

PRADESHIYA SANWARDANA BANK

Stable (LRA)

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2024

	Ba	Bank			
Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Period 31/03/2023 (Unaudited			
Interest income	10,073,795	11,333,419			
Interest expenses	(5,846,772)	(7,854,702)			
Net interest income Fee and commission income	4,227,024 307,045	3,478,717 212,170			
Fee and commission expenses	(150,745)	(149,606)			
Net fee and commission income Net gains/(losses) from trading Net fair value gains/(losses) on: financial assets at fair value through profit or loss financial liabilities at fair value through profit or loss	156,300 - - - -	62,564			
Net gains/(losses) on derecognition of financial assets: at fair value through profit or loss at amortised cost at fair value through other comprehensive income	- - -	- - - -			
Net other operating income	16,813	2,233			
Total operating income Impairment charges	4,400,138 (279,138)	3,543,514 (497,384)			
Net operating income Personnel expenses Depreciation and amortization expenses Other expenses	4,120,999 (2,863,775) (137,096) (815,657)	3,046,130 (2,145,542) (125,331) (735,894)			
Operating profit/(loss) before VAT & SSCL on financial services VAT on financial services Social Security Contribution Levy	304,472 (470,254) (65,313)	39,363 (334,401) (51,310)			
Operating profit/(loss) after VAT & SSCL on financial services Share of profits of associates and joint ventures	(231,094)	(346,348)			
Profit/(loss) before tax Income tax expenses Profit/(loss) for the Period	(231,094) (30,166) (261,260)	(346,348) - (346,348)			
Profit attributable to: Equity holders of the parent Non-controlling interests	(261,260)	(346,348)			

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 ST MARCH 2024						
	Ba	nk				
Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Period 31/03/2023 (Unaudited)				
Profit/(loss) for the Period	(261,260)	(346,348)				
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 Share of profits of associates and joint ventures	-	- -				
Debt instruments at fair value through other comprehensive income Others (specify) Less: Tax expense relating to items that will be reclassified to income statement		- -				
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 Changes in revaluation surplus Share of profits of associates and joint ventures	-					
Differed Tax impact on retirement benefit obligation	_	_				
Less: Tax expense relating to items that will not be reclassified to income statement Other Comprehensive Income (OCI) for the Period, net of taxes	-	- -				
Total comprehensive income for the Period	(261,260)	(346,348)				
Attributable to: Equity holders of the parent Non-controlling interest	(261,260)	(346,348)				

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS AS AT 31ST MARCH 2024

Diluted earnings per ordinary share

Rupees Thousands	AC	FVPL	FVOCI	TOTAL
ASSETS				
Cash and cash equivalents	3,243,247	-	-	3,243,247
Balances with Central Bank		-	-	-
Placements with banks	49,103,116	-	-	49,103,116
Equity Instruments at fair value through profit or loss	_	179	_	172
Loans and advances	195,100,930		_	195,100,930
Debt instruments	44,258,197	_	_	44,258,197
Equity instruments		_	2,290	2,290
Other Assets	4,406,755	_	_/_/ -	4,406,755
Total Financial Assets	296,112,245	172	2,290	296,114,707
Rupees Thousands			Amortized Cost	TOTAL
LIABILITIES			Amortized Cost	IOIAL
Due to banks			44,508,768	44,508,76
Derivative financial instruments			11,500,700	,555,76
Financial liabilities			_	-
- due to depositors			229,922,194	229,922,19
- due to depositors - due to debt securities holders			227,722,174	227,722,17
- due to other borrowers			_	_
Debt securities issued				_
Other Liability			3,106,724	3,106,72
Total Financial Liabilities			277,537,686	277,537,68
			211,531,060	211,331,000
b. Bank - Previous Year (Unaudited)	- 10	E1 (B1	EVO.61	
Rupees Thousands ASSETS	AC	FVPL	FVOCI	TOTAL
	104.444			404 444
Cash and cash equivalents	104,444	-	-	104,444
Balances with Central Bank	(00F 220	-	-	
Placements with banks	6,005,330	- 4.45	-	6,005,330
Equity Instruments at fair value through profit or loss	105 771 474	145	-	145
Loans and advances	195,771,464	-	-	195,771,464
Debt instruments	86,964,709	-	- 0.000	86,964,709
Equity instruments	4 (02 000	-	2,290	2,290
Other Assets Total Financial Assets	4,683,809 293,529,756	145	2,290	4,683,809 293,532,191
Rupees Thousands	270/021/700		Amortized Cost	TOTAL
LIABILITIES			Amoruzeu Cost	IOIAL
Due to banks			46,216,168	46,216,168
Due to Gariks Derivative financial instruments			40,210,108	40,210,108
Derivative financial instruments Financial liabilities			-	-
דוו ומו וכומו וומטווונופצ			006 070 615	004 070 445
dua to danacitors	1		226,079,615	226,079,615
- due to depositors				
- due to debt securities holders			-	-
- due to debt securities holders - due to other borrowers				-
- due to de ^l ot securities holders - due to other borrowers Debt securities issued				-
- due to debt securities holders - due to other borrowers			2,810,275 275,106,058	2,810,275 275,106,058

Other Liability Total Financial Liabilities	2,810,275	
Total Filialicial Liabilities	273,106,038	275,100,056
STATEMENT OF CASH FLOWS FOR THE PERIO	OD ENDED 31 ST MARCH	2024
	Ba	nk
Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Period 31/03/2023 (Unaudited
Cash flow from operating activities		
Profit before tax	(231,094)	(346,348)
Adjustment for:	7/1.050	0.5// /00
Non cash items included in profit before tax	761,858	2,566,428
Changes in operating assets	28,071,959	31,809,303
Changes in operating liabilities	1,686,539	9,209,895
Net gain from investment activities	-	-
Share of profits in associates and joint ventures	-	-
Dividend income from subsidiaries and associates	-	-
Net gain/(loss) from financial instruments at fair value through profit or loss	-	-
Others reclassification	- (01)	- (154.0(7)
Contribution paid to defined benefit plans	(81)	(154,967)
Taxes on financial services	(470,254)	(55,955)
Tax Paid	(95,479)	
Net cash generated from/(used in) operating activities	29,723,449	43,028,356
Cash flows from investing activities		
Purchase of Property, plant and equipment	(16,577)	(232,280)
Net purchase of intangible assets	-	(674)
Investment in Debenture	-	-
Investment in Fixed deposits (more than three months)	- 4 400	(27,229,067)
Proceeds from the sale of property, plant and equipment	1,400	334
Received Dividend Income Net cash (used in) / from investing activities	(15,177)	4,385 (27,457,302)
Net cash (used iii) / from investing activities	(13,177)	(27,457,302)
Cash flows from financing activities		
Net proceeds from the issue of ordinary share capital	-	-
Payment of principal of operating lease	(84,267)	
Net proceeds from the other borrowings Redemption of Debentures	(2,387,618)	(4,396,210)
Interest paid & repayment of debentures	_	(76,177)
	(0.474.005)	4,472,386
Net cash from financing activities Net increase/(decrease) in cash & cash equivalents	(2,471,885) 27,236,387	4,472,386 11,098,668
Net increaser (decrease) in cash & cash equivalents Cash & cash equivalents at the beginning of the Period	60,779,768	30,057,262
Cash and cash equivalents at the end of the Period	88,016,155	41,155,930
Reconciliation of Cash & Cash Equivalents		,,
Reconciliation of Cash & Cash Equivalents Cash and cash equivalent	3,243,247	5,329,631
Favorable balances with banks	3,273,277	3,327,031
Placements with Banks	49,103,116	17,329,876
Fixed deposits less than three months	36,866,739	19,713,526
Unfavorable balances with banks	(1,196,946)	(1,217,103)

Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Yea 31/12/2023 (Unaudited)				
Assets	(Griddented)	(Ondudated)				
Cash and cash equivalents	3,243,247	104,444				
Balances with Central Bank Placements with banks	40 102 117	/ 00F 220				
Derivative financial instruments	49,103,116	6,005,330				
Financial assets recognized through profit or loss	_					
- measured at fair value	172	145				
- designated at fair value Financial assets at amortized cost	-					
- loans and advances	195,100,930	195,771,464				
- debt and other instruments	44,258,197	86,964,709				
Financial assets measured at fair value through other comprehensive income Investment in subsidiaries	2,290	2,290				
Investments in associates and joint ventures						
Property, plant and equipment	1,157,130	1,162,704				
Right of use assets	803,750	860,432				
Goodwill and intangible assets Deferred tax assets	111,953	112,445				
Other assets	3,091,874 6,702,672	3,091,874 6,899,581				
Total assets	303,575,330	300,975,422				
Liabilities Due to banks	44,508,768	46,216,168				
Derivative financial instruments Financial liabilities recognized through profit or loss - measured at fair value - designated at fair value						
Financial liabilities at amortized cost - due to depositors - due to debt securities holders	229,922,194	226,079,615				
- due to other borrowers	_					
Debt securities issued	-					
Retirement benefit obligations Current tax liabilities Deferred tax liabilities	2,777,114	2,829,578 (426,311				
Other liabilities	8,269,908	7,917,771				
Due to subsidiaries	6,209,900	7,917,771				
Total liabilities	285,477,986	282,616,820				
Equity						
Stated capital/Assigned capital	8,521,865	8,521,865				
Statutory reserve fund	913,068	913,068				
OCI reserve	-					
Retained earnings	4,054,081	4,315,341				
Other reserves	4,608,329	4,608,329				
Total shareholders' equity	18,097,344	18,358,603				
Non-controlling interests	40.007.244	10 250 (22				
Total equity	18,097,344 303,575,330	18,358,603				
Total equity and liabilities Contingent liabilities and commitments	463,512	300,975,422 616,056				
	403,512	010,050				
Memorandum Information Number of Employees	2,689	2,683				
Number of Employees	2,009	2,003				

	Stated capital/Assigned Capital			Stated capital/Assigned Capital Reserves			Reserves						Man	
Rupees Thousands	Ordinary Voting Share	Ordinary Non Voting Share	Assigned Capital	Statutory Reserve Fund	OCI Reserve	Revaluation Reserve	Retained Earnings	Other Reserve	Total	Non Controling interest	Total Equity			
Balance as at 01/01/2024 (Opening balance)	-	-	8,521,865	913,068		-	4,315,341	4,608,329	18,358,603	-	18,358,603			
Total comprehensive income for the Period														
Profit/(loss) for the Period (net of tax)	-	-	-	-	-	-	(261,260)	-	(261,260)	-	(261,260)			
Other comprehensive income (net of tax)		-	-	-	-	-	-	-	-	-	-			
Total comprehensive income for the Period	-	-	-	-	-	-	(261,260)	-	(261,260)	-	(261,260)			
Transactions with equity holders, recognised				ĺ										
directly in equity														
Share issue/increase of assigned capital	-	-	-	-	-	-	-	-	-	-	-			
Share options exercised	-	-	-	-	-	-	-	-	-	-	-			
Bonus issue	-	-	-	-	-	-	-	-	-	-	-			
Rights issue	-	-	-	-	-	-	-	-	-	-	-			
Transfers to reserves during the Period	-	-	-	-	-	-	-	-	-	-	-			
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-			
Contribution to the National Insurance Trust Fund	-	-	-	-	-	-	-	-	-	-	-			

8,521,865 913,068

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2024

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 31 ST MARCH 2024								
	Bank				Bar	nk		
Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)		Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)		
Productwise Gross loans & advances By product – Domestic currency Term loans Leasing Pawning Refinance Liya Isura Staff Loan	110,958,636 1,036,802 46,417,795 35,746,347 30,473 6,051,062	109,761,564 844,832 45,600,279 39,022,197 30,638 5,864,349		Stagewise impairment on loans & advances, commitments and contingencies Gross loans and advances, commitments and contingencies Less: Accumulated impairment under stage 1	215,368,382 2,853,712	215,912,324 2,617,599		
Loans against Deposits SME Sub total	14,545,644 118,110 214,904,870	14,054,297 118,110 215,296,267		Accumulated impairment under stage 2 Accumulated impairment under stage 3	4,291,812 11,033,575	5,238,949 10,043,412		
By product – Foreign currency Overdrafts Term loans	-			Net value of loans and advances, commitments and contingencies	197,189,283	198,012,363		
Guarantees Bonds Other loans (specify) Sub total Total	- - - - 214,904,870	- - - 215,296,267		Movement of impairment during the Period Under Stage 1 Charge/(Write back) to income statement Write-off during the Period	236,113 -	(1,510,434)		
Productwise commitments and contingencies By product – Domestic currency Guarantees	376,588	366,099		Other movements Closing balance at 31/03/2024 Under Stage 2	2,853,712	2,617,599		
Bonds Undrawn credit lines Other commitments (specify) Other contingencies (Bill Purchase) Sub total	86,924 463,512	249,958 616,057		Charge/(Write back) to income statement Write-off during the Period Other movements Closing balance at 31/03/2024	(947,137) - - 4,291,812	175,892 - - - 5,238,949		
By product – Foreign currency Guarantees Bonds Undrawn credit lines Other commitments (specify) Other contingencies (specify)	-	- - - -		Under Stage 3 Charge/(Write back) to income statement Write-off during the Period Other movements Collective Impairment not recognized	990,163 - - -	3,444,657 - - -		
Sub total Total	- 463,512	- 616,057		Closing balance at 31/03/2024 Total impairment under SLFRS 9	11,033,575 18,179,099	10,043,412 17,899,961		

ANALYSIS OF DEPOSITS AS AT 31ST MARCH 2024

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Bank			
Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)	
By product – Domestic currency Demand deposits (current accounts)	-	-	
Savings deposits Fixed deposits Others (Specify)	72,492,109 157,430,084	70,065,142 156,014,472 -	
Sub total	229,922,194	226,079,614	

Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)

Balance as at 31/03/2024

	Bank				
Rupees Thousands	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)			
By product – Foreign currency					
Demand deposits (current accounts)	-	-			
Savings deposits	-	-			
Fixed deposits	-	-			
Others (Specify)	-	-			
Sub total	-	-			
Total	229,922,194	226,079,614			

4,054,081 4,608,329 18,097,343

18,097,344

SELECTED PERFORMANCE INDICATORS AS AT 31ST MARCH 2024 (Based on Regulatory Reporting)

Item	31/03/2024 (Unaudited)	31/12/2023 (Unaudited)
Regulatory Capital Adequacy (LKR in Thousands)	0.7.00.2021 (0.7.00.000)	(
Common Equity Tier 1	12,302,359	12,188,920
Core (Tier 1) Capital	12,302,359	12,188,920
Total Capital Base	22,049,805	22,150,041
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	8.84%	9.05%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	8.84%	9.05%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	15.84%	16.45%
Leverage Ratio (Minimum Requirement - 3%)	4.00%	3.95%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Thousands)	89,699,323	82,688,114
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	40.89	38.73%
Off-Shore Banking Unit (%)	-	-
Total Stock of High-Quality Liquid Assets (LKR in Thousands)	44,638,908	58,111,258
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)		
Rupee (%)	633.00%	976.00%
All Currency (%)	-	-
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	156.00%	174.00%
Assets Quality (Quality of Loan Portfolio)		
Impaired loans (Stage 3) Ratio (%) (Net of Stage 3 impairment)	10.13%	9.62%
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	33.64%	32.63%
Profitability		
Interest Margin (%)	5.59%	5.78%
Return on Assets (before Tax) (%)	-0.31%	0.47%
Return on Equity (%)	-5.73%	7.84%

CERTIFICATION:

41,155,930

We, the undersigned, being the Chief Financial Officer and Acting Chief Executive Officer of Pradeshiya Sanwardana Bank jointly certify that: (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 has been extracted from the unaudited financial statements of the bank unless indicated as audited. P.S. Edirisuriya

(Sgd.) Chief Financial Officer

Date: 29/05/2024

P.S. Edirisuriya (Sgd.) Act. Chief Executive Officer