

INTERIM FINANCIAL STATEMENTS

PEOPLE'S LEASING & FINANCE PLC

For the three months ended 30th June 2023



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**INTERIM
FINANCIAL
STATEMENTS**

STATEMENT OF FINANCIAL POSITION

As at	Company			Group		
	30.06.2023 Rs. Mn. Unaudited*	31.03.2023 Rs. Mn. Audited	Change %	30.06.2023 Rs. Mn. Unaudited*	31.03.2023 Rs. Mn. Audited	Change %
Assets						
Cash and cash equivalents	6,920	5,845	18.4	7,953	6,316	25.9
Balances with banks and financial institutions	23,482	29,840	(21.3)	28,894	34,225	(15.6)
Financial assets -Fair value through profit or loss	219	204	7.4	376	345	9.0
Loans and receivables - Amortised cost	104,051	114,278	(8.9)	116,292	125,378	(7.2)
Insurance and reinsurance receivables	-	-	-	1,139	1,498	(24.0)
Financial assets - Fair value through other comprehensive income	909	945	(3.8)	1,343	1,373	(2.2)
Debt instrument - Amortised cost	10,866	10,904	(0.3)	14,622	15,860	(7.8)
Investments in subsidiaries	3,292	3,292	-	-	-	-
Investment property	285	285	-	1,200	1,200	-
Other assets	1,087	1,031	5.4	1,409	1,284	9.7
Property, plant and equipment	1,425	1,481	(3.8)	3,874	3,971	(2.4)
Right-of-use assets	1,500	1,616	(7.2)	1,310	1,372	(4.5)
Deferred tax assets	1,327	1,335	(0.6)	1,402	1,420	(1.3)
Intangible assets	17	19	(10.5)	134	137	(2.2)
Total assets	155,380	171,075	(9.2)	179,948	194,379	(7.4)
Liabilities						
Due to banks - Amortised cost	5,874	7,725	(24.0)	10,134	11,069	(8.4)
Due to customers - Amortised cost	93,228	100,935	(7.6)	100,439	107,980	(7.0)
Debt securities issued - Amortised cost	10,988	16,706	(34.2)	10,988	16,565	(33.7)
Other financial liabilities - Amortised cost	1,171	1,457	(19.6)	1,725	1,710	0.9
Insurance liabilities and reinsurance payable	-	-	-	5,010	5,207	(3.8)
Lease liabilities - Amortised cost	1,732	1,754	(1.3)	1,491	1,478	0.9
Current tax liabilities	839	1,014	(17.3)	1,189	1,407	(15.5)
Other liabilities	712	1,017	(30.0)	847	1,202	(29.5)
Retirement benefit obligation	691	674	2.5	776	756	2.6
Total liabilities	115,235	131,282	(12.2)	132,599	147,374	(10.0)
Equity						
Stated Capital	18,016	18,016	-	18,016	18,016	-
Statutory reserve fund	2,791	2,791	-	2,906	2,906	-
Retained earnings	19,879	19,557	1.6	23,731	23,249	2.1
Other reserves	(541)	(571)	(5.3)	275	349	(21.2)
Total equity attributable to equity holders of the Company	40,145	39,793	0.9	44,928	44,520	0.9
Non-controlling interest	-	-	-	2,421	2,485	(2.6)
Total equity	40,145	39,793	0.9	47,349	47,005	0.7
Total liabilities and equity	155,380	171,075	(9.2)	179,948	194,379	(7.4)
Contingencies	337	338	(0.3)	461	462	(0.2)
Commitments	6,287	5,288	18.9	6,287	5,288	18.9
Net assets value per ordinary share (Rs.)	19.66	19.49	0.9	22.00	21.80	0.9

CERTIFICATION

We certify that the above Interim Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

(sgd.)

Omal Sumanasiri

Assistant General Manager - Finance

(sgd.)

Shamindra Marcelline

Chief Executive Officer

The Board of Directors is responsible for these Interim Financial Statements.

Approved and Signed for and on behalf of the Board:

(sgd.)

M. P. Amirthanayagam

Chairman

08th August 2023

Colombo.

(sgd.)

Rohan Pathirage

Director

* The above figures are provisional and subject to audit.

INTERIM FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

For the three months ended 30th June	2023 Rs. Mn. Unaudited*	Company 2022 Rs. Mn. Unaudited*	Change %	2,023 Rs. Mn. Unaudited*	Group 2022 Rs. Mn. Unaudited*	Change %
Interest income	7,465	6,774	10.2	8,245	7,596	8.5
Less: Interest expense	4,948	3,191	55.1	5,197	3,456	50.4
Net interest income	2,517	3,583	(29.8)	3,048	4,140	(26.4)
Net earned premiums	-	-	-	1,080	1,232	(12.3)
Fee and commission income	299	264	13.3	182	137	32.8
Net gains/(losses) on financial assets - FVTPL	15	(3)	(600.0)	16	(8)	(300.0)
Other operating income	70	85	(17.6)	94	53	77.4
Total operating income	2,901	3,929	(26.2)	4,420	5,554	(20.4)
Less: Impairment charges and other losses for loans and receivables	442	1,700	(74.0)	476	1,699	(72.0)
Net operating income	2,459	2,229	10.3	3,944	3,855	2.3
Less:						
Personnel expenses	870	1,034	(15.9)	1,181	1,359	(13.1)
Depreciation and amortisation	172	178	(3.4)	155	165	(6.1)
Benefits, claims and underwriting expenditure	-	-	-	769	760	1.2
Other operating expenses	624	515	21.2	758	631	20.2
Total operating expenses	1,666	1,727	(3.5)	2,863	2,915	(1.8)
Operating profit before tax on financial services	793	502	58.0	1,081	941	14.9
Less: Tax on financial services	272	226	20.4	276	236	16.9
Profit before income tax	521	276	88.8	805	705	14.3
Less: Income tax expense	190	93	104.3	253	250	1.2
Profit for the period	331	183	80.9	552	455	21.5
Profit Attributable to :						
Equity holders	331	183	80.9	498	406	22.8
Non-controlling interest	-	-	-	54	49	10.2
Profit for the period	331	183	80.9	552	455	21.5
Basic/Diluted earnings per ordinary share (Rs.)	0.16	0.09	80.9	0.24	0.20	22.8

* The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30th June	Company			Group		
	2023 Rs. Mn. Unaudited*	2022 Rs. Mn. Unaudited*	Change %	2023 Rs. Mn. Unaudited*	2022 Rs. Mn. Unaudited*	Change %
Profit for the period	331	183	80.9	552	455	21.5
Other comprehensive income/(expenses)						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):</i>						
Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary	-	-	-	(244)	453	(153.9)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	-	-	-	(244)	453	(153.9)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):</i>						
Gains/ (losses) on re-measuring FVOCI financial assets	30	(295)	(110.2)	52	(295)	(117.6)
Deferred tax effect on above	(9)	70	(112.9)	(16)	71	(122.5)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	21	(225)	(109.3)	36	(224)	(116.1)
Other comprehensive income for the period, net of taxes	21	(225)	(109.3)	(208)	229	(190.8)
Total comprehensive income for the year	352	(42)	(938.1)	344	684	(49.7)
Profit Attributable to :						
Equity holders	21	(225)	(109.3)	(89)	9	(1,088.9)
Non-controlling interest	-	-	-	(119)	220	(154.1)
Other comprehensive income for the period, net of taxes	21	(225)	(109.3)	(208)	229	(190.8)
Total comprehensive income for the period	352	(42)	(938.1)	344	684	(49.7)

* The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital	Statutory Reserve Fund	<u>Other Reserves</u> Fair Value Reserve	Retained Earnings	Total Equity
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Balance as at 01.04.2022	17,072	2,640	(375)	19,482	38,819
Surcharge Tax	-	-	-	(974)	(974)
Balance After Surcharge Tax	17,072	2,640	(375)	18,508	37,845
Total comprehensive income for the three months ended 30.06.2022					
Profit for the three months ended 30.06.2022	-	-	-	183	183
Other comprehensive income (net of tax)	-	-	(295)	70	(225)
Total comprehensive income for the three months ended 30.06.2022	-	-	(295)	253	(42)
Transactions with equity holders, recognised directly in equity					
Transfers to reserves during the period	-	-	-	-	-
Dividend paid	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-
Balance as at 30.06.2022	17,072	2,640	(670)	18,761	37,803
Balance as at 01.04.2023	18,016	2,791	(571)	19,557	39,793
Total comprehensive income for the three months ended 30.06.2023					
Profit for the three months ended 30.06.2023	-	-	-	331	331
Other comprehensive income (net of tax)	-	-	30	(9)	21
Total comprehensive income for the three months ended 30.06.2023	-	-	30	322	352
Transactions with equity holders, recognised directly in equity					
Transfers to reserves during the period	-	-	-	-	-
Dividend paid	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-
Balance as at 30.06.2023	18,016	2,791	(541)	19,879	40,145

The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

INTERIM FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital	Statutory Reserve Fund	Other Reserves		Retained Earnings	Total	Non- controlling Interest	Total Equity
			Foreign Currency Translation Reserve	Fair Value Reserve				
			Rs. Mn.	Rs. Mn.				
Balance as at 01.04.2022	17,072	2,729	1,276	(379)	23,123	43,821	3,155	46,976
Surcharge Tax	-	-	-	-	(1,467)	(1,467)	-	(1,467)
Balance After Surcharge Tax	17,072	2,729	1,276	(379)	21,656	42,354	3,155	45,509
Total comprehensive income for the three months ended 30.06.2022								
Profit for the three months ended 30.06.2022	-	-			406	406	49	455
Other comprehensive income (net of tax)	-	-	231	(295)	71	7	222	229
Total comprehensive income for the three months ended 30.06.2022	-	-	231	(295)	477	413	271	684
Transactions with equity holders, recognised directly in equity								
Transfers to reserves during the period	-	-			-	-	-	-
Dividend paid	-	-			-	-	(74)	(74)
Total transactions with equity holders	-	-	-	-	-	-	(74)	(74)
Balance as at 30.06.2022	17,072	2,729	1,507	(674)	22,133	42,767	3,352	46,119
Balance as at 01.04.2023	18,016	2,906	977	(628)	23,249	44,520	2,485	47,005
Total comprehensive income for the three months ended 30.06.2023								
Profit for the three months ended 30.06.2023	-	-	-	-	498	498	54	552
Other comprehensive income (net of tax)	-	-	(126)	52	(16)	(90)	(118)	(208)
Total comprehensive income for the three months ended 30.06.2023	-	-	(126)	52	482	408	(64)	344
Transactions with equity holders, recognised directly in equity								
Transfers to reserves during the period	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-
Balance as at 30.06.2023	18,016	2,906	851	(576)	23,731	44,928	2,421	47,349

The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

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STATEMENT OF CASH FLOWS

For the three months ended 30th June	Company		Group	
	2023 Rs. Mn. Unaudited	2022 Rs. Mn. Unaudited	2023 Rs. Mn. Unaudited	2022 Rs. Mn. Unaudited
Cash flows from operating activities				
Income from cash and cash equivalent	197	308	198	324
Payments to loans and receivables	(9,927)	(10,231)	(12,967)	(12,671)
Receipts from loans and receivables	25,502	23,797	27,695	24,887
Investment in balances with banks & financial institutions	(45,702)	(7,509)	(47,628)	(8,884)
Receipts from balances with banks & financial institutions	53,325	10,715	54,518	13,502
Investment in debt instrument at amortized cost	(9,317)	(10,684)	(9,317)	(13,397)
Receipts from debt instrument at amortized cost	10,017	9,901	11,217	11,643
Payment for due to customers	(55,137)	(66,296)	(55,463)	(64,974)
Receipts from due to customers	43,174	66,966	43,542	66,348
Receipt from other income	-	-	23	45
Investment in financial assets - fair value through profit or loss	-	-	-	-
Proceeds from financial assets - fair value through profit or loss	-	-	-	677
Receipt from Financial assets - Fair value through OCI	82	95	124	104
Investment in Financial assets - Fair value through OCI	-	-	-	-
Payment for lease liabilities	(170)	(184)	(111)	(127)
Payment for personnel expenses	(1,185)	(1,605)	(1,541)	(1,958)
Payment for other operating activities	(1,437)	(1,386)	(1,589)	(1,449)
Premium received from customers	-	-	1,439	1,405
Claims paid	-	-	(966)	(1,250)
Dividend income from investments	45	81	1	4
Gratuity paid	(11)	(13)	(15)	(16)
Income tax paid	(272)	(1,356)	(333)	(1,793)
Net cash generated from/(used in) operating activities	9,184	12,599	8,827	12,420
Cash flows from investing activities				
Purchase of property, plant and equipment	(23)	(12)	(26)	(15)
Proceeds from the sale of property, plant and equipment	106	3	106	3
Purchase of intangible assets	-	-	-	(4)
Net cash (used in)/generated from investing activities	83	(9)	80	(16)
Cash flows from financing activities				
Payment for due to banks	(2,339)	(3,468)	(2,865)	(3,729)
Borrowing from due to banks	-	2,000	1,188	2,550
Payment for debt securities issued	(5,973)	(1,472)	(5,829)	(1,456)
Borrowing from debt securities issued	-	-	-	-
Dividend paid to non-controlling interest	-	-	-	(74)
Net cash (used in)/generated from financing activities	(8,312)	(2,940)	(7,506)	(2,709)
Net (decrease) in cash & cash equivalents	955	9,650	1,401	9,695
Cash and cash equivalents at the beginning of the period	5,792	4,599	5,173	4,077
Cash and cash equivalents at the end of the period	6,747	14,249	6,574	13,772
Cash and cash equivalents	6,920	14,412	7,953	14,848
Bank overdraft	(173)	(163)	(1,379)	(1,076)
Cash and cash equivalents at the end of the period	6,747	14,249	6,574	13,772

The above figures are provisional and subject to audit.

**INTERIM
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ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Company	Financial instruments recognised at fair value through profit or loss (FVTPL) Rs. Mn.	Financial instruments at amortised cost (AC) Rs. Mn.	Financial instruments at fair value through other comprehensive income (FVOCI) Rs. Mn.	Total Rs. Mn.
As at 30th June 2023				
ASSETS				
Cash and cash equivalents	-	6,920	-	6,920
Balances with banks and financial institutions	-	23,482	-	23,482
Financial assets -Fair value through profit or loss	219	-	-	219
Loans and receivables - Amortised cost	-	104,051	-	104,051
Financial assets - Fair value through other comprehensive income	-	-	909	909
Debt instrument - Amortised cost	-	10,866	-	10,866
Other financial assets	-	68	-	68
Total financial assets	219	145,387	909	146,515
As at 30th June 2023				
	Financial instruments recognised at FVTPL Rs. Mn.	Financial instruments at amortised cost (AC) Rs. Mn.	Financial instruments at FVOCI Rs. Mn.	Total Rs. Mn.
LIABILITIES				
Due to banks - Amortised cost	-	5,874	-	5,874
Due to customers - Amortised cost	-	93,228	-	93,228
Debt securities issued - Amortised cost	-	10,988	-	10,988
Other financial liabilities - Amortised cost	-	1,171	-	1,171
Lease liabilities - Amortised cost	-	1,732	-	1,732
Total financial liabilities	-	112,993	-	112,993
Company				
As at 31st March 2023				
	Financial instruments recognised at FVTPL Rs. Mn.	Financial instruments at amortised cost (AC) Rs. Mn.	Financial instruments at FVOCI Rs. Mn.	Total Rs. Mn.
ASSETS				
Cash and cash equivalents	-	5,845	-	5,845
Balances with banks & financial institutions	-	29,840	-	29,840
Financial assets -Fair value through profit or loss	204	-	-	204
Loans and receivables - Amortised cost	-	114,278	-	114,278
Financial assets - Fair value through other comprehensive income	-	-	945	945
Debt instrument - Amortised cost	-	10,904	-	10,904
Other financial assets	-	100	-	100
Total financial assets	204	160,967	945	162,116
As at 31st March 2023				
	Financial instruments recognised at FVTPL Rs. Mn.	Financial instruments at amortised cost (AC) Rs. Mn.	Financial instruments at FVOCI Rs. Mn.	Total Rs. Mn.
LIABILITIES				
Due to banks - Amortised cost	-	7,725	-	7,725
Due to customers - Amortised cost	-	100,935	-	100,935
Debt securities issued - Amortised cost	-	16,706	-	16,706
Other financial liabilities - Amortised cost	-	1,457	-	1,457
Lease liabilities - Amortised cost	-	1,754	-	1,754
Total financial liabilities	-	128,577	-	128,577

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ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS

Group	Financial instruments recognised at fair value through profit or loss (FVTPL) Rs. Mn.	Financial instruments at amortised cost (AC) Rs. Mn.	Financial instruments at fair value through other comprehensive income (FVOCI) Rs. Mn.	Total Rs. Mn.
As at 30th June 2023				
ASSETS				
Cash and cash equivalents	-	7,953	-	7,953
Balances with banks & financial institutions	-	28,894	-	28,894
Financial assets -Fair value through profit or loss	376	-	-	376
Loans and receivables - Amortised cost	-	116,292	-	116,292
Insurance and reinsurance receivables	-	1,139	-	1,139
Financial assets - Fair value through other comprehensive income	-	-	1,343	1,343
Debt instrument - Amortised cost	-	14,622	-	14,622
Total financial assets	376	168,900	1,343	170,619
As at 30th June 2023				
LIABILITIES				
Due to banks - Amortised cost	-	10,134	-	10,134
Due to customers - Amortised cost	-	100,439	-	100,439
Debt securities issued - Amortised cost	-	10,988	-	10,988
Other financial liabilities - Amortised cost	-	1,725	-	1,725
Lease liabilities - Amortised cost	-	1,491	-	1,491
Insurance liabilities and reinsurance payable	-	5,010	-	5,010
Total financial liabilities	-	129,787	-	129,787
As at 31st March 2023				
ASSETS				
Cash and cash equivalents	-	6,316	-	6,316
Balances with banks & financial institutions	-	34,225	-	34,225
Financial assets -Fair value through profit or loss	345	-	-	345
Loans and receivables - Amortised cost	-	125,378	-	125,378
Insurance and reinsurance receivables	-	1,498	-	1,498
Financial assets - Fair value through other comprehensive income	-	-	1,373	1,373
Debt instrument - Amortised cost	-	15,860	-	15,860
Total financial assets	345	183,277	1,373	184,995
As at 31st March 2023				
LIABILITIES				
Due to banks - Amortised cost	-	11,069	-	11,069
Due to customers - Amortised cost	-	107,980	-	107,980
Debt securities issued - Amortised cost	-	16,565	-	16,565
Other financial liabilities - Amortised cost	-	1,710	-	1,710
Insurance liabilities and reinsurance payable	-	5,207	-	5,207
Lease liabilities - Amortised cost	-	1,478	-	1,478
Total financial liabilities	-	144,009	-	144,009

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FAIR VALUE HIERARCHY

Company	Level 1	Level 2	Level 3	Total
As at 30th June 2023	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Financial assets				
Financial assets -Fair value through profit or loss				
Quoted Investments	219	-	-	219
Sub total	219	-	-	219
Financial assets - Fair value through other comprehensive income				
Quoted Equity Investments	215	-	-	215
Quoted Debt Investments	-	-	694	694
Sub total	215	-	694	909
Total	434	-	694	1,128
As at 31st March 2023	Level 1	Level 2	Level 3	Total
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Financial assets				
Financial assets -Fair value through profit or loss				
Quoted Investments	204	-	-	204
Sub total	204	-	-	204
Financial assets - Fair value through other comprehensive income				
Quoted Equity Investments	229	-	-	229
Quoted Debt Investments	-	-	716	716
Sub total	229	-	716	945
Total	433	-	716	1,149
Group				
As at 30th June 2023	Level 1	Level 2	Level 3	Total
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Financial assets				
Financial assets -Fair value through profit or loss				
Quoted Investments	376	-	-	376
Sub total	376	-	-	376
Financial assets - Fair value through other comprehensive income				
Quoted Equity Investments	215	-	-	215
Quoted Debt Investments	-	-	694	694
Treasury bills	-	434	-	434
Sub total	215	434	694	1,343
Non financial assets - Investment property				
Land and building	-	-	1,200	1,200
Sub total	-	-	1,200	1,200
Total	591	434	1,894	2,919
As at 31st March 2023	Level 1	Level 2	Level 3	Total
	Rs. Mn.	Rs. Mn.	Rs. Mn.	Rs. Mn.
Financial assets				
Financial assets -Fair value through profit or loss				
Quoted Investments	345	-	-	345
Sub total	345	-	-	345
Financial assets - Fair value through other comprehensive income				
Quoted Equity Investments	229	-	-	229
Quoted Debt Investments	-	-	716	716
Treasury bills	-	428	-	428
Sub total	229	428	716	1,373
Non financial assets - Investment property				
Land and building	-	-	1,200	1,200
Sub total	-	-	1,200	1,200
Total	574	428	1,916	2,918

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SEGMENTAL ANALYSIS - GROUP

For the three months ended 30th June	Lease & HP		Loans		Islamic		Insurance		Other		Eliminations		Group	
	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.
Interest income	2,625	2,961	2,880	3,286	193	263	378	286	2,298	881	(129)	(81)	8,245	7,596
Net earned premiums	-	-	-	-	-	-	1,133	1,279	-	-	(53)	(47)	1,080	1,232
Fee and commission income	180	146	198	163	12	13	-	-	72	69	(280)	(254)	182	137
Net gains/(losses) on financial assets - FVTPL	-	-	-	-	-	-	1	2	15	(10)	-	-	16	(8)
Other operating income	23	39	26	43	2	3	13	16	59	33	(29)	(81)	94	53
Gross income	2,828	3,146	3,104	3,492	207	279	1,525	1,583	2,444	973	(491)	(463)	9,617	9,010
Interest expenses	1,755	1,410	1,926	1,565	129	125	-	-	1,516	437	(129)	(81)	5,197	3,456
Total operating income	1,073	1,736	1,178	1,927	78	154	1,525	1,583	928	536	(362)	(382)	4,420	5,554
Impairment and other losses	306	1,045	145	661	15	14	-	-	10	(21)	-	-	476	1,699
Net operating income	767	691	1,033	1,266	63	140	1,525	1,583	918	557	(362)	(382)	3,944	3,855
Depreciation and amortisation	55	72	68	87	5	7	28	26	41	17	(42)	(44)	155	165
Segment result	293	233	322	258	22	21	206	374	253	72	(15)	(18)	1,081	940
Tax on financial services													276	236
Income tax expenses													253	250
Profit for the period													552	454
As at 30th June 2023														
Segment Assets	56,474	78,250	70,459	94,321	5,156	8,100	11,515	11,311	42,328	18,431	(5,984)	(5,996)	179,948	204,418
Total Assets	56,474	78,250	70,459	94,321	5,156	8,100	11,515	11,311	42,328	18,431	(5,984)	(5,996)	179,948	204,418
Segment Liabilities	42,123	60,978	52,555	73,500	3,846	6,312	6,476	6,731	31,572	14,363	(3,973)	(3,588)	132,599	158,296
Total Liabilities	42,123	60,978	52,555	73,500	3,846	6,312	6,476	6,731	31,572	14,363	(3,973)	(3,588)	132,599	158,296

The above figures are provisional and subject to audit.
Figures in brackets indicate deductions.

**INTERIM
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INFORMATION ON ORDINARY SHARES OF THE COMPANY

Market Price			
	2023		2022
	Rs.		Rs.
Highest price during the quarter ended 30th June :	8.30		8.50
Lowest price during the quarter ended 30th June :	7.00		6.00
Last traded price as at 30th June :	8.10		6.40

Issued Capital				
Issued Capital as at 30th June 2023 was represented by the number of shares in issue as given below;				
	As at 30th June 2023		As at 30th June 2022	
	Number	Rs.	Number	Rs.
Ordinary shares				
Issued for consideration	1,579,862,482	11,886,073,308	1,579,862,482	11,886,073,308
Transferred from preference shares on redemption	-	1,350,000,000	-	1,350,000,000
Issued as Scrip Dividend - Listed	462,020,634	4,779,485,084	307,332,520	3,835,887,583
Total	2,041,883,116	18,015,558,392	1,887,195,002	17,071,960,891

INTERIM FINANCIAL STATEMENTS

SHAREHOLDERS' INFORMATION

Twenty Largest Ordinary Shareholders as at 30th June 2023

Twenty largest ordinary shareholders of the Company as at 30th June 2023 were as follows;

No.	Name of the Shareholder	No. of Shares	%
1	Peoples Bank	1,531,412,331	75.00
2	Employee's Provident Fund	110,825,541	5.43
3	National Savings Bank	56,438,626	2.76
4	Sri Lanka Insurance Corporation Ltd-Life Fund	25,157,485	1.23
5	Rubber Investment Trust Ltd A/C No 01	20,517,725	1.00
6	Employees Trust Fund Board	19,455,652	0.95
7	Bank Of Ceylon No. 1 Account	14,803,129	0.72
8	Perera and Sons Bakers Pvt Limited	13,000,000	0.64
9	Ceylon Investment PLC A/C # 02	11,446,107	0.56
10	Sri Lanka Insurance Corporation Ltd-General Fund	11,215,823	0.55
11	Mercantile Investments And Finance PLC	7,610,092	0.37
12	Ceylon Guardian Investment Trust PLC A/C # 02	6,960,225	0.34
13	Hatton National Bank PLC A/C No.4 (Hnb Retirement Pension Fund)	5,562,692	0.27
14	Guardian Fund Management Limited/The Aitken Spence And Associated Companies Executive Staff Providen	4,164,992	0.20
15	Commercial Bank Of Ceylon PLC/Metrocorp (Pvt) Ltd	3,763,367	0.18
16	J.B. Cocoshell (Pvt) Ltd	3,666,299	0.18
17	Mr. M.J. Fernando	3,298,934	0.16
18	Mr. K.D.H. Perera	3,117,158	0.15
19	Mr. A.M. Weerasinghe	2,989,662	0.15
20	Mr. W.A.S.P. De Saram	2,642,891	0.13

Public Holding

The percentage of ordinary shares held by the public as at 30th June 2023 was 24.96% and the number of shareholders representing the public holding was 10,619.

Directors/ CEO's Holding in Shares as at 30th June 2023

The number of ordinary shares held by the directors and CEO as at 30th June 2023 were as follows;

Name	Position	No. of Shares
Mr. M.P. Amirthanayagam	Chairman	12,921
Mr. Rohan Pathirage	Director	435,630
Mr. Azzam.A. Ahamat	Director	-
Mr. K.C.J.C. Fonseka	Director	62,680
Mr. C.J.Wijetillake	Director	5,661
Mr. U.L.A.W. Bandara	Director	-
Ms. M. C. Pietersz	Director	-
Ms. G.M.R.P. Wijerathna	Director	-
Mr. Shamindra Marcelline	CEO	-

Float adjusted Market Capitalisation

The Float adjusted market capitalization as at 30th June 2023 - Rs. 4,128,032,216/-

The Float adjusted market capitalization of the Company falls under Option 4 of Rule 7.14.1 (i) (a), of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

**INTERIM
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EXPLANATORY NOTES

1. There are no significant changes in the accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2022/2023.
2. The Interim Financial Statements for the three months ended 30th June 2023 are drawn up from unaudited accounts of the Company, its subsidiary companies: People's Leasing Property Development Limited, People's Leasing Fleet Management Limited, People's Insurance PLC, People's Leasing Havelock Properties Limited, People's Micro-commerce Ltd. and Alliance Finance PLC.
3. The Interim Financial Statements are in compliance with the Sri Lanka Accounting Standard - LKAS 34: Interim Financial Reporting and the provisions of the Companies Act No. 7 of 2007 and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.
4. All known expenses including management fees and similar expenses have been provided for in these financial statements.
5. On 18th April 2023 the Company redeemed 5,295,400 Senior Unsecured Redeemable Debentures issued in 2018 of Rs. 100/- each upon maturity.
6. Ms. Gonia Malimige Roshini Priyanthi Wijerathna has been appointed as a Non Executive/ Non Independent Director of the Company with effect from 21st April 2023.
7. Ms. Miriam Coralie Pietersz resigned from the post of Non-Executive/ Independent Director of the Company with effect from 05th July 2023.
8. On 25th July 2023, the Company declared an Interim dividend of Rs. 0.70 (Cents Seventy) per share for the financial year 2023/24, in the form of a Cash dividend.
9. On 8th of June 2023 ,People's Leasing & Finance PLC entered into a Share Purchase Agreement with Janashakthi Limited to purchase One Hundred and Thirty Three Million Six Hundred and Fifty Thousand (133,650,000) Ordinary shares held by Janashakthi Limited in First Capital Holdings PLC, which constitutes Thirty Three Percent (33%) of the issued shares of First Capital Holdings PLC, at a consideration of Rupees Thirty Seven and Cents Ten (Rs. 37.10) per share amounting to a total consideration of Rupees Four Billion Nine Hundred and Fifty Eight Million Four Hundred and Fifteen Thousand (Rs. 4,958,415,000/-).
The above intended transaction is subject to approval of the Central Bank of Sri Lanka and any or all other regulatory authorities applicable to the two parties.
10. The Qualitative and Quantitative Factors used for ECL Model were not changed and remain consistent and Expected Credit Loss (ECL) at 30th June 2023 was estimated based on a range of forecasted economic conditions prevailed as at that date.
11. There have been no material events subsequent to the reporting date, which require adjustments to or disclosures in the interim financial statements.
12. There has been no significant change in the nature of the contingent liabilities for the three months ended 30th June 2023 which were disclosed in the Annual Report for the year ended 31st March 2023.

INTERIM FINANCIAL STATEMENTS

ANALYSIS OF LOANS AND RECEIVABLES IMPAIRMENT

Analysis by stage wise

Company - 30th June 2023

	Stage 1 Rs. Mn.	Stage 2 Rs. Mn.	Stage 3 Rs. Mn.	Total Rs. Mn.
Loans and receivables	77,072	16,834	20,982	114,888
(Less):				
Individual impairment charges	-	-	1,861	1,861
Collective impairment charges	754	864	7,358	8,976
Net loans and receivables	76,318	15,970	11,763	104,051

Company - 31st March 2023

Loans and receivables	92,643	14,701	17,343	124,687
(Less):				
Individual impairment charges	-	-	2,146	2,146
Collective impairment charges	909	823	6,532	8,264
Net loans and receivables	91,734	13,878	8,666	114,278

Group - 30th June 2023

Loans and receivables	86,266	19,529	22,429	128,224
(Less):				
Individual impairment charges	-	-	1,861	1,861
Collective impairment charges	1,079	1,192	7,800	10,071
Net loans and receivables	85,187	18,337	12,768	116,292

Group - 31st March 2023

Loans and receivables	100,866	17,257	18,762	136,885
(Less):				
Individual impairment charges	-	-	2,146	2,146
Collective impairment charges	1,253	1,154	6,955	9,362
Net loans and receivables	99,613	16,103	9,661	125,378

INTERIM FINANCIAL STATEMENTS

DEBENTURE INFORMATION

Market Prices for the quarter ended 30th June 2023

Debenture Type	Highest Rs.	Lowest Rs.	Last Traded Rs.
2018 - 5 Years - 12.80% p.a. payable annually			Has not been traded
2021 - 3 Years - 8.00% p.a. payable annually			Has not been traded
2021 - 3 Years - 8.00% AER payable on redemption			Has not been traded
2021 - 5 Years - 9.00% p.a. payable annually			Has not been traded
2021 - 5 Years - 9.00% AER payable on redemption			Has not been traded

Interest Rates

Debenture Type	Coupon Rate (%)	Annual Effective Rate (%)
2018 - 5 Years - 12.80% p.a. payable annually	12.80	12.80
2021 - 3 Years - 8.00% p.a. payable annually	8.00	8.00
2021 - 3 Years - 8.00% AER payable on redemption	-	8.00
2021 - 5 Years - 9.00% p.a. payable annually	9.00	9.00
2021 - 5 Years - 9.00% AER payable on redemption	-	9.00

Interest Rates of Comparable Government Securities

6 Months Treasury Bill	19.49%
1 Year Treasury Bill	16.99%
2 Year Treasury Bond	N/A
3 Year Treasury Bond	N/A
4 Year Treasury Bond	N/A
5 Year Treasury Bond	N/A

Current Yield & Yield to Maturity

Debenture Type	Current Yield (%)	Yield to Maturity (%)
2018 - 5 Years - 12.80% p.a. payable annually	12.80	12.80
2021 - 3 Years - 8.00% p.a. payable annually	8.00	8.00
2021 - 3 Years - 8.00% AER payable on redemption	-	8.00
2021 - 5 Years - 9.00% p.a. payable annually	9.00	9.00
2021 - 5 Years - 9.00% AER payable on redemption	-	9.00

Ratios

	As at 30.06.2023	As at 31.03.2023
Debt to Equity Ratio (Times)*	0.42	0.61
Interest Cover (Times)	1.11	1.24
Quick Asset Ratio (%)	107.26	109.82

* Debt to Equity Ratio has been computed without considering Due to Customers balances.

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RELATED PARTY DISCLOSURE

Transactions with Related entities				
Company				
The Company had the under mentioned financial dealings during the period with the following related entities.				
	Parent		Subsidiaries	
	2023 Rs. Mn.	2022 Rs. Mn.	2023 Rs. Mn.	2022 Rs. Mn.
For the period ended 30 June				
Items in Statement of Profit or Loss				
Interest income	2,214	583	78	61
Interest expense	94	35	61	40
Fee & Commission income	-	-	175	159
Other operating income	-	-	3	80
Benefits, claims and underwriting expenditure	-	-	50	44
Depreciation and amortisation	1	1	54	54
Other operating expenses	14	4	6	3
As at 30 June				
Items in Statement of Financial Position				
Assets				
Cash and cash equivalents	5,576	2,304	-	-
Balances with banks & financial institutions	18,295	2,018	-	-
Loans and receivables	-	-	1,688	1,493
Financial assets - Amortised cost	11,650	10,998	-	-
Investments in subsidiaries	-	-	3,214	3,214
Other assets	-	-	116	134
Right of use asset	19	25	314	530
Total	35,539	15,345	5,332	5,371
Liabilities				
Due to banks	164	263	-	-
Due to customers	2,689	1,104	2,045	676
Debt Securities issued	-	-	-	129
Other Financial liabilities	-	-	256	395
Lease liabilities	23	26	375	596
Other liabilities	29	29	38	33
Total	2,905	1,422	2,714	1,829
For the period ended 30 June				
Transactions				
Transaction cost on debenture issue and securitisation	-	-	-	-
Purchase of vehicles	-	-	-	-
Building rent paid	1	1	97	71
Building rent received	-	-	1	2
Cash and cash equivalents - Repo investments	-	6,150	-	-
Cash and cash equivalents - Repo settlements	-	6,665	-	-
Cash and cash equivalents - Money market account investments	6,732	13,395	-	-
Cash and cash equivalents - Money market account withdrawals	6,772	13,350	-	-
Cash and cash equivalents - Call Deposit Investments	7,229	11,800	-	-
Cash and cash equivalents - Call Deposit withdrawals	6,129	1,007	-	-
Balances with banks and financial institutions - FD investments	40,183	6,009	-	-
Balances with banks and financial institutions - FD withdrawals	49,686	6,101	-	-
Loans and receivables - Grantings	-	-	86	74
Loans and receivables - Repayments	-	-	56	51
Debt instrument - Amortised cost - Investments	9,317	10,684	-	-
Debt instrument - Amortised cost - Settlements	9,767	9,902	-	-
Due to banks - Borrowings	-	-	-	-
Due to banks - Repayment	-	177	-	-
Due to customers - Investments	1,550	166	255	623
Due to customers - Withdrawals/settlements	931	93	224	311
Other financial liabilities - Services obtained	-	-	2	2
Other financial liabilities - Repayment	-	-	1	2
Dividend paid	-	-	-	-
Dividend Income	-	-	-	77
Insurance premium paid in respect of customers introduced by People's Leasing & Finance PLC	-	-	422	430
Total	138,297	85,500	1,144	1,643
Off- Balance Sheet Items				
Guarantees	-	-	-	-

INTERIM FINANCIAL STATEMENTS

RELATED PARTY DISCLOSURE

Transactions with other Related entities

Group

The group had the under mentioned financial dealings during the period with the following related entities.

	Parent	
	2023 Rs. Mn.	2022 Rs. Mn.
For the period ended 30 June		
Items in Statement of Profit or Loss		
Interest income	2,260	620
Interest expenses	636	40
Net earned premiums	139	111
Fee and commission income	7	6
Other operating income	29	28
Benefits, claims and underwriting expenditure	7	6
Depreciation and amortisation	1	4
As at 30 June		
Items in Statement of Financial Position		
Assets		
Cash and cash equivalents	5,845	2,463
Balances with banks & financial institutions	23,880	3,464
Insurance and reinsurance receivables	218	168
Financial investments - Amortised cost	11,650	10,998
Other assets	8	7
Right of use assets	19	25
Total	41,620	17,125
Liabilities		
Due to banks	514	602
Due to customers	473	1,104
Other liabilities	237	268
Lease liabilities	23	26
Total	1,247	2,000

CORPORATE INFORMATION

Name of Company

People's Leasing & Finance PLC
(Subsidiary of People's Bank)

Legal Form

Public Limited Liability Company
(Incorporated and domiciled in Sri Lanka)
quoted in the Colombo Stock Exchange

Date of Incorporation

22nd August 1995

Company Registration Number

PB 647 PQ

Accounting Year-end

31st March

Stock Exchange Listing

The Ordinary shares of the Company
were quoted on the Main Board of the
Colombo Stock Exchange (CSE) on 24th
November 2011.

47,840,906 Ordinary shares of the company
were listed with effect from 9th August 2019,
pursuant to a scrip dividend.

76,899,372 Ordinary shares of the company
were listed with effect from 24th December
2020, pursuant to a scrip dividend.

98,342,466 Ordinary shares of the company
were listed with effect from 13th August
2021, pursuant to a scrip dividend.

84,249,776 Ordinary shares of the company
were listed with effect from 13th January
2022, pursuant to a scrip dividend.

154,688,114 Ordinary shares of the company
were listed with effect from 21st September
2022, pursuant to a scrip dividend.

Senior, Unsecured, Redeemable, four year
(2018/22) and five year (2018/23) Debentures
were listed on the Debt Securities Main Board
of Colombo Stock Exchange on 27th April 2018.

Senior, Unsecured, Redeemable, three year
(2021/24) and five year (2021/26) Debentures
were listed on the Debt Securities Main Board
of Colombo Stock Exchange on 18th August 2021.

Registered Office & Principal Place of Business

1161, Maradana Road, Borella

Colombo 08, Sri Lanka.

Postal Code: 00800

Telephone +94 11 2631631

Fax +94 11 2631980/81

Email: info@plc.lk

Web Address: www.plc.lk

Compliance Officer

Ms. Zairaa Kaleel

Company Secretary

Ms. Shaalini Silva

Registrar

SSP Corporate Services (Pvt) Ltd

No. 101, Inner Flower Road,

Colombo 03, Sri Lanka.

Telephone: +94 11 2573894, +94 11 2576871

Fax: +94 11 2573609

E-mail: sspsec@sltnet.lk

Auditor

Auditor General
Auditor General's Department,
No. 306/72, Polduwa Road,
Battaramulla.

Bankers

People's Bank
Sampath Bank PLC
Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
National Development Bank PLC
Nations Trust Bank PLC
Seylan Bank PLC
Standard Chartered Bank
Habib Bank Limited
Citi Bank N.A.
Indian Bank
Indian Overseas Bank
Pan Asia Banking Corporation PLC

Head Office & Branch Offices

Head Office, Akuressa, Ambalangoda, Aluthgama,
Ambalanthota, Ampara, Anamaduwa,
Anuradapura, Awissawella, Badulla, Balangoda,
Bandarawela, Battaramulla, Batticaloa,
Chilaw, Chunnakam, Colombo 07, Dambulla,
Dehiwala, Deniyaya, Digana, Divulapitiya, Galle
Embilipitiya, Galenbindunuwewa, Elpitiya,
Gampaha, Gampola, Giriulla, Godakawela,
Grandpass, Hambantota, Hanwella, Hatton,
Havelock, Hingurakgoda, Homagama, Horana,
Ja-Ela, Jaffna, Kadawatha, Kaduwela, Kalawana,
Kalawanchikudi, Kalmunai, Kalutara, Katugashota,
Kamburupitiya, Kandy, Kandy Alsafa, Kanthale
Kattandudy, Kegalle, Kekirawa, Kelaniya
Kilinocchi, Kiribathgoda, Kirindiwela,
Kodikamam, Kuliyapitiya, Kurunegala,
Mahaiyawa, Maharagama, Mahiyanganaya,
Mannar, Matale, Matara, Mathugama, Mawanella,
Medawachchiya, Melsiripura, Merigama,
Metropolitan (Vauxhall Street), Minuwangoda,
Monaragala, Moratuwa, Mutur, Narammala,
Nattandiya, Nawalapitiya, Negombo,
Negombo City, Nelliady, Neluwa, Nittambuwa,
Nugegoda, Nuwara Eliya, Panadura, Pelmadulla,
Pettah, Pilmathalawa, Piliyandala, Polonnaruwa,
Puttalam, Ragama, Ratnapura, Tangalle,
Thabuttegama, Thissamaharama, Trincomalee,
Udugama, Union Place, Urubokka, Vavuniya,
Walasmulla, Warakapola, Wariyapola,
Wattala, Welimada, Wellawatha, Wellawaya,
Wennappuwa

Board of Directors

Mr. M.P. Amirthanayagam - Chairman
Mr. Rohan Pathirage
Mr. Azzam A. Ahamat
Mr. K.C.J.C. Fonseka
Mr. C.J.Wijetillake
Mr. U.L.A.W. Bandara
Ms. G.M.R.P. Wijerathna (appointed w.e.f 21 st April 2023)
Ms. M.C. Pietersz (resigned w.e.f 05th July 2023)

Board Audit Committee

Ms. M.C. Pietersz - Chairperson (ceased on 05th July 2023)
Mr. U.L.A.W. Bandara - Chairman pro tem (appointed w.e.f 23rd
June 2023)
Mr. Azzam A. Ahamat - Member
Mr. C.J.Wijetillake - Member (appointed w.e.f 23rd June 2023)

Board Integrated Risk Management Committee

Mr. C.J.Wijetillake - Chairman
Mr. Azzam A. Ahamat - Member
Ms. G.M.R.P. Wijerathna - Member (appointed w.e.f 27 th April
2023)
Mr. K.C.J.C. Fonseka - Member

Human Resources and Remuneration Committee

Mr. U.L.A.W. Bandara - Chairman
Ms. M.C. Pietersz - Member (ceased on 05th July 2023)
Mr. Rohan Pathirage - Member
Mr. C.J.Wijetillake - Member (appointed w.e.f 13th July 2023)

Nomination Committee

Mr. U.L.A.W. Bandara - Chairman
Ms. M.C. Pietersz - Member (ceased on 05th July 2023)
Mr. Rohan Pathirage - Member
Mr. C.J.Wijetillake - Member (appointed w.e.f 13th July 2023)

Related Party Transaction Review Committee

Mr. C.J.Wijetillake - Chairman
Mr. U.L.A.W. Bandara - Member
Mr. Rohan Pathirage - Member

Board Investment Committee

Mr. K.C.J.C. Fonseka - Chairman
Mr. C.J.Wijetillake - Member
Mr. Azzam A. Ahamat - Member

Board Credit Committee

Ms. G.M.R.P. Wijerathna - Chairperson (appointed w.e.f 27 th
April 2023)
Mr. U.L.A.W. Bandara - Member
Mr. C.J.Wijetillake - Member

Local Subsidiary Companies

People's Leasing Fleet Management Limited
People's Leasing Property Development
Limited
People's Leasing Havelock Properties Limited
People's Insurance PLC
People's Micro-commerce Ltd.

Foreign Subsidiary Companies

Alliance Finance PLC

Corporate Memberships

The Financial House Association of Sri Lanka
Credit Information Bureau of Sri Lanka
The Financial Ombudsman, Sri Lanka
The Leasing Association of Sri Lanka
The Association of Margin Providers
Biodiversity Sri Lanka (Patron Member)

Vehicle Yards

No. 496, Makola North, Makola, Sri Lanka.
No. 225/D, Nayagala Road, Heiyanthuduwa,
Mabima, Sri Lanka.
No.8, Pothuivil Road, Monaragala, Sri Lanka
Ketalagolla, Beligamuwa, Galewela, Sri Lanka

Tax Payer Identity Number (TIN)

114 156396

Income Tax Identity Number

114 156396 0000

VAT Registration Number

114 156396 7000

Central Bank Registration Number

046 (Under the Finance Business Act No.42 of
2011)

Credit Agency Status

An approved Credit Agency under the
Mortgage Act No.6 of 1949 and the Trust
Receipt Ordinance No.12 of 1947 by the
Department of Commerce.

Credit Rating

The Company has been assigned A-(Ika)
(Rating Watch Negative) by Fitch Ratings Lanka
Limited

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PEOPLE'S LEASING & FINANCE PLC