

CBC FINANCE LIMITED

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

FitchRatings BBB+(lka)

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

Key financial data for the 06 months ended 30 June	2024 Audited (In Rupees Million)	As % of interest income	2023 Unaudited (In Rupees Million)	As % of interest income
Interest income	1,075.32	100.00%	825.82	100.00%
Interest expenses	(713.86)	-66.39%	(639.67)	-77.46%
Net interest income	361.46	33.61%	186.15	22.54%
Other income	161.33	15.00%	96.91	11.74%
Operating expenses	(366.83)	-34.11%	(229.53)	-27.79%
Impairment	(239.65)	-22.29%	(95.51)	-11.57%
Loss before tax	(83.69)	-7.78%	(41.98)	-5.08%
Taxes	8.69	0.81%	4.09	0.50%
Loss after tax	(75.00)	-6.97%	(37.89)	-4.59%

Key financial data as at 30 June	2024 Audited (In Rupees Million)	As % of total assets	2023 Unaudited (In Rupees Million)	As % of total assets
Assets				
Cash and bank balances	76.90	0.51%	20.50	0.20%
Government securities	1,745.99	11.52%	670.14	6.64%
Due from related parties	114.97	0.76%	60.05	0.59%
Loans	11,658.09	76.94%	8,201.09	81.25%
Investments in equity	2.18	0.01%	2.12	0.02%
Investment properties	569.17	3.76%	370.55	3.67%
Property, plant, equipment and right of use assets	523.68	3.46%	436.01	4.32%
Other assets	461.08	3.04%	332.80	3.30%
Total assets	15,152.06	100.00%	10,093.27	100.00%
Liabilities				
Due to banks	490.50	3.24%	503.61	4.99%
Due to related parties	2,484.25	16.40%	1,946.36	19.28%
Deposits from customers	8,715.30	57.52%	4,301.35	42.62%
Other liabilities	559.66	3.69%	195.52	1.94%
Total liabilities	12,249.71	80.85%	6,946.85	68.83%
Equity				
Stated capital	3,255.00	21.48%	3,255.00	32.25%
Statutory reserve fund	33.33	0.22%	33.33	0.33%
Retained earnings	(543.00)	-3.58%	(243.73)	-2.41%
Other reserves	157.02	1.04%	101.82	1.01%
Total equity	2,902.35	19.15%	3,146.42	31.17%
Total liabilities and equity	15,152.06	100.00%	10,093.27	100.00%
Net assets value per share (Rupees)	13.09		14.19	

Selected key performance indicators as at 30 June	2024 Audited		2023 Unaudited	
	Actual	Required	Actual	Required
Regulatory Capital Adequacy (%)				
Tier 1 capital adequacy ratio	16.57	8.50	23.83	8.50
Total capital adequacy ratio	16.57	12.50	23.83	12.50
Capital funds to deposit liabilities ratio	27.44	10.00	58.29	10.00
Quality of Loan Portfolio (%)				
Gross stage 03 loans ratio	28.27		38.66	
Net stage 03 loans ratio	17.43		28.06	
Net stage 03 loans to core capital ratio	99.55		85.04	
Stage 03 impairment coverage ratio	38.35		27.43	
Total impairment coverage ratio	13.10		11.71	
Profitability (%)				
Net interest margin	5.30		3.69	
Return on assets	-1.45		-0.83	
Return on equity	-5.12		-2.41	
Cost to income ratio	70.17		81.09	
Liquidity (%)				
Available liquid assets to required liquid assets (minimum 100%)	179.00		113.29	
Liquid assets to external funds	16.00		9.80	
Memorandum Information				
Number of branches	16		14	
External credit rating (Fitch Ratings)	BBB+(lka) Stable		BBB+(lka) Negative	

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 Head of Finance 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.)

Chamilantha Fernando
Managing Director / Chief Executive Officer

Date:- 23.08.2024

.....(Sgd.)

M.G.A.S. Bandara
Head of Finance

Date:- 23.08.2024

.....(Sgd.)

Mahasen Kamathewatte
Compliance Officer

Date:- 23.08.2024

Head Office : 187, Katugastota Road, Kandy.

081-2200272 / 081-2213495-6

www.cbcfinance.lk

info@cbcfinance.lk

 **CBC FINANCE**

A Fully Owned Subsidiary of Commercial Bank of Ceylon PLC