

# Interim Financial Statements

For the year ended 31 March 2023



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## Statement of Profit or Loss and Other Comprehensive Income

	For the quarter ended 31 March			For the year ended 31 March		
	2023 Rs. '000	2022 Rs. '000	Change %	2023 Rs. '000	2022 Rs. '000 Audited	Change %
<b>Revenue</b>	<b>6,073,746</b>	<b>4,999,978</b>	<b>21%</b>	<b>21,561,194</b>	<b>17,572,154</b>	<b>23%</b>
Interest income	5,731,580	4,439,282	29%	20,133,427	15,194,413	33%
Less: Interest expense	3,673,424	1,655,749	122%	12,577,015	6,156,858	104%
<b>Net interest income</b>	<b>2,058,156</b>	<b>2,783,533</b>	<b>-26%</b>	<b>7,556,412</b>	<b>9,037,555</b>	<b>-16%</b>
Fee and commission income	55,909	84,406	-34%	242,015	311,128	-22%
Other operating income	286,257	476,290	-40%	1,185,752	2,066,613	-43%
<b>Total operating income</b>	<b>2,400,322</b>	<b>3,344,229</b>	<b>-28%</b>	<b>8,984,179</b>	<b>11,415,296</b>	<b>-21%</b>
Less : Impairment charges and other credit losses on financial assets	496,854	340,464	46%	811,118	1,195,145	-32%
<b>Net operating income</b>	<b>1,903,468</b>	<b>3,003,765</b>	<b>-37%</b>	<b>8,173,061</b>	<b>10,220,151</b>	<b>-20%</b>
<b>Less : Operating expenses</b>						
Personnel expenses	297,368	399,026	-25%	1,806,530	1,772,596	2%
Premises, equipment and establishment expenses	821,037	576,218	42%	2,733,087	2,103,505	30%
Other expenses	89,638	167,914	-47%	533,906	536,362	0%
Total operating expenses	1,208,043	1,143,158	6%	5,073,523	4,412,463	15%
<b>Operating profit before taxes on financial services</b>	<b>695,425</b>	<b>1,860,607</b>	<b>-63%</b>	<b>3,099,538</b>	<b>5,807,688</b>	<b>-47%</b>
Less : Taxes on financial services	95,673	(73,185)	231%	605,319	539,744	12%
<b>Profit before tax</b>	<b>599,752</b>	<b>1,933,792</b>	<b>-69%</b>	<b>2,494,219</b>	<b>5,267,944</b>	<b>-53%</b>
Less : Income tax expense	263,089	772,314	-66%	867,336	1,655,864	-48%
<b>Profit for the period</b>	<b>336,663</b>	<b>1,161,478</b>	<b>-71%</b>	<b>1,626,883</b>	<b>3,612,080</b>	<b>-55%</b>
<b>Other comprehensive income</b>						
<b>Items that may be reclassified subsequently to profit or loss</b>						
Fair Value Changes in Hedge Reserve	(12,070)	(322,618)	96%	248,464	(145,759)	270%
<b>Items that will not be reclassified to profit or loss</b>						
Change in deferred tax on revaluation due to rate change	(64,153)	-	-100%	(64,153)	-	-100%
Net change in revaluation surplus	-	215,898	-100%	-	215,898	-100%
Financial investments at FVOCI - Net change in fair value	(72,841)	(70,553)	-3%	(264,618)	75,240	-452%
Deferred tax on FVOCI	73,418	-	100%	73,418	-	100%
Net actuarial gain/(loss) on defined benefit plan	(128,185)	337,405	-138%	(146,185)	319,405	-146%
Total other comprehensive income	(203,831)	160,132	-227%	(153,074)	464,784	-133%
<b>Total comprehensive income for the period</b>	<b>132,832</b>	<b>1,321,610</b>	<b>-90%</b>	<b>1,473,809</b>	<b>4,076,864</b>	<b>-64%</b>
<b>Earnings per share</b>						
Basic earnings per share (Rs.)	4.82	16.63		23.29	51.75	
Diluted earnings per share (Rs.) *	4.70	16.43		22.73	51.14	

Figures in brackets indicate deductions.

The above figures are subject to audit unless specified.

\* Diluted EPS has computed considering the effect of employee share option scheme.

## Statement of Financial Position

As at	31-03-2023 Rs. '000	Audited 31-03-2022 Rs. '000
<b>Assets</b>		
Cash and cash equivalents	3,267,193	2,023,974
Financial assets measured at fair value through profit or loss (FVTPL)	37,041	148,685
Derivative financial assets	925,656	1,121,320
Loans and receivables to banks	1,166,430	240,435
Deposits with financial institutions	7,218,324	8,292,576
Loans and receivables to customers	76,476,889	78,725,310
Other investment securities	7,519,968	6,576,030
Investment Property	535,000	-
Property, plant and equipment	3,382,065	3,351,990
Intangible assets	265,691	136,078
Goodwill on amalgamation	45,225	156,489
Retirement benefit assets	285,963	407,807
Right-of-use assets	782,533	768,480
Other assets	3,212,382	3,470,809
<b>Total assets</b>	<b>105,120,360</b>	<b>105,419,983</b>
<b>Liabilities</b>		
Deposits from customers	62,875,226	52,216,802
Debt securities issued and subordinated debt	3,254,250	5,726,897
Other interest-bearing borrowings	17,206,449	24,964,628
Lease liabilities	832,102	802,503
Current tax liabilities	1,053,990	1,400,532
Deferred tax liabilities	403,901	630,110
Other liabilities	1,349,571	2,030,436
<b>Total liabilities</b>	<b>86,975,489</b>	<b>87,771,908</b>
<b>Equity</b>		
Stated capital	2,361,947	2,361,947
Reserves	2,924,602	2,829,785
Retained earnings	12,858,322	12,456,343
<b>Total equity</b>	<b>18,144,871</b>	<b>17,648,075</b>
<b>Total liabilities and equity</b>	<b>105,120,360</b>	<b>105,419,983</b>
<b>Net assets value per share (Rs.)</b>	<b>259.75</b>	252.63

The above figures are subject to audit unless specified.

The financial statements are in compliance with the requirements of the Companies Act No. 7 of 2007 and Finance Business Act No. 42 of 2011.

*Sgd.*

**Damith Tennakoon**

Deputy CEO/Director/CFO

The Board of Directors is responsible for the preparation and the presentation of these Financial Statements.

Approved and signed for and on behalf of the Board

*Sgd.*

**J R Alastair Corera**

Chairman

*Sgd.*

**C M Nanayakkara**

Managing Director/CEO

30 May 2023

Colombo

## Statement of Changes in Equity

	Stated Capital	Reserves				Statutory Reserve Fund Rs. '000	Retained Earnings	Total Equity
		Other Capital Reserve	Revaluation Reserve	Fair Value Reserve	Hedge Reserve			
		Rs. '000	Rs. '000	Rs. '000	Rs. '000			
Balance as at 1 April 2021	2,350,363	-	609,661	3,924	-	1,881,996	9,206,276	14,052,220
<b>Total comprehensive income for the period</b>								
Profit for the period							3,612,080	3,612,080
Other comprehensive income for the period								
Fair Value Changes in Hedge Reserve					(145,759)			(145,759)
Increase in revaluation surplus			284,076					284,076
Less: Deferred tax on revaluation			(68,178)					(68,178)
Equity investments at FVOCI - net change in fair value				75,240				75,240
Remeasurement of defined benefit liability/(asset)							319,405	319,405
<b>Transactions with equity holders of the Company</b>								
Employee share option plan		33,211						33,211
Exercise of share options	11,584	(2,357)						9,227
Dividend to equity holders for the year - 2020/21							(523,447)	(523,447)
Transfers during the period				(22,633)		180,604	(157,971)	
<b>Balance as at 31 March 2022</b>	<b>2,361,947</b>	<b>30,854</b>	<b>825,559</b>	<b>56,531</b>	<b>(145,759)</b>	<b>2,062,600</b>	<b>12,456,343</b>	<b>17,648,075</b>
Balance as at 1 April 2022	2,361,947	30,854	825,559	56,531	(145,759)	2,062,600	12,456,343	17,648,075
Payment of surcharge tax							(715,053)	(715,053)
<b>Total comprehensive income for the period</b>								
Profit for the period							1,626,883	1,626,883
Other comprehensive income for the period								
Fair Value Changes in Hedge Reserve					248,464			248,464
Change in deferred tax on revaluation			(64,153)					(64,153)
Equity investments at FVOCI - net change in fair value				(244,256)			(20,362)	(264,618)
Deferred tax FVOCI				73,418				73,418
Remeasurement of defined benefit liability/(asset)							(146,185)	(146,185)
Transfers during the period								
<b>Transactions with equity holders of the Company</b>								
Dividend to equity holders for the year - 2021/22							(261,960)	(261,960)
Transfers during the period						81,344	(81,344)	-
<b>Balance as at 31 March 2023</b>	<b>2,361,947</b>	<b>30,854</b>	<b>761,406</b>	<b>(114,307)</b>	<b>102,705</b>	<b>2,143,944</b>	<b>12,858,322</b>	<b>18,144,871</b>

Figures in brackets indicate deductions.

## Statement of Cash Flows

For the period ended	31-03-2023 Rs. '000	31-03-2022 Rs. '000
<b>Cash flow from operating activities</b>		
Interest receipts	19,096,231	15,053,780
Commission receipts	295,316	353,404
Other income receipts	1,308,248	1,751,759
Interest payments	(11,124,434)	(6,405,376)
Fee and business promotion expenses	(402,460)	(404,044)
Employee related payments	(1,805,870)	(1,770,097)
Supplier payments	(5,237,444)	(3,780,757)
Financial expenses	(23,532)	(30,059)
<b>Operating profit before changes in operating assets</b>	<b>2,106,055</b>	<b>4,768,610</b>
<i>(Increase)/Decrease in operating assets</i>		
Investments in financial institutions	148,257	(2,563,025)
Investment in Government Securities	108,437	935
Net funds advanced to customers	2,494,499	(4,807,633)
Changes in other short-term assets	384,550	443,525
Changes in inventories	(199,426)	(79,660)
	2,936,317	(7,005,858)
<b>Increase/(Decrease) in operating liabilities</b>		
Net borrowings	(7,786,192)	5,212,611
Net deposits from customers	9,205,843	3,457,741
	1,419,651	8,670,352
<b>Net Cash Generated from / (used in) operating activities</b>	<b>6,462,023</b>	<b>6,433,104</b>
Contribution to plan assets	(30,000)	(100,000)
Taxation	(2,084,246)	(1,329,853)
	4,347,777	5,003,251
<b>Cash flow from investing activities</b>		
Dividend receipts	35,774	32,852
Proceed from employee share options	-	9,227
Investment in other investment securities	(943,938)	(3,906,072)
Purchase of property, plant and equipment	(409,085)	(251,032)
Proceed from sale of property, plant and equipment		36,000
<b>Net cash from / (used in) investing activities</b>	<b>(1,317,249)</b>	<b>(4,079,025)</b>
<b>Cash flow from financing activities</b>		
Dividend paid	(261,960)	(523,446)
Net change in debentures	(1,994,079)	(546,266)
<b>Net cash inflows/ (outflows) from financing activities</b>	<b>(2,256,039)</b>	<b>(1,069,712)</b>
Net increase/(decrease) in cash and cash equivalents	774,489	(145,486)
Cash and cash equivalents at the beginning of the period	1,769,083	1,914,569
<b>Cash and cash equivalents at the end of the period</b>	<b>2,543,572</b>	<b>1,769,083</b>
<b>Cash and cash equivalents at the beginning of the period</b>		
Cash at bank and cash in hand	2,023,974	2,090,509
Bank overdrafts	(254,891)	(175,940)
	1,769,083	1,914,569
<b>Cash and cash equivalents at the end of the period</b>		
Cash at bank and cash in hand	3,267,193	2,023,974
Bank overdrafts	(723,621)	(254,891)
	<b>2,543,572</b>	<b>1,769,083</b>

Figures in brackets indicate deductions.

## Segmental Analysis

	Lease and stock out on hire		Loans and advances		Others		Total	
	31-03-2023 Rs. '000	31-03-2022 Rs. '000	31-03-2023 Rs. '000	31-03-2022 Rs. '000	31-03-2023 Rs. '000	31-03-2022 Rs. '000	31-03-2023 Rs. '000	31-03-2022 Rs. '000
Interest	9,411,549	10,393,688	7,240,629	4,303,656	3,481,249	497,069	20,133,427	15,194,413
Non interest income							1,427,767	2,377,741
Segmented revenue	9,411,549	10,393,688	7,240,629	4,303,656	3,481,249	497,069	21,561,194	17,572,154
<b>Total revenue</b>	<b>9,411,549</b>	<b>10,393,688</b>	<b>7,240,629</b>	<b>4,303,656</b>	<b>3,481,249</b>	<b>497,069</b>	<b>21,561,194</b>	<b>17,572,154</b>
Unallocated expenses							19,066,975	12,304,210
Profit from operations							2,494,219	5,267,944
Income tax expenses							867,336	1,655,864
<b>Profit for the period</b>							<b>1,626,883</b>	<b>3,612,080</b>
Segmented assets	47,372,021	51,664,652	29,104,867	27,022,301	19,208,957	18,403,020	95,685,845	97,089,973
Unallocated assets							9,434,515	8,330,010
<b>Total assets</b>	<b>47,372,021</b>	<b>51,664,652</b>	<b>29,104,867</b>	<b>27,022,301</b>	<b>19,208,957</b>	<b>18,403,020</b>	<b>105,120,360</b>	<b>105,419,983</b>

## Fair Value Measurement

	31-03-2023				31-03-2022 (Audited)			
	Level 1 Rs. '000	Level 2 Rs. '000	Level 3 Rs. '000	Total Rs. '000	Level 1 Rs. '000	Level 2 Rs. '000	Level 3 Rs. '000	Total Rs. '000
<b>Financial assets</b>								
Financial assets measured at FVTPL								
- Government Securities - Treasury Bonds	37,041			37,041	148,685			148,685
Derivative financial assets		925,656		925,656		1,121,320		1,121,320
Other investment securities								
- Equity Instruments - Quoted Shares	1,874,446			1,874,446	1,681,150			1,681,150
- Debt Instrument - Treasury Bonds	1,032,686			1,032,686	561,727			561,727
<b>Total financial assets disclosed at fair value</b>	<b>2,944,173</b>	<b>925,656</b>		<b>3,869,829</b>	<b>2,391,562</b>	<b>1,121,320</b>		<b>3,512,882</b>
<b>Other non-financial assets</b>								
Property Plant and Equipment - Free hold land			2,184,251	2,184,251			2,184,251	2,184,251
<b>Total non-financial assets disclosed at fair value</b>			<b>2,184,251</b>	<b>2,184,251</b>			<b>2,184,251</b>	<b>2,184,251</b>
Assets not disclosed at fair value				99,066,280				99,722,850
<b>Total assets</b>	<b>2,944,173</b>		<b>2,184,251</b>	<b>105,120,360</b>	<b>2,391,562</b>	<b>1,121,320</b>	<b>2,184,251</b>	<b>105,419,983</b>
<b>Financial liabilities</b>								
Derivative financial liabilities	-			-				-
<b>Total financial liabilities disclosed at fair value</b>	<b>-</b>			<b>-</b>	<b>-</b>			<b>-</b>
Liabilities not disclosed at fair value				86,975,489				87,771,908
<b>Total liabilities</b>	<b>-</b>			<b>86,975,489</b>	<b>-</b>			<b>87,771,908</b>

Level 1 : Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable either directly or indirectly.

Level 3 : Inputs that are unobservable.

## Shareholders' Information

### TWENTY LARGEST SHAREHOLDERS AS AT 31 MARCH 2023

#### Ordinary Voting Shares

No	NAME	SHAREHOLDING	(%)
1	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.3	19,120,225	32.13
2	JANASHAKTHI INSURANCE PLC-SHAREHOLDERS	11,641,329	19.56
3	ASIA MANAGEMENT CONSULTANCY (PRIVATE) LIMITED	3,528,863	5.93
4	PEOPLE'S LEASING & FINANCE PLC / MR.W.P.C.M.NANAYAKKARA	2,449,957	4.12
5	CARGILLS BANK LIMITED/ASIA MANAGEMENT CONSULTANCY (PRIVATE) LIMITED	2,444,169	4.11
6	CEYLINCO INSURANCE PLC A/C NO 2 (GENERAL FUND)	2,379,654	4.00
7	CITIZENS DEVELOPMENT BUSINESS FINANCE PLC A/C 02 (CDB EMPLOYEE GRATUITY FUND)	2,194,152	3.69
8	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.1	1,423,548	2.39
9	PEOPLE'S LEASING & FINANCE PLC/MR.S.V.MUNASINGHE	1,316,247	2.21
10	PEOPLES'S LEASING & FINANCE PLC/ MR. R.H. & MRS. V.F. ABEYGOONWARDENA	1,301,785	2.19
11	SEYLAN BANK PLC/TENNAKON MUDIYANSELAGE DAMITH PRASANNA TENNAKON	1,200,888	2.02
12	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.2	954,323	1.60
13	MR.K ELANGOVA	551,486	0.93
14	PEOPLE'S LEASING & FINANCE PLC/MRS.N.D.KODAGODA	503,972	0.85
15	PEOPLE'S LEASING & FINANCE PLC/MR. H.K. DASSANAYAKE	349,115	0.59
16	PEOPLE'S LEASING & FINANCE PLC/MR.I.M.KOTIGALA	327,798	0.55
17	NATION DEVELOPMENT BANK PLC/ ASIA MANAGEMENT CONSULTANCY	325,000	0.55
18	MR. A.A.S. KUMARA	258,464	0.43
19	MR. J.S. RANATHUNGA	254,349	0.43
20	MRS. A.I. PANAGODA	231,926	0.39
	<b>Sub total of Top 20 Share Holders</b>	<b>52,757,250</b>	<b>88.67</b>
		6,755,125	11.33
	<b>Total</b>	<b>59,512,375</b>	<b>100.00</b>

The percentage of shares held by the public as at 31 March 2023 is 44.19% (with 1,575 public share holders)

#### Ordinary Non Voting Shares

No	NAME	SHAREHOLDING	(%)
1	J.B. COCOSHILL (PVT) LTD	1,537,052	14.86
2	DEUTSCHE BANK AG AS TRUSTEE FOR JB VANTAGE VALUE EQUITY FUND	1,381,493	13.36
3	MR. A.M. WEERASINGHE	623,682	6.03
4	MR. Y.H. ABDULHUSSEIN	418,433	4.05
5	MR. M.A. JAFFERJEE	356,380	3.45
6	MISS R.H. ABDULHUSSEIN	342,901	3.32
7	ASKOLD (PRIVATE) LIMITED	314,737	3.04
8	PEOPLE'S LEASING & FINANCE PLC/MR.H.M. ABDULHUSSEIN	300,402	2.90
9	ESSAJEE CARIMJEE INSURANCE BROKERS (PVT) LTD	263,520	2.55
10	MR. A. SITHAMPALAM	196,509	1.90
11	MRS. A.M. MOONESINGHE & MR. M.A.H. ESUFALLY	165,375	1.60
12	MR. S.M.P.L. JAYARATNE	133,966	1.30
13	GOLD INVESTMENT LIMITED.	108,009	1.04
14	JAFFERJEE INVESTMENTS (PVT) LTD.	108,009	1.04
15	MR. M.A. VALABHI	108,009	1.04
16	MR. H.C. EMBULDENIYA	105,460	1.02
17	COMMERCIAL BANK OF CEYLON PLC A/C NO. 04	105,390	1.02
18	LAKDHANAVI LIMITED	103,359	1.00
19	MR. W.P.A.D. GUNATHILAKE	100,000	0.97
20	MR. P.L.S. ARIYANANDA	84,030	0.81
	<b>Sub total of Top 20 Share Holders</b>	<b>6,856,716</b>	<b>66.30</b>
		3,486,952	33.70
	<b>Total</b>	<b>10,343,668</b>	<b>100.00</b>

The percentage of shares held by the public as at 31 March 2023 is 83.79% (with 1978 public share holders)



## Shareholders' Information

### DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDING AS AT 31 MARCH 2023

#### Ordinary Voting Shares

NAME	SHAREHOLDING
MR. J.R.A. CORERA	1,027
PEOPLE'S LEASING & FINANCE PLC/MR.J.R.A. CORERA	21,622
MR W.P.C.M. NANAYAKKARA	1,283
PEOPLE'S LEASING & FINANCE PLC / MR.W.P.C.M.NANAYAKKARA	2,449,957
MR. T.M.D.P. TENNAKON	-
PEOPLE'S LEASING & FINANCE PLC/MR.T.M.D.P.TENNAKON	170,151
SEYLAN BANK PLC/TENNAKON MUDIYANSELAGE DAMITH PRASANNA TENNAKON	1,200,888
MR. S.V. MUNASINGHE	-
PEOPLE'S LEASING & FINANCE PLC/MR.S.V.MUNASINGHE	1,316,247
MR. R.H. ABEYGOONEWARDENA / MRS. V.F. ABEYGOONEWARDENA	5,652
PEOPLES'S LEASING & FINANCE PLC/ MR. R.H. & MRS. V.F.ABEYGOONEWARDENA	1,301,785
MR. D.A. DE SILVA	-
DIALOG FINANCE PLC/D.A. DE SILVA	117,550
MR. K. ELANGO VAN	551,486
MR. J.P. ABHAYARATNE	-
MR. S.P.P. AMARATUNGE	-
MRS. P.R.W. PERERA	-
MR. S. KUMARAPPERUMA	-
MR. E.R.S.G.S. HEMACHANDRA	-
PROF P.N. GAMAGE	-
<b>Total</b>	<b>7,137,648</b>

#### Ordinary Non Voting Shares

NAME	SHAREHOLDING
MR. J.R.A. CORERA	10,335
MR W.P.C.M. NANAYAKKARA	56
MR. T.M.D.P. TENNAKON	-
MR. S.V. MUNASINGHE	-
MR. R.H. ABEYGOONEWARDENA / MRS. V.F. ABEYGOONEWARDENA	82,842
PEOPLES'S LEASING & FINANCE PLC/ MR. R.H. & MRS. V.F.ABEYGOONEWARDENA	37,850
MR. D.A. DE SILVA	-
MR. K. ELANGO VAN	-
MR. J.P. ABHAYARATNE	-
MR. S.P.P. AMARATUNGE	-
MRS. P.R.W. PERERA	-
MR. S. KUMARAPPERUMA	-
MR. E.R.S.G.S. HEMACHANDRA	-
PROF P.N. GAMAGE	-
<b>Total</b>	<b>131,083</b>

### MARKET PRICES FOR THE QUARTER ENDED 31 MARCH 2023

	Ordinary Voting Shares		Ordinary Non Voting Shares	
	31/03/2023 Rs.	31/03/2022 Rs.	31/03/2023 Rs.	31/03/2022 Rs.
Highest Price	230.00	275.00	80.00	135.00
Lowest Price	175.50	100.25	51.00	70.00
Last Traded	227.75	230.75	79.10	86.10

### FLOATING ADJUSTED MARKET CAPITALIZATION AS AT 31 MARCH 2023

	Number of shares	Market price per share	Market Capitalization (Rs.)	Percentage of public holders	Floating Adjusted Market Capitalization
Voting Share	59,512,375	227.75	13,553,943,406	44.19%	5,989,487,591
Non Voting Share	10,343,668	79.10	818,184,139	83.79%	686,292,856
<b>Total Shares</b>			<b>14,372,127,545</b>		<b>6,675,780,447</b>

The Float adjusted market capitalization of the Company falls under Option 3 of Rule 7.14.1 (i) (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

## Explanatory Notes

- 1 The Company has used the same accounting policies and method of computing described in the audited financial statements of the Company for 2021/22 in the preparation of these interim financial statements.
- 2 As at 31 March 2023 stated capital represents 59,512,375 ordinary voting shares and 10,343,668 ordinary non voting shares.
- 3 All known expenses have been provided in these financial statements and management fees are not applicable to the Company.
- 4 During the period there were no material changes in the composition of assets, liabilities and contingent liabilities and there is no seasonality and cyclicity affecting the interim operation.
- 5 Fitch Ratings Lanka assigned a first time National Long Term Rating of 'BBB (lka)'. Fitch has also assigned National Long Term Rating of 'BB+(lka)' to the company's subordinated debenture. All ratings are on Rating Watch Negative (RWN).
- 6 Twenty million (20,000,000) Subordinated, Unsecured, Listed, Redeemable, Rated Five Year (2018/2023) debentures issued at a price of Rs. 100/- each in 2018 were redeemed on 27th March 2023.
- 7 Since 31 March 2023, there were no material events other than the above, that required adjustment or disclosure in these financial statements.
- 8 These financial statements are prepared in accordance with the Sri Lanka Accounting Standard - LKAS 34 " Interim Financial Reporting".

## Information on Listed Debentures

### MARKET PRICE FOR THE QUARTER ENDED 31 MARCH 2023

#### Subordinated Listed Rated Unsecured Redeemable Debentures March 2018-March 2023

Debenture Type	Highest Price Rs.	Lowest Price Rs.	Last Traded Rs.
Type A			NOT TRADED
Type B			NOT TRADED

Debenture Type	Interest Payment Frequency	Coupon Rate (%)	Annual Effective Rate (%)
Type A	Semi- annually	13.75	14.22
Type B	Annually	14.20	14.20

#### Subordinated Listed Rated Unsecured Redeemable Debentures January 2019-January 2024

Debenture Type	Highest Price Rs.	Lowest Price Rs.	Last Traded Rs.
Type A			NOT TRADED
Type B			NOT TRADED

Debenture Type	Interest Payment Frequency	Coupon Rate (%)	Annual Effective Rate (%)
Type A	Semi- annually	15.00	15.56
Type B	Annually	15.50	15.50

#### Subordinated Listed Rated Unsecured Redeemable Debentures December 2019-December 2024

Debenture Type	Highest Price Rs.	Lowest Price Rs.	Last Traded Rs.
Type A			NOT TRADED
Type B			NOT TRADED

Debenture Type	Interest Payment Frequency	Coupon Rate (%)	Annual Effective Rate (%)
Type A	Semi- annually	13.43	13.88
Type B	Annually	13.88	13.88

#### Interest Rates of Comparable Government Securities

5 Year Treasury Bond (Excluding 10% withholding Tax)	28.11%
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## Information on Listed Debentures

### CURRENT YIELD AND YIELD TO MATURITY

#### Subordinated Listed Rated Unsecured Redeemable Debentures March 2018-March 2023

Debenture Type	Current Yield %	Yield to Maturity %
Type A	NOT TRADED	
Type B	NOT TRADED	

#### Subordinated Listed Rated Unsecured Redeemable Debentures January 2019-January 2024

Debenture Type	Current Yield %	Yield to Maturity %
Type A	NOT TRADED	
Type B	NOT TRADED	

#### Subordinated Listed Rated Unsecured Redeemable Debentures December 2019-December 2024

Debenture Type	Current Yield %	Yield to Maturity %
Type A	NOT TRADED	
Type B	NOT TRADED	

#### Ratios

Debt Equity Ratio (Times)	4.68
Quick Asset Ratio (Times)	0.85
Interest Cover (Times)	1.22

## Selected Performance Indicators as per regulatory requirements

Indicator	As at 31-03-2023	As at 31-03-2022
<b>Asset Quality (Rs. 000)*</b>		
Gross Non- Performing Accommodations	8,728,645	6,103,002
Gross Non- Performing Accommodations Ratio	10.98%	7.48%
Net Non- Performing Accommodations Ratio	5.10%	1.78%
Net Non-Performing Loans to Core Capital Ratio	25.95%	9.72%
Provision Coverage Ratio	56.47%	77.55%
<b>Liquidity (Rs. 000)</b>		
Required Minimum Amount of Liquid Assets	7,362,469	6,426,391
Available Amount of Liquid Assets	11,719,175	8,874,907
Required Minimum Amount of Government Securities	4,317,212	4,049,192
Available Amount of Government Securities	6,105,510	4,977,408
Available Liquid Assets to Required Liquid Assets (Minimum 100%)	159.17%	138.10%
Liquid Assets to External Funds **	14.06%	10.74%
<b>Capital Adequacy</b>		
Core Capital ( Tier 1 Capital)	14,640,542	14,091,706
Total Capital Base	15,633,060	15,870,325
Core Capital to Risk Weighted Assets Ratio (Minimum 10%)***	16.24%	15.16%
Total Capital to Risk Weighted Assets Ratio (Minimum 14%)***	17.34%	17.07%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)***	24.86%	30.39%
<b>Profitability</b>		
Net Interest Margin	7.18%	9.05%
Return on Average Assets- After Tax (Annualized)	1.55%	3.62%
Return on Average Equity- After Tax (Annualized)	9.09%	22.79%
Cost to Income Ratio	56.47%	38.65%
<b>Memorandum information</b>		
Number of Employees	1,683	2,073
Number of Branches	71	70
Number of Service Centers	-	1

\* Asset quality ratios have computed based on 120 days past due basis

\*\* External funds includes deposits and borrowings

\*\*\* Including current year unaudited profit

## Corporate Information

### Corporate Information

#### Name of the Company

Citizens Development Business Finance PLC

#### Legal Form

A public quoted company incorporated in Sri Lanka under the provisions of the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 07 of 2007. The Company is licensed under the Finance Business Act No. 42 of 2011. The Company is registered under the Finance Leasing Act No. 56 of 2000 and CDB is an approved credit agency under mortgage Act No. 06 of 1949 and Trust Receipt Ordinance No. 12 of 1947.

#### Date of Incorporation

07 September 1995

#### Registration Number

PB 232 PQ

#### Accounting Year

March 31

#### Board of Directors

Mr. Joseph Rene Alastair Corera *CFA (USA), FCMA (UK)*  
*Chairman / Independent Non-Executive Director*

Mr. W.P.C.M.Nanayakkara *B.Sc(Mgt), FCMA(UK), MBA(Sri J), CGMA*  
*Managing Director / Chief Executive Officer/ Executive Director*

Mr. T.M.D.P. Tennakoon *FCMA(UK), CGMA*  
*Deputy CEO / Chief Financial Officer / Executive Director*

Mr. R.H.Abeygoonewardena *FCMA(UK), ACMA(Sri), MCPM, CGMA*  
*Executive Director - Corporate Finance*

Mr. Jagath Priyantha Abhayaratne *MBA, B.Sc (Admin)*  
*Non-Executive Director*

Prof. S.P.P.Amaratunge *B.A. (Econ) (Sp) (SJP), M.A. Econ (Colombo), M.Sc.Econ. of Rural Dev. (Saga, Japan); Ph.D. (Kogoshima,Japan)*  
*Independent Non-Executive Director*

Mr. E.R.S.G.S. Hemachandra *MBA (Australia), Dip M (UK), FCIM(UK)*  
*Non Executive Director*

Mr. D.A.De Silva *B. Sc.(Hons), ACMA, CGMA*  
*Executive Director - Business Operations*

Elangovan Karthik *FCIM, FSLIM, B.Sc(Mgt),MBA(PIM), CGMA*  
*Executive Director - Chief Emergent Business Officer*

Mr. S. Kumarapperuma *B.Sc (Science), MBA(Colombo), PG Dip (Actuarial Science)*  
*Independent Non Executive Director*

Mr. S.V.Munasinghe *MBA (Fed. Uni. Aus)*  
*Executive Director - Sales and Business Development*

Mrs. P.R.W. Perera *FCA, ACMA*  
*Independent Non-Executive Director*

Prof. Prasadani Naganika Gamage *B.Sc (Admin), PhD (HRM), M.Sc (Management), Attorney-at-Law*  
*Independent Non-Executive Director*

#### Registered Address of Head Office

No 123, Orabipasha Mawatha,  
Colombo 10  
Sri Lanka  
Tel 0094117388388  
Fax 0094112429888  
E mail [cdb@cdb.lk](mailto:cdb@cdb.lk)  
Web [www.cdb.lk](http://www.cdb.lk)

#### Company Secretary

Ms. Mihiri Shashikala Senaratne  
No 123, Orabipasha Mawatha,  
Colombo 10  
Sri Lanka  
Tel 0094117388388  
Fax 0094112429888  
E mail [mihiri.senaratne@cdb.lk](mailto:mihiri.senaratne@cdb.lk)

#### Company Registrar

S.S.P Corporate Services (Private) Ltd  
101, Inner Flower Road,  
Colombo 03  
Sri Lanka  
Tel 0094112573894, 0094112576871  
Fax 0094112573609  
E mail [sspsec@sltnet.lk](mailto:sspsec@sltnet.lk)

#### Company Auditors

KPMG  
(Chartered Accountants)  
32 A, Sir Mohamed Macan Marker Mawatha,  
Colombo 03  
Sri Lanka  
Tel 0094115426426

#### Lawyers of the Company

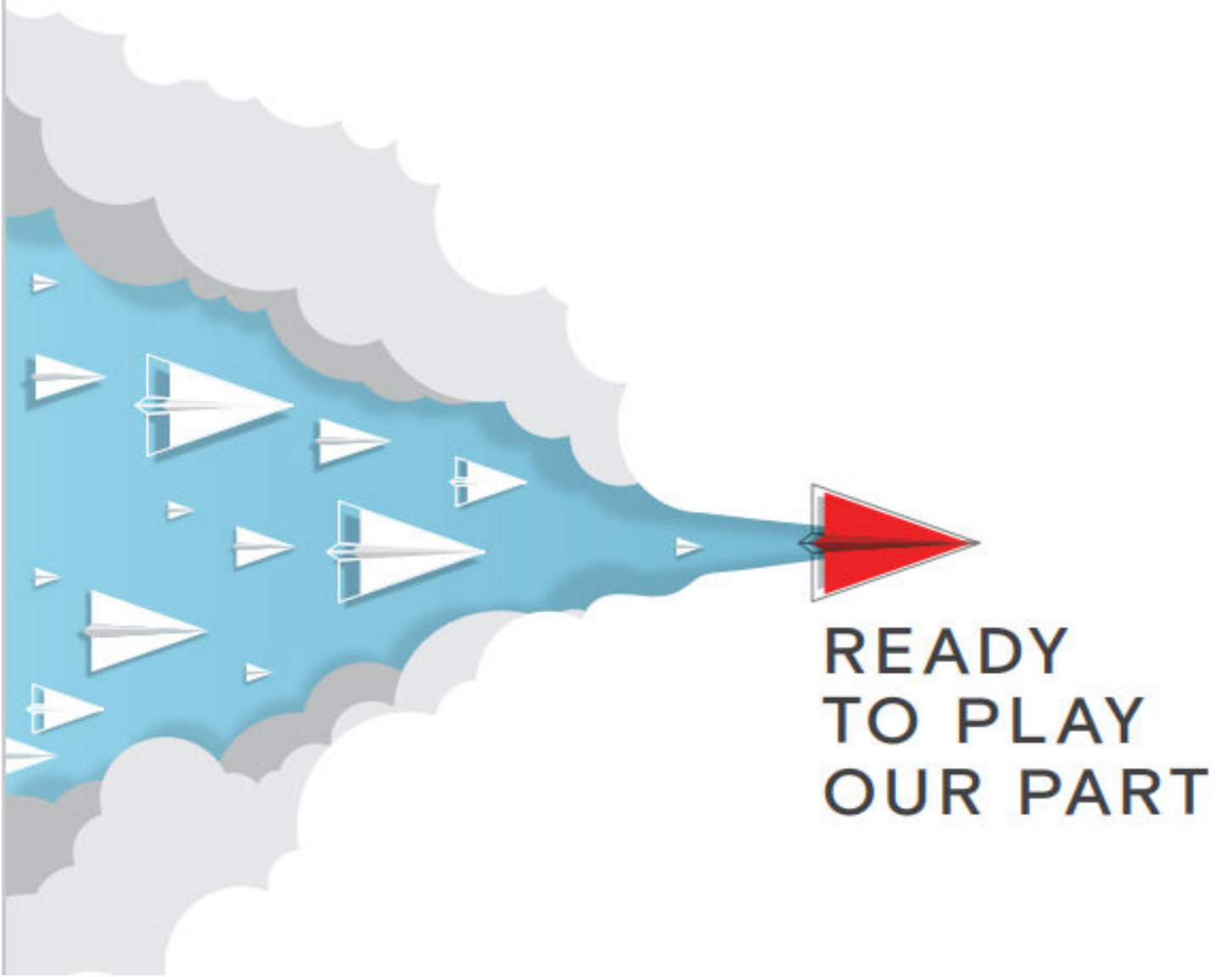
Nithya Partners  
No 97A, Galle Road,  
Colombo 03.  
Sri Lanka

#### Credit Rating Agency

Fitch Ratings Lanka Ltd

#### Bankers

Bank of Ceylon  
Commercial Bank of Ceylon PLC  
Deutsche Bank  
DFCC Bank PLC  
Hatton National Bank PLC  
National Development Bank PLC  
Nations Trust Bank PLC  
People's Bank  
Sampath Bank PLC  
Seylan Bank PLC  
Union Bank PLC



READY  
TO PLAY  
OUR PART



Citizens Development Business Finance PLC  
No. 123, Orabipasha Mawatha, Colombo 10, Sri Lanka  
[www.cdb.lk](http://www.cdb.lk)