

STATEMENT OF PROFIT OR LOSS	In Sri Lanka Rupees Thousands	
	30 Sep 2019	30 Sep 2018
For the six months ended		
Interest income	131,381	109,514
Interest expense	(31,899)	(42,797)
Net interest income	99,482	66,717
Fee and commission income	47,493	58,175
Fee and commission expense	-	-
Net fee and commission income	47,493	58,175
Net gains / (losses) from trading	123	(529)
Net gains / (losses) from financial instruments designated at fair value through profit or loss	-	-
Net gains/(losses) from financial investments	-	-
Other operating income	5,785	3,194
Total operating income	152,883	127,557
Impairment expenses for loans and advances and other losses		
Individual impairment	(2,124)	(49,579)
Collective impairment	(61,682)	(24,895)
Others	-	-
Net operating income	89,077	53,083
Personnel expenses	(87,438)	(59,524)
Depreciation and amortisation	(18,374)	(2,530)
Other expenses	(75,097)	(26,214)
Operating loss before taxes on financial services	(91,832)	(35,185)
Taxes on financial services	-	-
Operating loss after taxes on financial services	(91,832)	(35,185)
Share of profits of associates and joint ventures	-	-
Loss before tax for the period	(91,832)	(35,185)
Income tax (expense) / reversal	-	-
Loss for the period	(91,832)	(35,185)
Basic loss per share (Rs) (Annualised)	(2.04)	(0.97)

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING)

Item	As at	
	30 Sep 2019	30 Sep 2018
Regulatory Capital Adequacy		
Core capital (Tier I capital), Rs. '000	1,453,172	1,009,166
Tier I capital (after adjustments), Rs. '000	1,370,259	984,086
Total capital Base, Rs. '000 (Tier I capital + Tier II capital)	1,370,259	985,202
Core capital adequacy ratio, as a % of risk weighted assets (Minimum requirement - 2019 - 6.5%, 2018 - 5%)	61.92%	48.00%
Total capital adequacy ratio, as a % of risk weighted assets (Minimum requirement - 2019 - 10.5%, 2018 - 10%)	61.92%	48.06%
Capital funds to deposit liabilities ratio (Minimum requirement, 10%) (Note (a))	206.83%	108.40%

Note (a) - The capital funds to deposit liabilities ratio is computed on the following basis: Capital funds as a percentage of average of quarter end deposit liabilities during the year.

Assets Quality (quality of loan portfolio)

Gross non - performing accommodations, Rs. '000	469,990	154,801
Gross non - performing accommodations ratio, %	31.96%	11.40%
Net - non performing accommodations ratio, %	7.36%	1.75%

Profitability (%)

Net Interest margin	8.57%	8.68%
Return on assets (before taxes)	-7.52%	-4.23%
Return on equity (after taxes)	-11.90%	-7.63%

Regulatory Liquidity (Rs. '000)

Required minimum amount of liquid assets (Note (b))	73,114	85,353
Available amount of liquid assets	744,626	118,566
Required minimum amount of government securities (Note (c))	62,535	61,582
Available amount of government securities	80,245	76,654

Note (b) - Required minimum amount of liquid assets equals to 10% of the outstanding value of the time deposits and borrowings as at 30 September 2019 and 30 September 2018 respectively.

Note (c) - Required minimum amount of government securities equals to 7.5% of the average of month end deposit liabilities and borrowings of the twelve months of preceding financial year.

Memorandum Information

Number of employees	168	65
Number of branches	2	2
Number of service centers	-	-
Number of pawning centers	-	-

STATEMENT OF OTHER COMPREHENSIVE INCOME	In Sri Lanka Rupees Thousands	
	30 Sep 2019	30 Sep 2018
For the six months ended		
Loss for the period	(91,832)	(35,185)
Other comprehensive income, net of tax		
Item that will not be reclassified to profit or loss:		
Actuarial gains / (losses) on defined benefit plans	-	-
Deferred tax effect on actuarial (gains) / losses	-	-
Other comprehensive income for the period, net of tax	-	-
Total comprehensive income for the period, net of tax	(91,832)	(35,185)

STATEMENT OF FINANCIAL POSITION	In Sri Lanka Rupees Thousands	
	30 Sep 2019	30 Sep 2018
As at		
Assets		
Cash and cash equivalents	190,821	34,355
Placements with banks and financial institutions	635,360	399,000
Securities purchased under repurchase agreements	80,632	14,680
Financial assets at fair value through profit or loss	1,030	1,039
Loans and receivables - Leases	61,852	146,807
Loans and receivables - Hire purchase	165	6,911
Loans and receivables - Other	1,001,360	1,006,115
Financial investments - Available-for-sale	-	346
Financial assets at fair value through other comprehensive income	346	-
Financial investments - Held to maturity	-	63,881
Financial investments at amortised cost	2,034	-
Other assets	172,373	125,854
Current tax receivable	4,904	-
Right-of-use assets	32,745	-
Property, plant and equipment	121,389	102,832
Intangible assets	54,922	5,475
Deferred tax assets	36,948	19,455
Total assets	2,396,881	1,926,750
Liabilities		
Financial liabilities at amortised cost - Due to banks	-	278,183
Financial liabilities at amortised cost - Due to customers	725,697	598,843
Retirement benefit obligations	6,895	7,444
Lease liabilities	34,957	-
Other liabilities	125,168	69,526
Total liabilities	892,717	953,996
Equity		
Stated capital	1,673,165	907,812
Statutory reserve fund	11,361	11,361
Retained earnings	(180,362)	(6,419)
Other reserves	-	60,000
Total equity	1,504,164	972,754
Total equity and liabilities	2,396,881	1,926,750

Contingent liabilities and commitments 303,898 68,802

Note: Amounts stated are in net of impairment and depreciation

Certification:

We, the undersigned, being Directors, Director/Chief Executive Officer and Head of Finance of Dialog Finance PLC certify jointly that:

- the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka;
- the information contained in these statements have been extracted from the unaudited financial statements of Dialog Finance PLC unless indicated as audited.

(Signed)

Head of Finance

Date : 22.11.2019

(Signed)

Director / Chief Executive Officer

Date : 22.11.2019

(Signed)

Director

Date : 22.11.2019

(Signed)

Director

Date : 22.11.2019

Licensed by the Monetary Board of the Central Bank of Sri Lanka under the Finance Business Act No. 42 of 2011.

Date of Incorporation- 25 November 1981

Registered Office: No. 475, Union Place, Colombo 2. Tel: 011 4 317 317

Credit rating fitch AA(Ika) stable