



First Capital

A Janashakthi Group Company

First Capital Holdings PLC

PROVISIONAL FINANCIAL STATEMENTS

Quarter ended
31 December 2023

REVIEW OF OPERATIONS

First Capital Holdings PLC (the Group) recorded a Profit after Tax of Rs. 9.4Bn for the nine months ended 31 December 2023 compared to Rs. 1.7Bn in the corresponding period of the previous year. The Group reported a Profit before Tax of Rs. 873Mn for the 3rd quarter of 2023/24. However, as a result of accounting for withholding tax on inter-company dividend of Rs. 825Mn, a Loss after Tax of Rs. 237Mn was reported for the quarter.

The contributions from business activities of the Group's Primary Dealer division resulted in a significant increase in the Group's trading income for the nine months ended 31 December 2023 compared to the corresponding period of the previous year. During the period under review, a considerable decline in interest rates was witnessed which resulted in creating a favourable market position.

The Primary Dealer division reported a Profit after Tax of Rs. 10.1Bn for the nine months ended 31 December 2023 (2022/23 – Profit after Tax of Rs. 1.9Bn). The results include trading gains on government securities portfolio amounting to Rs. 14.3Bn and net interest income of Rs. 2.6Bn (2022/23 – Trading gains on government securities portfolio of Rs. 930Mn and net interest income of Rs. 2.2Bn were reported).

The Corporate Dealing Securities division reported a Profit after Tax of Rs. 77Mn for the nine months ended 31 December 2023 (2022/23 – Loss after Tax of Rs. 364Mn).

The Wealth Management division reported a Profit after Tax of Rs. 20Mn for the nine months ended 31 December 2023 (2022/23 – Profit after Tax of Rs. 22Mn). The assets under management of the division stood at Rs. 75Bn as of 31 December 2023 (31 March 2023 – Rs. 40.5Bn).

The Stock Brokering division recorded a Profit after Tax of Rs. 27Mn for the nine months ended 31 December 2023 (2022/23 – Profit after tax of Rs. 98Mn).

(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	
		2023	2022	2023	2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Income		5,773,372	4,365,511	23,730,480	9,960,551
Direct income		5,773,127	4,323,184	23,727,842	9,950,096
Direct expenses		(2,822,949)	(2,659,050)	(7,590,628)	(6,734,491)
Net trading income		2,950,178	1,664,134	16,137,214	3,215,605
Other income	1	245	42,327	2,638	10,455
Gain / (Loss) on fair valuation of financial assets recognised through profit or loss measured at fair value		(1,661,939)	97,656	1,760,065	162,309
		1,288,484	1,804,117	17,899,917	3,388,369
Operating expenses					
Administrative expenses		(307,100)	(222,166)	(2,808,924)	(494,603)
Sales and distribution expenses		(17,003)	(4,236)	(49,685)	(11,984)
Other operating expenses		(96,165)	(238,421)	(481,603)	(452,116)
(Provision)/ Reversal for impairment of financial assets at amortised cost		5,092	(6,006)	37,647	(24,177)
		(415,176)	(470,829)	(3,302,565)	(982,880)
Profit before tax		873,308	1,333,288	14,597,352	2,405,489
Income tax expense	2	(1,110,060)	(495,001)	(5,241,515)	(744,058)
Profit/ (Loss) for the period		(236,752)	838,287	9,355,837	1,661,431
Other comprehensive income					
<i>Items that will never be reclassified to profit or loss</i>					
Loss on financial assets fair value through other comprehensive income		-	-	(10,057)	-
Other comprehensive loss for the period		-	-	(10,057)	-
Total comprehensive income/ (loss) for the period		(236,752)	838,287	9,345,780	1,661,431
Profit/ (Loss) attributable to:					
Equity holders of the parent		(327,302)	753,322	8,285,005	1,459,663
Non - controlling interest		90,550	84,965	1,070,832	201,768
		(236,752)	838,287	9,355,837	1,661,431
Total comprehensive income/ (loss) attributable to:					
Equity holders of the parent		(327,302)	753,322	8,274,948	1,459,663
Non - controlling interest		90,550	84,965	1,070,832	201,768
		(236,752)	838,287	9,345,780	1,661,431
Basic earnings/ (loss) per share (Rs.)	3	(0.81)	1.86	20.46	3.60

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	
		2023	2022	2023	2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Income		400,651	1,121,047	1,744,148	2,704,084
Direct income		400,649	1,121,047	1,744,146	2,704,084
Direct expenses		(424,049)	(886,780)	(1,521,350)	(2,136,535)
Net trading income / (expenses)		(23,400)	234,267	222,796	567,549
Other income	1	2	-	2	-
Gain/ (loss) on fair valuation of financial assets recognised through profit or loss measured at fair value		118,142	6,879	292,248	(203,897)
		94,744	241,146	515,046	363,652
Operating expenses					
Administrative expenses		(141,120)	(15,072)	(355,224)	(53,570)
Sales and distribution expenses		(1,275)	(770)	(4,576)	(1,751)
Other operating expenses / (reversal)		15,310	(36,839)	(20,419)	(83,785)
(Provision)/ reversal for impairment of financial assets at amortised cost		(18,894)	592	13,500	962
		(145,979)	(52,089)	(366,719)	(138,144)
Operating profit / (loss)		(51,235)	189,057	148,327	225,508
Share of profit/ (loss) from equity accounted investee (net of tax)		(298,194)	638,193	8,186,435	1,328,816
Profit / (Loss) before tax		(349,429)	827,250	8,334,762	1,554,324
Income tax expense / (reversal)	2	22,127	(67,774)	(49,757)	(88,507)
Profit / (Loss) for the period		(327,302)	759,476	8,285,005	1,465,817
Other comprehensive income					
<i>Items that will never be reclassified to profit or loss</i>					
Share of other comprehensive loss from equity accounted investee		-	-	(10,057)	-
Other comprehensive loss for the period		-	-	(10,057)	-
Total comprehensive income / (loss) for the period		(327,302)	759,476	8,274,948	1,465,817
Basic earnings/ (loss) per share (Rs.)	3	(0.81)	1.88	20.43	3.62

Figures in bracket indicate deductions.

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	31 December 2023 (Unaudited)	31 March 2023 (Audited)	31 December 2023 (Unaudited)	31 March 2023 (Audited)
ASSETS				
Cash at banks and in hand	201,478	110,372	84,115	18,321
Derivative financial instruments	32,608	51,194	-	-
Financial assets recognised through profit or loss -measured at fair value	92,544,877	53,726,232	4,296,288	1,735,025
Financial assets - fair value through other comprehensive income	109,475	116,773	5,000	-
Financial assets at amortised cost	11,532,135	11,225,039	7,306,323	9,397,239
Amounts due from related companies	66	66	64,119	20,309
Trade and other receivables	1,180,074	1,026,095	24,854	923,598
Non - current assets held for sale	42,416	42,416	-	-
Taxes receivable	205,755	36,415	131,943	-
Investment in subsidiary	-	-	8,413,635	4,412,989
Deferred tax asset	197,805	125,182	12,307	16,848
Property, plant and equipment and right of use assets	220,073	43,860	27,222	19,770
Intangible assets	123,479	122,545	4,537	2,960
TOTAL ASSETS	106,390,241	66,626,189	20,370,343	16,547,059
LIABILITIES				
Bank overdrafts	1,570,854	448,194	1,317,607	192,627
Derivative financial instruments	208,710	153,586	-	-
Securities sold under re-purchase agreements	77,999,755	46,330,589	-	-
Short term borrowings	7,016,808	7,080,975	7,170,402	7,215,752
Amounts due to related companies	13,458	4,652	10,250	945
Trade and other payables	2,735,554	1,450,376	383,937	77,999
Taxes payable	3,627,487	746,012	100,686	34,905
Long term borrowings	700,853	902,217	700,853	902,217
Retirement benefit obligations	57,907	53,063	-	-
Borrowings on debentures	2,959,802	2,775,692	2,188,998	2,027,452
TOTAL LIABILITIES	96,891,188	59,945,356	11,872,733	10,451,897
EQUITY				
Stated capital	227,500	227,500	227,500	227,500
Risk reserve	2,396,174	1,497,150	2,396,174	1,497,150
Retained earnings	5,885,570	4,586,330	5,885,570	4,586,330
Fair valuation reserve	(11,634)	(215,818)	(11,634)	(215,818)
Equity attributable to the equity holders of the parent	8,497,610	6,095,162	8,497,610	6,095,162
Non- controlling interest	1,001,443	585,671	-	-
TOTAL EQUITY	9,499,053	6,680,833	8,497,610	6,095,162
TOTAL EQUITY AND LIABILITIES	106,390,241	66,626,189	20,370,343	16,547,059
Net asset per share (Rs.)	20.98	15.05	20.98	15.05

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.

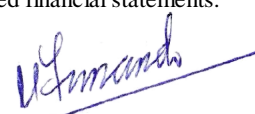


Mangala Jayashantha
Chief Financial Officer

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



Dilshan Wirasekara
Managing Director/ CEO



Nishan Fernando
Chairman

12 February 2024
Colombo.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For nine months ended 31 December 2023

Group	Attributable to equity holders of the parent				Non-controlling Interest	Total Equity	
	Stated Capital	Risk Reserve	Retained Earnings	Fair Valuation Reserve			Total
Balance as at 1 April 2022 (Audited)	227,500	1,239,478	2,881,654	(297,957)	4,050,675	414,597	4,465,272
Impact on surcharge tax	-	-	(378,913)	-	(378,913)	(39,149)	(418,062)
Adjusted balance as at 1 April 2022	227,500	1,239,478	2,502,741	(297,957)	3,671,762	375,448	4,047,210
<u>Total comprehensive income for the period</u>							
Profit for the period	-	-	1,459,663	-	1,459,663	201,768	1,661,431
Total comprehensive income	-	-	1,459,663	-	1,459,663	201,768	1,661,431
<u>Transactions with equity holders</u>							
Adjustment due to change in share ownership	-	(773)	6,926	1	6,154	2,501	8,655
Total distribution to equity holders	-	(773)	6,926	1	6,154	2,501	8,655
Transfers to risk reserve	-	171,449	(171,449)	-	-	-	-
Balance as at 31 December 2022 (Unaudited)	227,500	1,410,154	3,797,881	(297,956)	5,137,579	579,717	5,717,296
Balance as at 1 April 2023 (Audited)	227,500	1,497,150	4,586,330	(215,818)	6,095,162	585,671	6,680,833
<u>Total comprehensive income for the period</u>							
Profit for the period	-	-	8,285,005	-	8,285,005	1,070,832	9,355,837
Other comprehensive loss	-	-	-	(10,057)	(10,057)	-	(10,057)
Total comprehensive income / (loss)	227,500	1,497,150	12,871,335	(225,875)	14,370,110	1,656,503	16,026,613
<u>Transactions with equity holders</u>							
Dividend paid (Interim 2022/23)	-	-	(911,250)	-	(911,250)	-	(911,250)
Dividend paid (Interim - 2023/24)	-	-	(4,961,250)	-	(4,961,250)	-	(4,961,250)
Dividend paid to shareholders with NCI*	-	-	-	-	-	(655,060)	(655,060)
Adjustment due to disposal of equity investment (FVTOCI)	-	-	(214,030)	214,030	-	-	-
Loss on sale of equity investment (FVTOCI)	-	-	(211)	211	-	-	-
Total distribution to equity holders	-	-	(6,086,741)	214,241	(5,872,500)	(655,060)	(6,527,560)
Transfers to risk reserve	-	899,024	(899,024)	-	-	-	-
Balance as at 31 December 2023 (Unaudited)	227,500	2,396,174	5,885,570	(11,634)	8,497,610	1,001,443	9,499,053

* Non controlling interest

Figures in bracket indicate deductions.

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

STATEMENT OF CHANGES IN EQUITY

For nine months ended 31 December 2023	Stated Capital	Risk Reserve	Retained Earnings	Fair Valuation Reserve	Total Equity
Company					
Balance as at 1 April 2022 (Audited)	227,500	1,239,478	2,881,654	(297,957)	4,050,675
Impact on surcharge tax	-	-	(378,913)	-	(378,913)
Adjusted balance as at 1 April 2022	227,500	1,239,478	2,502,741	(297,957)	3,671,762
<u>Total comprehensive income for the period</u>					
Profit for the period	-	-	1,465,817	-	1,465,817
Total comprehensive income	-	-	1,465,817	-	1,465,817
<u>Transactions with equity holders</u>					
Adjustment due to change in share ownership	-	(773)	772	1	-
Total distribution to equity holders	-	(773)	772	1	-
Transfer to risk reserve	-	171,449	(171,449)	-	-
Balance as at 31 December 2022 (Unaudited)	227,500	1,410,154	3,797,881	(297,956)	5,137,579
Balance as at 1 April 2023 (Audited)	227,500	1,497,150	4,586,330	(215,818)	6,095,162
<u>Total comprehensive income for the period</u>					
Profit for the period	-	-	8,285,005	-	8,285,005
Other comprehensive loss	-	-	-	(10,057)	(10,057)
Total comprehensive income / (loss)	-	-	8,285,005	(10,057)	8,274,948
<u>Transactions with equity holders</u>					
Dividend paid (2022/23)	-	-	(911,250)	-	(911,250)
Dividend paid (Interim - 2023/24)	-	-	(4,961,250)	-	(4,961,250)
Adjustment due to disposal of equity investment (FVTOCI)	-	-	(214,030)	214,030	-
Loss on sale of equity investment (FVTOCI)	-	-	(211)	211	-
Total distribution to equity holders	-	-	(6,086,741)	214,241	(5,872,500)
Transfer to risk reserve	-	899,024	(899,024)	-	-
Balance as at 31 December 2023 (Unaudited)	227,500	2,396,174	5,885,570	(11,634)	8,497,610

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	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from operating activities				
Interest receipts and gains realised	23,559,094	9,775,231	1,744,146	2,630,619
Interest payments and other direct cost	(6,083,810)	(6,545,747)	(1,361,168)	(1,715,719)
Other receipts	2,317	130,364	2	-
Cash payments to employees and suppliers	(3,311,019)	(845,842)	(113,777)	(127,615)
Operating profit/ (loss) before changes in operating assets and liabilities	14,166,582	2,514,006	269,203	787,285
(Increase)/ Decrease in financial assets recognised through profit or loss - measured at fair value	(36,984,870)	(15,855,951)	(2,269,015)	1,259,921
(Increase)/ Decrease in financial assets at amortised cost	(139,017)	(11,452,027)	2,104,416	(2,856,714)
(Increase)/ Decrease in trade and other receivables	(153,979)	143,940	898,744	(3,276)
(Increase)/ Decrease in group balances receivable	-	478	(43,810)	(24,323)
Increase/ (Decrease) in trade and other payables	1,285,178	(39,655)	46,130	5,575
Increase in group balances payable	8,806	2,089	9,305	389
Increase/ (Decrease) in other short term borrowings	(77,134)	25,239	(45,350)	43,164
Increase in borrowings against re-purchase agreements	30,358,061	23,902,599	-	-
Cash generated from/ (used in) operations	8,463,627	(759,282)	969,623	(787,979)
Tax paid	(2,602,003)	(502,243)	(111,379)	(28,740)
Gratuity paid	(6,910)	(1,458)	-	-
Net cash flow generated from/ (used in) operating activities	5,854,714	(1,262,983)	858,244	(816,719)
Cash flow from investing activities				
Purchase of property, plant, equipment and intangible assets	(194,586)	(9,270)	(15,662)	(6,954)
Proceeds from disposal of property plant and equipment	321	-	-	-
Dividend receipts	38,316	44,149	4,175,732	-
Investment in financial assets - fair value through other comprehensive income	(5,000)	-	(5,000)	-
Proceeds from disposal of financial assets - fair value through other comprehensive income	2,241	-	-	-
Net disposal proceeds from equity stake in subsidiary	-	8,752	-	-
Net cash flow generated from/ (used in) investing activities	(158,708)	43,631	4,155,070	(6,954)
Cash flow from financing activities				
Dividend paid (Interim 2022/23)	(911,250)	-	(911,250)	-
Dividend paid (Interim - 2023/24)	(4,961,250)	-	(4,961,250)	-
Dividend paid to shareholders with NCI*	(655,060)	-	-	-
Repayment of long term borrowings	(200,000)	(100,000)	(200,000)	(100,000)
Proceeds from long term borrowings	-	1,000,000	-	1,000,000
Net cash flow generated from/(used in) financing activities	(6,727,560)	900,000	(6,072,500)	900,000
Net cash inflow/ (outflow) for the period	(1,031,554)	(319,352)	(1,059,186)	76,327
Cash and cash equivalents at the beginning of the period	(337,822)	(718,754)	(174,306)	(1,206,279)
Cash and cash equivalents at the end of the period (Note A)	(1,369,376)	(1,038,106)	(1,233,492)	(1,129,952)
Note A				
Cash at bank and hand	201,478	112,189	84,115	19,692
Bank overdraft	(1,570,854)	(1,150,295)	(1,317,607)	(1,149,644)
	(1,369,376)	(1,038,106)	(1,233,492)	(1,129,952)

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	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Exchange gain/(loss)	(27)	-	(28)	53
Profit on sale of property, plant and equipment	-	-	321	-
Miscellaneous income	272	42,327	2,345	10,402
	245	42,327	2,638	10,455

For the period - Company

	October ~ December		April ~ December	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Miscellaneous income	2	-	2	-
	2	-	2	-

2 Income tax expenses

For the period - Group

	October ~ December		April ~ December	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current tax expenses	(310,899)	(509,871)	(4,488,997)	(671,972)
Deferred tax (expenses)/ reversals	25,980	14,870	72,623	(72,086)
WHT on intercompany dividend	(825,141)	-	(825,141)	-
	(1,110,060)	(495,001)	(5,241,515)	(744,058)

For the period - Company

	October ~ December		April ~ December	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current tax expenses	16,851	(67,940)	(45,216)	(88,774)
Deferred tax (expenses)/ reversal	5,276	166	(4,541)	267
	22,127	(67,774)	(49,757)	(88,507)

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.

- 4 These Provisional Financial Statements for the quarter ended 31 December 2023 have been prepared in accordance with Sri Lanka Accounting Standard (LKAS 34) "Interim Financial Reporting".

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 31.12.2023		As at 31.03.2023	
	Carrying Amount Rs. '000	Fair Value Rs. '000	Carrying Amount Rs. '000	Fair Value Rs. '000
Financial assets measured at fair value				
Derivative financial instruments	32,608	32,608	51,194	51,194
Financial assets recognised through profit or loss - measured at fair value	92,544,877	92,544,877	53,726,232	53,726,232
Financial assets - fair value through other comprehensive income	109,475	109,475	116,773	116,773
	92,686,960	92,686,960	53,894,199	53,894,199
Financial assets not measured at fair value				
Cash at banks and in hand	201,478	201,478	110,372	110,372
Financial assets at amortised cost	11,532,135	11,532,135	11,225,039	11,225,039
Amounts due from related companies	66	66	66	66
Trade receivables	277,168	277,168	560,150	560,150
	12,010,847	12,010,847	11,895,627	11,895,627
Total financial assets	104,697,807	104,697,807	65,789,826	65,789,826
Financial liabilities measured at fair value				
Derivative financial instruments	208,710	208,710	153,586	153,586
	208,710	208,710	153,586	153,586
Financial liabilities not measured at fair value				
Bank overdrafts	1,570,854	1,570,854	448,194	448,194
Amounts due to related companies	13,458	13,458	4,652	4,652
Trade and other payables	2,735,554	2,735,554	1,090,977	1,090,977
Securities sold under re-purchase agreements	77,999,755	77,165,357	46,330,589	46,314,954
Short term borrowings	7,016,808	7,016,808	7,080,975	7,080,975
Long term borrowings	700,853	700,853	902,217	902,217
Borrowings on debentures	2,959,802	2,733,678	2,775,692	1,915,259
	92,997,084	91,936,562	58,633,296	57,757,228
Total financial liabilities	93,205,794	92,145,272	58,786,882	57,910,814

NOTES TO THE FINANCIAL STATEMENTS

5.1 Fair values versus the Carrying amounts (Contd.)

Company	As at 31.12.2023		As at 31.03.2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Financial assets measured at fair value				
Financial assets recognised through profit or loss - measured at fair value	4,296,288	4,296,288	1,735,025	1,735,025
Financial assets - fair value through other comprehensive income	5,000	5,000		
	4,301,288	4,301,288	1,735,025	1,735,025
Financial assets not measured at fair value				
Cash at banks and in hand	84,115	84,115	18,321	18,321
Amounts due from related companies	64,119	64,119	20,309	20,309
Financial assets at amortised cost	7,306,323	7,306,323	9,397,239	9,397,239
	7,454,557	7,454,557	9,435,869	9,435,869
Total financial assets	11,755,845	11,755,845	11,170,894	11,170,894
Financial liabilities measured at fair value	-	-	-	-
Financial liabilities not measured at fair value				
Bank overdrafts	1,317,607	1,317,607	192,627	192,627
Amounts due to related companies	10,250	10,250	945	945
Trade and other payables	383,937	383,937	81,127	81,127
Short term borrowings	7,170,402	7,170,402	7,215,752	7,215,752
Long term borrowings	700,853	700,853	902,217	902,217
Borrowings on debentures	2,188,998	1,994,378	2,027,452	1,365,457
	11,772,047	11,577,427	10,420,120	9,758,125
Total financial liabilities	11,772,047	11,577,427	10,420,120	9,758,125

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 2023

	Total Carrying	Level 1	Level 2	Level 3	Total Fair Value
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial assets measured at fair value					
Derivative financial instruments					
Forward purchase contracts	32,608	32,608	-	-	32,608
	32,608	32,608	-	-	32,608
Financial assets recognised through profit or loss - measured at fair value					
Investment in government securities	87,234,865	87,234,865	-	-	87,234,865
Investment in debentures	1,017,730	-	1,017,730	-	1,017,730
Investment in unit trust	3,639,076	-	3,639,076	-	3,639,076
Investment in listed shares	653,206	653,206	-	-	653,206
	92,544,877	87,888,071	4,656,806	-	92,544,877
Financial assets - fair value through other comprehensive income	109,475	104,475	5,000	-	109,475
	92,686,960	88,025,154	4,661,806	-	92,686,960
Financial assets not measured at fair value					
Cash at banks and in hand	201,478	-	-	201,478	201,478
Financial assets at amortised cost	11,532,135	-	-	11,532,135	11,532,135
Amounts due from related companies	66	-	-	66	66
Trade receivables	277,168	-	-	277,168	277,168
	12,010,847	-	-	12,010,847	12,010,847
Total financial assets	104,697,807	88,025,154	4,661,806	12,010,847	104,697,807
Financial liabilities measured at fair value					
Derivative financial instruments					
Forward sale contracts	208,710	208,710	-	-	208,710
	208,710	208,710	-	-	208,710
Financial liabilities not measured at fair value					
Bank overdrafts	1,570,854	-	-	1,570,854	1,570,854
Amounts due to related companies	13,458	-	-	13,458	13,458
Trade and other payables	2,735,554	-	-	2,735,554	2,735,554
Securities sold under re-purchase agreements	77,999,755	-	-	77,165,357	77,165,357
Short term borrowings	7,016,808	-	-	7,016,808	7,016,808
Long term borrowings	700,853	-	-	700,853	700,853
Borrowings on debentures	2,959,802	-	2,733,678	-	2,733,678
	92,997,084	-	2,733,678	89,202,884	91,936,562
Total financial liabilities	93,205,794	208,710	2,733,678	89,202,884	92,145,272

NOTES TO THE FINANCIAL STATEMENTS

5.2 Financial instruments- Fair Value (Contd.)

Group - As at 31 March 2023

Financial assets measured at fair value

Derivative financial instruments

Forward purchase contracts

Forward sale contracts

Financial assets recognised through profit or loss - measured at fair value

Investment in government securities

Investment in debentures

Investment in unit trust

Investment in listed shares

Financial assets - fair value through other comprehensive income

Financial assets not measured at fair value

Cash at banks and in hand

Financial assets at amortised cost

Amounts due from related companies

Trade receivables

Total financial assets

Financial liabilities measured at fair value

Derivative financial instruments

Forward purchase contracts

Forward sale contracts

Financial liabilities not measured at fair value

Bank overdrafts

Amounts due to related companies

Trade and other payables

Securities sold under re-purchase agreements

Short term borrowings

Long term borrowings

Borrowings on debentures

Total financial liabilities

	Total Carrying	Level 1	Level 2	Level 3	Total Fair Value
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial assets measured at fair value					
Derivative financial instruments					
Forward purchase contracts	38,918	38,918	-	-	38,918
Forward sale contracts	12,276	12,276	-	-	12,276
	51,194	51,194	-	-	51,194
Financial assets recognised through profit or loss - measured at fair value					
Investment in government securities	51,395,192	51,395,192	-	-	51,395,192
Investment in debentures	1,092,105	-	1,092,105	-	1,092,105
Investment in unit trust	607,042	-	607,042	-	607,042
Investment in listed shares	631,893	631,893	-	-	631,893
	53,726,232	52,027,085	1,699,147	-	53,726,232
Financial assets - fair value through other comprehensive income	116,773	116,773	-	-	116,773
	53,894,199	52,195,052	1,699,147	-	53,894,199
Financial assets not measured at fair value					
Cash at banks and in hand	110,372	-	-	110,372	110,372
Financial assets at amortised cost	11,225,039	-	-	11,225,039	11,225,039
Amounts due from related companies	66	-	-	66	66
Trade receivables	560,150	-	-	560,150	560,150
	11,895,627	-	-	11,895,627	11,895,627
Total financial assets	65,789,826	52,195,052	1,699,147	11,895,627	65,789,826
Financial liabilities measured at fair value					
Derivative financial instruments					
Forward purchase contracts	149,080	149,080	-	-	149,080
Forward sale contracts	4,506	4,506	-	-	4,506
	153,586	153,586	-	-	153,586
Financial liabilities not measured at fair value					
Bank overdrafts	448,194	-	-	448,194	448,194
Amounts due to related companies	4,652	-	-	4,652	4,652
Trade and other payables	1,090,977	-	-	1,090,977	1,090,977
Securities sold under re-purchase agreements	46,330,589	-	-	46,314,954	46,314,954
Short term borrowings	7,080,975	-	-	7,080,975	7,080,975
Long term borrowings	902,217	-	-	902,217	902,217
Borrowings on debentures	2,775,692	-	1,915,259	-	1,915,259
	58,633,296	-	1,915,259	55,841,969	57,757,228
Total financial liabilities	58,786,882	153,586	1,915,259	55,841,969	57,910,814

NOTES TO THE FINANCIAL STATEMENTS

5.2 Financial instruments- Fair Value (Contd.)

Company - As at 31 December 2023

	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
Investment in debentures	728,681	-	728,681	-	728,681
Investment in unit trust	3,567,607	-	3,567,607	-	3,567,607
	4,296,288	-	4,296,288	-	4,296,288
Financial assets - fair value through other comprehensive income	5,000	-	5,000	-	5,000
	4,301,288	-	4,301,288	-	4,301,288
Financial assets not measured at fair value					
Cash at banks and in hand	84,115	-	-	84,115	84,115
Amounts due from related companies	64,119	-	-	64,119	64,119
Financial assets at amortised cost	7,306,323	-	-	7,306,323	7,306,323
	7,454,557	-	-	7,454,557	7,454,557
Total financial assets	11,755,845	-	4,301,288	7,454,557	11,755,846
Financial liabilities measured at fair value					
Financial liabilities not measured at fair value					
Bank overdrafts	1,317,607	-	-	1,317,607	1,317,607
Amounts due to related companies	10,250	-	-	10,250	10,250
Trade and other payables	383,937	-	-	383,937	383,937
Short term borrowings	7,170,402	-	-	7,170,402	7,170,402
Long term borrowings	700,853	-	-	700,853	700,853
Borrowings on debentures	2,188,998	-	1,994,378	-	1,994,378
	11,772,047	-	1,994,378	9,583,049	11,577,427
Total financial liabilities	11,772,047	-	1,994,378	9,583,049	11,577,427

Company - As at 31 March 2023

	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value					
Investment in government securities	642,020	642,020	-	-	642,020
Investment in debentures	588,260	-	588,260	-	588,260
Investment in unit trust	504,745	-	504,745	-	504,745
	1,735,025	642,020	1,093,005	-	1,735,025
Financial assets not measured at fair value					
Cash at banks and in hand	18,321	-	-	18,321	18,321
Amounts due from related companies	20,309	-	-	20,309	20,309
Financial assets at amortised cost	9,397,239	-	-	9,397,239	9,397,239
	9,435,869	-	-	9,435,869	9,435,869
Total financial assets	11,170,894	642,020	1,093,005	9,435,869	11,170,894
Financial liabilities measured at fair value					
Financial liabilities not measured at fair value					
Bank overdrafts	192,627	-	-	192,627	192,627
Amounts due to related companies	945	-	-	945	945
Trade and other payables	81,127	-	-	81,127	81,127
Short term borrowings	7,215,752	-	-	7,215,752	7,215,752
Long term borrowings	902,217	-	-	902,217	902,217
Borrowings on debentures	2,027,452	-	1,365,457	-	1,365,457
	10,420,120	-	1,365,457	8,392,668	9,758,125
Total financial liabilities	10,420,120	-	1,365,457	8,392,668	9,758,125

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 9.53%)	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
Unlisted 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

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.

	Debentures	Unit Trust	Equity Securities (Financial assets - FVTOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1 April 2023	1,092,105	607,042	-	1,699,147
Purchase	-	6,758,036	5,000	6,763,036
Sales/ Matured	(256,136)	(3,900,272)	-	(4,156,408)
Interest accrued (net of coupon receipt)	441	-	-	441
Gain/ (loss) on fair valuation of financial investments	181,320	174,270	-	355,590
Balance as at 31 December 2023	1,017,730	3,639,076	5,000	4,661,806

NOTES TO THE FINANCIAL STATEMENTS

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	Unit Trust	Equity Securities (Financial assets- FVTOCI)	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1 April 2023	588,260	504,745	-	1,093,005
Purchase	-	6,695,086	5,000	6,700,086
Sales/ Matured	-	(3,792,256)	-	(3,792,256)
Interest accrued	5,644	-	-	5,644
Gain/ (loss) on fair valuation of financial investments	134,777	160,032	-	294,809
Transferred from level 1	-	-	-	-
Balance as at 31 December 2023	728,681	3,567,607	5,000	4,301,288

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
Keylsey Homes (Pvt) Ltd (Unlisted)	858	1,726	(847)	(1,685)
Asia Asset Finance PLC	1,664	3,345	(1,647)	(3,276)
LOLC Holdings PLC	16,461	33,958	(15,498)	(30,101)
Softlogic Capital PLC	502	1,010	(495)	(984)
	19,485	40,039	(18,487)	(36,046)

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	1,664	3,345	(1,647)	(3,276)
LOLC Holdings PLC	16,461	33,958	(15,498)	(30,101)
	18,125	37,303	(17,145)	(33,377)

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	(35,815)	(71,630)	35,815	71,630
First Capital Equity Fund	(576)	(1,152)	576	1,152
	(36,391)	(72,782)	36,391	72,782

5.4 (d) Sensitivity analysis on Unit Trust (Company)

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	(35,676)	(71,352)	35,676	71,352
	(35,676)	(71,352)	35,676	71,352

NOTES TO THE FINANCIAL STATEMENTS

6 Financial instruments - Accounting classifications

Group - As at 31 December 2023

	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
Financial assets measured at fair value					
Financial assets - FVTPL	92,544,877	-	-	92,544,877	92,544,877
Derivative Financial Instruments	32,608	-	-	32,608	32,608
Financial assets - FVTOCI	-	-	109,475	109,475	109,475
	92,577,485	-	109,475	92,686,960	92,686,960
Financial assets not measured at fair value					
Cash at banks and in hand	-	201,478	-	201,478	201,478
Amounts due from related companies	-	66	-	66	66
Financial assets at amortised cost	-	11,532,135	-	11,532,135	11,532,135
Trade receivables	-	277,168	-	277,168	277,168
	-	12,010,847	-	12,010,847	12,010,847
Total financial assets	92,577,485	12,010,847	109,475	104,697,807	104,697,807
Financial liabilities measured at fair value					
Derivative Financial Instruments	208,710	-	-	208,710	208,710
	208,710	-	-	208,710	208,710
Financial liabilities not measured at fair value					
Bank overdrafts	-	1,570,854	-	1,570,854	1,570,854
Group balances payable	-	13,458	-	13,458	13,458
Trade and other payables	-	2,735,554	-	2,735,554	2,735,554
Securities sold under re-purchase agreements	-	77,999,755	-	77,999,755	77,165,357
Short term borrowings	-	7,016,808	-	7,016,808	7,016,808
Long term borrowings	-	700,853	-	700,853	700,853
Borrowings on debentures	-	2,959,802	-	2,959,802	2,733,678
	-	92,997,084	-	92,997,084	91,936,562
Total Financial Liabilities	208,710	92,997,084	-	93,205,794	92,145,272

NOTES TO THE FINANCIAL STATEMENTS

6 Financial instruments - Accounting classifications (Contd.)

Group - As at 31 March 2023

	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
Financial assets measured at fair value					
Financial assets - FVTPL	53,726,232	-	-	53,726,232	53,726,232
Derivative Financial Instruments	51,194	-	-	51,194	51,194
Financial assets - FVTOCI	-	-	116,773	116,773	116,773
	53,777,426	-	116,773	53,894,199	53,894,199
Financial assets not measured at fair value					
Cash at banks and in hand	-	110,372	-	110,372	110,372
Amounts due from related companies	-	66	-	66	66
Financial assets at amortised cost	-	11,225,039	-	11,225,039	11,225,039
Trade receivables	-	560,150	-	560,150	560,150
	-	11,895,627	-	11,895,627	11,895,627
Total financial assets	53,777,426	11,895,627	116,773	65,789,826	65,789,826
Financial liabilities measured at fair value					
Derivative financial instruments	153,586	-	-	153,586	153,586
	153,586	-	-	153,586	153,586
Financial liabilities not measured at fair value					
Bank overdrafts	-	448,194	-	448,194	448,194
Amounts due to related companies	-	4,652	-	4,652	4,652
Trade and other payables	-	1,090,977	-	1,090,977	1,090,977
Securities sold under re-purchase agreements	-	46,330,589	-	46,330,589	46,314,954
Short term borrowings	-	7,080,975	-	7,080,975	7,080,975
Long term borrowings	-	902,217	-	902,217	902,217
Borrowings on debentures	-	2,775,692	-	2,775,692	1,915,259
	-	58,633,296	-	58,633,296	57,757,228
Total Financial Liabilities	153,586	58,633,296	-	58,786,882	57,910,814

NOTES TO THE FINANCIAL STATEMENTS

6 Financial instruments - Accounting classifications (Contd.)

Company - As at 31 December 2023

	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
Financial assets measured at fair value					
Financial assets - FVTPL	4,296,288	-	-	4,296,288	4,296,288
Financial assets - FVTOCI	-	-	5,000	5,000	5,000
	4,296,288	-	5,000	4,301,288	4,301,288
Financial assets not measured at fair value					
Cash at banks and in hand	-	84,115	-	84,115	84,115
Amounts due from related companies	-	64,119	-	64,119	64,119
Financial assets at amortised cost	-	7,306,323	-	7,306,323	7,306,323
	-	7,454,557	-	7,454,557	7,454,557
Total financial assets	4,296,288	7,454,557	5,000	11,755,845	11,755,845
Financial liabilities not measured at fair value					
Bank overdrafts	-	1,317,607	-	1,317,607	1,317,607
Amounts due to related companies	-	10,250	-	10,250	10,250
Trade and other payables	-	383,937	-	383,937	383,937
Short term borrowings	-	7,170,402	-	7,170,402	7,170,402
Long term borrowings	-	700,853	-	700,853	700,853
Borrowings on debentures	-	2,188,998	-	2,188,998	1,994,378
	-	11,772,047	-	11,772,047	11,577,427
Total financial liabilities	-	11,772,047	-	11,772,047	11,577,427

Company - As at 31 March 2023

	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
Financial assets measured at fair value					
Financial assets recognised through profit or loss - measured at fair value	1,735,025	-	-	1,735,025	1,735,025
	1,735,025	-	-	1,735,025	1,735,025
Financial assets not measured at fair value					
Cash at banks and in hand	-	18,321	-	18,321	18,321
Amounts due from related companies	-	20,309	-	20,309	20,309
Financial assets at amortised cost	-	9,397,239	-	9,397,239	9,397,239
	-	9,435,869	-	9,435,869	9,435,869
Total financial assets	1,735,025	9,435,869	-	11,170,894	11,170,894
Financial liabilities not measured at fair value					
Bank overdrafts	-	192,627	-	192,627	192,627
Amounts due to related companies	-	945	-	945	945
Trade and other payables	-	81,127	-	81,127	81,127
Short term borrowings	-	7,215,752	-	7,215,752	7,215,752
Long term borrowing	-	902,217	-	902,217	902,217
Borrowings on debentures	-	2,027,452	-	2,027,452	1,365,457
	-	10,420,120	-	10,420,120	9,758,125
Total financial liabilities	-	10,420,120	-	10,420,120	9,758,125

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		April ~ December		April ~ December		April ~ December		April ~ December		April ~ December	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	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
Net Trading Income/ (expense)	15,712,029	2,725,780	111,500	159,567	154,441	76,590	208,430	131,993	(49,186)	1,713	16,137,214	3,095,643
Other Income/ (expense)	3,072	274	22	15,081	-	356	1,168	123,269	(1,624)	(8,563)	2,638	130,417
Gain/(loss) on Financial Assets FVTPL	1,119,242	358,297	631,710	(210,324)	14,238	10,979	-	-	(5,125)	3,357	1,760,065	162,309
Operating Expenses	(2,358,854)	(547,164)	(726,035)	(228,016)	(142,846)	(65,718)	(166,213)	(120,726)	53,736	2,921	(3,340,212)	(958,703)
(Provision)/ reversal for impairment	-	-	39,677	(24,177)	-	-	-	-	(2,030)	-	37,647	(24,177)
Operating profit/(loss)	14,475,489	2,537,187	56,874	(287,869)	25,833	22,207	43,385	134,536	(4,229)	(572)	14,597,352	2,405,489
Tax (expenses)/ reversal	(4,414,678)	(630,520)	20,254	(76,128)	(5,587)	(443)	(16,719)	(36,241)	(824,785)	(726)	(5,241,515)	(744,058)
Profit/(Loss) for the period	10,060,811	1,906,667	77,128	(363,999)	20,246	21,764	26,666	98,295	(829,014)	(1,298)	9,355,837	1,661,431
Other Comprehensive income/ (expense)	-	-	(10,057)	-	-	-	-	-	-	-	(10,057)	-
Total Comprehensive Income/ (loss)	10,060,811	1,906,667	67,071	(363,999)	20,246	21,764	26,666	98,295	(829,014)	(1,298)	9,345,780	1,661,431

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/ Unallocated		Consolidated	
	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March
	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023
	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	91,249,262	52,323,908	22,801,832	20,404,811	163,083	151,864	744,913	781,968	(8,568,849)	(7,036,362)	106,390,241	66,626,189
Total Liabilities	81,880,438	46,859,895	14,887,153	14,240,811	56,889	65,916	337,722	401,443	(271,014)	(1,622,709)	96,891,188	59,945,356
Net Assets	9,368,824	5,464,013	7,914,679	6,164,000	106,194	85,948	407,191	380,525	(8,297,835)	(5,413,653)	9,499,053	6,680,833

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/ Unallocated		Consolidated	
	April ~ December		April ~ December		April ~ December		April ~ December		April ~ December		April ~ December	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	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
Cash flows from operating activities	6,175,061	(310,178)	312,057	(699,107)	(53,937)	(19,929)	36,271	11,470	(614,738)	(245,238)	5,854,714	(1,262,983)
Cash flows from investing activities	(8,277)	(213)	4,699,151	37,196	43,664	5,076	14,580	2,699	(4,907,826)	(1,128)	(158,708)	43,631
Cash flows from financing activities	(6,156,000)	-	(6,072,500)	900,000	-	-	(1,061)	-	5,502,001	-	(6,727,560)	900,000
Net cash flow generated during the period	10,784	(310,391)	(1,061,292)	238,089	(10,273)	(14,853)	49,790	14,169	(20,563)	(246,366)	(1,031,554)	(319,352)

NOTES TO THE FINANCIAL STATEMENTS

- 8 The above figures are provisional. The same accounting policies as in the Annual Report for the year ended 31 March 2023 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 2023 is 405,000,000 shares (As at 31 March 2023 - 405,000,000 shares).

11 Commitments

There have been no significant changes to the commitments, which were disclosed in the Annual Report for the year ended 31 March 2023 other than the following.

- The value of forward purchase and forward sale contracts on Government Securities as at 31 December 2023 is Rs. 1.5Bn and Rs. 7.8Bn respectively.

- 12 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 2023 other than the following.

• Department of Inland Revenue made an assessment on VAT on financial services amounting to Rs. 250Mn for the company for year of assessment 2020/21.

• First Capital Limited (subsidiary) received an assessment on income tax amounting to Rs. 118Mn for year of assessment 2019/20.

Appeals against the said assessments have been duly submitted. Based on the tax consultant's opinion, the company is of the view that no liability would arise on the above stated assessments as those are outside the scope of chargeability of tax.

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

14 Net Assets per Share

	As at 31 December 2023 Rs.	As at 31 March 2023 Rs.
Group	20.98	15.05
Company	20.98	15.05

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
Total			20,000,000	2,000,000			

* 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 Resale Agreements against Government Securities.

Market value of Listed Debentures as at 31 December 2023

Debentures have not been traded during the period ended 31 December 2023. Hence, the par value has been recognised as respective market value.

Debt Ratios

Debt/ equity ratio (times)
Quick asset ratio (times)
Interest cover (times)

Group		Company	
As at 31 December 2023	As at 31 March 2023	As at 31 December 2023	As at 31 March 2023
9.50	8.61	1.34	1.70
1.16	1.17	1.32	1.49
2.93	1.40	6.53	1.85

Debenture Interest Yield (Last Traded)

Type A - 5 year fixed rate (10 % p.a. payable annually)
Type B - 5 year floating rate (Weekly AWPLR + 2% p.a. payable annually)

As at 31 December 2023	As at 31 March 2023
N/A	N/A
N/A	N/A

Yield of comparable Government Securities (%)

5 Year treasury bond (maturity - 1 February 2026)

As at 31 December 2023	As at 31 March 2023
13.63%	26.40%

INVESTOR INFORMATION

Market Price per Share	Quarter ended	Quarter ended
	31 December 2023	31 December 2022
	Rs.	Rs.
Highest market price recorded	54.50	35.50
Lowest market price recorded	27.90	14.00
Closing market price recorded	28.10	27.90

List of twenty major shareholders as at 31 December 2023

Names of shareholders	No. of shares as at 31 December 2023	Holding (%)
1 1.1 Seylan Bank PLC/Janashakthi Limited	101,600,000	25.09%
1.2 Seylan Bank PLC/Janashakthi Insurance PLC	101,201,799	24.99%
1.3 Janashakthi Ltd Account No. 1	77,212,141	19.06%
1.4 Seylan Bank PLC/Janashakthi Limited (Collateral)	35,988,960	8.89%
1.5 Pan Asia Banking Corporation PLC/Janashakthi Limited	13,000,000	3.21%
1.6 Commercial Bank of Ceylon PLC/Janashakthi Limited	7,191,500	1.78%
2 Mr. A. J. Tissera	2,665,200	0.66%
3 Dr. S. N. Samarasinghe	1,300,000	0.32%
4 Deutsche Bank AG-National Equity Fund	1,235,463	0.31%
5 Mr. A. D. Edussuriya	1,110,200	0.27%
6 Mr. E. P. G. Dimuthu	877,000	0.22%
7 Mr. N. D. Kurukulasuriya	835,344	0.21%
8 Mr. W. A. P. D. M. Wickramatunga	815,000	0.20%
9 Hatton National Bank PLC/Mushtaq Mohamed Fuad	800,419	0.20%
10 DFCC Bank PLC/M. S. F. Haqqe & S. I. Haqqe	785,000	0.19%
11 Dr. K. A. P. Gunawardhana	742,978	0.18%
12 Buildmart Lanka (Pvt) Ltd	659,766	0.16%
13 Merchant Bank of Sri Lanka & Finance PLC/ D. Weerasinghe	547,862	0.14%
14 Mr. M. C. Pushpakumara	520,740	0.13%
15 Mr. R. S. A. Silva	500,000	0.12%
16 Mr. G. Ramanan	496,168	0.12%
17 Mr. C. L. de Silva	473,332	0.12%
17 Mr. R. C. de Silva	473,332	0.12%
17 Mrs. S. T. Wettimuny	473,332	0.12%
20 Mr. W. Jinadasa	448,800	0.11%
	351,954,336	86.92%

Directors' holding in shares as at 31 December 2023

Name of the Director	Designation	No. of Shares as at 31 December 2023
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	Director	473,332
Dr. Nishan de Mel *	Director	Nil
Mr. Prakash Schaffter **	Alternate Director to Mr. Ramesh Schaffter	Nil

* Resigned with effect from 1 January 2024

** Resigned with effect from 8 January 2024

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

Float adjusted market capitalisation as at 31 December 2023 (Rs.)	1,919,093,715
Public holding percentage	16.86%
Number of public shareholders	7,841

The Company is complied with the Minimum Public Holding requirement under option 1 of the Section 7.13.1 (b) of the Listing Rules of the Colombo Stock Exchange.