

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED

31 MARCH 2021

COMMERCIAL CREDIT AND FINANCE PLC



COMMERCIAL
CREDIT

COMMERCIAL CREDIT & FINANCE PLC

STATEMENT OF FINANCIAL POSITION

	Company		GROUP
	As at 31-Mar-21 (Amalgamated Unaudited) LKR	As at 31-Mar-20 (Audited) LKR	As at 31-Mar-20 (Audited) LKR
Assets			
Cash and Bank Balances	2,239,713,277	854,570,071	1,208,461,539
Reverse Repurchase Agreements	1,476,871,848	3,004,279,491	3,141,542,623
Placements with Banks	4,487,753,541	3,812,279,883	3,826,996,141
Financial assets measured at fair value through profit or loss	5,494,633,483	2,072,291,864	2,228,854,997
Financial assets at amortised cost			
Loans and Receivables	18,335,040,875	18,219,942,284	18,377,266,075
Lease Rentals Receivable & Stock out on Hire	50,505,467,427	43,395,382,046	52,689,500,344
Debt & Other instruments	253,257,877	114,822,765	114,822,765
Financial assets measured at fair value through other comprehensive income	6,291,861	4,310,479	67,223,703
Other Financial Assets	301,799,099	763,448,355	745,448,355
Inventories	71,610,208	65,910,298	65,910,298
Other Assets	513,071,950	173,199,518	257,986,659
Investment in Subsidiaries	-	1,599,288,321	-
Investment in Associates	340,823,054	390,000,000	364,203,089
Investment Property	1,478,919,010	1,678,298,940	1,678,298,940
Property, Plant and Equipment	3,476,908,446	3,051,877,367	3,126,825,486
Right of use assets	412,836,384	649,825,707	672,158,910
Intangible Assets & Goodwill	948,779,967	199,319,998	959,881,318
Current tax assets	-	311,261,563	336,796,145
Deferred tax asset	460,947,506	-	-
Total Assets	90,804,725,813	80,360,308,948	89,862,177,386
Liabilities			
Due to Banks	22,593,203,146	12,661,616,855	19,214,209,118
Due to Customers	47,989,536,843	47,394,521,877	48,948,641,777
Debt instruments issued	1,295,844,686	3,349,894,465	3,349,894,465
Other Financial Liabilities	1,316,605,923	1,753,986,571	1,987,798,983
Other Liabilities	1,518,373,695	1,319,578,082	1,462,995,410
Deferred tax liabilities	-	265,361,284	80,761,132
Post Employment Benefit Obligations	395,651,701	298,691,827	321,699,082
Current tax liabilities	281,970,260	-	-
Total Liabilities	75,391,186,255	67,043,650,962	75,365,999,968
Shareholders' Funds			
Stated Capital	2,150,640,315	2,150,640,315	2,150,640,315
Retained earnings	9,047,272,177	7,570,420,764	8,636,374,058
Reserves	4,215,627,066	3,595,596,907	3,701,973,390
Total Shareholders' Funds	15,413,539,558	13,316,657,986	14,488,987,763
Non - Controlling Interest	-	-	7,189,655
Total Liabilities & Shareholders' Funds	90,804,725,813	80,360,308,948	89,862,177,386
Commitments & Contingencies	476,629,299	297,435,063	297,435,063
Net Assets per Share (LKR)	48.46	41.87	45.55

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007

Sgd.
M. A. D. J. Deshapriya
Chief Financial Officer

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.
E.D.P. Soosaipillai
Chairman

Sgd.
R. S. Egodage
Director/ Chief Executive Officer

These figures are provisional and subject to audit.

Date : 31st May 2021

COMMERCIAL CREDIT & FINANCE PLC

STATEMENT OF PROFIT OR LOSS

	For Three months ended				For the Year ended				
	Company		Variance		Company		Variance		Group
	31-Mar-21 (Amalgamated Unaudited) LKR	31-Mar-20 (Unaudited) LKR	LKR	%	31-Mar-21 (Amalgamated Unaudited) LKR	31-Mar-20 (Audited) LKR	LKR	%	31-Mar-20 (Audited) LKR
Income									
Interest Income	4,258,697,108	4,578,882,379	(320,185,271)	-7%	16,086,955,727	17,966,128,159	(1,879,172,432)	-10%	20,835,015,310
Interest Expense	(1,729,667,210)	(2,139,930,821)	410,263,611	19%	(7,051,867,805)	(8,593,146,453)	1,541,278,649	18%	(9,922,872,530)
Net Interest Income	2,529,029,897	2,438,951,559	90,078,340	4%	9,035,087,922	9,372,981,706	(337,893,783)	-4%	10,912,142,781
Fee & Commission Income	463,128,188	358,874,580	104,253,608	29%	1,072,790,785	1,267,296,634	(194,505,849)	-15%	1,319,142,520
Net Income from Real Estate	1,666,633	1,086,608	580,025	53%	5,800,656	6,929,903	(1,129,247)	-16%	6,929,903
Net gain from trading	29,598,576	(26,491,880)	56,090,456	212%	95,592,640	(10,350,171)	105,942,810	1024%	(10,350,171)
Other operating income	351,984,960	130,612,764	221,372,196	169%	780,743,520	600,849,246	179,894,274	30%	753,252,066
Change in fair value of investment property	217,316,040	54,828,026	162,488,014	296%	217,316,040	54,828,026	162,488,014	296%	54,828,026
Total Operating Income	3,592,724,294	2,957,861,657	634,862,638	21%	11,207,331,563	11,292,535,344	(85,203,781)	-1%	13,035,945,125
Impairment Charges of Loans and Advances, Lease and Financial Assets	(12,788,053)	(1,039,380,095)	1,026,592,042	99%	(1,739,517,830)	(2,713,980,810)	974,462,980	36%	(3,404,582,020)
Pawning auction losses	-	-	-	-	-	-	-	-	17,895,675
Net Operating Income	3,579,936,241	1,918,481,562	1,661,454,680	87%	9,467,813,733	8,578,554,534	889,259,200	10%	9,649,258,780
Operating Expenses									
Personnel Costs	(933,654,251)	(609,100,621)	(324,553,630)	-53%	(2,454,694,077)	(2,511,368,852)	56,674,776	2%	(2,705,526,210)
Depreciation	(165,613,117)	(289,158,028)	123,544,911	43%	(586,686,489)	(541,158,028)	(45,528,461)	-8%	(580,608,111)
Other Operating Expenses	(718,954,473)	(513,416,465)	(205,538,008)	-40%	(2,421,659,253)	(2,865,048,634)	443,389,382	15%	(3,180,842,243)
Profit before Value added tax on Financial Services	1,761,714,400	506,806,447	1,254,907,954	248%	4,004,773,915	2,660,979,019	1,343,794,896	51%	3,182,282,215
Value Added Tax on Financial Services	(330,635,198)	(135,941,428)	(194,693,770)	-143%	(812,380,400)	(594,028,190)	(218,352,210)	-37%	(676,610,427)
Debt Repayment Levy	-	-	-	-	-	(269,463,668)	269,463,668	100%	(304,892,097)
	1,431,079,202	370,865,019	1,060,214,184		3,192,393,515	1,797,487,161	1,394,906,354	78%	2,200,779,691
Share of loss of associates	-	-	-	-	-	-	-	-	(15,711,053)
Profit Before Income Tax	1,431,079,202	370,865,019	1,060,214,184	286%	3,192,393,515	1,797,487,161	1,394,906,354	78%	2,185,068,638
Income Tax	(96,669,228)	37,782,319	(134,451,547)	-356%	(857,637,307)	(133,588,086)	(724,049,222)	-542%	(178,452,933)
Profit for the Period	1,334,409,974	408,647,338	925,762,637	227%	2,334,756,207	1,663,899,075	670,857,132	40%	2,006,615,705
Profit Attributable to:									
Equity holders of the parent	-	-	-	-	2,334,756,207	1,663,899,075	-	-	2,005,362,995
Non - Controlling interest	-	-	-	-	-	-	-	-	1,252,711
	-	-	-	-	2,334,756,207	1,663,899,075			2,006,615,706
Earning per Share (LKR)									
		4.20	1.28		7.34	5.23			6.31

* Consolidated and amalgamated 31st March 2021 - Please refer Note 6 (II) (b)

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC

STATEMENT OF COMPREHENSIVE INCOME

	For Three months ended				For the Year ended				
	Company		Variance		Company		Variance		Group
	31-Mar-21 (Amalgamated Unaudited) LKR	31-Mar-20 (Unaudited) LKR	LKR	%	31-Mar-21 (Amalgamated Unaudited) LKR	31-Mar-20 (Audited) LKR	LKR	%	31-Mar-20 (Audited) LKR
Profit for the period	1,334,409,974	408,647,338	925,762,636	227%	2,334,756,207	1,663,899,075	670,857,132	40%	2,006,615,705
Actuarial Losses on defined benefit plans	(6,842,736)	(75,984,355)	69,141,619	91%	(6,842,736)	(75,984,355)	69,141,619	91%	(79,040,628)
Deferred tax charge relating to actuarial gain on defined benefit plans	-	21,275,619	(21,275,619)	-100%	-	21,275,619	(21,275,619)	-100%	22,131,376
Net Gains/(Losses) on remeasuring at fair value through other comprehensive income	-	-	-	-	-	-	-	-	112,255
Revaluation gain on land and buildings	201,419,629	53,534,692	147,884,937	276%	201,419,629	53,534,692	147,884,937	276%	53,534,692
Deferred tax charge relating to revaluation gain on buildings	(48,340,711)	(14,989,714)	(33,350,997)	-222%	(48,340,711)	(14,989,714)	(33,350,997)	-222%	(14,989,714)
Net losses on Available-for-sale financial assets reclassified to profit or loss	-	-	-	-	-	-	-	-	119,340
Total Comprehensive Income for the period	1,480,646,156	392,483,581	1,088,162,575	277%	2,480,992,389	1,647,735,318	833,257,071	51%	1,988,483,026

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC

STATEMENT OF CHANGES IN EQUITY

Company	Stated Capital LKR	Revaluation Reserve LKR	General Reserve LKR	Retained Earnings LKR	Statutory Reserve Fund LKR	FVOCI Reserve LKR	Total LKR
Balance as at 1 April 2019 (Audited)	2,150,640,315	181,972,474	58,751,125	6,612,084,610	2,989,810,673	(6,262,158)	11,986,997,039
Net profit for the period	-	-	-	1,663,899,075	-	-	1,663,899,075
Dividend Paid	-	-	-	(318,074,370)	-	-	(318,074,370)
Transferred to Statutory Reserve	-	-	-	(332,779,815)	332,779,815	-	-
Other comprehensive income net of tax	-	38,544,978	-	(54,708,736)	-	-	(16,163,758)
Balance as at 31 March 2020 (Audited)	2,150,640,315	220,517,452	58,751,125	7,570,420,764	3,322,590,488	(6,262,158)	13,316,657,986
Balance as at 1 April 2020 (Audited)	2,150,640,315	220,517,452	58,751,125	7,570,420,764	3,322,590,488	(6,262,158)	13,316,657,986
Net profit for the period	-	-	-	2,334,756,207	-	-	2,334,756,207
Impact on Amalgamation	-	-	-	(384,110,816)	-	-	(384,110,816)
Other comprehensive income net of tax	-	153,078,918	-	(6,842,736)	-	-	146,236,182
Transferred to Statutory Reserve	-	-	-	(466,951,241)	466,951,241	-	-
Balance as at 31 March 2021 (Amalgamated Unaudited)	2,150,640,315	373,596,370	58,751,125	9,047,272,177	3,789,541,729	(6,262,158)	15,413,539,558

*Trade Finance and Investments PLC has amalgamated with Commercial Credit and Finance PLC with effect from 31 December 2020.

GROUP	Stated Capital LKR	Revaluation Reserve LKR	General Reserve LKR	Retained Earnings LKR	Statutory Reserve Fund LKR	FVOCI Reserve LKR	Available for Sales Reserve LKR	Non Controlling Interest LKR	Total
Balance as at 1 April 2019 (Audited)	2,150,640,315	181,972,474	58,751,125	7,356,688,194	3,079,067,382	(7,294,557)	-	6,141,652	12,825,966,589
Net profit for the year	-	-	-	2,005,362,994	-	-	-	1,252,711	2,006,615,705
Other comprehensive income net of tax	-	38,544,978	-	(56,901,561)	-	230,785	-	(6,881)	(18,132,679)
Dividend Paid	-	-	-	(318,074,370)	-	-	-	(197,827)	(318,272,197)
Transferred to Statutory Reserve	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020 (Audited)	2,150,640,315	220,517,452	58,751,125	8,987,075,257	3,079,067,382	(7,063,772)	-	7,189,655	14,496,177,417

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC

CASH FLOW STATEMENT

For the Year ended	Company		GROUP
	As at 31-Mar-21 (Amalgamated Unaudited) LKR	As at 31-Mar-20 (Audited) LKR	As at 31-Mar-20 (Audited) LKR
Cash Flows From / (Used in) Operating Activities			
Profit before Income Tax Expense	3,192,393,515	1,797,487,161	2,185,068,637
Adjustments for			
Depreciation and amortisation	335,845,452	363,049,427	1,252,767,021
Impairment charge of loans and advances, lease,hire purchase	1,739,517,830	2,713,980,811	3,404,582,022
Share of profit of associate	-	-	15,711,053
Amortisation of Right of use assets	250,841,037	249,488,768	259,350,410
Net fair value adjustment of Investment property	(217,316,040)	(55,117,531)	(55,117,531)
Fair value gain on compensation receivable	-	23,678,810	23,678,810
Pawning auction gain	(35,585,439)	(44,937,034)	(44,937,034)
Amortisation of prepaid debenture issue cost	21,922,124	18,643,202	18,643,202
Provision for defined benefit plans	85,328,758	65,625,989	72,459,570
Operating profit before working capital changes	5,372,947,237	5,131,899,602	7,132,206,160
(Increase)/Decrease in Inventories	(5,699,910)	11,223,026	11,223,026
(Increase)/Decrease in Loans and Advances	221,693,957	4,730,513,182	4,878,223,155
Decrease/(Increase) in Lease Rentals Receivable & Stock out on hire	(2,784,625,706)	(8,131,406,868)	(9,195,585,051)
Decrease/(Increase) in Other Financial Assets	997,925,399	(157,913,749)	(163,592,560)
Increase in Debt & other instruments	(138,435,112)	72,421,757	72,421,757
(Increase)/Decrease in Other Assets	46,458,583	149,660,958	131,884,081
Decrease/(Increase) in Placements and Reverse repurchase agreements	1,661,440,350	(1,160,131,423)	(1,297,394,555)
(Decrease)/Increase in Amounts Due to Customers	(982,821,496)	(4,513,845,460)	(4,987,677,391)
(Decrease)/Increase in Other Financial Liabilities	(437,380,648)	(408,262,142)	(558,287,248)
(Decrease)/Increase in Other Liabilities	(169,159,406)	(715,444,717)	(742,737,478)
Cash generated from Operations	3,782,343,248	(4,991,285,834)	(4,719,316,104)
Retirement Benefit obligation paid	(16,748,638)	57,456,980	59,955,753
Taxes paid	(721,157,787)	(329,740,086)	(586,953,905)
Net cash flows from/(used in) Operating activities	3,044,436,823	(5,263,568,940)	(5,246,314,257)
Cash flows from / (used in) Investing activities			
Acquisition of Investment Property	349,725,551	(229,784,208)	(229,784,208)
Disposal Proceeds from Investment Property	87,132,850	34,502,183	34,502,183
Acquisition of Property, plant and equipments	(677,375,884)	(332,724,988)	(1,226,205,418)
Acquisition of Intangible assets	(44,789,467)	(45,452,403)	(41,084,948)
Net investment in placements with banks	(859,667,349)	(445,495,339)	(550,271,289)
Net investment in financial assets measured at fair value through profit or loss	(2,389,554,804)	39,865,376	(112,183,220)
Net investment in financial assets measured at fair value through other comprehensive income	1,981,382	(23,678,810)	(4,115,782)
Net cash flows from/(used in) Investing activities	(3,532,547,722)	(1,002,768,189)	(2,129,142,682)
Cash flows from / (used in) Financing activities			
Net cash flow from/(used in) Debt Instruments issued and Other borrowings	(2,075,971,903)	319,717,655	319,717,655
Proceeds from Loans obtained	19,796,557,167	11,124,762,433	14,915,570,800
Lease Payments	(556,438,566)	(106,881,206)	(126,554,883)
Repayment of Bank Loans	(15,389,908,420)	(7,453,620,652)	(10,332,477,494)
Dividend paid	-	(315,444,932)	(316,163,593)
Net cash flows from/(used in) Financing activities	1,774,238,278	3,568,533,298	4,460,092,485
Net increase in Cash and Cash equivalents	1,286,127,378	(2,697,803,832)	(2,915,364,453)
Cash and Cash equivalents at the beginning of the year	3,823,692,308	6,521,496,140	7,092,948,228
Cash and Cash equivalents at the end of the year	5,109,819,687	3,823,692,308	4,177,583,775
Cash in hand	2,239,713,277	854,570,071	1,208,461,539
Reverse repurchase agreements	1,978,180,774	1,844,148,068	1,844,148,068
Placements with Bank	1,182,452,591	1,381,723,890	1,381,723,890
Bank Overdrafts	(290,526,956)	(256,749,719)	(256,749,719)
Total Cash and Cash Equivalents For the Purpose of Cash Flow Statement	5,109,819,687	3,823,692,308	4,177,583,775

These figures are provisional and subject to audit.

COMMERCIAL CREDIT & FINANCE PLC

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Company (Amalgamated Unaudited) As at 31 March 2021	At Fair Value		At Amortised Cost	
	Fair value through profit or Loss	Fair value through Other Comprehensive Income	Financial assets measured at amortised cost	Total
	LKR	LKR	LKR	LKR
Assets				
Cash and Bank Balances	-	-	2,239,713,277	2,239,713,277
Reverse repurchase agreements	-	-	1,476,871,848	1,476,871,848
Placements with banks	-	-	4,487,753,541	4,487,753,541
Financial assets recognised through profit or loss - measured at fair value	5,494,633,483	-	-	5,494,633,483
Financial assets at amortised cost				
Loans and Receivables	-	-	18,335,040,875	18,335,040,875
Lease rentals receivable & Stock out on hire	-	-	50,505,467,427	50,505,467,427
Debt & other instruments			253,257,877	253,257,877
Financial assets at fair value through other comprehensive income	-	6,291,861	-	6,291,861
Other financial assets	-	-	301,799,099	301,799,099
Total Financial Assets	5,494,633,483	6,291,861	77,599,903,944	83,100,829,288
Company (Amalgamated Unaudited) As at 31 March 2021			At Amortised Cost	Total
Liabilities			Other Financial Liabilities	LKR
Due to Banks			22,593,203,146	22,593,203,146
Due to Customers			47,989,536,843	47,989,536,843
Debt Instruments Issued and Other borrowed funds			1,295,844,686	1,295,844,686
Other Financial Liabilities			1,316,605,923	1,316,605,923
Total Financial Liabilities			73,195,190,598	73,195,190,598
Company (Audited) As at 31 March 2020			At Amortised Cost	Total
Assets			Financial assets measured at amortised cost	LKR
Cash and Bank balances	-	-	854,570,071	854,570,071
Reverse repurchase agreements	-	-	3,004,279,491	3,004,279,491
Placement with Banks	-	-	3,812,279,883	3,812,279,883
Financial assets recognised through profit or loss - measured at fair value	2,072,291,864	-	-	2,072,291,864
Loans and receivables	-	-	18,219,942,284	18,219,942,284
Lease rentals receivable & Stock out on hire	-	-	43,395,382,046	43,395,382,046
Debt & other instruments			114,822,765	114,822,765
Financial assets at fair value through other comprehensive income	-	4,310,479	-	4,310,479
Other financial assets	-	-	763,448,355	763,448,355
Total Financial Assets	2,072,291,864	4,310,479	70,164,724,895	72,241,327,238
Company (Audited) As at 31 March 2020			At Amortised Cost	Total
Liabilities			Other Financial Liabilities	LKR
Due to Banks			12,661,616,855	12,661,616,855
Due to customers			47,394,521,877	47,394,521,877
Debt Instruments Issued and Other borrowed funds			3,349,894,465	3,349,894,465
Other financial liabilities			1,753,986,571	1,753,986,571
Total Financial Liabilities			65,160,019,768	65,160,019,768

ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS				
Group (Audited)				
As at 31 March 2020	At Fair Value		At Amortised Cost	
	Fair value through profit or Loss	Fair value through Other Comprehensive Income	Financial assets measured at amortised cost	Total
Assets	LKR	LKR	LKR	LKR
Cash and Bank Balances	-	-	1,208,461,539	1,208,461,539
Reverse repurchase agreements	-	-	3,141,542,623	3,141,542,623
Placements with banks	-	-	3,826,996,141	3,826,996,141
Financial assets recognised through profit or loss - measured at fair value	2,228,854,997	-	-	2,228,854,997
Financial assets at amortised cost	-	-	-	-
Loans and Receivables	-	-	18,377,266,075	18,377,266,075
Lease rentals receivable & Stock out on hire	-	-	52,689,500,344	52,689,500,344
Debt & other instruments	-	-	114,822,765	114,822,765
Financial assets at fair value through other comprehensive income	-	67,223,703	-	67,223,703
Other financial assets	-	-	745,448,355	745,448,355
Total Financial Assets	2,228,854,997	67,223,703	80,104,037,842	82,400,116,542
Group (Audited)			At Amortised Cost	
As at 31 March 2020			Other Financial Liabilities	Total
Liabilities			LKR	LKR
Due to Banks			19,214,209,118	19,214,209,118
Due to Customers			48,948,641,777	48,948,641,777
Debt Instruments Issued and Other borrowed funds			3,349,894,465	3,349,894,465
Other Financial Liabilities			1,987,798,983	1,987,798,983
Total Financial Liabilities			73,500,544,343	73,500,544,343

COMMERCIAL CREDIT & FINANCE PLC

FAIR VALUE HIERARCHY

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy.

As at 31 March 2021

Financial Assets	Company (Amalgamated Unaudited)			Total LKR
	Level 1 LKR	Level 2 LKR	Level 3 LKR	
Financial assets - Recognised through profit or loss				
Government of Sri Lanka Treasury Bills	3,821,888,863	-	-	3,821,888,863
Quoted equities	39,740,452	-	-	39,740,452
Investments in Unit Trusts	1,633,004,168	-	-	1,633,004,168
Financial assets - fire value through other comprehensive income				
Government of Sri Lanka Treasury Bonds	-	-	-	-
Government of Sri Lanka Treasury Bills	-	-	-	-
Unquoted equities	-	-	6,291,861	6,291,861
Unit Trusts	-	-	-	-
Total Financial Assets	5,494,633,483	-	6,291,861	5,500,925,344
Non financial assets measured at fair value				
Freehold land	-	-	2,209,246,485	2,209,246,485
Building & Building integrals	-	-	599,653,312	599,653,312
Investment property	-	-	1,478,919,010	1,478,919,010
	<u>-</u>	<u>-</u>	<u>4,287,818,806</u>	<u>4,287,818,806</u>

As at 31 March 2020

Financial Assets	Company (Audited)				Group (Audited)			
	Level 1 LKR	Level 2 LKR	Level 3 LKR	Total LKR	Level 1 LKR	Level 2 LKR	Level 3 LKR	Total LKR
Financial assets - Recognised through profit or loss								
Government of Sri Lanka Treasury Bills	2,034,739,361	-	-	2,034,739,361	2,034,739,361	-	-	2,034,739,361
Quoted equities	37,552,503	-	-	37,552,503	39,202,052	-	-	39,202,052
Investments in Unit Trusts	-	-	-	-	154,913,584	-	-	154,913,584
Financial assets - fire value through other comprehensive income								
Government of Sri Lanka Treasury Bonds	-	-	-	-	-	-	-	-
Government of Sri Lanka Treasury Bills	-	-	-	-	60,931,842	-	-	60,931,842
Quoted equities	-	-	-	-	-	-	-	-
Unquoted equities	-	-	4,310,479	4,310,479	-	-	6,291,861	6,291,861
Investments in Unit Trusts	-	-	-	-	-	-	-	-
Total Financial Assets	2,072,291,864	-	4,310,479	2,076,602,343	2,289,786,837	-	6,291,861	2,296,078,699
Non financial assets measured at fair value								
Freehold land	-	-	1,783,278,484	1,783,278,484	-	-	1,783,278,484	1,783,278,484
Building & Building integrals	-	-	421,379,546	421,379,546	-	-	421,379,546	421,379,546
Investment property	-	-	1,698,461,370	1,698,461,370	-	-	1,698,461,370	1,698,461,370
	<u>-</u>	<u>-</u>	<u>3,903,119,400</u>	<u>3,903,119,400</u>	<u>-</u>	<u>-</u>	<u>3,903,119,400</u>	<u>3,903,119,400</u>

COMMERCIAL CREDIT & FINANCE PLC

FINANCIAL REPORTING BY SEGMENT

For the year ended s ended 31 March 2021 Company (Amalgamated Unaudited)	Finance Lease	Hire Purchase	Micro Finance & SME	Pawning	Term Loan	Revolving Loans	Investments	Unallocated	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Interest income	9,130,159,126	2,881,372,248	578,533,767	1,744,913,979	810,685,035	79,795,267	565,604,412	295,891,893	16,086,955,727
Fee Based Income & others	1,232,857,878	389,075,637	78,120,206	235,618,122	109,467,909	10,774,864	76,374,338	39,954,687	2,172,243,641
Unallocated Revenue	-	-	-	-	-	-	-	-	-
Total Revenue	10,363,017,004	3,270,447,885	656,653,973	1,980,532,101	920,152,945	90,570,131	641,978,750	335,846,580	18,259,199,368
Segmental Result	2,272,911,278	717,304,418	144,023,330	434,388,340	201,816,325	19,864,666	140,804,627	73,660,931	4,004,773,915
VAT on Financial services	-	-	-	-	-	-	-	-	(812,380,400)
Profits from Operations	-	-	-	-	-	-	-	-	3,192,393,515
Share of Associate Profit	-	-	-	-	-	-	-	-	-
Profit Before Tax	-	-	-	-	-	-	-	-	-
Income Tax Expenses	-	-	-	-	-	-	-	-	(857,637,307)
Net profit for the period	-	-	-	-	-	-	-	-	2,334,756,207
Segment Asset	40,009,649,970	10,495,817,457	2,389,783,065	9,740,476,622	3,828,614,659	273,497,488	16,151,673,258	7,915,213,293	90,804,725,811
									90,804,725,811
Segment Liabilities	33,218,259,798	8,714,217,478	1,984,132,197	8,087,091,070	3,178,731,044	227,072,984	13,410,026,802	6,571,654,882	75,391,186,255
Total Liabilities									75,391,186,255

For the year ended s ended 31 March 2020 Company (Unaudited)	Finance Lease	Hire Purchase	Micro Finance & SME	Pawning	Term Loan	Revolving Loans	Investments	Unallocated	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Interest income	9,270,981,566	2,657,899,341	1,250,947,689	1,608,014,994	1,529,730,974	61,232,928	916,613,504	670,707,163	17,966,128,159
Fee Based Income & others	964,011,047	276,372,497	130,075,482	167,203,894	159,063,800	6,367,095	84,960,723	131,499,101	1,919,553,638
Unallocated Revenue	-	-	-	-	-	-	-	-	-
Total Revenue	10,234,992,613	2,934,271,838	1,381,023,171	1,775,218,887	1,688,794,774	67,600,023	1,001,574,228	802,206,263	19,885,681,797
Segmental Result	1,369,583,446	392,646,120	184,799,984	237,548,818	225,984,078	9,045,817	134,024,472	107,346,283	2,660,979,019
VAT on Financial services	-	-	-	-	-	-	-	-	(594,028,190)
Debt Recovery Levy	-	-	-	-	-	-	-	-	(269,463,668)
Profits from Operations	-	-	-	-	-	-	-	-	1,797,487,161
Share of Associate Profit	-	-	-	-	-	-	-	-	-
Profit Before Tax	-	-	-	-	-	-	-	-	1,797,487,161
Income Tax Expenses	-	-	-	-	-	-	-	-	(133,588,086)
Net profit for the period	-	-	-	-	-	-	-	-	1,663,899,075
Segment Asset	34,939,601,983	8,455,780,062	2,811,108,749	5,868,015,699	7,656,570,435	381,598,594	12,760,212,146	7,487,421,279	80,360,308,947
									80,360,308,947
Segment Liabilities	29,149,694,804	7,054,556,839	2,345,274,629	4,895,615,777	6,387,785,743	318,363,173	10,645,693,384	6,246,666,612	67,043,650,962
Total Liabilities									67,043,650,962

For the year ended 31 March 2020 Group (Audited)	Finance Lease	Hire Purchase	Micro Finance & SME	Pawning	Term Loan	Revolving Loans	Investments	Unallocated	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Interest income	12,054,622,858	2,720,694,287	1,241,977,118	1,599,399,728	1,482,711,482	60,578,634	992,482,153	700,095,186	20,852,553,514
Fee Based Income & others	1,228,533,125	277,276,452	126,574,680	163,000,997	151,108,848	6,173,802	101,147,686	71,349,402	2,125,164,993
Total Revenue	13,283,155,983	2,997,970,739	1,368,551,798	1,762,400,725	1,633,820,330	66,752,436	1,093,629,839	771,444,588	22,977,717,697
Segmental Result	2,012,094,779	454,124,101	207,304,343	266,963,461	247,486,468	10,111,470	165,659,945	116,856,237	3,480,599,622
Depreciation and Amortisation	-	-	-	-	-	-	-	-	(373,139,694)
VAT on Financial services	-	-	-	-	-	-	-	-	(681,014,573)
Debt Recovery Levy	-	-	-	-	-	-	-	-	(304,892,098)
Profits from Operations	-	-	-	-	-	-	-	-	2,121,553,257
Share of Associate Profit	-	-	-	-	-	-	-	-	(5,804,276)
Profit Before Tax	-	-	-	-	-	-	-	-	2,115,748,981
Income Tax Expenses	-	-	-	-	-	-	-	-	(207,667,924)
Net profit for the period	-	-	-	-	-	-	-	-	1,908,081,059
Segment Asset	39,101,464,663	7,653,001,379	5,751,173,708	5,220,862,884	8,196,536,687	525,060,247	13,173,671,696	9,520,861,851	89,142,633,116
									89,142,633,116
Segment Liabilities	33,475,491,302	6,551,876,849	4,923,686,800	4,469,677,839	7,017,207,538	449,513,845	11,278,225,408	8,150,986,947	76,316,666,528
Total Liabilities									76,316,666,528

These figures are provisional and subject to audit

- 1 The interim financial statements of the company have been prepared in accordance with the Sri Lanka Accounting Standards (LKAS/SLFRS).
- 2 **Taxation – Impact of corporate Income Tax rate change, effective from January 01, 2020** - As per the amendments made to the Inland Revenue Act No. 24 of 2017 (the Act), Income Tax rates of corporates was changed from 28% to 24%, effective from January 01, 2020. The bill was published on March 18, 2021. However, revisions as per the Bill were not enacted via an amendment to the Act as of the Reporting Date. As per Sri Lanka Accounting Standard No. 12 on "Income Taxes", current tax and deferred tax shall be measured based on tax rates (and tax laws) that have been "enacted" or "substantively enacted" by the end of the reporting period. However, as per guidelines issued by the CA Sri Lanka, revision to the Income Tax rate as mentioned above has been determined as "substantively enacted". Hence, the Income Tax rate of 24% was applied with retrospective effect, for current and deferred tax computations and necessary adjustments were made during the reporting period.
- 3 **Impact due to the COVID-19** - The outbreak of COVID-19 has caused disruption to business and economic activities, and uncertainty in the global and local economy. Further the various quarantine measures adopted by different countries greatly affected global trade. Commercial Credit and Finance PLC strictly followed the guidelines and instructions issued by the government health authorities and the Central Bank of Sri Lanka (CBSL) when conducting its commercial operations. Since the first debt moratorium process significantly impacted to the Company's portfolio resulting in a revision to the original average effective rate of the moratorium portfolio as well as a significant extension on the average maturity of the moratorium portfolio, the management of the view that there is a substantial change of terms by this modification. Therefore, the Company adjusted original effective rate for moratorium facilities and accounted accordingly. Due to the second wave of COVID- 19 the Central Bank of Sri Lanka issued a direction on 9th November 2020 extending debt moratorium by further six months period, starting from 01st of October 2020 to 31st March 2021, for affected business and individual. Interest income and impairment have been adjusted for the impact of the new direction.
- The management closely monitored the loan portfolio of the Company and has considered all the factors that could impact on the recoverability of the portfolio under the current pandemic situation and has maintained the impairment provision at an adequate level.
- 4 The Company has used the same accounting policies and method of computing described in the Annual Report of the company for 2019/20 in the preparation of these interim financial statements.
- 5 These Financial Statements are in accordance with Sri Lanka Accounting Standard No. 34: (LKAS 34) Interim Financial Reporting and provisions of the companies Act No 07 of 2007 and they provide the information as required in terms of rule 7.4 of the Colombo Stocks Exchange
- 6 On 4th August 2014 Commercial Credit and Finance PLC has acquired Trade Finance and Investments PLC and thus Trade Finance and Investments PLC become a subsidiary with 96.89% share ownership of Commercial Credit and Finance PLC under the CBSL finance sector consolidation program as of that date. At the date of amalgamation on 31st December 2020 Commercial Credit and Finance PLC's share ownership had increased to 99.67%. Trade Finance and Investments PLC was amalgamated with Commercial Credit and Finance PLC with effect from 31st December 2020 and Commercial Credit and Finance PLC continues as the surviving entity. Given that the Business combination was within entities which were under the common control the result of amalgamation was recognized in the statement of changes in equity of the Company as at the amalgamation date. The goodwill which was recognized as at the date of amalgamation, will continue to be recognized in the Statement of Financial Position of Commercial Credit and Finance PLC's and will be subject to assessment for impairment.
- Accordingly the following have been presented ;
- I. Statement of Financial Position -
- Company – 31 March 2021 (Amalgamated entity) and 31 March 2020 (only the Company as previously reported)
 - Group – as at 31 March 2021 – No Group as the group structure ceased to exist since 31 December 2020,
- II. Statement of Profit or loss
- Company – 31 March 2021 (Amalgamated entity) and 31 March 2020 (only the Company as previously reported)
 - Group –31 March 2021 – Key information relating to Consolidated up to 31 December 2020 and amalgamated for the 3 months ended 31 March 2021 are given below.
- Net Interest Income -Rs. 9,672,314,368
 Profite Before Income Tax -Rs. 1,560,140,465
 Profit After Tax - Rs.761,932,914
- 7 There have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.

8 **Stated Capital is represented by number of shares in issue as follows;**

	31-Mar-2021	31-Mar-2020
Issued and fully paid Ordinary Shares (Quoted)	318,074,365	318,074,365

9 **Market value of Shares**

	31-Mar-2021	31-Mar-2020
	LKR	LKR
Highest traded price	31.00	31.00
Lowest traded price	20.00	18.00
Last traded price	21.50	18.30

10 **Information on Listed Debentures**

	31-Mar-2021	31-Mar-2020		
		COCR-BD-10/12/20-C2336	COCR-BD-10/12/20-C2335	COCR-BD-01/06/20-C2299
Highest Traded Price	No secondary trade happened for the debenture	Not Traded	Not Traded	Not Traded
Lowest Traded Price	No secondary trade happened for the debenture	Not Traded	Not Traded	Not Traded
Last Traded Price	LKR 100 par value (since no trade happened)	Not Traded	Not Traded	Not Traded
Interest Yield as at date of last trade		Not Traded	Not Traded	Not Traded
Coupon Rate	9.00% p.a	9.10%	10.40%	10.50%
Current Yield & Yield to Maturity		Not Traded	Not Traded	Not Traded
Debt Equity Ratio	4.75	4.93		
Quick Asset Ratio	0.36	0.61		
Interest Cover Ratio	1.45	1.20		
Interest Rates of Comparable Government	7.05%	9.81%		

11 Major twenty shareholders as at 31 March 2021

No	Name of the Shareholder	Total Holding	Percentage
1	B G INVESTMENTS (PVT) LIMITED	132,530,096	41.67%
2	GROUP LEASE HOLDINGS PTE LTD	95,390,500	29.99%
3	LANKA ORIX FINANCE PLC/B.G.INVESTMENTS (PVT) LTD	26,700,000	8.39%
4	CREATION INVESTMENTS SRI LANKA,LLC	20,347,220	6.40%
5	CREATION INVESTMENTS SL1 LLC	7,216,294	2.27%
6	DR. E. FERNANDO	6,500,000	2.04%
7	PEOPLE'S LEASING & FINANCE PLC /MS.S.N.EGODAGE	5,093,438	1.60%
8	CEYLINCO LIFE INSURANCE LIMITED ACCOUNT NO.1	4,014,843	1.26%
9	MRS. H.H.J. HEWAGE	1,942,429	0.61%
10	MR. S.B. HEMACHANDRA	1,796,320	0.56%
11	MRS. H.N. HEMACHANDRA	1,796,070	0.56%
12	MR. S.M. HEMACHANDRA	1,796,070	0.56%
13	MR. N.Y. HEMACHANDRA	1,795,000	0.56%
14	MR. T.K. HEMACHANDRA	1,555,689	0.49%
15	PEOPLE'S LEASING & FINANCE PLC/BG INVESTMENTS (PVT)	602,079	0.19%
16	MR. S.K. SEMAGE	532,688	0.17%
17	DFCC BANK PLC/P.S.R.CASIE CHITTY	429,808	0.14%
18	CODE-GEN INTERNATIONAL PVT LTD	405,000	0.13%
19	MRS. L.S.SEMAGE	403,237	0.13%
20	Mr.N.A.PEIRIS	200,000	0.06%

Public Shareholding

Percentage	13.22%
Number	1,765

12 Directors' shareholding as at 31 March 2021

Name of the Shareholder	No. of Shares	% of Shareholding
Mr. R.S. Egodage	Nil	-
MR. P.S.R.C. Chitty	429,808	0.135
Mrs. G.R. Egodage	Nil	-
Mr. D. Soosaipillai	Nil	-
Mr. K. Vander Weele	Nil	-
Mr. P. Fisher	Nil	-
Mr. Lasantha Wickremasinghe	Nil	-
Ms.T.M.L.Paktsun	Nil	-

13 The Float adjusted Market Capitalisation as at 31 March 2021 - Rs.904,062,768/-

The Float adjusted market capitalization of the Company falls under Option 1 of Rule 7.13.1 (b), of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

COMMERCIAL CREDIT & FINANCE PLC**CORPORATE INFORMATION**

1 Company Name	Commercial Credit and Finance PLC
2 Legal Form	Incorporated as a Private Limited Liability Company under the Companies Act No. 17 of 1982 on 4th October, 1982 and converted to a Public Company on 16th December 1989 and re-registered under the Companies Act No. 07 of 2007 on 8th April 2008. The Company is registered under the Finance Companies Act No.78 of 1988 and re-registered under the Finance Business Act No. 42 of 2011. The Company is registered under the Finance Leasing Act No. 56 of 2000.
3 New Registration No. (Under the Companies Act No. 7 of 2007)	PB 269 PQ
4 Place of Incorporation	Kandy, Sri Lanka
5 Registered Office	No. 106, Yatinuwara Veediya, Kandy
6 Telephone	081 4 655 655 081 2 000 000
7 Fax	081 2234390
8 E-mail	ccl@cclk.lk
9 Website	www.cclk.lk
10 Board of Directors of the Company	Mr. E.D.P. Soosaipillai (Independent Non-Executive Director) - Chairman Mr. R.S. Egodage (Executive Director) - Chief Executive Officer Mr. P.S.R.C. Chitty (Executive Director) - Chief Operating Officer Mrs. G.R. Egodage (Executive Director) Mr. K.D. Vander Weele (Non-Executive Director) Mr. P.T. Fisher (Non-Executive Director) Mr. L.L.S. Wickremasinghe (Independent Non-Executive Director) Ms.T.M.L.Paktsun (Independent Non-Executive Director)
11 Company Secretary	Jacey & Company No. 9/5, Thambiah Avenue, Colombo 07
12 Lawyers of the Company	Julius & Creasy Attorneys - at - law Julius & Creasy Building, No. 371, RAD Mel Mawatha, Colombo 07
13 Company Auditors External:	Ernst & Young Chartered Accountants No. 201, De Saram Place, Colombo 10
14 Bankers of the Company	Commercial Bank of Ceylon PLC Hatton National Bank PLC Nations Trust Bank PLC Sampath Bank PLC DFCC Bank PLC National Development Bank PLC Seylan Bank PLC People's Bank Bank of Ceylon Cargills Bank Limited Pan Asia Banking Corporation PLC