

NATIONAL SAVINGS BANK

FINANCIAL STATEMENTS

(SL) AAA

For the Year ended 31st December 2022

INCOME STATE	MENT (AU	DITED)			
	В	ank	Gre	oup	
For the year ended 31st December 2022	2022 Rs. '000	2021 Rs. '000	2022 Rs. '000	2021 Rs. '000	
Income	174,557,152	134,939,422	175,003,990	136,059,789	
Interest income	172,940,351	131,438,283	175,769,899	133,342,449	
Interest expenses	(140,477,402)	(76,808,674)	(142,166,248)	(77,560,111)	
Net interest income	32,462,949	54,629,609	33,603,651	55,782,338	
Fee and commission income	2,199,781	3,050,649	2,207,079	3,058,444	
Fee and commission expenses	(259,570)	(207,676)	(262,004)	(210,604	
Net fee and commission income	1,940,211	2,842,973	1,945,075	2,847,840	
Net gains/(losses) from trading	(971,434)	(96,226)	(3,489,830)	(711,612	
Net fair value gains/(losses)	(011,101)	(00,220)	(0,100,000)	(, 11,012	
financial assets at fair value through profit or loss	_		_	_	
financial liabilities at fair value through profit or loss				_	
Net gains/(losses) on derecognition of financial assets					
at fair value through profit or loss		_		_	
at amortised cost	(18,289)		(18,289)	_	
at fair value through other comprehensive income	(7,913)	28,269	(7,913)	28,269	
Net other operating income	414,656	518,447	543,045	342,239	
Total operating income	33,820,181	57,923,072	32,575,739	58,289,074	
Impairment charges	(4,862,198)	(4,304,444)	(4,935,391)	(4,228,450	
Net operating income	28,957,983	53,618,628	27,640,348	54,060,624	
Personnel expenses	(13,790,520)	(12,970,355)	(14,117,672)	(13,229,242	
Depreciation and amortization expenses	(1,414,697)	(1,385,835)	(1,431,867)	(1,401,623	
Other expenses	(5,990,018)	(4,718,673)	(6,352,583)	(4,771,613	
Operating profit/(loss) before VAT and SSCL on financial services	7,762,747	34,543,765	5,738,226	34,658,146	
Value Added Tax (VAT) on financial services	(3,185,879)	(6,162,351)	(3,326,549)	(6,233,194	
Social Security Contribution Levy (SSCL) on financial services	(67,259)	-	(72,067)	-	
Operating profit/(loss) after VAT and SSCL on financial services	4,509,609	28,381,414	2,339,610	28,424,952	
Share of profits of associates and joint ventures	-	-	-	-	
Profit/(loss) before tax	4,509,609	28,381,414	2,339,610	28,424,952	
Income tax expenses	(1,979,942)	(6,261,790)	(1,390,619)	(6,294,134	
Profit/(loss) for the year	2,529,667	22,119,624	948,991	22,130,818	
Profit attributable to:					
Equity holders of the Bank	2,529,667	22,119,624	948,991	22,130,818	
Non-controlling interests	-	-	-	-	
Earnings per share on profit					
Basic earnings per ordinary share Rs .	2.69	23.53	1.01	23.54	
Diluted earnings per ordinary share Rs.	2.69	23.53	1.01	23.54	
37 1 1/				23.34	
STATEMENT OF COMPRES			AUDITED)		
		ank		oup	
For the year ended 31st December 2022	2022 Rs. '000	2021 Rs. '000	2022 Rs. '000	2021 Rs. '000	
Profit / (Loss) for the year	2,529,667	22,119,624	948,991	22,130,818	
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STATEMENT OF COMPREHE	ENSIVE II	NCOME (A	AUDITED)		
	Ba	nk	Group		
For the year ended 31st December 2022	2022 Rs. '000	2021 Rs. '000	2022 Rs. '000	2021 Rs. '000	
Profit / (Loss) for the year	2,529,667	22,119,624	948,991	22,130,818	
Items that will be reclassified to Income Statement					
Exchange differences on translation of foreign operations Net gains/(losses) on cash flow hedges Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	- - -	-	- - -	
Share of profits of associates and joint ventures Debt instruments at fair value through other comprehensive Income	(658,872)	(432,450)	(596,547)	(578,542	
Net gains/(losses) on investment in debt instruments transferred to	7,913	(28,269)	7,913	(28,269	
income statement	· ·	. , ,	<i>'</i>		
Deferred tax effect on the above	220,995	111,863	220,995	111,863	
Total other comprehensive income to be reclassified to Income Statement	(429,964)	(348,856)	(367,638)	(494,948	
Items that will not to be reclassified to Income Statement Change in fair value on investments in equity instruments designated at fair value through other comprehensive income Change in the fair value atributable to change in the Bank's own credit risk	(581,536)	125,410	(643,881)	152,594	
on financial liabilities designated at fair value through profit or loss	-	-	-	-	
Re-measurement of post-employment benefit obligations Deferred Tax effect on the above	(880,529) 1,225,071	3,335,147 (1,299,365)	(882,050) 1,225,071	3,327,395 (1,299,365	
Re-measurement of post-employment benefit obligations (net of taxes)	344,542	2,035,782	343,021	2,028,030	
Change in Revaluation Reserve	(555 504)	-	(555 504)		
Deferred tax effect on the above Changes in revaluation surplus (net of taxes) Share of profits of associates and joint ventures	(555,724) (555,724)	371,032 371,032	(555,724) (555,724)	371,032 371,032	
Total other comprehensive income not to be reclassified to Income Statement	(792,718)	2,532,224	(856,584)	2,551,656	
Total other comprehensive income (OCI) for the year, net of taxes	(1,222,682)	2,183,367	(1,224,223)	2,056,709	
Total comprehensive income for the year	1,306,985	24,302,991	(275,232)	24,187,527	
Attributable to: Equity holders of the Bank Non-controlling interests	1,306,985	24,302,991	(275,232)	24,187,527	

2. The comparable information is re-classified as wherever necessary to compare with the current year's classification in order to provide a better presentation.

Balance as at 31.12.2022

3. Impairment Assessment
All the Corporate clients were assessed individually based on their historical payment patterns, economic recession impact to their sectors and expected recovery of the sector, financial strength of the entity, government and CBSL support, and other holistic factors. Based on the assessment some borrowers were moved from stage one to stage two and some borrowers were moved from stage two to stage three (due to expected cashflow impairment) despite of their past due status.

The portfolio level impairment assessment was carried out for the individual borrowers. However, in some scenarios' management judgment was used to assess the reasonableness of the customer request for prolonged

STATEMENT OF FINANCIAL POSITION (AUDITED)										
	Bank Group									
	As at As at 31.12.2022 31.12.2021 31.12.2022			As at 31.12.2021						
	Rs. '000	Rs. '000	Rs. '000	Rs. '000						
Assets										
Cash and cash equivalents	8,734,069	7,656,038	8,782,807	7,721,532						
Balances with Central Bank	236,480	· · ·	236,696	7						
Placements with banks	10,466,409	7,120,698	11,034,246	9,323,663						
Derivative financial instruments	28,172	-	35,392	-						
Financial assets recognized through profit or loss		40 550		40.000.480						
measured at fair value	14,173,948	19,572,933	23,236,848	40,392,152						
designated at fair value Financial assets at amortised cost	-	-	-	-						
Loans and Advances	553,027,321	538,941,789	553,052,170	538,600,866						
Debt and other instruments	919,129,377	935,350,052	927,916,442	940,536,328						
Financial assets measured at fair value through other comprehensive income	27,662,763	13,817,594	28,252,212	15,993,803						
Investments in subsidiaries	7,311,000	4,811,000	-	-						
Investments in associates and joint ventures	-	-	-	-						
Property, plant and equipment	14,755,775	15,045,618	15,645,732	15,949,505						
Right of used assets	1,213,649	1,205,916	1,246,383	1,244,138						
Investment properties			204,977	210,577						
Goodwill and intangible assets	747,248	816,058	752,221	821,420						
Deferred tax assets Other assets	2,892,984 56,306,931	1,104,779 33,655,272	3,663,879 56,576,713	1,105,653 33,905,753						
Total assets	1,616,686,128	1,579,097,748	1,630,636,718	1,605,805,398						
Total assets	1,010,000,120	1,010,001,110	1,000,000,110	1,000,000,000						
Liabilities										
Due to banks	4,086,731	7,686,553	12,711,256	10,470,191						
Derivative financial instruments	-	-	-	-						
Financial liabilities recognized through profit or loss										
measured at fair value	-		-	-						
designated at fair value through profit or loss Financial liabilities at amortised cost	-	-	-	-						
due to depositors	1,476,739,818	1,428,467,385	1,475,808,557	1,426,724,704						
due to debt securities holders	-,,,	-,,,	-	-,,,						
due to other borrowers	16,766,044	7,719,532	18,889,245	27,087,920						
Lease liability	1,377,229	1,292,139	1,414,959	1,333,623						
Debt securities issued	23,778,255	37,529,017	23,851,810	37,618,575						
Retirement benefit obligations	12,488,912	8,590,642	12,547,851	8,637,425						
Current tax liabilities Deferred tax liabilities	2,760,857	4,596,190	2,943,314 4,155	4,914,918 1,939						
Other provisions	-		4,133	1,333						
Other liabilities	5,796,053	7,200,032	6,075,889	7,566,892						
Due to subsidiaries	-	3,500	-	, , , ₋						
Total liabilities	1,543,793,899	1,503,084,991	1,554,247,037	1,524,356,185						
Equity										
Stated capital/Assigned capital	9,400,000	9,400,000	9,400,000	9,400,000						
Statutory reserve fund	5,224,842	5,174,249	5,281,952	5,209,101						
OCI reserve	(1,669,876)	(658,376)	(1,765,659)	(754,140)						
Retained earnings	11,359,152	13,727,801	13,589,101	17,918,992						
Other reserves	48,578,110	48,369,082	49,884,287	49,675,259						
Total shareholders' equity	72,892,229	76,012,757	76,389,681	81,449,213						
Non-controlling interests	-	-	-	-						
Total equity	72,892,229	76,012,757	76,389,681	81,449,213						
Total equity and liabilities	1,616,686,128	1,579,097,748	1,630,636,718	1,605,805,398						
Contingent liabilities and commitments	14,416,802	13,023,207	14,617,867	13,027,749						
Memorandum Information										
Number of Employees	4,528	4,616								
Number of Branches	262	261								
Note: Amounts stated are in net of impairment and depreciation.										

debt moratorium or deferment. The borrowers were allocated between stages based on their sector and management judgement. Based on the assessment some borrowers were moved from stage two to stage two to stage two to stage three due to expected cashflow impairment.

13,589,101

42,951,306

76,389,681

4. Surcharge Tax

In terms of provision of the Surcharge Tax Act No.14 of 2022, The group is liable to pay surcharge tax at the rate of 25 percent on the taxable income of the year of assessment 2020/2021 amounting to Rs. 5,524 Mn and since this is related to the previous year, this has been adjusted as a prior year adjustment in the Financial Statements as at 31.12,2022. The tax under this Act shall be deemed to be an expenditure in the financial statements relating to the year of assessment 2020/2021 and no deduction is granted in calculating Income Tax and VAT on Financial Services for the payment of Surcharge Tax.

	S'.	TATEMENT OF (CHANGES IN E	OUITY - BANK	(AUDITED)			
					,			In Rupees Thousand
For the year ended 31.12.2021	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2021	9,400,000	4,068,268	6,678,568	(434,929)	-	14,399,572	20,302,421	54,413,901
Total comprehensive income for the year								
Net profit for the year	-	-	-	-	-	22,119,624	-	22,119,624
Other comprehensive income net of tax	-	-	-	-	-	2,035,782	-	2,035,782
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income				(348,856)				(348,856)
Net change in fair value of equity instrument of Fair Value	-	-	-	(348,838)	-	-	-	(348,838)
through Other Comprehensive Income	_	_	<u>-</u>	125,410	_	-	_	125,410
Net change in Revaluation Reserve	-	-	371,032	-	_	-	-	371,032
Total comprehensive income for the year	-	-	371,032	(223,446)	-	24,155,406	-	24,302,991
Transactions with equity holders, recognised directly in equity								
Transfers to unclaimed deposits reserve	-	-	-	-	-	-	1,017,061	1,017,061
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	(3,500,000)	-	(3,500,000)
Contribution to national insurance trust fund Transfers during the year	-	1.105.981	-	-	-	(221,196) (21,105,981)	20.000.000	(221,196)
Total transactions with equity holders	+	1,105,981	-	-	-	(21,105,981)	20,000,000	(2,704,135)
	-		-	-	-	` ' ' '	, ,	`` ' '
Balance as at 31.12.2021	9,400,000	5,174,249	7,049,600	(658,376)		13,727,801	41,319,482	76,012,757 In Rupees Thousand
For the year ended 31.12.2022	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity
Balance as at 1st January 2022	9,400,000	5,174,249	7,049,600	(658,376)	-	13,727,801	41,319,482	76,012,757
Prior year adjustments	-	-	-	-	-	(5,166,968)	-	(5,166,968)
Re-stated opening balance	9,400,000	5,174,249	7,049,600	(658,376)	-	8,560,833	41,319,482	70,845,789
Total comprehensive income for the year								
Net profit for the year	-	-	-	-	-	2,529,667	-	2,529,667
Other comprehensive income net of tax	-	-	-	-	-	344,542	-	344,542
Net change in fair value of debt instrument of Fair Value								
through Other Comprehensive Income	-	-	-	(429,964)	-	-	-	(429,964)
Net change in fair value of equity instrument of Fair Value								
through Other Comprehensive Income	-	-	-	(581,536)	-	-	-	(581,536)
Net change in Revaluation Reserve	-	-	(555,724)	-	-	-	-	(555,724)
Total comprehensive income for the year	-	-	(555,724)	(1,011,500)	-	2,874,209	-	1,306,985
Transactions with equity holders, recognised directly in equity								
			1		_	- 1	764,753	764,753
Transfers to unclaimed deposits reserve / issued share capital	-	-	-					
Transfers to unclaimed deposits reserve / issued share capital Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	-	-	-
			-	-	-	- (25,297)	-	(25,297)
Contribution to the consolidated fund-Dividend/Levy	-	50,593	-	-	-	(25,297) (50,593)	- - -	(25,297)
Contribution to the consolidated fund-Dividend/Levy Contribution to national insurance trust fund	-	50,593 50,593	- - - -	-			764,753	(25,297) - 739,456

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	C/T	AMENIENT OF C	HANGES IN EC	NITEN CROID	(AIDIMED)						
	81.	ATEMENT OF C	HANGES IN EQ	JUITY - GROUP	(AUDITED)						
In Rupees Thousand											
For the year ended 31.12.2021	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity			
Balance as at 1st January 2021	9,400,000	4,090,363	7,117,674	(411,786)	-	18,601,588	21,167,980	59,965,821			
Total comprehensive income for the year											
Net profit for the year	_	-	-	-	-	22,130,818	-	22,130,818			
Other comprehensive income net of tax	-	-	-	-	-	2,028,031	-	2,028,031			
Net change in fair value of debt instrument of Fair Value											
through Other Comprehensive Income	-	-	-	(494,948)	-	-	-	(494,948)			
Net change in fair value of equity instrument of Fair Value											
through Other Comprehensive Income	-	-	-	152,594	-	-	-	152,594			
Net change in Revaluation Reserve	-	-	371,032	-	-	-	-	371,032			
Total comprehensive income for the year	-	-	371,032	(342,354)	-	24,158,849	-	24,187,527			
Transactions with equity holders, recognised directly in equity											
Transfers to unclaimed deposits reserve	-	-	-	-	-	-	1,017,061	1 ,017,061			
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	(3,500,000)	-	(3,500,000)			
Contribution to national insurance trust fund	-		-	-	-	(221,196)		(221,196)			
Transfers during the year	-	1,118,738	-	-	-	(21,120,251)	20,001,512	-			
Total transactions with equity holders	-	1,118,738	-	-	-	(24,841,447)	21,018,573	(2,704,135)			
Balance as at 31.12.2021	9,400,000	5,209,101	7,488,706	(754,140)	-	17,918,992	42,186,553	81,449,213			
								In Rupees Thousand			
For the year ended 31.12.2022	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserve	Total Equity			
Balance as at 1st January 2022	9,400,000	5,209,101	7,488,706	(754,140)	-	17,918,992	42,186,553	81,449,213			
Prior year adjustments	-	-	-	-	-	(5,523,755)	-	(5,523,755)			
Re-stated opening balance	9,400,000	5,209,101	7,488,706	(754,140)	-	12,395,237	42,186,553	75,925,458			
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	948,991	-	948,991			
Other comprehensive income net of tax	-	-	-	-	-	343,021	-	343,021			
Net change in fair value of debt instrument of Fair Value through Other Comprehensive Income				(367,638)				(367,638)			
Net change in fair value of equity instrument of Fair Value	-	-	-	(367,638)	-	-	-	(367,638)			
through Other Comprehensive Income				(643,881)				(643,881)			
Net change in Revaluation Reserve			(555,724)	(043,881)				(555,724)			
Total comprehensive income for the year	_	_	(555,724)	(1,011,519)	_	1,292,012	-	(275,232)			
Transactions with equity holders, recognised directly in equity			(555,121)	(1,011,010)		1,202,312	_	(2.0,202)			
Transfers to unclaimed deposits reserve / issued share capital	_	_	-	_	_	_	764,753	764,753			
Contribution to the consolidated fund-Dividend/Levy	_	_	_	_	_	_	-	-			
Contribution to national insurance trust fund	-	_	-	_	-	(25,297)	-	(25,297)			
Transfers during the year	1			l .	1		1				
		72,851	-	-	-	(72,851)	-				
Total transactions with equity holders	-	72,851 72,851	<u> </u>	-	-	(72,851) (98,148)	764,753	739,456			

6,932,982

9,400,000

5,281,952

(1,765,659)



Sub total

Total

NATIONAL SAVINGS BANK

FINANCIAL STATEMENTS

For the Year ended 31st December 2022

(SL)AAA

	-				d 31 st December 2022				
ANALYSIS OF FINANCIAL INSTR	RUMENTS (ON MEAS	UREMENT	BASIS	ANALYSIS OF FINANCIAL INSTRU	UMENTS O	N MEASU	REMENT	BASIS
a. Bank - as at 31.12.2022 (Audited)			1		c. Group - as at 31.12.2022 (Audited)	10	TYPY I	TIVOCI	m . I
In Rupees Thousand ASSETS	AC	FVPL	FVOCI	Total	In Rupees Thousand ASSETS	AC	FVPL	FVOCI	Total
Cash and cash equivalents Balances with Central Bank	8,734,069 236,480	-	-	8,734,069 236,480	Cash and cash equivalents Balances with Central Bank	8,782,807 236,696	-	-	8,782,807 236,696
Placements with banks Derivative financial instruments	10,466,409	28,172	-	10,466,409 28,172	Placements with banks Derivative financial instruments	11,034,246	35,392	-	11,034,246 35,392
Loans and advances Debt instruments	553,027,321	-	25 249 041	553,027,321	Loans and advances Debt instruments Equity instruments	553,052,170 927,916,442	21,280,010 1,956,839	25,833,465 2,418,746	553,052,170 975,029,917 4,375,585
Equity instruments	919,129,377	12,217,110 1,956,839	25,348,941 2,313,822	956,695,428 4,270,660		1,501,022,360	23,272,240		1,552,546,812
Total financial assets	1,491,593,656	14,202,120	27,662,763	1,533,458,540	In Rupees Thousand		AC	FVPL	Total
In Rupees Thousand LIABILITIES		AC	FVPL	Total	LIABILITIES				
Due to banks Derivative financial instruments		4,086,731	-	4,086,731	Due to banks Derivative financial instruments Financial liabilities		12,711,256	-	12,711,256 -
Financial liabilities - due to depositors		1,476,739,818	_	1,476,739,818	 due to depositors due to debt securities holders 		1,475,808,557	-	1,475,808,557
- due to debt securities holders - due to other borrowers		16,766,044	-	16,766,044	- due to other borrowers Debt securities issued		18,889,245 23,851,810	-	18,889,245 23,851,810
Debt securities issued		23,778,255	-	23,778,255	d. Group - as at 31.12.2021 (Audited)		1,531,260,868	-	1,531,260,868
Total financial liabilities b. Bank - as at 31.12.2021 - (Audited)		1,521,370,848	-	1,521,370,848	In Rupees Thousand	AC	FVPL	FVOCI	Total
In Rupees Thousand	AC	FVPL	FVOCI	Total	ASSETS	AC	FVPL	FVOCI	Total
ASSETS Cash and cash equivalents	7,656,038			7,656,038	Cash and cash equivalents Balances with Central Bank	7,721,532 7	-	-	7,721,532 7
Balances with Central Bank Placements with banks	-	-	-	-	Placements with banks Derivative financial instruments Loans and advances	9,323,663	-	-	9,323,663
Derivative financial instruments	7,120,698	-	-	7,120,698	Debt instruments Equity instruments	538,600,866 940,536,328	38,062,172 2,329,980	12,931,250 3,062,553	538,600,866 991,529,750 5,392,533
Loans and advances Debt instruments	538,941,789 935,350,052	17,242,953	10,922,236	538,941,789 963,515,242	Total financial assets	1,496,182,396	40,392,152		1,552,568,350
Equity instruments Total financial assets	1,489,068,577	2,329,980 19,572,933	2,895,358 13,817,594	5,225,338 1,522,459,104	In Rupees Thousand		AC	FVPL	Total
In Rupees Thousand	1,100,000,011	AC	FVPL	Total	LIABILITIES Due to banks		10,470,191	_	10,470,191
LIABILITIES					Derivative financial instruments Financial liabilities		-	-	· · ·
Due to banks Derivative financial instruments		7,686,553	-	7,686,553	- due to depositors - due to debt securities holders		1,426,724,704	-	1,426,724,704
Financial liabilities - due to depositors		1,428,467,385	-	1,428,467,385	- due to other borrowers Debt securities issued		27,087,920 37,618,575	-	27,087,920 37,618,575
due to debt securities holdersdue to other borrowers		7,719,532	-	7,719,532	Total financial liabilities		1,501,901,390	-	1,501,901,390
Debt securities issued		37,529,017	-	37,529,017	CASH FLOW STAT				
Total financial liabilities		1,481,402,487	-	1,481,402,487		2022	ank 2021	2022	oup 2021
AC - Financial assets / liabilities measured at a FVPL - Financial assets / liabilities measured at fi		h profit or loss	5		For the Year ended December 31 Cash flows from operating activities	Rs. '000	Rs. '000	Rs. '000	Rs. '000
FVOCI - Financial assets / liabilities measured at fa	air value throug	h other compr	ehensive incom	ie	Interest payments	157,730,789 (106,467,959)	132,863,575 (75,265,118)	160,184,287 (107,964,314)	134,736,715 (75,971,651)
ANALYSIS OF LOANS & ADVAN			ENT (AUD	ITED)	Net commission receipts Trading income	1,940,211 604,677	2,842,973 614,665	1,945,075 (1,451,632)	2,847,840 662,488
AS AT	31.12.2022				Payment to employees VAT & SSCL on financial services	(15,326,878) (2,921,186)	(11,591,122) (6,355,337)	(15,627,914) (3,052,866)	(11,852,427) (6,590,152)
	Ba	nk	Gro	oup	Receipts from other operating activities Payment on other operating activities	315,602 (5,955,251)	237,873 (4,510,411)	435,836 (6,318,723)	308,147 (4,564,223)
In Rupees Thousand	As at 31.12.2022	As at 31.12.2021	As at 31.12.2022	As at 31.12.2021	Operating profit before change in operating assets & liabilities	29,920,005	38,837,098	28,149,749	39,576,736
	0111212022		V1/12/2022		(Increase) / decrease in operating assets Placement with banks	(3,323,523)		(1,515,758)	
Productwise Gross loans and advances					Derivative financial instruments Financial assets at FVPL	(15,773) 4,057,889	(8,989,495)	(15,773) 15,380,741	29,801 (18,026,283)
By product - Domestic currency Lease rental and hire purchase receivable	-	-	172,973	276,606	Financial assets at amortised cost - loans & advances Financial assets at amortised cost - Debt & Other Instruments Proceeds from the sale and maturity of financial investments	(12,868,207) 23,489,440		(13,296,497) 20,080,005	(87,586,523) (120,882,521)
Term loans Pawning	474,005,741 74,389,506	475,958,353 52,193,260	474,974,731 74,389,569	477,719,364 52,195,389	Other assets	(23,508,621)		(23,524,364)	(11,308,450)
Other loans Loan to Government	2,075,000	2,075,000	2,075,000	2,075,000	Increase/(decrease) in operating liabilities	(3,526,250)		(2,891,648) 2,309,185	(229,913,950) (2,793,759)
Securities purchased under resale agreements	739,728	5,530,553	818,424	4,334,138	Due to bank Derivative financial instruments Financial liabilities at amortised cost-due to depositors	16,036,697		16,626,285	190,266,099
Staff loans Sub Total	14,867,179 566,077,154	13,348,092 549,105,259	15,194,107 567,624,804	13,641,981 550,242,478	Financial liabilities at amortised cost-due to debt securities holders Financial liabilities at amortised cost-due to other borrowers	8,615,033	(460,533)	(8,594,251)	7,358,686
By product - Foreign currency					Debt securities issued Other liabilities	(13,677,000) 4,355,972		(13,692,321) 4,240,331	11,541,000 618,840
Term loans	4,178,581	1,806,750	4,178,581	1,806,750	No color constant from constant activities before income	11,804,452		889,229	206,990,866
Gross loans and advances	570,255,736	550,912,009	571,803,385	552,049,228	Net cash generated from operating activities before income tax Income tax paid	29,555,661 (9,880,107)		26,147,331 (10,551,646)	(3,046,406)
Gross loans & advances Less: Accumulated impairment under stage 1	570,255,736 (4,691,568)	550,912,009 (3,515,327)	571,803,385 (4,713,720)	552,049,228 (3,597,035)	Net cash (used in)/from operating activities	19,675,554	11,903,831	15,595,685	13,610,247
Accumulated impairment under stage 2	(2,623,411)	(2,150,965)	(2,666,511)	(2,168,833)	Cash flows from investing activities Purchase of property, plant and equipment	(558,740)	(461,960)	(562,353)	(490,543)
Accumulated impairment under stage 3 Net value of loans & advances	(9,913,436) 553,027,321	(6,303,928)	(11,370,985) 553,052,170	(7,682,494) 538,600,866	Proceeds from the sale of property, plant and equipment Net (increase)/decrease in finance instruments at fair value through other	3,045	,	14,432	7,736
Net value of loans & auvances	333,027,321	330,941,709	333,032,170		comprehensive income Net Purchase / improvements to Investment Properties Proceeds from the sale and maturity of financial investments	(14,402,860)	909,103	(12,850,581) 7,510	(544,756) 26,500
Movement of Impairment during the year					Net purchase of intangible assets Net cash flow from acquisition of investment in subsidiaries and associates	(370,093) (2,500,000)	-	(372,543)	(460,828) -
Under Stage 1 Opening balance	3,515,327	2,948,093	3,597,035	3,059,041	Dividends received from investment in subsidiaries and associates Net cash (used in)/from investing activities	(17,828,648)	250,000 241,604	(13,763,534)	1,461,890
Charge/(Write back) to Income Statement	1,176,241	567,234	1,116,685	537,994	Cash flows from financing activities	_	_	-	
Closing balance at	4,691,568	3,515,327	4,713,720	3,597,035	Net proceeds from the issue of ordinary share capital Net proceeds from the issue of subordinated debt Repayment of subordinated debt	-	(6,000,000)		(6,032,140)
Under Stage 2 Opening balance	2,150,965	897,811	2,168,833	973,686	Interest paid on subordinated debt Contribution to consolidated fund-dividend/levy	(541,660)	(1,229,984) (3,500,000)	(542,342)	(1,242,812) (3,500,000)
Charge/(Write back) to Income Statement	472,446	1,253,154	497,678	1,195,147	Net cash from financial activities Net increase/(decrease) in cash & equivalents	(541,660) 1,305,246		(542,342) 1,289,809	(10,774,951) 1,373,405
Closing balance at	2,623,411	2,150,965	2,666,511	2,168,833	Cash and cash equivalents at the beginning of the year Exchange difference in respect of cash & cash equivalent	7,589,511		7,653,712	6,280,307
Under Stage 3	c 202 020	5 145 010	7 600 404	6 590 010	Cash and cash equivalents at the end of the Period	8,894,757	7,589,511	8,943,521	7,653,712
Opening balance Charge/(Write back) to Income Statement	6,303,928 3,655,413	5,145,919 1,201,801	7,682,494 3,767,466	6,538,919 1,211,257	SELECTED PERFORMANCE INDICATO	RS (AS PEI	R REGULA	TORY REF	PORTING)
Write off during the period	(45,906)	(43,792)	(56,585)	(43,792)	Item		As at 31.12.2021		oup As at 31.12.2021
Other movements Closing balance at	9,913,436	6,303,928	(22,390) 11,370,985	(23,891) 7,682,494	Regulatory Capital Adequacy (LKR in Thousand) Common Equity Tier 1	50,531,185	60,170,042	58,439,855	65,194,031
Total Impairment	17,228,415	11,970,220	18,751,216	13,448,362	Core (Tier 1) Capital Total Capital Base	55,531,185 63,346,963		63,439,855 70,727,947	70,194,031 77,370,432
ANALYSIS OF D	EPOSITS (A	AUDITED)			Regulatory Capital Ratios (%) Common Equity Tier 1 Capital (%) (Minimum Requirement - 6.5%) Tier 1 Capital Ratio (%) (Minimum Requirement - 8.00%)	14.357 15.778		16.492 17.903	18.538 19.960
	31.12.2022				Total Capital Ratio (%) (Minimum Requirement - 12.00%) Leverage Ratio (Minimum Requirement - 3.00%)	17.999 7.43	20.828	17.903 19.959 8.14	22.001 8.95
	Bar	nk	Gro	oup	Regulatory Liquidity Statutory Liquid Assets (LKR in Thousand)	578,088,976		0.14 NR	o.93 NR
	As at 31.12.2022	As at 31.12.2021	As at 31.12.2022	As at 31.12.2021	Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%) Domestic Banking Unit (%)	40.62		NR	NR
In Rupees Thousand	U.1.2.2022		J.1.2010V66		Off-Shore Banking Unit (%) Total Stock of High Quality Liquid Assets (All Currency LKR in Thousand)	NR 559,128,187	NR	NR NR NR	NR NR NR
By product - Domestic currency Demand deposits (current accounts)	-	-	-	-	Liquidity Coverage Ratio (%) - (Minimum Requirement - 2022-90%, 2021-100%) Rupee (%)	195.54	240.84	NR NR	NR NR
Savings deposits	257,569,078	320,887,366	257,701,184	321,436,209	All Currency (%) Net Stable Funding Ratio (%) -(Minimum Requirement - 2022-90 %, 2021-100 %) Assets Quality (Quality of Loan Portfolio)	193.49 180.51		NR NR	NR NR
Fixed deposits Sub Total	1,192,620,725 1,450,189,803	1,091,917,585 1.412.804.951	1,191,557,357 1,449,258,541	1,089,626,061 1,411,062,270	Impaired Loans (Stage 3) Ratio (%) (Net of Stage 3 impairement) Impairement (Stage 3) to Stage 3 Loans Ratio (%)	2.83 38.74		NR NR	NR NR
By product - Foreign currency	1,100,100,003	1,112,0UT,UI	1,110,200,041	1,111,002,210	Profitability Interest Margin (%) Return on Assets (before Tax), (%)	2.03 0.28		2.08 0.14	3.73 1.90
Demand deposits (current accounts)	-	-	-	-	Return on Assets (before Tax), (%) Return on Equity (%)	3.40		1.20	31.30
Savings deposits	6,970,349	4,732,796	6,970,349	4,732,796	Note: NR - Not Relevant	(a) The -1 -	omente here 1.	mared in ac 1	with the format and

15,662,434

26,550,015

15,662,434

1,476,739,818 1,428,467,385 1,475,808,557 1,426,724,704

26,550,015

I certify that the above Financial Statements give a true and fair view of the State of Affairs of the Bank and its subsidiaries as at $31^{\rm St}$ December 2022 and the profits for the year then ended.

Deputy General Manager (Finance, Corporate Planning & MIS)

(b) The information contained in these statements has been extracted from the audited Financial Statements of the Bank and its subsidiary companies,

sgd SRWMRP Sathkumara

Chairman (Acting.)

27th April 2023

sgd. **Ajith Peiris** General Manager/CEO

sgd Hasitha Athapattu