

INTERIM FINANCIAL STATEMENTS

For the Period ended 31st March 2025

Rating 'A (lka)'



Co.Reg.No. PQ10

Interim Financial Statements

Statement of Profit or Loss

	Company			Group		
	Quarter ended			Quarter ended		
	3/31/2025	3/31/2024	Change %	3/31/2025	3/31/2024	Change %
	LKR '000	LKR '000		LKR '000	LKR '000	
Income	1,699,102	2,004,613	(15.2)	1,848,510	2,207,045	(16.2)
Interest and similar income	1,617,793	1,549,492	4.4	1,672,042	1,620,817	3.2
Interest and similar expenses	957,626	1,103,063	(13.2)	953,738	1,097,642	(13.1)
Net interest income	660,167	446,429	47.9	718,304	523,175	37.3
Fee and commission income	52,786	33,552	57.3	59,019	39,965	47.7
Fee and commission expenses	20,923	6,757	209.6	19,346	2,291	744.4
Net fee and commission income	31,863	26,795	18.9	39,673	37,674	5.3
Insurance premium income	-	-	-	85,384	123,210	(30.7)
Net claims and benefits	-	-	-	(105,398)	(95,960)	(9.8)
Net gain/(loss) on financial instruments at fair value through profit or loss	(378,010)	236,214	(260.0)	(378,173)	236,968	(259.6)
Other operating income	406,533	185,355	119.3	410,238	186,085	120.5
Total operating income	720,553	894,793	(19.5)	770,028	1,011,152	(23.8)
Impairment charge/(reversal) from loans and other losses	40,743	48,324	(15.7)	40,743	48,324	(15.7)
Net operating income	679,810	846,469	(19.7)	729,285	962,828	(24.3)
Personnel expenses	369,568	344,938	7.1	411,795	387,965	6.1
Depreciation and amortisation	67,940	74,092	(8.3)	76,924	83,256	(7.6)
Other operating expenses	213,005	202,915	5.0	243,905	251,361	(3.0)
Total operating expense	650,513	621,945	4.6	732,624	722,582	1.4
Profit/(loss) from operations	29,297	224,524	(87.0)	(3,339)	240,246	(101.4)
Impairment charge/(reversal) from investment in Subsidiary companies	-	-	-	-	-	-
Profit/(loss) from operations after impairment from subsidiary investments	29,297	224,524	(87.0)	(3,339)	240,246	(101.4)
Value added tax (VAT) on financial services	61,942	88,006	(29.6)	61,942	88,006	(29.6)
Social Security Contribution Levy (SSCL)	9,338	12,618	(26.0)	9,338	12,618	(26.0)
Share of associate companies profit/(loss) before tax	-	-	-	15,462	(1,917)	906.7
Profit/(loss) before income tax	(41,983)	123,900	(133.9)	(59,157)	137,705	(143.0)
Income tax expense/(reversal)	5,987	80,688	(92.6)	11,006	80,688	(86.4)
Profit/(loss) for the period	(47,970)	43,212	(211.0)	(70,163)	57,017	(223.1)
Profit/(loss) for the period attributable to:						
Equity holders of the parent	(47,970)	43,212	(211.0)	(55,089)	49,756	(210.7)
Non controlling interests	-	-	-	(15,074)	7,261	(307.6)
Profit/(loss) for the period	(47,970)	43,212	(211.0)	(70,163)	57,017	(223.1)
Earnings per share:						
Basic/Diluted earnings/(loss) per share (LKR)	(0.09)	0.08	(211.0)	(0.11)	0.09	(210.7)

Interim Financial Statements

Statement of Comprehensive Income

	Company			Group		
	Quarter ended			Quarter ended		
	3/31/2025	3/31/2024	Change %	3/31/2025	3/31/2024	Change %
	LKR '000	LKR '000		LKR '000	LKR '000	
Profit/(loss) for the period	(47,970)	43,212	(211.0)	(70,163)	57,017	(223.1)
Other comprehensive income/(expense) for the period						
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
Fair value reserves (Financial investments at fair value through other comprehensive income):						
Gains/(Losses) on re-measuring financial investments at fair value through other comprehensive income	-	-	-	-	1,702	(100.0)
Share of associates companies' other comprehensive income	-	-	-	-	-	-
Other comprehensive income/(expense) before tax	-	-	-	-	1,702	(100.0)
Deferred tax (charge)/credit relating to components of other comprehensive income	-	-	-	-	-	-
Other comprehensive income/(expense) for the period, net of tax	-	-	-	-	1,702	(100.0)
Total comprehensive income/(expense) for the period, net of tax	(47,970)	43,212	(211.0)	(70,163)	58,719	(219.5)
Total comprehensive income/(expense) attributable to:						
Equity holders of the parent	(47,970)	43,212	(211.0)	(55,089)	50,671	(208.7)
Non controlling interests	-	-	-	(15,074)	8,048	(287.3)
	(47,970)	43,212	(211.0)	(70,163)	58,719	(219.5)

Interim Financial Statements

Statement of Financial Position

as at	Company			Group		
	3/31/2025	12/31/2024	Change	3/31/2025	12/31/2024	Change
	LKR '000	(Audited) LKR '000	%	LKR '000	(Audited) LKR '000	%
Assets						
Cash and cash equivalents	661,112	752,190	(12.1)	718,517	854,028	(15.9)
Placements with banks & financial institutions	213,255	203,332	4.9	662,007	644,044	2.8
Financial investments at fair value through profit or loss	5,240,288	8,534,914	(38.6)	5,264,424	8,547,974	(38.4)
Loans & receivables at amortised cost	28,674,197	25,942,008	10.5	28,678,857	25,946,502	10.5
Financial investments at fair value through other comprehensive income	16,554	16,554	-	125,802	135,058	(6.9)
Financial investments at amortised cost	3,540,333	3,473,969	1.9	4,582,162	4,498,689	1.9
Real Estate Stock	40,446	40,446	-	40,446	40,446	-
Investment in associate company	81,084	81,084	-	188,612	178,169	5.9
Investment in subsidiary	348,261	348,261	-	-	-	-
Property, equipment and right-of-use assets	440,029	467,355	(5.8)	511,337	542,233	(5.7)
Intangible assets	53,454	61,329	(12.8)	53,454	64,097	(16.6)
Deferred tax Assets	91,893	91,893	-	100,471	100,473	(0.0)
Other assets	228,328	186,673	22.3	668,331	520,495	28.4
Total assets	39,629,234	40,200,008	(1.4)	41,594,420	42,072,208	(1.1)
Liabilities						
Due to banks	5,098,469	8,144,088	(37.4)	5,101,145	8,145,088	(37.4)
Due to customers at amortised cost	28,378,432	25,956,175	9.3	28,166,459	25,739,758	9.4
Debt issued and borrowed funds at amortised cost	772,062	730,033	5.8	772,062	729,033	5.9
Insurance provision - life	-	-	-	456,685	454,704	0.4
Insurance provision - non life	-	-	-	498,463	397,423	25.4
Current tax liabilities	121,391	209,437	(42.0)	121,391	209,437	(42.0)
Other liabilities	1,034,239	895,070	15.5	1,550,615	1,407,777	10.1
Retirement benefits obligations	390,580	383,174	1.9	402,902	394,127	2.2
Total liabilities	35,795,173	36,317,977	(1.4)	37,069,722	37,477,347	(1.1)
Equity						
Stated capital	4,276,448	4,276,448	-	4,276,448	4,276,448	-
Retained earnings	(1,223,828)	(1,189,204)	(2.9)	(982,576)	(940,833)	(4.4)
OCI reserve	(22,100)	(22,100)	-	(22,206)	(22,206)	-
RLA Reserve	411,276	424,622	(3.1)	411,276	424,622	(3.1)
RR Reserve	-	-	-	35,443	35,443	-
Statutory reserves	392,265	392,265	0.0	392,265	392,265	0.0
Total equity attributable to the parent	3,834,061	3,882,031	(1.2)	4,110,650	4,165,739	(1.3)
Non controlling interests	-	-	-	414,048	429,122	(3.5)
Total equity	3,834,061	3,882,031	(1.2)	4,524,698	4,594,861	(1.5)
Total liabilities and equity	39,629,234	40,200,008	(1.4)	41,594,420	42,072,208	(1.1)
Commitments and contingencies	49,686	48,858	1.7	54,336	75,323	(27.9)
Net assets value per share (LKR)	7.31	7.40	(1.2)	7.84	7.94	(1.3)

These Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007

Information contained in these statements have been extracted from the unaudited Financial Statements of the Company unless indicated as "Audited".

(sgd.)

W. K. C. S. Vithana
Chief Financial Officer

(sgd.)

H. K. D. W. M. D. K. Hapuhinna
Chief Executive Officer

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

(sgd.)

A. M. A. Perera
Chairman

(sgd.)

R. Dulani Fernando
Director

Interim Financial Statements

Statement of Changes in Equity

Company	Stated capital LKR ' 000	Statutory reserves LKR ' 000	OCI reserve LKR ' 000	RLA reserve LKR ' 000	Retained profits LKR ' 000	Total equity LKR ' 000
Balance as at 01st January 2024	4,276,448	344,174	(31,892)	371,590	(1,289,648)	3,670,672
Net profit/(loss) for the period	-	-	-	-	43,212	43,212
Other comprehensive income	-	-	-	-	-	-
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	88,536	(88,536)	-
Balance as at 31st March 2024	4,276,448	344,174	(31,892)	460,126	(1,334,972)	3,713,884
Balance as at 01st January 2025	4,276,448	392,265	(22,100)	424,622	(1,189,203)	3,882,031
Net profit/(loss) for the period	-	-	-	-	(47,970)	(47,970)
Other comprehensive income	-	-	-	-	-	-
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	(13,346)	13,346	-
Balance as at 31st March 2025	4,276,448	392,265	(22,100)	411,276	(1,223,828)	3,834,061

Group	Stated Capital LKR ' 000	Statutory reserves LKR ' 000	OCI reserve LKR ' 000	RLA reserve LKR ' 000	RR reserve LKR ' 000	Retained profits LKR ' 000	Non controlling interest LKR ' 000	Total equity LKR ' 000
Balance as at 01st January 2024	4,276,448	344,174	(33,607)	371,590	-	(1,042,034)	438,852	4,355,423
Net profit/(loss) for the period	-	-	-	-	-	49,757	7,261	57,018
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	88,536	-	(88,536)	-	-
Other comprehensive income	-	-	916	-	-	-	787	1,703
Balance as at 31st March 2024	4,276,448	344,174	(32,691)	460,126	-	(1,080,813)	446,900	4,414,144
Balance as at 01st January 2025	4,276,448	392,265	(22,206)	424,622	35,443	(940,833)	429,122	4,594,861
Net profit/(loss) for the period	-	-	-	-	-	(55,089)	(15,074)	(70,163)
Transfer to regulatory loss allowance reserve (RLAR)	-	-	-	(13,346)	-	13,346	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	4,276,448	392,265	(22,206)	411,276	35,443	(982,576)	414,048	4,524,698

Interim Financial Statements

Statement of Cash Flows

For the period ended 31st March	Company		Group	
	2025 LKR '000	2024 LKR '000	2025 LKR '000	2024 LKR '000
Cash flows from operating activities				
Profit before income tax	(41,983)	123,899	(59,157)	137,704
Adjustments for :				
Net Interest Income	(660,167)	(446,429)	(718,304)	(523,175)
WHT movement for the year	(33)	(36)	(33)	(36)
Impairment charges for loans and other losses	40,743	48,324	40,743	48,324
Share of associate company's profit/(loss) before tax	-	-	(15,462)	1,917
Depreciation and amortisation	67,939	74,092	76,924	83,256
Profit from sales of real estate	-	(206)	-	(206)
Profit from sales of property & equipment and investment property	(9,068)	(56)	(9,068)	(56)
Dividend income from financial assets	(691)	(2,661)	(734)	(2,661)
Contribution to defined benefit plans	21,000	18,000	22,500	19,500
Fair value change of financial assets	378,010	(236,214)	378,010	(235,265)
	(204,250)	(421,287)	(284,581)	(470,698)
Interest paid to customers at amortised cost	(558,861)	(733,881)	(558,861)	(733,881)
Interest paid on other borrowings	(163,033)	(59,263)	(165,275)	(62,338)
Interest received on loans & receivables at amortised cost	1,266,499	1,109,487	1,266,499	1,109,487
Interest received on other investment	427,063	386,898	487,443	466,720
Gratuity paid	(13,595)	(40,813)	(13,727)	(42,345)
Change in operating assets				
Loans & receivables at amortised cost	(2,765,045)	(609,556)	(2,765,211)	(608,851)
Other operating assets	(54,463)	(103,921)	(160,643)	(142,414)
Change in operating liabilities				
Due to customers at amortised cost	2,244,375	591,642	2,244,375	591,642
Payments made under operating leases	(18,350)	(18,188)	(26,800)	(26,487)
Insurance provision	-	-	103,020	(9,187)
Other liabilities	149,843	222,086	161,963	300,455
Net cash generated from/(used in) operating activities before tax	310,183	323,204	288,202	372,103
Income tax paid	(94,000)	-	(94,000)	-
Net cash generated from/(used in) operating activities	216,183	323,204	194,202	372,103
Cash flows from investing activities				
Net increase/(decrease) in financial investments at amortised cost	(69,828)	58,270	(77,680)	77,727
Net (increase)/decrease in placements with banks & financial institutions	-	-	(3,595)	(65,821)
Net (increase)/decrease in investment of government securities at FVTPL	2,872,115	(439,892)	2,872,115	(439,892)
Net (increase)/decrease in other financial investments at FVTPL	(45,604)	535	(56,681)	535
Proceeds from real estate stock	-	2,300	-	2,300
Purchase of property & equipment	(19,940)	(3,596)	(22,587)	(3,596)
Proceeds from sale of property & equipment and investment property	9,068	56	9,068	56
Dividends received	691	2,661	734	2,661
Net cash generated from/(used in) investing activities	2,746,502	(379,666)	2,721,374	(426,030)
Cash flows from financing activities				
Net increase/(decrease) reverse repo agreements	(2,400,000)	-	(2,400,000)	-
Net increase/(decrease) in other borrowings at amortised cost	(635,000)	(275,000)	(635,000)	(275,000)
Net cash generated from/(used in) financing activities	(3,035,000)	(275,000)	(3,035,000)	(275,000)
Net increase / (decrease) in cash and cash equivalents during the period	(72,315)	(331,462)	(119,424)	(328,926)
Cash and cash equivalents at the beginning of the period	554,066	683,545	655,904	831,241
Cash and cash equivalents at the end of the period	481,751	352,083	536,480	502,314
Note				
Analysis of Cash and Cash Equivalents				
Cash and short term funds	661,112	558,505	718,517	717,342
Dues to banks	(179,361)	(206,422)	(182,037)	(215,028)
	481,751	352,083	536,480	502,314

Reporting entity

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

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

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

The consolidated Financial Statements for the period ended were authorized for issue on 15th May 2025, in accordance with the resolution of the Directors passed on 15th May 2025.

Basis of preparation and accounting policies

The interim condensed Financial Statements for the period ended 31st March 2025 have been prepared in accordance with LKAS 34 - 'Interim Financial Reporting'. The interim condensed consolidated Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements.

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

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

Measurement of Financial Instruments

Company	LKR.'000							
	Financial instrument at FVTPL		Financial instrument at amortised Cost		Financial instrument at FVTOCI		Total	
	3/31/2025	12/31/2024	3/31/2025	12/31/2024	3/31/2025	12/31/2024	3/31/2025	12/31/2024
As at								
Financial assets								
Cash and cash equivalents	-	-	661,112	752,190	-	-	661,112	752,190
Placements with banks & financial institutions	-	-	213,255	203,333	-	-	213,255	203,333
Financial investments at fair value through profit or loss	5,240,288	8,534,914	-	-	-	-	5,240,288	8,534,914
Loans & receivables at amortised cost	-	-	28,674,197	25,942,008	-	-	28,674,197	25,942,008
Financial investments at fair value through other comprehensive income	-	-	-	-	16,554	16,554	16,554	16,554
Financial investments at amortised cost	-	-	3,540,333	3,473,969	-	-	3,540,333	3,473,969
Other assets	-	-	70,680	78,232	-	-	70,680	78,232
Total	5,240,288	8,534,914	33,159,577	30,449,732	16,554	16,554	38,416,419	39,001,201

Company	LKR.'000			
	Other financial liabilities at amortised cost		Total	
	3/31/2025	12/31/2024	3/31/2025	12/31/2024
Other Financial liabilities				
Due to banks	5,098,469	8,144,088	5,098,469	8,144,088
Due to customers at amortised cost	28,378,432	25,956,175	28,378,432	25,956,175
Debt issued and borrowed funds at amortised cost	772,062	730,033	772,062	730,033
Other liabilities	150,066	132,820	150,066	132,820
Total	34,399,029	34,963,116	34,399,029	34,963,116

Group	LKR.'000							
	Financial instrument at FVTPL		Financial instrument at amortised Cost		Financial instrument at FVTOCI		Total	
	3/31/2025	12/31/2024	3/31/2025	12/31/2024	3/31/2025	12/31/2024	3/31/2025	12/31/2024
As at								
Financial assets								
Cash and cash equivalents	-	-	718,517	854,028	-	-	718,517	854,028
Placements with banks & financial institutions	-	-	662,007	644,044	-	-	662,007	644,044
Financial investments at fair value through profit or loss	5,264,424	8,547,974	-	-	-	-	5,264,424	8,547,974
Loans & receivables at amortised cost	-	-	28,678,857	25,946,502	-	-	28,678,857	25,946,502
Financial investments at fair value through other comprehensive income	-	-	-	-	125,802	135,058	125,802	135,058
Financial investments at amortised cost	-	-	4,582,162	4,498,689	-	-	4,582,162	4,498,689
Other assets	-	-	70,680	78,232	-	-	70,680	78,232
Total	5,264,424	8,547,974	34,712,223	32,021,495	125,802	135,058	40,102,448	40,704,527

Group	LKR.'000			
	Other financial liabilities at amortised cost		Total	
	3/31/2025	12/31/2024	3/31/2025	12/31/2024
Other Financial liabilities				
Due to banks	5,101,145	8,145,088	5,101,145	8,145,088
Due to customers at amortised cost	28,166,459	25,739,758	28,166,459	25,739,758
Debt issued and borrowed funds at amortised cost	772,062	729,033	772,062	729,033
Other liabilities	150,066	132,819	150,066	132,820
Total	34,189,732	34,746,698	34,189,732	34,746,699

Movement in individual and collective impairment during the period

LKR. '000

	Company		Group	
	2025	2024	2025	2024
Impairment charge/(reversal) from loans and other losses				
Impairment from Loans and advances-individual impairment	(124,254)	(45,418)	(124,254)	(45,418)
Impairment from Loans and advances-collective impairment	12,421	(5,542)	12,421	(5,542)
Write off	152,515	-	152,515	-
Cash and cash equivalent	9	(28)	9	(28)
Placements with banks & financial institutions	51	(40)	51	(40)
Other losses	-	99,352	-	99,352
	40,742	48,324	40,742	48,324
Individual impairment charge/(reversal)				
As at 01 January	1,737,290	898,181	1,655,176	1,902,229
Charge/(reversal) to income statement from loans and advances	(124,254)	(45,418)	(124,254)	(45,418)
As at 31st March	1,613,036	852,763	1,530,922	1,856,811
Collective impairment charge/(reversal)				
As at 01 January	671,041	1,761,303	1,087,042	1,575,108
Charge/(reversal) to income statement from loans and advances	12,421	(5,542)	12,421	(5,542)
As at 31st March	683,463	1,755,761	1,099,463	1,569,566
Loans and advances impairment	2,296,498	2,608,524	2,630,385	3,426,376

Segment Information

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

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

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects.

The following table presents income, profit and asset information regarding the Group's operating segments for the period ended 31st March 2025 and comparative figures for the period ended 31st March 2024.

Group	Leasing		Loans		Corporate Advisory & Capital Markets		Insurance		Eliminations / Unallocated		Total	
	2025 LKR.'000	2024 LKR.'000	2025 LKR.'000	2024 LKR.'000	2025 LKR.'000	2024 LKR.'000	2025 LKR.'000	2024 LKR.'000	2025 LKR.'000	2024 LKR.'000	2025 LKR.'000	2024 LKR.'000
For the Period ended 31st March												
Revenue from external customers												
Interest and similar income	602,389	436,182	606,982	489,230	64,954	92,247	60,380	79,821	337,337	523,337	1,672,042	1,620,817
Interest and similar expenses	268,660	249,685	338,126	306,637	46,573	67,007	2,242	3,075	298,137	471,238	953,738	1,097,642
Net interest income	333,729	186,497	268,856	182,593	18,381	25,240	58,138	76,746	39,200	52,099	718,304	523,175
Net fee and commission income	26,892	24,222	10,347	3,818	-	-	7,809	10,879	(5,376)	(1,245)	39,673	37,674
Insurance premium income	-	-	-	-	-	-	85,384	123,210	-	-	85,384	123,210
Net claims and benefits	-	-	-	-	-	-	(105,398)	(95,960)	-	-	(105,398)	(95,960)
Real estate profit	-	-	-	206	-	-	-	-	-	-	-	206
Trading and other income	5,243	5,561	2,773	2,117	(25,306)	37,317	3,542	1,483	45,813	376,369	32,065	422,847
Total operating income	365,864	216,280	281,976	188,734	(6,925)	62,557	49,475	116,358	79,637	427,223	770,028	1,011,152
Impairment (charges)/reversal for loans and other losses	127,787	20,447	19,046	(93,753)	(35,060)	24,914	-	-	(152,516)	68	(40,743)	(48,324)
Net operating income	493,651	236,727	301,022	94,981	(41,985)	87,471	49,475	116,358	(72,878)	427,291	729,285	962,828
Personnel expenses	(104,350)	(78,685)	(131,331)	(96,633)	(2,836)	(4,635)	(42,228)	(43,027)	(131,052)	(164,986)	(411,797)	(387,966)
Depreciation and amortisation	(19,183)	(16,901)	(24,143)	(20,756)	(36)	(40)	(8,984)	(9,165)	(24,577)	(36,394)	(76,923)	(83,256)
Other operating expenses	(60,143)	(46,288)	(75,694)	(56,846)	(2,454)	(1,232)	(31,350)	(54,667)	(74,263)	(92,328)	(243,904)	(251,361)
Segment result	309,975	94,853	69,854	(79,254)	(47,311)	81,564	(33,087)	9,499	(302,770)	133,583	(3,339)	240,246
Profit/(loss) from operations after impairment from subsidiary investments											(3,339)	240,246
Value added tax on financial services											(61,942)	(88,006)
Social Security Contribution Levy (SSCL)											(9,338)	(12,619)
Share of associate company's profit/(loss) before tax											15,462	(1,917)
Profit/(loss) before income tax											(59,157)	137,704
Income tax expense											(11,007)	(80,688)
Profit/(loss) for the period											(70,163)	57,017
Assets												
Capital expenditures												
Property, equipment and right-of-use assets	5,630	820	7,086	1,007	976	220	2,647	-	6,248	1,548	22,587	3,596
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Total segment assets	11,901,258	8,240,679	15,157,448	9,693,614	1,940,644	2,093,112	2,417,892	2,660,700	10,177,179	14,303,941	41,594,420	36,992,045
Total segment liabilities	10,662,348	7,276,852	13,579,572	8,559,852	1,738,625	1,848,302	1,486,522	1,693,652	9,602,655	13,199,254	37,069,722	32,577,913

Information on Debentures

Debenture Categories	CSE Listing	Interest Payable Frequency	Face Value as at 31/3/2025 LKR' 000	Market Values			Interest Rates		Interest rate of comparable Government Security %	Interest yield			Yield to Maturity		
				Highest LKR.	Lowest LKR.	Period end LKR.	Coupon Rate	Effective Annual Yield		Highest	Lowest	Last traded	Highest	Lowest	Last traded
Fixed Rate															
Nov 2022 - Nov 2027	Listed	Annually	23,990	Not traded during the quarter			24.00%	24.00%	9.46%	Not traded during the quarter			Not traded during the quarter		
Nov 2022 - Nov 2027	Listed	Bi Annually	32,880	Not traded during the quarter			23.50%	24.88%	9.46%	Not traded during the quarter			Not traded during the quarter		
Floating Rate															
Nov 2022 - Nov 2027	Listed	Quarterly	10,830	Not traded during the quarter			One Year Avg T Bill Rate + 300 basis points		9.46%	Not traded during the quarter			Not traded during the quarter		
Fixed Rate															
April 2023 - April 2028	Listed	Annually	276,660	Not traded during the quarter			29.50%	29.50%	9.88%	Not traded during the quarter			Not traded during the quarter		
April 2023 - April 2028	Listed	Bi Annually	255,140	Not traded during the quarter			28.00%	29.96%	9.88%	Not traded during the quarter			Not traded during the quarter		
April 2023 - April 2028	Listed	At maturity	91,030	Not traded during the quarter			30.00%	24.57%	9.88%	Not traded during the quarter			Not traded during the quarter		
Total Debentures			690,530												

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

Debenture issue proceeds utilization as at 31st March 2025

No.	Objective as per the prospectus	Amount allocated as per prospectus	Date of Utilization	Amount allocated from proceed LKR (A)	% of Total Proceeds	Amount Utilized in LKR (B)	% of Utilization (B/A)	Clarification if not fully utilized
1	Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 67.7 Mn during the year 2022							
a.	The funds raised through this Debenture Issue utilized to increase the medium term fund base to match the medium to long term lending portfolio.					67,700,000	100%	N/A
b.	To enhance the Total Capital base of the Company, for which the Company has obtained approval from the Central Bank of Sri Lanka (CBSL).	67,700,000	16-Nov-22	67,700,000	100%	40,620,000	60%	Discounting of the amount counted as capital by 1/5 each year during the four years preceding the maturity.
2	Issue of listed, unsecured, subordinated redeemable Debentures amounting LKR 622.83 Mn during the year 2023							
a.	The funds raised through this Debenture Issue utilized to meet the regulatory capital requirements of the company (tier II)	622,830,000	10-Apr-23	622,830,000	100%	498,264,000	80%	Discounting of the amount counted as capital by 1/5 each year during the four years preceding the maturity.
b.	To reduce the maturity mismatch by increasing the medium term fund base to					622,830,000	100%	N/A

Events after the statement of financial position date

There were no material events reported since 31st March 2025 that require disclosure in these Financial Statements.

Information on ordinary shares

As at		3/31/2025	12/31/2024
Net asset per share (LKR)	- Company	7.31	7.40
	- Group	7.84	7.94

Market price per share recorded during the quarter ended 31st March (LKR)		2025	2024
	-High	7.50 (24-1-2025)	5.50 (20-3-2024)
	-Low	5.60 (28-3-2025)	4.00 (1-3-2024)
	-Last Transaction	5.80 (31-3-2025)	5.10 (28-3-2024)

As at		3/31/2025	12/31/2024
Number of shares issued		524,539,637	524,539,637
Stated capital (LKR)		4,276,447,883	4,276,447,883

Ratios as at		3/31/2025	12/31/2024
Debt/Equity Ratio*		1.5	2.3
Statutory Liquid Asset Ratio		31.19%	13.41%

*Debt to Equity Ratio has been computed without considering Due to Customers balances.

Ratios for the period ended		3/31/2025	3/31/2024
Interest Cover		0.956	1.112

The Float adjusted market capitalization as at 31st March 2025 - Rs. 471,444,718

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

Upgrading of Rating

On 24th January 2025, Fitch Ratings has upgraded the National Long-Term Ratings of the Company to 'A(Ika)' from 'BBB+(Ika)'; Outlook Stable.

Twenty largest share holders as at 31st March 2025

	Name of the share holder	No. of Shares	Holding %
01	BANK OF CEYLON NO. 1 ACCOUNT	401,577,367	76.56%
02	BOC PROPERTY DEVELOPMENT & MANAGEMENT (PVT) LTD	41,666,682	7.94%
03	BANK OF CEYLON A/C CEYBANK UNIT TRUST	11,798,960	2.25%
04	HATTON NATIONAL BANK PLC/DINESH NAGENDRA SELLAMUTTU	5,320,722	1.01%
05	MR. A.M. WEERASINGHE	3,227,403	0.62%
06	PEOPLE S LEASING AND FINANCE PLC/W.JINADASA	2,890,146	0.55%
07	SAMPATH BANK PLC/ANDARADENIYA ESTATE PRIVATE LIMITED	1,880,302	0.36%
08	THREED CAPITAL (PRIVATE) LIMITED	1,794,268	0.34%
09	HATTON NATIONAL BANK PLC/RAVINDRA ERLE RAMBUKWELLE	1,600,000	0.31%
10	SEYLAN BANK PLC/WETHTHINGE JINADASA	1,460,816	0.28%
11	AMALIYA PRIVATE LIMITED	1,317,656	0.25%
12	MR. D.S.R. DARANAKUMBURA	1,187,464	0.23%
13	MR. B.T. PRATHAPASINGHE	1,121,250	0.21%
14	SEYLAN BANK PLC/ANDARADENIYA ESTATE (PVT) LTD	1,003,277	0.19%
15	SEYLAN BANK PLC/A.C.SENANKA	765,995	0.15%
16	DR. P.M.C.B. DIGANA	700,005	0.13%
17	MR. L.H.L.M.P. HARADASA	627,510	0.12%
18	MR. R.P. HETTIARACHCHI	622,500	0.12%
19	DIALOG FINANCE PLC/K.W.J.P.L. PERERA	593,725	0.11%
20	MR. W.M.N.P. RATHNAYAKA	575,665	0.11%

The percentage of shares held by the public as at 31st March 2025 was 15.50% and the number of public shareholders as at 31st March 2025 were 10,785

Directors' shareholding as at 31st March 2025

Name of the Director	No. of Shares
Mr. A. M. A. Perera	Nil
Mr. G. A. Jayashantha	Nil
Mr. R. M. N. Jeewantha	Nil
Mr. H. P. K. Silva	Nil
Mr. Y. A. Jayathilaka	Nil
Ms. R. D. Fernando	Nil
Mr. A. J. Ismail	12,000
Mr. W. C. Rodrigo	Nil

CEO's shareholding as at 31st March 2025

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