

INTERIM FINANCIAL STATEMENTS
For the year ended December 31, 2023

Financial Review for the year ended December 31, 2023

ComBank stays on growth trajectory in 2023 with notable Q4 performance

- Accelerated lending sees loan book grow by Rs 56.8 billion in 3 months
- Deposits surge by Rs 109.4 billion in final quarter
- 12-month gross income up 21.82% to Rs 341.6 billion

The Commercial Bank of Ceylon Group lent Rs 56.816 billion in the fourth quarter of 2023 at a monthly average of Rs 18.939 billion to end the year with a loan book of Rs 1.296 trillion, continuing its trend of strong lending growth in support of economic revival.

Robust deposit growth of Rs 109.408 billion was also witnessed in the three months ending 31st December 2023 at a monthly average of Rs 36.469 billion, demonstrating the Group's strong deposit franchise and focus on financial intermediation in volatile macroeconomic conditions. Deposits grew by 8.60% YoY to Rs 2.148 trillion at the end of the review period.

The Group, comprising of Sri Lanka's biggest private sector bank, its subsidiaries and an associate, reported in a filing with the Colombo Stock Exchange (CSE) that total assets increased by Rs 156 billion or 6.24% YoY and by Rs 130 billion or 5.15% in the three months reviewed to reach Rs 2.656 trillion as at 31st December 2023.

Gross income improved by 21.82% YOY and by 33.44% in the final quarter to total Rs 341.566 billion for 2023, and interest income grew by 33.84% to Rs 297.646 billion, the Group said. With interest expenses increasing at a higher rate of 53.37% over the year to Rs 211.231 billion, net interest income grew by a marginal 2.07% to Rs 86.415 billion. This was however, a welcome reversal of the negative growth recorded at the end of the preceding quarter, and was made possible by net interest income of Rs 25.534 billion in the fourth quarter, an improvement of 16.85%.

The Group reported a total operating income of Rs 122.070 billion for the 12 months ending 31st December 2023, a decline of 10.66% over the preceding year, but an improvement over the declines of 16.74% and 27.03% recorded at the end of the third and second quarters respectively. This improvement was attributed to total operating income for the fourth quarter growing by 8.60% to Rs 35.620 billion.

Net operating income for the 12 months, at Rs 83.175 billion reflected an improvement of 28.53%, with provisions for impairment charges and other losses for the year reducing by 45.92% to Rs 38.895 billion as a result of the previous year's higher provisions on account of foreign currency denominated bonds and the impact of the depreciation of the Rupee on the value of those provisions. The Group's impairment charges for the fourth quarter of 2023 amounted to Rs 13.113 billion, a reduction of 33.28% over the corresponding quarter of 2022.

Total operating expenses increased by 22.07% to Rs 44.290 billion for the 12 months and by 19.95% to Rs 12.314 billion for the fourth quarter, with personnel expenses (Rs 22.825 billion), depreciation and amortization (Rs 4.336 billion) and other expenses (Rs 17.129 billion) rising by 15.35%, 20.49% and 32.83% respectively, YoY.

Consequently, the Group posted an operating profit before taxes on financial services of Rs 38.885 billion for the full year, and Rs 10.193 billion for the fourth quarter, achieving improvements of 36.77% and 253.81% respectively, the latter due to the higher impairment provisions of the fourth quarter of the previous year.

Taxes on financial services increased by 26.52% to Rs 4.961 billion due to the introduction of Social Security Contribution Levy of 2.5% with effect from October 1, 2022, and the increase in value addition attributable to the supply of financial services in 2022. The Group posted an operating profit of Rs 33.924 billion after taxes on financial services, recording a growth of 38.41% over the preceding year.

The Group's profit before income tax of Rs 33.927 billion for the 12 months recorded an improvement of 38.45%, in contrast to 13.56% at the end of the third quarter. With income tax for the 12 months increasing to Rs 12.027 billion, the Group reported a net profit of Rs 21.900 billion, a decline of 10.25% YoY.

Taken separately, Commercial Bank of Ceylon PLC reported a profit before tax of Rs 31.880 billion for the 12 months, an improvement of 41.07% while profit after tax for the year reduced by 10.92% to Rs 20.461 billion.

The Bank reported its Tier 1 and Total Capital Ratios at 11.442% and 15.151% respectively as at 31st December 2023, both above the statutory minimum ratios of 10% and 14% respectively. The Bank's interest margin reduced to 3.32% for the year under review compared to 3.74% reported for 2022. However, the interest margin started improving during the second half of the year. The Bank's return on assets (before tax) stood at 1.27% and return on equity at 9.78% for the year.

In terms of asset quality, the Bank's impaired loans (Stage 3) ratio stood at 5.85% compared to 5.25% at end 2022, while its impairment (Stage 3) to Stage 3 loans ratio stood at 43.22% as at 31st December 2023 from 39.60% at end 2022. In terms of liquidity, the Bank's consolidated liquid assets ratio (Sri Lankan Operations) stood at 46.06%, compared to the minimum requirement of 20%.

In other performance indicators, interest income as a percentage of gross income increased to 87.14% from 79.32% for the preceding year due to the growth of the loan book; net interest income as a percentage of total operating income increased to 70.79% from 61.96% a year previously; and net fee and commission income as a percentage of total operating income increased to 18.34% from 14.76% while the percentage of other income in total operating income reduced to 10.87% from 23.28% because the previous year's other income included an exchange profit of Rs 35 billion, in contrast to an exchange loss of Rs 15 billion in 2023.

Consequently, The Bank's Cost to Income Ratio before taxes on financial services stood at 36.11% for the 12 months under review, compared to 26.29% for 2022 and 31.61% for 2021, while the cost to income ratio inclusive of taxes on financial services stood at 40.31% compared to 29.22% for 2022 and 37.97% for 2021.

The largest private sector bank in Sri Lanka and the first Sri Lankan bank to be listed among the Top 1000 Banks of the World, Commercial Bank operates a strategically-located network of branches and over 950 automated machines island-wide, and is the largest lender to Sri Lanka's SME sector. Commercial Bank has the widest international footprint among Sri Lankan Banks, with 20 outlets in Bangladesh, a Microfinance company in Nay Pyi Taw, Myanmar, and a fully-fledged Tier I Bank with a majority stake in the Maldives.

	For the year ended			For the quarter ended		
	31.12.2023	31.12.2022	Change	31.12.2023	31.12.2022	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Gross income	341,566,200	280,386,944	21.82	85,603,336	84,813,856	0.93
Interest income	297,645,866	222,393,079	33.84	73,075,852	72,136,429	1.30
Less : Interest expense	211,230,507	137,727,868	53.37	47,542,255	50,285,038	(5.45)
Net interest income	86,415,359	84,665,211	2.07	25,533,597	21,851,391	16.85
Fee and commission income	30,653,212	26,191,530	17.03	8,618,732	7,985,635	7.93
Less: Fee and commission expense	8,265,893	6,022,429	37.25	2,441,326	1,729,591	41.15
Net fee and commission income	22,387,319	20,169,101	11.00	6,177,406	6,256,044	(1.26)
Net gains/(losses) from trading	(12,481,613)	35,297,450	(135.36)	(331,931)	1,173,354	(128.29)
Net gains/(losses) from derecognition of financial assets	5,060,242	276,884	1,727.57	2,421,972	105,790	2,189.41
Net other operating income	20,688,493	(3,771,999)	648.48	1,818,711	3,412,648	(46.71)
Total operating income	122,069,800	136,636,647	(10.66)	35,619,755	32,799,227	8.60
Less : Impairment charges and other losses	38,895,070	71,924,260	(45.92)	13,112,960	19,652,653	(33.28)
Net operating income	83,174,730	64,712,387	28.53	22,506,795	13,146,574	71.20
Less: Expenses	44,289,832	36,282,241	22.07	12,313,586	10,265,566	19.95
Personnel expenses	22,824,913	19,788,283	15.35	6,015,630	5,148,402	16.84
Depreciation and amortisation	4,335,640	3,598,371	20.49	1,256,121	968,895	29.64
Other operating expenses	17,129,279	12,895,587	32.83	5,041,835	4,148,269	21.54
Operating profit before Taxes on financial services	38,884,898	28,430,146	36.77	10,193,209	2,881,008	253.81
Less: Taxes on financial services	4,961,392	3,921,381	26.52	1,296,765	410,754	215.70
Operating profit after Taxes on financial services	33,923,506	24,508,765	38.41	8,896,444	2,470,254	260.14
Add/(less): Share of profit/(loss) of associate, net of tax	3,495	(3,727)	193.78	(403)	(1,471)	72.60
Profit before income tax	33,927,001	24,505,038	38.45	8,896,041	2,468,783	260.34
Less : Income tax expense / (reversal)	12,027,341	105,566	11,293.20	1,759,986	(6,470,284)	127.20
Profit for the period	21,899,660	24,399,472	(10.25)	7,136,055	8,939,067	(20.17)
Profit attributable to:						
Equity holders of the Bank	21,114,675	23,811,914	(11.33)	6,914,747	8,775,188	(21.20)
Non-controlling interest	784,985	587,558	33.60	221,308	163,879	35.04
Profit for the period	21,899,660	24,399,472	(10.25)	7,136,055	8,939,067	(20.17)
Earnings per share (EPS)						
Basic earnings per ordinary share (Rs.)	16.07	18.13	(11.36)	5.26	6.68	(21.26)
Diluted earnings per ordinary share (Rs.)	16.06	18.13	(11.42)	5.26	6.68	(21.26)

	For the year ended			For the quarter ended		
	31.12.2023	31.12.2022	Change	31.12.2023	31.12.2022	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Profit for the period	21,899,660	24,399,472	(10.25)	7,136,055	8,939,067	(20.17)
Other comprehensive income, net of tax						
Items that will never be reclassified to profit or loss						
Net actuarial gains/(losses) on defined benefit plans	(251,090)	(19,835)	(1,165.89)	(251,090)	(19,835)	(1,165.89)
Gains/(losses) on remeasurement of defined benefit liability/asset	(304,616)	(85,582)	(255.93)	(304,616)	(85,582)	(255.93)
Less : Deferred tax charge/(reversal) on actuarial gains/(losses)	(53,526)	(65,747)	18.59	(53,526)	(65,747)	18.59
Net change in revaluation surplus	1,341,641	(884,829)	251.63	1,341,641	884,829	51.63
Changes in revaluation surplus/(deficit)	1,871,175	-	100.00	1,871,175	-	100.00
Less : Deferred tax charge/(reversal) on revaluation surplus	529,534	884,829	(40.15)	529,534	884,829	(40.15)
Net change in fair value of investments in equity	(13,481)	(233,640)	94.23	(29,215)	(35,708)	18.18
Change in fair value of investments in equity at fair value through other comprehensive income	(13,481)	(233,640)	94.23	(29,215)	(35,708)	18.18
Transfer of fair value losses o/a reclassification of debt instruments from fair value through other comprehensive income to amortised cost, net of tax	-	26,481,256	(100.00)	-	-	-
Gain on disposal of investments in equity instruments	-	7,373	(100.00)	-	-	-
Share of other comprehensive income/(expense) of associate, net of tax	207	(1,399)	114.80	(69)	(282)	75.53
Items that are or may be reclassified to profit or loss						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	(12,116,058)	18,347,815	(166.04)	282,902	(588,053)	148.11
Net gains/(losses) on investment in financial assets at fair value through other comprehensive income	1,905,017	(14,194,634)	113.42	(1,608,380)	1,224,917	(231.31)
Fair value gains/(losses) that arose during the period, net of tax	5,447,186	(15,536,105)	135.06	87,000	1,292,561	(93.27)
Fair value (gains)/losses realised to the Income Statement on disposal, net of tax	(3,542,169)	(197,675)	(1,691.92)	(1,695,380)	(67,644)	(2,406.33)
Fair value gains/(losses) recycled to the Income Statement as impairment, net of tax	-	1,539,146	(100.00)	-	-	-
Cash flow hedges - effective portion of changes in fair value, net of tax	(36,554)	92,896	(139.35)	-	20,384	(100.00)
Other comprehensive income/(expense) for the period, net of taxes	(9,170,318)	29,595,003	(130.99)	(264,211)	1,486,252	(117.78)
Total comprehensive income for the period	12,729,342	53,994,475	(76.42)	6,871,844	10,425,319	(34.09)
Attributable to:						
Equity holders of the Bank	12,341,301	51,939,463	(76.24)	6,604,839	10,256,698	(35.60)
Non-controlling interest	388,041	2,055,012	(81.12)	267,005	168,621	58.35
Total comprehensive income for the period	12,729,342	53,994,475	(76.42)	6,871,844	10,425,319	(34.09)

	For the year ended			For the quarter ended		
	31.12.2023 Rs.'000	31.12.2022 Rs.'000	Change %	31.12.2023 Rs.'000	31.12.2022 Rs.'000	Change %
Gross income	335,770,196	275,443,682	21.90	84,076,303	83,278,297	0.96
Interest income	292,618,360	218,326,576	34.03	71,722,420	71,030,386	0.97
Less : Interest expense	209,514,795	136,582,546	53.40	47,091,705	49,996,893	(5.81)
Net interest income	83,103,565	81,744,030	1.66	24,630,715	21,033,493	17.10
Fee and commission income	29,704,104	25,463,976	16.65	8,255,411	7,743,463	6.61
Less: Fee and commission expense	8,145,910	5,972,708	36.39	2,394,817	1,714,888	39.65
Net fee and commission income	21,558,194	19,491,268	10.60	5,860,594	6,028,575	(2.79)
Net gains/(losses) from trading	(12,481,613)	35,297,450	(135.36)	(331,931)	1,173,354	(128.29)
Net gains/(losses) from derecognition of financial assets	5,060,242	276,884	1,727.57	2,421,972	105,790	2,189.41
Net other operating income	20,869,103	(3,921,204)	632.21	2,008,431	3,225,304	(37.73)
Total operating income	118,109,491	132,888,428	(11.12)	34,589,781	31,566,516	9.58
Less : Impairment charges and other losses	38,623,739	71,461,622	(45.95)	12,704,357	19,550,116	(35.02)
Net operating income	79,485,752	61,426,806	29.40	21,885,424	12,016,400	82.13
Less: Expenses	42,644,200	34,936,205	22.06	11,576,147	9,666,104	19.76
Personnel expenses	21,971,734	19,112,546	14.96	5,767,119	4,958,766	16.30
Depreciation and amortisation	4,283,566	3,563,476	20.21	1,197,919	978,135	22.47
Other operating expenses	16,388,900	12,260,183	33.68	4,611,109	3,729,203	23.65
Operating profit before Taxes on financial services	36,841,552	26,490,601	39.07	10,309,277	2,350,296	338.64
Less: Taxes on financial services	4,961,392	3,892,216	27.47	1,338,495	400,747	234.00
Operating profit after Taxes on financial services	31,880,160	22,598,385	41.07	8,970,782	1,949,549	360.15
Less : Income tax expense / (reversal)	11,419,198	(371,406)	3,174.59	1,813,097	(6,581,884)	127.55
Profit for the period	20,460,962	22,969,791	(10.92)	7,157,685	8,531,433	(16.10)
Earnings per share (EPS)						
Basic earnings per ordinary share (Rs.)	15.57	17.49	(10.98)	5.45	6.50	(16.15)
Diluted earnings per ordinary share (Rs.)	15.56	17.49	(11.03)	5.44	6.50	(16.31)

	For the year ended			For the quarter ended		
	31.12.2023	31.12.2022	Change	31.12.2023	31.12.2022	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
Profit for the period	20,460,962	22,969,791	(10.92)	7,157,685	8,531,433	(16.10)
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Net actuarial gains/(losses) on defined benefit plans	(239,530)	(22,166)	(980.62)	(239,530)	(22,166)	(980.62)
Gains/(losses) on remeasurement of defined benefit liability/asset	(288,101)	(88,363)	(226.04)	(288,101)	(88,363)	(226.04)
Less : Deferred tax charge/(reversal) on actuarial gains/(losses)	(48,571)	(66,197)	26.63	(48,571)	(66,197)	26.63
Net change in revaluation surplus	1,012,171	(799,110)	226.66	1,012,171	(799,110)	226.66
Changes in revaluation surplus/(deficit)	1,445,959	-	100.00	1,445,959	-	100.00
Less : Deferred tax charge/(reversal) on revaluation surplus	433,788	799,110	(45.72)	433,788	799,110	(45.72)
Net change in fair value of investments in equity	(13,481)	(233,640)	94.23	(29,215)	(35,708)	18.18
Change in fair value of investments in equity at fair value through other comprehensive income	(13,481)	(233,640)	94.23	(29,215)	(35,708)	18.18
Transfer of fair value losses o/a reclassification of debt instruments from fair value through other comprehensive income to amortised cost, net of tax	-	26,481,256	(100.00)	-	-	-
Gain on disposal of investments in equity instruments	-	7,373	(100.00)	-	-	-
Items that are or may be reclassified to profit or loss						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	(11,086,172)	14,876,983	(174.52)	280,159	(634,622)	144.15
Net gains/(losses) on investment in financial assets at fair value through other comprehensive income	1,898,733	(14,188,698)	113.38	(1,607,642)	1,209,371	(232.93)
Fair value gains/(losses) that arose during the period, net of tax	5,440,902	(15,530,169)	135.03	87,738	1,277,015	(93.13)
Fair value (gains)/losses realised to the Income Statement on disposal, net of tax	(3,542,169)	(197,675)	(1,691.92)	(1,695,380)	(67,644)	(2,406.33)
Fair value gains/(losses) recycled to the Income Statement as impairment, net of tax	-	1,539,146	(100.00)	-	-	-
Cash flow hedges - effective portion of changes in fair value, net of tax	(36,554)	92,896	(139.35)	-	20,384	(100.00)
Other comprehensive income/(expense) for the period, net of taxes	(8,464,833)	26,214,894	(132.29)	(584,057)	(261,851)	(123.05)
Total comprehensive income for the period	11,996,129	49,184,685	(75.61)	6,573,628	8,269,582	(20.51)

STATEMENT OF FINANCIAL POSITION

5

As at	Group			Bank		
	31.12.2023	31.12.2022	Change	31.12.2023	31.12.2022	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
ASSETS						
Cash and cash equivalents	159,701,507	151,109,490	5.69	157,819,287	149,393,611	5.64
Balances with Central Banks	62,633,503	78,597,120	(20.31)	52,817,502	66,493,499	(20.57)
Placements with banks	81,506,653	96,082,937	(15.17)	81,344,696	95,899,645	(15.18)
Securities purchased under resale agreements	31,148,729	1,517,308	1,952.89	31,148,729	1,517,308	1,952.89
Derivative financial assets	7,226,484	8,345,091	(13.40)	7,226,484	8,345,091	(13.40)
Financial assets recognised through profit or loss - measured at fair value	29,449,653	24,873,057	18.40	29,449,653	24,873,057	18.40
Financial assets at amortised cost - Loans and advances to other customers	1,204,865,597	1,155,492,527	4.27	1,176,359,971	1,130,442,579	4.06
Financial assets at amortised cost - Debt and other financial instruments	685,155,537	761,650,234	(10.04)	649,740,408	725,935,299	(10.50)
Financial assets measured at fair value through other comprehensive income	287,732,972	118,652,257	142.50	287,023,009	117,056,240	145.20
Investments in subsidiaries	-	-	-	5,808,429	5,808,429	-
Investment in associate	59,004	55,302	6.69	44,331	44,331	-
Property, plant and equipment and right-of-use assets	28,997,246	27,446,607	5.65	26,257,902	25,425,452	3.27
Investment properties	597,825	80,350	644.03	-	-	-
Intangible assets	4,289,404	4,113,200	4.28	3,736,504	3,563,120	4.87
Deferred tax assets	34,511,410	30,727,213	12.32	34,076,526	30,301,203	12.46
Other assets	37,736,151	40,811,211	(7.53)	37,474,448	40,699,168	(7.92)
Total Assets	2,655,611,675	2,499,553,904	6.24	2,580,327,879	2,425,798,032	6.37
LIABILITIES						
Due to banks	47,948,578	64,971,170	(26.20)	47,274,361	65,130,061	(27.42)
Derivative financial liabilities	2,319,209	2,880,667	(19.49)	2,319,209	2,880,667	(19.49)
Securities sold under repurchase agreements	111,186,824	97,726,435	13.77	111,198,516	97,726,435	13.79
Financial liabilities at amortised cost - due to depositors	2,147,906,858	1,977,743,661	8.60	2,085,046,149	1,914,359,494	8.92
Financial liabilities at amortised cost - other borrowings	12,756,021	16,150,356	(21.02)	12,756,021	16,150,356	(21.02)
Current tax liabilities	15,256,244	24,916,074	(38.77)	14,951,984	24,475,319	(38.91)
Deferred tax liabilities	514,207	437,123	17.63	-	-	-
Other liabilities	56,266,302	40,354,877	39.43	55,050,477	39,860,573	38.11
Due to subsidiaries	-	-	-	317,221	115,484	174.69
Subordinated liabilities	36,482,939	61,400,967	(40.58)	36,482,939	61,400,967	(40.58)
Total Liabilities	2,430,637,182	2,286,581,330	6.30	2,365,396,877	2,222,099,356	6.45

STATEMENT OF FINANCIAL POSITION (Contd...)

6

As at	Group			Bank		
	31.12.2023	31.12.2022	Change	31.12.2023	31.12.2022	Change
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
EQUITY						
Stated capital	62,948,003	58,149,621	8.25	62,948,003	58,149,621	8.25
Statutory reserves	13,586,534	12,079,670	12.47	12,375,906	11,352,858	9.01
Retained earnings	9,943,003	6,790,304	46.43	8,558,385	5,592,121	53.04
Other reserves	133,993,167	131,845,571	1.63	131,048,708	128,604,076	1.90
Total equity attributable to equity holders of the Bank	220,470,707	208,865,166	5.56	214,931,002	203,698,676	5.51
Non-Controlling Interest	4,503,786	4,107,408	9.65	-	-	-
Total Equity	224,974,493	212,972,574	5.64	214,931,002	203,698,676	5.51
Total Liabilities and Equity	2,655,611,675	2,499,553,904	6.24	2,580,327,879	2,425,798,032	6.37
Contingent Liabilities and Commitments	675,776,516	555,531,537	21.65	668,875,778	549,421,699	21.74
Net Assets Value per Ordinary Share (Rs.)	167.77	168.47	(0.42)	163.55	164.30	(0.46)
Memorandum Information						
Number of Employees				5,201	5,121	
Number of Customer Service Centers				291	289	

CERTIFICATION :

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

(Sgd.) K.D.N. Buddhipala

Chief Financial Officer

We, the undersigned, being the Chairman and the Managing Director/Chief Executive Officer of the Commercial Bank of Ceylon PLC, certify jointly that:

- (a) the above financial statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka,
- (b) the information contained in these financial statements have been extracted from the audited Financial Statements of the Group & the Bank.

(Sgd.) Prof. A. K. W. Jayawardane

Chairman

February 21, 2024

Colombo

(Sgd.) S. C. U. Manatunge

Managing Director/Chief Executive Officer

	Stated capital Rs.'000	Statutory reserve fund Rs.'000	Retained earnings Rs.'000	Other reserves						Shareholders' funds Rs.'000	Non-controlling interest Rs.'000	Total equity Rs.'000
				Revaluation reserve Rs.'000	Fair value reserve Rs.'000	Foreign currency translation reserve Rs.'000	Hedging reserve Rs.'000	Employee share option reserve Rs.'000	General reserve Rs.'000			
Balance as at December 31, 2021	54,566,957	10,590,338	9,890,762	11,084,711	(11,979,313)	4,507,072	(56,342)	150,529	88,720,003	167,474,717	2,077,811	169,552,528
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022	-	-	(5,205,524)	-	-	-	-	-	-	(5,205,524)	(11,050)	(5,216,574)
Adjusted balance as at January 01, 2022	54,566,957	10,590,338	4,685,238	11,084,711	(11,979,313)	4,507,072	(56,342)	150,529	88,720,003	162,269,193	2,066,761	164,335,954
Total comprehensive income for the year 2022												
Profit for the year	-	-	23,811,914	-	-	-	-	-	-	23,811,914	587,558	24,399,472
Other comprehensive income, net of tax	-	-	(11,362)	(870,467)	12,051,583	16,864,899	92,896	-	-	28,127,549	1,467,454	29,595,003
Net actuarial gains/(losses) on defined benefit plans	-	-	(18,735)	-	-	-	-	-	-	(18,735)	(1,100)	(19,835)
Gain on disposal of investments in equity instruments	-	-	7,373	-	-	-	-	-	-	7,373	-	7,373
Share of other comprehensive income/(expense) of associate, net of tax	-	-	-	-	(1,399)	-	-	-	-	(1,399)	-	(1,399)
Net change in revaluation surplus	-	-	-	(870,467)	-	-	-	-	-	(870,467)	(14,362)	(884,829)
Net fair value gains/(losses) on remeasuring financial assets measured at fair value through other comprehensive income	-	-	-	-	12,052,982	-	-	-	-	12,052,982	-	12,052,982
Net gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	-	16,864,899	-	-	-	16,864,899	1,482,916	18,347,815
Cash flow hedges - effective portion of changes in fair value, net of tax	-	-	-	-	-	-	92,896	-	-	92,896	-	92,896
Total comprehensive income for the year 2022	-	-	23,800,552	(870,467)	12,051,583	16,864,899	92,896	-	-	51,939,463	2,055,012	53,994,475
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Issue of Ordinary voting shares under Employee Share Option Plans	-	-	-	-	-	-	-	-	-	-	-	-
Transfer o/a Share-based Payment transactions	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	3,582,664	-	(8,926,154)	-	-	-	-	-	-	(5,343,490)	(14,365)	(5,357,855)
First & Final dividend for 2021 satisfied in the form of cash	-	-	(5,373,996)	-	-	-	-	-	-	(5,373,996)	(10,800)	(5,384,796)
First & Final dividend for 2021 satisfied in the form of issue and allotment of new shares	3,582,664	-	(3,582,664)	-	-	-	-	-	-	-	-	-
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	30,506	-	-	-	-	-	-	30,506	35	30,541
Interim Dividend for 2022	-	-	-	-	-	-	-	-	-	-	(3,600)	(3,600)
Share-based Payment transactions	-	-	-	-	-	-	-	-	-	-	-	-
Transfers during the year	-	1,489,332	(12,769,332)	-	-	-	-	-	11,280,000	-	-	-
Total transactions with equity holders	3,582,664	1,489,332	(21,695,486)	-	-	-	-	-	11,280,000	(5,343,490)	(14,365)	(5,357,855)

Balance as at December 31, 2022	58,149,621	12,079,670	6,790,304	10,214,244	72,270	21,371,971	36,554	150,529	100,000,003	208,865,166	4,107,408	212,972,574
Total comprehensive income for the year 2023												
Profit for the year	-	-	21,114,675	-	-	-	-	-	-	21,114,675	784,985	21,899,660
Other comprehensive income, net of tax	-	-	(241,899)	1,287,844	1,891,743	(11,674,508)	(36,554)	-	-	(8,773,374)	(396,944)	(9,170,318)
Net actuarial gains/(losses) on defined benefit plans	-	-	(251,035)	-	-	-	-	-	-	(251,035)	(55)	(251,090)
Gain on disposal of investments in equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income/(expense) of associate, net of tax	-	-	-	-	207	-	-	-	-	207	-	207
Net change in revaluation surplus	-	-	-	1,296,980	-	-	-	-	-	1,296,980	44,661	1,341,641
Revaluation surplus transferred to retained earnings upon the disposal of freehold	-	-	9,136	(9,136)	-	-	-	-	-	-	-	-
Net fair value gains/(losses) on remeasuring financial assets measured at fair value through other comprehensive income	-	-	-	-	1,891,536	-	-	-	-	1,891,536	-	1,891,536
Net gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	-	(11,674,508)	-	-	-	(11,674,508)	(441,550)	(12,116,058)
Cash flow hedges - effective portion of changes in fair value, net of tax	-	-	-	-	-	-	(36,554)	-	-	(36,554)	-	(36,554)
Total comprehensive income for the year 2023	-	-	20,872,776	1,287,844	1,891,743	(11,674,508)	(36,554)	-	-	12,341,301	388,041	12,729,342
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Issue of Ordinary voting shares under Employee Share Option Plans	51,740	-	-	-	-	-	-	-	-	51,740	-	51,740
Transfer o/a Share-based Payment transactions	4,491	-	-	-	-	-	-	(4,491)	-	-	-	-
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	47,510	-	-	-	-	(67,871)	-	(20,361)	-	(20,361)
Dividends to equity holders	4,742,151	-	(5,558,473)	-	-	-	-	-	-	(816,322)	(14,367)	(830,689)
First & Final dividend for 2022 satisfied in the form of cash	-	-	-	-	-	-	-	-	-	-	(10,800)	(10,800)
First & Final dividend for 2022 satisfied in the form of issue and allotment of new shares	4,742,151	-	(5,579,001)	-	-	-	-	-	-	(836,850)	-	(836,850)
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	20,528	-	-	-	-	-	-	20,528	33	20,561
Interim Dividend for 2023	-	-	-	-	-	-	-	-	-	-	(3,600)	(3,600)
Share-based Payment transactions	-	-	-	-	-	-	-	21,433	-	21,433	-	21,433
Transfers to non-distributable capital reserve	-	27,750	-	-	-	-	-	-	-	27,750	22,704	50,454
Transfers during the year	-	1,479,114	(12,209,114)	-	-	-	-	-	10,730,000	-	-	-
Total transactions with equity holders	4,798,382	1,506,864	(17,720,077)	-	-	-	-	(50,929)	10,730,000	(735,760)	8,337	(727,423)
Balance as at December 31, 2023	62,948,003	13,586,534	9,943,003	11,502,088	1,964,013	9,697,463	-	99,600	110,730,003	220,470,707	4,503,786	224,974,493

	Stated capital Rs.'000	Statutory reserve fund Rs.'000	Retained earnings Rs.'000	Other reserves						Shareholders' funds Rs.'000	Non-controlling interest Rs.'000	Total equity Rs.'000
				Revaluation reserve Rs.'000	Fair value reserve Rs.'000	Foreign currency translation reserve Rs.'000	Hedging reserve Rs.'000	Employee share option reserve Rs.'000	General reserve Rs.'000			
Balance as at December 31, 2021	54,566,957	10,204,368	9,028,265	10,195,652	(11,980,175)	4,064,722	(56,342)	150,529	88,720,003	164,893,979	-	164,893,979
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022	-	-	(5,036,184)	-	-	-	-	-	-	(5,036,184)	-	(5,036,184)
Adjusted balance as at January 01, 2022	54,566,957	10,204,368	3,992,081	10,195,652	(11,980,175)	4,064,722	(56,342)	150,529	88,720,003	159,857,795	-	159,857,795
Total comprehensive income for the year 2022												
Profit for the year	-	-	22,969,791	-	-	-	-	-	-	22,969,791	-	22,969,791
Other comprehensive income, net of tax	-	-	(14,793)	(799,110)	12,058,918	14,876,983	92,896	-	-	26,214,894	-	26,214,894
Net actuarial gains/(losses) on defined benefit plans	-	-	(22,166)	-	-	-	-	-	-	(22,166)	-	(22,166)
Gain on disposal of investments in equity instruments	-	-	7,373	-	-	-	-	-	-	7,373	-	7,373
Net change in revaluation surplus	-	-	-	(799,110)	-	-	-	-	-	(799,110)	-	(799,110)
Net fair value gains/(losses) on remeasuring financial assets measured at fair value through other comprehensive income	-	-	-	-	12,058,918	-	-	-	-	12,058,918	-	12,058,918
Net gains/(losses) arising from translating the Financial Statements of the foreign operations	-	-	-	-	-	14,876,983	-	-	-	14,876,983	-	14,876,983
Cash flow hedges - effective portion of changes in fair value, net of tax	-	-	-	-	-	-	92,896	-	-	92,896	-	92,896
Total comprehensive income for the year 2022	-	-	22,954,998	(799,110)	12,058,918	14,876,983	92,896	-	-	49,184,685	-	49,184,685
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Issue of Ordinary voting shares under Employee Share Option Plans	-	-	-	-	-	-	-	-	-	-	-	-
Transfer o/a Share-based Payment transactions	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	3,582,664	-	(8,926,468)	-	-	-	-	-	-	(5,343,804)	-	(5,343,804)
First & Final dividend for 2021 satisfied in the form of cash	-	-	(5,373,996)	-	-	-	-	-	-	(5,373,996)	-	(5,373,996)
First & Final dividend for 2021 satisfied in the form of issue and allotment of new shares	3,582,664	-	(3,582,664)	-	-	-	-	-	-	-	-	-
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	30,192	-	-	-	-	-	-	30,192	-	30,192
Share-based Payment transactions	-	-	-	-	-	-	-	-	-	-	-	-
Transfers during the year	-	1,148,490	(12,428,490)	-	-	-	-	-	11,280,000	-	-	-
Total transactions with equity holders	3,582,664	1,148,490	(21,354,958)	-	-	-	-	-	11,280,000	(5,343,804)	-	(5,343,804)

Balance as at December 31, 2022	58,149,621	11,352,858	5,592,121	9,396,542	78,743	18,941,705	36,554	150,529	100,000,003	203,698,676	-	203,698,676
Total comprehensive income for the year 2023												
Profit for the year	-	-	20,460,962	-	-	-	-	-	-	20,460,962	-	20,460,962
Other comprehensive income, net of tax	-	-	(230,394)	1,003,035	1,885,252	(11,086,172)	(36,554)	-	-	(8,464,833)	-	(8,464,833)
Net actuarial gains/(losses) on defined benefit plans	-	-	(239,530)	-	-	-	-	-	-	(239,530)	-	(239,530)
Gain on disposal of investments in equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Net change in revaluation surplus	-	-	-	1,012,171	-	-	-	-	-	1,012,171	-	1,012,171
Revaluation surplus transferred to retained earnings upon the disposal of freehold	-	-	9,136	(9,136)	-	-	-	-	-	-	-	-
Net fair value gains/(losses) on remeasuring financial assets measured at fair value through other comprehensive income	-	-	-	-	1,885,252	-	-	-	-	1,885,252	-	1,885,252
Net gains/(losses) arising from translating the Financial Statements of the foreign operations	-	-	-	-	-	(11,086,172)	-	-	-	(11,086,172)	-	(11,086,172)
Cash flow hedges - effective portion of changes in fair value, net of tax	-	-	-	-	-	-	(36,554)	-	-	(36,554)	-	(36,554)
Total comprehensive income for the year 2023	-	-	20,230,568	1,003,035	1,885,252	(11,086,172)	(36,554)	-	-	11,996,129	-	11,996,129
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Issue of Ordinary voting shares under Employee Share Option Plans	51,740	-	-	-	-	-	-	-	-	51,740	-	51,740
Transfer o/a Share-based Payment transactions	4,491	-	-	-	-	-	-	(4,491)	-	-	-	-
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	47,510	-	-	-	-	(67,871)	-	(20,361)	-	(20,361)
Dividends to equity holders	4,742,151	-	(5,558,766)	-	-	-	-	-	-	(816,615)	-	(816,615)
First & Final dividend for 2022 satisfied in the form of cash	-	-	-	-	-	-	-	-	-	-	-	-
First & Final dividend for 2022 satisfied in the form of issue and allotment of new shares	4,742,151	-	(5,579,001)	-	-	-	-	-	-	(836,850)	-	(836,850)
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	20,235	-	-	-	-	-	-	20,235	-	20,235
Share-based Payment transactions	-	-	-	-	-	-	-	21,433	-	21,433	-	21,433
Transfers during the year	-	1,023,048	(11,753,048)	-	-	-	-	-	10,730,000	-	-	-
Total transactions with equity holders	4,798,382	1,023,048	(17,264,304)	-	-	-	-	(50,929)	10,730,000	(763,803)	-	(763,803)
Balance as at December 31, 2023	62,948,003	12,375,906	8,558,385	10,399,577	1,963,995	7,855,533	-	99,600	110,730,003	214,931,002	-	214,931,002

For the year ended December 31,	Group		Bank	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash flows from operating activities				
Profit before income tax	33,927,001	24,505,038	31,880,160	22,598,385
Adjustments for:				
Non-cash items included in profit before tax	36,135,811	91,299,070	35,977,444	90,747,133
Change in operating assets	(178,560,551)	(463,345,077)	(177,671,173)	(424,402,972)
Change in operating liabilities	181,930,677	430,778,836	181,162,526	396,536,876
(Gains)/losses on sale of property, plant and equipment	(21,048)	(20,118)	(3,167)	(10,868)
Share of (profit)/loss of associate, net of tax	(3,495)	3,727	-	-
Dividends received from investments in associate and subsidiaries	-	-	(384,601)	(109,600)
Interest expense on subordinated liabilities	5,247,288	4,843,571	5,247,288	4,843,571
Net unrealised gains/(losses) arising from translating the Financial Statements of foreign operations	(12,116,058)	18,347,815	(11,086,172)	14,876,983
Benefits paid on defined benefit plans	(610,920)	(780,828)	(601,335)	(765,208)
Income tax paid	(25,270,440)	(11,143,271)	(24,526,988)	(10,643,395)
Surcharge tax paid	-	(5,216,574)	-	(5,036,184)
Net cash from/(used in) operating activities	40,658,265	89,272,189	39,993,982	88,634,721
Cash flows from investing activities				
Purchase of property, plant and equipment	(2,826,122)	(3,370,339)	(2,576,818)	(3,144,592)
Proceeds from sale of property, plant and equipment	33,221	47,856	15,092	12,132
Purchase of financial investments	-	(1,200,000)	-	(1,200,000)
Proceeds from sale and maturity of financial investments	1,061,999	952,369	1,061,999	952,369
Purchase of intangible assets	(1,142,983)	(2,224,915)	(1,115,994)	(2,218,024)
Dividends received from investments in associate and subsidiaries	-	-	384,601	109,600
Net cash from/(used in) investing activities	(2,873,885)	(5,795,029)	(2,231,120)	(5,488,515)
Cash flows from financing activities				
Proceeds from issue of ordinary voting shares under employee share option plans	51,740	-	51,740	-
Proceeds from issue of subordinated liabilities	12,000,000	10,000,000	12,000,000	10,000,000
Redemption of subordinated liabilities	(32,393,840)	-	(32,393,840)	-
Interest paid on subordinated liabilities	(6,249,529)	(4,283,280)	(6,249,529)	(4,283,280)
Payment of lease liabilities/advance payment of right-of-use assets	(1,745,373)	(2,055,498)	(1,904,590)	(2,197,452)
Dividend paid to shareholders	(3,222)	(5,343,490)	(3,222)	(5,343,804)
Withholding tax paid on scrip dividend	(836,850)	-	(836,850)	-
Dividend paid to non-controlling interest	(14,367)	(14,365)	-	-
Net cash from / (used in) financing activities	(29,191,441)	(1,696,633)	(29,336,291)	(1,824,536)
Net increase/(decrease) in cash and cash equivalents	8,592,939	81,780,527	8,426,571	81,321,670
Cash and cash equivalents as at January 01,	151,123,519	69,342,992	149,407,301	68,085,631
Gross cash and cash equivalents as at December 31,	159,716,458	151,123,519	157,833,872	149,407,301
Less: Impairment charges on cash and cash equivalents	(14,951)	(14,029)	(14,585)	(13,690)
Cash and cash equivalents as per Statement of Financial Position	159,701,507	151,109,490	157,819,287	149,393,611

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
FINANCIAL ASSETS				
Cash and cash equivalents		159,701,507		159,701,507
Balances with Central Banks		62,633,503		62,633,503
Placements with banks		81,506,653		81,506,653
Securities purchased under resale agreements		31,148,729		31,148,729
Derivative financial assets	7,226,484			7,226,484
Financial assets recognised through profit or loss - measured at fair value	29,449,653			29,449,653
Financial assets at amortised cost - Loans and advances to other customers		1,204,865,597		1,204,865,597
Financial assets at amortised cost - Debt and other financial instruments		685,155,537		685,155,537
Financial assets measured at fair value through other comprehensive income			287,732,972	287,732,972
Total financial assets	36,676,137	2,225,011,526	287,732,972	2,549,420,635
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			47,948,578	47,948,578
Derivative financial liabilities		2,319,209		2,319,209
Securities sold under repurchase agreements			111,186,824	111,186,824
Financial liabilities at amortised cost - due to depositors			2,147,906,858	2,147,906,858
Financial liabilities at amortised cost - other borrowings			12,756,021	12,756,021
Subordinated liabilities			36,482,939	36,482,939
Total financial liabilities		2,319,209	2,356,281,220	2,358,600,429

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
FINANCIAL ASSETS				
Cash and cash equivalents		151,109,490		151,109,490
Balances with Central Banks		78,597,120		78,597,120
Placements with banks		96,082,937		96,082,937
Securities purchased under resale agreements		1,517,308		1,517,308
Derivative financial assets	8,345,091			8,345,091
Financial assets recognised through profit or loss - measured at fair value	24,873,057			24,873,057
Financial assets at amortised cost - Loans and advances to other customers		1,155,492,527		1,155,492,527
Financial assets at amortised cost - Debt and other financial instruments		761,650,234		761,650,234
Financial assets measured at fair value through other comprehensive income			118,652,257	118,652,257
Total financial assets	33,218,148	2,244,449,616	118,652,257	2,396,320,021
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			64,971,170	64,971,170
Derivative financial liabilities		2,880,667		2,880,667
Securities sold under repurchase agreements			97,726,435	97,726,435
Financial liabilities at amortised cost - due to depositors			1,977,743,661	1,977,743,661
Financial liabilities at amortised cost - other borrowings			16,150,356	16,150,356
Subordinated liabilities			61,400,967	61,400,967
Total financial liabilities		2,880,667	2,217,992,589	2,220,873,256

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
FINANCIAL ASSETS				
Cash and cash equivalents		157,819,287		157,819,287
Balances with Central Banks		52,817,502		52,817,502
Placements with banks		81,344,696		81,344,696
Securities purchased under resale agreements		31,148,729		31,148,729
Derivative financial assets	7,226,484			7,226,484
Financial assets recognised through profit or loss - measured at fair value	29,449,653			29,449,653
Financial assets at amortised cost - Loans and advances to other customers		1,176,359,971		1,176,359,971
Financial assets at amortised cost - Debt and other financial instruments		649,740,408		649,740,408
Financial assets measured at fair value through other comprehensive income			287,023,009	287,023,009
Total financial assets	36,676,137	2,149,230,593	287,023,009	2,472,929,739
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			47,274,361	47,274,361
Derivative financial liabilities		2,319,209		2,319,209
Securities sold under repurchase agreements			111,198,516	111,198,516
Financial liabilities at amortised cost - due to depositors			2,085,046,149	2,085,046,149
Financial liabilities at amortised cost - other borrowings			12,756,021	12,756,021
Subordinated liabilities			36,482,939	36,482,939
Total financial liabilities		2,319,209	2,292,757,986	2,295,077,195

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
FINANCIAL ASSETS				
Cash and cash equivalents		149,393,611		149,393,611
Balances with Central Banks		66,493,499		66,493,499
Placements with banks		95,899,645		95,899,645
Securities purchased under resale agreements		1,517,308		1,517,308
Derivative financial assets	8,345,091			8,345,091
Financial assets recognised through profit or loss - measured at fair value	24,873,057			24,873,057
Financial assets at amortised cost - Loans and advances to other customers		1,130,442,579		1,130,442,579
Financial assets at amortised cost - Debt and other financial instruments		725,935,299		725,935,299
Financial assets measured at fair value through other comprehensive income			117,056,240	117,056,240
Total financial assets	33,218,148	2,169,681,941	117,056,240	2,319,956,329
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			65,130,061	65,130,061
Derivative financial liabilities		2,880,667		2,880,667
Securities sold under repurchase agreements			97,726,435	97,726,435
Financial liabilities at amortised cost - due to depositors			1,914,359,494	1,914,359,494
Financial liabilities at amortised cost - other borrowings			16,150,356	16,150,356
Subordinated liabilities			61,400,967	61,400,967
Total financial liabilities		2,880,667	2,154,767,313	2,157,647,980

The following table sets out the fair values of financial assets and liabilities not measured at fair value and the related fair value hierarchy used:

	Group					Bank				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
As at December 31, 2023	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets										
Financial assets at amortised cost - Loans and advances to other customers	-	-	1,175,864,097	1,175,864,097	1,204,865,597	-	-	1,147,358,471	1,147,358,471	1,176,359,971
Financial assets at amortised cost - Debt and other financial instruments	665,889,078	24,114,999	-	690,004,077	685,155,537	630,473,949	24,114,999	-	654,588,948	649,740,408
Total financial assets not at fair value	665,889,078	24,114,999	1,175,864,097	1,865,868,174	1,890,021,134	630,473,949	24,114,999	1,147,358,471	1,801,947,419	1,826,100,379
Financial Liabilities										
Financial liabilities at amortised cost - due to depositors	-	-	2,156,899,386	2,156,899,386	2,147,906,858	-	-	2,094,038,677	2,094,038,677	2,085,046,149
Subordinated liabilities	-	-	40,279,813	40,279,813	36,482,939	-	-	40,279,813	40,279,813	36,482,939
Total financial liabilities not at fair value	-	-	2,197,179,199	2,197,179,199	2,184,389,797	-	-	2,134,318,490	2,134,318,490	2,121,529,088

	Group					Bank				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
As at December 31, 2022	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets										
Financial assets at amortised cost - Loans and advances to other customers	-	-	1,090,864,107	1,090,864,107	1,155,492,527	-	-	1,065,814,159	1,065,814,159	1,130,442,579
Financial assets at amortised cost - Debt and other financial instruments	503,835,751	53,911,427	-	557,747,178	761,650,234	468,120,816	53,911,427	-	522,032,243	725,935,299
Total financial assets not at fair value	503,835,751	53,911,427	1,090,864,107	1,648,611,285	1,917,142,761	468,120,816	53,911,427	1,065,814,159	1,587,846,402	1,856,377,878
Financial Liabilities										
Financial liabilities at amortised cost - due to depositors	-	-	1,985,993,019	1,985,993,019	1,977,743,661	-	-	1,922,608,851	1,922,608,851	1,914,359,494
Subordinated liabilities	-	-	54,899,526	54,899,526	61,400,967	-	-	54,899,526	54,899,526	61,400,967
Total financial liabilities not at fair value	-	-	2,040,892,545	2,040,892,545	2,039,144,628	-	-	1,977,508,377	1,977,508,377	1,975,760,461

Assets and Liabilities for which fair value approximates the carrying value

For financial assets and liabilities listed below with short-term maturities or with short-term re-pricing intervals, it is assumed that the carrying amounts approximate to their fair value.

Financial Assets

- Cash and cash equivalents
- Balances with Central Banks
- Placements with banks
- Securities purchased under resale agreements

Financial Liabilities

- Due to banks
- Securities sold under repurchase agreements
- Financial liabilities at amortised cost - other borrowings

	Bank		Group	
	As at 31.12.2023	As at 31.12.2022	As at 31.12.2023	As at 31.12.2022
Regulatory Capital - Rs. '000				
Common Equity Tier I	156,847,378	154,397,408	166,649,326	161,743,687
Tier I Capital	156,847,378	154,397,408	166,649,326	161,743,687
Total Capital	207,684,979	198,689,452	218,423,196	206,898,033
Regulatory Capital Ratios (%)				
Common Equity Tier I Capital Ratio (Minimum Requirement - 8.500%)	11.442	11.389	11.513	11.341
Tier I Capital Ratio (Minimum Requirement - 10.000%)	11.442	11.389	11.513	11.341
Total Capital Ratio (Minimum Requirement - 14.000%)	15.151	14.657	15.090	14.507
Leverage Ratio (%) (Minimum Requirement - 3%)	5.10	5.56	5.29	5.66
Regulatory Liquidity				
Statutory Liquid Assets - Rs. '000				
Consolidated (Sri Lankan Operations)	843,748,779	622,692,705		
Statutory Liquid Assets Ratio (%) (Minimum Requirement 20%)				
Consolidated (Sri Lankan Operations)	46.06	35.88		
Total Stock of High Quality Liquid Assets - Rs. '000	760,373,663	476,447,368		
Liquidity Coverage Ratio (%) (Minimum Requirement - 2023 - 100%, 2022 - 90%)				
Liquidity Coverage Ratio (%) - Rupee	491.61	405.91		
Liquidity Coverage Ratio (%) - All Currency	516.27	293.91		
Net Stable Funding Ratio (%) (Minimum Requirement - 2023 - 100%, 2022 - 90%)	193.70	173.58		
Asset Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%)	5.85	5.25		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	43.22	39.60		
Profitability				
Interest Margin (%)	3.32	3.74		
Return on Assets (before tax) (%)	1.27	1.03		
Return on Equity (%)	9.78	12.46		
Debt Security Related Ratios				
Debt to Equity Ratio (%)	16.97	34.02		
Interest Cover (Times)	8.74	7.31		

OPERATING SEGMENTS - GROUP

17

For the year ended December 31,	Personal Banking		Corporate Banking		International Operations		Dealing/Treasury		NBFI, Real Estate & Services		Unallocated/Eliminations		Total/Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
External Operating income :														
Net interest income	40,715,044	36,987,980	21,868,573	20,629,260	19,719,837	14,050,779	(8,944,700)	3,214,015	754,737	679,395	12,301,868	9,103,782	86,415,359	84,665,211
Foreign exchange profit	603,669	384,657	(459,982)	121,407	11,887,763	8,756,885	(118,696)	(7,822,874)	(1,959)	1,736	(6,929,205)	29,782,201	4,981,590	31,224,012
Net fee and commission income	11,801,597	9,213,649	7,094,059	8,016,550	2,575,972	2,386,823	24,220	8,343	289,629	180,331	601,842	363,405	22,387,319	20,169,101
Other income	531,809	729,478	305,685	(28,599)	98,445	144,679	6,820,723	(1,343,029)	1,610,481	1,368,511	(1,081,611)	(292,717)	8,285,532	578,323
Total Operating income	53,652,119	47,315,764	28,808,335	28,738,618	34,282,017	25,339,166	(2,218,453)	(5,943,545)	2,652,888	2,229,973	4,892,894	38,956,671	122,069,800	136,636,647
Impairment charges and other losses	702,201	(8,602,197)	(9,629,282)	(24,928,376)	(239,398)	(1,091,208)	(29,248,778)	(37,053,061)	(479,813)	(249,418)	-	-	(38,895,070)	(71,924,260)
Net Operating income	54,354,320	38,713,567	19,179,053	3,810,242	34,042,619	24,247,958	(31,467,231)	(42,996,606)	2,173,075	1,980,555	4,892,894	38,956,671	83,174,730	64,712,387
Segment result	22,334,766	16,427,308	16,561,241	1,097,633	26,654,301	17,424,026	(32,236,861)	(44,857,143)	300,192	541,888	309,867	33,875,053	33,923,506	24,508,765
Profit from operations														
Share of profit/ (loss) of associate, net of tax														3,495
Income tax expense														(12,027,341)
Non-controlling Interest														(784,985)
Net profit for the period, attributable to equity holders of the parent														21,114,675
														23,811,914

As at December 31,	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Other information														
Segment assets	716,363,522	620,049,967	472,431,439	498,406,103	449,873,087	422,835,358	968,515,924	945,053,191	16,483,645	14,566,106	31,885,054	(1,412,123)	2,655,552,671	2,499,498,602
Investment in associate	-	-	-	-	-	-	-	-	-	-	59,004	55,302	59,004	55,302
Total assets	716,363,522	620,049,967	472,431,439	498,406,103	449,873,087	422,835,358	968,515,924	945,053,191	16,483,645	14,566,106	31,944,058	(1,356,821)	2,655,611,675	2,499,553,904
Segment liabilities	1,534,359,229	1,379,454,937	415,820,007	423,811,188	347,292,128	348,705,590	147,371,883	157,098,344	10,474,784	8,655,671	(24,680,849)	(31,144,400)	2,430,637,182	2,286,581,330
Total liabilities	1,534,359,229	1,379,454,937	415,820,007	423,811,188	347,292,128	348,705,590	147,371,883	157,098,344	10,474,784	8,655,671	(24,680,849)	(31,144,400)	2,430,637,182	2,286,581,330

For the year ended December 31,	2023	2022
	Rs.'000	Rs.'000
Information on cash flows		
Cash flows from operating activities	40,658,265	89,272,189
Cash flows from investing activities	1,061,999	(247,631)
Cash flows from financing activities	(29,191,441)	(1,696,633)
Capital expenditure -		
Property, Plant & Equipment	(2,792,901)	(3,322,483)
Intangible assets	(1,142,983)	(2,224,915)
Net cash flow generated during the period	8,592,939	81,780,527

Twenty largest ordinary voting shareholders as at December 31, 2023

Name of the Shareholder	No. of Shares	%
01. DFCC Bank PLC A/C 1	149,777,568	12.11
02. Mr.Y. S. H. I. Silva	122,327,008	9.89
03. Employees' Provident Fund	106,485,764	8.61
04. Mr. D. P. Pieris	95,321,291	7.71
05. CB NY S/A International Finance Corporation	87,919,750	7.11
06. Sri Lanka Insurance Corporation Ltd - Life Fund	62,371,928	5.04
07. Melstacorp PLC	51,131,771	4.14
08. Mr. K. D. D. Perera	45,418,533	3.67
09. CB NY S/A IFC Emerging Asia Fund. LP	45,325,490	3.67
09. CB NY S/A IFC Financial Institutions Growth Fund LP	45,325,490	3.67
11. Sri Lanka Insurance Corporation Ltd - General Fund	43,737,539	3.54
12. Employees' Trust Fund Board	20,004,314	1.62
13. Renuka Hotels PLC	15,939,738	1.29
14. Cargo Boat Development Company PLC	11,186,898	0.90
15. Mr. M. J. Fernando (Deceased)	11,109,917	0.90
16. Hallsville Frontier Equities Ltd	10,876,310	0.88
17. Renuka Consultants & Services Limited	9,821,527	0.79
18. Mr. A. H. Munasinghe	7,123,095	0.58
19. SSBT - Global Macro Capital Opportunities Portfolio	6,071,633	0.49
20. Seylan Bank PLC/Andaradeniya Estate (Pvt) Ltd	5,882,457	0.48
Sub total	953,158,021	77.09
Shares held by Directors	800,610	0.06
Other Shareholders	282,566,764	22.85
Total	1,236,525,395	100.00

Percentage of public holding as at December 31, 2023 - 99.81% (99.81% as at December 31, 2022)

Number of shareholders representing public holding as at December 31, 2023 - 15,820 (16,989 as at December 31, 2022)

Twenty largest ordinary non-voting shareholders as at December 31, 2023

Name of the Shareholder	No. of Shares	%
01. Employees' Trust Fund Board	6,036,439	7.78
02. Akbar Brothers (Pvt) Ltd. A/C No 1	3,764,303	4.85
03. GF Capital Global Limited	1,906,146	2.46
04. Mr. M. F. Hashim	1,398,829	1.80
05. M. J. F. Exports (Pvt) Ltd	1,327,409	1.71
06. Mrs. L. V. C. Samarasingha	1,224,239	1.58
07. EMFI Capital Limited	1,197,019	1.54
08. Mr. T. W. A. Wickramasinghe & Mrs. N. Wickremasinghe (Joint)	1,180,375	1.52
09. Janashakthi Insurance PLC - Shareholders	1,151,537	1.48
10. Saboor Chatoor (Pvt) Ltd	1,110,307	1.43
11. Assetline Finance Limited/Suhada Gas Distributors (Pvt) Ltd	922,371	1.19
12. Mr. E. Chatoor	918,991	1.18
13. Mr. R. Gautam	848,054	1.09
14. Mr. K. S. M. De Silva	814,467	1.05
15. Mr. A. L. Gooneratne & Mrs. C. Gooneratne (Joint)	799,839	1.03
16. Mr. J. D. Bandaranayake , Ms. N. Bandaranayake & Dr. V. Bandaranayake (Joint)	784,297	1.01
17. Mr. J. D. Bandaranayake , Dr. V. Bandaranayake & Ms. I. Bandaranayake (Joint)	764,347	0.99
18. Mr. M. J. Fernando (Deceased)	762,425	0.98
19. Serendip Investments Limited	707,500	0.91
20. Swastika Mills Ltd	694,940	0.90
Sub total	28,313,834	36.48
Shares held by Directors	86,650	0.01
Other Shareholders	49,195,249	63.51
Total	77,595,733	100.00

Percentage of public holding as at December 31, 2023 - 99.88% (99.88% as at December 31, 2022)

Number of shareholders representing public holding as at December 31, 2023 - 5,698 (5,985 as at December 31, 2022)

Directors' holding in shares as at December 31, 2023

Name of Director	No. of Shares	
	Voting	Non-voting
Prof. A. K. W. Jayawardane - Chairman	14,379	-
Mr. Sharhan Muhseen - Deputy Chairman	2,750	-
Mr. S. C. U. Manatunge - Managing Director/Chief Executive Officer	118,599	-
Mr. S. Prabagar - Chief Operating Officer	251,136	26,290
Mr. L. D. Niyangoda	-	-
Ms. N. T. M. S. Cooray	384,987	60,360
Ms. Judy Lee	-	-
Mr. Raja Senanayake	-	-
Ms. D. L. T. S. Wijewardena	-	-
Dr. S. Selliah	28,759	-
Mr. D. N. L. Fernando	-	-
Mr. P. M. Kumarasinghe	-	-
Total	800,610	86,650

	2023 Rs.	2022 Rs.
Market price of an ordinary share as at December 31,		
Voting	95.50	50.20
Non-Voting	80.40	41.30
Highest price during the quarter ended December 31,		
Voting	95.60	55.50
Non-Voting	84.30	45.00
Lowest price during the quarter ended December 31,		
Voting	80.00	48.70
Non-Voting	69.20	39.60
As at December 31,	2023 Rs.000	2022 Rs.000
Float adjusted market capitalization - Compliant under Option 1	124,095,018	61,476,312
As at December 31,	2023	2022
Number of ordinary shares		
Voting	1,236,525,395	1,167,236,442
Non-Voting	77,595,733	72,541,605

- 1 These Financial Statements have been audited by M/S Ernst & Young, the External Auditors of the Bank. The Auditors have expressed an unqualified opinion on these Financial Statements prepared as at December 31, 2023 and for the period then ended.
- 2 The Financial Statements of the Bank and the Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended December 31, 2022.
- 3 These Interim Financial Statements of the Bank and the Group have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting', and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
- 4 **Proposed Dividends for 2023**
The Bank did not declare cash dividends during the year 2023 (for the year ended December 31, 2023), in conformity with the restrictions imposed by the Central Bank of Sri Lanka on the payment of cash dividends for the financial year 2023, as per the instructions given in the Banking Act Direction No 1 of 2023, dated February 2, 2023, on "Restrictions on Discretionary Payments of Licensed Banks".
Since the Financial Statements for the year 2023 are finalised and audited by the Bank's external auditors, the Board of Directors of the Bank has now recommended the payment of a first and final dividend of Rs. 6.50 per share to be paid and satisfied in the form of Rs.4.50 per share in cash and Rs.2.00 per share in the form of issue and allotment of new shares for both voting and non-voting ordinary shareholders' of the Bank for the year ended December 31, 2023.

The above first and final dividend recommended by the Board of Directors is to be approved at the forthcoming Annual General Meeting to be held on March 28, 2024.

In accordance with provisions of the Sri Lanka Accounting Standard - LKAS 10 on "Events after the Reporting Period", the first and final dividend referred above has not been recognised as a liability as at the year ended December 31, 2023.

5 **Impairment charges and other losses**

The Bank performed a comprehensive assessment of individually significant customers as at December 31, 2023, and based on the assessment, those customers who have been impaired due to an increased credit risk were moved from Stage 1 to Stage 2 or Stage 3 based on the higher credit risk, as applicable. The Bank continued to review the key assumptions used in the impairment computation against individually significant customers classified under Stages 2 and 3 during the period under review. Key assumptions such as security realisation period, and factors used to determine the security valuation were continuously monitored in relation to customers who have been affected by the economic downturn and accordingly additional impairment provisions were recognized.

Further, the Bank continued to apply all other prudent assumptions used in 2022, during the 2023 as well. The Bank also continued to recognize additional impairment provisions by way of management overlays for facilities in the risk elevated industries during the year 2023.

6 **Reclassification of Government Securities**

The Bank reclassified bulk of its Treasury Bond Portfolio amounting to Rs. 197.08 Bn., majority of Sri Lanka Development Bond (SLDB) portfolio amounting to Rs. 55.47 Bn., (USD 152.19 Mn) and entire Sri Lanka Sovereign Bond (SLSB) portfolio amounting to Rs. 39.60 Bn., (USD 108.63 Mn) from Fair Value Through Other Comprehensive Income (FVOCI) category to Amortized Cost category, with effect from April 01, 2022, in line with the guidelines issued by the CA Sri Lanka in the form of a Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio due to unprecedented changes in the macro-economic conditions. The fair value of the debt portfolio reclassified on April 1, 2022, and remaining as at December 31, 2023 amounted to Rs. 160.21 Bn., and the cumulative fair value loss thereon amounted to Rs. 27.44 Bn., (Net of tax Rs. 19.21 Bn).

7 **Debenture Issue 2023**

The Bank announced a debenture issue in July 2023 to issue 60,000,000 Basel III compliant - Tier II, listed, rated, unsecured, subordinated, redeemable debentures of Rs. 100/- each, with a non-viability conversion feature amounting to Rs 6 Bn. with an option to issue up to a further 60,000,000 debentures amounting to Rs. 6 Bn. This debenture issue was opened for investors on December 12, 2023, and initial issue was oversubscribed on the same day. The allotment and the listing of debentures were concluded on December 20, 2023, and December 29, 2023, respectively.

The quantum of funds raised through the above Debenture Issue was/will be utilised to achieve the following objectives as stipulated in the prospectus.

- Improve the Tier II capital base thus, increasing the Capital Adequacy Ratio (CAR)
- Reduce maturity gaps in the assets and liabilities of the Bank
- Expand the lending portfolio

As stated in the prospectus, the following table indicates utilisation of funds raised through the above debentures.

Objective number	Objective as per prospectus	Amount allocated as per prospectus	Proposed date of utilisation as Per Prospectus	Amount allocated from proceeds (A)	% of total proceeds	Amounts utilised (B)	% of utilisation against allocation (B/A)	Clarification if not fully-utilised including where the funds are invested (eg: whether lent to related party/s etc.)
1	Improve the Tier II capital base thus, increasing the Capital Adequacy Ratio (CAR)	Rs. 12 Bn.	Subsequent to the allotment of Debentures	Rs. 12 Bn.	100	Rs. 12 Bn.	100	N/A
2	Reduce maturity gaps in the assets and liabilities of the Bank							
3	Expand the lending portfolio		Within 12 months from date of receipt of cash flows			-	-	

8 During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities, other than those disclosed above.

9 All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.

10 There were no material events that took place since December 31, 2023, that require disclosure in these Interim Financial Statements other than those disclosed above.

INFORMATION ON DEBENTURES - BANK

2023												
Description	Interest Payable Frequency	Allotment Date	Maturity Date	Coupon Rate (%)	Effective Annual Yield (%)	Interest Rate of Comparable Security (%)	Market Value			Other Ratios as at date of Last Trade		Group / Bank Rs. '000
							Highest	Lowest	Period End	Interest Yield (%)	Yield to Maturity (%)	
Fixed Rate Debentures												
Issued in 2016												
2016/2026 - Type B - Public / Listed	Bi-annually	09.03.2016	08.03.2026	11.25	11.57	13.60	Not traded during the period			- N/A -	- N/A -	1,749,090
2016/2026 - Type B - Public / Listed	Bi-annually	28.10.2016	27.10.2026	12.25	12.63	13.65	Not traded during the period			- N/A -	- N/A -	1,928,200
Issued in 2018												
2018/2028 - Type B - Public / Listed	Bi-annually	23.07.2018	22.07.2028	12.50	12.89	13.85	Not traded during the period			- N/A -	- N/A -	1,606,160
Issued in 2021												
2021/2026 - Type A - Public / Listed	Bi-annually	21.09.2021	20.09.2026	9.00	9.20	13.65	Not traded during the period			- N/A -	- N/A -	4,237,470
2021/2028 - Type B - Public / Listed	Bi-annually	21.09.2021	20.09.2028	9.50	9.73	13.70	Not traded during the period			- N/A -	- N/A -	4,358,000
Issued in 2022												
2022/2027 - Type A - Public / Listed	Bi-annually	12.12.2022	11.12.2027	28.00	29.96	13.55	100.00	100.00	100.00 (*)	28.00	28.00	6,724,680
2022/2029 - Type B - Public / Listed	Bi-annually	12.12.2022	11.12.2029	27.00	28.82	13.45	Not traded during the period			- N/A -	- N/A -	3,263,820
2022/2032 - Type C - Public / Listed	Bi-annually	12.12.2022	11.12.2032	22.00	23.21	13.70	Not traded during the period			- N/A -	- N/A -	11,500
Issued in 2023												
2023/2028 - Type A - Public / Listed	Bi-annually	20.12.2023	19.12.2028	14.50	15.03	14.05	Not traded during the period			- N/A -	- N/A -	2,132,400
2023/2028 - Type B - Public / Listed	Annually	20.12.2023	19.12.2028	15.00	15.00	14.05	Not traded during the period			- N/A -	- N/A -	7,558,090
2023/2030 - Type C - Public / Listed	Bi-annually	20.12.2023	19.12.2030	13.75	14.22	13.35	Not traded during the period			- N/A -	- N/A -	32,980
2023/2030 - Type D - Public / Listed	Annually	20.12.2023	19.12.2030	14.25	14.25	13.35	Not traded during the period			- N/A -	- N/A -	817,760
2023/2033 - Type E - Public / Listed	Bi-annually	20.12.2023	19.12.2033	13.50	13.96	12.95	Not traded during the period			- N/A -	- N/A -	30,840
2023/2033 - Type F - Public / Listed	Annually	20.12.2023	19.12.2033	14.00	14.00	12.95	Not traded during the period			- N/A -	- N/A -	1,427,930
Total												35,878,920

* Last trade date - February 14, 2023

ANALYSIS OF LOANS AND ADVANCES TO OTHER CUSTOMERS AND IMPAIRMENT

22

As at	Group		Bank	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Gross loans and advances to other customers	1,295,751,342	1,246,170,215	1,265,559,303	1,219,667,243
Impairment on loans and advances to other customers				
Accumulated impairment under stage 1	9,009,921	14,799,919	8,800,339	14,598,587
Accumulated impairment under stage 2	17,421,283	28,559,919	17,182,146	28,248,676
Accumulated impairment under stage 3	64,454,541	47,317,850	63,216,847	46,377,401
Total impairment	90,885,745	90,677,688	89,199,332	89,224,664
Net value of loans and advances to other customers	1,204,865,597	1,155,492,527	1,176,359,971	1,130,442,579
Gross loans and advances to other customers				
By product - Domestic Currency				
Overdrafts	106,726,680	109,291,481	106,752,409	109,345,131
Trade finance	66,631,281	73,096,708	66,631,283	73,096,708
Lease rental receivable	38,054,890	33,358,946	34,684,299	31,301,200
Credit cards	18,767,247	17,476,077	18,767,247	17,476,077
Pawning	35,143,437	16,389,557	34,904,612	16,389,557
Staff loans	12,849,787	13,112,448	12,826,752	13,098,664
Housing loans	67,479,687	69,554,603	67,479,687	69,554,603
Personal loans	35,218,343	42,658,801	35,084,954	42,613,882
Term loans	526,940,767	466,877,675	521,285,136	461,656,665
Bills of Exchange	274,317	304,118	274,317	304,118
Sub total	908,086,436	842,120,414	898,690,696	834,836,605
By product - Foreign Currency				
Overdrafts	28,569,226	34,026,879	24,515,144	30,321,807
Trade finance	35,367,529	46,070,743	33,864,105	45,324,464
Lease rental receivable	1,572,676	2,363,319	1,572,676	2,363,319
Credit cards	490,581	485,195	290,415	340,479
Staff loans	471,937	539,257	451,720	528,702
Housing loans	5,299,480	7,142,995	5,299,480	7,142,995
Personal loans	1,293,005	1,504,655	481,469	864,067
Term loans	265,687,360	280,499,335	251,480,486	266,527,382
Bills of Exchange	48,913,112	31,417,423	48,913,112	31,417,423
Sub total	387,664,906	404,049,801	366,868,607	384,830,638
Gross loans and advances to other customers	1,295,751,342	1,246,170,215	1,265,559,303	1,219,667,243

	Group		Bank	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Movement of impairment during the period				
Under Stage 1				
Balance as at January 1,	14,799,919	10,181,101	14,598,587	10,027,938
Charge/(write back) to the Income Statement	(5,278,093)	2,380,186	(5,303,991)	2,389,315
Exchange rate variance on foreign currency provisions	(511,905)	2,238,632	(494,257)	2,181,334
Balance as at December 31,	9,009,921	14,799,919	8,800,339	14,598,587
Under Stage 2				
Balance as at January 1,	28,559,919	19,165,658	28,248,676	18,973,409
Charge/(write back) to the Income Statement	(10,782,914)	8,141,759	(10,715,219)	8,028,839
Exchange rate variance on foreign currency provisions	(355,722)	1,252,502	(351,311)	1,246,428
Balance as at December 31,	17,421,283	28,559,919	17,182,146	28,248,676
Under Stage 3				
Balance as at January 1,	47,317,850	36,000,048	46,377,401	35,065,201
Charge/(write back) to the Income Statement	22,224,852	11,774,774	21,708,929	11,543,632
Net write-off during the period	(136,623)	(3,045,410)	69,927	(2,775,787)
Exchange rate variance on foreign currency provisions	(1,535,544)	3,608,687	(1,526,233)	3,581,147
Interest accrued on impaired loans and advances	(3,512,986)	(1,295,278)	(3,369,908)	(1,216,457)
Other movements	147,446	275,029	(43,269)	179,665
Transfers to non distributable capital reserve	(50,454)	-	-	-
Balance as at December 31,	64,454,541	47,317,850	63,216,847	46,377,401
Total Impairment				
Balance as at January 1,	90,677,688	65,346,807	89,224,664	64,066,548
Charge/(write back) to the Income Statement	6,163,845	22,296,719	5,689,719	21,961,786
Net write-off during the period	(136,623)	(3,045,410)	69,927	(2,775,787)
Exchange rate variance on foreign currency provisions	(2,403,171)	7,099,821	(2,371,801)	7,008,909
Interest accrued on impaired loans and advances	(3,512,986)	(1,295,278)	(3,369,908)	(1,216,457)
Other movements	147,446	275,029	(43,269)	179,665
Transfers to non distributable capital reserve	(50,454)	-	-	-
Balance as at December 31,	90,885,745	90,677,688	89,199,332	89,224,664

ANALYSIS OF COMMITMENTS AND CONTINGENCIES AND IMPAIRMENT
24

As at	Group		Bank	
	31.12.2023 Rs.'000	31.12.2022 Rs.'000	31.12.2023 Rs.'000	31.12.2022 Rs.'000
Gross commitments and contingencies	675,776,516	555,531,537	668,875,778	549,421,699
Impairment on commitments and contingencies				
Accumulated impairment under stage 1	2,605,485	3,857,396	2,601,480	3,832,621
Accumulated impairment under stage 2	915,546	1,605,681	915,546	1,605,681
Accumulated impairment under stage 3	2,565,734	2,449,385	2,565,734	2,449,385
Total Impairment	6,086,765	7,912,462	6,082,760	7,887,687
Gross commitments and contingencies				
By product - Domestic currency				
Contingencies	61,185,698	56,806,385	61,185,698	56,806,385
Guarantees	41,478,697	38,264,711	41,478,697	38,264,711
Bonds	17,915,616	16,778,896	17,915,616	16,778,896
Documentary Credits	775,856	792,352	775,856	792,352
Acceptances	589,264	208,713	589,264	208,713
Bills for collection	426,265	761,713	426,265	761,713
Commitments	131,908,662	102,608,399	131,908,661	102,608,399
Undrawn commitments	127,407,422	100,487,341	127,407,420	100,487,341
Capital commitments	4,501,240	2,121,058	4,501,241	2,121,058
Sub Total	193,094,360	159,414,784	193,094,359	159,414,784
By product - Foreign Currency				
Contingencies	447,142,629	359,275,330	445,983,506	358,429,138
Guarantees	16,639,947	23,299,714	16,624,532	24,032,167
Bonds	21,585,337	56,198,995	20,613,764	55,109,955
Documentary Credits	65,623,852	48,660,954	65,623,852	48,546,705
Forward exchange and Currency Swaps	223,367,055	121,722,586	223,367,053	121,722,586
Acceptances	29,341,335	32,692,926	29,341,335	32,692,926
Bills for collection	88,450,964	73,719,512	88,278,831	73,719,512
Bullion on consignment	27,770	27,429	27,770	27,429
Other Contingencies	2,106,369	2,953,214	2,106,369	2,577,858
Commitments	35,539,527	36,841,423	29,797,913	31,577,777
Undrawn commitments	35,394,512	36,684,519	29,797,913	31,577,777
Capital commitments	145,015	156,904	-	-
Sub Total	482,682,156	396,116,753	475,781,419	390,006,915
Total	675,776,516	555,531,537	668,875,778	549,421,699

ANALYSIS OF COMMITMENTS AND CONTINGENCIES AND IMPAIRMENT (Contd...)
25

	Group		Bank	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Movement of impairment during the period				
Under Stage 1				
Balance as at January 1,	3,857,396	2,090,696	3,832,621	2,082,029
Charge/(write back) to the Income Statement	(1,103,146)	1,564,590	(1,085,126)	1,556,600
Exchange rate variance on foreign currency provisions	(148,765)	202,110	(146,015)	193,992
Balance as at December 31,	2,605,485	3,857,396	2,601,480	3,832,621
Under Stage 2				
Balance as at January 1,	1,605,681	814,948	1,605,681	814,948
Charge/(write back) to the Income Statement	(664,771)	687,280	(664,771)	687,280
Exchange rate variance on foreign currency provisions	(25,364)	103,453	(25,364)	103,453
Balance as at December 31,	915,546	1,605,681	915,546	1,605,681
Under Stage 3				
Balance as at January 1,	2,449,385	2,459,923	2,449,385	2,459,923
Charge/(write back) to the Income Statement	116,349	(55,814)	116,349	(55,814)
Exchange rate variance on foreign currency provisions	-	45,276	-	45,276
Balance as at December 31,	2,565,734	2,449,385	2,565,734	2,449,385
Total Impairment				
Balance as at January 1,	7,912,462	5,365,567	7,887,687	5,356,900
Charge/(write back) to the Income Statement	(1,651,568)	2,196,056	(1,633,548)	2,188,066
Exchange rate variance on foreign currency provisions	(174,129)	350,839	(171,379)	342,721
Balance as at December 31,	6,086,765	7,912,462	6,082,760	7,887,687

ANALYSIS OF DEPOSITS

As at	Group		Bank	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
By product - Domestic Currency				
Current account deposits	92,053,878	86,197,384	92,063,554	86,197,776
Savings deposits	435,697,870	362,455,763	435,725,565	362,666,802
Time deposits	876,822,733	794,859,320	871,780,472	791,034,117
Certificates of deposit	3,501	22,302	3,501	22,302
Sub Total	1,404,577,982	1,243,534,769	1,399,573,092	1,239,920,997
By product - Foreign Currency				
Current account deposits	159,055,408	132,032,767	136,361,340	105,720,231
Savings deposits	166,727,769	191,459,487	153,857,828	179,730,080
Time deposits	417,545,699	410,716,638	395,253,889	388,988,186
Sub Total	743,328,876	734,208,892	685,473,057	674,438,497
Total	2,147,906,858	1,977,743,661	2,085,046,149	1,914,359,494

GENERAL**NAME OF COMPANY**

Commercial Bank of Ceylon PLC

COMPANY REGISTRATION NUMBER

PQ116

LEGAL FORM

A public limited liability company incorporated in Sri Lanka on June 25, 1969 under the Companies Ordinance No. 51 of 1938 and quoted in the Colombo Stock Exchange in March 1970. The Company was re-registered under the Companies Act No.7 of 2007. A licensed Commercial Bank under the Banking Act No.30 of 1988.

ACCOUNTING YEAR END

December 31

TAX PAYER IDENTIFICATION NUMBER (TIN)

124006007

REGISTERED OFFICE

"Commercial House",
No. 21, Sir Razik Fareed Mawatha,
P.O. Box 856,
Colombo 1, Sri Lanka.
Telephone (General):
+94 11 248 6000-5 (5 lines), 4486000,
7486000,5486000
SWIFT Code-Sri Lanka : CCEYLKX
SWIFT Code-Bangladesh : CCEYBDDH
E-mail : info@combank.net
Website : <http://www.combank.lk>

HEAD OFFICE

"Commercial House",
No. 21, Sir Razik Fareed Mawatha,
P.O. Box 856,
Colombo 1, Sri Lanka.

STOCK EXCHANGE LISTING

The Ordinary Shares and the Unsecured Subordinated Redeemable Debentures of the Bank are listed on the Colombo Stock Exchange.

COMPLIANCE OFFICER

Ms. A. V. P. K. T. Amarasinghe
Assistant General Manager - Compliance

CREDIT RATINGS

Sri Lanka Operation
A(lka) (outlook stable) by Fitch Ratings Lanka Limited in october 2023.

Bangladesh Operation

AAA was re-affirmed by Credit Rating Information & Services Limited in June 2023.

PROFESSIONAL EXPERTISE**LAWYERS**

Messrs Julius & Creasy,
No. 371, R. A. de Mel Mawatha,
Colombo 3, Sri Lanka.

AUDITORS

Messrs Ernst & Young
Chartered Accountants,
Rotunda Towers, No. 109, Galle Road,
Colombo 03, Sri Lanka.

REGISTRARS

Messrs S S P Corporate Services (Private) Limited,
No. 101, Inner Flower Road,
Colombo 3, Sri Lanka.
Telephone: 011-2573894, 011-2576871
Facsimile: 011-2573609
E-mail: sspsec@sltnet.lk

SUBSIDIARIES AND ASSOCIATE**LOCAL SUBSIDIARIES**

Commercial Development Company PLC
CBC Tech Solutions Limited
CBC Finance Limited
Commercial Insurance Brokers (Pvt) Ltd.

FOREIGN SUBSIDIARIES

Commercial Bank of Maldives Private Limited
CBC Myanmar Microfinance Company Limited
Commex Sri Lanka S.R.L - Italy (In the process of voluntary liquidation)

ASSOCIATE

Equity Investments Lanka Ltd.

BOARD OF DIRECTORS & COMPANY SECRETARY**BOARD OF DIRECTORS**

Prof. A. K. W. Jayawardane - Chairman
Mr. Sharhan Muhseen - Deputy Chairman
Mr. S. C. U. Manatunge - Managing Director/Chief Executive Officer
Mr. S. Prabagar - Chief Operating Officer
Mr. L. D. Niyangoda
Ms. N. T. M. S. Cooray
Ms. Judy Lee
Mr. Raja Senanayake
Ms. D. L. T. S. Wijewardena
Dr. S. Selliah
Mr. D. N. L. Fernando
Mr. P. M. Kumarasinghe

COMPANY SECRETARY

Mr. R. A. P. Rajapaksha