

# PRADESHIYA SANWARDHANA BANK

## "A" Negative **ICRA Lanka**

# FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2019

| INCOME STATEMENT FOR THE PERIOD ENDED 30 <sup>™</sup> JUNE 2019  |   |  |  |  |
|--|---|--|--|--|
|  | Ва  | nk   |  |  |
| Rupees Thousands   | Current Period<br>30/06/2019 (unaudited)                  | Previous Period<br>30/06/2018 (unaudited)          |  |  |
| Interest income  | 12,528,885  | 11,891,835   |  |  |
| Interest expenses  | (6,543,838)   | (6,285,131)  |  |  |
| Net interest income Fee and commission income  | <b>5,985,048</b><br>390,397                               | <b>5,606,703</b><br>478,730                        |  |  |
| Fee and commission expenses  | (136,842)   | (119,467)  |  |  |
| 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 | <b>253,555</b><br>9<br>-                                  | 359,263<br>-<br>-<br>-                             |  |  |
| Net gains/(losses) on derecognition of financial assets:<br>at fair value through profit or loss<br>at amortised cost<br>at fair value through other comprehensive income<br>Net other operating income            | 6,609   | -<br>-<br>-<br>-<br>89                             |  |  |
| 1 0  | 6,245,221   |  |  |  |
| Total operating income<br>Impairment charges   | (1,261,353)   | <b>5,966,055</b> (606,678)                         |  |  |
| Net operating income Personnel expenses Depreciation and amortization expenses Other expenses  | <b>4,983,868</b><br>(2,738,110)<br>(190,082)<br>(849,415) | 5,359,378<br>(2,798,546)<br>(156,824)<br>(845,766) |  |  |
| Operating profit/(loss) before VAT & NBT on financial services Value Added Tax (VAT) on financial services Debt repayment levy Nation Building Tax (NBT) on financial services                                     | 1,206,261<br>(482,472)<br>(262,407)<br>(64,406)           | <b>1,558,242</b> (534,344) - (71,246)              |  |  |
| Operating profit/(loss) after VAT & NBT on financial services Share of profits of associates and joint ventures  | 396,976   | 952,652  |  |  |
| Profit/(loss) before tax Income tax expenses Profit/(loss) for the period  | <b>396,976</b><br>(317,994)<br><b>78,982</b>              | <b>952,652</b> (493,639) <b>459,014</b>            |  |  |
| Profit attributable to: Equity holders of the parent Non-controlling interests   | 78,982<br>-   | 459,014<br>-                                       |  |  |
| Earnings per share on profit Basic earnings per ordinary share   | 0.14  | 2.37   |  |  |

|  | Ва                                       | nk  |
|--|--|---|
| Rupees Thousands   | Current Period<br>30/06/2019 (unaudited) | Previous Period<br>30/06/2018 (unaudited) |
| Profit/(loss) for the period<br>Items that will be reclassified to income statement  | 78,982                                   | 459,014                                   |
| 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  | _  | _   |
| Others (specify)   | _  | _   |
| 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  | 78,982                                   | 459,014                                   |
| Attributable to:   |  | İ   |
| Equity holders of the parent   | 78,982                                   | 459,014                                   |
| Non-controlling interest   | I  | 1   |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS AS AT 30<sup>TH</sup> JUNE 2019

Placements with Banks

Fixed deposits less than three months Unfavorable balances with banks

| Rupees Thousands   | AC   | FVPL             | FVOCI  | TOTAL  |
|--|--|------------------|--|--|
| ASSETS   |  |                  |  |  |
| Cash and cash equivalents  | 2,871,117  | -                | -  | 2,871,117  |
| Balances with central banks  |  | _                | _  | _/~/   |
| Placements with banks  | 9,790,468  | _                | _  | 9,790,468  |
| Equity Instruments at fair value through profit or loss  |  | 116              | _  | 110  |
| Loans and advances   | 132,240,588  | -                | _  | 132,240,588  |
| Debt instruments   | 37,999,852   | _                | _  | 37,999,85  |
| Equity instruments   |  | _                | 2,290  | 2,29   |
| Other Assets   | 1,684,653  |                  |  | 1,684,65   |
| Total Financial Assets   | 184,586,678  | 116              | 2,290  | 184,589,08   |
| Rupees Thousands   |  |                  | Amortized Cost   | TOTAL  |
| LIABILITIES  |  |                  | Amortized Cost   | IOIAL  |
| Due to banks   |  |                  | 16,635,220   | 16,635,22  |
| Derivative financial instruments   |  |                  |  |  |
| Financial liabilities  |  |                  | -  |  |
| - due to depositors  |  |                  | 143,840,189  | 143,840,18   |
| - due to debt securities holders   |  |                  | 4,619,011  | 4,619,01   |
| - due to other borrowers   |  |                  |  |  |
| Other Liabilities  |  |                  | 4,354,271  | 4,354,27   |
| Total Financial Liabilities  |  |                  | 169,448,691  | 169,448,69   |
| b. Bank - Previous year (Audited)  |  |                  |  |  |
| Rupees Thousands   | AC   | FVPL             | FVOCI  | TOTAL  |
| , , , ,  | AC   | FVPL             | FVOCI  | TOTAL  |
| Rupees Thousands   | AC 689,184   | FVPL             | FVOCI -  |  |
| Rupees Thousands<br>ASSETS   |  | FVPL<br>-<br>-   | FVOCI  | 689,18   |
| Rupees Thousands ASSETS Cash and cash equivalents  |  | FVPL             | FVOCI  | 689,18   |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks  | 689,184  | FVPL 116         | FVOCI  | 689,18<br>6,496,69   |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks  | 689,184  | -<br>-<br>-<br>- | FVOCI  |  |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss  | 689,184<br>-<br>6,496,628  | -<br>-<br>-<br>- | FVOCI  | 689,18<br>6,496,62<br>11   |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances   | 689,184<br>6,496,628<br>133,432,804                                      | -<br>-<br>-<br>- | FVOCI  | 689,18<br>6,496,62<br>11<br>133,432,80   |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments   | 689,184<br>6,496,628<br>133,432,804                                      | -<br>-<br>-<br>- |  | 689,18<br>6,496,62<br>11<br>133,432,80<br>27,757,51  |
| Rupees Thousands  ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Debt instruments Debt instruments Debt instruments Debt instruments Debt instruments Debt instruments  | 689,184<br>6,496,628<br>133,432,804<br>27,757,514                        | -<br>-<br>-<br>- |  | 689,18<br>6,496,62<br>11<br>133,432,80<br>27,757,51<br>4,176,34<br>1,448,17                      |
| Rupees Thousands  ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Debt Instrument | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343  | 689,18<br>6,496,62<br>11<br>133,432,80<br>27,757,51<br>4,176,34<br>1,448,17                      |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Equity instruments Other Assets Total Financial Assets  Rupees Thousands LIABILITIES  | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost                                   | 689,18<br>6,496,62<br>11<br>133,432,80<br>27,757,51<br>4,176,34<br>1,448,17<br><b>174,000,76</b> |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Other Assets Total Financial Assets  Rupees Thousands LIABILITIES Due to banks  | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>-<br>4,176,343  | 689,18<br>6,496,62<br>11<br>133,432,80<br>27,757,51<br>4,176,34<br>1,448,17<br><b>174,000,76</b> |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Other Assets Total Financial Assets Rupees Thousands LIABILITIES Due to banks Derivative financial instruments  | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost                                   | 689,18<br>6,496,69<br>133,432,80<br>97,757,51<br>4,176,34<br>1,448,17<br><b>174,000,76</b>       |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Other Assets Total Financial Assets  Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities   | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost                                   | 689,18 6,496,69 11 133,432,80 97,757,51 4,176,34 1,448,17 174,000,76 TOTAL                       |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Placements with banks Loans and advances Debt instruments Equity Instruments Equity instruments Dither Assets Total Financial Assets  Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities - due to depositors   | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost<br>11,098,335<br>-<br>141,559,974 | 689,18 6,496,62 11 133,432,80 27,757,51 4,176,31 1,448,17 174,000,76 TOTAL 11,098,33             |
| Rupees Thousands  ASSETS  Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances 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   | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost                                   | 689,18 6,496,62 11 133,432,80 27,757,51 4,176,31 1,448,17 174,000,76 TOTAL 11,098,33             |
| Rupees Thousands ASSETS Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances Debt instruments Equity instruments Other Assets Total Financial Assets  Rupees Thousands LIABILITIES Due to banks Derivative financial instruments Financial liabilities - due to depositors   | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost<br>11,098,335<br>-<br>141,559,974 | 689,18<br>6,496,62<br>11<br>133,432,80<br>27,757,51<br>4,176,31<br>1,448,17<br>174,000,76        |
| Rupees Thousands  ASSETS  Cash and cash equivalents Balances with central banks Placements with banks Equity Instruments at fair value through profit or loss Loans and advances 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   | 689,184<br>-<br>6,496,628<br>133,432,804<br>27,757,514<br>-<br>1,448,173 | 116              | 4,176,343<br>4,176,343<br>Amortized Cost<br>11,098,335<br>-<br>141,559,974 | 689,18 6,496,62 11 133,432,80 27,757,51 4,176,31 1,448,17 174,000,76 TOTAL 11,098,33             |

| STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 <sup>TH</sup> JUNE 2019                     |  |   |  |  |
|---|--|---|--|--|
|   | Ba                                       | nnk                                       |  |  |
| Rupees Thousands  | Current Period<br>30/06/2019 (unaudited) | Previous Period<br>30/06/2018 (unaudited) |  |  |
| Cash flow from operating activities Profit before tax                                       | 1 004 041                                | 1 550 040                                 |  |  |
| Adjustment for:   | 1,206,261                                | 1,558,242                                 |  |  |
| Non-cash items included in profit before tax  | 1,619,686                                | 955,881                                   |  |  |
| '   |  | '   |  |  |
| Changes in operating assets   | 695,331                                  | (8,078,090)                               |  |  |
| Changes in operating liabilities  | 9,843,250                                | 1,746 ,785                                |  |  |
| 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  | (59,846)                                 | (48,236)                                  |  |  |
| Taxes on financial services   | (451,217)                                | (493,639)                                 |  |  |
| Tax Paid  | (558,457)                                | (533,960)                                 |  |  |
| Net cash generated from/(used in) operating activities                                      | 12,295,007                               | (4,893,016)                               |  |  |
| Cook flavor from investing activities   |  |   |  |  |
| Cash flows from investing activities Purchase of Property, plant and equipment              | (408,424)                                | (100,066)                                 |  |  |
| Net purchase of intangible assets   | (37,352)                                 | (6,977)                                   |  |  |
| Investment in Fixed deposits (more than three months)                                       | 1,393,593                                | (11,051,490)                              |  |  |
| Proceeds from the sale of property, plant and equipment                                     | -  | 44  |  |  |
| Net proceeds from sales of investment share market  | -  | -   |  |  |
| Net cash (used in)/from investing activities  | 947,816                                  | (11,158,488)                              |  |  |
| Cook flows from financing activities  |  |   |  |  |
| Cash flows from financing activities  Net proceeds from the issue of ordinary share capital |  |   |  |  |
| Net proceeds from the issue of subordinate debt   |  |   |  |  |
| Interest paid on debentures   | (266,971)                                | (266,971)                                 |  |  |
| Net cash from financing activities  | (266,971)                                | (266,971)                                 |  |  |
| Net increase/(decrease) in cash & cash equivalents  | 12,975,852                               | (16,318,475)                              |  |  |
| Cash & cash equivalents at the beginning of the period                                      | 9,639,017                                | 34,702,875                                |  |  |
| Cash and cash at the end of the period  | 22,614,869                               | 18,384,401                                |  |  |
| Reconciliation of Cash & Cash Equivalents   |  |   |  |  |
| Cash and cash equivalent  | 2,871,117                                | 680,456                                   |  |  |
| Favorable balances with banks   | 2,0/1,11/                                | 000,430                                   |  |  |
| 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -   | 1  | 1   |  |  |

| STATEMENT ( | OF FINANCIAL | <b>POSITION AS</b> | <b>AT 30</b> <sup>TH</sup> | <b>JUNE 2019</b> |
|-------------|--------------|--------------------|----------------------------|------------------|
|-------------|--------------|--------------------|----------------------------|------------------|

|  | Ва  | nk                                     |
|--|---|--|
| Rupees Thousands   | Current Period<br>30/06/2019<br>Unaudited | Previous Year<br>31/12/2018<br>Audited |
| Assets   |   |  |
| Cash and cash equivalents  | 2,871,117                                 | 689,184                                |
| Balances with central banks<br>Placements with banks                       | 9,790,468                                 | 6,496,628                              |
| Derivative financial instruments   | 9,790,408                                 | 0,490,026                              |
| Financial assets recognized through profit or loss                         |   |  |
| - measured at fair value   | 116                                       | 116                                    |
| - designated at fair value Financial assets at amortized cost              | -   | -                                      |
| - loans and advances   | 132.240.588                               | 133,432,804                            |
| - debt and other instruments   | 37,999,852                                | 27,757,514                             |
| Financial assets measured at fair value through other comprehensive income | 2,290                                     | 4,176,343                              |
| Investment in subsidiaries Investments in associates and joint ventures    | -   | -                                      |
| Property, plant and equipment  | 1,366,248                                 | 1,275,786                              |
| Investment properties  | -   | -                                      |
| Goodwill and intangible assets   | 65,843                                    | 60,788                                 |
| Deferred tax assets  | 467,333                                   | 467,333                                |
| Other assets   | 3,077,710                                 | 2,580,824                              |
| Total assets   | 187,881,565                               | 176,937,319                            |
| Liabilities Due to banks   | 16,635,220                                | 11,098,335                             |
| Derivative financial instruments   | 10,033,220                                | 11,090,333                             |
| Financial liabilities recognized through profit or loss                    |   |  |
| - measured at fair value   | -   | -                                      |
| - designated at fair value   | -   | -                                      |
| Financial liabilities at amortized cost                                    | 142.040.100                               | 141 550 074                            |
| - due to depositors<br>- due to debt securities holders                    | 143,840,189                               | 141,559,974                            |
| - due to other borrowers   |   |  |
| Debt securities issued   | 4,619,011                                 | 4,707,853                              |
| Retirement benefit obligations   | 1,892,652                                 | 1,926,924                              |
| Current tax liabilities  | 381,383                                   | 473,833                                |
| Deferred tax liabilities   | -   | -                                      |
| Other provisions Other liabilities   | 5,707,521                                 | 2,460,286                              |
| Due to subsidiaries  | 3,707,321                                 | 2,400,200                              |
| Total liabilities  | 173,075,975                               | 162,227,205                            |
| Equity   | 175/575/775                               | 102/227/200                            |
| Stated capital/Assigned capital  | 8,047,230                                 | 8,047,230                              |
| Statutory reserve fund   | 717,331                                   | 717,331                                |
| OCI reserve  | ,   |  |
| Retained earnings  | 2,411,382                                 | 2,315,906                              |
| Other reserves   | 3,629,647                                 | 3,629,647                              |
| Total shareholders' equity   | 14,805,590                                | 14,710,115                             |
| Non-controlling interests  | -   | -                                      |
| Total equity   | 14,805,590                                | 14,710,115                             |
| Total equity and liabilities   | 187,881,565                               | 176,937,319                            |
| Contingent liabilities and commitments                                     | 244,711                                   | 212,759                                |
| Memorandum Information   |   | ,                                      |
| Number of Employees  | 2,753                                     | 2,335                                  |
| Number of Branches   | 273                                       | 265                                    |
| Note: Amounts stated are net of impairment and depreciation.               |   |  |

#### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2019

|  | Stated of                | apital/Assigned                 | Capital             |                              | Re             | serves                 |                              |                              | Man                           |                              |
|--|--------------------------|---------------------------------|---------------------|------------------------------|----------------|------------------------|------------------------------|------------------------------|-------------------------------|------------------------------|
| Rupees Thousands   | Ordinary<br>Voting Share | Ordinary<br>Non Voting<br>Share | Assigned<br>Capital | Statutory<br>Reserve<br>Fund | OCI<br>Reserve | Revaluation<br>Reserve | Other<br>Reserve             | Total                        | Non<br>Controling<br>interest | Total Equity                 |
| Balance as at 01/01/2019 (Opening balance)   | -                        | -                               | 8,047,230           | 717,331                      | -              | -                      | 5,945,553                    | 14,710,115                   | -                             | 14,710,115                   |
| otal comprehensive income for the period rofit(loss) for the period (net of tax) Other comprehensive income (net of tax) Total comprehensive income for the period | -                        | -                               | -                   | -                            | -              | -                      | 78,982<br>-<br><b>78,982</b> | 78,982<br>-<br><b>78,982</b> | -                             | 78,982<br>-<br><b>78,982</b> |
| ·  | -                        | -                               | -                   | -                            | -              | -                      | 78,982                       | 78,982                       | -                             | 78,982                       |
| Transactions with equity holders, recognised directly<br>n equity  |                          |                                 |                     |                              |                |                        |                              |                              |                               |                              |
| Share issue/increase of assigned capital   | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Share options exercised  | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Bonus issue  | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Rights issue   | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| ransfers to reserves during the period   | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Dividends to equity holders  | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Profit transferred to head office  | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Gain/(loss) on revaluation of Property, Plant and Equipment (if cost method is adopted)  | -                        | -                               | -                   | -                            | -              | -                      | -                            | -                            | -                             | -                            |
| Others (profits after acquisition)   | -                        | -                               | -                   | -                            | -              | -                      | 16,494                       | 16,494                       | -                             | 16.494                       |
| Total transactions with equity holders   | -                        | -                               | -                   | -                            | -              | -                      | 16,494                       | 16,494                       |                               | 16,494                       |
| Balance as at 30/06/2019   |                          |                                 | 8,047,230           | 717,331                      |                |                        | 6,041,029                    | 14,805,590                   |                               | 14,805,590                   |

#### ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 30<sup>TH</sup> JUNE 2019

|  | Bai   | Bank Bank                                |  | Bank   |   | nk                                       |
|--|---|--|--|--|---|--|
| Rupees Thousands                             | Current Period<br>30/06/2019<br>(Unaudited) | Previous Year<br>31/12/2018<br>(Audited) |  | Rupees Thousands   | Current Period<br>30/06/2019<br>(Unaudited) | Previous Year<br>31/12/2018<br>(Audited) |
| Product-wise Gross loans & advances          |   |  |  | Other contingencies (specify)                              | -   | -  |
| By product – Domestic currency<br>Overdrafts |   |  |  | Sub total<br>Total   | 200 720                                     | 044.475                                  |
| Term loans                                   | 98,319,628                                  | 95,662,608                               |  | 1  | 322,730                                     | 214,475                                  |
| Leasing                                      | 1,006,215                                   | 73,002,000                               |  | Stage-wise impairment on loans & advances, commitments and |   |  |
| Pawning                                      | 12,385,625                                  | 11,381,435                               |  | contingencies  |   |  |
| Refinance                                    | 18,044,659                                  | 21,301,549                               |  | Gross loans and advances,                                  | 139,929,262                                 | 137,984,158                              |
| Liya Isura                                   | 64,652                                      | 102,392                                  |  | commitments and contingencies                              |   | ,  |
| Staff Loan                                   | 3,755,975                                   | 3,533,758                                |  | Less: Accumulated impairment under                         | 980,453                                     | 1,016,252                                |
| Loans Against Deposits                       | 6,029,778                                   | 5,787,942                                |  | stage 1  | 000 474                                     | 000 700                                  |
| Sub total                                    | 139,606,532                                 | 137,769,683                              |  | Accumulated impairment under                               | 889,171                                     | 928,793                                  |
| By product – Foreign currency                |   |  |  | stage 2 Accumulated impairment under                       | 3,242,437                                   | 1,553,073                                |
| Overdrafts                                   | -   | -  |  | stage 3  | 0,2 12, 107                                 | 1,000,070                                |
| Term Ioans                                   | -   | -  |  | Net value of loans and advances,                           | 134,817,201                                 | 134,486,041                              |
| Guarantees                                   | -   | -  |  | commitments and contingencies                              |   |  |
| Bonds  | -   | -  |  | Movement of impairment during the period                   |   |  |
| Other loans (specify) <b>Sub total</b>       | -   | -  |  | Under Stage 1 Charge/(Write back) to income                | _   | 282,207                                  |
| Total  | 139,606,532                                 | 137,769,683                              |  | statement  |   | 202,207                                  |
|  | 137,000,332                                 | 137,707,003                              |  | Write-off during the period                                | -   | -  |
| Product-wise commitments and                 |   |  |  | Other movements  |   |  |
| contingencies                                |   |  |  | Closing balance at 30/06/2019 Under Stage 2                | 980,453                                     | 1,016,252                                |
| By product – Domestic currency Guarantees    | 119,061                                     | 130,591                                  |  | Charge/(Write back) to income                              | _   | (100,701)                                |
| Bonds  | 119,001                                     | 130,591                                  |  | statement  |   | (100,701)                                |
| Undrawn credit lines                         |   |  |  | Write-off during the period                                | -   | -  |
| Other commitments (specify)                  | _   | _  |  | Other movements  |   |  |
| Other contingencies (Bill Purchase)          | 203,669                                     | 83,883                                   |  | Closing balance at 30/06/2019 Under Stage 3                | 889,171                                     | 928.793                                  |
| Sub total                                    | 322,730                                     | 214,475                                  |  | Charge/(Write back) to income                              | _   | 1,228,279                                |
| Du product Foreign curren                    |   |  |  | statement  |   | .,220,277                                |
| By product – Foreign currency<br>Guarantees  |   |  |  | Write-off during the period                                | -   | (860)                                    |
| Bonds  |   |  |  | Other movements  | l <u>-</u>                                  | 145                                      |
| Undrawn credit lines                         |   | _  |  | Closing balance at 30/06/2019                              | 3,242,437                                   | 1,553,073                                |
| Other commitments (specify)                  | _   | _  |  | Total impairment under SLFRS 9                             | 5,112,061                                   | 3,498,118                                |

#### ANALYSIS OF DEPOSITS AS AT 30<sup>TH</sup> JUNE 2019

|  | Bai   | nk                                       |
|--|---|--|
| Rupees Thousands   | Current Period<br>30/06/2019<br>(Unaudited) | Previous Year<br>31/12/2018<br>(Audited) |
| By product – Domestic currency<br>Demand deposits (current | _   | -  |
| accounts)<br>Savings deposits<br>Fixed deposits            | 53,129,403<br>87,076,763                    | 51,519,810<br>90,040,163                 |
| Others (Specify) <b>Sub total</b>                          | 140,206,165                                 | 141,559,974                              |

|                            | Bank  |  |  |  |
|----------------------------|---|--|--|--|
| Rupees Thousands           | Current Period<br>30/06/2019<br>(Unaudited) | Previous Year<br>31/12/2018<br>(Audited) |  |  |
| product – Foreign currency |   |  |  |  |
| Demand deposits (current   | -   | -  |  |  |
| accounts)                  |   |  |  |  |
| Savings deposits           | -   | -  |  |  |
| Fixed deposits             | -   | -  |  |  |
| Others (Specify)           | -   | -  |  |  |
| ub total                   | -   | -  |  |  |
| otal                       | 140,206,165                                 | 141,559,974                              |  |  |
|                            |   |  |  |  |
| TU UUNE 0010 /D / 5        |   |  |  |  |

### SELECTED PERFORMANCE INDICATORS AS AT 30<sup>TH</sup> JUNE 2019 (Based on Regulatory Reporting)

| Item  | 30/06/2019 (Unaudited) | 31/12/2018 (Audited) |
|---|------------------------|----------------------|
| Regulatory Capital Adequacy (LKR in Thousands)                              |                        |                      |
| Common Equity Tier 1  | 14,181,936             | 14,181,936           |
| Core (Tier 1) Capital   | 14,181,936             | 14,181,936           |
| Total Capital Base  | 16,234,982             | 16,675,294           |
| Regulatory Capital Ratios (%)   |                        |                      |
| Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)                 | 10.92%                 | 11.58%               |
| Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)                       | 10.92%                 | 11.58%               |
| Total Capital Ratio (%) (Minimum Requirement - 12.5%)                       | 12.50%                 | 13.61%               |
| Leverage Ratio (Minimum Requirement - 3%)                                   | 7.5%                   | N/A                  |
| Regulatory Liquidity  |                        |                      |
| Statutory Liquid Assets (LKR in Thousands)                                  | 44,974,459             | 34,264,681           |
| Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)               | 32.3%                  | 24.3%                |
| Domestic Banking Unit (%)   | -                      | -                    |
| Off-Shore Banking Unit (%)  | -                      | -                    |
| Total Stock of High-Quality Liquid Assets (LKR in Thousands)                | 6,170,725              | 4,787,274            |
| Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)                   |                        |                      |
| Rupee (%)   | 145.0%                 | 113.8%               |
| All Currency (%)  | -                      | -                    |
| Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)                 | 119%                   | 114%                 |
| Assets Quality (Quality of Loan Portfolio)                                  |                        |                      |
| Gross Non-Performing Advances Ratio (%) (net of interest in suspense)       | 10.4%                  | 5.4%                 |
| Net-Non Performing Advances (%) (net of interest in suspense and provision) | 6.7%                   | 2.8%                 |
| Profitability   |                        |                      |
| Interest Margin (%)   | 6.6%                   | 6.9%                 |
| Return on Assets (before Tax) (%)   | 0.4%                   | 1.2%                 |
| Return on Equity (%)  | 1.1%                   | 10.7%                |

7,359,554

10,692,021 (347,630)

18,384,401

10,136,886 (183,603)

22,614,869

CERTIFICATION:
We, the undersigned, being the Chief Financial Officer, Chief Executive Officer and Chairman of Pradeshiya Sanwardhana 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 have been extracted from the unaudited financial statements of the bank unless indicated as audited. **P.S. Edirisuriya** ((Sgd.) Chief Financial Officer **T. Kuhan** (Sgd.) Chief Executive Officer (Actg.) Date: 23.08.2019 **S. Prasanna Kariyawasam** (Sgd.) Chairman, Date: 23.08.2019