

# ඒ එම් ඩබ්ලිව් කැපිටල් ලීසිං සහ ෆිනෑන්ස් පීඑල්සී

## මූල්‍ය ප්‍රකාශනය

**pwc**  
*Independent auditor's report*  
To the Shareholders of AMW Capital Leasing and Finance PLC

**Report on the audit of the financial statements**

**The opinion**  
In its opinion, the accompanying financial statements give a true and fair view of the financial position of AMW Capital Leasing and Finance PLC ("the Company") as at 31 December 2020, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

**What we have audited**  
The financial statements of the Company, which comprise:  
• the statement of financial position as at 31 December 2020;  
• the statement of comprehensive income for the year then ended;  
• the statement of changes in equity for the year then ended;  
• the statement of cash flows for the year then ended; and  
• notes to the financial statements, which include a summary of significant accounting policies.

**basis for opinion**  
We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**  
We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics), and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics.

**Key audit matters**  
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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To the Shareholders of AMW Capital Leasing and Finance PLC (Contd)

**Key audit matter**

**Impairment of loans and advances, and receivables receivable on lease and other purchase assets**  
**Refer to the accompanying policy Section 2.3.1 of the financial statements and notes 2.3.1 and 2.3.2 of the financial statements.**

At 31 December 2020, total gross amount of loans and advances, and receivables receivable on lease and other purchase assets amounted to LKR 6,756 million, with a total allowance for impairment of LKR 1,381 million. The net amount of loans and advances receivable 59% to the total assets.

The Company uses the Expected Credit Loss (ECL) model to determine the impairment allowance for loans and advances to customers, and for receivables receivable on lease and other purchase assets from customers.

The impairment of loans and advances, and receivables receivable on lease and other purchase assets using the ECL model was considered as a key audit matter due to factors such as:  
- The use of the ECL model which involves significant management judgment.  
- The magnitude of the reported amounts of loans and advances and receivables receivable on lease and other purchase assets.  
- The determination of loan rates based on historical and forward looking information.

**How our audit addressed the key audit matter**  
The audit procedures performed to assess the accuracy of the impairment allowance for loans and advances receivable on lease and other purchase assets included:  
- Understanding, evaluating and testing the design and operating effectiveness of controls in the accounting and credit risk mitigation process.  
- Assessing the appropriateness of the criteria used to determine impairment allowances for the customer credit facilities not impaired.  
- Assessing the design and application of the ECL model including responsibility for significant inputs and the application of assumptions and the quality of observable data, which includes, but not limited to, the management's forward-looking information where defaults occur.  
- Comparing the results of the ECL model and other forward-looking information used by the management, against publicly available market information.  
- Checking the matching calculation and data input to the model for accuracy and completeness.  
- Assessing the accuracy and sufficiency of the assumptions and inputs used in the model, and the impact on loans and advances to customers and receivables receivable on lease and other purchase assets as at the year end.  
- Checking the matching calculation and data input to the model for accuracy and completeness.  
- Assessing the accuracy and sufficiency of the assumptions and inputs used in the model, and the impact on loans and advances to customers and receivables receivable on lease and other purchase assets as at the year end.  
Based on the procedures performed as mentioned above, we concluded the assumptions and judgments made by the management to be reasonable.

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*Independent auditor's report*  
To the Shareholders of AMW Capital Leasing and Finance PLC (Contd)

**Other information**  
Management is responsible for the other information. The other information comprises the information included in the AMW Capital Leasing and Finance PLC Annual Report ("the Annual Report") that does not constitute the financial statements and the auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not intend to express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, we conclude that there is a material inconsistency therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of management and those charged with governance for the financial statements**  
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and the auditor's report thereon.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, related management's plans, and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or the liquidator has been appointed, or the liquidation is imminent, or the liquidator has been appointed, or the liquidation is imminent.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**  
Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with SLAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they would reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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*Independent auditor's report*  
To the Shareholders of AMW Capital Leasing and Finance PLC (Contd)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain sufficient audit evidence to conclude whether the financial statements are free from material misstatement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to disclose our findings, unless management's actions are deemed to be sufficient to remove the material uncertainty. Our conclusions are based on the audit evidence obtained to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the effectiveness of the controls and controls of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that reflects the underlying transactions and events, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and we communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are described in the key audit matters section of this report. We discuss these matters with the audit committee, or other governance bodies, but a matter should not be communicated to us if it is not relevant to our audit, or if it is not reasonably expected to outweigh the public interest benefits of such communication.

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*Independent auditor's report*  
To the Shareholders of AMW Capital Leasing and Finance PLC (Contd)

**Report on other legal and regulatory requirements**  
As required by section 131(2) of the Companies Act No. 7 of 2007, we have obtained all the information and explanations that were required for the audit, and, as far as appears from our examination, proper records have been kept by the Company.

Chartered Accountants  
Chartered Accountants  
Chartered Accountants  
Chartered Accountants  
Date: 30 March 2021

**pwc**  
*Independent auditor's report*  
To the Shareholders of AMW Capital Leasing and Finance PLC (Contd)

**Report on other legal and regulatory requirements**  
As required by section 131(2) of the Companies Act No. 7 of 2007, we have obtained all the information and explanations that were required for the audit, and, as far as appears from our examination, proper records have been kept by the Company.

### දෙසැම්බර් 31 න් අවසන්වූ වර්ෂය සඳහා මූල්‍ය තත්ව ප්‍රකාශන (විමර්ශනය කළ)

	31.12.2020 රු.'000	31.12.2019 රු.'000
<b>වත්කම්</b>		
මුදල් හා බැංකු ණයන්	432	255
රජයේ සුරැකුම්පත්	759	437
අදාළ පාර්ශවයන්ගෙන් ලෙවිය යුතු	-	-
ණා (අදාළ පාර්ශවයන්ගෙන් ආධාරය යුතු මුදල් හැර)	7,780	9,373
කෙටිකාලීන සඳහා ආයතනික	2	2
ආයතනික දේපල සහ දේපල වෙළඳාම්	-	-
දේපල, පිරිසිදු හා උපකරණ	22	26
අනෙකුත් වත්කම්	152	160
<b>මුළු වත්කම්</b>	<b>9,147</b>	<b>10,253</b>
<b>වගකීම්</b>		
බැංකුවලට ලෙවිය යුතු දුඳු	3,012	3,228
අදාළ පාර්ශවයන්	99	1,171
ගනුදැනුමාර්ථයට ලෙවිය යුතු දුඳු	2,100	2,265
අනෙකුත් ණය ගැනුම්	-	-
අනෙකුත් වගකීම්	981	921
<b>මුළු වගකීම්</b>	<b>6,192</b>	<b>7,585</b>
<b>ස්කන්ධය</b>		
ප්‍රකාශිත ප්‍රාග්ධනය	200	200
වාර්ෂාංකීය සංචිත අරමුදල	147	132
රජයෙන් ලැබුණු	2,607	2,335
අනෙකුත් සංචිත	1	1
<b>මුළු ස්කන්ධය</b>	<b>2,955</b>	<b>2,668</b>
<b>මුළු ස්කන්ධය හා වගකීම්</b>	<b>9,147</b>	<b>10,253</b>
<b>කොටසක ලැබූ වගකීම්</b>	<b>457.35</b>	<b>512.65</b>

### දෙසැම්බර් 31 න් අවසන්වූ වර්ෂය සඳහා ප්‍රධාන මූල්‍ය දත්ත (විමර්ශනය කළ)

රට/පිළිගත් මිලියන	වර්ෂමාන කාලසීමාව		පසුගිය කාලසීමාව	
	2020	2019	2019	2018
පොලී ආදායම	1,636	1,968		
පොලී වියදම	(675)	(988)		
<b>ලැබූ පොලී ආදායම</b>	<b>961</b>	<b>980</b>		
වෙළඳාම් වලින් ලැබූ ඉහස්ස/(අලාභය)	-	-		
අනෙකුත් ආදායම්	292	380		
වෙළඳාම් වියදම්	(424)	(531)		
ගාතීන්ගෙන්	(271)	(122)		
<b>බදු වලට පෙර ඉහස්ස/(අලාභය)</b>	<b>558</b>	<b>707</b>		
බදු*	(271)	(365)		
<b>බදු වලින් පසු ඉහස්ස/(අලාභය)</b>	<b>287</b>	<b>342</b>		

\* ව්‍යා බදු (මුදල සේවා සඳහා වරද බදු රජයේ) සහ සහකාර බදු (ආයතනික ආදායම් බදු) ඇතුළත්

පහත අත්සන් කර ඇති ඒ එම් ඩබ්ලිව් කැපිටල් ලීසිං සහ ෆිනෑන්ස් පීඑල්සී සමාගමේ අධ්‍යක්ෂක/ප්‍රධාන විධායක නිලධාරී, සාමාන්‍යාධිකාරී-මූල්‍ය සහ අනුකූලතා නිලධාරී වන අතර

(අ) ඉහත මූල්‍ය ප්‍රකාශන ශ්‍රී ලංකා මහ බැංකුව විසින් නිර්දේශ කළ ආකාරයට සහ නිර්වචනයන්ට අනුකූලව පිළියලුකොට ඇති බවත්,

(ආ) විගණනය කර ඇතැයි විශේෂයෙන් දක්වා නොමැති සෑම විටම ඉහත ප්‍රකාශනවල දක්වා ඇත්තේ, සමාගමේ විගණන ගොනු මූල්‍ය ප්‍රකාශනවලට උපරිම තොරතුරු බවත්, ඒකාබද්ධව සහතික කරමි.

**වමන් මුණසිංහ (අත්සන් කළේ)**  
අධ්‍යක්ෂක/ප්‍රධාන විධායක නිලධාරී  
දිනය: 2021.03.30

**අනුක ජයරත්න (අත්සන් කළේ)**  
සාමාන්‍යාධිකාරී - මූල්‍ය  
දිනය: 2021.03.30

**නිමාල චන්දන (අත්සන් කළේ)**  
ප්‍රධාන අනුකූලතා අංශ ප්‍රධානී  
දිනය: 2021.03.30

තොරතුරු සාධක දර්ශකයන්				
අයිතම	2020 දෙසැම්බර් 31 දිනට		2019 දෙසැම්බර් 31 දිනට	
	තරය	අවයස	තරය	අවයස
<b>නිතිමය ප්‍රාග්ධන ප්‍රමාණවත්කම (x)</b>				
1 වන ස්ථරයේ ප්‍රාග්ධන ප්‍රමාණවත්කම ආදායම	29.72%	6.50%	23.12%	6.50%
මුළු ප්‍රාග්ධන ප්‍රමාණවත්කම ආදායම	29.72%	10.50%	23.81%	10.50%
අරමුදල් ප්‍රාග්ධනයට තර්ජන වගකීම් ආදායම	141%	10%	118%	10%
<b>ණය කළහැකි ශුභාත්මකතාව (%)</b>				
දළ අක්‍රීය ණය ආදායම	8.48%	5.18%		
ලැබූ අක්‍රීය ණය ආදායම	0.44%	1.05%		
ලැබූ අක්‍රීය ණයට මුදල ප්‍රාග්ධන ආදායම	1.16%	3.71%		
වෙන්කිරීම් ආවරණ ආදායම	3.06	6.81		
<b>ලාභදායීත්වය (%)</b>				
ලැබූ පොලී ආතතිය	10.48%	9.28%		
වත්කම් මත ප්‍රතිලාභ (බදු පෙර)	5.75%	4.93%		
නිමිති මත ප්‍රතිලාභ (බදු පසු)	10.20%	13.73%		
ආදායම් මත පිරිවැය ආදායම	41.36%	51.36%		
<b>ද්‍රවශීලතාව (%)</b>				
අවයස ද්‍රවශීල වත්කම් සඳහා ලබා ගත හැකි ද්‍රවශීල වත්කම් (අවම වශයෙන් 100%)	809%	198%		
ද්‍රවශීල වත්කම් වලට බාධිත අරමුදල් ආදායම	20.32%	10.19%		
<b>සමානීය තොරතුරු ප්‍රකාශ</b>				
ගැබ් ගණන	15	15		
සේවා මධ්‍යස්ථාන සංඛ්‍යාව	7	7		
බාධිත ණය ලේඛන (බිටි ලේඛන නිරීක්ෂණය)	BBB - (Ika)	BBB + (Ika)		



**ඒ එම් ඩබ්ලිව් කැපිටල් ලීසිං සහ ෆිනෑන්ස් පීඑල්සී**  
185, යුනිටස් පෙදෙස, කොළඹ 02. දුරකථන: 0112 446476

Fitch Rating AA - (Ika)