



No. 12, Edmonton Road, Kirulapone, Colombo 6, Sri Lanka.
Tel: 0112 832 500 | Fax: 0112 513 333 | Email: info@sdb.lk

12 May 2020

Mr. Renuke Wijayawardhane
Chief Operating Officer
Colombo Stock Exchange
04-01, West Block, World Trade Center
Colombo 01

Dear Sir

RE: CIRCULAR NO.06-04-2020: DISLCOSURE REGARDING IMPACT OF COVID-19 ON THE BUSINESS OPERATION OF SANASA DEVELOPMENT BANK PLC

With reference to your Circular dated 20th April 2020, we hereby disclose the following with regard to our business /operations in view of ongoing COVID-19 pandemic.

The impact of COVID-19 pandemic to the business/operations

The curfew imposed since 20th March 2020 had a significant impact on the Bank's regular business operations. The Bank's opening and closing times, customer interactions had to be curtailed to cope up with the threat posed by the COVID-19 pandemic. In addition to this, the Government announced relief measures to the affected individuals, firms and companies which include debt moratorium on credit facilities, subsidized working capital loans, capping of interest rates of certain lending products and waiving off fees and charges on certain banking products which could have an impact on the Bank's usual business operations.

The Bank's response to the impact of the COVID-19 pandemic

Subsequent to the outbreak of COVID-19 in Sri Lanka, the Bank has been operating its day to day business activities strictly in conformity with the guidelines and directions issued by both the Government and Central Bank of Sri Lanka with regards to the implementation of curfew, work from home arrangements and health and safety measures in our branch network and all other administrative locations. During this period the Bank continue to work since the banking services were declared as an essential service among other services. The Bank therefore operated all 94 Branches and service all the customers including Tri-Forces and pensioners. The Bank was able to promote its digital product such as UPay, Mobile Banking Debit Card and Internet Banking Services and was able to perform large volumes of Digital Transactions during the lockdown period.



The Bank also introduced mobile M-Teller facility (Mobile ATM) to meet the requirement of the client base during curfew hours. The clients can conveniently carry out their banking transactions via our mobile banking portal and call center is accessible on 24 x 7 basis, to get timely assistance.

Bank's expectation of the future impact of COVID-19 on the future operations and the financial condition

As the situation is still evolving, it is difficult to fully quantify the future impact of COVID-19 on Bank's operation. However, the relief measures announced by the Government and negative business environment likely to have a short-term negative impact on Bank's future performance. The Board of Directors and the management will continue to monitor developments and take timely actions where necessary to assure the stability of the Bank.

Furthermore, the Bank will take whatever measure believed necessary to support the revival of the economy and the continuation of business within the guidelines issued by the authorities. We will keep our valued shareholders, investors and general public informed with necessary information, via disclosures when necessary.

Yours Faithfully

SANASA Development Bank PLC



Tamarika Rodrigo

Company Secretary