



**PEOPLE'S
BANK**

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH
2023

INCOME STATEMENT
FOR THE PERIOD ENDED 31ST MARCH

	BANK			GROUP		
	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	Change %	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	Change %
Gross Income	108,191,080	69,527,479	55.6	116,752,278	78,138,535	49.4
Interest income	100,127,863	58,693,306	70.6	107,592,538	65,831,417	63.4
Interest expenses	(88,128,786)	(32,719,665)	169.3	(92,302,341)	(35,421,131)	160.6
Net Interest Income	11,999,077	25,973,641	(53.8)	15,290,197	30,410,286	(49.7)
Fee and commission income	4,657,685	6,576,669	(29.2)	4,930,111	7,009,482	(29.7)
Fee and commission expenses	(445,259)	(106,613)	317.6	(445,259)	(106,613)	317.6
Net Fee and Commission Income	4,212,426	6,470,056	(34.9)	4,484,852	6,902,869	(35.0)
Net gain / (loss) from trading	3,172,244	4,045,674	(21.6)	3,180,369	4,051,204	(21.5)
Other operating income (net)	233,288	211,830	10.1	1,049,260	1,246,432	(15.8)
Total Operating Income	19,617,035	36,701,201	(46.5)	24,004,678	42,610,791	(43.7)
Impairment Charge	(751,732)	(16,180,326)	(95.4)	382,800	(15,341,273)	(102.5)
Loans & advances to Customers	(625,081)	(15,547,514)		551,387	(14,713,575)	
Other Financial Assets	(126,651)	(632,812)		(126,651)	(632,812)	
Others	-	-		(41,936)	5114	
Net Operating Income	18,865,303	20,520,875	(8.1)	24,387,478	27,269,518	(10.6)
Personnel Expenses	(5,710,646)	(5,450,019)	4.8	(7,037,916)	(6,886,822)	2.2
Depreciation and Amortisation	(1,088,503)	(1,112,141)	(2.1)	(1,249,406)	(1,301,038)	(4.0)
Other Expenses	(5,048,783)	(3,441,236)	46.7	(6,132,060)	(4,907,097)	25.0
Operating Profit Before Taxes on Financial Services	7,017,371	10,517,479	(33.3)	9,968,096	14,174,561	(29.7)
Taxes on financial services	(2,150,816)	(2,424,307)	(11.3)	(2,776,557)	(3,173,431)	(12.5)
Profit Before Tax	4,866,555	8,093,172	(39.9)	7,191,539	11,001,130	(34.6)
Income Tax Expenses	(1,457,136)	(2,579,467)	(43.5)	(2,359,852)	(3,568,813)	(33.9)
Profit for the period	3,409,419	5,513,705	(38.2)	4,831,687	7,432,317	(35.0)
Profit Attributable to :						
Equity Holders of the Bank	3,409,419	5,513,705	(38.2)	4,607,139	6,967,332	(33.9)
Non-Controlling Interests	-	-		224,548	464,985	(51.7)
	3,409,419	5,513,705	(38.2)	4,831,687	7,432,317	(35.0)
Earnings Per Share on Profit						
Basic Earnings per Ordinary Share [Rs.]	3,409	5,514	(38.2)	4,607	6,967	(33.9)
Diluted Earnings per Ordinary Share [Rs.]	14	23	(38.2)	19	29	(33.9)

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

	BANK		GROUP	
	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)
Profit for the Period	3,409,419	5,513,705	4,831,687	7,432,317
Other comprehensive income that will not be reclassified to the income statement				
Net Gains/(Losses) on equity instruments at fair value through OCI	158,335	(205,263)	203,959	(261,924)
Net Actuarial Gains/(Losses) on Defined Benefit Plans	-	-	(41,260)	(15,756)
Other comprehensive income that will be reclassified to the income statement				
Net Gains/(Losses)[including change in ECL] on debt instruments at fair value through OCI	117,190	(31)	216,464	(25,890)
Deferred Tax Effect on above	-	-	(31,091)	31,805
Net Gains/(Losses) on translating the financial statements of foreign operation	-	-	(597,298)	1,434,011
Other Comprehensive Income for the period, Net of Taxes	275,525	(205,294)	(249,226)	1,162,246
Total Comprehensive Income for the period	3,684,944	5,308,411	4,582,461	8,594,563
Attributable to :				
Equity Holders of the Bank	3,684,944	5,308,411	4,708,320	7,264,616
Non-Controlling Interests	-	-	(125,859)	1,329,947
	3,684,944	5,308,411	4,582,461	8,594,563

STATEMENT OF FINANCIAL POSITION

AS AT

	BANK			GROUP		
	31.03.2023 (Rs. '000) (Unaudited)	31.12.2022 (Rs. '000) (Audited)	Change %	31.03.2023 (Rs. '000) (Unaudited)	31.12.2022 (Rs. '000) (Audited)	Change %
Assets						
Cash and Cash Equivalents	81,123,515	66,842,171	21.4	84,264,337	68,077,027	23.8
Balances with Central Bank of Sri Lanka	74,766,814	67,602,313	10.6	74,766,814	67,602,313	10.6
Placements with Banks	3,815,359	-	-	9,594,354	3,028,550	216.8
Derivative Financial Instruments	15,049,492	14,882,584	1.1	15,049,492	14,882,584	1.1
Financial Assets - At Fair Value through Profit or Loss	3,477,624	5,556,754	(37.4)	3,849,630	5,915,926	(34.9)
Financial Assets - At Amortised Cost						
Loans and advances to Banks	-	7,689,150	(100.0)	-	7,689,150	(100.0)
Loans and advances to Other Customers	1,710,109,765	1,783,106,693	(4.1)	1,835,096,310	1,915,771,684	(4.2)
Debt instruments measured at amortised cost	906,994,226	913,099,927	(0.7)	922,933,826	928,885,518	(0.6)
Financial Assets - At Fair Value through other Comprehensive income [OCI]						
Equity instruments at fair value through OCI	1,819,991	1,661,656	9.5	2,048,532	1,844,574	11.1
Debt instruments at fair value through OCI	10,778,403	10,378,370	3.9	11,922,823	11,428,832	4.3
Investments in Subsidiaries	4,280,522	4,280,522	-	-	-	-
Property, Plant, Equipment and Right of use assets	49,270,285	49,330,080	(0.1)	59,906,246	59,780,131	0.2
Intangible Assets and Goodwill	1,575,822	1,719,177	(8.3)	1,714,416	1,859,475	(7.8)
Other Assets	51,178,035	45,879,055	11.5	51,068,995	46,368,814	10.1
Total Assets	2,914,239,853	2,972,028,452	(1.9)	3,072,215,775	3,133,134,578	(1.9)
Liabilities						
Due to Banks	96,345,779	111,452,491	(13.6)	106,977,285	122,696,978	(12.8)
Derivative Financial Instruments	1,095,968	1,888,478	(42.0)	1,095,968	1,888,478	(42.0)
Due to Other Customers	2,438,764,358	2,371,518,898	2.8	2,513,050,097	2,450,079,037	2.6
Other Borrowings	127,536,294	191,527,573	(33.4)	127,536,294	191,527,573	(33.4)
Current Tax Liabilities	4,731,634	6,372,157	(25.7)	6,219,119	8,297,080	(25.0)
Net Deferred Tax Liabilities	1,284,450	606,207	111.9	2,256,622	570,529	295.5
Other Liabilities	58,405,440	106,765,050	(45.3)	67,579,258	115,961,714	(41.7)
Subordinated Term Debts	37,115,163	36,603,467	1.4	53,680,118	52,781,563	1.7
Total Liabilities	2,765,279,086	2,826,734,321	(2.2)	2,878,394,761	2,943,802,952	(2.2)
Equity						
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	12,201,998	12,201,998	-
Statutory Reserve Fund	10,070,131	10,070,131	-	10,070,131	10,070,131	-
Other Reserves	38,673,355	38,397,830	0.7	41,575,349	41,452,506	0.3
Retained Earnings	88,015,283	84,624,172	4.0	115,761,724	111,194,555	4.1
Total Shareholders' Equity	148,960,767	145,294,131	2.5	179,609,202	174,919,190	2.7
Non-Controlling Interests	-	-		14,211,812	14,412,436	(1.4)
Total Equity	148,960,767	145,294,131	2.5	193,821,014	189,331,626	2.4
Total Equity and Liabilities	2,914,239,853	2,972,028,452	(1.9)	3,072,215,775	3,133,134,578	(1.9)
Contingent Liabilities and Commitments	299,806,983	370,648,773	(19.1)	305,581,503	375,288,336	(18.6)
Number of Employees	7,316	7,377		10,301	10,454	
Number of Branches	745	745		858	858	

**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)		
Balance as at 1st January 2022	49,998	12,152,000	9,210,528	21,540,300	14,141,373	220,614	73,322,570	130,637,383
Total Comprehensive Income for the year								
Profit for the year	-	-	-	-	-	-	17,192,058	17,192,058
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	2,455,028	-	40,515	(4,369,763)	(1,874,220)
Total Comprehensive Income/(Expense)	-	-	-	2,455,028	-	40,515	12,822,295	15,317,838
Transactions with equity holders, recognised directly in equity								
Transfer to Reserve during the Year	-	-	859,603	-	-	-	(859,603)	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(661,090)	(661,090)
Total Transactions with Equity Holders	-	-	859,603	-	-	-	(1,520,693)	(661,090)
Balance as at 31st December 2022	49,998	12,152,000	10,070,131	23,995,328	14,141,373	261,129	84,624,172	145,294,131
Balance as at 1st January 2023	49,998	12,152,000	10,070,131	23,995,328	14,141,373	261,129	84,624,172	145,294,131
Total Comprehensive Income for the period								
Profit for the period	-	-	-	-	-	-	3,409,419	3,409,419
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	-	-	275,525	-	275,525
Total Comprehensive Income/(Expense)	-	-	-	-	-	275,525	3,409,419	3,684,944
Transactions with Equity Holders, Recognised Directly in Equity								
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(18,308)	(18,308)
Total Transactions with Equity Holders	-	-	-	-	-	-	(18,308)	(18,308)
Balance as at 31st March 2023	49,998	12,152,000	10,070,131	23,995,328	14,141,373	536,654	88,015,283	148,960,767

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

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)				
Balance as at 1st January 2022	49,998	12,152,000	9,210,528	23,464,860	14,540,498	154,723	97,445,732	157,018,339	12,687,071	169,705,410
Total Comprehensive Income for the year										
Profit for the year	-	-	-	-	-	-	19,571,989	19,571,989	953,450	20,525,439
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	2,929,733	565,090	(202,398)	(4,302,473)	(1,010,048)	970,719	(39,329)
Total Comprehensive Income/(Expense)	-	-	-	2,929,733	565,090	(202,398)	15,269,516	18,561,941	1,924,169	20,486,110
Transactions with Equity Holders, Recognised Directly in Equity										
Transfer to Reserve during the year	-	-	859,603	-	-	-	(859,603)	-	-	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(661,090)	(661,090)	-	(661,090)
Dividends Paid	-	-	-	-	-	-	-	-	(198,804)	(198,804)
Total Transactions with Equity Holders	-	-	859,603	-	-	-	(1,520,693)	(661,090)	(198,804)	(859,894)
Balance as at 31st December 2022	49,998	12,152,000	10,070,131	26,394,593	15,105,588	(47,675)	111,194,555	174,919,190	14,412,436	189,331,626
Balance as at 1st January 2023	49,998	12,152,000	10,070,131	26,394,593	15,105,588	(47,675)	111,194,555	174,919,190	14,412,436	189,331,626
Total Comprehensive Income for the period										
Profit for the period	-	-	-	-	-	-	4,607,139	4,607,139	224,548	4,831,687
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	-	(228,753)	351,596	(21,662)	101,181	(350,407)	(249,226)
Total Comprehensive Income/(Expense)	-	-	-	-	(228,753)	351,596	4,585,477	4,708,320	(125,859)	4,582,461
Transactions with Equity Holders, Recognised Directly in Equity										
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(18,308)	(18,308)	-	(18,308)
Dividends Paid	-	-	-	-	-	-	-	-	(74,765)	(74,765)
Total Transactions with Equity Holders	-	-	-	-	-	-	(18,308)	(18,308)	(74,765)	(93,073)
Balance as at 31st March 2023	49,998	12,152,000	10,070,131	26,394,593	14,876,835	303,921	115,761,724	179,609,202	14,211,812	193,821,014

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31ST MARCH

	BANK		GROUP	
	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)
Cash flows from operating activities				
Profit before tax	4,866,555	8,093,172	7,191,539	11,001,130
Adjustment for				
Non-cash items included in profits before tax	1,811,885	43,654,550	885,136	43,021,539
Changes in operating assets	65,523,733	(31,060,917)	72,177,549	(37,834,917)
Changes in operating liabilities	(60,084,128)	250,476,056	(65,597,519)	256,312,302
Dividend income from subsidiaries and others	(4,911)	(10,231)	(5,593)	(14,669)
Interest expense on subordinated debt	1,010,908	1,297,441	1,398,107	1,702,296
Contribution paid to defined benefit plans/Gratuity	345,600	195,650	447,802	321,508
Changes in tax liabilities	(2,419,416)	(4,144,714)	(2,782,811)	(4,530,210)
Net Cash Generated from (used in) Operating Activities	11,050,226	268,501,007	13,714,210	269,978,980
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(881,501)	(244,261)	(1,224,926)	(631,663)
Proceeds from the sale of property, plant and equipment	120	4,990	10,759	13,543
Purchase of financial investments	5,259,528	(237,476,793)	5,105,519	(238,213,657)
Net purchase of intangible assets	(3,852)	(122,345)	(5,536)	(123,784)
Dividends received from investment in subsidiaries and Others	4,911	10,231	5,593	14,669
Net Cash from (used in) Investing Activities	4,379,206	(237,828,178)	3,891,409	(238,940,892)
Cash Flows from Financing Activities				
Interest paid on subordinated debt	(499,212)	(323,751)	(499,552)	(324,167)
Repayment of Lease Liabilities	(630,568)	(680,675)	(825,684)	(773,924)
Dividend paid to non-controlling interest	-	-	(74,765)	(75,000)
Dividend/Levy paid to holders of other equity instruments	(18,308)	(54,923)	(18,308)	(54,923)
Net Cash from (used in) Financial Activities	(1,148,088)	(1,059,349)	(1,418,309)	(1,228,014)
Net Increase/(Decrease) in Cash & Cash Equivalents	14,281,344	29,613,480	16,187,310	29,810,074
Cash and cash equivalents at the beginning of the period	66,842,171	57,538,351	68,077,027	58,836,831
Cash and cash equivalents at the end of the period	81,123,515	87,151,831	84,264,337	88,646,905

ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

	BANK		GROUP	
	31.03.2023 (Rs.'000) (Unaudited)	31.12.2022 (Rs.'000) (Audited)	31.03.2023 (Rs.'000) (Unaudited)	31.12.2022 (Rs.'000) (Audited)
Loans and advances to Other Customers				
Gross Loans and advances	1,842,057,979	1,915,788,623	1,978,551,873	2,061,137,431
Less :				
Allowance for Expected Credit Losses	(131,948,214)	(132,681,930)	(143,455,563)	(145,365,747)
Stage 1	(5,144,875)	(6,241,576)	(6,397,536)	(7,647,149)
Stage 2	(17,284,568)	(19,206,289)	(18,438,478)	(20,570,351)
Stage 3	(109,518,771)	(107,234,065)	(118,619,549)	(117,148,247)
Net Loans and advances	1,710,109,765	1,783,106,693	1,835,096,310	1,915,771,684
Product-wise Gross loans & advances				
By product – Domestic currency				
Overdrafts	92,205,002	109,571,710	91,835,726	109,212,702
Term loans	885,233,977	904,385,301	954,647,012	967,310,812
Lease rentals receivable	-	-	58,679,944	64,175,371
Credit cards	5,725,262	5,539,640	5,725,262	5,539,640
Pawning	194,039,014	184,777,612	194,039,014	184,777,612
Trade Finance	197,383,848	29,387,154	197,383,848	29,387,154
Others	51,940,084	99,277,648	60,699,222	107,483,544
Sub Total	1,426,527,187	1,332,939,065	1,563,010,028	1,467,886,835
By product – Foreign currency				
Overdrafts	1,981,670	1,709,240	1,981,670	1,709,240
Term loans	167,412,657	187,912,732	167,423,710	198,313,770
Trade Finance	246,136,465	393,227,586	246,136,465	393,227,586
Sub Total	415,530,792	582,849,558	415,541,845	593,250,596
Grand Total	1,842,057,979	1,915,788,623	1,978,551,873	2,061,137,431
Movement in Allowance for Expected Credit loss during the period				
BANK	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 1 st January 2023	6,241,576	19,206,289	107,234,065	132,681,930
Net Charge/(Reversal) for the period	(1,096,701)	(1,921,721)	3,643,503	625,081
Amounts written off	-	-	-	-
Exchange rate variance on foreign currency Impairment	-	-	(1,358,797)	(1,358,797)
Closing balance as at 31st March 2023	5,144,875	17,284,568	109,518,771	131,948,214
BANK	Stage 1	Stage 2	Stage 3	Total
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 year	(1,815,409)	9,215,436	20,966,673	28,366,700
Amounts written off	-	-	(271,801)	(271,801)
Exchange rate variance on foreign currency Impairment	-	-	3,310,003	3,310,003
Closing balance as at 31st December 2022	6,241,576	19,206,289	107,234,065	132,681,930
GROUP	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 1 st January 2023	7,647,149	20,570,351	117,148,247	145,365,747
Net Charge/(Reversal) for the period	(1,249,613)	(2,131,873)	2,830,099	(551,387)
Amounts written off	-	-	-	-
Exchange rate variance on foreign currency Impairment	-	-	(1,358,797)	(1,358,797)
Closing balance as at 31st March 2023	6,397,536	18,438,478	118,619,549	143,455,563
GROUP	Stage 1	Stage 2	Stage 3	Total
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 year	(1,669,045)	9,107,554	21,935,932	29,374,441
Amounts written off	-	-	(271,801)	(271,801)
Exchange rate variance on foreign currency Impairment	-	-	3,310,003	3,310,003
Closing balance as at 31st December 2022	7,647,149	20,570,351	117,148,247	145,365,747

ANALYSIS OF DEPOSITS

	BANK		GROUP	
	31.03.2023	31.12.2022	31.03.2023	31.12.2022
	(Rs.'000) (Unaudited)	(Rs. '000) (Audited)	(Rs.'000) (Unaudited)	(Rs. '000) (Audited)
By product – Domestic currency				
Demand deposits (current accounts)	78,741,434	75,893,141	75,804,768	71,972,668
Savings deposits	619,384,821	616,167,038	623,237,141	620,359,093
Fixed deposits	1,477,669,259	1,377,375,135	1,551,400,189	1,455,465,983
Others	1,571,287	3,250,918	1,210,442	3,448,627
Sub total	2,177,366,801	2,072,686,232	2,251,652,540	2,151,246,371
By product – Foreign currency				
Demand deposits (current accounts)	4,263,408	3,325,780	4,263,408	3,325,780
Savings deposits	34,798,406	43,208,616	34,798,406	43,208,616
Fixed deposits	222,028,189	251,852,274	222,028,189	251,852,274
Others	307,554	445,996	307,554	445,996
Sub total	261,397,557	298,832,666	261,397,557	298,832,666
Grand Total	2,438,764,358	2,371,518,898	2,513,050,097	2,450,079,037

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

	BANK		GROUP	
	31.03.2023	31.12.2022	31.03.2023	31.12.2022
	(Rs.'000) (Unaudited)	(Rs. '000) (Audited)	(Rs.'000) (Unaudited)	(Rs. '000) (Audited)
By product				
Acceptances	29,242,439	74,070,645	29,242,439	74,070,645
Documentary Credit	17,806,492	22,841,324	17,806,492	22,841,324
Guarantees	63,175,130	68,387,765	63,661,284	68,791,109
Forward Exchange Contracts	99,000,077	137,037,060	99,000,077	137,037,060
Non disbursed overdrafts & loans	90,858,383	68,828,585	96,146,749	73,064,804
Gross Contingent Liabilities and Commitments	300,082,521	371,165,379	305,857,041	375,804,942
Less :				
Allowance for Expected Credit Loss	(275,538)	(516,606)	(275,538)	(516,606)
Net Contingent Liabilities and Commitments	299,806,983	370,648,773	305,581,503	375,288,336

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

BANK AS AT 31ST MARCH 2023

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
ASSETS				
Cash and cash equivalents	-	-	81,123,515	81,123,515
Balances with Central Banks	-	-	74,766,814	74,766,814
Placements with Banks	-	-	3,815,359	3,815,359
Derivative Financial Instruments	15,049,492	-	-	15,049,492
Financial Assets - At Fair Value through Profit or Loss	3,477,624	-	-	3,477,624
Loans and Advances to other customers	-	-	1,710,109,765	1,710,109,765
Debt instruments measured at amortised cost	-	-	906,994,226	906,994,226
Equity instruments at fair value through OCI	-	1,819,991	-	1,819,991
Debt instruments at fair value through OCI	-	10,778,403	-	10,778,403
Total financial assets	18,527,116	12,598,394	2,776,809,679	2,807,935,189
LIABILITIES				
Due to banks	-	-	96,345,779	96,345,779
Derivative Financial Instruments	1,095,968	-	-	1,095,968
Due to other customers	-	-	2,438,764,358	2,438,764,358
Other Borrowings	-	-	127,536,294	127,536,294
Subordinated term debts	-	-	37,115,163	37,115,163
Total financial liabilities	1,095,968	-	2,699,761,594	2,700,857,562

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

BANK AS AT 31ST DECEMBER 2022

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
ASSETS				
Cash and cash equivalents	-	-	66,842,171	66,842,171
Balances with Central Banks	-	-	67,602,313	67,602,313
Placements with Banks	-	-	-	-
Derivative Financial Instruments	14,882,584	-	-	14,882,584
Financial Assets - At Fair Value through Profit or Loss	5,556,754	-	-	5,556,754
Loans and Advances to banks	-	-	7,689,150	7,689,150
Loans and Advances to other customers	-	-	1,783,106,693	1,783,106,693
Debt instruments measured at amortised cost	-	-	913,099,927	913,099,927
Equity instruments at fair value through OCI	-	1,661,656	-	1,661,656
Debt instruments at fair value through OCI	-	10,378,370	-	10,378,370
Total financial assets	20,439,338	12,040,026	2,838,340,254	2,870,819,618
LIABILITIES				
Due to banks	-	-	111,452,491	111,452,491
Derivative Financial Instruments	1,888,478	-	-	1,888,478
Due to other customers	-	-	2,371,518,898	2,371,518,898
Other Borrowings	-	-	191,527,573	191,527,573
Subordinated term debts	-	-	36,603,467	36,603,467
Total financial liabilities	1,888,478	-	2,711,102,429	2,712,990,907

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

GROUP AS AT 31ST MARCH 2023

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
ASSETS				
Cash and cash equivalents	-	-	84,264,337	84,264,337
Balances with Central Banks	-	-	74,766,814	74,766,814
Placements with Banks	-	-	9,594,354	9,594,354
Derivative Financial Instruments	15,049,492	-	-	15,049,492
Financial Assets - At Fair Value through Profit or Loss	3,849,630	-	-	3,849,630
Loans and Advances to other customers	-	-	1,835,096,310	1,835,096,310
Debt instruments measured at amortised cost	-	-	922,933,826	922,933,826
Equity instruments at fair value through OCI	-	2,048,532	-	2,048,532
Debt instruments at fair value through OCI	-	11,922,823	-	11,922,823
Total financial assets	18,899,122	13,971,355	2,926,655,641	2,959,526,118
LIABILITIES				
Due to banks	-	-	106,977,285	106,977,285
Derivative Financial Instruments	1,095,968	-	-	1,095,968
Due to other customers	-	-	2,513,050,097	2,513,050,097
Other Borrowings	-	-	127,536,294	127,536,294
Subordinated term debts	-	-	53,680,118	53,680,118
Total financial liabilities	1,095,968	-	2,801,243,794	2,802,339,762

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

GROUP AS AT 31ST DECEMBER 2022

	Fair Value Through P&L (Rs.'000)	Fair Value Through OCI (Rs.'000)	Amortised Cost (Rs.'000)	Total (Rs.'000)
ASSETS				
Cash and cash equivalents	-	-	68,077,027	68,077,027
Balances with Central Banks	-	-	67,602,313	67,602,313
Placements with Banks	-	-	3,028,550	3,028,550
Derivative Financial Instruments	14,882,584	-	-	14,882,584
Financial Assets - At Fair Value through Profit or Loss	5,915,926	-	-	5,915,926
Loans and Advances to banks	-	-	7,689,150	7,689,150
Loans and Advances to other customers	-	-	1,915,771,684	1,915,771,684
Debt instruments measured at amortised cost	-	-	928,885,518	928,885,518
Equity instruments at fair value through OCI	-	1,844,574	-	1,844,574
Debt instruments at fair value through OCI	-	11,428,832	-	11,428,832
Total financial assets	20,798,510	13,273,406	2,991,054,242	3,025,126,158
LIABILITIES				
Due to banks	-	-	122,696,978	122,696,978
Derivative Financial Instruments	1,888,478	-	-	1,888,478
Due to other customers	-	-	2,450,079,037	2,450,079,037
Other Borrowings	-	-	191,527,573	191,527,573
Subordinated term debts	-	-	52,781,563	52,781,563
Total financial liabilities	1,888,478	-	2,817,085,151	2,818,973,629

SELECTED PERFORMANCE INDICATORS (Based on Regulatory Reporting)

	BANK		GROUP	
	As at 31.03.2023 (Unaudited)	As at 31.12.2022 (Audited)	As at 31.03.2023 (Unaudited)	As at 31.12.2022 (Audited)
Regulatory Capital Adequacy				
Common Equity Tier 1 Capital [Rs. 000]	110,827,894	111,298,172	145,690,556	148,454,894
Core (Tier 1) Capital [Rs. 000]	115,827,894	116,298,172	150,690,556	153,454,894
Total Capital Base [Rs. 000]	158,133,391	159,532,587	194,948,986	198,618,984
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)	11.32	11.37	12.61	12.83
Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)	11.83	11.89	13.04	13.27
Total Capital Ratio (%) (Min. requirement - 13.5%)	16.15	16.30	16.87	17.17
Asset Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%)	11.57	12.78	11.28	12.64
Impairment (Stage 3) to Stage 3 Loans Ratio (%)*	34.16	29.88	34.91	30.45
<small>*to save any doubt , excluding exposures backed by irrevocable government assurances, this ratio amounts to 46.66</small>				
Profitability				
Interest Margin, %	1.63	2.70	1.97	3.05
Return on Assets (Before Tax) , %	0.66	0.76	0.93	0.89
Return on Equity (After Tax) , %	9.27	12.22	10.09	11.19
Leverage Ratio (Min. requirement - 3%)	3.86	3.83	4.76	4.79
Regulatory Liquidity				
Statutory Liquid Assets				
Total Bank (Rs.000)	650,151,718	553,801,445		
Domestic Banking unit (Rs.000)	636,106,902	540,470,752		
Off-Shore Banking Unit (USD.000)	84,915	70,182		
Statutory Liquid Assets Ratio (%) (Min. requirement - 20%)				
Total Bank (%)	24.59	21.27		
Domestic Banking unit (%)	24.61	21.37		
Off-Shore Banking Unit (%)	23.06	20.05		
Total Stock of High Quality Liquid Assets [Rs.000]	593,856,382	502,751,126		
Liquidity Coverage Ratio (%) (Min. requirement - 2023 - 100%, 2022 - 90%)				
Liquidity Coverage Ratio - Rupee	182.48	213.06		
Liquidity Coverage Ratio - All Currency	118.60	119.47		
Net Stable Funding Ratio (Min. requirement - 2023 - 100%, 2022 - 90%)	127.68	117.05		

EXPLANATORY NOTES

1. These Financial Statements for the Period ended March 31, 2023, 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, 2022.
3. The Bank and the Group`s ECL at March 31, 2023 have been estimated using reasonable and supportable information that is/ was available about past events, current conditions and future economic conditions. Should such circumstances change in the future, based on new supportable information, the Bank and the Group shall reassess its ECLs based on such additional information on such future reporting periods.

The Bank reassessed the Probabilities of Default (PD) and the Economic Factor Adjustment (EFA) as used in the collective impairment assessment for the quarter ended March 31, 2023 after taking into consideration changes from a macro economic front such as, amongst other, exchange rates, interest rates, inflation and GDP growth estimates.

4. Other Financial Assets, Bank increased the loss rates to 40% as of March 31, 2023, in making impairment provisions on the foreign currency denominated government securities.
5. Mr. Udeni Samararatne appointed as a director of the Bank with effect from March 7, 2023.
6. All known expenses have been charged to these financial statements.
7. On January 12, 2023 - the Bank`s National Long -Term Rating of A (lka) was placed on "Rating Watch Negative "
8. Other than those above given, or as already considered in these Financial Statements, no known circumstances have arisen since March 31, 2023 - 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, 2023 and the profit for the period then ended.

(Sgd.)
Azzam A. Ahamat
Head of Finance

We the undersigned being the Chairman, Director and Acting 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.)
Dushmantha Thotawatte
Director

(Sgd.)
Clive Fonseka
**Acting Chief Executive Officer/
General Manager**

30th May 2023
Colombo.