

Siyapatha Finance PLC

FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

INCOME STATEMENT

In Sri Lankan Rupees Thousands

For the six months ended	30-Jun-2019* (Unaudited)	30-Jun-2018 (Unaudited)	Change
Interest income	3,460,080	3,025,670	434,410
Less: Interest expenses	(2,143,462)	(1,713,452)	430,010
Net interest income	1,316,618	1,312,218	4,400
Fee and commission income	148,298	141,874	6,424
Less: Fee and commission expenses	-	(21)	(21)
Net fee and commission income	148,298	141,853	6,445
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	158,427	131,917	26,510
Total operating income	1,623,343	1,585,988	37,355
Less: Impairment for loans and other losses			
Individual impairment	(268,643)	(26,612)	242,031
Collective impairment	(282,784)	(277,624)	5,160
Others	-	-	-
Net operating income	1,071,916	1,281,752	(209,836)
Less: Operating expenses			
Personnel expenses	(366,451)	(391,759)	(25,308)
Depreciation and amortization	(39,461)	(28,504)	10,957
Other expenses	(298,529)	(257,418)	41,111
Operating profit before taxes on financial services	367,475	604,071	(236,596)
Taxes on financial services	(146,208)	(142,508)	3,700
Operating profit after taxes on financial services	221,267	461,563	(240,296)
Share of profits of associate and joint ventures	-	-	-
Profit before taxation	221,267	461,563	(240,296)
Tax expenses	(89,403)	(170,055)	(80,652)
Profit for the period	131,864	291,508	(159,644)
Earnings per share (Rs)	1.82	5.06	(3.24)

* The amounts for the period ended 30 June 2019 have been prepared in accordance with Sri Lanka Accounting Standard - SLFRS 9 (Financial Instruments), whereas prior period amounts have not been restated.

SELECTED PERFORMANCE INDICATORS

Item	As at 30th June 2019	As at 30th June 2018
Regulatory Capital Adequacy		
Core Capital (Tier 1 Capital), Rs. '000	3,146,244	2,811,782
Total Capital Base, Rs. '000 (Tier 1 Capital + Tier 11 Capital)	4,200,126	4,211,782
Core Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 6%)	8.54%	9.50%
Total Capital Adequacy Ratio, as a % of Risk Weighted Assets (Minimum requirement, 10%)	11.40%	14.23%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement, 10%)*	36.92%	48.50%
* 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	3,496,632	1,552,648
Gross Non-Performing Accommodations Ratio, %	9.22%	4.74%
Net Non-Performing Accommodations Ratio, %	3.22%	1.47%
Profitability (%)		
Net Interest Margin	7.67%	9.02%
Cost to Income Ratio	43.39%	42.73%
Return on Average Total Assets (before Tax)	1.15%	2.81%
Return on Average Total Assets (after Tax)	0.69%	1.78%
Return on Average Total Equity (after Tax)	7.36%	20.33%
Regulatory Liquidity (Rs. '000)		
Required minimum amount of liquid assets**	1,899,324	1,449,602
Required minimum amount of Government securities***	2,254,033	1,717,655
Available amount of liquid assets	2,488,015	1,811,216
Available amount of Government securities	2,361,519	1,755,805
** Required minimum amount of liquid assets equals to 10% of total liabilities less Shareholders' Funds and Secured Borrowings as at 30 June 2019 & 30 June 2018 respectively.		
*** 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.		
Memorandum information		
Number of employees	636	599
Number of branches	32	26
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-2019* (Unaudited)	30-Jun-2018 (Unaudited)
ASSETS		
Cash and bank balances	352,918	255,122
Securities purchased under Repurchase Agreements	2,371,771	1,765,098
Loans and Receivables - Leases	27,988,794	23,525,329
Loans and Receivables - Hire Purchase	13,092	119,587
Loans and Receivables - Others	7,434,345	7,836,723
Financial Investments - Available for Sale	-	56
Equity instruments at fair value through other comprehensive income	56	-
Financial Investments - Held - to - maturity	-	4,309
Debt instruments at amortised cost	4,327	-
Property, Plant & Equipment	845,906	480,934
Intangible Assets	67,739	7,159
Other Debtors & Prepayments	583,354	572,154
Total Assets	39,662,302	34,566,471
LIABILITIES		
Due to banks	16,436,773	15,988,576
Due to other customers	13,095,739	9,196,827
Debt securities issued	2,757,070	2,757,070
Income Taxation Payable	172,329	118,046
Deferred Taxation Liability	491,687	414,450
Other Liabilities	854,060	906,318
Retirement Benefit Obligations	50,278	35,763
Subordinated term debts	2,136,600	2,136,600
Total Liabilities	35,994,536	31,553,650
EQUITY		
Stated Capital	1,379,922	948,666
Statutory Reserve Fund	139,000	121,000
Revaluation Reserve	107,763	56,823
Accumulated Profit/ (Loss)	2,041,081	1,886,332
Total Equity	3,667,766	3,012,821
Total Liabilities and Equity	39,662,302	34,566,471
Contingent liabilities and commitments	632,276	755,690

* The amounts for the period ended 30 June 2019 have been prepared in accordance with Sri Lanka Accounting Standard - SLFRS 9 (Financial Instruments), whereas prior period amounts have not been restated.

STATEMENT OF COMPREHENSIVE INCOME

In Sri Lankan Rupees Thousands

For the six months ended	30-Jun-2019* (Unaudited)	30-Jun-2018 (Unaudited)
Profit for the period	131,864	291,508
Other comprehensive income, net of tax	-	-
Total comprehensive income for the period	131,864	291,508

* The amounts for the period ended 30 June 2019 have been prepared in accordance with Sri Lanka Accounting Standard - SLFRS 9 (Financial Instruments), whereas prior period amounts have not been restated.

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 : 30 July 2019

(Sgd)

Ruwana Wanniarachchi
Head of Finance
Siyapatha Finance PLC
Date : 30 July 2019

No: 46/12, Sayuru Sevana, Nawam Mawatha, Colombo 02.

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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)