

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER, 2024



LB FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

Period ended 30 September 2024

	COMPANY					
	FOR THE 3 MONTHS ENDED			FOR THE 6 MONTHS ENDED		
	30.09.2024 Rs.('000)	30.09.2023 Rs.('000)	Change %	30.09.2024 Rs.('000)	30.09.2023 Rs.('000)	Change %
Income	11,743,681	12,410,733	(5)	22,852,706	24,848,732	(8)
Interest Income	10,595,291	11,630,768	(9)	20,850,614	23,451,299	(11)
Less : Interest Expenses	4,138,906	5,543,510	(25)	8,436,476	11,656,354	(28)
Net Interest Income	6,456,385	6,087,258	6	12,414,138	11,794,945	5
Fee and Commission Income	1,136,041	754,800	51	1,966,840	1,360,881	45
Net Trading Income	(386)	4,839	>(100)	886	5,571	(84)
Other Operating Income	12,735	20,326	(37)	34,366	30,981	11
Total Operating Income	7,604,775	6,867,223	11	14,416,230	13,192,378	9
Less : Impairment Charges	25,687	157,521	(84)	157,193	257,004	(39)
Net Operating Income	7,579,088	6,709,702	13	14,259,037	12,935,374	10
Less : Operating Expenses						
Personnel Expenses	1,272,369	1,112,020	14	2,464,856	2,121,937	16
Depreciation of Property, Plant and Equipment	241,951	215,441	12	475,750	425,491	12
Amortisation of Intangible Assets	3,155	2,032	55	5,119	4,189	22
Other Operating Expenses	958,593	790,551	21	1,828,514	1,584,393	15
Total Operating Expenses	2,476,068	2,120,044	17	4,774,239	4,136,010	15
Operating Profit before Tax on Financial Services	5,103,020	4,589,658	11	9,484,798	8,799,364	8
Less : Tax on Financial Services	1,065,858	902,531	18	1,937,765	1,743,342	11
Profit before Taxation	4,037,162	3,687,127	9	7,547,033	7,056,022	7
Less : Income Tax Expense	1,538,025	1,385,506	11	2,859,175	2,654,717	8
Profit for the Period	2,499,137	2,301,621	9	4,687,858	4,401,305	7
Basic Earnings per Share (Rs.)	4.51	4.15	9	8.46	7.94	7
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	(3,208)	(3,214)	11	4,921	(8,106)	>100
Net Other Comprehensive Income that will never be Reclassified to Income Statement	(3,208)	(3,214)	11	4,921	(8,106)	>100
Other Comprehensive Income for the Period, Net of Tax	(3,208)	(3,214)	11	4,921	(8,106)	>100
Total Comprehensive Income for the Period, Net of Tax	2,495,929	2,298,407	9	4,692,779	4,393,199	7

LB FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

Period ended 30 September 2024

	GROUP					
	FOR THE 3 MONTHS ENDED			FOR THE 6 MONTHS ENDED		
	30.09.2024 Rs.('000)	30.09.2023 Rs.('000)	Change %	30.09.2024 Rs.('000)	30.09.2023 Rs.('000)	Change %
Income	11,844,551	12,510,295	(5)	23,059,670	25,037,581	(8)
Interest Income	10,684,896	11,723,144	(9)	21,037,632	23,624,679	(11)
Less : Interest Expenses	4,161,184	5,564,296	(25)	8,479,355	11,696,193	(28)
Net Interest Income	6,523,712	6,158,848	6	12,558,277	11,928,486	5
Fee and Commission Income	1,152,795	761,672	51	1,991,924	1,375,619	45
Net Trading Income	(386)	4,839	>(100)	886	5,571	(84)
Other Operating Income	7,246	20,640	(65)	29,228	31,712	(8)
Total Operating Income	7,683,367	6,945,999	11	14,580,315	13,341,388	9
Less : Impairment Charges	40,872	158,339	(74)	147,606	263,233	(44)
Net Operating Income	7,642,495	6,787,660	13	14,432,709	13,078,155	10
Less : Operating Expenses						
Personnel Expenses	1,306,286	1,142,439	14	2,537,035	2,182,221	16
Depreciation of Property, Plant and Equipment	241,031	219,111	10	479,884	432,593	11
Amortisation of Intangible Assets	6,899	2,880	>100	9,659	6,185	56
Other Operating Expenses	982,974	824,132	19	1,891,863	1,638,752	15
Total Operating Expenses	2,537,190	2,188,562	16	4,918,441	4,259,751	15
Operating Profit before Tax on Financial Services	5,105,305	4,599,098	11	9,514,268	8,818,404	8
Less : Tax on Financial Services	1,065,858	903,363	18	1,943,362	1,745,479	11
Profit before Taxation	4,039,447	3,695,735	9	7,570,906	7,072,925	7
Less : Income Tax Expense	1,536,183	1,389,449	11	2,865,681	2,662,025	8
Profit for the Period	2,503,264	2,306,286	9	4,705,225	4,410,900	7
Profit Attributable to:						
Equity Holders of the Company	2,503,264	2,308,923	8	4,703,293	4,413,950	7
Non-Controlling Interest	-	(2,637)	100	1,932	(3,050)	>100
Profit for the Period	2,503,264	2,306,286	9	4,705,225	4,410,900	7
Basic Earnings per Share (Rs.)	4.52	4.17	8	8.50	7.96	7
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	(17,109)	39,999	>(100)	(4,599)	(6,971)	(34)
Net Other Comprehensive Income that will be Reclassified to Income Statement	(17,109)	39,999	>(100)	(4,599)	(6,971)	(34)
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	(3,208)	(3,214)	(0)	4,921	(8,106)	>100
Net Other Comprehensive Income that will never be Reclassified to Income Statement	(3,208)	(3,214)	(0)	4,921	(8,106)	>100
Other Comprehensive Income for the Period, Net of Tax	(20,317)	36,785	>(100)	322	(15,077)	>100
Total Comprehensive Income for the Period, Net of Tax	2,482,947	2,343,071	6	4,705,547	4,395,823	7
Attributable to:						
Equity Holders of the Company	2,482,947	2,345,708	6	4,703,615	4,398,873	7
Non-Controlling Interest	-	(2,637)	100	1,932	(3,050)	>100
Total Comprehensive Income for the Period, Net of Tax	2,482,947	2,343,071	6	4,705,547	4,395,823	7

LB FINANCE PLC

STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Company		Group	
	30.09.2024 Rs.(‘000)	Audited 31.03.2024 Rs.(‘000)	30.09.2024 Rs.(‘000)	Audited 31.03.2024 Rs.(‘000)
Assets				
Cash and Cash Equivalents	7,128,845	9,314,425	7,223,610	9,559,602
Financial Assets Recognised Through Profit or Loss - Measured at Fair Value	14,845	14,674	14,845	14,674
Financial Assets at Amortised Cost - Loans and Receivables	178,411,375	161,291,486	179,667,278	162,521,733
Financial Assets Measured at Fair Value Through Other Comprehensive Income	161,296	118,587	161,296	118,589
Other Financial Assets	13,824,667	20,374,770	13,819,001	20,443,404
Other Non Financial Assets	597,951	430,651	629,239	495,796
Investment in Subsidiaries	521,162	698,935	-	-
Property, Plant and Equipment and Right-of-Use Assets	9,205,514	8,984,363	9,224,026	9,034,106
Investment Properties	5,050	-	5,050	5,050
Intangible Assets	56,126	20,701	56,126	22,602
Deferred Tax Assets	927,914	927,914	932,306	932,330
Total Assets	210,854,745	202,176,506	211,732,777	203,147,886
Liabilities				
Due to Banks	22,916,093	21,702,012	23,239,351	21,955,857
Financial Liabilities at Amortised Cost - Due to Depositors	127,609,664	122,808,124	127,824,972	123,034,547
Debt Instruments Issued and Other Borrowed Funds	5,993,023	5,491,401	5,993,023	5,491,401
Other Financial Liabilities	4,190,298	3,757,776	4,184,298	3,815,897
Other Non Financial Liabilities	1,679,496	1,547,570	1,724,240	1,591,382
Current Tax Liabilities	1,561,613	2,770,496	1,566,312	2,775,700
Post Employment Benefit Liability	524,911	473,058	524,911	475,109
Total Liabilities	164,475,098	158,550,437	165,057,107	159,139,893
Equity				
Stated Capital	838,282	838,282	838,282	838,282
Reserves	9,211,743	8,972,430	9,332,148	9,097,433
Retained Earnings	36,329,622	33,815,357	36,505,240	33,975,540
Total Equity Attributable to Equity Holders of the Company	46,379,647	43,626,069	46,675,670	43,911,255
Non Controlling Interest	-	-	-	96,738
Total Equity	46,379,647	43,626,069	46,675,670	44,007,993
Total Liabilities and Equity	210,854,745	202,176,506	211,732,777	203,147,886
Net Asset Value per Share (Rs.)	83.71	78.74	84.24	79.25
Commitments and Contingencies	3,428,845	2,281,890	3,182,019	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

16 October 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)
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	-	4,401,305	-	-	4,401,305
Other Comprehensive Income, Net of Tax	-	-	-	(8,106)	(8,106)
Transfers During the Period	-	(220,065)	220,065	-	-
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 30 September 2023	838,282	30,195,362	8,759,864	(54,856)	39,738,652
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	-	4,687,858	-	-	4,687,858
Other Comprehensive Income, Net of Tax	-	-	-	4,921	4,921
Transfers During the Period	-	(234,393)	234,393	-	-
Final Dividend for 2023/24	-	(1,939,200)	-	-	(1,939,200)
Balance as at 30 September 2024	838,282	36,329,622	9,252,374	(40,630)	46,379,648

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	-	4,413,950	-	-	-	4,413,950	(3,050)	4,410,900
Other Comprehensive Income, Net of Tax	-	-	-	(6,971)	(8,106)	(15,077)	-	(15,077)
Transfers During the Period	-	(220,065)	220,065	-	-	-	-	-
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 30 September 2023	838,282	30,218,317	8,759,864	191,080	(54,856)	39,952,687	100,815	40,053,502
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	-	4,703,293	-	-	-	4,703,293	1,932	4,705,225
Other Comprehensive Income, Net of Tax	-	-	-	(4,599)	4,921	322	-	322
Transfers During the Period	-	(234,393)	234,393	-	-	-	-	-
Disposal of Shares	-	-	-	-	-	-	(98,670)	(98,670)
Final Dividend for 2023/24	-	(1,939,200)	-	-	-	(1,939,200)	-	(1,939,200)
Balance as at 30 September 2024	838,282	36,505,240	9,252,374	120,404	(40,630)	46,675,670	-	46,675,670

LB FINANCE PLC**CASH FLOW STATEMENT**

Period ended 30 September 2024

	FOR THE 6 MONTHS ENDED			
	Company		Group	
	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)
Cash Flows from/(Used in) Operating Activities				
Profit and Other Comprehensive Income before Taxation	7,551,954	7,047,916	7,571,228	7,057,848
Adjustments for				
Depreciation of Property, Plant and Equipment	475,750	425,491	479,884	432,593
Amortisation of Intangible Assets	5,119	4,189	9,659	6,185
Impairment Charges	157,193	257,004	147,606	263,233
Diminution/(Appreciation) in Value of Investments	(42,880)	3,392	(42,880)	3,392
Loss/(Profit) on Disposal of Property, Plant and Equipment	(12,178)	(2,071)	(12,178)	(2,071)
Provision/(Reversal) for Defined Benefit Plans	51,856	41,819	51,856	42,280
Foreign Currency Exchange (Gain)/Loss	-	-	(138)	15
Dividend Received	(715)	(1,776)	(715)	(1,776)
Withholding Tax Attributed to Fixed Deposits	(1,650)	-	(1,650)	-
Net Unrealised (Gains)/Losses Arising from Translating the Financial Statements of Foreign Operations	-	-	4,599	6,971
Operating Profit before Changes in Operating Assets and Liabilities	8,184,449	7,775,964	8,207,271	7,808,670
(Increase)/Decrease in Operating Assets				
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	(17,211,612)	(1,722,053)	(17,293,151)	(1,779,955)
(Increase)/Decrease in Other Financial Assets	6,551,753	5,217,183	6,626,053	5,174,081
(Increase)/Decrease in Other Non Financial Assets	(137,728)	(178,788)	(133,418)	(190,614)
	(10,797,587)	3,316,342	(10,800,516)	3,203,512
Increase/(Decrease) in Operating Liabilities				
Increase/(Decrease) in Financial Liabilities at Amortised Cost - Due to Depositors	4,729,309	824,503	4,790,425	797,288
Increase/(Decrease) in Other Financial Liabilities	288,227	497,368	276,964	516,940
Increase/(Decrease) in Other Non Financial Liabilities	(281,683)	(831,637)	(276,909)	(856,710)
	4,735,853	490,234	4,790,480	457,518
Cash Generated from Operations	2,122,715	11,582,540	2,197,235	11,469,700
Retirement Benefit Liabilities Paid	(34,510)	(26,244)	(34,510)	(26,262)
Income Tax Paid	(3,626,700)	(1,998,896)	(3,633,720)	(2,001,189)
Net Cash from/(Used in) Operating Activities	(1,538,495)	9,557,400	(1,470,995)	9,442,249
Cash Flows from/(Used in) Investing Activities				
Acquisition of Property, Plant and Equipment and Right-of-Use Assets	(666,222)	(515,144)	(675,890)	(532,604)
Acquisition of Intangible Assets	(39,900)	-	(39,900)	-
Proceeds from Sale of Property, Plant and Equipment	105,027	10,230	105,027	10,230
Investment in Subsidiary	(100,867)	-	(100,867)	-
Dividend Received	715	1,776	715	1,776
Net Cash Flows from/(Used in) Investing Activities	(701,247)	(503,138)	(710,915)	(520,598)
Cash Flows from/(Used in) Financing Activities				
Cash Flows from Debt Funding from Banks	9,492,550	6,235,586	9,579,237	6,601,135
Repayment of Debt Funding from Banks	(7,814,433)	(11,189,709)	(7,828,812)	(11,200,897)
Cash Flows from Debt Instruments Issued and Other Borrowed Funds	1,720,929	-	1,720,929	-
Repayment of Debt Instruments and Other Borrowed Funds	(1,219,306)	(1,033,076)	(1,219,306)	(1,177,285)
Dividends Paid	(1,939,200)	(2,770,286)	(1,939,200)	(2,770,286)
Net Cash Flows from/(Used in) Financing Activities	240,540	(8,757,485)	312,848	(8,547,333)
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,999,202)	296,777	(1,869,062)	374,318
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	4,188,936
Cash and Cash Equivalents at the End of the Period	6,557,332	4,329,947	6,652,095	4,563,254
CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT				
Notes and Coins Held	1,922,026	2,036,936	1,952,908	2,084,387
Balances with Banks	1,788,617	1,831,889	1,852,498	1,911,313
Securities under Reverse Repurchase Agreements	2,613,581	1,246,934	2,613,581	1,357,076
Investment in Unit Trusts	804,622	9,212	804,622	9,212
Bank Overdrafts	(571,514)	(795,024)	(571,514)	(798,734)
Net Cash and Cash Equivalents	6,557,332	4,329,947	6,652,095	4,563,254

LB FINANCE PLC
FAIR VALUE MEASUREMENT HIERARCHY - COMPANY

		As at 30.09.2024					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		1,922,026	-	-	1,922,026	1,922,026	1,965,160	-	-	1,965,160	
Balances with Banks		1,788,617	-	-	1,788,617	1,788,617	1,934,329	-	-	1,934,329	
Securities under Reverse Repurchase Agreements		-	2,613,581	-	2,613,581	2,613,581	-	3,506,594	-	3,506,594	
Investment in Unit Trusts		-	804,622	-	804,622	804,622	-	1,908,342	-	1,908,342	
Financial Assets Recognised Through Profit or Loss	FVTPL	14,845	-	-	14,845	14,845	14,674	-	-	14,674	
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	-	181,648,082	181,648,082	178,411,375	-	-	163,299,074	163,299,074	
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI										
Quoted Equities		123,203	-	-	123,203	123,203	118,282	-	-	118,282	
Unquoted Equities		-	-	38,093	38,093	38,093	-	-	305	305	
Other Financial Assets	Amortised Cost	8,440,868	5,408,074	-	13,848,942	13,824,667	11,052,693	9,380,476	-	20,433,169	
		12,289,559	8,826,277	181,686,175	202,802,011	199,541,029	15,085,138	14,795,412	163,299,379	193,179,929	
Financial Liabilities											
Due to Banks	Amortised Cost	-	22,610,365	-	22,610,365	22,916,093	-	22,837,782	-	22,837,782	
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	-	129,655,927	129,655,927	127,609,664	-	-	125,962,340	122,808,124	
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	6,290,248	-	6,290,248	5,993,023	-	5,703,189	-	5,703,189	
Other Financial Liabilities	Amortised Cost	-	4,190,298	-	4,190,298	4,190,298	-	3,757,776	-	3,757,776	
		-	33,090,911	129,655,927	162,746,838	160,709,078	-	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 30.09.2024					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		1,952,908	-	-	1,952,908	1,952,908	1,996,871	-	-	1,996,871	
Balances with Banks		1,852,498	-	-	1,852,498	1,852,498	2,006,666	-	-	2,006,666	
Securities under Reverse Repurchase Agreements		-	2,613,581	-	2,613,581	2,613,581	-	3,647,723	-	3,647,723	
Investment in Unit Trusts		-	804,622	-	804,622	804,622	-	1,908,342	-	1,908,342	
Financial Assets Recognised Through Profit or Loss	FVTPL	14,845	-	-	14,845	14,845	14,674	-	-	14,674	
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	-	182,903,985	182,903,985	179,667,278	-	-	164,529,320	164,529,320	
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI										
Quoted Equities		123,203	-	-	123,203	123,203	118,282	-	-	118,282	
Unquoted Equities		-	-	38,093	38,093	38,093	-	-	307	307	
Other Financial Assets	Amortised Cost	8,440,868	5,405,407	-	13,846,275	13,819,001	11,101,074	9,400,729	-	20,501,803	
		12,384,322	8,823,610	182,942,078	204,150,010	200,886,029	15,237,567	14,956,794	164,628,727	194,823,088	
Financial Liabilities											
Due to Banks	Amortised Cost	-	22,933,622	-	22,933,622	23,239,351	-	23,342,577	-	23,342,577	
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	-	129,871,235	129,871,235	127,824,972	-	-	126,339,593	123,034,547	
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	6,290,248	-	6,290,248	5,993,023	-	5,703,189	-	5,491,401	
Other Financial Liabilities	Amortised Cost	-	4,187,298	-	4,187,298	4,184,298	-	3,815,897	-	3,815,897	
		-	33,411,168	129,871,235	163,282,403	161,241,644	-	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	
	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)	30.09.2024 Rs.(‘000)	30.09.2023 Rs.(‘000)
Interest Income	4,698,988	4,794,817	15,066,399	16,412,288	1,111,355	2,290,965	160,890	126,609	21,037,632	23,624,679
Less: Interest Expenses	1,424,093	2,362,723	6,390,926	7,864,767	626,131	1,441,629	38,205	27,074	8,479,355	11,696,193
Net Interest Income	3,274,895	2,432,094	8,675,473	8,547,521	485,224	849,336	122,685	99,535	12,558,277	11,928,486
Fee and Commission Income	302,466	268,423	1,676,584	1,092,548	(3,297)	1,445	16,171	13,203	1,991,924	1,375,619
Net Trading Income and Other Operating Income	2,847	2,009	1,449	4,396	25,884	30,878	(66)	-	30,114	37,283
Total Operating Income	3,580,208	2,702,526	10,353,506	9,644,465	507,811	881,659	138,790	112,738	14,580,315	13,341,388
Less: Impairment Charges	(100,840)	10,491	244,446	268,441	(1,254)	(22,235)	5,254	6,536	147,606	263,233
Net Operating Income	3,681,048	2,692,035	10,109,060	9,376,024	509,065	903,894	133,536	106,202	14,432,709	13,078,155
Less: Other Costs	841,355	904,471	3,458,948	2,798,450	20,786	41,116	107,809	76,936	4,428,898	3,820,973
Less: Depreciation and Amortisation	77,614	86,394	405,233	344,090	2,918	4,586	3,778	3,708	489,543	438,778
Operating Profits before Taxes	2,762,079	1,701,170	6,244,879	6,233,484	485,361	858,192	21,949	25,558	9,514,268	8,818,404
Less: Taxes	1,396,920	851,046	3,159,033	3,118,687	246,584	430,463	6,506	7,308	4,809,043	4,407,504
Profits for the Period	1,365,159	850,124	3,085,846	3,114,797	238,777	427,729	15,443	18,250	4,705,225	4,410,900
Less: Non-Controlling Interest									(1,932)	3,050
Profit Attributable to Equity Holders of the Company									4,703,293	4,413,950
Profits for the Period									4,705,225	4,410,900
Segmental Assets	33,633,415	32,569,695	153,593,506	123,135,098	23,627,825	24,326,171	1,405,193	1,212,562	212,259,939	181,243,526
Elimination	-	-	-	-	(527,162)	(928,899)	-	-	(527,162)	(928,899)
Total Segmental Assets	33,633,415	32,569,695	153,593,506	123,135,098	23,100,663	23,397,272	1,405,193	1,212,562	211,732,777	180,314,627
Segmental Liabilities	26,417,588	25,475,711	120,641,034	96,294,903	17,416,479	18,127,812	588,006	369,600	165,063,107	140,268,026
Elimination	-	-	-	-	-	-	(6,000)	(6,901)	(6,000)	(6,901)
Total Segmental Liabilities	26,417,588	25,475,711	120,641,034	96,294,903	17,416,479	18,127,812	582,006	362,699	165,057,107	140,261,125

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 September 2024 or 2023.

LB FINANCE PLC

Interim Financial Statements for the Period ended 30 September 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 30 September 2024 was Rs. 3,429 Mn and as at 31 March 2024 was Rs. 2,282 Mn.

INFORMATION ON SHARES

INFORMATION ON SHARES

	For the Quarter ended		
	30.09.2024	30.09.2023	
Share Price	Highest	Rs. 71.50	73.00
	Lowest	Rs. 62.00	58.10
	Last Traded	Rs. 68.90	67.00
Number of Ordinary Shares Issued	554,057,136	554,057,136	

	As at	
	30.09.2024	30.09.2023
Debt Equity Ratio	94.48%	60.41%
Quick Asset Ratio	17.81%	19.09%
Interest Cover	1.90	1.60

SELECTED PERFORMANCE INDICATORS

	As at	
	30.09.2024	30.09.2023
Capital Adequacy		
Core Capital to Risk Weighted Asset Ratio (Minimum 10%)	27.83%	26.67%
Total Capital to Risk Weighted Asset Ratio (Minimum 14%)	28.64%	27.31%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	36.34%	34.60%
Profitability		
Return on Average Shareholders' Funds (After Tax) - Annualized	20.83%	22.61%
Return on Average Assets (After Tax) - Annualized	4.54%	4.87%
Asset Quality*		
Gross Non-Performing Accommodations Ratio	2.86%	6.39%
Net Non-Performing Accommodations Ratio	-1.19%	1.56%
Liquidity (Rs. Mn)		
Required Minimum Amount of Liquid Assets	13,181	11,633
Available Amount of Liquid Assets	18,735	18,623
Required Minimum Amount of Government Securities	8,704	7,897
Available Amount of Government Securities	11,873	11,217

* 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 30 September 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		7,917,876	1.429
5 Mr. K.R.E.M.D.M.B. Jayasundara		5,300,000	0.957
6 Mr. K.D.A. Perera		4,289,735	0.774
7 Seylan Bank PLC/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 Seylan Bank PLC/JN Lanka Holdings Company (Pvt) Ltd		1,999,900	0.361
12 Janashakthi Insurance PLC-Shareholders		1,952,700	0.352
13 Rubber Investment Trust Ltd A/C No 01		1,900,000	0.343
14 Mr. F.N. Herft		1,887,666	0.341
15 Rosewood (Pvt) Limited-Account No.1		1,743,088	0.315
16 Mr. Y.S.H.R.S. Silva		1,437,270	0.259
17 Hatton National Bank PLC-Senfin Growth Fund		1,400,000	0.253
18 Mr. P.G.N.D. Gunathilake		1,350,000	0.244
19 Mr. M. Keil		1,300,000	0.235
20 Mr. M.A.T. Raaymakers		1,273,745	0.230
		<u>497,326,689</u>	<u>89.761</u>
Others		<u>56,730,447</u>	<u>10.239</u>
Total		<u>554,057,136</u>	<u>100.000</u>

Directors' and Chief Executive Officer's holding in shares as at 30 September 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 September 2024 being 21.35% comprising of 5,092 shareholders.

The Float adjusted market capitalisation as at 30 September 2024 – Rs.8,151,961,651.60

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.

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 - 211

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

