

# INTERIM FINANCIAL STATEMENTS

PEOPLE'S LEASING & FINANCE PLC

*For the nine months ended 31st December 2020*

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**INTERIM  
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**STATEMENT OF FINANCIAL POSITION**

As at	Company			Group		
	31.12.2020 Rs. Mn. Unaudited*	31.03.2020 Rs. Mn. Audited	Change %	31.12.2020 Rs. Mn. Unaudited*	31.03.2020 Rs. Mn. Audited	Change %
<b>Assets</b>						
Cash and cash equivalents	2,710	7,164	(62.2)	2,905	7,693	(62.2)
Balances with banks & financial institutions	7,071	3,207	120.5	11,189	6,661	68.0
Financial assets - Fair value through profit or loss	5,548	1,032	437.6	6,304	1,199	425.8
Loans and receivables - Amortised cost	134,395	147,748	(9.0)	142,257	154,135	(7.7)
Insurance and reinsurance receivables	-	-	-	727	1,195	(39.2)
Financial assets - Fair value other comprehensive income	347	324	7.1	614	1,456	(57.8)
Debt instrument - Amortised cost	6,950	4,107	69.2	7,620	4,813	58.3
Current tax receivable	263	-	100.0	263	-	100.0
Investments in subsidiaries	3,214	3,214	-	-	-	-
Investment property	-	-	-	1,132	1,132	-
Right-of-use assets	1,591	1,939	(17.9)	1,395	1,639	(14.9)
Property, plant and equipment	1,074	1,144	(6.1)	3,857	3,998	(3.5)
Goodwill and intangible assets	186	258	(27.9)	305	369	(17.3)
Deferred tax assets	274	376	(27.1)	412	472	(12.7)
Other assets	920	1,147	(19.8)	1,204	1,235	(2.5)
<b>Total assets</b>	<b>164,543</b>	<b>171,660</b>	<b>(4.1)</b>	<b>180,184</b>	<b>185,997</b>	<b>(3.1)</b>
<b>Liabilities</b>						
Due to banks - Amortised cost	6,022	7,938	(24.1)	8,411	10,978	(23.4)
Due to customers - Amortised cost	107,222	106,701	0.5	109,168	107,686	1.4
Debt securities issued - Amortised cost	13,447	18,479	(27.2)	13,310	18,338	(27.4)
Other financial liabilities - Amortised cost	3,123	3,014	3.6	3,008	2,830	6.3
Insurance and reinsurance payable	-	-	-	4,629	5,065	(8.6)
Lease liabilities - Amortised cost	1,611	1,909	(15.6)	1,398	1,594	(12.3)
Current tax liabilities	-	1,803	(100.0)	434	2,077	(79.1)
Deferred tax liabilities	-	-	-	443	418	6.0
Other liabilities	1,571	1,570	0.1	1,691	1,701	(0.6)
<b>Total liabilities</b>	<b>132,996</b>	<b>141,414</b>	<b>(6.0)</b>	<b>142,492</b>	<b>150,687</b>	<b>(5.4)</b>
<b>Equity</b>						
Stated Capital	14,892	13,915	7.0	14,892	13,915	7.0
Statutory reserve fund	2,205	2,205	-	2,260	2,235	1.1
Retained earnings	14,529	14,228	2.1	17,651	16,518	6.9
Other reserves	(79)	(102)	22.5	296	285	3.9
<b>Total equity attributable to equity holders of the Company</b>	<b>31,547</b>	<b>30,246</b>	<b>4.3</b>	<b>35,099</b>	<b>32,953</b>	<b>6.5</b>
Non-controlling interest	-	-	-	2,593	2,357	10.0
<b>Total equity</b>	<b>31,547</b>	<b>30,246</b>	<b>4.3</b>	<b>37,692</b>	<b>35,310</b>	<b>6.7</b>
<b>Total liabilities and equity</b>	<b>164,543</b>	<b>171,660</b>	<b>(4.1)</b>	<b>180,184</b>	<b>185,997</b>	<b>(3.1)</b>
Contingencies	813	688	18.2	831	706	17.7
Commitments	6,920	4,629	49.5	6,920	4,645	49.0
Net assets value per ordinary share (Rs.)	18.51	18.58	(0.4)	20.59	20.25	1.7

**CERTIFICATION**

We certify that the above Interim Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

(sgd.)  
**Omal Sumanasiri**  
Chief Manager Finance

The Board of Directors is responsible for these Interim Financial Statements.  
Approved and Signed for and on behalf of the Board:

(sgd.)  
**Shamindra Marcelline**  
Chief Executive Officer

(sgd.)  
**Sujeewa Rajapakse**  
Chairman  
11th February 2021  
Colombo.

(sgd.)  
**Rohan Pathirage**  
Director

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

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS - COMPANY

	For the nine months ended			For the quarter ended		
	31.12.2020	31.12.2019	Change	31.12.2020	31.12.2019	Change
	Rs. Mn.	Rs. Mn. Restated*	%	Rs. Mn.	Rs. Mn. Restated*	%
	Unaudited**	Unaudited**		Unaudited**	Unaudited**	
Interest income	18,417	23,944	(23.1)	6,304	8,001	(21.2)
Less: Interest expense	10,215	12,004	(14.9)	3,223	3,859	(16.5)
<b>Net interest income</b>	<b>8,202</b>	<b>11,940</b>	<b>(31.3)</b>	<b>3,081</b>	<b>4,142</b>	<b>(25.6)</b>
Net fee and commission income	1,284	1,283	0.1	445	450	(1.1)
Net trading income	124	(1)	12,500.0	73	1	7,200.0
Other operating income	16	107	(85.0)	3	102	(97.1)
<b>Total operating income</b>	<b>9,626</b>	<b>13,329</b>	<b>(27.8)</b>	<b>3,602</b>	<b>4,695</b>	<b>(23.3)</b>
Less: Impairment charges for loans and receivables	2,940	2,199	33.7	1,539	607	153.5
<b>Net operating income</b>	<b>6,686</b>	<b>11,130</b>	<b>(39.9)</b>	<b>2,063</b>	<b>4,088</b>	<b>(49.5)</b>
<b>Less:</b>						
Personnel expenses	2,221	2,799	(20.7)	791	931	(15.0)
Depreciation and Amortisation	599	598	0.2	198	201	(1.5)
Other operating expenses	1,259	1,718	(26.7)	449	577	(22.2)
Total operating expenses	4,079	5,115	(20.3)	1,438	1,709	(15.9)
<b>Operating profit before Tax on financial services</b>	<b>2,607</b>	<b>6,015</b>	<b>(56.7)</b>	<b>625</b>	<b>2,379</b>	<b>(73.7)</b>
Less: Taxes on financial services	630	1,789	(64.8)	172	660	(73.9)
<b>Profit before income tax</b>	<b>1,977</b>	<b>4,226</b>	<b>(53.2)</b>	<b>453</b>	<b>1,719</b>	<b>(73.6)</b>
Less: Income tax expense	699	1,437	(51.4)	160	573	(72.1)
<b>Profit for the period</b>	<b>1,278</b>	<b>2,789</b>	<b>(54.2)</b>	<b>293</b>	<b>1,146</b>	<b>(74.4)</b>

\* Comparative figures have been restated due to the adoption of SLFRS 16 as explained in explanatory note 9 in page 15.

\*\* The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS - GROUP

	For the nine months ended			For the quarter ended		
	31.12.2020	31.12.2019	Change	31.12.2020	31.12.2019	Change
	Rs. Mn.	Rs. Mn. Restated*	%	Rs. Mn.	Rs. Mn. Restated*	%
	Unaudited**	Unaudited**		Unaudited**	Unaudited**	
Interest income	19,748	25,272	(21.9)	6,767	8,462	(20.0)
Less: Interest expense	10,440	12,251	(14.8)	3,298	3,949	(16.5)
<b>Net interest income</b>	<b>9,308</b>	<b>13,021</b>	<b>(28.5)</b>	<b>3,469</b>	<b>4,513</b>	<b>(23.1)</b>
Net earned premiums	3,818	3,883	(1.7)	1,268	1,319	(3.9)
Net fee and commission income	858	967	(11.3)	308	343	(10.2)
Net trading income	172	3	(5,633.3)	83	5	1,560.0
Other operating income	157	215	(27.0)	57	70	(18.6)
<b>Total operating income</b>	<b>14,313</b>	<b>18,089</b>	<b>(20.9)</b>	<b>5,185</b>	<b>6,250</b>	<b>(17.0)</b>
Less: Impairment charges for loans and receivables	3,293	2,307	42.7	1,773	649	173.2
<b>Net operating income</b>	<b>11,020</b>	<b>15,782</b>	<b>(30.2)</b>	<b>3,412</b>	<b>5,601</b>	<b>(39.1)</b>
<b>Less:</b>						
Personnel expenses	2,854	3,437	(17.0)	1,004	1,146	(12.4)
Depreciation and Amortisation	533	589	(9.5)	177	200	(11.5)
Benefits, claims and underwriting expenditure	1,945	2,668	(27.1)	677	903	(25.0)
Other operating expenses	1,545	2,088	(26.0)	566	707	(19.9)
Total operating expenses	6,877	8,782	(21.7)	2,424	2,956	(18.0)
<b>Operating profit before Tax on financial services</b>	<b>4,143</b>	<b>7,000</b>	<b>(40.8)</b>	<b>988</b>	<b>2,645</b>	<b>(62.6)</b>
Less: Taxes on financial services	654	1,820	(64.1)	183	672	(72.8)
<b>Profit before income tax</b>	<b>3,489</b>	<b>5,180</b>	<b>(32.6)</b>	<b>805</b>	<b>1,973</b>	<b>(59.2)</b>
Less: Income tax expense	1,118	1,778	(37.1)	270	697	(61.3)
<b>Profit for the period</b>	<b>2,371</b>	<b>3,402</b>	<b>(30.3)</b>	<b>535</b>	<b>1,276</b>	<b>(58.1)</b>
<b>Profit attributable to:</b>						
Equity holders of the parent	2,138	3,245	(34.1)	485	1,225	(60.4)
Non-controlling interest	233	157	48.4	50	51	(2.0)
<b>Profit for the period</b>	<b>2,371</b>	<b>3,402</b>	<b>(30.3)</b>	<b>535</b>	<b>1,276</b>	<b>(58.1)</b>
Basic/Diluted earnings per ordinary share (Rs.)	1.25	2.03	(38.4)	0.28	0.77	(63.6)

\* Comparative figures have been restated due to the adoption of SLFRS 16 as explained in explanatory note 9 in page 16.

\*\* The above figures are provisional and subject to audit.

Figures in brackets indicate deductions.

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**STATEMENT OF COMPREHENSIVE INCOME - COMPANY**

	For the nine months ended			For the quarter ended		
	31.12.2020 Rs. Mn. Unaudited**	31.12.2019 Rs. Mn. Unaudited**	Change %	31.12.2020 Rs. Mn. Unaudited*	31.12.2019 Rs. Mn. Unaudited*	Change %
<b>Profit for the period</b>	1,278	2,789	(54.2)	293	1,146	(74.4)
<b>Other comprehensive income/(expenses)</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Financial assets-FVOCI						
Gains/ (losses) on re-measuring FVOCI financial assets	23	37	(37.8)	(28)	23	(221.7)
Deferred tax effect on above	-	-	-	-	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent period	23	37	(37.8)	(28)	23	(221.7)
<b>Other comprehensive income for the period, net of taxes</b>	23	37	(37.8)	(28)	23	(221.7)
<b>Total comprehensive income for the period</b>	1,301	2,826	(54.0)	265	1,169	(77.3)

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**STATEMENT OF COMPREHENSIVE INCOME - GROUP**

	For the nine months ended			For the quarter ended		
	31.12.2020 Rs. Mn. Unaudited**	31.12.2019 Rs. Mn. Unaudited**	Change %	31.12.2020 Rs. Mn. Unaudited*	31.12.2019 Rs. Mn. Unaudited*	Change %
<b>Profit for the period</b>	2,371	3,402	(30.3)	535	1,276	(58.1)
<b>Other comprehensive income/(expenses)</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary	(21)	51	(141.2)	(3)	(16)	81.3
Financial assets-FVOCI						
Gains/ (losses) on re-measuring FVOCI financial assets	32	22	45.5	(32)	10	(420.0)
Deferred tax effect on above						
Net other comprehensive income to be reclassified to profit or loss in subsequent period	11	73	(84.9)	(35)	(6)	(483.3)
<b>Other comprehensive income for the period, net of taxes</b>	11	73	(84.9)	(35)	(6)	(483.3)
<b>Total comprehensive income for the period</b>	2,382	3,475	(31.5)	500	1,270	(60.6)
<b>Profit Attributable to :</b>						
Equity holders	8	70	(88.6)	(35)	(9)	(288.9)
Non-controlling interest	3	3	-	-	3	(100.0)
<b>Other comprehensive income for the period, net of taxes</b>	11	73	(84.9)	(35)	(6)	(483.3)
<b>Total comprehensive income for the period</b>	2,382	3,475	(31.5)	500	1,270	(60.6)

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

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF CHANGES IN EQUITY - COMPANY

	Capital Rs. Mn.	Statutory Reserve Fund Rs. Mn.	Other Reserves Fair Value Reserve Rs. Mn.	Retained Earnings Rs. Mn.	Total Equity Rs. Mn.
<b>Balance as at 01.04.2019</b>	13,236	2,058	(53)	13,362	28,603
<b>Total comprehensive income for the nine months ended 31.12.2019</b>					
Profit for the nine months ended 31.12.2019		-	-	2,789	2,789
Other comprehensive income (net of tax)	-	-	37	-	37
<b>Total comprehensive income for the nine months ended 31.12.2019</b>	-	-	37	2,789	2,826
<b>Transactions with equity holders, recognised directly in equity</b>					
Transfers to reserves during the period	-	142	-	(142)	-
Dividend paid - Final-Scrip	679	-	-	(1,929)	(1,250)
<b>Total transactions with equity holders</b>	679	142	-	(2,071)	(1,250)
<b>Balance as at 31.12.2019</b>	13,915	2,200	(16)	14,080	30,179
<b>Balance as at 01.04.2020</b>	13,915	2,205	(102)	14,228	30,246
<b>Total comprehensive income for the nine months ended 31.12.2020</b>					
Profit for the nine months ended 31.12.2020		-	-	1,278	1,278
Other comprehensive income (net of tax)	-	-	23	-	23
<b>Total comprehensive income for the nine months ended 31.12.2020</b>	-	-	23	1,278	1,301
<b>Transactions with equity holders, recognised directly in equity</b>					
Dividend paid - Interim - Scrip	977	-	-	(977)	-
<b>Total transactions with equity holders</b>	977	-	-	(977)	-
<b>Balance as at 31.12.2020</b>	14,892	2,205	(79)	14,529	31,547

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**STATEMENT OF CHANGES IN EQUITY - GROUP**

	Capital Rs. Mn.	Statutory Reserve Fund Rs. Mn.	Other Reserves		Retained Earnings Rs. Mn.	Total Rs. Mn.	Non- controlling Interest Rs. Mn.	Total Equity Rs. Mn.
			FV Reserve Rs. Mn.	Exchange Equalisation Fund Rs. Mn.				
<b>Balance as at 01.04.2019</b>	13,236	2,071	(55)	262	15,198	30,712	2,270	32,982
<b>Total comprehensive income for the nine months ended 31.12.2019</b>								
Profit for the nine months ended 31.12.2019	-	-	-	-	3,245	3,245	157	3,402
Other comprehensive income (net of tax)	-	-	22	51	-	73	3	76
<b>Total comprehensive income for the nine months ended 31.12.2019</b>	-	-	22	51	3,245	3,318	160	3,478
<b>Transactions with equity holders, recognised directly in equity</b>								
Transfers to reserves during the period	-	142	-	-	(142)	-	-	-
Dividend paid - Final-Scrip	679	-	-	-	(1,929)	(1,250)	(38)	(1,288)
<b>Total transactions with equity holders</b>	679	142	-	-	(2,071)	(1,250)	(38)	(1,288)
<b>Balance as at 31.12.2019</b>	13,915	2,213	(33)	313	16,372	32,780	2,392	35,172
<b>Balance as at 01.04.2020</b>	13,915	2,235	(116)	401	16,518	32,953	2,357	35,310
<b>Total comprehensive income for the nine months ended 31.12.2020</b>								
Profit for the nine months ended 31.12.2020	-	-	-	-	2,138	2,138	233	2,371
Other comprehensive income (net of tax)	-	-	32	(21)	(3)	8	3	11
<b>Total comprehensive income for the nine months ended 31.12.2020</b>	-	-	32	(21)	2,135	2,146	236	2,382
<b>Transactions with equity holders, recognised directly in equity</b>								
Transfers to reserves during the period	-	25	-	-	(25)	-	-	-
Dividend paid - Interim - Scrip	977	-	-	-	(977)	-	-	-
<b>Total transactions with equity holders</b>	977	25	-	-	(1,002)	-	-	-
<b>Balance as at 31.12.2020</b>	14,892	2,260	(84)	380	17,651	35,099	2,593	37,692

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

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## STATEMENT OF CASH FLOWS

For the nine months ended 31st December	Company		Group	
	2020	2019	2020	2019
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
	Unaudited**	Unaudited**	Unaudited**	Unaudited**
<b>Cash flows from operating activities</b>				
Income from cash and cash equivalent	68	21	68	21
Payments to loans and receivables	(30,841)	(60,669)	(34,213)	(63,191)
Receipts from loans and receivables	60,324	87,511	62,463	89,486
Investment in balances with banks & financial institutions	(18,076)	(4,420)	(19,286)	(3,875)
Receipts from balances with banks & financial institutions	14,476	4,440	15,332	4,440
Investment in debt instrument at amortized cost	(17,010)	(10,593)	(16,976)	(11,457)
Receipts from debt instrument at amortized cost	14,466	10,620	14,468	10,620
Payment of due to customers	(71,384)	(81,226)	(70,261)	(80,457)
Receipts from due to customers	64,018	86,139	63,804	85,926
Receipt from other income	-	3	141	207
Investment in financial assets - fair value through profit or loss	(8,755)	(2)	(9,657)	(820)
Proceeds from financial assets - fair value through profit or loss	4,362	5	4,724	5
Receipt from Financial assets - Fair value through OCI	-	-	1,051	693
Investment in Financial assets - Fair value through OCI	-	-	(177)	-
Payment for operating lease liability	(513)	(333)	(398)	(337)
Payment for personnel expenses	(2,312)	(2,808)	(2,860)	(3,435)
Payment for other operating activities	(1,098)	(7,626)	(1,882)	(8,030)
Premium received from customers	-	-	4,286	3,821
Claims paid	-	-	(2,382)	(2,647)
Net unrealised gains/(losses) arising from translating the Financial Statements of foreign subsidiary	-	-	(21)	50
Gratuity paid	(7)	(7)	(7)	(6)
Income tax paid	(3,017)	(1,067)	(3,043)	(1,252)
<b>Net cash generated from/(used in) operating activities</b>	<b>4,701</b>	<b>19,988</b>	<b>5,174</b>	<b>19,762</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(84)	(179)	(41)	(433)
Proceeds from the sale of property, plant and equipment	38	9	48	19
Purchase of intangible assets	-	(15)	(11)	(15)
Dividends received from investments	1	97	1	1
<b>Net cash (used in)/generated from investing activities</b>	<b>(45)</b>	<b>(88)</b>	<b>(3)</b>	<b>(428)</b>
<b>Cash flows from financing activities</b>				
Payment for due to banks	(3,751)	(26,178)	(4,119)	(26,610)
Borrowing from due to banks	1,000	12,450	1,050	13,000
Payment for debt securities issued	(6,552)	(5,074)	(6,536)	(5,058)
Dividend paid to shareholders	(1)	(1,250)	(1)	(1,250)
Dividend paid to non-controlling interest	-	-	-	(38)
<b>Net cash (used in)/generated from financing activities</b>	<b>(9,304)</b>	<b>(20,052)</b>	<b>(9,606)</b>	<b>(19,956)</b>
<b>Net (decrease) in cash &amp; cash equivalents</b>	<b>(4,648)</b>	<b>(152)</b>	<b>(4,435)</b>	<b>(622)</b>
Cash and cash equivalents at the beginning of the period	7,139	2,941	6,998	3,036
<b>Cash and cash equivalents at the end of the period</b>	<b>2,491</b>	<b>2,789</b>	<b>2,563</b>	<b>2,414</b>
Cash and cash equivalents	2,710	3,147	2,905	3,389
Bank overdraft	(219)	(358)	(342)	(975)
Cash and cash equivalents at the end of the period	2,491	2,789	2,563	2,414

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

# INTERIM FINANCIAL STATEMENTS

## ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Company				
As at 31st December 2020				
	Financial assets recognised through profit or loss (FVTPL ) Rs. Mn.	Financial assets at amortised cost (AC) Rs. Mn.	Financial assets at fair value through other comprehensive income(FVOCI) Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>				
Cash and cash equivalents	-	2,710	-	2,710
Balances with banks & financial institutions	-	7,071	-	7,071
Financial assets -Fair value through profit or loss	5,548	-	-	5,548
Loans and receivables - Amortised cost	-	134,395	-	134,395
Financial assets - Fair value other comprehensive income	-	-	347	347
Debt instrument - Amortised cost	-	6,950	-	6,950
Other financial assets	-	225	-	225
<b>Total financial assets</b>	<b>5,548</b>	<b>151,351</b>	<b>347</b>	<b>157,246</b>

  

As at 31st December 2020			
	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks - Amortised cost	-	6,022	6,022
Due to customers - Amortised cost	-	107,222	107,222
Debt securities issued - Amortised cost	-	13,447	13,447
Other financial liabilities - Amortised cost	-	3,123	3,123
Lease liabilities - Amortised cost	-	1,611	1,611
<b>Total financial liabilities</b>	<b>-</b>	<b>131,425</b>	<b>131,425</b>

  

Company				
As at 31st March 2020				
	Financial assets recognised through profit or loss (FVTPL ) Rs. Mn.	Financial assets at amortised cost (AC) Rs. Mn.	Financial assets at fair value through other comprehensive income(FVOCI) Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>				
Cash and cash equivalents	-	7,164	-	7,164
Balances with banks & financial institutions	-	3,207	-	3,207
Financial assets -Fair value through profit or loss	1,032	-	-	1,032
Loans and receivables - Amortised cost	-	147,748	-	147,748
Financial assets - Fair value other comprehensive income	-	-	324	324
Debt instrument - Amortised cost	-	4,107	-	4,107
Other financial assets	-	233	-	233
<b>Total financial assets</b>	<b>1,032</b>	<b>162,459</b>	<b>324</b>	<b>163,815</b>

  

As at 31st March 2020			
	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks - Amortised cost	-	7,938	7,938
Due to customers - Amortised cost	-	106,701	106,701
Debt securities issued - Amortised cost	-	18,479	18,479
Other financial liabilities - Amortised cost	-	3,014	3,014
Lease liabilities - Amortised cost	-	1,909	1,909
<b>Total financial liabilities</b>	<b>-</b>	<b>138,041</b>	<b>138,041</b>

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**ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS**

Group As at 31st December 2020		Financial assets recognised through profit or loss (FVTPL) Rs. Mn.	Financial assets at amortised cost (AC) Rs. Mn.	Financial assets at fair value through other comprehensive income(FVOCI) Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>					
Cash and cash equivalents	-	2,905	-	-	2,905
Balances with banks & financial institutions	-	11,189	-	-	11,189
Financial assets -Fair value through profit or loss	6,304	-	-	-	6,304
Loans and receivables - Amortised cost	-	142,257	-	-	142,257
Insurance and reinsurance receivables	-	727	-	-	727
Financial assets - Fair value other comprehensive income	-	-	-	614	614
Debt instrument - Amortised cost	-	7,620	-	-	7,620
<b>Total financial assets</b>	<b>6,304</b>	<b>164,698</b>	<b>614</b>	<b>614</b>	<b>171,616</b>

  

As at 31st December 2020		FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>				
Due to banks - Amortised cost	-	-	8,411	8,411
Due to customers - Amortised cost	-	-	109,168	109,168
Debt securities issued - Amortised cost	-	-	13,310	13,310
Other financial liabilities - Amortised cost	-	-	3,008	3,008
Lease liabilities - Amortised cost	-	-	1,398	1,398
Insurance and reinsurance payable	-	-	4,629	4,629
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>139,924</b>	<b>139,924</b>

  

Group As at 31st March 2020		Financial assets recognised through profit or loss (FVTPL) Rs. Mn.	Financial assets at amortised cost (AC) Rs. Mn.	Financial assets at fair value through other comprehensive income(FVOCI) Rs. Mn.	Total Rs. Mn.
<b>ASSETS</b>					
Cash and cash equivalents	-	7,693	-	-	7,693
Balances with banks & financial institutions	-	6,661	-	-	6,661
Financial assets -Fair value through profit or loss	1,199	-	-	-	1,199
Loans and receivables - Amortised cost	-	154,135	-	-	154,135
Insurance and reinsurance receivables	-	1,195	-	-	1,195
Financial assets - Fair value other comprehensive income	-	-	-	1,456	1,456
Debt instrument - Amortised cost	-	4,813	-	-	4,813
<b>Total financial assets</b>	<b>1,199</b>	<b>174,497</b>	<b>1,456</b>	<b>1,456</b>	<b>177,152</b>

  

As at 31st March 2020		FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>				
Due to banks - Amortised cost	-	-	10,978	10,978
Due to customers - Amortised cost	-	-	107,686	107,686
Debt securities issued - Amortised cost	-	-	18,338	18,338
Other financial liabilities - Amortised cost	-	-	2,830	2,830
Insurance and reinsurance payable	-	-	5,065	5,065
Lease liabilities - Amortised cost	-	-	1,594	1,594
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>146,491</b>	<b>146,491</b>

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**FAIR VALUE HIERARCHY**

Company	Level 1	Level 2	Level 3	Total
As at 31st December 2020	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
<b>Financial assets</b>				
<b>Financial assets -Fair value through profit or loss</b>				
Quoted Investments	23	-	-	23
Investment in unit trust	-	5,525	-	5,525
Sub total	23	5,525	-	5,548
<b>Financial assets - Fair value through other comprehensive income</b>				
Quoted Investments	347	-	-	347
Sub total	347	-	-	347
<b>Total</b>	<b>370</b>	<b>5,525</b>	<b>-</b>	<b>5,895</b>
<b>As at 31st March 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>
<b>Financial assets</b>				
<b>Financial assets -Fair value through profit or loss</b>				
Quoted Investments	14	-	-	14
Investment in unit trust	-	1,018	-	1,018
Sub total	14	1,018	-	1,032
<b>Financial assets - Fair value through other comprehensive income</b>				
Quoted Investments	324	-	-	324
Sub total	324	-	-	324
<b>Total</b>	<b>338</b>	<b>1,018</b>	<b>-</b>	<b>1,356</b>
<b>Group</b>				
As at 31st December 2020	Level 1	Level 2	Level 3	Total
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
<b>Financial assets</b>				
<b>Financial assets -Fair value through profit or loss</b>				
Quoted Investments	164	-	-	164
Investment in unit trust	-	6,140	-	6,140
Sub total	164	6,140	-	6,304
<b>Financial assets - Fair value through other comprehensive income</b>				
Quoted Investments	347	-	-	347
Treasury bills	-	267	-	267
Sub total	347	267	-	614
<b>Non financial assets - Investment property</b>				
Land and building	-	-	1,132	1,132
Sub total	-	-	1,132	1,132
<b>Total</b>	<b>511</b>	<b>6,407</b>	<b>1,132</b>	<b>8,050</b>
<b>As at 31st March 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>	<b>Rs. Mn.</b>
<b>Financial assets</b>				
<b>Financial assets -Fair value through profit or loss</b>				
Quoted Investments	27	-	-	27
Investment in unit trust	-	1,172	-	1,172
Sub total	27	1,172	-	1,199
<b>Financial assets - Fair value through other comprehensive income</b>				
Quoted Investments	325	-	-	325
Treasury bills	-	1,131	-	1,131
Sub total	325	1,131	-	1,456
<b>Non financial assets - Investment property</b>				
Land and building	-	-	1,132	1,132
Sub total	-	-	1,132	1,132
<b>Total</b>	<b>352</b>	<b>2,303</b>	<b>1,132</b>	<b>3,787</b>

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**SEGMENTAL ANALYSIS - GROUP**

For the nine months ended 31st December	Lease & HP		Loans		Islamic		Insurance		Other		Eliminations		Group	
	2020 Rs. Mn.	2019 Rs. Mn.	2020 Rs. Mn.	2019 Rs. Mn.	2020 Rs. Mn.	2019 Rs. Mn.	2020 Rs. Mn.	2019 Rs. Mn.	2020 Rs. Mn.	2019 Rs. Mn.	2020 Rs. Mn.	2019 Rs. Mn.	2020 Rs. Mn.	2019 Rs. Mn.
Interest income	10,365	12,947	7,488	9,829	849	1,130	550	593	662	977	(166)	(204)	19,748	25,272
Net earned premiums	-	-	-	-	-	-	3,944	3,999	-	-	(127)	(117)	3,818	3,883
Net fee and commission income	809	819	585	622	66	71	-	-	213	207	(816)	(753)	858	967
Net trading income	-	-	-	-	-	-	49	4	123	(1)	-	-	172	3
Other operating income	8	58	6	44	1	5	44	60	139	204	(39)	(154)	157	215
<b>Gross revenue</b>	<b>11,182</b>	<b>13,824</b>	<b>8,079</b>	<b>10,495</b>	<b>916</b>	<b>1,206</b>	<b>4,587</b>	<b>4,656</b>	<b>1,137</b>	<b>1,387</b>	<b>(1,148)</b>	<b>(1,228)</b>	<b>24,753</b>	<b>30,340</b>
Interest expenses	5,568	6,399	4,023	4,858	456	558	-	-	559	640	(166)	(204)	10,440	12,251
<b>Total operating income</b>	<b>5,614</b>	<b>7,425</b>	<b>4,056</b>	<b>5,637</b>	<b>460</b>	<b>648</b>	<b>4,587</b>	<b>4,656</b>	<b>578</b>	<b>747</b>	<b>(982)</b>	<b>(1,024)</b>	<b>14,313</b>	<b>18,089</b>
Credit losses	1,537	1,651	1,662	582	49	60	-	-	45	14	-	-	3,293	2,307
<b>Net operating income</b>	<b>4,077</b>	<b>5,774</b>	<b>2,394</b>	<b>5,055</b>	<b>411</b>	<b>588</b>	<b>4,587</b>	<b>4,656</b>	<b>533</b>	<b>733</b>	<b>(982)</b>	<b>(1,024)</b>	<b>11,020</b>	<b>15,782</b>
Depreciation	276	220	237	181	19	18	72	67	73	36	(144)	67	533	589
<b>Segment result</b>	<b>1,515</b>	<b>3,308</b>	<b>1,095</b>	<b>2,511</b>	<b>124</b>	<b>289</b>	<b>1,293</b>	<b>700</b>	<b>152</b>	<b>332</b>	<b>(36)</b>	<b>(140)</b>	<b>4,143</b>	<b>7,000</b>
Tax on financial services													654	1,820
Income tax expenses													1,118	1,778
<b>Profit attributable to equity holder</b>													<b>2,371</b>	<b>3,402</b>
<b>As at 31st December 2020</b>														
Segment Assets	80,151	86,615	68,980	71,159	5,396	7,153	10,532	9,610	21,110	14,085	(5,985)	(5,397)	180,184	183,225
<b>Total Assets</b>	<b>80,151</b>	<b>86,615</b>	<b>68,980</b>	<b>71,159</b>	<b>5,396</b>	<b>7,153</b>	<b>10,532</b>	<b>9,610</b>	<b>21,110</b>	<b>14,085</b>	<b>(5,985)</b>	<b>(5,397)</b>	<b>180,184</b>	<b>183,225</b>
Segment Liabilities	64,005	70,215	55,084	57,685	4,309	5,798	5,916	5,983	16,857	11,418	(3,679)	(3,085)	142,492	148,014
<b>Total Liabilities</b>	<b>64,005</b>	<b>70,215</b>	<b>55,084</b>	<b>57,685</b>	<b>4,309</b>	<b>5,798</b>	<b>5,916</b>	<b>5,983</b>	<b>16,857</b>	<b>11,418</b>	<b>(3,679)</b>	<b>(3,085)</b>	<b>142,492</b>	<b>148,014</b>

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

# INTERIM FINANCIAL STATEMENTS

## INFORMATION ON ORDINARY SHARES OF THE COMPANY

### Market Price

	2020 Rs.	2019 Rs.
Highest price during the quarter ended 31st December :	13.70	18.20
Lowest price during the quarter ended 31st December :	11.30	14.50
Last traded price as at 31st December :	12.40	17.90

### Issued Capital

Issued Capital as at 31st December 2020 was represented by the number of shares in issue as given below;

	As at 31st December 2020		As at 31st December 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	124,740,278	1,655,962,900	47,840,906	679,340,867
<b>Total</b>	<b>1,704,602,760</b>	<b>14,892,036,208</b>	<b>1,627,703,388</b>	<b>13,915,414,175</b>

# INTERIM FINANCIAL STATEMENTS

## SHAREHOLDERS' INFORMATION

### **Twenty Largest Ordinary Shareholders as at 31st December 2020**

Twenty largest ordinary shareholders of the Company as at 31st December 2020 were as follows;

No.	Name of the Shareholder	No. of Shares	%
1	People's Bank	1,278,452,068	75.00
2	Employees Provident Fund	92,519,266	5.43
3	BNYM SA NV RE-Neon Liberty Lorikeet Master Fund LP	67,186,279	3.94
4	National Savings Bank	47,116,037	2.76
5	Rubber Investment Trust Limited A/C # 01	17,713,821	1.04
6	Bank of Ceylon No. 1 Account	12,357,934	0.72
7	Employees Trust Fund Board	9,121,379	0.54
8	Sri Lanka Insurance Corporation Ltd-General Fund	7,577,469	0.44
9	Perera And Sons Bakers Pvt Limited	6,283,464	0.37
10	Ceylon Investment PLC A/C # 01	5,346,110	0.31
11	AIA Insurance Lanka Limited A/C No.07	5,204,702	0.31
12	Mr. Herbert Beruwalage	4,373,469	0.26
13	Ceylon Guardian Investment Trust PLC A/C # 02	3,396,923	0.20
14	Mellom Bank N.A./Acadian Frontier Markets Equity Fund	3,150,803	0.18
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)	2,934,483	0.17
17	Mr. Merrill Joseph Fernando	2,845,111	0.17
18	Akbar Brothers Pvt Ltd A/C No 1	2,162,783	0.13
19	AIA Insurance Lanka Limited A/C No.06	2,151,774	0.13
20	Guardian Fund Management Limited/The Aitken Spence And Associated Companies Executive Staff Providen	1,678,084	0.10

### **Public Holding**

The percentage of ordinary shares held by the public as at 31st December 2020 was 24.94% and the number of shareholders representing the public holding was 10,281.

### **Directors/ CEO's Holding in Shares as at 31st December 2020**

The number of ordinary shares held by the directors and CEO as at 31st December 2020 were as follows;

Name	Position	No. of Shares
Mr.Sujeewa Rajapakse	Chairman	149,812
Mr. Rohan Pathirage	Director	363,673
Mr.Azzam A. Ahamat	Director	-
Mr.S. Ahangama	Director	-
Mr.K.C.J.C. Fonseka	Director	52,328
Mr.C.J.Wijetillake	Director	-
Mr.U.L.A.W. Bandara	Director	-
Ms.M.C. Pietersz	Director	-
Mr. R. Kodituwakku	Director	-
Mr. Shamindra Marcelline	CEO	-

### **Float adjusted Market Capitalisation**

The Float adjusted market capitalization as at 31st December 2020 - Rs. 5,271,014,990

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.



# INTERIM FINANCIAL STATEMENTS

## EXPLANATORY NOTES

1. There are no significant changes in the accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2019/20.
2. The Interim Financial Statements for the nine months ended 31st December 2020 are drawn up from unaudited accounts of the Company, its subsidiary companies: People's Leasing Property Development Limited, People's Leasing Fleet Management Limited, People's Insurance PLC, People's Leasing Havelock Properties Limited, People's Micro-commerce Ltd., Lankan Alliance Finance Limited.
3. The Interim Financial Statements are in compliance with the Sri Lanka Accounting Standard - LKAS 34: Interim Financial Reporting and the provisions of the Companies Act No. 7 of 2007 and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
4. All known expenses including management fees and similar expenses have been provided for in these financial statements.
5. On 04th December 2020, the Company declared an interim dividend of Rs. 0.60 (Cents Sixty) per share for the financial year 2020/21, in the form of a scrip dividend. Subsequently 76,899,372 Ordinary shares of the Company were listed with effect from 24th December 2020, pursuant to a scrip dividend in the proportion of one (1) share being issued for each existing twenty one decimal one six six six six six eight four eight seven (21.1666668487) held by the shareholders at the end of trading on the Colombo Stock Exchange as at 14th December 2020.
6. Mr. Goluhewage Bindu Rasitha Poojitha Gunawardana, resigned from the post of Director of the Company with effect from 25th June 2020.
7. Mr. Ranjith Kodituwakku was appointed to the Board of the Company as Non-Independent Non-Executive Director with effect from 13th August 2020.
8. Mr. Ahamed Sabry Ibrahim resigned from the office of Chief Executive Officer/General Manager of the Company with effect from 25th November 2020 and Mr. Shamindra Joseph Marcus Marcelline was appointed as the new Chief Executive Officer/General Manager of the Company with effect from 25th November 2020.

The Central Bank of Sri Lanka has by its letter dated 13th November 2020 granted approval for the resignation of Mr. Ahamed Sabry Ibrahim and the appointment of Mr. Shamindra Joseph Marcus Marcelline as aforesaid.

9. Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation. The following line items of the Interim Financial Statements for the nine months ended 31st December 2019 have been restated due to the adoption of SLFRS 16.

### Impact for the nine months ended 31st December 2019 due to adoption of SLFRS 16 - Company

Note	For the nine months ended 31st December 2019			For the quarter ended 31st December 2019		
	As disclosed previously	Current Presentation (Restated)	Adjustment	As disclosed previously	Current Presentation (Restated)	Adjustment
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Interest income	23,944	23,944	-	8,001	8,001	-
Less: Interest expense	11,821	12,004	183	3,801	3,859	58
<b>Net interest income</b>	<b>12,123</b>	<b>11,940</b>	<b>(183)</b>	<b>4,200</b>	<b>4,142</b>	<b>(58)</b>
Net fee and commission income	1,283	1,283	-	450	450	-
Net trading income	(1)	(1)	-	1	1	-
Other operating income	107	107	-	102	102	-
<b>Total operating income</b>	<b>13,512</b>	<b>13,329</b>	<b>(183)</b>	<b>4,753</b>	<b>4,695</b>	<b>(58)</b>
Less: Impairment charges for loans and receivables	2,199	2,199	-	607	607	-
<b>Net operating income</b>	<b>11,313</b>	<b>11,130</b>	<b>(183)</b>	<b>4,146</b>	<b>4,088</b>	<b>(58)</b>
<b>Less:</b>						
Personnel expenses	2,799	2,799	-	931	931	-
Depreciation & Amortisation	179	598	419	61	201	140
Other operating expenses	2,233	1,718	(515)	748	577	(171)
Total operating expenses	5,211	5,115	(96)	1,740	1,709	(31)
Operating profit before tax on financial services	6,102	6,015	(87)	2,406	2,379	(27)
Less: Tax on financial services	1,806	1,789	(17)	674	660	(14)
<b>Profit before income tax</b>	<b>4,296</b>	<b>4,226</b>	<b>(70)</b>	<b>1,732</b>	<b>1,719</b>	<b>(13)</b>
Less: Income tax expense	1,460	1,437	(23)	574	573	(1)
<b>Profit for the period</b>	<b>2,836</b>	<b>2,789</b>	<b>(47)</b>	<b>1,158</b>	<b>1,146</b>	<b>(12)</b>

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### Impact for the nine months ended 31st December 2019 due to adoption of SLFRS 16 - Group

Note	For the nine months ended 31st December 2019			For the quarter ended 31st December 2019		
	As disclosed previously	Current Presentation (Restated)	Adjustment	As disclosed previously	Current Presentation (Restated)	Adjustment
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Interest income	25,272	25,272	-	8,462	8,462	-
Less: Interest expense	A 12,117	12,251	134	3,901	3,949	48
<b>Net interest income</b>	<b>13,155</b>	<b>13,021</b>	<b>(134)</b>	<b>4,561</b>	<b>4,513</b>	<b>(48)</b>
Net earned premiums	3,883	3,883	-	1,319	1,319	-
Net fee and commission income	967	967	-	343	343	-
Net trading income	3	3	-	5	5	-
Other operating income	215	215	-	70	70	-
<b>Total operating income</b>	<b>18,223</b>	<b>18,089</b>	<b>(134)</b>	<b>6,298</b>	<b>6,250</b>	<b>(48)</b>
Less: Impairment charges for loans and receivables	2,307	2,307	-	649	649	-
<b>Net operating income</b>	<b>15,916</b>	<b>15,782</b>	<b>(134)</b>	<b>5,649</b>	<b>5,601</b>	<b>(48)</b>
<b>Less:</b>						
Personnel expenses	3,437	3,437	-	1,146	1,146	-
Depreciation & Amortisation	B 322	589	267	110	200	90
Benefits, claims and underwriting expenditure	2,668	2,668	-	903	903	-
Other operating expenses	C 2,418	2,088	(330)	824	707	(117)
Total operating expenses	8,845	8,782	(63)	2,983	2,956	(27)
Operating profit before tax on financial services	<b>7,071</b>	<b>7,000</b>	<b>(71)</b>	<b>2,666</b>	<b>2,645</b>	<b>(21)</b>
Less: Tax on financial services	D 1,831	1,820	(11)	684	672	(12)
<b>Profit before income tax</b>	<b>5,240</b>	<b>5,180</b>	<b>(60)</b>	<b>1,982</b>	<b>1,973</b>	<b>(9)</b>
Less: Income tax expense	E 1,797	1,778	(19)	698	697	(1)
<b>Profit for the period</b>	<b>3,443</b>	<b>3,402</b>	<b>(41)</b>	<b>1,284</b>	<b>1,276</b>	<b>(8)</b>

Note A - With the adoption of SLFRS 16 – “Leases” during the financial year, interest cost relating to lease liabilities has been charged to interest expense.

Note B - Depreciation relating to Right-of-use asset has been charged to Depreciation & Amortisation with the adoption of SLFRS 16.

Note C - Rent expense relating to lease agreement has been removed with the above adjustment.

Note D - Tax on financial services has been adjusted with the above adjustment.

Note E - Income tax expense has been adjusted with the above adjustment.

10. It has been proposed to reduce income tax rate on companies from 28% to 24% pending formal approval from the Parliament as an amendment to the Inland Revenue Act No. 24 of 2017. As it is not considered as substantially enacted as at the reporting date, the tax rate adapted for the computation of deferred tax remains at 28%.
11. Considering the fact that non-availability of foreign funding sources at competitive rates at the moment the Company decided to withdraw its International rating from 30th April 2020 onwards.
12. The outbreak and spread of the coronavirus globally has caused disruption to business and economic activities and has created a widespread uncertainty to the global economy. Further the various quarantine measures adopted by different countries greatly affected global trade. PLC strictly followed the guidelines and instructions issued by the government health authorities and the Central Bank of Sri Lanka (CBSL) when conducting its commercial operations.

The Institute of Chartered Accountants of Sri Lanka has provided a guideline in assessing expected credit losses under SLFRS-9. As per this guideline, as a practical expedient, entities are allowed to use the Probability of Default (PD), Loss Given Default (LGD), Economic Factor Adjustment (EFA) and Staging of Contracts applicable as at 31st December 2019.

The Company has adjusted the Loss Given Default, Economic Factor and Probability of Default to reflect current conditions in computing the expected credit losses for the nine months ended 31st December 2020.

# INTERIM FINANCIAL STATEMENTS

## EXPLANATORY NOTES

Since the first debt moratorium process impacted around 40% of the Company's portfolio resulting in a revision to the original average effective rate of the moratorium portfolio from 19.84% to 16.72% as well as a significant extension on the average maturity of the moratorium portfolio, the management is in the view that there is a substantial change of terms by this modification. Therefore the Company adjusted original effective rate for moratorium facilities and accounted accordingly.

Furthermore, required adjustments on the relief measures for affected businesses and individuals in line with the directions issued by the CBSL have been made by the Group.

Due to the second wave of Covid 19 the Central Bank of Sri Lanka issued a direction on 9th November 2020 extending debt moratorium by further six months period, starting from 01st of October 2020 to 31st March 2021, for affected business and individual. Interest income and impairment have been adjusted for the impact of the new direction.

13. There have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.
14. There has been no significant change in the nature of the contingent liabilities for the nine months ended 31st December 2020 which were disclosed in the Annual Report for the year ended 31st March 2020.

# INTERIM FINANCIAL STATEMENTS

## ANALYSIS OF LOANS AND RECEIVABLES IMPAIRMENT

### Analysis by stage wise

#### Company - 31st December 2020

	Stage 1 Rs. Mn.	Stage 2 Rs. Mn.	Stage 3 Rs. Mn.	Total Rs. Mn.
Loans and receivables	66,909	34,696	44,158	145,763
(Less):				
Individual impairment charges	-	-	1,460	1,460
Collective impairment charges	750	1,543	7,615	9,908
Net loans and receivables	66,159	33,153	35,083	134,395

#### Company - 31st March 2020

Loans and receivables	85,843	38,428	32,227	156,498
(Less):				
Individual impairment charges	-	-	1,316	1,316
Collective impairment charges	675	1,183	5,576	7,434
Net loans and receivables	85,168	37,245	25,335	147,748

#### Group - 31st December 2020

Loans and receivables	75,389	35,715	44,702	155,806
(Less):				
Individual impairment charges	-	-	1,460	1,460
Collective impairment charges	890	1,717	8,052	10,659
Net loans and receivables	74,499	33,998	35,190	143,687

#### Group - 31st March 2020

Loans and receivables	88,208	41,813	33,284	163,305
(Less):				
Individual impairment charges	-	-	1,429	1,429
Collective impairment charges	750	1,333	5,658	7,741
Net loans and receivables	87,458	40,480	26,197	154,135

# INTERIM FINANCIAL STATEMENTS

## DEBENTURE INFORMATION

### Market Prices for the nine months ended 31st December 2020

Debenture Type	Highest Rs.	Lowest Rs.	Last Traded Rs.
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 (%)
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	4.80%
1 Year Treasury Bill	5.05%
2 Year Treasury Bond	5.65%
3 Year Treasury Bond	5.72%
4 Year Treasury Bond	6.32%
5 Year Treasury Bond	6.59%

### Current Yield & Yield to Maturity

Debenture Type	Current Yield (%)	Yield to Maturity (%)
2016 - 5 Years - 12.60% p.a. payable semi-annually	12.60	12.60
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

# INTERIM FINANCIAL STATEMENTS

## DEBENTURE INFORMATION

<b>Ratios</b>								
							As at 31.12.2020	As at 31.03.2020
Debt to Equity Ratio (Times)*							0.62	0.87
Interest Cover (Times)							1.19	1.29
Quick Asset Ratio (%)							66.83	71.01
* Debt to Equity Ratio has been computed without considering Due to Customers balances.								
<b>Utilisation of Funds Raised via Capital Market</b>								
Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.'000	Proposed date of utilisation as per Prospectus	Amount allocated from proceeds in Rs.'000 (A)	% of total proceeds	Amounts utilised in Rs.'000 (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including where the funds are invested
<b>Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2016</b>								
1	The funds raised through this Debenture Issue utilized to finance the budgeted lending portfolio and working capital requirements	8,000,000	Within 12 months from the date of allotment	8,000,000	100%	8,000,000	100%	N/A
<b>Issue of listed, senior, unsecured, redeemable, rated debentures during the year 2018</b>								
1	The funds raised through this Debenture Issue utilized to repay the short term facilities obtained to settle the debentures matured on the 26th March 2018 and for Company's working capital requirements.	6,000,000	Within 12 months from the date of allotment	6,000,000	100%	6,000,000	100%	N/A

# INTERIM FINANCIAL STATEMENTS

## RELATED PARTY DISCLOSURE

<b>Transactions with Related entities</b>				
<b>Company</b>				
The Company had the under mentioned financial dealings during the period with the following related entities.				
For the nine months ended 31st December				
	Immediate Parent		Subsidiaries	
	2020 Rs. '000	2019 Rs. '000	2020 Rs. '000	2019 Rs. '000
<b>Items in Statement of Profit or Loss</b>				
Interest income	603,294	872,675	114,563	131,419
Interest expense	58,427	330,630	51,830	71,551
Fee & Commission income	-	-	535,240	497,265
Other operating income	-	-	-	112,500
Benefits, claims and underwriting expenditure	-	-	111,510	101,939
Other operating expenses	25,356	34,159	247,155	232,881
<b>Items in Statement of Financial Position</b>				
<b>Assets</b>				
Cash and cash equivalents	1,353,536	2,343,604	-	-
Balances with banks & financial institutions	7,071,088	3,286,754	-	-
Loans and receivables	-	-	1,463,658	1,551,056
Financial assets - Amortised cost	6,247,581	8,559,910	-	-
Investments in subsidiaries	-	-	3,213,788	3,213,788
Other assets	-	-	266,470	208,234
<b>Total</b>	<b>14,672,205</b>	<b>14,190,268</b>	<b>4,943,916</b>	<b>4,973,078</b>
<b>Liabilities</b>				
Due to banks	1,004,929	4,590,730	-	-
Due to customers	-	-	528,126	474,497
Debt Securities issued	-	-	136,911	136,959
Other Financial liabilities	-	-	682,440	638,111
Other liabilities	3,018	2,959	7,787	4,143
<b>Total</b>	<b>1,007,947</b>	<b>4,593,689</b>	<b>1,355,264</b>	<b>1,253,710</b>
<b>Transactions</b>				
Transaction cost on debenture issue and securitisation	3,956	5,477	-	-
Cash and cash equivalents - Repo investments	4,700,000	12,550,000	-	-
Cash and cash equivalents - Repo settlements	9,867,878	11,819,645	-	-
Balances with banks & financial institutions - FD investments	18,247,812	2,089,411	-	-
Balances with banks & financial institutions - FD withdrawals	14,063,257	3,274,440	-	-
Loans and receivables - Grantings	-	-	319,320	594,078
Loans and receivables - Repayments	-	-	520,371	595,590
Debt instruments - Amortised cost - Investments	16,315,621	7,973,448	-	-
Debt instruments - Amortised cost - Settlements	14,465,621	7,973,448	-	-
Due to banks - Borrowings	1,000,000	4,800,000	-	-
Due to banks - Repayment	1,575,922	5,458,169	-	-
Due to customers - Investments	-	-	386,735	401,894
Due to customers - Settlements	-	-	214,019	214,690
Dividend paid	732,467	1,446,993	-	-
<b>Total</b>	<b>80,972,534</b>	<b>57,391,031</b>	<b>1,440,445</b>	<b>1,806,252</b>
<b>Off- Balance Sheet Items</b>				
Guarantees	-	-	300,000	300,000

## CORPORATE INFORMATION

### **Name of Company**

People's Leasing & Finance PLC  
(Subsidiary of People's Bank)

### **Legal Form**

Public Limited Liability Company  
(Incorporated and domiciled in Sri Lanka)  
quoted in the Colombo Stock Exchange

### **Date of Incorporation**

22nd August 1995

### **Company Registration Number**

PB 647 PQ

### **Accounting Year-end**

31st March

### **Stock Exchange Listing**

The Ordinary shares of the Company were quoted on the Main Board of the Colombo Stock Exchange (CSE) on 24th November 2011.

47,840,906 Ordinary shares of the company were listed with effect from 9th August 2019, pursuant to a scrip dividend.

76,899,372 Ordinary shares of the company were listed with effect from 24th December 2020, pursuant to a scrip dividend.

Senior, Unsecured, Redeemable, five year (2016/21) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 23rd November 2016.

Senior, Unsecured, Redeemable, four year (2018/22) and five year (2018/23) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 27th April 2018.

### **Registered Office**

#### **& Principal Place of Business**

1161, Maradana Road, Borella  
Colombo 08, Sri Lanka.  
Postal Code: 00800  
Telephone +94 11 2631631  
Fax +94 11 2631980/81  
[Email: plclease@plc.lk](mailto:plclease@plc.lk)  
[Web Address: www.plc.lk](http://www.plc.lk)

### **Compliance Officer**

Ms. Zairaa Kaleel

### **Company Secretary**

Ms. Lakmini Kottegodu

### **Registrars**

SSP Corporate Services (Pvt) Ltd  
No. 101, Inner Flower Road,  
Colombo 03, Sri Lanka.  
Telephone: +94 11 2573894, +94 11 2576871  
Fax: +94 11 2573609  
[E-mail: sspsec@sltnet.lk](mailto:sspsec@sltnet.lk)

### **Auditor**

Auditor General  
Auditor General's Department,  
No. 306/72, Polduwa Road,  
Battaramulla.

### **Bankers**

People's Bank  
Sampath Bank PLC  
Bank of Ceylon  
Commercial Bank of Ceylon PLC  
DFCC Bank PLC  
Hatton National Bank PLC  
National Development Bank PLC  
Nations Trust Bank PLC  
Seylan Bank PLC  
Standard Chartered Bank  
Deutsche Bank  
Habib Bank  
Union Bank of Colombo PLC  
City Bank  
Indian Bank  
Indian Overseas Bank  
Pan Asia Banking Corporation PLC  
MCB bank

### **Branch Offices**

Akuressa, Ambalangoda, Ambalanthota,  
Awissawella, Ampara, Anamaduwa,  
Anuradhapura, Badulla, Balangoda, Bandarawela,  
Battaramulla, Batticaloa, Benthota, Chilaw,  
Chunnakam, Colpetty, Dambulla, Dehiwala,  
Deniyaya, Digana, Elpitiya, Embilipitiya, Galle,  
Gampaha, Gampola, Giriulla, Godakawela,  
Grandpass, Hambantota, Hanwella, Hatton,  
Havelock, Homagama, Horana, Ja-Ela, Jaffna,  
Kadawatha, Kaduwela, Kalawanchikudi,  
Kalawana, Kalmunai, Kalutara, Kamburupitiya,  
Kandy, Kandy - Alsafa, Kandy II, Kanthale,  
Kattankudy, Kegalle, Kekirawa, Kelaniya,  
Kilinochchi, Kirindiwela, Kuliypitiya,  
Kurunegala, Mahaiyawa, Maharagama,  
Mahiyanganaya, Mannar, Matale, Matara,  
Medawachchiya, Mathugama, Mawanella,  
Melsiripura, Merigama, Metropolitan,  
Minuwangoda, Monaragala, Moratuwa, Mutur,  
Narammala, Nattandiya, Nawalapitiya, Negombo,  
Nelliyadi, Neluwa, Nittambuwa, Nugegoda,  
Nuwara Eliya, Panadura, Pelmadulla, Pettah,  
Pilmathalawa, Piliyandala, Polonnaruwa, Puttalam,  
Ratnapura, Tangalle, Thambuttegama,  
Thissamaharamaya, Trincomalee, Union Place,  
Urubokka, Vavuniya, Walasmulla, Ward Place,  
Warakapola, Wariyapola, Wattala, Welimada,  
Wellawaya, Wellawatta, Wennappuwa

### **Board of Directors - As at 31st December 2020**

Mr.Sujeewa Rajapakse - Chairman  
Mr.Rohan Pathirage  
Mr.Azzam A. Ahamat  
Mr.S. Ahangama  
Mr.K.C.J.C. Fonseka  
Mr.C.J.Wijetillake  
Mr.U.L.A.W. Bandara  
Ms.M.C. Pietersz  
Mr. R. Kodituwakku

### **Board Audit Committee**

Ms.M.C. Pietersz - Chairperson  
Mr.U.L.A.W. Bandara - Member  
Mr.Azzam A. Ahamat - Member

### **Integrated Risk Management Committee**

Mr.C.J.Wijetillake - Chairman  
Mr.Azzam A. Ahamat - Member  
Mr.K.C.J.C. Fonseka - Member

### **Remuneration and Nomination Committee**

Mr.U.L.A.W. Bandara - Chairman  
Ms.M.C. Pietersz - Member  
Mr.Rohan Pathirage - Member

### **Related Party Transaction Review Committee**

Mr.C.J.Wijetillake - Chairman  
Mr.U.L.A.W. Bandara - Member  
Mr.S. Ahangama - Member

### **Subsidiary Companies**

People's Leasing Fleet Management Limited  
People's Leasing Property Development Limited  
People's Leasing Havelock Properties Limited  
People's Insurance PLC  
People's Micro-commerce Ltd.  
Lankan Alliance Finance Limited

### **Corporate Memberships**

Asian Leasing and Finance Association  
Credit Information Bureau of Sri Lanka  
Financial Ombudsman-Sri Lanka  
Leasing Association of Sri Lanka

### **Vehicle Yards**

No. 429, 2nd Division, Darly Road, Colombo 10, Sri Lanka.  
No. 496, Makola North, Makola, Sri Lanka.  
No. 225/D, Nayagala Road, Heiyanthuduwa, Mabima, Sri Lanka.  
No.8, Pothuvil Road, Monaragala, Sri Lanka  
Ketalagolla, Beligamuwa, Galewela, Sri Lanka

### **Tax Payer Identity Number (TIN)**

114 156396 0000

### **VAT Registration Number**

114 156396 7000

### **Central Bank Registration Number**

046 (Under the Finance Business Act No.42 of 2011)

### **Credit Agency Status**

An approved Credit Agency under the Mortgage Act No.6 of 1949 and the Trust Receipt Ordinance No.12 of 1947 by the Department of Commerce.

### **Credit Rating**

"A+" (Ika) by Fitch Ratings Lanka Limited



**INTERIM  
FINANCIAL  
STATEMENTS**



PEOPLE'S LEASING & FINANCE PLC