**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: | | | | |
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| 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 | | | | |
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| ………………………….. |  |  | ………………………….. | |
| Shamindra Marcelline |  |  | Omal Sumanasiri | |
| Chief Executive Officer |  |  | Chief Manager - Finance | |
| 9-Nov-22 |  |  | 9-Nov-22 |  |
|  |  |  |  |  |
| ………………………….. |  |  |  |  |
| Zairaa Kaleel |  |  |  |  |
| Compliance Office |  |  |  |  |
| 9-Nov-22 |  |  |  |  |
|  |  |  |  |  |