



PRADESHIYA SANWARDANA BANK

"BBB+" Negative
ICRA Lanka

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE 2022

INCOME STATEMENT FOR THE PERIOD ENDED 30TH JUNE 2022

Rupees Thousands	Bank	
	Current Period 30/06/2022 (Unaudited)	Previous Period 30/06/2021 (Unaudited)
Interest income	13,425,987	10,935,593
Interest expenses	(6,255,820)	(4,867,681)
Net interest income	7,170,167	6,067,913
Fee and commission income	513,902	414,769
Fee and commission expenses	(268,581)	(152,669)
Net fee and commission income	245,320	262,100
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	-	-
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	12,225	11,411
Total operating income	7,427,713	6,341,423
Impairment charges	(989,233)	(1,813,606)
Net operating income	6,438,480	4,527,818
Personnel expenses	(4,002,150)	(3,477,457)
Depreciation and amortization expenses	(269,319)	(270,993)
Other expenses	(708,850)	(665,196)
Operating profit/(loss) before VAT on financial services	1,458,161	114,172
VAT on financial services	(805,768)	(457,312)
Operating profit/(loss) after VAT on financial services	652,393	(343,139)
Share of profits of associates and joint ventures	-	-
Profit/(loss) before tax	652,393	(343,139)
Income tax expenses	(444,242)	(194,167)
Profit/(loss) for the period	208,151	(537,306)
Profit attributable to:		
Equity holders of the parent	208,151	(537,306)
Non-controlling interests	-	-
Earnings per share on profit		
Basic earnings per ordinary share	0.38	-
Diluted earnings per ordinary share	-	-

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022

Rupees Thousands	Bank	
	Current Period 30/06/2022 (Unaudited)	Previous Year 31/12/2021 (Unaudited)
Assets		
Cash and cash equivalents	3,160,379	1,486,879
Balances with the Central Bank	-	-
Placements with banks	8,527,745	6,596,073
Derivative financial instruments	-	-
Financial assets recognized through profit or loss	-	-
- measured at fair value	128	188
- designated at fair value	-	-
Financial assets at amortized cost	-	-
- loans and advances	190,010,530	175,229,667
- debt and other instruments	61,580,684	54,856,210
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	979,409	928,568
Right of use assets	697,279	505,092
Goodwill and intangible assets	115,332	113,689
Deferred tax assets	903,741	1,263,795
Other assets	6,392,564	4,907,060
Total assets	272,363,082	245,889,512
Liabilities		
Due to banks	41,778,272	29,500,937
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	204,908,444	187,752,465
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	-	2,000,000
Retirement benefit obligations	9,989,110	3,046,465
Current tax liabilities	-	503,022
Deferred tax liabilities	-	-
Other liabilities	7,085,782	7,693,301
Due to subsidiaries	-	-
Total liabilities	256,761,607	230,496,188
Equity		
Stated capital/Assigned capital	8,047,230	8,047,230
Statutory reserve fund	777,778	777,778
OCI reserve	-	-
Retained earnings	2,844,585	2,636,434
Other reserves	3,931,881	3,931,881
Total shareholders' equity	15,601,475	15,393,322
Non-controlling interests	-	-
Total equity	15,601,475	15,393,322
Total equity and liabilities	272,363,082	245,889,512
Contingent liabilities and commitments	258,086	225,888
Memorandum Information		
Number of Employees	2,567	2,590
Number of Branches	272	272

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH JUNE 2022

Rupees Thousands	Bank	
	Current Period 30/06/2022 (Unaudited)	Previous Period 30/06/2021 (Unaudited)
Profit/(loss) for the Period	208,151	(537,306)
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	-	-
Deferred Tax Impact on Retirement Benefit Obligations	-	-
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	208,151	(537,306)
Attributable to:		
Equity holders of the parent	208,151	(537,306)
Non-controlling interest	-	-

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH JUNE 2022

Rupees Thousands	Stated capital/Assigned Capital			Reserves					Total	Non Controlling Interest	Total Equity
	Ordinary Voting Share	Ordinary Non Voting Share	Assigned Capital	Statutory Reserve Fund	OCI Reserve	Revaluation Reserve	Retained Earnings	Other Reserve			
Balance as at 01/01/2022 (Opening balance)	-	-	8,047,230	777,778	-	-	2,636,434	3,931,881	15,393,323	-	15,393,324
Total comprehensive income for the Period	-	-	-	-	-	-	208,151	-	208,151	-	208,151
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	208,151
Total comprehensive income for the Period	-	-	-	-	-	-	208,151	-	208,151	-	208,151
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	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30/06/2022	-	-	8,047,230	777,778	-	-	2,844,585	3,931,881	15,601,474	-	15,601,475

ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 30TH JUNE 2022

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current Period 30/06/2022 (Unaudited)	Previous Year 31/12/2021 (Unaudited)		Current Period 30/06/2022 (Unaudited)	Previous Year 31/12/2021 (Unaudited)
Productwise Gross loans & advances					
By product – Domestic currency					
Term loans	128,496,969	125,188,767			
Leasing	1,363,540	853,278			
Pawning	28,462,450	20,173,959			
Refinance	33,678,191	31,511,331			
Liya Isura	36,961	37,781			
Staff Loan	4,922,178	4,614,968			
Loans against Deposits	7,581,182	6,535,720			
SME	123,747	123,863			
Sub total	204,665,219	189,039,666			
By product – Foreign currency					
Overdrafts	-	-			
Term loans	-	-			
Guarantees	-	-			
Bonds	-	-			
Other loans (specify)	-	-			
Sub total	204,665,219	189,039,666			
Product-wise commitments and contingencies					
By product – Domestic currency					
Guarantees	192,211	177,767			
Bonds	-	-			
Undrawn credit lines	-	-			
Other commitments (specify)	-	-			
Other contingencies (Bill Purchase)	65,875	48,121			
Sub total	258,086	225,888			
By product – Foreign currency					
Guarantees	-	-			
Bonds	-	-			
Undrawn credit lines	-	-			
Other commitments (specify)	-	-			
Other contingencies (specify)	-	-			
Sub total	258,086	225,888			
Sub total					
Total	204,665,219	189,039,666	258,086	225,888	
Stage-wise impairment on loans & advances, commitments and contingencies					
Gross loans and advances, commitments and contingencies			204,923,305	189,265,555	
Less:					
Accumulated impairment under stage 1			2,664,201	2,530,820	
Accumulated impairment under stage 2			2,766,920	3,038,215	
Accumulated impairment under stage 3			8,497,247	7,370,100	
Net value of loans and advances, commitments and contingencies			190,994,937	176,326,420	
Movement of impairment during the Period					
Under Stage 1					
Charge/(Write back) to income statement			133,381	988,608	
Write-off during the period			-	-	
Other movements			-	-	
Closing balance as at 30/06/2022			2,664,201	2,530,820	
Under Stage 2					
Charge/(Write back) to income statement			(271,295)	1,771,323	
Write-off during the period			-	-	
Other movements			-	-	
Closing balance as at 30/06/2022			2,766,920	3,038,215	
Under Stage 3					
Charge/(Write back) to income statement			1,127,146	496,846	
Write-off during the Period			-	-	
Other movements			-	-	
Collective Impairment not recognized			-	-	
Closing balance as at 30/06/2022			8,497,247	7,370,100	
Total impairment under SLFRS 9			13,928,368	12,939,135	

ANALYSIS OF DEPOSITS AS AT 30TH JUNE 2022

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current Period 30/06/2022 (Unaudited)	Previous Year 31/12/2021 (Unaudited)		Current Period 30/06/2022 (Unaudited)	Previous Year 31/12/2021 (Unaudited)
By product – Domestic currency					
Demand deposits (current accounts)	-	-			
Savings deposits	68,855,859	72,159,493			
Fixed deposits	136,052,585	115,592,972			
Others (Specify)	-	-			
Sub total	204,908,444	187,752,465			
By product – Foreign currency					
Demand deposits (current accounts)	-	-			
Savings deposits	-	-			
Fixed deposits	-	-			
Others (Specify)	-	-			
Sub total	-	-			
Total	204,908,444	187,752,465			

SELECTED PERFORMANCE INDICATORS AS AT 30TH JUNE 2022 (Based on Regulatory Reporting)

Item	30/06/2022 (Unaudited)	31/12/2021 (Unaudited)
Regulatory Capital Adequacy (LKR in Thousands)		
Common Equity Tier 1	13,572,406	14,189,229
Core (Tier 1) Capital	13,572,406	14,189,229
Total Capital Base	26,949,211	20,168,998
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	7.93%	9.26%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	7.93%	9.26%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	15.73%	13.16%
Leverage Ratio (Minimum Requirement - 3%)	4.91%	5.67%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Thousands)	53,825,149	47,221,606
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)	28.53%	26.18%
Domestic Banking Unit (%)	-	-
Off-Shore Banking Unit (%)		