

**DIALOG FINANCE PLC**

**(formerly known as Colombo Trust Finance PLC)**

**INTERIM FINANCIAL STATEMENTS**  
**For the quarter ended 30th September 2018**

**DIALOG FINANCE PLC**  
**Statement of Comprehensive Income**  
**For the period ended 30-09-2018**

	For the Six months ended		Variance %	For the quarter ended		Variance %
	(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)	
	30-Sep-18 Rs.	30-Sep-17 Rs.		30-Sep-18 Rs.	30-Sep-17 Rs.	
Interest income	109,514,500	103,319,725	6	64,387,097	52,597,184	22
Interest expense	(42,797,322)	(48,591,037)	(12)	(21,333,179)	(24,381,412)	(13)
<b>Net Interest Income</b>	<b>66,717,178</b>	<b>54,728,688</b>	<b>22</b>	<b>43,053,918</b>	<b>28,215,772</b>	<b>53</b>
Fee and commission income	58,174,780	1,202,021	4,740	21,041,094	527,926	3,886
Fee and commission expenses	-	(25,000)	(100)	-	-	-
<b>Net fee and commission income</b>	<b>58,174,780</b>	<b>1,177,021</b>	<b>4,843</b>	<b>21,041,094</b>	<b>527,926</b>	<b>3,886</b>
Net (loss) / gain from financial instruments at fair value through profit or loss	(529,413)	508,678	(204)	(223,101)	236,285	(194)
Other operating income	3,193,689	3,966,364	(19)	1,635,675	2,020,191	(19)
Impairment expenses for loans and advances and other losses	(74,473,645)	(1,047,689)	7,008	(63,207,139)	(829,820)	7,517
<b>Net operating income</b>	<b>53,082,589</b>	<b>59,333,062</b>	<b>(11)</b>	<b>2,300,447</b>	<b>30,170,354</b>	<b>(92)</b>
<b>Operating Expenses</b>						
Personnel cost	(59,524,486)	(25,355,094)	135	(29,943,912)	(12,780,263)	134
Depreciation and amortization of property plant and equipment	(2,530,021)	(2,848,977)	(11)	(1,252,004)	(1,402,110)	(11)
General and administrative expenses	(26,213,949)	(18,858,385)	39	(13,726,146)	(9,974,848)	38
<b>Operating (loss) / profit before VAT on financial services and Income Tax</b>	<b>(35,185,867)</b>	<b>12,270,606</b>	<b>(387)</b>	<b>(42,621,615)</b>	<b>6,013,132</b>	<b>(809)</b>
Value added tax (VAT) on financial services	-	(4,717,440)	(100)	2,001,492	(2,463,825)	(181)
<b>(Loss) / Profit before Tax for the Period</b>	<b>(35,185,867)</b>	<b>7,553,166</b>	<b>(566)</b>	<b>(40,620,124)</b>	<b>3,549,307</b>	<b>(1,244)</b>
Income tax reversal / (expense)	-	(3,260,570)	(100)	1,521,592	(1,457,809)	(204)
<b>(Loss) / Profit for the Period</b>	<b>(35,185,867)</b>	<b>4,292,596</b>	<b>(920)</b>	<b>(39,098,532)</b>	<b>2,091,498</b>	<b>(1,969)</b>
<b>Other Comprehensive Income</b>						
Actuarial gains/(losses) on defined benefit plans	-	-		-	-	-
Deferred tax on actuarial gain	-	-		-	-	-
<b>Total Comprehensive (Loss) / Income for the Period</b>	<b>(35,185,867)</b>	<b>4,292,596</b>	<b>(920)</b>	<b>(39,098,532)</b>	<b>2,091,498</b>	<b>(1,969)</b>

(Loss)/Earnings per share (Annualised)

(0.97)

0.18

(2.17)

0.18

**DIALOG FINANCE PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30.09.2018**

	<b>30th September 2018 (Unaudited) Rs.</b>	<b>31st March 2018 (Audited) Rs.</b>
<b>ASSETS</b>		
Cash and cash equivalents	34,355,082	33,074,004
Placements with Financial Institutions	399,000,000	207,706,325
Investment in repurchase agreement	14,680,298	26,609,192
Financial assets at fair value through profit or loss	1,038,821	1,568,234
Loans and receivables-Leases	146,806,789	224,445,936
Loans and receivables-Hire purchase	6,911,415	15,209,436
Loans and receivables-Other	1,006,115,386	611,281,652
Financial investments - Available-for-sale	345,775	345,775
Financial investments - Held To Maturity	63,880,980	60,468,036
Property, plant and equipment	102,831,477	27,677,460
Intangible assets	5,475,131	6,335,371
Amount due from related parties	67,230,077	-
Other assets	58,623,312	26,426,891
Deferred tax assets	19,455,168	19,455,168
<b>Total Assets</b>	<b>1,926,749,711</b>	<b>1,260,603,480</b>
<b>LIABILITIES</b>		
Amount due to customers and banks	445,485,454	536,421,636
Amount due to related parties	431,540,277	294,143,089
Retirement benefit obligations	7,443,965	6,797,372
Trade and other payables	69,525,798	13,224,993
<b>Total Liabilities</b>	<b>953,995,494</b>	<b>850,587,090</b>
<b>CAPITAL AND RESERVES</b>		
Stated capital	907,812,365	309,888,671
Statutory reserve fund	11,360,719	11,360,719
Other reserves	60,000,000	60,000,000
Retained earnings	(6,418,867)	28,767,000
<b>Total Capital and Reserves</b>	<b>972,754,217</b>	<b>410,016,390</b>
<b>Total Equity and Liabilities</b>	<b>1,926,749,711</b>	<b>1,260,603,480</b>
<b>Net Assets Per Share Rs.</b>	13.47	8.81

*It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.*

**Udeshika Koswatta**  
**Manager Finance(Sgd)**

**Asanga Priyadarshana**  
**Director/Chief Executive Officer (Sgd)**

The Board of Directors is responsible for the preparation of these Financial Statements. Approved and signed for on behalf of the Board:

**Director (Sgd)**  
**12-Nov-18**  
**Colombo**

**Director (Sgd)**

**DIALOG FINANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the Period ended 30.09.2018**

<b>For the Six months ended (Unaudited)</b>	<b>Stated Capital</b>	<b>Retained Earnings</b>	<b>Statutory Reserve Fund</b>	<b>Revaluation Reserve</b>	<b>General Reserve</b>	<b>Total</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
<b>Balance as at 01st April 2018 (Opening balance)</b>	<b>309,888,671</b>	<b>28,767,000</b>	<b>11,360,719</b>	-	<b>60,000,000</b>	<b>410,016,390</b>
Rights Issue During the Period	597,923,694	-	-	-	-	597,923,694
Profit for the Period	-	(35,185,867)	-	-	-	(35,185,867)
<b>Balance as at 30th September 2018 (Closing balance)</b>	<b>907,812,365</b>	<b>(6,418,867)</b>	<b>11,360,719</b>	-	<b>60,000,000</b>	<b>972,754,217</b>
Balance as at 01st April 2017 (Opening balance)	309,888,671	51,749,099	11,360,719	14,187,500	60,000,000	447,185,989
Profit for the Period	-	4,292,596	-	-	-	4,292,596
Balance as at 30th September 2017 (Closing balance)	309,888,671	56,041,695	11,360,719	14,187,500	60,000,000	<b>451,478,585</b>

**DIALOG FINANCE PLC**  
**STATEMENT OF CASH FLOWS**  
**For the Period Ended 30.09.2018**

<b>For the Six months period Ended</b>	<b>30th September 2018 Rs. (Unaudited)</b>	<b>30th September 2017 Rs. (Unaudited)</b>
<b>Cash Flows From Operating Activities</b>		
(Loss)/Profit Before Income Tax	(35,185,867)	7,553,166
<b>Adjustment For,</b>		
Depreciation and amortization	2,530,021	2,848,977
(Profit)/loss on assets held for sale	-	(378,944)
Provision for retirement benefits obligation	646,590	537,629
Net gain/(loss) from financial instruments at fair value through profit or loss	529,413	(508,678)
Impairment on loans and advances	74,473,645	1,047,689
<b>Operating Profit Before Working Capital Changes</b>	<b>42,993,802</b>	<b>11,099,839</b>
(Increase) in loans and advances	(383,370,210)	40,749,775
(Increase) /Decrease in other assets	(99,426,498)	(217,876)
(Decrease) / Increase in deposits from customers	46,461,006	239,374,264
Increase/ (Decrease) in trade and other payables	56,300,807	4,683,705
<b>Cash (used in) /Generated from Operations</b>	<b>(337,041,093)</b>	<b>295,689,707</b>
Payment of retirement gratuity	-	-
Income tax paid	-	-
<b>Net Cash Flows Used In Operating Activities</b>	<b>(337,041,093)</b>	<b>295,689,707</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sale of assets held for sale	-	1,075,000
Acquisition of property plant & equipment	(76,823,798)	(683,556)
Net Investment in treasury bills	(3,412,944)	(15,318,094)
Net cash flow from securities purchased under repurchased agreement	11,928,894	4,671,939
Net Placements with Financial Institutions	(191,293,675)	-
<b>Net Cash Flows Used In Investing Activities</b>	<b>(259,601,523)</b>	<b>(10,254,711)</b>
<b>Cash Flows from Financing Activities</b>		
Net cash received on right issue	597,923,694	-
<b>Net Cash Flows from Financing Activities</b>	<b>597,923,694</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalentents</b>	<b>1,281,078</b>	<b>285,434,996</b>
<b>Cash and Cash Equivalentents at the Beginning of the Year</b>	<b>33,074,004</b>	<b>16,557,401</b>
<b>Bank Overdraft at the Beginning of the Year</b>	<b>-</b>	<b>(254,143,054)</b>
<b>Cash and cash equivalentents at the end of the period</b>	<b>34,355,082</b>	<b>47,849,343</b>
<b>Analysis of cash and cash equivalentents at the end of the Period</b>		
Cash and bank balances	34,355,082	47,849,343
	<b>34,355,082</b>	<b>47,849,343</b>

**DIALOG FINANCE PLC**  
**FINANCIAL REPORTING BY SEGMENT**  
For the Period ended 30.09.2018

**FINANCIAL REPORTING BY SEGMENT**

For the Six months ended 30th September	Leasing & Hire purchase		Treasury/ Investments		Margin Trading		Business Loan		Other loan and advance		Device Financing		Unallocated		Total	
	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.	2018 Rs.	2017 Rs.
Net interest income	10,329,753	16,514,110	13,353,121	(1,768,484)	4,703,579	7,017,193	15,274,854	21,922,592	7,412,157	11,043,277	15,643,714	-	-	-	66,717,178	54,728,688
Net Fees and commission income	109,171	225,586	-	-	-	-	-	-	183,970	726,658	57,881,639	-	-	224,777	58,174,780	1,177,021
Other income	1,849,863	2,040,248	(279,217)	508,678	-	-	169,395	228,232	870,830	447,079	-	-	53,405	1,250,805	2,664,276	4,475,042
<b>Operating income by segment</b>	<b>12,288,787</b>	<b>18,779,944</b>	<b>13,073,904</b>	<b>(1,259,806)</b>	<b>4,703,579</b>	<b>7,017,193</b>	<b>15,444,249</b>	<b>22,150,824</b>	<b>8,466,957</b>	<b>12,217,014</b>	<b>73,525,353</b>	<b>-</b>	<b>53,405</b>	<b>1,475,582</b>	<b>127,556,234</b>	<b>60,380,751</b>
<b>Total Operating income/(Loss)</b>	<b>12,288,787</b>	<b>18,779,944</b>	<b>13,073,904</b>	<b>(1,259,806)</b>	<b>4,703,579</b>	<b>7,017,193</b>	<b>15,444,249</b>	<b>22,150,824</b>	<b>8,466,957</b>	<b>12,217,014</b>	<b>73,525,353</b>	<b>-</b>	<b>53,405</b>	<b>1,475,582</b>	<b>127,556,234</b>	<b>60,380,751</b>
Impairment (expenses)/reversal	(5,179,152)	3,165,158	-	-	29,082	(756,868)	(33,193,350)	(1,462,767)	(17,417,104)	(1,993,212)	(18,713,121)	-	-	-	(74,473,645)	(1,047,689)
<b>Net operating income</b>	<b>7,109,635</b>	<b>21,945,102</b>	<b>13,073,904</b>	<b>(1,259,806)</b>	<b>4,732,661</b>	<b>6,260,325</b>	<b>(17,749,101)</b>	<b>20,688,057</b>	<b>(8,950,147)</b>	<b>10,223,802</b>	<b>54,812,232</b>	<b>-</b>	<b>53,405</b>	<b>1,475,582</b>	<b>53,082,589</b>	<b>59,333,062</b>
Operating expenses	(2,315,355)	(4,861,680)	(7,731,509)	(2,096,270)	(874,179)	(2,474,375)	(2,880,610)	(6,072,362)	(1,952,708)	(3,353,698)	(10,459,588)	-	-	-	(26,213,949)	(18,858,385)
Depreciation & amortization	(223,465)	(734,465)	(746,201)	(316,688)	(84,371)	(373,809)	(278,020)	(917,365)	(188,464)	(506,650)	(1,009,500)	-	-	-	(2,530,021)	(2,848,977)
<b>Segment result</b>	<b>4,570,815</b>	<b>16,348,957</b>	<b>4,596,194</b>	<b>(3,672,764)</b>	<b>3,774,111</b>	<b>3,412,141</b>	<b>(20,907,731)</b>	<b>13,698,330</b>	<b>(11,091,319)</b>	<b>6,363,454</b>	<b>43,343,144</b>	<b>-</b>	<b>53,405</b>	<b>1,475,582</b>	<b>24,338,619</b>	<b>37,625,700</b>
Personnel expenses															(59,524,486)	(25,355,094)
(Loss)/Profit from operations															(35,185,867)	12,270,606
VAT on Financial services															-	(4,717,440)
Income tax expense															-	(3,260,570)
<b>Net profit for the period</b>															<b>(35,185,867)</b>	<b>4,292,596</b>
<b>Other information</b>																
Segment assets	153,718,204	314,863,746	513,300,956	135,763,622	58,037,438	160,251,379	191,245,931	393,272,760	129,641,821	217,200,161	694,420,273	-	186,385,088	71,712,523	1,926,749,711	1,293,064,191
Total assets	153,718,204	314,863,746	513,300,956	135,763,622	58,037,438	160,251,379	191,245,931	393,272,760	129,641,821	217,200,161	694,420,273	-	186,385,088	71,712,523	1,926,749,711	1,293,064,191
Segment liabilities	84,261,926	216,960,277	281,370,232	93,549,395	31,813,709	110,422,950	104,833,064	270,988,858	71,064,255	149,664,126	380,652,308	-	-	-	953,995,494	841,585,606
Total liabilities	84,261,926	216,960,277	281,370,232	93,549,395	31,813,709	110,422,950	104,833,064	270,988,858	71,064,255	149,664,126	380,652,308	-	-	-	953,995,494	841,585,606

**INFORMATION ON ORDINARY SHARES OF THE COMPANY**

**1 Market Price Per Share**

Market Prices per ordinary share for the quarter ended 30th September 2018 were as follows;

	<b>Rs.</b>
Highest Price	50.90
Lowest Price	30.20
Last Traded Price	46.90

**SHAREHOLDERS' INFORMATION**

**2 Twenty Largest Shareholders as at 30th September 2018**

	<u>No of Shares</u>	<u>% of Holding</u>
1 Dialog Axiata PLC	71,421,450	98.88%
2 Mr.R.C.J Goonewardene	106,294	0.15%
3 Mr.L.C.Y Welikala	22,600	0.03%
4 Mr.P.S.M Fernando	22,173	0.03%
5 Mr. R.E Rambukwella	20,647	0.03%
6 Mrs.A.A.Raaymakers	19,802	0.03%
7 Mr.K Nandasiri / T.B.Ratna Sujeewa Tennakoon Banda	18,632	0.03%
8 Mr.B.C.V Mendis	15,727	0.02%
8 Mr.B.C.N Mendis	15,727	0.02%
10 Mr.Gunawardena	15,401	0.02%
11 Mr.S.L Paranamange	13,700	0.02%
11 Mr.W.S Perera / MRS. H.M.C.M. Perera	12,911	0.02%
11 Mr.R.L.G Fernando	12,000	0.02%
14 Mr.N.S Wijesekara	11,813	0.02%
15 Mr.O.W.D Yasapala	11,000	0.02%
16 Mr.H.V.S.M Navaratne	10,000	0.01%
17 Mr.T.D Mahaliyana	9,940	0.01%
18 Mr.T Thiruthanigainathan	9,763	0.01%
19 Mr.T Nagarajan	8,500	0.01%
20 Mrs.R.L Bennan	7,963	0.01%
	<b>71,786,043</b>	<b>99.38%</b>
Others	447,773	0.62%
<b>Total</b>	<b>72,233,816</b>	<b>100.00%</b>

**DIALOG FINANCE PLC**  
**Notes to the financial statements**

**3 Directors'/ CEO's Holding in Shares as at 30th September 2018**

**2018**

Mr. S.S.H.Wijayasuriya	-
Mr. W.V.S.D.Weerasinghe	-
Mr. A.S.Abeykoon	-
Mr. P.P Edirisinghe	-
Mr. L. D. R. Hettiaratchi	-
Mr. M.K.A.Priyadarshana	-

**4 Public shareholding**

**30 September 2018**      **31 March 2018**

Public holding percentage	1.12%	1.13%
Number of public shareholders	803	544

Float Adjusted Market Capitalization as at 30th September 2018 - Rs. 37,942,978.87

The Company is not compliant with the Minimum Public Holding requirement under Option 2 of Rule 7.13.1(b) of the Listing Rules of the Colombo Stock Exchange (“CSE”). However, the Company, by letter dated 17 May 2018, requested for a waiver from the CSE under Rule 7.13.3(iii). By letter dated 7 August 2018, the CSE, with the concurrence of the Securities and Exchange Commission of Sri Lanka, granted an exemption to the Company with having to comply with the maintenance of the minimum public holding requirement, until 31 December 2018, subject to the Company making the appropriate disclosures to the market in this regard.

**EXPLANATORY NOTES**

**5 Events after the reporting period**

No material events occurred after the balance sheet date that require adjustments to or disclosure in, the Financial Statements.

**6 There were no material contingent liabilities as at the reporting date which require adjustments to/or disclosures in the Financial Statements.**

**7 These Interim Financial Statements of the Company have been prepared based on the Sri Lanka Accounting Standards that came into effect from 01st April 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies since the publication of the Audited Financial Statements for the year ended 31st March 2018.**

**8 Further, these Interim Financial Statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standard - LKAS 34 on Interim Financial Reporting.**

**9 “SLFRS 9 - Financial Instruments**

The Sri Lanka Accounting Standard, SLFRS 9 - Financial Instruments, which replaces the existing guidance on LKAS 39 on “Financial Instruments: Recognition and Measurement” has become effective for annual reporting periods beginning on or after 01 January 2018.

Based on the “Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements” issued by The Institute of Chartered Accountants of Sri Lanka entities are granted with the option to prepare Interim Financial Statements continuing the application of LKAS 39 with disclosures on impact to the Income Statement and Statement of Profit or Loss and Other Comprehensive Income for the period if SLFRS 9 has been applied.

Accordingly, as permitted by the above SoAT, the Company has prepared the Interim Financial Statements for the quarter ended 30 September 2018 based on LKAS 39.

Based on the assessments undertaken to date, the total estimated additional impairment provision on the financial statements for the period ended 30 September 2018 on adoption of SLFRS 9 is expected to be Rs 50.55Mn.”

**10 Related Party Disclosure**

Name of the Company	Relationship	Nature of transaction	Transactions During Period	Balance as at (payable)/ receivable		The rationale for entering into the transaction.
				30 Sep 18	31 March 18	
Dialog Axiata PLC	Parent	Fixed Deposits	(109,541,718)			
		Accrued Interest on fixed deposits	(1,962,138)	(405,646,945)	(294,143,089)	Funding
Dialog Axiata PLC	Parent	Secondment Staff Cost	25,893,332	(25,893,332)	-	Service fee
Dialog Axiata PLC	Parent	Facilitation Fee	8,514,224.8	(8,514,225)	-	Service fee
Dialog Device Trading (Pvt) Ltd	Fellow Subsidiary	Facilitation Fee	58,715,852	58,715,852	-	Service fee



## DIALOG FINANCE PLC

### Notes to the financial statements

As at 30th September, 2018

#### 11 Fair Value of Financial Instruments

##### 11.1 Valuation models

The determination of fair value for financial assets and financial liabilities for which there is no observable market price, requires the use of valuation techniques as described in Notes to the Financial Statements for financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

##### 11.2 Valuation Framework

The Company has an established control framework with respect to the measurement of fair values of investments. The investment committee has overall responsibility for independently verifying the results of trading and investment operations and all significant fair value measurements carried out by the treasury division, which include :

- \* Verification of observable pricing;
- \* Re-performance of model valuations;
- \* Quarterly calibration and back-testing of models against observed market transactions;
- \* Analysis and investigation of significant daily valuation movements; and
- \* Review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 as explained below

When third party information, such as broker quotes or pricing services, is used to measure fair value, documents of evidence obtained from third parties to support the conclusion that such valuations meet the requirements of SLFRS/LKAS.

#### Classification of financial assets and financial liabilities

As at 30th September 2018

	Held for trading	Held to maturity	Loans and receivables	Available for sale	Other amortized cost	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Financial assets</b>						
Cash and cash equivalents	-	-	34,355,082	-	-	34,355,082
Placements with Banks and Financial Institution	-	399,000,000	-	-	-	399,000,000
Securities purchased under repurchase agreements	-	-	14,680,298	-	-	14,680,298
Financial assets at fair value through profit or loss	1,038,821	-	-	-	-	1,038,821
Loans and advances	-	-	1,159,833,590	-	-	1,159,833,590
Financial investments available for sale	-	-	-	345,775	-	345,775
Financial investments held to maturity	-	63,880,980	-	-	-	63,880,980
Amount due from Related Parties	-	-	67,230,077	-	-	67,230,077
<b>Total financial assets</b>	<b>1,038,821</b>	<b>462,880,980</b>	<b>1,276,099,047</b>	<b>345,775</b>	<b>-</b>	<b>1,740,364,623</b>
<b>Financial liabilities</b>						
Amount due to customers and banks	-	-	-	-	445,485,454	445,485,454
Amount due to Related Parties	-	-	-	-	431,540,277	431,540,277
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>877,025,731</b>	<b>877,025,731</b>

**DIALOG FINANCE PLC****Notes to the financial statements***As at 30th September, 2018***11.3 Financial instruments measured at fair value - fair value hierarchy**

The amounts are based on the values recognized in the Statement of Financial Position.

	<b>Level 1 Rs.</b>	<b>Level 2 Rs.</b>	<b>Level 3 Rs.</b>	<b>Total Rs.</b>
<i>As at 30th September 2018</i>				
<b>Financial Assets</b>				
Financial assets at fair value through profit or loss	1,038,821	-	-	1,038,821
Financial investments available for sale (*)	-	-	345,775	345,775
	<b>1,038,821</b>	<b>-</b>	<b>345,775</b>	<b>1,384,596</b>
<i>As at 31 March 2018</i>				
<b>Financial Assets</b>				
Financial assets at fair value through profit or loss	1,568,234	-	-	1,568,234
Financial investments available for sale (*)	-	-	345,775	345,775
	<b>1,568,234</b>	<b>-</b>	<b>345,775</b>	<b>1,914,009</b>

(\*) Value of unquoted shares of Rs. 0.34 Mn as at end of the 30th September 2018 (Rs.0.34 Mn as at end of 31st March 2018) categorized under financial investments available for sale, whose fair value cannot be reliably measured is stated at cost in the Statement of Financial Position as permitted by the Sri Lanka Accounting Standards - LKAS 39 on "Financial Instruments: Recognition and Measurement".

**DIALOG FINANCE PLC****Notes to the financial statements****12 Right Issue Funds Utilization as at 30th September 2018**

<b>Objective Number</b>	<b>Objective as per Circular</b>	<b>Amount allocated as per Circular LKR</b>	<b>Proposed date of Utilization as per Circular</b>	<b>Amount allocated from proceeds in LKR (A)</b>	<b>% of Total Proceeds</b>	<b>Amounts utilization in LKR (B)</b>	<b>% of utilization against allocation (B/A)</b>	<b>Clarification if not fully utilized including where the funds are invested</b>
1	To expand the lending portfolio of the company	597,609,551	Financial Year 2018/19	597,719,613	99.76%	198,719,613	33%	Remaining funds are Placed with Banks and Financial Institutes
2	Expenses relating to the R/I	1,540,000	Financial Year 2018/19	1,429,938	0.24%	1,429,938	100%	-

**DIALOG FINANCE PLC**  
**SELECTED PERFORMANCE INDICATORS**

Item	As at 30.09.2018	As at 30.09.2017
<b>Regulatory Capital Adequacy</b>		
Core Capital ( Tier I Capital ), Rs. '000	1,009,166	432,999
Total Capital Base , Rs. '000	985,202	435,624
Risk Weighted Assets, Rs. '000	2,050,101	1,149,918
<b>Core Capital Adequacy Ratio</b>		
( As a % of Risk Weighted Assets - Minimum requirement - 5% )	48.00%	37.65%
<b>Total Capital Adequacy Ratio</b>		
( As a % of Risk Weighted Assets - Minimum requirement - 10% )	48.06%	37.88%
<b>Capital Funds to Deposit Liabilities Ratio</b>		
(Minimum requirement, 10%)	108.40%	62.09%
<b>Assets Quality (Quality of Loan Portfolio)</b>		
Gross Non-Performing Accommodations, Rs'000	154,801	72,932
Gross Non-Performing Accommodations Ratio, %	11.40%	6.31%
Net-Non Performing Accommodations Ratio, %	1.75%	0.92%
<b>Profitability</b>		
Interest Margin, %	8.68%	8.71%
Return on Assets ( Before Taxes ), %	-4.23%	1.17%
Return on Equity(After Taxes) , %	-7.63%	1.91%
<b>Regulatory Liquidity (Rs. '000)</b>		
Required minimum amount of Liquid Assets	85,353	81,728
Available amount of Liquid Assets	118,566	134,328
Required minimum amount of Government Securities	61,582	51,990
Available amount of Government Securities	76,654	83,541
<b>Memorandum Information</b>		
Number of employees	65	40
Number of branches	02	02

# Corporate Information

## **Name of the Company**

Dialog Finance PLC

## **Legal Form and Stock Exchange Listing**

A Public Quoted Company with Limited Liability Shares were quoted on the Diri Savi Board of the Colombo Stock Exchange on 04th day of October 2011.

## **Date of Incorporation**

25th November 1981

## **Company Registration No.**

PB 765 PQ

## **Board of Directors**

Dr.Hans Wijayasuriya - Chairman

Mr.Supun Weerasinghe

Mr.Roshaan Hettiaratchi

Mr.Priyan Edirisinghe

Mr.Sheyantha Abeykoon

Mr.Asanga Priyadarshana - CEO/Director

## **Registered Office**

No. 475, Union Place, Colombo 2

## **Colombo Office**

123, Hunupitiya Lake Road, Colombo 02.

Tel : + 94 11 4317317

Fax :+ 94 11 4317335

E-mail : [inquiries@ctf.lk](mailto:inquiries@ctf.lk)

## **Company Secretary**

Ms.Viranthi Attygalle

## **Financial Year**

March 31

## **Bankers**

Seylan Bank PLC

Commercial Bank of Ceylon PLC

Nations Trust Bank PLC

Bank of Ceylon

DFCC Bank PLC

Union Bank of Colombo PLC

Cargills Bank Ltd

People's Bank

## **Auditors**

Messrs. PricewaterhouseCoopers

Chartered Accountants

100, Braybrooke Place

Colombo 02, Sri Lanka

## **Compliance Officer**

Ms. Pamodha Subasinghe

## **Credit Rating**

AA (lka) was affirmed by Fitch Ratings Lanka Ltd

## **Tax Payer Identification Number (TIN)**

104079687