



புரதேச சலர்஁ன ஁஁஁ல  
பிரதேச அபிவிருத்தி வங்கி  
Regional Development Bank

***AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31st December 2025***



**PRADESHIYA SANWARDANA BANK**

**"BBB+" Stable  
LRA**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31-12-2025**

In Rupees Thousands	Bank	
	Current Year 31/12/2025 (Audited)	Previous Year 31/12/2024 (Audited)
Interest income	40,438,816	37,922,125
Interest expenses	(16,213,170)	(18,367,645)
<b>Net interest income</b>	<b>24,225,646</b>	<b>19,554,480</b>
Fee and commission income	2,226,925	1,951,332
Fee and commission expenses	(818,871)	(597,799)
<b>Net fee and commission income</b>	<b>1,408,054</b>	<b>1,353,532</b>
Net gains/(losses) from trading	34,595	(403,171)
Net fair value gains/(losses) on:		
financial assets at fair value through profit or loss	-	-
financial liabilities at fair value through profit or loss	-	-
Net gains/(losses) on derecognition of financial assets:		
at fair value through profit or loss	-	-
at amortised cost	-	-
at fair value through other comprehensive income	-	-
Net other operating income	113,585	81,937
<b>Total operating income</b>	<b>25,781,880</b>	<b>20,586,778</b>
Impairment (charges)/Reversal	(353,563)	832,608
<b>Net operating income</b>	<b>25,428,317</b>	<b>21,419,386</b>
Personnel expenses	(12,405,919)	(11,944,839)
Depreciation and amortization expenses	(650,199)	(610,551)
Other expenses	(3,055,224)	(2,675,421)
<b>Operating profit/(loss) before VAT on financial services &amp; SSCL</b>	<b>9,316,975</b>	<b>6,188,576</b>
VAT on financial services	(3,061,814)	(2,617,138)
Social Security Contribution Levy	(425,375)	(361,561)
<b>Operating profit/(loss) after VAT on financial services &amp; SSCL</b>	<b>5,829,785</b>	<b>3,209,877</b>
Share of profits of associates and joint ventures	-	-
<b>Profit/(loss) before tax</b>	<b>5,829,785</b>	<b>3,209,877</b>
Income tax expenses	(3,457,513)	(1,934,428)
<b>Profit/(loss) for the Year</b>	<b>2,372,273</b>	<b>1,275,448</b>
<b>Profit attributable to:</b>		
Equity holders of the parent	2,372,273	1,275,448
Non-controlling interests	-	-
<b>Earnings per share on profit</b>		
Basic earnings per ordinary share	4.22	2.27
Diluted earnings per ordinary share	-	-

**PRADESHIYA SANWARDHANA BANK**

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2025

In Rupees Thousands	Bank	
	Current Year 31/12/2025(Audited)	Previous Year 31/12/2024 (Audited)
<b>Profit/(loss) for the Year</b>	<b>2,372,273</b>	<b>1,275,448</b>
<b>Items that will be reclassified to income statement</b>		
Exchange differences on translation of foreign operations	-	-
Net gains/(losses) on cash flow hedges	-	-
Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	-
Share of profits of associates and joint ventures	-	-
Debt instruments at fair value through other comprehensive income	-	-
Others (specify)	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	-
<b>Items that will not be reclassified to income statement</b>		
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-
Re-measurement of post-employment benefit obligations	70,200	(1,075,754)
Changes in revaluation surplus	1,429,410	-
Share of profits of associates and joint ventures	-	-
Differed Tax impact on retirement benefit obligation & Revaluation Reserve	(322,299)	322,726
Less: Tax expense relating to items that will not be reclassified to income statement	-	-
<b>Other Comprehensive Income (OCI) for the Year, net of taxes</b>	<b>1,177,310</b>	<b>(753,028)</b>
<b>Total comprehensive income for the Year</b>	<b>3,549,583</b>	<b>522,421</b>
<b>Attributable to:</b>		
Equity holders of the parent	<b>3,549,583</b>	<b>522,421</b>
Non-controlling interest	-	-

## PRADESHIYA SANWARDANA BANK

### STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2025

In Rupees Thousands	Bank	
	Current Year 31/12/2025 (Audited)	Previous Year 31/12/2024 (Audited)
<b>Assets</b>		
Cash and cash equivalents	4,869,722	827,779
Balances with central banks	-	-
Placements with banks	15,105,878	18,339,706
Derivative financial instruments	-	-
<b>Financial assets recognized through profit or loss</b>	-	-
- measured at fair value	313	265
- designated at fair value	-	-
<b>Financial assets at amortized cost</b>	-	-
- loans and advances	283,613,763	227,167,843
- debt and other instruments	49,091,983	67,995,195
Financial assets measured at fair value through other comprehensive income	153,435	153,435
Investment in subsidiaries	-	-
Investments in associates and joint ventures	-	-
Property, plant and equipment	2,759,763	1,255,230
Right of use assets	1,014,620	1,059,813
Goodwill and intangible assets	39,527	77,207
Differed tax assets	2,524,971	2,848,048
Current tax assets	-	-
Other assets	3,001,772	4,106,835
<b>Total assets</b>	<b>362,175,745</b>	<b>323,831,355</b>
<b>Liabilities</b>		
Due to banks	34,889,573	36,412,872
Derivative financial instruments	-	-
<b>Financial liabilities recognized through profit or loss</b>		
- measured at fair value	-	-
- designated at fair value	-	-
<b>Financial liabilities at amortized cost</b>		
- due to depositors	283,715,707	253,664,002
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	-	-
Retirement benefit obligations	4,057,861	4,047,466
Current tax liabilities	1,787,250	531,164
Deferred tax liabilities	-	-
Other Provisions	-	-
Other liabilities	15,787,628	10,787,708
Due to subsidiaries	-	-
<b>Total liabilities</b>	<b>340,238,019</b>	<b>305,443,211</b>
<b>Equity</b>		
Stated capital/Assigned capital	8,521,865	8,521,865
Statutory reserve fund	1,070,810	952,196
Retained earnings	5,819,842	4,110,112
Revaluation Reserve	1,128,170	-
Other reserves	5,397,039	4,803,971
<b>Total shareholders' equity</b>	<b>21,937,726</b>	<b>18,388,144</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>21,937,726</b>	<b>18,388,144</b>
<b>Total equity and liabilities</b>	<b>362,175,745</b>	<b>323,831,355</b>
<b>Contingent liabilities and commitments</b>	<b>1,718,692</b>	<b>491,464</b>

(Note: Amount stated are net of impairment & Depreciation)

**PRADESHIYA SANWARDANA BANK**

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER 2025

In Rupees Thousands	Stated capital/Assigned Capital			Reserves				Other Reserves		Total	Non Controlling interest	Total Equity
	Ordinary Voting Share	Ordinary Non Voting Share	Assigned Capital	Statutory Reserve Fund	OCI Reserve	Revaluation Reserve	Retained Earnings	special reserve Fund	General Reserve Fund			
<b>Balance as at 01/01/2025 (Opening balance)</b>	-	-	8,521,865	952,196	-	-	4,110,112	806,587	3,997,385	18,388,144	-	18,388,144
<b>Total comprehensive income for the Year</b>												
Profit/(loss) for the Year (net of tax)	-	-	-	-	-	-	2,372,273	-	-	2,372,273	-	2,372,273
Actuarial gain on retirement benefit obligation							70,200	-	-	70,200	-	70,200
Other comprehensive income (net of tax)							(21,060)	-	-	(21,060)	-	(21,060)
<b>Total comprehensive income for the Year</b>	-	-	-		-	-	2,421,412			2,421,412	-	2,421,412
<b>Transactions with equity holders, recognised directly in equity</b>												
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the Year	-	-	-	118,614	-	-	(711,682)	118,614	474,455	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)	-	-	-	-	-	1,429,410	-	-	-	1,429,410	-	1,429,410
Deferred tax impact on revaluation reserve	-	-	-	-	-	(301,239)	-	-	-	(301,239)	-	(301,239)
<b>Total transactions with equity holders</b>	-	-	-	118,614	-	1,128,170	(711,682)	118,614	474,455	1,128,170	-	1,128,170
<b>Balance as at 31/12/2025</b>	-	-	8,521,865	1,070,810	-	1,128,170	5,819,842	925,200	4,471,839	21,937,726	-	21,937,726

## PRADESHIYA SANWARDANA BANK

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2025

In Rupees Thousands	Bank	
	Current Year 31/12/2025 (Audited)	Previous Year 31/12/2024 (Audited)
<b>Cash flow from operating activities</b>		
Profit before tax	5,829,785	3,209,878
Adjustment for:		
Non cash items included in profit before tax	1,674,454	724,381
Changes in operating assets	(53,371,621)	(27,329,834)
Changes in operating liabilities	32,699,262	28,974,141
Net gain from investment activities	-	-
Share of profits in associates and joint ventures	-	-
Dividend income from subsidiaries and associates	-	-
Net gain/(loss) from financial instruments at fair value through profit or loss	-	-
Others reclassification	-	-
Contribution paid to defined benefit plans	(489,113)	(351,694)
Taxes on financial services	-	-
Tax Paid	(2,200,650)	(464,979)
<b>Net cash generated from/(used in) operating activities</b>	<b>(15,857,882)</b>	<b>4,761,892</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, plant and equipment	(347,612)	(402,413)
Net purchase of intangible assets	(6,368)	(19,923)
Investment in Debenture	-	-
Investment in Fixed deposits (more than three months)	(4,047,109)	3,055,741
Proceeds from the sale of property, plant and equipment	2,090	880
Received Dividend Income	5,314	4,907
<b>Net cash (used in)/from investing activities</b>	<b>(4,393,686)</b>	<b>2,639,192</b>
<b>Cash flows from financing activities</b>		
Net proceeds from the issue of ordinary share capital	-	-
Payment of principal of operating lease	(385,299)	(364,606)
Net proceeds from the other borrowings	(1,523,298)	(9,795,608)
Redemption of Debentures	-	-
Interest paid & Repayemt of debentures	-	-
<b>Net cash from financing activities</b>	<b>(1,908,597)</b>	<b>(10,160,214)</b>
Net increase/(decrease) in cash & cash equivalents	(22,160,165)	(2,759,129)
Cash & cash equivalents at the beginning of the year	59,677,466	62,436,596
<b>Cash and cash equivalents at the end of the Year</b>	<b>37,517,301</b>	<b>59,677,466</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and cash equivalent	4,869,722	1,993,733
Favorable balances with banks		
Placements with Banks	23,228,779	35,016,600
Fixed deposits less than three months	9,418,800	22,667,133
Unfavorable balances with banks	-	-
	<b>37,517,301</b>	<b>59,677,466</b>

## PRADESHIYA SANWARDANA BANK

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

AS AT 31ST DECEMBER 2025

### a. Bank - Current Year (Audited)-2025

In Rupees Thousands	AC	FVPL	FVOCI	TOTAL
<b>ASSETS</b>				
Cash and cash equivalents	4,869,722	-	-	4,869,722
Balances with central banks	-	-	-	-
Placements with banks	15,105,878	-	-	15,105,878
Equity Instruments at fair value through profit or loss	-	313	-	313
Loans and advances	283,613,763	-	-	283,613,763
Debt instruments	49,091,983	-	-	49,091,983
Equity instruments	-	-	153,435	153,435
Other Assets	2,687,268	-	-	2,687,268
<b>Total financial Assets</b>	<b>355,368,613</b>	<b>313</b>	<b>153,435</b>	<b>355,522,360</b>

In Rupees Thousands			Amortized Cost	TOTAL
<b>LIABILITIES</b>				
Due to banks			34,889,573	34,889,573
Derivative financial instruments			-	-
Financial liabilities			-	-
- due to depositors			283,715,707	283,715,707
- due to debt securities holders			-	-
- due to other borrowers			-	-
Debt securities issued			-	-
Other Liability			9,441,835	9,441,835
<b>Total financial liabilities</b>			<b>328,047,116</b>	<b>328,047,116</b>

### b. Bank - Previous Year (Audited)-2024

In Rupees Thousands	AC	FVPL	FVOCI	TOTAL
<b>ASSETS</b>				
Cash and cash equivalents	827,779	-	-	827,779
Balances with central banks	-	-	-	-
Placements with banks	18,339,706	-	-	18,339,706
Equity Instruments at fair value through profit or loss	-	265	-	265
Loans and advances	227,167,843	-	-	227,167,843
Debt instruments	67,995,195	-	-	67,995,195
Equity instruments	-	-	153,435	153,435
Other Assets	4,054,108	-	-	4,054,108
<b>Total financial</b>	<b>318,384,630</b>	<b>265</b>	<b>153,435</b>	<b>318,538,330</b>

In Rupees Millions			Amortized Cost	TOTAL
<b>LIABILITIES</b>				
Due to banks			46,208,479	46,208,479
Derivative financial instruments			-	-
Financial liabilities			-	-
- due to depositors			226,079,615	226,079,615
- due to debt securities holders			-	-
- due to other borrowers			-	-
Debt securities issued			-	-
Other Liability			4,764,294	4,764,294
<b>Total financial liabilities</b>			<b>277,052,388</b>	<b>277,052,388</b>

AC - Financial assets/liabilities measured at amortised cost

FVPL - Financial assets/liabilities measured at fair value through profit or loss

FVOCI - Financial assets measured at fair value through other comprehensive income

**PRADESHIYA SANWARDANA BANK**

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

AS AT 31 ST DECEMBER 2025

In Rupees Thousands	Bank	
	Current Year 31/12/2025 (Audited)	Previous Year 31/12/2024 (Audited)
<b>Product-wise Gross loans &amp; advances</b>		
<b>By product – Domestic currency</b>		
Overdrafts	-	-
Term loans	166,288,317	130,319,750
Leasing	3,036,109	1,684,690
Pawning	85,026,672	59,401,417
Refinance	23,867,263	31,726,734
Liya Isura	24,868	27,846
Staff Loan	7,554,312	6,539,034
Loans Against Deposits	16,624,695	14,970,812
SME	117,587	118,110
<b>Sub total</b>	<b>302,539,821</b>	<b>244,788,394</b>
<b>By product – Foreign currency</b>		
Overdrafts	-	-
Term loans	-	-
Guarantees	-	-
Bonds	-	-
Other loans (specify)	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>302,539,821</b>	<b>244,788,394</b>
<b>Product-wise commitments and contingencies</b>		
<b>By product – Domestic currency</b>		
Guarantees	501,713	440,431
Bonds	-	-
Undrawn credit lines	1,191,794	-
Other commitments (specify)	-	-
Other contingencies (Bill Purchase)	84,049	85,039
<b>Sub total</b>	<b>1,777,556</b>	<b>525,470</b>
<b>By product – Foreign currency</b>		
Guarantees	-	-
Bonds	-	-
Undrawn credit lines	-	-
Other commitments (specify)	-	-
Other contingencies (specify)	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1,777,556</b>	<b>525,470</b>
<b>Stage-wise impairment on loans &amp; advances, commitments and contingencies</b>		
<b>Gross loans and advances, commitments and contingencies</b>	<b>304,317,377</b>	<b>245,313,864</b>
Less: Accumulated impairment under stage 1	3,856,895	2,921,427
Accumulated impairment under stage 2	2,179,296	2,789,899
Accumulated impairment under stage 3	11,284,457	11,031,782
<b>Net value of loans and advances, commitments and contingencies</b>	<b>286,996,729</b>	<b>228,236,094</b>
<b>Movement of impairment during the period</b>		
<b>Under Stage 1</b>		
Charge/(Write back) to income statement	935,467	592,827
Write-off during the period	-	-
Other movements	(223,975)	-
Closing balance at 31/12/2025	<b>3,856,895</b>	<b>2,921,427</b>
<b>Under Stage 2</b>		
Charge/(Write back) to income statement	(610,604)	(1,853,901)
Write-off during the period	-	-
Other movements	-	-
Closing balance at 31/12/2025	<b>2,179,296</b>	<b>2,789,899</b>
<b>Under Stage 3</b>		
Charge/(Write back) to income statement	252,674	428,320
Write-off during the period	-	-
Other movements	-	-
Collective Impairment not recognized	-	-
Closing balance at 31/12/2025	<b>11,284,457</b>	<b>11,031,782</b>
<b>Total impairment under SLFRS 9</b>	<b>17,320,647</b>	<b>16,743,109</b>

# PRADESHIYA SANWARDANA BANK

ANALYSIS OF DEPOSITS  
AS AT 31ST DECEMBER 2025

In Rupees Thousands	Bank	
	Current Year 31/12/2025 (Audited)	Previous Year 31/12/2024 (Audited)
<b>By product – Domestic currency</b>		
Demand deposits (current accounts)	-	-
Savings deposits	100,036,664	85,730,299
Fixed deposits	183,679,042	167,933,703
Others (Specify)	-	-
<b>Sub total</b>	<b>283,715,707</b>	<b>253,664,002</b>
<b>By product – Foreign currency</b>		
Demand deposits (current accounts)	-	-
Savings deposits	-	-
Fixed deposits	-	-
Others (Specify)	-	-
<b>Sub total</b>	-	-
<b>Total</b>	<b>283,715,707</b>	<b>253,664,002</b>

**PRADESHIYA SANWARDANA BANK**

SELECTED PERFORMANCE INDICATORS / KEY FINANCIAL DATA

AS AT 31ST DECEMBER 2025 (Based on Regulatory Reporting)

Item	Current Year 31/12/2025 (Audited)	Previous Year 31/12/2024 (Audited)
<b>Regulatory Capital Adequacy (LKR in Thousands )</b>		
Common Equity Tier 1	17,168,705	14,580,728
Tier 1 Capital	17,168,705	14,580,728
Total Regulatory Capital	25,432,615	23,655,307
<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	9.79%	9.65%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	9.79%	9.65%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	14.50%	15.65%
<b>BASEL III Leverage Ratio (Minimum Requirement - 3%)</b>	4.39%	4.22%
<b>Regulatory Liquidity Requirement</b>		
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)		
Rupee (%)	207%	402%
All Currency (%)	207%	402%
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	130%	152%
<b>Assets Quality</b>		
Impaired Loans (Stage 3) to Total Loans Ratio(%) *(Net of stage 3 impairment)	4.06%	6.25%
Impairment (Stage 3) to Stage 3 Loans, Ratio (%)*	47.87%	41.88%
<b>Income and Profitability</b>		
Net Interest Margin (%)	7.06%	6.27%
Return on Assets (before Tax) (%)	1.70%	1.03%
Return on Equity (%)	11.77%	7.04%
Cost to Income Ratio(%)	62.00%	74.00%
<b>Memorandum Information</b>		
Credit Rating-LRA	<i>BBB+Stable Out Look</i>	<i>BBB+Stable Out Look</i>
Number of Employees	2,507	2,615
Number of Branches	272	272

\*Including undrawn portion of credit

**CERTIFICATION:**

We, the undersigned, being the Chief Financial Officer and Chief Executive Officer of Pradeshiya Sanwardhana Bank jointly certify that:

- (a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- (b) the information contained in these statements have been extracted from the audited financial statements of the bank .

**J.A.D.Wijayabandara**  
(Sgd.) Chief Financial Officer  
Date:25-03-2026

**A.B.Tennakoon**  
(Sgd.)Chief Executive Officer  
Date:25-03-2026

Head Office:No.933,Kandy Road,Wedamulla,Kelaniya.

Please Visit :[www.rdb.lk](http://www.rdb.lk) for further information.



புரதேச அபிவிருத்தி வங்கி  
Regional Development Bank