

# INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024  
LB Finance PLC



**LB FINANCE PLC****STATEMENT OF COMPREHENSIVE INCOME**

Year ended 31 March 2024

	COMPANY					
	FOR THE 3 MONTHS ENDED			FOR THE YEAR ENDED		
	31.03.2024 Rs.(‘000)	31.03.2023 Rs.(‘000)	Change %	31.03.2024 Rs.(‘000)	Audited 31.03.2023 Rs.(‘000)	Change %
<b>Income</b>	<b>11,865,140</b>	<b>12,347,648</b>	<b>(4)</b>	<b>49,230,095</b>	<b>42,756,458</b>	<b>15</b>
Interest Income	10,777,814	11,560,637	(7)	45,866,539	39,643,934	16
Less : Interest Expenses	4,661,971	6,378,939	(27)	21,379,499	20,615,585	4
<b>Net Interest Income</b>	<b>6,115,843</b>	<b>5,181,698</b>	<b>18</b>	<b>24,487,040</b>	<b>19,028,349</b>	<b>29</b>
Fee and Commission Income	972,311	775,859	25	3,186,422	2,951,065	8
Net Trading Income	1,120	644	74	4,943	(2,096)	>100
Other Operating Income	113,895	10,508	>100	172,191	163,555	5
<b>Total Operating Income</b>	<b>7,203,169</b>	<b>5,968,709</b>	<b>21</b>	<b>27,850,596</b>	<b>22,140,873</b>	<b>26</b>
Less : Impairment Charges	(161,504)	18,487	>(100)	373,236	545,744	(32)
<b>Net Operating Income</b>	<b>7,364,673</b>	<b>5,950,222</b>	<b>24</b>	<b>27,477,360</b>	<b>21,595,129</b>	<b>27</b>
<b>Less : Operating Expenses</b>						
Personnel Expenses	1,109,673	927,996	20	4,376,475	3,545,137	23
Depreciation of Property, Plant and Equipment	223,513	205,441	9	866,348	816,734	6
Amortisation of Intangible Assets	2,189	2,251	(3)	8,414	8,183	3
Other Operating Expenses	907,367	795,363	14	3,418,294	2,807,948	22
<b>Total Operating Expenses</b>	<b>2,242,742</b>	<b>1,931,051</b>	<b>16</b>	<b>8,669,531</b>	<b>7,178,002</b>	<b>21</b>
<b>Operating Profit before Tax on Financial Services</b>	<b>5,121,931</b>	<b>4,019,171</b>	<b>27</b>	<b>18,807,829</b>	<b>14,417,127</b>	<b>30</b>
Less : Tax on Financial Services	938,131	765,321	23	3,627,622	2,670,575	36
<b>Profit before Taxation</b>	<b>4,183,800</b>	<b>3,253,850</b>	<b>29</b>	<b>15,180,207</b>	<b>11,746,552</b>	<b>29</b>
Less : Income Tax Expense	1,483,352	576,074	157	5,616,569	3,286,221	71
<b>Profit for the Year</b>	<b>2,700,448</b>	<b>2,677,776</b>	<b>1</b>	<b>9,563,638</b>	<b>8,460,331</b>	<b>13</b>
<b>Basic Earnings per Share (Rs.)</b>	<b>4.87</b>	<b>4.83</b>	<b>1</b>	<b>17.26</b>	<b>15.27</b>	<b>13</b>
<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	19,820	17,421	14	1,199	31,364	(96)
Actuarial Gains/(Losses) on Defined Benefit Plans	(53,706)	7,539	>(100)	(53,706)	7,539	>(100)
Less: Deferred Tax Charge/(Reversal) on Actuarial Gains and Losses	(16,112)	2,262	>(100)	(16,112)	2,262	>(100)
Net Actuarial Gains/(Losses) on Defined Benefit Plans	(37,594)	5,277	>(100)	(37,594)	5,277	>(100)
<b>Net Other Comprehensive Income that will never be Reclassified to Income Statement</b>	<b>(17,774)</b>	<b>22,698</b>	<b>&gt;(100)</b>	<b>(36,395)</b>	<b>36,641</b>	<b>&gt;(100)</b>
<b>Other Comprehensive Income for the Year, Net of Tax</b>	<b>(17,774)</b>	<b>22,698</b>	<b>&gt;(100)</b>	<b>(36,395)</b>	<b>36,641</b>	<b>&gt;(100)</b>
<b>Total Comprehensive Income for the Year, Net of Tax</b>	<b>2,682,674</b>	<b>2,700,474</b>	<b>(1)</b>	<b>9,527,243</b>	<b>8,496,972</b>	<b>12</b>

**LB FINANCE PLC****STATEMENT OF COMPREHENSIVE INCOME**

Year ended 31 March 2024

	GROUP					
	FOR THE 3 MONTHS ENDED			FOR THE YEAR ENDED		
	31.03.2024 Rs.('000)	31.03.2023 Rs.('000)	Change %	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)	Change %
<b>Income</b>	<b>11,975,197</b>	<b>12,457,091</b>	<b>(4)</b>	<b>49,635,771</b>	<b>43,133,443</b>	<b>15</b>
Interest Income	10,877,770	11,651,480	(7)	46,239,187	39,973,555	16
Less : Interest Expenses	4,682,718	6,390,265	(27)	21,460,631	20,663,956	4
<b>Net Interest Income</b>	<b>6,195,052</b>	<b>5,261,215</b>	<b>18</b>	<b>24,778,556</b>	<b>19,309,599</b>	<b>28</b>
Fee and Commission Income	981,434	790,743	24	3,217,460	2,986,402	8
Net Trading Income	1,120	644	74	4,943	(2,096)	>100
Other Operating Income	114,873	14,224	>100	174,181	175,582	(1)
<b>Total Operating Income</b>	<b>7,292,479</b>	<b>6,066,826</b>	<b>20</b>	<b>28,175,140</b>	<b>22,469,487</b>	<b>25</b>
Less : Impairment Charges	(275,464)	19,149	>(100)	270,093	519,133	(48)
<b>Net Operating Income</b>	<b>7,567,943</b>	<b>6,047,677</b>	<b>25</b>	<b>27,905,047</b>	<b>21,950,354</b>	<b>27</b>
<b>Less : Operating Expenses</b>						
Personnel Expenses	1,143,262	953,534	20	4,503,482	3,669,537	23
Depreciation of Property, Plant and Equipment	227,764	209,213	9	882,572	834,155	6
Amortisation of Intangible Assets	2,508	3,544	9	11,189	13,284	(16)
Other Operating Expenses	941,387	825,052	14	3,543,136	2,912,708	22
<b>Total Operating Expenses</b>	<b>2,314,921</b>	<b>1,991,343</b>	<b>16</b>	<b>8,940,379</b>	<b>7,429,684</b>	<b>20</b>
<b>Operating Profit before Tax on Financial Services</b>	<b>5,253,022</b>	<b>4,056,334</b>	<b>30</b>	<b>18,964,668</b>	<b>14,520,670</b>	<b>31</b>
Less : Tax on Financial Services	938,249	768,272	22	3,630,243	2,677,606	36
<b>Profit before Taxation</b>	<b>4,314,773</b>	<b>3,288,062</b>	<b>31</b>	<b>15,334,425</b>	<b>11,843,064</b>	<b>29</b>
Less : Income Tax Expense	1,482,784	568,463	>100	5,627,414	3,290,178	71
<b>Profit for the Year</b>	<b>2,831,989</b>	<b>2,719,599</b>	<b>4</b>	<b>9,707,011</b>	<b>8,552,886</b>	<b>13</b>
<b>Profit Attributable to:</b>						
Equity Holders of the Company	2,832,801	2,716,919	4	9,713,917	8,554,543	14
Non-Controlling Interest	(812)	2,680	>(100)	(6,906)	(1,657)	>(100)
<b>Profit for the Year</b>	<b>2,831,989</b>	<b>2,719,599</b>	<b>4</b>	<b>9,707,011</b>	<b>8,552,886</b>	<b>13</b>
<b>Basic Earnings per Share (Rs.)</b>	<b>5.11</b>	<b>4.90</b>	<b>40</b>	<b>17.53</b>	<b>15.44</b>	<b>14</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	(26,078)	(87,744)	(70)	(73,048)	(70,587)	3
<b>Net Other Comprehensive Income that will be Reclassified to Income Statement</b>	<b>(26,078)</b>	<b>(87,744)</b>	<b>(70)</b>	<b>(73,048)</b>	<b>(70,587)</b>	<b>3</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	19,820	17,421	14	1,199	31,364	(96)
Actuarial Gains/(Losses) on Defined Benefit Plans	(54,333)	8,166	>(100)	(54,333)	8,166	>(100)
Less: Deferred Tax Charge/(Reversal) on Actuarial Gains and Losses	(16,112)	2,262	>(100)	(16,112)	2,262	>(100)
Net Actuarial Gains/(Losses) on Defined Benefit Plans	(38,221)	5,904	>(100)	(38,221)	5,904	>(100)
<b>Net Other Comprehensive Income that will never be Reclassified to Income Statement</b>	<b>(18,401)</b>	<b>23,325</b>	<b>&gt;100</b>	<b>(37,022)</b>	<b>37,268</b>	<b>&gt;(100)</b>
<b>Other Comprehensive Income for the Year, Net of Tax</b>	<b>(44,479)</b>	<b>(64,419)</b>	<b>(31)</b>	<b>(110,070)</b>	<b>(33,319)</b>	<b>&gt;100</b>
<b>Total Comprehensive Income for the Year, Net of Tax</b>	<b>2,787,510</b>	<b>2,655,180</b>	<b>5</b>	<b>9,596,941</b>	<b>8,519,567</b>	<b>13</b>
<b>Attributable to:</b>						
Equity Holders of the Company	2,788,322	2,652,279	5	9,604,068	8,521,003	13
Non-Controlling Interest	(812)	2,901	>(100)	(7,127)	(1,436)	>(100)
<b>Total Comprehensive Income for the Year, Net of Tax</b>	<b>2,787,510</b>	<b>2,655,180</b>	<b>5</b>	<b>9,596,941</b>	<b>8,519,567</b>	<b>13</b>

# LB FINANCE PLC

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Company		Group	
	31.03.2024 Rs.(‘000)	Audited 31.03.2023 Rs.(‘000)	31.03.2024 Rs.(‘000)	Audited 31.03.2023 Rs.(‘000)
<b>Assets</b>				
Cash and Cash Equivalents	9,314,425	4,524,032	9,559,602	4,680,955
Financial Assets Recognised Through Profit or Loss - Measured at Fair Value	14,674	10,653	14,674	10,653
Financial Assets at Amortised Cost - Loans and Receivables	161,291,486	145,189,174	162,521,733	146,371,597
Financial Assets Measured at Fair Value Through Other Comprehensive Income	118,587	117,388	118,589	117,390
Other Financial Assets	20,374,770	21,685,834	20,443,404	21,710,810
Other Non Financial Assets	430,651	474,347	495,796	552,469
Investment in Subsidiaries	698,935	921,998	-	-
Property, Plant and Equipment and Right-of-Use Assets	8,984,363	8,633,347	9,034,106	8,667,202
Investment Properties	-	-	5,050	4,550
Intangible Assets	20,701	22,628	22,602	135,255
Deferred Tax Assets	927,914	767,186	932,330	767,186
<b>Total Assets</b>	<b>202,176,506</b>	<b>182,346,587</b>	<b>203,147,886</b>	<b>183,018,067</b>
<b>Liabilities</b>				
Due to Banks	21,702,012	19,369,784	21,955,857	19,392,536
Financial Liabilities at Amortised Cost - Due to Depositors	122,808,124	114,011,699	123,034,547	114,248,253
Debt Instruments Issued and Other Borrowed Funds	5,491,401	3,882,024	5,491,401	3,882,024
Other Financial Liabilities	3,757,776	3,255,862	3,815,897	3,283,059
Other Non Financial Liabilities	1,547,570	1,090,091	1,591,382	1,154,729
Current Tax Liabilities	2,770,496	2,255,830	2,775,700	2,261,996
Post Employment Benefit Liability	473,058	365,557	475,109	367,504
<b>Total Liabilities</b>	<b>158,550,437</b>	<b>144,230,847</b>	<b>159,139,893</b>	<b>144,590,101</b>
<b>Equity</b>				
Stated Capital	838,282	838,282	838,282	838,282
Reserves	8,972,430	8,493,049	9,097,433	8,691,100
Retained Earnings	33,815,357	28,784,409	33,975,540	28,794,719
<b>Total Equity Attributable to Equity Holders of the Company</b>	<b>43,626,069</b>	<b>38,115,740</b>	<b>43,911,255</b>	<b>38,324,101</b>
<b>Non Controlling Interest</b>	<b>-</b>	<b>-</b>	<b>96,738</b>	<b>103,865</b>
<b>Total Equity</b>	<b>43,626,069</b>	<b>38,115,740</b>	<b>44,007,993</b>	<b>38,427,966</b>
<b>Total Liabilities and Equity</b>	<b>202,176,506</b>	<b>182,346,587</b>	<b>203,147,886</b>	<b>183,018,067</b>
<b>Net Asset Value per Share (Rs.)</b>	<b>78.74</b>	<b>68.79</b>	<b>79.25</b>	<b>69.17</b>
<b>Commitments and Contingencies</b>	<b>2,281,890</b>	<b>2,403,948</b>	<b>2,030,940</b>	<b>2,403,948</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.

*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 Adhihetty**  
Managing Director

*sgd.*

**Mrs. Yogadinusha Bhaskaran**  
Director

15 May 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 2022 (Audited)</b>	<b>838,282</b>	<b>24,170,152</b>	<b>8,116,782</b>	<b>(78,124)</b>	<b>33,047,092</b>
Adjustments for Surcharge Tax Levied under the Surcharge Tax Act No. 14 of 2022	-	(2,320,210)	-	-	(2,320,210)
<b>Balance After Surcharge Tax</b>	<b>838,282</b>	<b>21,849,942</b>	<b>8,116,782</b>	<b>(78,124)</b>	<b>30,726,882</b>
Net Profit for the Year	-	8,460,331	-	-	8,460,331
Other Comprehensive Income, Net of Tax	-	5,277	-	31,364	36,641
Transfers During the Year	-	(423,027)	423,017	10	-
Final Dividend for 2021/22	-	(1,108,114)	-	-	(1,108,114)
<b>Balance as at 31 March 2023</b>	<b>838,282</b>	<b>28,784,409</b>	<b>8,539,799</b>	<b>(46,750)</b>	<b>38,115,740</b>
<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 Year	-	9,563,638	-	-	9,563,638
Other Comprehensive Income, Net of Tax	-	(37,594)	-	1,199	(36,395)
Transfers During the Year	-	(478,182)	478,182	-	-
Interim Dividend for 2022/23	-	(1,108,114)	-	-	(1,108,114)
Final Dividend for 2022/23	-	(1,662,171)	-	-	(1,662,171)
Interim Dividend for 2023/24	-	(1,246,629)	-	-	(1,246,629)
<b>Balance as at 31 March 2024</b>	<b>838,282</b>	<b>33,815,357</b>	<b>9,017,981</b>	<b>(45,551)</b>	<b>43,626,069</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 2022 (Audited)</b>	<b>838,282</b>	<b>24,085,844</b>	<b>8,116,782</b>	<b>268,638</b>	<b>(78,124)</b>	<b>33,231,422</b>	<b>105,689</b>	<b>33,337,111</b>
Adjustments for Surcharge Tax Levied under the Surcharge Tax Act No. 14 of 2022	-	(2,320,210)	-	-	-	(2,320,210)	-	(2,320,210)
<b>Balance After Surcharge Tax</b>	<b>838,282</b>	<b>21,765,634</b>	<b>8,116,782</b>	<b>268,638</b>	<b>(78,124)</b>	<b>30,911,212</b>	<b>105,689</b>	<b>31,016,901</b>
Net Profit for the Year	-	8,554,543	-	-	-	8,554,543	(1,657)	8,552,886
Other Comprehensive Income, Net of Tax	-	5,683	-	(70,587)	31,364	(33,540)	221	(33,319)
Transfers During the Year	-	(423,027)	423,017	-	10	-	-	-
Disposal of Shares	-	-	-	-	-	-	(388)	(388)
Final Dividend for 2021/22	-	(1,108,114)	-	-	-	(1,108,114)	-	(1,108,114)
<b>Balance as at 31 March 2023</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>
<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 Year	-	9,713,917	-	-	-	9,713,917	(6,906)	9,707,011
Other Comprehensive Income, Net of Tax	-	(38,000)	-	(73,048)	1,199	(109,849)	(221)	(110,070)
Transfers During the Year	-	(478,182)	478,182	-	-	-	-	-
Interim Dividend for 2022/23	-	(1,108,114)	-	-	-	(1,108,114)	-	(1,108,114)
Final Dividend for 2022/23	-	(1,662,171)	-	-	-	(1,662,171)	-	(1,662,171)
Interim Dividend for 2023/24	-	(1,246,629)	-	-	-	(1,246,629)	-	(1,246,629)
<b>Balance as at 31 March 2024</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>

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

Year ended 31 March 2024

	FOR THE YEAR ENDED			
	Company		Group	
	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)
<b>Cash Flows from/(Used in) Operating Activities</b>				
Profit and Other Comprehensive Income before Taxation	15,127,700	11,785,455	15,208,243	11,812,007
Adjustments for				
Depreciation of Property, Plant and Equipment	866,348	816,734	882,572	834,155
Amortisation of Intangible Assets	8,414	8,183	11,189	13,284
Impairment Charges	373,236	545,744	270,093	519,133
Diminution/(Appreciation) in Value of Investments	(5,219)	(28,732)	(5,221)	(28,732)
Gain/(Losses) from fair value changes of Investment Properties	-	-	(500)	(400)
Loss/(Profit) on Disposal of Property, Plant and Equipment	(37,533)	(11,137)	(37,533)	(11,137)
Provision/(Reversal) for Defined Benefit Plans	171,991	95,235	173,431	96,761
Foreign Currency Exchange (Gain)/Loss	-	-	6,015	6,015
Dividend Received	(3,720)	(3,230)	(3,720)	(3,230)
Net Unrealised (Gains)/Losses Arising from Translating the Financial Statements of Foreign Operations	-	-	73,048	70,587
Operating Profit before Changes in Operating Assets and Liabilities	16,501,217	13,208,252	16,577,617	13,308,443
(Increase)/Decrease in Operating Assets				
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	(16,298,738)	(11,339,314)	(16,358,677)	(11,353,328)
(Increase)/Decrease in Other Financial Assets	1,357,315	(16,087,209)	1,313,656	(16,080,881)
(Increase)/Decrease in Other Non Financial Assets	(100,925)	(786,823)	(108,468)	(823,619)
	(15,042,348)	(28,213,346)	(15,153,489)	(28,257,828)
Increase/(Decrease) in Operating Liabilities				
Increase/(Decrease) in Financial Liabilities at Amortised Cost - Due to Depositors	8,796,425	24,867,717	8,786,294	24,769,747
Increase/(Decrease) in Other Financial Liabilities	132,472	(418,689)	77,924	(484,819)
Increase/(Decrease) in Other Non Financial Liabilities	541,736	851,070	535,875	874,084
	9,470,633	25,300,098	9,400,093	25,159,012
Cash Generated from Operations	10,929,502	10,295,004	10,824,221	10,209,627
Retirement Benefit Liabilities Paid	(64,490)	(46,651)	(65,826)	(53,090)
Income Tax Paid	(5,211,237)	(3,922,132)	(5,226,892)	(3,922,132)
Surcharge Tax Paid	-	(2,320,210)	-	(2,320,210)
Net Cash from/(Used in) Operating Activities	5,653,775	4,006,011	5,531,503	3,914,195
<b>Cash Flows from/(Used in) Investing Activities</b>				
Acquisition of Property, Plant and Equipment and Right-of-Use Assets	(884,570)	(675,637)	(905,130)	(689,702)
Acquisition of Intangible Assets	(6,487)	(15,936)	(6,487)	(17,558)
Proceeds from Sale of Property, Plant and Equipment	74,181	27,874	74,181	27,874
Proceeds from Sale of Investment Properties	-	-	-	68,894
Investment in Subsidiary	-	(836)	-	-
Dividend Received	3,720	3,230	3,720	3,230
Net Cash Flows from/(Used in) Investing Activities	(813,156)	(661,305)	(833,716)	(607,262)
<b>Cash Flows from/(Used in) Financing Activities</b>				
Cash Flows from Debt Funding from Banks	17,149,079	15,969,854	17,419,398	15,991,450
Repayment of Debt Funding from Banks	(15,361,540)	(22,200,525)	(15,402,504)	(22,200,525)
Cash Flows from Debt Instruments Issued and Other Borrowed Funds	3,936,235	-	3,936,235	-
Repayment of Debt Instruments and Other Borrowed Funds	(2,326,851)	(4,682,593)	(2,326,856)	(4,682,593)
Dividends Paid	(3,991,839)	(1,108,114)	(3,991,839)	(1,108,114)
Net Cash Flows from/(Used in) Financing Activities	(594,914)	(12,021,378)	(365,566)	(11,999,782)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	4,245,705	(8,676,672)	4,332,221	(8,692,849)
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	4,033,170	12,709,842	4,188,936	12,881,785
<b>Cash and Cash Equivalents at the End of the Year</b>	8,278,875	4,033,170	8,521,157	4,188,936
<b>CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT</b>				
Notes and Coins Held	1,965,160	1,810,836	1,996,871	1,830,304
Balances with Banks	1,934,329	1,338,660	2,006,666	1,357,186
Securities under Reverse Repurchase Agreements	3,506,594	830,880	3,647,723	949,809
Investment in Unit Trusts	1,908,342	543,656	1,908,342	543,656
Bank Overdrafts	(1,035,550)	(490,862)	(1,038,445)	(492,019)
<b>Net Cash and Cash Equivalents</b>	8,278,875	4,033,170	8,521,157	4,188,936

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

		As at 31.03.2024					As at 31.03.2023 (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		1,965,160	-	-	1,965,160	1,965,160	1,810,836	-	-	1,810,836	1,810,836
Balances with Banks		1,934,329	-	-	1,934,329	1,934,329	1,338,660	-	-	1,338,660	1,338,660
Securities under Reverse Repurchase Agreements		-	3,506,594	-	3,506,594	3,506,594	-	830,880	-	830,880	830,880
Investment in Unit Trusts		-	1,908,342	-	1,908,342	1,908,342	-	543,656	-	543,656	543,656
<b>Financial Assets Recognised Through Profit or Loss</b>	FVTPL	14,674	-	-	14,674	14,674	10,653	-	-	10,653	10,653
<b>Financial Assets at Amortised Cost - Loans and Receivables</b>	Amortised Cost			163,299,074	163,299,074	161,291,486	-	-	136,097,659	136,097,659	145,189,174
<b>Financial Assets Measured at Fair Value Through Other Comprehensive Income</b>	FVOCI										
Quoted Equities		118,282	-	-	118,282	118,282	117,083	-	-	117,083	117,083
Unquoted Equities		-	-	305	305	305	-	-	305	305	305
<b>Other Financial Assets</b>	Amortised Cost	11,052,693	9,380,474	-	20,433,167	20,374,770	7,578,396	14,147,257	-	21,725,653	21,685,834
		<b>15,085,138</b>	<b>14,795,410</b>	<b>163,299,379</b>	<b>193,179,927</b>	<b>191,113,942</b>	<b>10,855,628</b>	<b>15,521,793</b>	<b>136,097,964</b>	<b>162,475,385</b>	<b>171,527,081</b>
<b>Financial Liabilities</b>											
<b>Due to Banks</b>	Amortised Cost	-	22,837,782	-	22,837,782	21,702,012	-	17,488,092	-	17,488,092	19,369,784
<b>Financial Liabilities at Amortised Cost - Due to Depositors</b>	Amortised Cost	-	-	125,962,340	125,962,340	122,808,124	-	-	111,849,395	111,849,395	114,011,699
<b>Debt Instruments Issued and Other Borrowed Funds</b>	Amortised Cost	-	5,703,189	-	5,703,189	5,491,401	-	3,775,257	-	3,775,257	3,882,024
<b>Other Financial Liabilities</b>	Amortised Cost	-	3,757,777	-	3,757,776	3,757,776	-	3,255,862	-	3,255,862	3,255,862
		<b>-</b>	<b>32,298,748</b>	<b>125,962,340</b>	<b>158,261,087</b>	<b>153,759,313</b>	<b>-</b>	<b>24,519,211</b>	<b>111,849,395</b>	<b>136,368,606</b>	<b>140,519,369</b>

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

**FAIR VALUE MEASUREMENT HIERARCHY - GROUP**

		As at 31.03.2024					As at 31.03.2023 (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		1,996,870	-	-	1,996,871	1,996,871	1,830,304	-	-	1,830,304	1,830,304
Balances with Banks		2,006,666	-	-	2,006,666	2,006,666	1,357,186	-	-	1,357,186	1,357,186
Securities under Reverse Repurchase Agreements		-	3,647,723	-	3,647,723	3,647,723	-	949,809	-	949,809	949,809
Investment in Unit Trusts		-	1,908,342	-	1,908,342	1,908,342	-	543,656	-	543,656	543,656
<b>Financial Assets Recognised Through Profit or Loss</b>	FVTPL	14,674	-	-	14,674	14,674	10,653	-	-	10,653	10,653
<b>Financial Assets at Amortised Cost - Loans and Receivables</b>	Amortised Cost			164,628,421	164,628,421	162,521,733	-	-	137,280,084	137,280,084	146,371,597
<b>Financial Assets Measured at Fair Value Through Other Comprehensive Income</b>	FVOCI										
Quoted Equities		118,282	-	-	118,282	118,282	117,083	-	-	117,083	117,083
Unquoted Equities		-	-	307	307	307	-	-	307	307	307
<b>Other Financial Assets</b>	Amortised Cost	11,101,074	9,400,728	-	20,501,802	20,443,404	7,546,614	14,164,195	-	21,710,810	21,710,810
		<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>10,861,840</b>	<b>15,657,660</b>	<b>137,280,391</b>	<b>163,799,892</b>	<b>172,891,405</b>
<b>Financial Liabilities</b>											
<b>Due to Banks</b>	Amortised Cost	-	23,342,577	-	23,342,577	21,955,857	-	17,532,436	-	17,532,436	19,392,536
<b>Financial Liabilities at Amortised Cost - Due to Depositors</b>	Amortised Cost	-	-	126,339,594	126,339,594	123,034,547	-	-	112,236,779	112,236,779	114,248,253
<b>Debt Instruments Issued and Other Borrowed Funds</b>	Amortised Cost	-	5,703,189	-	5,703,189	5,491,401	-	3,775,257	-	3,775,257	3,882,024
<b>Other Financial Liabilities</b>	Amortised Cost	-	3,815,898	-	3,815,898	3,815,897	-	3,283,059	-	3,283,059	3,283,059
		<b>-</b>	<b>32,861,664</b>	<b>126,339,594</b>	<b>159,201,258</b>	<b>154,297,702</b>	<b>-</b>	<b>24,590,752</b>	<b>112,236,779</b>	<b>136,827,531</b>	<b>140,805,872</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	
	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)	31.03.2024 Rs.('000)	Audited 31.03.2023 Rs.('000)
Interest Income	9,644,208	9,395,408	32,453,545	26,877,211	3,868,628	3,483,857	272,806	217,079	46,239,187	39,973,555
Less: Interest Expenses	3,895,742	4,569,051	14,159,720	12,786,012	3,346,124	3,296,192	59,045	12,701	21,460,631	20,663,956
Net Interest Income	5,748,466	4,826,357	18,293,825	14,091,199	522,504	187,665	213,761	204,378	24,778,556	19,309,599
Fee and Commission Income	631,778	549,700	2,555,834	2,408,464	1,157	7,078	28,691	21,160	3,217,460	2,986,402
Net Trading Income and Other Operating Income	5,522	4,782	105,645	113,040	68,063	55,288	(106)	376	179,124	173,486
Total Operating Income	6,385,766	5,380,839	20,955,304	16,612,703	591,724	250,031	242,346	225,914	28,175,140	22,469,487
Less: Impairment Charges	(390,545)	(137,134)	591,078	661,804	61,137	22,596	8,423	(28,133)	270,093	519,133
Net Operating Income	6,776,311	5,517,975	20,364,226	15,950,899	530,587	227,435	233,923	254,047	27,905,047	21,950,354
Less: Other Costs	1,751,379	1,727,877	6,082,942	4,676,015	43,424	32,541	168,873	145,812	8,046,618	6,582,245
Less: Depreciation and Amortisation	164,983	199,311	719,464	640,926	2,817	2,833	6,497	4,369	893,761	847,439
Operating Profits before Taxes	4,859,949	3,590,787	13,561,820	10,633,958	484,346	192,061	58,553	103,866	18,964,668	14,520,670
Less: Taxes	2,376,957	1,485,407	6,632,965	4,398,971	236,890	79,449	10,845	3,957	9,257,657	5,967,784
Profits for the Year	2,482,992	2,105,380	6,928,855	6,234,987	247,456	112,612	47,708	99,909	9,707,011	8,552,886
Less: Non-Controlling Interest									(6,906)	(1,657)
Profit Attributable to Equity Holders of the Company									9,713,917	8,554,543
Profits for the Year									9,707,011	8,552,886
Segmental Assets	31,422,342	35,988,682	138,273,646	117,445,066	32,922,858	29,536,851	1,229,125	995,305	203,847,971	183,965,904
Elimination	-	-	-	-	(700,085)	(947,837)	-	-	(700,085)	(947,837)
Total Segmental Assets	31,422,342	35,988,682	138,273,646	117,445,066	32,222,773	28,589,014	1,229,125	995,305	203,147,886	183,018,067
Segmental Liabilities	24,811,494	28,714,164	109,164,548	93,591,570	24,742,218	22,146,583	422,783	163,623	159,141,043	144,615,940
Elimination	-	-	-	-	(1,150)	-	-	(25,839)	(1,150)	(25,839)
Total Segmental Liabilities	24,811,494	28,714,164	109,164,548	93,591,570	24,741,068	22,146,583	422,783	137,784	159,139,893	144,590,101

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 year ended 31 March 2024 or 2023.



## LB FINANCE PLC

Interim Financial Statements for the Year ended 31 March 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 2023.
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, subject however to the regulatory approvals and the approval of the shareholders of both Multi Finance PLC and L B Finance PLC, by way of Special Resolutions at Extraordinary General Meetings of the respective companies.
- The in-principle approval of the Central Bank of Sri Lanka has been received for the amalgamation. 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 31 March 2024 was Rs. 2,282 Mn and as at 31 March 2023 was Rs. 2,404 Mn.

### INFORMATION ON SHARES AND LISTED DEBENTURES

#### INFORMATION ON SHARES

		For the Quarter ended	
		31.03.2024	31.03.2023
Share Price	Highest	Rs. 65.40	56.50
	Lowest	Rs. 58.00	36.50
	Last Traded	Rs. 62.80	55.00
Number of Ordinary Shares Issued		554,057,136	554,057,136
		As at	
		31.03.2024	31.03.2023
Ratios			
Debt Equity Ratio		60.54%	67.79%
Quick Asset Ratio		23.13%	22.74%
Interest Cover		1.71	1.57

### SELECTED PERFORMANCE INDICATORS

		As at	
		31.03.2024	31.03.2023
<b>Capital Adequacy</b>			
Core Capital to Risk Weighted Asset Ratio (Minimum 10%)		24.48%	30.50%
Total Capital to Risk Weighted Asset Ratio (Minimum 14%)		25.23%	31.13%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)		35.52%	33.43%
<b>Profitability</b>			
Return on Average Shareholders' Funds (After Tax)		23.40%	23.78%
Return on Average Assets (After Tax)		4.97%	4.88%
<b>Asset Quality</b>			
Gross Non-Performing Accommodations Ratio		3.54%	4.45%
Net Non-Performing Accommodations Ratio		-0.79%	-0.65%
<b>Liquidity (Rs. Mn)</b>			
Required Minimum Amount of Liquid Assets		12,582	11,528
Available Amount of Liquid Assets		26,056	22,018
Required Minimum Amount of Government Securities		7,897	6,725
Available Amount of Government Securities		18,953	12,283

## LB FINANCE PLC

### Additional Notes

#### Twenty largest shareholders as at 31 March 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		8,868,376	1.601
5 Mr. K.R.E.M.D.M.B.Jayasundara		5,956,152	1.075
6 Mr K.D.A. Perera		4,289,735	0.774
7 Mr. G.A. Bhanuka Harischandra		3,671,052	0.663
8 J.B. Cocoshell (Pvt) Ltd		3,340,958	0.603
9 Seylan Bank PLC/W.G.U.I. Ranaweera		2,884,000	0.521
10 Mr N. Udage		2,861,235	0.516
11 David Pieris Holdings (Private) Limited		2,000,000	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		1,751,100	0.316
15 Hatton National Bank PLC-Senfin Growth Fund		1,400,000	0.253
16 N P Capital Ltd		1,393,058	0.251
17 Mr. M.A.T. Raaymakers		1,267,245	0.229
18 Mr. A.A. Page		1,259,200	0.227
19 Commercial Bank of Ceylon PLC/G.S.N.Peiris		1,027,869	0.186
20 Asia Securities (Pvt) Ltd (Trading Account)		1,000,000	0.180
		<u>499,294,808</u>	<u>90.116</u>
Others		<u>54,762,328</u>	<u>9.884</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 31 March 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 31 March 2024 being 21.39% comprising of 5,014 shareholders.

The Float adjusted market capitalisation as at 31 March 2024 – Rs.7,432,197,418.80/-

The Float adjusted market capitalization of the Company falls under Option 3 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 - 200

## 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 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)

### Board Audit Committee

Mrs. Yogadinusha Bhaskaran  
(Chairperson)

Mrs. Ashwini Natesan

Mr. Ashane Jayasekara

### Board Human Resource and Remuneration Committee

Mr. Ashane Jayasekara (Chairman)

Mr. G A R D Prasanna

Ms. Yanika Amarasekera

**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**

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

**SECRETARIES**

P W Corporate Secretarial (Pvt) Ltd.  
No. 3/17, Kynsey Road, Colombo 08  
Tel: 011- 4640360-3  
Fax: 011- 4740588  
Email: pwcs@pwcs.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**

Ernst & Young  
No. 109, Rotunda Towers,  
Galle Road, 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

# INTERIM FINANCIAL STATEMENTS

