

About People's Leasing

Building a legend

What does it take to build a legend?
In our experience it is a journey –
one that begins with our Vision and Mission.



Our Vision

To become legendary in the financial-service scene as a provider of customer-friendly, creative and innovative total solutions



Our Mission

Dedicated value-added customer service to accomplish organisational service excellence whilst maintaining a sustainable competitive advantage



The legend so far...

As legends go, People's Leasing has already made a name for itself as a trusted brand

→ Brand strength

We are one of Sri Lanka's largest non-bank financial institutions (NBFIs) with a Brand value of Rs. 8.7 billion.



75%-owned by People's Bank
The parent lends us its:

Credibility

Capital

Liquidity

Stability

People's Leasing's differentiators:

Skilled and engaged workforce

Diversified portfolio

Agility in responding to industry trends

One stop financial solutions provider

Being a responsible corporate citizen

→ Most rated NBFIs

People's Leasing is the most rated non-bank financial institution in the country with three ratings:

AA-(1ka)

from Fitch Ratings Lanka Limited

B-

one notch below Sovereign from
Fitch Ratings International

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About People's Leasing

→ Our culture

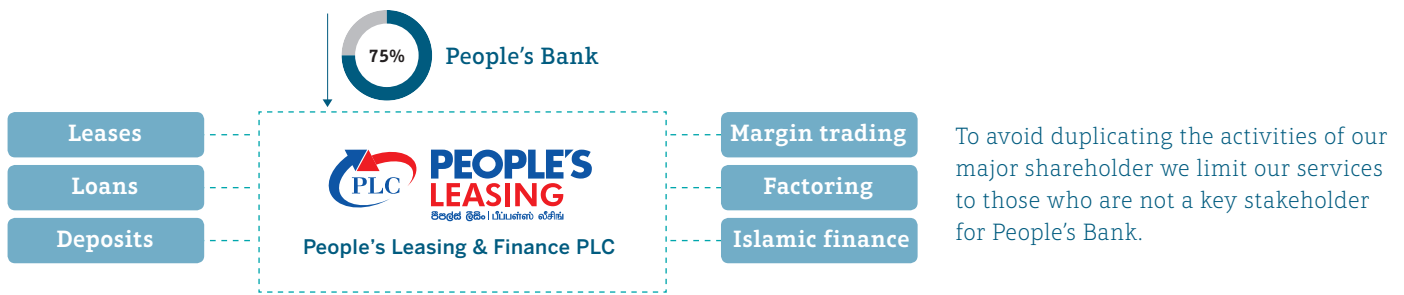
Our focus on financial inclusion governs our operations, prompting us to respond to all stakeholders with deliverable core values of –



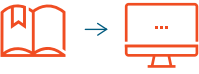
Guided by our Vision, Mission and values, as a responsible financial services provider, we offer responsible lending and financial protection solutions abiding by relevant legislation, integrating environmental, social and governance (ESG) criteria into business operations and create value for our stakeholders through our tested processes, committed staff and the state-of-the-art technology.

GRI 102-5

→ Group structure



Subsidiaries						Associate
People's Insurance PLC	People's Micro-commerce Ltd.	People's Leasing Fleet Management Limited	People's Leasing Property Development Limited	People's Leasing Havelock Properties Limited	Lankan Alliance Finance Limited	People's Merchant Finance PLC
Ownership	Ownership	Ownership	Ownership	Ownership	Ownership	Ownership



Details of our subsidiaries and associate can be found online

<http://plc2018-19.annualreports.lk/sr.html>

About People's Leasing

Building a legend

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→ Prudent growth

The journey so far has been eventful. Established in 1995, People's Leasing was registered in 2012 as a licensed finance company under the Finance Business Act No. 42 of 2011.



Customer touchpoints



Employee number



Capital



Deposits



Subsidiaries/ associates



Product range

Then - 1995

1 branch in Kandy	3	Rs. 10 million	Deposits not accepted	None	Lease Hire purchase
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Now - 2019

103 branches	2,329	Rs. 28,603 million	Rs. 88 billion	6 subsidiaries 1 associate	Leasing Loans Islamic finance Deposits Margin trading Factoring
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Future focus

Digitalising the customer journey	Empowering recovery process	Strengthening our team with new cadre	Improve credit quality through focused training	Continued adherence to regulatory capital adequacy requirements	Diversifying our product and service offer in line with our customer expectations
Strategising our marketing initiatives by leveraging Group synergy and our competitive service environment	Investing in multimodal digital presence	Increasing social media presence	Building a competent, engaged, and motivated team	Rolling out products across more branches	Continuing our commitment to be a responsible corporate citizen

Building a legend

About People's Leasing

GRI 102-7

→ Where we stand

Given below is a summary industry comparison of key performance indicators.

Indicator	2018/19		2017/18	
	Industry*	People's Leasing	Industry*	People's Leasing
Business volumes (Rs. billion)				
Loans and advances	1,137.0	151.7	1,057.1	140.2
Investments	109.7	15.4	118.1	13.8
Deposits	716.8	88.4	686.7	69.8
Borrowings	463.8	48.5	396.0	55.7
Capital	183.7	28.6	169.7	27.0
Total assets	1,431.3	172.5	1,355.0	160.7
Profitability (%)				
Return on assets (ROA)	2.7	3.9	3.2	3.7
Return on equity (ROE)	12.1	15.9	16.1	16.7
Net interest margin (NIM)	7.4	9.7	7.7	8.4
Core capital ratio	9.9	14.4	12.4	18.4
Total risk weighted capital ratio	11.2	15.2	13.1	16.5
Source of funds (%)				
Total deposits	52.5	53.4	54.83	45.7
Total borrowings	34.0	29.3	31.62	36.6
Capital elements	13.5	17.3	13.55	17.7
Use of funds (%)				
Loans and advances	79.4	87.9	78.0	87.2
Investments	7.7	8.9	8.7	8.6
Other assets	12.9	3.2	13.3	4.2
Asset growth	5.6	7.4	11.8	7.3
Loans and advances (YoY growth)	7.6	8.2	9.8	5.2
Asset quality (%)				
Gross NPA ratio	7.7	3.9	5.9	2.7
Net NPA ratio	2.4	0.9	1.5	0.7

*Source: Central Bank of Sri Lanka Annual Reports 2017 and 2018 (figures as at 31 December 2017 and 2018).

As evident across a gamut of indicators, People's Leasing occupies an enviable position in the NBFIs sector of the country.

Business volumes

People's Leasing accounts for 12.3% of deposits, 13.3% of loans and advances and 12.1% of total assets of the industry.

Profitability

People's Leasing is one of the most profitable players with well above the industry average ROA and ROE levels.

Source of funds

A focused approach based on a long-term strategy saw deposit base growing by 26.6% YoY against the industry growth of mere 4.4%.

Use of funds

Interest earning assets accounts for 94.8% of the total assets, depicting robustness of our financial intermediation.

Asset quality

Possesses a loans and advances portfolio with one of the highest levels of asset quality and with a provision cover of 70%.