



# PRADESHIYA SANWARDANA BANK

## UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2023

### INCOME STATEMENT FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2023

Rupees Thousands	Bank	
	Current Period 30/06/2023 (Unaudited)	Previous Period 30/06/2022 (Unaudited)
Interest income	23,197,941	13,425,987
Interest expenses	(15,819,665)	(6,255,820)
<b>Net interest income</b>	<b>7,378,277</b>	<b>7,170,167</b>
Fee and commission income	455,889	513,902
Fee and commission expenses	(309,541)	(268,581)
<b>Net fee and commission income</b>	<b>146,348</b>	<b>245,320</b>
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	4,993	12,225
<b>Total operating income</b>	<b>7,529,617</b>	<b>7,427,713</b>
Impairment charges	(815,246)	(989,233)
<b>Net operating income</b>	<b>6,714,372</b>	<b>6,438,480</b>
Personnel expenses	(4,325,305)	(4,002,150)
Depreciation and amortization expenses	(297,490)	(269,319)
Other expenses	(1,519,225)	(708,850)
<b>Operating profit/(loss) before VAT &amp; SSCL on financial services</b>	<b>572,352</b>	<b>1,458,161</b>
VAT on financial services	(763,886)	(805,768)
Social Security Contribution Levy	(103,894)	-
<b>Operating profit/(loss) after VAT &amp; SSCL on financial services</b>	<b>(295,429)</b>	<b>652,393</b>
Share of profits of associates and joint ventures	-	-
<b>Profit/(loss) before tax</b>	<b>(295,429)</b>	<b>652,393</b>
Income tax expenses	(233,896)	(444,242)
<b>Profit/(loss) for the year</b>	<b>(529,325)</b>	<b>208,151</b>
<b>Profit attributable to:</b>		
Equity holders of the parent	(529,325)	208,151
Non-controlling interests	-	-
<b>Earnings per share on profit</b>		
Basic earnings per ordinary share	-	0.38
Diluted earnings per ordinary share	-	-

### STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2023

Rupees Thousands	Bank	
	Current Period 30/06/2023 (Unaudited)	Previous Period 30/06/2022 (Unaudited)
<b>Profit/(loss) for the Period</b>	<b>(529,325)</b>	<b>208,151</b>
<b>Items that will be reclassified to income statement</b>		
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	-	-
<b>Items that will not be reclassified to income statement</b>		
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 Obligations	-	-
Less: Tax expense relating to items that will not be reclassified to income statement	-	-
<b>Other Comprehensive Income (OCI) for the Period, net of taxes</b>		
<b>Total comprehensive income for the Period</b>	<b>(529,325)</b>	<b>208,151</b>
<b>Attributable to:</b>		
Equity holders of the parent	(529,325)	208,151
Non-controlling interest	-	-

### ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS AS AT 30<sup>TH</sup> JUNE 2023

a. Bank - Current Period (Unaudited)				
Rupees Thousands	AC	FVPL	FVOCI	TOTAL
<b>ASSETS</b>				
Cash and cash equivalents	1,851,297	-	-	1,851,297
Balances with Central Bank	-	-	-	-
Placements with banks	46,009,397	-	-	46,009,397
Equity Instruments at fair value through profit or loss	-	138	-	138
Loans and advances	198,504,264	-	-	198,504,264
Debt instruments	29,798,169	-	-	29,798,169
Equity instruments	-	-	2,290	2,290
Other Assets	5,821,210	-	-	5,821,210
<b>Total Financial Assets</b>	<b>281,984,338</b>	<b>138</b>	<b>2,290</b>	<b>281,986,766</b>
<b>LIABILITIES</b>				
Due to banks	-	-	45,452,903	45,452,903
Derivative financial instruments	-	-	-	-
Financial liabilities	-	-	-	-
- due to depositors	-	217,876,920	-	217,876,920
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	-	-	-
Other Liabilities	-	-	5,074,298	5,074,298
<b>Total Financial Liabilities</b>			<b>268,404,121</b>	<b>268,404,121</b>
<b>b. Bank - Previous Year (Audited)</b>				
<b>ASSETS</b>				
Cash and cash equivalents	2,889,884	-	-	2,889,884
Balances with Central Bank	-	-	-	-
Placements with banks	6,133,705	-	-	6,133,705
Equity Instruments at fair value through profit or loss	-	120	-	120
Loans and advances	198,008,145	-	-	198,008,145
Debt instruments	65,079,636	-	-	65,079,636
Equity instruments	-	-	2,290	2,290
Other Assets	5,713,170	-	-	5,713,170
<b>Total Financial Assets</b>	<b>277,824,540</b>	<b>120</b>	<b>2,290</b>	<b>277,826,951</b>
<b>LIABILITIES</b>				
Due to banks	-	-	47,470,707	47,470,707
Derivative financial instruments	-	-	-	-
Financial liabilities	-	-	-	-
- due to depositors	-	210,301,323	-	210,301,323
- due to debt securities holders	-	-	-	-
- due to other borrowers	-	-	-	-
Debt securities issued	-	-	-	-
Other Liabilities	-	-	5,404,318	5,404,318
<b>Total Financial Liabilities</b>			<b>263,176,349</b>	<b>263,176,349</b>

### STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2023

Rupees Thousands	Bank	
	Current Period 30/06/2023 (Unaudited)	Previous Period 30/06/2022 (Unaudited)
<b>Cash flow from operating activities</b>		
Profit before tax	(295,429)	1,458,161
Adjustment for:		
Non cash items included in profit before tax	3,049,930	1,484,712
Changes in operating assets	34,419,893	(5,505,743)
Changes in operating liabilities	9,344,742	14,986,807
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 reclassifications	-	-
Contribution paid to defined benefit plans	(417,610)	(83,026)
Taxes on financial services	(564,094)	(704,828)
Tax Paid	(76,721)	(458,400)
<b>Net cash generated from/(used in) operating activities</b>	<b>45,460,711</b>	<b>11,177,683</b>
<b>Cash flow from investing activities</b>		
Purchase of Property, plant and equipment	(281,826)	108,838
Net purchase of intangible assets	4,692	31,839
Investment in Debenture	-	392,280
Investment in Fixed deposits (more than three months)	(14,214,910)	(28,268,051)
Proceeds from the sale of property, plant and equipment	334	350
Received Dividend Income	12,243	15
<b>Net cash (used in)/from investing activities</b>	<b>(14,479,467)</b>	<b>(27,734,729)</b>
<b>Cash flow from financing activities</b>		
Net proceeds from the issue of ordinary share capital	-	-
Payment of principal of operating lease	-	-
Net proceeds from the other borrowings	(5,908,601)	10,240,319
Redemption of debentures	-	-
Interest paid & repayment of debentures	-	(76,177)
<b>Net cash from financing activities</b>	<b>(5,908,601)</b>	<b>10,164,142</b>
Net increase/(decrease) in cash & cash equivalents	25,072,643	(6,392,904)
Cash & cash equivalents at the beginning of the Year	30,165,020	43,570,749
<b>Cash and cash equivalent at the end of the Year</b>	<b>55,237,663</b>	<b>37,177,845</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and cash equivalent	1,851,297	3,160,379
Favorable balances with banks	-	-
Placements with banks	46,009,397	8,527,745
Fixed deposits less than three months	8,287,219	26,449,444
Unfavorable balances with banks	(910,251)	(959,724)
	<b>55,237,663</b>	<b>37,177,845</b>

### STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE 2023

Rupees Thousands	Bank	
	Current Period 30/06/2023 (Unaudited)	Previous Year 31/12/2022 (Audited)
<b>Assets</b>		
Cash and cash equivalents	1,851,297	2,889,884
Balances with Central Bank	-	-
Placements with banks	46,009,397	6,133,705
Derivative financial instruments	-	-
Financial assets recognized through profit or loss	-	-
- measured at fair value	138	120
- designated at fair value	-	-
Financial assets at amortized cost	-	-
- loans and advances	198,504,264	198,008,145
- debt and other instruments	29,798,169	65,079,636
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	1,145,782	926,615
Right of use assets	785,705	718,097
Goodwill and intangible assets	73,560	68,868
Deferred tax assets	3,525,175	3,525,175
Other assets	8,348,246	8,042,616
<b>Total assets</b>	<b>290,044,023</b>	<b>285,395,150</b>
<b>Liabilities</b>		
Due to banks	45,452,903	47,470,707
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	217,876,920	210,301,323
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	-	-
Retirement benefit obligations	2,673,970	3,091,581
Current tax liabilities	-	1,011,924
Deferred tax liabilities	-	-
Other liabilities	8,043,426	7,293,487
Due to subsidiaries	-	-
<b>Total liabilities</b>	<b>274,047,220</b>	<b>269,169,022</b>
<b>Equity</b>		
Stated capital/Assigned capital	8,521,865	8,221,865
Statutory reserve fund	845,248	845,248
OCI reserve	-	-
Retained earnings	2,360,460	2,889,786
Other reserves	4,269,229	4,269,229
<b>Total shareholders' equity</b>	<b>15,996,802</b>	<b>16,226,127</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>15,996,802</b>	<b>16,226,127</b>
<b>Total equity and liabilities</b>	<b>290,044,023</b>	<b>285,395,150</b>
<b>Contingent liabilities and commitments</b>	<b>392,324</b>	<b>380,380</b>
<b>Memorandum Information</b>		
Number of Employees	2,407	2,531
Number of Branches	272	272

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2023

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 01/01/2023 (Opening balance)	-	-	8,221,865	845,248	-	-	2,889,786	4,269,229	16,226,127	-	16,226,127
Total comprehensive income for the Period	-	-	-	-	-	-	(529,325)	-	(529,325)	-	(529,325)
Profit/(loss) for the Period (net of tax)	-	-	-	-	-	-	(529,325)	-	(529,325)	-	(529,325)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the Period</b>							<b>(529,325)</b>		<b>(529,325)</b>		<b>(529,325)</b>
Transactions with equity holders, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Share issue/increase of assigned capital	-	-	300,000	-	-	-	-	-	300,000	-	300,000
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)	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>			<b>300,000</b>						<b>300,000</b>		<b>300,000</b>
Balance as at 30/06/2023	-	-	8,521,865	845,248	-	-	2,360,460	4,269,229	15,996,802	-	15,996,802

### ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 30<sup>TH</sup> JUNE 2023

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current Period 30/06/2023 (Unaudited)	Previous Year 31/12/2022 (Audited)		Current Period 30/06/2023 (Unaudited)	Previous Year 31/12/2022 (Audited)
<b>Product-wise Gross loans &amp; advances</b>			<b>Sub total</b>		
<b>By product - Domestic currency</b>			<b>Total</b>	392,324	380,380
Term loans	109,926,926	120,060,154	<b>Stagewise impairment on loans &amp; advances, commitments and contingencies</b>		
Leasing	1,236,989	1,193,310	Gross loans and advances, commitments and contingencies	217,076,190	215,752,882
Pawning	47,426,146	42,234,453	Less:		
Refinance	39,626,082	35,894,658	Accumulated impairment under stage 1	3,373,877	4,130,935
Liya Isura	33,226	33,967	Accumulated impairment under stage 2	5,487,267	5,063,057
Staff Loan	6,004,070	5,501,111	Accumulated impairment under stage 3	7,741,510	6,598,756