

# UB FINANCE COMPANY LIMITED

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## Key Financial Data for the Period Ended 30th September 2021 (Unaudited)

In Rupees Million	Current Period From : 01/04/2021 To : 30/09/2021	Previous Period From : 01/04/2020 To : 30/09/2020
Interest Income	710.1	748.6
Interest Expenses	(386.8)	(499.4)
<b>Net Interest Income</b>	<b>323.3</b>	<b>249.2</b>
Gains/(losses) from Trading activities	8.2	1.7
Other Income	33.6	31.4
Operating Expenses (excluding impairment)	(207.4)	(179.5)
Impairment	(121.9)	(121.3)
<b>Profit/(Loss) Before Tax</b>	<b>35.8</b>	<b>(18.5)</b>
Taxes *	(33.7)	(17.9)
<b>Profit/(Loss) After Tax</b>	<b>2.1</b>	<b>(36.4)</b>

\* Includes indirect taxes (Such as VAT on Finance Service) and direct taxes (Corporate Income tax)

## Key Financial Data as at 30th September 2021 (Unaudited)

In Rupees Million	As at 30 / 09 / 2021	As at 30 / 09 / 2020
<b>Assets</b>		
Cash and Bank Balance	290.2	269.6
Government Securities	413.5	357.8
Due from Related Parties	-	-
Loans (excluding due from related parties)	6,921.2	7,151.4
Investments in Equity	15.6	0.2
Investment Properties and Real Estate	95.1	110.8
Property, Plant and Equipment	266.9	272.1
Other Assets	282.4	373.1
<b>Total Assets</b>	<b>8,284.9</b>	<b>8,535.0</b>
<b>Liabilities</b>		
Due to Banks	136.2	127.7
Due to Related Parties	665.9	981.2
Deposits from Customers	4,394.8	5,073.6
Other Borrowings	1,970.2	1,313.7
Other Liabilities	377.5	307.5
<b>Total Liabilities</b>	<b>7,544.6</b>	<b>7,803.7</b>
<b>Equity</b>		
Stated Capital	1,028.3	1,028.3
Statutory Reserve Fund	67.9	67.9
Retained Earnings	(416.6)	(413.9)
Other Reserves	60.7	49.0
<b>Total Equity</b>	<b>740.3</b>	<b>731.3</b>
<b>Total Equity &amp; Liabilities</b>	<b>8,284.9</b>	<b>8,535.0</b>
<b>Net Assets Value Per Share</b>	<b>0.32</b>	<b>0.32</b>

### CERTIFICATION:

We, the undersigned, being the Director/Chief Executive Officer, the Deputy General Manager Finance and the Compliance Officer of UB Finance Company Limited 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 (CBSL);

(b) the information contained in these statements have been extracted from the unaudited financial statements of the Licensed Finance Company unless indicated as audited.

(Sgd.)  
Ransith Karunaratne  
Director/Chief Executive Officer

(Sgd.)  
Asanka Udugama  
Deputy General Manager - Finance

## Selected Key Performance Indicators

Item	As at 30 / 09 / 2021		As at 30 / 09 / 2020	
	Actual	Required	Actual	Required
<b>Regulatory Capital Adequacy (%)</b>				
Tier 1 Capital Adequacy Ratio	4.4%	7.0%	-0.4%	6.5%
Total Capital Adequacy Ratio	4.5%	11.0%	0.6%	10.5%
Capital Funds to Deposit Liabilities Ratio	15.7%	10.0%	13.5%	10.0%
<b>Quality of Loan Portfolio (%)</b>				
Gross Non-Performing Loans Ratio	15.9%		19.5%	
Net-Non-Performing Loans Ratio	7.2%		10.5%	
Net-Non-Performing Loans to Core Capital Ratio,	160.8%		-31.8%	
Provision Coverage Ratio,	54.9%		46.4%	
<b>Profitability (%)</b>				
Net Interest Margin	8.0%		5.7%	
Return on Assets (PBT)	0.9%		-0.4%	
Return on Equity (PBT)	9.7%		-5.0%	
Cost to Income Ratio	56.8%		63.6%	
<b>Liquidity (%)</b>				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	134.8%		195.1%	
Liquid Assets to External Funds	9.5%		8.2%	
<b>Memorandum information</b>				
Number of Branches	16		16	
Number of Service Centres	1		1	
External Credit Rating	[SL] BB ( Negative )		[SL] BB ( Negative )	
<b>Regulatory penalties imposed last 6 months</b>				
Amount (Rs. Mn)	-		0.50	
<b>Regulatory Deposit Restrictions</b>				
Cap on total Deposits (Rs. mn)	5,800		5,800	
<b>Regulatory Lending Restrictions</b>				
Cap on total Lending portfolio (Rs. mn)	8,100		8,100	
<b>Event after the Reporting Period</b>				
<b>Capital Adequacy Ratio</b>				
The Company has successfully completed a Right Issue in October 2021 to raise the Capital by LKR. 1.988 Bn to meet the Capital requirement set out by the Central Bank of Sri Lanka. As a result of increasing the Capital, the Tier 1 Capital Adequacy Ratio and the Total Capital Adequacy Ratio has respectively increased to 28.80% and 28.94% as at 31st October 2021.				
<b>Regulatory Deposit and Lending Restrictions</b>				
Regulatory Deposit and Lending restrictions have been removed by the Central Bank of Sri Lanka w.e.f. 18th October, 2021 in terms of Section 2.2 and 3.2 of the Finance Business Act Direction No.02 of 2017 on Minimum Core Capital and No. 03 of 2018 on Capital Adequacy requirements.				

(Sgd.)  
Migara K. Abayatilake  
Compliance Officer

26th November 2021  
Colombo