## SEYLAN BANK PLC FINANCIAL STATEMENTS

Six months ended 30th June, 2022



Interest Income   32,     Less: Interest Expenses   15,     Net Interest Income   16,     Fee and Commission Income   2,     Less: Fee and Commission Expenses   2,     Net Fee and Commission Income   2,     Net Gains/(Losses) from Trading   4,     Net Gains/(Losses) from Trading   4,     Net Gains from Derecognition of Financial Assets     Net Other Operating Income   21,     Total Operating Income   21,     Net Operating Income   11,     Net Operating Income   10,     Less: Impairment Charges   11,     Net Operating Income   10,     Less: Operating Expenses   2,     Personnel Expenses   4,     Depreciation and Amortization Expenses   1,     Operating Income   1,     Operating Income	2022 (Audited) 2,543,123 5,692,002 ,851,121 105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	Six months 30th June 2021 (Audited) 22,816,224 11,845,508 10,970,716 2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577 10,667,339	Growth % 42.63 32.47 53.60 27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	2022	e Quarter Er 30th June 2021 11,137,984 5,701,283 5,436,701 1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	Growth	2022 32,552,506 15,494,379 17,058,127 2,881,140 106,019 2,775,121 4,135,432	22,820,072 11,692,942 11,127,130 2,251,200 71,850 2,179,350 (450,130) 443,997 1,452,757	Growth	2022 19,236,852 9,082,351 10,154,501 1,397,276 59,487 1,337,789 506,716	5,625,160 5,514,772 1,042,873 20,814 1,022,059 155,549 258,777 363,086	Growth % 72.66 61.40 84.13 33.96 185.80 30.89 225.70 (100.00 107.30
Interest Income   32,4	(Audited) 2,543,123 5,692,002 6,851,121 105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	2021 (Audited) 22,816,224 11,845,508 10,970,716 2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	% 42.63 32.47 53.60 27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	19,232,929 9,161,270 10,071,659 1,397,225 58,753 1,338,472 508,535 - 715,124 12,633,790	2021 11,137,984 5,701,283 5,436,701 1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	% 72.68 60.69 85.25 33.95 182.28 30.93 218.32 (100.00) 111.23	2022 32,552,506 15,494,379 17,058,127 2,881,140 106,019 2,775,121 4,135,432 2,387 (2,126,564)	2021 22,820,072 11,692,942 11,127,130 2,251,200 71,850 2,179,350 (450,130); 443,997 1,452,757	% 42.65 32.51 53.30 27.98 47.56 27.34 1,018.72 (99.46) (246.38)	2022 19,236,852 9,082,351 10,154,501 1,397,276 59,487 1,337,789 506,716 - 752,682	2021 11,139,932 5,625,160 5,514,772 1,042,873 20,814 1,022,059 155,549 258,777 363,086	72.6i 61.4i 84.1; 33.9i 185.8i 30.8i 225.7i (100.0i 107.3i
Interest Income   32,     Less: Interest Expenses   15,     Net Interest Income   16,     Fee and Commission Income   2,     Less: Fee and Commission Expenses   2,     Net Gains/(Losses) from Trading   4,     Net Gains/(Losses) from Trading   4,     Net Gains from Derecognition of Financial Assets     Net Other Operating Income   21,     Total Operating Income   21,     Net Operating Income   10,     Less: Impairment Charges   11,     Net Operating Income   10,     Less: Operating Expenses   2,     Personnel Expenses   2,     Depreciation and Amortization Expenses   3,     Operating Expenses   4,     Operating Income   1,     Operating Expenses   1,     Operating Income   1,     Operating Expenses   1,     Operating Income   1,     Op	(Audited) 2,543,123 5,692,002 6,851,121 105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	(Audited) 22,816,224 11,845,508 10,970,716 2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	% 42.63 32.47 53.60 27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	19,232,929 9,161,270 10,071,659 1,397,225 58,753 1,338,472 508,535 - 715,124 12,633,790	11,137,984 5,701,283 5,436,701 1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	% 72.68 60.69 85.25 33.95 182.28 30.93 218.32 (100.00) 111.23	32,552,506 15,494,379 17,058,127 2,881,140 106,019 2,775,121 4,135,432 2,387 (2,126,564)	22,820,072 11,692,942 11,127,130 2,251,200 71,850 2,179,350 (450,130) 443,997 1,452,757	% 42.65 32.51 53.30 27.98 47.56 27.34 1,018.72 (99.46) (246.38)	19,236,852 9,082,351 10,154,501 1,397,276 59,487 1,337,789 506,716 752,682	11,139,932 5,625,160 <b>5,514,772</b> 1,042,873 20,814 <b>1,022,059</b> 155,549 258,777 363,086	97 72.6 61.4 84.1 33.9 185.8 30.8 225.7 (100.0 107.3
Interest Income   32,     Less: Interest Expenses   15,     Net Interest Income   16,     Fee and Commission Income   2,     Less: Fee and Commission Expenses   2,     Net Gains/(Losses) from Trading   4,     Net Gains/(Losses) from Trading   4,     Net Gains from Derecognition of Financial Assets     Net Other Operating Income   21,     Total Operating Income   21,     Net Operating Income   10,     Less: Impairment Charges   11,     Net Operating Income   10,     Less: Operating Expenses   2,     Personnel Expenses   2,     Depreciation and Amortization Expenses   3,     Operating Expenses   4,     Operating Income   1,     Operating Expenses   1,     Operating Income   1,     Operating Expenses   1,     Operating Income   1,     Op	2,543,123 5,692,002 6,851,121 2,881,201 105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	22,816,224 11,845,508 10,970,716 2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	42.63 32.47 53.60 27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	9,161,270 10,071,659 1,397,225 58,753 1,338,472 508,535 715,124 12,633,790	5,701,283 5,436,701 1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	72.68 60.69 85.25 33.95 182.28 30.93 218.32 (100.00) 111.23	15,494,379 17,058,127 2,881,140 106,019 2,775,121 4,135,432 2,387 (2,126,564)	11,692,942 11,127,130 2,251,200 71,850 2,179,350 (450,130) 443,997 1,452,757	42.65 32.51 53.30 27.98 47.56 27.34 1,018.72 (99.46) (246.38)	9,082,351 10,154,501 1,397,276 59,487 1,337,789 506,716 - 752,682	5,625,160 5,514,772 1,042,873 20,814 1,022,059 155,549 258,777 363,086	72.6 61.4 84.1 33.9 185.8 30.8 225.7 (100.0 107.3
15,1	5,692,002 6,851,121 2,881,201 105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232 1,363,734	11,845,508 10,970,716 2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	32.47 53.60 27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	9,161,270 10,071,659 1,397,225 58,753 1,338,472 508,535 715,124 12,633,790	5,701,283 5,436,701 1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	85.25 33.95 182.28 30.93 218.32 (100.00) 111.23	15,494,379 17,058,127 2,881,140 106,019 2,775,121 4,135,432 2,387 (2,126,564)	11,692,942 11,127,130 2,251,200 71,850 2,179,350 (450,130) 443,997 1,452,757	32.51 53.30 27.98 47.56 27.34 1,018.72 (99.46) (246.38)	9,082,351 10,154,501 1,397,276 59,487 1,337,789 506,716 - 752,682	5,625,160 5,514,772 1,042,873 20,814 1,022,059 155,549 258,777 363,086	61.4 84.1; 33.9; 185.8; 30.8; 225.7; (100.0) 107.3;
Net Interest Income  2,0 Less: Fee and Commission Income Less: Fee and Commission Expenses Net Fee and Commission Income  2,7 Net Gains/(Losses) from Trading Net Gains from Derecognition of Financial Assets Net Other Operating Income  (2,1 Total Operating Income  11,3 Net Operating Income  11,0 Less: Impairment Charges Net Operating Income 10,3 Depreciation and Amortization Expenses  Personnel Expenses Depreciation and Amortization Expenses	2,881,201 105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	10,970,716 2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	53.60 27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	10,071,659 1,397,225 58,753 1,338,472 508,535 - 715,124 12,633,790	5,436,701 1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	85.25 33.95 182.28 30.93 218.32 (100.00) 111.23	2,881,140 106,019 2,775,121 4,135,432 2,387 (2,126,564)	11,127,130 2,251,200 71,850 2,179,350 (450,130): 443,997 1,452,757	53.30 27.98 47.56 27.34 1,018.72 (99.46) (246.38)	10,154,501 1,397,276 59,487 1,337,789 506,716 - 752,682	1,042,873 20,814 1,022,059 155,549 258,777 363,086	84.1 33.9 185.8 30.8 225.7 (100.0 107.3
Fee and Commission Income Less: Fee and Commission Expenses Net Fee and Commission Income 2,7 Net Gains/(Losses) from Trading Net Gains from Derecognition of Financial Assets Net Other Operating Income 21,7 Total Operating Income 11,0 Net Operating Income 11,0 Net Operating Income 10,3 Depreciation and Amortization Expenses Depreciation and Amortization Expenses	2,881,201 105,285 2,775,916 4,137,231 2,387 2,046,423) 7,720,232	2,251,452 71,850 2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	27.97 46.53 27.36 1,015.97 (99.46) (233.47) 48.00	1,397,225 58,753 1,338,472 508,535 - 715,124 12,633,790	1,043,090 20,814 1,022,276 159,756 258,777 338,560 7,216,070	33.95 182.28 30.93 218.32 (100.00) 111.23	2,881,140 106,019 <b>2,775,121</b> 4,135,432 2,387 (2,126,564)	2,251,200 71,850 <b>2,179,350</b> (450,130): 443,997 1,452,757	27.98 47.56 27.34 1,018.72 (99.46) (246.38)	1,397,276 59,487 <b>1,337,789</b> 506,716 - 752,682	1,042,873 20,814 1,022,059 155,549 258,777 363,086	33.9 185.8 30.8 225.7 (100.0 107.3
Less: Fee and Commission Expenses  Net Fee and Commission Income  2,7  Net Gains/(Losses) from Trading  Net Gains from Derecognition of Financial Assets Net Other Operating Income  (2,0  Total Operating Income  11,0  Net Operating Income  10,3  Less: Uppariment Charges Personnel Expenses Personnel Expenses Depreciation and Amortization Expenses	105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	71,850 <b>2,179,602</b> (451,678) 443,997 1,533,279 <b>14,675,916</b> 4,008,577	46.53 27.36 1,015.97 (99.46) (233.47) 48.00	58,753 1,338,472 508,535 - 715,124 12,633,790	20,814 1,022,276 159,756 258,777 338,560 7,216,070	182.28 30.93 218.32 (100.00) 111.23	106,019 2,775,121 4,135,432 2,387 (2,126,564)	71,850 <b>2,179,350</b> (450,130) 443,997 1,452,757	47.56 27.34 1,018.72 (99.46) (246.38)	59,487 1,337,789 506,716 - 752,682	20,814 1,022,059 155,549 258,777 363,086	185.8 30.8 225.7 (100.0 107.3
Less: Fee and Commission Expenses  Net Fee and Commission Income  2,7  Net Gains/(Losses) from Trading At the Operating Income  (2,0  Total Operating Income  Less: Impairment Charges Net Operating Income  10,3  Less: Operating Expenses Personnel Expenses  Depreciation and Amortization Expenses	105,285 2,775,916 4,137,231 2,387 2,046,423) 1,720,232	71,850 <b>2,179,602</b> (451,678) 443,997 1,533,279 <b>14,675,916</b> 4,008,577	46.53 27.36 1,015.97 (99.46) (233.47) 48.00	58,753 1,338,472 508,535 - 715,124 12,633,790	20,814 1,022,276 159,756 258,777 338,560 7,216,070	182.28 30.93 218.32 (100.00) 111.23	106,019 2,775,121 4,135,432 2,387 (2,126,564)	71,850 <b>2,179,350</b> (450,130) 443,997 1,452,757	47.56 27.34 1,018.72 (99.46) (246.38)	59,487 1,337,789 506,716 - 752,682	20,814 1,022,059 155,549 258,777 363,086	185.8 30.8 225.7 (100.0 107.3
Net Fee and Commission Income  2,7  Net Gains/(Losses) from Trading Net Gains from Derecognition of Financial Assets Net Other Operating Income  (2,6  Total Operating Income  Less: Impairment Charges Net Operating Income  Less: Operating Expenses Personnel Expenses Depreciation and Amortization Expenses	2,775,916 4,137,231 2,387 2,046,423) 1,720,232	2,179,602 (451,678) 443,997 1,533,279 14,675,916 4,008,577	27.36 1,015.97 (99.46) (233.47) 48.00	1,338,472 508,535 - 715,124 12,633,790	1,022,276 159,756 258,777 338,560 7,216,070	30.93 218.32 (100.00) 111.23	2,775,121 4,135,432 2,387 (2,126,564)	2,179,350 (450,130) 443,997 1,452,757	27.34 1,018.72 (99.46) (246.38)	1,337,789 506,716 - 752,682	1,022,059 155,549 258,777 363,086	30.8 225.7 (100.0 107.3
Net Gains from Derecognition of Financial Assets Net Other Operating Income  21,7  Total Operating Income  Less: Impairment Charges Net Operating Income 10,3  Less: Operating Expenses Personnel Expenses Depreciation and Amortization Expenses	2,387 2,046,423) 1,720,232	443,997 1,533,279 <b>14,675,916</b> 4,008,577	(99.46) (233.47) 48.00 183.49	715,124	258,777 338,560 <b>7,216,070</b>	(100.00) 111.23	2,387 (2,126,564)	443,997 1,452,757	(99.46) (246.38)	752,682	258,777 363,086	(100.0 107.3
Net Gains from Derecognition of Financial Assets Net Other Operating Income  (2,1,7  Total Operating Income  21,7  Net Operating Income  10,3  Less: Operating Expenses  Personnel Expenses  Depreciation and Amortization Expenses	2,387 2,046,423) 1,720,232	443,997 1,533,279 <b>14,675,916</b> 4,008,577	(99.46) (233.47) 48.00 183.49	715,124	258,777 338,560 <b>7,216,070</b>	(100.00) 111.23	2,387 (2,126,564)	443,997 1,452,757	(99.46) (246.38)	752,682	258,777 363,086	(100.0 107.3
Net Other Operating Income  (2.1)  Fotal Operating Income  21,7  Less: Impairment Charges  Net Operating Income  10,3  Less: Operating Expenses  Personnel Expenses  Operating Amortization Expenses	2,046,423) , <b>720,232</b> 1,363,734	1,533,279 <b>14,675,916</b> 4,008,577	(233.47) 48.00 183.49	12,633,790	338,560 <b>7,216,070</b>	111.23	(2,126,564)	1,452,757	(246.38)		363,086	107.3
Total Operating Income  21,  Less: Impairment Charges  Net Operating Income  10,3  Less: Operating Expenses  Personnel Expenses  A.  Depreciation and Amortization Expenses	, <b>720,232</b>	<b>14,675,916</b> 4,008,577	<b>48.00</b> 183.49	12,633,790	7,216,070							
Less: Impairment Charges 11,  Net Operating Income 10,  Less: Operating Expenses  Personnel Expenses 4,  Depreciation and Amortization Expenses	1,363,734	4,008,577	183.49			75.08	21,844,503	14,753,104	48.07	12 751 688		74 3
Net Operating Income 10,3 Less: Operating Expenses Personnel Expenses 4, Depreciation and Amortization Expenses				7,980,087	1 007 461					,,,,,,,,,,	7,314,243	14.0
Less: Operating Expenses  Personnel Expenses 4, Depreciation and Amortization Expenses	,356,498	10,667,339	(2.04.)		1,007,401	334.30	11,363,734	4,008,577	183.49	7,980,087	1,837,461	334.3
Personnel Expenses 4, Depreciation and Amortization Expenses 6			(2.91)	4,653,703	5,378,609	(13.48)	10,480,769	10,744,527	(2.45)	4,771,601	5,476,782	(12.8
Depreciation and Amortization Expenses												
· ·	4,120,328	3,832,944	7.50	2,052,586	1,893,990	8.37	4,143,594	3,853,582	7.53	2,064,391	1,903,864	8.4
	684,982	726,698	(5.74)	338,925	362,396	(6.48)	708,730	750,503	(5.57)	353,713	374,276	(5.4
Other Expenses 2,4	2,446,123	2,189,969	11.70	1,260,665	1,104,783	14.11	2,463,685	2,206,253	11.67	1,267,675	1,112,861	13.9
Total Operating Expenses 7,2	,251,433	6,749,611	7.43	3,652,176	3,361,169	8.66	7,316,009	6,810,338	7.43	3,685,779	3,391,001	8.6
Operating Profit before Taxes 3,1	3,105,065	3,917,728	(20.74)	1,001,527	2,017,440	(50.36)	3,164,760	3,934,189	(19.56)	1,085,822	2,085,781	(47.9
Less: Value Added Tax on Financial Services 1,	1,073,692	1,004,958	6.84	437,394	502,683	(12.99)	1,073,692	1,004,958	6.84	437,394	502,683	(12.9
Profit before Income Tax 2.0	2,031,373	2,912,770	(30.26)	564,133	1,514,757	(62.76)	2,091,068	2 929 231	(28.61)	648,428	1,583,098	(59.0
	.,001,010	2,012,110	(00.20)	001,100	1,011,101	(02.70)	2,001,000	2,020,201	(20.01)	010,120	1,000,000	
Less: Income Tax Expense	527,796	807,513	(34.64)	114,548	415,288	(72.42)	595,411	771,483	(22.82)	143,195	429,114	(66.6
Profit for the Period 1,5	,503,577	2,105,257	(28.58)	449,585	1,099,469	(59.11)	1,495,657	2,157,748	(30.68)	505,233	1,153,984	(56.2
Profit Attributable to:												
Equity Holders of the Bank	-	-	-	-		-	1,454,918	2,105,346	(30.89)	488,822	1,137,907	(57.0
Non-Controlling Interest	-	-	-	-		-	40,739	52,402	(22.26)	16,411	16,077	2.0
Profit for the Period	-	-	-	-	-	-	1,495,657	2,157,748	(30.68)	505,233	1,153,984	(56.2

STATEMENT OF CASH FLOWS		•	nounts in Rupees	
	BA1	NK 2021	GRO	UP 2021
For the Six Months ended 30th June	ZUZZ	2021	2022	2021
Cash Flows from Operating Activities nterest Receipts Net Commission Receipts Trading Income Ayments to Employees AT on Financial Services Paid Receipts from Other Operating Activities Ayments to Other Operating Activities	28,448,135 (12,712,041) 2,775,916 36,282 (3,977,832) (1,136,258) 8,509,679 (2,504,312)	19,863,224 (12,014,098) 2,179,602 5,872 (3,563,459) (1,240,126) 2,566,820 (1,250,076)	28,457,518 (12,708,829) 2,775,121 34,483 (3,994,458) (1,136,258) 8,575,603 (2,538,264)	19,867,072 (12,012,253) 2,179,350 7,420 (3,577,706) (1,240,126) 2,611,497 (1,280,421)
perating Profit before Changes in Operating Assets and Liabilities	19,439,569	6,547,759	19,464,916	6,554,833
Increase)/Decrease in Operating Assets: 3alances with Central Bank of Sri Lanka inancial Assets at Amortized Cost - Loans and Advances 1ther Assets	(6,987,898) (31,152,217) (5,269,479)	(100,785) (20,412,023) 649,217	(6,987,898) (31,152,217) (5,137,593)	(100,785) (20,412,023) 639,202
Increase/(Decrease) in Operating Liabilities: Financial Liabilities at Amortized Cost - Due to Depositors Financial Liabilities at Amortized Cost - Due to Debt Securities Holders Financial Liabilities at Amortized Cost - Due to Other Borrowers Other Liabilities Die to Banks Due to Banks Cast (Used in) /Generated from Operating Activities before Income Tax Income Tax and Surcharge Tax Pald Net Cash (Used in)/Generated from Operating Activities	41,361,128 21,967,179 2,323 (4,526,139) (9,013,342) <b>25,821,124</b> (1,559,186) <b>24,261,938</b>	16,372,940 430,365 (4,370) 1,274,806 (7,851,317) (3,093,408) (156,858) (3,250,266)	41,361,128 21,967,179 2,323 (4,771,101) (9,013,342) 25,733,395 (1,559,186) 24,174,209	16,372,940 430,365 (4,370) 1,298,471 (7,851,317) (3,072,684) (156,858) (3,229,542)
Cash flows from Investing Activities  Purchase of Property, Plant and Equipment Improvements in Investment Properties  Proceeds from Sale of Property, Plant and Equipment  Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Government of Sri Lank Treasury Bills/Bonds, Development and Sovereign Bonds maturing after Three Months	(48,300) - 1,910	(82,907) - 39 7,924,217	(48,538) (10,595) 1,910 (15,127,969)	(105,904) (7,527) 39 7,924,217
Development and Sovereigh boths inaturing after infer wordings of Shares and Debentures are the Proceeds from Sale, Maturity and Purchase of Financial Investments of Shares and Debentures aleverse Repurchase Agreements maturing after Three Months are the Verbrase of Intangible Assets  Vet Cash Flow from Acquisition of Investment in Subsidiaries  Vet Cash Flow from Disposal of Subsidiaries  Vet Cash Flow from Investment in Subsidiaries  Vet Cash (Used in) (Nemerated from Investments  Vet Cash (Used in) (Nemerated from Investing Activities	(15,127,969) 1,469 (25,968) - 146,065 768 (15,052,025)	7,324,217 51,018 (53,202) - 125,199 15,135 7,979,499	(15,127,969) 1,530 - (25,968) - - - - - - - (15,208,862)	7,924,217 57,945 - (53,202) - - 15,135 7,830,703
Cash Flows from Financing Activities  Net Proceeds from the Issue of Ordinary Share Capital  Net Proceeds from the Issue of Other Equity Instruments  Net Proceeds from the Issue of Other Equity Instruments  Net Proceeds from the Issue of Subordinated Debt  Repayment of Subordinated Debt  Interest Paid on Subordinated Debt  Interest Paid on Un-subordinated Debt  Invidend Paid to Non-controlling interest	(1,836,891)	6,000,000 - (1,396,926) - (415)	(1,828,362)	6,000,000 (1,388,397)
Dividend Paid to Shareholders of the Bank Dividend paid to Holders of Other Equity Instruments Repayment of Principal Portion of Lease Liabilities Vet Cash (Used in)/Generated from Financing Activities	(16) - (391,631) (2,228,538)	(115) - (393,120) <b>4,209.839</b>	(16) - - - - - (240,850) (2.071.238)	(115) - (250,731) <b>4.360,747</b>
at usan (usau in)rudinateu nun manting Activitius let Increase/(Decrease) in Cash and Cash Equivalents ash and Cash Equivalents at Beginning of the Year	6,981,375 44,039,917	8,939,069 37,515,866	6,894,109 44,204,423	8,961,905 37,516,404
ash and Cash Equivalents at End of the Period	51,021,292	46,454,935	51,098,532	46,478,309
teconciliation of Cash and Cash Equivalents ash and Cash Equivalents lacements with Banks and Finance Companies overmment of Sri Lanka Treasury Bills/Bonds, Development and Sovereign Bonds maturing within Three Months ecurities Purchased under Resale Agreements maturing within Three Months	29,081,277 - 19,023,890 2,916,125	24,841,226 5,411,572 14,962,557 1,239,580	29,081,317 - 19,101,090 2,916,125	24,841,266 5,412,070 14,985,393 1,239,580
	51.021.292	46.454.935	51.098.532	46.478.309

SEYLAN BANK PLC - DEBENTURES

\* No trading during the period.

(In terms of Rule 7.4 of the Colombo Stock Exchange)	For the Six	Bank months Ended	l 30th June	For the Qu	Bank arter Ended 3	Oth June	For the Six	Group months Ended 3	30th June	For the Q	Group uarter Ended	d 30th June
	2022 (Audited)	2021 (Audited)	Growth %	2022	2021 G	rowth %	2022	2021	Growth %	2022	2021	Growth %
Profit for the Period	1,503,577	2,105,257	(28.58)	449,585	1,099,469	(59.11)	1,495,657	2,157,748	(30.68)	505,233	1,153,984	(56.22)
Other Comprehensive Income/(Loss), Net of Tax												
tems that are or may be Reclassified to Income Statement in Subsequent Periods												
Net Movement of Cash Flow Hedge Reserve	84,246	15,082	458.59	(1,282)	20,643	(106.21)	84,246	15,082	458.59	(1,282)	20,643	(106.21)
Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value through Other												
Comprehensive Income	(1,941,228)	(1,109,289)	(75.00)	(99,784)	(401,701)	75.16	(1,949,310)	(1,110,123)	(75.59)	(104,720)	(402,223)	73.96
Less: Deferred Tax effect relating to items that are or may be Reclassified to Income Statement	(465,894)	(374,885)	(24.28)	(24,053)	(96,406)	75.05	(466,703)	(374,968)	(24.46)	(24,547)	(96,457)	74.55
tems that will never be Reclassified to Income Statement in Subsequent Periods												
Change in Fair Value on Investments in Equity Instruments												
measured at Fair Value through Other Comprehensive Income	(989,661)	(378,829)	(161.24)	(222,424)	55,461	(501.05)	(989,661)	(378,829)	(161.24)	(222,424)	55,461	(501.05
ess: Deferred Tax effect relating to items that will never be Reclassified to Income Statement	-	-	-	-	-	-	_	-	-	-	-	-
Other Comprehensive Income/(Loss) for the Period, Net of Taxes	(2,380,749)	(1,098,151)	(116.80)	(299,437)	(229,191)	(30.65)	(2,388,022)	(1,098,902)	(117.31)	(303,879)	(229,662)	(32.32
Total Comprehensive Income for the Period	(877,172)	1,007,106	(187.10)	150,148	870,278	(82.75)	(892,365)	1,058,846	(184.28)	201,354	924,322	(78.22
Attributable to:								•				
Equity Holders of the Bank	-	-	-	-	-	-	(930,959)	1,006,665	(192.48)	186,253	908,383	(79.50
Non-Controlling Interest							38.594	52.181	(26.04)	15.101	15.939	(5.26

STATEMENT OF FINANCIAL POSITION			(Amounts in Rupees Thousands)				
(In terms of Rule 7.4 of the Colombo Stock Exchange)		Bank			Group		
	As at 30.06.2022 (Audited)	As at 31.12.2021 (Audited)	Growth %	As at 30.06.2022	As at 31.12.2021 (Audited)	Grow	
Assets							
Cash and Cash Equivalents	28,987,571	16,079,054	80.28	28,987,611	16,079,094	80.2	
Balances with Central Bank of Sri Lanka	15,713,732	8,725,834	80.08	15,713,732	8,725,834	80.0	
Placements with Banks and Finance Companies	-	8,246,909	(100.00)	-	8,246,909	(100.0	
Derivative Financial Instruments	1,002,131	290,141	245.39	1,002,131	290,141	245.3	
inancial Assets recognized through Profit or Loss							
- Measured at Fair Value	7,566,786	4,969,913	52.25	7,566,786	4,969,913	52.2	
- Designated at Fair Value	-	-	-	-	-		
inancial Assets at Amortized Cost							
- Loans and Advances	467,758,484	441,976,662	5.83	467,758,484	441,976,662	5.8	
- Debt and Other Instruments	109,515,726	67,992,449	61.07	109,592,926	68,156,417	60.8	
inancial Assets measured at Fair Value through Other Comprehensive Income	9,900,865	39,104,536	(74.68)	9,953,584	39,165,399	(74.5	
nvestment in Subsidiary	1,153,602	1,153,602	-	-	-		
roup Balances Receivable	40,000	40,000	-	_	_		
roperty, Plant & Equipment	3,947,624	4,289,917	(7.98)	6,687,982	7,063,747	(5.	
Right-of-use Assets	4,801,717	4,791,175	0.22	2,443,990	2,594,737	(5.8	
estment Properties	4,001,717	4,701,170	0.22	868,801	870,258	(0.	
ntangible Assets	526,756	592,894	(11.16)	526,756	592,894	(11.	
Deferred Tax Assets		332,034	(11.10)	478,522	332,034	(11.	
Other Assets	857,701	0 202 025	- 57.79		0.050.100	E7 (	
	14,706,199	9,323,825	57.73	14,769,905	9,358,128	57.	
otal Assets	666,478,894	607,576,911	9.69	666,351,210	608,090,133	9.5	
iabilities							
Oue to Banks	15,491,045	24,504,387	(36.78)	15,491,045	24,504,387	(36.	
Derivative Financial Instruments	901,160	217,179	314.94	901,160	217,179	314.	
inancial Liabilities at Amortized Cost							
- Due to Depositors	531,741,315	488,653,328	8.82	531,741,315	488,653,328	8.	
- Due to Debt Securities Holders	24,644,107	2,662,377	825.64	24,644,107	2,662,377	825.	
- Due to Other Borrowers	9,618	7,295	31.84	9,618	7,295	31.	
Group Balances Payable	214,283	191,810	11.72	-	-		
Debt Securities Issued	21,066,912	21,617,455	(2.55)	21,066,912	21,617,455	(2.	
Ourrent Tax Liabilities	2,903,959	1,623,966	78.82	2,904,274	1,611,832	80.	
eferred Tax Liabilities	-	257,574	(100.00)	-	582,395	(100.0	
ease Liabilities	5,052,832	4,889,598	3.34	1,952,077	2,007,245	(2.	
Other Liabilities	12,882,886	10,898,933	18.20	12,912,389	10,939,813	18.	
otal Liabilities	614,908,117	555,523,902	10.69	611,622,897	552,803,306	10.	
quity	10,000,150	10,000,000	0.75	10.000.450	10.000.000		
tated Capital	19,926,453	18,323,882	8.75	19,926,453	18,323,882	8.	
tatutory Reserve Fund	2,332,549	2,332,549	-	2,332,549	2,332,549		
air Value through Other Comprehensive Income Reserve	(1,147,337)	(245,179)	367.96	(1,178,498)	(271,212)	334.	
letained Earnings	28,254,250	29,196,617	(3.23)	28,976,323	29,967,349	(3.3	
Other Reserves	2,204,862	2,445,140	(9.83)	3,365,388	3,605,666	(6.0	
otal Shareholders' Equity	51,570,777	52,053,009	(0.93)	53,422,215	53,958,234	(0.9	
on-controlling Interest	-		-	1,306,098	1,328,593	(1.6	
otal Equity	51,570,777	52,053,009	(0.93)	54,728,313	55,286,827	(1.0	
otal Equity & Liabilities	666,478,894	607,576,911	9.69	666,351,210	608,090,133	9.5	
ontingent Liabilities and Commitments	239,856,679	224,389,878	6.89	239,868,083	224,389,963	6.9	
lemorandum Information							
Number of Employees	3,220	3,148	2.29	3,241	3,167	2.3	
						2.0	
Number of Banking Centres	171	171	-	171	171		
Net Assets Value per Ordinary Share (Rs.)	89.26	97.44	(8.39)	92.46	101.01	(8.4	

ot Assots	value per orani	ary Oriaro (113.)		
ertificati	ion:			

(Sgd.) Champika Dodanwela (Ms.) Chief Financial Officer

We the undersigned, being the Chairman, Director/ Chief Executive Officer of Seylan Bank PLC certify jointly that,

 $Icertify that the above Financial \, Statements \, are \, in \, compliance \, with \, the \, requirements \, of \, the \, Companies \, Act \, No. \, 07 \, of \, 2007.$ 

a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka; and
b) the information contained in these statements have been extracted from the un-audited financial statements of the Bank & Group unless indicated as audited

(Sgd.) W. M. R. S. Dias Chairman August 9, 2022 Colombo

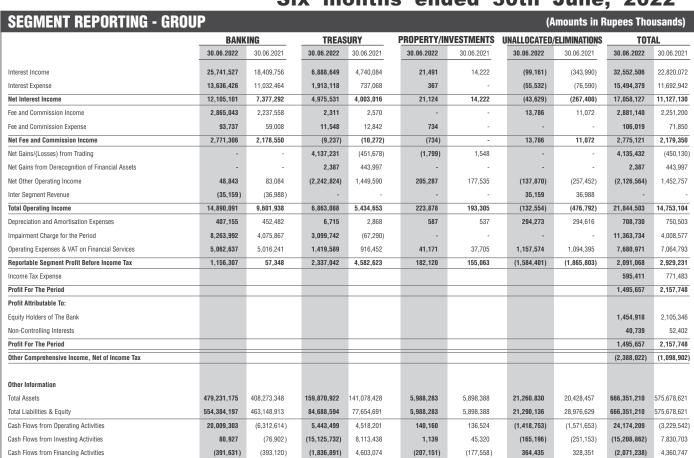
**(Sgd.) Kapila Ariyaratne**Director/Chief Executive Officer

	Current Period	Comparative Period
	01-April-22 to 30-June-22	01-April-21 to 30-June-21
Debt (Debentures)/Equity Ratio (Times)	0.41	0.46
Debt (Debentures plus Long term Debt)/Equity Ratio (Times)	0.51	0.46
Interest Cover (Times)	2.58	3.36
Quick Asset Ratio (Times)	0.82	0.78
2016 Issue Market Prices during April to June (Ex Interest) 5 Year Fixed Semi Annual - 13.00% p.a. (Debenture matured and redeemed on 15/07/2021) 5 Year Fixed Semi Annual - 13.75% p.a - Highest Price - Lowest Price - Last Traded Price */(10/06/2021)	7/2021) • •	100.00 100.00 100.00
Interest Yield as at Date of Last Trade 5 Year Fixed Semi Annual - 13.00% p.a (Debenture matured and redeemed on 15/07/2021) 5 Year Floating Semi Annual - six months treasury bill rate + 1.5% (Debenture matured and redeemed on 15/07 7 Year Fixed Semi Annual - 13.75% p.a */(10/06/2021)	)7/2021)	* * 14.22%
Yield to Maturity of Trade Done on 5 Year Fixed Semi Annual - 13.00% p.a (Debenture matured and redeemed on 15/07/2021) 5 Year Fixed Semi Annual - six months treasury bill rate + 1.5% (Debenture matured and redeemed on 15/07 Year Fixed Semi Annual - 13.75% p.a */(10/06/2021)	)7/2021)	* * 13.73%
Interest Rate of Comparable Government Security - 5 Years - 7 Years	21.01%	5.21% 5.99%
<b>2018 Issue</b> Market Prices during April to June (Ex Interest) 5 Year Fixed Semi Annual - 12.85% p.a 7 Year Fixed Semi Annual - 13.20% p.a. 10 Year Fixed Semi Annual - 13.50% p.a	:	* *
interest Yield as at Date of Last Trade 5 Year Fixed Semi Annual - 12.85% p.a 7 Year Fixed Semi Annual - 13.20% p.a. 10 Year Fixed Semi Annual - 13.50% p.a	•	* *
<b>Vield to Maturity of Trade Done on</b> 5 Year Fixed Semi Annual - 12.85% p.a 7 Year Fixed Semi Annual - 13.20% p.a. 10 Year Fixed Semi Annual - 13.50% p.a	* *	* *
Interest Rate of Comparable Government Security - 5 Years - 7 Years - 10 Years	21.26% 22.35% 22.48%	6.10% 7.18% 7.97%
2019 Issue Market Prices during April to June (Ex Interest) 5 Year Fixed Annual - 15.00% p.a - Highest Price - Lowest Price	:	105.00 105.00
- Last Traded Price */(23/04/2021) 5 Year Fixed Semi Annual - 14.50% p.a.	*	105.00
Interest Yield as at Date of Last Trade 5 Year Fixed Annual - 15.00% p.a */(23/04/2021) 5 Year Fixed Semi Annual - 14.50% p.a.	*	14.29%
Yield to Maturity of Trade Done on 5 Year Fixed Annual - 15.00% p.a */(23/04/2021) 5 Year Fixed Semi Annual - 14.50% p.a.	*	12.87%
Interest Rate of Comparable Government Security - 5 Years	21.16%	6.54%
<b>2021 Issue (Debenture alloted on 12 April 2021)</b> <b>Market Prices during April to June (Ex Interest)</b> 5 Year Fixed Annual - 9.75% p.a 5 Year Fixed Quartely - 9.25% p.a.	*	*
Interest Yield as at Date of Last Trade 5 Year Fixed Annual - 9.75% p.a 5 Year Fixed Quartely - 9.25% p.a.	*	*
<b>Yield to Maturity of Trade Done on</b> 5 Year Fixed Annual - 9.75% p.a 5 Year Fixed Quartely - 9.25% p.a.	*	*
interest Rate of Comparable Government Security - 5 Years	21.87%	7.36%

**SELECTED PERFORMANCE INDICATORS** BANK GROUP 30.06.2022 31.12.2021 30.06.2022 31.12.2021 Regulatory Capital (LKR Mn.) Common Equity Tier I Total (Tier I) Capital Total Capital Base Regulatory Capital Ratios (%) Common Equity Tier I Capital Ratio (Minimum Requirement - 7.00%) 10.18 10.72 10.45 11.70 Total Tier I Capital Ratio (Minimum Requirement - 8.50%) Total Capital Ratio (Minimum Requirement - 12.50%) 10.18 10.72 10.45 11.70 14.11 13.78 14.49 Regulatory Liquidity Statutory Liquid Assets (LKR Mn.) Domestic Banking Unit (LKR Mn.) 151,724 147,813 120,170 116,090 Offshore Banking Unit (USD '000) 36,430 Statutory Liquid Assets Ratio (%) (Minimum Requirement 20 %) Domestic Banking Unit Offshore Banking Unit 90,197 94,701 Total Stock of High-Quality Liquid Assets (LKR Mn.) Liquidity Coverage Ratio % Rupee - (Minimum Requirement - 90% (2021 - 100%)) All Currency - (Minimum Requirement - 90% (2021 - 100%)) 110.01 Net Stable Funding Ratio (%) (Minimum Requirement - 90% (2021 - 100%)) 109.34 Assets Quality (Quality of Loan Portfolio) Impaired Loans (Stage 3) Ratio (%) Impairment (Stage 3) to Stage 3 Loans Ratio (%) 3.64 47.84 Profitability Interest Margin (%) Return on Assets (before Tax) (%) Return on Equity (%) 4.05 1.03 9.07

# SEYLAN BANK PLC FINANCIAL STATEMENTS

Six months ended 30th June, 2022



(1,836,891)

(2.131)

(10,833)

(30.524)

(8,601)

(57.037)

(85,101)

(166.633)

(65,667)

\*\* FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve.

(76,941)

Capital Expenditure

STATEMENT OF CHANGES IN EQUITY - B		l Capital	District District			Other Reserves	(Amounts in Rupees The		
For the Six Months ended 30th June	Ordinary Shares -Voting	Ordinary Shares -Non-Voting	Statutory Reserve Fund *	Retained Earnings	Revaluation Reserve	FVOCI Reserve	Other Reserves	Tota	
1 Balance as at 01st January 2021	11,136,187	6,412,160	2,103,522	24,683,224	858,312	2,285,332	1,488,238	48,966,97	
Total Comprehensive Income for the Period									
· · · · · · · · · · · · · · · · · · ·				0.105.057				0.405.0	
Profit for the Period	-	-	-	2,105,257	-	-	-	2,105,2	
Other Comprehensive Income (net of tax)									
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value									
through Other Comprehensive Income	-	-	-	-	-	(734,404)	-	(734,4	
- Change in Fair Value on Investments in Equity Instruments measured at Fair									
Value through Other Comprehensive Income	-	-	-	-	-	(378,829)	-	(378,8	
- Net Movement of Cash Flow Hedge Reserve	_	_	_	_	_	-	15,082	15,0	
Total Comprehensive Income for the Period	-	-	-	2,105,257		(1,113,233)	15,082	1,007,1	
Transactions with Equity Holders, Recognized Directly In Equity									
Scrip Dividends to Equity Holders	385,075	390,459	_	(775,534)		-	-		
Transferred from Investment Fund Reserve	-	-	_	434,435	_	_	(434,435)		
				10 1, 100			(101,100)		
Total Transactions with Equity Holders	385,075	390,459	-	(341,099)	-		(434,435)		
Balance as at 30th June 2021 (1 + 2 + 3)	11,521,262	6,802,619	2,103,522	26,447,382	858,312	1,172,099	1,068,885	49,974,0	
Balance as at 01st January 2022	11,521,263	6,802,619	2,332,549	29,196,617	1,468,822	(245,179)	976,318	52,053,0	
Surcharge Tax	-	-	-	(1,168,335)	-	-	-	(1,168,3	
Restated Balance as at 01st January 2022	11,521,263	6,802,619	2,332,549	28,028,282	1,468,822	(245,179)	976,318	50,884,6	
Total Comprehensive Income for the Period									
Profit for the Period	_	_	_	1.503.577	_	_	_	1,503,5	
Other Comprehensive Income (net of tax)									
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value									
,						(1.475.004)		/4 A7E 0	
through Other Comprehensive Income	-	-	-	-	-	(1,475,334)	-	(1,475,3	
- Change in Fair Value on Investments in Equity Instruments measured at Fair									
Value through Other Comprehensive Income	-	-	-	-	-	(989,661)	-	(989,6	
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	84,246	84,2	
Total Comprehensive Income for the Period	-	-		1,503,577	-	(2,464,995)	84,246	(877,1	
Transactions with Equity Holders, Recognized Directly In Equity									
Scrip Dividends to Equity Holders	792,802	809,769	_	(1,602,571)	_	_	_		
Transferred from Investment Fund Reserve	102,002		_	324,524	_	_	(324,524)		
Net Gain on Disposal of Equity Investments measured at Fair Value through	-	-	-	324,324	-	-	(324,324)		
Other Comprehensive Income	-	-	-	438	-	(438)	-		
Reclassification of Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	1,563,275	-	1,563,2	
Total Transactions with Equity Holders	792,802	809,769	-	(1,277,609)	-	1,562,837	(324,524)	1,563,2	

For the Six Months ended 50th June		Stated .	Capital			n-	ther Reserves				
Total Comprehensive Income for the Period  Profit for the Period  Profit for the Period  Chies Comprehensive Income (not of tax)  - Het Claim? (Lissess) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income  - Changes in Part Value on Investment in Equity Instruments measured at Fair Value Interval to Equity Instruments measured at Fair Value through Other Comprehensive Income  - Changes in Part Value on Investment in Equity Instruments measured at Fair Value through Other Comprehensive Income  - Residence of Cash Row Hodge Experve  - Total Comprehensive Income for the Period  - 2,105,346  - (378,329)  - (384,435)  - (378,329)  - (384,435)  - (378,329)  - (384,435)  - (384,435)  - (384,435)  - (384,435)  - (384	or the Six Months ended 30th June	Ordinary Shares	Ordinary Shares	Reserve		Revaluation	FVOCI Reserve		Total	Controlling	Tota Equit
Profit of the Period    Capta   Capta	Balance as at 01st January 2021	11,136,187	6,412,160	2,103,522	25,381,609	1,735,867	2,257,027	1,743,451	50,769,823	1,285,776	52,055,59
Other Comprehensive Incomo (rel of tax)	Total Comprehensive Income for the Period										
- Net Claims / Losses) on Investments in Dath Instruments measured af Fair Value through Other Comprehensive Income	Profit for the Period	-	-	-	2,105,346	-	-	-	2,105,346	52,402	2,157,74
Change in Fair Value through Other Comprehensive Income	Other Comprehensive Income (net of tax)										
- Change in Fair Value on treatments in Equity Instruments measured at Fair Value through Other Comprehensive Income	- Net Gains / (Losses) on Investments in Debt Instruments										
Mestand at Fair Value through Other Comprehensive Income	measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(734,934)	-	(734,934)	(221)	(735,1
Mestand at Fair Value through Other Comprehensive Income									, , ,		
Net Movement of Cash Flow Hedge Reserve		_	-			_	(378.829)		(378.829)		(378,8
Total Comprehensive Income for the Period		_	_	_	_	_	(0.0,000)	15 082		_	15,0
Transactions with Equity Holders Recognized Directly In Equity Scrip Dividends to Equity Holders 385.075 390.459 (775.534) 382.7 327 327 327 327 327 327 327 327 327 32								,	,		,-
Scrip Dividednts to Equity Holders   385,075   390,459   (775,534)	Total Comprehensive Income for the Period	-		-	2,105,346	-	(1,113,763)	15,082	1,006,665	52,181	1,058,8
Scrip Dividends to Equity Holders   385,075   390,459   (775,534)	Transactions with Equity Holders, Decompany Directly In Equity										
Transferred from Investment Fund Reserve		205 075	200 450		(77E EQ.4)					(50.060)	/E0 0
Comprehensive Income for the Period   Comprehensive Income (net of tax)   Comprehensive Income (net		303,073	390,439	-		-	-	(404 405)			(52,3
Total Transactions with Equity Holders 385.075 390,459 - (340,772) (434,435) 327 (52,225)  Balance as at 30th June 2021 (1+2+3) 11,521,262 6,802,619 2,303,522 27,146,183 1,735,867 1,143,264 1,324,098 51,776,815 1,285,732 53  Balance as at 01st January 2022 11,521,263 6,802,619 2,332,549 29,967,349 2,374,135 (271,212) 1,231,531 53,958,234 1,328,593 55  Surcharge Tax (1,168,335) (1		-	-	-		-	-	(434,435)	-		
Balance as at 30th June 2021 (1+2+3) 11,521,262 6,802,619 2,103,522 27,146,183 1,735,867 1,143,264 1,324,098 51,776,815 1,285,732 53 53 54 54 54 54 54 54 54 54 54 54 54 54 54	Other Adjustments	-	-	-	327	-	-	-	327	137	4
Balance as at 01st January 2022 11,521,263 6,802,619 2,332,549 29,967,349 2,374,135 (271,212) 1,231,531 53,958,234 1,328,593 55, 02 (1,168,335)	Total Transactions with Equity Holders	385,075	390,459	-	(340,772)	-	-	(434,435)	327	(52,225)	(51,8
Surcharge Tax	Balance as at 30th June 2021 (1 + 2 + 3)	11,521,262	6,802,619	2,103,522	27,146,183	1,735,867	1,143,264	1,324,098	51,776,815	1,285,732	53,062,5
Surcharge Tax - (1,168,335) - (1,168,355) -	Balance as at 01st January 2022	11,521,263	6,802,619	2,332,549	29,967,349	2,374,135	(271,212)	1,231,531	53,958,234	1,328,593	55,286,8
Restated Balance as at 01st January 2022 11,521,263 6,802,619 2,332,549 28,799,014 2,374,135 (271,212) 1,231,531 52,789,899 1,328,593 54  Total Comprehensive Income (or the Period  Other Comprehensive Income (net of tax)  - Net Gains / (Losses) on Investments in Debt Instruments  measured at Fair Value through Other Comprehensive Income  - Net Movement of Cash Flow Hedge Reserve  Total Comprehensive Income for the Period  - 1,454,918 - 1,454,918 - 1,480,462 (2,145) (2,145) (3,145) (1,1480,462) (2,145) (2,1480,462) (2,1480,462) (2,1480,462) (2,1480,462) (2,1480,462) (2,1480,462) (2,1480,462)	Curcharga Tay			_	(1 169 225)				(1.169.225)		
Total Comprehensive Income for the Period         -         -         1,454,918         -         -         1,454,918         40,739           Other Comprehensive Income (net of tax)         -         -         1,454,918         -         -         1,454,918         40,739           - Net Gains / Llosses) on Investments in Debt Instruments         -         -         -         (1,480,462)         -         (1,480,462)         (2,145)         (7           - Change in Fair Value through Other Comprehensive Income         -         -         -         -         (989,661)         -         (989,661)         -           - Net Movement of Cash Flow Hedge Reserve         -         -         -         -         (989,661)         -         (989,661)         -           Total Comprehensive Income for the Period         -         -         -         1,454,918         -         (2,470,123)         84,246         84,246         -           Total Comprehensive Income for the Period         -         -         1,454,918         -         (2,470,123)         84,246         (930,959)         38,594           Transferred from Investment Fund Reserve         792,802         809,769         -         (1,602,571)         -         -					(1,100,333)						(1,100,3
Profit for the Period	·	11,521,263	6,802,619	2,332,549	28,799,014	2,374,135	(271,212)	1,231,531	52,789,899	1,328,593	54,118,4
Other Comprehensive Income (net of tax) - Net Gains / (Losses) on Investments in Debt Instruments  measured at Fair Value through Other Comprehensive Income (1,480,462) - (1,480,46) - (1,480,462) - (1,480,462) - (1,480,462) - (1,480,462) - (1,4					4 454 040				4 454 040	40.700	4 405 0
- Net Gains / (Losses) on Investments in Debt Instruments  measured at Fair Value through Other Comprehensive Income		-	-	-	1,454,918	-	-	-	1,454,918	40,739	1,495,6
measured at Fair Value through Other Comprehensive Income         -         -         -         -         (1,480,462)         -         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,145)         (1,480,462)         (2,480,462)<											
- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income - Net Movement of Cash Flow Hedge Reserve - 1 - 1,454,918 - (2,470,123) 84,246 (930,959) 38,594  Total Comprehensive Income for the Period - 1 - 1,454,918 - (2,470,123) 84,246 (930,959) 38,594  Transactions with Equity Holders, Recognized Directly In Equity  Scrip Dividends to Equity Holders - 1 - 324,524 - (324,524) (61,089)  Transferred from Investment Fund Reserve  Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income - 1 - 438 (438)											
measured at Fair Value through Other Comprehensive Income         -         -         -         -         (989,661)         -         (989,661)         -           Net Movement of Cash Flow Hedge Reserve         -         -         -         -         -         84,246         84,246         84,246         -           Total Comprehensive Income for the Period         -         -         1,454,918         -         (2,470,123)         84,246         (930,959)         38,594           Transactions with Equity Holders, Recognized Directly In Equity           Scrip Dividends to Equity Holders, Recognized Directly In Equity           Transferred from Investment Fund Reserve         792,802         809,769         -         (1,602,571)         -         -         -         61,089)           Transferred from Investment Fund Reserve         -         -         324,524         -         -         (324,524)         -         -         -           Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income         -         -         438         -         (438)         -         -         -         -           Reclassification of Debt Instruments measured at Fair Value through         -         -		-	-	-	-	-	(1,480,462)	-	(1,480,462)	(2,145)	(1,482,6
- Net Movement of Cash Flow Hedge Reserve											
Total Comprehensive Income for the Period         -         -         1,454,918         -         (2,470,123)         84,246         (930,959)         38,594           Transactions with Equity Holders, Recognized Directly In Equity           Scrip Dividends to Equity Holders         792,802         809,769         -         (1,602,571)         -         -         -         -         (61,089)           Transferred from Investment Fund Reserve         -         -         324,524         -         -         (324,524)         -         -           Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income         -         -         438         -         (438)         -         -         -         -           Reclassification of Debt Instruments measured at Fair Value through         -         -         438         -         438         -         -         -         -         -	measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(989,661)	-	(989,661)	-	(989,6
Transactions with Equity Holders, Recognized Directly In Equity           Scrip Dividends to Equity Holders         792,802         809,769         - (1,602,571)         (61,089)           Transferred from Investment Fund Reserve         324,524         (324,524)            Net Gain on Disposal of Equity Investments measured at Fair Value through             Other Comprehensive Income         438         (438)            Reclassification of Debt Instruments measured at Fair Value through         438	- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	84,246	84,246	-	84,2
Transactions with Equity Holders, Recognized Directly In Equity  Scrip Dividends to Equity Holders 792,802 809,769 - (1,602,571) (61,089)  Transferred from Investment Fund Reserve - 324,524 - (324,524) - (324,524) (324,524) (324,524)  Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income  Reclassification of Debt Instruments measured at Fair Value through	Total Comprehensive Income for the Period	-	-			-	(2,470,123)	84,246	(930,959)	38,594	(892,3
Scrip Dividends to Equity Holders         792,802         809,769         - (1,602,571)         -         -         -         - (61,089)           Transferred from Investment Fund Reserve         -         -         -         324,524         -         (324,524)         -         -           Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income         -         -         438         -         (438)         -         -           Reclassification of Debt Instruments measured at Fair Value through         -         -         438         -         (438)         -         -	Transactions with Equity Holders. Recognized Directly In Equity				-						
Transferred from Investment Fund Reserve 324,524 (324,524)  Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income 438 - (438)  Reclassification of Debt Instruments measured at Fair Value through		792.802	809.769	-	(1.602.571)	_	-			(61.089)	(61,0
Net Gain on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income 438 - (438)  Reclassification of Debt Instruments measured at Fair Value through			-	-		_	-	(324.524)		(=:,=50)	(2.,0
Other Comprehensive Income 438 - (438)					1,027			(1,027)			
	Other Comprehensive Income	-	-	-	438	-	(438)	-	-	-	
		-	-	-	-	-	1,563,275	-	1,563,275	-	1,563,2
Total Transactions with Equity Holders 792,802 809,769 - (1,277,609) - 1,562,837 (324,524) 1,563,275 (61,089) 1	Total Transactions with Equity Holders	792,802	809,769	-	(1,277,609)		1,562,837	(324,524)	1,563,275	(61,089)	1,502,1
Balance as at 30th June 2022 (2 + 3 + 4) 12,314,065 7,612,388 2,332,549 28,976,323 2,374,135 (1,178,498) 991,253 53,422,215 1,306,098 54	Ralance as at 30th June 2022 (2 ± 3 ± 4)	12 31/ 065	7 612 389	2 332 5/10	28 976 322	2 37/1 125	(1 178 409)	QQ1 252	53 422 215	1 306 009	54 729 2



4,008,997

3,522,251

3,277,637

2,706,900

2,576,643 2,308,455

1,615,464

1,387,883

1,371,362

1,361,938

1,202,899

1.36

1.19

1.11

0.92

0.78

0.71 0.56

0.55

0.47

0.46

0.46

0.41

### **EXPLANATORY NOTES**

#### General

The Financial Statements of the Bank and Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka.

There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report, except for changes to the computations mentioned in

The group financial statements comprise of the consolidated Financial Statements of the Company and its subsidiary Seylan Developments PLC (70.51%)

#### Covid 19 Impact and macro-economic conditions

The socio-economic impact of Coronavirus Disease (Covid 19) pandemic situation and the unfavorable macro-economic conditions have a direct and substantial impact on the Bank's normal business/operations. The Bank has complied with the guidelines and directives issued with this regard by the Government, the Central Bank of Sri Lanka and other regulato while closely monitoring its working capital to balance the cash inflow and outflow measurements. Further the Bank also accounted for impairment (Expected Credit Loss (ECL)) including management overlay in respect of loans that are subject to moratorium as described in note 7.2 below.

#### Information on Ordinary Shares

Market Price (Rs.)	30/06	/2022	30/06/2021		
	Voting	Non-Voting	Voting	Non-Voting	
Market Price Per Share	28.00	15.20	49.20	38.50	
Highest price per share during the quarter ended	35.50	28.00	51.50	44.50	
Lowest price per share during the quarter ended	27.00	15.00	47.00	37.20	

Stated Capital as at June 30, 2022	No of Shares	Stated Capital
		Rs. '000
Ordinary Voting	282,704,760	12,314,065
Ordinary Non-Voting	295,071,313	7,612,388
Total	577,776,073	19,926,453

#### 3.1 Twenty Largest Ordinary Voting Shareholders as at June 30, 2022 No. of Shares Sri Lanka Insurance Corporation Ltd 42,405,704 [includes General Fund and Life Fund] 15.00 29,618,949 Brown & Company PLC A/C No. 01 10.48 Employees Provident Fund 27,867,655 9.86 Mr. K. D. D. Perera 26,836,320 9.49 Sampath Bank PLC/LOLC Investments Ltd 26,451,501 9.36 National Development Bank PLC 24,665,595 8.72 Seylan Bank PLC A/C No. 04 - Employees' Gratuity Trust Fund 18,225,523 6.45 Bank of Ceylon No. 1 Account 15,902,140 5.62 10,803,234 9. People's Leasing & Finance PLC /Don and Don Holdings (Pvt) Ltd 3.82 10. Sampath Bank PLC/ Brown and Company PLC 9,606,146 3.40 11. Employees' Trust Fund Board 6,011,538 2.13 12. NDB Capital Holdings Limited A/C No. 02 2,863,435 1.01 13. Sisil Investment Holdings (Pvt) Ltd 2,673,563 0.95 14. Finco Holdings (Pvt) Ltd 2.604.133 0.92 15 Asiri Hospitals Holdings PLC 2.139.534 0.76 16. Mr. M. J. Fernando 1.427.558 0.50 17. Mr. R. R. Leon 1.337.803 0.47 18. Mr. K. B. B. Fernando 1.223.238 0.43 19. J.B. Cocoshell (Pvt) Ltd. 788.091 0.28 20. Dr. J. L. B. Kotelawala 647,732 0.23 3.2 Twenty Largest Ordinary Non-Voting Shareholders as at June 30, 2022 No. of Shares 1. LOLC Holdings PLC 152.262.646 51.60 2. Employees' Provident Fund 15.738.986 5.33 3. Sri Lanka Insurance Corporation Ltd - Life Fund 9.882.823 3.35 4. Don and Don Holdings (Pvt) Ltd 7 957 703 2.70 5. Akbar Brothers Pvt Ltd A/C No. 01 6 337 096 2.15 Deutsche Bank AG as Trustee for JB Vantage Value Equity Fund 4.209.674 1.43 Pershing LLC S/A Averbach Grauson & Co 4,044,212 1.37

#### 3.3 Public Holdings as at June 30, 2022 The Bank is compliant under Option 4 of the Section 7.13.1of the Rules of the Colombo Stock Exchange (Minimum Public Holding requirement)

People's Leasing & Finance PLC/ Don and Don Holdings (Pvt) Ltd Employees' Trust Fund Board

Float adjusted market capitalization - Rs. 4.34 Bn - 54.85 % Public Holding Percentage Number of Public Shareholders - 10,110

## 4. Directors' and Chief Executive Officer's Shareholdings as at June 30, 2022

Name of Director	No. of Shares	No. of Shares	
	(Ordinary Voting)	(Ordinary Non- voting)	
Mr. W. M. R. S. Dias, Non-Executive Director/Chairman	Nil	Nil	
Mr. W. D. K. Jayawardena, Non-Executive Director/Deputy Chairman	Nil	Nil	
Ms. M. C. Pietersz, Independent Director/Senior Director	Nil	Nil	
Mr. K. P. Ariyaratne, Director/Chief Executive Officer	71,031	242,749	
Mr. S. V. Corea, Non-Executive Director	108	Nil	
Mr. A. S. Wijesinha, Independent Director	Nil	Nil	
Ms. S. K. Salgado, Independent Director	Nil	Nil	
Mr. D. M. D. K. Thilakaratne, Non-Executive Director	Nil	Nil	
Mr. D. R. Abeysuriya, Independent Director	Nil	Nil	
Mr. D. M. Rupasinghe, Independent Director	Nil	Nil	
Ms. V. G. S. S. Kotakadeniya, Alternate Director to Non - Executive Director, Mr. W. D. K. Jayawardena	Nil	Nil	

## 5. Basic/Diluted Earnings per Share

Employees' Trust Fund Board

12. LOLC Technology Services Limited

16. Mr. M. J. Fernando

19. Mr. D. N. N. Lokuge

20. Askold (Pvt) Ltd

17. Dr. S. Yaddehige

18. Ms. S. Durga

10. Merrill J Fernando & Sons (Pvt) Limited

14. Sri Lanka Insurance Corporation Ltd - General Fund

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting and Non-voting) during the six months ended June 30, 2022. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non-availability of potentially dilutive ordinary shares. Weighted average number of ordinary shares as at June 30, 2021 has been restated based on the no of shares issued for Scrip Dividend for 2021.

## 6. Events after the Reporting Date

There were no material events occurred after the reporting date that require adjustments to or disclosure in the financial statements

#### 7. Other Matters 7.1 Gratuity

The Bank has not recognized an additional gratuity liability in the financial statement for ex-employees who have not entered into the "Memorandum of settlement (MOS)" with the Bank, igning the right to settle the said liability by utilizing proceeds expected from disposal of shares held by share trust companies, as the liability is contingent upon the signing the "Memorandum of Settlement" and the prevailing Share Prices as at that date of signing. If the above uncertainties are resolved, the Bank estimates an additional cash outflow of Rs.99.6Mn. (net of tax) as of June 30, 2022.

#### 7.2 Expected Credit Loss Computation The Bank's estimated Expected Credit Loss (ECL) was based on the Probability of Default (PD), Loss Given Default (LGD) as at June 30, 2022 and the Economic Factor Adjustments (EFA)

made during the quarter ended 30 June 2022 to reflect the adverse economic conditions by applying the recent forecasts and projections Further, the Bank has made additional provisions as management overlay, based on the assessment of significant increase in credit risk, and by stress testing the exposures to risk

elevated sectors and facilities which have been continuously under moratorium, to address the potential implications on credit risk and related reco

Bank has accounted for an additional Expected Credit Loss (ECL) on International Sovereign Bonds and Sri Lanka Development Bonds in the financial statements considering the impact on Interim policy regarding the servicing of Sri Lanka's external public debts issued by Ministry of Finance of Government of Sri Lanka.

## $7.3 \quad Statement of Alternative \, Treatment \, (SoAT) \, on \, Reclassification \, of \, Debt \, Portfolio$

Considering the unprecedented changes in the macro-economic conditions, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) has issued the "Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio" which provides a temporary practical expedient to permit the entities to reclassify the debt portfolio measured at Fair Value through Other Comprehensive Income (FVTOCI) to Amortized cost

The Bank has adopted the above SoAT and re-classified its Debt Portfolio of LKR 22.3Bn from Fair Value Through Other Comprehensive Income (FVOCI) to Amortized Cost (AC) with effect from 01 April 2022, being the 1st day of the reporting period of the quarter ended 30 June 2022., as a one-off re classification and accounted for in the financials for the six months ended June 30,2022. If the assets had continued to be measured as Fair Value through Other Comprehensive Income amounts the cumulative loss to Other Comprehensive Income (OCI) would have been LKR 4,028Mn.

## 7.4. Surcharge Tax Act No 14 of 2022

The Surcharge Tax Act No 14 of 2022 (Act) was certified by the Speaker and published as a Supplement to Part II of the Gazette of the Democratic Socialist Republic of Sri Lanka on 08 April 2022. As per the said Act, Surcharge Tax is payable by company or each company of a group of companies (holding and subsidiaries) subject to the taxable income threshold

Seylan Bank PLC as company and group meet the chargeability threshold referred to above and paid Surcharge Tax of LKR 1,168,335,036/- in 02 equal installments.

As per the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka on 22 April 2022, and explanations provided thereon, the Surcharge Tax expense which is deemed to be an expenditure for the year of assessment which commenced on 1 April 2020, has been recorded as an adjustment to the opening retained earnings as at n 1 January 2022 as reported in the Statement of Changes in Equity. The said adjustment has been incorporated in the Financial Statements during the quarter ended 30 June 2022.

1) Mr. L. H. A. Lakshman Silva was appointed to the Board as an Independent Non-Executive Director with effect from 18th July 2022.

## 7.5 Changes to the Directorships

2) Mr. W. D. K. Jayawardena, Deputy Chairman/Non-Executive Director who represented the material shareholders of the Bank, namely, Brown & Co PLC and LOLC Investments Ltd retired from the Board on 31st July 2022 in terms of Section 3(2)(ii) of the Banking Act Direction No.11 of 2007 on Corporate Governance for Licensed Commercial Banks in Sri Lanka (as amended) having served as a Director for a period of nine years Mrs. V. G. S. S. Kotakadeniya who was the Alternate Director to Mr. W. D. K. Jayawardena, ceased to be an Alternate Director with effect from 31st July 2022.

In accordance with the agreement reached with certain eligible employees and ex-employees of the Bank with regard to the payment of enhanced gratuity in consideration of inter alia the relinquishment by such persons to any entitlement which they may have had (if any) to the shares of the Bank held by the Share Trust Companies, we have now been informed by the

## 8. Comparative Figures

Comparative figures have been re-classified where necessary, to conform to the current period presentation.

Share Trust Companies of their disposal of 3,328,018 shares to the Seylan Bank Employees Gratuity Fund on 29th March 2022.

During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank. All known expenditure items have been provided in these Interim Accounts.