**People’s Leasing & Finance PLC**

**(A Subsidiary of People’s Bank)**

Rated A+(lka) by Fitch Ratings Lanka

**Interim Financial Statements for the six months ended 30th September 2020**

|  |
| --- |
| **STATEMENT OF PROFIT OR LOSS** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   |  |  | **Company** |  | **Group** |   |
|   | **For the six months ended 30th September** |  | **2020** |  | **2019** |  | **Change** |  | **2020** |  | **2019** |  | **Change** |   |
|   |  |  |  **Rs. '000**  |  | **Rs. '000** |  | **%** |  |  **Rs. '000**  |  | **Rs. '000** |  | **%** |   |
|   |  |  |  |  | **Restated** |  |  |  |  |  | **Restated** |  |  |   |
|   |  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |   |
|   | Interest income  |   |  12,112,941  |   |  15,943,249  |   |  (24.0) |   |  12,980,952  |   |  16,809,667  |   |  (22.8) |   |
|   | Less: Interest expense |   |  6,992,295  |   |  8,145,489  |   |  (14.2) |   |  7,141,595  |   |  8,301,801  |   |  (14.0) |   |
|  | **Net interest income**  |  |  **5,120,646**  |  |  **7,797,760**  |  |  (34.3) |  |  **5,839,357**  |  |  **8,507,866**  |  |  (31.4) |  |
|  | Fee and commission income |  |  838,182  |  |  833,822  |  |  0.5  |  |  550,007  |  |  624,819  |  |  (12.0) |  |
|  | Fee and commission expenses |  |  **-**  |  |  **-**  |  |  -  |  |  **-**  |  |  **-**  |  |  -  |  |
|  | **Net fee and commission income** |  |  **838,182**  |  |  **833,822**  |  |  **0.5**  |  |  **550,007**  |  |  **624,819**  |  |  **(12.0)** |  |
|  | Net earned premiums  |  |  -  |   |  -  |  |  **-**  |  |  2,550,367  |   |  2,564,114  |   |  (0.5) |  |
|  | Net gain/(loss) on financial assets - FVTPL |  |  50,429  |   |  (1,487) |  |  3,491.3  |  |  88,711  |   |  (2,271) |   |  4,006.3  |  |
|   | Other operating income |   |  14,006  |   |  4,457  |   |  214.2  |   |  99,796  |   |  145,115  |   |  (31.2) |   |
|  | **Total operating income**  |  |  **6,023,263**  |  |  **8,634,552**  |  |  (30.2) |  |  **9,128,238**  |  |  **11,839,643**  |  |  (22.9) |  |
|   | Less: Impairment for loans and other losses  |  |   |   |   |  |   |  |   |   |   |   |   |   |
|   |  Individual impairment |  |  58,565  |   |  19,099  |  |  206.6  |  |  58,565  |   |  19,099  |   |  206.6  |   |
|   |  Collective impairment |  |  1,075,873  |   |  1,243,166  |  |  (13.5) |  |  1,195,293  |   |  1,219,454  |   |  (2.0) |   |
|   |  Other losses |  |  266,605  |  |  329,855  |  |  (19.2) |  |  266,376  |  |  420,098  |  |  (36.6) |   |
|  | **Net operating income**  |  |  **4,622,220**  |  |  **7,042,432**  |  |  (34.4) |  |  **7,608,004**  |  |  **10,180,992**  |  |  (25.3) |  |
|  | Less: |  |   |   |   |  |   |  |   |   |   |   |   |  |
|   | Personnel expenses  |   |  1,429,975  |   |  1,867,828  |   |  (23.4) |   |  1,850,334  |   |  2,290,676  |   |  (19.2) |   |
|   | Depreciation of property, plant and equipment  |   |  352,655  |   |  360,836  |   |  (2.3) |   |  306,264  |   |  350,947  |   |  (12.7) |   |
|   | Amortisation and impairment of intangible assets  |  48,215  |   |  36,345  |   |  32.7  |   |  49,601  |   |  37,641  |   |  31.8  |   |
|   | Benefits, claims and underwriting expenditure |   |  -  |   |  -  |   |  -  |   |  1,268,321  |   |  1,764,822  |   |  (28.1) |   |
|   | Other operating expenses  |  |  810,437  |  |  1,141,520  |  |  (29.0) |  |  978,660  |  |  1,415,473  |  |  (30.9) |   |
|   | Total operating expenses  |   |  2,641,282  |   |  3,406,529  |   |  (22.5) |   |  4,453,180  |   |  5,859,559  |   |  (24.0) |   |
|   |  |  |   |  |  |  |  |  |   |  |  |  |  |   |
|  | **Operating profit before tax on financial services**  |  |  **1,980,938**  |  |  **3,635,903**  |  |  (45.5) |  |  **3,154,824**  |  |  **4,321,433**  |  |  (27.0) |  |
|   | Less: tax on financial services  |   |  457,574  |   |  1,129,030  |   |  (59.5) |   |  471,768  |   |  1,145,089  |   |  (58.8) |   |
|  | **Profit before income tax** |  |  **1,523,364**  |  |  **2,506,873**  |  |  (39.2) |  |  **2,683,056**  |  |  **3,176,344**  |  |  (15.5) |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|   | Less: Income tax expense  |  |  538,883  |  |  863,840  |  |  (37.6) |  |  847,795  |  |  1,070,041  |  |  (20.8) |   |
|  | **Profit for the period**  |  |  **984,481**  |  |  **1,643,033**  |  |  (40.1) |  |  **1,835,261**  |  |  **2,106,303**  |  |  (12.9) |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Profit attributable to:**  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Equity holders of the company |   |  984,481  |   |  1,643,033  |   |  (40.1) |   |  1,651,481  |   |  2,000,411  |   |  (17.4) |  |
|  | Non-controllng interest |  |  -  |  |  -  |  |  -  |  |  183,780  |  |  105,892  |  |  73.6  |  |
|   | **Profit for the period**  |   |  984,481  |   |  1,643,033  |   |  (40.1) |   |  1,835,261  |   |  2,106,303  |   |  (12.9) |   |
|   | Basic/Diluted earnings per ordinary share (Rs.) |   |  0.60  |   |  1.03  |   |  (41.7) |   |  1.01  |   |  1.25  |   |  (19.2) |   |
|   |  |  |   |  |  |  |  |  |   |  |  |  |  |   |
|   |  |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   | The above figures are provisional and subject to audit. |  |  |  |  |  |  |  |  |  |  |   |
|   | Figures in brackets indicate deductions. |  |  |  |  |  |  |  |  |  |  |  |  |   |
|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |

**STATEMENT OF COMPREHENSIVE INCOME**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Company** |  | **Group** |
| **For the six months ended 30th September** |  | **2020** |  | **2019** |  | **Change** |  | **2020** |  | **2019** |  | **Change** |
|  |  | **Rs. '000** |  | **Rs. '000** |  | **%** |  | **Rs. '000** |  | **Rs. '000** |  | **%** |
|  |  |  |  | **Restated** |  |  |  |  |  | **Restated** |  |  |
|  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |  |  **Unaudited**  |  |  **Unaudited**  |  |   |
|  |  |   |  |  |  |  |  |   |  |  |  |  |
| **Profit for the period** |  |  **984,481**  |  |  **1,643,033**  |  |  (40.1) |  |  **1,835,261**  |  |  **2,106,303**  |  |  (12.9) |
|  |  |   |  |  |  |  |  |  |  |  |  |  |
| **Other comprehensive income/(expenses) (net of tax)** |  |  |  |  |  |   |  |  |  |  |  |   |
| Actuarial gains and losses on defined benefit plans  |   |  -  |  |  -  |  |  -  |  |  (116) |  |  -  |  |  (100.0) |
| Gains/ (losses) on re-measuring available-for-sale financial assets  |   |  50,685  |   |  12,810  |   |  295.7 |   |  64,008  |   |  12,309  |   |  420.0 |
| Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary |   |  -  |   |  -  |   |  -  |   |  (18,670) |   |  66,527  |   |  (128.1) |
| **Other comprehensive income for the period, net of taxes**  |  **50,685**  |   |  12,810  |   |  295.7  |  |  **45,222**  |  |  78,836  |  |  (42.6) |
| **Total comprehensive income for the period** |  |  **1,035,166**  |   |  1,655,843  |   |  (37.5) |  |  **1,880,483**  |  |  2,185,139  |  |  (13.9) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Profit attributable to:**  |  |  |  |  |  |  |  |  |  |  |  |  |
| Equity holders of the company |   |  50,685  |   |  12,810  |   |  295.7  |   |  41,891  |   |  78,836  |   |  (46.9) |
| Non-controllng interest |  |  -  |  |  -  |  |  -  |  |  3,331  |  |  -  |  |  100.0  |
| **Other comprehensive income for the period, net of taxes**  |  **50,685**  |  |  12,810  |  |  295.7  |  |  **45,222**  |  |  78,836  |  |  (42.6) |
| Total comprehensive income for the period |   |  1,035,166  |   |  1,655,843  |   |  (37.5) |   |  1,880,483  |   |  2,185,139  |   |  (13.9) |

The above figures are provisional and subject to audit. Figures in brackets indicate deductions.

**DEBENTURE INFORMATION**

|  |  |  |
| --- | --- | --- |
| **Market Prices for the six months ended 30th September 2020** |  |  |
|  |  |  |  |
| **Debenture Type** | **Highest** | **Lowest**  | **Last Traded** |
| **Rs.** | **Rs.** | **Rs.** |
| 2015 - 5 Years - 9.95% p.a. payable annually |  Has not been traded  |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually |  Has not been traded  |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually |  Has not been traded  |
| 2018 - 4 Years - 12.40% p.a. payable annually |  Has not been traded  |
| 2018 - 5 Years - 12.80% p.a. payable annually |  Has not been traded  |
|  |  |  |  |
|  |  |  |  |
| **Interest Rates** |  |  |   |
|  |  |  |  |
| **Debenture Type** |   |  **Coupon Rate (%)**  |  **Annual Effective Rate (%)**  |
| 2015 - 5 Years - 9.95% p.a. payable annually |   |  9.95  |  9.95  |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually |   |  12.25  |  12.63  |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually |   |  12.60  |  13.00  |
| 2018 - 4 Years - 12.40% p.a. payable annually |   |  12.40  |  12.40  |
| 2018 - 5 Years - 12.80% p.a. payable annually |   |  12.80  |  12.80  |
|  |  |  |  |
| **Interest Rates of Comparable Government Securities** |  |   |
| 6 Months Treasury Bill | **4.64%** |  |   |
| 1 Year Treasury Bill | **4.88%** |  |   |
| 3 Year Treasury Bond | **5.72%** |  |   |
| 5 Year Treasury Bond | **6.57%** |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Current Yield & Yield to Maturity**  |  |  |   |
|  |  |  |  |
| **Debenture Type** |   | **Current Yield (%)** | **Yield to Maturity (%)** |
| 2015 - 5 Years - 9.95% p.a. payable annually |   |  9.95  |  .95  |
| 2016 - 4 Years - 12.25% p.a. payable semi-annually |   |  12.25  |  2.25  |
| 2016 - 5 Years - 12.60% p.a. payable semi-annually |   |  12.60  |  2.60  |
| 2018 - 4 Years - 12.40% p.a. payable annually |   |  12.40  |  2.40  |
| 2018 - 5 Years - 12.80% p.a. payable annually |   |  12.80  |  2.80  |

**INFORMATION ON ORDINARY SHARES OF THE COMPANY**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Market Price**  |   |   |   |   |   |   |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | **2020** | **2019** |
|   |   |   |   |   |   |   | **Rs.** | **Rs.** |
| Highest price during the quarter ended 30th September :  |   |  13.60  |  16.30  |
| Lowest price during the quarter ended 30th September :  |   |  11.00  |  13.90  |
| Last traded price as at 30th September :  |   |   |   |  13.10  |  14.80  |
|  |  |  |  |  |  |  |   |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| **Issued Capital** |   |   |   |   |   |   |
| Issued Capital as at 30th September 2020 was represented by the number of shares in issue as given below; |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  | **As at 30th September 2020** | **As at 30th September 2019** |
|   |   |   |   |   | **Number** | **Rs.** | **Number** | **Rs.** |
|  |  |  |  |  |  |  |  |  |
| Ordinary shares |   |   | 1,579,862,482  |  11,886,073,308  |  1,579,862,482  |  11,886,073,308  |
| Transfer from preference shares on redemption |  -  |  1,350,000,000  |  -  |  1,350,000,000  |
| Scrip Dividend |  |  |  47,840,906  |  679,340,867  |  47,840,906  |  679,340,867  |
| **Total** |   |   |   | **1,627,703,388** | **13,915,414,175** | **1,627,703,388** | **13,915,414,175** |

**STATEMENT OF FINANCIAL POSITION**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  **Company**  |  | **Group**  |
| **As at** |  |  **30.09.2020**  |  |  **30.09.2019**  |  |  **Change**  |  |  **31.03.2020**  |  |  **30.09.2020**  |  |  **30.09.2019**  |  |  **Change**  |  |  **31.03.2020**  |
|  |  |  **Rs. '000**  |  |  **Rs. '000**  |  |  **%**  |  |  **Rs. '000**  |  |  **Rs. '000**  |  |  **Rs. '000**  |  |  **%**  |  |  **Rs. '000**  |
|  |  |  |  |  **Restated**  |  |  |  |  |  |  |  |  **Restated**  |  |  |  |  |
|  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |  |  **Audited**  |  |  **Unaudited**  |  |  **Unaudited**  |  |  |  |  **Audited**  |
| **Assets**  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Cash and cash equivalents |  4,186,405  |   |  2,359,330  |   |  77.4  |   |  7,164,139  |   |  4,304,680  |   |  2,670,498  |   |  61.2  |   |  7,693,032  |
| Balances with banks & financial institutions  |  6,533,991  |   |  3,583,329  |   |  82.3  |   |  3,207,440  |   |  10,407,520  |   |  7,136,355  |   |  45.8  |   |  6,661,407  |
| Financial assets -Fair value through profit or loss |  2,994,347  |   |  16,684  |   |  17,847.4  |   |  1,031,719  |   |  3,614,308  |   |  548,480  |   |  559.0  |   |  1,198,592  |
| Loans and receivables - Leases |  78,777,427  |   |  83,842,404  |   |  (6.0) |   |  82,401,998  |   |  78,777,427  |   |  83,842,404  |   |  (6.0) |   |  82,401,998  |
| Loans and receivables - Hire purchase |  80,930  |   |  362,033  |   |  (77.6) |   |  218,213  |   |  2,445,215  |   |  2,565,963  |   |  (4.7) |   |  2,953,172  |
| Loans and receivables - Others |  61,556,572  |   |  64,271,737  |   |  (4.2) |   |  65,127,300  |   |  66,129,406  |   |  68,069,140  |   |  (2.8) |   |  68,779,764  |
| Insurance and reinsurance receivables |  -  |   |  -  |   |  -  |   |  -  |   |  847,845  |   |  1,068,712  |   |  (20.7) |   |  1,194,933  |
| Financial assets - Fair value through other comprehensive income |  375,066  |   |  375,593  |   |  (0.1) |   |  324,381  |   |  993,081  |   |  1,816,354  |   |  (45.3) |   |  1,455,702  |
| Debt instrument - Amortised cost |  8,208,200  |   |  8,370,290  |   |  (1.9) |   |  4,106,963  |   |  8,880,135  |   |  8,370,290  |   |  6.1  |   |  4,813,439  |
| Current tax receivables |  68,680  |   |  -  |   |  100.0  |   |  -  |   |  68,680  |   |  -  |   |  100.0  |   |  -  |
| Investments in subsidiaries  |  3,213,788  |   |  3,213,788  |   |  -  |   |  3,213,788  |   |  -  |   |  -  |   |  -  |   |  -  |
| Investment property |  -  |   |  -  |   |  -  |   |  -  |   |  1,131,652  |   |  1,131,596  |   |  0.0  |   |  1,131,652  |
| Right-of-use assets |  1,713,940  |   |  2,036,923  |   |  (15.9) |   |  1,939,450  |   |  1,464,957  |   |  1,587,449  |   |  (7.7) |   |  1,639,482  |
| Property, plant and equipment  |  1,089,693  |   |  1,080,021  |   |  0.9  |   |  1,143,929  |   |  3,897,365  |   |  4,146,867  |   |  (6.0) |   |  3,998,370  |
| Goodwill and intangible assets  |  209,366  |   |  298,434  |   |  (29.8) |   |  257,581  |   |  329,582  |   |  403,808  |   |  (18.4) |   |  368,574  |
| Deferred tax assets  |  -  |   |  -  |   |  -  |   |  376,291  |   |  100,454  |   |  63,779  |   |  57.5  |   |  471,841  |
| Other assets  |  |  922,592  |  |  858,651  |  |  7.4  |  |  1,147,001  |  |  1,185,442  |  |  971,940  |  |  22.0  |   |  1,235,329  |
| **Total assets**  |  |  **169,930,997**  |  |  **170,669,217**  |  |  (0.4) |  |  **171,660,193**  |  |  **184,577,749**  |  |  **184,393,635**  |  |  0.1  |  |  **185,997,287**  |
| **Liabilities**  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
| Due to banks |   |  5,979,123  |   |  11,896,677  |   |  (49.7) |   |  7,938,185  |   |  8,658,607  |   |  14,637,416  |   |  (40.8) |   |  10,978,046  |
| Due to customers |   |  108,253,162  |   |  99,746,450  |   |  8.5  |   |  106,701,027  |   |  109,495,402  |   |  100,659,844  |   |  8.8  |   |  107,685,592  |
| Debt securities issued |  18,275,444  |   |  21,096,652  |   |  (13.4) |   |  18,479,260  |   |  18,142,627  |   |  20,963,785  |   |  (13.5) |   |  18,338,039  |
| Other financial liabilities  |  2,867,168  |   |  2,931,732  |   |  (2.2) |   |  3,014,117  |   |  2,658,005  |   |  3,029,153  |   |  (12.3) |   |  2,829,708  |
| Insurance liabilities and reinsurance payable  |  -  |   |  -  |   |  -  |   |  -  |   |  4,551,186  |   |  5,113,841  |   |  (11.0) |   |  5,065,220  |
| Lease liabilities - Amortised cost |  1,733,072  |   |  1,900,244  |   |  (8.8) |   |  1,909,098  |   |  1,465,690  |   |  1,439,061  |   |  1.9  |   |  1,594,245  |
| Current tax liabilities  |  -  |   |  645,548  |   |  (100.0) |   |  1,803,309  |   |  362,115  |   |  708,059  |   |  (48.9) |   |  2,077,418  |
| Deferred tax liabilities  |  59,065  |   |  837,179  |   |  (92.9) |   |  -  |   |  479,009  |   |  1,177,845  |   |  (59.3) |   |  418,132  |
| Other liabilities  |   |  1,482,500  |   |  1,466,057  |   |  1.1  |   |  1,568,565  |   |  1,574,360  |   |  1,608,040  |   |  (2.1) |   |  1,700,685  |
| **Total liabilities**  |  |  **138,649,534**  |  |  **140,520,539**  |  |  (1.3) |  |  **141,413,561**  |  |  **147,387,001**  |  |  **149,337,044**  |  |  (1.3) |  |  **150,687,085**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Equity**  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Stated capital |   |  13,915,414  |   |  13,915,414  |   |  -  |   |  13,915,414  |   |  13,915,414  |   |  13,915,414  |   |  -  |   |  13,915,414  |
| Statutory reserve fund  |  2,205,344  |   |  2,142,270  |   |  2.9  |   |  2,205,344  |   |  2,234,608  |   |  2,155,062  |   |  3.7  |   |  2,235,077  |
| Retained earnings  |  15,212,134  |   |  14,131,427  |   |  7.6  |   |  14,227,988  |   |  18,166,591  |   |  16,322,663  |   |  11.3  |   |  16,517,824  |
| Other reserves  |   |  (51,429) |   |  (40,433) |   |  (27.2) |   |  (102,114) |   |  330,490  |   |  287,039  |   |  15.1  |   |  285,103  |
| **Total equity attributable to equity holders of the Company** |  **31,281,463**  |  |  **30,148,678**  |  |  **3.8**  |  |  **30,246,632**  |  |  **34,647,103**  |  |  **32,680,178**  |  |  **6.0**  |  |  **32,953,418**  |
| Non-controlling interest |  -  |   |  -  |   |  -  |   |  -  |   |  2,543,645  |   |  2,376,413  |   |  7.0  |   |  2,356,784  |
| **Total equity** |  |  **31,281,463**  |  |  **30,148,678**  |  |  **3.8**  |  |  **30,246,632**  |  |  **37,190,748**  |  |  **35,056,591**  |  |  **6.1**  |  |  **35,310,202**  |
| **Total liabilities and equity**  |  **169,930,997**  |  |  **170,669,217**  |  |  **(0.4)** |  |  **171,660,193**  |  |  **184,577,749**  |  |  **184,393,635**  |  |  **0.1**  |  |  **185,997,287**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Contingencies |  |  834,083  |  |  595,470  |   |  40.1  |   |  689,290  |  |  851,972  |  |  595,470  |  |  43.1  |   |  707,179  |
| Commitments |  |  6,919,863  |  |  7,975,008  |   |  (13.2) |   |  4,627,602  |  |  6,919,863  |  |  8,017,121  |  |  (13.7) |   |  4,643,436  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net assets value per ordinary share (Rs.) |  19.22  |  |  18.55  |   |  3.6  |   |  18.58  |  |  21.29  |  |  20.11  |  |  5.9  |   |  20.25  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **CERTIFICATION** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| We, the undersigned, being the Chief Executive Officer and the Chief Finance Manager of People's Leasing & Finance PLC certify jointly that: |
| a) the above statements have been prepared in compliance with the format and the definitions prescribed by the Central Bank of Sri Lanka; |
| b) the information contained in these statements have been extracted from the unaudited financial statements of People's Leasing & Finance PLC unless indicated as audited. |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (sgd.) |  |  |  |  |  |  |  | (sgd.) |  |  |  |  |  |  |  |  |
| **A.S. Ibrahim** |  |  |  |  |  |  |  | **Omal Sumanasiri** |  |  |  |  |  |  |
| *Chief Executive Officer* |  |  |  |  |  |  | *Chief Manager Finance* |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 02nd November 2020 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Colombo |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**SELECTED PERFORMANCE INDICATORS**

|  |  |  |
| --- | --- | --- |
| Item | **As at 30.09.2020** | **As at 30.09.2019** |
| **Regulatory Capital Adequacy (%)** | **Actual** | **Required** | **Actual** | **Required** |
| Tier 1 Capital Adequacy ratio | 15.93 | 7 | 15.29 | 7 |
| Total Capital Ratio | 16.77 | 11 | 16.11 | 11 |
| Capital Funds to Total Deposit Liabilities Ratio |  28.33  | 10 |  30.44  | 10 |
| **Quality of Loan Portfolio (%)** |   |   |   |   |
| Gross - Non-Performing Loans Ratio |   |  10.18  |   |  6.63  |
| Net - Non-Performing Loans Ratio |   |  2.29  |   |  1.28  |
| Net - Non-Performing Loans to Core Capital Ratio |   |  11.84  |   |  7.31  |
| Provision Coverage Ratio |   |  63.41  |   |  69.56  |
| **Profitability** *(%)* |  |   |   |   |
| Net Interest Margin |  | 6.45 |  |  9.78  |
| Return on Assets |  | 1.78 |  |  3.01  |
| Return on Equity |  | 6.40 |  |  11.44  |
| Cost to Income Ratio |   | 43.86 |   | 39.60 |
|  **Liquidity** |  |  |   |  |
| Available Liquid Assets to Required Liquid Assets (minimum 100%) |  |  232.13  |   |  104.02  |
| Liquid Assets to external funds |   |  14.24  |   |  10.33  |
| **Memorandum information** |  |  |   |   |
| Number of branches |  |  104  |  |  103  |
| External Credit Rating | A+ (lka) by Fitch Ratings Lanka Limited  | AA- (lka) by Fitch Ratings Lanka Limited |

**SHAREHOLDERS' INFORMATION**

|  |  |  |
| --- | --- | --- |
| **Twenty Largest Ordinary Shareholders as at 30th September 2020** |   |   |
| Twenty largest ordinary shareholders of the Company as at 30th September 2020 were as follows; |   |   |
|  |  |  |  |
| **No.** | **Name of the Shareholder** | **No. of Shares** | **%** |
| 1 | People's Bank |  1,220,777,540  |  75.00  |
| 2 | Employees Provident Fund |  88,345,465  |  5.43  |
| 3 | BNYM SA NV RE-Neon Liberty Lorikeet Master Fund LP |  64,155,320  |  3.94  |
| 4 | National Savings Bank |  44,990,502  |  2.76  |
| 5 | Rubber Investment Trust Limited A/C # 01 |  16,914,702  |  1.04  |
| 6 | Bank of Ceylon No. 1 Account |  11,800,434  |  0.72  |
| 7 | Employees Trust Fund Board |  8,087,592  |  0.50  |
| 8 | Sri Lanka Insurance Corporation Ltd-General Fund |  7,235,629  |  0.44  |
| 9 | Ceylon Investment PLC A/C # 01 |  5,104,933  |  0.31  |
| 10 | Perera And Sons Bakers Pvt Limited |  5,000,000  |  0.31  |
| 11 | AIA Insurance Lanka Limited A/C No.07 |  4,969,904  |  0.31  |
| 12 | Mr. Merrill Joseph Fernando |  4,768,168  |  0.29  |
| 13 | Mr. Herbert Beruwalage |  4,176,170  |  0.26  |

|  |  |  |  |
| --- | --- | --- | --- |
| 14 | Ceylon Guardian Investment Trust PLC A/C # 02 |  3,243,679  |  0.20  |
| 15 | Commercial Bank Of Ceylon PLC/Metrocorp (Pvt) Ltd |  3,000,000  |  0.18  |
| 16 | Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund) |  2,802,101  |  0.17  |
| 17 | Akbar Brothers Pvt Ltd A/C No 1 |  2,065,214  |  0.13  |
| 18 | AIA Insurance Lanka Limited A/C No.06 |  2,054,702  |  0.13  |
| 19 | Guardian Fund Management Limited/The Aitken Spence And Associated Companies Executive Staff Providen |  1,602,381  |  0.10  |
| 20 | Ceylon Investment PLC A/C # 02 |  1,510,525  |  0.09  |
|   |   |   |   |
|  |  |  |  |
| **Public Holding** |   |   |
| The percentage of ordinary shares held by the public as at 30th September 2020 was 24.94% and the number of shareholders representing the public holding was 10,057. |
|  |  |  |  |
| **Directors'/ CEO's Holding in Shares as at 30th September 2020** |   |   |
| The number of ordinary shares held by the directors and CEO as at 30th September 2020 were as follows; |   |
|  |  |  |  |

|  |  |  |
| --- | --- | --- |
| **Name**  | **Position** | **No. of Shares** |
| Mr.Sujeewa Rajapakse | Chairman |  143,054  |
| Mr. Rohan Pathirage | Director |  247,267  |
| Mr.Azzam A. Ahamat | Director |  -  |
| Mr.S. Ahangama | Director |  -  |
| Mr.K.C.J.C. Fonseka | Director |  49,968  |
| Mr.C.J.Wijetillake | Director |  -  |
| Mr.U.L.A.W. Bandara | Director |  -  |
| Ms.M.C. Pietersz | Director |  -  |
| Mr. R. Kodituwakku | Director |  -  |
| Mr. Ahamed Sabry Ibrahim | CEO |  -  |
|  |  |  |  |
| **Float adjusted Market Capitalisation** |   |   |
| The Float adjusted market capitalization as at 30th September 2020 - Rs. 5,318,336,703 |
|  |  |  |  |
| The Float adjusted market capitalization of the Company falls under Option 3 of Rule 7.13.1 (a), of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option. |