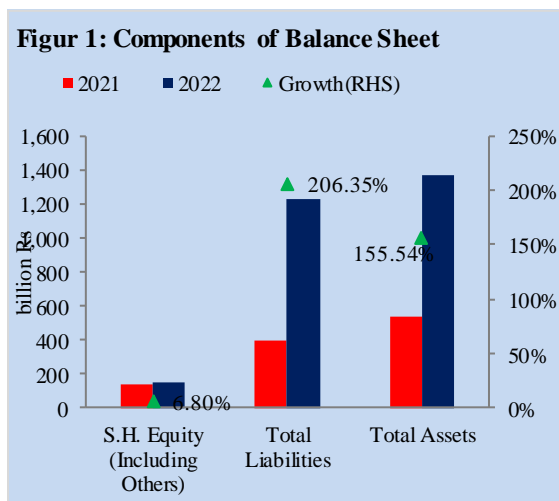


2. Development Finance Institutions

Performance at a Glance

The assets of DFIs increased to Rs 1,371.04 billion in CY22 from Rs 536.52 billion in CY21. This asset growth was primarily financed by the liabilities which increased by Rs 825.23 billion in CY22 over CY21 whereas the equity (including others) which increased by Rs 6.80 billion. In terms of operational performance, the profit before taxation increased by Rs 5.09 billion while profit after taxation increased by Rs 4.24 billion on YoY basis (Figure 1).



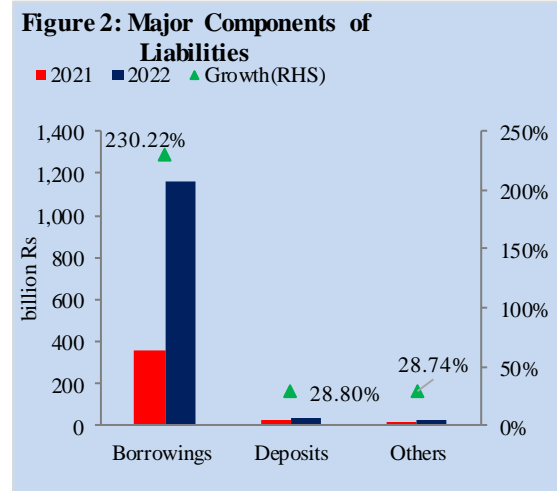
Equity

Total shareholders' equity (including others) increased to Rs 145.90 billion in CY22, recording a growth of 6.80 percent. The breakup of the equity reveals that the Reserves (comprising 18.38 percent share of total equity in CY22) increased by 13.97 percent in CY22 while the Share Capital grew by 0.20 percent. Un-appropriated profit, which constitutes 28.05 percent share of total equity; reached Rs 40.92 billion in CY22 indicating an increase of Rs 10.27 billion over CY21.

Liabilities

Total liabilities of DFIs increased by Rs 825.23 billion during CY22. A further analysis of liabilities shows that borrowings from financial institutions (which constitutes 95.02 percent of

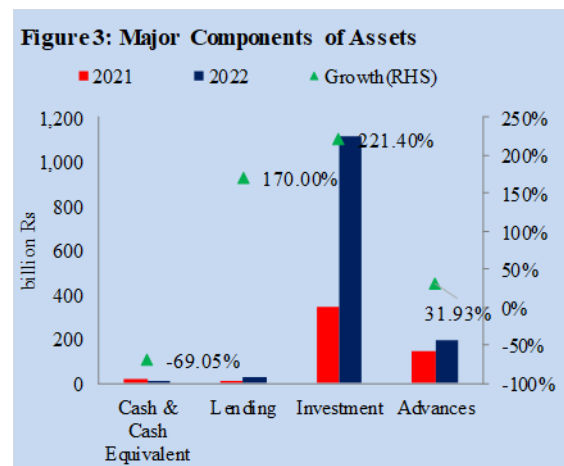
total liabilities) increased by Rs 811.60 billion in CY22. The deposits increased to Rs 37.12 billion in CY22, registering a growth of 28.80 percent (Figure 2).



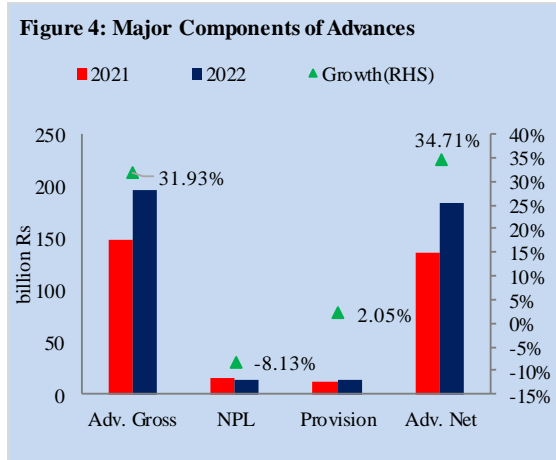
Assets

The assets of DFIs increased by Rs 834.52 billion during CY22. In terms of components of assets, the investments (which comprises 81.19 percent share in total assets) increased to Rs 1,113.13 billion in CY22 from Rs 346.34 billion in CY21, recording a growth of 221.40 percent (Figure 3).

Besides, Gross advances grew by 31.93 percent in CY22, and reached Rs 195.76 billion in CY22 from Rs 148.38 billion in CY21. Moreover, Advances net of provisions witnessed a growth

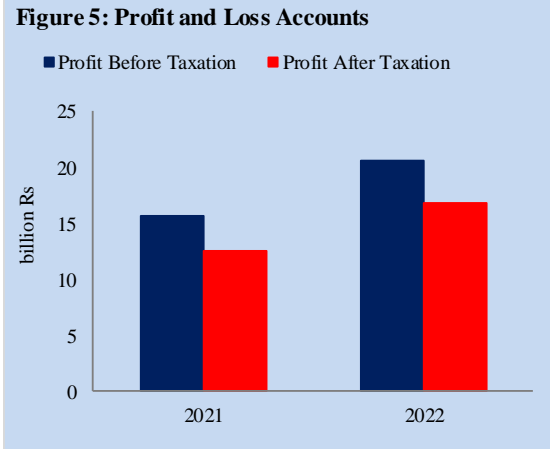


of 34.71 percent during CY22, and stood at Rs 182.85 billion. Specifically, NPLs to gross advances ratio decreased to 7.18 percent. Lending to financial institutions increased to Rs 26.47 billion in CY22 from Rs 9.80 billion in CY21 (Figure 4).



Profitability and Operating Efficiency

In terms of profitability, CY22 witnessed a rise in both profit before and after taxation. Specifically, profit before taxation increased to Rs 20.62 billion in CY22, witnessing a YoY growth of 32.78 percent. Similarly, profit after taxation increased to Rs 16.76 billion during CY22 from Rs 12.52 billion in CY21 (Figure 5).



In terms of performance indicators, ROE increased to 11.02 percent in CY22, from 9.05 percent in CY21. However, ROA decreased to 1.22 percent in CY22 from 2.33 percent in CY21. Earnings per share increased from Rs 2.02 per share in CY21 to Rs 2.45 per share in CY22 (Figure 6).

