



**PEOPLE'S  
BANK**

---

**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31ST MARCH**  
**2022**

**INCOME STATEMENT**  
**FOR THE PERIOD ENDED 31ST MARCH**

	BANK			GROUP		
	2022 (Rs. '000) (Unaudited)	2021 (Rs. '000) (Audited)	Change %	2022 (Rs. '000) (Unaudited)	2021 (Rs. '000) (Unaudited)	Change %
<b>Gross Income</b>	<b>69,527,479</b>	<b>49,684,405</b>	39.9	<b>78,138,535</b>	<b>58,056,671</b>	34.6
Interest income	58,693,306	46,449,090	26.4	65,831,417	53,402,763	23.3
Interest expenses	(32,719,665)	(27,018,808)	21.1	(35,421,131)	(29,859,706)	18.6
<b>Net Interest Income</b>	<b>25,973,641</b>	<b>19,430,282</b>	33.7	<b>30,410,286</b>	<b>23,543,057</b>	29.2
Fee and commission income	6,576,669	2,198,553	199.1	7,009,482	2,611,113	168.4
Fee and commission expenses	(106,613)	(136,296)	(21.8)	(106,613)	(136,296)	(21.8)
<b>Net Fee and Commission Income</b>	<b>6,470,056</b>	<b>2,062,257</b>	213.7	<b>6,902,869</b>	<b>2,474,817</b>	178.9
Net gain / (loss) from trading	4,045,674	794,149	409.4	4,051,204	850,575	376.3
Other operating income (net)	211,830	242,613	(12.7)	1,246,432	1,192,220	4.5
<b>Total Operating Income</b>	<b>36,701,201</b>	<b>22,529,301</b>	<b>62.9</b>	<b>42,610,791</b>	<b>28,060,669</b>	<b>51.9</b>
Impairment Charge	(16,180,326)	(4,599,847)	251.8	(15,341,273)	(2,654,439)	477.9
Loans & advances to Customers	(15,547,514)	(4,387,337)		(14,713,575)	(2,174,727)	
Other Financial Assets	(632,812)	(212,510)		(632,812)	(212,510)	
Others	-	-		5,114	(267,202)	
<b>Net Operating Income</b>	<b>20,520,875</b>	<b>17,929,454</b>	14.5	<b>27,269,518</b>	<b>25,406,230</b>	7.3
Personnel Expenses	(5,450,019)	(6,303,953)	(13.5)	(6,886,822)	(7,779,300)	(11.5)
Depreciation and Amortisation	(1,112,141)	(1,062,505)	4.7	(1,301,038)	(1,273,990)	2.1
Other Expenses	(3,441,236)	(2,997,920)	14.8	(4,907,097)	(3,999,752)	22.7
<b>Operating Profit Before Value Added Tax (VAT) on Financial Services</b>	<b>10,517,479</b>	<b>7,565,076</b>	39.0	<b>14,174,561</b>	<b>12,353,188</b>	14.7
Value Added Tax (VAT) on Financial Services	(2,424,307)	(1,688,852)	43.5	(3,173,431)	(2,343,364)	35.4
<b>Operating Profit After Value Added Tax (VAT) on Financial Services</b>	<b>8,093,172</b>	<b>5,876,224</b>	37.7	<b>11,001,130</b>	<b>10,009,824</b>	9.9
Share of Profits/(Loss) of Associates (Net of Tax)	-	-	-	-	10,893	(100)
<b>Profit Before Tax</b>	<b>8,093,172</b>	<b>5,876,224</b>	37.7	<b>11,001,130</b>	<b>10,020,717</b>	9.8
Income Tax Expenses	(2,579,467)	(424,165)	508.1	(3,568,813)	(1,489,811)	139.5
<b>Profit for the Period</b>	<b>5,513,705</b>	<b>5,452,059</b>	1.1	<b>7,432,317</b>	<b>8,530,906</b>	(12.9)
<b>Profit Attributable to :</b>						
Equity Holders of the Bank	5,513,705	5,452,059	1.1	6,967,332	7,684,880	(9.3)
Non-Controlling Interests	-	-		464,985	846,026	(45.0)
	<b>5,513,705</b>	<b>5,452,059</b>	1.1	<b>7,432,317</b>	<b>8,530,906</b>	(12.9)
<b>Earnings Per Share on Profit</b>						
Basic Earnings per Ordinary Share [Rs.]	5,514	5,452	1.1	6,967	7,685	(9.3)
Diluted Earnings per Ordinary Share [Rs.]	23	22	1.1	29	31	(9.3)

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31ST MARCH**

	BANK		GROUP	
	2022 (Rs. '000) (Unaudited)	2021 (Rs. '000) (Audited)	2022 (Rs. '000) (Unaudited)	2021 (Rs. '000) (Unaudited)
<b>Profit for the period</b>	<b>5,513,705</b>	<b>5,452,059</b>	<b>7,432,317</b>	<b>8,530,906</b>
<b>Other comprehensive income that will not be reclassified to the income statement</b>				
Net Gains/( Losses) on equity instruments at fair value through OCI	(205,263)	(65,550)	(261,924)	(21,104)
Net Actuarial Gains/(Losses) on Defined Benefit Plans	-	-	(15,756)	107,005
Deferred tax effect on above items	-	-	31,805	(29,961)
<b>Other comprehensive income that will be reclassified to the income statement</b>				
Net Gains/( Losses)[including change in ECL] on debt instruments at fair value through OCI	(31)	438	(25,890)	(8,871)
Net Gains/(Losses) on translating the financial statements of foreign operation	-	-	1,434,011	184,795
<b>Other Comprehensive Income for the period, Net of Taxes</b>	<b>(205,294)</b>	<b>(65,112)</b>	<b>1,162,246</b>	<b>231,864</b>
<b>Total Comprehensive Income for the period</b>	<b>5,308,411</b>	<b>5,386,947</b>	<b>8,594,563</b>	<b>8,762,770</b>
<b>Attributable to :</b>				
Equity Holders of the Bank	5,308,411	5,386,947	7,264,616	7,864,849
Non-Controlling Interests	-	-	1,329,947	897,921
	<b>5,308,411</b>	<b>5,386,947</b>	<b>8,594,563</b>	<b>8,762,770</b>

## STATEMENT OF FINANCIAL POSITION

**AS AT**

	<b>BANK</b>			<b>GROUP</b>		
	<b>31.03.2022</b> <b>(Rs. '000)</b> <b>(Unaudited)</b>	<b>31.12.2021</b> <b>(Rs. '000)</b> <b>(Audited)</b>	<b>Change</b> <b>%</b>	<b>31.03.2022</b> <b>(Rs. '000)</b> <b>(Unaudited)</b>	<b>31.12.2021</b> <b>(Rs. '000)</b> <b>(Audited)</b>	<b>Change</b> <b>%</b>
<b>Assets</b>						
Cash and Cash Equivalents	87,151,831	57,538,351	51.5	88,646,905	58,836,831	50.7
Balances with Central Bank of Sri Lanka	56,215,585	56,717,820	(0.9)	56,215,585	56,717,820	(0.9)
Placements with Banks	-	-	-	3,807,483	3,325,726	14.5
Derivative Financial Instruments	11,202,970	441,877	2435.3	11,202,970	441,877	2435.3
Financial Assets - At Fair Value through Profit or Loss	1,436,679	1,558,850	(7.8)	2,285,978	2,553,546	(10.5)
Financial Assets - At Amortised Cost						
Loans and advances to Banks	7,469,460	10,131,952	(26.3)	7,469,460	13,398,055	(44.2)
Loans and advances to Other Customers	1,848,170,820	1,835,697,108	0.7	2,012,751,370	1,990,689,061	1.1
Debt instruments measured at amortised cost	824,000,098	587,320,182	40.3	837,496,405	600,079,625	39.6
Financial Assets - At Fair Value through other Comprehensive income [OCI]						
Equity instruments at fair value through OCI	1,416,112	1,621,375	(12.7)	1,647,950	1,889,144	(12.8)
Debt instruments at fair value through OCI	9,141,314	9,399,272	(2.7)	10,542,416	10,596,723	(0.5)
Investments in Subsidiaries	3,572,824	3,572,824	-	-	-	-
Property, Plant, Equipment and Right of use assets	45,956,405	46,761,157	(1.7)	55,861,632	56,432,293	(1.0)
Intangible Assets and Goodwill	2,136,760	2,077,544	2.9	2,277,626	2,252,557	1.1
Other Assets	40,615,239	34,802,224	16.7	41,913,704	35,396,730	18.4
<b>Total Assets</b>	<b>2,938,486,097</b>	<b>2,647,640,536</b>	<b>11.0</b>	<b>3,132,119,484</b>	<b>2,832,609,988</b>	<b>10.6</b>
<b>Liabilities</b>						
Due to Banks	135,831,212	107,745,916	26.1	150,609,732	122,397,825	23.0
Derivative Financial Instruments	37,828,249	1,761,220	2047.8	37,828,249	1,761,220	2047.8
Due to Other Customers	2,201,196,051	2,071,532,612	6.3	2,302,590,273	2,168,674,742	6.2
Other Borrowings	330,709,430	241,419,125	37.0	330,034,178	241,419,125	36.7
Current Tax Liabilities	4,472,961	6,452,823	(30.7)	6,102,568	8,512,150	(28.3)
Net Deferred Tax Liabilities	3,101,945	2,687,330	15.4	4,611,094	3,194,714	44.3
Other Liabilities	34,180,295	31,102,734	9.9	47,301,941	43,451,531	8.9
Subordinated Term Debts	49,835,370	48,861,680	2.0	66,938,593	65,560,465	2.1
<b>Total Liabilities</b>	<b>2,797,155,513</b>	<b>2,511,563,440</b>	<b>11.4</b>	<b>2,946,016,628</b>	<b>2,654,971,772</b>	<b>11.0</b>
<b>Equity</b>						
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	12,201,998	12,201,998	-
Statutory Reserve Fund	9,210,528	9,210,528	-	9,210,528	9,210,528	-
Other Reserves	35,696,993	35,902,287	(0.6)	38,469,182	38,160,081	0.8
Retained Earnings	84,221,065	78,762,283	6.9	111,655,857	104,755,265	6.6
<b>Total Shareholders' Equity</b>	<b>141,330,584</b>	<b>136,077,096</b>	<b>3.9</b>	<b>171,537,565</b>	<b>164,327,872</b>	<b>4.4</b>
Non-Controlling Interests	-	-		14,565,291	13,310,344	9.4
<b>Total Equity</b>	<b>141,330,584</b>	<b>136,077,096</b>	<b>3.9</b>	<b>186,102,856</b>	<b>177,638,216</b>	<b>4.8</b>
<b>Total Equity and Liabilities</b>	<b>2,938,486,097</b>	<b>2,647,640,536</b>	<b>11.0</b>	<b>3,132,119,484</b>	<b>2,832,609,988</b>	<b>10.6</b>
<b>Contingent Liabilities and Commitments</b>	<b>554,435,433</b>	<b>428,771,195</b>	<b>29.3</b>	<b>561,334,433</b>	<b>443,842,195</b>	<b>26.5</b>
Number of Employees	7,529	7,568		10,742	10,798	
Number of Branches	743	742		858	857	

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31ST MARCH**

**BANK**

	Stated capital/Assigned capital		Reserves				Retained Earnings (Rs.'000)	Total (Rs.'000)
	Ordinary Shares (Rs.'000)	Assigned capital (Rs.'000)	Statutory Reserve Fund (Rs.'000)	Revaluation Reserve (Rs.'000)	Other Reserves (Rs.'000)	Financial assets at FVOCI Reserve (Rs.'000)		
<b>Balance as at 1st January 2021</b>	49,998	12,152,000	8,024,521	18,748,933	13,574,329	535,975	48,897,842	101,983,598
<b>Total Comprehensive Income for the year</b>								
Profit for the year	-	-	-	-	-	-	23,720,143	23,720,143
Other comprehensive income/(Expense) [ Net of Taxes]	-	-	-	2,791,367	-	(315,361)	10,094,237	12,570,243
<b>Total Comprehensive Income/(Expense)</b>	-	-	-	2,791,367	-	(315,361)	33,814,380	36,290,386
<b>Transactions with equity holders, recognised directly in equity</b>								
Transfer to Reserve during the period	-	-	1,186,007	-	567,044	-	(1,753,051)	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(2,196,888)	(2,196,888)
<b>Total Transactions with Equity Holders</b>	-	-	1,186,007	-	567,044	-	(3,949,939)	(2,196,888)
<b>Balance as at 31st December 2021</b>	49,998	12,152,000	9,210,528	21,540,300	14,141,373	220,614	78,762,283	136,077,096
<b>Balance as at 1st January 2022</b>	49,998	12,152,000	9,210,528	21,540,300	14,141,373	220,614	78,762,283	136,077,096
<b>Total Comprehensive Income for the period</b>								
Profit for the period	-	-	-	-	-	-	5,513,705	5,513,705
Other comprehensive income/(Expense) [ Net of Taxes]	-	-	-	-	-	(205,294)	-	(205,294)
<b>Total Comprehensive Income/(Expense)</b>	-	-	-	-	-	(205,294)	5,513,705	5,308,411
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>								
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(54,923)	(54,923)
<b>Total Transactions with Equity Holders</b>	-	-	-	-	-	-	(54,923)	(54,923)
<b>Balance as at 31st March 2022</b>	49,998	12,152,000	9,210,528	21,540,300	14,141,373	15,320	84,221,065	141,330,584

## STATEMENT OF CHANGES IN EQUITY

### GROUP

	Stated capital/ Assigned capital		Reserves				Retained earnings  (Rs.'000)	Total  (Rs.'000)	Non controlling interest  (Rs.'000)	Total equity  (Rs.'000)
	Ordinary shares (Rs.'000)	Assigned capital (Rs.'000)	Statutory Reserve Fund (Rs.'000)	Revaluation Reserve (Rs.'000)	Other Reserves (Rs.'000)	Financial assets at FVOCI Reserve (Rs.'000)				
<b>Balance as at 1st January 2021</b>	<b>49,998</b>	<b>12,152,000</b>	<b>8,024,521</b>	<b>20,587,993</b>	<b>13,842,861</b>	<b>492,808</b>	<b>72,268,676</b>	<b>127,418,857</b>	<b>11,691,908</b>	<b>139,110,765</b>
<b>Total Comprehensive Income for the year</b>										
Profit for the year	-	-	-	-	-	-	26,350,975	26,350,975	1,736,673	28,087,648
Other comprehensive income/(Expense) [ Net of Taxes]	-	-	-	2,876,867	130,593	(338,085)	10,085,553	12,754,928	31,763	12,786,691
<b>Total Comprehensive Income/(Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,876,867</b>	<b>130,593</b>	<b>(338,085)</b>	<b>36,436,528</b>	<b>39,105,903</b>	<b>1,768,436</b>	<b>40,874,339</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>										
Transfer to Reserve during the year	-	-	1,186,007	-	567,044	-	(1,753,051)	-	-	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(2,196,888)	(2,196,888)	-	(2,196,888)
Dividends Paid	-	-	-	-	-	-	-	-	(150,000)	(150,000)
<b>Total Transactions with Equity Holders</b>	<b>-</b>	<b>-</b>	<b>1,186,007</b>	<b>-</b>	<b>567,044</b>	<b>-</b>	<b>(3,949,939)</b>	<b>(2,196,888)</b>	<b>(150,000)</b>	<b>(2,346,888)</b>
<b>Balance as at 31st December 2021</b>	<b>49,998</b>	<b>12,152,000</b>	<b>9,210,528</b>	<b>23,464,860</b>	<b>14,540,498</b>	<b>154,723</b>	<b>104,755,265</b>	<b>164,327,872</b>	<b>13,310,344</b>	<b>177,638,216</b>
<b>Balance as at 1st January 2022</b>	<b>49,998</b>	<b>12,152,000</b>	<b>9,210,528</b>	<b>23,464,860</b>	<b>14,540,498</b>	<b>154,723</b>	<b>104,755,265</b>	<b>164,327,872</b>	<b>13,310,344</b>	<b>177,638,216</b>
<b>Total Comprehensive Income for the period</b>										
Profit for the period	-	-	-	-	-	-	6,967,332	6,967,332	464,985	7,432,317
Other comprehensive income/(Expense) [ Net of Taxes]	-	-	-	-	552,431	(243,330)	(11,817)	297,284	864,962	1,162,246
<b>Total Comprehensive Income/(Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>552,431</b>	<b>(243,330)</b>	<b>6,955,515</b>	<b>7,264,616</b>	<b>1,329,947</b>	<b>8,594,563</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>										
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(54,923)	(54,923)	-	(54,923)
Dividends Paid	-	-	-	-	-	-	-	-	(75,000)	(75,000)
<b>Total Transactions with Equity Holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(54,923)</b>	<b>(54,923)</b>	<b>(75,000)</b>	<b>(129,923)</b>
<b>Balance as at 31st March 2022</b>	<b>49,998</b>	<b>12,152,000</b>	<b>9,210,528</b>	<b>23,464,860</b>	<b>15,092,929</b>	<b>(88,607)</b>	<b>111,655,857</b>	<b>171,537,565</b>	<b>14,565,291</b>	<b>186,102,856</b>

**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 31ST MARCH**

	BANK		GROUP	
	2022 (Rs. '000) (Unaudited)	2021 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	2021 (Rs. '000) (Unaudited)
<b>Cash flows from operating activities</b>				
Profit before tax	8,093,172	5,876,224	11,001,130	10,020,717
Adjustment for				
Non-cash items included in profits before tax	43,654,550	6,672,898	43,021,539	5,095,193
Changes in operating assets	2,406,879	48,344,591	(426,220)	54,062,105
Changes in operating liabilities	120,812,617	(15,741,320)	122,396,771	(13,981,214)
Changes in loans and advances to customers	(28,654,038)	(183,412,883)	(37,408,697)	(188,877,140)
Change in deposits from customers, banks and debt securities issued	129,663,439	162,417,180	133,915,531	158,246,565
Dividend income from subsidiaries and others	(10,231)	(600)	(14,669)	(633)
Interest expense on subordinated debt	1,297,441	1,186,060	1,702,296	1,595,117
Contribution paid to defined benefit plans/Gratuity	195,650	822,250	321,508	822,250
Tax paid	(4,144,714)	(626,213)	(4,530,210)	(1,518,589)
<b>Net Cash Generated from Operating Activities</b>	<b>268,501,007</b>	<b>25,538,187</b>	<b>269,978,979</b>	<b>25,464,371</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of property, plant and equipment	(244,261)	(168,697)	(631,663)	(405,399)
Proceeds from the sale of property, plant and equipment	4,990	21,721	13,543	28,553
Purchase of financial investments	(237,476,793)	(36,647,102)	(238,213,657)	(36,447,737)
Net purchase of intangible assets	(122,345)	(16,004)	(123,784)	(16,374)
Dividends received from investment in subsidiaries and Others	10,231	600	14,669	633
<b>Net Cash (used in) from Investing Activities</b>	<b>(237,828,178)</b>	<b>(36,809,482)</b>	<b>(238,940,892)</b>	<b>(36,840,324)</b>
<b>Cash Flows from Financing Activities</b>				
Proceed received from subordinated debt	-	3,500,000	-	3,500,000
Interest paid on subordinated debt	(323,751)	-	(324,167)	(34,879)
Repayment of Lease Liabilities	(680,675)	(623,624)	(773,924)	(739,739)
Dividend paid to non-controlling interest	-	-	(75,000)	-
Dividend/Levy paid to holders of other equity instruments	(54,923)	(554,923)	(54,923)	(554,923)
<b>Net Cash from Financial Activities</b>	<b>(1,059,349)</b>	<b>2,321,453</b>	<b>(1,228,014)</b>	<b>2,170,459</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>29,613,480</b>	<b>(8,949,842)</b>	<b>29,810,074</b>	<b>(9,205,494)</b>
Cash and cash equivalents at the beginning of the period	57,538,351	71,461,242	58,836,831	72,899,208
<b>Cash and cash equivalents at the end of the period</b>	<b>87,151,831</b>	<b>62,511,400</b>	<b>88,646,905</b>	<b>63,693,714</b>

## ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

	BANK		GROUP	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	(Rs.'000)	(Rs.'000)	(Rs.'000)	(Rs.'000)
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Loans and advances to Other Customers</b>				
Gross Loans and advances	1,966,600,120	1,936,974,136	2,142,022,807	2,103,642,165
<b>Less :</b>				
Allowance for Expected Credit Losses	(118,429,300)	(101,277,028)	(129,271,437)	(112,953,104)
Stage 1	(5,064,037)	(8,056,985)	(6,782,639)	(9,316,194)
Stage 2	(24,533,455)	(9,990,853)	(25,577,870)	(11,462,797)
Stage 3	(88,831,808)	(83,229,190)	(96,910,928)	(92,174,113)
<b>Net Loans and advances</b>	<b>1,848,170,820</b>	<b>1,835,697,108</b>	<b>2,012,751,370</b>	<b>1,990,689,061</b>
<b>Product-wise Gross loans &amp; advances</b>				
<b>By product – Domestic currency</b>				
Overdrafts	207,001,908	389,894,984	206,582,912	389,438,498
Term loans	924,751,245	887,081,607	997,009,124	954,796,780
Lease rentals receivable	-	-	79,611,668	79,230,187
Credit cards	4,727,322	4,303,245	4,727,322	4,303,245
Pawning	207,002,593	194,769,226	207,002,593	194,769,226
Trade Finance	69,896,271	52,944,758	69,896,271	52,944,758
Others	27,030,721	27,598,625	39,938,862	42,333,454
<b>Sub Total</b>	<b>1,440,410,060</b>	<b>1,556,592,445</b>	<b>1,604,768,752</b>	<b>1,717,816,148</b>
<b>By product – Foreign currency</b>				
Overdrafts	1,409,792	2,981,810	1,409,792	2,981,810
Term loans	156,426,499	131,606,427	167,490,494	137,050,753
Trade Finance	368,353,769	245,793,454	368,353,769	245,793,454
<b>Sub Total</b>	<b>526,190,060</b>	<b>380,381,691</b>	<b>537,254,055</b>	<b>385,826,017</b>
<b>Grand Total</b>	<b>1,966,600,120</b>	<b>1,936,974,136</b>	<b>2,142,022,807</b>	<b>2,103,642,165</b>
<b>Movement in Allowance for Expected Credit loss during the period</b>				
<b>BANK</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Opening balance as at 1 st January 2022	8,056,985	9,990,853	83,229,190	101,277,028
Net Charge/(Reversal) for the period	(2,992,948)	14,542,602	3,997,860	15,547,514
Amounts written off	-	-	(7,495)	(7,495)
Exchange rate variance on foreign currency Impairment	-	-	1,612,253	1,612,253
Closing balance as at 31st March 2022	5,064,037	24,533,455	88,831,808	118,429,300
<b>BANK</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Opening balance as at 1 st January 2021	6,419,888	3,533,121	77,933,591	87,886,600
Net Charge/(Reversal) for the year	1,637,097	6,457,732	5,187,711	13,282,540
Amounts written off	-	-	(187,681)	(187,681)
Exchange rate variance on foreign currency Impairment	-	-	295,569	295,569
Closing balance as at 31st December 2021	8,056,985	9,990,853	83,229,190	101,277,028
<b>GROUP</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Opening balance as at 1 st January 2022	9,316,194	11,462,797	92,174,113	112,953,104
Net Charge/(Reversal) for the period	(2,533,555)	14,115,073	3,132,057	14,713,575
Amounts written off	-	-	(7,495)	(7,495)
Exchange rate variance on foreign currency Impairment	-	-	1,612,253	1,612,253
Closing balance as at 31st March 2022	6,782,639	25,577,870	96,910,928	129,271,437
<b>GROUP</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Opening balance as at 1 st January 2021	7,309,834	5,250,002	87,421,408	99,981,244
Net Charge/(Reversal) for the year	2,006,360	6,212,795	4,644,817	12,863,972
Amounts written off	-	-	(187,681)	(187,681)
Exchange rate variance on foreign currency Impairment	-	-	295,569	295,569
Closing balance as at 31st December 2021	9,316,194	11,462,797	92,174,113	112,953,104



## ANALYSIS OF DEPOSITS

	BANK		GROUP	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	(Rs.'000)	(Rs. '000)	(Rs.'000)	(Rs. '000)
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>By product – Domestic currency</b>				
Demand deposits (current accounts)	76,329,879	80,566,734	74,428,974	79,424,380
Savings deposits	754,920,107	739,759,440	761,640,281	746,159,304
Fixed deposits	1,077,653,933	1,031,570,632	1,172,616,754	1,121,774,448
Others	3,488,339	3,879,765	5,100,471	5,560,569
<b>Sub total</b>	<b>1,912,392,258</b>	<b>1,855,776,571</b>	<b>2,013,786,480</b>	<b>1,952,918,701</b>
<b>By product – Foreign currency</b>				
Demand deposits (current accounts)	3,030,613	1,450,837	3,030,613	1,450,837
Savings deposits	40,266,252	25,761,128	40,266,252	25,761,128
Fixed deposits	245,494,960	188,502,877	245,494,960	188,502,877
Others	11,968	41,199	11,968	41,199
<b>Sub total</b>	<b>288,803,793</b>	<b>215,756,041</b>	<b>288,803,793</b>	<b>215,756,041</b>
<b>Grand Total</b>	<b>2,201,196,051</b>	<b>2,071,532,612</b>	<b>2,302,590,273</b>	<b>2,168,674,742</b>

## ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

	BANK		GROUP	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	(Rs.'000)	(Rs. '000)	(Rs.'000)	(Rs. '000)
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>By product</b>				
Acceptances	107,558,918	94,817,795	107,558,918	94,817,795
Documentary Credit	113,341,171	73,281,666	113,341,171	73,281,666
Guarantees	86,202,898	74,070,212	86,718,898	74,823,212
Forward Exchange Contracts	173,461,202	108,101,010	173,461,202	108,101,010
Non disbursed overdrafts & loans	74,536,910	79,068,727	80,919,910	93,386,727
<b>Gross Contingent Liabilities and Commitments</b>	<b>555,101,099</b>	<b>429,339,410</b>	<b>570,172,099</b>	<b>444,410,410</b>
<b>Less :</b>				
Allowance for Expected Credit Loss	(665,666)	(568,215)	(665,666)	(568,215)
<b>Net Contingent Liabilities and Commitments</b>	<b>554,435,433</b>	<b>428,771,195</b>	<b>561,334,433</b>	<b>443,842,195</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### BANK AS AT 31ST MARCH 2022

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
<b>ASSETS</b>				
Cash and cash equivalents	-	-	87,151,831	87,151,831
Balances with Central Banks	-	-	56,215,585	56,215,585
Placements with Banks	-	-	-	-
Derivative Financial Instruments	11,202,970	-	-	11,202,970
Financial Assets - At Fair Value through Profit or Loss	1,436,679	-	-	1,436,679
Loans and Advances to banks	-	-	7,469,460	7,469,460
Loans and Advances to other customers	-	-	1,848,170,820	1,848,170,820
Debt instruments measured at amortised cost	-	-	824,000,098	824,000,098
Equity instruments at fair value through OCI	-	1,416,112	-	1,416,112
Debt instruments at fair value through OCI	-	9,141,314	-	9,141,314
<b>Total financial assets</b>	<b>12,639,649</b>	<b>10,557,426</b>	<b>2,823,007,794</b>	<b>2,846,204,869</b>
<b>LIABILITIES</b>				
Due to banks	-	-	135,831,212	135,831,212
Derivative Financial Instruments	37,828,249	-	-	37,828,249
Due to other customers	-	-	2,201,196,051	2,201,196,051
Other Borrowings	-	-	330,709,430	330,709,430
Subordinated term debts	-	-	49,835,370	49,835,370
<b>Total financial liabilities</b>	<b>37,828,249</b>	<b>-</b>	<b>2,717,572,063</b>	<b>2,755,400,312</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### BANK AS AT 31ST DECEMBER 2021

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
<b>ASSETS</b>				
Cash and cash equivalents	-	-	57,538,351	57,538,351
Balances with Central Banks	-	-	56,717,820	56,717,820
Placements with Banks	-	-	-	-
Derivative Financial Instruments	441,877	-	-	441,877
Financial Assets - At Fair Value through Profit or Loss	1,558,850	-	-	1,558,850
Loans and advances to banks	-	-	10,131,952	10,131,952
Loans and advances to other customers	-	-	1,835,697,108	1,835,697,108
Debt instruments measured at amortised cost	-	-	587,320,182	587,320,182
Equity instruments at fair value through OCI	-	1,621,375	-	1,621,375
Debt instruments at fair value through OCI	-	9,399,272	-	9,399,272
<b>Total financial assets</b>	<b>2,000,727</b>	<b>11,020,647</b>	<b>2,547,405,413</b>	<b>2,560,426,787</b>
<b>LIABILITIES</b>				
Due to banks	-	-	107,745,916	107,745,916
Derivative Financial Instruments	1,761,220	-	-	1,761,220
Due to other customers	-	-	2,071,532,612	2,071,532,612
Other Borrowings	-	-	241,419,125	241,419,125
Subordinated term debts	-	-	48,861,680	48,861,680
<b>Total financial liabilities</b>	<b>1,761,220</b>	<b>-</b>	<b>2,469,559,333</b>	<b>2,471,320,553</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### GROUP AS AT 31ST MARCH 2022

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
<b>ASSETS</b>				
Cash and cash equivalents	-	-	88,646,905	88,646,905
Balances with Central Banks	-	-	56,215,585	56,215,585
Placements with Banks	-	-	3,807,483	3,807,483
Derivative Financial Instruments	11,202,970	-	-	11,202,970
Financial Assets - At Fair Value through Profit or Loss	2,285,978	-	-	2,285,978
Loans and Advances to banks	-	-	7,469,460	7,469,460
Loans and Advances to other customers	-	-	2,012,751,370	2,012,751,370
Debt instruments measured at amortised cost	-	-	837,496,405	837,496,405
Equity instruments at fair value through OCI	-	1,647,950	-	1,647,950
Debt instruments at fair value through OCI	-	10,542,416	-	10,542,416
<b>Total financial assets</b>	<b>13,488,948</b>	<b>12,190,366</b>	<b>3,006,387,208</b>	<b>3,032,066,522</b>
<b>LIABILITIES</b>				
Due to banks	-	-	150,609,732	150,609,732
Derivative Financial Instruments	37,828,249	-	-	37,828,249
Due to other customers	-	-	2,302,590,273	2,302,590,273
Other Borrowings	-	-	330,034,178	330,034,178
Subordinated term debts	-	-	66,938,593	66,938,593
<b>Total financial liabilities</b>	<b>37,828,249</b>	<b>-</b>	<b>2,850,172,776</b>	<b>2,888,001,025</b>

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### GROUP AS AT 31ST DECEMBER 2021

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
<b>ASSETS</b>				
Cash and cash equivalents	-	-	58,836,831	58,836,831
Balances with Central Banks	-	-	56,717,820	56,717,820
Placements with Banks	-	-	3,325,726	3,325,726
Derivative Financial Instruments	441,877	-	-	441,877
Financial Assets - At Fair Value through Profit or Loss	2,553,546	-	-	2,553,546
Loans and advances to banks	-	-	13,398,055	13,398,055
Loans and advances to other customers	-	-	1,990,689,061	1,990,689,061
Debt instruments measured at amortised cost	-	-	600,079,625	600,079,625
Equity instruments at fair value through OCI	-	1,889,144	-	1,889,144
Debt instruments at fair value through OCI	-	10,596,723	-	10,596,723
<b>Total financial assets</b>	<b>2,995,423</b>	<b>12,485,867</b>	<b>2,723,047,118</b>	<b>2,738,528,408</b>
<b>LIABILITIES</b>				
Due to banks	-	-	122,397,825	122,397,825
Derivative Financial Instruments	1,761,220	-	-	1,761,220
Due to other customers	-	-	2,168,674,742	2,168,674,742
Other Borrowings	-	-	241,419,125	241,419,125
Subordinated term debts	-	-	65,560,465	65,560,465
<b>Total financial liabilities</b>	<b>1,761,220</b>	<b>-</b>	<b>2,598,052,157</b>	<b>2,599,813,377</b>

## SELECTED PERFORMANCE INDICATORS (Based on Regulatory Reporting)

	BANK		GROUP	
	As at 31.03.2022 (Unaudited)	As at 31.12.2021 (Audited)	As at 31.03.2022 (Unaudited)	As at 31.12.2021 (Audited)
<b>Regulatory Capital Adequacy</b>				
Common Equity Tier 1 Capital [Rs. 000]	104,687,905	104,747,717	138,948,231	138,667,285
Core (Tier 1) Capital [Rs. 000]	109,687,905	109,747,717	143,948,231	143,667,285
Total Capital Base [Rs. 000]	156,180,740	155,798,954	192,649,298	191,833,922
<b>Regulatory Capital Ratios (%)</b>				
Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)	10.54	11.99	11.61	12.95
Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)	11.04	12.56	12.03	13.41
Total Capital Ratio (%) (Min. requirement - 13.5%)	15.72	17.83	16.10	17.91
<b>Asset Quality ( Quality of Loan Portfolio)</b>				
Gross Non- Performing Advances Ratio, % (net of Interest in Suspense)	3.78	3.21	4.06	3.63
Net Non- Performing Advances Ratio, % (net of interest in suspense and provisions)	2.15	1.62	2.07	1.63
Impaired Loans ( Stage 3 ) Ratio (%)	5.11	4.01	5.35	4.69
Impairment ( Stage 3 ) to Stage 3 Loans Ratio (%)	46.43	50.17	45.37	46.88
<b>Profitability</b>				
Interest Margin, %	3.72	3.38	4.08	3.70
Return on Assets (Before Tax) , %	1.16	1.25	1.48	1.42
Return on Equity (After Tax) , %	15.90	19.93	16.35	17.73
<b>Leverage Ratio (Min. requirement - 3%)</b>	3.48	3.96	4.29	4.85
<b>Regulatory Liquidity</b>				
<b>Statutory Liquid Assets</b>				
Domestic Banking unit Rs.000	468,885,603	502,575,831		
Off-Shore Banking Unit USD.000	99,887	239,417		
<b>Statutory Liquid Assets Ratio (%) (Min. requirement - 20%)</b>				
Domestic Banking unit (%)	21.65	23.52		
Off-Shore Banking Unit (%)	22.78	25.94		
<b>Total Stock of High Quality Liquid Assets [Rs.000]</b>	430,883,179	367,540,923		
<b>Liquidity Coverage Ratio (%) (Min. requirement - 100%)</b>				
Liquidity Coverage Ratio - Rupee	159.27	155.83		
Liquidity Coverage Ratio - All Currency	100.68	105.71		
<b>Net Stable Funding Ratio</b>	109.95	115.37		
(Min. requirement - 100%)				

## EXPLANATORY NOTES

1. These Financial Statements for the period ended March 31, 2022, includes "The Bank" referring to People's Bank, as the Parent entity and "The Group" referring to the consolidation of the Bank and its subsidiaries, People's Leasing & Finance PLC and People's Travels (Private) Limited, with effective ownership of 75.0% and 99.0% respectively.
2. There have been no changes in the accounting policies and methods of computation since the publication of its Annual Financial Statements for the year ended December 31, 2021.
3. During the period, there have been no material changes in the composition of its assets, liabilities including contingent liabilities.
4. The Bank and the Group's ECL at March 31, 2022 have been estimated using reasonable and supportable information that is/ was available without undue cost or effort about past events, current conditions and future economic conditions. During Q1 2022, the Bank recognized a substantial impairment provision in the view of deteriorated macro-economic conditions which includes amongst other, devaluation of the rupee, rising interest rates, high inflationary pressure and the sovereign rating downgrade. These considered, the Bank reassessed the Probabilities of Default (PD) and the Economic Factor Adjustment, amongst other, as used in the collective impairment assessment. Whilst the Bank continues to monitor such developments closely, based on new supportable information as and when available, the Bank and the Group shall reassess its ECL based on such additional supportable information in such future reporting periods.
5. As per the Surcharge Tax Act No. 14 of 2022, the Bank is liable for a surcharge tax of LKR 5.4 billion pertaining to the year of assessment 2020/2021. The first was paid on April 20, 2022 and the second due on July 31, 2022. In accordance with the said Act, the said tax shall be deemed as an expense in the financial year beginning on January 1, 2020. However, as the said Act was not enacted as at March 31, 2022 - it has not been treated for as at the said date as permitted under the Statement of Alternative Treatment (SoAT) on Accounting for Surcharge Tax as issued by the Institute of Chartered Accountant of Sri Lanka. To save any doubt, this will be accounted for in April 2022 be treated as an adjustment to retained earnings.
6. All known expenses have been charged to these financial statements.
7. On April 12, 2022 - the Bank's National Long Term Rating of 'AA- (lka)' was placed on 'Rating Watch Negative'
8. Other than those above given, or already considered in these Financial Statements, no circumstances have arisen since March 31, 2022 which would require adjustments to, or disclosure in these interim financial statements.

### CERTIFICATION

I certify that the above Financial Statements give a true and fair view of the state of affairs of the Bank and its Subsidiaries as at March 31, 2022 and the profit for the period then ended.

(Sgd.)  
Azzam A. Ahamat  
**Head of Finance**

We the undersigned being the Chairman and Chief Executive Officer/General Manager of the 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; and
- (b) the information contained in these statements have been extracted from the Unaudited financial statements of the bank and the group unless indicated as Audited.

(Sgd.)  
Sujeewa Rajapakse  
**Chairman**

(Sgd.)  
Ranjith Kodituwakku  
**Chief Executive Officer/General Manager**

27.05.2022  
Colombo.