

CONDENSED INTERIM FINANCIAL STATEMENTS

PEOPLE'S MERCHANT FINANCE PLC

For the period ended 30th September 2019



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CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION

As at	Company			Group		
	30/09/19 Reviewed Rs. '000	31/03/19 Audited Rs. '000	Change %	30/09/19 Reviewed Rs. '000	31/03/19 Audited Rs. '000	Change %
Assets						
Cash and cash equivalents	573,512	226,281	153.5	573,768	226,537	153.3
Balances with banks and financial institutions	630,368	56,747	1,010.8	630,368	56,747	1,010.8
Financial assets measured at amortised cost - Loans and advances	1,969,175	2,504,264	(21.4)	1,969,175	2,504,264	(21.4)
Investments in securities	504,415	2,142	23,448.8	504,415	2,142	23,448.8
Property, plant and equipment	11,493	13,568	(15.3)	11,493	13,568	(15.3)
Intangible assets	3,548	5,125	(30.8)	3,548	5,125	(30.8)
Other Assets	98,121	85,256	15.1	98,121	85,256	15.1
Total Assets	3,790,632	2,893,383	31.0	3,790,888	2,893,639	31.0
Liabilities						
Due to banks	379	219,144	(99.8)	379	219,144	(99.8)
Financial liabilities at amortised cost - due to depositors	2,394,484	2,434,733	(1.7)	2,394,484	2,434,733	(1.7)
Debt securities issued	15,700	15,400	1.9	15,700	15,400	1.9
Other liabilities	86,718	81,147	6.9	86,996	81,425	6.8
Total Liabilities	2,497,281	2,750,424	(9.2)	2,497,559	2,750,702	(9.2)
Equity						
Stated capital	2,440,290	1,238,302	97.1	2,440,290	1,238,302	97.1
Statutory reserve fund	7,259	7,259	-	7,259	7,259	-
Accumulated losses	(1,154,198)	(1,102,602)	4.7	(1,154,220)	(1,102,624)	4.7
Total Equity	1,293,351	142,959	804.7	1,293,329	142,937	804.8
Total Liabilities & Equity	3,790,632	2,893,383	31.0	3,790,888	2,893,639	31.0
Contingent liabilities and commitments	67,838	47,431	43.0	67,838	47,431	43.0
Net assets value per ordinary share (Rs.)	6.13	1.69	261.9	6.13	1.69	261.9
CERTIFICATION						
We certify that the above interim financial statements are in compliance with the requirement of the Companies Act No 07 of 2007.						
<i>Signed</i> Aloka Hewawasam Manager - Finance			<i>Signed</i> Nishantha Gunasekera Chief Executive Officer			
The Board of Directors is responsible for the preparation and presentation of these Interim Financial Statements. Approved and signed for and on behalf of the Board of Directors.						
<i>Signed</i> Chandula Abeywickrema Chairman			<i>Signed</i> Channa Manoharan Director			
15th November 2019 Colombo						
<i>Figures in brackets indicate deductions.</i>						

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS - COMPANY

	For the six months ended			For the quarter ended		
	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %
Gross Income	340,194	300,013	13.4	178,314	160,403	11.2
Interest income	313,271	254,922	22.9	160,238	137,807	16.3
Less: Interest expense	158,212	170,262	(7.1)	75,912	87,811	(13.6)
Net interest income	155,059	84,660	83.2	84,326	49,996	68.7
Fee and commission income	2,181	4,229	(48.4)	1,320	2,472	(46.6)
Net fair value gain/(loss) from financial assets at FVTPL	2,389	(273)	(975.4)	2,476	(150)	(1,753.9)
Other operating income	22,353	41,135	(45.7)	14,280	20,274	(29.6)
Total operating income	181,982	129,751	40.3	102,402	72,592	41.1
Less: Impairment charges for loans and receivables and other losses	90,497	4,800	1,785.4	59,994	8,670	592.0
Net operating income	91,485	124,951	(26.8)	42,408	63,922	(33.7)
Less: Personnel Expenses	63,384	60,178	5.3	31,539	32,230	(2.1)
Depreciation of property, plant and equipment	2,192	1,692	29.6	1,096	885	23.9
Amortisation of intangible assets	1,622	1,504	7.8	812	767	5.8
Other expenses	71,699	56,648	26.6	36,535	28,533	28.0
Operating profit/(loss) before tax on financial services	(47,412)	4,929	1,061.8	(27,574)	1,507	1,929.7
Less : Tax on financial services	4,184	7,922	(47.2)	3,833	7,922	(51.6)
Profit/(Loss) before income tax	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)
Less: Income tax expense	-	-	-	-	-	-
Profit/(Loss) for the period	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)
Basic loss per ordinary share - (Rs)	(0.41)	(0.04)	(824.3)	(0.25)	(0.10)	(162.5)

As permitted by the SOAT (the statement of alternative treatment) issued by the CA Sri Lanka, the company presented the interim financial statements for the period ended 30th September 2018 based on LKAS 39 and these comparative information have not been restated.

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS - GROUP

	For the six months ended			For the quarter ended		
	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %
Gross Income	340,194	300,013	13.4	178,314	160,403	11.2
Interest income	313,271	254,922	22.9	160,238	137,807	16.3
Less: Interest expense	158,212	170,262	(7.1)	75,912	87,811	(13.6)
Net interest income	155,059	84,660	83.2	84,326	49,996	68.7
Fee and commission income	2,181	4,229	(48.4)	1,320	2,472	(46.6)
Net fair value gain/(loss) from financial assets at FVTPL	2,389	(273)	100.0	2,476	(150)	(1,753.9)
Other operating income	22,353	41,135	(45.7)	14,280	20,274	(29.6)
Total operating income	181,982	129,751	40.3	102,402	72,592	41.1
Less: Net impairment charges/ (reversal) on financial assets	90,497	4,800	1,785.4	59,994	8,670	592.0
Net operating income	91,485	124,951	(26.8)	42,408	63,922	(33.7)
Less: Staff costs	63,384	60,178	5.3	31,539	32,230	(2.1)
Depreciation of property, plant and equipment	2,192	1,692	29.6	1,096	885	23.9
Amortisation of intangible assets	1,622	1,504	7.8	812	767	5.8
Other expenses	71,699	56,648	26.6	36,535	28,533	28.0
Operating profit/(loss) before tax on financial services	(47,412)	4,929	1,061.8	(27,574)	1,507	1,929.7
Less : Tax on financial services	4,184	7,922	(47.2)	3,833	7,922	(51.6)
Profit/(Loss) before income tax	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)
Less: Income tax expense	-	-	-	-	-	-
Profit/(Loss) for the period	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)
Basic loss per ordinary share - (Rs)	(0.41)	(0.04)	(824.3)	(0.25)	(0.10)	(162.5)

As permitted by the SOAT (the statement of alternative treatment) issued by the CA Sri Lanka, the company presented the interim financial statements for the period ended 30th September 2018 based on LKAS 39 and these comparative information have not been restated.

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF OTHER COMPREHENSIVE INCOME - COMPANY

	For the six months ended			For the quarter ended		
	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %
Profit / (Loss) for the period	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)
Other comprehensive income						
Items that are or may be reclassified to profit or loss						
	-	-	-	-	-	-
Items that will not be reclassified to profit or loss						
	-	-	-	-	-	-
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive loss for the period	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)

As permitted by the SOAT (the statement of alternative treatment) issued by the CA Sri Lanka, the company presented the interim financial statements for the period ended 30th September 2018 based on LKAS 39 and these comparative information have not been restated.

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF OTHER COMPREHENSIVE INCOME - GROUP

	For the six months ended			For the quarter ended		
	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %	30/09/19 Reviewed Rs. '000	30/09/18 Unaudited Rs. '000	Change %
Profit / (Loss) for the period	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)
Other comprehensive income						
Items that are or may be reclassified to profit or loss	-	-	-	-	-	-
Items that will not be reclassified to profit or loss	-	-	-	-	-	-
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive loss for the period	(51,596)	(2,993)	(1,624.1)	(31,407)	(6,415)	(389.6)

As permitted by the SOAT (the statement of alternative treatment) issued by the CA Sri Lanka, the company presented the interim financial statements for the period ended 30th September 2018 based on LKAS 39 and these comparative information have not been restated.

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital Rs. '000	Statutory Reserve Fund Rs. '000	Accumulated Losses Rs. '000	Total Equity Rs. '000
Balance as at 1st April 2018	1,078,227	7,259	(869,795)	215,691
Profit/(Loss) for the six months ended 30.09.2018	-	-	(2,993)	(2,993)
Total comprehensive income/(expense) for the six months ended 30.09.2018	-	-	(2,993)	(2,993)
Balance as at 30th September 2019	1,078,227	7,259	(872,788)	212,698
Balance as at 1st April 2019	1,238,302	7,259	(1,102,602)	142,959
Profit/(Loss) for the six months ended 30.09.2019	-	-	(51,596)	(51,596)
Right issue of shares	1,201,988	-	-	1,201,988
Total comprehensive income/(expense) for the six months ended 30.09.2019	1,201,988	-	(51,596)	1,150,392
Balance as at 30th September 2019	2,440,290	7,259	(1,154,198)	1,293,351
<i>Figures in brackets indicate deductions.</i>				

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital Rs. '000	Statutory Reserve Fund Rs. '000	Accumulated Losses Rs. '000	Total Equity Rs. '000
Balance as at 1st April 2018	1,078,227	7,259	(870,742)	214,744
Profit/(Loss) for the six months ended 30.09.2018	-	-	(2,993)	(2,993)
Total comprehensive income/(expense) for the six months ended 30.09.2018	-	-	(2,993)	(2,993)
Balance as at 30th September 2018	1,078,227	7,259	(873,735)	211,751
Balance as at 1st April 2019	1,238,302	7,259	(1,102,624)	142,937
Profit/(Loss) for the six months ended 30.09.2019	-	-	(51,596)	(51,596)
Right issue of shares	1,201,988		-	1,201,988
Total comprehensive income/(expense) for the six months ended 30.09.2019	1,201,988	-	(51,596)	1,150,392
Balance as at 30th September 2019	2,440,290	7,259	(1,154,220)	1,293,329

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS

For the six months ended 30th September	COMPANY		GROUP	
	2019 Reviewed Rs '000	2018 Unaudited Rs '000	2019 Reviewed Rs '000	2018 Unaudited Rs '000
Cash flows from operating activities				
Loss before taxation	(51,596)	(2,993)	(51,596)	(2,993)
Adjustment for:				
Non-cash items included in Loss before tax				
Interest from investing activities	(56,669)	(11,776)	(56,669)	(11,776)
Change in fair value of investments at FVTPL	(82)	273	(82)	273
Gain on investment on unit trust	(2,307)	-	(2,307)	-
Dividend income from investments	(266)	-	(266)	-
Depreciation of property, plant & equipment	2,192	1,692	2,192	1,692
Amortization of intangible assets	1,622	1,504	1,622	1,504
Gain on disposal of property, plant & equipment	(231)	-	(231)	-
Net impairment charges/ (reversal) on financial assets	90,497	4,800	90,497	4,800
Changes in				-
Loans and advances to customers	444,592	(501,839)	444,592	(501,839)
Other assets	(12,750)	422	(12,750)	691
Operating liabilities	6,197	17,710	6,197	17,710
Due to customers	(40,249)	(71,915)	(40,249)	(71,915)
Gratuity paid	(326)	(922)	(326)	(922)
Income Tax paid	-	-	-	-
Net cash generated from/(used in) operating activities	380,626	(563,044)	380,626	(562,775)
Cash Flows from Investing Activities				
Interest income on short term investment	56,669	11,776	56,669	11,776
Net investment in fixed deposits	(573,621)	(5,814)	(573,621)	(5,814)
Investments in unit trust	(500,000)	-	(500,000)	-
Acquisition of property, plant & equipment	(163)	(4,277)	(163)	(4,277)
Proceeds from sale of property, plant & equipment	231	-	231	-
Dividend received from investments	266	-	266	-
Net cash generated from/(used in) investing activities	(1,016,618)	1,685	(1,016,618)	1,685
Cash Flows from Financing Activities				
Proceeds from issue of new shares	1,201,988	-	1,201,988	-
Net borrowings	-	-	-	-
Net cash generated from/(used in) financing activities	1,201,988	-	1,201,988	-
Net increase/(decrease) in cash and cash equivalents	565,996	(561,359)	565,996	(561,090)
Cash and cash equivalents at the beginning of the period	7,137	193,389	7,393	193,389
Cash and cash equivalents at the end of the period	573,133	(367,970)	573,389	(367,701)
Cash and cash equivalents at the end of the period				
Cash, Current and Savings Accounts at the end of the period	573,512	258,559	573,768	258,828
Bank Overdraft at the end of the period	(379)	(626,529)	(379)	(626,529)
	573,133	(367,970)	573,389	(367,701)

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
ANALYSIS OF FINANCIAL INSTRUMENT BY MEASUREMENT BASIS

As at 30th September 2019	Company		
	Financial instruments measured at FV through profit or loss (FVTPL) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	Total Rs. '000
Assets			
Cash and cash equivalents	-	573,512	573,512
Balances with banks and financial institutions	-	630,368	630,368
Financial assets measured at amortised cost - Loans and advances	-	1,969,175	1,969,175
Investments in securities	504,415	-	504,415
Total Financial Assets	504,415	3,173,055	3,677,470
Liabilities			
Due to banks	-	379	379
Financial liabilities at amortised cost - due to depositors	-	2,394,484	2,394,484
Debt securities issued	-	15,700	15,700
Total Liabilities	-	2,410,563	2,410,563
As at 31st March 2019	Company		
	Financial instruments measured at FV through profit or loss (FVTPL) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	Total Rs. '000
Assets			
Cash and cash equivalents	-	226,281	226,281
Balances with banks and financial institutions	-	56,747	56,747
Financial assets measured at amortised cost - Loans and advances	-	2,504,264	2,504,264
Investments in securities	2,142	-	2,142
Total Financial Assets	2,142	2,787,292	2,789,434
Liabilities			
Due to banks	-	219,144	219,144
Financial liabilities at amortised cost - due to depositors	-	2,434,733	2,434,733
Debt securities issued	-	15,400	15,400
Total Liabilities	-	2,669,277	2,669,277

CONDENSED INTERIM FINANCIAL STATEMENTS
ANALYSIS OF FINANCIAL INSTRUMENT BY MEASUREMENT BASIS

As at 30th September 2019	Group		
	Financial instruments measured at FV through profit or loss (FVTPL) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	Total Rs. '000
Assets			
Cash and cash equivalents	-	573,768	573,768
Balances with banks and financial institutions	-	630,368	630,368
Financial assets measured at amortised cost - Loans and advances	-	1,969,175	1,969,175
Investments in securities	504,415	-	504,415
Total Financial Assets	504,415	3,173,311	3,677,726
Liabilities			
Due to banks	-	379	379
Financial liabilities at amortised cost - due to depositors	-	2,394,484	2,394,484
Debt securities issued	-	15,700	15,700
Total Liabilities	-	2,410,563	2,410,563
As at 31st March 2019	Group		
	Financial instruments measured at FV through profit or loss (FVTPL) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	Total Rs. '000
Assets			
Cash and cash equivalents	-	226,537	226,537
Balances with banks and financial institutions	-	56,747	56,747
Financial assets measured at amortised cost - Loans and advances	-	2,504,264	2,504,264
Investments in securities	2,142	-	2,142
Total Financial Assets	2,142	2,787,548	2,789,690
Liabilities			
Due to banks	-	219,144	219,144
Financial liabilities at amortised cost - due to depositors	-	2,434,733	2,434,733
Debt securities issued	-	15,400	15,400
Total Liabilities	-	2,669,277	2,669,277

CONDENSED INTERIM FINANCIAL STATEMENTS
SEGMENTAL ANALYSIS

Rs. '000

For the six months ended 30th September	Leasing & Hire Purchases		Loans and Pawning		Margin Trading		Other		Total Group	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Income										
Interest income	156,391	158,050	61,698	57,082	12,603	12,499	82,579	27,291	313,271	254,922
Fee and commission income	1,758	4,229	423	-	-	-	-	-	2,181	4,229
Other operating income	8,605	20,296	13,054	20,514	-	-	3,083	52	24,742	40,862
Gross revenue	166,754	182,575	75,175	77,596	12,603	12,499	85,662	27,343	340,194	300,013
Less: Interest expenses	125,764	111,811	20,469	45,675	8,434	10,725	3,545	2,051	158,212	170,262
Total operating income	40,989	70,764	54,707	31,921	4,169	1,774	82,117	25,292	181,982	129,751
Net impairment charges/(reversal)	80,012	(4,117)	10,485	12,860	-	(3,943)	-	-	90,497	4,800
Net operating income	(39,022)	74,881	44,221	19,061	4,169	5,717	82,117	25,292	91,484	124,951
Less: Operating Expenses	110,410	78,820	17,970	32,198	7,404	7,561	3,112	1,443	138,896	120,022
Segment results	(149,432)	(3,939)	26,250	(13,137)	(3,236)	(1,844)	79,004	23,849	(47,412)	4,929
Less: Tax on financial services	-	-	-	-	-	-	-	-	4,184	7,922
Less: Income tax expense									-	-
Loss attributable to equity holders									(51,596)	(2,993)
As at 30th September										
Segment Assets	3,013,416	2,232,825	490,453	912,106	202,080	214,181	84,940	40,950	3,790,888	3,400,061
Total Assets	3,013,416	2,232,825	490,453	912,106	202,080	214,181	84,940	40,950	3,790,888	3,400,061
Segment Liabilities	1,985,334	2,093,767	323,126	855,301	133,137	200,842	55,961	38,399	2,497,559	3,188,310
Total Liabilities	1,985,334	2,093,767	323,126	855,301	133,137	200,842	55,961	38,399	2,497,559	3,188,310

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
INFORMATION ON ORDINARY SHARES OF THE COMPANY

<u>Market Price</u>	2019 Rs.	2018 Rs.
Highest price during the quarter ended 30th September	12.10	13.00
Lowest price during the quarter ended 30th September	9.20	9.50
Closing price as at 30th September	9.90	10.00
<u>Capital</u>	2019	2018
Ordinary Shares (Number of Shares)	210,875,000	67,500,000
Ordinary Shares (Value Rs.)	2,440,290,000	1,078,227,500
<u>Preference Shares</u>		
Cumulative Preference Shares (Number of Shares)	1,000,000	1,000,000
Cumulative Preference Shares (Value Rs.)	10,000,000	10,000,000
<u>Ratios</u>	As at 30.09.2019	As at 31.03.2019
Debt to equity ratio (times)	1.86	17.14
Interest cover (times)	0.59	0.93
Quick asset ratio (%)	19.55	0.95

CONDENSED INTERIM FINANCIAL STATEMENTS
RELATED PARTY DISCLOSURE

Transactions with Related entities						
The Company had the under mentioned financial dealings during the period with the following related entities.						
Items in Statement of Profit or Loss						
For the six months ended 30th September	Sterling Capital Investment (Pvt) Ltd		People's Bank		PMB Services Ltd	
	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000	2018 Rs.'000
Interest Income	-	-	13,979	292	-	-
Interest Expense	-	-	2,547	14,970	-	-
Fees & commission income	-	-	-	-	-	-
Other operating Expense	-	-	8,743	7,714	-	-
Items in Statement of Financial Position						
As at 30th September	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000	2018 Rs.'000	2019 Rs.'000	2018 Rs.'000
Assets						
Cash and cash equivalents	-	-	40,170	35,537	-	-
Investment in fixed deposits	-	-	490,498	-	-	-
Investment in subsidiaries - Investment	-	-	-	-	175,000	175,000
Other Assets - Due from Subsidiary	-	-	-	-	19,140	18,906
- Provision made	-	-	-	-	(194,140)	(193,906)
Liabilities						
Due to banks	-	-	-	626,529	-	-
Debt Securities issued	-	-	15,700	15,100	-	-

CONDENSED INTERIM FINANCIAL STATEMENTS
SHAREHOLDERS' INFORMATION

Twenty Largest Ordinary Shareholders as at 30th September 2019		
Name of the Share Holder	No: of Shares	%
1 Sterling Capital Investments (Pvt) Ltd	143,809,123	68.20%
2 People's Bank	33,856,246	16.06%
3 People's Leasing & Finance PLC	25,014,002	11.86%
4 Mr. L. De Fonseka	1,000,000	0.47%
5 Mr.H.V.Pakianathan	340,993	0.16%
6 People's Leasing & Finance PLC/Dr. H.S.D.Soyso & Mrs.G.Soyso	310,704	0.15%
7 Mr. Z.G.Carimjee	200,000	0.09%
8 Mr.H.Beruwalage	116,200	0.06%
9 Mr. H.P.G.N Pathirana	108,390	0.05%
10 Richard Pieris Financial Services (Pvt) Ltd/ Mr. C.Thalagahawatte	105,984	0.05%
11 Mr.B.W.Kundanmal	102,100	0.05%
12 Mrs. R.D. Jayawardana / Mr.S.Munaweera	100,987	0.05%
13 Mr. P.K. Biswas	100,000	0.05%
14 Asha Financial Services Limited/Mr.C.N.Pakianathan	92,975	0.04%
15 Mr. A.H. Munasinghe	84,084	0.04%
16 Mrs. R.D. Jayawardana	77,667	0.04%
17 Mr.S.Munaweera / Mrs.R.D. Jayawardana	77,667	0.04%
18 Mr. M.D.W.J.A Gunathilake	77,021	0.04%
19 People'S Leasing & Finance PLC / L.P.Hapangama	76,335	0.04%
20 Sandwawe Limited	72,088	0.03%
	205,722,566	97.56%

Directors' Shareholding	Position	No: of Shares
Mr. C.P.Abeywickrama	Chairman	-
Mr. D.N.Daluwatte	Director	2,500
Mr. C.S.Manoharan	Director	-
Mr. K.R.P.Madusanka	Director	-
Mr. G.B.R.P.Gunawardana	Director	-
Mrs. G. Kodagoda	Director	-
Mr.U.N.Gunasekara	CEO	-
Total		2,500

	No: of Shares
Issued Share Capital as at 30th September 2019	210,875,000
<i>Less:</i>	
Parent Company	143,809,123
Subsidiaries or Associate Companies of Parent	58,870,248
Directors shareholding	2,500
Spouses & Children under 18 and Close Family of Directors	-
Chief Executive Officers Shareholding	-
Spouse, Children under/over 18 & close family Members of CEO	-
Holding of 5% or more jointly or severally	-
Public Shareholding (9,931 Shareholders)	8,193,129
Public Holding as a % of Shares Issued	3.88%

Issued Share Capital as at 30th September 2019	210,875,000
Closing Mkt Price	9.90
Total Market Capitalization	2,087,662,500
Public Shareholding (9,931 Shareholders)	3.88%
Float adjusted market capitalization	81,001,305

CONDENSED INTERIM FINANCIAL STATEMENTS
EXPLANATORY NOTES

- 1) 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 Colombo Stock Exchange .
- 2) The company has adopted SLFRS 09 with retrospective effect. The day one impact from the adoption has been adjusted to the retained earnings as at 31st March 2018. Thus the unaudited comparative figures for 30th September 2018 given in the statements of profit or loss, other comprehensive income and cash flows are based on LKAS 39, while the current period figures are accounted for in accordance with SLFRS 09. However, the audited comparative figures given in the statement of financial position as at 31st March 2019 are in accordance with SLFRS 09.
- 3) There are no changes in the accounting policies and the methods of computation since the publication of 2018/19 Audited Financial Statements.
- 4) There been no material events subsequent to the reporting date, other than mentioned above, which require adjustments to or disclosure in the interim financial statements.
- 5) The Monetary Board of the Central Bank of Sri Lanka has issued a direction on the company under Section 12 of the Finance Business Act No: 42 of 2011 to cap the total deposit and borrowing liabilities (with accrued interest) at Rs: 2,500 Mn and Rs: 39 Mn respectively, with immediate effect until such time the company meets the required minimum core capital as per the Finance Business Act Direction No 2 of 2017 - Minimum Core Capital.

CONDENSED INTERIM FINANCIAL STATEMENTS
CORPORATE INFORMATION

<p>Name of Company People's Merchant Finance PLC</p> <p>Legal Form Public Limited Liability Company (Incorporated and domiciled in Sri Lanka)</p> <p>Date of Incorporation 26th January 1983</p> <p>Company Registration Number PQ 200</p> <p>Stock Exchange Listing The ordinary shares of the Company were quoted on the Colombo Stock Exchange (CSE) on 11th July 1994.</p> <p>Ordinary Shares has been transferred to Diri Savi Board with effect from July 02,2018</p> <p>Accounting Year-End March -31</p> <p>Registered Office & Principle Place of Business No. 21, Nawam Mawatha, Colombo 02, Sri Lanka Telephone +94112300191 / +94117666333 Fax +94112300190 Email; info@pmb.lk Web Address; www.peoplesmerchant.lk</p> <p>Registrars SSP Corporate Services (Pvt) Ltd No. 101, Inner Flower Road, Colombo 03, Sri Lanka Telephone; +94112573894, +94112576871 Fax; +94112573609 Email; sspsec@sltnet.lk</p> <p>Auditors M/s. KPMG Chartered Accountants 32A, Sir Mohamed Macan Maker Mawatha, Colombo 03.</p>	<p>Branch Offices Anuradhapura Kurunegala Negombo Trincomalee Kandy Matara Awissawella Matugama Elpitiya Gampaha Wellawatta Pawning Center</p> <p>Board of Directors and Board Sub-Committees Board of Directors Mr. C.P.Abeywickrama - Chairman Mr. D.N.Daluwatte Mr. C.S.Manoharan Mr. K.R.P.Madusanka Mr. G.B.R.P.Gunawardana Mrs.G.Kodagoda</p> <p>Integrated Risk Management Committee Mr. C.P.Abeywickrama - Chairman Mr. C.S.Manoharan Mr. D.N.Daluwatte Mr. U.N. Gunasekara - CEO Ms.Muditha Jayawickrema, DGM-Legal & HR Mr.Charith Guneratne,DGM- Credit & Asset Finance</p> <p>Board Audit Committee Mr. C.S.Manoharan - Chairman Mr. C.P.Abeywickrama Mr. K.R.P.Madusanka</p> <p>Remuneration Committee Mr. C.P.Abeywickrama - Chairman Mr. C.S.Manoharan Mr. K.R.P.Madusanka</p> <p>Nomination Committee Mr. C.P.Abeywickrama - Chairman Mr. C.S.Manoharan Mr. K.R.P.Madusanka</p>	<p>Related Party Transactions Review Committee Mr. C.S.Manoharan - Chairman Mr. K.R.P.Madusanka</p> <p>Corporate Management Mr. U.N. Gunasekara - CEO Mr. Charith Gunarathne - DGM - Credit & Asset Finance Mr. Yasas Ariyaratne -DGM - Business Promotions Mrs. Muditha Jayawickrema - DGM - Legal & HR</p> <p>Bankers People's Bank Pan Asia Bank</p> <p>Subsidiary Company PMB Services Limited</p> <p>Vehicle Yards No. 21, Nawam Mawatha, Colombo 02, Sri Lanka. Avinro Motors, Hiripitiya Road, Wellawa, Sri Lanka.</p> <p>Tax Payer Identity Number (TIN) 134000228</p> <p>VAT Registration Number 134000228 7000</p> <p>Central Bank Registration Number LFC/043 (Under the Finance Business Act No. 42 of 2011)</p> <p>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.</p> <p>Credit Rating [SL]B; rating put on watch with developing implications by ICRA Lanka Limited.</p>
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