



YOUR PARTNER IN PROGRESS

## Interim Financial Statements

For the three months ended 31st March 2025

- Sets a strong foundation for robust growth
- Maintains strong capital buffers of over 800 bps against the regulatory requirement
- Asset quality continues to improve further with Net Stage 3 ratio at 1.82%
- Integrates the fully owned investment banking business under the group

HNB continued its growth trajectory in Q1 2025, recording a YoY growth of 49% in Group Profit After Tax (PAT) and a 64% growth in Bank PAT with Group and Bank PAT at Rs 11.1 Bn and Rs 10.2 Bn, respectively.

Bank's Net Interest Income (NII) grew by 7.7% YoY to Rs 23.7 Bn during the first quarter in the backdrop of lower interest rates compared to the corresponding period of 2024. Despite the loan book growing by Rs 159 Bn YoY, interest income recorded a drop of 14.4% YoY. Nevertheless, the interest expenses dropped at a higher rate of 27.1% YoY supported by a steady growth in CASA deposits, resulting in the growth in NII.

Net fee and commission income experienced a 17.0% YoY increase, largely driven by higher card usage and a surge in digital transactions, underscoring HNB's continued commitment to promoting a cashless economy. Additionally, other income comprising largely of exchange income surged to Rs 2.3 Bn, mainly due to the depreciation of the Sri Lankan rupee. From a loss of Rs 2.1 Bn recorded in the corresponding period of 2024.

Driven by the Bank's robust risk management framework and intensified recovery efforts, asset quality continued to show notable improvement. Reflecting the success of these initiatives, the Bank witnessed a positive movement in its stage 3 portfolio resulting in a total impairment reversal of Rs 379.7 Mn, compared to a charge of Rs 1.4 Bn in the corresponding period last year. Accordingly, the Net Stage 3 ratio improved to 1.82%, from 1.88% in December 2024, while the Stage 3 coverage ratio strengthened to 75.12%.

The total operating expenses rose by 13.5% YoY primarily driven by the increase in staff cost as a result of the realignment of compensation and the performance-based pay structure.

During the first quarter of 2025, the Bank's asset base surpassed Rs 2.1 Tn, reflecting a 3.4% expansion up to March 2025. Total gross loans and advances grew by Rs 14.4 Bn during the quarter, in contrast to the Rs 26.5 Bn contraction recorded in Q1 2024. Additionally, the Bank's deposit base grew by Rs 7.8 Bn, reaching Rs 1.72 Tn.

During the quarter, the Bank completed the acquisition of the remaining 50% stake in HNB Investment Bank from DFCC PLC and took part in HNB Finance PLC's rights issue—further solidifying its standing as the most diversified financial services conglomerate in the Country. Despite these strategic investments, the Bank maintained strong capital buffers with Tier 1 and Total Capital Adequacy ratios at 17.60% and 21.89%, respectively, well above the minimum statutory requirements of 9.5% and 13.5%. Additionally, the Bank maintained a strong liquidity position, with an all currency Liquidity Coverage Ratio of 364.49%, well above the regulatory minimum requirement of 100%.

Following the completion of the external debt restructuring program, Fitch Ratings Lanka Ltd upgraded HNB's credit rating to AA-(lka) as part of the rating recalibration in January 2025. In 2024, HNB was honoured as the 'No. 1 Corporate in Sri Lanka' in the 'Business Today Top 40' rankings. Other significant accolades include being named the 'Best Retail Bank in Sri Lanka' by The Asian Banker, marking the 15<sup>th</sup> occasion the Bank has received this coveted title.

INCOME STATEMENT						
	Bank			Group		
	For the 3 months ended 31st March			For the 3 months ended 31st March		
	2025	2024	Increase / (Decrease)	2025	2024	Increase / (Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
<b>Gross income</b>	58,784,320	62,352,602	(6)	71,489,159	71,926,490	(1)
Interest income	51,559,402	60,215,710	(14)	57,713,922	64,476,658	(10)
Less : Interest expenses	27,873,328	38,225,235	(27)	29,802,920	39,142,361	(24)
<b>Net interest income</b>	23,686,074	21,990,475	8	27,911,002	25,334,297	10
Fee and commission income	4,941,795	4,246,596	16	5,582,658	4,520,433	23
Less: Fee and commission expenses	141,125	142,567	(1)	234,343	178,731	31
<b>Net fee and commission income</b>	4,800,670	4,104,029	17	5,348,315	4,341,702	23
<b>Net interest, fee and commission income</b>	28,486,744	26,094,504	9	33,259,317	29,675,999	12
Net gains / (losses) from trading	489,552	(4,139,455)	112	712,833	(4,064,011)	118
Net gains from financial investments at fair value through other comprehensive income	402,296	329,411	22	452,895	365,175	24
Net insurance premium income	-	-	-	5,404,320	4,305,103	26
Net other operating income	1,391,275	1,700,340	(18)	1,622,531	2,323,132	(30)
<b>Total operating income</b>	30,769,867	23,984,800	28	41,451,896	32,605,398	27
Less: Impairment charge / (reversal) for loans and other losses	(379,712)	1,371,566	(128)	(194,307)	1,634,788	(112)
<b>Net operating income</b>	31,149,579	22,613,234	38	41,646,203	30,970,610	34
<b>Less : Operating expenses</b>						
Personnel expenses	5,646,132	4,643,374	22	7,110,934	5,779,862	23
Depreciation and amortisation	824,775	747,155	10	1,060,491	948,815	12
Benefits, claims and underwriting expenditure	-	-	-	5,821,172	4,730,653	23
Other expenses	4,733,245	4,477,033	6	6,106,615	5,831,368	5
<b>Total operating expenses</b>	11,204,152	9,867,562	14	20,099,212	17,290,698	16
<b>Operating profit before taxes on financial services</b>	19,945,427	12,745,672	56	21,546,991	13,679,912	58
Less : Taxes on financial services	4,324,105	2,943,909	47	4,678,111	3,071,258	52
<b>Operating profit after taxes on financial services</b>	15,621,322	9,801,763	59	16,868,880	10,608,654	59
Share of profit of associate/ joint venture (net of income tax)	-	-	-	198,353	633,678	(69)
<b>PROFIT BEFORE INCOME TAX</b>	15,621,322	9,801,763	59	17,067,233	11,242,332	52
Less: Income tax expense	5,392,026	3,564,453	51	6,011,933	3,821,959	57
<b>PROFIT FOR THE PERIOD</b>	10,229,296	6,237,310	64	11,055,300	7,420,373	49
Profit attributable to:						
Equity holders of the Bank	10,229,296	6,237,310	64	10,698,314	7,208,538	48
Non-controlling interests	-	-	-	356,986	211,835	69
<b>PROFIT FOR THE PERIOD</b>	10,229,296	6,237,310	64	11,055,300	7,420,373	49
<b>Earnings per share</b>						
Basic earnings per ordinary share (Rs)	17.89	10.91	64	18.71	12.61	48
Diluted earnings per ordinary share (Rs)	17.89	10.91	64	18.71	12.61	48

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME						
	Bank			Group		
	For the 3 months ended 31st March			For the 3 months ended 31st March		
	2025	2024	Increase / (Decrease)	2025	2024	Increase / (Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
<b>PROFIT FOR THE PERIOD</b>	10,229,296	6,237,310	64	11,055,300	7,420,373	49
<b>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</b>						
Change in fair value of investments in equity instruments designated at fair value through other comprehensive income	(468,489)	(203,502)	130	(468,489)	(203,502)	130
Revaluation gain on freehold land and buildings	-	-	-	65,817	-	-
Less: Tax expense relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
<b>Total other comprehensive income that will not be reclassified to profit or loss</b>	(468,489)	(203,502)	130	(402,672)	(203,502)	98
<b>Other comprehensive income that will be reclassified to profit or loss in subsequent periods</b>						
<b>Debt instruments at fair value through other comprehensive income :</b>						
Net gains / (losses) on investments in debt instruments measured at fair value through other comprehensive income	587,721	3,083,661	(81)	637,464	2,766,883	(77)
Reclassification of net gains / (losses) on de-recognition of debt instruments at fair value through other comprehensive income to income statement	-	-	-	(45,469)	-	-
Net change in expected credit losses of debt securities measured at fair value through other comprehensive income	88,057	-	-	88,057	-	-
Transfer to / (from) life policy holder reserve fund	-	-	-	(48,756)	(229,932)	(79)
Share of other comprehensive income of associate / joint venture that will be reclassified to profit or loss	-	-	-	(57,337)	(88,937)	(36)
Foreign Currency Conversion Adjustments	-	-	-	(20,763)	-	-
Less: Tax expense relating to items that will be reclassified to profit or loss	(176,316)	(925,098)	(81)	(173,189)	(926,671)	(81)
<b>Total other comprehensive income that will be reclassified to profit or loss</b>	499,462	2,158,563	(77)	380,007	1,521,344	(75)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	30,974	1,955,061	(98)	(22,665)	1,317,842	(102)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	10,260,270	8,192,371	25	11,032,635	8,738,215	26
Total comprehensive income attributable to:						
Equity holders of the Bank	10,260,269	8,192,371	25	10,697,935	8,745,693	22
Non-controlling interests	-	-	-	334,700	(7,478)	4,576
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	10,260,269	8,192,371	25	11,032,635	8,738,215	26

STATEMENT OF FINANCIAL POSITION						
	Bank			Group		
	As at 31.03.2025	As at 31.12.2024 (Audited)	Increase / (Decrease)	As at 31.03.2025	As at 31.12.2024 (Audited)	Increase / (Decrease)
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
<b>ASSETS</b>						
Cash and cash equivalents	52,113,869	63,356,259	(18)	52,882,209	64,065,041	(17)
Placements with banks	73,491,497	41,858,517	76	83,409,202	48,656,010	71
Balances with Central Bank of Sri Lanka	16,772,672	6,913,009	143	16,854,803	6,913,009	144
Reverse repurchase agreements	-	-	-	11,138,759	5,280,692	111
Derivative financial instruments	425,489	375,060	13	425,489	375,060	13
Financial assets measured at fair value through profit or loss	3,631,330	1,835,469	98	58,424,609	2,962,612	1,872
Financial assets measured at amortised cost - loans and advances to customers	1,078,106,343	1,063,675,345	1	1,124,653,036	1,104,013,319	2
Financial assets measured at amortised cost - debt and other financial instruments	755,847,992	741,761,201	2	791,229,744	770,020,546	3
Financial assets measured at fair value through other comprehensive income	98,531,667	96,309,470	2	114,665,372	112,407,299	2
Investment in joint venture	-	755,000	(100)	-	5,553,026	(100)
Investment in associate	-	-	-	5,818,404	-	-
Investment in subsidiaries	10,785,759	3,017,285	257	-	-	-
Investment properties	452,435	453,769	-	860,260	868,188	(1)
Property, plant and equipment	30,098,474	30,126,467	-	56,947,253	55,467,867	3
Right-of-use assets	4,798,724	4,512,346	6	2,770,777	2,302,947	20
Intangible assets and goodwill	1,311,681	1,322,941	(1)	2,988,105	1,808,753	65
Deferred tax assets	3,410,885	3,393,785	1	3,985,488	3,941,633	1
Other assets	20,187,649	18,872,133	7	29,264,506	24,537,698	19
<b>Total assets</b>	<b>2,149,966,466</b>	<b>2,078,538,056</b>	<b>3</b>	<b>2,356,318,016</b>	<b>2,209,173,700</b>	<b>7</b>
<b>LIABILITIES</b>						
Due to banks	11,982,724	6,595,571	82	12,829,538	6,595,571	95
Derivative financial instruments	453,603	1,573,417	(71)	453,603	1,573,417	(71)
Securities sold under repurchase agreements	71,710,711	26,486,104	171	124,623,420	26,486,104	371
Financial liabilities measured at amortised cost - due to depositors	1,723,271,845	1,715,484,127	-	1,760,150,046	1,750,259,233	1
Financial liabilities measured at amortised cost - other borrowings	19,190,121	19,740,135	(3)	21,975,448	19,742,152	11
Debt securities issued	-	-	-	447,543	448,108	-
Current tax liabilities	13,971,006	10,435,749	34	15,833,768	11,387,381	39
Deferred tax liabilities	-	-	-	6,801,691	6,731,283	1
Insurance provision - life	-	-	-	42,318,435	38,877,712	9
Insurance provision - non life	-	-	-	4,893,579	4,507,058	9
Other provisions	14,099,759	19,523,788	(28)	16,135,742	20,306,114	(21)
Other liabilities	33,283,313	19,045,663	75	41,342,770	22,542,909	83
Subordinated term debts	28,841,157	28,174,227	2	32,709,188	29,967,185	9
<b>Total liabilities</b>	<b>1,916,804,239</b>	<b>1,847,058,781</b>	<b>4</b>	<b>2,080,514,771</b>	<b>1,939,424,227</b>	<b>7</b>

STATEMENT OF FINANCIAL POSITION						
	Bank			Group		
	As at	As at	Increase / (Decrease)	As at	As at	Increase / (Decrease)
	31.03.2025	31.12.2024 (Audited)		31.03.2025	31.12.2024 (Audited)	
	Rs 000	Rs 000	%	Rs 000	Rs 000	%
<b>EQUITY</b>						
Stated capital	42,858,227	42,858,227	-	42,858,226	42,858,227	-
Statutory reserve fund	12,610,000	12,610,000	-	12,610,000	12,610,000	-
Retained earnings	78,659,711	77,316,202	2	93,163,321	91,384,909	2
Other reserves	99,034,289	98,694,846	-	114,898,730	114,507,771	-
<b>Total shareholders' equity</b>	<b>233,162,227</b>	<b>231,479,275</b>	<b>1</b>	<b>263,530,277</b>	<b>261,360,907</b>	<b>1</b>
Non-controlling interests	-	-	-	12,272,968	8,388,566	46
<b>Total equity</b>	<b>233,162,227</b>	<b>231,479,275</b>	<b>1</b>	<b>275,803,245</b>	<b>269,749,473</b>	<b>2</b>
<b>Total equity and liabilities</b>	<b>2,149,966,466</b>	<b>2,078,538,056</b>	<b>3</b>	<b>2,356,318,016</b>	<b>2,209,173,700</b>	<b>7</b>
Contingent liabilities and commitments	848,374,009	867,243,839	(2)	848,374,009	867,243,839	(2)
Net assets value per ordinary share (Rs.)	407.75	404.81	1	460.86	457.07	1
<b>Memorandum Information</b>						
Number of Employees	5,711	5,577				
Number of Customer Centers	254	254				

## CERTIFICATION

I certify that the above financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007 and give a true and fair view of the state of affairs of Hatton National Bank PLC and the Group as at 31st March 2025 and its profit for the period ended 31st March 2025.

-sgd-

**Anuradhi Delage**  
**Senior Vice President / Chief Financial Officer**  
**08th May 2025**

We the undersigned, being the Managing Director/Chief Executive Officer and the Chairman of Hatton National Bank PLC certify jointly that :

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

-sgd-

**Damith Pallewatte**  
**Managing Director/Chief Executive Officer**  
**08th May 2025**

-sgd-

**Nihal Jayawardena**  
**Chairman**  
**08th May 2025**

STATEMENT OF CHANGES IN EQUITY - BANK									
	Stated Capital		Statutory Reserve	Other Reserves					Total Equity
	Voting Shares	Non-Voting Shares		Capital Reserve	Fair value Reserve	Special Reserve	General Reserve	Retained Earnings	
For the 3 months ended 31st March 2025	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Balance as at 1st January 2025	35,072,240	7,785,987	12,610,000	17,240,454	11,805,828	9,548,564	60,100,000	77,316,202	231,479,275
Total comprehensive income for the period									
Net profit for the period	-	-	-	-	-	-	-	10,229,296	10,229,296
Other comprehensive income for the period, net of tax	-	-	-	-	30,974	-	-	-	30,974
Total comprehensive income for the period	-	-	-	-	30,974	-	-	10,229,296	10,260,270
Transactions with equity holders, recognised directly in equity									
Contributions by and distributions to equity holders									
Dividends to equity holders									
Final dividend 2024 - Cash	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)
Total contributions by and distributions to equity holders	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)
Transfers during the period	-	-	-	-	-	308,469	-	(308,469)	-
Balance as at 31st March 2025	35,072,240	7,785,987	12,610,000	17,240,454	11,836,802	9,857,033	60,100,000	78,659,711	233,162,227
	Stated Capital		Statutory Reserve	Other Reserves					Total Equity
	Voting Shares	Non-Voting Shares		Capital Reserve	Fair value Reserve	Special Reserve	General Reserve	Retained Earnings	
For the 3 months ended 31st March 2024	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Balance as at 1st January 2024	33,553,624	7,401,492	10,410,000	13,927,316	4,273,171	-	59,100,000	56,311,574	184,977,177
Total comprehensive income for the period									
Net profit for the period	-	-	-	-	-	-	-	6,237,310	6,237,310
Other comprehensive income for the period, net of tax	-	-	-	-	1,955,061	-	-	-	1,955,061
Total comprehensive income for the period	-	-	-	-	1,955,061	-	-	6,237,310	8,192,371
Transactions with equity holders, recognised directly in equity									
Contributions by and distributions to equity holders									
Dividends to equity holders									
Final dividend 2023 - Cash	-	-	-	-	-	-	-	(2,238,954)	(2,238,954)
Final dividend 2023 - Scrip	1,518,616	384,495	-	-	-	-	-	(2,238,954)	(335,843)
Total contributions by and distributions to equity holders	1,518,616	384,495	-	-	-	-	-	(4,477,908)	(2,574,797)
Transfers during the period	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2024	35,072,240	7,785,987	10,410,000	13,927,316	6,228,232	-	59,100,000	58,070,976	190,594,751

STATEMENT OF CHANGES IN EQUITY - GROUP														
	Stated Capital		Statutory Reserve	Other Reserves							Retained Earnings	Shareholders' Funds	Non Controlling Interests	Total Equity
	Voting Shares	Non-Voting Shares		Capital Reserve	General Reserve	Fair value Reserve	Special Reserve	Life Policy Holder Reserve Fund	Restricted Regulatory Reserve	Exchange Equalization Reserve				
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
For the 3 months ended 31st March 2025														
Balance as at 1st January 2025	35,072,240	7,785,986	12,610,000	32,325,287	60,100,000	11,649,447	9,548,564	201,549	381,156	301,767	91,384,909	261,360,905	8,388,566	269,749,471
Acquisition of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	3,130,321	3,130,321
Total comprehensive income for the period														
Net profit for the period	-	-	-	-	-	-	-	-	-	-	10,698,314	10,698,314	356,986	11,055,300
Other comprehensive income for the period, net of tax	-	-	-	27,748	-	5,987	-	-	-	-	(34,115)	(380)	(22,285)	(22,665)
Total comprehensive income for the period	-	-	-	27,748	-	5,987	-	-	-	-	10,664,199	10,697,934	334,701	11,032,635
Transactions with equity holders, recognised directly in equity														
Contributions by and distributions to equity holders														
Dividends to equity holders														
Final dividend 2024 - Cash	-	-	-	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)	(260,332)	(8,837,650)
Effect of right issue by subsidiary - HNB Finance PLC	-	-	-	-	-	-	-	-	-	-	-	-	679,712	679,712
Total contributions by and distributions to equity holders	-	-	-	-	-	-	-	-	-	-	(8,577,318)	(8,577,318)	419,380	(8,157,938)
Transfer from life policy holder reserve fund	-	-	-	-	-	-	-	48,756	-	-	-	48,756	-	48,756
Transfers during the period	-	-	-	-	-	-	308,469	-	-	-	(308,469)	-	-	-
Balance as at 31st March 2025	35,072,240	7,785,986	12,610,000	32,353,035	60,100,000	11,655,434	9,857,033	250,305	381,156	301,767	93,163,321	263,530,277	12,272,968	275,803,245

STATEMENT OF CHANGES IN EQUITY - GROUP														
	Stated Capital		Statutory Reserve	Other Reserves							Retained Earnings	Shareholders' Funds	Non Controlling Interests	Total Equity
	Voting Shares	Non-Voting Shares		Capital Reserve	General Reserve	Fair value Reserve	Special Reserve	Life Policy Holder Reserve Fund	Restricted Regulatory Reserve	Exchange Equalization Reserve				
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
For the 3 months ended 31st March 2024														
Balance as at 1st January 2024	33,553,624	7,401,492	10,410,000	28,493,417	59,100,000	4,069,473	-	10,983	381,156	568,207	68,251,694	212,240,046	7,316,735	219,556,781
Total comprehensive income for the period														
Net profit for the period	-	-	-	-	-	-	-	-	-	-	7,208,538	7,208,538	211,835	7,420,373
Other comprehensive income for the period, net of tax	-	-	-	-	-	1,537,155	-	-	-	-	-	1,537,155	(219,313)	1,317,842
Total comprehensive income for the period	-	-	-	-	-	1,537,155	-	-	-	-	7,208,538	8,745,693	(7,478)	8,738,215
Transactions with equity holders, recognised directly in equity														
Contributions by and distributions to equity holders														
Dividends to equity holders														
Final dividend 2023 - Cash	-	-	-	-	-	-	-	-	-	-	(2,238,954)	(2,238,954)	-	(2,238,954)
Final dividend 2023 - Scrip	1,518,616	384,495	-	-	-	-	-	-	-	-	(2,238,954)	(335,843)	-	(335,843)
Total contributions by and distributions to equity holders	1,518,616	384,495	-	-	-	-	-	-	-	-	(4,477,908)	(2,574,797)	-	(2,574,797)
Transfer to life policy holder reserve fund	-	-	-	-	-	-	-	229,932	-	-	-	229,932	-	229,932
Transfers during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2024	35,072,240	7,785,987	10,410,000	28,493,417	59,100,000	5,606,628	-	240,915	381,156	568,207	70,982,324	218,640,874	7,309,257	225,950,131



STATEMENT OF CASH FLOWS				
For the 3 months ended 31st March	Bank		Group	
	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Cash flows from operating activities</b>				
Interest receipts	50,050,299	59,781,604	55,780,811	63,840,993
Interest payments	(27,361,733)	(60,837,550)	(29,216,770)	(61,667,810)
Net commission receipts	4,823,022	4,055,705	5,370,667	4,293,377
Payments to employees	(6,700,800)	(5,595,091)	(8,250,186)	(6,731,579)
Taxes on financial services	(8,729,965)	(2,258,783)	(9,304,387)	(2,462,600)
Receipts / (loss) from other operating activities	3,722,300	(7,047,330)	9,603,711	(2,120,157)
Payments for other operating activities	(5,723,482)	(4,504,678)	(9,284,572)	(8,051,705)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>10,079,641</b>	<b>(16,406,123)</b>	<b>14,699,274</b>	<b>(12,899,481)</b>
<b>(Increase)/decrease in operating assets</b>				
Balances with Central Bank of Sri Lanka	(9,855,971)	983,468	(9,938,102)	983,468
Financial assets measured at amortised cost - loans and advances to customers	(13,766,263)	13,910,670	(19,818,158)	13,478,058
Reverse repurchase agreements	-	-	(5,858,066)	(2,782,781)
Other assets	(1,189,052)	(304,210)	(3,178,205)	(2,177,074)
	<b>(24,811,286)</b>	<b>14,589,928</b>	<b>(38,792,531)</b>	<b>9,501,671</b>
<b>Increase/(decrease) in operating liabilities</b>				
Financial liabilities measured at amortised cost - due to depositors	4,720,987	20,213,530	6,824,084	25,469,233
Financial liabilities measured at amortised cost - other borrowings	4,481,351	1,315,887	4,603,174	1,514,775
Securities sold under repurchase agreements	45,278,354	17,394,605	50,089,093	17,394,605
Other liabilities	6,463,805	1,080,946	10,791,556	2,117,101
	<b>60,944,497</b>	<b>40,004,968</b>	<b>72,307,907</b>	<b>46,495,714</b>
<b>Net cash generated from operating activities before income tax</b>	<b>46,212,852</b>	<b>38,188,773</b>	<b>48,214,650</b>	<b>43,097,904</b>
Income tax paid	(2,041,926)	(687,171)	(2,683,401)	(861,459)
<b>Net cash generated from operating activities</b>	<b>44,170,926</b>	<b>37,501,602</b>	<b>45,531,249</b>	<b>42,236,445</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(380,913)	(526,307)	(388,996)	(531,691)
Proceeds from the sale of property, plant and equipment	3	435	3	1,310
Net proceeds from sale, maturity and purchase of financial investments	(16,404,384)	(56,612,362)	(20,250,177)	(60,480,554)
Net purchase of intangible assets	(146,448)	(59,580)	(295,258)	(82,595)
Net cash effect on acquisition of subsidiary	(6,500,000)	-	(3,923,372)	-
Investment in Rights Issue of subsidiary	(513,474)	-	-	-
Dividends received from other investments	268,837	-	319,436	-
<b>Net cash used in investing activities</b>	<b>(23,676,379)</b>	<b>(57,197,814)</b>	<b>(24,538,364)</b>	<b>(61,093,530)</b>
<b>Cash flows from financing activities</b>				
Proceeds from the right issue from non-controlling interest	-	-	679,712	-
Debt securities issued	-	-	2,000,000	-
Dividend paid to shareholders of the parent company	(1,207)	-	(1,207)	-
<b>Net cash generated from / (used in) financing activities</b>	<b>(1,207)</b>	<b>-</b>	<b>2,678,505</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>20,493,340</b>	<b>(19,696,212)</b>	<b>23,671,390</b>	<b>(18,857,085)</b>
Cash and cash equivalents at the beginning of the period	105,261,283	129,139,730	112,769,278	135,595,289
<b>Cash and cash equivalents at the end of the period</b>	<b>125,754,623</b>	<b>109,443,518</b>	<b>136,440,668</b>	<b>116,738,204</b>
<b>Cash and cash equivalents at the end of the period</b>				
Cash and cash equivalents	52,215,250	74,950,234	52,983,590	76,057,954
Placements with banks	73,539,373	34,493,284	83,457,078	40,680,250
	<b>125,754,623</b>	<b>109,443,518</b>	<b>136,440,668</b>	<b>116,738,204</b>

### ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 31st March 2025	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Assets</b>				
Cash and cash equivalents	-	52,113,869	-	52,113,869
Placements with banks	-	73,491,497	-	73,491,497
Balances with Central Bank of Sri Lanka	-	16,772,672	-	16,772,672
Reverse repurchase agreements	-	-	-	-
Derivative financial instruments	425,489	-	-	425,489
Financial assets measured at fair value through profit or loss	3,631,330	-	-	3,631,330
Financial assets measured at amortised cost - loans and advances to customers	-	1,078,106,343	-	1,078,106,343
Financial assets measured at amortised cost - debt and other financial instruments	-	755,847,992	-	755,847,992
Financial assets measured at fair value through other comprehensive income	-	-	98,531,667	98,531,667
Other financial assets	-	5,046,907	-	5,046,907
<b>Total financial assets</b>	<b>4,056,819</b>	<b>1,981,379,280</b>	<b>98,531,667</b>	<b>2,083,967,766</b>
<b>Liabilities</b>				
Due to banks	-	11,982,724	-	11,982,724
Derivative financial instruments	453,603	-	-	453,603
Securities sold under repurchase agreements	-	71,710,711	-	71,710,711
Financial liabilities measured at amortised cost - due to depositors	-	1,723,271,845	-	1,723,271,845
Financial liabilities measured at amortised cost - other borrowings	-	19,190,121	-	19,190,121
Debt securities issued	-	-	-	-
Other financial liabilities	-	11,190	-	11,190
Subordinated term debts	-	28,841,157	-	28,841,157
<b>Total financial liabilities</b>	<b>453,603</b>	<b>1,855,007,748</b>	<b>-</b>	<b>1,855,461,351</b>

### ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 31st December 2024 (Audited)	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Assets</b>				
Cash and cash equivalents	-	63,356,259	-	63,356,259
Placements with banks	-	41,858,517	-	41,858,517
Balances with Central Bank of Sri Lanka	-	6,913,009	-	6,913,009
Derivative financial instruments	375,060	-	-	375,060
Financial assets measured at fair value through profit or loss	1,835,469	-	-	1,835,469
Financial assets measured at amortised cost - loans and advances to customers	-	1,063,675,345	-	1,063,675,345
Financial assets measured at amortised cost - debt and other financial instruments	-	741,761,201	-	741,761,201
Financial assets measured at fair value through other comprehensive income	-	-	96,309,470	96,309,470
Other financial assets	-	4,746,539	-	4,746,539
<b>Total financial assets</b>	<b>2,210,529</b>	<b>1,922,310,870</b>	<b>96,309,470</b>	<b>2,020,830,869</b>
<b>Liabilities</b>				
Due to banks	-	6,595,571	-	6,595,571
Derivative financial instruments	1,573,417	-	-	1,573,417
Securities sold under repurchase agreements	-	26,486,104	-	26,486,104
Financial liabilities measured at amortised cost - due to depositors	-	1,715,484,127	-	1,715,484,127
Financial liabilities measured at amortised cost - other borrowings	-	19,740,135	-	19,740,135
Debt securities issued	-	-	-	-
Other financial liabilities	-	10,466	-	10,466
Subordinated term debts	-	28,174,227	-	28,174,227
<b>Total financial liabilities</b>	<b>1,573,417</b>	<b>1,796,490,630</b>	<b>-</b>	<b>1,798,064,047</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 31st March 2025	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Assets</b>				
Cash and cash equivalents	-	52,882,209	-	52,882,209
Placements with banks	-	83,409,202	-	83,409,202
Balances with Central Bank of Sri Lanka	-	16,854,803	-	16,854,803
Reverse repurchase agreements	-	11,138,759	-	11,138,759
Derivative financial instruments	425,489	-	-	425,489
Financial assets measured at fair value through profit or loss	58,424,609	-	-	58,424,609
Financial assets measured at amortised cost - loans and advances to customers	-	1,124,653,036	-	1,124,653,036
Financial assets measured at amortised cost - debt and other financial instruments	-	791,229,744	-	791,229,744
Financial assets measured at fair value through other comprehensive income	-	-	114,665,372	114,665,372
Other financial assets	-	707,139	-	707,139
<b>Total financial assets</b>	<b>58,850,098</b>	<b>2,080,874,892</b>	<b>114,665,372</b>	<b>2,254,390,362</b>
<b>Liabilities</b>				
Due to banks	-	12,829,538	-	12,829,538
Derivative financial instruments	453,603	-	-	453,603
Securities sold under repurchase agreements	-	124,623,420	-	124,623,420
Financial liabilities measured at amortised cost - due to depositors	-	1,760,150,046	-	1,760,150,046
Financial liabilities measured at amortised cost - other borrowings	-	21,975,448	-	21,975,448
Debt securities issued	-	447,543	-	447,543
Other financial liabilities	-	6,769,349	-	6,769,349
Subordinated term debts	-	32,709,188	-	32,709,188
<b>Total financial liabilities</b>	<b>453,603</b>	<b>1,959,504,532</b>	<b>-</b>	<b>1,959,958,135</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 31st December 2024 (Audited)	Fair Value through Profit or Loss	Amortised Cost	Fair Value through Other Comprehensive Income	Total Carrying Amount
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Assets</b>				
Cash and cash equivalents	-	64,065,041	-	64,065,041
Placements with banks	-	48,656,010	-	48,656,010
Balances with Central Bank of Sri Lanka	-	6,913,009	-	6,913,009
Reverse repurchase agreements	-	5,280,692	-	5,280,692
Derivative financial instruments	375,060	-	-	375,060
Financial assets measured at fair value through profit or loss	2,962,612	-	-	2,962,612
Financial assets measured at amortised cost - loans and advances to customers	-	1,104,013,319	-	1,104,013,319
Financial assets measured at amortised cost - debt and other financial instruments	-	770,020,546	-	770,020,546
Financial assets measured at fair value through other comprehensive income	-	-	112,407,299	112,407,299
Other financial assets	-	8,414,670	-	8,414,670
<b>Total financial assets</b>	<b>3,337,672</b>	<b>2,007,363,287</b>	<b>112,407,299</b>	<b>2,123,108,258</b>
<b>Liabilities</b>				
Due to banks	-	6,595,571	-	6,595,571
Derivative financial instruments	1,573,417	-	-	1,573,417
Securities sold under repurchase agreements	-	26,486,104	-	26,486,104
Financial liabilities measured at amortised cost - due to depositors	-	1,750,259,233	-	1,750,259,233
Financial liabilities measured at amortised cost - other borrowings	-	19,742,152	-	19,742,152
Debt securities issued	-	448,108	-	448,108
Other financial liabilities	-	4,190,120	-	4,190,120
Subordinated term debts	-	29,967,185	-	29,967,185
<b>Total financial liabilities</b>	<b>1,573,417</b>	<b>1,837,688,473</b>	<b>-</b>	<b>1,839,261,890</b>

## EXPLANATORY NOTES

1. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2024.
2. There are no material changes during the period in the composition of assets, liabilities and contingent liabilities and use of funds raised through debentures. All known expenditure items have been provided for.
3. These interim financial statements are presented in accordance with Sri Lanka Accounting Standard (LKAS 34) “Interim Financial Reporting” and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
4. **ECL Assessment and computation**

The Bank reassessed the Probabilities of Default (PD) used in collective impairment assessment during the quarter ended 31<sup>st</sup> March 2025. Management overlays have been recognised in respect of exposures to specific industries where an elevated level of risk have been identified. The Bank has made adequate provisions for expected credit losses in the financial statements as at 31<sup>st</sup> March 2025 to ensure that the potential impact to its loan portfolio is adequately covered. The Board will continue to monitor the implications and make adjustments, if required.
5. Bank re-classified its debt securities portfolio measured at Fair Value Through Other Comprehensive Income category to Amortised Cost category with effect from 1<sup>st</sup> April 2022 in accordance with “Statement of Alternative Treatment (SoAT) on Reclassification of Debt Portfolio” issued by CA Sri Lanka. Accordingly, Treasury Bills and Treasury Bonds investments which were previously classified as financial assets measured at Fair Value Through Other Comprehensive Income (FVOCI) were re-classified as financial assets measured at amortised cost. There was no change to the effective interest rate used and interest revenue recognised in respect of the reclassified assets.

Had these investments continued to be carried at fair value through other comprehensive income, the fair value of the remaining portfolio as at 31<sup>st</sup> March 2025 would have amounted to Rs 5.5 Bn and would have resulted in the recognition of a fair value loss of Rs 315 Mn (net of tax) in other comprehensive income during the period.
6. Where required, figures on the audited annual financial statements have been reclassified to conform to Central Bank of Sri Lanka publication requirements.
7. **Reporting entity**

The Bank does not have an identifiable parent of its own. Hatton National Bank PLC is the ultimate parent of the Group. The consolidated financial statements of the Bank cover the Bank and its subsidiaries, HNB Assurance PLC, Sithma Development (Pvt) Ltd, HNB Finance PLC & HNB Investment Bank (Pvt) Ltd.

On January 21, 2025, HNB PLC acquired 75,500,001 ordinary voting shares, representing a 50% stake held by DFCC Bank PLC in Acuity Partners (Pvt) Ltd, for a consideration of Rs 6.5 Bn. This

transaction was completed after obtaining approvals from the Central Bank of Sri Lanka and the Securities and Exchange Commission of Sri Lanka. Following this acquisition, Acuity Partners (Pvt) Ltd has become a wholly-owned subsidiary of HNB PLC and was subsequently rebranded as HNB Investment Bank (Pvt) Ltd.

8. Utilization of funds raised via capital markets

8.1 Utilization of funds raised from debenture issue 2024

Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus	Proposed date of utilization as per Prospectus	Amount allocated from proceeds	% of total proceeds	Amount utilized	% of utilisation against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	To strengthen the Tier 2 capital base of the Bank in line with the BASEL III accord	Rs 12 Bn	27. 08. 2024	Rs 12 Bn	100%	Rs 12 Bn	100%	Fully utilised
2	To facilitate future expansion of business activities of the Bank	Rs 12 Bn	27. 08. 2025	Rs 12 Bn	100%	Rs 12 Bn	100%	Fully utilised

8.2 The funds raised through debentures previously issued were fully utilized for the objectives mentioned in the respective prospectuses.

9. **Dividend**

The Shareholders of the Bank at the Annual General Meeting held on 27th March 2025 approved a final cash Dividend of Rs 15/- per share on both voting and non-voting shares of the Bank, for the financial year 2024. The Bank has recognized the dividend payable amounting to Rs 8,577 Mn for the approved final dividend in its Financial Statements as at 31st March 2025. The dividend distribution took place in April 2025.

10. There are no material events that took place after the balance sheet date which require adjustment or disclosure in the financial statements other than item disclosed 11 below.

11. Resignation of Director

Mr. Wanniarachchi Mudiyansele Madura Duminda Rathnayake, has tendered his letter of resignation from the office of the Director of Hatton National Bank PLC w.e.f 30th May 2025 due to personal reasons. The Board of Directors at its meeting held on 30th April 2025 has accepted the resignation with effect from 30th May 2025.

SEGMENT REPORTING																						
For the 3 months ended 31st March	Corporate		Retail		SME		Micro		Treasury		Real Estate		Insurance		Investment Banking		NBFI*		Eliminations / Unallocated		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Net interest income	3,734,680	4,541,460	7,348,429	9,762,453	3,399,400	3,745,298	590,884	451,274	9,416,162	5,572,281	29,873	77,815	1,925,832	1,861,366	653,426	-	1,472,208	1,255,411	(659,892)	(1,933,061)	27,911,002	25,334,297
Foreign exchange income	125,962	1,483,116	319,440	374,932	183,912	178,180	10,532	2,082	153,465	(1,911,084)	-	-	-	-	-	-	-	-	683,231	(2,812,329)	1,476,542	(2,685,103)
Net fee and commission income	1,356,146	1,109,946	2,270,317	2,066,953	1,183,353	869,694	162,395	66,678	1,645	2,977	-	-	169,894	132,875	104,376	-	282,338	112,488	(182,149)	(19,909)	5,348,315	4,341,702
Other operating income / (loss)	-	-	-	-	-	-	-	-	39,346	178,022	266,323	266,497	5,753,306	4,599,889	244,116	-	597,857	563,574	(184,911)	6,520	6,716,037	5,614,502
Total operating income / (loss)	5,216,788	7,134,522	9,938,186	12,204,338	4,766,665	4,793,172	763,811	520,034	9,610,618	3,842,196	296,196	344,312	7,849,032	6,594,130	1,001,918	-	2,352,403	1,931,473	(343,721)	(4,758,779)	41,451,896	32,605,398
Impairment charge / (reversal) for loans and other losses	(782,194)	(2,567,796)	164,474	1,144,538	301,527	1,559,126	(222,116)	97,189	179,440	1,138,509	-	-	(1,771)	-	-	-	187,176	263,222	(20,843)	-	(194,307)	1,634,788
Net operating income / (loss)	5,998,982	9,702,318	9,773,712	11,059,800	4,465,138	3,234,046	985,927	422,845	9,431,178	2,703,687	296,196	344,312	7,850,803	6,594,130	1,001,918	-	2,165,227	1,668,251	(322,878)	(4,758,779)	41,646,203	30,970,610
Profit from operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,868,880	10,608,654
Share of profit of joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	198,353	633,678
Less: Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,011,933	3,821,959
Less: Non - controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	356,986	211,835
Net Profit for the year attributable to equity holders of the Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,698,314	7,208,538
As at 31st March	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Segment assets	594,945,741	490,906,032	283,062,243	269,848,577	186,391,018	163,394,757	36,081,947	26,559,293	862,417,160	815,258,297	11,382,907	11,760,849	68,097,556	55,465,254	75,168,976	-	58,343,029	52,874,568	174,609,036	172,912,083	2,275,330,636	2,058,979,710
Investment in associate / joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,818,404	5,019,531	5,818,403	5,019,531
Total assets	594,945,741	490,906,032	283,062,243	269,848,577	186,391,018	163,394,757	36,081,947	26,559,293	862,417,160	815,258,297	11,382,907	11,760,849	68,097,556	55,465,254	75,168,976	-	58,343,029	52,874,568	180,427,440	177,931,614	2,356,318,016	2,063,999,241
Segment liabilities	293,950,201	253,031,831	1,063,796,427	952,177,561	296,163,590	275,594,215	33,787,452	28,510,443	81,060,079	104,161,183	11,382,907	11,760,849	68,097,556	55,465,254	75,168,976	-	58,343,028	52,874,568	374,567,801	330,423,336	2,356,318,016	2,063,999,241
Total liabilities	293,950,201	253,031,831	1,063,796,427	952,177,561	296,163,590	275,594,215	33,787,452	28,510,443	81,060,079	104,161,183	11,382,907	11,760,849	68,097,556	55,465,254	75,168,976	-	58,343,028	52,874,568	374,567,801	330,423,336	2,356,318,016	2,063,999,241
For the 3 months ended 31st March	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Information on cash flows																						
Cash flows from operating activities	(131,675,557)	15,392,428	47,991,069	15,789,919	(1,164,633)	760,971	3,313,059	1,721,579	61,864,233	15,582,637	110,910	134,900	1,670,946	675,860	-	-	(800,170)	(6,988,275)	64,221,391	(833,574)	45,531,249	42,236,445
Cash flows from investing activities	-	-	-	-	-	-	-	-	(16,404,384)	(56,612,362)	70,461	35,156	(1,221,126)	(291,255)	-	-	876,110	(3,476,255)	(7,859,425)	(748,814)	(24,538,364)	(61,093,530)
Cash flows from financing activities	-	-	-	-	-	-	-	-	-	-	(181,706)	(6,694)	(41,698)	(60,545)	-	-	(44,865)	(1,795,825)	2,946,774	1,863,064	2,678,505	-
Net cash flow generated / (used in) during the year	(131,675,557)	15,392,428	47,991,069	15,789,919	(1,164,633)	760,971	3,313,059	1,721,579	45,459,849	(41,029,725)	(335)	163,362	408,122	324,060	-	-	31,076	(12,260,355)	59,308,740	280,676	23,671,390	(18,857,085)
Capital expenditure																						
– Property, plant and equipment																					388,996	531,691
– Intangible assets																					295,258	82,595
Total Capital Expenditure																					684,254	614,286
* Business of HNB Finance PLC.																						

### SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

	As at 31.03.2025	As at 31.12.2024	As at 31.03.2025	As at 31.12.2024
	Bank		Group	
<b>BASEL III</b>				
<b>Regulatory Capital Adequacy</b>				
Common Equity Tier 1. Rs. Mn	175,591	190,812	219,534	219,579
Tier 1 Capital. Rs. Mn	175,591	190,812	219,534	219,579
Total Capital. Rs. Mn	218,359	233,314	263,496	262,769
<b>Regulatory Capital Ratios</b>				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 2025 - 8.00%: 2024 - 8.00%)	17.60%	19.59%	20.02%	20.64%
Tier 1 Capital Ratio (Minimum Requirement - 2025 - 9.50%: 2024 - 9.50%)	17.60%	19.59%	20.02%	20.64%
Total Capital Ratio (Minimum Requirement 2025 - 13.50%: 2024 - 13.50%)	21.89%	23.96%	24.02%	24.70%
Leverage Ratio (Minimum Requirement- 3.00%)	6.94%	7.93%	7.85%	8.64%
<b>Assets Quality (Quality of Loan Portfolio)</b>				
Impaired Loans (Stage 3) Ratio, %*	1.82%	1.88%		
Impairment (Stage 3) to Stage 3 loans Ratio, %*	75.12%	74.42%		
<b>Income and Profitability</b>				
Interest Margin, %	4.48%	4.86%		
Return on Assets (before Tax), %	2.96%	4.03%		
Return on Equity, %	17.61%	20.40%		
Cost to Income, %	36.41%	66.04%		
<b>Regulatory Liquidity</b>				
Liquidity Coverage Ratio (%) - Rupee	297.51%	292.61%		
(Minimum Requirement - 2025 - 100%, 2024 - 100%)				
Liquidity Coverage Ratio (%) - All Currency	364.49%	331.49%		
(Minimum Requirement - 2025 - 100%, 2024 - 100%)				
Net Stable Funding Ratio(Minimum Requirement - 2025 - 100%, 2024 - 100%)	160.49%	161.18%		
Credit Rating	AA-(Ika)	A(Ika)		

\*Including Undrawn Portion of Credit

# LISTED DEBENTURE INFORMATION

Quarter ended 31st March	Market Value				Last traded price		Interest Yield as at Last Trade Done		
	2025		2024		2025	2024	Quarter ended 31st March	2025	2024
	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Rs.	Rs.		%	%
<b>HNB DEBENTURES 2006</b>							<b>HNB DEBENTURES 2006</b>		
18 year Fixed Rate (11.25% p.a.)	N/A	N/A	N/T	N/T	N/A	N/T	18 year Fixed Rate (11.25% p.a.)	N/A	N/T
<b>HNB DEBENTURES 2014</b>							<b>HNB DEBENTURES 2014</b>		
10 year Fixed Rate (8.33% p.a.)	N/A	N/A	N/T	N/T	N/A	N/T	10 year Fixed Rate (8.33% p.a.)	N/A	N/T
<b>HNB DEBENTURES 2019</b>							<b>HNB DEBENTURES 2019</b>		
5 year Fixed Rate (12.30% p.a.)	N/A	N/A	N/T	N/T	N/A	N/T	5 year Fixed Rate (12.30% p.a.)	N/A	N/T
7 year Fixed Rate (12.80% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	7 year Fixed Rate (12.80% p.a.)	N/T	N/T
<b>HNB DEBENTURES 2021</b>							<b>HNB DEBENTURES 2021</b>		
10 year Fixed Rate (9.50% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	10 year Fixed Rate (9.50% p.a.)	N/T	N/T
<b>HNB DEBENTURES 2024</b>							<b>HNB DEBENTURES 2024</b>		
5 year Fixed Rate (13.00% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	5 year Fixed Rate (13.00% p.a.)	N/T	N/A
5 year Fixed Rate (12.60% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	5 year Fixed Rate (12.60% p.a.)	N/T	N/A
7 year Fixed Rate (13.25% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	7 year Fixed Rate (13.25% p.a.)	N/T	N/A
10 year Fixed Rate (13.50% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	10 year Fixed Rate (13.50% p.a.)	N/T	N/A
N/T – Not Traded as at 31st March, N/A – Not Applicable as at 31st March							N/T – Not Traded as at 31st March, N/A – Not Applicable as at 31st March		
							Yield to Maturity of Last Trade Done (% p.a)		
							<b>Quarter ended 31st March</b>	<b>2025</b>	<b>2024</b>
								%	%
							<b>HNB DEBENTURES 2006</b>		
							18 year Fixed Rate (11.25% p.a.)	N/A	N/T
							<b>HNB DEBENTURES 2014</b>		
							10 year Fixed Rate (8.33% p.a.)	N/A	N/T
							<b>HNB DEBENTURES 2019</b>		
							5 year Fixed Rate (12.30% p.a.)	N/A	N/T
							7 year Fixed Rate (12.80% p.a.)	N/T	N/T
							<b>HNB DEBENTURES 2021</b>		
							10 year Fixed Rate (9.50% p.a.)	N/T	N/T
							<b>HNB DEBENTURES 2024</b>		
							5 year Fixed Rate (13.00% p.a.)	N/T	N/A
							5 year Fixed Rate (12.60% p.a.)	N/T	N/A
							7 year Fixed Rate (13.25% p.a.)	N/T	N/A
							10 year Fixed Rate (12.50% p.a.)	N/T	N/A
							N/T – Not Traded as at 31st March, N/A – Not Applicable as at 31st March		

RATIOS OF DEBT		
	31.03.2025	31.12.2024
Debt Equity Ratio (%)	16.62	16.85
	31.03.2025	31.03.2024
Interest Cover (Times)	15.01	12.16
	31.03.2025	31.03.2024
<b>Yield of Comparable Govt. Securities for the following HNB Debentures (% p.a.)</b>		
2006 series 18 year maturity	N/A	N/A
2014 series 10 year maturity	N/A	N/A
2019 series 5 year maturity	N/A	10.13
2019 series 7 year maturity	8.52	11.02
2021 series 10 year maturity	10.56	12.52
2024 series 5 year maturity	10.21	N/A
2024 series 5 year maturity	10.21	N/A
2024 series 7 year maturity	10.56	N/A
2024 series 10 year maturity	11.34	N/A



## SHARE INFORMATION

As at	31-Mar-25	31-Dec-24
<b>Number of Shares</b>		
Voting	455,968,474	455,968,474
Non-voting	115,852,722	115,852,722
<b>Last Traded Price per share</b>		
Voting	305.00	319.75
Non-voting	255.25	256.75

For the Quarter Ended	31-Mar-25	31-Dec-24
<b>Highest price per share</b>		
Voting	362.00	324.00
Non-voting	305.00	264.50
<b>Lowest price per share</b>		
Voting	299.00	203.00
Non-voting	238.00	165.00

## PUBLIC SHAREHOLDING PERCENTAGE

	31-Mar-25	
	Number	%
Number of shareholders representing the public holding (Voting)	10,213	69%
Number of shareholders representing the public holding (Non Voting)	11,654	99%
Compliant under Option 1 - Float Adjusted Market Capitalization	Rs. 95.96 Bn	

## DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDING

	Number of shares		Type of Directorship
	31-Mar-25	31-Dec-24	
1. Mr. K. V. N. Jayawardene PC (Chairman)	-	-	Non-Independent / Non-Executive
2. Mr. P. G. D. B. Pallewatte (Managing Director / Chief Executive Officer)	-	-	Executive
3. Mr. W.M.M.D. Ratnayake	-	-	Independent / Non-Executive
4. Mr. M.P.D.Cooray	9,491	9,491	Independent / Non-Executive
5. Mr. P.R. Saldin	3,505	3,505	Non-Independent / Non-Executive
6. Mr. K. A. K. P. Gunawardena	-	-	Non-Independent / Non-Executive
7. Mr. G. B. R. P. Gunawardana	26,261	26,261	Independent / Non-Executive
8. Dr. T.K.D.A.P Samarasinghe	-	-	Non-Independent / Non-Executive
9. Mr. M. N. R. Fernando	-	-	Independent / Non-Executive
10. Mr. S. Renganathan	-	-	Independent / Non-Executive
11. Mr. S. K. Shah	-	-	Independent / Non-Executive
12. Ms. Dilani Champika Alagaratnam Goonatilleke (Appointed as Director on 31.01.2025)	-	-	Independent / Non-Executive

**20 MAJOR SHAREHOLDERS (VOTING) OF HNB PLC  
AS AT 31ST MARCH 2025**

	Name	No. of Shares	% on voting capital
1.	BROWNS INVESTMENTS PLC (CONSISTING OF SAMPATH BANK PLC/ BROWNS INVESTMENTS PLC & BROWNS INVESTMENTS PLC ACCOUNTS)	45,529,714	9.99
2.	EMPLOYEE'S PROVIDENT FUND	44,443,363	9.75
3.	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	37,696,270	8.27
4.	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	36,055,836	** 7.91
5.	STASSEN EXPORTS (PVT) LIMITED	31,252,000	** 6.85
6.	SONETTO HOLDINGS LIMITED	22,410,383	4.91
7.	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	19,366,354	4.25
8.	NATIONAL SAVINGS BANK	14,648,066	3.21
9.	MR. H.H. ABDULHUSEIN	14,000,000	3.07
10.	DISTILLERIES COMPANY OF SRI LANKA PLC	13,982,540	* 3.07
11.	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	13,483,788	2.96
12.	MR. Y.S.H.I. SILVA	12,433,480	2.73
13.	STANDARD CHARTERED BANK SINGAPORE S/A HL BANK SINGAPORE BRANCH	8,558,121	1.88
14.	FIRST CAPITAL HOLDINGS PLC	7,600,000	1.67
15.	MR. Y.S.H.R.S. SILVA	5,782,858	1.27
16.	SIMONAS TRUST SERVICE PVT LTD	4,640,728	1.02
17.	JANASHAKTHI INSURANCE PLC - SHAREHOLDERS	4,220,000	0.93
18.	GALLE FACE CAPITAL PARTNERS PLC	3,500,000	0.77
19.	STAR PACKAGING (PVT) LTD	2,500,000	0.55
20.	DFCC BANK PLC A/C NO.02	2,133,352	0.47

\*Pursuant to the provisions of the Banking Act Directions No. 1 of 2007, the total collective voting rights in the Bank, of Milford Exports (Ceylon) Limited, Stassen Exports Limited and Distilleries Company of Sri Lanka (who collectively hold 17.83% of the voting shares of the Bank) are limited to 10% of the total voting rights of the Bank with effect from 15th March 2012 as the voting rights in excess of such percentage is deemed invalid from that date.

**20 MAJOR SHAREHOLDERS (NON-VOTING) OF HNB PLC  
AS AT 31ST MARCH 2025**

	Name	No. of Shares	% on non voting capital
1.	BROWNS INVESTMENTS PLC (CONSISTING OF SAMPATH BANK PLC/BROWNS INVESTMENTS PLC & BROWNS INVESTMENTS PLC ACCOUNTS)	53,140,789	45.87
2.	ACUITY PARTNERS (PVT) LIMITED/MR.ELAYATHAMBY THAVAGNANASOORIYAM / MR.ELAYATHAMBY THAVAGNANASUNDARAM	5,143,513	4.44
3.	AKBAR BROTHERS PVT LTD A/C NO 1	5,119,308	4.42
4.	SABOOR CHATOOR (PVT) LTD	930,000	0.80
5.	PEOPLE'S LEASING & FINANCE PLC/MR. I.D.R. PERERA	862,821	0.74
6.	HATTON NATIONAL BANK PLC A/C NO 2 - (EMPLOYEES PROVIDENT FUND)	833,694	0.72
7.	MR. E. CHATOOR	800,000	0.69
8.	EMPLOYEES TRUST FUND BOARD	778,775	0.67
9.	SENKADAGALA FINANCE PLC / E.THAWAGNANASUNDARAM	581,539	0.50
10.	MR. Y.H. ABDULHUSSEIN	517,397	0.45
11.	MISS R.H. ABDULHUSSEIN	509,800	0.44
12.	DFCC BANK PLC A/C 2	469,190	0.43
13.	E.W. BALASURIYA & CO. (PVT) LTD ACC NO 01	491,050	0.42
14.	MR. S.E. CAPTAIN	487,824	0.42
15.	MR. M.J. FERNANDO (DECEASED)	474,289	0.41
16.	DR. R.D. BANDARANAIKE / MRS. A.D. BANDARANAIKE (J)	448,373	0.39
17.	DFCC BANK PLC A/C 1	435,463	0.38
18.	LANKA SYNTHETIC FIBRE CO LTD	422,039	0.36
19.	MR. M.V. THEAGARAJAH / MRS. L. THEAGARAJAH	386,026	0.33
20.	BANK OF CEYLON - NO 2 A/C (BOC PTF)	362,641	0.31

ANALYSIS OF LOANS & ADVANCES AND IMPAIRMENT				
As at	Bank		Group	
	31.03.2025 Rs 000	31.12.2024 Rs 000	31.03.2025 Rs 000	31.12.2024 Rs 000
<b>1) Gross loans and advances to customers</b>	1,174,147,453	1,159,740,459	1,227,361,770	1,206,782,185
Less : Accumulated impairment under stage 1	9,562,729	9,924,864	8,780,965	10,477,990
Accumulated impairment under stage 2	8,286,695	8,383,867	8,586,895	8,897,502
Accumulated impairment under stage 3	78,191,686	77,756,383	85,340,874	83,393,374
<b>Net loans and advances to customers</b>	<b>1,078,106,343</b>	<b>1,063,675,345</b>	<b>1,124,653,036</b>	<b>1,104,013,319</b>
<b>Product-wise Gross loans and advances to customers</b>				
<b>By product-Domestic Currency</b>				
Overdrafts	131,315,066	124,849,956	130,898,910	124,624,950
Bills of exchange	578,895	358,205	578,895	358,205
Commercial papers	245,970	242,634	245,970	242,634
Credit Cards	20,483,721	20,581,153	20,483,721	20,581,153
Trust receipts	32,964,175	29,276,080	32,964,175	29,276,080
Packing credit loans	10,107,649	8,385,343	10,107,649	8,385,343
Staff loans	21,615,190	20,371,999	21,970,953	20,757,747
Term loans	583,416,585	573,456,540	601,280,040	588,383,078
Lease rentals receivable	83,407,010	81,136,319	109,905,463	104,758,599
Housing loans	58,248,870	55,731,372	58,248,870	55,731,372
Pawning advances	82,801,701	80,249,186	91,714,503	88,581,352
<b>Sub total</b>	<b>1,025,184,832</b>	<b>994,638,787</b>	<b>1,078,399,149</b>	<b>1,041,680,513</b>
<b>By product-Foreign Currency</b>				
Overdrafts	3,265,377	4,560,295	3,265,377	4,560,295
Bills of exchange	1,424,721	1,332,285	1,424,721	1,332,285
Trust receipts	2,446,129	3,172,138	2,446,129	3,172,138
Packing credit loans	24,036,857	26,935,578	24,036,857	26,935,578
Term loans	116,142,311	127,474,279	116,142,311	127,474,279
Lease rentals receivable	174,905	184,493	174,905	184,493
Housing loans	1,472,321	1,442,604	1,472,321	1,442,604
<b>Sub total</b>	<b>148,962,621</b>	<b>165,101,672</b>	<b>148,962,621</b>	<b>165,101,672</b>
<b>Total</b>	<b>1,174,147,453</b>	<b>1,159,740,459</b>	<b>1,227,361,770</b>	<b>1,206,782,185</b>
<b>Movements in stage-wise impairment of loans &amp; advances during the period</b>				
	Bank			
	Stage 1 Rs 000	Stage 2 Rs 000	Stage 3 Rs 000	Total Rs 000
<b>Opening balance as at 1st January 2024</b>	10,653,265	10,333,747	66,122,875	87,109,887
Net impairment charge for the period	311,067	(286,334)	(337,636)	(312,903)
Write-offs during the period	-	-	-	-
Effect of exchange rate fluctuations	(85,949)	(186,413)	(1,090,451)	(1,362,813)
<b>Closing balance as at 31st March 2024</b>	<b>10,878,383</b>	<b>9,861,000</b>	<b>64,694,788</b>	<b>85,434,171</b>
<b>Opening balance as at 1st January 2025</b>	9,924,864	8,383,867	77,756,383	96,065,114
Net impairment charge for the period	(371,059)	(110,737)	299,365	(182,431)
Write-offs during the period	-	-	(18,404)	(18,404)
Effect of exchange rate fluctuations	8,924	13,565	154,342	176,831
<b>Closing balance as at 31st March 2025</b>	<b>9,562,729</b>	<b>8,286,695</b>	<b>78,191,686</b>	<b>96,041,110</b>
	Group			
	Stage 1 Rs 000	Stage 2 Rs 000	Stage 3 Rs 000	Total Rs 000
<b>Opening balance as at 1st January 2024</b>	12,960,050	10,659,837	68,965,082	92,584,969
Net impairment charge for the period	24,120	(240,969)	167,171	(49,678)
Write-offs during the period	-	-	-	-
Effect of exchange rate fluctuations	(85,949)	(186,413)	(1,090,451)	(1,362,813)
<b>Closing balance as at 31st March 2024</b>	<b>12,898,221</b>	<b>10,232,455</b>	<b>68,041,802</b>	<b>91,172,478</b>
<b>Opening balance as at 1st January 2025</b>	10,477,990	8,897,502	83,393,374	102,768,866
Net impairment charge for the period	(1,705,949)	(324,172)	1,811,562	(218,559)
Write-offs during the period	-	-	(18,404)	(18,404)
Effect of exchange rate fluctuations	8,924	13,565	154,342	176,831
<b>Closing balance as at 31st March 2025</b>	<b>8,780,965</b>	<b>8,586,895</b>	<b>85,340,874</b>	<b>102,708,734</b>

ANALYSIS OF COMMITMENTS, CONTINGENCIES AND IMPAIRMENT				
As at	Bank		Group	
	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	Rs 000	Rs 000	Rs 000	Rs 000
<b>2) Gross commitments and contingencies</b>	<b>848,374,009</b>	<b>867,243,839</b>	<b>848,374,009</b>	<b>867,243,839</b>
Less : Accumulated impairment under stage 1	1,610,324	1,984,084	1,610,324	1,984,084
Accumulated impairment under stage 2	152,414	106,880	152,414	106,880
Accumulated impairment under stage 3	1,941,055	1,872,125	1,941,055	1,872,125
	844,670,216	863,280,750	844,670,216	863,280,750
<b>Product-wise commitments and contingencies</b>				
<b>By Product - Domestic Currency</b>				
Documentary credit	292,002	561,718	292,002	561,718
Guarantees	55,488,419	61,383,820	55,488,419	61,383,820
Acceptances	242,951	78,060	242,951	78,060
Bills for collection	799,552	367,655	799,552	367,655
Forward exchange contracts				
Forward exchange sales	-	-	-	-
Forward exchange purchases	-	-	-	-
Cheques sent on clearing	6,381,179	5,987,687	6,381,179	5,987,687
Undrawn credit lines	386,146,839	417,808,730	386,146,839	417,808,730
<b>Sub total</b>	<b>449,350,942</b>	<b>486,187,670</b>	<b>449,350,942</b>	<b>486,187,670</b>
<b>By Product - Foreign Currency</b>				
Documentary credit	39,060,886	26,770,025	39,060,886	26,770,025
Guarantees	17,447,293	17,162,303	17,447,293	17,162,303
Acceptances	11,552,909	14,639,979	11,552,909	14,639,979
Bills for collection	34,436,612	33,206,021	34,436,612	33,206,021
Forward exchange contracts				
Forward exchange sales	50,486,793	52,460,878	50,486,793	52,460,878
Forward exchange purchases	137,380,376	140,389,106	137,380,376	140,389,106
Cheques sent on clearing	36,016	16,029	36,016	16,029
Undrawn credit lines	108,622,182	96,411,828	108,622,182	96,411,828
<b>Sub total</b>	<b>399,023,067</b>	<b>381,056,169</b>	<b>399,023,067</b>	<b>381,056,169</b>
<b>Total</b>	<b>848,374,009</b>	<b>867,243,839</b>	<b>848,374,009</b>	<b>867,243,839</b>
<b>Movements in stage-wise impairment of commitments and contingencies during the period</b>				
	Bank / Group			
	Stage 1	Stage 2	Stage 3	Total
	Rs 000	Rs 000	Rs 000	Rs 000
<b>Opening balance as at 1st January 2024</b>	3,026,254	347,953	1,265,662	4,639,869
Net impairment charge for the period	297,273	37,414	60,640	395,327
<b>Closing balance as at 31st March 2024</b>	<b>3,323,527</b>	<b>385,367</b>	<b>1,326,302</b>	<b>5,035,196</b>
<b>Opening balance as at 1st January 2025</b>	1,984,085	106,881	1,872,124	3,963,090
Net impairment charge for the period	(373,761)	45,533	68,931	(259,297)
<b>Closing balance as at 31st March 2025</b>	<b>1,610,324</b>	<b>152,414</b>	<b>1,941,055</b>	<b>3,703,793</b>

ANALYSIS OF DEPOSITS				
	Bank		Group	
As at	31.03.2025	31.12.2024	31.03.2025	31.12.2024
	Rs 000	Rs 000	Rs 000	Rs 000
<b>3) Due to Customers - By product</b>				
<b>By product-Domestic Currency</b>				
Current account deposits	92,001,111	97,132,894	90,365,283	96,263,478
Savings deposits	411,600,811	409,389,702	413,409,548	410,597,836
Time deposits	881,151,567	883,991,720	918,422,072	918,928,682
Certificates of deposit	275,162	274,153	275,162	274,153
Margin deposits	3,208,211	2,170,970	3,208,211	2,170,970
<b>Sub total</b>	<b>1,388,236,862</b>	<b>1,392,959,439</b>	<b>1,425,680,276</b>	<b>1,428,235,119</b>
<b>By product- Foreign Currency</b>				
Current account deposits	8,764,831	9,703,793	8,764,831	9,703,793
Savings deposits	74,930,755	69,812,801	74,916,497	69,783,145
Time deposits	251,232,095	242,861,554	250,681,140	242,390,636
Margin deposits	107,302	146,540	107,302	146,540
<b>Sub total</b>	<b>335,034,983</b>	<b>322,524,688</b>	<b>334,469,770</b>	<b>322,024,114</b>
<b>Total</b>	<b>1,723,271,845</b>	<b>1,715,484,127</b>	<b>1,760,150,046</b>	<b>1,750,259,233</b>

## FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

### Fair value Disclosure of Financial Instruments

The Group measures the fair values of financial instruments using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

#### Level 1: Fair value measurement using unadjusted quoted market price

When available, the fair values of financial instruments are determined using quoted market prices (unadjusted) in active markets for identical instruments. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. Accordingly, the fair values of treasury bills and bonds have been derived using the market yields and market prices published by Central Bank of Sri Lanka while fair value of quoted equity securities and Sri Lanka Sovereign Bonds have been valued using the quoted market prices as at the reporting date

#### Level 2: Fair value measurement using significant observable inputs

In the absence of an active market for a financial instrument, the fair value is determined using quoted market prices in active markets for similar instruments or quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. The spot and forward premiums available as at the reporting date have been used to estimate the fair value of derivative financial instruments while the fair value of unquoted units have been measured using manager's selling prices. The fair values of financial assets and financial liabilities carried at amortised cost have been estimated by comparing the interest rates when they were first recognised with the current market rates of similar instruments.

#### Level 3: Fair value measurement using significant unobservable inputs

Financial instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

There are no material changes in the fair value of financial assets categorised under Level 3 compared to the values reported as at 31st December 2024. The Group has not changed the valuation models and assumptions used to measure the fair values of Level 3 financial instruments during the period ended 31st March 2025.

## FINANCIAL ASSETS & LIABILITIES MEASURED AT FAIR VALUE - FAIR VALUE HIERARCHY

As at 31st March 2025	Bank				Group			
	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000
<b>Financial assets measured at fair value</b>								
Derivative financial instruments	-	425,489	-	425,489	-	425,489	-	425,489
Financial assets measured at fair value through profit or loss	3,631,330	-	-	3,631,330	58,424,609	-	-	58,424,609
Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-
<b>Total financial assets measured at fair value</b>	<b>3,631,330</b>	<b>425,489</b>	<b>-</b>	<b>4,056,819</b>	<b>58,424,609</b>	<b>425,489</b>	<b>-</b>	<b>58,850,098</b>
<b>Financial liabilities measured at fair value</b>								
Derivative financial instruments	-	453,603	-	453,603	-	453,603	-	453,603
<b>Total financial assets measured at fair value</b>	<b>-</b>	<b>453,603</b>	<b>-</b>	<b>453,603</b>	<b>-</b>	<b>453,603</b>	<b>-</b>	<b>453,603</b>

As at 31st December 2024	Bank				Group			
	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000	Level 1 Rs 000	Level 2 Rs 000	Level 3 Rs 000	Total Rs 000
<b>Financial assets measured at fair value</b>								
Derivative financial instruments	-	375,060	-	375,060	-	375,060	-	375,060
Financial assets measured at fair value through profit or loss	1,835,469	-	-	1,835,469	2,669,597	293,015	-	2,962,612
Financial assets measured at fair value through other comprehensive income	76,913,149	19,212,141	184,180	96,309,470	93,006,546	19,212,141	188,612	112,407,299
<b>Total financial assets measured at fair value</b>	<b>78,748,618</b>	<b>19,587,201</b>	<b>184,180</b>	<b>98,519,999</b>	<b>95,676,143</b>	<b>19,880,216</b>	<b>188,612</b>	<b>115,744,971</b>
<b>Financial liabilities measured at fair value</b>								
Derivative financial instruments	-	1,573,417	-	1,573,417	-	1,573,417	-	1,573,417
<b>Total financial assets measured at fair value</b>	<b>-</b>	<b>1,573,417</b>	<b>-</b>	<b>1,573,417</b>	<b>-</b>	<b>1,573,417</b>	<b>-</b>	<b>1,573,417</b>

**FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES CARRIED AT AMORTISED COST**

As at 31st March 2025	Bank					Group				
	Carrying Value Rs 000	Fair Value			Total Rs 000	Carrying Value Rs 000	Fair Value			Total Rs 000
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
		Rs 000	Rs 000	Rs 000			Rs 000	Rs 000	Rs 000	
<b>Financial Assets</b>										
<b>Financial assets measured at amortised cost</b>										
Loans and advances to customers	1,078,106,343	-	1,095,211,550	-	1,095,211,550	1,124,653,036	-	1,137,387,972	-	1,137,387,972
Debt and other financial instruments	755,847,992	678,005,317	73,454,358	-	751,459,675	791,229,744	695,945,733	94,622,225	-	790,567,958
<b>Total financial assets measured at amortised cost</b>	<b>1,833,954,335</b>	<b>678,005,317</b>	<b>1,168,665,908</b>	<b>-</b>	<b>1,846,671,225</b>	<b>1,915,882,780</b>	<b>695,945,733</b>	<b>1,232,010,197</b>	<b>-</b>	<b>1,927,955,930</b>
<b>Financial Liabilities</b>										
<b>Financial liabilities measured at amortised cost</b>										
Due to depositors	1,723,271,845	-	1,744,223,070	-	1,744,223,070	1,760,150,046	-	1,785,360,957	-	1,785,360,957
Other borrowings	19,190,121	-	19,190,121	-	19,190,121	21,975,448	-	22,005,612	-	22,005,612
Debt securities issued	-	-	-	-	-	447,543	-	-	-	-
Subordinated term debts	28,841,157	-	34,609,973	-	34,609,973	32,709,188	-	38,875,250	-	38,875,250
<b>Total financial liabilities measured at amortised cost</b>	<b>1,771,303,123</b>	<b>-</b>	<b>1,798,023,164</b>	<b>-</b>	<b>1,798,023,164</b>	<b>1,815,282,225</b>	<b>-</b>	<b>1,846,241,819</b>	<b>-</b>	<b>1,846,241,819</b>

As at 31st December 2024	Bank					Group				
	Carrying Value Rs 000	Fair Value			Total Rs 000	Carrying Value Rs 000	Fair Value			Total Rs 000
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
		Rs 000	Rs 000	Rs 000			Rs 000	Rs 000	Rs 000	
<b>Financial Assets</b>										
<b>Financial assets measured at amortised cost</b>										
Loans and advances to customers	1,063,675,345	-	1,075,048,670	-	1,075,048,670	1,104,013,319	-	1,114,972,987	-	1,114,972,987
Debt and other financial instruments	741,761,201	682,838,280	75,431,246	-	758,269,526	770,020,546	700,813,971	90,791,756	-	791,605,727
<b>Total financial assets measured at amortised cost</b>	<b>1,805,436,546</b>	<b>682,838,280</b>	<b>1,150,479,916</b>	<b>-</b>	<b>1,833,318,196</b>	<b>1,874,033,865</b>	<b>700,813,971</b>	<b>1,205,764,743</b>	<b>-</b>	<b>1,906,578,714</b>
<b>Financial Liabilities</b>										
<b>Financial liabilities measured at amortised cost</b>										
Due to depositors	1,715,484,127	-	1,734,577,618	-	1,734,577,618	1,750,259,233	-	1,769,175,119	-	1,769,175,119
Other borrowings	19,740,135	-	19,740,135	-	19,740,135	19,742,152	-	19,742,152	-	19,742,152
Debt securities issued	-	-	-	-	-	448,108	-	448,108	-	448,108
Subordinated term debts	28,174,227	-	30,554,562	-	30,554,562	29,967,185	-	32,347,519	-	32,347,519
<b>Total financial liabilities measured at amortised cost</b>	<b>1,763,398,489</b>	<b>-</b>	<b>1,784,872,315</b>	<b>-</b>	<b>1,784,872,315</b>	<b>1,800,416,678</b>	<b>-</b>	<b>1,821,712,898</b>	<b>-</b>	<b>1,821,712,898</b>