



VALUES THAT ADD VALUE

ANNUAL REPORT

2025



Contents

CHAIRMAN'S MESSAGE.....	2
CEO'S MESSAGE.....	3
GROUP STRUCTURE.....	7
PRODUCT AND SERVICE OFFERINGS OF THE GROUP.....	8
MANAGEMENT DISCUSSION AND ANALYSIS	11
HUMAN RESOURCE MANAGEMENT	18
COMPLIANCE AND RISK MANAGEMENT.....	21
ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE STATE OF AFFAIRS OF THE COMPANY.....	23
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING	28
DIRECTORS' STATEMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING RESPONSIBILITY	31
REPORT OF BOARD AUDIT, RISK AND COMPLIANCE COMMITTEE	33
BOARD OF DIRECTORS - PROFILES	37
INDEPENDENT AUDITORS' REPORT.....	39
STATEMENT OF FINANCIAL POSITION.....	41
STATEMENT OF PROFIT OR LOSS	42
STATEMENT OF COMPREHENSIVE INCOME.....	43
STATEMENT OF CHANGES IN EQUITY	44
STATEMENT OF CASH FLOW	45
NOTES TO THE FINANCIAL STATEMENTS	46
NOTICE OF MEETING.....	78
FORM OF PROXY.....	81
CORPORATE INFORMATION.....	83

CHAIRMAN'S MESSAGE

The year 2025 marked a significant milestone in the strategic progression of NDB Capital Holdings Limited (NCAP) and its group of companies. Building upon the foundations of stability established in the preceding years, Sri Lanka's economy demonstrated commendable resilience as macroeconomic fundamentals strengthened, inflation remained subdued and investor confidence gradually improved. Against this evolving backdrop, NCAP Group remained focused on strengthening its market position and delivering sustainable value to all stakeholders. Leveraging the Group's diversified capabilities across asset management, equities, and advisory services, we continued to support our clients in navigating evolving market dynamics whilst capitalizing on the opportunities presented by a recovering economy. I am pleased to report that the Group achieved a consolidated revenue of LKR 2.9 billion and a net profit of LKR 807 million during the year, reflecting our consistent growth trajectory and disciplined approach to value creation. NDB Wealth Management Limited (NDBWM) maintained its position as Sri Lanka's largest private sector asset manager, concluding the year with Assets under Management of LKR 324 billion and serving a client base exceeding 39,000. In pursuit of greater reach and accessibility, NDBWM expanded its branch network through the establishment of new branches in Kandy and Jaffna — a strategic initiative that reinforces the company's commitment to enhancing service delivery and deepening its presence across key regions of the island. NDB Investment Bank (NDBIB) continued to affirm its leadership within Sri Lanka's investment banking arena. In a further testament to its enduring excellence, NDBIB was once again honored by Euromoney Magazine as *"Sri Lanka's Best Investment Bank"* for the fourteenth consecutive year — an unparalleled distinction within the domestic financial industry. This recognition reflects the team's innovative approach, superior execution capabilities, and the deep, long-standing relationships we have cultivated with our clients. NDB Securities achieved strong results as a leading stockbroker in the Colombo Stock Exchange, while successfully introducing a discerning portfolio of high-net-worth individuals and institutional investors — both local and foreign — to Sri Lanka's capital markets. NDB Zephyr Partners Limited (NDBZ) remained committed to its disciplined investment philosophy, actively engaging with portfolio companies to foster sustainable long-term value creation. On the regional front, NDB Capital Limited (NDBCB) faced a challenging macro environment arising from political and economic uncertainty. It is evaluating viable courses of actions with regard to optimizing the value of the business franchise in Bangladesh. Beyond our commercial achievements, NCAP Group continued to uphold its responsibilities as a conscientious corporate citizen through its many CSR activities, including the continued assistance provided to deserving undergraduates under the NDB Capital Holdings Scholarship Program, donation of essential medicines to Apeksha Hospital and the urgent support extended to families affected by Ditwah. These endeavors reflect our deeply held values and the compassion that defines our organization. As we look ahead to 2026, NCAP Group is well positioned to pursue new opportunities for growth across both domestic and regional markets. Our strategy remains firmly grounded in disciplined expansion, continuous innovation, and an unwavering pursuit of excellence in all that we do. On behalf of the Board, I wish to extend my sincere appreciation to our management team and all employees for their unwavering dedication and commitment throughout the year. I also extend my profound gratitude to our clients, shareholders, and stakeholders for the trust and confidence they continue to place in us. Together, we remain committed to building on our achievements and shaping a stronger future in the years to come.



Bernard Sinniah

Chairman

02 June, 2026

CEO'S MESSAGE

To the Shareholders of NDB Capital Holdings Limited,

We are deeply grateful for the trust and confidence you place in NDB Capital Holdings, Sri Lanka's pioneering investment banking group. With an established presence spanning investment banking, wealth management, securities trading and private equity across Sri Lanka and Bangladesh, the Group continued to build on its market position and expand its footprint during 2025. Supported by improving market conditions and stronger capital market activity, we recorded growth in both revenue and profitability during the year. These achievements were made possible through the commitment, expertise, and collaborative efforts of our employees across the Group.

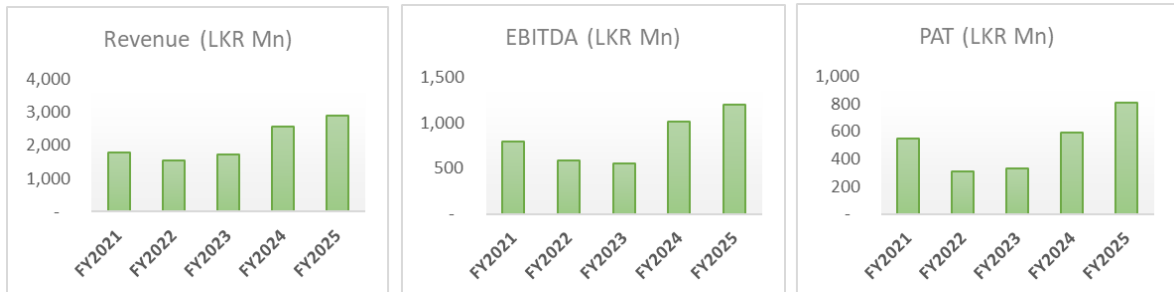
Sri Lanka entered a new phase of recovery and renewed confidence in 2025. Macroeconomic conditions improved further during the year, supported by sustained fiscal consolidation, easing inflationary pressures, lower interest rates, and continued implementation of structural reforms under the IMF-supported Extended Fund Facility. Inflation remained broadly contained throughout the year, while domestic interest rates moderated significantly compared to crisis highs. Sovereign credit outlook improved further as debt restructuring progressed, contributing to a gradual decline in country risk premiums and improving investor sentiment across both debt and equity markets.

The Colombo Stock Exchange (CSE) continued its strong upward trajectory, with the All Share Price Index (ASPI) increasing by approximately 42%, while the S&P Sri Lanka 20 Index (S&P SL20) rose by around 27% year-on-year. Market turnover improved significantly compared to previous years, with daily average turnover rising above LKR 5.0 Bn. This improvement was mainly driven by a combination of factors, including declining fixed income yields, improved corporate earnings, and a gradual reallocation of investor funds from money markets to equities and managed investment products.

Despite this recovery momentum, the year was not without disruption. Sri Lanka was adversely affected by *Cyclone Ditwah*, which caused widespread disruption across multiple sectors creating short-term pressure on economic activity. Preliminary estimates placed direct economic losses approximating USD 4 Bn, with reconstruction and recovery requirements expected to extend into the medium term. While the event created temporary macroeconomic pressure, policy continuity and fiscal space supported a relatively swift stabilization of economic activity thereafter.

A. Group Performance

Our commitment to operational efficiency and cost optimization helped us reach new heights in 2025. The Group recorded a revenue of LKR 2.9 Bn and a profit after tax of LKR 807 Mn, the best in its history when excluding one-off items



B. Operational Review

NDB Wealth Management continued its leadership position within Sri Lanka’s fund management industry, as the largest private sector asset manager in the country. Total Assets Under Management exceeded LKR 324 Bn by year-end, supported by strong net inflows and continued investor confidence in our product offerings. The Company further strengthened its retail and digital presence through the continued rollout and adoption of *XAPP*, its digital investment platform, enabling seamless onboarding and investment access for clients locally and overseas. During the year, NDB Wealth also expanded its physical footprint with the opening of its first regional branch in Jaffna followed by a second branch in Kandy, marking an important milestone in broadening financial accessibility and strengthening investor engagement outside Colombo.

NDB Investment Bank demonstrated resilience amidst an increasingly competitive environment, successfully facilitating several strategic debt and equity transactions whilst maintaining its position as one of Sri Lanka’s leading investment banks. The business continued to play a pivotal role in supporting capital formation and corporate fundraising activities in Sri Lanka and Maldives, with facilitations and raisings exceeding LKR 43 Bn during the year. Furthermore, NDB Investment Bank was recognized by *Euromoney Magazine* as the “*Best Investment Bank in Sri Lanka*” for the 14th consecutive year, underscoring the strength of our advisory capabilities and execution excellence.

NDB Securities (NDBS), the stock brokering arm of the Group maintained its market share and improved profitability driven by higher market turnover and renewed retail participation. NDBS achieved revenue growth of over 88% in 2025 compared to the previous year with the daily average market turnover increasing from 2.2 Bn in 2024 to 5.2 Bn in 2025. Throughout the year, NDBS remained focused on growing its client base through proactive engagement initiatives. In line with its commitment to enhancing client experience and strengthening decision-making capabilities, NDBS also invested further in upgrading its internal systems and client-facing digital platforms

NDB Zephyr Partners Limited (Mauritius), the private equity management arm of the Group, is actively exploring opportunities for further divestments. During the year, NDB Zephyr remained closely engaged with its three existing portfolio companies, supporting their growth by promoting strategic diversification, improving access to working capital, and driving cost optimization initiatives.

NDB Capital Limited, the Group's Bangladesh-based investment banking arm, continued to operate within a challenging macroeconomic environment characterized by currency pressures, liquidity constraints, and political uncertainty. Nevertheless, the business remained focused on maintaining client relationships, managing risks prudently, and positioning itself to capitalize on opportunities that may emerge as market conditions stabilize, whilst exploring further options to optimize the value of the franchise.

C. Creating Value

The Group delivered strong financial performance during the year, exceeding prior year results reflecting the resilience and growth across our core business segments. We remain committed to investing in innovation, enhancing technological capabilities, and developing our talent base, all of which underpin our commitment to long-term sustainability and value creation.

During the year, significant progress was made in digital enablement, including the implementation of a CRM platform in Investment Banking to strengthen deal sourcing and client management. In Wealth Management, *XAPP* platform was successfully deployed, increasing adoption of digital channels with app-based transactions rising to over 70% of total volumes.

Equally, the Group remained committed to building a high-performance, future-ready workforce. These included leadership development initiatives, specialized training for relationship managers, and participation in international courses, as well as ongoing knowledge-sharing sessions aligned with evolving market trends.

The Group also deepened its institutional relationships and market engagement, both locally and internationally. During the year, strong progress was made in forming strategic partnerships with local and foreign institutions, enhancing our ability to originate and distribute cross-border transactions. Engagements with global investment banks, participation in key investor forums, and collaboration with regulators and industry bodies continued to position the Group as an active contributor to capital market development.

D. Future Outlook

Sri Lanka's economic outlook remains cautiously positive, supported by continued policy stability, improving external buffers, and gradual recovery in domestic demand. However, sustained progress will depend on continued fiscal discipline, structural reforms, and consistent policy implementation. The outlook will also depend largely on how global conditions evolve, as evidenced by the geopolitical tensions in the Middle East adding a new layer of uncertainty, with their impact being felt more heavily in economies such as Sri Lanka that are still in a phase of recovery. However, it is worth noting that Sri Lanka's improving macroeconomic trajectory, ongoing reforms, and strengthening external position continue to provide a degree of underlying support, helping to cushion some of these external shocks. In this context, the Group remains focused on prudent risk management, disciplined execution, and

strategic agility. By leveraging its diversified business model, strengthening institutional partnerships, and continuing to invest in technology and talent, the Group is well-positioned to navigate future challenges while capitalizing on emerging opportunities, with the aim of generating long-term growth and value for our shareholders.



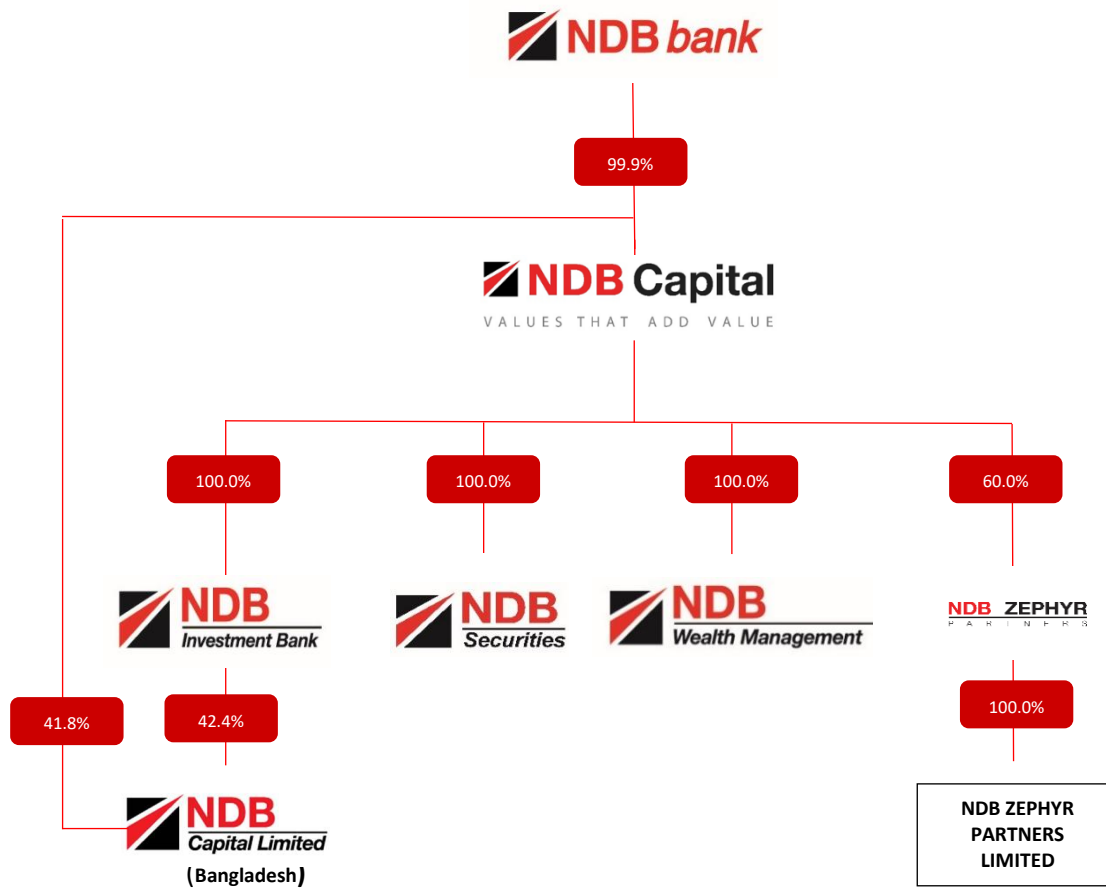
.....
Senaka Kakiriwaragodage

Group Chief Executive Officer

02 June, 2026

GROUP STRUCTURE

NCAP Group provides a full range of investment banking services, comprising both fund and fee-based activities. The four subsidiaries focus on the fee-based services in investment banking, wealth management, stock broking, and private equity management; whilst the fund-based activities such as private equity investments, listed equity and fixed income investments directly come under the purview of the Company. NDB Capital Bangladesh, an associate company of NCAP and a subsidiary of NDB Bank, conducts investment banking operations in Bangladesh.



PRODUCT AND SERVICE OFFERINGS OF THE GROUP

NDB Capital Holdings Limited (NCAP)

NCAP is the investment arm of the capital market group and makes mid to long-term investments in listed equities, debt instruments, structured products, and fixed income securities.

NDB Investment Bank Limited (NDBIB)

(i) Initial Public Offerings (IPOs)

NDBIB is involved in advising, structuring, and managing IPOs along with placements and distributions.

(ii) Other Equity Capital Raisings

Offering advisory services and solutions for secondary public offerings, rights issues, equity private placements, and any equity capital instrument.

(iii) Mergers and Acquisitions

Delivering advisory services to initiate/ facilitate mergers and acquisitions for both sell side as well as buy side, and arranging acquisition financing.

(iv) Structured Debt including Securitization and Subordinated Trust Certificates

Facilitating businesses to raise capital through the strength of their future cash flows.

(v) Commercial Paper/ Promissory Notes

Address working capital financial requirements with maturities up to twelve months.

(vi) Debentures

Managing end-to-end processes of debenture issues, both listed and unlisted along with support on obtaining credit rating.

(vii) Green Bonds, Blue Bonds, Social Bonds and GSS+ Bonds

Managing end-to-end processes of Green Bonds, Blue Bonds, Social Bonds and GSS+ Bonds together with advisory, structuring, regulatory, and investor placement services.

(viii) Arranging Loan Syndications

Structuring and advising on project viability and arranging financing via club loans or syndications with local and foreign funding institutions.

(ix) Shariah-compliant products

Structuring and placement of Shariah-compliant instruments with underlying structures such as Sukuk, Wakala, Murabaha and Tijaraha for local institutions.

(x) Debt Restructuring advisory

Advising the distressed clients of financial institutions in reducing their borrowing exposure, restructuring their existing facilities, and assisting and guiding these clients in possible turnaround initiatives, including but not limited to, equity infusions, mergers and acquisitions, and sale of assets.

(xi) Corporate Advisory

NDBIB provides advisory services on entity restructuring with a view to optimizing firm value, supported by diagnostic studies, business valuations, and guidance on regulatory requirements across a range of transactions. The service offering also extends to placement support, leveraging NDBIB's established local and international investor network and, where required, collaborative engagements to facilitate the successful implementation of its product offerings.

NDB Wealth Management Limited (NDBWM)**(i) Discretionary Portfolio Management**

Providing advisory and consultancy services, structuring, and managing portfolio of investments and portfolio administration activities including maintaining client records and providing reports

(i) Private Wealth Management

Extending a relationship-based service to structure and manage diversified investment portfolios combined with privilege wealth management services through the ultimate parent, NDB for high-net worth individuals.

(ii) Mutual Funds

Advising and creating individualized plans to meet diverse savings and investment needs with selection of eight risk rated funds especially targeting the retail sector such as money market funds, income funds, balanced funds and equity funds

NDB Securities (Private) Limited (NDBS)**(i) Listed Equity**

Facilitating and providing advisory services for equity trading on the Colombo Stock Exchange (CSE). State-of-the-art online trading platform in place for speedy and convenient trading activities

(ii) Listed Debt

Facilitating and providing advisory services for trading in listed debentures on the Colombo Stock Exchange (CSE)

(iii) Margin Trading

Providing a platform to engage in margin trading, with credit facilities being arranged through the ultimate parent Company, NDB, and other financial institutions

(iv) Equity Research

Quality equity research covering macroeconomic trends, industry, and Company level research. Market updates are released on a daily and weekly basis

(v) Advisory Services to Clients

Advising clients on investments to suit their risk-return profile to meet their financial goals

NDB Zephyr Partners Limited (Mauritius) (NDBZ)**Private Equity**

Equity investments in small and medium scale companies in Sri Lanka with high growth potential along with value addition in terms of strategy, markets, technology, finance, and management.

NDB Capital Limited (Bangladesh) (NDBCB)**(i) Fixed Income Instruments**

Offering a broad array of fundraising solutions through Redeemable Bonds, Subordinated Bonds, Convertible Bonds, Zero-Coupon Bonds, and Sukuks to meet clients' long-term financing needs

(ii) Preference Shares

Managing the entire process of issuance of preference shares including transaction structuring, fund arrangement, and performing agency roles

(iii) Local/Foreign Currency Syndications

Managing the entire process of arranging funds through syndication both in local and foreign currency mostly for project financing from the debt market which includes local & offshore banks, NBFIs, Development Financial Institutions, etc.

(iv) Commercial Paper

Arranging short-term working capital and fundraising through the issuance of Commercial Paper for large corporates

(v) IPO/RPO

Providing all advisory services relating to IPO, QIO, rights issues, underwriting, equity raising through private placement and distribution

(vi) Mergers & Acquisitions

Providing corporate advisory services for mergers and acquisitions, acting on behalf of either sell-side or buy-side clients. This includes deal structuring, acquisition financing, joint ventures, private equity, etc.

(vii) Private Equity

Providing advisory services to assist clients in arranging equity through private placements

(viii) Financial/Balance Sheet Restructuring

Offering a full range of advisory services, including loan and balance sheet restructuring for corporates

(ix) Equity Valuations

Providing valuation services for companies evaluating venture capital, strategic investors, local/foreign partners, etc

(x) Corporate Advisory

Delivering advisory support for restructuring group entities to enhance firm value and guiding clients on regulatory compliance related to transactions

(xi) Portfolio Management Services

Offering investment solutions to both individual and institutional clients and managing wealth on their behalf, by structuring specific investment portfolios to cater to the exact requirements of clients based on their risk appetite

MANAGEMENT DISCUSSION AND ANALYSIS

Year 2025 in Retrospect

Real Sector: Sri Lanka's economy sustained its post-crisis recovery in 2025, expanding by 5.0% for the second consecutive year. Growth was supported by continued macroeconomic stabilization, policy consistency, improved investor confidence, and stronger domestic demand. However, the economy also faced challenges from global trade and geopolitical uncertainty, as well as weather-related disruptions towards the latter part of the year. In nominal terms, GDP increased to USD 108.8 billion, compared to USD 99.6 billion in 2024, while per capita GDP rose to USD 5,003, from USD 4,546 in the previous year. Sector-wise, industry grew by 7.8%, supported by manufacturing, construction, mining, and quarrying. Services expanded by 3.3%, driven by financial services, transport, accommodation, and ICT-related activities, while agriculture grew by 1.4%. Labour market conditions also improved, with the unemployment rate declining to 3.9%, from 4.4% in 2024. Inflation remained subdued for most of the year, with annual average CCPI inflation at -0.5%, although year-end inflation turned positive at 2.1% by December 2025.

Fiscal Sector: Fiscal performance strengthened materially in 2025, reflecting continued revenue-based consolidation, improved tax administration, and stronger import-related revenue following the relaxation of vehicle import restrictions. Total government revenue increased by 35.2% to Rs. 5,449.4 billion, raising the revenue-to-GDP ratio to 16.6%, compared to 13.4% in 2024. Tax revenue increased by 36.3%, supported by stronger collections from VAT, income tax, excise duties, import duties, and other indirect taxes. Expenditure and net lending increased only marginally by 1.6%, while recurrent expenditure declined by 2.0%. Capital expenditure increased by 26.2%, reflecting a gradual recovery in public investment. The primary surplus improved significantly to 5.4% of GDP, from 2.2% in 2024, while the overall fiscal deficit narrowed to 2.3% of GDP, from 6.8% in the previous year.

Monetary Sector: The CBSL maintained an accommodative monetary policy stance in 2025, supported by subdued inflation and improving macroeconomic stability. The Overnight Policy Rate was reduced by 25 basis points in May 2025 to 7.75%, while the Standing Deposit Facility Rate and Standing Lending Facility Rate were set at 7.25% and 8.25%, respectively. This was the only policy-rate adjustment during the year. Thereafter, policy rates were maintained as inflation returned to positive territory from August 2025 and private sector credit expanded strongly. Credit to the private sector by licensed commercial banks grew by 25.2% year-on-year by end-December 2025, compared with 10.7% at end-2024. This growth was supported by lower borrowing costs, stronger economic activity, and vehicle-import-related credit demand.

External Sector: Sri Lanka recorded a current account surplus for the third consecutive year in 2025, with the surplus increasing to USD 1.7 billion, or 1.6% of GDP, compared to USD 1.2 billion in 2024. This was achieved despite a widening trade deficit, which increased to USD 7.9 billion, as imports rose sharply to USD 21.5 billion following stronger economic activity and the relaxation of vehicle import restrictions. Export earnings improved to USD 13.6 billion, while worker remittances reached a historic high of USD 8.1 billion, increasing by 22.8% year-on-year. Tourist arrivals increased to 2.36 million, up 15.1%, while tourism earnings amounted to approximately USD 3.2 billion. Gross official reserves increased to USD 6.8 billion by end-2025, equivalent to 3.8 months of imports. However, the rupee

depreciated by 5.6% against the US dollar during the year, moving from Rs. 292.58 per USD at end-2024 to Rs. 309.99 per USD at end-2025.

Way Forward

Sri Lanka's economic outlook for 2026 remains positive, although growth is likely to moderate from the 5.0% level recorded in 2024 and 2025 to around 3.0% – 3.75%. This moderation should be viewed as a normalization of growth following the strong post-crisis recovery phase. With economic activity now broadly returning to pre-crisis levels, sustaining higher growth will require more meaningful structural reforms, stronger productivity gains, increased investment, and improved export competitiveness. The key challenge is that the economy is now transitioning from a recovery-led growth phase to a reform-led growth phase. The earlier rebound was supported by the reopening of economic activity, stabilization of inflation, improved fiscal management, and renewed confidence following debt restructuring. However, these recovery drivers may not be sufficient to maintain growth at around 5% on a sustained basis. To move beyond this level, Sri Lanka will need deeper reforms in taxation, SOEs, trade liberalization, investment facilitation, governance, labour productivity, and private-sector competitiveness. At the same time, the ongoing Gulf/Middle East conflict has introduced a significant external shock to the economy. Higher energy and commodity prices have pushed inflation closer to the CBSL's target range, while also eroding consumer purchasing power. This could weaken household spending, reduce real disposable income, and moderate domestic demand. If the conflict persists, inflationary pressures may increase further, creating a more difficult trade-off between supporting growth and maintaining price stability. The external sector is also exposed to these risks. Sri Lanka continues to bridge its trade deficit largely through worker remittances and tourism earnings. A prolonged Gulf conflict, particularly one lasting more than six months, could affect both channels. Remittances may come under pressure if employment and income conditions in the Middle East weaken, while tourism could be affected by higher airfares, weaker travel sentiment, and broader geopolitical uncertainty. Such developments could place pressure on the current account, exchange rate, and reserve accumulation. That said, Sri Lanka enters this period with stronger buffers than in the recent past. Improved revenue collection and expenditure management have allowed the Treasury to maintain a sizeable cash buffer of over Rs. 1 trillion, providing some fiscal flexibility to manage near-term funding pressures. In addition, healthy gross official reserves provide temporary protection against external volatility and give policymakers room to manage shocks in an orderly manner. Overall, Sri Lanka is better positioned to withstand short-term turbulence than it was during the crisis period. However, the existence of stronger buffers should not lead to policy complacency. The next phase of growth will depend on maintaining policy discipline, protecting fiscal and external buffers, and accelerating structural reforms. The key priority is to convert the post-crisis recovery into a sustainable growth path driven by productivity, investment, exports, and stronger institutional execution.

PERFORMANCE OF GROUP COMPANIES

NDB Capital Holdings Limited, formerly known as Capital Development and Investment Company PLC (CDIC), was formed in 1983 as a venture capital Company. CDIC was subsequently listed on the Main Board of the Colombo Stock Exchange in 1996. Following a restructuring within the NDB Group in mid-2012, CDIC was transformed into a full-service investment bank and rebranded as NDB Capital Holdings PLC (NCAP). Subsequently, the company was de-listed in 2015 after the introduction of minimum public float rules and renamed NDB Capital Holdings Limited. NCAP and its subsidiaries (collectively referred to as the Investment Banking Cluster or NCAP Group) are uniquely positioned towards assisting the growth and development of Sri Lankan capital market. NCAP Group is involved in both fee-based operations as well as fund-based operations. While the fee-based operations of the Company are carried out through its subsidiaries, NDB Investment Bank Limited (NDBIB), NDB Wealth Management Limited (NDBWM), NDB Securities (Private) Limited (NDBS), NDB Zephyr Partners Limited (NDBZ) and NDB Capital Limited, Bangladesh (NDBCB), NCAP takes the direct participation in fund-based operations including but not limited to investments in listed equities, private equity, and fixed income securities.

NDB Capital Holdings Limited

NCAP Group is working towards realizing its vision of becoming the trusted financial partner for businesses and individuals in Asian and African frontier Markets. By working very closely with the Private Wealth Center branch of National Development Bank PLC, The NCAP Group has successfully provided comprehensive financial and investment solutions to diverse clientele, spanning from high end corporations and high net worth individuals to retail customers. NCAP reaffirms its dedication to responsible investing in Sri Lanka's capital market, aiming to enhance the value of its investments. Additionally, NCAP Group's fee-based operations will prioritize sustaining their leading positions in investment banking, asset management, stock brokering, and private equity management within the country. Despite the presence of moderate economic uncertainties and challenges within the economy, the NCAP Group achieved notable performance in 2025, demonstrating its adeptness in navigating through challenging circumstances. The NCAP Group concluded the year 2025 with a net operating income of LKR 2.9 Bn and a net profit of LKR 807 Mn.

NDB Investment Bank Limited

NDB Investment Bank Limited (NDBIB) is the investment banking arm of the NDB Group offering fee-based services ranging from debt and equity raising to corporate advisory services. Over the years, NDBIB has spearheaded the capital markets of Sri Lanka for both debt and equity transactions with innovative and diverse financial solutions/ instruments. NDBIB secured the award for "Sri Lanka's Best Investment Bank" at the Awards for Excellence by Euromoney Magazine for the Fourteenth consecutive year in 2025. This is one of the longest winning streaks for Euromoney Awards in addition to being the first and only investment bank in the Country to be recognized by the Euromoney Magazine.

NDBIB strengthened its regional footprint in 2025 by completing larger debt fund raises in the Republic of Maldives amounting to more than USD 65 Mn. With the completion of these fund raises, NDBIB was able to establish itself as the “preferred Investment Banking Service Provider” within the Maldives market. Going forward, NDBIB expects to strengthen its presence in Maldives and explore other regional markets such as Middle East, Sub-Saharan Africa and Southeast Asia.

NDBIB remains at the forefront of capital market innovation in Sri Lanka, pioneering several landmark and first-of-their-kind issuances. NDBIB acted as the Managers to the issue for Sri Lanka’s first Green Bond issued by a NBFI, the first-ever Social Bond and Blue Bond as well as first-ever Shariah-compliant Debt instrument.

During the year, NDBIB also raised over USD 120 million in equity and debt capital, underscoring its strong execution capabilities across capital markets and corporate advisory mandates. A snapshot of key transactions executed by NDBIB during the year is set out below.

- Acted as Buy-side Advisors to World Elite Limited (a company based out of Hong Kong) for the acquisition of a significant stake of Gestetner of Ceylon PLC.
- Acted as the Exclusive Financial Advisor and Arranger for a leading energy conglomerate in the Republic of Maldives for the raising of USD 18Mn revolving credit facility and USD 10Mn term loan facility.
- Carried out valuations and advisory services for multiple local and regional players operating in agriculture, healthcare, consumer, hospitality, construction materials, and financial services sectors, among other sectors.
- Acted as the Exclusive Financial Advisors and Arrangers to raise USD 40 Mn Cross-Border Structured Syndicated Term-Loan Facility for Maldives Airport Company Limited to refinance a portion of the capital expenditure incurred by them for the construction and development of its new state-of-the-art passenger terminal at Velana International Airport.
- Acted as the Financial Advisors and Arrangers to raise LKR 3,000 Mn Listed Rated Senior Unsecured Redeemable Blue Bond for DFCC Bank PLC to finance and/or refinance projects that support the sustainable use and protection of marine and coastal ecosystems, promote climate resilience in coastal communities, and enhance the blue economy of Sri Lanka.
- Acted as the Financial Advisors and Arrangers to raise LKR 2,000 Mn Listed Rated Senior Unsecured Redeemable Social Bond for Alliance Finance Company PLC to promote Micro, Small, and Medium Enterprises (MSMEs) and microfinance to marginalized and underserved communities.
- Acted as the Financial Advisors and Arrangers to raise LKR 1,000 Mn Listed Rated Senior Unsecured Redeemable Green Bond for Resus Energy PLC for refinancing and investment on renewable energy projects.
- Acted as the Financial Advisors and Arrangers to raise LKR 500 Mn Listed Rated Senior Secured Redeemable Sukuk for Vidullanka PLC to settle Shariah Compliant short term finance facilities and to fund working capital requirements.
- Acted as the Financial Advisors and Arrangers to raise LKR 1,000 Mn Listed Rated Guaranteed Senior Unsecured Redeemable Green Bond for Alliance Finance Company PLC to finance rooftop solar energy installation and financing solar equipment vendors and suppliers.

- Acted as the Structuring and Placement Agents to raise LKR 4,605 Mn Subordinated Trust Certificates for Mercantile Investments and Finance PLC to accommodate further loans and advances.
- Acted as the Structuring and Placement Agents to raise LKR 3,000 Mn Subordinated Trust Certificates for Vallibel Finance PLC to accommodate further loans and advances.
- Acted as the Structuring and Placement Agents to raise LKR 3,500 Mn Subordinated Trust Certificates for Citizens Development Business Finance PLC to accommodate further loans and advances.
- Acted as the Structuring and Placement Agents to raise LKR 2,000 Mn Subordinated Trust Certificates for HNB Finance PLC to accommodate further loans and advances.
- Acted as the Structuring and Placement Agents to raise LKR 2,000 Mn Securitized Debt Facility for Singer Finance (Lanka) PLC to accommodate further loans and advances.

NDB Securities (Private) Limited

NDB Securities (Pvt) Ltd (NDBS) is a licensed stockbroker registered with the Colombo Stock Exchange (CSE) and is one of the leading players in the industry. NDBS provides a variety of investment advisory-related services on listed debt and equity securities, channeling local and foreign individuals towards investment opportunities in the CSE. NDB Securities (Pvt) Limited (NDBS) has a strong institutional and high-net worth individual client base, which deals both in the listed equity and debt space. NDBS's offerings to the capital markets with several related value-added services, including state-of-the-art online trading facilities for prompt trade executions along with comprehensive coverage of research to support trading activities while facilitating margin trading and other financial products through its parent, NDB Bank.

NDBS has served as the leading stockbroker in some of the most significant IPO and debenture listings in the CSE. They have introduced several high-net-worth individuals and institutional investors, both local and foreign to the market. The research and advisory department of NDBS keeps up with the latest trends in financial markets to meet client information requirements. The research reports were disseminated to the public via various platforms, including print and electronic media. NDBS boasts highly experienced advisory staff, an efficient and secure IT platform, the highest compliance standards, and a quality research arm. NDBS investment advisory team is equipped to offer its clients a diverse range of financial products, surpassing its conventional offerings of listed equity and debt products, with a customer-centric approach.

2025 has been a challenging year for NDBS due to the volatile conditions that prevailed in the equity market. Average daily market turnover in CSE increased from LKR 2.2 Billion in 2024 to LKR 5.2 Billion during 2025. Despite the market challenges that prevailed, NDBS was able to achieve profitability during the year while capturing ~ 3.7% market share in 2025.

NDB Wealth Management Limited

NDB Wealth Management Limited (NDBWM), is the largest private sector asset management company in the country, serves as the wealth management arm of the NDB Group. NDBWM has adeptly overseen the assets of a diverse clientele, spanning individuals, enterprises, and institutions, securing its prominent status in Sri Lanka's Wealth Management industry. NDBWM, with its history of over 30 years in the industry, has always been at the forefront of identifying and advising clients on the best savings or investment solutions while taking the risk appetite of the clients in to consideration. Reinforcing its client-centric approach over three decades, NDBWM has continued to innovate and evolve strategic restructuring of funds, aimed at enhancing returns and delivering greater value to its investors.

NDB Wealth Management Limited remains committed to empowering investors by offering inclusive and innovative investment opportunities across new products and diversified asset classes, while expanding its branch network to improve accessibility and convenience for customers. NDBWM established its branch network by opening its first outstation branch in Jaffna during the year. This initiative aims to enhance accessibility to wealth management products and services for regional clients.

By the end of 2025, NDBWM had a client base of over 39,750 and Funds Under Management crossing LKR 324 Bn. During the year 2025, NDBWM acquired over 25% of new accounts opened in the unit trust industry in Sri Lanka. Over 7,725 new accounts were also opened by clients in 2025. The company achieved a revenue of LKR 1.4 Bn, -0.6% decrease compared to the year 2024 and the Return on Shareholder's Equity (ROE) exceeded 45%.

NDBWM continued to offer three distinct services to its clients: Discretionary Portfolio Management focused large institutions such as insurance companies, provident funds and other corporates. Private wealth management team focused on catering to high-net-worth individuals while the retail team focused on the various financial and wealth planning needs of the broader retail segment.

NDB Zephyr Partners Limited (Mauritius) (NDBZ)

NDB Zephyr Partners Limited (NDBZ) is the Fund Manager of Emerald Sri Lanka Fund I, which engages in private equity investments in small and medium-sized companies in Sri Lanka that are seeking capital for growth. NDB Zephyr is a joint venture company between NDB Capital Holdings Limited (NCAP) (60%) and Zephyr Management, LP (Zephyr) (40%), a New York-based global emerging markets investment firm.

Emerald Sri Lanka Fund I (Emerald Fund) is a Sri Lanka-dedicated Private Equity Fund. The investors of the Emerald Fund include reputed institutions such as IFC, a member of the World Bank Group, DEG-German Development Finance Corporation, FMO-the Netherlands Development Finance Company along with NCAP.

The Emerald Investment team benefits from the expertise of Zephyr's deal evaluation, portfolio management, investment process and exit management capabilities. The Emerald Investment team supports its portfolio companies through an array of services, including strategic planning and

management, effective financial management, corporate governance and efficiency improvements in addition to providing equity capital to support growth aspirations. The team also helps its portfolio companies in accessing international markets and optimizing their capital structure through its network.

Emerald Fund currently holds three active investments: Arimac Lanka (Pvt) Ltd (Arimac), Idea Group Ltd (IGL), and Cleanline Linen Management (Pvt) Ltd (CLM). Arimac provides digital solutions specializing in enterprise web and mobile development, artificial intelligence, immersive technologies, and game development. IGL is a manufacturer and distributor of building products, including PVC roofs, ceilings, wall panels and other architectural accessories in Sri Lanka. CLM is a centralized laundry service provider to star-class hotels and corporates in Sri Lanka. CLM also caters to retail clients through its retail operations.

NDB Capital Limited (Bangladesh) (NDBCB)

NDB Capital Limited (Bangladesh) (NDBCB) is one of the leading investment banks in Bangladesh, operating as a full-fledged Merchant Bank licensed by the Bangladesh Securities and Exchange Commission. Since commencing its investment banking activities in 2009, NDBCB has built a diversified portfolio of financial services, including IPO management, M&A advisory, portfolio management, fundraising through Commercial Papers, Bonds, and Preference Shares, as well as arranging project financing and working capital solutions for its clients.

Positioned uniquely within Bangladesh's capital market landscape, NDBCB leverages its deep transaction expertise and strong industry network. The firm also collaborates closely with the Sri Lankan teams at NDBIB and NCAP to generate synergies and explore cross-border opportunities

HUMAN RESOURCE MANAGEMENT

Our People and Our Culture

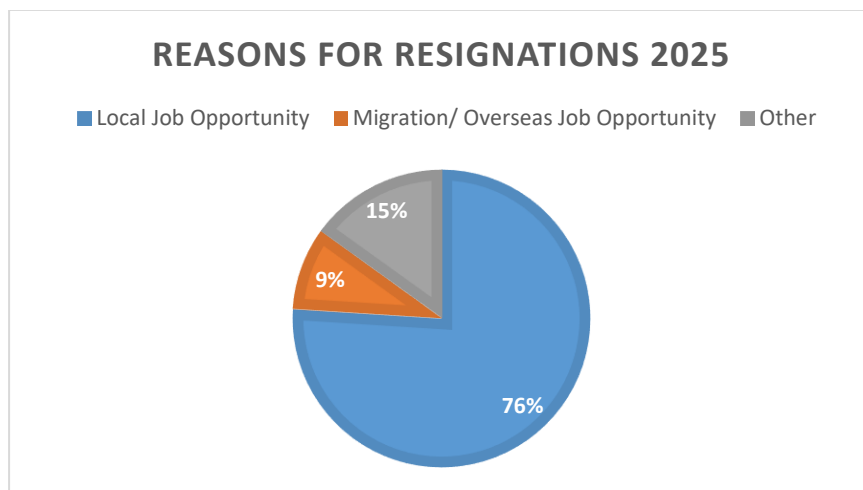
The year 2025 reflected a period of continued resilience and progress for the NDB Capital Cluster as we navigated an evolving business environment and changing workforce expectations. As market conditions continued to stabilize, organizations faced increasing competition for skilled talent, requiring a stronger focus on employee engagement, retention, and creating a compelling employee value proposition.

Our people strategy remained centered on attracting, retaining, and developing talent while fostering a culture of collaboration, growth, and performance. Throughout the year, we continued to strengthen employee engagement through targeted initiatives focused on employee wellbeing, professional development, and creating meaningful career opportunities across the Group.

Employee development continued to be a strategic priority. We invested in building future capabilities through targeted learning interventions, leadership development initiatives, and structured coaching opportunities across different employee segments. These efforts aimed to strengthen competencies while building a resilient and agile workforce equipped to meet future business demands.

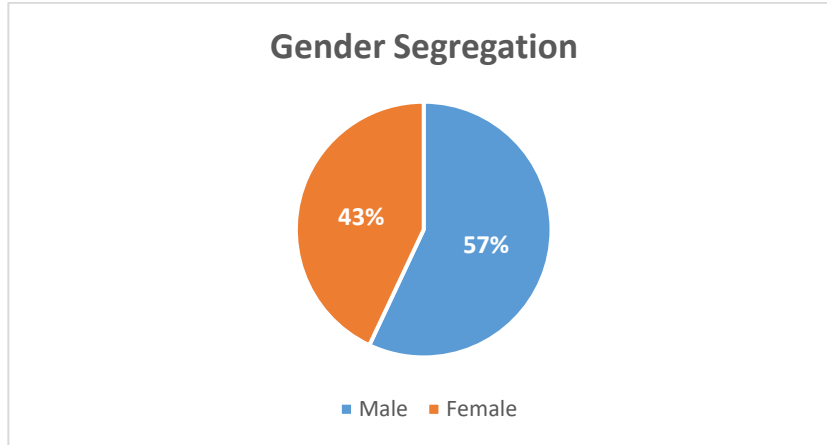
Understanding the evolving needs and aspirations of employees, we continued to focus on enhancing the employee experience and maintaining a culture that supports inclusion, growth, and long-term career development.

Overall employee movement during the year continued to be largely influenced by external market opportunities. The primary reason for employee resignations in 2025 was the availability of more attractive local employment opportunities due to the competitive talent market.



Diversity and Inclusion

Our workforce continues to reflect our commitment to diversity and maintaining a balanced and inclusive work environment. Gender diversity across the Group remained an important focus area, supporting diverse perspectives and fostering innovation across teams.

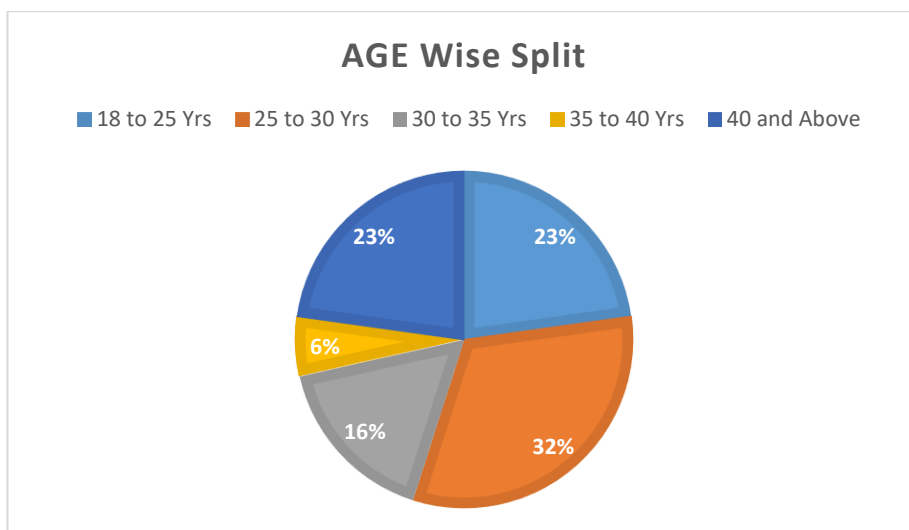


Our continued focus remains on building a workplace where employees feel valued, respected, and empowered to contribute meaningfully to the organization’s long-term success.

While gender representation across the workforce continues to evolve, 23% of leadership positions are held by women, reflecting the Group’s continued efforts to strengthen diversity within leadership roles and create opportunities for growth and advancement.

Workforce Demographics

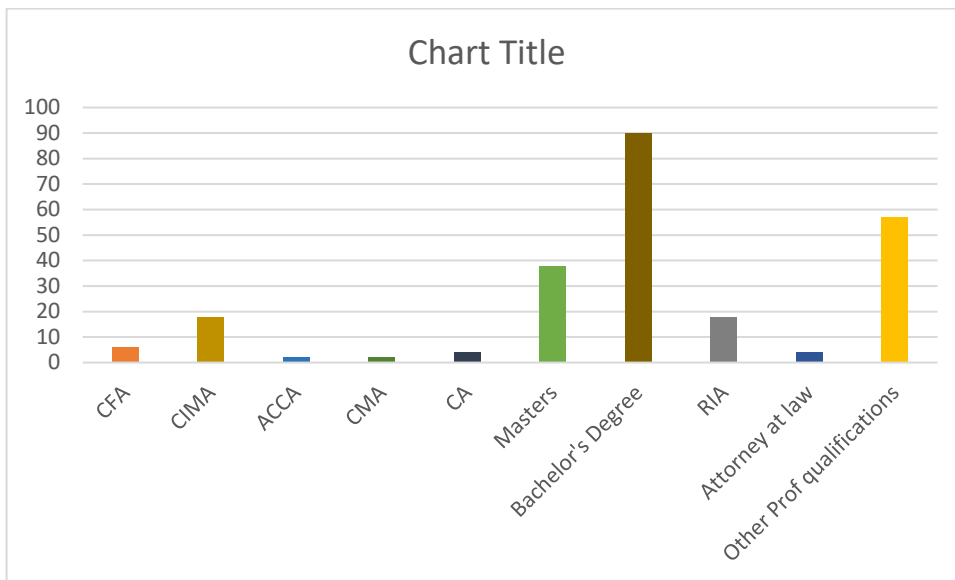
Our workforce continues to reflect a healthy blend of emerging talent and experienced professionals, enabling us to maintain agility while leveraging deep industry knowledge and expertise. The employee demographic profile demonstrates a strong representation of younger talent, supporting innovation and future leadership development, while also benefiting from the experience and guidance of seasoned professionals.



The largest segment of our workforce falls within the 25 to 30 years age category, representing 32% of the employee base. This demographic composition highlights a strong pipeline of emerging talent complemented by an experienced workforce, creating a balanced environment that supports knowledge sharing, innovation, and sustainable growth.

Despite the evolving market conditions experienced by the Group during the year, our knowledge base has remained strong, supported by one of the highest concentrations of technical and professional expertise within the organization. The blend of youthful agility and deep industry experience continues to be a defining strength of the NDB Capital Cluster.

This strength is further reinforced by a highly capable and professionally qualified workforce, reflecting our continued emphasis on building technical depth and multidisciplinary expertise across the Group. Our talent base spans a strong mix of academic achievement and globally recognized professional qualifications, which continue to underpin the quality and consistency of our delivery across functions



We remain committed to investing in our human capital through continuous learning, structured development, and targeted upskilling initiatives. This focus not only strengthens our competitive edge in an increasingly competitive talent market but also ensures long-term sustainability, agility, and innovation across our operations.

COMPLIANCE AND RISK MANAGEMENT

Overview

The year under review focused on strengthening monitoring systems with special focus on Anti-Money Laundering policies and processes. The NCAP Group paid heightened attention to the implementation of the Anti-Money Laundering regulations of the Financial Intelligence Unit of the Central Bank of Sri Lanka. The Group Companies continued to face challenges due to strained economic conditions. Each line of business at NACP Group is responsible for managing its compliance risk. The business model of the Group is built on integrity, transparency and accountability and supported by its values, Code of Conduct, Compliance manuals and governance policies. NCAP Group remains committed to managing its compliance risk to ensure that the conduct of the business of the Group and its employees is consistently carried out ethically and with integrity.

Companies regulated by the SEC, the compliance programme is primarily shaped by the applicable laws, regulations and rules of the SEC. NDB Investment Bank Limited is licensed as a Market Intermediary under the category of a Corporate Finance Advisor. NDB Securities (Private) Limited is licensed as a Stockbroker and NDB Wealth Management Limited is dual licensed as an Investment Manager and a Managing Company by the SEC. NDB Capital Limited Bangladesh is licensed as a Merchant Bank and is regulated by the Bangladesh Securities and Exchange Commission. NDB Zephyr Partners Limited in Mauritius is supervised by the Mauritius regulatory authorities including Mauritius Financial Services Commission.

The compliance function is centrally managed by the Head of Compliance of NCAP with independent compliance officers attached to each of the regulated entities of the NCAP group. Head of Compliance functioned as the Compliance Officer for NDB Capital Holdings Limited and NDBZ during the year under review. The responsibilities of the Group Compliance functions include independently assessing compliance risk, monitoring and reporting on compliance requirements to the Board Audit Risk and Compliance Committee (BARCC) and the Board through Head of Compliance. Overseeing the regulatory interactions of the Group and assessing potential impact of new regulatory developments is another responsibility of the NCAP Group compliance role. The internal compliance officers of the Group who are part of the Group Compliance function support the Group's strategy by providing independent oversight and control over compliance with internal governance processes and regulatory compliance relating to their respective companies.

During the year under review, the retail business arms of the NCAP Group carried out a gap analysis of the Personal Data Protection mandate. Based on the findings of the gap analysis, the NCAP Group recommended the appointment of data protection officers for each of the Group companies. Implemented and operationalized a system to monitor Suspicious transactions for NDBS. Commenced the implementation of a similar system with NDBW. To strengthen risk mitigation strategies, systems were procured to identify politically exposed persons' and to enable continuous monitoring of high-risk clients.

The Board of Directors through the BARCC oversees the development and execution of the compliance strategy. The BARCC was routinely updated on how the business objectives and NCAP policies are aligned to the broader principles of NDB Group. NCAP Group, where required, also submits reports to the Integrated Risk Management Committee through the NDB Bank Group Risk Management Unit of NDB Bank on certain governance perspectives.

NCAP compliance program also concentrates on developing its human resources through training and capacity building. During the year under review, several training sessions were carried out on various aspects of Anti Money Laundering.

Compliance Status 2025

NCAP along with its subsidiaries reports every quarter to the BARCC on the status of compliance of each company. Any issues faced by any company is taken up and resolutions discussed at the BARCC.

RISK MANAGEMENT

The Risk Management process is integrated into business decision-making processes and covers a broad spectrum of risk areas such as investment risk, market risk, operational risk, reputational risk, Information systems security risk and compliance risk with controls and governance standards established for each area. Risk is an inherent component of the capital markets and investment banking sector and risk management through risk mitigation strategies is an important aspect of business growth.

During the year under review some of the risk reporting formats were reviewed and updated. The Risk control self-assessment format which is completed annually was reviewed and updated. The risk policies of all the NCAP Group Companies were updated and revised. The primary responsibility of risk ownership and management, which includes the functions of identifying, managing, mitigating and reporting risk lies with the First Line of Defense which is the respective Company. The Company is also responsible for compliance with all policies and procedures. The Chief Executive Officer, Compliance Officer, designated Risk Officers would provide leadership to the risk management function that falls on the First line of Defense. NCAP group, being a subsidiary of the NDB Bank, submits periodic reports to the Risk Management Department. Both external and internal audit serve as the third line of defense. The officers responsible for risk management within the NCAP Group will review implementation and compliance with the Risk policy and procedures. The designated officers would submit Key Risk Assessment reports monthly to the Risk Management department.

The risk reporting of the NCAP group is escalated to the BARCC to assist the Board in overseeing/assessing of the group companies' risk management framework. Additionally, the risk incidence of the NCAP group is also closely monitored by the Integrated Risk Management Committee [IRMC] of NDB Bank through the Risk Management department. The NCAP Group companies report quarterly to the BARCC on risk management assessments and reviews the internal control processes and evaluates the adequacy and effectiveness of the risk management and internal control system. The Committee also seeks the observations of the Internal Audit and Independent External Auditors of the NCAP Group.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE STATE OF AFFAIRS OF THE COMPANY

The Directors of NDB Capital Holdings Limited have pleasure in presenting to the Shareholders their Report together with the Audited Financial Statements for the year ended 31st December 2025.

ACTIVITIES OF THE COMPANY

The principal activities of the Company and its subsidiaries are fee-based and fund-based investment banking. The fund-based investment banking activities include private equity investments, proprietary trading and investments in listed equities, fixed income securities, hybrid securities and unit trusts. Fee based activities include, corporate advisory, debt and equity raising and structuring, M&A, wealth management and private equity management which are carried out through the subsidiaries of the Company.

FINANCIAL RESULTS AND CAPITAL

The total income for the year ended 31st December 2025 of the Company was LKR 359 Mn and LKR 2,901 Mn for the Group. The Group income has increased by 13%.

The increased income at Group level resulted in a Profit Before Tax of LKR 1,145 Mn compared to the LKR 960 Mn recorded during the prior year. In addition, Group Profit after Tax for the year increased by LKR 218 Mn.

The Company recorded a profit (after tax) of LKR 78 Mn for the year ended December 31, 2025. The Company reported a retained profit of LKR 2,245 Mn and the Group retained profits of LKR 4,234 Mn as at December 31, 2025

Profits and Appropriations

FOR THE YEAR ENDED December 31 Rs Mn	GROUP		COMPANY	
	2024	2025	2024	2025
Net profit/(loss) after charging all expenses	588	807	251	78
Add: Accumulated profit brought forward	2,826	3,417	1,914	2,160
Appropriations				
Final Dividend Paid	-	-	-	-
Other Comprehensive Income	(3)	3	(5)	15
Non-Controlling Interest	6	1	-	-
Accumulated profit carried forward	3,417	4,228	2,160	2,253

STATED CAPITAL

The Stated Capital of the Company as at 31st December 2025 was Rs. 328,570,037 comprising of 32,904,933 ordinary shares

DIRECTORS DURING THE YEAR AND AS AT DATE

The Board of Directors of the Company as at 31st December 2025 are as follows;

Bernard Sujanthan Sinniah – **Chairman** (appointed w.e.f. 01.01.2025)

Kelum Chaminda Edirisinghe - **CEO, NDB Bank PLC**

Sanjith Senaka Kakiriwaragodage - **CEO of NCAP Group**

Arjun Rishya Fernando

Drayton Sarath Palitha Wikramanayake

CHANGE IN SHAREHOLDING STRUCTURE OF THE COMPANY

There was no change in the shareholding structure during the period of January 2025 to December 2025.

DIVIDENDS

A dividend of LKR 8.13 per share was recommended by the Board of Directors and paid out of the brought forward profits of the year ended 31st December 2025.

INTERESTS REGISTER

As per the Companies Act No. 7 of 2007 the Company maintains the Directors' Interest Register. All Directors have made declarations as provided for in Section 192(2) of the Companies Act aforesaid.

Set out below are the Directors of the Company who were also Directors of the following companies of the group during 01-01-2025 to 31-12-2025;

COMPANY	NAME OF DIRECTOR	POSITION	RELATIONSHIP
NDB Wealth Management Limited	D S P Wikramanayake B S Sinniah S S Kakiriwaragodage	Director/ Chairman Director Director/CEO, NCAP	The Company holds 1,160,246 shares out of the issued 1,160,247 shares in the Stated Capital of the Company.
NDB Investment Bank Limited	D S P Wikramanayake B S Sinniah S S Kakiriwaragodage	Director/Chairman Director Director/CEO, NCAP	The Company holds 1,308,883 shares out of the issued 1,308,885 shares in the Stated Capital of the Company.
NDB Securities (Private) Limited	A R Fernando B S Sinniah S S Kakiriwaragodage	Director /Chairman Director Director/CEO, NCAP	The Company holds 2,999,999 shares out of the issued 3,000,000 shares in the Stated Capital of the Company.

NDB Zephyr Partners Limited	A R Fernando	Director	A subsidiary company which has 60% ownership to NDB Capital Holdings Limited.
NDB Zephyr Partners Lanka (Private) Limited	D S P Wikramanayake B S Sinniah	Director / Chairman Director	A wholly owned subsidiary of NDB Zephyr Partners Limited
NDB Capital Limited	D S P Wikramanayake B S Sinniah	Director / Chairman Director	An associate of the fully owned subsidiary (NDB Investment Bank Limited).
National Development Bank PLC (NDB)	B S Sinniah K C Edirisinghe	Director Director	Parent Company of NDB Capital Holdings Limited.

a) Directors' Dealings with the shares of the Company

- i) Disclosures in respect of shares held as at 31st December 2025;
None of the Directors of the Company hold shares in the Company.
- ii) Disclosures in respect of shares of the Company which have been acquired during the year.
None of the Directors of the Company have acquired shares of the Company during the year under review.
- iii) Disclosures in respect of shares which have been disposed during the year:
None of the Directors of the Company have disposed shares of the Company during the year under review.

b) Use of Company Information by the Directors

Subject matter information	Date of authorization by the Board	Authorization granted at a Board meeting / by circular resolution
None	None	None

- c) The aggregate remuneration paid to the non-executive directors of the Company (other than the directors who are involved/employed by the NDB group) for the year 2025 was LKR 8,344,792/-

POST BALANCE SHEET EVENTS

There have been no events subsequent to the Balance Sheet date that would have any material effect on the Company, which would require adjustment or disclosure in the financial statement.

CHANGE IN ACCOUNTING POLICIES

There are no changes in the accounting policies of the Company and the Group during year 2025.

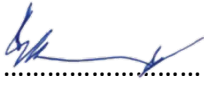
AUDITORS

Messrs. KPMG, Chartered Accountants, have been selected for appointment as the External Auditors of the NCAP Group for the financial year ending 31 December 2026 and a resolution to appoint them as auditors and authorizing the Directors to fix their remuneration will be proposed at the Annual General Meeting. The fees paid to the previous auditors (Messrs. Ernst & Young) during the year was LKR 1,637,604/- for audit work and NIL for non-audit work.

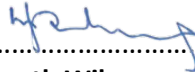
The auditors have no relationship with (other than that of Auditor), or interest in the Company.

In keeping with Section 168 (k) of the Companies Act No. 7 of 2007, the Board of Directors hereby acknowledges the contents of the Annual Report.

Accordingly, the Annual General Meeting has been scheduled to be held on 26th June 2026, and respective Notice of Meeting and Form of Proxy will be posted to all the Shareholders of the Company. As done in prior years, all shareholders have been given the opportunity to receive the Annual Report of NDB Capital Holdings Limited – 2025 by accessing a QR code shared and / or by accessing a soft copy available on the Company’s website providing all shareholders Notice within the timelines stipulated in law.



Bernard Sinniah
Chairman



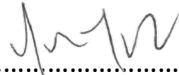
Sarath Wikramanayake
Director



Senaka Kakiriwaragodage
Director / Group CEO



Kelum Edirisinghe
Director / CEO, NDB



Arjun Fernando
Director



Corporate Services (Private) Limited

Company Secretary

02 June, 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

This statement sets out the responsibility of the Directors in relation to the Financial Statements of NDB Capital Holdings Limited (the Company) and the Consolidated Financial Statements of the Company and its subsidiaries (the Group). The Directors are required by relevant statutory provisions to prepare and table at a General Meeting of the Company, such Financial Statements as may be necessary, which give a true and fair view of the state of affairs of the Company and the Group.

It is also the responsibility of the Directors to ensure that the Company maintains proper accounting records and to take reasonable steps as far as practical to ensure the accuracy and reliability of accounting records and to prepare Financial Statements using appropriate Accounting Policies applied consistently and supported by reasonable and prudent judgment and estimates in compliance with the Sri Lanka Accounting Standards and the Companies Act No. 07 of 2007. Changes in the Accounting policies where applicable and the rationale for the changes have been disclosed in the 'Notes to the Financial Statements'.

Accordingly, the Directors confirm that the Financial Statements of the Company and the Group give a true and fair view of:

- (a) the financial position of the Company and the Group as at the Reporting date; and
- (b) the financial performance of the Company and the Group for the financial year ended on the Reporting date.

The Financial Statements of the Company and the Group have been certified by the Group Chief Operating Officer- NDB Capital Holdings Limited, the officer responsible for their preparation, as required by the Companies Act. In addition, the Financial Statements of the Company and the Group have been signed by two Directors on page 41 as required by the Companies Act and other regulatory requirements. The Directors are also responsible for ensuring that proper accounting records which correctly record and explain the Company's transactions are maintained and that the Company's financial position, with reasonable accuracy, at any point of time is determined by the Company, enabling preparation of the Financial Statements, in accordance with the Act to facilitate proper audit of the Financial Statements.

The Financial Statements for the year 2025, prepared and presented in this Annual Report have been prepared based on new Sri Lanka Accounting Standards (SLFRS) which came to effect from 1 January 2012 are in agreement with the underlying books of account and are in conformity with the requirements of the Sri Lanka Accounting Standards, Companies Act No. 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the Code of Best Practice on Corporate Governance issued jointly by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the Securities and Exchange Commission of Sri Lanka (SEC).

The Directors have been responsible for taking reasonable measures and care to safeguard the assets of the Company and the NCAP Group and to prevent and detect frauds and other irregularities. The Directors have instituted an effective and comprehensive system of internal controls and an effective system of monitoring its effectiveness, internal audit being one of them. The Directors' Statement on

Internal Control over Financial Reporting is given on page 31 of this Annual Report. The Board has been provided additional assurance on the reliability of the Financial Statements through a process of independent and objective review performed by the Audit Committee. Please refer to the Audit Committee Report on page 33 of this Report.

Messrs Ernst & Young, Chartered Accountants, who were appointed in terms of the Companies Act and in accordance with a resolution passed at the last Annual General Meeting, have been made available with all records of the Company including the Financial Statements by the Board of Directors and provided every opportunity to undertake the inspections they considered appropriate all of which they have examined and have expressed their opinion which appears as reported by them on page 39 of this Report.

The Board of Directors accepts responsibility for the integrity and objectivity of the Financial Statements presented in this Annual Report. The Directors confirm that in preparing the Financial Statements exhibited on page 41 including appropriate Accounting Policies selected and applied based on the new financial reporting framework on a consistent basis, while reasonable and prudent judgements have been made so that the form and substance of transactions are properly reflected.

The Board of Directors wishes to confirm that, as required by the Section 56 (2) of the Companies Act No. 07 of 2007, it has authorized (and approved) distribution of the dividends paid upon being satisfied that the Company would satisfy the solvency test after such distributions are made in accordance with the Section 57 of the Companies Act No.07 of 2007 and have obtained in respect of dividends paid, necessary certificates of solvency from the External Auditors.

The Board of Directors also wishes to confirm that, as required by the Sections 166 (1) and 167 (1) of the Companies Act, they have prepared this Annual Report in time and ensured that a copy there of is sent to every shareholder of the Company. The Directors also wish to confirm that all shareholders have been treated equitably in accordance with the original terms of issue.

The Company has also complied with the prudential requirements, regulations, laws and internal controls and there were no material non-compliances.

Compliance Report

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the Company and the Group, all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company and the Group, and all other known statutory dues as were due and payable by the Company and the Group as at the Reporting date have been paid or, where relevant, provided for. The Directors further confirm that after considering the financial position, operating conditions, regulatory and other factors and such matters required to be addressed in the 'Code on Corporate Governance' issued jointly by the CA Sri Lanka and the SEC, the Directors have a reasonable expectation that the Company and the NCAP Group possesses adequate resources to continue in operation for the foreseeable future. For this reason, we continue to adopt the Going Concern basis in preparing the

Financial Statements. The Directors are of the view that they have discharged their responsibilities as set out in this Statement.

By Order of the Board,



.....
Corporate Services (Private) Limited

Company Secretary

02 June, 2026

DIRECTORS' STATEMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING RESPONSIBILITY

The Board of Directors ("Board") is responsible for the adequacy and effectiveness of the internal control mechanism in place at NDB Capital Holdings Ltd. ("the Company") In considering such adequacy and effectiveness, the Board recognizes that the business requires reward to be balanced with risk on a managed basis and as such the internal control systems are primarily designed with a view to highlighting any deviations from the limits and indicators which comprise the risk appetite of the company. In this light, the system of internal controls can only provide reasonable, but not absolute assurance, against material misstatement of financial information and records or against financial losses or fraud. The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Company and this process includes enhancing the system of internal controls over financial reporting as and when there are changes to business environment or regulatory guidelines. The Board has assessed the internal control over financial reporting taking into account the principles for the assessment of internal control system as given in that guidance. The Board is of the view that the system of internal controls over financial reporting in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting, and that the preparation of financial statements for external purposes is in accordance with relevant accounting principles and regulatory requirements. The management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks

KEY FEATURES OF THE PROCESS ADOPTED IN APPLYING AND REVIEWING THE DESIGN AND EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEM OVER FINANCIAL REPORTING

The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls with respect to financial reporting include the following:

- Board Audit, Risk & Compliance Committee (BARCC) is established by the Board to assist the Board in ensuring the effectiveness of Company's daily operations and that the Company's operations are in accordance with the corporate objectives and strategies as well as the policies and business directions that have been approved.
- The Internal Auditor checks for compliance with policies and procedures and the effectiveness of the internal control systems during their audits. The Internal Auditor uses a top-down risk-based auditing approach enhancing the Risk Based Auditing Process. The audits are carried out at determined intensities based on the risk assessments. Board Audit, Risk and Compliance Committee reviews the findings of the internal audits completed and their evaluation of the company's internal control system. The Committee also reviews the scope and adequacy of the coverage of the approved audit plan and had detailed discussion on any audit issues raised, reviewing the action plans to address these areas and the implementation status.
- The Board Audit, Risk & Compliance Committee of the Company reviews internal control issues identified by the External Audit, regulatory authorities and management, and evaluate the adequacy and effectiveness of the risk management, compliance and internal control systems.

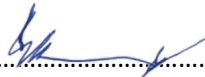
The minutes of the Board Audit, Risk and Compliance Committee meetings are forwarded to the Board of the Company and the Board Audit Committee (BARCC) and the Integrated Risk management Committee (IRMC) of the National Development Bank PLC on a periodic basis. Further details of the activities undertaken by the Audit, Risk & Compliance Committee of the Company are set out in the Audit, Risk & Compliance Committee Report on pages 33-36

- The Board took necessary steps to further improve the models used for Impairment computations under the Sri Lanka Accounting Standard – SLFRS 9 on “Financial Instruments”. The required processes and controls have been designed to be in line with SLFRS - 9. The Board will continuously strengthen the processes and controls around management information systems and reports required for validation and compliance in line with SLFRS 9.

CONFIRMATION

Based on the above processes, the Board confirms that the financial reporting system of the Company has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes and has been done in accordance with Sri Lanka Accounting Standards.

By order of the Board



Bernard Sinniah

Chairman



Sarath Wikramanayake

Chairman

Board, Audit, Risk & Compliance Committee



Senaka Kakiriwaragodage

Group Chief Executive Officer

02 June, 2026

REPORT OF BOARD AUDIT, RISK AND COMPLIANCE COMMITTEE

The Board Audit, Risk and Compliance Committee of NDB Capital Holdings Ltd (“the Company”) comprised of Three (3) Non-Executive Directors as at the end of the year 2025. The Chairman of the Committee, Mr. Sarath Wikramanayake is a Non-Executive Director and a Fellow Member of the Institute of Chartered Accountants of Sri Lanka, while the other members of the Committee are also from a specialist financial/banking background. The Structure and Composition of the Board Audit, Risk and Compliance Committee for the year 2025 is set out in the table below.

Name of the Director	Membership Status
Mr. Sarath Wikramanayake	Chairman
Mr. Arjun Fernando	Member
Mr. Bernard Sinniah	Member

Corporate Services (Private) Limited, Company secretary functions as the Secretary to the Committee

CHARTER OF THE COMMITTEE

The Charter of the Board Audit, Risk and Compliance Committee (BARCC) clearly defines the Terms of Reference of the Committee. The Charter is periodically reviewed and revised with the concurrence of the Board of Directors. This process ensures that the new developments and concerns are adequately addressed. The Charter was reviewed and approved by the Board of Directors in the second quarter of 2025.

The Board Audit, Risk and Compliance Committee is responsible to the Board of Directors in its general oversight of financial reporting, internal control, risk management and compliance. The Committee reports to the Board of Directors on its activities regularly. This Report focuses on the activities of the Committee for the year under review.

The composition requirements, roles and functions of the Committee are set out in the “Code of Best Practice on Corporate Governance” issued jointly by the Institute of Chartered Accountants of Sri Lanka (CASL) and the Securities and Exchange Commission of Sri Lanka (SEC).

COMMITTEE MEETINGS

The Committee held four (4) meetings during the year. Minutes of such meetings, which include adequate details of the matters discussed are reported regularly to the Board of Directors. In addition, the minutes of the meetings were also tabled at the Board Audit Committee (BAC) and the Integrated Risk Management Committee (IRMC) of the parent company, National Development Bank PLC (NDB). On the invitation of the Committee, the company’s External Auditors, Messrs. Ernst & Young attended all meetings during the year.

In addition, the Chief Executive Officer and the Head of Compliance of the Company and the Chief Executive Officer, the Vice President – Internal Audit, the Vice President – Risk Management, the Vice President – Finance and the Compliance Officer of NDB and Messrs. KPMG - Internal Auditor (Second quarter onwards) have attended the meetings as invitees. The Chief Executive Officers of the respective subsidiary companies and the Head of HR were also invited to participate in the meetings as and when their matters are discussed

SUMMARY OF ACTIVITIES IN 2025

Financial Reporting

Financial Reporting, the Committee assists the Board to discharge their responsibility in the preparation of Financial Statements that evidence a true and fair view on financial position and financial performance in accordance with the Company's accounting records and as per the stipulated requirements of the Sri Lanka Accounting Standards. The Committee reviews:

- The adequacy and effectiveness of the Internal Control Systems and Procedures to provide reasonable assurance that all transactions are accurately and completely recorded in the books of account.
- The effectiveness of the Financial Reporting Systems in place to ensure reliability of the information provided to the stakeholders.
- The Company's financial statements and accounting policies and practices and reasonableness of the underlying assumptions for estimates and judgments made in preparing the Financial Statements.
- The Tax Assessments outstanding and action initiated for resolution through regular updates submitted by SVP.
- The processes by which compliance with Sri Lanka Accounting Standards (SLFRS/LKAS) and other regulatory provisions relating to financial reporting and disclosures are ensured.
- The Annual Report and Accounts and the Quarterly Financial Statements prior to submission to the Board.

Having assessed the prevailing System of Internal Controls and Procedures, the Committee is of the view that adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the company is well monitored and accurately reported

Compliance with the Revised Sri Lanka Accounting Standards (LKAS/SLFRS)

During the year the Committee placed additional focus on the assessment of adequacy of provision for Expected Credit Loss (ECL) recognized in the financial statements based on the internal models, management overlay computed based on stress testing, the exposures to risk elevated sectors

Risks and Internal Controls

During the year, the Committee reviewed the effectiveness of the Internal Control Systems of the Company and its subsidiaries, and the quarterly confirmations provided by the respective CEOs on the internal control environment of their respective companies

Internal Audit

Internal Audit function of the Company and its subsidiaries were outsourced to Messrs. KPMG. During the year, the Committee reviewed the independence, objectivity and performance of the internal audit function and the adequacy of resources. The audit plan for the Company and its subsidiaries covering the operations of those Companies, Information Security and Financial Reporting process was reviewed by the Committee and the findings of the internal audits completed and their evaluation of respective company's Internal Control Systems were reviewed and discussed by the Committee.

The Committee also reviewed updates on audit activities and the adequacy of coverage of the approved audit plan, the results of any unsatisfactory audits, the action plan to address these areas and the implementation status. Audit findings presented in the reports are prioritized based on the level of risk.

Internal Audit Charter and Manual

The internal audit function is governed by the Internal Audit Charter which defines the mission, authority, responsibility, independence, reporting, commitment and access in order to assist Internal Audit to discharge its function independently

External Audit

The Committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to a conflict of interest.

The Committee reviewed the Audited Financial Statements with the External Auditor, who is responsible for expressing an opinion on its conformity with the Sri Lanka Accounting Standards.

The Audit Committee met the External Auditors during the year, without the presence of CEO and the Corporate Management, to ensure that the Auditors had the independence to discuss any concerns and express their opinions on any matter and also for the Committee to have the assurance that the Management provided all information and explanations requested by the Auditors.

Risk Management

The Committee reviewed the Risk Management Policies, Processes and Risk Appetite of the Company and its subsidiaries. The Committee also reviewed the Risk Assessment reports prepared by the Company and its subsidiaries including the mitigants to the top risks of the companies on a quarterly basis.

Regulatory Compliance

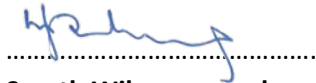
The Committee oversees group wide compliance risk management framework, and ensures that the Company maintains compliance with its ethical standards, policies, procedures, and with laws and regulations. It also serves to assist the Board in fulfilling its oversight responsibilities through review of the existing compliance management practices and controls and provides an objectives review of the effectiveness and efficiency of the Company's overall compliance risk management

Good Governance and Whistle Blowing

The Company's Whistle Blowing Policy is intended to serve as a channel of corporate fraud risk management. The policy will educate and encourage any team member who has a legitimate concern on an existing or potential "wrong doing", done by any person within the Company, to come forward voluntarily, and bring such concern to the notice of an independent designated authority. All appropriate procedures were in place to conduct independent investigations into incidents reported through whistle-blowing. The Whistle blowing Policy guarantees the maintenance of strict confidentiality of the identity of the whistle- blowers.

EVALUATION OF THE COMMITTEE

Members of the Board Audit, Risk & Compliance Committee carried out a formal self-evaluation/appraisal on the effectiveness of the Committee. Report with the results of the Self-Assessment was submitted and discussed among the members of the Committee and it was concluded that the Committee had carried out its responsibilities in a satisfactory manner.



Sarath Wikramanayake

Chairman

BOARD OF DIRECTORS - PROFILES

Mr. Bernard Sinniah

Chairman

Mr. Sinniah is the Chairman of, NDB Capital Holdings Limited and Non Executive Director of its subsidiaries: NDB Investment Bank Limited, NDB Wealth Management Limited, NDB Securities (Private) Limited NDB Zephyr Partners Lanka (Private) Limited and NDB Capital Limited (Bangladesh).

He was the former Managing Director of Citi and Global Head of FX Corporate Sales and e-FX Solutions. He retired in 2018 after 38 years having started his career at Citi Colombo, then moved to Citi, Australia and finished his career based out of London. Currently, he is a minority investor in various technology startup ventures in Sri Lanka and London.

During his career at Citi, Bernard has run numerous global, regional, and country businesses. He has built successful teams across the globe which focused on helping Fortune 500 Companies to identify and manage their foreign exchange risks to hedge against currency movements. His teams were instrumental in developing cutting edge electronic solutions to streamline Citi's clients' Risk Management processes. He was known to build highly energetic teams and develop individuals to achieve ambitious targets.

Bernard lives in Walton on Thames, United Kingdom with his wife and children. He is an Australian citizen and a permanent resident of United Kingdom. He holds a Masters in Applied Finance from Macquarie University, New South Wales, Australia.

Mr. Sarath Wikramanayake

Mr. Wikramanayake is a Chartered Accountant. He has worked previously with the Bank of Butterfield, a Bermuda-based international bank for 19 years, where he reached the position of Executive Vice-President. Since returning to Sri Lanka, he has been the Chief Executive Officer of Union Assurance Ltd. and the President of the Insurance Association of Sri Lanka in 2002. He is currently a Director of AIA Insurance Lanka PLC and Union Bank of Colombo PLC.

Mr. Wikramanayake was formerly a Director of the National Development Bank PLC from June 2010 to June 2019 and is currently a Director of several companies of the NCAP Group. He is the Chairman of NDB Investment Bank Limited, NDB Wealth Management Limited and NDB Zephyr Partners Lanka (Private) Limited. He is also the Chairman of NDB Capital Limited (Bangladesh) and serves on several board sub-committees of the NCAP Group, including serving as Chairman of the NCAP Board Audit Risk and Compliance Committee.

Mr. Senaka Kakiriwaragodage

Mr. Senaka Kakiriwaragodage is the Group Chief Executive Officer of NDB Capital Holdings Limited (NCAP). Prior to joining NCAP, Mr. Kakiriwaragodage was the Joint Managing Director of NDB Zephyr Partners Lanka (Private) Limited. He was also an Engineer at Virtusa (Pvt.) Ltd at the earlier stages of his career. Mr. Kakiriwaragodage holds a B.Sc. First Class Degree in Computer Science and Engineering from the University of Moratuwa and a MBA from the University of Manchester, UK. He is also a fellow member of the Chartered Institute of Management Accountants, UK, a Chartered Global Management Accountant (CGMA) and a CFA Charterholder. He is currently serving as a Director of Colombo Stock Exchange. Mr. Kakiriwaragodage is also a Director of the subsidiaries of the NCAP Group and serves as Director in several portfolio companies managed by Emerald Sri Lanka Fund 1 Limited, a private equity fund dedicated for Sri Lanka.

Mr. Arjun Fernando

Mr. Arjun Rishya Fernando was appointed to the Board of NDB Capital Holdings Limited on 15th October 2017. He currently serves as a Director on the Boards of Central Finance PLC, Nations Trust Bank PLC and Durdans Medical Surgical Hospitals (Private) Limited. He also serves as the Chairman of NDB Securities (Private) Limited and serves as Director of NDB Zephyr Partners Ltd for and on behalf of the NCAP Group of Companies whilst serving on sub committees formulated for the NCAP Group as well.

Mr. Fernando has functioned as the CEO / Director of DFCC Bank from 2013 to 2017 and was on the boards of several of DFCC Bank's Subsidiaries, Joint Ventures and Associates. Prior to joining DFCC Bank, Mr. Fernando has had a long and illustrious career at HSBC Sri Lanka and overseas. He holds an MSc (Management) from Clemson University, South Carolina, USA and a BSc (Engineering) from Southern Illinois University, Illinois, USA and is an Associate of the Chartered Institute of Bankers (ACIB), UK.

Mr. Kelum Edirisinghe

Mr. Kelum Edirisinghe is the Director / Chief Executive Officer of the National Development Bank PLC (NDB). He joined the Bank after having completed 30 years with HSBC Sri Lanka and Maldives, where he held several key senior management positions, the last being the Chief Risk Officer of HSBC Sri Lanka and Maldives, where he also served as the Chair of the Risk Committee. His banking experience at HSBC covers a variety of leadership roles in Enterprise-wide Risk Management, Commercial Banking, Fund Management, Debt Restructuring, Financial Analysis and Branch Banking.

Mr. Edirisinghe holds a BSc from the University of Manchester in association with The Chartered Institute of Bankers and a Master of Business Administration (MBA) from Edith Cowan University, Australia. He also holds a Diploma in Financial Management from the Association of Chartered Certified Accountants and a certification on Treasury and Foreign Exchange Operations from Central Bank of Sri Lanka.

In addition to holding Board Director positions in NDB Group companies, Mr. Edirisinghe is also a member of the Faculty Advisory Committee of the Centre for Banking Studies of the Central Bank of Sri Lanka.



Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

VB/RJ/DM

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF NDB CAPITAL HOLDINGS LIMITED

Report on the Audit of The Financial Statements

Opinion

We have audited the financial statements of NDB Capital Holdings Limited (“the Company”) and the consolidated financial statements of the Company and its subsidiaries (“the Group”), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31 December 2025, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in *the Auditor’s responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the *Code of Ethics for Professional Accountants* issued by CA Sri Lanka (Code of Ethics) that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of both Company and Group.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists.

(Contd...2/)

Partners: D K Hulangamuwa FCA FCMA LLB (London), Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA FCCA, B E Wijesuriya FCA FCMA, R N de Saram ACA FCMA, N M Sulaiman FCA FCMA, Ms. L K H L Fonseka FCA, Ms. P V K N Sajeewani FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage FCA ACMA, C A Yalagala ACA ACMA, Ms. P S Paranavitane ACA ACMA LLB (Colombo), B Vasanthan ACA ACMA, W D P L Perera ACA, M U M Mansoor ACA

Principals: T P M Ruberu FCMA FCCA MBA, G B Goudian ACMA, D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakhthivel B.Com (Sp)

A member firm of Ernst & Young Global Limited



**Shape the future
with confidence**

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements


As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and as far as appears from our examination, proper accounting records have been kept by the Company.

02 June, 2026
Colombo

STATEMENT OF FINANCIAL POSITION

As at 31 December	Note	Group			Company		
		2025 LKR '000	2024 LKR '000	Change %	2025 LKR '000	2024 LKR '000	Change %
ASSETS							
Non-Current Assets							
Property, Plant and Equipment	12	61,566	53,854	14	6,428	6,179	4
Right of Use Assets	13	32,996	65,993	(50)	3,571	7,143	(50)
Investment in Subsidiaries	14	-	-	-	508,887	508,887	-
Deferred Tax Asset	15	72,074	61,423	17	-	-	-
Intangible Assets	16	53,414	42,917	24	3,373	-	-
Investment in Associate Companies	17	21,669	55,688	(61)	-	-	-
Financial Assets measured at fair value through other comprehensive income	18	462,258	462,681	(0)	369,028	361,261	2
Total Non Current Assets		703,975	742,556	(5)	891,287	883,470	1
Current Assets							
Financial Instruments measured at Amortized Cost - Debt and other	19	54,757	116,041	(53)	18,225	116,041	(84)
Trade and Other Receivables	20	1,464,619	1,092,037	34	44,765	37,703	19
Financial Assets recognized through profit or loss - measured at fair value	21	3,080,684	2,984,741	3	1,869,671	1,667,397	12
Income Tax Receivable		-	-	-	-	-	-
Cash and Cash Equivalents	22	1,355,964	1,022,944	33	428,526	357,202	20
Total Current Assets		5,956,024	5,215,764	14	2,361,187	2,178,343	8
Total Assets		6,659,999	5,958,320	12	3,252,474	3,061,813	6
EQUITY AND LIABILITIES							
Equity Attributable to Equity Holders of the Parent							
Stated Capital	23	328,570	328,570	-	328,570	328,570	(0)
Reserves		288,311	271,602	6	302,202	282,463	7
Retained Earnings		4,234,607	3,434,971	23	2,245,758	2,167,402	4
		4,851,487	4,035,143	20	2,876,530	2,778,435	4
Non-Controlling Interest		23,309	25,517	(9)	-	-	-
Total Equity		4,874,796	4,060,660	20	2,876,530	2,778,435	4
Non-Current Liabilities							
Retirement Benefit Obligations	24	151,650	136,369	11	15,416	16,951	(9)
Deferred Tax Liability	15.2	69,731	81,067	(14)	69,731	81,067	(14)
Lease Liability		-	62,307	(100)	-	7,974	(100)
Total Non-Current Liabilities		221,381	279,742	(21)	85,147	105,992	(20)
Current Liabilities							
Trade and Other Payables	26	1,143,955	1,263,915	(9)	100,416	58,705	71
Lease Liability	25	70,911	71,534	(1)	7,975	7,077	13
Bank Overdrafts	22.1	10,974	17,488	(37)	-	4,638	(100)
Income Tax Payable		337,981	264,981	28	182,407	106,967	71
Total Current Liabilities		1,563,821	1,617,918	(3)	290,797	177,386	64
Total Liabilities		1,785,202	1,897,660	(6)	375,944	283,378	33
Total Equity and Liabilities		6,659,999	5,958,320	12	3,252,474	3,061,813	6

We certify that these Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.



 Suchira Surendranath
 Group Chief Operating Officer
 NDB Capital Holdings Limited

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by,



 Bernard Sinniah
 Chairman



 Senaka Kakirwaragodage
 Director / Group CEO

The Accounting Policies and Notes to the Financial Statements on pages 46 through 77 form an integral part of the Financial Statements.

STATEMENT OF PROFIT OR LOSS

For the year ended 31 December	Note	Group			Company		
		2025 LKR '000	2024 LKR '000	Change %	2025 LKR '000	2024 LKR '000	Change %
Income							
Interest Income	3	250,716	319,280	(21)	108,754	126,891	(14)
Dividend Income	4	41,742	33,168	26	41,742	50,763	(18)
Equity Income	5	134,801	256,517	(47)	134,801	256,517	(47)
Fee Based Income		2,326,602	1,804,308	29	-	-	-
Other Income	6	148,061	156,082	(5)	73,803	107,028	(31)
Total Operating Income		2,901,922	2,569,354	13	359,100	541,199	(34)
Less : Operating Expenses							
Personnel Expenses	7	(901,963)	(806,002)	(12)	(142,952)	(118,575)	(21)
Administrative & Other Operating Expenses	8	(820,347)	(727,668)	(13)	(68,930)	(80,413)	14
Total Operating Expenses		(1,722,310)	(1,533,670)	(12)	(211,882)	(198,989)	(6)
Share of associate companies' profits/(losses)		(34,019)	(75,224)	55	-	-	-
Profit / (Loss) Before Tax		1,145,593	960,460	19	147,218	342,210	(57)
Income tax (expenses) / Reversals	9	(338,972)	(372,703)	9	(69,214)	(91,553)	24
Profit / (Loss) for the Year		806,621	587,757	37	78,004	250,658	(69)
Attributable to:							
Equity Holders of the Parent		807,726	593,866	36	78,004	250,658	(69)
Non - Controlling Interest		(1,105)	(6,109)	82	-	-	-
		806,621	587,757	37	78,004	250,658	(69)
Earnings / (Loss) Per Share (LKR)	10	24.55	18.05	36	2.37	7.62	(69)
Dividends Per Share (LKR)	11	-	-	-	-	-	-

The Accounting Policies and Notes to the Financial Statements on pages 46 through 77 form an integral part of the Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

	Group			Company		
	2025 LKR '000	2024 LKR '000	Change %	2025 LKR '000	2024 LKR '000	Change %
Profit / (Loss) for the Year	806,621	587,757	37	78,004	250,658	(69)
Other Comprehensive Income / (Expenses)						
Items that will be reclassified to statement of profit or loss						
Fair value adjustment in Financial Asset at Fair Value Through Other Comprehensive Income	15,958	5,214	206	20,288	579	3,407
Deferred Tax effect relating to Components of OCI	(4,787)	(173)	(2,667)	(6,086)	(174)	(3,398)
Exchange differences on translation of foreign operations	(1,654)	(1,503)	(10)	-	-	-
Item that will not be reclassified to profit or loss						
Actuarial Gains / (Losses) on Defined Benefit Plans	(9,194)	(9,824)	6	502	(6,897)	107
Deferred tax impact on Actuarial Gain / (Loss)	2,758	2,954	(7)	(151)	2,069	(107)
Total Other Comprehensive Income / (Expenses) Net of taxes	3,081	(3,332)	192	14,553	(4,424)	429
Total Comprehensive Income / (Expense) for the Year	809,701	584,425	39	92,557	246,234	(62)
Attributable to:						
Equity Holders of the Parent	811,909	591,536	37	92,557	246,234	(62)
Non - Controlling Interest	(2,208)	(7,111)	69	-	-	-
	809,701	584,425	39	92,557	246,234	(62)

The Accounting Policies and Notes to the Financial Statements on pages 46 through 77 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

Group	Attributable to the Parent							Non-Controlling Interest LKR '000	Total LKR '000
	Stated Capital	General Reserve	Fair value through Other comprehensive Income Reserve	Employee Share Option Reserve	Retained Earning	Total			
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000			
For the year ended 31 December									
Balance as at 01 January 2024	328,570	289,725	(23,163)	-	2,849,478	3,444,610	44,357	3,488,967	
Net profit for the year	-	-	-	-	593,866	593,866	(6,109)	587,757	
Fair value adjustment in Debt Instrument at Fair Value Through OCI	-	-	5,213	-	-	5,214	-	5,214	
Dividends declared by NCI	-	-	-	-	-	-	(11,730)	(11,730)	
Actuarial Gain / (Loss) on Defined Benefit Plans	-	-	-	-	(9,824)	(9,824)	-	(9,824)	
Tax Expenses relating to Components of OCI	-	-	(173)	-	2,954	2,781	-	2,781	
Exchange Differences on Translation of Foreign Operations	-	-	-	-	(1,503)	(1,503)	(1,002)	(2,505)	
Balance as at 31 December 2024	328,570	289,725	(18,123)	-	3,434,971	4,035,143	25,517	4,060,660	
Balance as at 01 January 2025	328,570	289,725	(18,123)	-	3,434,971	4,035,143	25,517	4,060,660	
Net profit for the year	-	-	-	-	807,726	807,726	(1,105)	806,621	
Fair value adjustment in Debt Instrument at Fair Value Through OCI	-	-	15,958	-	-	15,958	-	15,958	
Actuarial Gain / (Loss) on Defined Benefit Plans	-	-	-	-	(9,194)	(9,194)	-	(9,194)	
Employee Share Option Scheme Expense	-	-	-	5,538	-	5,538	-	5,538	
Tax Expenses relating to Components of OCI	-	-	(4,787)	-	2,758	(2,029)	-	(2,029)	
Exchange Differences on Translation of Foreign Operations	-	-	-	-	(1,654)	(1,654)	(1,103)	(2,757)	
Balance as at 31 December 2025	328,570	289,725	(6,952)	5,538	4,234,607	4,851,488	23,309	4,874,797	

Company							
	Stated Capital	General Reserve	Fair value through Other comprehensive Income Reserve	Employee Share Option Reserve	Retained Earning	Total	
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	
	For the year ended 31 December						
Balance as at 01 January 2024	328,570	289,725	(7,667)	-	1,921,572	2,532,200	
Net profit for the Year	-	-	-	-	250,658	250,658	
Fair value adjustment in Debt Instrument at Fair Value Through OCI	-	-	579	-	-	579	
Actuarial Gain / (Loss) on Defined Benefit Plans	-	-	-	-	(6,897)	(6,897)	
Tax Expenses relating to Components of OCI	-	-	(174)	-	2,069	1,895	
Balance as at 31 December 2024	328,570	289,725	(7,262)	-	2,167,402	2,778,435	
Balance as at 01 January 2025	328,570	289,725	(7,262)	-	2,167,402	2,778,435	
Net profit for the Year	-	-	-	-	78,004	78,004	
Fair value adjustment in Debt Instrument at Fair Value Through OCI	-	-	20,288	-	-	20,288	
Actuarial Gain / (Loss) on Defined Benefit Plans	-	-	-	-	502	502	
Employee Share Option Scheme Expense	-	-	-	5,538	-	5,538	
Tax Expenses relating to Components of OCI	-	-	(6,086)	-	(151)	(6,237)	
Balance as at 31 December 2025	328,570	289,725	6,939	5,538	2,245,758	2,876,530	

The Accounting Policies and Notes to the Financial Statements on pages 46 through 77 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOW

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Year ended 31 December				
Cash Flows From / (Used in) Operating Activities				
Profit/ (Loss) Before Tax	1,145,593	960,460	147,218	342,210
Adjustments for				
Depreciation / Amortization	38,945	29,543	2,727	2,238
Income from Investments	(327,903)	(473,523)	(178,735)	(225,917)
Profit from Sale of Equity Investments	-	(16,235)	-	(16,235)
(Profit)/Loss on Sales of Property, Plant and Equipment	(26)	(11)	-	-
Provision for Defined Benefit Plans	27,653	28,989	3,889	2,969
Right of Use Asset Depreciation	32,996	36,003	3,572	3,917
Interest Expense on Lease Liability	8,604	20,947	1,425	2,318
Fair Value adjustment of Equity Instruments	(161,036)	(242,194)	(161,036)	(234,868)
Provision / (reversal) for impairment allowance	24,463	(6,851)	26,235	(5,414)
Equity Income from strategic Investments	-	-	-	(17,595)
Share of associate companies' profits/(losses)	34,019	75,224	-	-
Employee Share Option Scheme Expenses	5,538	-	5,538	-
Operating Profit/(Loss) before Working Capital Changes	828,844	412,351	(149,167)	(146,378)
Rent/Lease Paid During the Year	(75,604)	(75,604)	(8,501)	(8,501)
(Increase)/ Decrease in Trade and Other Receivables	(369,703)	(226,837)	(6,768)	(5,091)
Increase/ (Decrease) in Trade and Other Payables	(124,484)	866,622	41,711	(27,511)
Cash Flows Generated from Operations	259,053	976,533	(122,726)	(187,481)
Defined Benefit Plan Costs Paid	(21,563)	(34,477)	(4,922)	(1,103)
Income Tax and surcharge tax Paid	(286,600)	(250,738)	(7,416)	(64,151)
Net Cash From/(Used in) Operating Activities	(49,110)	691,317	(135,064)	(252,735)
Cash Flows from / (Used in) Investing Activities				
Net Proceeds from Sale/(Purchase) of Financial Investments	454,931	(279,244)	235,225	247,684
Acquisition of Property, Plant and Equipment	(32,966)	(29,319)	(2,735)	(1,652)
Acquisition of Intangible Assets	(24,230)	(35,769)	(3,614)	-
Proceeds from Sale of Property, Plant and Equipment	26	194	-	-
Net Proceeds from Other Investments	(138,425)	17,766	(138,425)	16,236
Interest Received	87,565	225,665	78,833	136,742
Dividend Received	41,742	33,168	41,742	50,568
Net Cash Flows/(Used) from Investing Activities	388,644	(67,538)	211,026	449,579
Cash Flows from / (Used in) Financing Activities				
Dividends Paid to shareholders of the company	-	(11,730)	-	-
Net Cash Flows/(Used in) Financing Activities	-	(11,730)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	339,533	612,050	75,962	196,844
Cash and Cash Equivalents at the beginning of the Year	1,005,456	393,407	352,564	155,720
Cash and Cash Equivalents at the end of the Year *	1,344,990	1,005,456	428,526	352,564
*CASH AND CASH EQUIVALENTS				
Favorable Cash & Cash Equivalents Balance				
Cash and Bank Balances	1,355,964	1,022,944	428,526	357,202
	1,355,964	1,022,944	428,526	357,202
Unfavorable Cash & Cash Equivalent Balances				
Bank Overdraft	(10,974)	(17,488)	-	(4,638)
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	1,344,990	1,005,456	428,526	352,564

The Accounting Policies and Notes to the Financial Statements on pages 46 through 77 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1.0 Corporate Information

NDB Capital Holdings Ltd (“NCAP” or “the Company”) is a company which offers full-service investment banking services comprising of fee-based activities such as debt and equity raising, corporate advisory, mergers & acquisitions, stock broking, wealth management and fund-based activities such as investment in listed equity securities, private equity, fixed income securities and underwriting. The fee-based activities are carried out via subsidiaries of NCAP whereas fund-based activities are performed directly under the Company.

The principal activities of the Company consist of fund-based investment banking activities and holding of capital market related businesses of the NDB Group.

The principal activities of the subsidiaries and the associate companies are summarized below;

Entity	Country of Incorporation	Principal Activities	Holding %	Holding %
			2025	2024
NDB Investment Bank Ltd	Sri Lanka	Investment banking	100%	100%
NDB Wealth Management Ltd	Sri Lanka	Wealth management	100%	100%
NDB Securities (Pvt) Ltd	Sri Lanka	Investment advisory and Securities trading	100%	100%
NDB Zephyr Partners Ltd	Mauritius	Management of private equity funds	60%	60%
NDB Zephyr Partners Lanka (Pvt) Ltd	Sri Lanka	Management of private equity funds	60%	60%
NDB Capital Limited	Bangladesh	Investment banking	42.41%	42.41%

National Development Bank PLC is the ultimate parent of the Group. NCAP is a limited liability company incorporated and domiciled in Sri Lanka. Its registered office is at No.40, Nawam Mawatha, Colombo 2, Sri Lanka.

The Financial Statements of NDB Capital Holdings Ltd for the year ended 31 December 2025 was authorized for issue in accordance with a resolution of the Board of Directors on 02 June, 2026.

2.0 Accounting Policies

2.1 Basis of Preparation

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following material items in the statement of Financial Position,

- Other non-current financial investments and financial investments held for trading which are measured at fair value

- Liabilities for defined benefit obligations which are recognized at the present value of the defined benefit obligations less the net totals of plan assets and unrecognized past service cost.

2.1.1 Functional and Presentation Currency

The Consolidated Financial Statements are presented in Sri Lankan Rupees, and all values are rounded to the nearest thousand rupees, except when otherwise indicated.

2.1.2 Statement of Compliance

The Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows together with Accounting policies and notes, (Financial Statements), i.e. Consolidated Financial Statements of NCAP Group as at 31 December 2025 and for the year then ended, have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS & LKASs) issued by the Institute of Chartered Accountants of Sri Lanka. The preparation and presentation of these Financial Statements are in compliance with the Companies Act No. 07 of 2007.

2.1.3 Materiality & Aggregation

In compliance with Sri Lanka Accounting Standards - LKAS 01 on Presentation of Financial Statements, each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions are presented separately, unless they are immaterial.

Financial assets and financial liabilities are offset, and the net amount reported in the Consolidated Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the Accounting Policies of the Company.

2.1.4 Basis of Consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Company and its subsidiaries for the year ended 31 December 2025. The Financial Statements of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full in preparing the Consolidated Financial Statements.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company.

Non-controlling interests represent the portion of profit or loss and net assets of subsidiaries not owned, directly or indirectly, by Company.

Non-controlling interests are presented separately in the Statement of Comprehensive Income and within equity in the Statement of Financial Position but separate from Parent shareholders' equity.

2.1.5 Comparative Information

Comparative information is reclassified whenever necessary to conform with the current year's classification in order to provide better presentation.

2.2 Significant accounting judgments, estimates and assumptions

In the process of applying group's accounting policies, management is required to make judgments, which may have significant effects on the amounts recognized in the Financial Statements. Further, management is also required to consider key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of the Financial position date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results may differ from these estimates.

The key significant accounting judgments, estimates and assumptions involving uncertainty are discussed below, whereas the respective carrying amounts of such assets and liabilities are as given in related Notes.

2.2.1 Going Concern

The Board of Directors of the Company has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, Board of Directors is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.2.2 Deferred Tax Assets

Deferred tax assets are recognized in respect of tax losses to the extent that it is probable that taxable profit will be available against which such items can be deducted in the future. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

2.2.3 Defined Benefit Plans

The cost of the defined benefit plans is determined using an actuarial valuation. The actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of discount rates, future salary increases and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of Sri Lanka Government bonds with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Future salary increases are based on expected future inflation rates and expected future salary increase rate of the Company.

2.2.4 Useful Lifetime of Property, Plant and Equipment

The group reviews the residual values, useful lives and methods of depreciation of property, Plant and equipment at each reporting date. Judgement of the management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty.

2.2.5 Commitments and contingencies

All discernible risks are accounted for in determining the amount of all known liabilities.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognised in the Statement of Financial Position but are disclosed unless they are remote.

2.3 Summary of Significant accounting policies

SLFRS 9 Financial Instruments

2.3.1 Initial recognition of Financial Assets and Financial Liabilities

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The group business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

2.3.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:
The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

And

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Debt instrument at Fair Value through OCI

A debt instrument is measured at FVOCI only if it meets both of the following conditions:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;

And

- The contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

FVOCI debt instruments are subsequently measured at fair value with gains or losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses and ECL and reversals are recognised in profit or loss. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

2.3.3 Derecognition of financial assets

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired

Or

- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss which includes trade receivables and debentures.

ECLs are recognised in two stages. For credit exposures, for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the company applies a simplified approach in calculating ECLs. Therefore, the company does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.3.4 Financial Liabilities

Financial Liabilities are recorded at amortized cost. However, fair value changes of liabilities designated under the fair value option are generally presented as follows.

The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and the remaining amount of change in the fair value is presented in profit or loss.

Derecognition of financial liabilities

The Group remove a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished—ie when the obligation specified in the contract is discharged or cancelled or expires.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

A gain or loss on a financial liability that is measured at amortised cost and is not part of a hedging relationship be recognised in profit or loss when the financial liability is derecognised and through the amortisation process.

2.3.5 Impairment of Non-Financial Assets Other than Goodwill

Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.3.6 Business combinations and goodwill

Business combinations are accounted for using the purchase method of accounting. This involves recognising identifiable assets (including previously unrecognised intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the acquired business at fair value. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the fair values of the identifiable net assets acquired, the discount on acquisition (negative goodwill) is recognised directly in the income statement in the year of acquisition.

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities acquired. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units or groups of units.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Carrying amount of the goodwill arising on acquisition of subsidiaries is presented as an intangible asset and the goodwill on an acquisition of an equity accounted investment in investment in associates is included in the carrying value of the investment.

When subsidiaries are sold, the difference between the selling price and the net assets plus cumulative translation differences and unamortised goodwill is recognised in the Statement of Comprehensive Income.

2.3.7 Investment in Associate

An associate is an entity in which the Group has significant influence, but not control, over the variable returns through its power over the investee. An associate is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. The Group's investments in its associate companies are accounted for by using the equity method. Under the equity method, the investment in the associate is carried in the Statement of Financial Position at cost plus post-acquisition changes in the Group's share of net assets of the associate. The carrying value of the investment in associates is reviewed for impairment at each reporting period.

The NCAP Group's investments in Associate companies represent NDB Capital Limited (Bangladesh - a 42.41% shareholding)

2.3.8 Property, Plant & Equipment

(a) Basis of recognition

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured

(b) Basis of measurement

An item of Property, Plant and Equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the assets and subsequent cost as explained below. The cost of self-constructed assets includes the cost of the materials and direct labour, any other cost directly attributable to bringing the assets to a working condition for its intended use and cost of dismantling and removing the old items and restoring site on which they are located. Purchased software which is integral to the functionality of the related equipment is capitalised as part of computer equipment.

(c) Subsequent cost

There are costs that are recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within that part will flow to the Group and it can be reliably measured.

(d) Depreciation

Depreciation is calculated on a straight-line basis over the useful life of the assets, commencing from when the assets are available for use. The estimated useful lives of the assets are as follows.

Computer Equipment	5 Yrs
Motor vehicles	4 Yrs
Office equipment and furniture	5 Yrs
Lease hold Improvements	10 Yrs

Depreciation is provided proportionately for the completed number of months the asset is in use, if it is purchased or sold during the financial year.

(e) De-recognition

An item of Property, Plant & Equipment is derecognized upon disposal or when no future economic benefits are expected. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income in the year the asset is derecognized.

2.3.9 Right of Use Asset

- **Basis of Recognition**

The Group applies Sri Lanka Accounting Standard SLFRS 16 “Leases” in accounting for all lease hold rights except for short term leases, which are held for use in the provision of services.

- **Basis of Measurement**

The Group recognizes right-of-use assets at the date of commencement of the lease, which is the present value of lease payments to be made over the lease term. Right-of-use assets are measured at cost less any accumulated amortization and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of the right-of-use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are amortized on a straight line basis over the term of the lease.

- **Lease Liability**

At the commencement date of the lease, the Group recognizes lease liabilities, measured at present value of lease payments to be made over the lease term. The Group applied modified retrospective approach in accordance with SLFRS 16 when accounting for right-of-use assets and operating lease liabilities. The interest expense on the lease liabilities and the depreciation expense on the right to use assets are recognised separately in the Statement of Profit or Loss in line with the requirements of SLFRS 16-Leases. Further the lease liabilities will remeasured upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments).

2.3.10 Intangible assets

Intangible assets include the value of computer software and software under development. An intangible asset is recognized only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Intangible assets are amortised using the straight-line method to write down the cost over its estimated useful economic lives as given below.

Computer software	5 Yrs
-------------------	-------

Intangible assets are derecognized on disposal or when no future economic benefits are expected. Any gain or loss arising on de recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income in the year the asset is derecognized.

2.3.11 Taxes

(a) Current Tax

Current tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

(b) Deferred tax

Deferred tax is provided on temporary differences at the date of the Statement of Financial Position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except -

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except -

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each Statement of Financial Position date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the Statement of Financial Position.

2.3.12 Employee benefits**Gratuity**

The costs of retirement gratuities are determined by a qualified actuary using projected unit credit method. This item is stated under other liabilities in the Statement of Financial Position. Actuarial gains and losses are recognized as income or expense in Statement of Comprehensive Income during the financial year in which they arise.

Employees' Provident fund and Employees' trust fund

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in accordance with the respective statutes and regulations. Company and Group Companies contribute 12% and 3% to Central Bank of Sri Lanka for eligible employees for Employees' Provident Fund contributions and Employees' Trust Fund contributions respectively.

Employee Share Option Scheme (ESOS)

The obligations arising from share-based payments are calculated using standard valuation methods based on option pricing models. Equity-settled share-based payments are recognised at the grant date at the fair value of the equity instruments vested by that date. The fair value of the obligation is therefore recognised as personnel expenses proportionally over the vesting period and is offset directly against the capital reserves.

2.3.13 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.3.14 Dividends on Ordinary Shares

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company.

2.3.15 Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(a) Interest and similar income and expense

For all financial instruments measured at amortised cost, interest bearing financial assets classified as fair value through OCI and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the EIR. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The

2.3.15 Recognition of income and expenses (Contd....)

calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The carrying amount of the financial asset or financial liability is adjusted if the Group revises its estimates of payments or receipts. The adjusted carrying amount is calculated based on the original EIR and the change in carrying amount is recorded as 'Interest and similar income' for financial assets and 'Interest and similar expense' for financial liabilities. However, for a reclassified financial asset for which the Group subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognised as an adjustment to the EIR from the date of the change in estimate.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(b) Dividend income

Dividend income from shares is recognized when the Company's right to receive the payment is established.

(c) Income from fee - based activities

Fees for underwriting, advisory work, loan syndication, management of funds and all other fees and commissions are recognised on an accrual basis.

(d) Expenditure Recognition

Operating expenses are recognized in the Statement of Comprehensive Income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant & Equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

2.3.16 Cash and Cash Equivalents

Cash and Cash equivalents comprise of cash balances, short-term funds. The cash flow has been prepared by using "The Indirect Method", whereby gross cash receipts and gross cash payments of operating activities, investing and financing activities have been recognized.

2.3.17 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the chief

operating decision maker to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

For management purposes, the Group has identified four operating segments based on products and services, as follows:

- Investments
- Capital Market
- Fund Management
- Private Equity Management

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses which, in certain respects, are measured differently from operating profits or losses in the Consolidated Financial Statements. Income taxes are managed on a group basis and are not allocated to operating segments.

2.3.18 Standards issued not yet effective

The new and amended standards and interpretations that are issued up to the date of issuance of the Company's financial statements but are not effective for the current annual reporting period, are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- SLFRS 17 Insurance Contracts

SLFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, SLFRS 17 will replace SLFRS 4 Insurance Contracts (SLFRS 4) that was issued in 2005. SLFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The core of SLFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

SLFRS 17 is effective for annual reporting periods beginning on or after 01 January 2026, with comparative figures required. Early application is permitted, provided the entity also applies SLFRS 9 and SLFRS 15 on or before the date it first applies SLFRS 17.

The amendments are not expected to have a material impact on the Company's financial statement.

- SLFRS 18 Presentation and Disclosure in Financial Statements

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organized and communicated. The standard establishes new categories and subtotals in the

statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027.

- **SLFRS 19 Subsidiaries without Public Accountability: Disclosures**

SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles. The purpose of SLFRS 19 is to lessen the financial reporting burden on qualifying subsidiaries by simplifying disclosure requirements, while still ensuring that financial statements remain high-quality, consistent, and comparable for users.

SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19.

The Standard becomes effective for annual reporting periods beginning on or after 1 January 2027.

- **Amendments to SLFRS 9 and SLFRS 7 - Classification and Measurement of Financial Instruments**

The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainability linked terms and nature-dependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

Year ended 31 December

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
3. NET INTEREST INCOME				
Interest Income from Debentures	28,496	23,726	28,495	23,726
Interest on Bank Deposits	83,480	97,540	57,742	34,396
Interest from Government Securities	48,468	102,886	19,452	67,457
Other Interest Income	90,272	95,128	3,065	1,313
	250,716	319,280	108,754	126,891
4. DIVIDEND INCOME				
Dividend Income from Securities				
- Quoted Investments	37,917	21,693	37,917	21,693
- Non-Quoted Investments	3,825	11,475	3,825	11,475
Dividend Income from Subsidiaries/Associates				
- Non-Quoted Investments	-	-	-	17,595
	41,742	33,168	41,742	50,763
5. EQUITY INCOME				
Realized Equity Capital Gains / (Losses)	(1,935)	16,235	(1,935)	16,235
Un Realized Equity Capital Gains / (Losses)	217,436	273,228	217,436	273,228
Fair Value Change of Emerald Fund net of management fee	(80,700)	(32,946)	(80,700)	(32,946)
	134,801	256,517	134,801	256,517
6. OTHER INCOME				
Income from Unit Trusts	119,596	132,551	28,238	48,264
Gain on disposal of government securities	4,396	17,469	78	17,469
Foreign Exchange Gain /(Loss)	4,384	(1,160)	619	(1,160)
Other Income	19,685	7,222	44,868	42,455
	148,061	156,082	73,803	107,028
7. PERSONNEL EXPENSES				
Salary & Bonus	786,312	650,542	116,893	101,014
Contribution to Defined Contribution Plans - EPF / ETF	44,394	61,379	9,405	7,907
Contribution to Defined Benefit Liability - Gratuity	27,653	28,989	3,889	2,969
Employee Share Option Scheme Expenses (Note 7.1)	5,538	-	5,538	-
Others	38,067	65,093	7,227	6,686
	901,963	806,002	142,952	118,575

7 .Personal Expenses (Cont.....)

7.1 Employee Share Option Scheme (ESOS) 2024

An Employee Share Option Scheme was approved by the shareholders of the NDB Capital Holdings Limited ("NCAP") at an Extraordinary General Meeting (EGM) held in January 2025. Beneficiaries will be the management staff covering corporate management 3 and above of NCAP Group Companies, subject to certain limits, terms and conditions.

As per the ESOS 2024 scheme approved by the shareholders, NCAP will offer share options relating to voting shares to eligible employees, up to a maximum of 6% of the total shares in issue, to be granted across three tranches during the period 2025–2027. The share options will be issued over three years (performance years 2024–2026), subject to meeting the performance criteria set out in the Circular to Shareholders dated 05 December 2024. Each year, the share options will be limited to 2% of the total number of shares then in issue by NDB Capital Holdings Limited. Details of the currently applicable scheme (Tranche 1) are provided below.

ESOS tranche 1 (performance year 2024)

The NCAP and NDBWM were able to meet the performance criteria for the performance year 2024 and the approved management staff were granted share options as Tranche 1. The options under Tranche 1 will vest on 30 June 2027 where the exercise period of the Tranche 1 will be 01st July 2027 to 30th June 2030.

Tranche	Period of Performance Evaluation	Option grant date	Vesting Period (From -To)	Exercise Period (From -To)
1	2024	01 July 2025	01 July 2025 - 30 June 2027	01 July 2027 - 30 June 2030

The Employee Share Option scheme (ESOS) 1st Tranche is currently in its vesting period, NCAP is making the ESOS provisions the financial statement based on the ESOP Valuation.

At initial recognition, the Group recognised a Share Based Payment Reserve for the value of the share options under Tranche 1 based on a valuation carried out by an independent Valuer as required by SLFRS 2, "Share-based Payment" using the Binomial Valuation Model. The inputs used in measurement of fair value of the share option were : Exercise price of the share options, Market price of a share, Risk-free rate, Exercise period, Volatility of the share price. The share based payment reserve was LKR 4.56 Mn and corresponding charge of the same is represented in the Statement of Profit or Loss FY 2025.

Movement of the ESOS

The following table illustrates the number of, and movements in, performance shares during the year.

	Group				Company			
	2025		2024		2025		2024	
	No.of Options	LKR '000	No.of Options	LKR '000	No.of Options	LKR '000	No.of Options	LKR '000
Opening Balance	-	-	-	-	-	-	-	-
Granted during the year	671,530	5,538	-	-	671,530	5,538	-	-
Change in the Fair value	-	-	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-
Closing Balance	671,530	5,538	-	-	671,530	5,538	-	-

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
8. ADMINISTRATIVE EXPENSES & OTHER OPERATING EXPENSES				
Directors Emoluments	14,150	15,109	8,345	11,509
Auditors Remuneration	6,679	4,401	1,804	1,409
Portfolio Management Fees	-	-	6,771	6,149
Professional & Consultancy Fees	68,114	67,246	22,549	31,617
Depreciation/ Amortization of PPE and Intangible Asset	38,945	29,543	2,727	2,238
Right of Use Asset Depreciation	32,996	36,003	3,572	3,917
Office Administration and Establishment Expenses	659,463	575,366	23,163	23,574
	820,347	727,668	68,930	80,413

8.1 Comparative Information

The presentation and classification of following items in these Financial Statements are amended to ensure comparability with the current year.

	Group	
	LKR '000	LKR '000
	Current Presentation	As disclosed Previously
As at 31 December		
Proftpolio Management Fee	-	193,655
Office Administration and Establishment Expenses	575,366	381,711

Reason for change in the presentation and classification

Commissions Paid (Group) were previously classified under Portfolio Management Fees. Following a reassessment of the nature of this expense, this amount has been reclassified to Office Administration and Establishment Expenses to ensure more appropriate presentation and enhanced transparency in the financial statements. Accordingly, the comparative figures have been reclassified to maintain consistency and comparability across reporting periods. There is no such reclassification in the Company's financial statements. This reclassification has had no impact on the Group and Company's profit, financial position, or equity.

9. TAXATION

The components of income tax expense for the years ended 31 December 2025 and 2024 are:

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Current tax expenses				
Taxation based on the profit for the year	283,598	271,732	4,904	17,558
Under/(over) provision in respect of previous years	79,005	105,895	81,710	86,076
Total current tax expense	362,603	377,627	86,615	103,634
Deferred income tax				
Relating to origination and reversal of temporary differences	(23,631)	(4,920)	(17,400)	(12,081)
Total income tax charged to the Statement of Profit or Loss	338,972	372,703	69,214	91,553

a. Numerical reconciliation of tax expense to the product of accounting profit multiplied by applicable tax rate

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Profit Before Tax	1,145,593	960,460	147,218	342,210
Income tax expenses for the year (accounting profit@ applicable tax rate)	324,469	355,217	44,165	102,663
Tax Effect On				
Disallowable expenses	30,350	31,755	7,891	2,312
Tax deductible expenses	(32,537)	(44,256)	(3,533)	(2,754)
Exempt income	(62,314)	(75,904)	(61,019)	(96,745)
Tax Losses	-	-	-	-
Total Income Tax for the year	259,967	266,811	(12,496)	5,477
Under/(Over) provision of current taxes in respect of prior years	79,005	105,895	81,710	86,076
Total income tax charged/(Reversal) to the Statement of Profit or loss	338,972	372,703	69,214	91,553

10. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year as required by the Sri Lanka Accounting Standard No.33 on Earnings Per Share.

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Amount used as the Numerator				
Profit attributed to Ordinary Shareholders (LKR '000)	807,726	593,866	78,004	250,658
Amount used as the Denominator				
Weighted Average Number of Ordinary Shares for EPS calculation	32,904	32,904	32,904	32,904
Weighted Average Basic Earnings Per share (LKR)	24.55	18.05	2.37	7.62

11. DIVIDENDS PER SHARE

Interim and Final dividends are recognized and accrued when the dividend are recommended and declared by the Board of Directors in accordance with the companies Act No. 07 of 2007. No dividend has been declared during the year 2025.(2024 - NIL)

12 PROPERTY, PLANT & EQUIPMENT

12.1 Group

12.1.1 Gross Carrying Amounts

	Balance as at 01.01.2025 LKR.'000	Additions during the year LKR.'000	Disposals during the year LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost				
Computer Equipment	109,069	13,858	(9,798)	113,129
Office Equipment and Furniture	170,609	18,986	(1,462)	188,134
Motor Vehicles	1,660	-	-	1,660
Lease hold Improvement	21,228	-	-	21,228
Total Value of Depreciable Assets	302,567	32,844	(11,259)	324,152

12.1.2 Depreciation

	Balance as at 01.01.2025 LKR.'000	Charge for the Year LKR.'000	On disposals LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost				
Computer Equipment	92,862	10,433	(9,798)	93,498
Office Equipment and Furniture	138,320	12,646	(1,583)	149,383
Motor Vehicles	1,609	52	-	1,661
Lease hold Improvement	15,922	2,123	-	18,045
Total Depreciation	248,712	25,254	(11,381)	262,586

12.1.3 Net Book Value

Computer Equipment				19,632
Office Equipment and Furniture				38,751
Motor Vehicles				(0)
Lease hold Improvement				3,184
Net book value as at 31 December 2025				61,566
Net book value as at 31 December 2024				53,854

12.1.4 During the financial year, the Group has acquired Property, Plant & Equipment amounting to LKR 33 Mn (2024 - LKR 29 Mn).

12.1.5 The cost of fully depreciated Property, Plant & Equipment for the year ended 31 December 2025 amounted to LKR 279 Mn (2024 - LKR 283 Mn)

12.2 Company

12.2.1 Gross Carrying Amounts

	Balance as at 01.01.2025 LKR.'000	Additions during the year LKR.'000	Disposals during the year LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost				
Computer Equipment	5,592	1,017	-	6,609
Office Equipment and Furniture	15,203	1,718	-	16,921
Lease Hold Improvement	13,402	-	-	13,402
Total Value of Depreciable Assets	34,197	2,735	-	36,932

12.2.2 Depreciation

	Balance as at 01.01.2025 LKR.'000	Charge for the Year LKR.'000	On disposals LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost				
Computer Equipment	3,240	811	-	4,051
Office Equipment and Furniture	14,726	334	-	15,060
Lease Hold Improvement	10,052	1,340	-	11,392
Total Depreciation	28,018	2,486	-	30,504

12.2.3 Net Book Value

Computer Equipment				2,558
Office Equipment and Furniture				1,860
Lease Hold Improvement				2,010
Net book value as at 31 December 2025				6,428
Net book value as at 31 December 2024				6,179

12.2.4 During the financial year, the Company has acquired Property, Plant and Equipment amounting to LKR 2.7 Mn (2024 - LKR 1.7 Mn)

12.2.5 The cost of fully depreciated Property, Plant & Equipment for the year ended 31 December 2025 amounted to LKR 17 Mn (2024- LKR 17 Mn)

13 RIGHT OF USE ASSET

13.1 Group

13.1.1 Gross Carrying Amounts

	Balance as at 01.01.2025 LKR.'000	Additions during the year LKR.'000	Disposals during the year LKR.'000	Lease Modification during the year LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost					
Buildings	292,748				292,748
Total Value of Depreciable Assets	292,748	-	-	-	292,748

13.1.2 Depreciation

	Balance as at 01.01.2025 LKR.'000	Charge for the Year LKR.'000	On disposals LKR.'000	Lease Modification during the year LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost					
Buildings	226,757	32,996		-	259,752
Total Depreciation	226,755	32,996	-	-	259,752

13.1.3 Net book value as at 31 December 2025

Net book value as at 31 December 2024

32,996
65,993

13.2 Company

13.2.1 Gross Carrying Amounts

	Balance as at 01.01.2025 LKR.'000	Additions during the year LKR.'000	Disposals during the year LKR.'000	Lease Modification during the year LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost					
Buildings	31,881	-	-	-	31,881
Total Value of Depreciable Assets	31,881	-	-	-	31,881

13.2.2 Depreciation

	Balance as at 01.01.2025 LKR.'000	Charge for the Year LKR.'000	On disposals LKR.'000	Lease Modification during the year LKR.'000	Balance as at 31.12.2025 LKR.'000
At Cost					
Buildings	24,738	3,572		-	28,310
Total Depreciation	24,738	3,572	-	-	28,310

13.2.3 Net book value as at 31 December 2025

Net book value as at 31 December 2024

3,571
7,143

Year ended 31 December

14 INVESTMENT IN SUBSIDIARIES

	2025		2024	
	Percentage Holding (%)	Cost LKR' 000	Percentage Holding (%)	Cost LKR' 000
NDB Wealth Management Ltd	100	95,712	100	95,712
NDB Investment Bank Ltd	100	98,346	100	98,346
NDB Securities (Pvt) Ltd	100	292,060	100	292,060
NDB Zephyr Partners Limited	60	22,769	60	22,769
		508,887		508,887

15 DEFERRED TAX

15.1 MOVEMENT OF DEFERRED TAX ASSET

	2025 LKR' 000	2024 LKR' 000
Group		
Balance as at the beginning of the Year	61,423	69,696
Provision/(Release) made during the Year - Charged to Profit or Loss	6,443	(7,161)
Provision/(Release) made during the Year - Charged to OCI	4,208	(1,112)
Balance as at the end of the Year	72,074	61,423

15.2 DEFERRED TAX LIABILITY

	2025 LKR' 000	2024 LKR' 000
Group		
Balance as at the beginning of the Year	81,068	95,510
(Provision)/Release made during the Year - Charged to Profit or Loss	(17,400)	(12,081)
(Provision)/Release made during the Year - Charged to OCI	6,063	(2,362)
Balance as at the end of the Year	69,731	81,067

Company

Balance as at the beginning of the Year	81,068	95,510
Provision/(Release) made during the Year - Charged to Profit or Loss	(17,400)	(12,081)
Provision/(Release) made during the Year - Charged to OCI	6,063	(2,362)
Balance as at the end of the Year	69,731	81,067

15.3 RECONCILIATION OF NET DEFERRED TAX (ASSET)/LIABILITY

Deferred tax assets and liabilities related to the following	Statement of Financial Position	
	2025 LKR' 000	2024 LKR' 000
Group		
Deferred Tax Liability		
Capital Allowance for Tax Purposes	332	8,628
Gain / (loss) on Financial Asset	70,308	85,780
Fair value adjustment in Debt Instrument at Fair Value Through OCI	6,086	174
	76,726	94,582
Deferred Tax Assets		
Defined Benefit Plans	45,221	40,505
Gain on Financial Asset	22,473	14,078
Lease Liability	11,375	20,355
	79,069	74,938
Net Deferred Tax (Asset) / Liability	(2,342)	19,644
	Statement of Financial Position	
	2025 LKR' 000	2024 LKR' 000
Company		
Deferred Tax Liability		
Capital Allowance for Tax Purposes	149	2,571
Gain / (loss) on Financial Asset	69,441	85,780
Fair value adjustment in Debt Instrument at Fair Value Through OCI	6,086	174
	75,676	88,525
Deferred Tax Assets		
Gain / (loss) on Financial Assets	-	-
Defined Benefit Plans	4,625	5,085
Lease Liability	1,321	2,372
	5,945	7,457
Net Deferred Tax (Asset) / Liability	69,731	81,067

16 INTANGIBLE ASSETS

Group

	2025 LKR' 000	2024 LKR' 000
Cost/Carrying value		
At the beginning of the Year	167,828	132,059
Additions during the Year	24,230	35,769
At the end of the Year	192,058	167,828
Accumulated Amortization		
At the beginning of the Year	124,911	118,723
Amortization during the Year	13,733	6,188
At the end of the Year	138,644	124,911
Net Carrying Value	53,414	42,917

Company

	2025 LKR' 000	2024 LKR' 000
Cost/Carrying value		
At the beginning of the Year	904	904
Additions during the Year	3,614	-
At the end of the Year	4,518	904
Accumulated amortization		
At the beginning of the Year	904	808
Amortization during the Year	241	96
At the end of the Year	1,145	904
Net Carrying Value	3,373	-

17. INVESTMENT IN ASSOCIATE COMPANIES

NDB Investment Bank Limited which is a fully owned subsidiary of NDB Capital Holdings Limited invested in Ordinary shares of NDB Capital Limited, an Investment banking company based in Bangladesh for the shareholding of 42.41% during the year ended 31 December 2018. Accordingly the Investment is classified as an Investment in Associates in the statement of Financial Position.

During the assessment of impairment of investment in Associate companies, it was noted that the net asset position of NDB Capital Bangladesh Limited as at 31st December 2025 has been decreased. Hence the company has made an impairment provision amounting to LKR 14.5 Mn during the year.

	Group	
	2025 LKR' 000	2024 LKR' 000
Investment in NDB Capital Limited	55,688	130,912
Cumulative Share of Associate Company's Profit/(Loss)	(19,522)	(27,356)
Impairment for Associate	(14,498)	(47,868)
Total	21,669	55,688

18. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Company	
	2025 LKR '000	2024 LKR.'000	2025 LKR '000	2024 LKR '000
Investment in Debentures	210,474	158,491	210,474	158,491
Investment in Treasury Bills	-	97,340	-	48,351
Investment in Treasury Bonds	251,784	206,849	158,554	154,419
	462,258	462,681	369,028	361,261

19. DEBT INSTRUMENTS AT AMORTIZED COST

	Group		Company	
	2025 LKR '000	2024 LKR.'000	2025 LKR '000	2024 LKR '000
Investments in REPO	-	116,041	-	116,041
Investment in Promissory Notes	54,757	-	18,225	-
	54,757	116,041	18,225	116,041

20 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Trade Receivables	1,227,938	880,072	-	-
Less: Provision for trade debtor impairment	(3,723)	(1,591)	-	-
Deposits, advances and prepayments	35,076	36,449	5,279	4,882
Other Receivables	205,328	177,106	39,486	32,821
Total Trade & Other Receivables	1,464,619	1,092,037	44,765	37,703

21 FINANCIAL ASSETS RECOGNIZED THROUGH PROFIT OR LOSS - MEASURED AT FAIR VALUE.

	Group		Company	
	2025	2024	2025	2024
	LKR' 000	LKR' 000	LKR' 000	LKR' 000
Non Quoted Securities (21.1)	77,000	86,200	77,000	86,200
Quoted Ordinary Shares	1,101,572	738,447	1,101,572	738,447
Investment in Private Equity Fund (21.2)	336,332	390,796	336,332	390,796
Investment in Unit Trust	1,565,780	1,769,298	354,767	451,954
Total	3,080,684	2,984,741	1,869,671	1,667,397

21.1 FINANCIAL ASSETS RECOGNIZED THROUGH PROFIT OR LOSS - MEASURED AT FAIR VALUE- NON QUOTED ORDINARY SHARES

Group/Company

	No. of Shares	No. of Shares	Carrying	Carrying
	2025	2024	Value	Value
			2025	2024
		LKR' 000	LKR' 000	
Pawan Danavi (Pvt) Ltd	954,000	954,000	77,000	86,200
Gross Carrying Value of Equity Securities			77,000	86,200
Net Carrying Value of Equity Securities			77,000	86,200

21.2 Investment in Private Equity Fund - Preference Shares

Group/Company

	2025	2024
	LKR' 000	LKR' 000
Emerald Sri Lanka Fund Ltd as at beginning of the year	390,796	691,439
Net Capital infused/(Divested) during the year	-	(262,283)
Fair Value Adjustment	(54,465)	(38,359)
Emerald Sri Lanka Fund Ltd as at end of the year	336,332	390,796

22 CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Cash in Hand	195	217	40	40
Short - Term Deposits	1,355,769	1,022,727	428,486	357,162
	1,355,964	1,022,944	428,526	357,202
22.1 CASH AND CASH EQUIVALENTS				
Total Cash and Bank Balances	1,355,964	1,022,944	428,526	357,202
Bank Overdrafts	(10,974)	(17,488)	-	(4,638)
Cash and Cash Equivalents	1,344,990	1,005,456	428,526	352,564

22.2 Comparative Information

The presentation and classification of following items in these Financial Statements are amended to ensure comparability with the current year.

	Group	
	LKR '000	LKR '000
As at 31 December	Current Presentation	As disclosed Previously
Cash in Hand	217	650,179
Short -Term Deposits	1,022,727	372,765
	1,022,944	1,022,944

Reason for change in the presentation and classification

Cash and cash equivalents were previously classified between cash in hand and short-term deposits. In the prior year, certain short-term deposits (Group) were classified under cash in hand. Following a reassessment of the classification, only cash in hand is presented under this line item. Accordingly, comparative figures have been reclassified to ensure consistency and comparability across reporting periods. There is no reclassification in the Company's financial statements. This reclassification has had no impact on the Group's or the Company's profit, financial position, or equity.

23 STATED CAPITAL

	2025	2024
	Number	Number
Ordinary Shares (Number)		
Fully Paid Ordinary Shares as of 1 January	32,904,933	32,904,933
Fully Paid Ordinary Shares as of 31 December	32,904,933	32,904,933
	LKR '000	LKR '000
Ordinary Shares (Amount)		
Fully Paid Ordinary Shares	328,570	328,570
	328,570	328,570

24 RETIREMENT BENEFIT OBLIGATIONS

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
At the beginning of the Year	136,369	132,033	16,951	8,188
Recognized on Income Statement	27,650	28,989	3,889	2,969
Recognized on OCI	9,194	9,824	(502)	6,897
	173,213	170,846	20,338	18,054
Payments / Payables during the Year	(21,563)	(34,477)	(4,922)	(1,103)
At the end of the Year	151,650	136,369	15,416	16,951

24.1 Contribution made for Retirement Gratuity

	Group		Company	
	2025	2024	2025	2024
	LKR '000	LKR '000	LKR '000	LKR '000
Current service cost	12,799	11,908	2,024	1,904
Interest cost	14,852	17,081	1,865	1,064
Amount recognised in the Statement of Profit or Loss	27,650	28,989	3,889	2,969
Liability experience loss/(gain)	5,626	10,687	(610)	6,992
Liability loss/(gain) due to changes in:				
Financial assumptions	(464)	(863)	(52)	(95)
Demographic assumptions	4,033		161	
Amount recognised in the Other Comprehensive Income	9,194	9,824	(502)	6,897

24.2 Assumptions Used for the Gratuity Plan

The actuarial valuations of the retirement gratuity were carried out by a Professional Actuary Messers, Actuarial and Management Consultants (Pvt) Ltd as at 31st December 2025 and 31st December 2024 respectively.

The valuation method used by the actuary to value the liability is the Projected Unit Credit method as recommended by LKAS 19 - Employee Benefits.

Assumptions Used for the Gratuity Plan

	Group		Company	
	2025	2024	2025	2024
Discount Rate	10.00%	11.00%	10.00%	11.00%
Salary Increment Rate	9%	10%	9%	10%
Mortality	UP 1984	UP 1984	UP 1984	UP 1984
Retirement Age	60 Years	60 Years	60 Years	60 Years

24.3 Sensitivity of assumptions used in Actuarial Valuation

		Group 2025		Group 2024	
Increase/ (Decrease) in Discount Rate	Increase/ (Decrease) in Salary Increment Rate	Sensitivity Effect on the total Comprehensive Income Increase/ (Decrease) of the Year	Sensitivity Effect on Provision for Retirement Gratuity Increase/ (Decrease) in Liability	Sensitivity Effect on the total Comprehensive Income Increase/ (Decrease) of the Year	Sensitivity Effect on Provision for Retirement Gratuity Increase/ (Decrease) in Liability
%	%	LKR '000	LKR '000	LKR '000	LKR '000
1		7,320	(7,320)	8,746	(8,746)
(-1)		(7,449)	7,449	(9,932)	9,932
	1	(7,808)	7,808	(10,359)	10,359
	(-1)	7,766	(7,766)	9,270	(9,270)

		Company 2025		Company 2024	
Increase/ (Decrease) in Discount Rate	Increase/ (Decrease) in Salary Increment Rate	Sensitivity Effect on the total Comprehensive Income Increase/ (Decrease) of the Year	Sensitivity Effect on Provision for Retirement Gratuity Increase/ (Decrease) in Liability	Sensitivity Effect on the total Comprehensive Income Increase/ (Decrease) of the Year	Sensitivity Effect on Provision for Retirement Gratuity Increase/ (Decrease) in Liability
%	%	LKR '000	LKR '000	LKR '000	LKR '000
1		1,073	(1,073)	1,445	(1,445)
(-1)		(1,205)	1,205	(1,649)	1,649
	1	(1,248)	1,248	(1,686)	1,686
	(-1)	1,129	(1,129)	1,501	(1,501)

24.4 The expected benefit payout from the defined benefit fund in future years

	Group		Company	
	2025	2024	2025	2024
Within next 12 months	24,120	10,067	1,284	1,004
Between 2 and 5 years	71,532	45,474	5,414	4,349
Beyond 5 years	55,997	80,828	8,717	11,598

25 LEASE LIABILITY

The carrying amounts of lease liability and the movement during the year:

	Group		Company	
	2025	2024	2025	2024
As at 01 January 2025	133,840	201,566	15,051	22,667
Accretion of interest	12,674	20,720	1,425	2,700
Lease Modification	-	(12,459)	-	(1,432)
Payments	(75,604)	(75,987)	(8,501)	(8,884)
As at 31 December 2025	70,911	133,840	7,975	15,051

The present value of the operating lease commitments as at 01 January 2020 has been calculated using weighted average incremental borrowing rate of 12%. A lease modification to the future lease rentals has been made with effect from January 2025 and adjustments were done from August 2024 as agreed with the Lessor.

	Group		Company	
	2025	2024	2025	2024
Leases Less than 01 year	75,604	94,505	8,501	10,627
Leases More than 01 year	-	132,307	-	14,878
	75,604	226,812	8,501	25,505

The present value of the operating lease commitments as at 31 December 2025 has been calculated using weighted average incremental borrowing rate of 12%.

Increase/ (Decrease) in Discount Rate	Group 2025		Group 2024	
	Sensitivity Effect on the profit/loss Increase/(Decrease) for the year	Sensitivity Effect on the profit/loss Increase/(Decrease) in lease liability	Sensitivity Effect on the profit/loss Increase/(Decrease) for the year	Sensitivity Effect on the profit/loss Increase/(Decrease) in lease liability
	%	LKR Mn	LKR Mn	LKR Mn
1	0.79	(0.37)	1.38	(1.32)
(-1)	(0.96)	0.37	(1.42)	1.34

Increase/ (Decrease) in Discount Rate	Company 2025		Company 2024	
	Sensitivity Effect on the profit/loss Increase/(Decrease) for the year	Sensitivity Effect on the profit/loss Increase/(Decrease) in lease liability	Sensitivity Effect on the profit/loss Increase/(Decrease) for the year	Sensitivity Effect on the profit/loss Increase/(Decrease) in lease liability
	%	LKR Mn	LKR Mn	LKR Mn
1	0.11	(0.04)	0.16	(0.15)
(-1)	(0.11)	0.04	(0.16)	0.15

Contractual maturities of undiscounted cash flows of Lease Liability

Group	On demand	Less than 3 months	3 to 12 months	1 to 5 Years	Over 5 Years	Total
Lease Liability						
2025	-	18,901	56,703	-	-	75,604
2024	-	18,901	75,604	132,307	-	226,812
Company						
Lease Liability						
2025	-	2,125	6,376	-	-	8,501
2024	-	2,125	8,501	14,878	-	25,504

26 TRADE & OTHER PAYABLES

	Group		Company	
	2025 LKR' 000	2024 LKR' 000	2025 LKR' 000	2024 LKR' 000
Trade Payables	652,596	921,340	-	-
Other payable	34,508	65,641	-	-
Accrued Expenses	316,424	196,157	31,291	39,484
Sundry Creditors	140,428	80,777	69,125	19,221
Total Trade and Other Payables	1,143,955	1,263,915	100,416	58,705

27 COMMITMENTS AND CONTINGENCIES

(i) The Company has an Overdraft facility for LKR 100 Mn with National Development Bank PLC and LKR 500 Mn with Commercial Bank of Ceylon PLC for the purpose of investing in securities and meeting short term Funding requirement.

(ii) NDB Capital Holdings Limited has received assessments for VAT on financial services for the years 2012, 2013, 2018, 2020 and 2021. The assessments for the years 2012 and 2013 were determined by the Commissioner General of Inland Revenue and the Tax Appeals Commission as payable, and the stated cases have been referred to the Court of Appeal (CoA) for its opinion. The assessment for the year 2018, determined by the Commissioner General of Inland Revenue as payable, has been referred to the Tax Appeals Commission (TAC) for its determination. The assessments for the years 2020 and 2021 are pending determination by the Commissioner General of Inland Revenue (CGIR).

Year	Total Assessed Value with Penalty (LKR Mn)	Stage of Appeal Process
2012	74.78	CoA
2013	109.04	COA
2018	79.47	TAC
2020	30.68	CGIR
2021	45.89	CGIR
Total	339.86	

The Company has made provisions amounting to LKR 215.87 Mn in relation to the VAT on financial services assessments in the financial statements. The Company is of the view that the above assessments will not have a material adverse impact on the financial statements, and adequate provisions have been made where necessary.

(iii) NDB Capital Holdings Ltd has committed to invest up to USD 9.6 Mn in Emerald Sri Lanka Fund 1 Limited over the 10 year period beginning December 2014. The term of the Fund was extended by one year at the beginning of 2025 and was subsequently further extended up to 31 December 2026, pursuant to a recommendation by the Investment Manager (NDB Zephyr Partners Limited) and subject to the approval of the Advisory Committee.

The entity has so far invested USD 7.4 Mn and has a further commitment of USD 2.2 Mn to invest upon any capital call by the Fund. Other than the aforementioned items, there are no significant commitments and contingencies as at the date of Statement of Financial Position.

28 FAIR VALUE OF FINANCIAL INVESTMENTS

Financial Investments Recorded at Fair Value

The following is a description of how fair values are determined for financial instruments that are recorded at fair value using valuation techniques.

These incorporate the company's estimate of assumptions that a market participant would make when valuing the instruments.

Financial assets recognized through profit or loss - measured at fair value

Financial Assets recognized through profit or loss measured at fair value consist of quoted equity securities, on quoted securities, private equity investment and investments in unit trusts. Quoted equity securities are valued using market price published by Colombo stock exchange. Investments in unit trusts are valued at market rates published by the respective unit trusts.

Private equity investment is valued using internal valuation

Financial Assets measured at fair value through other comprehensive income

Financial Assets measured at fair value through other comprehensive income solely consists of investments in quoted debentures and Government Securities.

28.1 Determination of Fair Value and Fair Value Hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or

Level 2 : other techniques for which all inputs have significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

28.1 Determination of Fair Value and Fair Value Hierarchy (Contd.....)

Group

31 December 2025

	Level 1	Level 2	Level 3	Total
	LKR' 000	LKR' 000	LKR' 000	LKR' 000
Financial Assets				
Financial assets recognized through profit or loss - measured at fair value				
Quoted Ordinary Shares	1,101,572	-	-	1,101,572
Investment in Unit Trusts	1,565,780	-	-	1,565,780
Non Quoted Securities	-	-	77,000	77,000
Private Equity Fund	-	-	336,332	336,332
Financial Assets measured at fair value through other comprehensive income				
Quoted Debentures	-	210,474	-	210,474
Government Securities	-	251,784	-	251,784
Total Financial Assets	2,667,352	462,258	413,332	3,542,941

31 December 2024

	Level 1	Level 2	Level 3	Total
	LKR' 000	LKR' 000	LKR' 000	LKR' 000
Financial Assets				
Financial assets recognized through profit or loss - measured at fair value				
Quoted Ordinary Shares	738,447	-	-	738,447
Investment in Unit Trusts	1,769,298	-	-	1,769,298
Non quoted Securities	-	-	86,200	86,200
Private equity Fund	-	-	390,796	390,796
Financial Assets measured at fair value through other comprehensive income				
Quoted Debentures	-	158,491	-	158,491
Government Securities	-	304,189	-	304,189
Total Financial Assets	2,507,744	462,681	476,996	3,447,422

Company

31 December 2025

	Level 1	Level 2	Level 3	Total
	LKR' 000	LKR' 000	LKR' 000	LKR' 000
Financial Assets				
Financial assets recognized through profit or loss - measured at fair value				
Quoted Ordinary Shares	1,101,572	-	-	1,101,572
Investment in Unit Trusts	354,767	-	-	354,767
Non quoted Securities	-	-	77,000	77,000
Private equity Fund	-	-	336,332	336,332
Financial Assets measured at fair value through other comprehensive income				
Quoted Debentures	-	210,474	-	210,474
Government Securities	-	158,554	-	158,554
	1,456,339	369,028	413,332	2,238,699

31 December 2024

	Level 1	Level 2	Level 3	Total
	LKR' 000	LKR' 000	LKR' 000	LKR' 000
Financial Assets				
Financial Investments Held For Trading				
Quoted Ordinary Shares	738,447	-	-	738,447
Investment in Unit Trusts	451,954	-	-	451,954
Non quoted Securities	-	-	86,200	86,200
Private equity Fund	-	-	390,796	390,796
Financial Assets measured at fair value through other comprehensive income				
Quoted debentures	-	158,491	-	158,491
Government Securities	-	202,770	-	202,770
	1,190,401	361,261	476,996	2,028,659

Non quoted securities and Private equity fund has been valued base on the Net Assets Value of the investee.

29 EVENTS OCCURRING AFTER THE REPORTING DATE

No circumstances have arisen since the reporting date which would require adjustments to, or disclosure in the financial statements.

30 RELATED PARTY DISCLOSURES

Company

TRANSACTIONS WITH THE RELATED ENTITIES

Related Party	Relationship	Nature of Transactions	2025 LKR '000	2024 LKR '000
National Development Bank PLC	Ultimate Parent	Dividend Paid	-	-
		Cash Balance 31 December	9,264	21,648
		Interest Income from Short-term investments	1,276	426
		Fee for Professional Services	448	991
NDB Wealth Management Ltd	Subsidiary	Dividend Received	-	-
		Portfolio Administration Fees	6,771	5,714
		Management fees	11,194	10,661
		Unit Trust	354,767	451,954
NDB Securities (Pvt) Ltd	Subsidiary	Management fees	11,194	10,661
NDB Investment Bank Limited	Subsidiary	Management fees	11,795	11,233
		Accounting Fee	665	
NDB Zephyr Partners Limited	Subsidiary	Dividend Received	-	17,595
		Resource Fee	9,600	9,600

31 TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL OF THE COMPANY AND ITS PARENT COMPANY

Related parties include Key Management Personnel defined as persons having authority and responsibility for planning, directing and controlling the activities of the Company and its subsidiaries.

Key Management Personnel include the members of the Board of Directors of the Company and its parent and the key employees who meet the criteria mentioned above.

a) Key Management Personnel Compensation

	2025 LKR '000	2024 LKR '000
Short Term Employee Benefits	170,731	156,574
Post Employment Benefits	14,819	37,220
Total Compensation paid to Key Management Personnel	185,550	193,794

The amounts disclosed above are the amounts recognized as an expense during the reporting period relating to Key Management Personnel. In addition to the remuneration, the company provides non cash benefits such as vehicle, insurance for Key Management Personnel in line with the approved benefit plan of the company.

32 SEGMENTAL INFORMATION - GROUP

NCAP Group provides a full range of investment banking services, comprising both fund and fee-based activities. The four subsidiaries focus on the fee-based services in investment banking, wealth management, stock broking, and private equity management; whilst the fund-based activities such as private equity investments, listed equity and fixed income investments directly come under the purview of the Company.

NDB Investment Bank Limited offers fee based investment banking services. The product range includes debt and equity structuring and placement, corporate advisory services and facilitation of mergers and acquisitions.

NDB Wealth Management Limited offers comprehensive wealth management solutions in the form of discretionary portfolio management, private wealth management and mutual funds.

NDB Securities (Pvt) Limited a licensed stockbroker, is a full member of the Colombo Stock Exchange which provides a variety of investment research and advisory services and online trading facilities. Further, the firm provides margin loan facilities through National Development Bank PLC.

NDB Zephyr Partners Ltd manages private equity funds and extends advisory services on strategic planning, market access, access to technology, finance restructuring and developing the management team to investee companies in the small and medium enterprise sector.

	Investments		Fund Management		Capital Market		Private Equity Management		Total	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Income	766,157	603,636	1,500,680	1,560,450	578,109	355,245	56,976	50,023	2,901,922	2,569,354
Segment Results										
Profit from Operating Activities	205,869	196,775	689,155	742,549	234,552	76,046	50,037	20,315	1,179,613	1,035,684
Share of Associate Company's Profit / (Loss)	(34,019)	(75,224)	-	-	-	-	-	-	(34,019)	(75,224)
Income Tax Expense	(74,108)	(107,174)	(206,946)	(229,116)	(56,758)	(31,180)	(1,160)	(5,233)	(338,972)	(372,703)
Net Profit / (Loss)	97,741	14,377	482,209	513,433	177,794	44,866	48,877	15,082	806,621	587,758
Segment Assets										
Segment Assets	3,586,702	4,618,379	1,320,275	1,251,658	1,664,579	1,803	88,443	86,480	6,659,999	5,958,320
Segment Liabilities										
Segment Liabilities	580,041	1,472,703	255,548	404,390	924,052	(1,102)	25,561	21,666	1,785,202	1,897,657

33 Contractual maturities of undiscounted cash flows of financial assets and liabilities

Group

2025	On demand	Less than 3 months	3 to 12 months	1 to 5 Years	Over 5 Years	Total
Financial Assets						
Cash and cash equivalents	1,355,964	-	-	-	-	1,355,964
Financial assets recognised through profit or loss - measured at fair value	2,667,352	-	-	413,332	-	3,080,684
Financial assets at amortised cost - debt and other instruments	-	1,464	22,301	37,979	-	61,744
Financial assets measured at fair value through other comprehensive income	-	12,288	60,363	516,736	125,105	714,492
Trade & other receivables	89,416	1,197,331	51,430	57,046	69,395	1,464,619
Total undiscounted financial assets	4,112,732	1,211,083	134,093	1,025,093	194,501	6,677,502
Financial Liabilities						
Bank Overdraft	10,974	-	-	-	-	10,974
Other financial liabilities	1,481,937	-	-	-	-	1,481,937
Total undiscounted financial liabilities	1,492,911	-	-	-	-	1,492,911

2024

	On demand	Less than 3 months	3 to 12 months	1 to 5 Years	Over 5 Years	Total
Financial Assets						
Cash and cash equivalents	1,022,944	-	-	-	-	1,022,944
Financial assets recognised through profit or loss - measured at fair value	2,507,744	-	-	476,996	-	2,984,741
Financial assets at amortised cost - debt and other instruments	-	-	116,041	-	-	116,041
Financial assets measured at fair value through other comprehensive income	-	-	100,000	158,491	204,555	463,046
Trade & other receivables	51,006	965,926	41,371	33,732	9	1,092,044
Total undiscounted financial assets	3,581,695	965,926	257,412	669,220	204,564	5,678,817
Financial Liabilities						
Bank Overdraft	14,042	3,446	-	-	-	17,488
Other financial liabilities	1,528,896	-	-	-	-	1,528,896
Total undiscounted financial liabilities	1,542,938	3,446	-	-	-	1,546,384

Company

2025	On demand	Less than 3 months	3 to 12 months	1 to 5 Years	Over 5 Years	Total
Financial Assets						
Cash and cash equivalents	428,526	-	-	-	-	428,526
Financial assets recognised through profit or loss - measured at fair value	1,456,339	-	-	336,332	77,000	1,869,671
Financial assets at amortised cost - debt and other instruments	-	484	10,393	9,525	-	20,402
Financial assets measured at fair value through other comprehensive income	-	12,288	55,863	467,236	-	535,386
Trade & other receivables	27,430	-	-	17,335	-	44,765
Total undiscounted financial assets	1,912,295	12,772	66,255	830,428	77,000	2,898,750
Financial Liabilities						
Bank Overdraft	-	-	-	-	-	-
Other financial liabilities	282,823	-	-	-	-	282,823
Total undiscounted financial liabilities	282,823	-	-	-	-	282,823

2024

	On demand	Less than 3 months	3 to 12 months	1 to 5 Years	Over 5 Years	Total
Financial Assets						
Cash and cash equivalents	357,202	-	-	-	-	357,202
Financial assets recognised through profit or loss - measured at fair value	1,190,401	-	-	476,996	-	1,667,397
Financial assets at amortised cost - debt and other instruments	-	-	116,041	-	-	116,041
Financial assets measured at fair value through other comprehensive income	-	-	50,000	158,491	154,419	362,910
Trade & other receivables	37,703	-	-	-	-	37,703
Total undiscounted financial assets	1,585,306	-	166,041	635,487	154,419	2,541,253
Financial Liabilities						
Bank Overdraft	4,638	-	-	-	-	4,638
Other financial liabilities	165,671	-	-	-	-	165,671
Total undiscounted financial liabilities	170,309	-	-	-	-	170,309

34 RISK MANAGEMENT

Overview

NCAP Group is well aware of the need to have an effective risk management system and processes given the diversity of its operations in the capital markets. The Group is involved in diverse fund-based and fee-based business activities such as investing, investment banking, stock broking and wealth management. The investment portfolio of NCAP mainly consists of listed equity securities, private equity, fixed income securities and unit trusts.

Risk Management Structure

The Company has exposure to the following risks from its use of financial instruments:

- **Market Risk**
- **Credit Risk**
- **Liquidity Risk**

An overview of market risk, credit risk and liquidity risk as given below;

- **Market Risk** - The risk of any of investments performing badly due to volatility of market prices. Applicable to quoted equity investments and fixed income investments classified as "Fair Value Through Profit and Loss (FVTPL)". Such volatilities are driven by macroeconomic variables such as interest rates, exchange rates, inflation and certain industry specific factors together with systematic risks including credit risk. These volatilities can also be driven by investor sentiment.

- **Credit Risk** – The risk of financial loss if a debtor or counterparty to financial instruments fails to meet its contractual obligations. Credit risk is mainly arising from investments in fixed income securities.

The following table analyses the Investment Portfolio of debt securities by credit rating.

Credit Rating	2025	2024
	% of Debt Securities	% of Debt Securities
AA- and above	-	-
A- to A+	82%	100%
BBB- to BBB	18%	-

The carrying amount of Financial Assets represents the maximum credit exposure. The Group exposure to the credit risk at the reporting date was;

Category	2025 (LKR. '000)											
	NCAP		NDBIB		NDBZ		NDBW		NDBS		GROUP	
	Maximum Exposure to Credit Risk	Net Exposure	Maximum Exposure to Credit Risk	Net Exposure	Maximum Exposure to Credit Risk	Net Exposure	Maximum Exposure to Credit Risk	Net Exposure	Maximum Exposure to Credit Risk	Net Exposure	Maximum Exposure to Credit Risk	Net Exposure
Trade & Other Receivables	44,757	44,757	303,306	301,303	17,900	17,900	255,712	254,215	846,667	846,445	1,468,342	1,464,619
Investment in Unit Trusts	354,767	354,767	30,013	30,013	1,655	1,655	1,178,907	1,178,907	438	438	1,565,780	1,565,780
Investment in Treasury Bonds	158,554	158,554	-	-	-	-	93,230	93,230	-	-	251,784	251,784
Investment in Treasury Bills	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Debentures	210,474	210,474	-	-	-	-	-	-	-	-	210,474	210,474
Investment in Promissory Notes	18,225	18,225	-	-	36,532	36,532	-	-	-	-	54,757	54,757
Investment in Repos	-	-	-	-	-	-	-	-	-	-	-	-
Investment in Fixed Deposits	416,716	416,716	10,709	10,709	-	-	9,763	9,763	-	-	437,188	437,188
Cash & Cash Equivalents	11,810	11,810	46,016	46,016	29,395	29,395	451	451	831,102	831,102	918,776	918,776
TOTAL	1,215,303	1,215,303	390,044	388,041	85,482	85,482	1,538,063	1,536,566	1,678,207	1,677,985	4,907,100	4,903,377

34. Risk Management (Contd)

Analysis of Risk Concentration

NDB Capital Holdings Limited Group's concentration of risks are managed through the Industry Sectors and Asset Classes. Following table shows the risk concentration by Industry Sectors for the components of the Statement of the Financial Position.

Sector	Exposure (in LKR '000)
Banks	1,060,914
Capital Goods	194,194
Consumer Durables & Apparel	33,945
Diversified Financials	242,838
Food Beverage & Tobacco	155,622
Materials	61,717
Private Equity	336,332
Treasury Bills	-
Treasury Bonds	251,784
Unit Trust	1,565,780
Utilities	77,005
Commercial & Professional Services	18,225
Promissory Note	36,532
Grand Total	4,034,887

Liquidity Risk - The risk of not maintaining adequate liquid funds to meet payment obligations as and when they become due. This risk is low given the debt free balance sheet of NCAP.

Risk Mitigation

As a risk management strategy, all investments are subject to an asset allocation policy which provides for adequate level of diversification. The diversification is monitored and managed within each asset class as well. The asset allocation policy is regularly reviewed by the Audit, Risk & Compliance Committee, investment committee and the Board of Directors.

The investments are managed by a team of competent investment professionals who have specialized in specific areas. The specific investments that involve private equity and project financing are subject to a comprehensive investment appraisal and due diligence process. Further, such investments go through a tiered approval process with final approval being granted by the Investment Committee and the NCAP Board. The status of investments and the process are also reviewed regularly by the Investment Committee and the NCAP Board.

Operational Risk

Process Risk - Flaws in NCAP procedures with regard to payments, making investments and other business activities

System Failures - Risk of failure of IT systems which will affect the general workflow

Compliance Risk - Risk of not adhering to compliance procedures

Fraud Risk - Risk of any fraudulent activities

Reputational Risk - Risk of NCAP's reputation being negatively affected due to its business activities or staff member actions

Business Continuity Risk - Risk of being unable to continue business activities as a result of loss of data, failure of systems or any natural disaster striking place of work.

Legal Risk - Risk of entering into agreements which have legal flaws which may be detrimental to NCAP's operations, Risk of non-renewal of service/ maintenance contracts

Information Technology and Information Security Risk - Risk of possible confidentiality, availability and integrity threats to information systems/IT infrastructure used by NCAP

NOTICE OF MEETING

Notice is hereby given that the 42nd Annual General Meeting of NDB Capital Holdings Limited (the Company) will be held by audio / audio-visual means ("virtual AGM") from the Board Room of NDB Capital Holdings Limited, Bauddhaloka Mawatha, Colombo 04, on 26th of June 2026 at 10.00 a.m. for the following purposes:

1. To lay before the Shareholders for consideration, the Annual Report for the year ended 31st December 2025.
2. To re-elect in terms of Article 30 of the Articles of Association Mr. Bernard Sujanthan Sinniah who retires in terms of the said Article 30.
3. To re-appoint Mr. Drayton Sarath Palitha Wikramanayake in terms of Section 211 of the Companies Act No. 07 of 2007 (as amended) by passing the following resolution;

"Resolved that Mr. Drayton Sarath Palitha Wikramanayake, who is 71 years of age is hereby elected a Director in terms of Section 211 of the Companies Act No. 07 of 2007 (as amended) and it is further specially declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Mr. Drayton Sarath Palitha Wikramanayake."

4. To appoint Messrs. KPMG, Chartered Accountants, as Auditors of the Company as set out in section 154 of the Companies Act No. 07 of 2007 and to authorize the Directors to determine their remuneration.
5. To authorize the Board of Directors to determine donations for the financial year 2026 under the Companies Donations Act No. 26 of 1951.

By order of the Board



.....
Corporate Services (Private) Limited

Company Secretary

Colombo

02 June, 2026

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy holder to attend and vote in his/her stead.
2. A proxy holder need not be a shareholder of the Company.
3. Voting shall be by any one of the following methods as determined by the Chairman of the meeting unless a poll is demanded;
 - ✓ voting by voice
 - ✓ voting by show of hands through the eBallot system (every member who is present in person or is represented by a proxy or attorney or an authorized representative shall have one (01) vote).
4. A declaration by the Chairman of the meeting that a resolution is carried by the requisite majority or lost is conclusive evidence of that fact.
5. At a meeting of shareholders, a poll may be demanded on a particular question as provided for in the Companies Act No. 07 of 2007. If a poll is taken, votes must be counted according to the votes attached to the shares of each shareholder present and voting. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
6. The Form of Proxy is sent herewith. The completed Form of Proxy must be emailed to the Company Secretary (tarinda.ratwatte@corporateservices.lk) or deposited at the Corresponding Office of the Company, addressed to No 135, Bauddhaloka Mawatha, Colombo 04 not later than 48 hours prior to the time appointed for the holding of the meeting in accordance with Article 23 (4) of the Articles of Association of the Company.
7. **All shareholders proposing to participate at the meeting are requested to share via email to the Company Secretary (tarinda.ratwatte@corporateservices.lk) the following details on or before 12 noon on 21st June 2026 in order that required arrangements can be made for the virtual AGM;**

Full Name**NIC****Residential Address****Telephone / Mobile phone number and****Email address****Please note that the above information is mandatorily required to be emailed to the Company Secretary.**

8. Once the aforesaid required details are obtained the Company will get in touch with you within 24 hours of the meeting, providing to you the details to *login to the meeting on the said date.
9. In the event a Proxy is being appointed, please complete the Form of Proxy and the Company will be in touch with the Proxy holder via email, within 24 hours of the meeting, in order to provide details to *login to the meeting on the said date. For this purpose please ensure that the Form of Proxy is completely filled.
10. Any queries and matters to be recorded at the meeting could be shared with the Company Secretary in writing on or before 21st June 2026 via email to **tarinda.ratwatte@corporateservices.lk** or via post to reach the Company (at No 135, Bauddhaloka Mawatha, Colombo 04) on or before 21st June 2026 in order that responses could be made to all queries and concerns in the best interest of Shareholders and recorded as appropriate.

For further queries on the arrangements made by the Company you may contact one of the following persons who will be happy to assist you.

Name	Contact No.
Tarinda Ratwatte	0114 605172
Gihan Weligamage	0112 300385

Any additional arrangements made by the Company, apart from the details set out above, will be communicated via the website of the Company. We request all shareholders to check the Company Website accordingly.

*Login details are authorised only for the use by individual shareholders / Proxy holders and authorised representatives in the case of corporate / institutional shareholders. The Company will not be responsible or liable for the misuse of login details and access granted to the meeting.

FORM OF PROXY

NDB Capital Holdings Limited

I/We

.....
 (NIC/s) of

.....
 being a shareholder/shareholders of the above named company hereby appoint
 holder of NIC No
 of..... or failing him/her

- | | |
|--|----------------------------|
| Mr. Bernard Sinniah (Chairman) | of Colombo, or failing him |
| Mr. Sarath Wikramanayake | of Colombo, or failing him |
| Mr. Arjun Fernando | of Colombo, or failing him |
| Mr. Kelum Edirisinghe | of Colombo, or failing him |
| Mr. Senaka Kakiriwaragodage (CEO/Director) | of Colombo, or failing him |

as my /our proxy to represent, vote and/or speak for me/us and on my/our behalf at the 42nd Annual General Meeting of NDB Capital Holdings Limited to be held on 26th June 2026 and at any adjournment thereof and at every poll which may be taken in consequence thereof. I/We the undersigned hereby authorise my/our Proxy to vote on my/our behalf in accordance with the preferences indicated below:

	For	Against
1. To receive and consider the annual report of the board of directors together with the financial statements of the Company for the year ended 31st December 2025 and the report of the auditors thereon.		
2. to re-elect as a Director, Mr. Bernard Sujanthan Sinniah who retires in terms of Article 30 of the articles of association.		
3. to re-appoint as a Director, Mr. Drayton Sarath Palitha Wikramanayake who vacates the office in terms of Section 211 of the Companies Act No. 07 of 2007 by passing the following special resolution: "IT IS HEREBY RESOLVED that Mr. Drayton Sarath Palitha Wikramanayake, who is 71 years of age is hereby elected a Director in terms of Section 211 of the Companies Act No. 07 of 2007 and it is further specially declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Mr. Drayton Sarath Palitha Wikramanayake."		
4. To appoint Messrs. KPMG, Chartered Accountants, as Auditors of the Company as set out in section 154 of the Companies Act, No. 07 of 2007 and to authorize the Directors to determine their remuneration.		
5. To authorize the Board of Directors to determine donations for the financial year ending 31st December 2026 under the Companies Donations Act, No. 26 of 1951		

As witness I /We have set my / our hand/s hereunto this.....day of Two
Thousand and Twenty Six (2026).

.....

Signature of the Shareholder / Shareholders

Telephone / Mobile no. of Shareholder

Email address of Shareholder

Telephone / Mobile no of Proxyholder

Email address of Proxyholder

Please note that the above information is mandatorily required.

INSTRUCTIONS FOR COMPLETION OF THE FORM OF PROXY

1. In order to appoint a proxy holder, this form duly completed must be emailed to the Company Secretary (tarinda.ratwatte@corporateservices.lk) or deposited at the Corresponding Office of NDB Capital Holdings Limited (NCAP), at No 135, Baudhaloka Mawatha, Colombo 04 not less than 48 hours before the time fixed for the meeting
2. In perfecting the Form of Proxy, please ensure that all details are legible, including the full name and registered address of the member appointing the proxy.
3. The proxy holder appointed need not to be a Shareholder of NDB Capital Holdings Limited.
4. In the case of a Corporate Shareholder, the proxy must be executed under its common seal (if applicable) or by its authorized signatory or as prescribed by the Articles of Association of the Corporate Shareholder.
5. The first joint holder shall have the power to sign the proxy without the concurrence of the other joint holder/s.
6. If the Form of Proxy is signed by an Attorney, the relevant Power of Attorney, if executed prior to 25th October 2022, should be duly registered at the Registrar General's office (RGO) and if executed after 25th October 2022, should be duly executed and attested in terms of the Power of Attorney (Amendment) Act No 28 of 2022 and registered at the RGO. A certified copy thereof duly certified by the Registrar General, should also accompany the completed Form of Proxy.

FOR FURTHER DETAILS PLEASE CAREFULLY READ THE NOTES TO THE NOTICE OF MEETING ENCLOSED
HEREWITH.

CORPORATE INFORMATION

Name

NDB Capital Holdings Limited

(The Company was registered under the Companies Act No. 17 of 1982 and subsequently re-registered under the Companies Act No 07 of 2007 on 26th December 2007. The Company name was changed from NDB Capital Holdings PLC to NDB Capital Holdings Limited with effect from 2nd March 2015 subsequent to the Company de-listing from the official list of the Colombo Stock Exchange).

Legal Status

Public Limited Liability Company

Incorporation

12th October 1983

Registered No

PQ 110 PB

Stated Capital

Rs. 328,570,037

Board of Directors as at the latest information available

Mr. Bernard Sinniah (Chairman)

Mr. Sarath Wikramanayake

Mr. Arjun Fernando

Mr. Kelum Edirisinghe

Mr. Senaka Kakiriwaragodage

Company Secretary

Corporate Services (Private) Limited

Registered Office

40, Nawam Mawatha, Colombo 02

Contact Details

NDB Capital Holdings Limited.

Level 1,

NDB Capital Building,

No. 135, Bauddhaloka Mawatha,

Colombo 04.

Tel: +94 11 2300385/ Fax: +94 11 2300393

Auditors

Up to 2025:

Messrs. Ernst & Young (Chartered Accountants)

Rotunda Towers, No 109, Galle Road, Colombo 03

From 2026:

Messrs. KPMG (Chartered Accountants)

32A, Sir Mohamed Macan Markar Mawatha, Colombo 03

Bankers

National Development Bank PLC

No. 40, Nawam Mawatha, Colombo 2

Subsidiary/Associate companies as per latest information available

NDB Investment Bank Limited

Directors

Mr. Sarath Wikramanayake (Chairman)

Mr. Bernard Sinniah

Mr. Senaka Kakiriwaragodage

Mr. Jehan Peruma

Mr. Harshana Jayaweera

Contact Details

Level 1,

NDB Capital Building,

No. 135, Bauddhaloka Mawatha,

Colombo 4.

Tel: +94 11 2300385/ Fax: +94 11 2300393

NDB Wealth Management Limited

Directors

Mr. Sarath Wikramanayake (Chairman)

Mr. Bernard Sinniah

Ms. Surekha Alles

Mr. Senaka Kakiriwaragodage

Contact Details

Level G,

NDB Capital Building,

No. 135, Bauddhaloka Mawatha,

Colombo 4.

Tel: +94 11 2303232/ Fax: +94 11 2303237

NDB Securities (Private) Limited

Directors

Mr. Arjun Fernando (Chairman)

Mr. Bernard Sinniah

Mr. Senaka Kakiriwaragodage

Mr. Isuru Tillakawardana (Appointed w.e.f. 01.01.2026)

Contact Details

Level 2,

NDB Capital Building,

No. 135, Baudhaloka Mawatha,

Colombo 4.

Tel: +94 11 2131000/ Fax: +94 11 2314181

NDB Zephyr Partners Limited – Mauritius

Directors

Mr. Dilshaad Rajabalee

Mr. Thomas Barry

Mr. Mukul Gulati

Mr. Arjun Rishya Fernando

Mr. Ramsamy Sandiren

Contact Details

6th Floor,

Two Tribeca,

Tribeca Central,

Trianon 72261,

Mauritius

Tel: +230 467 3000/ Fax: +230 467 4000

NDB Zephyr Partners Lanka (Pvt) Limited

Directors

Mr. Sarath Wikramanayake (Chairman)

Mr. Thomas Barry

Mr. Mukul Gulati

Mr. Bernard Sinniah

Contact Details

Level 1,
NDB Capital Building,
No. 135, Bauddhaloka Mawatha,
Colombo 4.
Tel: +94 11 2300385/ Fax: +94 11 2300393

NDB Capital Limited – Bangladesh

Directors

Mr. Sarath Wikramanayake (Chairman)
Mr. Mohammed Al Maruf Khan
Mrs. Zakia Chowdhury
Mr. Hafiz Firoz Choudhury
Mr. C.M. Alam
Mr. Bernard Sujanthan Sinniah
Mr. Maroof Mazumder

Contact Details

NDB Capital Limited
Uday Tower, 6th Floor (South-West Side),
57 & 57/A,
Gulshan Avenue, Circle-1,
Dhaka 1212,
Bangladesh.
Tel: +880 2 222288626, 222288979
Fax: +880 2 222288906
Web: www.ndbcapital.com