



# PRADESHIYA SANWARDANA BANK

"BBB+"  
Stable  
(LRA)

## UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2024

### INCOME STATEMENT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2024

Rupees Thousands	Bank	
	Current Period 31/03/2024 (Unaudited)	Previous Period 31/03/2023 (Unaudited)
Interest income	10,073,795	11,333,419
Interest expenses	(5,846,772)	(7,854,702)
<b>Net interest income</b>	<b>4,227,024</b>	<b>3,478,717</b>
Fee and commission income	307,045	212,170
Fee and commission expenses	(150,745)	(149,606)
<b>Net fee and commission income</b>	<b>156,300</b>	<b>62,564</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	16,813	2,233
<b>Total operating income</b>	<b>4,400,138</b>	<b>3,543,514</b>
Impairment charges	(279,138)	(497,384)
<b>Net operating income</b>	<b>4,120,999</b>	<b>3,046,130</b>
Personnel expenses	(2,863,775)	(2,145,542)
Depreciation and amortization expenses	(137,096)	(125,331)
Other expenses	(815,657)	(735,894)
<b>Operating profit/(loss) before VAT &amp; SSCL on financial services</b>	<b>304,472</b>	<b>39,363</b>
VAT on financial services	(470,254)	(334,401)
Social Security Contribution Levy	(65,313)	(51,310)
<b>Operating profit/(loss) after VAT &amp; SSCL on financial services</b>	<b>(231,094)</b>	<b>(346,348)</b>
Share of profits of associates and joint ventures	-	-
<b>Profit/(loss) before tax</b>	<b>(231,094)</b>	<b>(346,348)</b>
Income tax expenses	(30,166)	-
<b>Profit/(loss) for the Period</b>	<b>(261,260)</b>	<b>(346,348)</b>
<b>Profit attributable to:</b>		
Equity holders of the parent	(261,260)	(346,348)
Non-controlling interests	-	-
<b>Earnings per share on profit</b>		
Basic earnings per ordinary share	-	-
Diluted earnings per ordinary share	-	-

### STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> MARCH 2024

Rupees Thousands	Bank	
	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)
<b>Assets</b>		
Cash and cash equivalents	3,243,247	104,444
Balances with Central Bank	-	-
Placements with banks	49,103,116	6,005,330
Derivative financial instruments	-	-
Financial assets recognized through profit or loss	-	-
- measured at fair value	172	145
- designated at fair value	-	-
Financial assets at amortized cost	-	-
- loans and advances	195,100,930	195,771,464
- debt and other instruments	44,258,197	86,964,709
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	1,157,130	1,162,704
Right of use assets	803,750	860,432
Goodwill and intangible assets	111,953	112,445
Deferred tax assets	3,091,874	3,091,874
Other assets	6,702,672	6,899,581
<b>Total assets</b>	<b>303,575,330</b>	<b>300,975,422</b>
<b>Liabilities</b>		
Due to banks	44,508,768	46,216,168
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	229,922,194	226,079,615
- due to debt securities holders	-	-
- due to other borrowers	-	-
Debt securities issued	-	-
Retirement benefit obligations	2,777,114	2,829,578
Current tax liabilities	-	(426,311)
Deferred tax liabilities	-	-
Other liabilities	8,269,908	7,917,771
Due to subsidiaries	-	-
<b>Total liabilities</b>	<b>285,477,986</b>	<b>282,616,820</b>
<b>Equity</b>		
Stated capital/Assigned capital	8,521,865	8,521,865
Statutory reserve fund	913,068	913,068
OCI reserve	-	-
Retained earnings	4,054,081	4,315,341
Other reserves	4,608,329	4,608,329
<b>Total shareholders' equity</b>	<b>18,097,344</b>	<b>18,358,603</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>18,097,344</b>	<b>18,358,603</b>
<b>Total equity and liabilities</b>	<b>303,575,330</b>	<b>300,975,422</b>
<b>Contingent liabilities and commitments</b>	463,512	616,056
<b>Memorandum Information</b>		
Number of Employees	2,689	2,683
Number of Branches	272	272

### STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2024

Rupees Thousands	Bank	
	Current Period 31/03/2024 (Unaudited)	Previous Period 31/03/2023 (Unaudited)
<b>Profit/(loss) for the Period</b>	<b>(261,260)</b>	<b>(346,348)</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	-	-
Deferred Tax impact on retirement benefit obligation	-	-
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>-</b>	<b>-</b>
<b>Total comprehensive income for the Period</b>	<b>(261,260)</b>	<b>(346,348)</b>
<b>Attributable to:</b>		
Equity holders of the parent	(261,260)	(346,348)
Non-controlling interest	-	-

### STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2024

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 01/01/2024 (Opening balance)	-	-	8,521,865	913,068	-	-	4,315,341	4,608,329	18,358,603	-	18,358,603
Total comprehensive income for the Period	-	-	-	-	-	-	(261,260)	-	(261,260)	-	(261,260)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the Period</b>	-	-	-	-	-	-	(261,260)	-	(261,260)	-	(261,260)
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)	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31/03/2024	-	-	8,521,865	913,068	-	-	4,054,081	4,608,329	18,097,343	-	18,097,344

### ANALYSIS OF LOANS & ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIRMENT AS AT 31<sup>ST</sup> MARCH 2024

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)		Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)
<b>Productwise Gross loans &amp; advances</b>			<b>Stagewise impairment on loans &amp; advances, commitments and contingencies</b>		
<b>By product – Domestic currency</b>			<b>Gross loans and advances, commitments and contingencies</b>	<b>215,368,382</b>	<b>215,912,324</b>
Term loans	110,958,636	109,761,564	Less: Accumulated impairment under		
Leasing	1,036,802	844,832	stage 1	2,853,712	2,617,599
Pawning	46,417,795	45,600,879	stage 2	4,291,812	5,238,949
Refinance	35,746,347	39,092,197	stage 3	11,033,575	10,043,412
Liya Isura	30,473	30,638	<b>Net value of loans and advances, commitments and contingencies</b>	<b>197,189,283</b>	<b>198,012,363</b>
Staff Loan	6,051,062	5,864,349	<b>Movement of impairment during the Period</b>		
Loans against Deposits	14,545,644	14,054,997	<b>Under Stage 1</b>		
SME	118,110	118,110	Charge/(Write back) to income statement	236,113	(1,510,434)
<b>Sub total</b>	<b>214,904,870</b>	<b>215,296,267</b>	Write-off during the Period	-	-
<b>By product – Foreign currency</b>			Other movements	-	-
Overdrafts	-	-	Closing balance at 31/03/2024	<b>2,853,712</b>	<b>2,617,599</b>
Term loans	-	-	<b>Under Stage 2</b>		
Guarantees	-	-	Charge/(Write back) to income statement	(947,137)	175,892
Bonds	-	-	Write-off during the Period	-	-
Other loans (specify)	-	-	Other movements	-	-
<b>Sub total</b>	<b>214,904,870</b>	<b>215,296,267</b>	Closing balance at 31/03/2024	<b>4,291,812</b>	<b>5,238,949</b>
<b>Productwise commitments and contingencies</b>			<b>Under Stage 3</b>		
<b>By product – Domestic currency</b>			Charge/(Write back) to income statement	990,163	3,444,657
Guarantees	376,588	366,099	Write-off during the Period	-	-
Bonds	-	-	Other movements	-	-
Undrawn credit lines	-	-	Collective Impairment not recognized	-	-
Other commitments (specify)	-	-	Closing balance at 31/03/2024	<b>11,033,575</b>	<b>10,043,412</b>
Other contingencies (Bill Purchase)	86,924	249,958	<b>Total impairment under SLFRS 9</b>	<b>18,179,099</b>	<b>17,899,961</b>
<b>Sub total</b>	<b>463,512</b>	<b>616,057</b>			
<b>By product – Foreign currency</b>					
Guarantees	-	-			
Bonds	-	-			
Undrawn credit lines	-	-			
Other commitments (specify)	-	-			
Other contingencies (specify)	-	-			
<b>Sub total</b>	<b>463,512</b>	<b>616,057</b>			
<b>Total</b>	<b>463,512</b>	<b>616,057</b>			

### ANALYSIS OF DEPOSITS AS AT 31<sup>ST</sup> MARCH 2024

Rupees Thousands	Bank		Rupees Thousands	Bank	
	Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)		Current Period 31/03/2024 (Unaudited)	Previous Year 31/12/2023 (Unaudited)
<b>By product – Domestic currency</b>			<b>By product – Foreign currency</b>		
Demand deposits (current accounts)	-	-	Demand deposits (current accounts)	-	-
Savings deposits	72,492,109	70,065,142	Savings deposits	-	-
Fixed deposits	157,430,084	156,014,472	Fixed deposits	-	-
Others (Specify)	-	-	Others (Specify)	-	-
<b>Sub total</b>	<b>229,922,194</b>	<b>226,079,614</b>	<b>Sub total</b>	<b>229,922,194</b>	<b>226,079,614</b>
<b>Total</b>	<b>229,922,194</b>	<b>226,079,614</b>	<b>Total</b>	<b>229,922,194</b>	<b>226,079,614</b>

### SELECTED PERFORMANCE INDICATORS AS AT 31<sup>ST</sup> MARCH 2024 (Based on Regulatory Reporting)

Item	31/03/2024 (Unaudited)	31/12/2023 (Unaudited)
<b>Regulatory Capital Adequacy (LKR in Thousands)</b>		
Common Equity Tier 1	12,302,359	12,188,920
Core (Tier 1) Capital	12,302,359	12,188,920
Total Capital Base	22,049,805	22,150,041
<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tier 1 Capital (%) (Minimum Requirement - 7%)	8.84%	9.05%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.5%)	8.84%	9.05%
Total Capital Ratio (%) (Minimum Requirement - 12.5%)	15.84%	16.45%
<b>Leverage Ratio (Minimum Requirement - 3%)</b>	4.00%	3.95%
<b>Regulatory Liquidity</b>		
Statutory Liquid Assets (LKR in Thousands)	89,699,393	82,688,114
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)		
Domestic Banking Unit (%)	40.89	38.73%
Off-Shore Banking Unit (%)	-	-
Total Stock of High-Quality Liquid Assets (LKR in Thousands)	44,638,908	58,111,258
Liquidity Coverage Ratio (%) (Minimum Requirement - 100%)		
Rupee (%)	633.00%	976.00%
All Currency (%)	-	-
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	156.00%	174.00%
<b>Assets Quality (Quality of Loan Portfolio)</b>		
Impaired loans (Stage 3) Ratio (%) (Net of Stage 3 impairment)	10.13%	9.62%
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	33.64%	32.63%
<b>Profitability</b>		
Interest Margin (%)	5.59%	5.78%
Return on Assets (before Tax) (%)	-0.31%	0.47%
Return on Equity (%)	-5.73%	7.84%

### CERTIFICATION:

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  
Date: 29/05/2024

**P.S. Edirisuriya**  
(Sgd.) Chief Executive Officer  
Date: 29/05/2024

### STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2024

Rupees Thousands	Bank	
	Current Period 31/03/2024 (Unaudited)	Previous Period 31/03/2023 (Unaudited)
<b>Cash flow from operating activities</b>		
Profit before tax	(231,094)	(346,348)
Adjustment for:		
Non cash items included in profit before tax	761,858	2,566,428
Changes in operating assets	28,071,959	