Financial	Statamenta	for The	Voor En	dad 21ct	March 2010

				Y				
								nded 31st March 2019
Statement of Profit or Loss a For the Year Ended 31st March	nd Other Co	mprehensiv	e Income	2019 Rs.		2018 Rs.	Growth %	Statement of Financial Pos As at 31st March
Gross Income Interest Income				<b>8,724,53</b> 0 7,888,022		<b>6,929,201,0</b> 5		Assets
Interest Expense Net Interest Income				(4,524,628 <b>3,363,39</b> 3		(3,500,249,67 <b>2,756,730,4</b> 3	· _	Cash and Cash Equivalents Placements with Banks
Fee and Commission Income			361,072	2,091	248,286,44	<b>45.4</b>	Placements with Other Finance Con Reverse Repurchase Agreements	
Net Fee and Commission Income Net Gain / (Loss) from Trading				<b>361,072</b> (352	2 <b>,091</b> ,486)	<b>248,286,4</b> 4 42,21		Financial Assets Measured at Fair V or Loss (FVTPL) / Held for Trading
Net Gain / (Loss) from other Financial Instruments at FVTPL Other Operating Income				1,128 474,659	•	423,892,28	- <b>100.0</b> 34 <b>12.0</b>	Assets Held for Sale Financial Assets at Amortised Cost -
Total Operating Income	. d. O.d O dit. l			4,199,901	L,825	3,428,951,38	22.5	Receivables to Other Customers Financial Assets at Amortised Cost - Le
Impairment (Charges) / Reversals ar Net Operating Income	id Other Credit L	osses on Fina	incial Assets	(195,100 <b>4,004,80</b> 1		(104,858,87 <b>3,324,092,5</b> 0		Financial Assets at Amortised Cost - Hire Financial Investments Measured at
Expenses Personnel Expenses				(906,841	.898)	(732,719,60	5) <b>23.8</b>	Other Comprehensive Income / Ava Financial Assets at Amortised Cost - De
Depriciation and Amortisation				(93,251	,698)	(74,788,00	<b>24.7</b>	Instruments / Financial Investments - H Financial Assets at Amortised Cost - C
Other Expenses Operating Profit Before Taxes on Fi	nancial Service	s		(719,089 <b>2,285,61</b> 8	· · ·	(622,191,14 <b>1,894,393,7</b> 5		Property, Plant and Equipment
Taxes on Financial Services  Profit Before Income Tax				(536,979 <b>1,748,63</b> 8	. ,	(356,549,59 <b>1,537,844,1</b> 6	· _	Intangible Assets Deffered Tax Assets
Income Tax Expense				(619,909	,904)	(519,206,76	9) <b>19.4</b>	Other Assets Total Assets
Profit for the Year Earnings Per Share				1,128,728	3,472	1,018,637,39	10.8	Liabilities
Basic Earnings Per Share Diluted Earnings Per Share					20.37 20.37	23.5 23.5		Due to Banks
	and Other C	<b>\</b>	alua .	20.37 23.59			Rental Received in Advance Financial Liabilities at Amortised Cost - Dep	
Statement of Profit or Loss For the Year Ended 31st March	and Other C	omprenen	SIVE Contd.	2019 2018 Rs. Rs.		Growth %	Subordinated Term Debts Current Tax Liabilities	
Profit for the Year Other Comprehensive Income, Net	of Tax			1,128,728	3,472	1,018,637,39	10.8	Deferred Tax Liabilities Other Liabilities Retirement Benefit Obligations
Items that will never be reclassified	I to Profit or Los			0.50	1 004	/40.007.70	2) 445.0	Total Liabilities
Gains / (Losses) on remeasurement Deffered Tax ( Charge ) / Reversal or		•		2,583 (722	,681)	(16,837,78 4,714,57	'	Equity
Net Actuarial Gains / (Losses) on D Revaluation of Land & Buildings	efined Benefit I	Liability		<b>1,858</b>		(12,123,20	4) <b>115.3</b> - <b>100.0</b>	Stated Capital Statutory Reserve Fund
Deffered Tax ( Charge ) / Reversal or		Land & Buildir	ngs	(49,445	,814)		- (100.0)	Other Reserves
Net Change in Revaluation of Land Items that are or may be reclassifie		oss		127,146	5,380		- 100.0	Retained Earnings  Total Equity
Fair Value Gains / (Losses) that aros Fair Value Gain Realised to the State	_		ner		-	8,709,94	( <b>100.0</b> )	Total Liabilities and Equity  Net Assets Value Per Share (Rs.)
Comprehensive Income on disposal,	Net of Tax				-	(1,875,00	O) <b>100.0</b>	
Net Gains / (Losses) on Investment Other Comprehensive Income / Fin					-	6,834,94	(100.0)	Certification These Financial Statements have
Other Comprehensive Income for the Total Comprehensive Income for the		ax		129,004 1,257,733		(5,288,25 1,013,349,13		Act, No.07 of 2007.
Total Comprehensive income for the	e rear	Statutory		Available	5,±12	1,013,349,13	24.1	sgd. K.D.Menaka Sameera
Statement of Changes in Equity	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	For Sale Reserve	Genera Reserv	e Earnings	Total Equity	Senior DGM - Finance & Administ
Balance as at 01st April 2017	Rs.	528,408,694	l Rs.	(6 834 947)	7 500 0	Rs.	Rs. 2,557,619,982	The Board of Directors is responsibe Approved and signed for and on b
Total Comprehensive Income for the Year	201,100,000	020,100,001		(0,001,011)	1,000,0			sgd.
Profit for the Year  Other Comprehensive Income, net of Tax	-	-	-	-		- 1,018,637,39	94 1,018,637,394	Dhammika Perera Executive Director
Net Fair Value Gains/(Losses) on remeasuring Available For Sale Financial Assets	-	-	-	6,834,947		-	- 6,834,947	30th May 2019,
Net Actuarial Gains/(Losses) on Defined Benefit Liability	-	-	-	-		- (12,123,20		Colombo.
Total Comprehensive Income for the Year Transactions with owners of the Company	-	-	-	6,834,947		- 1,006,514,19	00 1,013,349,137	
Contributions and distributions Dividends to equity holders								KPMG
First and Final Dividend for 2016/17 Interim Dividend for 2017/18	-	-	-	-		- (124,651,80 - (145,427,10	0) (124,651,800) 0) (145,427,100)	KPM0 (Char
Unclaimed Dividend Adjustments	-	203,727,479	-	-		- 219,66	219,669	32A, S P. O. I
Statutory Reserve Transfer  Total Contributions and distributions	-	203,727,479	-	-		- (203,727,47) - <b>(473,586,71</b> )	0) (269,859,231)	Colon
Balance as at 01st April 2018 Adjustment on initial application of	287,153,000	732,136,173			7,500,0	- (124,873,60)		TO THE SHAREHOLDERS OF VALLIBEL FINANCE P Report on the Audit of the Financial Statements
SLFRS 9, net of tax  Restated balance as at 01st April 2018	287,153,000	732,136,173	-	-	7,500,0		3,176,236,286	Opinion We have audited the financial statements of Vallibel Financial PLC ("the Com of changes in equity and statement of cash flows for the year then ended, an
Total Comprehensive Income for the Year Profit for the Year	_	_	_	_		- 1.128.728.47	72 1,128,728,472	In our opinion, the accompanying financial statements give a true and fair vid. Sri Lanka Accounting Standards.
Other Comprehensive Income, net of Tax Net Gains/(Losses) on Investment in						, -, -,	, -, -,	Basis for Opinion We conducted our audit in accordance with Sri Lanka Auditing Standards (S report. We are independent of the Company in accordance with the Code of E evidence we have obtained is sufficient and appropriate to provide a basis fo
Financial Assets at Fair Value through Other Comprehensive Income	-	-	-	-		-	-	Key Audit Matters Key audit matters are those matters that, in our professional judgment, we statements as a whole, and in forming our opinion thereon, and we do not pr
Net Actuarial Gains/(Losses) on Defined Benefit Liability	-	-	-	-		- 1,858,32	1,858,320	IMPAIRMENT OF LOANS AND RECEIVABLES, LEASE AND Refer to the accounting policies in "Note 5.1.9 to the Financial Statement: Idi
Net Change in Revaluation of Land & Buildings  Total Comprehensive Income for the Year	-		127,146,380 <b>127,146,380</b>			- 1,130,586,79	- 127,146,380 <b>1,257,733,172</b>	29 to the Financial Statements: Financial Assets at amor tised cost - Loans a Note 4.1 to the Financial Statements: SLFRS 9 - Financial Instruments*  Risk Description
Transactions with owners of the Company Contributions and distributions		-	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			_,0,,000,73	_,_0.,100,112	As disclosed in Note 29 and 30 to the financial statements, the company h impairment provision for Loan and Receivable and Rs. 687,305,770 of imp purchase receivables as at 31st March 2019 and there high degree of company in estimating individual and collective impairment as at that date.
Proceeds from the Right Issue of	1,038,765,000	-	_	_		_	- 1,038,765,000	Given the complexity of SLFRS 9 and its expected per vasive impact on the company disclosure of the expected impact of measuring credit losses on liudgment exercised by the company. The company's model to calculate Exp
Ordinary Shares Transaction Cost of Right Issue of	-	_	-	-		- (1,876,86		complex and judgment is applied in determining the correct construct of the key assumptions made by the Company in applying the requirements of SLI looking probability of default (PD), loss given default (LGD), macroeconomic
Ordinary Shares Dividends to equity holders							, , ,	judgments over the use of data inputs required.  As permitted by the transitional provision of SLFRS 9, the impact of adoptin adjustment to equity as at 1st April 2018 (Day One), without restating the company of the
Unclaimed Dividend Adjustments Statutory Reserve Transfer	-	- 225,745,694	-	-		- 95,59 - (225,745,69	4) -	to these financial statements provides the impact on transition to SLFRS 9 earnings as at 1st April 2018.  We have identified the impairment of loans and receivables, lease and hire matter because of its significance to the financial statements and application.
Total Transactions with Equity Holders Balance as at 31st March 2019	1,038,765,000 1,325,918,000	225,745,694 957,881,867	127,146,380	-	7,500,0		3) 1,036,983,731 12 5,470,953,189	transition option elections with the application of new significant judgment estimation uncertainty and management bias.
Selected Performance Indic As at 31st March	<b>eators</b> (As Per	Regulatory R	eporting)			2019	2018	2. REVALUATION OF FREEHOLD LAND AND BUILDING Refer to the accounting policies in "Note 5.2 to the Financial Statement and N to 8s. 1,363,467,000 and 8s. 107,500,000 respectively. The Company reco  Risk Description The Company has engaged a professional valuer to determine the revalued Estimating the fair value is a complex process involving a number of
Regulatory Capital Adequacy								Estimating the fair value is a complex process involving a number of regarding various inputs such as price range per perch, by considering fact accessibility of the proper ty. Consequently, we have determined the reva be a key audit matter.
Core Capital (Tier 1 Capital), Rs. '000 Total Capital Base, Rs. '000						5,314,411 6,020,999	3,294,013 3,794,013	
Core Capital Adequacy Ratio, as % of Total Capital Adequacy Ratio, as % of						11.13% 12.61%	10.60% 12.21%	Other Information
Capital Funds to Deposit Liabilities R	atio (Minimum r			,		21.76%	17.10%	Management is responsible for the other information. The other information of Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is
Assets Quality (Quality of Loan Port Gross Non-Performing Accommodation	ons, Rs. '000					1,212,159	860,965	obtained in the audit, or otherwise appears to be materially misstated. If, bain this regard.  Responsibilities of Management and Those Charged with G
Gross Non-Performing Accommodation Net Non-Performing Accommodation	ons Ratio, %					3.02% 0.60%	2.72% 0.41%	Management is responsible for the preparation of financial statements that preparation of financial statements that are free from material misstatement In preparing the financial statements, management is responsible for assessible unless management either intends to liquidate the Company or to cease ope
Profitability (%)	, -•					3.3070	Jm./V	Those charged with governance are responsible for overseeing the Company  Auditor's Responsibilities for the Audit of the Financial Star
Interest Margin Return on Average Assets (before Tax	κ)					8.51% 4.06%	8.47% 4.45%	Our objectives are to obtain reasonable assurance about whether the financia assurance is a high level of assurance, but is not a guarantee that an audit material if, individually or in the aggregate, they could reasonably be expected As part of an audit in accordance with SLAuSs, we exercise professional judg
Return on Average Equity (after Tax)						25.73%	34.77%	Identify and assess the risks of material misstatement of the financial stat to provide a basis for our opinion. The risk of not detecting a material mit the override of internal control.      Obtain an understanding of internal control relevant to the audit in orde internal control.
Regulatory Liquidity (Rs. '000) Required minimum amount of Liquid	Assets					2,733,438	2,461,977	<ul> <li>Evaluate the appropriateness of accounting policies used and the reason</li> <li>Conclude on the appropriateness of management's use of the going conc doubt on the Company's ability to continue as a going concern. If we condisclosures are inadequate, to modify our opinion. Our conclusions are to</li> </ul>
Available amount of Liquid Assets Required minimum amount of Government Securities						4,169,421	4,624,392	a going concern.     Evaluate the overall presentation, structure and content of the financial presentation.
Available amount of Government Securities						1,573,335	1,323,561	We communicate with those charged with governance regarding, among other
		S					1,323,561 2,740,060	We communicate with those charged with governance regarding, among oth our audit.  We also provide those charged with governance with a statement that we ha matters that may reasonably be thought to bear on our independence, and w From the matters communicated with those charged with evernance, we did
Memorandum information Number of Employees Number of Branches		S				1,573,335		We communicate with those charged with governance regarding, among othe our audit.  We also provide those charged with governance with a statement that we ha matters that may reasonably be thought to bear on our independence, and w

Credit Rating: BBB Stable Outlook: ICRA Lanka Brand Rating: A+: Brand Finance



Statement of Financial Position As at 31st March	2019 Rs.	2018 Rs.	Growth %
Assets			
Cash and Cash Equivalents	1,507,932,892	1,021,651,531	47.6
Placements with Banks	1,843,401,599	1,863,482,713	(1.1)
Placements with Other Finance Companies	512,957,254	212,709,432	141.2
Reverse Repurchase Agreements	230,130,165	630,286,027	(63.5)
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL) / Held for Trading	812,320,782	1,938,675	41,800.8
Assets Held for Sale	-	23,919,000	(100.0)
Financial Assets at Amortised Cost - Loans and Receivables to Other Customers	24,332,295,963	18,073,714,310	34.6
Financial Assets at Amortised Cost - Leases	14,582,906,026	12,534,012,782	16.3
Financial Assets at Amortised Cost - Hire Purchase Receivables	42,010,880	219,927,271	(80.9)
Financial Investments Measured at Fair Value Through Other Comprehensive Income / Available for Sale	203,800	208,703,800	(99.9)
Financial Assets at Amortised Cost - Debt and other Financial Instruments / Financial Investments - Held to Maturity	1,785,716,058	1,920,722,472	(7.0)
Financial Assets at Amortised Cost - Other Financial Assets	15,963,213	16,971,763	(5.9)
Property, Plant and Equipment	1,719,587,171	1,445,289,701	19.0
Intangible Assets	19,647,533	14,568,813	34.9
Deffered Tax Assets	73,028,603	16,019,726	355.9
Other Assets	181,423,647	202,358,542	(10.3)
Total Assets	47,659,525,585	38,406,276,558	24.1
Liabilities			
Due to Banks	14,063,290,073	9,850,566,085	42.8
Rental Received in Advance	324,196,627	308,688,009	5.0
Financial Liabilities at Amortised Cost - Deposits due to Customers	25,436,257,664	22,186,879,453	14.6
Subordinated Term Debts	1,031,100,274	1,550,967,094	(33.5)
Current Tax Liabilities	509,696,461	364,888,378	39.7
Deferred Tax Liabilities	343,733,661	385,537,287	(10.8)
Other Liabilities	411,165,825	400,427,054	2.7
Retirement Benefit Obligations  Total Liabilities	69,131,811 <b>42,188,572,396</b>	57,213,310 <b>35,105,166,670</b>	20.8 20.2
Total Elabilities	42,100,072,000	00,100,100,070	20.2
Equity			
Stated Capital	1,325,918,000	287,153,000	361.7
Statutory Reserve Fund	957,881,867	732,136,173	30.8
Other Reserves	134,646,380	7,500,000	1,695.3
Retained Earnings	3,052,506,942	2,274,320,715	34.2
Total Equity	5,470,953,189	3,301,109,888	65.7
Total Liabilities and Equity	47,659,525,585	38,406,276,558	24.1
Not Assets Value Ban Chana (Ba)	00.04	=0.4=	4=0

hese Financial Statements have been prepared in compliance with the requirements of the Companies ct, No.07 of 2007.

92.94

79.45

17.0

## I.D.Menaka Sameera

Senior DGM - Finance & Administration

he 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;

S.B. Rangamuwa Managing Director



+94 - 11 542 6426 (Chartered Accountants) 32A, Sir Mohamed Macan Markar Mawatha, +94 - 11 244 6058 P. O. Box 186,

## THE SHAREHOLDERS OF VALLIBEL FINANCE PLC port on the Audit of the Financial Statements

have audited the financial statements of Valibel Financial PLD ("the Company"), which comprise the statement of financial position as at 3.1st March 2019, and the statement of profit or loss and other comprehensive income, statement angle in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

If a profit or the scompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2019, and of its financial performance and its cash flows for the year then ended in accordance with anha Accounting Standards.

Audit Matters

audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial ments as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

IPAIRMENT OF LOANS AND RECEIVABLES, LEASE AND HIRE PURCHASE RECEIVABLES AND TRANSITION IMPACT WITH THE ADOPTION OF SLFRS 9 – "FINANCIAL INSTRUMENTS" to the accounting policies in "Note 5.1.9 to the Financial Statement: Identification and Measurement of Imparient of Financial Statements: Financial Assets at amor tised cost - Lease Rental and hire purchase receivables to other customers Note 3.0 to the Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements: Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amor tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amore tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amore tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amore tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amore tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets at amore tised cost - Lease Rental and hire purchase receivables and 4.1 to the Financial Statements. Financial Assets

sk Description disclosed in Note 29 and 30 to the financial statements, the company has estimated Rs. 489,024,888 of pairment provision for Loan and Receivable and Rs. 687,305,770 of impairment for Lease rental and hire rchase receivables as at 31st Marc 1029 and there high degree of complexity and judgment involved for the impany in estimating individual and collective impairment as at that date.

mpany in estimating individual and collective impairment as at that date.

when the complexity of SLFRS a and its expected per visions impact on the financial sector we focused on the impany disclosure of the expected intervals of the expected per vision to the expected intervals of the expected interva

permitted by the transitional provision of SLFRS 9, the impact of adopting SLFRS 9 is considered as an instruent to equity as at 1st April 2018 (Day One), without restating the comparative information. The Note 47 these financial statements provides the impact on transition to SLFRS 9 - "Financial Instruments" on retained rings as at 1st April 2018. have identified the impairment of loans and receivables, lease and hire purchase receivables as a key audit

trater because of its significance to the financial statements and application new according policies, including sistion option elections with the application of new significant judgments and estimates which are subject to mation uncertainty and management bias.

Our Response:
Our audit procedures to assess impairment of loans and advance to customers included the following:

Our audit procedures to assess impairment of loans and advance to customers included the following:

- Assessment of the methodology inherent within the impairment models against the requirements of SLFRS 9:

- Assessment of the methodology inherent within the impairment models against the requirements of SLFRS 9:

- Challenging the key assumptions in the ECL models and evaluating the reasonableness of Management's key judgments and estimates.

- Testing the accuracy and completeness of the data inputs by testing reconciliations between source systems and ECL models and assessment of economic information used within, and weightings applied to, forward tooking scenarios;

- Recalculation of PCL for sample using the key assumptions used in the models, such as PD and LGD.

- Comparing the economic factors used in the models to market information to assess whether they were aligned with the market and economic development;

- Assessment of the seconomic factors used in the models to market information to assess whether they were aligned with the market and economic development;

- Assessment of the seconomic factors used in the models to market information to assess whether they were aligned with the market and economic development;

- Evaluation and an appropriateness of it demotifying contracts to be assessed based on the selected transition approach and any practical expedients applied:

- Evaluating the appropriateness of the accounting policies based on the requirements of the new accounting standards, our business understanding and industry practice;

- Understand the transition approach and practical expedients applied and assessing whether transition gives risk to any specific froud risks;

- Challenging the key assumptions and evaluating the reasonableness of managements's received.

to any specime trator inspections and evaluating the reasonableness of management's key judgments and estimates made in preparing the transition adjustments; - Assessing the completeness, accuracy and relevance of data used in preparing the transition adjustments; - Assessing the adequacy of the disclosures made in the Financial Statements.

## EVALUATION OF FREEHOLD LAND AND BUILDING

to the accounting policies in "Note 5.2 to the Financial Statement and Note 34 Property Plant and Equipment, As at reporting date, freehold land and building carried at fair value, classified as Property, Plant and Equipment, amounted. 1.363,467,000 and Rs. 107,500,000 respectively. The Company recorded a revaluation gain of Rs. 176, 592,194 by revaluing freehold land and building during the year.

IN CESTIFICIAL

Company has engaged a professional valuer to determine the revalued amounts of freehold land and building mating the fair value is a complex process involving a number of assumptions/judgments and estimate arrivations inputs such as price range per perch, by considering factors such as the location, condition an estimate arrivation property. Consequently, we have determined the revaluation of freehold land and building the property.

Assessing the competency, qualification, qualification, dependence or the external valuer. Evaluating reasonableness of the value of the proper by by companing the prices used for the land and building valuation with the comparable land and building prices based on the valuation information and challenging the reasonableness of the key assumptions based on our knowledge of the business and industry. Assessing the appropriateness of the valuation techniques used by the external valuer, taking into account the profile of the land and building.

Testing whether the information supplied to external valuer by the management was consistent with the underlying property records held by the Company.

Assessing the adequacy of the fair value disclosures in the Financial Statements, including the description and appropriateness of the inherent degree of subjectivity and key assumptions in the estimates.

ref Information
agement is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon, opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. nection with our otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material of this other information; we are required to report that fact. We have nothing to report sergerd.

ponsibilities of Management and Those Charged with Governance for the Financial Statements
agement is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management d

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2618.

pparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting so management either intends to liquidate the Company or to cease operations, or has no realistic alternative but 10 do so.

iltor's Responsibilities for the Audit of the Financial Statements

objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable
rarior is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered
rarial if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these francial statements.

art of an audit in accordance with SLAuSs, we exercise professional judgment and maritarial professional slepticies introughout the audit. We asize.

ientify and assess the risks of material misstatement of the financial statements, whether due to frout or resulting from fraud is higher than for one resulting from error, as fraud may invoice collusion, forgery, intentional omissions, misrepresentations, or e override of internal confrol.

bain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's ternal control.

aluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. include on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant but on the Company's ability to continue as a going concern. If we conclude that a material uncer tainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such coissures are inabequate, to modify or opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as

going concern.

valuate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fairesentation. 5. So provide those charged with governance with a statement that we have compiled with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships and others that may reasonably be thought to bear on our independence, and where applicable, related safeguards. In the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We ribe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report t because diverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

As required by section 153 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been tept by the Company.



Number of Branches Number of Service Centers

Leasing