

PRADESHIYA SANWARDANA BANK

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE 2024

Stable (LRA)

INCOME STATEMENT FOR THE PERIOD ENDED 30 TH JUNE 2024							
	Bank						
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Period 30/06/2023 (Unaudited)					
Interest income	19,501,203	23,197,941					
Interest expenses	(10,872,076)	(15,819,665)					
Net interest income Fee and commission income Fee and commission eventures	8,629,127 663,524	7,378,276 455,889					
Fee and commission expenses 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	(353,070) 310,455 -	(309,541) 146,348 - -					
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	- - - - - 38,378	- - - - 4,993					
Total operating income Impairment charges	8,977,960 (238,188)	7,529,617 (815,246)					
Net operating income Personnel expenses Depreciation and amortization expenses Other expenses	8,739,772 (5,465,318) (297,729) (1,297,449)	6,714,371 (4,325,305) (297,490) (1,519,225)					
Operating profit/(loss) before VAT on financial services & SSCL VAT on financial services Social Security Contribution Levy	1,679,275 (1,042,199) (144,750)	572,351 (763,886) (103,894)					
Operating profit/(loss) after VAT on financial services & SSCL Share of profits of associates and joint ventures	492,327	(295,429)					
Profit/(loss) before tax Income tax expenses Profit/(loss) for the Period	492,327 (396,654) 95,673	(295,429) (233,896) (529,325)					
Profit attributable to: Equity holders of the parent Non-controlling interests	95,673 -	(529,325)					
Earnings per share on profit Basic earnings per ordinary share Diluted earnings per ordinary chare	0.17	-					

	Bank				
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Period 30/06/2023 (Unaudited)			
Profit/(loss) for the Period	95,673	(529,325)			
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	-	-			

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE 2024

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS AS AT 30TH JUNE 2024

95,673

95,673

(529,325)

(529, 325)

Differed Tax impact on retirement benefit obligation

Total comprehensive income for the Period

Attributable to: Equity holders of the parent Non-controlling interest

Cash and cash equivalent

Favorable balances with banks Placements with Banks

Unfavorable balances with banks

Fixed deposits less than three months

Other Comprehensive Income (OCI) for the Period, net of taxes

Less: Tax expense relating to items that will not be reclassified to income statement

Diluted earnings per ordinary share

Rupees Thousands	AC	FVPL	FVOCI	TOTAL
ASSETS				
Cash and cash equivalents	2,172,236	-	-	2,172,236
Balances with Central Bank	-	-	-	
Placements with banks	44,708,179	-	-	44,708,179
Equity Instruments at fair value through profit or loss	-	151,385	-	151,385
oans and advances	197,198,011	-	-	197,198,011
Debt instruments	46,724,504	-	-	46,724,504
Equity instruments	-	-	2,290	2,290
Other Assets	5,729,058	-	-	5,729,058
Total Financial Assets	296,531,987	151,385	2,290	296,685,669
tupees Thousands			Amortized Cost	TOTAL
IABILITIES				
Due to banks			39,690,012	39,690,01
Derivative financial instruments				
inancial liabilities			_	
- due to depositors			233,916,064	233,916,06
- due to debt securities holders				
- due to other borrowers			_	
Debt securities issued			_	
Other Liability			3,811,100	3,811,10
Total Financial Liabilities			277,417,176	277,417,17
			277,417,170	2///
b. Bank - Previous Year (Audited)		E1 (D)	5/04/	
Rupees Thousands ASSETS	AC	FVPL	FVOCI	TOTAL
	404.444			101.11
Cash and cash equivalents	104,444	-	-	104,44
Balances with Central Bank		-	-	
Placements with banks	6,005,330		-	6,005,330
Equity Instruments at fair value through profit or loss		146	-	140
oans and advances	194,424,888	-	-	194,424,88
Debt instruments	86,964,715	-		86,964,71
Equity instruments		-	2,290	2,29
Other Assets	4,413,384	-	-	4,413,384
otal Financial Assets	291,912,761	146	2,290	291,915,19
lupees Thousands			Amortized Cost	TOTAL
IABILITIES			44,000,470	44.000.45
Due to banks			46,208,479	46,208,47
Derivative financial instruments			-	
			226,079,615	226,079,61
- due to depositors				
- due to depositors - due to debt securities holders			-	
due to depositorsdue to debt securities holdersdue to other borrowers				
- due to depositors - due to debt securities holders - due to other borrowers Debt securities issued			- - -	
- due to debt securities holders			2,637,870	2,637,87

	Ba	Bank				
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Period 30/06/2023 (Unaudited				
Cash flow from operating activities		(
Profit before tax	492,327	(295,429)				
Adjustment for:						
Non cash items included in profit before tax	490,783	3,049,930				
Changes in operating assets	32,745,258	34,419,893				
Changes in operating liabilities	231,101	9,344,742				
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	_	_				
Contribution paid to defined benefit plans	(124,365)	(417,610)				
Taxes on financial services	(470,254)	(564,094)				
Tax Paid	(95,479)	(76,721)				
Net cash generated from/(used in) operating activities	33,269,371	45,460,711				
Cash flows from investing activities						
Purchase of Property, plant and equipment	(95)	(281,826)				
Net purchase of intangible assets	(1)	4,692				
Investment in Debenture		· -				
Investment in Fixed deposits (more than three months)	(11,383,871)	(14,214,910)				
Proceeds from the sale of property, plant and equipment	(61,806)	334				
Received Dividend Income	-	12,243				
Net cash (used in) / from investing activities	(11,445,772)	(14,479,467)				
Cash flows from financing activities						
Net proceeds from the issue of ordinary share capital	_	-				
Payment of principal of operating lease	(188,106)	-				
Net proceeds from the other borrowings	(8,563,226)	(5,908,601)				
Redemption of Debentures	-	-				
Interest paid & repayment of debentures	-	-				
Net cash from financing activities	(8,751,332)	(5,908,600)				
Net increase/(decrease) in cash & cash equivalents	13,072,267	25,072,644				
Cash & cash equivalents at the beginning of the Period	62,436,596	30,165,020				
Cash and cash equivalents at the end of the Period	75,508,860	55,237,663				
Reconciliation of Cash & Cash Equivalents						
Cash and each equivalent	0.170.024	1 051 007				

	Bai	nk					
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)					
Assets							
Cash and cash equivalents	2,172,236	104,444					
Balances with Central Bank Placements with banks	44,708,179	6,005,330					
Derivative financial instruments	44,708,179	0,005,550					
Financial assets recognized through profit or loss	_						
- measured at fair value	151,385	146					
- designated at fair value	-						
Financial assets at amortized cost - loans and advances	197,198,011	194,424,888					
- debt and other instruments	46,724,504	86,964,715					
Financial assets measured at fair value through other comprehensive income	2,290	2,290					
Investment in subsidiaries		-					
Investments in associates and joint ventures Property, plant and equipment	1,182,349	- 1,161,828					
Right of use assets	851,603	860,244					
Goodwill and intangible assets	112,075	112,402					
Deferred tax assets T	2,960,017	2,960,017					
Current Tax Assets	-	503,590					
Other assets	6,030,965	6,617,542					
Total assets	302,093,612	299,717,438					
Liabilities							
Due to banks Derivative financial instruments	39,690,012	46,208,479					
Financial liabilities recognized through profit or loss		-					
- measured at fair value	_						
- designated at fair value	- 1						
Financial liabilities at amortized cost	- 1						
- due to depositors	233,916,064	226,079,615					
- due to debt securities holders	-	-					
- due to other borrowers	-	-					
Debt securities issued							
Retirement benefit obligations Current tax liabilities	2,705,213	2,829,578					
Deferred tax liabilities		-					
Other liabilities	7,820,927	6,734,044					
Due to subsidiaries	-	0,701,011					
Total liabilities	284,132,216	281,851,716					
Equity	20.1,1.02,2.10	20.700.77.10					
Stated capital/Assigned capital	8,521,865	8,521,865					
Statutory reserve fund	888,424	888,424					
OCI reserve	-	000,124					
Retained earnings	4,065,997	3,970,324					
Other reserves	4,485,109	4,485,109					
Total shareholders' equity	17,961,396	17,865,722					
Non-controlling interests	- 1						
Total equity	17,961,396	17,865,722					
Total equity and liabilities	302,093,612	299,717,438					
Contingent liabilities and commitments	554,960	612,028					
Memorandum Information	22.7788	2:=/020					
Number of Employees	2,655	2,683					
Number of Branches	2,033	2,003					

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH JUNE 2024

kupees inousands	Voting Share	Non Voting Share	Capital	Reserve Fund	Reserve	Reserve	Earnings	Reserve	IOtal	interest	Iotal Equity
Balance as at 01/01/2024 (Opening balance)	-	-	8,521,865	888,424		-	3,970,324	4,485,109	17,865,722	-	17,865,722
Total comprehensive income for the Period			i							İ	' '
Profit/(loss) for the Period (net of tax)	-	-	-	-		-	95,673	-	95,673	-	95,673
Other comprehensive income (net of tax)		-	-	-	-	-	· -	-		-	· -
Total comprehensive income for the Period	-	-	-	-	-	-	95,673	-	95,673	-	95,673
Transactions with equity holders, recognised											
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	-	-	-	-	-	-	-	-	-	-	-
Profit transferred to Head Office	-	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on revaluation of Property, Plant and	_	_	_	_		_	_	_	_		_
Equipment (if cost method is adopted)											
Total transactions with equity holders	-	-	-	-		-	-	-	-	-	-
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ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 30TH JUNE 2024

	Bar	nk	ı		Bar	nk
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)		Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)
Productwise Gross loans & advances				Stagewise impairment on loans &		
By product – Domestic currency	442 000 040	400 000 504		advances, commitments and		
Term loans	113,200,812	109,298,534 896,814	ш	contingencies		
Leasing Pawning	890,911 49,150,156	45,600,279	ш	Gross loans and advances,		
Refinance	33,615,522	38,099,614	ш	commitments and contingencies	217,526,468	214,574,663
Liya Isura	29,985	30,638	п	Less: Accumulated impairment under		
Staff Loan	6,153,101	5,864,349	ш	stage 1	3,374,422	2,664,594
Loans against Deposits	13,812,912	14,054,297	ш	Accumulated impairment under stage 2	3,799,706	4,643,800
SME	118,110	118,110	ш	Accumulated impairment under stage 3		, ,
Sub total	216,971,508	213,962,636	ш	/ ccamalated impairment ander stage 5	10,974,528	10,603,462
By product – Foreign currency			ш	Net value of loans and advances,		
Overdrafts	-	-	ш	commitments and contingencies	199,377,812	196,662,806
Term loans	-	-		Movement of impairment during the Period		
Guarantees Bonds	-	-	ш	,		
Other loans (specify)	_		ш	Under Stage 1	744.047	(4, 400, 500)
Sub total	_	_	п	Charge/(Write back) to income statement	711,216	(1,422,598)
Total	216,971,508	213,962,636	ш	Write-off during the Period	-	-
Productwise commitments and contingencies			ш	Other movements	-	-
By product – Domestic currency			ш	Closing balance at 30/06/2024	3,374,422	2,664,594
Guarantees	485,755	366.098	п	Under Stage 2	,,,,,,,	_,,,,,,,,,,
Bonds	-	-	ш	Charge/(Write back) to income statement	(844,094)	(419,257)
Undrawn credit lines	-	-	ш	Write-off during the Period	(044,094)	(417,237)
Other commitments (specify)		-	ш	Other movements	-	-
Other contingencies (Bill Purchase)	69,205	245,929	ш	Closing balance at 30/06/2024	3,799,706	4,643,800
Sub total	554,960	612,027	ш	_	3,177,100	4,043,000
By product – Foreign currency			ш	Under Stage 3	274.0//	4 00 4 70 4
Guarantees	-	-	ш	Charge/(Write back) to income statement	371,066	4,004,706
Bonds	-	-		Write-off during the Period	-	-
Undrawn credit lines Other commitments (specify)	-	-		Other movements	-	-
Other contingencies (specify)	_	_		Collective Impairment not recognized		
Sub total	_	_		Closing balance at 30/06/2024	10,974,528	10,603,462
Total	554,960	612,027		Total impairment under SLFRS 9	18,148,656	17,911,857

ANALYSIS OF DEPOSITS AS AT 30TH JUNE 2024

	Bank		
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)	
By product – Domestic currency			
Demand deposits (current	-	-	
accounts)			
Savings deposits	77,299,864	70,065,142	
Fixed deposits	156,616,200	156,014,472	
Others (Specify)	' ' -		
Sub total	233,916,064	226,079,614	

	Bank		
Rupees Thousands	Current Period 30/06/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)	
By product – Foreign currency			
Demand deposits (current accounts)	-	-	
Savings deposits	-	-	
Fixed deposits	-	-	
Others (Specify)	-	-	
Sub total	-	-	
Total	233,916,064	226,079,614	

SELECTED PERFORMANCE INDICATORS AS AT 30TH JUNE 2024 (Based on Regulatory Reporting)

Item	30/06/2024 (Unaudited)	31/12/2023 (Audited)
Regulatory Capital Adequacy (LKR in Thousands)	, ,	, ,
Common Equity Tier 1	13,975,295	14,050,487
Core (Tier 1) Capital	13,975,295	14,050,487
Total Capital Base	23,397,866	24,069,017
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	10.33%	10.09%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	10.33%	10.09%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	17.29%	17.28%
Leverage Ratio (Minimum Requirement - 3%)	4.53%	3.95%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Thousands)	91,162,662	82,688,114
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	40.71%	38.73%
Off-Shore Banking Unit (%)	-	-
Total Stock of High-Quality Liquid Assets (LKR in Thousands)	41,937,435	58,111,258
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)		
Rupee (%)	590.00%	976.00%
All Currency (%)	590.00%	976.00%
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	175.00%	174.00%
Assets Quality (Quality of Loan Portfolio)		
Impaired loans (Stage 3) Ratio (%) (Net of Stage 3 impairment)	8.10%	8.80%
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	38.44%	36.03%
Profitability		
Interest Margin (%)	5.74%	5.79%
Return on Assets (before Tax) (%)	0.33%	0.40%
Return on Equity (%)	1.07%	5.07%

Date: 29/08/2024

2,172,236

44,708,179

29,890,567

(1,262,121) 75,508,860

1,851,297

46,009,397 8,287,219 (910,251)

55,237,663

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

E.A.D.J. Priyashantha (Sgd.) Act. Chief Executive Officer Date: 29/08/2024