



Financial Statements

For the Six Months Ended 30th September 2024

ELEVATING FINANCE



Alliance Finance Co. PCC

Make the world a better place through sustainable finance



The first financial institution in South Asia to receive the SSCI Certification, the world's first measurable and certifiable standard for value driven financial institutions with holistic sustainability integration to the business.

Alliance Finance Company PLC

Statement of Profit or Loss - Company

For the period ended 30th September

	For the Quarter ended			For the Six months ended		
	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %
Gross Income	3,836,986,343	3,414,281,297	12	7,494,686,154	6,595,693,371	14
Interest income	3,604,124,087	3,226,251,410	12	7,044,031,770	6,291,289,728	12
Interest expenses	(1,589,983,581)	(1,879,869,781)	15	(3,186,782,470)	(3,919,456,641)	19
Net Interest Income	2,014,140,506	1,346,381,629	50	3,857,249,300	2,371,833,087	63
Fee and Commission Income	106,329,371	74,134,032	43	196,928,092	135,296,052	46
Net gain/(loss) from trading	13,545,708	5,673,022	139	44,530,160	10,860,859	310
Other operating income (net)	112,987,177	108,222,833	4	209,196,132	158,246,732	32
Total Operating Income	2,247,002,762	1,534,411,516	46	4,307,903,684	2,676,236,730	61
Impairment (charges) / reversal for loans and other losses	(174,282,710)	(146,453,907)	(19)	(386,029,606)	(288,033,105)	(34)
Net Operating Income	2,072,720,052	1,387,957,609	49	3,921,874,078	2,388,203,625	64
Operating Expenses						
Personnel expenses	(498,110,041)	(385,724,289)	(29)	(1,001,003,804)	(716,585,213)	(40)
Other operating expenses	(702,966,826)	(543,537,996)	(29)	(1,339,037,192)	(996,437,532)	(34)
Depreciation and amortization	(52,721,082)	(41,354,722)	(27)	(102,800,346)	(82,439,755)	(25)
Total operating expenses	(1,253,797,949)	(970,617,007)	(29)	(2,442,841,342)	(1,795,462,500)	(36)
Operating Profit before Taxes on Financial Services	818,922,103	417,340,602	96	1,479,032,736	592,741,125	150
Taxes on financial services	(208,323,293)	(153,072,416)	(36)	(411,821,718)	(216,261,135)	(90)
Operating Profit after Taxes on Financial Services	610,598,810	264,268,186	131	1,067,211,018	376,479,990	183
Share of profit/(loss) from associate	6,189,129	5,214,510	19	15,722,674	9,735,718	61
Profit before taxation from Operations	616,787,939	269,482,696	129	1,082,933,692	386,215,708	180
Provision for income taxation	(294,182,725)	(126,041,797)	(133)	(513,271,099)	(177,659,226)	(189)
Profit for the Period	322,605,214	143,440,899	125	569,662,594	208,556,482	173
Basic/ Diluted earnings per share (Annualised)	38.30	17.03		33.81	12.38	
Dividend Per Share paid	8.40	5.00		8.40	5.00	

Alliance Finance Company PLC

Statement of Profit or Loss - Group

For the period ended 30th September

	For the Quarter ended			For the Six months ended		
	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %
Gross Income	3,890,200,105	3,443,820,569	13	7,588,869,860	6,651,948,839	14
Interest income	3,612,004,434	3,230,064,855	12	7,059,281,076	6,298,942,755	12
Interest expenses	(1,590,023,603)	(1,875,442,457)	15	(3,186,825,604)	(3,909,496,730)	18
Net Interest Income	2,021,980,831	1,354,622,398	49	3,872,455,472	2,389,446,025	62
Fee and commission income	146,570,947	94,321,917	55	267,817,248	176,771,782	52
Net gain/(loss) from trading	16,484,562	6,887,527	139	48,134,542	11,066,141	335
Other operating income (net)	115,140,162	112,546,270	2	213,636,994	165,168,161	29
Total Operating Income	2,300,176,502	1,568,378,112	47	4,402,044,256	2,742,452,109	61
Impairment (charges) / reversal for loans and other losses	(174,282,710)	(146,453,907)	(19)	(386,029,604)	(288,033,105)	(34)
Net Operating Income	2,125,893,792	1,421,924,205	50	4,016,014,652	2,454,419,004	64
Operating Expenses						
Personnel expenses	(502,529,786)	(389,563,506)	(29)	(1,010,541,087)	(724,169,937)	(40)
Other operating expenses	(716,857,462)	(546,401,272)	(31)	(1,361,185,705)	(1,001,818,868)	(36)
Depreciation and amortization	(52,798,157)	(41,525,209)	(27)	(103,034,133)	(82,780,728)	(24)
Total operating expenses	(1,272,185,405)	(977,489,987)	(30)	(2,474,760,925)	(1,808,769,533)	(37)
Operating Profit before Taxes on Financial Services	853,708,387	444,434,218	92	1,541,253,727	645,649,471	139
Taxes on financial services	(208,323,293)	(153,072,416)	(36)	(411,821,718)	(216,261,135)	(90)
Operating Profit after Taxes on Financial Services	645,385,094	291,361,802	122	1,129,432,009	429,388,336	163
Share of profit/(loss) from associates	6,189,129	5,214,510	19	15,722,674	9,735,718	61
Profit before Taxation from Operations	651,574,223	296,576,312	120	1,145,154,683	439,124,054	161
Provision for income taxation	(303,575,384)	(134,166,954)	(126)	(532,403,550)	(193,508,719)	(175)
Profit for the Period	347,998,839	162,409,358	114	612,751,133	245,615,335	149
Profit attributable to :						
Equity holders of the Company	338,841,898	155,569,331	118	597,213,406	232,251,912	157
Non controlling interest	9,156,941	6,840,027	34	15,537,727	13,363,423	16
Profit for the Period	347,998,839	162,409,358	114	612,751,133	245,615,335	149
Basic/ Diluted earnings per share (Annualised)	40.22	18.47		35.45	13.79	
Dividend Per Share paid	8.40	5.00		8.40	5.00	

Alliance Finance Company PLC

Statement of Comprehensive Income - Company

For the period ended 30th September

	For the Quarter ended			For the Six months ended		
	2024	2023	Variance	2024	2023	Variance
	(unaudited) Rs.	(unaudited) Rs.		(unaudited) Rs.	(unaudited) Rs.	
Profit for the period	322,605,214	143,440,899	125	569,662,594	208,556,482	173
Other Comprehensive Income						
Other Comprehensive Income not to be Reclassified to Profit or Loss						
Equity investments at FVOCI -net change in fair value & realized profit/ (loss) to retained earnings	(5,076,434)	7,217,828	170	4,354,912	19,054,333	77
Net Other Comprehensive Income not be Classified to Profit or Loss	(5,076,434)	7,217,828	170	4,354,912	19,054,333	77
Total Comprehensive Income for the period	317,528,780	150,658,727	111	574,017,506	227,610,815	152

Statement of Comprehensive Income - Group

For the period ended 30th September

	For the Quarter ended			For the Six months ended		
	2024	2023	Variance	2024	2023	Variance
	(unaudited) Rs.	(unaudited) Rs.		(unaudited) Rs.	(unaudited) Rs.	
Profit for the period	347,998,839	162,409,358	114	612,751,133	245,615,335	149
Other Comprehensive Income						
Other Comprehensive Income not to be Reclassified to Profit or Loss						
Equity investments at FVOCI -net change in fair value & realized profit/ (loss) to retained earnings	(5,076,434)	7,217,828	(170)	4,354,912	19,054,333	(77)
Net Other Comprehensive Income not be Classified to Profit or Loss	(5,076,434)	7,217,828	(170)	4,354,912	19,054,333	(77)
Total Comprehensive Income for the period	342,922,405	169,627,186	102	617,106,045	264,669,668	133
Attributable to:						
Equity holders of the company	333,765,465	162,787,159	105	601,568,318	251,306,245	139
Non controlling interest	9,156,940	6,840,027	34	15,537,727	13,363,423	16
Total Comprehensive Income for the period	342,922,405	169,627,186	102	617,106,045	264,669,668	133

Alliance Finance Company PLC

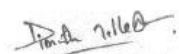
Statement of Financial Position

As at	Company			Group		
	30.09.2024	31.03.2024	Variance	30.09.2024	31.03.2024	Variance
	(unaudited) Rs.	(audited) Rs.	%	(unaudited) Rs.	(audited) Rs.	%
Assets						
Cash and cash equivalents	1,300,498,048	1,037,507,757	25	1,452,988,026	1,136,828,171	28
Repurchase agreements	400,104,114	962,606,909	(58)	400,104,114	962,606,909	(58)
Placements with banks & financial institutions	3,091,827,238	3,246,352,935	(5)	3,246,931,514	3,383,898,083	(4)
Financial assets recognised through profit or loss	6,283,804,653	3,508,968,758	79	6,283,804,653	3,508,968,758	79
Loans and advances - at amortised cost	29,886,211,213	23,506,870,064	27	29,886,211,213	23,506,870,064	27
Lease rentals receivable & stock out on hire - at amortised cost	23,206,711,195	22,597,190,332	3	23,206,711,195	22,597,190,332	3
Financial assets- fair value through other comprehensive income	426,974,434	317,703,694	34	426,974,434	317,703,694	34
Other trading stocks	114,297,893	85,653,478	33	114,297,893	85,653,478	33
Other financial assets	509,105,033	458,631,541	11	506,676,242	450,152,849	13
Other non financial assets	192,971,359	257,537,354	(25)	202,260,488	265,196,987	(24)
Investments in associates	126,054,858	110,332,180	14	144,207,225	128,484,547	12
Investments in subsidiaries	16,924,038	16,924,038	-	-	-	-
Investment property	187,680,000	187,680,000	-	295,680,000	295,680,000	0
Property, plant & equipment	3,305,253,614	3,202,649,652	3	3,305,402,320	3,202,950,925	3
Intangible assets	141,649,740	147,087,856	(4)	141,650,265	147,169,590	(4)
Right of use asset	377,623,882	356,347,453	6	377,623,881	356,347,453	6
Deferred tax assets	174,405,060	174,526,137	(0)	174,405,060	175,796,752	(1)
Total Assets	69,742,096,372	60,174,570,138	16	70,165,928,523	60,521,498,592	16
Liabilities						
Due to banks	27,230,116,230	20,310,185,391	34	27,264,860,943	20,310,185,391	34
Due to depositors - at amortised cost	30,848,217,088	28,387,365,249	9	30,847,387,900	28,386,553,614	9
Other financial liabilities	1,283,061,160	1,129,788,584	14	1,312,001,173	1,159,602,656	13
Other non financial liabilities	122,304,283	219,237,671	(44)	122,304,283	219,237,671	(44)
Derivative financial liabilities	99,612	5,379,033	(98)	99,612	5,379,033	(98)
Income tax liabilities	778,973,134	928,513,196	(16)	790,283,841	938,772,455	(16)
Retirement benefit liabilities	2,109,530	52,103,008	(96)	6,526,138	56,338,393	(88)
Deferred tax liabilities	713,342,998	663,298,289	8	717,552,492	668,778,398	7
Lease Liability	369,744,691	349,669,731	6	369,744,692	349,669,731	6
Total Liabilities	61,347,968,726	52,045,540,152	18	61,430,761,074	52,094,517,342	18
Shareholders' Funds						
Stated capital	613,980,000	613,980,000	-	613,980,000	613,980,000	-
Retained earnings	4,796,556,801	4,509,940,679	6	4,989,529,923	4,675,362,989	7
Reserves	2,983,590,845	3,005,109,307	(1)	2,983,590,845	3,005,109,307	(1)
Total Equity Attributable to Equity Holders of the Company	8,394,127,646	8,129,029,986	3	8,587,100,768	8,294,452,296	4
Non controlling interest	-	-		148,066,681	132,528,954	12
Total Equity	8,394,127,646	8,129,029,986	3	8,735,167,449	8,426,981,250	4
Total Liabilities and Shareholders' Funds	69,742,096,372	60,174,570,138	16	70,165,928,523	60,521,498,592	16
Contingent Liabilities and Commitments	877,920,150	820,666,741		877,920,150	820,666,741	
Net assets value per share (Rs.)	249	241		255	246	

Accounting policies & notes to the accounts form an integral part of these Financial Statements.

Certification

I certify that these Financial Statements are presented in compliance with the requirements of the Companies Act No. 07 of 2007.

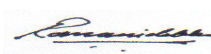


W.A.D.D. Tillekeratne
Chief Financial Officer

11-Nov-24
Colombo



W.P.K Jayawardana
Deputy Managing Director



R.K.E.P. De Silva
Deputy Chairman & Managing Director

Alliance Finance Company PLC

Statement of Changes in Equity

For the period ended 30th September

Company	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	General Reserve	FVOCI	Non Controlling Interest	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2023 (Audited)	613,980,000	1,002,482,237	1,223,390,151	388,258,055	(31,969,924)	-	3,761,997,661	6,958,138,180
Profit for the period	-	-	-	-	-	-	208,556,482	208,556,482
Other comprehensive income, net of tax								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	19,054,333	-	-	19,054,333
Transfer of realized profit on investment property disposal to retained earnings	-	-	-	-	12,237,747	-	(12,237,747)	-
Dividend paid	-	-	-	-	-	-	(168,480,000)	(168,480,000)
Balances as at 30th September 2023	613,980,000	1,002,482,237	1,223,390,151	388,258,055	(677,844)	-	3,789,836,396	7,017,268,995
Balance as at 1st April 2024 (Audited)	613,980,000	1,048,326,205	1,593,798,551	388,258,055	(25,273,504)	-	4,509,940,679	8,129,029,986
Profit for the period	-	-	-	-	-	-	569,662,593	569,662,593
Other comprehensive income, net of tax								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	4,354,912	-	-	4,354,912
Changes in revaluation reserve	-	-	(25,873,374)	-	-	-	-	(25,873,374)
Dividend Paid	-	-	-	-	-	-	(283,046,472)	(283,046,472)
Balances as at 30th September 2024	613,980,000	1,048,326,205	1,567,925,177	388,258,055	(20,918,592)	-	4,796,556,800	8,394,127,645

Statement of Changes in Equity

For the period ended 30th September

Group	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	General Reserve	FVOCI	Non Controlling Interest	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2023 (Audited)	613,980,000	1,002,482,237	1,223,390,151	388,258,055	(31,969,924)	99,468,368	3,870,187,587	7,165,796,475
Profit for the period	-	-	-	-	-	13,363,423	232,251,912	245,615,335
Other comprehensive income, net of tax -								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	19,054,333	-	-	19,054,333
Transfer of realized profit on investment property disposal to retained earnings	-	-	-	-	12,237,747	-	(12,237,747)	-
Dividend paid	-	-	-	-	-	-	(168,480,000)	(168,480,000)
Balances as at 30th September 2023	613,980,000	1,002,482,237	1,223,390,151	388,258,055	(677,844)	112,831,791	3,921,721,752	7,261,986,143
Balance as at 1st April 2024 (Audited)	613,980,000	1,048,326,205	1,593,798,551	388,258,055	(25,273,504)	132,528,954	4,675,362,989	8,426,981,250
Profit for the period	-	-	-	-	-	15,537,727	597,213,406	612,751,133
Other comprehensive income, net of tax -								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	4,354,912	-	-	4,354,912
Changes in revaluation reserve	-	-	(25,873,374)	-	-	-	-	(25,873,374)
Dividend Paid	-	-	-	-	-	-	(283,046,472)	(283,046,472)
Balances as at 30th September 2024	613,980,000	1,048,326,205	1,567,925,177	388,258,055	(20,918,592)	148,066,681	4,989,529,923	8,735,167,449

Figures in brackets indicate deductions.

Accounting policies & notes to accounts form an integral part of these Financial Statements.

Alliance Finance Company PLC

Statement of Cash Flows

For the period ended 30th September	Company		Group	
	2024	2023	2024	2023
Cash Flows From / (Used in) Operating Activities	Rs.	Rs.	Rs.	Rs.
Profit before Income Tax Expense	1,082,933,693	386,215,708	1,145,154,683	439,124,054
Adjustments for;				
Depreciation of property, plant & equipment	96,983,616	76,982,584	97,136,190	77,227,724
Amortization of intangible assets	5,816,730	5,457,171	5,897,943	5,553,004
Amortization of Right of use asset	72,520,153	63,241,742	72,520,153	63,241,742
Interest expense on lease liability	27,608,403	19,269,248	27,608,403	19,269,248
Impairment (reversal)/provision	277,204,775	273,507,146	277,204,775	273,507,146
Interest on fixed deposits, commercial paper & treasury bills	(157,262,924)	(216,804,170)	(172,512,230)	(224,457,197)
Fair value (gain)/loss on equity investments (FVTPL)	(7,193,892)	(27,227,415)	(7,193,892)	(27,227,415)
Bad debt written-off	108,824,830	14,525,959	108,824,829	14,525,959
Loss/(profit) on disposal of property, plant & equipment	(4,249,237)	(9,271,000)	(4,249,237)	(9,271,000)
Profit from sale of vehicle	(28,440,727)	(11,041,260)	(28,440,727)	(11,041,260)
Loss/(profit) on disposal of real estates	-	(3,665,871)	-	(3,665,871)
Provision/(reversal) for defined benefit plans	13,259,901	27,000,000	13,641,126	27,507,649
Dividend received	(14,223,727)	(4,215,247)	(18,090,381)	(6,349,879)
Share of loss/(profit) from associates	(15,722,674)	(9,735,718)	(15,722,674)	(9,735,718)
Operating Profit before Working Capital Changes	1,458,058,920	584,238,877	1,501,778,961	628,208,186
(Increase)/decrease in trading stock	(7,350,688)	(331,122)	(7,350,688)	(331,122)
(Increase)/decrease in loans and advances	(6,431,408,005)	(1,209,228,238)	(6,431,408,005)	(1,209,228,238)
(Increase)/decrease in lease rentals receivable & stock out on hire	(943,483,613)	(569,027,756)	(943,483,613)	(569,027,756)
(Increase)/decrease in fixed deposits & repurchase agreements	717,028,492	677,745,707	699,469,365	666,903,793
(Increase)/decrease in other financial assets	(50,473,492)	(6,991,133)	(56,523,392)	11,515,142
(Increase)/decrease in other non financial assets	135,613,628	50,200,757	133,984,131	27,918,460
Increase/(decrease) in derivative financial liabilities	(5,279,500)	(33,725,426)	(5,279,500)	(33,725,426)
Increase/(decrease) in amounts due to depositors	2,460,851,839	1,844,790,692	2,460,834,286	1,829,832,308
Increase/(decrease) in other financial liabilities	145,739,134	389,553,326	144,865,076	410,034,283
Increase/(decrease) in other non financial liabilities	(96,933,388)	9,065,550	(96,933,388)	8,200,401
Cash generated from/(used in) Operations	(2,617,636,673)	1,736,291,234	(2,600,046,767)	1,770,300,032
Retirement benefit liabilities paid	(11,150,371)	(26,932,291)	(11,350,373)	(26,932,291)
Investment in gratuity fund	(52,103,008)	-	(52,103,008)	-
Taxes paid	(638,518,748)	(368,892,469)	(656,599,759)	(388,204,833)
Net cash generated from/(used in) operating activities	(3,319,408,800)	1,340,466,474	(3,320,099,907)	1,355,162,908
Cash Flows from / (Used in) Investing Activities				
Acquisition of property, plant & equipment	(218,955,841)	(54,329,245)	(218,955,841)	(54,329,248)
Acquisition of right of use assets	(93,796,581)	(7,030,000)	(93,796,581)	(7,030,000)
Acquisition of Intangible Assets	(378,614)	(16,054,328)	(378,616)	(16,054,328)
Investment in associates	-	(25,000,000)	-	(25,000,000)
Proceeds from sales of property, plant & equipment	23,617,500	19,850,000	23,617,500	19,850,000
Proceeds from sales of vehicles	7,147,000	18,332,162	7,147,000	18,332,162
Net sales/ (purchases) of financial assets -FVTPL/FVTOCI	(2,872,557,831)	(664,625,268)	(2,872,557,831)	(664,625,268)
Dividend received	14,223,727	4,215,247	18,090,381	6,349,879
Interest on fixed deposits, commercial paper & treasury bills	157,262,924	216,804,170	172,512,230	224,457,197
Net Cash Generated from Investing Activities	(2,983,437,716)	(507,837,262)	(2,964,321,758)	(498,049,606)
Cash Flows from / (Used in) Financing Activities				
Settlement of operating lease liabilities	(71,047,632)	(83,712,611)	(71,047,632)	(83,712,611)
Net increase /(decrease) in other borrowings	5,812,815,558	242,253,635	5,812,815,558	242,253,635
Dividend paid	(283,046,400)	(168,480,000)	(283,046,400)	(168,480,000)
Net Cash Generated from/(Used in) Financing Activities	5,458,721,526	(9,938,976)	5,458,721,524	(9,938,976)
Net Increase/(Decrease) in Cash and Cash Equivalents	(844,124,990)	822,690,236	(825,700,141)	847,174,326
Cash and cash equivalents at the beginning of the year	(283,171,510)	(2,952,136,234)	(183,851,096)	(2,894,359,487)
Cash and cash equivalents at the end of the period *	(1,127,296,500)	(2,129,445,998)	(1,009,551,235)	(2,047,185,161)
Movement in Cash and Cash Equivalent	(844,124,990)	822,690,236	(825,700,141)	847,174,326

Note : Reporting cash flows from operating activities

The Company reports cash flows from operating activities by using the indirect method. The indirect method – whereby profit or loss is adjusted for the effects of non-cash items, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows – is shown in the above.

* Cash and cash equivalents at the end of the period include favourable cash balances and the Bank Overdraft balances.

Alliance Finance Company PLC

Fair Value Hierarchy -Company

As at 30th September 2024

	Fair Value Measurement using			
	Quoted Prices in	Significant	Significant	Total
	Active Markets	Observable Inputs	Unobservable Inputs	
	Level 1	Level 2	Level 3	
	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Financial assets - Fair value through profit and loss				
Government of Sri Lanka treasury bills	-	6,180,873,902	-	6,180,873,902
Government of Sri Lanka treasury bonds	-	102,930,751	-	102,930,751
Financial assets - Fair value through Other Comprehensive Income				
Quoted Investments	426,395,184	-	-	426,395,184
Unquoted Investments	-	-	579,250	579,250
	426,395,184	6,283,804,653	579,250	6,710,779,087
Financial Liabilities				
Due to Depositors	-	30,848,217,088	-	30,848,217,088
Due to Banks	-	27,230,116,230	-	27,230,116,230
Derivative financial liabilities	-	99,612	-	99,612
	-	58,078,432,930	-	58,078,432,930

As at 30th September - 2023

Financial assets

Financial assets - Fair value through profit and loss

Government of Sri Lanka treasury bills	-	3,416,864,188	-	3,416,864,188
Government of Sri Lanka treasury bonds	-	51,330,770	-	51,330,770
Quoted Investments	-	383,853,505	-	383,853,505

Financial assets - Fair value through Other Comprehensive Income

Quoted Investments	171,675,196	-	-	171,675,196
Unquoted Investments	-	-	579,250	579,250
	171,675,196	3,852,048,463	579,250	4,024,302,909

Financial Liabilities

Due to Depositors	-	22,320,638,527	-	22,320,638,527
Due to Banks	-	22,490,214,313	-	22,490,214,313
Derivative financial liabilities	-	2,449,590	-	2,449,590
	-	44,813,302,430	-	44,813,302,430

Alliance Finance Company PLC

Analysis Of Financial Statements Measurement Basis - Company

As at 30th September 2024

	Financial assets recognized through profit or loss (FVTPL)	Financial assets at amortized cost (AC)	Financial assets at fair value through other comprehensive income(FVOCI)	Total
	Rs.	Rs.	Rs.	Rs.
Asset				
Cash and cash equivalents	-	1,300,498,048	-	1,300,498,048
Repurchase Agreements	400,104,114	-	-	400,104,114
Placement with banks and other financial institutions	-	3,091,827,238	-	3,091,827,238
Financial asset recognized through profit or loss	6,283,804,653	-	-	6,283,804,653
Loans and receivables-Amortized cost	-	29,886,211,213	-	29,886,211,213
Lease rental receivables at amortized	-	23,206,711,195	-	23,206,711,195
Financial asset recognized through other comprehensive income	-	-	426,974,434	426,974,434
	6,683,908,767	57,485,247,694	426,974,434	64,596,130,895
Liabilities				
Due to Depositors	-	30,848,217,088	-	30,848,217,088
Due to Banks	-	27,230,116,230	-	27,230,116,230
Derivative financial liabilities	-	99,612	-	99,612
	-	58,078,432,930	-	58,078,432,930

Financial assets

	Financial assets recognized through profit or loss (FVTPL)	Financial assets at amortized cost (AC)	Financial assets at fair value through other comprehensive income(FVOCI)	Total
	Rs.	Rs.	Rs.	Rs.
Asset				
Cash and cash equivalents	-	1,066,594,597	-	1,066,594,597
Repurchase agreements	-	-	-	-
Placement with banks and other financial institutions	-	4,478,019,684	-	4,478,019,684
Financial asset recognized through profit or loss	3,852,048,463	-	-	3,852,048,463
Loans and receivables-Amortized cost	-	18,506,778,566	-	18,506,778,566
Lease rental receivables at amortized	-	21,985,737,984	-	21,985,737,984
Financial asset recognized through other comprehensive income	-	-	172,254,446	172,254,446
	3,852,048,463	46,037,130,831	172,254,446	50,061,433,740
Liabilities				
Due to Depositors	-	22,320,638,527	-	22,320,638,527
Due to Banks	-	22,490,214,313	-	22,490,214,313
Derivative financial liabilities	-	2,449,590	-	2,449,590
	-	44,813,302,430	-	44,813,302,430

Alliance Finance Company PLC

SEGMENT REPORT - GROUP

For the Six months ended 30th September

	Leaseing and Hire Purchase and Consumer Durable		Loans		Gold Loans		Other		Total	
	Rs.		Rs.		Rs.		Rs.		Rs.	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	4,053,348,869	3,265,829,885	1,578,504,437	1,051,492,412	1,343,007,634	1,656,789,296	614,008,920	677,837,246	7,588,869,860	6,651,948,839
Segment results	2,962,410,990	2,569,301,346	1,300,068,767	788,301,275	1,031,046,531	1,433,803,661	567,851,143	641,082,790	5,861,377,431	5,432,489,072
Unallocated company expenses									(1,133,298,100)	(877,342,871)
Operating profit									4,728,079,331	4,555,146,201
Interest expenses	(1,145,737,313)	(1,719,367,425)	(888,459,188)	(742,293,644)	(587,051,367)	(718,501,784)	(565,577,726)	(729,333,878)	(3,186,825,604)	(3,909,496,731)
Share of profits of associates before tax									15,722,674	9,735,718
Taxes on financial services									(411,821,718)	(216,261,135)
Income tax expenses									(532,403,550)	(193,508,719)
Profit for the year									612,751,133	245,615,334
As at 30th September										
Segment assets	22,597,806,537	21,985,738,043	17,995,587,256	9,491,789,404	11,890,623,957	9,187,560,368	11,455,679,255	9,326,071,615	63,939,696,995	49,991,159,430
Investment in associates									144,207,225	132,148,099
Other assets									6,082,024,303	4,400,609,545
Total assets									70,165,928,523	54,523,917,074
Segment liabilities	21,063,495,702	19,503,567,263	15,303,494,208	8,037,547,201	10,111,817,539	7,779,929,258	9,741,939,381	7,897,219,072	56,220,746,830	43,218,262,794
Other liabilities									5,210,014,244	4,043,668,138
Total liabilities									61,430,761,074	47,261,930,932

Alliance Finance Company PLC

Explanatory Notes

1 These Interim Financial Statements have been prepared in accordance with the requirements of Sri Lanka Accounting Standard -LKAS 34 on'Interim Financial Reporting'.

2 The accounting policies adopted in the preparation of these Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Company's Annual Consolidated Financial Statements for the year ended 31 March 2024.

3 Expected Credit Loss Computation

The Company's estimated Expected Credit Loss (ECL) was based on the Probability of Default (PD), Loss Given Default (LGD) and Economic Factor Adjustment (EFA) applying a range of forecasted economic conditions prevailed as at that Given the uncertainty in the macroeconomic environment, an additional ECL impairment was made using a management overlay, alongside the modeled ECL impairment, to ensure that the overall ECL impairment is adequate to cover unforeseen risk factors in this volatile environment. The company will continue to monitor external developments and make further necessary adjustments to the management overlays in the future.

4 Going Concern

In determining the basis of preparing the Financial Statements for the quarter ended 30th September 2024, the management has assessed the existing and anticipated effects of macro economic factor fluctuations on the Company and the management is in the view of appropriateness of the use of the going concern basis.

5 Commitments & Contingencies

	30th September 2024 Rs.	31st March 2024 Rs.
Commitments & Contingencies	877,920,150	820,666,741

Commitments & Contingencies represent the tax assessments issued by the Department of Inland Revenue. The Company has formally objected to the tax assessments stating the reasons on which the Company believes that assessments are arbitrary and excessive. Company has also actively engaged with the Department of Inland Revenue to conclude these pending assessments.

There are no significant changes in the nature of the Contingent Liabilities other than disclosed above.

6 There were no other material events that took place since March 2024, that require disclosure in these Interim Financial Statements other than mentioned below.

7 During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities, other than those disclosed above.

8 All known expenses including management fees and other similar expenses have been provided for the period ended 30th September 2024.

Alliance Finance Company PLC

Explanatory Notes (Continued.)

Selected Performance Indicators

	9/30/2024	9/30/2023
Capital Adequacy (%)		
Tier 1 Capital Adequacy Ratio (minimum 8.5%)	10.55%	11.08%
Total Capital Adequacy Ratio (minimum 12.5%)	13.74%	14.56%
Capital Funds to Deposit Liabilities Ratio	20.48%	26.95%
Profitability (%)		
Return on average shareholders funds (before tax)	26.22%	11.05%
Return on average assets (before tax)	3.33%	1.45%
Liquidity ('000)		
Required Minimum Amount of Liquid Assets	3,113,667	2,295,058
Available Amount of Liquid Assets	7,786,391	3,975,104
Required Minimum Amount of Government Securities	1,779,203	1,455,886
Available Amount of Government Securities	6,584,263	3,414,669
Quality of Loan Portfolio (%)		
Gross Non-Performing Loans Ratio	7.52%	17.16%
Net-Non-Performing Loans Ratio	3.62%	12.84%

Note :-

In classifying non performing loans to performing loans, the company has considered the extension given by the CBSL to adopt the section 4.3.1(i) of Direction No 1 of 2020.

Alliance Finance Company PLC

Shareholders' Information

Market price per share

Quarter ended 01st April to 30th September	2024	2023
Highest Price	109.00	120.00
Lowest Price	95.00	67.60
Last Traded	107.75	86.90

Stated capital

As at 30th September 2024, the Stated Capital was Rs. 613,980,000/- comprising of 33,696,000 ordinary shares issued.

Directors'/ CEO's Holding in Shares as at 30th September 2024

No	Name of Director	No. of Shares
1	Mrs.G.S.T. Dharmakirti-Herath	100
2	Mr.R.K.E.P. De Silva	12,423,830
3	Mr.W.P.K. Jayawardana	42,750
4	Mr.M.J. Benedict	1,000
5	Mrs.P. De Silva	100
6	Mr.L.J.H. De Silva	3,052
7	Mr.D.L.I. Hettiarachchi	100
8	Mr.D.F.W. Perera	363,243
9	Dr.S.L.N. Wickramsooriya	1,000

Twenty Largest Ordinary Shareholders as at 30th September 2024

No.	Name of Shareholder	No. of Shares	%
1	Mr.R.K.E.P. de Silva	12,423,830	36.87
2	Motor Service Station (Pvt) Ltd.,	4,647,133	13.79
3	Mrs D.M.E.P. Perera	2,564,862	7.61
4	Mr.D.F.W.S.K. Perera & Mr.D.F.W. Perera	1,483,984	4.40
5	Orient Hotels Ltd.,	1,358,323	4.03
6	Mrs.S.E. Canekaratne	612,268	1.82
7	Mr.D.L.S.R. Perera	553,556	1.64
8	Mrs.C.R. de Silva	374,400	1.11
9	Mr. D.F.W. Perera	363,243	1.08
10	Ms.D.C.M.A. Perera	361,042	1.07
11	J B Cocoshell (Pvt) Ltd.	358,547	1.06
12	Hatton National Bank PLC/Mr.K.K. Shujeevan	334,434	0.99
13	Ms.D.D.P.T. Perera	319,384	0.95
14	Mrs.P.N. Weththasinghe	299,975	0.89
15	Mrs.A.S. Wijewardena	259,200	0.77
16	Mr.G.P. Kapilasena	201,180	0.60
17	Mrs.K.G.G.S.L. Perera	201,066	0.60
18	Mrs.N.U. Silva	172,105	0.51
19	Mrs.C. Yogagopalakrishnan & Mrs.Y. Thirukumar	155,920	0.46
20	Mr.K. Krishnasamy	138,240	0.41

Alliance Finance Company PLC

Shareholders' Information

Public Shareholding as at 30th September 2024

No of Shares	%
11,909,575	35.34

No of Shareholders

The percentage of ordinary shares held by the public as at 30th September 2024 was 35.34% and the number of shareholders representing the public holding was 1,823.

Float Adjusted Market Capitalization

The Float adjusted market capitalization as at 30th September 2024 - Rs. 1,283,256,706/- and the Company falls under Option 5 of Rule 7.13.1 (a), of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

Alliance Finance Company PLC

Corporate Information

Name of the Company

Alliance Finance Company PLC

Statutory Status

Quoted Public Limited Liability Company, Incorporated on 18th July 1956. Approved and registered under the Finance Business Act No.42 of 2011 and Finance Leasing Act No.56 of 2000. An approved Credit Agency under the Mortgage Act No.06 of 1949 and the Trust receipt Ordinance No.12 of 1947.

Company Registration

Registered under the Companies Act No.07 of 2007.
Company Registration number PQ 93

Registered Office

Alliance House, No.84, Ward Place, Colombo 07.
Tel : 011 2673673 Fax: 011 2697205
e mail : info@alliancefinance.lk

Board of Directors

Mrs.Tamara Dharmakirti Herath - *Chairperson*
Mr. Romani de Silva - F.I.C.M.(SL) - *Deputy Chairman / Managing Director*
Mr.Kusal Jayawardana - CFA, MBA, ACMA. CGMA - *Deputy Managing Director*
Mr. Michael Joseph Benedict - MBA, CMA, CMSLIM - *Executive Director Recoveries*
Mrs. Priyanthi de Silva - FCMA, CGMA, FCPA - *Independent Non Executive Director*
Mr.Hiran de Silva - *Independent Non Executive Director*
Dr. Lasantha Ivers Hettiarachchi - LLM,DCL, Attorney at Law -*Independent Non Executive Director*
Mr. Wiyan Perera - Bsc. (Econ) - *Non Independent Non Executive Director*
Dr. Lasantha Wickremasooriya - DBA (Col), MBA (SRIJ) FICM,FABG -*Non Independent Non Executive Director*

Secretaries

Alliance Management Services (Pvt) Ltd.
No. 84, Ward Place
Colombo 07.

Legal Consultants

Gunawardene Ranasinghe Associates
Sudath Perera Associates

Board Audit Committee

Mrs. Priyanthi de Silva - *Chairperson*
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Human Resources & Remuneration Committee

Dr.Lasantha Hettiarachchi - Chairman
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Related Party Transaction Review Committee

Dr.Lasantha Hettiarachchi - Chairman
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Board Integrated Risk Management Committee

Mrs. Priyanthi de Silva - Chairperson
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Auditors

M/s Deloitte Associates
Chartered Accountants,
No.11, Castle Lane,
Colombo 04.

Bankers

Sampath Bank PLC
Seylan Bank PLC
Public Bank Berhad
People's Bank
Hatton National Bank PLC
Commercial Bank of Ceylon PLC
Bank of Ceylon
Nations Trust Bank PLC
Union Bank of Colombo PLC
DFCC Bank PLC
NDB Bank PLC
Cargills Bank