

ABANS FINANCE PLC

INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2022



ABANS FINANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

	12 Months Ended 31 March			03 Months Ended 31 March		
	2022 Rs. Unaudited	2021 Rs. Audited	Change	2022 Rs. Unaudited	2021 Rs. Audited	Change
Income	2,122,022,274	1,841,057,823	15%	628,173,915	506,229,149	24.1%
Interest Income	1,932,052,226	1,686,328,068	14.6%	548,063,990	449,486,987	21.9%
Interest Expenses	(547,034,438)	(654,608,735)	-16.4%	(142,109,276)	(136,280,013)	4%
Net Interest Income	1,385,017,788	1,031,719,333	34.2%	405,954,714	313,206,974	30%
Fee and Commission Income	161,686,573	129,899,513	24.5%	60,965,236	49,941,394	22%
Fee and Commission Expenses	(21,674,477)	(22,341,043)	-3.0%	(5,815,118)	(10,471,613)	-44%
Net Fee and Commission Income	140,012,096	107,558,470	30.2%	55,150,118	39,469,781	40%
Net Gain /(Loss) from Trading	6,443,343	320,000		6,203,343	-	
Other Operating Income (net)	21,840,132	24,510,242	-10.9%	12,941,346	6,800,768	90%
Total Operating Income	1,553,313,359	1,164,108,045	33.4%	480,249,521	359,477,523	34%
Credit Loss Expense on Financial Assets and Other Losses	(130,500,395)	(108,266,753)	20.5%	(77,347,367)	(22,602,440)	242%
Net Operating Income	1,422,812,964	1,055,841,292	34.8%	402,902,154	336,875,083	20%
Operating Expenses						
Personnel Costs	(335,541,769)	(273,473,301)	22.7%	(98,606,621)	(83,610,227)	18%
Depreciation & Amortization	(65,188,794)	(68,844,612)	-5.3%	(15,884,001)	(16,164,167)	-2%
Other Operating Expenses	(282,140,919)	(190,643,922)	48.0%	(80,179,525)	(48,301,755)	66%
Operating Profit before Value Added Tax on FS & Levy	739,941,482	522,879,458	41.5%	208,232,006	188,798,934	10%
Taxes on Financial Services	(124,703,277)	(95,713,451)	30.3%	(26,733,489)	(31,709,587)	-16%
Profit / (Loss) before Taxation from Operations	615,238,205	427,166,006	44.0%	181,498,517	157,089,347	16%
Income Tax (Expense)/Reversal	(184,929,414)	(139,975,056)	32.1%	(57,315,321)	(58,156,284)	-1%
Profit/(Loss) for the Period	430,308,791	287,190,950	49.8%	124,183,196	98,933,063	26%
Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
Actuarial Gains/(Losses) on Defined Benefit Plan	2,380,293	(2,516,706)		2,380,293	(2,516,706)	-195%
Deferred Tax effect on above	(571,270)	604,010		(571,270)	604,010	-195%
Net Other Comprehensive Gain/Loss not to be re classified to	1,809,023	(1,912,697)		1,809,023	(1,912,697)	-195%
Items that will be reclassified to profit or loss						
Surplus from Revaluation of Property, Plant & Equipment	-	89,459,907		-	89,459,907	-100%
Deferred Tax Effect of above	-	(19,056,000)		-	(19,056,000)	-100%
	-	70,403,907		-	70,403,907	-100%
Other Comprehensive Income for the Period, Net of Tax	1,809,023	68,491,211		1,809,023	68,491,211	-97%
Total Comprehensive Income for the Period	432,117,814	355,682,161	21.5%	125,992,219	167,424,273	-25%
Earnings Per Share	6.46	4.31		1.87	1.49	

The figures presented above are provisional and subject to Audit.

27th May 2022
Colombo

ABANS FINANCE PLC**STATEMENT OF FINANCIAL POSITION**

AS AT 31 March 2022

	Change	March'2022 Rs. (Unaudited)	March '2021 Rs. (Audited)
Assets			
Cash and Bank Balances	-18.7%	183,803,274	226,092,543
Placements with Banks	134.3%	485,662,416	207,264,972
Securities Purchased under Repurchase Agreement	-72.9%	255,049,144	942,235,676
Loans and Advances	-19.6%	1,109,139,474	1,379,508,592
Lease Rentals Receivable & Stock Out on Hire	16.1%	6,999,758,895	6,027,133,949
Financial Investments at Fair Value through P&L	100.0%	291,202,975	-
Equity Instruments at Fair Value through OCI	0.0%	80,400	80,400
Debt instruments at Amortised Cost	4190.8%	587,159,325	13,684,192
Other Financial Assets	11.1%	110,968,742	99,842,557
Real Estate Stock	3.2%	32,066,726	31,066,726
Other Non Financial Assets	17.3%	57,812,919	49,289,851
Property, Plant & Equipment	4.6%	152,722,069	146,041,713
Intangible Assets	-17.5%	27,950,766	33,866,422
Right of use Asset	180.2%	175,125,283	62,490,872
Deferred Tax Asset	-100.0%	-	9,815,140
Total Assets	13.4%	10,468,502,408	9,228,413,605
Liabilities			
Due to Banks	-63.5%	138,597,100	380,234,236
Due to Customers	-9.6%	4,448,008,287	4,918,802,137
Debt Inst. Issued and Other Borrowed Funds	110.8%	2,552,107,092	1,210,632,535
Other Financial Liabilities	20.4%	644,871,381	535,607,003
Other Non Financial Liabilities	176.0%	43,821,143	15,877,158
Retirement Benefit Liability	2.2%	27,600,613	27,014,926
Current Tax Liabilities	18.9%	175,080,456	147,245,448
Deferred Tax Liability	100.0%	13,298,360	-
Total Liabilities	11.2%	8,043,384,432	7,235,413,443
Shareholders' Funds			
Stated Capital	0.0%	1,121,412,955	1,121,412,955
Statutory Reserve	45.0%	277,169,198	191,107,440
Revaluation Reserve	0.0%	70,403,907	70,403,907
Retained Earnings	56.7%	956,131,916	610,075,860
Total Shareholders' Funds	21.7%	2,425,117,976	1,993,000,162
Total Liabilities and Shareholders' Funds	13.4%	10,468,502,408	9,228,413,605
Commitments and Contingencies			
		-	267,976,945
Net Assets Per Share		36.43	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

27th May 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	-	133,669,250	1,637,318,001
Net profit for the year	-	287,190,950			287,190,950
Other Comprehensive Income Net of Tax		(1,912,696)	70,403,907		68,491,211
Transfer to / (from) during the year		(57,438,190)		57,438,190	-
Balance as at 31 March 2021	1,121,412,955	610,075,860	70,403,907	191,107,440	1,993,000,162
Balance as at 01 April 2021	1,121,412,955	610,075,860	70,403,907	191,107,440	1,993,000,162
Net Profit / (Loss) for the Period	-	430,308,791	-	-	430,308,791
Transfer to / (from) during the year		(86,061,758)		86,061,758	-
Other Comprehensive Income Net of Tax	-	1,809,023		-	1,809,023
Transfer to / (from) during the Period	-	-	-	-	-
Balances as at 31 March 2022	1,121,412,955	956,131,916	70,403,907	277,169,198	2,425,117,976

27th May 2022
Colombo

CASH FLOW STATEMENT

FOR THE PERIOD ENDED

	31st March 2022 Rs.	31 st March 2021 Rs.
Cash Flows From / (Used in) Operating Activities		
Profit / (Loss) Before Income Tax Expense	615,238,205	427,166,006
Adjustments for		
Depreciation	15,775,818	18,004,159
Amortisation of Intangible Assets	5,915,655	7,996,000
Amortization of Right of use Assets	43,497,322	42,844,453
Interest Expense on Boowings	142,002,027	141,143,541
Interest Expense on Lease Liaility	13,543,777	10,692,222
Allowance for impairment	130,500,395	108,266,753
Loss/(Profit) from Sale of Unit Trust	(6,203,343)	-
Loss/(Profit) on Disposal of Property, Plant & Equipment	(3,990)	(3,545,932)
Provision/(reversal) for Defined Benefit Plans	5,261,365	6,581,662
Dividend Received	(240,000)	(320,000)
Operating Profit before Working Capital Changes	965,287,231	758,828,865
(Increase)/Decrease in Real Estate Stock	(1,000,000)	8,246,487
(Increase)/Decrease in Loans and Advances	247,937,552	384,697,689
(Increase)/Decrease in Lease Rentals Receivable & Stock out on hire	(1,062,798,620)	(187,101,950)
(Increase)/Decrease in Other Financial Assets	(29,021,341)	(79,215,544)
(Increase)/Decrease in Other Non Financial Assets	(8,523,067)	14,663,283
Increase/(Decrease) in Amounts Due to Customers	(470,793,850)	(229,339,907)
Increase/(Decrease) in Other Financial Liabilities	(8,521,226)	(247,764,751)
Increase/(Decrease) in Other Non Financial Liabilities	27,943,985	(7,914,068)
Cash Generated from Operations	(339,489,335)	415,100,104
Retirement Benefit Liabilities Paid	(2,295,385)	(1,518,589)
Interest paid on Bank and Other Borrowings	(99,483,344)	(153,204,719)
Taxes Paid	(134,552,174)	(23,614,622)
Net Cash From/(Used in) Operating Activities	(575,820,238)	236,762,174
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(22,457,183)	(4,426,125)
Acquisition of Intangible Assets	-	(12,523,001)
Proceeds from Sales of Property, Plant & Equipment	5,001	3,739,000
Cash Flow from /(Used in) Fixed Deposits	4,915,471	186,490
Disposal/(Acquisition) of Debt instruments at amortised cost	(323,237,950)	211,736,951
Dividends Received	240,000	320,000
Net Cash Flows from/(Used in) Investing Activities	(340,534,661)	199,033,315
Cash Flows from / (Used in) Financing Activities		
Cash Outflow from Long Term Bank Borrowings	(128,400,000)	(285,799,259)
Cash Inflow from Other Borrowings	1,979,015,444	1,241,191,784
Cash outflow from Other Borrowings	(680,059,570)	(655,866,821)
Payment of Capital portion of Lease Liabilities	(51,889,911)	(50,246,244)
Net Cash Flows from/(Used in) Financing Activities	1,118,665,963	249,279,459
Net Increase in Cash and Cash Equivalents	202,311,064	685,074,948
Cash and Cash Equivalents at the beginning of the year	1,225,146,193	540,071,245
Cash and Cash Equivalents at the end of the year	1,427,457,256	1,225,146,193

The figures presented above are provisional and subject to Audit.

ABANS FINANCE PLC**ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS**

	Amortised Cost		Equity Instruments -FVOCI		Total	
As at	31.03.2022 Rs.	31.03.2021 Rs.	31.03.2022 Rs.	31.03.2021 Rs.	31.03.2022 Rs.	31.03.2021 Rs.
Assets						
Cash and Bank Balances	183,803,274	226,092,544	-	-	183,803,274	226,092,544
Placements with Banks	485,662,416	207,264,972	-	-	485,662,417	207,264,972
Repurchase Agreements	255,049,144	942,235,676			255,049,144	942,235,676
Loans and Advances	1,109,139,473	1,379,508,592	-	-	1,109,139,473	1,379,508,592
Lease rentals receivable & Stock out on hire	6,999,758,895	6,027,133,949	-	-	6,999,758,895	6,027,133,949
Financial Investments at Fair Value through P&L	291,202,975	-			291,202,975	-
Equity instruments at fair value through OCI	-	-	80,400	80,400	80,400	80,400
Debt instruments at amortised cost	587,159,325	13,684,192			587,159,325	13,684,192
Other financial assets	110,968,742	99,842,557	-	-	110,968,742	99,842,557
Total Financial Assets	10,022,744,245	8,895,762,482	80,400	80,400	10,022,824,647	8,895,842,882

OFL at Amortized Cost**Total**

	31.03.2022 Rs.	31.03.2021 Rs.	31.03.2022 Rs.	31.03.2021 Rs.
Liabilities				
Due to Banks	138,597,100	380,234,236	138,597,100	380,234,236
Due to Customers	4,448,008,287	4,918,802,137	4,448,008,287	4,918,802,137
Debt Instruments Issued & Other borrowed funds	2,552,107,092	1,210,632,535	2,552,107,092	1,210,632,535
Other Financial Liabilities	644,871,381	535,607,003	644,871,381	535,607,003
Total Financial Liabilities	7,783,583,860	7,045,275,911	7,783,583,860	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 MARCH	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.
Interest Income	1,668,820,856	1,298,063,388	2,896,639	126,004	191,076,821	346,327,135	69,257,910	41,811,541	1,932,052,227	1,686,328,068
Fee Based Income & Others	151,588,572	123,914,290	5,587,758	3,629,454	4,444,792	1,936,522	305,452	8,527,576	161,926,574	138,007,842
Unallocated Income							28,043,475	16,721,913	28,043,475	16,721,913
Total Revenue	1,820,409,428	1,421,977,678	8,484,397	3,755,458	195,521,613	348,263,657	97,606,837	67,061,030	2,122,022,276	1,841,057,823
Interest Expences	(387,453,502)	(452,648,947)	(1,340,811)	(1,562,301)	(74,274,981)	(126,139,137)	(83,965,144)	(74,258,350)	(547,034,438)	(654,608,735)
Fee Based Expences & Others	(5,727,522)	(9,468,943)	-	-	(393,000)	-	(15,553,956)	(12,872,101)	(21,674,478)	(22,341,043)
Impairment Reversal / (Allowance)	(89,860,210)	(14,245,235)	(313,461)	(50,379)	(22,431,568)	(20,659,167)	(17,895,155)	(73,311,972)	(130,500,394)	(108,266,753)
Net Operating Income	1,337,368,194	945,614,553	6,830,125	2,142,778	98,422,064	201,465,353	(19,807,417)	(93,381,393)	1,422,812,966	1,055,841,292
Unallocated Expenses									(807,574,758)	(628,675,286)
Profits/ (Loss) before Tax									615,238,208	427,166,006
Income Tax expenses									(184,929,414)	(139,975,056)
Net Profit /(Loss) for the period									430,308,794	287,190,950
Other Comprehensive Income									1,809,023	68,491,211
Total Comprehensive Income for the Year									432,117,816	355,682,161
Segment Assets	6,975,423,948	6,006,543,852	24,334,947	20,590,097	1,109,139,473	1,379,508,592	1,619,073,860	1,194,251,566	9,727,972,229	8,600,894,107
Unallocated Assets									740,530,179	627,519,499
Total Assets	6,975,423,948	6,006,543,852	24,334,947	20,590,097	1,109,139,473	1,379,508,592	1,619,073,860	1,194,251,566	10,468,502,408	9,228,413,606
Unallocated Liabilities									8,043,384,432	7,235,413,443
Total Liabilities									8,043,384,432	7,235,413,443

ABANS FINANCE PLC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022****(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 which require disclosure except 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. 2.35Bn 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. 5 billion by the reporting date. The amount of deposits held by the company as at the end of the reporting period was Rs. 4.4 Bn.

(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 March 2022	03 Months Ended 31 March 2021
Highest	Rs. 36.00	Rs.30.00
Lowest	Rs. 23.00	Rs.23.00
Closing	Rs. 28.90	Rs.27.50

(f). MARKET CAPITALIZATION

- Market Capitalization (Rs.)	1,923,629,460
- Float Adjusted Market Capitalization (Rs.)	155,792,964

ABANS FINANCE PLC**NOTES TO THE FINANCIAL STATEMENTS (Cont.)
FOR THE PERIOD ENDED 31 MARCH 2022****(g). SHARES HELD BY PUBLIC**

- Public Share holding as at 31 March 2022 is, 8.10%
- Number of Public Share Holders as at 31 March 2022 is, 738

(h). SHARES HELD BY DIRECTORS

Name of The Director	31 March 2022	
	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 March 2022	
	No.of Shares	(%)
1 ABANS PLC	33,063,877	49.67
2 IRONWOOD INVESTMENT HOLDING PVT LTD	27,881,236	41.89
3 MR B. PESTONJEE	1,219,680	1.83
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 R. PESTONJEE	220,660	0.33
9 MRS S. DUBASH	192,423	0.29
10 PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	180,793	0.27
11 A B COLD STORAGE (PVT) LIMITED	144,000	0.22
12 AB SECURITAS (PRIVATE) LIMITED	144,000	0.22
13 CLEANTECH PVT LTD	144,000	0.22
14 SEYLAN BANK PLC/SHERMAL HEMAKA JAYASURIYA	122,754	0.18
15 MRS A. PESTONJEE	80,000	0.12
16 MRS H.I. SALGADO	66,600	0.10
17 PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA &	52,584	0.08
18 MR G.C. GOONETILLEKE	48,105	0.07
19 DR K. POOLOGASUNDRAM	36,000	0.05
20 MR R.E. RAMBUKWELLE	34,517	0.05
	65,792,962	98.85
Others	768,611	1.15
Total	66,561,573	100.00