

Deutsche Bank

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INCOME STATEMENT			
	Deutsche Ba	ank Colombo Bra	nch
In Rupees Thousands	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

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

STATEMENT OF CASH FLOWS		
	Deutsche Bar Bran	
In Rupees Thousands	Current Period As at 31-12-2023 (Audited)	Previous Period As at 31-13-2022 (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	(710,449)	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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Stated	capital/Assigned c	apital				Reserves				
In Rupees Thousands	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	Total Equity
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											
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		-	-	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	-	-	-	-		(95,256)	47,261		47,994	-	-
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)	170,072	9,491,622	1,545,331	1,286,512	9,214,212	27,315,527

	Deutsche Bank Co	olombo Bran	
Item	Current Period As at 31-12-2023	Previo Period As 31-12-20	
Regulatory Capital (LKR in Millions)			
Common Equity Tier I	24,224	20,4	
Tier I Capital	24,224	20,4	
Total Capital	24,284	20,4	
Regulatory Capital Ratios (%)			
Common Equity Tier I Capital Ratio (Minimum requirement - 7.00%)	40.40%	35.7	
Tier I Capital Ratio (Minimum requirement - 8.50%)	40.40%	35.7	
Total Capital Ratio (Minimum requirement - 12.50%)	40.50%	35.75	
Leverage Ratio (Minimum requirement - 3%)	26.40%	20.47	
Regulatory Liquidity			
Statutory Liquid Assets (LKR in Millions)			
Domestic Banking unit	36,094	36,8	
Off-Shore Banking unit	13,142	10,3	
Statutory Liquid Assets Ratio (Minimum requirement - 20.00%)			
Domestic Banking unit (%)	94.50%	94.7	
Off-Shore Banking unit (%)	131.39%	68.26	
Total Stock of High-Quality Liquid Assets (LKR in Millions)	29,939	17,0	
Liquidity Coverage Ratio (Minimum requirement - 100%)			
Rupees (%)	1001.04%	825.4	
All Currency (%)	766.51%	312.0	
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%	7.6	
Return on Assets (before tax)	10.71%	6.6	
Return on Equity	19.50%	17.2	

These Financial Statements are prepared in compliance with the format and definitions prescribed by the Central bank of Sri Lanka. And the information contained in these statements have been extracted from audited financial statements of Deutsche Bank AG Colombo Branch Financials and audited by E & Y Sri Lanka.

Unremittable head office and other group payables amounting to Rs.504,643,195/- reported upto May 2022, converted to equity during the financial year 2023 with prior approval of Central Bank of Sri Lanka.

3. The bank continues to assess the Economic Factor Adjustment (EFA) to reflect the economic environment when assessing collective impairment provisions in the subsequent periods. The recommended treatments as per the guidelines issued by the Central Bank of Sri Lanka and the Institute of Chartered Accountants of Sri Lanka were considered in assessing the above-mentioned Expected Credit Losses (ECL). 4. DBU retained profit for the year ended 31 December 2018, 2019 and 2020 amounting to LKR 1,844 mn has been transferred to Head Office in 2023, after obtaining approval from the Central Bank of Sri Lanka and the Department

No circumstances have arisen since the reporting date which would require adjustment to or disclosure in the financial statements.

Deutsche Bank Colombo Branch

	Deutsche Bank Colombo Branch a. Bank - Current period as at 31/12/2023 (Audited)							
In Rupees Thousands	Current Period As at 31-12-2023		In Rupees Thousand	AC	FVPL	FVTOCI		
	(Audited)	(Audited)	ASSETS					
Analysis of customer deposits			Cash and cash equivalents	542,721				
By product – Domestic currency			Balances with Central Bank	12,346,488				
Demand deposits	10,574,926	15,755,415	-					
Savings deposits	10,699,835	6,517,770	Placements with banks	13,608,940				
Fixed deposits	7,523,899	3,299,450	Placements with branches	49	-			
Margin deposits	53,968	62,598	Derivative financial instruments		38,983			
Sub total	28,852,628	25,635,233	Group balances receivables	1,719,105	-			
			Financial assets measured at fair value					
By product – Foreign currency	0.000.000	0.005.740	through profit or loss		18,041,590			
Demand deposits	9,009,982	9,905,718	Financial assets at amortised cost					
Savings deposits	370,271	1,511,836						
Fixed deposits	452,044	488,348	- loans and advances	24,554,285				
Margin deposits	-	1,315,378	 debt and other instruments 	-	-			
Sub total	9,832,297	13,221,280	Financial assets measured at fair value					
Total	38,684,925	38,856,513	through other comprehensive income		-	42,3		
Analysis of loans & advances, commitments, contingencies and impairment			Other assets	1,464,147	-			
Product-wise Gross loans & advances			Total financial assets	54,235,734	18,080,573	42,3		
By product - Domestic currency						,		
Overdrafts	17,693,981	13,528,205						
Term loans	17,093,961	13,328,203	In Rupees Thousand		AC	FVPL		
Trade finance	50,227	3,146,848	LIABILITIES					
Staff loans	118,572	100,573						
			Due to banks					
Supplier finance Sub total	4,018,470 21,881,250	3,613,534 20,389,160	Due to branches		1,460,629			
Sub total	21,001,250	20,369,160	Derivative financial instruments		-	3,3		
By product – Foreign currency			Financial liabilities at amortised cost					
Overdrafts	2,264,459	4,125,814	- due to depositors		38,684,925			
Term loans	-	-	- due to debt securities holders					
Trade finance	469,584	2,260,817						
Staff loans	-	-	- due to other borrowers		-			
Supplier finance	-	88,239	Group balances payable		2,528,895			
Sub total	2,734,043	6,474,870	Other liabilities		299,281			
Total	24,615,293	26,864,030	Total financial liabilities	-	42,973,730	3,3		
Product-wise commitments and contingencies			AC - Financial assets/liabilities measured at an	nortised cost				
By product – Domestic currency			FVPL - Financial assets/liabilities measured at	fair value through pro	ofit or loss			
By product – Domestic currency Guarantees	11,250,305	11,890,349		٠.		9		
By product – Domestic currency Guarantees Letter of credit	11,250,305 41,044	11,890,349 1,065,936	FVPL - Financial assets/liabilities measured at FVOCI - Financial assets measured at fair valu	٠.		е		

47,989,614

74,838,166

99,453,459

167,062

15,823

99,270,574

182,885

63,615,053

89,321,905

116,185,935

116,102,668

44.363

38,904

83,267

Financial liabilities at amortised cost

- due to debt securities holders

- due to other borrowers

Group balances payable

Total financial liabilities

Other liabilities

n Rupees Thousand	AC	FVPL	FVTOCI	Total
SSETS				
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
otal financial assets	54,235,734	18,080,573	42,339	72,358,646
Rupees Thousand		AC	FVPL	Total
IABILITIES				
Due to banks		-		
Due to branches		1,460,629		1,460,629
Derivative financial instruments		-	3,333	3,333
Derivative initiational motifaments				
Financial liabilities at amortised cost				
		38,684,925		38,684,925
Financial liabilities at amortised cost		38,684,925	-	38,684,925
Financial liabilities at amortised cost - due to depositors		38,684,925		38,684,925
Financial liabilities at amortised cost - due to depositors - due to debt securities holders - due to other borrowers		38,684,925 - - 2,528,895	-	38,684,925 - - 2,528,895
Financial liabilities at amortised cost - due to depositors - due to debt securities holders		-	-	-

STATEMENT OF FINANCIAL POSITION

5. There was no pending litigation of a material nature against the Branch.

of Inland Revenue.

	Deutsche Bank Colombo Branch				
In Rupees Thousands	Current Period As at 31-12-2023 (Audited)	Previous Period As at 31-12-2022 (Audited)	Growth %		
Assets					
Cash and cash equivalents	542,721	13,452,453	(96)		
Balances with Central Bank	12,346,488	17,868,618	(31)		
Placement with banks	13,608,940	,,	100		
Placement with branches	49	6,101,049	(100)		
Derivative financial instruments	38.983	48,544	(20)		
Group balances receivable	1,719,105	1,195,941	44		
Financial assets measured at fair value through profit or loss	1,1 10,100	1,100,011			
- measured at fair value	18,041,590		100		
- designated at fair value	10,041,000		- 100		
Financial assets at amortised cost					
- loans and advances	24,554,285	26,839,736	(9)		
- debt and other instruments	24,334,203	7,547,678	(100)		
Financial assets measured at fair value through	-	7,547,070	(100)		
other comprehensive income	42.339	42,339	_		
Investment in subsidiaries		,			
Investments in associates and joint ventures					
Property, plant & equipment	617,455	699,868	(12)		
Investment properties		-	(,		
Goodwill and intangible assets					
Deferred tax assets	95,572	41,246	132		
Other assets	1,464,147	1,565,168	(6)		
Total assets	73,071,674	75,402,640	(3)		
Liabilities	73,071,074	73,402,640	(3)		
Due to banks		3.013	(100)		
Due to branches	1,460,629	8,044,569	(82)		
Derivative financial instruments	3,333	90,366	(96)		
Financial liabilities recognized through profit or loss	3,333	90,300	(90)		
- measured at fair value					
- designated at fair value					
Financial liabilities at amortised cost	-				
- due to depositors	38,684,925	38,856,513	(0)		
- due to depositors - due to debt securities holders	30,004,925	30,030,313	- (0)		
- due to debt securities riolders - due to other borrowers					
Debt securities issued	-	<u>-</u>			
Retirement benefit obligations	96.009	73,686	30		
9		-,			
Current tax liabilities	1,572,176	1,259,992	25		
Other provisions	4 440 400	2.050.740	(20)		
Other liabilities	1,410,180	2,059,748	(32)		
Due to subsidiaries	2 500 005	774 774	226		
Group balances payable	2,528,895	774,771			
Total liabilities	45,756,147	51,162,658	(11)		
Equity					
Stated capital / Assigned capital	4,410,461	4,410,461	-		
Statutory reserve fund	1,220,019	963,823	27		
Retained earnings	9,491,622	6,419,206	48		
Other reserves	12,193,424	12,446,492	(2)		
Total equity	27,315,527	24,239,982	13		
Total equity and liabilities	73,071,674	75,402,640	(3)		
Contingent liabilities & commitments	74,838,166	89,321,905	(16)		
Memorandum information:					
No. of annularing					
No. of employees No. of branches	56 1	59 1			

Audited)			
AC	FVPL	FVTOCI	Total
13,452,453	-	-	13,452,453
17,868,618	-	-	17,868,618
-	-	-	-
6,101,049	-	-	6,101,049
-	48,544	-	48,544
1,195,941	-	-	1,195,941
-	-	-	-
26,839,736	-	-	26,839,736
7,547,678	-	-	7,547,678
-	-	42,339	42,339
1,565,168	-	-	1,565,168
74,570,643	48,544	42,339	74,661,526
	AC	FVPL	Total
	3,013	-	3,013
	8,044,569	-	8,044,569
	-	90,366	90,366
	13,452,453 17,868,618 - 6,101,049 - 1,195,941 - 26,839,736 7,547,678 - 1,565,168	AC FVPL 13,452,453	AC FVPL FVTOCI 13,452,453

38,856,513

774,771

604,905

48,283,771

 $\textbf{Note:} \ \, \textbf{Amounts stated are net of impairment \& depreciation}.$

38,856,513

604,905

48,374,137

90,366

Certification
We, the undersigned, being the Chief Country Officer and Head of Finance of Deutsche Bank AG , Sri Lanka certify

(A) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka

(B) the information contained in these statements have been extracted from audited financial statements of the bank.

Niranjan Figurado
Chief Country Officer 26.03.2024 Colombo.

A R M Imesha Sanjeewanie Head of Finance

Opening balance at the beginning of the period 44,363 Charge/(write back) to the Income Statement 22,756 Closing balance at the end of the period 167,062 44,363 38.904 38,904 (23,081)

Under Stage 2 Opening balance at the beginning of the period Charge/(write back) to the Income Statement Write-off during the year 38,904 Closing balance at the end of the period 15,823 Under Stage 3 Opening balance at the beginning of the period Charge/(write back) to the Income Statement

Stage-wise impairment on loans & advances, commitments and contingencies

Gross loans and advances, commitments and contingencies

Net value of loans and advances, commitments and contingencies

Accumulated impairment under stage 2

Accumulated impairment under stage 3

Movement of impairment during the period

Closing balance at the end of the period

Under Stage 1

3,752,664 Forward exchange contracts Usance import bills Undrawn loan commitments 12,610,111 Sub total 26,848,552 25,706,852 By product – Foreign currency 22,671,130 Guarantees 30.985.085 Letter of credit 5,688,022 4,204,115 Forward exchange contracts 3,755,760 13.522.742 521,261 2,365,453 Usance import bills 15,353,441 12,537,658 Undrawn loan commitments