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### Financial Information

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**INTERIM  
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**STATEMENT OF FINANCIAL POSITION**

As at	Company			Group		
	30.09.2019 Rs. Mn. Unaudited*	31.03.2019 Rs. Mn. Audited	Change %	30.09.2019 Rs. Mn. Unaudited*	31.03.2019 Rs. Mn. Audited	Change %
<b>Assets</b>						
Cash and cash equivalents	2,359	3,294	(28.4)	2,670	4,311	(38.1)
Balances with banks & financial institutions	3,583	3,405	5.2	7,136	7,375	(3.2)
Financial assets -Fair value through profit or loss	17	23	(26.1)	548	72	661.1
Loans and receivables	148,476	151,708	(2.1)	154,478	156,956	(1.6)
Insurance and reinsurance receivables	-	-	-	1,069	885	20.8
Financial assets - Fair value other comprehensive income	376	126	198.4	376	126	198.4
Debt instrument at amortised cost	8,370	8,003	4.6	9,811	9,092	7.9
Investments in subsidiaries	3,214	3,214	-	-	-	-
Investments in associates	-	238	(100.0)	-	238	(100.0)
Investment property	-	-	-	1,132	1,132	-
Property, plant and equipment	1,080	1,098	(1.6)	4,147	4,017	3.2
Goodwill and intangible assets	298	325	(8.3)	404	432	(6.5)
Leasehold Property	83	84	(1.2)	83	84	(1.2)
Deferred tax assets	-	-	-	64	48	33.3
Other assets	975	1,023	(4.7)	1,122	1,165	(3.7)
<b>Total assets</b>	<b>168,831</b>	<b>172,541</b>	<b>(2.2)</b>	<b>183,040</b>	<b>185,933</b>	<b>(1.6)</b>
<b>Liabilities</b>						
Due to banks	11,897	27,274	(56.4)	14,637	30,475	(52.0)
Due to customers	99,746	88,369	12.9	100,660	88,923	13.2
Debt securities issued	21,097	21,275	(0.8)	20,964	21,134	(0.8)
Other financial liabilities	2,932	2,480	18.2	3,029	2,465	22.9
Insurance and reinsurance payable	-	-	-	5,114	4,881	4.8
Current tax liabilities	667	2,238	(70.2)	737	2,324	(68.3)
Deferred tax liabilities	837	837	-	1,178	1,142	3.2
Other liabilities	1,469	1,465	0.3	1,611	1,607	0.2
<b>Total liabilities</b>	<b>138,645</b>	<b>143,938</b>	<b>(3.7)</b>	<b>147,930</b>	<b>152,951</b>	<b>(3.3)</b>
<b>Equity</b>						
Stated Capital	13,915	13,236	5.1	13,915	13,236	5.1
Statutory reserve fund	2,142	2,058	4.1	2,155	2,071	4.1
Retained earnings	14,169	13,362	6.0	16,378	15,198	7.8
Other reserves	(40)	(53)	(24.5)	286	207	38.2
<b>Total equity attributable to equity holders of the Company</b>	<b>30,186</b>	<b>28,603</b>	<b>5.5</b>	<b>32,734</b>	<b>30,712</b>	<b>6.6</b>
Non-controlling interest	-	-	-	2,376	2,270	4.7
<b>Total equity</b>	<b>30,186</b>	<b>28,603</b>	<b>5.5</b>	<b>35,110</b>	<b>32,982</b>	<b>6.5</b>
<b>Total liabilities and equity</b>	<b>168,831</b>	<b>172,541</b>	<b>(2.2)</b>	<b>183,040</b>	<b>185,933</b>	<b>(1.6)</b>
Contingencies	596	514	16.0	596	514	16.0
Commitments	7,975	7,262	9.8	8,017	7,274	10.2
Net assets value per ordinary share (Rs.)	18.55	18.10	2.5	20.11	19.44	3.4

**CERTIFICATION**

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

(sgd.)

**Sanjeewa Bandaranayake**

Chief Financial Officer

The Board of Directors is responsible for these Interim Financial Statements.

Approved and Signed for and on behalf of the Board:

(sgd.)

Director

25th October 2019  
Colombo.

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

(sgd.)

**A.S. Ibrahim**

Chief Executive Officer

(sgd.)

Director

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS - COMPANY

	For the six month ended			For the quarter ended		
	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %
Interest income	15,943	14,759	8.0	8,012	7,618	5.2
Less: Interest expense	8,020	7,508	6.8	3,904	3,825	2.1
<b>Net interest income</b>	<b>7,923</b>	<b>7,251</b>	<b>9.3</b>	<b>4,108</b>	<b>3,793</b>	<b>8.3</b>
Fee and commission income	834	694	20.2	460	393	17.0
Net gains/(losses) on financial assets - FVTPL/ held-for-trading	(1)	(23)	(95.7)	15	(14)	(207.1)
Other operating income	4	137	(97.1)	1	116	(99.1)
<b>Total operating income</b>	<b>8,760</b>	<b>8,059</b>	<b>8.7</b>	<b>4,584</b>	<b>4,288</b>	<b>6.9</b>
Less: Impairment charges for loans and receivables	1,592	1,042	52.8	294	454	(35.2)
<b>Net operating income</b>	<b>7,168</b>	<b>7,017</b>	<b>2.2</b>	<b>4,290</b>	<b>3,834</b>	<b>11.9</b>
<b>Less:</b>						
Personnel expenses	1,868	1,707	9.4	923	898	2.8
Depreciation and Amortisation	118	90	31.1	59	44	34.1
Other operating expenses	1,483	1,448	2.4	784	740	5.9
Total operating expenses	3,469	3,245	6.9	1,766	1,682	5.0
<b>Operating profit before Tax on financial services</b>	<b>3,699</b>	<b>3,772</b>	<b>(1.9)</b>	<b>2,524</b>	<b>2,152</b>	<b>17.3</b>
Less: Tax on financial services	1,132	778	45.5	690	382	80.6
<b>Profit before income tax</b>	<b>2,567</b>	<b>2,994</b>	<b>(14.3)</b>	<b>1,834</b>	<b>1,770</b>	<b>3.6</b>
Less: Income tax expense	886	893	(0.8)	633	552	14.7
<b>Profit for the period</b>	<b>1,681</b>	<b>2,101</b>	<b>(20.0)</b>	<b>1,201</b>	<b>1,218</b>	<b>(1.4)</b>

\* 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 six month ended			For the quarter ended		
	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %
Interest income	16,810	15,397	9.2	8,477	7,958	6.5
Less: Interest expense	8,216	7,595	8.2	4,008	3,866	3.7
<b>Net interest income</b>	<b>8,594</b>	<b>7,802</b>	<b>10.2</b>	<b>4,469</b>	<b>4,092</b>	<b>9.2</b>
Net earned premiums	2,564	2,285	12.2	1,291	1,179	9.5
Fee and commission income	625	473	32.1	362	277	30.7
Net gains/(losses) on financial assets - FVTPL/ held-for-trading	(2)	(46)	(95.7)	15	(25)	(160.0)
Other operating income	145	188	(22.9)	71	66	7.6
<b>Total operating income</b>	<b>11,926</b>	<b>10,702</b>	<b>11.4</b>	<b>6,208</b>	<b>5,589</b>	<b>11.1</b>
Less: Impairment charges for loans and receivables	1,659	1,118	48.4	323	488	(33.8)
<b>Net operating income</b>	<b>10,267</b>	<b>9,584</b>	<b>7.1</b>	<b>5,885</b>	<b>5,101</b>	<b>15.4</b>
<b>Less:</b>						
Personnel expenses	2,291	2,048	11.9	1,140	1,076	5.9
Depreciation and Amortisation	213	151	41.1	107	74	44.6
Benefits, claims and underwriting expenditure	1,765	1,644	7.4	949	823	15.3
Other operating expenses	1,592	1,503	5.9	820	769	6.6
Total operating expenses	5,861	5,346	9.6	3,016	2,742	10.0
<b>Operating profit before Tax on financial services</b>	<b>4,406</b>	<b>4,238</b>	<b>4.0</b>	<b>2,869</b>	<b>2,359</b>	<b>21.6</b>
Less: Tax on financial services	1,147	794	44.5	697	390	78.7
<b>Operating profit after Tax on financial services</b>	<b>3,259</b>	<b>3,444</b>	<b>(5.4)</b>	<b>2,172</b>	<b>1,969</b>	<b>10.3</b>
Share of (loss) of an associate (net of tax)	-	(1)	100.0	-	(2)	100.0
<b>Profit before income tax</b>	<b>3,259</b>	<b>3,443</b>	<b>(5.3)</b>	<b>2,172</b>	<b>1,967</b>	<b>10.4</b>
Less: Income tax expense	1,099	1,029	6.8	724	641	12.9
<b>Profit for the period</b>	<b>2,160</b>	<b>2,414</b>	<b>(10.5)</b>	<b>1,448</b>	<b>1,326</b>	<b>9.2</b>
<b>Profit attributable to:</b>						
Equity holders of the parent	2,054	2,325	(11.7)	1,398	1,266	10.4
Non-controlling interest	106	89	19.1	50	60	(16.7)
	2,160	2,414	(10.5)	1,448	1,326	9.2
Basic/Diluted earnings per ordinary share (Rs.)	1.29	1.47	(12.2)	0.88	0.80	10.0

\* 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 six month ended			For the quarter ended		
	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %
<b>Profit for the period</b>	1,681	2,101	(20.0)	1,201	1,218	(1.4)
<b>Other comprehensive income/(expenses)</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Available-for-sale financial assets						
Gains/ (losses) on re-measuring available-for-sale financial assets /FVOCI	13	(75)	(117.3)	12	(47)	125.5
Net other comprehensive income to be reclassified to profit or loss in subsequent period	13	(75)	(117.3)	12	(47)	125.5
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Revaluation of land and buildings	-	7	(100.0)	-	7	(100.0)
Deferred tax effect on above	-	(2)	100.0	-	(2)	100.0
Net other comprehensive income not to be reclassified to profit or loss in subsequent period	-	5	(100.0)	-	5	(100.0)
<b>Other comprehensive income/(expenses) for the period, net of taxes</b>	13	(70)	118.6	12	(42)	128.6
<b>Total comprehensive income for the period</b>	1,694	2,031	(16.6)	1,213	1,176	3.1

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**STATEMENT OF COMPREHENSIVE INCOME - GROUP**

	For the six month ended			For the quarter ended		
	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %	30.09.2019 Rs. Mn. Unaudited*	30.09.2018 Rs. Mn. Restated Unaudited*	Change %
<b>Profit for the period</b>	2,160	2,414	(10.5)	1,448	1,326	9.2
<b>Other comprehensive income/(expenses)</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Cash flow hedges						
Gains/ (losses) on derivative financial assets	-	-	-	-	-	-
Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary	67	182	(63.2)	73	3	2,333.3
Available-for-sale financial assets						
Gains/ (losses) on re-measuring available-for-sale financial assets /FVOCI	12	(75)	116.0	11	(47)	123.4
Net other comprehensive income to be reclassified to profit or loss in subsequent period	79	107	(26.2)	84	(44)	290.9
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period (net of tax):</i>						
Capital gain tax	-	(83)	100.0	-	(83)	100.0
Revaluation of land and buildings	-	7	(100.0)	-	7	(100.0)
Deferred tax effect on above	-	(2)	100.0	-	(2)	100.0
Net other comprehensive income not to be reclassified to profit or loss in subsequent period	-	(78)	100.0	-	(78)	100.0
<b>Other comprehensive income/(expenses) for the period, net of taxes</b>	79	29	172.4	84	(122)	168.9
<b>Total comprehensive income for the period</b>	2,239	2,443	(8.4)	1,532	1,204	27.2
<b>Other comprehensive income/(expenses) attributable to:</b>						
Equity holders of the parent	79	29	172.4	84	(122)	168.9
Non-controlling interest	-	-	-	-	-	-
	79	29	172.4	84	(122)	168.9
	2,239	2,443	(8.4)	1,532	1,204	27.2

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Figures in brackets indicate deductions.

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**STATEMENT OF CHANGES IN EQUITY - COMPANY**

	Capital	Statutory Reserve Fund	Other Reserves					Retained Earnings	Total Equity
			General Reserve	Tax Equalisation Fund	Available for Sale Reserve	FV Reserve	Revaluation Reserve		
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	
<b>Balance as at 01.04.2018</b>	13,236	1,838	300	100	47	-	7	11,502	27,030
Recognition of SLFRS 9 Expected Credit Loss on those measured at amortized cost	-	-	-	-	-	-	-	(1,007)	(1,007)
Deferred tax on transitional adjustment	-	-	-	-	-	-	-	251	251
Transfer of AFS reserve to fair value reserve	-	-	-	-	(47)	47	-	-	-
<b>Balance as at 01.04.2018 - Restated</b>	13,236	1,838	300	100	-	47	7	10,746	26,274
<b>Total comprehensive income for the period ended 31.03.2018</b>									
Profit for the period ended 30.09.2018	-	-	-	-	-	-	-	2,101	2,101
Other comprehensive income (net of tax)	-	-	-	-	(75)	-	(7)	12	(70)
<b>Total comprehensive income for the period ended 30.09.2018</b>	-	-	-	-	(75)	-	(7)	2,113	2,031
<b>Transactions with equity holders, recognised directly in equity</b>									
Transfers to reserves during the period	-	101	(300)	(100)	-	-	-	299	-
Dividend paid	-	-	-	-	-	-	-	(790)	(790)
<b>Total transactions with equity holders</b>	-	101	(300)	(100)	-	-	-	(491)	(790)
<b>Balance as at 30.09.2018</b>	13,236	1,939	-	-	(28)	-	-	12,117	27,264
<b>Balance as at 01.04.2019</b>	13,236	2,058	-	-	-	(53)	-	13,362	28,603
<b>Total comprehensive income for the period ended 30.09.2019</b>									
Profit for the period ended 30.09.2019	-	-	-	-	-	-	-	1,681	1,681
Other comprehensive income (net of tax)	-	-	-	-	-	13	-	-	13
<b>Total comprehensive income for the period ended 30.09.2019</b>	-	-	-	-	-	13	-	1,681	1,694
<b>Transactions with equity holders, recognised directly in equity</b>									
Transfers to reserves during the period	-	84	-	-	-	-	-	(84)	-
Dividend paid-Scrip	679	-	-	-	-	-	-	(790)	(111)
<b>Total transactions with equity holders</b>	679	84	-	-	-	-	-	(874)	(111)
<b>Balance as at 30.09.2019</b>	13,915	2,142	-	-	-	(40)	-	14,169	30,186

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



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**STATEMENT OF CHANGES IN EQUITY - GROUP**

	Capital	Statutory Reserve Fund	Other Reserves				Retained Earnings	Total	Non-controlling Interest	Total Equity	
			General Reserve	Tax Equalisation Fund	Available for Sale Reserve	FV Reserve					Exchange Equalisation Fund
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	
<b>Balance as at 01.04.2018</b>	13,236	1,837	300	100	46	-	3	13,167	28,689	2,165	30,854
Recognition of SLFRS 9 ECLs including those measured at FVOCI	-	-	-	-	-	-	-	(1,067)	(1,066)	-	(1,066)
Deferred tax impact on day one difference	-	-	-	-	-	-	-	266	268	-	268
Transfer of AFS reserve to fair value reserve	-	-	-	-	(46)	46	-	-	-	-	-
<b>Balance as at 01.04.2018 - Restated</b>	13,236	1,837	300	100	-	-	3	12,367	27,889	2,165	30,054
Profit for the period ended 30.09.2018	-	-	-	-	-	-	-	2,325	2,325	89	2,414
Other comprehensive income (net of tax)	-	-	-	-	-	(75)	182	(78)	29	-	29
<b>Total comprehensive income for the period ended 30.09.2018</b>	-	-	-	-	-	(75)	182	2,247	2,354	89	2,443
<b>Transactions with equity holders, recognised directly in equity</b>											
Transfers to reserves during the period	-	101	(300)	(100)	-	-	-	299	-	-	-
Dividend paid	-	-	-	-	-	-	-	(790)	(790)	(38)	(828)
<b>Total transactions with equity holders</b>	-	101	(300)	(100)	-	-	-	(491)	(790)	(38)	(828)
<b>Balance as at 30.09.2018</b>	13,236	1,938	-	-	-	(75)	185	14,123	29,453	2,216	31,669
<b>Balance as at 01.04.2019</b>	13,236	2,071	-	-	-	(55)	262	15,198	30,712	2,270	32,982
Profit for the period ended 30.09.2019	-	-	-	-	-	-	-	2,054	2,054	106	2,160
Other comprehensive income (net of tax)	-	-	-	-	-	12	67	-	79	-	79
<b>Total comprehensive income for the period ended 30.09.2019</b>	-	-	-	-	-	12	67	2,054	2,133	106	2,239
<b>Transactions with equity holders, recognised directly in equity</b>											
Transfers to reserves during the period	-	84	-	-	-	-	-	(84)	-	-	-
Dividend paid-Scrip	679	-	-	-	-	-	-	(790)	(111)	-	(111)
<b>Total transactions with equity holders</b>	679	84	-	-	-	-	-	(874)	(111)	-	(111)
<b>Balance as at 30.09.2019</b>	13,915	2,155	-	-	-	(43)	329	16,378	32,734	2,376	35,110

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

# INTERIM FINANCIAL STATEMENTS

## STATEMENT OF CASH FLOWS

For the six months ended 30th September	Company		Group	
	2019 Rs. Mn. Unaudited*	2018 Rs. Mn. Unaudited*	2019 Rs. Mn. Unaudited*	2018 Rs. Mn. Unaudited*
<b>Cash flows from operating activities</b>				
Profit before tax	2,567	2,994	3,259	3,444
Adjustment for:				
Non-cash items included in profit before tax	1,762	1,255	1,924	1,461
Change in operating assets	1,151	(10,120)	(272)	(11,399)
Change in operating liabilities	11,692	536	12,300	671
Share of (profit)/loss in associate (net of tax)	-	-	-	1
Dividend income from investments	-	(109)	-	(8)
Net unrealised gains/(losses) arising from translating the Financial Statements of foreign subsidiary	-	-	66	182
Gratuity paid	(5)	(4)	(6)	(4)
Income tax paid	(2,361)	(360)	(2,478)	(412)
<b>Net cash generated from/(used in) operating activities</b>	<b>14,806</b>	<b>(5,808)</b>	<b>14,793</b>	<b>(6,064)</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(60)	(45)	(300)	(106)
Proceeds from the sale of property, plant and equipment	1	67	1	77
Purchase of intangible assets	(15)	(1)	(15)	(1)
Proceeds from the sale of investment property	-	141	-	141
Dividend received from investments	-	109	-	8
<b>Net cash (used in)/generated from investing activities</b>	<b>(74)</b>	<b>271</b>	<b>(314)</b>	<b>119</b>
<b>Cash flows from financing activities</b>				
Net borrowings	(15,760)	4,852	(15,603)	5,217
Dividend paid to shareholders	(111)	(790)	(111)	(790)
Dividend paid to non-controlling interest	-	-	-	(38)
<b>Net cash (used in)/generated from financing activities</b>	<b>(15,871)</b>	<b>4,062</b>	<b>(15,714)</b>	<b>4,389</b>
<b>Net (decrease) in cash &amp; cash equivalents</b>	<b>(1,139)</b>	<b>(1,475)</b>	<b>(1,235)</b>	<b>(1,556)</b>
Cash and cash equivalents at the beginning of the period	2,941	3,149	3,036	3,162
<b>Cash and cash equivalents at the end of the period</b>	<b>1,802</b>	<b>1,674</b>	<b>1,801</b>	<b>1,606</b>
Cash and cash equivalents	2,359	2,529	2,670	2,861
Bank overdraft	(557)	(855)	(869)	(1,255)
	1,802	1,674	1,801	1,606

\* 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 30th September 2019		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		-	2,359	-	2,359
Balances with banks & financial institutions		-	3,583	-	3,583
Financial assets -Fair value through profit or loss		17	-	-	17
Loans and receivables		-	148,476	-	148,476
Financial assets - Fair value other comprehensive income		-	-	376	376
Debt instrument at amortised cost		-	8,370	-	8,370
Other financial assets		-	213	-	213
<b>Total financial assets</b>		<b>17</b>	<b>163,001</b>	<b>376</b>	<b>163,394</b>

  

As at 30th September 2019		FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>				
Due to banks		-	11,897	11,897
Due to customers		-	99,746	99,746
Debt securities issued		-	21,097	21,097
Other financial liabilities		-	2,932	2,932
<b>Total financial liabilities</b>		<b>-</b>	<b>135,672</b>	<b>135,672</b>

  

Company					
As at 31st March 2019		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		-	3,294	-	3,294
Balances with banks & financial institutions		-	3,405	-	3,405
Financial assets -Fair value through profit or loss		23	-	-	23
Loans and receivables		-	151,708	-	151,708
Financial assets - Fair value other comprehensive income		-	-	126	126
Debt instrument at amortised cost		-	8,003	-	8,003
Other financial assets		-	144	-	144
<b>Total financial assets</b>		<b>23</b>	<b>166,554</b>	<b>126</b>	<b>166,703</b>

  

As at 31st March 2019		FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>				
Due to banks		-	27,274	27,274
Due to customers		-	88,369	88,369
Debt securities issued		-	21,275	21,275
Other financial liabilities		-	2,480	2,480
<b>Total financial liabilities</b>		<b>-</b>	<b>139,398</b>	<b>139,398</b>

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**ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS**

Group				
As at 30th September 2019				
	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	-	2,670	-	2,670
Balances with banks & financial institutions	-	7,136	-	7,136
Financial assets -Fair value through profit or loss	548	-	-	548
Loans and receivables	-	154,478	-	154,478
Insurance and reinsurance receivables	-	1,069	-	1,069
Financial assets - Fair value other comprehensive income	-	-	376	376
Debt instrument at amortised cost	-	9,811	-	9,811
<b>Total financial assets</b>	<b>548</b>	<b>175,164</b>	<b>376</b>	<b>176,088</b>

  

As at 30th September 2019			
	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks	-	14,637	14,637
Due to customers	-	100,660	100,660
Debt securities issued	-	20,964	20,964
Other financial liabilities	-	3,029	3,029
Insurance and reinsurance payable	-	5,114	5,114
<b>Total financial liabilities</b>	<b>-</b>	<b>144,404</b>	<b>144,404</b>

  

Group				
As at 31st March 2019				
	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	-	4,311	-	4,311
Balances with banks & financial institutions	-	7,375	-	7,375
Financial assets -Fair value through profit or loss	72	-	-	72
Loans and receivables	-	156,956	-	156,956
Insurance and reinsurance receivables	-	885	-	885
Financial assets - Fair value other comprehensive inco	-	-	126	126
Debt instrument at amortised cost	-	9,092	-	9,092
<b>Total financial assets</b>	<b>72</b>	<b>178,619</b>	<b>126</b>	<b>178,817</b>

  

As at 31st March 2019			
	FVTPL Rs. Mn.	Other Financial Liabilities at amortized cost Rs. Mn.	Total Rs. Mn.
<b>LIABILITIES</b>			
Due to banks	-	30,475	30,475
Due to customers	-	88,923	88,923
Debt securities issued	-	21,134	21,134
Other financial liabilities	-	2,465	2,465
Insurance and reinsurance payable	-	4,881	4,881
<b>Total financial liabilities</b>	<b>-</b>	<b>147,878</b>	<b>147,878</b>

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**SEGMENTAL ANALYSIS - GROUP**

For the six months ended 30th September	Lease & HP		Loans		Islamic		Insurance		Other		Eliminations		Group	
	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.	2019 Rs. Mn.	2018 Rs. Mn.
Interest income	8,561	8,354	6,590	5,635	753	717	398	321	647	507	(139)	(137)	16,810	15,397
Net earned premiums	-	-	-	-	-	-	2,641	2,359	-	-	(78)	(74)	2,564	2,285
Net fee and commission income	526	467	405	315	46	40	-	-	138	141	(491)	(490)	625	473
Net trading income	-	-	-	-	-	-	(1)	(24)	(1)	(22)	-	-	(2)	(46)
Other operating income	2	79	2	53	-	7	39	32	142	169	(38)	(152)	145	188
<b>Gross revenue</b>	<b>9,089</b>	<b>8,900</b>	<b>6,997</b>	<b>6,003</b>	<b>799</b>	<b>764</b>	<b>3,077</b>	<b>2,688</b>	<b>926</b>	<b>795</b>	<b>(746)</b>	<b>(853)</b>	<b>20,142</b>	<b>18,297</b>
Interest expenses	4,264	4,178	3,282	2,822	375	360	-	-	434	373	(139)	(138)	8,216	7,595
<b>Total operating income</b>	<b>4,825</b>	<b>4,722</b>	<b>3,715</b>	<b>3,181</b>	<b>424</b>	<b>404</b>	<b>3,077</b>	<b>2,688</b>	<b>492</b>	<b>422</b>	<b>(607)</b>	<b>(715)</b>	<b>11,926</b>	<b>10,702</b>
Credit losses	1,245	656	354	379	60	83	-	-	-	-	-	-	1,659	1,118
<b>Net operating income</b>	<b>3,580</b>	<b>4,066</b>	<b>3,361</b>	<b>2,802</b>	<b>364</b>	<b>321</b>	<b>3,077</b>	<b>2,688</b>	<b>492</b>	<b>422</b>	<b>(607)</b>	<b>(715)</b>	<b>10,267</b>	<b>9,584</b>
Depreciation	71	61	58	40	6	9	44	12	11	7	23	22	213	151
<b>Segment result</b>	<b>2,017</b>	<b>2,180</b>	<b>1,553</b>	<b>1,471</b>	<b>177</b>	<b>189</b>	<b>484</b>	<b>351</b>	<b>205</b>	<b>189</b>	<b>(30)</b>	<b>(142)</b>	<b>4,406</b>	<b>4,238</b>
Tax on financial services													1,147	794
Share of (loss) of an associate (net of tax)													-	(1)
Income tax expenses													1,099	1,029
<b>Profit attributable to equity holder</b>													<b>2,160</b>	<b>2,414</b>
<b>As at 30th September</b>														
Segment Assets	86,793	90,686	70,918	60,205	7,549	13,293	9,925	8,179	13,429	11,014	(5,574)	(5,643)	183,040	177,734
<b>Total Assets</b>	<b>86,793</b>	<b>90,686</b>	<b>70,918</b>	<b>60,205</b>	<b>7,549</b>	<b>13,293</b>	<b>9,925</b>	<b>8,179</b>	<b>13,429</b>	<b>11,014</b>	<b>(5,574)</b>	<b>(5,643)</b>	<b>183,040</b>	<b>177,734</b>
Segment Liabilities	70,391	74,709	57,516	49,487	6,122	10,961	6,290	5,006	10,892	9,150	(3,281)	(3,242)	147,930	146,071
<b>Total Liabilities</b>	<b>70,391</b>	<b>74,709</b>	<b>57,516</b>	<b>49,487</b>	<b>6,122</b>	<b>10,961</b>	<b>6,290</b>	<b>5,006</b>	<b>10,892</b>	<b>9,150</b>	<b>(3,281)</b>	<b>(3,242)</b>	<b>147,930</b>	<b>146,071</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

	2019 Rs.	2018 Rs.
Highest price during the quarter ended 30th September :	16.30	15.50
Lowest price during the quarter ended 30th September :	13.90	14.00
Closing price as at 30th September :	14.80	14.20

### Issued Capital

Issued Capital as at 30th September 2019 was represented by the number of shares in issue as given below;

	As at 30th September 2019		As at 30th September 2018	
	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	-	-
<b>Total</b>	<b>1,627,703,388</b>	<b>13,915,414,175</b>	<b>1,579,862,482</b>	<b>13,236,073,308</b>

# INTERIM FINANCIAL STATEMENTS

## SHAREHOLDERS' INFORMATION

### **Twenty Largest Ordinary Shareholders as at 30th September 2019**

Twenty largest ordinary shareholders of the Company as at 30th September 2019 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	75,297,137	4.63
4	National Savings Bank	44,990,502	2.76
5	Rubber Investment Trust Limited A/C # 01	17,371,951	1.07
6	CitiBank Newyork S/A Norges Bank Account 2	16,371,565	1.01
7	Bank of Ceylon No. 1 Account	11,800,434	0.72
8	Sri Lanka Insurance Corporation Ltd-General Fund	7,235,629	0.44
9	AIA Insurance Lanka PLC A/C No.07	5,354,904	0.33
10	Ceylon Investment PLC A/C # 01	5,104,933	0.31
11	Ceylon Guardian Investment Trust PLC A/C # 02	3,341,661	0.21
12	Caceis Bank, Luxembourg Branch-Tcm Investment Funds Luxembourg	2,975,188	0.18
13	Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund)	2,802,101	0.17
14	Employees Trust Fund Board	2,427,433	0.15
15	Union Assurance PLC- Universal Life Fund	2,362,439	0.15
16	Akbar Brothers Pvt Ltd A/C No 1	2,065,214	0.13
17	First Capital Limited	1,751,478	0.11
18	Pershing Llc S/A Averbach Grauson & Co.	1,730,873	0.11
19	Deutsche Bank AG as Trustee for Guardian Acuity Equity Fund	1,687,473	0.10
20	Guardian Fund Management Limited/The Aitken Spence And Associated Companies Executive Staff Providen	1,652,381	0.10

### **Public Holding**

The percentage of ordinary shares held by the public as at 30th September 2019 was 24.95% and the number of shareholders representing the public holding was 9,090.

### **Directors/ CEO's Holding in Shares as at 30th September 2019**

The number of ordinary shares held by the directors and CEO as at 30th September 2019 were as follows;

Name	Position	No. of Shares
Mr. Hemasiri Fernando (Retired on 12th October 2019)	Chairman	-
Mr. Michael Pradeep Amirthanayagam	Deputy Chairman	10,302
Mr. Jehan Prasanna Amaratunga	Director	-
Mr. Goluhewage Bindu Rasitha Poojitha Gunawardana	Director	-
Mr. Johnson Anthony Fernando	Director	-
Mr. Mohamed Anise Mohamed Rizwan	Director	-
Dr. Kennedy D. Gunawardana	Director	-
Mr. N.W.A.M.U.K.K.E Weerasinghe	Director	-
Mr. R. Pathirage	Director	247,267
Mr. Ahamed Sabry Ibrahim	CEO	-

### **Float adjusted Market Capitalisation**

The Float adjusted market capitalization as at 30th September 2019 - Rs. 6,010,154,674

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 2018/19.
2. The Interim Financial Statements for the six months ended 30th September 2019 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. Directors recommended a final dividend of Rs. 0.50 per share for the year ended 31 March 2019. This was paid in the form of a scrip dividend. All the Resolutions contained in the Notice of the Annual General Meeting set out in page 394 of the Annual Report 2018/19 of People's Leasing & Finance PLC, including the resolution pertaining to the Scrip Dividend, were duly approved and passed by the shareholders of the Company at the Annual General Meeting held on 31st July 2019. Moreover 47,840,906 Ordinary shares of the company were listed with effect from 9th August 2019, pursuant to a scrip dividend in the proposition of one (1) share being issued for each existing thirty three decimal zero three two five five nine one four one (33.0232559141) held by the shareholders at the end of trading on the Colombo Stock Exchange as at 31st July 2019.
6. 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 quarter ended September 30, 2018 have been restated due to the adoption of SLFRS 9.

### Impact for the six month ended 30th September 2018 due to adoption of SLFRS 9

	Note	Company For the six month ended			Group For the six month ended		
		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	A	14,851	14,759	(92)	15,489	15,397	(92)
Less: Interest expense		7,508	7,508	-	7,595	7,595	-
<b>Net interest income</b>		<b>7,343</b>	<b>7,251</b>	<b>(92)</b>	<b>7,894</b>	<b>7,802</b>	<b>(92)</b>
Net earned premiums		-	-	-	2,285	2,285	-
Net fee and commission income	B	609	694	85	388	473	85
Net trading income		(23)	(23)	-	(46)	(46)	-
Other operating income	C	197	137	(60)	248	188	(60)
<b>Total operating income</b>		<b>8,126</b>	<b>8,059</b>	<b>(67)</b>	<b>10,769</b>	<b>10,702</b>	<b>(67)</b>
Less: Impairment charges for loans and receivables	C/D	1,122	1,042	(80)	1,198	1,118	(80)
<b>Net operating income</b>		<b>7,004</b>	<b>7,017</b>	<b>13</b>	<b>9,571</b>	<b>9,584</b>	<b>13</b>
<b>Less:</b>							
Personnel expenses		1,707	1,707	-	2,048	2,048	-
Depreciation & Amortisation		90	90	-	151	151	-
Benefits, claims and underwriting expenditure		-	-	-	1,644	1,644	-
Other operating expenses	B	1,363	1,448	85	1,418	1,503	85
Total operating expenses		3,160	3,245	85	5,261	5,346	85
Operating profit before tax on financial services		<b>3,844</b>	<b>3,772</b>	<b>(72)</b>	<b>4,310</b>	<b>4,238</b>	<b>(72)</b>
Less: Tax on financial services	E	784	778	(6)	800	794	(6)
Operating profit after Tax on financial services		<b>3,060</b>	<b>2,994</b>	<b>(66)</b>	<b>3,510</b>	<b>3,444</b>	<b>(66)</b>
Share of profit/(loss) of an associate		-	-	-	(1)	(1)	-
Profit before income tax		<b>3,060</b>	<b>2,994</b>	<b>(66)</b>	<b>3,509</b>	<b>3,443</b>	<b>(66)</b>
Less: Income tax expense		893	893	-	1,029	1,029	-
Profit for the period		<b>2,167</b>	<b>2,101</b>	<b>(66)</b>	<b>2,480</b>	<b>2,414</b>	<b>(66)</b>



# INTERIM FINANCIAL STATEMENTS

## EXPLANATORY NOTES

### Impact for the quarter ended 30th September 2018 due to adoption of SLFRS 9

	Note	Company			Group		
		For the quarter ended			For the quarter ended		
		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	A	7,630	7,618	(12)	7,970	7,958	(12)
Less: Interest expense		3,825	3,825	-	3,866	3,866	-
<b>Net interest income</b>		<b>3,805</b>	<b>3,793</b>	<b>(12)</b>	<b>4,104</b>	<b>4,092</b>	<b>(12)</b>
Net earned premiums		-	-	-	1,179	1,179	-
Net fee and commission income	B	346	393	47	230	277	47
Net trading income		(14)	(14)	-	(25)	(25)	-
Other operating income	C	152	116	(36)	102	66	(36)
<b>Total operating income</b>		<b>4,289</b>	<b>4,288</b>	<b>(1)</b>	<b>5,590</b>	<b>5,589</b>	<b>(1)</b>
Less: Impairment charges for loans and receivables	C/D	305	454	149	339	488	149
<b>Net operating income</b>		<b>3,984</b>	<b>3,834</b>	<b>(150)</b>	<b>5,251</b>	<b>5,101</b>	<b>(150)</b>
<b>Less:</b>							
Personnel expenses		898	898	-	1,076	1,076	-
Depreciation & Amortisation		44	44	-	74	74	-
Benefits, claims and underwriting expenditure		-	-	-	823	823	-
Other operating expenses	B	695	740	45	724	769	45
Total operating expenses		1,637	1,682	45	2,697	2,742	45
Operating profit before tax on financial services		2,347	2,152	(195)	2,554	2,359	(195)
Less: Tax on financial services	E	449	382	(67)	457	390	(67)
Operating profit after Tax on financial services		1,898	1,770	(128)	2,097	1,969	(128)
Share of profit/(loss) of an associate		-	-	-	(2)	(2)	-
Profit before income tax		1,898	1,770	(128)	2,095	1,967	(128)
Less: Income tax expense		552	552	-	641	641	-
Profit for the period		1,346	1,218	(128)	1,454	1,326	(128)

Note A - Revenue can be recognized only when it is probable that the economic benefit associate with the transaction will flow to the entity. However when uncertainty arise about the recoverability, revenue recognition should be ceased. With the adoption of SLFRS 9 –“Financial instrument” replacing LKAS 39 “Financial instrument” during the financial year, Customer default point (Uncertainty about the recoverability) has been change to 90 days past due rather than 6 months past due applied in previous standard(LKAS 39). Accordingly interest income can be recognized only up to 90 days past due in accordance with SLFRS 9, instead of recognizing up to 6 months past due as per the LKAS 39.

Note B- Recovery of VAT and NBT on other income of Rs.85 Mn for the six month ended 30th September 2018 (47 Mn for the quarter ) included in fee and commission income, reclassified to other operating expenses.

Note C - Recovery of written-off debts of Rs.60 Mn for the six month ended 30th September 2018 (36 Mn for the quarter ) included in Other operating income reclassified to Impairment charges for loans and receivables.

Note D - Impact on changing from Incurred loss model (LKAS 39) to expected credit loss model (SLFRS 9) is amounted to Rs 140 Mn for the six month ended 30th September 2018 (185 Mn for the quarter ).

Note E -Tax on financial service impact on changing from LKAS 39 to SLFRS 9 is amounted to Rs 6 Mn for the six month ended 30th September 2018 (67 Mn for the quarter ).

- 7 The resolutions pertaining to the 'Private Placement of Ordinary Shares' and the 'Right issue of Ordinary Shares' of People's Merchant Finance PLC were duly approved and passed by the shareholders of the Company at the Extraordinary General Meeting held on 27th March 2019. Subsequent to the said private placement and right issue, People's Leasing & Finance PLC's stake is reduced to 11.86%. Accordingly status of associate changed as Financial investments -Fair value through profit or loss (FVTPL) of PLC after April 2019.

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- 8 Mr. Johnson Anthony Fernando who functioned as a Non-Executive Independent Director of People's Leasing & Finance PLC was re-designated as a Non-Executive Non-Independent Director of the Company with effect from 13th June 2019.
- 9 Mr. Rohan Pathirage was appointed to the Board of the Company as a Non-Executive Non-Independent Director with effect from 10th July 2019.
- 10 Mr. Hemasiri Fernando retired from the office of Non-Executive Non-Independent Chairman/ Director of the Company with effect from 12th October 2019.
- 11 There have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.
- 12 There has been no significant change in the nature of the contingent liabilities for the six months ended 30th September 2019 which were disclosed in the Annual Report for the year ended 31st March 2019.

# INTERIM FINANCIAL STATEMENTS

## DEBENTURE INFORMATION

### Market Prices for the quarter ended 30th September 2019

Debenture Type	Highest Rs.	Lowest Rs.	Last Traded Rs.
2015 - 4 Years - 9.60% p.a. payable semi-annually			Has not been traded
2015 - 5 Years - 9.95% p.a. payable annually			Has not been traded
2016 - 3 Years - 11.90% p.a. payable semi-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 - 4 Years - 9.60% p.a. payable semi-annually	9.60	9.83
2015 - 5 Years - 9.95% p.a. payable annually	9.95	9.95
2016 - 3 Years - 11.90% p.a. payable semi-annually	11.90	12.25
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	7.75%
1 Year Treasury Bill	8.41%
2 Year Treasury Bond	9.79%
5 Year Treasury Bond	10.27%

( Above rates are excluding withholding tax)

### Current Yield & Yield to Maturity

Debenture Type	Current Yield (%)	Yield to Maturity (%)
2015 - 4 Years - 9.60% p.a. payable semi-annually	9.60	9.60
2015 - 5 Years - 9.95% p.a. payable annually	9.95	9.95
2016 - 3 Years - 11.90% p.a. payable semi-annually	11.90	11.90
2016 - 4 Years - 12.25% p.a. payable semi-annually	12.25	12.25
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 30.09.2019	As at 31.03.2019
Debt to Equity Ratio (Times)							1.09	1.70
Interest Cover (Times)							1.32	1.42
Quick Asset Ratio (%)							73.82	73.35
<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 2015</b>								
1	The funds raised through this Debenture Issue utilized to finance working capital requirements to match the medium to long term lending of PLC and to minimize the interest rate risk.	6,000,000	Within 12 months from the date of allotment	6,000,000	100%	6,000,000	100%	N/A
<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.						
	<b>Immediate Parent</b>		<b>Subsidiaries</b>		<b>Associate</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>	<b>Rs. '000</b>
<b>Items in Statement of Profit or Loss</b>						
Interest income	588,228	272,069	30,135	26,976	-	6,154
Interest expense	233,886	470,132	108,822	111,008	-	-
Fee & Commission income	-	-	320,235	302,024	-	-
Other operating income	-	-	27,957	136,489	-	-
Benefits, claims and underwriting expenditure	-	-	66,685	65,534	-	-
Other operating expenses	24,752	21,846	127,587	144,683	-	-
<b>Items in Statement of Financial Position</b>						
<b>Assets</b>						
Cash and cash equivalents	1,543,412	1,744,098	-	-	-	-
Balances with banks & financial institutions	3,194,548	2,397,473	-	-	-	-
Loans and receivables	-	-	1,595,285	1,576,701	-	-
Financial investments - Held-to-maturity	8,370,290	6,857,727	-	-	-	-
Investments in subsidiaries/ Associate	-	-	3,213,788	3,213,788	-	586,427
Other assets	-	-	211,400	164,484	-	-
<b>Liabilities</b>						
Due to banks	3,479,728	8,133,633	-	-	-	-
Due to customers	-	-	459,686	475,815	-	-
Debt Securities issued	-	2,436,609	132,867	132,774	-	-
Other Financial liabilities	-	-	793,888	915,778	-	-
Other liabilities	2,881	3,952	4,502	5,902	-	-
<b>Transactions</b>						
Dividend paid	592,448	540,383	-	-	-	-
<b>Off- Balance Sheet Items</b>						
Guarantees	-	-	300,000	550,000	-	-

## 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.

Senior, Unsecured, Redeemable, four year (2015/19) and five year (2015/20) Debentures were listed on the Debt Securities Main Board of Colombo Stock Exchange on 20th November 2015.

Senior, Unsecured, Redeemable, three year (2016/19), four year (2016/20) and 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**

Mr. Vishwamithra Kadurugamuwa

### **Company Secretary**

Mrs. Lakmini Kottegoda

### **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)

### **Auditors**

Auditor General

Auditor General's Department,

No. 306/72, Polduwa Road,

Battaramulla.

M/s. Ernst & Young  
Chartered Accountants,  
201, De Saram Place,  
P.O. Box 101,  
Colombo 10,  
Sri Lanka.

### **Bankers**

People's Bank  
Sampath Bank PLC  
Bank of Ceylon  
Commercial Bank of Ceylon PLC  
DFCC Bank PLC  
Hatton National Bank PLC  
HSBC  
National Development Bank PLC  
Nations Trust Bank PLC  
Seylan Bank PLC  
Standard Chartered Bank  
Deutsche Bank  
Habib Bank  
Union Bank of Colombo PLC  
Public Bank Berhad  
Citibank N.A.  
Indian Bank  
Indian Overseas Bank  
Pan Asia Banking Corporation PLC  
Axis Bank  
MCB bank

### **Branch Offices**

Akuressa, Ambalangoda, Ambalanthota, Ampara, Anuradhapura, Awissawella, Badulla, Balangoda, Bandarawela, Battaramulla, Batticaloa, Benthotta, 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, Kinniya, Kirindiwela, Kuliyapitiya, Kurunegala, Mahaiyawa, Maharagama, Mahiyanganaya, Mannar, Matale, Matara, Medawachchiya, Mathugama, Mawanella, Melsiripura, Merigama, Metropolitan, Minuwangoda, Monaragala, Moratuwa, Mutur, Narammala, Nattandiya, Nawalapitiya, Negombo, Neluwa, Nittambuwa, Nugegoda, Nuwara Eliya, Panadura, Pelmadulla, Pettah, Pilimathalawa, 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 and Board Sub-Committees**

#### **Board of Directors**

Mr. Hemasiri Fernando - Chairman (Retired on 12th October 2019)

Mr. M.P. Amirthanayagam - Deputy Chairman

Mr. J.P. Amaratunga

Mr. G.B.R.P. Gunawardana

Mr. J.A. Fernando

Mr. M.A.M. Rizwan

Dr. Kennedy D. Gunawardena

Mr. N.W.A.M.U.K.K.E Weerasinghe

Mr. Rohan Pathiraga

### **Board Sub-Committees**

#### **Integrated Risk Management Committee**

Mr. M.P. Amirthanayagam - Chairman

Mr. G.B.R.P. Gunawardana

Mr. M.A.M. Rizwan

Mr. A.S. Ibrahim

Mr. Sanjeeva Bandaranayake

Mr. L. Fernando

Mr. R. Tennakoon

#### **Board Audit Committee**

Mr. J.P. Amaratunga - Chairman

Mr. M.P. Amirthanayagam

Mr. M.A.M. Rizwan

#### **Remuneration & Nomination Committee**

Mr. J.P. Amaratunga - Chairman

Mr. M.P. Amirthanayagam

Mr. J.A. Fernando

#### **Related Party Transactions Review Committee**

Mr. M.P. Amirthanayagam - Chairman

Mr. J.A. Fernando

Mr. M.A.M. Rizwan

### **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**

'AA-' (Ika) stable by Fitch Ratings Lanka Limited

'B-' stable by Fitch Ratings International

**INTERIM**  
**FINANCIAL**  
**STATEMENTS**



PEOPLE'S LEASING & FINANCE PLC