



Seylan Bank PLC

Interim Financial Statements (Audited)
For the Year Ended 31st December 2024

Seylan Bank posts a remarkable PAT of LKR 10 Bn for 2024

Bank's Financial Performance

Financial Highlights

- Profit before Income Tax (PBT) of LKR 16.04 Bn with a 59% growth
- Profit after Tax (PAT) of LKR 10.05 Bn with a 61% growth
- Total Assets of LKR 780 Bn, with a 9% growth
- All Currency LCR at 491.37 % and Rupee LCR at 415.75%
- Impaired Loans (Stage 3) Ratio of 2.10% and Stage 3 Provision Cover Ratio of 80.90%
- Total Capital Ratio at 18.59%

Income Statement

The Bank recorded a Profit before Income Tax (PBT) of LKR 16.04 Bn for the period under review with a 59% growth over the previous year, while recording a Profit after Tax (PAT) of LKR 10.05 Bn for the year with a 61% growth over the previous year, demonstrating a robust performance despite challenging macro-economic conditions. The reported PAT of LKR 10 Bn is the highest performance in the Bank's 36 year history.

Net Interest Income of the Bank was reported as LKR 37 Bn in 2024 compared to LKR 40 Bn reported in 2023 with a decline of 8% corresponding to reduction in Net Interest Margins during 2024, due to reduction in market interest rates throughout the year.

Net fee and commission income of the Bank reported a growth of 7% to LKR 8 Bn compared to LKR 7.4 Bn reported in the previous year. The growth in 2024 was mainly due to increase in income from Cards, Remittances and other services relating to Lending.

The Bank's net gains from trading reported a gain of LKR 0.46 Bn, a decrease of 44% over the gain of LKR 0.82 Bn reported in previous year due to exchange / interest rate changes.

Net gains / (losses) from de-recognition of financial assets reported a loss of LKR 0.26 Bn in 2024, compared to the gain of LKR 0.15 Bn reported in the previous year. The loss due to the restructuring of SLISBs amounted to LKR 2.71 Bn and was recorded in Q4 2024.

Other Operating Income of the Bank was reported as LKR 1 Bn in 2024, a growth of 5% over the previous year. This increase is mainly from foreign exchange income, which represents both revaluation gain/ (loss) on the Bank's net open position and realised exchange gain/ (loss) on foreign currency transactions.

The Bank's Total Operating Income decreased by 11.6% to LKR 44 Bn in 2024 compared to LKR 49 Bn in the previous year mainly due to decrease in net interest income and the loss on restructuring of SLISBs.

The Bank made impairment provision to capture the changes in the macro economy, credit risk profile of customers and the credit quality of the Bank's loan portfolio in order to ensure adequacy of provisions recognized in the financial statements. The impairment charge on Loans and Advances and other credit related commitments amounted to LKR 6.6 Bn (2023 - LKR 15.5 Bn). The impairment reversal due to the SLISBs exchange amounted to LKR 4.9 Bn (2023 – LKR 1.5 Bn charge).

The Bank's Personnel Expenses increased by 11% to LKR 10 Bn in 2024 mainly due to increase in the staff benefits based on the collective agreement entered in 2024.

Other Operating expenses including depreciation and amortization expenses too increased by 12% to LKR 10.4 Bn during 2024 compared to LKR 9 Bn reported in 2023 mainly due to increase in prices of consumables and services over the period. The Bank continues to take relevant measures to curtail costs through various cost rationalization initiatives

All taxes reported an increase in 2024 compared to the taxes reported in 2023 mainly due to the increase in taxable income. The Bank's Value Added Tax on Financial Services increased by 37% to LKR 4.72 Bn compared to LKR 3.45 Bn recorded in the previous year. Further, Social Security Contribution Levy (SSCL) increased by 37% to LKR 0.66 Bn compared to LKR 0.48 Bn recorded in the previous year. The Bank's Income Tax Expense reported a growth of 57% to LKR 5.99 Bn in 2024 compared to LKR 3.82 Bn reported in 2023. The Bank's effective tax rate was 53% in 2024.

Overall, the Bank reported a PAT of LKR 10 Bn, the highest ever profits in its 36 year history.

Statement of Financial Position

The Bank's total assets reached to LKR 780 Bn as at 31 December 2024, a 9% growth during the year under review compared to LKR 718 Bn recorded in the previous year demonstrating sustainable growth of the Bank over the years.

The Bank focused on book growth and made efforts to enhance Loans and Advances in challenging economic and market condition that prevailed during the year. The Bank recorded net Loans and Advances at LKR 463 Bn as at 31 December 2024 with a growth of 6% compared to LKR 438 Bn recorded in 2023. The Bank's gross Loans and Advances increased by LKR 28 Bn to LKR 525 Bn as at 31 December 2024 from LKR 497 Bn recorded as at 31 December 2023. Rupee Loans and Advances increased by LKR 20 Bn and LKR equivalent of Foreign Currency Loans and Advances increased by LKR 8 Bn during the year.

The Banks's Asset Quality Ratio of Impaired Loan (Stage 3) Ratio stood at 2.10% (2023 – 3.85%). As a result of the Bank's prudent Provisioning Policy, the bank has reported a Stage 3 Provision Cover ratio of 80.90% (2023 68.29%), well above the banking Industry Provision Cover ratio of 54% as at year end.

The Bank focused on customer deposit growth and made necessary arrangements to canvass new to Bank Deposits while retaining the existing customer base. The Bank's total Deposit Base grew by 9.33% (LKR 55 Bn) during the year 2024 to reach LKR 647 Bn compared to total Deposits of LKR 592 Bn reported in the previous year. The Bank's LKR Deposits reported a growth of LKR 59 Bn and LKR equivalent of FCY Deposits reported a contraction of LKR 4 Bn during the year.

The Bank's CASA base grew from LKR 177 Bn in 2023 to LKR 187 Bn in 2024, which is a 6% growth from the previous year. CASA ratio stood at 28.94% in 2024 compared to 30.01% of the previous year.

Key financial ratios and indicators of Seylan Bank PLC remained strong as of 31 December 2024.

The capital adequacy ratios were well above the regulatory minimum requirements and recorded 14.25% as Common Equity Tier 1 Capital Ratio & Total Tier 1 Capital Ratio and 18.59% as the Total Capital Ratio. The Capital Adequacy Ratios have improved compared to previous year mainly due to PAT of LKR 10 Bn and the raising of Debenture of LKR 10 Bn during 2024.

The Bank maintained the LCR above the statutory requirement and the All Currency LCR and the Rupee LCR were recorded as 491.37 % and 415.75% respectively.

The Return on Equity (ROE) stood at 15.35% for the year under review compared to 10.88% recorded in 2023. The Return on Average Assets (before tax) was recorded at 2.14% for the year under review compared to 1.45% recorded in 2023. The Bank's Earnings per Share stood at LKR 15.81 as at end of 2024 compared to LKR 9.84 as at the end of the previous year. The Bank's Net Assets Value per Share stood at LKR 110.89 as at the end of 2024 (Group LKR 114.22) compared to LKR 98.31 reported as at the previous year end (Group 101.36).

The Bank opened 40 "Seylan Pahasara Libraries" during 2024 taking the total number of libraries to 265, clearly signifying the Bank's commitment to foster education and support learning of children across the island.

Aligned with the Bank's Triple Bottom Line approach, our strategic initiatives have begun delivering tangible impacts across multiple dimensions of value creation, not only on financial capital but also on Human, Social, Natural, Manufactured, and Intellectual capital.

Fitch Ratings upgraded the National Long-Term Rating of Seylan Bank by two notches to 'A+(lka)' with a Stable Outlook on 21 January 2025.

Seylan Bank PLC
Income Statement

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

(Amounts in Rupees Thousands)

| | Bank | | | Bank | | |
|---|-------------------------------------|-------------------|----------------|--|-------------------|----------------|
| | For the Year Ended 31st December | | | For the Quarter Ended 31st December | | |
| | 2024 (Audited) | 2023 (Audited) | Growth % | 2024 | 2023 | Growth % |
| Interest Income | 84,304,050 | 107,078,561 | (21.27) | 20,607,494 | 24,310,803 | (15.23) |
| Less: Interest Expenses | 47,597,119 | 67,025,296 | (28.99) | 11,162,369 | 14,811,174 | (24.64) |
| Net Interest Income | 36,706,931 | 40,053,265 | (8.35) | 9,445,125 | 9,499,629 | (0.57) |
| Fee and Commission Income | 8,327,513 | 7,751,163 | 7.44 | 2,271,701 | 2,156,099 | 5.36 |
| Less: Fee and Commission Expenses | 313,117 | 270,986 | 15.55 | 85,882 | 67,914 | 26.46 |
| Net Fee and Commission Income | 8,014,396 | 7,480,177 | 7.14 | 2,185,819 | 2,088,185 | 4.68 |
| Net Gains from Trading | 461,390 | 818,206 | (43.61) | 272,190 | 525,966 | (48.25) |
| Net Gains/ (Losses) from Derecognition of Financial Assets -at Fair Value through Other Comprehensive Income | 265,181 | 150,289 | 76.45 | 36,735 | 30,866 | 19.01 |
| -Loss on Restructuring of SLISBs | (2,712,020) | - | - | (2,712,020) | - | - |
| Other Operating Income | 1,024,491 | 975,084 | 5.07 | 268,928 | (40,671) | 761.23 |
| Total Operating Income | 43,760,369 | 49,477,021 | (11.55) | 9,496,777 | 12,103,975 | (21.54) |
| Less: Impairment Charges / (Reversal) | | | | | | |
| -Loans and Advances and Other Financial Assets and Credit related Commitments | 6,612,234 | 15,485,494 | (57.30) | 2,561,733 | 3,503,066 | (26.87) |
| -Sri Lanka International Sovereign Bonds (SLISBs) | (4,861,753) | 1,519,452 | (419.97) | (4,961,034) | 54,951 | (9,128.11) |
| Net Operating Income | 42,009,888 | 32,472,075 | 29.37 | 11,896,078 | 8,545,958 | 39.20 |
| Less: Operating Expenses | | | | | | |
| Personnel Expenses | 10,195,645 | 9,149,800 | 11.43 | 2,110,318 | 2,132,644 | (1.05) |
| Depreciation and Amortisation Expenses | 1,310,877 | 1,285,284 | 1.99 | 328,548 | 315,145 | 4.25 |
| Other Expenses | 9,080,951 | 8,021,586 | 13.21 | 2,475,009 | 2,162,521 | 14.45 |
| Total Operating Expenses | 20,587,473 | 18,456,670 | 11.54 | 4,913,875 | 4,610,310 | 6.58 |
| Operating Profit before Taxes | 21,422,415 | 14,015,405 | 52.85 | 6,982,203 | 3,935,648 | 77.41 |
| Less: Value Added Tax on Financial Services | 4,723,033 | 3,454,762 | 36.71 | 1,358,229 | 910,979 | 49.10 |
| Less: Social Security Contribution Levy | 655,969 | 480,557 | 36.50 | 188,638 | 125,711 | 50.06 |
| Profit before Income Tax | 16,043,413 | 10,080,086 | 59.16 | 5,435,336 | 2,898,958 | 87.49 |
| Less: Income Tax Expense | 5,992,136 | 3,823,872 | 56.70 | 1,977,146 | 1,138,457 | 73.67 |
| Profit for the Year | 10,051,277 | 6,256,214 | 60.66 | 3,458,190 | 1,760,501 | 96.43 |
| Basic / Diluted Earnings per Ordinary Share (Rs.) | 15.81 | 9.84 | 60.67 | 5.44 | 2.77 | 96.39 |

Seylan Bank PLC

Statement of Profit or Loss and Other Comprehensive Income

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

| | (Amounts in Rupees Thousands) | | | | | |
|---|-------------------------------------|-------------------|-----------------|--|--------------------|---------------|
| | Bank | | | Bank | | |
| | For the Year Ended 31st December | | | For the Quarter Ended 31st December | | |
| | 2024 (Audited) | 2023 (Audited) | Growth % | 2024 | 2023 | Growth % |
| Profit for the year | 10,051,277 | 6,256,214 | 60.66 | 3,458,190 | 1,760,501 | 96.43 |
| Other Comprehensive Income/ (Loss), net of Tax | | | | | | |
| Items that are or may be reclassified to Income Statement in Subsequent Periods | | | | | | |
| Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income | 786,665 | 987,554 | (20.34) | 988,779 | (146,738) | 773.84 |
| Deferred Tax effect Relating to Items that are or may be reclassified to Income Statement | (236,000) | (296,267) | 20.34 | (297,504) | 44,021 | (775.82) |
| Items that will never be reclassified to Income Statement in Subsequent Periods | | | | | | |
| Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income | 219,276 | 302,235 | (27.45) | 174,884 | (60,035) | 391.30 |
| Revaluation of Property, Plant and Equipment | 995,140 | - | - | 995,140 | - | - |
| Actuarial Losses on Defined Benefit Obligations | (761,544) | (1,005,704) | 24.28 | (761,544) | (1,005,704) | 24.28 |
| Deferred Tax Effect Relating to Items that will never be reclassified to Income Statement | (318,997) | (14,416) | (2,112.80) | (318,997) | (14,416) | (2,112.80) |
| Other Comprehensive Income for the Year, net of Tax | 684,540 | (26,598) | 2,673.65 | 780,758 | (1,182,872) | 166.01 |
| Total Comprehensive Income for the Year | 10,735,817 | 6,229,616 | 72.34 | 4,238,948 | 577,629 | 633.85 |

Seylan Bank PLC
Income Statement

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

(Amounts in Rupees Thousands)

| | Group | | | Group | | |
|---|-------------------------------------|-------------------|----------------|--|-------------------|----------------|
| | For the Year Ended 31st December | | | For the Quarter Ended 31st December | | |
| | 2024 (Audited) | 2023 (Audited) | Growth % | 2024 | 2023 | Growth % |
| Interest Income | 84,362,808 | 107,168,402 | (21.28) | 20,621,018 | 24,333,175 | (15.26) |
| Less: Interest Expenses | 47,273,174 | 66,716,549 | (29.14) | 11,077,471 | 14,729,683 | (24.79) |
| Net Interest Income | 37,089,634 | 40,451,853 | (8.31) | 9,543,547 | 9,603,492 | (0.62) |
| Fee and Commission Income | 8,327,205 | 7,751,002 | 7.43 | 2,271,614 | 2,156,084 | 5.36 |
| Less: Fee and Commission Expenses | 313,667 | 274,237 | 14.38 | 85,882 | 69,164 | 24.17 |
| Net Fee and Commission Income | 8,013,538 | 7,476,765 | 7.18 | 2,185,732 | 2,086,920 | 4.73 |
| Net Gains from Trading | 461,390 | 818,206 | (43.61) | 272,190 | 525,966 | (48.25) |
| Net Gains /(Losses) from Derecognition of Financial Assets -at Fair Value through Other Comprehensive Income | 265,181 | 150,289 | 76.45 | 36,735 | 30,866 | 19.01 |
| -Loss on Restructuring of SLISBs | (2,712,020) | - | - | (2,712,020) | - | - |
| Other Operating Income | 1,013,797 | 947,934 | 6.95 | 289,784 | (20,541) | 1,510.76 |
| Total Operating Income | 44,131,520 | 49,845,047 | (11.46) | 9,615,968 | 12,226,703 | (21.35) |
| Less: Impairment Charges / (Reversal) | | | | | | |
| -Loans and Advances and Other Financial Assets and Credit related Commitments | 6,611,123 | 15,485,485 | (57.31) | 2,560,622 | 3,503,057 | (26.90) |
| -Sri Lanka International Sovereign Bonds (SLISBs) | (4,861,753) | 1,519,452 | (419.97) | (4,961,034) | 54,951 | (9,128.11) |
| Net Operating Income | 42,382,150 | 32,840,110 | 29.06 | 12,016,380 | 8,668,695 | 38.62 |
| Less: Operating Expenses | | | | | | |
| Personnel Expenses | 10,241,581 | 9,194,317 | 11.39 | 2,117,532 | 2,138,812 | (0.99) |
| Depreciation and Amortisation | 1,365,646 | 1,348,040 | 1.31 | 338,744 | 328,677 | 3.06 |
| Other Expenses | 9,160,887 | 8,092,983 | 13.20 | 2,492,092 | 2,179,842 | 14.32 |
| Total Operating Expenses | 20,768,114 | 18,635,340 | 11.44 | 4,948,368 | 4,647,331 | 6.48 |
| Operating Profit before Taxes | 21,614,036 | 14,204,770 | 52.16 | 7,068,012 | 4,021,364 | 75.76 |
| Less: Value Added Tax on Financial Services | 4,723,033 | 3,454,762 | 36.71 | 1,358,229 | 910,979 | 49.10 |
| Less: Social Security Contribution Levy | 655,969 | 480,557 | 36.50 | 188,638 | 125,711 | 50.06 |
| Profit before Income Tax | 16,235,034 | 10,269,451 | 58.09 | 5,521,145 | 2,984,674 | 84.98 |
| Less: Income Tax Expense | 6,082,296 | 3,868,829 | 57.21 | 1,995,870 | 1,101,964 | 81.12 |
| Profit for the Year | 10,152,738 | 6,400,622 | 58.62 | 3,525,275 | 1,882,710 | 87.24 |
| Profit Attributable to: | | | | | | |
| Equity Holders of the Bank | 10,113,406 | 6,321,116 | 59.99 | 3,509,213 | 1,846,671 | 90.03 |
| Non-controlling Interest | 39,332 | 79,506 | (50.53) | 16,062 | 36,039 | (55.43) |
| Profit for the Year | 10,152,738 | 6,400,622 | 58.62 | 3,525,275 | 1,882,710 | 87.24 |
| Basic / Diluted Earnings per Ordinary Share (Rs.) | 15.91 | 9.94 | 60.06 | 5.52 | 2.91 | 89.69 |

Seylan Bank PLC

Statement of Profit or Loss and Other Comprehensive Income

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

| | Group | | | (Amounts in Rupees Thousands) | | |
|---|-------------------------------------|-------------------|-----------------|--|--------------------|---------------|
| | Group | | | Group | | |
| | For the Year Ended 31st December | | | For the Quarter Ended 31st December | | |
| | 2024 (Audited) | 2023 (Audited) | Growth % | 2024 | 2023 | Growth % |
| Profit for the Year | 10,152,738 | 6,400,622 | 58.62 | 3,525,275 | 1,882,710 | 87.24 |
| Other Comprehensive Income/ (Loss), net of Tax | | | | | | |
| Items that are or may be reclassified to Income Statement in Subsequent Periods | | | | | | |
| Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income | 813,415 | 993,479 | (18.12) | 1,001,396 | (144,008) | 795.38 |
| Deferred Tax effect Relating to Items that are or may be reclassified to Income Statement | (244,025) | (298,047) | 18.13 | (301,289) | 43,200 | (797.43) |
| Items that will never be reclassified to Income Statement in Subsequent Periods | | | | | | |
| Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income | 219,276 | 302,235 | (27.45) | 174,884 | (60,035) | 391.30 |
| Revaluation of Property, Plant and Equipment | 1,122,364 | 120,850 | 828.72 | 1,122,364 | 120,850 | 828.72 |
| Actuarial Losses on Defined Benefit Obligations | (760,264) | (1,011,392) | 24.83 | (760,264) | (1,011,392) | 24.83 |
| Deferred Tax Effect Relating to Items that will never be reclassified to Income Statement | (357,156) | (50,671) | (604.85) | (357,156) | (50,671) | (604.85) |
| Other Comprehensive Income for the Year, net of Tax | 793,610 | 56,454 | 1,305.76 | 879,935 | (1,102,056) | 179.84 |
| Total Comprehensive Income for the Year | 10,946,348 | 6,457,076 | 69.52 | 4,405,210 | 780,654 | 464.30 |
| Total Comprehensive Income Attributable to: | | | | | | |
| Equity Holders of the Bank | 10,879,411 | 6,353,078 | 71.25 | 4,364,538 | 720,783 | 505.53 |
| Non-controlling Interest | 66,937 | 103,998 | (35.64) | 40,672 | 59,871 | (32.07) |
| Total Comprehensive Income for the Year | 10,946,348 | 6,457,076 | 69.52 | 4,405,210 | 780,654 | 464.30 |

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

| | Bank | | | (Amounts in Rupees Thousands) | | |
|--|-------------------------|-------------------------|--------------|-------------------------------|-------------------------|--------------|
| | As at | As at | Growth | As at | As at | Growth |
| | 31.12.2024 (Audited) | 31.12.2023 (Audited) | % | 31.12.2024 (Audited) | 31.12.2023 (Audited) | % |
| Assets | | | | | | |
| Cash and Cash Equivalents | 17,384,396 | 48,321,654 | (64.02) | 17,384,436 | 48,321,694 | (64.02) |
| Balances with Central Bank of Sri Lanka | 8,719,115 | 7,028,281 | 24.06 | 8,719,115 | 7,028,281 | 24.06 |
| Placements with Banks and Finance Companies | 50,156,002 | 22,594,161 | 121.99 | 50,156,002 | 22,594,161 | 121.99 |
| Derivative Financial Instruments | 17,398 | 88,022 | (80.23) | 17,398 | 88,022 | (80.23) |
| Financial Assets recognised through Profit or Loss | | | | | | |
| - Measured at Fair Value | 21,454,098 | 27,753,867 | (22.70) | 21,454,098 | 27,753,867 | (22.70) |
| - Designated at Fair Value | - | - | - | - | - | - |
| Financial Assets at Amortised Cost | | | | | | |
| - Loans and Advances | 462,950,751 | 437,532,470 | 5.81 | 462,950,751 | 437,532,470 | 5.81 |
| - Debt and Other Instruments | 136,224,930 | 104,354,510 | 30.54 | 136,314,858 | 104,625,662 | 30.29 |
| Financial Assets measured at Fair Value through Other Comprehensive Income | 56,248,530 | 40,048,711 | 40.45 | 56,615,939 | 40,286,865 | 40.53 |
| Investment in Subsidiary | 1,153,602 | 1,153,602 | - | - | - | - |
| Group Balances Receivable | 40,300 | 40,500 | (0.49) | - | - | - |
| Property, Plant & Equipment | 5,100,594 | 3,874,650 | 31.64 | 7,923,121 | 6,627,167 | 19.56 |
| Right-of-use Assets | 5,189,444 | 5,114,518 | 1.46 | 2,784,310 | 2,735,963 | 1.77 |
| Investment Properties | - | - | - | 857,391 | 884,219 | (3.03) |
| Intangible Assets | 669,783 | 536,989 | 24.73 | 669,783 | 536,989 | 24.73 |
| Deferred Tax Assets | 205,963 | 3,171,806 | (93.51) | - | 2,571,168 | (100.00) |
| Other Assets | 14,174,933 | 16,371,694 | (13.42) | 14,219,975 | 16,406,762 | (13.33) |
| Total Assets | 779,689,839 | 717,985,435 | 8.59 | 780,067,177 | 717,993,290 | 8.65 |
| Liabilities | | | | | | |
| Due to Banks | 8,141,795 | 12,096,756 | (32.69) | 8,141,795 | 12,096,756 | (32.69) |
| Derivative Financial Instruments | 809 | 32,269 | (97.49) | 809 | 32,269 | (97.49) |
| Financial Liabilities at Amortised Cost | | | | | | |
| - Due to Depositors | 646,817,333 | 591,622,729 | 9.33 | 646,817,333 | 591,622,729 | 9.33 |
| - Due to Debt Securities Holders | 1,461,944 | 6,862,998 | (78.70) | 1,461,944 | 6,862,998 | (78.70) |
| - Due to Other Borrowers | 23,731 | 16,151 | 46.93 | 23,731 | 16,151 | 46.93 |
| Group Balances Payable | 98,942 | 115,823 | (14.57) | - | - | - |
| Debt Securities Issued | 25,128,383 | 19,967,701 | 25.85 | 25,128,383 | 19,967,701 | 25.85 |
| Retirement Benefit Obligations | 3,600,641 | 2,513,333 | 43.26 | 3,596,003 | 2,509,574 | 43.29 |
| Current Tax Liabilities | 1,489,697 | 2,688,253 | (44.58) | 1,523,304 | 2,719,843 | (43.99) |
| Deferred Tax Liabilities | - | - | - | 456,468 | - | - |
| Lease Liabilities | 5,613,107 | 5,409,418 | 3.77 | 2,430,915 | 2,245,420 | 8.26 |
| Other Liabilities | 16,824,985 | 16,153,423 | 4.16 | 16,810,680 | 16,221,999 | 3.63 |
| Total Liabilities | 709,201,367 | 657,478,854 | 7.87 | 706,391,365 | 654,295,440 | 7.96 |
| Equity | | | | | | |
| Stated Capital | 21,693,370 | 20,908,673 | 3.75 | 21,693,370 | 20,908,673 | 3.75 |
| Statutory Reserve Fund | 3,383,537 | 2,880,973 | 17.44 | 3,383,537 | 2,880,973 | 17.44 |
| Fair Value through Other Comprehensive Income Reserve | 530,760 | (203,999) | 360.18 | 513,900 | (233,618) | 319.97 |
| Retained Earnings | 41,525,916 | 34,846,140 | 19.17 | 42,360,589 | 35,540,973 | 19.19 |
| Other Reserves | 3,354,889 | 2,074,794 | 61.70 | 4,653,522 | 3,284,805 | 41.67 |
| Total Shareholders' Equity | 70,488,472 | 60,506,581 | 16.50 | 72,604,918 | 62,381,806 | 16.39 |
| Non-controlling Interest | - | - | - | 1,070,894 | 1,316,044 | (18.63) |
| Total Equity | 70,488,472 | 60,506,581 | 16.50 | 73,675,812 | 63,697,850 | 15.66 |
| Total Equity & Liabilities | 779,689,839 | 717,985,435 | 8.59 | 780,067,177 | 717,993,290 | 8.65 |
| Contingent Liabilities and Commitments | 180,816,364 | 165,840,804 | 9.03 | 180,821,071 | 165,859,420 | 9.02 |
| Memorandum Information | | | | | | |
| Number of Employees | 3,211 | 3,077 | 4.35 | 3,227 | 3,095 | 4.26 |
| Number of Banking Centres | 170 | 171 | (0.58) | 170 | 171 | (0.58) |
| Net Assets Value per Ordinary Share (Rs.) | 110.89 | 98.31 | 12.80 | 114.22 | 101.36 | 12.69 |

Certification;

I certify that the above Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)

Champika Dodanwela (Ms.)

Chief Financial Officer

We the undersigned, being the Chairman, Director/ Chief Executive Officer of Seylan Bank PLC certify jointly that,

a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka; and

b) the information contained in these statements have been extracted from the Audited Financial Statements of the Bank & Group.

(Sgd.)

Justice Buwaneka Aluwihare PC

Chairman

25 February 2025

Colombo

(Sgd.)

Ramesh Jayasekara

Director/Chief Executive Officer

Seylan Bank PLC
Statement of Changes in Equity (Audited)
For the Year ended 31st December
Bank

(Amounts in Rupees Thousands)

| | Stated Capital | | Statutory Reserve Fund * | Retained Earnings | Other Reserves | | | | Total |
|---|--------------------------|------------------------------|--------------------------|--------------------|---------------------|--------------------|--------------------|----------------|-------------------|
| | Ordinary Shares - Voting | Ordinary Shares - Non Voting | | | Revaluation Reserve | FVOCI Reserve ** | Special Reserve*** | Other Reserves | |
| 1 Balance as at 01st January 2023 | 12,314,065 | 7,612,388 | 2,568,162 | 31,063,994 | 1,374,219 | (1,183,105) | - | 700,575 | 54,450,298 |
| Total Comprehensive Income for the Year | | | | | | | | | |
| Profit for the Year | - | - | - | 6,256,214 | - | - | - | - | 6,256,214 |
| Other Comprehensive Income (net of tax) | | | | | | | | | |
| - Actuarial Losses on Defined Benefit Obligations | - | - | - | (1,005,704) | - | - | - | - | (1,005,704) |
| - Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 691,287 | - | - | 691,287 |
| - Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 287,819 | - | - | 287,819 |
| 2 Total Comprehensive Income for the Year | - | - | - | 5,250,510 | - | 979,106 | - | - | 6,229,616 |
| Transactions with Equity Holders , Recognised Directly In Equity | | | | | | | | | |
| Scrip Dividend to Equity Holders | 480,599 | 501,621 | - | (1,155,553) | - | - | - | - | (173,333) |
| Transferred to Statutory Reserve Fund* | - | - | 312,811 | (312,811) | - | - | - | - | - |
| 3 Total Transactions with Equity Holders | 480,599 | 501,621 | 312,811 | (1,468,364) | - | - | - | - | (173,333) |
| Balance as at 31st December 2023 (1+2+3) | 12,794,664 | 8,114,009 | 2,880,973 | 34,846,140 | 1,374,219 | (203,999) | - | 700,575 | 60,506,581 |
| 1 Balance as at 01st January 2024 | 12,794,664 | 8,114,009 | 2,880,973 | 34,846,140 | 1,374,219 | (203,999) | - | 700,575 | 60,506,581 |
| Total Comprehensive Income for the Year | | | | | | | | | |
| Profit for the Year | - | - | - | 10,051,277 | - | - | - | - | 10,051,277 |
| Other Comprehensive Income (net of tax) | | | | | | | | | |
| - Actuarial Losses on Defined Benefit Obligations | - | - | - | (761,544) | - | - | - | - | (761,544) |
| - Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 550,665 | - | - | 550,665 |
| - Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 198,821 | - | - | 198,821 |
| - Revaluation of Property, Plant and Equipment | - | - | - | - | 696,598 | - | - | - | 696,598 |
| 2 Total Comprehensive Income for the Year | - | - | - | 9,289,733 | 696,598 | 749,486 | - | - | 10,735,817 |
| Transactions with Equity Holders , Recognised Directly In Equity | | | | | | | | | |
| Cash / Scrip Dividends | 378,313 | 406,384 | - | (1,538,623) | - | - | - | - | (753,926) |
| Transferred to Statutory Reserve Fund* | - | - | 502,564 | (502,564) | - | - | - | - | - |
| Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income | - | - | - | 14,727 | - | (14,727) | - | - | - |
| Transferred to Special Reserve | - | - | - | (583,497) | - | - | 583,497 | - | - |
| 3 Total Transactions with Equity Holders | 378,313 | 406,384 | 502,564 | (2,609,957) | - | (14,727) | 583,497 | - | (753,926) |
| Balance as at 31st December 2024 (1+ 2 + 3) | 13,172,977 | 8,520,393 | 3,383,537 | 41,525,916 | 2,070,817 | 530,760 | 583,497 | 700,575 | 70,488,472 |

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax)

** FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve

*** Special Reserve was created for Restructured International Sovereign Bonds as per CBSL instructions (02/17/500/0819/016) dated 13 Feb 2025 and included in the other reserves.

Seylan Bank PLC
Statement of Changes in Equity (Audited)
For the Year ended 31st December
Group

(Amounts in Rupees Thousands)

| | Stated Capital | | Statutory Reserve Fund * | Retained Earnings | Other Reserves | | | | Total | Non-Controlling Interest | Total Equity |
|---|--------------------------|------------------------------|--------------------------|--------------------|---------------------|--------------------|--------------------|----------------|-------------------|--------------------------|-------------------|
| | Ordinary Shares - Voting | Ordinary Shares - Non Voting | | | Revaluation Reserve | FVOCI Reserve ** | Special Reserve*** | Other Reserves | | | |
| 1 Balance as at 01st January 2023 | 12,314,065 | 7,612,388 | 2,568,162 | 31,697,936 | 2,269,369 | (1,215,647) | - | 955,788 | 56,202,061 | 1,264,408 | 57,466,469 |
| Total Comprehensive Income for the Year | | | | | | | | | | | |
| Profit for the Year | - | - | - | 6,321,116 | - | - | - | - | 6,321,116 | 79,506 | 6,400,622 |
| Other Comprehensive Income (net of tax) | | | | | | | | | | | |
| - Revaluation of Property, Plant and Equipment | - | - | - | - | 59,648 | - | - | - | 59,648 | 24,947 | 84,595 |
| - Actuarial Losses on Defined Benefit Obligations | - | - | - | (1,009,715) | - | - | - | - | (1,009,715) | (1,677) | (1,011,392) |
| - Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 694,210 | - | - | 694,210 | 1,222 | 695,432 |
| - Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 287,819 | - | - | 287,819 | - | 287,819 |
| 2 Total Comprehensive Income for the Year | - | - | - | 5,311,401 | 59,648 | 982,029 | - | - | 6,353,078 | 103,998 | 6,457,076 |
| Transactions with Equity Holders , Recognised Directly In Equity | | | | | | | | | | | |
| Cash/Scrip Dividend | 480,599 | 501,621 | - | (1,155,553) | - | - | - | - | (173,333) | (52,362) | (225,695) |
| Transferred to Statutory Reserve Fund* | - | - | 312,811 | (312,811) | - | - | - | - | - | - | - |
| 3 Total Transactions with Equity Holders | 480,599 | 501,621 | 312,811 | (1,468,364) | - | - | - | - | (173,333) | (52,362) | (225,695) |
| Balance as at 31st December 2023 (1+2+3) | 12,794,664 | 8,114,009 | 2,880,973 | 35,540,973 | 2,329,017 | (233,618) | - | 955,788 | 62,381,806 | 1,316,044 | 63,697,850 |
| 1 Balance as at 01st January 2024 | 12,794,664 | 8,114,009 | 2,880,973 | 35,540,973 | 2,329,017 | (233,618) | - | 955,788 | 62,381,806 | 1,316,044 | 63,697,850 |
| Total Comprehensive Income for the Year | | | | | | | | | | | |
| Profit for the Year | - | - | - | 10,113,406 | - | - | - | - | 10,113,406 | 39,332 | 10,152,738 |
| Other Comprehensive Income (net of tax) | | | | | | | | | | | |
| - Actuarial Losses on Defined Benefit Obligations | - | - | - | (760,582) | - | - | - | - | (760,582) | 326 | (760,256) |
| - Net Gains on Investments in Debt Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 564,651 | - | - | 564,651 | 4,739 | 569,390 |
| - Net Change in Fair Value on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income | - | - | - | - | - | 198,821 | - | - | 198,821 | - | 198,821 |
| - Revaluation of Property, Plant and Equipment | - | - | - | - | 763,115 | - | - | - | 763,115 | 22,540 | 785,655 |
| 2 Total Comprehensive Income for the Year | - | - | - | 9,352,824 | 763,115 | 763,472 | - | - | 10,879,411 | 66,937 | 10,946,348 |
| Transactions with Equity Holders , Recognised Directly In Equity | | | | | | | | | | | |
| Cash/Scrip Dividend | 378,313 | 406,384 | - | (1,538,623) | - | - | - | - | (753,926) | (35,355) | (789,281) |
| Transferred to Statutory Reserve Fund* | - | - | 502,564 | (502,564) | - | - | - | - | - | - | - |
| Net Gains on Disposal of Equity Investments measured at Fair Value through Other Comprehensive Income | - | - | - | 14,727 | - | (14,727) | - | - | - | - | - |
| Transferred to Special Reserve | - | - | - | (583,497) | - | - | 583,497 | - | - | - | - |
| Changes in Ownership Interests in Subsidiaries | | | | | | | | | | | |
| Acquisition of Non-Controlling Interest | - | - | - | 76,749 | 151 | (1,227) | - | 21,954 | 97,627 | (276,732) | (179,105) |
| 3 Total Transactions with Equity Holders | 378,313 | 406,384 | 502,564 | (2,533,208) | 151 | (15,954) | 583,497 | 21,954 | (656,299) | (312,087) | (968,386) |
| Balance as at 31st December 2024 (1+ 2 + 3) | 13,172,977 | 8,520,393 | 3,383,537 | 42,360,589 | 3,092,283 | 513,900 | 583,497 | 977,742 | 72,604,918 | 1,070,894 | 73,675,812 |

* Statutory Reserve Fund represents the statutory requirement in terms of the Section 20(1) and (2) of the Banking Act No. 30 of 1988 (5% of net profit after tax)

** FVOCI Reserve - Fair Value through Other Comprehensive Income Reserve

*** Special Reserve was created for Restructured International Sovereign Bonds as per CBSL instructions (02/17/500/0819/016) dated 13 Feb 2025 and included in the other reserves.

| Statement of Cash Flows For the year ended 31st December | Bank | | Group | |
|--|---------------------|---------------------|---------------------|---------------------|
| | 2024 LKR '000 | 2023 LKR '000 | 2024 LKR '000 | 2023 LKR '000 |
| Cash Flows from Operating Activities | | | | |
| Interest Receipts | 88,929,014 | 110,559,524 | 88,987,772 | 110,649,365 |
| Interest Payments | (47,519,626) | (61,187,798) | (47,514,176) | (61,175,851) |
| Net Fee and Commission Receipts | 8,014,396 | 7,480,177 | 8,013,538 | 7,476,765 |
| Trading Income | 47,272 | 243,836 | 47,272 | 243,836 |
| Payments to Employees | (8,796,090) | (7,582,118) | (8,842,905) | (7,621,765) |
| VAT and SSCL on Financial Services Paid | (4,896,689) | (3,829,697) | (4,896,689) | (3,829,697) |
| Receipts/ (Payments) from Other Operating Activities | 964,057 | 1,186,759 | 1,057,696 | 1,284,808 |
| Payments on Other Operating Activities | (9,079,901) | (6,983,425) | (9,160,887) | (7,044,218) |
| Operating Profit before Changes in Operating Assets and Liabilities | 27,662,433 | 39,887,258 | 27,691,621 | 39,983,243 |
| (Increase)/Decrease in Operating Assets : | | | | |
| Balances with Central Bank of Sri Lanka | (1,690,834) | 9,755,891 | (1,690,834) | 9,755,891 |
| Financial Assets at Amortized Cost - Loans and Advances | (33,946,730) | (10,693,387) | (33,946,730) | (10,693,648) |
| Other Assets | (524,450) | (1,658,330) | (508,045) | (1,432,965) |
| Increase/(Decrease) in Operating Liabilities : | | | | |
| Financial Liabilities at Amortized Cost - Due to Depositors | 58,664,594 | 40,755,818 | 58,664,594 | 40,755,818 |
| Financial Liabilities at Amortized Cost - Due to Debt Securities Holders | (5,407,094) | (5,045,727) | (5,407,094) | (5,045,727) |
| Financial Liabilities at Amortized Cost - Due to Other Borrowers | 7,580 | 8,668 | 7,580 | 8,668 |
| Other Liabilities | (3,440,471) | 1,443,681 | (3,695,317) | 1,138,781 |
| Due to Banks | (3,954,961) | (61,274) | (3,954,961) | (61,274) |
| Cash Generated from Operating Activities before Income Tax | 37,370,067 | 74,392,598 | 37,160,814 | 74,408,787 |
| Income Tax Paid | (4,771,981) | (6,493,992) | (4,811,694) | (6,520,672) |
| Net Cash Generated from Operating Activities | 32,598,086 | 67,898,606 | 32,349,120 | 67,888,115 |
| Cash Flows from Investing Activities | | | | |
| Purchase of Property , Plant & Equipment | (865,718) | (755,207) | (869,489) | (758,251) |
| Improvements in Investment Properties | - | - | (4,496) | (31,213) |
| Proceeds from Sale of Property , Plant & Equipment | 3,563 | 7,681 | 3,563 | 7,681 |
| Net Cash Flow from Financial Assets - FVTPL | 6,784,624 | (9,841,008) | 6,784,624 | (9,841,008) |
| Net Cash Flow from Debt Instruments at Amortised Cost | (24,464,173) | (3,931,500) | (24,282,949) | (3,931,787) |
| Net Cash Flow from Financial Assets - FVOCI | (15,210,706) | (21,652,735) | (15,339,961) | (21,840,992) |
| Reverse Repurchase Agreements | (2,867,224) | 2,811,399 | (2,867,224) | 2,811,399 |
| Net Purchase of Intangible Assets | (323,933) | (210,914) | (323,933) | (210,914) |
| Net Cash Flow from Acquisition of Investment in Subsidiaries | - | - | - | - |
| Net Cash Flow from Disposal of Subsidiaries | - | - | - | - |
| Dividend Received from Investment in Subsidiaries | 88,682 | 106,419 | - | - |
| Dividend Received from Other Investments | 29,134 | 16,296 | 29,134 | 16,296 |
| Net Cash Used in Investing Activities | (36,825,751) | (33,449,569) | (36,870,731) | (33,778,789) |
| Cash Flows from Financing Activities | | | | |
| Net Proceeds from the Issue of Ordinary Share Capital | - | - | - | - |
| Net Proceeds from the Issue of Other Equity Instruments | - | - | - | - |
| Net Proceeds from the Issue of Subordinated Debt | 10,000,000 | 5,000,000 | 10,000,000 | 5,000,000 |
| Repayment of Subordinated Debt | (5,000,000) | (7,182,280) | (4,971,000) | (7,082,280) |
| Interest Paid on Subordinated Debt | (2,956,671) | (2,494,469) | (2,955,395) | (2,490,131) |
| Interest Paid on Un-Subordinated Debt | - | - | - | - |
| Dividend Paid to Non-Controlling Interest | - | - | (35,355) | (49,744) |
| Dividend Paid to Shareholders of the Bank | (544,768) | (8) | (544,768) | (8) |
| Dividend Paid to Holders of Other Equity Instruments | - | - | - | - |
| Repayment of Principal Portion of Lease Liabilities | (839,358) | (792,238) | (540,333) | (507,121) |
| Net Cash Generated from/ (Used in) Financing Activities | 659,203 | (5,468,995) | 953,149 | (5,129,284) |
| Net Increase / (Decrease) in Cash and Cash Equivalents | (3,568,462) | 28,980,043 | (3,568,462) | 28,980,043 |
| Cash and Cash Equivalents at Beginning of the Year | 71,210,384 | 42,230,341 | 71,210,922 | 42,230,879 |
| Cash and Cash Equivalents at End of the Year | 67,641,922 | 71,210,384 | 67,642,460 | 71,210,922 |

EXPLANATORY NOTES

1. General

The Financial Statements of the Bank and Group have been prepared in accordance with the Sri Lanka Accounting Standards (SLFRSs/LKASs) issued by The Institute of Chartered Accountants of Sri Lanka.

There are no changes to the accounting policies and methods of computation since the publication of the last Annual Report.

The Interim Financial Statements of the Bank and the Group have been prepared and presented in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS) and provided necessary disclosure to comply with LKAS 34, Interim Financial Reporting.

The Group Financial Statements comprise of the consolidated Financial Statements of the Bank and its subsidiary Seylan Developments PLC (74.69%).

2. Information on Ordinary Shares

| Market Price (LKR.) | 31/12/2024 | | 31/12/2023 | |
|--|------------|------------|------------|------------|
| | Voting | Non-Voting | Voting | Non-Voting |
| Market Price Per Share | 77.90 | 57.00 | 43.90 | 35.50 |
| Highest price per share during the quarter ended | 79.50 | 58.20 | 51.90 | 39.90 |
| Lowest price per share during the quarter ended | 47.20 | 37.00 | 40.10 | 31.70 |

| Stated Capital as at December 31, 2024 | No. of Shares | Stated Capital (LKR. '000) |
|--|--------------------|----------------------------|
| Ordinary Voting | 305,236,937 | 13,172,977 |
| Ordinary Non-Voting | 330,410,398 | 8,520,393 |
| Total | 635,647,335 | 21,693,370 |

3. Shareholders Information

3.1 Twenty Largest Ordinary Voting Shareholders as at December 31, 2024

| | No. of Shares | % |
|--|---------------|-------|
| 1 Brown & Company PLC A/C No. 01 | 31,979,642 | 10.48 |
| 2 Sri Lanka Insurance Corporation Ltd - General Fund | 30,523,687 | 10.00 |
| 3 Employee's Provident Fund | 30,088,766 | 9.86 |
| 4 Sampath Bank PLC/ LOLC Investments Ltd | 28,559,742 | 9.36 |
| 5 National Development Bank PLC | 26,631,495 | 8.72 |
| 6 Ambeon Holdings PLC | 26,274,482 | 8.61 |
| 7 Mr. K.D.D. Perera | 25,475,231 | 8.35 |
| 8 Seylan Bank PLC A/C No.04-Employees Gratuity Trust Fund | 20,135,590 | 6.60 |
| 9 Bank of Ceylon No. 1 Account | 17,169,574 | 5.62 |
| 10 Sri Lanka Insurance Corporation Ltd-Life Fund | 15,261,841 | 5.00 |
| 11 Sampath Bank PLC/Brown and Company PLC | 10,371,776 | 3.40 |
| 12 Employees Trust Fund Board | 6,490,669 | 2.13 |
| 13 NDB Capital Holdings Limited Account No-02 | 2,391,656 | 0.78 |
| 14 Est. of Late M.J. Fernando | 1,541,336 | 0.50 |
| 15 Mr. K.R.B. Fernando | 1,320,731 | 0.43 |
| 16 EMFI Capital Limited | 1,289,145 | 0.42 |
| 17 Energy Generators Holdings Ltd | 1,250,000 | 0.41 |
| 18 People's Leasing & Finance PLC / Don and Don Holdings (Private) Limited | 910,017 | 0.30 |
| 19 Dr. J. L. B. Kotelawala | 699,357 | 0.23 |
| 20 Mr. H. Beruwalage | 600,815 | 0.20 |

3.2 Twenty Largest Ordinary Non-Voting Shareholders as at December 31, 2024

| | | No. of Shares | % |
|----|---|---------------|-------|
| 1 | Sampath Bank PLC / LOLC Holdings PLC | 146,722,737 | 44.41 |
| 2 | L O L C Holdings PLC | 23,775,575 | 7.20 |
| 3 | Employee's Provident Fund | 17,623,958 | 5.33 |
| 4 | Don and Don Holdings Private Limited | 8,885,331 | 2.69 |
| 5 | People's Leasing & Finance PLC / Don and Don Holdings (Private) Limited | 7,870,128 | 2.38 |
| 6 | Akbar Brothers Pvt Ltd A/C No 1 | 7,209,772 | 2.18 |
| 7 | Auerbach Grayson and Company LLC | 4,526,357 | 1.37 |
| 8 | Merrill J Fernando & Sons (Pvt) Limited | 3,670,181 | 1.11 |
| 9 | Employees Trust Fund Board | 2,910,367 | 0.88 |
| 10 | L O L C Technology Services Limited | 2,885,232 | 0.87 |
| 11 | Sri Lanka Insurance Corporation Ltd-Life Fund | 2,781,978 | 0.84 |
| 12 | Mr. N. Balasingam | 2,584,925 | 0.78 |
| 13 | LOLC Finance PLC/Don & Don Holdings (Pvt) Ltd | 2,584,557 | 0.78 |
| 14 | Mr. R. Gautam | 1,898,300 | 0.57 |
| 15 | Est. of Late M.J. Fernando | 1,808,938 | 0.55 |
| 16 | J.B. Cocoshell (Pvt) Limited | 1,762,797 | 0.53 |
| 17 | Mr. R.R. Leon | 1,593,121 | 0.48 |
| 18 | Miss. S. Durga | 1,525,235 | 0.46 |
| 19 | Dr. S. Yaddehige | 1,506,157 | 0.46 |
| 20 | Odyssey Capital Partners (Private) Limited | 1,372,878 | 0.42 |

3.3 Public Holding as at December 31, 2024

The Bank is compliant under Option 1 and 2 of the Section 7.13.1 of the Rules of the Colombo Stock Exchange (Minimum Public Holding requirement).

| | Ordinary Voting Shares (Option 1) | Ordinary Non- Voting Shares (Option 2) |
|--------------------------------------|--------------------------------------|--|
| Float adjusted market capitalization | LKR. 13.047 Bn | LKR. 8.780 Bn |
| Public Holding Percentage | 54.87% | 46.62% |
| No. of Public shareholders | 10,127 | 7,028 |

4. Directors' and Chief Executive Officer's Shareholdings as at December 31, 2024

| <u>Name of Director</u> | <u>No. of Shares</u> (Ordinary Voting) | <u>No. of Shares</u> (Ordinary Non- Voting) |
|--|--|---|
| Justice Buwaneka P. Aluwihare PC, Independent Director/ Chairman | Nil | Nil |
| Mr. R. J. Jayasekara, Director/Chief Executive Officer | 728 | 35,174 |
| Mrs. S. K. Salgado, Senior Independent Director | Nil | Nil |
| Mr. D. M. D. K. Thilakaratne, Non-Executive Director | Nil | Nil |
| Mr. D. M. Rupasinghe, Independent Director | Nil | Nil |
| Mr. L. H. A. L. Silva, Independent Director | Nil | Nil |
| Mrs. V. G. S. S. Kotakadeniya, Non-Executive Director | Nil | Nil |
| Mrs. A. A. Ludowyke, Independent Director | Nil | Nil |

5. Basic/ Diluted Earnings per Share

Basic Earnings per share has been calculated by dividing profit after tax attributable to the equity holders of the Bank by the weighted average number of shares in issue (both Voting and Non- voting) during the period ended December 31, 2024. Diluted Earnings per Share and the Basic Earnings per Share is the same due to non-availability of potentially dilutive ordinary shares. Weighted average number of ordinary shares as at December 31, 2023 has been restated based on the number of shares issued for Scrip Dividend for 2023.

6. Events after the Reporting Date

6.1 Proposed First and Final Dividend

The Board of Directors of the Bank recommended a first and final dividend of LKR 3.50 per share on both voting and non- voting shares of the Bank for the financial year ended December 31, 2024, to be paid in the form of a cash dividend of LKR 3.50 per share.

The said dividend is subject to approval of the shareholders at the Annual General Meeting to be held on March 28, 2025. This proposed final dividend has not been recognized as a liability as at December 31, 2024.

6.2 Proposed Issue of Debentures

The Board of Directors of the Bank at its meeting held on 30 January 2025 approved (subject to approval of the shareholders) that the Bank issues up to a maximum of One Hundred and Fifty Million (150,000,000) BASEL III compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures with a non-viability conversion of Rupees Hundred (LKR 100.00) each, to raise a maximum sum of Rupees Fifteen Billion (LKR 15,000,000,000.00) and it was also decided that these Debentures shall be issued in one or more issuances until 31 December 2025.

7. Other Matters

7.1 Expected Credit Loss Computation

The Bank's estimated Expected Credit Loss (ECL) was based on the Probability of Default (PD), Loss Given Default (LGD) as at December 31, 2024 and Economic Factor Adjustment (EFA) applying the recent forecasts and projections. Further, the Bank has adjusted the additional provisions made as management overlay, based on the changes to the assessment of significant increase in credit risk, and stress testing on the exposures to risk elevated sectors.

7.2 Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio

The Bank has adopted the above SoAT on Reclassification of Debt Portfolio, issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and re-classified its Debt Portfolio of LKR 24.83 Bn from Fair Value Through Other Comprehensive Income (FVOCI) to Amortized Cost (AC) with effect from 01 April 2022, being the 1st day of the reporting period of the quarter ended 30 June 2022, as a one-off reclassification and accounted for in the financials for the six months ended 30 June 2022.

If the assets lying in the current portfolio had continued to be measured as Fair Value through Other Comprehensive Income, the fair value and the cumulative mark to market loss as at December 31, 2024 would have been Rs. 1,723 Mn and Rs. 58 Mn respectively.

8. Restructuring of Sri Lanka International Sovereign Bonds (SLISBs) under Debt Restructuring Programme

Sri Lanka's economy experienced a downturn in 2022, which led the country to seek support from the IMF to restore the country's macroeconomic stability. However, the execution of this support program was contingent on the implementation of a debt-restructuring plan. On 26 November 2024, the Government of Sri Lanka successfully launched the Domestic Debt Exchange Program through which registered bondholders exchanged their SLISBs as at the date of restructuring for newly issued bonds.

The debt exchange program launched two options for the exchange of existing bonds (i.e, global bonds option and local bonds option) out of which the Bank elected to participate in the Local bond Option, which was offered to local bondholders by the Government. As part of this option, 30% of the face value of the SLISBs originally held by the Bank was converted into rupee-denominated Treasury Bonds. The remaining 70% of the face value was settled through a USD- denominated Step-Up Bond, with a capital haircut of 10%. Additionally, the accrued coupon (Past Due Interest) on the original SLISBs up to 31st March 2024 was settled through a USD-denominated bond (PDI Bond) at a haircut of 11%.

These new bonds issued under the exchange program were recognized as new financial assets and initially measured at its fair value. The fair value of new bonds was estimated using the discounted cash flow technique. The discount rate used was estimated by building up from a risk-free rate and adding premiums for risks associated with the bond.

The difference between the fair value of the new bonds and the carrying amount of the original bonds as at 20 December 2024 was recognized in profit or loss for the period. Accordingly, a loss of LKR 2,712,020 ('000) was recognized in the Income Statement. Derecognition loss include exchange fee bonds with a face value of LKR 187,271('000) received by the Bank which matured on 27 December 2024 has been considered in determining the above de-recognition loss.

The breakdown of the new instruments received in settlement of SLISBs held as at the date of exchange is as follows.

| Type of Bond | Face value LKR ' 000 | Coupon Rate | Fair value as at the date of Restructuring LKR ' 000 | Amortised cost as at 31 st December 2024 LKR'000 |
|--|-------------------------|---------------|---|--|
| Rupee Denominated Treasury Bonds | 3,034,403 | SLFR+0.5% p.a | 3,034,403 | 3,115,210 |
| USD Denominated Step – up Bond | 6,431,300 | 1%-3.5% p.a | 3,877,348 | 3,889,980 |
| USD Denominated PDI Bond | 1,290,251 | 4% p.a | 935,996 | 753,303 |

Further, the Bank has received LKR 213,015 ('000) as accrued consideration on the debt exchange program explained above.

8.1 Discount rate used in determination of fair value

A discount rate of 10% was estimated in determining the fair value of PDI bonds, which was calculated by adding a risk premium to the US treasury rate prevailing as at the date of restructuring. The Government of Sri Lanka has reserved the right to settle the step-up bond in Sri Lanka Rupees if it is unable to settle in US Dollars. As a result, a lower discount rate of 8.5% considering a lower risk premium was applied to discount USD step up bond. LKR Bonds are issued at the SLFR+0.5%, with interest to be reset every six months and the Bank determined that there is no material difference between the face value and the fair value of the bonds at the initial recognition.

Sensitivity of the fair value of the bonds to discount rate

A 1% increase/decrease in the discount rate of both the Step-Up Bond and the PDI Bond would decrease/increase the fair value by approximately LKR 308,381 ('000) . Consequently, the loss recognised in the profit or loss would have increased/decreased by LKR 308,381 ('000).

8.2 Classification and the ECL of New Bonds

The Bank has classified the new bonds under Amortized Cost and continue to categorize the new USD denominated PDI bonds under stage 2. Accordingly, a lifetime ECL of LKR 106,770 ('000) recognized as at 31st December 2024. No ECL provision has been recognized on the step-up bond since the Government has the option of settling in local currency (LKR), in an unforeseen event of the Government's inability to settle the bonds in USD. Both step up Bond and LKR Treasury bonds received in settlement of exchanged SLISBs have been considered under Stage 1 and no impairment provisions recognized on such bonds.

Refer to CBSL instructions (02/17/500/0819/016) dated on 13th February 2025, a special reserve was created (15% of the foreign currency bond exposure) and same was disregarded for any regulatory capital computations.

Deferred Tax Treatment on SLISBs Provision Reversal

As per the current legislative provision applicable for income tax in the country, the Bank considered losses on derecognition of SLISBs as permanent difference. Therefore, no deferred tax was recognised on the same. Also based on the reversal of impairment of SLISBs the bank has reversed the deferred tax asset which recognised previously.

9. Comparative Figures

Comparative figures have been re-classified where necessary, to conform to the current period presentation.

During the quarter there were no material changes in Contingent Liabilities, composition of Assets and Liabilities and use of funds raised by the Bank.

All known expenditure items have been provided in these Interim Accounts.

10 Seylan Bank PLC
Segment Reporting (Group)

(Amounts in Rupee Thousands)

| | Banking | | Treasury | | Property/ Investments | | Unallocated/ Eliminations | | Total | |
|--|--------------------|--------------------|--------------------|--------------------|-----------------------|------------------|---------------------------|--------------------|--------------------|--------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Interest Income | 70,634,263 | 96,302,462 | 14,576,864 | 12,456,083 | 66,617 | 108,329 | (914,936) | (1,698,472) | 84,362,808 | 107,168,402 |
| Less: Interest Expenses | 42,915,744 | 61,815,649 | 4,508,940 | 5,079,379 | 1,133 | 2,203 | (152,643) | (180,682) | 47,273,174 | 66,716,549 |
| Net Interest Income | 27,718,519 | 34,486,813 | 10,067,924 | 7,376,704 | 65,484 | 106,126 | (762,293) | (1,517,790) | 37,089,634 | 40,451,853 |
| Fee and Commission Income | 8,311,098 | 7,728,496 | 1,885 | 10,653 | - | - | 14,222 | 11,853 | 8,327,205 | 7,751,002 |
| Less : Fee and Commission Expenses | 294,254 | 237,519 | 18,863 | 33,467 | 550 | 3,251 | - | - | 313,667 | 274,237 |
| Net Fee and Commission Income | 8,016,844 | 7,490,977 | (16,978) | (22,814) | (550) | (3,251) | 14,222 | 11,853 | 8,013,538 | 7,476,765 |
| Net Gains from Trading | - | - | 461,390 | 818,206 | - | - | - | - | 461,390 | 818,206 |
| Net Gains /(Losses) from Derecognition of Financial Assets | | | | | | | | | | |
| - at Fair Value through Other Comprehensive Income | - | - | 265,181 | 150,289 | - | - | - | - | 265,181 | 150,289 |
| - Loss on Restructuring of SLISBs | - | - | (2,712,020) | - | - | - | - | - | (2,712,020) | - |
| Other Operating Income | 506,397 | 678,576 | 517,549 | 295,579 | 510,700 | 463,049 | (520,849) | (489,270) | 1,013,797 | 947,934 |
| Inter Segment Revenue | (144,041) | (74,922) | - | (505) | - | - | 144,041 | 75,427 | - | - |
| Total Operating Income | 36,097,719 | 42,581,444 | 8,583,046 | 8,617,459 | 575,634 | 565,924 | (1,124,879) | (1,919,780) | 44,131,520 | 49,845,047 |
| Less : Depreciation and Amortization Expenses | 780,419 | 766,289 | 15,373 | 14,890 | 1,219 | 1,245 | 568,635 | 565,616 | 1,365,646 | 1,348,040 |
| Less : Impairment Charges /(Reversal) | | | | | | | | | | |
| - Loans and Advances and Other Financial Assets and Credit related Commitments | 6,411,463 | 15,694,705 | 200,771 | (209,211) | - | - | (1,111) | (9) | 6,611,123 | 15,485,485 |
| - Sri Lanka International Sovereign Bonds (SLISBs) | - | - | (4,861,753) | 1,519,452 | - | - | - | - | (4,861,753) | 1,519,452 |
| Less : Operating Expenses, VAT & SSCL on Financial Services | 18,234,792 | 16,039,654 | 2,293,820 | 1,832,596 | 131,535 | 119,410 | 4,121,323 | 3,230,959 | 24,781,470 | 21,222,619 |
| Reportable Segment Profit Before Income Tax | 10,671,045 | 10,080,796 | 10,934,835 | 5,459,732 | 442,880 | 445,269 | (5,813,726) | (5,716,346) | 16,235,034 | 10,269,451 |
| Less :Income Tax Expense | | | | | | | | | 6,082,296 | 3,868,829 |
| Profit for the Year | | | | | | | | | 10,152,738 | 6,400,622 |
| Profit Attributable To: | | | | | | | | | | |
| Equity Holders of The Bank | | | | | | | | | 10,113,406 | 6,321,116 |
| Non-Controlling Interests | | | | | | | | | 39,332 | 79,506 |
| Profit for the Year | | | | | | | | | 10,152,738 | 6,400,622 |
| Other Comprehensive Income, Net of Income Tax | | | | | | | | | 793,610 | 56,454 |
| Other Information | | | | | | | | | | |
| Reportable Segment Assets | 479,400,945 | 466,167,855 | 282,375,646 | 233,605,360 | 6,593,828 | 6,541,912 | 23,254,619 | 22,529,131 | 791,625,038 | 728,844,258 |
| Segment Accumulated Amortisation | (2,668,167) | (2,701,174) | (92,608) | (80,208) | 5,488 | 4,270 | (8,802,574) | (8,073,856) | (11,557,861) | (10,850,968) |
| Total Assets | 476,732,778 | 463,466,681 | 282,283,038 | 233,525,152 | 6,599,316 | 6,546,182 | 14,452,045 | 14,455,275 | 780,067,177 | 717,993,290 |
| Reportable Segment Liabilities & Equity | 681,296,162 | 601,993,174 | 67,797,066 | 89,348,927 | 6,599,316 | 6,546,182 | 24,374,633 | 20,105,007 | 780,067,177 | 717,993,290 |
| Total Liabilities & Equity | 681,296,162 | 601,993,174 | 67,797,066 | 89,348,927 | 6,599,316 | 6,546,182 | 24,374,633 | 20,105,007 | 780,067,177 | 717,993,290 |
| Cash Flows from Operating Activities | 31,356,242 | 65,927,382 | 6,289,226 | 6,927,561 | 164,679 | 203,966 | (5,461,027) | (5,170,794) | 32,349,120 | 67,888,115 |
| Cash Flows from Investing Activities | (833,464) | (294,393) | (35,675,499) | (32,827,847) | (121,959) | 97,093 | (239,809) | (753,642) | (36,870,731) | (33,778,789) |
| Cash Flows from Financing Activities | (839,358) | (792,238) | 1,498,561 | (4,676,757) | (318,793) | (177,558) | 612,739 | 517,269 | 953,149 | (5,129,284) |
| Capital Expenditure | (832,906) | (304,046) | (39,399) | (11,744) | (8,267) | (34,257) | (317,346) | (650,331) | (1,197,918) | (1,000,378) |

Seylan Bank PLC

11 Analysis of Financial Instruments by Measurement Basis - Bank

(Amounts in Rupees Thousands)

| | 2024 | | | Total |
|--|--|--|---|--------------------|
| | Financial Assets Measured at Fair Value through Profit or Loss (FVTPL) | Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) | Financial Assets Measured at Amortised Cost (AC) | |
| Assets | | | | |
| Cash and Cash Equivalents | - | - | 17,384,396 | 17,384,396 |
| Balances with Central Bank of Sri Lanka | - | - | 8,719,115 | 8,719,115 |
| Placements with Banks and Finance Companies | - | - | 50,156,002 | 50,156,002 |
| Derivative Financial Instruments | 17,398 | - | - | 17,398 |
| Securities Purchased under Resale Agreements | - | - | 3,684,374 | 3,684,374 |
| Customer Loans and Advances | - | - | 462,950,751 | 462,950,751 |
| Debt Instruments | - | - | 716,243 | 716,243 |
| Equity Instruments | - | 2,176,270 | - | 2,176,270 |
| Government Securities | 21,454,098 | 54,072,260 | 131,824,313 | 207,350,671 |
| Group Balances Receivable | - | - | 40,300 | 40,300 |
| Other Financial Assets | - | - | 9,450,678 | 9,450,678 |
| Total Financial Assets | 21,471,496 | 56,248,530 | 684,926,172 | 762,646,198 |
| | Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL) | | Financial Liabilities Measured at Amortised Cost (AC) | Total |
| Liabilities | | | | |
| Due to Banks | - | - | 8,141,795 | 8,141,795 |
| Derivative Financial Instruments | 809 | - | - | 809 |
| Due to Depositors | - | - | 646,817,333 | 646,817,333 |
| Securities Sold under Repurchase Agreements | - | - | 1,461,944 | 1,461,944 |
| Due to Other Borrowers | - | - | 23,731 | 23,731 |
| Group Balances Payable | - | - | 98,942 | 98,942 |
| Debt Securities Issued | - | - | 25,128,383 | 25,128,383 |
| Lease Liabilities | - | - | 5,613,107 | 5,613,107 |
| Other Financial Liabilities | - | - | 8,101,357 | 8,101,357 |
| Total Financial Liabilities | 809 | 809 | 695,386,592 | 695,387,401 |

| | 2023 | | | Total |
|--|--|--|---|--------------------|
| | Financial Assets Measured at Fair Value through Profit or Loss (FVTPL) | Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) | Financial Assets Measured at Amortised Cost (AC) | |
| Assets | | | | |
| Cash and Cash Equivalents | - | - | 48,321,654 | 48,321,654 |
| Balances with Central Bank of Sri Lanka | - | - | 7,028,281 | 7,028,281 |
| Placements with Banks and Finance Companies | - | - | 22,594,161 | 22,594,161 |
| Derivative Financial Instruments | 88,022 | - | - | 88,022 |
| Securities Purchased under Resale Agreements | - | - | 817,150 | 817,150 |
| Customer Loans and Advances | - | - | 437,532,470 | 437,532,470 |
| Debt Instruments | - | - | 751,134 | 751,134 |
| Equity Instruments | - | 1,802,855 | - | 1,802,855 |
| Government Securities | 27,753,867 | 38,245,856 | 102,786,226 | 168,785,949 |
| Group Balances Receivable | - | - | 40,500 | 40,500 |
| Other Financial Assets | - | - | 11,896,790 | 11,896,790 |
| Total Financial Assets | 27,841,889 | 40,048,711 | 631,768,366 | 699,658,966 |
| | Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL) | | Financial Liabilities Measured at Amortised Cost (AC) | Total |
| Liabilities | | | | |
| Due to Banks | - | - | 12,096,756 | 12,096,756 |
| Derivative Financial Instruments | 32,269 | - | - | 32,269 |
| Due to Depositors | - | - | 591,622,729 | 591,622,729 |
| Securities Sold under Repurchase Agreements | - | - | 6,862,998 | 6,862,998 |
| Due to Other Borrowers | - | - | 16,151 | 16,151 |
| Group Balances Payable | - | - | 115,823 | 115,823 |
| Debt Securities Issued | - | - | 19,967,701 | 19,967,701 |
| Lease Liabilities | - | - | 5,409,418 | 5,409,418 |
| Other Financial Liabilities | - | - | 8,515,651 | 8,515,651 |
| Total Financial Liabilities | 32,269 | 32,269 | 644,607,227 | 644,639,496 |

Seylan Bank PLC

11 Analysis of Financial Instruments by Measurement Basis - Group

(Amounts in Rupees Thousands)

| | 2024 | | | Total |
|--|--|--|--|--------------------|
| | Financial Assets Measured at Fair Value through Profit or Loss (FVTPL) | Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) | Financial Assets Measured at Amortised Cost (AC) | |
| Assets | | | | |
| Cash and Cash Equivalents | - | - | 17,384,436 | 17,384,436 |
| Balances with Central Bank of Sri Lanka | - | - | 8,719,115 | 8,719,115 |
| Placements with Banks and Finance Companies | - | - | 50,156,002 | 50,156,002 |
| Derivative Financial Instruments | 17,398 | - | - | 17,398 |
| Securities Purchased under Resale Agreements | - | - | 3,684,374 | 3,684,374 |
| Customer Loans and Advances | - | - | 462,950,751 | 462,950,751 |
| Debt Instruments | - | - | 716,243 | 716,243 |
| Equity Instruments | - | 2,176,270 | - | 2,176,270 |
| Government Securities | 21,454,098 | 54,439,669 | 131,914,241 | 207,808,008 |
| Other Financial Assets | - | - | 9,485,230 | 9,485,230 |
| Total Financial Assets | 21,471,496 | 56,615,939 | 685,010,392 | 763,097,827 |

| | 2024 | | Total |
|---|---|---|--------------------|
| | Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL) | Financial Liabilities Measured at Amortised Cost (AC) | |
| Liabilities | | | |
| Due to Banks | - | 8,141,795 | 8,141,795 |
| Derivative Financial Instruments | 809 | - | 809 |
| Due to Depositors | - | 646,817,333 | 646,817,333 |
| Securities Sold under Repurchase Agreements | - | 1,461,944 | 1,461,944 |
| Due to Other Borrowers | - | 23,731 | 23,731 |
| Debt Securities Issued | - | 25,128,383 | 25,128,383 |
| Lease Liabilities | - | 2,430,915 | 2,430,915 |
| Other Financial Liabilities | - | 8,148,829 | 8,148,829 |
| Total Financial Liabilities | 809 | 692,152,930 | 692,153,739 |

| | 2023 | | | Total |
|--|--|--|--|--------------------|
| | Financial Assets Measured at Fair Value through Profit or Loss (FVTPL) | Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI) | Financial Assets Measured at Amortised Cost (AC) | |
| Assets | | | | |
| Cash and Cash Equivalents | - | - | 48,321,694 | 48,321,694 |
| Balances with Central Bank of Sri Lanka | - | - | 7,028,281 | 7,028,281 |
| Placements with Banks and Finance Companies | - | - | 22,594,161 | 22,594,161 |
| Derivative Financial Instruments | 88,022 | - | - | 88,022 |
| Securities Purchased under Resale Agreements | - | - | 817,150 | 817,150 |
| Customer Loans and Advances | - | - | 437,532,470 | 437,532,470 |
| Debt Instruments | - | - | 751,134 | 751,134 |
| Equity Instruments | - | 1,802,855 | - | 1,802,855 |
| Government Securities | 27,753,867 | 38,484,010 | 103,057,378 | 169,295,255 |
| Other Financial Assets | - | - | 11,918,708 | 11,918,708 |
| Total Financial Assets | 27,841,889 | 40,286,865 | 632,020,976 | 700,149,730 |

| | 2023 | | Total |
|---|---|---|--------------------|
| | Financial Liabilities Measured at Fair Value through Profit or Loss (FVTPL) | Financial Liabilities Measured at Amortised Cost (AC) | |
| Liabilities | | | |
| Due to Banks | - | 12,096,756 | 12,096,756 |
| Derivative Financial Instruments | 32,269 | - | 32,269 |
| Due to Depositors | - | 591,622,729 | 591,622,729 |
| Securities Sold under Repurchase Agreements | - | 6,862,998 | 6,862,998 |
| Due to Other Borrowers | - | 16,151 | 16,151 |
| Debt Securities Issued | - | 19,967,701 | 19,967,701 |
| Lease Liabilities | - | 2,245,420 | 2,245,420 |
| Other Financial Liabilities | - | 8,581,640 | 8,581,640 |
| Total Financial Liabilities | 32,269 | 641,393,395 | 641,425,664 |

12 Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in Rupees Thousands)

| | Bank | | Group | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31.12.2024 | As at 31.12.2023 | As at 31.12.2024 | As at 31.12.2023 |
| 12.1 Product-wise Gross Loans & Advances | | | | |
| By product - Domestic Currency | | | | |
| Export Bills | 17,098 | 210,614 | 17,098 | 210,614 |
| Import Bills | 103,767 | 209,672 | 103,767 | 209,672 |
| Local Bills | 16,620 | 9,597 | 16,620 | 9,597 |
| Lease Rentals Receivable | 24,799,910 | 23,037,804 | 24,799,910 | 23,037,804 |
| Overdrafts | 56,121,344 | 60,821,111 | 56,121,344 | 60,821,111 |
| Revolving Import Loans | 15,998,123 | 12,296,069 | 15,998,123 | 12,296,069 |
| Packing Credit Loans | 4,370,262 | 6,971,268 | 4,370,262 | 6,971,268 |
| Staff Loans | 7,516,072 | 7,097,794 | 7,516,072 | 7,097,794 |
| Housing Loans | 16,390,682 | 15,717,780 | 16,390,682 | 15,717,780 |
| Pawning Receivables | 36,448,577 | 33,111,793 | 36,448,577 | 33,111,793 |
| Refinance Loans | 9,285,543 | 8,632,690 | 9,285,543 | 8,632,690 |
| Credit Cards | 8,571,125 | 7,797,586 | 8,571,125 | 7,797,586 |
| Margin Trading | 9,643,481 | 2,999,107 | 9,643,481 | 2,999,107 |
| Factoring | 1,667,480 | 1,850,487 | 1,667,480 | 1,850,487 |
| Term Loans | 271,231,656 | 261,486,656 | 271,231,656 | 261,486,656 |
| Total | 462,181,740 | 442,250,028 | 462,181,740 | 442,250,028 |
| By product - Foreign Currency | | | | |
| Export Bills | 2,925,962 | 3,013,553 | 2,925,962 | 3,013,553 |
| Import Bills | 517,275 | 495,370 | 517,275 | 495,370 |
| Local Bills | - | 5,035 | - | 5,035 |
| Overdrafts | 792,844 | 679,910 | 792,844 | 679,910 |
| Revolving Import Loans | 415,427 | 621,332 | 415,427 | 621,332 |
| Packing Credit Loans | 12,908,580 | 11,790,930 | 12,908,580 | 11,790,930 |
| Housing Loans | 91,511 | 110,496 | 91,511 | 110,496 |
| Term Loans | 45,281,939 | 38,238,555 | 45,281,939 | 38,238,555 |
| Total | 62,933,538 | 54,955,181 | 62,933,538 | 54,955,181 |
| Gross Loans and Advances | 525,115,278 | 497,205,209 | 525,115,278 | 497,205,209 |
| 12.2 Product-wise Commitments and Contingencies | | | | |
| By product - Domestic Currency | | | | |
| Commitments | | | | |
| Undrawn Credit Lines | 90,488,304 | 82,789,024 | 90,488,304 | 82,789,024 |
| Capital Commitments | 121,871 | 152,026 | 126,578 | 170,642 |
| Contingencies | | | | |
| Acceptances | 99,721 | 66,515 | 99,721 | 66,515 |
| Standby Letters of Credit | - | - | - | - |
| Guarantees | 52,569,271 | 50,606,979 | 52,569,271 | 50,606,979 |
| Documentary Credit | 1,156,859 | 385,701 | 1,156,859 | 385,701 |
| Bills for Collection | 791,535 | 228,029 | 791,535 | 228,029 |
| Forward Exchange Contracts (Net) | (1,243,212) | (1,732,351) | (1,243,212) | (1,732,351) |
| Total | 143,984,349 | 132,495,923 | 143,989,056 | 132,514,539 |
| By product - Foreign Currency | | | | |
| Commitments | | | | |
| Undrawn Credit Lines | 5,357,736 | 6,268,957 | 5,357,736 | 6,268,957 |
| Capital Commitments | 582,767 | 514,910 | 582,767 | 514,910 |
| Contingencies | | | | |
| Acceptances | 10,328,138 | 7,850,569 | 10,328,138 | 7,850,569 |
| Standby Letters of Credit | 132,377 | 146,496 | 132,377 | 146,496 |
| Guarantees | 4,812,012 | 5,198,493 | 4,812,012 | 5,198,493 |
| Documentary Credit | 9,331,375 | 6,713,552 | 9,331,375 | 6,713,552 |
| Bills for Collection | 5,029,329 | 4,865,862 | 5,029,329 | 4,865,862 |
| Forward Exchange Contracts (Net) | 1,258,281 | 1,786,042 | 1,258,281 | 1,786,042 |
| Total | 36,832,015 | 33,344,881 | 36,832,015 | 33,344,881 |
| Total Commitments and Contingencies | 180,816,364 | 165,840,804 | 180,821,071 | 165,859,420 |

Seylan Bank PLC

Analysis of Loans & Advances , Commitments, Contingencies and Impairment

(Amounts in Rupees Thousands)

| | Bank | | Group | |
|--|---------------------|---------------------|---------------------|---------------------|
| | As at 31.12.2024 | As at 31.12.2023 | As at 31.12.2024 | As at 31.12.2023 |

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

| | | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| Gross Loans and Advances, Commitments and Contingencies | 705,931,642 | 663,046,013 | 705,936,349 | 663,064,629 |
| Less : Accumulated Impairment under Stage 1 | 3,429,685 | 4,025,638 | 3,429,685 | 4,025,638 |
| Accumulated Impairment under Stage 2 | 4,754,675 | 7,950,512 | 4,754,675 | 7,950,512 |
| Accumulated Impairment under Stage 3 | 55,697,899 | 49,243,947 | 55,697,899 | 49,243,947 |
| Net Loans & Advances, Commitments and Contingencies | 642,049,383 | 601,825,916 | 642,054,090 | 601,844,532 |

| Movement of Impairment During the Period | From 01.01.2024 to 31.12.2024 | From 01.01.2023 to 31.12.2023 | From 01.01.2024 to 31.12.2024 | From 01.01.2023 to 31.12.2023 |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Stage 1 | | | | |
| Balance as at 01st January | 4,025,638 | 7,384,738 | 4,025,638 | 7,384,738 |
| Charge/(Write back) to income statement | (578,131) | (3,333,731) | (578,131) | (3,333,731) |
| Exchange Rate Movements | (17,822) | (25,369) | (17,822) | (25,369) |
| Balance as at 31st December | 3,429,685 | 4,025,638 | 3,429,685 | 4,025,638 |
| Stage 2 | | | | |
| Balance as at 01st January | 7,950,512 | 6,460,514 | 7,950,512 | 6,460,514 |
| Charge/(Write back) to income statement | (3,192,196) | 1,524,080 | (3,192,196) | 1,524,080 |
| Exchange Rate Movements | (3,641) | (34,082) | (3,641) | (34,082) |
| Balance as at 31st December | 4,754,675 | 7,950,512 | 4,754,675 | 7,950,512 |
| Stage 3 | | | | |
| Balance as at 01st January | 49,243,947 | 33,562,206 | 49,243,947 | 33,562,206 |
| Charge/(Write back) to income statement | 10,181,790 | 17,504,356 | 10,181,790 | 17,504,356 |
| Reversal for Write-Off during the Year | (2,568,451) | (72,484) | (2,568,451) | (72,484) |
| Interest Accrued on Impaired Loans and Advances | (297,511) | (1,041,465) | (297,511) | (1,041,465) |
| Exchange Rate Movements | (861,876) | (708,666) | (861,876) | (708,666) |
| Balance as at 31st December | 55,697,899 | 49,243,947 | 55,697,899 | 49,243,947 |
| Total Impairment | 63,882,259 | 61,220,097 | 63,882,259 | 61,220,097 |

13 Analysis of Deposits

(Amounts in Rupees Thousands)

| Deposits - By product | Bank | | Group | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | As at 31.12.2024 | As at 31.12.2023 | As at 31.12.2024 | As at 31.12.2023 |
| By product - Domestic Currency | | | | |
| Demand Deposits | 39,072,142 | 35,126,646 | 39,072,142 | 35,126,646 |
| Savings Deposits | 123,126,928 | 113,274,031 | 123,126,928 | 113,274,031 |
| Fixed Deposits | 373,712,110 | 328,328,460 | 373,712,110 | 328,328,460 |
| Certificate of Deposits | 836,590 | 966,920 | 836,590 | 966,920 |
| Margin Accounts | 1,145,269 | 900,130 | 1,145,269 | 900,130 |
| Total | 537,893,039 | 478,596,187 | 537,893,039 | 478,596,187 |
| By product - Foreign Currency | | | | |
| Demand Deposits | 4,688,338 | 5,119,577 | 4,688,338 | 5,119,577 |
| Savings Deposits | 19,139,176 | 23,126,823 | 19,139,176 | 23,126,823 |
| Fixed Deposits | 85,070,317 | 84,755,873 | 85,070,317 | 84,755,873 |
| Margin Accounts | 26,463 | 24,269 | 26,463 | 24,269 |
| Total | 108,924,294 | 113,026,542 | 108,924,294 | 113,026,542 |
| Total Deposits | 646,817,333 | 591,622,729 | 646,817,333 | 591,622,729 |

SEYLAN BANK PLC - DEBENTURES

| | CURRENT PERIOD 01-Oct-24 to 31-Dec-24 | CURRENT PERIOD 01-Oct-23 to 31-Dec-23 |
|--|--|--|
| Debt (Debentures) / Equity Ratio (Times) | 0.36 | 0.33 |
| Debt (Debentures plus Long term Debt) / Equity Ratio (Times) | 0.36 | 0.41 |
| Interest Cover (Times) | 6.20 | 4.45 |
| Quick Asset Ratio (Times) | 0.85 | 0.88 |
| 2018 Issue | | |
| Market Prices during October to December (Ex Interest) | | |
| 7 Year Fixed Semi Annual - 13.20% p.a. | * | * |
| 10 Year Fixed Semi Annual - 13.50% p.a | * | * |
| Interest Yield as at Date of Last Trade | * | * |
| Yield to Maturity of Trade Done on | * | * |
| Interest Rate of Comparable Government Security | | |
| - 7 Years | 9.28% | 13.63% |
| - 10 Years | 10.12% | 13.88% |
| 2019 Issue | | |
| Market Prices during October to December (Ex Interest) | | |
| 5 Year Fixed Annual - 15.00% p.a (Debenture matured and redeemed on 18/04/2024) | | * |
| 5 Year Fixed Semi Annual - 14.50% p.a (Debenture matured and redeemed on 18/04/2024) | | * |
| Interest Yield as at Date of Last Trade | | * |
| Yield to Maturity of Trade Done on | | * |
| Interest Rate of Comparable Government Security | | |
| - 5 Years | | 13.86% |
| 2021 Issue | | |
| Market Prices during October to December (Ex Interest) | | |
| 5 Year Fixed Annual - 9.75% p.a | | |
| - Highest Price | * | 100.00 |
| - Lowest Price | * | 100.00 |
| - Last Traded Price */ (01/11/2023) | * | 100.00 |
| 5 Year Fixed Quarterly - 9.25% p.a. | * | * |
| Interest Yield as at Date of Last Trade | | |
| 5 Year Fixed Annual - 9.75% p.a | * | 9.75% |
| Yield to Maturity of Trade Done on | | |
| 5 Year Fixed Annual - 9.75% p.a | * | 9.70% |
| Interest Rate of Comparable Government Security | | |
| - 5 Years | 9.29% | 13.68% |
| 2023 Issue | | |
| Market Prices during October to December (Ex Interest) | | |
| 5 Year Fixed Annual - 28% p.a | * | * |
| 5 Year Fixed Quarterly - 25% p.a. | * | * |
| Interest Yield as at Date of Last Trade | * | * |
| Yield to Maturity of Trade Done on | * | * |
| Interest Rate of Comparable Government Security | | |
| - 5 Years | 10.43% | 13.66% |
| 2024 Issue (Debenture allotted on 17 July 2024) | | |
| Market Prices during October to December (Ex Interest) | | |
| 5 Year Fixed Annual - 13.25% p.a | * | |
| 5 Year Fixed Quarterly - 12.60% p.a. | * | |
| 7 Year Fixed Annual - 13.50% p.a | * | |
| 7 Year Fixed Semi Annual - 13.05% p.a | * | |
| Interest Yield as at Date of Last Trade | * | |
| Yield to Maturity of Trade Done on | * | |
| Interest Rate of Comparable Government Security | | |
| - 5 Years | 10.73% | |
| - 7 Years | 11.05% | |

* No trading during the period.

Seylan Bank PLC
Selected Performance Indicators

| Item | Bank | | Group | |
|---|------------|------------|------------|------------|
| | 31.12.2024 | 31.12.2023 | 31.12.2024 | 31.12.2023 |
| Regulatory Capital (LKR Mn.) | | | | |
| Common Equity Tier I | 66,565 | 55,448 | 67,793 | 56,998 |
| Total (Tier I) Capital | 66,565 | 55,448 | 67,793 | 56,998 |
| Total Capital Base | 86,837 | 70,147 | 88,064 | 71,698 |
| Regulatory Capital Ratios (%) | | | | |
| Common Equity Tier I Capital Ratio (Minimum Requirement - 7.00%) | 14.25 | 12.52 | 14.50 | 12.86 |
| Total Tier I Capital Ratio (Minimum Requirement - 8.50%) | 14.25 | 12.52 | 14.50 | 12.86 |
| Total Capital Ratio (Minimum Requirement - 12.50%) | 18.59 | 15.84 | 18.84 | 16.18 |
| Basel III Leverage Ratios (%) (Minimum Requirement - 3.00%) | 8.16 | 7.30 | 8.30 | 7.50 |
| Regulatory Liquidity Requirement | | | | |
| Liquidity Coverage Ratio % | | | | |
| Rupe - (Minimum Requirement - 100%) | 415.75 | 355.16 | | |
| All Currency - (Minimum Requirement - 100%) | 491.37 | 338.42 | | |
| Net Stable Funding Ratio (%) (Minimum Requirement - 100%) | 144.76 | 129.67 | | |
| Assets Quality | | | | |
| Impaired Loans (Stage 3) to Total Loans, Ratio (%) | 2.10 | 3.85 | | |
| Impairment (Stage 3) to Stage 3 Loans, Ratio (%) | 80.90 | 68.29 | | |
| Income & Profitability | | | | |
| Net Interest Margin (%) | 4.90 | 5.76 | | |
| Return on Assets (before Tax) (%) | 2.14 | 1.45 | | |
| Return on Equity (%) | 15.35 | 10.88 | | |
| Cost to Income Ratio (%) | 47.05 | 37.30 | | |
| Memorandum Information | | | | |
| Credit Rating - Fitch | A+ (lka) | A- (lka) | | |
| Number of Employees | 3,211 | 3,077 | | |
| Number of Banking Centers | 170 | 171 | | |