



Sri Lanka 100 2020

The annual report on Sri Lanka's most valuable and strongest brands
May 2020

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About Brand Finance.

Brand Finance is the world's leading independent brand valuation consultancy.

We bridge the gap between marketing and finance

Brand Finance was set up in 1996 with the aim of 'bridging the gap between marketing and finance'. For more than 20 years, we have helped companies and organisations of all types to connect their brands to the bottom line.

We quantify the financial value of brands

We put 5,000 of the world's biggest brands to the test every year. Ranking brands across all sectors and countries, we publish nearly 100 reports annually.

We offer a unique combination of expertise

Our teams have experience across a wide range of disciplines from marketing and market research, to brand strategy and visual identity, to tax and accounting.

We pride ourselves on technical credibility

Brand Finance is a chartered accountancy firm regulated by the Institute of Chartered Accountants in England and Wales, and the first brand valuation consultancy to join the International Valuation Standards Council.

Our experts helped craft the internationally recognised standards on Brand Valuation – ISO 10668 and Brand Evaluation – ISO 20671. Our methodology has been certified by global independent auditors – Austrian Standards – as compliant with both, and received the official approval of the Marketing Accountability Standards Board.



Get in Touch.

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Brand Finance®



Request your own Brand Value Report

A Brand Value Report provides a complete breakdown of the assumptions, data sources, and calculations used to arrive at your brand's value.

Each report includes expert recommendations for growing brand value to drive business performance and offers a cost-effective way to gaining a better understanding of your position against competitors.

Brand Valuation Summary

Brand Strength Tracking

Royalty Rates

Cost of Capital Analysis

Customer Research Findings

Competitor Benchmarking

Education

Communication

Understanding

Insight
 Strategy

Benchmarking

What's in a Brand Value Report?

Benefits of a Brand Value Report

Brandirectory.com



Brandirectory is the world's largest database of current and historical brand values, providing easy access to all Brand Finance rankings, reports, whitepapers, and consumer research published since 2007.

- + Browse thousands of published brand values
- + Track brand value, strength, and rating across publications and over time
- + Use interactive charts to compare brand values across countries, sectors, and global rankings
- + Purchase and instantly unlock premium data, complete brand rankings, and research

Visit brandirectory.com to find out more.

Brand Finance Group.

Brand Dialogue



Brand Dialogue

Brand Dialogue is a public relations agency developing communications strategies to create dialogue that drives brand value. Brand Dialogue has over 25 years of experience in delivering campaigns driven by research, measurement, and strategic thinking for a variety of clients, with a strong background in geographic branding, including supporting nation brands and brands with a geographical indication (GI). Brand Dialogue manages communications activities across Brand Finance Group's companies and network.

BRAND EXCHANGE
WHERE BRANDS MEET FINANCE



Brand Exchange

Brand Exchange is a contemporary and exclusive members' club and events space nestled in the heart of the City of London. It was launched in 2015 to provide members with a private space to network and socialise. The club has since held several prestigious events and welcomed many key figures in the marketing and finance sectors as speakers. The membership brings together senior professionals from the world's strongest and most valuable brands.

vi360

VI360

VI360 is a brand identity management consultancy working for clients of all sizes on brand compliance, brand transition, and brand identity management. VI360 provide straightforward and practical brand management that results in tangible benefits for your business.

Brand Finance®



Customer insight drives our valuations

Our brand valuations are underpinned by extensive market research across a wide range of sectors, countries and brands.

Our research integrates all key brand measures, linking them to commercial outcomes.

Available for purchase separately or as part of a Brand Value Report.

- Over **100 brands** researched each year
- **12 sectors** covered
- A minimum of **100 respondents** surveyed surveyed for brand
- **Key metrics** across all industries and brands



Foreword.



Ruchi Gunewardene
Managing Director,
Brand Finance Lanka

The annual guide to Sri Lanka's brand landscape

Now in its 17th consecutive year, the objective of publishing the Brand Finance Sri Lanka 100 is to provide our readers with a well-researched and comprehensive analysis of brands that are operating in the country.

Presenting a thorough, fact-based analysis across many sectors requires robust data. To do so, we tap into the latest available audited financials of companies and combine that with an exclusive consumer market research study across 1,700 respondents conducted by our independent research partner - Breakthrough Business Intelligence. In order to ensure that our brand values are accurate, and carry minimal data gaps, we also reached out to brands to obtain non-confidential data that was not already available in the public domain.

Based on past feedback from clients, there is a dire need to understand key brand KPIs but also dive into understanding the emotional attributes driving Sri Lankan brands. Hence, this year our research captured many key attributes that allow us to understand customer behavior and how it impacts the value of the brand.

We also undertook a separate study amongst fifty business executives to provide a view of the corporate and business brands that are operating in the country. This enables us to compile and present six tables covering the major consumer and corporate brands in Sri Lanka.

This comprehensive analysis is the definitive annual guide to Sri Lanka's most valuable brands. It has a variety of uses such as for companies that track the performance of their brands relative to marketing investments. Companies also often publish their brand value and brand strength results in their annual reports for investors and other stakeholders that wish to evaluate a company's performance and growth potential.

We find that an increasing number of directors in boardrooms are seeking to understand brand value better and to use it as a performance measure. This has led to an increase in marketing accountability and this is where Brand Finance steps in; we bridge the gap between marketing and finance. Our teams have experience across a wide range of disciplines from market research, analytics and visual identity to valuations. We understand that a brand's visual identity is an essential component of its existence; however, the ultimate and overriding purpose of brands is to make money. Understanding how and what drives brand value is critical for a business to survive in these uncertain times. Hence, a Brand Value Report can provide you a detailed analysis.

The Brand Finance Sri Lanka 100 brand analysis was completed pre-COVID-19 and did not include the impact of the virus on brand performance. We have added a separate study of the potential disruption on brand value by analyzing the sectors which would have the most impact. The COVID-19 pandemic will leave a significant impact on all brands across different industries, and companies will need to reevaluate their business models to survive in these unprecedented times, as the effects of this crisis could be felt well into 2021.

We are pleased to present our latest report and look forward to your continued interest in the work we do.

Brand Strength Advantage.

- + An increase in **Country Risk** impacts overall brand value of Sri Lanka's 100 most valuable brands, as it falls 4% year on year.
- + **Dialog** retains its No. 1 position in value and strength with a slim margin.
- + **BOC** is at No. 2 and is the most valuable banking brand, followed by **People's Bank** at No. 3.
- + **Sampath Bank** enters the top 5 while **Keells** enters the top 10 for the very first time.

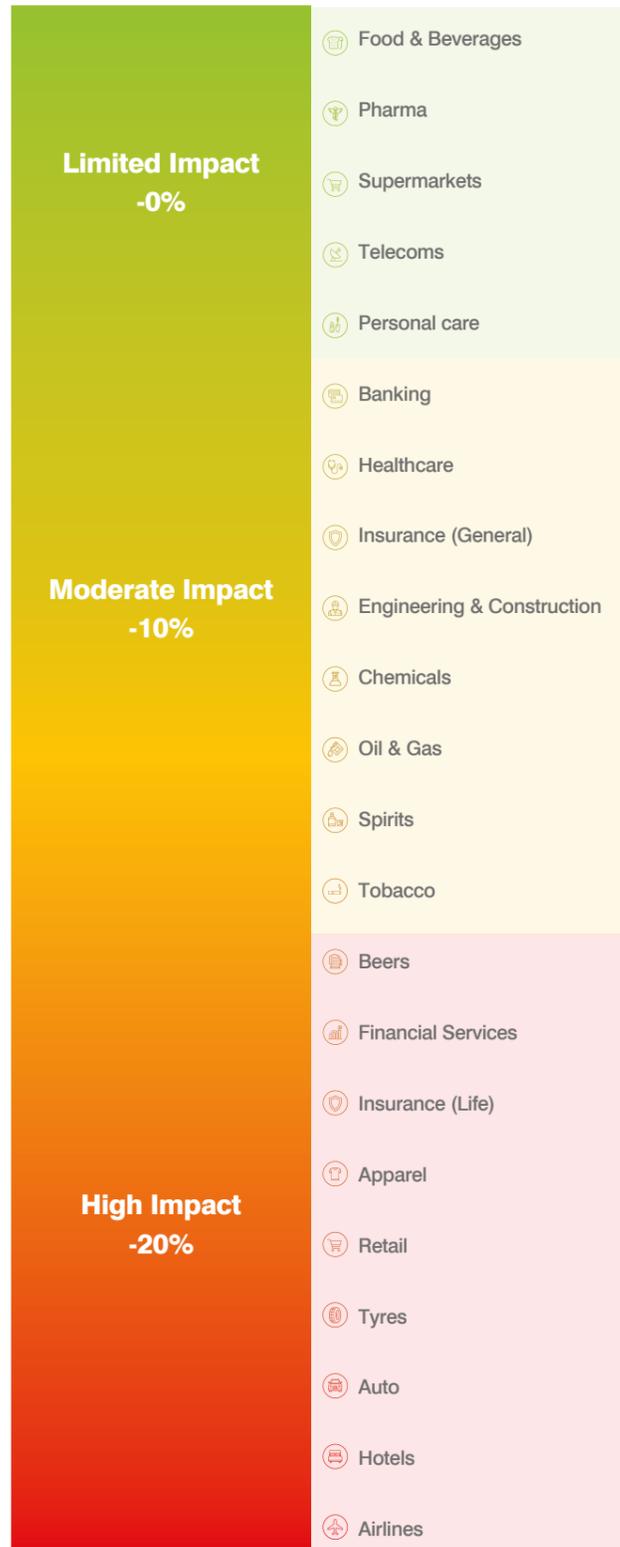
COVID-19 Global Impact Analysis.



Companies likely to lose up to \$1tn in Brand Value globally as a Direct Impact of COVID-19 Outbreak, Effects to be Felt Well into Next Year.

- + Sri Lankan Brands Estimated to Drop 9.5% in value following the impact of COVID-19 equating to Rs. 57.4 billion.
- + Worst hit industries: airlines, hotels, retail and auto.
- + International aviation, airlines and airports to be worst affected by Coronavirus outbreak, with measures of social distancing, closure of borders, advice against travel.
- + Home delivery apps, online video conferencing platforms, digital media see surge in demand from remote working revolution.

Brand Value at Risk



Up to Rs. 57 bn estimated brand value loss from COVID-19

Brand Finance has assessed the impact of COVID-19 based on the effect of the outbreak on enterprise value, compared to what it was on 1st January 2020. Based on this impact on enterprise value, Brand Finance estimated the likely impact on brand value for each sector. The industries have been classified into three categories – limited impact (0% brand value loss), moderate impact (up to 10% brand value loss), and heavy impact (up to 20% brand value loss).

With a current combined value of Rs.603 billion, Sri Lankan brands are estimated to drop 9.5% in value following the impact of COVID-19, equating to a total loss of Rs. 57.4 billion.

The COVID-19 pandemic is now a major global health threat and its impact on global markets is very real. Worldwide, brands across every sector need to brace themselves for the Coronavirus to massively affect their business activities, supply chain and revenues in a way that eclipses the 2003 SARS outbreak. The effects will be felt well into 2021.

David Haigh
CEO, Brand Finance

Work from home revolution

Brands offering in-home or remote working solutions have observed an immediate uptick in demand. Zoom and Facebook’s Portal are flourishing, as demand for online video conferencing platforms and workable solutions has surged.

Food delivery apps and major fast food delivery chains have also seen a huge surge in demand for their services during the lockdown period. Consumers may also now have got used to the convenience of home delivery and those brands which can quickly adapt to continuing to provide this service may have a major advantage in the long term.

Import brands will need to brace for a new environment

With the introduction of restrictions on goods due to the foreign exchange crunch, there will be a severe impact on

brands that rely on imports. Hence brands such as Abans, Softlogic Max, Singer and the international lifestyle stores will be under tremendous pressure. The absence of many imported food items will also curtail choice in supermarkets.

Major exports and hospitality industry preparing for the worst

In light of the expected recession which will hit global retailers, Sri Lankan apparel exporters will have a major downside. Preliminary indications are that they will shrink in size by about 40% according to leaders in the industry. Tea, knowledge services and rubber products would be less exposed.

The hospitality and travel industry will be severely impacted with no long-term solution in sight. There will be no easing up on this until a vaccine for the virus is introduced and people have the confidence to travel once again. It may well take several years to recover to the pre Covid-19 era.

All conglomerates negatively impacted, some more than others

Whilst conglomerates have a portfolio of businesses, some will be more impacted than others. Those which are well diversified across sectors will be able to pull through, while those reliant on hospitality and retail will be significantly impacted. Healthcare will be a resilient sector.

However, it’s not all negative, Some industries are set to see an upside from COVID-19. Telecommunications is set to thrive from the increased need for connectivity, personal care brands are to also have an increased demand with people becoming more conscious of personal hygiene. Food and other basic necessities will also see a spike in demand as people shift to buying their trusted brands in the wake of economic uncertainty.

Ruchi Gunewardene
Managing Director

Top 10 Strongest Brands Pre COVID-19

	1		2020: 86.1 AAA 2019: 82.4 AAA-
	2		2020: 85.7 AAA 2019: 73.7 AA
	3		2020: 82.6 AAA- 2019: 77.3 AA+
	4		2020: 81.9 AAA- 2019: 80.0 AAA-
	5		2020: 80.4 AAA- 2019: 75.1 AA+
	6		2020: 80.3 AAA- 2019: 76.2 AA+
	7		2020: 79.7 AAA- 2019: 76.6 AA+
	8		2020: 78.2 AA+ 2019: 75.0 AA+
	9		2020: 77.8 AA+ 2019: 74.8 AA+
	10		2020: 77.7 AA+ 2019: 69.2 AA-

Executive Summary.



2019 has been one of the most tumultuous years for Sri Lanka. The April bombings devastated what was a thriving tourism industry, which was steadily growing amidst a generally lackluster economy. As a result, business confidence suffered and economic performance took a further downward plunge. This eventually led to a convincing victory by the opposition at the Presidential polls in November. With the Parliamentary polls to be held soon, the Sri Lankan Government is in a transition period. These forces have negatively impacted the external analyst's outlook of the country for investment and growth. To add to the woes the recent COVID-19 outbreak which is having global ramifications on travel and trade will further impact the country's economic performance.

Brand valuations (or any valuation for that matter) have to be set in context of the background of the market and the business environment. A negative country outlook, therefore, does not help in value growth. At an overall level, the external factors of the country have negatively impacted Sri Lanka's most valuable brands.

It's also important to evaluate brand performance from a sectoral view, because sectors respond differently to external forces. For example, the banking sector will have different challenges and performance to that of the retail sector. Therefore, benchmarking must be with other brands in the sector and the challenge is to outperform the sector's growth in brand value.

The total value of Sri Lanka's most valuable brands has fallen by 4% this year. While external factors are bound to improve, businesses need to consider the controllable factors of enhancing and strengthening their brands, to be able to withstand the vagaries of uncertainty better. The stronger the brand, the more resilient it is to external shocks.

Most valuable brand

Dialog which became the most valuable brand in 2019 for the first time has been able to stave off the banking brands to remain No. 1 on the table this year too. It's been able to retain this position despite a drop of 10% in its brand value to Rs. 48.8 billion.

Dialog also retains its position as the strongest brand amongst the Top 100 Sri Lankan brands with an AAA brand rating. The commitment towards adoption of new technology and successful implementation of strategies reflected through consistent financial performance despite challenging conditions are key contributors towards Dialog's strong brand. These, together with their mono-brand strategy plays a vital role in successfully enabling them to drive the perception of the brand across all segments they operate in and helps retain their customer base. The adoption of technology enables them to meet the flexible and dynamic online needs of the new younger customers.

Brand value and brand strength are extremely useful measures for tracking brand performance. Stronger brands are resilient to outside factors and can withstand the vagaries of uncertainty better. The stronger the brand, the more value you can create.

Ruchi Gunewardene
Managing Director, Brand Finance Lanka

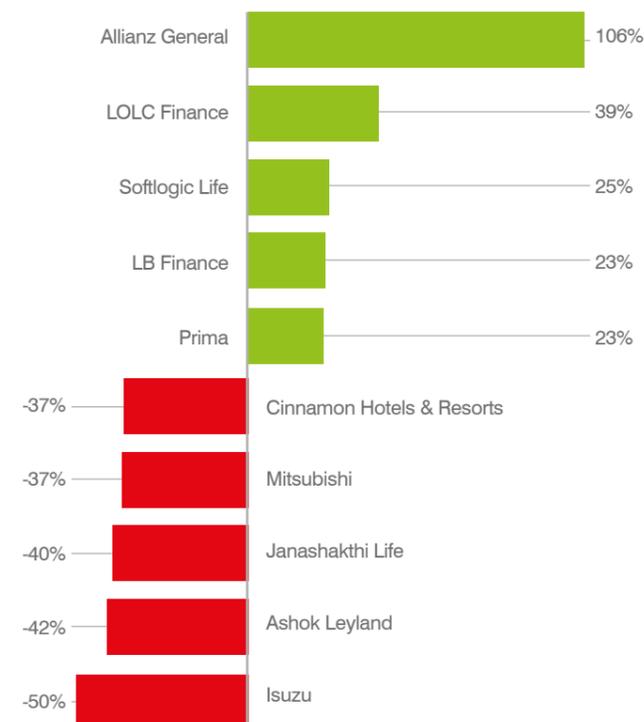
Battle in the top 10

This year there is a cluster of brands vying for the top positions on the table. With values dropping across many brands, there is only Rs. 0.8 billion separating Dialog and BOC (ranked No. 2) as well as only Rs. 2.6 billion separating Dialog and People's Bank (ranked No. 3).

The entry of Sampath bank to the No. 5 spot is significant as this is the highest position it has achieved in our table and has done so by edging out some of the bigger brands. We have long forecasted Sampath Bank's rise. Last year we anticipated the momentum they had could enable the brand to climb further up the table.

While the banks are consolidating we see a new category emerging at the top, with supermarket brands Keells and Cargill's Food City. Keells has entered the top 10 for the very first time and can be expected to make further headway in the future as more Sri Lankans shop for their staple food products in the "modern trade".

Brand Value Change 2019-2020 (%)



Top 10 Most Valuable Brands

Rank	Brand	2020 Value (Rs. m)	2019 Value (Rs. m)	% Change
1	Dialog	48,801	54,193	-10%
2	BANK OF CEYLON BOC	47,952	51,827	-7%
3	PEOPLES BANK	46,161	45,508	+1%
4	COMMERCIAL BANK	44,009	37,269	+18%
5	SampathBank	28,645	25,847	+11%
6	NSB	28,122	34,771	-19%
7	HNB	23,148	27,511	-16%
8	LION	21,621	21,462	+1%
9	Nestlé	21,442	22,166	-3%
10	Keells	18,490	17,506	+6%



Banking sector

The banking sector continues to dominate the Sri Lanka brand rankings accounting for 43% of the total brand value. However, challenging economic conditions have hindered the growth of these brands where we have seen a drop in total brand value by 3.3% this year. These established financial institutions have been able to weather the economic storm better than most other sectors.

Valued at Rs. 47.9 billion, BOC has retained its title as the most valuable banking brand in Sri Lanka, despite falling in value by 7%. BOC's large customer base and share of the industry's total income are testament to its enviable leadership position.

The traditional way of conducting business is diminishing fast with digital transformation and automation being key growth factors. Customers are demanding better connectivity with faster and better banking experiences. This year we have seen those who are at the forefront of innovation, such as Commercial, Sampath and People's Bank, notching an increase in both their brand strength and brand value.

Commercial Bank has claimed the title of the strongest banking brand, with a brand strength score corresponding to a AAA brand rating. The bank's emphasis on customer service and ease of doing business seems to be a key strength that is propelling its growth.

Sampath Bank was another key winner this year. The brand's value and strength both benefited from the strong financial performance with a brand value growth of 11%. "Sampath Simplified", the bank's strategic reshaping, has developed a smoother banking experience for its customers making it the 4th most valuable banking brand.

Insurance sector

Sri Lanka's Insurance sector has seen several mergers and acquisitions as well as new entrants which has dramatically shaken up this sector. The year has seen some major moves along with new

entrants who are very likely to challenge the leading brands in the future.

In the General Insurance sector, Sri Lanka Insurance emerged on top in terms of both brand value and brand strength. Despite their brand value seeing a 20% decrease, Sri Lanka Insurance did manage to rank as the 31st most valuable brand. This brand is closely followed by Ceylinco General, which ranked 35th and saw a 12% decrease in brand value, in line with the industry average for the year.

Allianz General, which acquired Janashakthi General Insurance, saw their brand value double, as it rose 22 positions up the table to 42, whilst Fairfirst (ranked 54) and People's Insurance (ranked 76) enter the table for the first time.

In Life Insurance, much like in General Insurance, the brand values of most brands declined. Ceylinco Life emerged as the most valuable Life Insurance brand, despite a 3% decline in brand value, while Softlogic Life was able to grow their brand value by 25% through an aggressive marketing initiative and product innovations. Softlogic Life has combined technology with a human touch, to provide customers with what they call a "WOW" experience which has been successful in attracting new customers to the brand.

In terms of brand strength, Ceylinco Life and Softlogic Life came out on top and saw improvements in their brand strength scores, as they performed well in terms of customer equity.



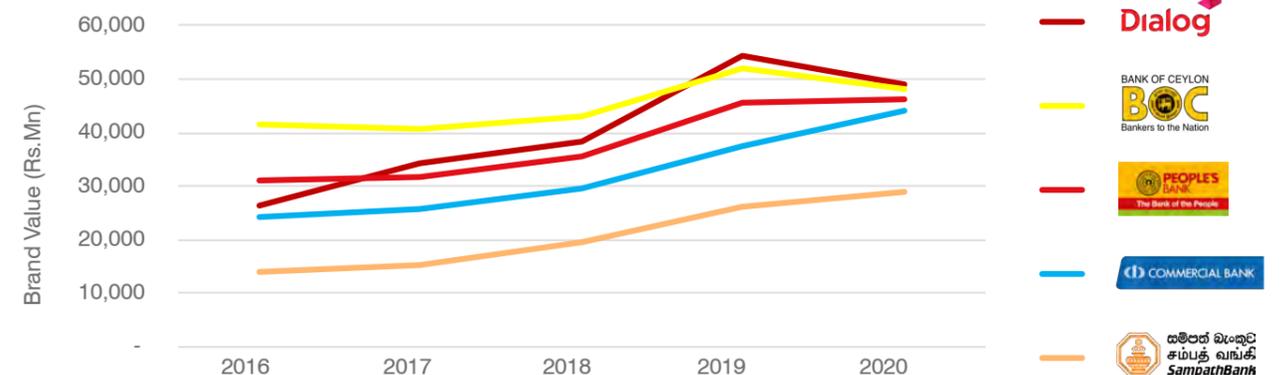
Top 5 Most Valuable Banking Brands

	1 ← 1	2020: Rs. 47,952m 2019: Rs. 51,827m	-7%
	2 ← 2	2020: Rs. 46,161m 2019: Rs. 45,508m	+1%
	3 ← 3	2020: Rs. 44,009m 2019: Rs. 37,269m	+18%
	4 ↑ 6	2020: Rs. 28,645m 2019: Rs. 25,847m	+11%
	5 ↓ 4	2020: Rs. 28,122m 2019: Rs. 34,771m	-19%

Top 3 Most Valuable Insurance Brands

	1 ← 1	2020: Rs. 3,834m 2019: Rs. 4,815m	-20%
	2 ← 2	2020: Rs. 3,658m 2019: Rs. 3,754m	-3%
	3 ← 3	2020: Rs. 3,052m 2019: Rs. 3,468m	-12%

Brand Value Over Time



Supermarkets

There has been a recent increase in competition in this sector with new competitors SPAR and Softlogic's GLOMARK entering the market which are slowly expanding their footprint from their initial single stores.

Despite the competition, the brand values of the three main supermarket brands (Keells, Cargills Food City and Arpico) have increased, a welcome change compared to many of the other sectors which have shown a decline. This could be attributed to the sector now being very much a part of the modern consumer's lifestyle by being the regular place for shopping for staple food items, combined with increased investments that we have seen from these main players.

Top 3 Most Valuable Supermarket Brands

	1 ← 1	2020: Rs. 18,490m 2019: Rs. 17,506m	+6%
	2 ← 2	2020: Rs. 17,285m 2019: Rs. 16,759m	+3%
	3 ← 3	2020: Rs. 7,176m 2019: Rs. 7,060m	+2%

Keells is the fastest growing supermarket brand with revenue growth of 21%. Following the improved customer experience through the rebranding of Keells on a "fresh" platform, this continues to give solid results.

With the rebranding process of the existing stores nearing completion, Keells opened a further 18 new stores during the year increasing the availability of its brand.

Cargills Food City is beginning to show results in terms of foot-fall due to the significant investments that have gone into revamping their stores. The new stores are larger, brighter, more parking and more choice with better fresh vegetable displays.

Cargills Food City's objective is to take Sri Lankan supermarket experience to a new level with the recent opening of its flagship specialty supermarket at Colombo City Centre. Created as a new organized retail brand - "Cargills Food Hall", this store can be compared and benchmarked with Tesco and Carrefour.

Along with the increasing relevance of 'freshness' which has been holistically adopted by Keells in their brand, Arpico has launched a new venture 'Sea to Plate' which allows customers to purchase the freshest catch at the most competitive price.

They have also revamped their flagship store at Hyde Park with a more modern and spacious interior, further consolidating this as the single highest revenue generating outlet in Sri Lanka.



Financial Services

Unlike in the banking sector, the financial services brands have increased in brand value by 3.2% this year.

PLC retained its position as the most valuable financial services brand with a marginal increase in brand value. Being backed by one of the leading banks contributes to PLC's strong strength and brand value. Two of the biggest gainers in this sector this year were LOLC Finance and LB Finance.

LOLC Finance has emerged as the strongest financial services brand, with an AA brand rating. The benefits of the merger between LOLC Finance and LOLC Microcredit, which was finalised on the 31st of March 2018, was evident in the improved financial performance. Innovation and a strong customer retention emphasis, while building on LOLC's long-standing reputation, has held the brand in good stead.

LB Finance's steady trajectory of growth in its financial performance was one of the main contributors to the increase in brand value this year. Expanding LB Finance's footprint along with the company's focus on sustainable growth are some of the key factors for the brand value increase.

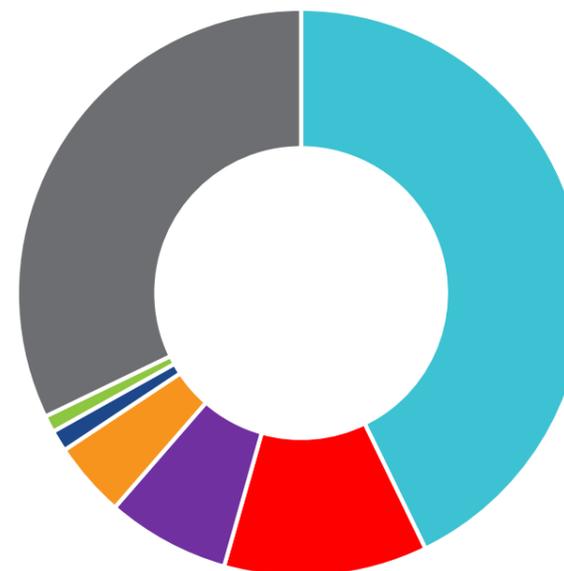
Top 3 Most Valuable Financial Services Brands

	1 ← 1	2020: Rs. 8,786m 2019: Rs. 8,719m	+1%
	2 ← 2	2020: Rs. 8,119m 2019: Rs. 5,834m	+39%
	3 ← 3	2020: Rs. 6,327m 2019: Rs. 5,133m	+23%

Future challenges

During these uncertain times, the emphasis for the year should be to focus on building brand strength. This can be done through the adoption of a brand blueprint or well defined brand platform providing a singular focus. It will tighten the brand management processes / systems resulting in more effective strategic decision making and in greater accountability and returns to shareholders.

Brand Value by Sector



Sector	Brand Value (Rs Mn)	% of total
Banking	257,810	43%
Telecommunications	69,806	12%
Financial Services	42,253	7%
Insurance	25,853	4%
Hotels	7,331	1%
Healthcare	5,733	1%
Others	193,715	32%
Total	602,502	100.0%

Brand Valuation Methodology.

Brand Finance calculates the values of the brands in its league tables using the Royalty Relief approach – a brand valuation method compliant with the industry standards set in ISO 10668.

This involves estimating the likely future revenues that are attributable to a brand by calculating a royalty rate that would be charged for its use, to arrive at a 'brand value' understood as a net economic benefit that a licensor would achieve by licensing the brand in the open market.

The steps in this process are as follows:

- 1 Calculate brand strength using a balanced scorecard of metrics assessing Marketing Investment, Stakeholder Equity, and Business Performance. Brand strength is expressed as a Brand Strength Index (BSI) score on a scale of 0 to 100.
- 2 Determine royalty range for each industry, reflecting the importance of brand to purchasing decisions. In luxury, the maximum percentage is high, in extractive industry, where goods are often commoditised, it is lower. This is done by reviewing comparable licensing agreements sourced from Brand Finance's extensive database.
- 3 Calculate royalty rate. The BSI score is applied to the royalty range to arrive at a royalty rate. For example, if the royalty range in a sector is 0-5% and a brand has a BSI score of 80 out of 100, then an appropriate royalty rate for the use of this brand in the given sector will be 4%.
- 4 Determine brand-specific revenues by estimating a proportion of parent company revenues attributable to a brand.
- 5 Determine forecast revenues using a function of historic revenues, equity analyst forecasts, and economic growth rates.
- 6 Apply the royalty rate to the forecast revenues to derive brand revenues.
- 7 Brand revenues are discounted post-tax to a net present value which equals the brand value.

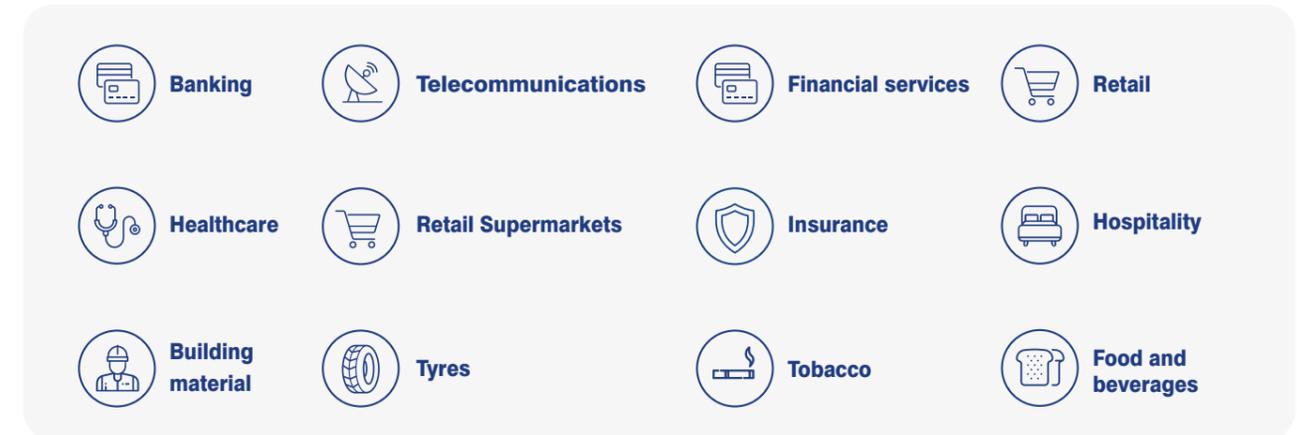


Disclaimer

Brand Finance has produced this study with an independent and unbiased analysis. The values derived and opinions produced in this study are based only on publicly available information and certain assumptions that Brand Finance used where such data was deficient or unclear. Brand Finance accepts no responsibility and will not be liable in the event that the publicly available information relied upon is subsequently found to be inaccurate. The opinions and financial analysis expressed in the report are not to be construed as providing investment or business advice. Brand Finance does not intend the report to be relied upon for any reason and excludes all liability to any body, government or organisation.

Market Research Methodology.

Brand Finance conducted original market research in 12 sectors across the Colombo and Gampaha districts, representative of the country's entire population. Surveys were conducted between September and October 2019.



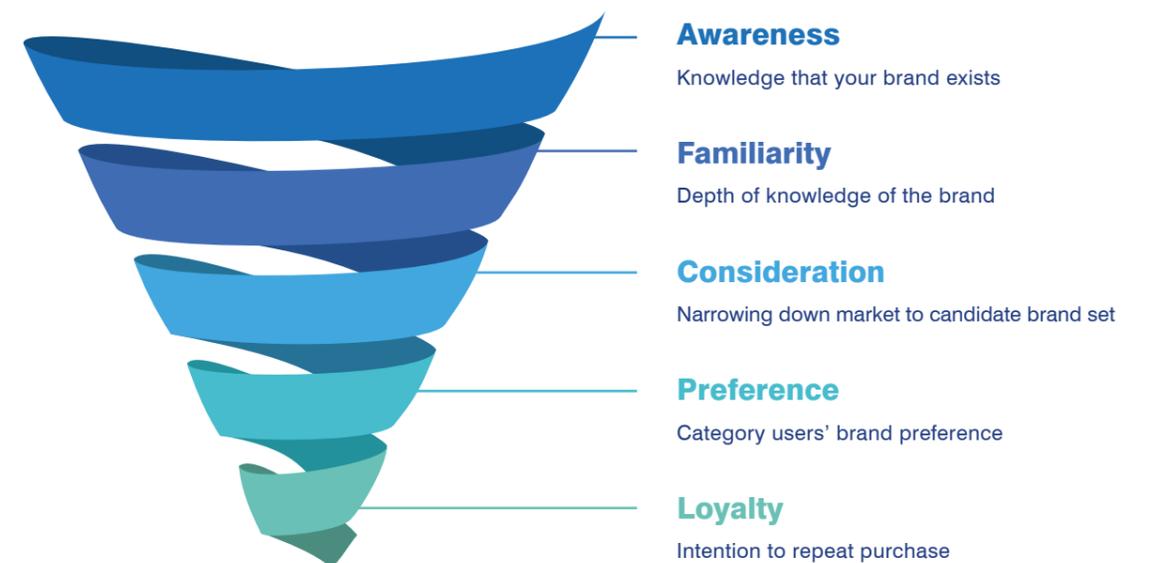
Stakeholder Equity Measures.

Key Metrics

- + Reputation
- + Innovation
- + Value for Money
- + Emotional Fit
- + Recommendation
- + Quality etc.

Brand conversion funnel

The brand conversion funnel is a way of summarising the likely strength of a brand to convert to purchase.



Brand Finance Sri Lanka 100.

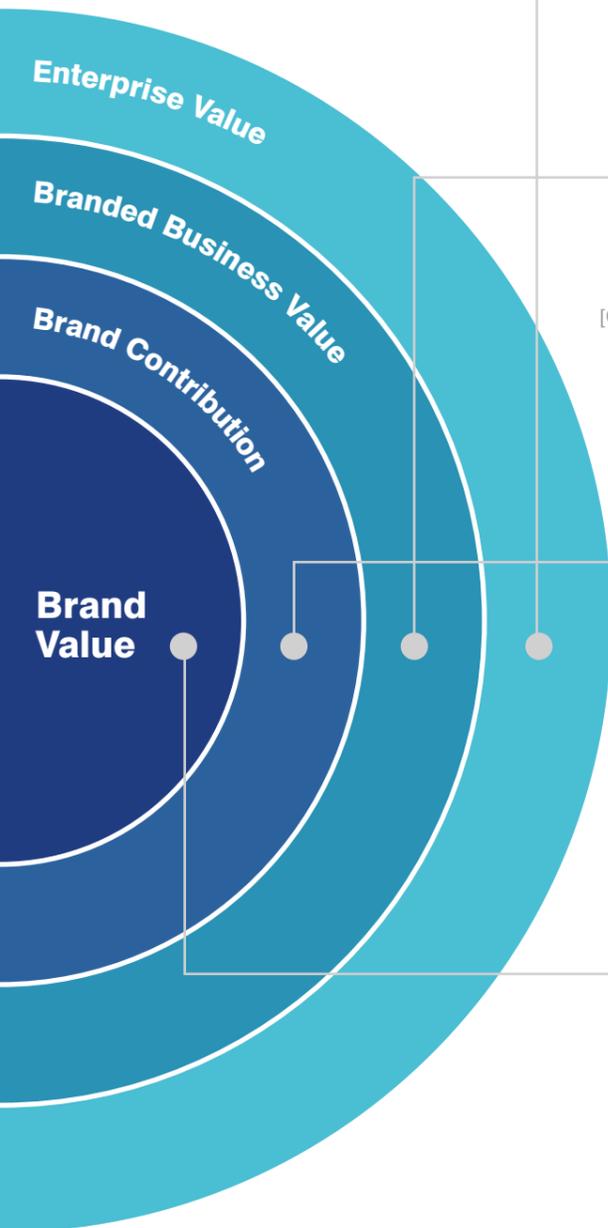
Top 100 most valuable Sri Lankan brands 1-50

2020 Rank	2019 Rank	Brand Name	Parent Company	Industry	2020 Brand Value (Rs. Mn)	2019 Brand Value (Rs. Mn)	Brand Value Change	2020 Brand Rating	
1	1	←	Dialog	Dialog Axiata	Telecommunications	48,801	54,193	-10%	AAA
2	2	←	BOC	Bank of Ceylon	Banking	47,952	51,827	-7%	AA+
3	3	←	People's Bank	People's Bank	Banking	46,161	45,508	+1%	AAA-
4	4	←	Commercial Bank	Commercial Bank of Ceylon	Banking	44,009	37,269	+18%	AAA
5	7	↑	Sampath Bank	Sampath Bank	Banking	28,645	25,847	+11%	AAA-
6	5	↓	NSB	National Savings Bank	Banking	28,122	34,771	-19%	AA
7	6	↓	HNB	Hatton National Bank	Banking	23,148	27,511	-16%	AA
8	9	↑	Lion Beer	Lion Brewery (Ceylon)	Food and beverage	21,621	21,462	+1%	AA
9	8	↓	Nestlé	Nestlé Lanka	Food and beverage	21,442	22,166	-3%	AAA-
10	11	↑	Keells	JayKay Marketing Services	Retail (Supermarkets)	18,490	17,506	+6%	AAA-
11	12	↑	Cargills Food City	Cargills (Ceylon)	Retail (Supermarkets)	17,285	16,759	+3%	AA+
12	13	↑	John Player Gold Leaf	Ceylon Tobacco Company	Tobacco	16,265	16,037	+1%	A+
13	10	↓	DCSL	Distilleries Company of Sri Lanka	Food and beverage	15,630	18,524	-16%	AA-
14	15	↑	SriLankan Airlines	SriLankan Airlines	Airlines	11,435	11,864	-4%	A+
15	14	↓	Elephant House	Ceylon Cold Stores	Food and beverage	11,254	12,494	-10%	AAA-
16	16	←	SLT	Sri Lanka Telecom	Telecommunications	11,244	11,321	-1%	AA+
17	18*	↑	Singer	Singer (Sri Lanka)	Retail	10,136	11,151	-9%	AA+
18	17	↓	Seylan Bank	Seylan Bank	Banking	9,834	11,272	-13%	A+
19	20	↑	Mobitel	Sri Lanka Telecom	Telecommunications	9,427	10,590	-11%	AA+
20	19	↓	NDB	National Development Bank	Banking	8,913	10,765	-17%	A
21	22	↑	PLC	Peoples Leasing & Finance	Financial services	8,786	8,719	+1%	AA
22	21	↓	Dilmah	Dilmah Ceylon Tea Company	Food and beverage	8,425	8,825	-5%	AA-
23	27	↑	LOLC Finance	LOLC Finance	Financial services	8,119	5,834	+39%	AA
24	24	←	Arpico Supercentre	Richard Pieris	Retail (Supermarkets)	7,176	7,060	+2%	AA
25	29	↑	LB Finance	LB Finance	Financial services	6,327	5,133	+23%	AA-
26	28	↑	Nations Trust Bank	Nations Trust Bank	Banking	5,769	5,648	+2%	A+
27	26	↓	Commercial Credit	Commercial Credit & Finance	Financial services	5,352	5,899	-9%	AA+
28	25	↓	DFCC Bank	DFCC Bank	Banking	5,039	6,334	-20%	A-
29	23	↓	Cinnamon Hotels & Resorts	John Keells Holdings	Hospitality	5,001	7,945	-37%	AA+
30	32	↑	Central Finance	Central Finance Company	Financial services	4,162	4,494	-7%	AA-
31	31	←	Sri Lanka Insurance General	Sri Lanka Insurance Corporation	Insurance (General)	3,834	4,815	-20%	AA+
32	33	↑	Tokyo Cement	Tokyo Cement Company	Building materials	3,799	4,412	-14%	AA-
33	34	↑	Ceylinco Life	Ceylinco Life Insurance	Insurance (Life)	3,658	3,754	-3%	AA+
34	30	↓	Lanka IOC	Lanka IOC	Oil and gas	3,482	4,827	-28%	A-
35	35	←	Ceylinco General	Ceylinco General Insurance	Insurance (General)	3,052	3,468	-12%	AA-
36	42	↑	Prima	Ceylon Grain Elevators	Food and beverage	2,740	2,233	+23%	AA+
37	43	↑	Softlogic Life	Softlogic Life Insurance	Insurance (Life)	2,661	2,136	+25%	AA
38	39*	↑	Asiri Health	Asiri Hospital Holdings	Healthcare	2,429	2,558	-5%	AA
39	38	↓	Pan Asia Bank	Pan Asia Banking Corporation	Banking	2,427	2,604	-7%	A-
40	37	↓	RDB	Regional Development Bank	Banking	2,389	2,687	-11%	A-
41	41	←	Watawala Tea	Watawala Plantations	Food and beverage	2,373	2,491	-5%	AA-
42	63	↑	Allianz General	Allianz Insurance Lanka	Insurance (General)	2,347	1,141	+106%	A+
43	36	↓	Sri Lanka Insurance Life	Sri Lanka Insurance Corporation	Insurance (Life)	2,335	3,304	-29%	AA
44	44	←	ACL Cables	ACL Cables	Building materials	2,295	2,056	+12%	AA-
45	New		SDB bank	SANASA Development Bank	Banking	2,029	-	-	A
46	45	↓	AIA Insurance	AIA Insurance Lanka	Insurance (Life)	1,994	1,974	+1%	AA-
47	47	←	ODEL	ODEL	Retail	1,952	1,870	+4%	AA+
48	40	↓	Union Assurance	Union Assurance	Insurance (Life)	1,941	2,506	-23%	AA-
49	46	↓	Commercial Leasing	Commercial Leasing & Finance	Financial services	1,940	1,872	+4%	A
50	48	↓	CDB	Citizens Development Business Finance	Financial services	1,849	1,833	+1%	A+

Top 100 most valuable Sri Lankan brands 51-100

2020 Rank	2019 Rank	Brand Name	Parent Company	Industry	2020 Brand Value (Rs. Mn)	2019 Brand Value (Rs. Mn)	Brand Value Change	2020 Brand Rating	
51	53*	↑	Nawaloka Hospitals	Nawaloka Hospitals	Healthcare	1,462	1,495	-2%	AA
52	49	↓	Krest	Keells Food Products	Food and beverage	1,414	1,676	-16%	AA-
53	57	↑	CEAT	Kelani Tyres	Tyres	1,388	1,460	-5%	AA-
54	New		Fairfirst Insurance	Fairfirst Insurance	Insurance (General)	1,367	-	-	A
55	54	↓	Dunhill	Ceylon Tobacco Company	Tobacco	1,340	1,487	-10%	AA-
56	62	↑	Bairaha	Bairaha Farms	Food and beverage	1,245	1,152	+8%	A+
57	59	↑	Vallibel Finance	Vallibel Finance	Financial services	1,152	1,300	-11%	BBB
58	New		LANKATILES	Lanka Tiles	Building materials	1,113	-	-	AA
59	64	↑	Kelani Cables	Kelani Cables	Building materials	1,058	1,087	-3%	AA-
60	52	↓	Bristol	Ceylon Tobacco Company	Tobacco	1,047	1,566	-33%	A+
61	50	↓	Alliance Finance	Alliance Finance	Financial services	1,014	1,602	-37%	BB
62	58	↓	Senkadagala Finance	Senkadagala Finance	Financial services	999	1,326	-25%	BBB
63	61	↓	Mercantile Investments and Finance	Mercantile Investments and Finance	Financial services	997	1,165	-14%	B
64	56	↓	Mitsubishi	United Motors Lanka	Motor	914	1,461	-37%	A+
65	74*	↑	Kotmale	Kotmale Holdings	Food and beverage	863	782	+10%	AA
66	55	↓	Ashok Leyland	Lanka Ashok Leyland	Motor	854	1,480	-42%	BBB
67	73	↑	LAUGFS Gas	LAUGFS Gas	Oil and gas	851	786	+8%	AA-
68	60	↓	HDFC Bank	HDFC Bank of Sri Lanka	Banking	851	1,222	-30%	BB
69	75	↑	Singer Finance	Singer Finance (Lanka)	Financial services	827	724	+14%	A-
70	67	↓	Kingsbury	The Kingsbury	Hospitality	823	979	-16%	AA-
71	79	↑	Harischandra	Harischandra Mills	Food and beverage	797	703	+13%	A
72	66*	↓	Lanka Hospitals	The Lanka Hospitals Corporation	Healthcare	761	994	-23%	A+
73	65	↓	Caltex	Chevron Lubricants Lanka	Oil and gas	729	1,055	-31%	AA-
74	77	↑	SMIB	State Mortgage & Investment Bank	Banking	723	717	+1%	BBB
75	69	↓	Taj Samudra	TAL Lanka Hotels	Hospitality	719	909	-21%	A+
76	New		Peoples Insurance	Peoples Insurance	Insurance (General)	665	-	-	A
77	76	↓	HNB Assurance	HNB Assurance	Insurance (Life)	633	720	-12%	A
78	68	↓	Merchant Bank of Sri Lanka	Merchant Bank of Sri Lanka & Finance	Banking	620	915	-32%	B
79	85	↑	Amāna Bank	Amāna Bank	Banking	602	602	-	A
80	70	↓	Union Bank	Union Bank of Colombo	Banking	578	872	-34%	BBB
81	72*	↓	Rocell	Royal Ceramics Lanka	Building materials	572	805	-29%	AA+
82	78	↓	HNB General Insurance	HNB Assurance	Insurance (General)	562	710	-21%	A-
83	81	↓	Lanka Soy	Convenience Foods Lanka	Food and beverage	560	663	-16%	A+
84	80	↓	Durdans	Ceylon Hospitals	Healthcare	544	687	-21%	A+
85	84	↓	Morison	Morison	Healthcare	537	624	-14%	A-
86	83	↓	Softlogic Finance	Softlogic Finance	Financial services	465	645	-28%	BBB
87	87	←	Amaya Resorts and Spas	Amaya Leisure	Hospitality	460	517	-11%	A+
88	89	↑	Sierra Cables	Sierra Cables	Building materials	454	483	-6%	BBB
89	71	↑	Isuzu	Sathosa Motors	Motor	429	861	-50%	A
90	86	↓	Abans	Abans Electricals	Retail	424	567	-25%	AA
91	95*	↑	Amāna Takaful General	Amāna Takaful	Insurance (General)	408	363	+12%	A
92	82	↓	Janashakthi Life	Janashakthi Insurance	Insurance (Life)	394	661	-40%	A+
93	90	↓	Lankem	Lankem Ceylon	Chemicals	390	436	-11%	BBB
94	96	↑	Swadeshi	Swadeshi Industrial Works	Personal care	389	358	+9%	BB
95	91	↓	Lucky Yoghurt	Lucky Lanka Milk Processing	Food and beverage	369	407	-9%	A
96	88	↓	Heladiv	HVA Foods	Food and beverage	357	494	-28%	BB
97	93	↓	Lakspray	Lanka Milk Foods	Food and beverage	357	377	-5%	BB
98	92*	↓	Lanka Bell	Lanka Bell	Telecommunications	334	379	-12%	A-
99	98	↓	Citrus	Citrus Leisure	Hospitality	329	299	+10%	A
100	97	↓	Abans Finance	Abans Finance	Financial services	265	344	-23%	BBB

Definitions.



Brand Value



[John Keells Holdings]

+ Enterprise Value
The value of the entire enterprise, made up of multiple branded businesses.

Where a company has a purely mono-branded architecture, the 'enterprise value' is the same as 'branded business value'.



[Cinnamon Hotels & Resorts]

+ Branded Business Value
The value of a single branded business operating under the subject brand.

A brand should be viewed in the context of the business in which it operates. Brand Finance always conducts a branded business valuation as part of any brand valuation. We evaluate the full brand value chain in order to understand the links between marketing investment, brand-tracking data, and stakeholder behaviour.



[Cinnamon]

+ Brand Contribution
The overall uplift in shareholder value that the business derives from owning the brand rather than operating a generic brand.

The brand values contained in our league tables are those of the potentially transferable brand assets only, making 'brand contribution' a wider concept. An assessment of overall 'brand contribution' to a business provides additional insights to help optimise performance.



[Cinnamon]

+ Brand Value
The value of the trade mark and associated marketing IP within the branded business.

Brand Finance helped to craft the internationally recognised standard on Brand Valuation – ISO 10668. It defines brand as a marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos, and designs, intended to identify goods, services or entities, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits.

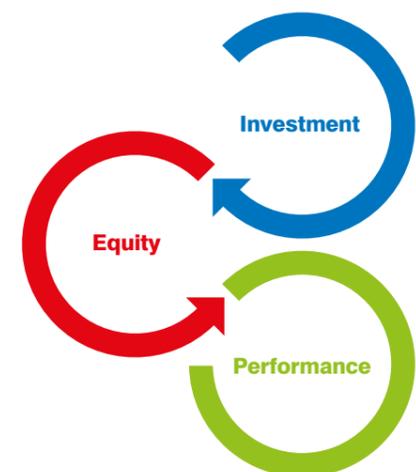
Brand Strength

Brand Strength is the efficacy of a brand's performance on intangible measures, relative to its competitors.

In order to determine the strength of a brand, we look at Marketing Investment, Stakeholder Equity, and the impact of those on Business Performance.

Each brand is assigned a Brand Strength Index (BSI) score out of 100, which feeds into the brand value calculation. Based on the score, each brand is assigned a corresponding rating up to AAA+ in a format similar to a credit rating.

Analysing the three brand strength measures helps inform managers of a brand's potential for future success.



Marketing Investment

- A brand that has high Marketing Investment but low Stakeholder Equity may be on a path to growth. This high investment is likely to lead to future performance in Stakeholder Equity which would in turn lead to better Business Performance in the future.
- However, high Marketing Investment over an extended period with little improvement in Stakeholder Equity would imply that the brand is unable to shape customers' preference.

Stakeholder Equity

- The same is true for Stakeholder Equity. If a company has high Stakeholder Equity, it is likely that Business Performance will improve in the future.
- However, if the brand's poor Business Performance persists, it would suggest that the brand is inefficient compared to its competitors in transferring stakeholder sentiment to a volume or price premium.

Business Performance

- Finally, if a brand has a strong Business Performance but scores poorly on Stakeholder Equity, it would imply that, in the future, the brand's ability to drive value will diminish.
- However, if it is able to sustain these higher outputs, it shows that the brand is particularly efficient at creating value from sentiment compared to its competitors.

Consulting Services.

1. Valuation: What are my intangible assets worth?

Valuations may be conducted for technical purposes and to set a baseline against which potential strategic brand scenarios can be evaluated.

- + Branded Business Valuation
- + Trademark Valuation
- + Intangible Asset Valuation
- + Brand Contribution

2. Analytics: How can I improve marketing effectiveness?

Analytical services help to uncover drivers of demand and insights. Identifying the factors which drive consumer behaviour allows an understanding of how brands create bottom-line impact.

- Market Research Analytics +
- Return on Marketing Investment +
- Brand Audits +
- Brand Scorecard Tracking +

4. Transactions: Is it a good deal? Can I leverage my intangible assets?

Transaction services help buyers, sellers, and owners of branded businesses get a better deal by leveraging the value of their intangibles.

- + M&A Due Diligence
- + Franchising & Licensing
- + Tax & Transfer Pricing
- + Expert Witness

3. Strategy: How can I increase the value of my branded business?

Strategic marketing services enable brands to be leveraged to grow businesses. Scenario modelling will identify the best opportunities, ensuring resources are allocated to those activities which have the most impact on brand and business value.

- Brand Governance +
- Brand Architecture & Portfolio Management +
- Brand Transition +
- Brand Positioning & Extension +

MARKETING

FINANCE

TAX

LEGAL

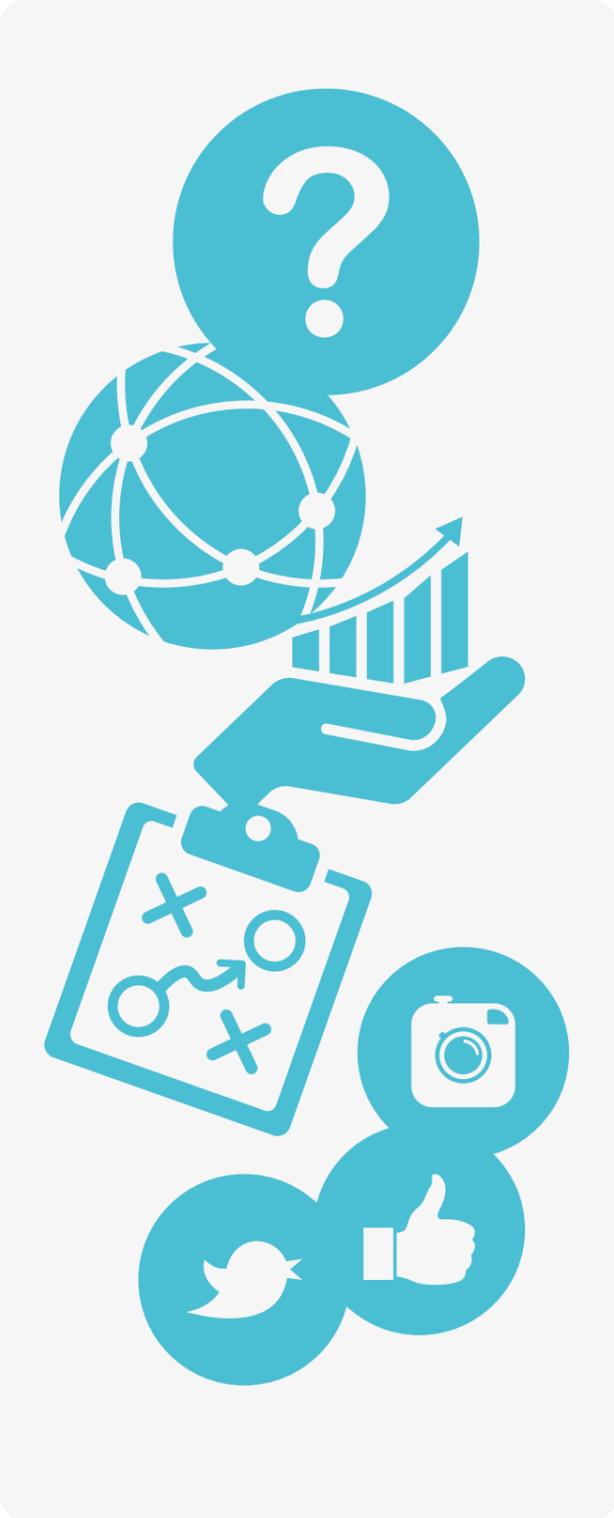
We help marketers to connect their brands to business performance by evaluating the return on investment (ROI) of brand-based decisions and strategies.

We provide financiers and auditors with an independent assessment on all forms of brand and intangible asset valuations.

We help brand owners and fiscal authorities to understand the implications of different tax, transfer pricing, and brand ownership arrangements.

We help clients to enforce and exploit their intellectual property rights by providing independent expert advice in- and outside of the courtroom.

Brand Evaluation Services.



How are brands viewed in my category?

Brand Finance Lanka tracks brand trust across over 12 consumer categories. Clear, insightful signals of brand performance, with data mining options for those who want to dig deeper – all at an accessible price.

What if I need more depth or coverage of a more specialised sector?

Our bespoke brand scorecards help with market planning and can be designed to track multiple brands over time, against competitors, between market segments and against budgets. Our 30-country database of brand KPIs enables us to benchmark performance appropriately.

Do I have the right brand architecture or strategy in place?

Research is conducted in addition to strategic analysis to provide a robust understanding of the current positioning. The effectiveness of alternative architectures is tested through drivers analysis, to determine which option(s) will stimulate the most favourable customer behaviour and financial results.

How can I improve return on marketing investments?

Using sophisticated analytics, we have a proven track record of developing comprehensive brand scorecard and brand investment frameworks to improve return on marketing investment.

What about the social dimension? Does my brand get talked about?

Social interactions have a proven commercial impact on brands. We measure actual brand conversation and advocacy, both real-world word of mouth and online buzz and sentiment, by combining traditional survey measures with best-in-class social listening.

Communications Services.

How we can help communicate your brand's performance in brand value rankings



Brand Accolade – Create a digital endorsement stamp for use in marketing materials, communications, annual reports, social media and website. Advertising use subject to terms and conditions.



TOP 100 BRAND IN SRI LANKA



MOST VALUABLE BRAND IN SRI LANKA



STRONGEST BRAND IN SRI LANKA



Certificate – Provide a hand-written certificate personally signed by David Haigh (Brand Finance CEO) to recognise your brand's performance.



Digital Infographics – Provide 5 design infographics visualising your brand's performance for use across social media platforms.



Media Support – Write a press release about your brand's performance and significant initiatives which lead to the brands' success.



Photo Op – Photo op with Ruchi Gunewardene on your company or Brand Finance backdrop with certificate.

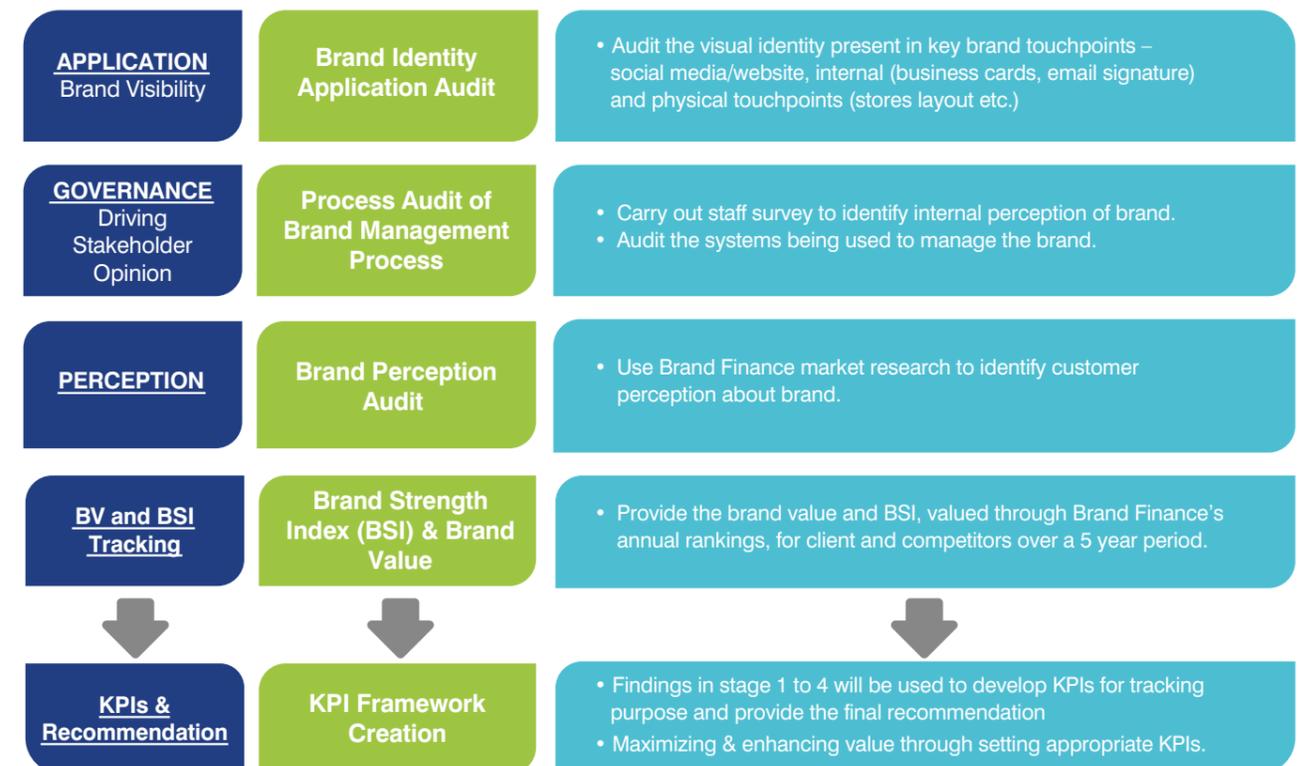
Brand Audit Services.

Why do a Brand Audit?



- The brand audit is a **powerful new tool** which can help management to better leverage the brand, adding value to business.
- A Brand Audit provides you with a systematic and independent examination of your brand(s) performance. We provide you with recommendations for improvement by reviewing current internal practice and compliance across trademark and IP protection, visual identity implementation, licensing, customer experience, marketing management and market research.

Brand Audit – Our Approach



Some Questions for Brand Finance.

Why is an understanding of brand value so important ?

Brand is one of the most important intangible assets that are available to a company that can be leveraged for business value creation. Since there is no measure of brand value in the standard financial statements, this is a “hidden” asset. Because there is no measure of value attributed to it, the value of the brand is often overlooked by the Board and the management. Decisions are often made by not looking at an important value creating asset that is available to the business.

Any other reasons?

Marketing budgets now far exceed many capital expenditure allocations in a business. These enormous marketing budgets are put together at the discretion of the marketing team. An approach which aligns budget allocations to levers of value creation through a better understanding of where value can be grown at the expense of value destruction, can be a better way of ensuring these large budgets are optimized.

How does brand value help in developing strategies?

Through a comprehensive understanding of the business, market and consumer, Brand Finance is able to use its experience across diverse sectors and in many countries to explore opportunities for the brand to add value to the business. At its core, it uses market research and financial data to understand the dynamics of what is happening with the consumer along with the financial performance and outcomes. By linking consumer understanding with financial performance it is able to identify gaps and opportunities for strategic marketing consideration.

What makes Brand Finance different to other consultancies?

Where it differs from other consultancies is in its ability to link strategic consumer insights with business value outcomes. By considering the brand as a value generating asset that could be deployed in the business, management is able to better see the various ways in which it can be leveraged or strengthened to grow the brand and the business.

How can the brand be used to leverage more value in business negotiations?

Brand valuations can justify and support the value that a business can command. It is often used as an independent view, setting out the brand’s ability to drive greater value in the future, and thereby justifying a higher business value.

Can a company optimize the way in which it manages brands?

There are many examples of companies which have set up special purpose vehicles or BrandCo’s where the brand ownership has been moved. By separating the operating company from the company that is owning the brand there is greater clarity and focus on driving brand value through the allocation of resources and charging back royalties from the entities that are using the brand. Depending on the sector and the jurisdiction of the BrandCo and the operating entities, there could be tax related benefits that could accrue. Sri Lankan companies need to explore all the different ways by which it can optimise brand management, tax efficiencies and ensuring performance is tracked of this important business asset.

Who does Brand Finance collaborate for its research study?

Brand Finance Lanka has been collaborating with the market research firm Breakthrough Business Intelligence, to provide the market research data which goes into the analysis to compile the annual Most Valuable Sri Lankan brands as well as the other tables. Breakthrough Business Intelligence is a full service boutique marketing research agency, committed to providing insightful partnerships that drive bottom-line results for clients. They take an innovative approach to research, reinventing market research when necessary. With the right balance of academic researchers and practicing marketing researchers, Breakthrough Business Intelligence has the ability to deliver the insights that are relevant in accelerating business growth.

Managing Director of Brand Finance Ruchi Gunewardene can be contacted on

r.gunewardene@brandfinance.com

The Team.



Brand Finance Lanka consists of a group of highly experienced marketers and well qualified analysts. This combination of marketers and analysts can provide the core Brand Finance offering of strategic solutions that bridge the gap between marketing and finance.

Our people can extract, analyse and interpret data to develop marketing and brand strategies and predict a financial or other measurable outcome, thereby providing a sound basis for the CEO to make fact-based decisions. Furthermore, by tracking financial and other key indicators, marketing and brand strategies could be changed in a timely manner, ensuring return on investment.

Brand Finance Lanka has invested in training the team over the last 3 years, with visits to offices in London and Singapore. This has helped build skill development of the entire team in the disciplines of brand valuation and strategy development. This knowledge exchange is expected to be further built and enhanced over the next year. Brand Finance Lanka is on the lookout for bright and young talent who are passionate about analytics.

Brand Finance Network.

For further information on our services and valuation experience, please contact your local representative:

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