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சியபத பிணான்ஸ்
Siyapatha Finance

(Finance Company of Sampath Bank Group)

SIYAPATHA FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2025

SIYAPATHA FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 30 June		Change %	For the quarter ended 30 June		Change %
	2025 LKR'000	2024 LKR'000		2025 LKR.000	2024 LKR.000	
Gross income	6,098,957	5,500,687	11%	3,186,498	2,698,103	18%
Interest income	5,271,581	4,853,122	9%	2,715,793	2,379,291	14%
Less: Interest expenses	(2,642,877)	(2,775,117)	-5%	(1,360,336)	(1,336,142)	2%
Net interest income	2,628,704	2,078,005	27%	1,355,457	1,043,149	30%
Fee and commission income	219,715	175,834	25%	120,816	96,175	26%
Less: Fee and commission expenses	(923)	(1,071)	-14%	(581)	(492)	18%
Net fee and commission income	218,792	174,763	25%	120,235	95,683	26%
Other operating income	607,662	471,731	29%	349,890	222,637	57%
Total operating income	3,455,158	2,724,499	27%	1,825,582	1,361,469	34%
Less: Impairment (Charges) / Reversals	94,314	5,087	1754%	4,304	58,648	-93%
Net operating income	3,549,472	2,729,586	30%	1,829,886	1,420,117	29%
Less: Operating expenses						
Personnel expenses	(1,267,723)	(899,229)	41%	(696,664)	(490,459)	42%
Depreciation and amortisation expenses	(149,328)	(127,791)	17%	(75,986)	(65,127)	17%
Other operating expenses	(443,221)	(487,543)	-9%	(222,827)	(254,321)	-12%
Total operating expenses	(1,860,271)	(1,514,563)	23%	(995,476)	(809,907)	23%
Operating profit before taxes on financial services	1,689,201	1,215,023	39%	834,410	610,210	37%
Less: Taxes on financial services	(473,988)	(336,350)	41%	(245,544)	(174,691)	41%
Profit before income taxation	1,215,213	878,673	38%	588,866	435,519	35%
Less: Income tax expense	(508,962)	(366,033)	39%	(250,253)	(183,593)	36%
Profit after taxation	706,251	512,640	38%	338,613	251,926	34%
Other comprehensive income, net of taxes	-	-	-	-	-	-
Total comprehensive income, net of taxes	706,251	512,640	38%	338,613	251,926	34%
Basic/Diluted earnings per share-(LKR.)	7.02	5.10	38%	3.37	2.51	34%

SIYAPATHA FINANCE PLC
STATEMENT OF FINANCIAL POSITION

As at	30-06-2025	31-12-2024
	LKR'000	Audited LKR'000
Assets		
Cash and bank balances	296,439	260,579
Securities purchased under repurchase agreements	11,865,281	5,001,843
Loans and receivables	56,745,865	46,054,531
Assets held for sale	24,838	24,838
Other assets	915,652	812,692
Equity instruments at fair value through other comprehensive income	56	56
Debt instruments at amortised cost	1,247,430	4,335,257
Property, plant and equipment	2,452,233	2,486,546
Right-of-use assets	491,330	482,732
Deferred tax assets	194,043	233,835
Intangible assets	12,511	16,033
Total Assets	74,245,678	59,708,942
Liabilities		
Bank overdraft	232,894	128,514
Due to other customers	34,303,166	32,197,075
Debt issued and other borrowed funds	25,770,230	15,642,339
Other payables	3,434,659	2,373,259
Current tax liabilities	1,167,992	754,721
Retirement benefit obligations	178,973	159,713
Total Liabilities	65,087,914	51,255,621
Equity		
Stated capital	2,883,089	2,872,846
Reserves		
Statutory reserve fund	375,000	375,000
Revaluation reserve	154,295	154,295
Retained earnings	5,745,380	5,051,180
Total Equity	9,157,764	8,453,321
Total Liabilities and Equity	74,245,678	59,708,942
Net asset value per share(LKR.)	91.07	84.18
Commitments & contingencies	73,024	30,206

The information contained in these financial statements have been extracted from the unaudited financial statements of the Company unless indicated as "Audited".

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 30 June 2025 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 Cumaranatunga
Chairman

(Sgd.)
Laknath Jayawickrama
Director

29 July 2025

SIYAPATHA FINANCE PLC
STATEMENT OF CHANGES IN EQUITY
Amounts are in LKR'000

	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	Retained Earnings	Total
Balance as at 01 January 2024 (Audited)	2,866,876	314,000	154,295	3,911,560	7,246,731
Profit for the period	-	-	-	512,640	512,640
Other Comprehensive income, net of tax	-	-	-	-	-
Scrip dividend paid	5,970	-	-	(7,023)	(1,053)
Balance as at 30 June 2024	<u><u>2,872,846</u></u>	<u><u>314,000</u></u>	<u><u>154,295</u></u>	<u><u>4,417,177</u></u>	<u><u>7,758,318</u></u>
Balance as at 01 January 2025 (Audited)	2,872,846	375,000	154,295	5,051,180	8,453,321
Profit for the period	-	-	-	706,251	706,251
Other Comprehensive Income, net of tax	-	-	-	-	-
Scrip dividend paid	10,243	-	-	(12,051)	(1,808)
Balance as at 30 June 2025	<u><u>2,883,089</u></u>	<u><u>375,000</u></u>	<u><u>154,295</u></u>	<u><u>5,745,380</u></u>	<u><u>9,157,764</u></u>

SIYAPATHA FINANCE PLC
STATEMENT OF CASH FLOWS

For the six-month period ended 30 June	2025 LKR'000	2024 LKR'000
Cash flows from operating activities		
Profit before taxation from operations	1,215,213	878,673
Interest expenses	2,642,877	2,775,117
Fee and commission expenses	923	1,071
Credit loss expense on financial assets	(94,314)	(5,087)
Provision for staff gratuity	21,006	20,004
Provision for depreciation	94,136	81,435
Amortization of software	4,693	3,795
Amortisation of right-of-use assets	50,498	42,561
(Profit)/Loss on sale of fixed Asset	(66)	-
	2,719,753	2,918,896
Operating profit before working capital changes	3,934,966	3,797,569
(Increase)/decrease in lease receivables	(4,101,018)	(1,816,595)
(Increase)/decrease in hire purchase receivables	-	936
(Increase)/decrease in factoring receivables	(571)	25,335
(Increase)/decrease in gold loan receivables	(3,486,971)	(917,946)
(Increase)/decrease in loan receivables	(2,957,382)	(635,978)
Increase/(decrease) in due to other customers	2,430,818	4,078,850
(Increase)/decrease in other assets	(211,675)	(268,995)
Increase/(decrease) in other payables	1,142,582	961,100
	(7,184,217)	1,426,707
Cash generated from operating activities	(3,249,251)	5,224,276
Interest expense paid	(3,135,906)	(3,080,174)
Gratuity paid	(1,746)	(6,999)
Income tax paid	(55,898)	(176,102)
Dividend tax paid	(1,808)	(1,053)
Net cash inflow from operating activities	(6,444,609)	1,959,948
Cash flow from investing activities		
Net investments in government treasury bills and repurchase agreements	1,190,112	2,993,369
Purchase of property, plant, equipment and intangible assets	(61,986)	(84,031)
Proceeds from sale of property, plant and equipment	1,059	-
Net cash inflow from investing activities	1,129,185	2,909,338
Net cash inflow before financing activities	(5,315,424)	4,869,286
Cash flow from financing activities		
Proceeds from long term loans/securitizations	5,927,803	2,000,000
Repayments of long term loans/securitizations	(417,534)	(2,745,826)
Proceeds from debentures	5,000,000	4,000,000
Net proceeds from short term borrowings	(215,000)	1,300,000
Repayment of principal portion of lease liabilities	(82,638)	(69,999)
Net cash inflow/(outflow) from financing activities	10,212,631	4,484,175
Net increase in cash and cash equivalents	4,897,208	9,353,461
Cash & cash equivalents at the beginning of the year	8,279,150	3,112,229
Cash and cash equivalents at the end of the period	13,176,358	12,465,690
Analysis of the cash and cash equivalents at the end of the period		
Cash and bank balances	296,541	353,571
Securities purchased under repurchase agreements	11,865,281	1,475,681
Government securities maturing less than three months	1,247,430	10,784,187
Bank overdraft	(232,894)	(147,749)
	13,176,358	12,465,690

SELECTED PERFORMANCE INDICATORS

	As at 30.06.2025	As at 31.12.2024
<u>Capital Adequacy</u>		
Core Capital Ratio (Minimum Requirement : 8.5%)	15.23%	17.54%
Total Risk Weighted Capital Ratio (Minimum Requirement: : 12.5%)	16.46%	18.97%
Capital Funds to Deposit Liabilities Ratio (Minimum Requirement-10%)*	41.76%	47.63%
<u>Profitability</u>		
Return on Average Assets (After Tax)	2.20%	2.24%
Return on Average Shareholders' Funds	16.08%	15.32%
<u>Asset Quality (LKR'000)</u>		
Total Accommodation (Gross)	59,518,020	48,971,732
Non-Performing Accommodation	4,740,843	4,979,823
Net Total Accommodation (Net of allowance for expected credit losses/impairment)	56,745,865	46,054,531
<u>Liquidity (LKR'000)</u>		
Required Minimum Amount of Liquid Assets	4,482,488	3,784,418
Required Minimum Amount of Government Securities**	3,167,161	2,749,719
Available Amount of Liquid Assets	13,368,415	9,565,291
Available Amount of Government Securities	13,112,712	9,337,100

* **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.

	Leasing and Hire Purchase		Gold Loan		Others		Total	
	2025 LKR'000	2024 LKR'000	2025 LKR'000	2024 LKR'000	2025 LKR'000	2024 LKR'000	2025 LKR'000	2024 LKR'000
For the six-month period ended 30 June								
Interest Income	3,658,869	3,598,324	1,204,262	1,022,515	408,450	232,283	5,271,581	4,853,122
Less: Interest expenses	(1,701,234)	(2,012,643)	(626,673)	(550,495)	(314,970)	(211,979)	(2,642,877)	(2,775,117)
Net interest income	1,957,635	1,585,681	577,589	472,020	93,480	20,304	2,628,704	2,078,005
Net fee and commission income	127,670	119,303	56,355	52,147	34,767	3,313	218,792	174,763
Other operating income	593,870	457,127	-	-	13,792	14,604	607,662	471,731
Total operating income	2,679,175	2,162,111	633,944	524,167	142,039	38,221	3,455,158	2,724,499
Less: Impairment (charges)/reversal on loans and losses	58,846	(57,983)	(8,468)	4,232	43,936	58,838	94,314	5,087
Net operating income	2,738,021	2,104,128	625,476	528,399	185,975	97,059	3,549,472	2,729,586
Less: Total operating expenses (Including Taxes on financial services)	(1,656,444)	(1,394,917)	(444,964)	(339,804)	(232,851)	(116,192)	(2,334,259)	(1,850,913)
Operating profit before taxes	1,081,577	709,211	180,512	188,595	(46,876)	(19,133)	1,215,213	878,673
Less: Income tax expenses							(508,962)	(366,033)
Profit for the period							706,251	512,640
Non-controlling interest							-	-
Profit attributable to equity holders of the Company							706,251	512,640
As at 30 June	2025 LKR'000	2024 LKR'000	2025 LKR'000	2024 LKR'000	2025 LKR'000	2024 LKR'000	2025 LKR'000	2024 LKR'000
Segmental assets	37,119,988	28,463,892	14,934,042	8,852,406	22,191,648	18,866,968	74,245,678	56,183,266
Total assets	37,119,988	28,463,892	14,934,042	8,852,406	22,191,648	18,866,968	74,245,678	56,183,266
Segmental liabilities	32,541,459	24,533,328	13,092,017	7,629,982	19,454,438	16,261,639	65,087,914	48,424,949
Total liabilities	32,541,459	24,533,328	13,092,017	7,629,982	19,454,438	16,261,639	65,087,914	48,424,949

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 2024.
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.0.12 per share on 100,421,363 Ordinary shares was approved at the Annual General Meeting held on 25 March 2025. This was paid in the form of scrip dividend.
6. The Company issued 50,000,000 listed, rated, senior, unsecured redeemable debentures at a par value of LKR.100/-. The debenture issue was opened on 19 June 2025 and closed on the same day as the issue was oversubscribed. The date of allotment of the said debenture issue was 26 June 2025.

7. The funds raised from debenture issues

7.1 The funds raised from debenture issue -2025

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	5.0 Billion	Within 12 months (Between 26 June 2025 to 25 June 2026)	5.0 Billion	100.00%	150 Million	3.0%	Note A

Note A

The balance of LKR 4.85 billion will be utilized by 25 June 2026, as stipulated in the prospectus. The Company has invested these funds from the debenture issue in Government Securities, ensuring zero default risk until they are allocated for lending purposes.

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 carefully assessed all individually significant loans as of 30 June 2025 and sufficient provisions have been incorporated into the Financial Statements. The impairment models used for collective impairment in 2024 were retained in 2Q 2025 to ensure sufficient buffers were in place to absorb any potential credit risk that might arise in the future. Further, the allowance for overlay applied in 2024 continued to be maintained for the current reporting period as well.

INFORMATION ON SHARES

Stated Capital as at 30 June 2025 was represented by the number of shares in issue as given below.

	As at 30 June 2025		As at 31 December 2024	
	Number	LKR.	Number	LKR.
Ordinary Shares	100,556,566	2,883,089,339	100,421,363	2,872,846,361
Total	100,556,566	2,883,089,339	100,421,363	2,872,846,361

SHAREHOLDER INFORMATION

Shareholders' list as at 30 June 2025

	Name	No: of Shares	%
(01).	Sampath Bank PLC	100,556,559	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%
		100,556,566	100.00%

Public Holdings

The percentage of ordinary shares held by the public as at 30 June 2025 was 0%.

Directors'/ CEO's Holding in Shares as at 30 June 2025

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.)	
	2025	2024	2025	2024	2025	2024
Debentures-2021/2026	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Debentures-2024/2029	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
Debentures-2025/2030*	Not Traded	N/A	Not Traded	N/A	Not Traded	N/A

*Debenture – 2025/2030 was listed on 2 July 2025

(ii) **Interest Rates**

	2025		2024	
	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%	13.20%	13.20%
Debentures -2025/2030	11.40%	11.40%	11.40%	11.40%

(iii) **Interest rates of comparable Government Securities**

	30-06-2025	31-12-2024
6 months treasury bill	7.75%	8.77%
1 year treasury bill	7.94%	8.96%
5 year treasury bond	9.41%	10.75%

(iv) **Current Yield & Yield to maturity**

	2025		2024	
	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	Not Traded	Not Traded
Debentures Issued-June 2025* 5 year Fixed rated (11.40% p.a. payable annually)	Not Traded	Not Traded	Not Traded	Not Traded

*Debentures Issued -June 2025 was listed on 2 July 2025

(v) **Ratios**

	30-06-2025	31-12-2024
Debt to Equity Ratio (Times)	2.93	2.07
Interest Cover (Times)	1.46	1.40
Quick Asset Ratio (%)	125.57%	116.06%