

CONDENSED INTERIM FINANCIAL STATEMENTS



For the period ended 30th June 2023

PMF FINANCE PLC

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CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION

As at,	Notes	Company			Group		
		30.06.2023	31.03.2023	Change %	30.06.2023	31.03.2023	Change %
		Unaudited Rs. '000	Audited Rs. '000		Unaudited Rs. '000	Audited Rs. '000	
Assets							
Cash and cash equivalents	11.1	1,125,463	561,607	100.4	1,125,702	561,846	100.4
Placements with banks and financial institutions	11.1	1,499,318	1,264,071	18.6	1,499,318	1,264,071	18.6
Financial assets measured at fair value	11.1	959,791	409,936	134.1	959,791	409,936	134.1
Financial assets measured at amortised cost - Loans and advances	11.1	8,638,707	8,318,103	3.9	8,638,707	8,318,103	3.9
Property, plant and equipment		261,247	169,495	54.1	261,247	169,495	54.1
Intangible assets		44,802	44,239	1.3	44,802	44,239	1.3
Right of use assets		165,360	173,662	(4.8)	165,360	173,662	(4.8)
Deferred tax assets		79,874	79,874	-	79,874	79,874	-
Other Assets		392,301	400,235	(2.0)	392,301	400,235	(2.0)
Total Assets		13,166,863	11,421,222	15.3	13,167,102	11,421,461	15.3
Liabilities							
Due to banks	11.1	640,486	757,280	(15.4)	640,486	757,280	(15.4)
Financial liabilities at amortised cost - due to depositors	11.1	9,508,199	7,655,744	24.2	9,508,199	7,655,744	24.2
Debt securities issued	11.1	17,950	17,800	0.8	17,950	17,800	0.8
Lease liabilities	11.2	192,316	197,581	(2.7)	192,316	197,581	(2.7)
Employee benefit obligation		13,785	12,249	12.5	13,785	12,249	12.5
Other liabilities		172,545	103,360	66.9	172,895	104,188	65.9
Total Liabilities		10,545,281	8,744,016	20.6	10,545,631	8,744,844	20.6
Equity							
Stated capital		3,762,054	3,762,054	0.0	3,762,054	3,762,054	0.0
Statutory reserve fund		20,239	20,239	0.0	20,239	20,239	0.0
Accumulated losses		(1,159,169)	(1,105,087)	(4.9)	(1,159,756)	(1,105,676)	(4.9)
Total Equity		2,623,125	2,677,206	(2.0)	2,622,537	2,676,617	(2.0)
Total Liabilities & Equity		13,166,863	11,421,222	15.3	13,167,102	11,421,461	15.3
Contingent liabilities and commitments		107,336	94,159	14.0	107,336	94,159	14.0
Net assets value per ordinary share (Rs.)		6.47	6.61	(2.0)	6.47	6.61	(2.0)
CERTIFICATION							
We certify that the above interim financial statements are in compliance with the requirement of the Companies Act No 07 of 2007.							
 Janaka Fernando Assistant Manager-Finance		 Terrance Kumara Chief Executive Officer					
The Board of Directors is responsible for the preparation and presentation of these Interim Financial Statements.							
Approved and signed for and on behalf of the Board of Directors.							
 Chandula Abeywickrema Chairman		 Rangana Koralage Director					
11th August 2023 Colombo							
Figures in brackets indicate deductions.							

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS-COMPANY

For the year ended	For the three month ended			For the quarter ended		
	30.06.2023	30.06.2022	Change %	30.06.2023	30.06.2022	Change %
	Unaudited Rs. '000	UnAudited Rs. '000		Unaudited Rs. '000	UnAudited Rs. '000	
Gross Income	749,604	368,637	103%	749,604	368,637	103%
Interest income	691,815	357,434	94%	691,815	357,434	94%
Less: Interest expense	502,334	193,310	160%	502,334	193,310	160%
Net interest income	189,481	164,124	15%	189,481	164,124	15%
Fee and commission income	9,890	5,314	86%	9,890	5,314	86%
Net fair value gain from financial assets at FVTPL	39,855	(2,131)	-1970%	39,855	(2,131)	-1970%
Other operating income	8,044	8,020	0%	8,044	8,020	0%
Total operating income	247,270	175,327	41%	247,270	175,327	41%
Less: Impairment charges for loans and receivables and other losses	62,704	67,517	-7%	62,704	67,517	-7%
Net operating income	184,566	107,810	71%	184,566	107,810	71%
Less: Personnel Expenses	96,409	82,137	17%	96,409	82,137	17%
Depreciation of property, plant and equipment	10,713	4,498	138%	10,713	4,498	138%
Amortisation of intangible assets	(68)	132	-152%	(68)	132	-152%
Amortisation of right of use assets	12,824	9,159	40%	12,824	9,159	40%
Other expenses	111,584	72,532	54%	111,584	72,532	54%
Operating profit / (loss) before tax on financial services	(46,896)	(60,648)	-23%	(46,896)	(60,648)	-23%
Less : Tax on financial services	7,186	4,038	78%	7,186	4,038	78%
Profit/(loss) before income tax	(54,082)	(64,686)	-16%	(54,082)	(64,686)	-16%
(Less)/Add: Income tax (expense)/reversal	-	(2,123)	-100%	-	(2,123)	-100%
Profit/(loss) for the period	(54,082)	(66,809)	-19%	(54,082)	(66,809)	-19%
Basic earnings/(loss) per share - (Rs)	(0.13)	(0.16)		(0.13)	(0.16)	

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS-GROUP

For the year ended	For the three month ended			For the quarter ended		
	30.06.2023	30.06.2022	Change %	30.06.2023	30.06.2022	Change %
	Unaudited Rs. '000	UnAudited Rs. '000		Unaudited Rs. '000	UnAudited Rs. '000	
Gross Income	749,604	368,637	103.3	749,604	368,637	103.3
Interest income	691,815	357,434	93.6	691,815	357,434	93.6
Less: Interest expense	502,334	193,310	159.9	502,334	193,310	159.9
Net interest income	189,481	164,124	15.4	189,481	164,124	15.4
Fee and commission income	9,890	5,314	86.1	9,890	5,314	86.1
Net fair value gain/(loss) from financial assets at FVTPL	39,855	(2,131)	1,970.4	39,855	(2,131)	1,970.4
Other operating income	8,044	8,020	0.3	8,044	8,020	0.3
Total operating income	247,270	175,327	41.0	247,270	175,327	41.0
Less: Net impairment charges/ (reversal) on financial assets	62,704	67,517	(7.1)	62,704	67,517	(7.1)
Net operating income	184,566	107,810	71.2	184,566	107,810	71.2
Less: Personnel Expenses	96,409	82,137	17.4	96,409	82,137	17.4
Depreciation of property, plant and equipment	10,713	4,498	138.2	10,713	4,498	138.2
Amortisation of intangible assets	(68)	132	151.6	(68)	132	151.6
Amortisation of right of use assets	12,824	9,159	40.0	12,824	9,159	40.0
Other expenses	111,584	72,532	53.8	111,584	72,532	53.8
Operating profit/(loss) before tax on financial services	(46,896)	(60,648)	22.7	(46,896)	(60,648)	22.7
Less : Tax on financial services	7,186	4,038	78.0	7,186	4,038	78.0
Profit/(loss) before income tax	(54,082)	(64,686)	16.4	(54,082)	(64,686)	16.4
(Less)/Add: Income tax (expense)/reversal	-	2,123	-	-	2,123	-
Profit/(loss) for the period	(54,082)	(66,809)	19.0	(54,082)	(66,809)	19.0
Basic earnings/(loss) per share - (Rs)	(0.13)	(0.16)	13.9	(0.13)	(0.16)	13.9

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY

For the year ended	For the three month ended			For the quarter ended		
	30.06.2023 Unaudited Rs. '000	30.06.2022 UnAudited Rs. '000	Change %	30.06.2023 Unaudited Rs. '000	30.06.2022 UnAudited Rs. '000	Change %
Profit / (loss) for the period	(54,082)	(66,809)	19.0	(54,082)	(66,809)	(19.0)
Items that will not be reclassified to profit or loss						
Actuarial loss on defined benefit plans	-	-	-	-	-	-
Deferred tax effect on actuarial loss	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	(54,082)	(66,809)	19.0	(54,082)	(66,809)	19.0

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP

<i>For the year ended</i>	For the three month ended			For the quarter ended		
	30.06.2023 Unaudited Rs. '000	30.06.2022 UnAudited Rs. '000	Change %	30.06.2023 Unaudited Rs. '000	30.06.2022 UnAudited Rs. '000	Change %
Profit / (loss) for the period	(54,082)	(66,809)	(19.0)	(54,082)	(66,809)	(19.0)
Items that will not be reclassified to profit or loss						
Actuarial loss on defined benefit plans	-	-	-	-	-	-
Deferred tax effect on actuarial loss	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	(54,082)	(66,809)	(19.0)	(54,082)	(66,809)	(19.0)

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY - COMPANY

Company	Ordinary share capital	Reserve fund	Retained earnings	Total equity
<i>In thousands of rupees</i>				
Balance as at 1 April 2022	3,762,054	20,239	(948,600)	2,833,694
Profit/(loss) for the period ended 30 June 2022	-	-	(66,809)	(66,809)
Total comprehensive income	-	-	(66,809)	(66,809)
Transfers to the reserve fund			-	-
Issues of Ordinary shares through rights issue		-	-	-
Transaction cost related to rights issue	-	-		-
Total contribution and distribution	-	-	-	-
Total transactions with owners of the Company	-	-	-	-
Balance as at 30 June 2022	3,762,054	20,239	(1,015,409)	2,766,886
Balance as at 1 April 2023	3,762,054	20,239	(1,105,087)	2,677,207
Profit/(loss) for the period ended 30 June 2023	-	-	(54,082)	(54,082)
Total comprehensive income /(loss)	-	-	(54,082)	(54,082)
Balance as at 30 June 2023	3,762,054	20,239	(1,159,169)	2,623,124

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY - GROUP

Group	Stated capital	Reserve fund	Retained earnings	Total equity
<i>In thousands of rupees</i>				
Balance as at 1 April 2022	3,762,054	20,239	(948,957)	2,833,336
Profit/(loss) for the period ended 30 June 2022	-	-	(66,809)	(66,809)
Other comprehensive income				
Remeasurement of defined benefit liability	-	-	-	-
Tax on other comprehensive income	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(66,809)	(66,809)
Transfer to reserve fund	-	-	-	-
Issues of Ordinary shares through rights issue		-	-	-
Transaction cost related to rights issue				-
Total contribution and distribution	-	-	-	-
Total transactions with owners of the Company	-	-	-	-
Balance as at 30 June 2022	3,762,054	20,239	(1,015,766)	2,766,527
Balance as at 1 April 2023	3,762,054	20,239	(1,105,676)	2,676,617
Profit/(loss) for the period ended 30 June 2023	-	-	(54,082)	(54,082)
Total comprehensive income/ (loss)	-	-	(54,082)	(54,082)
Balance as at 30 June 2023	3,762,054	20,239	(1,159,756)	2,622,535

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS

For the year ended	COMPANY		GROUP	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
	Unaudited Rs. '000	UnAudited Rs. '000	Unaudited Rs. '000	UnAudited Rs. '000
Cash flows from operating activities				
Profit/(Loss) before tax	(54,082)	(64,686)	(54,082)	(64,686)
Adjustment for:				
- Depreciation and amortisation	23,469	13,790	23,469	13,790
- Profit on real estate sales	-	-	-	-
- Gain on derecognition of right-of-use assets	-	(288)	-	(288)
- Net gain on investment securities at FVPTL	(39,855)	2,131	(39,855)	2,131
- Net impairment loss on loans and advances	62,704	67,517	62,704	67,517
- Interest expense on preference shares	150	150	150	150
- Interest expense on leases	8,106	3,539	8,106	3,539
- Dividend on equity securities at FVPTL	-	(23)	-	(23)
- Interest income	(108,863)	(38,463)	(108,863)	(38,463)
- Provision for retirement benefit obligation	579	1,320	579	1,320
- Loss / (Gain) on disposal of property, plant and equipment	(7)	(40)	(7)	(40)
Net cash used in operating activities	(107,798)	(15,053)	(107,798)	(15,053)
Changes in				
Financial assets measured at amortised cost - Loans and advances	(383,308)	(484,329)	(383,308)	(484,329)
Other assets	7,933	21,667	7,933	21,667
Due to customers	1,852,455	1,026,749	1,852,455	1,026,749
Other liabilities	69,689	(64,353)	69,689	(64,353)
	1,438,972	484,681	1,438,972	484,681
Retiring gratuity paid	-	(1,031)	-	(1,031)
Income tax paid	-	-	-	-
Net cash generated from / (used in) operating activities	1,438,972	483,650	1,438,972	483,650
Cash flows from investing activities				
Interest income on short term investment	108,863	38,463	108,863	38,463
Net proceeds from investments in fixed deposits	(235,248)	(389,005)	(235,248)	(389,005)
Net proceeds from investments in securities	(510,000)	-	(510,000)	-
Acquisition of property, plant and equipment	(91,753)	(17,431)	(91,753)	(17,431)
Purchase of intangible assets	(564)	(528)	(564)	(528)
Proceeds from disposal of property, plant and equipment	-	-	-	-
Dividends received from investments	-	23	-	23
Net cash generated from / (used in) investing activities	(728,701)	(368,478)	(728,701)	(368,478)
Cash flows from financing activities				
Net proceeds from rights issue of shares	-	-	-	-
Net proceeds from Borrowing from due to banks	(116,795)	(209,163)	(116,795)	(209,163)
Lease rental payments	(29,621)	(10,274)	(29,621)	(10,274)
Net cash generated from / (used in) financing activities	(146,416)	(219,437)	(146,416)	(219,437)
Net increase in cash and cash equivalents	563,855	(104,265)	563,855	(104,265)
Cash and cash equivalents at beginning of the year	561,607	660,873	561,846	661,116
Cash and cash equivalents at the end of the year	1,125,463	556,608	1,125,702	556,851
Cash and cash equivalents at the end of the year				
Cash and cash equivalents	1,125,463	556,608	1,125,702	556,851
Bank overdraft	-	-	-	-
	1,125,463	556,608	1,125,702	556,851

Figures in brackets indicate deductions.

CONDENSED INTERIM FINANCIAL STATEMENTS
EXPLANATORY NOTES

- 1 PMF Finance PLC (“the Company”) is a Licensed Finance Company registered under the Finance Business Act No. 42 of 2011 and listed on the Colombo Stock Exchange. The Company was incorporated on 26 January 1983 and is domiciled in Sri Lanka. The Company was listed on the main board of Colombo Stock Exchange on 11 July 1994. The registered office of the Company and the principal place of the business is situated at No. 361, 361/1, R.A.De Mel Mawatha, Colombo 03.
- 2 The condensed 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 Colombo Stock Exchange .
- 3 There are no significant changes in the accounting policies since the publication of 2022/23 Audited Financial Statements.

4 Share capital

As at	30.06.2023	30.06.2022
Ordinary Shares (Number of Shares)	405,301,750	405,301,750
Ordinary Shares (Value Rs.)	3,762,054,500	3,762,054,500

5 Preference shares

As at	30.06.2023	30.06.2022
Cumulative Preference Shares (Number of Shares)	1,000,000	1,000,000
Cumulative Preference Shares (Value Rs.)	10,000,000	10,000,000

6 Public holding

	No: of Shares
Issued Share Capital as at 30th June 2023	405,301,750
<i>Less:</i>	
Parent Company	330,714,052
Common Director	-
Directors shareholding	-
Spouses & Children under 18 and Close Family of Directors	-
Chief Executive Officers Shareholding	-
Spouse, Children under/over 18 & close family Members of CEO	-
Holding of 5% or more jointly or severally	-
Public Shareholding (10,119 Shareholders)	74,587,698
Public Holding as a % of Shares Issued	18.40%
Issued Share Capital as at 30th June 2023	405,301,750
Closing Market Price	3.80
Total Market Capitalization	1,540,146,650
Public Shareholding (10,119 Shareholders)	18.40%
Float adjusted market capitalization	283,433,252

7 Market Price

<u>Market Price</u>	30.06.2023	30.06.2022
	Rs.	Rs.
Highest price during the quarter ended 30th June	5.80	9.30
Lowest price during the quarter ended 30th June	3.30	6.20
Closing price as at 31st March	3.80	6.80

8 Ratios

Ratios	As at 30.06.2023	As at 30.06.2022
Debt to equity ratio (times)	3.88	3.15
Interest cover (times)	0.89	1.64
Quick asset ratio (%)	20.77	21.63

CONDENSED INTERIM FINANCIAL STATEMENTS
EXPLANATORY NOTES

9 Twenty Largest Ordinary Shareholders as at 30th June 2023

Name of the Share Holder	No: of Shares	%
Sterling Capital Investments (Private) Limited	330,714,052	81.60
People's Bank	33,856,246	8.35
People's Leasing & Finance PLC	25,014,002	6.17
Mr. L. De Fonseka	1,000,000	0.25
Mr. Z.G. Carimjee	600,000	0.15
People's Leasing & Finance PLC/ Dr. H.S.D. Soysa & Mrs. G. Soysa	599,064	0.15
Merchant Bank of Sri Lanaka & Finance PLC/M.A. Wijayasinghe	398,704	0.10
Mr. H.V. Pakianathan	370,143	0.09
Dr. H.S.D. Soysa	348,000	0.09
Mr. H. Beruwalage	344,088	0.08
Mr. D. Selvaraj	290,244	0.07
Mr. A.N. Handunpathirana	271,000	0.07
Mr. D.T. Beruwalage	202,480	0.05
Mrs. P.D.A.S.K. Beruwalage	200,348	0.05
Mr. T.A.S. Dilshan	187,500	0.05
Mr. D.P. Nadaraja	184,774	0.05
MR. S. Ramachandra	181,760	0.04
MR. D.C. Thantrimudali	180,000	0.04
LOLC Finance PLC/A.D.M. Dharmasena	176,992	0.04
DIALOG Finance PLC/ W.G.Herath	166,353	0.04
	395,285,750	97.53

10 Shares held by directors

Directors' Shareholding	Position	No: of Shares
Mr. C.P.Abeywickrema - Chairman	Chairman	-
Mr. K.R.P.Madusanka	Director	-
Mr.M.J.T.Waas	Director	-
Ms. Krystle Wijesuriya	Director	-
Dr. M.Nirmal De Silva	Director	-
Total		-

11 Financial instruments

11.1 Analysis of financial instrument by measurement basis

As at 30th June 2023	Company			Total Rs. '000
	Financial instruments recognized through profit or loss (FVTPL) Rs. '000	Financial instruments recognized through other comprehensive income (FVTOCI) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	
Assets				
Cash and cash equivalents	-	-	1,125,463	1,125,463
Balances with banks and financial institutions	-	-	1,499,318	1,499,318
Financial assets measured at amortised cost - Loans and adv	-	-	8,638,707	8,638,707
Investments in securities	959,768	23	-	959,791
Total Financial Assets	959,768	23	11,263,487	12,223,278
Liabilities				
Due to banks	-	-	640,486	640,486
Financial liabilities at amortised cost - due to depositors	-	-	9,508,199	9,508,199
Debt securities issued	-	-	17,950	17,950
Total Liabilities	-	-	10,166,635	10,166,635

CONDENSED INTERIM FINANCIAL STATEMENTS
EXPLANATORY NOTES

11.1 Analysis of financial instrument by measurement basis (Continued)

As at 31.03.2023	Company			Total Rs. '000
	Financial instruments recognized through profit or loss (FVTPL) Rs. '000	Financial instruments recognized through other comprehensive income (FVTOCI) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	
Assets				
Cash and cash equivalents	-	-	561,607	561,607
Balances with banks and financial institutions	-	-	1,264,071	1,264,071
Financial assets measured at amortised cost - Loans and adv	-	-	8,318,103	8,318,103
Investments in securities	409,913	23	-	409,936
Total Financial Assets	409,913	23	10,143,782	10,553,718
Liabilities				
Due to banks	-	-	757,280	757,280
Financial liabilities at amortised cost - due to depositors	-	-	7,655,744	7,655,744
Debt securities issued	-	-	17,800	17,800
Total Liabilities	-	-	8,430,825	8,430,825

As at 30.06.2023	Group			Total Rs. '000
	Financial instruments recognized through profit or loss (FVTPL) Rs. '000	Financial instruments recognized through other comprehensive income (FVTOCI) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	
Assets				
Cash and cash equivalents	-	-	1,125,702	1,125,702
Balances with banks and financial institutions	-	-	1,499,318	1,499,318
Financial assets measured at amortised cost - Loans and adv	-	-	8,638,707	8,638,707
Investments in securities	959,768	23	-	959,791
Total Financial Assets	959,768	23	11,263,727	12,223,518
Liabilities				
Due to banks	-	-	640,486	640,486
Financial liabilities at amortised cost - due to depositors	-	-	9,508,199	9,508,199
Debt securities issued	-	-	17,950	17,950
Total Liabilities	-	-	10,166,635	10,166,635

As at 31.03.2023	Group			Total Rs. '000
	Financial instruments recognized through profit or loss (FVTPL) Rs. '000	Financial instruments recognized through other comprehensive income (FVTOCI) Rs. '000	Financial instruments at amortised cost (AC) Rs. '000	
Assets				
Cash and cash equivalents	-	-	561,846	561,846
Balances with banks and financial institutions	-	-	1,264,071	1,264,071
Financial assets measured at amortised cost - Loans and adv	-	-	8,318,103	8,318,103
Investments in securities	409,913	23	-	409,936
Total Financial Assets	409,913	23	10,144,021	10,553,957
Liabilities				
Due to banks	-	-	757,280	757,280
Financial liabilities at amortised cost - due to depositors	-	-	7,655,744	7,655,744
Debt securities issued	-	-	17,800	17,800
Total Liabilities	-	-	8,430,825	8,430,825

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11.2 Fair value measurement hierarchy

The following table shows the carrying amounts and fair values of financial assets and liabilities including their levels in the fair value hierarchy. It does not include fair value information for financial assets at fair value if the carrying amount is a reasonable approximation of fair value.

As at 30.06.2023	Carrying amount Rs. '000		Fair value Rs. '000					
	Company	Group	Company			Group		
			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets								
Financial assets measured at fair value								
Investment securities measured at FVTPL (note a)	959,768	959,768	9,411	386,477	-	9,411	386,477	-
Investment securities measured at FVOCI (note b)	23	23	-	-	23	-	-	23
	959,791	959,791	9,411	386,477	23	9,411	386,477	23
Financial assets not measured at fair value								
Loans and advances (note c)	8,638,707	8,638,707	-	-	-	-	-	-
Cash and cash equivalent (note d)	1,125,463	1,125,702	-	-	-	-	-	-
Placements with banks and financial institutions (note e)	1,499,318	1,499,318	-	-	-	-	-	-
	11,263,488	11,263,727	-	-	-	-	-	-
	12,223,279	12,223,518	9,411	386,477	23	9,411	386,477	23
Financial liabilities								
Financial liabilities not measured at fair value								
Due to banks (note f)	640,486	640,486	-	-	-	-	-	-
Deposits due to customers (note g)	9,508,199	9,508,199	-	-	-	-	-	-
Debt securities issued (note h)	17,950	17,950	-	-	-	-	-	-
Financial liabilities (note i)	186,330	186,680	-	-	-	-	-	-
Lease liabilities (note j)	192,316	192,316	-	-	-	-	-	-
	10,545,281	10,545,631	-	-	-	-	-	-
	10,545,281	10,545,631	-	-	-	-	-	-
31.03.2023								
Investment securities measured at FVTPL (note a)	409,913	409,913	6,698	2,524	-	6,698	2,524	-
Investment securities measured at FVOCI (note b)	23	23	-	-	23	-	-	23
	409,936	409,936	6,698	2,524	23	6,698	2,524	23
Financial assets not measured at fair value								
Loans and advances (note c)	8,318,103	8,638,707	-	-	-	-	-	-
Cash and cash equivalent (note d)	561,607	561,846	-	-	-	-	-	-
Placements with banks and financial institutions (note e)	1,264,071	1,264,071	-	-	-	-	-	-
	10,143,781	10,464,624	-	-	-	-	-	-
	10,553,717	10,874,561	6,698	2,524	23	6,698	2,524	23
Financial liabilities not measured at fair value								
Due to banks (note f)	757,280	757,280	-	-	-	-	-	-
Deposits due to customers (note g)	7,655,744	7,655,744	-	-	-	-	-	-
Debt securities issued (note h)	17,800	17,800	-	-	-	-	-	-
Financial liabilities (note i)	115,609	116,437	-	-	-	-	-	-
Lease liabilities (note j)	197,581	197,581	-	-	-	-	-	-
	8,744,015	8,744,843	-	-	-	-	-	-

The methodologies and assumptions used to estimate the fair values of the financial instruments, which are not carried at fair value are as follows:

- Investment securities measured at FVTPL – The carrying amount of these investments reflect last traded price at stock exchange and NDB Wealth Money Plus daily reports.
- Investment securities measured at FVOCI – The carrying amount of these shows investments in the Credit Information Bureau of Sri Lanka. As CRIB is a private company unable to find market values. It is assumed that the carrying amounts approximate their fair values.
- Loans and advances to customers – The carrying amount reflects amortised value of loan and advances. Thus its carrying amount approximates to the fair value
- Cash and cash equivalents – The carrying amount of cash and cash equivalents approximate its fair value due to the relatively short maturity of the financial instruments
- Placements with banks and financial institutions – The carrying amount of investment in fixed deposits approximate its fair value due to the relatively short maturity of the financial instruments;

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11.2 Fair value measurement hierarchy (Continued)

- f) Due to banks – Fair value of these financial instruments with remaining maturity of less than one year approximate their carrying amounts due to the relatively short maturity of such instruments;
- g) Deposits due to customers – The carrying amount reflecting amortised cost of deposits from customers. Thus its carrying amount approximates to the fair value
- h) Debt securities issued – Fair value of preference shares reflect market value with the consideration of 6% interest rate
- i) Financial liabilities – The carrying value is approximately its fair value of the financial instrument
- j) Lease liabilities – The carrying amount reflects the amortised cost of lease liabilities.

There were no transfers between Level 1 and Level 2 during the reporting period.

Level 3 Fair value measurement

The following table shows a reconciliation from the beginning balance to the ending balance for fair value measurement in level 3 of the fair value hierarchy

	Group Rs. '000		Company Rs. '000	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Balance at the beginning of the year	23	23	23	23
Changes in fair value during the period	-	-	-	-
Balance at the end of the year	23	23	23	23

12 Events occurring after the reporting date

There have been no material events occurring after the reporting date which require adjustments to or disclosure in these financial statements.

13 Commitments and contingencies

There are no significant capital commitments which have been approved or contracted for by the company as at 31st June 2023.

- Contingent liability has been decreased up to Rs 107,336,447 as at 30-06-2023 due to the decrease of Margin Trading un-utilized balances.

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14 New accounting standard amendments issued but not effective as at reporting date

The Institute of Chartered Accountants of Sri Lanka has issued following new Sri Lanka Accounting Standard amendments (SLFRSs/LKASs) which will become applicable for financial periods beginning on or after 1st January 2022. Accordingly, the Group and Company has not applied the following new standard amendments in preparing these Condensed Financial Statements.

These amended standards and interpretations are not expected to have a significant impact on the Group's and Company's financial statements.

Onerous Contracts – Cost of fulfilling a contract (amendments to LKAS 37)

Covid-19 Related Rent Concessions (amendments to SLFRS 16)

Property, Plant and Equipment: Proceeds before Intended Use (amendments to LKAS 16)

Reference to Conceptual Framework (amendments to SLFRS 3)

Classification of Liabilities as Current or Non-current (amendments to LKAS 1)

Annual improvements to SLFRS standards 2018-2020

Definition of accounting estimate (amendments to LKAS 8)

Disclosure of accounting policies (amendments to LKAS 1 and SLFRS practice statement 2)

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15 Segmental analysis

Rs. '000

As at 30 th June	Leasing & Hire Purchase		Loans and Gold Loan		Margin Trading		Other		Total Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Income										
Interest income	292,229	154,402	249,894	124,065	35,904	37,101	113,787	41,866	691,815	357,434
Fee and commission income	9,890	5,314	0	-	-	-	-	-	9,891	5,314
Net income from other financial instruments at FVTPL	-	-	-	-	-	-	39,855	(2,131)	39,855	(2,131)
Other operating income	2,581	5,972	2,845	1,305	-	-	2,619	744	8,045	8,021
Gross revenue	304,701	165,688	252,740	125,370	35,904	37,101	156,261	40,479	749,605	368,638
Less: Interest expenses	146,217	70,376	137,564	58,634	20,072	14,648	198,481	49,653	502,334	193,311
Total operating income	158,485	95,312	115,176	66,736	15,832	22,453	(42,221)	(9,174)	247,271	175,327
Net impairment charges/(reversal)	58,912	43,234	(1,746)	5,583	5,537	18,701	-	-	62,704	67,518
Net operating income	99,572	52,078	116,922	61,153	10,295	3,752	(42,221)	(9,174)	184,568	107,809
Less: Operating Expenses	67,373	61,328	63,386	51,096	9,249	12,765	91,455	43,270	231,462	168,459
Segment results	32,199	(9,250)	53,536	10,057	1,046	(9,013)	(133,677)	(52,444)	(46,894)	(60,650)
Less: Tax on financial services	-	-	-	-	-	-	-	-	7,186	4,038
Less: Income tax expense									-	2,123
Profit/(loss) attributable to equity holders									(54,080)	(66,811)
As at 31st March										
Segment Assets	3,832,613	3,268,603	3,605,806	2,723,244	526,122	680,342	5,202,562	2,306,139	13,167,102	8,978,328
Total Assets	3,832,613	3,268,603	3,605,806	2,723,244	526,122	680,342	5,202,562	2,306,139	13,167,102	8,280,059
Segment Liabilities	3,069,569	2,261,436	2,887,917	1,884,120	421,375	470,705	4,166,771	1,595,539	10,545,631	6,211,800
Total Liabilities	3,069,569	2,261,436	2,887,917	1,884,120	421,375	470,705	4,166,771	1,595,539	10,545,631	6,211,800
<i>Figures in brackets indicate deductions.</i>										

CORPORATE INFORMATION

Name of Company PMF Finance PLC	Branch Offices Corporate Anuradhapura Kurunegala Negombo Trincomalee Kandy Matara Homagama Matugama Elpitiya Gampaha Wellawatta Matale Narahenpitiya	Related Party Transactions Review Committee Mr. C.P.Abeywickrema - Chairman Ms. Krystle Wijesuriya Mr.M.J.T.Waas
Legal Form Public Limited Liability Company (Incorporated and domiciled in Sri Lanka)		Bankers People's Bank National Development Bank PLC Cargills Bank Ltd Hatton National Bank PLC Commercial Bank PLC
Date of Incorporation 26 th January 1983		
Company Registration Number PQ 200		
Stock Exchange Listing The ordinary shares of the Company were quoted on the Colombo Stock Exchange (CSE) on 11 th July 1994. The company has been transferred from Second Board to Dirisavi Board with effect from 12th October 2021 due to compliance with the Minimum public holding requirement.	Board of Directors and Board Sub-Committees Board of Directors Mr. C.P.Abeywickrema - Chairman Mr. K.R.P.Madusanka Mr.M.J.T.Waas Ms. Krystle Wijesuriya Dr. M.Nirmal De Silva	Subsidiary Company PMB Services Limited Vehicle Yard No.49, Wellawa, Kurunegala. Sri Lanka.
Accounting Year-End March -31	Integrated Risk Management Committee Mr. C.P.Abeywickrema - Chairman Mr. K.R.P.Madusanka Mr.M.J.T.Waas Dr. M.Nirmal De Silva	Tax Payer Identity Number (TIN) '134000228
Registered Office & Principle Place of Business No. 361,361/1, R.A.De Mel Mawatha, Colombo 03, Sri Lanka Telephone +94117666333 Email; info@pmb.lk Web Address; www.peoplesmerchant.lk	Central Bank Registration Number LFC/043 (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.
Registrars SSP Corporate Services (Pvt) Ltd No. 101, Inner Flower Road, Colombo 03, Sri Lanka Telephone; +94112573894, +94112576871 Fax; +94112573609 Email; sspsec@slt.net.lk	Board Audit Committee Mr. K.R.P.Madusanka - Chairman Mr. C.P.Abeywickrema Mr.M.J.T.Waas Dr. Nirmal De Silva	Credit Rating [SL] B +
Auditors M/s. KPMG Chartered Accountants 32A, Sir Mohomed Macan Maker Mawatha, Colombo 03.	Remuneration Committee Mr. C.P.Abeywickrema - Chairman Mr. K.R.P.Madusanka Ms. Krystle Reid Wijesuriya Mr.M.J.T.Waas	
	Nomination Committee Mr. C.P.Abeywickrema - Chairman Mr. K.R.P.Madusanka Ms. Krystle Reid Wijesuriya	