

INTERIM FINANCIAL STATEMENTS

For the Period ended 31st March 2024

Rating 'BBB+(lka)'; Outlook Stable

 **Merchant Bank of
Sri Lanka & Finance PLC**

Co.Reg.No. PQ10

Interim Financial Statements

Statement of Profit or Loss

	Company			Group		
	Quarter ended			Quarter ended		
	3/31/2024	3/31/2023	Change %	3/31/2024	3/31/2023	Change %
LKR '000	LKR '000		LKR '000	LKR '000		
Income	2,004,613	1,693,906	18.3	2,207,045	1,878,870	17.5
Interest and similar income	1,549,492	1,624,610	(4.6)	1,620,817	1,708,955	(5.2)
Interest and similar expenses	1,103,063	1,293,812	(14.7)	1,097,642	1,287,039	(14.7)
Net interest income	446,429	330,798	35.0	523,175	421,916	24.0
Fee and commission income	33,552	39,485	(15.0)	39,965	44,508	(10.2)
Fee and commission expenses	6,757	1,034	553.6	2,291	(3,100)	173.9
Net fee and commission income	26,795	38,451	(30.3)	37,674	47,608	(20.9)
Insurance premium income	-	-	-	123,210	96,336	27.9
Net claims and benefits	-	-	-	(95,960)	(95,271)	(0.7)
Net trading income	(1,286)	6,488	(119.8)	(1,286)	6,488	(119.8)
Net gain/(loss) on financial instruments at fair value through profit or loss	236,214	10,820	2,083.1	236,968	11,383	1,981.8
Other operating income	186,641	12,503	1,392.8	187,371	11,200	1,573.0
Total operating income	894,793	399,060	124.2	1,011,152	499,660	102.4
Impairment charge/(reversal) from loans and other losses	48,324	59,918	(19.3)	48,324	59,918	(19.3)
Net operating income	846,469	339,142	149.6	962,828	439,742	119.0
Personnel expenses	344,938	314,201	9.8	387,965	368,939	5.2
Depreciation and amortisation	74,092	64,654	14.6	83,256	73,186	13.8
Other operating expenses	202,915	192,247	5.5	251,361	243,988	3.0
Total operating expense	621,945	571,102	8.9	722,582	686,113	5.3
Profit/(loss) from operations	224,524	(231,960)	196.8	240,246	(246,371)	197.5
Impairment charge/(reversal) from investment in Subsidiary companies	-	-	-	-	-	-
Profit/(loss) from operations after impairment from subsidiary investments	224,524	(231,960)	196.8	240,246	(246,371)	197.5
Value added tax (VAT) on financial services	88,006	14,468	508.3	88,006	14,468	508.3
Social Security Contribution Levy (SSCL)	12,618	2,140	489.6	12,618	2,140	489.6
Share of associate companies profit/(loss) before tax	-	-	-	(1,917)	10,516	(118.2)
Profit/(loss) before income tax	123,900	(248,568)	149.8	137,705	(252,463)	154.5
Income tax expense/(reversal)	80,688	(75,950)	206.2	80,688	(72,850)	210.8
Profit/(loss) for the period	43,212	(172,618)	125.0	57,017	(179,613)	131.7
Profit/(loss) for the period attributable to:						
Equity holders of the parent	43,212	(172,618)	125.0	49,756	(172,957)	128.8
Non controlling interests	-	-	-	7,261	(6,656)	209.1
Profit/(loss) for the period	43,212	(172,618)	125.0	57,017	(179,613)	131.7
Earnings per share:						
Basic/Diluted earnings/(loss) per share (LKR)	0.08	(0.33)	125.0	0.09	(0.33)	128.8

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Statement of Comprehensive Income

	Company			Group		
	Quarter ended			Quarter ended		
	3/31/2024	3/31/2023	Change %	3/31/2024	3/31/2023	Change %
	LKR '000	LKR '000		LKR '000	LKR '000	
Profit/(loss) for the period	43,212	(172,618)	125.0	57,017	(179,613)	131.7
Other comprehensive income/(expense) for the period						
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
Fair value reserves (Financial investments at fair value through other comprehensive income):						
Gains/(Losses) on re-measuring financial investments at fair value through other comprehensive income	-	-	-	1,702	217	685.0
Other comprehensive income/(expense) before tax	-	-	-	1,702	217	685.0
Deferred tax (charge)/credit relating to components of other comprehensive income	-	-	-	-	-	-
Other comprehensive income/(expense) for the period, net of tax	-	-	-	1,702	217	685.0
Total comprehensive income/(expense) for the period, net of tax	43,212	(172,618)	125.0	58,719	(179,396)	132.7
Total comprehensive income/(expense) attributable to:						
Equity holders of the parent	43,212	(172,618)	125.0	50,671	(172,840)	129.3
Non controlling interests	-	-	-	8,048	(6,556)	222.8
	43,212	(172,618)	125.0	58,719	(179,396)	132.7

Interim Financial Statements

Statement of Financial Position

as at	Company			Group		
	3/31/2024	12/31/2023	Change	3/31/2024	12/31/2023	Change
	LKR '000	(Audited) LKR '000	%	LKR '000	(Audited) LKR '000	%
Assets						
Cash and cash equivalents	558,490	720,397	(22.5)	717,326	871,126	(17.7)
Placements with banks & financial institutions	606,234	574,588	5.5	650,757	645,823	0.8
Financial investments at fair value through profit or loss	8,833,309	8,161,368	8.2	8,842,623	8,169,927	8.2
Loans & receivables at amortised cost	19,623,404	19,054,715	3.0	19,713,137	19,059,962	3.4
Financial investments at fair value through other comprehensive income	14,348	14,348	(0.0)	296,572	119,221	148.8
Financial investments at amortised cost	3,786,628	3,727,940	1.6	5,166,070	5,304,189	(2.6)
Real Estate Stock	56,064	58,158	(3.6)	56,064	58,158	(3.6)
Investment in associate company	81,084	81,084	-	166,990	168,908	(1.1)
Investment in subsidiary	352,696	352,696	0.0	-	-	-
Investment properties	-	95,446	(100.0)	-	95,446	(100.0)
Property, equipment and right-of-use assets	568,792	585,436	(2.8)	672,264	695,697	(3.4)
Intangible assets	57,516	67,117	(14.3)	57,516	69,491	(17.2)
Deferred tax Assets	58,530	54,951	6.5	67,932	64,355	5.6
Other assets	206,641	150,878	37.0	584,804	490,547	19.2
Total assets	34,803,736	33,699,122	3.3	36,992,055	35,812,850	3.3
Liabilities						
Due to banks	2,493,495	2,599,970	(4.1)	2,502,101	2,603,003	(3.9)
Due to customers at amortised cost	26,297,140	25,444,119	3.4	26,091,549	25,245,868	3.3
Debt issued and borrowed funds at amortised cost	777,035	741,030	4.9	777,035	741,030	4.9
Insurance provision - life	-	-	-	388,001	393,030	(1.3)
Insurance provision - non life	-	-	-	667,570	671,728	(0.6)
Current tax liabilities	114,286	30,055	280.3	114,286	30,055	280.3
Other liabilities	1,076,342	858,908	25.3	1,693,168	1,406,010	20.4
Retirement benefits obligations	331,554	354,368	(6.4)	344,204	366,703	(6.1)
Total liabilities	31,089,852	30,028,450	3.5	32,577,914	31,457,427	3.6
Equity						
Stated capital	4,276,448	4,276,448	-	4,276,448	4,276,448	-
Retained earnings	(1,334,972)	(1,289,648)	(3.5)	(1,080,815)	344,174	(414.0)
OCI reserve	(31,892)	(31,892)	-	(32,691)	(1,042,034)	96.9
RLA Reserve	460,126	371,590	23.8	460,126	371,590	23.8
Statutory reserves	344,174	344,174	-	344,174	(33,607)	1,124.1
Total equity attributable to the parent	3,713,884	3,670,672	1.2	3,967,242	3,916,571	1.3
Non controlling interests	-	-	-	446,899	438,852	1.8
Total equity	3,713,884	3,670,672	1.2	4,414,141	4,355,423	1.3
Total liabilities and equity	34,803,736	33,699,122	3.3	36,992,055	35,812,850	3.3
Commitments and contingencies	40,393	42,093	(4.0)	66,858	69,472	(3.8)
Net assets value per share (LKR)	7.08	7.00	1.2	7.56	7.47	1.3

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007
Information contained in these statements have been extracted from the unaudited Financial Statements of the Company unless indicated as "Audited".

(sgd.)
W. K. C. S. Vithana
Chief Financial Officer

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

(sgd.)
A. M. A. Perera
Chairman

Colombo, Sri Lanka
14/May/2024

(sgd.)
H. K. D. W. M. D. K. Hapuhinna
Chief Executive Officer

(sgd.)
M. P. Ruwan Kumara
Director

Interim Financial Statements

Statement of Changes in Equity

Company	Stated capital LKR ' 000	Statutory reserves LKR ' 000	OCI reserve LKR ' 000	RLA reserve LKR ' 000	Retained profits LKR ' 000	Total equity LKR ' 000
Balance as at 01st January 2023	4,276,448	339,996	(30,377)	54,441	(944,964)	3,695,544
Net profit/(loss) for the period	-	-	-	-	(172,618)	(172,618)
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	105,186	(105,186)	-
Balance as at 31st March 2023	4,276,448	339,996	(30,377)	159,627	(1,222,768)	3,522,926
Balance as at 01st January 2024	4,276,448	344,174	(31,892)	371,590	(1,289,648)	3,670,672
Net profit/(loss) for the period	-	-	-	-	43,212	43,212
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	88,536	(88,536)	-
Balance as at 31st March 2024	4,276,448	344,174	(31,892)	460,126	(1,334,972)	3,713,884

Group	Stated Capital LKR ' 000	Statutory reserves LKR ' 000	OCI reserve LKR ' 000	RLA reserve LKR ' 000	Retained profits LKR ' 000	Non controlling interest LKR ' 000	Total equity LKR ' 000
Balance as at 01st January 2023	4,276,448	339,996	(34,502)	54,441	(594,119)	440,705	4,482,969
Net profit/(loss) for the period	-	-	-	-	(172,957)	(6,657)	(179,614)
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	105,186	(105,186)	-	-
Other comprehensive income	-	-	117	-	-	100	217
Balance as at 31st March 2023	4,276,448	339,996	(34,385)	159,627	(872,262)	434,148	4,303,572
Balance as at 01st January 2024	4,276,448	344,174	(33,607)	371,590	(1,042,034)	438,852	4,355,423
Net profit/(loss) for the period	-	-	-	-	49,755	7,261	57,016
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	88,536	(88,536)	-	-
Other comprehensive income	-	-	916	-	-	786	1,702
Balance as at 31st March 2024	4,276,448	344,174	(32,691)	460,126	(1,080,815)	446,899	4,414,141

Interim Financial Statements

Statement of Cash Flows

For the period ended 31st March	Company		Group	
	2024	2023	2024	2023
	LKR '000	LKR '000	LKR '000	LKR '000
Cash flows from operating activities				
Profit before income tax	123,900	(248,568)	137,704	(252,464)
Adjustments for :				
Net Interest Income	(446,429)	(330,798)	(523,175)	(421,916)
WHT movement for the year	(1,122)	(173)	(1,122)	(173)
Impairment charges for loans and other losses	48,324	59,918	48,324	59,918
Share of associate company's profit/(loss) before tax	-	-	1,917	(10,516)
Depreciation and amortisation	74,092	64,654	83,256	73,186
Profit from sales of real estate	(206)	(1,888)	(206)	(1,888)
Profit from sales of property & equipment and investment property	(56)	(1,722)	(56)	(1,722)
Dividend income from financial assets	(2,661)	(1,833)	(2,661)	(2,294)
Contribution to defined benefit plans	18,000	10,500	19,500	12,333
Fair value change of financial assets	(236,214)	(10,820)	(234,512)	(10,603)
	(422,372)	(460,730)	(471,031)	(556,139)
Interest paid to customers at amortised cost	(733,881)	(916,680)	(733,881)	(916,680)
Interest paid on other borrowings	(59,263)	(131,740)	(62,338)	(137,605)
Interest received on loans & receivables at amortised cost	1,109,487	1,451,302	1,109,487	1,451,302
Interest received on other investment	386,898	231,282	466,720	328,264
Gratuity paid	(40,813)	(9,386)	(42,001)	(10,494)
Change in operating assets				
Loans & receivables at amortised cost	(609,556)	2,396,920	(666,430)	2,394,585
Other operating assets	(102,837)	(269,116)	(141,328)	(295,508)
Change in operating liabilities				
Due to customers at amortised cost	591,642	(38,465)	591,642	(38,465)
Payments made under operating leases	(18,188)	(13,724)	(26,487)	(21,738)
Insurance provision	-	-	(9,187)	67,391
Other liabilities	222,087	239,215	300,111	235,209
Net cash generated from/(used in) operating activities before tax	323,204	2,478,878	315,277	2,500,122
Income tax paid	-	-	-	-
Net cash generated from/(used in) operating activities	323,204	2,478,878	315,277	2,500,122
Cash flows from investing activities				
Net increase/(decrease) in financial investments at amortised cost	58,270	(355,337)	77,727	(328,306)
Net (increase)/decrease in placements with banks & financial institutions	-	-	(8,241)	(6,736)
Net (increase)/decrease in investment of government securities at FVTPL	(439,892)	-	(439,892)	-
Net (increase)/decrease in other financial investments at FVTPL	535	(7,184)	(219)	(7,747)
Proceeds from real estate stock	2,300	7,757	2,300	7,757
Purchase of property & equipment	(3,596)	(9,656)	(3,596)	(9,993)
Proceeds from sale of property & equipment	56	1,918	56	1,918
Dividends received	2,661	1,833	2,661	2,294
Net cash generated from/(used in) investing activities	(379,666)	(360,669)	(369,204)	(340,813)
Cash flows from financing activities				
Net increase/(decrease) reverse repo agreements	-	(250,000)	-	(250,000)
Net increase/(decrease) in other borrowings at amortised cost	(275,000)	(1,811,854)	(275,000)	(1,844,684)
Net cash generated from/(used in) financing activities	(275,000)	(2,061,854)	(275,000)	(2,094,684)
Net increase / (decrease) in cash and cash equivalents during the period	(331,462)	56,355	(328,927)	64,625
Cash and cash equivalents at the beginning of the period	683,545	596,679	831,241	783,522
Cash and cash equivalents at the end of the period	352,083	653,034	502,314	848,147
Note				
Analysis of Cash and Cash Equivalents				
Cash and short term funds	558,505	867,372	717,342	1,103,431
Dues to banks	(206,422)	(214,338)	(215,028)	(255,284)
	352,083	653,034	502,314	848,147

Reporting entity

Merchant Bank of Sri Lanka & Finance PLC is a public quoted company incorporated and domiciled in Sri Lanka on 04 March 1982. The registered office and principal place of business of the Company is located at the Bank of Ceylon Merchant Tower, No. 28, St Michael's Road, Colombo 03. The shares of the Company are listed in the Colombo Stock Exchange.

In the opinion of the Directors, the Company's parent enterprise and its ultimate parent enterprise is Bank of Ceylon.

The consolidated Financial Statements comprises of the Company, it's subsidiary: MBSL Insurance Company Ltd and it's interest in associate; Lanka Securities Ltd.

The consolidated Financial Statements for the period ended were authorized for issue on 14th May 2024, in accordance with the resolution of the Directors passed on 14th May 2024.

Basis of preparation and accounting policies

The interim condensed Financial Statements for the period ended 31st March 2024 have been prepared in accordance with LKAS 34 - 'Interim Financial Reporting'. The interim condensed consolidated Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements.

There were no changes to the Accounting Policies and methods of computation since the publication of the last Annual Audited Financials except the Group changes its business model for managing its financial assets and financial liabilities.

All known expenses including fees and similar expenses have been provided in this Financial Statements.

Measurement of Financial Instruments

Company	LKR.'000							
	Financial instrument at FVTPL		Financial instrument at amortised Cost		Financial instrument at FVTOCI		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
As at								
Financial assets								
Cash and cash equivalents	-	-	558,490	720,397	-	-	558,490	720,397
Placements with banks & financial institutions	-	-	606,234	574,588	-	-	606,234	574,588
Financial investments at fair value through profit or loss	8,833,309	8,161,368	-	-	-	-	8,833,309	8,161,368
Loans & receivables at amortised cost	-	-	19,623,404	19,054,715	-	-	19,623,404	19,054,715
Financial investments at fair value through other comprehensive income	-	-	-	-	14,348	14,348	14,348	14,348
Financial investments at amortised cost	-	-	3,786,628	3,727,940	-	-	3,786,628	3,727,940
Other assets	-	-	67,911	70,068	-	-	67,911	70,068
Total	8,833,309	8,161,368	24,642,667	24,147,708	14,348	14,348	33,490,324	32,323,423

Other Financial liabilities	LKR.'000			
	Other financial liabilities at amortised cost		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Due to banks	2,493,495	2,599,970	2,493,495	2,599,970
Due to customers at amortised cost	26,297,140	25,444,119	26,297,140	25,444,119
Debt issued and borrowed funds at amortised cost	777,035	741,030	777,035	741,030
Other liabilities	190,396	207,815	190,396	207,815
Total	29,758,066	28,992,934	29,758,066	28,992,934

Group	LKR.'000							
	Financial instrument at FVTPL		Financial instrument at amortised Cost		Financial instrument at FVTOCI		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
As at								
Financial assets								
Cash and cash equivalents	-	-	717,326	871,126	-	-	717,326	871,126
Placements with banks & financial institutions	-	-	650,757	645,823	-	-	650,757	645,823
Financial investments at fair value through profit or loss	8,842,623	8,169,927	-	-	-	-	8,842,623	8,169,927
Loans & receivables at amortised cost	-	-	19,713,137	19,059,962	-	-	19,713,137	19,059,962
Financial investments at fair value through other comprehensive income	-	-	-	-	296,572	119,221	296,572	119,221
Financial investments at amortised cost	-	-	5,166,070	5,304,189	-	-	5,166,070	5,304,189
Other assets	-	-	67,911	70,068	-	-	67,911	70,068
Total	8,842,623	8,169,927	26,315,201	25,951,168	296,572	119,221	35,454,395	34,240,315

Other Financial liabilities	LKR.'000			
	Other financial liabilities at amortised cost		Total	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Due to banks	2,502,101	2,603,003	2,502,101	2,603,003
Due to customers at amortised cost	26,091,549	25,245,868	26,091,549	25,245,868
Debt issued and borrowed funds at amortised cost	777,035	741,030	777,035	741,030
Other liabilities	190,396	207,815	190,396	207,815
Total	29,561,081	28,797,716	29,561,081	28,797,717

Movement in individual and collective impairment during the period

	Company		Group	
	2024	2023	2024	2023
Impairment charge/(reversal) from loans and other losses				
Impairment from Loans and advances-individual impairment	(45,418)	150,949	(45,418)	150,949
Impairment from Loans and advances-collective impairment	(5,542)	(90,873)	(5,542)	(90,873)
Cash and cash equivalent	(28)	(1)	(28)	(1)
Placements with banks & financial institutions	(40)	5	(40)	5
Other losses	99,352	(162)	99,352	(162)
	48,324	59,918	48,324	59,918
Individual impairment charge/(reversal)				
As at 01 January	898,181	1,655,176	1,655,176	1,902,229
Charge/(reversal) to income statement from loans and advances	(45,418)	150,949	(45,418)	150,949
As at 31st March	852,763	1,806,125	1,609,757	2,053,178
Collective impairment charge/(reversal)				
As at 01 January	1,761,303	1,087,042	1,087,042	1,575,108
Charge/(reversal) to income statement from loans and advances	(5,542)	(90,873)	(5,542)	(90,873)
As at 31st March	1,755,761	996,169	1,081,499	1,484,235
Loans and advances impairment	2,608,524	2,802,293	2,691,257	3,537,413

Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- The Leasing segment includes providing Finance Leases and Hire Purchase facilities.
- The Loan segment includes providing personal loans, pawning, term loans, bill discounting, cheque discounting, micro finance and bank guarantees.
- Corporate advisory includes corporate advisory services and capital market activities.
- The insurance includes general and life insurance.

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 profit or loss which in certain respects.

The following table presents income, profit and asset information regarding the Group's operating segments for the period ended 31st March 2024 and comparative figures for the period ended 31st March 2023.

Group	Leasing		Loans		Corporate Advisory & Capital Markets		Insurance		Eliminations / Unallocated		Total	
	2024 LKR.'000	2023 LKR.'000	2024 LKR.'000	2023 LKR.'000	2024 LKR.'000	2023 LKR.'000	2024 LKR.'000	2023 LKR.'000	2024 LKR.'000	2023 LKR.'000	2024 LKR.'000	2023 LKR.'000
For the Period ended 31st March												
Revenue from external customers												
Interest and similar income	436,182	455,738	489,230	720,300	92,247	198,156	79,821	96,983	523,337	237,778	1,620,817	1,708,955
Interest and similar expenses	249,685	366,481	306,637	496,713	67,007	117,013	3,075	5,865	471,238	300,967	1,097,642	1,287,039
Net interest income	186,497	89,257	182,593	223,587	25,240	81,143	76,746	91,118	52,099	(63,189)	523,175	421,916
Net fee and commission income	24,222	11,920	3,818	24,308	-	-	10,879	9,157	(1,245)	2,223	37,674	47,608
Insurance premium income	-	-	-	-	-	-	123,210	96,336	-	-	123,210	96,336
Net claims and benefits	-	-	-	-	-	-	(95,960)	(95,271)	-	-	(95,960)	(95,271)
Real estate profit	-	-	206	1,888	-	-	-	-	-	-	206	1,888
Trading and other income	5,561	3,410	2,117	2,575	37,317	19,141	1,483	(741)	376,369	2,798	422,847	27,183
Total operating income	216,280	104,587	188,734	252,358	62,557	100,284	116,358	100,599	427,223	(58,168)	1,011,152	499,660
Impairment (charges)/reversal for loans and other losses	20,447	55,189	(93,753)	22,082	24,914	(137,186)	-	-	68	(3)	(48,324)	(59,918)
Net operating income	236,727	159,776	94,981	274,440	87,471	(36,902)	116,358	100,599	427,291	(58,171)	962,828	439,742
Personnel expenses	(78,685)	(89,878)	(96,633)	(121,816)	(4,635)	(3,973)	(43,027)	(54,738)	(164,985)	(98,534)	(387,965)	(368,939)
Depreciation and amortisation	(16,901)	(18,494)	(20,756)	(25,066)	(40)	(40)	(9,165)	(8,532)	(36,394)	(21,054)	(83,256)	(73,186)
Other operating expenses	(46,288)	(54,992)	(56,846)	(74,534)	(1,232)	(462)	(54,667)	(71,619)	(92,328)	(42,381)	(251,361)	(243,988)
Segment result	94,853	(3,588)	(79,254)	53,024	81,564	(41,377)	9,499	(34,290)	133,584	(220,140)	240,246	(246,371)
Profit/(loss) from operations after impairment from subsidiary investments											240,246	(246,371)
Value added tax on financial services											(88,006)	(14,468)
Social Security Contribution Levy (SSCL)											(12,618)	(2,140)
Share of associate company's profit/(loss) before tax											(1,917)	10,516
Profit/(loss) before income tax											137,705	(252,463)
Income tax expense											(80,688)	72,850
Profit/(loss) for the period											57,017	(179,613)
Assets												
Capital expenditures												
Property, equipment and right-of-use assets	820	2,762	1,007	3,744	220	882	-	337	1,548	2,268	3,595	9,993
Total segment assets	8,240,679	8,281,208	9,693,614	11,331,977	2,093,112	2,597,709	2,660,700	2,597,113	14,303,950	6,919,074	36,992,055	31,727,081
Total segment liabilities	7,276,852	7,213,417	8,559,852	9,870,815	1,848,302	2,262,756	1,693,652	1,658,006	13,199,255	6,418,513	32,577,914	27,423,507

Information on Debentures

Debenture Categories	CSE Listing	Interest Payable Frequency	Face Value as at 31/3/2024 LKR' 000	Market Values			Interest Rates		Interest rate of comparable Government Security %	Interest yield			Yield to Maturity		
				Highest LKR.	Lowest LKR.	Period end LKR.	Coupon Rate	Effective Annual Yield		Highest	Lowest	Last traded	Highest	Lowest	Last traded
Fixed Rate															
Nov 2022 - Nov 2027	Listed	Annually	23,990	Not traded during the quarter			24.00%	24.00%	12.03%	Not traded during the quarter			Not traded during the quarter		
Nov 2022 - Nov 2027	Listed	Bi Annually	32,880	Not traded during the quarter			23.50%	24.88%	12.03%	Not traded during the quarter			Not traded during the quarter		
Floating Rate															
Nov 2022 - Nov 2027	Listed	Quarterly	10,830	Not traded during the quarter			13.02%	13.67%	12.03%	Not traded during the quarter			Not traded during the quarter		
Fixed Rate															
April 2023 - April 2028	Listed	Annually	276,660	Not traded during the quarter			29.50%	29.50%	12.20%	Not traded during the quarter			Not traded during the quarter		
April 2023 - April 2028	Listed	Bi Annually	255,140	Not traded during the quarter			28.00%	29.96%	12.20%	Not traded during the quarter			Not traded during the quarter		
April 2023 - April 2028	Listed	At maturity	91,030	Not traded during the quarter			40.00%	24.57%	12.20%	Not traded during the quarter			Not traded during the quarter		
Total Debentures			690,530												

All debentures are unsecured. Company has not repurchased any of its own debts and has not had any default of principal, interest or other breaches with regard to all liabilities during the period.

Debenture issue proceeds utilization as at 31st March 2024

No.	Objective as per the prospectus	Amount allocated as per prospectus	Date of Utilization	Amount allocated from proceed LKR (A)	% of Total Proceeds	Amount Utilized in LKR (B)	% of Utilization (B/A)	Clarification if not fully utilized
1	Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 67.7 Mn during the year 2022							
a.	The funds raised through this Debenture Issue utilized to increase the medium term fund base to match the medium to long term lending portfolio.					67,700,000	100%	N/A
b.	To enhance the Total Capital base of the Company, for which the Company has obtained approval from the Central Bank of Sri Lanka (CBSL).	67,700,000	16-Nov-22	67,700,000	100%	54,160,000	80%	Discounting of the amount counted as capital by 1/5 each year during the four years preceding the maturity.
2	Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 622.83 Mn during the year 2023							
	The funds raised through this Debenture Issue utilized to meet the regulatory capital requirements of the company (tier II) and also to reduce the maturity mismatch by increasing the medium term fund base to match the medium to long term lending portfolio of the company.	622,830,000	10-Apr-23	622,830,000	100%	622,830,000	100%	N/A

Events after the statement of financial position date

There were no material events reported since 31st March 2024 that require disclosure in these Financial Statements.

Information on ordinary shares

As at		3/31/2024	12/31/2023
Net asset per share (LKR)	- Company	7.08	7.00
	- Group	7.56	7.47

Market price per share recorded during the quarter ended 31st March (LKR)		2024	2023
	-High	5.50 (20-3-2024)	4.00 (21-3-2023)
	-Low	4.00 (1-3-2024)	3.00 (16-2-2023)
	-Last Transaction	5.10 (28-3-2024)	3.40 (31-3-2023)

As at		3/31/2024	12/31/2023
Number of shares issued		524,539,637	524,539,637
Stated capital (LKR)		4,276,447,883	4,276,447,883

Ratios as at		3/31/2024	12/31/2023
Debt/Equity Ratio		0.9	0.9
Statutory Liquid Asset Ratio		12.12%	13.41%

Ratios for the period ended		3/31/2024	3/31/2023
Interest Cover		1.112	0.808

The Float adjusted market capitalization as at 31st March 2024 - Rs. 414,607,417

The Float adjusted market capitalization of the Company falls under Option 5 of Rule 7.13.1 (a), of the Listing Rules of the Colombo Stock Exchange and in terms of section 7.14.1 of the listing rule of the Colombo Stock Exchange, upon being transferred to the Diri Savi Borad of the CSE w.e.f. 26th April 2023, the Company is now compliant with the minimum public holding requirement.

Twenty largest share holders as at 31st March 2024

	Name of the share holder	No. of Shares	Holding %
01	Bank of Ceylon No. 1 Account	401,577,367	76.56%
02	BOC Property Development & Management (Pvt) Ltd	41,666,682	7.94%
03	Bank of Ceylon A/C Ceybank Unit Trust	11,798,960	2.25%
04	Mr. J A S M Jayawickrama	5,445,926	1.04%
05	Hatton National Bank PLC/Dinesh Nagendra Sellamuttu	5,320,722	1.01%
06	Hatton National Bank PLC-Arpico Ataraxia Equity Income Fund	2,930,601	0.56%
07	Mr. A.M. Weerasinghe	2,727,403	0.52%
08	Sampath Bank PLC/ Dr.T.Senthilverl	2,039,958	0.39%
09	Thread Capital (Private) Limited	1,905,000	0.36%
10	Amaliya Private Limited	1,317,656	0.25%
11	MR. P.M.W.C. Kumara	1,200,000	0.23%
12	Hatton National Bank PLC/Ravindra Erle Rambukwelle	1,140,000	0.22%
13	Mr. B.T. Prathapasinghe	1,121,250	0.21%
14	MR. N. Krishnakumar	985,448	0.19%
15	Mrs. M. P. R. Silva	900,000	0.17%
16	Ravi Exports Private Limited	829,118	0.16%
17	Seylan Bank PLC/A.C.Senanka	797,835	0.15%
18	Est.of Lat P.K.C.P. Samarasinghe (Deceased)	784,031	0.15%
19	Pobran Investments (Pvt) Ltd.	615,639	0.12%
20	Mr. J M S J B P Peiris	606,259	0.12%

The percentage of shares held by the public as at 31st March 2024 was 15.50% and the number of public shareholders as at 31st March 2024 were 10,864

Directors' shareholding as at 31st March 2024

Name of the Director	No. of Shares
Mr. A. M. A. Perera	Nil
Prof. N. S. Punchihewa	Nil
Mr. M. P. R. Kumara	Nil
Mr. G. A. Jayashantha	Nil
Mr. J. D. V. N. Jayasinghe	Nil
Mr. R. M. N. Jeewantha	Nil
Mr. H. P. K. Silva	Nil
Mr.Y. A. Jayathilaka	Nil

CEO's shareholding as at 31st March 2024

Mr. H. K. D. W. M. D. K. Hapuhinna	Nil
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