

# SINGER FINANCE (LANKA) PLC

## STATEMENT OF PROFIT OR LOSS

	Six Months Ended 30 <sup>th</sup> September 2020 Rs.'000	Six Months Ended 30 <sup>th</sup> September 2019 Rs.'000	Change %
Interest Income	2,178,060	2,135,876	2%
Less: Interest Expense	994,446	1,019,672	2%
<b>Net Interest Income</b>	<b>1,183,614</b>	<b>1,116,204</b>	<b>6%</b>
Net Fee and Commission Income	110,464	107,482	3%
Trading Income	-	721	(100%)
Other Operating Income	11,065	18,389	(40%)
<b>Total Operating Income</b>	<b>1,305,143</b>	<b>1,242,796</b>	<b>5%</b>
Less: Allowances for Impairment charges for Loan and Other Losses	314,119	208,803	(50%)
<b>Net Operating Income</b>	<b>991,024</b>	<b>1,033,993</b>	<b>(4%)</b>
<b>Less : Expenses</b>			
Personnel Cost	287,314	293,275	2%
Depreciation and Amortization	70,793	59,914	(18%)
Other Administration and Selling Expenses	279,525	361,112	23%
<b>Operating Profit Before Value Added Tax (VAT),Nation Building Tax (NBT) and Debt Repayment Levy (DRL) on Financial Services</b>	<b>353,392</b>	<b>319,692</b>	<b>11%</b>
Less : VAT, NBT & DRL on Financial Services	89,778	130,272	31%
<b>Profit Before Income Tax</b>	<b>263,614</b>	<b>189,420</b>	<b>39%</b>
Less : Income Tax Expense	89,278	65,899	(35%)
<b>Profit For The Period</b>	<b>174,336</b>	<b>123,521</b>	<b>41%</b>
Earnings per Share	0.86	0.61	

## STATEMENT OF OTHER COMPREHENSIVE INCOME

	Six Months Ended 30 <sup>th</sup> September 2020 Rs.'000	Six Months Ended 30 <sup>th</sup> September 2019 Rs.'000	Change %
<b>Profit For The Period</b>	<b>174,336</b>	<b>123,521</b>	<b>41%</b>
<b>Other Comprehensive Income</b>			
<b>Items that will never be Classified to Profit or Loss</b>			
<b>Total Other Comprehensive Expenses for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Period</b>	<b>174,336</b>	<b>123,521</b>	<b>41%</b>

## STATEMENT OF FINANCIAL POSITION

	As At 30 <sup>th</sup> September 2020 Rs.'000	As At 30 <sup>th</sup> September 2019 Rs.'000
<b>ASSETS</b>		
Cash and Cash Equivalents	1,295,706	256,852
Placements with Banks	80,633	84,093
Financial assets at amortised cost-Hire Purchase Receivables	-	5,743
Financial assets at amortised cost-Finance Lease Receivables	14,805,043	14,367,228
Financial assets at amortised cost-Loans and Advances	5,653,602	4,136,805
Financial assets measured at fair value through other comprehensive income/ Financial Instruments - Available-for-Sale	41	41
Financial assets at amortised cost-Debt and other financial instruments / Financial Instruments - Held-to-Maturity	599,109	693,450
Due from Related Companies	277,238	174,266
Other Debtors and Prepayments	231,121	339,696
Deferred Tax Assets	-	25,263
Intangible Assets	39,123	43,866
Property, Plant and Equipment	336,584	301,556
Right-of-use Assets/ Lease Assets	459,009	435,269
<b>Total Assets</b>	<b>23,777,209</b>	<b>20,864,128</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>LIABILITIES</b>		
Other Financial Liabilities Due to Customers	8,311,615	6,628,502
Financial liabilities at amortised cost-Interest Bearing Loans and Borrowings	9,650,915	7,841,533
Lease Liabilities	498,349	438,592
Interest Bearing Loans - Related Parties	-	600,000
Trade and Other Payables	404,675	572,040
VAT Payable	643	2,632
Due to Related Companies	113,911	104,096
Bank Overdraft	466,116	822,731
Current Tax Liabilities	85,627	137,824
Deferred Tax Liabilities	77,364	-
Retirement Benefit Obligations	84,475	73,485
<b>Total Liabilities</b>	<b>19,693,690</b>	<b>17,221,435</b>
<b>EQUITY</b>		
Stated Capital	1,996,444	1,996,444
Reserve Fund	182,548	163,096
Retained Earnings	1,904,527	1,483,153
<b>Total Equity</b>	<b>4,083,519</b>	<b>3,642,693</b>
<b>Total Liabilities &amp; Equity</b>	<b>23,777,209</b>	<b>20,864,128</b>

## STATEMENT OF CHANGES IN EQUITY

Attributable to Equity Holders of the Company

	Stated Capital Rs.'000	Reserve Fund Rs.'000	Retained Earnings Rs.'000	Total Rs.'000
<b>Balance as at 31<sup>st</sup> March 2019</b>	<b>1,996,444</b>	<b>163,096</b>	<b>1,384,396</b>	<b>3,543,936</b>
Adjustment on Initial Application of SLFRS 16 - Net of Tax	-	-	(24,764)	(24,764)
<b>Balance as at 1<sup>st</sup> April 2019</b>	<b>1,996,444</b>	<b>163,096</b>	<b>1,359,632</b>	<b>3,519,172</b>
<b>Total Comprehensive Income</b>				
Profit for the period	-	-	123,521	123,521
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>123,521</b>	<b>123,521</b>
<b>Balance as at 30<sup>th</sup> September 2019</b>	<b>1,996,444</b>	<b>163,096</b>	<b>1,483,153</b>	<b>3,642,693</b>
<b>Total Comprehensive Income</b>				
Profit for the period	-	-	265,519	265,519
<b>Other Comprehensive Income</b>				
Employee Benefit Plan Actuarial Loss	-	-	1,348	1,348
Tax on Other Comprehensive Income	-	-	(377)	(377)
<b>Total Other Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>971</b>	<b>971</b>
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>266,490</b>	<b>266,490</b>
<b>Transaction With Owners, Recorded Directly in Equity</b>				
Transferred to/(from) during the Period	-	19,452	(19,452)	-
<b>Total Transactions with Equity Owners</b>	<b>-</b>	<b>19,452</b>	<b>(19,452)</b>	<b>-</b>
<b>Balance as at 31<sup>st</sup> March 2020</b>	<b>1,996,444</b>	<b>182,548</b>	<b>1,730,191</b>	<b>3,909,183</b>
<b>Total Comprehensive Income</b>				
Profit for the period	-	-	174,336	174,336
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>-</b>	<b>174,336</b>	<b>174,336</b>
<b>Total Transactions with Equity Owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30<sup>th</sup> September 2020</b>	<b>1,996,444</b>	<b>182,548</b>	<b>1,904,527</b>	<b>4,083,519</b>

## SELECTED KEY PERFORMANCE INDICATORS

Indicator	As At 30 <sup>th</sup> September 2020		As At 30 <sup>th</sup> September 2019	
	Actual	Required	Actual	Required
<b>Regulatory Capital Adequacy</b>				
Core Capital to Risk Weighted Assets Ratio	13.11%	6.5%	13.27%	6.5%
Total Capital to Risk Weighted Assets Ratio	13.11%	10.5%	13.27%	10.5%
Capital Funds to Deposit Liabilities Ratio	49%	10%	54.66%	10%
Core Capital (Tier 1 Capital), Rs.'000'	3,870,059		3,500,069	
Total Capital Base, Rs.'000'	3,870,059		3,500,069	
<b>Assets Quality (Quality of Loan Portfolio)</b>				
Gross Non-Performing Accommodations, Rs.'000'	1,360,246		717,537	
Gross Non-Performing Accommodations Ratio, %	6.38%		3.75%	
Net-Non Performing Accommodations Ratio, %	1.59%		0.15%	
Net-Non Performing Loans to Core Capital Ratio, %	8.35%		0.80%	
Provision Coverage Ratio (CBSL), %	86.35%		82.68%	
<b>Profitability (%)</b>				
Net Interest Margin	11.37%		11.59%	
Return on Assets (Before Tax)	2.28%		1.88%	
Return on Equity (After Tax)	8.72%		6.89%	
Cost to Income Ratio	49.00%		57.00%	
<b>Regulatory Liquidity (Rs.'000)</b>				
Required Minimum Amount of Liquid Assets	562,866		711,107	
Available Amount of Liquid Assets	923,120		827,631	
Required Minimum Amount of Government Securities	366,422		413,967	
Available Amount of Government Securities	623,891		617,357	
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	164%		116%	
Liquid Assets to External Funds	53%		30%	
<b>Memorandum information</b>				
Number of Employees	646		572	
Number of Branches	37		34	
Number of Service Centers	11		11	
Number of Pawning Centers	-		-	
External Credit Rating	'BBB(lka) Outlook Stable		'BBB(lka)'	

We, the undersigned, being the Chief Executive Officer, the Financial Controller and the Compliance Officer of Singer Finance (Lanka) 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 statement have been extracted from the unaudited financial statements of the Singer Finance (Lanka) PLC unless indicated as audited.

(Sgd.) T.A. Amarasuriya  
Director/Chief Executive Officer  
09/11/2020

(Sgd.) B.S.E.T. Fernando  
Financial Controller  
09/11/2020

(Sgd.) S Jayaweera  
Compliance Officer  
09/11/2020

# SINGER FINANCE (LANKA) PLC

A subsidiary of Singer (Sri Lanka) PLC. Licensed by the Monetary Board of the Central Bank of Sri Lanka under the Finance Business Act No. 42 of 2011.  
Date of Incorporation 19th April 2004. Rated 'BBB(lka)' Outlook Stable by Fitch Ratings. Co Reg No. PB 813 PQ