

Prime Finance Achieves Profitable Growth Momentum With Remarkable Results



Aruchumugam Pramudith, Group Chairman,
Prime Finance.



Sandhini Perera, Executive Director,
Prime Finance.



Mangala Goonetilleke, Chairman,
Prime Finance.



Rakesh Kishanachandra, CEO, Prime Finance.

Prime Finance achieved a highly creditable growth during the financial year 2018/19. Given the backdrop in which the performance of the finance sector should be evaluated, the remarkable growth and profitability numbers of the Company are commendable.

This year too, in keeping with the Management's philosophy, the emphasis has been on building more value to the benefit of all stakeholders. During the year, the Company steered towards sustainable growth whilst relentlessly focusing on operational efficiencies.

This enabled the Company to demonstrate a remarkable financial performance

amidst a challenging business environment.

The Company increased its total operating income to 693 million rupees during the year, reflecting an increase of 114 percent compared to the last year. The Company recorded a total profit before tax of 272 million rupees. The Company's total asset base depicted a remarkable growth of 55 percent closing the year at 5.7 billion rupees. Growth of earnings per share and net assets per share stands at 518 percent and 20 percent respectively. Return on assets (ROA) and return on equity (ROE) are 3.1 percent and 16 percent respectively, keeping on par with industry averages. Core capital to risk weighted assets (Tier I) is 27 percent and total capital to risk weighted assets (Tier I & II) is 28 percent. One of the key contributory factors behind this noteworthy success is the unique and sustainable Business Model, which is being backed by the parent Company – Prime Lands, sought after in Sri Lanka for real estate development.

Financing the existing customers of Prime Group to purchase real estate is one of the most lucrative products where the group synergies are advantageously exploited.

The recently conferred investment grade rating of BBB Stable Outlook by ICRA Lanka also had positive impact, establishing further trust among funding institutions and customers, resulting in the growth of business volumes.

Adopting the best governance practices is one of the cornerstones of Prime Finance towards balancing the performance in relation to the sustainability while safeguarding as well as creating maximum value for all the stakeholders throughout.

Rasika Kaluarachchi, Chief Executive Officer, Prime Finance stated, "We do not want to become the market leader. We wish to be one of the most stable, modern and efficient companies to satisfy the multifaceted needs of each of our valuable customers with an unparalleled convenience to them, whose confidence and patronage we value greatly."