

# Siyapatha Finance PLC

PUBLICATION OF FINANCIAL STATEMENTS AS PER CBSL GUIDELINE NO.02 OF 2006

## Key Financial Data for the period ended 30 June

In Rupees Thousands

	Current Period	Previous Period
	From 01.01.2021 to 30.06.2021 (Unaudited)	From 01.01.2020 to 30.06.2020 (Unaudited)
Interest Income	3,369,643	3,526,476
Interest Expenses	(1,414,652)	(2,090,254)
<b>Net Interest Income</b>	<b>1,954,991</b>	<b>1,436,222</b>
Other Income	593,666	288,685
Gains/(Losses) from Trading Activities	-	-
Operating Expenses (Excluding Impairment)	(861,979)	(720,627)
Impairment	(856,632)	(610,139)
<b>Profit / (Loss) Before Tax</b>	<b>830,046</b>	<b>394,141</b>
Taxes	(293,402)	(192,877)
<b>Profit / (Loss) After Tax</b>	<b>536,644</b>	<b>201,264</b>

## Key Financial Data as at 30 June

In Rupees Thousands

	30-Jun-2021 (Unaudited)	30-Jun-2020 (Unaudited)
<b>Assets</b>		
Cash and Bank Balance	252,745	2,725,392
Due from Related Parties	4,811	-
Loans(Excluding Due from Related Parties)	38,727,613	39,406,513
Investment in Equity	56	56
Property, Plant & Equipment	1,558,642	1,147,834
Other Assets	1,154,777	1,288,069
<b>Total Assets</b>	<b>41,698,644</b>	<b>44,567,864</b>
<b>Liabilities</b>		
Due to Banks	7,613,082	11,253,124
Due to Related Parties	3,269,933	4,270,283
Deposits from Customers	16,854,532	15,886,561
Other Borrowings	6,184,147	4,414,034
Other Liabilities	2,111,279	4,526,773
<b>Total Liabilities</b>	<b>36,032,973</b>	<b>40,350,775</b>
<b>Equity</b>		
Stated Capital	2,346,095	1,522,881
Statutory Reserve Fund	185,000	164,000
Retained Earnings	3,010,072	2,412,257
Other Reserves	124,504	117,951
<b>Total Equity</b>	<b>5,665,671</b>	<b>4,217,089</b>
<b>Total Liabilities and Equity</b>	<b>41,698,644</b>	<b>44,567,864</b>
<b>Net Assets Value Per Share (Rs.)</b>	<b>61.60</b>	<b>55.33</b>

## Selected Key Performance Indicators

Item	30-Jun-2021		30-Jun-2020	
	Required	Actual	Required	Actual
<b>Regulatory Capital Adequacy (%)</b>				
Tier 1 Capital Adequacy Ratio	6.50%	9.33%	6.50%	8.71%
Total Capital Adequacy Ratio	10.50%	13.54%	10.50%	13.74%
Capital Funds to Deposit Liabilities Ratio	10.00%	43.64%	10.00%	43.70%
<b>Quality of Loan Portfolio (%)</b>				
Gross Non-Performing Loans Ratio		16.64%		11.00%
Net Non-Performing Loans Ratio		4.76%		3.36%
Net Non-Performing Loans to Core Capital Ratio		39.99%		35.61%
Provision Coverage Ratio		53.63%		52.30%
<b>Profitability(%)</b>				
Net Interest Margin		9.45%		6.48%
Return on Assets		4.01%		1.78%
Return on Equity		19.10%		9.60%
Cost to Income Ratio		33.82%		41.78%
<b>Liquidity (%)</b>				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)		152.42%		172.59%
Liquid Assets to External Funds		5.64%		5.33%
<b>Memorandum Information</b>				
Number of Branches		40		37
External Credit Rating (Fitch Ratings)		A(lka)		A(lka)

The Company has not had any regulatory penalties or regulatory restrictions on deposits, borrowings and lending during the period ended 30 June 2021 and 30 June 2020.

### CERTIFICATION:

We, the undersigned, being the Managing Director, the Head of Finance and the Head of Compliance of Siyapatha Finance PLC certify jointly that;

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka(CBSL);
- the information contained in these statements have been extracted from the unaudited financial statements of Siyapatha Finance PLC unless indicated as audited.

(Sgd)  
**Ananda Seneviratne**  
Managing Director  
27 July 2021

(Sgd)  
**Ruwan Wanniarachchi**  
Head of Finance  
27 July 2021

(Sgd)  
**Mahika Rajakaruna**  
Head of Compliance  
27 July 2021



## Explanations/Glossary

<b>Capital Adequacy ratios</b>	Indicates the ability of the financial institution to absorb losses without affecting depositors and creditors. This ratio is computed by dividing capital by risk weighted assets as specified by the Direction, and high ratio indicates better loss absorption capacity.
<b>Non-Performing Loans ratio</b>	Indicates level of non-paying loans and advances included in the total loans portfolio of the financial institution. High ratio indicates poor assets quality and high credit risk.
<b>Provision Coverage ratio</b>	Indicates the adequacy level of provision to cover problem loans and advances. A higher ratio with a higher capital adequacy ratio means that the financial institution can withstand future credit losses better, including unexpected losses beyond the loan loss provision.
<b>Net Interest Margin</b>	Indicates profitability of the core business operation of the financial institution. i.e. granting loans and advances and accepting deposits.
<b>Cost to income ratio</b>	Represents operating expense, excluding impairment charges on loans and advances as a percentage of net revenue (net interest income and other income). Lower ratio will result in higher profitability.
<b>Liquid Assets</b>	A liquid asset is an asset that can easily be converted into cash.
<b>Cap</b>	Maximum limit imposed by the CBSL.
<b>Downsizing</b>	Gradual reduction of the business operation imposed by the CBSL.
<b>Freezing</b>	An order of CBSL that is in place preventing further transactions of the Company.
<b>Tier 1 Capital</b>	Represents permanent shareholder equity and reserves.
<b>Total Capital</b>	Represents Tier 1 and supplementary capital including instruments with characteristics of equity and debt, revaluation gains, impairment allowances.
<b>Risk Weighted Assets</b>	Sum of on-balance sheet risk weighted assets and the total credit equivalent of risk weighted off-balance sheet assets.
<b>Tier 1 Capital ratio</b>	Tier 1 capital as a percentage of risk weighted assets.
<b>Total Capital ratio</b>	Total capital as a percentage of risk weighted assets.
<b>Capital Funds</b>	Paid up capital, permanent free reserves and any other securities approved by the CBSL.

<b>Non-Performing Loan</b>	A loan in which the borrower has defaulted and hasn't made scheduled payments of principal or and / interest as per the stipulated guidelines issued by CBSL.
<b>Net Interest Margin</b>	Annualized net interest income (interest income less interest expenses) as a percentage of total net assets (as at end of period).
<b>Return on Assets</b>	Annualized profit before tax as a percentage of total net assets (as at end of period).
<b>Return on Equity</b>	Annualized profit after tax as a percentage of total capital (as at end of period).
<b>External Funds</b>	Includes only deposits and borrowings.