



# Seylan Bank PLC

Interim Financial Statements (Audited)  
For the Year Ended 31st December 2023

# Seylan Bank records a strong Performance, despite a challenging environment

## Bank's Financial Performance

### Financial Highlights

- Profit before Income Tax - LKR 10.080 Bn
- Profit after Income Tax - LKR 6.256 Bn up by 33%.
- Total Assets reached to LKR 718 Bn with a YoY growth of 7%
- Overall Statutory Liquid Assets Ratio (SLAR) of 38% as at 31 December 2023
- Total Capital Adequacy Ratio of 15.84% as at 31 December 2023
- Taxes to the Government LKR 7.7 Bn in 2023

### Income Statement

The Net Interest Income of the Bank was reported as LKR 40.1 Bn in 2023 compared to LKR 40.5 Bn reported in 2022, a slight 1% drawback due to volatility in interest rates during the year. The Bank's Net Interest Margin on Average Total Assets stood at 5.76% in 2023 compared to 6.33% in 2022.

Net fee and commission income of the Bank has shown a notable growth of 16 % to LKR 7 Bn from LKR 6 Bn reported in previous year. The growth in 2023 is mainly attributable to fee income from cards, loans and other financial services.

The Bank's Total Operating Income decreased by 3% to LKR 49.5 Bn in 2023 compared to LKR 51 Bn in the previous year mainly due to decrease in foreign exchange income.

The Bank recorded an impairment charge of LKR 17Bn during 2023 against LKR 26 Bn reported in corresponding period of 2022 with a reduction of 36%. The Bank made impairment provision to capture the changes in the macro economy, credit risk profile of customers and the credit quality of the Bank's loan portfolio in order to ensure adequacy of provisions recognized in the financial statements. During the year 2023, the impairment charge on Loans and Advances amounts to LKR 15.3 Bn (2022 - LKR 21Bn) and impairment charge on Foreign Currency Denominated Bonds amounts to LKR 1.5 Bn (2022 – LKR 4.7Bn).

The Bank's Personnel Expenses increased from LKR 8 Bn in 2022 to LKR 9.1 Bn in 2023, a 15% growth mainly due to increase in staff benefits and adjustments made as relief allowances to absorb high cost of living and taxes.

Other Operating expenses and depreciation and amortization expenses too increased by 28% to LKR 9.3 Bn during 2023 compared to LKR 7.3 Bn reported in 2022 mainly due to increase in prices of consumables and services. The Bank will continue to take relevant measures to curtail costs through various cost initiatives.

The Bank's total operating expenses increased by 21% to LKR 18.5 Bn during the period under review compared to LKR 15.2 Bn recorded in the previous year.

The Bank's Value Added Tax on Financial Services increased by 31% amounting to LKR 3.45Bn compared to LKR 2.65 Bn recorded in the previous year due to increase in VAT liable income. Additionally, Social Security Contribution Levy (SSCL) was imposed with effect from 01 October 2022 at the rate of 2.5% on the value addition liable for Value Added Tax on Financial Services. The charge for the year increased from LKR 0.13 Bn in 2022 (only for 3 months) to LKR 0.48 Bn.

The Bank's Income Tax Expense reported a growth of 99.5% to LKR 3.82 Bn in 2023 compared to LKR 1.92 Bn reported in 2022, mainly due to impact from rate change and increase in liable income. The Corporate Tax Rate was revised with effect from 01 July 2022 from 24% to 30 % and provisions recorded accordingly.

The Bank recorded a Profit before Tax (PBT) of LKR 10.08 Bn for the period under review with a 52% growth over the previous year while recording a Profit after Tax (PAT) of LKR 6.26 Bn for the year with a 33% growth over the previous year, despite challenging market & economic conditions that prevailed during the period.

### **Statement of Financial Position**

The Bank's total assets grew by 6.7% during the year under review to reach LKR 718Bn as at 31 December 2023 compared to LKR 673 Bn recorded in the previous year demonstrating the sustained growth of the Bank over the years. Cash and Cash Equivalents, Placements with Banks, Financial Assets recognised through Profit or Loss (Measured at Fair Value), Financial Assets measured at Fair Value through Other Comprehensive Income etc. mainly contributed to the growth in total assets.

The Bank's Asset Quality Ratios of Impaired Loan (Stage 3) Ratio and the Impairment (Stage 3) to Stage 3 Loans Ratio stood at 3.85% and 68.29% in 2023, compared to 4.98% and 54% in 2022, which reflects a significant improvement in both ratios from the previous year. This is mainly due to appropriate provisions made by the Bank, close monitoring of impaired loans and strengthening recovery actions & processes during the year.

The Bank's total Deposit Base grew by LKR 44 Bn during the year 2023 to LKR 591 Bn compared to total Deposits of LKR 547 reported in the previous year. The Bank's LKR Deposits reported a growth of LKR 38 Bn and FCY Deposits reported a growth of LKR 6 Bn. The Bank focused on growing Deposits by canvassing new to Bank deposits, while retaining its existing customer deposit base.

The Bank's CASA base grew from LKR 163 Bn in 2022 to LKR 177 Bn in 2023 as of 31 December, which is a 8% growth from the previous year. CASA ratio stood at 30% in 2023.

### **Key financial ratios and indicators of Seylan Bank PLC remained strong as of 31 December 2023.**

The capital adequacy ratios were well above the regulatory minimum requirements and recorded 12.52% as Common Equity Tier 1 Capital Ratio & Total Tier 1 Capital Ratio and 15.84% as the

Total Capital Ratio. The Capital Adequacy Ratios have increased compared to previous year mainly due to increase in Profits & Reserves for the year ended 31 December 2023.

The Bank maintained the SLAR well above the statutory requirement, during year under review. The Statutory Liquid Asset Ratio (SLAR) for the Overall Bank, Bank's Domestic Banking Unit and the Bank's Foreign banking unit were maintained at 38.04%, 38.51% and 23.28 % respectively as at December 2023.

The Bank also maintained the LCR well above the statutory requirement. The All Currency LCR and the Rupee LCR were maintained at 338.42 % and 355.16% respectively.

The Return on Equity (ROE) stood at 10.88% for the year under review compared to 8.85% recorded in 2022. The Return on Average Assets (before tax) was recorded as 1.45% for the year under review compared to 1.04% recorded in 2022. The Bank's Earnings per Share stood at LKR 10.17 as at end of 2023 compared to LKR 7.66 as at the end of the previous year. The Bank's Net Assets Value per Share stood at LKR 98.31 as at the end of 2023 (Group LKR 101.36) compared to LKR 94.24 reported as at the previous year end (Group 97.27).

**Seylan Bank PLC**  
**Income Statement**

(In terms of Rule 7.4 of the Colombo Stock Exchange)

(Amounts in Rupees Thousands)

	Bank			Bank		
	For the Year Ended 31st December			For the Quarter Ended 31st December		
	2023 (Audited)	2022 (Audited)	Growth %	2023	2022	Growth %
Interest Income	107,078,561	86,068,611	24.41	24,310,803	28,812,624	(15.62)
Less: Interest Expenses	67,025,296	45,526,649	47.22	14,811,174	16,230,322	(8.74)
<b>Net Interest Income</b>	<b>40,053,265</b>	<b>40,541,962</b>	<b>(1.21)</b>	<b>9,499,629</b>	<b>12,582,302</b>	<b>(24.50)</b>
Fee and Commission Income	7,751,163	6,697,136	15.74	2,156,099	2,009,269	7.31
Less: Fee and Commission Expenses	270,986	235,118	15.26	67,914	67,139	1.15
<b>Net Fee and Commission Income</b>	<b>7,480,177</b>	<b>6,462,018</b>	<b>15.76</b>	<b>2,088,185</b>	<b>1,942,130</b>	<b>7.52</b>
Net Gains/(Losses) from Trading	818,206	(446,958)	283.06	525,966	454,524	15.72
Net Gains from Derecognition of Financial Assets	150,289	34,149	340.10	30,866	379	8,044.06
Net Other Operating Income	975,084	4,465,037	(78.16)	(40,671)	882,803	(104.61)
<b>Total Operating Income</b>	<b>49,477,021</b>	<b>51,056,208</b>	<b>(3.09)</b>	<b>12,103,975</b>	<b>15,862,138</b>	<b>(23.69)</b>
Less: Impairment Charges	17,004,946	26,433,076	(35.67)	3,558,017	7,596,118	(53.16)
<b>Net Operating Income</b>	<b>32,472,075</b>	<b>24,623,132</b>	<b>31.88</b>	<b>8,545,958</b>	<b>8,266,020</b>	<b>3.39</b>
<b>Less: Operating Expenses</b>						
Personnel Expenses	9,149,800	7,964,096	14.89	2,132,644	2,039,866	4.55
Depreciation and Amortisation Expenses	1,285,284	1,357,915	(5.35)	315,145	337,451	(6.61)
Other Expenses	8,021,586	5,898,226	36.00	2,162,521	1,828,384	18.27
<b>Total Operating Expenses</b>	<b>18,456,670</b>	<b>15,220,237</b>	<b>21.26</b>	<b>4,610,310</b>	<b>4,205,701</b>	<b>9.62</b>
<b>Operating Profit before Taxes</b>	<b>14,015,405</b>	<b>9,402,895</b>	<b>49.05</b>	<b>3,935,648</b>	<b>4,060,319</b>	<b>(3.07)</b>
Less: Value Added Tax on Financial Services	3,454,762	2,646,792	30.53	910,979	881,454	3.35
Less: Social Security Contribution Levy	480,557	127,243	277.67	125,711	127,243	(1.20)
<b>Profit before Income Tax</b>	<b>10,080,086</b>	<b>6,628,860</b>	<b>52.06</b>	<b>2,898,958</b>	<b>3,051,622</b>	<b>(5.00)</b>
Less: Income Tax Expense	3,823,872	1,916,597	99.51	1,138,457	844,377	34.83
<b>Profit for the Year</b>	<b>6,256,214</b>	<b>4,712,263</b>	<b>32.76</b>	<b>1,760,501</b>	<b>2,207,245</b>	<b>(20.24)</b>
<b>Basic / Diluted Earnings per Ordinary Share (Rs.)</b>	<b>10.17</b>	<b>7.66</b>	<b>32.77</b>	<b>2.86</b>	<b>3.59</b>	<b>(20.33)</b>

# Seylan Bank PLC

## Statement of Profit or Loss and Other Comprehensive Income

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	<b>Bank</b>			<b>(Amounts in Rupees Thousands)</b>		
	<b>For the Year Ended 31st December</b>			<b>For the Quarter Ended 31st December</b>		
	<b>2023</b> (Audited )	<b>2022</b> (Audited )	<b>Growth</b> %	<b>2023</b>	<b>2022</b>	<b>Growth</b> %
<b>Profit for the year</b>	<b>6,256,214</b>	<b>4,712,263</b>	<b>32.76</b>	<b>1,760,501</b>	<b>2,207,245</b>	<b>(20.24)</b>
<b>Other Comprehensive Income/ (Loss), net of Tax</b>						
<b>Items that are or may be reclassified to Income Statement in Subsequent Periods</b>						
Net Movement of Cash Flow Hedge Reserve	-	84,246	<b>(100.00)</b>	-	-	-
Net Gains/ (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	987,554	(1,633,614)	<b>160.45</b>	(146,738)	90,260	<b>(262.57)</b>
Deferred Tax effect Relating to Items that are or may be reclassified to Income Statement	(296,267)	392,856	<b>(175.41)</b>	44,021	(8,732)	<b>604.13</b>
<b>Items that will never be reclassified to Income Statement in Subsequent Periods</b>						
Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	302,235	(1,220,234)	<b>124.77</b>	(60,035)	(352,618)	<b>82.97</b>
Actuarial Losses on Defined Benefit Obligations	(1,005,704)	(222,236)	<b>(352.54)</b>	(1,005,704)	(222,236)	<b>(352.54)</b>
Deferred Tax Effect Relating to Items that will never be reclassified to Income Statement	(14,416)	(125,416)	<b>88.51</b>	(14,416)	(125,416)	<b>88.51</b>
<b>Other Comprehensive Income for the Year, net of Tax</b>	<b>(26,598)</b>	<b>(2,724,398)</b>	<b>99.02</b>	<b>(1,182,872)</b>	<b>(618,742)</b>	<b>(91.17)</b>
<b>Total Comprehensive Income for the Year</b>	<b>6,229,616</b>	<b>1,987,865</b>	<b>213.38</b>	<b>577,629</b>	<b>1,588,503</b>	<b>(63.64)</b>

**Seylan Bank PLC**  
**Income Statement**

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	<b>Group</b>			<b>(Amounts in Rupees Thousands)</b>		
	<b>For the Year Ended 31st December</b>			<b>For the Quarter Ended 31st December</b>		
	<b>2023</b> (Audited)	<b>2022</b> (Audited)	<b>Growth</b> %	<b>2023</b>	<b>2022</b>	<b>Growth</b> %
Interest Income	107,168,402	86,106,337	<b>24.46</b>	24,333,175	28,830,616	<b>(15.60)</b>
Less: Interest Expenses	66,716,549	45,219,220	<b>47.54</b>	14,729,683	16,203,904	<b>(9.10)</b>
<b>Net Interest Income</b>	<b>40,451,853</b>	<b>40,887,117</b>	<b>(1.06)</b>	<b>9,603,492</b>	<b>12,626,712</b>	<b>(23.94)</b>
Fee and Commission Income	7,751,002	6,697,059	<b>15.74</b>	2,156,084	2,009,284	<b>7.31</b>
Less: Fee and Commission Expenses	274,237	235,852	<b>16.28</b>	69,164	67,139	<b>3.02</b>
<b>Net Fee and Commission Income</b>	<b>7,476,765</b>	<b>6,461,207</b>	<b>15.72</b>	<b>2,086,920</b>	<b>1,942,145</b>	<b>7.45</b>
Net Gains/ (Losses) from Trading	818,206	(446,958)	<b>283.06</b>	525,966	458,810	<b>14.64</b>
Net Gains from Derecognition of Financial Assets	150,289	34,149	<b>340.10</b>	30,866	379	<b>8,044.06</b>
Net Other Operating Income	947,934	4,443,437	<b>(78.67)</b>	(20,541)	910,021	<b>(102.26)</b>
<b>Total Operating Income</b>	<b>49,845,047</b>	<b>51,378,952</b>	<b>(2.99)</b>	<b>12,226,703</b>	<b>15,938,067</b>	<b>(23.29)</b>
Less: Impairment Charges	17,004,937	26,433,076	<b>(35.67)</b>	3,558,008	7,596,118	<b>(53.16)</b>
<b>Net Operating Income</b>	<b>32,840,110</b>	<b>24,945,876</b>	<b>31.65</b>	<b>8,668,695</b>	<b>8,341,949</b>	<b>3.92</b>
<b>Less: Operating Expenses</b>						
Personnel Expenses	9,194,317	8,007,403	<b>14.82</b>	2,138,812	2,047,966	<b>4.44</b>
Depreciation and Amortisation	1,348,040	1,416,379	<b>(4.82)</b>	328,677	358,717	<b>(8.37)</b>
Other Expenses	8,092,983	5,951,401	<b>35.98</b>	2,179,842	1,847,459	<b>17.99</b>
<b>Total Operating Expenses</b>	<b>18,635,340</b>	<b>15,375,183</b>	<b>21.20</b>	<b>4,647,331</b>	<b>4,254,142</b>	<b>9.24</b>
<b>Operating Profit before Taxes</b>	<b>14,204,770</b>	<b>9,570,693</b>	<b>48.42</b>	<b>4,021,364</b>	<b>4,087,807</b>	<b>(1.63)</b>
Less: Value Added Tax on Financial Services	3,454,762	2,646,792	<b>30.53</b>	910,979	881,454	<b>3.35</b>
Less: Social Security Contribution Levy	480,557	127,243	<b>277.67</b>	125,711	127,243	<b>(1.20)</b>
<b>Profit before Income Tax</b>	<b>10,269,451</b>	<b>6,796,658</b>	<b>51.10</b>	<b>2,984,674</b>	<b>3,079,110</b>	<b>(3.07)</b>
Less: Income Tax Expense	3,868,829	2,218,888	<b>74.36</b>	1,101,964	1,053,558	<b>4.59</b>
<b>Profit for the Year</b>	<b>6,400,622</b>	<b>4,577,770</b>	<b>39.82</b>	<b>1,882,710</b>	<b>2,025,552</b>	<b>(7.05)</b>
<b>Profit Attributable to:</b>						
Equity Holders of the Bank	6,321,116	4,574,359	<b>38.19</b>	1,846,671	2,079,135	<b>(11.18)</b>
Non-controlling Interest	79,506	3,411	<b>2,230.87</b>	36,039	(53,583)	<b>167.26</b>
<b>Profit for the Year</b>	<b>6,400,622</b>	<b>4,577,770</b>	<b>39.82</b>	<b>1,882,710</b>	<b>2,025,552</b>	<b>(7.05)</b>
<b>Basic / Diluted Earnings per Ordinary Share (Rs.)</b>	<b>10.27</b>	<b>7.43</b>	<b>38.22</b>	<b>3.00</b>	<b>3.38</b>	<b>(11.24)</b>

# Seylan Bank PLC

## Statement of Profit or Loss and Other Comprehensive Income

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	<b>Group</b>			<b>(Amounts in Rupees Thousands)</b>		
	<b>Group</b>			<b>Group</b>		
	<b>For the Year Ended 31st December</b>			<b>For the Quarter Ended 31st December</b>		
	<b>2023</b> (Audited)	<b>2022</b> (Audited)	<b>Growth</b> %	<b>2023</b>	<b>2022</b>	<b>Growth</b> %
<b>Profit for the Year</b>	<b>6,400,622</b>	<b>4,577,770</b>	<b>39.82</b>	<b>1,882,710</b>	<b>2,025,552</b>	<b>(7.05)</b>
<b>Other Comprehensive Income/ (Loss), net of Tax</b>						
<b>Items that are or may be reclassified to Income Statement in Subsequent Periods</b>						
Net Movement of Cash Flow Hedge Reserve	-	84,246	<b>(100.00)</b>	-	-	-
Net Gains/ (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	993,479	(1,644,580)	<b>160.41</b>	(144,008)	87,738	<b>(264.13)</b>
Deferred Tax effect Relating to Items that are or may be reclassified to Income Statement	(298,047)	394,591	<b>(175.53)</b>	43,200	(7,842)	<b>650.88</b>
<b>Items that will never be reclassified to Income Statement in Subsequent Periods</b>						
Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	302,235	(1,220,234)	<b>124.77</b>	(60,035)	(352,618)	<b>82.97</b>
Gains / (Losses) on Revaluation of Property, Plant and Equipment	120,850	(20,148)	<b>699.81</b>	120,850	(20,148)	<b>699.81</b>
Actuarial Losses on Defined Benefit Obligations	(1,011,392)	(220,656)	<b>(358.36)</b>	(1,011,392)	(220,656)	<b>(358.36)</b>
Deferred Tax Effect Relating to Items that will never be reclassified to Income Statement	(50,671)	(119,682)	<b>57.66</b>	(50,671)	(119,682)	<b>57.66</b>
<b>Other Comprehensive Income for the Year, net of Tax</b>	<b>56,454</b>	<b>(2,746,463)</b>	<b>102.06</b>	<b>(1,102,056)</b>	<b>(633,208)</b>	<b>(74.04)</b>
<b>Total Comprehensive Income for the Year</b>	<b>6,457,076</b>	<b>1,831,307</b>	<b>252.59</b>	<b>780,654</b>	<b>1,392,344</b>	<b>(43.93)</b>
<b>Total Comprehensive Income Attributable to:</b>						
Equity Holders of the Bank	<b>6,353,078</b>	1,834,403	<b>246.33</b>	<b>720,783</b>	1,450,193	<b>(50.30)</b>
Non-controlling Interest	<b>103,998</b>	(3,096)	<b>3,459.11</b>	<b>59,871</b>	(57,849)	<b>203.50</b>
<b>Total Comprehensive Income for the Year</b>	<b>6,457,076</b>	<b>1,831,307</b>	<b>252.59</b>	<b>780,654</b>	<b>1,392,344</b>	<b>(43.93)</b>



**Seylan Bank PLC**
**Statement of Financial Position**

(In terms of Rule 7.4 of the Colombo Stock Exchange)

	<b>Bank</b>			<b>(Amounts in Rupees Thousands)</b>		
	<b>As at</b>	<b>As at</b>	<b>Growth</b>	<b>As at</b>	<b>As at</b>	<b>Growth</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>%</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>%</b>
	<i>(Audited)</i>	<i>(Audited)</i>		<i>(Audited)</i>	<i>(Audited)</i>	
<b>Assets</b>						
Cash and Cash Equivalents	48,851,143	40,254,514	<b>21.36</b>	48,851,183	40,254,554	<b>21.36</b>
Balances with Central Bank of Sri Lanka	7,028,281	16,784,172	<b>(58.13)</b>	7,028,281	16,784,172	<b>(58.13)</b>
Placements with Banks and Finance Companies	22,064,672	1,819,036	<b>1,112.99</b>	22,064,672	1,819,036	<b>1,112.99</b>
Derivative Financial Instruments	88,022	519,189	<b>(83.05)</b>	88,022	519,189	<b>(83.05)</b>
Financial Assets recognised through Profit or Loss						
- Measured at Fair Value	27,753,867	17,781,867	<b>56.08</b>	27,753,867	17,781,867	<b>56.08</b>
- Designated at Fair Value	-	-	-	-	-	-
Financial Assets at Amortised Cost						
- Loans and Advances	437,532,470	444,219,508	<b>(1.51)</b>	437,532,470	444,219,508	<b>(1.51)</b>
- Debt and Other Instruments	104,354,510	106,158,878	<b>(1.70)</b>	104,625,662	106,429,752	<b>(1.70)</b>
Financial Assets measured at Fair Value through Other Comprehensive Income	40,048,711	17,136,286	<b>133.71</b>	40,286,865	17,186,183	<b>134.41</b>
Investment in Subsidiary	1,153,602	1,153,602	-	-	-	-
Group Balances Receivable	40,500	64,435	<b>(37.15)</b>	-	-	-
Property, Plant & Equipment	3,874,650	3,770,541	<b>2.76</b>	6,627,167	6,462,909	<b>2.54</b>
Right-of-use Assets	5,114,518	4,882,318	<b>4.76</b>	2,735,963	2,722,569	<b>0.49</b>
Investment Properties	-	-	-	884,219	886,680	<b>(0.28)</b>
Intangible Assets	536,989	510,146	<b>5.26</b>	536,989	510,146	<b>5.26</b>
Deferred Tax Assets	3,171,806	3,242,641	<b>(2.18)</b>	2,571,168	2,684,538	<b>(4.22)</b>
Other Assets	16,371,694	14,508,511	<b>12.84</b>	16,406,762	14,574,073	<b>12.57</b>
<b>Total Assets</b>	<b>717,985,435</b>	<b>672,805,644</b>	<b>6.72</b>	<b>717,993,290</b>	<b>672,835,176</b>	<b>6.71</b>
<b>Liabilities</b>						
Due to Banks	12,096,756	12,158,030	<b>(0.50)</b>	12,096,756	12,158,030	<b>(0.50)</b>
Derivative Financial Instruments	32,269	906,813	<b>(96.44)</b>	32,269	906,813	<b>(96.44)</b>
Financial Liabilities at Amortised Cost						
- Due to Depositors	590,698,330	547,315,755	<b>7.93</b>	590,698,330	547,315,755	<b>7.93</b>
- Due to Debt Securities Holders	6,862,998	11,944,370	<b>(42.54)</b>	6,862,998	11,944,370	<b>(42.54)</b>
- Due to Other Borrowers	16,151	7,483	<b>115.84</b>	16,151	7,483	<b>115.84</b>
Group Balances Payable	115,823	202,382	<b>(42.77)</b>	-	-	-
Debt Securities Issued	19,967,701	21,617,455	<b>(7.63)</b>	19,967,701	21,617,455	<b>(7.63)</b>
Current Tax Liabilities	2,688,253	5,128,484	<b>(47.58)</b>	2,719,843	5,179,000	<b>(47.48)</b>
Lease Liabilities	5,409,418	5,101,247	<b>6.04</b>	2,245,420	2,254,558	<b>(0.41)</b>
Other Liabilities	19,591,155	13,973,327	<b>40.20</b>	19,655,972	13,985,243	<b>40.55</b>
<b>Total Liabilities</b>	<b>657,478,854</b>	<b>618,355,346</b>	<b>6.33</b>	<b>654,295,440</b>	<b>615,368,707</b>	<b>6.33</b>
<b>Equity</b>						
Stated Capital	20,908,673	19,926,453	<b>4.93</b>	20,908,673	19,926,453	<b>4.93</b>
Statutory Reserve Fund	2,880,973	2,568,162	<b>12.18</b>	2,880,973	2,568,162	<b>12.18</b>
Fair Value through Other Comprehensive Income Reserve	(203,999)	(1,183,105)	<b>82.76</b>	(233,618)	(1,215,647)	<b>80.78</b>
Retained Earnings	34,846,140	31,063,994	<b>12.18</b>	35,540,973	31,697,936	<b>12.12</b>
Other Reserves	2,074,794	2,074,794	-	3,284,805	3,225,157	<b>1.85</b>
<b>Total Shareholders' Equity</b>	<b>60,506,581</b>	<b>54,450,298</b>	<b>11.12</b>	<b>62,381,806</b>	<b>56,202,061</b>	<b>11.00</b>
<b>Non-controlling Interest</b>	-	-	-	1,316,044	1,264,408	<b>4.08</b>
<b>Total Equity</b>	<b>60,506,581</b>	<b>54,450,298</b>	<b>11.12</b>	<b>63,697,850</b>	<b>57,466,469</b>	<b>10.84</b>
<b>Total Equity &amp; Liabilities</b>	<b>717,985,435</b>	<b>672,805,644</b>	<b>6.72</b>	<b>717,993,290</b>	<b>672,835,176</b>	<b>6.71</b>
<b>Contingent Liabilities and Commitments</b>	<b>165,840,804</b>	<b>167,641,150</b>	<b>(1.07)</b>	<b>165,859,420</b>	<b>167,642,941</b>	<b>(1.06)</b>
<b>Memorandum Information</b>						
Number of Employees	3,077	3,156	<b>(2.50)</b>	3,095	3,175	<b>(2.52)</b>
Number of Banking Centres	171	171	-	171	171	-
<b>Net Assets Value per Ordinary Share (Rs.)</b>	<b>98.31</b>	<b>94.24</b>	<b>4.32</b>	<b>101.36</b>	<b>97.27</b>	<b>4.20</b>

**Certification;**

I certify that the above Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

**Champika Dodanwela (Ms.)**

Chief Financial Officer

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

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka; and
- the information contained in these statements have been extracted from the audited Financial Statements of the Bank & Group.

(Sgd.)

**W.M.R.S.Dias**

Chairman

February 20, 2024

Colombo

(Sgd.)

**Ramesh Jayasekara**

Director/Chief Executive Officer

**Seylan Bank PLC**  
**Statement of Changes in Equity (Audited)**  
For the Year ended 31st December  
Bank

(Amounts in Rupees Thousands )								
	Stated Capital		Statutory	Retained	Other Reserves			Total
	Ordinary Shares - Voting	Ordinary Shares - Non Voting	Reserve Fund *	Earnings	Revaluation Reserve	FVOCI Reserve **	Other Reserves	
<b>1 Balance as at 01st January 2022</b>	<b>11,521,263</b>	<b>6,802,619</b>	<b>2,332,549</b>	<b>29,196,617</b>	<b>1,468,822</b>	<b>(245,179)</b>	<b>976,318</b>	<b>52,053,009</b>
Surcharge Tax	-	-	-	(1,168,335)	-	-	-	(1,168,335)
<b>2 Restated Balance as at 01st January 2022</b>	<b>11,521,263</b>	<b>6,802,619</b>	<b>2,332,549</b>	<b>28,028,282</b>	<b>1,468,822</b>	<b>(245,179)</b>	<b>976,318</b>	<b>50,884,674</b>
<b>Total Comprehensive Income for the Year</b>								
Profit for the Year	-	-	-	4,712,263	-	-	-	4,712,263
<b>Other Comprehensive Income (net of tax)</b>								
- Actuarial Losses on Defined Benefit Obligations	-	-	-	(222,236)	-	-	-	(222,236)
- Net Losses on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(1,240,758)	-	(1,240,758)
- Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(1,251,047)	-	(1,251,047)
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	84,246	84,246
- Deferred Tax Impact on Tax Rate Change	-	-	-	-	(94,603)	-	-	(94,603)
<b>3 Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,490,027</b>	<b>(94,603)</b>	<b>(2,491,805)</b>	<b>84,246</b>	<b>1,987,865</b>
<b>Transactions with Equity Holders , Recognised Directly In Equity</b>								
Scrip Dividend to Equity Holders	792,802	809,769	-	(1,602,571)	-	-	-	-
Unclaimed Dividend Absorbed/(Dividend Paid) in respect of Previous Years	-	-	-	14,484	-	-	-	14,484
Transferred to Statutory Reserve Fund*	-	-	235,613	(235,613)	-	-	-	-
Transferred from Investment Fund Reserve	-	-	-	359,989	-	-	(359,989)	-
Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	9,396	-	(9,396)	-	-
Reclassification of Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	1,563,275	-	1,563,275
<b>4 Total Transactions with Equity Holders</b>	<b>792,802</b>	<b>809,769</b>	<b>235,613</b>	<b>(1,454,315)</b>	<b>-</b>	<b>1,553,879</b>	<b>(359,989)</b>	<b>1,577,759</b>
<b>Balance as at 31st December 2022 (2 + 3 + 4)</b>	<b>12,314,065</b>	<b>7,612,388</b>	<b>2,568,162</b>	<b>31,063,994</b>	<b>1,374,219</b>	<b>(1,183,105)</b>	<b>700,575</b>	<b>54,450,298</b>
<b>1 Balance as at 01st January 2023</b>	<b>12,314,065</b>	<b>7,612,388</b>	<b>2,568,162</b>	<b>31,063,994</b>	<b>1,374,219</b>	<b>(1,183,105)</b>	<b>700,575</b>	<b>54,450,298</b>
<b>Total Comprehensive Income for the Year</b>								
Profit for the Year	-	-	-	6,256,214	-	-	-	6,256,214
<b>Other Comprehensive Income (net of tax)</b>								
- Actuarial Losses on Defined Benefit Obligations	-	-	-	(1,005,704)	-	-	-	(1,005,704)
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	691,287	-	691,287
- Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	287,819	-	287,819
<b>2 Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,250,510</b>	<b>-</b>	<b>979,106</b>	<b>-</b>	<b>6,229,616</b>
<b>Transactions with Equity Holders , Recognised Directly In Equity</b>								
Scrip Dividend to Equity Holders	480,599	501,621	-	(1,155,553)	-	-	-	(173,333)
Transferred to Statutory Reserve Fund*	-	-	312,811	(312,811)	-	-	-	-
<b>3 Total Transactions with Equity Holders</b>	<b>480,599</b>	<b>501,621</b>	<b>312,811</b>	<b>(1,468,364)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(173,333)</b>
<b>Balance as at 31st December 2023 (1+ 2 + 3)</b>	<b>12,794,664</b>	<b>8,114,009</b>	<b>2,880,973</b>	<b>34,846,140</b>	<b>1,374,219</b>	<b>(203,999)</b>	<b>700,575</b>	<b>60,506,581</b>

\* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax)

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

**Seylan Bank PLC**  
**Statement of Changes in Equity (Audited)**  
For the Year ended 31st December  
Group

(Amounts in Rupees Thousands )										
	Stated Capital		Statutory Reserve Fund *	Retained Earnings	Other Reserves			Total	Non-Controlling Interest	Total Equity
	Ordinary Shares - Voting	Ordinary Shares - Non Voting			Revaluation Reserve	FVOCI Reserve **	Other Reserves			
<b>1</b>										
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	55,286,827
Surcharge Tax	-	-	-	(1,168,335)	-	-	-	(1,168,335)	-	(1,168,335)
<b>2</b>										
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	54,118,492
Total Comprehensive Income for the Year										
Profit for the Year	-	-	-	4,574,359	-	-	-	4,574,359	3,411	4,577,770
Other Comprehensive Income (net of tax)										
- Revaluation of Property, Plant and Equipment	-	-	-	-	(9,945)	-	-	(9,945)	(4,159)	(14,104)
- Actuarial Losses on Defined Benefit Obligations	-	-	-	(221,122)	-	-	-	(221,122)	466	(220,656)
- Net Losses on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(1,247,267)	-	(1,247,267)	(2,722)	(1,249,989)
- Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(1,251,047)	-	(1,251,047)	-	(1,251,047)
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	84,246	84,246	-	84,246
- Deferred Tax Impact on Tax Rate Change	-	-	-	-	(94,821)	-	-	(94,821)	(92)	(94,913)
<b>3</b>										
Total Comprehensive Income for the Year	-	-	-	4,353,237	(104,766)	(2,498,314)	84,246	1,834,403	(3,096)	1,831,307
Transactions with Equity Holders , Recognised Directly In Equity										
Cash/Scrip Dividend	792,802	809,769	-	(1,602,571)	-	-	-	-	(61,089)	(61,089)
Unclaimed Dividend Absorbed/(Dividend Paid) in respect of Previous Years	-	-	-	14,484	-	-	-	14,484	-	14,484
Transferred to Statutory Reserve Fund*	-	-	235,613	(235,613)	-	-	-	-	-	-
Transferred from Investment Fund Reserve	-	-	-	359,989	-	-	(359,989)	-	-	-
Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income	-	-	-	9,396	-	(9,396)	-	-	-	-
Reclassification of Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	1,563,275	-	1,563,275	-	1,563,275
<b>4</b>										
Total Transactions with Equity Holders	792,802	809,769	235,613	(1,454,315)	-	1,553,879	(359,989)	1,577,759	(61,089)	1,516,670
Balance as at 31st December 2022 (2 + 3 + 4)	12,314,065	7,612,388	2,568,162	31,697,936	2,269,369	(1,215,647)	955,788	56,202,061	1,264,408	57,466,469
<b>1</b>										
Balance as at 01st January 2023	12,314,065	7,612,388	2,568,162	31,697,936	2,269,369	(1,215,647)	955,788	56,202,061	1,264,408	57,466,469
Total Comprehensive Income for the Year										
Profit for the Year	-	-	-	6,321,116	-	-	-	6,321,116	79,506	6,400,622
Other Comprehensive Income (net of tax)										
- Revaluation of Property, Plant and Equipment	-	-	-	-	59,648	-	-	59,648	24,947	84,595
- Actuarial Losses on Defined Benefit Obligations	-	-	-	(1,009,715)	-	-	-	(1,009,715)	(1,677)	(1,011,392)
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	694,210	-	694,210	1,222	695,432
- Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	287,819	-	287,819	-	287,819
<b>2</b>										
Total Comprehensive Income for the Year	-	-	-	5,311,401	59,648	982,029	-	6,353,078	103,998	6,457,076
Transactions with Equity Holders , Recognised Directly In Equity										
Cash/Scrip Dividend	480,599	501,621	-	(1,155,553)	-	-	-	(173,333)	(52,362)	(225,695)
Transferred to Statutory Reserve Fund*	-	-	312,811	(312,811)	-	-	-	-	-	-
<b>3</b>										
Total Transactions with Equity Holders	480,599	501,621	312,811	(1,468,364)	-	-	-	(173,333)	(52,362)	(225,695)
Balance as at 31st December 2023 (1+2+3)	12,794,664	8,114,009	2,880,973	35,540,973	2,329,017	(233,618)	955,788	62,381,806	1,316,044	63,697,850

\* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax)

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

**Seylan Bank PLC**  
**Statement of Cash Flows (Audited)**

(Amounts in Rupees Thousands)

For the Year Ended 31st December

	<b>Bank</b>		<b>Group</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>	<b>Rs. ' 000</b>
<b>Cash Flows from Operating Activities</b>				
Interest Receipts	110,559,524	78,479,079	110,649,365	78,516,805
Interest Payments	(61,187,798)	(33,232,226)	(61,175,851)	(33,219,943)
Net Commission Receipts	7,480,177	6,462,018	7,476,765	6,461,207
Trading Income	243,836	196,078	243,836	196,078
Payments to Employees	(7,582,118)	(7,583,372)	(7,621,765)	(7,626,699)
VAT and SSCL on Financial Services Paid	(3,829,697)	(2,548,404)	(3,829,697)	(2,548,404)
Receipts from Other Operating Activities	1,186,759	15,234,119	1,284,808	15,358,584
Payments on Other Operating Activities	(6,983,425)	(5,861,384)	(7,044,218)	(5,914,487)
<b>Operating Profit before Changes in Operating Assets and Liabilities</b>	<b>39,887,258</b>	<b>51,145,908</b>	<b>39,983,243</b>	<b>51,223,141</b>
<b>(Increase)/Decrease in Operating Assets :</b>				
Balances with Central Bank of Sri Lanka	9,755,891	(8,058,338)	9,755,891	(8,058,338)
Financial Assets at Amortized cost - Loans and Advances	(10,693,387)	(19,115,338)	(10,693,648)	(19,115,466)
Other Assets	(1,658,330)	(5,063,032)	(1,432,965)	(5,106,545)
<b>Increase/(Decrease) in Operating Liabilities :</b>				
Financial Liabilities at Amortized Cost - Due to Depositors	40,755,818	49,236,984	40,755,818	49,236,984
Financial Liabilities at Amortized Cost - Due to Debt Securities Holders	(5,045,727)	9,238,188	(5,045,727)	9,238,188
Financial Liabilities at Amortized cost - Due to Other Borrowers	8,668	188	8,668	188
Other Liabilities	1,443,681	(7,677,735)	1,138,781	(7,653,888)
Due to Banks	(61,274)	(12,346,357)	(61,274)	(12,346,357)
<b>Cash Generated from Operating Activities before Income Tax</b>	<b>74,392,598</b>	<b>57,360,468</b>	<b>74,408,787</b>	<b>57,417,907</b>
Income Tax Paid	(6,493,992)	(2,138,520)	(6,520,672)	(2,138,520)
Surcharge Tax Paid	-	(1,168,335)	-	(1,168,335)
<b>Net Cash Generated from Operating Activities</b>	<b>67,898,606</b>	<b>54,053,613</b>	<b>67,888,115</b>	<b>54,111,052</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Property , Plant & Equipment	(755,207)	(192,907)	(758,251)	(197,090)
Improvements in Investment Properties	-	-	(31,213)	(43,087)
Proceeds from Sale of Property , Plant & Equipment	7,681	2,359	7,681	2,359
Net Proceeds from Sale, Maturity and Purchase of Financial Investments of Government of Sri Lanka				
Treasury Bills/Bonds, Development Bonds , International Sovereign Bonds and United States Treasury Bills maturing after Three Months	(1,701,728)	(11,411,748)	(1,623,810)	(11,489,675)
Net Proceeds From Sale, Maturity and Purchase of Financial Investments of Shares and Debentures	108,509	47,606	158,406	58,572
Reverse Repurchase Agreements maturing after Three Months	-	-	-	-
Net Purchase of Intangible Assets	(210,914)	(102,672)	(210,914)	(102,672)
Net Cash Flow from Acquisition of Investment in Subsidiaries	-	-	-	-
Net Cash Flow from Disposal of Subsidiaries	-	-	-	-
Dividend Received from Investment in Subsidiaries	106,419	146,065	-	-
Dividend Received from Other Investments	16,296	16,446	16,296	16,446
<b>Net Cash Used in Investing Activities</b>	<b>(2,428,944)</b>	<b>(11,494,851)</b>	<b>(2,441,805)</b>	<b>(11,755,147)</b>
<b>Cash Flows from Financing Activities</b>				
Net Proceeds from the Issue of Ordinary Share Capital	-	-	-	-
Net Proceeds from the Issue of Other Equity Instruments	-	-	-	-
Net Proceeds from the Issue of Subordinated Debt	5,000,000	-	5,000,000	-
Repayment of Subordinated Debt	(7,182,280)	-	(7,082,280)	-
Interest Paid on Subordinated Debt	(2,494,469)	(2,589,596)	(2,490,131)	(2,578,780)
Interest Paid on Un-Subordinated Debt	-	-	-	-
Dividend Paid to Non-Controlling Interest	-	-	(49,744)	(57,343)
Dividend Paid to Shareholders of the Bank	(8)	(886)	(8)	(886)
Dividend Paid to Holders of Other Equity Instruments	-	-	-	-
Repayment of Principal Portion of Lease Liabilities	(792,238)	(752,565)	(507,121)	(474,202)
<b>Net Cash Used In Financing Activities</b>	<b>(5,468,995)</b>	<b>(3,343,047)</b>	<b>(5,129,284)</b>	<b>(3,111,211)</b>
Net Increase in Cash and Cash Equivalents	60,000,667	39,215,715	60,317,026	39,244,694
Cash and Cash Equivalents at Beginning of the Year	83,255,632	44,039,917	83,449,117	44,204,423
<b>Cash and Cash Equivalents at End of the Year</b>	<b>143,256,299</b>	<b>83,255,632</b>	<b>143,766,143</b>	<b>83,449,117</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash and Cash Equivalents	49,034,834	40,402,164	49,034,874	40,402,204
Placements with Banks and Finance Companies	22,175,550	1,828,177	22,176,048	1,828,675
Government of Sri Lanka Treasury Bills/Bonds, Development Bonds , International Sovereign Bonds and United States Treasury Bills maturing within Three Months	71,228,765	37,396,742	71,738,071	37,589,689
Securities Purchased Under Resale Agreements maturing within Three Months	817,150	3,628,549	817,150	3,628,549
	<b>143,256,299</b>	<b>83,255,632</b>	<b>143,766,143</b>	<b>83,449,117</b>

## EXPLANATORY NOTES

### 1. 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.

The Interim Financial Statements of the Bank and the Group have been prepared and presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting.

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

### 2. Information on Ordinary Shares

Market Price (LKR.)	31/12/2023		31/12/2022	
	Voting	Non-Voting	Voting	Non-Voting
Market Price Per Share	43.90	35.50	31.60	16.20
Highest price per share during the quarter ended	51.90	39.90	32.00	20.70
Lowest price per share during the quarter ended	40.10	31.70	27.50	15.20

Stated Capital as at December 31, 2023	No. of Shares	Stated Capital (LKR.'000)
Ordinary Voting	296,716,366	12,794,664
Ordinary Non-Voting	318,732,692	8,114,009
<b>Total</b>	<b>615,449,058</b>	<b>20,908,673</b>

### 3. Shareholders Information

#### 3.1 Twenty Largest Ordinary Voting Shareholders as at December 31, 2023

	No. of Shares	%
1 Brown & Company PLC A/C No. 01	31,086,943	10.48
2 Sri Lanka Insurance Corporation Ltd - General Fund	29,671,631	10.00
3 Employees Provident Fund	29,248,850	9.86
4 Mr. K. D. D. Perera	28,166,399	9.49
5 Sampath Bank PLC/LOLC Investments Ltd	27,762,508	9.36
6 National Development Bank PLC	25,888,088	8.72
7 Seylan Bank PLC A/C No. 04 – Employees' Gratuity Trust Fund	19,573,513	6.60
8 Bank of Ceylon No. 1 Account	16,690,292	5.62
9 Sri Lanka Insurance Corporation Ltd - Life Fund	14,835,813	5.00
10 Peoples Leasing & Finance PLC/Don and Don Holdings (Private) Limited	11,338,671	3.82
11 Sampath Bank PLC/Brown and Company PLC	10,082,252	3.40
12 Employees Trust Fund Board	6,309,485	2.13
13 Don and Don Holdings (Private) Limited	5,349,919	1.80
14 NDB Capital Holdings Limited Account No.02	3,005,354	1.01
15 Sisil Investment Holdings (Private) Limited	2,806,071	0.95
16 Mr. M. J. Fernando (Deceased)	1,498,311	0.50
17 Mr. K. R. B. Fernando	1,283,864	0.43
18 Capital Alliance PLC	982,318	0.33
19 Mr. R. R. Leon	933,190	0.31
20 Dr. J. L. B. Kotelawala	679,835	0.23

### 3.2 Twenty Largest Ordinary Non-Voting Shareholders as at December 31, 2023

	No. of Shares	%
1 L O L C Holdings PLC	164,472,386	51.60
2 Employees' Provident Fund	17,001,074	5.33
3 Don and Don Holdings (Private) Limited	8,571,297	2.69
4 Sri Lanka Insurance Corporation Ltd - Life Fund	8,222,957	2.58
5 Akbar Brothers Pvt Ltd A/C No. 1	6,810,259	2.14
6 Auerbach Grayson and Company LLC	4,366,382	1.37
7 Peoples Leasing & Finance PLC/Don and Don Holdings (Private) Limited	4,330,473	1.36
8 Employees Trust Fund Board	3,754,695	1.18
9 Merrill J Fernando & Sons (Pvt) Limited	3,540,466	1.11
10 Mr. R. R. Leon	3,224,829	1.01
11 L O L C Technology Services Limited	2,783,260	0.87
12 Mr. N. Balasingam	2,493,566	0.78
13 LOLC Finance PLC/Don and Don Holdings (Pvt) Ltd	2,493,211	0.78
14 Sri Lanka Insurance Corporation Ltd - General Fund	2,250,000	0.71
15 Mr. R. Gautam	1,806,307	0.57
16 Mr. M. J. Fernando (Deceased)	1,745,005	0.55
17 J. B. Cocoshell (Pvt) Ltd	1,700,495	0.53
18 Ms. S. Durga	1,471,329	0.46
19 Dr. S. Yaddehige	1,452,925	0.46
20 Odyssey Capital Partners (Private) Limited	1,324,357	0.42

### 3.3 Public Holdings as at December 31, 2023

The Bank is compliant under Option 3 of the Section 7.13.1 of the Rules of the Colombo Stock Exchange (Minimum Public Holding requirement).

	Ordinary Voting Shares	Ordinary Non-Voting Shares
Float adjusted market capitalization	LKR. 7.147 Bn	LKR. 5.370 Bn
Public Holding Percentage	54.87%	47.46%
No. of Public shareholders	10,154	7,125

### 4. Directors' and Chief Executive Officer's Shareholdings as at December 31, 2023

<u>Name of Director</u>	<u>No. of Shares</u> (Ordinary Voting)	<u>No. of Shares</u> (Ordinary Non-Voting)
Mr. W. M. R. S. Dias, Non-Executive Director / Chairman	Nil	Nil
Mr. R. J. Jayasekara, Director/Chief Executive Officer	708	33,931
Mr. S. V. Corea, Non-Executive Director	113	Nil
Ms. S. K. Salgado, Independent Director/Senior Independent Director	Nil	Nil
Mr. D. D. K. Thilakaratne, Non-Executive Director	Nil	Nil
Mr. D. M. Rupasinghe, Independent Director	Nil	Nil
Mr. L. H. A. L. Silva, Independent Director	Nil	Nil
Ms. V. G. S. S. Kotakadeniya, Non-Executive Director	Nil	Nil
Ms. A. A. Ludowyke, Independent Director	Nil	Nil

## **5. Basic/ Diluted Earnings per Share**

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 year ended December 31, 2023. 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 December 31, 2022 has been restated based on the number of shares issued for Scrip Dividend for 2022.

## **6. Events after the Reporting Date**

### **6.1 Proposed Final Dividend**

The Board of Directors of the Bank recommended a first and final dividend of LKR 2.50 per share on both voting and non- voting shares of the Bank for the financial year ended December 31, 2023, to be paid in the form of a cash dividend of LKR 1.00 per share and a scrip dividend of LKR 1.50 per share (LKR 2.00 per share was paid for the year ended December 31, 2022 by way of scrip dividend).

The said dividend is subject to approval of the shareholders at the Annual General Meeting to be held on March 28, 2024. This proposed final dividend has not been recognized as a liability as at December 31, 2023.

## **7. Other Matters**

### **7.1 Changes to the Directorships**

1. The demise of Mr Darshan Ravindra Abeysuriya, Independent, Non-Executive Director, of Seylan Bank PLC, on October 25, 2023.
2. Appointment of Ms Sandya Kumari Salgado as the Senior Independent Director, of Seylan Bank PLC, with effect from November 06, 2023.

### **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 December 31, 2023 and Economic Factor Adjustment (EFA) applying the recent forecasts and projections.

Further, the Bank has adjusted the additional provisions made as management overlay, based on the changes to the assessment of significant increase in credit risk, and stress testing on the exposures to risk elevated sectors.

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

The Bank has accounted for day one loss arising on initial recognition, from the swap of Sri Lanka Development Bonds denominated in foreign currency to Rupee bonds under the Domestic Debt Optimization program. The said impact has been recognized in the profit or loss during the year ended December 31, 2023.

### **7.3 Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio**

The Bank has adopted the above SoAT on Reclassification of Debt Portfolio, issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and re-classified its Debt Portfolio of LKR 24.83Bn 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 reclassification and accounted for in the financials for the six months ended June 30,2022.

If the assets lying in the current portfolio had continued to be measured as Fair Value through Other Comprehensive Income, the fair value and the cumulative mark to market loss as at 31st December 2023 would have been Rs. 9,496 Mn and Rs. 412 Mn respectively.

### **7.4 Taxes**

The Social Security Contribution Levy (SSCL) was introduced with effect from 01<sup>st</sup> October 2022 and it is calculated on the value addition attributable to financial services at the rate of 2.5%. The standard rate of Income Tax has been increased to 30% from 24% in 2022.

### **7.5 Share Repurchase – Seylan Developments PLC**

On 01st November 2023, the Bank's subsidiary Seylan Developments PLC, made an announced to repurchase it's own shares at a ratio of 01 share for every 10 shares held by the Ordinary shareholders of the Company. The total number of ordinary shares expected to repurchase from the share repurchase is 14,796,486 at a price of Rs.21.64 per ordinary share. The total value expected from the share repurchase transaction is amounting to Rs.320.20 Mn.

The share repurchase offer is opened to shareholders on 14th February 2024 and proposed to be closed on 28th February 2024.

## **8. Comparative Figures**

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

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.



**9. Seylan Bank PLC**  
**Segment Reporting (Group)**

(Amounts in Rupee Thousands)

	Banking		Treasury		Property/ Investments		Unallocated/ Eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Interest Income	96,302,462	71,373,020	12,456,083	15,223,257	108,329	61,784	(1,698,472)	(551,724)	107,168,402	86,106,337
Less: Interest Expenses	61,815,649	39,495,176	5,079,379	5,886,291	2,203	959	(180,682)	(163,206)	66,716,549	45,219,220
<b>Net Interest Income</b>	<b>34,486,813</b>	<b>31,877,844</b>	<b>7,376,704</b>	<b>9,336,966</b>	<b>106,126</b>	<b>60,825</b>	<b>(1,517,790)</b>	<b>(388,518)</b>	<b>40,451,853</b>	<b>40,887,117</b>
Fee and Commission Income	7,585,798	6,648,542	153,351	22,718	-	-	11,853	25,799	7,751,002	6,697,059
Less : Fee and Commission Expenses	237,519	206,316	33,467	28,802	3,251	734	-	-	274,237	235,852
<b>Net Fee and Commission Income</b>	<b>7,348,279</b>	<b>6,442,226</b>	<b>119,884</b>	<b>(6,084)</b>	<b>(3,251)</b>	<b>(734)</b>	<b>11,853</b>	<b>25,799</b>	<b>7,476,765</b>	<b>6,461,207</b>
Net Gains/(Losses) from Trading	-	-	818,206	(446,958)	-	-	-	-	818,206	(446,958)
Net Gains from Derecognition of Financial Assets	-	-	150,289	34,149	-	-	-	-	150,289	34,149
Net Other Operating Income	678,576	800,448	295,579	3,660,582	463,049	565,861	(489,270)	(583,454)	947,934	4,443,437
Inter Segment Revenue	(74,922)	(70,989)	(505)	-	-	-	75,427	70,989	-	-
<b>Total Operating Income</b>	<b>42,438,746</b>	<b>39,049,529</b>	<b>8,760,157</b>	<b>12,578,655</b>	<b>565,924</b>	<b>625,952</b>	<b>(1,919,780)</b>	<b>(875,184)</b>	<b>49,845,047</b>	<b>51,378,952</b>
Less : Depreciation and Amortization Expenses	766,289	761,440	14,890	14,167	1,245	1,185	565,616	639,587	1,348,040	1,416,379
Less : Impairment Charges	15,694,705	21,424,165	1,310,241	5,008,911	-	-	(9)	-	17,004,937	26,433,076
Less : Operating Expenses, VAT & SSCL on Financial Services	16,039,654	13,070,977	1,832,596	1,304,526	119,410	97,195	3,230,959	2,260,141	21,222,619	16,732,839
<b>Reportable Segment Profit Before Income Tax</b>	<b>9,938,098</b>	<b>3,792,947</b>	<b>5,602,430</b>	<b>6,251,051</b>	<b>445,269</b>	<b>527,572</b>	<b>(5,716,346)</b>	<b>(3,774,912)</b>	<b>10,269,451</b>	<b>6,796,658</b>
Less :Income Tax Expense									3,868,829	2,218,888
<b>Profit for the Year</b>									<b>6,400,622</b>	<b>4,577,770</b>
Profit Attributable To:										
Equity Holders of The Bank									6,321,116	4,574,359
Non-Controlling Interests									79,506	3,411
<b>Profit for the Year</b>									<b>6,400,622</b>	<b>4,577,770</b>
<b>Other Comprehensive Income, Net of Income Tax</b>									<b>56,454</b>	<b>(2,746,463)</b>
<b>Other Information</b>										
Reportable Segment Assets	470,959,514	468,181,492	233,605,360	186,376,930	6,541,912	6,357,894	17,737,472	21,888,352	728,844,258	682,804,668
Segment Accumulated Amortisation	(7,492,833)	(2,555,766)	(80,208)	(68,268)	4,270	(3,025)	(3,282,197)	(7,342,433)	(10,850,968)	(9,969,492)
<b>Total Assets</b>	<b>463,466,681</b>	<b>465,625,726</b>	<b>233,525,152</b>	<b>186,308,662</b>	<b>6,546,182</b>	<b>6,354,869</b>	<b>14,455,275</b>	<b>14,545,919</b>	<b>717,993,290</b>	<b>672,835,176</b>
Reportable Segment Liabilities & Equity	601,993,174	563,425,953	89,348,927	85,595,633	6,546,182	6,354,869	20,105,007	17,458,721	717,993,290	672,835,176
<b>Total Liabilities &amp; Equity</b>	<b>601,993,174</b>	<b>563,425,953</b>	<b>89,348,927</b>	<b>85,595,633</b>	<b>6,546,182</b>	<b>6,354,869</b>	<b>20,105,007</b>	<b>17,458,721</b>	<b>717,993,290</b>	<b>672,835,176</b>
Cash Flows from Operating Activities	65,927,382	45,612,314	6,927,561	11,274,129	203,966	288,432	(5,170,794)	(3,063,823)	67,888,115	54,111,052
Cash Flows from Investing Activities	(294,393)	(270,149)	(1,490,863)	(11,223,517)	97,093	(59,765)	(753,642)	(201,717)	(2,441,805)	(11,755,147)
Cash Flows from Financing Activities	(792,238)	(753,451)	(4,676,757)	(2,589,596)	(177,558)	(207,151)	517,269	438,987	(5,129,284)	(3,111,211)
Capital Expenditure	(304,046)	(285,214)	(11,744)	(7,799)	(34,257)	(47,275)	(650,331)	(2,562)	(1,000,378)	(342,849)

**Seylan Bank PLC**
**10 Analysis of Financial Instruments by Measurement Basis - Bank**
**(Amounts in Rupees Thousands )**

	2023			Total
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost (AC)	
<b>Assets</b>				
Cash and Cash Equivalents	-	-	48,851,143	48,851,143
Balances with Central Bank of Sri Lanka	-	-	7,028,281	7,028,281
Placements with Banks and Finance Companies	-	-	22,064,672	22,064,672
Derivative Financial Instruments	88,022	-	-	88,022
Securities Purchased under Resale Agreements	-	-	817,150	817,150
Customer Loans and Advances	-	-	437,532,470	437,532,470
Debt Instruments	-	-	751,134	751,134
Equity Instruments	-	1,802,855	-	1,802,855
Government Securities	27,753,867	38,245,856	102,786,226	168,785,949
Group Balances Receivable	-	-	40,500	40,500
Other Financial Assets	-	-	11,896,790	11,896,790
<b>Total Financial Assets</b>	<b>27,841,889</b>	<b>40,048,711</b>	<b>631,768,366</b>	<b>699,658,966</b>

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)		Financial Liabilities Measured at Amortised Cost (AC)	Total
<b>Liabilities</b>				
Due to Banks	-	-	12,096,756	12,096,756
Derivative Financial Instruments	32,269	-	-	32,269
Due to Depositors	-	-	590,698,330	590,698,330
Securities Sold under Repurchase Agreements	-	-	6,862,998	6,862,998
Due to other Borrowers	-	-	16,151	16,151
Group Balances Payable	-	-	115,823	115,823
Debt Securities Issued	-	-	19,967,701	19,967,701
Lease Liabilities	-	-	5,409,418	5,409,418
Other Financial Liabilities	-	-	11,953,383	11,953,383
<b>Total Financial Liabilities</b>	<b>32,269</b>	<b>647,120,560</b>	<b>647,152,829</b>	

	2022			Total
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost (AC)	
<b>Assets</b>				
Cash and Cash Equivalents	-	-	40,254,514	40,254,514
Balances with Central Bank of Sri Lanka	-	-	16,784,172	16,784,172
Placements with Banks and Finance Companies	-	-	1,819,036	1,819,036
Derivative Financial Instruments	519,189	-	-	519,189
Securities Purchased under Resale Agreements	-	-	3,628,549	3,628,549
Customer Loans and Advances	-	-	444,219,508	444,219,508
Debt Instruments	-	-	889,997	889,997
Equity Instruments	-	1,500,621	-	1,500,621
Government Securities	17,781,867	15,635,665	101,640,332	135,057,864
Group Balances Receivable	-	-	64,435	64,435
Other Financial Assets	-	-	11,265,428	11,265,428
<b>Total Financial Assets</b>	<b>18,301,056</b>	<b>17,136,286</b>	<b>620,565,971</b>	<b>656,003,313</b>

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)		Financial Liabilities Measured at Amortised Cost (AC)	Total
<b>Liabilities</b>				
Due to Banks	-	-	12,158,030	12,158,030
Derivative Financial Instruments	906,813	-	-	906,813
Due to Depositors	-	-	547,315,755	547,315,755
Securities Sold under Repurchase Agreements	-	-	11,944,370	11,944,370
Due to other Borrowers	-	-	7,483	7,483
Group Balances Payable	-	-	202,382	202,382
Debt Securities Issued	-	-	21,617,455	21,617,455
Lease Liabilities	-	-	5,101,247	5,101,247
Other Financial Liabilities	-	-	9,218,039	9,218,039
<b>Total Financial Liabilities</b>	<b>906,813</b>	<b>607,564,761</b>	<b>608,471,574</b>	

**10 Analysis of Financial Instruments by Measurement Basis - Group**

(Amounts in Rupees Thousands )

	2023			Total
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost (AC)	
<b>Assets</b>				
Cash and Cash Equivalents	-	-	48,851,183	48,851,183
Balances with Central Bank of Sri Lanka	-	-	7,028,281	7,028,281
Placements with Banks and Finance Companies	-	-	22,064,672	22,064,672
Derivative Financial Instruments	88,022	-	-	88,022
Securities Purchased under Resale Agreements	-	-	817,150	817,150
Customer Loans and Advances	-	-	437,532,470	437,532,470
Debt Instruments	-	-	751,134	751,134
Equity Instruments	-	1,802,855	-	1,802,855
Government Securities	27,753,867	38,484,010	103,057,378	169,295,255
Other Financial Assets	-	-	11,918,708	11,918,708
<b>Total Financial Assets</b>	<b>27,841,889</b>	<b>40,286,865</b>	<b>632,020,976</b>	<b>700,149,730</b>

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost (AC)	Total
<b>Liabilities</b>			
Due to Banks	-	12,096,756	12,096,756
Derivative Financial Instruments	32,269	-	32,269
Due to Depositors	-	590,698,330	590,698,330
Securities Sold under Repurchase Agreements	-	6,862,998	6,862,998
Due to other Borrowers	-	16,151	16,151
Debt Securities Issued	-	19,967,701	19,967,701
Lease Liabilities	-	2,245,420	2,245,420
Other Financial Liabilities	-	12,015,613	12,015,613
<b>Total Financial Liabilities</b>	<b>32,269</b>	<b>643,902,969</b>	<b>643,935,238</b>

	2022			Total
	Financial Assets Measured at Fair Value through Profit or Loss (FVTPL)	Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets Measured at Amortised Cost (AC)	
<b>Assets</b>				
Cash and Cash Equivalents	-	-	40,254,554	40,254,554
Balances with Central Bank of Sri Lanka	-	-	16,784,172	16,784,172
Placements with Banks and Finance Companies	-	-	1,819,036	1,819,036
Derivative Financial Instruments	519,189	-	-	519,189
Securities Purchased under Resale Agreements	-	-	3,628,549	3,628,549
Customer Loans and Advances	-	-	444,219,508	444,219,508
Debt Instruments	-	49,897	889,997	939,894
Equity Instruments	-	1,500,621	-	1,500,621
Government Securities	17,781,867	15,635,665	101,911,206	135,328,738
Other Financial Assets	-	-	11,292,150	11,292,150
<b>Total Financial Assets</b>	<b>18,301,056</b>	<b>17,186,183</b>	<b>620,799,172</b>	<b>656,286,411</b>

	Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost (AC)	Total
<b>Liabilities</b>			
Due to Banks	-	12,158,030	12,158,030
Derivative Financial Instruments	906,813	-	906,813
Due to Depositors	-	547,315,755	547,315,755
Securities Sold under Repurchase Agreements	-	11,944,370	11,944,370
Due to other Borrowers	-	7,483	7,483
Debt Securities Issued	-	21,617,455	21,617,455
Lease Liabilities	-	2,254,558	2,254,558
Other Financial Liabilities	-	9,280,995	9,280,995
<b>Total Financial Assets</b>	<b>906,813</b>	<b>604,578,646</b>	<b>605,485,459</b>

**11 Analysis of Loans & Advances , Commitments, Contingencies and Impairment**
*(Amounts in Rupees Thousands )*

	<b>Bank</b>		<b>Group</b>	
	<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>As at</i>
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
<b>11.1 Product-wise Gross Loans &amp; Advances</b>				
<b>By product - Domestic Currency</b>				
Export Bills	210,614	91,837	210,614	91,837
Import Bills	209,672	213,784	209,672	213,784
Local Bills	9,597	12,054	9,597	12,054
Lease Rentals Receivable	23,037,804	24,036,119	23,037,804	24,036,119
Overdrafts	60,821,111	69,185,621	60,821,111	69,185,621
Revolving Import Loans	12,296,069	10,888,046	12,296,069	10,888,046
Packing Credit Loans	6,971,268	4,678,143	6,971,268	4,678,143
Trust Receipt Loans	-	581,793	-	581,793
Staff Loans	7,097,794	7,657,777	7,097,794	7,657,777
Housing Loans	15,717,780	17,620,074	15,717,780	17,620,074
Pawning Receivables	33,111,793	31,991,223	33,111,793	31,991,223
Refinance Loans	8,632,690	8,510,440	8,632,690	8,510,440
Credit Cards	7,797,586	7,162,363	7,797,586	7,162,363
Margin Trading	2,999,107	4,508,146	2,999,107	4,508,146
Factoring	1,850,487	1,630,891	1,850,487	1,630,891
Term Loans	261,486,656	234,656,074	261,486,656	234,656,074
<b>Total</b>	<b>442,250,028</b>	<b>423,424,385</b>	<b>442,250,028</b>	<b>423,424,385</b>
<b>By product - Foreign Currency</b>				
Export Bills	3,013,553	5,409,459	3,013,553	5,409,459
Import Bills	495,370	647,607	495,370	647,607
Local Bills	5,035	869	5,035	869
Overdrafts	679,910	683,306	679,910	683,306
Revolving Import Loans	621,332	1,443,978	621,332	1,443,978
Packing Credit Loans	11,790,930	17,274,822	11,790,930	17,274,822
Housing Loans	110,496	212,938	110,496	212,938
Term Loans	38,238,555	41,334,520	38,238,555	41,334,520
<b>Total</b>	<b>54,955,181</b>	<b>67,007,499</b>	<b>54,955,181</b>	<b>67,007,499</b>
<b>Gross Loans and Advances</b>	<b>497,205,209</b>	<b>490,431,884</b>	<b>497,205,209</b>	<b>490,431,884</b>
<b>11.2 Product-wise Commitments and Contingencies</b>				
<b>By product - Domestic Currency</b>				
<b>Commitments</b>				
Undrawn Credit Lines	82,789,024	74,618,380	82,789,024	74,618,380
Capital Commitments	152,026	112,422	170,642	114,213
<b>Contingencies</b>				
Acceptances	66,515	86,892	66,515	86,892
Standby Letters of Credit	-	-	-	-
Guarantees	50,606,979	62,385,836	50,606,979	62,385,836
Documentary Credit	385,701	660,399	385,701	660,399
Bills for Collection	228,029	230,867	228,029	230,867
Forward Exchange Contracts (Net)	(1,732,351)	(16,494,566)	(1,732,351)	(16,494,566)
<b>Total</b>	<b>132,495,923</b>	<b>121,600,230</b>	<b>132,514,539</b>	<b>121,602,021</b>
<b>By product - Foreign Currency</b>				
<b>Commitments</b>				
Undrawn Credit Lines	6,268,957	1,069,035	6,268,957	1,069,035
Capital Commitments	514,910	122,838	514,910	122,838
<b>Contingencies</b>				
Acceptances	7,850,569	11,815,484	7,850,569	11,815,484
Standby Letters of Credit	146,496	378,230	146,496	378,230
Guarantees	5,198,493	7,258,809	5,198,493	7,258,809
Documentary Credit	6,713,552	3,694,521	6,713,552	3,694,521
Bills for Collection	4,865,862	5,770,876	4,865,862	5,770,876
Forward Exchange Contracts (Net)	1,786,042	15,931,127	1,786,042	15,931,127
<b>Total</b>	<b>33,344,881</b>	<b>46,040,920</b>	<b>33,344,881</b>	<b>46,040,920</b>
<b>Total Commitments and Contingencies</b>	<b>165,840,804</b>	<b>167,641,150</b>	<b>165,859,420</b>	<b>167,642,941</b>

# Seylan Bank PLC

## Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in Rupees Thousands )

	Bank		Group	
	As at 31.12.2023	As at 31.12.2022	As at 31.12.2023	As at 31.12.2022

### 11.3 Stage-wise Impairment on Loans & Advances, Commitments and Contingencies

Gross Loans and Advances, Commitments and Contingencies	663,046,013	658,073,034	663,064,629	658,074,825
Less : Accumulated Impairment under Stage 1	4,025,638	7,384,738	4,025,638	7,384,738
Accumulated Impairment under Stage 2	7,950,512	6,460,514	7,950,512	6,460,514
Accumulated Impairment under Stage 3	49,243,947	33,562,206	49,243,947	33,562,206
<b>Net Loans &amp; Advances, Commitments and Contingencies</b>	<b>601,825,916</b>	<b>610,665,576</b>	<b>601,844,532</b>	<b>610,667,367</b>
<b>Movement of Impairment During the Period</b>	<b>From 01.01.2023 to 31.12.2023</b>	<b>From 01.01.2022 to 31.12.2022</b>	<b>From 01.01.2023 to 31.12.2023</b>	<b>From 01.01.2022 to 31.12.2022</b>
<b>Stage 1</b>				
Balance as at 01st January	7,384,738	4,033,196	7,384,738	4,033,196
Charge/(Write back) to income statement	(3,333,731)	3,213,682	(3,333,731)	3,213,682
Exchange Rate Movements	(25,369)	137,860	(25,369)	137,860
<b>Balance as at 31st December</b>	<b>4,025,638</b>	<b>7,384,738</b>	<b>4,025,638</b>	<b>7,384,738</b>
<b>Stage 2</b>				
Balance as at 01st January	6,460,514	2,062,238	6,460,514	2,062,238
Charge/(Write back) to income statement	1,524,080	4,389,136	1,524,080	4,389,136
Exchange Rate Movements	(34,082)	9,140	(34,082)	9,140
<b>Balance as at 31st December</b>	<b>7,950,512</b>	<b>6,460,514</b>	<b>7,950,512</b>	<b>6,460,514</b>
<b>Stage 3</b>				
Balance as at 01st January	33,562,206	19,167,988	33,562,206	19,167,988
Charge/(Write back) to income statement	17,504,356	13,705,578	17,504,356	13,705,578
Reversal for Write-Off during the Year	(72,484)	(97,301)	(72,484)	(97,301)
Interest Accrued on Impaired Loans and Advances	(1,041,465)	(698,299)	(1,041,465)	(698,299)
Exchange Rate Movements	(708,666)	1,484,240	(708,666)	1,484,240
<b>Balance as at 31st December</b>	<b>49,243,947</b>	<b>33,562,206</b>	<b>49,243,947</b>	<b>33,562,206</b>
<b>Total Impairment</b>	<b>61,220,097</b>	<b>47,407,458</b>	<b>61,220,097</b>	<b>47,407,458</b>

### 12 Analysis of Deposits

(Amounts in Rupees Thousands )

	Bank		Group	
Deposits - By product	As at 31.12.2023	As at 31.12.2022	As at 31.12.2023	As at 31.12.2022
<b>By product - Domestic Currency</b>				
Demand Deposits	35,126,646	29,498,758	35,126,646	29,498,758
Savings Deposits	113,274,031	100,498,708	113,274,031	100,498,708
Fixed Deposits	328,328,460	309,006,995	328,328,460	309,006,995
Certificate of Deposits	966,920	1,034,256	966,920	1,034,256
<b>Total</b>	<b>477,696,057</b>	<b>440,038,717</b>	<b>477,696,057</b>	<b>440,038,717</b>
<b>By product - Foreign Currency</b>				
Demand Deposits	5,119,577	6,197,250	5,119,577	6,197,250
Savings Deposits	23,126,823	26,911,406	23,126,823	26,911,406
Fixed Deposits	84,755,873	74,168,382	84,755,873	74,168,382
<b>Total</b>	<b>113,002,273</b>	<b>107,277,038</b>	<b>113,002,273</b>	<b>107,277,038</b>
<b>Total Deposits</b>	<b>590,698,330</b>	<b>547,315,755</b>	<b>590,698,330</b>	<b>547,315,755</b>

## SEYLAN BANK PLC - DEBENTURES

	CURRENT PERIOD 01-Oct-23 to 31-Dec-23	COMPARATIVE PERIOD 01-Oct-22 to 31-Dec-22
Debt (Debentures) / Equity Ratio (Times)	0.33	0.40
Debt (Debentures plus Long term Debt) / Equity Ratio (Times)	0.41	0.50
Interest Cover (Times)	4.45	3.56
Quick Asset Ratio (Times)	0.88	0.86
<b>2016 Issue</b>		
<b>Market Prices during October to December ( Ex Interest)</b>		
7 Year Fixed Semi Annual - 13.75% p.a. (Debenture matured and redeemed on 15/07/2023)		
- Highest Price		67.26
- Lowest Price		65.00
- Last Traded Price (13/12/2022)		67.26
<b>Interest Yield as at Date of Last Trade</b>		
7 Year Fixed Semi Annual - 13.75% p.a. (13/12/2022)		21.15%
<b>Yield to Maturity of Trade Done on</b>		
7 Year Fixed Semi Annual - 13.75% p.a. (13/12/2022)		100.08%
<b>Interest Rate of Comparable Government Security</b>		
- 7 Years		25.88%
<b>2018 Issue</b>		
<b>Market Prices during October to December ( Ex Interest)</b>		
5 Year Fixed Semi Annual - 12.85% p.a ( Debenture matured and redeemed on 29/03/2023)	*	*
7 Year Fixed Semi Annual - 13.20% p.a.	*	*
10 Year Fixed Semi Annual - 13.50% p.a	*	*
<b>Interest Yield as at Date of Last Trade</b>	*	*
<b>Yield to Maturity of Trade Done on</b>	*	*
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years		26.41%
- 7 Years	13.63%	28.50%
- 10 Years	13.88%	26.64%
<b>2019 Issue</b>		
<b>Market Prices during October to December ( Ex Interest)</b>		
5 Year Fixed Annual - 15.00% p.a	*	*
5 Year Fixed Semi Annual - 14.50% p.a.	*	*
<b>Interest Yield as at Date of Last Trade</b>	*	*
<b>Yield to Maturity of Trade Done on</b>	*	*
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years	13.86%	27.58%
<b>2021 Issue</b>		
<b>Market Prices during October to December (Ex Interest)</b>		
5 Year Fixed Annual - 9.75% p.a		
- Highest Price	100.00	*
- Lowest Price	100.00	*
- Last Traded Price (01/11/2023)/ *	100.00	*
5 Year Fixed Quarterly - 9.25% p.a.	*	*
<b>Interest Yield as at Date of Last Trade</b>	9.75%	*
<b>Yield to Maturity of Trade Done on</b>	9.70%	*
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years	13.68%	27.71%
<b>2023 Issue ( Debenture allotted on 02/05/2023)</b>		
<b>Market Prices during October to December (Ex Interest)</b>		
5 Year Fixed Annual - 28% p.a	*	
5 Year Fixed Quarterly - 25% p.a.	*	
<b>Interest Yield as at Date of Last Trade</b>	*	
<b>Yield to Maturity of Trade Done on</b>	*	
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years	13.66%	

\* No trading during the period.

## Seylan Bank PLC

### Selected Performance Indicators

Item	Bank		Group	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
<b>Regulatory Capital (LKR Mn.)</b>				
Common Equity Tier I	55,448	49,920	56,998	51,334
Total (Tier I) Capital	55,448	49,920	56,998	51,334
Total Capital Base	70,147	63,447	71,698	64,891
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier I Capital Ratio ( Minimum Requirement - 7.00% )	12.52	10.69	12.86	10.97
Total Tier I Capital Ratio ( Minimum Requirement - 8.50% )	12.52	10.69	12.86	10.97
Total Capital Ratio ( Minimum Requirement - 12.50% )	15.84	13.59	16.18	13.87
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets (LKR Mn.)	235,624	149,336		
Domestic Banking Unit (LKR Mn.)	233,637	144,094		
Offshore Banking Unit (USD '000)	25,584	35,226		
Statutory Liquid Assets Ratio (%) ( Minimum Requirement 20 % )				
Overall	38.04	25.51		
Domestic Banking Unit	38.51	25.16		
Offshore Banking Unit	23.28	25.02		
Total Stock of High-Quality Liquid Assets (LKR Mn.)	174,012	110,444		
Liquidity Coverage Ratio %				
Rupee - ( Minimum Requirement - 100% (2022 - 90%))	355.16	280.14		
All Currency - ( Minimum Requirement - 100% (2022 - 90%))	338.42	175.10		
Net Stable Funding Ratio (%) ( Minimum Requirement - 100% (2022 - 90%))	129.67	117.62		
<b>Assets Quality ( Quality of Loan Portfolio )</b>				
Impaired Loans (Stage 3) Ratio (%)	3.85	4.98		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	68.29	54.36		
<b>Profitability</b>				
Interest Margin ( % )	5.76	6.33		
Return on Assets (before Tax) ( % )	1.45	1.04		
Return on Equity ( % )	10.88	8.85		