

Interim Financial Statements

For the Year Ended 31st December 2024



ENVISIONING
**PROGRESS,
EMPOWERING
COMMUNITIES**

SDB Bank delivers a resilient performance in 2024

- Profit after tax hit 410Mn
- Net fee income increased by 36%
- Impairment coverage ratio improved to 48.33% from 39.70%
- Total Capital Ratio maintained 16.37%
- Liquidity Coverage Ratio maintained at 279.65%

Sri Lanka's Economic Reform Program Yielding Commendable Outcomes

Sri Lanka's economy continued its strong growth trajectory in Q3 of 2024, registering a 5.5% growth. The full year GDP growth is projected to reach 5%, the highest since 2017. Inflation has been kept well below the CBSL target range and interest rates stable at high single digits. Moving into 2025, priorities include sustaining growth through structural reforms, financial stability measures, and boosting exports to strengthen long-term economic resilience.

SDB Bank continued its cautious approach, benefiting from improving economic condition and interest rate stability to drive its balance sheet growth towards the latter part of 2024. SDB Bank remains committed to driving socially, environmentally, and financially sustainable national development. Recognizing the importance of building resilient communities and value chains, the bank has prioritized fostering food security through development banking. Despite economic challenges, SDB Bank continues to provide market-driven sustainable solutions, ensuring critical support reaches customers in need. By balancing long-term customer development with short-term financial realities, the bank remains steadfast in its mission to empower communities, strengthen local economies, and contribute to a more resilient and inclusive financial landscape.

Financial Performance

SANASA Development Bank PLC's 2024 Profit After Tax reached Rs. 410 Mn, with the Net Interest Margin (NIM) at 5.18%. Targeted relief measures were extended to specific customer segments impacted by high interest rates, leading to a reduction in interest income, NII, and ultimately PAT. Despite a more measured balance sheet growth, operating income remained stable compared to the previous year.

Overhead expenses increased by 13% YoY, primarily due to higher staff costs, which are expected to drive strong motivation and future business growth. However, a remarkable 69% drop in impairment charges for Q4 2024, compared to the same period in 2023, showcased the bank's effective collection and remediation efforts. Additionally, the impairment coverage ratio for Stage 3 loans saw a significant boost, rising from 39.70% at year-end 2023 to 47.78% in 2024, reinforcing the bank's prudent risk management approach.

Balance Sheet Optimization and Healthy Liquidity

SDB Bank maintained a strong financial position in 2024, with a strategic focus on optimizing its balance sheet. The bank prudently managed its loan portfolio and borrowings, ensuring financial stability and efficiency. Deposits remained resilient, reflecting the bank's commitment to adapting to evolving market conditions and customer needs. Additionally, the bank's robust liquidity coverage ratio (LCR) of 279% underscores its strong ability to meet short-term financial obligations, positioning it well to navigate market dynamics while sustaining long-term growth and stability.

Outlook:

Sri Lanka's economic recovery is expected to gain further momentum, supported by stable inflation, policy reforms, and structural improvements. Whilst the 2025 budget is forward looking, its implementation would be key to unlocking some of the envisaged economic gains. With much of the economic growth expected to stem from a resurgent SME sector, SDB is will positioned to support this growth due to its inherent footprint across the country. The bank will continue to collaborate closely with key sectors driving the real economy. This strategic approach ensures sustained access to essential financial services, reinforcing the foundation for long-term economic stability and growth.

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
	2024 (Audited)	2023 (Audited)		2024 (Audited)	2023 (Audited)	
Interest income	20,005,052	29,904,604	-33%	3,839,137	6,858,666	-44%
Interest expenses	(12,184,588)	(21,402,708)	-43%	(2,524,158)	(4,410,810)	-43%
Net interest income	7,820,464	8,501,896	-8%	1,314,979	2,447,856	-46%
Fee and commission income	631,017	466,073	35%	215,586	210,771	2%
Fee and commission expenses	(46,695)	(36,170)	29%	(11,840)	(8,028)	47%
Net fee and commission income	584,322	429,902	36%	203,746	202,743	0%
Net gains/(losses) from trading	60,117	1,258	-	26,158	-	-
Net fair value gains/(losses) on financial assets at fair value through profit or loss	444,082	476,058	-7%	124,745	78,709	58%
Net other operating income	(77,687)	(55,262)	-41%	(23,660)	(106,975)	-78%
Total operating income	8,831,298	9,353,853	-6%	1,645,967	2,622,333	-37%
Impairment for loans and other losses	(558,950)	(1,819,895)	-69%	136,419	(264,543)	-152%
Net operating income	8,272,348	7,533,958	10%	1,782,387	2,357,789	-24%
Personnel expenses	(3,964,778)	(3,304,439)	20%	(1,020,260)	(976,198)	5%
Depreciation and amortization expenses	(610,921)	(532,735)	15%	(167,887)	(114,132)	47%
Other expenses	(2,245,722)	(2,216,704)	1%	(440,076)	(548,282)	-20%
Total Admin and Other Operational Expenses	(6,821,422)	(6,053,878)	13%	(1,628,223)	(1,638,612)	-1%
Operating profit/ (loss) before VAT on financial services & SSCL	1,450,927	1,480,080	-2%	154,164	719,177	-79%
Value Added Tax (VAT) on financial services	(668,193)	(634,125)	5%	(60,667)	(230,050)	-74%
Social Security Contribution Levy (SSCL)	(98,471)	(74,029)	33%	(21,037)	(26,439)	-20%
Operating profit/(loss) after VAT on financial services and SSCL	684,263	771,926	-11%	72,461	462,688	-84%
Profit/(loss) before tax	684,263	771,926	-11%	72,461	462,688	-84%
Income tax expenses	(274,729)	(305,104)	-10%	(67,247)	(178,725)	-62%
Profit/(loss) for the period	409,534	466,822	-12%	5,214	283,963	-98%
Profit/(loss) attributable to:						
Equity holders of the parent	409,534	466,822	-12%	5,214	283,963	-98%
Non-controlling interests	-	-	-	-	-	-
	409,534	466,822	-12%	5,214	283,963	-98%
Earnings per share on profit						
Basic earnings per ordinary share (Rs.)	2.49	2.84	-12%	0.03	1.77	-98%
Diluted earnings per ordinary share (Rs.)	2.49	2.84	-12%	0.03	1.77	-98%

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
	2024 (Audited)	2023 (Audited)		2024 (Audited)	2023 (Audited)	
Profit/(loss) for the period	409,534	466,822	-12%	5,214	283,963	-98%
Other comprehensive income/(expenses) not to be reclassified to income statement						
Actuarial gains/(losses) on defined benefit plans	(195,633)	92,685		(195,633)	92,685	
Deferred tax relating to defined benefit plans	58,690	(27,805)		58,690	(27,805)	
Gains/(Losses) on re-measuring investments in equity instruments designated at fair value through other comprehensive income	-	-		-	-	
Revaluation Surplus on Property, Plant and Equipment	69,025	74,939		69,025	74,939	
Other comprehensive income/(expenses) for the period net of taxes	(67,918)	139,819		(67,918)	139,819	
Total comprehensive income/(expenses) for the period	341,616	606,641	-44%	(62,704)	423,782	-115%
Total comprehensive income/(expenses) attributable to:						
Equity holders of the parent	341,616	606,641	-44%	(62,704)	423,782	-115%
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income/(expenses) for the period	341,616	606,641	-44%	(62,704)	423,782	-115%

SANASA DEVELOPMENT BANK PLC
STATEMENT OF FINANCIAL POSITION

In Rupees Thousands (Rs'000)	Bank		
	As at 31.12.2024 (Audited)	As at 31.12.2023 (Audited)	Change
Assets			
Cash and cash equivalents	2,442,294	2,916,329	-16%
Placements with banks	9,083,958	15,387,770	-41%
Financial assets fair value through Profit or Loss	6,739,200	2,815,221	139%
Financial assets at amortised cost			
- loans and receivables from other customers	95,137,107	98,868,896	-4%
- debt and other instruments	26,623,135	32,436,341	-18%
Financial assets measured at fair value through other comprehensive income	208,146	56,940	266%
Investment in subsidiary	6,163	6,163	-
Property, plant and equipment	1,115,087	845,329	32%
Right of use assets	780,438	680,305	15%
Intangible assets	747,454	753,566	-1%
Deferred tax assets	778,912	533,810	46%
Other assets	1,494,056	1,656,730	-10%
Total assets	145,155,950	156,957,400	-8%
Liabilities			
Financial liabilities at amortised cost			
- due to depositors	106,989,900	108,118,122	-1%
- due to other borrowers	19,075,132	26,593,632	-28%
Subordinated debt	-	4,460,248	-100%
Retirement benefit obligations	1,041,382	766,115	36%
Current tax liabilities	717,274	375,862	91%
Other liabilities	2,745,762	2,377,565	15%
Total liabilities	130,569,450	142,691,544	-8%
Equity			
Stated capital/assigned capital	11,406,602	11,287,765	1%
Statutory reserve fund	361,049	340,572	6%
Retained earnings	2,388,243	2,275,937	5%
Other reserves	430,606	361,581	19%
Total equity	14,586,500	14,265,856	2%
Total equity and liabilities	145,155,950	156,957,400	-8%
Contingent liabilities and commitments	869,325	814,262	7%
Net asset value per share (Rs.)	88.85	88.77	0%
Memorandum information			
Number of employees	1,298	1,295	0%
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 audited financial statements of the Bank, unless indicated as audited.

SGD

Dinithi Ratnayake
Chairperson

SGD

Chaaminda Kumarasiri
Director

SGD

Kapila Ariyaratne
Executive Director / CEO

28th February 2025
Colombo

SANASA DEVELOPMENT BANK PLC
STATEMENT OF CHANGES IN EQUITY

In Rupees Thousands (Rs'000)	Bank						
	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 year ended 31.12.2023							
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	-	-	531,701	-	74,939	-	606,640
Transfer to statutory reserve fund	-	23,341	(23,341)	-		-	-
Transactions with equity holders, recognized directly in equity							
Other	-	-	-	-	-	-	-
Total transactions with equity holders	-	23,341	(23,341)	-	-	-	-
Balance as at 31.12.2023 (Closing balance)	11,287,765	340,572	2,275,936	(19,052)	333,976	46,657	14,265,855
For the year ended 31.12.2024							
Balance as at 01.01.2024 (Opening balance)	11,287,765	340,572	2,275,936	(19,052)	333,976	46,657	14,265,855
Total comprehensive income for the period							
Profit/(loss) for the period (net of tax)	-		409,534	-		-	409,534
Other comprehensive income (net of tax)	-	-	(136,943)	-	69,025	-	(67,918)
Total comprehensive income/(expenses) for the period	-	-	272,591	-	69,025	-	341,616
Transfer to statutory reserve fund	-	20,477	(20,477)	-		-	-
Transactions with equity holders, recognized directly in equity							
Dividend to equity holders							
Scrip dividend - 2023	118,837	-	(139,808)	-		-	(20,971)
Other transactions	-	-	-				-
Total transactions with equity holders	118,837	20,477	(160,285)	-	-	-	(20,971)
Balance as at 31.12.2024 (Closing balance)	11,406,602	361,049	2,388,242	(19,052)	403,001	46,657	14,586,500

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. 24 of 2024 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	
	01.01.2024 to 31.12.2024 (Audited)	01.01.2023 to 31.12.2023 (Audited)
Cash flows from / (used in) operating activities		
Interest received	20,577,268	25,826,400
Fee and commission received	696,809	427,168
Receipts from other operating activities	2,780	173,691
Interest payment	(14,406,825)	(22,106,904)
Cash payment to employees	(3,711,041)	(2,669,947)
Payments to suppliers and other operating activities	(2,273,560)	(1,474,004)
Fee and commission expenses	(46,695)	(36,170)
Operating profit before changes in operating assets	838,738	140,234
(Increase)/decrease in operating assets		
Funds advanced to customers	3,068,033	13,713,878
Net (increase)/ decrease in other short term securities	(1,038,710)	(504,780)
Net (increase)/ decrease in other assets	(353,649)	981,719
Increase/(decrease) in operating liabilities		
Deposits from customers	994,427	1,297,609
Net increase/ (decrease) in other liabilities	439,654	(738,505)
Net cash from operating activities before income tax	3,948,493	14,890,155
VAT and SSCL on financial services	(810,714)	(529,354)
Income tax paid	(108,284)	(63,626)
Net cash from operating activities	3,029,494	14,297,175
Cash flows from / (used in) investing activities		
Dividend received	291	7,770
(Increase)/ Decrease in Non Dealing Securities	(151,206)	(1)
(Increase)/ decrease in dealing securities	(3,419,780)	(432,167)
(Increase)/ decrease in treasury bonds and other investments	13,242,000	(9,320,168)
Proceeds from sale of property, plant and equipment	425	107,696
Purchase of property, plant and equipment	(429,588)	(92,141)
Purchase of intangible assets	(165,003)	(124,980)
Net cash from/ (used in) investing activities	9,077,139	(9,853,991)
Cash flows from (used in) financing activities		
Repayment of long term borrowing	(20,781,744)	(20,696,429)
Interest paid on subordinated debt	(550,368)	(901,042)
Increase/(decrease) in borrowing	9,524,871	16,972,270
Dividend Paid	(20,971)	-
Net cash flow from/ (used in) financing activities	(11,828,212)	(4,625,201)
Net increase/ (decrease) in cash and cash equivalents	278,421	(182,017)
Cash and cash equivalent at the beginning of the period	3,166,329	3,348,346
Cash and cash equivalents at the end of the period	3,444,750	3,166,329
Reconciliation of cash and cash equivalents		
Cash and cash equivalents	2,442,294	2,916,329
Repurchase agreement	702,456	-
Fixed deposits less than 3 months	300,000	250,000
	3,444,750	3,166,329

SANASA DEVELOPMENT BANK PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Bank - As at 31st December 2024 (Audited)				
In Rupees Thousands (Rs'000)	AC	FVPL	FVOCI	Total
FINANCIAL ASSETS				
Cash and cash equivalents	2,442,294	-	-	2,442,294
Placements with banks	9,083,958	-	-	9,083,958
Financial assets fair value through Profit or Loss	-	6,739,200	-	6,739,200
Financial assets at amortised cost				
- loans and receivables from other customers	95,137,107	-	-	95,137,107
- debt and other instruments	26,623,135	-	-	26,623,135
Financial assets measured at fair value through other comprehensive income	-	-	208,146	208,146
Total financial assets	133,286,494	6,739,200	208,146	140,233,840
In Rupees Thousands (Rs'000)	AC	FVPL	FVOCI	Total
FINANCIAL LIABILITIES				
Financial liabilities at amortised cost				
- due to depositors		106,989,900	-	106,989,900
- due to other borrowers		19,075,132	-	19,075,132
Subordinated debt		-	-	0
Total financial liabilities		126,065,032	-	126,065,032
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)	AC	FVPL	FVOCI	Total
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

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 2023. 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 2024.

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

	As at 31 st December 2024 (Audited)			
	Level 1 LKR	Level 2 LKR	Level 3 LKR	Total LKR
Financial assets fair value through profit or loss				
Sri Lanka Government securities- Treasury bills and bonds	-	257,986	-	257,986
Unit trusts	-	6,481,214	-	6,481,214
Quoted Equities	-	-	-	-
Fair Value through other comprehensive income				
Unquoted equity securities	-	-	208,146	208,146
	-	6,739,200	208,146	6,947,346
	As at 31 December 2023 (Audited)			
	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	-	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
	-	2,815,221	56,940	2,872,161

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 2024 (Audited)	
		Carrying value LKR	Fair value LKR
Financial assets			
Cash and cash equivalents	Note*	2,442,294	2,442,294
Placements with banks	Note*	9,083,958	9,083,958
Financial assets at amortised cost			
- Loans and receivables to other customers	2	95,137,107	94,266,912
- Debt and other instruments	Note*	26,623,135	26,623,135
Total financial assets		<u>133,286,494</u>	<u>132,416,299</u>
Financial liabilities			
Due to other customers	2	106,989,900	116,429,002
Other borrowings	2	19,075,132	19,075,132
Subordinated term debts	Note*	-	-
Total financial liabilities		<u>126,065,032</u>	<u>135,504,133</u>
		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>

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 31.12.2024 (Audited)	As at 31.12.2023 (Audited)
Product-wise gross loans and advances		
By product: LKR		
Pawning	7,942,304	6,945,957
Cash margin	7,037,813	8,593,155
Staff loans	1,708,743	1,941,707
Lease rentals receivable	6,819,403	5,465,990
<i>Term loans</i>	-	-
Business loans	1,232,640	1,490,041
SME loans	13,609,806	13,077,957
Co-operative loans	1,450,832	1,460,981
Housing loans	2,306,252	2,479,572
Fixed and floating personal loans	22,097,648	24,696,068
Upahara loans	38,296,792	39,566,834
Other personal loans	679,484	761,553
Total	103,181,716	106,479,816
Product-wise commitments and contingencies		
By product: LKR		
Guarantees	284,090	264,742
Undrawn Credit Lines	585,234	549,520
Total	869,325	814,262
Total loans and advances, commitments and contingencies	104,051,041	107,294,077
Stage-wise impairment on loans and advances, commitments and contingencies		
Gross loans and advances, commitments and contingencies	104,051,041	107,294,077
Less: Accumulated impairment under stage 1	(678,781)	(587,669)
Accumulated impairment under stage 2	(787,537)	(806,535)
Accumulated impairment under stage 3	(6,578,292)	(6,216,717)
Net loans and advances, commitments and contingencies	96,006,431	99,683,157
Movement of impairment during the period		
Under Stage 1		
Opening balance	587,669	837,536
Charges / (Write back) to income statement	91,112	(249,867)
Other movements	-	-
Closing balance	678,781	587,669
Under Stage 2		
Opening balance	806,535	969,078
Charges / (Write back) to income statement	(18,998)	(162,544)
Other movements	-	-
Closing balance	787,537	806,535
Under Stage 3		
Opening balance	6,216,717	3,987,699
Charges / (Write back) to income statement	488,879	2,229,018
Write - off during the year	(127,305)	-
Other movements	-	-
	6,578,292	6,216,717
Total impairment	8,044,610	7,610,920
SANASA DEVELOPMENT BANK PLC		
ANALYSIS OF DEPOSITS		
In Rupees Thousands (Rs'000)	Bank	
	As at 31.12.2024 (Audited)	As at 31.12.2023 (Audited)
By product: Rs.		
Savings deposits	20,926,765	16,904,314
Fixed deposits	86,063,135	91,213,808
Total deposits	106,989,900	108,118,122

SANASA DEVELOPMENT BANK PLC
SEGMENT REPORTING

Bank	In Rupees Thousands (Rs'000) (Audited)									
	Banking		Leasing & HP		Treasury		Pawning		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
For the period ended 31st December										
Interest income	12,668,940	19,665,661	985,224	1,026,838	5,210,018	7,646,992	1,140,869	1,565,114	20,005,052	29,904,604
Add: Inter-segment interest income	12,718,214	4,481,928	-	-	10,157,293	4,025,954	-	-	22,875,507	8,507,883
Total interest income	25,387,154	24,147,589	985,224	1,026,838	15,367,311	11,672,946	1,140,869	1,565,114	42,880,558	38,412,487
Interest expenses	(8,988,886)	(15,139,689)	(671,227)	(825,830)	(1,646,831)	(4,239,894)	(877,643)	(1,197,296)	(12,184,588)	(21,402,709)
Add: Inter-segment interest expense	(10,157,293)	(4,025,954)	-	-	(12,718,214)	(4,481,928)	-	-	(22,875,507)	(8,507,883)
Net interest income	6,240,976	4,981,946	313,997	201,008	1,002,266	2,951,124	263,225	367,818	7,820,464	8,501,896
Fee and commission income	588,662	455,611	42,355	10,461	-	-	-	-	631,017	466,073
Fee and commission expenses	(43,450)	(34,299)	(3,245)	(1,871)	-	-	-	-	(46,695)	(36,170)
Net fee and commission income	545,212	421,312	39,110	8,590	-	-	-	-	584,322	429,902
Net gains/(losses) from trading	-	-	-	-	60,117	1,258	-	-	60,117	1,258
Net fair value gains/(losses) from financial assets at fair value through profit or loss	-	-	-	-	444,082	476,058	-	-	444,082	476,058
Other operating income (net)	(77,978)	(63,032)	-	-	291	7,770	-	-	(77,687)	(55,262)
Total operating income	6,708,210	5,340,227	353,107	209,598	1,506,755	3,436,210	263,225	367,818	8,831,298	9,353,852
Impairment for loans and other losses	(489,985)	(1,878,020)	(74,125)	71,425	2,044	(3,288)	3,116	(10,011)	(558,950)	(1,819,894)
Net operating income	6,218,225	3,462,207	278,983	281,023	1,508,799	3,432,921	266,341	357,807	8,272,348	7,533,958
Depreciation and amortization	(520,867)	(469,699)	(38,895)	(25,621)	(304)	(269)	(50,856)	(37,145)	(610,921)	(532,734)
Segment Result	5,697,358	2,992,508	240,088	255,402	1,508,495	3,432,652	215,486	320,662	7,661,427	7,001,224
Un-allocated expenses									(6,210,500)	(5,521,143)
Value Added Tax (VAT) on financial services									(668,193)	(634,125)
Social Security Contribution Levy									(98,471)	(74,029)
Profit before tax									684,263	771,927
Tax expenses									(274,729)	(305,104)
Profit for the period									409,534	466,823
Other comprehensive income										
Other comprehensive income for the period net of tax									(67,918)	139,819
Total comprehensive income for the period									341,616	606,642
As at 31st December										
Segment assets	81,153,575	87,214,383	6,059,982	4,757,316	45,096,733	53,612,600	7,923,550	6,897,196	140,233,840	152,481,495
Un allocated assets	-	-	-	-	-	-	-	-	4,922,110	4,475,904
Total assets	81,153,575	87,214,383	6,059,982	4,757,316	45,096,733	53,612,600	7,923,550	6,897,196	145,155,950	156,957,400
Segment liabilities	94,445,917	97,794,809	7,052,561	5,334,451	19,849,605	31,828,354	9,221,367	7,733,930	130,569,450	142,691,544
Total equity	-	-	-	-	-	-	-	-	14,586,500	14,265,856
Total equity & liabilities	94,445,917	97,794,809	7,052,561	5,334,451	19,849,605	31,828,354	9,221,367	9,196,045	145,155,950	156,957,400
For the period ended 31st December										
Additions to non-current assets	507,196	192,695	37,874	9,970	-	-	49,521	14,455	594,591	217,120

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

Item	Bank	
	As at 31.12.2024 (Audited)	As at 31.12.2023 (Audited)
Regulatory Capital Adequacy (LKR in Millions)		
Common Equity Tier 1	13,097	12,978
Core (Tier 1) Capital	13,097	12,978
Total Capital Base	14,293	14,382
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (%) - (Minimum Requirement - 2024-7.00%, 2023-7.00%)	15.00	14.85
Tier 1 Capital Ratio (%) - (Minimum Requirement - 2024-8.50%, 2023-8.50%)	15.00	14.85
Total Capital Ratio (%) - (Minimum Requirement - 2024-12.50%, 2023-12.50%)	16.37	16.45
Leverage Ratio (Minimum Requirement - 3%)	9.07	8.29
Regulatory Liquidity		
Total Stock of High-Quality Liquid Assets (LKR in Millions)	27,709	35,488
Liquidity Coverage Ratio (%) - (Minimum Requirement - 2024-100%, 2023-100%)	279.65	287.06
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	173.02	192.78
Assets Quality (Quality of Loan Portfolio)		
Impaired Loans (Stage 3) Ratio (%)	7.44	9.42
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	47.78	39.70
Profitability		
Interest Margin (%)	5.18	5.37
Return on Assets (before Taxes) (%)	0.96	0.49
Return on Equity (%)	2.84	3.34

Share Information	31.12.2024	31.12.2023
Market value per share (Rs.)	45.90	31.50
Highest price per share for the period (Rs.)	46.80	35.70
Lowest price per share for the period (Rs.)	29.70	30.50

SANASA DEVELOPMENT BANK PLC
SHAREHOLDER INFORMATION

Twenty Largest Shareholders as at 31.12.2024			
No.	Name of the Shareholder	Number of Shares	Holding (%)
1	LOLC Investment Holdings One (Private) Limited	24,624,948	15.00%
2	Senthilvel Holdings (Pvt) Ltd	21,019,383	12.80%
3	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	17,989,491	10.96%
4	Belgian Investment Company For Developing Countries SA/NV	16,416,564	10.00%
5	Ayenka Holdings (Private) Limited	7,034,112	4.28%
6	Mr. C.F. Fuhrer	4,929,116	3.00%
7	SANASA Life Insurance Company PLC	4,610,425	2.81%
8	Alliance Finance Company PLC	3,592,187	2.19%
9	Peoples Leasing & Finance PLC/L.P.Hapangama	3,279,555	2.00%
10	SBI Ven Holdings Pte Ltd	2,944,311	1.79%
11	Dr. T. Senthilvel	2,634,908	1.61%
12	Peoples Leasing & Finance PLC	2,320,270	1.41%
13	Bank of Ceylon A/C Ceybank Unit Trust	1,573,477	0.96%
14	Hatton National Bank PLC/Sarravanan Neelakandan	1,471,083	0.90%
15	Kegalle SANASA Share Holders Trust Company Limited	1,287,440	0.78%
16	SANASA General Insurance Company Ltd	1,148,681	0.70%
17	Polgahawela SANASA Societies Union Ltd	1,035,980	0.63%
18	Nikawaratiya Thrift and Credit Co-Operative Society Union Limited	1,014,273	0.62%
19	Bingiriya Multi Purpose Cooperative Society Ltd	991,850	0.60%
20	SANASA Federation Limited	829,333	0.51%
Sub total		120,747,387	73.55%
Shares held by other shareholders		43,419,107	26.45%
Total		164,166,494	100%

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 31.12.2024

Total number of shares	164,166,494
Number of shares in public holding	128,795,571
Number of public shareholders	38,865
Percentage of public holding	78.45%
Market capitalisation	7,535,242,075
Float adjusted market capitalisation	5,911,716,709
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 31.12.2024

No.	Name	No. of Shares
1	Ms.Dinithi Ratnayake (Chairperson)	
2	Prof. Sampath Amaratunge	
3	Mr.Chaaminda Kumarasiri	
4	Mr.Prasanna Premaratna	1,532
5	Mr.B.R.A.Bandara	11,237
6	Mr.Thusantha Wijemanna	
7	Mr.S.H.Sarath Nandasiri	
8	Mr.Conrad Dias	
9	Mr.Naveendra Sooriyarachchi	
10	Mr.Romani De Silva	106,907
11	Mr.Chandana Dissanayake	
12	Dr.Mahesha Ranasoma	
13	Mr.Kapila Ariyaratna	

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 2023.
- 3 There are no material changes in the composition of assets, liabilities and contingent liabilities.
- 4 No material events have been taken place subsequent to the reporting period that require disclosures or/ and adjustment in the Financial Statements.

5 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