



**PEOPLE'S
BANK**

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER

2024

FITCH RATING A (LKA)

INCOME STATEMENT

FOR THE PERIOD ENDED 30TH SEPTEMBER

	BANK			GROUP		
	2024 (Rs. '000) (Unaudited)	2023 (Rs. '000) (Unaudited)	Change %	2024 (Rs. '000) (Unaudited)	2023 (Rs. '000) (Unaudited)	Change %
Gross Income	247,839,704	320,854,491	(22.8)	272,176,326	345,246,566	(21.2)
Interest income	235,140,958	299,606,607	(21.5)	256,651,425	321,484,472	(20.2)
Interest expenses	(186,158,691)	(264,775,167)	(29.7)	(196,278,899)	(276,861,489)	(29.1)
Net Interest Income	48,982,267	34,831,440	40.6	60,372,526	44,622,983	35.3
Fee and commission income	10,890,200	10,754,235	1.3	11,803,708	11,515,654	2.5
Fee and commission expenses	(521,888)	(764,863)	(31.8)	(521,888)	(764,863)	(31.8)
Net Fee and Commission Income	10,368,312	9,989,372	3.8	11,281,820	10,750,791	4.9
Net gain / (loss) from trading	(393,325)	8,392,621	(104.7)	(258,172)	8,485,445	(103.0)
Other operating income (net)	2,201,871	2,101,028	4.8	3,979,365	3,760,995	5.8
Total Operating Income	61,159,125	55,314,461	10.6	75,375,539	67,620,214	11.5
Impairment Charge	(5,399,528)	(4,864,999)	11.0	(4,359,398)	(3,884,897)	12.2
Loans & advances to Customers	(6,328,207)	(5,639,577)	-	(5,105,452)	(4,533,102)	-
Other Financial Assets	928,679	774,578	-	928,679	774,578	-
Others	-	-	-	(182,626)	(126,373)	-
Net Operating Income	55,759,597	50,449,462	10.5	71,016,141	63,735,317	11.4
Personnel Expenses	(23,437,577)	(18,069,976)	29.7	(27,727,853)	(22,256,687)	24.6
Depreciation and Amortisation	(3,440,141)	(3,291,249)	4.5	(3,895,193)	(3,761,645)	3.6
Other Expenses	(16,305,271)	(16,037,390)	1.7	(20,769,835)	(19,898,179)	4.4
Operating Profit Before Taxes on Financial Services	12,576,608	13,050,847	(3.6)	18,623,260	17,818,806	4.5
Taxes on financial services	(5,840,866)	(5,020,091)	16.3	(7,464,500)	(6,391,355)	16.8
Profit Before Tax	6,735,742	8,030,756	(16.1)	11,158,760	11,427,451	(2.4)
Income Tax Expenses	(3,048,282)	(2,891,315)	5.4	(4,735,549)	(4,556,924)	3.9
Profit for the period	3,687,460	5,139,441	(28.3)	6,423,211	6,870,527	(6.5)
Profit Attributable to :						
Equity Holders of the Bank	3,687,460	5,139,441	(28.3)	5,432,696	6,216,868	(12.6)
Non-Controlling Interests	-	-	-	990,515	653,659	51.5
	3,687,460	5,139,441	(28.3)	6,423,211	6,870,527	(6.5)
Earnings Per Share on Profit						
Basic Earnings per Ordinary Share [Rs.]	3,687	5,139	(28.3)	5,433	6,217	(12.6)
Diluted Earnings per Ordinary Share [Rs.]	15	21	(28.3)	22	25	(12.6)

STATEMENT OF COMPREHENSIVE INCOME				
FOR THE PERIOD ENDED 30TH SEPTEMBER				
	BANK		GROUP	
	2024	2023	2024	2023
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period	3,687,460	5,139,441	6,423,211	6,870,527
Other comprehensive income that will not be reclassified to the income statement				
Net Gains/(Losses) on equity instruments at fair value through OCI	(180,088)	147,770	(185,691)	234,207
Net Actuarial Gains/(Losses) on Defined Benefit Plans	-	-	(62,540)	(41,185)
Deferred Tax Effect on Gains / (Losses) on Defined Benefit Plans	-	-	18,111	11,265
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	(58,935)	108,570	1,671	444,788
Deferred Tax Effect on OCI items	-	-	(15,513)	(117,629)
Net Gains/(Losses) on translating the financial statements of foreign operation	-	-	(602,129)	(738,385)
Other Comprehensive Income for the period, Net of Taxes	(239,023)	256,340	(846,091)	(206,939)
Total Comprehensive Income for the period	3,448,437	5,395,781	5,577,120	6,663,588
Attributable to :				
Equity Holders of the Bank	3,448,437	5,395,781	4,961,930	6,384,634
Non-Controlling Interests	-	-	615,190	278,954
	3,448,437	5,395,781	5,577,120	6,663,588

STATEMENT OF FINANCIAL POSITION

AS AT						
	BANK			GROUP		
	30.09.2024 (Rs. '000) (Unaudited)	31.12.2023 (Rs. '000) (Audited)	Change %	30.09.2024 (Rs. '000) (Unaudited)	31.12.2023 (Rs. '000) (Audited)	Change %
Assets						
Cash and Cash Equivalents	76,786,672	61,889,582	24.1	78,139,685	63,307,106	23.4
Balances with Central Bank of Sri Lanka	31,691,910	31,003,219	2.2	31,691,910	31,003,219	2.2
Placements with Banks	60,672,137	66,227,025	(8.4)	66,057,588	76,872,574	(14.1)
Derivative Financial Instruments	7,308,509	11,259,451	(35.1)	7,308,509	11,259,451	(35.1)
Financial Assets - At Fair Value through Profit or Loss	234,509,099	144,184,748	62.6	235,160,255	145,622,457	61.5
Financial Assets - At Amortised Cost						
Loans and advances to Banks	44,432,041	54,022,123	(17.8)	48,912,762	54,422,338	(10.1)
Loans and advances to Other Customers	1,723,067,745	1,709,457,735	0.8	1,848,544,353	1,823,770,212	1.4
Debt instruments measured at amortised cost	931,282,580	831,747,923	12.0	949,680,887	866,704,970	9.6
Financial Assets - At Fair Value through other Comprehensive income [OCI]						
Equity instruments at fair value through OCI	1,864,579	1,894,023	(1.6)	2,102,327	2,123,143	(1.0)
Debt instruments at fair value through OCI	6,941,496	8,286,626	(16.2)	8,403,483	9,686,213	(13.2)
Investments in Subsidiaries	5,191,712	4,280,522	21.3	-	-	-
Property, Plant, Equipment and Right of use assets	56,781,467	56,174,042	1.1	67,843,353	67,280,968	0.8
Intangible Assets and Goodwill	1,513,483	1,763,287	(14.2)	1,697,430	1,930,788	(12.1)
Other Assets	53,376,670	56,004,712	(4.7)	50,503,966	54,216,717	(6.8)
Total Assets	3,235,420,100	3,038,195,018	6.5	3,396,046,508	3,208,200,156	5.9
Liabilities						
Due to Banks	47,864,787	77,224,139	(38.0)	53,898,833	85,646,267	(37.1)
Derivative Financial Instruments	20,423	36,049	(43.3)	20,423	36,049	(43.3)
Due to Other Customers	2,844,107,855	2,653,105,546	7.2	2,933,217,278	2,745,161,610	6.9
Other Borrowings	82,483,109	64,278,443	28.3	82,406,109	64,223,443	28.3
Current Tax Liabilities	633,997	1,184,853	(46.5)	1,455,473	2,382,870	(38.9)
Net Deferred Tax Liabilities	6,640,849	5,029,929	32.0	8,425,011	6,081,598	38.5
Other Liabilities	28,434,802	30,280,189	(6.1)	39,966,776	41,877,447	(4.6)
Subordinated Term Debts	61,727,262	46,997,291	31.3	66,529,470	57,806,483	15.1
Total Liabilities	3,071,913,084	2,878,136,439	6.7	3,185,919,373	3,003,215,767	6.1
Equity						
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	12,201,998	12,201,998	-
Statutory Reserve Fund	10,574,271	10,574,271	-	10,574,271	10,574,271	-
Other Reserves	41,845,561	42,084,584	(0.6)	44,970,632	45,407,554	(1.0)
Retained Earnings	98,885,186	95,197,726	3.9	127,674,991	122,276,138	4.4
Total Shareholders' Equity	163,507,016	160,058,579	2.2	195,421,892	190,459,961	2.6
Non-Controlling Interests	-	-	-	14,705,243	14,524,428	1.2
Total Equity	163,507,016	160,058,579	2.2	210,127,135	204,984,389	2.5
Total Equity and Liabilities	3,235,420,100	3,038,195,018	6.5	3,396,046,508	3,208,200,156	5.9
Contingent Liabilities and Commitments	225,662,626	221,405,708	1.9	240,330,626	228,813,708	5.0
Number of Employees	7,658	7,656		10,855	10,528	
Number of Branches	749	747		860	857	

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 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 year								
Profit for the year	-	-	-	-	-	-	10,082,806	10,082,806
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	3,371,910	-	314,844	1,013,196	4,699,950
Total Comprehensive Income/(Expense)	-	-	-	3,371,910	-	314,844	11,096,002	14,782,756
Transactions with equity holders, recognised directly in equity								
Transfer to Reserve during the Year	-	-	504,140	-	-	-	(504,140)	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(18,308)	(18,308)
Total Transactions with Equity Holders	-	-	504,140	-	-	-	(522,448)	(18,308)
Balance as at 31st December 2023	49,998	12,152,000	10,574,271	27,367,238	14,141,373	575,973	95,197,726	160,058,579
Balance as at 1st January 2024	49,998	12,152,000	10,574,271	27,367,238	14,141,373	575,973	95,197,726	160,058,579
Total Comprehensive Income for the period								
Profit for the period	-	-	-	-	-	-	3,687,460	3,687,460
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	-	-	(239,023)	-	(239,023)
Total Comprehensive Income/(Expense)	-	-	-	-	-	(239,023)	3,687,460	3,448,437
Transactions with Equity Holders, Recognised Directly in Equity								
Special levy to Treasury/ Dividend	-	-	-	-	-	-	-	-
Total Transactions with Equity Holders	-	-	-	-	-	-	-	-
Balance as at 30th September 2024	49,998	12,152,000	10,574,271	27,367,238	14,141,373	336,950	98,885,186	163,507,016

STATEMENT OF CHANGES IN EQUITY

GROUP

	Stated capital/ Assigned capital		Reserves					Total (Rs.'000)	Non controlling interest (Rs.'000)	Total equity (Rs.'000)
	Ordinary shares (Rs.'000)	Assigned capital (Rs.'000)	Statutory Reserve Fund (Rs.'000)	Revaluation Reserve (Rs.'000)	Other Reserves (Rs.'000)	Financial assets at FVOCI Reserve (Rs.'000)	Retained earnings (Rs.'000)			
Balance as at 1st January 2023	49,998	12,152,000	10,070,131	26,394,593	15,105,588	(47,675)	111,277,165	175,001,800	14,329,826	189,331,626
Total Comprehensive Income for the year										
Profit for the year	-	-	-	-	-	-	10,513,288	10,513,288	872,373	11,385,661
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	3,715,947	(271,026)	510,127	1,008,133	4,963,181	(245,580)	4,717,601
Total Comprehensive Income/(Expense)	-	-	-	3,715,947	(271,026)	510,127	11,521,421	15,476,469	626,793	16,103,262
Transactions with Equity Holders, Recognised Directly in Equity										
Transfer to Reserve during the year	-	-	504,140	-	-	-	(504,140)	-	-	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	(18,308)	(18,308)	-	(18,308)
Dividends Paid	-	-	-	-	-	-	-	-	(432,191)	(432,191)
Total Transactions with Equity Holders	-	-	504,140	-	-	-	(522,448)	(18,308)	(432,191)	(450,499)
Balance as at 31st December 2023	49,998	12,152,000	10,574,271	30,110,540	14,834,562	462,452	122,276,138	190,459,961	14,524,428	204,984,389
Balance as at 1st January 2024	49,998	12,152,000	10,574,271	30,110,540	14,834,562	462,452	122,276,138	190,459,961	14,524,428	204,984,389
Total Comprehensive Income for the period										
Profit for the period	-	-	-	-	-	-	5,432,696	5,432,696	990,515	6,423,211
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	-	(227,516)	(209,406)	(33,843)	(470,765)	(375,326)	(846,091)
Total Comprehensive Income/(Expense)	-	-	-	-	(227,516)	(209,406)	5,398,852	4,961,930	615,190	5,577,120
Transactions with Equity Holders, Recognised Directly in Equity										
Special levy to Treasury/ Dividend	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	(434,375)	(434,375)
Total Transactions with Equity Holders	-	-	-	-	-	-	-	-	(434,375)	(434,375)
Balance as at 30th September 2024	49,998	12,152,000	10,574,271	30,110,540	14,607,046	253,046	127,674,991	195,421,892	14,705,243	210,127,135

CASH FLOW STATEMENT				
FOR THE PERIOD ENDED 30TH SEPTEMBER				
	BANK		GROUP	
	2024	2023	2024	2023
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from operating activities				
Profit before tax	6,735,742	8,030,756	11,158,760	11,427,451
Adjustment for				
Non-cash items included in profits before tax	15,005,312	11,048,520	14,520,635	10,645,306
Changes in operating assets	(92,265,808)	15,281,246	(98,443,790)	30,726,561
Changes in operating liabilities	178,448,275	2,241,703	172,274,806	2,968,996
Dividend income from subsidiaries and others	(1,184,360)	(1,136,450)	(58,013)	(64,462)
Interest expense on subordinated debt	4,306,471	3,248,710	4,912,542	4,109,424
Contribution paid to defined benefit plans/Gratuity	841,050	1,036,804	1,015,567	1,139,007
Changes in tax liabilities	(1,988,218)	(6,745,959)	(3,316,935)	(8,687,286)
Net Cash Generated from (used in) Operating Activities	109,898,464	33,005,330	102,063,572	52,264,997
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(3,495,362)	(2,820,536)	(3,891,126)	(3,324,315)
Proceeds from the sale of property, plant and equipment	(1,095)	63,613	55,204	144,820
Purchase of financial investments	(100,925,573)	(11,084,435)	(84,366,833)	(21,397,522)
Net purchase of intangible assets	(302,400)	(285,357)	(333,094)	(325,772)
Dividends received from investment in subsidiaries and Others	1,184,360	1,136,450	58,013	64,461
Net Cash from (used in) Investing Activities	(103,540,070)	(12,990,265)	(88,477,836)	(24,838,328)
Cash Flows from Financing Activities				
Proceed received from subordinated debt	13,515,000	-	13,515,000	-
Repayment of subordinated debt	-	-	(6,613,056)	(6,449,646)
Interest paid on subordinated debt	(3,091,500)	(2,917,913)	(3,091,500)	(2,917,913)
Repayment of Lease Liabilities	(1,884,804)	(1,835,894)	(2,129,226)	(2,103,093)
Dividend paid to non-controlling interest	-	-	(434,375)	(432,191)
Dividend/Levy paid to holders of other equity instruments	-	(18,308)	-	(18,308)
Net Cash from (used in) Financial Activities	8,538,696	(4,772,115)	1,246,843	(11,921,150)
Net Increase/(Decrease) in Cash & Cash Equivalents	14,897,090	15,242,950	14,832,579	15,505,519
Cash and cash equivalents at the beginning of the period	61,889,582	66,842,171	63,307,106	68,077,027
Cash and cash equivalents at the end of the period	76,786,672	82,085,121	78,139,685	83,582,546

NOTES TO THE INCOME STATEMENT

FOR THE PERIOD ENDED 30TH SEPTEMBER	BANK		GROUP	
	2024 (Rs.'000)	2023 (Rs.'000)	2024 (Rs.'000)	2023 (Rs.'000)
1 . Interest Income				
Total Interest Income for the period	261,227,417	299,606,607	282,737,884	321,484,472
Less: Interest income the bank refrained from recognizing	Note (26,086,459)	-	(26,086,459)	-
Interest Income for the period	235,140,958	299,606,607	256,651,425	321,484,472
2 . Profit for the Period				
Profit for the period	17,432,798	5,139,441	20,168,549	6,870,527
Less : Net impact to profit due to Interest income the bank refrained from recognizing	Note (13,745,338)	-	(13,745,338)	-
Profit for the period	3,687,460	5,139,441	6,423,211	6,870,527

Note : In accordance with a direction, the Bank refrained from recognizing interest income on certain exposure(s) until such time such sums are received. The said exposure(s) were originally backed by an irrevocable sovereign guarantee which was taken over by the Ministry of Finance to their books of accounts pursuant to a cabinet decision effective from December 31, 2022 onwards. The said exposure(s) are currently in the process of being restructured and the Ministry of Finance have re-assured in writing by their letter dated May 14, 2024 that the Government of Sri Lanka has the willingness, the ability, and the commitment to settle the past due interest on the said exposure(s) as soon as the said debt restructuring is finalized. **From the Bank's perspective, all requisite and necessary relating hereto has been undertaken with the only remaining formality being that from a Ministry of Finance standpoint. All considered, including the feed-back as received from the Ministry of Finance in terms of timelines for concluding the said matter, the Bank reasonably expects that the pending formality relating hereto will likely be completed on or before December 31, 2024.**

ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

	BANK		GROUP	
	30.09.2024 (Rs.'000) (Unaudited)	31.12.2023 (Rs.'000) (Audited)	30.09.2024 (Rs.'000) (Unaudited)	31.12.2023 (Rs.'000) (Audited)
Loans and advances to Other Customers				
Gross Loans and advances	1,865,869,852	1,846,389,509	2,001,170,307	1,971,770,003
Less :				
Allowance for Expected Credit Losses	(142,802,107)	(136,931,774)	(152,625,954)	(147,999,791)
Stage 1	(10,199,110)	(9,635,625)	(10,932,032)	(10,488,768)
Stage 2	(4,890,568)	(9,115,910)	(5,366,861)	(9,972,098)
Stage 3	(127,712,429)	(118,180,239)	(136,327,061)	(127,538,925)
Net Loans and advances	1,723,067,745	1,709,457,735	1,848,544,353	1,823,770,212
Product-wise Gross loans & advances				
By product – Domestic currency				
Overdrafts	123,547,854	98,608,288	122,983,024	98,253,691
Term loans	1,052,415,039	1,090,883,828	1,092,803,272	1,135,140,995
Lease rentals receivable	-	-	74,203,465	61,444,294
Credit cards	8,061,938	6,576,688	8,061,938	6,576,688
Pawning	299,263,557	260,984,713	299,263,557	260,984,713
Trade Finance	54,710,707	43,613,954	54,710,707	43,613,954
Others	24,391,069	25,331,975	32,967,901	33,415,589
Sub Total	1,562,390,165	1,525,999,446	1,684,993,864	1,639,429,924
By product – Foreign currency				
Overdrafts	4,403,026	4,598,195	4,403,026	4,598,195
Term loans	277,944,755	294,933,688	290,641,510	306,883,704
Trade Finance	21,131,907	20,858,180	21,131,907	20,858,180
Sub Total	303,479,687	320,390,063	316,176,443	332,340,079
Grand Total	1,865,869,852	1,846,389,509	2,001,170,307	1,971,770,003
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 2024	9,635,625	9,115,910	118,180,239	136,931,774
Net Charge/(Reversal) for the period	563,485	(4,225,342)	9,990,064	6,328,207
Amounts written off	-	-	-	-
Exchange rate variance on foreign currency Impairment	-	-	(457,874)	(457,874)
Closing balance as at 30th September 2024	10,199,110	4,890,568	127,712,429	142,802,107
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 year	3,394,049	(10,090,379)	12,170,662	5,474,332
Amounts written off	-	-	(376,293)	(376,293)
Exchange rate variance on foreign currency Impairment	-	-	(848,195)	(848,195)
Closing balance as at 31st December 2023	9,635,625	9,115,910	118,180,239	136,931,774
GROUP	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 1 st January 2024	10,488,768	9,972,098	127,538,925	147,999,791
Net Charge/(Reversal) for the period	443,264	(4,605,237)	9,246,010	5,084,037
Amounts written off	-	-	-	-
Exchange rate variance on foreign currency Impairment	-	-	(457,874)	(457,874)
Closing balance as at 30th September 2024	10,932,032	5,366,861	136,327,061	152,625,954
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 year	2,841,619	(10,598,253)	11,615,166	3,858,532
Amounts written off	-	-	(376,293)	(376,293)
Exchange rate variance on foreign currency Impairment	-	-	(848,195)	(848,195)
Closing balance as at 31st December 2023	10,488,768	9,972,098	127,538,925	147,999,791

ANALYSIS OF DEPOSITS

	BANK		GROUP	
	30.09.2024 (Rs.'000) (Unaudited)	31.12.2023 (Rs. '000) (Audited)	30.09.2024 (Rs.'000) (Unaudited)	31.12.2023 (Rs. '000) (Audited)
By product – Domestic currency				
Demand deposits (current accounts)	90,612,557	103,762,926	89,466,715	102,574,898
Savings deposits	850,694,193	674,014,126	855,194,553	677,686,797
Fixed deposits	1,589,731,722	1,573,051,023	1,673,958,433	1,661,163,634
Others	2,030,096	2,544,288	3,558,290	4,003,098
Sub total	2,533,068,568	2,353,372,363	2,622,177,991	2,445,428,427
By product – Foreign currency				
Demand deposits (current accounts)	1,351,053	3,103,803	1,351,053	3,103,803
Savings deposits	35,985,714	36,054,450	35,985,714	36,054,450
Fixed deposits	273,671,561	260,541,147	273,671,561	260,541,147
Others	30,959	33,783	30,959	33,783
Sub total	311,039,287	299,733,183	311,039,287	299,733,183
Grand Total	2,844,107,855	2,653,105,546	2,933,217,278	2,745,161,610

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

	BANK		GROUP	
	30.09.2024 (Rs.'000) (Unaudited)	31.12.2023 (Rs. '000) (Audited)	30.09.2024 (Rs.'000) (Unaudited)	31.12.2023 (Rs. '000) (Audited)
By product				
Acceptances	6,064,051	2,867,067	6,064,051	2,867,067
Documentary Credit	22,432,373	24,304,456	22,432,373	24,304,456
Guarantees	54,057,720	53,221,051	54,585,720	53,750,051
Forward Exchange Contracts	35,896,230	46,039,737	35,896,230	46,039,737
Non disbursed overdrafts & loans	107,503,986	95,479,645	121,643,986	102,358,645
Gross Contingent Liabilities and Commitments	225,954,360	221,911,956	240,622,360	229,319,956
Less :				
Allowance for Expected Credit Loss	(291,734)	(506,248)	(291,734)	(506,248)
Net Contingent Liabilities and Commitments	225,662,626	221,405,708	240,330,626	228,813,708

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

BANK AS AT 30TH SEPTEMBER 2024

	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	-	-	76,786,672	76,786,672
Balances with Central Banks	-	-	31,691,910	31,691,910
Placements with Banks	-	-	60,672,137	60,672,137
Derivative Financial Instruments	7,308,509	-	-	7,308,509
Financial Assets - At Fair Value through Profit or Loss	234,509,099	-	-	234,509,099
Loans and Advances to banks	-	-	44,432,041	44,432,041
Loans and Advances to other customers	-	-	1,723,067,745	1,723,067,745
Debt instruments measured at amortised cost	-	-	931,282,580	931,282,580
Equity instruments at fair value through OCI	-	1,864,579	-	1,864,579
Debt instruments at fair value through OCI	-	6,941,496	-	6,941,496
Total financial assets	241,817,608	8,806,075	2,867,933,085	3,118,556,768
LIABILITIES				
Due to banks	-	-	47,864,787	47,864,787
Derivative Financial Instruments	20,423	-	-	20,423
Due to other customers	-	-	2,844,107,855	2,844,107,855
Other Borrowings	-	-	82,483,109	82,483,109
Subordinated term debts	-	-	61,727,262	61,727,262
Total financial liabilities	20,423	-	3,036,183,013	3,036,203,436

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

BANK AS AT 31ST DECEMBER 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	-	-	61,889,582	61,889,582
Balances with Central Banks	-	-	31,003,219	31,003,219
Placements with Banks	-	-	66,227,025	66,227,025
Derivative Financial Instruments	11,259,451	-	-	11,259,451
Financial Assets - At Fair Value through Profit or Loss	144,184,748	-	-	144,184,748
Loans and Advances to banks	-	-	54,022,123	54,022,123
Loans and Advances to other customers	-	-	1,709,457,735	1,709,457,735
Debt instruments measured at amortised cost	-	-	831,747,923	831,747,923
Equity instruments at fair value through OCI	-	1,894,023	-	1,894,023
Debt instruments at fair value through OCI	-	8,286,626	-	8,286,626
Total financial assets	155,444,199	10,180,649	2,754,347,607	2,919,972,455
LIABILITIES				
Due to banks	-	-	77,224,139	77,224,139
Derivative Financial Instruments	36,049	-	-	36,049
Due to other customers	-	-	2,653,105,546	2,653,105,546
Other Borrowings	-	-	64,278,443	64,278,443
Subordinated term debts	-	-	46,997,291	46,997,291
Total financial liabilities	36,049	-	2,841,605,419	2,841,641,468

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

GROUP AS AT 30TH SEPTEMBER 2024

	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	-	-	78,139,685	78,139,685
Balances with Central Banks	-	-	31,691,910	31,691,910
Placements with Banks	-	-	66,057,588	66,057,588
Derivative Financial Instruments	7,308,509	-	-	7,308,509
Financial Assets - At Fair Value through Profit or Loss	235,160,255	-	-	235,160,255
Loans and Advances to banks	-	-	48,912,762	48,912,762
Loans and Advances to other customers	-	-	1,848,544,353	1,848,544,353
Debt instruments measured at amortised cost	-	-	949,680,887	949,680,887
Equity instruments at fair value through OCI	-	2,102,327	-	2,102,327
Debt instruments at fair value through OCI	-	8,403,483	-	8,403,483
Total financial assets	242,468,764	10,505,810	3,023,027,185	3,276,001,759
LIABILITIES				
Due to banks	-	-	53,898,833	53,898,833
Derivative Financial Instruments	20,423	-	-	20,423
Due to other customers	-	-	2,933,217,278	2,933,217,278
Other Borrowings	-	-	82,406,109	82,406,109
Subordinated term debts	-	-	66,529,470	66,529,470
Total financial liabilities	20,423	-	3,136,051,690	3,136,072,113

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

GROUP AS AT 31ST DECEMBER 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	-	-	63,307,106	63,307,106
Balances with Central Banks	-	-	31,003,219	31,003,219
Placements with Banks	-	-	76,872,574	76,872,574
Derivative Financial Instruments	11,259,451	-	-	11,259,451
Financial Assets - At Fair Value through Profit or Loss	145,622,457	-	-	145,622,457
Loans and Advances to banks	-	-	54,422,338	54,422,338
Loans and Advances to other customers	-	-	1,823,770,212	1,823,770,212
Debt instruments measured at amortised cost	-	-	866,704,970	866,704,970
Equity instruments at fair value through OCI	-	2,123,143	-	2,123,143
Debt instruments at fair value through OCI	-	9,686,213	-	9,686,213
Total financial assets	156,881,908	11,809,356	2,916,080,419	3,084,771,683
LIABILITIES				
Due to banks	-	-	85,646,267	85,646,267
Derivative Financial Instruments	36,049	-	-	36,049
Due to other customers	-	-	2,745,161,610	2,745,161,610
Other Borrowings	-	-	64,223,443	64,223,443
Subordinated term debts	-	-	57,806,483	57,806,483
Total financial liabilities	36,049	-	2,952,837,803	2,952,873,852

SELECTED PERFORMANCE INDICATORS (Based on Regulatory Reporting)

	BANK		GROUP	
	As at 30.09.2024 (Unaudited)	As at 31.12.2023 (Audited)	As at 30.09.2024 (Unaudited)	As at 31.12.2023 (Audited)
Regulatory Capital Adequacy				
Common Equity Tier 1 Capital [Rs. 000]	109,706,807	122,360,337	145,007,955	156,650,481
Core (Tier 1) Capital [Rs. 000]	114,706,807	127,360,337	150,007,955	161,650,481
Total Capital Base [Rs. 000]	174,248,754	178,793,109	211,261,794	214,717,978
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)	10.64	11.88	12.17	13.30
Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)	11.13	12.37	12.59	13.72
Total Capital Ratio (%) (Min. requirement - 13.5%)	16.90	17.37	17.72	18.23
Asset Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%)	9.64	8.83	9.34	8.76
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	40.31	40.96	41.04	41.47
Profitability				
Interest Margin, %	2.08	1.81	2.44	2.14
Return on Assets (Before Tax) , %	0.29	0.51	0.45	0.61
Return on Equity (After Tax) , %	3.04	6.60	4.13	5.77
Leverage Ratio (Min. requirement - 3%)	3.48	4.20	4.34	5.05
Regulatory Liquidity				
Statutory Liquid Assets				
Total Bank Rs.000	N/A	1,055,878,294		
Domestic Banking Unit Rs.000	N/A	1,030,521,078		
Off-Shore Banking Unit USD.000	N/A	77,677		
Statutory Liquid Assets Ratio (%) (Min. requirement - 20%)				
Total Bank (%)	N/A	37.40		
Domestic Banking unit (%)	N/A	37.41		
Off-Shore Banking Unit (%)	N/A	38.40		
Total Stock of High Quality Liquid Assets [Rs.000]	1,137,060,758	971,952,945		
Liquidity Coverage Ratio (%) (Min. requirement - 100%)				
Liquidity Coverage Ratio - Rupee	265.58	256.71		
Liquidity Coverage Ratio - All Currency	212.96	207.91		
Net Stable Funding Ratio	173.37	164.25		
(Min. requirement - 100%)				

EXPLANATORY NOTES

1. These Financial Statements for the Period ended September 30, 2024, 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, 2023.
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, 2024 - 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 the evaluation, and provisions have been made in accordance therewith on September 30, 2024.

4. In accordance with a direction, the Bank refrained from recognizing interest income on certain exposure(s) until such time such sums are received. The said exposure(s) were originally backed by an irrevocable sovereign guarantee which was taken over by the Ministry of Finance to their books of accounts pursuant to a cabinet decision effective from December 31, 2022 onwards. The said exposure(s) are currently in the process of being restructured and the Ministry of Finance have re-assured in writing by their letter dated May 14, 2024 that the Government of Sri Lanka has the willingness, the ability, and the commitment to settle the past due interest on the said exposure(s) as soon as the said debt restructuring is finalized. From the Bank's perspective, all requisite and necessary relating hereto has been undertaken with the only remaining formality being that from a Ministry of Finance standpoint. All considered, including the feed-back as received from the Ministry of Finance in terms of timelines for concluding the said matter, the Bank reasonably expects that the pending formality relating hereto will likely be completed on or before December 31, 2024.
5. Relating to Other Financial Assets, The Bank used an estimate of the most likely loss rate at September 30, 2024 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].
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, 2024 - which would require adjustments to, or disclosure in these interim financial statements.

CERTIFICATION

We 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, 2024 and the profit for the period then ended.

We the undersigned, being the Chief Executive Officer/General Manager and the Head of Finance of the Bank also jointly certify that:

- (a) The above statements have been prepared 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.)
Clive Fonseka
Chief Executive Officer/General Manager

(Sgd.)
Azzam A. Ahamat
Head of Finance

27th November 2024
Colombo.