

SMB FINANCE PLC

PUBLICATION OF FINANCIAL STATEMENTS AS PER SECTION 29(5) OF THE FINANCE BUSINESS ACT NO.42 OF 2011

Key Financial Data for the Period Ended June 30 (Unaudited)				
In Rupees Millions	Current Period		Previous Period	
	From 01.01.2024 to 30.06.2024	As a % of Interest Income	From 01.01.2023 to 30.06.2023	As a % of Interest Income
Interest Income	266	100.0%	387	100.0%
Interest Expenses	(79)	29.8%	(159)	41.1%
Net Interest Income	187	70.2%	228	58.9%
Fee and Commission Income	7	2.8%	2	0.5%
Gains/(losses) From Trading Activities	-	0.0%	-	0.0%
Other Income	2	0.7%	2	0.5%
Operating Expenses (excluding impairment)	(147)	55.4%	(97)	25.0%
Impairment	1	0.5%	(72)	18.6%
Profit/ (Loss) Before Tax	50	18.8%	63	16.3%
VAT on FS & SSCL	(7)	2.8%	(18)	4.6%
Income Tax	(5)	2.0%	-	0.0%
Share of Profit /(Loss) of Associate Company	(1)	0.2%	2	0.4%
Profit/ (Loss) After Tax	37	13.8%	47	12.1%

Key Financial Data as at June 30 (Unaudited)				
In Rupees Millions	As at 30.06.2024	As a % of Total Assets	As at 30.06.2023	As a % of Total Assets
	Assets			
Cash and Bank Balance	29	0.6%	64	1.2%
Government Securities	102	2.0%	11	0.2%
Placements with Banks	2,474	47.8%	2,374	43.9%
Due from Related Parties	-	0.0%	-	0.0%
Loans (excluding due from related parties)	1,348	26.0%	1,904	35.2%
Financial investments – available-for-sale	116	2.2%	104	1.9%
Investments in Equity	42	0.8%	44	0.8%
Investment Properties	637	12.3%	403	7.5%
Property, Plant & Equipment	50	1.0%	44	0.8%
Intangible Asset	270	5.2%	262	4.8%
Right-of-use assets	42	0.8%	14	0.3%
Other assets	65	1.3%	186	3.4%
Total Assets	5,175	100.0%	5,410	100.0%
Liabilities				
Due to Banks	1,300	25.1%	1,650	30.5%
Due to Related Parties	-	0.0%	-	0.0%
Deposits from Customers	56	1.1%	43	0.8%
Other Borrowings	133	2.6%	129	2.4%
Other liabilities	162	3.1%	185	3.4%
Total Liabilities	1,651	31.9%	2,007	37.1%
Equity				
Stated Capital	3,063	59.2%	3,063	56.6%
Statutory Reserve Fund	48	0.9%	42	0.8%
Retained earnings	348	6.8%	246	4.5%
Other Reserves	65	1.2%	52	1.0%
Total Equity	3,524	68.1%	3,403	62.9%
Total Equity and Liabilities	5,175	100.0%	5,410	100.0%
Net Assets Value Per Share (Rs.)	0.37		0.36	

Selected key performance indicators				
Item	As at 30.06.2024		As at 30.06.2023	
	Actual	Required	Actual	Required
Regulatory Capital Adequacy (%)				
Tier 1 Capital Adequacy Ratio	114.84%	8.5%	87.52%	8.5%
Total Capital Adequacy Ratio	113.03%	12.5%	86.21%	12.5%
Capital Funds to Deposit Liabilities Ratio	5778.42%	10.0%	7323.64%	10.0%
Quality of Loan Portfolio (%)				
Gross Stage 3 Loans Ratio	44.98%		40.50%	
Net Stage 3 Loans Ratio	16.11%		17.98%	
Net Stage 3 Loans to Core Capital Ratio	10.44%		14.87%	
Stage 3 Impairment Coverage Ratio	64.19%		55.61%	
Total Impairment Coverage Ratio	35.63%		27.09%	
Profitability (%)				
Net Interest Margin	7.21%		8.43%	
Return on Assets	2%		2%	
Return on Equity	2.08%		2.75%	
Cost to income ratio	75.18%		41.69%	
Liquidity (%)				
Available Liquid Assets to Required Liquidity Assets (Minimum 100%)	2145.16%		958.55%	
Liquid Assets to External Funds	29.54%		15.43%	
Memorandum Information				
Number of branches	5		4	
External Credit Rating	BB		-	
Regulatory penalties imposed last 6 months				
Amount (Rs. Mn)	-		-	

The Company did not have any regulatory restrictions on deposits, borrowings and lending for the period ended 30 June 2024 and 2023.

Re-classification of non-performing accommodations has been done in accordance to the guidelines issued by the Central Bank of Sri Lanka.

CERTIFICATION:

We, the undersigned, being the Chief Executive Officer, the Head of Finance and the Compliance Officer of SMB Finance 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 (CBSL);
- the information contained in these statements have been extracted from the unaudited financial statements of SMB Finance PLC unless indicated as audited.

(Sgd)
Supul Wijesinghe
Chief Executive Officer
28 August 2024

(Sgd)
Menaka Silva
Head of Finance
28 August 2024

(Sgd)
Randulani Godage
Manager - Compliance
28 August 2024



SMB FINANCE PLC

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Rated BB by Lanka Rating Agency Limited

E-mail : info@smbblk.com | Web : www.smbblk.com

Date of Incorporation : 3 September 1992
Registration Number : PQ 91

Branches : No : 11 A, Main Street, Deniyaya - No : 15/15B, Station Road, Negombo - No : 301/A, Galle Road, Colombo 03 - No : 113A, Rathnapura Road, Bandaragama