



STATE MORTGAGE & INVESTMENT BANK

Financial Statements For The Period Ended 30TH September 2024

LRA Issuer Rating [SL] BBB Stable

INCOME STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

	Rs 'Mn	
	From 01/01/2024 to 30/09/2024	From 01/01/2023 to 30/09/2023
Interest income	5,893	7,288
Interest expenses	(4,312)	(6,792)
Net interest income	1,581	496
Fee and commission income	110	60
Net fee and commission income	110	60
Net Fair Value Gains/(Losses) from FA at FVPL	307	-
Net other operating income (net)	2	5
Total operating income	2,000	562
Impairment Charges	(334)	(242)
Net operating income	1,666	319
Personnel expenses	(991)	(857)
Depreciation and amortization expenses	(28)	(23)
Other expenses	(397)	(294)
Operating profit/(loss) before VAT & SSCL	251	(853)
Value added tax (VAT) on financial services (18%)	(185)	-
Social Security Levy (2.5%)	(26)	-
Profit/(loss) before tax	39	(853)
Income Tax expenses	-	-
Profit/(loss) for the period	39	(853)

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

	Rs 'Mn	
	From 01/01/2024 to 30/09/2024	From 01/01/2023 to 30/09/2023
Profit/(loss) for the Period	39	(853)
Items that will be reclassified to income statement		
Gains and Losses on Re-Measuring Financial Assets	-	-
Items that will not be reclassified to income statement		
Re-measurement of post-employment benefit obligations	-	-
Deferred Tax effect on Actuarial Gains/Losses on defined benefit obligations	-	-
Total comprehensive income for the period	39	(853)

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2024

	Rs 'Mn	
	As at 30/09/2024	As at 31/12/2023
Assets		
Cash and cash equivalents	161	123
Placements with Banks	3	2,923
Financial Assets - FVPL	3,618	3,553
Financial Assets - AC	-	-
- Loans and Advanced	40,544	38,603
- Debt and Other Instruments	10,056	12,163
Financial Assets - FVOCI	5	5
Property, plant and equipment	516	328
Deferred tax assets	746	746
Other assets	500	623
Total assets	56,148	59,067
Liabilities		
Due to banks	54	3
Financial Liabilities at Amortised Cost		
- Due to Depositors	48,702	52,138
- Due to Debt Securities Holders	-	-
- Due to Other Borrowers	10	179
Employee Benefit Liability	667	598
Other Liabilities	1,222	695
Total liabilities	50,655	53,612
Equity		
Stated Capital/Assigned Capital	890	890
Statutory Reserve Fund	307	307
Retained Earnings	3,219	3,180
Other Reserves	1,078	1,078
Total equity	5,494	5,454
Total equity and liabilities	56,148	59,067

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER 2024

	Rs 'Mn	
	From 01/01/2024 to 30/09/2024	From 01/01/2023 to 30/09/2023
Cash Flows from Operating Activities		
Interest Received	5,539	7,465
Interest Payments	(4,287)	(7,214)
Net commission receipts	110	60
Payments to Employees	(846)	(703)
VAT, DLR & NBT, ESC on financial services	(70)	-
Receipts from Other Operating Activities	2	5
Payments on Other Operating Activities	(397)	(294)
Operating profit before changes in Operating Assets & Liabilities	51	(680)
Financial assets at amortised cost - loans & advances	(1,921)	895
Other assets	(18)	-
Increase/ (Decrease) in Operating Liabilities	(1,939)	895
Financial liabilities at amortised cost-due to depositors	(3,461)	3,087
Financial liabilities at amortised cost-due to other borrowers	(169)	(232)
Other liabilities	491	307
Net cash generated from operating activities before Income Tax	(5,027)	3,378
Gratuity	(40)	-
Income Taxes Paid	-	-
Net Cash from Operating Activities	(5,067)	(3,378)

	Rs 'Mn	
Cash flows from investing activities		
Dividend Received	-	-
Purchase of financial investments	-	8,005
Purchase of Property, Plant & Equipment	(215)	80
Proceeds from the sale and maturity of financial investments	5,269	(11,035)
Net cash (used in)/ from investing activities	5,054	(2,950)

	Rs 'Mn	
Cash flows from financing activities		
Repayment of subordinated debt	-	-
Payments to Consolidated Fund	-	-
Net cash from financing activities	-	-
Net increase/(decrease) in cash & cash equivalents	(13)	428
Cash and cash equivalents at the beginning of the period	120	103
Cash and cash equivalents at the end of the period	107	531

	Rs 'Mn	
Reconciliation of Cash and Cash Equivalents		
Cash and Short Term Funds	161	538
Borrowings from Banks (OD)	(54)	(7)
Cash and cash equivalents at the end of the period	107	531

	Rs 'Mn	
Analysis of Financial Instruments by Measurement Basis - Bank - Current Year (30.09.2024)		
	AC	FVPL FVOCI Total
ASSETS		
Cash and cash equivalents	161	161
Placements with banks	3	3
Loans and advances	40,544	40,544
Debt instruments	738	738
Reverse Repos	2,620	2,620
Treasury Bills	6,276	6,276
Treasury Bonds	421	421
Unit Trusts		3,618
Unquoted Shares		5
Total financial assets	50,763	54,387

	Rs 'Mn	
LIABILITIES		
Due to Banks	54	54
Financial liabilities		
- Due to depositors	48,702	48,702
- Due to debt security holders	-	-
- Due to other borrowers	10	10
Total financial liabilities	48,766	48,766

	Rs 'Mn	
Analysis of Financial Instruments by Measurement Basis - Bank Previous Year (31.12.2023)		
	AC	FVPL FVOCI Total
ASSETS		
Cash and cash equivalents	123	123
Placements with banks	2,923	2,923
Loans and advances	38,603	38,603
Debt instruments	781	781
Reverse Repos	971	971
Treasury Bills	9,840	9,840
Treasury Bonds	415	415
Commercial Papers	155	155
Unit Trust		3,553
Unquoted Shares		5
Total financial assets	53,812	57,370

	Rs 'Mn	
LIABILITIES		
Due to Banks	3	3
Financial liabilities		
- Due to depositors	52,138	52,138
- Due to debt security holders	-	-
- Due to other borrowers	179	179
Total financial liabilities	52,320	52,320

	Rs 'Mn	
AC - Financial assets/liabilities measured at amortised cost		
FVPL - Financial assets/liabilities measured at fair value through profit or loss		
FVOCI - Financial assets measured at fair value through other comprehensive income		
Ratio Analysis as at 30/09/2024	30/09/2024	31/12/2023

	Rs 'Mn	
Regulatory Capital (LKR 'Mn) Basel III		
Common Equity Tire - 1	4,708	5,532
Tier - 1 Capital	4,708	5,532
Total Capital	4,708	5,532

	%	
Regulatory Capital Ratios (%)		
Common Equity Tire 1 Capital Ratio (Minimum Requirement 7%)	18.55	23.47
Tier 1 Capital Ratio (Minimum Req 8.5%)	18.55	23.47
Total Capital Ratio (Minimum Req 12.5%)	18.66	23.47
Leverage Ratio %	8.35	9.33

	Rs. Mn	
Regulatory Liquidity		
Total Stock of High Quality Liquid Assets	9,423	12,740
Liquidity Coverage Ratio (LCR) (Minimum req-100%)	104.58	175.14
Net Stable Funding Ratio (Minimum req-100%)	106.00	129.00
Gross NPL %	29.15	25.99
Net NPL %	26.48	23.74
Gross NPL Exclu. EPF %	19.16	15.71
Net NPL Exclu. EPF %	14.60	12.02
Interest Margin %	3.57	1.22
Return on Assets (before Tax) %	0.02	-2.15
Return on Equity %	0.16	-20.21
Number of Branches	25	25
Number of Employees	341	354
Impaired Loans (Stage 3) Ratio (%)	29.00	26.00
Impairment (Stage 3) to Stage 3 Loans Ratio (%)	14.87	13.70

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.09.2024

	Contributed Capital	Statutory Reserve	Capital Reserve	General Reserve	Title Indemnity Fund	Retained Earnings	AFS Reserve	Total
Balance as at 31/12/2022	890	307	393	683	1	4,200	-	6,474
Prior Period Adjustments								
Net Profit / Loss for the Year						(1,003)		(1,003)
Other Comprehensive Income						(17)		(17)
Transfer During the Year								
Transfer to Consolidated Fund								
Balance as at 31/12/2023	890	307	393	683	1	3,180		5,454
Prior Year adjustments								
Net Profit / Loss for the year						39		39
Deemed dividend Tax over Payment								
Other Comprehensive Income								
Transfer During the Year								
Transfer to Consolidated Fund								
Balance as at 30/09/2024	890	307	393	683	1	3,219		5,494

Analysis of amount due to depositors

	Rs. 'Mn	
	30.09.2024	31.12.2023
By Product		
Savings deposits	3,503	2,202
Fixed deposits	44,989	49,324
Other deposits (Schemes)	210	612
Total	48,702	52,138

a. Product wise Gross Loans and Advances

	Rs. 'Mn	
	30.09.2024	31.12.2023
Mortgage	10,017	10,180
EPF	11,783	8,857
Vehicle	-	-
Staff loans	1,092	1,208
Personal Loans	18,241	19,295
Others	2,546	1,864
Less- Allowance for Day 1 Difference - Staff Loan	(398)	(398)
Gross Total	43,281	41,007

b. Stage wise impairment on loans and advances

	Rs. 'Mn	
	30.09.2024	31.12.2023
Gross loans and advances	43,281	41,007
Stage 1	25,126	25,022
Stage 2	5,538	5,326
Stage 3	12,618	10,659
(Less): Accumulated impairment under:	2,723	2,389
Stage 1	452	428
Stage 2	396	431
Stage 3	1,876	1,530
Net Loans and Advances	40,558	38,617

Less- First day impact of Moratorium Loans	14	14
Net Loans and Advances	40,544	38,603

c. Movements in impairment during the Period

	Rs. 'Mn	
	30.09.2024	31.12.2023
Stage 1		
Opening balance as at 01/01/2024	428	463
Charge/ (Write back) to income Statement	23	(35)
Write-off during the year	-	-
Closing balance at 30/09/2024	452	428
Stage 2		
Opening balance as at 01/01/2024	431	264
Charge/ (Write back) to income Statement	-	167
Write-off during the year	(35)	-
Closing balance at 30/09/2024	396	431
Stage 3		
Opening balance as at 01/01/2024	1,530	1,106
Charge/ (Write back) to income Statement	346	424
Write-off during the year	-	-
Closing balance at 30/09/2024	1,876	1,530
Total	2,723	2,389

Certification:

We, the undersigned, being the Chairman, General Manager and Deputy General Manager (Finance & Planning) of the State Mortgage and Investment Bank certify jointly that,

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka.

(b) the information contained in these statements have been extracted from the unaudited draft Financial Statements of the bank.

The Board of Directors are responsible for the preparation and presentation of these Financial Statements.

These draft Financial Statements were approved by the Board of Directors and signed on their behalf.

29th October 2024

Professor D.A.M. Perera
Director

Mr. I.T. Asuramanna
General Manager / CEO

Mr. K.L.N.A. Perera
Deputy General Manager
(Finance & Planning)