

SINGER FINANCE

SINGER FINANCE (LANKA) PLC

INTERIM FINANCIAL STATEMENTS FOR THE
NINE MONTHS ENDED 31ST DECEMBER 2020

SINGER[®]
Trusted Excellence

STATEMENT OF FINANCIAL POSITION

As At	31-December-2020	31-December-2019	31-Mar-2020
	Rs.'000	Rs.'000	(Audited) Rs.'000
ASSETS			
Cash and Cash Equivalents	1,743,015	270,263	214,376
Placement with Banks	80,476	101,362	101,394
Financial assets at amortised cost-Hire Purchase Receivables	-	3,943	3,909
Financial assets at amortised cost-Finance Lease Receivables	13,900,519	14,470,134	14,958,657
Financial assets at amortised cost-Loans and Advances	6,536,060	4,578,609	5,195,000
Financial assets measured at fair value through other comprehensive income	41	41	41
Financial assets at amortised cost-Debt and other financial instruments	668,039	737,085	789,889
Due from Related Companies	323,932	199,093	185,522
Other Debtors, and Prepayments	322,392	324,988	260,166
Deferred Tax Assets	-	25,256	-
Intangible Assets	43,066	43,811	42,277
Property, Plant & Equipment	343,273	311,038	327,720
Right-of-use assets / Lease assets	531,374	465,047	468,490
Total Assets	24,492,187	21,530,670	22,547,442
LIABILITIES			
Financial liabilities at amortised cost-Due to Customers	9,597,690	6,643,811	7,175,552
Financial liabilities at amortised cost-Interest Bearing Loans & Borrowings	8,673,197	8,756,119	9,228,199
Lease Liabilities	582,561	474,638	476,002
Interest Bearing Loans - Related party	-	400,000	400,000
Trade & Other Payables	566,739	709,746	466,925
VAT Payable	643	2,266	627
Due to Related Companies	260,306	4,667	4,512
Bank Overdraft	401,235	563,093	618,330
Current Tax Liabilities	72,372	154,169	117,351
Deferred Tax Liabilities	77,364	-	77,364
Retirement Benefit Obligations	90,350	79,171	73,397
Total Liabilities	20,322,457	17,787,680	18,638,259
SHAREHOLDERS' FUND			
Stated Capital	1,996,444	1,996,444	1,996,444
Reserve Fund	182,548	163,096	182,548
Retained Earnings	1,990,738	1,583,450	1,730,191
Total Equity	4,169,730	3,742,990	3,909,183
Total Liabilities & Equity	24,492,187	21,530,670	22,547,442
Net Assets per share (Rs)	20.63	18.52	19.35

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.

Singed for and on behalf of the Board by,

(Sgd.)

A.Perera

Chairman

Colombo

27th January 2021

(Sgd.)

Thushan Amarasuriya

Director/Chief Executive Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the quarter ended 31st December.	2020	2019	Variance	
	Rs.'000	Rs.'000	Rs.'000	%
Gross Income	1,165,619	1,141,825	23,794	2%
Interest Income	1,094,261	1,088,191	6,070	1%
Less: Interest Expense	460,032	497,413	37,381	8%
Net Interest Income	634,229	590,778	43,451	7%
Net Fee and Commission Income	59,692	52,593	7,099	13%
Trading Income	-	136	(136)	(100%)
Other Operating Income	11,666	905	10,761	1,189%
Total Operating Income	705,587	644,412	61,175	9%
Less: Impairment charges and Other Credit Losses on Financial Assets	165,910	43,501	(122,409)	(281%)
Net Operating Income	539,677	600,911	(61,234)	(10%)
Less:- Expenses				
Personnel Cost	174,381	148,728	(25,653)	(17%)
Administration & Selling Expenses	199,103	202,302	3,199	2%
Operating Profit Before VAT, NBT and DRL on Financial Services	166,193	249,881	(83,688)	(33%)
Less: VAT, NBT and DRL on Financial Services	48,552	83,550	34,998	42%
Profit Before Income Tax	117,641	166,331	(48,690)	(29%)
Less: Income Tax Expense	31,430	66,033	34,603	52%
Net profit for the Period	86,211	100,298	(14,087)	(14%)
Total Comprehensive Income for the Period	86,211	100,298	(14,087)	(14%)
Basic Earnings per Share (Rs)	0.43	0.50		

Share Price	Quarter Ended 31st December 2020	Quarter Ended 31st December 2019
	Rs.	Rs.
Highest	15.60	13.70
Lowest	12.00	12.90
Closing	15.00	13.00

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Nine Months ended 31st December	2020	2019	Variance	
	Rs.'000	Rs.'000	Rs.'000	%
Gross Income	3,465,208	3,404,293	60,915	2%
Interest Income	3,272,321	3,224,067	48,254	1%
Less: Interest Expense	1,454,478	1,517,085	62,607	4%
Net Interest Income	1,817,843	1,706,982	110,861	6%
Net Fee and Commission Income	170,156	160,075	10,081	6%
Trading Income	-	857	(857)	(100%)
Other Operating Income	22,731	19,294	3,437	18%
Total Operating Income	2,010,730	1,887,208	123,522	7%
Less: Impairment charges and Other Credit Losses on Financial Assets	480,029	252,304	(227,725)	(90%)
Net Operating Income	1,530,701	1,634,904	(104,203)	(6%)
Less:- Expenses				
Personnel Cost	461,695	442,003	(19,692)	(4%)
Administration & Selling Expenses	549,421	623,328	73,907	12%
Operating Profit Before VAT, NBT and DRL on Financial Services	519,585	569,573	(49,988)	(9%)
Less: VAT, NBT and DRL on Financial Services	138,330	213,822	75,492	35%
Profit Before Income Tax	381,255	355,751	25,504	7%
Less: Income Tax Expense	120,708	131,932	11,224	9%
Profit for the Period	260,547	223,819	36,728	16%
Total Comprehensive Income for the Period	260,547	223,819	36,728	16%
Basic Earnings per Share (Rs)	1.29	1.11		

Share Price

	Nine Months Ended	
	31st December 2020	31st December 2019
	Rs.	Rs.
Highest	15.60	14.70
Lowest	7.40	11.90
Closing	15.00	13.00

STATEMENT OF CHANGES IN EQUITY

For the Nine Months ended 31st December

	Attributable to Equity Holders of the Company			
	Stated Capital Rs.'000	Reserve Fund Rs.'000	Retained Earnings Rs.'000	Total Rs.'000
Balance as at 31st March 2019	1,996,444	163,096	1,384,395	3,543,935
Adjustment on Initial Application of SLFRS-16, net of Tax- Note 7.1	-	-	24,764	(24,764)
Balance as at 01st April 2019	1,996,444	163,096	1,359,631	3,519,171
Total Comprehensive Income				
Profit for the Period	-	-	223,819	223,819
Total Comprehensive Income for the Period	-	-	223,819	223,819
Balance as at 31st December 2019	1,996,444	163,096	1,583,450	3,742,990
Total Comprehensive Income				
Profit for the Period	-	-	165,222	165,222
Other Comprehensive Income				
Employee Benefit Plan Actuarial Loss			1,348	1,348
Tax on Other Comprehensive Income			(377)	(377)
Total Other Comprehensive Income for the Period	-	-	971	971
Total Comprehensive Income for the Period	-	-	166,193	166,193
Transactions with Owners, Recorded Directly in Equity				
Transferred to/(from) during the Period	-	19,452	(19,452)	-
Total Transactions with Equity Owners	-	19,452	19,452	-
Balance as at 31st March 2020	1,996,444	182,548	1,730,191	3,909,183
Total Comprehensive Income				
Profit for the Period	-	-	260,547	260,547
Total Comprehensive Income for the Period	-	-	260,547	260,547
Total Transactions with Equity Owners	-	-	-	-
Balance as at 31st December 2020	1,996,444	182,548	1,990,738	4,169,730

CASH FLOW STATEMENT

For the Nine Months ended 31st December	2020	2019
	Rs.'000	Rs.'000
Cash Flows From Operating Activities		
Profit Before Tax	381,255	355,751
Adjustments for		
Non-Cash Items Included In Profit Before Tax		
Interest Income from Investing Activities	(37,850)	(50,262)
Interest Income from Placement with Banks	(8,469)	(6,402)
Finance Cost	1,379,980	1,353,325
Depreciation/Amortization	111,771	93,668
(Profit)/ Loss on disposal of Property, Plant and Equipment	1,049	7,530
Provision for Define Benefit Plans - Gratuity	18,000	18,000
Provision for Bad Debt	480,029	252,305
Securitization Issue Cost	31,966	19,597
Debenture Issue Cost	2,351	4,125
Operating Profit Before Changes In Operating Assets And Liabilities	2,360,082	2,047,637
Changes In;		
(Increase)/ Decrease in Lease Rentals Receivables	709,423	(654,609)
Decrease in Hire Debtors	4,713	11,886
Increase in Loans and Advances	(1,473,177)	(809,487)
(Increase)/ Decrease in Other Assets	(62,227)	(38,514)
Increase in Due from Related Companies	(138,411)	(106,649)
Increase In Public Deposits	2,389,390	476,526
Increase in amounts due to Related Companies	255,794	3,098
Decrease in Other Liabilities	99,838	85,306
Cash from/(used in) Operations	4,145,425	1,015,194
Finance costs paid	(1,217,673)	(1,017,785)
Retiring Gratuity Paid	(1,048)	(1,948)
ESC Paid	-	(16,927)
Income Tax Paid	(165,687)	(177,256)
Net Cash from/(used in) Operating Activities	2,761,017	(198,722)
Cash Flows from/(used in) Investing Activities		
Acquisition of Property Plant & Equipment	(68,202)	(139,085)
Proceeds from Sale of Property, Plant & Equipment	2,077	740
Incurred on Software Development	(5,574)	(2,123)
(Increase)/Decrease Investment in Investment Securities	129,863	(80,084)
Investment in Bank Deposits	19,748	(20,000)
Interest Income Received	39,476	24,995
Net Cash Flows from/ (used in) Investing Activities	117,388	(215,557)
Cash Flows from/(used in) Financing Activities		
Issue of Debenture	1,008,000	-
Issue Of Securitization	3,109,083	950,000
Loans Obtained During the Period Other Than Related Party	7,250,000	4,175,000
Loans Obtained During the Period From Related Party	-	500,000
Repayment of Loans Other Than Related Party	(8,798,032)	(2,425,982)
Repayment of Loans Related Party	(400,000)	(1,100,000)
Direct Cost on Share Issue	-	-
Repayment of Commercial Papers	-	-
Repayment of Debenture	(2,090,690)	(409,300)
Repayment of Securitization	(1,094,180)	(441,067)
Securitization Issue Cost	(50,831)	(44,008)
Lease Rentals Paid	(66,012)	(44,352)
Dividends Paid	(9)	(221,316)
Net Cash Flows from/ (used in) Financing Activities	(1,132,671)	938,975
Net increase/(Decrease) in Cash and Cash Equivalents	1,745,734	524,696
Cash and Cash Equivalents at the beginning of the Period	(403,953)	(817,527)
Cash and Cash Equivalents at the end of the Period	1,341,781	(292,831)

Interim Financial Statements for the Quarter Ended 31st December 2020

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 December.	Finance Lease		Hire Purchase		Loan & Advances		Other		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Interest	772,803	802,976	-	368	300,970	255,254	20,488	29,593	1,094,261	1,088,191
Net Fee and Commission Income	48,606	38,729	-	17	11,037	13,010	49	837	59,692	52,593
Net Trading Income	-	-	-	-	-	-	-	136	-	136
Other Operating Income	8,971	250	1	(1)	1,913	728	781	(72)	11,666	905
Total Revenue	830,380	841,955	1	384	313,920	268,992	21,318	30,494	1,165,619	1,141,825
Interest Expense	(324,089)	(366,942)	6	(166)	(127,528)	(116,777)	(8,421)	(13,528)	(460,032)	(497,413)
Depreciation & Amortization	(29,617)	(25,617)	(1)	(13)	(11,360)	(8,123)	-	-	(40,978)	(33,753)
Period S&A	(240,414)	(240,591)	(7)	(108)	(92,085)	(76,578)	-	-	(332,506)	(317,277)
Impairment charges and Other Credit Losses on Financial Assets	(130,199)	(12,508)	(502)	89	(35,209)	(31,082)	-	-	(165,910)	(43,501)
Less: VAT, NBT and DRL on Financial Services	(34,359)	(61,730)	-	(30)	(13,267)	(19,518)	(926)	(2,272)	(48,552)	(83,550)
Profit Before Tax	71,702	134,567	(503)	156	34,471	16,914	11,971	14,694	117,641	166,331
Income Tax Expense	(19,157)	(53,424)	134	(62)	(9,209)	(6,715)	(3,198)	(5,832)	(31,430)	(66,033)
Profit After Tax	52,545	81,143	(369)	94	25,262	10,199	8,773	8,862	86,211	100,298
Segment Assets	15,828,398	15,407,027	-	4,198	7,442,554	4,875,096	1,221,235	1,244,349	24,492,187	21,530,670
Segment Liabilities	13,133,656	12,811,685	-	3,491	6,175,479	4,053,877	1,013,322	918,627	20,322,457	17,787,680
* Segment assets include the additions to non current assets	16,805	21,446	-	-	10,863	9,356	1,716	2,032	29,384	32,834

Interim Financial Statements for the Nine Months Ended 31st December 2020

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 Nine Months ended 31st December	Finance Lease		Hire Purchase		Loan & Advances		Other		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Interest	2,377,252	2,393,619	475	1,525	817,474	741,284	77,120	87,639	3,272,321	3,224,067
Net Fee and Commission Income	107,595	112,173	13	70	62,422	45,435	126	2,397	170,156	160,075
Trading Income	-	-	-	-	-	-	-	857	-	857
Other Operating Income	14,843	12,724	2	8	7,860	6,442	26	120	22,731	19,294
Total Revenue	2,499,690	2,518,516	490	1,603	887,756	793,161	77,272	91,013	3,465,208	3,404,293
Interest Expense	(1,056,639)	(1,126,319)	(211)	(718)	(363,350)	(348,809)	(34,278)	(41,239)	(1,454,478)	(1,517,085)
Depreciation & Amortization	(83,157)	(71,483)	(17)	(46)	(28,596)	(22,138)	-	-	(111,770)	(93,667)
Period S&A	(669,119)	(741,544)	(134)	(472)	(230,093)	(229,648)	-	-	(899,346)	(971,664)
Impairment charges and Other Credit Losses on Financial Assets	(348,263)	(139,645)	350	1,572	(132,116)	(114,231)	-	-	(480,029)	(252,304)
Less: VAT, NBT and DRL on Financial Services	(100,493)	(158,747)	(20)	(101)	(34,557)	(49,162)	(3,260)	(5,812)	(138,330)	(213,822)
Profit Before Income Tax	242,019	280,778	458	1,838	99,044	29,173	39,734	43,962	381,255	355,751
Income Tax Expense	(76,625)	(104,127)	(145)	(682)	(31,358)	(10,819)	(12,580)	(16,304)	(120,708)	(131,932)
Profit After Tax	165,394	176,651	313	1,156	67,686	18,354	27,154	27,658	260,547	223,819
Segment Assets	15,828,398	15,407,027	-	4,198	7,442,554	4,875,096	1,221,235	1,244,349	24,492,187	21,530,670
Segment Liabilities	13,133,656	12,811,685	-	3,491	6,175,479	4,053,877	1,013,322	918,627	20,322,457	17,787,680
* Segment assets include the additions to non current assets	50,331	111,886	-	30	23,666	35,403	3,883	8,024	77,880	155,343

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 2020

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 COMMITMENT & CONTINGENCIES

There are no significant capital commitments which have been approved or contracted for by the company as at 31st December 2020 except following,

2.1 Operating Lease Commitments as at 31st December 2020

Within One Year Rs. 16.62 million

2.2 Approved but not disbursed facilities

Revolving Loan Facility Amount Rs. 300.28 million

2.3 (a) As at 31st December 2020, the Company has provided letters of guarantee totalling to Rs. 3,100,000/- against Fixed Deposits of Rs. 7,672,480/-

2.4 Assets Pledged as Securities

Company has given a negative pledge amounting to Rs.13,461,103,807/- over the Company's Lease receivable and Hire Purchase receivable, for the following banks over Loans, Overdrafts, Securitization & Debentures having a carrying value of Rs.10,283,926,005/- as at 31st December 2020.

Bank	Exposure	Type of Facility	Carrying Value Rs.	Amount Pledged Rs.
Sampath Bank	130% of the Banks's exposure	Loan	500,000,000	1,040,000,000
		Overdraft Facility	300,000,000	
Commercial Bank	150% of the Banks's exposure	Loan	260,000,000	690,000,000
		Overdraft Facility	200,000,000	
Seylan Bank	130% of the Banks's exposure	Loan	2,045,910,000	2,984,683,000
		Overdraft Facility	250,000,000	
Nations Trust Bank	130% of the Banks's exposure	Loan	850,000,000	1,300,000,000
		Overdraft Facility	150,000,000	
National Development Bank	130% of the Banks's exposure	Loan	500,000,000	780,000,000
		Overdraft Facility	100,000,000	
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	683,333,329	888,333,328
Hatton National Bank	130% of the Banks's exposure	Securitization	4,244,682,676	5,518,087,479
			<u>10,283,926,005</u>	<u>13,461,103,807</u>

- 2.5 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 the vehicle leased through the Company. The lawyers of the Company are of the view that the ultimate resolution of this litigation 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 these financial statements .

Notes to the Financial Statements

4 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
Type - A	753,000,000	Annually	13%	09-Apr.-2020	08-Apr.-2023	as at 15th April 2020 was 8.5%
Type - B	250,000,000	Semi-annually	6 Month T-Bill rate +3.75% P.A	09-Apr.-2020	08-Apr.-2023	as at 15th April 2020 was 8.5%
Type - C	5,000,000	Annually	13.25%	08-May.-2020	07-May.-2025	as at 15th April 2020 was 8.7%

Interest rate of Comparable Government Securities as at 31st December 2020 was 5.72%

The Listed Debentures were not traded during the period 01st April 2020 to 31st December 2020. Therefore, Highest Traded price, Lowest Traded Price, Last Traded Price as at 31st December 2020, Interest Yield and Yield to Maturity of trade were not available.

4.1 Debenture Proceeds Utilization as at 31st December 2020

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 (eg: whether lent to related party/s etc)
Supporting the expansion of the lending portfolio of the company	Rs.1,000,000,000 with an option to raise a further	09th April 2020					
Reducing the mismatch of maturity periods between assets and liabilities	Rs.500,000,000, in the event of oversubscription	05th May 2020	1,008,000,000	100%	1,008,000,000	100%	N/A
Diversifying the mix of funding	of the initial issue	19th May 2020					

	31-December-2020	31-December-2019
Debt Equity Ratio	4.62	4.52
Interest Cover	1.26	1.23
Quick Assets Ratio	0.94	0.75
Liquid Asset Ratio	11.81%	11.81%

5 Directors' and CEO's Debenture holding as at 31st December 2020

Name of the Director	No of Debentures 31-December-2020	No of Debentures 31-March-2020
Mr. Aravinda Perera	-	-
Mr. J.A. Setukavalar	-	-
Mr. Priyath Salgado	-	-
Mr. Jayanth Perera	-	-
Ms. D. Talpahewa	-	-
Mr. L.S. Sadeep Perera	-	-
Mr. T.A.Amarasuriya (Chief Executive Officer/Executive Director)	-	-
Mr. Mahesh H. Wijewardene	-	-
Mr. K.K.L.P.Yatiwella (Alternate Director to Ms. D. Talpahewa)	-	10,000

6 INFORMATION ON ORDINARY SHARES

a) Stated Capital	31-December-2020	31-December-2019
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

Notes to the Financial Statements

c) Twenty Largest holders of Shares as at 31st December 2020

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 Associated Electrical Corporation Ltd	3,147,500	1.56
4 Mr. A. M. Weerasinghe	1,000,000	0.49
5 Mr. A. M. C. S. Atapattu	834,450	0.41
6 Mr. M. L. Ajit Benedict	826,778	0.41
7 Mr. S. T. Hettige Don	711,000	0.35
8 United Motors Lanka PLC	679,224	0.34
9 Mrs. Vasudevan Saraswathi & Mr. S. Vasudevan	670,000	0.33
10 Mrs. H. G. E. Arumugampillai	661,500	0.33
11 Mr. S. Vasudevan & Mrs. V. Saraswathi	656,708	0.32
12 Sandwave Ltd	653,864	0.32
13 Hatton National Bank PLC/ Mr. S. A. Lukmanjee	569,867	0.28
14 Unimo Enterprises Ltd	521,885	0.26
15 A E C Properties (Pvt) Ltd.	440,000	0.22
16 Hatton National Bank PLC/ Arunasalam Sithampalam	420,944	0.21
17 Mr. Ram Pritamdas, Mr. D. Pritamdas & Miss. L.P. Hathiramani	400,623	0.20
18 Mr. L.N.S. Kumara Samarasinghe	355,000	0.18
19 Mercantile Investments and Finance PLC	296,760	0.15
20 Mr. V.G. Kulatunge Vidyaratne	250,555	0.12
	178,050,571	88.11
Others	24,023,504	11.89
	202,074,075	100.00

d) Directors' and CEO's Shareholding as at 31st December 2020

Name of the Director	Shareholding 31-December-2020 No of Shares	Shareholding 31-March-2020 No of Shares
Mr. Aravinda Perera	-	-
Mr. J.A. Setukavalar	-	-
Mr. Priyath Salgado	12,224	12,224
Mr. Jayanth Perera	-	-
Ms. D. Talpahewa	-	-
Mr. L.S. Sadeep Perera	-	-
Mr. T.A. Amarasuriya (Chief Executive Officer/Executive Director)	50,155	50,155
Mr. Mahesh H. Wijewardene	-	-
Mr. K.K.L.P. Yatiwella (Alternate Director to Ms. D. Talpahewa)	-	-
	62,379	62,379

e) Public Holding

	31-December-2020	31-December-2019
No of Share Holders	6,654	6,862
No of Shares	40,498,661	40,498,661
% of Public Holding	20.04%	20.04%
Float Adjusted Market Capitalization	Rs. 607,434,669/-	Rs. 526,443,380/-
The Company is Compliant with option 5 of the Listing Rules 7.13.1 (a) - Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding		

SINGER FINANCE (LANKA) PLC

7 Sri Lanka Accounting Standard-SLFRS 16 on "Leasing"

Initial adoption of SLFRS 16 – “Leases” which became applicable for financial reporting periods beginning on or after 01 January 2019. SLFRS 16 requires the recognition of lease liabilities and right of use of assets for leases previously classified as operating leases in accordance with LKAS 17 – “Leases”. Differences arising from the adoption of SLFRS 16 have been recognised directly in retained earnings as of 01 April 2019. Accordingly, accounting policies and methods of computation were adopted to be compliant with the requirements of the Sri Lanka Accounting Standard SLFRS 16- “Leases”. Presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant to be comparable with those for the current year.

7.1 Transition to SLFRS 16

The impact of transition to SLFRS 16 on retained earnings, is as follows.

	Retained earnings Rs.'000
Closing balance as at 31st March 2019	1,384,395
<u>Remeasurement adjustments on adoption of SLFRS 16</u>	
Impact of adopting SLFRS 16	(34,394)
Deferred Tax Impact on Adopting SLFRS-16	9,630
Total change in equity due to adoption of SLFRS 16	(24,764)
Opening balance under SLFRS 16 as at 1st April 2019	1,359,631

8 Information of the Company Secretary

Hayleys Group Services (Pvt) Ltd
TP: 2-627000