

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER, 2024



LB FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

Period ended 31 December 2024

	COMPANY					
	FOR THE 3 MONTHS ENDED			FOR THE 9 MONTHS ENDED		
	31.12.2024 Rs.('000)	31.12.2023 Rs.('000)	Change %	31.12.2024 Rs.('000)	31.12.2023 Rs.('000)	Change %
Income	11,693,722	12,516,224	(7)	34,546,428	37,364,957	(8)
Interest Income	10,602,174	11,637,426	(9)	31,452,788	35,088,726	(10)
Less : Interest Expenses	4,146,272	5,061,174	(18)	12,582,748	16,717,528	(25)
Net Interest Income	6,455,902	6,576,252	(2)	18,870,040	18,371,198	3
Fee and Commission Income	1,054,250	853,231	24	3,021,090	2,214,111	36
Net Trading Income	4,088	(1,748)	>100	4,974	3,824	30
Other Operating Income	33,210	27,315	22	67,576	58,296	16
Total Operating Income	7,547,450	7,455,050	1	21,963,680	20,647,429	6
Less : Impairment Charges	17,277	277,736	(94)	174,470	534,740	(67)
Net Operating Income	7,530,173	7,177,314	5	21,789,210	20,112,689	8
Less : Operating Expenses						
Personnel Expenses	1,286,553	1,144,864	12	3,751,409	3,266,801	15
Depreciation of Property, Plant and Equipment	247,788	217,344	14	723,538	642,835	13
Amortisation of Intangible Assets	3,872	2,037	90	8,991	6,225	44
Other Operating Expenses	922,650	926,534	(0)	2,751,164	2,510,927	10
Total Operating Expenses	2,460,863	2,290,779	7	7,235,102	6,426,788	13
Operating Profit before Tax on Financial Services	5,069,310	4,886,535	4	14,554,108	13,685,901	6
Less : Tax on Financial Services	1,057,636	946,149	12	2,995,402	2,689,491	11
Profit before Taxation	4,011,674	3,940,386	2	11,558,706	10,996,410	5
Less : Income Tax Expense	1,525,901	1,478,500	3	4,385,076	4,133,217	6
Profit for the Period	2,485,773	2,461,886	1	7,173,630	6,863,193	5
Basic Earnings per Share (Rs.)	4.49	4.44	1	12.95	12.39	5
Other Comprehensive Income						
Other Comprehensive Income that will never be Reclassified to Income Statement						
Net Gains/(Losses) on Investment in Equity Instruments - Fair Value Through Other Comprehensive Income	39,386	(10,515)	>100	44,306	(18,621)	>100
Net Other Comprehensive Income that will never be Reclassified to Income Statement	39,386	(10,515)	>100	44,306	(18,621)	>100
Other Comprehensive Income for the Period, Net of Tax	39,386	(10,515)	>100	44,306	(18,621)	>100
Total Comprehensive Income for the Period, Net of Tax	2,525,159	2,451,371	3	7,217,936	6,844,572	5

LB FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

Period ended 31 December 2024

	GROUP					
	FOR THE 3 MONTHS ENDED			FOR THE 9 MONTHS ENDED		
	31.12.2024 Rs.('000)	31.12.2023 Rs.('000)	Change %	31.12.2024 Rs.('000)	31.12.2023 Rs.('000)	Change %
Income	11,795,634	12,618,398	(7)	34,855,304	37,660,574	(7)
Interest Income	10,692,582	11,732,157	(9)	31,730,214	35,361,417	(10)
Less : Interest Expenses	4,169,940	5,081,729	(18)	12,649,295	16,777,913	(25)
Net Interest Income	6,522,642	6,650,428	(2)	19,080,919	18,583,504	3
Fee and Commission Income	1,065,701	860,393	24	3,057,625	2,236,026	37
Net Trading Income	4,088	(1,748)	>100	4,974	3,824	30
Other Operating Income	33,263	27,596	21	62,491	59,307	5
Total Operating Income	7,625,694	7,536,669	1	22,206,009	20,882,661	6
Less : Impairment Charges	21,202	282,254	(92)	168,807	545,557	(69)
Net Operating Income	7,604,492	7,254,415	5	22,037,202	20,337,104	8
Less : Operating Expenses						
Personnel Expenses	1,318,366	1,178,009	12	3,855,401	3,360,220	15
Depreciation of Property, Plant and Equipment	249,338	222,215	12	729,222	654,808	11
Amortisation of Intangible Assets	3,861	2,482	56	10,258	8,681	18
Other Operating Expenses	948,355	958,450	(1)	2,843,479	2,601,748	9
Total Operating Expenses	2,519,920	2,361,156	7	7,438,360	6,625,457	12
Operating Profit before Tax on Financial Services	5,084,572	4,893,259	4	14,598,842	13,711,647	6
Less : Tax on Financial Services	1,057,636	946,515	12	3,000,998	2,691,994	11
Profit before Taxation	4,026,936	3,946,744	2	11,597,844	11,019,653	5
Less : Income Tax Expense	1,530,824	1,482,606	3	4,396,505	4,144,631	6
Profit for the Period	2,496,112	2,464,138	1	7,201,339	6,875,022	5
Profit Attributable to:						
Equity Holders of the Company	2,496,112	2,467,182	1	7,199,407	6,881,116	5
Non-Controlling Interest	-	(3,044)	100	1,932	(6,094)	>100
Profit for the Period	2,496,112	2,464,138	1	7,201,339	6,875,022	5
Basic Earnings per Share (Rs.)	4.51	4.45	1	13.01	12.41	5
Other Comprehensive Income						
Other Comprehensive Income that will be Reclassified to Income Statement						
Net Gains/(Losses) from Translating the Financial Statements of the Foreign Operations	(18,962)	38,286	>(100)	(23,561)	(8,684)	>(100)
Net Other Comprehensive Income that will be Reclassified to Income Statement	(18,962)	38,286	>(100)	(23,561)	(8,684)	>(100)
Other Comprehensive Income that will never be Reclassified to Income Statement						
Net Gains/(Losses) on Investment in Equity Instruments - Fair Value Through Other Comprehensive Income	39,386	(10,515)	>100	44,306	(18,621)	>100
Net Other Comprehensive Income that will never be Reclassified to Income Statement	39,386	(10,515)	>100	44,306	(18,621)	>100
Other Comprehensive Income for the Period, Net of Tax	20,424	27,771	(26)	20,745	(27,305)	>100
Total Comprehensive Income for the Period, Net of Tax	2,516,536	2,491,909	1	7,222,084	6,847,717	5
Attributable to:						
Equity Holders of the Company	2,516,536	2,494,953	1	7,220,152	6,853,812	5
Non-Controlling Interest	-	(3,044)	100	1,932	(6,094)	>100
Total Comprehensive Income for the Period, Net of Tax	2,516,536	2,491,909	1	7,222,084	6,847,717	5

LB FINANCE PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Company		Group	
	31.12.2024 Rs.(‘000)	Audited 31.03.2024 Rs.(‘000)	31.12.2024 Rs.(‘000)	Audited 31.03.2024 Rs.(‘000)
Assets				
Cash and Cash Equivalents	6,236,848	9,314,425	6,299,229	9,559,602
Financial Assets Recognised Through Profit or Loss - Measured at Fair Value	18,933	14,674	18,933	14,674
Financial Assets at Amortised Cost - Loans and Receivables	185,713,608	161,291,486	187,124,130	162,521,733
Financial Assets Measured at Fair Value Through Other Comprehensive Income	200,682	118,587	200,682	118,589
Other Financial Assets	14,677,214	20,374,770	14,668,350	20,443,404
Other Non Financial Assets	574,039	430,651	621,955	495,796
Investment in Subsidiaries	521,162	698,935	-	-
Property, Plant and Equipment and Right-of-Use Assets	9,378,788	8,984,363	9,402,101	9,034,106
Investment Properties	5,050	-	5,050	5,050
Intangible Assets	52,701	20,701	52,701	22,602
Deferred Tax Assets	927,914	927,914	932,204	932,330
Total Assets	218,306,939	202,176,506	219,325,335	203,147,886
Liabilities				
Due to Banks	23,950,021	21,702,012	24,360,512	21,955,857
Financial Liabilities at Amortised Cost - Due to Depositors	132,294,577	122,808,124	132,560,411	123,034,547
Debt Instruments Issued and Other Borrowed Funds	5,301,303	5,491,401	5,301,303	5,491,401
Other Financial Liabilities	4,165,695	3,757,776	4,167,602	3,815,897
Other Non Financial Liabilities	1,546,322	1,547,570	1,593,499	1,591,382
Current Tax Liabilities	1,631,151	2,770,496	1,636,736	2,775,700
Post Employment Benefit Liability	513,065	473,058	513,065	475,109
Total Liabilities	169,402,134	158,550,437	170,133,128	159,139,893
Equity				
Stated Capital	838,282	838,282	838,282	838,282
Reserves	9,375,418	8,972,430	9,476,860	9,097,433
Retained Earnings	38,691,105	33,815,357	38,877,065	33,975,540
Total Equity Attributable to Equity Holders of the Company	48,904,805	43,626,069	49,192,207	43,911,255
Non Controlling Interest	-	-	-	96,738
Total Equity	48,904,805	43,626,069	49,192,207	44,007,993
Total Liabilities and Equity	218,306,939	202,176,506	219,325,335	203,147,886
Net Asset Value per Share (Rs.)	88.27	78.74	88.79	79.25
Commitments and Contingencies	3,981,625	2,281,890	3,185,070	2,030,940

The information contained in these statements have been extracted from the unaudited Financial Statements unless indicated as "Audited".

CERTIFICATION:

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

sgd.

Malith Hewage
Chief Financial Officer

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

sgd.

J A S Sumith Adhietty
Managing Director

sgd.

Ashane Jayasekara
Director

22 January 2025
Colombo

LB FINANCE PLC**STATEMENT OF CHANGES IN EQUITY - COMPANY**

	Stated Capital Rs.(‘000)	Retained Earnings Rs.(‘000)	Statutory Reserve Rs.(‘000)	Fair Value Reserve Rs.(‘000)	Total Equity Rs.(‘000)
Balance as at 01 April 2023 (Audited)	838,282	28,784,409	8,539,799	(46,750)	38,115,740
Net Profit for the Period	-	6,863,193	-	-	6,863,193
Other Comprehensive Income, Net of Tax	-	-	-	(18,621)	(18,621)
Transfers During the Period	-	(343,160)	343,160	-	-
Interim Dividend for 2022/23	-	(1,108,114)	-	-	(1,108,114)
Final Dividend for 2022/23	-	(1,662,173)	-	-	(1,662,173)
Balance as at 31 December 2023	838,282	32,534,155	8,882,959	(65,371)	42,190,025
Balance as at 01 April 2024 (Audited)	838,282	33,815,357	9,017,981	(45,551)	43,626,069
Net Profit for the Period	-	7,173,630	-	-	7,173,630
Other Comprehensive Income, Net of Tax	-	-	-	44,306	44,306
Transfers During the Period	-	(358,682)	358,682	-	-
Final Dividend for 2023/24	-	(1,939,200)	-	-	(1,939,200)
Balance as at 31 December 2024	838,282	38,691,105	9,376,663	(1,245)	48,904,805

STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital Rs.(‘000)	Retained Earnings Rs.(‘000)	Statutory Reserve Rs.(‘000)	Foreign Currency Translation Reserve Rs.(‘000)	Fair Value Reserve Rs.(‘000)	Total Equity Attributable to Equity Holders of the Company Rs.(‘000)	Non-Controlling Interest Rs.(‘000)	Total Equity Rs.(‘000)
Balance as at 01 April 2023 (Audited)	838,282	28,794,719	8,539,799	198,051	(46,750)	38,324,101	103,865	38,427,966
Net Profit for the Period	-	6,881,116	-	-	-	6,881,116	(6,094)	6,875,022
Other Comprehensive Income, Net of Tax	-	-	-	(8,684)	(18,621)	(27,305)	-	(27,305)
Transfers During the Period	-	(343,160)	343,160	-	-	-	-	-
Interim Dividend for 2022/23	-	(1,108,114)	-	-	-	(1,108,114)	-	(1,108,114)
Final Dividend for 2022/23	-	(1,662,173)	-	-	-	(1,662,173)	-	(1,662,173)
Balance as at 31 December 2023	838,282	32,562,388	8,882,959	189,367	(65,371)	42,407,625	97,771	42,505,396
Balance as at 01 April 2024 (Audited)	838,282	33,975,540	9,017,981	125,003	(45,551)	43,911,255	96,738	44,007,993
Net Profit for the Period	-	7,199,407	-	-	-	7,199,407	1,932	7,201,339
Other Comprehensive Income, Net of Tax	-	-	-	(23,561)	44,306	20,745	-	20,745
Transfers During the Period	-	(358,682)	358,682	-	-	-	-	-
Disposal of Shares	-	-	-	-	-	-	(98,670)	(98,670)
Final Dividend for 2023/24	-	(1,939,200)	-	-	-	(1,939,200)	-	(1,939,200)
Balance as at 31 December 2024	838,282	38,877,065	9,376,663	101,442	(1,245)	49,192,207	-	49,192,207

LB FINANCE PLC**CASH FLOW STATEMENT**

Period ended 31 December 2024

	FOR THE 9 MONTHS ENDED			
	Company		Group	
	31.12.2024 Rs.(‘000)	31.12.2023 Rs.(‘000)	31.12.2024 Rs.(‘000)	31.12.2023 Rs.(‘000)
Cash Flows from/(Used in) Operating Activities				
Profit and Other Comprehensive Income before Taxation	11,603,012	10,977,789	11,618,589	10,992,347
Adjustments for				
Depreciation of Property, Plant and Equipment	723,538	642,835	729,222	654,808
Amortisation of Intangible Assets	8,991	6,225	10,258	8,681
Impairment Charges	174,470	534,740	168,807	545,557
Diminution/(Appreciation) in Value of Investments	(86,354)	15,720	(86,354)	15,720
Loss/(Profit) on Disposal of Property, Plant and Equipment	(31,806)	(15,943)	(31,937)	(15,943)
Provision/(Reversal) for Defined Benefit Plans	79,675	64,308	79,675	65,002
Foreign Currency Exchange (Gain)/Loss	-	-	(217)	15
Dividend Received	(4,047)	(3,720)	(4,047)	(3,720)
Withholding Tax Attributed to Placements with Banks	(14,520)	(56,002)	(14,520)	(56,002)
Net Unrealised (Gains)/Losses Arising from Translating the Financial Statements of Foreign Operations	-	-	23,561	8,684
Operating Profit before Changes in Operating Assets and Liabilities	12,452,959	12,165,952	12,493,037	12,215,149
(Increase)/Decrease in Operating Assets				
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	(24,531,122)	(7,630,192)	(24,771,205)	(7,660,189)
(Increase)/Decrease in Other Financial Assets	5,699,979	8,985,271	5,777,478	8,895,372
(Increase)/Decrease in Other Non Financial Assets	(113,816)	(107,774)	(126,033)	(98,928)
	(18,944,959)	1,247,305	(19,119,760)	1,136,255
Increase/(Decrease) in Operating Liabilities				
Increase/(Decrease) in Financial Liabilities at Amortised Cost - Due to Depositors	9,414,221	1,393,241	9,525,864	1,362,706
Increase/(Decrease) in Other Financial Liabilities	464,314	747,964	430,479	768,203
Increase/(Decrease) in Other Non Financial Liabilities	(435,933)	104,269	(409,420)	83,335
	9,442,602	2,245,474	9,546,923	2,214,244
Cash Generated from Operations	2,950,602	15,658,731	2,920,200	15,565,648
Retirement Benefit Liabilities Paid	(42,202)	(51,955)	(42,202)	(51,955)
Income Tax Paid	(5,081,866)	(4,049,075)	(5,092,780)	(4,057,268)
Net Cash from/(Used in) Operating Activities	(2,173,466)	11,557,701	(2,214,782)	11,456,425
Cash Flows from/(Used in) Investing Activities				
Acquisition of Property, Plant and Equipment and Right-of-Use Assets	(1,316,280)	(856,941)	(1,332,594)	(885,710)
Acquisition of Intangible Assets	(40,347)	(6,456)	(40,347)	(6,456)
Proceeds from Sale of Property, Plant and Equipment	152,962	30,206	153,093	30,206
Investment in Subsidiary	(100,867)	-	(100,867)	-
Dividend Received	4,047	3,720	4,047	3,720
Net Cash Flows from/(Used in) Investing Activities	(1,300,485)	(829,471)	(1,316,668)	(858,240)
Cash Flows from/(Used in) Financing Activities				
Cash Flows from Debt Funding from Banks	14,187,777	10,659,253	14,329,327	10,885,898
Repayment of Debt Funding from Banks	(11,321,851)	(11,946,500)	(11,321,851)	(11,963,442)
Cash Flows from Debt Instruments Issued and Other Borrowed Funds	2,453,179	-	2,453,179	-
Repayment of Debt Instruments and Other Borrowed Funds	(2,643,276)	(2,372,947)	(2,643,276)	(2,372,947)
Dividends Paid	(1,939,200)	(2,770,286)	(1,939,200)	(2,770,286)
Net Cash Flows from/(Used in) Financing Activities	736,629	(6,430,480)	878,179	(6,220,777)
Net Increase/(Decrease) in Cash and Cash Equivalents	(2,737,322)	4,297,750	(2,653,271)	4,377,408
Addition on Merger with Subsidiary	277,659	-	-	-
Cash and Cash Equivalents at the Beginning of the Period	8,278,875	4,033,170	8,521,157	4,188,938
Cash and Cash Equivalents at the End of the Period	5,819,212	8,330,920	5,867,886	8,566,346
CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT				
Notes and Coins Held	2,037,598	1,825,665	2,054,233	1,869,757
Balances with Banks	1,180,926	1,672,617	1,226,673	1,757,852
Securities under Reverse Repurchase Agreements	1,919,811	4,595,155	1,919,811	4,705,007
Investment in Unit Trusts	1,098,512	925,920	1,098,512	925,920
Bank Overdrafts	(417,635)	(688,437)	(431,343)	(692,190)
Net Cash and Cash Equivalents	5,819,212	8,330,920	5,867,886	8,566,346

LB FINANCE PLC
FAIR VALUE MEASUREMENT HIERARCHY - COMPANY

		As at 31.12.2024					As at 31.03.2024 (Audited)				
Financial Instruments	Measurement Basis	Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000	Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000
		Quoted Prices in Active Markets Level 1 Rs. '000	Significant Observable Inputs Level 2 Rs. '000	Significant Unobservable Inputs Level 3 Rs. '000			Quoted Prices in Active Markets Level 1 Rs. '000	Significant Observable Inputs Level 2 Rs. '000	Significant Unobservable Inputs Level 3 Rs. '000		
		Financial Assets									
Cash and Cash Equivalents	Amortised Cost										
Notes and Coins Held		2,037,598	-	-	2,037,598	2,037,598	1,965,160	-	-	1,965,160	
Balances with Banks		1,180,926	-	-	1,180,926	1,180,926	1,934,329	-	-	1,934,329	
Securities under Reverse Repurchase Agreements		-	1,919,811	-	1,919,811	1,919,811	-	3,506,594	-	3,506,594	
Investment in Unit Trusts		-	1,098,512	-	1,098,512	1,098,512	-	1,908,342	-	1,908,342	
Financial Assets Recognised Through Profit or Loss	FVTPL	18,933	-	-	18,933	18,933	14,674	-	-	14,674	
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	-	188,017,428	188,017,428	185,713,608	-	-	163,299,074	161,291,486	
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI										
Quoted Equities		162,589	-	-	162,589	162,589	118,282	-	-	118,282	
Unquoted Equities		-	-	38,093	38,093	38,093	-	-	305	305	
Other Financial Assets	Amortised Cost	8,156,570	6,552,406	-	14,708,976	14,677,214	11,052,693	9,380,476	-	20,433,169	
		11,556,616	9,570,729	188,055,521	209,182,866	206,847,284	15,085,138	14,795,412	163,299,379	193,179,929	
Financial Liabilities											
Due to Banks	Amortised Cost	-	23,979,203	-	23,979,203	23,950,021	-	22,837,782	-	22,837,782	
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	-	134,321,192	134,321,192	132,294,577	-	-	125,962,340	122,808,124	
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	5,668,073	-	5,668,073	5,301,303	-	5,703,189	-	5,703,189	
Other Financial Liabilities	Amortised Cost	-	4,165,695	-	4,165,695	4,165,695	-	3,757,776	-	3,757,776	
		-	33,812,971	134,321,192	168,134,163	165,711,596	-	32,298,747	125,962,340	158,261,087	
										191,113,942	

There were no transfers into and transfers out of the hierarchy levels during periods reported herein.

FAIR VALUE MEASUREMENT HIERARCHY - GROUP

		As at 31.12.2024					As at 31.03.2024 (Audited)				
Financial Instruments	Measurement Basis	Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000	Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000
		Quoted Prices in Active Markets Level 1 Rs. '000	Significant Observable Inputs Level 2 Rs. '000	Significant Unobservable Inputs Level 3 Rs. '000			Quoted Prices in Active Markets Level 1 Rs. '000	Significant Observable Inputs Level 2 Rs. '000	Significant Unobservable Inputs Level 3 Rs. '000		
		Financial Assets									
Cash and Cash Equivalents	Amortised Cost										
Notes and Coins Held		2,054,233	-	-	2,054,233	2,054,233	1,996,871	-	-	1,996,871	
Balances with Banks		1,226,673	-	-	1,226,673	1,226,673	2,006,666	-	-	2,006,666	
Securities under Reverse Repurchase Agreements		-	1,919,811	-	1,919,811	1,919,811	-	3,647,723	-	3,647,723	
Investment in Unit Trusts		-	1,098,512	-	1,098,512	1,098,512	-	1,908,342	-	1,908,342	
Financial Assets Recognised Through Profit or Loss	FVTPL	18,933	-	-	18,933	18,933	14,674	-	-	14,674	
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	-	189,427,950	189,427,950	187,124,130	-	-	164,529,320	162,521,733	
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI										
Quoted Equities		162,589	-	-	162,589	162,589	118,282	-	-	118,282	
Unquoted Equities		-	-	38,093	38,093	38,093	-	-	307	307	
Other Financial Assets	Amortised Cost	8,156,570	6,543,542	-	14,700,112	14,668,350	11,101,074	9,400,729	-	20,501,803	
		11,618,998	9,561,865	189,466,043	210,646,906	208,311,324	15,237,567	14,956,794	164,529,627	194,723,988	
Financial Liabilities											
Due to Banks	Amortised Cost	-	24,375,986	-	24,375,986	24,360,512	-	23,342,577	-	23,342,577	
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	-	134,587,026	134,587,026	132,560,411	-	-	126,339,593	123,034,547	
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	5,668,073	-	5,668,073	5,301,303	-	5,703,189	-	5,491,401	
Other Financial Liabilities	Amortised Cost	-	4,167,602	-	4,167,602	4,167,602	-	3,815,897	-	3,815,897	
		-	34,211,661	134,587,026	168,798,687	166,389,828	-	32,861,663	126,339,593	159,201,256	
										154,297,702	

There were no transfers into and transfers out of the hierarchy levels during periods reported herein.

LB FINANCE PLC

SEGMENTAL INFORMATION

For management purposes, the Group is organised into four operating segments based on services offered and geographical operations as follows. The following table presents income, profit, asset and liability information of the Group's operating segments.

	Leasing		Loans and Advances		Others		International Operation		Total	
	31.12.2024 Rs.(‘000)	31.12.2023 Rs.(‘000)								
Interest Income	7,091,765	7,236,972	22,865,740	24,767,521	1,521,411	3,158,919	251,298	198,005	31,730,214	35,361,417
Less: Interest Expenses	2,119,877	3,362,652	9,557,327	11,690,310	910,219	1,682,391	61,872	42,560	12,649,295	16,777,913
Net Interest Income	4,971,888	3,874,320	13,308,413	13,077,211	611,192	1,476,528	189,426	155,445	19,080,919	18,583,504
Fee and Commission Income	440,637	436,600	2,594,215	1,777,421	(4,849)	2,064	27,622	19,941	3,057,625	2,236,026
Net Trading Income and Other Operating Income	4,289	3,524	2,213	4,488	60,976	55,134	(13)	(15)	67,465	63,131
Total Operating Income	5,416,814	4,314,444	15,904,841	14,859,120	667,319	1,533,726	217,035	175,371	22,206,009	20,882,661
Less: Impairment Charges	(163,651)	(50,554)	325,218	634,652	(1,938)	(45,511)	9,178	6,970	168,807	545,557
Net Operating Income	5,580,465	4,364,998	15,579,623	14,224,468	669,257	1,579,237	207,857	168,401	22,037,202	20,337,104
Less: Other Costs	1,255,195	1,341,747	5,238,167	4,419,230	40,193	78,262	165,325	122,730	6,698,880	5,961,968
Less: Depreciation and Amortisation	115,690	125,777	616,606	524,180	1,867	8,400	5,317	5,132	739,480	663,489
Operating Profits before Taxes	4,209,580	2,897,474	9,724,850	9,281,058	627,197	1,492,575	37,215	40,539	14,598,842	13,711,647
Less: Taxes	2,135,218	1,446,167	4,932,722	4,632,444	318,134	746,599	11,429	11,414	7,397,503	6,836,625
Profits for the Period	2,074,362	1,451,307	4,792,128	4,648,614	309,063	745,976	25,786	29,125	7,201,339	6,875,022
Less: Non-Controlling Interest									(1,932)	6,094
Profit Attributable to Equity Holders of the Company									7,199,407	6,881,116
Profits for the Period									7,201,339	6,875,022
Segmental Assets	35,140,632	31,261,550	159,556,235	130,090,074	23,610,071	24,449,274	1,549,168	1,235,931	219,856,106	187,036,829
Elimination	-	-	-	-	(530,771)	(924,298)	-	-	(530,771)	(924,298)
Total Segmental Assets	35,140,632	31,261,550	159,556,235	130,090,074	23,079,300	23,524,976	1,549,168	1,235,931	219,325,335	186,112,531
Segmental Liabilities	27,451,330	24,251,620	124,642,914	100,919,166	17,307,892	18,054,840	740,601	383,808	170,142,737	143,609,435
Elimination	-	-	-	-	-	-	(9,609)	(2,300)	(9,609)	(2,300)
Total Segmental Liabilities	27,451,330	24,251,620	124,642,914	100,919,166	17,307,892	18,054,840	730,992	381,508	170,133,128	143,607,135

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses which, in certain respects, are measured differently from operating profits or losses in the financial statements.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue during the period ended 31 December 2024 or 2023.

LB FINANCE PLC

Interim Financial Statements for the Period ended 31 December 2024

EXPLANATORY NOTES

01. The accounting policies followed in preparing the above Interim Financial Statements are the same as those disclosed in our Annual Report for the year ended 31 March 2024.
02. These Interim Financial Statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standards - LKAS 34 Interim Financial Reporting.
03. In furtherance of the Financial Sector Consolidation Plan of the Central Bank of Sri Lanka, the Boards of Directors of L B Finance PLC and its subsidiary, Multi Finance PLC, have resolved to amalgamate Multi Finance PLC with L B Finance PLC under Section 239 of the companies Act No.07 of 2007.
- The approval of the shareholders of both Multi Finance PLC and L B Finance PLC was duly passed by way of Special Resolutions at Extraordinary General Meetings of the respective companies on the 27 June 2024 and 28 June 2024.
- Pursuant to having passed the special resolution, necessary steps were duly taken by the Company to register the said amalgamation with the Department of Registrar General of Companies (DRGOC). The DRGOC issued the certificate of amalgamation on the 30 July 2024 certifying the completion of amalgamation of Multi Finance PLC with LB Finance PLC with effect from 25 July 2024.
04. The Commitments and Contingencies as at 31 December 2024 was Rs. 3,982 Mn and as at 31 March 2024 was Rs. 2,282 Mn.

INFORMATION ON SHARES

INFORMATION ON SHARES

			For the Quarter ended	
			31.12.2024	31.12.2023
Share Price	Highest	Rs.	91.50	68.50
	Lowest	Rs.	68.00	60.00
	Last Traded	Rs.	89.50	62.30
Number of Ordinary Shares Issued			554,057,136	554,057,136
			As at	
			31.12.2024	31.12.2023
Ratios				
Debt Equity Ratio			93.59%	77.89%
Quick Asset Ratio			17.38%	20.22%
Interest Cover			1.92	1.66

SELECTED PERFORMANCE INDICATORS

	As at	
	31.12.2024	31.12.2023
Capital Adequacy		
Core Capital to Risk Weighted Asset Ratio (Minimum 10%)	25.79%	26.89%
Total Capital to Risk Weighted Asset Ratio (Minimum 14%)	26.63%	27.52%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	36.97%	36.56%
Profitability		
Return on Average Shareholders' Funds (After Tax) - Annualized	20.67%	22.79%
Return on Average Assets (After Tax) - Annualized	4.55%	4.98%
Asset Quality*		
Gross Non-Performing Accommodations Ratio	2.53%	4.53%
Net Non-Performing Accommodations Ratio	-1.42%	-0.38%
Liquidity (Rs. Mn)		
Required Minimum Amount of Liquid Assets	13,612	11,800
Available Amount of Liquid Assets	18,400	18,797
Required Minimum Amount of Government Securities	8,704	7,897
Available Amount of Government Securities	10,537	12,276

* The Central Bank of Sri Lanka granted approval to defer the effective implementation of Section 4.3.1.(i) of the finance business act (Classification and measurement of Credit Facilities) Direction No 01 of 2020 on 31 May 2024. Accordingly, the said requirement will be effective from financial years beginning on or after 01 April 2025. The Company has early adopted the Section 4.3.1.(i) of the said direction voluntary basis.

LB FINANCE PLC

Additional Notes

Twenty largest shareholders as at 31 December 2024

Name		<u>No. of Shares</u>	<u>(%)</u>
1 Vallibel One PLC		286,729,600	51.751
2 Royal Ceramics Lanka PLC	125,708,928	144,492,928	26.079
Commercial Bank of Ceylon PLC/Royal Ceramics Lanka PLC	18,784,000		
3 Esna Holdings (Pvt) Ltd		15,249,600	2.752
4 Mr. W.G.D.C. Ranaweera		6,630,238	1.197
5 Seylan Bank PLC/JN Lanka Holdings Company (Pvt) Ltd		6,530,241	1.179
6 Mr. K.R.E.M.D.M.B. Jayasundara		5,000,000	0.902
7 Mr. K.D.A. Perera		4,289,735	0.774
8 Hatton National Bank PLC/JN Lanka Holdings Company (Pvt) Ltd		4,171,115	0.753
9 Mr N. Udage		2,861,235	0.516
10 J.B. Cocoshell (Pvt) Ltd		2,285,407	0.412
11 Mr. Y.S.H.R.S. Silva		2,067,500	0.373
12 Rosewood (Pvt) Limited-Account No.1		2,000,000	0.361
13 Janashakthi Insurance PLC-Shareholders		1,952,700	0.352
14 Mr. F.N. Herft		1,915,670	0.346
15 Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund		1,816,501	0.328
16 DFCC Bank PLC A/C No .02		1,789,066	0.323
17 Seylan Bank PLC/G.Abhanuka Harischandra		1,748,933	0.316
18 Hatton National Bank PLC-Senfin Growth Fund		1,400,000	0.253
19 Mr. M. Keil		1,300,000	0.235
20 Mr. A.A. Page		1,259,200	0.227
		<u>495,489,669</u>	<u>89.429</u>
Others		<u>58,567,467</u>	<u>10.571</u>
Total		<u>554,057,136</u>	<u>100.000</u>

Directors' and Chief Executive Officer's holding in shares as at 31 December 2024

Name	<u>No. of Shares</u>	<u>(%)</u>
Mr. G A R D Prasanna	-	-
Mr. J A S S Adhihetty	424,480	0.077
Mr. N Udage	2,861,235	0.516
Mr. B D A Perera	-	-
Mr. R S Yatawara	8,593	0.002
Mrs. Y Bhaskaran	-	-
Mr. M A J W Jayasekara	-	-
Mrs. Ashwini Natesan	-	-
Mr. D Rangalle	-	-
Ms. Yanika Amarasekara	-	-
Mr. Piyal Dushantha Hennayake	25,000	0.005
Mr. Priyantha Bandara Talwatte	-	-

Public Holding percentage as at 31 December 2024 being 21.35% comprising of 5,040 shareholders.

The Float adjusted market capitalisation as at 31 December 2024 – Rs.10,587,030,538.00

The Float adjusted market capitalization of the Company falls under **Option 1** of Rule 7.13.1 (i) (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

Corporate Information

NAME OF COMPANY

L B Finance PLC

LEGAL FORM

Public Limited Liability Company Incorporated in Sri Lanka under the provisions of the Companies Ordinance No. 51 of 1938 (Cap 145) and reregistered as per the Companies Act No. 07 of 2007 on 6th June 2008.

A Licensed Finance Company under the Finance Business Act No. 42 of 2011.

A registered Financed Leasing Establishment in terms of Finance Leasing Act No. 56 of 2000.

STOCK EXCHANGE LISTING

The Company was admitted to the official list of the Colombo Stock Exchange on 30th December, 1997, in which the Company's Ordinary Shares are listed currently.

DATE OF INCORPORATION

30th May 1971

COMPANY REGISTRATION NUMBER

PQ 156

TAX PAYER IDENTIFICATION NUMBER

104033431

VAT REGISTRATION NUMBER

104033431 7000

CENTRAL BANK REGISTRATION NUMBER

RFC 1003

PRINCIPAL ACTIVITIES

The Company provides a comprehensive range of financial services encompassing acceptance of Fixed Deposits, maintenance of Savings Accounts, providing Finance Leases and Vehicle Loan Facilities, Mortgage Loans, Gold Loans, Personal Loans, other Credit Facilities, Digital Financial Services and Value-Added Services.

Principal Activities of the Company's Subsidiaries

L B Microfinance Myanmar Company Limited - carries on Microfinance lending in Myanmar.

REGISTERED OFFICE

No. 275/75, Prof. Stanley Wijesundara Mawatha, Colombo 07.
Tel: 011- 2 200 000 Fax: 011-5 345 327

CORPORATE OFFICE

No. 20, Dharmapala Mawatha, Colombo 03.
Tel: 011-2 155 000 Fax: 011-2 575 098

OUTLETS

Branches - 215

WEBSITE

www.lbfinance.com

FINANCIAL YEAR END

31 March

CREDIT RATING

The Company has been assigned BBB+(lka) Stable by Fitch Ratings Lanka Limited

BOARD OF DIRECTORS AND BOARD APPOINTED COMMITTEES

Board of Directors

Mr. G A R D Prasanna
(Chairman)

Mr. Ashane Jayasekara
(Independent Non-Executive Director/
Senior Director)

Mr. Sumith Adhithetty
(Managing Director)

Mr. Niroschan Udage
(Deputy Managing Director)

Mr. B D A Perera
(Executive Director)

Mr. Ravindra Yatawara
(Executive Director)

Mrs. Yogadinusha Bhaskaran
(Non-Executive Director)

Mrs. Ashwini Natesan
(Independent Non-Executive Director)

Mr. Dharmadasa Rangalle
(Non-Executive Director)

Ms. Yanika Amarasekera
(Independent Non-Executive Director)

Mr. P B Talwatte
(Independent Non-Executive Director)

Mr. P D Hennayake
(Independent Non-Executive Director)

Company Secretary

Ms. Tharanga Nandasena

Board Audit Committee

Mr. Ashane Jayasekara (Chairman)

Mrs. Yogadinusha Bhaskaran

Mrs. Ashwini Natesan

Board Human Resource and Remuneration Committee

Ms. Yanika Amarasekera (Chairperson)

Mr. G A R D Prasanna

Mr. Ashane Jayasekara

Board Nomination and Governance Committee

Mr. Ashane Jayasekara (Chairman)
Mrs. Ashwini Natesan
Mr. G A R D Prasanna

Board Related Party Transaction Review Committee

Mrs. Ashwini Natesan (Chairperson)
Mr. P D Hennayake
Mr. P B Talwatte
Mr. Dharmadasa Rangalle

Board Integrated Risk Management Committee

Mrs. Ashwini Natesan (Chairperson)
Mr. Ashane Jayasekara
Mrs. Yogadinusha Bhaskaran

REGISTRARS

Central Depository Systems (Pvt) Limited
Ground Floor, M & M Centre,
341/5, Kotte Road, Rajagiriya.
Tel: 011-2356444
Fax: 011-2440396
Email: registrars@cse.lk

CORPORATE MEMBERSHIPS AND ASSOCIATIONS

The Finance Houses
Association of Sri Lanka
Leasing Association of Sri Lanka
The Ombudsman Sri Lanka
(Guarantee) Limited
Mercantile Cricket Association
Mercantile Football Association

EXTERNAL AUDITORS

Messrs KPMG
Chartered Accountants,
No. 32A, Sir Mohamed Macan
Markar Mawatha, Colombo 03.

INTERNAL AUDITORS

Internal Audit Department of the
Company under the scrutiny of the
Chief Internal Auditor.

BANKERS

Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
MCB Bank Limited
National Development Bank PLC
Nations Trust Bank PLC
Pan Asia Banking Corporation PLC
People's Bank
Sampath Bank PLC
Seylan Bank PLC
Standard Chartered Bank
Union Bank of Colombo PLC
Habib Bank Limited
Public Bank Berhad

SUBSIDIARY COMPANIES**LB Microfinance Myanmar Company Limited**

(Company incorporated in the
Republic of the Union of Myanmar)

COMPANY REGISTRATION NUMBER OF SUBSIDIARY

844 FC of 2016-2017 (YGN)

REGISTERED OFFICE OF SUBSIDIARY

No 40,
Mulashwedagar Street,
Khittaya Myothit Quarter,
Pyay Township,
Bago Region,
Myanmar

BOARD OF DIRECTORS OF SUBSIDIARY

Mr. Sumith Adhihetty
Mr. Niroshan Udage
Mr. B D A Perera
Mr. Ravindra Yatawara
Mrs. Daw Khin Than Win
Mr. U Kyaw Kyaw

