Standard Chartered

Standard Chartered Bank, Sri Lanka

Rupees Thousands

INCOME STATEMENT

Item	Current Period From 01/01/2019 to 31/12/2019 (Audited)	Previous Period From 01/01/2018 to 31/12/2018 (Audited)
Interest income	13,300,928	12,665,273
Interest expense	4,199,749	4,031,485
Net Interest income	**9,101,179**	**8,633,788**
Fees and Commission income	2,296,783	2,164,502
Fees and Commission expenses	(399,629)	(346,910)
Net fee and Commission income	**1,897,154**	**1,817,592**
Net gain/(loss) from trading	2,937,561	2,900,793
Net gain/(loss) from financial instruments designated at fair value through profit or loss	223,766	(171,289)
Net gain/(loss) from financial investments	13,075	-
Other operating income (net)	468,603	135,897
Total operating income	**14,641,338**	**13,316,781**
Impairment Charges	648,962	411,422
Net operating income	**13,992,376**	**12,905,359**
Personnel expenses	2,535,932	1,962,487
Depreciation and amortisation	165,329	143,331
Other expenses	1,634,110	1,875,757
Operating profit/(loss) before value added tax (VAT) & NBT	**9,657,005**	**8,923,784**
Value Added Tax (VAT) on financial services	1,413,019	1,334,597
Nation Building Tax (NBT) on financial services	189,200	181,361
Debt Repayment Levy	834,305	188,427
Operating profit/(loss) after value added tax (VAT) & NBT	**7,220,481**	**7,219,399**
Share of profits of associates and joint ventures	-	-
Profit/(Loss) before tax	**7,220,481**	**7,219,399**
Income tax expenses	2,051,027	2,168,950
Profit/(Loss) for the period	**5,169,454**	**5,050,449**
Profit attributable to:		
Owners of the parent	5,169,454	5,050,449
Non-controlling interests	-	-
	5,169,454	5,050,449
Earnings per share		
Basic earnings per ordinary share	-	-
Diluted earnings per ordinary share	-	-

Standard Chartered PLC

US $m

CONSOLIDATED INCOME STATEMENT

Item	Current Period From 01/01/2019 to 31/12/2019 (Audited)	Previous Period From 01/01/2018 to 31/12/2018 (Audited)
Interest Income	16,549	15,150
Interest Expense	(8,882)	(7,355)
Net interest income	**7,667**	**7,795**
Fees and commission income	4,111	4,029
Fees and commission expense	(589)	(537)
Net trading income	3,350	2,681
Other operating income	878	821
Non-interest income	**7,750**	**6,994**
Operating income	**15,417**	**14,789**
Staff costs	(7,122)	(7,074)
Premises costs	(420)	(790)
General administrative expenses	(2,211)	(2,926)
Depreciation and amortisation	(1,180)	(857)
Operating expenses	**(10,933)**	**(11,647)**
Operating profit before impairment losses and taxation	**4,484**	**3,142**
Credit Impairment	(908)	(653)
Other impairment		
Goodwill impairment	(27)	-
Other	(136)	(182)
Profit/(Loss) from associates and joint ventures	300	241
Profit before taxation	**3,713**	**2,548**
Taxation	(1,373)	(1,439)
Profit/(Loss) for the year	**2,340**	**1,109**
Profit/(loss) Attributable to:		
Non-controlling interests	37	55
Parent company shareholders	2,303	1,054
Profit/(Loss) for the year	**2,340**	**1,109**
Earnings per share:		
Basic earnings/(loss) per ordinary share	57.0	18.7
Diluted earnings/(loss) per ordinary share	56.4	18.5

Standard Chartered Bank, Sri Lanka

Rupees Thousands

STATEMENT OF FINANCIAL POSITION

Item	Current Period As at 31/12/2019 (Audited)	Previous Period As at 31/12/2018 (Audited)
Assets		
Cash and cash equivalents	2,937,879	4,877,736
Balance with Central Bank	3,022,347	9,538,937
Placements with banks	20,978,920	21,460,287
Derivative financial Instruments	2,499,753	6,486,135
Financial Assets recognised through profit or loss measured at fair value	12,964,714	3,243,069
Financial assets at amortised cost – Loans and Receivable to Banks	419,580	1,776,182
Financial assets at amortised cost – Loans and Advances	102,225,675	105,760,217
Financial assets measured at fair value through other comprehensive income	30,595,184	27,388,195
Property, Plant and Equipment	682,320	540,525
Deferred tax assets	146,784	35,915
Other Assets	3,798,437	4,461,213
Total Assets	**180,271,593**	**185,568,411**
Liabilities		
Due to banks	16,223,815	8,267,299
Derivative financial instruments	3,004,619	7,318,904
Financial liabilities at amortised cost – Due to depositers	107,254,059	130,598,390
Financial liabilities at amortised cost – Other Borrowers	9,975,709	58,824
Current tax liabilities	1,770,521	1,670,983
Other provisions	154,943	163,354
Other liabilities	4,906,579	3,755,477
Due to subsidiaries	-	-
Total Liabilities	**143,290,245**	**151,833,231**
Equity		
Stated capital/Assigned capital	3,317,705	3,317,705
Statutory reserve fund	2,099,596	1,996,207
OCI reserve	318,481	(10,464)
Retained earnings	26,876,323	24,063,699
Revaluation Reserve	372,360	372,360
Other reserves	3,996,883	3,995,673
Total shareholders' equity	**36,981,348**	**33,735,180**
Non-controlling interest	-	-
Total Equity	**36,981,348**	**33,735,180**
Total equity and liabilities	**180,271,593**	**185,568,411**
Contingent liabilities and commitments	**266,575,181**	**279,392,075**
Memorandum Information		
Number of Employees	663	749
Number of Branches	7	8

Standard Chartered PLC

US $m

CONSOLIDATED BALANCE SHEET

Item	Current Period As at 31/12/2019 (Audited)	Previous Period As at 31/12/2018 (Audited)
ASSETS		
Cash and Balances at Central Banks	52,728	57,511
Financial Assets held at Fair Value through Profit or Loss	92,818	87,132
Derivative Financial Instruments	47,212	45,621
Loans and Advances to Banks	53,549	61,414
Loans and Advances to Customers	268,523	256,557
Investment Securities	143,731	125,901
Other Assets	42,022	35,401
Current Tax Assets	539	492
Prepayments and Accrued Income	2,700	2,505
Interests in Associates and Joint Ventures	1,908	2,307
Goodwill and Intangible Assets	5,290	5,056
Property, Plant and Equipment	6,220	6,490
Deferred Tax Assets	1,105	1,047
Assets Classified as held for sale	2,053	1,328
Total Assets	**720,398**	**688,762**
LIABILITIES		
Deposits by Banks	28,562	29,715
Customer Accounts	405,357	391,013
Repurchase agreements and other similar secured borrowing	1,935	1,401
Financial Liabilities held at Fair Value through Profit or Loss	66,974	60,700
Derivative Financial Instruments	48,484	47,209
Debt Securities in Issue	53,025	46,454
Other Liabilities	41,583	38,309
Current Tax Liabilities	703	676
Accruals and Deferred Income	5,369	5,393
Subordinated Liabilities and Other Borrowed Funds	16,207	15,001
Deferred Tax Liabilities	611	563
Provision for Liabilities and Charges	449	1,330
Retirement Benefit Obligations	469	399
Liabilities included in disposal group held for sale	9	247
Total Liabilities	**669,737**	**638,410**
EQUITY		
Share Capital and Share premium account	7,078	7,111
Other Reserves	11,685	11,878
Retained earnings	26,072	26,129
Total Parent Company Shareholders' Equity	**44,835**	**45,118**
Other equity instruments	5,513	4,961
Total Equity excluding non-controlling interests	**50,348**	**50,079**
Non-controlling interests	313	273
Total Equity	**50,661**	**50,352**
Total equity and liabilities	**720,398**	**688,762**
COMMITMENTS AND CONTINGENCIES	**187,908**	**193,662**

Standard Chartered Bank, Sri Lanka

Rupees Thousands

COMPREHENSIVE INCOME STATEMENT

Item	Current Period From 01/01/2019 to 31/12/2019 (Audited)	Previous Period From 01/01/2018 to 31/12/2018 (Audited)
Profit/(Loss) for the period	**5,169,454**	**5,050,449**
Other Comprehensive income, net of tax		
Items that reclassified to Income Statement		
Gains or losses from translating the financial statements of FCBU	1,210	656,717
Gains on investments in debt intruments measured at fair value through OCI	50,451	(277,774)
Deferred tax impact on items that will be reclassified in Income Statement	21,681	77,986
Amount transferred to profit or loss	(13,075)	-
Expected credit loss	269,888	(12,719)
Items that will not be reclassified to Income Statement		
Remeasurment of defined benefit plans	(172,104)	139,062
Deferred tax impact on items that will not be reclassified in Income Statement	48,189	(38,937)
Other comprehensive income for the period, net of taxes	**206,240**	**544,335**
Total comprehensive income for the period	**5,375,694**	**5,594,784**
Attributable to:		
Equity holders of the parent	5,375,694	5,594,784
Non-controlling interests	-	-
	5,375,694	**5,594,784**

Standard Chartered PLC

US $m

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Item	Current Period From 01/01/2019 to 31/12/2019 (Audited)	Previous Period From 01/01/2018 to 31/12/2018 (Audited)
Profit/(Loss) for the year	**2,340**	**1,109**
Other comprehensive (loss)/income:		
Items that will not be reclassified to Income statement:		
Own credit gains/(losses) losses on financial liabilities designated at fair value through profit or loss	(462)	394
Equity instruments at fair value through other comprehensive income	13	36
Actuarial (losses)/gain on retirement benefit obligations	(124)	(19)
Taxation relating to components of other comprehensive income	42	(29)
Items that may be reclassified subsequently to income statement:		
Exchange differences on translation of foreign operations:		
Net (losses)/gains taken to equity	(386)	(1,462)
Net gains/(losses) on net investment hedges	191	282
Share of other comprehensive loss from associates and joint ventures	25	33
Debt instruments at fair value through other comprehensive income/available-for-sale **investments:**		
Net valuation (losses)/gains taken to equity	555	(128)
Reclassified to income statement	(170)	31
Net impact of expected credit losses	7	-
Cash flow hedges:		
Net gains taken to equity	(64)	34
Reclassified to income statement	21	7
Taxation relating to components of other comprehensive income	(48)	14
Other comprehensive (loss)/income for the year, net of taxation	**(400)**	**(807)**
Total comprehensive income for the year	**1,940**	**302**
Total comprehensive (loss)/income attributable to:		
Non-controlling interests	20	34
Parent company shareholders	1,920	268
	1,940	**302**

Standard Chartered Bank, Sri Lanka

Rupees Thousands

STATEMENT OF CASHFLOW

Item	Current Period 31/12/2019 (Audited)	Previous Period 31/12/2018 (Audited)
Cash flows from operating activities		
Profit before tax	**7,220,481**	**7,219,399**
Adjustment for:		
Depreciation and amortisation	165,329	143,331
Net impairment loss on loans and advances	648,962	411,422
Net interest income	(9,101,179)	(8,633,788)
Provision for employee benefits	20,742	10,851
Expected loss on derivative financial instruments	30,049	137,073
Unrealized loss/(gain) on derivative financial instruments	(327,903)	868,691
Gain on sale of property, plant and equipment	(32,152)	(6,813)
	(1,375,671)	**150,166**
Change in Statutory Deposits with Central Bank of Sri Lanka (CBSL)	6,516,590	(5,380,944)
Change in placements with banks	9,002,318	1,499,241
Change in group balances receivable	(8,520,951)	6,998,085
Change in Financial assets at amortised cost – loans and receivables to banks	1,356,602	3,528,908
Change in Financial assets at amortised cost – loans and receivables to other customers	2,980,776	(26,268,697)
Change in other assets	610,674	(696,269)
Change in due from banks	5,457,298	45,607
Change in Finanial Liabilities – other borrowers	9,916,885	(445,121)
Change in group balance payable	2,499,218	(6,217,678)
Change in Financial Liabilities – due to depositors	(23,506,666)	22,789,723
Change in other liabilities and provisions	1,306,013	(1,615,668)
Exchange gain impact on translation of FCBU	1,210	656,717
Cash used in operating activities	**6,244,296**	**(4,955,930)**
Interest received	13,258,652	12,517,426
Interest paid	(4,037,414)	(3,900,757)
Tax paid	(1,989,086)	(1,978,082)
Employee benefit paid	(129,871)	(107,701)
Net cash generated from/ (used in) operating activities	**13,346,577**	**1,574,956**
Cash flows from investing activities		
Net Acquisition of Financial assets recongnised through profit or loss measured at fair value	(9,721,645)	(1,484,614)
Net Acquisition of Financial assets recongnised at measured at fair value through other comprehensive income	(3,156,538)	(1,430,326)
Acquisition of property, plant and equipment	(313,473)	(143,238)
Proceeds from the sale of property, plant and equipment	34,748	17,035
Net cash (used in)/from investing activities	**(13,156,908)**	**(3,041,143)**
Cash flows from financing activities		
Amounts transferred to head office	(2,129,526)	(2,721,800)
Net cash used in financing activities	**(2,129,526)**	**(2,721,800)**
Net increase/(decrease) in cash & cash equivalents	(1,939,857)	(4,187,987)
Cash and cash equivalents at the beginning of the period	4,877,736	9,065,723
Cash and cash equivalents at the end of the period	**2,937,879**	**4,877,736**

Standard Chartered PLC

US $m

CONSOLIDATED STATEMENT OF CASHFLOW

Item	Current Period 31/12/2019 (Audited)	Previous Period 31/12/2018 (Audited)
Cash flows from operating activities		
Profit before taxation	**3,713**	**2,548**
Adjustments for non-cash items and other adjustments included within income statement	2,417	2,635
Change in operating assets	(35,285)	(12,837)
Change in operating liabilities	29,935	33,859
Contributions to defined benefit schemes	(137)	(143)
UK and overseas taxes paid	(1,421)	(770)
Net cash (used in)/from operating activities	**(778)**	**25,292**
Cash flows from investing activities		
Purchase of property, plant and equipment	(219)	(171)
Disposal of property, plant and equipment	119	85
Dividends received from subsidiaries, associates and joint ventures	3	67
Disposal of subsidiaries	-	7
Purchase of investment securities	(259,473)	(276,388)
Disposal and maturity of investment securities	241,600	263,983
Net cash (used in)/from investing activities	**(17,970)**	**(12,417)**
Net cash flows from financing activities		
Issue of ordinary and preference share capital, net of expenses	577	14
Exercise of share options	7	9
Purchase of own shares	(206)	(8)
Cancellation of shares including share buy-back	(1,006)	-
Premises and equipment lease liability principal payment	(332)	-
Gross Proceeds from issue of subordinated liabilities	1,000	500
Interest paid on subordinated liabilities	(603)	(602)
Repayment of subordinated liabilities	(23)	(2,097)
Proceeds from issue of senior debt	9,169	9,766
Repayment of senior debts	(7,692)	(7,030)
Interest paid on senior debts	(797)	(507)
Investment from non-controlling interests	56	-
Dividends paid to non-controlling interests, preference shareholders and AT1 securities	(483)	(533)
Dividends paid to ordinary shareholders	(720)	(539)
Net cash used in financing activities	**(1,053)**	**(1,027)**
Net increase/(decrease) in cash and cash equivalents	**(19,801)**	**11,848**
Cash and cash equivalents at beginning of year	97,500	87,231
Effect of exchange rate movements on cash and cash equivalents	(245)	(1,579)
Cash and cash equivalents at end of year	**77,454**	**97,500**

Standard Chartered Bank, Sri Lanka

Rupees Thousands

STATEMENT OF CHANGES IN EQUITY

For the Period Ended (31/12/2019) (Audited)	Stated capital/Assigned capital			Reserves				Total	Non-Controlling Interest	Total Equity
	Ordinary Voting Shares	Assigned Capital	Statutory Reserve Fund	OCI Reserve	Revaluation Reserve	Retained Earnings	Other Reserves			
Balance as at 31/12/2018	**-**	**3,317,705**	**1,996,207**	**(10,464)**	**372,360**	**24,063,699**	**3,995,673**	**33,735,180**	**-**	**33,735,180**
Total comprehensive income for the period										
Profit/(Loss) for the period	-	-	-	-	-	5,169,454	-	5,169,454	-	5,169,454
Other comprehensive income (net of tax)	-	-	-	328,945	-	(123,915)	1,210	206,240		206,240
Total comprehensive income for the period	**-**	**-**	**-**	**328,945**	**-**	**5,045,539**	**1,210**	**5,375,694**	**-**	**5,375,694**
Increase in assigned capital	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	103,389	-	-	(103,389)	-	-	-	-
Profit transferred to head office	-	-	-	-	-	(2,129,526)	-	(2,129,526)	-	(2,129,526)
Gain/(loss) on revaluation of property plant and equipment (if cost method is adapted)	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Balance as at 31/12/19 (Closing Balance)	**-**	**3,317,705**	**2,099,596**	**318,481**	**372,360**	**26,876,323**	**3,996,883**	**36,981,348**	**-**	**36,981,348**

Standard Chartered PLC

US $m

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Period ended (31/12/2019) (Audited)	Ordinary Share capital and Share Premium Account	Preference share capital and share premium account	Capital and merger reserves	Own Credit Adjust. Reserve	Fair Value through other compre. income reserve - debt	Fair Value through other compre. income reserve - equity	Cash Flow Hedge Reserve	Translat. Reserve	Retained Earnings	Parent Company Share-holders equity	Other equity instrum.	Non-Controlling Interests	Total
Balance as at 01/01/19 (Opening Balance)	5617	1494	17,129	412	(161)	120	(10)	(5,612)	26,129	45,118	4,961	273	50,352
Profit for the year	-	-	-	-	-	-	-	-	2,303	2,303	-	37	2,340
Other Comprehensive (loss)/income	-	-	-	(410)	358	30	(49)	(180)	(132)	(383)	-	(17)	(400)
Distributions	-	-	-	-	-	-	-	-	-	-	-	(35)	(35)
Shares issued, net of expenses	25	-	-	-	-	-	-	-	-	25	-	-	25
Other equity instruments issued, net of expenses	-	-	-	-	-	-	-	-	-	-	552	-	552
Treasury shares purchased	-	-	-	-	-	-	-	-	(206)	(206)	-	-	(206)
Treasury shares issued	-	-	-	-	-	-	-	-	7	7	-	-	7
Share option expense, net of taxation	-	-	-	-	-	-	-	-	139	139	-	-	139
Dividends on ordinary shares	-	-	-	-	-	-	-	-	(720)	(720)	-	-	(720)
Dividend on preference shares and AT1 securities	-	-	-	-	-	-	-	-	(448)	(448)	-	-	(448)
Share buy-back	(58)	-	58	-	-	-	-	-	(1,006)	(1,006)	-	-	(1,006)
Other movements	-	-	-	-	-	-	-	-	6	6	-	55	61
Balance as at 31/12/19 (Closing Balance)	5,584	1,494	17,187	2	197	150	(59)	(5,792)	26,072	44,835	5,513	313	50,661

The financial information pertaining to Standard Chartered PLC for the twelve months ended 31st December 2019 is based on the audited Condensed Consolidated Financial Statements approved by the Board of Directors on 27th February 2020.

GROUP PERFORMANCE RATIOS

Item	Current Period 31/12/2019	Previous Period 31/12/2018
Capital and Leverage		
CET1 capital	13.8%	14.2%
Tier 1 capital	16.5%	16.8%
Total capital	21.2%	21.6%
UK leverage	5.2%	5.6%
Performance		
Return on assets	0.3%	0.3%
Statutory return on ordinary shareholders' equity	4.2%	1.4%
Underlying return on ordinary shareholders' equity	5.6%	4.6%

Standard Chartered Bank, Sri Lanka

SELECTED PERFORMANCE INDICATORS

Item	Current Period 31/12/2019	Previous Period 31/12/2018
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	34,779	31,476
Core (Tier 1) Capital	34,779	31,476
Total Capital Base	35,350	31,959
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement – 7.000 (2019), 6.375 (2018)	18.33	16.20
Tier 1 Capital Ratio (%) (Minimum Requirement – 8.500 (2019), 7.875 (2018)	18.33	16.20
Total Capital Ratio (%) (Minimum Requirement – 12.500 (2019), 11.875 (2018)	18.64	16.44
Leverage Ratio (Minimum Requirement – 3% (2019)	13.81	-
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	84,049	78,091
Statutory Liquid Assets Ratio (%) (Minimum Requirement – 20%)		
Domestic Banking Unit (%)	61.50%	49.18%
Off-Shore Banking Unit (%)	51.80%	53.80%
Total Stock of High-Quality Liquid Assets (LKR in Millions)	31,180	22,688
Liquidity Coverage Ratio (%)		
Rupee (%)(Minimum Requirement – 100%(2019), 90%(2018))	175.56	294.17
All Currency (%)(Minimum Requirement – 100%(2019), 90%(2018))	179.79	162.66
Assets Quality (Quality of Loan Portfolio)		
Gross Non-Performing Advances Ratio (%) (net of interest in suspense)	2.23%	2.06%
Net Non-Performing Advances (%) (net of interest in suspense and provision)	1.08%	0.93%
Profitability		
Interest Margin (%)	4.98%	5.88%
Return on Assets (before Tax) (%)	5.37%	5.13%
Return on Equity (%)	14.62%	15.56%

Standard Chartered PLC

US $m

Assets	Assets at fair value: Trading	Derivatives held for hedging	Non-trading mandatorily at fair value through profit or loss	Designated at fair value through profit or loss	Fair value through other comprehensive income	Total financial assets at fair value	Assets held at amortised cost	Total
Cash and balances at central banks	-	-	-	-	-	-	52,728	52,728
Financial assets held at fair value through profit or loss				-				
Loans and advances to banks	198	-	3,330	-	-	3,528	-	3,528
Loans and advances to customers	2,886	-	4,010	-	-	6,896	-	6,896
Reverse repurchase agreements and other similar secured lending	-	-	57,604	-	-	57,604	-	57,604
Debt Securities and other eligible bills	21,877	-	166	278	-	22,321	-	22,321
Equity shares	2,208	-	152	109	-	2,469	-	2,469
	27,169	-	65,262	387	-	92,818	-	92,818
Derivative financial instruments	46,424	788	-	-	-	47,212	-	47,212
Loans and advances to banks	-	-	-	-	-	-	53,549	53,549
of which: reverse repurchase agreements and other similar secured lending	-	-	-	-	-	-	1,341	1,341
Loans and advances to customers	-	-	-	-	-	-	268,523	268,523
of which: reverse repurchase agreements and other similar secured lending	-	-	-	-	-	-	1,469	1,469
Investment securities								
Debt Securities and other eligible bills	-	-	-	-	129,471	129,471	13,969	143,440
Equity shares	-	-	-	-	291	291	-	291
	-	-	-	-	129,762	129,762	13,969	143,731
Other assets	-	-	-	-	-	-	36,161	36,161
Assets held for sale	-	-	87	243	-	330	90	420
Total at 31st December 2019 (Audited)	**73,593**	**788**	**65,349**	**630**	**129,762**	**270,122**	**425,020**	**695,142**
Cash and balances at central banks	-	-	-	-	-	-	57,511	57,511
Financial assets held at fair value through profit or loss								
Loans and advances to banks	146	-	3,622	-	-	3,768	-	3,768
Loans and advances to customers	1,074	-	3,854	-	-	4,928	-	4,928
Reverse repurchase agreements and other similar secured lending	-	-	54,769	-	-	54,769	-	54,769
Debt Securities and other eligible bills	21,246	-	393	337	-	21,976	-	21,976
Equity shares	1,347	-	233	111	-	1,691	-	1,691
	23,813	-	62,871	448	-	87,132	-	87,132
Derivative financial instruments	45,108	513	-	-	-	45,621	-	45,621
Loans and advances to banks	-	-	-	-	-	-	61,414	61,414
of which: reverse repurchase agreements and other similar secured lending	-	-	-	-	-	-	3,815	3,815
Loans and advances to customers	-	-	-	-	-	-	256,557	256,557
of which: reverse repurchase agreements and other similar secured lending	-	-	-	-	-	-	3,151	3,151
Investment securities								
Debt Securities and other eligible bills	-	-	-	-	116,335	116,335	9,303	125,638
Equity shares	-	-	-	-	263	263	-	263
	-	-	-	-	116,598	116,598	9,303	125,901
Other assets	-	-	-	-	-	-	32,678	32,678
Assets held for sale	78	-	358	451	-	887	135	1,022
Total at 31st December 2018 (Audited)	**68,999**	**513**	**63,229**	**899**	**116,598**	**250,238**	**417,598**	**667,836**

US $m

Liabilities	Liabilities at fair value: Trading	Derivatives held for hedging	Designated at fair value through profit or loss	Total financial liabilities at fair value	Amortised Cost	Total
Financial liabilities held at fair value through profit or loss						
Deposits by banks	-	-	1,081	1,081	-	1,081
Customer accounts	-	-	6,947	6,947	-	6,947
Repurchase agreements and other similar secured borrowing	-	-	46,283	46,283	-	46,283
Debt securities in issue	-	-	8,510	8,510	-	8,510
Short Positions	4,153	-	-	4,153	-	4,153
	4,153	-	62,821	66,974	-	66,974
Derivative financial instruments	46,906	1,578	-	48,484	-	48,484
Deposits by banks	-	-	-	-	28,562	28,562
Customer accounts	-	-	-	-	405,357	405,357
Repurchase agreements and other similar secured borrowing	-	-	-	-	1,935	1,935
Debt securities in issue	-	-	-	-	53,025	53,025
Other Liabilities	-	-	-	-	41,149	41,149
Subordinated liabilities and other borrowed funds	-	-	-	-	16,207	16,207
Total at 31st December 2019 (Audited)	**51,059**	**1,578**	**62,821**	**115,458**	**546,235**	**661,693**
Financial liabilities held at fair value through profit or loss						
Deposits by banks	-	-	318	318	-	318
Customer accounts	-	-	6,751	6,751	-	6,751
Repurchase agreements and other similar secured borrowing	-	-	43,000	43,000	-	43,000
Debt securities in issue	-	-	7,405	7,405	-	7,405
Short Positions	3,226	-	-	3,226	-	3,226
	3,226	-	57,474	60,700	-	60,700
Derivative financial instruments	45,580	1,629	-	47,209	-	47,209
Deposits by banks	-	-	-	-	29,715	29,715
Customer accounts	-	-	-	-	391,013	391,013
Repurchase agreements and other similar secured borrowing	-	-	-	-	1,401	1,401
Debt securities in issue	-	-	-	-	46,454	46,454
Other Liabilities	-	-	-	-	37,945	37,945
Subordinated liabilities and other borrowed funds	-	-	-	-	15,001	15,001
Liabilities included in disposal group held for sale	198	-	-	198	-	198
Total as at 31st December 2018 (Audited)	**49,004**	**1,629**	**57,474**	**108,107**	**521,529**	**629,636**

Standard Chartered Bank, Sri Lanka

Rupees Thousands

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

As at 31/12/2019 (Audited)	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	2,937,879	-	-	2,937,879
Balances with central banks	3,022,347	-	-	3,022,347
Placements with banks	20,978,920	-	-	20,978,920
Derivative financial instruments	-	2,499,753	-	2,499,753
Loans and advances	102,645,255	-	-	102,645,255
Debt instruments	-	12,964,714	30,595,184	43,559,898
Equity instruments	-	-	-	-
Others	-	-	-	-
Total financial assets	**129,584,401**	**15,464,467**	**30,595,184**	**175,644,052**

As at 31/12/2019 (Audited)	AC	FVPL	Total
LIABILITIES			
Due to Bank	16,223,815	-	16,223,815
Derivative financial instruments	-	3,004,619	3,004,619
Financial liabilities – due to depositors	107,254,059	-	107,254,059
Financial liabilities – due to borrowers	9,975,709	-	9,975,709
Others	-	-	-
Total financial liabilities	**133,453,583**	**3,004,619**	**136,458,202**

Standard Chartered Bank, Sri Lanka

Rupees Thousands

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

As at 31/12/2018 (Audited)	AC	FVPL	FVOCI	Total
ASSETS				
Cash and cash equivalents	4,877,736	-	-	4,877,736
Balances with central banks	9,538,937	-	-	9,538,937
Placements with banks	21,460,287	-	-	21,460,287
Derivative financial instruments	-	6,486,135	-	6,486,135
Loans and advances	107,536,399	-	-	107,536,399
Debt instruments	-	3,243,069	27,388,195	30,631,264
Equity instruments	-	-	-	-
Others	-	-	-	-
Total financial assets	**143,413,359**	**9,729,204**	**27,388,195**	**180,530,758**

As at 31/12/2018 (Audited)	AC	FVPL	Total
LIABILITIES			
Due to Bank	8,267,299	-	8,267,299
Derivative financial instruments	-	7,318,904	7,318,904
Financial liabilities – due to depositors	130,598,390	-	130,598,390
Financial liabilities – due to borrowers	58,824	-	58,824
Others	-	-	-
Total financial liabilities	138,924,513	7,318,904	146,243,417

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

Rupees Thousands

	Current Period as at 31/12/2019 (Audited)	Previous Period as at 31/12/2018 (Audited)
Gross loans and advances	**103,991,061**	**107,305,540**
Accumulated impairment under stage 1	353,822	191,416
Accumulated impairment under stage 2	226,478	226,854
Accumulated impairment under stage 3	1,155,086	1,127,053
Net value of loans and advances	**102,255,675**	**105,760,217**
Gross commitments & contingencies	**266,575,181**	**279,392,075**
Accumulated impairment under stage 1	72,537	82,715
Accumulated impairment under stage 2	(1,149)	54,477
Accumulated impairment under stage 3	-	-
Net value of commitments & contingencies	**266,503,793**	**279,254,883**
Movement of impairment during the period		
Under Stage 1		
Opening balance	**98,897**	**335,375**
Transition impact of SLFRS 9	-	(103,115)
Charge/(Write back) to income statement	155,800	(137,032)
Write-off during the year	-	-
Other movements	12,838	3,669
Closing balance	**267,535**	**98,897**
Under Stage 2		
Opening balance	**499,208**	**-**
Transition impact of SLFRS 9	-	625,220
Charge/(Write back) to income statement	118,223	(148,931)
Write-off during the year	-	-
Other movements	64,801	22,919
Closing balance	**682,232**	**499,208**
Under Stage 3		
Opening balance	**1,127,053**	**701,944**
Transition impact of SLFRS 9	-	-
Charge/(Write back) to income statement	374,939	697,385
Write-off during the year	(397,505)	(272,855)
Other movements	(288,868)	579
Closing balance	**815,619**	**1,127,053**
Total impairment	**1,765,386**	**1,725,158**

Portfolio impairment provisions under LKAS39 in the comparative reporting period is disclosed as Stage 1 impairment provisions in the above tables.

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT

In Rupees Thousands	Current Period as at 31/12/2019 (Audited)	Previous Period as at 31/12/2018 (Audited)
Product-wise Gross loans and advances		
By product – Domestic currency		
Overdrafts	13,336,080	15,499,522
Trade finance	11,560,675	13,521,066
Credit cards	6,665,468	7,254,047
Personal Loans	9,971,478	10,669,510
Corporate Loans	21,548,621	20,720,363
Subtotal	**63,082,322**	**67,664,508**
By product – Foreign currency		
Overdrafts	8,663,362	5,788,049
Trade finance	21,597,830	19,020,756
Personal Loans	265,205	43,269
Corporate Loans	10,382,342	14,788,958
Sub total	**40,908,739**	**39,641,032**
Total – Gross loans & advances	**103,991,061**	**107,305,540**
Impairment for expected credit losses	(1,765,386)	(1,545,323)
Total – Net loans & advances	**102,225,675**	**105,760,217**
Product-wise commitments and contingencies		
By product – Domestic currency		
Bonds & Guarantees	32,757,414	34,314,746
Undrawn credit lines	29,942,388	21,902,528
Other commitments – Documentary Credits	20,928	51,018
Other contingencies – Acceptance	185,312	256,669
Subtotal	**62,906,042**	**56,524,961**
By product – Foreign currency		
Bonds & Guarantees	60,826,767	65,985,354
Undrawn credit lines	9,292,822	10,241,023
Other commitments – Documentary Credits	12,051,442	16,858,532
Other commitments – Forward exchange contracts	114,949,296	123,185,515
Other contingencies – Acceptance	6,548,812	6,596,689
Sub total	**203,669,139**	**222,867,113**
Total	**266,575,181**	**279,392,075**

Analysis of Deposits In Rupees Millions	Current Period as at 31/12/2019 (Audited)	Previous Period as at 31/12/2018 (Audited)
By product – Domestic Currency		
Demand deposits (current accounts)	17,024,919	19,092,101
Savings deposits	18,801,813	21,836,572
Fixed deposits	22,247,505	31,220,643
Others	284,273	4,028,500
Subtotal	**58,358,510**	**76,177,816**
By product – Foreign Currency		
Demand deposits (current accounts)	17,439,836	17,538,314
Savings deposits	17,254,447	13,447,124
Fixed deposits	13,356,239	22,237,568
Others	845,027	1,197,568
Subtotal	**48,895,549**	**54,420,573**
Total	**107,254,059**	**130,598,390**

POST BALANCE SHEET EVENTS

The existence of novel coronavirus (Covid-19) was confirmed in early 2020 and has spread across the Globe, causing disruptions to businesses and economic activity. Due to its potential impact on Sri Lankan businesses, the Government is discussing several options to provide relief to businesses and delay repayment of loans. The Bank considers this outbreak to be a non-adjusting post balance sheet event. As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Bank. The impact of this outbreak on the macroeconomic forecasts will be incorporated into the Bank's SLFRS 9 estimates of expected credit loss provisions in 2020.

CERTIFICATION

The financial information summarised above for the twelve months ended 31st December 2019 is drawn up from the audited accounts of the Bank, prepared according to the Sri Lanka Accounting Standards (SLFRS/LKAS).

To facilitate comparison, previous year's figures have been re-stated to conform to current classification and presentation. We, the undersigned, being the Chief Executive Officer and the Financial Controller of Standard Chartered Bank certify jointly that the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka. These accounts were audited by KPMG and in their report of 30th March 2020, they have expressed an unqualified opinion, subject to a note of emphasis referring to (a) a writ application filed by the Bank challenging the notice for under collection and remittance of Debit Tax sent by the Commissioner of Inland Revenue, and (b) the outcome of an acquisition by the State of a freehold property owned by the Bank.

.....
Bingumal Thewarathanthri
(Sgd) Chief Executive Officer
30/03/2020

.....
Nishani Ariyawansa
(Sgd) Financial Controller
30/03/2020

Corporate Governance Statement

Standard Chartered is a leading international banking group. The bank's heritage and values are expressed in the bank's brand promise, Here for good. The operation of the bank reflects its Purpose, which is to drive commerce and prosperity through its unique diversity. Standard Chartered offers banking services that help people and companies to succeed, creating wealth and growth across our markets. The bank is present in 59 markets and serves clients in a further 85. The businesses serve four client segments in four regions, supported by its global functions across Europe & Americas, Africa & Middle East, ASEAN & South Asia and Greater China & North Asia.

Standard Chartered PLC
The Board is collectively responsible for the long-term success of the Group and for ensuring leadership within a framework of effective controls. The Board sets the strategic direction of the Group, approves the strategy and takes the appropriate action to ensure that the Group is suitably resourced to achieve its strategic aspirations. The Board considers the impact of its decisions and its responsibilities to all of the Group's stakeholders, including the Group's employees, shareholders, regulators, clients, suppliers, the environment and the communities in which it operates.

Group Chief Executive
Responsible for the management of all aspects of the Group's businesses, developing the strategy in conjunction with the Chairman and the Board, and leading its implementation.

Management Team
The Management Team comprises the Group Chief Executive and the Group Chief Financial Officer; four regional CEOs; client segment CEOs; and our global function heads. It has responsibility for executing the strategy.

Audit Committee
The Committee's role is to review, on behalf of the Board, the Group's internal financial controls. It is also responsible for oversight and advice to the Board on matters relating to financial reporting and has exercised oversight of the work undertaken by Group Compliance, Group Internal Audit and the Group's statutory auditor, KPMG. The Committee reports to the Board on its key areas of focus following each Committee meeting.

The Committee has written terms of reference that can be viewed at sc.com/termsofreference

Board Risk Committee
The Committee is responsible for exercising oversight of and reviewing prudential risk. It reviews the Group's overall Risk Appetite Statement and makes recommendations to the Board. Its responsibilities also include reviewing the appropriateness and effectiveness of the Group's risk management systems, considering the implications of material regulatory change proposals, reviewing reports on principal risks to the Group's business and ensuring effective due diligence on material acquisitions and disposals. The Committee reports to the Board on its key areas of focus following each Committee meeting. Since April 2019, meetings have taken place as dual Committee meetings of Standard Chartered PLC and Standard Chartered Bank, under the governance structure put in place to reflect the Group's corporate entity restructuring.

The Committee has written terms of reference that can be viewed at sc.com/termsofreference

Brand, Values and Conduct Committee
The Committee has responsibility for reviewing the Group's brand, culture, valued behaviours and conduct, as well as the processes by which the Group identifies and manages workforce engagement, Reputational Risk, sustainability priorities and the approach to main government and regulatory relationships. The Committee reports to the Board on its key areas of focus following each Committee meeting.

The Committee has written terms of reference that can be viewed at sc.com/termsofreference

Governance and Nomination Committee
The Committee has responsibility for keeping the size, structure and composition of the Board and its committees under review. As part of the Committee's succession planning for the Board, it takes into account the Group's strategy and challenges, and makes recommendations to the Board in respect of any adjustments to the Board's composition. The Committee also: keeps under review the leadership needs of, and succession plans for, the Group in relation to both executive directors and other senior executives; has oversight of the process by which the Board, its committees and individual directors assess their effectiveness; keeps the diversity of the Board under review and monitors progress towards achieving its objectives in this area; considers any potential situational conflicts of interest declared by Board members; considers the impact of material changes to corporate governance regulation and legislation affecting the Group, and has oversight of the Group's approach to subsidiary corporate governance. The Committee reports to the Board on its key areas of focus following each committee meeting.

The Committee has written terms of reference that can be viewed at sc.com/termsofreference

Board Financial Crime Risk Committee
The Committee provides oversight of the effectiveness of the Group's policies, procedures, systems, controls and assurance arrangements designed to identify, assess, manage, monitor and prevent and/or detect money laundering, non-compliance with sanctions, bribery, corruption and tax crime by third parties. The Committee reports to the Board on its key areas of focus following each Committee meeting.

The Committee has written terms of reference that can be viewed at sc.com/termsofreference

Remuneration Committee
The Committee is responsible for setting the governance framework for remuneration for all employees. The Committee is well positioned against the requirements of the UK Corporate Governance Code to oversee workforce reward and related policies and ensure the alignment of reward and incentives with our culture. In particular, the Committee:

- Reviews and approves the Group's Fair Pay Charter which includes oversight of the development and implementation of workforce remuneration policies and practices, ensuring they are consistent with sound and effective risk management, the Group's culture and valued behaviours and long-term sustainable success
- Approves Group discretionary incentives, including adjustment for current and future risks
- Determines and agrees with the Board the remuneration framework and policies for the Group Chairman, executive directors and other senior executives, using the Fair Pay Charter principles and taking into account workforce remuneration and the
- Alignment of incentives and reward with culture
- Oversees the identification of material risk takers and ensures their incentives are structured in accordance with the requirements of the prevailing remuneration rules.