



First Capital

A Janashakthi Group Company

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# PROVISIONAL FINANCIAL STATEMENTS

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**Quarter ended**

**30 June 2023**

**FIRST CAPITAL HOLDINGS PLC**

## REVIEW OF OPERATIONS

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First Capital Holdings PLC (the Group) recorded a Profit after Tax of Rs. 2.81Bn for the quarter ended 30 June 2023 compared to Profit after Tax of Rs. 96Mn in the corresponding period of the previous year. Higher contribution via business activities of the Group's Primary Dealer division resulted in an increase in the Group's trading income for the 1<sup>st</sup> quarter of 2023/24 compared to the corresponding period of the previous year. A considerable decline in interest rates was witnessed in response to substantial easing of monetary policy rates by the Central Bank of Sri Lanka in 1<sup>st</sup> quarter of 2023/24.

The Primary Dealer division reported a Profit after Tax of Rs. 2.73Bn for the quarter ended 30 June 2023 (2022/23 – Profit after Tax of Rs. 409Mn).

The Results include a trading gain on sale of government securities portfolio amounting to Rs. 2.1Bn and net interest income of Rs. 1.1Bn (2022/23 – Net trading gain on sale of government securities portfolio of Rs. 242Mn and net interest income of Rs. 185Mn were included).

The Corporate Dealing Securities division reported a Profit after Tax of Rs. 77Mn for the quarter ended 30 June 2023 (2022/23 – Loss after Tax of Rs. 310Mn).

The Wealth Management division reported a Loss after Tax of Rs. 0.8Mn for the quarter ended 30 June 2023 (2022/23 – Loss after Tax of Rs. 0.9Mn). The assets under management of the division stood at Rs. 48.6Bn as of 30 June 2023 (31 March 2023 – Rs. 40.5Bn).

The Stock Brokering division recorded a Profit after Tax of Rs. 2Mn for the quarter ended 30 June 2023 (2022/23 – Profit after tax of Rs. 9Mn).

First Capital Holdings PLC was recognised as the most awarded entity in the “Investment Banking Sector” by LMD (Joint winner - 2022).

(Sgd.)  
Dilshan Wirasekara  
Managing Director/ CEO

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

For the period	Notes	Group		Company	
		April ~ June		April ~ June	
		2023	2022	2023	2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Income</b>		<b>6,183,724</b>	<b>2,064,443</b>	<b>777,887</b>	<b>663,565</b>
Direct income		6,183,079	2,058,556	777,887	663,565
Direct expenses		(2,718,085)	(1,443,214)	(641,498)	(507,345)
<b>Net trading income</b>		<b>3,464,994</b>	<b>615,342</b>	<b>136,389</b>	<b>156,220</b>
Other income	1	645	5,887	-	-
Gain/ (Loss) on fair valuation of financial assets recognised through profit or loss measured at fair value		1,515,607	(232,412)	29,161	(127,309)
		<b>4,981,246</b>	<b>388,817</b>	<b>165,550</b>	<b>28,911</b>
<b>Operating expenses</b>					
Administrative expenses		(659,631)	(132,507)	(37,975)	(19,629)
Sales and distribution expenses		(14,338)	(4,122)	(1,223)	(394)
Other operating expenses		(212,662)	(71,451)	(23,514)	(21,447)
(Provision)/ Reversal for impairment of financial assets at amortised cost		13,277	(1,157)	23,113	1,762
		<b>(873,354)</b>	<b>(209,237)</b>	<b>(39,599)</b>	<b>(39,708)</b>
<b>Operating profit/ (loss)</b>		<b>4,107,892</b>	<b>179,580</b>	<b>125,951</b>	<b>(10,797)</b>
Share of profit from equity accounted investee (net of tax)		-	-	2,438,919	66,222
<b>Profit before tax</b>		<b>4,107,892</b>	<b>179,580</b>	<b>2,564,870</b>	<b>55,425</b>
Income tax expense	2	(1,299,673)	(83,726)	(47,345)	(2,708)
<b>Profit for the period</b>		<b>2,808,219</b>	<b>95,854</b>	<b>2,517,525</b>	<b>52,717</b>
<b>Other comprehensive income</b>					
<i>Items that will never be reclassified to profit or loss</i>		-	-	-	-
Actuarial (gain)/ loss on defined benefit plans		-	-	-	-
Gain/ (loss) on financial assets fair value through other comprehensive income		-	-	-	-
Tax effect on other comprehensive income		-	-	-	-
<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>2,808,219</b>	<b>95,854</b>	<b>2,517,525</b>	<b>52,717</b>
<b>Profit attributable to:</b>					
Equity holders of the parent		2,517,525	52,717	2,517,525	52,717
Non - controlling interest		290,694	43,137	-	-
		<b>2,808,219</b>	<b>95,854</b>	<b>2,517,525</b>	<b>52,717</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the parent		2,517,525	52,717	2,517,525	52,717
Non - controlling interest		290,694	43,137	-	-
		<b>2,808,219</b>	<b>95,854</b>	<b>2,517,525</b>	<b>52,717</b>
<b>Basic earnings per share (Rs.)</b>	3	<b>6.22</b>	<b>0.13</b>	<b>6.22</b>	<b>0.13</b>

Figures in bracket indicate deductions.


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

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	30 June 2023 (Unaudited)	31 March 2023 (Audited)	30 June 2023 (Unaudited)	31 March 2023 (Audited)
<b>ASSETS</b>				
Cash at banks and in hand	1,822,421	110,372	24,308	18,321
Derivative financial instruments	40,048	51,194	-	-
Financial assets recognised through profit or loss -measured at fair	43,132,759	53,726,232	662,937	1,735,025
Financial assets - fair value through other comprehensive income	116,773	116,773	-	-
Financial assets at amortised cost	9,488,076	11,225,039	10,470,506	9,397,239
Amounts due from related companies	66	66	6,016	20,309
Trade and other receivables	1,130,825	1,026,095	221,083	923,598
Non - current assets held for sale	42,416	42,416	-	-
Taxes receivable	62,147	36,415	-	-
Investment in subsidiary	-	-	6,851,908	4,412,989
Deferred tax asset	123,244	125,182	8,789	16,848
Property, plant and equipment and right of use assets	50,595	43,860	26,374	19,770
Intangible assets	122,643	122,545	3,746	2,960
<b>TOTAL ASSETS</b>	<b>56,132,013</b>	<b>66,626,189</b>	<b>18,275,667</b>	<b>16,547,059</b>
<b>LIABILITIES</b>				
Bank overdrafts	1,566,301	448,194	1,309,221	192,627
Derivative financial instruments	215,104	153,586	-	-
Securities sold under re-purchase agreements	32,165,977	46,330,589	-	-
Short term borrowings	5,252,168	7,080,975	6,114,177	7,215,752
Amounts due to related companies	7,342	4,652	93,628	945
Trade and other payables	2,737,228	1,450,376	84,543	77,999
Taxes payable	1,821,428	746,012	8,802	34,905
Long term borrowings	884,320	902,217	884,320	902,217
Retirement benefit obligations	53,822	53,063	-	-
Borrowings on debentures	2,850,521	2,775,692	2,079,539	2,027,452
<b>TOTAL LIABILITIES</b>	<b>47,554,211</b>	<b>59,945,356</b>	<b>10,574,230</b>	<b>10,451,897</b>
<b>EQUITY</b>				
Stated capital	227,500	227,500	227,500	227,500
Risk reserve	1,741,272	1,497,150	1,741,272	1,497,150
Retained earnings	5,948,483	4,586,330	5,948,483	4,586,330
Fair valuation reserve	(215,818)	(215,818)	(215,818)	(215,818)
Equity attributable to the equity holders of the parent	<b>7,701,437</b>	<b>6,095,162</b>	<b>7,701,437</b>	<b>6,095,162</b>
Non- controlling interest	876,365	585,671	-	-
<b>TOTAL EQUITY</b>	<b>8,577,802</b>	<b>6,680,833</b>	<b>7,701,437</b>	<b>6,095,162</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>56,132,013</b>	<b>66,626,189</b>	<b>18,275,667</b>	<b>16,547,059</b>
Net asset per share (Rs.)	<b>19.02</b>	<b>15.05</b>	<b>19.02</b>	<b>15.05</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

15 August 2023  
 Colombo.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2023

	Attributable to equity holders of the parent				Total	Non-controlling Interest	Total Equity
	Stated Capital	Risk Reserve	Retained Earnings	Fair Valuation Reserve			
<b>Group</b>							
<b>Balance as at 1 April 2022 (Audited)</b>	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)
<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	-	-	52,717	-	52,717	43,137	95,854
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>52,717</b>	<b>-</b>	<b>52,717</b>	<b>43,137</b>	<b>95,854</b>
Transactions with equity holders	-	-	-	-	-	-	-
Transfers to risk reserve	-	36,563	(36,563)	-	-	-	-
<b>Balance as at 30 June 2022 (Unaudited)</b>	<b>227,500</b>	<b>1,276,041</b>	<b>2,518,895</b>	<b>(297,957)</b>	<b>3,724,479</b>	<b>418,585</b>	<b>4,143,064</b>
<b>Balance as at 1 April 2023 (Audited)</b>	<b>227,500</b>	<b>1,497,150</b>	<b>4,586,330</b>	<b>(215,818)</b>	<b>6,095,162</b>	<b>585,671</b>	<b>6,680,833</b>
<b><u>Total comprehensive income for the period</u></b>							
Profit for the period	-	-	2,517,525	-	2,517,525	290,694	2,808,219
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,517,525</b>	<b>-</b>	<b>2,517,525</b>	<b>290,694</b>	<b>2,808,219</b>
<b><u>Transactions with equity holders</u></b>							
Dividend paid	-	-	(911,250)	-	(911,250)	-	(911,250)
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>(911,250)</b>	<b>-</b>	<b>(911,250)</b>	<b>-</b>	<b>(911,250)</b>
Transfers to risk reserve	-	244,122	(244,122)	-	-	-	-
<b>Balance as at 30 June 2023 (Unaudited)</b>	<b>227,500</b>	<b>1,741,272</b>	<b>5,948,483</b>	<b>(215,818)</b>	<b>7,701,437</b>	<b>876,365</b>	<b>8,577,802</b>

\* Non controlling interest

For the period ended 30 June 2023

	Stated Capital	Risk Reserve	Retained Earnings	Fair Valuation Reserve	Total Equity
	<b>Company</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	-	-	52,717	-	52,717
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>52,717</b>	<b>-</b>	<b>52,717</b>
Transactions with equity holders	-	-	-	-	-
Transfer to risk reserve	-	36,563	(36,563)	-	-
<b>Balance as at 30 June 2022 (Unaudited)</b>	<b>227,500</b>	<b>1,276,041</b>	<b>2,518,895</b>	<b>(297,957)</b>	<b>3,724,479</b>
<b>Balance as at 1 April 2022 (Audited)</b>	<b>227,500</b>	<b>1,497,150</b>	<b>4,586,330</b>	<b>(215,818)</b>	<b>6,095,162</b>
<b><u>Total comprehensive income for the period</u></b>					
Profit for the period	-	-	2,517,525	-	2,517,525
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,517,525</b>	<b>-</b>	<b>2,517,525</b>
<b><u>Transactions with equity holders</u></b>					
Dividend paid	-	-	(911,250)	-	(911,250)
<b>Total distribution to equity holders</b>	<b>-</b>	<b>-</b>	<b>(911,250)</b>	<b>-</b>	<b>(911,250)</b>
Transfer to risk reserve	-	244,122	(244,122)	-	-
<b>Balance as at 30 June 2023 (Unaudited)</b>	<b>227,500</b>	<b>1,741,272</b>	<b>5,948,483</b>	<b>(215,818)</b>	<b>7,701,437</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 ~ June		April ~ June	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Cash flows from operating activities</b>				
Interest receipts and gains realised	6,073,262	1,967,935	649,535	657,056
Interest payments and other direct cost	(2,074,138)	(1,167,435)	(495,565)	(458,433)
Other receipts	484	46,365	-	-
Cash payments to employees and suppliers	(877,641)	(198,512)	(60,681)	(38,401)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>3,121,967</b>	<b>648,353</b>	<b>93,289</b>	<b>160,222</b>
(Increase)/ Decrease in financial assets recognised through profit or loss -measured at fair value	12,181,744	(4,234,993)	1,101,249	(627,984)
(Increase)/ Decrease in financial assets at amortised cost	1,823,981	(3,149,116)	(921,803)	(1,271,903)
(Increase)/ Decrease in trade and other receivables	(104,730)	373,877	702,515	2,132
(Increase)/ Decrease in group balances receivable	-	(144)	14,293	(6,049)
Increase/ (Decrease) in trade and other payables	1,286,852	(345,446)	6,544	3,024
Increase/ (Decrease) in group balances payable	2,690	(137)	92,683	(2,096)
Increase/ (Decrease) in other short term borrowings	(1,840,551)	1,172,611	(1,113,319)	1,176,428
Increase in borrowings against re-purchase agreements	(14,639,883)	4,880,609	-	-
<b>Cash generated from/ (used in) operations</b>	<b>1,832,070</b>	<b>(654,386)</b>	<b>(24,549)</b>	<b>(566,226)</b>
Tax paid	(248,051)	(218,476)	(65,388)	(14,370)
Gratuity paid	(3,068)	(525)	-	-
<b>Net cash flow generated from/ (used in) operating activities</b>	<b>1,580,951</b>	<b>(873,387)</b>	<b>(89,937)</b>	<b>(580,596)</b>
<b>Cash flow from investing activities</b>				
Purchase of property, plant, equipment and intangible assets	(12,135)	(6,958)	(9,420)	(5,821)
Proceeds on sale of property plant and equipment	300	-	-	-
Dividend receipts	36,076	43,461	-	-
<b>Net cash flow generated from/ (used in) investing activities</b>	<b>24,241</b>	<b>36,503</b>	<b>(9,420)</b>	<b>(5,821)</b>
<b>Cash flow from financing activities</b>				
Dividend paid	(911,250)	-	(911,250)	-
Repayment of long term borrowings	(100,000)	-	(100,000)	-
Proceeds from long term borrowings	-	1,000,000	-	1,000,000
<b>Net cash flow generated from/(used in) financing activities</b>	<b>(1,011,250)</b>	<b>1,000,000</b>	<b>(1,011,250)</b>	<b>1,000,000</b>
<b>Net cash inflow/ (outflow) for the period</b>	<b>593,942</b>	163,116	<b>(1,110,607)</b>	413,583
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)	<b>256,120</b>	<b>(555,638)</b>	<b>(1,284,913)</b>	<b>(792,696)</b>
<b>Note A</b>				
Cash at bank and hand	1,822,421	505,460	24,308	267,481
Bank overdraft	(1,566,301)	(1,061,098)	(1,309,221)	(1,060,177)
	<b>256,120</b>	<b>(555,638)</b>	<b>(1,284,913)</b>	<b>(792,696)</b>

**Figures in bracket indicate deductions.**

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Other income

	Group		Company	
	April ~ June		April ~ June	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Exchange gain/ (loss)	(8)	51	-	-
Profit on sale of property, plant and equipment	161	-	-	-
Miscellaneous income	492	5,836	-	-
	<b>645</b>	<b>5,887</b>	<b>-</b>	<b>-</b>

### 2 Income tax expenses

	Group		Company	
	April ~ June		April ~ June	
	2023	2022	2023	2022
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Current tax expenses	(1,297,735)	(12,461)	(39,286)	(2,376)
Deferred tax expenses	(1,938)	(71,265)	(8,059)	(332)
	<b>(1,299,673)</b>	<b>(83,726)</b>	<b>(47,345)</b>	<b>(2,708)</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.

- 4 These Provisional Financial Statements for the quarter ended 30 June 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.

## NOTES TO THE FINANCIAL STATEMENTS

### 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 30.06.2023		As at 31.03.2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>				
Derivative financial instruments	40,048	40,048	51,194	51,194
Financial assets recognised through profit or loss - measured at fair value	43,132,759	43,132,759	53,726,232	53,726,232
Financial assets - fair value through other comprehensive income	116,773	116,773	116,773	116,773
	<b>43,289,580</b>	<b>43,289,580</b>	53,894,199	53,894,199
<b>Financial assets not measured at fair value</b>				
Cash at banks and in hand	1,822,421	1,822,421	110,372	110,372
Financial assets at amortised cost	9,488,076	9,488,076	11,225,039	11,225,039
Amounts due from related companies	66	66	66	66
Trade receivables	367,260	367,260	560,150	560,150
	<b>11,677,823</b>	<b>11,677,823</b>	11,895,627	11,895,627
<b>Total financial assets</b>	<b>54,967,403</b>	<b>54,967,403</b>	65,789,826	65,789,826
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	215,104	215,104	153,586	153,586
	<b>215,104</b>	<b>215,104</b>	153,586	153,586
<b>Financial liabilities not measured at fair value</b>				
Bank overdrafts	1,566,301	1,566,301	448,194	448,194
Amounts due to related companies	7,342	7,342	4,652	4,652
Trade and other payables	2,612,352	2,612,352	1,090,977	1,090,977
Securities sold under re-purchase agreements	32,165,977	32,198,087	46,330,589	46,314,954
Short term borrowings	5,252,168	5,252,168	7,080,975	7,080,975
Long term borrowings	884,320	884,320	902,217	902,217
Borrowings on debentures	2,850,521	2,116,810	2,775,692	1,915,259
	<b>45,338,981</b>	<b>44,637,380</b>	58,633,296	57,757,228
<b>Total financial liabilities</b>	<b>45,554,085</b>	<b>44,852,484</b>	58,786,882	57,910,814

## NOTES TO THE FINANCIAL STATEMENTS

### 5.1 Fair values versus the Carrying amounts (Contd.)

Company	As at 30.06.2023		As at 31.03.2023	
	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>662,937</b>	<b>662,937</b>	1,735,025	1,735,025
	<b>662,937</b>	<b>662,937</b>	1,735,025	1,735,025
<b>Financial assets not measured at fair value</b>				
Cash at banks and in hand	<b>24,308</b>	<b>24,308</b>	18,321	18,321
Amounts due from related companies	<b>6,016</b>	<b>6,016</b>	20,309	20,309
Financial assets at amortised cost	<b>10,470,506</b>	<b>10,470,506</b>	9,397,239	9,397,239
	<b>10,500,830</b>	<b>10,500,830</b>	9,435,869	9,435,869
<b>Total financial assets</b>	<b>11,163,767</b>	<b>11,163,767</b>	11,170,894	11,170,894
<b>Financial liabilities measured at fair value</b>	-	-	-	-
<b>Financial liabilities not measured at fair value</b>				
Bank overdrafts	<b>1,309,221</b>	<b>1,309,221</b>	192,627	192,627
Amounts due to related companies	<b>93,628</b>	<b>93,628</b>	945	945
Trade and other payables	<b>80,262</b>	<b>80,262</b>	81,127	81,127
Short term borrowings	<b>6,114,177</b>	<b>6,114,177</b>	7,215,752	7,215,752
Long term borrowings	<b>884,320</b>	<b>884,320</b>	902,217	902,217
Borrowings on debentures	<b>2,079,539</b>	<b>1,365,457</b>	2,027,452	1,365,457
	<b>10,561,147</b>	<b>9,847,065</b>	10,420,120	9,758,125
<b>Total financial liabilities</b>	<b>10,561,147</b>	<b>9,847,065</b>	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 30 June 2023

	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	29,249	29,249	-	-	29,249
Forward sale contracts	10,799	10,799	-	-	10,799
	<b>40,048</b>	<b>40,048</b>	-	-	<b>40,048</b>
<b>Financial assets recognised through profit or loss - measured at fair value</b>					
Investment in government securities	41,240,203	41,240,203	-	-	41,240,203
Investment in debentures	1,190,259	-	1,190,259	-	1,190,259
Investment in unit trust	50,706	-	50,706	-	50,706
Investment in listed shares	651,591	651,591	-	-	651,591
	<b>43,132,759</b>	<b>41,891,794</b>	<b>1,240,965</b>	-	<b>43,132,759</b>
Financial assets - fair value through other comprehensive income	116,773	116,773	-	-	116,773
	<b>43,289,580</b>	<b>42,048,615</b>	<b>1,240,965</b>	-	<b>43,289,580</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	1,822,421	-	-	1,822,421	1,822,421
Financial assets at amortised cost	9,488,076	-	-	9,488,076	9,488,076
Amounts due from related companies	66	-	-	66	66
Trade receivables	367,260	-	-	367,260	367,260
	<b>11,677,823</b>	-	-	<b>11,677,823</b>	<b>11,677,823</b>
<b>Total financial assets</b>	<b>54,967,403</b>	<b>42,048,615</b>	<b>1,240,965</b>	<b>11,677,823</b>	<b>54,967,403</b>
<b>Financial liabilities measured at fair value</b>					
<b>Derivative financial instruments</b>					
Forward purchase contracts	1,073	1,073	-	-	1,073
Forward sale contracts	214,031	214,031	-	-	214,031
	<b>215,104</b>	<b>215,104</b>	-	-	<b>215,104</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	1,566,301	-	-	1,566,301	1,566,301
Amounts due to related companies	7,342	-	-	7,342	7,342
Trade and other payables	2,612,352	-	-	2,612,352	2,612,352
Securities sold under re-purchase agreements	32,165,977	-	-	32,198,087	32,198,087
Short term borrowings	5,252,168	-	-	5,252,168	5,252,168
Long term borrowings	884,320	-	-	884,320	884,320
Borrowings on debentures	2,850,521	-	2,116,810	-	2,116,810
	<b>45,338,981</b>	-	<b>2,116,810</b>	<b>42,520,570</b>	<b>44,637,380</b>
<b>Total financial liabilities</b>	<b>45,554,085</b>	<b>215,104</b>	<b>2,116,810</b>	<b>42,520,570</b>	<b>44,852,484</b>

## NOTES TO THE FINANCIAL STATEMENTS

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

Group - As at 31 March 2023

	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	38,918	38,918	-	-	38,918
Forward sale contracts	12,276	12,276	-	-	12,276
	<b>51,194</b>	<b>51,194</b>	-	-	<b>51,194</b>
<b>Financial assets recognised through profit or loss - measured at fair value</b>					
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
	<b>53,726,232</b>	<b>52,027,085</b>	<b>1,699,147</b>	-	<b>53,726,232</b>
<b>Financial assets - fair value through other comprehensive income</b>					
	116,773	116,773	-	-	116,773
	<b>53,894,199</b>	<b>52,195,052</b>	<b>1,699,147</b>	-	<b>53,894,199</b>
<b>Financial assets not measured at fair value</b>					
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
	<b>11,895,627</b>	-	-	<b>11,895,627</b>	<b>11,895,627</b>
<b>Total financial assets</b>	<b>65,789,826</b>	<b>52,195,052</b>	<b>1,699,147</b>	<b>11,895,627</b>	<b>65,789,826</b>
<b>Financial liabilities measured at fair value</b>					
<b>Derivative financial instruments</b>					
Forward purchase contracts	149,080	149,080	-	-	149,080
Forward sale contracts	4,506	4,506	-	-	4,506
	<b>153,586</b>	<b>153,586</b>	-	-	<b>153,586</b>
<b>Financial liabilities not measured at fair value</b>					
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
	<b>58,633,296</b>	-	<b>1,915,259</b>	<b>55,841,969</b>	<b>57,757,228</b>
<b>Total financial liabilities</b>	<b>58,786,882</b>	<b>153,586</b>	<b>1,915,259</b>	<b>55,841,969</b>	<b>57,910,814</b>

## NOTES TO THE FINANCIAL STATEMENTS

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

Company - As at 30 June 2023

	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 debentures	662,937	-	662,937	-	662,937
	<b>662,937</b>	-	<b>662,937</b>	-	<b>662,937</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	24,308	-	-	24,308	24,308
Amounts due from related companies	6,016	-	-	6,016	6,016
Financial assets at amortised cost	10,470,506	-	-	10,470,506	10,470,506
	<b>10,500,830</b>	-	-	<b>10,500,830</b>	<b>10,500,830</b>
<b>Total financial assets</b>	<b>11,163,767</b>	-	<b>662,937</b>	<b>10,500,830</b>	<b>11,163,767</b>
<b>Financial liabilities measured at fair value</b>					
	-	-	-	-	-
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	1,309,221	-	-	1,309,221	1,309,221
Amounts due to related companies	93,628	-	-	93,628	93,628
Trade and other payables	80,262	-	-	80,262	80,262
Short term borrowings	6,114,177	-	-	6,114,177	6,114,177
Long term borrowings	884,320	-	-	884,320	884,320
Borrowings on debentures	2,079,539	-	1,365,457	-	1,365,457
	<b>10,561,147</b>	-	<b>1,365,457</b>	<b>8,481,608</b>	<b>9,847,065</b>
<b>Total financial liabilities</b>	<b>10,561,147</b>	-	<b>1,365,457</b>	<b>8,481,608</b>	<b>9,847,065</b>

## NOTES TO THE FINANCIAL STATEMENTS

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

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
<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	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
	<b>1,735,025</b>	<b>642,020</b>	<b>1,093,005</b>	<b>-</b>	<b>1,735,025</b>
<b>Financial assets not measured at fair value</b>					
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
	<b>9,435,869</b>	<b>-</b>	<b>-</b>	<b>9,435,869</b>	<b>9,435,869</b>
<b>Total financial assets</b>	<b>11,170,894</b>	<b>642,020</b>	<b>1,093,005</b>	<b>9,435,869</b>	<b>11,170,894</b>
<b>Financial liabilities measured at fair value</b>					
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities not measured at fair value</b>					
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
	<b>10,420,120</b>	<b>-</b>	<b>1,365,457</b>	<b>8,392,668</b>	<b>9,758,125</b>
<b>Total financial liabilities</b>	<b>10,420,120</b>	<b>-</b>	<b>1,365,457</b>	<b>8,392,668</b>	<b>9,758,125</b>

**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

**Financial instruments measured at fair value**

<b>Type</b>	<b>Valuation Technique</b>	<b>Significant Unobservable Inputs</b>	<b>Inter-relationship between Significant Unobservable Inputs and Fair Value Measurement</b>
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

**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.

	<b>Debentures Rs.'000</b>	<b>Unit Trust Rs.'000</b>	<b>Total Rs.'000</b>
Balance as at 1 April 2023	1,092,105	607,042	1,699,147
Purchase	-	2,929,896	2,929,896
Sales/ Matured	-	(3,486,485)	(3,486,485)
Interest accrued	38,272	-	38,272
Gain/ (Loss) on fair valuation of financial investments	59,882	253	60,135
<b>Balance as at 30 June 2023</b>	<b>1,190,259</b>	<b>50,706</b>	<b>1,240,965</b>

## 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.

	Debtures Rs.'000	Unit Trust Rs.'000	Total Rs.'000
Balance as at 1 April 2023	588,260	504,745	1,093,005
Purchase	-	47,968	47,968
Sales/ Matured	-	(556,070)	(556,070)
Interest accrued	38,902	-	38,902
Gain/ (Loss) on fair valuation of financial investments	35,775	3,357	39,132
<b>Balance as at 30 June 2023</b>	<b>662,937</b>	<b>-</b>	<b>662,937</b>

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

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

	(-) 100bps Decrease Rs.'000	(-) 200bps Decrease Rs.'000	(+) 100bps Increase Rs.'000	(+) 200bps Increase Rs.'000
Keysey Homes (Pvt) Ltd (Unlisted)	1,618	3,257	(1,598)	(3,177)
Asia Asset Finance PLC (Maturity 2023)	426	857	(422)	(840)
Asia Asset Finance PLC (Maturity 2026)	428	857	(427)	(852)
LOLC Holdings PLC	10,820	22,287	(10,218)	(19,875)
Softlogic Capital PLC	588	1,185	(578)	(1,147)
Janashakthi Limited (Unlisted) (Maturity 2023)	284	571	(282)	(561)
	<b>14,164</b>	<b>29,014</b>	<b>(13,525)</b>	<b>(26,452)</b>

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

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

	(-) 100bps Decrease Rs.'000	(-) 200bps Decrease Rs.'000	(+) 100bps Increase Rs.'000	(+) 200bps Increase Rs.'000
Asia Asset Finance PLC (Maturity 2026)	428	857	(427)	(852)
LOLC Holdings PLC	10,820	22,287	(10,218)	(19,875)
	<b>11,248</b>	<b>23,144</b>	<b>(10,645)</b>	<b>(20,727)</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 Rs.'000	(-) 200bps Decrease Rs.'000	(+) 100bps Increase Rs.'000	(+) 200bps Increase Rs.'000
First Capital Equity Fund	(507)	(1,014)	507	1,014
	<b>(507)</b>	<b>(1,014)</b>	<b>507</b>	<b>1,014</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 6 Financial instruments - Accounting classifications

Group - As at 30 June 2023

	Financial assets/ liabilities at amortised cost	Financial assets - FVTOCI	Total carrying amount	Fair value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>				
Financial assets - FVTPL	43,132,759	-	43,132,759	43,132,759
Derivative Financial Instruments	40,048	-	40,048	40,048
Financial assets - FVTOCI	-	116,773	116,773	116,773
	<b>43,172,807</b>	<b>-</b>	<b>43,289,580</b>	<b>43,289,580</b>
<b>Financial assets not measured at fair value</b>				
Cash at banks and in hand	-	1,822,421	1,822,421	1,822,421
Amounts due from related companies	-	66	66	66
Financial assets at amortised cost	-	9,488,076	9,488,076	9,488,076
Trade receivables	-	367,260	367,260	367,260
	<b>-</b>	<b>11,677,823</b>	<b>11,677,823</b>	<b>11,677,823</b>
<b>Total financial assets</b>	<b>43,172,807</b>	<b>11,677,823</b>	<b>54,967,403</b>	<b>54,967,403</b>
<b>Financial liabilities measured at fair value</b>				
Derivative Financial Instruments	215,104	-	215,104	215,104
	<b>215,104</b>	<b>-</b>	<b>215,104</b>	<b>215,104</b>
<b>Financial liabilities not measured at fair value</b>				
Bank overdrafts	-	1,566,301	1,566,301	1,566,301
Group balances payable	-	7,342	7,342	7,342
Trade and other payables	-	2,612,352	2,612,352	2,612,352
Securities sold under re-purchase agreements	-	32,165,977	32,165,977	32,198,087
Short term borrowings	-	5,252,168	5,252,168	5,252,168
Long term borrowings	-	884,320	884,320	884,320
Borrowings on debentures	-	2,850,521	2,850,521	2,116,810
	<b>-</b>	<b>45,338,981</b>	<b>45,338,981</b>	<b>44,637,380</b>
<b>Total Financial Liabilities</b>	<b>215,104</b>	<b>45,338,981</b>	<b>45,554,085</b>	<b>44,852,484</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 6 Financial instruments - Accounting classifications (Contd.)

Group - As at 31 March 2023

	Financial assets/ liabilities at amortised cost	Financial assets - FVTOCI	Total carrying amount	Fair value
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Financial assets measured at fair value</b>				
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	-	53,894,199	53,894,199
<b>Financial assets not measured at fair value</b>				
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
<b>Total financial assets</b>	53,777,426	11,895,627	65,789,826	65,789,826
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	153,586	-	153,586	153,586
	153,586	-	153,586	153,586
<b>Financial liabilities not measured at fair value</b>				
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
<b>Total Financial Liabilities</b>	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 30 June 2023

	Financial assets - FVTPL Rs. '000	Financial assets/ liabilities at amortised cost Rs. '000	Financial assets - FVTOCI Rs. '000	Total carrying amount Rs. '000	Fair value Rs. '000
<b>Financial assets measured at fair value</b>					
Financial assets recognised through profit or loss - measured at fair value	662,937	-	-	662,937	662,937
	<b>662,937</b>	-	-	<b>662,937</b>	<b>662,937</b>
<b>Financial assets not measured at fair value</b>					
Cash at banks and in hand	-	24,308	-	24,308	24,308
Amounts due from related companies	-	6,016	-	6,016	6,016
Financial assets at amortised cost	-	10,470,506	-	10,470,506	10,470,506
	-	<b>10,500,830</b>	-	<b>10,500,830</b>	<b>10,500,830</b>
<b>Total financial assets</b>	<b>662,937</b>	<b>10,500,830</b>	-	<b>11,163,767</b>	<b>11,163,767</b>
<b>Financial liabilities not measured at fair value</b>					
Bank overdrafts	-	1,309,221	-	1,309,221	1,309,221
Amounts due to related companies	-	93,628	-	93,628	93,628
Trade and other payables	-	80,262	-	80,262	80,262
Short term borrowings	-	6,114,177	-	6,114,177	6,114,177
Long term borrowings	-	884,320	-	884,320	884,320
Borrowings on debentures	-	2,079,539	-	2,079,539	1,365,457
	-	<b>10,561,147</b>	-	<b>10,561,147</b>	<b>9,847,065</b>
<b>Total financial liabilities</b>	-	<b>10,561,147</b>	-	<b>10,561,147</b>	<b>9,847,065</b>

#### Company - As at 31 March 2023

	Financial assets - FVTPL Rs. '000	Financial assets/ liabilities at amortised cost Rs. '000	Financial assets - FVTOCI Rs. '000	Total carrying amount Rs. '000	Fair value Rs. '000
<b>Financial assets measured at fair value</b>					
Financial assets recognised through profit or loss - measured at fair value	1,735,025	-	-	1,735,025	1,735,025
	<b>1,735,025</b>	-	-	<b>1,735,025</b>	<b>1,735,025</b>
<b>Financial assets not measured at fair value</b>					
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
	-	<b>9,435,869</b>	-	<b>9,435,869</b>	<b>9,435,869</b>
<b>Total financial assets</b>	<b>1,735,025</b>	<b>9,435,869</b>	-	<b>11,170,894</b>	<b>11,170,894</b>
<b>Financial liabilities not measured at fair value</b>					
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
	-	<b>10,420,120</b>	-	<b>10,420,120</b>	<b>9,758,125</b>
<b>Total financial liabilities</b>	-	<b>10,420,120</b>	-	<b>10,420,120</b>	<b>9,758,125</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 ~ June 2023	2023	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 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
Net Trading Income/ (expense)	3,261,463	424,855	129,713	104,004	28,853	32,582	52,119	53,011	(7,154)	890	3,464,994	615,342
Other Income/ (expense)	1,891	177	(99)	5,023	-	355	486	332	(1,633)	-	645	5,887
Gain/(loss) on Financial Assets FVTPL	1,442,551	132,518	70,090	(355,675)	4,306	(11,870)	-	-	(1,340)	2,615	1,515,607	(232,412)
Operating Expenses	(720,315)	(76,610)	(93,654)	(60,473)	(34,566)	(19,214)	(48,798)	(38,235)	10,702	(13,548)	(886,631)	(208,080)
(Provision)/ reversal for impairment	-	-	16,928	(190)	-	-	-	-	(3,651)	(967)	13,277	(1,157)
<b>Operating profit/(loss)</b>	<b>3,985,590</b>	<b>480,940</b>	<b>122,978</b>	<b>(307,311)</b>	<b>(1,407)</b>	<b>1,853</b>	<b>3,807</b>	<b>15,108</b>	<b>(3,076)</b>	<b>(11,010)</b>	<b>4,107,892</b>	<b>179,580</b>
Tax (expenses)/ reversal	(1,253,668)	(72,161)	(46,006)	(2,978)	646	(2,775)	(1,740)	(6,044)	1,095	232	(1,299,673)	(83,726)
<b>Profit/(Loss) for the period</b>	<b>2,731,922</b>	<b>408,779</b>	<b>76,972</b>	<b>(310,289)</b>	<b>(761)</b>	<b>(922)</b>	<b>2,067</b>	<b>9,064</b>	<b>(1,981)</b>	<b>(10,778)</b>	<b>2,808,219</b>	<b>95,854</b>
Other Comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income/ (loss)</b>	<b>2,731,922</b>	<b>408,779</b>	<b>76,972</b>	<b>(310,289)</b>	<b>(761)</b>	<b>(922)</b>	<b>2,067</b>	<b>9,064</b>	<b>(1,981)</b>	<b>(10,778)</b>	<b>2,808,219</b>	<b>95,854</b>

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/ Unallocated		Consolidated	
	31 March 2023	2023	31 March 2023	2023	31 March 2023	2023	31 March 2023	2023	31 March 2023	2023	31 March 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	45,479,699	52,323,908	21,518,875	20,404,811	103,390	151,864	653,280	781,968	(11,623,231)	(7,036,362)	56,132,013	66,626,189
Total Liabilities	37,283,764	46,859,895	13,715,566	14,240,811	18,203	65,916	270,688	401,443	(3,734,010)	(1,622,709)	47,554,211	59,945,356
<b>Net Assets</b>	<b>8,195,935</b>	<b>5,464,013</b>	<b>7,803,309</b>	<b>6,164,000</b>	<b>85,187</b>	<b>85,948</b>	<b>382,592</b>	<b>380,525</b>	<b>(7,889,221)</b>	<b>(5,413,653)</b>	<b>8,577,802</b>	<b>6,680,833</b>

	Primary Dealer		Corporate Finance		Asset Management		Stock Brokering		Eliminations/ Unallocated		Consolidated	
	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 2023	2023	April ~ June 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
Cash flows from operating activities	2,643,600	(215,325)	(94,550)	(687,992)	(64,211)	(9,030)	(58,196)	(88,397)	(845,692)	127,357	1,580,951	(873,387)
Cash flows from investing activities	(546)	(213)	(9,599)	37,640	55,811	11,729	37,602	5,700	(59,027)	(18,353)	24,241	36,503
Cash flows from financing activities	(923,400)	-	(1,011,250)	1,000,000	-	-	(127,500)	-	1,050,900	-	(1,011,250)	1,000,000
<b>Net cash flow generated during the year</b>	<b>1,719,654</b>	<b>(215,538)</b>	<b>(1,115,399)</b>	<b>349,648</b>	<b>(8,400)</b>	<b>2,699</b>	<b>(148,094)</b>	<b>(82,697)</b>	<b>146,181</b>	<b>109,004</b>	<b>593,942</b>	<b>163,116</b>

**Primary Dealer** - This represents primary dealer operations in Government Securities.

**Corporate Finance** - This denotes corporate finance advisory services and investments.

**Asset Management** - This denotes management of discretionary investment portfolios and management of unit trust.

**Stock Brokering** - This represents stock broking operations (listed equities and listed debits).

## 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 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 30 June 2023 is 405,000,000 shares (As at 31 March 2023 - 405,000,000 shares).
- 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 2023.
- 12 There have been no material events subsequent to the reporting date which require disclosures/ adjustments in these provisional financial statements other than the following;
- In December 2022, the management of Kanrich Finance Ltd and the management of Nation Lanka Finance PLC agreed to execute a business amalgamation between the two companies. Nation Lanka Finance PLC is treated as the surviving entity after executing the said amalgamation.

Subsequent to the year end, on 25 July 2023, extra ordinary general meetings of said companies were held and the business amalgamation was approved by the shareholders of the respective companies.

13 Net Assets per Share	As at	As at
	30 June	31 March
	2023	2023
	Rs.	Rs.
Group	19.02	15.05
Company	19.02	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
<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 Resale Agreements against Government Securities.

### Market value of Listed Debentures as at 30 June 2023

Debentures have not been traded during the period ended 30 June 2023. Hence, the par value has been recognised as respective market value.

### Debt Ratios

	Group		Company	
	As at 30 June 2023	As at 31 March 2023	As at 30 June 2023	As at 31 March 2023
Debt/ equity ratio (times)	4.98	8.61	1.35	1.70
Quick asset ratio (times)	1.30	1.17	1.47	1.49
Interest cover (times)	2.52	1.40	5.03	1.85

### Debenture Interest Yield (Last Traded)

	As at 30 June 2023	As at 31 March 2023
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 30 June 2023	As at 31 March 2023
5 Year treasury bond (maturity - 1 February 2026)	24.70%	26.40%

## INVESTOR INFORMATION

Market Price per Share	Quarter ended	Quarter ended
	30-Jun-23	30-Jun-22
	Rs.	Rs.
Highest market price recorded	36.00**	37.00*
Lowest market price recorded	26.00**	7.10**
Closing market price recorded	32.20**	9.00**

\* 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 30 June 2023

Names of shareholders	No. of shares as at 30 June 2023	Holding (%)
<b>1</b> 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%
<b>2</b> Peoples Leasing & Finance PLC/ Mrs. M. E. Amarasinghe	4,252,670	1.05%
<b>3</b> Mr. A. J. Tissera	2,370,000	0.59%
<b>4</b> Merchant Bank of Sri Lanka & Finance PLC/ S. A. A. Hasitha	2,091,939	0.52%
<b>5</b> Seylan Bank PLC/ Agampodi Chamara Senanka	1,875,654	0.46%
<b>6</b> Hatton National Bank PLC/ Astrue Alpha Fund	1,500,000	0.37%
<b>7</b> Dr. S. N. Samarasinghe	1,253,588	0.31%
<b>8</b> Mr. A. D. Edussuriya	1,110,200	0.27%
<b>9</b> Merchant Bank of Sri Lanka & Finance PLC/ D. Weerasinghe	1,000,000	0.25%
<b>10</b> Mr. M. M. Sunil	1,000,000	0.25%
<b>11</b> Seylan Bank PLC/ Karagoda Loku Gamage Udayananda	868,936	0.21%
<b>12</b> Little Smile Oraganic (Pvt) Ltd	863,066	0.21%
<b>13</b> Mr. N. D. Kurukulasuriya	835,344	0.21%
<b>14</b> Mr. W. A. P. D. M Wickramatunga	800,000	0.20%
<b>15</b> Buildmart Lanka (Pvt) Ltd	659,766	0.16%
<b>16</b> Merchant Bank of Sri Lanka & Finance PLC/ P. P. H. Matarage	617,310	0.15%
<b>17</b> Mr. M. S. F. Haqqe (Joint: Mrs. S. I. Haqqe)	600,000	0.15%
<b>18</b> Hatton National Bank PLC/ Mushtaq Mohamed Fuad	589,091	0.15%
<b>19</b> Mr. E. P. G. Dimuthu	550,000	0.14%
<b>20</b> Mr. S. U. Jayawardana (Joint: Mrs. P. L. Motha)	518,283	0.12%
	<b>359,550,247</b>	<b>88.80%</b>

## INVESTOR INFORMATION

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### Shareholding of the Directors/ Chief Executive Officer

Name of the Director/ Chief Executive Officer	Designation	No. of Shares as at 30 June 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 (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 30 June 2023 (Rs.)	2,198,712,600
Public holding percentage	16.86%
Number of public shareholders	6,270

The Company is complied with the Minimum Public Holding requirement under option 1 of the Section 7.14.1(i) (b) of the Listing Rules of the Colombo Stock Exchange.