



YOUR PARTNER IN PROGRESS

Interim Financial Statements

For the three months ended 31st March 2022

HNB CONTINUES TO DEMONSTRATE RESILIENCE UNDER STRESSED CONDITIONS

- Assets cross Rs 1.5 Trillion and Advances cross Rs 1 Trillion in 1Q 2022
- Capital strong at 15.59%
- Liquidity high with LAR at 30% and LCR at 194%
- Net Stage III loans improve to 2.4%

In the backdrop of turbulent market conditions, Hatton National Bank PLC continued to demonstrate resilience, strength and stability, posting a profit before tax of Rs 5.9Bn and a profit after tax of Rs 4.8Bn for the first quarter of 2022 recording a YOY growth of 7% and 3% respectively. At Group level PBT and PAT were at Rs 6.4 Bn and Rs 5.4 Bn respectively.

With the tightening of the monetary policy since August 2021, the AWPLR increased by nearly 400 bps over the 12 months up to March 2022. This enabled the Bank to record a 59% increase in NII during 1Q 2022 compared to the corresponding period of the previous year. The Net Fee income grew by 42% YoY to Rs 3.2 Bn for the first quarter of 2022, driven mainly by improved cards transactions and trade income.

The significant devaluation of the rupee as at March 2022, compared to the previous year, resulted in trading gains of approximately Rs 7.5Bn in 1Q 2022. The Bank also, booked an impairment of Rs 7.4Bn against the impact of the currency devaluation on foreign currency denominated loans and investments, which was set-off against the position revaluations.

The Bank's net stage III loan ratio improved from 2.55% as at December 2021 to 2.41% as at end March 2022 while stage III provision cover increased to 59%, maintaining its position as one of the best in the industry in asset quality. However, considering the significant volatility in macro-economic factors in 1Q 2022, the Bank recognized a higher impairment charge of Rs 13.4Bn. This included an impairment of Rs 6.7Bn on account of investments in foreign currency denominated government securities, subsequent to the announcement made by the Central Bank of Sri Lanka in relation to suspension of the repayment of external foreign currency debt obligations of the Government and downgrade of the sovereign ratings.

Operating expenses increased by 21% in 1Q 2022 driven by salary revisions, relatively higher card transaction volumes with the pickup of economic activity and general expenses increasing in line with higher inflation. However, the stronger growth in income, enabled HNB to record a cost to income of 25% during the first quarter of 2022.

HNB's total tax charge increased by 33% to Rs 2.8Bn for the first quarter. The effective income tax rate increased from 31% in March 2021 to 37% in March 2022 due to the YoY reduction in interest income from foreign currency denominated government securities.

The Balance sheet recorded strong growth in 1Q 2022, however this was largely driven by the significant devaluation of the rupee as the foreign currency assets as well as liabilities were revalued as at end of March 2022. Accordingly, advances recorded a growth of 8.8% since December 2021 to surpass Rs 1 Trillion while deposits grew by 13% during the three months to reach Rs 1.2 Trillion. The Bank's CASA ratio stood at 40% despite interest rates continuing to increase during the period under review. ROA as at end of March 2022 was at 1.34%. ROE as at end of 1Q 2022 stood at 12.7% compared to 12.1% as at end December 2021.

All subsidiaries across the group performed well amidst challenging conditions recording a Group PBT of 6.4 Bn. The Bank constituted 90% of the Group PAT of Rs 5.36 Bn. Total Group Assets improved to Rs 1.6 Trillion, recording a 16% YoY expansion.

As one of the best capitalized banks in the industry, Bank reported Tier I and Total Capital Adequacy Ratios of 12.23% and 15.59% against the minimum requirement of 8.5% and 12.5% respectively. Similarly, HNB's liquidity levels continued to be strong and well ahead of regulatory minimum requirements with Statutory Liquid Asset and all currency Liquidity Coverage ratios at 29.65% (against a 20% requirement) and 194.41% (against a 100% requirement) respectively.

HNB is an 11 time winner of the Best Retail Bank award bestowed by the Asian Banker Magazine. HNB has been ranked among the Top 1000 Banks in the World over five consecutive years by the acclaimed UK based "The Banker Magazine". HNB was once again recognized among the Top 10 'Most Admired Corporates of Sri Lanka' at the CIMA/ICCSL awards, a recognition bestowed for the fourth successive year.

INCOME STATEMENT

	BANK			GROUP		
	For the 3 months ended 31st March			For the 3 months ended 31st March		
	2022	2021	% Increase/ (Decrease)	2022	2021	% Increase/ (Decrease)
	Rs 000	Rs 000		Rs 000	Rs 000	
Gross income	41,458,595	28,414,230	46	47,661,638	33,285,598	43
Interest income	30,261,360	23,692,705	28	32,847,615	25,872,604	27
Less : Interest expenses	13,397,568	13,093,138	2	13,959,064	13,646,722	2
Net interest income	16,863,792	10,599,567	59	18,888,551	12,225,882	54
Fee and commission income	3,318,239	2,346,715	41	3,597,778	2,627,952	37
Less: Fee and commission expenses	73,349	63,962	15	126,675	79,403	60
Net fee and commission income	3,244,890	2,282,753	42	3,471,103	2,548,549	36
Net interest, fee and commission income	20,108,682	12,882,320	56	22,359,654	14,774,431	51
Net gains from trading	7,499,447	57,014	13,054	7,428,125	93,544	7,841
Net gain from financial investments at fair value through other comprehensive income	156,958	168,989	(7)	158,201	169,880	(7)
Net gains arising on de-recognition of financial assets	-	-	-	-	5,874	(100)
Net insurance premium income	-	-	-	3,241,030	2,492,677	30
Net other operating income	222,591	2,148,807	(90)	388,889	2,023,067	(81)
Total operating income	27,987,678	15,257,130	83	33,575,899	19,559,473	72
Less: Impairment charge for loans and other losses	13,353,576	2,662,975	401	13,543,579	2,915,437	365
Net operating income	14,634,102	12,594,155	16	20,032,320	16,644,036	20
Less : Operating expenses						
Personnel expenses	3,464,457	3,092,588	12	4,316,909	3,763,010	15
Depreciation and amortisation	607,861	581,367	5	748,626	688,157	9
Benefits, claims and underwriting expenditure	-	-	-	3,183,142	2,430,287	31
Other expenses	2,946,294	2,122,325	39	3,650,142	2,618,735	39
Total operating expenses	7,018,612	5,796,280	21	11,898,819	9,500,189	25
Operating profit before taxes on financial services	7,615,490	6,797,875	12	8,133,501	7,143,846	14
Less : Value Added Tax (VAT) on financial services	1,676,788	1,248,117	34	1,788,185	1,319,724	35
Operating profit after taxes on financial services	5,938,702	5,549,758	7	6,345,316	5,824,122	9
Share of profit of joint venture (net of income tax)	-	-	-	70,108	29,985	134
PROFIT BEFORE INCOME TAX	5,938,702	5,549,758	7	6,415,424	5,854,107	10
Less: Income tax expense	1,123,831	854,544	32	1,054,324	1,048,076	1
PROFIT FOR THE PERIOD	4,814,871	4,695,214	3	5,361,100	4,806,031	12
Profit attributable to:						
Equity holders of the Bank	4,814,871	4,695,214	3	4,937,037	4,727,953	4
Non-controlling interests	-	-	-	424,063	78,078	443
PROFIT FOR THE PERIOD	4,814,871	4,695,214	3	5,361,100	4,806,031	12
Earnings per share						
Basic earnings per ordinary share (Rs)	8.99	8.77	3	9.22	8.83	4
Diluted earnings per ordinary share (Rs)	8.99	8.77	3	9.22	8.83	4

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		
	2022	2021	% Increase/ (Decrease)	2022	2021	% Increase/ (Decrease)
	Rs 000	Rs 000		Rs 000	Rs 000	
PROFIT FOR THE PERIOD	4,814,871	4,695,214	3	5,361,100	4,806,031	12
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods						
Change in fair value of investments in equity instruments designated at fair value through other comprehensive income	(1,003,300)	(155,198)	546	(1,003,300)	(155,198)	546
Remeasurement of post-employment benefit obligations	-	-	-	12,482	25,720	(51)
Less: Tax expense relating to items that will not be reclassified to profit or loss	-	578,862	(100)	(2,566)	1,245,167	(100)
Total other comprehensive income that will not be reclassified to profit or loss	(1,003,300)	423,664	(337)	(993,384)	1,115,689	(189)
Other comprehensive income that will be reclassified to profit or loss in subsequent periods						
Debt instruments at fair value through other comprehensive income :						
Net gains / (losses) on investments in debt instruments measured						
at fair value through other comprehensive income	(3,634,091)	(340,964)	966	(4,621,415)	(520,492)	788
Reclassification of net gains on de-recognition of debt instruments at						
fair value through other comprehensive income to statement of profit or loss	-	-	-	-	(5,874)	(100)
Net change in expected credit losses of debt securities measured at						
fair value through other comprehensive income	413,190	5,871	6,938	413,190	5,871	6,938
Transfer (to) / from life policy holder reserve fund	-	-	-	867,297	165,615	424
Share of other comprehensive income of joint venture						
that will be reclassified to profit or loss	-	-	-	499,900	61,827	709
Less: Tax expense relating to items that will be reclassified to profit or loss	872,182	122,989	609	881,311	131,747	569
Total other comprehensive income that will be reclassified to profit or loss	(2,348,719)	(212,104)	1,007	(1,959,717)	(161,306)	1,115
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	(3,352,019)	211,560	(1,684)	(2,953,101)	954,383	(409)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	1,462,852	4,906,774	(70)	2,407,999	5,760,414	(58)
Total comprehensive income attributable to:						
Equity holders of the Bank	1,462,852	4,906,774	(70)	2,022,544	5,675,442	(64)
Non-controlling interests	-	-	-	385,455	84,972	354
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	1,462,852	4,906,774	(70)	2,407,999	5,760,414	(58)

STATEMENT OF FINANCIAL POSITION

	BANK			GROUP		
	As at 31.03.2022	As at 31.12.2021	% Increase / (Decrease)	As at 31.03.2022	As at 31.12.2021	% Increase / (Decrease)
	Rs 000	Audited Rs 000		Rs 000	Audited Rs 000	
ASSETS						
Cash and cash equivalents	42,056,103	38,185,254	10	44,505,866	40,900,372	9
Placements with banks	2,909,674	-	-	8,865,395	6,371,273	39
Balances with Central Bank of Sri Lanka	26,135,677	25,820,489	1	26,135,677	25,820,489	1
Reverse repurchase agreements	3,000,618	-	-	10,413,331	6,246,276	67
Derivative financial instruments	9,363,187	927,487	910	9,363,187	927,487	910
Financial assets measured at fair value through profit or loss	95,156	103,365	(8)	1,761,898	862,641	104
Financial assets measured at amortised cost - loans and advances to customers	948,087,558	876,254,693	8	985,500,718	911,253,345	8
Financial assets measured at amortised cost - debt and other financial instruments	212,501,622	160,677,520	32	224,519,130	171,930,640	31
Financial assets measured at fair value through other comprehensive income	198,256,770	203,426,433	(3)	204,618,844	210,804,487	(3)
Investment in joint venture	755,000	755,000	-	3,447,428	2,877,420	20
Investment in subsidiaries	3,017,285	3,017,285	-	-	-	-
Investment properties	468,440	469,774	-	957,526	964,854	(1)
Property, plant and equipment	24,807,858	24,953,738	(1)	49,487,691	49,724,473	-
Right-of-use assets	5,265,709	5,439,384	(3)	2,040,360	2,177,902	(6)
Intangible assets and goodwill	1,399,683	1,429,544	(2)	1,972,646	1,989,134	(1)
Deferred tax assets	10,437,008	4,461,561	134	11,000,378	4,941,105	123
Other assets	17,190,452	12,415,094	38	20,262,365	15,858,665	28
Total assets	1,505,747,800	1,358,336,621	11	1,604,852,440	1,453,650,563	10
LIABILITIES						
Due to banks	15,318,140	17,075,502	(10)	15,318,141	17,075,502	(10)
Derivative financial instruments	1,243,256	353,356	252	1,243,256	353,356	252
Securities sold under repurchase agreements	24,016,221	33,524,226	(28)	24,016,221	33,524,226	(28)
Financial liabilities measured at amortised cost - due to depositors	1,216,529,542	1,075,709,287	13	1,248,908,423	1,107,065,820	13
Dividends payable	4,400,167	989,212	345	4,616,529	1,013,629	355
Financial liabilities measured at amortised cost - other borrowings	29,969,656	24,747,869	21	31,431,007	25,555,834	23
Debt securities issued	2,027,188	1,962,749	3	2,528,304	2,465,085	3
Current tax liabilities	15,488,984	10,051,689	54	15,794,405	10,518,569	50
Deferred tax liabilities	-	-	-	5,216,158	5,157,978	1
Insurance provision - life	-	-	-	21,781,673	20,378,015	7
Insurance provision - non life	-	-	-	4,234,736	3,735,921	13
Other provisions	4,094,187	3,928,598	4	4,531,707	4,550,802	-
Other liabilities	18,352,827	14,400,456	27	19,184,166	14,596,651	31
Subordinated term debts	24,215,628	23,552,323	3	25,083,811	24,391,912	3
Total liabilities	1,355,655,796	1,206,295,267	12	1,423,888,537	1,270,383,300	12

STATEMENT OF FINANCIAL POSITION

	BANK			GROUP		
	As at 31.03.2022 Rs 000	As at 31.12.2021 Audited Rs 000	% Increase / (Decrease)	As at 31.03.2022 Rs 000	As at 31.12.2021 Audited Rs 000	% Increase / (Decrease)
EQUITY						
Stated capital	38,679,005	37,364,244	4	38,679,005	37,364,244	4
Statutory reserve fund	8,560,000	8,560,000	-	8,560,000	8,560,000	-
Retained earnings	35,687,705	35,186,607	1	44,277,577	43,643,800	1
Other reserves	67,165,294	70,930,503	(5)	82,900,836	87,099,997	(5)
Total shareholders' equity	150,092,004	152,041,354	(1)	174,417,418	176,668,041	(1)
Non-controlling interests	-	-	-	6,546,485	6,599,222	(1)
Total equity	150,092,004	152,041,354	(1)	180,963,903	183,267,263	(1)
Total equity and liabilities	1,505,747,800	1,358,336,621	11	1,604,852,440	1,453,650,563	10
Contingent liabilities and commitments	837,462,672	676,242,350	24	837,462,672	676,242,350	24
Net assets value per ordinary share (Rs.)	280.25	283.89	(1)	325.68	329.88	(1)
Memorandum Information						
Number of Employees	4,914	5,042				
Number of Customer Centers	255	255				

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 2022 and its profit for the three months ended 31st March 2022.

(Sgd.)

Rajive Dissanayake
Chief Financial Officer
13th May 2022

We the undersigned, being the Managing Director / Chief Executive Officer and the Chairperson 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, its Joint Venture and Subsidiary Companies.

(Sgd.)

Jonathan Alles
Managing Director / Chief Executive Officer
13th May 2022

(Sgd.)

Aruni Goonetilleke
Chairperson
13th May 2022

STATEMENT OF CHANGES IN EQUITY - BANK

	Stated Capital			Other Reserves			Retained Earnings	Total Equity
	Voting Shares	Non-Voting Shares	Statutory Reserve Fund	Capital Reserve	Fair value Reserve	General Reserve		
	Rs000	Rs000	Rs000	Rs000	Rs000	Rs000		
For the 3 months ended 31st March 2022								
Balance as at 1st January 2022	30,680,591	6,683,653	8,560,000	15,084,556	(1,254,053)	57,100,000	35,186,607	152,041,354
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	-	4,814,871	4,814,871
Other comprehensive income for the period, net of tax	-	-	-	-	(3,765,209)	-	413,190	(3,352,019)
Total comprehensive income for the period	-	-	-	-	(3,765,209)	-	5,228,061	1,462,852
Transactions with equity holders, recognised directly in equity								
Contributions by and distributions to equity holders								
Dividends to equity holders								
Final dividend 2021 - Cash	-	-	-	-	-	-	(3,418,380)	(3,418,380)
Final dividend 2021 - Scrip	1,052,150	262,611	-	-	-	-	(1,314,761)	-
Total contributions by and distributions to equity holders	1,052,150	262,611	-	-	-	-	(4,733,141)	(3,418,380)
Transfer of /(subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	6,178	6,178
Balance as at 31st March 2022	31,732,741	6,946,264	8,560,000	15,084,556	(5,019,262)	57,100,000	35,687,705	150,092,004
For the 3 months ended 31st March 2021								
Balance as at 1st January 2021	29,244,472	6,327,857	7,660,000	10,782,706	1,221,363	56,100,000	22,665,227	134,001,625
Total comprehensive income for the period								
Net profit for the period	-	-	-	-	-	-	4,695,214	4,695,214
Other comprehensive income for the period, net of tax	-	-	-	578,862	(373,173)	-	5,871	211,560
Total comprehensive income for the period	-	-	-	578,862	(373,173)	-	4,701,085	4,906,774
Transactions with equity holders, recognised directly in equity								
Contributions by and distributions to equity holders								
Dividends to equity holders								
Final dividend 2020 - Cash	-	-	-	-	-	-	(2,303,891)	(2,303,891)
Final dividend 2020 - Scrip	1,436,119	355,796	-	-	-	-	(1,791,915)	-
Total contributions by and distributions to equity holders	1,436,119	355,796	-	-	-	-	(4,095,806)	(2,303,891)
Transfer of /(subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	-	-
Transfers during the period	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	30,680,591	6,683,653	7,660,000	11,361,568	848,190	56,100,000	23,270,506	136,604,508

STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital			Other Reserves									Total Equity Rs 000
	Voting Shares	Non-Voting Shares	Statutory Reserve Fund	Capital Reserve	General Reserve	Fair value Reserve	Life policy holder Reserve fund	Restricted Regulatory Reserve	Exchange Equalization Reserve	Retained Earnings	Shareholders' Funds	Non Controlling Interests	
	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 2022													
Balance as at 1st January 2022	30,680,591	6,683,653	8,560,000	30,816,980	57,100,000	(1,258,039)	(103,302)	381,156	163,202	43,643,800	176,668,041	6,599,222	183,267,263
Acquisition of Non controlling Interest in subsidiary by HNB Finance PLC	-	-	-	-	-	-	-	-	-	-	-	(254,880)	(254,880)
Net profit for the period	-	-	-	-	-	-	-	-	-	4,937,037	4,937,037	424,063	5,361,100
Other comprehensive income for the period, net of tax	-	-	-	-	-	(3,331,864)	-	-	-	417,371	(2,914,493)	(38,608)	(2,953,101)
Total comprehensive income for the period	-	-	-	-	-	(3,331,864)	-	-	-	5,354,408	2,022,544	385,455	2,407,999
Transactions with equity holders, recognised directly in equity													
Contributions by and distributions to equity holders													
Dividends to equity holders													
Final dividend 2021 - Scrip	1,052,150	262,611	-	-	-	-	-	-	-	(1,314,761)	-	-	-
Final dividend 2021 - Cash	-	-	-	-	-	-	-	-	-	(3,418,380)	(3,418,380)	(192,000)	(3,610,380)
Total contributions by and distributions to equity holders	1,052,150	262,611	-	-	-	-	-	-	-	(4,733,141)	(3,418,380)	(192,000)	(3,610,380)
Transfer from life policy holder reserve fund	-	-	-	-	-	-	(867,297)	-	-	-	(867,297)	-	(867,297)
Transfer of /(subsequent settlement of) unclaimed dividends	-	-	-	-	-	-	-	-	-	6,178	6,178	-	6,178
Gain on step acquisition of Non controlling Interest in subsidiary by HNB Finance PLC	-	-	-	-	-	-	-	-	-	6,332	6,332	8,688	15,020
Balance as at 31st March 2022	31,732,741	6,946,264	8,560,000	30,816,980	57,100,000	(4,589,903)	(970,599)	381,156	163,202	44,277,577	174,417,418	6,546,485	180,963,903
For the 3 months ended 31st March 2021													
Balance as at 1st January 2021	29,244,472	6,327,857	7,660,000	23,054,710	56,100,000	1,270,055	748,391	381,156	101,634	29,361,200	154,249,475	5,409,964	159,659,439
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	4,727,953	4,727,953	78,078	4,806,031
Net profit for the period	-	-	-	-	-	-	-	-	-	4,727,953	4,727,953	78,078	4,806,031
Other comprehensive income, net of tax	-	-	-	1,251,341	-	(317,964)	-	-	-	14,112	947,490	6,894	954,383
Total comprehensive income for the period	-	-	-	1,251,341	-	(317,964)	-	-	-	4,742,065	5,675,443	84,972	5,760,414
Transactions with equity holders, recognised directly in equity													
Contributions by and distributions to equity holders													
Dividends to equity holders													
Final dividend 2020 - Scrip	1,436,119	355,796	-	-	-	-	-	-	-	(1,791,915)	-	-	-
Final dividend 2020 - Cash	-	-	-	-	-	-	-	-	-	(2,303,891)	(2,303,891)	(168,000)	(2,471,891)
Total contributions by and distributions to equity holders	1,436,119	355,796	-	-	-	-	-	-	-	(4,095,806)	(2,303,891)	(168,000)	(2,471,891)
Transfer to life policy holder reserve fund	-	-	-	-	-	-	(165,615)	-	-	-	(165,615)	-	(165,615)
Balance as at 31st March 2021	30,680,591	6,683,653	7,660,000	24,306,051	56,100,000	952,091	582,776	381,156	101,634	30,007,459	157,455,412	5,326,936	162,782,347

STATEMENT OF CASH FLOWS

For 3 months ended 31st March	BANK		GROUP	
	2022 Rs 000	2021 Rs 000	2022 Rs 000	2021 Rs 000
Cash flows from operating activities				
Interest receipts	29,541,307	19,912,899	32,448,782	22,094,692
Interest payments	(10,198,135)	(14,495,468)	(10,840,441)	(15,224,114)
Net commission receipts	3,474,386	2,497,307	3,716,279	2,773,971
Trading income	7,331,922	1,412,017	7,249,086	1,373,742
Payments to employees	(4,093,351)	(3,405,231)	(4,924,570)	(4,393,320)
Taxes on financial services	(1,052,804)	(751,707)	(1,143,983)	(772,886)
Receipts from other operating activities	(3,662,636)	(416,669)	268,940	2,335,192
Payments on other operating activities	(3,430,833)	(2,744,301)	(5,625,828)	(4,055,720)
Operating profit before change in operating assets and liabilities	17,909,856	2,008,847	21,148,265	4,131,557
(Increase)/decrease in operating assets				
Balances with Central Bank of Sri Lanka	(315,188)	(3,866,846)	(315,188)	(3,866,846)
Financial assets measured at amortised cost - loans and advances to customers	(27,396,006)	10,815,269	(29,715,255)	10,035,954
Reverse repurchase agreements	(3,000,000)	-	(4,166,437)	(124,709)
Other assets	6,722,388	(786,417)	6,726,750	(1,078,755)
	(23,988,806)	6,162,006	(27,470,130)	4,965,644
Increase/(decrease) in operating liabilities				
Financial liabilities measured at amortised cost - due to depositors	40,485,770	29,274,888	41,465,629	27,294,491
Financial liabilities measured at amortised cost - other borrowings	(7,121,436)	(12,597,513)	(6,468,050)	(12,405,450)
Securities sold under repurchase agreements	(9,565,020)	(595,555)	(9,565,020)	(595,555)
Other liabilities	(5,307,350)	2,678,822	(5,507,613)	2,548,239
	18,491,964	18,760,642	19,924,946	16,841,725
Net cash generated from operating activities before income tax	12,413,014	26,931,495	13,603,081	25,938,926
Income tax paid	(888,583)	(780,520)	(999,443)	(859,132)
Net cash generated from operating activities	11,524,431	26,150,975	12,603,638	25,079,794
Cash flows from investing activities				
Purchase of property, plant and equipment	(176,643)	(167,128)	(206,794)	(193,279)
Proceeds from the sale of property, plant and equipment	12,800	186	13,256	966
Net proceeds from sale, maturity and purchase of financial investments	(4,500,702)	(20,722,855)	(6,205,613)	(20,886,882)
Net purchase of intangible assets	(73,185)	(130,632)	(91,253)	(132,462)
Dividends received from other investments	-	32,117	-	34,881
Net cash used in investing activities	(4,737,730)	(20,988,312)	(6,490,404)	(21,176,776)
Cash flows from financing activities				
Repayment of subordinated debt/debt securities issued	-	(7,107,500)	-	(6,849,999)
Dividend paid to non controlling interest	-	-	(55)	(367)
Dividend paid to shareholders of the parent company	(6,178)	(995)	(13,563)	(995)
Net cash used in financing activities	(6,178)	(7,108,495)	(13,618)	(6,851,361)
Net increase / (decrease) in cash and cash equivalents	6,780,523	(1,945,832)	6,099,616	(2,948,343)
Cash and cash equivalents at the beginning of the period	38,185,254	34,123,562	47,271,645	47,025,392
Cash and cash equivalents at the end of the period	44,965,777	32,177,730	53,371,261	44,077,049
Cash and cash equivalents at the end of the period				
Cash and cash equivalents	42,056,103	30,377,503	44,505,866	30,951,499
Placements with banks	2,909,674	1,800,227	8,865,395	13,125,550
	44,965,777	32,177,730	53,371,261	44,077,049

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - BANK

As at 31st March 2022	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
Assets				
Cash and cash equivalents	-	42,056,103	-	42,056,103
Placements with banks	-	2,909,674	-	2,909,674
Balances with Central Bank of Sri Lanka	-	26,135,677	-	26,135,677
Reverse repurchase agreements	-	3,000,618	-	3,000,618
Derivative financial instruments	9,363,187	-	-	9,363,187
Financial assets measured at fair value through profit or loss	95,156	-	-	95,156
Financial assets measured at amortised cost				
- loans and advances to customer	-	948,087,558	-	948,087,558
Financial assets measured at amortised cost - debt and other financial instruments	-	212,501,622	-	212,501,622
Financial assets measured at fair value through other comprehensive income	-	-	198,256,770	198,256,770
Other financial assets	-	7,038,277	-	7,038,277
Total financial assets	9,458,343	1,241,729,529	198,256,770	1,449,444,642
Liabilities				
Due to banks	-	15,318,140	-	15,318,140
Derivative financial instruments	1,243,256	-	-	1,243,256
Securities sold under repurchase agreements	-	24,016,221	-	24,016,221
Financial liabilities measured at amortised cost - due to depositors	-	1,216,529,542	-	1,216,529,542
Dividends payable	-	4,400,167	-	4,400,167
Financial liabilities measured at amortised cost - other borrowings	-	29,969,656	-	29,969,656
Debt securities issued	-	2,027,188	-	2,027,188
Other financial liabilities	-	24,005	-	24,005
Subordinated term debts	-	24,215,628	-	24,215,628
Total financial liabilities	1,243,256	1,316,500,547	-	1,317,743,803
As at 31st December 2021				
	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
Assets				
Cash and cash equivalents	-	38,185,254	-	38,185,254
Placements with banks	-	-	-	-
Balances with Central Bank of Sri Lanka	-	25,820,489	-	25,820,489
Derivative financial instruments	927,487	-	-	927,487
Financial assets measured at fair value through profit or loss	103,365	-	-	103,365
Financial assets measured at amortised cost - loans and advances to customer	-	876,254,693	-	876,254,693
Financial assets measured at amortised cost - debt and other financial instruments	-	160,677,520	-	160,677,520
Financial assets measured at fair value through other comprehensive income	-	-	203,426,433	203,426,433
Other financial assets	-	6,123,181	-	6,123,181
Total financial assets	1,030,852	1,107,061,137	203,426,433	1,311,518,422
Liabilities				
Due to banks	-	17,075,502	-	17,075,502
Derivative financial instruments	353,356	-	-	353,356
Securities sold under repurchase agreements	-	33,524,226	-	33,524,226
Financial liabilities measured at amortised cost - due to depositors	-	1,075,709,287	-	1,075,709,287
Dividends payable	-	989,212	-	989,212
Financial liabilities measured at amortised cost - other borrowings	-	24,747,869	-	24,747,869
Debt securities issued	-	1,962,749	-	1,962,749
Other financial liabilities	-	9,346	-	9,346
Subordinated term debts	-	23,552,323	-	23,552,323
Total financial liabilities	353,356	1,177,570,514	-	1,177,923,870

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS - GROUP

As at 31st March 2022	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
Assets				
Cash and cash equivalents	-	44,505,866	-	44,505,866
Placements with banks	-	8,865,395	-	8,865,395
Balances with Central Bank of Sri Lanka	-	26,135,677	-	26,135,677
Reverse repurchase agreements	-	10,413,331	-	10,413,331
Derivative financial instruments	9,363,187	-	-	9,363,187
Financial assets measured at fair value through profit or loss	1,761,898	-	-	1,761,898
Financial assets measured at amortised cost				
- loans and advances to customers	-	985,500,718	-	985,500,718
Financial assets measured at amortised cost - debt and other financial instruments	-	224,519,130	-	224,519,130
Financial assets measured at fair value through other comprehensive income	-	-	204,618,844	204,618,844
Other financial assets	-	9,421,512	-	9,421,512
Total financial assets	11,125,085	1,309,361,629	204,618,844	1,525,105,558
Liabilities				
Due to banks	-	15,318,141	-	15,318,141
Derivative financial instruments	1,243,256	-	-	1,243,256
Securities sold under repurchase agreements	-	24,016,221	-	24,016,221
Financial liabilities measured at amortised cost - due to depositors	-	1,248,908,423	-	1,248,908,423
Dividends payable	-	4,616,529	-	4,616,529
Financial liabilities measured at amortised cost - other borrowings	-	31,431,007	-	31,431,007
Debt securities issued	-	2,528,304	-	2,528,304
Other financial liabilities	-	3,168,916	-	3,168,916
Subordinated term debts	-	25,083,811	-	25,083,811
Total financial liabilities	1,243,256	1,355,071,352	-	1,356,314,608
As at 31st December 2021				
	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
Assets				
Cash and cash equivalents	-	40,900,372	-	40,900,372
Placements with banks	-	6,371,273	-	6,371,273
Balances with Central Bank of Sri Lanka	-	25,820,489	-	25,820,489
Reverse repurchase agreements	-	6,246,276	-	6,246,276
Derivative financial instruments	927,487	-	-	927,487
Financial assets measured at fair value through profit or loss	862,641	-	-	862,641
Financial assets measured at amortised cost - loans and advances to customers	-	911,253,345	-	911,253,345
Financial assets measured at amortised cost - debt and other financial instruments	-	171,930,640	-	171,930,640
Financial assets measured at fair value through other comprehensive income	-	-	210,804,487	210,804,487
Other financial assets	-	8,034,880	-	8,034,880
Total financial assets	1,790,128	1,170,557,275	210,804,487	1,383,151,890
Liabilities				
Due to banks	-	17,075,502	-	17,075,502
Derivative financial instruments	353,356	-	-	353,356
Securities sold under repurchase agreements	-	33,524,226	-	33,524,226
Financial liabilities measured at amortised cost - due to depositors	-	1,107,065,820	-	1,107,065,820
Dividends payable	-	1,013,629	-	1,013,629
Financial liabilities measured at amortised cost - other borrowings	-	25,555,834	-	25,555,834
Debt securities issued	-	2,465,085	-	2,465,085
Other financial liabilities	-	2,329,388	-	2,329,388
Subordinated term debts	-	24,391,912	-	24,391,912
Total financial liabilities	353,356	1,213,421,396	-	1,213,774,752

SEGMENT REPORTING

For the three months ended 31st March	Corporate		Retail		SME		Micro		Treasury		Real Estate		Insurance		NBFI		Eliminations / Unallocated		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	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	1,962,747	1,555,057	4,625,039	3,354,980	2,318,531	1,939,760	207,792	202,983	6,763,969	3,931,620	12,181	(4,765)	751,836	600,492	1,108,241	874,282	1,138,215	(228,527)	18,888,551	12,225,882
Foreign exchange income	(3,030,168)	47,128	50,761	28,807	(188,758)	35,807	821	249	(545,767)	612,265	-	-	-	-	-	-	10,808,647	1,214,554	7,095,536	1,938,810
Net fee and commission income	1,205,705	764,940	1,327,584	787,431	840,419	452,652	48,743	22,334	6,446	95,130	-	-	62,181	94,085	164,032	171,711	(184,007)	160,265	3,471,103	2,548,548
Other operating income	-	-	-	-	-	-	-	-	12,222	3,284	253,309	250,222	3,474,122	2,622,980	307,911	48,671	73,145	(78,925)	4,120,709	2,846,232
Total operating income	138,284	2,367,125	6,003,384	4,171,218	2,970,192	2,428,219	257,356	225,566	6,236,870	4,642,299	265,490	245,457	4,288,139	3,317,557	1,580,184	1,094,664	11,836,000	1,067,367	33,575,899	19,559,472
Impairment charge for loans and other losses	2,679,980	1,008,597	1,673,820	(47,489)	2,280,352	1,298,853	49,908	331,798	6,669,516	71,217	-	-	20,264	13,761	169,739	238,700	-	-	13,543,579	2,915,437
Net operating income	(2,541,696)	1,358,528	4,329,564	4,218,707	689,840	1,129,366	207,448	(106,232)	(432,646)	4,571,082	265,490	245,457	4,267,875	3,303,796	1,410,445	855,964	11,836,000	1,067,367	20,032,320	16,644,035
Profit from operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,345,316	5,824,122
Share of profit of joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,108	29,985
Income tax expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,054,324)	(1,048,076)
Non - controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(424,063)	(78,078)
Net Profit for the year attributable to equity holders of the parent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,937,037	4,727,953
As at 31st March	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	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	507,384,771	361,715,206	250,795,897	214,268,755	238,474,300	213,675,129	25,858,734	25,320,949	455,343,619	469,876,661	11,065,651	10,582,090	37,360,058	32,954,582	46,819,135	36,679,686	28,302,846	19,916,690	1,601,405,011	1,384,989,748
Investment in joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,447,428	2,613,623	3,447,428	2,613,623
Total assets	507,384,771	361,715,206	250,795,897	214,268,755	238,474,300	213,675,129	25,858,734	25,320,949	455,343,619	469,876,661	11,065,651	10,582,090	37,360,058	32,954,582	46,819,135	36,679,686	31,750,274	22,530,313	1,604,852,439	1,387,603,371
Segment liabilities	226,651,669	143,038,069	746,229,157	644,763,199	220,497,286	180,698,035	11,524,960	7,828,029	31,173,382	73,836,218	11,065,651	10,582,090	37,360,058	32,954,582	46,819,135	36,679,686	273,531,142	257,223,463	1,604,852,440	1,387,603,371
Total liabilities	226,651,669	143,038,069	746,229,157	644,763,199	220,497,286	180,698,035	11,524,960	7,828,029	31,173,382	73,836,218	11,065,651	10,582,090	37,360,058	32,954,582	46,819,135	36,679,686	273,531,142	257,223,463	1,604,852,440	1,387,603,371
For the three months ended 31st March	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	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	7,271,482	15,980,189	3,330,436	25,790,159	3,884,664	2,816,109	4,746,107	1,226,561	(17,809,121)	(12,970,929)	129,966	150,778	1,148,916	752,652	(2,549,015)	(1,791,897)	12,450,203	(6,873,828)	12,603,638	25,079,794
Cash flows from investing activities	-	-	-	-	-	-	-	-	(4,500,702)	(20,722,855)	(489,760)	-	(1,086,223)	(110,033)	(3,246,417)	319,527	2,832,698	(663,415)	(6,490,404)	(21,176,776)
Cash flows from financing activities	-	-	-	-	-	-	-	-	-	-	-	-	(38,222)	(24,691)	(311,253)	(5,381)	335,857	(6,821,289)	(13,618)	(6,851,361)
Net cash flow generated / (used in) during the period	7,271,482	15,980,189	3,330,436	25,790,159	3,884,664	2,816,109	4,746,107	1,226,561	(22,309,823)	(33,693,784)	(359,794)	150,778	24,471	617,928	(6,106,685)	(1,477,751)	15,618,758	(14,358,532)	6,099,616	(2,948,343)
Capital expenditure																				
- Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	(15,165)	(26,150)	(14,986)	-	(176,643)	(167,129)	(206,794)	(193,279)
- Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	(367)	(1,830)	(17,701)	-	(73,185)	(130,632)	(91,253)	(132,462)
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	(15,532)	(27,980)	(32,687)	-	(249,828)	(297,761)	(298,047)	(325,741)

EXPLANATORY NOTES

1. There are no changes in accounting policies and methods of computation since the publication of annual accounts for the year 2021.
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. **ECL Assessment and computation**

The Bank reassessed the Probabilities of Default (PD) and the Economic Factor Adjustment used in collective impairment assessment for the quarter ended 31 March 2022 after taking into consideration the changes in the macro economic factors such as the significant volatility in exchange rates, interest rates, inflation and GDP growth rates, during the quarter. In respect of customers who were/are under moratoriums, stage assessment continued to be carried out after stress testing to address potential significant increase in credit risk (SICR) based on the conditions which prevailed prior to granting of moratoriums and the subsequent behavior of the portfolio. Due to lack of historic data to address the current economic conditions, the Bank has continued to build management overlays for the impairment of Loans and Advances, outside the Expected Credit Loss model, by using stress testing techniques to address the potential implications on the customers who were affected due to COVID 19, resultant moratorium schemes and the prevailing economic conditions. Management overlays were also recognised in respect of exposures to specific industries where an elevated level of risk have been identified. Bank has made adequate provisions for expected credit losses in the financial statements as at 31st March 2022 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.

Basis adopted in the impairment assessment of foreign currency denominated government securities

Based on the current economic conditions and pre-emptive default announced by the Ministry of Finance on 12th April 2022, a Significant Increase in Credit Risk was identified for investments in International Sovereign bonds. Accordingly, International Sovereign Bonds were classified under stage 2 as at March 2022 which resulted in recognition of life time Expected Credit Losses on such investments. However, the investments in Sri Lanka Development Bonds continued to be classified under Stage 1 in these financial statements since those have not been included under the category of "Affected Debts" as per the said memo issued by the Ministry of Finance.

4. 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.
5. Where required, figures on the audited annual financial statements have been reclassified to conform to Central Bank of Sri Lanka publication requirements.
6. The consolidated financial statements of the Bank cover the Bank and its subsidiaries HNB Assurance PLC, Sithma Development (Pvt) Ltd, HNB Finance PLC & the Group's interest in Joint Venture Acuity Partners (Pvt) Ltd.
7. **Surcharge Tax**

The Surcharge Tax Act No 14 of 2022 (Act) was certified by the Speaker and published as a Supplement to Part II of the Gazette of the Democratic Socialist Republic of Sri Lanka on 8th April 2022. As per the said Act, Surcharge Tax is payable by a company or each company of a group of companies (holding and subsidiaries) subject to the taxable income threshold specified in the Act. The Group of companies will meet the chargeability threshold when the aggregate taxable income of all subsidiaries and holding company (excluding the companies with nil taxable income due to losses or unrelieved losses) exceed Rs.2 Bn for Y/A commencing from 1st April 2020. Such Group of companies will be liable for Surcharge tax at a rate of 25% on the taxable income of each subsidiary and holding company excluding gains and profits from dividends received from a subsidiary which is part of such taxable income for Y/A commencing from 1st April 2020.

The Bank and the Group meet the chargeability threshold referred to above and will be liable for Surcharge Tax.

	Surcharge liability	1st Installment paid on 20th April 2022	2nd Installment payable on or before 20th July 2022
	Rs Bn	Rs Bn	Rs Bn
Bank	3.60	1.80	1.80
Group	4.00	2.00	2.00

As per the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka on 22nd April 2022, Surcharge Tax expense which is deemed to be an expenditure for the year of assessment which commenced on 1st April 2020, shall be recorded as an adjustment to the opening retained earnings reported in the Statement of Changes in Equity on 1st January 2021. Such adjustment will be incorporated in the financial statements for the next reporting period.

8. There are no material events that took place after the balance sheet date which require adjustment or disclosure in the financial statements other than the above under Point 3 & 7.
9. The funds raised through debentures were fully utilized for the objectives mentioned in the prospectuses.

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

	As at 31.03.2022	As at 31.12.2021	As at 31.03.2022	As at 31.12.2021
	BANK		GROUP	
BASEL III				
Regulatory Capital				
Common Equity Tier 1. Rs. Mn	115,128	122,798	129,556	134,611
Tier 1 Capital. Rs. Mn	115,128	122,798	129,556	134,611
Total Capital. Rs. Mn	146,747	153,484	161,773	165,800
Regulatory Capital Ratios				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 2022 - 7.00%; 2021 - 7.00%)	12.23%	14.53%	12.50%	14.45%
Tier 1 Capital Ratio (Minimum Requirement - 2022 - 8.50%; 2021 - 8.50%)	12.23%	14.53%	12.50%	14.45%
Total Capital Ratio (Minimum Requirement 2022 - 12.50%; 2021 - 12.50%)	15.59%	18.16%	15.60%	17.80%
Leverage Ratio (Minimum Requirement- 3.00%)	7.14%	7.97%	7.59%	8.22%
Assets Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio, %	2.41%	2.55%		
Impairment (Stage 3) to Stage 3 loans Ratio, %	58.59%	56.11%		
Profitability (Annualised)				
Interest Margin, %	4.71%	3.70%		
Return on Assets (before Tax), %	1.66%	1.48%		
Return on Equity, %	12.75%	12.09%		
Regulatory Liquidity				
Statutory Liquid Assets, Rs. Mn				
Domestic Banking unit	326,374	311,795		
Off-Shore Banking Unit	32,259	22,254		
Statutory Liquid Assets Ratio (Minimum requirement 20%)				
Domestic Banking unit	28.59%	27.51%		
Off-Shore Banking Unit	22.45%	24.95%		
Total Stock of High-Quality Liquid Assets, Rs. Mn	305,417	248,266		
Liquidity Coverage Ratio (%) - Rupee	211.69%	191.38%		
(Minimum Requirement - 2022 - 100%, 2021 - 100%)				
Liquidity Coverage Ratio (%) - All Currency	194.41%	207.99%		
(Minimum Requirement - 2022 - 100%, 2021 - 100%)				
Net Stable Funding Ratio (Minimum Requirement - 2022 - 100%, 2021 - 100%)	118.09%	117.57%		

LISTED DEBENTURE INFORMATION

Quarter ended 31st March	Market Value				Last Traded		Interest Yield as at Last Trade Done (%)		
	2022		2021		2022	2021	2022	2021	2021
	Highest Rs.	Lowest Rs.	Highest Rs.	Lowest Rs.	Rs.	Rs.			
HNB DEBENTURES 2006									
18 year Fixed Rate (11.25% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T
HNB DEBENTURES 2007									
15 year Fixed Rate (16.75% p.a.)	100.76	100.76	N/T	N/T	100.76	N/T	13.90	N/T	N/T
HNB DEBENTURES 2011									
10 year Fixed Rate (11.50% p.a.)	N/A	N/A	N/T	N/T	N/A	N/T	N/A	N/T	N/T
HNB DEBENTURES 2013									
10 year Fixed Rate (8.00% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T
HNB DEBENTURES 2014									
10 year Fixed Rate (8.33% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T
HNB DEBENTURES 2016									
5 year Fixed Rate (11.75% p.a.)	N/A	N/A	N/T	N/T	N/A	N/T	N/A	N/T	N/T
7 year Fixed Rate (13.00% p.a.)	N/T	N/T	107.25	107.25	N/T	107.25	N/T	9.62	9.62
HNB DEBENTURES 2019									
5 year Fixed Rate (12.30% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T
7 year Fixed Rate (12.80% p.a.)	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T	N/T
HNB DEBENTURES 2021									
10 year Fixed Rate (9.50% p.a.)	N/T	N/T	N/A	N/A	N/T	N/A	N/T	N/A	N/A

N/T – Not Traded as at 31st March, N/A – Not Applicable as at 31st March

Quarter ended 31st March	Yield to Maturity of Last Trade Done (% p.a.)		
	2022	2021	2021
HNB DEBENTURES 2006			
18 year Fixed Rate (11.25% p.a.)	N/T	N/T	N/T
HNB DEBENTURES 2007			
15 year Fixed Rate (16.75% p.a.)	16.75	N/T	N/T
HNB DEBENTURES 2011			
10 year Fixed Rate (11.50% p.a.)	N/A	N/T	N/T
HNB DEBENTURES 2013			
10 year Fixed Rate (8.00% p.a.)	N/T	N/T	N/T
HNB DEBENTURES 2014			
10 year Fixed Rate (8.33% p.a.)	N/T	N/T	N/T
HNB DEBENTURES 2016			
5 year Fixed Rate (11.75% p.a.)	N/A	N/T	N/T
7 year Fixed Rate (13.00% p.a.)	N/T	13.00	13.00
HNB DEBENTURES 2019			
5 year Fixed Rate (12.30% p.a.)	N/T	N/T	N/T
7 year Fixed Rate (12.80% p.a.)	N/T	N/T	N/T
HNB DEBENTURES 2021			
10 year Fixed Rate (9.50% p.a.)	N/T	N/A	N/A

N/T – Not Traded as at 31st March, N/A – Not Applicable as at 31st March

RATIOS OF DEBT		
	31.03.2022	31.12.2021
Debt Equity Ratio (%)	32.39	28.27
	31.03.2022	31.03.2021
Interest Cover (Times)	7.75	4.65
	31.03.2022	31.03.2021
Yield of Comparable Govt. Security for the following HNB Debentures (% p.a.)		
2006 series 18 year maturity	13.59	6.41
2007 series 15 year maturity	11.75	6.15
2011 series 10 year maturity	N/A	4.88
2013 series 10 year maturity	12.80	6.19
2014 series 10 year maturity	14.04	6.65
2016 series 5 year maturity	N/A	5.01
2016 series 7 year maturity	12.73	6.29
2019 series 5 year maturity	13.95	6.59
2019 series 7 year maturity	14.98	7.13
2021 series 7 year maturity	15.59	N/A

SHARE INFORMATION

As at	31-Mar-22	31-Dec-21
Number of Shares		
Voting	420,859,924	420,859,924
Non-voting	105,044,649	105,044,649
Last Traded Price per share		
Voting	109.25	135.00
Non-voting	105.00	122.25

For the Quarter Ended	31-Mar-22	31-Mar-21
Highest price per share		
Voting	142.40	165.00
Non-voting	100.00	130.75
Lowest price per share		
Voting	132.80	125.00
Non-voting	100.00	96.00

PUBLIC SHAREHOLDING PERCENTAGE

	31-Mar-22	
	Number	%
Number of shareholders representing the public holding (Voting)	7,876	69% approx.
Number of shareholders representing the public holding (Non Voting)	11,253	99% approx.
Compliant under Option 1 - Float Adjusted Market Capitalization	Rs. 31.7 Bn	

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDING

	Number of shares	
	31-Mar-22	31-Dec-21
1. Mrs. Aruni Goonetilleke	-	-
2. Mr. A.J. Alles (Chief Executive Officer)	131,855	131,855
3. Mr. D.A. Cabraal	-	-
4. Mr. L.U.D. Fernando	3,480	3,480
5. Mr. W.M.M.D. Ratnayake	-	-
6. Mr. M.P.D. Cooray	8,607	8,607
7. Mr. D.P.N. Rodrigo (Chief Operating Officer)	25,702	25,702
8. Mr. O. H. S. Chandrawansa	-	-
9. Mr. P.R. Saldin	3,180	3,180
10. Mr. N. Jayawardena	-	-
11. Mr. Kithsiri Gunawardena (Appointed w.e.f. 21st January 2022)	-	N/A
12. Mr. Rashitha Gunawardena (Appointed w.e.f. 21st January 2022)	4,900	N/A
Dr. T.K.D.A.P. Samarasinghe (Alternate Director to Mr. L.U.D. Fernando w.e.f. 5th July 2019)	-	-

20 MAJOR SHAREHOLDERS (VOTING) AS AT 31ST MARCH 2022

	Name	No. of shares	% on total voting capital
1.	BROWNS INVESTMENTS PLC (CONSISTING OF SAMPATH BANK PLC/BROWNS INVESTMENTS PLC & BROWNS INVESTMENTS PLC ACCOUNTS)	42,024,032	9.99
2.	EMPLOYEE'S PROVIDENT FUND	41,021,326	9.75
3.	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	34,793,743	8.27
4.	MILFORD EXPORTS (CEYLON) (PVT) LIMITED	33,279,619	*7.91
5.	STASSEN EXPORTS (PVT) LIMITED	28,845,668	*6.85
6.	MR. S.E. CAPTAIN	27,399,702	6.51
7.	SONETTO HOLDINGS LIMITED	20,684,835	4.91
8.	SRI LANKA INSURANCE CORPORATION LTD-GENERAL FUND	17,875,190	4.25
9.	DISTILLERIES COMPANY OF SRI LANKA PLC	12,905,917	*3.07
10.	CITIBANK NEWYORK S/A NORGES BANK ACCOUNT 2	12,425,090	2.95
11.	NATIONAL SAVINGS BANK	12,075,700	2.87
12.	PEOPLE'S LEASING & FINANCE PLC / DON AND DON HOLDINGS (PRIVATE) LIMITED	10,700,848	2.54
13.	RBC INVESTOR SERVICES TRUST-RBC EMERGING MARKETS SMALL-CAP EQUITY FUND	8,853,176	2.10
14.	MR. D.N.N. LOKUGE	8,752,193	2.08
15.	STANDARD CHARTERED BANK SINGAPORE S/A HL BANK SINGAPORE BRANCH	7,899,166	1.88
16.	MS. L.A. CAPTAIN	7,865,444	1.87
17.	EMPLOYEES TRUST FUND BOARD	3,106,188	0.74
18.	BNYMSANV RE-FIRST SENTIER INVESTORS ICVC - FSSA ASIA ALL-CAP FUND	3,036,462	0.72
19.	CEI PLASTICS LTD	2,278,390	0.54
20.	HATTON NATIONAL BANK PLC - NDB WEALTH GROWTH AND INCOME FUND	2,200,000	0.52

* 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) AS AT 31ST MARCH 2022

	Name	No. of shares	% on total non-voting capital
1.	BROWNS INVESTMENTS PLC	48,156,437	45.84
2.	ACUITY PARTNERS (PVT) LIMITED/MR.ELAYATHAMBY THAVAGNANASOORIYAM / MR.ELAYATHAMBY THAVAGNANASUNDARAM	5,368,439	5.11
3.	AKBAR BROTHERS PVT LTD A/C NO 1	4,653,891	4.43
4.	MR. S.E. CAPTAIN	1,626,603	1.55
5.	EMPLOYEES TRUST FUND BOARD	1,550,673	1.48
6.	HATTON NATIONAL BANK PLC A/C NO 2	755,919	0.72
7.	SABOOR CHATOOR (PVT) LTD	719,303	0.68
8.	MR. E. CHATOOR	680,966	0.65
9.	MR. J.D. BANDARANAYAKE (JOINT - 1 : DR. V. BANDARANAYAKE VASANTHA & JOINT 2 : MISS I. BANDARANAYAKE ISHANI)	577,258	0.55
10.	MR. J.D. BANDARANAYAKE (JOINT - 1 : MISS N. BANDARANAYAKE NILUKA & JOINT 2 : DR. V. BANDARANAYAKE VASANTHA)	577,160	0.55
11.	E.W. BALASURIYA & CO. (PVT) LTD	524,717	0.50
12.	PEOPLE'S LEASING & FINANCE PLC/MR. I.D.R. PERERA	513,998	0.49
13.	DON AND DON HOLDINGS PRIVATE LIMITED	461,328	0.44
14.	MISS R.H. ABDULHUSSEIN	452,428	0.43
15.	MR. M.J. FERNANDO	430,043	0.41
16.	DR. R.D. BANDARANAIKE	406,545	0.39
17.	LANKA SYNTHETIC FIBRE CO LTD	382,668	0.36
18.	MR. Y.H. ABDULHUSSEIN	373,418	0.36
19.	MR. M. V. THEAGARAJAH	350,014	0.33
20.	BANK OF CEYLON - NO2 A/C (BOC PTF)	328,811	0.31

ANALYSIS OF LOANS & ADVANCES AND IMPAIRMENT

As at	BANK		GROUP	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	Rs.000	Rs.000	Rs.000	Rs.000
1) Gross loans and advances to customers	1,010,607,690	928,971,730	1,053,151,768	968,907,254
Less : Accumulated impairment under stage 1	8,501,494	6,494,958	7,348,317	7,653,405
Accumulated impairment under stage 2	12,791,726	10,188,641	14,915,558	10,754,926
Accumulated impairment under stage 3	41,226,912	36,033,438	45,387,175	39,245,578
Net loans and receivables	948,087,558	876,254,693	985,500,718	911,253,345
Product-wise Gross loans and advances to customers				
By product-Domestic Currency				
Overdrafts	120,863,792	113,600,698	120,693,668	113,481,699
Bills of exchange	474,831	365,386	474,831	365,386
Commercial papers	153,655	153,705	153,655	153,705
Short term loans	120,868,942	114,458,781	121,272,998	114,862,283
Credit Cards	12,851,133	12,136,458	12,851,133	12,136,458
Trust receipts	16,821,771	18,489,245	16,821,771	18,489,245
Packing credit loans	7,119,883	7,069,426	7,119,883	7,069,426
Staff loans	17,699,600	18,504,857	18,241,660	19,087,913
Term loans	407,773,662	397,395,537	432,611,445	421,361,659
Lease rentals receivable	72,937,621	67,614,665	87,231,320	80,655,937
Housing loans	50,780,420	48,160,735	50,780,420	48,160,735
Pawning advances	31,478,825	28,085,905	34,115,429	30,146,476
Securitized notes	1,195,031	1,351,560	1,195,031	1,351,560
Sub total	861,019,166	827,386,958	903,563,244	867,322,482
By product-Foreign Currency				
Overdrafts	2,007,758	2,426,175	2,007,758	2,426,175
Bills of exchange	1,117,987	963,469	1,117,987	963,469
Short term loans	8,819,009	1,563,249	8,819,009	1,563,249
Trust receipts	5,243,450	5,087,604	5,243,450	5,087,604
Packing credit loans	20,169,132	14,013,242	20,169,132	14,013,242
Term loans	108,981,766	75,110,537	108,981,766	75,110,537
Lease rentals receivable	332,441	220,958	332,441	220,958
Housing loans	2,916,981	2,199,538	2,916,981	2,199,538
Sub total	149,588,524	101,584,772	149,588,524	101,584,772
Total	1,010,607,690	928,971,730	1,053,151,768	968,907,254
Movements in stage-wise impairment of loans & advances during the period				
	BANK			
	Stage 1	Stage 2	Stage 3	Total
	Rs.000	Rs.000	Rs.000	Rs.000
Opening balance as at 1st January 2021	3,091,724	8,058,780	30,812,232	41,962,736
Net impairment charge for the period	392,511	1,861,009	581,746	2,835,266
Other movements	-	-	230,209	230,209
Closing balance as at 31st March 2021	3,484,235	9,919,789	31,624,187	45,028,211
Opening balance as at 1st January 2022	6,494,958	10,188,641	36,033,438	52,717,037
Net impairment charge for the period	1,732,160	2,130,900	2,324,637	6,187,697
Other movements	274,376	472,185	2,868,837	3,615,398
Closing balance as at 31st March 2022	8,501,494	12,791,726	41,226,912	62,520,132
	GROUP			
	Stage 1	Stage 2	Stage 3	Total
	Rs.000	Rs.000	Rs.000	Rs.000
Opening balance as at 1st January 2021	3,799,787	8,284,622	33,820,590	45,904,999
Net impairment charge for the period	631,211	1,861,109	581,646	3,073,966
Other movements	-	-	230,210	230,210
Closing balance as at 31st March 2021	4,430,998	10,145,731	34,632,446	49,209,175
Opening balance as at 1st January 2022	5,157,121	12,312,473	40,188,279	57,657,873
Net impairment charge for the period	1,916,820	2,130,900	2,330,059	6,377,779
Other movements	274,376	472,185	2,868,837	3,615,398
Closing balance as at 31st March 2022	7,348,317	14,915,558	45,387,175	67,651,050

ANALYSIS OF COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

As at	BANK		GROUP	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	Rs.000	Rs.000	Rs.000	Rs.000
2) Gross commitments and contingencies	837,462,672	676,242,350	837,462,672	676,242,350
Less : Accumulated impairment under stage 1	991,931	810,503	991,931	810,503
Accumulated impairment under stage 2	239,728	201,327	239,728	201,327
Accumulated impairment under stage 3	1,402,549	1,123,884	1,402,549	1,123,884
	834,828,464	674,106,636	834,828,464	674,106,636
Product-wise commitments and contingencies				
By Product - Domestic Currency				
Documentary credit	1,023,560	668,552	1,023,560	668,552
Guarantees	62,306,501	59,686,884	62,306,501	59,686,884
Acceptances	116,883	237,321	116,883	237,321
Bills for collection	958,776	644,150	958,776	644,150
Forward exchange contracts				
Forward exchange sales	-	-	-	-
Forward exchange purchases	41,408,665	18,584,454	41,408,665	18,584,454
Cheques sent on clearing	4,333,791	4,069,632	4,333,791	4,069,632
Undrawn credit lines	501,362,593	420,416,157	501,362,593	420,416,157
Sub total	611,510,769	504,307,150	611,510,769	504,307,150
By Product - Foreign Currency				
Documentary credit	39,865,801	31,899,247	39,865,801	31,899,247
Guarantees	59,972,861	41,087,552	59,972,861	41,087,552
Acceptances	38,685,289	22,099,563	38,685,289	22,099,563
Bills for collection	25,146,755	20,236,767	25,146,755	20,236,767
Forward exchange contracts				
Forward exchange sales	5,535,325	12,150,970	5,535,325	12,150,970
Forward exchange purchases	38,573,084	25,740,382	38,573,084	25,740,382
Cheques sent on clearing	33,070	-	33,070	-
Undrawn credit lines	18,139,718	18,720,719	18,139,718	18,720,719
Sub total	225,951,903	171,935,200	225,951,903	171,935,200
Total	837,462,672	676,242,350	837,462,672	676,242,350
Movements in stage-wise impairment of commitments and contingencies during the period				
	BANK / GROUP			
	Stage 1	Stage 2	Stage 3	Total
	Rs.000	Rs.000	Rs.000	Rs.000
Opening balance as at 1st January 2021	735,795	256,266	1,218,185	2,210,246
Net impairment charge for the period	(27,311)	(84,222)	(176,171)	(287,704)
Closing balance as at 31st March 2021	708,484	172,044	1,042,014	1,922,542
Opening balance as at 1st January 2022	789,147	154,772	1,249,055	2,192,974
Net impairment charge for the period	202,784	84,956	153,494	441,234
Closing balance as at 31st March 2022	991,931	239,728	1,402,549	2,634,208

ANALYSIS OF DEPOSITS

As at	BANK		GROUP	
	31.03.2022 Rs.000	31.12.2021 Rs.000	31.12.2022 Rs.000	31.12.2021 Rs.000
3) Due to Customers - By product				
By product-Domestic Currency				
Current account deposits	74,888,852	67,433,359	74,167,398	67,180,885
Savings deposits	332,597,759	315,592,442	335,715,133	318,074,247
Time deposits	483,774,572	462,006,964	514,365,591	491,465,520
Certificates of deposit	324,043	322,715	324,043	322,715
Margin deposits	2,049,482	1,844,970	2,049,482	1,844,970
Sub total	893,634,708	847,200,450	926,621,647	878,888,337
By product- Foreign Currency				
Current account deposits	11,258,396	5,770,679	11,258,396	5,770,679
Savings deposits	73,323,666	52,156,901	73,272,078	52,113,034
Time deposits	237,740,293	170,192,821	237,183,823	169,905,334
Margin deposits	572,479	388,436	572,479	388,436
Sub total	322,894,834	228,508,837	322,286,776	228,177,483
Total	1,216,529,542	1,075,709,287	1,248,908,423	1,107,065,820

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 prices

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 2021. 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 2022.

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

As at 31st March 2022	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
Financial assets measured at fair value								
Derivative financial instruments	-	9,363,187	-	9,363,187	-	9,363,187	-	9,363,187
Financial assets measured at fair value through profit or loss	95,156	-	-	95,156	1,675,366	86,532	-	1,761,898
Financial assets measured at fair value through other comprehensive income	197,811,531	417,400	27,839	198,256,770	204,170,893	420,112	27,839	204,618,844
Total financial assets measured at fair value	197,906,687	9,780,587	27,839	207,715,113	205,846,259	9,869,831	27,839	215,743,929
Financial liabilities measured at fair value								
Derivative financial instruments	-	1,243,256	-	1,243,256	-	1,243,256	-	1,243,256
Total financial assets measured at fair value	-	1,243,256	-	1,243,256	-	1,243,256	-	1,243,256

As at 31st December 2021	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
Financial assets measured at fair value								
Derivative financial instruments	-	927,487	-	927,487	-	927,487	-	927,487
Financial assets measured at fair value through profit or loss	103,365	-	-	103,365	669,056	193,585	-	862,641
Financial assets measured at fair value through other comprehensive income	202,863,849	534,745	27,839	203,426,433	210,239,191	534,745	30,551	210,804,487
Total financial assets measured at fair value	202,967,214	1,462,232	27,839	204,457,285	210,908,247	1,655,817	30,551	212,594,615
Financial liabilities measured at fair value								
Derivative financial instruments	-	353,356	-	353,356	-	353,356	-	353,356
Total financial assets measured at fair value	-	353,356	-	353,356	-	353,356	-	353,356

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES CARRIED AT AMORTISED COST

As at 31st March 2022	BANK					GROUP				
	Carrying Value Rs.000	Fair Value			Total Rs.000	Carrying Value Rs.000	Fair Value			Total Rs.000
		Level 1 Rs.000	Level 2 Rs.000	Level 3 Rs.000			Level 1 Rs.000	Level 2 Rs.000	Level 3 Rs.000	
Financial Assets										
Financial assets measured at amortised Cost										
Loans and advances to customers	948,087,558	-	935,336,264	-	935,336,264	985,500,718	-	980,350,510	-	980,350,510
Debt and other financial instruments	212,501,622	122,076,479	23,939,670	-	146,016,149	224,519,130	123,961,745	33,263,218	-	157,224,963
Total financial assets measured at amortised cost	1,160,589,180	122,076,479	959,275,934	-	1,081,352,413	1,210,019,848	123,961,745	1,013,613,728	-	1,137,575,473
Financial Liabilities										
Financial liabilities measured at amortised Cost										
Due to depositors	1,216,529,542	-	1,216,262,477	-	1,216,262,477	1,248,908,423	-	1,248,895,676	-	1,248,895,676
Other borrowings	29,969,656	-	29,969,656	-	29,969,656	31,431,007	-	31,431,007	-	31,431,007
Debt securities issued	2,027,188	-	2,066,021	-	2,066,021	2,528,304	-	2,566,945	-	2,566,945
Subordinated term debts	24,215,628	-	21,492,963	-	21,492,963	25,083,811	-	22,298,470	-	22,298,470
Total financial liabilities measured at amortised cost	1,272,742,014	-	1,269,791,117	-	1,269,791,117	1,307,951,545	-	1,305,192,098	-	1,305,192,098

As at 31st December 2021	BANK					GROUP				
	Carrying Value Rs.000	Fair Value			Total Rs.000	Carrying Value Rs.000	Fair Value			Total Rs.000
		Level 1 Rs.000	Level 2 Rs.000	Level 3 Rs.000			Level 1 Rs.000	Level 2 Rs.000	Level 3 Rs.000	
Financial Assets										
Financial assets measured at amortised Cost										
Loans and advances to customers	876,254,693	-	876,098,776	-	876,098,776	911,253,345	-	911,197,915	-	911,197,915
Debt and other financial instruments	160,677,520	70,059,563	48,960,905	-	119,020,468	171,930,640	74,513,315	54,992,275	814,264	130,319,854
Total financial assets measured at amortised cost	1,036,932,213	70,059,563	925,059,681	-	995,119,244	1,083,183,985	74,513,315	966,190,190	814,264	1,041,517,769
Financial Liabilities										
Financial liabilities measured at amortised Cost										
Due to depositors	1,075,709,287	-	1,076,410,109	-	1,076,410,109	1,107,065,820	-	1,107,178,468	-	1,107,178,468
Other borrowings	24,747,869	-	24,747,869	-	24,747,869	25,555,834	-	25,555,834	-	25,555,834
Debt securities issued	1,962,749	-	2,067,803	-	2,067,803	2,465,085	-	2,565,609	-	2,565,609
Subordinated term debts	23,552,323	-	24,436,735	-	24,436,735	24,391,912	-	25,362,475	-	25,362,475
Total financial liabilities measured at amortised cost	1,125,972,228	-	1,127,662,516	-	1,127,662,516	1,159,478,651	-	1,160,662,386	-	1,160,662,386

The carrying values of assets and liabilities listed below are reasonable approximation of their fair values since, those are short term in nature or re-priced to current market rates frequently:

Assets	Liabilities
Cash and cash equivalents	Due to banks
Balances with Central Bank of Sri Lanka	Securities sold under repurchase agreements
Placements with banks	Other borrowings
Securities purchased under resale agreements	Dividends payable
Other financial assets	Other financial liabilities