



**PEOPLE'S
BANK**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER

2025

FITCH RATING AA- (LKA)

INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER

	BANK			GROUP		
	2025 (Rs. '000) (Audited)	2024 (Rs. '000) (Audited)	Change %	2025 (Rs. '000) (Audited)	2024 (Rs. '000) (Audited)	Change %
Gross Income	382,009,162	367,977,989	3.8	424,026,916	399,968,041	6.0
Interest income	356,669,240	349,292,146	2.1	395,088,492	376,974,975	4.8
Interest expenses	(214,291,533)	(242,050,205)	(11.5)	(230,424,375)	(254,089,257)	(9.3)
Net Interest Income	142,377,707	107,241,941	32.8	164,664,117	122,885,718	34.0
Fee and commission income	18,312,109	14,923,343	22.7	20,357,761	16,074,007	26.7
Fee and commission expenses	(1,904,639)	(757,783)	151.3	(1,904,639)	(757,783)	151.3
Net Fee and Commission Income	16,407,470	14,165,560	15.8	18,453,122	15,316,224	20.5
Net gain / (loss) from trading	3,253,015	853,690	281.1	3,349,319	1,076,990	211.0
Other operating income (net)	3,774,798	2,908,810	29.8	5,231,344	5,842,069	(10.5)
Total Operating Income	165,812,990	125,170,001	32.5	191,697,902	145,121,001	32.1
Impairment Charge	(15,993,696)	(5,450,173)	193.5	(16,112,228)	(4,426,337)	264.0
Loans & advances to Customers	(16,303,592)	(12,824,385)		(16,503,966)	(11,590,322)	
Other Financial Assets	(104,173)	8,776,839		(104,173)	8,776,840	
Others	414,069	(1,402,628)		495,911	(1,612,855)	
Net Operating Income	149,819,294	119,719,828	25.1	175,585,674	140,694,664	24.8
Personnel Expenses	(38,230,657)	(35,834,826)	6.7	(46,801,415)	(41,787,374)	12.0
Depreciation and Amortisation	(4,953,105)	(4,776,742)	3.7	(5,735,366)	(5,393,670)	6.3
Other Expenses	(23,217,679)	(22,326,255)	4.0	(30,051,204)	(28,547,279)	5.3
Operating Profit Before Taxes on Financial Services	83,417,853	56,782,005	46.9	92,997,689	64,966,341	43.1
Taxes on financial services	(19,009,128)	(15,198,298)	25.1	(21,888,517)	(17,356,567)	26.1
Profit Before Tax	64,408,725	41,583,707	54.9	71,109,172	47,609,774	49.4
Income Tax Expenses	(24,179,211)	(16,495,347)	46.6	(27,625,463)	(18,833,907)	46.7
Profit for the Year	40,229,514	25,088,360	60.4	43,483,709	28,775,867	51.1
Profit Attributable to :						
Equity Holders of the Bank	40,229,514	25,088,360	60.4	41,974,128	27,558,538	52.3
Non-Controlling Interests	-	-		1,509,581	1,217,329	24.0
	40,229,514	25,088,360	60.4	43,483,709	28,775,867	51.1
Earnings Per Share on Profit						
Basic Earnings per Ordinary Share [Rs.]	40,230	25,088	60.4	41,974	27,559	52.3
Diluted Earnings per Ordinary Share [Rs.]	165	103	60.4	172	113	52.3

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER

	BANK		GROUP	
	2025 (Rs. '000) (Audited)	2024 (Rs. '000) (Audited)	2025 (Rs. '000) (Audited)	2024 (Rs. '000) (Audited)
Profit for the Year	40,229,514	25,088,360	43,483,709	28,775,867
Other comprehensive income that will not be reclassified to the income statement				
Net Gains/(Losses) on equity instruments at fair value through OCI	1,118,525	268,521	1,377,286	378,138
Net Actuarial Gains/(Losses) on Defined Benefit Plans	2,166,222	(7,693,746)	2,141,861	(7,841,796)
Deferred Tax Effect on Defined Benefit Plans	(649,867)	2,308,124	(645,774)	2,351,888
Gains/Losses/Adjustments on Revaluation of Land and Buildings	(3,235,999)	2,897,780	(2,788,213)	3,284,652
Deferred tax effect on revaluation of Land and Buildings	970,800	(869,334)	804,685	(984,264)
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	(9,129)	(60,740)	(9,129)	(134)
Deferred Tax Effect on above	-	-	(77,628)	(50,079)
Net Gains/(Losses) on translating the financial statements of foreign operation	-	-	(140,750)	(512,493)
Other Comprehensive Income for the year, Net of Taxes	360,552	(3,149,395)	662,338	(3,374,088)
Total Comprehensive Income for the year	40,590,066	21,938,965	44,146,047	25,401,779
Attributable to :				
Equity Holders of the Bank	40,590,066	21,938,965	42,613,305	24,433,391
Non-Controlling Interests	-	-	1,532,742	968,388
	40,590,066	21,938,965	44,146,047	25,401,779

STATEMENT OF FINANCIAL POSITION

AS AT

	BANK			GROUP		
	31.12.2025 (Rs. '000) (Audited)	31.12.2024 (Rs. '000) (Audited)	Change %	31.12.2025 (Rs. '000) (Audited)	31.12.2024 (Rs. '000) (Audited)	Change %
Assets						
Cash and Cash Equivalents	109,138,690	71,694,016	52.2	110,598,346	72,398,306	52.8
Balances with Central Bank of Sri Lanka	38,417,296	33,798,107	13.7	38,417,296	33,798,107	13.7
Placements with Banks	85,166,913	59,831,807	42.3	89,852,936	62,005,136	44.9
Derivative Financial Instruments	4,524,930	5,842,194	(22.5)	4,524,930	5,842,194	(22.5)
Financial Assets - At Fair Value through Profit or Loss	307,296,907	329,810,350	(6.8)	308,444,628	330,597,382	(6.7)
Financial Assets - At Amortised Cost						
Loans and advances to Banks	83,506,019	31,994,539	161.0	89,185,034	37,047,879	140.7
Loans and advances to Other Customers	1,730,671,216	1,521,965,020	13.7	2,000,085,410	1,665,027,784	20.1
Debt instruments measured at amortised cost	1,230,298,162	1,123,490,537	9.5	1,242,598,653	1,138,634,981	9.1
Financial Assets - At Fair Value through other Comprehensive income [OCI]						
Equity instruments at fair value through OCI	3,431,075	2,313,187	48.3	3,704,427	2,668,358	38.8
Debt instruments at fair value through OCI	7,081,782	7,110,671	(0.4)	8,051,542	8,576,912	(6.1)
Investments in Subsidiaries	6,153,102	5,191,712	18.5	-	-	-
Property, Plant, Equipment and Right of use assets	60,687,299	61,079,218	(0.6)	74,045,961	73,034,985	1.4
Intangible Assets and Goodwill	1,842,560	2,586,671	(28.8)	2,090,486	2,760,806	(24.3)
Other Assets	40,188,540	41,091,078	(2.2)	38,634,783	39,313,104	(1.7)
Total Assets	3,708,404,491	3,297,799,107	12.5	4,010,234,432	3,471,705,934	15.5
Liabilities						
Due to Banks	25,969,385	36,840,228	(29.5)	96,287,432	46,871,380	105.4
Derivative Financial Instruments	93,407	168,266	(44.5)	93,407	168,266	(44.5)
Due to Other Customers	3,229,886,179	2,854,704,194	13.1	3,380,319,917	2,947,904,673	14.7
Other Borrowings	100,014,574	75,545,595	32.4	99,787,574	75,482,595	32.2
Current Tax Liabilities	9,845,693	12,201,098	(19.3)	11,372,189	12,977,145	(12.4)
Net Deferred Tax Liabilities	6,787,488	5,627,973	20.6	9,581,574	7,591,958	26.2
Other Liabilities	76,217,192	76,557,500	(0.4)	97,169,725	91,692,859	6.0
Subordinated Term Debts	40,552,963	54,156,709	(25.1)	45,508,349	59,065,269	(23.0)
Total Liabilities	3,489,366,881	3,115,801,563	12.0	3,740,120,167	3,241,754,145	15.4
Equity						
Stated Capital/Assigned Capital	12,201,998	12,201,998	-	12,201,998	12,201,998	-
Statutory Reserve Fund	12,201,998	11,828,689	3.2	12,201,998	11,828,689	3.2
Other Reserves	70,674,271	68,981,258	2.5	74,394,779	72,407,209	2.7
Retained Earnings	123,959,343	88,985,599	39.3	155,157,874	118,455,452	31.0
Total Shareholders' Equity	219,037,610	181,997,544	20.4	253,956,649	214,893,348	18.2
Non-Controlling Interests	-	-		16,157,616	15,058,441	7.3
Total Equity	219,037,610	181,997,544	20.4	270,114,265	229,951,789	17.5
Total Equity and Liabilities	3,708,404,491	3,297,799,107	12.5	4,010,234,432	3,471,705,934	15.5
Contingent Liabilities and Commitments	248,762,020	233,829,736	6.4	277,222,334	250,318,916	10.7
Number of Employees	8,122	7,633		12,489	10,994	
Number of Branches	746	751		917	862	

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 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)	-
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
Balance as at 1st January 2025	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
Total Comprehensive Income for the year									
Profit for the year	-	-	-	-	-	-	-	40,229,514	40,229,514
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	(2,265,199)	-	1,109,396	-	1,516,355	360,552
Total Comprehensive Income/(Expense)	-	-	-	(2,265,199)	-	1,109,396	-	41,745,869	40,590,066
Transactions with Equity Holders, Recognised Directly in Equity									
Transfer to Reserves during the year	-	-	373,309	-	-	-	2,849,082	(3,222,390)	-
Transfer on disposal of FVOCI shares	-	-	-	-	-	(265)	-	265	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	-	(3,550,000)	(3,550,000)
Total Transactions with Equity Holders	-	-	373,309	-	-	(265)	2,849,082	(6,772,125)	(3,550,000)
Balance as at 31 December 2025	49,998	12,152,000	12,201,998	27,130,485	14,141,373	1,892,885	27,509,529	123,959,343	219,037,610

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 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)	297,889	-	(5,464,359)	(3,125,151)	(248,940)	(3,374,091)
Total Comprehensive Income/(Expense)	-	-	-	2,232,403	(191,084)	297,889	-	22,094,179	24,433,387	968,389	25,401,776
Transactions with Equity Holders, Recognised Directly in Equity											
Transfer to Reserve during the year	-	-	1,254,418	-	-	-	24,660,447	(25,914,865)	-	-	-
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	760,341	24,660,447	118,455,452	214,893,348	15,058,441	229,951,789
Balance as at 1st January 2025	49,998	12,152,000	11,828,689	32,342,943	14,643,478	760,341	24,660,447	118,455,452	214,893,348	15,058,441	229,951,789
Total Comprehensive Income for the year											
Profit for the year	-	-	-	-	-	-	-	41,974,128	41,974,128	1,509,581	43,483,709
Other comprehensive income/(Expense) [Net of Taxes]	-	-	-	(2,053,946)	(52,546)	1,245,246	-	1,500,419	639,173	23,162	662,335
Total Comprehensive Income/(Expense)	-	-	-	(2,053,946)	(52,546)	1,245,246	-	43,474,547	42,613,301	1,532,743	44,146,044
Transactions with Equity Holders, Recognised Directly in Equity											
Transfer to Reserves during the year	-	-	373,309	-	-	-	2,849,082	(3,222,390)	-	-	-
Transfer on disposal of FVOCI shares	-	-	-	-	-	(265)	-	265	-	-	-
Special levy to Treasury/ Dividend	-	-	-	-	-	-	-	(3,550,000)	(3,550,000)	-	(3,550,000)
Dividends Paid	-	-	-	-	-	-	-	-	-	(433,568)	(433,568)
Total Transactions with Equity Holders	-	-	373,309	-	-	(265)	2,849,082	(6,772,125)	(3,550,000)	(433,568)	(3,983,568)
Balance as at 31 December 2025	49,998	12,152,000	12,201,998	30,288,998	14,590,932	2,005,322	27,509,529	155,157,874	253,956,649	16,157,616	270,114,265

CASH FLOW STATEMENT				
FOR THE YEAR ENDED 31ST DECEMBER				
	BANK		GROUP	
	2025	2024	2025	2024
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
	(Audited)	(Audited)	(Audited)	(Audited)
Cash flows from operating activities				
Profit before tax	64,408,725	41,583,707	71,109,172	47,609,774
Adjustment for				
Non-cash items included in profits before tax	23,373,938	17,342,187	25,487,991	17,079,218
Changes in operating assets	(283,104,755)	(224,884,629)	(412,460,931)	(247,218,482)
Changes in operating liabilities	386,122,508	211,065,897	509,477,976	216,396,257
Dividend income from subsidiaries and others	(1,380,504)	(1,360,579)	(254,252)	(235,652)
Interest expense on subordinated debt	5,697,460	6,115,011	6,129,230	6,827,434
Contribution paid to defined benefit plans/Gratuity	2,456,402	1,243,790	2,638,565	1,437,776
Tax paid	(25,054,168)	(3,442,268)	(27,159,520)	(5,411,727)
Net Cash Generated from (used in) Operating Activities	172,519,606	47,663,116	174,968,231	36,484,598
Cash Flows from Investing Activities				
Purchase of property, plant and equipment	(4,513,926)	(5,687,192)	(6,219,391)	(6,741,229)
Proceeds from the sale of property, plant and equipment	125,420	109,926	137,730	162,475
Purchase of financial investments	(107,845,103)	(30,788,643)	(105,001,150)	(10,976,040)
Net purchase of intangible assets	(224,446)	(1,559,769)	(330,142)	(1,591,263)
Dividends received from investment in subsidiaries and Others	1,380,504	1,360,579	254,252	235,652
Net Cash from (used in) Investing Activities	(111,077,551)	(36,565,099)	(111,158,701)	(18,910,405)
Cash Flows from Financing Activities				
Proceed received for subordinated debt	-	13,515,000	-	13,515,000
Repayment of Subordinated debt	(12,900,000)	(6,563,000)	(12,900,000)	(6,563,000)
Interest paid on subordinated debt	(6,401,206)	(5,907,592)	(6,786,150)	(12,520,648)
Repayment of Lease Liabilities	(1,837,577)	(1,560,655)	(2,366,990)	(1,506,142)
Interest paid on Lease Liabilities	(858,598)	(777,336)	(1,122,782)	(973,828)
Dividend paid to non-controlling interest	-	-	(433,568)	(434,375)
Dividend/Levy paid to holders of other equity instruments	(2,000,000)	-	(2,000,000)	-
Net Cash from Financial Activities	(23,997,381)	(1,293,583)	(25,609,490)	(8,482,993)
Net Increase/(Decrease) in Cash & Cash Equivalents	37,444,674	9,804,434	38,200,040	9,091,200
Cash and cash equivalents at the beginning of the Year	71,694,016	61,889,582	72,398,306	63,307,106
Cash and cash equivalents at the end of the year	109,138,690	71,694,016	110,598,346	72,398,306

ANALYSIS OF LOANS & ADVANCES TO OTHER CUSTOMERS

	BANK		GROUP	
	31.12.2025 (Rs.'000) (Audited)	31.12.2024 (Rs.'000) (Audited)	31.12.2025 (Rs.'000) (Audited)	31.12.2024 (Rs.'000) (Audited)
Loans and advances to Other Customers				
Gross Loans and advances	1,887,812,912	1,671,179,840	2,164,892,085	1,824,098,924
Less :				
Allowance for Expected Credit Losses	(157,141,696)	(149,214,820)	(164,806,675)	(159,071,140)
Stage 1	(8,756,123)	(15,406,686)	(10,089,494)	(16,238,027)
Stage 2	(4,657,650)	(5,119,482)	(5,539,534)	(5,463,608)
Stage 3	(143,727,923)	(128,688,652)	(149,177,647)	(137,369,505)
Net Loans and advances	1,730,671,216	1,521,965,020	2,000,085,410	1,665,027,784
Product-wise Gross loans & advances				
By product - Domestic currency				
Overdrafts	121,949,097	117,465,913	120,996,630	117,127,139
Term loans	912,255,486	806,613,420	1,046,644,729	856,209,428
Lease rentals receivable	-	-	113,962,663	82,776,539
Credit cards	10,804,968	8,812,220	10,804,968	8,812,220
Pawning	386,372,466	310,846,769	386,372,466	310,846,769
Trade Finance	100,050,089	80,704,036	100,050,089	80,704,036
Others	28,144,551	25,603,897	45,116,074	35,008,192
Sub Total	1,559,576,657	1,350,046,255	1,823,947,620	1,491,484,323
By product – Foreign currency				
Overdrafts	8,829,930	8,737,797	8,829,930	8,737,797
Term loans	282,390,285	299,951,471	295,098,495	311,432,487
Trade Finance	37,016,040	12,444,317	37,016,040	12,444,317
Sub Total	328,236,255	321,133,585	340,944,465	332,614,601
Grand Total	1,887,812,912	1,671,179,840	2,164,892,085	1,824,098,924
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 2025	15,406,686	5,119,482	128,688,652	149,214,820
Net Charge/(Reversal) for the year	1,997,136	(461,832)	14,768,288	16,303,592
Amounts written off	(8,647,699)	-	-	(8,647,699)
Exchange rate variance on foreign currency Impairment	-	-	270,982	270,982
Closing balance as at 31st December 2025	8,756,123	4,657,650	143,727,923	157,141,696
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
Exchange rate variance on foreign currency Impairment	-	-	(541,339)	(541,339)
Closing balance as at 31st December 2024	15,406,686	5,119,482	128,688,652	149,214,820
GROUP	Stage 1	Stage 2	Stage 3	Total
Opening balance as at 1 st January 2025	16,238,027	5,463,608	137,369,505	159,071,140
Net Charge/(Reversal) for the year	2,499,166	75,926	13,928,874	16,503,966
Amounts written off	(8,647,699)	-	(2,391,715)	(11,039,414)
Exchange rate variance on foreign currency Impairment	-	-	270,982	270,982
Closing balance as at 31st December 2025	10,089,494	5,539,534	149,177,647	164,806,675
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
Exchange rate variance on foreign currency Impairment	-	-	(518,973)	(518,973)
Closing balance as at 31st December 2024	16,238,027	5,463,608	137,369,505	159,071,140

ANALYSIS OF DEPOSITS

	BANK		GROUP	
	31.12.2025 (Rs. '000) (Audited)	31.12.2024 (Rs. '000) (Audited)	31.12.2025 (Rs. '000) (Audited)	31.12.2024 (Rs. '000) (Audited)
By product – Domestic currency				
Demand deposits (current accounts)	120,883,044	106,000,154	119,484,264	104,707,196
Savings deposits	954,676,147	837,758,900	962,638,050	843,003,154
Fixed deposits	1,767,415,461	1,592,808,586	1,909,878,012	1,680,581,482
Others	3,250,187	1,753,758	4,658,251	3,230,045
Sub total	2,846,224,839	2,538,321,398	2,996,658,577	2,631,521,877
By product – Foreign currency				
Demand deposits (current accounts)	2,175,964	2,033,074	2,175,964	2,033,074
Savings deposits	38,485,176	34,883,796	38,485,176	34,883,796
Fixed deposits	342,967,907	279,435,358	342,967,907	279,435,358
Others	32,293	30,568	32,293	30,568
Sub total	383,661,340	316,382,796	383,661,340	316,382,796
Grand Total	3,229,886,179	2,854,704,194	3,380,319,917	2,947,904,673

ANALYSIS OF CONTINGENT LIABILITIES AND COMMITMENTS

	BANK		GROUP	
	31.12.2025 (Rs. '000) (Audited)	31.12.2024 (Rs. '000) (Audited)	31.12.2025 (Rs. '000) (Audited)	31.12.2024 (Rs. '000) (Audited)
By product – Domestic currency				
Acceptances	1,237,842	270,304	1,237,842	270,304
Documentary Credit	4,816,794	3,179,538	4,816,794	3,179,538
Guarantees	61,946,207	53,493,560	62,020,214	53,557,596
Forward Exchange Contracts	8,034,568	14,002,918	8,034,568	14,002,918
Undrawn overdrafts & loans	113,186,166	104,313,589	141,572,473	120,738,733
Sub total	189,221,576	175,259,909	217,681,890	191,749,089
By product – Foreign currency				
Acceptances	8,750,489	7,192,872	8,750,489	7,192,872
Documentary Credit	29,440,800	19,145,503	29,440,800	19,145,503
Guarantees	185,050	609,211	185,050	609,211
Forward Exchange Contracts	18,182,438	29,131,195	18,182,438	29,131,195
Undrawn overdrafts & loans	3,100,343	2,727,557	3,100,343	2,727,557
Sub total	59,659,120	58,806,338	59,659,120	58,806,338
Grand Total	248,880,696	234,066,247	277,341,010	250,555,427
Less: Allowance for Expected Credit Loss	(118,676)	(236,511)	(118,676)	(236,511)
Net Contingent Liabilities and Commitments	248,762,020	233,829,736	277,222,334	250,318,916

ANALYSIS OF FINANCIAL INSTRUMENTS ON MEASUREMENT BASIS

BANK AS AT 31ST DECEMBER 2025

	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	-	-	109,138,690	109,138,690
Balances with Central Banks	-	-	38,417,296	38,417,296
Placements with Banks	-	-	85,166,913	85,166,913
Derivative Financial Instruments	4,524,930	-	-	4,524,930
Financial Assets - At Fair Value through Profit or Loss	307,296,907	-	-	307,296,907
Loans and Advances to banks	-	-	83,506,019	83,506,019
Loans and Advances to other customers	-	-	1,730,671,216	1,730,671,216
Debt instruments measured at amortised cost	-	-	1,230,298,162	1,230,298,162
Equity instruments at fair value through OCI	-	3,431,075	-	3,431,075
Debt instruments at fair value through OCI	-	7,081,782	-	7,081,782
Total financial assets	311,821,837	10,512,857	3,277,198,296	3,599,532,990
LIABILITIES				
Due to banks	-	-	25,969,385	25,969,385
Derivative Financial Instruments	93,407	-	-	93,407
Due to other customers	-	-	3,229,886,179	3,229,886,179
Other Borrowings	-	-	100,014,574	100,014,574
Subordinated term debts	-	-	40,552,963	40,552,963
Total financial liabilities	93,407	-	3,396,423,101	3,396,516,508

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

GROUP AS AT 31ST DECEMBER 2025

	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	-	-	110,598,346	110,598,346
Balances with Central Banks	-	-	38,417,296	38,417,296
Placements with Banks	-	-	89,852,936	89,852,936
Derivative Financial Instruments	4,524,930	-	-	4,524,930
Financial Assets - At Fair Value through Profit or Loss	308,444,628	-	-	308,444,628
Loans and Advances to banks	-	-	89,185,034	89,185,034
Loans and Advances to other customers	-	-	2,000,085,410	2,000,085,410
Debt instruments measured at amortised cost	-	-	1,242,598,653	1,242,598,653
Equity instruments at fair value through OCI	-	3,704,427	-	3,704,427
Debt instruments at fair value through OCI	-	8,051,542	-	8,051,542
Total financial assets	312,969,558	11,755,969	3,570,737,675	3,895,463,202
LIABILITIES				
Due to banks	-	-	96,287,432	96,287,432
Derivative Financial Instruments	93,407	-	-	93,407
Due to other customers	-	-	3,380,319,917	3,380,319,917
Other Borrowings	-	-	99,787,574	99,787,574
Subordinated term debts	-	-	45,508,349	45,508,349
Total financial liabilities	93,407	-	3,621,903,272	3,621,996,679

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

SELECTED PERFORMANCE INDICATORS (Based on Regulatory Reporting)

	BANK		GROUP	
	As at 31.12.2025 (Audited)	As at 31.12.2024 (Audited)	As at 31.12.2025 (Audited)	As at 31.12.2024 (Audited)
Regulatory Capital Adequacy				
Common Equity Tier 1 Capital [Rs. 000]	149,649,766	117,433,508	195,009,563	155,947,874
Core (Tier 1) Capital [Rs. 000]	154,649,766	122,433,508	200,009,563	160,947,874
Total Capital Base [Rs. 000]	209,165,741	186,055,559	256,299,852	226,208,990
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital (%) (Min. requirement - 8.0%)	11.79	10.43	12.78	12.18
Tier 1 Capital Ratio (%) (Min. requirement - 9.5%)	12.18	10.88	13.10	12.57
Total Capital Ratio (%) (Min. requirement - 13.5%)	16.48	16.53	16.79	17.67
Basel III Leverage Ratio (Min. requirement - 3%)	4.10	3.65	4.90	4.56
Total Stock of High Quality Liquid Assets [Rs.000]	1,467,524,635	1,417,850,575	-	-
Liquidity Coverage Ratio - Rupee	263.32	353.86	-	-
Liquidity Coverage Ratio - All Currency	218.54	279.52	-	-
Net Stable Funding Ratio (Min. requirement - 100%)	162.40	178.92	-	-
Asset Quality (Quality of Loan Portfolio)				
Impaired Loans (Stage 3) Ratio (%)	7.66	10.26	6.90	9.72
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	48.39	41.49	48.69	42.37
Income and Profitability				
Net Interest Margin, %	4.06	3.39	4.40	3.68
Return on Assets (Before Tax) , %	1.84	1.31	1.90	1.43
Return on Equity (After Tax) , %	20.06	14.67	17.39	13.23
Cost to Income Ratio %	40.05	50.28	43.08	52.18
Memorandum Information				
Credit Rating	AA-	AA-	-	-
Number of Employees	8,122	7,633	12,489	10,994
Number of Branches	746	751	917	862

EXPLANATORY NOTES

1. These Financial Statements for the year ended December 31, 2025, 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, 2024.
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, 2025 - 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 there with as at December 31, 2025.

4. All known expenses have been charged to these financial statements.
5. Other than those above given, or as already considered in these Financial Statements, no known circumstances have arisen since December 31, 2025- 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, 2025 and the profit for the year then ended.

(Sgd.)
Nilmini Premalal
Deputy General Manager / Acting 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 formats 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
25th February 2026
Colombo.

(Sgd.)
Sanjaya Bandara
Director

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