

LB FINANCE PLC

PUBLICATION OF FINANCIAL STATEMENTS AS PER SECTION 29(5) OF THE FINANCE BUSINESS ACT NO.42 OF 2011

Key Financial Data for the Period Ended 30 September (Unaudited) In Rupees Million	Company		Group	
	Current Period	Previous Period	Current Period	Previous Period
	From 01.04.2023 to 30.09.2023	From 01.04.2022 to 30.09.2022	From 01.04.2023 to 30.09.2023	From 01.04.2022 to 30.09.2022
Interest Income	23,451	17,278	23,625	17,433
Interest Expenses	(11,656)	(8,129)	(11,696)	(8,155)
Net Interest Income	11,795	9,149	11,929	9,278
Other Income	1,392	1,631	1,407	1,646
Gains/(Losses) from Trading Activities	6	3	6	3
Operating Expenses (Excluding Impairment)	(4,136)	(3,423)	(4,260)	(3,550)
Impairment	(257)	(439)	(263)	(404)
Profit/(Loss) before Tax	8,800	6,921	8,819	6,973
Taxes	(4,398)	(2,884)	(4,408)	(2,895)
Profit/(Loss) after Tax	4,402	4,037	4,411	4,078

Key Financial Data as at 30 September (Unaudited)	Company		Group	
	30.09.2023 Rs.(Mn)	30.09.2022 Rs.(Mn)	30.09.2023 Rs.(Mn)	30.09.2022 Rs.(Mn)
Assets				
Cash and Bank Balance	5,125	6,314	5,362	6,406
Due from Related Parties	11	32	11	32
Loans (Excluding Due from Related Parties)	146,643	144,544	147,877	145,706
Investments in Equity	1,047	1,048	125	126
Term Placements with Banks and Other Institutions	15,955	13,518	15,955	13,518
Investment Properties and Real Estate	-	-	5	71
Property, Plant and Equipment	8,733	8,510	8,888	8,662
Other Assets	1,933	1,084	2,091	1,316
Total Assets	179,447	175,050	180,314	175,837
Liabilities				
Due to Banks	14,864	26,528	15,099	26,532
Deposits from Customers	114,836	100,542	115,046	100,879
Other Borrowings	2,705	8,402	2,705	8,402
Other Liabilities	7,304	5,898	7,411	5,997
Total Liabilities	139,709	141,370	140,261	141,810
Equity				
Stated Capital	838	838	838	838
Statutory Reserve Fund	8,760	8,319	8,760	8,319
Retained Earnings	30,195	24,577	30,218	24,538
Other Reserves	(55)	(54)	136	231
Total Equity Attributable to Equity Holders of the Company	39,738	33,680	39,952	33,926
Non Controlling Interest	-	-	101	101
Total Equity	39,738	33,680	40,053	34,027
Total Liabilities and Equity	179,447	175,050	180,314	175,837
Net Assets Value per Share (Rs.)	71.72	60.79	72.11	61.23

Selected Key Performance Indicators Item	Company			
	As at 30.09.2023		As at 30.09.2022	
	Required	Actual	Required	Actual
Regulatory Capital Adequacy (%)				
Tier 1 Capital Adequacy Ratio	10.00%	26.67%	10.00%	23.84%
Total Capital Adequacy Ratio	14.00%	27.31%	14.00%	24.81%
Capital Funds to Deposit Liabilities Ratio	10.00%	34.60%	10.00%	33.50%
Quality of Loan Portfolio (%)				
Gross Non-Performing Loans Ratio		6.39%		4.81%
Net Non-Performing Loans Ratio		1.56%		-0.33%
Net Non-Performing Loans to Core Capital Ratio		7.07%		-1.73%
Provision Coverage Ratio		75.65%		106.89%
Profitability (%)				
Net Interest Margin		14.10%		11.59%
Return on Assets		4.87%		4.76%
Return on Equity		22.61%		24.20%
Cost to Income Ratio		31.35%		31.74%
Liquidity (%)				
Available Liquid Assets to Required Liquid Assets (Minimum 100%)		160.09%		155.94%
Liquid Assets to External Funds		14.07%		12.21%
Memorandum Information				
Number of Branches		194		188
External Credit Rating (Fitch Ratings)		BBB+Ika		A-Ika ^(RWN)
Regulatory Penalties Imposed Last 6 Months (Rs. Mn)		0.70		-

The Company does not have any regulatory restrictions on deposits, borrowings and lending during the period ended 30 September 2023 and 2022.

CERTIFICATION:

We, the undersigned, being the Managing Director, the Chief Financial Officer and the Compliance Officer of LB Finance PLC certify jointly that:

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka (CBSL);

(b) the information contained in these statements have been extracted from the unaudited financial statements of LB Finance PLC unless indicated as audited.

(Sgd)

J A S Sumith Adhihetty

Managing Director

18 October 2023

(Sgd)

Malith Hewage

Chief Financial Officer

18 October 2023

(Sgd)

Varuna Perera

Compliance Officer

18 October 2023



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BBB+Ika by Fitch Ratings

• Bronze award winner in Overall Excellence for the third consecutive year and Gold award winner in Finance and Leasing Sector for the fifth consecutive year at the CA Sri Lanka Annual Report Awards
• Silver award winner in Overall Excellence at the CMA Sri Lanka Annual Report Awards