

**INTERIM FINANCIAL STATEMENTS  
QUARTER ENDED SEPTEMBER 30, 2021**



**SMB LEASING PLC**

**No: 282/1, CBS Building, Galle Road, Colombo 03**

SMB Leasing PLC  
Statement of Profit or Loss and Other Comprehensive Income  
For the period ended September 30, 2021 (LKR 000)

Company	Quarter ended September 30, 2021 Unaudited	Quarter ended September 30, 2020 Unaudited	Variance	YTD September 30, 2021 Unaudited	YTD September 30, 2020 Unaudited	Variance
Interest income	42,864	30,802	39%	120,945	118,205	2%
Interest expenses	(17,982)	(13,258)	36%	(42,913)	(42,392)	1%
<b>Net interest income</b>	<b>24,882</b>	<b>17,544</b>	<b>42%</b>	<b>78,032</b>	<b>75,813</b>	<b>3%</b>
Fee and commission income	5,240	2,618	100%	9,851	4,075	142%
<b>Net interest, fee and commission income</b>	<b>30,122</b>	<b>20,163</b>	<b>49%</b>	<b>87,883</b>	<b>79,888</b>	<b>10%</b>
Other operating income (Net)	24,508	3,399	621%	31,560	11,320	179%
<b>Total operating income</b>	<b>54,630</b>	<b>23,561</b>	<b>132%</b>	<b>119,443</b>	<b>91,208</b>	<b>31%</b>
Impairment (charge)/ Reversal for the period	1,231	(8,713)	-114%	53,212	(20,357)	361%
<b>Net operating income</b>	<b>55,861</b>	<b>14,847</b>	<b>276%</b>	<b>172,655</b>	<b>70,851</b>	<b>144%</b>
Personnel expenses	(17,933)	(16,083)	12%	(51,026)	(49,553)	3%
Premises, equipment & establishment expenses	(5,329)	(10,146)	-47%	(16,702)	(27,594)	-39%
Depreciation and amortizations	(4,791)	(1,698)	182%	(14,353)	(5,050)	184%
Other expenses	(4,229)	(4,502)	-6%	(12,616)	(12,037)	5%
<b>Operating profit/ (Loss) before taxes on financial services</b>	<b>23,579</b>	<b>(17,581)</b>	<b>234%</b>	<b>77,958</b>	<b>(23,381)</b>	<b>433%</b>
Taxes on financial services	-	-	0%	(5,403)	(3,099)	74%
<b>Profit / (Loss) after taxes on financial services</b>	<b>23,579</b>	<b>(17,581)</b>	<b>234%</b>	<b>72,555</b>	<b>(26,481)</b>	<b>374%</b>
Share of loss of associate company	-	-	0%	(184)	-	100%
<b>Profit / (Loss) before income tax</b>	<b>23,579</b>	<b>(17,581)</b>	<b>234%</b>	<b>72,371</b>	<b>(26,481)</b>	<b>373%</b>
Income tax expenses	(2,409)	-	100%	(2,409)	-	100%
<b>Profit/ (Loss) for the period</b>	<b>21,170</b>	<b>(17,581)</b>	<b>220%</b>	<b>69,962</b>	<b>(26,481)</b>	<b>364%</b>
Basic earnings/(loss) per share	0.002	(0.01)	123%	0.007	(0.01)	150%

Statement of Profit or Loss and Other Comprehensive Income	Quarter ended September 30, 2021 Unaudited	Quarter ended September 30, 2020 Unaudited	Variance	YTD September 30, 2021 Unaudited	YTD September 30, 2020 Unaudited	Variance
<b>Profit/ (Loss) for the period</b>	<b>21,170</b>	<b>(17,581)</b>	<b>220%</b>	<b>69,962</b>	<b>(26,481)</b>	<b>364%</b>
<b>Other Comprehensive Income</b>						
Actuarial (gain)/loss on Defined Benefit Plans	-	-	-	-	-	-
Equity investments at FVOCI - Net change in fair value	-	-	-	-	-	-
Tax on Other Comprehensive Income	-	-	-	-	-	-
<b>Other Comprehensive Income/(Expense) for the period (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/(Expense) for the period</b>	<b>21,170</b>	<b>(17,581)</b>	<b>220%</b>	<b>69,962</b>	<b>(26,481)</b>	<b>364%</b>

**SMB Leasing PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period ended September 30, 2021 (LKR 000)**

Group	Quarter ended September 30, 2021 Unaudited	Quarter ended September 30, 2020 Unaudited	Variance	YTD September 30, 2021 Unaudited	YTD September 30, 2020 Unaudited	Variance
Interest income	43,266	30,802	40%	122,252	118,205	3%
Interest expenses	(18,057)	(13,389)	35%	(43,180)	(42,592)	1%
<b>Net interest income</b>	<b>25,209</b>	<b>17,413</b>	<b>45%</b>	<b>79,072</b>	<b>75,612</b>	<b>5%</b>
Fee and commission income	5,240	2,618	100%	9,851	4,075	142%
<b>Net interest, fee and commission income</b>	<b>30,449</b>	<b>20,031</b>	<b>52%</b>	<b>88,923</b>	<b>79,687</b>	<b>12%</b>
Other operating income (net)	35,630	22,238	60%	71,552	77,500	-8%
<b>Total operating income</b>	<b>66,079</b>	<b>42,269</b>	<b>56%</b>	<b>160,475</b>	<b>157,187</b>	<b>2%</b>
Impairment (charge)/ Reversal for the period	1,231	(8,713)	114%	53,212	(20,357)	361%
<b>Net operating income</b>	<b>67,310</b>	<b>33,555</b>	<b>101%</b>	<b>213,687</b>	<b>136,830</b>	<b>56%</b>
Personnel expenses	(29,570)	(30,439)	-3%	(88,727)	(98,132)	-10%
Premises, equipment & establishment expenses	(5,403)	(9,317)	-42%	(16,978)	(27,965)	-39%
Depreciation and amortizations	(5,871)	(3,615)	62%	(17,571)	(8,281)	112%
Other expenses	(6,719)	(6,281)	7%	(20,184)	(19,840)	2%
<b>Operating profit/ (Loss) before taxes on financial services</b>	<b>19,747</b>	<b>(16,096)</b>	<b>223%</b>	<b>70,227</b>	<b>(17,387)</b>	<b>504%</b>
Taxes on financial services	-	-	0%	(5,403)	(3,099)	74%
<b>Profit / (Loss) after taxes on financial services</b>	<b>19,747</b>	<b>(16,096)</b>	<b>223%</b>	<b>64,824</b>	<b>(20,487)</b>	<b>416%</b>
Share of loss of associate company	-	-	0%	(184)	-	100%
<b>Profit / (Loss) before income tax</b>	<b>19,747</b>	<b>(16,096)</b>	<b>223%</b>	<b>64,640</b>	<b>(20,487)</b>	<b>416%</b>
Income tax expenses	(2,409)	(450)	435%	(2,409)	(2,300)	5%
<b>Profit/(Loss) for the period</b>	<b>17,338</b>	<b>(16,546)</b>	<b>205%</b>	<b>62,231</b>	<b>(22,787)</b>	<b>-373%</b>
<b>Profit/(Loss) attributable to :</b>						
Owners of the parent	19,216	(17,053)	213%	66,019	(24,597)	368%
Non-controlling interest	(1,878)	507	-470%	(3,788)	1,810	-309%
<b>Profit/(Loss) for the period</b>	<b>17,338</b>	<b>(16,546)</b>	<b>205%</b>	<b>62,231</b>	<b>(22,787)</b>	<b>373%</b>
Basic earnings/(loss) per share	0.002	(0.01)	120%	0.007	(0.01)	152%

Statement of Profit or Loss and Other Comprehensive Income	Quarter ended September 30, 2021 Unaudited	Quarter ended September 30, 2020 Unaudited	Variance	YTD September 30, 2021 Unaudited	YTD September 30, 2020 Unaudited	Variance
<b>Profit/(Loss) for the period</b>	<b>17,338</b>	<b>(16,546)</b>	<b>205%</b>	<b>62,231</b>	<b>(22,787)</b>	<b>373%</b>
<b>Other Comprehensive Income</b>						
Actuarial (gain)/loss on Defined Benefit Plans	-	-	0%	-	-	0%
Equity investments at FVOCI - Net change in fair value	-	-	0%	-	-	0%
Tax on Other Comprehensive Income	-	-	0%	-	-	0%
Other Comprehensive Income/(Expense) for the period (net of tax)	-	-	0%	-	-	0%
<b>Total Comprehensive Income/(Expense) for the period</b>	<b>17,338</b>	<b>(16,546)</b>	<b>205%</b>	<b>62,231</b>	<b>(22,787)</b>	<b>373%</b>
<b>Total Comprehensive Income/(Expense) attributable to:</b>						
Owners of the parent	19,216	(17,053)	213%	66,019	(24,597)	368%
Non-controlling interest	(1,878)	507	-470%	(3,788)	1,810	-309%
<b>Total Comprehensive Income/(Expense) for the period</b>	<b>17,338</b>	<b>(16,546)</b>	<b>205%</b>	<b>62,231</b>	<b>(22,787)</b>	<b>373%</b>

**SMB Leasing PLC**  
**Statement of Financial Position (LKR 000)**

As at	Company		Group	
	September 30, 2021 Unaudited	December 31, 2020 Audited	September 30, 2021 Unaudited	December 31, 2020 Audited
<b>Assets</b>				
Cash and cash equivalents	2,209,280	232,216	2,210,056	236,021
Placements with banks	223,722	206,255	227,222	232,442
Loans and receivables	1,129,388	1,070,958	1,128,668	1,070,058
Financial investments	60,657	60,657	94,561	78,744
Investments in associate	41,497	41,682	41,497	41,682
Investments in subsidiary	12,750	12,750	-	-
Investment properties	33,310	33,310	44,067	44,067
Property, plant & equipment	7,968	12,180	12,916	18,030
Right of use Asset	26,426	35,904	27,754	38,427
Intangible assets	5,693	5,928	5,895	6,492
Deferred tax assets	-	-	5,095	5,095
Other assets	49,165	48,689	64,052	60,840
<b>Total Assets</b>	<b>3,799,856</b>	<b>1,760,529</b>	<b>3,861,783</b>	<b>1,831,898</b>
<b>Liabilities</b>				
Due to financial institutions	390,397	599,523	390,397	599,523
Due to other customers	121,135	117,784	121,135	117,783
Other borrowings	-	-	-	-
Leased Liabilities	16,966	21,108	18,454	23,787
Other liabilities	87,383	47,761	112,851	73,751
<b>Total Liabilities</b>	<b>615,881</b>	<b>786,176</b>	<b>642,837</b>	<b>814,844</b>
<b>Equity</b>				
Stated capital	3,062,682	919,064	3,062,682	919,064
Statutory reserves	35,081	35,081	35,081	35,081
Fair Value Reserves	8,251	8,251	8,251	8,251
Retained earnings	77,961	11,957	89,634	27,573
<b>Total equity attributable to equity holders of the Company</b>	<b>3,183,975</b>	<b>974,353</b>	<b>3,195,648</b>	<b>989,969</b>
Non- controlling interests	-	-	23,297	27,085
<b>Total Equity</b>	<b>3,183,975</b>	<b>974,353</b>	<b>3,218,945</b>	<b>1,017,054</b>
<b>Total Equity and Liabilities</b>	<b>3,799,856</b>	<b>1,760,529</b>	<b>3,861,783</b>	<b>1,831,898</b>

Figures in brackets indicate deductions

The Notes form an integral part of these Interim Financial Statements.

These Financial Statements comply with the requirements of the Companies Act No. 7 of 2007.

**Signed**

**T. Wimalasiri**

Finance Manager

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

Approved and signed on behalf of the Board by,

**Signed**

**A.T.S.Sosa**

Director

**Signed**

**M.S.A.Wadood**

Director

Colombo

November 11, 2021

**SMB Leasing PLC**  
**Statement of Changes in Equity**  
**For the period ended September 30, 2021 (LKR 000)**

Company	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total
	Ordinary - Voting Shares	Ordinary - Non Voting Shares				
<b>Balance as at January 1, 2020</b>	708,446	210,618	35,081	19,920	82,376	1,056,441
(Loss) / Profit for the period	-	-	-	-	(26,481)	(26,481)
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-
<b>Total comprehensive (expense) / income for the period</b>	-	-	-	-	<b>(26,481)</b>	<b>(26,481)</b>
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-
<b>Balance as at September 30, 2020</b>	<b>708,446</b>	<b>210,618</b>	<b>35,081</b>	<b>19,920</b>	<b>55,895</b>	<b>1,029,960</b>
(Loss) / Profit for the period	-	-	-	-	(43,531)	(43,531)
Other comprehensive (expense) / income (net of tax)	-	-	-	(11,669)	(407)	(12,076)
<b>Total comprehensive (expense) / income for the period</b>	-	-	-	<b>(11,669)</b>	<b>(43,938)</b>	<b>(55,607)</b>
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-
<b>Balance as at December 31, 2020</b>	<b>708,446</b>	<b>210,618</b>	<b>35,081</b>	<b>8,251</b>	<b>11,957</b>	<b>974,353</b>
<b>Balance as at January 1, 2021</b>	708,446	210,618	35,081	8,251	11,957	974,353
Profit/ (Loss) for the period	-	-	-	-	69,962	69,962
Other comprehensive income/(expense) (net of tax)	-	-	-	-	-	-
Rights issue during the period	1,847,513	296,105	-	-	-	2,143,617
Direct cost of right issue	-	-	-	-	(3,957)	(3,957)
<b>Total comprehensive income for the period</b>	<b>1,847,513</b>	<b>296,105</b>	-	-	<b>66,004</b>	<b>2,209,622</b>
Transfer to Statutory Reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-
<b>Balance as at September 30, 2021</b>	<b>2,555,959</b>	<b>506,723</b>	<b>35,081</b>	<b>8,251</b>	<b>77,961</b>	<b>3,183,975</b>

Colombo  
November 11, 2021

**SMB Leasing PLC**  
**Statement of Changes in Equity**  
**For the period ended September 30, 2021 (LKR 000)**

Group	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
	Ordinary - Voting Shares	Ordinary - Non Voting Shares						
<b>Balance as at January 1, 2020</b>	708,446	210,618	35,081	19,920	97,178	1,071,243	26,303	1,097,546
(Loss) / Profit for the period	-	-	-	-	(24,597)	(24,597)	1,810	(22,787)
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-	-	-
<b>Total comprehensive (expense) / income for the period</b>	-	-	-	-	<b>(24,597)</b>	<b>(24,597)</b>	<b>1,810</b>	<b>(22,787)</b>
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-	-	-
<b>Balance as at September 30, 2020</b>	<b>708,446</b>	<b>210,618</b>	<b>35,081</b>	<b>19,920</b>	<b>72,581</b>	<b>1,046,646</b>	<b>28,113</b>	<b>1,074,759</b>
(Loss) / Profit for the period	-	-	-	-	(42,964)	(42,964)	545	(42,418)
Other comprehensive (expense) / income (net of tax)	-	-	-	(11,669)	(2,044)	(13,713)	(1,574)	(15,287)
<b>Total comprehensive (expense) / income for the period</b>	-	-	-	<b>(11,669)</b>	<b>(45,008)</b>	<b>(56,677)</b>	<b>(1,029)</b>	<b>(57,705)</b>
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-	-	-
<b>Balance as at December 31, 2020</b>	<b>708,446</b>	<b>210,618</b>	<b>35,081</b>	<b>8,251</b>	<b>27,573</b>	<b>989,969</b>	<b>27,085</b>	<b>1,017,054</b>
<b>Balance as at January 1, 2021</b>	708,446	210,618	35,081	8,251	27,573	989,969	27,085	1,017,054
(Loss) / Profit for the period	-	-	-	-	66,019	66,019	(3,788)	62,231
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-	-	-
Rights issue during the period	1,847,513	296,104	-	-	-	2,143,617	-	2,143,617
Direct cost of right issue	-	-	-	-	(3,957)	(3,957)	-	(3,957)
<b>Total comprehensive (expense) / income for the period</b>	<b>1,847,513</b>	<b>296,104</b>	-	-	<b>62,062</b>	<b>2,205,679</b>	<b>(3,788)</b>	<b>2,201,892</b>
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	-	-	-	-	-	-	-	-
<b>Balance as at September 30, 2021</b>	<b>2,555,959</b>	<b>506,722</b>	<b>35,081</b>	<b>8,251</b>	<b>89,635</b>	<b>3,195,648</b>	<b>23,297</b>	<b>3,218,946</b>

Colombo  
November 11, 2021

**SMB Leasing PLC**  
**Cash Flow Statement**

**For the period ended September 30, 2021 (LKR 000)**

	Company		Group	
	September 30, 2021 Unaudited	September 30, 2020 Unaudited	September 30, 2021 Unaudited	September 30, 2020 Unaudited
<b>Cash flow from operating activities</b>				
Interest receipts	115,975	128,848	117,283	128,848
Interest payments	(36,371)	(36,466)	(36,638)	(36,667)
Fees and commission receipts	44,848	4,933	84,422	73,020
Cash payments to employees and suppliers	(69,449)	(100,082)	(115,538)	(160,067)
<b>Profit before changes in operating assets</b>	<b>55,003</b>	<b>(2,767)</b>	<b>49,529</b>	<b>5,135</b>
Loans and receivables to other customers	(867)	76,539	(866)	76,360
Other assets	(476)	(7,661)	(3,211)	(4,959)
<b>Cash generated / (used in) operating activities</b>	<b>53,660</b>	<b>66,112</b>	<b>45,452</b>	<b>76,535</b>
Tax paid	(7,812)	(6,991)	(9,235)	(9,298)
Gratuity paid	(798)	(1,430)	(1,398)	(1,430)
<b>Net cash generated / (used in) operating activities</b>	<b>45,050</b>	<b>57,691</b>	<b>34,819</b>	<b>65,807</b>
<b>Cash flow from investing activities</b>				
Net (increase)/decrease in financial investments	-	-	(3,109)	(7,488)
Acquisition of shares	-	-	-	-
Dividend received	450	-	596	-
Purchase of property, plant & equipment	(983)	(6,177)	(1,743)	(4,660)
Proceeds from disposal of property, plant & equipment	-	-	-	-
<b>Net cash generated / (used in) investing activities</b>	<b>(533)</b>	<b>(6,177)</b>	<b>(4,256)</b>	<b>(12,148)</b>
<b>Cash flow from financing activities</b>				
Increase/(decrease) in borrowings from financial institutions	(170,985)	(24,833)	(170,985)	(24,833)
Increase/(decrease) in other borrowings	-	-	-	-
Increase/(decrease) in public borrowings	(13)	(92)	(13)	(92)
Increase/(decrease) in other liabilities	27,108	11,584	26,538	11,790
Lease liability payment	(6,276)	-	(7,468)	-
Rights issue during the period	2,143,617	-	2,143,617	-
Right issue expenses	(3,957)	-	(3,957)	-
Dividend paid	-	-	-	-
<b>Net cash generated / (used in) financing activities</b>	<b>1,989,495</b>	<b>(13,341)</b>	<b>1,987,732</b>	<b>(13,135)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>2,034,011</b>	<b>38,173</b>	<b>2,018,295</b>	<b>40,526</b>
Cash and cash equivalents at the beginning of the year	140,353	(19,051)	160,345	(12,826)
<b>Cash and cash equivalents at the end of the year</b>	<b>2,174,364</b>	<b>19,122</b>	<b>2,178,640</b>	<b>27,700</b>
<b>Reconciliation of cash and cash equivalents</b>				
Cash and cash equivalents	2,209,280	114,298	2,210,056	117,877
REPO investment with banks	23,735	3,166	27,235	8,166
Bank overdraft	(58,651)	(98,342)	(58,651)	(98,342)
<b>Cash and cash equivalents</b>	<b>2,174,364</b>	<b>19,122</b>	<b>2,178,640</b>	<b>27,700</b>

SMB Leasing PLC  
Segment Reporting - Group

For the period ended September 30, (LKR 000)	Loans		Leasing		Treasury		Money Brokering		Unallocated		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Business segments - Group</b>												
Revenue from external customers,												
Interest	52,166	52,368	52,000	51,090	-	-	1,308	-	16,779	14,746	122,252	118,205
Fee & commission	224	280	1,147	1,580	-	-	-	-	8,479	2,215	9,851	4,075
Other operating Income	160	0	67	759	31,333	10,105	39,992	66,180	-	456	71,552	77,500
<b>Total revenue from external customers</b>	<b>52,550</b>	<b>52,648</b>	<b>53,214</b>	<b>53,430</b>	<b>31,333</b>	<b>10,105</b>	<b>41,300</b>	<b>66,180</b>	<b>25,258</b>	<b>17,417</b>	<b>203,655</b>	<b>199,780</b>
<b>Segment result</b>	<b>33,797</b>	<b>8,825</b>	<b>34,224</b>	<b>8,956</b>	<b>20,152</b>	<b>1,694</b>	<b>26,562</b>	<b>11,093</b>	<b>16,245</b>	<b>2,919</b>	<b>130,979</b>	<b>33,486</b>
Depreciation charged for the year	(4,534)	(2,182)	(4,591)	(2,215)	(2,703)	(419)	(3,563)	(2,743)	(2,179)	(722)	(17,571)	(8,281)
Interest expense	(11,142)	(11,224)	(11,283)	(11,391)	(6,644)	(2,154)	(8,757)	(14,109)	(5,355)	(3,713)	(43,180)	(42,592)
<b>Operating profit</b>	<b>18,121</b>	<b>(4,582)</b>	<b>18,350</b>	<b>(4,650)</b>	<b>10,805</b>	<b>(879)</b>	<b>14,242</b>	<b>(5,760)</b>	<b>8,710</b>	<b>(1,516)</b>	<b>70,227</b>	<b>(17,387)</b>
Share of profit/ (loss) of associate companies											(184)	-
Income tax expense											(2,409)	(2,300)
Value added tax (VAT) on financial services											(5,403)	(3,099)
Other comprehensive Income											-	-
<b>Net profit for the period</b>											<b>62,231</b>	<b>(22,787)</b>
<b>Segment assets (As at September 30th)</b>	<b>663,195</b>	<b>543,491</b>	<b>465,474</b>	<b>575,222</b>	<b>2,531,838</b>	<b>391,275</b>	<b>19,983</b>	<b>15,599</b>	<b>181,294</b>	<b>203,093</b>	<b>3,861,783</b>	<b>1,728,680</b>
<b>Segment liabilities (As at September 30th)</b>	<b>165,873</b>	<b>172,329</b>	<b>167,968</b>	<b>174,886</b>	<b>98,904</b>	<b>33,076</b>	<b>130,364</b>	<b>216,620</b>	<b>79,728</b>	<b>57,011</b>	<b>642,837</b>	<b>653,921</b>
Cash flow from operating activities	8,984	17,342	9,098	17,600	5,357	3,329	7,061	21,800	4,318	5,736	34,819	65,807
Cash flow from investing activities	(1,098)	(3,201)	(1,112)	(3,249)	(655)	(614)	(863)	(4,024)	(528)	(1,059)	(4,256)	(12,147)
Cash flow from financing activities	512,899	(3,462)	519,379	(3,513)	305,824	(664)	403,101	(4,351)	246,529	(1,145)	1,987,732	(13,135)

Colombo  
November 11, 2021

**SMB Leasing PLC**  
**Classification of Financial Instruments**  
**For the period ended September 30, 2021 (LKR 000)**

Assets - Company	September 30, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Assets</b>					
Cash and cash equivalents	-	2,209,280	-	-	2,209,280
Placements with banks	-	223,722	-	-	223,722
Financial assets at amortised cost-Loans and receivables to other customers	-	1,129,388	-	-	1,129,388
Fair value through profit or loss (FVTPL)	623	-	-	-	623
Fair value through other comprehensive income (FVTOCI)	-	-	60,034	-	60,034
<b>Total financial assets</b>	<b>623</b>	<b>3,562,390</b>	<b>60,034</b>	<b>-</b>	<b>3,623,047</b>
<b>Non Financial Assets</b>					
Investment in associate	-	-	-	41,497	41,497
Investment in subsidiary	-	-	-	12,750	12,750
Investment properties	-	-	-	33,310	33,310
Property, plant & equipment	-	-	-	7,968	7,968
Right-of-use assets	-	-	-	26,426	26,426
Intangible assets	-	-	-	5,693	5,693
Other assets	-	-	-	49,165	49,165
<b>Total non financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176,809</b>	<b>176,809</b>
<b>Total assets</b>	<b>623</b>	<b>3,562,390</b>	<b>60,034</b>	<b>176,809</b>	<b>3,799,856</b>

Liabilities - Company	September 30, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Liabilities</b>					
Due to financial institutions	-	390,397	-	-	390,397
Due to other customers	-	121,135	-	-	121,135
Lease liabilities	-	16,966	-	-	16,966
<b>Total financial liabilities</b>	<b>-</b>	<b>528,498</b>	<b>-</b>	<b>-</b>	<b>528,498</b>
<b>Non Financial Liabilities</b>					
Other liabilities	-	87,383	-	-	87,383
<b>Total non financial liabilities</b>	<b>-</b>	<b>87,383</b>	<b>-</b>	<b>-</b>	<b>87,383</b>
<b>Total liabilities</b>	<b>-</b>	<b>615,881</b>	<b>-</b>	<b>-</b>	<b>615,881</b>

Colombo  
November 11, 2021

**SMB Leasing PLC**  
**Classification of Financial Instruments**  
**For the period ended December 31, 2020 (LKR 000)**

Assets - Company	December 31, 2020				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Assets</b>					
Cash and cash equivalents	-	232,216	-	-	232,216
Placements with banks	-	206,255	-	-	206,255
Financial assets at amortised cost-Loans and receivables to other customers	-	1,070,958	-	-	1,070,958
Fair value through profit or loss (FVTPL)	622	-	-	-	622
Fair value through other comprehensive income (FVTOCI)	-	-	60,035	-	60,035
<b>Total financial assets</b>	<b>622</b>	<b>1,509,429</b>	<b>60,035</b>	<b>-</b>	<b>1,570,086</b>
<b>Non Financial Assets</b>					
Investment in associate	-	-	-	41,682	41,682
Investment in subsidiary	-	-	-	12,750	12,750
Investment properties	-	-	-	33,310	33,310
Property, plant & equipment	-	-	-	12,180	12,180
Right-of-use assets	-	-	-	35,904	35,904
Intangible assets	-	-	-	5,928	5,928
Other assets	-	-	-	48,689	48,689
<b>Total non financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>190,443</b>	<b>190,443</b>
<b>Total assets</b>	<b>622</b>	<b>1,509,429</b>	<b>60,035</b>	<b>190,443</b>	<b>1,760,529</b>

Liabilities - Company	December 31, 2020				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Liabilities</b>					
Due to financial institutions	-	599,523	-	-	599,523
Due to other customers	-	117,784	-	-	117,784
Lease liabilities	-	21,108	-	-	21,108
<b>Total financial liabilities</b>	<b>-</b>	<b>738,415</b>	<b>-</b>	<b>-</b>	<b>738,415</b>
<b>Non Financial Liabilities</b>					
Other liabilities	-	47,761	-	-	47,761
<b>Total non financial liabilities</b>	<b>-</b>	<b>47,761</b>	<b>-</b>	<b>-</b>	<b>47,761</b>
<b>Total liabilities</b>	<b>-</b>	<b>786,176</b>	<b>-</b>	<b>-</b>	<b>786,176</b>

**SMB Leasing PLC**  
**Classification of Financial Instruments**  
**For the period ended September 30, 2021 (LKR 000)**

Assets - Group	September 30, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Assets</b>					
Cash and cash equivalents	-	2,210,056	-	-	2,210,056
Placements with banks	-	227,222	-	-	227,222
Financial assets at amortised cost-Loans and receivables to other customers	-	1,128,668	-	-	1,128,668
Fair value through profit or loss (FVTPL)	8,076	-	-	-	8,076
Fair value through other comprehensive income (FVTOCI)	-	-	75,945	-	75,945
Other financial assets	-	10,540	-	-	10,540
<b>Total financial assets</b>	<b>8,076</b>	<b>3,576,486</b>	<b>75,945</b>	<b>-</b>	<b>3,660,506</b>
<b>Non Financial Assets</b>					
Investment in associate	-	-	-	41,497	41,497
Investment properties	-	-	-	44,067	44,067
Property, plant & equipment	-	-	-	12,916	12,916
Right-of-use assets	-	-	-	27,754	27,754
Intangible assets	-	-	-	5,895	5,895
Diferred tax assets	-	-	-	5,095	5,095
Other assets	-	-	-	64,052	64,052
<b>Total non financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>201,277</b>	<b>201,277</b>
<b>Total assets</b>	<b>8,076</b>	<b>3,576,486</b>	<b>75,945</b>	<b>201,277</b>	<b>3,861,783</b>

Liabilities - Group	September 30, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Liabilities</b>					
Due to financial institutions	-	390,397	-	-	390,397
Due to other customers	-	121,135	-	-	121,135
Lease liabilities	-	18,454	-	-	18,454
<b>Total financial liabilities</b>	<b>-</b>	<b>529,986</b>	<b>-</b>	<b>-</b>	<b>529,986</b>
<b>Non Financial Liabilities</b>					
Other liabilities	-	112,851	-	-	112,851
<b>Total non financial liabilities</b>	<b>-</b>	<b>112,851</b>	<b>-</b>	<b>-</b>	<b>112,851</b>
<b>Total liabilities</b>	<b>-</b>	<b>642,837</b>	<b>-</b>	<b>-</b>	<b>642,837</b>

**SMB Leasing PLC**  
**Classification of Financial Instruments**  
**For the period ended December 31, 2020 (LKR 000)**

Assets - Group	December 31, 2020				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Assets</b>					
Cash and cash equivalents	-	236,021	-	-	236,021
Placements with banks	-	232,442	-	-	232,442
Financial assets at amortised cost-Loans and receivables to other customers	-	1,070,058	-	-	1,070,058
Fair value through profit or loss (FVTPL)	8,076	-	-	-	8,076
Fair value through other comprehensive income (FVTOCI)	-	-	60,128	-	60,128
Other financial assets	-	10,540	-	-	10,540
<b>Total financial assets</b>	<b>8,076</b>	<b>1,549,061</b>	<b>60,128</b>	<b>-</b>	<b>1,617,265</b>
<b>Non Financial Assets</b>					
Investment in associate	-	-	-	41,682	41,682
Investment properties	-	-	-	44,067	44,067
Property, plant & equipment	-	-	-	18,030	18,030
Right-of-use assets	-	-	-	38,427	38,427
Intangible assets	-	-	-	6,492	6,492
Diferred tax assets	-	-	-	5,095	5,095
Other assets	-	-	-	60,840	60,840
<b>Total non financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>214,633</b>	<b>214,633</b>
<b>Total assets</b>	<b>8,076</b>	<b>1,549,061</b>	<b>60,128</b>	<b>214,633</b>	<b>1,831,898</b>

Liabilities - Group	December 31, 2020				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
<b>Financial Liabilities</b>					
Due to financial institutions	-	599,523	-	-	599,523
Due to other customers	-	117,783	-	-	117,783
Lease liabilities	-	23,787	-	-	23,787
<b>Total financial liabilities</b>	<b>-</b>	<b>741,093</b>	<b>-</b>	<b>-</b>	<b>741,093</b>
<b>Non Financial Liabilities</b>					
Other liabilities	-	73,751	-	-	73,751
<b>Total non financial liabilities</b>	<b>-</b>	<b>73,751</b>	<b>-</b>	<b>-</b>	<b>73,751</b>
<b>Total liabilities</b>	<b>-</b>	<b>814,844</b>	<b>-</b>	<b>-</b>	<b>814,844</b>

**SMB Leasing PLC**  
**Notes to the Financial Statements**  
**For the period ended September 30, 2021**

**1 Basis of Preparation**

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended December 31, 2020. The same Accounting Policies and methods of computations as stated in the Annual Financial Statements for the year ended December 31, 2020 have been followed in preparation of these Condensed Interim Financial Statements.

**1.1** The consolidated financial statements of the Group comprise of SMB Leasing PLC, its subsidiary SMB Money Brokers (Pvt) Ltd and the Group's interest in its associate Kenanga Investments Corporation Limited.

**2 Income Tax**

The Company is liable for income tax at the rate of 24% on its taxable profits.

**3 Share price during the period**

	Voting		Non Voting	
	3rd Quarter 2021 Rs.	3rd Quarter 2020 Rs.	3rd Quarter 2021 Rs.	3rd Quarter 2020 Rs.
Highest price per share	0.90	0.60	0.40	0.40
Lowest price per share	0.30	0.30	0.10	0.20

	Voting		Non Voting	
	30.09.21 Rs.	30.09.20 Rs.	30.09.21 Rs.	30.09.20 Rs.
Last traded price	0.80	0.50	0.30	0.30

**4 Stated Capital**

**4.1 Total Number of Shares**

	3rd Quarter 2021	3rd Quarter 2020
Stated Capital is represented by Ordinary Shares (Voting)	6,470,375,048	1,191,766,772
Stated Capital is represented by Ordinary Shares (Non Voting)	3,081,603,712	614,066,101

**4.2 Total number of Shareholders**

Ordinary Shares (Voting)	10,263	9,723
Ordinary Shares (Non Voting)	5,469	4,270

**4.3 Number of Public Shareholders**

Ordinary Shares (Voting)	10,260	9,720
Ordinary Shares (Non Voting)	5,469	4,270

**4.4 Public Shareholding %**

Ordinary Shares (Voting)	35.56%	83.65%
Ordinary Shares (Non Voting)	100.00%	100.00%

**4.5 Float Adjusted Market Capitalization**

The float adjusted market capitalization as at September 30, 2021 is Rs. 1,840,825,315.20

**4.6 Minimum Public Holding Requirement**

The company is in compliance with Option 5 of Section 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange pertaining to minimum public holding.

**SMB Leasing PLC**  
**Notes to the Financial Statements**  
**For the period ended September 30, 2021**

**5 Financial Ratios**

	<b>30.09.21</b>	<b>30.09.20</b>
Net Assets per share (Rs.)	0.33	0.57
Debt/equity ratio (times)	0.16	0.55
Liquid Asset Ratio	110.94%	101.11%
Interest cover Ratio (times)	2.69	0.38

**6 Commitments and Contingencies**

In the normal course of business, the Company makes various commitments and incurs certain contingent Liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. Except for above there are no material commitments and contingencies as at the reporting date.

**7 Events after the Reporting Date**

No circumstances have arisen since the reporting date, which require adjustments or disclosure in the Financial Statements.

**8 Comparative Information**

Comparative Information has been reclassified wherever necessary to be comparable with the current Financial Information.

**9 Directors Shareholding as at September 30, 2021**

	<b>No. of Voting Shares</b>	<b>No. of Non Voting Shares</b>
Mr.H.R.S.Wijeratne	4,169,342,304	-
Mr.T.M.Wijesinghe	-	-
Mr.A.T.S.Sosa	1,000	-
Mr.M.S.A.Wadood	-	-
Mr.L.Abeyasinghe	-	-
Mr.H.H.A.Chandrasiri	100	-
	<b>4,169,343,404</b>	<b>-</b>

**10 CEO's Shareholding as at September 30, 2021**

	<b>No. of Voting Shares</b>	<b>No. of Non Voting Shares</b>
Mr.S.C.Wijesinghe	-	-

**11 Key Management Personnel Shareholding as at September 30, 2021**

	<b>No. of Voting Shares</b>	<b>No. of Non Voting Shares</b>
N/A	N/A	N/A

**12 Management fees and similar expenses**

All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.

**13 Significant events and transactions**

There are no material changes during the period in the composition of assets, liabilities of the entity.

**14 Material changes in the use of funds raised**

**Rights Issue 2021 (Voting and Non Voting)**

Company raised Rs.1,847,512,896.60 and Rs.296,104,513.32 Voting and Non Voting shares respectively through the right issue. Date listed was on July 12,2021

**15 Rights issue funds utilisation as at 30 September 2021**

Objective number	Objective as per circular	Amount allocated as per circular Rs	Proposed date of utilisation as per circular	Amount allocated from proceeds Rs.	% of total proceeds	Amounts utilised Rs.	% of utilisation against allocation	Clarification if not fully utilised including where the funds are invested
01	To utilise for lending purpose	2,454,031,512	January 2022	2,143,617,410	87.35%	22,668,750	1.06%	Remaining funds are invested in banks

**16 Top Twenty Shareholders**

**15.1 Ordinary Shares (Voting)**

	Name of the Shareholder	September 30, 2021	
		No. of Shares	%
1	MR H.R.S. WIJERATNE	4,169,342,304	64.44
2	STANDARD CHARTERED BANK SINGAPORE S/A HL BANK SINGAPORE BRANCH	626,055,720	9.68
3	SAMPATH BANK PLC/ DR.T.SENTHILVERL	331,505,956	5.12
4	SEYLAN BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	85,805,393	1.33
5	SAMPATH BANK PLC/MR.ARUNASALAM SITHAMPALAM	77,000,000	1.19
6	MS C.N.M. ANTHONY	62,870,000	0.97
7	MRS K.J.A.N. SANGAKKARA	41,702,565	0.65
8	MR H.K. PUSHPAKUMARA	31,620,000	0.49
9	HATTON NATIONAL BANK PLC/RUWAN PRASSANA SUGATHADASA	27,138,025	0.42
10	HATTON NATIONAL BANK PLC/ANUJA CHAMILA JAYASINGHE	25,423,572	0.39
11	MR M.J.N.S. FERNANDO	25,018,640	0.39
12	MIS A.C. JAYASINGHE	25,000,000	0.39
13	MR R. GAUTAM	24,750,000	0.38
14	MR W. GUNARATHNE	20,316,206	0.31
15	MR N.W.N. JAYASIRI	19,900,000	0.31
16	DFCC BANK PLC/T.L. SAMARAWICKRAMA	18,000,000	0.28
17	MIS I.T. MADANASINGHE	16,671,954	0.26
18	COMMERCIAL BANK OF CEYLON PLC/ANDARADENIYA ESTATE (PVT) LTD	16,470,674	0.26
19	MR H.M.D.D. ARUNAKUMARA	14,000,000	0.22
20	SINHARAJA HILLS PLANTATION PRIVET LIMITED	13,000,000	0.20
	<b>SUB TOTAL</b>	<b>5,671,591,009</b>	<b>87.65</b>
	OTHER	798,784,039	12.35
	<b>ISSUED CAPITAL</b>	<b>6,470,375,048</b>	<b>100.00</b>

**15.2 Ordinary Shares (Non Voting)**

	Name of the Shareholder	September 30, 2021	
		No. of Shares	%
1	MR D. GANGADHARAN & MRS H. DINESH	205,334,414	6.66
2	MR R. GAUTAM	172,700,000	5.60
3	HATTON NATIONAL BANK PLC/DINESH GANGADHARAN	101,283,740	3.29
4	MR T. PRAGASH	82,824,986	2.69
5	SEYLAN BANK PLC/JAYANTHA DEWAGE	77,187,082	2.51
6	MR H.K. PUSHPAKUMARA	71,163,000	2.31
7	MIS H.J.K.U. WIJERAME	60,000,000	1.95
8	MR M.A.M. AZLAM	52,135,115	1.69
9	MR N.W.N. JAYASIRI	51,716,000	1.68
10	MR P.M.D. ABEYGOONAWARDENA	46,985,492	1.53
11	MR S.D. DIVAKARAGE	41,223,996	1.34
12	MR K.A.D.A. METHTHASENA	41,130,489	1.34
13	SAMPATH BANK PLC/ DR.T.SENTHILVERL	40,171,815	1.30
14	DFCC BANK PLC/T.L. SAMARAWICKRAMA	36,000,000	1.17
15	MR J.J. RAVINDRAN	34,440,000	1.12
16	MR P.H. SUSIL RANATUNGA	33,000,000	1.07
17	MR W.J.D. BENEDICT	30,600,000	0.99
18	MERCHANT BANK OF SRI LANKA & FINANCE PLC 01	30,000,000	0.97
19	MR M.L.A. BENEDICT	28,734,100	0.93
20	MIS H.T.S. SOYSA	26,250,000	0.85
		<b>1,262,880,229</b>	<b>40.98</b>
	OTHER	1,818,723,483	59.02
	<b>ISSUED CAPITAL</b>	<b>3,081,603,712</b>	<b>100.00</b>