

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2023



STATEMENT OF COMPREHENSIVE INCOME

	12 Months Ended 31 March			03 Months Ended 31 March		
	2023 Rs.	2022 Rs.	Change	2023 Rs.	2022 Rs.	Change
	Unaudited	Audited		Unaudited	Unaudited	
Income	2,857,850,499	2,122,022,276	34.68%	855,807,380	628,125,969	36.2%
Interest Income	2,651,738,774	1,932,052,227	37.2%	772,674,904	552,781,632	39.8%
Interest Expense	(1,230,834,778)	(547,034,438)	125.0%	(389,964,540)	(142,109,276)	174%
Net Interest Income	1,420,903,996	1,385,017,788	2.6%	382,710,364	410,672,356	-7%
Fee and Commission Income	190,985,039	161,686,574	18.1%	74,200,381	60,917,290	22%
Fee and Commission Expense	(26,548,115)	(21,674,478)	22.5%	(9,809,328)	(5,767,172)	70%
Net Fee and Commission Income	164,436,924	140,012,096	17.4%	64,391,053	55,150,118	17%
Net Gain from Trading	2,650,600	6,443,343		1,255,593	1,485,701	
Other Operating Income (net)	12,476,086	21,840,132	-42.9%	7,676,502	12,941,346	-41%
Total Operating Income	1,600,467,606	1,553,313,360	3.0%	456,033,512	480,249,521	-5%
Credit Loss Expense on Financial Assets and Other Losses	(82,156,788)	(130,500,395)	-37.0%	(7,563,371)	(77,347,367)	-90%
Net Operating Income	1,518,310,818	1,422,812,965	6.7%	448,470,142	402,902,153	11%
Operating Expenses						
Personnel Costs	(399,834,365)	(335,541,770)	19.2%	(92,316,018)	(98,606,622)	-6%
Depreciation & Amortization	(66,347,264)	(65,188,794)	1.8%	(17,056,839)	(15,884,001)	7%
Other Operating Expenses	(369,634,023)	(282,140,919)	31.0%	(89,735,666)	(80,179,525)	12%
Operating Profit before Value Added Tax on Financial Services	682,495,166	739,941,483	-7.8%	249,361,619	208,232,004	20%
Taxes on Financial Services	(149,266,744)	(124,703,277)	19.7%	(49,463,440)	(26,733,489)	85%
Profit before Taxation from Operations	533,228,422	615,238,206	-13.3%	199,898,179	181,498,516	10%
Income Tax Expense	(178,165,932)	(184,929,414)	-3.7%	(54,579,516)	(57,315,321)	-5%
Profit for the Period	355,062,490	430,308,792	-17.5%	145,318,663	124,183,195	17%
Other Comprehensive Income		430,308,791				
Items that will not be reclassified to profit or loss						
Actuarial Gains/(Losses) on Defined Benefit Plan	(3,108,334)	2,380,293		(3,108,334)	2,380,293	
Deferred Tax effect on above	932,500	(571,270)		932,500	(571,270)	
Net Other Comprehensive Gain/Loss not to be re classified to	(2,175,834)	1,809,023		(2,175,834)	1,809,023	
Items that will be reclassified to profit or loss						
Surplus from Revaluation of Property, Plant & Equipment	80,000	-		80,000	-	
Deferred Tax Effect of above	(24,000)	-		(24,000)	-	
Tax change impact on Revaluation Reserve	(7,781,972)	-				
	(7,725,972)	-		56,000	-	
Other Comprehensive Income for the Period, Net of Tax	(9,901,806)	1,809,023		(2,119,834)	1,809,023	
Total Comprehensive Income for the Period	345,160,684	432,117,815	-20.1%	143,198,829	125,992,218	14%
Earnings Per Share	4.82	6.46		1.97	1.87	

The figures presented above are provisional and subject to Audit.

ABANS FINANCE PLC
STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Change	March'2023 Rs. (Un Audited)	March'2022 Rs. (Audited)
Assets			
Cash and Bank Balances	102.1%	371,545,331	183,803,274
Placements with Banks	-10.6%	433,981,433	485,662,416
Repurchase Agreement	6.4%	271,331,939	255,049,144
Loans and Advances	-8.1%	1,019,648,501	1,109,139,474
Lease Rentals Receivable & Stock Out on Hire	11.3%	7,787,483,346	6,999,758,895
Financial Investment at Fair Value Through P&L	-97.0%	8,613,335	291,202,975
Equity instruments at fair value through OCI	0.0%	80,400	80,400
Debt instruments at amortised cost	21.5%	713,692,026	587,159,325
Other Financial Assets	1.5%	112,611,633	110,968,742
Real Estate Stock	20.0%	38,468,202	32,066,726
Other Non Financial Assets	52.6%	88,215,996	57,812,919
Property, Plant & Equipment	10.3%	168,485,710	152,722,069
Intangible Assets	-17.3%	23,126,958	27,950,766
Right of use Asset	-13.6%	151,375,431	175,125,283
Total Assets	6.9%	11,188,660,243	10,468,502,408
Liabilities			
Due to Banks	-98.5%	2,087,507	138,597,100
Due to Customers	20.9%	5,376,613,892	4,448,008,287
Other Borrowed Funds	-23.5%	1,953,023,414	2,552,107,092
Other Financial Liabilities	-12.9%	561,484,645	644,871,381
Other Non Financial Liabilities	36.7%	59,890,451	43,821,143
Current Tax Liabilities	22.8%	214,913,360	175,080,456
Deferred Tax Liability	-0.4%	13,251,026	13,298,360
Retirement Benefit Liability	35.6%	37,432,542	27,600,613
Total Liabilities	2.2%	8,218,696,838	8,043,384,432
Shareholders' Funds			
Stated Capital	17.8%	1,321,097,699	1,121,412,955
Statutory Reserve Fund	6.4%	294,922,324	277,169,198
Revaluation Reserve	-11.0%	62,677,935	70,403,907
Retained Earnings	35.1%	1,291,265,448	956,131,916
Total Shareholders' Funds	22.5%	2,969,963,405	2,425,117,976
Total Liabilities and Shareholders' Funds	6.9%	11,188,660,243	10,468,502,408
Commitments and Contingencies		-	-
Net Assets Per Share		40.30	36.43

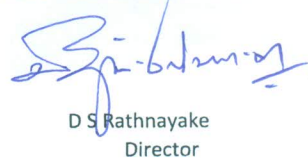
The figures presented above are provisional and subject to Audit.

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


 B.P. 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,


 K J C Perera
 Director


 D S Rathnayake
 Director

25th May 2023
 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 2021	1,121,412,955	610,075,861	70,403,907	191,107,440	1,993,000,163
Net Profit / (Loss) for the Period	-	430,308,792	-	-	430,308,792
Other Comprehensive Income Net of Tax	-	1,809,022	-	-	1,809,022
Transfer to / (from) during the Period	-	(86,061,758)	-	86,061,758	-
Transfer to / (from) Investment Fund Reserve	-	-	-	-	-
Balance as at 31 March 2022	1,121,412,955	956,131,917	70,403,907	277,169,198	2,425,117,977
Balance as at 01 April 2022	1,121,412,955	956,131,916	70,403,907	277,169,198	2,425,117,976
Rights Issue	199,684,744				199,684,744
Net Profit / (Loss) for the Period		355,062,490	-	-	355,062,491
Other Comprehensive Income net of tax		(2,175,834)			(2,175,834)
Transfer to Statutory Reserve Fund		(17,753,125)		17,753,125	-
Revaluation Gain From Land Revaluation			(7,725,972)		(7,725,972)
Balances as at 31 March 2023	1,321,097,699	1,291,265,446	62,677,935	294,922,323	2,969,963,405

25th May 2023
Colombo

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED

	2023 Rs.	2022 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit before Income Tax Expense	533,228,423	615,238,205
Adjustments for		
Depreciation	16,693,990	15,775,818
Amortization of Intangible Assets	6,004,182	5,915,655
Amortization of Right to use assets	43,972,272	43,497,322
Interest Expense on Borrowings	438,608,327	142,002,027
Interest Expense on Lease Liability	17,408,500	13,543,777
Impairment Provision	82,156,788	130,500,395
Loss/(Profit) from Sale of Unit Trust	(2,410,360)	(6,203,343)
Loss/(Profit) on Disposal of Property & Equipment	888,197	(3,990)
Provision/(Reversal) for Defined Benefit Plans	9,287,345	5,261,365
Dividend Received	(240,240)	(240,000)
Operating Profit before Working Capital Changes	1,145,597,424	965,287,231
(Increase)/Decrease in Real Estate Stock	(6,401,476)	(1,000,000)
(Increase)/Decrease in Loans and Advances	99,106,479	247,937,550
(Increase)/Decrease in Lease Rentals Receivable & Stock out on	(790,784,585)	(1,062,798,619)
(Increase)/Decrease in Other Financial Assets	(90,355,050)	(29,021,340)
(Increase)/Decrease in Other Non Financial Assets	(30,403,077)	(8,523,067)
Increase/(Decrease) in Amounts Due to Customers	928,605,605	(470,793,850)
Increase/(Decrease) in Other Financial Liabilities	(68,415,197)	(8,521,225)
Increase/(Decrease) in Other Non Financial Liabilities	16,069,308	27,943,985
Cash Generated from Operations	1,203,019,429	(339,489,335)
Interest Expense Paid	(219,096,930)	(99,483,344)
Retirement Benefit Liabilities Paid	(2,563,751)	(2,295,385)
Taxes Paid	(145,253,835)	(134,552,174)
Net Cash From/(Used in) Operating Activities	836,104,913	(575,820,238)
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(32,942,647)	(22,457,183)
Acquisition of Intangible Assets	(1,180,375)	-
Proceeds from Sales of Property, Plant & Equipment	(1,583,556)	5,000
Cash Flow from/(Used in) Fixed Deposits	(97,319,400)	4,915,471
Sale/(Purchase) of Debt Instruments at Amortised Cost	336,127,928	(323,237,950)
Dividend Received	240,240	240,000
Net Cash Flows from/(Used in) Investing Activities	203,342,190	(340,534,662)
Cash Flows from / (Used in) Financing Activities		
Cash Outflow from Long Term Bank Borrowings	(121,116,610)	(128,400,000)
Cash Inflow from Other Borrowings	828,532,470	1,979,015,444
Cash outflow from Other Borrowings	(1,647,127,542)	(680,059,569)
Payment of Capital portion of Lease Liabilities	(50,547,501)	(51,889,911)
Proceeds from the right issue	199,684,744	
Net Cash Flows from/(Used in) Financing Activities	(790,574,439)	1,118,665,964
Net Increase in Cash and Cash Equivalents	248,872,664	202,311,064
Cash and Cash Equivalents at the beginning of the year	1,427,457,257	1,225,146,193
Cash and Cash Equivalents at the end of the year	1,676,329,921	1,427,457,257

Financial Assets	Amortised Cost		Financial Investment FVT P&L		Equity Instruments -FVOCI		Total	
As at 31 March 2023	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Assets								
Cash and Bank Balances	371,545,331	183,803,274			-	-	371,545,331	183,803,274
Placements with Banks	433,981,433	485,662,416			-	-	433,981,433	485,662,416
Repurchase Agreements	271,331,939	255,049,144					271,331,939	255,049,144
Loans and Advances	1,019,648,501	1,109,139,474			-	-	1,019,648,501	1,109,139,474
Lease rentals receivable & Stock out on hire	7,787,483,346	6,999,758,895			-	-	7,787,483,346	6,999,758,895
Financial Investments & Fair Value through P&L		-	8,613,335	291,202,975		-	8,613,335	291,202,975
Equity instruments at fair value through OCI	-	-			80,400	80,400	80,400	80,400
Debt instruments at amortised cost	713,692,026	587,159,325					713,692,026	587,159,325
Other financial assets	112,611,617	110,968,742			-	-	112,611,617	110,968,742
Total Financial Assets	10,710,294,194	9,731,541,270	8,613,335	291,202,975	80,400	80,400	10,718,987,929	10,022,824,645

	OFL at Amortized Cost		Total	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	Rs.	Rs.	Rs.	Rs.
Liabilities				
Due to Banks	2,087,507	138,597,100	2,087,507	138,597,100
Due to Customers	5,376,613,892	4,448,008,287	5,376,613,892	4,448,008,287
Other borrowed funds	1,953,023,414	2,552,107,092	1,953,023,414	2,552,107,092
Other Financial Liabilities	561,484,645	644,871,382	561,484,645	644,871,382
Total Financial Liabilities	7,893,209,459	7,783,583,861	7,893,209,459	7,783,583,861

FVTP&L -Fair Value Through P&L

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 MARCH	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.	2023 Rs.	2022 Rs.
Interest Income	2,165,995,074	1,668,820,856	(21,008,871)	2,896,639	199,372,607	191,076,821	307,379,964	69,257,910	2,651,738,774	1,932,052,227
Fee Based Income & Others	176,073,888	151,588,572	8,624,077	5,587,756	2,408,739	4,444,792	4,118,569	305,452	191,225,272	161,926,572
Unallocated Income	-	-	-	-	-	-	14,886,446	28,043,475	14,886,446	28,043,475
Total Revenue	2,342,068,961	1,820,409,428	(12,384,794)	8,484,395	201,781,346	195,521,614	326,384,978	97,606,837	2,857,850,493	2,122,022,273
Interest Expenses	(899,976,032)	(387,453,503)	(2,754,493)	(1,340,811)	(156,775,414)	(74,274,981)	(171,328,840)	(83,965,144)	(1,230,834,777)	(547,034,438)
Fee Based Expenses & Others	(242,355)	(5,727,522)	-	-	(138,000)	(393,000)	(26,167,761)	(15,553,956)	(26,548,116)	(21,674,478)
Impairment Reversal / (Allowance)	(3,106,484)	(89,860,210)	(8,664)	(313,461)	9,539,453	(22,431,568)	(88,581,092)	(17,895,155)	(82,156,789)	(130,500,395)
Net Operating Income	1,435,637,606	1,337,368,193	(15,147,950)	6,830,123	54,407,385	98,422,065	40,307,287	(19,807,417)	1,518,310,811	1,422,812,963
Unallocated Expenses	-	-	-	-	-	-	-	-	(985,082,396)	(807,574,759)
Profits/ (Loss) before Tax									533,228,415	615,238,203
Income Tax expenses	-	-	-	-	-	-	-	-	(178,165,932)	(184,929,414)
Net Profit/(Loss) for the period									355,062,483	430,308,789
Other Comprehensive Income	-	-	-	-	-	-	-	-	(9,901,806)	1,809,023
Total Comprehensive Income for the Year									345,160,677	432,117,812
Segment Assets	7,765,921,041	6,975,423,948	21,562,306	24,334,947	1,019,648,501	1,109,139,474	1,427,618,733	1,619,073,860	10,234,750,581	9,727,972,229
Unallocated Assets	-	-	-	-	-	-	-	-	953,909,640	740,530,179
Total Assets	7,765,921,041	6,975,423,948	21,562,306	24,334,947	1,019,648,501	1,109,139,474	1,427,618,733	1,619,073,860	11,188,660,221	10,468,502,408
Unallocated Liabilities	-	-	-	-	-	-	-	-	8,218,696,836	8,043,384,432
Total Liabilities									8,218,696,836	8,043,384,432

(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 2022, 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 with 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 unaudited core capital fund of the company is Rs. 2.91 Bn.

(d) RIGHTS ISSUE

During the year ,the Company has issued 7,131,598 Shares by way of a Right Issue in the porportion of three (03) new shares for Twenety Eight (28) exsisting shares held in the Stated Capital of the Company.The Shares were listed on 13th October 2022.

The company raised Rs. 199,684,744.00 from the Right Issue and increased the Stated Capital of the Company from Rs.1,121,412,955.00 representing 66,561,573 shares to Rs.1,321,097,699.00 representing 73,693,171 Shares.

(e) THE PURPOSE WHICH THE PROCEEDS OF THE ISSUES ARE TO BE UTILIZED

To fulfill the Minimum Core Capital Requirement stipulated by the Central Bank of Sri Lanka ("CBSL") and the proceeds of Issue. has been utilised for the lending activities of the Company during third quarter. Total loan disbursements during 3rd quarter was Rs. 556,098,462.55.

(f). CREDIT RATING

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

(g). TRADED PRICE PER SHARE

	03 Months Ended 31 March 2023	03 Months Ended 31 March 2022
Highest	Rs. 24.80	Rs. 36.00
Lowest	Rs. 20.00	Rs. 23.00
Closing	Rs. 23.40	Rs. 28.90

(h). MARKET CAPITALIZATION

- Market Capitalization (Rs.)	1,724,420,201
- Float Adjusted Market Capitalization (Rs.)	130,021,283

(i). SHARES HELD BY PUBLIC

- Public Share holding as at 31 March 2023 is, 7.54%
- Number of Public Share Holders as at 31 March 2023 is, 773

(j). SHARES HELD BY DIRECTORS

Name of The Director	31 March 2023	
	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.

(k). TWENTY LARGEST SHAREHOLDERS

Name of The Shareholder	31 March 2023	
	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 SEYLAN BANK PLC/SHERMAL HEMAKA JAYASURIYA	127,200	0.17
14 MRS A. PESTONJEE	80,000	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 DR K. POOLOGASUNDRAM	36,000	0.05
19 MR R.E. RAMBUKWELLE	34,517	0.05
20 SAMPATH BANK PLC/MR. ABISHEK SITHAMPALAM	31,882	0.04
	72,950,778	98.99
Others	742,393	1.01
Total	73,693,171	100.00