

HNB Finance PLC

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Key Financial data for the period ended 30 September (Unaudited) In Rupees Million	Current Period from 1st April 2020 to 30th September 2020	Previous Period from 1st April 2019 to 30th September 2019
Interest income	3,005	3,987
Interest expenses	(1,822)	(1,830)
Net interest income	1,183	2,156
Other Income	180	469
Operating Expenses (Excluding Impairment)	(1,287)	(1,569)
Impairment	(302)	(330)
Profit/(loss) Before Tax	(226)	727
Taxes	(102)	(411)
Profit/(loss) After Tax	(328)	316

Selected Key Performance Indicators	As at 30 September 2020		As at 30 September 2019	
	Required	Actual	Required	Actual
Regulatory Capital Adequacy (%)				
Tier 1 Capital Adequacy Ratio	6.50	10.20	6.50	9.20
Total Capital Adequacy Ratio	10.50	13.91	10.50	10.23
Capital Funds to Deposit Liabilities Ratio	10.00	15.10	10.00	19.73
Liquidity (%)				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)		458.57		104.29
Liquid Assets to External Funds		28.74		11.03
Quality of Loan Portfolio (%)				
Gross Non-Performing Loans Ratio		16.89		11.58
Net-Non-Performing Loans Ratio		4.31		2.78
Net-Non-Performing Loans to Core Capital Ratio		33.41		23.25
Provision Coverage Ratio		65.66		74.37
Profitability (%)				
Net Interest Margin		6.62		14.24
Return on Assets		(1.67)		1.85
Return on Equity		(13.45)		13.20
Cost to Income Ratio		94.86		60.69
Memorandum Information				
No of Branchers		69		69
External Credit Rating (Fitch Rating)		AA-		A(Ika)' outlook stable

HNB FINANCE

INTERIM FINANCIAL STATEMENTS AS AT 30TH SEPTEMBER 2020. PUBLISHED IN TERMS OF FINANCE COMPANIES GUIDELINE NO. 2 OF 2006 OF CENTRAL BANK OF SRI LANKA

Key Financial Data as at 30 September (Unaudited) In Rupees Million	As at 30th September 2020	As at 30th September 2019
ASSETS		
Cash and Bank Balance	4,507	1,035
Government Securities	1,797	2,114
Due from Related parties	661	799
Loans (Excluding due from related parties)	27,257	27,829
Investments in Equity	12	12
Term Placements with Banks and Other Institutions	2,458	-
Other Assets	857	715
Investment Properties and Real Estate	1,105	1,151
Property, Plant & Equipment	1,942	1,830
Total assets	40,595	35,486
LIABILITIES		
Due to Bank	1,181	1,536
Due to Related Parties	667	1,983
Deposit From Customers	31,215	25,033
Other Borrowings	1,270	-
Other Liabilities	1,546	1,988
Total Liabilities	35,879	30,540
SHAREHOLDERS' FUND		
Stated Capital	224	224
Statutory Reserve Fund	1,091	1,007
Retained Earnings	2,727	3,040
Other Reserves	675	675
Total equity	4,716	4,945
Net Assets Value Per Share	2.75	2.88

We, the undersigned, being the Managing Director/Chief Executive Officer, the Chief Operating Officer and the Compliance Officer of HNB Finance PLC certify jointly that,

- The above Statements have been prepared in compliance with the formats and definitions prescribed by the Central Bank of Sri Lanka.
- The information contained in these statements have been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

Signed - **B.M.D.C Prabhath**
Managing Director/Chief Executive Officer

20 November 2020

Signed - **W.S.P. Arangala**
Chief Operating Officer

20 November 2020

Signed - **A.W. Gunawardhana**
Compliance Officer

20 November 2020