

INCOME STATEMENT

In Rupees Thousands	Deutsche Bank Colombo Branch		
	Current Period From 01/01/23 to 31/12/23 (Audited)	Previous Period From 01/01/22 to 31/12/22 (Audited)	Change %
Interest income	8,224,100	5,999,381	37
Less : Interest expenses	464,001	495,719	(6)
Net interest income	7,760,099	5,503,662	41
Fee and commission income	839,387	639,406	31
Less : Fee and commission expenses	82,911	57,445	44
Net fee and commission income	756,476	581,961	30
Net gains / (losses) from trading	4,782,029	1,564,141	206
Net fair value gains / (losses) on:			
Financial assets at fair value through profit and loss	58,566	-	100
Financial liabilities at fair value through profit or loss	-	-	-
Net gains from derecognition of financial assets:			
At fair value through profit or loss	-	-	-
At amortised cost	-	-	-
Net fair value gains/(losses) on at fair value through other comprehensive income	-	-	-
Net other operating income	104,063	159,775	(35)
Total operating income	13,461,233	7,809,539	72
Less : Impairment charges / (reversal)	(146,261)	274,263	(153)
Net operating income	13,314,972	8,083,802	65
Less : Expenses			
Personnel expenses	672,498	659,134	2
Depreciation and amortization	138,037	119,017	16
Other operating expenses	2,619,236	1,487,041	76
Operating profit / (loss) before VAT on financial services and SSCL	9,885,201	5,818,610	70
Less : Value Added Tax (VAT) on financial services	1,549,201	938,815	65
Less : Social Security Contribution Levy (SSCL) on financial services	216,219	75,297	187
Profit / (Loss) before Income Tax	8,119,781	4,804,498	69
Less : Income tax expenses	2,989,447	1,400,732	113
Profit / (Loss) for the period	5,130,334	3,403,766	51

STATEMENT OF COMPREHENSIVE INCOME

In Rupees Thousands	Deutsche Bank Colombo Branch		
	Current Period From 01/01/23 to 31/12/23 (Audited)	Previous Period From 01/01/22 to 31/12/22 (Audited)	Change %
Profit / (Loss) for the period	5,130,334	3,403,766	51
Items that will be reclassified to income statement			
Exchange differences on translation of foreign operations	-	-	-
Net gains / (losses) on cash flow hedges	-	-	-
Net gains / (losses) on investments in debt instruments measured at fair value through other comprehensive income	-	4,284	(100)
Share of profits of associates and joint ventures	-	-	-
Debt instruments at fair value through other comprehensive income	-	-	-
Less: Tax expense relating to items that will be reclassified to income statement	-	(1,285)	100
	2,999	(100)	
Items that will not be reclassified to income statement			
Change in fair value on investments in equity instruments designated at fair value through other comprehensive income	-	-	-
Change in fair value attributable to change in the Bank's own credit risk on financial liabilities designated at fair value through profit or loss	-	-	-
Re-measurement of post-employment benefit obligations	(7,119)	(5,078)	0
Changes in revaluation surplus	-	-	-
Share of profits of associates and joint ventures	-	-	-
Gain / (loss) on translating the financial statements of FCBU	(710,449)	2,375,309	(130)
Less: Tax expense relating to items that will not be reclassified to income statement	2,136	1,524	40
	(715,432)	2,371,755	(130)
Other Comprehensive Income (OCI) for the period, net of taxes	(715,432)	2,374,754	(130)
Comprehensive Income / (Expense) for the period	4,414,902	5,778,520	(24)

STATEMENT OF CASH FLOWS

In Rupees Thousands	Deutsche Bank Colombo Branch	
	Current Period As at 31-12-2023 (Audited)	Previous Period As at 31-12-2022 (Audited)
Cash flows from operating activities		
Profit / (Loss) before tax	8,119,781	4,804,498
Adjustment for		
Non cash items included in profit before tax	2,095,404	971,836
(Increase)/decrease in operating assets	(10,220,377)	(5,304,466)
Increase/(decrease) in operating liabilities	(7,544,046)	12,077,243
Dividend received from investments	(3,236)	(3,518)
Net unrealized gain/(loss) arising from translating the financial statements of foreign operations	(7,10,449)	2,375,309
Net cash generated from operating activities	(8,262,923)	14,920,902
Contribution paid to defined benefit plans	(6,335)	(12,071)
Income tax paid	(2,729,453)	(303,608)
Net cash from / (used in) operating activities	(10,998,711)	14,605,223
Cash flows from investing activities		
Purchase of property, plant and equipment	(70,257)	(744,464)
Proceeds from the sale of property, plant and equipment	-	3,322
Dividend received from investments	3,236	3,518
Net cash from / (used in) investing activities	(67,021)	(737,624)
Cash flows from financing activities		
Profit transferred to head office	(1,844,000)	(571,704)
Net cash from / (used in) financing activities	(1,844,000)	(571,704)
Net increase / (decrease) in cash and cash equivalents	(12,909,732)	13,295,895
Cash and cash equivalents at the beginning of the period	13,452,453	156,558
Cash and cash equivalents at the end of the period	542,721	13,452,453

STATEMENT OF CHANGES IN EQUITY

In Rupees Thousands	Stated capital/Assigned capital			Reserves						Total Equity	
	Ordinary voting shares	Ordinary non-voting shares	Assigned capital	Statutory Reserve Fund	FVTOCI Reserve	ECL reserve	Retained earnings	Exchange equalization of Capital	Exchange equalization of Reserves		Reserve through contributed assets
Balance as at 31/12/2022 - Audited	-	-	4,410,461	963,823	(22,703)	265,328	6,419,206	1,861,561	1,632,737	8,709,569	24,239,982
Total comprehensive income for the period	-	-	-	-	-	-	5,130,334	-	-	-	5,130,334
Profit / (loss) for the year (net of tax)	-	-	-	-	-	-	5,130,334	-	-	-	5,130,334
Changes in fair value of FVTOCI	-	-	-	-	-	-	-	-	-	-	-
ECL Reserve	-	-	-	-	-	-	-	-	-	-	-
Actuarial gain in defined benefits plans	-	-	-	-	-	-	(7,119)	-	-	-	(7,119)
Gain on translating the financial statement of FCBU	-	-	-	-	-	-	-	(316,230)	(394,219)	-	(710,449)
Tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-	2,136
Total comprehensive income for the period	-	-	-	-	-	-	5,125,351	(316,230)	(394,219)	-	4,414,902
Transactions recognised directly in equity											
Share issue / increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-	-	-	-	-
Rights issue	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	-	256,196	-	-	(256,196)	-	-	-	-
Transfers to ECL reserve during the year	-	-	-	-	-	(143,250)	143,250	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to head office	-	-	-	-	-	-	(1,844,000)	-	-	-	(1,844,000)
Unremittable HO Expenses Capitalization	-	-	-	-	-	-	-	-	-	504,643	504,643
Balance as at 31/12/2023 - Audited	-	-	4,410,461	1,220,019	(22,703)	122,078	9,587,611	1,545,331	1,238,518	9,214,212	27,315,527

SELECTED PERFORMANCE INDICATORS

Item	Deutsche Bank Colombo Branch	
	Current Period As at 31-12-2023	Previous Period As at 31-12-2022
Regulatory Capital (LKR in Millions)		
Common Equity Tier I	24,320	20,446
Tier I Capital	24,320	20,446
Total Capital	24,379	20,464
Regulatory Capital Ratios (%)		
Common Equity Tier I Capital Ratio (Minimum requirement - 7.00%)	40.57%	35.71%
Tier I Capital Ratio (Minimum requirement - 8.50%)	40.57%	35.71%
Total Capital Ratio (Minimum requirement - 12.50%)	40.67%	35.75%
Leverage Ratio (Minimum requirement - 3%)	26.52%	20.47%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)		
Domestic Banking unit	36,094	36,853
Off-Shore Banking unit	13,142	10,336
Statutory Liquid Assets Ratio (Minimum requirement - 20.00%)		
Domestic Banking unit (%)	94.50%	94.78%
Off-Shore Banking unit (%)	131.39%	68.26%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	29,939	17,049
Liquidity Coverage Ratio (Minimum requirement - 100%)		
Rupees (%)	100.104%	825.46%
All Currency (%)	766.51%	312.01%
Net Stable Funding Ratio (%) (Minimum requirement - 100%)	212.00%	144.00%
Assets Quality (Quality of Loan Portfolio) (%)		
Impaired Loans (Stage 3) Ratio	0.00%	0.00%
Impairment (Stage 3) to Stage 3 Loans Ratio	0.00%	0.00%
Profitability (%)		
Interest Margin	10.24%	7.60%
Return on Assets (before tax)	10.71%	6.64%
Return on Equity	19.50%	17.26%

ADDITIONAL DISCLOSURES

In Rupees Thousands	Deutsche Bank Colombo Branch	
	Current Period As at 31-12-2023 (Audited)	Previous Period As at 31-12-2022 (Audited)
Analysis of customer deposits		
By product – Domestic currency		
Demand deposits	10,574,926	15,755,415
Savings deposits	10,699,835	6,517,770
Fixed deposits	7,523,899	3,299,450
Margin deposits	53,968	62,598
Sub total	28,852,628	25,635,233
By product – Foreign currency		
Demand deposits	9,009,982	9,905,718
Savings deposits	370,271	1,511,836
Fixed deposits	452,044	488,348
Margin deposits	-	1,315,378
Sub total	9,832,297	13,221,280
Total	38,684,925	38,856,513
Analysis of loans & advances, commitments, contingencies and impairment		
Product-wise Gross loans & advances		
By product – Domestic currency		
Overdrafts	17,693,981	13,528,205
Trade finance	50,227	3,146,848
Staff loans	118,572	100,573
Supplier finance	4,018,470	3,613,534
Sub total	21,881,250	20,389,160
By product – Foreign currency		
Overdrafts	2,264,459	4,125,814
Term loans	-	-
Trade finance	469,584	2,260,817
Staff loans	-	-
Supplier finance	-	88,239
Sub total	2,734,043	6,474,870
Total	24,615,293	26,864,030
Product-wise commitments and contingencies		
By product – Domestic currency		
Guarantees	11,250,305	11,890,349
Letter of credit	41,044	1,065,936
Forward exchange contracts	3,752,664	-
Usance import bills	-	140,456
Undrawn loan commitments	11,804,539	12,610,111
Sub total	26,848,552	25,706,852
By product – Foreign currency		
Guarantees	22,671,130	30,985,085
Letter of credit	5,688,022	4,204,115
Forward exchange contracts	3,755,760	13,522,742
Usance import bills	521,261	2,365,453
Undrawn loan commitments	15,353,441	12,537,658
Sub total	47,989,614	63,615,053
Total	74,838,166	89,321,905
Stage-wise impairment on loans & advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	99,453,459	116,185,935
Less: Accumulated impairment under stage 1	16,023	44,363
Accumulated impairment under stage 2	15,823	38,904
Accumulated impairment under stage 3	-	-
Net value of loans and advances, commitments and contingencies	99,270,574	116,102,668
Movement of impairment during the period		
Under Stage 1		
Opening balance at the beginning of the period	44,363	21,607
Charge/(write back) to the Income Statement	122,699	22,756
Write-off during the year	-	-
Closing balance at the end of the period	167,062	44,363
Under Stage 2		
Opening balance at the beginning of the period	38,904	-
Charge/(write back) to the Income Statement	(23,081)	38,904
Write-off during the year	-	-
Closing balance at the end of the period	15,823	38,904
Under Stage 3		
Opening balance at the beginning of the period	-	-
Charge/(write back) to the Income Statement	-	-
Write-off during the year	-	-
Closing balance at the end of the period	-	-
Total impairment	182,885	83,267

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

a. Bank - Current period as at 31/12/2023 (Audited)				
In Rupees Thousand	AC	FVPL	FVTOCI	Total
ASSETS				
Cash and cash equivalents	542,721	-	-	542,721
Balances with Central Bank	12,346,488	-	-	12,346,488
Placements with banks	13,608,940	-	-	13,608,940
Placements with branches	49	-	-	49
Derivative financial instruments	-	38,983	-	38,983
Group balances receivables	1,719,105	-	-	1,719,105
Financial assets measured at fair value through profit or loss	-	18,041,590	-	18,041,590
Financial assets at amortised cost				
- loans and advances	24,554,285	-	-	24,554,285
- debt and other instruments	-	-	-	-
Financial assets measured at fair value through other comprehensive income	-	-	42,339	42,339
Other assets	1,464,147	-	-	1,464,147
Total financial assets	54,235,734	18,080,573	42,339	72,358,646