

Amãna Bank



10 years
of people friendly banking

Amana Bank PLC (PB 3618 PQ)

Interim Financial Statements

30 June 2022

Vision

To be an admired leader in providing equitable financial solutions, not limited to numerics, but also in earning the trust of our customers, employees, shareholders and country.

Mission

To adopt a unique and people friendly approach in banking with a passion for continuous improvement, enabling growth and enriching lives.

STATEMENT OF PROFIT OR LOSS

FOR THE PERIOD ENDED

	FOR THE SIX MONTHS ENDED 30 JUNE			FOR THE QUARTER ENDED 30 JUNE		
	2022 (Rs '000)	2021 (Rs '000)	Change %	2022 (Rs '000)	2021 (Rs '000)	Change %
Financing Income	4,852,245	3,583,795	35%	2,639,589	1,912,196	38%
Financing Expenses	(2,849,039)	(1,588,918)	79%	(1,763,183)	(809,263)	118%
Net Financing Income	2,003,206	1,994,877	0%	876,406	1,102,933	(21%)
Net Fee and Commission Income	285,277	184,470	55%	169,395	81,003	109%
Net Trading Income	424,602	57,922	633%	188,691	18,393	926%
Net Gains / (Losses) from Financial Investments at Fair Value through Profit or Loss	(26,755)	1,274	(2,200%)	(8,870)	2,116	(519%)
Net Gains / (Losses) from Derecognition of Financial Assets	(146)	975	(115%)	(39)	1,315	(103%)
Net Other Operating Income	2,928	2,889	1%	2,756	2,044	35%
Total Operating Income	2,689,112	2,242,407	20%	1,228,339	1,207,804	2%
Impairment Charges	(494,408)	(273,936)	80%	(252,104)	(173,496)	45%
Net Operating Income	2,194,704	1,968,471	11%	976,235	1,034,308	(6%)
Personnel Expenses	725,101	675,664	7%	366,554	336,840	9%
Depreciation and Amortisation of Property, Plant, Equipment and Right-of-Use Assets	151,278	159,116	(5%)	75,870	79,066	(4%)
Other Operating Expenses	536,645	424,437	26%	293,523	217,930	35%
Total Operating Expenses	1,413,024	1,259,217	12%	735,947	633,836	16%
Operating Profit Before Value Added Tax on Financial Services	781,680	709,254	10%	240,288	400,472	(40%)
Value Added Tax on Financial Services	(224,733)	(203,551)	10%	(69,098)	(111,863)	(38%)
Profit Before Tax	556,947	505,703	10%	171,190	288,609	(41%)
Tax Expenses	(194,931)	(216,437)	(10%)	(59,917)	(129,979)	(54%)
Profit for the Period	362,016	289,266	25%	111,273	158,630	(30%)
Earnings Per Share - Basic / Diluted (in Rs.)	0.13	0.11	25%	0.04	0.06	(30%)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED

	FOR THE SIX MONTHS ENDED 30 JUNE			FOR THE QUARTER ENDED 30 JUNE		
	2022 (Rs '000)	2021 (Rs '000)	Change %	2022 (Rs '000)	2021 (Rs '000)	Change %
Profit for the Period	362,016	289,266	25%	111,273	158,630	(30%)
Other Comprehensive Income/(Loss)						
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods:						
Financial Assets - Fair Value through Other Comprehensive Income:						
Net Gain / (Loss) on Financial Assets - Fair Value through Other Comprehensive Income	(81,028)	(48,617)	67%	(8,103)	51,317	(116%)
Deferred Tax Effect on Revaluation Surplus (Net)	-	44,883	(100%)	-	44,883	(100%)
Net Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods:	(81,028)	(3,734)	2,070%	(8,103)	96,200	(108%)
Other Comprehensive Income / (Loss) for the Period Net of Tax	(81,028)	(3,734)	2,070%	(8,103)	96,200	(108%)
Total Comprehensive Income for the Period	280,988	285,532	(2%)	103,170	254,830	(60%)

STATEMENT OF FINANCIAL POSITION

AS AT

	30 JUN 2022 (Rs' 000)	31 DEC 2021 (AUDITED) (Rs' 000)	Change %
Assets			
Cash and Cash Equivalents	14,005,948	8,673,811	61%
Balances with Central Bank of Sri Lanka	12,329,612	4,800,027	157%
Placements with Banks	26,814,284	27,302,269	(2%)
Placements with Licensed Finance Companies	75	73	3%
Derivative Financial Assets	1,590,020	510,066	212%
Financial Assets Designated at Fair Value through Profit or Loss	50,879	64,634	(21%)
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	79,346,068	75,816,397	5%
Financial Assets Measured at Fair Value through Other Comprehensive Income	264,982	346,010	(23%)
Other Assets - Financial	1,746,115	1,213,996	44%
Property, Plant, Equipment And Right-of-Use Asset:	2,323,025	2,447,150	(5%)
Intangible Assets	224,587	232,835	(4%)
Other Assets - Non Financial	550,975	449,563	23%
Deferred Tax Assets	52,072	52,072	-
Total Assets	139,298,642	121,908,903	14%
Liabilities			
Due to Banks	17,804,706	9,009,986	98%
Derivative Financial Liabilities	1,332,089	783,200	70%
Financial Liabilities at Amortised Cost - Due to Depositors	103,646,538	96,157,776	8%
Other Liabilities - Financial	1,963,307	1,696,127	16%
Current Tax Liabilities	436,440	419,795	4%
Dividend Payable	6,452	6,459	(0%)
Retirement Benefit Liability	135,397	131,081	3%
Other Liabilities - Non Financial	54,191	65,945	(18%)
Total Liabilities	125,379,120	108,270,369	16%
Shareholders' Funds			
Stated Capital	11,079,706	11,079,706	-
Statutory Reserve Fund	157,693	157,693	-
Revaluation Reserve	1,076,688	1,076,688	-
Fair Value Reserve	17,870	98,898	(82%)
Retained Earnings	1,587,565	1,225,549	30%
Total Equity	13,919,522	13,638,534	2%
Total Liabilities and Shareholders' Funds	139,298,642	121,908,903	14%
Net Asset Value per Ordinary Share	5.17	5.07	
Commitments and Contingencies	52,348,716	67,801,327	
Memorandum Information			
Number of Employees	759	777	
Number of Branches	33	33	

CERTIFICATION:

I certify that these Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd

M. Ali Wahid

Chief Financial Officer

9 August 2022

We, the undersigned, being Chariman and Managing Director / Chief Executive Officer of Amana 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 Rule 7.4 of Colombo Stock Exchange.

(b) the information contained in these statements have been extracted from the unaudited Financial Statements of the Bank unless indicated as audited.

Sgd

Ali Asghar Akbarally

Chairman

9 August 2022

Sgd

Mohamed Azmeer

Managing Director / Chief Executive Officer

9 August 2022

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE

RUPEES IN THOUSANDS

	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	Fair Value Reserve	Retained Earnings	Total
As at 31 December 2020 (Audited)	10,819,561	116,458	817,457	44,880	668,922	12,467,278
Profit for the six months ended 30 June 2021	-	-	-	-	289,266	289,266
Total Comprehensive Income for the six months ended 30 June 2021	-	-	-	(3,734)	-	(3,734)
As at 30 June 2021	10,819,561	116,458	817,457	41,146	958,188	12,752,810
Scrip Dividend - 2021	260,145				(260,145)	-
Share Issue Expenses					(200)	(200)
Profit for the six months ended 31 December 2021	-	-	-	-	535,432	535,432
Other Comprehensive Income for the six months ended 31 December 2021	-	-	260,317	57,752	32,423	350,492
Transfers to Statutory Reserve Fund	-	41,235	-	-	(41,235)	-
Transferred to Retained Earnings	-	-	(1,086)	-	1,086	-
As at 31 December 2021 (Audited)	11,079,706	157,693	1,076,688	98,898	1,225,549	13,638,534
Profit for the six months ended 30 June 2022	-	-	-	-	362,016	362,016
Total Comprehensive Income for the six months ended 30 June 2022	-	-	-	(81,028)	-	(81,028)
As at 30 June 2022	11,079,706	157,693	1,076,688	17,870	1,587,565	13,919,522

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE

	FOR THE SIX MONTHS ENDED 30 JUNE	
	2022 (Rs. '000)	2021 (Rs. '000)
Cash Flows from Operating Activities		
Financing Income Received	5,190,262	3,577,812
Fees and Commission Received	424,456	175,459
Financing Expenses Paid	(2,579,859)	(1,574,092)
Foreign Exchange Income	285,277	65,946
Gratuity Payments Made	(11,911)	(5,382)
Payments to Employees and Suppliers	(1,470,251)	(1,287,060)
Operating Profit/(Loss) before Changes in Operating Assets and Liabilities	1,837,974	952,683
(Increase) / Decrease in Operating Assets		
Financing and Receivable to Other Customers	(4,024,079)	(7,125,403)
Other Assets	(633,531)	(1,290,478)
Balance with Central Bank of Sri Lanka	(7,529,585)	9,272,447
Increase / (Decrease) in Operating Liabilities		
Due to Other Customers	7,239,577	7,332,944
Due to Banks	8,794,720	(285,555)
Other Liabilities	(295,230)	1,207,409
Net Cash Flow from Operating Activities before Income Tax	5,389,846	10,064,047
Income Tax Paid	(178,286)	(184,993)
Net Cash From / (Used In) Operating Activities	5,211,560	9,879,054
Cash Flows From/(Used In) Investing Activities		
Acquisition of Property, Plant & Equipment	(1,281)	(9,000)
Proceeds from Sale of Property, Plant and Equipment	-	130
Acquisition of Intangible Assets	(17,625)	(27,240)
Investments in Placements with Banks	149,998	949,568
Investments in Placements with Licensed Finance Companies	(2)	(8,908,101)
Financial Assets Recognised through Profit or Loss - Measured at Fair Value	(13,000)	(12,962)
Dividend Received from Financial Assets	2,928	2,758
Net Cash From / (Used In) Investing Activities	121,018	(8,004,847)
Cash Flows From / (Used In) Financing Activities		
Share Issue Expenses	-	-
Dividend Paid	(7)	(32)
Net Cash From / (Used In) Financing Activities	(7)	(32)
Net Increase / (Decrease) in Cash and Cash Equivalents	5,332,571	1,874,175
Cash and Cash Equivalents at the Beginning of the Year	8,674,644	6,860,456
Cash and Cash Equivalents at the End of the Period - Gross of Allowance for Impairment	14,007,215	8,734,631

CASH AND CASH EQUIVALENTS

FOR THE QUARTER ENDED 31 MARCH

	2022 (Rs. '000)	2021 (Rs. '000)
Cash in Hand	9,281,985	3,474,873
Balances with Banks	4,725,230	5,259,758
	14,007,215	8,734,631
Less: Allowance for Impairment Losses	(1,267)	(1,053)
Total	14,005,948	8,733,578

NOTES TO THE FINANCIAL STATEMENTS

01. ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Financial instruments are measured on an ongoing basis either at fair value or at amortised cost. The summary of significant accounting policies stated in the Annual Financial Statements describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial instruments by category as defined in SLFRS 9 and by headings of the Statement of Financial Position.

	RUPEES IN THOUSANDS			
	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTIZED COST	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	TOTAL AS AT 30.6.2022
Financial Assets				
Cash and Cash Equivalents	-	14,005,948	-	14,005,948
Balances with Central Bank of Sri Lanka	-	12,329,612	-	12,329,612
Placements with Banks	-	26,814,284	-	26,814,284
Placements with Licensed Finance Companies	-	75	-	75
Derivative Financial Assets	1,590,020	-	-	1,590,020
Financial Assets Designated at Fair Value through Profit or Loss	50,879	-	-	50,879
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	-	79,346,068	-	79,346,068
Financial Assets measured at Fair Value through Other Comprehensive Income	-	-	264,982	264,982
Other Assets - Financial	-	1,746,115	-	1,746,115
Total Financial Assets	1,640,899	134,242,102	264,982	136,147,983
Financial Liabilities				
Due to Banks	-	17,804,706	-	17,804,706
Derivative Financial Liabilities	1,332,089	-	-	1,332,089
Financial Liabilities at Amortised Cost - Due to Depositors	-	103,646,538	-	103,646,538
Other Liabilities - Financial	-	1,963,307	-	1,963,307
Total Financial Liabilities	1,332,089	123,414,551	-	124,746,640

	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTIZED COST	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	TOTAL AS AT 31.12.2021 (AUDITED)
Financial Assets				
Cash and Cash Equivalents	-	8,673,811	-	8,673,811
Balances with Central Bank of Sri Lanka	-	4,800,027	-	4,800,027
Placements with Banks	-	27,302,269	-	27,302,269
Placements with Licensed Finance Companies	-	73	-	73
Derivative Financial Assets	510,066	-	-	510,066
Financial Assets Designated at Fair Value through Profit or Loss	64,634	-	-	64,634
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	-	75,816,397	-	75,816,397
Financial Assets measured at Fair Value through Other Comprehensive Income	-	-	346,010	346,010
Other Assets - Financial	-	1,213,996	-	1,213,996
Total Financial Assets	574,700	117,806,573	346,010	118,727,283
Financial Liabilities				
Due to Banks	-	9,009,986	-	9,009,986
Derivative Financial Liabilities	783,200	-	-	783,200
Financial Liabilities at Amortised Cost - Due to Depositors	-	96,157,776	-	96,157,776
Other Liabilities - Financial	-	1,696,127	-	1,696,127
Total Financial Liabilities	783,200	106,863,889	-	107,647,089

02. FINANCING AND RECEIVABLES TO OTHER CUSTOMERS

	RUPEES IN THOUSANDS	
ANALYSIS OF FINANCING AND RECEIVABLES TO OTHER CUSTOMERS	30.6.2022	31.12.2021 (AUDITED)
Gross Financing and Receivables to Other Customers	82,052,671	78,185,981
Accumulated Impairment		
Stage 1	(871,134)	(876,662)
Stage 2	(919,655)	(602,429)
Stage 3	(915,814)	(890,493)
Net Financing and Receivables to Other Customers	79,346,068	75,816,397

NOTES TO THE FINANCIAL STATEMENTS

ANALYSIS OF FINANCING AND RECEIVABLES TO OTHER CUSTOMERS - (Contd...)

03. FINANCING AND RECEIVABLES TO OTHER CUSTOMERS - BY PRODUCT

By Product - Domestic Currency	RUPEES IN THOUSANDS	
	30.6.2022	31.12.2021 (AUDITED)
Overdraft	6,140,949	6,488,707
Trade Finance	826,987	1,117,244
Lease Receivables	4,803,127	4,958,226
Staff Facilities	870,190	812,259
Term Financing	55,416,932	53,222,170
Gold Facilities	9,144,767	7,979,484
Others	833,335	830,894
Sub Total	78,036,287	75,408,984
By Product - Foreign Currency		
Overdraft	35,988	20,061
Term Financing	3,783,110	2,639,988
Trade Finance	136,263	55,750
Others	61,023	61,198
Sub Total	4,016,384	2,776,997
Total	82,052,671	78,185,981

04. IMPAIRMENT ALLOWANCE FOR FINANCING AND RECEIVABLES TO OTHER CUSTOMERS

A reconciliation of the allowance for impairment losses for Financing and Receivables to Other Customers, under SLFRS 9 is as follows:

	RUPEES IN THOUSANDS			
	STAGE 1	STAGE 2	STAGE 3	TOTAL IMPAIRMENT
ECL allowance as at 1 January 2022 under SLFRS 9	876,662	602,429	890,493	2,369,584
Charge/(Write Back) for the year	(5,528)	317,226	23,129	334,827
Amounts written off	-	-	2,192	2,192
As at 30 June 2022	871,134	919,655	915,814	2,706,603

	RUPEES IN THOUSANDS			
	STAGE 1	STAGE 2	STAGE 3	TOTAL IMPAIRMENT
				(AUDITED)
ECL allowance as at 1 January 2021 under SLFRS 9	353,622	635,181	702,743	1,691,546
Charge/(Write Back) for the year	523,040	(32,752)	282,960	773,248
Amounts written off			(95,210)	(95,210)
As at 31 December 2021	876,662	602,429	890,493	2,369,584

05. DUE TO OTHER CUSTOMERS - BY PRODUCT

ANALYSIS OF DEPOSITS		RUPEES IN THOUSANDS	
By Product - Domestic Currency		30.6.2022	31.12.2021 (AUDITED)
Demand Deposits		6,955,091	6,028,381
Savings Deposits		32,477,608	34,538,755
Time Deposits		41,666,314	42,395,296
Sub Total		81,099,013	82,962,432
By Product - Foreign Currency			
Demand Deposits		988,322	547,019
Savings Deposits		5,810,730	2,851,566
Time Deposits		15,748,473	9,796,759
Sub Total		22,547,525	13,195,344
Total		103,646,538	96,157,776

NOTES TO THE FINANCIAL STATEMENTS

06. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described below.

- Level 1 Quoted price (unadjusted) in active markets for the identical assets or liabilities. This level includes listed equity securities and debt instruments.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs for asset or liability that are not based on observable market data (unobservable inputs). This level includes equity instruments and debt instruments with significant unobservable components.

RUPEES IN THOUSANDS				
As at 30 June 2022	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial Assets				
Derivative Financial Assets	-	1,590,020	-	1,590,020
Financial Assets Designated at Fair Value through Profit or Loss	50,879	-	-	50,879
Financial Assets Measured at Fair Value through Other Comprehensive Income	261,989	-	2,993	264,982
	312,868	1,590,020	2,993	1,905,881
Financial Liabilities				
Derivative Financial Liabilities	-	1,332,089	-	1,332,089
	-	1,332,089	-	1,332,089

RUPEES IN THOUSANDS				
As at 31 December 2021	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL (AUDITED)
Financial Assets				
Derivative Financial Assets	-	510,066	-	510,066
Financial Assets Designated at Fair Value through Profit or Loss	64,634	-	-	64,634
Financial Assets Measured at Fair Value through Other Comprehensive Income	343,017	-	2,993	346,010
	407,651	510,066	2,993	920,710
Financial Liabilities				
Derivative Financial Liabilities	-	783,200	-	783,200
	-	783,200	-	783,200

Derivative Financial Assets and Liabilities:

Derivative products are promissory forward foreign exchange transactions, valued using a valuation technique with market-observable inputs. The most frequently applied valuation techniques include promissory forward foreign exchange spot and Net Present Value.

Financial Assets Recognised through Profit or Loss - Measured at Fair Value, Financial Assets Measured at Fair Value through Other Comprehensive Income

The estimated fair values are based on quoted and observable market prices.

Financial Instruments not carried at Fair Value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Bank's financial instruments that are not carried at fair value in the Financial Statements. This table does not include the fair values of Non-Financial Assets and Non-Financial Liabilities.

RUPEES IN THOUSANDS				
	30.6.2022		31.12.2021	
	CARRYING VALUE	FAIR VALUE	CARRYING VALUE (AUDITED)	FAIR VALUE (AUDITED)
Financial Assets				
Cash and Cash Equivalents	14,005,948	14,005,948	8,673,812	8,673,812
Balance with Central Bank of Sri Lanka	12,329,612	12,329,612	4,800,027	4,800,027
Placements with Banks	26,814,284	26,815,369	27,302,269	27,303,384
Placements with Other Companies	75	75	73	73
Financial Assets at Amortised Cost - Financing and Receivables to Other Customers	79,346,068	70,107,486	75,816,397	67,951,887
Other Assets - Financial	1,746,115	1,746,115	1,213,996	1,213,996
	134,242,102	125,004,605	117,806,574	109,943,179
Financial Liabilities				
Due to Banks	17,804,706	17,804,706	9,009,986	9,009,986
Financial Liabilities at Amortised Cost - Due to Depositors	103,646,538	103,646,538	96,157,776	96,157,776
Other Liabilities - Financial	1,963,307	1,963,307	1,696,127	1,696,127
	123,414,551	123,414,551	106,863,889	106,863,889

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the Financial Statements:

Balances with Banks, Balances with Licensed Finance Companies, Other Financial Assets and Other Financial Liabilities

For the above, which includes only instruments with maturities of less than 12 months, the carrying value is a reasonable estimate of fair values.

Financial Assets at Amortised Cost - Financing and Receivables to Other Customers

The fair value of the above are estimated by discounting the estimated future cash flows using the prevailing market rates for financing as of the reporting date with similar credit risks and maturities (Level 3).

Financial Liabilities at Amortised Cost - Due to Depositors

The fair values of the above are deemed to approximate their carrying amounts as rate of returns are determined at the end of their holding periods based on the profit generated from the relevant investments.

NOTES TO THE FINANCIAL STATEMENTS

07. SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

	AS AT 30.6.2022	AS AT 31.12.2021 (AUDITED)
Regulatory Capital (LKR '000)		
Common Equity Tier 1 *	12,046,163	12,016,737
Tier 1 Capital	12,046,163	12,016,737
Total Capital	14,160,118	13,764,884
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (Minimum Requirement 7.0%)	13.4%	13.7%
Tier I Capital Ratio (Minimum Requirement 8.5%)	13.4%	13.7%
Total Capital Ratio (Minimum Requirement 12.5%)	15.7%	15.7%
Leverage Ratio % (Minimum Requirement 3%)	7.0%	7.4%
Assets Quality (Quality of Financing and Advance Portfolio)		
Impaired Financing and Advances (Stage 3) Ratio (%)	2.5%	1.7%
Impairment (Stage 3) to Stage 3 Financing and Advances Ratio (%)	26.8%	35.6%
Profitability		
Financing Margin (%)	3.1%	3.8%
Return on Assets (Before Tax)	0.9%	1.0%
Return on Equity	5.3%	6.3%
Regulatory Liquidity		
Statutory Liquid Assets		
- Domestic Banking Unit (Rs. in Millions)	30,702	27,508
- Foreign Currency Banking Unit (USD '000)	4,200	4,099
Statutory Liquid Assets Ratio % (Minimum Requirement 20%)		
- Domestic Banking Unit	23.8%	26.9%
- Off-Shore Banking Unit	40.4%	45.3%
Total Stock of High Quality Liquid Assets (Rs. in Millions)	19,114	7,347
Liquidity Coverage Ratio (%) (Minimum Requirement 100%)		
- Rupee (%)	387.3%	165.2%
- All Currency (%)	232.9%	118.5%
Net Stable Funding Ratio (%) (Minimum Requirement 100%)	222.2%	191.2%

* This represents Common Equity Tier 1 (CET1) Capital after applicable adjustments. The CET1 Capital before adjustments is as follows:

- 30.6.2022 (LKR '000)	12,462,948
- 31.12.2021 (LKR '000)	12,522,287

NOTES TO THE FINANCIAL STATEMENTS

08. SEGMENT INFORMATION

The following table presents information on total income, profit, total assets and liabilities regarding the Bank's operating segments.

FOR THE YEAR ENDED 30 JUNE 2022	RUPEES IN THOUSANDS					
	CONSUMER BANKING	BUSINESS BANKING	TOTAL BANKING	TREASURY	UNALLOCATED / ELIMINATION	TOTAL
Income						
Financing Income	1,344,925	2,665,350	4,010,275	841,970	-	4,852,245
Net Fee and Commission Income	120,527	154,621	275,148	9,303	826	285,277
Net Trading Gain	-	-	-	424,602	-	424,602
Net Gains / (Losses) from Financial Investments at Fair Value Through Profit or Loss	-	-	-	(26,755)	-	(26,755)
Net Gains / (Losses) from Derecognition of Financial Assets	-	-	-	(146)	-	(146)
Other Operating Income	-	-	-	2,928	-	2,928
Total Income	1,465,452	2,819,971	4,285,423	1,251,902	826	5,538,151
Less						
Financing Expenses			(2,368,444)	(460,601)	(19,994)	(2,849,039)
Impairment On Financial Assets			(337,551)	(402)	(156,455)	(494,408)
Operating Expenses			(989,609)	(407,130)	(16,285)	(1,413,024)
Operating Profit Before VAT on Financial Services			589,819	383,769	(191,908)	781,680
VAT on Financial Services						(224,733)
Profit Before Tax						556,947
Tax Expenses						(194,931)
Profit After Tax						362,016

Total Assets	25,729,122	53,616,946	79,346,068	42,410,327	17,542,247	139,298,642
Total Liabilities	81,120,250	22,526,288	103,646,538	18,467,786	3,264,796	125,379,120

FOR THE PERIOD ENDED 30 JUNE 2021	RUPEES IN THOUSANDS					
	CONSUMER BANKING	BUSINESS BANKING	TOTAL BANKING	TREASURY	UNALLOCATED / ELIMINATION	TOTAL
Income						
Financing Income	1,116,510	1,896,955	3,013,465	550,330	20,000	3,583,795
Net Fee and Commission Income	85,043	90,451	175,494	8,024	952	184,470
Net Trading Gain	-	-	-	57,922	-	57,922
Net Gains / (Losses) from Financial Investments at Fair Value Through Profit or Loss	-	-	-	1,274	-	1,274
Net Gains / (Losses) from Derecognition of Financial Assets	-	-	-	975	-	975
Other Operating Income	-	-	-	2,889	-	2,889
Total Income	1,201,553	1,987,406	3,188,960	621,414	20,951	3,831,325
Less						
Financing Expenses			(1,568,924)	-	(19,994)	(1,588,918)
Impairment On Financial Assets			(272,386)	(1,550)	-	(273,936)
Operating Expenses			(881,890)	(362,814)	(14,513)	(1,259,217)
Operating Profit Before VAT on Financial Services			465,760	257,049	(13,556)	709,254
VAT on Financial Services						(203,551)
Profit Before Tax						505,703
Tax Expenses						(216,437)
Profit After Tax						289,266

Total Assets	19,457,059	49,962,375	69,419,435	32,472,016	6,813,818	108,705,269
Total Liabilities	79,405,313	11,476,704	90,882,017	505,926	4,564,515	95,952,458

EXPLANATORY NOTES

1. These Interim Financial Statements have been prepared in accordance with LKAS 34 - Interim Financial Reporting and present information required by Listing Rules of Colombo Stock Exchange.
2. The interim condensed Financial Statements do not include all the information and disclosure required in the Annual Financial Statements, and should be read in conjunction with Annual Financial Statements as at 31 December 2021.
3. The accounting policies adopted in the presentation of the interim condensed Financial Statements are consistent with those followed in the preparation of the Bank's Annual Financial Statements for the year ended 31 December 2021.
4. There are no material events that took place after the Statement of Financial Position date which require adjustment to or disclosures in the Financial Statements.
5. Comparative figures have been restated wherever necessary to conform to the current periods presentation.
6. There has not been a significant change in the nature of the contingent liabilities as disclosed in the Annual Report of 2021
7. Market Price of Ordinary Shares (the Bank listed its ordinary shares on the Colombo Stock Exchange on 29 January 2014) :

	2022 LKR	2021 LKR
Last Traded Price as at 30 June	2.60	3.10
Highest Market Price during the quarter ended 30 June	3.50	3.40
Lowest Market Price during the quarter ended 30 June	2.10	3.00

EXPLANATORY NOTES
09. Twenty Largest Shareholders as at 30 June 2022

No	Name of Shareholder	No. of Shares	%
1	IB Growth Fund (Labuan) LLP	636,457,256	23.65%
2	Seylan Bank PLC / Senthilverl Holdings (Pvt) Ltd	269,115,120	10.00%
3	Mr. Mohamed Haji Omar	223,527,463	8.31%
4	Bank Islam Malaysia Berhad	194,259,818	7.22%
5	AB Bank Limited	194,259,817	7.22%
6	Islamic Development Bank	170,052,648	6.32%
7	Akbar Brothers Pvt Ltd A/C No 1	169,711,053	6.31%
8	Mr. Farook Kassim	107,320,831	3.99%
9	Millennium Capital Investments Pte Ltd	75,461,506	2.80%
10	Hatton National Bank PLC / Almas Organisation(Pvt) Ltd	69,131,415	2.57%
11	Mr. Shafik Kassim	62,303,952	2.32%
12	Mr. Osman Kassim	55,965,517	2.08%
13	Mr. Sattar Kassim	52,364,165	1.95%
14	Mr. Nagi Saleh Mohammed Al Faqih	40,220,672	1.49%
15	Mr. Sathiyamurthy Chandramohan	32,275,861	1.20%
16	Mr. Ahamed Mihilar Mohamed Fazal Jiffry	15,367,827	0.57%
17	ABC International Limited	12,824,274	0.48%
18	Mr. Saifullah Yusoof	10,240,000	0.38%
19	Mr. Abdul Majeed Mohamedu Risvi	8,598,808	0.32%
20	Mr. Feroz Omar	8,000,337	0.30%
Sub total		2,407,458,340	89.46%
Other Shareholders (Number of Shareholders 8,406)		283,692,854	10.54%
Total		2,691,151,194	100.00%

Percentage of Public Holding as at 30 June 2022	36.44%
Number of Shareholders	8,406
Float adjusted market capitalisation	Rs 2.65 Bn

Bank complies with the minimum public holding requirement under option 4 as specified by rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange

10. Directors' holding in shares as at 30 June 2022

Name	No. of Shares
Mr. Ali Asghar Akbarally	Nil
Mr. Rajiv Dvivedi	Nil
Mr. Dilshan Hettiaratchi	Nil
Mr. Aaron Russell-Davison	Nil
Mr. M Ataur Rahman Chowdhury	Nil
Mr. S M Asim Raza	Nil
Mr. K M P Bin Abdullah	Nil
Mr. Tishan Subasinghe	Nil
Mr. Paul Mercer	Nil
Mr. Omar Farook Kassim	Nil
Mr. Mohamed Adamaly	Nil
Mr. Mohamed Azmeer (appointed as Managing Director on 27 April 2022)	537,929