

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

30 JUNE 2023



ABANS FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

	03 Months Ended 30 June		
	2023 Rs. Unaudited	2022 Rs. Unaudited	Change
Income	734,803,632	615,846,930	19.3%
Interest Income	695,627,337	585,048,207	18.9%
Interest Expenses	(398,105,451)	(225,485,622)	77%
Net Interest Income	297,521,886	359,562,584	-17%
Fee and Commission Income	38,333,384	27,967,764	37%
Fee and Commission Expenses	(7,924,765)	(6,206,118)	28%
Net Fee and Commission Income	30,408,619	21,761,646	40%
Net Gain /(Loss) from Trading	699,585	240	
Other Operating Income (net)	143,326	2,830,719	-95%
Total Operating Income	328,773,415	384,155,189	-14%
Credit Loss Expense on Financial Assets and Other Losses	(1,337,625)	(39,087,721)	-97%
Net Operating Income	327,435,790	345,067,469	-5%
Operating Expenses			
Personnel Costs	(106,172,714)	(89,843,120)	18%
Depreciation & Amortization	(17,524,834)	(15,897,683)	10%
Other Operating Expenses	(81,287,022)	(93,915,142)	-13%
Operating Profit before Value Added Tax on FS & Levy	122,451,220	145,411,524	-16%
Taxes on Financial Services	(33,809,785)	(31,321,689)	8%
Profit / (Loss) before Taxation from Operations	88,641,435	114,089,835	-22%
Income Tax (Expense)/Reversal	(36,735,365)	(40,545,593)	-9%
Profit/(Loss) for the Period	51,906,070	73,544,241	-29%
Other Comprehensive Income			
Items that will not be reclassified to profit or loss	-	-	
Actuarial Gains/(Losses) on Defined Benefit Plan	-	-	
Deferred Tax effect on above	-	-	
Net Other Comprehensive Gain/Loss not to be re classified to	-	-	
Items that will be reclassified to profit or loss	-	-	
Surplus from Revaluation of Property,Plant & Equipment	-	-	
Deferred Tax Effect of above	-	-	
Other Comprehensive Income for the Period, Net of Tax	-	-	
Total Comprehensive Income for the Period	51,906,070	73,544,241	-29%
Earnings Per Share	0.70	1.10	

The figures presented above are provisional and subject to Audit.

14th August 2023
Colombo

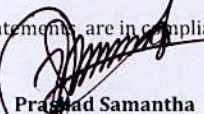
STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023


	Change	June' 2023 Rs. (Unaudited)	March '2023 Rs. (Audited)
Assets			
Cash and Bank Balances	110.4%	781,624,768	371,545,331
Placements with Banks	3.2%	447,736,187	433,981,434
Securities Purchased under Repurchase Agreement	-100.0%	-	271,331,939
Loans and Advances	2.8%	1,048,666,196	1,019,648,500
Lease Rentals Receivable & Stock Out on Hire	-2.3%	7,611,754,904	7,787,483,346
Financial Investments at Fair Value through P&L	100.0%	8,585,430	8,613,335
Equity Instruments at Fair Value through OCI	0.0%	80,400	80,400
Debt instruments at Amortised Cost	-46.4%	382,337,520	713,692,026
Other Financial Assets	-9.9%	101,498,335	112,611,633
Real Estate Stock	0.0%	38,468,202	38,468,202
Other Non Financial Assets	-17.6%	72,710,203	88,215,996
Property, Plant & Equipment	-1.9%	165,228,521	168,485,711
Intangible Assets	-5.2%	21,918,833	23,126,958
Right of use Asset	16.6%	176,484,010	151,375,430
Total Assets	-3.0%	10,857,093,509	11,188,660,241
Liabilities			
Due to Banks	837.0%	19,560,845	2,087,507
Due to Customers	3.1%	5,542,212,960	5,376,613,892
Debt Inst. Issued and Other Borrowed Funds	-25.5%	1,454,789,560	1,953,023,415
Other Financial Liabilities	-1.2%	554,780,137	561,484,647
Other Non Financial Liabilities	-22.3%	46,510,578	59,890,451
Retirement Benefit Liability	0.7%	37,698,976	37,432,541
Current Tax Liabilities	-22.6%	166,419,953	214,913,361
Deferred Tax Liability	100.0%	13,251,027	13,251,024
Total Liabilities	-4.7%	7,835,224,036	8,218,696,838
Shareholders' Funds			
Stated Capital	0.0%	1,321,097,699	1,321,097,699
Statutory Reserve	0.0%	294,922,322	294,922,322
Revaluation Reserve	0.0%	62,677,935	62,677,935
Regulatory Loss Allowance Reserve	15.4%	872,186,413	755,907,050
Retained Earnings	-12.0%	470,985,103	535,358,397
Total Shareholders' Funds	1.7%	3,021,869,472	2,969,963,403
Total Liabilities and Shareholders' Funds	-3.0%	10,857,093,509	11,188,660,241
Net Assets Per Share		41.01	40.30

The figures presented above are provisional and subject to Audit.

These Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007


Prasad Samantha
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Signed for and on behalf of the Board by,


Cecil Perera
Chairman


Rusi Pestonjee
Director

14th August 2023
Colombo

ABANS FINANCE PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED

	Stated Capital	Retained Earnings	Revaluation Reserve	Statutory Reserve	Regulatory Risk Allowance Reserve	Total
	Rs.	Rs.		Rs.	Rs.	Rs.
Balance as at 01 April 2022	1,121,412,955	956,131,916	70,403,907	277,169,198	-	2,425,117,976
Net Profit / (Loss) for the Period	-	73,544,241	-	-	-	73,544,241.00
Balance as at 30 June 2022	<u>1,121,412,955</u>	<u>1,029,676,157</u>	<u>70,403,907</u>	<u>277,169,198</u>	<u>-</u>	<u>2,498,662,217</u>
Balance as at 01 April 2023	1,321,097,699	535,358,397	62,677,935	294,922,322	755,907,050	2,969,963,403
Net Profit / (Loss) for the Period	-	51,906,070	-	-	-	51,906,070
Transfer to Regulatory Loss Allowance	-	(116,279,363)	-	-	116,279,363	-
Balances as at 30 June 2023	<u>1,321,097,699</u>	<u>470,985,103</u>	<u>62,677,935</u>	<u>294,922,322</u>	<u>872,186,413</u>	<u>3,021,869,472</u>

14th August 2023
Colombo

ABANS FINANCE PLC**CASH FLOW STATEMENT**

FOR THE PERIOD ENDED

	(0)	
	30th June 2023 Rs.	30th June 2022 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit / (Loss) Before Income Tax Expense	88,641,435	114,089,835
Adjustments for		
Depreciation	4,620,796	3,619,486
Amortisation of Intangible Assets	1,516,123	1,478,914
Amortization of Right of use Assets	11,387,915	10,799,284
Interest Expense on Borrowings	106,353,689	85,220,077
Interest Expense on Lease Liability	5,052,141	4,516,193
Allowance for impairment	1,337,625	39,087,720
Loss/(Profit) from Sale of Unit Trust	27,905	(427,728)
Provision/(reversal) for Defined Benefit Plans	1,625,001	1,625,000
Dividend Received	-	(240)
Operating Profit before Working Capital Changes	220,562,630	260,008,541
(Increase)/Decrease in Loans and Advances	(54,817,065)	(5,059,226)
(Increase)/Decrease in Lease Rentals Receivable & Stock out on hire	200,190,186	327,161,877
(Increase)/Decrease in Other Financial Assets	11,113,298	30,453,934
(Increase)/Decrease in Other Non Financial Assets	15,505,794	(15,228,894)
Increase/(Decrease) in Amounts Due to Customers	165,599,068	(92,808,307)
Increase/(Decrease) in Other Financial Liabilities	(23,725,148)	(274,244,997)
Increase/(Decrease) in Other Non Financial Liabilities	(13,548,445)	56,558,438
Cash Generated from Operations	520,880,319	286,841,365
Interest Expense Paid	(117,775,183)	(27,288,100)
Retirement Benefit Liabilities Paid	(1,358,566)	(691,273)
Taxes Paid	(85,060,200)	-
Net Cash From/(Used in) Operating Activities	316,686,370	258,861,991
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(1,363,606)	(447,075)
Acquisition of Intangible Assets	(307,998)	-
Cash Flow from /(Used in) Fixed Deposits	112,063,412	(4,917,285)
Disposal/(Acquisition) of Debt instruments at amortised cost	-	(663,711,169)
Acquisition of Financial Investments - Available for Sale	-	284,572,272
Dividends Received	-	240
Net Cash Flows from/(Used in) Investing Activities	110,391,808	(384,503,016)
Cash Flows from / (Used in) Financing Activities		
Cash Outflow from Long Term Bank Borrowings	-	(32,100,000)
Cash Inflow from Other Borrowings	-	957,335,655
Cash outflow from Other Borrowings	(486,812,362)	(381,372,041)
Payment of Capital portion of Lease Liabilities	(24,527,996)	(12,738,145)
Net Cash Flows from/(Used in) Financing Activities	(511,340,357)	531,125,469
Net Increase in Cash and Cash Equivalents	(84,262,179)	405,484,444
Cash and Cash Equivalents at the beginning of the year	1,676,329,921	1,427,457,256
Cash and Cash Equivalents at the end of the year	1,592,067,742	1,832,941,700

The figures presented above are provisional and subject to Audit.

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ABANS FINANCE PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

	Amortised Cost		Financial Investment Investment FVP&L		Equity Instruments -FVOCI		Total	
As at	30.06.2023 Rs.	31.03.2023 Rs.	30.06.2023	31.03.2023	30.06.2023 Rs.	31.03.2023 Rs.	30.06.2023 Rs.	31.03.2023 Rs.
Assets								
Cash and Bank Balances	781,624,768	371,545,331			-	-	781,624,768	371,545,331
Placements with Banks	447,736,187	433,981,433			-	-	447,736,187	433,981,433
Repurchase Agreements	-	271,331,939			-	-	-	271,331,939
Loans and Advances	1,048,666,196	1,019,648,500			-	-	1,048,666,196	1,019,648,500
Lease rentals receivable & Stock out on hire	7,611,754,904	7,787,483,346			-	-	7,611,754,904	7,787,483,346
Financial Investments at Fair Value through P&L	-	-	8,585,430	8,613,335	-	-	8,585,430	8,613,335
Equity instruments at fair value through OCI	-	-			80,400	80,400	80,400	80,400
Debt instruments at amortised cost	382,337,520	713,692,026			-	-	382,337,520	713,692,026
Other financial assets	101,498,335	112,611,633			-	-	101,498,335	112,611,633
Total Financial Assets	10,373,617,910	10,710,294,208	8,585,430	8,613,335	80,400	80,400	10,382,283,740	10,718,987,943

	OFL at Amortized Cost		Total	
	30.06.2023 Rs.	31.03.2023 Rs.	30.06.2023 Rs.	31.03.2023 Rs.
Liabilities				
Due to Banks	19,560,845	2,087,507	19,560,845	2,087,507
Due to Customers	5,542,212,960	5,376,613,892	5,542,212,960	5,376,613,892
Debt Instruments Issued & Other borrowed funds	1,454,789,560	1,953,023,415	1,454,789,560	1,953,023,415
Other Financial Liabilities	554,780,137	561,484,648	554,780,137	561,484,648
Total Financial Liabilities	7,571,343,502	7,893,209,462	7,571,343,502	7,893,209,462

FVOCI - Fair Value Through Other Comprehensive Income

OFL - Other Financial Liabilities

ABANS FINANCE PLC
FINANCIAL REPORTING BY SEGMENT

	Leasing		Hirepurchase		Term Loans		Others		Total	
FOR THE PERIOD ENDED 30 JUNE	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Interest Income	573,394,187	478,215,343	426,558	78,269	47,612,159	44,959,470	74,194,433	61,795,126	695,627,337	585,048,208
Fee Based Income & Others	32,415,991	26,478,921	1,468,994	634,243	807,887	843,292	3,640,512	11,308	38,333,384	27,967,764
Unallocated Income							842,911	2,830,959	842,911	2,830,959
Total Revenue	605,810,178	504,694,264	1,895,552	712,512	48,420,046	45,802,762	78,677,856	64,637,393	734,803,632	615,846,931
Interest Expenses	(310,157,549)	(150,771,515)	(502,897)	(299,083)	(41,725,672)	(30,017,345)	(45,719,333)	(44,397,680)	(398,105,451)	(225,485,623)
Fee Based Expenses & Others	-	(337,055)	-	-	-	-	(7,924,765)	(5,869,064)	(7,924,766)	(6,206,119)
Impairment Reversal / (Allowance)	24,335,313	(55,262,366)	126,430	(1,234,336)	5,430,738	18,471,321	(31,230,106)	(1,062,339)	(1,337,625)	(39,087,721)
Net Operating Income	319,987,942	298,323,328	1,519,084	(820,907)	12,125,112	34,256,737	(6,196,348)	13,308,310	327,435,790	345,067,468
Unallocated Expenses									(238,794,355)	(230,977,633)
Profits/ (Loss) before Tax									88,641,435	114,089,835
Income Tax expenses									(36,735,365)	(40,545,594)
Net Profit/(Loss) for the period									51,906,070	73,544,241
Other Comprehensive Income									-	-
Total Comprehensive Income for the Year									51,906,070	73,544,241
Segment Assets	7,608,388,906	6,611,659,888	3,365,998	4,440,428	1,048,666,196	1,132,670,023	838,659,136	2,521,430,224	9,499,080,236	10,270,200,563
Unallocated Assets									1,358,013,272	645,764,948
Total Assets	7,608,388,906	6,611,659,888	3,365,998	4,440,428	1,048,666,196	1,132,670,023	838,659,136	2,521,430,224	10,857,093,509	10,915,965,511
Unallocated Liabilities									7,835,224,035	8,417,303,294
Total Liabilities									7,835,224,035	8,417,303,294

(a) . BASIS OF PREPARATION

These Interim Financial Statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 Interim Financial Reporting, and present information required by Listing Rules of the Colombo Stock Exchange.

The accounting policies followed in the preparation of these financial statements are the same as those used in the audited financial statements for the year ended 31 March 2023, except as described in these notes.

These Financial Statements are provisional and subject to audit.

(b). EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date which require disclosure.

(c). CORE CAPITAL

Direction No. 02 of 2017 issued under the Finance Business Act as amended up to 31 December 2020 requires a finance company to have a core capital of at least Rs. 2.5 Bn. By 31st March 2023, the audited core capital fund of the company is Rs. 2.91 Bn.

(d). CREDIT RATING

BBB+ (lka) /RWN, by FITCH Ratings Lanka Ltd

(e). TRADED PRICE PER SHARE

	03 Months Ended 30 June 2023	03 Months Ended 30 June 2022
Highest	Rs. 23.50	Rs. 26.50
Lowest	Rs. 20.00	Rs. 18.50
Closing	Rs. 22.90	Rs. 18.90

(f). MARKET CAPITALIZATION

- Market Capitalization (Rs.)	1,687,573,616
- Float Adjusted Market Capitalization (Rs.)	127,259,079

(g). SHARES HELD BY PUBLIC

- Public Share holding as at 30 June 2023 is, 7.54%
- Number of Public Share Holders as at 30 June 2023 is, 779

(h). SHARES HELD BY DIRECTORS

Name of The Director	30-Jun-23	
	No. of Shares	(%)
MR. RUSI PESTONJEE *	220,660 *	0.33
MR. HIRAN CHAMINDA EMBULDENIYA	NIL	-
Mr. W B W M R A M T G ALUWIHARE	NIL	-
Mr. KALUGAMAGE JOHN CECIL PERERA	NIL	-
Ms. DISHANA SIRINIMALI RATNAYAKE	NIL	-
Mr. S M S SANJAYA BANDARA	NIL	-

*This includes 28,800 shares held jointly with Miss J E S Fernando.

(i). TWENTY LARGEST SHAREHOLDERS

Name of The Shareholder	30-Jun-23	
	No. of Shares	(%)
1 ABANS PLC	37,010,472	50.22
2 IRONWOOD INVESTMENT HOLDING PVT LTD	30,740,406	41.71
3 MR B. PESTONJEE	1,252,697	1.70
4 LOGIRITE (PRIVATE) LIMITED	983,142	1.33
5 ABLE INVESTMENTS (PRIVATE) LIMITED	892,818	1.21
6 MR K. KUNENTHIRAN	516,832	0.70
7 MRS S. DUBASH	213,039	0.29
8 PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	194,340	0.26
9 MR R. PESTONJEE	191,860	0.26
10 A B COLD STORAGE (PVT) LIMITED	159,428	0.22
11 AB SECURITAS (PRIVATE) LIMITED	159,428	0.22
12 CLEANTECH PVT LTD	159,428	0.22
13 MRS A. PESTONJEE	80,000	0.11
14 SEYLAN BANK PLC/SHERMAL HEMAKA JAYASURIYA	78,774	0.11
15 MRS H.I. SALGADO	66,600	0.09
16 PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA & M	52,584	0.07
17 MR G.C. GOONETILLEKE	48,105	0.07
18 AGTRA HOLDINGS (PVT) LTD	36,700	0.05
19 DR K. POOLOGASUNDRAM	36,000	0.05
20 MR R.E. RAMBUKWELLE	34,517	0.05
	72,907,170	98.93
Others	786,001	1.07
Total	73,693,171	100.00