

# THE RIGHT WAY FORWARD

## Interim Financial Statements

For the six months ended 30th June 2023  
Company Registration Number: PQ 118



## Nations Trust Bank PLC delivers strong performance in 1H2023, further strengthening Capital Adequacy, Liquidity and ROE

- *Operating Income LKR 22.4 Bn, up 35% YoY*
- *Profit Before Taxes LKR 12.6 Bn and Profit After Taxes LKR 6.1 Bn*
- *Tax expenses LKR 6.5 Bn in 1H2023, up 239% YoY*
- *Total Capital Adequacy Ratio 17.17%,*
- *Liquidity Ratio 39.7%*

Nations Trust Bank PLC reported a strong performance in 1H2023 posting a Profit Before Taxes (PBT) of LKR 12.6 Bn, up 174% year-on-year (YoY) and a Profit After Taxes (PAT) of LKR 6.1 Bn, supported by a 35% growth in Operating Income (YoY).

Commenting on the results, Hemantha Gunetilleke, Director & Chief Executive Officer of Nations Trust Bank said "The Bank recorded a strong first half, highlighting steady growth across our customer segments. The Bank's strengths lie in its continued focus on digital empowerment, robust risk management models and a strong capital base, in addition to healthy liquidity buffers."

Supporting the Bank's financial performance is its strong capital position with Tier I Capital at 15.35% and Total Capital Adequacy Ratio at 17.17%, well above the regulatory requirement of 8.5% and 12.5% respectively.

During 1H2023 loan impairment charges reduced by 56%, reflecting the bank's dedication to prudent risk management practices and due to the absence of high impairment charges booked in the previous year in relation to foreign currency denominated government securities.

The Bank reported a Return on Equity (ROE) of 24.9%, while its Earnings Per Share for the 1H23 increased to LKR 19.14, against LKR 8.45 recorded during the same period last year.

During the reporting period, the Bank's tax expenses increased by LKR 239% to LKR 6.5 Bn, due to the increase in earnings and in line with the increase in tax rates from the fourth quarter of the preceding year.

Nations Trust Bank PLC serves a diverse range of customers across Consumer, Commercial and Corporate segments through an island wide network of 96 branches. The Bank is focused on digital empowerment through cutting-edge digital banking technologies, and pioneered FriMi, Sri Lanka's leading digital banking experience. Nations Trust Bank PLC is an issuer and sole acquirer of American Express Cards in Sri Lanka with market leadership in the premium segments.

**NATIONS TRUST BANK PLC  
INCOME STATEMENT**



	Bank						Group					
	Six Months Ended 30 June			Quarter ended 30 June			Six Months Ended 30 June			Quarter ended 30 June		
	2023 Rs. '000	2022 Rs. '000	Change (%)	2023 Rs. '000	2022 Rs. '000	Change (%)	2023 Rs. '000	2022 Rs. '000	Change (%)	2023 Rs. '000	2022 Rs. '000	Change (%)
<b>Gross Income</b>	<b>41,016,006</b>	<b>25,851,725</b>	<b>59</b>	<b>20,323,150</b>	<b>14,344,765</b>	<b>42</b>	<b>41,134,644</b>	<b>25,971,959</b>	<b>58</b>	<b>20,383,667</b>	<b>14,412,973</b>	<b>41</b>
Interest Income	35,923,033	20,695,270	74	17,936,734	12,181,713	47	35,923,033	20,695,135	74	17,936,734	12,181,713	47
Less: Interest Expense	(18,354,233)	(9,021,639)	(103)	(9,214,646)	(5,183,971)	(78)	(18,178,258)	(8,956,872)	(103)	(9,125,700)	(5,152,204)	(77)
<b>Net Interest Income</b>	<b>17,568,800</b>	<b>11,673,631</b>	<b>50</b>	<b>8,722,088</b>	<b>6,997,742</b>	<b>25</b>	<b>17,744,775</b>	<b>11,738,263</b>	<b>51</b>	<b>8,811,034</b>	<b>7,029,509</b>	<b>25</b>
Fee and Commission Income	3,608,307	3,779,910	(5)	1,762,147	1,743,109	1	3,726,946	3,900,279	(4)	1,822,665	1,811,319	1
Less: Fee and Commission Expense	(553,916)	(421,832)	(31)	(262,013)	(195,657)	(34)	(553,918)	(421,832)	(31)	(262,014)	(195,657)	(34)
<b>Net Fee and Commission Income</b>	<b>3,054,391</b>	<b>3,358,078</b>	<b>(9)</b>	<b>1,500,134</b>	<b>1,547,452</b>	<b>(3)</b>	<b>3,173,028</b>	<b>3,478,447</b>	<b>(9)</b>	<b>1,560,651</b>	<b>1,615,662</b>	<b>(3)</b>
Net Gains/(Losses) from Trading	(3,603,937)	12,964,016	(128)	(1,378,965)	3,655,555	(138)	(3,603,937)	12,964,016	(128)	(1,378,965)	3,655,555	(138)
Net Fair Value Gains/(Losses) on Financial Assets at Fair Value through Profit or Loss	88,178	2,226	3,861	40,844	10,593	286	88,178	2,226	3,861	40,844	10,593	286
Net Gains/(Losses) on Derecognition of Financial Assets at Fair Value through Other Comprehensive Income	184,122	11,143	1,552	116,195	11,139	943	184,122	11,143	1,552	116,195	11,139	943
Net Other Operating Income/(Loss)	4,816,303	(11,600,840)	142	1,846,194	(3,257,344)	157	4,816,303	(11,600,840)	142	1,846,194	(3,257,344)	157
<b>Total Operating Income</b>	<b>22,107,857</b>	<b>16,408,254</b>	<b>35</b>	<b>10,846,490</b>	<b>8,965,137</b>	<b>21</b>	<b>22,402,469</b>	<b>16,593,255</b>	<b>35</b>	<b>10,995,952</b>	<b>9,065,114</b>	<b>21</b>
Impairment Charges/(Reversals)	2,960,253	6,771,890	56	854,602	4,457,353	81	2,960,253	6,771,890	56	854,602	4,457,353	81
<b>Net Operating Income</b>	<b>19,147,604</b>	<b>9,636,364</b>	<b>99</b>	<b>9,991,888</b>	<b>4,507,784</b>	<b>122</b>	<b>19,442,216</b>	<b>9,821,365</b>	<b>98</b>	<b>10,141,350</b>	<b>4,607,761</b>	<b>120</b>
<b>Less: Expenses</b>												
Personnel Expenses	3,505,320	2,530,381	(39)	1,677,787	1,180,663	(42)	3,523,308	2,543,136	(39)	1,686,527	1,187,065	(42)
Depreciation of Property, Plant and Equipment	102,452	164,296	38	51,449	79,419	35	124,516	185,438	33	62,476	95,596	35
Depreciation of Right of Use (ROU) Assets	242,745	237,316	(2)	119,348	125,294	5	197,482	192,053	(3)	96,717	95,119	(2)
Amortization of Intangible Assets	164,706	176,248	7	81,661	91,434	11	164,769	176,310	7	81,693	91,465	11
Other Operating Expenses	2,742,721	2,084,009	(32)	1,389,807	1,120,109	(24)	2,759,825	2,093,877	(32)	1,399,952	1,128,039	(24)
<b>Total Operating Expenses</b>	<b>6,757,944</b>	<b>5,192,250</b>	<b>(30)</b>	<b>3,320,053</b>	<b>2,596,919</b>	<b>(28)</b>	<b>6,769,900</b>	<b>5,190,814</b>	<b>(30)</b>	<b>3,327,365</b>	<b>2,597,284</b>	<b>(28)</b>
<b>Operating Profit before Taxes on Financial Services</b>	<b>12,389,660</b>	<b>4,444,114</b>	<b>179</b>	<b>6,671,835</b>	<b>1,910,863</b>	<b>249</b>	<b>12,672,315</b>	<b>4,630,551</b>	<b>174</b>	<b>6,813,985</b>	<b>2,010,477</b>	<b>239</b>
Less: Taxes on Financial Services	2,777,366	1,021,024	(172)	1,447,719	431,781	(235)	2,778,787	1,021,744	(172)	1,448,449	432,215	(235)
<b>Profit before Income Tax</b>	<b>9,612,294</b>	<b>3,423,090</b>	<b>181</b>	<b>5,224,116</b>	<b>1,479,082</b>	<b>253</b>	<b>9,893,529</b>	<b>3,608,807</b>	<b>174</b>	<b>5,365,536</b>	<b>1,578,262</b>	<b>240</b>
Less: Income Tax Expense	3,683,404	869,430	(324)	1,994,367	430,107	(364)	3,774,519	908,712	(315)	2,039,691	455,430	(348)
<b>Profit for the Period</b>	<b>5,928,890</b>	<b>2,553,660</b>	<b>132</b>	<b>3,229,749</b>	<b>1,048,975</b>	<b>208</b>	<b>6,119,010</b>	<b>2,700,095</b>	<b>127</b>	<b>3,325,845</b>	<b>1,122,832</b>	<b>196</b>
<b>Profit Attributable to:</b>												
Equity Holders of the Parent	5,928,890	2,553,660	132	3,229,749	1,048,975	208	6,119,010	2,700,095	127	3,325,845	1,122,832	196
Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
<b>Earnings Per Share</b>												
Basic/Diluted Earning Per Share (Rs.)	<b>18.55</b>	<b>7.99</b>	<b>132</b>	<b>10.10</b>	<b>3.28</b>	<b>208</b>	<b>19.14</b>	<b>8.45</b>	<b>127</b>	<b>10.41</b>	<b>3.51</b>	<b>196</b>



**NATIONS TRUST BANK PLC**  
**STATEMENT OF FINANCIAL POSITION**



As at	Bank			Group		
	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)	Change %	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)	Change %
<b>ASSETS</b>						
Cash and Cash Equivalents	42,441,808	58,747,889	(28)	42,441,831	58,747,775	(28)
Balances with Central Bank of Sri Lanka	6,659,190	6,074,330	10	6,659,190	6,074,330	10
Reverse Repurchase Agreements	-	1,502,266	(100)	-	1,502,266	(100)
Derivative Financial Instruments	41,876	102,730	(59)	41,876	102,730	(59)
Financial Assets Recognised through Profit or Loss - Measured at Fair Value	10,103,432	3,733,781	171	10,103,432	3,733,781	171
Financial Assets at Fair Value through Other Comprehensive Income	62,320,483	30,349,526	105	62,320,483	30,349,526	105
Financial Assets at Amortised Cost - Debt Instruments	60,637,105	59,928,294	1	60,637,105	59,928,294	1
Financial Assets at Amortised Cost - Loans and Advances	236,627,933	241,241,061	(2)	236,627,933	241,241,061	(2)
Investments in Subsidiaries	678,710	678,710	-	-	-	-
Property, Plant & Equipment	2,587,497	2,547,745	2	3,512,789	3,494,975	1
Right of Use (ROU) Assets	1,394,837	1,492,460	(7)	1,259,335	1,311,693	(4)
Intangible Assets	1,246,809	1,285,108	(3)	1,247,364	1,285,721	(3)
Deferred Tax Assets	3,149,265	3,962,570	(21)	2,958,454	3,771,802	(22)
Other Assets	4,306,120	3,376,120	28	4,331,270	3,400,016	27
<b>Total Assets</b>	<b>432,195,065</b>	<b>415,022,590</b>	<b>4</b>	<b>432,141,062</b>	<b>414,943,970</b>	<b>4</b>
<b>LIABILITIES</b>						
Due to Banks	18,391,645	3,989,152	361	18,391,645	3,989,152	361
Derivative Financial Instruments	830,647	39,481	2,004	830,647	39,481	2,004
Financial Liabilities at Amortised Cost						
Due to Depositors	301,568,286	298,909,543	1	299,794,708	297,253,112	1
Repurchase Agreements	9,053,284	3,999,649	126	8,812,531	3,861,951	128
Due to Other Borrowers	24,351,017	33,740,900	(28)	24,187,829	33,532,796	(28)
Debt Securities Issued	9,132,403	12,355,121	(26)	9,132,403	12,355,121	(26)
Retirement Benefit Obligations	1,032,297	942,933	9	1,044,515	953,715	10
Current Tax Liabilities	4,794,132	5,179,372	(7)	4,863,846	5,242,809	(7)
Other Liabilities	11,564,685	11,640,212	(1)	11,601,718	11,675,175	(1)
<b>Total Liabilities</b>	<b>380,718,396</b>	<b>370,796,363</b>	<b>3</b>	<b>378,659,842</b>	<b>368,903,312</b>	<b>3</b>
<b>EQUITY</b>						
Stated Capital	11,426,882	10,401,432	10	11,426,882	10,401,432	10
Statutory Reserve Fund	2,228,472	2,228,472	-	2,228,472	2,228,472	-
Retained Earnings	35,373,126	30,650,134	15	36,940,059	32,026,947	15
OCI Reserve	1,502,056	56	2,662,981	1,502,056	56	2,662,981
Revaluation Reserve	946,133	946,133	-	1,383,751	1,383,751	-
<b>Total Shareholders' Equity</b>	<b>51,476,669</b>	<b>44,226,227</b>	<b>16</b>	<b>53,481,220</b>	<b>46,040,658</b>	<b>16</b>
<b>Total Equity and Liabilities</b>	<b>432,195,065</b>	<b>415,022,590</b>	<b>4</b>	<b>432,141,062</b>	<b>414,943,970</b>	<b>4</b>
<b>Contingent Liabilities and Commitments</b>	<b>248,196,429</b>	<b>226,253,178</b>	<b>10</b>	<b>248,196,429</b>	<b>226,253,178</b>	<b>10</b>
<b>Memorandum Information</b>						
Number of Employees	2,572	2,455		2,595	2,479	
Number of Branches	96	96		96	96	
Number of Off-Site ATMs & CRMs	36	35		36	35	

Note: Amounts stated are net of impairment and depreciation.

**CERTIFICATION :**

I certify that these financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.  
Ajith Akmeemana  
Chief Financial Officer

We, the undersigned being the Chairperson, Director and Director/Chief Executive Officer of Nations Trust Bank PLC certify jointly that:

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

Sgd.  
Sherin Cader  
Chairperson

Sgd.  
Rachini Rajapaksa  
Director

Sgd.  
Hemantha Gunetilleke  
Director/Chief Executive Officer

11 August 2023  
Colombo

**NATIONS TRUST BANK PLC**  
**STATEMENT OF CHANGES IN EQUITY**



BANK	Stated Capital		Statutory Reserve Fund Rs. '000	OCI Reserve Rs. '000	Retained Earnings Rs. '000	Revaluation Reserve Rs. '000	Total Rs. '000
	Voting Rs. '000	Non-Voting Rs. '000					
<b>As at 01 January 2022</b>	<b>6,309,792</b>	<b>3,098,343</b>	<b>1,882,111</b>	<b>(503,404)</b>	<b>26,911,909</b>	<b>840,085</b>	<b>38,538,836</b>
Charge related to Surcharge Tax	-	-	-	-	(1,803,387)	-	(1,803,387)
<b>As at 01 January 2022 (Adjusted)</b>	<b>6,309,792</b>	<b>3,098,343</b>	<b>1,882,111</b>	<b>(503,404)</b>	<b>25,108,522</b>	<b>840,085</b>	<b>36,735,449</b>
<b>Total Comprehensive Income for the Period</b>							
Profit for the Period	-	-	-	-	2,553,660	-	2,553,660
Other Comprehensive Income	-	-	-	126,838	-	-	126,838
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,838</b>	<b>2,553,660</b>	<b>-</b>	<b>2,680,498</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>							
Scrip Dividend paid for 2021	857,796	135,501	-	-	(993,297)	-	-
Fractions of shares paid in cash for 2021	-	-	-	-	(184)	-	(184)
Conversion of Non-Voting Shares to Voting Shares	258	(258)	-	-	-	-	-
<b>As at 30 June 2022</b>	<b>7,167,846</b>	<b>3,233,586</b>	<b>1,882,111</b>	<b>(376,566)</b>	<b>26,668,701</b>	<b>840,085</b>	<b>39,415,763</b>
<b>As at 01 January 2023</b>	<b>7,167,872</b>	<b>3,233,560</b>	<b>2,228,472</b>	<b>56</b>	<b>30,650,134</b>	<b>946,133</b>	<b>44,226,227</b>
<b>Total Comprehensive Income for the Period</b>							
Profit for the Period	-	-	-	-	5,928,890	-	5,928,890
Other Comprehensive Income	-	-	-	1,502,000	-	-	1,502,000
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,502,000</b>	<b>5,928,890</b>	<b>-</b>	<b>7,430,890</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>							
Scrip dividend paid for 2022	885,820	139,630	-	-	(1,025,450)	-	-
Fractions of shares paid in cash for 2022	-	-	-	-	(175)	-	(175)
Withholding tax on dividends - 2022	-	-	-	-	(180,273)	-	(180,273)
<b>As at 30 June 2023</b>	<b>8,053,692</b>	<b>3,373,190</b>	<b>2,228,472</b>	<b>1,502,056</b>	<b>35,373,126</b>	<b>946,133</b>	<b>51,476,669</b>
<b>GROUP</b>							
<b>As at 01 January 2022</b>	<b>6,309,792</b>	<b>3,098,343</b>	<b>1,882,111</b>	<b>(503,404)</b>	<b>28,072,893</b>	<b>1,299,257</b>	<b>40,158,992</b>
Charge related to Surcharge Tax	-	-	-	-	(1,889,178)	-	(1,889,178)
<b>As at 01 January 2022 (Adjusted)</b>	<b>6,309,792</b>	<b>3,098,343</b>	<b>1,882,111</b>	<b>(503,404)</b>	<b>26,183,715</b>	<b>1,299,257</b>	<b>38,269,814</b>
<b>Total Comprehensive Income for the Period</b>							
Profit for the Period	-	-	-	-	2,700,095	-	2,700,095
Other Comprehensive Income	-	-	-	126,838	-	-	126,838
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,838</b>	<b>2,700,095</b>	<b>-</b>	<b>2,826,932</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>							
Scrip Dividend paid for 2021	857,796	135,501	-	-	(993,297)	-	-
Fractions of shares paid in cash for 2021	-	-	-	-	(184)	-	(184)
Conversion of Non-Voting Shares to Voting Shares	258	(258)	-	-	-	-	-
<b>As at 30 June 2022</b>	<b>7,167,846</b>	<b>3,233,586</b>	<b>1,882,111</b>	<b>(376,566)</b>	<b>27,890,328</b>	<b>1,299,257</b>	<b>41,096,563</b>
<b>As at 01 January 2023</b>	<b>7,167,872</b>	<b>3,233,560</b>	<b>2,228,472</b>	<b>56</b>	<b>32,026,947</b>	<b>1,383,751</b>	<b>46,040,658</b>
<b>Total Comprehensive Income for the Period</b>							
Profit for the Period	-	-	-	-	6,119,010	-	6,119,010
Other Comprehensive Income	-	-	-	1,502,000	-	-	1,502,000
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,502,000</b>	<b>6,119,010</b>	<b>-</b>	<b>7,621,009</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>							
Scrip dividend paid for 2022	885,820	139,630	-	-	(1,025,450)	-	-
Fractions of shares paid in cash for 2022	-	-	-	-	(175)	-	(175)
Withholding tax on dividends - 2022	-	-	-	-	(180,273)	-	(180,273)
<b>As at 30 June 2023</b>	<b>8,053,692</b>	<b>3,373,190</b>	<b>2,228,472</b>	<b>1,502,056</b>	<b>36,940,059</b>	<b>1,383,751</b>	<b>53,481,220</b>

NATIONS TRUST BANK PLC  
STATEMENT OF CASH FLOWS



	Bank		Group	
	2023 Rs. '000	2022 Rs. '000	2023 Rs. '000	2022 Rs. '000
<b>Cash Flows from Operating Activities</b>				
Receipts of Interest Income	43,261,608	18,064,866	43,261,608	18,064,730
Payments of Interest Expense	(16,533,969)	(7,700,475)	(16,306,062)	(7,651,055)
Receipts of Fees and Commission Income	3,760,368	3,896,115	3,879,007	4,016,485
Payments of Fees and Commission Expense	(553,916)	(421,881)	(553,918)	(421,880)
Net Trading Income / (Loss)	(2,751,917)	12,136,018	(2,751,917)	12,136,018
Realised gain on sale of financial assets at FVOCI	184,122	-	184,122	-
Receipts from Other Operating Income	(4,168,518)	7,244,479	(4,168,324)	7,244,479
Gratuity Payments Made	(64,430)	(70,740)	(64,430)	(70,740)
Payments for Operating Expenses	(6,104,792)	(4,837,258)	(6,139,884)	(4,856,414)
Payments for VAT and SSCL on Financial Services	(2,790,505)	(1,045,481)	(2,791,927)	(1,046,281)
<b>Operating Profit before Change in Operating Assets and Liabilities</b>	<b>14,238,051</b>	<b>27,265,644</b>	<b>14,548,275</b>	<b>27,415,342</b>
<b>(Increase)/Decrease in Operating Assets</b>				
Balances with Central Bank of Sri Lanka		91,482	(584,860)	91,482
Reverse Repurchase Agreements	1,500,000	(1,500,000)	1,500,000	(1,500,000)
Financial Assets - At Fair Value through Profit or Loss	(6,777,706)	5,994,224	(6,777,706)	5,994,224
Financial Assets - At Amortized Cost - Debt Instruments	(2,676,641)	(18,761,827)	(2,676,641)	(18,761,827)
Financial Assets - At Fair Value through Other Comprehensive Income	(34,893,911)	23,546,327	(34,893,911)	23,546,327
Financial Assets - At Amortized Cost - Loans & Advances	(5,645,887)	(1,818,152)	(5,645,887)	(1,818,152)
Other Assets	(853,557)	(5,692,568)	(854,811)	(5,696,506)
<b>(Increase)/Decrease in Operating Assets</b>	<b>(49,932,561)</b>	<b>1,859,487</b>	<b>(49,933,816)</b>	<b>1,855,549</b>
<b>Increase/(Decrease) in Operating Liabilities</b>				
Repurchase Agreements	22,601,172	6,312,693	22,183,936	7,652,754
Financial Liabilities - At Amortized Cost - Due to Depositors	14,430,421	(11,209,204)	14,547,568	(12,671,204)
Money market borrowing	(1,522,500)	-	(1,522,500)	-
Other Liabilities	(101,867)	3,790,154	(104,131)	3,774,875
<b>Increase/(Decrease) in Operating Liabilities</b>	<b>35,407,226</b>	<b>(1,106,357)</b>	<b>35,104,873</b>	<b>(1,243,575)</b>
<b>Net Cash Generated from Operating Activities before Income Tax</b>	<b>(287,285)</b>	<b>28,018,773</b>	<b>(280,667)</b>	<b>28,027,316</b>
Income Tax Paid	(3,899,053)	(1,858,014)	(3,961,586)	(1,880,131)
Surcharge Tax Paid	-	(901,693)	-	(944,588)
<b>Net Cash (Used in)/from Operating Activities</b>	<b>(4,186,338)</b>	<b>25,259,067</b>	<b>(4,242,253)</b>	<b>25,202,597</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Property, Plant and Equipment	(142,204)	(107,290)	(142,619)	(107,281)
Purchase of Intangible Assets	(126,408)	(220,731)	(126,408)	(220,736)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	194	-	194	-
<b>Net Cash (Used in)/from Investing Activities</b>	<b>(268,418)</b>	<b>(328,021)</b>	<b>(268,833)</b>	<b>(328,017)</b>
<b>Cash Flows from Financing Activities</b>				
Receipt in Other Borrowed Funds	804,067	1,376,458	804,067	1,376,458
Repayment of Other Borrowed Funds	(6,674,156)	(15,561,247)	(6,674,156)	(15,561,247)
Redemption of Debentures	(3,500,000)	-	(3,500,000)	-
Operating Lease Rentals Paid	(315,585)	(326,492)	(259,120)	(270,027)
Interest Paid on Subordinated Debt	(327,256)	(263,493)	(327,256)	(263,493)
Dividends Paid to Equity Holders of the Parent	(180,448)	(184)	(180,448)	(184)
<b>Net Cash (Used in)/from Financing Activities</b>	<b>(10,193,378)</b>	<b>(14,774,957)</b>	<b>(10,136,913)</b>	<b>(14,718,492)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(14,648,133)	10,156,088	(14,647,998)	10,156,088
Cash and Cash Equivalents at the Beginning of the Period	56,603,146	12,918,281	56,603,034	12,918,362
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>41,955,013</b>	<b>23,074,369</b>	<b>41,955,036</b>	<b>23,074,450</b>
<b>Reconciliation of Cash and Cash Equivalents</b>				
Cash in Hand	9,690,909	8,670,231	9,690,932	8,670,254
Balances with Banks	30,688,739	15,525,437	30,688,739	15,525,495
Money at Call and Short Notice	2,068,933	-	2,068,933	-
Deposits from Other Banks	(493,568)	(1,121,299)	(493,568)	(1,121,299)
	<b>41,955,013</b>	<b>23,074,369</b>	<b>41,955,036</b>	<b>23,074,450</b>

(1) Product-wise Gross Loans and Advances

	Bank/Group	
	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)
<b>Domestic Currency</b>		
Bills of Exchange	3,549	50,289
Trade Finance	59,577,949	48,945,339
Overdrafts	35,538,819	41,128,362
Term Loans	71,962,887	64,427,340
Staff Loans	3,465,321	3,510,156
Leases	24,343,494	26,482,193
Credit Cards	25,672,028	28,686,834
Pawning	2,640	36,167
Other Advances	262,917	262,950
	<b>220,829,604</b>	<b>213,529,630</b>
<b>Foreign Currency</b>		
Trade Finance	13,858,103	16,331,188
Overdrafts	2,722,851	4,405,790
Term Loans	19,906,202	26,472,863
	<b>36,487,156</b>	<b>47,209,841</b>
<b>Total</b>	<b>257,316,760</b>	<b>260,739,471</b>

(2) Product-wise Commitments and Contingencies

	Bank/Group	
	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)
<b>Domestic Currency</b>		
Guarantees	269,643	50,367
Bonds	16,327,323	17,333,566
Acceptances	1,416,649	951,064
Letters of Credit	3,455,523	3,055,108
Forward Contracts to buy/sell - Fixed Income Securities	42,513	92,757
Undrawn Credit Lines	143,109,786	133,207,182
	<b>164,621,437</b>	<b>154,690,044</b>
<b>Foreign Currency</b>		
Guarantees	440,105	517,987
Bonds	2,151,940	2,551,500
Acceptances	1,117,999	792,073
Letters of Credit	1,887,085	1,521,454
Forward Exchange Contracts	60,379,150	44,629,612
Undrawn Credit Lines	17,598,713	21,550,509
	<b>83,574,992</b>	<b>71,563,135</b>
<b>Total</b>	<b>248,196,429</b>	<b>226,253,179</b>

(3) Stage-wise Impairment on Loans & Advances, Commitments and Contingencies

	Bank/Group	
	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)
<b>Gross Loans and Advances, Commitments and Contingencies</b>	<b>505,513,189</b>	486,992,650
(Less): Accumulated impairment under; (Note 3.1)		
Stage 1	(2,683,894)	(2,440,147)
Stage 2	(5,004,182)	(6,983,159)
Stage 3	(13,264,369)	(10,377,706)
<b>Net Value of Loans and Advances, Commitments and Contingencies</b>	<b>484,560,745</b>	<b>467,191,638</b>

(3.1) Movement In Impairment during the period\*

	Bank/Group	
	2023 Rs. '000	2022 Rs. '000 (Audited)
<b>Stage 1</b>		
Opening balance as at 01 January	2,440,147	1,873,120
Charge/(Write back) to income statement	254,559	549,607
Write-off during the period	-	-
Effect on Change in Exchange rates	(10,812)	17,420
<b>Closing balance</b>	<b>2,683,894</b>	<b>2,440,147</b>
<b>Stage 2</b>		
Opening balance as at 01 January	6,983,159	1,722,235
Charge/(Write back) to income statement	(1,891,292)	5,238,633
Write-off during the period	-	-
Effect on Change in Exchange rates	(87,685)	22,291
<b>Closing balance</b>	<b>5,004,182</b>	<b>6,983,159</b>
<b>Stage 3</b>		
Opening balance as at 01 January	10,377,706	7,907,260
Charge/(Write back) to income statement	4,584,274	4,536,551
Write-off during the period	(1,697,611)	(2,066,105)
Effect on Change in Exchange rates	-	-
<b>Closing balance</b>	<b>13,264,369</b>	<b>10,377,706</b>

\* 2023 reflects the figures for 6 months ended 30.06.2023 and 2022 reflects the figures for 12 months ended 31.12.2022.

**NATIONS TRUST BANK PLC**  
**ANALYSIS OF DEPOSITS**



**(4) Due to Depositors - By Product**

	Bank		Group	
	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)	30.06.2023 Rs. '000	31.12.2022 Rs. '000 (Audited)
<b>Domestic Currency</b>				
Demand Deposits	24,516,124	23,189,942	24,502,297	23,180,969
Savings Deposits	46,176,945	43,594,910	46,176,946	43,594,910
Time Deposits	145,536,847	138,882,719	143,777,095	137,235,261
	<b>216,229,916</b>	<b>205,667,571</b>	<b>214,456,338</b>	<b>204,011,140</b>
<b>Foreign Currency</b>				
Demand Deposits	3,957,505	6,318,687	3,957,505	6,318,687
Savings Deposits	16,965,206	20,895,405	16,965,206	20,895,405
Time Deposits	64,415,659	66,027,880	64,415,659	66,027,880
	<b>85,338,370</b>	<b>93,241,972</b>	<b>85,338,370</b>	<b>93,241,972</b>
<b>Total</b>				
	<b>301,568,286</b>	<b>298,909,543</b>	<b>299,794,708</b>	<b>297,253,112</b>

**NATIONS TRUST BANK PLC**  
**FAIR VALUE OF FINANCIAL INSTRUMENTS**



**Fair Value of Financial Instruments**

Fair Values of Financial Instruments are determined according to the following hierarchy as described below:

Level 1 – quoted market price (unadjusted): financial instruments with quoted prices in active markets

Level 2 – valuation techniques using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments are valued using models where all significant inputs are observable.

Level 3 – valuation techniques with significant unobservable inputs: This category includes all instruments valued using valuation techniques where one or more significant inputs are unobservable.

There were no material changes in the fair value of financial assets categorised under Level 3 compared to the values reported as at 31 December 2022. The Group has not changed the valuation models and assumptions used to measure the fair values of Level 03 financial instruments during the period ended 30 June 2023.

**Financial Instruments Carried at Fair Value**

Bank/Group	As at 30.06.2023				As at 31.12.2022			
	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total LKR '000
<b>Financial Assets Measured at Fair Value</b>								
Derivative Financial Instruments	-	41,876	-	41,876	-	102,730	-	102,730
Financial Assets at Fair Value through Profit or Loss	9,244,584	858,848	-	10,103,432	3,733,781	-	-	3,733,781
Financial Assets at Fair Value through Other Comprehensive Income	61,259,498	1,037,476	23,509	62,320,483	29,924,678	397,827	27,021	30,349,526
	<u>70,504,082</u>	<u>1,938,200</u>	<u>23,509</u>	<u>72,465,791</u>	<u>33,658,459</u>	<u>500,557</u>	<u>27,021</u>	<u>34,186,037</u>
<b>Financial Liabilities</b>								
Derivative Financial Instruments	-	830,647	-	830,647	-	39,481	-	39,481
	<u>-</u>	<u>830,647</u>	<u>-</u>	<u>830,647</u>	<u>-</u>	<u>39,481</u>	<u>-</u>	<u>39,481</u>

**Fair Value of Financial Instruments Carried at Amortised Cost**

	Bank As at 30.06.2023					Group As at 30.06.2023				
	Amortised Cost LKR '000	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Fair Value LKR '000	Amortised Cost LKR '000	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Fair Value LKR '000
<b>Financial Assets</b>										
Debt Instruments	60,637,105	30,366,583	27,652,555	-	58,019,138	60,637,105	30,366,583	27,652,555	-	58,019,138
Loans and Advances to Customers- Gross	257,316,760	-	250,340,738	-	250,340,738	257,316,760	-	250,340,738	-	250,340,738
	<u>317,953,865</u>	<u>30,366,583</u>	<u>277,993,293</u>	<u>-</u>	<u>308,359,876</u>	<u>317,953,865</u>	<u>30,366,583</u>	<u>277,993,293</u>	<u>-</u>	<u>308,359,876</u>
<b>Financial Liabilities</b>										
Due to Customers	301,568,286	-	299,752,321	-	299,752,321	299,794,708	-	297,978,743	-	297,978,743
Due to Other Borrowers	24,351,017	-	25,392,981	-	25,392,981	24,187,829	-	25,336,709	-	25,336,709
Debt Securities Issued	9,132,403	-	7,373,052	-	7,373,052	9,132,403	-	7,373,052	-	7,373,052
	<u>335,051,706</u>	<u>-</u>	<u>332,518,354</u>	<u>-</u>	<u>332,518,354</u>	<u>333,114,940</u>	<u>-</u>	<u>330,688,504</u>	<u>-</u>	<u>330,688,504</u>

	Bank As at 31.12.2022					Group As at 31.12.2022				
	Amortised Cost LKR '000	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Fair Value LKR '000	Amortised Cost LKR '000	Level 1 LKR '000	Level 2 LKR '000	Level 3 LKR '000	Total Fair Value LKR '000
<b>Financial Assets</b>										
Debt Instruments	59,928,294	24,882,157	26,181,346	-	51,063,504	59,928,294	24,882,157	26,181,346	-	51,063,504
Loans and Advances to Customers	260,739,471	-	251,638,561	-	251,638,561	260,739,471	-	251,638,561	-	251,638,561
	<u>320,667,765</u>	<u>24,882,157</u>	<u>277,819,907</u>	<u>-</u>	<u>302,702,065</u>	<u>320,667,765</u>	<u>24,882,157</u>	<u>277,819,907</u>	<u>-</u>	<u>302,702,065</u>
<b>Financial Liabilities</b>										
Due to Customers	298,909,543	-	296,895,988	-	296,895,988	297,253,112	-	295,239,557	-	295,239,557
Due to Other Borrowers	33,740,900	-	33,439,445	-	33,439,445	33,532,796	-	33,231,341	-	33,231,341
Debt Securities Issued	12,355,121	-	9,619,305	-	9,619,305	12,355,121	-	9,619,305	-	9,619,305
	<u>345,005,564</u>	<u>-</u>	<u>339,954,738</u>	<u>-</u>	<u>339,954,738</u>	<u>343,141,029</u>	<u>-</u>	<u>338,090,203</u>	<u>-</u>	<u>338,090,203</u>

**Assets and Liabilities where fair value approximates carrying value**

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

Financial Assets	Financial Liabilities
Cash and Cash equivalents	Due to banks
Balances with Central Bank of Sri Lanka	Repurchase agreements
Reverse Repurchase Agreements	
Sri Lanka Development Bonds, net of impairment	

**NATIONS TRUST BANK PLC**  
**SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)**



Item	Bank		Group	
	30.06.2023	31.12.2022	30.06.2023	31.12.2022
<b>Regulatory Capital (Rs. '000)</b>				
Common Equity Tier 1	38,704,223	38,032,394	40,271,294	39,599,360
Core (Tier 1) Capital	38,704,223	38,032,394	40,271,294	39,599,360
Total Capital Base	43,481,100	43,662,516	45,048,172	45,229,482
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier 1 Capital Ratio (%) (Minimum Requirement - 7.00%)	14.78	14.21	15.35	14.76
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.50%)	14.78	14.21	15.35	14.76
Total Capital Ratio (%) (Minimum Requirement - 12.50%)	16.61	16.31	17.17	16.86
Leverage Ratio (Minimum Requirement - 3%)	8.71	8.94	9.06	9.30
<b>Regulatory Liquidity</b>				
Statutory Liquid Assets (Rs. '000)	143,769,019	130,802,268		
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)				
Domestic Banking Unit (%)	39.18	35.87		
Off-Shore Banking Unit (%)	36.49	25.68		
Consolidated (%)	39.77	35.55		
Total Stock of High-Quality Liquid Assets (Rs. '000)	105,063,450	80,523,205		
Liquidity Coverage Ratio (%) (Minimum Requirement: 2023 - 100%, 2022 - 90%)				
Rupee	411.48	279.63		
All Currency	310.70	222.88		
Net Stable Funding Ratio (%) (Minimum Requirement: 2023-100%, 2022-90%)	155.63	146.23		
<b>Assets Quality (Quality of Loan Portfolio)</b>				
Impaired Loans (Stage 3) Ratio %	3.36	2.56		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	50.32	50.69		
<b>Profitability</b>				
Interest Margin (%)	8.44	6.98		
Return on Assets (before tax) (%)	4.61	2.41	4.75	2.51
Return on Equity (%)	25.10	17.08	24.90	17.10
Net Assets Value Per Share (Rs.)	161.06	146.70	167.33	152.72

**Market Price Per Share (Rs.)**

	Voting		Non-Voting	
	30.06.2023 (Quarter ended)	31.12.2022 (Quarter ended)	30.06.2023 (Quarter ended)	31.12.2022 (Quarter ended)
Highest	71.00	52.40	68.60	60.00
Lowest	57.00	45.00	52.00	44.60
Last Traded Price	70.70	46.20	67.90	57.40

**NATIONS TRUST BANK PLC**  
**ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS**



**Bank/Group**

	As at 30 June 2023			As at 31 December 2022		
	FVPL Rs. '000	FVOCI Rs. '000	Total Rs. '000	FVPL Rs. '000	FVOCI Rs. '000	Total Rs. '000
<b>Assets</b>						
Derivative Financial Instruments	41,876	-	41,876	102,730	-	102,730
Government Securities	10,103,432	62,296,974	72,400,406	3,733,781	30,322,505	34,056,286
Equity Instruments	-	23,509	23,509	-	27,021	27,021
<b>Total Financial Assets</b>	<b>10,145,308</b>	<b>62,320,483</b>	<b>72,465,791</b>	<b>3,836,511</b>	<b>30,349,526</b>	<b>34,186,037</b>
	<b>FVPL Rs. '000</b>	<b>FVOCI Rs. '000</b>	<b>Total Rs. '000</b>	<b>FVPL Rs. '000</b>	<b>FVOCI Rs. '000</b>	<b>Total Rs. '000</b>
<b>Liabilities</b>						
Derivative Financial Instruments	830,647	-	830,647	39,481	-	39,481
<b>Total Financial Liabilities</b>	<b>830,647</b>	<b>-</b>	<b>830,647</b>	<b>39,481</b>	<b>-</b>	<b>39,481</b>

**Note**

All other financial assets and financial liabilities are classified at amortised cost.

*FVPL – Financial assets/liabilities measured at fair value through profit or loss*

*FVOCI – Financial assets measured at fair value through other comprehensive income*

## DEBENTURE INFORMATION

The rated unsecured subordinated redeemable debentures 2019/24 & 2019/26 of the Bank are listed on the Colombo Stock Exchange.



Debenture Categories	CSE Listing	Interest Payable Frequency	Issued Date	Maturity Date	Balance as at 30.06.2023 Rs. '000	Balance as at 31.12.2022 Rs. '000	Market Values for the Quarter Ended 30.06.2023			Interest Rates		Interest Rate of Comparable Government Securities			Other Ratios as at Date of Last Trade	
							Highest Rs.	Lowest Rs.	Period End Rs.	Coupon Rate %	Effective Annual Yield %	30.06.2023 %	31.12.2022 %	As at Issue Date %	Interest Yield %	Yield to Maturity %
Fixed Rate	NTB-BD-20/04/23-C2402-12.65	Semi -Annually	20-Apr-18	20-Apr-23	-	2,213,000	Not traded during the current period			12.65	13.05	-	25.16	9.99	Not traded	
Fixed Rate	NTB-BD-20/04/23-C2401-13	Annually	20-Apr-18	20-Apr-23	-	1,287,000	Not traded during the current period			13.00	13.00	-	25.16	9.99	Not traded	
Fixed Rate	NTB-BD-23/12/24 - C2441 - 12.8	Annually	23-Dec-19	23-Dec-24	2,700,000	2,700,000	Not traded during the current period			12.80	12.80	24.98	27.38	9.89	Not traded	
Fixed Rate	NTB-BD-23/12/26 - C2442 - 12.9	Annually	23-Dec-19	23-Dec-26	1,800,000	1,800,000	Not traded during the current period			12.90	12.90	23.40	27.15	10.11	Not traded	
Fixed Rate	N/A	Semi -Annually	9-Jul-21	9-Jul-26	449,760	449,760	N/A			8.90	9.10	24.53	28.20	7.45	N/A	
Fixed Rate	N/A	Annually	9-Jul-21	9-Jul-26	3,550,240	3,550,240	N/A			9.15	9.15	24.53	28.20	7.45	N/A	
<b>Total Debentures</b>					<b>8,500,000</b>	<b>12,000,000</b>										

Ratios of Debt	30.06.2023	31.12.2022
Debt/Equity Ratio (%)*	53.68	83.35
Interest Cover (Times)	7.43	4.21
Quick Asset Ratio (%)	129.95	136.31

\* Borrowings of which original maturity with five years or more are considered for debt.

NATIONS TRUST BANK PLC  
SEGMENT INFORMATION



<i>For the Six months ended 30 June</i>	Banking		Treasury Functions		Others		Unallocated/ Eliminations		Total Group	
	30.06.2023 Rs. '000	30.06.2022 Rs. '000	30.06.2023 Rs. '000	30.06.2022 Rs. '000	30.06.2023 Rs. '000	30.06.2022 Rs. '000	30.06.2023 Rs. '000	30.06.2022 Rs. '000	30.06.2023 Rs. '000	30.06.2022 Rs. '000
Net Interest Income	7,148,784	8,647,131	10,356,509	3,097,714	164,051	48,342	75,431	(54,924)	17,744,775	11,738,263
Inter Segment	3,920,694	(256,209)	(3,920,694)	256,209	-	-	-	-	-	-
<b>Total revenue from external customers</b>	<b>11,069,478</b>	<b>8,390,922</b>	<b>6,435,815</b>	<b>3,353,923</b>	<b>164,051</b>	<b>48,342</b>	<b>75,431</b>	<b>(54,924)</b>	<b>17,744,775</b>	<b>11,738,263</b>
Net Fee and Commission Income	3,108,949	3,330,182	19,376	61,648	178,705	180,439	(134,002)	(93,822)	3,173,028	3,478,447
Net Gains/(Losses) from Trading	856,159	488,680	(4,460,096)	12,475,336	-	-	-	-	(3,603,937)	12,964,016
Net Fair Value Gains/(Losses) on Financial Assets at Fair Value through Profit or Loss	-	-	88,178	2,226	-	-	-	-	88,178	2,226
Net Gains/(Losses) on Derecognition of Financial Assets at FVOCI	-	-	184,122	11,143	-	-	-	-	184,122	11,143
Net Other Operating Income/(Loss)	801,499	423,371	3,994,041	(12,035,053)	-	-	20,764	10,842	4,816,303	(11,600,840)
<b>Operating Income</b>	<b>15,836,085</b>	<b>12,633,155</b>	<b>6,261,436</b>	<b>3,869,223</b>	<b>342,756</b>	<b>228,781</b>	<b>(37,807)</b>	<b>(137,904)</b>	<b>22,402,469</b>	<b>16,593,255</b>
Impairment Charge/(Reversal)	2,958,077	4,686,882	2,175	2,085,009	-	-	-	-	2,960,253	6,771,890
<b>Net Operating Income</b>	<b>12,878,007</b>	<b>7,946,273</b>	<b>6,259,261</b>	<b>1,784,214</b>	<b>342,756</b>	<b>228,781</b>	<b>(37,807)</b>	<b>(137,904)</b>	<b>19,442,216</b>	<b>9,821,365</b>
Depreciation of Property, Plant and Equipment	98,491	158,435	3,275	4,240	9,800	10,012	12,950	12,751	124,516	185,438
Depreciation of Right of Use (ROU) Assets	242,745	182,908	-	-	2,817	48,042	(48,080)	(38,897)	197,482	192,053
Amortization of Intangible Assets	138,911	164,357	25,163	10,754	62	62	633	1,137	164,769	176,310
<b>Capital Expenditures</b>										
Property and Equipment	22,319	5,999	-	99	-	-	75,184	4,529	97,504	10,627
Other Intangible Assets	22,345	-	-	-	-	-	90,170	565	112,515	565
<b>Total Assets (as at)</b>	<b>257,133,136</b>	<b>287,335,209</b>	<b>182,295,551</b>	<b>134,906,233</b>	<b>2,456,395</b>	<b>2,084,732</b>	<b>(9,744,018)</b>	<b>3,618,933</b>	<b>432,141,062</b>	<b>427,945,107</b>
<b>Total Liabilities (as at)</b>	<b>305,987,961</b>	<b>304,724,858</b>	<b>60,939,690</b>	<b>72,898,037</b>	<b>129,382</b>	<b>125,670</b>	<b>11,602,808</b>	<b>9,099,981</b>	<b>378,659,842</b>	<b>386,848,544</b>

- (1) There are no changes to the accounting policies and methods of computation since the publication of the annual report for the year ended 31 December 2022.
- (2) During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities. All known expenditure items have been provided for.
- (3) The Group Financial Statements comprise a consolidation of the Bank and its fully owned subsidiaries; Waldock Mackenzie Limited, Allied Properties Limited and Nations Insurance Brokers Limited.
- (4) These interim financial statements are presented in accordance with LKAS 34 - Interim Financial Reporting and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

(5) **Impairment of financial assets**  
Loans and Advances – ECL assessment

A comprehensive assessment was carried out when assessing the Expected Credit Loss (ECL) with respect to individually significant customers by projecting potential delays on the expected cash flows considering the impact arising from current macro-economic environment. Adequate provisions were recognized in the financial statements to ensure such potential impact to the Bank's loan portfolio is adequately covered. Customers recognized with an increased credit risk were classified into Stage 2 or Stage 3 as appropriate. The Probabilities of Default (PD) used in collective impairment was re-assessed as at June 2023. Further, provisions recognised by way of management overlays for exposures on specific risk elevated industries continued without any change along with the other assumptions used in the economic factor adjustment.

**Other Financial Assets**

The Bank continued the impairment provisions on the foreign currency denominated government securities during the period under review in consistent with the previous year.

(6) **Reclassification of Investment in Treasury Bonds issued by Sri Lanka Government**

Considering the unprecedented changes in the macro-economic conditions and resulted changes to the business model of managing the assets, in June 2022, the Bank re-classified part of its investment in Treasury Bonds issued by the Government of Sri Lanka amounting to LKR 20,960 Mn from Fair Value Through Other Comprehensive Income (FVOCI) to Amortized Cost with effect from 1 April 2022, in accordance with the "Statement of Alternative Treatment (SoAT) on Re-classification of Debt Portfolio" issued by the Institute of Chartered Accountants of Sri Lanka.

Had these investments continued to be carried at fair value through other comprehensive income, the fair value of the remaining portfolio as at 30 June 2023 would have amounted to Rs 13 Bn and would have resulted in a cumulative mark to market loss of LKR 2.1 Bn as at the reporting date.

- (7) The Director of Bank Supervision of the Central Bank of Sri Lanka (CBSL) has informed that in terms of a decision of the Monetary Board of the CBSL, John Keells Group and Central Finance Group were granted further time till 31 December 2021 to reduce their shareholding in the voting shares of the Bank to 20% and 15%, respectively. Further, John Keells Group was required to reduce its shareholding in the Bank to 15% on or before 31 December 2022. Restriction on voting rights at 10% each is applicable to John Keells Group and Central Finance Group until the shareholding is reduced to 15% each. As disclosed by the two companies in their market announcement on 31st December 2021, they have sought approval from CBSL to continue their shareholding.
- (8) The funds raised through debentures were fully utilized for the objectives mentioned in the prospectuses.
- (9) There are no material events that took place after the reporting date which require adjustment to or disclosure in these Financial Statements.

**NATIONS TRUST BANK PLC**  
**SHAREHOLDERS' INFORMATION**



**Twenty Largest Shareholders as at 30 June 2023**

Name of the Shareholder	Voting Shares	
	No. of Shares	%
John Keells Holdings PLC	54,483,737	19.72%
HWIC Asia Fund	41,437,500	15.00%
Central Finance Company PLC A/C No 03	27,187,092	9.84%
Mackinnons Keells Limited	26,969,447	9.76%
Amaliya Private Limited	16,519,249	5.98%
CF Insurance Brokers (Pvt) Ltd	13,694,732	4.96%
CF Growth Fund Ltd A/C No.01	13,601,900	4.92%
Thread Capital (Pvt) Ltd	10,286,887	3.72%
Sri Lanka Insurance Corporation Ltd - Life Fund	9,989,507	3.62%
Sri Lanka Insurance Corporation Ltd - General Fund	6,429,458	2.33%
Hatton National Bank PLC A/C No 1	4,375,023	1.58%
Mr. M.F. Hashim	2,901,121	1.05%
J.B. Cocoshell (Pvt) Ltd	2,759,123	1.00%
Mr. P. Brahmanage	2,424,102	0.88%
Mr. N.R. Somaiya	1,560,061	0.56%
Timex Garments (Pvt) Ltd	1,351,322	0.49%
Mrs. H.K.S.R. Perera	1,315,059	0.48%
Hatton National Bank PLC - Arpico Ataraxia Equity Income Fund	1,061,674	0.38%
Hatton National Bank PLC A/C NO.4 (HNB Retirement Pension Fund)	1,058,216	0.38%
EMFI Capital Limited	1,026,154	0.37%
	<b>240,431,364</b>	<b>87.02%</b>
Others	35,815,671	12.98%
<b>Total</b>	<b>276,247,035</b>	<b>100.00%</b>

Name of the Shareholder	Non-Voting Shares	
	No. of Shares	%
John Keells Holdings PLC	17,926,596	41.33%
Central Finance Company PLC A/C No 03	9,099,276	20.98%
HWIC Asia Fund	6,507,550	15.00%
Mackinnons Keells Limited	4,672,630	10.77%
CF Insurance Brokers (Pvt) Ltd	2,372,699	5.47%
CF Growth Fund Ltd A/C No.01	2,356,615	5.43%
Mr. M. G. H. I. Jafferjee	156,911	0.36%
The Incorporated Trustees of the Church of Ceylon	28,140	0.06%
Mr. K.N.J.Balendra	22,040	0.05%
Mr. S. J. Hirdaramani	20,465	0.05%
Mr. D. C. Fernando	17,412	0.04%
Vinik (Pvt) Ltd	14,324	0.03%
People's Leasing & Finance PLC/Mr. A.B.K. Weeraman	11,766	0.03%
Mr. J. B. Hirdaramani	11,726	0.03%
Mrs. E.M. Dias Bandaranaike	9,302	0.02%
Mr. K.O.V.S.M.S.Wijesinghe	8,113	0.02%
Miss. T.T. Weerasinghe	7,161	0.02%
Mr. H.P. Savindu	5,623	0.01%
Mr. W.K. Jayathilake	5,158	0.01%
Mr. K.S.N. Hirdaramani	4,688	0.01%
	<b>43,258,195</b>	<b>99.72%</b>
Others	114,730	0.28%
<b>Total</b>	<b>43,372,925</b>	<b>100.00%</b>

	30.06.2023	
	Number	%
Number of shareholders representing the public holding (Voting)	6,119	35.78%
Number of shareholders representing the public holding (Non-Voting)	324	1.00%
Compliant under Option 3 - Float Adjusted Market Capitalization	Rs. 7.02 Bn	

**Directors' Holding in Shares as at 30 June 2023**

Name of the Director	No of Shares	
	Voting	Non-Voting
Mrs. R.S. Cader	-	-
Dr. R. Shanmuganathan	-	-
Mr. A.R. Fernando	-	-
Mr. C.H.A.W. Wickramasuriya	-	-
Mr. C.K.Hettiarachchi	-	-
Mr. H.D.Gunefilleke (Director/CEO)	-	-
Mr. J.C.A.D' Souza	-	-
Mr. N.I.R. De Mel	-	-
Mr. S.L. Sebastian	-	-
Mr. Sanjeev Jha	-	-
Ms. R.D. Rajapaksa	-	-
Mr. K.C. Subasinghe	-	-
	-	-