



### **Steady Amidst Turbulence: DFCC Bank Delivers Sustained Growth and Profitability in 2024**

- Group Net Operating Income up by 30% to LKR 35 Bn
- Impairment charge for loans and advances reduced by 68% to LKR 3.96 Bn.
- Group Profit After Tax of LKR 9.9 Bn
- Group Total Capital Adequacy Ratio – 16.958%
- Group Total Assets up by 10% to LKR 709 Bn

In a demanding banking landscape, DFCC Bank demonstrated resilience and strength, achieving robust financial performance in 2024. The Bank recorded significant growth across key financial metrics, including total assets, loan portfolio, deposit base, and profitability, with profit after tax increasing by a notable 16%. This underscores DFCC Bank's unwavering commitment to sound financial management and long-term growth.

Amidst improving liquidity conditions in the domestic money market, driven by the Central Bank's relaxed monetary policy stance, both deposit and lending interest rates continued to decline throughout the year. This trend is expected to persist, further transmitting the benefits of policy easing. Market interest rates, having adjusted over time in response to accommodative policies, largely stabilised by the end of the year. Consequently, credit extended to the private sector by Licensed Commercial Banks (LCBs) expanded significantly from May 2024 onwards. In alignment with these developments, DFCC Bank swiftly adjusted its lending and deposit rates, ensuring the effective transmission of monetary policy benefits to businesses and individuals.

The Bank strategically enhanced profitability by optimising its investment portfolio, increasing exposure to high-yield government securities. Furthermore, positive macroeconomic trends and a strong focus on recoveries contributed to a significant reduction in impairment provisions, positively impacting the income statement.

DFCC Bank was also honoured with three prestigious accolades at the Global Banking and Finance Awards 2024, solidifying its reputation as a customer-focused and sustainable banking leader in Sri Lanka. The Bank received the titles of **Banking Brand of the Year Sri Lanka 2024**, **Best Bank for Sustainable Development Sri Lanka 2024**, and **Fastest Growing Retail Bank Sri Lanka 2024**. These independent awards, presented by the UK-based Global Banking and Finance Review, recognise DFCC Bank's dedication to innovation, sustainability, and customer-centric growth.

Additionally, Fitch Ratings upgraded DFCC Bank PLC's National Long-Term Rating to A(lka) from A-(lka), reinforcing the Bank's financial stability and strong position in the industry.

The following commentary relates to the audited Financial Statements for the period ended 31 December 2024, presented in accordance with Sri Lanka Accounting Standard 34 (LKAS 34) on "Interim Financial Statements."

## **Income Statement Analysis**

### **Profitability**

The Bank's profit after tax increased by 16% to LKR 8,353 Mn, while earnings per share (EPS) rose by 12% to LKR 19.40 in 2024.

DFCC Bank PLC, the largest entity within the Group, recorded a Profit Before Tax (PBT) of LKR 13,498 Mn and a Profit After Tax (PAT) of LKR 8,353 Mn for the year ended 31 December 2024, compared to a PBT of LKR 10,960 Mn and a PAT of LKR 7,220 Mn in the previous year.

At the Group level, PBT stood at LKR 13,820 Mn, with a PAT of LKR 9,932 Mn, including LKR 1,378 Mn from discontinued operations, as compared to PBT of LKR 11,369 Mn and PAT of LKR 8,659 Mn in 2023. The Bank's Return on Equity (ROE) stood at 10.99% for the year, compared to 12.19% in 2023, while Return on Assets (ROA) before tax improved to 2.01%, up from 1.82% the previous year.

The Bank's total tax expense, which includes Value Added Tax (VAT), Social Security Contribution Levy (SSCL), and Income Tax, amounted to LKR 9,562 Mn for the year ended 31 December 2024. As a result, the Bank's tax expense as a percentage of operating profit for the year stood at 53.37%.

### **Net Interest Income**

Both deposit and lending interest rates continued to decline throughout the year, in line with improving liquidity conditions in the domestic money market and the Central Bank's relaxed monetary policy stance. The ongoing downward adjustments in lending interest rates are expected to further transmit the benefits of policy easing.

Market interest rates, which declined over time in response to the accommodative monetary policy stance, largely stabilised by the end of the year. Supported by reduced market lending interest rates, credit extended to the private sector by Licensed Commercial Banks (LCBs) has expanded notably since May 2024.

Sectoral data for Q3-2024 on credit to the private sector also indicates broad-based growth across all major economic sectors. This expansionary momentum is expected to continue, underpinned by favourable market lending conditions. Meanwhile, improved fiscal performance, a lower inflation outlook, and generally stable economic conditions have contributed to easing pressure on government bond yields.

Accordingly, the Bank has made notable downward adjustments to lending and deposit rates, aligning with monetary directives to ease financial conditions for individuals and businesses swiftly and effectively, thereby supporting the anticipated economic recovery. The lower interest rates have resulted in reduced interest income and expenses compared to 2023.

The Bank's Net Interest Income (NII), its core business driver, decreased by 10% to LKR 28,121 Mn by the end of 2024. The net interest margin declined from 5.18% in December 2023 to 4.18% by December 2024.

## **Fee and Commission Income**

The Bank's proactive strategies and dedicated teams contributed to increased remittances, trade-related commissions, and other fee income streams, driving growth in non-funded business during the year. Additionally, the expansion of credit card-related operations contributed to the increase in fee and commission income compared to 2023.

To support the expansion of credit card operations and acquire new business, fee expenses related to credit cards also increased. However, the net effect of this investment was positive, contributing to the overall growth in credit card operations. As a result, net fee and commission income increased by 8% to LKR 4,929 Mn for the year ended 31 December 2024, compared to LKR 4,551 Mn in 2023.

## **Net Gains from De-recognition of Financial Assets**

The Bank disposed of a portion of its Sri Lankan government securities classified under FVOCI, resulting in a gain of LKR 2,877 Mn, underscoring the effectiveness of its strategic decisions. Additionally, capitalising on market opportunities following the finalisation of debt restructuring, the sale of the Bank's International Sovereign Bond (ISB) holdings had a positive impact of LKR 991 Mn during the year through the reversal of impairment.

## **Impairment Charge on Loans and Other Losses**

The impaired loan (Stage 3) ratio decreased from 7.03% in December 2023 to 5.65% as of 31 December 2024, driven by the Bank's concerted recovery efforts, the execution of write-off actions, and significant portfolio growth in line with positive macroeconomic developments. To address the current and potential future impact of prevailing economic conditions on the lending portfolio, the Bank made adequate impairment provisions during the year, continuously calibrating internal models to account for unforeseen risk factors. This included additional provisions for the Bank's exposure to high-risk sectors.

Accordingly, reflecting the improvement in macroeconomic indicators and the Bank's focused recovery efforts, impairment charges for loans and advances declined significantly to LKR 4,648 Mn for the year ended 31 December 2024, compared to LKR 13,985 Mn in the previous year.

## **Operating Expenses**

Operating expenses for the year ended 31 December 2024 increased to LKR 16,805 Mn, compared to LKR 12,366 Mn in 2023, primarily due to inflationary pressures and adjustments to staff benefits. Personnel expenses rose following salary increments and performance-based incentives. However, the Bank has implemented numerous cost-control measures within its operations, effectively curtailing expenses and maintaining them at manageable levels.

## **Other Comprehensive Income (OCI)**

Other comprehensive income includes changes in the fair value of investments in equity securities and fixed-income securities (treasury bills and bonds), as well as movements in hedging reserves. Exchange rate fluctuations impacting the Bank's total equity were minimised through the application of hedge accounting. A fair value gain of LKR 9,120 Mn was recorded on equity securities outstanding as of 31 December 2024, primarily driven by the increase in the share price of Commercial Bank of Ceylon PLC. Additionally, the fair value gain on Treasury bill and bond yields amounted to LKR 3,789 Mn during the year.

## **Financial Position Analysis**

### **Assets**

Despite challenges in the economy and the banking sector, DFCC Bank's total assets increased by LKR 62.6 Bn, recording a 10% growth from December 2023. In line with the Bank's growth strategy and the prevailing economic conditions, increased investments in fixed-income securities contributed to a 55% increase in financial assets at amortised cost, reaching LKR 106 Bn as at 31 December 2024, compared to the balance as of 31 December 2023.

Additionally, the Bank's net loan portfolio grew by LKR 46 Bn to LKR 394 Bn, reflecting a 13% increase compared to LKR 349 Bn as at 31 December 2023, further contributing to asset growth. Moreover, in line with its strategic decision to explore divestment opportunities, the Bank designated its 50% ownership of its joint venture investment in Acuity Partners Private Limited as an asset held for sale.

### **Liabilities**

DFCC Bank's total liabilities increased by LKR 46 Bn, marking an 8% increase from December 2023. The Bank's deposit base grew by 14%, rising by LKR 58 Bn to LKR 465 Bn, up from LKR 407 Bn as at 31 December 2024. This resulted in recording 94.79% loan-to-deposit ratio in 2024. The CASA ratio stood at 24.77% as at 31 December 2024.

To manage funding costs, the Bank leveraged medium- to long-term concessionary credit lines, which were primarily utilised to expand the lending portfolio and provide much-needed concessionary funding to customers. Considering these term borrowings, the CASA ratio improved to 31.82%, while the loan-to-deposit ratio improved to 85.90% as at 31 December 2024.

### **First and Final Dividend**

The Directors have approved the payment of a first and final dividend of LKR 6.00 per share which will consist of LKR 4.00 per share in cash and LKR 2.00 in the form of a scrip dividend, for the financial year ended 31 December 2024. The dividend pay-out ratio for the year stood at 31%.

### **Equity and Compliance with Capital Requirements**

DFCC Bank's total equity increased to LKR 84 Bn as at 31 December 2024, supported by favourable movements in the equity and fixed-income security portfolios classified under fair value through other comprehensive income, as well as positive movements in the hedging reserve. This, combined with a recorded profit after tax of LKR 8.4 Bn, further strengthened the Bank's capital position. Accordingly, the Tier 1 and Total Capital ratios improved to 12.402% and 15.759%, by 31 December 2024, compared to 11.490% and 13.511%, respectively, as at 31 December 2023. The Bank's Net Stable Funding Ratio (NSFR) stood at 124.60%, and Liquidity Coverage Ratio (LCR) – all currency – was 280.26% as at 31 December 2024, compared to 124.60% and 597.47%, respectively, as at 31 December 2023. These ratios were well above the minimum regulatory requirements.

## **CEO's Statement**

Despite the challenges posed by the economic conditions over the past year, which are showing signs of improvement, DFCC Bank has demonstrated resilience and achieved strong financial growth. Our unwavering commitment to "profit with purpose" has been central to our success.

For the year ended 31 December 2024, DFCC Bank PLC, the largest entity within the Group, reported a Profit Before Tax (PBT) of LKR 13,498 Mn and a Profit After Tax (PAT) of LKR 8,353 Mn. This marks an increase from the previous year's PBT of LKR 10,960 Mn and PAT of LKR 7,220 Mn. Earnings per share (EPS) also rose by 12%, reaching LKR 19.40 in 2024. These results reflect our strategic ability to adapt to an evolving economic landscape, driven by rigorous risk management, digital innovation, and a customer-centric approach.

Our impaired loan (stage 3) ratio has decreased from 7.03% in December 2023 to 5.65% as of 31 December 2024, reflecting the positive outcomes of our focused recovery efforts. This demonstrates our ability to capitalise on favourable macroeconomic trends. We remain committed to supporting economic revival and promoting sustainable growth within our organisation, the industry, and the broader national economy.

Additionally, Fitch Ratings has upgraded DFCC Bank PLC's National Long-Term Rating to A(lka) from A-(lka), further reinforcing the Bank's strength and stability.

Looking ahead, we will continue to seize opportunities that drive value for our stakeholders, strengthen customer loyalty, support our communities, and uphold our commitment to responsible, purposeful banking.

Thimal Perera

Director / Chief Executive Officer

19 February 2025

**DFCC Bank PLC**  
**Income Statement**

		Bank						Group					
		For the year ended			For the quarter ended			For the year ended			For the quarter ended		
Notes	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %	31.12.2024 LKR 000	31.12.2023 LKR 000	Change %	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %	31.12.2024 LKR 000	31.12.2023 LKR 000	Change %	
Gross Income	89,559,338	106,883,450	(16)	23,176,511	23,700,698	(2)	90,156,259	107,441,538	(16)	23,237,165	23,788,177	(2)	
Interest income	76,907,481	96,921,523	(21)	19,388,127	22,202,858	(13)	76,910,407	96,924,661	(21)	19,377,208	22,204,448	(13)	
Interest expenses	48,786,254	65,697,026	(26)	12,000,993	14,633,231	(18)	48,708,495	65,584,019	(26)	11,982,706	14,608,654	(18)	
Net interest income	28,121,227	31,224,497	(10)	7,387,134	7,569,627	(2)	28,201,912	31,340,642	(10)	7,394,502	7,595,794	(3)	
Fee and commission income	6,334,637	5,239,924	21	1,784,321	1,450,267	23	6,333,848	5,238,670	21	1,784,121	1,449,841	23	
Fee and commission expenses	1,405,415	688,960	104	416,552	220,586	89	1,405,415	688,960	104	416,552	220,586	89	
Net fee and commission income	4,929,222	4,550,964	8	1,367,769	1,229,681	11	4,928,433	4,549,710	8	1,367,569	1,229,255	11	
Net gains/ (losses) from trading	1,272,879	1,055,107	21	613,524	(318,447)	293	1,272,879	1,055,107	21	613,524	(318,447)	293	
Net gains from derecognition of financial assets													
At amortised cost	990,917	-	100	768,983	-	100	990,917	-	100	768,983	-	100	
Fair value through other comprehensive income	2,877,314	2,838,626	1	494,190	219,751	125	2,877,314	2,838,626	1	494,190	219,751	125	
Net other operating income	1,176,110	828,270	42	127,366	146,269	(13)	1,770,894	1,384,474	28	199,139	232,584	(14)	
Total operating income	39,367,669	40,497,464	(3)	10,758,966	8,846,881	22	40,042,349	41,168,559	(3)	10,837,907	8,958,937	21	
Impairment charge / (reversal)													
Loans and advances	3,963,819	12,531,811	(68)	387,118	1,006,534	(62)	3,963,819	12,531,811	(68)	387,118	1,006,534	(62)	
Sri Lanka International Sovereign Bonds and Debentures	518,264	1,409,246	(63)	-	821,024	(100)	518,264	1,409,246	(63)	-	821,024	(100)	
Other financial assets and credit related commitments	166,277	43,773	280	(442,756)	43,773	(1,111)	166,277	43,773	280	(442,756)	43,773	(1,111)	
Net operating income	34,719,309	26,512,634	31	10,814,604	6,975,550	55	35,393,989	27,183,729	30	10,893,545	7,087,606	54	
Operating expenses													
Personnel expenses	8,328,225	4,777,944	74	3,132,138	1,356,248	131	8,580,640	5,037,299	70	3,213,845	1,429,670	125	
Depreciation and amortisation	1,216,293	1,123,853	8	349,093	309,848	13	1,290,198	1,190,663	8	368,219	328,499	12	
Other expenses	7,260,546	6,464,554	12	1,982,484	1,856,772	7	7,289,290	6,402,642	14	1,990,028	1,845,344	8	
Total operating expenses	16,805,064	12,366,351	36	5,463,715	3,522,868	55	17,160,128	12,630,604	36	5,572,092	3,603,513	55	
Operating profit before taxes on financial services	17,914,245	14,146,283	27	5,350,889	3,452,682	55	18,233,861	14,553,125	25	5,321,453	3,484,093	53	
Taxes on financial services	4,415,824	3,185,957	39	1,411,439	797,551	77	4,415,824	3,185,957	39	1,411,439	797,551	77	
Operating profit after taxes on financial services	13,498,421	10,960,326	23	3,939,450	2,655,131	48	13,818,037	11,367,168	22	3,910,014	2,686,542	46	
Share of profits of associate	-	-	-	-	-	-	1,536	1,614	(5)	411	805	(49)	
Profit before income tax	13,498,421	10,960,326	23	3,939,450	2,655,131	48	13,819,573	11,368,782	22	3,910,425	2,687,347	46	
Income tax expense	5,145,890	3,740,624	38	1,599,777	933,636	71	5,265,098	3,849,610	37	1,663,742	975,128	71	
Profit for the year from continuing operations	8,352,531	7,219,702	16	2,339,673	1,721,495	36	8,554,475	7,519,172	14	2,246,683	1,712,219	31	
Discontinued Operation													
Profit for the year from discontinued operations, net of tax	-	-	-	-	-	-	1,377,926	1,139,367	21	557,307	(117,236)	575	
Profit for the year	8,352,531	7,219,702	16	2,339,673	1,721,495	36	9,932,401	8,658,539	15	2,803,990	1,594,983	76	
Profit attributable to:													
Equity holders of the Bank	8,352,531	7,219,702	16	2,339,673	1,721,495	36	9,777,516	8,485,146	15	2,787,364	1,551,505	80	
Non-controlling interests	-	-	-	-	-	-	154,885	173,393	(11)	16,626	43,478	(62)	
Profit for the year	8,352,531	7,219,702	16	2,339,673	1,721,495	36	9,932,401	8,658,539	15	2,803,990	1,594,983	76	
Basic/Diluted earnings per ordinary share (LKR)	19.40	17.27	12	5.43	4.12	32	22.71	20.30	12	6.47	3.71	75	
Basic/Diluted earnings per ordinary share (LKR)													
- continuing operations	19.40	17.27	12	5.43	4.12	32	19.51	17.58	11	5.18	3.99	30	

**DFCC Bank PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**

	Bank						Group					
	For the year ended			For the quarter ended			For the year ended			For the quarter ended		
	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %
Profit for the year	8,352,531	7,219,702	16	2,339,673	1,721,495	36	9,932,401	8,658,539	15	2,803,990	1,594,983	76
Other comprehensive income / (expenses) for the year, net of tax												
Items that are or may be reclassified subsequently to income statement												
Movement in fair value reserve ( FVOCI debt instrument):												
Net change in fair value	3,788,971	5,931,781	(36)	2,844,516	(61,945)	4,692	3,788,971	5,931,781	(36)	2,844,516	(61,945)	4,692
Reclassified to income statement	(2,877,314)	(2,838,626)	(1)	(494,190)	(219,752)	(125)	(2,877,314)	(2,838,626)	(1)	(494,190)	(219,752)	(125)
Movement in hedging reserve:												
Cash flow hedge - effective portion of changes in fair value	(6,915,285)	(3,887,927)	(78)	(1,945,630)	507,012	(484)	(6,915,285)	(3,887,927)	(78)	(1,945,630)	507,012	(484)
Cash flow hedge - reclassified to income statement	5,930,375	5,657,125	5	870,750	732,125	19	5,930,375	5,657,125	5	870,750	732,125	19
Related deferred tax	23,265	(1,458,632)	102	(383,456)	(307,994)	(25)	23,265	(1,458,632)	102	(383,456)	(307,994)	(25)
Total other comprehensive (expenses)/ income that are or may be reclassified subsequently to income statement	(49,988)	3,403,721	(101)	891,990	649,446	37	(49,988)	3,403,721	(101)	891,990	649,446	37
Items that will not be reclassified to income statement												
Gains/(Losses) on remeasurement of defined benefit (assets)/liabilities	198,014	(712,612)	128	198,014	(712,612)	128	192,084	(714,335)	127	192,084	(714,335)	127
Equity investments at FVOCI - net change in fair value	9,119,808	7,015,939	30	7,322,710	584,589	1,153	9,119,808	7,015,939	30	7,322,710	584,589	1,153
Share of other comprehensive income / (expenses)of equity accounted associate	-	-	-	-	-	-	217	(164)	233	217	(164)	233
Related deferred tax	(69,067)	208,814	(133)	(69,067)	208,814	(133)	(67,287)	209,395	(132)	(67,287)	209,395	(132)
Total other comprehensive income on items that will not be reclassified to income statement	9,248,755	6,512,141	42	7,451,657	80,791	9,123	9,244,822	6,510,835	42	7,447,724	79,485	9,270
Other comprehensive income for the year , net of tax												
- continuing operations	9,198,767	9,915,862	(7)	8,343,647	730,237	1,043	9,194,834	9,914,556	(7)	8,339,714	728,931	1,044
Discontinued Operation												
Other comprehensive (expenses) / income for the year, net of tax												
- discontinued operations	-	-	-	-	-	-	(317,386)	(316,336)	(0)	74,670	(64,772)	215
Total comprehensive income for the year	17,551,298	17,135,564	2	10,683,320	2,451,732	336	18,809,849	18,256,759	3	11,218,374	2,259,142	397
Total comprehensive income attributable to:												
Equity holders of the Bank	17,551,298	17,135,564	2	10,683,320	2,451,732	336	18,658,077	18,083,000	3	11,204,861	2,215,298	406
Non-controlling interests	-	-	-	-	-	-	151,772	173,759	(13)	13,513	43,844	(69)
Total comprehensive income for the year	17,551,298	17,135,564	2	10,683,320	2,451,732	336	18,809,849	18,256,759	3	11,218,374	2,259,142	397

**DFCC Bank PLC**  
**Statement of Financial Position**

As at	Notes	Bank			Group		
		31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	Change %
<b>Assets</b>							
Cash and cash equivalents		13,504,806	14,478,468	(7)	13,523,475	14,483,062	(7)
Balances with Central Bank of Sri Lanka		2,328,346	2,107,776	10	2,328,346	2,107,776	10
Placements with banks		11,229,492	29,138,098	(61)	11,229,492	29,173,988	(62)
Derivative financial assets		9,643,442	16,499,171	(42)	9,643,442	16,499,171	(42)
Financial assets measured at fair value through profit or loss		7,416,018	1,740,928	326	7,416,018	1,740,928	326
Financial assets at amortised cost - Loans to and receivables from banks		1,500,338	-	100	1,500,338	-	100
Financial assets at amortised cost - Loans to and receivables from other customers	7	394,361,480	348,767,466	13	394,361,480	348,767,466	13
Financial assets at amortised cost - Debt and other instruments		105,641,690	68,031,313	55	105,701,871	68,094,041	55
Financial assets measured at fair value through other comprehensive income		138,258,226	134,902,765	2	138,258,226	134,902,765	2
Investments in subsidiaries		237,035	237,035	0	-	-	-
Investment in associate		33,169	33,169	(0)	38,597	36,844	5
Investment in joint venture		-	755,000	(100)	-	4,402,238	(100)
Investment property		9,879	9,879	-	490,069	468,385	5
Property, plant and equipment		3,872,654	3,499,737	11	4,080,706	3,704,411	10
Intangible assets and goodwill		2,001,636	1,926,287	4	2,170,201	2,101,256	3
Deferred tax assets		4,893,483	5,407,626	(10)	4,913,002	5,415,426	(9)
Current tax assets		-	-	-	2,010	-	100
Other assets		7,821,132	13,415,565	(42)	8,060,939	13,622,800	(41)
Asset held for sale	9	755,000	-	100	5,480,475	-	100
<b>Total assets</b>		<b>703,507,826</b>	<b>640,950,283</b>	<b>10</b>	<b>709,198,687</b>	<b>645,520,557</b>	<b>10</b>
<b>Liabilities</b>							
Due to banks		7,149,474	52,793,464	(86)	7,149,474	52,793,464	(86)
Derivative financial liabilities		909,188	381,653	138	909,188	381,653	138
Financial liabilities at amortised cost - Due to depositors	10	465,153,180	407,225,313	14	464,359,564	406,584,864	14
Financial liabilities at amortised cost - Due to other borrowers		96,755,632	72,022,734	34	96,755,632	72,022,734	34
Debt securities in issue		14,690,723	16,311,577	(10)	14,690,723	16,311,577	(10)
Employee benefits		1,409,232	1,371,126	3	1,450,966	1,400,921	4
Current tax liabilities		3,066,586	4,426,683	(31)	3,160,100	4,535,557	(30)
Deferred tax liabilities		-	-	-	96,804	104,276	(7)
Other liabilities and Provisions		12,106,760	9,604,502	26	12,545,632	9,937,474	26
Subordinated term debt		18,234,054	9,072,265	101	18,234,054	9,072,265	101
<b>Total liabilities</b>		<b>619,474,829</b>	<b>573,209,317</b>	<b>8</b>	<b>619,352,137</b>	<b>573,144,785</b>	<b>8</b>
<b>Equity</b>							
Stated capital		14,710,454	13,866,557	6	14,710,454	13,866,557	6
Statutory reserve		3,657,968	3,239,968	13	3,657,968	3,239,968	13
Retained earnings		35,834,730	28,250,357	27	42,668,104	33,645,590	27
Other reserves		29,829,845	22,384,084	33	28,363,593	21,231,498	34
<b>Total equity attributable to equity holders of the Bank</b>		<b>84,032,997</b>	<b>67,740,966</b>	<b>24</b>	<b>89,400,119</b>	<b>71,983,613</b>	<b>24</b>
<b>Non-controlling interests</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>446,431</b>	<b>392,159</b>	<b>14</b>
<b>Total equity</b>		<b>84,032,997</b>	<b>67,740,966</b>	<b>24</b>	<b>89,846,550</b>	<b>72,375,772</b>	<b>24</b>
<b>Total equity and liabilities</b>		<b>703,507,826</b>	<b>640,950,283</b>	<b>10</b>	<b>709,198,687</b>	<b>645,520,557</b>	<b>10</b>
<b>Contingent liabilities and commitments</b>							
		222,538,011	193,992,770	15	222,538,011	193,992,770	15
<b>Net assets value per share, LKR</b>							
		194.22	160.54	21	206.63	170.60	21

Memorandum Information	Bank		Group	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Number of Employees	2,439	2,109	2,532	2,225
Number of Branches (Including Service centres)	139	139		



## Statement of Changes in Equity

	Stated capital LKR 000	Statutory reserve Reserve fund LKR 000	Fair value reserve LKR 000	Other reserves Hedging reserve LKR 000	General reserves LKR 000	Retained earnings LKR 000	Total equity LKR 000
<b>Bank (Audited)</b>							
<b>Balance as at 01 January 2023</b>	<b>13,182,025</b>	<b>2,874,968</b>	<b>(1,832,190)</b>	<b>115,407</b>	<b>13,779,839</b>	<b>22,600,898</b>	<b>50,720,947</b>
Profit for the year	-	-	-	-	-	7,219,702	7,219,702
Other comprehensive income/(expenses), net of tax	-	-	9,181,221	1,238,439	-	(503,798)	9,915,862
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>9,181,221</b>	<b>1,238,439</b>	<b>-</b>	<b>6,715,904</b>	<b>17,135,564</b>
Transfers	-	365,000	-	-	-	(365,000)	-
Transfer of net gains on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	(98,632)	-	-	98,632	-
<b>Transactions with equity holders of the Bank, recognised directly in equity</b>							
Forfeiture of unclaimed dividends	-	-	-	-	-	5,255	5,255
Final dividend for 2022 – Scrip	684,532	-	-	-	-	(805,332)	(120,800)
<b>Total contributions from and distribution to equity holders</b>	<b>684,532</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(800,077)</b>	<b>(115,545)</b>
<b>Balance as at 31 December 2023</b>	<b>13,866,557</b>	<b>3,239,968</b>	<b>7,250,399</b>	<b>1,353,846</b>	<b>13,779,839</b>	<b>28,250,357</b>	<b>67,740,966</b>
<b>Balance as at 01 January 2024</b>	<b>13,866,557</b>	<b>3,239,968</b>	<b>7,250,399</b>	<b>1,353,846</b>	<b>13,779,839</b>	<b>28,250,357</b>	<b>67,740,966</b>
Profit for the year	-	-	-	-	-	8,352,531	8,352,531
Other comprehensive income /(expenses) , net of tax	-	-	9,759,257	(689,437)	-	128,947	9,198,767
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>9,759,257</b>	<b>(689,437)</b>	<b>-</b>	<b>8,481,478</b>	<b>17,551,298</b>
Transfers	-	418,000	-	-	-	(418,000)	-
Transfer of net gains on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	(1,624,059)	-	-	1,624,059	-
<b>Transactions with equity holders of the Bank, recognised directly in equity</b>							
Forfeiture of unclaimed dividends	-	-	-	-	-	6,579	6,579
Final dividend for 2023 – Scrip	843,897	-	-	-	-	(843,897)	-
Final dividend for 2023 – Cash	-	-	-	-	-	(1,265,846)	(1,265,846)
<b>Total contributions from and distribution to equity holders</b>	<b>843,897</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,103,164)</b>	<b>(1,259,267)</b>
<b>Balance as at 31 December 2024</b>	<b>14,710,454</b>	<b>3,657,968</b>	<b>15,385,597</b>	<b>664,409</b>	<b>13,779,839</b>	<b>35,834,730</b>	<b>84,032,997</b>

## Statement of Changes in Equity

	Attributable to the equity holders of the Bank									
	Stated Capital	Statutory reserve		Other reserves			Retained earnings	Total	Non- controlling interests	Total equity
		Reserve fund	Fair value reserve	Exchange equalization reserve	Hedging reserve	General reserve				
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Group (Audited)										
Balance as at 01 January 2023	13,182,025	2,874,968	(3,273,562)	822,582	(103,057)	13,779,839	26,731,857	54,014,652	306,150	54,320,802
Profit for the year	-	-	-	-	-	-	8,485,146	8,485,146	173,393	8,658,539
Other comprehensive income / (expenses) , net of tax	-	-	9,190,985	(261,511)	1,174,854	-	(506,474)	9,597,854	366	9,598,220
Total comprehensive income / (expenses) for the year	-	-	9,190,985	(261,511)	1,174,854	-	7,978,672	18,083,000	173,759	18,256,759
Transfers	-	365,000	-	-	-	-	(365,000)	-	-	-
Transfer of net gains on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	(98,632)	-	-	-	98,632	-	-	-
Transactions with equity holders of the Bank, recognized directly in equity										
Forfeiture of unclaimed dividends		-	-	-	-	-	5,255	5,255	-	5,255
Change in holding through joint venture							1,506	1,506		1,506
Final dividend for 2022 – Scrip	684,532	-	-	-	-	-	(805,332)	(120,800)	-	(120,800)
Dividend distributed to non-controlling interest by subsidiaries	-	-	-	-	-	-	-	-	(87,750)	(87,750)
Total contributions from and distribution to equity holders	684,532	-	-	-	-	-	(798,571)	(114,039)	(87,750)	(201,789)
Balance as at 31 December 2023	13,866,557	3,239,968	5,818,791	561,071	1,071,797	13,779,839	33,645,590	71,983,613	392,159	72,375,772
Balance at 01 January 2024	13,866,557	3,239,968	5,818,791	561,071	1,071,797	13,779,839	33,645,590	71,983,613	392,159	72,375,772
Profit for the year	-	-	-	-	-	-	9,777,516	9,777,516	154,885	9,932,401
Other comprehensive income / (expenses) , net of tax	-	-	9,759,866	(266,441)	(737,271)	-	124,407	8,880,561	(3,113)	8,877,448
Total comprehensive income / (expenses) for the year	-	-	9,759,866	(266,441)	(737,271)	-	9,901,923	18,658,077	151,772	18,809,849
Transfers	-	418,000	-	-	-	-	(418,000)	-	-	-
Transfer of net gains on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	(1,624,059)	-	-	-	1,624,059	-	-	-
Transactions with equity holders of the Bank, recognized directly in equity										
Forfeiture of unclaimed dividends	-	-	-	-	-	-	6,579	6,579	-	6,579
Change in holding through joint venture	-	-	-	-	-	-	17,696	17,696	-	17,696
Final dividend for 2023 – Scrip	843,897	-	-	-	-	-	(843,897)	-	-	-
Final dividend for 2023 – Cash	-	-	-	-	-	-	(1,265,846)	(1,265,846)	-	(1,265,846)
Dividend distributed to non-controlling interest by subsidiaries	-	-	-	-	-	-	-	-	(97,500)	(97,500)
Total contributions from and distribution to equity holders	843,897	-	-	-	-	-	(2,085,468)	(1,241,571)	(97,500)	(1,339,071)
Balance as at 31 December 2024	14,710,454	3,657,968	13,954,598	294,630	334,526	13,779,839	42,668,104	89,400,119	446,431	89,846,550

## Statement of Cash Flows

For the year ended 31st December

	BANK		GROUP	
	2024 (Audited) LKR 000	2023 (Audited) LKR 000	2024 (Audited) LKR 000	2023 (Audited) LKR 000
<b>Cash flows from operating activities</b>				
Interest receipts	72,411,055	94,707,773	72,495,455	94,801,907
Interest payments	(45,105,757)	(59,513,733)	(45,099,297)	(59,449,795)
Net commission receipts	6,234,565	5,087,447	6,234,565	5,087,447
Net trading income	(27,800)	48,469	(27,800)	48,469
Recoveries from loans previously written off	45,317	16,767	45,317	16,767
Receipts from other operating activities	43,007	125,212	716,247	521,132
Payments on other operating activities	(6,942,627)	(6,250,903)	(6,760,446)	(5,837,596)
Cash payments to employees	(7,980,513)	(4,772,478)	(8,391,056)	(5,257,537)
Taxes on financial services	(4,225,077)	(3,234,294)	(4,225,077)	(3,234,294)
Operating Cash flows before changes in operating assets and liabilities	14,452,170	26,214,260	14,987,908	26,696,500
<b>(Increase)/ decrease in operating assets:</b>				
Balances with Central Bank / deposits held for regulatory or monetary control purposes	(220,570)	6,923,093	(220,570)	6,923,093
Financial assets at amortised cost - Loans to and receivables from other customers	(54,272,513)	735,466	(54,272,513)	735,466
Others	4,074,326	3,212,236	4,052,413	3,263,663
<b>Increase /(decrease) in operating liabilities:</b>				
Financial liabilities at amortised cost - Due to depositors	66,329,274	37,195,041	65,845,284	37,065,783
Others	(144,188)	630,302	213,726	630,383
<b>Net cash flows from operating activities before income tax</b>	30,218,499	74,910,398	30,606,248	75,314,888
Income tax paid	(5,991,842)	(4,305,780)	(6,085,008)	(4,446,618)
<b>Net cash flows from operating activities</b>	24,226,657	70,604,618	24,521,240	70,868,270
<b>Cash flows from investing activities</b>				
Dividends received from investment in subsidiaries, joint venture, and associate	86,798	78,118	-	-
Dividend received from other investments	694,086	111,605	694,086	111,605
Government Securities- net	(17,900,048)	(82,162,743)	(17,900,048)	(82,162,743)
Proceeds from sale and redemption of securities	6,291,710	654,149	6,291,710	654,149
Purchase of financial investments	(16,455,360)	(1,535,338)	(16,456,836)	(1,509,437)
Purchase of property, equipment, intangibles and investment property	(1,907,923)	(1,454,768)	(2,023,230)	(1,546,054)
Proceeds from sale of equipment, investment property and others	10,949	15,502	10,949	15,502
<b>Net cash flows used in investing activities</b>	(29,179,788)	(84,293,475)	(29,383,369)	(84,436,978)
<b>Cash flows from financing activities</b>				
Redemption of debentures	(3,804,760)	(8,956,610)	(3,804,760)	(8,956,610)
Issue of debentures	8,000,000	-	8,000,000	-
Borrowing, medium and long - term	3,651,136	1,754,143	3,651,136	1,754,143
Other borrowings - net	(7,020,806)	44,673,126	(7,020,806)	44,673,126
Repayment of borrowing, medium and long - term	(13,488,861)	(11,512,493)	(13,488,861)	(11,512,493)
Dividends paid	(1,265,846)	-	(1,378,663)	(101,536)
<b>Net Cash flows (used in) / from financing activities</b>	(13,929,137)	25,958,166	(14,041,954)	25,856,630
Net (decrease) / increase in cash and cash equivalents	(18,882,268)	12,269,309	(18,904,083)	12,287,922
Cash and cash equivalents at the beginning of the year	43,616,566	31,347,257	43,657,050	31,369,128
<b>Cash and cash equivalents at the end of the year</b>	24,734,298	43,616,566	24,752,967	43,657,050
<b>Reconciliation of cash and cash equivalents with items reported in the statement of financial position</b>				
Cash and cash equivalents	13,504,806	14,478,468	13,523,475	14,483,062
Placements with banks	11,229,492	29,138,098	11,229,492	29,173,988
	24,734,298	43,616,566	24,752,967	43,657,050

The Statement of Cash Flows of the Bank includes the results of associate, joint venture, and subsidiary companies only to the extent of the cash flows between Bank and respective companies as required by Sri Lanka Accounting Standards.

## Explanatory Notes

### Note 1. Statement of Compliance

The consolidated financial statements of the Group and the separate financial statements of the Bank have been presented in accordance with the Sri Lanka Accounting Standards 34 (LKAS 34) "Interim Financial Statements" issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and in compliance with the requirements of the Companies Act, No. 07 of 2007 and the Banking Act No. 30 of 1988 and amendments thereto.

### Note 2. Accounting Policies and Accounting Estimates

There were no changes to the accounting policies and method of computation since the publication of the last annual financial statements.

### Note 3. Group Financial Statements

The Group Financial Statements comprise the Bank and its subsidiaries DFCC Consulting (Pvt) Limited, Lanka Industrial Estates Limited and Synapsys Limited and group interest in associate company National Asset Management Limited and group interest in joint venture Acuity Partners (Pvt) Ltd. Investments in Subsidiaries, joint venture and associate companies are accounted under cost method in Bank's financial statements. Investment in associate and joint venture are accounted under equity method in group's financial statements. The investments in joint venture was reclassified as assets held for sales as at the reporting date.

### Note 4. Expected Credit Loss calculation

In order to address the impacts of prevailing economic conditions on the lending portfolio, the Bank has made adequate impairment provision as at 31 December 2024 by introducing changes to internal models to cover unseen risk factors including additional provisions made as management overlay for the exposures to risk elevated sectors.

### Note 5. Net gains/ (losses) from trading

For the year ended 31 December

	Bank		Group	
	2024 (Audited) LKR 000	2023 (Audited) LKR 000	2024 (Audited) LKR 000	2023 (Audited) LKR 000
<b>Derivative Financial Instruments</b>				
Forward exchange fair value changes from banks and other customers	(926,979)	(384,709)	(926,979)	(384,709)
Gains on financial assets fair value through profit or loss - equity securities	176,492	3,958	176,492	3,958
<b>Foreign exchange from Banks and Other Customers</b>	<b>788,884</b>	<b>1,582,011</b>	<b>788,884</b>	<b>1,582,011</b>
<b>Financial assets recognized through profit or loss - measured at fair value</b>				
<i>Government securities</i>				
- Net marked to market gains / (losses)	27,007	(8,863)	27,007	(8,863)
- Net capital gains	22,080	12,056	22,080	12,056
<i>Equities</i>				
- Net marked to market gains / (losses)	1,159,568	(222,643)	1,159,568	(222,643)
- Net capital (losses)/ gains	(49,879)	36,413	(49,879)	36,413
- Dividend income	75,706	36,884	75,706	36,884
	<b>1,272,879</b>	<b>1,055,107</b>	<b>1,272,879</b>	<b>1,055,107</b>

### Note 6. Net Other Operating Income

For the year ended 31 December

	Bank		Group	
	2024 (Audited) LKR 000	2023 (Audited) LKR 000	2024 (Audited) LKR 000	2023 (Audited) LKR 000
<b>Financial assets measured at fair value through other comprehensive income</b>				
Dividend income	967,392	626,553	967,392	626,553
Dividend income from subsidiaries, joint venture and associate	86,798	78,118	-	-
Premises rental income	-	-	472,154	426,502
Net gains on sale of property, plant and equipment	19,874	18,101	19,874	18,101
Foreign exchange gains/ (losses)	13,723	(18,990)	(788)	(33,936)
Recovery of loans written-off	45,317	16,767	45,317	16,767
Others	43,006	107,721	266,945	330,487
	<b>1,176,110</b>	<b>828,270</b>	<b>1,770,894</b>	<b>1,384,474</b>

**Note 7. Financial Assets at Amortized Cost - Loans to and Receivables from Other Customers**

As at	Bank		Group	
	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000
Gross loans and receivables (Note 7.1)	440,906,944	394,684,722	440,906,944	394,684,722
Less: Allowance for impairment (Note 7.2)	(46,545,464)	(45,917,256)	(46,545,464)	(45,917,256)
<b>Net loans and receivables</b>	<b>394,361,480</b>	<b>348,767,466</b>	<b>394,361,480</b>	<b>348,767,466</b>

**Note 7.1 Loans to and Receivables from Other Customers - By product**

As at	Bank		Group	
	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000
By product-Domestic Currency				
Overdrafts	57,006,572	50,352,343	57,006,572	50,352,343
Trade finance	41,146,693	29,793,994	41,146,693	29,793,994
Credit cards	7,716,549	6,820,265	7,716,549	6,820,265
Pawning	16,152,388	13,258,894	16,152,388	13,258,894
Staff loans	2,823,269	2,365,949	2,823,269	2,365,949
Term loans	232,516,931	223,458,741	232,516,931	223,458,741
Lease rentals receivable	25,898,216	15,404,967	25,898,216	15,404,967
	<b>383,260,618</b>	<b>341,455,153</b>	<b>383,260,618</b>	<b>341,455,153</b>
By product-Foreign Currency				
Overdrafts	1,513,564	884,541	1,513,564	884,541
Trade finance	23,595,451	18,937,076	23,595,451	18,937,076
Term loans	32,537,311	33,407,952	32,537,311	33,407,952
	<b>57,646,326</b>	<b>53,229,569</b>	<b>57,646,326</b>	<b>53,229,569</b>
<b>Gross loans and receivables</b>	<b>440,906,944</b>	<b>394,684,722</b>	<b>440,906,944</b>	<b>394,684,722</b>

**Note 7.2 Movement in Impairment during the period**

	Bank		Group	
	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000
<b>Stage 1</b>				
Balance at beginning	3,500,658	4,495,287	3,500,658	4,495,287
Reversal to income statement	(87,880)	(994,629)	(87,880)	(994,629)
Balance at end	<b>3,412,778</b>	<b>3,500,658</b>	<b>3,412,778</b>	<b>3,500,658</b>
<b>Stage 2</b>				
Balance at beginning	7,235,925	5,677,290	7,235,925	5,677,290
(Reversal)/ charge to income statement	(1,305,241)	1,558,635	(1,305,241)	1,558,635
Balance at end	<b>5,930,684</b>	<b>7,235,925</b>	<b>5,930,684</b>	<b>7,235,925</b>
<b>Stage 3</b>				
Balance at beginning	35,180,673	23,731,223	35,180,673	23,731,223
Charge to income statement	5,356,941	11,967,805	5,356,941	11,967,805
Other movements	(3,335,612)	(518,355)	(3,335,612)	(518,355)
Balance at end	<b>37,202,002</b>	<b>35,180,673</b>	<b>37,202,002</b>	<b>35,180,673</b>
<b>Total Impairment</b>	<b>46,545,464</b>	<b>45,917,256</b>	<b>46,545,464</b>	<b>45,917,256</b>

**Note 8 . Analysis of Commitments and Contingencies and Impairment**

	As at	Bank		Group	
		31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000
8.1	Gross commitment and contingencies	222,538,011	193,992,770	222,538,011	193,992,770
	Accumulated impairment under stage 1	713,480	625,189	713,480	625,189
	Accumulated impairment under stage 2	108,915	81,149	108,915	81,149
	Accumulated impairment under stage 3	-	-	-	-
	Net commitments and contingencies	<b>221,715,616</b>	<b>193,286,432</b>	<b>221,715,616</b>	<b>193,286,432</b>
8.2	<b>Product-wise commitments and contingencies</b>				
	<b>Domestic currency</b>				
	<b>Credit related commitments and contingencies</b>				
	Undrawn -Credit facilities	76,471,261	73,687,016	76,471,261	73,687,016
	Acceptances	1,280	149,688	1,280	149,688
	Documentary Letter of credit	1,063,809	320,305	1,063,809	320,305
	Guarantees and other Commitments	19,272,590	19,236,076	19,272,590	19,236,076
		<b>96,808,940</b>	<b>93,393,085</b>	<b>96,808,940</b>	<b>93,393,085</b>
	<b>Other commitments and contingencies</b>				
	Capital commitments	496,269	889,385	496,269	889,385
	Bid Bonds	932,144	627,145	932,144	627,145
		<b>1,428,413</b>	<b>1,516,530</b>	<b>1,428,413</b>	<b>1,516,530</b>
	<b>Sub total</b>	<b>98,237,353</b>	<b>94,909,615</b>	<b>98,237,353</b>	<b>94,909,615</b>
	<b>Foreign currency</b>				
	<b>Credit related commitments and contingencies</b>				
	Undrawn - Credit facilities	13,491,901	15,614,619	13,491,901	15,614,619
	Acceptances	8,533,063	5,522,887	8,533,063	5,522,887
	Documentary Letter of credit	12,756,535	8,182,563	12,756,535	8,182,563
	Guarantees and other Commitments	6,400,111	5,828,390	6,400,111	5,828,390
		<b>41,181,610</b>	<b>35,148,459</b>	<b>41,181,610</b>	<b>35,148,459</b>
	<b>Other commitments and contingencies</b>				
	Forward exchange contracts	82,943,485	63,934,696	82,943,485	63,934,696
	Capital commitments	164,854	-	164,854	-
	Bid Bonds	10,709	-	10,709	-
		<b>83,119,048</b>	<b>63,934,696</b>	<b>83,119,048</b>	<b>63,934,696</b>
	<b>Sub total</b>	<b>124,300,658</b>	<b>99,083,155</b>	<b>124,300,658</b>	<b>99,083,155</b>
	<b>Total gross commitments and contingencies</b>	<b>222,538,011</b>	<b>193,992,770</b>	<b>222,538,011</b>	<b>193,992,770</b>

8.3	<b>Bank</b>	<b>Stage 01</b> <b>LKR 000</b>	<b>Stage 02</b> <b>LKR 000</b>	<b>Stage 03</b> <b>LKR 000</b>	<b>Total</b> <b>LKR 000</b>
	Balance as at 1st January 2024	625,189	81,149	-	706,338
	Net charge to profit or loss	88,291	27,766	-	116,057
	<b>Balance as at 31 December 2024</b>	<b>713,480</b>	<b>108,915</b>	<b>-</b>	<b>822,395</b>

	<b>Group</b>	<b>Stage 01</b> <b>LKR 000</b>	<b>Stage 02</b> <b>LKR 000</b>	<b>Stage 03</b> <b>LKR 000</b>	<b>Total</b> <b>LKR 000</b>
	Balance as at 1st January 2024	625,189	81,149	-	706,338
	Net charge to profit or loss	88,291	27,766	-	116,057
	<b>Balance as at 31 December 2024</b>	<b>713,480</b>	<b>108,915</b>	<b>-</b>	<b>822,395</b>

## Note 9. Assets Held for Sale

DFCC Bank PLC ( The Bank) made an announcement to Colombo stock exchange ( CSE) disclosing its intention to divest from investment in joint venture of Acuity Partners (Pvt) Ltd. The Board of Directors convened and granted its approval on August 30, 2024, to proceed with the activities relating to divest the Bank's 50% stake to Hatton National Bank PLC (the joint venture partner).

Accordingly, the investment in joint venture is presented as Assets held for sale in these financial statements as at 31 December 2024 based on the SLFRS 5- “Non-current asset held for sale and discontinued operation”

As at	<b>Bank</b>		<b>Group</b>	
	<b>31.12.2024</b>	31.12.2023	<b>31.12.2024</b>	31.12.2023
	<b>(Audited)</b>	(Audited)	<b>(Audited)</b>	(Audited)
	<b>LKR 000</b>	LKR 000	<b>LKR 000</b>	LKR 000
Investment in Joint Venture (Reclassified)	<b>755,000</b>	-	<b>5,480,475</b>	-
<b>Assets Held for sale</b>	<b>755,000</b>	-	<b>5,480,475</b>	-

### 9.1 Impairment losses relating to Assets Held for Sale

There was no impairment losses to be recognised in the financial statements for the period ended 31 December 2024, in respect of the asset held for sale.

**9.2** Subsequently to the reporting date, The Bank has disposed the 50% stake to Hatton National Bank PLC as per the sales purchase agreement.

**Note 10. Financial liabilities at amortized cost - Due to depositors**

As at	Bank		Group	
	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000	31.12.2024 (Audited) LKR 000	31.12.2023 (Audited) LKR 000
<b>By product-Domestic Currency</b>				
Demand deposits (current accounts)	16,540,563	11,627,793	16,540,462	11,627,528
Savings deposits	68,235,448	57,892,200	68,204,119	57,844,664
Fixed deposits	274,376,213	249,984,259	273,735,027	249,469,800
Other deposits	341,308	394,262	341,308	394,262
Certificate of deposits	27,028	375,333	27,028	375,333
	<b>359,520,560</b>	<b>320,273,847</b>	<b>358,847,944</b>	<b>319,711,587</b>
<b>By product- Foreign Currency</b>				
Demand deposits (current accounts)	835,854	736,100	835,854	736,100
Savings deposits	29,254,476	26,213,606	29,173,159	26,176,981
Fixed deposits	75,542,290	59,999,375	75,502,607	59,957,811
Other deposits	-	2,385	-	2,385
	<b>105,632,620</b>	<b>86,951,466</b>	<b>105,511,620</b>	<b>86,873,277</b>
<b>Total</b>	<b>465,153,180</b>	<b>407,225,313</b>	<b>464,359,564</b>	<b>406,584,864</b>

**Note 11. Reclassifications of Financial Instrument**

Reclassifications of Financial Instrument considering the unprecedented changes in the macro-economic conditions, the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) has decided to issue the "Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio". This SoAT will provide a temporary practical expedient to permit the entities to reclassify the debt portfolio measured at Fair Value through Other Comprehensive Income (FVTOCI) to amortised cost.

The Bank used this option to reclassify long term debt instruments subsequent to the initial recognition. The fair value of the debt portfolio reclassified during year 2022 and remaining as at 31 December 2024 amounted to LKR 7.6 Bn. and cumulative fair value gain thereon amounted to LKR 0.1 Bn. (net of tax LKR 0.07 Bn.).

**Note 12. Events after the reporting period**

There were no material events that took place after the reporting date which require adjustment to or disclosure in the Financial Statements other than below;

**12.1 First and final dividend**

The Directors have approved the payment of a first and final dividend of LKR 6.00 per share which will consist of LKR 4.00 per share in cash and LKR 2.00 in the form of a scrip dividend, for the financial year ended 31 December 2024. The Board of Directors confirms that the Bank has satisfied the solvency test in accordance with Section 57 of the Companies Act No. 07 of 2007 .

**12.2 Sale of 50% stake in Acuity Partners (Pvt) Ltd (Joint Venture of DFCC Bank PLC and Hatton National Bank PLC)**

On 21 January 2025, DFCC Bank PLC sold 75,500,001 number of ordinary voting shares issued and fully paid up representing 50% stake held by DFCC Bank PLC in Acuity Partners (Pvt) Ltd for a consideration of Rupee Six Billion Five Hundred Million (Rs. 6,500,000,000). Following the successful disposal, DFCC Bank PLC does not hold any share of Acuity Partners (Pvt) Ltd.

**Financial effect of the disposal**

	Bank LKR'000	Group LKR'000
Net gain on the disposal	5,015,366	231,370

**Note 13. Disclosures under Listing Rules****13.1 Comparative figures have been re-classified where necessary, to conform to the current period presentation.**

During the period, there were no material changes in the composition of assets, liabilities and contingent liabilities. All known expenditure items have been provided for.

There is no management fees or similar expenditure provided for in the Financial Statements.

**13.2 Stated capital**

As at	Number of shares	
	31.12.2024	31.12.2023
Number of shares of the Bank	<b>432,658,011</b>	<b>421,948,655</b>

**13.3 Market price of a share**

Information on shares of the Bank for the quarter ended	31.12.2024	31.12.2023
- Highest price LKR	<b>115.00</b>	88.00
- Lowest price LKR	<b>76.90</b>	75.40
- Market price LKR	<b>113.75</b>	79.60



### 13.4 Twenty Major Shareholders as at 31.12.2024

	Name of Shareholder/Company	Shareholding	%
1	Hatton National Bank PLC A/C No 1	53,964,933	12.47
2	Bank of Ceylon-No2 A/C (BOC PTF)	45,261,691	10.46
3	Seylan Bank PLC / Phantom Investments (Pvt) Ltd	42,100,000	9.73
4	Mr. M.A.Yaseen	35,383,956	8.17
5	Ambeon Holdings PLC	32,920,000	7.60
6	Sri Lanka Insurance Corporation Ltd-Life Fund	32,812,546	7.58
7	Employee's Provident Fund	28,995,322	6.70
8	Melstacorp PLC	26,633,027	6.15
9	Seafeld International Limited	21,080,233	4.87
10	Renuka City Hotels PLC	8,641,899	1.99
11	Colombo City Holdings PLC	5,100,000	1.17
12	Renuka Hotels PLC	4,846,664	1.12
13	Employees Trust Fund Board	4,745,041	1.09
14	Cargo Boat Development Company PLC	3,277,180	0.75
15	Akbar Brothers Pvt Ltd A/C No 1	3,229,014	0.74
16	Ranavav Holdings (Pvt) Ltd	3,075,543	0.71
17	Peoples Leasing and Finance PLC/ M.E. Amarasinghe	2,577,938	0.59
18	Sri Lanka Insurance Corporation Ltd- General Fund	2,562,622	0.59
19	Stassen Exports (Pvt) Limited	2,256,884	0.52
20	EMFI Capital Limited	2,052,474	0.47

### 13.5 Public Holdings as at 31.12.2024

Public holdings percentage	77.017%
Number of Public shareholders	11,047
Float adjusted market capitalisation	LKR 37,904 million
Applicable option as per CSE Listing Rule 7.13.1 (i) (a)	Option 1

### 13.6 Directors' Interests in Shares

	No of Shares As at 31.12.2024
J Durairatnam	Nil
Ms L K A H Fernando	Nil
W R H Fernando	Nil
N K G K Nemmawatta	Nil
N H T I Perera	26,469
Ms A L Thambiayah	107,761
N Vasantha Kumar	1,845
H A J de Silva Wijeyeratne	13,232
P A Jayatunga	Nil
W D Batagoda - ( Resigned on 19 December 2024)	

### Certification

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

### Chinthika Amarasekera Chief Financial Officer

We, the undersigned, being the Chairman, the Chief Executive Officer of DFCC Bank PLC certify that:

- (a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.
- (b) the information contained in these statements have been extracted from the audited/ reviewed financial statements of the Bank and the Group.

**J. Durairatnam**  
Chairman

**Thimal Perera**  
Director / Chief Executive Officer

19-Feb-25

**Listed Debentures**

Debenture Category	Interest rate	Effective	Coupon	Interest rate of	Balance as at	Market price LKR			Yield	Last
	rate	Rate	Rate	Comparative		Highest	Lowest	Last Traded	Last Traded %	Traded Date
	Frequency			Government						
				Securities						
		%	%	(Gross) p.a.	31.12.2024					
					LKR 000					
Fixed Rate										
2018/2025	Annually	13.00	13.00	8.97	4,485,689	N/T	N/T	N/T	N/A	N/A
2019/2026	Annually	13.75	13.75	9.22	1,967,841	N/T	N/T	N/T	N/A	N/A
2019/2029	Annually	13.90	13.90	10.40	4,864,732	N/T	N/T	N/T	N/A	N/A
2020/2025	Annually	9.00	9.00	9.11	4,386,825	N/T	N/T	N/T	N/A	N/A
2020/2027	Annually	9.25	9.25	9.75	208,191	N/T	N/T	N/T	N/A	N/A
2024/2027	Annually	12.00	12.00	9.76	2,559,906	N/T	N/T	N/T	N/A	N/A
2024/2029	Annually	15.25	15.25	10.36	9,090,767	N/T	N/T	N/T	N/A	N/A
2024/2031	Annually	14.75	14.75	10.89	62,582	N/T	N/T	N/T	N/A	N/A

N/T -Not traded

**Selected Performance Indicators**

	<b>Bank</b>		<b>Group</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Regulatory Capital ( LKR '000)</b>				
Common Equity Tier I	<b>52,485,838</b>	43,632,489	<b>57,804,406</b>	47,491,186
Tier 1 Capital	<b>52,485,838</b>	43,632,489	<b>57,804,406</b>	47,491,186
Total Regulatory Capital	<b>66,694,057</b>	51,304,881	<b>72,021,492</b>	55,171,248
<b>Regulatory Capital Ratios %</b>				
Common Equity Tier 1 Capital Ratio (Minimum requirement - 7%)	<b>12.402</b>	11.490	<b>13.611</b>	12.464
Tier 1 Capital Ratio (Minimum requirement - 8.5% )	<b>12.402</b>	11.490	<b>13.611</b>	12.464
Total Capital Ratio (Minimum requirement - 12.5%)	<b>15.759</b>	13.511	<b>16.958</b>	14.480
<b>Basel III Leverage Ratio ( Minimum requirement is 3%)</b>	<b>7.33</b>	6.25	<b>8.03</b>	6.77
<b>Regulatory Liquidity Requirement</b>				
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement - 100%)	<b>310.01</b>	715.50		
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 100%)	<b>280.26</b>	597.47		
Net Stable Funding Ratio (%) (Minimum requirement - 100%)	<b>124.60</b>	124.60		
<b>Asset Quality</b>				
Impaired Loans (Stage 3) to Total Loans Ratio (%)*	<b>5.65</b>	7.03		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)*	<b>54.06</b>	49.31		
<b>Income &amp; Profitability</b>				
Net Interest margin %	<b>4.18</b>	5.18		
Return on assets ( profit before tax) %	<b>2.01</b>	1.82		
Return on equity (profit after tax) %	<b>10.99</b>	12.19		
Cost to Income Ratio (%)	<b>42.67</b>	29.41		
<b>Other Ratios</b>				
Debt to equity ratio (times)	<b>2.01</b>	2.54		
Interest cover (times)	<b>2.78</b>	2.27		
<b>Memorandum Information</b>				
Credit Rating - Fitch	<b>A(lka)</b>	A-(lka)		
Number of Employees	<b>2,439</b>	2,109		
Number of Branches (Including Service centres)	<b>139</b>	139		

\* Including Undrawn Portion of Credit

## Analysis of Financial Instruments By Measurement Basis

	Bank				Group			
	Fair value through profit or loss - mandatory	Fair value through other comprehensive income	Amortised cost	Total	Fair value through profit or loss - mandatory	Fair value through other comprehensive income	Amortised cost	Total
As at 31 December 2024	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
<b>Financial Assets</b>								
Cash and cash equivalents	-	-	13,504,806	13,504,806	-	-	13,523,475	13,523,475
Balances with Central Bank of Sri Lanka	-	-	2,328,346	2,328,346	-	-	2,328,346	2,328,346
Placements with banks	-	-	11,229,492	11,229,492	-	-	11,229,492	11,229,492
Derivative financial assets	9,643,442	-	-	9,643,442	9,643,442	-	-	9,643,442
Financial assets measured at fair value through profit or loss	7,416,018	-	-	7,416,018	7,416,018	-	-	7,416,018
Financial assets at amortised cost - Loans to and receivables from banks	-	-	1,500,338	1,500,338	-	-	1,500,338	1,500,338
Financial assets at amortised cost -Loans to and receivables from other customers	-	-	394,361,480	394,361,480	-	-	394,361,480	394,361,480
Financial assets at amortised cost - Debt and other instruments	-	-	105,641,690	105,641,690	-	-	105,701,871	105,701,871
Financial assets measured at fair value through other comprehensive income	-	138,258,226	-	138,258,226	-	138,258,226	-	138,258,226
Other assets	-	-	4,946,528	4,946,528	-	-	5,135,115	5,135,115
<b>Total financial assets</b>	17,059,460	138,258,226	533,512,680	688,830,366	17,059,460	138,258,226	533,780,117	689,097,803
<b>Financial Liabilities</b>								
Due to banks	-	-	7,149,474	7,149,474	-	-	7,149,474	7,149,474
Derivative financial liabilities	909,188	-	-	909,188	909,188	-	-	909,188
Financial liabilities at amortised cost -Due to depositors	-	-	465,153,180	465,153,180	-	-	464,359,564	464,359,564
Financial liabilities at amortised cost - Due to other borrowers	-	-	96,755,632	96,755,632	-	-	96,755,632	96,755,632
Debt securities in issue	-	-	14,690,723	14,690,723	-	-	14,690,723	14,690,723
Other liabilities	-	-	7,441,320	7,441,320	-	-	7,719,982	7,719,982
Subordinated term debt	-	-	18,234,054	18,234,054	-	-	18,234,054	18,234,054
<b>Total financial liabilities</b>	909,188	-	609,424,383	610,333,571	909,188	-	608,909,429	609,818,617

	Bank				Group			
	Fair value through profit or loss - mandatory	Fair value through other comprehensive income	Amortised cost	Total	Fair value through profit or loss - mandatory	Fair value through other comprehensive income	Amortised cost	Total
As at 31 December 2023	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
<b>Financial Assets</b>								
Cash and cash equivalents	-	-	14,478,468	14,478,468	-	-	14,483,062	14,483,062
Balances with Central Bank of Sri Lanka	-	-	2,107,776	2,107,776	-	-	2,107,776	2,107,776
Placements with banks	-	-	29,138,098	29,138,098	-	-	29,173,988	29,173,988
Derivative financial assets	16,499,171	-	-	16,499,171	16,499,171	-	-	16,499,171
Financial assets measured at fair value through profit or loss	1,740,928	-	-	1,740,928	1,740,928	-	-	1,740,928
Financial assets at amortised cost -Loans to and receivables from other customers	-	-	348,767,466	348,767,466	-	-	348,767,466	348,767,466
Financial assets at amortised cost - Debt and other instruments	-	-	68,031,313	68,031,313	-	-	68,094,041	68,094,041
Financial assets measured at fair value through other comprehensive income	-	134,902,765	-	134,902,765	-	134,902,765	-	134,902,765
Other assets	-	-	11,021,709	11,021,709	-	-	11,190,796	11,190,796
<b>Total financial assets</b>	18,240,099	134,902,765	473,544,830	626,687,694	18,240,099	134,902,765	473,817,129	626,959,993
<b>Financial Liabilities</b>								
Due to banks	-	-	52,793,464	52,793,464	-	-	52,793,464	52,793,464
Derivative financial liabilities	381,653	-	-	381,653	381,653	-	-	381,653
Financial liabilities at amortised cost -Due to depositors	-	-	407,225,313	407,225,313	-	-	406,584,864	406,584,864
Financial liabilities at amortised cost - Due to other borrowers	-	-	72,022,734	72,022,734	-	-	72,022,734	72,022,734
Debt securities in issue	-	-	16,311,577	16,311,577	-	-	16,311,577	16,311,577
Other liabilities	-	-	6,018,466	6,018,466	-	-	6,241,402	6,241,402
Subordinated term debt	-	-	9,072,265	9,072,265	-	-	9,072,265	9,072,265
<b>Total financial liabilities</b>	381,653	-	563,443,819	563,825,472	381,653	-	563,026,306	563,407,959

## Fair Values of Financial Instruments

### Financial Instruments Recorded at Fair Value

The following is a description of how fair values are determined for financial instruments that are recorded at fair value using valuation techniques. These incorporate the Bank's estimate of assumptions that a market participant would make when valuing the instruments.

#### (a) Derivatives

Derivative products valued with market-observable inputs are mainly currency swaps and forward foreign exchange contracts. Such valuations incorporate various inputs such as foreign exchange spot and forward rates.

#### (b) Financial Assets at Fair Value through Other Comprehensive Income

Financial Assets at Fair Value through Other Comprehensive Income are valued using valuation techniques or pricing models primarily consisted of unquoted equities.

#### (c) Financial Assets at Fair Value through Profit or Loss

Quoted Equities and Sri Lanka Government Securities - are included under Financial Assets at Fair Value through Profit or Loss are valued using market prices.

### Determination of Fair Value and Fair Value Hierarchy

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial instruments and non financial assets and liabilities recorded at fair value by level of fair value hierarchy

As at 31 December 2024	Level 1 LKR 000	Level 2 LKR 000	Level 3 LKR 000	Total LKR 000
<b>Financial Assets</b>				
Derivative financial assets				
Forward foreign exchange contracts	-	9,643,442	-	9,643,442
Financial assets measured at fair value through profit or loss				
Government of Sri Lanka Treasury Bills and Bonds	1,828,696	-	-	1,828,696
Equity securities - quoted	3,374,092	-	-	3,374,092
Units in unit trusts - quoted	-	-	-	-
Units in unit trusts - unquoted	-	2,213,230	-	2,213,230
Financial assets measured at fair value through other comprehensive income				
Government of Sri Lanka Treasury Bills and Bonds	113,099,227	-	-	113,099,227
US Treasury Bill	595,289	-	-	595,289
Equity shares- quoted	24,293,516	-	-	24,293,516
Equity shares- unquoted	-	-	270,193	270,193
	<b>143,190,820</b>	<b>11,856,672</b>	<b>270,193</b>	<b>155,317,685</b>
<b>Financial Liabilities</b>				
Derivative financial liabilities				
Forward foreign exchange contracts	-	909,188	-	909,188
	<b>-</b>	<b>909,188</b>	<b>-</b>	<b>909,188</b>

As at 31st December 2023	Level 1 LKR 000	Level 2 LKR 000	Level 3 LKR 000	Total LKR 000
<b>Financial Assets</b>				
Derivative financial assets				
Forward foreign exchange contracts	-	16,499,171	-	16,499,171
Financial assets measured at fair value through profit or loss				
Government of Sri Lanka Treasury Bills and Bonds	532,932	-	-	532,932
Equity securities - quoted	1,169,294	-	-	1,169,294
Units in unit trusts - quoted	3,740	-	-	3,740
Units in unit trusts - unquoted	-	34,962	-	34,962
Financial assets measured at fair value through other comprehensive income				
Government of Sri Lanka Treasury Bills and Bonds	117,448,154	-	-	117,448,154
US Treasury Bill	949,477	-	-	949,477
Equity shares- quoted	16,267,149	-	-	16,267,149
Equity shares- unquoted	-	-	237,985	237,985
	<b>136,370,746</b>	<b>16,534,133</b>	<b>237,985</b>	<b>153,142,864</b>
<b>Financial Liabilities</b>				
Derivative financial liabilities				
Forward foreign exchange contracts	-	381,653	-	381,653
	<b>-</b>	<b>381,653</b>	<b>-</b>	<b>381,653</b>

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.

	As at 31 December 2024		As at 31 December 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Cash and cash equivalents	13,504,806	13,504,806	14,478,468	14,478,468
Balances with Central Bank of Sri Lanka	2,328,346	2,328,346	2,107,776	2,107,776
Placements with banks	11,229,492	11,229,492	29,138,098	29,138,098
Financial assets at amortised cost - Loans to and receivables from banks	1,500,338	1,664,755	-	-
Financial assets at amortised cost - Loans to and receivables from other customers	394,361,480	377,802,310	348,767,466	322,590,049
Financial assets at amortised cost - Debt and other instruments	105,641,690	105,839,660	68,031,313	73,712,323
Other financial assets	4,946,528	4,946,528	11,021,709	11,021,709
<b>Financial Liabilities</b>				
Due to banks	7,149,474	7,149,474	52,793,464	52,793,464
Financial liabilities at amortised cost - due to depositors	465,153,180	459,260,928	407,225,313	427,279,084
Financial liabilities at amortised cost - due to other borrowers	96,755,632	96,755,632	72,022,734	72,022,734
Debt securities in issue	14,690,723	14,852,236	16,311,577	15,579,739
Other financial liabilities	7,441,320	7,441,320	6,018,466	6,018,466
Subordinated term debt	18,234,054	13,480,708	9,072,265	8,340,427

#### Fair Value of Financial Assets and Liabilities not Carried at Fair Value

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.

**Assets for which Fair Value Approximates Carrying Value**

For financial assets and financial liabilities that have a short term maturity, it is assumed that the carrying amounts approximate their fair value. This assumption is applied for Cash and Cash Equivalents, Balances with Central Bank of Sri Lanka, Placements with Banks and Securities Purchased under Re-sale Agreements. This assumption is also applied to demand deposits, savings accounts without a specific maturity, floating rate instruments and fixed rate instruments having maturities within 12 months.

**Fixed Rate Financial Instruments**

The fair value of fixed rate financial assets and liabilities (other than assets and liabilities with maturities within 12 months) carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates for similar financial instruments.

**Reconciliation of Level 3 fair values**

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	<b>Equity Securities</b>	
	<b>Bank/Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>LKR 000</b>	<b>LKR 000</b>
Balance at 1 January	237,986	221,419
Purchased during the period		
<b>Gain included in OCI</b>		
– Net change in fair value (unrealised)	32,207	16,567
Balance at end of the period	270,193	237,986

**Sensitivity analysis**

For the fair values of equity securities, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

	<b>OCI Net of Tax</b>	
	<b>Increase</b>	<b>Decrease</b>
	<b>LKR 000</b>	<b>LKR 000</b>
<b>Equity securities as at 31.12.2024</b>		
Adjusted net assets value (5% movement)	13,510	(13,510)



## OPERATING SEGMENTS - GROUP

### Information about reportable segments

For the year ended 31 December	Corporate Banking		Retail Banking		Treasury		Other		Unallocated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Net interest income	3,138,865	4,463,966	11,444,713	12,357,350	9,963,931	10,480,721	80,685	116,145	3,573,718	3,922,460	28,201,912	31,340,642
Net fees and commission income	1,256,540	1,340,535	2,891,898	2,455,326	(25,038)	(6,456)	(788)	(1,253)	805,821	761,558	4,928,433	4,549,710
Net gains from trading	198,405	419,739	136,838	213,147	937,381	422,221	-	-	255	-	1,272,879	1,055,107
Net gains from derecognition of financial assets	-	-	-	-	3,868,231	2,838,626	-	-	-	-	3,868,231	2,838,626
Net other operating income	16,945	6,622	40,326	(231)	-	-	594,784	556,204	1,118,839	821,879	1,770,894	1,384,474
<b>Total operating income</b>	<b>4,610,755</b>	<b>6,230,862</b>	<b>14,513,775</b>	<b>15,025,592</b>	<b>14,744,505</b>	<b>13,735,112</b>	<b>674,681</b>	<b>671,096</b>	<b>5,498,633</b>	<b>5,505,897</b>	<b>40,042,349</b>	<b>41,168,559</b>
Impairment for loans and other losses	(1,041,117)	(6,214,845)	(1,204,521)	(3,740,066)	(483,993)	(1,172,288)	-	-	(1,918,729)	(2,857,631)	(4,648,360)	(13,984,830)
<b>Net operating income/ Segment Result</b>	<b>3,569,638</b>	<b>16,017</b>	<b>13,309,254</b>	<b>11,285,526</b>	<b>14,260,512</b>	<b>12,562,824</b>	<b>674,681</b>	<b>671,096</b>	<b>3,579,904</b>	<b>2,648,266</b>	<b>35,393,989</b>	<b>27,183,729</b>
Operating profit after taxes on financial services											13,818,037	11,367,168
Share of profits of associate											1,536	1,614
Profit for the year from discontinued operation											1,377,926	1,139,367
Income tax expense											(5,265,098)	(3,849,610)
Non-controlling interest											154,885	173,393
<b>Net profit for the year, attributable to equity holders of the Bank</b>											<b>9,777,516</b>	<b>8,485,146</b>

  

As at 31 December	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
<b>Segment assets</b>	156,416,404	146,988,400	235,442,678	195,869,059	284,347,431	256,957,751	1,134,776	1,093,643	31,857,398	44,611,704	709,198,687	645,520,557
<b>Segment liabilities</b>	77,134,875	64,002,310	388,001,390	343,011,101	137,739,071	150,581,693	670,928	570,621	15,805,873	14,526,901	619,352,136	572,692,626

  

For the year ended 31 December	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
<b>Information on cash flows</b>												
Cash flows from operating activities	-	-	-	-	-	-	-	-	-	-	24,521,240	70,868,270
Cash flows from investing activities	-	-	-	-	-	-	-	-	-	-	(29,383,369)	(84,436,978)
Cash flows from financing activities	-	-	-	-	-	-	-	-	-	-	(14,041,954)	25,856,630
<b>Net cash flows generated during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,904,083)</b>	<b>12,287,922</b>
<b>Capital expenditure:</b>												
Property, plant and equipment	-	-	-	73,370	-	-	995,715	297,573	-	-	995,715	370,943
Intangible assets	-	-	-	-	-	-	459,874	30,182	-	-	459,874	30,182
<b>Total capital expenditure</b>											<b>1,455,589</b>	<b>401,125</b>