

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER, 2025



LB FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

Period ended 30 September 2025

	COMPANY					
	FOR THE 3 MONTHS ENDED			FOR THE 6 MONTHS ENDED		
	30.09.2025 Rs. '000	30.09.2024 Rs. '000	Change %	30.09.2025 Rs. '000	30.09.2024 Rs. '000	Change %
Income	14,327,267	11,743,681	22	27,069,131	22,852,706	18
Interest Income	12,411,883	10,571,311	17	23,638,893	20,781,334	14
Less : Interest Expenses	5,056,289	4,138,906	22	9,445,372	8,436,476	12
Net Interest Income	7,355,594	6,432,405	14	14,193,521	12,344,858	15
Fee and Commission Income	1,788,705	1,136,041	57	3,277,918	1,966,840	67
Net Trading Income	30,935	23,594	31	46,032	70,166	(34)
Other Operating Income	95,744	12,735	>100	106,288	34,366	>100
Total Operating Income	9,270,978	7,604,775	22	17,623,759	14,416,230	22
Less : Impairment Charges/(Reversals)	174,135	25,687	>100	434,053	157,193	>100
Net Operating Income	9,096,843	7,579,088	20	17,189,706	14,259,037	21
Less : Operating Expenses						
Personnel Expenses	1,423,254	1,272,369	12	2,777,758	2,464,856	13
Depreciation of Property, Plant and Equipment	282,397	241,951	17	546,971	475,750	15
Amortisation of Intangible Assets	4,782	3,155	52	8,908	5,119	74
Other Operating Expenses	1,126,302	958,593	17	2,071,791	1,828,514	13
Total Operating Expenses	2,836,735	2,476,068	15	5,405,428	4,774,239	13
Operating Profit before Tax on Financial Services	6,260,108	5,103,020	23	11,784,278	9,484,798	24
Less : Tax on Financial Services	1,275,949	1,065,858	20	2,431,671	1,937,765	25
Profit before Taxation	4,984,159	4,037,162	23	9,352,607	7,547,033	24
Less : Income Tax Expense	1,886,750	1,538,025	23	3,552,443	2,859,175	24
Profit for the Period	3,097,409	2,499,137	24	5,800,164	4,687,858	24
Basic Earnings per Share (Rs.)	5.59	4.51	24	10.47	8.46	24
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	28,099	(3,208)	>100	50,418	4,921	>100
Net Other Comprehensive Income that will never be Reclassified to Income Statement	28,099	(3,208)	>100	50,418	4,921	>100
Other Comprehensive Income for the Period, Net of Tax	28,099	(3,208)	>100	50,418	4,921	>100
Total Comprehensive Income for the Period, Net of Tax	3,125,508	2,495,929	25	5,850,582	4,692,779	25

LB FINANCE PLC**STATEMENT OF COMPREHENSIVE INCOME**

Period ended 30 September 2025

Income

Interest Income
Less : Interest Expenses
Net Interest Income

Fee and Commission Income
Net Trading Income
Other Operating Income
Total Operating Income

Less : Impairment Charges/(Reversals)
Net Operating Income

Less : Operating Expenses

Personnel Expenses
Depreciation of Property, Plant and Equipment
Amortisation of Intangible Assets
Other Operating Expenses
Total Operating Expenses

Operating Profit before Tax on Financial Services

Less : Tax on Financial Services
Profit before Taxation

Less : Income Tax Expense
Profit for the Period

Profit Attributable to:

Equity Holders of the Company
Non-Controlling Interest
Profit for the Period

Basic Earnings per Share (Rs.)**Other Comprehensive Income****Other Comprehensive Income that will be Reclassified to Income Statement**

Gains/(Losses) from Translating the Financial Statements of the Foreign Operations

Net Other Comprehensive Income that will be Reclassified to Income Statement**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

Net Other Comprehensive Income that will never be Reclassified to Income Statement**Other Comprehensive Income for the Period, Net of Tax****Total Comprehensive Income for the Period, Net of Tax****Attributable to:**

Equity Holders of the Company
Non-Controlling Interest
Total Comprehensive Income for the Period, Net of Tax

GROUP					
FOR THE 3 MONTHS ENDED			FOR THE 6 MONTHS ENDED		
30.09.2025 Rs. '000	30.09.2024 Rs. '000	Change %	30.09.2025 Rs. '000	30.09.2024 Rs. '000	Change %
14,467,066	11,844,552	22	27,331,141	23,059,670	19
12,529,668	10,660,916	18	23,863,569	20,968,352	14
5,087,908	4,161,184	22	9,505,200	8,479,355	12
7,441,760	6,499,732	14	14,358,369	12,488,997	15
1,810,438	1,152,796	57	3,314,712	1,991,924	66
30,935	23,594	31	46,032	70,166	(34)
96,025	7,246	>100	106,828	29,228	>100
9,379,158	7,683,368	22	17,825,941	14,580,315	22
176,325	40,872	>100	437,975	147,606	>100
9,202,833	7,642,496	20	17,387,966	14,432,709	20
1,470,648	1,306,286	13	2,865,602	2,537,035	13
284,198	241,031	18	550,567	479,884	15
4,782	6,899	(31)	8,908	9,659	(8)
1,151,170	982,974	17	2,123,165	1,891,863	12
2,910,798	2,537,190	15	5,548,242	4,918,441	13
6,292,035	5,105,306	23	11,839,724	9,514,268	24
1,292,379	1,065,859	21	2,448,101	1,943,362	26
4,999,656	4,039,447	24	9,391,623	7,570,906	24
1,880,696	1,536,184	22	3,552,443	2,865,681	24
3,118,960	2,503,263	25	5,839,180	4,705,225	24
3,118,960	2,499,687	25	5,839,180	4,703,293	24
-	3,576	(100)	-	1,932	(100)
3,118,960	2,503,263	25	5,839,180	4,705,225	24
5.63	4.53	24	10.54	8.50	24
8,029	12,510	(36)	18,248	(4,599)	>100
8,029	12,510	(36)	18,248	(4,599)	>100
28,099	(3,208)	>100	50,418	4,921	>100
28,099	(3,208)	>100	50,418	4,921	>100
36,128	9,302	>100	68,666	322	>100
3,155,088	2,512,565	26	5,907,846	4,705,547	26
3,155,088	2,508,989	26	5,907,846	4,703,615	26
-	3,576	(100)	-	1,932	(100)
3,155,088	2,512,565	26	5,907,846	4,705,547	26

LB FINANCE PLC

STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Company		Group	
	30.09.2025 Rs. '000	Audited 31.03.2025 Rs. '000	30.09.2025 Rs. '000	Audited 31.03.2025 Rs. '000
Assets				
Cash and Cash Equivalents	19,251,562	9,024,016	19,301,352	9,074,745
Financial Assets Recognised Through Profit or Loss - Measured at Fair Value	949,818	718,402	949,818	718,402
Financial Assets at Amortised Cost - Loans and Receivables	252,414,629	197,766,691	254,200,455	199,271,047
Financial Assets Measured at Fair Value Through Other Comprehensive Income	215,447	165,024	215,447	165,024
Other Financial Assets	20,360,037	21,201,500	20,337,462	21,188,612
Other Non Financial Assets	748,939	439,475	798,798	480,168
Investment in Subsidiaries	521,162	521,162	-	-
Property, Plant and Equipment and Right-of-Use Assets	10,216,186	9,725,513	10,241,170	9,751,574
Investment Properties	5,385	5,385	5,385	5,385
Intangible Assets	83,346	67,113	83,346	67,113
Deferred Tax Assets	1,355,483	1,255,960	1,362,002	1,262,343
Total Assets	306,121,994	240,890,241	307,495,235	241,984,413
Liabilities				
Due to Banks	63,465,106	37,411,682	63,861,381	37,799,707
Financial Liabilities at Amortised Cost - Due to Depositors	151,875,738	138,496,872	152,382,830	138,823,896
Debt Instruments Issued and Other Borrowed Funds	25,782,690	5,005,405	25,782,690	5,005,405
Other Financial Liabilities	5,557,063	4,303,422	5,586,905	4,305,386
Other Non Financial Liabilities	1,991,977	1,671,989	2,039,835	1,718,969
Current Tax Liabilities	2,134,931	2,182,738	2,145,694	2,188,770
Post Employment Benefit Liability	552,652	552,135	552,652	552,135
Total Liabilities	251,360,157	189,624,243	252,351,987	190,394,268
Equity				
Stated Capital	838,282	838,282	838,282	838,282
Reserves	9,861,787	9,521,361	9,991,828	9,633,154
Retained Earnings	44,061,768	40,906,355	44,313,138	41,118,709
Total Equity Attributable to Equity Holders of the Company	54,761,837	51,265,998	55,143,248	51,590,145
Non Controlling Interest	-	-	-	-
Total Equity	54,761,837	51,265,998	55,143,248	51,590,145
Total Liabilities and Equity	306,121,994	240,890,241	307,495,235	241,984,413
Net Asset Value per Share (Rs.)	98.84	92.53	99.53	93.11
Commitments and Contingencies	5,284,969	4,209,020	5,032,794	3,962,095

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.

Niroshan Udage
Managing Director

15 October 2025
Colombo

sgd.

Mrs. Yogadinusha Bhaskaran
Director

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 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 for the Period, Net of Tax	-	-	-	4,921	4,921
Total Comprehensive Income for the Period, Net of Tax	-	4,687,858	-	4,921	4,692,779
Transactions with Owners, Recognised Directly in Equity					
Transfers During the Period	-	(234,393)	234,393	-	-
Final Dividend for 2023/24	-	(1,939,200)	-	-	(1,939,200)
Total Transactions with Equity Holders	-	(2,173,593)	234,393	-	(1,939,200)
Balance as at 30 September 2024	838,282	36,329,622	9,252,374	(40,630)	46,379,648
Balance as at 01 April 2025 (Audited)	838,282	40,906,355	9,558,263	(36,902)	51,265,998
Net Profit for the Period	-	5,800,164	-	-	5,800,164
Other Comprehensive Income for the Period, Net of Tax	-	-	-	50,418	50,418
Total Comprehensive Income for the Period, Net of Tax	-	5,800,164	-	50,418	5,850,582
Transactions with Owners, Recognised Directly in Equity					
Transfers During the Period	-	(290,008)	290,008	-	-
Final Dividend for 2024/25	-	(2,354,743)	-	-	(2,354,743)
Total Transactions with Equity Holders	-	(2,644,751)	290,008	-	(2,354,743)
Balance as at 30 September 2025	838,282	44,061,768	9,848,271	13,516	54,761,837

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

	Stated Capital Rs. '000	Retained Earnings Rs. '000	Statutory Reserve Rs. '000	Fair Value Reserve Rs. '000	Foreign Currency Translation 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 2024 (Audited)	838,282	33,975,540	9,017,981	(45,551)	125,003	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 for the Period, Net of Tax	-	-	-	4,921	(4,599)	322	-	322
Total Comprehensive Income for the Period, Net of Tax	-	4,703,293	-	4,921	(4,599)	4,703,615	1,932	4,705,547
Transactions with Owners, Recognised Directly in Equity								
Transfers During the Period	-	(234,393)	234,393	-	-	-	(98,670)	(98,670)
Final Dividend for 2023/24	-	(1,939,200)	-	-	-	(1,939,200)	-	(1,939,200)
Total Transactions with Equity Holders	-	(2,173,593)	234,393	-	-	(1,939,200)	(98,670)	(2,037,870)
Balance as at 30 September 2024	838,282	36,505,240	9,252,374	(40,630)	120,404	46,675,670	-	46,675,670
Balance as at 01 April 2025 (Audited)	838,282	41,118,709	9,558,263	(36,902)	111,793	51,590,145	-	51,590,145
Net Profit for the Period	-	5,839,180	-	-	-	5,839,180	-	5,839,180
Other Comprehensive Income for the Period, Net of Tax	-	-	-	50,418	18,248	68,666	-	68,666
Total Comprehensive Income for the Period, Net of Tax	-	5,839,180	-	50,418	18,248	5,907,846	-	5,907,846
Transactions with Owners, Recognised Directly in Equity								
Transfers During the Period	-	(290,008)	290,008	-	-	-	-	-
Final Dividend for 2024/25	-	(2,354,743)	-	-	-	(2,354,743)	-	(2,354,743)
Total Transactions with Equity Holders	-	(2,644,751)	290,008	-	-	(2,354,743)	-	(2,354,743)
Balance as at 30 September 2025	838,282	44,313,138	9,848,271	13,516	130,041	55,143,248	-	55,143,248

LB FINANCE PLC**CASH FLOW STATEMENT**

Period ended 30 September 2025

Cash Flows from/(Used in) Operating Activities

Profit before Taxation

Adjustments for

Depreciation of Property, Plant and Equipment

Amortisation of Intangible Assets

Impairment Charges/(Reversals)

Diminution/(Appreciation) in Value of Investments

Loss/(Profit) on Disposal of Property, Plant and Equipment

Provision/(Reversal) for Defined Benefit Plans

Foreign Currency Exchange (Gain)/Losses

Dividend Received

Operating Profit before Changes in Operating Assets and Liabilities

(Increase)/Decrease in Operating Assets

(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables

(Increase)/Decrease in Other Financial Assets

(Increase)/Decrease in Other Non Financial Assets

Increase/(Decrease) in Operating Liabilities

Increase/(Decrease) in Financial Liabilities at Amortised Cost - Due to Depositors

Increase/(Decrease) in Other Financial Liabilities

Increase/(Decrease) in Other Non Financial Liabilities

Cash Generated from Operations

Retirement Benefit Liabilities Paid

Income Tax Paid

Net Cash from/(Used in) Operating Activities

Cash Flows from/(Used in) Investing Activities

Acquisition of Property, Plant and Equipment and Right-of-Use Assets

Acquisition of Intangible Assets

Proceeds from Sale of Property, Plant and Equipment

Sale/(Purchase) of Financial Investments - Held for Trading

Sale/(Purchase) of Financial Investments - Available for Sale

Investment in Subsidiary

Dividend Received

Net Cash Flows from/(Used in) Investing Activities

Cash Flows from/(Used in) Financing Activities

Cash Flows from Debt Funding from Banks

Repayment of Debt Funding from Banks

Cash Flows from Debt Instruments Issued and Other Borrowed Funds

Repayment of Debt Instruments Issued and Other Borrowed Funds

Payment of Lease Liabilities/Advance Payment for Right-of-Use Assets

Dividends Paid

Net Cash Flows from/(Used in) Financing Activities

Net Increase/(Decrease) in Cash and Cash Equivalents**Addition on Merger with Subsidiary****Cash and Cash Equivalents at the Beginning of the Period****Cash and Cash Equivalents at the End of the Period****Cash and Cash Equivalents in the Cash Flow Statement**

Notes and Coins Held

Balances with Banks

Securities under Reverse Repurchase Agreements

Bank Overdrafts

Net Cash and Cash Equivalents**FOR THE 6 MONTHS ENDED****Company****Group****30.09.2025**
Rs. '000**30.09.2024**
Rs. '000**30.09.2025**
Rs. '000**30.09.2024**
Rs. '000

9,352,607

7,547,033

9,391,623

7,570,906

546,971

475,750

8,908

5,119

434,053

157,193

(7,358)

(171)

(75,841)

(12,178)

60,781

51,856

-

-

(4,084)

(715)

10,316,037

8,223,887

10,362,030

8,246,709

(55,082,133)

(17,211,612)

840,300

6,550,103

(309,469)

(137,728)

(54,551,302)

(10,799,237)

(54,818,471)

(10,802,166)

13,378,866

4,729,309

1,054,293

288,227

(211,063)

(105,453)

14,222,096

4,912,083

(30,013,169)

2,336,733

14,456,081

4,966,711

(60,264)

(34,510)

(3,167,417)

(3,626,700)

(33,240,850)

(1,324,477)

(33,239,917)

(1,256,976)

(663,338)

(666,222)

(25,141)

(39,900)

70,701

105,027

(224,058)

1,103,720

-

(37,785)

-

(100,867)

4,084

715

(837,752)

364,688

(839,624)

355,020

50,703,421

9,492,550

(24,473,501)

(7,814,433)

22,646,310

1,720,929

(1,869,025)

(1,219,305)

(169,818)

(151,159)

(2,354,743)

(1,964,275)

44,482,644

64,307

44,482,644

136,614

10,404,042

(895,482)

10,403,103

(765,342)

-

277,659

7,858,442

6,370,533

18,262,484

5,752,710

7,909,171

6,612,815

2,450,631

1,922,026

1,912,591

1,788,617

14,888,340

2,613,581

(989,078)

(571,514)

18,262,484

5,752,710

18,312,274

5,847,473

LB FINANCE PLC

FAIR VALUE MEASUREMENT HIERARCHY - COMPANY

As at 30 September 2025

Financial Instruments Measurement Basis	Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000
	Quoted Prices in Active Markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3		
	Rs. '000	Rs. '000	Rs. '000		
Financial Assets					
Cash and Cash Equivalents	Amortised Cost				
Notes and Coins Held	2,450,631	-	-	2,450,631	2,450,631
Balances with Banks	1,912,591	-	-	1,912,591	1,912,591
Securities under Reverse Repurchase Agreements	-	14,888,340	-	14,888,340	14,888,340
Financial Assets Recognised Through Profit or Loss	FVTPL	24,873	924,945	949,818	949,818
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	253,752,404	253,752,404	252,414,629
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI				
Quoted Equities	177,354	-	-	177,354	177,354
Unquoted Equities	-	-	38,093	38,093	38,093
Other Financial Assets	Amortised Cost	3,193,997	17,199,304	20,393,301	20,360,037
Investment Properties	FVTPL	-	5,385	5,385	5,385
		7,759,446	33,012,589	253,795,882	294,567,917
				294,567,917	293,196,878
Financial Liabilities					
Due to Banks	Amortised Cost				
Bank Overdrafts	989,078	-	-	989,078	989,078
Debt Funding from Banks	-	62,509,591	-	62,509,591	62,476,028
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	153,347,354	153,347,354	151,875,738
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	26,582,853	26,582,853	25,782,690
Other Financial Liabilities	Amortised Cost	-	5,557,063	5,557,063	5,557,063
		989,078	94,649,507	153,347,354	248,985,939
				248,985,939	246,680,597

As at 31 March 2025 (Audited)

Financial Instruments Measurement Basis	Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000
	Quoted Prices in Active Markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3		
	Rs. '000	Rs. '000	Rs. '000		
Financial Assets					
Cash and Cash Equivalents	Amortised Cost				
Notes and Coins Held	2,514,962	-	-	2,514,962	2,514,962
Balances with Banks	2,600,716	-	-	2,600,716	2,600,716
Securities under Reverse Repurchase Agreements	-	3,908,338	-	3,908,338	3,908,338
Financial Assets Recognised Through Profit or Loss	FVTPL	17,350	701,052	718,402	718,402
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	201,330,884	201,330,884	197,766,691
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI				
Quoted Equities	126,931	-	-	126,931	126,931
Unquoted Equities	-	-	38,093	38,093	38,093
Other Financial Assets	Amortised Cost	7,517,610	13,712,219	21,229,829	21,201,500
Investment Properties	FVTPL	-	5,385	5,385	5,385
		12,777,569	18,321,609	201,374,362	232,473,540
				232,473,540	228,881,018
Financial Liabilities					
Due to Banks	Amortised Cost				
Bank Overdrafts	1,165,574	-	-	1,165,574	1,165,574
Debt Funding from Banks	-	37,381,878	-	37,381,878	36,246,108
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	141,651,088	141,651,088	138,496,872
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	5,217,194	5,217,194	5,005,405
Other Financial Liabilities	Amortised Cost	-	4,303,422	4,303,422	4,303,422
		1,165,574	46,902,494	141,651,088	189,719,156
				189,719,156	185,217,381

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

LB FINANCE PLC
FAIR VALUE MEASUREMENT HIERARCHY - GROUP

As at 30 September 2025

Financial Instruments Measurement Basis		Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000
		Quoted Prices in Active Markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3		
		Rs. '000	Rs. '000	Rs. '000		
Financial Assets						
Cash and Cash Equivalents	Amortised Cost					
Notes and Coins Held		2,486,215	-	-	2,486,215	2,486,215
Balances with Banks		1,926,797	-	-	1,926,797	1,926,797
Securities under Reverse Repurchase Agreements		-	14,888,340	-	14,888,340	14,888,340
Financial Assets Recognised Through Profit or Loss	FVTPL	24,873	924,945	-	949,818	949,818
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	-	255,538,230	255,538,230	254,200,455
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI					
Quoted Equities		177,354	-	-	177,354	177,354
Unquoted Equities		-	-	38,093	38,093	38,093
Other Financial Assets	Amortised Cost	3,193,997	17,176,729	-	20,370,726	20,337,462
Investment Properties	FVTPL	-	-	5,385	5,385	5,385
		7,809,236	32,990,014	255,581,708	296,380,958	295,009,919
Financial Liabilities						
Due to Banks	Amortised Cost					
Bank Overdrafts		989,078	-	-	989,078	989,078
Debt Funding from Banks		-	62,872,303	-	62,872,303	62,872,303
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	-	153,854,446	153,854,446	152,382,830
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	26,582,853	-	26,582,853	25,782,690
Other Financial Liabilities	Amortised Cost	-	5,586,905	-	5,586,905	5,586,905
		989,078	95,042,061	153,854,446	249,885,585	247,613,806

As at 31 March 2025 (Audited)

Financial Instruments Measurement Basis		Fair Value Measurement Using			Total Fair Value Rs. '000	Carrying Value Rs. '000
		Quoted Prices in Active Markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3		
		Rs. '000	Rs. '000	Rs. '000		
Financial Assets						
Cash and Cash Equivalents	Amortised Cost					
Notes and Coins Held		2,534,474	-	-	2,534,474	2,534,474
Balances with Banks		2,631,933	-	-	2,631,933	2,631,933
Securities under Reverse Repurchase Agreements		-	3,908,338	-	3,908,338	3,908,338
Financial Assets Recognised Through Profit or Loss	FVTPL	17,350	701,052	-	718,402	718,402
Financial Assets at Amortised Cost - Loans and Receivables	Amortised Cost	-	-	202,835,240	202,835,240	199,271,047
Financial Assets Measured at Fair Value Through Other Comprehensive Income	FVOCI					
Quoted Equities		126,931	-	-	126,931	126,931
Unquoted Equities		-	-	38,093	38,093	38,093
Other Financial Assets	Amortised Cost	7,517,610	13,699,331	-	21,216,941	21,188,612
Investment Properties	FVTPL	-	-	5,385	5,385	5,385
		12,828,298	18,308,721	202,878,718	234,015,737	230,423,215
Financial Liabilities						
Due to Banks	Amortised Cost					
Bank Overdrafts		1,165,574	-	-	1,165,574	1,165,574
Debt Funding from Banks		-	38,020,853	-	38,020,853	36,634,133
Financial Liabilities at Amortised Cost - Due to Depositors	Amortised Cost	-	-	142,128,942	142,128,942	138,823,896
Debt Instruments Issued and Other Borrowed Funds	Amortised Cost	-	5,217,194	-	5,217,194	5,005,405
Other Financial Liabilities	Amortised Cost	-	4,305,386	-	4,305,386	4,305,386
		1,165,574	47,543,433	142,128,942	190,837,949	185,934,394

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		Investments		International Operation		Total	
	30.09.2025 Rs. '000	30.09.2024 Rs. '000	30.09.2025 Rs. '000	30.09.2024 Rs. '000	30.09.2025 Rs. '000	30.09.2024 Rs. '000	30.09.2025 Rs. '000	30.09.2024 Rs. '000	30.09.2025 Rs. '000	30.09.2024 Rs. '000
Interest Income	4,858,929	4,698,988	17,812,012	15,066,399	966,606	1,042,075	226,022	160,890	23,863,569	20,968,352
Less: Interest Expenses	1,473,120	1,424,093	7,491,688	6,390,926	479,218	626,131	61,174	38,205	9,505,200	8,479,355
Net Interest Income	3,385,809	3,274,895	10,320,324	8,675,473	487,388	415,944	164,848	122,685	14,358,369	12,488,997
Fee and Commission Income	270,548	302,466	2,996,894	1,676,584	10,476	(3,297)	36,794	16,171	3,314,712	1,991,924
Net Trading Income and Other Operating Income	2,968	2,847	809	1,449	148,543	95,164	540	(66)	152,860	99,394
Total Operating Income	3,659,325	3,580,208	13,318,027	10,353,506	646,407	507,811	202,182	138,790	17,825,941	14,580,315
Less : Impairment Charges/(Reversals)	(193,127)	(100,840)	626,027	244,446	1,153	(1,254)	3,922	5,254	437,975	147,606
Net Operating Income	3,852,452	3,681,048	12,692,000	10,109,060	645,254	509,065	198,260	133,536	17,387,966	14,432,709
Less: Operating Expenses	854,901	841,355	3,961,127	3,458,948	33,521	20,786	139,218	107,809	4,988,767	4,428,898
Less: Depreciation and Amortisation	80,472	77,614	472,952	405,233	2,455	2,918	3,596	3,778	559,475	489,543
Operating Profit before Taxes	2,917,079	2,762,079	8,257,921	6,244,879	609,278	485,361	55,446	21,949	11,839,724	9,514,268
Less: Taxes	1,481,307	1,396,920	4,193,412	3,159,033	309,395	246,584	16,430	6,506	6,000,544	4,809,043
Profit for the Period	1,435,772	1,365,159	4,064,509	3,085,846	299,883	238,777	39,016	15,443	5,839,180	4,705,225
Non-Controlling Interest									-	1,932
Profit Attributable to Equity Holders of the Company									5,839,180	4,703,293
Profit for the Period									5,839,180	4,705,225
Segmental Assets	38,035,631	33,633,415	223,890,857	153,593,506	44,195,506	23,627,825	1,931,554	1,405,193	308,053,548	212,259,939
Elimination	-	-	-	-	(558,313)	(527,162)	-	-	(558,313)	(527,162)
Total Segmental Assets	38,035,631	33,633,415	223,890,857	153,593,506	43,637,193	23,100,663	1,931,554	1,405,193	307,495,235	211,732,777
Segmental Liabilities	31,424,674	26,417,588	184,976,491	120,641,034	34,958,986	17,416,479	1,028,987	588,006	252,389,138	165,063,107
Elimination	-	-	-	-	-	-	(37,151)	(6,000)	(37,151)	(6,000)
Total Segmental Liabilities	31,424,674	26,417,588	184,976,491	120,641,034	34,958,986	17,416,479	991,836	582,006	252,351,987	165,057,107

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 2025 or 2024.

LB FINANCE PLC

NOTES TO THE INTERIM FINANCIAL STATEMENTS

EXPLANATORY NOTES

- The Interim Financial Statements have been prepared and presented in accordance with Sri Lanka Accounting Standards (SLFRSs and LKASs) laid down by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), and are in compliance with the requirements of the Companies Act No. 07 of 2007. In addition, these Interim Financial Statements complies with the requirements of the Finance Business Act No. 42 of 2011, the Listing Rules of the Colombo Stock Exchange, and the guidelines issued by the Central Bank of Sri Lanka (CBSL).
- These Interim Financial Statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standards - LKAS 34 Interim Financial Reporting.
- 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 2025.
- The Consolidated Financial Statements comprise the LB Finance PLC (Parent Company) and LB Microfinance Myanmar Company Limited (Subsidiary). The Company's parent undertaking is Vallibel One PLC. The Company's ultimate parent undertaking is Vallibel One PLC, which is incorporated in Sri Lanka. The Company's ultimate controlling party is Mr. Dhammika Perera.
- Except for matters disclosed below, there have been no material events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements.

Acquisition of Associated Motor Finance Company PLC (AMF)

Pursuant to the approval granted by the Central Bank of Sri Lanka, the Board of Directors of LB Finance PLC, at its meeting held on 26th September 2025, resolved to acquire 65.60% of the issued shares of Associated Motor Finance Company PLC (AMF), amounting to 74,341,560 shares at a consideration of Rs. 50/- per share, for a total value of Rs. 3,717,078,000/-. The acquisition is subject to the completion of modalities in compliance with applicable laws, and AMF is required to be amalgamated with LB Finance PLC on or before 31st March 2027.

INFORMATION ON SHARES

Share Price		For the Quarter ended	
		30.09.2025	30.09.2024
Highest	Rs.	159.00	71.50
Lowest	Rs.	123.00	62.00
Last Traded	Rs.	151.50	68.90
Number of Ordinary Shares Issued		554,057,136	554,057,136
Ratios		As at	
		30.09.2025	30.09.2024
Debt Equity Ratio - No of Times		4.40	3.37
Quick Asset Ratio - No of Times		0.63	0.59
Interest Cover - No of Times		1.99	1.89

SELECTED PERFORMANCE INDICATORS

	As at	
	30.09.2025	30.09.2024
Capital Adequacy		
Core Capital to Risk Weighted Asset Ratio (Minimum 10%)	22.74%	27.83%
Total Capital to Risk Weighted Asset Ratio (Minimum 14%)	23.66%	28.64%
Capital Funds to Total Deposit Liabilities Ratio (Minimum 10%)	36.06%	36.34%
Profitability		
Return on Average Shareholders' Funds (After Tax) - Annualized	21.88%	20.83%
Return on Average Assets (After Tax) - Annualized	4.24%	4.54%
Asset Quality		
Gross Non-Performing Accommodations Ratio	1.55%	2.86%
Net Non-Performing Accommodations Ratio	-1.36%	-1.19%
Liquidity (Rs. Mn)		
Required Minimum Amount of Liquid Assets	15,963	13,181
Available Amount of Liquid Assets	37,511	18,735
Required Minimum Amount of Government Securities	9,785	8,704
Available Amount of Government Securities	23,877	11,873

LB FINANCE PLC

ADDITIONAL NOTES

Twenty largest shareholders as at 30 September 2025

Name of the Shareholder	No. of Shares	(%)
1 Vallibel One PLC	286,729,600	51.751
2 Royal Ceramics Lanka PLC	125,708,928	22.689
Commercial Bank Of Ceylon PLC/Royal Ceramics Lanka PLC	18,784,000	
3 Hatton National Bank PLC/Esna Holdings (Pvt) Ltd	15,248,000	2.752
4 Seylan Bank PLC/JN Lanka Holdings Company (Pvt) Ltd	8,680,969	1.567
5 Mr. K.R.E.M.D.M.B. Jayasundara	5,000,000	0.902
6 Mr. K.D.A. Perera	4,289,735	0.774
7 Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund	4,004,776	0.723
8 Mr. W.G.D.C. Ranaweera	3,200,002	0.578
9 Mr N. Udage	2,861,235	0.516
10 Mr. Y.S.H.R.S. Silva	2,522,500	0.455
11 DFCC Bank PLC/J N Lanka Holdings Company (Pvt) Ltd	2,500,000	0.451
12 J.B. Cocoshell (Pvt) Ltd	2,430,407	0.439
13 Mr. F.N. Herft	2,038,447	0.368
14 JN Lanka Holdings Company (Pvt) Ltd	1,600,000	0.289
15 Rosewood (Pvt) Limited-Account No.1	1,600,000	0.289
16 DFCC Bank PLC A/C 1	1,529,567	0.276
17 Hatton National Bank PLC/JN Lanka Holdings Company (Pvt) Ltd	1,500,681	0.271
18 Mr. M. Keil	1,300,000	0.235
19 Invenco Capital (Private) Limited Account No. 03	1,300,000	0.235
20 Mr. A.A. Page	1,259,200	0.227
Others	494,088,047	89.176
Total	554,057,136	100.000

Directors' and Chief Executive Officer's holding in shares as at 30 September 2025

Name of the Director	No. of Shares	(%)
Mr. G A R D Prasanna	-	-
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 (Resigned w.e.f. 24.09.2025)	-	-
Mr. Piyal Dushantha Hennayake	25,000	0.005
Mr. Priyantha Bandara Talwatte	-	-
Mr. R D Tissera (Appointed w.e.f. 29.09.2025)	-	-
Mr. J A S S Adhihetty (Retired w.e.f. 03.07.2025)	424,480	0.077

Public Shareholding

Public Holding percentage as at 30 September 2025 being 21.47% comprising of 5,971 shareholders.

The Float adjusted market capitalisation as at 30 September 2025 – Rs. 17,959,783,564.00

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

Corporate Information

NAME OF COMPANY

L B Finance PLC

LEGAL FORM

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

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

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

STOCK EXCHANGE LISTING

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

DATE OF INCORPORATION

30th May 1971

COMPANY REGISTRATION NUMBER

PQ 156

TAX PAYER IDENTIFICATION NUMBER

104033431

VAT REGISTRATION NUMBER

104033431 7000

CENTRAL BANK REGISTRATION NUMBER

RFC 1003

PRINCIPAL ACTIVITIES

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

Principal Activities of the Company's Subsidiaries

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

REGISTERED OFFICE

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

CORPORATE OFFICE

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

OUTLETS

Branches - 221

WEBSITE

www.lbfinance.com

FINANCIAL YEAR END

31 March

CREDIT RATING

The Company has been assigned A-(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. Niroshan Udage
(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)

Mrs. Yanika Amarasekera
(Independent Non-Executive Director)
(Resigned w.e.f 24 September 2025)

Mr. P B Talwatte
(Non-Executive Director)

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

Mr. Ravindra Dhammika Tissera
(Executive Director)
(Appointed w.e.f 29 September 2025)

Company Secretary

Mrs. Deborah Corera

Board Audit Committee

Mr. Ashane Jayasekara (Chairman)

Mrs. Yogadinusha Bhaskaran

Mrs. Ashwini Natesan

Board Human Resource and Remuneration Committee

Mrs. Yanika Amarasekera (Chairperson)
(Resigned w.e.f 24 September 2025)

Mr. G A R D Prasanna

Mr. Ashane Jayasekara

Mr. P B Talwatte

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. Dharmadasa Rangalle

Mr. P D Hennayake

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. Niroshan Udage

Mr. B D A Perera

Mr. Ravindra Yatawara

Mrs. Daw Khin Than Win

Mr. U Kyaw Kyaw



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