SMIB

STATE MORTGAGE & INVESTMENT BANK FINANCIAL STATEMENTS

For The Period Ended 30th June 2022

	aed su june.			ICRA Ra	ating (SL)	BBB+ Stable		
1n	Analysis of Financial Instrument Bank Current Year (30.06.2022)	s by Measurer	ment Basi	NOTES TO THE FINANCIAL STA				
1	Bank - Current Period (2022)				Rs. 'Mn	a. Product wise Gross Loans and Advance	S	Rs. 'Mr
1		AC	FVPL	FVOCI	Total	30/06/	2022	31/12/202
) 1	ASSETS						0,962	10,57
)	Cash and cash equivalents	236			236		5,957	6,81
	Placements with banks	12,629			12,629	Vehicle	-	
	Loans and advances	39,060			39,060		1,421 1,393	1,41 20,06
	Debt instruments	-			-		1,307	1,16
	Reverse Repos	117			117	Less-		(48
•	Treasury Bills	1,084			1,084	Allowance for Day 1 Difference - Staff Loans Gross Total 40	(481)),560	39,54
	Treasury Bonds	386			386			59,54
•	Unit Trusts		-		-	b. Stage wise impairment on loans and adv	vances	Rs 'N
	Unquoated Shares			5	5	30/06/		31/12/20
	Total financial assets	53,513	-	5	53,518	Gross loans and advances 40),560	39,54
	LIABILITIES						0,009	29,3
	Due to Banks	73			73		2,202	1,33
	Financial liabilities						8,349	8,8
	- Due to depositors	47,079			47,079		1,482	1,3
	- Due to debt security holders	-			-	Stage 1 Stage 2	353	3
	- Due to other borrowers	215			215		108 1,021	9
•	Total financial liabilities	47,367			47,367		9,078	38,1
	Analysis of Financial Instruments	s by Measuren	nont Rasie	· · · · · · · · · · · · · · · · · · ·		Less-First Day Impact of Moratorium Loans	18	50,1
	Bank Previous Period (31.12.202		nent basis	, -		Net Loans and Advances 3	9,060	38,1
	Bank Previous Year - 2021	-,			Rs. 'Mn	c. Movements in impairment during the p	eriod	Rs. 'N
	Ballk Flevious Teal - 2021	AC	5) (D)	FVOCI		30/06/		
		AC	FVPL	FVUCI	Total	Stage 1	2022	31/12/202
	ASSETS					Opening balance as at 01/01/2022	352	24
	Cash and cash equivalents	144			144	Charge/(Write back) to income statement	1	10
	Placements with banks	11,775			11,775	Write-off during the year	-	
_	Loans and advances	38,158			38,158	Closing balance at 30/06/2022	353	3
	Debt instruments	- 716			-	Stage 2	83	
	Reverse Repos				716	Opening balance as at 01/01/2022 Charge/(Write back) to income statement	25	:
	Treasury Bills	893			893	Write-off during the year	25	
-	Treasury Bonds	383			383	Closing balance at 30/06/2022	108	
	Unit Trusts		25	-	25	Stage 3		
	Unquoated Shares			5	5	Opening balance as at 01/01/2022	935	7
	Total financial assets	52,068	25	5	52,099	Charge/(Write back) to income statement	86	1
	LIABILITIES					Write-off during the year	-	-
	Due to Banks	31			31		<u>1,021</u> 1,482	<u> </u>
	Financial liabilities						±, 4 02	
	- Due to depositors	45,738			45,738	Analysis of amount due to depositors	10000	<u>Rs. 'N</u>
	- Due to debt security holders	-			-	As at 30/06/	2022 As	at 31/12/20
	- Due to other borrowers	270			270	By Product		
-	Total financial liabilities	46,040			46,040	BB	2,210	2,6
•	AC - Financial assets/liabilities me	easured at amor	tised cost				3,844	42,0
	FVPL - Financial assets/liabilities me						1,024	1,0
	FVOCI - Financial assets measured at	fair value throu	gh other co	omprehensi	ve income	Total 4	7,079	45,7
	Ratio Analysis as at 30/06/2022							
						30/06/	2022	31/12/20
	Regulatory Capital (LKR 'Mn) Basel					30,007		51/12/20
-	Common Equity Tire - 1					5	5,777	5,7
	Tier - 1 Capital					5	5,777	5,77
	Total Capital					6	5,060	6,07
	Regulatory Capital Ratios (%)						0.62	21 /

INCOME STATEMENT FOR THE PERIOD ENDED 30 TH JUNE 2022		Rs 'Mn	Analysis of Financia Bank Current Year (3
From	n 01/01/2022 o 30/06/2022	From 01/01/2021 to 30/06/2021	Bank - Current Period
Interest income	3,016	2,730	ASSETS
Interest expenses Net interest income	1,721 1,295	1,591 1,139	Cash and cash equiva
Fee and commission income Fee and commission expenses	65	71	Placements with ban
Net fee and commission income	65	71	Loans and advances Debt instruments
Net Fair Value Gains/(Losses) from FA at FVPL Net other operating income (net)	(3) 2	- 3	Reverse Repos
Total operating income	1,359	1,213	Treasury Bills Treasury Bonds
Impairment Charges Net operating income	112 1,246	94 1,119	Unit Trusts
Personnel expenses Depreciation and amortization expenses	540 15	499 15	Unquoated Shares Total financial assets
Other expenses	177	162	LIABILITIES
Operating profit/(loss) before VAT Value added tax (VAT) on financial services	514 160	442 122	Due to Banks
Debt Repayment Levy (DRL)	-	-	Financial liabilities - Due to depositors
Nation Building Tax (NBT)	-	-	- Due to debt securit
Profit/(loss) before tax Tax expenses	353 125	320 99	- Due to other borro Total financial liabilitie
Profit/(loss) for the Period STATEMENT OF COMPREHENSIVE INCOME	228	221 Rs 'Mn	Analysis of Financial
FOR THE PERIOD ENDED 30TH JUNE 2022			Bank Previous Perio
	n 01/01/2022 o 30/06/2022	From 01/01/2021 to 30/06/2021	Bank Previous Year
Profit/(loss) for the Period	228	221	ASSETS
Items that will not be reclassified to Income Statemen Re-measurement of post-employment benefit obligati		-	Cash and cash equiva
Items that will be reclassified to Income Statement Gains and Losses on Re-Measuring Financial Assets	-	-	Placements with ban Loans and advances
Total comprehensive income for the period	228	221	Debt instruments
STATEMENT OF FINANCIAL POSITION		Rs 'Mn	Reverse Repos
AS AT 30TH JUNE 2022 As at	30/06/2022	As at 31/12/2021	Treasury Bills Treasury Bonds
Assets			Unit Trusts
Cash and cash equivalents Placements with Banks	236 12,629	144 11,775	Unquoated Shares Total financial assets
Financial Assets - FVPL	-	25	
Financial Assets - AC - Loans and Advanced	39,060	38,158	Due to Banks
- Debt and Other Instruments Financial Assets - FVOCI	1,588 5	1,992	Financial liabilities
Property, plant and equipment	47	5 56	 Due to depositors Due to debt security
Deferred tax assets Other assets	199 1,275	199 1,027	- Due to other borro
Total assets	55,039	53,381	Total financial liabilitie
Liabilities Due to banks	73	31	AC - Financial assets FVPL - Financial assets
Financial Liabilities at Amortised Cost	/5	51	FVOCI - Financial assets
- Due to Depositors - Due to Debt Securities Holders	47,079	45,738	Ratio Analysis as at
- Due to Other Borrowers	215	270	
Employee Benefit Liability Other Liabilities	447 663	438 569	Regulatory Capital (L
Total liabilities	48,477	47,047	Common Equity Tir Tier - 1 Capital
Equity Stated Capital/Assigned Capital	890	890	Total Capital Regulatory Capital Ra
Statutory Reserve Fund	310	299	Common Equity Tir
Retained Earnings Other Reserves	4,284 1,078	4,068 1,078	Tier 1 Capital Ratio Total Capital Ratio
Total equity	6,562 55,039	6,335 53,381	Leverage Ratio %
Total equity and liabilities STATEMENT OF CASH FLOWS	33,039	Rs 'Mn	Regulatory Liquidity Stat Liquid assets R
FOR THE PERIOD ENDED 30 TH JUNE 2022			Stat Liquid assets R Total Stock of High
	F 01/01/2	rom From 2022 01/01/2021	Liquidity Coverage
Cash flows from operating activities	to 30/06/2	2022 to 30/06/2021	Net Stable Funding Gross NPL %
Interest Received	2,	567 2,646	Net NPL (net of inte
Interest Payments Net commission receipts	(1,	585) (1,813) 65 74	Gross NPL Exclu. EF Net NPL Exclu. EPF
Payments to Employees	(4	485) (428)	Interest Margin % Return on Assets (k
VAT on Financial services	(3	107) (113) 2	Return on Equity %
Receipts from Other Operating Activities Payments on Other Operating Activities	(1	2 168) (198)	Number of Branche Number of Employ
Operating profit before changes in Operating Assets & Liabilities			Impaired Loan (sta
Increase/(Decrease) in Operating Assets		289 168	impairment (stage STATEMENT OF C
Financial assets at amortised cost - loans & advances	(1,	339) (366)	
Other Assets	(1	,339) (366)	Balance as at 31/12/2
Increase/(Decrease) in Operating Liabilities Financial liabilities at amortised cost-due to depositors	. 1	,037 (649)	Prior Period Adjustn Impairment Adjustn
Financial liabilities at amortised cost-due to other borr		(55) (61)	Net Profit for the Ye
Other liabilities		(50) 333 931 (377)	Deemed Dividend T payment provision
Net cash generated from operating activities before Income Tax		119) (575)	Other Comprehensi Transfer During the
Income Taxes Paid	•	(70) (77)	Transfer to Consolid
Net Cash from Operating Activities Cash flows from investing activities	()	189) (652)	Balance as at 31/12/ Prior year adjustme
Dividend Received			Net profit for the pe Other Comprehensi
Proceeds from the sale of property, plant and equipme Purchase of financial investments		 272) 295	Deemed Dividend T
Purchase of Property, Plant & Equipment	(,	(6) (14)	Transfer During the Transfer to Investme
Proceeds from the sale & maturity of financial investme		517 435	Transfer to Consolid
Net cash (used in)/ from investing activities Cash flows from financing activities		239 717	Balance as at 30/06/2
Repayment of subordinated debt			We, the undersigne
Payments to Consolidated Fund			Investment Bank of
Net cash from financing activities Net increase/(decrease) in cash & cash equivalents		<u></u> 50 65	(a) the above State(b) the information
Cash and cash equivalents at the beginning of the perio	d	50 65 112 128	The Board of D
Cash and cash equivalents at the end of the period		163 193	Statements wer
Reconciliation of Cash and Cash Equivalents Cash and Short Term Funds		236 198	
Government of Sri Lanka Treasury Bills			27227
Borrowings from Banks (OD) Cash and cash equivalents at the end of the period		(73) (5) 163 193	Dr.Udayasri Kariy Chairman
State Mortgage & Investment Bank, No 26			

Stat Elquid assets his Mill							13,802	15,052
Stat Liquid assets Ratio (Minimum req-20%)							32.15	32.58
Total Stock of High Quality Liquid Assets Rs.N	/In						1,514	1,849
Liquidity Coverage Ratio (LCR) (Minimum rec	I-100%)						106	115
Net Stable Funding Ratio (Minimum reg-100	%)						132	136
Gross NPL %							18.21	19.84
Net NPL (net of interest in suspense and prov	visions) %						14.75	16.56
Gross NPL Exclu. EPF %							9.52	9.19
Net NPL Exclu. EPF %							5.48	5.27
Interest Margin %							4.78	4.33
Return on Assets (before Tax) %							1.30	0.90
							7.06	4.92
Number of Branches							25	25
Number of Employees							366	365
							18	20
							12	11
TATEMENT OF CHANGES IN EQUITY	- FOR THE	PERIOD E	NDED 30.0	6.2022				Rs. 'Mn
	Contributed				Title Indemnity	Retained	AFS	Total
	Capital	Reserve	Reserve	Reserve	Fund	Earnings	Reserve	Total
	890	284	393	683	1	3,768	-	6,020
						1		1
								-
						304		304
						_		-
								10
0		15				(15)		-
		200				4.000		-
	890	299	393	683	1	4,068	-	6,335
						220		-
						228		228
Deemed Dividend Tax						-		-
						-		-
						(11)		-
Transfer During the year		11				(/		
Transfer During the year Transfer to Investment Fund		11				(/		-
Transfer During the year	890	310	393	683	1	4,284		- - 6,562
3	Total Stock of High Quality Liquid Assets Rs.N Liquidity Coverage Ratio (LCR) (Minimum rec Net Stable Funding Ratio (Minimum req-100) Gross NPL % Net NPL (net of interest in suspense and pro- Gross NPL Exclu. EPF % Net NPL Exclu. EPF % Interest Margin % Return on Assets (before Tax) % Return on Equity % Number of Branches Number of Employees Impaired Loan (stage 3) ratio % impairment (stage 3) to stage 3 loans ratio %	Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of EmployeesImpaired Loan (stage 3) ratio %impairment (stage 3) to stage 3 loans ratio %STATEMENT OF CHANGES IN EQUITY - FOR THEContributed CapitalBalance as at 31/12/2020890Prior Period AdjustmentsImpairment AdjustmentNet Profit for the Yearpayment provisionOther Comprehensive IncomeTransfer During the YearTransfer to Consolidated FundBalance as at 31/12/2021890Prior year adjustmentNet profit for the period	Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of EmployeesImpaired Loan (stage 3) ratio %impairment (stage 3) to stage 3 loans ratio %Statutary CapitalSalance as at 31/12/2020Balance as at 31/12/2021Balance as at 31/12/2021Salance as at 31/12/2021Prior Period AdjustmentNet Profit for the YearTransfer During the YearTransfer to Consolidated FundBalance as at 31/12/2021890299Prior year adjustmentNet profit for the period	Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of EmployeesImpaired Loan (stage 3) ratio %impairment (stage 3) to stage 3 loans ratio %Contributed CapitalReserveBalance as at 31/12/2020890284393Prior Period AdjustmentNet Profit for the YearDeemed Dividend Tax overpayment provisionOther Comprehensive IncomeTransfer to Consolidated FundBalance as at 31/12/2021890299393Prior year adjustmentNet profit for the periodLipping the YearLipping the Year <td>Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Net NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of BranchesNumber of BranchesNumber of BranchesNumber of Jose 3) ratio %Impaired Loan (stage 3) ratio %Contributed Capital ReserveSalance as at 31/12/2020890284393683Prior Period AdjustmentNet Profit for the YearDeemed Dividend Tax over payment provisionOther Comprehensive IncomeTransfer During the YearTransfer to Consolidated Fund Balance as at 31/12/2021890299393683Prior year adjustmentNet profit for the periodMotioneTransfer to Consolidated Fund Balance as at 31/12/2021890299393683Prior year adjustmentNet profit for the periodNumberSalance as at 31/12/2021890299393683Prior year adjustmentNet profit for the periodNot period AdjustmentNet profit for the periodSalance Sat 31/12/2021Salance Sat 31/1</td> <td>Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Net NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of BranchesNumber of StanchesNumber of EmployeesImpaired Loan (stage 3) ratio %impairement (stage 3) to stage 3 loans ratio %TATEMENT OF CHANGES IN EQUITY - FOR THE PERIOD ENDED 30.0-C.2022Statutary Capital ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveReserveReserve<td>Total Stock of High Quality Liquid Assets Rs.Mn Liquidity Coverage Ratio (LCR) (Minimum req-100%) Net Stable Funding Ratio (Minimum req-100%) Gross NPL % Net NPL (net of interest in suspense and provisions) % Gross NPL Exclu. EPF % Interest Margin % Return on Assets (before Tax) % Return on Assets (before Tax) % Return on Equity % Number of Branches Number of Branches Number of Branches Statuary Contributed Statuary Reserve Reserve Reserve Fund Prior Period Adjustment Net Provif for the Year Other Comprehensive Income Transfer During the Year Prior year adjustment Net Provif for the Year Statuary Age Age Age Age Reserve Reserve Reserve Fund Balance as at 31/12/2020 890 284 393</td><td>Total Stock of High Quality Liquid Assets Rs.Mn 1,514 Liquidity Coverage Ratio (LCR) (Minimum req-100%) 106 Net Stable Funding Ratio (Minimum req-100%) 132 Gross NPL % 18.21 Net NPL (net of interest in suspense and provisions) % 14.75 Gross NPL Exclu. EPF % 9.52 Net NPL Exclu. EPF % 4.78 Return on Assets (before Tax) % 1.30 Return on Equity % 7.06 Number of Employees 366 Impaired Loan (stage 3) ratio % 18 impairment (stage 3) ratio % 18 impairment (stage 3) ratio % 18 Prior Period Adjustment 683 1 3.768 Net Profit for the Year 15 10 1 Prior Period Consolidated Fund 10 1 1 Impairment Adjustment 15 10 1 Net Profit for the Year 15 10 1 Prior Period Adjustment 10 1 1 Net Profit for the Year 15 10 1 Prior period Adjustment 10 1 1 Net Profit</td></br></br></br></br></br></br></td>	Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Net NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of BranchesNumber of BranchesNumber of BranchesNumber of Jose 3) ratio %Impaired Loan (stage 3) ratio %Contributed Capital ReserveSalance as at 31/12/2020890284393683Prior Period AdjustmentNet Profit for the YearDeemed Dividend Tax over payment provisionOther Comprehensive IncomeTransfer During the YearTransfer to Consolidated Fund Balance as at 31/12/2021890299393683Prior year adjustmentNet profit for the periodMotioneTransfer to Consolidated Fund Balance as at 31/12/2021890299393683Prior year adjustmentNet profit for the periodNumberSalance as at 31/12/2021890299393683Prior year adjustmentNet profit for the periodNot period AdjustmentNet profit for the periodSalance Sat 31/12/2021Salance Sat 31/1	Total Stock of High Quality Liquid Assets Rs.MnLiquidity Coverage Ratio (LCR) (Minimum req-100%)Net Stable Funding Ratio (Minimum req-100%)Gross NPL %Net NPL (net of interest in suspense and provisions) %Gross NPL Exclu. EPF %Net NPL Exclu. EPF %Interest Margin %Return on Assets (before Tax) %Return on Equity %Number of BranchesNumber of BranchesNumber of StanchesNumber of EmployeesImpaired Loan (stage 3) ratio %impairement (stage 3) to stage 3 loans ratio %TATEMENT OF CHANGES IN EQUITY - FOR THE PERIOD ENDED 30.0-C.2022Statutary Capital ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed Capital ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed ReserveStatutary ReserveContributed 	Total Stock of High Quality Liquid Assets Rs.Mn Liquidity Coverage Ratio (LCR) (Minimum req-100%) Net Stable Funding Ratio (Minimum req-100%) Gross NPL % Net NPL (net of interest in suspense and provisions) % Gross NPL Exclu. EPF % Interest Margin % Return on Assets (before Tax) % Return on Assets (before Tax) % Return on Equity % Number of Branches Number of Branches Number of Branches Statuary Contributed Statuary Reserve Reserve Reserve Fund Prior Period Adjustment Net Provif for the Year Other Comprehensive Income Transfer During the Year Prior year adjustment Net Provif for the Year Statuary Age Age Age Age Reserve Reserve Reserve Fund Balance as at 31/12/2020 890 284 393	Total Stock of High Quality Liquid Assets Rs.Mn 1,514 Liquidity Coverage Ratio (LCR) (Minimum req-100%) 106 Net Stable Funding Ratio (Minimum req-100%) 132 Gross NPL % 18.21 Net NPL (net of interest in suspense and provisions) % 14.75 Gross NPL Exclu. EPF % 9.52 Net NPL Exclu. EPF % 4.78 Return on Assets (before Tax) % 1.30 Return on Equity % 7.06 Number of Employees 366 Impaired Loan (stage 3) ratio % 18 impairment (stage 3) ratio % 18 impairment (stage 3) ratio % 18 Prior Period Adjustment 683 1 3.768 Net Profit for the Year 15 10 1 Prior Period Consolidated Fund 10 1 1 Impairment Adjustment 15 10 1 Net Profit for the Year 15 10 1 Prior Period Adjustment 10 1 1 Net Profit for the Year 15 10 1 Prior period Adjustment 10 1 1 Net Profit

We, the undersigned, being the Chairman, General Manager / CEO and Assistant General Manager (Finance) of 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 responible 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.

Dr.Udayasri Kariyawasam Chairman

FMalla Mr. I.T. Asuramanna General Manager / CEO

Mr.K. L. N. A. Perera

Assistant General Manager (Finance)

25 August 2022 web - www.smib.lk

19.62

19.62

20.58

10.45

13,862

21.49

21.49

22.57

10.57

13,652

HOT Line : 1922

Common Equity Tire 1 Capital Ratio (Minimum Requirement 7%)

Tier 1 Capital Ratio (Minimum Req 08.5%)

Total Capital Ratio (Minimum Req 12.5%)

Stat Liquid assets Rs Mn

e mail - gm@smib.lk