

29th May 2020

Original by Hand

Colombo Stock Exchange
#04-01 West Block
World Trade Center
Echelon Square
Colombo 01

*Attn. Mr. Renuke Wijeyawardhane
Chief Regulatory Officer*

Dear Sirs,

PEOPLE'S LEASING & FINANCE PLC – DISCLOSURE IN TERMS OF CIRCULAR NO. 03-04-2020 AND CIRCULAR NO.06-05-2020 OF THE CLOMBO STOCK EXCHANGE

In compliance with Circular No.03-04-2020 and 06-05-2020 of the Colombo Stock Exchange (CSE), we write to inform you that we are unable to submit the Interim Financial Statements for the quarter ended 31st March 2020 to the CSE on the due date (31st May 2020) due to the disruption caused to the company's financial activities pursuant to the outbreak of COVID-19 pandemic.

Accordingly, we hereby disclose the following as required by Circular No. 03-04-2020 of CSE.

1. TURNOVER FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

People's Leasing & Finance PLC's gross income for the financial year ended 31st March 2020 is as follows:

	Company (unaudited)		Group (unaudited)	
	For the quarter ended 31 st March 2020	For the year ended 31 st March 2020	For the quarter ended 31 st March 2020	For the year ended 31 st March 2020
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Interest income	7,526,128	31,469,934	7,982,282	33,253,899
Net earned premium	-	-	1,318,903	5,202,030
Fee and commission income	396,476	1,679,946	274,506	1,241,967
Net gains/(losses) on financial assets- FVTPL/held-for-trading	11,645	11,017	16,804	19,586
Other operating income	313,822	420,517	66,157	280,775
Total income	8,248,071	33,581,414	9,658,652	39,998,257

2. FUTURE OUTLOOK/ APPLICABILITY OF GOVERNMENT RELIEFS AND RESTRICTIONS TO THE OPERATION.

Under the present situation prevailing in the country in the wake of the COVID-19 outbreak, the Central Bank of Sri Lanka (CBSL) provided a number of relief measures to assist affected businesses and individuals. CBSL extended the time period granted for customers to make written requests from financial institutions also for concessions from an initial deadline of 30th April 2020 to 15th May 2020. PLC is currently in the process of evaluating the applications to determine the eligibility of customers for the relevant concessions and this process is expected to be completed within a period of 45 days as stipulated by the regulator.

The Government and CBSL have unveiled a number of relief measures to assist individuals and businesses impacted by the pandemic. These measures include deferrals, restructuring, concessionary financing and waivers.

The process of evaluating the requests for eligibility for these concessions is still underway and once the exercise is complete, we will be able to quantify the impact on the Company's revenue and profitability.

Given to the slowdown in economy amid the COVID-19 outbreak, the Company's business volumes is expected to drop compared to the financial year 2019/20. In this context, the Company is focusing on consolidating its existing operations.

In this exceptional situation adhering with the guidelines of CBSL, PLC is in the process of revisiting its cost structures in order to be in line with the expected income levels of the Company.

3. MESSAGE TO THE SHARE HOLDERS

We are mindful that the situation is volatile and the outlook uncertain, with much depending on the intensity and duration of the COVID-19 pandemic, however your Company as one of the largest Non-Banking Financial Institutions with a sound capital base and enjoying the full backing of its' parent, People's Bank, is confident that it has the resources to withstand the damaging effects of the present crisis.

4. COMMUNICATION TO DIRECTORS AND KEY MANAGEMENT PERSONNEL AND OTHER RELATED PARTIES WHO HAVE ACCESS TO UNPUBLISHED PRICE-SENSITIVE INFORMATION

We confirm that we have taken all possible action to inform the Directors, Key Management Personnel and other related parties who may have access to unpublished price-sensitive information to ensure

confidentiality and take additional precautions in disclosing of such information to any other party.

Yours faithfully

PEOPLE'S LEASING & FINANCE PLC

A handwritten signature in blue ink, appearing to be 'A.S. Ibrahim', written over the printed name.

A.S.Ibrahim

CEO/General Manager