



First Capital  
A Janashakthi Group Company

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# PROVISIONAL FINANCIAL STATEMENTS

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Quarter ended

31 December 2022

FIRST CAPITAL HOLDINGS PLC

## REVIEW OF OPERATIONS

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First Capital Holdings PLC (the Group) recorded a Profit after Tax of Rs. 1.66Bn for the nine months ended 31 December 2022 compared to Loss after Tax of Rs. 68Mn in the corresponding period of the previous year.

The Primary Dealer division reported a Profit after Tax of Rs. 1.9Bn for the nine months ended 31 December 2022 (2021/22 – Loss after Tax of Rs. 361Mn). The Results include net interest income of Rs. 2,152Mn and a trading gain on sale of government securities amounting to Rs. 572Mn (2021/22 – Net interest income of Rs. 357Mn and a trading loss of Rs. 809Mn was recorded).

As of 31 December 2022, the Business division's Held to Maturity portfolio reflected a fair valuation loss of Rs. 1.15Bn which is not accounted for in the provisional financial statements since the amortised cost basis is adopted in valuing the said investment as per the accounting standard on financial instruments (SLFRS 9).

We are operating in a challenging business environment due to the prevailing economic conditions. The impact of a potential local debt restructuring is also a continuing concern.

The Corporate Finance and Dealing Securities division reported a Loss after Tax of Rs. 364Mn for the nine months ended 31 December 2022 (2021/22 – Profit after Tax of Rs. 47Mn). Fair valuation loss on dealing securities amounting to Rs. 210Mn mainly resulted in the Loss for the period under review.

The Wealth Management division reported a Profit after Tax of Rs. 22Mn for the nine months ended 31 December 2022 (2021/22 – Rs. 77Mn). The assets under management of the division stood at Rs. 36Bn as of 31 December 2022 (31 March 2022 – Rs. 41.2Bn).

The Stock Brokering division recorded a Profit after Tax of Rs. 98Mn for the nine months ended 31 December 2022 (2021/22 – Rs. 176Mn).

First Capital Holdings PLC and First Capital Treasuries PLC (subsidiary) were awarded a rating of “A” with stable outlook by Lanka Rating Agency (LRA) in December 2022.

The tragic demise of Dinesh Schaffter who served as First Capital's Managing Director since 2014 prompted appointments to further strengthen the Board of Directors/Senior Management, including the appointment of Manjula Mathews as the Deputy Chairperson and myself as Managing Director/CEO.

Dinesh's vision and contribution towards the success of First Capital Group as well as the capital markets industry of Sri Lanka are deeply appreciated and we continue to move forward with our “Performance First” mindset to honour his legacy.

(Sgd.)

**Dilshan Wirasekara**  
Managing Director/CEO

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the period	Notes	Group			
		October ~ December		April ~ December	
		2022	2021	2022	2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Income</b>		<b>4,365,511</b>	<b>373,469</b>	<b>9,960,551</b>	<b>1,434,780</b>
Direct income		4,323,184	347,598	9,830,134	1,322,997
Direct expenses		(2,659,050)	(397,736)	(6,734,491)	(1,303,355)
<b>Net trading income/(expense)</b>		<b>1,664,134</b>	<b>(50,138)</b>	<b>3,095,643</b>	<b>19,642</b>
Other income	1	42,327	25,871	130,417	111,783
Gain on fair valuation of financial assets recognised through profit or loss measured at fair value		97,656	337,069	162,309	144,244
		<b>1,804,117</b>	<b>312,802</b>	<b>3,388,369</b>	<b>275,669</b>
<b>Operating expenses</b>					
Administrative expenses		(222,166)	(163,318)	(494,603)	(404,281)
Sales and distribution expenses		(4,236)	(5,571)	(11,984)	(15,263)
Other operating expenses		(238,421)	(27,558)	(452,116)	(58,209)
(Provision)/ Reversal for impairment of financial assets at amortised cost		(6,006)	2,134	(24,177)	4,404
		<b>(470,829)</b>	<b>(194,313)</b>	<b>(982,880)</b>	<b>(473,349)</b>
<b>Profit/ (Loss) before tax</b>		<b>1,333,288</b>	<b>118,489</b>	<b>2,405,489</b>	<b>(197,680)</b>
Income tax (expense)/ reversal	2	(495,001)	116,087	(744,058)	129,158
<b>Profit/ (Loss) for the period</b>		<b>838,287</b>	<b>234,576</b>	<b>1,661,431</b>	<b>(68,522)</b>
<b>Other comprehensive income</b>					
<i>Items that will never be reclassified to profit or loss</i>		-	-	-	-
<i>Items that are or may be reclassified to profit or loss</i>		-	-	-	-
<b>Other comprehensive income for the period</b>		-	-	-	-
<b>Total comprehensive income/ (loss) for the period</b>		<b>838,287</b>	<b>234,576</b>	<b>1,661,431</b>	<b>(68,522)</b>
<b>Profit/ (Loss) attributable to:</b>					
Equity holders of the parent		753,322	229,655	1,459,663	(51,063)
Non - controlling interest		84,965	4,921	201,768	(17,459)
		<b>838,287</b>	<b>234,576</b>	<b>1,661,431</b>	<b>(68,522)</b>
<b>Total comprehensive income/ (loss) attributable to:</b>					
Equity holders of the parent		753,322	229,655	1,459,663	(51,063)
Non - controlling interest		84,965	4,921	201,768	(17,459)
		<b>838,287</b>	<b>234,576</b>	<b>1,661,431</b>	<b>(68,522)</b>
<b>Basic earnings/ (loss) per share (Rs.)</b>	3	<b>1.86</b>	<b>0.57</b>	<b>3.60</b>	<b>(0.13)</b>

**Figures in bracket indicate deductions.**

Note: All values are in Rupees '000 unless otherwise stated.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the period	Notes	Company			
		October ~ December		April ~ December	
		2022	2021	2022	2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Income</b>		<b>1,121,047</b>	<b>237,826</b>	<b>2,704,084</b>	<b>708,842</b>
Direct income		1,121,047	237,826	2,704,084	708,826
Direct expenses		(886,780)	(197,367)	(2,136,535)	(565,948)
<b>Net trading income</b>		<b>234,267</b>	<b>40,459</b>	<b>567,549</b>	<b>142,878</b>
Other income	1	-	-	-	16
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss measured at fair value		6,879	38,863	(203,897)	(16,287)
<b>Operating expenses</b>		<b>241,146</b>	<b>79,322</b>	<b>363,652</b>	<b>126,607</b>
Administrative expenses		(15,072)	(13,873)	(53,570)	(45,271)
Sales and distribution expenses		(770)	2,975	(1,751)	(599)
Other operating expenses		(36,839)	(4,855)	(83,785)	(21,507)
(Provision)/ reversal for impairment of financial assets at amortised cost		592	(2,924)	962	(1,649)
<b>Operating profit</b>		<b>189,057</b>	<b>60,645</b>	<b>225,508</b>	<b>57,581</b>
Share of profit/ (loss) from equity accounted investee (net of tax)		638,193	261,184	1,328,816	(12,447)
<b>Profit before tax</b>		<b>827,250</b>	<b>321,829</b>	<b>1,554,324</b>	<b>45,134</b>
Income tax expense	2	(67,774)	(15,029)	(88,507)	(19,052)
<b>Profit for the period</b>		<b>759,476</b>	<b>306,800</b>	<b>1,465,817</b>	<b>26,082</b>
<b>Other comprehensive income</b>					
<i>Items that will never be reclassified to profit or loss</i>		-	-	-	-
<i>Items that are or may be reclassified to profit or loss</i>		-	-	-	-
<b>Other comprehensive income for the period</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>759,476</b>	<b>306,800</b>	<b>1,465,817</b>	<b>26,082</b>
<b>Basic earnings per share (Rs.)</b>	3	<b>1.88</b>	<b>0.76</b>	<b>3.62</b>	<b>0.06</b>

Figures in bracket indicate deductions.

Note: All values are in Rupees '000 unless otherwise stated.

**CONSOLIDATE STATEMENT OF FINANCIAL POSITION**

As at	Group		Company	
	31 December 2022 (Unaudited)	31 March 2022 (Audited)	31 December 2022 (Unaudited)	31 March 2022 (Audited)
<b>ASSETS</b>				
Cash at banks and in hand	112,189	526,987	19,692	39,417
Derivative financial instruments	20,412	5,190	-	-
Financial assets recognised through profit or loss -measured at fair value	46,344,709	30,066,729	1,756,625	3,220,443
Financial assets - fair value through other comprehensive income	34,635	34,635	-	-
Financial assets at amortised cost	20,497,879	9,059,275	11,461,507	8,784,857
Amounts due from related companies	272	750	32,796	8,473
Trade and other receivables	1,279,230	1,423,170	13,437	10,161
Non - current assets held for sale	42,416	42,416	-	-
Taxes receivable	15,204	72,126	-	56,811
Investment in subsidiary	-	-	4,461,498	3,482,855
Deferred tax asset	50,411	122,497	1,253	986
Property, plant and equipment and right of use assets	29,453	38,322	16,946	17,437
Intangible assets	119,938	122,532	3,379	5,281
<b>TOTAL ASSETS</b>	<b>68,546,748</b>	<b>41,514,629</b>	<b>17,767,133</b>	<b>15,626,721</b>
<b>LIABILITIES</b>				
Bank overdrafts	1,150,295	1,245,741	1,149,644	1,245,696
Derivative financial instruments	277,512	2,622	-	-
Securities sold under re-purchase agreements	47,702,437	23,799,838	-	-
Short term borrowings	8,178,692	8,139,888	8,306,887	8,250,158
Amounts due to related companies	7,660	5,571	2,485	2,096
Trade and other payables	998,524	959,271	55,262	47,543
Taxes payable	609,001	78,132	31,963	-
Long term borrowings	902,454	-	902,454	-
Retirement benefit obligations	49,262	37,404	-	-
Borrowings on debentures	2,953,615	2,780,890	2,180,859	2,030,553
<b>TOTAL LIABILITIES</b>	<b>62,829,452</b>	<b>37,049,357</b>	<b>12,629,554</b>	<b>11,576,046</b>
<b>EQUITY</b>				
Stated capital	227,500	227,500	227,500	227,500
Risk reserve	1,410,154	1,239,478	1,410,154	1,239,478
Retained earnings	3,797,881	2,881,654	3,797,881	2,881,654
Fair valuation reserve	(297,956)	(297,957)	(297,956)	(297,957)
Equity attributable to the equity holders of the parent	<b>5,137,579</b>	<b>4,050,675</b>	<b>5,137,579</b>	<b>4,050,675</b>
Non- controlling interest	579,717	414,597	-	-
<b>TOTAL EQUITY</b>	<b>5,717,296</b>	<b>4,465,272</b>	<b>5,137,579</b>	<b>4,050,675</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68,546,748</b>	<b>41,514,629</b>	<b>17,767,133</b>	<b>15,626,721</b>
Net asset per share (Rs.)	<b>12.69</b>	<b>10.00</b>	<b>12.69</b>	<b>10.00</b>

Note: All values are in Rupees '000 unless otherwise stated.

These consolidated financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



**Mangala Jayashantha**  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these consolidated financial statements.



**Dilshan Wirasekara**  
Managing Director/ CEO



**Nishan Fernando**  
Chairman

13 February 2023  
Colombo.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For nine months ended 31 December 2022	Attributable to equity holders of the parent				Non-controlling Interest	Total Equity	
	Stated Capital	Risk Reserve	Retained Earnings	Fair Valuation Reserve			Total
<b>Group</b>							
<b>Balance as at 1 April 2021 (Audited)</b>	227,500	1,308,818	3,326,168	(292,419)	4,570,067	252,412	4,822,479
<b><u>Total comprehensive income for the period</u></b>							
Loss for the period	-	-	(51,063)	-	(51,063)	(17,459)	(68,522)
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	<b>(51,063)</b>	-	<b>(51,063)</b>	<b>(17,459)</b>	<b>(68,522)</b>
<b>Transactions with equity holders</b>							
Adjustment due to change in share ownership	-	(69,340)	146,385	100	77,145	205,220	282,365
<b>Total distribution to equity holders</b>	-	<b>(69,340)</b>	<b>146,385</b>	<b>100</b>	<b>77,145</b>	<b>205,220</b>	<b>282,365</b>
Transfers to risk reserve	-	-	-	-	-	-	-
<b>Balance as at 31 December 2021 (Unaudited)</b>	<b>227,500</b>	<b>1,239,478</b>	<b>3,421,490</b>	<b>(292,319)</b>	<b>4,596,149</b>	<b>440,173</b>	<b>5,036,322</b>
<b>Balance as at 1 April 2022 (Audited)</b>	<b>227,500</b>	<b>1,239,478</b>	<b>2,881,654</b>	<b>(297,957)</b>	<b>4,050,675</b>	<b>414,597</b>	<b>4,465,272</b>
Impact on surcharge tax	-	-	(378,913)	-	(378,913)	(39,149)	(418,062)
<b>Adjusted balance as at 1 April 2022</b>	<b>227,500</b>	<b>1,239,478</b>	<b>2,502,741</b>	<b>(297,957)</b>	<b>3,671,762</b>	<b>375,448</b>	<b>4,047,210</b>
<b><u>Total comprehensive income for the period</u></b>							
Profit for the period	-	-	1,459,663	-	1,459,663	201,768	1,661,431
<b>Total comprehensive income</b>	-	-	<b>1,459,663</b>	-	<b>1,459,663</b>	<b>201,768</b>	<b>1,661,431</b>
<b>Transactions with equity holders</b>							
Adjustment due to change in share ownership	-	(773)	6,926	1	6,154	2,501	8,655
<b>Total transactions with equity holders</b>	-	<b>(773)</b>	<b>6,926</b>	<b>1</b>	<b>6,154</b>	<b>2,501</b>	<b>8,655</b>
Transfers to risk reserve	-	171,449	(171,449)	-	-	-	-
<b>Balance as at 31 December 2022 (Unaudited)</b>	<b>227,500</b>	<b>1,410,154</b>	<b>3,797,881</b>	<b>(297,956)</b>	<b>5,137,579</b>	<b>579,717</b>	<b>5,717,296</b>

For nine months ended 31 December 2022	Stated Capital	Risk Reserve	Retained Earnings	Fair Valuation Reserve	Total Equity
<b>Company</b>					
<b>Balance as at 1 April 2021 (Audited)</b>	227,500	1,308,818	3,326,168	(292,419)	4,570,067
<b><u>Total comprehensive income for the period</u></b>					
Profit for the period	-	-	26,082	-	26,082
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss</b>	-	-	<b>26,082</b>	-	<b>26,082</b>
<b>Transactions with equity holders</b>					
Adjustment due to change in share ownership	-	(69,340)	69,240	100	-
<b>Total transactions with equity holders</b>	-	<b>(69,340)</b>	<b>69,240</b>	<b>100</b>	-
Transfer to risk reserve	-	-	-	-	-
<b>Balance as at 31 December 2021 (Unaudited)</b>	<b>227,500</b>	<b>1,239,478</b>	<b>3,421,490</b>	<b>(292,319)</b>	<b>4,596,149</b>
<b>Balance as at 1 April 2022 (Audited)</b>	<b>227,500</b>	<b>1,239,478</b>	<b>2,881,654</b>	<b>(297,957)</b>	<b>4,050,675</b>
Impact on surcharge tax	-	-	(378,913)	-	(378,913)
<b>Adjusted balance as at 1 April 2022</b>	<b>227,500</b>	<b>1,239,478</b>	<b>2,502,741</b>	<b>(297,957)</b>	<b>3,671,762</b>
<b><u>Total comprehensive income for the period</u></b>					
Profit for the period	-	-	1,465,817	-	1,465,817
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	<b>1,465,817</b>	-	<b>1,465,817</b>
<b>Transactions with equity holders</b>					
Adjustment due to change in share ownership	-	(773)	772	1	-
<b>Total distribution to equity holders</b>	-	<b>(773)</b>	<b>772</b>	<b>1</b>	-
Transfer to risk reserve	-	171,449	(171,449)	-	-
<b>Balance as at 31 December 2022 (Unaudited)</b>	<b>227,500</b>	<b>1,410,154</b>	<b>3,797,881</b>	<b>(297,956)</b>	<b>5,137,579</b>

Figures in bracket indicate deductions.

Note: All values are in Rupees '000 unless otherwise stated.

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the period	Group		Company	
	April ~ December		April ~ December	
	2022	2021	2022	2021
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Cash flows from operating activities</b>				
Interest receipts and gains realised	9,775,231	1,270,112	2,630,619	706,861
Interest payments and other direct cost	(6,545,747)	(1,083,209)	(1,715,719)	(401,687)
Other receipts	130,364	57,207	-	16
Cash payments to employees and suppliers	(845,842)	(450,092)	(127,615)	(59,225)
<b>Operating profit/ (loss) before changes in operating assets and liabilities</b>	<b>2,514,006</b>	<b>(205,982)</b>	<b>787,285</b>	<b>245,965</b>
(Increase)/ Decrease in financial assets recognised through profit or loss -measured at fair value	(15,855,951)	1,185,413	1,259,921	(1,242,410)
Increase in financial assets at amortised cost	(11,452,027)	450,709	(2,856,714)	358,913
(Increase)/ Decrease in trade and other receivables	143,940	(728,108)	(3,276)	(5,520)
Increase in group balances receivable	478	(1,172)	(24,323)	(13,552)
Increase/ (Decrease) in trade and other payables	(39,655)	353,664	5,575	(9,916)
Increase/ (Decrease) in group balances payable	2,089	576	389	646
Increase in other short term borrowings	25,239	1,106,123	43,164	1,214,086
Increase/ (Decrease) in borrowings against re-purchase agreements	23,902,599	(962,162)	-	-
<b>Cash generated from/ (used in) operations</b>	<b>(759,282)</b>	<b>1,199,061</b>	<b>(787,979)</b>	<b>548,212</b>
Tax paid	(502,243)	(686,455)	(28,740)	-
Gratuity paid	(1,458)	-	-	-
<b>Net cash flow generated from/ (used in) operating activities</b>	<b>(1,262,983)</b>	<b>512,606</b>	<b>(816,719)</b>	<b>548,212</b>
<b>Cash flow from investing activities</b>				
Purchase of property, plant, equipment and intangible assets	(9,270)	(12,983)	(6,954)	(8,071)
Sale of property plant and equipment	-	327	-	-
Dividend receipts	44,149	49,208	-	-
Net disposal proceeds from equity stake in subsidiary	8,752	294,435	-	-
<b>Net cash flow generated from/ (used in) investing activities</b>	<b>43,631</b>	<b>330,987</b>	<b>(6,954)</b>	<b>(8,071)</b>
<b>Cash flow from financing activities</b>				
Repayment of long term borrowings	(100,000)	(50,000)	(100,000)	(50,000)
Proceeds from long term borrowings	1,000,000	-	1,000,000	-
Dividend paid	-	(506,250)	-	(506,250)
<b>Net cash flow generated from/(used in) financing activities</b>	<b>900,000</b>	<b>(556,250)</b>	<b>900,000</b>	<b>(556,250)</b>
<b>Net cash inflow/ (outflow) for the period</b>	<b>(319,352)</b>	287,343	<b>76,327</b>	(16,109)
Cash and cash equivalents at the beginning of the period	(718,754)	238,602	(1,206,279)	40,871
Cash and cash equivalents at the end of the period (Note A)	<b>(1,038,106)</b>	<b>525,945</b>	<b>(1,129,952)</b>	<b>24,762</b>
<b>Note A</b>				
Cash at bank and hand	112,189	576,941	19,692	25,741
Bank overdraft	(1,150,295)	(50,996)	(1,149,644)	(979)
	<b>(1,038,106)</b>	<b>525,945</b>	<b>(1,129,952)</b>	<b>24,762</b>

**Figures in bracket indicate deductions.**

Note: All values are in Rupees '000 unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

**1 Other income**

**For the period - Group**

	October ~ December		April ~ December	
	2022	2021	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Exchange gain	-	-	53	54,543
Profit on sale of property, plant and equipment	-	33	-	33
Miscellaneous income	42,327	25,838	130,364	57,207
	<b>42,327</b>	<b>25,871</b>	<b>130,417</b>	<b>111,783</b>

**For the period - Company**

	October ~ December		April ~ December	
	2022	2021	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Miscellaneous income	-	-	-	16
	-	-	-	<b>16</b>

**2 Income tax expenses**

**For the period - Group**

	October ~ December		April ~ December	
	2022	2021	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current tax expenses	(509,871)	(52,550)	(671,972)	(106,437)
Reversal of Over provision for income tax	-	149,184	-	149,184
Deferred tax (expenses)/ reversals	14,870	19,453	(72,086)	86,411
	<b>(495,001)</b>	<b>116,087</b>	<b>(744,058)</b>	<b>129,158</b>

**For the period - Company**

	October ~ December		April ~ December	
	2022	2021	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current tax expenses	(67,940)	(16,865)	(88,774)	(20,608)
Reversal of Over provision for income tax	-	1,035	-	1,035
Deferred tax reversal	166	801	267	521
	<b>(67,774)</b>	<b>(15,029)</b>	<b>(88,507)</b>	<b>(19,052)</b>

**3 Basic earnings per share (EPS)**

Earnings per share has been calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The effect on sub-division of shares which was executed on 27 April 2022 has been adjusted retrospectively (Note 10.1).

**4** These Provisional Financial Statements for the quarter ended 31 December 2022 have been prepared in accordance with Sri Lanka Accounting Standard (LKAS 34) "Interim Financial Reporting".



## NOTES TO THE FINANCIAL STATEMENTS

### 5 Financial instruments- Fair Value Measurement

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements in accordance with SLFRS 13.

#### Level - 1

Financial instruments that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis.

#### Level - 2

Financial instruments that are measured at fair value on a recurring basis. As market quotes generally are not readily available or accessible for these securities, their fair value measures are determined using relevant information generated by market transactions involving comparable securities.

#### Level - 3

Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

### 5.1 Fair values versus the Carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position are as follows;

#### Group

	As at 31.12.2022		As at 31.03.2022	
	Carrying Amount Rs. '000	Fair Value Rs. '000	Carrying Amount Rs. '000	Fair Value Rs. '000
<b>Financial assets measured at fair value</b>				
Derivative financial instruments	20,412	20,412	5,190	5,190
Financial assets recognised through profit or loss - measured at fair value	46,344,709	46,344,709	30,066,729	30,066,729
Financial assets - fair value through other comprehensive income	34,635	34,635	34,635	34,635
	<b>46,399,756</b>	<b>46,399,756</b>	30,106,554	30,106,554
<b>Financial assets not measured at fair value</b>				
Cash at banks and in hand	112,189	112,189	526,987	526,987
Financial assets at amortised cost	20,497,879	19,350,250	9,059,275	9,061,083
Amounts due from related companies	272	272	750	750
Trade receivables	601,714	601,714	925,049	925,049
	<b>21,212,054</b>	<b>20,064,425</b>	10,512,061	10,513,869
<b>Total financial assets</b>	<b>67,611,810</b>	<b>66,464,181</b>	40,618,615	40,620,423
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	277,512	277,512	2,622	2,622
	<b>277,512</b>	<b>277,512</b>	2,622	2,622
<b>Financial liabilities not measured at fair value</b>				
Bank overdrafts	1,150,295	1,150,295	1,245,741	1,245,741
Amounts due to related companies	7,660	7,660	5,571	5,571
Trade and other payables	998,524	998,524	623,788	623,788
Securities sold under re-purchase agreements	47,702,437	47,651,871	23,799,838	23,773,602
Short term borrowings	8,178,692	8,178,692	8,139,888	8,139,888
Long term borrowings	902,454	902,454	-	-
Borrowings on debentures	2,953,615	2,020,273	2,780,890	2,311,508
	<b>61,893,677</b>	<b>60,909,769</b>	36,595,716	36,100,098
<b>Total financial liabilities</b>	<b>62,171,189</b>	<b>61,187,281</b>	36,598,338	36,102,720

NOTES TO THE FINANCIAL STATEMENTS

5.1 Fair values versus the Carrying amounts (Contd.)

Company

	As at 31.12.2022		As at 31.03.2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>				
Financial assets recognised through profit or loss - measured at fair value	<b>1,756,625</b>	<b>1,756,625</b>	3,220,443	3,220,443
	<b>1,756,625</b>	<b>1,756,625</b>	3,220,443	3,220,443
<b>Financial assets not measured at fair value</b>				
Cash at banks and in hand	<b>19,692</b>	<b>19,692</b>	39,417	39,417
Amounts due from related companies	<b>32,796</b>	<b>32,796</b>	8,473	8,473
Financial assets at amortised cost	<b>11,461,507</b>	<b>11,461,507</b>	8,784,857	8,784,857
	<b>11,513,995</b>	<b>11,513,995</b>	8,832,747	8,832,747
<b>Total financial assets</b>	<b>13,270,620</b>	<b>13,270,620</b>	12,053,190	12,053,190
<b>Financial liabilities measured at fair value</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>				
Bank overdrafts	<b>1,149,644</b>	<b>1,149,644</b>	1,245,696	1,245,696
Amounts due to related companies	<b>2,485</b>	<b>2,485</b>	2,096	2,096
Trade and other payables	<b>55,262</b>	<b>55,262</b>	46,460	46,460
Short term borrowings	<b>8,306,887</b>	<b>8,306,887</b>	8,250,158	8,250,158
Long term borrowings	<b>902,454</b>	<b>902,454</b>	-	-
Borrowings on debentures	<b>2,180,859</b>	<b>1,447,263</b>	2,030,553	1,653,396
	<b>12,597,591</b>	<b>11,863,995</b>	11,574,963	11,197,806
<b>Total financial liabilities</b>	<b>12,597,591</b>	<b>11,863,995</b>	11,574,963	11,197,806

## NOTES TO THE FINANCIAL STATEMENTS

### 5.2 Financial instruments- Fair Value

The following tables show an analysis of financial instruments at fair value and by level of fair value hierarchy.

#### Group - As at 31 December 2022

	Carrying Value Rs.'000	Level 1 Rs.'000	Level 2 Rs.'000	Level 3 Rs.'000	Total Fair Value Rs.'000
<b>Financial assets measured at fair value</b>					
<b>Derivative financial instruments</b>					
Forward purchase contracts	20,038	20,038	-	-	20,038
Forward sale contracts	374	374	-	-	374
	<b>20,412</b>	<b>20,412</b>	-	-	<b>20,412</b>
<b>Financial assets recognised through profit or loss - measured at fair value</b>					
Investment in government securities	44,397,886	44,397,886	-	-	44,397,886
Investment in debentures	1,064,447	45,519	1,018,928	-	1,064,447
Investment in unit trust	199,743	-	199,743	-	199,743
Investment in listed shares	682,633	682,633	-	-	682,633
	<b>46,344,709</b>	<b>45,126,038</b>	<b>1,218,671</b>	-	<b>46,344,709</b>
Financial assets - fair value through other comprehensive income	34,635	-	34,635	-	34,635
	<b>46,399,756</b>	<b>45,146,450</b>	<b>1,253,306</b>	-	<b>46,399,756</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	112,189	-	-	112,189	112,189
Financial assets at amortised cost	20,497,879	7,853,694	-	11,496,556	19,350,250
Amounts due from related companies	272	-	-	272	272
Trade receivables	601,714	-	-	601,714	601,714
	<b>21,212,054</b>	<b>7,853,694</b>	-	<b>12,210,731</b>	<b>20,064,425</b>
<b>Total financial assets</b>	<b>67,611,810</b>	<b>53,000,144</b>	<b>1,253,306</b>	<b>12,210,731</b>	<b>66,464,181</b>
<b>Financial liabilities measured at fair value</b>					
<b>Derivative financial instruments</b>					
Forward sale contracts	277,512	277,512	-	-	277,512
	<b>277,512</b>	<b>277,512</b>	-	-	<b>277,512</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	1,150,295	-	-	1,150,295	1,150,295
Amounts due to related companies	7,660	-	-	7,660	7,660
Trade and other payables	998,524	-	-	998,524	998,524
Securities sold under re-purchase agreements	47,702,437	-	-	47,651,871	47,651,871
Short term borrowings	8,178,692	-	-	8,178,692	8,178,692
Long term borrowings	902,454	-	-	902,454	902,454
Borrowings on debentures	2,953,615	-	2,020,273	-	2,020,273
	<b>61,893,677</b>	-	<b>2,020,273</b>	<b>58,889,496</b>	<b>60,909,769</b>
<b>Total financial liabilities</b>	<b>62,171,189</b>	<b>277,512</b>	<b>2,020,273</b>	<b>58,889,496</b>	<b>61,187,281</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 5.2 Financial instruments- Fair Value (Contd.)

Group - As at 31 March 2022

	Total Carrying Rs.'000	Level 1 Rs.'000	Level 2 Rs.'000	Level 3 Rs.'000	Total Fair Value Rs.'000
<b>Financial assets measured at fair value</b>					
<b>Derivative financial instruments</b>					
Forward purchase contracts	3,290	3,290	-	-	3,290
Forward sale contracts	1,900	1,900	-	-	1,900
	<b>5,190</b>	<b>5,190</b>	-	-	<b>5,190</b>
<b>Financial assets recognised through profit or loss - measured at fair value</b>					
Investment in government securities	27,473,623	27,473,623	-	-	27,473,623
Investment in debentures	1,425,996	778,941	647,055	-	1,425,996
Investment in unit trust	431,831	-	431,831	-	431,831
Investment in listed shares	735,279	735,279	-	-	735,279
	<b>30,066,729</b>	<b>28,987,843</b>	<b>1,078,886</b>	-	<b>30,066,729</b>
<b>Financial assets - fair value through other comprehensive income</b>					
	34,635	-	34,635	-	34,635
	<b>30,106,554</b>	<b>28,993,033</b>	<b>1,113,521</b>	-	<b>30,106,554</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	526,987	-	-	526,987	526,987
Financial assets at amortised cost	9,059,275	2,370,790	-	6,690,293	9,061,083
Amounts due from related companies	750	-	-	750	750
Trade receivables	925,049	-	-	925,049	925,049
	<b>10,512,061</b>	<b>2,370,790</b>	-	<b>8,143,079</b>	<b>10,513,869</b>
<b>Total financial assets</b>	<b>40,618,615</b>	<b>31,363,823</b>	<b>1,113,521</b>	<b>8,143,079</b>	<b>40,620,423</b>
<b>Financial liabilities measured at fair value</b>					
<b>Derivative financial instruments</b>					
Forward sale contracts	2,622	2,622	-	-	2,622
	<b>2,622</b>	<b>2,622</b>	-	-	<b>2,622</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	1,245,741	-	-	1,245,741	1,245,741
Amounts due to related companies	5,571	-	-	5,571	5,571
Trade and other payables	623,788	-	-	623,788	623,788
Securities sold under re-purchase agreements	23,799,838	-	-	23,773,602	23,773,602
Short term borrowings	8,139,888	-	-	8,139,888	8,139,888
Borrowings on debentures	2,780,890	-	2,311,508	-	2,311,508
	<b>36,595,716</b>	-	<b>2,311,508</b>	<b>33,788,590</b>	<b>36,100,098</b>
<b>Total financial liabilities</b>	<b>36,598,338</b>	<b>2,622</b>	<b>2,311,508</b>	<b>33,788,590</b>	<b>36,102,720</b>

NOTES TO THE FINANCIAL STATEMENTS

5.2 Financial instruments- Fair Value (Contd.)

Company - As at 31 December 2022

	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Financial assets measured at fair value</b>					
<b>Financial assets recognised through profit or loss - measured at fair value</b>					
Investment in government securities	1,162,757	1,162,757	-	-	1,162,757
Investment in debentures	593,868	-	593,868	-	593,868
	<b>1,756,625</b>	<b>1,162,757</b>	<b>593,868</b>	<b>-</b>	<b>1,756,625</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	19,692	-	-	19,692	19,692
Amounts due from related companies	32,796	-	-	32,796	32,796
Financial assets at amortised cost	11,461,507	-	-	11,461,507	11,461,507
	<b>11,513,995</b>	<b>-</b>	<b>-</b>	<b>11,513,995</b>	<b>11,513,995</b>
<b>Total financial assets</b>	<b>13,270,620</b>	<b>1,162,757</b>	<b>593,868</b>	<b>11,513,995</b>	<b>13,270,620</b>
<b>Financial liabilities measured at fair value</b>					
	-	-	-	-	-
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	1,149,644	-	-	1,149,644	1,149,644
Amounts due to related companies	2,485	-	-	2,485	2,485
Trade and other payables	55,262	-	-	55,262	55,262
Short term borrowings	8,306,887	-	-	8,306,887	8,306,887
Long term borrowings	902,454	-	-	902,454	902,454
Borrowings on debentures	2,180,859	-	1,447,263	-	1,447,263
	<b>12,597,591</b>	<b>-</b>	<b>1,447,263</b>	<b>10,416,732</b>	<b>11,863,995</b>
<b>Total financial liabilities</b>	<b>12,597,591</b>	<b>-</b>	<b>1,447,263</b>	<b>10,416,732</b>	<b>11,863,995</b>

Company - As at 31 March 2022

	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Financial assets measured at fair value</b>					
<b>Financial assets recognised through profit or loss - measured at fair value</b>					
Investment in government securities	2,472,961	2,472,961	-	-	2,472,961
Investment in debentures	747,482	747,482	-	-	747,482
	<b>3,220,443</b>	<b>3,220,443</b>	<b>-</b>	<b>-</b>	<b>3,220,443</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	39,417	-	-	39,417	39,417
Amounts due from related companies	8,473	-	-	8,473	8,473
Financial assets at amortised cost	8,784,857	-	-	8,784,857	8,784,857
	<b>8,832,747</b>	<b>-</b>	<b>-</b>	<b>8,832,747</b>	<b>8,832,747</b>
<b>Total financial assets</b>	<b>12,053,190</b>	<b>3,220,443</b>	<b>-</b>	<b>8,832,747</b>	<b>12,053,190</b>
<b>Financial liabilities measured at fair value</b>					
	-	-	-	-	-
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	1,245,696	-	-	1,245,696	1,245,696
Amounts due to related companies	2,096	-	-	2,096	2,096
Trade and other payables	46,460	-	-	46,460	46,460
Short term borrowings	8,250,158	-	-	8,250,158	8,250,158
Borrowings on debentures	2,030,553	-	1,653,396	-	1,653,396
	<b>11,574,963</b>	<b>-</b>	<b>1,653,396</b>	<b>9,544,410</b>	<b>11,197,806</b>
<b>Total financial liabilities</b>	<b>11,574,963</b>	<b>-</b>	<b>1,653,396</b>	<b>9,544,410</b>	<b>11,197,806</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 5.3 Measurement of fair values

#### 5.3 (a) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

#### Financial instruments measured at fair value

Type	Valuation Technique	Significant Unobservable Inputs	Inter-relationship between Significant Unobservable Inputs and Fair Value Measurement
Debentures	The valuation model is based on Yield Curve of the Government Securities. Yields relating to Government Securities based on the remaining maturities of the respective debentures is interpolated in the valuation considering the investee companies' risk premiums.	Risk premium of the investee companies (lies between 3.27% and 6.31%)	The estimated fair value would increase/decrease if risk premium of the investee company is lower or higher
Unit Trusts	The fair values are based on the Net Asset Values published by the respective unit trusts.	Not applicable	Not applicable
Equity Securities (Financial assets - fair value through other comprehensive income)	The fair values are based on price to book value approach (PBV 1.0 times).	Discounting factor used to arrive the unlisted price	The estimated fair value would increase/decrease if the discounting factor used by investor company is lower or higher

## NOTES TO THE FINANCIAL STATEMENTS

### 5.3 Measurement of fair values (Contd.)

#### 5.3 (b) Fair Values - Level 2 and Level 3

##### Reconciliation of level 2 and level 3 fair values (Group)

The following table shows a reconciliation from the opening balance to the closing balances for Level 2 and Level 3 fair values.

	Equity Securities (Financial assets- FVTOCI)			Total
	Debtentures	Unit Trust		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1 April 2022	647,055	431,831	34,635	1,113,521
Purchase	-	2,281,166	-	2,281,166
Sales/ Matured	(168,490)	(2,527,362)	-	(2,695,852)
Interest accrued	154,429	-	-	154,429
Gain/ (loss) on fair valuation of financial investments	(361,548)	14,108	-	(347,440)
Transferred from level 1	747,482	-	-	747,482
<b>Balance as at 31 December 2022</b>	<b>1,018,928</b>	<b>199,743</b>	<b>34,635</b>	<b>1,253,306</b>

#### 5.3 (c) Reconciliation of level 2 and level 3 fair values (Company)

The following table shows a reconciliation from the opening balance to the closing balances for Level 2 fair values.

	Debtentures	Total
	Rs.'000	Rs.'000
Balance as at 1 April 2022	-	-
Purchase	-	-
Sales/ Matured	(1,500)	(1,500)
Interest accrued	58,472	58,472
Gain/ (loss) on fair valuation of financial investments	(210,586)	(210,586)
Transferred from level 1	747,482	747,482
<b>Balance as at 31 December 2022</b>	<b>593,868</b>	<b>593,868</b>

#### 5.4 (a) Sensitivity analysis on Listed/ Unlisted Debtentures (Group)

Sensitivity of the Market Yield (Effect on Statement of profit or loss and other comprehensive income) is as follows.

	(-) 100bps Decrease	(-) 200bps Decrease	(+) 100bps Increase	(+) 200bps Increase
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Keysey Homes (Pvt) Ltd (Unlisted)	2,134	4,303	(2,099)	(4,164)
Asia Asset Finance PLC (Maturity 2023)	1,059	2,133	(1,045)	(2,076)
Asia Asset Finance PLC (Maturity 2026)	1,525	3,064	(1,510)	(3,006)
LOLC Holdings PLC	8,322	17,129	(7,869)	(15,317)
Softlogic Capital PLC	669	1,352	(656)	(1,299)
Janashakthi Limited (Unlisted)	497	1,000	(491)	(975)
	<b>14,206</b>	<b>28,981</b>	<b>(13,670)</b>	<b>(26,837)</b>

#### 5.4 (b) Sensitivity analysis on Listed Debtentures (Company)

Sensitivity of the Market Yield (Effect on Statement of profit or loss and other comprehensive income) is as follows.

	(-) 100bps Decrease	(-) 200bps Decrease	(+) 100bps Increase	(+) 200bps Increase
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Asia Asset Finance PLC (Maturity 2026)	1,525	3,064	(1,510)	(3,006)
LOLC Holdings PLC	8,322	17,129	(7,869)	(15,317)
	<b>9,847</b>	<b>20,193</b>	<b>(9,379)</b>	<b>(18,323)</b>

#### 5.4 (c) Sensitivity analysis on Unit Trust (Group)

Sensitivity of the Unit Price (Effect on Statement of profit or loss and other comprehensive income) is as follows.

	(-) 100bps Decrease	(-) 200bps Decrease	(+) 100bps Increase	(+) 200bps Increase
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
First Capital Money Market Fund	(685)	(1,370)	685	1,370
First Capital Equity Fund	(611)	(1,222)	611	1,222
First Capital Wealth Fund	(98)	(196)	98	196
First Capital Gilt-Edged Fund	(603)	(1,206)	603	1,206
	<b>(1,997)</b>	<b>(3,994)</b>	<b>1,997</b>	<b>3,994</b>

6 Financial instruments - Accounting classifications

Group - As at 31 December 2022

	Financial assets/ liabilities at amortised cost		Financial assets - FVTOCI	Total carrying amount	Fair value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>					
Financial assets - FVTPL	46,344,709	-	-	46,344,709	46,344,709
Derivative Financial Instruments	20,412	-	-	20,412	20,412
Financial assets - FVTOCI	-	-	34,635	34,635	34,635
	<b>46,365,121</b>	<b>-</b>	<b>34,635</b>	<b>46,399,756</b>	<b>46,399,756</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	-	112,189	-	112,189	112,189
Amounts due from related companies	-	272	-	272	272
Financial assets at amortised cost	-	20,497,879	-	20,497,879	19,350,250
Trade receivables	-	601,714	-	601,714	601,714
	<b>-</b>	<b>21,212,054</b>	<b>-</b>	<b>21,212,054</b>	<b>20,064,425</b>
<b>Total financial assets</b>	<b>46,365,121</b>	<b>21,212,054</b>	<b>34,635</b>	<b>67,611,810</b>	<b>66,464,181</b>
<b>Financial liabilities measured at fair value</b>					
Derivative Financial Instruments	277,512	-	-	277,512	277,512
	<b>277,512</b>	<b>-</b>	<b>-</b>	<b>277,512</b>	<b>277,512</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	-	1,150,295	-	1,150,295	1,150,295
Group balances payable	-	7,660	-	7,660	7,660
Trade and other payables	-	998,524	-	998,524	998,524
Securities sold under re-purchase agreements	-	47,702,437	-	47,702,437	47,651,871
Short term borrowings	-	8,178,692	-	8,178,692	8,178,692
Long term borrowings	-	902,454	-	902,454	902,454
Borrowings on debentures	-	2,953,615	-	2,953,615	2,020,273
	<b>-</b>	<b>61,893,677</b>	<b>-</b>	<b>61,893,677</b>	<b>60,909,769</b>
<b>Total Financial Liabilities</b>	<b>277,512</b>	<b>61,893,677</b>	<b>-</b>	<b>62,171,189</b>	<b>61,187,281</b>



6 Financial instruments - Accounting classifications (Contd.)

Group - As at 31 March 2022

	Financial assets/ liabilities at		Financial	Total	Fair value
	Financial assets - FVTPL	amortised cost	assets - FVTOCI	carrying amount	
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>					
Financial assets - FVTPL	30,066,729	-	-	30,066,729	30,066,729
Derivative Financial Instruments	5,190	-	-	5,190	5,190
Financial assets - FVTOCI	-	-	34,635	34,635	34,635
	<b>30,071,919</b>	<b>-</b>	<b>34,635</b>	<b>30,106,554</b>	<b>30,106,554</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	-	526,987	-	526,987	526,987
Amounts due from related companies	-	750	-	750	750
Financial assets at amortised cost	-	9,059,275	-	9,059,275	9,061,083
Trade receivables	-	925,049	-	925,049	925,049
	-	10,512,061	-	10,512,061	10,513,869
<b>Total financial assets</b>	<b>30,071,919</b>	<b>10,512,061</b>	<b>34,635</b>	<b>40,618,615</b>	<b>40,620,423</b>
<b>Financial liabilities measured at fair value</b>					
Derivative financial instruments	2,622	-	-	2,622	2,622
	<b>2,622</b>	<b>-</b>	<b>-</b>	<b>2,622</b>	<b>2,622</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	-	1,245,741	-	1,245,741	1,245,741
Amounts due to related companies	-	5,571	-	5,571	5,571
Trade and other payables	-	623,788	-	623,788	623,788
Securities sold under re-purchase agreements	-	23,799,838	-	23,799,838	23,773,602
Short term borrowings	-	8,139,888	-	8,139,888	8,139,888
Borrowings on debentures	-	2,780,890	-	2,780,890	2,311,508
	-	<b>36,595,716</b>	-	<b>36,595,716</b>	<b>36,100,098</b>
<b>Total Financial Liabilities</b>	<b>2,622</b>	<b>36,595,716</b>	<b>-</b>	<b>36,598,338</b>	<b>36,102,720</b>

NOTES TO THE FINANCIAL STATEMENTS

6 Financial instruments - Accounting classifications (Contd.)

Company - As at 31 December 2022

	Financial assets - FVTPL	Financial assets/ liabilities at amortised cost	Financial assets - FVTOCI	Total carrying amount	Fair value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>					
Financial assets recognised through profit or loss - measured at fair value	1,756,625	-	-	1,756,625	1,756,625
	<b>1,756,625</b>	-	-	<b>1,756,625</b>	<b>1,756,625</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	-	19,692	-	19,692	19,692
Amounts due from related companies	-	32,796	-	32,796	32,796
Financial assets at amortised cost	-	11,461,507	-	11,461,507	11,461,507
	-	<b>11,513,995</b>	-	<b>11,513,995</b>	<b>11,513,995</b>
<b>Total financial assets</b>	<b>1,756,625</b>	<b>11,513,995</b>	-	<b>13,270,620</b>	<b>13,270,620</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	-	1,149,644	-	1,149,644	1,149,644
Amounts due to related companies	-	2,485	-	2,485	2,485
Trade and other payables	-	55,262	-	55,262	55,262
Short term borrowings	-	8,306,887	-	8,306,887	8,306,887
Long term borrowings	-	902,454	-	902,454	902,454
Borrowings on debentures	-	2,180,859	-	2,180,859	1,447,263
	-	<b>12,597,591</b>	-	<b>12,597,591</b>	<b>11,863,995</b>
<b>Total financial liabilities</b>	-	<b>12,597,591</b>	-	<b>12,597,591</b>	<b>11,863,995</b>

Company - As at 31 March 2022

	Financial assets - FVTPL	Financial assets/ liabilities at amortised cost	Financial assets - FVTOCI	Total carrying amount	Fair value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>					
Financial assets recognised through profit or loss - measured at fair value	3,220,443	-	-	3,220,443	3,220,443
	<b>3,220,443</b>	-	-	<b>3,220,443</b>	<b>3,220,443</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	-	39,417	-	39,417	39,417
Amounts due from related companies	-	8,473	-	8,473	8,473
Financial assets at amortised cost	-	8,784,857	-	8,784,857	8,784,857
	-	<b>8,832,747</b>	-	<b>8,832,747</b>	<b>8,832,747</b>
<b>Total financial assets</b>	<b>3,220,443</b>	<b>8,832,747</b>	-	<b>12,053,190</b>	<b>12,053,190</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	-	1,245,696	-	1,245,696	1,245,696
Amounts due to related companies	-	2,096	-	2,096	2,096
Trade and other payables	-	46,460	-	46,460	46,460
Short term borrowings	-	8,250,158	-	8,250,158	8,250,158
Borrowings on debentures	-	2,030,553	-	2,030,553	1,653,396
	-	<b>11,574,963</b>	-	<b>11,574,963</b>	<b>11,197,806</b>
<b>Total financial liabilities</b>	-	<b>11,574,963</b>	-	<b>11,574,963</b>	<b>11,197,806</b>

7 Segment Reporting  
Information about reportable segments

Group's activities have been segregated into four different segments (Primary Dealer, Corporate Finance, Asset Management, Stock Brokering) based on the business activities that each unit is engaged for the purpose of reviewing the operating results of the Group as well as to make decisions about resource allocation.

Segment information is presented in respect of the Group's business segments as per SLFRS 8. The Group's primary format for segment reporting is based on business segments. The business segments are determined based on the Group's management and internal reporting structure.

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/Unallocated		Consolidated	
	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Net Trading Income/(expense)	2,725,780	(460,543)	159,567	58,560	76,590	117,378	131,993	296,366	1,713	7,881	3,095,643	19,642
Other Income/(expense)	274	54,550	15,081	4,971	356	-	123,269	57,345	(8,563)	(5,083)	130,417	111,783
Gain/(loss) on Financial Assets FV/IFPL	358,297	(16,976)	(210,324)	141,627	10,979	17,347	-	-	3,357	2,246	162,309	144,244
Operating Expenses	(547,164)	(167,456)	(228,016)	(147,172)	(65,718)	(36,009)	(120,726)	(115,233)	2,921	(11,883)	(958,703)	(477,753)
(Provision)/ reversal for impairment	-	-	(24,177)	4,392	-	-	-	-	-	12	(24,177)	4,404
Operating profit/(loss)	2,537,187	(590,425)	(287,869)	62,378	22,207	98,716	134,536	238,478	(572)	(6,827)	2,405,489	(197,680)
Tax (expenses)/ reversal	(630,520)	229,246	(76,128)	(15,564)	(443)	(21,437)	(36,241)	(62,545)	(726)	(542)	(744,058)	129,158
Profit/(Loss) for the period	1,906,667	(361,179)	(363,999)	46,814	21,764	77,279	98,295	175,933	(1,298)	(7,369)	1,661,431	(68,522)
Other Comprehensive income/(expense)	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income/ (loss)	1,906,667	(361,179)	(363,999)	46,814	21,764	77,279	98,295	175,933	(1,298)	(7,369)	1,661,431	(68,522)

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/Unallocated		Consolidated	
	31 December 2022	31 March 2022	31 December 2022	31 March 2022	31 December 2022	31 March 2022	31 December 2022	31 March 2022	31 December 2022	31 March 2022	31 December 2022	31 March 2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Total Assets	53,713,197	28,416,583	20,298,570	16,847,421	232,386	214,916	887,009	1,294,771	(6,584,414)	(5,259,062)	68,546,748	41,514,629
Total Liabilities	48,303,084	24,543,023	14,941,402	12,638,805	15,196	13,189	365,531	859,554	(795,762)	(1,005,214)	62,829,452	37,049,357
Net Assets	5,410,113	3,873,560	5,357,168	4,208,616	217,190	201,727	521,478	435,217	(5,788,652)	(4,253,848)	5,717,296	4,465,272

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/Unallocated		Consolidated	
	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021	April - December 2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash flows from operating activities	(310,178)	(141,085)	(699,107)	176,387	(19,929)	44,520	11,470	(78,700)	(245,238)	511,484	(1,262,983)	512,606
Cash flows from investing activities	(213)	(843)	37,196	334,510	5,076	(53,687)	2,699	1,454	(1,128)	49,553	43,631	330,987
Cash flows from financing activities	-	-	900,000	(556,250)	-	-	-	-	-	-	900,000	(556,250)
Net cash flow generated during the year	(310,391)	(141,928)	238,089	(45,353)	(14,853)	(9,167)	14,169	(77,246)	(246,366)	561,037	(319,352)	287,343

## NOTES TO THE FINANCIAL STATEMENTS

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- 8 The above figures are provisional. The same accounting policies as in the Annual Report for the year ended 31 March 2022 have been followed in the preparation of the above provisional financial statements.
- 9 The presentation and classification of figures for the corresponding period of the previous year have been reclassified/ restated to be comparable with those of the current year where necessary.
- 10 The number of shares represented by stated capital as at 31 December 2022 is 405,000,000 shares (As at 31 March 2022 - 101,250,000 shares).
- 10.1 On 8 April 2022, the Shareholders of the Company resolved to execute a sub-division of shares without a change to the stated capital of Rs. 227,500,000/- by splitting every one (01) existing voting ordinary share into four (04) voting ordinary shares. The shares so divided rank equal and pari pasu in all respects with the existing shares from which the division arose. The sub-division was completed on 27 April 2022.
- 11 There have been no significant changes in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2022 other than the followings.
1. Commissioner General of Inland Revenue determined the company's appeal on VAT on financial services (2017/18) amounting to Rs. 233Mn in favour of the Department of Inland Revenue. The matter has been referred to the Tax Appeals Commission.
  2. Department of Inland Revenue issued an assessment on income tax amounting to Rs. 99Mn (2019/20) to First Capital Asset Management Limited (subsidiary). The subsidiary submitted an appeal against the said assessment.

Based on the tax consultant's opinion, the Board of Directors of the company is of the view that no liability would arise on the assessments as those are outside the scope of chargeability of taxes.

- 12 There have been no material events subsequent to the reporting date which require disclosures/ adjustments in these provisional financial statements.

**13 Net Assets per Share**

	<b>As at 31 December 2022 Rs.</b>	<b>As at 31 March 2022 Rs.</b>
Group	12.69	10.00
Company	12.69	10.00

The effect on sub-division of shares executed during the 1<sup>st</sup> quarter of 2022/23 (as described in Note 10.1) has been adjusted retrospectively.

## INVESTOR INFORMATION

### Information of Listed Debentures - Company

Allotment Date	Debenture Type	Frequency on Interest Payment	No. of Debentures issued and allotted*	Face Value Rs. '000	Rate of Interest	Tenure	Date of Maturity
8 February 2021	Type A (Fixed Rate)	Annually	13,247,500	1,324,750	10% (AER - 10%)	5 Years	7 February 2026
8 February 2021	Type B (Floating Rate)**	Annually	6,752,500	675,250	Weekly AWPLR + 2%	5 Years	7 February 2026
<b>Total</b>			<b>20,000,000</b>	<b>2,000,000</b>			

\* Listed, Rated, Senior, Unsecured, Redeemable Debentures.

\*\* This reflects a Cap of 12% and Floor of 9%.

### Objectives of the Issue

Status of achievement of the objectives related to the Company's Listed Debenture Issue to raise Rs. 2Bn is presented below.

Objective as per prospectus	Amount allocated as per Prospectus in Rs. '000	Proposed date of utilisation as per prospectus	Amount allocated from proceeds in Rs. '000 (A)	% of Total proceeds	Amount Utilised in Rs. '000 (B)	% of Utilisation against allocation (B / A)	Clarification if not fully utilised including where the funds are invested
1. Investment in Listed Debt	700,000	12-month from the of allotment	700,000	35%	700,000	100%	-
2. Investment in Unlisted Debt	1,000,000	12-month from the of allotment	1,000,000	50%	1,000,000	100%	-
3. Investment in Listed Equities	300,000	12-month from the of allotment	300,000	15%	Nil	0%	Note A

#### Note A

The Company has not achieved its objective related to investment in Listed Equities yet (Rs. 300Mn). However, as permitted by the Prospectus on Listed Debenture Issue, the proceeds (LKR 300Mn) have been invested in Government Securities.

### Market value of Listed Debentures as at 31 December 2022

Debentures have not been traded during the period ended 31 December 2022. Hence, the par value has been recognised as respective market value.

### Debt Ratios

	Group		Company	
	As at 31 December 2022	As at 31 March 2022	As at 31 December 2022	As at 31 March 2022
Debt/ equity ratio (times)	10.65	8.06	2.44	2.85
Quick asset ratio (times)	1.15	1.16	1.39	1.26
Interest cover (times)	1.36	0.59	1.73	0.34

### Debenture Interest Yield (Last Traded)

	As at 31 December 2022	As at 31 March 2022
Type A - 5 year fixed rate (10 % p.a. payable annually)	N/A	N/A
Type B - 5 year floating rate (Weekly AWPLR + 2% p.a. payable annually)	N/A	N/A

### Yield of comparable Government Securities (%)

	As at 31 December 2022	As at 31 March 2022
5 Year treasury bond (maturity - 1 February 2026)	27.17%	14.66%

## INVESTOR INFORMATION

### Market Price per Share

	As at 31 December 2022 Rs.	As at 31 March 2022 Rs.
Hig Highest market price recorded	35.50**	49.50*
Lo\ Lowest market price recorded	14.00**	30.70*
Clo Closing market price recorded	27.90**	31.00*

\* Market price per share – Before the subdivision of shares

\*\* Market price per share – After the subdivision of shares

### List of twenty major shareholders as at 31 December 2022

Names of shareholders	No. of shares as at 31 December 2022	Holding (%)
1 1.1 Commercial Bank of Ceylon PLC/ Janashakthi Limited	128,705,440	31.78%
1.2 Seylan Bank PLC/ Janashakthi Limited	101,600,000	25.09%
1.3 Seylan Bank PLC/ Janashakthi Limited (Collateral)	35,988,960	8.89%
1.4 Hatton National Bank PLC/ Janashakthi Limited	33,880,000	8.37%
1.5 Pan Asia Banking Corporation PLC/ Janashakthi Limited	20,000,000	4.94%
1.6 Janashakthi Limited	16,020,000	3.96%
2 Merchant Bank of Sri Lanka & Finance PLC/ S. A. A. Hasitha	2,979,542	0.74%
3 Mr. A. J. Tissera	2,300,000	0.57%
4 Seylan Bank PLC/ Agampodi Chamara Senanka	1,850,654	0.46%
5 People's Leasing & Finance PLC/ Mrs. M. E. Amarasinghe	1,736,632	0.43%
6 Dr. S. N. Samarasinghe	1,253,588	0.31%
7 Mr. A. D. Edussuriya	1,110,200	0.27%
8 Buildmart Lanka (Pvt) Ltd	1,080,766	0.27%
9 LOLC Finance PLC/ P. B. S. M. Kumara	1,019,811	0.25%
10 Citizens Development Business Finance PLC / T. Ruchira	855,000	0.21%
11 Mr. N. D. Kurukulasuriya	835,344	0.21%
12 Mr. W. A. P. D. M. Wickramatunga	820,000	0.20%
13 Mr. D. Weerasinghe	750,000	0.19%
14 Mr. M. M. M. Mowjood	686,384	0.17%
15 PMF Finance PLC/ R. A. Niranjana	584,471	0.14%
16 Citizens Development Business Finance PLC / K. D. C. Somalatha and K. Nandasiri	557,600	0.14%
17 Citizens Development Business Finance PLC	556,970	0.14%
18 Hatton National Bank PLC/ Kandaiah Kanapathipillai Sujeevan	550,680	0.14%
19 Merchant Bank of Sri Lanka & Finance PLC/ V. K. Senadeera	524,540	0.13%
20 Mr. U. C. Bandaranayake	510,000	0.13%
	<b>356,756,582</b>	<b>88.13%</b>

### Directors' holding in shares as at 31 December 2022

Name of the Director	Designation	No. of Shares as at 31 December 2022
Mr. Nishan Fernando	Chairman	Nil
Ms. Manjula Mathews	Deputy Chairperson	Nil
Mr. Dilshan Wirasekara	Managing Director/ Chief Executive Officer	Nil
Mr. Ramesh Schaffter	Director	Nil
Ms. Minette Perera	Director	Nil
Mr. Chandana de Silva (Joint with Mr. C. P. de Silva)	Director	473,332
Dr. Nishan de Mel	Director	Nil
Mr. Prakash Schaffter	Alternate Director to Mr. Ramesh Schaffter	Nil

Disclosure in accordance with the Section 7.4 (b) (ii) - Appendix 7B (a) (Item 6 (a)) of CSE Listing Rules (Compliance relating to the Public Floating).

Float adjusted market capitalisation as at 31 December 2022 (Rs.)	1,905,095,700
Public holding percentage	16.86%
Number of public shareholders	6,380

The Company is complied with the Minimum Public Holding requirement under option 2 of the Section 7.14.1 (b) of the Listing Rules of the Colombo Stock Exchange.