

# NATIONAL SAVINGS BANK

## INTERIM FINANCIAL STATEMENTS

For the Six Months ended 30th June 2023



	STATEMEN	ınk	C		
			Group		
For the Six Months ended 30 <sup>th</sup> June 2023	2023 Rs. '000	2022 Rs. '000	2023 Rs. '000	2022 Rs. '000	
Income	113,989,942	75,679,971	116,855,276	74,728,690	
Interest income	112,601,281	75,694,257	114,497,201	76,927,475	
Interest expenses	(100,557,589)	(47,529,674)	(101,375,751)	(48,276,859	
Net interest income	12,043,692	28,164,583	13,121,449	28,650,616	
Fee and commission income	698,053	1,441,360	703,933	1,444,511	
Fee and commission expenses	(153,045)	(131,714)	(154,893)	(132,848	
Net fee and commission income	545,008	1,309,646	549,040	1,311,663	
Net gains/(losses) from trading	659,887	(1,639,544)	1,532,847	(3,839,652	
Net fair value gains/(losses)	,	(-,,,	,,.	(-,,	
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	68,834	(3,180)	68,834	(3,180	
Net other operating income	(38,113)	205,368	52,462	217,825	
Total operating income	13,279,309	28,018,583	15,324,632	26,318,982	
Impairment charges	(1,697,082)	(6,870,948)	(1,666,179)	(6,866,992	
Net operating income	11,582,227	21,147,635	13,658,453	19,451,990	
Personnel expenses	(7,123,470)	(6,765,823)	(7,284,532)	(6,921,589	
Depreciation and amortization expenses	(679,759)	(663,750)	(687,620)	(672,806	
Other expenses	(3,197,419)	(2,899,439)	(3,258,362)	(2,928,964	
Operating profit/(loss) before VAT on financial services	581,579	10,818,624	2,427,939	8,928,631	
Value Added Tax (VAT) on financial services	(17)	(2,657,313)	(284,148)	(2,707,403	
Social Security Contribution Levy (SSCL) on financial services	(0)	(2,037,313)	(40,085)	(2,707,±03	
Operating profit/(loss) after VAT on financial services	581,562	8,161,311	2,103,706	6,221,228	
Share of profits of associates and joint ventures	301,302	0,101,311	2,103,700	0,221,220	
Profit/(loss) before tax	581,562	8,161,311	2,103,706	6,221,228	
Income tax expenses	3,385,404	(2,749,943)	2,855,129	(2,814,808	
Profit/(loss) for the period	3,966,966	5,411,368	4,958,835	3,406,420	
Profit attributable to:	3,500,500	3,411,300	1,930,033	3,400,420	
Equity holders of the Bank	3,966,966	5,411,368	4,958,835	3,406,420	
Non-controlling interests	3,900,900	3,411,300	4,330,033	3,400,420	
Non-controlling interests	-		-	-	
Earnings per share on profit					
Basic earnings per ordinary share (Rs.)	4.22	5.76	5.28	3.62	
Diluted earnings per ordinary share (Rs.)	4.22	5.76	5.28	3.62	
- Vi V V					
STATEMENT OF CO					
		ınk		oup	
For the Six Months ended 30th June 2023	2023 Rs. '000	2022 Rs. '000	2023 Rs. '000	2022 Rs. '000	
D., C. / (7) f1	2 000 000	E 411 900	4 050 095	0 400 400	

Diluted earnings per ordinary share (Rs.)	4.22	3.70	3.20	3.02
STATEMENT OF COMP	PREHENS	IVE INCO	OME	
	Ba		Gre	oup
For the Six Months ended 30th June 2023	2023 Rs. '000	2022 Rs. '000	2023 Rs. '000	2022 Rs. '000
Profit / (Loss) for the period	3,966,966	5,411,368	4,958,835	3,406,420
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	1,796,694	(1,214,165)	1,854,902	(1,559,243)
Net gains/(losses) on investment in debt instruments transferred to	(68,834)	3,180	(68,834)	3,180
income statement		,	. , ,	*
Deferred tax effect on the above	(518,358)	290,636	(518,358)	290,636
Total other comprehensive income to be reclassified to Income Statement	1,209,502	(920,348)	1,267,709	(1,265,426)
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	1,348,273	(969,313)	1,383,580	(1,042,018)
on financial liabilities designated at fair value through profit or loss  Re-measurement of post-employment benefit obligations	-	-	2,134	1,413
Deferred Tax effect on the above	-	-	-	-
Re-measurement of post-employment benefit obligations (net of taxes)	-	-	2,134	1,413
Change in Revaluation Reserve	-	-	-	-
Deferred tax effect on the above Changes in revaluation surplus (net of taxes)	-	-	-	-
Share of profits of associates and joint ventures	-	-	-	-
Total other comprehensive income not to be reclassified to Income Statement	1,348,273	(969,313)	1,385,715	(1,040,605)
Total other comprehensive income (OCI) for the period, net of taxes	2,557,775	(1,889,661)	2,653,424	(2,306,031)
Total comprehensive income for the period	6,524,741	3,521,707	7,612,259	1,100,389
Attributable to: Equity holders of the Bank Non-controlling interests	6,524,741	3,521,707	7,612,259	1,100,389

### **Explanatory Notes**

- 1. There are no changes to the accounting policies and methods of computation since the publication of annual accounts for the year 2022.
- 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.
- 3. Impairment Assessmen

Balance as at 30.06.2023

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,

STATEMENT OF FIN				
	As at	nk As at	As at	Oup As at
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
	Rs. '000	Rs. '000 (Audited)	Rs. '000	Rs. '000 (Audited)
Assets				
Cash and cash equivalents	11,568,917	8,734,069	11,751,831	8,782,807
Balances with Central Banks	319,873	236,480	320,005	236,696
Placements with banks	12,748,891	10,466,409	13,054,052	11,034,246
Derivative financial instruments	1,046	28,172	1,046	35,392
Financial assets recognized through profit or loss	10 051 000	14,173,948	97 471 199	22 226 040
measured at fair value designated at fair value	16,651,068	14,173,948	27,471,122	23,236,848
Financial assets at amortised cost				
Loans and Advances	536,535,909	553,027,321	537,318,333	553,052,170
Debt and other instruments	941,935,624	919,129,377	950,507,043	927,916,442
$Financial \ assets \ measured \ at \ fair \ value \ through \ other \ comprehensive \ income$	31,440,843	27,662,763	32,023,481	28,252,212
Investments in subsidiaries	7,311,000	7,311,000	-	-
Investments in associates and joint ventures	-	-	-	-
Property, plant and equipment	14,765,099	14,755,775	15,652,597	15,645,732
Right of used assets Investment properties	1,125,727	1,213,649	1,156,317	1,246,383 204,977
Goodwill and intangible assets	743,034	747,248	204,977 746,976	752,221
Deferred tax assets	5,760,031	2,892,984	6,175,986	3,663,879
Other assets	70,250,951	56,306,931	70,499,775	56,576,713
Total assets	1,651,158,012	1,616,686,128	1,666,883,543	1,630,636,718
Liabilities				
Due to banks	2,099,829	4,086,731	8,794,531	12,711,256
Derivative financial instruments Financial liabilities recognized through profit or loss	27	-	27	-
measured at fair value				_
designated at fair value through profit or loss Financial liabilities at amortised cost	-	-	-	-
due to depositors	1,470,661,513	1,476,739,818	1,469,741,929	1,475,808,557
due to debt securities holders	-	-	-	-
due to other borrowers	53,403,175	16,766,044	58,125,480	18,889,245
Lease liability	1,311,263	1,377,229	1,347,783	1,414,959
Debt securities issued Retirement benefit obligations	24,358,819 13,048,164	23,778,255 12,488,912	24,432,374 13,108,130	23,851,810 12,547,851
Current tax liabilities	319,695	2,760,857	498,541	2,943,314
Deferred tax liabilities	-	-,,,,,,,,	4,155	4,155
Other provisions	-		-	-
Other liabilities	6,673,944	5,796,053	6,964,041	6,075,889
Due to subsidiaries  Total liabilities	1,571,876,429	1,543,793,899	1,583,016,989	1,554,247,037
Equity				
Stated capital/Assigned capital	9,400,000	9,400,000	9,400,000	9,400,000
	5,304,181	5,224,842	5,380,001	5,281,952
Statutory reserve fund				
OCI reserve	887,899	(1,669,876)	885,630	(1,765,659)
Retained earnings	15,246,779	11,359,152	18,297,602	13,589,101
Other reserves	48,442,724	48,578,110	49,903,320	49,884,287
Total shareholders' equity	79,281,583	72,892,229	83,866,553	76,389,681
Non-controlling interests	-	-	-	-
Total equity	79,281,583	72,892,229	83,866,553	76,389,681
Total equity and liabilities	1,651,158,012	1,616,686,128	1,666,883,543	1,630,636,718
Contingent liabilities and commitments	13,944,737	14,416,802	13,946,474	14,617,867
Memorandum Information		<u> </u>		<u> </u>
Number of Employees	4,460	4,528		
Number of Branches	262	262		
Note: Amounts stated are in net of impairment and depreciation.				

financial strength of the entity 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. The Bank closely monitors and considers the impact of economy to business operations and performance. In order to capture the expected lossess from loans and advances due to prevalent economic conditions, the Bank adjusted the economic factor

18,297,602

42,970,339

83,866,553

		STATEMEN	T OF CHANGES	SIN EQUITY - I	BANK			
								In Rupees Thousand
For the Six months ended 30.06.2022	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserves	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 period								
Net profit for the period	-	-	-	-	-	5,411,368	-	5,411,368
Other comprehensive income net of tax	-	-	-	-	-	-	-	-
Net change in fair value of debt instrument of Fair Value				(000.040)				(222.242)
through Other Comprehensive Income Net change in fair value of equity instrument of Fair Value	-	-	-	(920,348)	-	-	-	(920,348)
through Other Comprehensive Income				(969,313)				(969,313)
Net change in Revaluation Reserve				(909,313)		_		(303,313)
Total comprehensive income for the period	_	_	_	(1,889,661)	_	5,411,368	_	3,521,707
Transactions with equity holders, recognised directly in equity		_		(1,000,001)		3,111,300	-	3,321,707
Transfers to unclaimed deposits reserve	_	_	_	_		_	(94,081)	(94,081)
Contribution to the consolidated fund-Dividend/Levy			_	_		_	(34,001)	(34,001)
Contribution to national insurance trust fund	_	-	_	-	_	(54,114)	-	(54,114)
Transfers during the period	-	108,227	-	-	-	(108,227)	-	
Total transactions with equity holders	-	108,227	-	-	-	(162,341)	(94,081)	(148,195)
Balance as at 30.06.2022	9,400,000	5,282,476	7,049,600	(2,548,037)	-	13,809,860	41,225,401	74,219,300
				• • • • • • • • • • • • • • • • • • • •				In Rupees Thousand
For the Six months ended 30.06.2023	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserves	Total Equity
Balance as at 1st January 2023	9,400,000	5,224,842	6,493,875	(1,669,876)	-	11,359,152	42,084,235	72,892,229
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	3,966,966	-	3,966,966
Other comprehensive income net of tax	-	-	-	-	-	· · ·	-	-
Net change in fair value of debt instrument of Fair Value								
through Other Comprehensive Income	_	-	_	1,209,502	_	-	-	1,209,502
Net change in fair value of equity instrument of Fair Value								
through Other Comprehensive Income	_	_	_	1,348,273	_	_	_	1,348,273
Net change in Revaluation Reserve	_	_	_	-,,	_	_	_	-,,
Total comprehensive income for the period	_	_	-	2,557,775	_	3,966,966	-	6,524,741
Transactions with equity holders, recognised directly in equity				-,,		-,,		~,~~~,, **
Transfers to unclaimed deposits reserve / issued share capital	_		_	_		_	(135,386)	(135,386)
Contribution to the consolidated fund-Dividend/Levy				-			(100,000)	(100,000)
Contribution to national insurance trust fund				_				
Transfers during the period		79,339	-	-		(79,339)		-
Total transactions with equity holders	-	79,339	-		-	(79,339)	(135,386)	(135,386)
Total transactions with equity notices								
Balance as at 30.06.2023	9,400,000	5,304,181	6,493,875	887,899	_	15,246,779	41,948,849	79,281,583

Balance as at 30.06.2023	9,400,000	5,304,181	6,493,875	887,899	-	15,246,779	41,948,849	79,281,583
		STATEMENT	Γ OF CHANGES	IN EQUITY - G	ROUP			
			01 011111(015		1001			In Ruvees Thousand
For the Six months ended 30.06.2022	Stated Capital/ Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserves	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	-	-	-	-	-	(5,359,787)	-	(5,359,787)
Re-stated opening balance	9,400,000	5,209,101	7,488,706	(754,140)	-	12,559,205	42,186,553	76,089,426
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	3,406,420	-	3,406,420
Other comprehensive income net of tax	-	-	-	-	-	1,413	-	1,413
Net change in fair value of debt instrument of Fair Value								
through Other Comprehensive Income	-	-	-	(1,265,426)	-	-	-	(1,265,426)
Net change in fair value of equity instrument of Fair Value				(4.040.040)				(4.040.040)
through Other Comprehensive Income Net change in Revaluation Reserve	-	-	-	(1,042,018)	-	-	-	(1,042,018)
	-	-	-	(9.905.444)	-	9.407.099	-	1 100 000
Total comprehensive income for the period	-	-	-	(2,307,444)	-	3,407,833	-	1,100,389
Transactions with equity holders, recognised directly in equity Transfers to unclaimed deposits reserve/Issued Share Capital							(94,081)	(94,081)
Contribution to the consolidated fund-Dividend/Levy	-	-	-	-	-	-	(94,001)	(94,081)
Contribution to the consolidated fund-Dividend/ Levy  Contribution to national insurance trust fund				-		(54,114)		(54,114)
Transfers during the period	_	115,185	_	-	_	(115,185)	_	(01,111)
Total transactions with equity holders	_	115,185	_		_	(169,299)	(94,081)	(148,195)
Balance as at 30.06.2022	9,400,000	5,324,286	7,488,706	(3,061,584)	_	15,797,739	42,092,472	77,041,619
	1 3,200,000	3,52-,555	1,200,100	(=,===,===)		20,101,100	-2,552,112	In Rupees Thousand
	Stated Capital/							·
For the Six months ended 30.06.2023	Assigned Capital	Statutory Reserve Fund	Revaluation Reserve	OCI Reserve	Cash Flow Hedging Reserve	Retained Earnings	Other Reserves	Total Equity
Balance as at 1st January 2023	9,400,000	5,281,952	6,932,982	(1,765,659)	-	13,589,101	42,951,306	76,389,681
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	4,958,835	-	4,958,835
Other comprehensive income net of tax	-	-	-	-	-	2,134	-	2,134
Net change in fair value of debt instrument of Fair Value								
through Other Comprehensive Income	-	-	-	1,267,709	-	-	-	1,267,709
Net change in fair value of equity instrument of Fair Value through Other Comprehensive Income				1,383,580				1,383,580
Net change in Revaluation Reserve	-	-	-	1,363,580	-	-	-	1,363,380
Total comprehensive income for the period			-	2,651,290		4,960,969	-	7,612,259
	-	-	-	2,031,290	-	4,500,509	-	1,012,239
Transactions with equity holders, recognised directly in equity Transfers to unclaimed deposits reserve / issued share capital							(135,386)	(135,386)
Contribution to the consolidated fund-Dividend/Levy	_		·	-	·	-	(133,386)	(133,386)
Contribution to national insurance trust fund				-		-		-
Transfers during the period	_	98,049	_	-	_	(252,468)	154,419	-
Total transactions with equity holders	_	98,049	-	-	_	(252,468)	19,033	(135,386)
		55,510				(~~,~00)	10,000	(100,000)

885,630

6,932,982

5,380,001

9,400,000



## NATIONAL SAVINGS BANK

### TERIM FINANCIAL STATEMENTS

For the six months ended 30th June 2023

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### ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

a. Bank - as at 30.06.2023				
In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS		-		
Cash and cash equivalents	11,568,917	-	-	11,568,917
Balances with central bank	319,873	-	-	319,873
Placements with banks	12,748,891	-	-	12,748,891
Derivative financial instruments	-	1,046	-	1,046
Loans and advances	536,535,909	-	-	536,535,909
Debt instruments	941,935,624	15,500,365	27,778,748	985,214,738
Equity instruments	-	1,150,703	3,662,094	4,812,797
Total Swampiel agents	1 502 100 214	16 659 114	21 440 942	1 551 202 170

Derivative financial instruments	-	1,046	-	1,046
Loans and advances	536,535,909	-	-	536,535,909
Debt instruments	941,935,624	15,500,365	27,778,748	985,214,738
Equity instruments	-	1,150,703	3,662,094	4,812,797
Total financial assets	1,503,109,214	16,652,114	31,440,842	1,551,202,170
In Rupees Thousand		AC	FVPL	Total
LIABILITIES			•	
Due to banks		2,099,829	-	2,099,829
Derivative financial instruments		-	27	27
Financial liabilities				
-due to depositors		1,470,661,513	-	1,470,661,513
-due to debt securities holders		-	-	-
- due to other borrowers		53,403,175	-	53,403,175
Debt securities issued		24,358,819	-	24,358,819
Total financial liabilities		1,550,523,336	27	1,550,523,363

b. Bank - as at 31.12.2022 - (Audited)				
In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS		•		
Cash and cash equivalents	8,734,069	-	-	8,734,069
Balances with central bank	236,480	-	-	236,480
Placements with banks	10,466,409	-	-	10,466,409
Derivative financial instruments	-	28,172	-	28,172
Loans and advances	553,027,321	-	-	553,027,321
Debt instruments	919,129,377	12,217,110	25,348,941	956,695,428
Equity instruments	-	1,956,839	2,313,822	4,270,660

Total financial assets	1,491,593,656	14,202,120	27,662,763	1,533,458,540
In Rupees Thousand		AC	FVPL	Total
LIABILITIES				
Due to banks		4,086,731	-	4,086,731
Derivative financial instruments		-	-	-
Financial liabilities				
-due to depositors		1,476,739,818	-	1,476,739,818
-due to debt securities holders		-	-	-
- due to other borrowers		16,766,044	-	16,766,044
Debt securities issued		23,778,255	-	23,778,255
Total financial liabilities		1,521,370,848	-	1,521,370,848

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

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

### ANALYSIS OF LOANS & ADVANCES AND IMPAIRMENT AS AT 30.06.2023

	Bar	nk	Group				
In Rupees Thousand	As at	As at	As at	As at			
In Rupees Thousand	30.06.2023	31.12.2022	30.06.2023	31.12.2022			
		(Audited)		(Audited)			
Product-wise Gross loans and advances							
By product - Domestic currency							
Lease rental and hire purchase receivable	-	-	128,052	172,973			
Term loans	452,968,055	474,005,741	454,660,145	474,974,731			
Pawning	81,970,668	74,389,506	81,970,696	74,389,569			
Other loans							
Loan to Government	-	2,075,000	-	2,075,000			
Securities purchased under resale agreements	1,955,255	739,728	2,075,005	818,424			
Staff loans	15,005,457	14,867,179	15,326,906	15,194,107			
Sub Total	551,899,434	566,077,154	554,160,804	567,624,804			
By product - Foreign currency							
Term loans	3,700,972	4,178,581	3,700,972	4,178,581			
Gross loans & advances	555,600,407	570,255,736	557,861,776	571,803,385			
Less: Accumulated impairment under stage 1	(4,315,347)	(4,691,568)	(4,332,607)	(4,713,720)			
Accumulated impairment under stage 2	(2,909,873)	(2,623,411)	(2,952,451)	(2,666,511)			
Accumulated impairment under stage 3	(11,839,277)	(9,913,436)	(13,258,385)	(11,370,985)			
Net value of loans & advances	536,535,909	553,027,321	537,318,333	553,052,170			
Movement of Impairment during the period							
Under Stage 1							
Opening balance	4,691,568	3,515,327	4,713,720	3,597,035			
Charge/(Write back) to Income Statement	(376,221)	1,176,241	(381,113)	1,116,685			
Closing balance at	4,315,347	4,691,568	4,332,607	4,713,720			
Under Stage 2							
Opening balance	2,623,411	2,150,965	2,666,511	2,168,833			
Charge/(Write back) to Income Statement	286,462	472,446	285,940	497,678			
Closing balance at	2,909,873	2,623,411	2,952,451	2,666,511			
Under Stage 3							
Opening balance	9,913,436	6,303,928	11,370,985	7,682,494			
Charge/(Write back) to Income Statement	1,949,482	3,655,413	1,922,699	3,767,466			
Write- off during the period	(23,641)	(45,906)	(24,764)	(56,585)			
Other movements	-	-	(10,535)	(22,390)			
Closing balance at	11,839,277	9,913,436	13,258,385	11,370,985			
Total Impairment	19,064,498	17,228,415	20,543,443	18,751,216			
ANALYSIS OF DEPOSITS							

AS AT 30	
	Bank

AS AT 30.00.2023						
	Ba	nk	Group			
In Rupees Thousand	As at	As at	As at	As at		
In Rupecs Thousand	30.06.2023	31.12.2022	30.06.2023	31.12.2022		
		(Audited)		(Audited)		
By product - Domestic Currency						
Demand deposits (current accounts)	-	-	-	-		
Savings deposits	258,416,038	257,569,078	258,510,666	257,701,184		
Fixed deposits	1,189,420,702	1,192,620,725	1,188,406,490	1,191,557,357		
Sub Total	1,447,836,740	1,450,189,803	1,446,917,156	1,449,258,541		
By product - Foreign Currency						
Demand deposits (current accounts)	-	-	-	-		
Savings deposits	5,651,616	6,970,349	5,651,616	6,970,349		
Fixed deposits	17,173,157	19,579,667	17,173,157	19,579,667		
Sub Total	22,824,773	26,550,015	22,824,773	26,550,015		
Total	1,470,661,513	1,476,739,818	1,469,741,929	1,475,808,557		

ANALYSIS OF	FINANCIAL	INSTRUMENTS	ON MEASU	REMENT	BASIS
c. Group - as at 30.06.20	23				

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	11,751,831	-	-	11,751,831
Balances with central bank	320,005	-	-	320,005
Placements with banks	13,054,052	-	-	13,054,052
Derivative financial instruments	- · · · · · · · · · · · · · · · · · · ·	1,046	-	1,046
Loans and advances	537,318,333	-	-	537,318,333
Debt instruments	950,507,043	26,320,419	28,221,109	1,005,048,572
Equity instruments	-	1,150,703	3,802,371	4,953,074
Total financial assets	1,512,951,265	27,472,167	32,023,480	1,572, <del>446</del> ,914
In Rupees Thousand		AC	FVPL	Total
LIABILITIES	·	•	•	

In Rupees Thousand	AC	FVPL	Total
LIABILITIES			
Due to banks	8,794,531	-	8,794,531
Derivative financial instruments	-	27	27
Financial liabilities			
-due to depositors	1,469,741,929	-	1,469,741,929
-due to debt securities holders	-	-	-
- due to other borrowers	58,125,480	-	58,125,480
Debt securities issued	24,432,374	-	24,432,374
Total financial liabilities	1,561,094,313	27	1,561,094,341

### d. Group - as at 31.12.2022 - (Audited)

In Rupees Thousand	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	8,782,807	-	-	8,782,807
Balances with central bank	236,696	-	-	236,696
Placements with banks	11,034,246	-	-	11,034,246
Derivative financial instruments	-	35,392	-	35,392
Loans and advances	553,052,170	-	-	553,052,170
Debt instruments	927,916,442	21,280,010	25,833,465	975,029,917
Equity instruments	-	1,956,839	2,418,746	4,375,585
Total financial assets	1,501,022,360	23,272,240	28,252,212	1,552,546,812
In Rupees Thousand		AC	FVPL	Total

in Rupees Inousand	AC	FVPL	TOTAL
LIABILITIES			
Due to banks	12,711,256	-	12,711,256
Derivative financial instruments	-	-	-
Financial liabilities			
-due to depositors	1,475,808,557		1,475,808,557
-due to debt securities holders	-	-	-
- due to other borrowers	18,889,245	-	18,889,245
Debt securities issued	23,851,810	-	23,851,810
Total financial liabilities	1,531,260,868	-	1,531,260,868
CACILI			

- due to other porrowers	18,889,243	)	-	18,889,245
Debt securities issued	23,851,810	)	-	23,851,810
Total financial liabilities	1,531,260,868	3	- :	1,531,260,868
CASH FLOW STAT	TEMENT			
	Ba	nk	Gr	oup
E41 C: M41	2023	2022	2023	2022
For the Six Months ended June 30	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash flows from operating activities				
Interest receipts	100,285,125	74,079,856	102,073,600	75,246,951
Interest payment	(107,681,381)	(42,635,487)	(108,436,597)	(43,156,441)
Net commission receipts	545,008	1,309,646	549,040	1,311,663
Trading income	580,764	389,756	1,050,387	(1,020,535)
Payment to employees	(6,155,622)	(7,522,513)	(6,289,729)	(7,678,209)
VAT & SSCL on financial services	(1,037,880)	(2,805,495)	(1,361,668)	(2,847,901)
Receipts from other operating activities	54,729	141,212	138,341	153,470
Payment on other operating activities	(3,143,135)	(2,877,798)	(3,193,378)	(2,894,358)
Operating profit before change in operating assets & liabilities	(16,552,392)	20,079,176	(15,470,004)	19,114,638
(Increase) / decrease in operating assets				
Placement with Banks	(2,054,262)	(2,260,911)	(1,678,162)	(1,105,472)
Derivative Financial Instruments	(28,039)	372	(20,819)	
Financial assets at FVDI	(2 217 000)	2 055 025	(2 600 105)	19 207 259

(Increase) / decrease in operating assets				
Placement with Banks	(2,054,262)	(2,260,911)	(1,678,162)	(1,105,472)
Derivative Financial Instruments	(28,039)	372	(20,819)	372
Financial assets at FVPL	(2,317,999)	3,055,935	(3,690,195)	12,397,852
Financial assets at amortised cost – loans & advances	18,309,925	(22,868,280)	17,584,780	(23,770,275)
Financial assets at amortised cost - Debt & Other Instrument	(14,883,383)	(359,578)	(14,644,779)	(3,777,141)
Proceeds from the sale and maturity of financial investments	-	-	-	-
Other assets	(2,184,433)	(12,017,506)	(2,156,513)	(12,019,716)
	(3,158,190)	(34,449,969)	(4,605,687)	(28,274,380)
Increase / (decrease) in operating liabilities				
Due to Bank	(2,000,000)	1,473,750	(3,930,000)	7,858,072
Derivative Financial Instruments	27	-	27	-
Financial liabilities at amortised cost – due to depositors	(9,931,806)	4,354,628	(9,921,441)	5,331,695
Financial liabilities at amortised cost – due to debt securities holders	-	-	-	-
Financial liabilities at amortised cost – due to other borrowers	36,813,756	19,254,193	39,351,592	
Debt securities issued	-	(0)	3,893	` '
Other liabilities	1 345 786	1 425 652	1 319 914	1 432 728

Other liabilities	1,345,786	1,425,652	1,319,914	1,432,728
	26,227,763	26,508,223	26,823,985	20,114,052
Net cash generated from operating activities before income tax	6,517,181	12,137,431	6,748,293	10,954,311
Income tax paid	(2,441,162)	(6,680,433)	(2,620,111)	(7,115,020)
Net cash (used in) / from operating activities	4,076,019	5,456,998	4,128,182	3,839,291
Cash flows from investing activities				
Purchase of property, plant and equipment	(349,111)	(223,438)	(351,338)	(223,610)
Proceeds from the sale of property, plant and equipment	918	728	918	9,628
Net (increase)/decrease in Finance instruments at fair value through other				
comprehensive income	(374,178)	(1,069,795)	(285,941)	(455,292)
Net Purchase/ improvement to Investment Properties	-	-	-	5,600
Proceeds from the sale and maturity of financial investments	-	-	-	-
Net purchase of intangible assets	(156,962)	(45,532)	(156,962)	(47,632)
Net cash flow from acquisition of investment in subsidiaries and associates	-	(1,000,000)	-	-

(879,333) (2,338,037) Net cash (used in)/from investing activities (711,306) (793,323) Cash flows from financing activities Net proceeds from the issue of ordinary share capital Net proceeds from the issue of subordinated debt Repayment of subordinated debt Interest paid on subordinated debt (299,178)(240,838) (303,071) (240,838)Contribution to consolidated fund-dividend/levy Net cash from financial activities (299,178) (240,838) (303,071) (240,838)

Net increase/(decrease) in cash & equivalents 2,897,508 2,878,123 3,031,788 2,887,146 Cash and cash equivalents at the beginning of the year 8,894,757 7,589,511 7,653,711 8,943,521 Exchange difference in respect of cash & cash equivalent 11,792,265 10,467,634 11,975,309 10,540,857 Cash and cash equivalents at the end of the period

#### SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING) Group Bank

Item	As at 30.06.2023	As at 31.12.2022	As at 30.06.2023	As at 31.12.2022
Regulatory Capital Adequacy (LKR in Thousand)	00.00.2020	01.12.2022	COLOGIZOZO	01:12:2022
Common Equity Tier 1	44,476,842	50,531,185	52,036,327	58,439,855
Core (Tier 1) Capital	49,476,842			63,439,855
Total Capital Base	57,068,632			70,727,947
2 out deposit suit	01,000,002	00,010,000	01,000,000	. 0,. 2.,0 1.
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%)(Minimum Requirement - 2023 - 7%, 2022-6.5%)	13.350	14.357	15.458	16.492
Tier 1 Capital Ratio (%) (Minimum Requirement - 2023-8.5%, 2022-8%)	14.851	15.778	16.944	17.903
Total Capital Ratio (%) (Minimum Requirement - 2023-12.5%,2022-12%)	17.129	17.999	19.030	19.959
T T T T T T T T T T T T T T T T T T T	201	7.40	0.00	0.14
Leverage Ratio (Minimum Requirement - 3.00%)	6.04	7.43	6.68	8.14
Regulatory Liquidity				
Statutory Liquid Assets (LKR in Thousand)	657,091,360	578,088,976	NR	NR
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)				
Domestic Banking Unit (%)	45.79	40.62	NR	NR
Off-Shore Banking Unit (%)	NR	NR	NR	NR
Total Stock of High Quality Liquid Assets (All Currency LKR in Thousand)	649,726,709	559,128,187	NR	NR
Liquidity Coverage Ratio (%) - (Minimum Requirement - 2023-100 %, 2022 - 90 %)		, ,		
Rupee (%)	254.75	195.54	NR	NR
All Currency (%)	258.92	193.49	NR	NR
Net Stable Funding Ratio (%) - (Minimum Requirements - 2023 - 100 %, 2022 - 90 %)	172.19	180.51	NR	NR
2100 Samuel 2 amend (10) (Amende 210 and 210 10 f Bosse 50 10)	112.10	100.01	2120	
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%) (net of Stage 3 impairement)	2.91	2.83	NR	NR

Profitability Interest Margin (%) 1.49 Return on Assets (before Tax),(%) 0.07 Return on Equity (%) 10.51

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 30th of June 2023 and the profits for the period then ended. sgd Hasitha Athapattu Deputy General Manager (Finance, Corporate Planning & MIS)

We, the undersigned, being the Chairman and the General Manager / Chief Executive Officer of National Savings Bank certify jointly that :

Impairment (Stage 3) to Stage 3 Loans Ratio (%)

Note: NR - Not Relevant CERTIFICATION

Dividends received from investment in subsidiaries and associates

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;

38.74

2.03

0.28

3.40

NR

1.60

0.26

12.48

NR

2.08

0.14

1.20

- (b) The information contained in these statements has been extracted from the unaudited Financial Statements of the Bank and its subsidiary companies unless indicated as audited.
- sgd Dr. Harsha Cabral, PC sgd Ajith Peiris General Manager / CEO Colombo, Sri Lanka 23<sup>rd</sup> August 2023

43.14