



# EMPOWERING PROGRESS

## INTERIM FINANCIAL STATEMENTS

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FOR THE QUARTER ENDED 31 MARCH 2026



Classification : Public

## **Cargills Bank posts Profit after Tax Rs. 105 Million for the quarter ended 31 March 2026**

### **Financial Highlights**

- Profit after tax stands at Rs. 105 Mn for the quarter
- Total Capital Ratio at 19.01%
- Net loan book grows by 6% (Rs. 3.8 Bn) compared to December 2025 to reach Rs. 67 Bn (YoY growth of 37%)
- The stage 3 loans (net of stage 3 impairment) to total loans ratio at 6.44%
- Total assets grow by 6% compared to December 2025 to reach Rs. 97.5 Bn (YoY growth of 19%)
- Successfully raised equity capital of Rs. 2.5 Bn through a Rights Issue

Cargills Bank's results for the quarter ended 31 March 2026 reported a profit before tax of Rs. 185 Mn reflecting 42% drop when compared to the corresponding quarter in 2025 mainly due to a significant reduction in total other income, which decreased by Rs. 381 Mn. The decrease in total other income was partially overcome by increase in the net interest income.

Net interest income rose to Rs. 1,041 Mn, a 20% increase over Q1 2025. This growth was primarily driven by loan growth reinforced with a strategic focus on repricing of deposits and advances to reflect the market conditions to manage the NIM in an optimal manner, as reflected by the increase in NIM from 4.38% in Q1 2025 to 4.46% in the quarter under review.

Net fee and commission income recorded a marginal decrease of Rs. 7 Mn compared to corresponding quarter in 2025. This 3% decrease was impacted by one-off items included in fee income related to loans and advances in Q1 2025, as well as a marginal reduction in trade related fee income this quarter.

Similarly, total other income for the period decreased by 96% to Rs. 15 Mn. This was largely due to higher realized capital gains on the derecognition of financial assets and net gains from financial assets at fair value through profit or loss reported in Q1 2025.

Total operating expenses increased by 7% to Rs. 979 Mn. Personnel expenses rose by 15% due to salary increments and adjustments aimed at reflecting market conditions and retaining talent. Depreciation and amortization grew by 36%, primarily driven by investments in information technology and other infrastructure upgrades. The Bank's Cost-to-Income Ratio stood at 75%, an increase from 71% in the corresponding period in 2025.

The Bank significantly narrowed its Other Comprehensive Loss to Rs. 60.4 Mn, an 80% improvement from the Rs. 307.3 Mn loss in Q1 2025. This was supported by lower fair value losses on financial assets measured at fair value through OCI. Consequently, Total Comprehensive Income turned positive at Rs. 44.4 Mn, reflecting a 131% recovery in comparison to the corresponding period in 2025.

The Banking segment of the operating segments was the primary driver of performance, with operating profit before taxes rising to Rs. 282 Mn from Rs. 129 Mn in Q1 2025. This growth was fueled by a 36% increase in segment net interest income, which reached Rs. 944 Mn. The Treasury and Investments segment contributed Rs. 18 Mn in operating profit before tax, a decrease from the previous period's high base of Rs. 362 Mn. This decrease was primarily due to lower realized capital gains on the derecognition of financial assets and reduced net gains from financial assets at fair value through profit or loss.

The Bank demonstrated significant improvement in asset quality through rigorous scrutiny and recovery actions. Total impairment charge for the quarter was Rs. 24 Mn, representing a decrease of Rs. 102 Mn from the Rs. 126 Mn charge in Q1 2025.

The Bank's Stage 3 Loans (Net of Stage 3 Impairment) to Total Loans Ratio improved to 6.44% as of 31 March 2026 from 6.52% in December 2025 and 8.18% in March 2025. The Stage 3 Provision Cover was maintained at 44.64% vs 45.65% as at end 2025.

Cargills Bank continues to maintain Capital Adequacy and Liquid Assets Ratios well within regulatory requirements. The Total Capital Ratio improved to 19.01% from 17.12% as at end 2025, providing a solid buffer for future growth. The Liquidity Coverage Ratio (LCR) - Rupee was at 212.26% while the LCR - All Currency was at 192.19%. The Net Stable Funding Ratio (NSFR) stood at 128.51% as at the reporting date.

Total assets of the Bank as of 31 March 2026 at Rs. 97.5 Bn reflected an increase of Rs. 5.8 Bn or 6% since December 2025 (YoY growth of 19% since March 2025). The net loan book posted a steady growth of Rs. 3.8 Bn or 6%, from Rs. 63.1 Bn to Rs. 67 Bn (YoY growth of 37% since March 2025).

Customer deposits grew by 5% to reach Rs. 69.4 Bn as at the reporting date (YoY growth of 22% since March 2025), reflecting deepening customer trust, successful deposit mobilization strategies and onboarding new customers.

During the quarter under review, the Bank successfully raised equity capital of Rs. 2.5 Bn by way of a Rights issue of ordinary voting shares with the objectives of meeting regulatory requirements, enhancing its capital base and to support loan growth. In concluding this exercise, the trust and confidence placed by the investors is appreciated and acknowledged.

## Cargills Bank PLC

### Statement of Profit or Loss

	For the Quarter ended		
	31-Mar-26 Rs. '000	31-Mar-25 Rs. '000	Change %
Interest income	2,457,241	2,081,379	18
Interest expenses	(1,416,395)	(1,215,958)	(16)
<b>Net interest income</b>	<b>1,040,846</b>	<b>865,421</b>	<b>20</b>
Fees and commission income	359,263	392,968	(9)
Fees and commission expenses	(111,789)	(138,546)	19
<b>Net fees and commission income</b>	<b>247,474</b>	<b>254,422</b>	<b>(3)</b>
Net gains/(losses) from trading	(1,200)	(26)	(4,515)
Net gains/(losses) from financial assets at fair value through profit or loss	-	46,336	(100)
Net gains/(losses) from derecognition of financial assets	104	338,324	(100)
Net other operating income	15,960	26,839	(41)
<b>Total other income</b>	<b>14,864</b>	<b>411,473</b>	<b>(96)</b>
<b>Total operating income</b>	<b>1,303,184</b>	<b>1,531,316</b>	<b>(15)</b>
<b>Impairment (charges)/reversals for loans and other losses</b>	<b>(24,182)</b>	<b>(126,218)</b>	<b>81</b>
<b>Net operating income</b>	<b>1,279,002</b>	<b>1,405,098</b>	<b>(9)</b>
Personnel expenses	(421,265)	(366,348)	(15)
Depreciation and amortization	(110,685)	(81,384)	(36)
Other operating expenses	(447,239)	(466,827)	4
<b>Total operating expenses</b>	<b>(979,189)</b>	<b>(914,559)</b>	<b>(7)</b>
<b>Operating profit before taxes on financial services</b>	<b>299,813</b>	<b>490,539</b>	<b>(39)</b>
Taxes on financial services	(114,370)	(170,742)	33
<b>Profit before tax</b>	<b>185,443</b>	<b>319,797</b>	<b>(42)</b>
Income tax expenses	(80,602)	(157,453)	49
<b>Profit for the period</b>	<b>104,841</b>	<b>162,344</b>	<b>(35)</b>
<b>Attributable to:</b>			
Equity holders of the Bank	104,841	162,344	(35)
Non-controlling interest	-	-	-
<b>Profit for the period</b>	<b>104,841</b>	<b>162,344</b>	<b>(35)</b>
<b>Basic earnings per share (Rs.)</b>	<b>0.11</b>	<b>0.17</b>	<b>(36)</b>
<b>Diluted earning per share (Rs.)</b>	<b>0.11</b>	<b>0.17</b>	<b>(36)</b>

## Cargills Bank PLC

### Statement of Profit or Loss and Other Comprehensive Income

	For the Quarter ended		
	31-Mar-26 Rs. '000	31-Mar-25 Rs. '000	Change %
<b>Profit for the period</b>	<b>104,841</b>	162,344	(35)
<b>Other comprehensive income, net of tax</b>			
<b>Items that will never be reclassified to profit or loss</b>			
Net actuarial gains/(losses) on defined benefit obligations	-	-	-
Change in fair value of investment in equity instruments measured at fair value through other comprehensive income	-	-	-
Deferred tax charge/(reversal) related to the above	-	-	-
	-	-	-
<b>Items that are or may be reclassified to profit or loss</b>			
<b>Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income</b>			
Fair value gains/(losses) that arose during the period	(86,195)	(100,717)	14
Fair value (gains)/losses realised to Statement of Profit or Loss on disposal	(104)	(338,324)	100
<b>Net gains/(losses) on re-measuring Financial Instruments at FVOCI</b>	<b>(86,299)</b>	(439,041)	80
Deferred tax (charge)/ reversal related to the above	25,890	131,712	(80)
<b>Net other comprehensive income/(loss) for the period on items that are or may be reclassified to Statement of Profit or Loss</b>	<b>(60,409)</b>	(307,329)	80
<b>Total other comprehensive income/(loss) for the period, net of tax</b>	<b>(60,409)</b>	(307,329)	80
<b>Total comprehensive income/(loss) for the period, net of tax</b>	<b>44,432</b>	(144,985)	131
<b>Attributable to:</b>			
Equity holders of the Bank	44,432	(144,985)	131
Non-controlling interest	-	-	-
<b>Total comprehensive income/(loss) for the period, net of tax</b>	<b>44,432</b>	(144,985)	131

**Cargills Bank PLC**  
**Statement of Financial Position**

As at	31-Mar-26 Rs. '000	31-Dec-25 (Audited) Rs. '000	Growth %
<b>Assets</b>			
Cash and cash equivalents	2,388,312	3,436,287	(30)
Balances with Central Bank of Sri Lanka	1,290,707	1,175,982	10
Placements with banks	1,736,357	-	-
Securities purchased under resale agreements	501,184	300,144	67
Derivative financial assets	-	1,380	100
Financial assets measured at fair value through profit or loss	100,000	-	-
Financial assets at amortised costs - Loans and advances to other customers	66,957,514	63,121,257	6
Financial assets at amortised costs - Debt and other financial instruments	4,518,774	4,531,863	(0)
Financial assets measured at fair value through other comprehensive income	16,516,190	15,836,333	4
Property, plant & equipment and right-of-use assets	1,060,193	883,217	20
Intangible assets	208,310	218,214	(5)
Deferred tax assets	703,005	683,336	3
Other assets	1,529,007	1,535,338	(0)
<b>Total assets</b>	<b>97,509,553</b>	<b>91,723,351</b>	<b>6</b>
<b>Liabilities and equity</b>			
Due to banks	7,638,447	8,207,261	(7)
Derivative financial liabilities	-	180	100
Other financial liabilities at fair value through profit or loss	-	-	-
Financial liabilities at amortised cost - Due to depositors	69,420,296	66,190,039	5
Financial liabilities at amortised cost - Due to other borrowers	1,538,072	1,500,000	3
Retirement benefit obligation	195,275	188,940	3
Lease liability	644,193	566,231	14
Other liabilities	3,431,273	2,948,460	16
<b>Total liabilities</b>	<b>82,867,557</b>	<b>79,601,111</b>	<b>4</b>
<b>Equity</b>			
Stated capital	14,395,121	11,894,421	21
Statutory reserves fund	138,392	138,392	-
Fair value through other comprehensive income reserve	94,972	155,382	(39)
Retained earnings/(losses)	13,511	(65,955)	120
<b>Total equity attributable to equity holders of the Bank</b>	<b>14,641,996</b>	<b>12,122,240</b>	<b>21</b>
<b>Non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>14,641,996</b>	<b>12,122,240</b>	<b>21</b>
<b>Total liabilities and equity</b>	<b>97,509,553</b>	<b>91,723,351</b>	<b>6</b>
<b>Contingent liabilities &amp; commitments</b>	<b>24,507,560</b>	<b>21,991,326</b>	<b>11</b>
<b>Net assets value per share (Rs.)</b>	<b>11.81</b>	<b>12.82</b>	<b>(8)</b>
<b>Memorandum information:</b>			
No. of employees	713	715	
No. of branches	26	26	

**Certification:**

Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

Sgd.

**D. Gajanayaka**

Assistant General Manager - Finance

We, the undersigned, being the Managing Director and the Chairman of Cargills 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, unless indicated as audited.

Sgd.

**K. B. S. Bandara**

Managing Director/Chief Executive Officer

Sgd.

**H. A. Pieris**

Chairman

14 May 2026

Colombo

**Cargills Bank PLC**  
**Statement of Changes in Equity**

	Stated capital	Statutory reserve	Fair Value through other comprehensive income reserve	Retained earnings/(losses)	Total
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Balance as at 01.01.2025 - Audited</b>	<b>11,894,421</b>	<b>111,315</b>	<b>737,445</b>	<b>(575,548)</b>	<b>12,167,633</b>
<b>Total comprehensive income for the period ended 31.03.2025</b>					
Profit for the period	-	-	-	162,344	162,344
Other comprehensive income/(loss), net of tax	-	-	(307,329)	-	(307,329)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>(307,329)</b>	<b>162,344</b>	<b>(144,985)</b>
<b>Transactions with owners in their capacity as owners</b>					
Transfer to the statutory reserve fund	-	-	-	-	-
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31.03.2025</b>	<b>11,894,421</b>	<b>111,315</b>	<b>430,116</b>	<b>(413,204)</b>	<b>12,022,648</b>
<b>Total comprehensive income for the period from 01.04.2025 to 31.12.2025</b>					
Profit for the period	-	-	-	379,202	379,202
Other comprehensive income/(loss), net of tax	-	-	(274,734)	(4,876)	(279,610)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>(274,734)</b>	<b>374,326</b>	<b>99,592</b>
<b>Transactions with owners in their capacity as owners</b>					
Transfer to the statutory reserve fund	-	27,077	-	(27,077)	-
<b>Total transactions with owners</b>	<b>-</b>	<b>27,077</b>	<b>-</b>	<b>(27,077)</b>	<b>-</b>
<b>Balance as at 31.12.2025 - Audited</b>	<b>11,894,421</b>	<b>138,392</b>	<b>155,382</b>	<b>(65,955)</b>	<b>12,122,240</b>
<b>Total comprehensive income for the period ended 31.03.2026</b>					
Profit for the period	-	-	-	104,841	104,841
Other comprehensive income/(loss), net of tax	-	-	(60,410)	-	(60,410)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>(60,410)</b>	<b>104,841</b>	<b>44,431</b>
<b>Transactions with owners in their capacity as owners</b>					
Rights issue of Ordinary Shares	2,500,700	-	-	-	2,500,700
Rights issue expenses	-	-	-	(25,381)	(25,381)
<b>Total Contributions and distributions</b>	<b>2,500,700</b>	<b>-</b>	<b>-</b>	<b>(25,381)</b>	<b>2,475,319</b>
<b>Balance as at 31.03.2026</b>	<b>14,395,121</b>	<b>138,392</b>	<b>94,972</b>	<b>13,511</b>	<b>14,641,996</b>

**Cargills Bank PLC**  
**Statement of Cash Flows**

	For the period ended	
	31-Mar-26	31-Mar-25
	Rs. '000	Rs. '000
<b><i>Cash flows from operating activities</i></b>		
Profit before income tax	185,443	319,797
<b><i>Adjustments for:</i></b>		
Non-cash items included in profit/(loss) before tax	209,914	240,517
Income tax paid	(95,802)	(104,914)
Interest paid on lease liability	(19,161)	(20,919)
Benefits paid on defined benefit plan	(1,379)	(454)
Change in operating assets	(6,802,704)	(2,098,632)
Change in operating liabilities	3,247,911	1,994,659
<b>Net cash generated from/(used in) operating activities</b>	<b>(3,275,778)</b>	<b>330,055</b>
<b><i>Cash flows from investing activities</i></b>		
Net purchase of property, plant and equipment	(263,999)	(27,065)
Net purchase of intangible assets	(13,757)	(10,775)
<b>Net cash generated from/(used in) investing activities</b>	<b>(277,756)</b>	<b>(37,839)</b>
<b><i>Cash flows from financing activities</i></b>		
Proceeds from Rights issue	2,500,700	-
Payment of lease liability	(53,101)	(42,373)
Interest paid	-	(87,404)
<b>Net cash generated from/(used in) financing activities</b>	<b>2,447,599</b>	<b>1,083,223</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,105,935)</b>	<b>162,439</b>
Cash and cash equivalents at the beginning of the period	3,509,896	1,743,581
<b>Cash and cash equivalents at the end of the period</b>	<b>2,403,961</b>	<b>1,906,022</b>
Less: Provision for impairment	(15,649)	(26,136)
<b>Cash and cash equivalents at the end of the period (Net)</b>	<b>2,388,312</b>	<b>1,879,885</b>

## Cargills Bank PLC

### Assets and Liabilities Measured at Fair Value - Fair Value Hierarchy

#### Fair Value Hierarchy

The Bank measures the fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement.

• **Level 1 : Fair value measurement using unadjusted quoted market prices**

Inputs that are quoted market prices (unadjusted) in an active market for identical instruments.

• **Level 2 : Fair value measurement using significant observable inputs**

Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using;

- (a) quoted prices in active markets for similar instruments,
- (b) quoted prices for identical or similar instruments in markets that are considered to be less active, or
- (c) other valuation techniques in which almost all significant inputs are directly or indirectly observable from market data.

• **Level 3 : Fair value measurement using significant unobservable inputs**

Inputs that are unobservable.

This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Bank believes that a third party market participant would take them into account in pricing a transaction.

#### Financial instruments measured at fair value - fair value hierarchy

The following table provides an analysis of assets and liabilities measured at fair value as at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. These amounts were based on the values recognised in the Statement of Financial Position:

	Level 1 Rs. '000	Level 2 Rs. '000	Level 3 Rs. '000	Total Rs. '000
<b>As at 31 March 2026</b>				
<b>Financial Assets</b>				
Derivative financial assets	-	-	-	-
Financial assets measured at fair value through profit or loss	-	100,000	-	100,000
Financial assets measured at fair value through other comprehensive income				
Government securities	16,489,125	-	-	16,489,125
Equity securities	-	-	27,065	27,065
<b>Total assets at fair value</b>	<b>16,489,125</b>	<b>100,000</b>	<b>27,065</b>	<b>16,616,190</b>
<b>Financial Liabilities</b>				
Derivative financial liabilities	-	-	-	-
<b>Total liabilities at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Level 1 Rs. '000	Level 2 Rs. '000	Level 3 Rs. '000	Total Rs. '000
<b>As at 31 December 2025 - Audited</b>				
<b>Financial Assets</b>				
Derivative financial liabilities	-	1,380	-	1,380
Financial assets measured at fair value through profit or loss	-	-	-	-
Financial assets measured at fair value through other comprehensive income				
Government securities	15,809,268	-	-	15,809,268
Equity securities	-	-	27,065	27,065
<b>Total assets at fair value</b>	<b>15,809,268</b>	<b>1,380</b>	<b>27,065</b>	<b>15,837,713</b>
<b>Financial Liabilities</b>				
Derivative financial liabilities	-	180	-	180
<b>Total liabilities at fair value</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>180</b>

## Cargills Bank PLC

### Assets and Liabilities Measured at Fair Value - Fair Value Hierarchy

#### Financial instruments not measured at fair value - fair value hierarchy

For financial assets and liabilities with short term maturities or with short term re-pricing intervals, it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits and savings deposits which do not have a specific maturity.

The following table provides an analysis of assets and liabilities not measured at fair value as at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Level 1 Rs. '000	Level 2 Rs. '000	Level 3 Rs. '000	Fair Value Rs. '000	Carrying Amount Rs. '000
<b>As at 31 March 2026</b>					
<b>Assets</b>					
Cash and cash equivalents	-	2,388,312	-	2,388,312	2,388,312
Balances with Central Bank of Sri Lanka	-	1,290,707	-	1,290,707	1,290,707
Placements with Banks	-	1,736,357	-	1,736,357	1,736,357
Securities purchased under resale agreements	-	501,184	-	501,184	501,184
Derivative financial assets	-	-	-	-	-
Financial assets at amortised cost - Loans and advances to other customers	-	-	67,005,575	67,005,575	66,957,514
Financial assets at amortised cost - Debt and other financial instruments	4,495,200	-	-	4,495,200	4,518,774
Other assets	-	-	906,705	906,705	906,705
<b>Total financial assets not at fair value</b>	<b>4,495,200</b>	<b>5,916,560</b>	<b>67,912,280</b>	<b>78,324,040</b>	<b>78,299,553</b>
<b>Liabilities</b>					
Due to banks	-	7,638,447	-	7,638,447	7,638,447
Derivative financial liabilities	-	-	-	-	-
Financial liabilities at amortised cost - Due to depositors	-	-	74,826,830	74,826,830	69,420,296
Financial liabilities at amortised cost - Other borrowings	-	1,538,072	-	1,538,072	1,538,072
Lease liability	-	-	644,193	644,193	644,193
Other liabilities	-	-	2,816,695	2,816,695	2,816,695
<b>Total financial liabilities not at fair value</b>	<b>-</b>	<b>9,176,519</b>	<b>78,287,718</b>	<b>87,464,238</b>	<b>82,057,704</b>
<b>As at 31 December 2025 - Audited</b>					
<b>Assets</b>					
Cash and cash equivalents	-	3,436,287	-	3,436,287	3,436,287
Balances with Central Bank of Sri Lanka	-	1,175,982	-	1,175,982	1,175,982
Placements with Banks	-	-	-	-	-
Securities purchased under resale agreements	-	300,144	-	300,144	300,144
Derivative financial assets	-	1,380	-	1,380	1,380
Financial assets at amortised cost - Loans and advances to other customers	-	-	63,577,117	63,577,117	63,121,257
Financial assets at amortised cost - Debt and other financial instruments	4,511,326	-	-	4,511,326	4,531,863
Other assets	-	-	842,584	842,584	842,584
<b>Total financial assets not at fair value</b>	<b>4,511,326</b>	<b>4,913,793</b>	<b>64,419,701</b>	<b>73,844,820</b>	<b>73,409,497</b>
<b>Liabilities</b>					
Due to banks	-	8,207,261	-	8,207,261	8,207,261
Derivative financial liabilities	-	180	-	180	180
Financial liabilities at amortised cost - Due to depositors	-	-	72,906,171	72,906,171	66,190,039
Financial liabilities at amortised cost - Other borrowings	-	1,500,000	-	1,500,000	1,500,000
Lease liability	-	-	566,231	566,231	566,231
Other liabilities	-	-	2,110,047	2,110,047	2,110,047
<b>Total financial liabilities not at fair value</b>	<b>-</b>	<b>9,707,441</b>	<b>75,582,449</b>	<b>85,289,890</b>	<b>78,573,758</b>

## Cargills Bank PLC

### Selected Performance Indicators/ Key Financial Data (Based on Regulatory Reporting)

As at	31-Mar-26	31-Dec-25
<b>Regulatory Capital (Rs'000)</b>		
Common Equity Tier 1	13,646,674	11,206,383
Total Tier 1 Capital	15,146,674	12,706,383
Total Capital	15,648,831	13,208,540
<b>Regulatory Capital Ratios (%) (Refer Note 3)</b>		
Common Equity Tier 1 Capital Ratio - (Minimum Requirement - 7%)	16.58	14.52
Tier 1 capital Ratio - (Minimum Requirement - 8.5%)	18.40	16.46
Total Capital Ratio - (Minimum Requirement - 12.5%)	19.01	17.12
<b>Basel III leverage Ratio - (Minimum Requirement - 3%)</b>	14.05	12.70
<b>Regulatory Liquidity</b>		
Total Stock of High-Quality Liquid Assets (Rs '000)	20,498,147	17,025,869
Liquidity Coverage Ratio, % - (Minimum Requirement - 100%)		
Rupee, %	212.26	145.45
All currency, %	192.19	163.90
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	128.51	129.64
<b>Assets Quality (Quality of Loan Portfolio)</b>		
Stage 3 Loans (Net of Stage 3 Impairment) to Total Loans *	6.44	6.52
Stage 3 Impairment to Stage 3 Loans (Stage 3 Provision Cover) *	44.64	45.65
<b>Profitability</b>		
Interest Margin, %	4.46	4.38
Return on Assets (before Tax), %	0.75	1.15
Return on Equity, %	3.34	4.51
Cost to Income Ratio (%)	75.14	70.68

\* Including undrawn portion of credit

#### Explanatory Notes

- The Financial Statements of the Bank have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). There were no changes to Accounting Policies and methods of computation since publication of the Annual Report for the year ended 31 December 2025.
- These Interim Financial Statements of the Bank have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting' and provide the information as required in terms of Listing Rule 7.4 of the Colombo Stock Exchange.
- The Bank should maintain a Total Tier 1 Capital Ratio 250 basis points above the minimum applicable until it complies with a regulatory minimum capital requirement of LKR 20 Billion. It has been granted until the end of 2029 to comply with this requirement with time-based targets to enhance minimum capital balance and to reduce the combined shareholding of the major shareholders as stated in Note 8 below.
- The Bank continued to reassess its individually significant loan portfolio as of 31 March 2026 and incorporated adequate impairment provisions on identified customer segments to reflect increased credit risk since initial recognition. Accordingly, the impairment provision also includes management overlays where higher impairment charges were considered as a prudential measure in assessing the elevated risk profiles of borrowers.  
Additionally, the Bank revised the cash flow assumptions for customers who were previously impaired, ensuring that any deterioration/improvement in the credit quality of such customers has been appropriately addressed during the period.  
The Bank estimated its Expected Credit Loss (ECL) for collective impairment as at the reporting date based on the updated Probability of Default flow rates as at 31 December 2025, Economic Factor Adjustment (EFA) and Loss Given Default (LGD) values as at 31 March 2026.  
The exchange impact on impairment charges on loans and advances denominated in foreign currency was recognised in Net Other Operating Income where the corresponding exchange gains/losses are recognised.
- During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities, other than those disclosed above.
- There was no pending litigation of a material nature against the Bank.
- All known expenses have been provided for in these Interim Financial Statements.
- Central Bank of Sri Lanka (CBSL) vide its letter to the Bank dated 31 December 2025 provided an extension to Cargills Bank PLC to raise approximately Rs. 2.5 Bn in external capital through market mechanisms, with the objective of reducing the major shareholders' stake to 50% by 31 March 2026.

The Bank complied with the aforesaid requirement at the reporting date, refer section on 'Rights issue of ordinary shares' for more information.

Further, CBSL vide its letter to the Bank dated 19 February 2026 directed the Board of Directors of Cargills Bank PLC to meet interim capital targets and the shareholding limits of the major shareholders, Cargills (Ceylon) PLC and CT Holdings PLC, as set out in the table below in order to meet the minimum capital requirement of Rs. 20 Bn by end 2029.

#### Interim Targets on Capital Augmentation & Shareholding Limits

By end of	Requirement to maintain the minimum balance of total capital	Target to reduce the combined shareholding of the major shareholders
31.03.2027	Rs. 16.0Bn	45%
31.03.2028	Rs. 17.5Bn	35%
31.03.2029	Rs. 19.0Bn	25%
31.12.2029	Rs. 20.0 Bn	15%

- No circumstances have arisen since the reporting date which would require disclosure in these Financial Statements.

**Cargills Bank PLC**
**Analysis of Loans and Advances, Commitments, Contingencies and Impairment**

As at	31-Mar-26 Rs. '000	31-Dec-25 (Audited) Rs. '000
<b>Loans and advances to other customers</b>		
<b>Gross loans and advances</b>	<b>72,150,829</b>	<b>68,250,119</b>
<b>Less: Stage-wise impairment</b>		
Stage 1	274,905	242,405
Stage 2	472,021	519,504
Stage 3	4,446,389	4,366,954
<b>Total impairment for loans and advances</b>	<b>5,193,315</b>	<b>5,128,863</b>
<b>Net loans and advances</b>	<b>66,957,514</b>	<b>63,121,256</b>
<b>Product wise Gross Loans and advances to other customers</b>		
<b>By product - Domestic Currency</b>		
Overdrafts	9,126,303	8,098,989
Trade finance	5,777,058	6,795,764
Housing loans	1,614,776	1,735,826
Personal loans	3,874,597	3,804,705
Staff loans	551,161	481,430
Term loans	27,425,792	25,741,709
Loans against property	1,799,294	1,767,999
Agriculture loans	875,453	861,741
Money market loans	10,978,422	9,650,618
Vehicle loans	968,550	879,569
Credit cards	1,973,457	1,859,637
Micro finance	98,844	95,416
Others	1,180,529	955,449
<b>Sub total</b>	<b>66,244,236</b>	<b>62,728,851</b>
<b>By product - Foreign Currency</b>		
Trade finance	4,608,766	4,211,303
Housing loans	45,528	47,430
Term loans	1,230,842	1,253,565
Overdrafts	8,970	8,970
Others	12,487	-
<b>Sub total</b>	<b>5,906,593</b>	<b>5,521,268</b>
<b>Total Gross Loans &amp; Advances</b>	<b>72,150,829</b>	<b>68,250,119</b>

**Movement in impairment during the period for loans and advances to other customers - 2026**

	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01 January 2026 - Audited	242,405	519,504	4,366,954	5,128,864
Charge/ (write back) to income statement	31,470	(46,527)	93,808	78,750
Write off during the period	-	-	(3,825)	(3,825)
Exchange rate variance on foreign currency provisions	1,030	(955)	(10,549)	(10,474)
<b>Closing balance as at 31 March 2026</b>	<b>274,905</b>	<b>472,021</b>	<b>4,446,389</b>	<b>5,193,315</b>

**Movement in impairment during the year for loans and advances to other customers - 2025**

	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01 January 2025 - Audited	219,164	474,977	4,640,872	5,335,014
Charge/ (write back) to income statement	12,827	43,004	(276,172)	(197,433)
Write off during the year	-	-	(22,171)	(45,079)
Exchange rate variance on foreign currency provisions	10,415	1,523	24,424	36,362
<b>Closing balance as at 31 December 2025 - Audited</b>	<b>242,405</b>	<b>519,504</b>	<b>4,366,954</b>	<b>5,128,864</b>

**Cargills Bank PLC**

**Analysis of Loans and Advances, Commitments, Contingencies and Impairment**

<b>Commitments and Contingencies</b>		
<b>Gross commitments and contingencies</b>	<b>24,655,034</b>	<b>22,115,526</b>
<b>Less: Stage-wise impairment</b>		
Stage 1	80,658	60,813
Stage 2	66,816	63,387
Stage 3	-	-
<b>Total impairment for commitments and contingencies</b>	<b>147,475</b>	<b>124,200</b>
<b>Net commitments and contingencies</b>	<b>24,507,560</b>	<b>21,991,326</b>
<b>Product- wise Commitments and Contingencies</b>		
<b>By product - Domestic Currency</b>		
Guarantees	8,585,831	7,158,623
Letters of credit	143,989	349,905
Undrawn commitments	13,426,681	11,482,765
Capital commitments and other	445,274	222,886
<b>Sub total</b>	<b>22,601,775</b>	<b>19,214,179</b>
<b>By product - Foreign Currency</b>		
Guarantees	522,441	350,110
Letters of credit	1,468,149	1,320,641
Bills for collection	62,670	21,338
Forward purchase	-	232,395
Spot purchase	-	976,862
<b>Sub total</b>	<b>2,053,260</b>	<b>2,901,347</b>
<b>Total Commitments and Contingencies</b>	<b>24,655,034</b>	<b>22,115,526</b>

**Movement in impairment during the period for Commitments and Contingencies - 2026**

	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01 January 2026 - Audited	60,813	63,387	-	124,200
Charge/ (write back) to income statement	19,845	3,429	-	23,275
<b>Closing balance as at 31 March 2026</b>	<b>80,658</b>	<b>66,816</b>	<b>-</b>	<b>147,475</b>

**Movement in impairment during the year for Commitments and Contingencies - 2025**

	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 01 January 2025 - Audited	68,050	44,823	1,250	114,123
Charge/ (write back) to income statement	(7,237)	18,564	(1,250)	10,077
<b>Closing balance as at 31 December 2025 - Audited</b>	<b>60,813</b>	<b>63,387</b>	<b>-</b>	<b>124,200</b>

**Cargills Bank PLC****Analysis of Deposits**

<b>Due to Depositors</b>		
<b>By product - Domestic Currency</b>		
Current account deposits	3,024,442	2,972,572
Savings deposits	9,084,036	9,641,475
Call Deposits	1,757	4,864
Time deposits	53,047,752	49,477,138
Certificate of deposits	50,548	56,513
Margin deposits	82,104	57,207
<b>Sub total</b>	<b>65,290,639</b>	<b>62,209,771</b>
<b>By product - Foreign Currency</b>		
Current account deposits	210,549	122,754
Savings deposits	643,108	657,647
Time deposits	3,275,922	3,199,787
Margin deposits	78	78
<b>Sub total</b>	<b>4,129,657</b>	<b>3,980,268</b>
<b>Total Due to Depositors</b>	<b>69,420,296</b>	<b>66,190,039</b>

**Cargills Bank PLC**  
**Operating Segments**

	Banking		Treasury/ Investments		Total	
	2026	2025	2026	2025	2026	2025
	<i>For the year ended 31 March</i>					
<b>Net interest income</b>	<b>944,137</b>	<b>693,129</b>	<b>96,709</b>	<b>172,292</b>	<b>1,040,846</b>	<b>865,421</b>
Net fees and commission income	243,724	250,583	3,750	3,839	247,474	254,422
Foreign exchange profit	(10,475)	(2,954)	25,359	27,927	14,885	24,973
Other income	1,075	1,840	(1,096)	384,660	(21)	386,500
<b>Operating income by segment</b>	<b>1,178,461</b>	<b>942,598</b>	<b>124,722</b>	<b>588,718</b>	<b>1,303,184</b>	<b>1,531,316</b>
Impairment for loans and other losses	(82,141)	(128,410)	57,960	2,192	(24,182)	(126,218)
<b>Net operating income</b>	<b>1,096,320</b>	<b>814,188</b>	<b>182,682</b>	<b>590,910</b>	<b>1,279,002</b>	<b>1,405,098</b>
Personnel and other operating expenses	(726,471)	(630,334)	(142,034)	(202,841)	(868,504)	(833,175)
Depreciation and amortisation	(87,802)	(55,330)	(22,883)	(26,054)	(110,685)	(81,384)
<b>Total operating expenses</b>	<b>(814,272)</b>	<b>(685,665)</b>	<b>(164,917)</b>	<b>(228,894)</b>	<b>(979,189)</b>	<b>(914,559)</b>
<b>Operating profit/(loss) by segment</b>	<b>282,048</b>	<b>128,524</b>	<b>17,765</b>	<b>362,016</b>	<b>299,813</b>	<b>490,539</b>
Taxes on financial services	(86,807)	(70,029)	(27,563)	(100,713)	(114,370)	(170,742)
<b>Profit/(Loss) before Tax by segment</b>	<b>195,241</b>	<b>58,495</b>	<b>(9,798)</b>	<b>261,302</b>	<b>185,443</b>	<b>319,797</b>
Tax (expense)/reversal					(80,602)	(157,453)
<b>Profit for the period</b>					<b>104,841</b>	<b>162,344</b>
<b>Other information</b>	<b>31-Mar-2026</b>	<b>31-Dec-2025</b>	<b>31-Mar-2026</b>	<b>31-Dec-2025</b>	<b>31-Mar-2026</b>	<b>31-Dec-2025</b>
Segment assets	77,233,962	71,335,449	20,275,591	20,387,902	97,509,553	91,723,351
Segment liabilities	80,910,811	71,434,561	1,956,746	8,166,546	82,867,557	79,601,107

**Cargills Bank PLC**  
**DIRECTORS' INTEREST IN SHARES OF CARGILLS BANK PLC**

Directors' Name	No. of shares held	
	As at 31 March 2026	As at 31 December 2025
1 Mr. Asoka Pieris - Chairman	Nil	Nil
2 Mr. Senarath Bandara - Managing Director/CEO	112,500	112,500
3 Ms. Marianne Page	Nil	Nil
4 Mr. Yudhishtan Kanagasabai	Nil	Nil
5 Mr. Buwanekabahu Perera	Nil	Nil
6 Mr. Ravindra Jayawardena	Nil	Nil
7 Mrs. Shanti Gnanapragasam	Nil	Nil
8 Mr. Arjuna Herath	Nil	Nil
9 Mr. Rajitha Basnayake	Nil	N/A

The shareholding as at March 31, 2026, is prior to the allotment of Rights Issue shares on March 31, 2026. The Rights Issue shares were listed w.e.f. 09 April, 2026.

**RIGHTS ISSUE OF ORDINARY SHARES**

At the Extraordinary General Meeting held on 20 February 2026, shareholders of the Bank approved the resolution to issue ordinary voting shares by way of a Rights issue to the existing shareholders of the Bank in the proportion of 14 shares for every 45 shares held as at the end of trading on 24 February 2026 at an issue price of Rs. 8.50 per share. Accordingly, the Bank raised Rs. 2,500,700,000 through the issue of 294,200,000 ordinary voting shares. The new ordinary shares under Rights issue were listed in the Colombo Stock Exchange on 09 April 2026.

The status of the fund utilization as at 31 March 2026 in terms of the objective stated in the Rights issue circular is tabulated below:

Objectives as per circular	Amount allocated as per the circular in Rs.	Proposed date of utilization as per the circular	Amount allocated upon the receipt of proceeds in Rs. (A)	% of total proceeds	Amount Utilized in Rs. (B)	% utilization against allocation (B/A)	Clarification if not fully utilized
To enhance the capital base of the Bank with the intention to partially meet the minimum capital requirement of Rs. 20 Bn set forth in Banking Act Direction No. 05 of 2017 and comply with the CBSL's direction, as set out in its letter dated 31 December 2025, to raise approximately Rs. 2.5 Bn by 31 March 2026.	2,500,700,000	Subsequent to the allotment of Rights Shares	2,475,318,965**	99%	2,475,318,965**	99%	
Support lending activities*		Within Three Months from the date of allotment	2,475,318,965**	99%	Rights issue proceeds were transferred to the Bank on 31 March 2026		

\* Out of the total proceeds from the Rights issue of Rs. 2,500,700,000, Rs. 50,000,000 is reserved for the cost of the Rights Issue. Cost of the issue is within the threshold.

\*\* Net of the cost of the Rights issue

**Cargills Bank PLC**  
**INFORMATION ON ORDINARY SHARES OF THE BANK**

**TOP 25 REGISTERED SHAREHOLDERS - ORDINARY VOTING SHARES AS AT 31 MARCH 2026**

No.	Shareholder Name	No. of shares	%
1	Cargills (Ceylon) PLC*	288,858,245	30.55 *
2	CT Holdings PLC*	183,963,184	19.45 *
3	Asia Pacific Institute of Information Technology Lanka (Pvt) Ltd	93,618,643	9.90
4	Sampath Bank PLC/Yaden Capital (Private) Limited	50,501,473	5.34
5	First Capital Asset Management/MJF Charitable Foundation	27,124,002	2.87
6	Aindri Holdings PTE Ltd	11,000,000	1.16
6	A I A Holdings Lanka (Pvt) Ltd	11,000,000	1.16
8	Mulitex Investments Limited	10,554,866	1.12
9	Capstone Real Estate (Private) Limited	9,566,969	1.01
10	Seylan Bank PLC/Sarath Kumara Wijekoon	8,296,202	0.88
11	Global Stanford Campus (Pvt) Ltd	7,586,455	0.80
12	GF Capital Global Limited	7,210,900	0.76
13	Mr. D.C. Fernando	6,260,000	0.66
14	Mr. H. Beruwalage	5,370,281	0.57
15	Mr. G.L.H. Premaratne	5,000,000	0.53
16	Mr. I.C. Nanayakkara	4,400,000	0.47
16	Lalan Rubber Holdings (Pvt) Ltd	4,400,000	0.47
16	Mr. B. Periyasamipillai	4,400,000	0.47
16	Mr. M. Periyasamipillai	4,400,000	0.47
16	Mr. A. Periyasamipillai	4,400,000	0.47
16	Mr. D. Periyasamipillai	4,400,000	0.47
16	Mr. B. Periyasamipillai	4,400,000	0.47
23	Ms. D R Wirasingha	4,000,000	0.42
23	Commercial Bank of Ceylon PLC A/C No. 04	4,000,000	0.42
25	Mrs. P.D.A.S. Beruwalage	3,756,338	0.40
<b>Sub Total</b>		<b>768,467,558</b>	<b>81.26</b>
Other Shareholders		177,175,300	18.74
<b>Total **</b>		<b>945,642,858</b>	<b>100.00</b>

\* No voting rights will be exercised by Cargills (Ceylon) PLC and CT Holdings PLC on any shares held in excess of 30% of the issued capital of the Bank carrying voting rights.

\*\* The shareholders information as at March 31, 2026, is prior to the allotment of Rights Issue shares on March 31, 2026. The Rights Issue shares were listed w.e.f. 09 April, 2026.

**PUBLIC HOLDING PERCENTAGE**

	As at 31 March 2026	As at 31 December 2025
Float adjusted market capitalization (LKR)	4,053,252,243.67	3,553,196,300.00
Public holding percentage	49.84%	39.14%
Number of public shareholders	7,971	6,742
Option under which the Listed Entity complies with the Minimum Public Holding requirement	Option 4	Option 4

**SHARE PRICE INFORMATION**

As At	As at 31 March 2026	As at 31 December 2025
Number of shares	945,642,858	945,642,858
Last traded price (LKR)	8.60	9.60
Highest price per share (LKR)	10.20	11.50
Lowest price per share (LKR)	8.30	9.20

Quoted shares of the Bank are only traded in Sri Lankan Rupees.

## **Cargills Bank PLC**

### **CORPORATE INFORMATION**

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#### **NAME OF THE COMPANY**

Cargills Bank PLC

#### **LEGAL FORM**

A public limited liability company incorporated in Sri Lanka on 3 November 2011 under the Companies Act No.7 of 2007. A licensed Commercial Bank under the Banking Act No. 30 of 1988 as amended from time to time.

#### **STOCK EXCHANGE LISTING**

The ordinary shares are listed on the Colombo Stock Exchange.

#### **REGISTRATION NUMBER**

PQ00293614 (Previously PB 4847)

#### **ACCOUNTING YEAR-END**

December 31

#### **HEAD OFFICE AND REGISTERED OFFICE**

No. 696, Galle Road,  
Colombo 03,  
Sri Lanka

#### **TELEPHONE**

+94117 640 000

#### **FACSIMILE**

+94112 055 575

#### **SWIFT CODE**

CGRBLKX

#### **E-MAIL**

info@cargillsbank.com

#### **WEB PAGE**

www.cargillsbank.com

#### **Fitch Rating**

A (lka)

#### **TAXPAYER IDENTIFICATION NUMBER (TIN)**

134048476

#### **BOARD OF DIRECTORS**

Mr. Asoka Pieris - Chairman  
Mr. Senarath Bandara - Managing Director /CEO  
Ms. Marianne Page  
Mr. Yudhishtan Kanagasabai  
Mr. Buwanekabahu Perera  
Mr. Ravindra Jayawardena  
Mrs. Shanti Gnanapragasam  
Mr. Arjuna Herath  
Mr. Rajitha Basnayake

#### **OTHER INFORMATION**

#### **AUDITORS**

Messrs. Ernst & Young,  
Chartered Accountants,  
Rotunda Towers, No. 109, Galle Road,  
Colombo 3  
Sri Lanka

#### **LAWYERS**

Messrs. Julius & Creasy  
No. 371, R.A. de Mel Mawatha,  
Colombo 03  
Sri Lanka

#### **COMPLIANCE OFFICER**

Mr. Gayantha Wijekoon

#### **COMPANY SECRETARY**

Ms. Amendra de Silva  
No. 696, Galle Road,  
Colombo 03  
Sri Lanka  
amendra.d@cargillsbank.com  
+94117 640170

#### **REGISTRAR**

S S P Corporate Services (Pvt) Ltd,  
No. 101, Inner Flower Road,  
Colombo 03  
Sri Lanka  
Tel :94 11-2573894  
Fax: 94 11-2573609  
E-mail : sspsec@slt.net.lk