Finance (Acting) and the Compliance Officer of SMB Finance PLC certify jointly that:

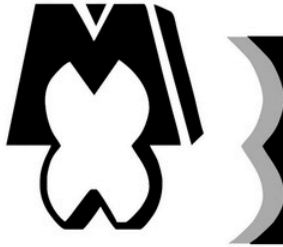
(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka (CBSL);

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

(Sgd)
Nigel Wijesinghe
Chief Executive Officer (Acting)
24 August 2026

(Sgd)
Menaka Silva
Head of Finance (Acting)
24 August 2026

(Sgd)
Randulani Godage
Manager - Compliance
24 August 2026



SMB FINANCE PLC
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No : 50,1/1, Galle Road, Ambalangoda. | No: 214, George R. De Silva Mawatha, Colombo 13. | No: 362, Galle Road, Colombo 06.

Licensed by the Governing Board of the Central Bank of Sri Lanka under the Finance Business Act No.42 of 2011

Rated BB by Lanka Rating Agency Limited

E-mail : info@smbk.com | Web : www.smbk.com

Date of Incorporation : 3 September 1992
Registration Number : PQ 91