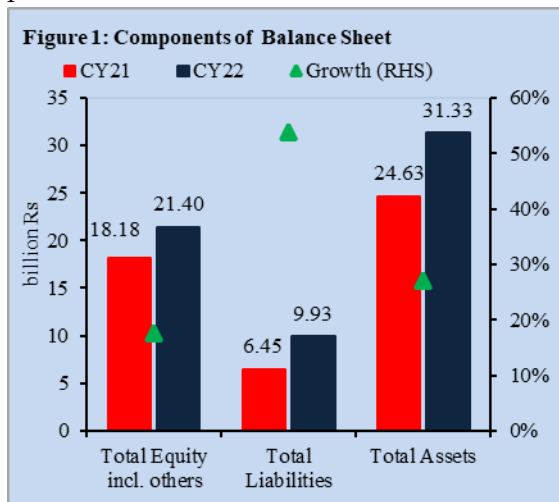


7. Exchange Companies

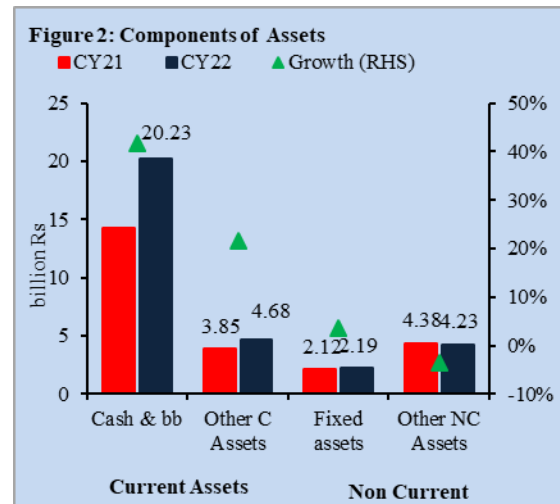
Performance at a Glance

The assets of the sector continued to increase in FY22 and reached Rs 31.33 billion from Rs 24.63 billion in FY21, recording a growth of 27.20 percent (Figure 1). The equity and liabilities posted a growth of 17.72 percent and 53.92 percent respectively during FY22. Primarily, ECs deal with transfer of funds, therefore, the structure of their assets/liabilities is highly skewed towards current assets/liabilities. Specifically, current assets have 79.50 percent share in total assets while current liabilities constitute 74.94 percent share in total liabilities.



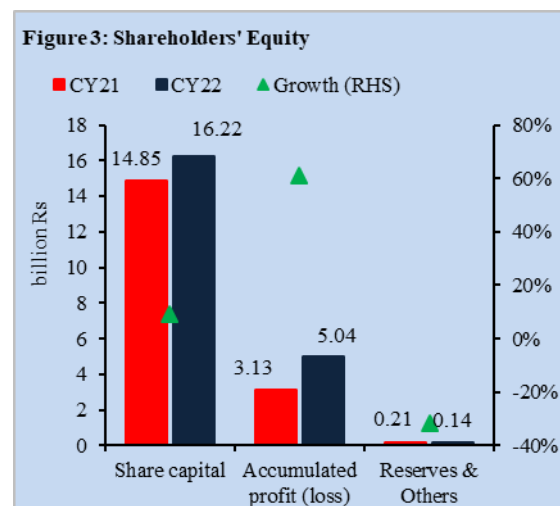
Assets

Total assets of the sector witnessed a growth of 27.20 percent in FY22, reaching Rs 31.33 billion. The component analysis reveals that current assets remained dominant with 79.50 percent share and increased by Rs 6.78 billion, reaching Rs 24.91 billion in FY22. Cash and banks balances posted a growth of 41.59 percent, reaching Rs 20.23 billion in FY22 from Rs 14.29 billion in FY21. Non-current assets remained almost stagnant at around Rs 6 billion (Figure 2).



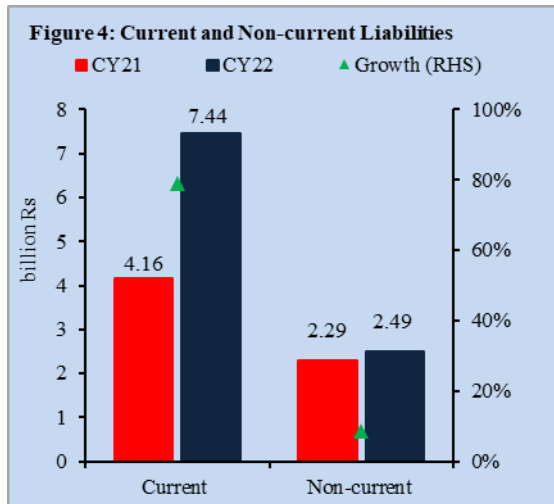
Equity

Total equity (including others) increased from Rs 18.18 billion in FY21 to Rs 21.40 billion in FY22 reflecting a growth of 17.72 percent. Share capital with the largest share in total equity posted a growth of 9.27 percent, and reached Rs 16.22 billion in FY22. Most of the profit earned during FY22 have been parked in accumulated profit; recording a growth of 61.13 percent in FY22 (Figure 3).



Liabilities

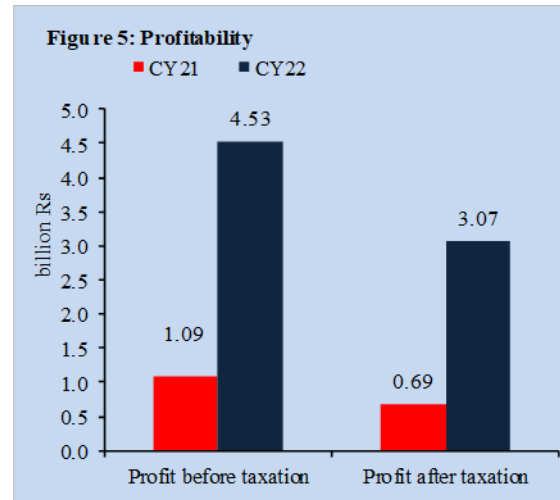
Overall, the total liabilities of ECs increased to Rs 9.93 billion in FY22, representing a growth of 53.92 percent (Figure 4). The current liabilities remained the dominant part of total liabilities in FY22, having around 74.95 percent share, and posted a growth of 78.94 percent, reaching Rs 7.44 billion from Rs 4.16 billion in FY21. The non-current liabilities recorded a growth of 8.53 percent in FY22.



Profitability

In terms of operational performance, gross revenue posted a YoY growth of 72.24 percent in FY22, reaching Rs 14.03 billion in FY22 from Rs 8.15 billion in FY21.

Administrative and general expenses increased to Rs 9.50 billion in FY22 from Rs 7.06 billion in FY21. The profit before taxation reached Rs 4.53 billion from Rs 1.09 billion during FY22. The profit after taxation rose to Rs 3.07 billion in FY22 from Rs 0.69 billion in FY21 (Figure 5).



In terms of performance indicators, ROCE increased from 5.34 percent in FY21 to 18.98 percent in FY22. Besides, ROE increased from 3.80 percent to 14.42 percent and ROA improved from 2.78 percent to 9.80 percent respectively in FY22 over FY21. Breakup value per share of exchange companies increased from Rs 22.60 in FY21 to Rs 25.57 in FY22 (Figure 6).

