



IFC EXTENDS GROWTH SUPPORT TO NTB, COMB & NDB – FAIR VALUE UNCHANGED

FLASH NOTE

Overview of the program

- ✓ The International Finance Corporation (IFC), a member of the World Bank Group, announced a USD 166.0Mn country-level investment program aimed at reinforcing its long-standing support for Sri Lanka's private sector and facilitating the transition from macroeconomic stabilization to sustainable growth.
- ✓ The financing package is designed to expand access to finance for small and medium-sized enterprises, with a targeted emphasis on women-owned businesses and the agri-business sector, thereby promoting inclusive growth, strengthening key economic value chains, and supporting job creation among underserved segments of the economy.

Impact on NTB, COMB & NDB: Fair Value Unchanged

The investment has been strategically deployed across three private sector commercial banks, namely Nations Trust Bank (NTB), Commercial Bank of Ceylon (COMB), and National Development Bank (NDB): **FCR sees no meaningful valuation impact from the targeted lending and risk-sharing facilities and maintains fair values for all three counters.**



NATIONS TRUST BANK (NTB): USD 70.0Mn

- IFC has committed a USD 50.0Mn financing package to NTB, marking the first IFC-funded debt investment in Sri Lanka's financial sector since the 2022 economic crisis. Of the total facility, USD 7.5Mn, representing 15.0%, is allocated for lending to women-owned SMEs, aimed at improving access to finance for women entrepreneurs.
- In addition, under IFC's Global Trade Finance Program, NTB will benefit from a USD 20.0Mn trade finance guarantee, enhancing its capacity to support underserved sectors through improved access to international trade, global markets, and supply chains.
- **FCR holds its valuations unchanged, with the fair value for 2026E and 2027E intact at LKR 450.0 and LKR 570.0 respectively.**



COMMERCIAL BANK (COMB): USD 60.0Mn

- IFC has established a USD 60.0Mn Risk Sharing Facility with COMB, under which IFC will absorb 50.0% of principal losses on a defined portfolio of eligible SME loans, thereby strengthening COMB's capacity to scale up lending to priority segments.
- The facility is expected to accelerate credit expansion to SMEs, with a particular emphasis on women-owned enterprises and agri-businesses, supporting inclusive and sustainable private sector growth.
- **FCR holds its valuations unchanged, with the fair value for 2026E intact at LKR 225.0.**



NATIONAL DEVELOPMENT BANK (NDB): USD 36.0Mn

- IFC has extended a USD 20.0Mn Risk Sharing Facility to NDB, under which IFC will assume 50.0% of potential principal losses on a qualifying SME loan portfolio, enabling NDB to further deepen its outreach to SMEs, with a focus on women-owned businesses and the agri-business sector.
- Moreover, IFC's Global Trade Finance Program will provide NDB with a USD 16.0Mn trade finance guarantee, enhancing the bank's capacity to facilitate cross-border trade and integrate underserved sectors into global value chains.
- **FCR holds its valuations unchanged, with the fair value for 2026E intact at LKR 200.0.**



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