



# Seylan Bank PLC

Interim Financial Statements  
For the 06 Months Ended 30th June 2023

## **Seylan Bank records an impressive Profit after Tax (PAT) of LKR 2.57 Bn for the first half of 2023**

- Profit before Tax - LKR 4,157 Mn up by 104.6%.
- Overall Statutory Liquid Assets Ratio (SLAR) of 32.30% at 1H 2023.
- Total Capital Adequacy Ratio of 15.51% at 1H 2023.

Seylan Bank recorded a Profit after Tax of LKR 2,575 Million for the 6 months ended 30th June 2023 with a remarkable growth of 71.29% against LKR 1,504 Million reported in the corresponding period of 2022 despite challenging market & economic conditions that prevailed during the period.

### **Statement of Financial Performance**

Net Interest income increased from LKR 16,851 Million to LKR 20,468 Million, a growth of 21.47% over the previous year for the 6 months ended 30th June 2023. The Bank was able to maintain a Net Interest Margin of 6% during the said period. The Bank's net fee based income also recorded a growth of 26.72% from LKR 2,776 Million to LKR 3,518 Million during 1H 2023, mainly due to increase in Debit and Credit Card Related Income, Commission on Guarantees and income from Remittances.

The Bank's total operating income recorded a notable growth of 13.31% amounting LKR 24,611 Mn during the period under review compared to LKR 21,720 Mn in the corresponding period of 2022, driven mainly by growth in Net Interest Income, Net Fee and Commission Income.

Other income captions comprising of net gains from trading activities, net gains from de-recognition of financial Assets, and net other operating income, reflected a reduction mainly due to a lower contribution of Foreign Exchange Income due to the appreciation of Local Currency compared to the corresponding period of 2022.

Total Expenses recorded an increase of 25.88% from LKR 7,251 Million to LKR 9,128 Million for the 6 months ended 30th June 2023. Personnel expenses increased by 615 Million mainly due to increase in the staff benefits based on the collective agreement and adjustments made as relief allowances to absorb part of increased taxes. Other Operating expenses and depreciation and amortization expenses too increased by 37.79% due to increase in prices of consumables and services over the period. The Bank will continue to take relevant measures to curtail costs through various cost initiatives.

The Bank recorded an impairment charge of LKR 9,559 Mn in 1H 2023 against LKR 11,364 Mn reported in 1H 2022 with a reduction of 15.88%. The impairment charge on Loans and Advances amounts to LKR 8,309 Mn (2022 - LKR 6,921 Mn) and impairment charge on Foreign Currency Denominated Bonds and others amounts to LKR 1,250 Mn (2022 - 4,443 Mn) for the 6-month period ended 30<sup>th</sup> June. The Bank has ensured the impairment provision is made to capture the changes in the global and local 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.

Income tax expenses stood at LKR 1,582 Mn which is a 200% increase over the comparative period, which stood at LKR 528 Mn due to increase in profits and also the corporate tax rate. Value Added Tax on Financial Services increased for the first six months from LKR 1,074 Mn to LKR 1,551 Mn in 2023 which is a 44% over the corresponding period. Social Security Levy which was effective from 01<sup>st</sup> October 2022 stood at LKR 216 Mn for 1H 2023.

Overall, Bank recorded a Profit before Tax (PBT) of LKR 4,157 Mn in 1H 2023, against LKR 2,031 Mn in 1H 2022 demonstrating a growth of 104.65%. Similarly, Profit after Tax (PAT) was recorded as LKR 2.575 Bn in 1H 2023 with a growth of 71.29% over the corresponding period in 2022.

### **Statement of Financial Position**

The Bank's total assets were recorded at LKR 689 Bn as of 30 June 2023. Loans and Advances of the Bank were recorded at LKR 421 Bn and the contraction was mainly due to the impact from local currency appreciation. Deposits reflected a marginal growth to LKR 549 Bn. LCY Deposits increased by LKR 13.9 Bn, while FCY Deposits contracted by LKR 12.6 Bn mainly due to local currency appreciation.

### **Key financial ratios and indicators**

Key financial ratios and indicators of Seylan Bank PLC remained sound as of 30 June 2023. The capital adequacy ratios were well above the regulatory minimum requirements and recorded 11.85% as Common Equity Tier 1 Capital Ratio & Total Tier 1 Capital Ratio and 15.51% as the Total Capital Ratio.

The Statutory Liquid Asset Ratio (SLAR) for the Overall Bank, Bank's Domestic Banking Unit and the Bank's Foreign Currency Banking Unit were maintained at 32.30%, 32.13% and 25.22% respectively as at 30 June 2023. The Bank also maintained the LCR well above the statutory requirement. All Currency LCR Ratio and the Rupee LCR Ratio were maintained at 252.09% and 344.47% respectively.

The Banks's Asset Quality Ratios of Impaired Loan (Stage 3) Ratio and the Impairment (Stage 3) to Stage 3 Loans Ratio stood at 6.28% and 55.58% respectively and noted an improvement in both ratios from Q1 2023.

The Return on Equity (ROE) stood at 9.22% and Return on Average Assets (profit before tax) stood at 1.23% for the period under review. The Net Interest Margin (NIM) was recorded as 6.04% as of 30 June 2023.

The Bank's Earnings per Share stood at LKR 4.18 in 1H 2023 compared to LKR 2.44 reported in 1H of the previous year. The Bank's Net Assets Value per Share stood at LKR 93.20 as at 30 June 2023 (Group LKR 95.93).

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

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

	(Amounts in Rupees Thousands)					
	Bank			Bank		
	For the Six Months Ended 30th June			For the Quarter Ended 30th June		
	2023 (Audited)	2022 (Audited)	Growth %	2023	2022	Growth %
Interest Income	56,055,423	32,543,123	<b>72.25</b>	27,189,543	19,232,929	<b>41.37</b>
Less : Interest Expenses	35,587,183	15,692,002	<b>126.79</b>	18,109,335	9,161,270	<b>97.67</b>
<b>Net Interest Income</b>	<b>20,468,240</b>	<b>16,851,121</b>	<b>21.47</b>	<b>9,080,208</b>	<b>10,071,659</b>	<b>(9.84)</b>
Fee and Commission Income	3,649,809	2,881,201	<b>26.68</b>	1,808,793	1,397,225	<b>29.46</b>
Less : Fee and Commission Expenses	132,182	105,285	<b>25.55</b>	64,109	58,753	<b>9.12</b>
<b>Net Fee and Commission Income</b>	<b>3,517,627</b>	<b>2,775,916</b>	<b>26.72</b>	<b>1,744,684</b>	<b>1,338,472</b>	<b>30.35</b>
Net Gains/(Losses) from Trading	300,396	4,137,231	<b>(92.74)</b>	341,384	508,535	<b>(32.87)</b>
Net Gains from Derecognition of Financial Assets	31,198	2,387	<b>1,207.00</b>	15,984	-	<b>100.00</b>
Net Other Operating Income	293,841	(2,046,423)	<b>114.36</b>	48,673	715,124	<b>(93.19)</b>
<b>Total Operating Income</b>	<b>24,611,302</b>	<b>21,720,232</b>	<b>13.31</b>	<b>11,230,933</b>	<b>12,633,790</b>	<b>(11.10)</b>
Less : Impairment Charges	9,558,994	11,363,734	<b>(15.88)</b>	3,193,024	7,980,087	<b>(59.99)</b>
<b>Net Operating Income</b>	<b>15,052,308</b>	<b>10,356,498</b>	<b>45.34</b>	<b>8,037,909</b>	<b>4,653,703</b>	<b>72.72</b>
<b>Less : Operating Expenses</b>						
Personnel Expenses	4,525,899	3,911,375	<b>15.71</b>	2,288,584	1,932,812	<b>18.41</b>
Depreciation and Amortization Expenses	651,474	684,982	<b>(4.89)</b>	323,910	338,925	<b>(4.43)</b>
Other Expenses	3,950,900	2,655,076	<b>48.81</b>	2,074,599	1,380,439	<b>50.29</b>
<b>Total Operating Expenses</b>	<b>9,128,273</b>	<b>7,251,433</b>	<b>25.88</b>	<b>4,687,093</b>	<b>3,652,176</b>	<b>28.34</b>
<b>Operating Profit before Taxes</b>	<b>5,924,035</b>	<b>3,105,065</b>	<b>90.79</b>	<b>3,350,816</b>	<b>1,001,527</b>	<b>234.57</b>
Less : Value Added Tax on Financial Services	1,550,858	1,073,692	<b>44.44</b>	815,471	437,394	<b>86.44</b>
Less : Social Security Contribution Levy	215,925	-	<b>100.00</b>	98,596	-	<b>100.00</b>
<b>Profit before Income Tax</b>	<b>4,157,252</b>	<b>2,031,373</b>	<b>104.65</b>	<b>2,436,749</b>	<b>564,133</b>	<b>331.95</b>
Less : Income Tax Expense	1,581,811	527,796	<b>199.70</b>	996,306	114,548	<b>769.77</b>
<b>Profit for the Period</b>	<b>2,575,441</b>	<b>1,503,577</b>	<b>71.29</b>	<b>1,440,443</b>	<b>449,585</b>	<b>220.39</b>
<b>Basic/Diluted Earnings per Ordinary Share (Rs.)</b>	<b>4.18</b>	<b>2.44</b>	<b>71.31</b>	<b>2.34</b>	<b>0.73</b>	<b>220.55</b>

## Seylan Bank PLC

### Statement of Profit or Loss and Other Comprehensive Income

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

	<i>(Amounts in Rupees Thousands)</i>					
	<b>Bank</b>			<b>Bank</b>		
	<i>For the Six Months Ended 30th June</i>			<i>For the Quarter Ended 30th June</i>		
	<b>2023</b> <i>(Audited)</i>	<b>2022</b> <i>(Audited)</i>	<b>Growth</b> <b>%</b>	<b>2023</b>	<b>2022</b>	<b>Growth</b> <b>%</b>
<b>Profit for the Period</b>	<b>2,575,441</b>	<b>1,503,577</b>	<b>71.29</b>	<b>1,440,443</b>	<b>449,585</b>	<b>220.39</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>	-	(1,282)	<b>(100.00)</b>
Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	570,178	(1,941,228)	<b>129.37</b>	378,570	(99,784)	<b>479.39</b>
Deferred Tax effect relating to items that are or may be Reclassified to Income Statement	(171,054)	465,894	<b>(136.72)</b>	(113,571)	24,053	<b>(572.17)</b>
<b>Items that will never be Reclassified to Income Statement in Subsequent Periods</b>						
Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	109,858	(989,661)	<b>111.10</b>	(116,183)	(222,424)	<b>47.77</b>
Deferred Tax effect relating to items that will never be Reclassified to Income Statement	-	-	-	-	-	-
<b>Other Comprehensive Income/ (Loss) for the Period, Net of Taxes</b>	<b>508,982</b>	<b>(2,380,749)</b>	<b>121.38</b>	<b>148,816</b>	<b>(299,437)</b>	<b>149.70</b>
<b>Total Comprehensive Income for the Period</b>	<b>3,084,423</b>	<b>(877,172)</b>	<b>451.63</b>	<b>1,589,259</b>	<b>150,148</b>	<b>958.46</b>

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

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

(Amounts in Rupees Thousands)

	Group			Group		
	For the Six Months Ended 30th June			For the Quarter Ended 30th June		
	2023	2022	Growth %	2023	2022	Growth %
Interest Income	56,099,743	32,552,506	<b>72.34</b>	27,212,442	19,236,852	<b>41.46</b>
Less : Interest Expenses	35,434,324	15,494,379	<b>128.69</b>	18,034,178	9,082,351	<b>98.56</b>
<b>Net Interest Income</b>	<b>20,665,419</b>	<b>17,058,127</b>	<b>21.15</b>	<b>9,178,264</b>	<b>10,154,501</b>	<b>(9.61)</b>
Fee and Commission Income	3,649,678	2,881,140	<b>26.67</b>	1,808,676	1,397,276	<b>29.44</b>
Less : Fee and Commission Expenses	132,182	106,019	<b>24.68</b>	64,109	59,487	<b>7.77</b>
<b>Net Fee and Commission Income</b>	<b>3,517,496</b>	<b>2,775,121</b>	<b>26.75</b>	<b>1,744,567</b>	<b>1,337,789</b>	<b>30.41</b>
Net Gains/(Losses) from Trading	300,396	4,135,432	<b>(92.74)</b>	341,384	506,716	<b>(32.63)</b>
Net Gains from Derecognition of Financial Assets	31,198	2,387	<b>1,207.00</b>	15,984	-	<b>100.00</b>
Net Other Operating Income	219,244	(2,126,564)	<b>110.31</b>	75,421	752,682	<b>(89.98)</b>
<b>Total Operating Income</b>	<b>24,733,753</b>	<b>21,844,503</b>	<b>13.23</b>	<b>11,355,620</b>	<b>12,751,688</b>	<b>(10.95)</b>
Less : Impairment Charges	9,558,994	11,363,734	<b>(15.88)</b>	3,193,024	7,980,087	<b>(59.99)</b>
<b>Net Operating Income</b>	<b>15,174,759</b>	<b>10,480,769</b>	<b>44.79</b>	<b>8,162,596</b>	<b>4,771,601</b>	<b>71.07</b>
<b>Less : Operating Expenses</b>						
Personnel Expenses	4,553,277	3,934,641	<b>15.72</b>	2,303,701	1,944,617	<b>18.47</b>
Depreciation and Amortization Expenses	683,484	708,730	<b>(3.56)</b>	339,889	353,713	<b>(3.91)</b>
Other Expenses	3,986,982	2,672,638	<b>49.18</b>	2,095,273	1,387,449	<b>51.02</b>
<b>Total Operating Expenses</b>	<b>9,223,743</b>	<b>7,316,009</b>	<b>26.08</b>	<b>4,738,863</b>	<b>3,685,779</b>	<b>28.57</b>
<b>Operating Profit before Taxes</b>	<b>5,951,016</b>	<b>3,164,760</b>	<b>88.04</b>	<b>3,423,733</b>	<b>1,085,822</b>	<b>215.31</b>
Less : Value Added Tax on Financial Services	1,550,858	1,073,692	<b>44.44</b>	815,471	437,394	<b>86.44</b>
Less : Social Security Contribution Levy	215,925	-	<b>100.00</b>	98,596	-	<b>100.00</b>
<b>Profit before Income Tax</b>	<b>4,184,233</b>	<b>2,091,068</b>	<b>100.10</b>	<b>2,509,666</b>	<b>648,428</b>	<b>287.04</b>
Less : Income Tax Expense	1,664,117	595,411	<b>179.49</b>	1,017,239	143,195	<b>610.39</b>
<b>Profit for the Period</b>	<b>2,520,116</b>	<b>1,495,657</b>	<b>68.50</b>	<b>1,492,427</b>	<b>505,233</b>	<b>195.39</b>
<b>Profit Attributable to :</b>						
Equity Holders of the Bank	2,499,510	1,454,918	<b>71.80</b>	1,477,097	488,822	<b>202.17</b>
Non-Controlling Interest	20,606	40,739	<b>(49.42)</b>	15,330	16,411	<b>(6.59)</b>
<b>Profit for the Period</b>	<b>2,520,116</b>	<b>1,495,657</b>	<b>68.50</b>	<b>1,492,427</b>	<b>505,233</b>	<b>195.39</b>
<b>Basic/Diluted Earnings per Ordinary Share (Rs.)</b>	<b>4.06</b>	<b>2.36</b>	<b>72.03</b>	<b>2.40</b>	<b>0.79</b>	<b>203.80</b>

## Seylan Bank PLC

### Statement of Profit or Loss and Other Comprehensive Income

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

	(Amounts in Rupees Thousands)					
	Group			Group		
	For the Six Months Ended 30th June			For the Quarter Ended 30th June		
	2023	2022	Growth %	2023	2022	Growth %
<b>Profit for the Period</b>	<b>2,520,116</b>	<b>1,495,657</b>	<b>68.50</b>	<b>1,492,427</b>	<b>505,233</b>	<b>195.39</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>	-	(1,282)	<b>(100.00)</b>
Net Gains/(Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	574,308	(1,949,310)	<b>129.46</b>	380,704	(104,720)	<b>463.54</b>
Deferred Tax effect relating to items that are or may be Reclassified to Income Statement	(172,293)	466,703	<b>(136.92)</b>	(114,211)	24,547	<b>(565.27)</b>
<b>Items that will never be Reclassified to Income Statement in Subsequent Periods</b>						
Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	109,858	(989,661)	<b>111.10</b>	(116,183)	(222,424)	<b>47.77</b>
Deferred Tax effect relating to items that will never be Reclassified to Income Statement	-	-	-	-	-	-
<b>Other Comprehensive Income/(Loss) for the Period, Net of Taxes</b>	<b>511,873</b>	<b>(2,388,022)</b>	<b>121.44</b>	<b>150,310</b>	<b>(303,879)</b>	<b>149.46</b>
<b>Total Comprehensive Income for the Period</b>	<b>3,031,989</b>	<b>(892,365)</b>	<b>439.77</b>	<b>1,642,737</b>	<b>201,354</b>	<b>715.85</b>
<b>Attributable to :</b>						
Equity Holders of the Bank	3,010,530	(930,959)	<b>423.38</b>	1,626,966	186,253	<b>773.52</b>
Non-Controlling Interest	21,459	38,594	<b>(44.40)</b>	15,771	15,101	<b>4.44</b>
<b>Total Comprehensive Income for the Period</b>	<b>3,031,989</b>	<b>(892,365)</b>	<b>439.77</b>	<b>1,642,737</b>	<b>201,354</b>	<b>715.85</b>

**Seylan Bank PLC**  
**Statement of Financial Position**  
(In terms of Rule 7.4 of the Colombo Stock Exchange)

	Bank			Group		
	As at	As at	Growth	As at	As at	Growth
	30.06.2023 <i>(Audited)</i>	31.12.2022 <i>(Audited)</i>	%	30.06.2023	31.12.2022 <i>(Audited)</i>	%
<b>Assets</b>						
Cash and Cash Equivalents	56,991,507	40,254,514	<b>41.58</b>	56,991,547	40,254,554	<b>41.58</b>
Balances with Central Bank of Sri Lanka	15,325,813	16,784,172	<b>(8.69)</b>	15,325,813	16,784,172	<b>(8.69)</b>
Placements with Banks and Finance Companies	13,128,073	1,819,036	<b>621.70</b>	13,128,073	1,819,036	<b>621.70</b>
Derivative Financial Instruments	54,056	519,189	<b>(89.59)</b>	54,056	519,189	<b>(89.59)</b>
Financial Assets recognized through Profit or Loss						
- Measured at Fair Value	18,439,481	17,781,867	<b>3.70</b>	18,439,481	17,781,867	<b>3.70</b>
- Designated at Fair Value	-	-	-	-	-	-
Financial Assets at Amortized Cost						
- Loans and Advances	420,595,195	444,219,508	<b>(5.32)</b>	420,595,195	444,219,508	<b>(5.32)</b>
- Debt and Other Instruments	107,703,428	106,158,878	<b>1.45</b>	108,024,966	106,429,752	<b>1.50</b>
Financial Assets measured at Fair Value through Other Comprehensive Income	30,013,229	17,136,286	<b>75.14</b>	30,067,195	17,186,183	<b>74.95</b>
Investment in Subsidiary	1,153,602	1,153,602	-	-	-	-
Group Balances Receivable	40,200	64,435	<b>(37.61)</b>	-	-	-
Property, Plant & Equipment	3,700,316	3,770,541	<b>(1.86)</b>	6,362,413	6,462,909	<b>(1.55)</b>
Right-of-use Assets	4,765,360	4,882,318	<b>(2.40)</b>	2,622,394	2,722,569	<b>(3.68)</b>
Investment Properties	-	-	-	871,790	886,680	<b>(1.68)</b>
Intangible Assets	466,943	510,146	<b>(8.47)</b>	466,943	510,146	<b>(8.47)</b>
Deferred Tax Assets	2,536,052	3,242,641	<b>(21.79)</b>	1,927,356	2,684,538	<b>(28.21)</b>
Other Assets	14,217,537	14,508,511	<b>(2.01)</b>	14,291,268	14,574,073	<b>(1.94)</b>
<b>Total Assets</b>	<b>689,130,792</b>	<b>672,805,644</b>	<b>2.43</b>	<b>689,168,490</b>	<b>672,835,176</b>	<b>2.43</b>
<b>Liabilities</b>						
Due to Banks	11,147,407	12,158,030	<b>(8.31)</b>	11,147,407	12,158,030	<b>(8.31)</b>
Derivative Financial Instruments	432,272	906,813	<b>(52.33)</b>	432,272	906,813	<b>(52.33)</b>
Financial Liabilities at Amortized Cost						
- Due to Depositors	548,677,958	547,315,755	<b>0.25</b>	548,677,958	547,315,755	<b>0.25</b>
- Due to Debt Securities Holders	26,259,037	11,944,370	<b>119.84</b>	26,259,037	11,944,370	<b>119.84</b>
- Due to Other Borrowers	9,032	7,483	<b>20.70</b>	9,032	7,483	<b>20.70</b>
Group Balances Payable	119,771	202,382	<b>(40.82)</b>	-	-	-
Debt Securities Issued	22,347,820	21,617,455	<b>3.38</b>	22,347,820	21,617,455	<b>3.38</b>
Current Tax Liabilities	2,575,646	5,128,484	<b>(49.78)</b>	2,642,462	5,179,000	<b>(48.98)</b>
Lease Liabilities	5,009,686	5,101,247	<b>(1.79)</b>	2,163,225	2,254,558	<b>(4.05)</b>
Other Liabilities	15,190,775	13,973,327	<b>8.71</b>	15,216,514	13,985,243	<b>8.80</b>
<b>Total Liabilities</b>	<b>631,769,404</b>	<b>618,355,346</b>	<b>2.17</b>	<b>628,895,727</b>	<b>615,368,707</b>	<b>2.20</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	2,568,162	2,568,162	-	2,568,162	2,568,162	-
Fair Value through Other Comprehensive Income Reserve	(674,123)	(1,183,105)	<b>43.02</b>	(704,627)	(1,215,647)	<b>42.04</b>
Retained Earnings	32,483,882	31,063,994	<b>4.57</b>	33,041,893	31,697,936	<b>4.24</b>
Other Reserves	2,074,794	2,074,794	-	3,225,157	3,225,157	-
<b>Total Shareholders' Equity</b>	<b>57,361,388</b>	<b>54,450,298</b>	<b>5.35</b>	<b>59,039,258</b>	<b>56,202,061</b>	<b>5.05</b>
<b>Non-controlling Interest</b>	-	-	-	<b>1,233,505</b>	<b>1,264,408</b>	<b>(2.44)</b>
<b>Total Equity</b>	<b>57,361,388</b>	<b>54,450,298</b>	<b>5.35</b>	<b>60,272,763</b>	<b>57,466,469</b>	<b>4.88</b>
<b>Total Equity &amp; Liabilities</b>	<b>689,130,792</b>	<b>672,805,644</b>	<b>2.43</b>	<b>689,168,490</b>	<b>672,835,176</b>	<b>2.43</b>
<b>Contingent Liabilities and Commitments</b>	<b>160,043,067</b>	<b>167,641,150</b>	<b>(4.53)</b>	<b>160,043,067</b>	<b>167,642,941</b>	<b>(4.53)</b>
<b>Memorandum Information</b>						
Number of Employees	<b>3,082</b>	3,156	<b>(2.34)</b>	<b>3,102</b>	3,175	<b>(2.30)</b>
Number of Banking Centres	<b>171</b>	171	-	<b>171</b>	171	-
Net Assets Value per Ordinary Share (Rs.)	<b>93.20</b>	94.24	<b>(1.10)</b>	<b>95.93</b>	97.27	<b>(1.38)</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,

- 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 10, 2023

Colombo

(Sgd.)

**Ramesh Jayasekara**

Director/Chief Executive Officer

**Seylan Bank PLC**  
**Statement of Changes in Equity**  
**For the Six Months ended 30th June - Bank**

(Amounts in Rupees Thousands)

	Stated Capital		Statutory Reserve Fund *	Retained Earnings	Other Reserves			Total
	Ordinary Shares - Voting	Ordinary Shares - Non Voting			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 Period</b>								
Profit for the Period	-	-	-	1,503,577	-	-	-	1,503,577
Other Comprehensive Income (net of tax)								
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(1,475,334)	-	(1,475,334)
- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(989,661)	-	(989,661)
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	84,246	84,246
<b>3 Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,503,577</b>	<b>-</b>	<b>(2,464,995)</b>	<b>84,246</b>	<b>(877,172)</b>
<b>Transactions with Equity Holders , Recognized Directly In Equity</b>								
Scrip Dividends to Equity Holders	792,802	809,769	-	(1,602,571)	-	-	-	-
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 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>-</b>	<b>(1,277,609)</b>	<b>-</b>	<b>1,562,837</b>	<b>(324,524)</b>	<b>1,563,275</b>
<b>Balance as at 30th June 2022 (2 + 3 + 4)</b>	<b>12,314,065</b>	<b>7,612,388</b>	<b>2,332,549</b>	<b>28,254,250</b>	<b>1,468,822</b>	<b>(1,147,337)</b>	<b>736,040</b>	<b>51,570,777</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 Period</b>								
Profit for the Period	-	-	-	2,575,441	-	-	-	2,575,441
Other Comprehensive Income (net of tax)								
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	399,124	-	399,124
- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	109,858	-	109,858
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	-	-
<b>2 Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,575,441</b>	<b>-</b>	<b>508,982</b>	<b>-</b>	<b>3,084,423</b>
<b>Transactions with Equity Holders , Recognized Directly In Equity</b>								
Scrip Dividends to Equity Holders	480,599	501,621	-	(1,155,553)	-	-	-	(173,333)
<b>3 Total Transactions with Equity Holders</b>	<b>480,599</b>	<b>501,621</b>	<b>-</b>	<b>(1,155,553)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(173,333)</b>
<b>Balance as at 30th June 2023 (1 + 2 + 3)</b>	<b>12,794,664</b>	<b>8,114,009</b>	<b>2,568,162</b>	<b>32,483,882</b>	<b>1,374,219</b>	<b>(674,123)</b>	<b>700,575</b>	<b>57,361,388</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**  
**For the Six Months ended 30th June - 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 Balance as at 01st January 2022</b>	<b>11,521,263</b>	<b>6,802,619</b>	<b>2,332,549</b>	<b>29,967,349</b>	<b>2,374,135</b>	<b>(271,212)</b>	<b>1,231,531</b>	<b>53,958,234</b>	<b>1,328,593</b>	<b>55,286,827</b>
Surcharge Tax	-	-	-	(1,168,335)	-	-	-	(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>28,799,014</b>	<b>2,374,135</b>	<b>(271,212)</b>	<b>1,231,531</b>	<b>52,789,899</b>	<b>1,328,593</b>	<b>54,118,492</b>
<b>Total Comprehensive Income for the Period</b>										
Profit for the Period	-	-	-	1,454,918	-	-	-	1,454,918	40,739	1,495,657
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)	-	(1,480,462)	(2,145)	(1,482,607)
- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	(989,661)	-	(989,661)	-	(989,661)
- Net Movement of Cash Flow Hedge Reserve	-	-	-	-	-	-	84,246	84,246	-	84,246
<b>3 Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,454,918</b>	<b>-</b>	<b>(2,470,123)</b>	<b>84,246</b>	<b>(930,959)</b>	<b>38,594</b>	<b>(892,365)</b>
<b>Transactions with Equity Holders , Recognized Directly In Equity</b>										
Scrip Dividends to Equity Holders	792,802	809,769	-	(1,602,571)	-	-	-	-	(61,089)	(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 Other Comprehensive Income	-	-	-	-	-	1,563,275	-	1,563,275	-	1,563,275
<b>4 Total Transactions with Equity Holders</b>	<b>792,802</b>	<b>809,769</b>	<b>-</b>	<b>(1,277,609)</b>	<b>-</b>	<b>1,562,837</b>	<b>(324,524)</b>	<b>1,563,275</b>	<b>(61,089)</b>	<b>1,502,186</b>
<b>Balance as at 30th June 2022 (2 + 3 + 4)</b>	<b>12,314,065</b>	<b>7,612,388</b>	<b>2,332,549</b>	<b>28,976,323</b>	<b>2,374,135</b>	<b>(1,178,498)</b>	<b>991,253</b>	<b>53,422,215</b>	<b>1,306,098</b>	<b>54,728,313</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>31,697,936</b>	<b>2,269,369</b>	<b>(1,215,647)</b>	<b>955,788</b>	<b>56,202,061</b>	<b>1,264,408</b>	<b>57,466,469</b>
<b>Total Comprehensive Income for the Period</b>										
Profit for the Period	-	-	-	2,499,510	-	-	-	2,499,510	20,606	2,520,116
Other Comprehensive Income (Net of Tax)										
- Net Gains / (Losses) on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	401,162	-	401,162	853	402,015
- Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	-	-	-	-	-	109,858	-	109,858	-	109,858
<b>2 Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,499,510</b>	<b>-</b>	<b>511,020</b>	<b>-</b>	<b>3,010,530</b>	<b>21,459</b>	<b>3,031,989</b>
<b>Transactions with Equity Holders , Recognized Directly In Equity</b>										
Scrip Dividends to Equity Holders	480,599	501,621	-	(1,155,553)	-	-	-	(173,333)	(52,362)	(225,695)
<b>3 Total Transactions with Equity Holders</b>	<b>480,599</b>	<b>501,621</b>	<b>-</b>	<b>(1,155,553)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(173,333)</b>	<b>(52,362)</b>	<b>(225,695)</b>
<b>Balance as at 30th June 2023 (1 + 2 + 3)</b>	<b>12,794,664</b>	<b>8,114,009</b>	<b>2,568,162</b>	<b>33,041,893</b>	<b>2,269,369</b>	<b>(704,627)</b>	<b>955,788</b>	<b>59,039,258</b>	<b>1,233,505</b>	<b>60,272,763</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 Cash Flows**

For the six months ended 30th June

	Bank		Group	
	2023 LKR '000	2022 LKR '000	2023 LKR '000	2022 LKR '000
<b>Cash Flows from Operating Activities</b>				
Interest Receipts	58,398,132	28,448,135	58,442,452	28,457,518
Interest Payments	(28,328,546)	(12,712,041)	(28,318,017)	(12,708,829)
Net Commission Receipts	3,517,627	2,775,916	3,517,496	2,775,121
Trading Income	122,419	36,282	122,419	34,483
Payments to Employees	(4,305,490)	(3,768,879)	(4,324,500)	(3,785,505)
VAT and SSCL on Financial Services Paid	(1,693,312)	(1,136,258)	(1,693,312)	(1,136,258)
Receipts from Other Operating Activities	421,025	8,509,679	471,627	8,575,603
Payments on Other Operating Activities	(2,920,262)	(2,713,265)	(2,919,502)	(2,747,217)
<b>Operating Profit before Changes in Operating Assets and Liabilities</b>	<b>25,211,593</b>	<b>19,439,569</b>	<b>25,298,663</b>	<b>19,464,916</b>
<b>(Increase)/Decrease in Operating Assets :</b>				
Balances with Central Bank of Sri Lanka	1,458,359	(6,987,898)	1,458,359	(6,987,898)
Financial Assets at Amortized cost - Loans and Advances	14,915,068	(31,152,217)	14,915,068	(31,152,217)
Other Assets	347,319	(5,269,479)	298,132	(5,137,593)
<b>Increase/(Decrease) in Operating Liabilities :</b>				
Financial Liabilities at Amortized Cost - Due to Depositors	(4,439,989)	41,361,128	(4,439,989)	41,361,128
Financial Liabilities at Amortized Cost - Due to Debt Securities Holders	14,297,486	21,967,179	14,297,486	21,967,179
Financial Liabilities at Amortized cost - Due to Other Borrowers	1,549	2,323	1,549	2,323
Other Liabilities	(228,191)	(4,526,139)	(291,542)	(4,710,015)
Due to Banks	(1,010,623)	(9,013,342)	(1,010,623)	(9,013,342)
<b>Cash Generated from Operating Activities before Income Tax</b>	<b>50,552,571</b>	<b>25,821,124</b>	<b>50,527,103</b>	<b>25,794,481</b>
Income Tax Paid	(3,595,236)	(975,018)	(3,595,236)	(975,018)
Surcharge Tax Paid	-	(584,168)	-	(584,168)
<b>Net Cash (Used in) / Generated from Operating Activities</b>	<b>46,957,335</b>	<b>24,261,938</b>	<b>46,931,867</b>	<b>24,235,295</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Property , Plant & Equipment	(255,927)	(48,300)	(257,878)	(48,538)
Improvements in Investment Properties	-	-	(1,681)	(10,595)
Proceeds from Sale of Property , Plant & Equipment	104	1,910	104	1,910
Net Proceeds from Sale, Maturity And Purchase of Financial Investments of Government of Sri Lanka Treasury Bills/Bonds, Development and International Sovereign Bonds maturing after Three Months	(6,535,608)	(15,127,969)	(6,458,928)	(15,127,969)
Net Proceeds From Sale, Maturity and Purchase of Financial Investments of Shares and Debentures	74,996	1,469	72,174	1,530
Reverse Repurchase Agreements maturing after Three Months	-	-	-	-
Net Purchase of Intangible Assets	(51,123)	(25,968)	(51,123)	(25,968)
Net Cash Flow from Acquisition of Investment in Subsidiaries	-	-	-	-
Net Cash Flow from Disposal of Subsidiaries	-	-	-	-
Dividend Received from Investment in Subsidiaries	106,340	146,065	-	-
Dividend Received from Other Investments	527	768	527	768
<b>Net Cash (Used in) / Generated from Investing Activities</b>	<b>(6,660,691)</b>	<b>(15,052,025)</b>	<b>(6,696,805)</b>	<b>(15,208,862)</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	(3,910,000)	-	(3,810,000)	-
Interest Paid on Subordinated Debt	(1,850,353)	(1,836,891)	(1,850,353)	(1,828,362)
Interest Paid on Un-Subordinated Debt	-	-	-	-
Dividend Paid to Non-Controlling Interest	-	-	(52,385)	(63,096)
Dividend Paid to Shareholders of the Bank	-	(16)	-	(16)
Dividend Paid to Holders of Other Equity Instruments	-	-	-	-
Repayment of Principal Portion of Lease Liabilities	(414,584)	(391,631)	(272,026)	(240,850)
<b>Net Cash (Used In) / Generated from Financing Activities</b>	<b>(1,174,937)</b>	<b>(2,228,538)</b>	<b>(984,764)</b>	<b>(2,132,324)</b>
Net Increase in Cash and Cash Equivalents	39,121,707	6,981,375	39,250,298	6,894,109
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 Period</b>	<b>122,377,339</b>	<b>51,021,292</b>	<b>122,699,415</b>	<b>51,098,532</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash and Cash Equivalents	57,232,012	29,081,277	57,232,052	29,081,317
Placements with Banks and Finance Companies	13,194,043	-	13,194,541	-
Government of Sri Lanka Treasury Bills/Bonds, Development and International Sovereign Bonds maturing within Three Months	47,801,602	19,023,890	48,123,140	19,101,090
Securities Purchased Under Resale Agreements maturing within Three Months	4,149,682	2,916,125	4,149,682	2,916,125
	<b>122,377,339</b>	<b>51,021,292</b>	<b>122,699,415</b>	<b>51,098,532</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.)	30/06/2023		30/06/2022	
	Voting	Non-Voting	Voting	Non-Voting
Market Price Per Share	34.90	24.10	28.00	15.20
Highest price per share during the quarter ended	35.90	24.50	35.50	28.00
Lowest price per share during the quarter ended	26.20	18.00	27.00	15.00

Stated Capital as at June 30, 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 June 30, 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	19,341,229	6.52
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 (Pvt) Ltd	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 NDB Capital Holdings Limited A/C No.02	3,005,354	1.01
14 Sisil Investment Holdings (Pvt) Ltd	2,806,071	0.95
15 Finco Holdings (Pvt) Ltd	2,762,408	0.93
16 Mrs T T A De Silva Weerasooria	1,637,533	0.51
17 Mr M J Fernando	1,498,311	0.50
18 Mr R R Leon	1,404,108	0.47
19 Mr K R B Fernando	1,283,864	0.43
20 J. B. Cocoshell (Pvt) Ltd	1,024,220	0.35

### 3.2 Twenty Largest Ordinary Non-Voting Shareholders as at June 30, 2023

	No. of Shares	%
1 LOLC Holdings PLC	164,472,386	51.60
2 Employees' Provident Fund	17,001,074	5.33
3 Sri Lanka Insurance Corporation Ltd - Life Fund	10,675,313	3.35
4 Don and Don Holdings (Pvt) Ltd	10,665,961	3.35
5 Akbar Brothers Pvt Ltd A/C No. 1	6,845,259	2.15
6 Pershing LLC S/A Averbach Grauson & Co	4,366,382	1.37
7 Peoples Leasing & Finance PLC/Don and Don Holdings (Pvt) Ltd	4,330,473	1.36
8 Employees Trust Fund Board	3,804,695	1.19
9 Merrill J Fernando & Sons (Pvt) Limited	3,540,466	1.11
10 Mr R R Leon	2,923,962	0.92
11 LOLC Technology Services Limited	2,783,260	0.87
12 Mr N Balasingam	2,493,566	0.78
13 Sri Lanka Insurance Corporation Ltd – General Fund	2,250,932	0.71
14 Mr R. Gautam	1,804,107	0.57
15 Mr M J Fernando	1,745,005	0.55
16 Dr S Yaddehige	1,499,175	0.47
17 Ms S Durga	1,481,329	0.46
18 Mr D N N Lokuge	1,471,150	0.46
19 J B Cocoshell (Pvt) Ltd	1,346,136	0.42
20 Askold (Pvt) Ltd	1,299,357	0.41

### 3.3 Public Holdings as at June 30, 2023

The Bank is compliant under Option 3 and 4 of the Section 7.14.1 (Minimum Public Holding requirement) of the Rules of the Colombo Stock Exchange.

	<b>Option 3 (Ordinary Voting Shares)</b>	<b>Option 4 (Ordinary Non- Voting Shares)</b>
Float adjusted market capitalization	LKR. 5.682 Bn	LKR. 3.716 Bn
Public Holding Percentage	54.87%	48.38%
No. of Public shareholders	10,150	7,214

### 4. Directors' and Chief Executive Officer's Shareholdings as at June 30, 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
Mr A S Wijesinha, Independent Director/Senior 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
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 six months ended June 30, 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 June 30, 2022 has been restated based on the no of shares issued for Scrip Dividend for 2022.

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

### **6.1 Debenture**

The Bank redeemed 32,722,800 debentures of LKR 100/- each amounting to LKR 3,272,280,000/- being the remainder of 50,000,000 (Fifty Million) Unsecured, Subordinated, Redeemable Debentures allotted in July 2016, upon their maturity after 7 years' tenure, on 15th July 2023.

## **7. Other Matters**

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

- 1) Retirement of Mr Kapila Prasanna Ariyaratne, former Director/Chief Executive Officer of Seylan Bank PLC with effect from 30<sup>th</sup> April 2023.
- 2) Appointment of Mr Ramesh Joseph Jayasekara as the Director/Chief Executive Officer of Seylan Bank PLC with effect from 01st May 2023. Mr Ramesh Jayasekara is a Non-Independent/Executive Director on the Board.

### **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, 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 Ministry of Finance of Government of Sri Lanka.

### **7.3 Debenture Issue**

The Board at their meeting held on January 24, 2023 approved that the Bank issues One Hundred and Twenty Million (120,000,000) Basel III Compliant, Tier 2 Listed, Rated, Unsecured, Subordinated Redeemable Debentures with a Non-Viability Conversion of Rupees Hundred (LKR. 100/-) each, amounting to Rupees Twelve Billion (LKR. 12,000,000,000/-) until December 31, 2023 and the shareholders approved the same at the Extraordinary General Meeting held on March 14, 2023.

Based on above approvals, Fifty Million (50,000,000) Basel III Compliant, Tier 2 Listed, Rated, Unsecured, Subordinated Redeemable Debentures with a Non-Viability Conversion of Rupees Hundred (LKR. 100/-) each, were allotted to Qualified Investors on 02<sup>nd</sup> May 2023, following the basis of Preferential Allotments, maximum up to 75% of said 50,000,000 Debentures in accordance with Section 6.5 of the Prospectus dated 12<sup>th</sup> April 2023. The said Debentures were listed on 12th May 2023.

## Debenture Issue Proceeds Utilization as at 30.06.2023

Objective Number	Objective as per Prospectus	Proposed date of utilization as per prospectus	Amount allocated as per prospectus in LKR	Amount allocated from proceeds in LKR (A)	% of total proceeds	Amount utilized in LKR (B)	% of Utilized against allocation (B/A)	Details if not fully utilized*
1	To strengthen the Tier 2 Capital base of the Bank as per BASEL III requirements by the issue of subordinated debentures.	With effect from the Date of Allotment						
2	Grow the lending portfolio, especially in segments such as Small and Medium Enterprises (SME) and Export oriented industries.	over a period of twelve months from the date of allotment or 31 December 2023 whichever is earlier	5 Bn	5 Bn	100	5 Bn	100	N/A
3	Reduce Maturity gaps in the Assets and Liabilities of the Bank	With effect from the Date of Allotment						

\* Clarification if not fully utilized including whether the funds are invested (e.g., whether lent to related party/s)

### 7.4 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 30th June 2023 would have been Rs 19.96Bn and Rs 2.02Bn respectively.

### 7.5 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.

## 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	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Interest Income	50,764,043	25,741,527	6,003,603	6,888,649	56,086	21,491	(723,989)	(99,161)	56,099,743	32,552,506
Less: Interest Expenses	33,071,734	13,636,426	2,446,537	1,913,118	1,237	367	(85,184)	(55,532)	35,434,324	15,494,379
<b>Net Interest Income</b>	<b>17,692,309</b>	<b>12,105,101</b>	<b>3,557,066</b>	<b>4,975,531</b>	<b>54,849</b>	<b>21,124</b>	<b>(638,805)</b>	<b>(43,629)</b>	<b>20,665,419</b>	<b>17,058,127</b>
Fee and Commission Income	3,641,608	2,865,043	3,845	2,311	-	-	4,225	13,786	3,649,678	2,881,140
Less : Fee and Commission Expenses	118,804	93,737	13,378	11,548	-	734	-	-	132,182	106,019
<b>Net Fee and Commission Income</b>	<b>3,522,804</b>	<b>2,771,306</b>	<b>(9,533)</b>	<b>(9,237)</b>	<b>-</b>	<b>(734)</b>	<b>4,225</b>	<b>13,786</b>	<b>3,517,496</b>	<b>2,775,121</b>
Net Gains/(Losses) from Trading	-	-	300,396	4,137,231	-	(1,799)	-	-	300,396	4,135,432
Net Gains from Derecognition of Financial Assets	-	-	31,198	2,387	-	-	-	-	31,198	2,387
Net Other Operating Income	110,368	48,843	191,647	(2,242,824)	193,634	205,287	(276,405)	(137,870)	219,244	(2,126,564)
Inter Segment Revenue	(37,424)	(35,159)	-	-	-	-	37,424	35,159	-	-
<b>Total Operating Income</b>	<b>21,288,057</b>	<b>14,890,091</b>	<b>4,070,774</b>	<b>6,863,088</b>	<b>248,483</b>	<b>223,878</b>	<b>(873,561)</b>	<b>(132,554)</b>	<b>24,733,753</b>	<b>21,844,503</b>
Less : Depreciation and Amortization Expenses	392,353	407,155	7,487	6,715	612	587	283,032	294,273	683,484	708,730
Less : Impairment Charges	8,586,530	8,263,992	972,464	3,099,742	-	-	-	-	9,558,994	11,363,734
Less : Operating Expenses, VAT & SSCL on Financial Services	7,154,781	5,062,637	1,275,785	1,419,589	64,065	41,171	1,812,411	1,157,574	10,307,042	7,680,971
<b>Reportable Segment Profit Before Income Tax</b>	<b>5,154,393</b>	<b>1,156,307</b>	<b>1,815,038</b>	<b>2,337,042</b>	<b>183,806</b>	<b>182,120</b>	<b>(2,969,004)</b>	<b>(1,584,401)</b>	<b>4,184,233</b>	<b>2,091,068</b>
Less :Income Tax Expense									1,664,117	595,411
<b>Profit For The Period</b>									<b>2,520,116</b>	<b>1,495,657</b>
<b>Profit Attributable To:</b>										
Equity Holders of The Bank									2,499,510	1,454,918
Non-Controlling Interests									20,606	40,739
<b>Profit For The Period</b>									<b>2,520,116</b>	<b>1,495,657</b>
<b>Other Comprehensive Income, Net of Income Tax</b>									511,873	(2,388,022)
<b>Other Information</b>										
Total Assets	477,770,352	479,231,175	193,271,855	159,870,922	6,339,205	5,988,283	11,787,078	21,260,830	689,168,490	666,351,210
Total Liabilities & Equity	583,643,968	554,384,197	84,550,662	84,688,594	6,339,205	5,988,283	14,634,655	21,290,136	689,168,490	666,351,210
Cash Flows from Operating Activities	46,722,891	20,009,303	2,794,989	5,443,499	116,337	140,160	(2,702,350)	(1,357,667)	46,931,867	24,235,295
Cash Flows from Investing Activities	(89,161)	80,927	(6,471,905)	(15,125,732)	49,597	1,139	(185,336)	(165,196)	(6,696,805)	(15,208,862)
Cash Flows from Financing Activities	675,416	(391,631)	(1,850,353)	(1,836,891)	(177,558)	(207,151)	367,731	303,349	(984,764)	(2,132,324)
Capital Expenditure	(196,132)	(65,667)	(11,293)	-	(3,632)	(10,833)	(99,625)	(8,601)	(310,682)	(85,101)

Seylan Bank PLC

10 Analysis of Financial Instruments by Measurement Basis - Bank

(Amounts in Rupees Thousands )

30.06.2023			
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	Total
<b>Assets</b>			
Cash and Cash Equivalents	-	56,991,507	56,991,507
Balances with Central Bank of Sri Lanka	-	15,325,813	15,325,813
Placements with Banks and Finance Companies	-	13,128,073	13,128,073
Derivative Financial Instruments	54,056	-	54,056
Securities Purchased under Resale Agreements	-	4,279,644	4,279,644
Customer Loans and Advances	-	420,595,195	420,595,195
Debt Instruments	-	790,512	790,512
Equity Instruments	-	1,610,479	1,610,479
Government Securities	18,439,481	28,402,750	149,475,503
Group Balances Receivable	-	40,200	40,200
Other Financial Assets	-	9,453,679	9,453,679
<b>Total Financial Assets</b>	<b>18,493,537</b>	<b>30,013,229</b>	<b>623,237,895</b>
<b>Liabilities</b>			
Due to Banks	-	11,147,407	11,147,407
Derivative Financial Instruments	432,272	-	432,272
Due to Depositors	-	548,677,958	548,677,958
Securities Sold under Repurchase Agreements	-	26,259,037	26,259,037
Due to Other Borrowers	-	9,032	9,032
Group Balances Payable	-	119,771	119,771
Debt Securities Issued	-	22,347,820	22,347,820
Lease Liabilities	-	5,009,686	5,009,686
Other Financial Liabilities	-	8,609,478	8,609,478
<b>Total Financial Liabilities</b>	<b>432,272</b>	<b>622,180,189</b>	<b>622,612,461</b>

31.12.2022			
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	Total
<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 Receivables	-	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	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>656,003,313</b>
<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>

**Seylan Bank PLC**  
**10 Analysis of Financial Instruments by Measurement Basis - Group**

(Amounts in Rupees Thousands)

	30.06.2023			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	
<b>Assets</b>				
Cash and Cash Equivalents	-	-	56,991,547	56,991,547
Balances with Central Bank of Sri Lanka	-	-	15,325,813	15,325,813
Placements with Banks and Finance Companies	-	-	13,128,073	13,128,073
Derivative Financial Instruments	54,056	-	-	54,056
Securities Purchased under Resale Agreements	-	-	4,279,644	4,279,644
Customer Loans and Advances	-	-	420,595,195	420,595,195
Debt Instruments	-	53,966	790,512	844,478
Equity Instruments	-	1,610,479	-	1,610,479
Government Securities	18,439,481	28,402,750	102,954,810	149,797,041
Other Financial Assets	-	-	9,486,886	9,486,886
<b>Total Financial Assets</b>	<b>18,493,537</b>	<b>30,067,195</b>	<b>623,552,480</b>	<b>672,113,212</b>
		Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL)	Financial Liabilities Measured at Amortised Cost	Total
<b>Liabilities</b>				
Due to Banks	-	-	11,147,407	11,147,407
Derivative Financial Instruments	-	432,272	-	432,272
Due to Depositors	-	-	548,677,958	548,677,958
Securities Sold under Repurchase Agreements	-	-	26,259,037	26,259,037
Due to Other Borrowers	-	-	9,032	9,032
Debt Securities Issued	-	-	22,347,820	22,347,820
Lease Liabilities	-	-	2,163,225	2,163,225
Other Financial Liabilities	-	-	8,666,440	8,666,440
<b>Total Financial Liabilities</b>		<b>432,272</b>	<b>619,270,919</b>	<b>619,703,191</b>

  

	31.12.2022			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	
<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 Receivables	-	-	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	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 Liabilities</b>		<b>906,813</b>	<b>604,578,646</b>	<b>605,485,459</b>

# Seylan Bank PLC

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

(Amounts in Rupees Thousands )

	Bank		Group	
	As at	As at	As at	As at
	30.06.2023	31.12.2022	30.06.2023	31.12.2022

### 11.1 Product-wise Gross Loans & Advances

By product - Domestic Currency				
Export Bills	72,018	91,837	72,018	91,837
Import Bills	136,275	213,784	136,275	213,784
Local Bills	35,945	12,054	35,945	12,054
Lease Rentals Receivable	22,205,915	24,036,119	22,205,915	24,036,119
Overdrafts	64,320,712	69,185,621	64,320,712	69,185,621
Revolving Import Loans	10,349,907	10,888,046	10,349,907	10,888,046
Packing Credit Loans	7,682,620	4,678,143	7,682,620	4,678,143
Trust Receipt Loans	115,273	581,793	115,273	581,793
Staff Loans	7,321,664	7,657,777	7,321,664	7,657,777
Housing Loans	16,696,302	17,620,074	16,696,302	17,620,074
Pawning Receivables	31,933,214	31,991,223	31,933,214	31,991,223
Refinance Loans	8,686,647	8,510,440	8,686,647	8,510,440
Credit Cards	7,415,644	7,162,363	7,415,644	7,162,363
Margin Trading	4,203,874	4,508,146	4,203,874	4,508,146
Factoring	1,593,388	1,630,891	1,593,388	1,630,891
Term Loans	242,655,882	234,656,074	242,655,882	234,656,074
<b>Total</b>	<b>425,425,280</b>	<b>423,424,385</b>	<b>425,425,280</b>	<b>423,424,385</b>
By product - Foreign Currency				
Export Bills	3,776,778	5,409,459	3,776,778	5,409,459
Import Bills	455,923	647,607	455,923	647,607
Local Bills	41,064	869	41,064	869
Overdrafts	724,172	683,306	724,172	683,306
Revolving Import Loans	498,614	1,443,978	498,614	1,443,978
Packing Credit Loans	13,511,895	17,274,822	13,511,895	17,274,822
Housing Loans	104,694	212,938	104,694	212,938
Term Loans	28,402,842	41,334,520	28,402,842	41,334,520
<b>Total</b>	<b>47,515,982</b>	<b>67,007,499</b>	<b>47,515,982</b>	<b>67,007,499</b>
<b>Gross Loans and Advances</b>	<b>472,941,262</b>	<b>490,431,884</b>	<b>472,941,262</b>	<b>490,431,884</b>

### 11.2 Product-wise Commitments and Contingencies

By product - Domestic Currency				
<b>Commitments</b>				
Undrawn Credit Lines	76,171,625	74,618,380	76,171,625	74,618,380
Capital Commitments	743,620	112,422	743,620	114,213
<b>Contingencies</b>				
Acceptances	219,563	86,892	219,563	86,892
Standby Letters of Credit	-	-	-	-
Guarantees	54,390,661	62,385,836	54,390,661	62,385,836
Documentary Credit	331,441	660,399	331,441	660,399
Bills for Collection	336,914	230,867	336,914	230,867
Forward Exchange Contracts (Net)	(12,192,180)	(16,494,566)	(12,192,180)	(16,494,566)
<b>Total</b>	<b>120,001,644</b>	<b>121,600,230</b>	<b>120,001,644</b>	<b>121,602,021</b>
By product - Foreign Currency				
<b>Commitments</b>				
Undrawn Credit Lines	4,339,421	1,069,035	4,339,421	1,069,035
Capital Commitments	647,757	122,838	647,757	122,838
<b>Contingencies</b>				
Acceptances	8,003,463	11,815,484	8,003,463	11,815,484
Standby Letters of Credit	124,156	378,230	124,156	378,230
Guarantees	5,220,730	7,258,809	5,220,730	7,258,809
Documentary Credit	4,543,544	3,694,521	4,543,544	3,694,521
Bills for Collection	5,339,861	5,770,876	5,339,861	5,770,876
Forward Exchange Contracts (Net)	11,822,491	15,931,127	11,822,491	15,931,127
<b>Total</b>	<b>40,041,423</b>	<b>46,040,920</b>	<b>40,041,423</b>	<b>46,040,920</b>
<b>Total Commitments and Contingencies</b>	<b>160,043,067</b>	<b>167,641,150</b>	<b>160,043,067</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	As at	As at	As at
	30.06.2023	31.12.2022	30.06.2023	31.12.2022

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

<b>Gross Loans and Advances, Commitments and Contingencies</b>	<b>632,984,329</b>	<b>658,073,034</b>	<b>632,984,329</b>	<b>658,074,825</b>
Less : Accumulated Impairment under Stage 1	4,822,394	7,384,738	4,822,394	7,384,738
Accumulated Impairment under Stage 2	5,193,685	6,460,514	5,193,685	6,460,514
Accumulated Impairment under Stage 3	43,501,171	33,562,206	43,501,171	33,562,206
<b>Net Loans &amp; Advances, Commitments and Contingencies</b>	<b>579,467,079</b>	<b>610,665,576</b>	<b>579,467,079</b>	<b>610,667,367</b>
<b>Movement of Impairment during the Period</b>	<b>From 01.01.2023 to 30.06.2023</b>	<b>From 01.01.2022 to 31.12.2022</b>	<b>From 01.01.2023 to 30.06.2023</b>	<b>From 01.01.2022 to 31.12.2022</b>
<b>Stage 1</b>				
Opening Balance as at 01st January	7,384,738	4,033,196	7,384,738	4,033,196
Charge/(Write back) to Income Statement	(2,527,005)	3,213,682	(2,527,005)	3,213,682
Exchange Rate Movements	(35,339)	137,860	(35,339)	137,860
<b>Closing Balance</b>	<b>4,822,394</b>	<b>7,384,738</b>	<b>4,822,394</b>	<b>7,384,738</b>
<b>Stage 2</b>				
Opening Balance as at 01st January	6,460,514	2,062,238	6,460,514	2,062,238
Charge/(Write back) to Income Statement	(1,217,302)	4,389,136	(1,217,302)	4,389,136
Exchange Rate Movements	(49,527)	9,140	(49,527)	9,140
<b>Closing Balance</b>	<b>5,193,685</b>	<b>6,460,514</b>	<b>5,193,685</b>	<b>6,460,514</b>
<b>Stage 3</b>				
Opening Balance as at 01st January	33,562,206	19,167,988	33,562,206	19,167,988
Charge/(Write back) to Income Statement	12,028,999	13,705,578	12,028,999	13,705,578
Reversal for Write-off during the Period	(2,616)	(97,301)	(2,616)	(97,301)
Interest Accrued on Impaired Loans and Advances	(1,223,476)	(698,299)	(1,223,476)	(698,299)
Exchange Rate Movements	(863,942)	1,484,240	(863,942)	1,484,240
<b>Closing Balance</b>	<b>43,501,171</b>	<b>33,562,206</b>	<b>43,501,171</b>	<b>33,562,206</b>
<b>Total Impairment</b>	<b>53,517,250</b>	<b>47,407,458</b>	<b>53,517,250</b>	<b>47,407,458</b>

## 12 Analysis of Deposits

(Amounts in Rupees Thousands )

Deposits - By product	Bank		Group	
	As at	As at	As at	As at
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
<b>By product - Domestic Currency</b>				
Demand Deposits	27,888,820	29,498,758	27,888,820	29,498,758
Savings Deposits	98,906,879	100,498,708	98,906,879	100,498,708
Fixed Deposits	326,130,206	309,006,995	326,130,206	309,006,995
Certificate of Deposits	1,059,452	1,034,256	1,059,452	1,034,256
<b>Total</b>	<b>453,985,357</b>	<b>440,038,717</b>	<b>453,985,357</b>	<b>440,038,717</b>
<b>By product - Foreign Currency</b>				
Demand Deposits	3,829,208	6,197,250	3,829,208	6,197,250
Savings Deposits	20,888,684	26,911,406	20,888,684	26,911,406
Fixed Deposits	69,974,709	74,168,382	69,974,709	74,168,382
<b>Total</b>	<b>94,692,601</b>	<b>107,277,038</b>	<b>94,692,601</b>	<b>107,277,038</b>
<b>Total Deposits</b>	<b>548,677,958</b>	<b>547,315,755</b>	<b>548,677,958</b>	<b>547,315,755</b>

## SEYLAN BANK PLC - DEBENTURES

	CURRENT PERIOD 01-Apr-23 to 30-Jun-23	COMPARATIVE PERIOD 01-Apr-22 to 30-Jun-22
Debt (Debentures) / Equity Ratio (Times)	0.39	0.41
Debt (Debentures plus Long term Debt) / Equity Ratio (Times)	0.47	0.51
Interest Cover (Times)	4.00	2.58
Quick Asset Ratio (Times)	0.91	0.82
<b>2016 Issue</b>		
<b>Market Prices during April to June (Ex Interest)</b>		
7 Year Fixed Semi Annual - 13.75% p.a	*	*
<b>Interest Yield as at Date of Last Trade</b>		
7 Year Fixed Semi Annual - 13.75% p.a	*	*
<b>Yield to Maturity of Trade Done on</b>		
7 Year Fixed Semi Annual - 13.75% p.a	*	*
<b>Interest Rate of Comparable Government Security</b>		
- 7 Years	24.19%	21.01%
<b>2018 Issue</b>		
<b>Market Prices during April to June (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>		
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>Yield to Maturity of Trade Done on</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 Rate of Comparable Government Security</b>		
- 5 Years		21.26%
- 7 Years	26.34%	22.35%
- 10 Years	22.70%	22.48%
<b>2019 Issue</b>		
<b>Market Prices during April to June (Ex Interest)</b>		
5 Year Fixed Annual - 15.00% p.a		
- Highest Price	107.49	*
- Lowest Price	92.54	*
- Last Traded Price (05/06/2023) / *	92.54	*
5 Year Fixed Semi Annual - 14.50% p.a.	*	*
<b>Interest Yield as at Date of Last Trade</b>		
5 Year Fixed Annual - 15.00% p.a (05/06/2023) / *	16.21%	*
5 Year Fixed Semi Annual - 14.50% p.a.	*	*
<b>Yield to Maturity of Trade Done on</b>		
5 Year Fixed Annual - 15.00% p.a (05/06/2023) / *	24.97%	*
5 Year Fixed Semi Annual - 14.50% p.a.	*	*
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years	25.50%	21.16%
<b>2021 Issue</b>		
<b>Market Prices during April to June (Ex Interest)</b>		
5 Year Fixed Annual - 9.75% p.a	*	*
5 Year Fixed Quarterly - 9.25% p.a.	*	*
<b>Interest Yield as at Date of Last Trade</b>		
5 Year Fixed Annual - 9.75% p.a	*	*
5 Year Fixed Quarterly - 9.25% p.a.	*	*
<b>Yield to Maturity of Trade Done on</b>		
5 Year Fixed Annual - 9.75% p.a	*	*
5 Year Fixed Quarterly - 9.25% p.a.	*	*
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years	25.44%	21.87%
<b>2023 Issue (Debenture allotted on 02 May 2023)</b>		
<b>Market Prices during April to June (Ex Interest)</b>		
5 Year Fixed Annual - 28.00% p.a		
- Highest Price	100.00	
- Lowest Price	100.00	
- Last Traded Price (15/05/2023)	100.00	
5 Year Fixed Quarterly - 25.00% p.a.		
- Highest Price	100.00	
- Lowest Price	100.00	
- Last Traded Price (17/05/2023)	100.00	
<b>Interest Yield as at Date of Last Trade</b>		
5 Year Fixed Annual - 28.00% p.a	28.00%	
5 Year Fixed Quarterly - 25.00% p.a.	27.44%	
<b>Yield to Maturity of Trade Done on</b>		
5 Year Fixed Annual - 28.00% p.a	27.95%	
5 Year Fixed Quarterly - 25.00% p.a.	24.99%	
<b>Interest Rate of Comparable Government Security</b>		
- 5 Years	22.92%	

\* No trading during the period.

# Seylan Bank PLC

## Selected Performance Indicators

Item	Bank		Group	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
<b>Regulatory Capital (LKR Mn.)</b>				
Common Equity Tier I	53,319	49,920	54,722	51,334
Total (Tier I) Capital	53,319	49,920	54,722	51,334
Total Capital Base	69,789	63,447	71,192	64,891
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier I Capital Ratio ( Minimum Requirement - 7.00% )	11.85	10.69	12.15	10.97
Total Tier I Capital Ratio ( Minimum Requirement - 8.50% )	11.85	10.69	12.15	10.97
Total Capital Ratio ( Minimum Requirement - 12.50% )	15.51	13.59	15.80	13.87
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets (LKR Mn.)	196,320	149,336		
Domestic Banking Unit (LKR Mn.)	191,940	144,094		
Offshore Banking Unit (USD '000)	30,826	35,226		
Statutory Liquid Assets Ratio (%) ( Minimum Requirement 20 % )				
Overall	32.30	25.51		
Domestic Banking Unit	32.13	25.16		
Offshore Banking Unit	25.22	25.02		
Total Stock of High-Quality Liquid Assets (LKR Mn.)	115,110	110,444		
Liquidity Coverage Ratio %				
Rupee - ( Minimum Requirement - 2023-100%, 2022- 90%)	344.47	280.14		
All Currency - ( Minimum Requirement - 2023-100%, 2022- 90%)	252.09	175.10		
Net Stable Funding Ratio (%) ( Minimum Requirement - 2023-100%, 2022- 90%)	127.74	117.62		
<b>Assets Quality ( Quality of Loan Portfolio )</b>				
Impaired Loans (Stage 3) Ratio (%)	6.28	4.98		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	55.58	54.36		
<b>Profitability</b>				
Interest Margin ( % )	6.04	6.33		
Return on Assets (before Tax) ( % )	1.23	1.04		
Return on Equity ( % )	9.22	8.85		