**People’s Leasing & Finance PLC**

**(A Subsidiary of People’s Bank)**

**Interim Financial Statements for the six months ended 30 September 2022**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
|  People's Leasing & Finance PLC |
|  Key Financial Data for the period ended 30 September 2022 (Unaudited) |
|  |  | **Company**  | **Group**  |  |
| **In Rupees Million** |  |  **Current Period**  |  Previous Period  |  **Current Period**  |  Previous Period  |  |
|  |  |  **From**  |  From  |  **From**  |  From  |  |
|  |  | **01/04/2022** | **01/04/2021** | **01/04/2022** | 01/04/2021 |  |
|  |  |  **To**  |  **To**  |  **To**  |  To  |  |
|  |  |  **30/09/2022**  |  **30/09/2021**  |  **30/09/2022**  |  30/09/2021  |   |
| Interest income  |  |  **14,187**  |  10,967  |  **15,848**  |  11,919  |  |
| Less: Interest expense |   |  **7,976**  |  5,278  |  **8,507**  |  5,444  |   |
| **Net interest income**  |  |  **6,211**  |  5,689  |  **7,341**  |  6,475  |  |
| Gains/(losses) from trading operations |  | **4** | 29 | **(6)** | 69 |  |
| Other operating income  |  |  **640**  |  1,284  |  **2,827**  |  3,193  |  |
| Operating expenses (excluding impairment) |  |  **3,965**  |  3,665  |  **6,399**  |  5,611  |  |
| Impairment |  |  **1,866**  |  1,812  |  **1,961**  |  2,047  |  |
| **Profit/(Loss) before tax** |  |  **1,024**  |  1,525  |  **1,802**  |  2,079  |   |
| Income tax |  |  **345**  |  477  |  **566**  |  776  |  |
| **Profit/(Loss) after tax** |   |  **679**  |  1,048  |  **1,236**  |  1,303  |   |

Key Financial Data as at 30 September 2022 (Unaudited)

|  |  |  |
| --- | --- | --- |
|  | **Company** | **Group** |
| In Rupees Million | **As at 30 September 2022** | As at 30 September 2021 | **As at 30 September 2022** | As at 30 September 2021 |
| **Assets**  |  |  |  |  |
| Cash and bank balance |  **15,580**  |  13,822  |  **20,384**  |  17,598  |
| Government securities |  **11,796**  |  9,985  |  **15,526**  |  12,823  |
| Due from related parties |  **1,548**  |  1,551  |  **-**  |  -  |
| Loans (excluding due from related parties) |  **130,394**  |  138,973  |  **142,778**  |  145,638  |
| Investment in equity |  **3,629**  |  3,510  |  **570**  |  405  |
| Investment properties and real estate | **-** | - |  **821**  |  821  |
| Property, plant and equipment  |  **3,112**  |  3,347  |  **5,407**  |  5,500  |
| Other assets  |  **3,029**  |  3,387  |  **8,487**  |  8,954  |
| **Total assets**  |  **169,088**  |  **174,575**  |  **193,973**  |  **191,739**  |
|  |  |  |  |  |
| **Liabilities**  | **-** | **-** | **-** | **-** |
| Due to banks |  **11,148**  |  6,742  |  **14,158**  |  9,282  |
| Deposits from customers  |  **99,474**  |  100,149  |  **107,170**  |  102,704  |
| Other borrowings |  **15,925**  |  23,544  |  **15,792**  |  23,411  |
| Other liabilities  |  **5,202**  |  8,795  |  **11,342**  |  14,128  |
| **Total liabilities**  |  **131,749**  |  139,230  |  **148,462**  |  149,525  |
|  |  130,205  |  141,414  |  140,170  |  150,687  |
| **Equity**  |  |  |  |  |
| Stated capital |  **18,016**  |  16,170  |  **18,016**  |  16,170  |
| Statutory reserve fund  |  **2,640**  |  2,407  |  **2,729**  |  2,465  |
| Retained earnings  |  **17,351**  |  16,942  |  **20,905**  |  20,555  |
| Other reserves  |  **(668)** |  (174) |  **623**  |  356  |
| **Total equity attributable to equity holders of the Company** |  **37,339**  |  35,345  |  **42,273**  |  39,546  |
| Non-controlling interest  | **-** | - |  **3,238**  |  2,668  |
| **Total equity**  |  **37,339**  |  **35,345**  |  **45,511**  |  **42,214**  |
| **Net asset value per ordinary share (Rs.)** |  **18.29**  |  19.60  |  **20.70**  |  21.93  |

SELECTED PERFORMANCE INDICATORS

AS AT 30 SEPTEMBER 2022

|  |  |  |
| --- | --- | --- |
| Item | **As at 30.09.2022** | **As at 30.09.2021** |
| **Regulatory Capital Adequacy (%)** | **Actual** | **Required** | **Actual** | **Required** |
| Tier 1 Capital Adequacy ratio | 21.74 | 10 | 17.59 | 8 |
| Total Capital ratio | 22.63 | 14 | 18.58 | 12 |
| Capital Funds to Total Deposit Liabilities ratio | 39.90 | 10 | 35.29 | 10 |
| **Quality of Loan Portfolio (%)** |   |   |   |   |
| Gross - Non-Performing Loans ratio |   |  15.71  |   |  10.57  |
| Net - Non-Performing Loans ratio |   |  7.51  |   |  2.37  |
| Net - Non-Performing Loans to Core Capital ratio |   |  27.04  |   |  11.03  |
| Provision Coverage ratio |   |  47.33  |   |  62.68  |
| **Profitability** *(%)* |   |   |   |   |
| Net Interest Margin |  |  7.98  |  |  7.16  |
| Return on Assets |  |  1.23  |  |  1.80  |
| Return on Equity |  |  3.79  |  |  6.01  |
| Cost to Income ratio |   | 49.94 |   | 45.33 |
| **Liquidity** (%) |  |  |   |  |
| Available liquid assets to required liquid assets (minimum 100%) |  |  189.22  |   |  181.62  |
| Liquid assets to external funds |   |  17.70  |   |  17.87  |
| **Memorandum information** |  |  |   |   |
| Number of branches |  |  111  |  |  112  |
| External Credit Rating |  A+ (lka) by Fitch Ratings Lanka Limited (Rating Watch Negative)  |  A+ (lka) by Fitch Ratings Lanka Limited with a Stable Outlook |
|  |  |  |  |  |
| **CERTIFICATION** |  |  |  |  |
| We, the undersigned,Being the Chief Executive officer, the Chief Manager - Finance and the Compliance Officer of People's Leasing & Finance PLC certify jointly that: |
|
| b)the information contained in these financial statements have been extracted from the unaudited financial statements of the license d Finance company unless indicated as audited |
|
|  |  |  |  |  |
|  |  |  |  |  |
| ………………………….. |  |  | ………………………….. |
| Shamindra Marcelline |  |  | Omal Sumanasiri |
| Chief Executive Officer |  |  | Chief Manager - Finance |
| 9-Nov-22 |  |  | 9-Nov-22 |  |
|  |  |  |  |  |
| ………………………….. |  |  |  |  |
| Zairaa Kaleel |  |  |  |  |
| Compliance Office |  |  |  |  |
| 9-Nov-22 |  |  |  |  |
|  |  |  |  |  |