

SBank S SRI LANKA SAVINGS BANK LIMITED



இலங்கை சேமிப்பு வங்கி			(A FULLY OW					_	TII ozon				
Sri Lanka Savings Bank	IN	FERIM F	INANCIAL STATEMENTS	FOR 1	THE QU	JARTE	R END	DED 30	IH SEPT	EMBER	R 2020		
STATEMENT OF FINANCIAL PO	SITION				STA	ATEMENT (OF CHANG	GES IN EQU	IITY				
	Current Period	Previous Period			Capital/ d Capital			Reserve	s			Non-	
In Rupees Thousands	As at 30/09/2020	As at 31/12/2019	In Rupees Thousands	Ordinary Shares	Assigned Capital	Statutory Reserve	OCI Reserve	Re- valuation	Retained Earnings	Other Reserves	Total	Controlling interest	Total Equity
Assets Cash and cash equivalents	93,021	18,802	Balance as at 01/01/2020	820,447	2,984,844	Fund 239,997	38,385	Reserve 468,021	2,545,273	(2,166,190)	4,930,776	_	4,930,776
Balances with central bank Placements with banks	- 4,632,490	5,395,758	Total Comprehensive income for the period	020,447	2,304,044	233,337	30,303	400,021		(2,100,130)			
Derivative financial instruments Financial assets at amortised cost	-	-	Profit/(loss) for the period Other comprehensive income (net of tax)	-		-	10,871	-	183,774	-	183,774 10,871	- -	183,774 10,871
- Loans and Advances - Debt and Other Instruments	2,024,023 1,224,841	2,221,691 265,894	Total comprehensive income for the period Transactions with equity holders, recognised	-	-	-	10,871	-	183,774	-	194,645	-	194,645
Financial assets measured at fair value through other comprehensive income	146,937	136,065	directly in equity Share issue/increase of assigned capital	_	_	_	_	_	_	_	_	_	_
Investment in subsidiaries	-	-	Share options exercised	-	-	-	-	-	-	-	-	-	-
Investment in associates and joint ventures Property, plant and equipment	- 287,055	287,955	Bonus issue Rights issue	-	-	-	-	-	-	-	-	- -	-
Right of use assets Investment properties	8,076 333,315	14,365 333,315	Transfers to reserves during the period Dividends to equity holders	-		9,189	-	-	(9,189)	-	-		-
Goodwill and intangible assets Deferred tax assets	288	549	Profit transfers to head office Gain/(loss) on revaluation of Property, Plant			-	-	-			-		-
Other assets	17,288	42,605	and Equipment (if cost method is adopted) Others	_	_	_	_	_	_	_	_	_	_
Total assets	8,767,333	8,716,999	Total transactions with equity holders	-	-	9,189	-	-	(9,189)	-	-	-	-
Liabilities Due to banks	9,464	72	Balance as at 30/09/2020	820,447	2,984,844	249,186	49,256	468,021	2,719,858	(2,166,190)	5,125,421	-	5,125,421
Derivative financial instruments Financial liabilities recognized through profit or loss	-	-		ΔΝΔΙΥ	SIS OF FINA	NCIAL IN	STRUMEN	ITS BY MEA	SUREMENT	ΓΒΔSIS			
- measured at fair value - designated at fair value	-	-	a. Bank – 30/09/2020	ANALIS	OI IINA	SIAL IIV							
Financial liabilities at amortised cost	1,080,673	1 076 179	In Rupees Thousands ASSETS				A	C	FVPL		FVOCI		Total
- Due to depositors - Due to other borrowers	573,474	1,076,178 552,132	Cash and cash equivalents				9	3,021		-	-		93,021
Lease Liability Debt securities issued	9,107 134,526	14,116 263,986	Balances with central bank Placements with banks				4,63	- 2,490		-	- -	2	- 4,632,490
Retirement benefit obligations Current tax liabilities	27,999 352,696	25,032 404,436	Derivative financial instruments Loans and advances					- 4,023		-	-		- 2,024,023
Deferred tax liabilities Other provisions	764 -	764	Debt Instruments Equity Instruments					4,841 -		-	- 146,937		1,224,841 146,937
Other liabilities Due to subsidiaries	1,453,210	1,449,508	Total financial assets				7,97	4,375		-	146,937	8	8,121,311
Total liabilities	3,641,912	3,786,223	In Rupees Thousands				A	С		FVPL			Total
Equity			LIABILITIES Due to banks					9,464		-			9,464
Stated capital/Assigned capital Statutory reserve fund	3,805,290 249,186	3,805,290 239,997	Derivative financial instruments Financial liabilities at amortised cost					-		-			-
OCI reserve	49,256	38,385	- Due to depositors - Due to other borrowers					0,673 3,474		-		-	1,080,673 573,474
Retained earnings Other reserves	2,719,858 (1,698,169)	2,545,273 (1,698,169)	Debt securities issued				13	4,526		- -			134,526
Total shareholders' equity	5,125,421	4,930,776	Total financial liabilities				1,79	8,136		-		1	1,798,136
Non-controlling interests Total Equity	5,125,421	4,930,776	b. Bank - 31/12/2019										
Total equity and liabilities Contingent liabilities and commitments	8,767,333 21,690	8,716,999 20,840	In Rupees Thousands ASSETS				A	C	FVPL		FVOCI		Total
Memorandum Information		20,010	Cash and cash equivalents				1	8,802		-	-		18,802
Number of Employees Number of Branches	106 4	102	Balances with central bank Placements with banks				5,39	- 5,758		-	- -	ŗ	- 5,395,758
INCOME STATEMENT			Derivative financial instruments Loans and advances				2,22	- 1,691		-	-	2	- 2,221,691
INCOME STATEMENT	Current	Previous	Debt Instruments Equity Instruments				26	5,894		-	- 136,065		265,894 136,065
In Rupees Thousands	Period	Period From	Total financial assets				7,90	2,144		-	136,065	8	8,038,210
in rupees i nousanus	From 01/01/2020	01/01/2019	In Rupees Thousands				A	С		FVPL			Total
	To 30/09/2020	To 30/09/2019	LIABILITIES									1	
Interest income Interest expenses	581,107 (59,875)	773,303 (71,758)	Due to banks Derivative financial instruments					72		-			72
Net interest income	521,232	701,546	Other financial liabilities at fair value through p	rofit or loss				-		-			-
Fee and commission income Fee and commission expenses	2,610 (211)	1,280 (183)	Financial liabilities at amortised cost - Due to depositors				1.07	6,178		_		,	1,076,178
Net fee and commission income Net gain/(Loss) from trading	2,399 -	1,097	- Due to other borrowers				55	2,132		-		-	552,132
Net gain/(loss) from financial assets at fair value through profit or loss	-	-	Debt securities issued Total financial liabilities					3,986 2,368		-			263,986 1,892,368
Net Other operating income	9,555	4,433	STATEMENT OF	CDSH EI O	ws		\neg \vdash		FIOANS 9.	ΔΟνδνίες (COMMITME		
Total operating income Impairment Charges	533,186 (29,958)	707,076 30,086		SHOTT FLU	Current		ous			AND IMPA		, CONT	JLITCILJ
Net operating income Personnel Expenses	503,227 (143,033)	737,162 (126,852)	In Rupees Thousands		Period 30/09/202	Perio 30/09/2						Current Period	Previous Period
Depreciation and amortisation Other Expenses	(8,467) (51,249)	(13,960) (54,007)	Cash flows from operating activities Profit before tax		256,026			Rupees Thous	sands			As at	As at
Operating profit/(loss) before VAT , NBT & DRL on	300,478	542,343	Adjustment for:		230,020	+41,3	Pro	oductwise Gro	oss loans and a		<u> </u>	30/09/2020	31/12/2019
financial services Value Added Tax (VAT) on financial Services	(44,452)	(70,239)	Non-cash items included in profits before tax Change in operating assets		39,493 (2,652)		00,	product - Do erdrafts	mestic Currenc	су		-	-
Nation Building Tax (NBT) on financial Services Debt Repayment Levy (DRL) on financial Services	<u> </u>	(9,548) (40,999)	Change in operating liabilities Net gains from investing activities		(103,031)		40 Tei	rm loans ase rental rec	eivable			1,815,670 543,155	2,062,857 472,747
Operating profit/(loss) after VAT , NBT & DRL on financial services	256,026	421,556	Share of profits in associates and joint ventures Dividend income from subsidiaries and associate		-		- Pa	wning		ent Bank's Loans	s (PSDB)	42,935 1,012,994	37,832 1,013,437
Share of profits of associates and joint ventures	-	-	Interest expense on subordinated debt		-	/002.2	- Ho	ousing loans ouff loans			, ===1	50,841 123,899	48,653 123,419
Profit/(loss) before tax Income Tax expenses	256,026 (72,252)	421,556 (140,580)	Prior year adjustment Contribution paid to defined benefit plans		-	(882,2 (5	70) To	tal	irment on loar	ne & advance		3,589,494	3,758,946
Profit/ (loss) for the period Profit attributable to:	183,774	280,976	Tax paid Net cash generated from operating activities		(123,993) 65,844) (46,6	77) Sta	ss: Accumula	ted impairmen	t under stage 1		(105,324)	(105,815)
Shareholders Earnings per share on profit	183,774	280,976	Cash flows from investing activities			-		Accumulat	ed impairment	t under stage 2 t under stage 3		(27,014) 1,433,133)	(43,030) (1,388,409)
Basic earnings per ordinary share	22	34	Purchase of property, plant and equipment Proceeds from the sale of property, plant and e	equipment	(1,017)) (8	· /		ns & advances	ring the period		2,024,023	2,221,691
STATEMENT OF COMPREHENSIVI	E INCOME		Purchase of Financial investments Proceeds from the sale of maturity of financial		-		Un	der Stage 1	•	_b the period		40	
	From 01/01/2020	From 01/01/2019	Net purchase of Intangible assets Net cash flow from acquisition of investment in		-			Opening balan Charge/(write	ce back) to incom	ne statement		105,815 (491)	193,238 (87,423)
In Rupees Thousands	То	То	and associates Net cash flow from disposal of subsidiaries	2.550 GIGINI 163	-		- Clo	osing balance der Stage 2		<u> </u>	<u> </u>	105,324	105,815
Dusfit//lass\fouths ====	30/09/2020		Proceeds from disposal of associates and joint		-		- c	pening balance		a aboli		43,030	38,672
Profit/(loss) for the period	183,774	280,976	Dividend received from investment in subsidiaries are Purchase of Investment Properties	iiu associates	-	-	- Clo	Charge/(write osing balance	back) to incom	ne statement		(16,016) 27,014	4,359 43,030
Items that will be reclassifield to income statement Exchange differences on translation of foreign operations	-	-	Net cash (used in)/from investing activities Cash flows from finance activities		(1,017)) (8	01) Un	der Stage 3		_	_	1 200 400	1 217 107
Net gains/(losses) on cash flow hedges Net gains/(losses) on investment in debt instruments	-	-	Net proceeds from the issue of ordinary share of		-	-	- 0	•	back) to incom	ne statement		1,388,409 45,167	1,317,187 77,888
measured at fair value through other comprehensive income	-	-	Net proceeds from the issue of other equity ins Net proceeds from the issue of subordinated do		-		- Clo	Other Movemosing balance				(443) 1,433,133	(6,666) 1,388,409
			Renayment of subordinated dept		_	_	- Tax	tal Impairmor	.+			1 EGE 471	1 527 255

Change in fair value attributable to change in the Bank's

Share of profits of associates and joint ventures

to income statement

Debt instruments at fair value through other comprehensive

Less: Tax expense relating to items that will be reclassified

Items that will not be reclassifield to income statement

Change in fair value on investments in equity instruments

designated at fair value through other comprehensive income

own credit risk on financial liabilities designated at fair value through profit or loss Actuarial Gain/(loss) on defined benefit plan Re - measurement of post-employment benefit obligations Changes in revaluation surplus Share of profits of associates and joint ventures Less: Tax expense relating to items that will not be reclassified to

income statement

Other comprehensive income (OCI) for the period, net of taxes

Total comprehensive income for the period

CERTIFICATION

We, the undersigned, being the Chairperson, General Manager/CEO and Senior Manager - Finance & Planning of Sri Lanka Savings Bank jointly certify that;

(25,268)

255,709

(a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.

10,871

10,871

194,645

(b) The information contained in these statements have been extracted from unaudited financial statements of the Bank unless indicated as audited.

(25,268)

Keasila Jayawardena M.A. Sujith Fernando (sgd.) General Manager/CEO (sgd.) Chairperson 20.11.2020 20.11.2020

H.K. Eranjith Padmakumara (sgd.) Senior Manager - Finance & Planning 20.11.2020

ANALYSIS OF DEPOSITS

Dividend paid to shareholders of the parent company

Dividend paid to holders of other equity instruments

Net increase/(decrease) in cash & cash equivalents

Cash and cash equivalents at the end of the period

Cash and cash equivalents at the beginning of the period

Pramuka Savings & Development Bank's Loans (PSDB) deposits

Repayment of subordinated dept

In Rupee Thousands

Demand deposits

Savings deposits

Fixed deposits

By Product

Interest paid on subordinated dept

Dividend paid to non-controlling interest

Net Cash (used in)/from financing activities

AND IIVIPAIRIVIENT		
	Current	Previous
	Period	Period
In Duncas Thousands	As at	As at
In Rupees Thousands	30/09/2020	31/12/2019
Productwise Gross loans and advances		
By product - Domestic Currency		
Overdrafts	-	-
Term loans	1,815,670	2,062,857
Lease rental receivable	543,155	472,747
Pawning	42,935	37,832
Pramuka Savings & Development Bank's Loans (PSDB)	1,012,994	1,013,437
Housing loans	50,841	48,653
Staff loans	123,899	123,419
Total	3,589,494	3,758,946
Stagewise impairment on loans & advances		_
Less: Accumulated impairment under stage 1	(105,324)	(105,815)
Accumulated impairment under stage 2	(27,014)	(43,030)
Accumulated impairment under stage 3	(1,433,133)	(1,388,409)
Net value of loans & advances	2,024,023	2,221,691
Movements of impairment during the period		
Under Stage 1		
Opening balance	105,815	193,238
Charge/(write back) to income statement	(491)	(87,423)
Closing balance	105,324	105,815
Under Stage 2		
Opening balance	43,030	38,672
Charge/(write back) to income statement	(16,016)	4,359
Closing balance	27,014	43,030
Under Stage 3		
Opening balance	1,388,409	1,317,187
the state of the s		

SELECTED PERFORMANCE INDICATORS (BASED ON REGULATORY REPORTING)

1,565,471

1,537,255

Total Impairment

47,391

31,124

78,516

Previous

Period

As at

31/12/2019

285,946

497,002

293,230

1,076,178

18,730

83,557

Period

As at

30/09/2020

301,804

482,721

296,148

1,080,673

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Item	30/09/2020	31/12/2019
Regulatory Capital Adequacy (LKR in Thousands)		
Common Equity Tier 1	4,311,134	4,355,002
Core (Tier 1) Capital	4,311,134	4,355,002
Total Capital Base	4,311,134	4,405,948
Regulatory Capital ratios (%)		
Common Equity Tier 1 capital (%) (Minimum Requirement - 7%)	71%	83%
Tier 1 Capital Ratio (%) (Minimum Requirement - 8.50%)	71%	83%
Total Capital Ratio (%) (Minimum Requirement - 12.50 %)	71%	84%
Leverage Ratio (Minimum Requirement - 3%)	48%	50%
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Thousands)	5,215,720	5,405,188
Statutory Liquid Assets Ratio (%) (Minimum Requirement - 20%)	491%	514%
Total Stock of High-Quality Liquid Assets (LKR in Thousands)	244,565	292,618
Liquidity Coverage Ratio - Rupee (%) (Minimum	364%	504%
Requirement - 100%)	30476	304/6
Net Stable Funding Ratio (%) Minimum Requirement - 100%)	177%	204%
Assets Quality (Quality of Loan Portfolio)		
Gross Non Performing Advances Ratio (%) (net of Interest	23%	20%
in suspense)	23/6	20%
Net Non Performing Advances Ratio (%) (net of Interest in	1%	5%
suspense and provision)	170	3,0
Profitability		
Interest Margin (%)	10%	13%
Return on Assets (before Tax) (%)	4%	7%
Return of Equity (%)	7%	13%