

INTERIM FINANCIAL STATEMENTS
For the nine months ended September 30, 2021

Financial review for the nine months ended September 30, 2021

Cost efficiencies drive vibrant 9-month growth for ComBank

- Cost to Income Ratio (before VAT on Financial Services) improves to 30.73% from 33.95% at end 2020 and 38.51% at end 2019
- Pays Rs.10.981 billion in total as taxes
- CASA ratio continues to improve, sets industry benchmark at 47.05%
- Growth of impairment charges curtailed to 7.56%; totals Rs 17.997 billion
- Provision cover further strengthened to 63.03%; net NPL ratio improves to 1.83%

The Commercial Bank of Ceylon Group has achieved characteristically equitable growth for the nine months ending 30th September 2021, despite a slowing down in some key contributors in the third quarter of the year.

The Group, comprising the Commercial Bank of Ceylon PLC – Sri Lanka’s largest private sector bank – its subsidiaries and an associate, has reported a gross income of Rs 120.050 billion for the period, an improvement of 5.66% over the corresponding nine months of 2020, with the third quarter recording a growth of 4.34% in comparison with the 6.34% growth achieved for the first half of 2021.

Interest income, the biggest component of gross income, grew by 3.43% to Rs 96.227 billion, improving on the 3.20% growth achieved up to June 2021, and interest expenses continued to decline, albeit at a lower rate than in the first half of the year, the Group said. Consequently, interest expenses reduced by 13.42% to Rs 48.693 billion for the nine months, enabling the Group to post net interest income of Rs 47.533 billion, recording an increase of 29.18%.

Among the other principal contributors to gross income, fee and commission income grew by 32.21% to Rs 11.002 billion; net other operating income improved by 13.91% to Rs 7.808 billion assisted by higher exchange gains; net gains from de-recognition of financial assets contributed Rs 2.976 billion and net gains from trading amounted to Rs 2.037 billion, an increase of 171.95%. Net gains from de-recognition of financial assets witnessed a decline of 36.10% due to a reduction in profits from the sale of Treasury Bonds and Sovereign Bonds by Rs 1.417 billion, in comparison with the third quarter of last year, the Group said.

Total operating income at Rs 68.951 billion for the nine months, reflected a growth of 23.53% and the Group’s noteworthy achievement of restricting impairment charges to Rs 17.997 billion during the

period under review, an increase of only 7.56% as compared with a 47.44% growth at the end of the first half of 2021, resulted in net operating income growing by 30.37% to Rs 50.954 billion. With the Group's consistency in curtailing growth in operating expenses to 8.39% (8.42% for the first half of 2021), total operating expenses for the nine months increased by Rs 1.647 billion to Rs 21.280 billion.

Consequently, operating profit before VAT on financial services grew by a significant 52.55% to Rs 29.674 billion for the nine months, improving on the 41.09% growth recorded at the end of the first six months of the year.

The Group paid Rs 4.608 billion as value added tax on financial services for the nine months, which was up 50.55% in line with the growth in profits. As a result, profit before tax for the period amounted to Rs 25.067 billion, an improvement of 52.90%. Income tax increased by 15.92% to Rs 6.049 billion, the relatively lower rate attributable to the reduction in the income tax rate. Consequently, profit after tax for the nine months reviewed grew by 70.17% to Rs 19.017 billion. Notably, this is Rs 1.931 billion or 11.30% more than the Group's net profit for the full year of 2020. Total taxes paid by the Group in respect of the nine months amounted to Rs.10.981 billion.

Taken separately, Commercial Bank of Ceylon PLC reported profit before tax of Rs 24.425 billion for the period, with a growth of 56.91% and profit after tax of Rs 18.606 billion, recording an improvement of 75.61%.

Total assets of the Group grew by Rs 200 billion or 11.35% over the nine months to reach Rs 1.962 trillion as at 30th September 2021.

Gross loans and advances increased by Rs 105.195 billion or 10.94% to Rs 1.067 trillion, recording a monthly average growth of Rs 11.688 billion over the nine months. The growth of the loan book over the preceding year was 12.36%.

Total deposits of the Group recorded an improvement of Rs 161.272 billion or 12.53% in the nine months reviewed at a monthly average of Rs 17.919 billion to reach Rs 1.448 trillion as at 30th September 2021. Deposit growth over the preceding 12 months was 18.51%.

In other key indicators, the Bank's basic and diluted earnings per share improved by 54.72% from Rs 10.07 to Rs 15.58, while its net assets value per share increased to Rs 137.00 from Rs 134.67 as at end 2020.

The CASA ratio improved to an impressive 47.05%, an industry benchmark, from 42.72% at the end of 2020 and 41.97% at the end of the third quarter of 2020, while the Bank's Cost to Income Ratio (CIR) before VAT on Financial Services improved to 30.73% at the end of the period under review from 33.95% at the end of 2020 and 38.51% at the end of 2019. The cost to income ratio inclusive of VAT on financial services improved to 37.55% from 39.96% at end 2020 and 49.41% at the end of 2019.

The Bank's Tier 1 Capital Adequacy Ratio (CAR) stood at 12.182% as at 30th September 2021, and its Total Capital Ratio at 16.128%, both comfortably above the revised minimum requirements of 9% and 13% respectively imposed by the regulator consequent to the COVID-19 pandemic.

The Bank's gross non-performing loans (NPL) ratio improved to 4.94% from 5.11% at end 2020 and 5.20% a year previously, while its net NPL ratio improved to 1.83% from 2.18% as at 31st December 2020 and 3.04% as at 30th September 2020. As a result, provision cover based on existing Central Bank of Sri Lanka (CBSL) regulatory requirements improved to 63.03% at the end of the reviewed nine months, from 57.42% at end 2020 and 41.47% a year previously. The Bank's impaired loan (stage 3) ratio and impairment (stage 3) to stage 3 loans ratio as at 30th September 2021 stood at 6.83% and 31.92% respectively, compared to 6.78% and 30.87% respectively, at the end of 2020.

The Bank's interest margin also improved to 3.37% from 3.17% for the year 2020, and 3.17% for the first nine months of the previous year. Return on assets (before taxes) and return on equity stood at 1.78% and 15.51% respectively for the nine months ending 30th September 2021 compared to 1.51% and 11.28% for 2020 and 1.37% and 10.28% at the end of the third quarter of 2020.

Sri Lanka's first fully carbon neutral bank, the first Sri Lankan bank to be listed among the Top 1000 Banks of the World and the only Sri Lankan bank to be so listed for 11 years consecutively, Commercial Bank operates a network of 268 branches and 931 automated machines in Sri Lanka. The Bank's overseas operations encompass Bangladesh, where the Bank operates 19 outlets; Myanmar, where it has a Microfinance company in Nay Pyi Taw; and the Maldives, where the Bank has a fully-fledged Tier I Bank with a majority stake.

INCOME STATEMENT - GROUP

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	For the nine months ended			For the quarter ended		
	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %
Gross income	120,050,132	113,619,126	5.66	40,118,637	38,451,700	4.34
Interest income	96,226,505	93,035,316	3.43	32,871,477	31,642,062	3.89
Less : Interest expense	48,693,225	56,239,554	(13.42)	16,496,229	17,613,060	(6.34)
Net interest income	47,533,280	36,795,762	29.18	16,375,248	14,029,002	16.72
Fee and commission income	11,002,138	8,321,696	32.21	3,899,728	3,130,147	24.59
Less: Fee and commission expense	2,405,419	1,561,943	54.00	1,015,256	458,093	121.63
Net fee and commission income	8,596,719	6,759,753	27.18	2,884,472	2,672,054	7.95
Net gains/(losses) from trading	2,037,057	749,059	171.95	612,193	807,244	(24.16)
Net gains/(losses) from derecognition of financial assets	2,976,498	4,658,345	(36.10)	140,630	2,523,819	(94.43)
Net other operating income	7,807,934	6,854,710	13.91	2,594,609	348,428	644.66
Total operating income	68,951,488	55,817,629	23.53	22,607,152	20,380,547	10.93
Less : Impairment charges and other losses	17,997,418	16,732,600	7.56	4,342,977	7,471,776	(41.87)
Net operating income	50,954,070	39,085,029	30.37	18,264,175	12,908,771	41.49
Less: Expenses	21,279,713	19,632,547	8.39	7,200,531	6,646,883	8.33
Personnel expenses	12,159,862	11,306,920	7.54	4,168,300	3,823,390	9.02
Depreciation and amortisation	2,421,733	2,325,461	4.14	833,731	754,712	10.47
Other operating expenses	6,698,118	6,000,166	11.63	2,198,500	2,068,781	6.27
Operating profit before Value Added Tax on financial services	29,674,357	19,452,482	52.55	11,063,644	6,261,888	76.68
Less: Value Added Tax on financial services	4,607,628	3,060,487	50.55	1,750,158	987,192	77.29
Operating profit after Value Added Tax on financial services	25,066,729	16,391,995	52.92	9,313,486	5,274,696	76.57
Share of profit/(loss) of associate, net of tax	83	1,928	(95.70)	(330)	2,665	(112.38)
Profit before income tax	25,066,812	16,393,923	52.90	9,313,156	5,277,361	76.47
Less : Income tax expense	6,049,469	5,218,642	15.92	2,649,350	1,549,657	70.96
Profit for the period	19,017,343	11,175,281	70.17	6,663,806	3,727,704	78.76
Profit attributable to:						
Equity holders of the Bank	18,844,782	11,066,823	70.28	6,587,500	3,693,062	78.38
Non-controlling interest	172,561	108,458	59.10	76,306	34,642	120.27
Profit for the period	19,017,343	11,175,281	70.17	6,663,806	3,727,704	78.76
Earnings per share (EPS)						
Basic earnings per ordinary share (Rs.)	15.78	10.52	50.00	5.52	3.51	57.26
Diluted earnings per ordinary share (Rs.)	15.78	10.52	50.00	5.52	3.51	57.26

	For the nine months ended			For the quarter ended		
	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %
Profit for the Period	19,017,343	11,175,281	70.17	6,663,806	3,727,704	78.76
Other comprehensive income, net of tax						
Items that will never be reclassified to profit or loss						
Net actuarial gains/(losses) on defined benefit plans	(28,970)	-	-	-	-	-
Gains/(losses) on remeasurement of defined benefit liability/asset	(838)	-	-	-	-	-
Less : Deferred tax on actuarial gains/(losses)	(28,132)	-	-	-	-	-
Net change in revaluation surplus	588,247	-	-	-	-	-
Changes in revaluation surplus/(deficit)	-	-	-	-	-	-
Less : Deferred tax on revaluation surplus	588,247	-	-	-	-	-
Net change in fair value on investments in equity	(684)	12,506	(105.47)	40,377	52,569	(23.19)
Change in fair value on investments in equity at fair value through other comprehensive income	(684)	12,506	(105.47)	40,377	52,569	(23.19)
Transfer of fair value gains/(losses) o/a reclassification of debt instruments from fair value through other comprehensive income to amortised cost, net of tax	-	5,626	-	-	(178,331)	-
Share of other comprehensive income/(expense) of associate, net of tax	(1,141)	3,613	(131.58)	(323)	6,505	(104.97)
Items that are or may be reclassified to profit or loss						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	1,369,565	368,013	272.15	(464,446)	(82,383)	(463.76)
Net gains/(losses) on investment in financial assets at fair value through other comprehensive income	(8,761,256)	1,356,546	(745.85)	(8,142,383)	(2,294,390)	(254.88)
Fair value gains/(losses) that arose during the period, net of tax	(7,042,416)	3,865,915	(282.17)	(7,806,730)	(955,587)	(716.96)
Fair value (gains)/losses realised to the Income Statement on disposal, net of tax	(2,262,139)	(3,205,520)	29.43	(106,879)	(1,666,414)	93.59
Fair value gains/(losses) recycled to the Income Statement as impairment, net of tax	543,299	696,151	(21.96)	(228,774)	327,611	(169.83)
Cash flow hedges - effective portion of changes in fair value, net of tax	13,223	(75,031)	117.62	(110)	(3,546)	96.90
Other comprehensive income/(expense) for the period, net of taxes	(6,821,016)	1,671,273	(508.13)	(8,566,885)	(2,499,576)	(242.73)
Total comprehensive income for the period	12,196,327	12,846,554	(5.06)	(1,903,079)	1,228,128	(254.96)
Attributable to:						
Equity holders of the Bank	11,916,926	12,712,600	(6.26)	(1,971,670)	1,198,957	(264.45)
Non-controlling interest	279,401	133,954	108.58	68,591	29,171	135.13
Total comprehensive income for the period	12,196,327	12,846,554	(5.06)	(1,903,079)	1,228,128	(254.96)

INCOME STATEMENT - BANK

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	For the nine months ended			For the quarter ended		
	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %
Gross income	117,964,326	112,024,589	5.30	39,434,326	37,936,884	3.95
Interest income	94,464,227	91,786,586	2.92	32,273,544	31,256,764	3.25
Less : Interest expense	48,251,228	55,896,737	(13.68)	16,338,610	17,494,646	(6.61)
Net interest income	46,212,999	35,889,849	28.76	15,934,934	13,762,118	15.79
Fee and commission income	10,655,231	7,911,166	34.69	3,814,977	2,993,612	27.44
Less: Fee and commission expense	2,393,366	1,550,084	54.40	1,010,988	453,450	122.95
Net fee and commission income	8,261,865	6,361,082	29.88	2,803,989	2,540,162	10.39
Net gains/(losses) from trading	2,037,057	749,059	171.95	612,193	807,244	(24.16)
Net gains/(losses) from derecognition of financial assets	2,976,498	4,658,345	(36.10)	140,630	2,523,819	(94.43)
Net other operating income	7,831,313	6,919,433	13.18	2,592,982	355,445	629.50
Total operating income	67,319,732	54,577,768	23.35	22,084,728	19,988,788	10.49
Less :Impairment charges for loans and other losses	17,619,542	16,881,740	4.37	4,261,500	7,441,088	(42.73)
Net operating income	49,700,190	37,696,028	31.84	17,823,228	12,547,700	42.04
Less: Expenses	20,685,740	19,083,323	8.40	7,075,180	6,445,573	9.77
Personnel expenses	11,795,422	10,990,184	7.33	4,047,140	3,710,375	9.08
Depreciation and amortisation	2,415,047	2,235,087	8.05	848,532	722,582	17.43
Other expenses	6,475,271	5,858,052	10.54	2,179,508	2,012,616	8.29
Operating profit before Value Added Tax on financial services	29,014,450	18,612,705	55.89	10,748,048	6,102,127	76.14
Less: Value Added Tax on financial services	4,589,846	3,046,535	50.66	1,743,046	982,040	77.49
Profit before income tax	24,424,604	15,566,170	56.91	9,005,002	5,120,087	75.88
Less : Income tax expense	5,818,996	4,971,573	17.05	2,533,250	1,486,601	70.41
Profit for the period	18,605,608	10,594,597	75.61	6,471,752	3,633,486	78.11
Earnings per share (EPS)						
Basic earnings per ordinary share (Rs.)	15.58	10.07	54.72	5.42	3.45	57.10
Diluted earnings per ordinary share (Rs.)	15.58	10.07	54.72	5.42	3.45	57.10

	For the nine months ended			For the quarter ended		
	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %	30.09.2021 Rs.'000	30.09.2020 Rs.'000	Change %
Profit for the period	18,605,608	10,594,597	75.61	6,471,752	3,633,486	78.11
Other comprehensive income, net of tax						
Items that will never be reclassified to profit or loss						
Net actuarial gains/(losses) on defined benefit plans	(28,904)	-	-	-	-	-
Gains/(losses) on remeasurement of defined benefit liability/asset	-	-	-	-	-	-
Less : Deferred tax on actuarial gains/(losses)	(28,904)	-	-	-	-	-
Net change in revaluation surplus	532,740	-	-	-	-	-
Changes in revaluation surplus/(deficit)	-	-	-	-	-	-
Less : Deferred tax on revaluation surplus	532,740	-	-	-	-	-
Net change in fair value on investments in equity	(684)	12,506	(105.47)	40,377	52,569	(23.19)
Change in fair value on investments in equity at fair value through other comprehensive income	(684)	12,506	(105.47)	40,377	52,569	(23.19)
Transfer of fair value gains/(losses) o/a reclassification of debt instruments from fair value through other comprehensive income to amortised cost, net of tax	-	5,626	-	-	(178,331)	-
Items that are or may be reclassified to profit or loss						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	1,272,306	242,216	425.28	(381,931)	(93,449)	(308.71)
Net gains/(losses) on investment in financial assets at fair value through other comprehensive income	(8,762,158)	1,354,049	(747.11)	(8,142,341)	(2,296,390)	(254.57)
Fair value gains/(losses) that arose during the period, net of tax	(7,043,318)	3,863,418	(282.31)	(7,806,688)	(957,587)	(715.25)
Fair value (gains)/losses realised to the Income Statement on disposal, net of tax	(2,262,139)	(3,205,520)	29.43	(106,879)	(1,666,414)	93.59
Fair value gains/(losses) recycled to the Income Statement as impairment, net of tax	543,299	696,151	(21.96)	(228,774)	327,611	(169.83)
Cash flow hedges - effective portion of changes in fair value, net of tax	13,223	(75,031)	117.62	(110)	(3,546)	96.90
Other comprehensive income/(expense) for the period, net of taxes	(6,973,477)	1,539,366	(553.01)	(8,484,005)	(2,519,147)	(236.78)
Total comprehensive income for the period	11,632,131	12,133,963	(4.14)	(2,012,253)	1,114,339	(280.58)

STATEMENT OF FINANCIAL POSITION

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As at	Group			Bank		
	30.09.2021	31.12.2020	Change	30.09.2021	31.12.2020	Change
		(Audited)			(Audited)	
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
ASSETS						
Cash and cash equivalents	93,000,346	51,255,030	81.45	91,478,737	50,250,627	82.04
Balances with Central Banks	49,431,255	115,358,732	(57.15)	45,873,467	110,971,105	(58.66)
Placements with banks	20,218,425	16,421,867	23.12	19,265,858	15,938,982	20.87
Securities purchased under resale agreements	2,697,359	-	-	2,697,359	-	-
Derivative financial assets	3,271,766	2,636,717	24.08	3,271,766	2,636,717	24.08
Financial assets recognised through profit or loss - measured at fair value	31,522,053	35,189,471	(10.42)	31,522,053	35,189,471	(10.42)
Financial assets at amortised cost - Loans and advances to banks	833,952	779,705	6.96	833,952	779,705	6.96
Financial assets at amortised cost - Loans and advances to other customers	999,913,656	909,829,172	9.90	984,845,846	896,845,453	9.81
Financial assets at amortised cost - Debt and other financial instruments	356,179,525	302,059,529	17.92	342,169,712	292,727,566	16.89
Financial assets measured at fair value through other comprehensive income	345,560,552	278,716,794	23.98	345,250,606	278,461,369	23.99
Investments in subsidiaries	-	-	-	5,808,429	5,808,429	-
Investment in associate	63,096	64,155	(1.65)	44,331	44,331	-
Property, plant and equipment and right-of-use assets	25,001,485	25,386,630	(1.52)	23,246,255	23,212,394	0.15
Investment properties	67,900	67,116	1.17	-	-	-
Intangible assets	2,047,091	1,800,516	13.69	1,494,505	1,232,863	21.22
Deferred tax assets	8,052,166	2,735,566	194.35	7,772,486	2,499,860	210.92
Other assets	24,600,114	20,195,153	21.81	24,542,510	19,619,149	25.09
Total Assets	1,962,460,741	1,762,496,153	11.35	1,930,117,872	1,736,218,021	11.17
LIABILITIES						
Due to banks	80,540,568	88,248,056	(8.73)	80,362,973	87,451,306	(8.11)
Derivative financial liabilities	3,017,891	1,501,262	101.02	3,017,891	1,501,262	101.02
Securities sold under repurchase agreements	132,578,610	91,411,522	45.03	133,030,525	91,437,612	45.49
Financial liabilities at amortised cost - due to depositors	1,447,888,478	1,286,616,399	12.53	1,420,186,722	1,265,965,918	12.18
Financial liabilities at amortised cost - other borrowings	46,167,470	54,555,933	(15.38)	46,167,470	54,555,933	(15.38)
Current tax liabilities	8,737,272	6,991,005	24.98	8,508,147	6,777,992	25.53
Deferred tax liabilities	343,822	403,846	(14.86)	-	-	-
Other liabilities	31,862,811	33,572,283	(5.09)	31,794,069	33,037,669	(3.76)
Due to subsidiaries	-	-	-	80,785	97,015	(16.73)
Subordinated liabilities	43,363,999	38,247,138	13.38	43,363,999	38,247,138	13.38
Total Liabilities	1,794,500,921	1,601,547,444	12.05	1,766,512,581	1,579,071,845	11.87

As at	Group			Bank		
	30.09.2021	31.12.2020	Change	30.09.2021	31.12.2020	Change
	(Audited)	(Audited)		(Audited)	(Audited)	
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
EQUITY						
Stated capital	54,565,494	52,187,747	4.56	54,565,494	52,187,747	4.56
Statutory reserves	9,287,728	9,285,233	0.03	9,024,065	9,024,065	-
Retained earnings	19,680,594	8,124,261	142.24	18,916,233	7,596,260	149.02
Other reserves	82,402,906	89,595,571	(8.03)	81,099,499	88,338,104	(8.19)
Total equity attributable to equity holders of the Bank	165,936,722	159,192,812	4.24	163,605,291	157,146,176	4.11
Non-controlling Interest	2,023,098	1,755,897	15.22	-	-	-
Total Equity	167,959,820	160,948,709	4.36	163,605,291	157,146,176	4.11
Total Liabilities and Equity	1,962,460,741	1,762,496,153	11.35	1,930,117,872	1,736,218,021	11.17
Contingent Liabilities and Commitments	674,796,325	730,561,685	(7.63)	672,716,776	728,711,698	(7.68)
Net Assets Value per Ordinary Share (Rs.)	138.95	136.42	1.85	137.00	134.67	1.73
Memorandum Information						
Number of Employees				5,068	5,057	
Number of Customer Service Centers				287	287	

CERTIFICATION :

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

(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 have been extracted from the unaudited Financial Statements of the Group & the Bank, unless indicated as audited.

(Sgd.) Justice K. Sripavan

Chairman

November 12, 2021

Colombo

(Sgd.) S. Renganathan

Managing Director/Chief Executive Officer

	Stated Capital	Statutory Reserve Fund	Retained Earnings	Other Reserves						Shareholders' Funds	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 01.01.2020 - Audited	40,916,958	8,387,701	5,182,185	7,837,785	1,783,503	2,765,992	(38,372)	468,494	67,120,003	134,424,249	1,589,234	136,013,483
Total comprehensive income for the nine months ended 30.09.2020												
Profit for the nine months ended 30.09.2020	-	-	11,066,823	-	-	-	-	-	-	11,066,823	108,458	11,175,281
Other comprehensive income for the nine months ended 30.09.2020	-	-	-	-	1,378,291	342,517	(75,031)	-	-	1,645,777	25,496	1,671,273
Total comprehensive income for the nine months ended 30.09.2020	-	-	11,066,823	-	1,378,291	342,517	(75,031)	-	-	12,712,600	133,954	12,846,554
Transactions with owners, recognized directly in equity, contributions by and distributions to owners												
Share-based Payment transactions	-	-	-	-	-	-	-	101,825	-	101,825	-	101,825
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	105,980	-	-	-	-	(147,194)	-	(41,214)	-	(41,214)
Dividends to equity holders												
Second interim dividend for 2019	-	-	(3,082,520)	-	-	-	-	-	-	(3,082,520)	-	(3,082,520)
Final dividend for 2019 satisfied in the form of issue and allotment of new shares	2,055,014	-	(2,055,014)	-	-	-	-	-	-	-	-	-
Final cash dividend for 2019	-	-	-	-	-	-	-	-	-	-	(13,620)	(13,620)
Unclaimed dividend absorbed/(dividend paid) in respect of previous years	-	-	(98)	-	-	-	-	-	-	(98)	-	(98)
Transfers during the period	-	3,449	(3,449)	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	2,055,014	3,449	(5,035,101)	-	-	-	-	(45,369)	-	(3,022,007)	(13,620)	(3,035,627)
Balance as at 30.09.2020	42,971,972	8,391,150	11,213,907	7,837,785	3,161,794	3,108,509	(113,403)	423,125	67,120,003	144,114,842	1,709,568	145,824,410
Total comprehensive income for the three months ended 31.12.2020												
Profit for the three months ended 31.12.2020	-	-	5,873,127	-	-	-	-	-	-	5,873,127	38,389	5,911,516
Other comprehensive income for the three months ended 31.12.2020	-	-	(225,018)	2,662,469	(2,697,910)	217,415	10,892	-	-	(32,152)	20,960	(11,192)
Total comprehensive income for the three months ended 31.12.2020	-	-	5,648,109	2,662,469	(2,697,910)	217,415	10,892	-	-	5,840,975	59,349	5,900,324
Transactions with owners, recognized directly in equity, contributions by and distributions to owners												
Proceeds from the issue of ordinary voting shares to IFC parties (Private placement)	9,215,775	-	-	-	-	-	-	-	-	9,215,775	-	9,215,775
Dividends to equity holders												
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	198	-	-	-	-	-	-	198	24	222
First interim dividend for 2020	-	-	-	-	-	-	-	-	-	-	(2,400)	(2,400)
Share-based Payment transactions	-	-	-	-	-	-	-	10,378	-	10,378	-	10,378
Movement due to change in ownership	-	-	6,130	4,514	-	-	-	-	-	10,644	(10,644)	-
Transfers during the period	-	894,083	(8,744,083)	-	-	-	-	-	7,850,000	-	-	-
Total transactions with equity holders	9,215,775	894,083	(8,737,755)	4,514	-	-	-	10,378	7,850,000	9,236,995	(13,020)	9,223,975
Balance as at 31.12.2020 - Audited	52,187,747	9,285,233	8,124,261	10,504,768	463,884	3,325,924	(102,511)	433,503	74,970,003	159,192,812	1,755,897	160,948,709
Total comprehensive income for the nine months ended 30.09.2021												
Profit for the nine months ended 30.09.2021	-	-	18,844,782	-	-	-	-	-	-	18,844,782	172,561	19,017,343
Other comprehensive income for the nine months ended 30.09.2021	-	-	(29,223)	579,392	(8,763,081)	1,271,833	13,223	-	-	(6,927,856)	106,840	(6,821,016)
Total comprehensive income for the nine months ended 30.09.2021	-	-	18,815,559	579,392	(8,763,081)	1,271,833	13,223	-	-	11,916,926	279,401	12,196,327
Transactions with owners, recognized directly in equity, contributions by and distributions to owners												
Issue of Ordinary Shares under Employee Share Option Plans [ESOPs]	39,520	-	-	-	-	-	-	-	-	39,520	-	39,520
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	244,188	-	-	-	-	(321,300)	-	(77,112)	-	(77,112)
Transfer o/a Share-based Payment transactions	3,529	-	-	-	-	-	-	(3,529)	-	-	-	-
Dividends to equity holders												
First & Final dividend for 2020 satisfied in the form of cash	-	-	(5,253,070)	-	-	-	-	-	-	(5,253,070)	-	(5,253,070)
First & Final dividend for 2020 satisfied in the form of issue and allotment of new shares	2,334,698	-	(2,334,698)	-	-	-	-	-	-	-	-	-
Final cash dividend for 2020	-	-	-	-	-	-	-	-	-	-	(12,200)	(12,200)
Unclaimed dividend absorbed/(dividend paid) in respect of previous years	-	-	86,849	-	-	-	-	-	-	86,849	-	86,849
Share-based Payment transactions	-	-	-	-	-	-	-	30,797	-	30,797	-	30,797
Transfers during the period	-	2,495	(2,495)	-	-	-	-	-	-	-	-	-
Total transactions with equity holders	2,377,747	2,495	(7,259,226)	-	-	-	-	(294,032)	-	(5,173,016)	(12,200)	(5,185,216)
Balance as at 30.09.2021	54,565,494	9,287,728	19,680,594	11,084,160	(8,299,197)	4,597,757	(89,288)	139,471	74,970,003	165,936,722	2,023,098	167,959,820

	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 01.01.2020 - Audited	40,916,958	8,205,391	5,144,433	7,088,054	1,785,441	2,471,983	(38,372)	468,494	67,120,003	133,162,385
Total comprehensive income for the nine months ended 30.09.2020										
Profit for the nine months ended 30.09.2020	-	-	10,594,597	-	-	-	-	-	-	10,594,597
Other comprehensive income for the nine months ended 30.09.2020	-	-	-	-	1,372,181	242,216	(75,031)	-	-	1,539,366
Total comprehensive income for the nine months ended 30.09.2020	-	-	10,594,597	-	1,372,181	242,216	(75,031)	-	-	12,133,963
Transactions with owners, recognized directly in equity, contributions by and distributions to owners										
Share-based Payment transactions	-	-	-	-	-	-	-	101,825	-	101,825
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	105,980	-	-	-	-	(147,194)	-	(41,214)
Dividends to equity holders										
Second interim dividend for 2019	-	-	(3,082,520)	-	-	-	-	-	-	(3,082,520)
Final dividend for 2019 satisfied in the form of issue and allotment of new shares	2,055,014	-	(2,055,014)	-	-	-	-	-	-	-
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	(98)	-	-	-	-	-	-	(98)
Total transactions with equity holders	2,055,014	-	(5,031,652)	-	-	-	-	(45,369)	-	(3,022,007)
Balance as at 30.09.2020	42,971,972	8,205,391	10,707,378	7,088,054	3,157,622	2,714,199	(113,403)	423,125	67,120,003	142,274,341
Total comprehensive income for the three months ended 31.12.2020										
Profit for the three months ended 31.12.2020	-	-	5,778,892	-	-	-	-	-	-	5,778,892
Other comprehensive income for the three months ended 31.12.2020	-	-	(221,320)	2,574,858	(2,695,291)	197,667	10,892	-	-	(133,194)
Total comprehensive income for the three months ended 31.12.2020	-	-	5,557,572	2,574,858	(2,695,291)	197,667	10,892	-	-	5,645,698
Transactions with owners, recognized directly in equity, contributions by and distributions to owners										
Proceeds from the issue of ordinary voting shares to IFC parties (Private placement)	9,215,775	-	-	-	-	-	-	-	-	9,215,775
Dividends to equity holders										
Unclaimed dividend absorbed / (dividend paid) in respect of previous years	-	-	(16)	-	-	-	-	-	-	(16)
Share-based Payment transactions	-	-	-	-	-	-	-	10,378	-	10,378
Transfers during the period	-	818,674	(8,668,674)	-	-	-	-	-	7,850,000	-
Total transactions with equity holders	9,215,775	818,674	(8,668,690)	-	-	-	-	10,378	7,850,000	9,226,137
Balance as at 31.12.2020 - Audited	52,187,747	9,024,065	7,596,260	9,662,912	462,331	2,911,866	(102,511)	433,503	74,970,003	157,146,176
Total comprehensive income for the nine months ended 30.09.2021										
Profit for the nine months ended 30.09.2021	-	-	18,605,608	-	-	-	-	-	-	18,605,608
Other comprehensive income for the nine months ended 30.09.2021	-	-	(28,904)	532,740	(8,762,842)	1,272,306	13,223	-	-	(6,973,477)
Total comprehensive income for the nine months ended 30.09.2021	-	-	18,576,704	532,740	(8,762,842)	1,272,306	13,223	-	-	11,632,131
Transactions with owners, recognized directly in equity, contributions by and distributions to owners										
Issue of Ordinary Shares under Employee Share Option Plans [ESOPs]	39,520	-	-	-	-	-	-	-	-	39,520
Transfer of cost o/a of expired ESOP Shares (net of tax)	-	-	244,188	-	-	-	-	(321,300)	-	(77,112)
Transfer o/a Share-based Payment transactions	3,529	-	-	-	-	-	-	(3,529)	-	-
Dividends to equity holders										
First & Final dividend for 2020 satisfied in the form of cash	-	-	(5,253,070)	-	-	-	-	-	-	(5,253,070)
First & Final dividend for 2020 satisfied in the form of issue and allotment of new shares	2,334,698	-	(2,334,698)	-	-	-	-	-	-	-
Unclaimed dividend absorbed/(dividend paid) in respect of previous years	-	-	86,849	-	-	-	-	-	-	86,849
Share-based Payment transactions	-	-	-	-	-	-	-	30,797	-	30,797
Total transactions with equity holders	2,377,747	-	(7,256,731)	-	-	-	-	(294,032)	-	(5,173,016)
Balance as at 30.09.2021	54,565,494	9,024,065	18,916,233	10,195,652	(8,300,511)	4,184,172	(89,288)	139,471	74,970,003	163,605,291

STATEMENT OF CASH FLOWS

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For the nine months ended September 30,	Group		Bank	
	2021	2020	2021	2020
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash Flows from Operating Activities				
Profit before income tax	25,066,812	16,393,923	24,424,604	15,566,170
Adjustments for:				
Non-cash items included in profit before tax	21,902,669	19,642,497	21,554,235	19,715,772
Change in operating assets	(177,260,869)	(278,963,488)	(170,945,990)	(276,574,029)
Change in operating liabilities	186,148,754	243,609,761	180,166,432	241,844,248
(Gains)/losses on sale of property, plant and equipment	(22,617)	(5,524)	(4,595)	(599)
Share of profits from associate, net of tax	(83)	(1,928)	-	-
Dividend income from subsidiaries	-	-	(74,800)	(76,600)
Interest expense on subordinated liabilities	2,508,276	2,843,226	2,508,276	2,843,226
Benefits paid on defined benefit plans	(468,660)	(514,848)	(462,018)	(513,790)
Net unrealized gains/(losses) arising from translating the financial statements of foreign operations	1,369,565	368,013	1,272,306	242,216
Income tax paid	(6,373,969)	(6,473,866)	(6,124,956)	(6,171,667)
Net cash from/(used in) operating activities	52,869,878	(3,102,234)	52,313,494	(3,125,053)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(710,889)	(845,388)	(623,873)	(774,855)
Proceeds from sale of property, plant and equipment	43,708	5,601	7,618	671
Purchase of financial investments	(5,607,000)	(300,000)	(5,607,000)	(300,000)
Proceeds from sale and maturity of financial investments	252,293	2,188,601	252,293	2,188,601
Purchase of intangible assets	(509,069)	(432,950)	(486,474)	(393,237)
Dividends received from investments in subsidiaries	-	-	74,800	76,600
Net cash from/(used in) investing activities	(6,530,957)	615,864	(6,382,636)	797,780
Cash Flows from Financing Activities				
Proceeds from issue of ordinary voting shares under Employee Share Option Plans	39,520	-	39,520	-
Proceeds from issue of subordinated liabilities	8,595,470	-	8,595,470	-
Redemption of subordinated liabilities	(4,430,340)	-	(4,430,340)	-
Interest paid on subordinated liabilities	(2,531,545)	(2,874,635)	(2,531,545)	(2,874,635)
Payment of lease liabilities/advance payment of right-of-use assets	(1,085,734)	(843,165)	(1,207,077)	(912,479)
Dividends paid to shareholders of the Bank	(5,166,221)	(3,082,618)	(5,166,221)	(3,082,618)
Dividends paid to non-controlling interest	(12,200)	(13,620)	-	-
Net cash from/(used in) financing activities	(4,591,050)	(6,814,038)	(4,700,193)	(6,869,732)
Net increase/(decrease) in cash & cash equivalents	41,747,871	(9,300,408)	41,230,665	(9,197,005)
Gross cash and cash equivalents as at January 1,	51,258,271	53,686,825	50,253,868	52,540,437
Gross cash and cash equivalents at end of the period	93,006,142	44,386,417	91,484,533	43,343,432
Less: Impairment charges	(5,796)	(3,986)	(5,796)	(3,986)
Cash and cash equivalents as per Statement of Financial Position (Net)	93,000,346	44,382,431	91,478,737	43,339,446

	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
FINANCIAL ASSETS				
Cash and cash equivalents		93,000,346		93,000,346
Balances with Central Banks		49,431,255		49,431,255
Placements with banks		20,218,425		20,218,425
Securities purchased under resale agreements		2,697,359		2,697,359
Derivative financial assets	3,271,766			3,271,766
Financial assets recognised through profit or loss - measured at fair value	31,522,053			31,522,053
Financial assets at amortised cost - Loans and advances to banks		833,952		833,952
Financial assets at amortised cost - Loans and advances to other customers		999,913,656		999,913,656
Financial assets at amortised cost - Debt and other financial instruments		356,179,525		356,179,525
Financial assets measured at fair value through other comprehensive income			345,560,552	345,560,552
Total financial assets	34,793,819	1,522,274,518	345,560,552	1,902,628,889
FINANCIAL LIABILITIES				
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
Due to banks			80,540,568	80,540,568
Derivative financial liabilities		3,017,891		3,017,891
Securities sold under repurchase agreements			132,578,610	132,578,610
Financial liabilities at amortised cost - due to depositors			1,447,888,478	1,447,888,478
Financial liabilities at amortised cost - other borrowings			46,167,470	46,167,470
Subordinated liabilities			43,363,999	43,363,999
Total financial liabilities		3,017,891	1,750,539,125	1,753,557,016

	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
FINANCIAL ASSETS				
Cash and cash equivalents		51,255,030		51,255,030
Balances with Central Banks		115,358,732		115,358,732
Placements with banks		16,421,867		16,421,867
Securities purchased under resale agreements		-		-
Derivative financial assets	2,636,717			2,636,717
Financial assets recognised through profit or loss - measured at fair value	35,189,471			35,189,471
Financial assets at amortised cost - Loans and advances to banks		779,705		779,705
Financial assets at amortised cost - Loans and advances to other customers		909,829,172		909,829,172
Financial assets at amortised cost - Debt and other financial instruments		302,059,529		302,059,529
Financial assets measured at fair value through other comprehensive income			278,716,794	278,716,794
Total financial assets	37,826,188	1,395,704,035	278,716,794	1,712,247,017
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			88,248,056	88,248,056
Derivative financial liabilities		1,501,262		1,501,262
Securities sold under repurchase agreements			91,411,522	91,411,522
Financial liabilities at amortised cost - due to depositors			1,286,616,399	1,286,616,399
Financial liabilities at amortised cost - other borrowings			54,555,933	54,555,933
Subordinated liabilities			38,247,138	38,247,138
Total financial liabilities		1,501,262	1,559,079,048	1,560,580,310

	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
FINANCIAL ASSETS				
Cash and cash equivalents		91,478,737		91,478,737
Balances with Central Banks		45,873,467		45,873,467
Placements with banks		19,265,858		19,265,858
Securities purchased under resale agreements		2,697,359		2,697,359
Derivative financial assets	3,271,766			3,271,766
Financial assets recognised through profit or loss - measured at fair value	31,522,053			31,522,053
Financial assets at amortised cost - Loans and advances to banks		833,952		833,952
Financial assets at amortised cost - Loans and advances to other customers		984,845,846		984,845,846
Financial assets at amortised cost - Debt and other financial instruments		342,169,712		342,169,712
Financial assets measured at fair value through other comprehensive income			345,250,606	345,250,606
Total financial assets	34,793,819	1,487,164,931	345,250,606	1,867,209,356
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			80,362,973	80,362,973
Derivative financial liabilities		3,017,891		3,017,891
Securities sold under repurchase agreements			133,030,525	133,030,525
Financial liabilities at amortised cost - due to depositors			1,420,186,722	1,420,186,722
Financial liabilities at amortised cost - other borrowings			46,167,470	46,167,470
Subordinated liabilities			43,363,999	43,363,999
Total financial liabilities		3,017,891	1,723,111,689	1,726,129,580

	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
FINANCIAL ASSETS				
Cash and cash equivalents		50,250,627		50,250,627
Balances with Central Banks		110,971,105		110,971,105
Placements with banks		15,938,982		15,938,982
Securities purchased under resale agreements		-		-
Derivative financial assets	2,636,717			2,636,717
Financial assets recognised through profit or loss - measured at fair value	35,189,471			35,189,471
Financial assets at amortised cost - Loans and advances to banks		779,705		779,705
Financial assets at amortised cost - Loans and advances to other customers		896,845,453		896,845,453
Financial assets at amortised cost - Debt and other financial instruments		292,727,566		292,727,566
Financial assets measured at fair value through other comprehensive income			278,461,369	278,461,369
Total financial assets	37,826,188	1,367,513,438	278,461,369	1,683,800,995
		Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at Amortised Cost (AC)	Total
		Rs.'000	Rs.'000	Rs.'000
FINANCIAL LIABILITIES				
Due to banks			87,451,306	87,451,306
Derivative financial liabilities		1,501,262		1,501,262
Securities sold under repurchase agreements			91,437,612	91,437,612
Financial liabilities at amortised cost - due to depositors			1,265,965,918	1,265,965,918
Financial liabilities at amortised cost - other borrowings			54,555,933	54,555,933
Subordinated liabilities			38,247,138	38,247,138
Total financial liabilities		1,501,262	1,537,657,907	1,539,159,169

Level 1

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

Accordingly, if available, the Bank measures the fair value of an instrument using active quoted prices or dealer price quotations without any deduction for transaction costs. 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 have a significant effect on the instrument's valuation.

This category 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.

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
As at September 30, 2021	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets								
Derivative financial assets	-	3,271,766	-	3,271,766	-	3,271,766	-	3,271,766
Financial assets recognized through profit or loss - measured at fair value	31,522,053	-	-	31,522,053	31,522,053	-	-	31,522,053
Financial assets measured at fair value through other comprehensive income	288,410,785	57,096,179	53,588	345,560,552	288,100,963	57,096,179	53,464	345,250,606
Total financial assets at fair value	319,932,838	60,367,945	53,588	380,354,371	319,623,016	60,367,945	53,464	380,044,425
Financial Liabilities								
Derivative financial liabilities	-	3,017,891	-	3,017,891	-	3,017,891	-	3,017,891
Total financial liabilities at fair value	-	3,017,891	-	3,017,891	-	3,017,891	-	3,017,891

	Group				Bank			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
As at December 31, 2020 - Audited	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets								
Derivative financial assets	-	2,636,717	-	2,636,717	-	2,636,717	-	2,636,717
Financial assets recognized through profit or loss - measured at fair value	35,189,471	-	-	35,189,471	35,189,471	-	-	35,189,471
Financial assets measured at fair value through other comprehensive income	223,829,148	56,511,184	52,296	280,392,628	223,573,847	56,511,184	52,172	280,137,203
Total financial assets at fair value	259,018,619	59,147,901	52,296	318,218,816	258,763,318	59,147,901	52,172	317,963,391
Financial Liabilities								
Derivative financial liabilities	-	1,501,262	-	1,501,262	-	1,501,262	-	1,501,262
Total financial liabilities at fair value	-	1,501,262	-	1,501,262	-	1,501,262	-	1,501,262

The following table sets out the fair values of financial assets and liabilities not measured at fair value and 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
As at September 30, 2021	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets										
Financial assets at amortised cost - Loans and advances to other customers	-	-	997,726,336	997,726,336	999,913,656	-	-	982,658,526	982,658,526	984,845,846
Financial assets at amortised cost - Debt and other financial instruments	338,382,892	7,301,440	-	345,684,332	356,179,525	324,373,079	7,301,440	-	331,674,519	342,169,712
Total financial assets not at fair value	338,382,892	7,301,440	997,726,336	1,343,410,668	1,356,093,181	324,373,079	7,301,440	982,658,526	1,314,333,045	1,327,015,558
Financial Liabilities										
Financial liabilities at amortised cost - due to depositors	-	-	1,449,261,527	1,449,261,527	1,447,888,478	-	-	1,421,559,771	1,421,559,771	1,420,186,722
Subordinated liabilities	-	-	44,279,533	44,279,533	43,363,999	-	-	44,279,533	44,279,533	43,363,999
Total financial liabilities not at fair value	-	-	1,493,541,060	1,493,541,060	1,491,252,477	-	-	1,465,839,304	1,465,839,304	1,463,550,721
	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
As at December 31, 2020 - Audited	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets										
Financial assets at amortised cost - Loans and advances to other customers	-	-	913,411,806	913,411,806	909,829,172	-	-	900,428,087	900,428,087	896,845,453
Financial assets at amortised cost - Debt and other financial instruments	258,101,089	10,530,450	-	268,631,539	302,059,529	248,769,126	10,530,450	-	259,299,576	292,727,566
Total financial assets not at fair value	258,101,089	10,530,450	913,411,806	1,182,043,345	1,211,888,701	248,769,126	10,530,450	900,428,087	1,159,727,663	1,189,573,019
Financial Liabilities										
Financial liabilities at amortised cost - due to depositors	-	-	1,290,852,077	1,290,852,077	1,286,616,399	-	-	1,270,201,596	1,270,201,596	1,265,965,918
Subordinated liabilities	-	-	39,803,997	39,803,997	38,247,138	-	-	39,803,997	39,803,997	38,247,138
Total financial liabilities not at fair value	-	-	1,330,656,074	1,330,656,074	1,324,863,537	-	-	1,310,005,593	1,310,005,593	1,304,213,056

Assets and Liabilities for which fair value approximates carrying value

For below listed financial assets and liabilities 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 assets at amortised cost - Loans and advances to banks

Financial Liabilities

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

	Bank		Group	
	As at 30.09.2021	As at 31.12.2020	As at 30.09.2021	As at 31.12.2020
Regulatory Capital - Rs. '000				
Common Equity Tier I	133,797,713	134,689,259	138,975,227	139,730,831
Tier I Capital	133,797,713	134,689,259	138,975,227	139,730,831
Total Capital	177,144,536	171,396,829	182,322,050	176,611,211
Regulatory Capital Ratios (%)				
Common Equity Tier I Capital Ratio (Minimum Requirement - 7.500%)	12.182	13.217	12.286	13.356
Tier I Capital Ratio (Minimum Requirement - 9.000%)	12.182	13.217	12.286	13.356
Total Capital Ratio (Minimum Requirement - 13.000%)	16.128	16.819	16.118	16.882
Leverage Ratio (%) (Minimum Requirement - 3%)	5.41	5.74	5.53	5.88
Regulatory Liquidity				
Statutory Liquid Assets - Rs. '000				
Domestic Banking Unit	598,534,556	560,796,115		
Off-Shore Banking Unit	28,114,800	26,358,959		
Statutory Liquid Assets Ratio (%) (Minimum Requirement 20%)				
Domestic Banking Unit	43.07	44.99		
Off-Shore Banking Unit	34.81	32.70		
Total Stock of High Quality Liquid Assets - Rs. '000	443,210,199	362,921,544		
Liquidity Coverage Ratio (%) (Minimum Requirement - 2021 - 100%, 2020 - 90%)				
Liquidity Coverage Ratio (%) - Rupee	541.33	599.38		
Liquidity Coverage Ratio (%) - All Currency	304.77	422.86		
Net Stable Funding Ratio (%) (Minimum Requirement - 2021 - 100%, 2020 - 90%)	169.62	157.49		
Asset Quality (Quality of Loan Portfolio)				
Gross Non-Performing Advances Ratio (%) (Net of Interest in Suspense)	4.94	5.11		
Net Non-Performing Advances Ratio (%) (Net of Interest in Suspense and Provisions)	1.83	2.18		
Impaired Loans (Stage 3) Ratio (%)	6.83	6.78		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	31.92	30.87		
Profitability				
Interest Margin (%)	3.37	3.17		
Return on Assets (before tax) (%)	1.78	1.51		
Return on Equity (%)	15.51	11.28		
Debt Security Related Ratios				
Debt to Equity Ratio (%)	32.55	35.51		
Interest Cover (Times)	15.01	10.37		

OPERATING SEGMENTS - GROUP

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For the nine months ended September 30,	Personal Banking		Corporate Banking		International Operations		Dealing/Treasury		NBFI, Real Estate & Services		Unallocated/Eliminations		Total/Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	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	24,015,015	19,067,376	5,084,642	6,357,402	5,255,443	4,645,250	9,722,120	2,588,533	571,310	315,733	2,884,750	3,821,468	47,533,280	36,795,762
Foreign exchange profit	167,272	85,233	56,161	68,731	904,843	1,069,730	5,502,290	4,448,772	-	-	2,624,242	835,416	9,254,808	6,507,882
Net fees and commission income	4,481,105	3,801,000	2,472,889	1,596,847	1,164,915	925,298	10,710	677	154,853	185,152	312,247	250,779	8,596,719	6,759,753
Other income	271,829	164,404	182,901	71,285	252,834	340,869	2,652,183	5,049,664	703,931	498,621	(496,997)	(370,611)	3,566,681	5,754,232
Total Operating income	28,935,221	23,118,013	7,796,593	8,094,265	7,578,035	6,981,147	17,887,303	12,087,646	1,430,094	999,506	5,324,242	4,537,052	68,951,488	55,817,629
Credit loss expenses	(10,682,425)	(9,362,895)	(5,194,882)	(5,735,075)	(561,446)	(62,367)	(1,194,005)	(1,431,105)	(364,697)	(141,156)	37	(2)	(17,997,418)	(16,732,600)
Net Operating income	18,252,796	13,755,118	2,601,711	2,359,190	7,016,589	6,918,780	16,693,298	10,656,541	1,065,397	858,350	5,324,279	4,537,050	50,954,070	39,085,029
Segment result	5,334,263	2,334,714	1,000,584	922,134	4,243,441	4,227,503	14,132,729	9,004,826	354,416	306,204	1,296	(403,386)	25,066,729	16,391,995
Profit from operations													25,066,729	16,391,995
Share of profit/(loss) of associate, net of tax													83	1,928
Income tax expense													(6,049,469)	(5,218,642)
Non Controlling Interest													(172,561)	(108,458)
Net profit for the period, attributable to Equity holders of the Bank													18,844,782	11,066,823
As at September 30,	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	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	632,924,951	526,688,865	389,940,323	352,020,165	238,647,014	190,153,331	712,774,724	598,897,319	12,896,947	10,701,917	(24,786,314)	(15,439,488)	1,962,397,645	1,663,022,109
Investment in associates	-	-	-	-	-	-	-	-	-	-	63,096	62,361	63,096	62,361
Total assets	632,924,951	526,688,865	389,940,323	352,020,165	238,647,014	190,153,331	712,774,724	598,897,319	12,896,947	10,701,917	(24,723,218)	(15,377,127)	1,962,460,741	1,663,084,470
Segment liabilities	1,091,802,553	894,140,282	259,260,240	218,897,815	199,420,594	155,320,541	198,360,607	143,422,762	7,255,567	6,566,999	38,401,360	98,911,662	1,794,500,921	1,517,260,061
Total liabilities	1,091,802,553	894,140,282	259,260,240	218,897,815	199,420,594	155,320,541	198,360,607	143,422,762	7,255,567	6,566,999	38,401,360	98,911,662	1,794,500,921	1,517,260,061
For the nine months ended September 30,													2021	2020
													Rs.'000	Rs.'000
Information on cash flows														
Cash flows from operating activities													52,869,878	(3,102,234)
Cash flows from investing activities													(5,354,707)	1,888,601
Cash flows from financing activities													(4,591,050)	(6,814,038)
Capital expenditure -														
Property, Plant & Equipment													(667,181)	(839,787)
Investment properties													-	-
Intangible assets													(509,069)	(432,950)
Net cash flow generated during the period													41,747,871	(9,300,408)

Twenty largest ordinary voting shareholders as at September 30, 2021

Name of the Shareholder	No. of Shares	%
01. DFCC Bank PLC A/C 1	135,132,609	12.02
02. Mr. Y. S. H. I. Silva	111,100,779	9.88
03. Employees' Provident Fund	96,883,940	8.62
04. CB NY S/A International Finance Corporation	79,992,025	7.11
05. Sri Lanka Insurance Corporation Ltd - Life Fund	59,931,673	5.33
06. Melstacorp PLC	46,521,219	4.14
07. CB NY S/A IFC Emerging Asia Fund. LP	41,238,490	3.67
07. CB NY S/A IFC Financial Institutions Growth Fund LP	41,238,490	3.67
09. Citibank New York S/A Norges Bank Account 2	40,824,369	3.63
10. Sri Lanka Insurance Corporation Ltd - General Fund	39,793,725	3.54
11. Mr. D. P. Pieris	26,696,174	2.37
12. Mr. K. D. D. Perera	20,722,552	1.84
13. Employees' Trust Fund Board	19,586,019	1.74
14. Mrs. L. E. M. Yaseen	17,467,243	1.55
15. Renuka Hotels PLC	11,118,680	0.99
16. Mr. M. J. Fernando	10,108,137	0.90
17. Renuka Consultants & Services Limited	8,903,421	0.79
18. Cargo Boat Development Company PLC	8,017,215	0.71
19. Hallsville Trading Group INC.	7,737,219	0.69
20. Seylan Bank PLC/Andaradeniya Estate (pvt) Ltd	5,352,037	0.48
Sub total	828,366,016	73.67
Other Shareholders	296,098,855	26.33
Total	1,124,464,871	100.00

Percentage of public holding as at September 30, 2021 - 99.80% (99.73% as at September 30, 2020)

Number of shareholders representing public holding as at September 30, 2021 - 16,481 (16,575 as at September 30, 2020)

Twenty largest ordinary non-voting shareholders as at September 30, 2021

Name of the Shareholder	No. of Shares	%
01. Employees' Trust Fund Board	5,425,375	7.78
02. Akbar Brothers (Pvt) Ltd. A/C No 1	3,340,196	4.79
03. GF Capital Global Limited	1,803,067	2.59
04. Mr. A. H. Munasinghe	1,694,141	2.43
05. Deutsche Bank AG as Trustee to Assetline Income Plus Growth Fund	1,494,104	2.14
06. Mr. M. F. Hashim	1,341,810	1.92
07. M. J. F. Exports (Pvt) Ltd	1,193,037	1.71
08. Janashakthi Insurance PLC - Shareholders	1,098,757	1.58
09. Mrs. L. V. C. Samarasingha	1,052,622	1.51
10. Saboor Chatoor (Pvt) Ltd	972,277	1.39
11. Mr. E. Chatoor	825,963	1.18
12. Mr. R. Gautam	744,197	1.07
13. Mr. J. D. Bandaranayake , Ms. N. Bandaranayake & Dr. V. Bandaranayake (Joint)	742,382	1.06
14. Mr. J. G. De Mel	725,000	1.04
15. Mr. J. D. Bandaranayake , Dr. V. Bandaranayake & Ms. I. Bandaranayake (Joint)	720,767	1.03
16. Mr. A. L. Gooneratne	718,873	1.03
17. Mr. T. W. A. Wickramasinghe	692,578	0.99
18. Mr. K. S. M. De Silva	686,343	0.98
19. Mr. M. J. Fernando	685,247	0.98
20. Serendip Investments Limited	635,881	0.91
Sub total	26,592,617	38.13
Other Shareholders	43,148,154	61.87
Total	69,740,771	100.00

Percentage of public holding as at September 30, 2021 - 99.86% (99.88% as at September 30, 2020)

Number of shareholders representing public holding as at September 30, 2021 - 5,992 (5,687 as at September 30, 2020)

Directors' holding in shares as at September 30, 2021

Name of Director	No. of Shares	
	Voting	Non-voting
Justice K. Sripavan - Chairman	14,319	-
Prof. A. K. W. Jayawardane - Deputy Chairman	13,083	-
Mr. S. Renganathan - Managing Director/Chief Executive Officer	432,336	12,781
Mr. S. C. U. Manatunge - Chief Operating Officer	73,038	-
Mr. K. Dharmasiri	-	-
Mr. L. D. Niyangoda	-	-
Ms. N. T. M. S. Cooray	350,274	54,251
Mr. T. L. B. Hurulle	-	-
Ms. Judy Lee	-	-
Mr. Raja Senanayake	-	-
Mr. Sharhan Muhseen	2,503	-
Mrs. D. L. T. S. Wijewardena	-	-

	2021 Rs.	2020 Rs.
Market price of an ordinary share as at September 30,		
Voting	84.50	79.90
Non-Voting	76.00	69.90
Highest price during the quarter ended September 30,		
Voting	89.60	85.00
Non-Voting	81.10	74.00
Lowest price during the quarter ended September 30,		
Voting	82.00	66.00
Non-Voting	73.70	55.00
As at September 30,	2021	2020
	Rs.000	Rs.000
Float adjusted market capitalization - Compliant under Option 1	100,120,125	83,133,875
Number of ordinary shares as at September 30,	2021	2020
Voting	1,124,464,871	983,737,751
Non-Voting	69,740,771	67,970,701

- 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. There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended December 31, 2020, other than those disclosed under item 4.
- 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 **Impact due to the COVID-19**
The outbreak of COVID-19 has caused disruption to business and economic activities, and uncertainty in the global and local economy. Subsequent to the outbreak of COVID-19 in Sri Lanka, the Bank has strictly adhered to the guidelines and directions issued by both the government and the Central Bank of Sri Lanka (CBSL) when conducting its business operations. Further, the Bank has provided relief for the affected businesses and individuals in line with the directions issued by the CBSL in addition to its own relief schemes. These relief measures include deferment of repayment terms of credit facilities, offering concessionary rates of interest on eligible loan products (debt moratorium) and waiving off certain fees and charges. The Bank continuously monitors the impact of the pandemic and takes necessary action to manage its impact on the operations and performance of the Bank.
- 4 **Expected Credit Loss Computation**
The Group's estimated Expected Credit Loss (ECL) was based on the Probability of Default (PD), Loss Given Default (LGD) and Economic Factor Adjustment (EFA) applying the forecasts and projections published by the Central Bank of Sri Lanka.
- Given the high degree of uncertainty and unprecedented circumstances in the short-term economic outlook mainly due to the continuous disruptions to businesses, significant amount of additional ECL provision was made by using expert credit judgements (management overlays) along with the modelled ECL provisions to ensure that the overall ECL provisions are adequate to cover unseen risk factors in the uncertain and highly volatile environment.
- 5 During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities, other than those disclosed above.
- 6 All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.
- 7 The Bank announced a debenture issue in May 2021 to issue 50,000,000 Basel III compliant - Tier II, listed, rated, unsecured, subordinated redeemable debentures of Rs. 100/- each, with a non-viability conversion feature amounting to Rs 5 Bn. with an option to issue up to a further 50,000,000 debentures amounting to Rs. 5 Bn. This debenture issue was opened for investors on September 13, 2021, and initial issue was oversubscribed on the same day. The allotment and the listing of debentures were concluded on September 21, 2021, and September 28, 2021, respectively.

The quantum of funds raised through the above Debenture Issue are/will be utilised to achieve the following objectives as stipulated in the prospectus.

- Expansion of the lending portfolio.
- Improving the Tier II capital base thus, increasing the Capital Adequacy Ratio (CAR).
- Reducing Maturity gaps in the Assets and Liabilities of the Bank.

As stated in the prospectus, the following table indicates utilisation of funds raised through the above debentures.

Objective Number	Objective as per Prospectus	Amount Allocated as per Prospectus	Proposed Date of Utilisation as Per Prospectus	Amount Allocated from Proceeds (A)	% of Total Proceeds	Amounts Utilised (B)	% of Utilisation Against Allocation (B/A)	Clarification if not fully-utilised including where the funds are invested (eg: Whether lent to Related Party/s etc.)
1	Expansion of the lending portfolio	Rs. 8.595 Bn.	Within 6 months from date of receipt of cash flows	As the allotment of debentures was done on September 21, 2021, the progress made on the utilisation of funds raised through the above debenture issue will be published in the interim and annual financial statements in future as stated in the prospectus.				
2	Improving the Tier II capital base thus, increasing the Capital Adequacy Ratio (CAR)		Subsequent to the allotment of Debentures	Rs. 8.595 Bn.	100%	Rs. 8.595 Bn.	100%	N/A
3	Reducing Maturity gaps in the Assets and Liabilities of the Bank		Within 6 months from date of receipt of cash flows as and when funds are disbursed for lending	As the allotment of debentures was done on September 21, 2021, the progress made on the utilisation of funds raised through the above debenture issue will be published in the interim and annual financial statements in future as stated in the prospectus.				

- 8 There were no material events that took place since September 30, 2021, that require disclosure in these Interim Financial Statements other than those disclosed above.

INFORMATION ON DEBENTURES - BANK

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Type of Issue	Public	Public	Public	Public	Public	Public	Public
Debenture Type	Type "B"	Type "A"	Type "B"	Type "A"	Type "B"	Type "A"	Type "B"
CSE Listing	Listed	Listed	Listed	Listed	Listed	Listed	Listed
Issue Date	March 9, 2016	Oct 28, 2016	Oct 28, 2016	July 23, 2018	July 23, 2018	Sep 21, 2021	Sep 21, 2021
Maturity Date	March 8, 2026	Oct 27, 2021	Oct 27, 2026	July 22, 2023	July 22, 2028	Sep 20, 2026	Sep 20, 2028
Interest Payable Frequency (Fixed Interest Rate)	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually	Bi-Annually
Offered Interest Rate	11.25% p.a.	12.00% p.a.	12.25% p.a.	12.00% p.a.	12.50% p.a.	9.00% p.a.	9.50% p.a.
Amount (Rs.'000)	1,749,090	5,071,800	1,928,200	8,393,840	1,606,160	4,237,470	4,358,000

Market Values

- Highest (Rs.)
- Lowest (Rs.)
- Period end (Rs.)

Not traded during the period	100.25	Not traded during the period	Not traded during the period	Not traded during the period	Not traded during the period	Not traded during the period	Not traded during the period
	100.00						
	* 100.00						

Interest Rates

- Coupon Rate (%)	11.25	12.00	12.25	12.00	12.50	9.00	9.50
- Effective Annual Yield (%)	11.57	12.36	12.63	12.36	12.89	9.20	9.73
- Interest Rate of comparable Government Security (%)	9.26	5.85	9.48	7.50	9.75	9.48	9.85

Other Ratios as at date of last trade

- Interest Yield (%)	- N/A -	- N/A -	- N/A -	- N/A -	- N/A -	- N/A -	- N/A -
- Yield to Maturity (%)	- N/A -	12.00	- N/A -	- N/A -	- N/A -	- N/A -	- N/A -

* Last traded date - September 30, 2021.

ANALYSIS OF LOANS AND ADVANCES TO OTHER CUSTOMERS AND IMPAIRMENT

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As at	Group		Bank	
	30.09.2021	31.12.2020	30.09.2021	31.12.2020
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Gross loans and advances to other customers	1,067,054,139	961,859,118	1,050,625,966	947,841,905
Impairment on loans and advances to other customers				
Accumulated impairment under stage 1	13,189,811	6,567,755	13,094,078	6,470,880
Accumulated impairment under stage 2	15,316,678	12,396,301	15,003,807	12,244,433
Accumulated impairment under stage 3	38,633,994	33,065,890	37,682,235	32,281,139
Total impairment	67,140,483	52,029,946	65,780,120	50,996,452
Net value of loans and advances to other customers	999,913,656	909,829,172	984,845,846	896,845,453
Gross loans and advances to other customers				
By product - Domestic Currency				
Overdrafts	98,852,777	87,742,248	98,912,304	88,194,066
Trade finance	77,993,226	56,633,628	77,993,226	56,633,628
Lease rental receivable	36,061,205	36,186,103	34,651,113	34,764,688
Credit cards	14,915,345	14,846,642	14,915,345	14,846,642
Pawning	6,581,430	4,615,697	6,581,430	4,615,697
Staff loans	12,366,015	11,757,733	12,353,423	11,742,732
Housing loans	66,159,465	61,116,362	66,159,465	61,116,362
Personal loans	50,207,078	50,172,807	50,150,423	50,110,145
Term loans	446,047,164	390,822,253	438,045,055	384,560,557
Bills of Exchange	748,525	533,753	748,525	533,753
Sub total	809,932,230	714,427,226	800,510,309	707,118,270
By product - Foreign Currency				
Overdrafts	17,388,030	16,694,220	15,667,654	14,763,901
Trade finance	23,529,369	23,946,806	22,989,890	23,429,704
Lease rental receivable	1,301,999	1,050,947	1,301,999	1,050,947
Credit cards	182,994	148,219	175,146	148,219
Staff loans	226,919	183,312	221,345	176,994
Housing loans	5,470,590	6,031,465	5,470,590	6,031,465
Personal loans	946,408	972,614	550,810	522,233
Term loans	163,977,546	162,993,885	159,640,169	159,189,748
Bills of Exchange	44,098,054	35,410,424	44,098,054	35,410,424
Sub total	257,121,909	247,431,892	250,115,657	240,723,635
Gross loans and advances to other customers	1,067,054,139	961,859,118	1,050,625,966	947,841,905

	Group		Bank	
	2021	2020	2021	2020
	(Audited)	(Audited)	(Audited)	(Audited)
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Movement of impairment during the period				
Under Stage 1				
Balance as at January 1,	6,567,755	2,702,070	6,470,880	2,613,480
Charge/(write back) to the Income Statement	6,615,731	3,863,356	6,617,685	3,856,007
Net write-off during the period	(49)	(166)	(49)	(166)
Exchange rate variance on foreign currency provisions	6,374	2,495	5,562	1,559
Balance as at September 30/December 31,	13,189,811	6,567,755	13,094,078	6,470,880
Under Stage 2				
Balance as at January 1,	12,396,301	8,494,001	12,244,433	8,318,831
Charge/(write back) to the Income Statement	2,917,765	3,901,554	2,759,203	3,925,463
Net write-off during the period	(43)	(982)	(43)	(906)
Exchange rate variance on foreign currency provisions	2,655	1,728	214	1,045
Balance as at September 30/December 31,	15,316,678	12,396,301	15,003,807	12,244,433
Under Stage 3				
Balance as at January 1,	33,065,890	25,622,009	32,281,139	24,879,180
Charge/(write back) to the Income Statement	6,496,037	10,359,763	6,281,636	10,083,744
Net write-off during the period	(128,521)	(365,444)	(63,211)	(110,886)
Exchange rate variance on foreign currency provisions	94,755	39,600	92,698	39,274
Interest accrued / (reversals) on impaired loans and advances	(1,713,525)	(2,895,955)	(1,729,049)	(2,850,806)
Other movements	819,358	305,917	819,022	240,633
Balance as at September 30/December 31,	38,633,994	33,065,890	37,682,235	32,281,139
Total Impairment				
Balance as at January 1,	52,029,946	36,818,080	50,996,452	35,811,491
Charge/(write back) to the Income Statement	16,029,533	18,124,673	15,658,524	17,865,214
Net write-off during the period	(128,613)	(366,592)	(63,303)	(111,958)
Exchange rate variance on foreign currency provisions	103,784	43,823	98,474	41,878
Interest accrued / (reversals) on impaired loans and advances	(1,713,525)	(2,895,955)	(1,729,049)	(2,850,806)
Other movements	819,358	305,917	819,022	240,633
Balance as at September 30/December 31,	67,140,483	52,029,946	65,780,120	50,996,452

As at	Group		Bank	
	30.09.2021	31.12.2020	30.09.2021	31.12.2020
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Gross commitments and contingencies	674,796,325	730,561,685	672,716,776	728,711,698
Impairment on commitments and contingencies				
Accumulated impairment under stage 1	2,020,333	1,536,100	2,015,897	1,532,691
Accumulated impairment under stage 2	446,526	244,482	446,526	244,482
Accumulated impairment under stage 3	398,254	339,676	398,254	339,676
Total Impairment	2,865,113	2,120,258	2,860,677	2,116,849
Gross commitments and contingencies				
By product - Domestic currency				
Contingencies	65,907,273	62,196,672	65,907,273	62,196,672
Guarantees	45,846,111	43,136,686	45,846,111	43,136,686
Bonds	17,249,882	15,928,299	17,249,882	15,928,299
Documentary Credits	1,509,276	1,735,026	1,509,276	1,735,026
Acceptances	559,145	461,784	559,145	461,784
Bills for collection	742,859	934,877	742,859	934,877
Commitments	114,637,923	107,301,147	114,637,923	107,301,147
Undrawn commitments	113,619,136	106,282,360	113,619,136	106,282,360
Capital commitments	1,018,787	1,018,787	1,018,787	1,018,787
Sub Total	180,545,196	169,497,819	180,545,196	169,497,819
By product - Foreign Currency				
Contingencies	468,407,478	536,913,400	467,228,385	535,924,812
Guarantees	19,401,804	22,660,078	19,175,504	22,445,085
Bonds	22,654,791	22,119,480	22,608,204	22,028,860
Documentary Credits	83,557,555	73,763,620	82,894,555	73,140,481
Forward exchange and Currency Swaps	229,037,294	307,412,792	229,037,294	307,412,792
Acceptances	63,531,599	63,909,527	63,302,793	63,907,728
Bills for collection	48,533,474	45,454,558	48,519,074	45,396,521
Bullion on consignment	14,316	14,545	14,316	14,545
Other Contingencies	1,676,645	1,578,800	1,676,645	1,578,800
Commitments	25,843,651	24,150,466	24,943,195	23,289,067
Undrawn commitments	25,833,545	24,135,827	24,943,195	23,289,067
Capital commitments	10,106	14,639	-	-
Sub Total	494,251,129	561,063,866	492,171,580	559,213,879
Total	674,796,325	730,561,685	672,716,776	728,711,698

	Group		Bank	
	2021	2020	2021	2020
	(Audited)	(Audited)	(Audited)	(Audited)
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Movement of impairment during the period				
Under Stage 1				
Balance as at January 1,	1,536,100	768,100	1,532,691	764,857
Charge/(write back) to the Income Statement	481,226	767,211	480,433	767,138
Exchange rate variance on foreign currency provisions	3,007	789	2,773	696
Balance as at September 30/December 31,	2,020,333	1,536,100	2,015,897	1,532,691
Under Stage 2				
Balance as at January 1,	244,482	187,237	244,482	187,237
Charge/(write back) to the Income Statement	202,044	57,245	202,044	57,245
Balance as at September 30/December 31,	446,526	244,482	446,526	244,482
Under Stage 3				
Balance as at January 1,	339,676	364,743	339,676	364,743
Charge/(write back) to the Income Statement	58,578	(25,067)	58,578	(25,067)
Balance as at September 30/December 31,	398,254	339,676	398,254	339,676
Total Impairment				
Balance as at January 1,	2,120,258	1,320,080	2,116,849	1,316,837
Charge/(write back) to the Income Statement	741,848	799,389	741,055	799,316
Exchange rate variance on foreign currency provisions	3,007	789	2,773	696
Balance as at September 30/December 31,	2,865,113	2,120,258	2,860,677	2,116,849

ANALYSIS OF DEPOSITS

As at	Group		Bank	
	30.09.2021	31.12.2020	30.09.2021	31.12.2020
	(Audited)	(Audited)	(Audited)	(Audited)
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
By product - Domestic Currency				
Current account deposits	77,190,762	61,440,763	77,191,142	61,257,980
Savings deposits	424,676,141	345,520,769	424,924,632	345,972,947
Time deposits	555,212,011	560,306,283	550,002,668	557,499,145
Certificates of deposit	24,902	29,289	24,902	29,288
Sub Total	1,057,103,816	967,297,104	1,052,143,344	964,759,360
By product - Foreign Currency				
Current account deposits	60,972,460	47,108,754	52,269,794	39,808,968
Savings deposits	119,181,637	97,540,150	113,808,421	93,773,096
Time deposits	210,630,565	174,670,391	201,965,163	167,624,494
Sub Total	390,784,662	319,319,295	368,043,378	301,206,558
Total	1,447,888,478	1,286,616,399	1,420,186,722	1,265,965,918

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 : 2430420, 2336700
2445010-15, 2486000, 4792000
Telex :21520 COMEX CE
Facsimile : 2449889
SWIFT Code-Sri Lanka : CCEYLKX
SWIFT Code-Bangladesh : CCEYBDDH
E-mail : email@combank.net
Website : www.combank.net

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**

AA+(lka) was revised downward to AA-(lka) by Fitch Ratings Lanka Ltd., in January 2021, whilst revising the outlook from negative to stable.

Bangladesh Operation

AAA was re-affirmed by Credit Rating Information & Services Limited in June 2021.

PROFESSIONAL EXPERTISE**LAWYERS**

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

AUDITORS

Ernst & Young
Chartered Accountants,
No. 201, De Saram Place,
Colombo 10, Sri Lanka.

REGISTRARS

S S P Corporate Services (Private) Limited,
No. 101, Inner Flower Road,
Colombo 3, Sri Lanka.
Telephone: 2573894, 2576871
Facsimile: 2573609
E-mail: sspssec@sltnet.lk

SUBSIDIARIES AND ASSOCIATES**LOCAL SUBSIDIARIES**

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

FOREIGN SUBSIDIARIES

Commex Sri Lanka S.R.L - Italy
Commercial Bank of Maldives Private Limited
CBC Myanmar Microfinance Company Limited

ASSOCIATES

Equity Investments Lanka Ltd.

BOARD OF DIRECTORS

Justice K. Sripavan - Chairman
Prof. A. K. W. Jayawardane - Deputy Chairman
Mr. S. Renganathan - Managing Director/Chief Executive Officer
Mr. S. C. U. Manatunge - Chief Operating Officer
Mr. K. Dharmasiri
Mr. L. D. Niyangoda
Ms. N. T. M. S. Cooray
Mr. T. L. B. Hurulle
Ms. Judy Lee
Mr. Raja Senanayake
Mr. Sharhan Muhseen
Mrs. D. L. T. S. Wijewardena

COMPANY SECRETARY

Mr. R. A. P. Rajapaksha