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சியபத பிணான்ஸ்
Siyapatha Finance

(Finance Company of Sampath Bank Group)

SIYAPATHA FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

SIYAPATHA FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 31 December		Change %	For the quarter ended 31 December		Change %
	2024	2023		2024	2023	
	Audited LKR'000	Audited LKR'000		LKR'000	LKR'000	
Gross income	11,289,006	11,062,761	2%	2,868,700	2,877,389	-0.3%
Interest income	9,842,826	10,130,371	-3%	2,494,537	2,578,607	-3%
Less: Interest expenses	(5,309,323)	(7,009,764)	-24%	(1,243,760)	(1,586,818)	-22%
Net interest income	4,533,503	3,120,607	45%	1,250,777	991,789	26%
Fee and commission income	349,015	331,729	5%	85,439	78,803	8%
Less: Fee and commission expenses	(2,905)	(3,981)	-27%	(1,342)	(829)	62%
Net fee and commission income	346,110	327,748	6%	84,097	77,974	8%
Other operating income	1,097,165	600,661	83%	288,724	219,979	31%
Total operating income	5,976,778	4,049,016	48%	1,623,598	1,289,742	26%
Less: Credit loss expense on financial assets and other losses	136,912	(80,869)	-269%	85,570	(27,559)	-410%
Net operating income	6,113,690	3,968,147	54%	1,709,169	1,262,183	35%
Less: Operating expenses						
Personnel expenses	(2,097,640)	(1,368,823)	53%	(600,333)	(379,286)	58%
Depreciation and amortisation expenses	(258,814)	(243,519)	6%	(61,549)	(61,925)	-1%
Other operating expenses	(849,284)	(678,498)	25%	(201,043)	(150,148)	34%
Total operating expenses	(3,205,739)	(2,290,840)	40%	(862,926)	(591,359)	46%
Operating profit before taxes on financial services	2,907,952	1,677,307	73%	846,243	670,824	26%
Less: Taxes on financial services	(802,667)	(478,089)	68%	(237,429)	(161,713)	47%
Profit before income taxation	2,105,285	1,199,218	76%	608,814	509,111	20%
Less: Income tax expense	(901,912)	(489,016)	84%	(279,541)	(182,594)	53%
Profit after taxation	1,203,373	710,202	69%	329,273	326,517	1%
Other comprehensive income/(expenses)						
Other comprehensive income not to be reclassified to profit or loss						
Actuarial gains/(losses) on defined benefit plan	6,103	4,733	29%	6,103	4,733	29%
Deferred tax effect on actuarial gains/(losses)	(1,832)	(1,420)	29%	(1,832)	(1,420)	29%
Other comprehensive income, net of taxes	4,271	3,313	29%	4,272	3,313	29%
Total comprehensive income, net of taxes	1,207,644	713,515	69%	333,544	329,830	1%
Basic/Diluted earnings per share-(LKR.)	11.98	7.07	69%	3.28	3.25	1%

SIYAPATHA FINANCE PLC
STATEMENT OF FINANCIAL POSITION

As at	31-12-2024 Audited LKR'000	31-12-2023 Audited LKR'000
Assets		
Cash and bank balances	260,579	285,352
Securities purchased under repurchase agreements	5,001,843	250,123
Loans and receivables	46,054,531	36,009,724
Assets held for sale	24,838	114,043
Other assets	812,692	735,058
Equity instruments at fair value through other comprehensive income	56	56
Debt instruments at amortised cost	4,335,257	5,799,840
Property, plant and equipment	2,486,546	2,465,349
Right-of-use assets	482,732	380,579
Deferred tax assets	233,835	184,308
Intangible assets	16,033	16,068
Total Assets	59,708,942	46,240,500
Liabilities		
Bank overdraft	128,514	135,930
Due to other customers	32,197,075	23,565,911
Debt issued and other borrowed funds	15,642,339	13,148,267
Other payables	2,373,259	1,577,908
Current tax liabilities	754,721	427,797
Retirement benefit obligations	159,713	137,957
Total Liabilities	51,255,621	38,993,770
Equity		
Stated capital	2,872,846	2,866,876
Reserves		
Statutory reserve fund	375,000	314,000
Revaluation reserve	154,295	154,295
Retained earnings	5,051,180	3,911,559
Total Equity	8,453,321	7,246,730
Total Liabilities and Equity	59,708,942	46,240,500
Net asset value per share(LKR.)	84.18	72.23
Commitments & contingencies	30,206	30,643

CERTIFICATION

We certify that the above Interim Financial Statements are in compliance with the requirements of the Companies Act No: 7 of 2007 and give true and fair view of the state of affairs of Siyapatha Finance PLC as at 31 December 2024 and its profits for the period then ended.

(Sgd.)
Ananda Seneviratne
Managing Director

(Sgd.)
Ruwan Wanniarachchi
Chief Financial Officer

The Board of Directors is responsible for these Financial Statements.
Approved and signed for and on behalf of the Board by,

(Sgd.)
Sumith Cumararatunga
Chairman

(Sgd.)
Laknath Jayawickrama
Director

14 February 2025

SIYAPATHA FINANCE PLC
STATEMENT OF CHANGES IN EQUITY

					Audited LKR'000
	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	Retained Earnings	Total
Balance as at 01 January 2023	2,674,439	278,000	154,295	3,460,442	6,567,176
Profit for the period	-	-	-	710,202	710,202
Other comprehensive income, net of tax	-	-	-	3,313	3,313
Transfer to Statutory Reserve Fund	-	36,000	-	(36,000)	-
Scrip dividend paid	192,437	-	-	(226,397)	(33,960)
Balance as at 31 December 2023	2,866,876	314,000	154,295	3,911,559	7,246,731
Balance as at 01 January 2024	2,866,876	314,000	154,295	3,911,559	7,246,731
Profit for the period	-	-	-	1,203,373	1,203,373
Other comprehensive income, net of tax	-	-	-	4,271	4,271
Transfer to Statutory Reserve Fund	-	61,000	-	(61,000)	-
Scrip dividend paid	5,970	-	-	(7,023)	(1,053)
Balance as at 31 December 2024	2,872,846	375,000	154,295	5,051,180	8,453,321

SIYAPATHA FINANCE PLC
STATEMENT OF CASH FLOWS

For the period ended 31 December	2024 Audited LKR'000	2023 Audited LKR'000
Cash flows from operating activities		
Profit before taxation from operations	2,105,285	1,199,218
Interest expenses	5,309,323	7,009,764
Fee and commission expenses	2,905	3,981
Credit loss expense on financial assets	(136,912)	80,869
Provision for staff gratuity	43,074	42,007
Provision for depreciation	164,379	155,544
Amortization of software	5,266	7,856
Amortisation of right-of-use assets	89,172	80,119
(Profit)/Loss on sale of motor vehicle	(680)	(1,695)
	5,476,527	7,378,445
Operating profit before working capital changes	7,581,812	8,577,663
(Increase)/decrease in lease receivables	(3,911,427)	(1,798,308)
(Increase)/decrease in hire purchase receivables	936	293
(Increase)/decrease in factoring receivables	10,474	45,082
(Increase)/decrease in gold loan receivables	(3,478,583)	738,561
(Increase)/decrease in loan receivables	(2,409,095)	(269,756)
Increase/(decrease) in due to other customers	8,586,181	3,757,012
(Increase)/decrease in other assets	(303,426)	(481,828)
Increase/(decrease) in other payables	945,987	402,193
	(558,952)	2,393,249
Cash generated from operating activities	7,022,860	10,970,912
Interest expense paid	(5,154,724)	(6,824,516)
Gratuity paid	(15,214)	(16,169)
Income tax paid	(626,347)	(373,343)
Dividend tax paid	(1,053)	(33,960)
Net cash inflow/(outflow) from operating activities	1,225,521	3,722,924
Cash flow from investing activities		
Net investments in government treasury bills and repurchase agreements	1,897,145	(393,121)
Purchase of property, plant, equipment and intangible assets	(226,148)	(92,087)
Proceeds from sale of property, plant and equipment	36,019	1,837
Net cash inflow from investing activities	1,707,016	(483,371)
Net cash inflow/(outflow) before financing activities	2,932,537	3,239,553
Cash flow from financing activities		
Proceeds from long term loans/securitizations	2,000,000	2,500,000
Repayments of long term loans/securitizations	(2,858,450)	(3,919,897)
Proceeds from debentures	4,000,000	-
Debentures redeemed	(1,500,000)	(2,000,000)
Net proceeds from short term borrowings	740,000	1,260,000
Repayment of principal portion of lease liabilities	(147,165)	(130,205)
Net cash inflow/(outflow) from financing activities	2,234,386	(2,290,102)
Net increase in cash and cash equivalents	5,166,923	949,451
Cash & cash equivalents at the beginning of the year	3,112,229	2,162,778
Cash and cash equivalents at the end of the period	8,279,152	3,112,229
Analysis of the cash and cash equivalents at the end of the period		
Cash and bank balances	260,681	285,454
Securities purchased under repurchase agreements	5,001,841	250,123
Government securities maturing less than three months	3,145,144	2,712,582
Bank overdraft	(128,514)	(135,930)
	8,279,152	3,112,229

SIYAPATHA FINANCE PLC

SELECTED PERFORMANCE INDICATORS

	As at 31.12.2024	As at 31.12.2023
<u>Capital Adequacy</u>		
Core Capital Ratio(Minimum Requirement : 8.5%)	17.54%	17.06%
Total Risk Weighted Capital Ratio (Minimum Requirement: : 12.5%)	18.97%	20.17%
Capital Funds to Deposit Liabilities Ratio(Minimum Requirement-10%)*	33.83%	42.74%
<u>Profitability</u>		
Return on Average Assets (After Tax)	2.24%	1.55%
Return on Average Shareholders' Funds	15.32%	10.41%
<u>Asset Quality (LKR'000)</u>		
Total Accommodation(Gross)	48,971,732	39,630,513
Non-Performing Accommodation	4,979,823	8,479,568
Net Total Accommodation(Net of allowance for expected credit losses/impairment)	46,054,531	36,009,724
<u>Liquidity (LKR'000)</u>		
Required Minimum Amount of Liquid Assets	3,784,418	2,588,767
Required Minimum Amount of Government Securities**	2,749,719	2,706,804
Available Amount of Liquid Assets	9,565,291	6,170,636
Available Amount of Government Securities	9,337,100	6,049,963

* **Capital Funds to Deposit Liabilities Ratio**

The capital funds to deposit liabilities ratio is computed on the following basis.

Capital funds as a percentage of average of month end deposit liabilities during last three months.

** Required minimum amount of government securities equals to 7.5% of the average of month end deposit liabilities and borrowings of the twelve months of the preceding financial year.

SEGMENT INFORMATION

The following table presents income, profit, total assets and total liabilities of the Company's operating segments.

For the period ended 31 December	Leasing and Hire Purchase		Gold Loan		Others		Total	
	2024 LKR'000	2023 LKR'000	2024 LKR'000	2023 LKR'000	2024 LKR'000	2023 LKR'000	2024 LKR'000	2023 LKR'000
Interest Income	7,245,428	7,001,082	2,055,693	2,744,109	541,705	385,180	9,842,826	10,130,371
Less: Interest expenses	(3,749,783)	(5,413,381)	(1,098,049)	(1,150,969)	(461,490)	(445,414)	(5,309,323)	(7,009,764)
Net interest income	3,495,644	1,587,701	957,644	1,593,140	80,215	(60,235)	4,533,503	3,120,606
Net fee and commission income	208,911	210,715	106,446	116,809	30,753	224	346,110	327,748
Other operating income	1,051,565	587,772	-	-	45,600	12,889	1,097,165	600,661
Total operating income	4,756,120	2,386,188	1,064,090	1,709,949	156,568	(47,122)	5,976,778	4,049,015
Less: Impairment (charges)/reversal on loans and losses	47,359	(189,430)	3,483	2,583	86,071	105,978	136,912	(80,869)
Net operating income	4,803,479	2,196,758	1,067,572	1,712,532	242,639	58,856	6,113,691	3,968,146
Less: Total operating expenses (Including Taxes on financial services)	(2,980,782)	(2,059,958)	(723,045)	(520,571)	(304,579)	(188,400)	(4,008,406)	(2,768,929)
Operating profit before taxes	1,822,697	136,800	344,528	1,191,961	(61,940)	(129,544)	2,105,285	1,199,217
Less: Income tax expenses							(901,912)	(489,016)
Profit for the period							1,203,373	710,202
Non-controlling interest							-	-
Profit attributable to equity holders of the Company							1,203,373	710,202
As at 31 December	2024 LKR'000	2023 LKR'000	2024 LKR'000	2023 LKR'000	2024 LKR'000	2023 LKR'000	2024 LKR'000	2023 LKR'000
Segmental assets	30,717,750	26,640,517	11,412,292	7,930,228	17,578,900	11,669,755	59,708,942	46,240,500
Total assets	30,717,750	26,640,517	11,412,292	7,930,228	17,578,900	11,669,755	59,708,942	46,240,500
Segmental liabilities	26,380,627	22,465,463	9,800,960	6,687,417	15,074,033	9,840,890	51,255,621	38,993,770
Total liabilities	26,380,627	22,465,463	9,800,960	6,687,417	15,074,033	9,840,890	51,255,621	38,993,770

EXPLANATORY NOTES

1. The Interim Financial Statements are presented in accordance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on 'Interim Financial Reporting' and by providing the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
2. There are no changes to the accounting policies and methods of computation since the publication of the Audited Financial Statements for the year 2023.
3. There are no material changes during the period in the composition of assets, liabilities and contingent liabilities. All known expenditure items have been provided for.
4. There have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.
5. The dividend of LKR.0.07 per share on 100,329,537 Ordinary shares was approved at the Annual General Meeting held on 26 March 2024. This was paid in the form of scrip dividend and relevant provisions were made in the Financial Statements for the period ended 31 December 2024.
6. The Company issued 40,000,000 listed, rated, senior, unsecured redeemable debentures at a par value of LKR.100/-. The debenture issue was opened on 28 May 2024 and closed on the same day as the issue was oversubscribed. The date of allotment of the said debenture issue was 06 June 2024.

7. The funds raised from debenture issues

7.1 The funds raised from debenture issue -2024

The details of utilization of debenture proceeds are given in table below.

Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus (LKR)	Proposed date of utilization as per Prospectus	Amount Allocated from proceeds in (LKR) (A)	% of total proceeds	Amount utilized in LKR (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	To finance the budgeted lending portfolio within the next 12 months from the date of allotment	4.0 Billion	Within 12 months (Between 06 June 2024 to 05 June 2025)	4.0 Billion	100.00%	4.0 Billion	100%	Fully utilized

7.2 The funds raised from previous debenture issues

The funds raised through debenture issues in the previous years were fully utilised for the objectives stated in the relevant prospectuses.

8. Impairment of loans and receivables

The Company diligently assessed its individually significant customers (ISL) as at 31 December 2024, and allocated adequate provisions in the Financial Statements, addressing the unique risk profiles associated with each of these customers. Impairment reversals were recorded only in instances where a discernible improvement in customer credit risk was evident, or when loans were either fully or partially recovered. Under collective impairment, the fundamental impairment models remained consistent throughout the period. The Company also continued to apply allowance for overlays to customer segments still carrying an increased credit risk.

INFORMATION ON SHARES

Stated Capital as at 31 December 2024 was represented by the number of shares in issue as given below.

	As at 31 December 2024		As at 31 December 2023	
	Number	LKR.	Number	LKR.
Ordinary Shares	100,421,363	2,872,846,361	100,329,537	2,866,876,754
Total	100,421,363	2,872,846,361	100,329,537	2,866,876,754

SHAREHOLDER INFORMATION

Shareholders' list as at 31 December 2024

	Name	No: of Shares	%
(01).	Sampath Bank PLC	100,421,356	100.00%
(02).	Mr. P.S.Cumaranatunga	01	0.00%
(03).	Mr.Y.S.H.R.S.Silva	01	0.00%
(04).	Mr.J.H.Gunawardena	01	0.00%
(05).	Mr.J.Selvaratnam	01	0.00%
(06).	Ms.H.S.R.Ranatunga	01	0.00%
(07).	Mr.D. Sooriyaarachchi	01	0.00%
(08).	Mr.W. S. C. Perera	01	0.00%
		100,421,363	100.00%

Public Holdings

The percentage of ordinary shares held by the public as at 31 December 2024 was 0%.

Directors'/ CEO's Holding in Shares as at 31 December 2024

Name	Position	No: of Shares
Mr. P.S.Cumaranatunga	Director	01
Mr. Y.S.H.R.S.Silva	Director	01
Mr.J.H.Gunawardena	Director	01
Mr.J.Selvaratnam	Director	01
Ms.H.S.R.Ranatunga	Director	01
Mr. D Sooriyaarachchi	Director	01
Mr.W. S. C. Perera	Director	01

INFORMATION ON LISTED DEBENTURES

(i) Market Values

	Highest (LKR.)		Lowest (LKR.)		Period End (LKR.)	
	2024	2023	2024	2023	2024	2023
Debentures-2021/2026	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Debentures-2024/2029	Not Traded	N/A	Not Traded	N/A	Not Traded	N/A

(ii) Interest Rates

	2024		2023	
	Coupon Rate	Effective Rate	Coupon Rate	Effective Rate
Debentures -2021/2026	9.46%	9.46%	9.46%	9.46%
Debentures -2024/2029	13.20%	13.20%	N/A	N/A

(iii) Interest rates of comparable Government Securities

	31-12-2024	31-12-2023
6 months treasury bill	8.77%	13.85%
1 year treasury bill	8.96%	12.75%
5 year treasury bond	10.75%	13.75%

(iv) Current Yield & Yield to maturity

	2024		2023	
	Current Yield (%)	Yield to Maturity (%)	Current Yield (%)	Yield to Maturity (%)
Debentures Issued-September 2021 5 year Fixed rated(9.46% p.a. payable annually)	Not Traded	Not Traded	Not Traded	Not Traded
Debentures Issued-June 2024 5 year Fixed rated(13.20% p.a. payable annually)	Not Traded	Not Traded	N/A	N/A

(v) Ratios

	31-12-2024	31-12-2023
Debt to Equity Ratio (Times)	2.07	1.12
Interest Cover (Times)	1.40	1.17
Quick Asset Ratio (%)	116.06%	91.92%