

Interim Financial Statements

For the Year Ended December 2023



SANASA Development Bank PLC



SANASA DEVELOPMENT BANK PLC
INCOME STATEMENT

In Rupees Thousands (Rs'000)	Bank					
	For the year ended 31 st December		Change	For the quarter ended 31 st December		Change
	2023 (Audited)	2022 (Audited)		2023 (Audited)	2022 (Audited)	
Interest income	29,904,604	23,101,048	29%	6,858,666	7,614,700	-10%
Interest expenses	(21,402,708)	(16,261,995)	32%	(4,410,810)	(5,608,942)	-21%
Net interest income	8,501,896	6,839,054	24%	2,447,856	2,005,757	22%
Fee and commission income	353,933	504,650	-30%	98,631	69,689	42%
Fee and commission expenses	(36,170)	(26,706)	35%	(8,028)	(7,405)	8%
Net fee and commission income	317,762	477,944	-34%	90,603	62,285	45%
Net gains/(losses) from trading	1,258	(1,078)	217%	-	-	-
Net fair value gains/(losses) on financial assets at fair value through profit or loss	476,058	166,509	186%	78,709	93,410	-16%
Net other operating income	56,878	263,007	-78%	5,165	57,456	-91%
Total operating income	9,353,853	7,745,435	21%	2,622,333	2,218,908	18%
Impairment for loans and other losses	(1,819,895)	(1,898,476)	-4%	(264,544)	(214,051)	24%
Net operating income	7,533,957	5,846,959	29%	2,357,789	2,004,857	18%
Personnel expenses	(3,304,439)	(2,940,243)	12%	(976,197)	(838,874)	16%
Depreciation and amortization expenses	(532,735)	(488,515)	9%	(114,132)	(136,619)	-16%
Other expenses	(2,216,704)	(1,936,942)	14%	(548,282)	(652,282)	-16%
Total Admin and Other Operational Expenses	(6,053,877)	(5,365,700)	13%	(1,638,612)	(1,627,774)	1%
Operating profit/ (loss) before VAT on financial services & SSCL	1,480,080	481,259	208%	719,177	377,083	91%
Value Added Tax (VAT) on financial services	(634,125)	(366,402)	73%	(230,050)	(49,060)	369%
Social Security Contribution Levy (SSCL)	(74,029)	(17,901)	314%	(26,439)	(17,901)	48%
Operating profit/(loss) after VAT on financial services and SCCL	771,926	96,957	696%	462,688	310,122	49%
Profit/(loss) before tax	771,926	96,957	696%	462,688	310,122	49%
Income tax expenses	(305,104)	(35,791)	752%	(178,725)	27,259	-756%
Profit/(loss) for the period	466,822	61,166	663%	283,963	337,381	-16%
Profit/(loss) attributable to:						
Equity holders of the parent	466,822	61,166	663%	283,963	337,381	-16%
Non-controlling interests	-	-	-	-	-	-
	466,822	61,166	663%	283,963	337,381	-16%
Earnings per share on profit						
Basic earnings per ordinary share (Rs.)	2.90	0.38	664%	1.77	2.10	-16%
Diluted earnings per ordinary share (Rs.)	2.90	0.38	664%	1.77	2.10	-16%

SANASA DEVELOPMENT BANK PLC
STATEMENT OF COMPREHENSIVE INCOME

In Rupees Thousands (Rs'000)	Bank					
	For the year ended 31 st December		Change	For the quarter ended 31 st December		Change
	2023 (Audited)	2022 (Audited)		2023 (Audited)	2022 (Audited)	
Profit/(loss) for the period	466,822	61,166	663%	283,963	337,381	-16%
Other comprehensive income/(expenses) not to be reclassified to income statement						
Actuarial gains/(losses) on defined benefit plans	92,685	(39,668)	334%	92,685	(39,668)	334%
Deferred tax relating to defined benefit plans	(27,805)	11,645	-339%	(27,805)	11,645	-339%
Gains/(Losses) on re-measuring investments in equity instruments designated at fair value through other	-	-	-	-	-	-
Revaluation Surplus on Property, Plant and Equipment	74,939	259,037	-71%	74,939	259,037	-71%
Other comprehensive income/(expenses) for the period net of taxes	139,818	231,014	-39%	139,818	231,014	-39%
Total comprehensive income/(expenses) for the period	606,641	292,180	108%	423,782	568,395	-25%
Total comprehensive income/(expenses) attributable to:						
Equity holders of the parent	606,641	292,180	108%	423,782	568,395	-25%
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income/(expenses) for the period	606,641	292,180	108%	423,782	568,395	-25%

SANASA DEVELOPMENT BANK PLC
STATEMENT OF FINANCIAL POSITION

In Rupees Thousands (Rs'000)	Bank		
	As at 31.12.2023 (Audited)	As at 31.12.2022 (Audited)	Change
Assets			
Cash and cash equivalents	2,916,329	3,072,845	-5%
Placements with banks	15,387,770	18,205,196	-15%
Financial assets fair value through Profit or Loss	2,815,221	1,905,738	48%
Financial assets at amortised cost			
- loans and receivables from other customers	98,868,896	110,525,450	-11%
- debt and other instruments	32,436,341	19,819,736	64%
Financial assets measured at fair value through other comprehensive income	56,940	56,939	-
Investment in subsidiary	6,163	6,163	-
Property, plant and equipment	845,329	1,093,191	-23%
Right of use assets	680,305	609,201	12%
Non-current assets held for sale	-	43,566	-100%
Intangible assets	753,566	538,831	40%
Deferred tax assets	533,810	600,628	-11%
Other assets	1,656,730	3,043,547	-46%
Total assets	156,957,400	159,521,032	-2%
Liabilities			
Financial liabilities at amortised cost			
- due to depositors	108,118,122	107,533,002	1%
- due to other borrowers	26,593,632	30,704,548	-13%
Subordinated debt	4,460,248	5,055,590	-12%
Retirement benefit obligations	766,115	714,077	7%
Current tax liabilities	375,862	182,245	106%
Other liabilities	2,377,566	1,672,355	42%
Total liabilities	142,691,544	145,861,817	-2%
Equity			
Stated capital/assigned capital	11,287,765	11,287,765	-
Statutory reserve fund	340,572	317,231	7%
Retained earnings	2,275,937	1,767,576	29%
Other reserves	361,581	286,642	26%
Total equity	14,265,856	13,659,215	4%
Total equity and liabilities	156,957,400	159,521,032	-2%
Contingent liabilities and commitments	814,262	728,285	12%
Net asset value per share (Rs.)	89	85	4%
Memorandum information			
Number of employees	1,295	1,381	-6%
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

Sanjeeva Jayasinghe
Head of Finance

SGD

Shanka Abeywardene
DGM-Finance & Planning / CFO

We, the undersigned, being the Directors 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

Dinithi Ratnayake
Chairperson

SGD

Chaaminda Kumarasiri
Director

SGD

Niranjan Thangarajah
Acting Chief Executive Officer

28 March 2024
Colombo

SANASA DEVELOPMENT BANK PLC
STATEMENT OF CHANGES IN EQUITY

Bank								
In Rupees Thousands (Rs '000)	Stated capital / Assigned capital	Reserves					Total equity	
		Ordinary voting shares	Statutory reserve fund	Retained earnings	Other reserves			
					OCI reserve	Revaluation reserve		General reserves
For the period ended 31.12.2022 (Audited)								
Balance as at 01.01.2022 (Opening balance)	11,287,765	314,173	2,500,153	(19,052)	-	46,657	14,129,697	
Adjustment for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022			(521,613)				(521,613)	
Adjusted balance as at 01.01.2022	11,287,765	314,173	1,978,540	(19,052)	-	46,657	13,608,083	
Total comprehensive income for the period								
Profit/(loss) for the period (net of tax)	-	-	61,166	-	-	-	61,166	
Other comprehensive income (net of tax)	-	-	(28,023)	-	259,037	-	231,014	
Total comprehensive income/(expenses) for the period	-	-	33,143	-	259,037	-	292,180	
Transfer to statutory reserve fund	-	3,058	(3,058)	-	-	-	-	
Transactions with equity holders, recognized directly in equity								
Cash dividend - 2021	-	-	(241,048)	-	-	-	(241,048)	
Other	-	-	-	-	-	-	-	
Total transactions with equity holders	-	3,058	(244,107)	-	-	-	(241,048)	
Balance as at 31.12.2022 (Closing balance)	11,287,765	317,231	1,767,577	(19,052)	259,037	46,657	13,659,215	
For the period ended 31.12.2023 (Audited)								
Balance as at 01.01.2023 (Opening balance)	11,287,765	317,231	1,767,577	(19,052)	259,037	46,657	13,659,215	
Total comprehensive income for the period								
Profit/(loss) for the period (net of tax)	-	-	466,822	-	-	-	466,822	
Other comprehensive income (net of tax)	-	-	64,879	-	74,939	-	139,818	
Total comprehensive income/(expenses) for the period	-	-	531,702	-	74,939	-	606,641	
Transfer to statutory reserve fund	-	23,341	(23,341)	-	-	-	-	
Transactions with equity holders, recognized directly in equity								
Dividend to equity holders	-	-	-	-	-	-	-	
Other transactions	-	-	-	-	-	-	-	
Total transactions with equity holders	-	23,341	(23,341)	-	-	-	-	
Balance as at 31.12.2023 (Closing balance)	11,287,765	340,572	2,275,937	(19,052)	333,976	46,657	14,265,856	

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 / Revaluation Reserve

These reserves consist of fair value adjustments relevant to investment portfolios and land and building.

SANASA DEVELOPMENT BANK PLC
STATEMENT OF CASH FLOWS

In Rupees Thousands (Rs'000)	Bank	
	01.01.2023 to 31.12.2023 (Audited)	01.01.2022 to 31.12.2022
Cash flows from / (used in) operating activities		
Interest received	25,826,400	20,479,391
Fee and commission received	427,168	550,849
Receipts from other operating activities	173,691	78,098
Interest payment	(22,106,904)	(12,674,241)
Cash payment to employees	(2,669,947)	(2,706,852)
Payments to suppliers and other operating activities	(1,474,004)	(2,011,564)
Fee and commission expenses	(36,170)	(26,706)
Operating profit before changes in operating assets	140,234	3,688,976
(Increase)/decrease in operating assets		
Funds advanced to customers	13,713,878	1,840,314
Net (increase)/ decrease in other short term securities	(504,780)	(1,382)
Net (increase)/ decrease in other assets	981,719	(465,741)
Increase/(decrease) in operating liabilities		
Deposits from customers	1,297,609	10,207,858
Net increase/ (decrease) in other liabilities	(738,505)	229,898
Net cash from operating activities before income tax	14,890,154	15,499,924
VAT and SSCL on financial services	(529,354)	(420,603)
Income tax paid	(63,626)	(819,455)
Net cash from operating activities	14,297,175	14,259,865
Cash flows from / (used in) investing activities		
Dividend received	7,770	586
(Increase)/ Decrease in Non Dealing Securities	(1)	-
(Increase)/ decrease in dealing securities	(432,167)	(1,012,521)
(Increase)/ decrease in treasury bonds and other investments	(9,320,168)	(16,358,572)
Proceeds from sale of property, plant and equipment	107,696	2,737
Purchase of property, plant and equipment	(92,141)	(137,228)
Purchase of intangible assets	(124,980)	(307,824)
Net cash from/ (used in) investing activities	(9,853,991)	(17,812,822)
Cash flows from (used in) financing activities		
Dividend Paid		(241,048)
Repayment of long term borrowing	(20,696,429)	(33,299,848)
Interest paid on subordinated debt	(901,042)	(566,005)
Increase/(decrease) in borrowing	16,972,270	32,140,526
Net cash flow from/ (used in) financing activities	(4,625,201)	(1,966,375)
Net increase/ (decrease) in cash and cash equivalents	(182,017)	(5,519,332)
Cash and cash equivalent at the beginning of the period	3,348,345	8,867,677
Cash and cash equivalents at the end of the period	3,166,328	3,348,346
Reconciliation of cash and cash equivalents		
Cash and cash equivalents	2,916,329	3,072,845
Repurchase agreement	-	-
Fixed deposits less than 3 months	250,000	275,500
	3,166,329	3,348,345

SANASA DEVELOPMENT BANK PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Bank - As at 31st December 2023 (Audited)				
In Rupees Thousands (Rs'000)	AC	FVPL	FVOCI	Total
FINANCIAL ASSETS				
Cash and cash equivalents	2,916,329	-	-	2,916,329
Placements with banks	15,387,770	-	-	15,387,770
Financial assets fair value through Profit or Loss	-	2,815,221	-	2,815,221
Financial assets at amortised cost				
- loans and receivables from other customers	98,868,896	-	-	98,868,896
- debt and other instruments	32,436,341	-	-	32,436,341
Financial assets measured at fair value through other comprehensive income	-	-	56,940	56,940
Total financial assets	149,609,335	2,815,221	56,940	152,481,496
In Rupees Thousands (Rs'000)				
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
- due to depositors		108,118,122	-	108,118,122
- due to other borrowers		26,593,632	-	26,593,632
Subordinated debt		4,460,248	-	4,460,248
Total financial liabilities		139,172,002	-	139,172,002
Bank - As at 31st December 2022 (Audited)				
In Rupees Thousands (Rs'000)	AC	FVPL	FVOCI	Total
FINANCIAL ASSETS				
Cash and cash equivalents	3,072,845	-	-	3,072,845
Placements with banks	18,205,196	-	-	18,205,196
Financial assets fair value through Profit or Loss	-	1,905,738	-	1,905,738
Financial assets at amortised cost				
- loans and receivables from other customers	110,525,450	-	-	110,525,450
- debt and other instruments	19,819,736	-	-	19,819,736
Financial assets measured at fair value through other comprehensive income	-	-	56,939	56,939
Total financial assets	151,623,227	1,905,738	56,939	153,585,904
In Rupees Thousands (Rs'000)				
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
- due to depositors		107,533,002	-	107,533,002
- due to other borrowers		30,704,548	-	30,704,548
Subordinated debt		5,055,590	-	5,055,590
Total financial liabilities		143,293,140	-	143,293,140

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
FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described below:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

There are no material changes in the fair value of financial assets categorised under Level 3 compared to the values reported as at 31st December 2022. The Bank has not changed the valuation models and assumptions used to measure the fair values of Level 3 financial instruments during the period ended 31st December 2023.

Financial Assets & Liabilities Measured at Fair Value - Fair Value Hierarchy - In Rupees Thousands (Rs'000)

	As at 31 December 2023 (Audited)			Total LKR
	Level 1 LKR	Level 2 LKR	Level 3 LKR	
Financial assets fair value through profit or loss				
Sri Lanka Government securities- Treasury bills and bonds	-	1,965,510	-	1,965,510
Unit trusts	-	849,711	-	849,711
Quoted Equities	-	-	-	-
Fair Value through other comprehensive income				
Unquoted equity securities	-	-	56,940	56,940
	<u>-</u>	<u>2,815,221</u>	<u>56,940</u>	<u>2,872,161</u>
	As at 31 December 2022 (Audited)			Total LKR
	Level 1 LKR	Level 2 LKR	Level 3 LKR	Total LKR
Financial assets fair value through profit or loss				
Sri Lanka Government securities- Treasury bonds	-	-	-	-
Unit trusts	-	1,905,738	-	1,905,738
Quoted Equities	-	-	-	-
Fair Value through other comprehensive income				
Unquoted equity securities	-	-	56,939	56,939
	<u>-</u>	<u>1,905,738</u>	<u>56,939</u>	<u>1,962,677</u>

SANASA DEVELOPMENT BANK PLC
FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities not carried at fair value - In Rupees Thousands (Rs'000)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Bank's financial instruments that are not carried at fair value in the Financial Statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

	Level	As at 31 st December 2023 (Audited)	
		Carrying value LKR	Fair value LKR
Financial assets			
Cash and cash equivalents	Note*	2,916,329	2,916,329
Placements with banks	Note*	15,387,770	15,387,770
Financial assets at amortised cost			
- Loans and receivables to other customers	2	98,868,896	98,248,870
- Debt and other instruments	Note*	32,436,341	32,436,341
Total financial assets		<u>149,609,335</u>	<u>148,989,309</u>
Financial liabilities			
Due to other customers	2	108,118,122	112,900,381
Other borrowings	2	26,593,632	26,593,632
Subordinated term debts	Note*	4,460,248	4,460,248
Total financial liabilities		<u>139,172,002</u>	<u>143,954,261</u>
	Level	As at 31 st December 2022 (Audited)	
		Carrying value LKR	Fair value LKR
Financial assets			
Cash and cash equivalents	Note*	3,072,845	3,072,845
Placements with banks	Note*	18,205,196	18,205,196
Financial assets at amortised cost			
- Loans and receivables to other customers	2	110,525,450	110,233,997
- Debt and other instruments	Note*	19,819,736	19,819,736
Total financial assets		<u>151,623,227</u>	<u>151,331,774</u>
Financial liabilities			
Due to other customers	2	107,533,002	107,172,794
Other borrowings	2	30,704,548	30,774,489
Subordinated term debts	Note*	5,055,590	5,055,590
Total financial liabilities		<u>143,293,140</u>	<u>143,002,873</u>

Note*

The following describes the methodologies and assumptions used to determine the fair values for those financial instruments which are not already recorded at fair value in the Financial Statements:

For financial assets and financial liabilities that have a short term maturity (less than a year), it is assumed that the carrying amounts approximate to their fair value. This assumption is applied to savings deposits without a specific maturity. Loans and advances to customers with a variable rate also considered to be carried at fair value.

The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates for similar financial instruments. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing interest rates of the Bank.

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

In Rupees Thousands (Rs'000)	Bank	
	As at 31.12.2023 (Audited)	As at 31.12.2022 (Audited)
Product-wise gross loans and advances		
By product: LKR		
Pawning	6,945,957	5,820,218
Cash margin	8,593,155	11,770,371
Staff loans	1,941,707	2,046,486
Lease rentals receivable	5,465,990	8,236,392
<i>Term loans</i>		
Business loans	1,490,041	3,247,585
SME loans	13,077,957	14,400,557
Co-operative loans	1,460,981	2,074,009
Housing loans	2,479,572	2,788,477
Fixed and floating personal loans	24,696,068	26,549,542
Upahara loans	39,566,834	38,581,285
Other personal loans	761,553	804,843
Total	106,479,816	116,319,764
Product-wise commitments and contingencies		
By product: LKR		
Guarantees	264,742	249,175
Undrawn Credit Lines	549,520	479,110
Total	814,262	728,285
Total loans and advances, commitments and contingencies	107,294,077	117,048,049
Stage-wise impairment on loans and advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	107,294,077	117,048,049
Less: Accumulated impairment under stage 1	(587,669)	(837,536)
Accumulated impairment under stage 2	(806,535)	(969,078)
Accumulated impairment under stage 3	(6,216,717)	(3,987,699)
Net loans and advances, commitments and contingencies	99,683,157	111,253,735
Movement of impairment during the period		
Under Stage 1		
Opening balance	837,536	684,544
Charges / (Write back) to income statement	(249,867)	152,992
Other movements	-	-
Closing balance	587,669	837,536
Under Stage 2		
Opening balance	969,078	468,754
Charges / (Write back) to income statement	(162,544)	500,325
Other movements	-	-
Closing balance	806,535	969,078
Under Stage 3		
Opening balance	3,987,699	2,742,429
Charges / (Write back) to income statement	2,229,018	1,246,353
Write - off during the year	-	(1,083)
Other movements	-	-
Closing balance	6,216,717	3,987,699
Total impairment	7,610,920	5,794,314
SANASA DEVELOPMENT BANK PLC		
ANALYSIS OF DEPOSITS		
In Rupees Thousands (Rs'000)	Bank	
	As at 31.12.2023 (Audited)	As at 31.12.2022 (Audited)
By product: Rs.		
Savings deposits	16,904,314	14,542,774
Fixed deposits	91,213,808	92,990,228
Total deposits	108,118,122	107,533,002

SANASA DEVELOPMENT BANK PLC
SEGMENT REPORTING

Bank	In Rupees Thousands (Rs'000)									
	Banking		Leasing & HP		Treasury		Pawning		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
For the period ended 31st December (Audited)										
Interest income	19,665,661	16,257,211	1,026,838	1,515,873	7,646,992	4,673,206	1,565,114	654,758	29,904,604	23,101,048
Add: Inter-segment interest income	4,481,928	1,895,804	-	-	4,025,954	4,891,262	-	-	8,507,883	6,787,066
Total interest income	24,147,589	18,153,015	1,026,838	1,515,873	11,672,946	9,564,468	1,565,114	654,758	38,412,487	29,888,114
Interest expenses	(15,139,689)	(9,564,467)	(825,830)	(728,555)	(4,239,894)	(5,398,578)	(1,197,296)	(570,395)	(21,402,708)	(16,261,995)
Add: Inter-segment interest expense	(4,025,954)	(4,891,262)	-	-	(4,481,928)	(1,895,804)	-	-	(8,507,883)	(6,787,066)
Net interest income	4,981,947	3,697,286	201,007	787,319	2,951,124	2,270,086	367,818	84,364	8,501,896	6,839,054
Fee and commission income	343,471	488,625	10,461	16,026	-	-	-	-	353,933	504,650
Fee and commission expenses	(34,299)	(24,816)	(1,871)	(1,890)	-	-	-	-	(36,170)	(26,706)
Net fee and commission income	309,172	463,809	8,590	14,136	-	-	-	-	317,762	477,944
Net gains/(losses) from trading	-	-	-	-	1,258	(1,078)	-	-	1,258	(1,078)
Net fair value gains/(losses) from financial assets at fair value through profit or loss	-	-	-	-	476,058	166,509	-	-	476,058	166,509
Other operating income (net)	49,108	262,421	-	-	7,770	586	-	-	56,878	263,007
Total operating income	5,340,227	4,423,515	209,598	801,454	3,436,210	2,436,102	367,818	84,364	9,353,853	7,745,435
Impairment for loans and other losses	(1,878,020)	(1,802,361)	71,425	(89,678)	(3,288)	1,194	(10,011)	(7,631)	(1,819,895)	(1,898,476)
Net operating income	3,462,207	2,621,154	281,022	711,776	3,432,921	2,437,296	357,807	76,733	7,533,957	5,846,959
Depreciation and amortization	(469,699)	(429,878)	(25,621)	(32,745)	(269)	(255)	(37,145)	(25,637)	(532,735)	(488,515)
Segment Result	2,992,508	2,191,275	255,402	679,031	3,432,652	2,437,041	320,662	51,097	7,001,223	5,358,444
Un-allocated expenses									(5,521,143)	(4,877,185)
Value Added Tax (VAT) on financial services									(634,125)	(366,402)
Social Security Contribution Levy									(74,029)	(17,901)
Profit before tax									771,926	96,957
Tax expenses									(305,104)	(35,791)
Profit for the period									466,822	61,166
Other comprehensive income										
Other comprehensive income for the period net of tax									139,818	231,014
Total comprehensive income for the period									606,641	292,180
As at 31st December										
Segment assets	87,214,383	97,309,815	4,757,316	7,412,385	53,612,600	43,060,454	6,897,196	5,803,250	152,481,496	153,585,904
Un allocated assets	-	-	-	-	-	-	-	-	4,475,904	5,935,128
Total assets	87,214,383	97,309,815	4,757,316	7,412,385	53,612,600	43,060,454	6,897,196	5,803,250	156,957,400	159,521,032
Segment liabilities	97,794,809	96,254,846	5,334,451	7,332,025	31,828,354	36,534,611	7,733,930	5,740,335	142,691,544	145,861,817
Total equity	-	-	-	-	-	-	-	-	14,265,856	13,659,215
Total equity & liabilities	97,794,809	96,254,846	5,334,451	7,332,025	31,828,354	36,534,611	7,733,930	5,740,335	156,957,400	159,521,032
For the period ended 31st December (Audited)										
Additions to non-current assets	192,695	391,836	9,970	29,847	-	-	14,455	23,368	217,121	445,052

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

Item	Bank	
	As at 31.12.2023 (Audited)	As at 31.12.2022 (Audited)
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	12,978	12,519
Core (Tier 1) Capital	12,978	12,519
Total Capital Base	14,382	14,895
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (%) - (Minimum Requirement - 2023-7.50%, 2022-6.50%)	14.85	12.92
Tier 1 Capital Ratio (%) - (Minimum Requirement - 2023-8.50%, 2022-8.00%)	14.85	12.92
Total Capital Ratio (%) - (Minimum Requirement - 2023-12.50%, 2022- 12.00%)	16.45	15.37
Leverage Ratio (Minimum Requirement - 3%)	8.29	7.87
Regulatory Liquidity		
Statutory Liquid Assets (LKR in Millions)	39,467	23,309
Statutory Liquid Asset Ratio (%) - (Minimum Requirement, 20%)	38.25	23.51
Total Stock of High-Quality Liquid Assets (LKR in Millions)	35,488	20,100
Liquidity Coverage Ratio (%) - (Minimum Requirement - 2023-100%, 2022-100%)	287.06	191.22
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	192.78	241.61
Assets Quality (Quality of Loan Portfolio)		
Impaired Loans (Stage 3) Ratio (%)	9.42	7.57
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	39.70	31.93
Profitability		
Interest Margin (%)	5.37	4.45
Return on Assets (before Taxes) (%)	0.49	0.06
Return on Equity (%)	3.34	0.44

Share Information	31.12.2023	31.12.2022
Market value per share (Rs.)	31.50	21.40
Highest price per share for the period (Rs.)	35.70	28.90
Lowest price per share for the period (Rs.)	30.50	20.20

SANASA DEVELOPMENT BANK PLC
SHAREHOLDER INFORMATION

Twenty Largest Shareholders as at 31.12.2023			
No.	Name of the Shareholder	Number of Shares	Holding (%)
1	LOLC INVESTMENT HOLDINGS ONE (PRIVATE) LIMITED	24,104,800	15.00%
2	Senthilverl Holdings (Pvt) Ltd	19,306,601	12.01%
3	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	17,609,503	10.96%
4	Belgian Investment Company for Developing Countries SA/NV	16,069,800	10.00%
5	Ayenka Holdings Private Limited	14,460,956	9.00%
6	Dr.T Senthilverl	4,798,223	2.99%
7	SANASA Life Insurance Company PLC	4,715,996	2.93%
8	Alliance Finance Company PLC	3,516,310	2.19%
9	Peoples Leasing & Finance PLC/L.P.Hapangama	3,102,528	1.93%
10	SBI Emerging Asia Financial Sector Fund PTE. LTD	2,885,618	1.80%
11	People's Leasing & Finance PLC	2,271,260	1.41%
12	Bank of Ceylon A/C Ceybank Unit Trust	1,539,241	0.96%
13	Hatton National Bank PLC/Sarravanan Neelakandan	1,440,010	0.90%
14	Kegalle SANASA Shareholders Trust Company Limited	1,260,246	0.78%
15	SANASA General Insurance Company Ltd	1,124,418	0.70%
16	Polgahawela Sanasa Societies Union Ltd	1,014,098	0.63%
17	Nikawaratiya Thrift and Credit Co-operative Society Union Limited	992,849	0.62%
18	Bingiriya Multi Purpose Co-operative Society Ltd	970,900	0.60%
19	Sanasa Federation Limited	811,816	0.51%
20	DFCC BANK PLC/N.G.N.MADURANGA	648,412	0.40%
Sub total		122,643,585	76.32%
Shares held by other shareholders		38,055,247	23.68%
Total		160,698,832	100.00%

Note -In compliance with the Section 7.6 (iii) of CSE Listing Rules, the bank has disclosed top 20 shareholders after amalgamating several CDS accounts in to one group belonging to the same shareholder in this financial statements.

As at 31.12.2023

Total number of shares	160,698,832
Number of shares in public holding	118,499,616
Number of public shareholders	38,758
Percentage of public holding	73.74%
Market capitalisation	5,062,013,208
Float adjusted market capitalisation	3,732,737,904
Required minimum public holding percentage under option 4 of rule 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange	10%

Directors' Shareholding as at 31.12.2023

No.	Name	No. of Shares
1	Ms.Dinithi Ratnayake (Chairperson)	
2	Prof. Sampath Amaratunge	
3	Mr.Chaaminda Kumarasiri	
4	Mr.Prasanna Premaratna	1,500
5	Mr.B.R.A.Bandara	11,000
6	Mr.Thusantha Wijemanna	
7	Mr.S.H.Sarath Nandasiri	
8	Mr.Conrad Dias	
9	Mr.Naveendra Sooriyarachchi	
10	Mr.Romani De Silva	104,650
11	Mr.Chandana Dissanayake	
12	Dr.Mahesha Ranasoma	

SANASA DEVELOPMENT BANK PLC
EXPLANATORY NOTES

- 1 These Interim Financial Statements have been prepared in accordance with LKAS 34 - "Interim Financial Reporting" and present information required by Listing Rule of 7.4 of Colombo Stock Exchange. These Financial Statements are drawn up from the Audited Financial Statements of the Bank.
- 2 There are no significant changes in accounting policies and methods of computation since the publication of Audited Financial Statements for the year 2022.
- 3 There are no material changes in the composition of assets, liabilities and contingent liabilities.
- 4 The presentation and classification of previous period have been amended for better presentation and to be comparable with those of the current period.
- 5 No material events have been taken place subsequent to the reporting period that require disclosures or/ and adjustment in the Financial Statements.

6 Investment in Subsidiary

Investment in Subsidiary includes the investment made by the Bank in Payment Services (Private) Limited, amounting to Rs.6,163,100/-. Payment Services (Private) Limited is a fully-owned subsidiary of the Bank, that was acquired on 26th May 2020. It was engaged in the business of providing online payment solutions on the web and mobile platforms under the brand name "UPay". The subsidiary's assets, liabilities, equity, income, expenses and cash flows does not have a material effect on the consolidated financial statements of the Group. Therefore, the subsidiary has been deemed immaterial and has not been consolidated when preparing and presenting the financial statements of the Group.