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## FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30<sup>TH</sup> SEPTEMBER 2020

### STATEMENT OF FINANCIAL POSITION

As at 30th September	2020 Rs. (Unaudited)	2019 Rs. (Unaudited)
<b>Assets</b>		
Cash and Cash Equivalents	276,151,288	117,186,799
Loans and Receivable	5,034,476,730	5,293,617,393
Lease Rental Receivables	2,326,562,709	1,479,684,039
Financial Investments	372,370,063	464,254,109
Other Financial Assets	172,748,932	193,404,471
Other Non Financial Assets	121,479,605	180,307,732
Intangible Assets - Software	9,768,876	21,372,862
Investment Property	126,094,500	118,594,500
Property, Plant and Equipment	138,211,773	154,300,929
Right-of-use Lease Assets	169,444,369	-
<b>Total Assets</b>	<b>8,747,308,845</b>	<b>8,022,722,834</b>
<b>Liabilities</b>		
Due to Banks	1,865,886,219	1,421,289,388
Due to Customers	5,336,486,299	5,322,980,361
Other Non Financial Liabilities	65,187,897	95,540,191
Past Employment Benefit Obligations	34,303,795	27,677,661
Current Tax Liabilities	35,393,445	27,146,952
Lease Creditor	175,680,379	-
Deferred Tax Liability	1,363,255	14,970,862
<b>Total liabilities</b>	<b>7,514,301,289</b>	<b>6,909,605,416</b>
<b>Shareholders' Funds</b>		
Stated Capital	900,560,020	890,000,020
Retained Earnings	222,244,650	133,257,779
Reserves	110,202,887	89,859,619
<b>Total Shareholders' Funds</b>	<b>1,233,007,557</b>	<b>1,113,117,418</b>
<b>Total Liabilities and Shareholders' Funds</b>	<b>8,747,308,845</b>	<b>8,022,722,834</b>
<b>Net Assets Per Share (Rs.)</b>	<b>18.27</b>	<b>16.49</b>

#### CERTIFICATION:

We, the undersigned, being the Chief Executive Officer, the Chief Manager-Finance and the Compliance Officer of Sarvodaya Development 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 unaudited financial statements of the Licensed Finance Company unless indicated as audited.

Nilantha Jayanetti  
Chief Executive Officer

26/11/2020

Mahesh Jayasanka  
Chief Manager - Finance

26/11/2020

Sameera Kaumudi  
AGM - Compliance

26/11/2020

### INCOME STATEMENT

For the Period Ended 30th September 2020	From 01.04.2020 To 30.09.2020 (Unaudited) Rs.	From 01.04.2019 To 30.09.2019 (Unaudited) Rs.
Interest Income	755,237,449	815,267,121
Interest Expenses	(337,388,913)	(361,740,569)
<b>Net Interest Income</b>	<b>417,848,536</b>	<b>453,526,552</b>
Other Operating Income	30,411,433	45,257,640
Operating Expenses	(318,603,160)	(360,201,255)
Impairment	(48,431,573)	(51,019,839)
<b>Profit Before Tax</b>	<b>81,225,236</b>	<b>87,563,099</b>
Taxes	(54,456,947)	(72,991,326)
<b>Profit After Tax</b>	<b>26,768,290</b>	<b>14,571,773</b>

### SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

As at 30th September	As at 30.09.2020 (Unaudited)	As at 30.09.2019 (Unaudited)
<b>Regulatory Capital Adequacy</b>		
Core Capital Adequacy Ratio	12.43	11.63
Core Capital Adequacy Ratio - Required	6.50	6.50
Total Capital Adequacy Ratio	12.66	11.88
Core Capital Adequacy Ratio - Required	11.00	10.50
Capital Fund to Deposit Liabilities Ratio	21.84	20.03
<b>Quality of Loan Portfolio (%)</b>		
Gross Non-Performing Loan Ratio	12.96	10.19
Net Non-Performing Loan Ratio	5.52	4.03
Net Non-Performing Loan to Core Capital Ratio	36.32	27.82
Provision Cover Ratio	43.17	46.25
<b>Profitability %</b>		
Net Interest Margin	10.25	11.98
Return on Assets	0.64	0.38
Return on Equity	4.46	2.64
Cost to Income Ratio	78.21	82.75
<b>Liquidity (%)</b>		
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	173	122
Liquidity Assets to External Funds	10	11
<b>Memorandum information</b>		
Number of branches	51	51
External Credit Rating	'B+(lka)'; Outlook Stable	[SL]B (Negative)
Regulatory penalties imposed last 6 months		
Amount (Rs.Mn)	0.5	NA
Regulatory Deposit Restrictions		
Cap on total Deposits (Rs, Mn)	3,500	NA