

PRADESHIYA SANWARDANA BANK

"BBB+" **Stable** (LRA)

UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

INCOME STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2024

	Bank				
Rupees Thousands	Current Period 30/09/2024 (Unaudited)	Previous Period 30/09/2023 (Unaudited)			
Interest income	28,837,316	35,052,152			
Interest expenses	(15,120,380)	(23,037,618)			
Net interest income Fee and commission income	13,716,936 1,099,035	12,014,533 971,996			
Fee and commission expenses	(580,660)	(423,873)			
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	518,375 - -	548,123 - -			
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	- - - - 59,397	- - - 6,571			
Total operating income Impairment charges	14,294,709 (580,543)	12,569,227 (1,875,974)			
Net operating income Personnel expenses Depreciation and amortization expenses Other expenses Operating profit/(loss) before VAT on financial services & SSCL VAT on financial services Social Security Contribution Levy Operating profit/(loss) after VAT on financial services & SSCL Share of profits of associates and joint ventures Profit/(loss) before tax	13,714,166 (8,730,330) (445,563) (2,037,166) 2,501,107 (1,613,582) (224,109) 663,417	10,693,254 (6,482,111) (438,296) (1,627,325) 2,145,521 (1,288,502) (175,246) 681,774			
Income tax expenses Profit/(loss) for the Period	(807,253) (143,837)	(164,710) 517,064			
Profit attributable to: Equity holders of the parent Non-controlling interests	(143,837) -	517,064			
Earnings per share on profit Basic earnings per ordinary share Diluted earnings per ordinary share	-	0.92			
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD END	ED 30 TH SEPTEN	IBER 2024			
	Bank				
Rupees Thousands	Current Period 30/09/2024 (Unaudited)	Previous Period 30/09/2023 (Unaudited)			
Profit/(loss) for the Period 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 loint ventures	(143,837) - - -	517,064 - - -			

		••••••
Profit/(loss) for the Period	(143,837)	517,064
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	(143,837)	517,064

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

(143,837)

517,064

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a. Bank - Current Period (Unaudited)

Attributable to:

Equity holders of the parent

Non-controlling interest

Rupees Thousands	AC	FVPL	FVOCI	TOTAL
ASSETS				
Cash and cash equivalents	2,676,051	-	-	2,676,051
Balances with Central Bank		-	-	
Placements with banks	45,699,544	-	-	45,699,544
Equity Instruments at fair value through profit or loss		174	-	174
Loans and advances	206,749,948	-	-	206,749,948
Debt instruments	43,252,459	-	-	43,252,459
Equity instruments		-	153,435	153,435
Other Assets	5,644,126	-	-	5,644,126
Total Financial Assets	304,022,127	174	153,435	304,175,736
Rupees Thousands			Amortized Cost	TOTAL
LIABILITIES			7	
Due to banks			39,879,065	39,879,065
Derivative financial instruments			37,077,003	37,077,003
Financial liabilities			-	-
- due to depositors			241,506,267	- 241,506,267
- due to debt securities holders			241,300,207	241,500,207
- due to other borrowers				
Debt securities issued				
Other Liability			4,487,790	4,487,790
Total Financial Liabilities			285,873,121	285,873,121
			205,075,121	205,075,121
b. Bank - Previous Year (Audited)				
Rupees Thousands	AC	FVPL	FVOCI	TOTAL
ASSETS	104.444			
Cash and cash equivalents	104,444	-	-	104,444
Balances with Central Bank		-	-	-
Placements with banks	6,005,330	-	-	6,005,330
Equity Instruments at fair value through profit or loss Loans and advances	-	146	-	146
	194,424,888	-	-	194,424,888
	0/0/1715			
Debt instruments	86,964,715	-	-	86,964,715
Debt instruments Equity instruments	-	-	2,290	2,290
Debt instruments Equity instruments Other Assets	4,413,384	- - - 146	-	2,290 4,413,384
Debt instruments Equity instruments Other Assets Total Financial Assets	-	- - - 146	2,290	2,290 4,413,384 291,915,197
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands	4,413,384	- - 146	-	2,290 4,413,384
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES	4,413,384	- 146	2,290 Amortized Cost	2,290 4,413,384 291,915,197 TOTAL
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks	4,413,384	- - 146	2,290	2,290 4,413,384 291,915,197
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments	4,413,384	- - 146	2,290 Amortized Cost	2,290 4,413,384 291,915,197 TOTAL
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities	4,413,384	146	2,290 Amortized Cost 46,208,479	2,290 4,413,384 291,915,197 TOTAL 46,208,479
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities - due to depositors	4,413,384	146	2,290 Amortized Cost	2,290 4,413,384 291,915,197 TOTAL
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities - due to depositors - due to debt securities holders	4,413,384		2,290 Amortized Cost 46,208,479	2,290 4,413,384 291,915,197 TOTAL 46,208,479
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities - due to depositors - due to other borrowers - due t	4,413,384		2,290 Amortized Cost 46,208,479	2,290 4,413,384 291,915,197 TOTAL 46,208,479
Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities - due to depositors - due to debt securities holders	4,413,384	 	2,290 Amortized Cost 46,208,479	2,290 4,413,384 291,915,197 TOTAL 46,208,479

	STATEMENT OF FINANCIAL POSITION AS AT 50						50			DER 202				
										Current P 30/09/2 (Unaudi	024	Previo 31/12	us Year /2023 ited)	
ł											0.47	4 OF 1		104 444
	Balances with Central Bank								,	6,051		104,444		
	Placements with banks Derivative financial instruments	ative financial instruments									45,69	9,544	6,	005,330
1	Financial assets recognized through - measured at fair value	h profit or	r loss									- 174		- 146
i	- designated at fair value											-		-
i	- loans and advances										206,74	9,948		- 424,888
I	- debt and other instruments Financial assets measured at fair va	lue throug	gh other co	mprehens	ive inco	or	me				43,25 15	2,459 3,435	86,	964,715 2,290
	Investment in subsidiaries Investments in associates and joint	ventures										-		-
i	Property, plant and equipment Right of use assets											8,207 0,865		161,828 860,244
	Goodwill and intangible assets Deferred tax assets										13	1,710 0,017		112,402 960,017
	Current Tax Assets										,	· -		503,590
Other assets Total assets										6,53 310,210	7,689	,	617,542 / 17,438	
	Liabilities											· · · · · · · · · · · · · · · · · · ·		
ļ	Due to banks Derivative financial instruments										39,87	9,065	46,	208,479 -
ì	Financial liabilities recognized thro - measured at fair value	ugh profi	t or loss									-		_
i	- designated at fair value											-		-
1	- aue to aepositors	st									241,50	6,267	226,	079,615
	- due to debt securities holders - due to other borrowers										, in the second s	-	,	-
	Debt securities issued											-		-
	Retirement benefit obligations Current tax liabilities										2,55	2,888	2,	829,578 -
	Deferred tax liabilities Other liabilities										0 = 4	- 9,991	L	- 734,044
i	Due to subsidiaries										0,54	-	0,	1044
I	Total liabilities										292,488	3,211	281,8	51,716
2	Stated capital/Assigned capital										8,52	1,865	8,	521,865
i	Statutory reserve fund OCI reserve										88	8,424		888,424
	Retained earnings										3,82	326,487 3,970,324		970,324
1	Other reserves Total shareholders' equity										4,48 17,72 1			485,109 65,722
i	Non-controlling interests										.,,,,	-	1770	-
l	Total equity										17,721		17,865,722 299,717,438	
	Total equity and liabilities Contingent liabilities and commi	tments									310,210 52	6,804	612,028	
i	Memorandum Information													
	Number of Employees Number of Branches											2,634 272		2,683 272
	STATEMENT OF CH	ANGE	S IN FC		FOR	1	rhf di		FΝΓ)FI	30 1H	SEDTE	MRFR	2024
			apital/Assigned					Reserves					Non	
i	Rupees Thousands	Ordinary /oting Share	Ordinary Non Voting	Assigned Capital	Statutor Reserve	e	OCI	Revaluation Reserve	Retain Earnin		Other Reserve	Total	Controling	Total Equity
I	Balance as at 01/01/2024 (Opening balance)	-	Share -	8,521,865	Fund 888,49			-	3,970,	-	4,485,109	17,865,722	-	17,865,722
1	Total comprehensive income for the Period Profit/(loss) for the Period (net of tax)	-	-	-		-		-	(143,	837)	-	(143,837)		(143,837)
	Other comprehensive income (net of tax) Total comprehensive income for the Period		-	-		-		-	(143,	- 837)	-	(143,837)	-	(143,837)
	Transactions with equity holders, recognised directly in equity													
	Share issue/increase of assigned capital Share options exercised	-		-		-		-		-	1	-		-
1	Bonus issue Rights issue	-	-	-		-		-		-	-	-	-	-
	Transfers to reserves during the Period Dividends to equity holders	-	-	-		1		-		-	-	-	-	-
	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 Balance as at 30/09/2024		-	- 8,521,865	888,49	- 24		-	3,826,	- 487	4,485,109	- 17,721,885	-	- 17,721,885
	ANALYSIS OF LOANS & AD	/ANCES	COMMIT	MENTS	CONT	- 11	NGENCI	ES VND I	ΜΦΛΙ	DM	FNT AS	VII 301H CI	DTFMR	D 2024
i			, oonnin I			. F								
ļ	Dunces The year de	Cur	rent Period	Previous	Year	l		Durn e e e T	h	. da		Current P	Bank eriod Pr	evious Year
i	Rupees Thousands	30/09/2024 31/12/2023				nousar	usdilus		30/09/2	024 3	1/12/2023			
Í	Productwise Gross loans & advand	`	Inaudited)	(Audite	.u)	ŀ	Stagewis	e impairm	ent or	ı loa	ans &	(Unaudit	ieu)	(Audited)
	By product – Domestic currency Term loans	1	19,800,384	109,298	3,534			s, commitr						
i	Leasing		1,343,033 52,874,896		,814		Gross lo	ans and ac						
i	Refinance		32,201,985	38,099	,614			nents and o cumulated i		-		227,394	,846 2	14,574,663
ļ	Staff Loan		29,330 6,214,822	5,864		1					stage 1	3,13	5,359	2,664,594
	Loans against Deposits SME		14,285,481 118,110	14,054				ulated impa			0	4,760	6,325	4,643,800
		22	26,868,042	213,962,				ulated impa			0	10,590	0,715	10,603,462
	By product Foreign currency					I I	Net valu	e of loans	and a	dvai	nces,	1		

	Bank				
Rupees Thousands	Current Period 30/09/2024 (Unaudited)	Previous Period 30/09/2023 (Unaudited)			
Cash flow from operating activities					
Profit before tax	663,417	681,774			
Adjustment for:					
Non cash items included in profit before tax	1,580,337	3,118,699			
Changes in operating assets	(3,397,719)	40,029,376			
Changes in operating liabilities	10,913,184	10,649,302			
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	-	-			
Other reclassification	-	-			
Contribution paid to defined benefit plans	(467,518)	(672,382)			
Taxes on financial services	(1,837,690)	(1,288,502)			
Tax Paid	(807,253)	(223,136)			
Net cash generated from/(used in) operating activities	6,646,757	52,295,130			
Cash flows from investing activities					
Purchase of Property, plant and equipment	(159,018)	(412,251)			
Net purchase of intangible assets	(19,923)	(4,692)			
Investment in Debenture	(17,723)	(+,072)			
Investment in Fixed deposits (more than three months)	(12,332,100)	(19,277,188)			
Proceeds from the sale of property, plant and equipment	803	- (17,277,100)			
Received Dividend Income	(10)	12			
Net cash (used in) / from investing activities	(12,510,248)	(19,694,119)			
Cash flows from financing activities					
Net proceeds from the issue of ordinary share capital	_	-			
Payment of principal of operating lease	(242,616)	-			
Net proceeds from the other borrowings	-	(1,070,533)			
Redemption of Debentures	-	-			
Interest paid & repayment of debentures	-	-			
Net cash from financing activities	(242,616)	(1,070,533)			
Net increase/(decrease) in cash & cash equivalents	(6,106,107)	31,530,479			
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	56,330,486	61,695,501			
Reconciliation of Cash & Cash Equivalents					
Cash and cash equivalent	2,676,051	1,499,850			
Favorable balances with banks					
Placements with Banks	45,699,544	55,165,692			
Fixed deposits less than three months	9,133,211	5,339,824			
Unfavorable balances with banks	(1,178,320)	(309,866)			
	56,330,486	61,695,501			

Term loans Guarantees BondsOther loans (specify)Sub total Total226,868,042213,962,635Under Stage 1 Charge/(Write back) to income statement470,765(1,422, (1,422, Write-off during the PeriodSub total Total226,868,042213,962,635Write-off during the Period-Guarantees By product - Domestic currency Guarantees432,238366,098Under Stage 2 Closing balance at 30/09/20243,135,3592,664Under stage 2 Other commitments (specify)Sub total526,804612,028Charge/(Write back) to income statement Write-off during the PeriodGuarantees Dother commitments (specify)Guarantees Other contingencies (Bill Purchase)94,566245,929Closing balance at 30/09/20244,766,3254,643Bonds Undrawn credit lines Undrawn credit linesGuarantees BondsGuarantees BondsGuarantees BondsGuarantees BondsGuarantees BondsOther commitments (specify)Other contingencies (specify)	Sub total	226,868,042	213,962,635	Accumulated impairment under stage 3	10,590,715	10,603,462
Guarantees BondsMovement of impairment during the PeriodBonds <td< th=""><th>Overdrafts</th><th>-</th><th>-</th><th></th><th>208,902,446</th><th>196,662,806</th></td<>	Overdrafts	-	-		208,902,446	196,662,806
Bonds Other loans (specify)Under Stage 1 Charge/(Write back) to income statement470,765(1,422,Sub total226,868,042213,962,6350000Productwise commitments and contingencies By product - Domestic currency Guarantees432,238366,0980000Guarantees Bonds432,238366,0980Under Stage 2 Charge/(Write back) to income statement122,525(419, 0<		-	-	Movement of impairment during the Period		
Total 220,000,042 213,902,033 Other movements Productwise commitments and contingencies 432,238 366,098 Other movements - By product – Domestic currency 432,238 366,098 Under Stage 2 - - Guarantees 432,238 366,098 Under Stage 2 - - - Other commitments (specify) -	Bonds Other Ioans (specify)	-	-	Charge/(Write back) to income statement	470,765	(1,422,598)
Productwise commutments and contingencies 432,238 366,098 Closing balance at 30/09/2024 3,135,359 2,664 By product - Domestic currency 432,238 366,098 Under Stage 2 122,525 (419, 000) Glorantees - - - 0ther commitments (specify) - 0ther movements 122,525 (419, 000) Other contingencies (Bill Purchase) 94,566 245,929 Other movements - - 0ther stage 3 - <	Total	226,868,042	213,962,635	Ű	-	-
Bonds - - Charge/(Write back) to income statement 122,525 (419,					- 3,135,359	2,664,594
Undrawn credit lines -		432,238	366,098	Under Stage 2		
Outlier Contingencies (Bill Purchase) 94,300 243,929 Closing balance at 30/09/2024 4,766,325 4,643 Sub total 526,804 612,028 Closing balance at 30/09/2024 4,766,325 4,643 By product – Foreign currency Guarantees - - Charge/(Write back) to income statement (12,747) 4,004 Bonds - - Other commitments (specify) - - Other movements - Other commitments (specify) - - Collective Impairment not recognized -	Undrawn credit lines Other commitments (specify)			Write-off during the Period	122,525 - -	(419,257)
By product - prolign currency - - Charge/(Write back) to income statement (12,747) 4,004 Bonds - - Write-off during the Period - - Undrawn credit lines - - Other movements - Other commitments (specify) - - Collective Impairment not recognized -				Closing balance at 30/09/2024	4,766,325	4,643,800
Guarantees - - Charge/(Write back) to income statement (12,747) 4,004 Bonds - - Write-off during the Period - - Undrawn credit lines - - Other movements - - Other commitments (specify) - - Collective Impairment not recognized -	By product – Foreign currency			Under Stage 3		
Undrawn credit lines - - Other movements - Other commitments (specify) - - Collective Impairment not recognized -		-	-	Charge/(Write back) to income statement	(12,747)	4,004,706
Other commitments (specify) Collective Impairment not recognized -		-	-	Write-off during the Period	-	-
Other contingencies (specify)		-	-	Other movements	-	-
		-	-	Collective Impairment not recognized	-	-
	• • • • •	-	-	Closing balance at 30/09/2024	10,590,715	10,603,462
Sub total Total 526,804 612,028 Total impairment under SLFRS 9 18,492,400 17,911		596 804	- 610.008	Total impairment under SLFRS 9	18,492,400	17,911,857

ANALYSIS OF DEPOSITS AS AT 30TH SEPTEMBER 2024

	Bai	nk	L		Bai	Bank	
Rupees Thousands	Current Period 30/09/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)		Rupees Thousands	Current Period 30/09/2024 (Unaudited)	Previous Year 31/12/2023 (Audited)	
By product – Domestic currency				By product – Foreign currency			
Demand deposits (current	-	-		Demand deposits (current accounts)	-	-	
accounts)				Savings deposits	-	-	
Savings deposits	82,665,045	70,065,142		Fixed deposits	-	-	
Fixed deposits	158,841,222	156,014,472		Others (Specify)	-	-	
Others (Specify)				Sub total	-	-	
Sub total	241,506,267	226,079,614		Total	241,506,267	226,079,614	

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

ltere	Current Period	Previous Year
Item	30/09/2024 (Unaudited)	31/12/2023 (Audited)
Regulatory Capital Adequacy (LKR in Thousands)		
Common Équity Tier 1	13,811,771	14,050,487
Core (Tier 1) Capital	13,811,771	14,050,487
Total Capital Base	22,995,321	24,069,017
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	9.98%	10.09%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	9.98%	10.09%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	16.62%	17.28%
Leverage Ratio (Minimum Requirement - 3%)	4.34%	3.95%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Thousands)	N/A	82,688,114
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	N/A	38.73%
Off-Shore Banking Unit (%)	-	-
Total Stock of High-Quality Liquid Assets (LKR in Thousands)	41,705,643	58,111,258
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)		
Rupee (%)	716.00%	976.00%
All Currency (%)	716.00%	976.00%
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	163.90%	174.00%
Assets Quality (Quality of Loan Portfolio)		
Impaired Ioans (Stage 3) Ratio (%) (Net of Stage 3 impairment)	7.78%	8.80%
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	37.50%	36.03%
Profitability	(5 700/
Interest Margin (%)	6.00%	5.79%
Return on Assets (before Tax) (%)	0.29%	0.40%
Return on Equity (%)	-1.08%	5.07%

N/A- Not Applicable

*CBSL has discontinued the requirement to maintain the Statutory Liquid Assets Ratio with effect from 15 June 2024.

CERTIFICATION:

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(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.

E.A.D.J. Priyashantha (Sgd.) Act. Chief Executive Officer

P.S. Edirisuriya (Sgd.) Chief Financial Officer Date: 28.11.2024

Date: 28.11.2024