

THE RIGHT WAY FORWARD

Interim Financial Statements

For the six months ended 30 June 2024
Company Registration Number: PQ 118





Strong 1H 2024 Performance from Nations Trust Bank PLC

- *Operating Income of LKR 24 Bn. up 8% YoY*
- *Profit After Taxes of LKR 8 Bn. up 31% YoY*
- *Total Capital Adequacy Ratio of 17.83%,*
- *Return on Equity 24.7%*

14th August 2024, Colombo: Nations Trust Bank PLC reported a strong performance in the first half of 2024, achieving a Profit After Tax (PAT) of LKR 8 Bn, up 31% YoY.

Commenting on the results, Hemantha Gunetilleke, Director & Chief Executive Officer of Nations Trust Bank said “The Bank recorded a strong first half, highlighting continued growth across our customer segments. The Bank’s strong capital base, healthy liquidity buffers, robust risk management models and continued focus on digital empowerment are the fundamental strengths that continue to drive the Bank’s performance.”

The bank’s financial performance is supported by its strong capital position, with Tier I Capital at 16.62% and a Total Capital Adequacy Ratio of 17.83%, well above the regulatory requirements of 8.5% and 12.5%, respectively.

A strong liquidity buffer was maintained with a Liquidity Coverage Ratio of 298% against the regulatory requirement of 100%.

The Bank reported a Return on Equity (ROE) of 24.7%, while its Earnings Per Share for the 1H2024 increased to LKR 24.60, against LKR 18.76 recorded during the same period last year.

Nations Trust Bank PLC serves a diverse range of customers across Consumer, Commercial and Corporate segments through multi-channel customer touch points spanning both physical and digital. 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		
	2024	2023	Change	2024	2023	Change	2024	2023	Change	2024	2023	Change
LKR '000	LKR '000	(%)	Rs. '000	Rs. '000	(%)	LKR '000	LKR '000	(%)	Rs. '000	Rs. '000	(%)	
Gross Income	39,187,892	41,016,006	(4)	19,413,339	20,323,150	(4)	39,306,484	41,134,644	(4)	19,479,623	20,383,667	(4)
Interest Income	32,617,758	35,923,033	(9)	15,738,868	17,936,734	(12)	32,619,063	35,923,033	(9)	15,740,173	17,936,734	(12)
Less: Interest Expense	(14,691,104)	(18,354,233)	20	(6,836,546)	(9,214,646)	26	(14,564,201)	(18,178,258)	20	(6,777,383)	(9,125,700)	26
Net Interest Income	17,926,654	17,568,800	2	8,902,322	8,722,088	2	18,054,862	17,744,775	2	8,962,790	8,811,034	2
Fee and Commission Income	4,496,084	3,608,307	25	2,313,039	1,762,147	31	4,613,371	3,726,946	24	2,378,018	1,822,665	30
Less: Fee and Commission Expense	(244,060)	(185,856)	(31)	(102,227)	(82,760)	(24)	(244,060)	(185,859)	(31)	(102,227)	(82,761)	(24)
Net Fee and Commission Income	4,252,024	3,422,451	24	2,210,812	1,679,387	32	4,369,311	3,541,087	23	2,275,791	1,739,904	31
Net Gains/(Losses) from Trading	(582,600)	(3,603,937)	84	2,214,032	(1,378,965)	261	(582,600)	(3,603,937)	84	2,214,032	(1,378,965)	261
Net Fair Value Gains/(Losses) on Financial Assets at Fair Value through Profit or Loss	(183,565)	88,178	(308)	(345,365)	40,844	(946)	(183,565)	88,178	(308)	(345,365)	40,844	(946)
Net Gains/(Losses) on Derecognition of Financial Assets at Fair Value through Other Comprehensive Income	(142,456)	184,122	(177)	-	116,195	(100)	(142,456)	184,122	(177)	-	116,195	(100)
Net Other Operating Income/(Loss)	2,982,671	4,816,303	(38)	(507,235)	1,846,194	(127)	2,982,671	4,816,303	(38)	(507,235)	1,846,194	(127)
Total Operating Income	24,252,728	22,475,917	8	12,474,566	11,025,743	13	24,498,223	22,770,528	8	12,600,013	11,175,206	13
Impairment Charges/(Reversals)	978,294	2,960,253	67	419,951	854,602	51	978,294	2,960,253	67	419,951	854,602	51
Net Operating Income	23,274,434	19,515,664	19	12,054,615	10,171,141	19	23,519,929	19,810,275	19	12,180,062	10,320,604	18
Less: Operating Expenses												
Personnel Expenses	3,933,731	3,505,320	(12)	1,997,622	1,677,787	(19)	3,950,164	3,523,308	(12)	2,006,627	1,686,527	(19)
Depreciation of Property, Plant and Equipment	97,147	102,452	5	48,417	51,449	6	119,015	124,516	4	59,350	62,476	5
Depreciation of Right of Use (ROU) Assets	241,293	242,745	1	120,463	119,348	(1)	196,030	197,482	1	97,831	96,717	(1)
Amortization of Intangible Assets	173,570	164,706	(5)	86,885	81,661	(6)	173,632	164,769	(5)	86,916	81,693	(6)
Other Operating Expenses	3,320,722	3,110,781	(7)	1,661,294	1,569,061	(6)	3,331,075	3,127,884	(6)	1,666,413	1,579,206	(6)
Total Operating Expenses	7,766,463	7,126,004	(9)	3,914,681	3,499,306	(12)	7,769,916	7,137,959	(9)	3,917,137	3,506,619	(12)
Operating Profit before Taxes on Financial Services	15,507,971	12,389,660	25	8,139,934	6,671,835	22	15,750,013	12,672,316	24	8,262,925	6,813,985	21
Less: Taxes on Financial Services	3,291,861	2,777,366	(19)	1,716,203	1,447,719	(19)	3,292,935	2,778,787	(19)	1,716,712	1,448,449	(19)
Profit before Income Tax	12,216,110	9,612,294	27	6,423,731	5,224,116	23	12,457,078	9,893,529	26	6,546,213	5,365,536	22
Less: Income Tax Expense	4,347,761	3,683,404	(18)	2,253,437	1,994,367	(13)	4,431,266	3,774,519	(17)	2,296,485	2,039,691	(13)
Profit for the Period	7,868,349	5,928,890	33	4,170,294	3,229,749	29	8,025,812	6,119,010	31	4,249,728	3,325,845	28
Profit Attributable to:												
Equity Holders of the Bank	7,868,349	5,928,890	33	4,170,294	3,229,749	29	8,025,812	6,119,010	31	4,249,728	3,325,845	28
Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
Earnings Per Share												
Basic/Diluted Earning Per Share (Rs.)	24.12	18.18	33	12.78	9.90	29	24.60	18.76	31	13.03	10.20	28

NATIONS TRUST BANK PLC
STATEMENT OF FINANCIAL POSITION



As at	Bank			Group		
	30.06.2024 LKR '000	31.12.2023 LKR '000 (Audited)	Change %	30.06.2024 LKR '000	31.12.2023 LKR '000 (Audited)	Change %
ASSETS						
Cash and Cash Equivalents	23,335,640	40,179,820	(42)	23,335,643	40,179,823	(42)
Balances with Central Bank of Sri Lanka	2,330,365	2,683,927	(13)	2,330,365	2,683,927	(13)
Reverse Repurchase Agreements	-	1,502,215	(100)	-	1,502,215	(100)
Derivative Financial Instruments	413,560	3,660	11,199	413,560	3,660	11,199
Financial Assets Recognised through Profit or Loss - Measured at Fair Value	12,085,136	10,934,069	11	12,085,136	10,934,069	11
Financial Assets at Fair Value through Other Comprehensive Income	81,091,654	79,922,903	1	81,091,654	79,922,903	1
Financial Assets at Amortised Cost - Debt Instruments	91,386,640	97,357,849	(6)	91,386,640	97,357,849	(6)
Financial Assets at Amortised Cost - Loans and Advances	275,120,824	270,944,786	2	275,120,824	270,944,786	2
Other Assets	3,620,522	3,352,652	8	3,639,180	3,377,829	8
Investments in Subsidiaries	678,710	678,710	-	-	-	-
Property, Plant & Equipment	2,584,175	2,597,097	(0)	3,465,635	3,500,423	(1)
Right of Use (ROU) Assets	1,309,048	1,319,294	(1)	1,264,073	1,229,055	3
Inangible Assets	1,374,425	1,353,420	2	1,374,856	1,353,909	2
Deferred Tax Assets	3,368,488	3,334,268	1	3,176,953	3,143,936	1
Total Assets	498,699,187	516,164,670	(3)	498,684,519	516,134,384	(3)
LIABILITIES						
Due to Banks	17,994,324	49,681,663	(64)	17,994,324	49,681,663	(64)
Derivative Financial Instruments	384,804	658,707	(42)	384,804	658,707	(42)
Financial Liabilities at Amortised Cost						
Due to Depositors	351,062,317	349,533,404	0	351,057,422	347,768,600	1
Repurchase Agreements	17,965,623	7,064,447	154	15,565,127	6,631,325	135
Due to Other Borrowers	13,496,338	18,613,640	(27)	13,441,681	18,500,429	(27)
Debt Securities Issued	9,136,149	8,686,333	5	9,136,149	8,686,333	5
Retirement Benefit Obligations	1,378,664	1,242,223	11	1,383,192	1,250,916	11
Current Tax Liabilities	6,321,099	5,618,515	13	6,384,457	5,667,233	13
Other Liabilities	14,259,125	16,120,684	(12)	14,298,073	16,163,041	(12)
Total Liabilities	431,998,443	457,219,616	(6)	429,645,229	455,008,247	(6)
EQUITY						
Stated Capital	12,106,272	11,426,882	6	12,106,272	11,426,882	6
Statutory Reserve Fund	2,783,805	2,783,805	0	2,783,805	2,783,805	0
Retained Earnings	46,150,220	39,879,971	16	48,051,148	41,623,436	15
OCI Reserve	4,714,314	3,908,263	21	4,714,314	3,908,263	21
Revaluation Reserve	946,133	946,133	-	1,383,751	1,383,751	-
Total Shareholders' Equity	66,700,744	58,945,054	13	69,039,290	61,126,137	13
Total Equity and Liabilities	498,699,187	516,164,670	(3)	498,684,519	516,134,384	(3)
Contingent Liabilities and Commitments	348,130,364	316,741,904	10	348,130,364	316,741,904	10
Memorandum Information						
Number of Employees	2,460	2,460		2,480	2,481	
Number of Branches	96	96		96	96	
Number of Off-Site ATMs & CRMs	33	37		33	37	

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 D Gunetilleke
Director/Chief Executive Officer

14 August 2024
Colombo

NATIONS TRUST BANK PLC
STATEMENT OF CHANGES IN EQUITY



BANK	Stated Capital		Statutory Reserve Fund LKR '000	Retained Earnings LKR '000	OCI Reserve LKR '000	Revaluation Reserve LKR '000	Total LKR '000
	Voting LKR '000	Non-Voting LKR '000					
As at 01 January 2023	7,167,872	3,233,560	2,228,472	30,650,134	56	946,133	44,226,227
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	5,928,890	-	-	5,928,890
Other Comprehensive Income	-	-	-	-	1,502,000	-	1,502,000
Total Comprehensive Income for the Period	-	-	-	5,928,890	1,502,000	-	7,430,890
Transactions with Equity Holders, Recognised Directly in Equity							
Dividend paid for 2022	885,820	139,630	-	(1,205,723)	-	-	(180,273)
Fractions of shares paid in cash for 2022	-	-	-	(175)	-	-	(175)
As at 30 June 2023	8,053,692	3,373,190	2,228,472	35,373,126	1,502,056	946,133	51,476,669
As at 01 January 2024	8,053,768	3,373,114	2,783,805	39,879,971	3,908,263	946,133	58,945,054
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	7,868,349	-	-	7,868,349
Other Comprehensive Income	-	-	-	-	806,051	-	806,051
Total Comprehensive Income for the Period	-	-	-	7,868,349	806,051	-	8,674,400
Transactions with Equity Holders, Recognised Directly in Equity							
Dividend paid for 2023	587,203	92,187	-	(1,597,817)	-	-	(918,427)
Fractions of shares paid in cash for 2023	-	-	-	(283)	-	-	(283)
Conversion of Non-Voting Shares to Voting Shares	1,034	(1,034)	-	-	-	-	-
As at 30 June 2024	8,642,005	3,464,267	2,783,805	46,150,220	4,714,314	946,133	66,700,744
GROUP							
GROUP	Stated Capital		Statutory Reserve Fund LKR '000	Retained Earnings LKR '000	OCI Reserve LKR '000	Revaluation Reserve LKR '000	Total LKR '000
	Voting LKR '000	Non-Voting LKR '000					
As at 01 January 2023	7,167,872	3,233,560	2,228,472	32,026,947	56	1,383,751	46,040,658
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	6,119,010	-	-	6,119,010
Other Comprehensive Income	-	-	-	-	1,502,000	-	1,502,000
Total Comprehensive Income for the Period	-	-	-	6,119,010	1,502,000	-	7,621,010
Transactions with Equity Holders, Recognised Directly in Equity							
Dividend paid for 2022	885,820	139,630	-	(1,205,723)	-	-	(180,273)
Fractions of shares paid in cash for 2022	-	-	-	(175)	-	-	(175)
As at 30 June 2023	8,053,692	3,373,190	2,228,472	36,940,059	1,502,056	1,383,751	53,481,220
As at 01 January 2024	8,053,768	3,373,114	2,783,805	41,623,436	3,908,263	1,383,751	61,126,137
Total Comprehensive Income for the Period							
Profit for the Period	-	-	-	8,025,812	-	-	8,025,812
Other Comprehensive Income	-	-	-	-	806,051	-	806,051
Total Comprehensive Income for the Period	-	-	-	8,025,812	806,051	-	8,831,863
Transactions with Equity Holders, Recognised Directly in Equity							
Dividend paid for 2023	587,203	92,187	-	(1,597,817)	-	-	(918,427)
Fractions of shares paid in cash for 2023	-	-	-	(283)	-	-	(283)
Conversion of Non-Voting Shares to Voting Shares	1,034	(1,034)	-	-	-	-	-
As at 30 June 2024	8,642,005	3,464,267	2,783,805	48,051,148	4,714,314	1,383,751	69,039,290

NATIONS TRUST BANK PLC
STATEMENT OF CASH FLOWS



	Bank		Group	
	Six Months ended 30 June		Six Months ended 30 June	
	2024	2023	2024	2023
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows from Operating Activities				
Receipts of Interest Income	29,310,689	43,261,608	29,311,994	43,261,608
Payments of Interest Expense	(15,490,855)	(16,533,969)	(15,363,952)	(16,306,062)
Receipts of Fees and Commission Income	4,476,068	3,760,368	4,593,356	3,879,007
Payments of Fees and Commission Expense	(244,060)	(553,916)	(244,060)	(553,918)
Net Trading Income / (Loss)	(1,266,403)	(2,751,917)	(1,266,403)	(2,751,917)
Realised gain on sale of financial assets at FVOCI	(749,805)	184,122	(749,805)	184,122
Receipts from Other Operating Income	(206,655)	(4,168,518)	(206,655)	(4,168,324)
Gratuity Payments Made	(55,909)	(64,430)	36,009	(64,430)
Payments for Operating Expenses	(7,388,326)	(6,104,792)	(7,511,194)	(6,139,884)
Payments for VAT and SSC on Financial Services	(3,064,777)	(2,790,505)	(3,065,844)	(2,791,927)
Operating Profit before Change in Operating Assets and Liabilities	5,319,967	14,238,051	5,533,446	14,548,275
(Increase)/Decrease in Operating Assets				
Balances with Central Bank of Sri Lanka	352,965	(584,859)	352,965	(584,860)
Reverse Repurchase Agreements	1,500,000	1,500,000	1,500,000	1,500,000
Financial Assets - At Fair Value through Profit or Loss	(709,436)	(6,777,706)	(709,436)	(6,777,706)
Financial Assets - At Fair Value through Other Comprehensive Income	2,845,872	(34,893,911)	2,845,872	(34,893,911)
Financial Assets - At Amortized Cost - Debt Instruments	6,810,196	(2,676,641)	6,810,196	(2,676,641)
Financial Assets - At Amortized Cost - Loans & Advances	(8,088,628)	(5,645,887)	(8,088,628)	(5,645,887)
Other Assets	(319,634)	(853,557)	(319,634)	(854,811)
(Increase)/Decrease in Operating Assets	2,391,335	(49,932,561)	2,391,335	(49,933,816)
Increase/(Decrease) in Operating Liabilities				
Repurchase Agreements	10,816,538	22,601,172	8,849,165	22,183,936
Financial Liabilities - At Amortized Cost - Due to Depositors	7,171,894	14,430,421	8,931,803	14,547,568
Money market borrowing	(31,899,217)	(1,522,500)	(31,899,217)	(1,522,500)
Other Liabilities	(1,845,469)	(101,867)	(1,847,526)	(104,131)
Increase/(Decrease) in Operating Liabilities	(15,756,254)	35,407,226	(15,965,775)	35,104,873
Net Cash Generated from Operating Activities before Income Tax	(8,044,952)	(287,285)	(8,040,994)	(280,667)
Income Tax Paid	(4,024,847)	(3,899,053)	(4,092,509)	(3,961,586)
Net Cash (Used in)/from Operating Activities	(12,069,799)	(4,186,338)	(12,133,503)	(4,242,253)
Cash Flows from Investing Activities				
Purchase of Property, Plant and Equipment	(84,226)	(142,204)	(84,226)	(142,619)
Purchase of Intangible Assets	(194,575)	(126,408)	(194,575)	(126,408)
Proceeds from Sale of Property, Plant and Equipment and Intangible Assets	338	194	339	194
Net Cash (Used in)/from Investing Activities	(278,463)	(268,418)	(278,462)	(268,833)
Cash Flows from Financing Activities				
Receipt in Other Borrowed Funds	1,018,598	804,067	1,018,598	804,067
Repayment of Other Borrowed Funds	(4,655,518)	(6,674,156)	(4,655,518)	(6,674,156)
Repayment of Debentures	-	(3,500,000)	-	(3,500,000)
Operating Lease Rentals Paid	(347,682)	(315,585)	(283,979)	(259,120)
Interest Paid on Subordinated Debt	(24,212)	(327,256)	(24,212)	(327,256)
Dividends Paid to Equity Holders of the Parent	(918,710)	(180,448)	(918,710)	(180,448)
Net Cash (Used in)/from Financing Activities	(4,927,524)	(10,193,378)	(4,863,821)	(10,136,913)
Net Increase/(Decrease) in Cash and Cash Equivalents	(17,275,786)	(14,648,133)	(17,275,786)	(14,647,998)
Cash and Cash Equivalents at the Beginning of the Period	39,545,578	56,603,146	39,545,581	56,603,034
Cash and Cash Equivalents at the End of the Period	22,269,792	41,955,013	22,269,795	41,955,036
Reconciliation of Cash and Cash Equivalents				
Cash in Hand	9,677,238	9,690,909	9,677,241	9,690,932
Balances with Banks	7,836,272	30,688,739	7,836,272	30,688,739
Money at Call and Short Notice	5,826,915	2,068,933	5,826,915	2,068,933
Deposits from Other Banks	(1,070,633)	(493,568)	(1,070,633)	(493,568)
	22,269,792	41,955,013	22,269,795	41,955,036

(1) Product-wise Gross Loans and Advances

	Bank/Group	
	30.06.2024 LKR'000	31.12.2023 LKR '000 (Audited)
Domestic Currency		
Bills of Exchange	-	3,469
Trade Finance	65,538,278	67,997,103
Overdrafts	40,064,305	42,268,596
Term Loans	83,745,969	79,874,154
Staff Loans	3,615,714	3,477,105
Leases	23,867,694	23,943,559
Credit Cards	24,155,908	26,146,932
Pawning	1,741	1,741
Other Advances	262,917	262,917
	241,252,526	243,975,576
Foreign Currency		
Trade Finance	26,548,212	21,402,362
Overdrafts	3,127,978	3,307,939
Term Loans	25,746,185	23,889,095
	55,422,375	48,599,396
Total	296,674,901	292,574,972

(2) Product-wise Commitments and Contingencies

	Bank/Group	
	30.06.2024 LKR'000	31.12.2023 LKR '000 (Audited)
Domestic Currency		
Guarantees	1,037,640	708,684
Bonds	19,179,694	20,090,599
Acceptances	4,221,214	3,212,038
Letters of Credit	6,314,456	5,140,942
Forward Contracts to buy/sell -Fixed Income Securities	34,179	11,951,589
Undrawn Credit Lines	194,534,920	156,551,907
	225,322,103	197,655,759
Foreign Currency		
Guarantees	371,904	197,234
Bonds	1,163,142	2,527,122
Acceptances	909,027	972,766
Letters of Credit	871,531	692,346
Forward Exchange Contracts	95,275,257	88,647,390
Undrawn Credit Lines	24,217,400	26,049,287
	122,808,261	119,086,145
Total	348,130,364	316,741,904

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

	Bank/Group	
	30.06.2024 LKR'000	31.12.2023 LKR '000 (Audited)
Gross Loans and Advances, Commitments and Contingencies	644,805,265	609,316,876
(Less): Accumulated impairment under; (Note 3.1)		
Stage 1	(4,141,951)	(3,806,061)
Stage 2	(6,153,006)	(6,124,932)
Stage 3	(11,968,827)	(12,179,282)
Net Value of Loans and Advances, Commitments and Contingencies	622,541,481	587,206,601

(3.1) Movement in Impairment during the period*

	Bank/Group	
	2024 LKR'000	2023 LKR '000 (Audited)
Stage 1		
Opening balance as at 01 January	3,806,061	2,440,147
Charge/(Write back) to income statement	348,435	1,373,590
Write-off during the period	-	-
Effect on Change in Exchange rates	(12,545)	(7,676)
Closing balance	4,141,951	3,806,061
Stage 2		
Opening balance as at 01 January	6,124,932	6,983,159
Charge/(Write back) to income statement	62,630	(795,995)
Write-off during the period	-	-
Effect on Change in Exchange rates	(34,556)	(62,232)
Closing balance	6,153,006	6,124,932
Stage 3		
Opening balance as at 01 January	12,179,282	10,377,706
Charge/(Write back) to income statement	655,768	5,398,226
Write-off during the period	(866,223)	(3,596,650)
Effect on Change in Exchange rates	-	-
Closing balance	11,968,827	12,179,282

* 2024 reflects the figures for 6 months ended 30.06.2024 and 2023 reflects the figures for 12 months ended 31.12.2023.

NATIONS TRUST BANK PLC
ANALYSIS OF DEPOSITS



(4) Due to Depositors – By Product

	Bank		Group	
	30.06.2024 LKR'000	31.12.2023 LKR '000 (Audited)	30.06.2024 LKR'000	31.12.2023 LKR '000 (Audited)
Domestic Currency				
Demand Deposits	28,919,475	28,202,496	28,914,580	28,198,206
Savings Deposits	56,923,262	54,636,158	56,923,262	54,636,158
Time Deposits	156,981,343	149,180,435	156,981,343	147,419,921
	242,824,080	232,019,089	242,819,185	230,254,285
Foreign Currency				
Demand Deposits	4,022,890	6,465,710	4,022,890	6,465,710
Savings Deposits	16,723,192	19,297,722	16,723,192	19,297,722
Time Deposits	87,492,155	91,750,883	87,492,155	91,750,883
	108,238,237	117,514,315	108,238,237	117,514,315
Total	351,062,317	349,533,404	351,057,422	347,768,600

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 2023. 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 2024.

Financial Instruments Carried at Fair Value

Bank/Group	As at 30.06.2024				As at 31.12.2023 (Audited)			
	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
Financial Assets Measured at Fair Value								
Derivative Financial Instruments	-	413,560	-	413,560	-	3,660	-	3,660
Financial Assets at Fair Value through Profit or Loss	6,617,546	5,467,590	-	12,085,136	2,809,736	8,124,333	-	10,934,069
Financial Assets at Fair Value through Other Comprehensive Income	55,368,114	25,556,213	167,327	81,091,654	64,720,703	15,177,671	24,529	79,922,903
	61,985,660	31,437,363	167,327	93,590,350	67,530,439	23,305,664	24,529	90,860,632
Financial Liabilities								
Derivative Financial Instruments	-	384,804	-	384,804	-	658,707	-	658,707
	-	384,804	-	384,804	-	658,707	-	658,707

Fair Value of Financial Instruments Carried at Amortised Cost

Bank	As at 30.06.2024					As at 31.12.2023 (Audited)				
	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
Financial Assets										
Debt Instruments	91,386,640	34,032,394	71,374,508	-	105,406,902	97,357,849	39,459,011	67,973,263	-	107,432,274
Loans and Advances to Customers- Gross	296,674,901	-	298,749,491	-	298,749,491	292,574,972	-	291,467,645	-	291,467,645
	388,061,541	34,032,394	370,123,999	-	404,156,393	389,932,821	39,459,011	359,440,908	-	398,899,919
Financial Liabilities										
Due to Customers	351,062,317	-	352,663,546	-	352,663,546	349,533,404	-	348,296,525	-	348,296,525
Due to Other Borrowers	13,496,338	-	13,496,338	-	13,496,338	18,613,640	-	18,605,408	-	18,605,408
Debt Securities Issued	9,136,149	-	9,560,307	-	9,560,307	8,686,333	-	8,155,431	-	8,155,431
	373,694,804	-	375,720,191	-	375,720,191	376,833,377	-	375,057,364	-	375,057,364
Group										
Financial Assets										
Debt Instruments	91,386,640	34,032,394	71,374,508	-	105,406,902	97,357,849	39,459,011	67,973,263	-	107,432,274
Loans and Advances to Customers- Gross	296,674,901	-	298,749,491	-	298,749,491	292,574,972	-	291,467,645	-	291,467,645
	388,061,541	34,032,394	370,123,999	-	404,156,393	389,932,821	39,459,011	359,440,908	-	398,899,919
Financial Liabilities										
Due to Customers	351,057,422	-	352,658,652	-	352,658,652	347,768,600	-	346,531,722	-	346,531,722
Due to Other Borrowers	13,441,681	-	13,496,338	-	13,496,338	18,500,429	-	18,489,124	-	18,489,124
Debt Securities Issued	9,136,149	-	9,560,307	-	9,560,307	8,686,333	-	8,155,431	-	8,155,431
	373,635,252	-	375,715,297	-	375,715,297	374,955,362	-	373,176,277	-	373,176,277

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	
	30.06.2024	31.12.2023	30.06.2024	31.12.2023
Regulatory Capital (LKR '000)				
Common Equity Tier 1	50,773,991	51,747,926	52,708,560	53,681,235
Core (Tier 1) Capital	50,773,991	51,747,926	52,708,560	53,681,235
Total Capital Base	54,622,509	56,330,223	56,557,078	58,263,532
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (%) (Minimum Requirement - 7.00%)	16.04	17.52	16.62	18.14
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.50%)	16.04	17.52	16.62	18.14
Total Capital Ratio (%) (Minimum Requirement - 12.50%)	17.26	19.07	17.83	19.68
Leverage Ratio (Minimum Requirement - 3%)	9.91	9.72	10.29	10.08
Regulatory Liquidity				
Total Stock of High-Quality Liquid Assets (LKR '000)	169,393,742	150,385,533		
Liquidity Coverage Ratio (%) (Minimum Requirement: 100%)				
Ruppee	575.46	410.23		
All Currency	297.76	274.10		
Net Stable Funding Ratio (%) (Minimum Requirement : 100%)	155.84	158.59		
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio %	2.14	2.34		
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	56.09	55.30		
Profitability				
Interest Margin (%)	7.15	7.72		
Return on Assets (before tax) (%)	4.87	3.97	4.97	4.09
Return on Equity (%)	25.13	21.46	24.74	21.34
Net Assets Value Per Share (LKR)	204.48	184.42	211.65	191.25

Market Price Per Share (LKR)

	Voting		Non-Voting	
	30.06.2024 (Quarter ended)	31.12.2023 (Quarter ended)	30.06.2024 (Quarter ended)	31.12.2023 (Quarter ended)
Highest	135.75	110.00	156.00	110.00
Lowest	107.00	99.30	104.00	93.10
Last Traded Price	133.00	107.50	140.00	99.80

NATIONS TRUST BANK PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS



Bank	As at 30 June 2024				As at 31 December 2023 (Audited)			
	AC LKR '000	FVPL LKR '000	FVOCI LKR '000	Total LKR '000	AC LKR '000	FVPL LKR '000	FVOCI LKR '000	Total LKR '000
Financial Assets								
Cash and Cash Equivalents	23,335,640	-	-	23,335,640	40,179,820	-	-	40,179,820
Balances with Central Bank of Sri Lanka	2,330,365	-	-	2,330,365	2,683,927	-	-	2,683,927
Reverse Repurchase Agreements	-	-	-	-	1,502,215	-	-	1,502,215
Derivative Financial Instruments	-	413,560	-	413,560	-	3,660	-	3,660
Financial Assets Recognised through Profit or Loss – Measured at Fair Value	-	12,085,136	-	12,085,136	-	10,934,069	-	10,934,069
Financial Assets at Fair Value through Other Comprehensive Income	-	-	81,091,654	81,091,654	-	-	79,922,903	79,922,903
Financial Assets at Amortised Cost – Debt Instruments	91,386,640	-	-	91,386,640	97,357,849	-	-	97,357,849
Financial Assets at Amortised Cost – Loans and Advances	275,120,824	-	-	275,120,824	270,944,786	-	-	270,944,786
Total Financial Assets	392,173,469	12,498,696	81,091,654	485,763,819	412,668,597	10,937,729	79,922,903	503,529,229
Financial Liabilities								
Due to Banks	17,994,324	-	-	17,994,324	49,681,663	-	-	49,681,663
Derivative Financial Instruments	-	384,804	-	384,804	-	658,707	-	658,707
Financial Liabilities at Amortised Cost								
Due to Depositors	351,062,317	-	-	351,062,317	349,533,404	-	-	349,533,404
Repurchase Agreements	17,965,623	-	-	17,965,623	7,064,447	-	-	7,064,447
Due to Other Borrowers	13,496,338	-	-	13,496,338	18,613,640	-	-	18,613,640
Debt Securities Issued	9,136,149	-	-	9,136,149	8,686,333	-	-	8,686,333
Total Financial Liabilities	409,654,751	384,804	-	410,039,555	433,579,487	658,707	-	434,238,194

Group	As at 30 June 2024				As at 31 December 2023 (Audited)			
	AC LKR '000	FVPL LKR '000	FVOCI LKR '000	Total LKR '000	AC LKR '000	FVPL LKR '000	FVOCI LKR '000	Total LKR '000
Financial Assets								
Cash and Cash Equivalents	23,335,643	-	-	23,335,643	40,179,823	-	-	40,179,823
Balances with Central Bank of Sri Lanka	2,330,365	-	-	2,330,365	2,683,927	-	-	2,683,927
Reverse Repurchase Agreements	-	-	-	-	1,502,215	-	-	1,502,215
Derivative Financial Instruments	-	413,560	-	413,560	-	3,660	-	3,660
Financial Assets Recognised through Profit or Loss – Measured at Fair Value	-	12,085,136	-	12,085,136	-	10,934,069	-	10,934,069
Financial Assets at Fair Value through Other Comprehensive Income	-	-	81,091,654	81,091,654	-	-	79,922,903	79,922,903
Financial Assets at Amortised Cost – Debt Instruments	91,386,640	-	-	91,386,640	97,357,849	-	-	97,357,849
Financial Assets at Amortised Cost – Loans and Advances	275,120,824	-	-	275,120,824	270,944,786	-	-	270,944,786
Total Financial Assets	392,173,472	12,498,696	81,091,654	485,763,822	412,668,600	10,937,729	79,922,903	503,529,232
Financial Liabilities								
Due to Banks	17,994,324	-	-	17,994,324	49,681,663	-	-	49,681,663
Derivative Financial Instruments	-	384,804	-	384,804	-	658,707	-	658,707
Financial Liabilities at Amortised Cost								
Due to Depositors	351,057,422	-	-	351,057,422	347,768,600	-	-	347,768,600
Repurchase Agreements	15,565,127	-	-	15,565,127	6,631,325	-	-	6,631,325
Due to Other Borrowers	13,441,681	-	-	13,441,681	18,500,429	-	-	18,500,429
Debt Securities Issued	9,136,149	-	-	9,136,149	8,686,333	-	-	8,686,333
Total Financial Liabilities	407,194,703	384,804	-	407,579,507	431,268,350	658,707	-	431,927,057

Note

AC – Financial Instruments at Amortised cost

FVPL – Financial instruments measured at fair value through profit or loss

FVOCI – Financial instruments 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 30.06.2024 LKR '000	Balance as at 31.12.2023 (Audited) LKR '000	Market Values for the Quarter Ended 30.06.2024			Interest Rates		Interest Rate of Comparable Government Securities			Other Ratios as at Date of Last Trade	
							Highest	Lowest	Period End	Coupon Rate %	Effective Annual Yield %	30.06.2024 %	31.12.2023 %	As at Issue Date %	Interest Yield %	Yield to Maturity %
							LKR	LKR	LKR							
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	9.78	13.56	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	10.41	13.68	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	10.30	13.64	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	10.30	13.64	7.45	N/A	
Total Debentures					8,500,000	8,500,000										

Ratios of Debt	30.06.2024	31.12.2023
* Debt/Equity Ratio (%)	30.24	41.54
Interest Cover (Times)	12.61	7.38
Quick Asset Ratio (%)	120.03	120

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

NATIONS TRUST BANK PLC
SEGMENT INFORMATION



For the Six months ended 30 June	Banking		Treasury Functions		Others		Unallocated/ Eliminations		Total Group	
	2024 LKR '000	2023 LKR '000	2024 LKR '000	2023 LKR '000	2024 LKR '000	2023 LKR '000	2024 LKR '000	2023 LKR '000	2024 LKR '000	2023 LKR '000
Net Interest Income	6,327,597	7,148,784	11,696,901	10,356,509	122,409	164,051	(92,045)	75,431	18,054,862	17,744,775
Inter Segment	3,180,786	3,920,694	(3,180,786)	(3,920,694)	-	-	-	-	-	-
Total revenue from external customers	9,508,383	11,069,478	8,516,115	6,435,815	122,409	164,051	(92,045)	75,431	18,054,862	17,744,775
Net Fee and Commission Income	4,051,815	3,477,009	37,885	19,376	184,903	178,705	94,708	(134,003)	4,369,311	3,541,087
Net Gains/(Losses) from Trading	572,571	856,159	(1,179,151)	(4,460,096)	-	-	23,980	-	(582,600)	(3,603,937)
Net Fair Value Gains/(Losses) on Financial Assets at Fair Value through Profit or Loss	-	-	(183,565)	88,178	-	-	-	-	(183,565)	88,178
Net Gains/(Losses) on Derecognition of Financial Assets at Fair Value through Other Comprehensive Income	-	-	(142,456)	184,122	-	-	-	-	(142,456)	184,122
Net Other Operating Income/(Loss)	932,025	801,499	2,044,132	3,994,041	-	-	6,514	20,763	2,982,671	4,816,303
Operating Income	15,064,794	16,204,145	9,092,960	6,261,436	307,312	342,756	33,157	(37,809)	24,498,223	22,770,528
Impairment Charge/(Reversal)	1,071,034	2,958,077	(92,740)	2,176	-	-	-	-	978,294	2,960,253
Net Operating Income	13,993,760	13,246,068	9,185,700	6,259,260	307,312	342,756	33,157	(37,809)	23,519,929	19,810,275
Depreciation of Property, Plant and Equipment	93,167	98,491	3,301	3,275	9,603	9,800	12,944	12,950	119,015	124,516
Depreciation of Right of Use (ROU) Assets	193,213	194,665	-	-	2,817	2,817	-	-	196,030	197,482
Amortization of Intangible Assets	145,852	138,911	27,056	25,163	62	62	662	633	173,632	164,769
Capital Expenditures										
Property and Equipment	28,522	22,319	778	-	-	-	31,747	75,184	61,047	97,503
Other Intangible Assets	4,949	22,345	-	-	-	-	26,940	90,170	31,889	112,515
Total Assets (as at)	297,342,336	257,133,136	210,344,870	182,295,551	2,814,922	2,456,395	(11,817,609)	(9,744,020)	498,684,519	432,141,062
Total Liabilities (as at)	357,383,541	305,987,961	58,595,136	60,939,690	109,141	129,382	13,557,411	11,602,809	429,645,229	378,659,842

- (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 2023.
- (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 accrued.
- (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. 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 - Sri Lanka International Sovereign Bonds (SLISBs)

Sri Lanka International Sovereign Bonds (SLISBs) are classified under stage 2 in line with Banking Act Direction No. 14 of 2021,- Classification, Recognition and Measurement of Financial Assets Other than Credit Facilities in Licensed Banks.

The Bank considered the latest available information including the indicative terms of the debt restructuring exercise currently being undertaken by the Government of Sri Lanka in estimating the impairment provision of SLISB's as at 30 June 2024.

- (6) 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 31 December 2021, they have sought approval from CBSL to continue their shareholding.
- (7) The funds raised through debentures were fully utilized for the objectives mentioned in the prospectuses.
- (8) 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 2024

Name of the Shareholder	Voting Shares	
	No. of Shares	% holding
John Keells Holdings PLC	55,611,559	19.72
HWIC Asia Fund	42,296,993	15.00
Central Finance Company PLC A/C No 03	27,749,869	9.84
Mackinnons Keells Limited	27,527,718	9.76
Amaliya Private Limited	16,861,200	5.98
CF Insurance Brokers (Pvt) Ltd	13,978,215	4.96
CF Growth Fund Ltd A/C No.01	13,883,461	4.92
Thread Capital (Pvt) Ltd	10,499,827	3.72
J.B. Cocoshell (Pvt) Ltd	5,240,578	1.86
Hatton National Bank PLC A/C No 1	4,465,586	1.58
Mr. M.F. Hashim	2,961,174	1.05
Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund	2,641,267	0.94
Mr. G.B.D. Thilakarathne	2,384,465	0.85
Odyssey Capital Partners (Pvt) Ltd	1,700,000	0.60
Mr.N.R.Somaiya	1,592,354	0.56
Mr.M.A.Jafferjee	960,610	0.34
Capital Alliance PLC	903,274	0.32
Peoples Leasing & Finance PLC/ MRS. M.E.Amarasinghe	898,839	0.32
Deutsche Bank AG as Trustee For JB Vantage Value Equity Fund	800,213	0.28
Jafferjee Brothers Exports (Pvt)Ltd	784,954	0.28
	233,742,156	82.88
Others	48,235,201	17.12
Total	281,977,357	100.00

Name of the Shareholder	Non-Voting Shares	
	No. of Shares	% holding
John Keells Holdings PLC	18,283,973	41.35
Central Finance Company PLC A/C No 03	9,280,675	20.99
HWIC Asia Fund	6,635,552	15.00
Mackinnons Keells Limited	4,765,781	10.78
CF Insurance Brokers (Pvt) Ltd	2,420,000	5.47
CF Growth Fund Ltd A/C No.01	2,403,595	5.44
Mr. M. G. H. I. Jafferjee	160,039	0.36
The Incorporated Trustees of the Church of Ceylon	28,700	0.06
Mr. K.N.J. Balendra	22,479	0.05
Mr. S. J. Hirdaramani	20,872	0.05
Mr. D. C . Fernando	17,759	0.04
Vinik (Pvt) Ltd	14,609	0.03
People's Leasing & Finance PLC/Mr. A.B.K. Weeraman	12,000	0.03
Mr. J. B . Hirdaramani	11,959	0.03
Mr. K.O.V.S.M.S.Wijesinghe	8,274	0.02
Miss. T.T. Weerasinghe	7,303	0.02
Mr. H.P. Savindu	5,735	0.01
Miss N.R. Fonseka	4,832	0.01
Mr. K.S.N. Hirdaramani	4,781	0.01
Mr. A.K. Gunaratne	4,053	0.01
	44,112,971	99.76
Others	109,919	0.24
Total	44,222,890	100.00

	30.06.2024	
	Number	%
Number of shareholders representing the public holding (Voting)	6,410	35.79%
Number of shareholders representing the public holding (Non-Voting)	365	0.98%
Compliant under Option 1 - Float Adjusted Market Capitalization	Rs. 13.48 Bn	

Directors' Holding in Shares as at 30 June 2024

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