

**INTERIM FINANCIAL STATEMENTS**  
**For the six months ended June 30, 2024**

# Financial review for the six months ended June 30, 2024

## Resilient ComBank maintains growth impetus in Q2 despite external pressures

- Continues to push lending, growing loan book by Rs 67.55 bn. in six months
- Strong CASA ratio of 39.95% lessens interest expense growth
- Net interest income up 56.53% to Rs 58.62 bn.
- Total taxes increase by 92% to Rs 14.88bn.

Characteristically agile and proactive responses to market-specific dynamics have enabled the Commercial Bank of Ceylon Group to achieve commendable growth in the first half of 2024, despite a reduced topline.

The Group, comprising of Sri Lanka's biggest private sector bank, its subsidiaries and an associate, has reported gross income of Rs 163.12 billion for the six months ending 30<sup>th</sup> June 2024, a decline of 2.71% over the corresponding period of 2023. However, gross income for the second quarter, at Rs 82.91 billion, was down only by a marginal 0.73%, reflecting an improvement over the first quarter.

The reduction in gross income was attributed to reduced interest income due to lower market interest rates on loans and government securities compared to 2023. Interest income for the six months under review amounted to Rs 139.26 billion, a drop of 7.66%, but with interest expenses for the same period reducing by 28.86% to Rs 80.64 billion as a result of an improvement in the Bank's CASA ratio and repricing of deposits, net interest income grew by 56.53% to Rs 58.62 billion.

Notably, the CASA ratio of the Bank improved to 39.95% as at 30<sup>th</sup> June 2024, from 39.23% as at December 2023 and 38.83% at the end of the first half of the previous year.

The Group ended the first half of 2024 with gross loans and advances of Rs 1.36 trillion, a growth of Rs 67.55 billion or 5.21% over six months, at a monthly average of Rs 11.26 billion. Loan book growth over the preceding 12 months was Rs 175.77 billion, averaging Rs 14.65 billion per month.

Deposits grew by 2.1% to Rs 2.19 trillion in the six months reviewed, despite the appreciation of Rupee against the Dollar, reflecting average monthly growth of Rs 7.50 billion, and YoY growth of 11.96%, with monthly average growth of Rs 19.52 billion over 12 months.

Total assets of the Group increased by Rs 228.30 billion or 9.27% YoY, and by Rs 34.85 billion or 1.31% in the period under review to reach Rs 2.690 trillion as at 30<sup>th</sup> June 2024.

Total operating income of the Group for the six months grew by 52.92% to Rs 77.26 billion. The Group made provisions of Rs 19.02 billion for impairment charges and other losses, an increase of 43.95% over the figure for the corresponding six months of 2023.

Net operating income for the period increased by 56.10% to Rs 58.24 billion. With total operating expenses for the six months increasing by a lower rate of 14.93% to Rs 24.46 billion, the Group reported operating profit before taxes on financial services of Rs 33.78 billion, reflecting growth of 110.80%.

Taxes on financial services increased by 140.96% to Rs 4.66 billion, leading to a Group profit before tax of Rs 29.12 billion for the six months, an improvement of 106.62%. Income tax for the six months increased by 76.12% to Rs 10.22 billion, resulting in a net after tax profit of Rs 18.90 billion for the first half of 2024, representing a growth of 127.96% compared to the first half of 2023.

Taken separately, Commercial Bank of Ceylon PLC reported profit before tax of Rs 28.02 billion and profit after tax of Rs 18.10 billion for the six months, achieving growths of 116.02% and 140.87%, respectively, for the first half of 2024.

In other key performance indicators, the Bank reported its Tier 1 and Total Capital Ratios at 11.583% and 15.117% respectively as at 30<sup>th</sup> June 2024, both comfortably above the statutory minimum ratios of 10% and 14% respectively. In July 2024, the Bank raised Rs 20 billion via a debenture issue, the largest ever by a private sector bank in the country, while its rights issue of ordinary shares in early August, the largest rights issue by a private sector bank in the country, is expected to raise up to Rs 22.54 billion, further strengthening capital adequacy.

The Bank's interest margin improved to 4.41% for the six months, compared to 3.32% for 2023. Return on assets (before tax) stood at 2.17% compared to 1.27% for 2023, while its return on equity grew to 16.76% from 9.78% for 2023.

The Bank's Cost to income ratio inclusive of taxes on financial services stood at 37.82% compared to 40.31% in 2023.

In terms of asset quality, the Bank's impaired loans (Stage 3) ratio stood at 4.87% compared to 5.85% at end 2023, while its impairment (Stage 3) to Stage 3 loans ratio increased to 49.18% as at 30<sup>th</sup> June 2024 compared to 43.22% at end 2023, consequent to the increase in impairment provisions for the six months reviewed.

Sri Lanka's first 100% carbon neutral bank, Commercial Bank is the first Sri Lankan bank to be listed among the Top 1000 Banks of the World. The Bank is the largest lender to Sri Lanka's SME sector, and is a leader in digital innovation in the country's Banking sector. Commercial Bank operates a strategically located network of branches and 966 automated machines island-wide, and has the widest international footprint among Sri Lankan banks, with 20 outlets in Bangladesh, a Microfinance company in Myanmar, and a fully-fledged Tier I Bank with a majority stake in the Maldives.

	For the six months ended			For the quarter ended		
	30.06.2024 Rs.'000	30.06.2023 Rs.'000	Change %	30.06.2024 Rs.'000	30.06.2023 Rs.'000	Change %
<b>Gross income</b>	<b>163,118,778</b>	<b>167,668,267</b>	<b>(2.71)</b>	<b>82,910,908</b>	<b>83,519,041</b>	<b>(0.73)</b>
Interest income	139,260,407	150,811,644	(7.66)	68,869,457	74,872,632	(8.02)
Less : Interest expense	80,640,556	113,361,974	(28.86)	37,947,638	56,398,189	(32.71)
<b>Net interest income</b>	<b>58,619,851</b>	<b>37,449,670</b>	<b>56.53</b>	<b>30,921,819</b>	<b>18,474,443</b>	<b>67.38</b>
Fee and commission income	16,290,544	14,377,446	13.31	8,089,762	7,076,778	14.31
Less: Fee and commission expense	5,221,103	3,786,488	37.89	2,653,519	1,887,996	40.55
<b>Net fee and commission income</b>	<b>11,069,441</b>	<b>10,590,958</b>	<b>4.52</b>	<b>5,436,243</b>	<b>5,188,782</b>	<b>4.77</b>
Net gains/(losses) from trading	(3,571,986)	(15,531,353)	77.00	(1,664,493)	(6,555,889)	74.61
Net gains/(losses) from derecognition of financial assets	3,133,045	924,510	238.89	1,145,711	587,244	95.10
Net other operating income	8,006,768	17,086,020	(53.14)	6,470,471	7,538,276	(14.17)
<b>Other operating income</b>	<b>7,567,827</b>	<b>2,479,177</b>	<b>205.26</b>	<b>5,951,689</b>	<b>1,569,631</b>	<b>279.18</b>
<b>Total operating income</b>	<b>77,257,119</b>	<b>50,519,805</b>	<b>52.92</b>	<b>42,309,751</b>	<b>25,232,856</b>	<b>67.68</b>
Less : Impairment charges and other losses	19,016,523	13,210,963	43.95	15,580,582	6,413,788	142.92
<b>Net operating income</b>	<b>58,240,596</b>	<b>37,308,842</b>	<b>56.10</b>	<b>26,729,169</b>	<b>18,819,068</b>	<b>42.03</b>
<b>Less: Expenses</b>	<b>24,462,703</b>	<b>21,284,794</b>	<b>14.93</b>	<b>12,408,404</b>	<b>10,607,104</b>	<b>16.98</b>
Personnel expenses	13,275,002	11,296,515	17.51	6,742,452	5,684,029	18.62
Depreciation and amortisation	2,245,980	2,084,338	7.76	1,135,855	1,020,578	11.30
Other operating expenses	8,941,721	7,903,941	13.13	4,530,097	3,902,497	16.08
<b>Operating profit before Taxes on financial services</b>	<b>33,777,893</b>	<b>16,024,048</b>	<b>110.80</b>	<b>14,320,765</b>	<b>8,211,964</b>	<b>74.39</b>
Less: Taxes on financial services	4,660,032	1,933,968	140.96	1,941,302	862,074	125.19
<b>Operating profit after Taxes on financial services</b>	<b>29,117,861</b>	<b>14,090,080</b>	<b>106.66</b>	<b>12,379,463</b>	<b>7,349,890</b>	<b>68.43</b>
Add/(less): Share of profit/(loss) of associate, net of tax	(547)	2,352	(123.26)	29	1,107	(97.38)
<b>Profit before income tax</b>	<b>29,117,314</b>	<b>14,092,432</b>	<b>106.62</b>	<b>12,379,492</b>	<b>7,350,997</b>	<b>68.41</b>
Less : Income tax expense	10,218,243	5,801,958	76.12	4,288,752	3,419,553	25.42
<b>Profit for the period</b>	<b>18,899,071</b>	<b>8,290,474</b>	<b>127.96</b>	<b>8,090,740</b>	<b>3,931,444</b>	<b>105.80</b>
<b>Profit attributable to:</b>						
Equity holders of the Bank	18,555,388	7,966,526	132.92	7,928,850	3,750,123	111.43
Non-controlling interest	343,683	323,948	6.09	161,890	181,321	(10.72)
<b>Profit for the period</b>	<b>18,899,071</b>	<b>8,290,474</b>	<b>127.96</b>	<b>8,090,740</b>	<b>3,931,444</b>	<b>105.80</b>
<b>Earnings per share (EPS)</b>						
Basic earnings per ordinary share (Rs.)	13.85	6.07	128.17	5.92	2.86	106.99
Diluted earnings per ordinary share (Rs.)	13.83	6.07	127.84	5.91	2.86	106.64

	For the six months ended			For the quarter ended		
	30.06.2024 Rs.'000	30.06.2023 Rs.'000	Change %	30.06.2024 Rs.'000	30.06.2023 Rs.'000	Change %
<b>Profit for the period</b>	<b>18,899,071</b>	<b>8,290,474</b>	<b>127.96</b>	<b>8,090,740</b>	<b>3,931,444</b>	<b>105.80</b>
<b>Other comprehensive income, net of tax</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Net change in fair value of investments in equity	76,228	(13,942)	646.75	44,552	(10,448)	526.42
Change in fair value of investments in equity at fair value through other comprehensive income	76,228	(13,942)	646.75	44,552	(10,448)	526.42
Share of other comprehensive income/(expense) of associate, net of tax	(45)	203	(122.17)	63	(30)	310.00
<b>Items that are or may be reclassified to profit or loss</b>						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	(8,348,353)	(13,692,351)	39.03	(3,176,252)	(4,914,364)	35.37
Net gains/(losses) on investment in financial assets at fair value through other comprehensive income	(76,715)	2,941,161	(102.61)	(914,956)	1,643,977	(155.66)
Fair value gains/(losses) that arose during the period, net of tax	2,116,387	3,588,318	(41.02)	(112,959)	2,055,048	(105.50)
Fair value (gains)/losses realised to the Income Statement on disposal, net of tax	(2,193,102)	(647,157)	(238.88)	(801,997)	(411,071)	(95.10)
Cash flow hedges - effective portion of changes in fair value, net of tax	-	(36,554)	100.00	-	-	-
<b>Other comprehensive income/(expense) for the period, net of taxes</b>	<b>(8,348,885)</b>	<b>(10,801,483)</b>	<b>22.71</b>	<b>(4,046,593)</b>	<b>(3,280,865)</b>	<b>(23.34)</b>
<b>Total comprehensive income/(expense) for the period</b>	<b>10,550,186</b>	<b>(2,511,009)</b>	<b>520.16</b>	<b>4,044,147</b>	<b>650,579</b>	<b>521.62</b>
<b>Attributable to:</b>						
Equity holders of the Bank	10,438,139	(2,225,221)	569.08	3,808,088	667,534	470.47
Non-controlling interest	112,047	(285,788)	139.21	236,059	(16,955)	1,492.27
<b>Total comprehensive income/(expense) for the period</b>	<b>10,550,186</b>	<b>(2,511,009)</b>	<b>520.16</b>	<b>4,044,147</b>	<b>650,579</b>	<b>521.62</b>

	For the six months ended			For the quarter ended		
	30.06.2024	30.06.2023	Change	30.06.2024	30.06.2023	Change
	(Audited) Rs.'000	(Audited) Rs.'000	%	Rs.'000	Rs.'000	%
<b>Gross income</b>	<b>159,809,278</b>	<b>164,914,484</b>	<b>(3.10)</b>	<b>81,124,798</b>	<b>82,123,315</b>	<b>(1.22)</b>
Interest income	136,668,229	148,457,881	(7.94)	67,528,469	73,696,742	(8.37)
Less : Interest expense	79,716,107	112,530,947	(29.16)	37,464,483	55,977,820	(33.07)
<b>Net interest income</b>	<b>56,952,122</b>	<b>35,926,934</b>	<b>58.52</b>	<b>30,063,986</b>	<b>17,718,922</b>	<b>69.67</b>
Fee and commission income	15,802,278	13,967,767	13.13	7,830,750	6,886,765	13.71
Less: Fee and commission expense	5,144,534	3,741,418	37.50	2,615,147	1,866,035	40.14
<b>Net fee and commission income</b>	<b>10,657,744</b>	<b>10,226,349</b>	<b>4.22</b>	<b>5,215,603</b>	<b>5,020,730</b>	<b>3.88</b>
Net gains/(losses) from trading	(3,571,986)	(15,531,353)	77.00	(1,664,493)	(6,555,889)	74.61
Net gains/(losses) from derecognition of financial assets	3,133,045	924,510	238.89	1,145,711	587,244	95.10
Net other operating income	7,777,712	17,095,679	(54.50)	6,284,361	7,508,453	(16.30)
<b>Other operating income</b>	<b>7,338,771</b>	<b>2,488,836</b>	<b>194.87</b>	<b>5,765,579</b>	<b>1,539,808</b>	<b>274.43</b>
<b>Total operating income</b>	<b>74,948,637</b>	<b>48,642,119</b>	<b>54.08</b>	<b>41,045,168</b>	<b>24,279,460</b>	<b>69.05</b>
Less : Impairment charges and other losses	18,581,166	13,102,435	41.81	15,289,196	6,462,414	136.59
<b>Net operating income</b>	<b>56,367,471</b>	<b>35,539,684</b>	<b>58.60</b>	<b>25,755,972</b>	<b>17,817,046</b>	<b>44.56</b>
<b>Less: Expenses</b>	<b>23,701,493</b>	<b>20,643,327</b>	<b>14.81</b>	<b>11,999,431</b>	<b>10,329,471</b>	<b>16.17</b>
Personnel expenses	12,801,028	10,906,424	17.37	6,486,870	5,497,726	17.99
Depreciation and amortisation	2,211,900	2,079,707	6.36	1,116,456	1,029,249	8.47
Other operating expenses	8,688,565	7,657,196	13.47	4,396,105	3,802,496	15.61
<b>Operating profit before Taxes on financial services</b>	<b>32,665,978</b>	<b>14,896,357</b>	<b>119.29</b>	<b>13,756,541</b>	<b>7,487,575</b>	<b>83.72</b>
Less: Taxes on financial services	4,645,669	1,925,238	141.30	1,931,010	853,344	126.29
<b>Operating profit after Taxes on financial services</b>	<b>28,020,309</b>	<b>12,971,119</b>	<b>116.02</b>	<b>11,825,531</b>	<b>6,634,231</b>	<b>78.25</b>
Less : Income tax expense	9,922,588	5,457,607	81.81	4,179,094	3,211,792	30.12
<b>Profit for the period</b>	<b>18,097,721</b>	<b>7,513,512</b>	<b>140.87</b>	<b>7,646,437</b>	<b>3,422,439</b>	<b>123.42</b>
<b>Earnings per share (EPS)</b>						
Basic earnings per ordinary share (Rs.)	13.51	5.72	136.19	5.71	2.61	118.77
Diluted earnings per ordinary share (Rs.)	13.49	5.72	135.84	5.70	2.61	118.39

	For the six months ended			For the quarter ended		
	30.06.2024	30.06.2023	Change	30.06.2024	30.06.2023	Change
	(Audited) Rs.'000	(Audited) Rs.'000	%	Rs.'000	Rs.'000	%
<b>Profit for the period</b>	<b>18,097,721</b>	<b>7,513,512</b>	<b>140.87</b>	<b>7,646,437</b>	<b>3,422,439</b>	<b>123.42</b>
<b>Other comprehensive income, net of tax</b>						
<b>Items that will never be reclassified to profit or loss</b>						
Net change in fair value of investments in equity	76,228	(13,942)	646.75	44,552	(10,448)	526.42
Change in fair value of investments in equity at fair value through other comprehensive income	76,228	(13,942)	646.75	44,552	(10,448)	526.42
<b>Items that are or may be reclassified to profit or loss</b>						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	(7,668,979)	(12,272,058)	37.51	(3,326,500)	(4,452,921)	25.30
Net gains/(losses) on investment in financial assets at fair value through other comprehensive income	(76,721)	2,934,322	(102.61)	(913,436)	1,643,227	(155.59)
Fair value gains/(losses) that arose during the period, net of tax	2,116,381	3,581,479	(40.91)	(111,439)	2,054,298	(105.42)
Fair value (gains)/losses realised to the Income Statement on disposal, net of tax	(2,193,102)	(647,157)	(238.88)	(801,997)	(411,071)	(95.10)
Cash flow hedges - effective portion of changes in fair value, net of tax	-	(36,554)	100.00	-	-	-
<b>Other comprehensive income/(expense) for the period, net of taxes</b>	<b>(7,669,472)</b>	<b>(9,388,232)</b>	<b>18.31</b>	<b>(4,195,384)</b>	<b>(2,820,142)</b>	<b>(48.76)</b>
<b>Total comprehensive income/(expense) for the period</b>	<b>10,428,249</b>	<b>(1,874,720)</b>	<b>656.26</b>	<b>3,451,053</b>	<b>602,297</b>	<b>472.98</b>



## STATEMENT OF FINANCIAL POSITION

5

As at	Group			Bank		
	30.06.2024	31.12.2023	Change	30.06.2024	31.12.2023	Change
	(Audited)	(Audited)		(Audited)	(Audited)	
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>ASSETS</b>						
Cash and cash equivalents	103,437,079	159,701,507	(35.23)	101,811,169	157,819,287	(35.49)
Balances with Central Banks	48,211,823	62,633,503	(23.03)	39,797,629	52,817,502	(24.65)
Placements with banks	126,150,729	81,506,653	54.77	125,372,367	81,344,696	54.12
Securities purchased under resale agreements	11,917,984	31,148,729	(61.74)	11,917,984	31,148,729	(61.74)
Derivative financial assets	5,291,686	7,226,484	(26.77)	5,291,686	7,226,484	(26.77)
Financial assets recognised through profit or loss - measured at fair value	77,951,714	29,449,653	164.69	77,951,714	29,449,653	164.69
Financial assets at amortised cost - Loans and advances to other customers	1,265,991,667	1,204,865,597	5.07	1,233,245,826	1,176,359,971	4.84
Financial assets at amortised cost - Debt and other financial instruments	648,766,175	685,155,537	(5.31)	619,707,183	649,740,408	(4.62)
Financial assets measured at fair value through other comprehensive income	297,079,303	287,732,972	3.25	295,333,192	287,023,009	2.90
Investments in subsidiaries	-	-	-	5,808,429	5,808,429	-
Investment in associate	58,411	59,004	(1.01)	44,331	44,331	-
Property, plant and equipment and right-of-use assets	29,938,899	28,997,246	3.25	26,982,885	26,257,902	2.76
Investment properties	628,125	597,825	5.07	-	-	-
Intangible assets	4,309,381	4,289,404	0.47	3,769,124	3,736,504	0.87
Deferred tax assets	37,108,309	34,511,410	7.52	36,608,773	34,076,526	7.43
Other assets	33,621,620	37,736,151	(10.90)	33,369,841	37,474,448	(10.95)
<b>Total Assets</b>	<b>2,690,462,905</b>	<b>2,655,611,675</b>	<b>1.31</b>	<b>2,617,012,133</b>	<b>2,580,327,879</b>	<b>1.42</b>
<b>LIABILITIES</b>						
Due to banks	29,722,835	47,948,578	(38.01)	29,151,318	47,274,361	(38.34)
Derivative financial liabilities	1,196,124	2,319,209	(48.43)	1,196,124	2,319,209	(48.43)
Securities sold under repurchase agreements	121,428,959	111,186,824	9.21	121,461,356	111,198,516	9.23
Financial liabilities at amortised cost - due to depositors	2,192,925,482	2,147,906,858	2.10	2,132,108,093	2,085,046,149	2.26
Financial liabilities at amortised cost - other borrowings	11,587,547	12,756,021	(9.16)	11,587,547	12,756,021	(9.16)
Current tax liabilities	18,101,556	15,256,244	18.65	17,781,089	14,951,984	18.92
Deferred tax liabilities	513,703	514,207	(0.10)	-	-	-
Other liabilities	48,377,491	56,266,302	(14.02)	47,069,515	55,050,477	(14.50)
Due to subsidiaries	-	-	-	196,511	317,221	(38.05)
Subordinated liabilities	37,178,895	36,482,939	1.91	37,178,895	36,482,939	1.91
<b>Total Liabilities</b>	<b>2,461,032,592</b>	<b>2,430,637,182</b>	<b>1.25</b>	<b>2,397,730,448</b>	<b>2,365,396,877</b>	<b>1.37</b>

## STATEMENT OF FINANCIAL POSITION (Contd...)

6

As at	Group			Bank		
	30.06.2024	31.12.2023	Change	30.06.2024	31.12.2023	Change
	(Audited)	(Audited)		(Audited)	(Audited)	
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>EQUITY</b>						
Stated capital	65,374,734	62,948,003	3.86	65,374,734	62,948,003	3.86
Statutory reserves	13,586,534	13,586,534	-	12,375,906	12,375,906	-
Retained earnings	19,971,984	9,943,003	100.86	18,129,699	8,558,385	111.84
Other reserves	125,898,028	133,993,167	(6.04)	123,401,346	131,048,708	(5.84)
<b>Total equity attributable to equity holders of the Bank</b>	<b>224,831,280</b>	<b>220,470,707</b>	<b>1.98</b>	<b>219,281,685</b>	<b>214,931,002</b>	<b>2.02</b>
<b>Non-Controlling Interest</b>	<b>4,599,033</b>	<b>4,503,786</b>	<b>2.11</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>229,430,313</b>	<b>224,974,493</b>	<b>1.98</b>	<b>219,281,685</b>	<b>214,931,002</b>	<b>2.02</b>
<b>Total Liabilities and Equity</b>	<b>2,690,462,905</b>	<b>2,655,611,675</b>	<b>1.31</b>	<b>2,617,012,133</b>	<b>2,580,327,879</b>	<b>1.42</b>
<b>Contingent Liabilities and Commitments</b>	<b>661,784,412</b>	<b>675,776,516</b>	<b>(2.07)</b>	<b>656,066,205</b>	<b>668,875,778</b>	<b>(1.92)</b>
<b>Net Assets Value per Ordinary Share (Rs.)</b>	<b>167.66</b>	<b>167.77</b>	<b>(0.07)</b>	<b>163.52</b>	<b>163.55</b>	<b>(0.02)</b>
<b>Memorandum Information</b>						
Number of Employees				5,293	5,201	
Number of Customer Service Centers				291	291	

**CERTIFICATION :**

I certify that the above financial statements are prepared in compliance with the requirements of the Companies Act No. 7 of 2007 and give a true and fair view of the state of affairs of Commercial Bank of Ceylon PLC and the Group as at June 30, 2024 and its financial performance/profit for the 6 months period ended June 30, 2024.

**(Sgd.) K.D.N. Buddhipala**

*Chief Financial Officer*

We, the undersigned, being the Chairman and the Managing Director/Chief Executive Officer of the Commercial Bank of Ceylon PLC, certify jointly that:

- (a) the above financial statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka,
- (b) the information contained in these financial statements has been extracted from the unaudited Financial Statements of the Group and the Bank, unless indicated as audited.

**(Sgd.) Sharhan Muhseen**

*Chairman*

*August 14, 2024*

*Colombo*

**(Sgd.) S. C. U. Manatunge**

*Managing Director/Chief Executive Officer*

## STATEMENT OF CHANGES IN EQUITY - GROUP

7

	Stated Capital	Statutory Reserve Fund	Retained Earnings	Other Reserves						Total equity attributable to equity holders of the Bank	Non-Controlling Interest	Total Equity
				Revaluation Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Hedging Reserve	Employee Share Option Reserve	General Reserve			
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at December 31, 2022 - Audited	58,149,621	12,079,670	6,790,304	10,214,244	72,270	21,371,971	36,554	150,529	100,000,003	208,865,166	4,107,408	212,972,574
Total comprehensive income for the six months ended 30.06.2023												
Profit for the six months ended 30.06.2023	-	-	7,966,526	-	-	-	-	-	-	7,966,526	323,948	8,290,474
Other comprehensive income for the six months ended 30.06.2023	-	-	-	-	2,927,422	(13,082,615)	(36,554)	-	-	(10,191,747)	(609,736)	(10,801,483)
Total comprehensive income for the six months ended 30.06.2023	-	-	7,966,526	-	2,927,422	(13,082,615)	(36,554)	-	-	(2,225,221)	(285,788)	(2,511,009)
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	25,772	-	-	-	-	(36,817)	-	(11,045)	-	(11,045)
Dividends to equity holders												
First & Final dividend for 2022 satisfied in the form of issue and allotment of new shares	4,742,151	-	(5,579,001)	-	-	-	-	-	-	(836,850)	-	(836,850)
Final cash dividend for 2022	-	-	-	-	-	-	-	-	-	-	(10,800)	(10,800)
Unclaimed dividend absorbed/ (paid) in respect of previous years	-	-	12,615	-	-	-	-	-	-	12,615	-	12,615
Total transactions with equity holders	4,742,151	-	(5,540,614)	-	-	-	-	(36,817)	-	(835,280)	(10,800)	(846,080)
Balance as at 30.06.2023	62,891,772	12,079,670	9,216,216	10,214,244	2,999,692	8,289,356	-	113,712	100,000,003	205,804,665	3,810,820	209,615,485
Total comprehensive income for the six months ended 31.12.2023												
Profit for the six months ended 31.12.2023	-	-	13,148,149	-	-	-	-	-	-	13,148,149	461,037	13,609,186
Other comprehensive income for the six months ended 31.12.2023	-	-	(241,899)	1,287,844	(1,035,679)	1,408,107	-	-	-	1,418,373	212,792	1,631,165
Total comprehensive income for the six months ended 31.12.2023	-	-	12,906,250	1,287,844	(1,035,679)	1,408,107	-	-	-	14,566,522	673,829	15,240,351
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Issue of ordinary voting shares under Employee Share Option Plans [ ESOPs ]	51,740	-	-	-	-	-	-	-	-	51,740	-	51,740
Transfer o/a Share-based Payment transactions	4,491	-	-	-	-	-	-	(4,491)	-	-	-	-
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	21,738	-	-	-	-	(31,054)	-	(9,316)	-	(9,316)
Dividends to equity holders												
Unclaimed dividend absorbed/ (paid) in respect of previous years	-	-	7,913	-	-	-	-	-	-	7,913	33	7,946
Interim dividend for 2023	-	-	-	-	-	-	-	-	-	-	(3,600)	(3,600)
Share-based payment transactions	-	-	-	-	-	-	-	21,433	-	21,433	-	21,433
Transfers to non-distributable capital reserve	-	27,750	-	-	-	-	-	-	-	27,750	22,704	50,454
Transfers during the period	-	1,479,114	(12,209,114)	-	-	-	-	-	10,730,000	-	-	-
Total transactions with equity holders	56,231	1,506,864	(12,179,463)	-	-	-	-	(14,112)	10,730,000	99,520	19,137	118,657
Balance as at 31.12.2023 - Audited	62,948,003	13,586,534	9,943,003	11,502,088	1,964,013	9,697,463	-	99,600	110,730,003	220,470,707	4,503,786	224,974,493
Total comprehensive income for the six months ended 30.06.2024												
Profit for the six months ended 30.06.2024	-	-	18,555,388	-	-	-	-	-	-	18,555,388	343,683	18,899,071
Other comprehensive income for the six months ended 30.06.2024	-	-	-	-	(532)	(8,116,717)	-	-	-	(8,117,249)	(231,636)	(8,348,885)
Total comprehensive income for the six months ended 30.06.2024	-	-	18,555,388	-	(532)	(8,116,717)	-	-	-	10,438,139	112,047	10,550,186
Transactions with owners recognised directly in equity, contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans [ ESOPs ]	179,053	-	-	-	-	-	-	-	-	179,053	-	179,053
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-
Transfer o/a Share-based Payment transactions	13,635	-	-	-	-	-	-	(13,635)	-	-	-	-
Dividends to equity holders												
First & Final dividend for 2023 satisfied in the form of cash	-	-	(5,913,644)	-	-	-	-	-	-	(5,913,644)	-	(5,913,644)
First & Final dividend for 2023 satisfied in the form of issue and allotment of new shares	2,234,043	-	(2,628,286)	-	-	-	-	-	-	(394,243)	-	(394,243)
Final cash dividend for 2023	-	-	-	-	-	-	-	-	-	-	(16,800)	(16,800)
Unclaimed dividend absorbed/ (paid) in respect of previous years	-	-	15,523	-	-	-	-	-	-	15,523	-	15,523
Share-based Payment transactions	-	-	-	-	-	-	-	35,745	-	35,745	-	35,745
Transfers during the period	-	-	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	2,426,731	-	(8,526,407)	-	-	-	-	22,110	-	(6,077,566)	(16,800)	(6,094,366)
Balance as at 30.06.2024	65,374,734	13,586,534	19,971,984	11,502,088	1,963,481	1,580,746	-	121,710	110,730,003	224,831,280	4,599,033	229,430,313

## STATEMENT OF CHANGES IN EQUITY - BANK

8

	Stated Capital	Statutory Reserve Fund	Retained Earnings	Other Reserves						Total Equity
				Revaluation Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Hedging Reserve	Employee Share Option Reserve	General Reserve	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at December 31, 2022 - Audited	58,149,621	11,352,858	5,592,121	9,396,542	78,743	18,941,705	36,554	150,529	100,000,003	203,698,676
Total comprehensive income for the six months ended 30.06.2023										
Profit for the six months ended 30.06.2023	-	-	7,513,512	-	-	-	-	-	-	7,513,512
Other comprehensive income for the six months ended 30.06.2023	-	-	-	-	2,920,380	(12,272,058)	(36,554)	-	-	(9,388,232)
Total comprehensive income for the six months ended 30.06.2023	-	-	7,513,512	-	2,920,380	(12,272,058)	(36,554)	-	-	(1,874,720)
Transactions with owners recognised directly in equity, contributions by and distributions to owners										
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	25,772	-	-	-	-	(36,817)	-	(11,045)
Dividends to equity holders										
First & Final dividend for 2022 satisfied in the form of issue and allotment of new shares	4,742,151	-	(5,579,001)	-	-	-	-	-	-	(836,850)
Unclaimed dividend absorbed/(paid) in respect of previous years	-	-	12,615	-	-	-	-	-	-	12,615
Share-based payment transactions	-	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	4,742,151	-	(5,540,614)	-	-	-	-	(36,817)	-	(835,280)
Balance as at 30.06.2023 - Audited	62,891,772	11,352,858	7,565,019	9,396,542	2,999,123	6,669,647	-	113,712	100,000,003	200,988,676
Total comprehensive income for the six months ended 31.12.2023										
Profit for the six months ended 31.12.2023	-	-	12,947,450	-	-	-	-	-	-	12,947,450
Other comprehensive income for the six months ended 31.12.2023	-	-	(230,394)	1,003,035	(1,035,128)	1,185,886	-	-	-	923,399
Total comprehensive income for the six months ended 31.12.2023	-	-	12,717,056	1,003,035	(1,035,128)	1,185,886	-	-	-	13,870,849
Transactions with owners recognised directly in equity, contributions by and distributions to owners										
Issue of ordinary voting shares under Employee Share Option Plans [ ESOPs ]	51,740	-	-	-	-	-	-	-	-	51,740
Transfer o/a Share-based Payment transactions	4,491	-	-	-	-	-	-	(4,491)	-	-
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	21,738	-	-	-	-	(31,054)	-	(9,316)
Dividends to equity holders										
Unclaimed dividend absorbed/(paid) in respect of previous years	-	-	7,620	-	-	-	-	-	-	7,620
Share-based payment transactions	-	-	-	-	-	-	-	21,433	-	21,433
Transfers during the period	-	1,023,048	(11,753,048)	-	-	-	-	-	10,730,000	-
Total transactions with equity holders	56,231	1,023,048	(11,723,690)	-	-	-	-	(14,112)	10,730,000	71,477
Balance as at 31.12.2023 - Audited	62,948,003	12,375,906	8,558,385	10,399,577	1,963,995	7,855,533	-	99,600	110,730,003	214,931,002
Total comprehensive income for the six months ended 30.06.2024										
Profit for the six months ended 30.06.2024	-	-	18,097,721	-	-	-	-	-	-	18,097,721
Other comprehensive income for the six months ended 30.06.2024	-	-	-	-	(493)	(7,668,979)	-	-	-	(7,669,472)
Total comprehensive income for the six months ended 30.06.2024	-	-	18,097,721	-	(493)	(7,668,979)	-	-	-	10,428,249
Transactions with owners recognised directly in equity, contributions by and distributions to owners										
Issue of Ordinary Shares under Employee Share Option Plans [ ESOPs ]	179,053	-	-	-	-	-	-	-	-	179,053
Transfer o/a Share-based Payment transactions	13,635	-	-	-	-	-	-	(13,635)	-	-
Dividends to equity holders										
First & Final dividend for 2023 satisfied in the form of cash	-	-	(5,913,644)	-	-	-	-	-	-	(5,913,644)
First & Final dividend for 2023 satisfied in the form of issue and allotment of new shares	2,234,043	-	(2,628,286)	-	-	-	-	-	-	(394,243)
Unclaimed dividend absorbed/(paid) in respect of previous years	-	-	15,523	-	-	-	-	-	-	15,523
Share-based Payment transactions	-	-	-	-	-	-	-	35,745	-	35,745
Total transactions with equity holders	2,426,731	-	(8,526,407)	-	-	-	-	22,110	-	(6,077,566)
Balance as at 30.06.2024 - Audited	65,374,734	12,375,906	18,129,699	10,399,577	1,963,502	186,554	-	121,710	110,730,003	219,281,685

	Group		Bank	
<i>For the six months ended June 30,</i>	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Cash Flows from Operating Activities</b>				
Profit before income tax	29,117,314	14,092,432	28,020,309	12,971,119
Adjustments for:				
Non-cash items included in profit before tax	20,496,241	10,213,232	20,030,942	10,162,265
(Increase)/decrease in operating assets	(107,279,644)	(12,545,541)	(108,685,630)	(17,774,881)
Increase/(decrease) in operating liabilities	26,251,955	(2,823,601)	28,287,827	1,223,380
(Gains)/losses on sale of property, plant and equipment	(5,584)	(7,594)	(849)	(3,294)
Share of (profit)/loss from associate, net of tax	547	(2,352)	-	-
Dividends received from investments in subsidiaries	-	-	(61,200)	(52,200)
Interest expense on subordinated liabilities	2,954,640	3,000,506	2,954,640	3,000,506
Benefits paid on defined benefit plans	(35,301)	(371,664)	(27,932)	(365,641)
Net unrealized gains/(losses) arising from translating the financial statements of foreign operations	(8,348,353)	(13,692,351)	(7,668,979)	(12,272,058)
Income tax paid	(8,852,777)	(6,418,307)	(8,510,739)	(6,201,120)
<b>Net cash flow from/(used in) operating activities</b>	<b>(45,700,962)</b>	<b>(8,555,240)</b>	<b>(45,661,611)</b>	<b>(9,311,924)</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of property, plant and equipment	(1,469,892)	(1,256,325)	(1,240,903)	(1,230,143)
Proceeds from sale of property, plant and equipment	7,174	5,451	1,744	1,102
Proceeds from sale and on maturity of financial investments	659,355	901,954	659,355	901,954
Purchase of intangible assets	(549,580)	(381,509)	(548,970)	(364,294)
Dividends received from investments in subsidiaries	-	-	61,200	52,200
<b>Net cash flow from/(used in) investing activities</b>	<b>(1,352,943)</b>	<b>(730,429)</b>	<b>(1,067,574)</b>	<b>(639,181)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from issue of ordinary voting shares under Employee Share Option Plans	179,053	-	179,053	-
Repayment of subordinated liabilities	-	(24,000,000)	-	(24,000,000)
Interest paid on subordinated liabilities	(2,258,684)	(3,613,516)	(2,258,684)	(3,613,516)
Payment of lease liabilities/advance payment o/a right-of-use assets	(811,496)	(819,756)	(896,689)	(905,165)
Dividend paid to shareholders	(5,165,261)	(2,195)	(5,165,261)	(2,195)
Withholding tax paid on dividend	(1,142,772)	(836,850)	(1,142,772)	(836,850)
Dividend paid to non-controlling interest	(16,800)	(10,800)	-	-
<b>Net cash flow from /(used in) financing activities</b>	<b>(9,215,960)</b>	<b>(29,283,117)</b>	<b>(9,284,353)</b>	<b>(29,357,726)</b>
Net increase/(decrease) in cash & cash equivalents	(56,269,865)	(38,568,786)	(56,013,538)	(39,308,831)
Gross cash and cash equivalents as at January 1,	159,716,458	151,123,519	157,833,872	149,407,301
<b>Gross cash and cash equivalents at end of the period</b>	<b>103,446,593</b>	<b>112,554,733</b>	<b>101,820,334</b>	<b>110,098,470</b>
Less: Impairment charges on cash and cash equivalents	(9,514)	(10,440)	(9,165)	(10,105)
<b>Cash and cash equivalents as per Statement of Financial Position</b>	<b>103,437,079</b>	<b>112,544,293</b>	<b>101,811,169</b>	<b>110,088,365</b>

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents		103,437,079		103,437,079
Balances with Central Banks		48,211,823		48,211,823
Placements with banks		126,150,729		126,150,729
Securities purchased under resale agreements		11,917,984		11,917,984
Derivative financial assets	5,291,686			5,291,686
Financial assets recognised through profit or loss - measured at fair value	77,951,714			77,951,714
Financial assets at amortised cost - Loans and advances to other customers		1,265,991,667		1,265,991,667
Financial assets at amortised cost - Debt and other financial instruments		648,766,175		648,766,175
Financial assets measured at fair value through other comprehensive income			297,079,303	297,079,303
<b>Total financial assets</b>	<b>83,243,400</b>	<b>2,204,475,457</b>	<b>297,079,303</b>	<b>2,584,798,160</b>
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL LIABILITIES</b>				
Due to banks			29,722,835	29,722,835
Derivative financial liabilities		1,196,124		1,196,124
Securities sold under repurchase agreements			121,428,959	121,428,959
Financial liabilities at amortised cost - due to depositors			2,192,925,482	2,192,925,482
Financial liabilities at amortised cost - other borrowings			11,587,547	11,587,547
Subordinated liabilities			37,178,895	37,178,895
<b>Total financial liabilities</b>		<b>1,196,124</b>	<b>2,392,843,718</b>	<b>2,394,039,842</b>

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents		159,701,507		159,701,507
Balances with Central Banks		62,633,503		62,633,503
Placements with banks		81,506,653		81,506,653
Securities purchased under resale agreements		31,148,729		31,148,729
Derivative financial assets	7,226,484			7,226,484
Financial assets recognised through profit or loss - measured at fair value	29,449,653			29,449,653
Financial assets at amortised cost - Loans and advances to other customers		1,204,865,597		1,204,865,597
Financial assets at amortised cost - Debt and other financial instruments		685,155,537		685,155,537
Financial assets measured at fair value through other comprehensive income			287,732,972	287,732,972
<b>Total financial assets</b>	<b>36,676,137</b>	<b>2,225,011,526</b>	<b>287,732,972</b>	<b>2,549,420,635</b>
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL LIABILITIES</b>				
Due to banks			47,948,578	47,948,578
Derivative financial liabilities		2,319,209		2,319,209
Securities sold under repurchase agreements			111,186,824	111,186,824
Financial liabilities at amortised cost - due to depositors			2,147,906,858	2,147,906,858
Financial liabilities at amortised cost - other borrowings			12,756,021	12,756,021
Subordinated liabilities			36,482,939	36,482,939
<b>Total financial liabilities</b>		<b>2,319,209</b>	<b>2,356,281,220</b>	<b>2,358,600,429</b>

	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents		101,811,169		101,811,169
Balances with Central Banks		39,797,629		39,797,629
Placements with banks		125,372,367		125,372,367
Securities purchased under resale agreements		11,917,984		11,917,984
Derivative financial assets	5,291,686			5,291,686
Financial assets recognised through profit or loss - measured at fair value	77,951,714			77,951,714
Financial assets at amortised cost - Loans and advances to other customers		1,233,245,826		1,233,245,826
Financial assets at amortised cost - Debt and other financial instruments		619,707,183		619,707,183
Financial assets measured at fair value through other comprehensive income			295,333,192	295,333,192
<b>Total financial assets</b>	<b>83,243,400</b>	<b>2,131,852,158</b>	<b>295,333,192</b>	<b>2,510,428,750</b>
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL LIABILITIES</b>				
Due to banks			29,151,318	29,151,318
Derivative financial liabilities		1,196,124		1,196,124
Securities sold under repurchase agreements			121,461,356	121,461,356
Financial liabilities at amortised cost - due to depositors			2,132,108,093	2,132,108,093
Financial liabilities at amortised cost - other borrowings			11,587,547	11,587,547
Subordinated liabilities			37,178,895	37,178,895
<b>Total financial liabilities</b>		<b>1,196,124</b>	<b>2,331,487,209</b>	<b>2,332,683,333</b>



	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Financial instruments at fair value through other comprehensive income (FVOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents		157,819,287		157,819,287
Balances with Central Banks		52,817,502		52,817,502
Placements with banks		81,344,696		81,344,696
Securities purchased under resale agreements		31,148,729		31,148,729
Derivative financial assets	7,226,484			7,226,484
Financial assets recognised through profit or loss - measured at fair value	29,449,653			29,449,653
Financial assets at amortised cost - Loans and advances to other customers		1,176,359,971		1,176,359,971
Financial assets at amortised cost - Debt and other financial instruments		649,740,408		649,740,408
Financial assets measured at fair value through other comprehensive income			287,023,009	287,023,009
<b>Total financial assets</b>	<b>36,676,137</b>	<b>2,149,230,593</b>	<b>287,023,009</b>	<b>2,472,929,739</b>
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
<b>FINANCIAL LIABILITIES</b>				
Due to banks			47,274,361	47,274,361
Derivative financial liabilities		2,319,209		2,319,209
Securities sold under repurchase agreements			111,198,516	111,198,516
Financial liabilities at amortised cost - due to depositors			2,085,046,149	2,085,046,149
Financial liabilities at amortised cost - other borrowings			12,756,021	12,756,021
Subordinated liabilities			36,482,939	36,482,939
<b>Total financial liabilities</b>		<b>2,319,209</b>	<b>2,292,757,986</b>	<b>2,295,077,195</b>

**Level 1**

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

Accordingly, the Bank measures the fair value of an instrument using active quoted prices or dealer price quotations without any deduction for transaction costs, if available. A market is regarded as active if transactions for assets and liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2**

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;

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

**Level 3**

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 that have a significant effect on the instruments' valuation.

This category also includes instruments that are valued based on quoted prices of similar instruments for which significant unobservable adjustments or assumptions are required to reflect difference between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, risk premiums in estimating discount rates, bond and equity prices, foreign exchange rates, expected price volatilities and corrections.

There are no material changes in the fair value of financial assets categorised under Level 3 compared to the values reported as at December 31, 2023. The Bank continued to use the valuation models and assumptions used to measure the fair values of Level 3 financial instruments as at December 31, 2023, during the period ended June 30, 2024, as well.

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:

	Group				Bank			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total (Audited)
As at June 30, 2024	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Financial Assets</b>								
Derivative financial assets	-	5,291,686	-	5,291,686	-	5,291,686	-	5,291,686
Financial assets recognized through profit or loss - measured at fair value	77,951,714	-	-	77,951,714	77,951,714	-	-	77,951,714
Financial assets measured at fair value through other comprehensive income	296,872,212	-	207,091	297,079,303	295,126,225	-	206,967	295,333,192
<b>Total financial assets at fair value</b>	<b>374,823,926</b>	<b>5,291,686</b>	<b>207,091</b>	<b>380,322,703</b>	<b>373,077,939</b>	<b>5,291,686</b>	<b>206,967</b>	<b>378,576,592</b>
<b>Financial Liabilities</b>								
Derivative financial liabilities	-	1,196,124	-	1,196,124	-	1,196,124	-	1,196,124
<b>Total financial liabilities at fair value</b>	<b>-</b>	<b>1,196,124</b>	<b>-</b>	<b>1,196,124</b>	<b>-</b>	<b>1,196,124</b>	<b>-</b>	<b>1,196,124</b>

  

	Group				Bank			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
As at December 31, 2023 - (Audited)	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Financial Assets</b>								
Derivative financial assets	-	7,226,484	-	7,226,484	-	7,226,484	-	7,226,484
Financial assets recognized through profit or loss - measured at fair value	29,449,653	-	-	29,449,653	29,449,653	-	-	29,449,653
Financial assets measured at fair value through other comprehensive income	287,673,707	-	59,265	287,732,972	286,963,868	-	59,141	287,023,009
<b>Total financial assets at fair value</b>	<b>317,123,360</b>	<b>7,226,484</b>	<b>59,265</b>	<b>324,409,109</b>	<b>316,413,521</b>	<b>7,226,484</b>	<b>59,141</b>	<b>323,699,146</b>
<b>Financial Liabilities</b>								
Derivative financial liabilities	-	2,319,209	-	2,319,209	-	2,319,209	-	2,319,209
<b>Total financial liabilities at fair value</b>	<b>-</b>	<b>2,319,209</b>	<b>-</b>	<b>2,319,209</b>	<b>-</b>	<b>2,319,209</b>	<b>-</b>	<b>2,319,209</b>

# FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES CARRIED AT AMORTISED COST

15

The following table sets out the fair values of financial assets and liabilities not measured at fair value and the related fair value hierarchy used:

	Group					Bank				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>As at June 30, 2024</b>										
<b>Financial Assets</b>										
Financial assets at amortised cost - Loans and advances to other customers	-	-	1,252,062,165	1,252,062,165	1,265,991,667	-	-	1,219,316,324	1,219,316,324	1,233,245,826
Financial assets at amortised cost - Debt and other financial instruments	674,320,632	22,451,451	-	696,772,083	648,766,175	645,261,640	22,451,451	-	667,713,091	619,707,183
<b>Total financial assets not at fair value</b>	<b>674,320,632</b>	<b>22,451,451</b>	<b>1,252,062,165</b>	<b>1,948,834,248</b>	<b>1,914,757,842</b>	<b>645,261,640</b>	<b>22,451,451</b>	<b>1,219,316,324</b>	<b>1,887,029,415</b>	<b>1,852,953,009</b>
<b>Financial Liabilities</b>										
Financial liabilities at amortised cost - due to depositors	-	-	2,199,522,323	2,199,522,323	2,192,925,482	-	-	2,138,704,934	2,138,704,934	2,132,108,093
Subordinated liabilities	-	-	43,264,828	43,264,828	37,178,895	-	-	43,264,828	43,264,828	37,178,895
<b>Total financial liabilities not at fair value</b>	<b>-</b>	<b>-</b>	<b>2,242,787,151</b>	<b>2,242,787,151</b>	<b>2,230,104,377</b>	<b>-</b>	<b>-</b>	<b>2,181,969,762</b>	<b>2,181,969,762</b>	<b>2,169,286,988</b>
	Group					Bank				
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>As at December 31, 2023 - (Audited)</b>										
<b>Financial Assets</b>										
Financial assets at amortised cost - Loans and advances to other customers	-	-	1,175,864,097	1,175,864,097	1,204,865,597	-	-	1,147,358,471	1,147,358,471	1,176,359,971
Financial assets at amortised cost - Debt and other financial instruments	665,889,078	24,114,999	-	690,004,077	685,155,537	630,473,949	24,114,999	-	654,588,948	649,740,408
<b>Total financial assets not at fair value</b>	<b>665,889,078</b>	<b>24,114,999</b>	<b>1,175,864,097</b>	<b>1,865,868,174</b>	<b>1,890,021,134</b>	<b>630,473,949</b>	<b>24,114,999</b>	<b>1,147,358,471</b>	<b>1,801,947,419</b>	<b>1,826,100,379</b>
<b>Financial Liabilities</b>										
Financial liabilities at amortised cost - due to depositors	-	-	2,156,899,386	2,156,899,386	2,147,906,858	-	-	2,094,038,677	2,094,038,677	2,085,046,149
Subordinated liabilities	-	-	40,279,813	40,279,813	36,482,939	-	-	40,279,813	40,279,813	36,482,939
<b>Total financial liabilities not at fair value</b>	<b>-</b>	<b>-</b>	<b>2,197,179,199</b>	<b>2,197,179,199</b>	<b>2,184,389,797</b>	<b>-</b>	<b>-</b>	<b>2,134,318,490</b>	<b>2,134,318,490</b>	<b>2,121,529,088</b>

## Assets and Liabilities for which fair value approximates the carrying value

For financial assets and liabilities listed below with short-term maturities or with short-term re-pricing intervals, it is assumed that the carrying amounts approximate to their fair value.

### Financial Assets

- Cash and cash equivalents
- Balances with Central Banks
- Placements with banks
- Securities purchased under resale agreements

### Financial Liabilities

- Due to banks
- Securities sold under repurchase agreements
- Financial liabilities at amortised cost - other borrowings

	Bank		Group	
	As at 30.06.2024	As at 31.12.2023	As at 30.06.2024	As at 31.12.2023
<b>Regulatory Capital - Rs. '000</b>				
Common Equity Tier I	165,022,021	156,847,378	174,242,741	166,649,326
Tier I Capital	165,022,021	156,847,378	174,242,741	166,649,326
Total Capital	215,366,797	207,684,979	225,457,309	218,423,196
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier I Capital Ratio (Minimum Requirement - 8.500%)	11.583	11.442	11.661	11.513
Tier I Capital Ratio (Minimum Requirement - 10.000%)	11.583	11.442	11.661	11.513
Total Capital Ratio (Minimum Requirement - 14.000%)	15.117	15.151	15.088	15.090
<b>Leverage Ratio (%) (Minimum Requirement - 3%)</b>	5.42	5.10	5.58	5.29
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets - Rs. '000 (*)				
Consolidated (Sri Lankan Operations)	- N / A -	843,748,779		
Statutory Liquid Assets Ratio (%) (Minimum Requirement 20%) (*)				
Consolidated (Sri Lankan Operations)	- N / A -	46.06		
Total Stock of High Quality Liquid Assets - Rs. '000	761,281,639	760,373,663		
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)				
Liquidity Coverage Ratio (%) - Rupee	532.13	491.61		
Liquidity Coverage Ratio (%) - All Currency	471.00	516.27		
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	187.29	193.70		
<b>Asset Quality (Quality of Loan Portfolio)</b>				
Impaired Loans (Stage 3) Ratio (%)	4.87	5.85		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	49.18	43.22		
<b>Profitability</b>				
Interest Margin (%)	4.41	3.32		
Return on Assets (before tax) (%)	2.17	1.27		
Return on Equity (%)	16.76	9.78		
<b>Debt Security Related Ratios</b>				
Debt to Equity Ratio (%)	16.95	16.97		
Interest Cover (Times)	12.80	8.84		

(\*) Discontinued as per the Banking Act determination No 01 of 2024 dated June 13, 2024.

OPERATING SEGMENTS - GROUP

17

	Personal Banking		Corporate Banking		International Operations		Dealing/Treasury		NBF, Real Estate & Services		Unallocated/Eliminations		Total/Consolidated	
For the six months ended June 30,	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
External operating income :														
Net interest income	23,155,642	17,858,062	10,708,555	9,778,677	12,887,741	9,066,238	7,335,093	(7,751,187)	466,512	320,644	4,066,308	8,177,236	58,619,851	37,449,670
Foreign exchange profit	302,604	313,334	491,696	(731,519)	6,112,125	6,472,713	434,273	3,367,594	4,851	(1,491)	(3,741,713)	(9,185,876)	3,603,836	234,755
Net fee and commission income	6,179,153	5,288,293	2,938,795	3,709,996	1,316,012	1,344,750	5,743	12,450	104,170	87,651	525,568	147,818	11,069,441	10,590,958
Other income	237,619	339,625	210,211	123,689	38,180	70,518	3,425,577	1,674,234	603,725	521,767	(551,321)	(485,411)	3,963,991	2,244,422
<b>Total operating income</b>	<b>29,875,018</b>	<b>23,799,314</b>	<b>14,349,257</b>	<b>12,880,843</b>	<b>20,354,058</b>	<b>16,954,219</b>	<b>11,200,686</b>	<b>(2,696,909)</b>	<b>1,179,258</b>	<b>928,571</b>	<b>298,842</b>	<b>(1,346,233)</b>	<b>77,257,119</b>	<b>50,519,805</b>
Impairment charges and other losses	(8,212,397)	(4,035,397)	(6,121,176)	(3,163,898)	239,450	(483,641)	(4,670,644)	(5,432,514)	(251,756)	(95,513)	-	-	(19,016,523)	(13,210,963)
Net operating income	21,662,621	19,763,917	8,228,081	9,716,945	20,593,508	16,470,578	6,530,042	(8,129,423)	927,502	833,058	298,842	(1,346,233)	58,240,596	37,308,842
<b>Segment result</b>	<b>7,320,694</b>	<b>7,809,601</b>	<b>5,613,474</b>	<b>8,295,599</b>	<b>16,454,491</b>	<b>12,592,857</b>	<b>5,092,165</b>	<b>(9,496,467)</b>	<b>143,050</b>	<b>254,169</b>	<b>(5,506,013)</b>	<b>(5,365,679)</b>	<b>29,117,861</b>	<b>14,090,080</b>
Profit from operations													29,117,861	14,090,080
Share of profit/(loss) of associate, net of tax													(547)	2,352
Income tax expense													(10,218,243)	(5,801,958)
Non-controlling interest													(343,683)	(323,948)
<b>Net profit for the period, attributable to equity holders of the parent</b>													<b>18,555,388</b>	<b>7,966,526</b>

As at June 30,	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Other information														
Segment assets	663,436,280	625,398,127	504,204,438	473,405,658	419,930,794	399,132,082	1,072,324,885	966,150,514	19,191,787	13,871,952	11,316,310	(15,847,992)	2,690,404,494	2,462,110,341
Investment in associate	-	-	-	-	-	-	-	-	-	-	58,411	57,856	58,411	57,856
<b>Total assets</b>	<b>663,436,280</b>	<b>625,398,127</b>	<b>504,204,438</b>	<b>473,405,658</b>	<b>419,930,794</b>	<b>399,132,082</b>	<b>1,072,324,885</b>	<b>966,150,514</b>	<b>19,191,787</b>	<b>13,871,952</b>	<b>11,374,721</b>	<b>(15,790,136)</b>	<b>2,690,462,905</b>	<b>2,462,168,197</b>
Segment liabilities	1,603,483,215	1,380,306,113	414,671,617	412,485,139	344,986,894	328,285,831	132,131,108	166,376,625	13,177,459	7,832,547	(47,417,701)	(42,733,543)	2,461,032,592	2,252,552,712
<b>Total liabilities</b>	<b>1,603,483,215</b>	<b>1,380,306,113</b>	<b>414,671,617</b>	<b>412,485,139</b>	<b>344,986,894</b>	<b>328,285,831</b>	<b>132,131,108</b>	<b>166,376,625</b>	<b>13,177,459</b>	<b>7,832,547</b>	<b>(47,417,701)</b>	<b>(42,733,543)</b>	<b>2,461,032,592</b>	<b>2,252,552,712</b>

For the six months ended June 30,	2024	2023
	Rs.'000	Rs.'000
Information on cash flows		
Cash flows from operating activities	(45,700,962)	(8,555,240)
Cash flows from investing activities	659,355	901,954
Cash flows from financing activities	(9,215,960)	(29,283,117)
Capital expenditure -		
Property, Plant & Equipment	(1,462,718)	(1,250,874)
Intangible assets	(549,580)	(381,509)
<b>Net cash flow generated during the period</b>	<b>(56,269,865)</b>	<b>(38,568,786)</b>

## Twenty largest ordinary voting shareholders as at June 30, 2024

Name of the Shareholder	No. of Shares	%
01. DFCC Bank PLC A/C 1	127,337,963	10.09
02. Mr. Y. S. H. I. Silva	124,622,327	9.88
03. Mr. D. P. Pieris	122,179,880	9.68
04. Employees' Provident Fund	108,483,841	8.60
05. CB NY S/A International Finance Corporation	89,569,458	7.10
06. Sri Lanka Insurance Corporation Ltd - Life Fund	63,542,262	5.04
07. Melstacorp PLC	52,091,197	4.13
08. Mr. K. D. D. Perera	46,270,757	3.67
09. CB NY S/A IFC Emerging Asia Fund. LP	46,175,968	3.66
09. CB NY S/A IFC Financial Institutions Growth Fund LP	46,175,968	3.66
11. Sri Lanka Insurance Corporation Ltd - General Fund	44,558,221	3.53
12. Employees' Trust Fund Board	19,988,432	1.58
13. Renuka Hotels PLC	16,493,518	1.31
14. Citibank New York S/A Norges Bank Account 2	14,054,410	1.11
15. Cargo Boat Development Company PLC	11,651,497	0.92
16. Mr. M. J. Fernando (Deceased)	11,318,381	0.90
17. Hallsville Frontier Equities Ltd	10,582,384	0.84
18. Renuka Consultants & Services Limited	10,005,816	0.79
19. First Capital Holdings PLC	7,739,263	0.61
20. Seylan Bank PLC/Andaradeniya Estate (Pvt) Ltd	5,992,834	0.47
<b>Sub total</b>	<b>978,834,377</b>	<b>77.57</b>
Shares held by Directors	800,981	0.06
Other Shareholders	282,133,108	22.37
<b>Total</b>	<b>1,261,768,466</b>	<b>100.00</b>

Percentage of public holding as at June 30, 2024 - 99.79% (99.83% as at June 30, 2023)

Number of shareholders representing public holding as at June 30, 2024 - 16,010 (16,680 as at June 30, 2023)

## Twenty largest ordinary non-voting shareholders as at June 30, 2024

Name of the Shareholder	No. of Shares	%
01. Employees' Trust Fund Board	6,164,234	7.78
02. Akbar Brothers (Pvt) Ltd. A/C No 1	3,843,995	4.85
03. Assetline Finance Limited/Suhada Gas Distributors (Pvt) Ltd	2,000,000	2.52
04. GF Capital Global Limited	1,762,689	2.22
05. Mr. M. F. Hashim	1,426,242	1.80
06. M. J. F. Exports (Pvt) Ltd	1,355,511	1.71
07. Mr. T. W. A. Wickramasinghe & Mrs. N. Wickremasinghe (Joint)	1,274,729	1.61
08. Mrs. L. V. C. Samarasingha	1,250,156	1.58
09. Janashakthi Insurance PLC - Shareholders	1,175,915	1.48
10. Saboor Chatoor (Pvt) Ltd	1,133,812	1.43
11. Mr. E. Chatoor	950,000	1.20
12. EMFI Capital Limited	933,531	1.18
13. Mr. K. S. M. De Silva	831,709	1.05
14. Mr. R. Gautam	828,309	1.05
15. Mr. A. L. Gooneratne & Mrs. C. Gooneratne (Joint)	817,340	1.03
16. Mr. J. D. Bandaranayake , Ms. N. Bandaranayake & Dr. V. Bandaranayake (Joint)	800,901	1.01
17. Mr. J. D. Bandaranayake , Dr. V. Bandaranayake & Ms. I. Bandaranayake (Joint)	780,528	0.99
18. Mr. M. J. Fernando (Deceased)	778,566	0.98
19. Swastika Mills Ltd	728,827	0.92
20. Serendip Investments Limited	722,478	0.91
<b>Sub total</b>	<b>29,559,472</b>	<b>37.30</b>
Shares held by Directors	88,483	0.11
Other Shareholders	49,590,527	62.59
<b>Total</b>	<b>79,238,482</b>	<b>100.00</b>

Percentage of public holding as at June 30, 2024 - 99.88% (99.88% as at June 30, 2023)

Number of shareholders representing public holding as at June 30, 2024 - 5,928 (5,943 as at June 30, 2023)

## Directors' holding in shares as at June 30, 2024

Name of the Director	No. of Shares	
	Voting	Non-voting
Mr. Sharhan Muhseen - Chairman	2,801	-
Mr. Raja Senanayake - Deputy Chairman	-	-
Mr. S. C. U. Manatunge - Managing Director/Chief Executive Officer	120,824	-
Mr. S. Prabagar - Chief Operating Officer	255,848	26,846
Mr. L. D. Niyangoda	-	-
Ms. N. T. M. S. Cooray	392,210	61,637
Ms. Judy Lee	-	-
Ms. D. L. T. S. Wijewardena	-	-
Dr. S. Selliah	29,298	-
Mr. D. N. L. Fernando	-	-
Mr. P. M. Kumarasinghe	-	-
<b>Total</b>	<b>800,981</b>	<b>88,483</b>

	2024 Rs.	2023 Rs.
<b>Market price of an ordinary share as at June 30,</b>		
Voting	105.00	68.10
Non-Voting	86.00	54.10
<b>Highest price during the quarter ended June 30,</b>		
Voting	117.50	69.90
Non-Voting	93.80	55.90
<b>Lowest price during the quarter ended June 30,</b>		
Voting	91.80	52.10
Non-Voting	80.00	43.10
<b>As at June 30,</b>	<b>2024</b>	<b>2023</b>
	<b>Rs.000</b>	<b>Rs.000</b>
Float adjusted market capitalization - Compliant under Option 1	139,013,801	88,216,221
<b>As at June 30,</b>	<b>2024</b>	<b>2023</b>
<b>Number of ordinary shares</b>		
Voting	1,261,768,466	1,235,923,817
Non-Voting	79,238,482	77,595,733

- 1 The Financial Statements of the Bank and the Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). There were no changes to the Accounting Policies and methods of computation since the publication of the Financial Statements included in the Annual Report for the year ended December 31, 2023.
- 2 These Interim Financial Statements of the Bank and the Group have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting', and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
- 3 **Reporting entity**  
The Bank does not have an identifiable parent of its own. Commercial Bank of Ceylon PLC is the ultimate parent of the Group. The consolidated financial statements of the Bank cover the Bank and its subsidiaries, Commercial Development Company PLC, CBC Tech Solutions Limited, CBC Finance Limited, Commercial Insurance Brokers (Pvt) Ltd, Commercial Bank of Maldives Private Limited, CBC Myanmar Microfinance Company Limited & the Group's only associate Equity Investments Lanka Ltd.
- 4 **Reclassification of Government Securities**  
The Bank reclassified bulk of its Treasury Bond Portfolio amounting to Rs. 197.08 Bn., majority of Sri Lanka Development Bond (SLDB) portfolio amounting to Rs. 55.47 Bn., (USD 152.19 Mn) and entire Sri Lanka Sovereign Bond (SLSB) portfolio amounting to Rs. 39.60 Bn., (USD 108.63 Mn) from Fair Value Through Other Comprehensive Income (FVOCI) category to Amortized Cost category, with effect from April 01, 2022, in line with the guidelines issued by the CA Sri Lanka in the form of a Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio due to unprecedented changes in the macro-economic conditions. The fair value of the debt portfolio reclassified on April 1, 2022, and remaining as at June 30, 2024 amounted to Rs. 148.58 Bn., and the cumulative fair value loss thereon amounted to Rs. 16.22 Bn., (Net of tax Rs. 11.35 Bn).
- 5 **Liquidation of Subsidiary**  
As disclosed in the Annual Report for the year ended December 31, 2022, the Bank initiated the voluntary liquidation process of the Commex Sri Lanka S.R.L in 2022 and the process was completed during the quarter ended June 30, 2024.
- 6 **Debenture issue**  
The Bank announced a debenture issue in January 2024 to issue 100,000,000 Basel III compliant - Tier II, listed, rated, unsecured, subordinated, redeemable debentures of Rs. 100/- each, with a non-viability conversion feature amounting to Rs 10 Bn. with an option to issue up to a further 50,000,000 debentures amounting to Rs. 5 Bn., in the event of an oversubscription of the initial issue and with a further option to issue up to a further 50,000,000 debentures amounting to a further Rs. 5.0 Bn., at the discretion of the Bank, in the event of an oversubscription of the initial issue and the second tranche.  
This debenture issue was opened for investors on July 02, 2024, and the issue was oversubscribed on the same day. The allotment and the listing of debentures were concluded on July 10, 2024, and July 19, 2024, respectively.
- 7 **Rights issue**  
The Board of Directors of the Bank at a meeting held on May 28, 2024 resolved to recommend to the shareholders of the Bank, a Rights Issue of shares on the basis of one ordinary share for every five ordinary shares held by both voting & non-voting Shareholders of the Bank consequent to the exercise of options under Employee Share Option Plan (ESOP), (if any). Accordingly, the issue comprised 252,353,693 voting shares, each priced at Rs. 85.00, and 15,847,696 non-voting shares, each priced at Rs. 69.00. Shareholder approval for this rights issue was obtained at the Extraordinary General Meeting held on July 15, 2024. The rights issue in August 2024, is expected to infuse up to Rs. 22.54 Bn.
- 8 During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities, other than those disclosed above.
- 9 All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.
- 10 There were no material events that took place since June 30, 2024, that require disclosure in these Interim Financial Statements, other than those disclosed above in Notes 6 and 7.
- 11 The figures relating to the Bank have been extracted from the Financial Statements of the Bank for the six months ended June 30, 2024, that had been audited by M/s KPMG, the external auditors of the Bank.



Categories	Interest	Allotment	Maturity	Coupon Rate	Effective annual yield	Interest rate of comparable Government Security	Market value			Other Ratios as at date of last trade		Group / Bank  Rs.'000
	payable	date	date				Highest	Lowest	Period End	Interest yield	Yield to Maturity	
	frequency						Rs.	Rs.	Rs.	%	%	
Fixed Rate Debentures												
Issued in 2016												
2016/2026 - Type B - Public/Listed	Bi-annually	09.03.2016	08.03.2026	11.25	11.57	10.30	Not traded during the period			- N/A -	- N/A -	1,749,090
2016/2026 - Type B - Public/Listed	Bi-annually	28.10.2016	27.10.2026	12.25	12.63	10.70	Not traded during the period			- N/A -	- N/A -	1,928,200
Issued in 2018												
2018/2028 - Type B - Public/Listed	Bi-annually	23.07.2018	22.07.2028	12.50	12.89	11.65	Not traded during the period			- N/A -	- N/A -	1,606,160
Issued in 2021												
2021/2026 - Type A - Public/Listed	Bi-annually	21.09.2021	20.09.2026	9.00	9.20	10.55	Not traded during the period			- N/A -	- N/A -	4,237,470
2021/2028 - Type B - Public/Listed	Bi-annually	21.09.2021	20.09.2028	9.50	9.73	11.40	Not traded during the period			- N/A -	- N/A -	4,358,000
Issued in 2022												
2022/2027 - Type A - Public/Listed	Bi-annually	12.12.2022	11.12.2027	28.00	29.96	11.00	142	100	142 (*)	29.96	13.73	6,724,680
2022/2029 - Type B - Public/Listed	Bi-annually	12.12.2022	11.12.2029	27.00	28.82	12.00	156	156	156 (**)	28.82	13.66	3,263,820
2022/2032 - Type C - Public/Listed	Bi-annually	12.12.2022	11.12.2032	22.00	23.21	12.75	Not traded during the period			- N/A -	- N/A -	11,500
Issued in 2023												
2023/2028 - Type A - Public/Listed	Bi-annually	20.12.2023	19.12.2028	14.50	15.03	11.65	Not traded during the period			- N/A -	- N/A -	2,132,400
2023/2028 - Type B - Public/Listed	Annually	20.12.2023	19.12.2028	15.00	15.00	11.65	Not traded during the period			- N/A -	- N/A -	7,558,090
2023/2030 - Type C - Public/Listed	Bi-annually	20.12.2023	19.12.2030	13.75	14.22	12.25	Not traded during the period			- N/A -	- N/A -	32,980
2023/2030 - Type D - Public/Listed	Annually	20.12.2023	19.12.2030	14.25	14.25	12.25	Not traded during the period			- N/A -	- N/A -	817,760
2023/2033 - Type E - Public/Listed	Bi-annually	20.12.2023	19.12.2033	13.50	13.96	12.85	Not traded during the period			- N/A -	- N/A -	30,840
2023/2033 - Type F - Public/Listed	Annually	20.12.2023	19.12.2033	14.00	14.00	12.85	120	120	120 (***)	14.00	10.86	1,427,930
Total												35,878,920

(\*) Last traded date - April 04, 2024

(\*\*) Last traded date - January 24, 2024

(\*\*\*) Last traded date - March 27, 2024

As at	Group		Bank	
	30.06.2024 Rs.'000	31.12.2023 Rs.'000	30.06.2024 Rs.'000	31.12.2023 Rs.'000
Gross loans and advances to other customers	1,363,303,039	1,295,751,342	1,328,583,823	1,265,559,303
Impairment on loans and advances to other customers				
Accumulated impairment under stage 1	8,790,111	9,009,921	8,511,744	8,800,339
Accumulated impairment under stage 2	16,755,156	17,421,283	16,475,519	17,182,146
Accumulated impairment under stage 3	71,766,105	64,454,541	70,350,734	63,216,847
Total impairment	97,311,372	90,885,745	95,337,997	89,199,332
Net value of loans and advances to other customers	1,265,991,667	1,204,865,597	1,233,245,826	1,176,359,971
Gross loans and advances to other customers				
By product - Domestic Currency				
Overdrafts	116,990,090	106,726,680	116,997,429	106,752,409
Trade finance	59,695,275	66,631,283	59,695,275	66,631,283
Lease rental receivable	47,385,383	38,054,890	42,701,929	34,684,299
Credit cards	19,092,947	18,767,247	19,092,947	18,767,247
Pawning	39,273,453	35,143,437	38,748,087	34,904,612
Staff loans	13,418,402	12,849,787	13,397,017	12,826,752
Housing loans	71,737,879	67,479,687	71,737,879	67,479,687
Personal loans	35,308,970	35,218,343	35,162,302	35,084,954
Term loans	557,390,962	526,940,765	550,627,752	521,285,136
Bills of Exchange	241,828	274,317	241,828	274,317
Sub total	960,535,189	908,086,436	948,402,445	898,690,696
By product - Foreign Currency				
Overdrafts	31,201,096	28,569,226	27,353,831	24,515,144
Trade finance	42,979,407	35,367,529	40,600,847	33,864,105
Lease rental receivable	1,197,928	1,572,676	1,197,928	1,572,676
Credit cards	498,446	490,581	290,139	290,415
Staff loans	435,958	471,937	421,375	451,720
Housing loans	4,455,637	5,299,480	4,455,637	5,299,480
Personal loans	1,326,363	1,293,005	491,819	481,469
Term loans	263,783,143	265,687,360	248,479,930	251,480,486
Bills of Exchange	56,889,872	48,913,112	56,889,872	48,913,112
Sub total	402,767,850	387,664,906	380,181,378	366,868,607
Gross loans and advances to other customers	1,363,303,039	1,295,751,342	1,328,583,823	1,265,559,303

	Group		Bank	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
	( Audited )		( Audited )	
Movement of impairment during the period				
Under Stage 1				
Balance as at January 1,	9,009,921	14,799,919	8,800,339	14,598,587
Charge/(write back) to the Income Statement	(72,073)	(5,278,093)	(147,417)	(5,303,991)
Exchange rate variance on foreign currency provisions	(147,737)	(511,905)	(141,178)	(494,257)
Balance as at June 30/December 31,	8,790,111	9,009,921	8,511,744	8,800,339
Under Stage 2				
Balance as at January 1,	17,421,283	28,559,919	17,182,146	28,248,676
Charge/(write back) to the Income Statement	(521,018)	(10,782,914)	(564,469)	(10,715,219)
Exchange rate variance on foreign currency provisions	(145,109)	(355,722)	(142,158)	(351,311)
Balance as at June 30/December 31,	16,755,156	17,421,283	16,475,519	17,182,146
Under Stage 3				
Balance as at January 1,	64,454,541	47,317,850	63,216,847	46,377,401
Charge/(write back) to the Income Statement	13,971,981	22,224,852	13,794,022	21,708,929
Net write-off during the period	(3,774,019)	(136,623)	(3,773,226)	69,927
Exchange rate variance on foreign currency provisions	(1,020,124)	(1,535,544)	(991,869)	(1,526,233)
Interest accrued on impaired loans and advances	(1,623,803)	(3,512,986)	(1,527,703)	(3,369,908)
Other movements	(242,471)	147,446	(367,337)	(43,269)
Transfers to non distributable capital reserve	-	(50,454)	-	-
Balance as at June 30/December 31,	71,766,105	64,454,541	70,350,734	63,216,847
Total Impairment				
Balance as at January 1,	90,885,745	90,677,688	89,199,332	89,224,664
Charge/(write back) to the Income Statement	13,378,890	6,163,845	13,082,136	5,689,719
Net write-off during the period	(3,774,019)	(136,623)	(3,773,226)	69,927
Exchange rate variance on foreign currency provisions	(1,312,970)	(2,403,171)	(1,275,205)	(2,371,801)
Interest accrued on impaired loans and advances	(1,623,803)	(3,512,986)	(1,527,703)	(3,369,908)
Other movements	(242,471)	147,446	(367,337)	(43,269)
Transfers to non distributable capital reserve	-	(50,454)	-	-
Balance as at June 30/December 31,	97,311,372	90,885,745	95,337,997	89,199,332

As at	Group		Bank	
	30.06.2024 Rs.'000	31.12.2023 Rs.'000	30.06.2024 Rs.'000	31.12.2023 Rs.'000
Gross commitments and contingencies	661,784,412	675,776,516	656,066,205	668,875,778
Impairment on commitments and contingencies				
Accumulated impairment under stage 1	2,338,389	2,605,485	2,333,174	2,601,480
Accumulated impairment under stage 2	565,180	915,546	565,180	915,546
Accumulated impairment under stage 3	1,904,400	2,565,734	1,904,400	2,565,734
Total Impairment	4,807,969	6,086,765	4,802,754	6,082,760
Gross commitments and contingencies				
By product - Domestic currency				
Contingencies	77,105,384	61,185,698	77,105,384	61,185,698
Guarantees	55,578,298	41,478,697	55,578,298	41,478,697
Bonds	18,789,091	17,915,616	18,789,091	17,915,616
Documentary Credits	1,295,568	775,856	1,295,568	775,856
Acceptances	564,899	589,264	564,899	589,264
Bills for collection	877,528	426,265	877,528	426,265
Commitments	148,177,157	131,908,660	148,177,157	131,908,660
Undrawn commitments	143,675,916	127,407,420	143,675,916	127,407,420
Capital commitments	4,501,241	4,501,240	4,501,241	4,501,240
Sub Total	225,282,541	193,094,358	225,282,541	193,094,358
By product - Foreign Currency				
Contingencies	405,424,978	447,142,629	404,395,766	445,983,507
Guarantees	18,103,515	16,639,947	17,190,261	16,624,239
Bonds	32,693,807	21,585,337	32,670,354	20,614,056
Documentary Credits	80,489,559	65,623,852	80,489,559	65,623,852
Forward exchange and Currency Swaps	166,026,110	223,367,054	166,026,110	223,367,054
Acceptances	33,904,269	29,341,336	33,904,269	29,341,336
Bills for collection	72,323,555	88,450,964	72,231,050	88,278,831
Bullion on consignment	28,973	27,770	28,973	27,770
Other Contingencies	1,855,190	2,106,369	1,855,190	2,106,369
Commitments	31,076,893	35,539,529	26,387,898	29,797,913
Undrawn commitments	31,046,547	35,394,514	26,387,898	29,797,913
Capital commitments	30,346	145,015	-	-
Sub Total	436,501,871	482,682,158	430,783,664	475,781,420
Total	661,784,412	675,776,516	656,066,205	668,875,778

	Group		Bank	
	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
	( Audited )	( Audited )	( Audited )	( Audited )
<b>Movement of impairment during the period</b>				
<b>Under Stage 1</b>				
Balance as at January 1,	2,605,485	3,857,396	2,601,480	3,832,621
Charge/(write back) to the Income Statement	(249,687)	(1,103,146)	(251,124)	(1,085,126)
Exchange rate variance on foreign currency provisions	(17,409)	(148,765)	(17,182)	(146,015)
<b>Balance as at June 30/December 31,</b>	<b>2,338,389</b>	<b>2,605,485</b>	<b>2,333,174</b>	<b>2,601,480</b>
<b>Under Stage 2</b>				
Balance as at January 1,	915,546	1,605,681	915,546	1,605,681
Charge/(write back) to the Income Statement	(316,030)	(664,771)	(316,030)	(664,771)
Exchange rate variance on foreign currency provisions	(34,336)	(25,364)	(34,336)	(25,364)
<b>Balance as at June 30/December 31,</b>	<b>565,180</b>	<b>915,546</b>	<b>565,180</b>	<b>915,546</b>
<b>Under Stage 3</b>				
Balance as at January 1,	2,565,734	2,449,385	2,565,734	2,449,385
Charge/(write back) to the Income Statement	169,558	116,349	169,558	116,349
Net write-off/(recoveries) during the year	(827,916)	-	(827,916)	-
Exchange rate variance on foreign currency provisions	(2,976)	-	(2,976)	-
<b>Balance as at June 30/December 31,</b>	<b>1,904,400</b>	<b>2,565,734</b>	<b>1,904,400</b>	<b>2,565,734</b>
<b>Total Impairment</b>				
Balance as at January 1,	6,086,765	7,912,462	6,082,760	7,887,687
Charge/(write back) to the Income Statement	(396,159)	(1,651,568)	(397,596)	(1,633,548)
Net write-off/(recoveries) during the year	(827,916)	-	(827,916)	-
Exchange rate variance on foreign currency provisions	(54,721)	(174,129)	(54,494)	(171,379)
<b>Balance as at June 30/December 31,</b>	<b>4,807,969</b>	<b>6,086,765</b>	<b>4,802,754</b>	<b>6,082,760</b>

## ANALYSIS OF DEPOSITS

As at	Group		Bank	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
	( Audited )	( Audited )	( Audited )	( Audited )
<b>By product - Domestic Currency</b>				
Current account deposits	93,299,401	92,053,878	93,300,826	92,063,554
Savings deposits	494,989,440	435,697,870	495,276,737	435,725,565
Time deposits	911,243,023	876,822,733	902,522,122	871,780,472
Certificates of deposit	3,501	3,501	3,501	3,501
<b>Sub Total</b>	<b>1,499,535,365</b>	<b>1,404,577,982</b>	<b>1,491,103,186</b>	<b>1,399,573,092</b>
<b>By product - Foreign Currency</b>				
Current account deposits	144,196,848	159,055,408	123,545,089	136,361,340
Savings deposits	152,644,498	166,727,769	139,744,382	153,857,828
Time deposits	396,548,771	417,545,699	377,715,436	395,253,889
<b>Sub Total</b>	<b>693,390,117</b>	<b>743,328,876</b>	<b>641,004,907</b>	<b>685,473,057</b>
<b>Total</b>	<b>2,192,925,482</b>	<b>2,147,906,858</b>	<b>2,132,108,093</b>	<b>2,085,046,149</b>

**GENERAL****NAME OF COMPANY**

Commercial Bank of Ceylon PLC

**COMPANY REGISTRATION NUMBER**

PQ116

**LEGAL FORM**

A public limited liability company incorporated in Sri Lanka on June 25, 1969 under the Companies Ordinance No. 51 of 1938 and quoted in the Colombo Stock Exchange in March 1970. The Company was re-registered under the Companies Act No.7 of 2007. A licensed Commercial Bank under the Banking Act No.30 of 1988.

**ACCOUNTING YEAR END**

December 31

**TAX PAYER IDENTIFICATION NUMBER (TIN)**

124006007

**REGISTERED OFFICE**

"Commercial House",  
No. 21, Sir Razik Fareed Mawatha,  
P.O. Box 856,  
Colombo 1, Sri Lanka.  
Telephone (General):  
+94 11 248 6000-5 (5 lines), 4486000,  
7486000,5486000  
SWIFT Code-Sri Lanka : CCEYLKLX  
SWIFT Code-Bangladesh : CCEYBDDH  
E-mail : info@combank.net  
Website : <http://www.combank.lk>

**HEAD OFFICE**

"Commercial House",  
No. 21, Sir Razik Fareed Mawatha, P.O. Box 856,  
Colombo 1, Sri Lanka.

**STOCK EXCHANGE LISTING**

The Ordinary Shares and the Unsecured Subordinated Redeemable Debentures of the Bank are listed on the Colombo Stock Exchange.

**COMPLIANCE OFFICER**

Ms. A. V. P. K. T. Amarasinghe  
Assistant General Manager - Compliance

**CREDIT RATINGS****Sri Lanka Operation**

A(lka) (outlook stable) by Fitch Ratings Lanka Limited in October 2023.

**Bangladesh Operation**

AAA was re-affirmed by Credit Rating Information & Services Limited in June 2024.

**PROFESSIONAL EXPERTISE****LAWYERS**

Messrs Julius & Creasy,  
No. 371, R. A. de Mel Mawatha,  
Colombo 3, Sri Lanka.

**AUDITORS**

Messrs KPMG,  
Chartered Accountants,  
No. 32A, Sir Mohamed Macan Markar Mawatha,  
P. O. Box 186, Colombo 03, Sri Lanka.

**REGISTRARS**

Messrs S S P Corporate Services (Private) Limited,  
No. 101, Inner Flower Road,  
Colombo 3, Sri Lanka.  
Telephone: 011-2573894, 011-2576871  
Facsimile: 011-2573609  
E-mail: [sspsec@slt.net.lk](mailto:sspsec@slt.net.lk)

**SUBSIDIARIES AND ASSOCIATE****LOCAL SUBSIDIARIES**

Commercial Development Company PLC  
CBC Tech Solutions Limited  
CBC Finance Limited  
Commercial Insurance Brokers (Pvt) Ltd.

**FOREIGN SUBSIDIARIES**

Commercial Bank of Maldives Private Limited  
CBC Myanmar Microfinance Company Limited

**ASSOCIATE**

Equity Investments Lanka Ltd.

**BOARD OF DIRECTORS & COMPANY SECRETARY****BOARD OF DIRECTORS**

Mr. Sharhan Muhseen - Chairman  
Mr. Raja Senanayake - Deputy Chairman  
Mr. S. C. U. Manatunge - Managing Director/Chief Executive Officer  
Mr. S. Prabagar - Chief Operating Officer  
Mr. L. D. Niyangoda  
Ms. N. T. M. S. Cooray  
Ms. Judy Lee  
Ms. D. L. T. S. Wijewardena  
Dr. S. Selliah  
Mr. D. N. L. Fernando  
Mr. P. M. Kumarasinghe

**COMPANY SECRETARY**

Mr. R. A. P. Rajapaksha