



INTERIM FINANCIAL STATEMENTS
for the six-month period ended 30 June 2024
(Un-audited)

Bank of Ceylon

Fitch Ratings: A(Ika)

Financial Commentary for the Six-Month Period ended 30 June 2024

- Profit Before Tax: Rs. 22.4 billion
- Net Interest Income of Rs. 57.5 billion
- Total Assets base of Rs. 4.4 trillion
- Total Deposit base of Rs. 3.8 trillion
- Gross loans and advances of Rs. 2.3 trillion

In 1H 2024, Bank of Ceylon navigated the challenging landscape of the Sri Lankan economy with strategic foresight. Despite heightened competition and global economic uncertainties, the Bank delivered a Profit Before Tax (PBT) of Rs. 22.4 billion, a growth of 114% compared to previous year PBT of Rs. 10.5 billion. This performance underscores the Bank's resilience and adaptability in an environment marked by fluctuating market conditions and challenges.

Fund-Based & Non-Fund-Based Income

During the first half of 2024, the Bank achieved a PBT of Rs. 22.4 billion. Demonstrating its ability to reprice its assets and liabilities in line with market condition, net interest income rose significantly to Rs. 57.5 billion, marking a 101% increase compared to Rs. 28.6 billion in the same period of 2023. This growth underscores the Bank's improved profitability despite the challenging economic environment. The increase in interest income, which rose to Rs. 213.1 billion, was partially offset by a rise in interest expenses, which totaled to Rs. 155.6 billion. This uptick in interest expenses reflects the Bank's strategic decision to remain competitive by offering attractive deposit rates, crucial for retaining and expanding its deposit base.

Net fee and commission income continued to be a robust contributor, amounting to Rs. 9.9 billion, showcasing an impressive 14% year-on-year growth from Rs. 8.7 billion in the first half of 2023. This was largely driven by increased activity in card-related transactions and retail banking services. The Bank's ongoing investment in digital banking has also played a crucial role, as more customers turned to digital channels for their banking needs, further boosting fee and commission income.

Impairment Charge for Loans and Advances and Other Financial Instruments

In the first half of 2024, the Bank took a cautious approach to credit risk management, mindful of the ongoing uncertainties in both global and local economies. To address heightened risks in certain industries, the Bank implemented management overlays, allowing for close monitoring and proactive risk mitigation. This strategy helped the Bank to anticipate potential issues early and set aside adequate provisions for possible credit losses.

Impairment charges amounted to Rs. 3.3 billion for loans and advances and Rs. 4.6 billion for other financial assets, reflecting challenges faced by sectors still recovering from economic downturns and global disruptions. Despite these provisions, the Bank's stringent credit monitoring and the relative stabilization of the Sri Lankan Rupee contributed to maintaining a solid financial standing.

However, the impaired loans (Stage 3) ratio increased to 5.68%, indicating potential external economic pressures. Nonetheless, the impairment coverage ratio (Stage 3 impairment provision to Stage 3 Loans) remains strong at 58.85%, demonstrating the Bank's prudent risk management.

The Bank also concentrated on business revival efforts, collaborating closely with customers to support their recovery. These initiatives, along with strategic credit decisions, have helped limit credit losses, ensuring the Bank is well-positioned to contribute to the broader economic recovery.

Operating Income, Expenses, and Profitability

The Bank reported total operating income of Rs. 68.7 billion, reflecting significant growth of 163% compared to the previous year. This increase was driven by substantial improvements in net interest income, net fee and commission income and trading income.

Operating expenses amounted to Rs. 30.8 billion, marking a 27% year-over-year increase, which was mainly due to personnel costs, depreciation, amortization, and other expenses also contributed to the overall increase in costs. Despite these higher expenses, the Bank effectively managed its operating costs, maintaining a cost-to-income ratio below 50%, consistent with previous quarter.

The Bank's operating profit before taxes on financial services reached Rs. 30.1 billion, a remarkable 101% improvement over the previous year. After accounting for Value Added Tax (VAT) and the Social Security Contribution Levy (SSCL), the PBT stood at Rs. 22.4 billion, reflecting a 114% increase. Income tax expenses for the period amounted to Rs. 9.9 billion, resulting in a profit after tax of Rs. 12.5 billion. This robust performance, in the face of significant challenges, highlights the Bank's resilience and commitment to delivering sustainable profitability.

Financial Position

As of 30 June 2024, Bank of Ceylon's total assets reached Rs. 4,423.3 billion, reflecting a slight increase of 0.3% from Rs. 4,411.7 billion in December 2023. This growth, despite economic challenges, solidifies the Bank's leading position in Sri Lanka's competitive banking sector. The increase in total assets was primarily driven by significant rises in investment in debt and other

instruments and investment in securities purchased under resale agreement surged by Rs 114.0 billion. This underscores the Bank's strategic focus on liquidity management and its ability to capitalize on favorable market conditions.

Gross loans and advances amounted to Rs. 2.3 trillion as of 30 June 2024, Eventhough gross loan balance showed a decrease of 5 % due to LKR appreciation by 5.6% and low credit demand. The Bank has considered the possible impact from the Government's Domestic Debt Restructuring process too.

The Bank's deposit base stood strong at Rs. 3.8 trillion as of 30 June 2024, showcasing sustained customer confidence and the Bank's strategic focus on deposit mobilization. Amidst the appreciation of the LKR, foreign currency (FCY) deposits increased by USD 14.0 million.

Key Performance Indicators

The Bank demonstrated strong financial performance across key metrics. The Return on Assets (ROA) before tax improved to 1.02% from 0.92% in December 2023, reflecting enhanced profitability from the Bank's asset base. While the Return on Equity (ROE) saw a slight decline to 9.80%, this was primarily due to a strategic expansion of the equity base, positioning the Bank for continued stability and growth in the challenging economic environment. The interest margin also increased to 2.60% from 2.08% at the end of 2023, highlighting effective management of interest-earning assets and liabilities.

The Bank maintained robust capital adequacy, with a Common Equity Tier 1 ratio of 10.85% and a Total Capital Ratio of 14.91%, both above Basel III requirements. This underscores the Bank's strong capital position and its ability to absorb potential risks. Additionally, liquidity coverage ratios for both rupee and all currencies remained well above regulatory requirements, at 329% and 249.51%, respectively, ensuring the Bank's capacity to meet short-term obligations.

Recognition

In 1H 2024, The Banker magazine, a renowned publication under the Financial Times Group, conducts a rigorous evaluation process annually to compile its Top 1000 World Banks list. Banks are assessed based on a range of performance indicators such as Tier 1 capital, asset quality, and profitability. The annual Top 1000 World Banks ranking is a respected benchmark of global banking excellence.

Outlook for second half of 2024

As the 2H of 2024 begins, the Bank of Ceylon is strategically positioned to navigate the evolving economic landscape with foresight and resilience. As a leading financial institution and Government Bank, it is dedicated to leveraging technological innovations and advancing initiatives that drive sustainable growth and financial stability. The focus will remain on enhancing customer experiences, supporting community development, and upholding a crucial role in ensuring the stability and integrity of Sri Lanka's financial sector. The Bank is committed to maintaining its high standards of excellence, driving economic progress, and reinforcing its leadership in fostering a robust and stable financial environment.

With an extensive network of over 2,200 direct customer touchpoints, including fully-equipped and mobile branches, SME centers, ATMs, CDMs and CRMs island-wide, the Bank promotes financial inclusion across all provinces of the country. The Bank also operates internationally, with three branches in India, Maldives, and Seychelles, a limited services branch in Hulhumale and a fully-owned subsidiary in London, United Kingdom.

During the 1H of 2024, Fitch Ratings has affirmed the National Long-Term Rating at 'A(lka)' with a stable outlook and the Long Term Foreign Currency Issuer Default Rating (IDR) at 'CC'.

STATEMENT OF PROFIT OR LOSS

1

Rs. 000

30 June	Bank						Group					
	For the six-month period ended			For the quarter ended			For the six-month period ended			For the quarter ended		
	2024	2023	Change %	2024	2023	Change %	2024	2023	Change %	2024	2023	Change %
Total income	228,874,863	261,088,002	(12.3)	113,384,845	121,859,720	(7.0)	233,408,366	265,664,881	(12.1)	115,278,127	124,732,087	(7.6)
Interest income	213,128,275	259,673,279	(17.9)	104,539,089	121,895,393	(14.2)	216,899,355	263,850,692	(17.8)	106,380,590	124,762,518	(14.7)
Interest expenses	(155,629,853)	(231,106,236)	(32.7)	(72,926,260)	(111,982,080)	(34.9)	(157,490,169)	(233,073,775)	(32.4)	(73,804,325)	(113,719,147)	(35.1)
Net interest income	57,498,422	28,567,043	101.3	31,612,829	9,913,313	218.9	59,409,186	30,776,917	93.0	32,576,265	11,043,371	195.0
Fee and commission income	14,456,291	12,558,699	15.1	7,171,930	6,025,457	19.0	14,647,860	12,730,670	15.1	7,254,908	6,105,913	18.8
Fee and commission expenses	(4,519,681)	(3,872,812)	16.7	(2,145,959)	(1,774,643)	20.9	(4,537,179)	(3,885,280)	16.8	(2,156,700)	(1,786,077)	20.8
Net fee and commission income	9,936,610	8,685,887	14.4	5,025,971	4,250,814	18.2	10,110,681	8,845,390	14.3	5,098,208	4,319,836	18.0
Net gains/ (losses) from trading	1,814,591	(6,663,773)	(127.2)	(782,385)	(3,201,843)	(75.6)	1,836,674	(6,566,917)	(128.0)	(770,524)	(3,154,769)	(75.6)
Net fair value gains/ (losses) from financial instruments at fair value through profit or loss	799,618	459,976	73.8	277,247	(105,466)	(362.9)	822,884	570,175	44.3	61,843	(6,647)	(1,030.4)
Net gains/(losses) on derecognition of financial assets	736,514	1,006,131	(26.8)	357,341	408,816	(12.6)	1,282,950	1,013,538	26.6	732,418	409,735	78.8
Other operating income	(2,060,426)	(5,946,310)	(65.3)	1,821,623	(3,162,637)	(157.6)	(2,081,357)	(5,933,277)	(64.9)	1,618,892	(3,384,663)	(147.8)
Total operating income	1,290,297	(11,143,976)	(111.6)	1,673,826	(6,061,130)	(127.6)	1,861,151	(10,916,481)	(117.0)	1,642,629	(6,136,344)	(126.8)
Total operating income	68,725,329	26,108,954	163.2	38,312,626	8,102,997	372.8	71,381,018	28,705,826	148.7	39,317,102	9,226,863	326.1
Impairment (charge)/ reversal												
Loans and advances	(3,271,908)	5,059,713	(164.7)	(594,498)	6,293,244	(109.4)	(3,203,509)	4,962,934	(164.5)	(477,775)	6,256,545	(107.6)
Other financial assets	(4,574,830)	8,032,764	(157.0)	(4,002,325)	7,867,457	(150.9)	(4,574,830)	8,104,069	(156.5)	(4,002,325)	7,938,762	(150.4)
Net operating income	60,878,591	39,201,431	55.3	33,715,803	22,263,698	51.4	63,602,679	41,772,829	52.3	34,837,002	23,422,170	48.7
Operating expenses												
Personnel expenses	(19,150,311)	(14,080,273)	36.0	(10,261,317)	(7,258,138)	41.4	(20,434,040)	(15,286,960)	33.7	(10,871,036)	(7,870,963)	38.1
Depreciation and amortisation	(2,018,758)	(1,773,707)	13.8	(942,716)	(890,382)	5.9	(2,074,035)	(1,924,585)	7.8	(971,251)	(971,733)	(0.0)
Other expenses	(9,626,655)	(8,349,690)	15.3	(4,973,847)	(4,278,008)	16.3	(10,491,850)	(9,135,970)	14.8	(5,417,260)	(4,722,420)	14.7
Total operating expenses	(30,795,724)	(24,203,670)	27.2	(16,177,880)	(12,426,528)	30.2	(32,999,925)	(26,347,515)	25.2	(17,259,547)	(13,565,116)	27.2
Operating profit before taxes on financial services	30,082,867	14,997,761	100.6	17,537,923	9,837,170	78.3	30,602,754	15,425,314	98.4	17,577,455	9,857,054	78.3
Taxes on Financial Services												
Value Added Tax (VAT) on financial services	(6,724,186)	(3,907,945)	72.1	(3,909,898)	(2,329,870)	67.8	(6,884,955)	(3,956,897)	74.0	(3,982,661)	(2,364,354)	68.4
Social Security Contribution Levy (SSCL)	(933,929)	(624,780)	49.5	(542,917)	(372,379)	45.8	(957,250)	(632,599)	51.3	(553,620)	(378,058)	46.4
Operating profit after taxes on financial services	22,424,752	10,465,036	114.3	13,085,108	7,134,921	83.4	22,760,549	10,835,818	110.0	13,041,174	7,114,642	83.3
Share of profits/ (losses) of Associate companies, net of tax	-	-	-	-	-	-	34,210	28,288	20.9	14,516	3,534	310.8
Profit before income tax	22,424,752	10,465,036	114.3	13,085,108	7,134,921	83.4	22,794,759	10,864,106	109.8	13,055,690	7,118,176	83.4
Income tax expense	(9,957,032)	(1,952,716)	409.9	(5,690,896)	(1,932,004)	194.6	(10,292,100)	(2,114,560)	386.7	(5,867,147)	(2,019,614)	190.5
Profit for the period	12,467,720	8,512,320	46.5	7,394,212	5,202,917	42.1	12,502,659	8,749,546	42.9	7,188,543	5,098,562	41.0
Profit attributable to:												
Equity holder of the Bank	12,467,720	8,512,320	46.5	7,394,212	5,202,917	42.1	12,453,123	8,775,480	41.9	7,138,607	5,111,960	39.6
Non controlling interest	-	-	-	-	-	-	49,536	(25,934)	(291.0)	49,936	(13,398)	(472.7)
Profit for the period	12,467,720	8,512,320	46.5	7,394,212	5,202,917	42.1	12,502,659	8,749,546	42.9	7,188,543	5,098,562	41.0
Earnings per share:												
Basic earnings per share (Rs.)	498.71	340.49	46.5	295.77	208.12	42.1	498.12	351.02	41.9	285.54	204.48	39.6
Diluted earnings per share (Rs.)	484.56	330.83	46.5	287.38	202.21	42.1	483.99	341.06	41.9	277.44	198.68	39.6

STATEMENT OF COMPREHENSIVE INCOME

2

Rs. 000

30 June	Bank						Group					
	For the six-month period ended			For the quarter ended			For the six-month period ended			For the quarter ended		
	2024	2023	Change %	2024	2023	Change %	2024	2023	Change %	2024	2023	Change %
Profit for the period	12,467,720	8,512,320	46.5	7,394,212	5,202,917	42.1	12,502,659	8,749,546	42.9	7,188,543	5,098,562	41.0
Other comprehensive income for the period , net of tax												
Items that will be reclassified to profit or loss												
Exchange differences on translation of foreign operations	(980,671)	(2,617,254)	(62.5)	206,067	(942,931)	(121.9)	(1,345,688)	(3,211,163)	(58.1)	324,798	(1,095,545)	(129.6)
Net gains/ (losses) on cashflow hedge instruments	(3,110,153)	(9,254,339)	(66.4)	(853,541)	(4,447,080)	(80.8)	(3,110,153)	(9,254,339)	(66.4)	(853,541)	(4,447,080)	(80.8)
Net gains/ (losses) on investments in debt instruments measured at FVTOCI	408,154	(112,955)	(461.3)	(237,167)	(27,494)	762.6	405,825	(7,503)	(5,508.8)	(239,495)	77,861	(407.6)
Net (gains)/ losses on FVTOCI financial investments reclassification to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax effect on net gains/ (losses) on investments in debt instruments measured at FVTOCI	(122,335)	(65,997)	85.4	71,240	(41,652)	(271.0)	(122,335)	(65,997)	85.4	71,240	(41,652)	(271.0)
Share of other comprehensive income of Associate Companies, net of tax	-	-	-	-	-	-	3,421	2,474	38.3	4,847	22,816	(78.8)
	(3,805,005)	(12,050,545)	(68.4)	(813,401)	(5,459,157)	(85.1)	(4,168,930)	(12,536,528)	(66.7)	(692,151)	(5,483,600)	(87.4)
Items that will not be reclassified to profit or loss												
Change in fair value on investments in equity instruments measured at FVTOCI	561,776	692,548	(18.9)	242,039	285,607	(15.3)	285,415	1,179,572	(75.8)	151,395	301,600	(49.8)
Deferred tax effect on change in fair value on investments in equity instruments measured at FVTOCI	41,520	36,096	15.0	72,099	(11,815)	(710.2)	41,520	36,096	15.0	72,099	(11,815)	(710.2)
Changes in revaluation surplus/ (deficit)	-	-	-	-	(3,200)	(100.0)	-	-	-	-	(3,200)	(100.0)
Deferred tax effect on revaluation surplus/ (deficit)	-	-	-	-	-	-	-	-	-	-	-	-
Re-measurement of post-employment benefit obligations	(5,365,561)	-	-	(5,365,561)	-	-	(5,361,608)	2,160	(248,322.6)	(5,366,299)	58	(9,252,339.7)
Deferred tax effect on post-employment benefit obligations	1,609,668	-	-	1,609,668	-	-	1,608,482	(649)	(247,940.1)	1,609,889	(19)	(8,473,200.0)
	(3,152,597)	728,644	(532.7)	(3,441,755)	270,592	(1,371.9)	(3,426,191)	1,217,179	(381.5)	(3,532,916)	286,624	(1,332.6)
Other comprehensive income for the period, net of tax	(6,957,602)	(11,321,901)	(38.5)	(4,255,156)	(5,188,565)	(18.0)	(7,595,121)	(11,319,349)	(32.9)	(4,225,067)	(5,196,976)	(18.7)
Total comprehensive income for the period	5,510,118	(2,809,581)	(296.1)	3,139,056	14,352	21,771.9	4,907,538	(2,569,803)	(291.0)	2,963,476	(98,414)	(3,111.2)
Attributable to:												
Equity holder of the Bank	5,510,118	(2,809,581)	(296.1)	3,139,056	14,352	21,771.9	4,862,198	(2,552,720)	(290.5)	2,915,818	(86,004)	(3,490.3)
Non controlling interest	-	-	-	-	-	-	45,340	(17,083)	(365.4)	47,658	(12,410)	(484.0)
Total comprehensive income for the period	5,510,118	(2,809,581)	(296.1)	3,139,056	14,352	21,771.9	4,907,538	(2,569,803)	(291.0)	2,963,476	(98,414)	(3,111.2)

Rs. 000

As at	Bank			Group		
	30-Jun-2024	31-Dec-2023 Audited	Change %	30-Jun-2024	31-Dec-2023 Audited	Change %
Assets						
Cash and cash equivalents	174,678,013	135,550,505	28.9	174,912,538	137,369,158	27.3
Balances with Central Banks	49,180,969	34,932,639	40.8	49,180,969	34,932,639	40.8
Placements with banks	65,493,656	74,966,171	(12.6)	65,493,656	73,024,979	(10.3)
Securities purchased under resale agreements	26,793,610	3,711,918	621.8	27,272,798	3,695,392	638.0
Derivative financial instruments	17,803,574	20,525,840	(13.3)	17,803,574	20,525,840	(13.3)
Financial assets recognized through profit or loss measured at fair value	24,398,605	40,642,530	(40.0)	34,826,589	48,830,871	(28.7)
Financial assets at amortized cost						
- loans and advances	2,096,822,233	2,209,061,924	(5.1)	2,134,873,734	2,240,611,228	(4.7)
- debt and other instruments	1,744,613,326	1,653,728,403	5.5	1,750,618,327	1,660,012,978	5.5
Financial assets - measured at fair value through other comprehensive income	30,179,611	49,533,998	(39.1)	32,662,193	52,199,685	(37.4)
Investment in Subsidiary companies	8,181,138	8,181,138	-	-	-	-
Investment in Associate companies	92,988	92,988	-	772,634	737,115	4.8
Investment properties	2,414,640	2,414,640	-	-	95,446	(100.0)
Property, plant and equipment	42,475,339	42,564,498	(0.2)	59,372,417	59,566,898	(0.3)
Right of Use Asset/ Leasehold properties	2,914,348	3,508,618	(16.9)	2,595,620	2,986,704	(13.1)
Intangible assets	1,542,080	1,554,875	(0.8)	1,657,153	1,654,722	0.1
Deferred tax assets	21,521,222	18,503,397	16.3	21,590,668	18,594,558	16.1
Other assets	114,241,609	112,274,233	1.8	115,323,123	112,921,804	2.1
Total assets	4,423,346,961	4,411,748,315	0.3	4,488,955,993	4,467,760,017	0.5
Liabilities						
Due to banks	7,657,773	3,047,732	151.3	7,694,488	3,162,463	143.3
Securities sold under repurchase agreements	124,620,337	78,463,070	58.8	125,173,249	77,829,770	60.8
Derivative financial instruments	7,922,373	2,169,202	265.2	7,922,373	2,169,202	265.2
Financial liabilities at amortized cost						
- due to depositors	3,832,268,048	3,882,232,323	(1.3)	3,865,977,496	3,909,580,686	(1.1)
- other borrowings	34,889,812	33,666,236	3.6	38,438,347	35,592,741	8.0
Debt securities issued	-	-	-	683,374	730,839	(6.5)
Current tax liabilities	10,773,356	7,621,675	41.4	11,142,812	7,877,471	41.5
Deferred tax liabilities	-	-	-	3,026,662	2,933,596	3.2
Insurance contract liabilities - Life	-	-	-	379,662	359,606	5.6
Insurance contract liabilities - Non life	-	-	-	567,961	671,728	(15.4)
Other liabilities	84,324,315	88,141,547	(4.3)	87,067,196	89,835,809	(3.1)
Subordinated liabilities	63,666,109	64,691,810	(1.6)	63,402,858	64,437,320	(1.6)
Total liabilities	4,166,122,123	4,160,033,595	0.1	4,211,476,478	4,195,181,231	0.4
Equity						
Share capital	25,730,000	25,730,000	-	25,730,000	25,730,000	-
Permanent reserve fund	15,665,000	15,665,000	-	15,665,000	15,665,000	-
OCI reserve	3,446,422	2,557,307	34.8	5,614,418	4,999,807	12.3
Cashflow hedge reserve	2,141,364	5,251,517	(59.2)	2,141,364	5,251,517	(59.2)
Retained earnings	180,063,436	171,351,609	5.1	181,608,407	173,063,302	4.9
Other reserves	30,178,616	31,159,287	(3.1)	45,560,999	46,748,364	(2.5)
Total equity attributable to equity holder of the Bank	257,224,838	251,714,720	2.2	276,320,188	271,457,990	1.8
Non controlling interest	-	-	-	1,159,327	1,120,796	3.4
Total equity	257,224,838	251,714,720	2.2	277,479,515	272,578,786	1.8
Total liabilities and equity	4,423,346,961	4,411,748,315	0.3	4,488,955,993	4,467,760,017	0.5
Contingent liabilities and commitments	1,574,925,010	1,539,206,229	2.3	1,575,981,653	1,548,892,111	1.7

STATEMENT OF CHANGES IN EQUITY- BANK

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Rs. 000

	Share capital	Capital pending allotment	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Total Equity
						Other reserves	Revaluation reserve		
Balance as at 01 January 2023	25,000,000	730,000	15,131,000	861,324	25,620,635	10,909,464	17,315,482	158,616,238	254,184,143
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	8,512,320	8,512,320
Other comprehensive income, net of tax	-	-	-	549,692	(9,254,339)	(2,617,254)	-	-	(11,321,901)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	(173,205)
Balance as at 30 June 2023	25,000,000	730,000	15,131,000	1,411,016	16,366,296	8,292,210	17,315,482	166,955,353	251,201,357
Balance as at 01 January 2024	25,000,000	730,000	15,665,000	2,557,307	5,251,517	8,931,901	22,227,386	171,351,609	251,714,720
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	12,467,720	12,467,720
Other comprehensive income, net of tax	-	-	-	889,115	(3,110,153)	(980,671)	-	(3,755,893)	(6,957,602)
Balance as at 30 June 2024	25,000,000	730,000	15,665,000	3,446,422	2,141,364	7,951,230	22,227,386	180,063,436	257,224,838

STATEMENT OF CHANGES IN EQUITY -GROUP

Rs. 000

	Share capital	Capital pending allotment	Permanent reserve fund	OCI reserve	Cashflow hedge reserve	Other reserves		Retained earnings	Non controlling interest	Total Equity
						Other reserves	Revaluation reserve			
Balance as at 01 January 2023	25,000,000	730,000	15,131,000	2,584,356	25,620,635	15,029,992	27,558,103	159,819,481	1,056,967	272,530,534
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	8,775,480	(25,934)	8,749,546
Other comprehensive income, net of tax	-	-	-	1,133,324	(9,254,339)	(3,211,163)	-	3,979	8,850	(11,319,349)
Dividends for the period	-	-	-	-	-	-	-	(173,205)	-	(173,205)
Transfers to other reserves	-	-	-	-	-	93,538	-	(93,538)	-	-
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	-	(5,437)	(5,437)
Balance as at 30 June 2023	25,000,000	730,000	15,131,000	3,717,680	16,366,296	11,912,367	27,558,103	168,332,197	1,034,446	269,782,089
Balance as at 01 January 2024	25,000,000	730,000	15,665,000	4,999,807	5,251,517	13,060,940	33,687,424	173,063,302	1,120,796	272,578,786
Total comprehensive income for the period										
Profit for the period	-	-	-	-	-	-	-	12,453,123	49,536	12,502,659
Other comprehensive income, net of tax	-	-	-	614,611	(3,110,153)	(1,345,688)	-	(3,749,695)	(4,196)	(7,595,121)
Subsidiary dividends to non controlling interest	-	-	-	-	-	-	-	-	(6,809)	(6,809)
Transfers to Other reserves	-	-	-	-	-	158,323	-	(158,323)	-	-
Balance as at 30 June 2024	25,000,000	730,000	15,665,000	5,614,418	2,141,364	11,873,575	33,687,424	181,608,407	1,159,327	277,479,515

For the six-month period ended 30 June	Bank		Group	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before income tax	22,424,752	10,465,036	22,794,759	10,864,106
Adjustments for :				
Net interest income	(57,498,422)	(28,567,043)	(59,409,186)	(30,776,917)
Dividend income	(227,212)	(118,666)	(230,782)	(146,323)
Dividends from Subsidiaries and Associates	(407,363)	(342,714)	-	-
Share of (profit)/ loss of associate companies, net of tax	-	-	(34,210)	(28,288)
Change in operating assets	80,665,160	225,645,122	68,930,320	226,310,557
Change in operating liabilities	8,193,844	(249,459,183)	15,025,699	(254,089,901)
Other non cash items included in profit before tax	17,263,159	(23,720,327)	17,248,964	(23,471,782)
Other net (gain)/ losses from investing activities	(1,536,132)	(1,466,107)	(2,105,834)	(1,583,713)
	68,877,786	(67,563,882)	62,219,730	(72,922,261)
Benefit paid from defined benefit plans	(6,374,523)	(3,385,043)	(6,380,149)	(3,589,930)
Interest received	120,309,508	144,690,151	122,937,072	148,100,848
Interest paid	(156,521,461)	(207,893,560)	(158,381,487)	(209,721,294)
Dividends received	30,856	27,870	34,425	27,881
Net cash from/ (used in) operating activities before income tax	26,322,166	(134,124,464)	20,429,591	(138,104,756)
Income tax paid	(7,863,626)	(4,693,828)	(8,056,923)	(4,948,096)
Net cash from/ (used in) operating activities	18,458,540	(138,818,292)	12,372,668	(143,052,852)
Cash flows from investing activities				
Net (increase)/ decrease in financial investments at amortized cost	(97,622,006)	117,162,612	(97,342,432)	117,754,374
Net decrease in financial investments recognized at fair value through OCI	20,607,177	756,803	21,060,357	967,189
Purchase of property plant and equipment	(1,260,074)	(633,911)	(1,269,152)	(665,024)
Purchase of intangible assets	(205,520)	(338,953)	(220,075)	(338,953)
Proceeds from sale of property plant and equipment	15,349	3,200	19,120	5,589
Dividends received	603,719	433,510	196,357	118,442
Interest received	109,209,515	77,141,329	110,353,031	77,860,449
Net cash from investing activities	31,348,160	194,524,590	32,797,206	195,702,066
Cash flows from financing activities				
Net decrease in other borrowings	(8,222,712)	(33,768,281)	(5,028,672)	(30,669,319)
Payments on redemption of debentures	(3,000,000)	-	(3,000,000)	-
Dividends paid to Equity holder of the Bank	-	(173,205)	-	(173,205)
Dividends paid to non controlling interest	-	-	(6,809)	(5,437)
Interest payments on borrowings and debt securities	(4,515,115)	(26,766,805)	(4,571,632)	(26,247,291)
Net cash used in financing activities	(15,737,827)	(60,708,291)	(12,607,113)	(57,095,252)
Net increase/ (decrease) in cash and cash equivalents during the period	34,068,873	(5,001,993)	32,562,761	(4,446,038)
Cash and cash equivalents at the beginning of the period	133,441,074	118,512,831	135,144,996	125,309,310
Cash and cash equivalents at the end of the period	167,509,947	113,510,838	167,707,757	120,863,272
Analysis of cash and cash equivalents				
Cash and cash equivalents	174,678,013	116,025,588	174,912,538	123,494,051
Bank overdrafts	(7,168,066)	(2,514,750)	(7,204,781)	(2,630,779)
Cash and cash equivalents at the end of the period	167,509,947	113,510,838	167,707,757	120,863,272

As at	Bank		Group	
	30-Jun-2024	31-Dec-2023	30-Jun-2024	31-Dec-2023
Net assets value per share (Rs)	10,288.99	10,068.59	11,052.81	10,858.32
Profitability				
Interest margin*	2.60%	2.08%	2.65%	2.16%
Return on assets (before tax)*	1.02%	0.92%	1.02%	0.94%
Return on equity (after tax)*	9.80%	10.55%	9.09%	10.13%
Assets Quality				
Impaired Loans (Stage 3) Ratio	5.68%	5.07%		
Impairment (Stage 3) to Stage 3 Loans Ratio	58.85%	60.44%		
Investor Information				
Debt equity (%)	30.44	32.19		
Interest cover (times)	2.71	1.72		
Memorandum Information				
Number of employees	8,384	8,579		
Number of branches	584	583		

* These ratios have been calculated by annualizing the 1H-2024 figures.

As at	Bank		Group	
	30-Jun-2024	31-Dec-2023	30-Jun-2024	31-Dec-2023
Regulatory Capital (Rs. ' 000)				
Common equity Tier 1	189,694,506	204,342,671	201,754,638	215,172,411
Total Tier I capital	208,044,506	222,692,671	220,016,915	233,448,400
Total capital	260,724,909	276,409,883	273,854,609	288,363,582
Regulatory Capital Ratios (%)				
Common equity Tier 1 capital ratio (Minimum requirement, Basel III - 8.50%)	10.85%	11.71%	11.31%	12.10%
Total Tier I capital ratio (Minimum requirement, Basel III - 10.00%)	11.90%	12.76%	12.33%	13.12%
Total capital ratio (Minimum requirement, Basel III - 14.00%)	14.91%	15.84%	15.35%	16.21%
Leverage ratio (Minimum requirement - 3%)	4.43%	4.78%	4.61%	4.95%
Regulatory Liquidity				
Statutory liquid assets				
- Total bank (Rs. ' 000)*	N/A	1,783,850,113		
- Domestic banking unit (Rs. ' 000)*	N/A	1,624,586,782		
- Off-shore banking unit (US\$ '000)*	N/A	607,206		
Statutory liquid assets ratio (minimum requirement - 20%)				
- Total Bank*	N/A	45.00%		
- Domestic banking unit*	N/A	42.80%		
- Off-shore banking unit*	N/A	54.20%		
Total Stock of High Quality Liquid Assets (Rs. ' 000)	1,656,704,103	1,566,339,976		
Liquidity coverage ratio - Rupee (Minimum requirement - 100%)	329.00%	316.00%		
Liquidity coverage ratio - All currency (Minimum requirement - 100%)	249.51%	227.21%		
Net stable funding ratio (Minimum requirement - 100%)	151.70%	145.00%		

N/A - Not Applicable

* CBSL has discontinued the requirement to maintain the Statutory Liquid Assets Ratio with effect from 15 June 2024.

Shareholder	30-Jun-2024		31-Dec-2023	
	No. of Ordinary Shares*	Holding %	No. of Ordinary Shares*	Holding %
Government of Sri Lanka	25,730,000	100	25,730,000	100

* This includes 730,000 shares in pending allotment.

- I. The interim Financial Statements are presented in accordance with Sri Lanka Accounting Standard - LKAS 34 on “Interim Financial Reporting”. These condensed Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023. In order to conform to better presentation, previous year figures and phrases have been adjusted where relevant.
- II. There are no changes in accounting policies and methods of computation since the publication of Annual Financial Statements for the year 2023.
- III. During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities in the Bank. All known expenses have been charged in these financial statements.
- IV. The Bank evaluated the significant increase in credit risk of Individually Significant Loan (ISL) customers intensively and customers who were identified with objective evidence were classified to higher stages too. Use of management overlays were continued to identify the risk elevated industries and exposures in those industries were classified under stage 2. The positive improvement in Economic Factor Adjustment in line with expected reinforcement in economy following the reform activities underway have not been captured in calculating the impairment provision for collectively assessed loan portfolios on prudence basis.
- V. The Bank has adopted the Alternative Treatment (SoAT) on Reclassification of Debt Portfolio, issued by the Institute of Chartered Accountants of Sri Lanka and reclassified its Debt Portfolio of Rs. 12.8 Bn from Fair Value Through Other Comprehensive Income (FVTOCI) to Amortized Cost (AC) with effect from 01 April 2022. If the current portfolio is continued to be measured at FVTOCI, the fair value and the cumulative fair value loss as at 30 June 2024 would have been Rs. 11.5 Bn and Rs. 0.9 Bn respectively.
- VI. The income on certain exposures which are subject to Government’s debt restructuring process has been adjusted in these Financial Statements on prudent basis as the debt restructuring process is not yet finalized.
- VII. No circumstances have arisen and no material events have occurred since the reporting date, which require disclosures or adjustments to the financial statements.
- VIII. The Group financial statements comprise a consolidation of the Bank and its Subsidiaries, Property Development Limited, Merchant Bank of Sri Lanka & Finance PLC, Hotels Colombo (1963) Limited, BOC Property Development & Management (Private) Limited, BOC Travels (Private) Limited, Ceybank Holiday Homes (Private) Limited, BOC Management & Support Services (Private) Limited, MBSL Insurance Company Limited, and Bank of Ceylon (UK) Limited and the Group’s interest in its Associate companies, Lanka Securities (Private) Limited, Southern Development Financial Company Limited, Transnational Lanka Records Solutions (Private) Limited and Ceybank Asset Management Limited.

We certify that the above Financial Statements give a true and fair view of the state of affairs of Bank of Ceylon and the Group as at 30 June 2024 and its profit for the six-month period ended 30 June 2024.

Sgd.
M P Ruwan Kumara
Chief Financial Officer

We, the undersigned, being the Directors and the General Manager of Bank of Ceylon 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, Rule 7.4 of Colombo Stock Exchange and Sri Lanka Accounting Standard – LKAS 34 on “Interim Financial Reporting”.
- b) the information contained in these Financial Statements have been extracted from the unaudited financial statements of the Bank and the Group.

Sgd.
Kavan Ratnayaka
Chairman
(Independent Non-Executive)

Sgd.
N C A Abeyesekera
Director
(Independent Non-Executive)

Sgd.
W P Russel Fonseka
General Manager

14 August 2024
Colombo

Rs. '000

As at 30 June	2024				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	174,678,013	-	-	174,678,013
Balances with Central Banks	-	49,180,969	-	-	49,180,969
Placements with banks	-	65,493,656	-	-	65,493,656
Securities purchased under resale agreements	-	26,793,610	-	-	26,793,610
Derivative financial instruments	17,803,574	-	-	-	17,803,574
Loans and advances	-	2,096,822,233	-	-	2,096,822,233
Financial investments	24,398,605	1,744,613,326	30,179,611	-	1,799,191,542
Total financial assets	42,202,179	4,157,581,807	30,179,611	-	4,229,963,597
Other assets	-	-	-	193,383,364	193,383,364
Total assets	42,202,179	4,157,581,807	30,179,611	193,383,364	4,423,346,961

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	7,657,773	-	7,657,773
Securities sold under repurchase agreements	-	124,620,337	-	124,620,337
Derivative financial instruments	7,922,373	-	-	7,922,373
Due to depositors	-	3,832,268,048	-	3,832,268,048
Other borrowings	-	34,889,812	-	34,889,812
Debt securities issued	-	-	-	-
Subordinated liabilities	-	63,666,109	-	63,666,109
Total financial liabilities	7,922,373	4,063,102,079	-	4,071,024,452
Other liabilities	-	-	95,097,671	95,097,671
Total liabilities	7,922,373	4,063,102,079	95,097,671	4,166,122,123

As at 31 December	2023				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	135,550,505	-	-	135,550,505
Balances with Central Banks	-	34,932,639	-	-	34,932,639
Placements with banks	-	74,966,171	-	-	74,966,171
Securities purchased under resale agreements	-	3,711,918	-	-	3,711,918
Derivative financial instruments	20,525,840	-	-	-	20,525,840
Loans and advances	-	2,209,061,924	-	-	2,209,061,924
Financial investments	40,642,530	1,653,728,403	49,533,998	-	1,743,904,931
Total financial assets	61,168,370	4,111,951,560	49,533,998	-	4,222,653,928
Other assets	-	-	-	189,094,387	189,094,387
Total assets	61,168,370	4,111,951,560	49,533,998	189,094,387	4,411,748,315

	Fair value through profit or loss	Amortised Cost	Others	Total
Financial liabilities				
Due to banks	-	3,047,732	-	3,047,732
Securities sold under repurchase agreements	-	78,463,070	-	78,463,070
Derivative financial instruments	2,169,202	-	-	2,169,202
Due to depositors	-	3,882,232,323	-	3,882,232,323
Other borrowings	-	33,666,236	-	33,666,236
Debt securities issued	-	-	-	-
Subordinated liabilities	-	64,691,810	-	64,691,810
Total financial liabilities	2,169,202	4,062,101,171	-	4,064,270,373
Other liabilities	-	-	95,763,222	95,763,222
Total liabilities	2,169,202	4,062,101,171	95,763,222	4,160,033,595

Rs. '000

As at 30 June	2024				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	174,912,538	-	-	174,912,538
Balances with Central Banks	-	49,180,969	-	-	49,180,969
Placements with banks	-	65,493,656	-	-	65,493,656
Securities purchased under resale agreements	-	27,272,798	-	-	27,272,798
Derivative financial instruments	17,803,574	-	-	-	17,803,574
Loans and advances	-	2,134,873,734	-	-	2,134,873,734
Financial investments	34,826,589	1,750,618,327	32,662,193	-	1,818,107,109
Total financial assets	52,630,163	4,202,352,022	32,662,193	-	4,287,644,378
Other assets	-	-	-	201,311,615	201,311,615
Total assets	52,630,163	4,202,352,022	32,662,193	201,311,615	4,488,955,993

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	7,694,488	-	7,694,488
Securities sold under repurchase agreements	-	125,173,249	-	125,173,249
Derivative financial instruments	7,922,373	-	-	7,922,373
Due to depositors	-	3,865,977,496	-	3,865,977,496
Other borrowings	-	38,438,347	-	38,438,347
Debt securities issued	-	683,374	-	683,374
Subordinated liabilities	-	63,402,858	-	63,402,858
Total financial liabilities	7,922,373	4,101,369,812	-	4,109,292,185
Other liabilities	-	-	102,184,293	102,184,293
Total liabilities	7,922,373	4,101,369,812	102,184,293	4,211,476,478

As at 31 December	2023				
	Fair value through profit or loss	Amortised cost	Fair value through OCI	Others	Total
Financial assets					
Cash and cash equivalents	-	137,369,158	-	-	137,369,158
Balances with Central Banks	-	34,932,639	-	-	34,932,639
Placements with banks	-	73,024,979	-	-	73,024,979
Securities purchased under resale agreements	-	3,695,392	-	-	3,695,392
Derivative financial instruments	20,525,840	-	-	-	20,525,840
Loans and advances to customers	-	2,240,611,228	-	-	2,240,611,228
Financial investments	48,830,871	1,660,012,978	52,199,685	-	1,761,043,534
Total financial assets	69,356,711	4,149,646,374	52,199,685	-	4,271,202,770
Other assets	-	-	-	196,557,247	196,557,247
Total assets	69,356,711	4,149,646,374	52,199,685	196,557,247	4,467,760,017

	Fair value through profit or loss	Amortised cost	Others	Total
Financial liabilities				
Due to banks	-	3,162,463	-	3,162,463
Securities sold under repurchase agreements	-	77,829,770	-	77,829,770
Derivative financial instruments	2,169,202	-	-	2,169,202
Due to depositors	-	3,909,580,686	-	3,909,580,686
Other borrowings	-	35,592,741	-	35,592,741
Debt securities issued	-	730,839	-	730,839
Subordinated liabilities	-	64,437,320	-	64,437,320
Total financial liabilities	2,169,202	4,091,333,819	-	4,093,503,021
Other liabilities	-	-	101,678,210	101,678,210
Total liabilities	2,169,202	4,091,333,819	101,678,210	4,195,181,231

Description	Note	Interest payable frequency	Issue date	Maturity date	Coupon rate		Interest Rate of comparable Government security	Amount	
					30.06.2024	31.12.2023		30.06.2024	31.12.2023
					%	%	%	Rs '000	Rs '000
Sri Lanka rupee debentures									
Fixed interest rate									
Listed, Unsecured, subordinated, redeemable debentures	a	Annually	29.12.2016	28.12.2024	12.75	12.75	9.77	833	784
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	29.12.2017	28.12.2025	12.75	12.75	10.35	5,311,756	5,003,247
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	31.07.2018	30.07.2026	12.00	12.00	10.53	7,436,012	7,027,303
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	27.06.2019	26.04.2024	-	11.75	-	-	3,176,622
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	17.07.2019	16.07.2024	11.80	11.80	9.74	1,167,232	1,104,087
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	18.07.2019	17.07.2024	11.80	11.80	9.74	2,447,563	2,315,154
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	23.07.2019	22.07.2024	11.80	11.80	9.74	2,776,280	2,626,148
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	24.07.2019	23.07.2024	11.50	11.50	9.74	443,076	419,669
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	26.07.2019	25.07.2027	11.75	11.75	10.81	67,824	64,171
Unlisted, Unsecured, subordinated, redeemable debentures		Annually	30.12.2022	29.12.2027	29.00	29.00	10.99	7,378,239	8,375,369
Listed, Unsecured, subordinated, redeemable debentures With non viability written down features	a	Annually	27.12.2023	27.12.2028	15.00	15.00	11.64	10,744,101	10,019,209
								37,772,916	40,131,763
Floating interest rate									
Listed, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 125 basis points)	a/b	Semi annually	29.12.2016	28.12.2024	11.44	15.41	9.77	20	20
Unlisted, Unsecured, subordinated, redeemable debentures (6 months TB (Gross) rate plus 250 basis points with a floor rate of 9.0%)	b	Semi annually	22.11.2021	22.11.2026	11.93	17.25	10.72	5,467,272	5,496,316
								5,467,292	5,496,336
Additional Tier I capital bonds									
Unlisted, Unsecured, subordinated, perpetual capital bond (12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.5%)		Annually	06.07.2020	N/A	15.36	15.36	-	5,756,721	5,360,837
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9.0%)		Annually	01.12.2020	N/A	14.39	14.39	-	10,812,175	10,111,114
Unlisted, Unsecured, subordinated, perpetual capital bond (Weighted average 12 months TB (Net) rate plus 150 basis points with a Floor rate of 9%)		Annually	06.07.2021	N/A	15.36	15.36	-	3,857,005	3,591,760
								20,425,901	19,063,711
								63,666,109	64,691,810

Notes

a) Debentures that are listed in the Colombo Stock Exchange.

b) Weighted average 6 months Treasury Bill interest rate at the primary quotations as announced by the Central Bank of Sri Lanka, at the preceding week of the interest resetting date.

INFORMATION ON LISTED DEBENTURES

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	01-Jan-2024 to 30-Jun-2024 Rs.	01-Jan-2023 to 31-Dec-2023 Rs.
Market Value		
BoC Debentures 2016/2024 Unsecured, subordinated, redeemable, 8 years, fixed rate (12.75%)	Not Traded	Not Traded
Unsecured, subordinated, redeemable, 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded	Not Traded
BoC Debentures 2023/2028 Unsecured, subordinated, redeemable with non viability written down features, 5 years, fixed rate (15.0%)	Not Traded	Not Applicable

YIELD OF LAST TRADE DONE

	30-Jun-2024 %	31-Dec-2023 %
Interest yield as at date of last trade done		
BoC Debentures 2016/2024 8 years, fixed rate (12.75%) 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded Not Traded	Not Traded Not Traded
BoC Debentures 2023/2028 5 years, fixed rate (15.0%)	Not Traded	Not Applicable
Yield to maturity of last trade done		
BoC Debentures 2016/2024 8 years, fixed rate (12.75%) 8 years, floating rate (06 months TB rate (Gross) plus 125 basis points)	Not Traded Not Traded	Not Traded Not Traded
BoC Debentures 2023/2028 5 years, fixed rate (15.0%)	Not Traded	Not Applicable

1 Loans and advances to customers

As at	Bank		Group	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Gross loans and receivables	2,345,892,561	2,457,771,739	2,386,438,215	2,491,980,528
Stage 1	1,685,151,635	1,807,745,963	1,713,185,459	1,830,121,287
Stage 2	344,403,607	338,162,831	353,981,742	347,245,385
Stage 3	316,337,319	311,862,945	319,271,014	314,613,856
Less : Accumulated impairment	249,070,328	248,709,815	251,564,481	251,369,300
Stage 1	26,560,074	31,412,474	27,693,385	32,622,298
Stage 2	36,345,009	28,817,796	37,386,769	29,929,889
Stage 3	186,165,245	188,479,545	186,484,327	188,817,113
Net loans and advances	2,096,822,233	2,209,061,924	2,134,873,734	2,240,611,228

2 Loans and advances to customers - By product

As at	Bank		Group	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Local currency				
Overdrafts	129,524,021	130,674,115	129,195,294	130,597,463
Term loans	664,688,857	712,215,258	673,488,351	718,675,881
Lease rentals receivable	16,459,038	15,995,619	24,578,589	24,381,339
Credit cards	9,600,154	9,624,273	9,600,154	9,624,273
Pawning	176,414,749	163,247,841	179,772,476	167,225,944
Housing loans	68,833,250	71,231,393	68,857,938	71,256,953
Trade finance	54,276,064	51,417,495	54,487,479	51,641,847
Personal loans	344,810,589	360,375,320	345,641,672	361,359,304
Staff loans	24,190,151	23,342,462	24,402,316	23,580,654
Foreclosed properties	4,033,289	3,891,415	4,033,289	3,891,415
Other loans	64,231,245	61,411,227	64,231,245	61,411,227
Total local currency loans and advances	1,557,061,407	1,603,426,418	1,578,288,803	1,623,646,300
Foreign currency				
Overdrafts	71,998,946	68,855,646	72,499,518	69,150,463
Term loans	635,785,845	704,469,083	654,581,606	718,143,803
Trade finance	70,906,412	70,443,434	70,906,412	70,443,434
Housing loans	26,542	32,858	26,542	32,858
Staff loans	205,288	218,051	227,213	237,421
Foreclosed properties	6,866	8,149	6,866	8,149
Other loans	9,901,255	10,318,100	9,901,255	10,318,100
Total foreign currency loans and advances	788,831,154	854,345,321	808,149,412	868,334,228
Total loans and advances to customers	2,345,892,561	2,457,771,739	2,386,438,215	2,491,980,528

3 Movement in impairment provisions during the period for loans and advances to customers

	Bank			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	31,412,474	28,817,796	188,479,545	248,709,815
Charge / (reversal) during the period	(7,771,235)	8,529,844	11,387,694	12,146,303
Amount recovered during the period	-	-	(8,874,395)	(8,874,395)
Exchange rate variance on foreign currency impairment	2,918,835	(1,002,631)	(4,827,599)	(2,911,395)
Amount written-off during the period	-	-	(9,733)	(9,733)
Other movements	-	-	9,733	9,733
Closing balance as at 30 June 2024	26,560,074	36,345,009	186,165,245	249,070,328

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance (01 January)	32,622,298	29,929,889	188,817,113	251,369,300
Charge / (reversal) during the period	(7,780,111)	8,521,700	11,336,315	12,077,904
Amount recovered during the period	-	-	(8,874,395)	(8,874,395)
Exchange rate variance on foreign currency impairment	2,918,835	(1,002,631)	(4,827,599)	(2,911,395)
Amount written-off during the period	-	-	(9,733)	(9,733)
Other movements	(67,637)	(62,189)	42,626	(87,200)
Closing balance as at 30 June 2024	27,693,385	37,386,769	186,484,327	251,564,481

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4) Contingent liabilities and commitments

As at	Bank		Group	
	30-June-2024	31-Dec-2023	30-June-2024	31-Dec-2023
By product - Domestic currency				
Acceptances and documentary credits	163,366,194	156,360,187	163,366,194	156,360,187
Bills for collection	49,576,556	50,645,325	49,576,556	50,645,325
Forward exchange contracts	392,211,302	374,380,469	392,211,302	374,380,469
Guarantees	150,489,357	150,048,539	150,673,113	150,221,232
Undrawn and undisbursed facilities	598,503,315	580,539,424	598,503,315	580,539,424
Other commitments	47,792,717	47,410,863	47,825,252	47,972,356
Total domestic currency contingent liabilities and commitments	1,401,939,441	1,359,384,807	1,402,155,732	1,360,118,992
By product - Foreign currency				
Acceptances and documentary credits	17,408,146	12,632,025	17,437,401	12,640,064
Bills for collection	12,197,452	7,549,785	12,197,452	7,549,785
Forward exchange contracts	7,231,224	18,821,497	7,231,224	27,241,470
Guarantees	11,006,378	14,168,242	11,006,378	14,168,242
Undrawn and undisbursed facilities	19,515,688	22,179,063	19,515,688	22,179,063
Other commitments	105,626,681	104,470,811	106,437,778	104,994,495
Total foreign currency contingent liabilities and commitments	172,985,569	179,821,422	173,825,921	188,773,119
Total Contingent liabilities and commitments	1,574,925,010	1,539,206,229	1,575,981,653	1,548,892,111

5) Financial liabilities at amortised cost

Due to depositors - By product

As at	Bank		Group	
	30-June-2024	31-Dec-2023	30-June-2024	31-Dec-2023
Local currency				
Demand deposits	182,962,795	180,592,681	182,630,942	180,048,039
Savings deposits	692,169,512	1,034,735,718	693,362,193	1,035,696,345
Time deposits	2,036,355,590	1,695,628,262	2,055,429,807	1,714,698,285
Other deposits	3,221,544	4,035,128	3,221,544	4,042,100
Total local currency deposits	2,914,709,441	2,914,991,789	2,934,644,486	2,934,484,769
Foreign currency				
Demand deposits	46,805,337	50,829,782	47,841,038	51,778,862
Savings deposits	162,871,277	174,171,409	163,685,722	174,970,315
Time deposits	705,196,086	738,711,301	717,120,343	744,818,698
Other deposits	2,685,907	3,528,042	2,685,907	3,528,042
Total foreign currency deposits	917,558,607	967,240,534	931,333,010	975,095,917
Total due to depositors	3,832,268,048	3,882,232,323	3,865,977,496	3,909,580,686

SEGMENTAL ANALYSIS - GROUP

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Rs. '000

For the six-month period ended 30 June	Retail banking		Corporate and Offshore banking		International,treasury and investment		Group functions		Unallocated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue from external customers:												
Net interest income	21,296,646	14,861,317	17,937,351	11,293,152	41,544,983	4,935,828	1,910,765	2,209,875	(23,280,559)	(2,523,255)	59,409,186	30,776,917
Net fee and commission income	8,984,416	6,824,965	1,278,113	1,735,755	(831,389)	(233,809)	174,072	159,502	505,469	358,976	10,110,681	8,845,390
Other income	688,840	(785,588)	(246,804)	(2,546,285)	737,675	(8,697,264)	570,854	227,495	110,586	885,161	1,861,151	(10,916,481)
Total operating income	30,969,902	20,900,694	18,968,660	10,482,623	41,451,269	(3,995,245)	2,655,691	2,596,872	(22,664,504)	(1,279,118)	71,381,018	28,705,826
Expenses :												
Impairment (charge)/ reversal for loans and other losses	(1,610,605)	584,121	(1,391,505)	4,259,378	(4,775,168)	8,150,522	68,399	(25,474)	(69,460)	98,456	(7,778,339)	13,067,003
Total operating expenses	(21,076,479)	(18,092,465)	(3,089,239)	(2,143,530)	(6,127,330)	(3,746,959)	(2,204,201)	(2,143,845)	(502,676)	(220,715)	(32,999,925)	(26,347,515)
Total expenses	(22,687,084)	(17,508,344)	(4,480,744)	2,115,848	(10,902,498)	4,403,562	(2,135,802)	(2,169,319)	(572,136)	(122,260)	(40,778,264)	(13,280,512)
Operating profit before taxes on financial services	8,282,818	3,392,351	14,487,916	12,598,471	30,548,771	408,317	519,889	427,553	(23,236,640)	(1,401,378)	30,602,754	15,425,314
Taxes on financial services											(7,842,205)	(4,589,496)
Operating profit after taxes on financial services											22,760,549	10,835,818
Share of profits/ (losses) of associate companies, net of tax							34,210	28,288			34,210	28,288
Profit/(loss) before income tax	8,282,818	3,392,351	14,487,916	12,598,471	30,548,771	408,317	554,099	455,841	(23,236,640)	(1,401,378)	22,794,759	10,864,106
Income tax expense											(10,292,100)	(2,114,560)
Profit for the period											12,502,659	8,749,546
Total assets	863,244,347	885,176,522	1,040,673,544	1,077,803,099	2,277,682,965	1,882,323,535	65,609,032	53,134,068	241,746,105	192,288,867	4,488,955,993	4,090,726,091
Total liabilities	813,045,281	830,104,701	980,156,681	1,010,746,894	2,145,231,986	1,765,213,579	45,354,354	34,553,337	227,688,176	180,325,492	4,211,476,478	3,820,944,002
Cash flows from/ (used in) operating activities	8,318,028	(111,126,582)	5,094,683	(55,734,893)	11,133,158	21,242,261	(6,085,872)	(4,234,560)	(6,087,329)	6,800,921	12,372,668	(143,052,852)
Cash flows from/ (used in) investing activities	6,117,793	42,646,359	7,375,230	51,926,793	16,141,888	90,687,274	1,449,046	1,177,476	1,713,249	9,264,164	32,797,206	195,702,066
Cash flows from/ (used in) financing activities	(8,770,094)	(35,087,444)	(4,860,881)	(17,086,462)	(1,200,342)	(4,353,316)	3,130,714	3,613,039	(906,510)	(4,181,069)	(12,607,113)	(57,095,252)
Capital expenditure to non-current assets											1,489,227	1,003,976
Depreciation and amortization expenses	393,973	388,856	474,950	473,477	1,039,505	826,901	55,277	150,878	110,330	84,473	2,074,035	1,924,585

During the period from 01.01.2016 to 30.06.2024

Year	Objective number	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amounts utilized in Rs. (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg : whether lent to related party/s etc...)
2016	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.							Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.	8 Billion	29.12.2016	8 Billion	100	8 Billion	100	
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.							
2023	1	To increase the Tier II capital of the Bank in order to enhance the Capital Adequacy Ratio (CAR) and single borrower limit.		27.12.2023					Not Applicable
	2	To minimize and manage the gap exposure in the Bank's assets/ liability portfolios.	10 Billion		10 Billion	100	10 Billion	100	
	3	To strengthen the Bank's liquidity position and to increase the asset base / loan book.		on or before 27.12.2024					