

# INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE, 2024



# LB FINANCE PLC

## STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 June 2024

COMPANY		
FOR THE 3 MONTHS ENDED		
30.06.2024 Rs.(‘000)	30.06.2023 Rs.(‘000)	Change %
<b>Income</b>	<b>11,109,025</b>	12,437,998 (11)
Interest Income	10,255,323	11,820,531 (13)
Less : Interest Expenses	4,297,570	6,112,844 (30)
<b>Net Interest Income</b>	<b>5,957,753</b>	5,707,687 4
Fee and Commission Income	830,799	606,080 37
Net Trading Income	1,272	732 74
Other Operating Income	21,631	10,655 >100
<b>Total Operating Income</b>	<b>6,811,455</b>	6,325,154 8
Less : Impairment Charges	131,506	99,483 32
<b>Net Operating Income</b>	<b>6,679,949</b>	6,225,671 7
<b>Less : Operating Expenses</b>		
Personnel Expenses	1,192,487	1,009,917 18
Depreciation of Property, Plant and Equipment	233,799	210,050 11
Amortisation of Intangible Assets	1,964	2,157 (9)
Other Operating Expenses	869,921	793,842 10
<b>Total Operating Expenses</b>	<b>2,298,171</b>	2,015,966 14
<b>Operating Profit before Tax on Financial Services</b>	<b>4,381,778</b>	4,209,705 4
Less : Tax on Financial Services	871,907	840,810 4
<b>Profit before Taxation</b>	<b>3,509,871</b>	3,368,895 4
Less : Income Tax Expense	1,321,150	1,269,211 4
<b>Profit for the Period</b>	<b>2,188,721</b>	2,099,684 4
<b>Basic Earnings per Share (Rs.)</b>	<b>3.95</b>	3.79 4
<b>Other Comprehensive Income</b>		
<b>Other Comprehensive Income that will never be Reclassified to Income Statement</b>		
Net Gains/(Losses) on Investment in Equity Instruments - Fair Value Through Other Comprehensive Income	8,129	(4,892) >(100)
<b>Net Other Comprehensive Income that will never be Reclassified to Income Statement</b>	<b>8,129</b>	(4,892) >(100)
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<b>8,129</b>	(4,892) >(100)
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>2,196,850</b>	2,094,792 5

# LB FINANCE PLC

## STATEMENT OF COMPREHENSIVE INCOME

Period ended 30 June 2024

GROUP			
FOR THE 3 MONTHS ENDED			
30.06.2024 Rs.('000)	30.06.2023 Rs.('000)	Change %	
<b>Income</b>	<b>11,215,118</b>	<b>12,534,244</b>	<b>(11)</b>
Interest Income	10,352,736	11,908,513	(13)
Less : Interest Expenses	4,318,171	6,131,929	(30)
<b>Net Interest Income</b>	<b>6,034,565</b>	<b>5,776,584</b>	<b>4</b>
Fee and Commission Income	839,128	613,925	37
Net Trading Income	1,272	732	74
Other Operating Income	21,982	11,074	98
<b>Total Operating Income</b>	<b>6,896,947</b>	<b>6,402,315</b>	<b>8</b>
Less : Impairment Charges	106,734	104,792	2
<b>Net Operating Income</b>	<b>6,790,213</b>	<b>6,297,523</b>	<b>8</b>
<b>Less : Operating Expenses</b>			
Personnel Expenses	1,230,749	1,039,805	18
Depreciation of Property, Plant and Equipment	238,853	213,481	12
Amortisation of Intangible Assets	2,760	3,299	(16)
Other Operating Expenses	908,889	821,538	11
<b>Total Operating Expenses</b>	<b>2,381,251</b>	<b>2,078,123</b>	<b>15</b>
<b>Operating Profit before Tax on Financial Services</b>	<b>4,408,962</b>	<b>4,219,400</b>	<b>4</b>
Less : Tax on Financial Services	877,503	842,116	4
<b>Profit before Taxation</b>	<b>3,531,459</b>	<b>3,377,284</b>	<b>5</b>
Less : Income Tax Expense	1,329,497	1,272,581	4
<b>Profit for the Period</b>	<b>2,201,962</b>	<b>2,104,703</b>	<b>5</b>
<b>Profit Attributable to:</b>			
Equity Holders of the Company	2,203,606	2,105,117	5
Non-Controlling Interest	(1,644)	(414)	>(100)
<b>Profit for the Period</b>	<b>2,201,962</b>	<b>2,104,703</b>	<b>5</b>
<b>Basic Earnings per Share (Rs.)</b>	<b>3.98</b>	<b>3.80</b>	<b>5</b>
<b>Other Comprehensive Income</b>			
<b>Other Comprehensive Income that will be Reclassified to Income Statement</b>			
Net Gains/(Losses) from Translating the Financial Statements of the Foreign Operations	12,510	(46,971)	>(100)
<b>Net Other Comprehensive Income that will be Reclassified to Income Statement</b>	<b>12,510</b>	<b>(46,971)</b>	<b>&gt;(100)</b>
<b>Other Comprehensive Income that will never be Reclassified to Income Statement</b>			
Net Gains/(Losses) on Investment in Equity Instruments - Fair Value Through Other Comprehensive Income	8,129	(4,892)	>(100)
<b>Net Other Comprehensive Income that will never be Reclassified to Income Statement</b>	<b>8,129</b>	<b>(4,892)</b>	<b>&gt;(100)</b>
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<b>20,639</b>	<b>(51,863)</b>	<b>&gt;(100)</b>
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>2,222,601</b>	<b>2,052,840</b>	<b>8</b>
<b>Attributable to:</b>			
Equity Holders of the Company	2,224,245	2,053,254	8
Non-Controlling Interest	(1,644)	(414)	>(100)
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>2,222,601</b>	<b>2,052,840</b>	<b>8</b>

# LB FINANCE PLC

## STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Company		Group	
	30.06.2024 Rs.(‘000)	Audited 31.03.2024 Rs.(‘000)	30.06.2024 Rs.(‘000)	Audited 31.03.2024 Rs.(‘000)
<b>Assets</b>				
Cash and Cash Equivalents	13,040,086	9,314,425	13,328,706	9,559,602
Financial Assets Recognised Through Profit or Loss - Measured at Fair Value	15,348	14,674	15,348	14,674
Financial Assets at Amortised Cost - Loans and Receivables	169,782,705	161,291,486	171,090,217	162,521,733
Financial Assets Measured at Fair Value Through Other Comprehensive Income	164,503	118,587	164,505	118,589
Other Financial Assets	14,950,762	20,374,770	15,026,466	20,443,404
Other Non Financial Assets	457,008	430,651	504,206	495,796
Investment in Subsidiaries	698,935	698,935	-	-
Property, Plant and Equipment and Right-of-Use Assets	9,046,632	8,984,363	9,099,393	9,034,106
Investment Properties	-	-	5,050	5,050
Intangible Assets	19,605	20,701	20,725	22,602
Deferred Tax Assets	927,914	927,914	932,398	932,330
<b>Total Assets</b>	<b>209,103,498</b>	<b>202,176,506</b>	<b>210,187,014</b>	<b>203,147,886</b>
<b>Liabilities</b>				
Due to Banks	23,810,816	21,702,012	24,132,168	21,955,857
Financial Liabilities at Amortised Cost - Due to Depositors	125,269,286	122,808,124	125,520,026	123,034,547
Debt Instruments Issued and Other Borrowed Funds	5,821,261	5,491,401	5,821,261	5,491,401
Other Financial Liabilities	3,898,156	3,757,776	3,949,351	3,815,897
Other Non Financial Liabilities	3,428,999	1,547,570	3,476,614	1,591,382
Current Tax Liabilities	2,493,853	2,770,496	2,496,510	2,775,700
Post Employment Benefit Liability	497,408	473,058	499,690	475,109
<b>Total Liabilities</b>	<b>165,219,779</b>	<b>158,550,437</b>	<b>165,895,620</b>	<b>159,139,893</b>
<b>Equity</b>				
Stated Capital	838,282	838,282	838,282	838,282
Reserves	9,089,995	8,972,430	9,227,508	9,097,433
Retained Earnings	33,955,442	33,815,357	34,130,510	33,975,540
<b>Total Equity Attributable to Equity Holders of the Company</b>	<b>43,883,719</b>	<b>43,626,069</b>	<b>44,196,300</b>	<b>43,911,255</b>
<b>Non Controlling Interest</b>	<b>-</b>	<b>-</b>	<b>95,094</b>	<b>96,738</b>
<b>Total Equity</b>	<b>43,883,719</b>	<b>43,626,069</b>	<b>44,291,394</b>	<b>44,007,993</b>
<b>Total Liabilities and Equity</b>	<b>209,103,498</b>	<b>202,176,506</b>	<b>210,187,014</b>	<b>203,147,886</b>
<b>Net Asset Value per Share (Rs.)</b>	<b>79.20</b>	<b>78.74</b>	<b>79.77</b>	<b>79.25</b>
<b>Commitments and Contingencies</b>	<b>2,423,086</b>	<b>2,281,890</b>	<b>2,172,136</b>	<b>2,030,940</b>

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.

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**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 Adhihetty**  
Managing Director

*sgd.*

**Ashane Jayasekara**  
Director

17 July 2024

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)
<b>Balance as at 01 April 2023 (Audited)</b>	<b>838,282</b>	<b>28,784,409</b>	<b>8,539,799</b>	<b>(46,750)</b>	<b>38,115,740</b>
Net Profit for the Period	-	2,099,684	-	-	2,099,684
Other Comprehensive Income, Net of Tax	-	-	-	(4,892)	(4,892)
Transfers During the Period	-	(104,984)	104,984	-	-
Interim Dividend for 2022/23	-	(1,108,114)	-	-	(1,108,114)
Final Dividend for 2022/23	-	(1,662,173)	-	-	(1,662,173)
<b>Balance as at 30 June 2023</b>	<b>838,282</b>	<b>28,008,822</b>	<b>8,644,783</b>	<b>(51,642)</b>	<b>37,440,245</b>
<b>Balance as at 01 April 2024 (Audited)</b>	<b>838,282</b>	<b>33,815,357</b>	<b>9,017,981</b>	<b>(45,551)</b>	<b>43,626,069</b>
Net Profit for the Period	-	2,188,721	-	-	2,188,721
Other Comprehensive Income, Net of Tax	-	-	-	8,129	8,129
Transfers During the Period	-	(109,436)	109,436	-	-
Final Dividend for 2023/24	-	(1,939,200)	-	-	(1,939,200)
<b>Balance as at 30 June 2024</b>	<b>838,282</b>	<b>33,955,442</b>	<b>9,127,417</b>	<b>(37,422)</b>	<b>43,883,719</b>

**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)
<b>Balance as at 01 April 2023 (Audited)</b>	<b>838,282</b>	<b>28,794,719</b>	<b>8,539,799</b>	<b>198,051</b>	<b>(46,750)</b>	<b>38,324,101</b>	<b>103,865</b>	<b>38,427,966</b>
Net Profit for the Period	-	2,105,117	-	-	-	2,105,117	(414)	2,104,703
Other Comprehensive Income, Net of Tax	-	-	-	(46,971)	(4,892)	(51,863)	-	(51,863)
Transfers During the Period	-	(104,984)	104,984	-	-	-	-	-
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)
<b>Balance as at 30 June 2023</b>	<b>838,282</b>	<b>28,024,565</b>	<b>8,644,783</b>	<b>151,080</b>	<b>(51,642)</b>	<b>37,607,068</b>	<b>103,451</b>	<b>37,710,519</b>
<b>Balance as at 01 April 2024 (Audited)</b>	<b>838,282</b>	<b>33,975,540</b>	<b>9,017,981</b>	<b>125,003</b>	<b>(45,551)</b>	<b>43,911,255</b>	<b>96,738</b>	<b>44,007,993</b>
Net Profit for the Period	-	2,203,606	-	-	-	2,203,606	(1,644)	2,201,962
Other Comprehensive Income, Net of Tax	-	-	-	12,510	8,129	20,639	-	20,639
Transfers During the Period	-	(109,436)	109,436	-	-	-	-	-
Final Dividend for 2023/24	-	(1,939,200)	-	-	-	(1,939,200)	-	(1,939,200)
<b>Balance as at 30 June 2024</b>	<b>838,282</b>	<b>34,130,510</b>	<b>9,127,417</b>	<b>137,513</b>	<b>(37,422)</b>	<b>44,196,300</b>	<b>95,094</b>	<b>44,291,394</b>

**LB FINANCE PLC****CASH FLOW STATEMENT**

Period ended 30 June 2024

	FOR THE 3 MONTHS ENDED			
	Company		Group	
	30.06.2024 Rs.('000)	30.06.2023 Rs.('000)	30.06.2024 Rs.('000)	30.06.2023 Rs.('000)
<b>Cash Flows from/(Used in) Operating Activities</b>				
Profit and Other Comprehensive Income before Taxation	3,518,000	3,364,003	3,552,098	3,325,420
Adjustments for				
Depreciation of Property, Plant and Equipment	233,799	210,050	238,853	213,481
Amortisation of Intangible Assets	1,964	2,157	2,760	3,299
Impairment Charges	131,506	99,483	106,734	104,792
Diminution/(Appreciation) in Value of Investments	(46,590)	4,160	(46,590)	4,160
Loss/(Profit) on Disposal of Property, Plant and Equipment	(8,890)	(415)	(8,890)	(415)
Provision/(Reversal) for Defined Benefit Plans	24,350	19,241	26,632	19,472
Foreign Currency Exchange (Gain)/Loss	-	-	(18)	65
Dividend Received	(613)	(1,420)	(613)	(1,420)
Withholding Tax Attributed to Fixed Deposits	(718)	(1,299)	(718)	(1,299)
Net Unrealised (Gains)/Losses Arising from Translating the Financial Statements of Foreign Operations	-	-	(12,510)	46,971
Operating Profit before Changes in Operating Assets and Liabilities	3,852,808	3,695,960	3,857,738	3,714,526
(Increase)/Decrease in Operating Assets				
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	(8,622,725)	1,607,906	(8,675,217)	1,570,043
(Increase)/Decrease in Other Financial Assets	5,424,726	6,033,860	5,414,656	5,934,689
(Increase)/Decrease in Other Non Financial Assets	(26,357)	(100,180)	(6,532)	(107,920)
	(3,224,356)	7,541,586	(3,267,093)	7,396,813
Increase/(Decrease) in Operating Liabilities				
Increase/(Decrease) in Financial Liabilities at Amortised Cost - Due to Depositors	2,461,162	(2,012,012)	2,485,479	(2,046,932)
Increase/(Decrease) in Other Financial Liabilities	140,380	(208,352)	148,965	(232,026)
Increase/(Decrease) in Other Non Financial Liabilities	1,449,174	96,640	1,444,868	66,560
	4,050,716	(2,123,725)	4,079,312	(2,212,398)
Cash Generated from Operations	4,679,168	9,113,822	4,669,957	8,898,941
Retirement Benefit Liabilities Paid	(8,569)	(15,945)	(8,569)	(15,945)
Income Tax Paid	(1,156,969)	(888,305)	(1,161,787)	(890,663)
Net Cash from/(Used in) Operating Activities	3,513,630	8,209,572	3,499,601	7,992,333
<b>Cash Flows from/(Used in) Investing Activities</b>				
Acquisition of Property, Plant and Equipment and Right-of-Use Assets	(315,326)	(193,254)	(323,397)	(193,903)
Acquisition of Intangible Assets	(868)	-	(2,828)	-
Proceeds from Sale of Property, Plant and Equipment	28,147	3,128	28,147	3,128
Dividend Received	613	1,420	613	1,420
Net Cash Flows from/(Used in) Investing Activities	(287,434)	(188,706)	(297,465)	(189,355)
<b>Cash Flows from/(Used in) Financing Activities</b>				
Cash Flows from Debt Funding from Banks	4,178,034	4,392,652	4,230,384	4,626,940
Repayment of Debt Funding from Banks	(1,498,125)	(7,169,697)	(1,498,125)	(7,175,100)
Cash Flows from Debt Instruments Issued and Other Borrowed Funds	1,720,929	-	1,720,929	-
Repayment of Debt Instruments and Other Borrowed Funds	(1,391,068)	(1,265,061)	(1,391,068)	(1,265,061)
Dividends Paid	(1,939,200)	(1,108,114)	(1,939,200)	(1,108,114)
Net Cash Flows from/(Used in) Financing Activities	1,070,570	(5,150,220)	1,122,920	(4,921,335)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>4,296,766</b>	<b>2,870,645</b>	<b>4,325,056</b>	<b>2,881,643</b>
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>8,278,875</b>	<b>4,033,170</b>	<b>8,521,157</b>	<b>4,188,938</b>
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>12,575,641</b>	<b>6,903,815</b>	<b>12,846,213</b>	<b>7,070,580</b>
<b>CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT</b>				
Notes and Coins Held	2,083,958	2,303,686	2,116,660	2,328,037
Balances with Banks	2,820,621	1,287,428	2,857,061	1,310,610
Securities under Reverse Repurchase Agreements	6,196,864	3,213,778	6,416,342	3,334,828
Investment in Unit Trusts	1,938,643	1,012,136	1,938,643	1,012,136
Bank Overdrafts	(464,445)	(913,213)	(482,493)	(915,031)
<b>Net Cash and Cash Equivalents</b>	<b>12,575,641</b>	<b>6,903,815</b>	<b>12,846,213</b>	<b>7,070,580</b>

**LB FINANCE PLC**
**FAIR VALUE MEASUREMENT HIERARCHY - COMPANY**

		As at 30.06.2024					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		
		<b>Financial Assets</b>									
<b>Cash and Cash Equivalents</b>	Amortised Cost										
Notes and Coins Held		2,083,958	-	-	2,083,958	2,083,958	1,965,160	-	-	1,965,160	1,965,160
Balances with Banks		2,820,621	-	-	2,820,621	2,820,621	1,934,329	-	-	1,934,329	1,934,329
Securities under Reverse Repurchase Agreements		-	6,196,864	-	6,196,864	6,196,864	-	3,506,594	-	3,506,594	3,506,594
Investment in Unit Trusts		-	1,938,643	-	1,938,643	1,938,643	-	1,908,342	-	1,908,342	1,908,342
<b>Financial Assets Recognised Through Profit or Loss</b>	FVTPL	15,348	-	-	15,348	15,348	14,674	-	-	14,674	14,674
<b>Financial Assets at Amortised Cost - Loans and Receivables</b>	Amortised Cost	-	-	172,697,248	172,697,248	169,782,705	-	-	163,299,074	163,299,074	161,291,486
<b>Financial Assets Measured at Fair Value Through Other Comprehensive Income</b>	FVOCI										
Quoted Equities		164,198	-	-	164,198	164,198	118,282	-	-	118,282	118,282
Unquoted Equities		-	-	305	305	305	-	-	305	305	305
<b>Other Financial Assets</b>	Amortised Cost	10,140,816	4,840,871	-	14,981,687	14,950,762	11,052,695	9,380,474	-	20,433,169	20,374,770
		<b>15,224,941</b>	<b>12,976,378</b>	<b>172,697,553</b>	<b>200,898,872</b>	<b>197,953,404</b>	<b>15,085,140</b>	<b>14,795,410</b>	<b>163,299,379</b>	<b>193,179,927</b>	<b>191,113,942</b>
<b>Financial Liabilities</b>											
<b>Due to Banks</b>	Amortised Cost	-	28,235,073	-	28,235,073	23,810,816	-	22,837,782	-	22,837,782	21,702,012
<b>Financial Liabilities at Amortised Cost - Due to Depositors</b>	Amortised Cost	-	-	127,670,866	127,670,866	125,269,286	-	-	125,962,340	125,962,340	122,808,124
<b>Debt Instruments Issued and Other Borrowed Funds</b>	Amortised Cost	-	5,821,261	-	5,821,261	5,821,261	-	5,703,189	-	5,703,189	5,491,401
<b>Other Financial Liabilities</b>	Amortised Cost	-	3,898,156	-	3,898,156	3,898,156	-	3,757,776	-	3,757,776	3,757,776
		<b>-</b>	<b>37,954,490</b>	<b>127,670,866</b>	<b>165,625,356</b>	<b>158,799,519</b>	<b>-</b>	<b>32,298,748</b>	<b>125,962,340</b>	<b>158,261,087</b>	<b>153,759,313</b>

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

**FAIR VALUE MEASUREMENT HIERARCHY - GROUP**

		As at 30.06.2024					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		
		<b>Financial Assets</b>									
<b>Cash and Cash Equivalents</b>	Amortised Cost										
Notes and Coins Held		2,116,660	-	-	2,116,660	2,116,660	1,996,870	-	-	1,996,871	1,996,871
Balances with Banks		2,857,061	-	-	2,857,061	2,857,061	2,006,666	-	-	2,006,666	2,006,666
Securities under Reverse Repurchase Agreements		-	6,416,342	-	6,416,342	6,416,342	-	3,647,723	-	3,647,723	3,647,723
Investment in Unit Trusts		-	1,938,643	-	1,938,643	1,938,643	-	1,908,342	-	1,908,342	1,908,342
<b>Financial Assets Recognised Through Profit or Loss</b>	FVTPL	15,348	-	-	15,348	15,348	14,674	-	-	14,674	14,674
<b>Financial Assets at Amortised Cost - Loans and Receivables</b>	Amortised Cost	-	-	174,004,760	174,004,760	171,090,217	-	-	164,529,320	164,529,320	162,521,733
<b>Financial Assets Measured at Fair Value Through Other Comprehensive Income</b>	FVOCI										
Quoted Equities		164,198	-	-	164,198	164,198	118,282	-	-	118,282	118,282
Unquoted Equities		-	-	307	307	307	-	-	307	307	307
<b>Other Financial Assets</b>	Amortised Cost	10,140,816	4,916,575	-	15,057,391	15,026,466	11,101,074	9,400,729	-	20,501,803	20,443,404
		<b>15,294,083</b>	<b>13,271,560</b>	<b>174,005,067</b>	<b>202,570,710</b>	<b>199,625,242</b>	<b>15,237,566</b>	<b>14,956,793</b>	<b>164,628,728</b>	<b>194,823,088</b>	<b>192,658,002</b>
<b>Financial Liabilities</b>											
<b>Due to Banks</b>	Amortised Cost	-	28,556,425	-	28,556,425	24,132,168	-	23,342,577	-	23,342,577	21,955,857
<b>Financial Liabilities at Amortised Cost - Due to Depositors</b>	Amortised Cost	-	-	127,921,606	127,921,606	125,520,026	-	-	126,339,594	126,339,594	123,034,547
<b>Debt Instruments Issued and Other Borrowed Funds</b>	Amortised Cost	-	5,821,261	-	5,821,261	5,821,261	-	5,703,189	-	5,703,189	5,491,401
<b>Other Financial Liabilities</b>	Amortised Cost	-	3,949,351	-	3,949,351	3,949,351	-	3,815,898	-	3,815,898	3,815,897
		<b>-</b>	<b>38,327,037</b>	<b>127,921,606</b>	<b>166,248,643</b>	<b>159,422,806</b>	<b>-</b>	<b>32,861,664</b>	<b>126,339,594</b>	<b>159,201,258</b>	<b>154,297,702</b>

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	
	30.06.2024 Rs.(‘000)	30.06.2023 Rs.(‘000)	30.06.2024 Rs.(‘000)	30.06.2023 Rs.(‘000)	30.06.2024 Rs.(‘000)	30.06.2023 Rs.(‘000)	30.06.2024 Rs.(‘000)	30.06.2023 Rs.(‘000)	30.06.2024 Rs.(‘000)	30.06.2023 Rs.(‘000)
Interest Income	2,286,430	2,358,000	7,402,628	8,212,799	587,430	1,279,319	76,248	58,395	10,352,736	11,908,513
Less: Interest Expenses	704,317	1,268,515	3,124,041	4,053,582	472,779	797,756	17,034	12,076	4,318,171	6,131,929
Net Interest Income	1,582,113	1,089,485	4,278,587	4,159,217	114,651	481,563	59,214	46,319	6,034,565	5,776,584
Fee and Commission Income	106,560	126,901	731,039	478,144	(6,440)	1,966	7,969	6,914	839,128	613,925
Net Trading Income and Other Operating Income	1,447	801	1,016	1,643	20,766	9,362	25	-	23,254	11,806
Total Operating Income	1,690,120	1,217,187	5,010,642	4,639,004	128,977	492,891	67,208	53,233	6,896,947	6,402,315
Less: Impairment Charges	(47,180)	767	152,742	124,159	(227)	(26,147)	1,399	6,014	106,734	104,792
Net Operating Income	1,737,300	1,216,420	4,857,900	4,514,845	129,204	519,038	65,809	47,219	6,790,213	6,297,523
Less: Other Costs	414,398	445,604	1,661,684	1,361,093	10,452	18,970	53,104	35,676	2,139,638	1,861,343
Less: Depreciation and Amortisation	38,938	43,856	199,369	169,375	1,353	1,569	1,953	1,980	241,613	216,780
Operating Profits before Taxes	1,283,964	726,960	2,996,847	2,984,377	117,399	498,499	10,752	9,563	4,408,962	4,219,400
Less: Taxes	643,650	364,472	1,502,320	1,496,454	58,855	250,400	2,175	3,370	2,207,000	2,114,696
Profits for the Period	640,314	362,488	1,494,527	1,487,923	58,544	248,099	8,577	6,193	2,201,962	2,104,703
Less: Non-Controlling Interest									1,644	414
Profit Attributable to Equity Holders of the Company									2,203,606	2,105,117
Profits for the Period									2,201,962	2,104,703
Segmental Assets	32,194,847	34,264,028	146,196,257	118,060,052	31,152,799	26,230,616	1,345,046	1,159,798	210,888,949	179,714,493
Elimination	-	-	-	-	(701,935)	(921,998)	-	-	(701,935)	(921,998)
Total Segmental Assets	32,194,847	34,264,028	146,196,257	118,060,052	30,450,864	25,308,618	1,345,046	1,159,798	210,187,014	178,792,495
Segmental Liabilities	25,609,315	27,180,366	116,259,311	93,612,770	23,512,386	19,919,946	517,618	368,894	165,898,620	141,081,976
Elimination	-	-	-	-	-	-	(3,000)	-	(3,000)	-
Total Segmental Liabilities	25,609,315	27,180,366	116,259,311	93,612,770	23,512,386	19,919,946	514,618	368,894	165,895,620	141,081,976

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 30 June 2024 or 2023.



## LB FINANCE PLC

### Interim Financial Statements for the Period ended 30 June 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, whereby L B Finance PLC will be the Amalgamated Company.

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.

The shares of Multi Finance PLC will not be converted to shares of L B Finance PLC. Instead, the shareholders of Multi Finance PLC except L B Finance PLC will be paid a cash consideration of Rs.4/50 for each share held by the said shareholders in Multi Finance PLC. The cash consideration was determined pursuant to a valuation of the shares of Multi Finance PLC carried out by its Auditors, Messrs KPMG, Chartered Accountants, based on the net book value of Multi Finance PLC as of 30 September 2023.

04. The Commitments and Contingencies as at 30 June 2024 was Rs. 2,423 Mn and as at 31 March 2024 was Rs. 2,172 Mn.

#### INFORMATION ON SHARES

##### INFORMATION ON SHARES

		For the Quarter ended	
		30.06.2024	30.06.2023
Share Price	Highest	Rs. 73.80	58.50
	Lowest	Rs. 62.50	49.90
	Last Traded	Rs. 72.70	58.00
Number of Ordinary Shares Issued		554,057,136	554,057,136
		As at	
		30.06.2024	30.06.2023
<b>Ratios</b>			
Debt Equity Ratio		71.35%	64.17%
Quick Asset Ratio		21.51%	20.70%
Interest Cover		1.82	1.55

#### SELECTED PERFORMANCE INDICATORS

		As at	
		30.06.2024	30.06.2023
<b>Capital Adequacy</b>			
Core Capital to Risk Weighted Asset Ratio (Minimum 10%)		28.90%	27.76%
Total Capital to Risk Weighted Asset Ratio (Minimum 14%)		29.65%	28.40%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)		35.03%	33.43%
<b>Profitability</b>			
Return on Average Shareholders' Funds (After Tax) - Annualized		20.01%	22.23%
Return on Average Assets (After Tax) - Annualized		4.26%	4.66%
<b>Asset Quality</b>			
Gross Non-Performing Accommodations Ratio		3.29%	6.69%
Net Non-Performing Accommodations Ratio		-0.93%	1.37%
<b>Liquidity (Rs. Mn)</b>			
Required Minimum Amount of Liquid Assets		12,740	11,349
Available Amount of Liquid Assets		24,612	19,260
Required Minimum Amount of Government Securities		8,704	7,897
Available Amount of Government Securities		18,041	11,634

## LB FINANCE PLC

### Additional Notes

#### Twenty largest shareholders as at 30 June 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		21,249,600	3.835
4 Mr. W.G.D.C. Ranaweera		8,117,876	1.465
5 Mr. K.R.E.M.D.M.B. Jayasundara		6,000,000	1.083
6 Mr. K.D.A. Perera		4,289,735	0.774
7 Mr. G.A Bhanuka Harischandra		3,648,963	0.659
8 Mr N. Udage		2,861,235	0.516
9 J.B. Cocoshell (Pvt) Ltd		2,592,383	0.468
10 David Pieris Holdings (Private) Limited		2,000,000	0.361
11 Janashakthi Insurance PLC-Shareholders		1,952,700	0.352
12 Rubber Investment Trust Ltd A/C No 01		1,900,000	0.343
13 Mr. F.N. Herft		1,817,000	0.328
14 Seylan Bank PLC/JN Lanka Holdings Company (Pvt) Ltd		1,800,000	0.325
15 Rosewood (Pvt) Limited-Account No.1		1,743,088	0.315
16 Mr. Y.S.H.R.S. Silva		1,439,662	0.260
17 Hatton National Bank PLC-Senfin Growth Fund		1,400,000	0.253
18 Mr. M.A.T. Raaymakers		1,273,745	0.230
19 Mr. A.A. Page		1,259,200	0.227
20 Hatton National Bank PLC/JN Lanka Holdings Company (Pvt) Ltd		1,200,000	0.217
		<u>497,767,715</u>	<u>89.841</u>
Others		<u>56,289,421</u>	<u>10.159</u>
<b>Total</b>		<b><u>554,057,136</u></b>	<b><u>100.000</u></b>

#### Directors' and Chief Executive Officer's holding in shares as at 30 June 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	-	-

Public Holding percentage as at 30 June 2024 being 21.39% comprising of 4,961 shareholders.

The Float adjusted market capitalisation as at 30 June 2024 – Rs..8,593,848,690.00/-

The Float adjusted market capitalization of the Company falls under Option 2 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.

**Multi Finance PLC** – carries on business  
as a Licensed Finance Company and its  
business activities include acceptance of  
Fixed Deposits, maintenance of Savings  
Accounts, providing Finance Leases and  
Vehicle Loan Facilities, Mortgage  
Loans, Gold Loans, Personal Loans,  
other Credit Facilities.

## 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 - 201

## WEBSITE

[www.lbfinance.com](http://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)

### 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. Ashane Jayasekara

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  
Union of the Republic 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

**Multi Finance PLC****COMPANY REGISTRATION****NUMBER OF SUBSIDIARY**

PB 891 PQ

**REGISTERED OFFICE OF SUBSIDIARY**

No. 275/75, Prof. Stanley Wijesundara

Mawatha, Colombo 07.

Tel: 011- 2 200 000 Fax: 011-5 345 327

**BOARD OF DIRECTORS OF SUBSIDIARY**

Mr. G A R D Prasanna

Mr. Sumith Adhihetty

Mrs. Yogadinusha Bhaskaran

Mr. Niroshan Udage

Mr. B D A Perera

Mr. Ravindra Yatawara

Mr. Dharmadasa Rangalle

