

SINGER FINANCE

SINGER FINANCE (LANKA) PLC

INTERIM FINANCIAL STATEMENTS FOR THE
TWELVE MONTHS ENDED 31ST MARCH 2023

SINGER[®]
Trusted Excellence

STATEMENT OF FINANCIAL POSITION

As At	31-March-2023 Rs.'000	31-March-2022 (Audited) Rs.'000
ASSETS		
Cash and Cash Equivalents	2,535,435	837,562
Placement with Banks	1,413,997	177,450
Financial assets at amortised cost-Hire Purchase Receivables	-	-
Financial assets at amortised cost-Finance Lease Receivables	8,887,364	12,954,049
Financial assets at amortised cost-Loans and Advances	15,309,935	13,395,955
Financial assets measured at fair value through other comprehensive income	2,120	41
Financial assets at amortised cost-Debt and other financial instruments	2,013,992	1,412,979
Due from Related Companies	-	-
Other Debtors, and Prepayments	293,905	246,507
Deferred Tax Assets	113,392	78,675
Intangible Assets	80,387	69,459
Property, Plant & Equipment	623,902	444,453
Right-of-use assets / Lease assets	674,409	645,887
Total Assets	31,948,838	30,263,017
LIABILITIES		
Financial liabilities at amortised cost-Due to Customers	19,195,604	12,295,391
Financial liabilities at amortised cost-Interest Bearing Loans & Borrowings	6,067,366	10,777,766
Lease Liabilities	757,645	721,891
Trade & Other Payables	473,935	659,116
VAT Payable	1,586	-
Due to Related Companies	115,795	72,461
Bank Overdraft	4,247	599,909
Current Tax Liabilities	228,893	260,378
Retirement Benefit Obligations	128,520	101,458
Total Liabilities	26,973,591	25,488,370
SHAREHOLDERS' FUND		
Stated Capital	1,996,444	1,996,444
Reserve Fund	254,564	234,112
Fair Value Reserve of Financial Assets at FVOCI	2,079	-
Retained Earnings	2,722,160	2,544,091
Total Equity	4,975,247	4,774,647
Total Liabilities & Equity	31,948,838	30,263,017
Net Assets per share (Rs)	24.62	23.63

I certify that the financial statements of the Company comply with the requirements of the companies Act 07 of 2007

(Sgd.)

Eraj Fernando
Head of Finance

The above figures are provisional and subject to audit unless specified.

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

Signed for and on behalf of the Board by,

(Sgd.)

A.Perera
Chairman

Colombo
04th May 2023

(Sgd.)

Thushan Amarasuriya
Director/Chief Executive Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the quarter ended 31st March	2023	2022	Variance	
	Rs.'000	Rs.'000	Rs.'000	%
Gross Income	2,052,928	1,564,008	488,920	31%
Interest Income	1,955,033	1,409,624	545,409	39%
Less: Interest Expense	1,119,925	538,116	(581,809)	(108%)
Net Interest Income	835,108	871,508	(36,400)	(4%)
Net Fee and Commission Income	76,056	94,274	(18,218)	(19%)
Trading Income	101	86	15	17%
Other Operating Income	21,738	60,024	(38,286)	(64%)
Total Operating Income	933,003	1,025,892	(92,889)	(9%)
Less: Impairment charges and Other Credit Losses on Financial Assets	(79,362)	33,615	112,977	336%
Net Operating Income	1,012,365	992,277	20,088	2%
Less:- Expenses				
Personnel Cost	265,219	264,626	(593)	(0%)
Administration & Selling Expenses	341,132	310,671	(30,461)	(10%)
Operating Profit Before VAT on Financial Services & Social Security Contribution Levy	406,014	416,980	(10,966)	(3%)
Less: VAT on Financial Services	98,156	99,598	1,442	1%
Social Security Contribution Levy	16,560	-	(16,560)	(100%)
Profit Before Income Tax	291,298	317,382	(26,084)	(8%)
Less: Income Tax Expense	155,623	116,603	(39,020)	(33%)
Net profit for the Period	135,675	200,779	(65,104)	(32%)
Other Comprehensive Income				
Actuarial (Loss)/Gain on Retirement Benefit Obligation	5,932	(4,346)	10,278	(236%)
Deferred Tax on Actuarial (Gain)/Loss on Defined Benefit Obligation	(1,780)	1,043	(2,823)	(271%)
Gain from revaluation of Financial assets measured at FVOCI	2,079	-	2,079	(100%)
Other Comprehensive Income for the Period, Net of Tax	6,231	(3,303)	9,534	(289%)
Total Comprehensive Income for the Period	141,906	197,476	(55,570)	(28%)
Basic Earnings per Share (Rs)	0.67	0.99		

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Twelve Months ended 31st March	2023 Rs.'000	2022 (Audited) Rs.'000	Variance Rs.'000 %	
Gross Income	7,552,900	5,486,505	2,066,395	38%
Interest Income	7,142,823	5,113,433	2,029,390	40%
Less: Interest Expense	4,528,451	1,946,514	(2,581,937)	(133%)
Net Interest Income	2,614,372	3,166,919	(552,547)	(17%)
Net Fee and Commission Income	339,799	293,029	46,770	16%
Trading Income	596	133	463	348%
Other Operating Income	69,682	79,910	(10,228)	(13%)
Total Operating Income	3,024,449	3,539,991	(515,542)	(15%)
Less: Impairment charges and Other Credit Losses on Financial Assets	(43,504)	412,726	456,230	111%
Net Operating Income	3,067,953	3,127,265	(59,312)	(2%)
Less:- Expenses				
Personnel Cost	924,501	847,223	(77,278)	(9%)
Administration & Selling Expenses	1,148,166	1,033,804	(114,362)	(11%)
Operating Profit Before VAT on Financial Services & Social Security Contribution Levy	995,286	1,246,238	(250,952)	(20%)
Less: VAT on Financial Services	289,293	287,570	(1,723)	(1%)
Social Security Contribution Levy	27,420	-	(27,420)	(100%)
Profit Before Income Tax	678,573	958,668	(280,095)	(29%)
Less: Income Tax Expense	269,529	337,529	68,000	20%
Profit for the Period	409,044	621,139	(212,095)	(34%)
Other Comprehensive Income				
Acturial (Loss)/Gain on Retirement Benefit Obligaion	5,932	(4,346)	10,278	(236%)
Deferred Tax on Actuarial (Gain)/Loss on Defined Benefit Obligation	(1,780)	1,043	(2,823)	(271%)
Gain from revaluation of Financial assets measured at FVOCI	2,079	-	2,079	(100%)
Other Comprehensive Income for the Period, Net of Tax	6,231	(3,303)	9,534	(289%)
Total Comprehensive Income for the Period	415,275	617,836	(202,561)	(33%)
Basic Earnings per Share (Rs)	2.02	3.07		

STATEMENT OF CHANGES IN EQUITY

For the Twelve Months ended 31st March

	Attributable to Equity Holders of the Company				
	Stated Capital Rs.'000	Reserve Fund Rs.'000	Fair Value Reserve of Financial Assets at FVOCI Rs.'000	Retained Earnings Rs.'000	Total Rs.'000
Balance as at 31st March 2021	1,996,444	203,055	-	2,118,971	4,318,470
Total Comprehensive Income					
Profit for the Period	-	-	-	621,139	621,139
Other Comprehensive Income					
Actuarial Loss on Retirement Benefit Obligation	-	-	-	(4,346)	(4,346)
Tax on Other Comprehensive Income	-	-	-	1,043	1,043
Total Other Comprehensive Income for the Period	-	-	-	(3,303)	(3,303)
Total Comprehensive Income for the Period	-	-	-	617,836	617,836
Transactions with Owners, Recorded Directly in Equity					
Dividends	-	-	-	(161,659)	(161,659)
Transferred to/(from) during the Period	-	31,057	-	(31,057)	-
Total Transactions with Equity Owners	-	31,057	-	(192,716)	(161,659)
Balance as at 31st March 2022	1,996,444	234,112	-	2,544,091	4,774,647
Surcharge Tax				(53,016)	(53,016)
Balance as at 01st April 2022	1,996,444	234,112		2,491,075	4,721,631
Total Comprehensive Income					
Profit for the Period	-	-	-	409,044	409,044
Other Comprehensive Income					
Actuarial Gain on Retirement Benefit Obligation	-	-	-	5,932	5,932
Tax on Other Comprehensive Income	-	-	-	(1,780)	(1,780)
Gain from revaluation of Financial assets measured at FVOCI			2,079	-	2,079
Total Other Comprehensive Income for the Period	-	-	2,079	4,152	6,231
Total Comprehensive Income for the Period	-	-	2,079	413,196	415,275
Transactions with Owners, Recorded Directly in Equity					
Transferred to/(from) During the Period	-	20,452	-	(20,452)	-
Dividends	-	-	-	(161,659)	(161,659)
Total Transactions with Equity Owners	-	20,452	-	(182,111)	(161,659)
Balance as at 31st March 2023	1,996,444	254,564	2,079	2,722,160	4,975,247

CASH FLOW STATEMENT

For the Twelve Months ended 31st March	2023	2022
	Rs.'000	Rs.'000
Cash Flows From Operating Activities		
Profit Before Tax	678,573	958,668
Adjustments for		
Non-Cash Items Included In Profit Before Tax		
Interest Income from Investing Activities	(483,442)	(89,446)
Interest Income from Placement with Banks	(444,961)	(21,096)
Finance Cost	4,420,659	1,883,007
Depreciation/Amortization	245,119	188,693
(Profit)/ Loss on disposal of Property, Plant and Equipment	(71)	2,893
Profit on disposal on modification of ROU Asset	(1,654)	-
Provision for Define Benefit Plans - Gratuity	32,601	18,978
Provision for Bad Debt	(43,504)	412,727
Securitization Issue Cost	49,138	33,342
Debenture Issue Cost	4,179	4,545
Operating Profit Before Changes In Operating Assets And Liabilities	4,456,637	3,392,311
Changes In;		
Decrease in Lease Rentals Receivables	4,175,802	542,656
Increase in Hire Debtors	-	(145)
Increase in Loans and Advances	(1,979,593)	(6,214,698)
(Increase)/ Decrease in Other Assets	(47,397)	14,296
Decrease in Due from Related Companies	-	418,492
Increase In Public Deposits	6,083,256	1,603,948
Increase/ (Decrease) in amounts due to Related Companies	43,335	(383,446)
Increase/ (Decrease) in Other Liabilities	(238,219)	71,582
Cash from/(used in) Operations	12,493,821	(555,004)
Finance costs paid	(3,281,244)	(1,680,790)
Retiring Gratuity Paid	(5,046)	(5,111)
Gratuity Transfer	5,440	-
Income Tax Paid	(337,511)	(345,799)
Net Cash from/(used in) Operating Activities	8,875,460	(2,586,704)
Cash Flows from/(used in) Investing Activities		
Acquisition of Property Plant & Equipment	(294,098)	(156,585)
Proceeds from Sale of Property, Plant & Equipment	238	-
Incurred on Software Development	(22,733)	(34,198)
Increase Investment in Investment Securities	(513,735)	(597,388)
Investment in Bank Deposits	(1,214,130)	(115,672)
Interest Income Received	818,706	107,368
Net Cash Flows from/ (used in) Investing Activities	(1,225,752)	(796,475)
Cash Flows from/(used in) Financing Activities		
Issue of Debenture	-	2,000,000
Issue Of Securitization	2,000,000	1,500,000
Loans Obtained During the Period Other Than Related Party	2,450,000	4,150,000
Repayment of Loans Other Than Related Party	(6,145,689)	(2,469,712)
Repayment of Securitization	(3,268,662)	(1,958,021)
Securitization Issue Cost	(30,402)	(30,595)
Lease Rentals Paid	(201,367)	(129,380)
Dividends Paid	(160,053)	(160,648)
Net Cash Flows from/ (used in) Financing Activities	(5,356,173)	2,901,644
Net increase/(Decrease) in Cash and Cash Equivalents	2,293,535	(481,535)
Cash and Cash Equivalents at the beginning of the Period	237,653	719,188
Cash and Cash Equivalents at the end of the Period (Note-01)	2,531,188	237,653
Note-01		
Cash and Cash Equivalents	2,535,435	837,562
Bank Overdraft	(4,247)	(599,909)
Cash and Cash Equivalents at the end of the Period	2,531,188	237,653

Interim Financial Statements for the Quarter Ended 31st March 2023

Notes to the Financial Statements

FINANCIAL REPORTING BY SEGMENTS AS PER PROVISION OF THE SRI LANKA ACCOUNTING STANDARD SLFRS 8

The primary business segment reporting format is determined based on the nature of the products and services provided, with each segment representing a strategic business unit that offers different product and serves different markets

The following table presents financial information regarding business segments:

Business Segments (Rs.'000)

For the quarter ended 31st March	Finance Lease		Loan & Advances		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Interest Income	515,353	813,428	1,168,711	557,781	270,969	38,415	1,955,033	1,409,624
Net Fee and Commission Income	9,886	35,813	66,025	58,453	145	8	76,056	94,274
Net Trading Income	-	-	-	-	101	86	101	86
Other Operating Income	6,802	3,663	14,454	7,668	482	48,693	21,738	60,024
Total Revenue	532,041	852,904	1,249,190	623,902	271,697	87,202	2,052,928	1,564,008
Interest Expense	(282,799)	(310,612)	(680,900)	(212,840)	(156,226)	(14,664)	(1,119,925)	(538,116)
Depreciation & Amortization	(20,024)	(30,730)	(45,735)	(21,091)	-	-	(65,759)	(51,821)
Period S&A	(170,545)	(314,016)	(370,047)	(209,460)	-	-	(540,592)	(523,476)
Impairment charges and Other Credit								
Losses on Financial Assets	58,203	(90,797)	21,159	57,182	-	-	79,362	(33,615)
Less: VAT on Financial Services	(27,845)	(58,683)	(56,866)	(38,204)	(13,445)	(2,711)	(98,156)	(99,598)
Social Security Contribution Levy	(5,306)	-	(9,035)	-	(2,219)	-	(16,560)	-
Profit Before Tax	83,725	48,066	107,766	199,489	99,807	69,827	291,298	317,382
Income Tax Expense	(44,729)	(17,659)	(57,574)	(73,291)	(53,320)	(25,653)	(155,623)	(116,603)
Profit After Tax	38,996	30,407	50,192	126,198	46,487	44,174	135,675	200,779
Segment Assets	10,277,510	13,998,687	17,704,689	14,541,652	3,966,639	1,722,678	31,948,838	30,263,017
Segment Liabilities	8,677,040	11,790,091	14,947,618	12,247,391	3,348,933	1,450,888	26,973,591	25,488,370
* Segment assets include the additions to non current assets	4,763	38,844	20,842	49,069	9,932	3,908	35,537	91,821

** Interest Income given under the business segment "other" includes investment income from government securities and bank deposits amounting to Rs. 271Mn (2022/23) and Rs. 33Mn (2021/22)

Interim Financial Statements for the Twelve Months Ended 31st March 2023

Notes to the Financial Statements

FINANCIAL REPORTING BY SEGMENTS AS PER PROVISION OF THE SRI LANKA ACCOUNTING STANDARD SLFRS 8

The primary business segment reporting format is determined to be business segment as nature of the products and services provided, with each segment representing a strategic business unit that offers different product and serves different markets

The following table presents financial information regarding business segments:

Business Segments (Rs.'000)

For the Twelve Months ended 31st March	Finance Lease		Loan & Advances		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Interest Income	2,421,741	3,171,307	3,774,670	1,803,507	946,412	138,619	7,142,823	5,113,433
Net Fee and Commission Income	55,541	129,190	283,886	163,759	372	80	339,799	293,029
Trading Income	-	-	-	-	596	133	596	133
Other Operating Income	13,026	10,391	33,944	20,185	22,712	49,334	69,682	79,910
Total Revenue	2,490,308	3,310,888	4,092,500	1,987,451	970,092	188,166	7,552,900	5,486,505
Interest Expense	(1,535,350)	(1,207,211)	(2,393,089)	(686,536)	(600,012)	(52,767)	(4,528,451)	(1,946,514)
Depreciation & Amortization	(95,800)	(120,287)	(149,319)	(68,406)	-	-	(245,119)	(188,693)
Period S&A	(714,260)	(1,078,812)	(1,113,288)	(613,522)	-	-	(1,827,548)	(1,692,334)
Impairment charges and Other Credit								
Losses on Financial Assets	109,116	(223,068)	(65,612)	(189,658)	-	-	43,504	(412,726)
Less: VAT on Financial Services	(98,083)	(178,348)	(152,879)	(101,426)	(38,331)	(7,796)	(289,293)	(287,570)
Social Security Contribution Levy	(9,297)	-	(14,490)	-	(3,633)	-	(27,420)	-
Profit Before Income Tax	146,634	503,162	203,823	327,903	328,116	127,603	678,573	958,668
Income Tax Expense	(58,243)	(177,154)	(80,958)	(115,448)	(130,328)	(44,927)	(269,529)	(337,529)
Profit After Tax	88,391	326,008	122,865	212,455	197,788	82,676	409,044	621,139
Segment Assets	10,277,510	13,998,687	17,704,689	14,541,652	3,966,639	1,722,678	31,948,838	30,263,017
Segment Liabilities	8,677,040	11,790,091	14,947,618	12,247,391	3,348,933	1,450,888	26,973,591	25,488,370
* Segment assets include the additions to non current assets	101,920	98,855	175,574	102,689	39,336	12,165	316,830	213,709

** Interest Income given under the business segment "other" includes investment income from government securities and bank deposits amounting to Rs.928Mn (2022/23) and Rs. 111Mn (2021/22)

Notes to the Financial Statements

- 1** The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2022

These Interim Financial Statements are in compliance with Sri Lanka Accounting Standards 34 - 'Interim Financial Reporting' and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

2 COMMITMENTS & CONTINGENCIES

There are no significant capital commitments which have been approved or contracted for by the company as at 31st March 2023 except following,

2.1 Operating Lease Commitments as at 31st March 2023

Within One Year- Rs. 10.87 million

2.2 (a) As at 31st March 2023, the Company has provided letters of guarantee totalling to Rs. 1,500,000/- against Fixed Deposits of Rs. 1,500,000/-

2.3 Assets Pledged as Securities

Company has given a negative pledge amounting to Rs.8,133,580,000/- over the Company's Lease receivable and Loans for the following banks over Loans, Overdrafts, Securitization & Debentures having a carrying value of Rs.5,956,600,000/- as at 31st March 2023.

Bank	Exposure	Type of Facility	Carrying Value Rs.	Amount Pledged Rs.
Sampath Bank	130% of the Banks's exposure	Loan	500,000,000	
		Overdraft Facility	300,000,000	1,040,000,000
Commercial Bank	150% of the Banks's exposure	Overdraft Facility	200,000,000	300,000,000
Seylan Bank	130% of the Banks's exposure	Loan	675,000,000	1,202,500,000
		Overdraft Facility	250,000,000	
Nations Trust Bank	130% of the Banks's exposure	Loan	964,000,000	1,513,200,000
		Overdraft Facility	200,000,000	
Cargills Bank	130% of the Banks's exposure	Loan	200,000,000	260,000,000
Bank of Ceylon	130% of the Banks's exposure	Loan	300,000,000	390,000,000
Pan Asia Bank Corporation	200% of the Company exposure	Loan	500,000,000	1,000,000,000
Trustee (Hatton National Bank & National Savings Bank)	130% of the Banks's exposure	Securitization	1,867,600,000	2,427,880,000
			<u>5,956,600,000</u>	<u>8,133,580,000</u>

2.4 (a) Case bearing No. 404 has been filled against Singer Finance (Lanka) PLC by a customer in the District Court of Ampara claiming Rs. 2,000,000/- as damages caused by repossessing and selling of a vehicle leased through the Company. The case will be called on 31st July 2023 for further trial.

(b) Further, the Company has received summons for case number 004674/21DMR claiming Rs.3,800,000/- as damages. The case will be called on 25th January 2024 for proxy and answer.

The lawyers of the Company are of the view that the ultimate resolution of these litigations would not likely to have a material impact.

3 EVENTS AFTER THE REPORTING PERIOD

There have been no material events occurring after the Reporting date which require adjustments to or disclosure in the financial statements.

Notes to the Financial Statements

4 FAIR VALUE MEASUREMENT HIERARCHY

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st -March-2023	Amortised Cost Rs.'000	Fair value through OCI Rs.'000	Other Financial Liabilities Rs.'000	Total Rs.'000	Fair Value Rs.'000	Fair Value Measurement Level
Financial Assets						
Cash and Cash Equivalents	2,535,435	-	-	2,535,435	-	-
Placement with Banks	1,413,997	-	-	1,413,997	-	-
Financial assets at amortised cost-Hire Purchase Receivables	-	-	-	-	-	-
Financial assets at amortised cost-Finance Lease Receivables	8,887,364	-	-	8,887,364	-	-
Financial assets at amortised cost-Loans and Advances	15,309,935	-	-	15,309,935	-	-
Financial assets measured at fair value through other comprehensive income	-	2,120	-	2,120	2,120	Level 3
Financial assets at amortised cost-Debt and other financial instruments	2,013,992	-	-	2,013,992	2,036,485	Level 2
Due from Related Companies	-	-	-	-	-	-
Total Financial Assets	30,160,723	2,120	-	30,162,843	2,038,605	-
Financial Liabilities						
Other Financial Liabilities Due to Customers	-	-	19,195,604	19,195,604	-	-
Interest Bearing Loans & Borrowings-Debenture	-	-	3,453,828	3,453,828	-	-
Interest Bearing Loans & Borrowings-Bank Loans	-	-	539,847	539,847	-	-
Interest Bearing Loans & Borrowings-Securitization	-	-	2,073,691	2,073,691	-	-
Due to Related Companies	-	-	115,795	115,795	-	-
Lease Liabilities	-	-	757,645	757,645	-	-
Bank Overdraft	-	-	4,247	4,247	-	-
Total Financial Liabilities	-	-	26,140,657	26,140,657	-	-
As at 31st-March-2022						
Financial Assets						
Cash and Cash Equivalents	837,562	-	-	837,562	-	-
Placement with Banks	177,450	-	-	177,450	-	-
Financial assets at amortised cost-Hire Purchase Receivables	-	-	-	-	-	-
Financial assets at amortised cost-Finance Lease Receivables	12,954,049	-	-	12,954,049	-	-
Financial assets at amortised cost-Loans and Advances	13,395,955	-	-	13,395,955	-	-
Financial assets measured at fair value through other comprehensive income	-	41	-	41	41	Level 3
Financial assets at amortised cost-Debt and other financial instruments	1,412,979	-	-	1,412,979	1,412,414	Level 2
Due from Related Companies	-	-	-	-	-	-
Total Financial Assets	28,777,995	41	-	28,778,036	1,412,455	-
Financial Liabilities						
Other Financial Liabilities Due to Customers	-	-	12,295,391	12,295,391	-	-
Interest Bearing Loans & Borrowings-Debenture	-	-	3,271,854	3,271,854	-	-
Interest Bearing Loans & Borrowings-Bank Loans	-	-	4,233,055	4,233,055	-	-
Interest Bearing Loans & Borrowings-Securitization	-	-	3,272,857	3,272,857	-	-
Interest Bearing Loans - Related party	-	-	-	-	-	-
Due to Related Companies	-	-	72,461	72,461	-	-
Lease Liabilities	-	-	721,891	721,891	-	-
Bank Overdraft	-	-	599,909	599,909	-	-
Total Financial Liabilities	-	-	24,467,418	24,467,418	-	-

Amortized cost for Hire Purchase receivables , Lease receivables , Loans and Advances and Liabilities is computed using market interest rate. Therefore amortized cost is a reasonable approximation to its Fair value. The Company has used market yield rates published by Central Bank for the fair value computation of Financial assets at amortised cost-Debt and other financial instruments.

Notes to the Financial Statements**5 SURCHARGE TAX LEVIED UNDER SURCHARGE TAX ACT NO.14 OF 2022**

The Government of Sri Lanka in its Budget for 2022 proposed a One-Time Tax, referred to as a Surcharge Tax, at the rate of 25% to be imposed on companies that have earned a Taxable Income in excess of Rs. 2,000 Million for the Year of Assessment 2020/2021. Further, each company of a Group of companies would be liable if the aggregate taxable income of the group exceeds Rs. 2,000 Million for the Year of Assessment 2020/2021. The Group includes a holding company and its subsidiaries, as at March 31, 2021.

The Tax is imposed by the Surcharge Tax Act No. 14 of 2022 which was passed by the Parliament of Sri Lanka on 7th April 2022. The total Surcharge Tax liability of Rs. 53 Million has been recognized in the financial statements of FY 2022/2023 for the Company as an adjustment to the 1st April 2022 retained earnings in the statement of Changes in Equity as per the Statement of Alternative Treatment (SoAT) issued by The Institute of Chartered Accountants of Sri Lanka on 10th August 2022.

The Company paid the aforesaid Surcharge Tax Liability of Rs. 53 Million in two equal instalments on 20th April 2022 and 19th July 2022.

6 IMPACT OF CHANGE IN INCOME TAX RATES

Pursuant to the Inland Revenue (Amendment) Act, No. 45 of 2022 certified on 19th of December, 2022, corporate income tax arising from business income has been increased from 24% to 30% w.e.f. 1st October 2022. As a result of this amendment, 4th quarter income tax has been calculated based on a tax rate of 30%.

As deferred tax is calculated based on the liability method as per LKAS 12 - Income Taxes, the new tax rate of 30% was applied to the cumulative temporary differences as at 1st April 2022. This change in income tax rates resulted in a deferred tax reversal of Rs. 19,668,694 for the year ended 31st March 2023.

Investor Information

LISTED DEBENTURES

Details regarding the listed Debentures are as follows.

Type	Face Value Rs.	Interest Frequency	Interest Rate	Date of Allotment	Maturity Date	Interest rate of Comparable Government Securities
2020- Type - A	753,000,000	Annually	13% 6 Month T-Bill rate	09-Apr.-2020	10-Apr.-2023	as at 15th April 2020 was 8.5%
2020- Type - B	250,000,000	Semi-annually	+3.75% P.A	09-Apr.-2020	10-Apr.-2023	as at 15th April 2020 was 8.5%
2020-Type - C	5,000,000	Annually	13.25%	19-May.-2020	19-May.-2025	as at 15th April 2020 was 8.7%
2021- Type - A	583,220,000	Annually	9.25%	25-June-2021	25-June-2026	as at 15th June 2021 was 7.31%
2021- Type - B	1,416,780,000	Annually	1 Year T-Bill Rate +3.75% P.A	25-June-2021	25-June-2026	as at 15th June 2021 was 7.31%

Interest rate of Comparable Government Securities as at 31st March 2023 were 24.31% (01 Year Treasury Bill) and 28.11% (05 Years Treasury Bond)

Trading details of Listed Debentures

A single transaction has taken place and details are as follows,

Type	2021- Type - B	Traded Price	Rs.97.39
Face Value of a Debenture	Rs.100	Coupon Rate	26.49%
Interest Frequency	Annually	Yield to Maturity	27.65%

Debenture Proceeds Utilization as at 31st March 2023

Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed date of utilization as per prospectus	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amount utilized in Rs. (B)	% Utilized against allocation on (B/A)	Clarification if not fully utilized including where the funds are invested
Improve and further strengthen the Capital Adequacy Ratio (CAR) of the Company	Rs.1,000,000,000 with an option to raise a further						
To facilitate future expansion of business activities of the Company	Rs.1,000,000,000, in the event of oversubscription of the initial issue	25th June 2021	2,000,000,000	100%	2,000,000,000	100%	N/A

RATIOS

	31st-March-2023	31st-March-2022
Debt Equity Ratio	5.23	5.11
Interest Cover	1.15	1.49
Quick Assets Ratio	1.33	1.05
Liquid Asset Ratio	21.20%	15.06%
Tier I Ratio	20.01%	15.89%
Total Capital Ratio	25.60%	21.74%

DIRECTORS' AND CEO'S DEBENTURE HOLDING AS AT 31ST MARCH 2023

Name of the Director	No of Debentures 31st-March-2023	No of Debentures 31-March-2022
Mr. Aravinda Perera	-	-
Mr. Jayanth Perera	-	-
Ms. Darshini Talpawewa	-	-
Mr. L.S. Sadeep Perera (Resigned w.e.f. 01st December 2022)	-	-
Mr. Thushan Amarasuriya (Chief Executive Officer/Executive Director)	-	-
Mr. Mahesh Wijewardene	-	-
Mr. Ranil De Silva	-	-
Mr. Saman Herath	-	-

INFORMATION ON ORDINARY SHARES

Stated Capital	31st-March-2023	31st-March-2022
Value-Ordinary Shares	Rs.1,996,444,457	Rs.1,996,444,457
No of Shares-Ordinary Shares	202,074,075	202,074,075
Voting Rights	One Vote per Ordinary Share	One Vote per Ordinary Share
Share Price	Quarter Ended	Quarter Ended
	31st-March-2023	31st-March-2022
Highest	12.70	20.30
Lowest	9.00	12.90
Last Traded	11.30	13.50
	Twelve Months Ended	Twelve Months Ended
	31st-March-2023	31st-March-2022
Highest	14.00	20.30
Lowest	9.00	12.90
Last Traded	11.30	13.50

Investor Information

Twenty Largest holders of Shares as at 31st March 2023

Name	No of Shares	%
1 Singer (Sri Lanka) PLC	161,513,035	79.93
2 Employees Trust Fund Board	3,440,878	1.70
3 Mr. A. M. Weerasinghe	3,181,765	1.57
4 Associated Electrical Corporation Ltd	3,147,500	1.56
5 Mr. A. M. C. S. Atapattu	1,626,000	0.80
6 Mr. M. L. Ajit Benedict	1,069,278	0.53
7 Mrs. U. D. D. N. Perera	845,284	0.42
8 United Motors Lanka PLC	679,224	0.34
9 Mr. S. Vasudevan & Mrs. V. Saraswathi	625,000	0.31
10 Mr. Ram Pritamdas, Mr. D. Pritamdas & Miss. L.P. Hathiramani	605,000	0.30
11 Mrs. V. Saraswathi & Mr. S. Vasudevan	575,000	0.28
12 People's Leasing & Finance PLC/ L.P. Hapangama	570,738	0.28
13 Unimo Enterprises Ltd.	521,885	0.26
14 Mr. D. C. P. De Silva Siriwardane	480,152	0.24
15 A E C Properties (Pvt) Ltd.	440,000	0.22
16 Hatton National Bank PLC/ Mr. Arunasalam Sithampalam	420,944	0.21
17 Mr. L.N.S. Kumara Samarasinghe	355,000	0.18
18 Mr. W. V. N. B. Weragoda	303,438	0.15
19 Mercantile Investments and Finance PLC	296,760	0.15
20 Trading Partners (Pvt) Ltd.	273,823	0.14
	180,970,704	89.57
Others	21,103,371	10.43
	202,074,075	100.00

Directors' and CEO's Shareholding as at 31st March 2023

Name of the Director	Shareholding 31-March-2023 No of Shares	Shareholding 31-March-2022 No of Shares
Mr. Aravinda Perera	-	-
Mr. Jayanth Perera	-	-
Ms. Darshini Talpahewa	-	-
Mr. L.S. Sadeep Perera (Resigned w.e.f. 01st December 2022)	-	-
Mr. Thushan Amarasuriya (Chief Executive Officer/Executive Director)	50,155	50,155
Mr. Mahesh Wijewardene	-	-
Mr. Ranil De Silva	-	-
Mr. Saman Herath	-	-
	50,155	50,155

Public Holding

	31st-March-2023	31st-March-2022
No of Share Holders	6,109	6,129
No of Shares	40,510,885	40,510,885
% of Public Holding	20.05%	20.05%
Float Adjusted Market Capitalization	Rs. 453,777,543/-	Rs. 526,706,076/-
The Company is Compliant with option 5 of the Listing Rules 7.14.1 (a) - Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires		
20% minimum Public Holding		

Corporate Information

Name of the Company

Singer Finance (Lanka) PLC

Legal Form

A public limited Company incorporated in Sri Lanka on 19th April 2004 under the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 07 of 2007 on 16th December 2008. Shares of the Company are listed on the main board of Colombo Stock Exchange on 17th January 2011.

Auditors

KPMG

Chartered Accountants

No.32A,

Sir Mahamed Macan Markar Mawatha, P.O.Box 186, Colombo 03.

Company Secretary

Mr. Lasitha Dias

TP: 0112-100161

Registars

Hayleys Group Services (Pvt) Ltd

TP: 0112-627000

Lawyers

Neelakandan & Neelakandan

Attorneys-at-Law & Notaries Public M&N Building (Level 5)

No.02, Deal Place, Colombo 03.

Directorate

Mr. Aravinda Perera - Chairman/NED

Mr. Jayanth Perera - Senior INED

Mr. Thushan Amarasuriya - CEO/ED

Ms. Darshini Talpahewa - NED

Mr. Mahesh Wijewardene - NED

Mr. Ranil De Silva - INED

Mr. Saman Herath - INED

* NED- Non- Executive Director

** INED- Independent Non- Executive Director

*** ED- Executive Director

**** Senior INED- Senior Independent Non- Executive Director

Audit Committee

Mr. Ranil De Silva - Chairman/INED

Mr. Jayanth Perera - Senior INED

Mr. Aravinda Perera - NED

Mr. Saman Herath - INED

Remuneration Committee

Mr. Jayanth Perera - Chairman/Senior INED

Mr. Aravinda Perera - NED

Mr. Ranil De Silva - INED

Mr. Saman Herath - INED

Nominations Committee

Mr. Jayanth Perera - Chairman/Senior INED

Mr. Aravinda Perera - NED

Mr. Ranil De Silva - INED

Mr. Saman Herath - INED

Registered Office

No. 498, R. A De Mel Mawatha

Colombo 03.

TP: 011-2400400

Fax : 011-2303715

E-mail- financecompany@singersl.com

Company registration Number

Old – N (PBS) 1171 New – PB 813 PQ

Tax Payer Identification Number

134011718

Investor Relations

Please contact the Company Secretary

Mr. Lasitha Dias

TP: 0112-100161

E-mail- financecompany@singersl.com