

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 DECEMBER 2021



ABANS FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

	09 Months Ended 31 December			03 Months Ended 31 December		
	2021 Rs.	2020 Rs.	Change	2021 Rs.	2020 Rs.	Change
	Unaudited	Unaudited		Unaudited	Unaudited	
Income	1,493,848,361	1,333,108,505	12%	544,916,811	510,345,138	6.8%
Interest Income	1,383,988,236	1,236,841,081	11.9%	499,304,588	468,891,383	6.5%
Interest Expenses	(404,925,162)	(518,328,721)	-21.9%	(134,469,269)	(152,832,326)	-12%
Net Interest Income	979,063,075	718,512,360	36.3%	364,835,319	316,059,058	15%
Fee and Commission Income	100,721,338	78,237,951	28.7%	39,647,173	29,619,496	34%
Fee and Commission Expenses	(15,859,360)	(10,149,263)	56.3%	(4,967,011)	(5,687,129)	-13%
Net Fee and Commission Income	84,861,979	68,088,689	24.6%	34,680,161	23,932,368	45%
Net Gain /(Loss) from Trading	240,000	320,000		240,000	-	
Other Operating Income (net)	8,898,786	17,709,473	-49.8%	5,725,050	11,834,258	-52%
Total Operating Income	1,073,063,840	804,630,521	33.4%	405,480,531	351,825,684	15%
Credit Loss Expense on Financial Assets and Other Losses	(53,153,028)	(85,664,313)	-38.0%	20,638,586	(1,944,226)	-1162%
Net Operating Income	1,019,910,812	718,966,209	41.9%	426,119,117	349,881,457	22%
Operating Expenses						
Personnel Costs	(236,935,147)	(189,863,077)	24.8%	(81,322,998)	(68,014,659)	20%
Depreciation & Amortization	(49,304,793)	(52,680,446)	-6.4%	(16,833,909)	(19,125,370)	-12%
Other Operating Expenses	(201,961,393)	(142,342,166)	41.9%	(62,568,581)	(48,999,649)	28%
Operating Profit before Value Added Tax on FS & Levy	531,709,478	334,080,520	59.2%	265,393,629	213,741,779	24%
Taxes on Financial Services	(97,969,788)	(64,003,864)	53.1%	(48,070,043)	(34,499,448)	39%
Profit / (Loss) before Taxation from Operations	433,739,690	270,076,656	60.6%	217,323,586	179,242,331	21%
Income Tax (Expense)/Reversal	(127,614,093)	(81,818,772)	56.0%	(71,800,879)	(54,568,474)	32%
Profit/(Loss) for the Period	306,125,597	188,257,884	62.6%	145,522,707	124,673,857	17%
Other Comprehensive Income for the Period, Net of Tax	-	-		-	-	
Total Comprehensive Income for the Period	306,125,597	188,257,884	62.6%	145,522,707	124,673,857	17%
Earnings Per Share	4.60	2.83		2.19	1.87	

The figures presented above are provisional and subject to Audit.

11th February 2022
Colombo

ABANS FINANCE PLC**STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2021

	Change	DECEMBER'2021 Rs. (Un Audited)	MARCH '2021 Rs. (Audited)
Assets			
Cash and Bank Balances	-24.5%	170,729,573	226,092,543
Placements with Banks	24.2%	257,474,393	207,264,972
Securities Purchased under Repurchase Agreement	-28.8%	671,234,922	942,235,676
Money Market Investments		204,717,642	-
Financial Investments - Debt Securities		50,941,781	-
Loans and Advances	-18.7%	1,122,199,904	1,379,508,592
Lease Rentals Receivable & Stock Out on Hire	6.3%	6,408,435,209	6,027,133,949
Equity instruments at fair value through OCI	0.0%	80,400	80,400
Debt instruments at amortised cost	4022.7%	564,163,304	13,684,192
Other Financial Assets	-16.8%	83,106,497	99,842,557
Real Estate Stock	0.0%	31,066,726	31,066,726
Other Non Financial Assets	19.3%	58,812,603	49,289,851
Intangible Assets	-13.1%	29,429,678	33,866,422
Property, Plant & Equipment	4.3%	152,253,782	146,041,713
Right of use Asset	190.0%	181,219,349	62,490,872
Deferred Tax Asset	-100.0%	-	9,815,140
Total Assets	8.2%	9,985,865,763	9,228,413,605
Liabilities			
Due to Banks	-46.2%	204,572,360	380,234,236
Due to Customers	-1.4%	4,848,624,705	4,918,802,137
Debt Inst. Issued and Other Borrowed Funds	43.4%	1,736,031,328	1,210,632,535
Other Financial Liabilities	23.0%	659,029,859	535,607,003
Other Non Financial Liabilities	272.2%	59,092,147	15,877,158
Retirement Benefit Liability	21.7%	32,887,801	27,014,926
Current Tax Liabilities	-2.0%	144,363,743	147,245,448
Deferred Tax Liability		2,138,060	-
Total Liabilities	6.2%	7,686,740,003	7,235,413,443
Shareholders' Funds			
Stated Capital	0.0%	1,121,412,955	1,121,412,955
Statutory Reserve	0.0%	191,107,439	191,107,439
Revaluation Reserve	0.0%	70,403,907	70,403,907
Retained Earnings	50.2%	916,201,458	610,075,861
Total Shareholders' Funds	15.4%	2,299,125,760	1,993,000,162
Total Liabilities and Shareholders' Funds	8.2%	9,985,865,763	9,228,413,605
Commitments and Contingencies		267,976,945	319,321,141
Net Assets Per Share		34.54	29.94

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

Sgd
BGP 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,

Sgd
Cecil Perera
Director

Sgd
Hiran Embuldeniya
Director

11th February 2022
Colombo

ABANS FINANCE PLC
STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED

	Stated Capital Rs.	Retained Earnings Rs.	Revaluation Reserve	Statutory Reserve Rs.	Total Rs.
Balance as at 01 April 2020	1,121,412,955	382,235,796	-	133,669,249	1,637,318,000
Net Profit / (Loss) for the Period	-	188,257,884	-	-	188,257,884
Balance as at 31 December 2020	1,121,412,955	570,493,680	-	133,669,249	1,825,575,884
Balance as at 01 April 2021	1,121,412,955	610,075,861	70,403,907	191,107,440	1,993,000,163
Net Profit / (Loss) for the Period	-	306,125,597	-	-	306,125,597
Balances as at 31 December 2021	1,121,412,955	916,201,458	70,403,907	191,107,440	2,299,125,760

11th February 2022
Colombo

CASH FLOW STATEMENT

FOR THE PERIOD ENDED

Cash Flows From / (Used in) Operating Activities

Profit / (Loss) Before Income Tax Expense

Adjustments for

Depreciation

Amortisation of Intangible Assets

Allowance for impairment

Loss/(Profit) on Disposal of Property, Plant & Equipment

Provision/(reversal) for Defined Benefit Plans

Dividend Received

Interest Accrued on Borrowings

Operating Profit before Working Capital Changes

(Increase)/Decrease in Real Estate Stock

(Increase)/Decrease in Loans and Advances

(Increase)/Decrease in Lease Rentals Receivable & Stock out on hire

(Increase)/Decrease in Other Financial Assets

(Increase)/Decrease in Right-of-use Assets

(Increase)/Decrease in Other Non Financial Assets

Increase/(Decrease) in Amounts Due to Customers

Increase/(Decrease) in Other Financial Liabilities

Increase/(Decrease) in Other Non Financial Liabilities

Cash Generated from Operations

Retirement Benefit Liabilities Paid

Interest paid on Bank and Other Borrowings

Taxes Paid

Net Cash From/(Used in) Operating Activities

Cash Flows from / (Used in) Investing Activities

Acquisition of Property, Plant & Equipment

Acquisition of Intangible Assets

Proceeds from Sales of Property, Plant & Equipment

Sale/(Purchase) of Placement with banks

Disposal/(Acquisition) of Debt instruments at amortised cost

Investment in Money Market

Dividends Received

Net Cash Flows from/(Used in) Investing Activities

Cash Flows from / (Used in) Financing Activities

Repayment of Borrowings

Borrowings through Commercial Papers

Borrowings through Securitization

Repayment of Securitization

Cash Flow from Debt Instruments Issued and Other borrowings

Net Cash Flows from/(Used in) Financing Activities

Net Increase in Cash and Cash Equivalents
Cash and Cash Equivalents at the beginning of the year
Cash and Cash Equivalents at the end of the year
**31st December 2021
Rs.**
**31st December 2020
Rs.**

433,739,690

270,076,656

44,868,052

46,163,360

4,436,741

6,517,086

53,153,028

85,664,313

(3,990)

53,168

6,750,000

4,050,000

(240,000)

(320,000)

100,989,464

113,393,382

643,692,985
525,597,965

-

8,246,487

255,311,472

495,947,525

(418,886,467)

43,506,540

3,165,455

(6,935,064)

(151,528,532)

(23,148,108)

(9,522,753)

10,327,077

(70,177,432)

(548,428,150)

123,422,855

5,436,629

43,214,989

(2,367,921)

418,692,574
508,182,980

(877,125)

(538,750)

(73,509,565)

(119,921,285)

(118,542,598)

(22,584,535)

225,763,285
365,138,410

(18,281,077)

(3,506,634)

-

(12,523,001)

5,000

99,000

(52,165,090)

(767,018)

(49,325,318)

7,730,258

(204,717,642)

-

240,000

320,000

(324,244,127)
(8,647,395)

(96,300,000)

(230,092,424)

371,329,364

-

603,000,000

695,250,974

(476,500,000)

(487,035,428)

-

2,440,810

401,529,364
(19,436,067)
303,048,522
337,054,948

1,225,146,193

540,071,245

1,528,194,715
877,126,193

The figures presented above are provisional and subject to Audit.

 11th February 2022
Colombo

ABANS FINANCE PLC
ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS
Amortised Cost
Equity Instruments -FVOCI
Total

As at	31.12.2021 Rs.	31.03.2021 Rs.	31.12.2021 Rs.	31.03.2021 Rs.	31.12.2021 Rs.	31.03.2021 Rs.
Assets						
Cash and Bank Balances	170,729,573	226,092,543	-	-	170,729,573	226,092,543
Placements with Banks	257,474,393	207,264,972	-	-	257,474,393	207,264,972
Repurchase Agreements	671,234,922	942,235,676			671,234,922	942,235,676
Financial Investments - Debt Securities	50,941,781	-	-	-	50,941,781	-
Money Market Investments	204,717,642	-			204,717,642	-
Loans and Advances	1,122,199,904	1,379,508,592	-	-	1,122,199,904	1,379,508,592
Lease rentals receivable & Stock out on hire	6,408,435,209	6,027,133,949	-	-	6,408,435,209	6,027,133,949
Equity instruments at fair value through OCI	-	-	80,400	80,400	80,400	80,400
Debt instruments at amortised cost	564,163,304	13,684,192			564,163,304	13,684,192
Other financial assets	83,106,497	99,842,557	-	-	83,106,497	99,842,557
Total Financial Assets	9,533,003,223	8,895,762,482	80,400	80,400	9,533,083,623	8,895,842,881

OFL at Amortized Cost
Total

	31.12.2021 Rs.	31.03.2021 Rs.	31.12.2021 Rs.	31.03.2021 Rs.
Liabilities				
Due to Banks	204,572,360	380,234,236	204,572,360	380,234,236
Due to Customers	4,848,624,705	4,918,802,137	4,848,624,705	4,918,802,137
Debt Instruments Issued & Other borrowed funds	1,736,031,328	1,210,632,535	1,736,031,328	1,210,632,535
Other Financial Liabilities	659,029,859	535,607,003	659,029,859	535,607,003
Total Financial Liabilities	7,448,258,252	7,045,275,911	7,448,258,252	7,045,275,911

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 31 DECEMBER	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.
Interest Income	1,170,265,509	926,381,380	2,599,113	61,889	159,426,689	280,184,277	51,696,924	30,213,535	1,383,988,236	1,236,841,081
Fee Based Income & Others	95,589,501	74,636,053	2,888,544	1,711,124	2,191,944	1,543,758	51,349	8,455,346	100,721,338	86,346,280
Unallocated Income							9,138,786	9,921,145	9,138,786	9,921,145
Total Revenue	1,265,855,011	1,001,017,433	5,487,657	1,773,012	161,618,634	281,728,034	60,887,060	48,590,026	1,493,848,361	1,333,108,506
Interest Expences	(280,176,634)	(364,928,540)	(1,047,803)	(1,261,951)	(56,574,882)	(104,259,009)	(67,125,842)	(47,879,220)	(404,925,162)	(518,328,721)
Fee Based Expences & Others	(6,097,222)	(2,480,696)	-	-	(459,000)	-	(9,303,138)	(7,668,566)	(15,859,360)	(10,149,262)
Impairment Reversal / (Allowance)	(37,431,030)	(1,392,727)	(154,177)	(4,959)	(1,997,217)	(23,427,877)	(13,570,604)	(60,838,750)	(53,153,028)	(85,664,313)
Net Operating Income	942,150,125	632,215,470	4,285,676	506,102	102,587,535	154,041,148	(29,112,524)	(67,796,511)	1,019,910,812	718,966,209
Unallocated Expenses									(586,171,122)	(448,889,553)
Profits/ (Loss) before Tax									433,739,690	270,076,656
Income Tax expenses									(127,614,093)	(81,818,772)
Net Profit /(Loss) for the period									306,125,597	188,257,884
Segment Assets	6,382,704,486	5,789,505,495	25,743,166	19,917,893	1,122,199,904	1,400,720,133	1,774,014,246	776,797,851	9,304,661,802	7,986,941,372
Unallocated Assets									681,203,961	583,694,435
Total Assets	6,382,704,486	5,789,505,495	25,743,166	19,917,893	1,122,199,904	1,400,720,133	1,774,014,246	776,797,851	9,985,865,763	8,570,635,807
Unallocated Liabilities									7,686,740,003	6,745,059,923
Total Liabilities									7,686,740,003	6,745,059,923

ABANS FINANCE PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021****(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 2021, 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 except as described in the notes.

(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 whereas Abans Finance pls is only having Rs. 2.23Bn and as per the Direction of Central Bank of Sri Lanka it requires the amount of deposits accepted by the company not to exceed Rs. 6 billion by the reporting date. The amount of deposits held by the company as at the end of the reporting period was Rs. 4.8 Bn. CBSL has issued another direction on 08/02/2022 to the company restricting the deposit cap to Rs. 5 billion whereas the actual deposit balance is only Rs. 4.34Bn.

(d). CREDIT RATING

A - (lka) /rating outlook evolving, by FITCH Ratings Lanka Ltd , as per the new rating report issued on 10.02.2022

(e). TRADED PRICE PER SHARE

	03 Months Ended 31 December 2021	03 Months Ended 31 December 2020
Highest	Rs. 40.00	Rs.29.70
Lowest	Rs. 24.00	Rs.27.20
Closing	Rs. 32.00	Rs.27.40

(f). MARKET CAPITALIZATION

- Market Capitalization (Rs.)	2,129,970,336
- Float Adjusted Market Capitalization (Rs.)	172,504,320

ABANS FINANCE PLC**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
FOR THE PERIOD ENDED 31 DECEMBER 2021****(g). SHARES HELD BY PUBLIC**

- Public Share holding as at 31 December 2021 is, 8.099%
- Number of Public Share Holders as at 31 December 2021 is, 762

(h). SHARES HELD BY DIRECTORS

Name of The Director	31 December 2021	
	No.of Shares	(%)
Mr. R Pestonjee	220,660 *	0.33
Mr. A S Ratnayake	NIL	-
Mr. H C Embuldeniya	NIL	-
Mr. W B W M R A M T G Aluwihare	NIL	-
Mr. K J C Perera	NIL	-
Ms. D S Ratnayake	NIL	-

* This includes 28,800 Shares Held Jointly.

(i). TWENTY LARGEST SHAREHOLDERS

Name of The Shareholder	31 December 2021	
	No.of Shares	(%)
1 Abans PLC	33,063,877	49.67%
2 Ironwood Investment Holding Pvt Ltd	27,881,236	41.89%
3 Mr.P.N.Pestonjee (Deceased)	911,520	1.37%
4 Able Investments (Private) Limited	806,917	1.21%
5 Mr.K.Kunenthiran	466,816	0.70%
6 Mrs.S.C.Henagama Gamage	444,000	0.67%
7 Mrs.C.V.Sumanadasa	444,000	0.67%
8 Mr.B.Pestonjee	308,160	0.46%
9 Mr.R.Pestonjee	220,660	0.33%
10 Mrs.S.Dubash	192,423	0.29%
11 Peoples Leasing & Finance PLC/L. P. Hapangama	155,482	0.23%
12 A B Cold Storage (Pvt) Limited	144,000	0.22%
13 A B Securitas (Private) Limited	144,000	0.22%
14 Cleantech Pvt Ltd	144,000	0.22%
15 Seylan Bank PLC/Shermal Hemaka Jayasuriya	130,000	0.20%
16 Merchant Bank of Sri Lanka & Finance PLC 01	80,000	0.12%
17 Mrs.H.I.Salgado	66,600	0.10%
18 Mr.G.C.Goonetilleke	48,105	0.07%
19 Dr. K.Poologasundaram	36,000	0.05%
20 People's Leasing & Finance PLC / Dr. H.S.D Soysa & M	35,030	0.05%
	65,722,826	98.74%
Others	838,747	1.26%
Total	66,561,573	100.00%