

# Interim Financial Statements

For the Period ended 31st March 2020



**SDB** bank

*Leads the Nation*

**SANASA Development Bank PLC**

**SANASA DEVELOPMENT BANK PLC  
INCOME STATEMENT**

In Rupees Thousands (Rs'000)	Bank		
	For the quarter ended ended 31st March		Change
	2020	2019	
Interest income	3,929,784	3,609,542	9%
Interest expenses	(2,458,208)	(2,246,043)	9%
<b>Net interest income</b>	<b>1,471,576</b>	<b>1,363,499</b>	<b>8%</b>
Fee and commission income	65,052	57,789	13%
Fee and commission expenses	(9,476)	(1,100)	762%
<b>Net fee and commission income</b>	<b>55,576</b>	<b>56,689</b>	<b>-2%</b>
Net gains/(losses) from trading	(1,186)	561	-312%
Net fair value gains/(losses) on financial assets at fair value through profit or loss	76,652	17,047	350%
Net other operating income	3,671	4,567	-20%
<b>Total operating income</b>	<b>1,606,288</b>	<b>1,442,362</b>	<b>11%</b>
Impairment for loans and other losses	(413,782)	(277,481)	49%
<b>Net operating income</b>	<b>1,192,507</b>	<b>1,164,881</b>	<b>2%</b>
Personnel expenses	(537,331)	(506,461)	6%
Depreciation and amortization expenses	(102,663)	(59,713)	72%
Other expenses	(279,026)	(323,118)	-14%
<b>Operating profit/ (loss) before VAT and NBT on financial services</b>	<b>273,487</b>	<b>275,589</b>	<b>-1%</b>
Value Added Tax (VAT) on financial services	(103,044)	(87,471)	18%
Nation Building Tax (NBT) on financial services	-	(12,610)	-100%
Debt repayment levy	-	(50,630)	-100%
<b>Operating profit/(loss) after VAT and NBT on financial services</b>	<b>170,443</b>	<b>124,878</b>	<b>36%</b>
<b>Profit/(loss) before tax</b>	<b>170,443</b>	<b>124,878</b>	<b>36%</b>
Income tax expenses	(66,445)	(77,165)	-14%
<b>Profit/(loss) for the period</b>	<b>103,999</b>	<b>47,713</b>	<b>118%</b>
<b>Profit/(loss) attributable to:</b>			
Equity holders of the parent	103,999	47,713	118%
Non-controlling interests	-	-	-
	<b>103,999</b>	<b>47,713</b>	<b>118%</b>
<b>Earnings per share on profit</b>			
Basic/Diluted earnings per ordinary share (Rs.)	1.85	0.85	118%

**SANASA DEVELOPMENT BANK PLC  
STATEMENT OF COMPREHENSIVE INCOME**

In Rupees Thousands (Rs'000)	Bank		
	For the quarter ended ended 31st March		Change
	2020	2019	
<b>Profit/(loss) for the period</b>	103,999	47,713	118%
<b>Other comprehensive income/(expenses) not to be reclassified to income statement</b>			
Actuarial gains/(losses) on defined benefit plans	(24,973)	(21,000)	19%
Deferred tax relating to defined benefit plans	-	-	-
Gains/(Losses) on re-measuring investments in equity instruments designated at fair value through other comprehensive income	-	-	-
<b>Other comprehensive income/(expenses) for the period net of taxes</b>	<b>(24,973)</b>	<b>(21,000)</b>	<b>19%</b>
<b>Total comprehensive income/(expenses) for the period</b>	<b>79,026</b>	<b>26,713</b>	<b>196%</b>
<b>Total comprehensive income/(expenses) attributable to:</b>			
Equity holders of the parent	79,026	26,713	196%
Non-controlling interests	-	-	-
<b>Total comprehensive income/(expenses) for the period</b>	<b>79,026</b>	<b>26,713</b>	<b>196%</b>

**SANASA DEVELOPMENT BANK PLC**  
**STATEMENT OF FINANCIAL POSITION**

In Rupees Thousands (Rs'000)	Bank		
	As at 31.03.2020	As at 31.12.2019 (Audited)	Change
<b>Assets</b>			
Cash and cash equivalents	4,324,398	2,429,791	78%
Placements with banks	4,710,830	5,628,095	-16%
Financial assets recognized through profit or loss - measured at fair value	2,538,178	3,527,310	-28%
Financial assets at amortised cost			
- loans and advances	88,290,464	85,823,335	3%
- debt and other instruments	7,451,616	6,998,925	6%
Financial assets measured at fair value through other comprehensive income	56,939	56,939	0%
Property, plant and equipment	623,289	645,231	-3%
Right of use assets	692,355	651,271	6%
Investment properties	21,015	21,279	-1%
Intangible assets	456,165	308,445	48%
Deferred tax assets	294,688	232,482	27%
Other assets	1,798,770	1,460,524	23%
<b>Total assets</b>	<b>111,258,706</b>	<b>107,783,624</b>	<b>3%</b>
<b>Liabilities</b>			
Financial liabilities at amortised cost			
- due to depositors	75,644,579	72,431,923	4%
- due to other borrowers	19,379,643	20,299,718	-5%
Debt securities issued	988,961	1,014,034	-2%
Subordinated debt	4,383,954	4,210,566	4%
Retirement benefit obligations	499,972	479,575	4%
Current tax liabilities	237,741	187,070	27%
Other liabilities	2,375,851	1,491,759	59%
<b>Total liabilities</b>	<b>103,510,701</b>	<b>100,114,645</b>	<b>3%</b>
<b>Equity</b>			
Stated capital/assigned capital	5,921,538	5,921,538	0%
Statutory reserve fund	228,282	228,282	0%
Retained earnings	1,570,580	1,491,554	5%
Other reserves	27,605	27,605	0%
<b>Total equity</b>	<b>7,748,005</b>	<b>7,668,979</b>	<b>1%</b>
<b>Total equity and liabilities</b>	<b>111,258,706</b>	<b>107,783,624</b>	<b>3%</b>
<b>Contingent liabilities and commitments</b>	<b>197,237</b>	<b>177,752</b>	<b>11%</b>
<b>Net asset value per share (Rs.)</b>	<b>138</b>	<b>136</b>	<b>1%</b>
<b>Memorandum information</b>			
Number of employees	1,495	1,475	1%
Number of branches	94	94	-

**Certification:**

We certify that the above Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

*Sgd*  
Champa Perera  
Head of Finance

*Sgd*  
Terrance Kumara  
Chief Financial Officer

We, the undersigned, being the Directors and Chief Executive Officer of the SANASA Development Bank PLC, jointly certify that :-

- ( a ) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka; and  
( b ) the information contained in these statements have been extracted from the unaudited financial statements of the Bank, unless indicated as audited.

*Sgd*  
M S Kiriwadeniya  
Chairperson

*Sgd*  
Lakshman Abeysekera  
Senior Director

*Sgd*  
Thilak Piyadigama  
Chief Executive Officer

15.05.2020  
Colombo

**SANASA DEVELOPMENT BANK PLC**  
**STATEMENT OF CHANGES IN EQUITY**

In Rupees Thousands (Rs'000)	Bank					Total equity
	Stated capital / Assigned capital	Reserves			Total equity	
		Ordinary voting shares	Statutory reserve fund	Retained earnings		
OCI reserve	General reserves					
<b>For the period ended 31.03.2019</b>						
<b>Balance as at 01.01.2019 (Opening balance)</b>	5,921,538	215,611	1,280,762	(15,842)	46,657	7,448,727
<b>Total comprehensive income for the period</b>						
Profit/(loss) for the period (net of tax)	-	-	47,713	-	-	47,713
Other comprehensive income (net of tax)	-	-	(21,000)	-	-	(21,000)
<b>Total comprehensive income/(expenses) for the period</b>	-	-	<b>26,713</b>	-	-	<b>26,713</b>
<b>Transactions with equity holders, recognized directly in equity</b>						
Other	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-
<b>Balance as at 31.03.2019 (Closing balance)</b>	<b>5,921,538</b>	<b>215,611</b>	<b>1,307,476</b>	<b>(15,842)</b>	<b>46,657</b>	<b>7,475,440</b>
<b>For the period ended 31.03.2020</b>						
<b>Balance as at 01.01.2020 (Opening balance)</b>	5,921,538	228,282	1,491,554	(19,052)	46,657	7,668,979
<b>Total comprehensive income for the period</b>						
Profit/(loss) for the period (net of tax)	-	-	103,999	-	-	103,999
Other comprehensive income (net of tax)	-	-	(24,973)	-	-	(24,973)
<b>Total comprehensive income/(expenses) for the period</b>	-	-	<b>79,026</b>	-	-	<b>79,026</b>
<b>Transactions with equity holders, recognized directly in equity</b>						
Other	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-
<b>Balance as at 31.03.2020 (Closing balance)</b>	<b>5,921,538</b>	<b>228,282</b>	<b>1,570,580</b>	<b>(19,052)</b>	<b>46,657</b>	<b>7,748,005</b>

**Statutory Reserve Fund**

Every Licensed Specialised Bank has to make a Provision not less than 5% out of profit after tax to the Statutory Reserve Fund. Such provision should be made annually as stipulated by the Banking Act No. 30 of 1988 as amended by Banking (Amendment) Act No. 33 of 1995 until the said Reserve Fund is equal to 50% of the Equity Capital of the Bank. Thereafter, the Bank has to make a provision not less than 2% out of profit after tax to the Statutory Reserve Fund until the said Fund is equal to the Equity Capital of the Bank.

**General Reserve**

The General Reserve is created after provisioning for a Statutory Reserve Fund and Interim Dividend payments for the respective shareholders, this reserve will be used by the Bank for the future capitalisation purposes of the Bank.

**Fair value through OCI/Available For Sale Reserve**

The available for sale reserve is consist of fair value adjustment made to unquoted equity investment.

**SANASA DEVELOPMENT BANK PLC**  
**STATEMENT OF CASH FLOWS**

In Rupees Thousands (Rs'000)	Bank	
	01.01.2020 to 31.03.2020	01.01.2019 to 31.03.2019
<b>Cash flows from / (used in) operating activities</b>		
Interest received	3,686,838	3,530,781
Fee and commission received	59,609	53,070
Changes in other operating assets	(370,216)	(115,271)
Interest payment	(2,216,824)	(2,029,323)
Cash payment to employees	(554,371)	(523,115)
Changes in other operating liabilities	581,168	(535,342)
Fee and commission expenses	(9,476)	(1,100)
VAT and NBT on financial services	(103,044)	(100,081)
<b>Operating profit before changes in operating assets</b>	<b>1,073,684</b>	<b>279,619</b>
<b>(Increase)/decrease in operating assets</b>		
Funds advanced to customers	(2,666,294)	(1,571,576)
Other short term securities	804,474	84,512
<b>Increase/(decrease) in operating liabilities</b>		
Deposits from customers	2,971,272	2,094,550
<b>Net cash from operating activities before income tax</b>	<b>2,183,135</b>	<b>887,106</b>
Income tax paid	(57,513)	(114,520)
<b>Net cash from operating activities</b>	<b>2,125,621</b>	<b>772,586</b>
<b>Cash flows from / (used in) investing activities</b>		
(Increase)/ decrease in dealing securities	1,064,598	(1,049,266)
(Increase)/ decrease in treasury bonds and other investments	(277,909)	288,799
Proceeds from sale of property, plant and equipment	6	121
Purchase of property, plant and equipment	(30,347)	(53,814)
Purchase of intangible assets	(153,653)	-
<b>Net cash from/ (used in) investing activities</b>	<b>602,694</b>	<b>(814,161)</b>
<b>Cash flows from (used in) financing activities</b>		
Repayment of long term borrowing	(4,167,849)	(2,317,517)
Interest paid on subordinated debt	(21,974)	-
Increase/(decrease) in borrowing	3,418,063	(1,323,384)
Funds received/(utilized) during the period	42	-
<b>Net cash flow from/ (used in) financing activities</b>	<b>(771,717)</b>	<b>(3,640,901)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>1,956,598</b>	<b>(3,682,476)</b>
Cash and cash equivalent at the beginning of the period	10,914,679	16,615,902
<b>Cash and cash equivalents at the end of the period</b>	<b>12,871,277</b>	<b>12,933,427</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents	4,324,398	1,866,222
Repurchase agreement	5,046,879	2,824,835
Fixed deposits less than 3 months	3,500,000	8,242,370
	<b>12,871,277</b>	<b>12,933,427</b>

**SANASA DEVELOPMENT BANK PLC**  
**ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS**

<b>Bank - As at 31st March 2020</b>				
<b>In Rupees Thousands (Rs'000)</b>	<b>AC</b>	<b>FVPL</b>	<b>FVOCI</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	4,324,398	-	-	4,324,398
Placements with banks	4,710,830	-	-	4,710,830
Financial assets recognized through profit or loss - measured at fair value	-	2,538,178	-	2,538,178
Financial assets at amortised cost				
- loans and advances	88,290,464	-	-	88,290,464
- debt and other instruments	7,451,616	-	-	7,451,616
Financial assets measured at fair value through other comprehensive income	-	-	56,939	56,939
<b>Total financial assets</b>	<b>104,777,308</b>	<b>2,538,178</b>	<b>56,939</b>	<b>107,372,425</b>
<b>In Rupees Thousands (Rs'000)</b>	<b>AC</b>	<b>FVPL</b>	<b>FVOCI</b>	<b>Total</b>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities at amortised cost				
- due to depositors		75,644,579	-	75,644,579
- due to other borrowers		19,379,643	-	19,379,643
Debt securities issued		988,961	-	988,961
Subordinated debt		4,383,954	-	4,383,954
<b>Total financial liabilities</b>		<b>100,397,138</b>	<b>-</b>	<b>100,397,138</b>
<b>Bank - As at 31st December 2019 (Audited)</b>				
<b>In Rupees Thousands (Rs'000)</b>	<b>AC</b>	<b>FVPL</b>	<b>FVOCI</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	2,429,791	-	-	2,429,791
Placements with banks	5,628,095	-	-	5,628,095
Financial assets recognized through profit or loss - measured at fair value	-	3,527,310	-	3,527,310
Financial assets at amortised cost				
- loans and advances	85,823,335	-	-	85,823,335
- debt and other instruments	6,998,925	-	-	6,998,925
Financial assets measured at fair value through other comprehensive income	-	-	56,939	56,939
<b>Total financial assets</b>	<b>100,880,145</b>	<b>3,527,310</b>	<b>56,939</b>	<b>104,464,394</b>
<b>In Rupees Thousands (Rs'000)</b>	<b>AC</b>	<b>FVPL</b>	<b>FVOCI</b>	<b>Total</b>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities at amortised cost				
- due to depositors		72,431,923	-	72,431,923
- due to other borrowers		20,299,718	-	20,299,718
Debt securities issued		1,014,034	-	1,014,034
Subordinated debt		4,210,566	-	4,210,566
<b>Total financial liabilities</b>		<b>97,956,241</b>	<b>-</b>	<b>97,956,241</b>

AC - Amortised Cost

FVPL - Financial assets recognized through Profit or Loss - measured at Fair Value

FVOCI - Financial assets measured at Fair Value through Other Comprehensive Income

**SANASA DEVELOPMENT BANK PLC**  
**ANALYSIS OF LOANS AND ADVANCES, COMMITMENTS, CONTINGENCIES AND IMPAIREMENT**

In Rupees Thousands (Rs'000)	Bank	
	As at 31.03.2020	As at 31.12.2019 (Audited)
<b>Product-wise gross loans and advances</b>		
<b>By product: LKR</b>		
Pawning	1,905,222	1,712,172
Cash margin	5,758,724	5,443,354
Staff loans	1,324,280	1,280,346
Lease rentals receivable	6,955,263	6,790,318
<i>Term loans</i>		
Business	13,384,175	13,255,022
Cooperative	2,681,861	2,775,251
Housing	3,413,860	3,416,424
Personal	56,178,937	54,047,913
<b>Total</b>	<b>91,602,322</b>	<b>88,720,801</b>
<b>Product-wise commitments and contingencies</b>		
<b>By product: LKR</b>		
Guarantees	197,237	197,237
<b>Total</b>	<b>197,237</b>	<b>197,237</b>
<b>Total loans and advances, commitments and contingencies</b>	<b>91,799,559</b>	<b>88,918,038</b>
<b>Stage-wise impairment on loans and advances, commitments and contingencies</b>		
<b>Gross loans and advances, commitments and contingencies</b>	<b>91,799,559</b>	<b>88,918,038</b>
Less: Accumulated impairment under stage 1	(584,106)	(550,264)
Accumulated impairment under stage 2	(140,232)	(163,954)
Accumulated impairment under stage 3	(2,587,519)	(2,183,248)
<b>Net loans and advances, commitments and contingencies</b>	<b>88,487,701</b>	<b>86,020,572</b>
<b>Movement of impairment during the period</b>		
<b>Under Stage 1</b>		
Opening balance	550,264	318,278
Charges / (Write back) to income statement	33,842	231,986
Other movements	-	-
Closing balance	584,106	550,264
<b>Under Stage 2</b>		
Opening balance	163,954	269,805
Charges / (Write back) to income statement	(23,722)	(105,852)
Other movements	-	-
Closing balance	140,232	163,954
<b>Under Stage 3</b>		
Opening balance	2,183,248	1,387,355
Charges / (Write back) to income statement	404,271	795,893
Write - off during the year	-	-
Other movements	-	-
Closing balance	2,587,519	2,183,248
<b>Total impairment</b>	<b>3,311,857</b>	<b>2,897,466</b>
<b>SANASA DEVELOPMENT BANK PLC</b>		
<b>ANALYSIS OF DEPOSITS</b>		
In Rupees Thousands (Rs'000)	Bank	
	As at 31.03.2020	As at 31.12.2019 (Audited)
<b>By product: Rs.</b>		
Savings deposits	17,217,762	15,540,255
Fixed deposits	58,426,817	56,891,668
<b>Total deposits</b>	<b>75,644,579</b>	<b>72,431,923</b>

**SANASA DEVELOPMENT BANK PLC**  
**SEGMENT REPORTING**

Bank	In Rupees Thousands (Rs'000)									
	Banking		Leasing & HP		Treasury		Pawning		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>For the period ended 31st March</b>										
Interest income	3,287,075	2,712,049	284,466	326,676	286,333	502,665	71,910	68,151	3,929,784	3,609,542
Interest expenses	(1,936,337)	(1,739,219)	(157,488)	(130,463)	(318,363)	(345,460)	(46,019)	(30,901)	(2,458,208)	(2,246,043)
<b>Net interest income</b>	<b>1,350,738</b>	<b>972,830</b>	<b>126,978</b>	<b>196,213</b>	<b>(32,030)</b>	<b>157,205</b>	<b>25,891</b>	<b>37,251</b>	<b>1,471,576</b>	<b>1,363,499</b>
Fee and commission income	56,013	49,172	9,039	8,617	-	-	-	-	65,052	57,789
Fee and commission expenses	(8,764)	(1,023)	(713)	(77)	-	-	-	-	(9,476)	(1,100)
<b>Net fee and commission income</b>	<b>47,250</b>	<b>48,149</b>	<b>8,326</b>	<b>8,540</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,576</b>	<b>56,689</b>
Net gains/(losses) from trading	-	-	-	-	(1,186)	561	-	-	(1,186)	561
Net fair value gains/(losses) from financial assets at fair value through profit or loss	-	-	-	-	76,652	17,047	-	-	76,652	17,047
Other operating income (net)	3,671	4,567	-	-	-	-	-	-	3,671	4,567
<b>Total operating income</b>	<b>1,401,658</b>	<b>1,025,546</b>	<b>135,304</b>	<b>204,753</b>	<b>43,435</b>	<b>174,812</b>	<b>25,891</b>	<b>37,251</b>	<b>1,606,288</b>	<b>1,442,362</b>
Impairment for loans and other losses	(364,639)	(242,998)	(49,508)	(35,289)	610	3,149	(244)	(2,343)	(413,782)	(277,481)
<b>Net operating income</b>	<b>1,037,019</b>	<b>782,547</b>	<b>85,796</b>	<b>169,465</b>	<b>44,045</b>	<b>177,961</b>	<b>25,647</b>	<b>34,907</b>	<b>1,192,507</b>	<b>1,164,881</b>
Depreciation and amortization	(92,877)	(54,617)	(7,554)	(4,097)	(24)	(28)	(2,207)	(970)	(102,663)	(59,713)
<b>Segment Result</b>	<b>944,142</b>	<b>727,930</b>	<b>78,242</b>	<b>165,368</b>	<b>44,020</b>	<b>177,933</b>	<b>23,440</b>	<b>33,937</b>	<b>1,089,844</b>	<b>1,105,168</b>
Un-allocated expenses									(816,357)	(829,579)
Value Added Tax (VAT) on financial services									(103,044)	(87,471)
Nation Building Tax (NBT) on financial services									-	(12,610)
Debt repayment levy									-	(50,630)
<b>Profit before tax</b>									<b>170,443</b>	<b>124,878</b>
Tax expenses									(66,445)	(77,165)
<b>Profit for the period</b>									<b>103,999</b>	<b>47,713</b>
<b>Other comprehensive income</b>										
Other comprehensive income for the period net of tax									(24,973)	(21,000)
<b>Total comprehensive income for the period</b>									<b>79,026</b>	<b>26,713</b>
<b>As at 31st March</b>										
<b>Segment assets</b>	<b>79,893,690</b>	<b>72,110,710</b>	<b>6,498,000</b>	<b>5,409,211</b>	<b>19,081,960</b>	<b>14,323,303</b>	<b>1,898,774</b>	<b>1,281,195</b>	<b>107,372,425</b>	<b>93,124,419</b>
Un allocated assets	-	-	-	-	-	-	-	-	3,886,282	2,195,828
<b>Total assets</b>	<b>79,893,690</b>	<b>72,110,710</b>	<b>6,498,000</b>	<b>5,409,211</b>	<b>19,081,960</b>	<b>14,323,303</b>	<b>1,898,774</b>	<b>1,281,195</b>	<b>111,258,706</b>	<b>95,320,246</b>
<b>Segment liabilities</b>	<b>77,020,259</b>	<b>68,022,452</b>	<b>6,264,295</b>	<b>5,102,540</b>	<b>18,395,664</b>	<b>13,511,255</b>	<b>1,830,483</b>	<b>1,208,559</b>	<b>103,510,701</b>	<b>87,844,806</b>
Total equity	-	-	-	-	-	-	-	-	7,748,005	7,475,440
<b>Total equity &amp; liabilities</b>	<b>77,020,259</b>	<b>68,022,452</b>	<b>6,264,295</b>	<b>5,102,540</b>	<b>18,395,664</b>	<b>13,511,255</b>	<b>1,830,483</b>	<b>1,208,559</b>	<b>111,258,706</b>	<b>95,320,246</b>
<b>For the period ended 31st March</b>										
Additions to non-current assets	166,501	49,245	13,542	3,694	-	-	3,957	875	184,000	53,814



**SANASA DEVELOPMENT BANK PLC**  
**LISTED DEBENTURE INFORMATION**  
**AS AT 31.03.2020**

<b>Types of debentures (Fixed)</b>							<b>In Rupees Thousands (Rs'000)</b>
<b>i) Rated Guaranteed Redeemable Debentures of Rs.100 each - Guaranteed by Sampath Bank PLC. The debentures are quoted on the Colombo Stock Exchange. (Rated (SL)A+ (SO) with a Stable Outlook by ICRA Lanka Limited )</b>							
Type	Interest payable frequency	Issue date	Maturity date	Annual Effective Rate (AER) %	Face value	Interest payable	Balance
B	Semi Annually	31-Dec-15	31-Dec-20	10.25	402,610	10,010	412,620
<b>ii) Rated Guaranteed Redeemable Debentures of Rs.100 each - Guaranteed by Seylan Bank PLC. The debentures are quoted on the Colombo Stock Exchange. (Rated (SL)A- (SO) with a Stable Outlook by ICRA Lanka Limited )</b>							
Type	Interest payable frequency	Issue date	Maturity date	Annual Effective Rate (AER) %	Face value	Interest payable	Balance
D	Semi Annually	31-Dec-15	31-Dec-20	10.57	561,950	14,391	576,341
					<b>964,560</b>	<b>24,401</b>	<b>988,961</b>

<b>Utilization of funds raised through debenture issue</b>							
Objective No.	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in Rs.	% of total proceeds	Amounts utilized in Rs.	% of total proceeds
1	To raise medium term funds to manage assets and liability mismatch and to minimize the interest rate risk.	-	-	-	-	-	-
2	To finance the budgeted lending portfolio (approximately 90% as loans and the balance as leasing) and to minimize the mismatch in funding exposure.	964,560,000	In the ordinary course of business within the next 12 months from the date of allotment.	868,104,000 for loans and 96,456,000 for leasing	100	964,560,000	100

**SANASA DEVELOPMENT BANK PLC**  
**SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)**

Item	Bank	
	As at 31.03.2020	As at 31.12.2019 (Audited)
<b>Regulatory Capital Adequacy (LKR in Millions)</b>		
Common Equity Tier 1	6,938	7,147
Core (Tier 1) Capital	6,938	7,147
Total Capital Base	10,832	11,209
<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tier 1 Capital Ratio (%) - (Minimum Requirement - 2020-6.50%, 2019-7.00%)	8.81	9.43
Tier 1 Capital Ratio (%) - (Minimum Requirement - 2020-8.00%, 2019-8.50%)	8.81	9.43
Total Capital Ratio (%) - (Minimum Requirement - 2020-12.00%, 2019- 12.50%)	13.75	14.80
<b>Leverage Ratio (Minimum Requirement - 3%)</b>	6.23	6.61
<b>Regulatory Liquidity</b>		
Statutory Liquid Assets (LKR in Millions)	14,188	14,831
Statutory Liquid Asset Ratio (%) - (Minimum Requirement, 20%)	21.57	21.74
Total Stock of High-Quality Liquid Assets (LKR in Millions)	6,213	5,822
Liquidity Coverage Ratio (%) - (Minimum Requirement - 100%)	136.22	123.77
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	130.56	130.09
<b>Assets Quality (Quality of Loan Portfolio)</b>		
Gross Non-performing Advances Ratio (%) ( net of interest in suspense )	4.93	4.38
Net Non-performing Advances Ratio (%) (net of interest in suspense and provision)	2.26	1.87
<b>Profitability</b>		
Interest Margin (%)	6.22	5.88
Return on Assets ( before Taxes ) (%)	0.66	0.57
Return on Equity (%)	5.47	3.35
<b>Share Information</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Market value per share (Rs.)	47.00	60.00
Highest price per share for the period (Rs.)	63.90	75.00
Lowest price per share for the period (Rs.)	45.00	60.00
<b>Debenture Information</b>	<b>31.03.2020</b>	<b>31.12.2019 (Audited)</b>
Debt to Equity Ratio (Times)	12.96	12.77
Interest Cover (Times)	1.07	1.06
Quick Asset Ratio (Times)	0.65	0.59
<b>Interest Rate for Comparable Government Security (%)</b>		
Type B	9.27	9.72
Type D	9.27	9.72
Interest yield as at date of last trade	N/T	N/T
Yield to maturity of trade done on	N/T	N/T
The market prices during the year (Ex-interest)		
- Highest Price	N/T	N/T
- Lowest Price	N/T	N/T
- Last Trade Price	N/T	N/T

N/T - Not Traded

**Explanatory Note**

1 These Interim Financial Statements have been prepared in accordance with LKAS 34 - Interim Financial Reporting and present information required by Listing Rules of Colombo Stock Exchange. These Financial Statements are drawn up from the unaudited Financial Statements of the Bank unless otherwise indicated as 'Audited'.

2 No circumstances have arisen since the Balance Sheet date, which require adjustment to or disclosure in the financial statements.

3 There are no changes to the accounting policies and methods of computation of the Financial Statements for the year ended 2019.

The Bank prepared Interim Financial Statements for the period ended 31st March 2020 based on SLFRS 16. The comparative information for 2019 is reported under LKAS 17 and is not comparable to the information presented for 2020.

4 When preparing the financial statements the bank has followed the Guidelines to Licensed Banks on the Adoption of Sri Lanka Accounting Standard - SLFRS 9: Financial Instruments, issued by Central Bank of Sri Lanka.

5 Impact due to COVID-19

The outbreak and spread of Coronavirus ("COVID 19"), is now a Global Pandemic and has resulted in disruptions to overall global economic activity at the reporting period. Taking its potential impact on economy, the government of Sri Lanka has enabled several relief measures for the affected businesses and individuals in the form of deferment of repayment terms of credit facilities, concessionary interest rates for selected lending products and waiving off certain charges and fees. These reliefs and the impact of COVID -19 could have a negative impact on the Bank's net interest income, fee and commission income and the impairment provisions in future reporting periods. The eligible borrowers could apply for reliefs from banks on or before 15th May 2020. Therefore, the Board of Directors are unable to estimate the exact potential impact of the outbreak as at the reporting date.

**SANASA DEVELOPMENT BANK PLC**  
**SHAREHOLDER INFORMATION**  
AS AT 31.03.2020

<b>Twenty Largest Shareholders as at 31.03.2020</b>			
<b>No.</b>	<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>Holding (%)</b>
1	Ayenka Holdings Private Limited	7,028,043	12.4814%
2	Seylan Bank PLC /Senthilverl Holdings (Pvt) Ltd	6,952,168	12.3466%
3	SBI Emerging Asia Financial Sector Fund PTE. LTD	5,045,636	8.9607%
4	CB NY S/A International Finance Corporation	4,991,644	8.8649%
5	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	2,242,504	3.9825%
6	People's Leasing & Finance PLC	2,094,012	3.7188%
7	Kegalle SANASA Shareholders Trust Company Limited	1,039,330	1.8458%
8	SANASA General Insurance Company Ltd	1,036,669	1.8411%
9	SANASA Life Insurance Company Ltd (LIFE)	910,708	1.6174%
10	Sampath Bank PLC/ Dr. T.Senthilverl	871,885	1.5484%
11	Sanasa Federation Limited	720,024	1.2787%
12	Polgahawela Sanasa Societies Union Ltd	387,314	0.6878%
13	Hambanthota DTCCS Union Ltd	384,257	0.6824%
14	Dr. T.Senthilverl	373,598	0.6635%
15	Mr. D.P. Pieris	257,067	0.4565%
16	Kotikawatta Trift and Credit Co-operative Society Limited	253,896	0.4509%
17	Polgahawela SANASA Shareholders Trust Company Limited	240,836	0.4277%
18	Sampath Bank PLC/ Mr. Arunasalam Sithampalam	224,333	0.3984%
19	Dr. S. Yaddhegige	205,653	0.3652%
20	Mr. W.P.G.H.S. De Silva	193,000	0.3428%
Sub total		35,452,577	62.9615%
Shares held by other shareholders		20,855,675	37.0385%
<b>Total</b>		<b>56,308,252</b>	<b>100.00%</b>

**As at 31.03.2020**

Total number of shares	56,308,252
Number of shares in public holding	56,087,794
Number of public shareholders	37,505
Percentage of public holding	99.61%
Market capitalisation	2,646,487,844
Float adjusted market capitalisation	2,636,126,318
Required minimum public holding percentage under option 4 of rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange	10%

**Directors' and CEO's Shareholding as at 31.03.2020**

<b>No.</b>	<b>Name of Director</b>	<b>No. of Shares</b>
1	Ms. M. S. Kiriwandeniya	5,785
2	Mr. L. Abeysekera	-
3	Prof. S. Amaratunge	-
4	Mr. P. Subasinghe	69,341
5	Mr. S. Lionel Thilakarathne	-
6	Mr. K. G. Wijerathne	117
7	Mr. Chaaminda Kumarasiri	-
8	Mr. Prasanna Premaratna	-
9	Mr. B. R. A Bandara	3,791
11	Ms. Dinithi Ratnayake	-
10	Mr. Thilak Piyadigama (Chief Executive Officer)	140,155