

Siyapatha Finance PLC

FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

INCOME STATEMENT			
In Sri Lankan Rupees Thousands			
For the six months ended	30-Jun-2020 (Unaudited)	30-Jun-2019 (Unaudited)	Change
Interest income	3,526,476	3,460,080	66,396
Less: Interest expenses	(2,090,254)	(2,143,462)	(53,208)
Net interest income	1,436,222	1,316,618	119,604
Fee and commission income	138,303	148,298	(9,995)
Less: Fee and commission expenses	-	-	-
Net fee and commission income	138,303	148,298	(9,995)
Net gain/(loss) from trading	-	-	-
Net gain/(loss) from financial instruments designated at fair value through profit or loss	-	-	-
Net gain/(loss) from financial investments	-	-	-
Other operating income	150,382	158,427	(8,045)
Total operating income	1,724,907	1,623,343	101,564
Less: Impairment for loans and other losses			
Individual impairment	(85,246)	(268,643)	(183,397)
Collective impairment	(524,893)	(282,784)	242,109
Others	-	-	-
Net operating income	1,114,768	1,071,916	42,852
Less: Operating expenses			
Personnel expenses	(419,363)	(366,451)	52,912
Depreciation and amortization	(42,834)	(39,461)	3,373
Other expenses	(258,430)	(298,529)	(40,099)
Operating profit before taxes on financial services	394,141	367,475	26,666
Taxes on financial services	(108,721)	(146,208)	(37,487)
Operating profit after taxes on financial services	285,420	221,267	64,153
Share of profits of associate and joint ventures	-	-	-
Profit before taxation	285,420	221,267	64,153
Tax expenses	(84,156)	(89,403)	(5,247)
Profit for the period	201,264	131,864	69,400
Earnings per share (Rs)	2.73	1.82	0.91

SELECTED PERFORMANCE INDICATORS		
Item	As at 30 June 2020	As at 30 June 2019
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	3,472,305	3,146,244
Total Capital Base, Rs. '000 (Tier 1 Capital + Tier 11 Capital)	5,475,123	4,200,126
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement -2020-6.5% / 2019-6%)	8.71%	8.54%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 2020 - 10.5% / 2019-10%)	13.74%	11.40%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement, 10%)*	43.70%	36.92%
* 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.		
Asset Quality		
Gross Non-Performing Accommodations, Rs. '000	4,538,110	3,496,632
Gross Non-Performing Accommodations Ratio, %	11.00%	9.22%
Net Non-Performing Accommodations Ratio, %	3.36%	3.22%
Profitability (%)		
Net Interest Margin	7.31%	7.67%
Cost to Income Ratio	41.78%	43.39%
Return on Average Total Assets (before Tax)	1.32%	1.15%
Return on Average Total Assets (after Tax)	0.93%	0.69%
Return on Average Total Equity (after Tax)	9.74%	7.36%
Regulatory Liquidity (Rs.'000)		
Required minimum amount of liquid assets	1,106,079	1,899,324
Required minimum amount of Government securities**	1,701,063	2,254,033
Available amount of liquid assets	1,909,009	2,488,015
Available amount of Government securities	1,709,699	2,361,519
** Required minimum amount of government securities equals to 5%(7.5%-2019) of the average of month end deposit liabilities and borrowings of the twelve months of the preceding financial year.		
Memorandum information		
Number of employees	751	636
Number of branches	37	32
Number of service centers	-	-
Number of pawning centers	-	-
Number of Directors		
- Executive	1	1
- Non Executive	8	8
Ownership - Fully owned subsidiary of Sampath Bank PLC		

STATEMENT OF FINANCIAL POSITION		
In Sri Lankan Rupees Thousands		
As at	30-Jun-2020 (Unaudited)	30-Jun-2019 (Unaudited)
ASSETS		
Cash and bank balances	2,725,392	352,918
Securities purchased under Repurchase Agreements	1,710,946	2,371,771
Loans and Receivables - Leases	30,547,240	27,988,794
Loans and Receivables - Hire Purchase	3,860	13,092
Loans and Receivables - Others	7,098,848	7,434,345
Equity instruments at fair value through other comprehensive income	56	56
Debt instruments at amortised cost	45,619	4,327
Property, Plant & Equipment	1,147,834	845,906
Right-of-use Assets	406,390	-
Intangible Assets	46,129	67,739
Other Debtors & Prepayments	835,550	583,354
Total Assets	44,567,864	39,662,302
LIABILITIES		
Due to banks	15,523,406	16,436,773
Due to other customers	15,886,561	13,095,739
Debt securities issued	1,641,988	2,757,070
Income Taxation Payable	401,811	172,329
Deferred Taxation Liability	153,662	491,687
Other Liabilities	3,891,541	854,060
Retirement Benefit Obligations	79,759	50,278
Subordinated term debts	2,772,047	2,136,600
Total Liabilities	40,350,775	35,994,536
EQUITY		
Stated Capital	1,522,881	1,379,922
Statutory Reserve Fund	164,000	139,000
Revaluation Reserve	117,951	107,763
Retained Earnings	2,412,257	2,041,081
Total Equity	4,217,089	3,667,766
Total Liabilities and Equity	44,567,864	39,662,302
Contingent liabilities and commitments	712,169	632,276

STATEMENT OF COMPREHENSIVE INCOME		
In Sri Lankan Rupees Thousands		
For the six months ended	30-Jun-2020 (Unaudited)	30-Jun-2019 (Unaudited)
Profit for the period	201,264	131,864
Other comprehensive income, net of tax	-	-
Total of comprehensive income for the period	201,264	131,864

CERTIFICATION

We, the undersigned, being the Managing Director and Head of Finance 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;
- the information contained in these statements has been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd)
Ananda Seneviratne
Managing Director
Siyapatha Finance PLC
Date : 28 July 2020

(Sgd)
Ruwan Wanniarachchi
Head of Finance
Siyapatha Finance PLC
Date : 28 July 2020

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Company Registration No. PB 917 PQ

Fitch rating: 'A' Stable outlook



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Siyapatha Finance
(Finance Company of Sampath Bank Group)