



**PEOPLE'S  
BANK**

# **FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30TH JUNE**

## **2023**

**FITCH RATING A (LKA)**

**INCOME STATEMENT**  
**FOR THE PERIOD ENDED 30TH JUNE**

|  | BANK                              |                                 |               | GROUP                             |                                   |               |
|--|-----------------------------------|---------------------------------|---------------|-----------------------------------|-----------------------------------|---------------|
|  | 2023<br>(Rs. '000)<br>(Unaudited) | 2022<br>(Rs. '000)<br>(Audited) | Change<br>%   | 2023<br>(Rs. '000)<br>(Unaudited) | 2022<br>(Rs. '000)<br>(Unaudited) | Change<br>%   |
| <b>Gross Income</b>  | <b>217,335,326</b>                | <b>155,926,887</b>              | <b>39.4</b>   | <b>232,710,725</b>                | <b>172,969,240</b>                | <b>34.5</b>   |
| Interest income  | 202,203,233                       | 137,913,024                     | 46.6          | 215,292,365                       | 152,145,165                       | 41.5          |
| Interest expenses  | (177,160,812)                     | (86,244,943)                    | 105.4         | (183,908,685)                     | (91,912,838)                      | 100.1         |
| <b>Net Interest Income</b>                                 | <b>25,042,421</b>                 | <b>51,668,081</b>               | <b>(51.5)</b> | <b>31,383,680</b>                 | <b>60,232,327</b>                 | <b>(47.9)</b> |
| Fee and commission income                                  | 8,025,039                         | 10,131,630                      | (20.8)        | 8,515,413                         | 10,701,397                        | (20.4)        |
| Fee and commission expenses                                | (611,183)                         | (368,802)                       | 65.7          | (611,183)                         | (368,802)                         | 65.7          |
| <b>Net Fee and Commission Income</b>                       | <b>7,413,856</b>                  | <b>9,762,828</b>                | <b>(24.1)</b> | <b>7,904,230</b>                  | <b>10,332,595</b>                 | <b>(23.5)</b> |
| Net gain / (loss) from trading                             | 6,541,637                         | 7,471,815                       | (12.4)        | 6,574,139                         | 7,469,612                         | (12.0)        |
| Other operating income (net)                               | 565,417                           | 410,418                         | 37.8          | 2,328,808                         | 2,653,066                         | (12.2)        |
| <b>Total Operating Income</b>                              | <b>39,563,331</b>                 | <b>69,313,142</b>               | <b>(42.9)</b> | <b>48,190,857</b>                 | <b>80,687,600</b>                 | <b>(40.3)</b> |
| Impairment Charge  | (4,640,059)                       | (32,828,647)                    | (85.9)        | (3,944,778)                       | (33,696,650)                      | (88.3)        |
| Loans & advances to Customers                              | (6,478,141)                       | (30,295,735)                    |               | (5,726,225)                       | (31,189,635)                      |               |
| Other Financial Assets                                     | 1,838,082                         | (2,532,912)                     |               | 1,838,082                         | (2,532,912)                       |               |
| Others   | -                                 | -                               |               | (56,635)                          | 25,897                            |               |
| <b>Net Operating Income</b>                                | <b>34,923,272</b>                 | <b>36,484,495</b>               | <b>(4.3)</b>  | <b>44,246,079</b>                 | <b>46,990,950</b>                 | <b>(5.8)</b>  |
| Personnel Expenses   | (11,815,024)                      | (11,261,352)                    | 4.9           | (14,613,176)                      | (14,070,139)                      | 3.9           |
| Depreciation and Amortisation                              | (2,190,294)                       | (2,405,729)                     | (9.0)         | (2,505,772)                       | (2,760,634)                       | (9.2)         |
| Other Expenses   | (10,594,793)                      | (7,169,148)                     | 47.8          | (13,054,933)                      | (9,877,611)                       | 32.2          |
| <b>Operating Profit Before Taxes on Financial Services</b> | <b>10,323,161</b>                 | <b>15,648,266</b>               | <b>(34.0)</b> | <b>14,072,198</b>                 | <b>20,282,566</b>                 | <b>(30.6)</b> |
| Taxes on financial services                                | (3,722,593)                       | (4,066,870)                     | (8.5)         | (4,624,765)                       | (5,051,190)                       | (8.4)         |
| <b>Profit Before Tax</b>                                   | <b>6,600,568</b>                  | <b>11,581,396</b>               | <b>(43.0)</b> | <b>9,447,433</b>                  | <b>15,231,376</b>                 | <b>(38.0)</b> |
| Income Tax Expenses  | (2,151,863)                       | (3,259,826)                     | (34.0)        | (3,227,159)                       | (4,494,176)                       | (28.2)        |
| <b>Profit for the period</b>                               | <b>4,448,705</b>                  | <b>8,321,570</b>                | <b>(46.5)</b> | <b>6,220,274</b>                  | <b>10,737,200</b>                 | <b>(42.1)</b> |
| <b>Profit Attributable to :</b>                            |                                   |                                 |               |                                   |                                   |               |
| Equity Holders of the Bank                                 | 4,448,705                         | 8,321,570                       | (46.5)        | 5,868,092                         | 10,216,210                        | (42.6)        |
| Non-Controlling Interests                                  | -                                 | -                               | -             | 352,182                           | 520,990                           | (32.4)        |
|  | <b>4,448,705</b>                  | <b>8,321,570</b>                | <b>(46.5)</b> | <b>6,220,274</b>                  | <b>10,737,200</b>                 | <b>(42.1)</b> |
| <b>Earnings Per Share on Profit</b>                        |                                   |                                 |               |                                   |                                   |               |
| Basic Earnings per Ordinary Share [Rs.]                    | 4,449                             | 8,322                           | (46.5)        | 5,868                             | 10,216                            | (42.6)        |
| Diluted Earnings per Ordinary Share [Rs.]                  | 18                                | 34                              | (46.5)        | 24                                | 42                                | (42.6)        |

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

|  | <b>BANK</b>        |                   | <b>GROUP</b>       |                    |
|--|--------------------|-------------------|--------------------|--------------------|
|  | <b>2023</b>        | <b>2022</b>       | <b>2023</b>        | <b>2022</b>        |
|  | <b>(Rs. '000)</b>  | <b>(Rs. '000)</b> | <b>(Rs. '000)</b>  | <b>(Rs. '000)</b>  |
|  | <b>(Unaudited)</b> | <b>(Audited)</b>  | <b>(Unaudited)</b> | <b>(Unaudited)</b> |
| Profit for the Period  | 4,448,705          | 8,321,570         | 6,220,274          | 10,737,200         |
| Other comprehensive income that will not be reclassified to the income statement           |                    |                   |                    |                    |
| Net Gains/( Losses) on equity instruments at fair value through OCI                        | 147,770            | (297,260)         | 180,445            | (452,421)          |
| Net Actuarial Gains/(Losses) on Defined Benefit Plans                                      | -                  | -                 | (37,549)           | (12,296)           |
| 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 | 108,570            | (84)              | 258,898            | (221,990)          |
| Deferred Tax Effect on above   | -                  | -                 | (43,636)           | 94,485             |
| Net Gains/(Losses) on translating the financial statements of foreign operation            | -                  | -                 | (851,489)          | 1,752,406          |
| Other Comprehensive Income for the period, Net of Taxes                                    | 256,340            | (297,344)         | (493,331)          | 1,160,184          |
| Total Comprehensive Income for the period  | 4,705,045          | 8,024,226         | 5,726,943          | 11,897,384         |
| Attributable to :  |                    |                   |                    |                    |
| Equity Holders of the Bank   | 4,705,045          | 8,024,226         | 5,873,955          | 11,012,011         |
| Non-Controlling Interests  | -                  | -                 | (147,012)          | 885,373            |
|  | 4,705,045          | 8,024,226         | 5,726,943          | 11,897,384         |

# STATEMENT OF FINANCIAL POSITION

## AS AT

|   | BANK                                    |                                       |               | GROUP                                   |                                       |               |
|---|---|---------------------------------------|---------------|---|---------------------------------------|---------------|
|   | 30.06.2023<br>(Rs. '000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) | Change<br>%   | 30.06.2023<br>(Rs. '000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) | Change<br>%   |
| <b>Assets</b>   |   |                                       |               |   |                                       |               |
| Cash and Cash Equivalents   | 84,796,620                              | 66,842,171                            | 26.9          | 87,642,197                              | 68,077,027                            | 28.7          |
| Balances with Central Bank of Sri Lanka                                   | 70,734,668                              | 67,602,313                            | 4.6           | 70,734,668                              | 67,602,313                            | 4.6           |
| Placements with Banks   | 26,611,750                              | -                                     | -             | 31,626,045                              | 3,028,550                             | 944.3         |
| Derivative Financial Instruments  | 11,566,135                              | 14,882,584                            | (22.3)        | 11,566,135                              | 14,882,584                            | (22.3)        |
| Financial Assets - At Fair Value through Profit or Loss                   | 2,020,660                               | 5,556,754                             | (63.6)        | 2,396,390                               | 5,915,926                             | (59.5)        |
| Financial Assets - At Amortised Cost                                      |   |                                       |               |   |                                       |               |
| Loans and advances to Banks   | 5,014,245                               | 7,689,150                             | (34.8)        | 5,565,089                               | 7,689,150                             | (27.6)        |
| Loans and advances to Other Customers                                     | 1,672,204,231                           | 1,783,106,693                         | (6.2)         | 1,787,978,767                           | 1,915,771,684                         | (6.7)         |
| Debt instruments measured at amortised cost                               | 904,048,777                             | 913,099,927                           | (1.0)         | 918,671,251                             | 928,885,518                           | (1.1)         |
| Financial Assets - At Fair Value through other Comprehensive income [OCI] |   |                                       |               |   |                                       |               |
| Equity instruments at fair value through OCI                              | 1,809,425                               | 1,661,656                             | 8.9           | 2,025,017                               | 1,844,574                             | 9.8           |
| Debt instruments at fair value through OCI                                | 9,305,696                               | 10,378,370                            | (10.3)        | 10,433,313                              | 11,428,832                            | (8.7)         |
| Investments in Subsidiaries   | 4,280,522                               | 4,280,522                             | -             | -                                       | -                                     | -             |
| Property, Plant, Equipment and Right of use assets                        | 49,514,134                              | 49,330,080                            | 0.4           | 60,130,500                              | 59,780,131                            | 0.6           |
| Intangible Assets and Goodwill  | 1,477,153                               | 1,719,177                             | (14.1)        | 1,611,268                               | 1,859,475                             | (13.3)        |
| Other Assets  | 57,762,325                              | 45,879,055                            | 25.9          | 57,126,949                              | 46,368,814                            | 23.2          |
| <b>Total Assets</b>   | <b>2,901,146,341</b>                    | <b>2,972,028,452</b>                  | <b>(2.4)</b>  | <b>3,047,507,589</b>                    | <b>3,133,134,578</b>                  | <b>(2.7)</b>  |
| <b>Liabilities</b>  |   |                                       |               |   |                                       |               |
| Due to Banks  | 82,344,552                              | 111,452,491                           | (26.1)        | 91,960,597                              | 122,696,978                           | (25.1)        |
| Derivative Financial Instruments  | 634,537                                 | 1,888,478                             | (66.4)        | 634,537                                 | 1,888,478                             | (66.4)        |
| Due to Other Customers  | 2,496,166,483                           | 2,371,518,898                         | 5.3           | 2,565,424,718                           | 2,450,079,037                         | 4.7           |
| Other Borrowings  | 97,648,154                              | 191,527,573                           | (49.0)        | 97,613,154                              | 191,527,573                           | (49.0)        |
| Current Tax Liabilities   | 2,441,869                               | 6,372,157                             | (61.7)        | 3,631,051                               | 8,297,080                             | (56.2)        |
| Net Deferred Tax Liabilities  | 1,746,088                               | 606,207                               | 188.0         | 2,751,900                               | 570,529                               | 382.3         |
| Other Liabilities   | 31,935,529                              | 106,765,050                           | (70.1)        | 41,290,308                              | 115,961,714                           | (64.4)        |
| Subordinated Term Debts   | 38,248,261                              | 36,603,467                            | 4.5           | 49,235,924                              | 52,781,563                            | (6.7)         |
| <b>Total Liabilities</b>  | <b>2,751,165,473</b>                    | <b>2,826,734,321</b>                  | <b>(2.7)</b>  | <b>2,852,542,189</b>                    | <b>2,943,802,952</b>                  | <b>(3.1)</b>  |
| <b>Equity</b>   |   |                                       |               |   |                                       |               |
| 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  | 38,654,170                              | 38,397,830                            | 0.7           | 41,478,082                              | 41,452,506                            | 0.1           |
| Retained Earnings   | 89,054,569                              | 84,624,172                            | 5.2           | 117,024,626                             | 111,194,555                           | 5.2           |
| <b>Total Shareholders' Equity</b>   | <b>149,980,868</b>                      | <b>145,294,131</b>                    | <b>3.2</b>    | <b>180,774,837</b>                      | <b>174,919,190</b>                    | <b>3.3</b>    |
| Non-Controlling Interests   | -                                       | -                                     | -             | 14,190,563                              | 14,412,436                            | (1.5)         |
| <b>Total Equity</b>   | <b>149,980,868</b>                      | <b>145,294,131</b>                    | <b>3.2</b>    | <b>194,965,400</b>                      | <b>189,331,626</b>                    | <b>3.0</b>    |
| <b>Total Equity and Liabilities</b>                                       | <b>2,901,146,341</b>                    | <b>2,972,028,452</b>                  | <b>(2.4)</b>  | <b>3,047,507,589</b>                    | <b>3,133,134,578</b>                  | <b>(2.7)</b>  |
| <b>Contingent Liabilities and Commitments</b>                             | <b>252,848,940</b>                      | <b>370,648,773</b>                    | <b>(31.8)</b> | <b>259,596,940</b>                      | <b>375,288,336</b>                    | <b>(30.8)</b> |
| Number of Employees   | 7,326                                   | 7,377                                 |               | 10,275                                  | 10,454                                |               |
| Number of Branches  | 747                                     | 745                                   |               | 857                                     | 858                                   |               |

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

**BANK**

|   | Stated capital/Assigned capital |                               | Reserves                               |                                     |                                |   |                                | Total<br>(Rs.'000) |
|---|---------------------------------|-------------------------------|--|-------------------------------------|--------------------------------|---|--------------------------------|--------------------|
|   | Ordinary Shares<br>(Rs.'000)    | Assigned capital<br>(Rs.'000) | Statutory<br>Reserve Fund<br>(Rs.'000) | Revaluation<br>Reserve<br>(Rs.'000) | Other<br>Reserves<br>(Rs.'000) | Financial assets at<br>FVOCI Reserve<br>(Rs.'000) | Retained Earnings<br>(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   | -                               | -                             | -                                      | -                                   | -                              | -   | 4,448,705                      | 4,448,705          |
| Other comprehensive income/(Expense) [ Net of Taxes]            | -                               | -                             | -                                      | -                                   | -                              | 256,340   | -                              | 256,340            |
| Total Comprehensive Income/(Expense)                            | -                               | -                             | -                                      | -                                   | -                              | 256,340   | 4,448,705                      | 4,705,045          |
| 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 30th June 2023                                    | 49,998                          | 12,152,000                    | 10,070,131                             | 23,995,328                          | 14,141,373                     | 517,469   | 89,054,569                     | 149,980,868        |

# STATEMENT OF CHANGES IN EQUITY

## GROUP

FOR THE PERIOD ENDED 30TH JUNE

|   | Stated capital/<br>Assigned capital |                                  | Reserves                               |                                     |                                |   | Retained<br>earnings | Total       | Non controlling<br>interest | Total<br>equity |
|---|-------------------------------------|----------------------------------|--|-------------------------------------|--------------------------------|---|----------------------|-------------|-----------------------------|-----------------|
|   | Ordinary<br>shares<br>(Rs.'000)     | Assigned<br>capital<br>(Rs.'000) | Statutory<br>Reserve Fund<br>(Rs.'000) | Revaluation<br>Reserve<br>(Rs.'000) | Other<br>Reserves<br>(Rs.'000) | Financial assets at<br>FVOCI Reserve<br>(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   | -                                   | -                                | -                                      | -                                   | -                              | -   | 5,868,092            | 5,868,092   | 352,182                     | 6,220,274       |
| Other comprehensive income/(Expense) [ Net of Taxes]            | -                                   | -                                | -                                      | -                                   | (326,840)                      | 352,416   | (19,713)             | 5,863       | (499,194)                   | (493,331)       |
| Total Comprehensive Income/(Expense)                            | -                                   | -                                | -                                      | -                                   | (326,840)                      | 352,416   | 5,848,379            | 5,873,955   | (147,012)                   | 5,726,943       |
| Transactions with Equity Holders, Recognised Directly in Equity |                                     |                                  |  |                                     |                                |   |                      |             |                             |                 |
| Special levy to Treasury/ Dividend                              | -                                   | -                                | -                                      | -                                   | -                              | -   | (18,308)             | (18,308)    | -                           | (18,308)        |
| Dividends Paid  | -                                   | -                                | -                                      | -                                   | -                              | -   | -                    | -           | (74,861)                    | (74,861)        |
| Total Transactions with Equity Holders                          | -                                   | -                                | -                                      | -                                   | -                              | -   | (18,308)             | (18,308)    | (74,861)                    | (93,169)        |
| Balance as at 30th June 2023                                    | 49,998                              | 12,152,000                       | 10,070,131                             | 26,394,593                          | 14,778,748                     | 304,741   | 117,024,626          | 180,774,837 | 14,190,563                  | 194,965,400     |

**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 30TH JUNE**

|   | BANK              |                   | GROUP             |                   |
|---|-------------------|-------------------|-------------------|-------------------|
|   | 2023              | 2022              | 2023              | 2022              |
|   | (Rs. '000)        | (Rs. '000)        | (Rs. '000)        | (Rs. '000)        |
|   | (Unaudited)       | (Unaudited)       | (Unaudited)       | (Unaudited)       |
| <b>Cash flows from operating activities</b>                   |                   |                   |                   |                   |
| Profit before tax   | 6,600,568         | 11,581,396        | 9,447,433         | 15,231,376        |
| Adjustment for  |                   |                   |                   |                   |
| Non-cash items included in profits before tax                 | 10,766,693        | 33,999,744        | 10,423,134        | 35,252,884        |
| Changes in operating assets                                   | 72,153,528        | (19,924,034)      | 88,384,426        | (14,541,792)      |
| Changes in operating liabilities                              | (72,937,891)      | 341,061,194       | (84,685,671)      | 339,044,738       |
| Dividend income from subsidiaries and others                  | (58,906)          | (51,357)          | (60,170)          | (132,280)         |
| Interest expense on subordinated debt                         | 2,144,006         | 2,714,674         | 2,783,115         | 3,504,040         |
| Contribution paid to defined benefit plans/Gratuity           | 691,200           | 391,300           | 793,403           | 517,158           |
| Changes in tax liabilities                                    | (4,942,271)       | (4,328,355)       | (5,755,454)       | (6,726,223)       |
| <b>Net Cash Generated from (used in) Operating Activities</b> | 14,416,928        | 365,444,562       | 21,330,216        | 372,149,901       |
| <b>Cash Flows from Investing Activities</b>                   |                   |                   |                   |                   |
| Purchase of property, plant and equipment                     | (2,063,394)       | (457,263)         | (2,535,583)       | (900,449)         |
| Proceeds from the sale of property, plant and equipment       | 1,743             | 4,872             | 82,017            | 59,926            |
| Purchase of financial investments                             | 7,365,765         | (325,510,722)     | 8,528,882         | (330,907,483)     |
| Net purchase of intangible assets                             | (68,930)          | (246,917)         | (72,351)          | (253,073)         |
| Dividends received from investment in subsidiaries and Others | 58,906            | 51,357            | 60,170            | 132,280           |
| <b>Net Cash from (used in) Investing Activities</b>           | 5,294,090         | (326,158,673)     | 6,063,135         | (331,868,799)     |
| <b>Cash Flows from Financing Activities</b>                   |                   |                   |                   |                   |
| Repayments on subordinated debt                               | (499,212)         | (1,142,502)       | (6,328,754)       | (2,598,868)       |
| Repayment of Lease Liabilities                                | (1,239,049)       | (1,320,716)       | (1,406,258)       | (1,515,851)       |
| Dividend paid to non-controlling interest                     | -                 | -                 | (74,861)          | (75,000)          |
| Dividend/Levy paid to holders of other equity instruments     | (18,308)          | (109,845)         | (18,308)          | (109,845)         |
| <b>Net Cash from (used in) Financial Activities</b>           | (1,756,569)       | (2,573,063)       | (7,828,181)       | (4,299,564)       |
| <b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b> | 17,954,449        | 36,712,826        | 19,565,170        | 35,981,538        |
| Cash and cash equivalents at the beginning of the year        | 66,842,171        | 57,538,351        | 68,077,027        | 58,836,831        |
| Cash and cash equivalents at the end of the period            | <b>84,796,620</b> | <b>94,251,177</b> | <b>87,642,197</b> | <b>94,818,369</b> |

## ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

|   | BANK                                   |                                       | GROUP                                  |                                       |
|---|--|---------------------------------------|--|---------------------------------------|
|   | 30.06.2023<br>(Rs.'000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) | 30.06.2023<br>(Rs.'000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) |
| <b>Loans and advances to Other Customers</b>                            |  |                                       |  |                                       |
| Gross Loans and advances  | 1,809,439,748                          | 1,915,788,623                         | 1,937,146,185                          | 2,061,137,431                         |
| <b>Less :</b>   |  |                                       |  |                                       |
| Allowance for Expected Credit Losses                                    | (137,235,517)                          | (132,681,930)                         | (149,167,418)                          | (145,365,747)                         |
| Stage 1   | (9,092,317)                            | (6,241,576)                           | (10,171,464)                           | (7,647,149)                           |
| Stage 2   | (15,062,116)                           | (19,206,289)                          | (16,254,486)                           | (20,570,351)                          |
| Stage 3   | (113,081,084)                          | (107,234,065)                         | (122,741,468)                          | (117,148,247)                         |
| <b>Net Loans and advances</b>   | <b>1,672,204,231</b>                   | <b>1,783,106,693</b>                  | <b>1,787,978,767</b>                   | <b>1,915,771,684</b>                  |
| <b>Product-wise Gross loans &amp; advances</b>                          |  |                                       |  |                                       |
| <b>By product – Domestic currency</b>                                   |  |                                       |  |                                       |
| Overdrafts  | 92,425,332                             | 109,571,710                           | 91,961,018                             | 109,212,702                           |
| Term loans  | 867,237,221                            | 904,385,301                           | 919,073,658                            | 967,310,812                           |
| Lease rentals receivable  | -                                      | -                                     | 56,004,249                             | 64,175,371                            |
| Credit cards  | 6,069,658                              | 5,539,640                             | 6,069,658                              | 5,539,640                             |
| Pawning   | 209,294,057                            | 184,777,612                           | 209,294,057                            | 184,777,612                           |
| Trade Finance   | 282,083,627                            | 29,387,154                            | 282,083,627                            | 29,387,154                            |
| Others  | 24,276,552                             | 99,277,648                            | 32,482,021                             | 107,483,544                           |
| <b>Sub Total</b>  | <b>1,481,386,447</b>                   | <b>1,332,939,065</b>                  | <b>1,596,968,288</b>                   | <b>1,467,886,835</b>                  |
| <b>By product – Foreign currency</b>                                    |  |                                       |  |                                       |
| Overdrafts  | 1,112,647                              | 1,709,240                             | 1,112,647                              | 1,709,240                             |
| Term loans  | 150,605,488                            | 187,912,732                           | 162,730,084                            | 198,313,770                           |
| Trade Finance   | 176,335,166                            | 393,227,586                           | 176,335,166                            | 393,227,586                           |
| <b>Sub Total</b>  | <b>328,053,301</b>                     | <b>582,849,558</b>                    | <b>340,177,897</b>                     | <b>593,250,596</b>                    |
| <b>Grand Total</b>  | <b>1,809,439,748</b>                   | <b>1,915,788,623</b>                  | <b>1,937,146,185</b>                   | <b>2,061,137,431</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 2023                                 | 6,241,576                              | 19,206,289                            | 107,234,065                            | 132,681,930                           |
| Net Charge/(Reversal) for the period                                    | 2,850,741                              | (4,144,173)                           | 7,771,573                              | 6,478,141                             |
| Amounts written off   | -                                      | -                                     | (293,535)                              | (293,535)                             |
| Exchange rate variance on foreign currency Impairment                   | -                                      | -                                     | (1,631,019)                            | (1,631,019)                           |
| Closing balance as at 30th June 2023                                    | 9,092,317                              | 15,062,116                            | 113,081,084                            | 137,235,517                           |
| <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 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                           |
| <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 2023                                 | 7,647,149                              | 20,570,351                            | 117,148,247                            | 145,365,747                           |
| Net Charge/(Reversal) for the period                                    | 2,524,315                              | (4,315,865)                           | 7,517,775                              | 5,726,225                             |
| Amounts written off   | -                                      | -                                     | (293,535)                              | (293,535)                             |
| Exchange rate variance on foreign currency Impairment                   | -                                      | -                                     | (1,631,019)                            | (1,631,019)                           |
| Closing balance as at 30th June 2023                                    | 10,171,464                             | 16,254,486                            | 122,741,468                            | 149,167,418                           |
| <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 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                                  |                                       |
|---------------------------------------|--|---------------------------------------|--|---------------------------------------|
|                                       | 30.06.2023<br>(Rs.'000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) | 30.06.2023<br>(Rs.'000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) |
| <b>By product – Domestic currency</b> |  |                                       |  |                                       |
| Demand deposits (current accounts)    | 72,395,742                             | 75,893,141                            | 68,086,127                             | 71,972,668                            |
| Savings deposits                      | 643,188,550                            | 616,167,038                           | 647,253,177                            | 620,359,093                           |
| Fixed deposits                        | 1,535,200,555                          | 1,377,375,135                         | 1,605,772,024                          | 1,455,465,983                         |
| Others                                | 2,711,703                              | 3,250,918                             | 1,643,457                              | 3,448,627                             |
| <b>Sub total</b>                      | <b>2,253,496,550</b>                   | <b>2,072,686,232</b>                  | <b>2,322,754,785</b>                   | <b>2,151,246,371</b>                  |
| <b>By product – Foreign currency</b>  |  |                                       |  |                                       |
| Demand deposits (current accounts)    | 1,486,030                              | 3,325,780                             | 1,486,030                              | 3,325,780                             |
| Savings deposits                      | 32,997,984                             | 43,208,616                            | 32,997,984                             | 43,208,616                            |
| Fixed deposits                        | 208,145,599                            | 251,852,274                           | 208,145,599                            | 251,852,274                           |
| Others                                | 40,320                                 | 445,996                               | 40,320                                 | 445,996                               |
| <b>Sub total</b>                      | <b>242,669,933</b>                     | <b>298,832,666</b>                    | <b>242,669,933</b>                     | <b>298,832,666</b>                    |
| <b>Grand Total</b>                    | <b>2,496,166,483</b>                   | <b>2,371,518,898</b>                  | <b>2,565,424,718</b>                   | <b>2,450,079,037</b>                  |

## ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

|   | BANK                                   |                                       | GROUP                                  |                                       |
|---|--|---------------------------------------|--|---------------------------------------|
|   | 30.06.2023<br>(Rs.'000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) | 30.06.2023<br>(Rs.'000)<br>(Unaudited) | 31.12.2022<br>(Rs. '000)<br>(Audited) |
| <b>By product</b>                                   |  |                                       |  |                                       |
| Acceptances   | 3,050,894                              | 74,070,645                            | 3,050,894                              | 74,070,645                            |
| Documentary Credit                                  | 25,030,817                             | 22,841,324                            | 25,030,817                             | 22,841,324                            |
| Guarantees  | 58,288,565                             | 68,387,765                            | 58,749,565                             | 68,791,109                            |
| Forward Exchange Contracts                          | 80,075,507                             | 137,037,060                           | 80,075,507                             | 137,037,060                           |
| Non disbursed overdrafts & loans                    | 86,815,975                             | 68,828,585                            | 93,102,975                             | 73,064,804                            |
| <b>Gross Contingent Liabilities and Commitments</b> | <b>253,261,758</b>                     | <b>371,165,379</b>                    | <b>260,009,758</b>                     | <b>375,804,942</b>                    |
| <b>Less :</b>                                       |  |                                       |  |                                       |
| Allowance for Expected Credit Loss                  | (412,818)                              | (516,606)                             | (412,818)                              | (516,606)                             |
| <b>Net Contingent Liabilities and Commitments</b>   | <b>252,848,940</b>                     | <b>370,648,773</b>                    | <b>259,596,940</b>                     | <b>375,288,336</b>                    |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### BANK AS AT 30TH JUNE 2023

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| Cash and cash equivalents                               | -                                      | -                                      | 84,796,620                     | 84,796,620           |
| Balances with Central Banks                             | -                                      | -                                      | 70,734,668                     | 70,734,668           |
| Placements with Banks                                   | -                                      | -                                      | 26,611,750                     | 26,611,750           |
| Derivative Financial Instruments                        | 11,566,135                             | -                                      | -                              | 11,566,135           |
| Financial Assets - At Fair Value through Profit or Loss | 2,020,660                              | -                                      | -                              | 2,020,660            |
| Loans and Advances to Bank                              | -                                      | -                                      | 5,014,245                      | 5,014,245            |
| Loans and Advances to other customers                   | -                                      | -                                      | 1,672,204,231                  | 1,672,204,231        |
| Debt instruments measured at amortised cost             | -                                      | -                                      | 904,048,777                    | 904,048,777          |
| Equity instruments at fair value through OCI            | -                                      | 1,809,425                              | -                              | 1,809,425            |
| Debt instruments at fair value through OCI              | -                                      | 9,305,696                              | -                              | 9,305,696            |
| <b>Total financial assets</b>                           | <b>13,586,795</b>                      | <b>11,115,121</b>                      | <b>2,763,410,291</b>           | <b>2,788,112,207</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| Due to banks  | -                                      | -                                      | 82,344,552                     | 82,344,552           |
| Derivative Financial Instruments                        | 634,537                                | -                                      | -                              | 634,537              |
| Due to other customers                                  | -                                      | -                                      | 2,496,166,483                  | 2,496,166,483        |
| Other Borrowings  | -                                      | -                                      | 97,648,154                     | 97,648,154           |
| Subordinated term debts                                 | -                                      | -                                      | 38,248,261                     | 38,248,261           |
| <b>Total financial liabilities</b>                      | <b>634,537</b>                         | <b>-</b>                               | <b>2,714,407,450</b>           | <b>2,715,041,987</b> |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### BANK AS AT 31ST DECEMBER 2022

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| 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           |
| <b>Total financial assets</b>                           | <b>20,439,338</b>                      | <b>12,040,026</b>                      | <b>2,838,340,254</b>           | <b>2,870,819,618</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| 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           |
| <b>Total financial liabilities</b>                      | <b>1,888,478</b>                       | <b>-</b>                               | <b>2,711,102,429</b>           | <b>2,712,990,907</b> |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### GROUP AS AT 30TH JUNE 2023

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| Cash and cash equivalents                               | -                                      | -                                      | 87,642,197                     | 87,642,197           |
| Balances with Central Banks                             | -                                      | -                                      | 70,734,668                     | 70,734,668           |
| Placements with Banks                                   | -                                      | -                                      | 31,626,045                     | 31,626,045           |
| Derivative Financial Instruments                        | 11,566,135                             | -                                      | -                              | 11,566,135           |
| Financial Assets - At Fair Value through Profit or Loss | 2,396,390                              | -                                      | -                              | 2,396,390            |
| Loans and Advances to Bank                              | -                                      | -                                      | 5,565,089                      | 5,565,089            |
| Loans and Advances to other customers                   | -                                      | -                                      | 1,787,978,767                  | 1,787,978,767        |
| Debt instruments measured at amortised cost             | -                                      | -                                      | 918,671,251                    | 918,671,251          |
| Equity instruments at fair value through OCI            | -                                      | 2,025,017                              | -                              | 2,025,017            |
| Debt instruments at fair value through OCI              | -                                      | 10,433,313                             | -                              | 10,433,313           |
| <b>Total financial assets</b>                           | <b>13,962,525</b>                      | <b>12,458,330</b>                      | <b>2,902,218,017</b>           | <b>2,928,638,872</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| Due to banks  | -                                      | -                                      | 91,960,597                     | 91,960,597           |
| Derivative Financial Instruments                        | 634,537                                | -                                      | -                              | 634,537              |
| Due to other customers                                  | -                                      | -                                      | 2,565,424,718                  | 2,565,424,718        |
| Other Borrowings  | -                                      | -                                      | 97,613,154                     | 97,613,154           |
| Subordinated term debts                                 | -                                      | -                                      | 49,235,924                     | 49,235,924           |
| <b>Total financial liabilities</b>                      | <b>634,537</b>                         | <b>-</b>                               | <b>2,804,234,393</b>           | <b>2,804,868,930</b> |

## ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

### GROUP AS AT 31ST DECEMBER 2022

|   | Fair Value<br>Through P&L<br>(Rs.'000) | Fair Value<br>Through OCI<br>(Rs.'000) | Amortised<br>Cost<br>(Rs.'000) | Total<br>(Rs.'000)   |
|---|--|--|--------------------------------|----------------------|
| <b>ASSETS</b>   |  |  |                                |                      |
| 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           |
| <b>Total financial assets</b>                           | <b>20,798,510</b>                      | <b>13,273,406</b>                      | <b>2,991,054,242</b>           | <b>3,025,126,158</b> |
| <b>LIABILITIES</b>                                      |  |  |                                |                      |
| 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           |
| <b>Total financial liabilities</b>                      | <b>1,888,478</b>                       | <b>-</b>                               | <b>2,817,085,151</b>           | <b>2,818,973,629</b> |

## SELECTED PERFORMANCE INDICATORS (Based on Regulatory Reporting)

|   | BANK                               |                                  | GROUP                              |                                  |
|---|------------------------------------|----------------------------------|------------------------------------|----------------------------------|
|   | As at<br>30.06.2023<br>(Unaudited) | As at<br>31.12.2022<br>(Audited) | As at<br>30.06.2023<br>(Unaudited) | As at<br>31.12.2022<br>(Audited) |
| <b>Regulatory Capital Adequacy</b>  |                                    |                                  |                                    |                                  |
| Common Equity Tier 1 Capital [Rs. 000]  | 110,918,953                        | 111,298,172                      | 145,228,213                        | 148,454,894                      |
| Core (Tier 1) Capital [Rs. 000]   | 115,918,953                        | 116,298,172                      | 150,228,213                        | 153,454,894                      |
| Total Capital Base [Rs. 000]  | 157,328,681                        | 159,532,587                      | 193,360,987                        | 198,618,984                      |
| <b>Regulatory Capital Ratios (%)</b>  |                                    |                                  |                                    |                                  |
| Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)  | 11.20                              | 11.37                            | 12.65                              | 12.83                            |
| Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)  | 11.71                              | 11.89                            | 13.08                              | 13.27                            |
| Total Capital Ratio (%) (Min. requirement - 13.5%)  | 15.89                              | 16.30                            | 16.84                              | 17.17                            |
| <b>Asset Quality ( Quality of Loan Portfolio)</b>   |                                    |                                  |                                    |                                  |
| Impaired Loans ( Stage 3 ) Ratio (%)  | 10.99                              | 12.78                            | 10.92                              | 12.64                            |
| Impairment ( Stage 3 ) to Stage 3 Loans Ratio (%)*  | 35.31                              | 29.88                            | 35.82                              | 30.45                            |
| *to save any doubt , excluding exposures backed by irrevocable government assurances, this ratio amounts to 47.77 |                                    |                                  |                                    |                                  |
| <b>Profitability</b>  |                                    |                                  |                                    |                                  |
| Interest Margin, %  | 1.71                               | 2.70                             | 2.03                               | 3.05                             |
| Return on Assets (Before Tax ) , %  | 0.45                               | 0.76                             | 0.61                               | 0.89                             |
| Return on Equity (After Tax) , %  | 6.03                               | 12.22                            | 6.47                               | 11.19                            |
| <b>Leverage Ratio (Min. requirement - 3%)</b>   | 3.90                               | 3.83                             | 4.81                               | 4.79                             |
| <b>Regulatory Liquidity</b>   |                                    |                                  |                                    |                                  |
| <b>Statutory Liquid Assets</b>  |                                    |                                  |                                    |                                  |
| Total Bank (Rs.000)   | 697,815,278                        | 553,801,445                      |                                    |                                  |
| Domestic Banking unit (Rs.000)  | 679,915,395                        | 540,470,752                      |                                    |                                  |
| Off-Shore Banking Unit (USD.000)  | 60,966                             | 70,182                           |                                    |                                  |
| <b>Statutory Liquid Assets Ratio (%) (Min. requirement - 20%)</b>   |                                    |                                  |                                    |                                  |
| Total Bank (%)  | 26.83                              | 21.27                            |                                    |                                  |
| Domestic Banking unit (%)   | 26.56                              | 21.37                            |                                    |                                  |
| Off-Shore Banking Unit (%)  | 16.25                              | 20.05                            |                                    |                                  |
| <b>Total Stock of High Quality Liquid Assets [Rs.000]</b>   | 662,338,058                        | 502,751,126                      |                                    |                                  |
| <b>Liquidity Coverage Ratio (%) (Min. requirement - 2023 - 100%, 2022 - 90%)</b>                                  |                                    |                                  |                                    |                                  |
| Liquidity Coverage Ratio - Rupee  | 196.06                             | 213.06                           |                                    |                                  |
| Liquidity Coverage Ratio - All Currency   | 139.14                             | 119.47                           |                                    |                                  |
| <b>Net Stable Funding Ratio (Min. requirement - 2023 - 100%, 2022 - 90%)</b>                                      | 138.19                             | 117.05                           |                                    |                                  |

## EXPLANATORY NOTES

1. These Financial Statements for the Period ended June 30, 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 closely monitors all developments from a macro-economic. For purposes of assessing Expected Credit Losses (ECL), these estimates reasonably takes into consideration many factors including, amongst other, behavioral patterns of DPDs and macro variables such as inflation, exchange rates, interest rates, and GDP growth forecasts.  
  
At June 30, 2023 - the Bank and the Group reassessed the Probabilities of Default (PD) and Economic Factor Adjustment (EFA) used in its assessment of Expected Credit Losses (ECL) under collective impairment. All Individually Significant Loan (ISL) customers were evaluated for any objective evidence(s) using reasonable and supportable information available as at the date of evaluation, and provisions have been made in accordance therewith at June 30, 2023.  
  
The Bank and the Group's ECL at June 30, 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 future, based on new information, the Bank and the Group shall reassess its ECLs based on such additional information on such future reporting periods.
4. Relating to Other Financial Assets, in making impairment provisions on its foreign currency denominated exposures to government securities, the Bank used an estimate of the most likely loss rate at June 30, 2023.
5. Mr. Udeni Samararatne was 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. Other than those given above, or already considered in these Financial Statements, no circumstances have arisen since June 30, 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 June 30, 2023 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  
29<sup>th</sup> August 2023  
Colombo.

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