

# ASSETLINE FINANCE LIMITED

Financial Statements for the six months ended 30 September 2023

Key Financial Data for the six months ended 30 September (Unaudited)	Current Period From 01.04.2023 to 30.09.2023	As a % of Interest Income	Previous Period From 01.04.2022 to 30.09.2022	As a % of Interest Income
Interest Income	4,784,010	100%	3,709,654	100%
Interest Expenses	(1,957,623)	-41%	(1,892,548)	-51%
<b>Net Interest Income</b>	<b>2,826,387</b>	<b>59%</b>	<b>1,817,106</b>	<b>49%</b>
Other Income	80,354	2%	58,749	2%
Operating Expenses (excluding impairment)	(1,196,746)	-25%	(1,009,717)	-28%
Impairment & Net Write Off	(1,150,396)	-24%	(313,933)	-8%
<b>Profit/(Loss) Before Tax</b>	<b>559,599</b>	<b>12%</b>	<b>552,205</b>	<b>15%</b>
Taxes*	(363,863)	-8%	(378,573)	-10%
<b>Profit/(Loss) After Tax</b>	<b>195,736</b>	<b>4%</b>	<b>173,632</b>	<b>5%</b>
Other Comprehensive Income	886,960	19%	(83)	0%
<b>Total Comprehensive Income</b>	<b>1,082,696</b>	<b>23%</b>	<b>173,549</b>	<b>5%</b>

\* Including indirect taxes (such as VAT on Financial Services) and direct taxes (Corporate Income Tax)

Key Financial Data as at 30 September (Unaudited)	As at 30.09.2023	As a % of Total Assets	As at 30.09.2022	As a % of Total Assets
<b>Assets</b>				
Cash and Bank Balance	390,757	1%	1,132,158	4%
Government Securities	7,151,190	20%	1,305,029	4%
Due from Related Parties	7,757	0%	4,400	0%
Loans (excluding due from related parties)	26,751,834	75%	28,080,526	88%
Investments in Equity	195	0%	195	0%
Investment in Properties and Real Estate	193,800	1%	231,900	1%
Property, Plant, Equipment and Intangible Asset	653,064	2%	569,186	2%
Other Assets	233,836	1%	205,498	1%
<b>Total Assets</b>	<b>35,382,433</b>	<b>100%</b>	<b>31,528,892</b>	<b>100%</b>
<b>Liabilities</b>				
Due to Banks	18,075,628	52%	16,561,289	53%
Due to Related Parties	2,998,857	8%	3,382,906	11%
Deposits from Customers	334,809	1%	-	0%
Other Liabilities	1,531,735	4%	979,974	3%
<b>Total Liabilities</b>	<b>22,941,029</b>	<b>65%</b>	<b>20,924,169</b>	<b>67%</b>
<b>Equity</b>				
Stated Capital	3,550,000	10%	3,550,000	11%
Statutory Reserve Fund	1,112,085	3%	1,066,827	3%
Retained Earnings	6,806,488	19%	5,987,896	19%
Other Reserves	972,831	3%	-	0%
<b>Total Equity</b>	<b>12,441,404</b>	<b>35%</b>	<b>10,604,723</b>	<b>33%</b>
<b>Total Liabilities &amp; Equity</b>	<b>35,382,433</b>	<b>100%</b>	<b>31,528,892</b>	<b>100%</b>
<b>Net Assets Value Per Share (Rs:)</b>	<b>92.87</b>		<b>79.16</b>	

Note: Amounts stated are in net of impairment and depreciation.

Selected Key Performance Indicators				
Item	As at 30.09.2023		As at 30.09.2022	
	<b>Regulatory Capital Adequacy (%)</b>	Actual	Required	Actual
Tier 1 Capital Adequacy Ratio	31.48%	8.50%	26.44%	8.50%
Total Capital Adequacy Ratio	32.50%	12.50%	27.45%	12.50%
Capital Funds to Deposit Liabilities Ratio	3715.97%	10.00%	N/A	10.00%
<b>Quality of Loan Portfolio (%) - Note 1</b>				
	As at 30.09.2023		As at 30.09.2022	
	Staging inline with DPD 90 definition		Staging inline with DPD 120 definition	
Gross Stage 3 Loans Ratio	21.24%		16.83%	
Net Stage 3 Loans Ratio	15.42%		10.90%	
Net Stage 3 Loans to Core Capital Ratio	38.81%		31.54%	
Stage 3 Impairment Coverage Ratio	32.42%		39.54%	
Total Impairment Coverage Ratio	8.71%		9.37%	
<b>Profitability (%) - Annualized</b>				
Net Interest Margin	17.13%		10.51%	
Return on Assets	1.14%		1.09%	
Return on Equity	3.29%		3.16%	
Cost to Income Ratio	41.41%		53.83%	
<b>Liquidity (%)</b>				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	248.13%		119.52%	
Liquid Assets to External Funds	24.66 %		11.84%	
<b>Memorandum information</b>				
Number of Branches	55		55	
External Credit Rating	Note 2		Note 2	

**Note 1:**  
The Company, in line with the Central Bank of Sri Lanka (CBSL) guidelines, implemented the Days Past Due (DPD) 90 defaulting point, effective from 01.04.2023. Accordingly, the financial figures for the current reporting period is presented in accordance with the DPD 90 criteria, while the comparative figures as of 30.09.2022 adhere to the DPD 120 criteria.

**Note 2:**  
Following the acquisition of the Finance Business License, the Company proceeded to secure its credit ratings through Lanka Rating Agency on 02.11.2023. Accordingly, the Company was assigned a rating of A- (Stable).

#### Certification

We, the undersigned, being the Director & Chief Executive Officer, the Head of Finance and the Head of Compliance of Assetline Finance Limited 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 the Company unless indicated as audited.

(Sgd)  
Ashan Nissanka  
Director & Chief Executive Officer  
28.11.2023

(Sgd)  
Randilu Mendis  
Head of Compliance  
28.11.2023

(Sgd)  
Rengasamy Rajeshkumar  
Head of Finance  
28.11.2023

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