



**PEOPLE'S
BANK**

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER

2023

FITCH RATING A (LKA)

INCOME STATEMENT

FOR THE PERIOD ENDED 30TH SEPTEMBER

	BANK			GROUP		
	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	Change %	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	Change %
Gross Income	320,854,491	251,672,281	27.5	345,246,566	277,246,092	24.5
Interest income	299,606,607	226,617,509	32.2	321,484,472	248,933,275	29.1
Interest expenses	(264,775,167)	(160,109,942)	65.4	(276,861,489)	(170,658,970)	62.2
Net Interest Income	34,831,440	66,507,567	(47.6)	44,622,983	78,274,305	(43.0)
Fee and commission income	10,754,235	13,314,875	(19.2)	11,515,654	14,053,854	(18.1)
Fee and commission expenses	(764,863)	(562,200)	36.0	(764,863)	(562,200)	36.0
Net Fee and Commission Income	9,989,372	12,752,675	(21.7)	10,750,791	13,491,654	(20.3)
Net gain / (loss) from trading	8,392,621	10,429,390	(19.5)	8,485,445	10,428,960	(18.6)
Other operating income (net)	2,101,028	1,310,507	60.3	3,760,995	3,830,003	(1.8)
Total Operating Income	55,314,461	91,000,139	(39.2)	67,620,214	106,024,922	(36.2)
Impairment Charge	(4,864,999)	(36,842,283)	(86.8)	(3,884,897)	(37,967,528)	(89.8)
Loans & advances to Customers	(5,639,577)	(34,061,706)		(4,533,102)	(35,229,816)	
Other Financial Assets	774,578	(2,780,577)		774,578	(2,780,577)	
Others	-	-		(126,373)	42,865	
Net Operating Income	50,449,462	54,157,856	(6.8)	63,735,317	68,057,394	(6.4)
Personnel Expenses	(18,069,976)	(16,682,113)	8.3	(22,256,687)	(20,870,832)	6.6
Depreciation and Amortisation	(3,291,249)	(3,614,000)	(8.9)	(3,761,645)	(4,131,188)	(8.9)
Other Expenses	(16,037,390)	(11,129,320)	44.1	(19,898,179)	(15,032,856)	32.4
Operating Profit Before Taxes on Financial Services	13,050,847	22,732,423	(42.6)	17,818,806	28,022,518	(36.4)
Taxes on financial services	(5,020,091)	(5,759,254)	(12.8)	(6,391,355)	(7,066,665)	(9.6)
Profit Before Tax	8,030,756	16,973,169	(52.7)	11,427,451	20,955,853	(45.5)
Income Tax Expenses	(2,891,315)	(4,295,118)	(32.7)	(4,556,924)	(5,845,368)	(22.0)
Profit for the period	5,139,441	12,678,051	(59.5)	6,870,527	15,110,485	(54.5)
Profit Attributable to :						
Equity Holders of the Bank	5,139,441	12,678,051	(59.5)	6,216,868	14,389,756	(56.8)
Non-Controlling Interests	-	-		653,659	720,729	(9.3)
	5,139,441	12,678,051	(59.5)	6,870,527	15,110,485	(54.5)
Earnings Per Share on Profit						
Basic Earnings per Ordinary Share [Rs.]	5,139	12,678	(59.5)	6,217	14,390	(56.8)
Diluted Earnings per Ordinary Share [Rs.]	21	52	(59.5)	25	59	(56.8)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30TH SEPTEMBER

	BANK		GROUP	
	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)	2023 (Rs. '000) (Unaudited)	2022 (Rs. '000) (Unaudited)
Profit for the Period	5,139,441	12,678,051	6,870,527	15,110,485
Other comprehensive income that will not be reclassified to the income statement				
Net Gains/(Losses) on equity instruments at fair value through OCI	170,533	(9,525)	234,207	(131,642)
Net Actuarial Gains and Losses on Defined Benefit Plans	-	-	(41,185)	(12,296)
Deferred Tax Effect on above	-	-	11,265	3,989
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	116,366	23,853	444,788	(281,422)
Deferred tax effect on above	-	-	(117,629)	104,665
Net Gains/(Losses) on translating the financial statements of foreign operation	-	-	(738,385)	1,563,274
Other Comprehensive Income for the Period, Net of Taxes	286,899	14,328	(206,939)	1,246,568
Total Comprehensive Income for the Period	5,426,340	12,692,379	6,663,588	16,357,053
Attributable to :				
Equity Holders of the Bank	5,426,340	12,692,379	6,384,634	14,764,218
Non-Controlling Interests	-	-	278,954	1,592,835
	5,426,340	12,692,379	6,663,588	16,357,053

STATEMENT OF FINANCIAL POSITION

AS AT

	BANK			GROUP		
	30.09.2023 (Rs. '000) (Unaudited)	31.12.2022 (Rs. '000) (Audited)	Change %	30.09.2023 (Rs. '000) (Unaudited)	31.12.2022 (Rs. '000) (Audited)	Change %
Assets						
Cash and Cash Equivalents	82,085,121	66,842,171	22.8	83,582,546	68,077,027	22.8
Balances with Central Bank of Sri Lanka	23,497,724	67,602,313	(65.2)	23,497,724	67,602,313	(65.2)
Placements with Banks	44,120,073	-	-	50,824,152	3,028,550	1578.2
Derivative Financial Instruments	12,659,802	14,882,584	(14.9)	12,659,802	14,882,584	(14.9)
Financial Assets - At Fair Value through Profit or Loss	64,021,524	5,556,754	1052.1	64,464,244	5,915,926	989.7
Financial Assets - At Amortised Cost						
Loans and advances to Banks	-	7,689,150	(100.0)	1,830,082	7,689,150	(76.2)
Loans and advances to Other Customers	1,699,301,495	1,783,106,693	(4.7)	1,812,099,873	1,915,771,684	(5.4)
Debt instruments measured at amortised cost	921,613,847	913,099,927	0.9	947,712,525	928,885,518	2.0
Financial Assets - At Fair Value through other Comprehensive income [OCI]						
Equity instruments at fair value through OCI	1,832,189	1,661,656	10.3	2,078,782	1,844,574	12.7
Debt instruments at fair value through OCI	8,125,516	10,378,370	(21.7)	9,463,633	11,428,832	(17.2)
Investments in Subsidiaries	4,280,522	4,280,522	-	-	-	-
Property, Plant, Equipment and Right of use assets	49,327,833	49,330,080	-	59,823,995	59,780,131	0.1
Intangible Assets and Goodwill	1,536,068	1,719,177	(10.7)	1,704,053	1,859,475	(8.4)
Other Assets	61,626,151	45,879,055	34.3	61,968,917	46,368,814	33.6
Total Assets	2,974,027,865	2,972,028,452	0.1	3,131,710,328	3,133,134,578	0.0
Liabilities						
Due to Banks	88,686,204	111,452,491	(20.4)	96,768,465	122,696,978	(21.1)
Derivative Financial Instruments	88,111	1,888,478	(95.3)	88,111	1,888,478	(95.3)
Due to Other Customers	2,571,032,412	2,371,518,898	8.4	2,652,566,481	2,450,079,037	8.3
Other Borrowings	91,032,162	191,527,573	(52.5)	90,980,162	191,527,573	(52.5)
Current Tax Liabilities	1,028,363	6,372,157	(83.9)	1,721,963	8,297,080	(79.2)
Net Deferred Tax Liabilities	2,095,357	606,207	245.7	3,121,648	570,529	447.1
Other Liabilities	32,428,829	106,765,050	(69.6)	43,395,354	115,961,714	(62.6)
Subordinated Term Debts	36,934,264	36,603,467	0.9	47,523,429	52,781,563	(10.0)
Total Liabilities	2,823,325,702	2,826,734,321	(0.1)	2,936,165,613	2,943,802,952	(0.3)
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	38,684,729	38,397,830	0.7	41,643,667	41,452,506	0.5
Retained Earnings	89,745,305	84,624,172	6.1	117,369,720	111,194,555	5.6
Total Shareholders' Equity	150,702,163	145,294,131	3.7	181,285,516	174,919,190	3.6
Non-Controlling Interests	-	-	-	14,259,199	14,412,436	(1.1)
Total Equity	150,702,163	145,294,131	3.7	195,544,715	189,331,626	3.3
Total Equity and Liabilities	2,974,027,865	2,972,028,452	0.1	3,131,710,328	3,133,134,578	0.0
Contingent Liabilities and Commitments	215,264,846	370,648,773	(41.9)	224,695,846	375,288,336	(40.1)
Number of Employees	7,750	7,377		10,634	10,454	
Number of Branches	747	745		857	858	

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

BANK

	Stated capital/Assigned capital		Reserves				Total	
	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)	Retained Earnings (Rs.'000)	(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	-	-	-	-	-	-	5,139,441	5,139,441
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	-	-	286,899	-	286,899
Total Comprehensive Income/(Expense)	-	-	-	-	-	286,899	5,139,441	5,426,340
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 September 2023	49,998	12,152,000	10,070,131	23,995,328	14,141,373	548,028	89,745,305	150,702,163

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30TH SEPTEMBER

GROUP

	Stated capital/ Assigned capital		Reserves				Retained earnings	Total	Non controlling interest	Total equity
	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	-	-	-	-	-	-	6,216,868	6,216,868	653,659	6,870,527
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	-	(301,588)	492,749	(23,395)	167,766	(374,705)	(206,939)
Total Comprehensive Income/(Expense)	-	-	-	-	(301,588)	492,749	6,193,473	6,384,634	278,954	6,663,588
Transactions with Equity Holders, Recognised Directly in Equity										
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(18,308)	(18,308)	-	(18,308)
Dividends Paid	-	-	-	-	-	-	-	-	(432,191)	(432,191)
Total Transactions with Equity Holders	-	-	-	-	-	-	(18,308)	(18,308)	(432,191)	(450,499)
Balance as at 30th September 2023	49,998	12,152,000	10,070,131	26,394,593	14,804,000	445,074	117,369,720	181,285,516	14,259,199	195,544,715

CASH FLOW STATEMENT				
FOR THE PERIOD ENDED 30TH SEPTEMBER				
	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	8,030,756	16,973,169	11,427,451	20,955,853
Adjustment for				
Non-cash items included in profits before tax	11,048,520	29,848,847	10,645,306	32,273,991
Changes in operating assets	15,281,246	(64,375,402)	30,726,561	(48,243,838)
Changes in operating liabilities	2,241,703	370,590,994	2,968,996	359,795,902
Dividend income from subsidiaries and others	(1,136,450)	(791,818)	(64,461)	(88,917)
Interest expense on subordinated debt	3,248,710	4,094,508	4,109,424	5,265,403
Contribution paid to defined benefit plans/Gratuity	1,036,804	586,950	1,139,007	712,808
Changes in tax liabilities	(6,745,959)	(7,877,109)	(8,687,286)	(12,821,769)
Net Cash Generated from (used in) Operating Activities	33,005,330	349,050,139	52,264,997	357,849,433
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(2,820,536)	(1,275,681)	(3,324,315)	(1,761,240)
Proceeds from the sale of property, plant and equipment	63,613	5,866	144,820	59,626
Purchase of financial investments	(11,084,435)	(329,031,953)	(21,397,522)	(334,403,697)
Net purchase of intangible assets	(285,357)	(278,414)	(325,772)	(283,190)
Dividends received from investment in subsidiaries and Others	1,136,450	791,818	64,461	88,917
Net Cash from (used in) Investing Activities	(12,990,265)	(329,788,364)	(24,838,328)	(336,299,584)
Cash Flows from Financing Activities				
Repayment of subordinated debt	(2,917,913)	(3,234,500)	(9,367,558)	(5,312,144)
Repayment of Lease Liabilities	(1,835,894)	(1,944,711)	(2,103,093)	(2,252,669)
Dividend paid to non-controlling interest	-	-	(432,191)	(148,804)
Dividend/Levy paid to holders of other equity instruments	(18,308)	(164,768)	(18,308)	(164,768)
Net Cash from (used in) Financial Activities	(4,772,115)	(5,343,979)	(11,921,150)	(7,878,385)
Net Increase/(Decrease) in Cash & Cash Equivalents	15,242,950	13,917,796	15,505,519	13,671,464
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	82,085,121	71,456,147	83,582,546	72,508,295

ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

	BANK		GROUP	
	30.09.2023 (Rs. '000) (Unaudited)	31.12.2022 (Rs. '000) (Audited)	30.09.2023 (Rs. '000) (Unaudited)	31.12.2022 (Rs. '000) (Audited)
Loans and advances to Other Customers				
Gross Loans and advances	1,836,400,819	1,915,788,623	1,960,776,539	2,061,137,431
Less :				
Allowance for Expected Credit Losses	(137,099,324)	(132,681,930)	(148,676,666)	(145,365,747)
Stage 1	(9,201,433)	(6,241,576)	(10,118,667)	(7,647,149)
Stage 2	(11,248,552)	(19,206,289)	(12,278,747)	(20,570,351)
Stage 3	(116,649,339)	(107,234,065)	(126,279,252)	(117,148,247)
Net Loans and advances	1,699,301,495	1,783,106,693	1,812,099,873	1,915,771,684
Product-wise Gross loans & advances				
By product – Domestic currency				
Overdrafts	94,943,943	109,571,710	94,435,685	109,212,702
Term loans	861,357,921	904,385,301	908,381,457	967,310,812
Lease rentals receivable	-	-	57,388,552	64,175,371
Credit cards	6,088,444	5,539,640	6,088,444	5,539,640
Pawning	233,504,832	184,777,612	233,504,832	184,777,612
Trade Finance	295,190,531	29,387,154	295,190,531	29,387,154
Others	25,099,937	99,277,648	33,099,384	107,483,544
Sub Total	1,516,185,608	1,332,939,065	1,628,088,885	1,467,886,835
By product – Foreign currency				
Overdrafts	1,226,757	1,709,240	1,226,757	1,709,240
Term loans	128,391,642	187,912,732	140,864,085	198,313,770
Trade Finance	190,596,812	393,227,586	190,596,812	393,227,586
Sub Total	320,215,211	582,849,558	332,687,654	593,250,596
Grand Total	1,836,400,819	1,915,788,623	1,960,776,539	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	2,959,857	(7,957,737)	10,637,457	5,639,577
Amounts written off	-	-	(375,891)	(375,891)
Exchange rate variance on foreign currency Impairment	-	-	(846,292)	(846,292)
Closing balance as at 30th September 2023	9,201,433	11,248,552	116,649,339	137,099,324
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	2,471,518	(8,291,604)	10,353,188	4,533,102
Amounts written off	-	-	(375,891)	(375,891)
Exchange rate variance on foreign currency Impairment	-	-	(846,292)	(846,292)
Closing balance as at 30th September 2023	10,118,667	12,278,747	126,279,252	148,676,666
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	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	(Rs.'000)	(Rs. '000)	(Rs.'000)	(Rs. '000)
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
By product – Domestic currency				
Demand deposits (current accounts)	72,756,935	75,893,141	71,618,657	71,972,668
Savings deposits	653,962,246	616,167,038	655,917,291	620,359,093
Fixed deposits	1,563,322,816	1,377,375,135	1,644,040,118	1,455,465,983
Others	1,589,362	3,250,918	1,589,362	3,448,627
Sub total	2,291,631,359	2,072,686,232	2,373,165,428	2,151,246,371
By product – Foreign currency				
Demand deposits (current accounts)	1,457,496	3,325,780	1,457,496	3,325,780
Savings deposits	33,448,021	43,208,616	33,448,021	43,208,616
Fixed deposits	244,461,516	251,852,274	244,461,516	251,852,274
Others	34,020	445,996	34,020	445,996
Sub total	279,401,053	298,832,666	279,401,053	298,832,666
Grand Total	2,571,032,412	2,371,518,898	2,652,566,481	2,450,079,037

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

	BANK		GROUP	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	(Rs.'000)	(Rs. '000)	(Rs.'000)	(Rs. '000)
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
By product				
Acceptances	4,767,221	74,070,645	4,767,221	74,070,645
Documentary Credit	18,988,433	22,841,324	18,988,433	22,841,324
Guarantees	54,345,463	68,387,765	54,806,463	68,791,109
Forward Exchange Contracts	52,464,923	137,037,060	52,464,923	137,037,060
Non disbursed overdrafts & loans	85,004,380	68,828,585	93,974,380	73,064,804
Gross Contingent Liabilities and Commitments	215,570,420	371,165,379	225,001,420	375,804,942
Less :				
Allowance for Expected Credit Loss	(305,574)	(516,606)	(305,574)	(516,606)
Net Contingent Liabilities and Commitments	215,264,846	370,648,773	224,695,846	375,288,336

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS**BANK AS AT 30TH SEPTEMBER 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	-	-	82,085,121	82,085,121
Balances with Central Banks	-	-	23,497,724	23,497,724
Placements with Banks	-	-	44,120,073	44,120,073
Derivative Financial Instruments	12,659,802	-	-	12,659,802
Financial Assets - At Fair Value through Profit or Loss	64,021,524	-	-	64,021,524
Loans and Advances to other customers	-	-	1,699,301,495	1,699,301,495
Debt instruments measured at amortised cost	-	-	921,613,847	921,613,847
Equity instruments at fair value through OCI	-	1,832,189	-	1,832,189
Debt instruments at fair value through OCI	-	8,125,516	-	8,125,516
Total financial assets	76,681,326	9,957,705	2,770,618,260	2,857,257,291
LIABILITIES				
Due to banks	-	-	88,686,204	88,686,204
Derivative Financial Instruments	88,111	-	-	88,111
Due to other customers	-	-	2,571,032,412	2,571,032,412
Other Borrowings	-	-	91,032,162	91,032,162
Subordinated term debts	-	-	36,934,264	36,934,264
Total financial liabilities	88,111	-	2,787,685,042	2,787,773,153

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 30TH SEPTEMBER 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	-	-	83,582,546	83,582,546
Balances with Central Banks	-	-	23,497,724	23,497,724
Placements with Banks	-	-	50,824,152	50,824,152
Derivative Financial Instruments	12,659,802	-	-	12,659,802
Financial Assets - At Fair Value through Profit or Loss	64,464,244	-	-	64,464,244
Loans and Advances to banks	-	-	1,830,082	1,830,082
Loans and Advances to other customers	-	-	1,812,099,873	1,812,099,873
Debt instruments measured at amortised cost	-	-	947,712,525	947,712,525
Equity instruments at fair value through OCI	-	2,078,782	-	2,078,782
Debt instruments at fair value through OCI	-	9,463,633	-	9,463,633
Total financial assets	77,124,046	11,542,415	2,919,546,902	3,008,213,363
LIABILITIES				
Due to banks	-	-	96,768,465	96,768,465
Derivative Financial Instruments	88,111	-	-	88,111
Due to other customers	-	-	2,652,566,481	2,652,566,481
Other Borrowings	-	-	90,980,162	90,980,162
Subordinated term debts	-	-	47,523,429	47,523,429
Total financial liabilities	88,111	-	2,887,838,537	2,887,926,648

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 30.09.2023 (Unaudited)	As at 31.12.2022 (Audited)	As at 30.09.2023 (Unaudited)	As at 31.12.2022 (Audited)
Regulatory Capital Adequacy				
Common Equity Tier 1 Capital [Rs. 000]	110,803,554	111,298,172	145,568,096	148,454,894
Core (Tier 1) Capital [Rs. 000]	115,803,554	116,298,172	150,568,096	153,454,894
Total Capital Base [Rs. 000]	156,320,499	159,532,587	192,764,141	198,618,984
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)	11.11	11.37	12.65	12.83
Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)	11.61	11.89	13.08	13.27
Total Capital Ratio (%) (Min. requirement - 13.5%)	15.67	16.30	16.75	17.17
Asset Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%)	9.01	12.78	8.95	12.64
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	40.31	29.88	40.84	30.45
Profitability				
Interest Margin, %	1.56	2.70	1.90	3.05
Return on Assets (Before Tax), %	0.36	0.76	0.49	0.89
Return on Equity (After Tax) , %	4.63	12.22	4.76	11.19
Leverage Ratio (Min. requirement - 3%)	3.84	3.83	4.74	4.79
Regulatory Liquidity				
Statutory Liquid Assets				
Total Bank (Rs.000)	952,633,652	553,801,445		
Domestic Banking unit (Rs.000)	930,897,072	540,470,752		
Off-Shore Banking Unit (USD.000)	68,434	70,182		
Statutory Liquid Assets Ratio (%) (Min. requirement - 20%)				
Total Bank (%)	34.92	21.27		
Domestic Banking unit (%)	34.99	21.37		
Off-Shore Banking Unit (%)	28.03	20.05		
Total Stock of High Quality Liquid Assets [Rs.000]	877,999,719	502,751,126		
Liquidity Coverage Ratio (%) (Min. requirement - 2023 - 100%, 2022 - 90%)				
Liquidity Coverage Ratio - Rupee	244.02	213.06		
Liquidity Coverage Ratio - All Currency	188.84	119.47		
Net Stable Funding Ratio (Min. requirement - 2023 - 100%, 2022 - 90%)	154.00	117.05		

EXPLANATORY NOTES

1. These Financial Statements for the Period ended September 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 September 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 there with at September 30, 2023.

The Bank and the Group's ECL at September 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, The Bank used an estimate of the most likely loss rate at September 30, 2023 in making impairment provisions on its foreign currency denominated exposures to government securities. Further, the Bank has no investments in Sri Lanka Development Bonds [SLDBs].
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 above given, or as already considered in these Financial Statements, no known circumstances have arisen since September 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 September 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

20th November 2023
Colombo.

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