



**PEOPLE'S
BANK**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER

2024

FITCH RATING AA- (LKA)

INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER

	BANK			GROUP		
	2024 (Rs. '000) (Audited)	2023 (Rs. '000) (Audited)	Change %	2024 (Rs. '000) (Audited)	2023 (Rs. '000) (Audited)	Change %
Gross Income	367,977,989	422,242,143	(12.9)	399,968,041	454,512,039	(12.0)
Interest income	349,292,146	394,794,898	(11.5)	376,974,975	424,517,915	(11.2)
Interest expenses	(242,050,205)	(340,473,452)	(28.9)	(254,089,257)	(356,735,043)	(28.8)
Net Interest Income	107,241,941	54,321,446	97.4	122,885,718	67,782,872	81.3
Fee and commission income	14,923,343	13,806,168	8.1	16,074,007	14,822,549	8.4
Fee and commission expenses	(757,783)	(964,366)	(21.4)	(757,783)	(964,366)	(21.4)
Net Fee and Commission Income	14,165,560	12,841,802	10.3	15,316,224	13,858,183	10.5
Net gain / (loss) from trading	853,690	9,430,542	(90.9)	1,076,990	9,543,338	(88.7)
Other operating income (net)	2,908,810	4,210,535	(30.9)	5,842,069	5,628,237	3.8
Total Operating Income	125,170,001	80,804,325	54.9	145,121,001	96,812,630	49.9
Impairment Charge	(5,450,173)	(7,437,572)	(26.7)	(4,426,337)	(6,075,564)	(27.1)
Loans & advances to Customers	(12,824,385)	(5,474,332)		(11,590,322)	(3,858,532)	
Other Financial Assets	8,776,839	(1,963,240)		8,776,840	(1,963,240)	
Others	(1,402,628)	-		(1,612,855)	(253,792)	
Net Operating Income	119,719,828	73,366,753	63.2	140,694,664	90,737,066	55.1
Personnel Expenses	(35,834,826)	(24,493,737)	46.3	(41,787,374)	(30,216,333)	38.3
Depreciation and Amortisation	(4,776,742)	(4,453,850)	7.2	(5,393,670)	(5,073,292)	6.3
Other Expenses	(22,326,255)	(21,755,638)	2.6	(28,547,279)	(26,933,282)	6.0
Operating Profit Before Taxes on Financial Services	56,782,005	22,663,528	150.5	64,966,341	28,514,159	127.8
Taxes on financial services	(15,198,298)	(7,318,088)	107.7	(17,356,567)	(9,243,859)	87.8
Profit Before Tax	41,583,707	15,345,440	171.0	47,609,774	19,270,300	147.1
Income Tax Expenses	(16,495,347)	(5,262,634)	213.4	(18,833,907)	(7,884,639)	138.9
Profit for the Year	25,088,360	10,082,806	148.8	28,775,867	11,385,661	152.7
Profit Attributable to :						
Equity Holders of the Bank	25,088,360	10,082,806	148.8	27,558,538	10,513,288	162.1
Non-Controlling Interests	-	-		1,217,329	872,373	39.5
	25,088,360	10,082,806	148.8	28,775,867	11,385,661	152.7
Earnings Per Share on Profit						
Basic Earnings per Ordinary Share [Rs.]	25,088	10,083	148.8	27,559	10,513	162.1
Diluted Earnings per Ordinary Share [Rs.]	103	41	148.8	113	43	162.1

STATEMENT OF COMPREHENSIVE INCOME				
FOR THE YEAR ENDED 31ST DECEMBER				
	BANK		GROUP	
	2024	2023	2024	2023
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
	(Audited)	(Audited)	(Audited)	(Audited)
Profit for the Year	25,088,360	10,082,806	28,775,867	11,385,661
Other comprehensive income that will not be reclassified to the income statement				
Net Gains/(Losses) on equity instruments at fair value through OCI	268,521	232,367	378,138	278,570
Net Actuarial Gains/(Losses) on Defined Benefit Plans	(7,693,746)	1,447,423	(7,841,796)	1,441,157
Deferred Tax Effect on Defined Benefit Plans	2,308,124	(434,227)	2,351,888	(433,438)
Gains on Revaluation of Land and Buildings	2,897,780	4,817,014	3,284,652	5,472,322
Deferred tax effect on revaluation of Land and Buildings	(869,334)	(1,445,104)	(984,264)	(1,641,696)
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	(60,740)	82,477	(134)	425,862
Deferred Tax Effect on above	-	-	(50,079)	(129,211)
Net Gains/(Losses) on translating the financial statements of foreign operation	-	-	(512,493)	(695,964)
Other Comprehensive Income for the year, Net of Taxes	(3,149,395)	4,699,950	(3,374,088)	4,717,602
Total Comprehensive Income for the year	21,938,965	14,782,756	25,401,779	16,103,263
Attributable to :				
Equity Holders of the Bank	21,938,965	14,782,756	24,433,391	15,476,470
Non-Controlling Interests	-	-	968,388	626,793
	21,938,965	14,782,756	25,401,779	16,103,263

STATEMENT OF FINANCIAL POSITION

AS AT

	BANK			GROUP		
	31.12.2024 (Rs. '000) (Audited)	31.12.2023 (Rs. '000) (Audited)	Change %	31.12.2024 (Rs. '000) (Audited)	31.12.2023 (Rs. '000) (Audited)	Change %
Assets						
Cash and Cash Equivalents	71,694,016	61,889,582	15.8	72,398,306	63,307,106	14.4
Balances with Central Bank of Sri Lanka	33,798,107	31,003,219	9.0	33,798,107	31,003,219	9.0
Placements with Banks	59,831,807	66,227,025	(9.7)	62,005,136	76,872,574	(19.3)
Derivative Financial Instruments	5,842,194	11,259,451	(48.1)	5,842,194	11,259,451	(48.1)
Financial Assets - At Fair Value through Profit or Loss	329,810,350	144,184,748	128.7	330,597,382	145,622,457	127.0
Financial Assets - At Amortised Cost						
Loans and advances to Banks	31,994,539	54,022,123	(40.8)	37,047,879	54,422,338	(31.9)
Loans and advances to Other Customers	1,521,965,020	1,709,457,735	(11.0)	1,665,027,784	1,823,770,212	(8.7)
Debt instruments measured at amortised cost	1,123,490,537	831,747,923	35.1	1,138,634,981	866,704,970	31.4
Financial Assets - At Fair Value through other Comprehensive income [OCI]						
Equity instruments at fair value through OCI	2,313,187	1,894,023	22.1	2,668,358	2,123,143	25.7
Debt instruments at fair value through OCI	7,110,671	8,286,626	(14.2)	8,576,912	9,686,213	(11.5)
Investments in Subsidiaries	5,191,712	4,280,522	21.3	-	-	-
Property, Plant, Equipment and Right of use assets	61,079,218	56,174,042	8.7	73,034,985	67,280,968	8.6
Intangible Assets and Goodwill	2,586,671	1,763,287	46.7	2,760,806	1,930,788	43.0
Other Assets	41,091,078	56,004,712	(26.6)	39,313,104	54,216,717	(27.5)
Total Assets	3,297,799,107	3,038,195,018	8.5	3,471,705,934	3,208,200,156	8.2
Liabilities						
Due to Banks	36,840,228	77,224,139	(52.3)	46,871,380	85,646,267	(45.3)
Derivative Financial Instruments	168,266	36,049	366.8	168,266	36,049	366.8
Due to Other Customers	2,854,704,194	2,653,105,546	7.6	2,947,904,673	2,745,161,610	7.4
Other Borrowings	75,545,595	64,278,443	17.5	75,482,595	64,223,443	17.5
Current Tax Liabilities	12,201,098	1,184,853	929.8	12,977,145	2,382,870	444.6
Net Deferred Tax Liabilities	5,627,973	5,029,929	11.9	7,591,958	6,081,598	24.8
Other Liabilities	76,557,500	30,280,189	152.8	91,692,859	41,877,447	119.0
Subordinated Term Debts	54,156,709	46,997,291	15.2	59,065,269	57,806,483	2.2
Total Liabilities	3,115,801,563	2,878,136,439	8.3	3,241,754,145	3,003,215,767	7.9
Equity						
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	12,201,998	12,201,998	-
Statutory Reserve Fund	11,828,689	10,574,271	11.9	11,828,689	10,574,271	11.9
Other Reserves	68,981,258	42,084,584	63.9	72,407,209	45,407,554	59.5
Retained Earnings	88,985,599	95,197,726	(6.5)	118,455,452	122,276,138	(3.1)
Total Shareholders' Equity	181,997,544	160,058,579	13.7	214,893,348	190,459,961	12.8
Non-Controlling Interests	-	-	-	15,058,441	14,524,428	3.7
Total Equity	181,997,544	160,058,579	13.7	229,951,789	204,984,389	12.2
Total Equity and Liabilities	3,297,799,107	3,038,195,018	8.5	3,471,705,934	3,208,200,156	8.2
Contingent Liabilities and Commitments	233,829,736	221,405,708	5.6	250,318,916	228,813,708	9.4
Number of Employees	7,633	7,656		10,994	10,528	
Number of Branches	751	747		862	857	

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER

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)	Special Reserve - Debt Restructuring (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 year									
Profit for the year	-	-	-	-	-	-	-	25,088,360	25,088,360
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	2,028,446	-	207,781	-	(5,385,622)	(3,149,395)
Total Comprehensive Income/(Expense)	-	-	-	2,028,446	-	207,781	-	19,702,738	21,938,965
Transactions with Equity Holders, Recognised Directly in Equity									
Transfer to Reserve during the year	-	-	1,254,418	-	-	-	24,660,447	(25,914,865)	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	-	-	-
Total Transactions with Equity Holders	-	-	1,254,418	-	-	-	24,660,447	(25,914,865)	-
Balance as at 31st December 2024	49,998	12,152,000	11,828,689	29,395,684	14,141,373	783,754	24,660,447	88,985,599	181,997,544

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)	Special Reserve - Debt Restructuring (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	-	1,008,134	4,963,182	(245,580)	4,717,602
Total Comprehensive Income/(Expense)	-	-	-	3,715,947	(271,026)	510,127	-	11,521,422	15,476,470	626,793	16,103,263
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
Adjustment for Surcharge Tax Levied under Surcharge Tax Act No. 14 of 2022	-	-	-	-	-	-	-	-	-	-	-
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 year											
Profit for the year	-	-	-	-	-	-	-	27,558,538	27,558,538	1,217,329	28,775,867
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	2,232,403	(191,084)	297,888	-	(5,464,359)	(3,125,152)	(248,940)	(3,374,092)
Total Comprehensive Income/(Expense)	-	-	-	2,232,403	(191,084)	297,888	-	22,094,179	24,433,386	968,389	25,401,775
Transactions with Equity Holders, Recognised Directly in Equity											
Transfer to Reserve during the year	-	-	1,254,418	-	-	-	24,660,447	(25,914,865)	-	-	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	-	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	-	(434,375)	(434,375)
Total Transactions with Equity Holders	-	-	1,254,418	-	-	-	24,660,447	(25,914,865)	-	(434,375)	(434,375)
Balance as at 31st December 2024	49,998	12,152,000	11,828,689	32,342,943	14,643,478	760,340	24,660,447	118,455,452	214,893,347	15,058,441	229,951,789

CASH FLOW STATEMENT				
FOR THE YEAR ENDED 31ST DECEMBER				
	BANK		GROUP	
	2024	2023	2024	2023
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
	(Audited)	(Audited)	(Audited)	(Audited)
Cash flows from operating activities				
Profit before tax	41,583,707	15,345,440	47,609,774	19,270,300
Adjustment for				
Non-cash items included in profits before tax	17,342,187	15,633,544	17,079,218	16,105,045
Changes in operating assets	(224,884,629)	(154,797,956)	(247,218,482)	(142,957,207)
Changes in operating liabilities	211,065,897	42,791,955	216,396,257	55,060,162
Dividend income from subsidiaries and others	(1,360,579)	(2,344,049)	(235,652)	(208,744)
Interest expense on subordinated debt	6,115,011	4,520,329	6,827,434	5,602,097
Contribution paid to defined benefit plans/Gratuity	1,243,790	1,642,475	1,437,776	1,816,992
Tax paid	(3,442,268)	(7,905,547)	(5,411,727)	(10,492,125)
Net Cash Generated from (used in) Operating Activities	47,663,116	(85,113,809)	36,484,598	(55,803,480)
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(5,687,192)	(3,451,107)	(6,741,229)	(4,054,877)
Proceeds from the sale of property, plant and equipment	109,926	329,216	162,475	421,071
Purchase of financial investments	(30,788,643)	78,187,817	(10,976,040)	59,016,361
Net purchase of intangible assets	(1,559,769)	(681,025)	(1,591,263)	(725,467)
Dividends received from investment in subsidiaries and Others	1,360,579	2,344,049	235,652	208,744
Net Cash from (used in) Investing Activities	(36,565,099)	76,728,950	(18,910,405)	54,865,832
Cash Flows from Financing Activities				
Proceed received for subordinated debt	13,515,000	10,000,000	13,515,000	10,000,000
Repayment of Subordinated debt	(6,563,000)	-	(6,563,000)	(5,295,400)
Interest paid on subordinated debt	(5,907,592)	(4,126,505)	(12,520,648)	(5,281,777)
Repayment of Lease Liabilities	(2,337,991)	(2,422,917)	(2,479,970)	(2,804,597)
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	(1,293,583)	3,432,270	(8,482,993)	(3,832,272)
Net Increase/(Decrease) in Cash & Cash Equivalents	9,804,434	(4,952,589)	9,091,200	(4,769,921)
Cash and cash equivalents at the beginning of the year	61,889,582	66,842,171	63,307,106	68,077,027
Cash and cash equivalents at the end of the year	71,694,016	61,889,582	72,398,306	63,307,106

ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

	BANK		GROUP	
	31.12.2024 (Rs.'000) (Audited)	31.12.2023 (Rs.'000) (Audited)	31.12.2024 (Rs.'000) (Audited)	31.12.2023 (Rs.'000) (Audited)
Loans and advances to Other Customers				
Gross Loans and advances	1,671,179,840	1,846,389,509	1,824,098,924	1,971,770,003
Less :				
Allowance for Expected Credit Losses	(149,214,820)	(136,931,774)	(159,071,140)	(147,999,791)
Stage 1	(15,406,686)	(9,635,625)	(16,238,027)	(10,488,768)
Stage 2	(5,119,482)	(9,115,910)	(5,463,608)	(9,972,098)
Stage 3	(128,688,652)	(118,180,239)	(137,369,505)	(127,538,925)
Net Loans and advances	1,521,965,020	1,709,457,735	1,665,027,784	1,823,770,212
Product-wise Gross loans & advances				
By product - Domestic currency				
Overdrafts	117,465,913	98,608,288	117,127,139	98,253,691
Term loans	806,613,420	1,090,883,828	856,209,428	1,135,140,995
Lease rentals receivable	-	-	82,776,539	61,444,294
Credit cards	8,812,220	6,576,688	8,812,220	6,576,688
Pawning	310,846,769	260,984,713	310,846,769	260,984,713
Trade Finance	80,704,036	43,613,954	80,704,036	43,613,954
Others	25,603,897	25,331,975	35,008,192	33,415,589
Sub Total	1,350,046,256	1,525,999,446	1,491,484,323	1,639,429,924
By product - Foreign currency				
Overdrafts	8,737,797	4,598,195	8,737,797	4,598,195
Term loans	299,951,471	294,933,688	311,432,487	306,883,704
Trade Finance	12,444,317	20,858,180	12,444,317	20,858,180
Sub Total	321,133,585	320,390,063	332,614,601	332,340,079
Grand Total	1,671,179,840	1,846,389,509	1,824,098,924	1,971,770,003
Movement in Allowance for Expected Credit loss during the year				
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 year	5,771,061	(3,996,428)	11,049,752	12,824,385
Other movement (Exchange rate variance and write off)	-	-	(541,339)	(541,339)
Closing balance as at 31st December 2024	15,406,686	5,119,482	128,688,652	149,214,820
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
Other movement (Exchange rate variance and write off)	-	-	(1,224,488)	(1,224,488)
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 year	5,749,259	(4,508,490)	10,349,553	11,590,322
Other movement (Exchange rate variance and write off)	-	-	(518,973)	(518,973)
Closing balance as at 31st December 2024	16,238,027	5,463,608	137,369,505	159,071,140
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
Other movement (Exchange rate variance and write off)	-	-	(1,224,488)	(1,224,488)
Closing balance as at 31st December 2023	10,488,768	9,972,098	127,538,925	147,999,791

ANALYSIS OF DEPOSITS

	BANK		GROUP	
	31.12.2024 (Rs.'000) (Audited)	31.12.2023 (Rs. '000) (Audited)	31.12.2024 (Rs.'000) (Audited)	31.12.2023 (Rs. '000) (Audited)
By product – Domestic currency				
Demand deposits (current accounts)	106,000,154	103,762,926	104,707,196	102,574,898
Savings deposits	837,758,900	674,014,126	843,003,154	677,686,797
Fixed deposits	1,592,808,586	1,573,051,023	1,680,581,482	1,661,163,634
Others	1,753,758	2,544,288	3,230,045	4,003,098
Sub total	2,538,321,398	2,353,372,363	2,631,521,877	2,445,428,427
By product – Foreign currency				
Demand deposits (current accounts)	2,033,074	3,103,803	2,033,074	3,103,803
Savings deposits	34,883,796	36,054,450	34,883,796	36,054,450
Fixed deposits	279,435,358	260,541,147	279,435,358	260,541,147
Others	30,568	33,783	30,568	33,783
Sub total	316,382,796	299,733,183	316,382,796	299,733,183
Grand Total	2,854,704,194	2,653,105,546	2,947,904,673	2,745,161,610

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

	BANK		GROUP	
	31.12.2024 (Rs.'000) (Audited)	31.12.2023 (Rs. '000) (Audited)	31.12.2024 (Rs.'000) (Audited)	31.12.2023 (Rs. '000) (Audited)
By product				
Acceptances	7,463,176	2,867,067	7,463,176	2,867,067
Documentary Credit	22,325,041	24,304,456	22,325,041	24,304,456
Guarantees	54,102,771	53,221,051	54,166,807	53,750,051
Forward Exchange Contracts	43,134,112	46,039,737	43,134,112	46,039,737
Non disbursed overdrafts & loans	107,041,146	95,479,645	123,466,290	102,358,645
Gross Contingent Liabilities and Commitments	234,066,247	221,911,956	250,555,427	229,319,956
Less :				
Allowance for Expected Credit Loss	(236,511)	(506,248)	(236,511)	(506,248)
Net Contingent Liabilities and Commitments	233,829,736	221,405,708	250,318,916	228,813,708

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

BANK AS AT 31ST DECEMBER 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	-	-	71,694,016	71,694,016
Balances with Central Banks	-	-	33,798,107	33,798,107
Placements with Banks	-	-	59,831,807	59,831,807
Derivative Financial Instruments	5,842,194	-	-	5,842,194
Financial Assets - At Fair Value through Profit or Loss	329,810,350	-	-	329,810,350
Loans and Advances to banks	-	-	31,994,539	31,994,539
Loans and Advances to other customers	-	-	1,521,965,020	1,521,965,020
Debt instruments measured at amortised cost	-	-	1,123,490,537	1,123,490,537
Equity instruments at fair value through OCI	-	2,313,187	-	2,313,187
Debt instruments at fair value through OCI	-	7,110,671	-	7,110,671
Total financial assets	335,652,544	9,423,858	2,842,774,026	3,187,850,428
LIABILITIES				
Due to banks	-	-	36,840,228	36,840,228
Derivative Financial Instruments	168,266	-	-	168,266
Due to other customers	-	-	2,854,704,194	2,854,704,194
Other Borrowings	-	-	75,545,595	75,545,595
Subordinated term debts	-	-	54,156,709	54,156,709
Total financial liabilities	168,266	-	3,021,246,726	3,021,414,992

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 31ST DECEMBER 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	-	-	72,398,306	72,398,306
Balances with Central Banks	-	-	33,798,107	33,798,107
Placements with Banks	-	-	62,005,136	62,005,136
Derivative Financial Instruments	5,842,194	-	-	5,842,194
Financial Assets - At Fair Value through Profit or Loss	330,597,382	-	-	330,597,382
Loans and Advances to banks	-	-	37,047,879	37,047,879
Loans and Advances to other customers	-	-	1,665,027,784	1,665,027,784
Debt instruments measured at amortised cost	-	-	1,138,634,981	1,138,634,981
Equity instruments at fair value through OCI	-	2,668,358	-	2,668,358
Debt instruments at fair value through OCI	-	8,576,912	-	8,576,912
Total financial assets	336,439,576	11,245,270	3,008,912,193	3,356,597,039
LIABILITIES				
Due to banks	-	-	46,871,380	46,871,380
Derivative Financial Instruments	168,266	-	-	168,266
Due to other customers	-	-	2,947,904,673	2,947,904,673
Other Borrowings	-	-	75,482,595	75,482,595
Subordinated term debts	-	-	59,065,269	59,065,269
Total financial liabilities	168,266	-	3,129,323,917	3,129,492,183

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 31.12.2024 (Audited)	As at 31.12.2023 (Audited)	As at 31.12.2024 (Audited)	As at 31.12.2023 (Audited)
Regulatory Capital Adequacy				
Common Equity Tier 1 Capital [Rs. 000]	117,433,508	122,360,337	155,947,874	156,650,481
Core (Tier 1) Capital [Rs. 000]	122,433,508	127,360,337	160,947,874	161,650,481
Total Capital Base [Rs. 000]	186,055,559	178,793,109	226,208,990	214,717,978
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)	10.43	11.88	12.18	13.30
Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)	10.88	12.37	12.57	13.72
Total Capital Ratio (%) (Min. requirement - 13.5%)	16.53	17.37	17.67	18.23
Basel III Leverage Ratio (Min. requirement - 3%)	3.65	4.20	4.56	5.05
Total Stock of High Quality Liquid Assets [Rs.000]	1,417,850,575	971,952,945	-	-
Liquidity Coverage Ratio - Rupee	353.86	256.71	-	-
Liquidity Coverage Ratio - All Currency	279.52	207.91	-	-
Net Stable Funding Ratio (Min. requirement - 100%)	178.92	164.25	-	-
Asset Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%)	10.26	8.83	9.72	8.76
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	41.49	40.96	42.37	41.47
Income and Profitability				
Net Interest Margin, %	3.39	1.81	3.68	2.14
Return on Assets (Before Tax), %	1.31	0.51	1.43	0.61
Return on Equity (After Tax) , %	14.67	6.60	13.23	5.77
Cost to Income Ratio %	50.28	62.75	52.18	64.27
Memorandum Information				
Credit Rating	AA-	A	-	-
Number of Employees	7,633	7,656	10,994	10,528
Number of Branches	751	747	862	857

EXPLANATORY NOTES

1. These Financial Statements for the Period ended December 31, 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 December 31, 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 December 31, 2024.

4. With regard to ISBs included in Debt Instruments Measured at Amortised Cost, on 26 November 2024- The Democratic Socialist Republic of Sri Lanka ("Sri Lanka") announced the official launch of the exchange (the "Invitation") of its outstanding International Bonds and exchange them for new instruments. The holders of the existing Bonds were invited to tender their Bonds and exchange them for new instruments over a three week period, with the final deadline set for 12th December 2024. Accordingly, the Bank elected to participate in the Local Option of the SLISB restructuring proposal, which was specially offered to local bond holders by the Government. As part of this option, 30% of the face value of the SLISBs originally held by the Bank was converted in to rupee- denominated Treasury Bonds. The remaining 70% of the face value was settled through a USD denominated Step-Up Bond with a capital hair cut of 10%. Additionally, the accrued coupon (Past Due Interest) on the original SLISBs was settled through a USD denominated bond (PDI Bond) at a haircut of 11%. The Bank's holding of the total investment portfolio of ISBs was USD 51.8 Mn, classified at amortised cost, which includes the face value of USD 49.9 Mn and the total interest outstanding amount of USD 1.9 Mn as at the restructuring date.

The new Bonds issued to the Bank in exchange for existing Bonds under the debt restructuring were recognised as new financial assets and initially measured at fair value. The fair value of the new bonds was estimated using discounted cash flow techniques, applying rates from the yield curve that was derived from the market information. In line with the recognition requirements under SLFRS 9, the new bonds were recorded at fair value upon initial recognition, leading to a Day 1 loss adjustment, which was charged to the current year's Profit & Loss account by debiting the interest income with an amount of LKR 3.5 Bn. Also, the Bank had an impairment provision reversal of LKR 8.4 Bn allocated for the international sovereign Bonds (ISBs). Upon finalization of the restructuring, this entire provision was reversed to the Profit & Loss under "Impairment charges/(reversals) on debt instruments measured at amortised cost", as the underlying ISBs were exchanged for new instruments.

As of 31st December 2024, both the Step-Up Bonds and PDI Bonds have been classified as Stage 2 and Rupee-denominated Treasury Bonds have been classified as Stage 1 under Financial Assets at amortised cost.

5. Relating to Interest Receivable from the General Treasury with respect to "Special Interest Scheme on Fixed Deposits for Senior Citizens and Incentive Scheme on Inward Worker's Remittances" which have been reported under other assets in the financial statements of the bank, the bank recognized an impairment allowance of LKR 1.4 bn and classified in Stage 3. For the avoidance of any doubt, this was done in compliance with the stipulations put forth by the Regulator.
6. All known expenses have been charged to these financial statements.
7. Other than those given above, or as already considered in these Financial Statements, no known circumstances have arisen since December 31, 2024 - which would require adjustments to, or disclosure in these interim financial statements.

CERTIFICATION

These Financial Statements give a true and fair view of the state of affairs of the Bank and its Subsidiaries as at December 31, 2024 and the profit for the year then ended.

(Sgd.)
Azzam A. Ahamat
Head of Finance

We, the undersigned, being the Chairman, Director and Chief Executive Officer of People's 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 audited financial statements of the Bank and the Group.

(Sgd.)
Narada Fernando
Chairman

(Sgd.)
Jayantha Thilakarathne
Director

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

25th February 2025
Colombo.