

# LB FINANCE PLC

PUBLICATION OF FINANCIAL STATEMENTS AS PER CENTRAL BANK GUIDELINES NO.02 OF 2006



Key Financial Data for the Period Ended 30 September (Unaudited) In Rupees Million	Company		Group	
	Current Period	Previous Period	Current Period	Previous Period
	From 01.04.2021 to 30.09.2021	From 01.04.2020 to 30.09.2020	From 01.04.2021 to 30.09.2021	From 01.04.2020 to 30.09.2020
Interest Income	12,618	13,162	12,646	13,233
Interest Expenses	(4,277)	(6,476)	(4,285)	(6,485)
<b>Net Interest Income</b>	<b>8,341</b>	<b>6,686</b>	<b>8,361</b>	<b>6,748</b>
Other Income	1,019	1,057	1,014	1,065
Gains/(Losses) from Trading Activities	(3)	3	(3)	3
Operating Expenses (Excluding Impairment)	(2,938)	(2,704)	(2,975)	(2,748)
Impairment	(760)	(1,128)	(703)	(1,128)
<b>Profit/(Loss) before Tax</b>	<b>5,659</b>	<b>3,914</b>	<b>5,694</b>	<b>3,940</b>
Taxes	(2,246)	(1,634)	(2,243)	(1,643)
<b>Profit/(Loss) after Tax</b>	<b>3,413</b>	<b>2,280</b>	<b>3,451</b>	<b>2,297</b>

Key Financial Data as at 30 September (Unaudited)	Company		Group	
	30.09.2021 Rs.(Mn)	30.09.2020 Rs.(Mn)	30.09.2021 Rs.(Mn)	30.09.2020 Rs.(Mn)
<b>Assets</b>				
Cash and Bank Balance	11,653	9,676	11,856	9,911
Due from Related Parties	82	62	59	43
Loans (Excluding Due from Related Parties)	117,831	114,724	118,327	115,418
Investments in Equity	603	600	82	79
Term Placements with Banks and other Institutions	3,758	12,469	3,758	12,469
Property, Plant and Equipment	8,537	8,228	8,549	8,249
Other Assets	964	1,183	969	1,192
<b>Total Assets</b>	<b>143,428</b>	<b>146,942</b>	<b>143,600</b>	<b>147,361</b>
<b>Liabilities</b>				
Due to Banks	17,702	22,390	17,746	22,505
Deposits from Customers	84,222	89,692	84,285	89,764
Other Borrowings	6,153	3,113	6,153	3,113
Other Liabilities	5,969	6,456	5,983	6,480
<b>Total Liabilities</b>	<b>114,046</b>	<b>121,651</b>	<b>114,167</b>	<b>121,862</b>
<b>Equity</b>				
Stated Capital	838	838	838	838
Statutory Reserve Fund	8,366	6,779	8,366	6,779
Retained Earnings	20,270	17,768	20,354	17,828
Other Reserves	(92)	(94)	(125)	54
<b>Total Equity</b>	<b>29,382</b>	<b>25,291</b>	<b>29,433</b>	<b>25,499</b>
<b>Total Liabilities and Equity</b>	<b>143,428</b>	<b>146,942</b>	<b>143,600</b>	<b>147,361</b>
<b>Net Assets Value per Share (Rs.)</b>	<b>53.03</b>	<b>45.65</b>	<b>53.12</b>	<b>46.02</b>

Selected Key Performance Indicators Item	Company			
	As at 30.09.2021		As at 30.09.2020	
	Required	Actual	Required	Actual
<b>Regulatory Capital Adequacy (%)</b>				
Tier 1 Capital Adequacy Ratio	8.00%	21.48%	7.00%	19.12%
Total Capital Adequacy Ratio	12.00%	22.94%	11.00%	20.85%
Capital Funds to Deposit Liabilities Ratio	10.00%	34.89%	10.00%	28.20%
<b>Quality of Loan Portfolio (%)</b>				
Gross Non-Performing Loans Ratio		6.65%		7.90%
Net Non-Performing Loans Ratio		0.88%		2.91%
Net Non-Performing Loans to Core Capital Ratio		4.30%		15.47%
Provision Coverage Ratio		86.81%		63.75%
<b>Profitability (%)</b>				
Net Interest Margin		12.76%		9.95%
Return on Assets		4.81%		4.50%
Return on Equity		23.23%		18.03%
Cost to Income Ratio		31.40%		34.91%
<b>Liquidity (%)</b>				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)		165.64%		326.43%
Liquid Assets to External Funds		13.73%		17.65%
<b>Memorandum Information</b>				
Number of Branches (Including 36 Gold Loan Centers in 2020)		173		166
External Credit Rating (Fitch Ratings)		A- (lka)		A- (lka)

The Company does not have any regulatory penalties or regulatory restrictions on deposits, borrowings and lending during the period ended 30th September 2021 and 2020.

#### CERTIFICATION:

We, the undersigned, being the Managing Director, the Chief Financial Officer and the Compliance Officer of LB 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 LB Finance PLC unless indicated as audited.

(Sgd)  
J A S Sumith Adhihetty  
**Managing Director**  
27 October 2021

(Sgd)  
Malith Hewage  
**Chief Financial Officer**  
27 October 2021

(Sgd)  
Sebastian Pulle  
**Compliance Officer**  
27 October 2021



L B Finance PLC, 275/75, Prof. Stanley Wijesundara Mw., Colombo 7. | Tel: 0112 200 000 | www.lbfinance.com | LB Finance PLC

A- (lka) rating with a stable outlook by Fitch Ratings

- Gold award winner in Finance and Leasing Sector for the third consecutive year at the CA Sri Lanka Annual Report Awards
- Peoples Award for Best Financial Services Provider of the year at the SLIM Peoples Awards