

Infrastructure

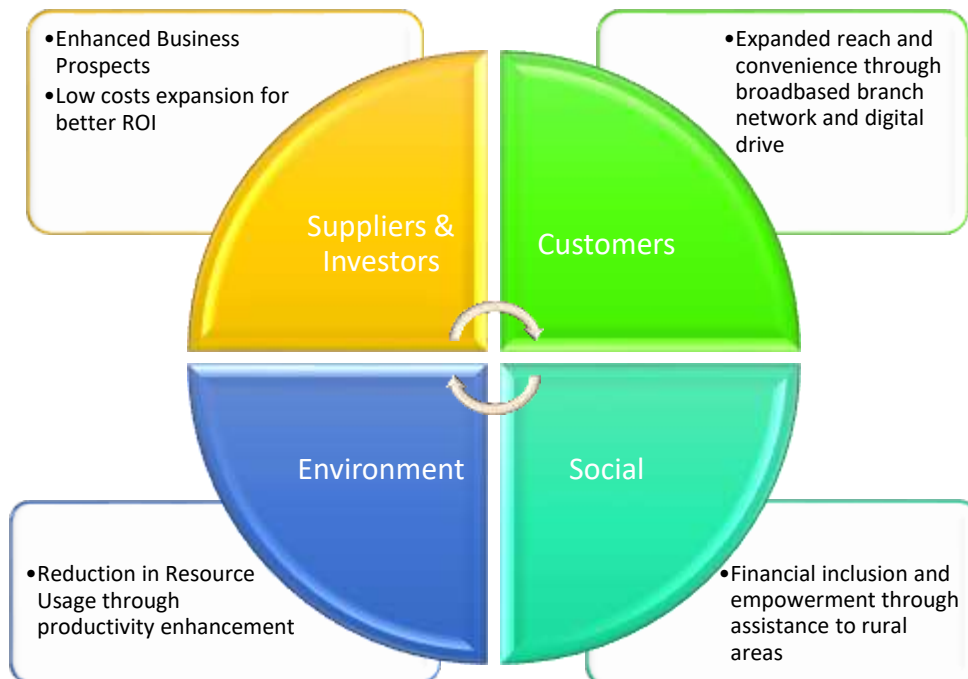
As we navigate the complexities of an increasingly interconnected global economy, our Infrastructure Capital endeavors stand as pillars of stability and catalysts for progress. Bolstered by a steadfast commitment to excellence and innovation, we have cultivated a portfolio characterized by resilience, efficiency, and adaptability. Our strategic vision extends beyond mere infrastructure provision; we endeavor to foster sustainable development, enhance community connectivity, and drive economic prosperity for generations to come. Our Infrastructure Capital portfolio continued to exemplify our steadfast commitment to strategic investments that underpin sustainable economic growth. In keeping to our medium term corporate plan which encompasses business growth coupled with these wider aspirations, we commenced a heightened branch expansion plan across the island, accelerating in tandem our digital transformation drive to broaden our reach, accessibility and customer experience.

Leveraging a disciplined approach to asset evaluation and deployment, we have fostered resilience and longevity within our infrastructure ecosystem, positioning ourselves to navigate the evolving landscape of global infrastructure investment with confidence and agility. Armed with a visionary outlook and an unyielding allegiance to our principles, we are primed to persist in bestowing value and catalyzing beneficial transformation through our Infrastructure Capital ventures in the forthcoming years.

Performance Highlights



Expectation/Impact Assessment



Our impact assessment endeavors have illuminated the profound influence of our infrastructure investments across diverse spheres, underscoring our unwavering commitment to holistic value creation. In scrutinizing the nexus between our operations and suppliers, we've cultivated enduring partnerships that not only facilitate the seamless business opportunities but also engender mutual growth and innovation. Moreover, our customer-centric approach has yielded tangible benefits, as evidenced by enhanced accessibility to our branches and digital platforms. By prioritizing ease of access and user-centric design, we've empowered our clientele to seamlessly navigate our offerings, fostering trust and satisfaction while catalyzing digital adoption. Whilst adopting low costs branch set up alternatives to shorten break-even levels commercially, our social impact initiatives have yielded transformative outcomes, particularly in rural areas where financial assistance is a catalyst for community development and empowerment. Through targeted interventions and partnerships, we have bolstered economic resilience, expanded access to financial services, and facilitated grassroots entrepreneurship, thereby fostering inclusive growth and social cohesion. Simultaneously, our environmental stewardship efforts have yielded commendable outcomes, notably exemplified by the optimized resource usage across our operations through productivity enhancements. By embracing digitization and advocating for sustainable practices, we have not only mitigated our ecological footprint but also set a precedent for responsible corporate citizenship, underscoring our commitment to environmental preservation and resource efficiency.

Our comprehensive impact assessment underscores the multifaceted value proposition inherent in our infrastructure investments, reaffirming our status as catalysts for sustainable development and positive change. Moving forward, we remain steadfast in our resolve to leverage our resources and expertise to drive, enduring value for all stakeholders while championing responsible business practices and pioneering innovative solutions to complex societal challenges.

Material Focal Points

Our Branch Network

Our branch network stands as a testament to our unwavering commitment to nationwide accessibility and unparalleled customer service. With a fully-fledged infrastructure spanning the breadth and depth of the country, we have ensured that our services are within reach of every corner, facilitating seamless access for all customers, regardless of geographical location or socioeconomic background. In the reporting year 2023/24, we expanded our footprint with the launch of nine (08) new branches, strategically positioned in key locations including Ragala, Ambalangoda, Kandy, Kalutara, Bandarawela, Wellawatta, Jaffna and Horana City. These additions bolster our total branch count to an impressive 51, further solidifying our position as a premier financial services provider with a nationwide presence.

In addition to geographical expansion, we have fortified the value proposition of our branches by introducing gold loan facilities in every newly opened branch. This strategic initiative not only enhances the extent of our product offerings but also underscores our commitment to catering to the diverse financial needs of our clientele. Furthermore, our branches are staffed with a cadre of well-trained and highly capable employees, meticulously selected and equipped to deliver unparalleled service and expertise to our valued customers. Their dedication to excellence ensures that each interaction is characterized by professionalism, efficiency, and personalized attention, thereby fostering lasting relationships and engendering trust. As we look towards the future, our branch network remains a cornerstone of our growth strategy, poised to evolve and adapt in tandem with the dynamic needs of our customers and the broader market landscape. Through continued innovation, investment in talent, and a relentless focus on customer-centricity, we remain steadfast in our mission to empower individuals and businesses alike, driving financial inclusion and prosperity across every community we serve.

Snaps of Branch Openings

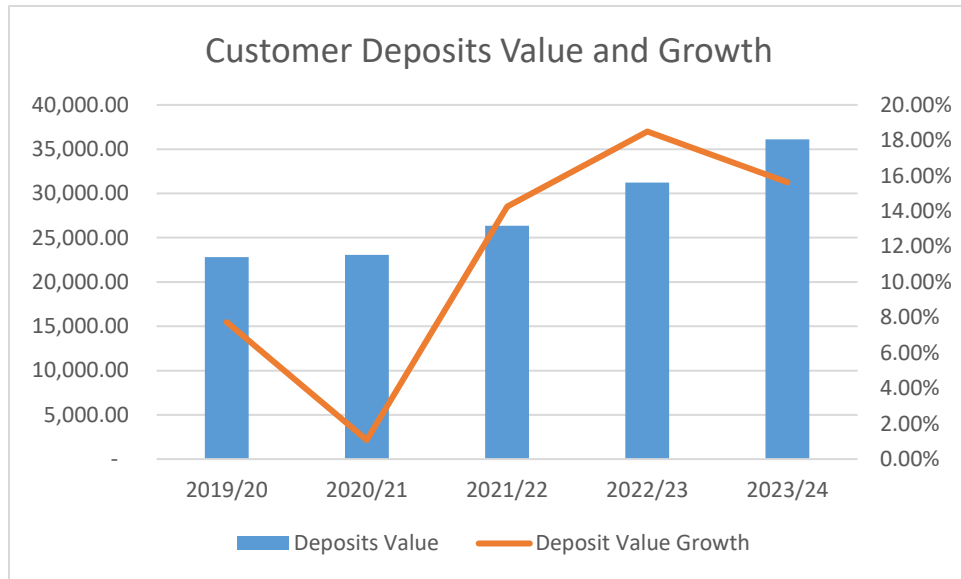


Assets Auctioning Drive

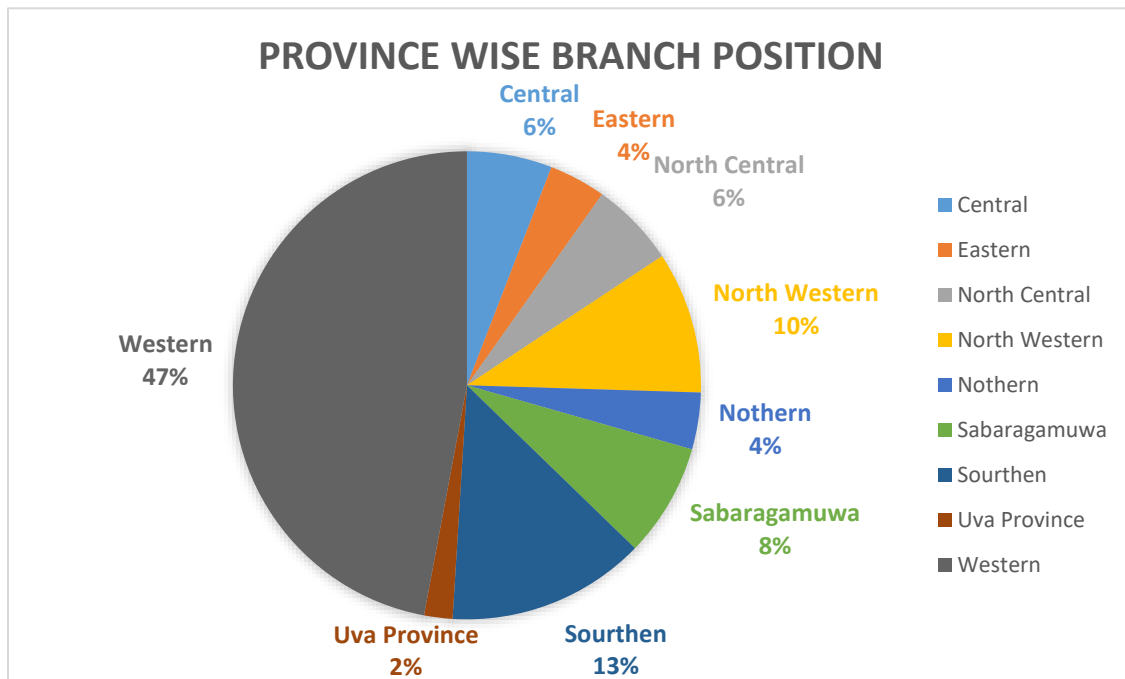
In the reporting year, our assets auction platform facilitated the successful sale of 82 vehicles, marking a significant milestone in our strategic asset management endeavors. This initiative resulted in a sales total of Rs.46 million, featuring the efficacy of our auction processes in optimizing asset disposition. Through thorough planning and rigorous execution, we were able to unlock substantial value from our vehicle inventory, demonstrating prudent financial recovery actions, towards asset quality management. The robust performance of our assets auctions highlights our capability to efficiently monetize assets while maintaining transparency and integrity throughout the process, thus contributing positively to our organization's financial flexibility and operational sustainability.



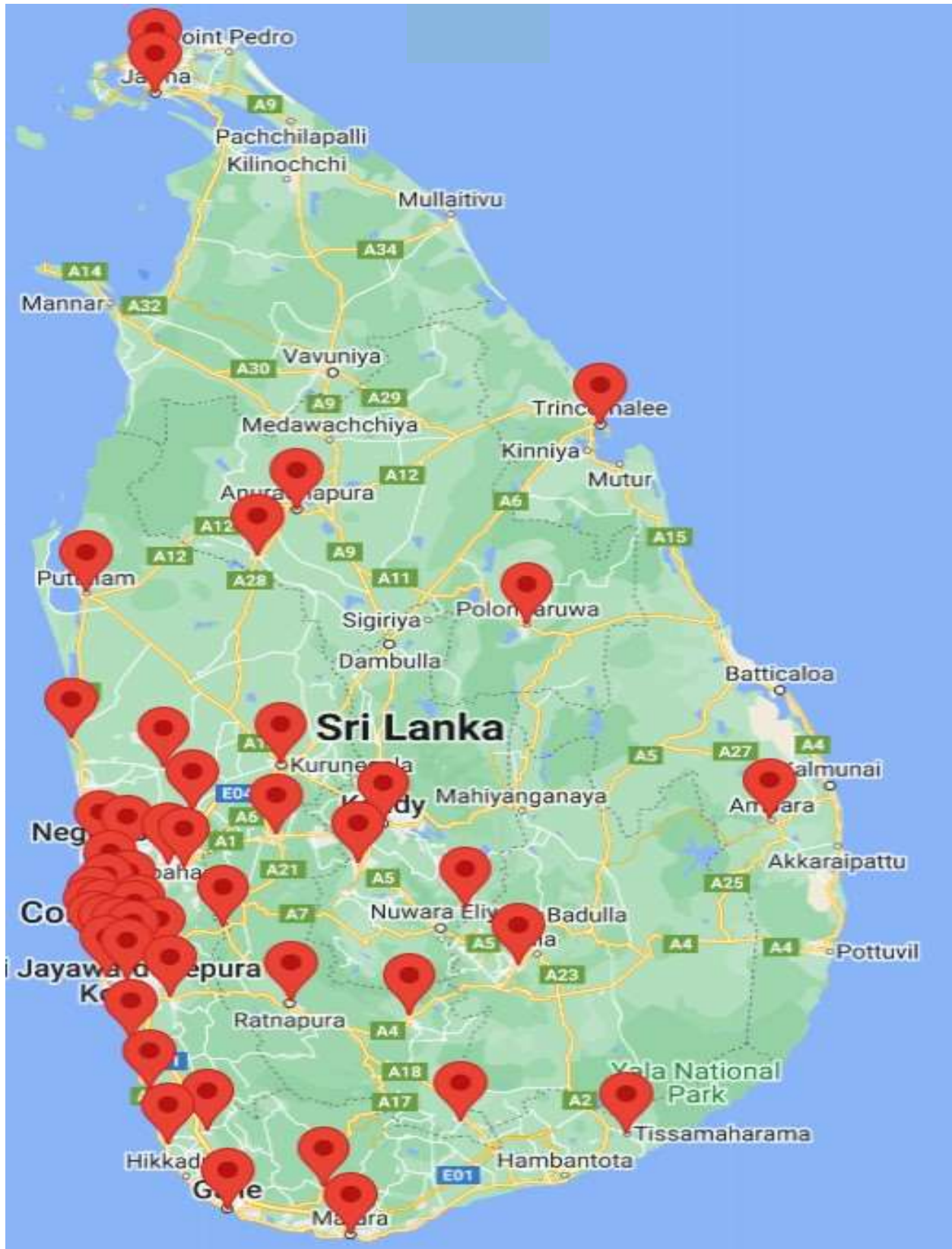
Explanatory Graphs



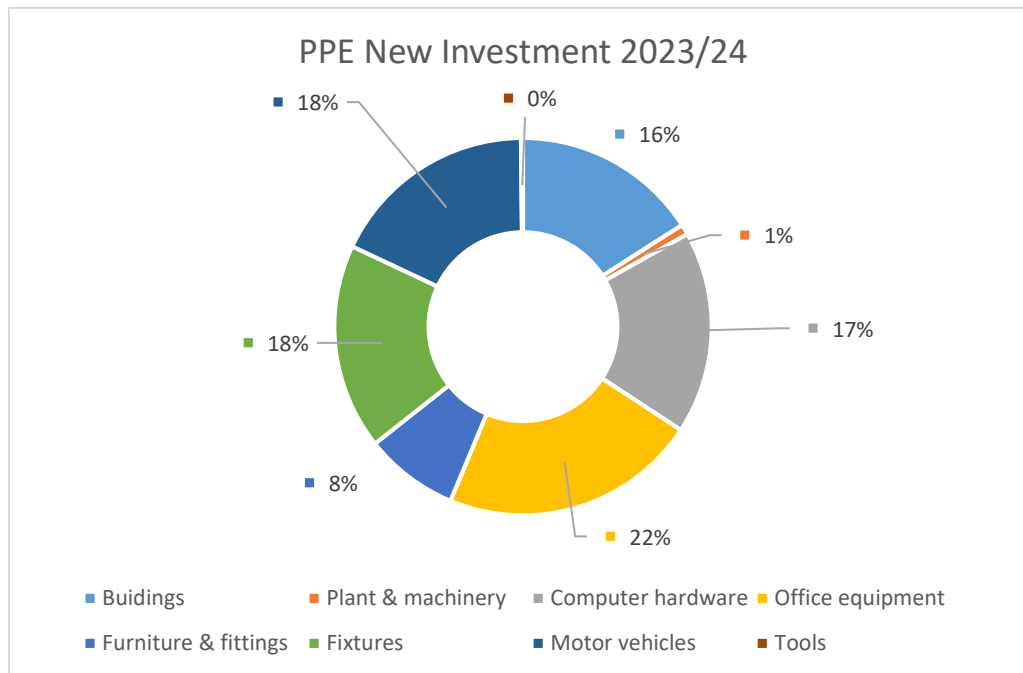
Branch Footprint Province and District Wise (GRI 2-1-C)



Branch Map (GRI 2-1-C)



PPE Explanatory Graphs (GRI 203-1)

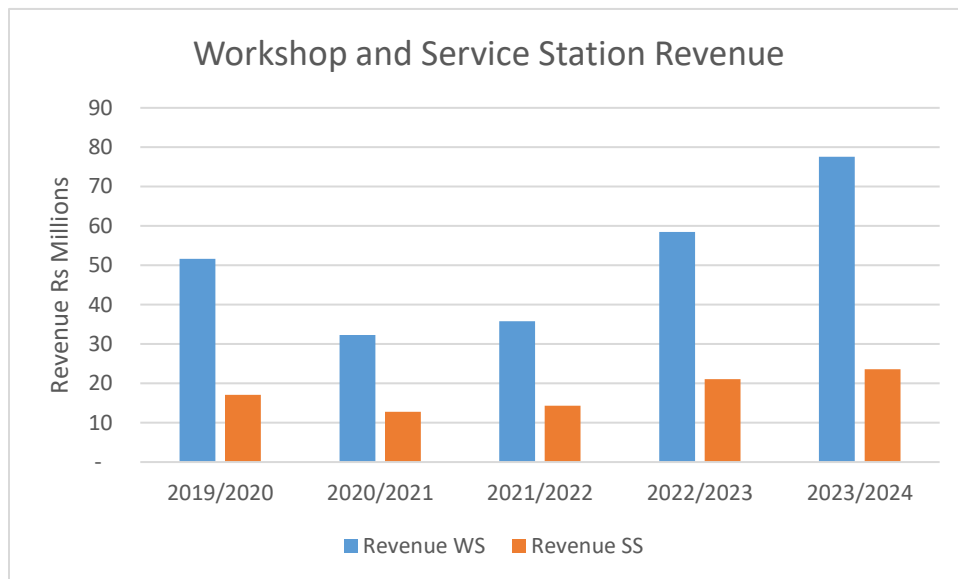


Book Value of PPE

Asset Category	Net Book Value Rs. Mn
Freehold land	2,615
Buildings	1,187
Plant & Machinery	8.05
Computer Hardware	61.94
Office Equipment	123.44
Furniture & Fittings	50.79
Fixtures	59.79
Motor Vehicles	281.73
Office Bicycles	1.62
Tools	0.44
Motor Vehicles	1.45

MI's Vehicle Fleet Management

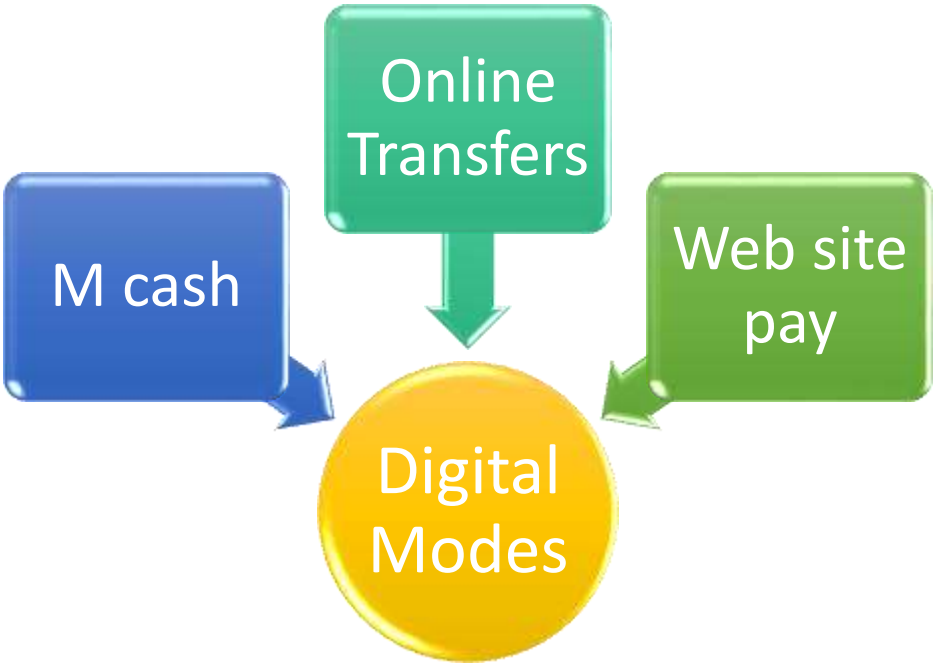
Our vehicle fleet management division stands as a testament to our unwavering commitment to operational efficiency, reliability, and cost-effectiveness. Central to our approach is the establishment of an in-house service station and workshop, strategically positioned to streamline maintenance operations and ensure optimal performance of our fleet assets. Staffed by a dedicated team of 18 professional employees, this facility serves as a nucleus of expertise, equipped to handle a wide range of maintenance and repair tasks with precision and proficiency. To uphold elevated standards of efficiency and fuel economy, regular vehicle maintenance and repairs are overseen by the General Manager of the Workshop in coordination with the Head of Transport.



Digital and ICT Infrastructure

Amid the ever-evolving financial services sector, MI has embraced cutting-edge technology initiatives, expanding its digital platforms and IT systems to streamline operations and elevate customer convenience. During the year, we successfully migrated our Fixed Deposit and Savings operations to the external core system scienter e-financials partnering with Scienter Technologies (Pvt) Ltd team. Through this evolution we better equipped to secure our depositors, offering a wider array of services to our deposit clientele, whilst enhancing productivity and efficiency of the back office operations.

Leveraging state-of-the-art technology, we have also established and integrated an Internet Payment Gateway coupled with our vibrant website, facilitating secure and efficient online transactions. Furthermore, the adoption of the M Cash application has enabled seamless peer-to-peer transfers and merchant transactions, augmenting our reach and accessibility. Simultaneously, the utilization of the Sri Lanka Interbank Payment System (SLIPS) has facilitated swift interbank transfers, fostering liquidity management and optimizing cash flows. Complementing these systems, Direct Fund Transfers through online banking have fortified our commitment to providing flexible payment solutions, affording clients real-time fund transfers with utmost reliability. These strategic endeavors underscore our staunch dedication to technological innovation and operational excellence, fortifying our position as a premier financial service provider.



Internet Payment Gateway (IPG)

Throughout the financial year 2023/24, our strategic alliance with Seylan Bank PLC has yielded remarkable advancements in our digital payment ecosystem, particularly through the seamless integration of an internet payment gateway. This collaboration has empowered our clientele with the convenience of utilizing their debit cards for swift and secure transactions, enhancing their overall experience. As evidenced by our performance metrics, as of 31/03/2024, our internet

payment gateway has facilitated a staggering 26090 transactions, with a cumulative transaction volume exceeding Rs 1338 million. These figures not only underscore the robustness of our digital infrastructure but also signify the burgeoning trust and reliance placed by consumers and businesses alike on our payment solutions.

M cash Application

MI has witnessed a significant uptick in the utilization of our M Cash application, a testament to our commitment to fostering innovative payment solutions in collaboration with Mobitel (Pvt) Ltd. Empowering customers with the convenience of seamless transactions, the M Cash application has emerged as a cornerstone of our digital payment ecosystem. As of the financial year-end on March 31, 2024, the cumulative transaction amount reached over 14 million, underscoring the robustness and reliability of our platform.

CEFTs and SLIPs

Amidst the evolving landscape of financial services, MI invested in real-time transacting via Centralized Electronic Funds Transfer System (CEFTs) as the next phase of MI’s digital transformation which will be launched in the FY 2024/25. Meanwhile we contracted to offer the Sri Lanka Interbank Payment System (SLIPs) application to our valued customers and suppliers as a pivotal enabler for facilitating e-based fund transfers, enhancing client convenience and satisfaction. These sophisticated platforms have streamlined our operational processes, affording us the ability to conduct seamless and secure transactions with heightened efficiency.

Collection Mode Vs Collected Amount

Payment Mode	Total payments received through collection channels (Rs Mn,)
IPG	1,338
Bank Deposit	5,226
Cash	28,838
M cash	14
Recovery mobile application	68

Our System Protections

Whilst harnessing advanced technology for our digitization drive, we remained committed towards safeguarding our systems against evolving cyber security threats. Our approach to system protection framework is characterized by a synergistic integration of advanced technologies, rigorous privacy safeguards, proactive awareness initiatives, resilient backup protocols, dynamic threat management practices, and transparent policies and procedures.

Through meticulous updates and integration of the latest protective measures, we fortified our systems against emerging risks, ensuring the integrity and confidentiality of customer data. Central to our strategy is a persistent dedication to customer privacy, upheld through stringent protocols and robust encryption mechanisms. Moreover, our proactive stance extends beyond technological fortifications, encompassing 24 comprehensive awareness programs designed by the security operations center at MI to empower our workforce with the knowledge and skills necessary to recognize and respond effectively to potential threats. By fostering a culture of vigilance and accountability, we enhanced our collective ability to thwart cyber intrusions and mitigate vulnerabilities. Furthermore, our steadfast commitment to resilience is underscored by diligent backup procedures, ensuring the preservation and availability of critical data assets in the event of unforeseen incidents. Through daily updates and continuous monitoring, we remain agile and adaptive, preemptively addressing evolving threats and vulnerabilities. Additionally, our transparent dissemination of an “Acceptable Use Policy” serves as a guiding framework, promoting responsible and secure utilization of our systems and resources. By fostering a culture of compliance and accountability, we nurtured an environment where security is prioritized and upheld as a shared responsibility. This holistic strategy not only mitigates risks but also fosters trust and confidence among our stakeholders, positioning us as a leader in cybersecurity excellence.

Risk Assessment to IT

As technology continues to evolve into a vital component of business operations, it also introduces companies to heightened cyber risks due to increased reliance on online solutions and various digital transformations. To mitigate the IT risks associated with this digital expansion, we have implemented strategies to enhance IT security and operational procedures, with a focus on addressing strategic, financial, operational, regulatory, and reputational implications. Led by the expertise of the GM – IT and their team, ongoing risk assessments were conducted, and appropriate risk management controls were implemented to assess and mitigate IT security protocols effectively. Additionally, a comprehensive review of our IT strategy was conducted by an expert IT consulting firm Millennium IT ESP (Pvt) Ltd to ensure alignment with industry and regulatory requirements, as well as future growth prospects. MIT worked closely to support in the ongoing core system migration with Scinter Technologies (Pvt) Ltd.

Statutory IT Audits

In the realm of our organizational governance, we placed greater focus on assuring transparency and reliability of our IT systems by conducting comprehensive IT audits and continuously strengthening our IT controls. The rigorous examination of our information technology infrastructure has not only reaffirmed our dedication to stringent governance practices but has also shielded us from emerging cyber threats within a continuously evolving digital environment. The identification and elucidation of key audit matters, meticulously directed to our esteemed Audit Committee, serve as a testament to our unwavering dedication to accountability and risk management. Through collaborative efforts between our internal stakeholders and external auditors, we have not only encouraged our IT security protocols but also optimized operational efficiencies, thereby ensuring the sustained resilience of our technological infrastructure amidst dynamic market conditions. This persistent dedication to excellence in IT governance underlines our commitment to fostering stakeholder confidence and continuation of the highest standards of corporate integrity.

Resource Optimization

With the expansion of our branch network and business operations, we continuously assessed resource optimization strategies to drive our sustainable growth targets and improve our bottom-line. Through careful oversight and disciplined allocation, we have navigated the complexities of resource utilization with precision and efficacy. Our Business Process Re-engineering team closely collaborated with each core business unit and supporting divisions to prioritize essential tasks and reallocate surplus resources, whilst focusing on lean management practices and digitization drive. By adhering to these stringent protocols, we have not only optimized resource utilization but also cultivated a culture of accountability and transparency across all levels of the organization. This conscientious stewardship of resources has not only bolstered operational efficiencies but also fortified our financial resilience in the face of evolving market dynamics.

Interrelated Capital Structures



Future Aspirations

