

CBC FINANCE LIMITED

Formerly known as Serendib Finance Limited

(A FULLY OWNED SUBSIDIARY OF COMMERCIAL BANK OF CEYLON PLC)

PUBLICATION OF INTERIM FINANCIAL STATEMENTS AS PER THE CENTRAL BANK GUIDELINE NO.02 OF 2006

Fitch Rating 'A(Ika)' / Stable

In Rupees Million		
Key financial data for the 06 months ended 30 September	2021 (Unaudited)	2020 (Unaudited)
Interest income	572.76	405.86
Interest expenses	(221.23)	(275.18)
Net interest income	351.53	130.68
Gains / (losses) from trading activities	-	-
Other income	39.53	35.03
Operating expenses	(115.62)	(90.32)
Impairment	(282.27)	(39.35)
Profit/ (loss) before tax	(6.83)	36.04
Taxes	(6.60)	(23.00)
Profit/ (loss) after tax	(13.43)	13.04

In Rupees Million		
Key financial data as at 30 September	2021 (Unaudited)	2020 (Unaudited)
ASSETS		
Cash and bank balances	2.44	5.03
Government securities	741.14	372.31
Due from related parties	56.63	39.75
Loans	8,221.44	7,019.17
Investments in equity	2.10	1.98
Investment properties and real estate	25.15	-
Property, plant, equipment and right of use assets	333.78	280.53
Other assets	295.99	232.82
Total assets	9,678.67	7,951.59
LIABILITIES		
Due to banks	208.92	1,538.43
Due to related parties	734.53	1,815.24
Deposits from customers	5,330.54	2,259.74
Other borrowings	-	-
Other liabilities	194.99	170.94
Total liabilities	6,468.98	5,784.35
EQUITY		
Stated capital	3,255.00	2,255.00
Statutory reserve fund	29.69	26.46
Retained earnings	(182.65)	(216.75)
Other reserves	107.65	102.53
Total equity	3,209.69	2,167.24
Total liabilities and equity	9,678.67	7,951.59
Net assets value per share (Rs.)	14.47	14.31

Selected key performance indicators as at 30 September	2021 (Unaudited)		2020 (Unaudited)	
Regulatory Capital Adequacy (%)	Actual	Required	Actual	Required
Tier 1 capital adequacy ratio	26.09	7.00	20.36	6.50
Total capital adequacy ratio	26.09	11.00	20.36	10.50
Capital funds to deposit liabilities ratio	53.17	10.00	92.78	10.00
Quality of Loan Portfolio (%)				
Gross non performing loan ratio	15.13		19.66	
Net non performing loan ratio	1.98		7.41	
Net non performing loans to Core capital ratio	6.03		29.10	
Provision coverage ratio	86.92		62.33	
Profitability (%)				
Net interest margin	8.53		3.25	
Return on assets	-0.27		0.91	
Return on equity	-0.84		1.20	
Cost to income ratio	29.57		54.51	
Liquidity (%)				
Available liquid assets to required liquid assets (minimum 100%)	119.29		289.53	
Liquid assets to external funds	12.09		11.03	
Memorandum Information				
Number of branches	10		10	
External credit rating	Fitch Rating 'A(Ika)'		Fitch Rating 'AA-(Ika)'	

There are no regulatory restrictions imposed by the Central Bank of Sri Lanka on the operations of the Company.

Certification

We, the undersigned, being the Managing Director/ Chief Executive Officer, the Chief Financial Officer and the Compliance Officer of CBC Finance Limited certify jointly that:

- (A) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka (CBSL);
- (B) The information contained in these statements has been extracted from the unaudited financial statements of the Company unless indicated as audited.

.....(Sgd.)

D.M.U.N. Disnayake

Managing Director / Chief Executive Officer

Date:- 25.11.2021

.....(Sgd.)

G.P.P. Perera

Chief Financial Officer

Date:- 25.11.2021

.....(Sgd.)

Mahasen Kamathewatte

Compliance Officer

Date:- 25.11.2021

📍 **Head Office : 187, Katugastota Road, Kandy.**

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CBC FINANCE

A Fully Owned Subsidiary of Commercial Bank of Ceylon PLC