

# Siyapatha Finance PLC

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

## Key Financial Data for the year ended 31 December

In Rupees Thousands

	Current Year	Previous Year
	From 01.01.2020 to 31.12.2020 (Audited)	From 01.01.2019 to 31.12.2019 (Audited)
Interest Income	6,814,216	7,229,612
Interest Expenses	(3,856,315)	(4,230,657)
<b>Net Interest Income</b>	<b>2,957,901</b>	<b>2,998,955</b>
Other Income	765,479	690,293
Gains/(Losses) from Trading Activities	-	-
Operating Expenses (Excluding Impairment)	(1,462,546)	(1,433,411)
Impairment	(1,356,264)	(1,050,938)
<b>Profit / (Loss) Before Tax</b>	<b>904,570</b>	<b>1,204,899</b>
Taxes	(495,079)	(724,705)
<b>Profit / (Loss) After Tax</b>	<b>409,491</b>	<b>480,194</b>

## Key Financial Data as at 31 December

In Rupees Thousands

	31-Dec-2020 (Audited)	31-Dec-2019 (Audited)
<b>Assets</b>		
Cash and Bank Balance	292,036	273,429
Due from Related Parties	-	-
Loans(Excluding Due from Related Parties)	38,616,880	38,546,446
Investment in Equity	56	56
Investment Properties and Real Estate	-	-
Property, Plant & Equipment	1,353,815	1,013,625
Other Assets	1,288,873	1,113,789
<b>Total Assets</b>	<b>41,551,660</b>	<b>40,947,345</b>
<b>Liabilities</b>		
Due to Banks	8,037,211	11,841,072
Due to Related Parties	2,974,555	6,133,204
Deposits from Customers	17,279,614	13,221,026
Other Borrowings	6,288,476	3,729,537
Other Liabilities	1,845,839	2,006,681
<b>Total Liabilities</b>	<b>36,425,695</b>	<b>36,931,520</b>
<b>Equity</b>		
Stated Capital	1,522,881	1,379,922
Share Application Money Pending Allotment	700,000	-
Statutory Reserve Fund	185,000	164,000
Retained Earnings	2,600,133	2,353,952
Other Reserves	117,951	117,951
<b>Total Equity</b>	<b>5,125,965</b>	<b>4,015,825</b>
<b>Total Liabilities and Equity</b>	<b>41,551,660</b>	<b>40,947,345</b>
<b>Net Assets Value Per Share (Rs.)</b>	<b>67.26</b>	<b>54.78</b>

## Selected Key Performance Indicators

Item	31-Dec-2020		31-Dec-2019	
	Required	Actual	Required	Actual
<b>Regulatory Capital Adequacy (%)</b>				
Tier 1 Capital Adequacy Ratio	6.50%	9.77%	6.50%	8.96%
Total Capital Adequacy Ratio	10.50%	14.18%	10.50%	14.16%
Capital Funds to Deposit Liabilities Ratio	10.00%	37.59%	10.00%	48.59%
<b>Quality of Loan Portfolio (%)</b>				
Gross Non-Performing Loans Ratio		18.07%		9.80%
Net Non-Performing Loans Ratio		5.98%		3.42%
Net Non-Performing Loans to Core Capital Ratio		47.93%		34.94%
Provision Coverage Ratio		51.45%		50.93%
<b>Profitability(%)</b>				
Net Interest Margin		7.12%		7.32%
Return on Assets		2.18%		2.94%
Return on Equity		7.99%		11.96%
Cost to Income Ratio		39.28%		38.85%
<b>Liquidity (%)</b>				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)		152.62%		148.07%
Liquid Assets to External Funds		5.58%		7.00%
<b>Memorandum Information</b>				
Number of Branches		40		35
External Credit Rating (Fitch Ratings)		A(lka)		A-(lka)
<b>Regulatory penalties imposed last 6 months</b>				
Amount (Rs' Million)		1		N/A
N/A - Not Applicable				

The Company has not had any regulatory restrictions on deposits, borrowings or lending during the years 2019 and 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  
23 February 2021

(Sgd)  
**Ruwan Wanniarachchi**  
Head of Finance  
23 February 2021

(Sgd)  
**Mahika Rajakaruna**  
Head of Compliance  
23 February 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.