

## SRI LANKA SAVINGS BANK LIMITED

A FULLY OWNED SUBSIDIARY OF **NSB** 





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Sri Lanka Savings Bank	INIE	KIIVI FII	NANCIAL STATEMENTS	FUK	THE Q	UAKI	EK EN	IDED 3	50 2F	PIEMB	EK ZUZ	3	
STATEMENT OF FINANCIAL POS	SITION				STA	TEMENT	OF CHANG	GES IN EQU	IITY				
	Current Period	Previous Period			Capital/ d Capital			Reserve	s			Non-	
In Rupees Thousands	As at	As at	In Rupees Thousands	Ordinary	Assigned	Statutory	OCI	Re-	Retained	Other	Total	Controlling	Total Equity
Assets				Shares	Capital	Reserve Fund	Reserve	valuation Reserve	Earnings	Reserves		interest	
Cash and cash equivalents Balances with Central Bank	45,767 -	47,257 -	Balance as at 01/01/2023	820,447	2,984,844	288,765	4,595	889,976	4,270,807	(2,166,190)	7,093,243	-	7,093,243
Placements with banks Derivative financial instruments	1,327,949 -	1,963,287 -	Total Comprehensive income for the period Profit/(loss) for the period	-	-	-		-	512,235	-	- 512,235	-	512,235
Financial assets at amortised cost - Loans and Advances	627,348	796,327	Other comprehensive income (net of tax)  Total comprehensive income for the period	-	-	-	111,480 <b>111,480</b>	-	512,235	-	111,480 <b>623,715</b>	-	111,480 <b>623,715</b>
- Debt and Other Instruments Financial assets measured at fair value through Profit & Loss	5,634,279	4,426,049	Transactions with equity holders,recognised directly in equity								-		-
Financial assets measured at fair value through other	214,450	102,925	Share issue/increase of assigned capital		-	-		-	-	-	-	-	-
comprehensive income Investment in subsidiaries	-	-	Share options exercised Bonus issue	-	-	-		-	- -	-	-	-	-
Investment in associates and joint ventures Property, plant and equipment	- 878,492	- 884,129	Rights issue Transfers to reserves during the period	-	-	25,612		-	- (25,612)	-	-	-	-
Right of use assets Investment properties	207 204,977	638 204,977	Dividends to equity holders  Profit transfers to head office	-	-	-		-	(==,==,	-	-	-	-
Goodwill and intangible assets  Deferred tax assets	263	1,184	Gain/(loss) on revaluation of Property, Plant	-	-	-		-	-	-	-	-	-
Other assets	52,971	19,654	and Equipment (if cost method is adopted) Others	-	-	_		-	_	-	-	-	-
Total assets	8,986,703	8,446,427	Total transactions with equity holders	-	-	25,612	-	-	(25,612)	-	-	-	-
Liabilities		101	Balance as at 30/09/2023	820,447	2,984,844	314,377	116,076	889,976	4,757,430	(2,166,190)	7,716,958	-	7,716,958
Due to banks Derivative financial instruments	-	191		ANALYS	SIS OF FINA	NCIAL INS	STRUMEN	TS BY MEA	SUREMEN	T BASIS			
Financial liabilities recognized through profit or loss - measured at fair value	-	-	a. Bank – 30/09/2023 In Rupees Thousands				A	2	FVPL		FVOCI		Total
- designated at fair value Financial liabilities at amortised cost			ASSETS				71			I			-
- Due to depositors - Due to other borrowers	428,146 291,855	464,579 301,615	Cash and cash equivalents Balances with Central Bank				45,	767					45,767 -
Lease Liability Debt securities issued	452 73,169	798 73,555	Placements with banks				1,327,	949				1	,327,949
Retirement benefit obligations	51,309	51,461	Derivative financial instruments Loans and advances				627,	348					627,348
Current tax liabilities  Deferred tax liabilities	182,774 4,155	182,457 4,155	Debt Instruments Equity Instruments				5,634,	279			214,450	5	,634,279 214,450
Other provisions Other liabilities	237,885	- 274,372	Unit Trust Investments							-			-
Due to subsidiaries	-	<u> </u>	Total financial assets				7,635,	343		-	214,450	7	,849,793
Total liabilities	1,269,745	1,353,184	In Rupees Thousands				A	С		FVPL			Total
Equity Stated capital/Assigned capital	3,805,290	3,805,290	LIABILITIES  Due to banks										-
Statutory reserve fund	314,377	288,765	Derivative financial instruments Financial liabilities at amortised cost										-
OCI reserve Retained earnings	116,076 4,757,430	4,595 4,270,807	- Due to depositors				-	146					28,146
Other reserves	(1,276,214)	(1,276,214)	- Due to other borrowers  Debt securities issued				291, 73,	.855 .169					91,855 73,169
Total shareholders' equity  Non-controlling interests	7,716,958	7,093,243	Total financial liabilities				793,	170		-		7	93,170
Total Equity	7,716,958	7,093,243	a. Bank – 31/12/2022										
Total equity and liabilities  Contingent liabilities and commitments	8,986,703 1,733	8,446,427 1,737	In Rupees Thousands				A	C	FVPL		FVOCI		Total
Memorandum Information	06	104	ASSETS  Cash and cash equivalents				47	7,257					47,257
Number of Employees Number of Branches	96 4	104 4	Balances with Central Bank					•				4	-
INCOME STATEMENT			Placements with banks Derivative financial instruments				1,963	-					963,287
	Current	Previous	Loans and advances Debt Instruments				796 4,426	5,327 5,049					796,327 426,049
	Period	Period	Equity Instruments Unit Trust Investments								102,925		102,925
In Rupees Thousands	From 01/01/2023	From 01/01/2022	Total financial assets				7,232	2,920	-		102,925	7,	335,845
	To 30/09/2023	To 30/09/2022	In Rupees Thousands				A	c		FVPL			Total
Interest income	1,088,706	760,650	LIABILITIES										
Interest expenses  Net interest income	(19,536) <b>1,069,171</b>	(25,014) <b>735,636</b>	Due to banks Derivative financial instruments					191					191
Fee and commission income	267	277	Financial liabilities at amortised cost										-
Fee and commission expenses  Net fee and commission income	(7) <b>260</b>	(41) <b>235</b>	- Due to depositors - Due to other borrowers				464, 301,						164,579 101,615
Net gain/(Loss) from trading	-	-	Debt securities issued  Total financial liabilities					555					73,555 <b>39,940</b>
Net gain/(Loss) from financial assets at fair value through profit or loss	-	-				<u> </u>			F LOANS &	ADVANCES,C	OMMITME		
Net other operating income	90,914	111,434	STATEMENT OF	CASH FLU	Current	Previo				AND IMPA		,	
Total operating income Impairment Charges	<b>1,160,345</b> 54,902	<b>847,305</b> (10,943)	In Rupees Thousands		Period	Perio	od					Current	Previous
Net operating income Personnel Expenses	1,215,247	836,362	Cash flows from operating activities		30/09/202			Purson The	sands			Period As at	Period As at
Depreciation and amortisation	(191,545) (7,187)	(199,644) (7,942)	Profit before tax		774,25	52 467	,,,,,,	Rupees Thou: oduct-wise Gr	sands oss loans and	advances		30/09/2023	31/12/2022
Other Expenses  Operating profit/(loss) before VAT & SSCL on financial services	(63,053) <b>953,462</b>	(56,985) <b>571,791</b>	Adjustment for: Non-cash items included in profits before tax		(121,91		070) By		mestic Curren			_	_
Value Added Tax (VAT) on financial Services	(157,354)	(104,038)	Change in operating assets Change in operating liabilities		(381,20 (5,39		,540 Ter	m loans ase rental rec	oivablo			706,140	851,438 172,973
Social Security Contribution Levy (SSCL) on Financial Services	(21,855)	467,753	Net gains from investing activities  Share of profits in associates and joint ventures		, ,	-	- Cre	edit Cards	eivable			95,118	-
Operating profit/(loss) after VAT & SSCL on financial services Share of profits of associates and joint ventures	774,253	407,755	Dividend income from subsidiaries and associate			-	- Pra		s & Developme	ent Bank's Loans	(PSDB)	29 940,530	952,326
Profit/(loss) before tax Income Tax expenses	<b>774,253</b> (262,018)	<b>467,753</b> (114,397)	Interest expense on subordinated debt Prior year adjustment			- (124,	755) Sta	using loans off loans				13,453 326,814	15,401 326,928
Profit/ (loss) for the period	512,235	353,356	Contribution paid to defined benefit plans Tax paid		(5,13) (261,70		250/	gewise impa		ns & advances		2,082,082	2,319,129
Profit attributable to: Shareholders	512,235	353,356	Net cash generated from operating activities		(1,09		<b>463)</b> Les			nt under stage 1 It under stage 2		(16,866) (30,538)	(22,152) (43,099)
Earnings per share on profit			Cash flows from investing activities  Purchase of property, plant and equipment		(20	0) (२	232) Ne		ed impairmen	t under stage 3		(1,407,330) <b>627,349</b>	(1,457,551) <b>796,327</b>
Basic earnings per ordinary share	62	43	Proceeds from the sale of property, plant and e	quipment	(20		.897 <b>M</b> o	ovements of i		uring the period			
STATEMENT OF COMPREHENSIVE			Purchase of Financial investments  Proceeds from the sale of maturity of financial	investments		-		der Stage 1 Opening balan				22,152	81,707
In Rupees Thousands	From 01/01/2023	From 01/01/2022	Net purchase of Intangible assets  Net cash flow from acquisition of investment in	subsidiaries		- (2,:	100)		back) to incon	ne statement		(5,286) <b>16,866</b>	(59,556) <b>22,152</b>
m nupees mousanus	To 30/09/2023	To 30/09/2022	and associates Net cash flow from disposal of subsidiaries			-	Un	der Stage 2					· ·
Profit/(loss) for the period	512,235	353,356	Proceeds from disposal of associates and joint of Dividend received from investment in subsidiaries are			-	-   _ c		back) to incon	ne statement		43,099 (12,561)	17,867 25,232
	J-2,233	333,330	Purchase of Investment Properties  Net cash (used in)/from investing activities		(20	0) 13	Un	osing balance der Stage 3				30,538	43,099
Items that will be reclassified to income statement  Exchange differences on translation of foreign operations	-	-	Cash flows from finance activities		(20	<i>∪,</i> 13		opening balan Charge/(write	ce back) to incon	ne statement		1,457,551 (38,425)	1,378,567 101,374
Net gains/(losses) on cash flow hedges Net gains/(losses) on investment in debt instruments	-	-	Net proceeds from the issue of ordinary share of Net proceeds from the issue of other equity ins	•		-	- C	other Movemo	ents			(11,796) <b>1,407,330</b>	(22,390) <b>1,457,551</b>
measured at fair value through other comprehensive	-	-	Net proceeds from the issue of subordinated de			-		tal Impairmer				1,454,734	1,522,801
income Share of profits of associates and joint ventures	-	-	Repayment of subordinated debt Interest paid on subordinated debt			-			SELECTE	D PERFORM	ANCE INDIC	ATORS	

## Change in fair value on investments in equity instruments designated at fair value through other comprehensive income Change in fair value attributable to change in the Bank's

Debt instruments at fair value through other comprehensive

Less: Tax expense relating to items that will be reclassified  $% \left( 1\right) =\left( 1\right) \left( 1\right$ 

Items that will not be reclassified to income statement

to income statement

own credit risk on financial liabilities designated at fair value through profit or loss Actuarial Gain/(loss) on defined benefit plan  $\mbox{\it Re}$  - measurement of post-employment benefit obligations

Changes in revaluation surplus Share of profits of associates and joint ventures Less: Tax expense relating to items that will not be reclassified to income statement

Other comprehensive income (OCI) for the period, net of taxes Total comprehensive income for the period

CERTIFICATION We, the undersigned, being the Chairman, General Manager/CEO and Senior Manager - Finance of Sri Lanka Savings Bank jointly certify that;

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka. (b) The information contained in these statements have been extracted from unaudited financial statements of the Bank unless indicated as audited.

111,480

623,715

111,480

(42,904)

(42.904)

310,452

B.M. Dushyantha Basnayake (sgd.) Chairman 10.11.2023

M.A. Sujith Fernando (sgd.) General Manager/CEO 10.11.2023

H.K. Eranjith Padmakumara (sgd.) Senior Manager - Finance 10.11.2023

Others

In Rupees Thousands

Demand deposits

Savings deposits

Fixed deposits

By Product

Dividend paid to non-controlling interest

Net Cash (used in)/from financing activities

Dividend paid to shareholders of the parent company

Dividend paid to holders of other equity instruments

Net increase/(decrease) in cash & cash equivalents

Cash and cash equivalents at the end of the period

Cash and cash equivalents at the beginning of the period

Pramuka Savings & Development Bank's Loans (PSDB) deposits

	Period	Period
	As at	As at
In Rupees Thousands	30/09/2023	31/12/2022
Product-wise Gross loans and advances		
By product - Domestic Currency		
Overdrafts	-	-
Term loans	706,140	851,438
Lease rental receivable	95,118	172,973
Credit Cards	-	-
Pawning	29	63
Pramuka Savings & Development Bank's Loans (PSDB)	940,530	952,326
Housing loans	13,453	15,401
Staff loans	326,814	326,928
Total	2,082,082	2,319,129
Stagewise impairment on loans & advances		
Less: Accumulated impairment under stage 1	(16,866)	(22,152)
Accumulated impairment under stage 2	(30,538)	(43,099)
Accumulated impairment under stage 3	(1,407,330)	(1,457,551)
Net value of loans & advances	627,349	796,327
Movements of impairment during the period		
Under Stage 1		
Opening balance	22,152	81,707
Charge/(write back) to income statement	(5,286)	(59,556)
Closing balance	16,866	22,152
Under Stage 2		
Opening balance	43,099	17,867
Charge/(write back) to income statement	(12,561)	25,232
Closing balance	30,538	43,099
Under Stage 3		
Opening balance	1,457,551	1,378,567
Charge/(write back) to income statement	(38,425)	101,374
Other Movements	(11,796)	(22,390)

## **SELECTED PERFORMANCE INDICATORS**

		SELECTED I EN ONWANCE INDICATORS							
(BASED ON REGULATORY REPORTING)									
Item	30/09/2023	31/12/2022							
Regulatory Capital Adequacy (LKR in Thousands)									
Common Equity Tier 1	6,050,225	6,068,129							
Core (Tier 1) Capital	6,050,225	6,068,129							
Total Capital Base	6,081,553	6,068,129							
Regulatory Capital ratios (%)									
Common Equity Tier 1 capital (%) (Minimum Requirement - 7%)	150%	165%							
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.50%)	150%	165%							
Total Capital Ratio (%) (Minimum Requirement - 12.50 %)	151%	165%							
Leverage Ratio (Minimum Requirement - 3%)	68%	73%							
Regulatory Liquidity									
Statutory Liquid Assets (LKR in Thousands)	6,343,905	5,526,802							
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)	1266%	954%							
Total Stock of High-Quality Liquid Assets (LKR in Thousands)	6,074,376	3,015,200							
Liquidity Coverage Ratio - Rupee (%) (Minimum Requirement - 100%)	17862%	8826%							
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	222%	181%							
Assets Quality (Quality of Loan Portfolio)									
Gross Non-Performing Advances Ratio (%) (net of Interest in suspense)	45%	42%							
Net Non-Performing Advances Ratio (%) (net of Interest in	00/	40/							
suspense and provision)	0%	1%							
Impaired Loans (Stage 3) Ratio (%)	4%	5%							
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	90%	87%							
Profitability									
Interest Margin (%)	19%	15%							
Return on Assets (before Tax) (%)	12%	7%							
Return of Equity (%)	9%	6%							

**ANALYSIS OF DEPOSITS** 

(1,299)

47,066

45,767

Current

Period

As at

30/09/2023

113,715

8,302 306,128

428,146

(25,898)

63,900

38,002

Previous

Period

As at

31/12/2022

132,497

29,061 303,021

464,579