



Lanka Credit and Business Finance Limited

PUBLICATION OF FINANCIAL STATEMENTS

KEY FINANCIAL DATA AS AT 30 SEPTEMBER 2020

| In Rupees Million | As At 30.09.2020 (Audited) | As At 30.09.2019 (Un Audited) |
|--|----------------------------------|-------------------------------------|
| Assets | | |
| Cash and Bank Balance | 113.56 | 221.80 |
| Government Securities | 60.73 | 91.04 |
| Due from Related Parties | 6.64 | 42.21 |
| Loans (excluding due from related parties) | 1,637.63 | 1,692.35 |
| Investment in Equity | 0.32 | 0.32 |
| Investment Properties and Real Estate | 356.30 | 372.05 |
| Property, Plant and Equipment | 101.44 | 62.24 |
| Other Assets | 813.29 | 601.14 |
| Total Assets | 3,089.90 | 3,083.15 |
| Liabilities | | |
| Due to Banks | 437.11 | 483.75 |
| Due to Related Parties | - | 1.32 |
| Deposits from Customers | 995.95 | 1,012.02 |
| Other Borrowings | - | - |
| Other Liabilities | 136.24 | 207.22 |
| Total Liabilities | 1,569.30 | 1,704.31 |
| Equity | | |
| Stated Capital | 1,440.00 | 3,091.60 |
| Statutory Reserve Fund | 41.68 | 215.55 |
| Retained Earnings | 38.92 | (1,928.32) |
| Other Reserves | - | - |
| Total Equity | 1,520.60 | 1,378.84 |
| Total Equity and Liabilities | 3,089.90 | 3,083.15 |
| Net Assets Value Per Share | 0.30 | 0.30 |

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer, the Head of Finance and the Compliance Officer of Lanka Credit and Business Finance Limited certify jointly that:

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka (CBSL);
- the information contained in these statements have been extracted from the audited financial statements as at 30.09.2020 and from the unaudited financial statements as at 30.09.2019 of the Lanka Credit and Business Finance Limited as indicated above.

Sgd.
K.G.Leelananda
Chief Executive Officer
19/10/2020

Sgd.
Kokila Perera
Head of Finance
19/10/2020

Sgd.
Ranga Chandranath
Compliance Officer
19/10/2020

KEY FINANCIAL DATA FOR THE PERIOD ENDED 30 SEPTEMBER 2020

| In Rupees Million | 01/04/2020 To 30/09/2020 (Audited) | 01/04/2019 To 30/09/2019 (Un Audited) |
|---|--|---|
| Interest Income | 206.84 | 184.33 |
| Interest Expenses | (56.01) | (30.28) |
| Net Interest Income | 150.82 | 154.05 |
| Other Income | 12.56 | 45.03 |
| Operating Expenses (excluding impairment) | (83.62) | (119.40) |
| Impairment | (12.62) | (33.57) |
| Profit/(Loss) before tax | 67.14 | 46.12 |
| Taxes | (29.91) | (26.61) |
| Profit/(Loss) After Tax | 37.23 | 19.51 |

SELECTED KEY PERFORMANCE INDICATORS AS AT 30 SEPTEMBER 2020

| Item | As at 30.09.2020 | | As at 30.09.2019 | |
|--|---------------------|----------|---------------------|----------|
| | Actual | Required | Actual | Required |
| Regulatory Capital Adequacy (%) | | | | |
| Tier 1 Capital Adequacy Ratio | 32.40% | 6.50% | 28.22% | 7.00% |
| Total Capital Adequacy Ratio | 32.40% | 10.50% | 28.22% | 11.00% |
| Capital Funds to Deposit Liabilities Ratio | 75.41% | | 63.14% | |
| Quality of Loan Portfolio (%) | | | | |
| Gross Non - Performing Loans Ratio | 9.00% | | 21.00% | |
| Net-Non-Performing Loans Ratio | 0.00% | | 3.14% | |
| Net-Non-Performing Loans to Core Capital Ratio | 18.00% | | 36.00% | |
| Provision Coverage Ratio | 82.89% | | 65.94% | |
| Profitability (%) | | | | |
| Net Interest Margin | 9.92% | | 11.17% | |
| Return on Assets (before Tax) | 4.42% | | 3.35% | |
| Return on Equity (after Tax) | 2.45% | | 1.41% | |
| Cost to Income Ratio | 69.40% | | 79.89% | |
| Liquidity (%) | | | | |
| Available Liquid Assets to Required Liquid Assets (Minimum 100%) | 158.00% | | 227.00% | |
| Liquid Assets to External Funds | 17.00% | | 18.32% | |
| Memorandum information | | | | |
| Number of Branches | 8 | | 7 | |
| External Credit Rating | SL[B] Stable (ICRA) | | SL[B] Stable (ICRA) | |
| Regulatory penalties imposed last 6 months | | | | |
| Amount (Rs. Mn) | 0 | | 0 | |
| Regulatory Deposits Restrictions | | | | |
| Cap on total Deposits (Rs. Mn) | 0 | | 0 | |
| Downsizing of Deposits-per month/quarter/year (Rs. Mn) | 0 | | 0 | |
| Freezing of Deposits | 0 | | 0 | |
| Regulatory Borrowing Restrictions | | | | |
| Cap on total Borrowings (Rs. Mn) | 0 | | 0 | |
| Downsizing of Borrowings-per month/quarter/year (Rs. Mn) | 0 | | 0 | |
| Freezing of Borrowings | 0 | | 0 | |
| Regulatory Lending Restrictions | | | | |
| Cap on total Lending (Rs. Mn) | 0 | | 0 | |
| Downsizing of Lending-per month/quarter/year (Rs. Mn) | 0 | | 0 | |
| Freezing of Lending portfolio | 0 | | 0 | |
| Any Other Regulatory Restrictions | | | | |
| Please specify | N/A | | N/A | |



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www.lcbfinance.lk

Company Registration No. PB 222
Licensed by the Monetary Board of the Central Bank of Sri Lanka under the Finance Business Act No. 42 of 2011