

**INTERIM FINANCIAL STATEMENTS
QUARTER ENDED JUNE 30, 2022**



SMB LEASING PLC

No: 282/1, CBS Building, Galle Road, Colombo 03

SMB Leasing PLC
Statement of Profit or Loss and Other Comprehensive Income
For the period ended June 30, 2022 (LKR 000)

Company	Quarter ended	Quarter ended	Variance	YTD	YTD	Variance
	June 30, 2022	June 30, 2021		June 30, 2022	June 30, 2021	
	Unaudited	Unaudited		Unaudited	Unaudited	
Interest income	66,398	45,834	45%	129,640	78,081	66%
Interest expenses	(26,947)	(17,710)	52%	(46,721)	(24,931)	87%
Net interest income	39,451	28,124	40%	82,919	53,150	56%
Fee and commission income	3,180	2,054	55%	5,906	4,611	28%
Net interest, fee and commission income	42,631	30,178	41%	88,825	57,761	54%
Other operating income (net)	36,799	3,591	925%	71,976	7,052	921%
Total operating income	79,430	33,769	135%	160,801	64,813	148%
Impairment (charge) / reversal for the period	(9,200)	24,199	138%	(18,737)	51,981	136%
Net operating income	70,230	57,968	21%	142,064	116,794	22%
Personnel expenses	(21,213)	(16,697)	27%	(39,834)	(33,093)	20%
Premises, equipment & establishment expenses	(4,827)	(1,922)	151%	(9,419)	(11,373)	-17%
Depreciation and amortization	(4,120)	(7,950)	-48%	(7,962)	(9,562)	-17%
Other expenses	(9,370)	(3,825)	145%	(14,635)	(8,387)	74%
Operating profit / (loss) before taxes on financial services	30,700	27,574	11%	70,214	54,379	29%
Taxes on financial services	(7,658)	(5,403)	42%	(9,158)	(5,403)	70%
Profit / (Loss) after taxes on financial services	23,042	22,171	4%	61,056	48,976	25%
Share of loss of associate company	-	(184)	-100%	-	(184)	-100%
Profit / (Loss) before income tax	23,042	21,987	5%	61,056	48,792	25%
Income tax expenses	-	-	0%	-	-	0%
Profit / (Loss) for the period	23,042	21,987	5%	61,056	48,792	25%
Basic earnings/(loss) per share	0.01	0.01	0%	0.01	0.03	-79%

Company	Quarter ended	Quarter ended	Variance	YTD	YTD	Variance
	June 30, 2022	June 30, 2021		June 30, 2022	June 30, 2021	
	Unaudited	Unaudited		Unaudited	Unaudited	
Profit / (Loss) for the period	23,042	21,987	5%	61,056	48,792	25%
Other comprehensive income						
Actuarial loss on defined benefit plans	-	-	0%	-	-	0%
Equity investments at FVOCI - Net change in fair value	-	-	0%	-	-	0%
Tax on other comprehensive income	-	-	-	-	-	-
Other comprehensive expense for the period (net of tax)	-	-	0%	-	-	0%
Total comprehensive income / (expense) for the period	23,042	21,987	5%	61,056	48,792	25%

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SMB Leasing PLC
Statement of Profit or Loss and Other Comprehensive Income
For the period ended June 30, 2022 (LKR 000)

Group	Quarter ended June 30, 2022 Unaudited	Quarter ended June 30, 2021 Unaudited	Variance	YTD June 30, 2022 Unaudited	YTD June 30, 2021 Unaudited	Variance
Interest income	67,305	46,202	46%	130,936	78,986	66%
Interest expenses	(26,957)	(17,799)	51%	(46,752)	(25,123)	86%
Net interest income	40,348	28,403	42%	84,184	53,863	56%
Fee and commission income	3,180	2,054	55%	5,906	4,611	28%
Net interest, fee and commission income	43,528	30,457	43%	90,090	58,474	54%
Other operating income (net)	41,409	16,682	148%	84,915	35,923	136%
Total operating income	84,937	47,139	80%	175,005	94,397	85%
Impairment (charge)/ reversal for the period	(9,200)	24,199	138%	(18,737)	51,981	136%
Net operating income	75,737	71,338	6%	156,268	146,378	7%
Personnel expenses	(32,214)	(28,857)	12%	(63,197)	(59,157)	7%
Premises, equipment & establishment expenses	(4,957)	(1,996)	148%	(9,699)	(11,575)	-16%
Depreciation and amortizations	(5,073)	(9,018)	-44%	(9,880)	(11,700)	-16%
Other expenses	(12,368)	(5,797)	113%	(21,297)	(13,465)	58%
Operating profit / (loss) before taxes on financial services	21,125	25,670	-18%	52,194	50,481	3%
Taxes on financial services	(7,658)	(5,403)	42%	(9,158)	(5,403)	70%
Profit / (Loss) after taxes on financial services	13,467	20,267	-34%	43,036	45,078	-5%
Share of loss of associate company	-	(184)	-100%	-	(184)	-100%
Profit / (Loss) before income tax	13,467	20,083	-33%	43,036	44,894	-4%
Income tax expenses	-	-	0%	-	-	0%
Profit / (Loss) for the period	13,467	20,083	-33%	43,036	44,894	-4%
Profit/(Loss) attributable to :						
Owners of the parent	18,158	21,016	-14%	51,866	46,804	11%
Non-controlling interest	(4,692)	(933)	403%	(8,830)	(1,910)	362%
Profit / (Loss) for the period	13,467	20,083	-33%	43,036	44,894	-4%
Basic earnings/(loss) per share	0.01	0.01	0%	0.01	0.02	-45%

Group	Quarter ended June 30, 2022 Unaudited	Quarter ended June 30, 2021 Unaudited	Variance	YTD June 30, 2022 Unaudited	YTD June 30, 2021 Unaudited	Variance
Profit / (Loss) for the period	13,467	20,083	-33%	43,036	44,894	-4%
Other comprehensive income						
Actuarial loss on defined benefit plans	-	-	0%	-	-	0%
Equity investments at FVOCI - Net change in fair value	-	-	0%	-	-	0%
Tax on other comprehensive income	-	-	0%	-	-	0%
Other comprehensive expense for the period (net of tax)	-	-	0%	-	-	0%
Total comprehensive income / (expense) for the period	13,467	20,083	-33%	43,036	44,894	-4%
Total comprehensive income / (expense) attributable to:						
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Total comprehensive income / (expense) for the period	13,467	20,083	-33%	43,036	44,894	-4%

SMB Leasing PLC
Statement of Financial Position (LKR 000)

As at	Company		Group	
	June 30, 2022 Unaudited	December 31, 2021 Audited	June 30, 2022 Unaudited	December 31, 2021 Audited
Assets				
Cash and cash equivalents	133,187	103,559	133,356	105,179
Placements with banks	2,397,921	2,405,234	2,407,352	2,422,337
Loans and receivables	1,750,543	1,115,518	1,750,543	1,115,518
Financial investments	82,077	82,077	94,400	99,752
Investments in associate	41,833	41,833	41,833	41,833
Investments in subsidiary	12,750	12,750	-	-
Investment properties	341,078	142,778	355,978	157,678
Property, plant & equipment	22,096	7,306	25,659	11,911
Right of use Asset	16,947	23,266	17,080	24,196
Intangible assets	241,633	5,615	241,633	5,615
Deferred tax assets	-	-	2,538	2,538
Other assets	51,415	50,002	63,237	62,980
Total Assets	5,091,480	3,989,938	5,133,609	4,049,537
Liabilities				
Due to financial institutions	1,538,072	526,274	1,539,304	526,274
Due to other customers	124,514	122,276	124,514	122,276
Retirement benefit obligations	9,108	7,545	27,979	25,887
Leased Liabilities	12,608	15,649	12,763	16,706
Other liabilities	94,306	66,378	96,954	69,336
Total Liabilities	1,778,608	738,122	1,801,514	760,479
Equity				
Stated capital	3,062,681	3,062,681	3,062,681	3,062,681
Statutory reserves	37,753	37,753	37,753	37,753
Fair Value Reserves	29,593	29,593	29,593	29,592
Retained earnings	182,845	121,789	186,270	134,535
Total equity attributable to equity holders of the Company	3,312,872	3,251,816	3,316,297	3,264,561
Non- controlling interests	-	-	15,798	24,497
Total Equity	3,312,872	3,251,816	3,332,095	3,289,058
Total Equity and Liabilities	5,091,480	3,989,938	5,133,609	4,049,537

Figures in brackets indicate deductions
The Notes form an integral part of these Interim Financial Statements.

These Financial Statements comply with the requirements of the Companies Act No. 7 of 2007.

Signed
L. Menaka Silva
Head of Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved and signed on behalf of the Board by,

Signed
A.T.S.Sosa
Director

Signed
M.S.A.Wadood
Director

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SMB Leasing PLC
Statement of Changes in Equity
For the period ended June 30, 2022 (LKR 000)

Company	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total
	Ordinary - Voting Shares	Ordinary - Non Voting Shares				
Balance as at January 1, 2021	708,446	210,618	35,081	8,251	74,872	1,037,268
(Loss) / Profit for the period	-	-	-	-	48,792	48,792
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-
Total comprehensive (expense) / income for the period	-	-	-	-	48,792	48,792
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-
Balance as at June 30, 2021	708,446	210,618	35,081	8,251	123,664	1,086,060
(Loss) / Profit for the period	-	-	-	-	27,385	27,385
Other comprehensive (expense) / income (net of tax)	-	-	-	21,342	(21,342)	-
Rights issue during the period	1,847,513	296,104	-	-	-	2,143,617
Direct cost of right issue	-	-	-	-	(5,247)	(5,247)
Total comprehensive (expense) / income for the period	2,555,959	506,722	35,081	21,342	124,460	3,251,816
Transfer to statutory reserve	-	-	2,672	-	(2,672)	-
Dividend paid	-	-	-	-	-	-
Total transactions with equity holders	-	-	2,672	-	(2,672)	-
Balance as at December 31, 2021	2,555,959	506,722	37,753	29,593	121,789	3,251,816
Balance as at January 1, 2022	2,555,959	506,722	37,753	29,593	121,789	3,251,816
Profit/ (Loss) for the period	-	-	-	-	61,056	61,056
Other comprehensive income/(expense) (net of tax)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	61,056	61,056
Transfer to Statutory Reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-
Balance as at June 30, 2022	2,555,959	506,722	37,753	29,593	182,845	3,312,872

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SMB Leasing PLC
Statement of Changes in Equity
For the period ended June 30, 2022 (LKR 000)

Group	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
	Ordinary - Voting Shares	Ordinary - Non Voting Shares						
Balance as at January 1, 2021	708,446	210,618	35,081	8,251	92,471	1,054,867	29,416	1,084,283
(Loss) / Profit for the period	-	-	-	-	46,804	46,804	(1,910)	44,894
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-	-	-
Total comprehensive (expense) / income for the period	-	-	-	-	46,804	46,804	(1,910)	44,894
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-
Balance as at June 30, 2021	708,446	210,618	35,081	8,251	139,275	1,101,671	27,506	1,129,177
(Loss) / Profit for the period	-	-	-	-	3,048	3,048	(2,878)	169
Other comprehensive (expense) / income (net of tax)	-	-	-	21,342	-	21,342	-	21,342
Rights issue during the period	1,847,513	296,104	-	-	-	2,143,617	-	2,143,617
Direct cost of right issue	-	-	-	-	(5,247)	(5,247)	-	(5,247)
Total comprehensive (expense) / income for the period	1,847,513	296,104	-	21,342	(2,199)	2,162,760	(2,878)	2,159,882
Transfer to statutory reserve	-	-	2,672	-	(2,672)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	2,672	-	(2,672)	-	-	-
Balance as at December 31, 2021	2,555,959	506,722	37,753	29,593	134,404	3,264,431	24,628	3,289,058
Balance as at January 1, 2022	2,555,959	506,722	37,753	29,593	134,404	3,264,431	24,628	3,289,058
(Loss) / Profit for the period	-	-	-	-	51,866	51,866	(8,830)	43,036
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-	-	-
Total comprehensive (expense) / income for the period	-	-	-	-	51,866	51,866	(8,830)	43,036
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-
Balance as at June 30, 2022	2,555,959	506,722	37,753	29,593	186,270	3,316,297	15,798	3,332,095

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SMB Leasing PLC
Cash Flow Statement

For the period ended June 30, 2022 (LKR 000)

	Company		Group	
	June 30, 2022 Unaudited	June 30, 2021 Unaudited	June 30, 2022 Unaudited	June 30, 2021 Unaudited
Cash flow from operating activities				
Interest receipts	132,656	65,882	133,952	66,788
Interest payments	(43,162)	(20,444)	(43,194)	(20,636)
Fees and commission receipts	58,949	13,744	69,943	42,285
Cash payments to employees and suppliers	(55,213)	(45,239)	(84,314)	(73,479)
Profit before changes in operating assets	93,230	13,943	76,387	14,958
Loans and receivables to other customers	(659,157)	10,033	(659,158)	9,913
Other assets	(1,413)	(381)	(256)	(4,185)
Cash generated / (used in) operating activities	(567,340)	23,595	(583,027)	20,686
Tax paid	(10,016)	-	(10,016)	(842)
Gratuity paid	-	-	(192)	(600)
Net cash generated / (used in) operating activities	(577,356)	23,595	(593,234)	19,244
Cash flow from investing activities				
Net (increase)/decrease in financial investments	-	-	24,755	662
Net of acquisition and disposal of shares	-	-	-	-
Dividend received	-	-	40	101
Purchase of property, plant & equipment & intangible assets	(252,452)	(980)	(252,531)	(980)
(Purchase)/Disposal of Investment Properties	(198,300)	-	(198,300)	-
Net cash generated / (used in) investing activities	(450,752)	(980)	(426,036)	(217)
Cash flow from financing activities				
Increase/(decrease) in borrowings from financial institutions	980,013	(108,477)	980,013	(108,477)
Increase/(decrease) in other borrowings	-	-	-	-
Increase/(decrease) in public borrowings	(6)	(12)	(6)	(12)
Increase/(decrease) in other liabilities	21,635	25,776	18,678	23,278
Lease liability payment	(4,120)	(4,438)	(5,052)	(5,212)
Rights issue during the period	-	(2,514)	-	(2,514)
Right issue expenses	-	-	-	-
Dividend paid	-	-	-	-
Net cash generated / (used in) financing activities	997,522	(89,665)	993,633	(92,937)
Net increase / (decrease) in cash and cash equivalents	(30,587)	(67,050)	(25,637)	(73,910)
Cash and cash equivalents at the beginning of the year	132,225	140,353	135,645	160,345
Cash and cash equivalents at the end of the year	101,638	73,303	110,007	86,435
Reconciliation of cash and cash equivalents				
Cash and cash equivalents	133,187	108,759	133,356	112,391
REPO investment with banks	-	17,997	9,431	27,497
Bank overdraft	(31,548)	(53,453)	(32,780)	(53,453)
Cash and cash equivalents	101,638	73,303	110,007	86,435

SMB Leasing PLC
Segment Reporting - Group

For the period ended June 30, (LKR 000)	Loans		Leasing		Treasury		Money Brokering		Unallocated		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Business segments - Group												
Revenue from external customers,												
Interest	60,440	33,329	50,936	33,676	-	-	1,296	906	18,264	11,076	130,936	78,986
Fee & commission	840	203	1,780	296	-	-	-	-	3,285	4,111	5,906	4,611
Other operating Income	60	-	297	68	71,618	6,985	12,939	28,870	-	-	84,915	35,923
Total revenue from external customers	61,340	33,532	53,013	34,039	71,618	6,985	14,235	29,776	21,549	15,187	221,757	119,520
Segment result	30,103	24,494	26,016	24,864	35,146	5,102	6,986	21,750	10,576	11,094	108,827	87,304
Depreciation charged for the year	(2,733)	(3,283)	(2,362)	(3,332)	(3,191)	(684)	(634)	(2,915)	(960)	(1,487)	(9,880)	(11,700)
Interest expense	(12,932)	(7,048)	(11,177)	(7,155)	(15,099)	(1,468)	(3,001)	(6,259)	(4,543)	(3,193)	(46,752)	(25,123)
Operating profit	14,438	14,163	12,477	14,377	16,857	2,950	3,350	12,577	5,073	6,415	52,195	50,481
Share of profit/ (loss) of associate companies	-	-	-	-	-	-	-	-	-	-	-	(184)
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-
Value added tax (VAT) on financial services	-	-	-	-	-	-	-	-	-	-	(9,158)	(5,403)
Other comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period	14,438		12,477		16,857		3,350		5,073		43,036	44,894
Segment assets (As at June 30,)	1,139,324	669,358	611,220	455,849	2,635,109	428,254	14,359	21,053	733,597	186,306	5,133,609	1,760,821
Segment liabilities (As at June 30,)	498,318	196,779	430,666	199,749	581,812	40,991	115,641	174,739	175,076	89,128	1,801,514	701,386
Cash flow from operating activities	(164,095)	5,399	(141,817)	5,480	(191,589)	1,125	(38,080)	4,794	(57,652)	2,446	(593,234)	19,244
Cash flow from investing activities	(117,846)	(61)	(101,847)	(62)	(137,591)	(13)	(27,348)	(54)	(41,404)	(28)	(426,036)	(217)
Cash flow from financing activities	274,850	(26,074)	237,536	(26,468)	320,913	(5,431)	63,782	(23,154)	96,552	(11,810)	993,633	(92,937)

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SMB Leasing PLC
Classification of Financial Instruments
For the period ended June 30, 2022 (LKR 000)

Assets - Company	June 30, 2022				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Assets					
Cash and cash equivalents	-	133,187	-	-	133,187
Placements with banks	-	2,397,921	-	-	2,397,921
Financial assets at amortised cost-Loans and receivables to other customers	-	1,750,543	-	-	1,750,543
Fair value through profit or loss (FVTPL)	700	-	-	-	700
Fair value through other comprehensive income (FVTOCI)	-	-	81,377	-	81,377
Total financial assets	700	4,281,651	81,377	-	4,363,728
Non Financial Assets					
Investment in associate	-	-	-	41,833	41,833
Investment in subsidiary	-	-	-	12,750	12,750
Investment properties	-	-	-	341,078	341,078
Property, plant & equipment	-	-	-	22,096	22,096
Right-of-use assets	-	-	-	16,947	16,947
Intangible assets	-	-	-	241,633	241,633
Other assets	-	-	-	51,415	51,415
Total non financial assets	-	-	-	727,752	727,752
Total assets	700	4,281,651	81,377	727,752	5,091,480

Liabilities - Company	June 30, 2022				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Liabilities					
Due to financial institutions	-	1,538,072	-	-	1,538,072
Due to other customers	-	124,514	-	-	124,514
Lease liabilities	-	12,608	-	-	12,608
Total financial liabilities	-	1,675,194	-	-	1,675,194
Non Financial Liabilities					
Retirement benefit obligations	-	9,108	-	-	9,108
Other liabilities	-	94,306	-	-	94,306
Total non financial liabilities	-	103,414	-	-	103,414
Total liabilities	-	1,778,608	-	-	1,778,608

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SMB Leasing PLC
Classification of Financial Instruments
For the period ended December 31, 2021 (LKR 000)

Assets - Company	December 31, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Assets					
Cash and cash equivalents	-	103,559	-	-	103,559
Placements with banks	-	2,405,234	-	-	2,405,234
Financial assets at amortised cost-Loans and receivables to other customers	-	1,115,518	-	-	1,115,518
Fair value through profit or loss (FVTPL)	622	-	-	-	622
Fair value through other comprehensive income (FVTOCI)	-	-	81,455	-	81,455
Total financial assets	622	3,624,312	81,455	-	3,706,388
Non Financial Assets					
Investment in associate	-	-	-	41,833	41,833
Investment in subsidiary	-	-	-	12,750	12,750
Investment properties	-	-	-	142,778	142,778
Property, plant & equipment	-	-	-	7,306	7,306
Right-of-use assets	-	-	-	23,266	23,266
Intangible assets	-	-	-	5,615	5,615
Other assets	-	-	-	50,002	50,002
Total non financial assets	-	-	-	283,550	283,550
Total assets	622	3,624,312	81,455	283,550	3,989,938

Liabilities - Company	December 31, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Liabilities					
Due to financial institutions	-	526,274	-	-	526,274
Due to other customers	-	122,276	-	-	122,276
Lease liabilities	-	15,649	-	-	15,649
Total financial liabilities	-	664,199	-	-	664,199
Non Financial Liabilities					
Retirement benefit obligations	-	7,545	-	-	7,545
Other liabilities	-	66,378	-	-	66,378
Total non financial liabilities	-	73,923	-	-	73,923
Total liabilities	-	738,122	-	-	738,122

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SMB Leasing PLC
Classification of Financial Instruments
For the period ended June 30, 2022 (LKR 000)

Assets - Group	June 30, 2022				Total
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	
Financial Assets					
Cash and cash equivalents	-	133,356	-	-	133,356
Placements with banks	-	2,407,352	-	-	2,407,352
Financial assets at amortised cost-Loans and receivables to other customers	-	1,750,543	-	-	1,750,543
Fair value through profit or loss (FVTPL)	7,135	-	-	-	7,135
Fair value through other comprehensive income (FVTOCI)	-	-	76,725	-	76,725
Other financial assets	-	10,540	-	-	10,540
Total financial assets	7,135	4,301,791	76,725	-	4,385,651
Non Financial Assets					
Investment in associate	-	-	-	41,833	41,833
Investment properties	-	-	-	355,978	355,978
Property, plant & equipment	-	-	-	25,659	25,659
Right-of-use assets	-	-	-	17,080	17,080
Intangible assets	-	-	-	241,633	241,633
Diferred tax assets	-	-	-	2,538	2,538
Other assets	-	-	-	63,237	63,237
Total non financial assets	-	-	-	747,958	747,958
Total assets	7,135	4,301,791	76,725	747,958	5,133,609

Liabilities - Group	June 30, 2022				Total
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	
Financial Liabilities					
Due to financial institutions	-	1,539,304	-	-	1,539,304
Due to other customers	-	124,514	-	-	124,514
Lease liabilities	-	12,763	-	-	12,763
Total financial liabilities	-	1,676,581	-	-	1,676,581
Non Financial Liabilities					
Retirement benefit obligations	-	27,979	-	-	27,979
Other liabilities	-	96,954	-	-	96,954
Total non financial liabilities	-	124,933	-	-	124,933
Total liabilities	-	1,801,513	-	-	1,801,513

SMB Leasing PLC
Classification of Financial Instruments
For the period ended December 31, 2021 (LKR 000)

Assets - Group	December 31, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Assets					
Cash and cash equivalents	-	105,179	-	-	105,179
Placements with banks	-	2,422,337	-	-	2,422,337
Financial assets at amortised cost-Loans and receivables to other customers	-	1,115,518	-	-	1,115,518
Fair value through profit or loss (FVTPL)	8,076	-	-	-	8,076
Fair value through other comprehensive income (FVTOCI)	-	-	81,136	-	81,136
Other financial assets	-	10,540	-	-	10,540
Total financial assets	8,076	3,653,575	81,136	-	3,742,787
Non Financial Assets					
Investment in associate	-	-	-	41,833	41,833
Investment properties	-	-	-	157,678	157,678
Property, plant & equipment	-	-	-	11,911	11,911
Right-of-use assets	-	-	-	24,196	24,196
Intangible assets	-	-	-	5,615	5,615
Diferred tax assets	-	-	-	2,538	2,538
Other assets	-	-	-	62,980	62,980
Total non financial assets	-	-	-	306,750	306,750
Total assets	8,076	3,653,575	81,136	306,750	4,049,537

Liabilities - Group	December 31, 2021				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Liabilities					
Due to financial institutions	-	526,274	-	-	526,274
Due to other customers	-	122,276	-	-	122,276
Lease liabilities	-	16,706	-	-	16,706
Total financial liabilities	-	665,256	-	-	665,256
Non Financial Liabilities					
Retirement benefit obligations	-	25,887	-	-	25,887
Other liabilities	-	69,336	-	-	69,336
Total non financial liabilities	-	95,223	-	-	95,223
Total liabilities	-	760,479	-	-	760,479

SMB Leasing PLC
Notes to the Financial Statements
For the period ended June 30, 2022

1 Basis of Preparation

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended December 31, 2021. The same Accounting Policies and methods of computations as stated in the Annual Financial Statements for the year ended December 31, 2021 have been followed in preparation of these Condensed Interim Financial Statements other than the policy change of Investment properties.

1.1 The consolidated financial statements of the Group comprise of SMB Leasing PLC, its subsidiary SMB Money Brokers (Pvt) Ltd and the Group's interest in its associate Kenanga Investments Corporation Limited.

2 Income Tax

The Company is liable for income tax at the rate of 24% on its taxable profits.

3 Share price during the period

	Voting		Non Voting	
	2nd Quarter 2022 Rs.	2nd Quarter 2021 Rs.	2nd Quarter 2022 Rs.	2nd Quarter 2021 Rs.
Highest price per share	1.00	0.60	0.40	0.40
Lowest price per share	0.30	0.30	0.20	0.10

	Voting		Non Voting	
	30.06.22 Rs.	30.06.21 Rs.	30.06.22 Rs.	30.06.21 Rs.
Last traded price	0.50	0.40	0.20	0.20

4 Stated Capital

	2nd Quarter 2022	2nd Quarter 2021
4.1 Total Number of Shares		
Stated Capital is represented by Ordinary Shares (Voting)	6,470,375,048	1,191,766,772
Stated Capital is represented by Ordinary Shares (Non Voting)	3,081,603,712	614,066,101
4.2 Total number of Shareholders		
Ordinary Shares (Voting)	12,252	9,958
Ordinary Shares (Non Voting)	7,214	4,941
4.3 Number of Public Shareholders		
Ordinary Shares (Voting)	12,249	9,956
Ordinary Shares (Non Voting)	7,214	4,941
4.4 Public Shareholding %		
Ordinary Shares (Voting)	35.56%	83.65%
Ordinary Shares (Non Voting)	100.00%	100.00%

4.5 Float Adjusted Market Capitalization

The float adjusted market capitalization as at June 30, 2022 is Rs. 1,150,466,322.00

4.6 Minimum Public Holding Requirement

The company is in compliance with Option 5 of Section 7.13.1 (a) of the Listing Rules of the Colombo Stock Exchange pertaining to minimum public holding.

SMB Leasing PLC
Notes to the Financial Statements
For the period ended June 30, 2022

5 Financial Ratios

	30.06.22	30.06.21
Net Assets per share (Rs.)	0.00035	0.57
Debt/equity ratio (times)	0.50	0.56
Liquid Asset Ratio	282.17%	124.57%
Interest cover Ratio (times)	2.31	2.96

6 Commitments and Contingencies

In the normal course of business, the Company makes various commitments and incurs certain contingent Liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. Except for above there are no material commitments and contingencies as at the reporting date.

7 Events after the Reporting Date

No circumstances have arisen since the reporting date, which require adjustments or disclosure in the Financial Statements.

8 Comparative Information

Comparative Information has been reclassified wherever necessary to be comparable with the current Financial Information.

9 Directors Shareholding as at June 30, 2022

	No. of Voting Shares	No. of Non Voting Shares
Mr.H.R.S.Wijeratne	4,169,342,304	-
Mr.T.M.Wijesinghe	-	-
Mr.A.T.S.Sosa	-	-
Mr.M.S.A.Wadood	-	-
Mr.L.Abeyasinghe	-	-
Mr.H.H.A.Chandrasiri	100	-
	4,169,342,404	-

10 CEO's Shareholding as at June 30, 2022

	No. of Voting Shares	No. of Non Voting Shares
Mr.S.C.Wijesinghe	-	-

11 Key Management Personnel Shareholding as at June 30, 2022

	No. of Voting Shares	No. of Non Voting Shares
N/A	N/A	N/A

12 Management fees and similar expenses

All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.

SMB Leasing PLC
Notes to the Financial Statements
For the period ended June 30, 2022

13 Significant events and transactions

The Monetary Board of the Central Bank of Sri Lanka has granted in-principle approval to issue a finance business license to SMB Leasing PLC under the Masterplan for Consolidation of Non-Bank Financial Institutions of the Central Bank of Sri Lanka.

In terms of Section 8 of the Listing Rules of the Colombo Stock Exchange, SMB Leasing PLC has made all necessary disclosures to the CSE.

14 Material changes in the use of funds raised

There are no material changes during the period in the use of funds raised through an IPO/Rights/Debenture issue.

15 Top Twenty Shareholders

15.1 Ordinary Shares (Voting)

	Name of the Shareholder	June 30, 2022	
		No. of Shares	%
1	Mr. H.R.S. Wijeratne	4,169,342,304	64.44
2	Standard Chartered Bank Singapore S/A HL Bank Singapore Branch	626,055,720	9.68
3	Sampath Bank PLC/ Dr. T. Senthilvel	238,092,639	3.68
4	Ms. C.M.M. Anthony	64,111,719	0.99
5	Mr. H.K. Pushpakumara	41,533,500	0.64
6	Mrs. S.K. Beruwalage	29,963,218	0.46
7	Seylan Bank PLC/Anuja Chamila Jayasinghe	27,658,292	0.43
8	Hatton National Bank PLC/Anuja Chamila Jayasinghe	27,231,336	0.42
9	Mr. R. Gautam	23,300,000	0.36
10	Hatton National Bank PLC/Ruwan Prassana Sugathadasa	22,934,085	0.35
11	Ms. H.T.S. Soysa	20,306,936	0.31
12	Mr. H. Beruwalage	20,000,014	0.31
13	Mr. P.N.G.D. Silva	18,500,001	0.29
14	Dialog Finance PLC/S.A. De Silva and D.R. De Silva	18,037,435	0.28
15	Commercial Bank of Ceylon PLC /Andaradeniya Estate (PVT) Ltd	16,956,140	0.26
16	Mr. M.J.N.S. Fernando	16,518,640	0.26
17	Mr. T.M. Wallooppillai	15,159,786	0.23
18	Mr. D.M.T. Dassanayake	14,550,418	0.22
19	Cosmo Mart (PVT) Limited	14,301,193	0.22
20	Sinharaja Hills Plantation Private Limited	13,000,000	0.20
Total shares held by the top 20 holders		5,437,553,376	84.04
Balance shares held by other ordinary voting shareholders		1,032,821,672	15.96
Total ordinary voting shares		6,470,375,048	100.00

15.2 Ordinary Shares (Non Voting)

	Name of the Shareholder	June 30, 2022	
		No. of Shares	%
1	Mr. R. Gautam	161,200,000	5.23
2	Mr. T. Pragash	150,416,507	4.88
3	Seylan bank PLC /Jayantha Dewage	77,187,082	2.50
4	Mr. M.A.M. Azlam	43,095,814	1.40
5	Mr. S.D. Divakarage	41,228,496	1.34
6	People's Leasing & Finance PLC/Mr. R.kannan	37,800,000	1.23
7	Mr. J.J. Ravindran	34,440,000	1.12
8	Hatton National Bank PLC/ Biswajith Udayapriya Hettiarachchi	32,894,849	1.07
9	Hatton National Bank PLC/Ratnasabapathy Iyer Shanmugasarma	30,000,000	0.97
9	Mr. P.N.G.D. Silva	30,000,000	0.97
11	Mr. B.M.A.M.K. Basnayaka	29,004,800	0.94
12	Mr. M.L.A. Benedict	28,700,670	0.93
13	Mr. N. Muhunthan	28,000,000	0.91
14	Sampath Bank PLC / B S A Holdings (Pvt) Ltd	26,440,000	0.86
15	DFCC Bank PLC / T.L. Samarawickrama	26,000,000	0.84
16	Sampath Bank PLC /Dr. Mayuramana Dewolage	25,700,121	0.83
17	Hatton National Bank PLC / Ruwan Prassana Sugathadasa	25,466,806	0.83
18	Mr. K.M.S.M. Razeek & Mr. K.M.S.M. Rajabudeen & Mr. K.S.M.R. Mohamed	22,095,755	0.72
19	Mr. S. Ramanathan	21,174,645	0.69
20	Mr. N.R.P. Karunaratne	20,000,000	0.65
20	Ms. S.H. Sardakhan	20,000,000	0.65
20	The Golden Hospitality (Pvt) Ltd	20,000,000	0.65
20	Ms. H.T.S. Soysa	20,000,000	0.65
Total shares held by the top 20 holders		950,845,545	30.86
Balance shares held by other ordinary Non voting shareholders		2,130,758,167	69.14
Total ordinary Non voting shares		3,081,603,712	100.00

16 Rights issue funds utilisation as at June 30, 2022

Objective number	Objective as per circular	Amount allocated as per circular Rs	Proposed date of utilisation as per circular	Amount allocated from proceeds Rs.	% of total proceeds	Amounts utilised Rs.	% of utilisation against allocation	Clarification if not fully utilised including where the funds are invested
01	To utilise for lending purpose	2,454,031,512	January 2022	2,143,617,410	87.35%	841,512,250	39.26%	Remaining funds are invested in bank fixed deposits.
