

CARGILLS BANK LIMITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

Income Statement

| | For the six months ended | | | For the | | |
|---|--------------------------|-------------|--------|--------------------|-------------|--------|
| | 30-Jun-2022 | 30-Jun-2021 | Change | 30-Jun-2022 | 30-Jun-2021 | Change |
| | Rs. '000 | Rs. '000 | % | Rs. '000 | Rs. '000 | % |
| Interest income | 3.144.457 | 1.966.294 | 60 | 1.873.152 | 983.487 | 90 |
| Interest expenses | (1,752,493) | (1,093,178) | (60) | (1,048,442) | (546,802) | (92) |
| Net interest income | 1,391,964 | | 59 | 824,710 | 436,685 | 89 |
| | 1,001,004 | 075,110 | 55 | 024,710 | 450,005 | 0.5 |
| Fees and commission income | 574.765 | 333.303 | 72 | 347.215 | 167.377 | 107 |
| Fees and commission expenses | (184,834) | (125,994) | (47) | (102,560) | (63,655) | (61) |
| Net fees and commission income | 389,931 | | 88 | 244,655 | 103,722 | 136 |
| | | 207,000 | | 2,000 | 100,722 | 100 |
| Net gains / (losses) from trading | 1,551 | (4,926) | 131 | 2,134 | (772) | 376 |
| Net gains from derecognition of financial assets | 4,690 | | (76) | 3,586 | 3,242 | 11 |
| Net other operating income | (2,518) | 106,299 | (102) | (215,831) | 37,362 | (678) |
| Total other income | 3,723 | 120,596 | (97) | (210,111) | 39,832 | (627) |
| | | | | | | |
| Total operating income | 1,785,618 | 1,201,021 | 49 | 859,254 | 580,239 | 48 |
| | | | | | | |
| Impairment losses on financial instruments and other assets | | | | | | |
| | | | | | | |
| Loans and advances to customers | (800,831) | (229,979) | (248) | (397,446) | (56,950) | (598) |
| Financial assets and others | 345 | (15,957) | 102 | 3,335 | (13,311) | 125 |
| Total impairment losses on financial instruments and other assets | (800,486) | (245,936) | (225) | (394,834) | (70,261) | (462) |
| | | | | | | |
| Net operating income | 985,132 | 955,085 | 3 | 464,420 | 509,978 | (9) |
| | | | (=) | | | |
| Personnel expenses | (459,914) | (430,311) | (7) | (230,052) | (211,311) | (9) |
| Depreciation and amortization | (183,829) | (208,750) | 12 | (87,443) | (107,300) | 19 |
| Other operating expenses | (485,707) | (407,483) | (19) | (260,745) | (210,403) | (24) |
| Total operating expenses | (1,129,450) | (1,046,544) | (8) | (578,240) | (529,014) | (9) |
| Operating profit / (loss) before taxes on financial services | (144,318) | (91,459) | (58) | (113,820) | (19.036) | (498) |
| Value added tax on financial services | (144,518) (64,608) | | (0) | (113,820) (29,476) | (40,016) | (498) |
| | (04,000) | (04,001) | (0) | (23,470) | (40,010) | 20 |
| Profit / (Loss) before Income Tax | (208,926) | (156,060) | (34) | (143,296) | (59,052) | (143) |
| Income tax (expenses) / reversal | 13,827 | (72,570) | 119 | 5,793 | (1.895) | 406 |
| Profit / (loss) for the period | (195,098) | (228,630) | 115 | (137,504) | (60,947) | (126) |
| | (200,000) | (220,000) | | (207,004) | (00,047) | (120) |
| Basic earnings per share (Rs.) | (0.22) | (0.26) | 15 | (0.16) | (0.07) | (126) |
| Diluted earnings per share (Rs.) | (0.22) | (0.26) | 15 | (0.16) | (0.07) | (126) |
| | (| (1120) | 10 | (| (2.07) | (/ |

| | Stated capital | Statutory reserves | Fair Value through Other Comprehensive Income Reserve | Retained losses | |
|---|----------------|-----------------------|--|-----------------------------------|---|
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 | |
| Balance as at 01.01.2021-Audited | 11,394,421 | 32,386 | 80,162 | (1,772,667) | |
| Total comprehensive income for the six months ended 30.06.2021 | | | | | |
| Profit / (loss) for the period | - | - | - | (228,630) | |
| Other comprehensive income / (loss), net of tax Total comprehensive income / (loss) for the period | - | - | (49,960) (49,960) | (228,630) | - |
| Transactions with owners in their capacity as owners | | | | | |
| Issue of shares Transfer to statutory reserves | - | - | - | - | |
| Total transactions with owners | - | - | - | - | |
| Balance as at 30.06.2021 | 11,394,421 | 32,386 | 30,202 | (2,001,296) | |
| Total comprehensive income for the period 01.07.2021 to 31.12.2021 Profit / (loss) for the period Other comprehensive income / (loss), net of tax Total comprehensive income / (loss) for the period | | - - - | - (76,334) (76,334) | (48,497) (6,020) (54,517) | |
| Transactions with owners in their capacity as owners Issue of shares Transfer to statutory reserve | - | - | - | - | |
| Total transactions with owners | - | - | - | - | |
| Balance as at 31.12.2021 - Audited | 11,394,421 | 32,386 | (46,132) | (2,055,814) | |
| Total comprehensive income for the period ended 30.06.2022 Profit / (loss) for the period Other comprehensive income / (loss), net of tax Total comprehensive income / (loss) for the period | - - - | - - | (61,666) (61,666) | (195,098) (195,098) | |
| Transactions with owners in their capacity as owners Issue of shares Transfer to statutory reserve Total transactions with owners | | | | | |
| Balance as at 30.06.2022 | 11,394,421 | 32,386 | (107,798) | (2,250,912) | |
| | | | | | |

Total

Rs. '000

9,734,302

(228,630) (49,960) (278,590)

9,455,713

(48,497) (82,354) (130,851)

9,324,861

(195,098) (61,666) (256,764)

9,068,097

Statement of Comprehensive Income

| | For the | six months ende | d | For the quarter ended | | | |
|--|-------------|-----------------|--------|-----------------------|-------------|--------|--|
| | 30-Jun-2022 | 30-Jun-2021 | Change | 30-Jun-2022 | 30-Jun-2021 | Change | |
| | Rs. '000 | Rs. '000 | % | Rs. '000 | Rs. '000 | % | |
| Profit / (loss) for the period | (195,098) | (228,630) | 15 | (137,504) | (60,947) | (126) | |
| Other comprehensive income, net of tax | | | | | | | |
| Items that will not be reclassified to profit or loss | | | | | | | |
| Net actuarial gain / (loss) on defined benefit plans | - | - | - | - | - | - | |
| Deferred tax related to the above | | | | | | | |
| Change in fair value of investment in equity measured at fair value through other | _ | _ | _ | _ | _ | _ | |
| comprehensive income | - | | - | | | - | |
| Deferred tax related to the above | - | - | - | - | - | - | |
| | - | - | - | - | - | - | |
| Items that will be reclassified to profit or loss | | | | | | | |
| Net gains / (losses) on investment in financial assets measured at fair value through other comprehensive income | (81,139) | (72,817) | (11) | 6,005 | (11,974) | 150 | |
| Deferred tax asset related to the above | 19,473 | 22,857 | (15) | (1,441) | 2.874 | (150) | |
| | (61,666) | (49,960) | (23) | 4,564 | (9,100) | 150 | |
| | | | | | | | |
| Other comprehensive income / (loss) for the period, net of tax | (61,666) | (49,960) | (23) | 4,564 | (9,100) | 150 | |
| | | | | | | | |
| Total comprehensive income / (loss) for the period | (256,764) | (278,590) | 8 | (132,940) | (70,047) | (90) | |

Statement of Financial Position

| As at | 30-Jun-2022 | 31-Dec-2021 | Growth | |
|--|-------------|------------------------|--------|---|
| | Rs. ' 000 | (Audited) Rs. ' 000 | % | |
| Assets | | | | |
| Cash and cash equivalents | 1,629,246 | 1,214,754 | 34 | |
| Balances with Central Bank of Sri Lanka | 622,025 | 567,802 | 10 | |
| Placements with Banks | 688,272 | 601,151 | 14 | |
| Derivative financial instruments | 1,276 | 3,200 | (60) | |
| Financial assets at amortized cost - Loans and advances to other customers | 39,301,724 | 40,490,736 | (3) | |
| Financial assets at amortized cost - Debt and other financial instruments | 773,964 | 15,528 | 4,884 | 5 |
| Financial assets measured at fair value through other comprehensive income | 8,584,015 | 10,783,609 | (20) | |
| Property, plant & equipment | 429,312 | 518,272 | (17) | E |
| Intangible assets | 232,886 | 258,941 | (10) | 1 |
| Deferred tax assets | 670,888 | 637,588 | 5 | |
| Other assets | 865,532 | 675,479 | 28 | |
| Total assets | 53,799,139 | 55,767,061 | (4) | |
| | | | | |
| Liabilities and equity | | | | |
| Due to banks | 649,123 | 926,405 | (30) | 1 |
| Derivative financial instruments | 33 | 3,009 | (99) | 1 |
| Financial liabilities at amortized cost - Due to depositors | 41,224,733 | 40,182,402 | 3 | |
| Financial liabilities at amortized cost - Other borrowings | 1,582,092 | 3,969,617 | (60) | 1 |
| Retirement benefit obligations | 86,143 | 81,336 | 6 | |
| Lease liability | 278,618 | 332,675 | (16) | N |
| Other liabilities | 910,299 | 946,756 | (4) | 1 |
| Total liabilities | 44,731,041 | 46,442,200 | (4) | |
| Equity | | | | |
| Stated capital | 11,394,421 | 11.394.421 | | |
| Statutory reserves | 32,386 | 32.386 | - | |
| Other reserves | (107.798) | (46,132) | (134) | |
| Accumulated loss | (2,250,912) | (2.055.814) | (134) | |
| Total equity attributable to equity holders of the Bank | 9.068.098 | 9.324.861 | (3) | |
| זטומו בקעוונץ מנוווטעומטוב נט בקעונץ ווטועבוג טו נווב שמווג | 3,000,030 | 5,524,001 | (3) | Ν |
| Total liabilities and equity | 53,799,139 | 55,767,061 | (4) | |
| Contineent liebilities & commitments | 22.713.803 | 18.687.750 | 22 | |
| Contingent liabilities & commitments | 22,713,003 | 18,087,730 | | |
| Net assets value per share (Rs.) | 10.27 | 10.56 | (3) | |
| Memorandum information | | | | |
| Number of employees | 611 | 622 | | |
| Number of branches | 21 | 21 | | A |
| Certification | | | | 1 |

Additional Disclosures

| Rs. '000 % (60,947) (126) | Additional Disclosures | | | | |
|--|--|---------------------------|-----------------------------------|---|--|
| | As at | | | 30-Jun-2022 Rs. '000 | 31-Dec-2021 |
| | Loans and advances to other customers | | - | | Rs. '000 |
| | Gross loans and advances Less: Stage-wise Impairment | | | 43,977,590 | 43,682,231 |
| | Stage 1 | | | 149,905 | 152,309 |
| | Stage 2 Stage 3 | | | 1,015,314 3,510,645 | 617,283 2,421,903 |
| (11,974) 150 | Total impairment for loans and advances Net loans and advances | | - | 4,675,864 39,301,725 | 3,191,495 40,490,736 |
| 2,874 (150) (9,100) 150 | | | | | 10,100,700 |
| (9,100) 150 | Product wise Gross Loans and advances to other customers By product - Domestic Currency | | | | |
| (70,047) (90) | Overdrafts Trade finance | | | 7,157,706 2,057,732 | 6,429,740 2,126,096 |
| | Staff Loans | | | 271,582 | 271,415 |
| | Housing loans Personal loans | | | 1,300,073 4,187,058 | 898,049 3,816,402 |
| Dec-2021 Growth udited) o/ | Term loans Agriculture loans | | | 14,471,695 505,469 | 9,797,911 412,442 |
| udited) % s. ' 000 % | Vehicle loans | | | 88,138 | 95,044 |
| 1,214,754 34 567,802 10 | Loans against property Money market loans | | | 1,986,684 5,437,853 | 1,162,501 8,331,449 |
| 601,151 14 | Credit Card Micro Finance | | | 1,647,928 61,088 | 1,579,712 63,998 |
| 3,200 (60) 40,490,736 (3) | Others | | - | <u>575,998</u> 39,749,004 | 6,090,892 |
| 15,528 4,884 10,783,609 (20) | Sub total | | - | 39,749,004 | 41,075,650 |
| 518,272 (17) 258,941 (10) | By product - Foreign Currency Trade finance | | | 1,258,804 | 583,713 |
| 637,588 5 675,479 28 | Housing loans | | | 102,469 | 62,514 |
| 55,767,061 (4) | Term loans Overdrafts | | | 1,493,846 21,110 | 1,050,160 11,133 |
| 926,405 (30) | Others Sub total | | ŀ | <u>1,352,358</u> 4,228,586 | 899,060 2,606,581 |
| 3,009 (99) 40,182,402 3 2,060,617 (60) | Total gross loans & advances | | ŀ | 43,977,590 | 43,682,231 |
| 3,969,617 (60) 81,336 6 | | | L | 40,977,080 | 43,062,231 |
| 332,675 (16) 946,756 (4) | Movement in impairment during the period for loans and advances to other customers- 2022 (Rs. '000) | | | | |
| 46,442,200 (4) | Opening balance as at 01 January 2022 | Stage 1 152,309 | Stage 2 617,283 | Stage 3 2,421,903 | Total 3,191,495 |
| 11,394,421 - | Charge/ (write back) to income statement | (4,708) | 328,443 | 508,217 | 831,953 |
| 32,386 (46,132) (134) | Exchange rate variance on foreign currency provisions Closing balance as at 30 June 2022 | 2,304 149,905 | <u>69,587</u> 1,015,314 | 580,525 3,510,645 | 652,416 4,675,864 |
| (2,055,814) (9) 9,324,861 (3) | Movement in impairment during the period for loans and advances to other customers - 2021 (Rs. '000) | | · · · · | | <u> </u> |
| 55,767,061 (4) | | | | | |
| 18,687,750 22 | Opening balance as at 01 January 2021 | Stage 1 68,805 | Stage 2 342,306 | Stage 3 2,243,089 | Total 2,654,200 |
| 10.56 (3) | Charge/ (write back) to income statement | 83,249 | 271,193 | 137,393 | 491,835 |
| | Evolution and a variance on toroign currency provisions | 255 | 2 7 9 / | 11 121 | 15 1601 |
| | Exchange rate variance on foreign currency provisions Closing balance as at 31 December 2021 | 255 152,309 | 3,784 617,283 | 41,421 2,421,903 | 45,460 3,191,495 |
| 622 21 | | | | | |
| 622 | Closing balance as at 31 December 2021 As at | | | 2,421,903 | 3,191,495 |
| 622 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency | | | 2,421,903 30-Jun-2022 Rs. '000 | 3,191,495 31-Dec-2021 Rs. '000 |
| 622 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 |
| 622 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection | | | 2,421,903 30-Jun-2022 Rs. '000 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 |
| 622 21 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 |
| 622 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 |
| 622 21 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 |
| 622 21 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 |
| 622 21 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 |
| 622 21 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 |
| 622 21 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 |
| 622 21 ted. riod ended 30-Jun-2021 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 |
| 622 21 ted. ted. 30-Jun-2021 Rs. '000 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase | | | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 |
| 622 21 ted. riod ended 30-Jun-2021 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 |
| 622 21 ted. riod ended 30-Jun-2021 Rs. '000 (156,060) 486,173 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 |
| 622 21 ted. 100 ended 30-Jun-2021 Rs. '000 (156,060) | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total |
| 622 21 ted. 30-Jun-2021 Rs. ' 000 (156,060) (156,060) (19,259) (211) (319) | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (19,259) (211) (319) 582 (2,833,985) | Closing balance as at 31 December 2021 As at Product vise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge / (write back) to income statement Closing balance as at 30 June 2022 As at | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (156,060) (211) (319) (211) (319) (211) (319) (211) (319) (211) | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Sypts purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 81-Dec-2021 8 |
| 622 21 ted. 30-Jun-2021 Rs. ' 000 (156,060) (156,060) (211) (2 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency Current account deposits | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (156,060) (156,060) (19,259) (211) (319) 582 (2,833,985) (2,833,985) 3,570,509 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 |
| ted. riod ended 30-Jun-2021 Rs. '000 (156,060) 486,173 (19,259) (211) (319) 582 (2,833,985) 3,570,509 1,047,430 (10,139) | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency Current account deposits Savings deposits Call Deposits Time deposits <td>152,309 </td> <td>617,283</td> <td>2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485</td> <td>3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000</td> | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (156,060) (211) (319) 582 (2,833,985) 3,570,509 1,047,430 (10,139) 211 - (24,753) 319 | Closing balance as at 31 December 2021 As at Product vise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spot purchase Sub total Boy product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 30 June 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency Gurrent account deposits Gavings deposits Call Deposits | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 36,437 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 520,413 8,838,984 520,413 8,28,407 6,44,067 1,080,454 20 3,075,361 18,838,984 520,413 8,527,467 8,4,033 24,825,668 520,413 10,66,433 102,606 |
| 622 21 ted. ao-Jun-2021 Rs. '000 (156,060) (156,060) (211) (319) 582 (2,833,985) 3,570,509 1,047,430 (10,139) 211 (10,139) 211 (10,139) 211 (10,139) 211 | Closing balance as at 31 December 2021 As at Product vise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency Current account deposits Savings deposits Catil Deposits Time deposits Certificate of deposits | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 - Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (156,060) (156,060) (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (34,362) (34,362) (65,036) (65,036) | Closing balance as at 31 December 2021 As at Product vise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic Savings deposits Call Deposits Time deposits Sub total By Product - Foreign currency | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 36,418,421 36,818,421 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 36,527,467 84,033 24,825,668 1,566,433 102,606 36,790,102 |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (156,060) (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 211 (24,753) 319 (34,362) | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency Current account deposits Sub total By Product - Foreign currency Current account deposits Sub total By Product - Foreign currency Current account deposits Sub total | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 36,437 36,818,421 389,653 1,004,107 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 31,683,896 8,527,467 84,033 24,825,668 1,566,433 102,606 36,790,102 57,582 1,081,223 |
| 622 21 ted. | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic Current account deposits Savings deposits Time deposits Sub total By Product - Foreign currency Current account deposits Savings deposits Time deposits Sub total By Product - Foreign currency Current account deposits Sub total By Product - Foreign currency Current account deposits Savings deposits Time deposits Time deposits Sub total | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 36,437 36,818,421 389,653 1,004,107 2,940,669 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 31,75,683 1,566,433 102,606 36,790,102 57,582 1,081,223 2,236,806 |
| 622 21 ted. 30-Jun-2021 Rs. '000 (156,060) (156,060) (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (211) (319) 582 (2,833,985) 3,570,509 (1,047,430) (10,139) 211 (24,753) 319 (34,362) (1,166,847) (1,231,883) (1,218,815) (1,210,281 | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic currency Current account deposits Sub total By Product - Foreign currency Current account deposits Sub total By Product - Foreign currency Current account deposits Sub total | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 36,437 36,818,421 389,653 1,004,107 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 31,683,896 8,527,467 84,033 24,825,668 1,566,433 102,606 36,790,102 57,582 1,081,223 |
| 622 21 ted. all all all all all all all a | Closing balance as at 31 December 2021 As at Product wise Commitments and Contingencies By product - Domestic Currency Guarantees Letters of credit Bills for collection Forward exchange purchase Undrawn credit lines Capital commitments and other Sub total By product - Foreign Currency Guarantees Letters of credit Bills for collection Forwards purchase Spots purchase Sub total Total Commitments and Contingencies Movement in impairment during the period for Commitments and Contingencies (Rs. '000) Opening balance as at 01 January 2022 Charge/ (write back) to income statement Closing balance as at 30 June 2022 As at Due to other customers By Product - Domestic Currency Current account deposits Savings deposits Time deposits Sub total By Product - Foreign currency Current account deposits Savings deposits Sub total By Product - Foreign currency Current account deposits Savings deposits Margin deposits Savings deposits Margin deposits Margin deposits Margin deposits | 152,309 | 617,283 | 2,421,903 30-Jun-2022 Rs. '000 6,926,012 850,669 1,616,750 - 9,990,101 174,497 19,558,029 1,266,837 265,085 232,859 1,511,103 - 3,275,884 22,833,913 Stage 3 99,609 (75,616) 23,993 30-Jun-2022 Rs. '000 1,647,843 6,368,872 1,022,941 27,229,485 512,843 36,437 36,818,421 389,653 1,004,107 2,940,669 71,883 | 3,191,495 31-Dec-2021 Rs. '000 7,333,205 161,545 4,845 13,950 8,160,225 89,853 15,763,623 520,413 828,407 646,067 1,080,454 20 3,075,361 18,838,984 Total 151,234 (31,124) 120,110 31-Dec-2021 Rs. '000 31,763,623 24,825,668 1,566,433 102,606 36,790,102 57,582 1,081,223 2,236,806 16,689 |

Statement of Changes in Equity

Certification:

These Financial Statements have been prepared in compliance with requirements of the Companies Act No. 07 of 2007.

(Sgd.)

D Gajanayaka Head of Finance

We, the undersigned, being the Managing Director and the Senior Director of Cargills Bank Limited, 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, (B) the information contained in these statements have been extracted from the unaudited financial statements of the Bank, unless indicated as audited

| (Sgd.) | (Sgd.) |
|---|-----------------|
| K B S Bandara | R A Ebell |
| Managing Director / Chief Executive Officer | Senior Director |

15 August 2022 Colombo

Statement of Cash Flows

| | For the period ended | | Sub total |
|---|---|---|--|
| | 30-Jun-2022 Rs. ' 000 | 30-Jun-2021 Rs. ' 000 | Total Commitments and Conti |
| Cash flows from operating activities Profit / (Loss) before income tax | (208,926) | (156,060) | Movement in impairment dur |
| Adjustments for: Non-cash items included in profit / (loss) before income tax Interest paid on lease liability Gains / (losses) on sale of property, plant & equipment and other assets Dividend income | 1,737,828 (16,771) 314 | 486,173 (19,259) (211) (319) | Opening balance as at Charge/ (write back) to Closing balance as at |
| Benefits paid on defined benefit plans Change in operating assets Change in operating liabilities Net cash generated from / (used in) operating activities | (3,515) 889,661 <u>65,533</u> 2,464,124 | 582 (2,833,985) <u>3,570,509</u> 1,047,430 | As at Due to other customers |
| Cash flows from investing activities Net purchase of property, plant and equipment Proceeds from sale of property, plant and equipment Investment in Debenture Net purchase of intangible assets Dividend received Net cash generated from / (used in) investing activities | (26,913) 391 (150,000) (39,508) | (10,139) 211 (24,753) <u>319</u> (34,362) | By Product - Domestic curren Current account deposits Savings deposits Call Deposits Time deposits Certificate of deposits Margin deposits |
| Cash flows from financing activities Payment of lease liability Change in securities sold under repurchase agreements and other borrowings Net cash generated from / (used in) financing activities | (73,293) (1,761,570) (1,834,863) | (65,036) (1,166,847) (1,231,883) | Sub total By Product - Foreign currency Current account deposits Savings deposits Time deposits |
| Net increase / (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the end of the year Less: Impairment on cash and cash equivalents Total cash and cash equivalents | 413,230 1,222,459 1,635,689 (6,443) 1,629,246 | (218,815) 1,429,096 1,210,281 (7,701) 1,202,580 | Margin deposits Sub total Total deposits |



CARGILLS BANK LIMITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

Classification of Financial Assets and Financial Liabilities

| Derivative financial instruments 33 - | As at 30.06.2022 | Fair value through P/L | Fair Value through OCI | Amortized Cost | Total |
|--|---|------------------------|------------------------|----------------|------------|
| Cash and cash equivalents - - 1,629,246 Balances with Contral Bank OS Lanka - - 628,272 Derivative financial instruments 1,276 - 88,272 Financial assets at amotized cost - Dear and Advances to other customers - - 93,01,724 73,9546 Financial assets at fair value through other comprehensive income - Government securities - - - 5,657,574 - 5,657,574 Financial assets at fair value through other comprehensive income - Government securities - - 345,886 345,886 Total financial assets 1,276 8,584,015 43,361,117 51,946,408 Privative financial instruments - - - 345,886 345,886 Total financial instruments - - - 33 - - 33 Financial liabilities at amotized cost - Due to depositors - - - 33 - - 33 Financial liabilities at amotized cost - Due to depositors - - - - - - 33 - - 1,820,92 - - - | | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| Balances with Central Bank of Sri Lanka 682,025 Pracements with Banks 688,272 688,272 Financial assets at anotized cost - Loans and Advances to other customers 39,301,724 39,301,724 Financial assets at anotized cost - Loans and Advances to other customers 373,864 Financial assets at anotized cost - Loans and Advances to other customers 345,886 Financial assets at fair value through other comprehensive income - Equity instruments | Financial assets | | | | |
| Placements with Banks | Cash and cash equivalents | - | - | 1,629,246 | 1,629,246 |
| Derivative financial instruments 1.276 - - 1.276 Financial assets at anotized cost - Loans and Advances to other customers - - - 9.30,724 33.30,726 Financial assets at fair value through other comprehensive income - Government securities - 16.41 - 16.441 Other assets* - 16.41 - 16.441 - 16.441 Other assets - - 345.868 345.868 345.868 Total financial assets at fair value through other comprehensive income - Equity instruments - - 345.868 345.868 Total financial iabilities - - 649.123 649.123 Due to banks - - 1.582.092 1.582.092 1.582.092 Derivative financial liabilities at amortized cost - Other dorpositors - - 41.224.734 33.3 - - 41.224.734 Balances with Certar Bank of Sri Lanka - - 1.582.092 1.582.092 1.582.092 1.582.092 1.582.092 1.582.092 1.582.092 1.582.092 | Balances with Central Bank of Sri Lanka | - | - | 622,025 | 622,025 |
| Financial assets at amortized cost - Loans and Advances to other customers - - 39,301,724 Financial assets at amortized cost - Det and other financial instruments - - 773,964 Financial assets at fair value through other comprehensive income - Equity instruments - 16,441 - 16,454 Triancial assets - - 345,886 345,886 345,886 Total financial assets - - 436,886 345,886 Total financial assets - - 649,123 649,123 Due to banks - - 41,224,733 41,224,733 Financial liabilities - - 1,820,92 1,820,92 Lesse liability - - 278,618 278,618 278,618 Other liabilities at amortized cost - Other borrowings - - 1,820,92 <td< td=""><td>Placements with Banks</td><td>-</td><td>-</td><td>688,272</td><td>688,272</td></td<> | Placements with Banks | - | - | 688,272 | 688,272 |
| Financial assets at anotized cost - Debt and other financial instruments773,964773,964Financial assets at fair value through other comprehensive income - Government securities-6,567,574-6,567,574Financial assets at fair value through other comprehensive income - Equity instruments345,886345,886Other assets*345,886345,886345,886Total financial assets1,2768,584,01543,361,1175,946,005Financial liabilities43,686345,886Due to banks40,91,23Derivative financial instruments41,224,73341,224,733Financial liabilities at anotized cost - Oute obepsitors41,224,73341,224,733Financial liabilities at anotized cost - Oute obepsitors450,207450,207Other liabilities450,207450,207450,207Total financial liabilities450,207450,207Total financial liabilities450,207450,207Cost and cash equivalents450,207450,207Stand cash equivalents450,207450,207Stand cash equivalents450,207450,207Stand cash equivalents1,214,7141,214,754Stand cash equivalents30,200 | Derivative financial instruments | 1,276 | - | - | 1,276 |
| Financial assets at fair value through other comprehensive income - Equity instruments - 8,567,574 - 8,567,574 Financial assets at fair value through other comprehensive income - Equity instruments - 16,441 - 16,441 Other assets* 1,276 8,584,015 43,361,107 51,946,000 Financial liabilities - - 445,886 345,886 Derivative financial instruments 33 - - 345,886 Financial liabilities at amotized cost - Due to depositors - - 41,224,733 41,224,733 Financial liabilities at amotized cost - Other borrowings - - 278,618 278,618 Other iabilities ** - - 278,618 278,618 278,618 Other iabilities ** - - 41,124,733 41,124,733 41,124,733 Sta 31,12,2021-Audited - - 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278,618 278, | Financial assets at amortized cost - Loans and Advances to other customers | - | - | 39,301,724 | 39,301,724 |
| Financial assets at fair value through other comprehensive income - Equity instruments - - 345,886 345,886 Total financial assets 1.276 8,584,015 43,361,17 51,946,406 Financial liabilities - - 345,886 345,886 Oute to banks - - 649,123 649,123 Oute to banks - - 41,224,733 41,224,733 Financial liabilities at amotized cost - Oute to depositors - - 1,582,092 1,582,092 Lease liability - - 278,618 278,618 278,618 278,618 Other liabilities** - - 1,522,092 1,582,092 1,582,092 1,582,092 Total financial liabilities - - 1,582,092 1,582,092 1,582,092 Total financial liabilities** - - 1,582,092 1,582,092 1,582,092 Cash and cash equivalents - - 1,214,754 1,641,192 1,641,192 Placements with Banks - - 1,214,754 40,490,735 40,490,735 Placements with Banks - </td <td>Financial assets at amortized cost - Debt and other financial instruments</td> <td>-</td> <td>-</td> <td>773,964</td> <td>773,964</td> | Financial assets at amortized cost - Debt and other financial instruments | - | - | 773,964 | 773,964 |
| Other assets* - - 345,886 345,886 Total financial assets 1.276 8,584,015 43,361,17 51,946,400 Financial liabilities - - 649,123 649,123 Derivative financial instruments - - 41,224,733 33 - - 31,202 Financial liabilities at amortized cost - Due to depositors - - 41,224,733 41,224,733 Financial liabilities at amortized cost - Due to depositors - - 278,618 278,618 Other liabilities at amortized cost - Other borrowings - - 278,618 278,618 Cast and cash equivalents - - 450,267 440,227 Total financial liabilities - - 78,612 278,618 Balances with Central Bank of Sri Lanka - - 78,62,027 Cash and cash equivalents - - 6649,123 Balances with Central Bank of Sri Lanka - - 6649,223 Cash and cash equivalents - - - < | Financial assets at fair value through other comprehensive income - Government securities | - | 8,567,574 | - | 8,567,574 |
| Total financial assets 1.276 8.584,015 43,361,117 51,946,408 Financial liabilities - - 649,123 649,123 Derivative financial instruments 33 - - 33 Financial liabilities at amortized cost - Due to depositors - - 73,813 - - 33 Case liabilities - - 78,618 278 | Financial assets at fair value through other comprehensive income - Equity instruments | - | 16,441 | - | 16,441 |
| Financial liabilities - - 649,123 Due to banks - - 649,123 Due to banks - - 33 - - 33 Financial liabilities at amortized cost - Due to depositors - - 1,582,092 1,562,092 1,562,692 1,562,692 1,562,692 1,562,692 1,552,692 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 1,552,892 <td>Other assets*</td> <td>-</td> <td>-</td> <td>345,886</td> <td>345,886</td> | Other assets* | - | - | 345,886 | 345,886 |
| Due to banks - - 649,123 Derivative financial instruments 33 - - 33 Financial liabilities at amortized cost - Due to depositors - 41,224,733 14,224,733 Financial liabilities at amortized cost - Other borrowings - - 82,020 1,582,092 < | Total financial assets | 1,276 | 8,584,015 | 43,361,117 | 51,946,408 |
| Due to banks - - 649,123 Derivative financial instruments 33 - - 33 Financial liabilities at amortized cost - Due to depositors - 41,224,733 14,224,733 Financial liabilities at amortized cost - Other borrowings - - 82,020 1,582,092 < | Financial liabilities | | | | |
| Derivative financial instruments 33 - - 33 Financial liabilities at amotized cost - Due to depositors - - 41,224,733 41,224,733 Financial liabilities at amotized cost - Other borrowings - - 726,618 726,767 730 741,84,833 44,184,833 44,184,833 44,184,836 44,184,833 44,184,866 As at 31,12,2021-Audited Sat and cash equivalents 567,802 5 | Due to banks | - | - | 649,123 | 649,123 |
| Financial liabilities at amortized cost - Other borrowings-1,582,0921,582,092Lease liability278,618278,618Other liabilities **450,267450,267Total financial liabilities33-44,184,8344,184,868As at 31.12.2021-Audited1,214,7541,214,754Financial assets1,214,7541,214,754Cash and cash equivalents1,214,7541,214,754Balances with Central Bank of Sri Lanka601,151Derivative financial instruments3,200-40,490,736Financial assets at Amortized costs - Debt and other Instruments3,200-40,490,736Financial assets - at fair value through other comprehensive income - Equity instruments-10,767,16810,767,168Financial assets - at fair value through other comprehensive income - Equity instruments-377,457377,457Total financial instruments377,457377,457Total financial instruments3,009Financial assets - at fair value through other comprehensive income - Equity instruments3,0093,009Total financial instruments3,0093,0093,0093,009Due to banks3,0093,0093,009Derivative financial instruments3,0093,0093,009Financial liabilities at amortized | Derivative financial instruments | 33 | - | - | |
| Financial liabilities at amortized cost - Other borrowings-1,582,0921,582,092Lease liability278,618278,618Other liabilities **450,267450,267Total financial liabilities33-44,184,8344,184,868As at 31.12.2021-Audited1,214,7541,214,754Financial assets1,214,7541,214,754Cash and cash equivalents1,214,7541,214,754Balances with Central Bank of Sri Lanka601,151Derivative financial instruments3,200-40,490,736Financial assets at Amortized costs - Debt and other Instruments3,200-40,490,736Financial assets - at fair value through other comprehensive income - Equity instruments-10,767,16810,767,168Financial assets - at fair value through other comprehensive income - Equity instruments-377,457377,457Total financial instruments377,457377,457Total financial instruments3,009Financial assets - at fair value through other comprehensive income - Equity instruments3,0093,009Total financial instruments3,0093,0093,0093,009Due to banks3,0093,0093,009Derivative financial instruments3,0093,0093,009Financial liabilities at amortized | Financial liabilities at amortized cost - Due to depositors | _ | - | 41.224.733 | |
| Lease liability - - 278,618 278,618 Other liabilities** - - 450,267 450,267 Total financial liabilities 33 - 44,184,833 44,184,868 As at 31.12.2021-Audited - - 1,214,754 1,214,754 Financial assets - - 1,214,754 1,214,754 Balances with Central Bank of Sri Lanka - - 601,151 Derivative financial instruments 3,200 - 44,90,736 Financial assets at Amortized costs - Loans & Advances to other customers - 40,490,736 40,490,736 Financial assets at Amortized costs - Loans & Advances to other customers - 40,490,736 40,490,736 Financial assets at Amortized costs - Loans & Advances to other customers - - 40,490,736 Financial assets at Amortized costs - Loans & Advances to covernment securities - 10,767,168 10,767,168 Financial assets - at fair value through other comprehensive income - Equity instruments - 377,457 377,457 Other assets* - - 377,4 | | - | - | | |
| Other liabilities ** - - 450,267 450,267 Total financial liabilities 33 - 44,184,833 44,184,866 As at 31.12.2021-Audited - - 1,214,754 1,214,754 Financial assets - - 1,214,754 1,214,754 Balances with Central Bank of Sri Lanka - - 567,802 567,802 Placements with Banks - - 601,151 601,151 Derivative financial instruments 3,200 - - 3,200 Financial assets at Amortized costs - Loans & Advances to other customers - 10,767,168 40,490,736 Financial assets - at fair value through other comprehensive income - Government securities - - 37,457 Financial assets - at fair value through other comprehensive income - Equity instruments - - 37,457 Total financial assets 3,200 10,783,609 43,267,429 540,430,7457 Financial liabilities - - - 37,457 37,457 Total financial assets - - 92,6405 3,009 - - 3,009 | - | - | - | | |
| Total financial liabilities 33 44,184,833 44,184,836 As at 31.12.2021-Audited Financial assets Finan | | - | - | | |
| Financial assets Instrict and cash equivalents Instrit and cash equivalents Instrict and cas | | 33 | - | | |
| Financial assets Instrict and cash equivalents Instrit and cash equivalents Instrict and cas | As at 31.12.2021-Audited | | | | |
| Cash and cash equivalents | | | | | |
| Balances with Central Bank of Sri Lanka - - 567,802 Placements with Banks - - 601,151 Derivative financial instruments 3,200 - - 3,200 Financial assets at Amortized costs - Loans & Advances to other customers - 40,490,736 40,490,736 Financial assets at Amortized costs - Debt and other Instruments - - 15,528 15,528 Financial assets - at fair value through other comprehensive income - Government securities - 10,767,168 - 10,767,168 Financial assets - at fair value through other comprehensive income - Equity instruments - - 377,457 377,457 Other assets* - - 377,457 377,457 377,457 Total financial assets 3,200 10,783,609 43,267,429 54,054,237 Due to banks - - 926,405 926,405 Derivative financial instruments 3,009 - - 3,009 Financial liabilities at amortized cost - Due to depositors - 40,182,402 40,182,402 Financial liabilities at amortized cost - Other borrowings - - 3,969,617 </td <td></td> <td>-</td> <td>-</td> <td>1,214,754</td> <td>1.214.754</td> | | - | - | 1,214,754 | 1.214.754 |
| Placements with Banks - - 601,151 Derivative financial instruments 3,200 - 3,200 Financial assets at Amortized costs - Loans & Advances to other customers - 40,490,736 40,490,736 Financial assets at Amortized costs - Debt and other Instruments - - 15,528 15,528 Financial assets - at fair value through other comprehensive income - Government securities - 10,767,168 - 10,767,168 Financial assets - at fair value through other comprehensive income - Equity instruments - - 377,457 377,457 Total financial assets 3,200 10,783,609 43,267,429 54,054,237 Total financial instruments - - 926,405 926,405 Derivative financial instruments 3,009 - - 3,009 Financial liabilities - - 3,009 - 3,009 Due to banks - - - 3,009 - - 3,009 Financial liabilities at amortized cost - Due to depositors - - - 3,969,617 3,969,617 Lease liability - | | - | - | | |
| Derivative financial instruments3,2003,200Financial assets at Amortized costs - Loans & Advances to other customers-40,490,73640,490,736Financial assets at Amortized costs - Debt and other Instruments-10,767,16810,767,168Financial assets - at fair value through other comprehensive income - Government securities-10,767,16810,767,168Financial assets - at fair value through other comprehensive income - Equity instruments-16,44116,441Other assets*-377,457377,457377,457Total financial assets3,20010,783,60943,267,42954,054,237Due to banks926,405926,405Derivative financial instruments3,0093,009Financial liabilities at amortized cost - Due to depositors-3,009-40,182,402Financial liabilities at amortized cost - Other borrowings3,096,6173,069,617Lease liability32,2675332,675Other liabilities**424,258424,258 | | - | - | | |
| Financial assets at Amortized costs - Loans & Advances to other customers-40,409,73640,409,736Financial assets at Amortized costs - Debt and other Instruments-10,767,168-10,767,168Financial assets - at fair value through other comprehensive income - Government securities10,767,168-10,767,168Financial assets - at fair value through other comprehensive income - Equity instruments-16,441-16,441Other assets*377,457377,457377,457Total financial assets3,20010,783,60943,267,42954,054,237Due to banks926,405926,405Due to banks926,4053,009Financial liabilities at amortized cost - Due to depositors3,009-40,182,402Financial liabilities at amortized cost - Other borrowings3,069,6173,069,617Lease liability32,2675332,675Other liabilities**424,258424,258 | | 3,200 | - | | |
| Financial assets at Amortized costs - Debt and other Instruments-15,52815,528Financial assets - at fair value through other comprehensive income - Government securities-10,767,168-10,767,168Financial assets - at fair value through other comprehensive income - Equity instruments-16,44116,44116,441Other assets*377,457377,457377,457Total financial assets3,20010,783,60943,267,42954,054,237Due to banks926,405926,405Due to banks926,4053,009Financial liabilities at amortized cost - Due to depositors-40,182,40240,182,402Financial liabilities at amortized cost - Other borrowings3,969,6173,969,617Lease liability32,2675332,675Other liabilities**424,258424,258 | Financial assets at Amortized costs- Loans & Advances to other customers | - | - | 40,490,736 | |
| Financial assets - at fair value through other comprehensive income - Government securities10,767,16810,767,168Financial assets - at fair value through other comprehensive income - Equity instruments16,44116,441Other assets*-377,457377,457Total financial assets3,20010,783,60943,267,42954,054,237Financial liabilities926,405926,405Due to banks926,405926,405Derivative financial instruments3,0093,009Financial liabilities at amortized cost - Due to depositors-40,182,40240,182,402Financial liabilities at amortized cost - Other borrowings3,969,6173,969,617Lease liability322,675332,675Other liabilities**424,258424,258 | Financial assets at Amortized costs - Debt and other Instruments | - | - | | |
| Financial assets - at fair value through other comprehensive income - Equity instruments-16,441-16,441Other assets*-377,457377,457Total financial assets3,20010,783,60943,267,42954,054,237Financial liabilities926,405926,405Due to banks926,405926,405Derivative financial instruments3,0093,009Financial liabilities at amortized cost - Due to depositors-40,182,40240,182,402Financial liabilities at amortized cost - Other borrowings3,969,6173,969,617Lease liabilities**332,675332,675332,675 | Financial assets - at fair value through other comprehensive income - Government securities | - | 10,767,168 | | |
| Other assets*377,457377,457Total financial assets3,20010,783,60943,267,42954,054,237Financial liabilities926,405926,405Due to banks926,405926,405Derivative financial instruments3,00940,182,402Financial liabilities at amortized cost - Due to depositors-40,182,40240,182,402Financial liabilities at amortized cost - Other borrowings3,969,6173326,75Other liabilities**424,258424,258 | | - | 16,441 | - | |
| Financial liabilities | Other assets* | - | - | 377,457 | 377,457 |
| Due to banks - 926,405 926,405 Derivative financial instruments 3,009 - 40,182,402 40,182,402 Financial liabilities at amortized cost - Due to depositors - 40,182,402 | Total financial assets | 3,200 | 10,783,609 | 43,267,429 | 54,054,237 |
| Due to banks - 926,405 926,405 Derivative financial instruments 3,009 - 40,182,402 40,182,402 Financial liabilities at amortized cost - Due to depositors - 40,182,402 | Financial liabilities | | | | |
| Derivative financial instruments 3,009 - - 3,009 Financial liabilities at amortized cost - Due to depositors 40,182,402 40,182,402 40,182,402 Financial liabilities at amortized cost - Other borrowings - - 3,969,617 3,969,617 Lease liability - - 332,675 332,675 332,675 Other liabilities** - - 424,258 424,258 424,258 | | - | - | 926,405 | 926,405 |
| Financial liabilities at amortized cost - Due to depositors40,182,40240,182,402Financial liabilities at amortized cost - Other borrowings3,969,617Lease liability332,675332,675Other liabilities**424,258424,258 | | 3,009 | - | | |
| Financial liabilities at amortized cost - Other borrowings - 3,969,617 3,969,617 Lease liability - - 332,675 332,675 Other liabilities** - - 424,258 424,258 | | 5,000 | | 40,182,402 | |
| Lease liability - - 332,675 332,675 Other liabilities** - - 424,258 424,258 | | - | - | | |
| Other liabilities** 424,258 424,258 | | - | - | | |
| | | - | - | | |
| | | 3.009 | - | · · · · · | 45,838,366 |

* Other assets only include other receivables

** Other liabilities exclude accrued expenditure and impairment on commitments and contingencies

Fair Value Hierarchy

The Bank measures the fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement

• Level 1 : Fair value measurement using unadjusted quoted market prices

Inputs that are quoted market prices (unadjusted) in an active market for identical instruments.

• Level 2 : Fair value measurement using significant observable inputs

Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using;

- (a) quoted prices in active markets for similar instruments.
- (b) quoted prices for identical or similar instruments in markets that are considered to be less active. or
- (c) other valuation techniques in which almost all significant inputs are directly or indirectly observable from market data.

· Level 3 : Fair value measurement using significant unobservable inputs

Inputs that are unobservable.

This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Bank believes that a third party market participant would take them into account in pricing a transaction.

Financial instruments measured at fair value - fair value hierarchy

The following table provides an analysis of assets and liabilities measured at fair value as at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. These amounts were based on the values recognised in the Statement of Financial Position:

| | Level 1 | Level 2 | Level 3 | Total |
|--|------------|----------|----------|------------|
| | Rs. '000 | Rs. '000 | Rs. '000 | Rs. '000 |
| As at 30 June 2022 | | | | |
| Financial Assets | | | | |
| Derivative financial instruments | - | 1,276 | - | 1,276 |
| Financial assets measured at fair value through other comprehensive income | | | | |
| Government Securities | 8,567,574 | - | - | 8,567,574 |
| Equity Securities | - | - | 16,441 | 16,441 |
| Total assets at fair value | 8,567,574 | 1,276 | 16,441 | 8,585,291 |
| Liabilities | | | | |
| Derivative financial instruments | - | 33 | - | 33 |
| Total liabilities at fair value | - | 33 | - | 33 |
| As at 31 December 2021 (Audited) | | | | |
| Financial Assets | | | | |
| Derivative financial instruments | - | 3,200 | - | 3,200 |
| Financial assets measured at fair value through other comprehensive income | | | | |
| Government securities | 10,767,168 | - | - | 10,767,168 |
| Equity Securities | - | | 16,441 | 16,441 |
| Total assets at fair value | 10,767,168 | 3,200 | 16,441 | 10,786,809 |
| Liabilities | | | | |
| Derivative financial instruments | - | 3,009 | - | 3,009 |
| Total liabilities at fair value | - | 3,009 | - | 3,009 |

Selected Performance Indicators

| As at | 30-Jun-2022 | 31-Dec-2021 |
|---|-------------|-------------|
| Regulatory Capital (Rs. '000) Common Equity Tier 1 | 8,164,886 | 8,421,650 |
| Tier 1 Capital | 9,664,886 | , , |
| Total Capital | 9,980,003 | 10,236,768 |
| Regulatory Capital Ratios (%) | | |
| Common Equity Tier 1 Capital Ratio (Minimum Requirement - 7%) | 19.00 | |
| Tier 1 Capital Ratio (Minimum Requirement - 8.5%) | 22.50 | |
| Total Capital Ratio (Minimum Requirement - 12.5%) | 23.23 | 23.47 |
| Leverage Ratio (Minimum Requirement - 3%) | 13.78 | 13.86 |
| Regulatory Liquidity | | |
| Statutory Liquid Assets, (Rs. '000) Statutory Liquid Assets Ratio, % (Minimum Requirement - 20%) | 10,318,740 | 10,197,054 |
| Domestic Banking Unit, % | 21.59 | 26.30 |
| Off-Shore Banking Unit, % | 90.65 | 90.79 |
| Total Stock of High-Quality Liquid Assets (Rs. '000) | 9,048,108 | |
| Liquidity Coverage Ratio, % - Minimum Requirement - 90% | | |
| Rupee, % | 159.00 | 164.00 |
| All currency, % | 126.86 | |
| Net Stable Funding Ratio (%) - Minimum Requirement - 90% | 128 | 117 |
| Assets Quality (Quality of Loan Portfolio) | | |
| Stage 3 Loans (Net of Stage 3 Impairment) to Total Loans | 8.28 | 6.43 |
| Stage 3 Loan Impairment to Stage 3 Loans (Stage 3 Provision Cover) | 49.04 | 46.30 |
| Profitability | | |
| Interest Margin,% | 5.13 | |
| Return on Assets (before tax),% | (0.71) | (0.74) |
| Return on Equity,% | (4.23) | (2.99) |

Operating Segments

| | Ban | Banking Tr | | Treasury/ Investments | | Unallocated | | tal |
|--|-------------|-------------|-------------|-----------------------|-------------|-------------|-------------|-------------|
| For the six months ended 30 June | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Net interest income | 1,370,585 | 870,907 | 21,379 | 2,209 | - | - | 1,391,964 | 873,116 |
| Foreign exchange profit | (645,675) | 860 | 641,896 | 114,671 | - | - | (3,779) | 115,531 |
| Net fees and commission income | 386,442 | 207,091 | 3,489 | 218 | - | - | 389,931 | 207,309 |
| Other income | 2,188 | (4,038) | 5,000 | 19,541 | 314 | 196 | 7,502 | 15,699 |
| Operating income by segment | 1,113,540 | 1,074,820 | 671,764 | 136,639 | 314 | 196 | 1,785,619 | 1,211,655 |
| Personnel and other operating expenses | (934,513) | (833,924) | (11,108) | (9,801) | - | - | (945,621) | (843,725) |
| Credit loss expense | (801,748) | (250,639) | 1,262 | - | - | - | (800,486) | (250,639) |
| Total operating expenses | (1,736,262) | (1,084,563) | (9,846) | (9,801) | - | - | (1,746,107) | (1,094,364) |
| Net operating income | (622,721) | (9,743) | 661,918 | 126,838 | 314 | 196 | 39,512 | 117,291 |
| Depreciation and amortisation | (183,690) | (208,543) | (139) | (207) | - | - | (183,829) | (208,750) |
| Operating profit/(loss) by segment | (806,096) | (218,286) | 661,779 | 126,631 | 314 | 196 | (144,317) | (91,459) |
| VAT on financial services | (64,608) | (64,601) | - | - | - | - | (64,608) | (64,601) |
| Segment result | (870,704) | (282,887) | 661,779 | 126,631 | 314 | 196 | (208,925) | (156,060) |
| Income tax expense | | | | | | | 13,827 | (72,570) |
| Profit/(Loss) for the year | | | | | | | (195,098) | (228,630) |
| | | | | | | | | |
| As at | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |
| Other information | | | | | | | | |
| Segment assets | 42,910,507 | 38,187,078 | 10,888,632 | 10,430,047 | - | - | 53,799,139 | 48,617,125 |
| Segment liabilities | 42,825,335 | 38,265,561 | 1,905,706 | 895,852 | - | - | 44,731,041 | 39,161,413 |

Shareholders' Information

| | Twenty three largest shareholders as at 30 June 2022 | No. of shares | % |
|----|--|---------------|---------|
| 1 | Cargills (Ceylon) PLC | 350,696,905 | 39.71 * |
| 2 | CT Holdings PLC | 223,345,953 | 25.29 * |
| 3 | Monetary Board of Sri Lanka - On Behalf of EPF | 44,000,000 | 4.98 |
| 4 | Mulitex Investment Limited | 30,800,000 | 3.49 |
| 5 | MJF Foundation Investments (Pvt) Ltd | 28,000,000 | 3.17 |
| 6 | Softlogic Life Insurance PLC | 26,600,000 | 3.01 |
| 7 | MAS Amaliya (Pvt) Ltd | 22,000,000 | 2.49 |
| 8 | Rosewood (Pvt) Ltd | 16,000,000 | 1.81 |
| 9 | Phoenix Ventures Limited | 13,200,000 | 1.49 |
| 10 | Aindri Holdings Pte Ltd | 11,000,000 | 1.25 |
| 11 | A I A Holdings Lanka (Pvt) Ltd | 11,000,000 | 1.25 |
| 12 | Softlogic Holdings PLC | 10,000,000 | 1.13 |
| 13 | Gardiya Lokuge Harris Premaratne | 9,089,000 | 1.03 |
| 14 | Merrill Joseph Fernando | 7,800,000 | 0.88 |
| 15 | Softlogic Capital PLC | 7,400,000 | 0.84 |
| 16 | GF Capital Global Limited | 6,100,000 | 0.69 |
| 17 | Periyasamipillai Barathakumar | 4,400,000 | 0.50 |
| 18 | Periyasamipillai Muruganandhan | 4,400,000 | 0.50 |
| 19 | Periyasamipillai Anandarajah | 4,400,000 | 0.50 |
| 20 | Periyasamipillai Devaraj | 4,400,000 | 0.50 |
| 21 | Periyasamipillai Barathamanickam | 4,400,000 | 0.50 |
| 22 | Ishara Chinthaka Nanayakkara | 4,400,000 | 0.50 |
| 23 | Lalan Rubber Holdings (Pvt) Ltd | 4,400,000 | 0.50 |

| ~ | | 1,100,000 | 0100 | × | |
|---|---|-------------|--------|----------|--|
| | Sub total | 847,831,858 | 96 | l s . | |
| | Other Shareholders | 35,311,000 | 4 | > | |
| | Total | 883,142,858 | 100.00 | N N | |
| | vising rights will be avarcised by Cargille (Caylon) PIC and CT Holdings PIC on any shares held in average of 30% of the issued capital of the hank carging vising rights | | | | |

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* No vo

Explanatory Notes

- 1) These Financial Statements are prepared in accordance with LKAS 34 Interim Financial Reporting issued by the Institute of Chartered Accountants of Sri Lanka. There were no changes to Accounting Policies and methods of computation since the publication of the Annual Report for the year ended 31 December 2021.
- 2) Due to the potential impact of the Covid 19 pandemic on Sri Lankan individuals and businesses, the Central Bank of Sri Lanka (CBSL) issued several circulars and guidelines introducing different relief measures to safeguard those businesses impacted due to the global COVID -19 pandemic in order to manage the adverse impact on the Sri Lankan economy. The Bank continuously monitors and takes necessary actions based on any subsequent Directions issued by CBSL.
- 3) The Bank estimated its Expected Credit Loss (ECL) for collective impairment as at 30 June 2022 based on the updated Probability of Default (PD) in 31 December 2021 and Loss Given Default (LGD) values for 30 June 2022. The Economic Factor Adjustment (EFA) is updated where necessary. The Management made approximate overlay adjustments for electric the increased credit risk profiles of borrowers due to the recent volatility in the macro-economic environment including rupee depreciation, increase in inflation and interest rates, etc.

The Bank continuously reassesses its individually significant portfolio and incorporates impairment provisions on identified segments and customers to reflect increased credit risk since initial recognition. Accordingly, the impairment provision also includes a management overlay where higher impairment charges were considered as a prudential measure in assessing the current macroeconomic environment.

The exchange impact on impairment charges on loans and advances denominated in foreign currency was recognised in Net Other Operating Income where the corresponding exchange gains are recognised and the total impact for the 06 months period was recognised in the quarter ended 30 June 2022.

4) Income Tax - Year of Assessment 2013/2014

The Commissioner General of Inland Revenue (CGIR) issued a Notice of Assessment for the Year of Assessment 2013/2014. The Bank has appealed to the Tax Appeals Commission and the Bank awaits the hearing of the Appeal from the Tax Appeals Commission.

Income Tax - Year of Assessment 2017/2018

The CGIR issued a Notice of Assessment for the Year of Assessment 2017/2018. The Bank has lodged an appeal against the said assessment. The appeal is currently at the IRD hearing stage

Management is of the opinion that the outcome of the above will not have a material impact to the Financial Statements.

5) There was no pending litigation of a material nature against the Bank.

6) All known expenses have been provided in these Interim Financial Statements.

7) No circumstances have arisen since the reporting date which would require adjustment to or disclosure in the Financial Statements.

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