



Financial Statements

For the Nine Months Ended 31st December 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 31st December 2024

	For the Quarter ended			For the Nine months ended		
	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %
Gross Income	4,009,350,866	3,545,467,348	13	11,504,037,020	10,141,160,719	13
Interest income	3,718,143,471	3,387,564,567	10	10,762,175,241	9,678,854,295	11
Interest expenses	(1,628,430,263)	(1,750,311,376)	7	(4,815,212,733)	(5,669,768,017)	15
Net Interest Income	2,089,713,208	1,637,253,191	28	5,946,962,508	4,009,086,278	48
Fee and Commission Income	112,688,706	80,934,742	39	309,616,798	216,230,794	43
Net gain/(loss) from trading	(1,603,875)	6,137,529	(126)	42,926,285	16,998,388	153
Other operating income (net)	180,122,564	70,830,510	154	389,318,696	229,077,242	70
Total Operating Income	2,380,920,603	1,795,155,972	33	6,688,824,287	4,471,392,702	50
Impairment (charges) / reversal for loans and other losses	(143,858,106)	(94,803,934)	(52)	(529,887,712)	(382,837,039)	(38)
Net Operating Income	2,237,062,497	1,700,352,038	32	6,158,936,575	4,088,555,663	51
Operating Expenses						
Personnel expenses	(497,923,252)	(394,831,155)	(26)	(1,498,927,056)	(1,111,416,368)	(35)
Other operating expenses	(696,473,455)	(513,071,052)	(36)	(2,035,510,647)	(1,509,508,584)	(35)
Depreciation and amortization	(54,596,033)	(42,106,958)	(30)	(157,396,379)	(124,546,713)	(26)
Total operating expenses	(1,248,992,740)	(950,009,165)	(31)	(3,691,834,082)	(2,745,471,665)	(34)
Operating Profit before Taxes on Financial Services	988,069,757	750,342,873	32	2,467,102,493	1,343,083,998	84
Taxes on financial services	(238,956,141)	(159,422,540)	(50)	(650,777,859)	(375,683,675)	(73)
Operating Profit after Taxes on Financial Services	749,113,616	590,920,333	27	1,816,324,634	967,400,323	88
Share of profit/(loss) from associates	2,691,378	11,228,094	(76)	18,414,052	20,963,812	(12)
Profit before taxation from Operations	751,804,994	602,148,427	25	1,834,738,686	988,364,135	86
Provision for income taxation	(327,936,705)	(318,141,302)	(3)	(841,207,803)	(495,800,528)	(70)
Profit for the Period	423,868,289	284,007,125	49	993,530,883	492,563,607	102
Basic/ Diluted earnings per share (Annualised)	50.32	33.71		39.31	19.49	
Dividend Per Share paid	8.40	-		8.40	5.00	

Alliance Finance Company PLC

Statement of Profit or Loss - Group

For the period ended 31st December 2024

	For the Quarter ended			For the Nine months ended		
	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %	2024 (unaudited) Rs.	2023 (unaudited) Rs.	Variance %
Gross Income	4,066,024,378	3,588,724,670	13	11,654,894,238	10,240,673,509	14
Interest income	3,726,530,752	3,394,472,545	10	10,785,811,828	9,693,415,300	11
Interest expenses	(1,628,446,744)	(1,748,983,624)	7	(4,815,272,348)	(5,658,480,354)	15
Net Interest Income	2,098,084,008	1,645,488,921	28	5,970,539,480	4,034,934,946	48
Fee and commission income	156,902,919	111,440,886	41	424,720,167	288,212,668	47
Net gain/(loss) from trading	315,158	6,204,307	(95)	48,449,700	17,270,448	181
Other operating income (net)	182,275,549	76,606,932	138	395,912,543	241,775,093	64
Total Operating Income	2,437,577,634	1,839,741,046	32	6,839,621,890	4,582,193,155	49
Impairment (charges) / reversal for loans and other losses	(143,858,105)	(94,803,933)	(52)	(529,887,709)	(382,837,038)	(38)
Net Operating Income	2,293,719,529	1,744,937,113	31	6,309,734,181	4,199,356,117	50
Operating Expenses						
Personnel expenses	(502,172,149)	(398,732,579)	(26)	(1,512,713,236)	(1,122,902,516)	(35)
Other operating expenses	(710,651,287)	(522,818,035)	(36)	(2,071,836,992)	(1,524,636,903)	(36)
Depreciation and amortization	(54,666,098)	(42,277,444)	(29)	(157,700,231)	(125,058,172)	(26)
Total operating expenses	(1,267,489,534)	(963,828,058)	(32)	(3,742,250,459)	(2,772,597,591)	(35)
Operating Profit before Taxes on Financial Services	1,026,229,995	781,109,055	31	2,567,483,722	1,426,758,526	80
Taxes on financial services	(238,956,141)	(159,422,540)	(50)	(650,777,859)	(375,683,675)	(73)
Operating Profit after Taxes on Financial Services	787,273,854	621,686,515	27	1,916,705,863	1,051,074,851	82
Share of profit/(loss) from associates	2,691,378	11,228,094	(76)	18,414,052	20,963,812	(12)
Profit before Taxation from Operations	789,965,232	632,914,609	25	1,935,119,915	1,072,038,663	81
Provision for income taxation	(338,391,321)	(325,775,459)	(4)	(870,794,871)	(519,284,178)	(68)
Profit for the Period	451,573,911	307,139,150	47	1,064,325,044	552,754,485	93
Profit attributable to :						
Equity holders of the Company	441,583,265	298,797,742	48	1,038,796,671	531,049,654	96
Non controlling interest	9,990,646	8,341,408	20	25,528,373	21,704,831	18
Profit for the Period	451,573,911	307,139,150	47	1,064,325,044	552,754,485	93
Basic/ Diluted earnings per share (Annualised)	52.42	35.47		41.10	21.01	
Dividend Per Share paid	8.40	-		8.40	5.00	

Alliance Finance Company PLC

Statement of Comprehensive Income - Company

For the period ended 31st December 2024

	For the Quarter ended			For the Nine months ended		
	2024	2023	Variance	2024	2023	Variance
	(unaudited) Rs.	(unaudited) Rs.		(unaudited) Rs.	(unaudited) Rs.	
Profit for the period	423,868,289	284,007,125	49	993,530,883	492,563,607	102
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	135,008,446	476,107	28,257	139,363,358	19,530,440	614
Net Other Comprehensive Income not be Classified to Profit or Loss	135,008,446	476,107	28,257	139,363,358	19,530,440	614
Total Comprehensive Income for the period	558,876,735	284,483,232	96	1,132,894,241	512,094,047	121

Statement of Comprehensive Income - Group

For the period ended 31st December 2024

	For the Quarter ended			For the Nine months ended		
	2024	2023	Variance	2024	2023	Variance
	(unaudited) Rs.	(unaudited) Rs.		(unaudited) Rs.	(unaudited) Rs.	
Profit for the period	451,573,911	307,139,150	47	1,064,325,044	552,754,485	93
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	135,008,446	476,107	28,257	139,363,358	19,530,440	614
Net Other Comprehensive Income not be Classified to Profit or Loss	135,008,446	476,107	28,257	139,363,358	19,530,440	614
Total Comprehensive Income for the period	586,582,357	307,615,257	91	1,203,688,402	572,284,925	110
Attributable to:						
Equity holders of the company	576,591,711	299,273,849	93	1,178,160,029	550,580,094	114
Non controlling interest	9,990,646	8,341,408	20	25,528,373	21,704,831	18
Total Comprehensive Income for the period	586,582,357	307,615,257	91	1,203,688,402	572,284,925	110

Alliance Finance Company PLC

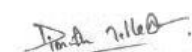
Statement of Financial Position

As at	Company			Group		
	31.12.2024 (unaudited) Rs.	31.03.2024 (audited) Rs.	Variance %	31.12.2024 (unaudited) Rs.	31.03.2024 (audited) Rs.	Variance %
Assets						
Cash and cash equivalents	2,127,367,876	1,037,507,757	105	2,311,576,064	1,136,828,171	103
Repurchase agreements	1,261,692,279	962,606,909	31	1,261,692,279	962,606,909	31
Placements with banks & financial institutions	3,797,968,942	3,246,352,935	17	3,943,866,796	3,383,898,083	17
Financial assets recognised through profit or loss	5,195,320,062	3,508,968,758	48	5,195,320,062	3,508,968,758	48
Loans and advances - at amortised cost	33,757,812,494	23,506,870,064	44	33,757,812,494	23,506,870,064	44
Lease rentals receivable & stock out on hire - at amortised cost	23,611,035,611	22,597,190,332	4	23,611,035,611	22,597,190,332	4
Financial assets- fair value through other comprehensive income	866,098,322	317,703,694	173	866,098,322	317,703,694	173
Other trading stocks	96,118,843	85,653,478	12	96,118,843	85,653,478	12
Other financial assets	512,576,612	458,631,541	12	513,240,607	450,152,849	14
Other non financial assets	261,645,496	257,537,354	2	270,690,021	265,196,987	2
Investments in associates	128,746,236	110,332,180	17	146,898,603	128,484,547	14
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	3,325,864,901	3,202,649,652	4	3,326,851,559	3,202,950,925	4
Intangible assets	146,130,550	147,087,856	(1)	146,130,550	147,169,590	(1)
Right of use asset	366,247,870	356,347,453	3	366,247,870	356,347,453	3
Deferred tax assets	191,066,955	174,526,137	9	191,066,960	175,796,752	9
Total Assets	75,850,297,087	60,174,570,138	26	76,300,326,641	60,521,498,592	26
Liabilities						
Due to banks	30,141,102,826	20,310,185,391	48	30,200,256,278	20,310,185,391	49
Due to depositors - at amortised cost	33,268,903,590	28,387,365,249	17	33,268,065,435	28,386,553,614	17
Other financial liabilities	1,257,220,469	1,129,788,584	11	1,284,745,901	1,159,602,656	11
Other non financial liabilities	128,998,783	219,237,671	(41)	128,998,783	219,237,671	(41)
Derivative financial liabilities	-	5,379,033	(100)	-	5,379,033	(100)
Income tax liabilities	1,026,771,294	928,513,196	11	1,041,160,479	938,772,455	11
Retirement benefit liabilities	9,223,649	52,103,008	(82)	13,830,869	56,338,393	(75)
Deferred tax liabilities	703,298,454	663,298,289	6	707,507,948	668,778,398	6
Lease Liability	361,773,641	349,669,731	3	361,773,641	349,669,731	3
Total Liabilities	66,897,292,706	52,045,540,152	29	67,006,339,334	52,094,517,342	29
Shareholders' Funds						
Stated capital	613,980,000	613,980,000	-	613,980,000	613,980,000	-
Retained earnings	5,220,425,090	4,509,940,679	16	5,403,350,688	4,675,362,989	16
Reserves	3,118,599,291	3,005,109,307	4	3,118,599,291	3,005,109,307	4
Total Equity Attributable to Equity Holders of the Company	8,953,004,381	8,129,029,986	10	9,135,929,979	8,294,452,296	10
Non controlling interest	-	-		158,057,327	132,528,954	19
Total Equity	8,953,004,381	8,129,029,986	10	9,293,987,306	8,426,981,250	10
Total Liabilities and Shareholders' Funds	75,850,297,087	60,174,570,138	26	76,300,326,641	60,521,498,592	26
Contingent Liabilities and Commitments	1,742,018,756	820,666,741		877,920,150	820,666,741	
Net assets value per share (Rs.)	266	241		271	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.

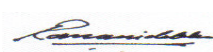


W.A.D.D. Tillekeratne
Chief Financial Officer

14-02-2025
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 31st December 2024

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	-	-	-	-	-	-	492,563,607	492,563,607
Other comprehensive income, net of tax								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	19,530,440	-	-	19,530,440
Transfer of realized profit on investment property disposal to retained earnings	-	-	-	-	26,697,347	-	(26,697,347)	-
Dividend paid	-	-	-	-	-	-	(168,480,000)	(168,480,000)
Balances as at 31st December 2023	613,980,000	1,002,482,237	1,223,390,151	388,258,055	14,257,863	-	4,059,383,921	7,301,752,227
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	-	-	-	-	-	-	993,530,883	993,530,883
Other comprehensive income, net of tax								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	139,363,358	-	-	139,363,358
Changes in revaluation reserve	-	-	(25,873,374)	-	-	-	-	(25,873,374)
Dividend Paid	-	-	-	-	-	-	(283,046,472)	(283,046,472)
Balances as at 31st December 2024	613,980,000	1,048,326,205	1,567,925,177	388,258,055	114,089,854	-	5,220,425,090	8,953,004,381

Statement of Changes in Equity

For the period ended 31st December 2024

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	-	-	-	-	-	21,704,831	531,049,654	552,754,485
Other comprehensive income, net of tax -								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	19,530,440	-	-	19,530,440
Transfer of realized profit on equity instruments disposal to retained earning.	-	-	-	-	26,697,347	-	(26,697,347)	-
Dividend paid	-	-	-	-	-	-	(168,480,000)	(168,480,000)
Balances as at 31st December 2023	613,980,000	1,002,482,237	1,223,390,151	388,258,055	14,257,863	121,173,199	4,206,059,894	7,569,601,400
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	-	-	-	-	-	25,528,373	1,038,796,671	1,064,325,044
Other comprehensive income, net of tax -								
Equity investments at FVOCI - net change in fair value & Disposal profit	-	-	-	-	139,363,358	-	-	139,363,358
Changes in revaluation reserve	-	-	(25,873,374)	-	-	-	-	(25,873,374)
Dividend Paid	-	-	-	-	-	-	(310,808,972)	(310,808,972)
Balances as at 31st December 2024	613,980,000	1,048,326,205	1,567,925,177	388,258,055	114,089,854	158,057,327	5,403,350,688	9,293,987,306

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 31st December 2024

Cash Flows From / (Used in) Operating Activities

	Company		Group	
	2024	2023	2024	2023
	Rs.	Rs.	Rs.	Rs.
Profit before Income Tax Expense	1,834,738,688	988,364,135	1,935,119,915	1,072,038,663
Adjustments for;				
Depreciation of property, plant & equipment	148,765,927	116,402,846	148,988,041	116,770,556
Amortization of intangible assets	8,630,452	8,143,867	8,712,190	8,287,616
Amortization of Right of use asset	108,378,280	96,256,629	108,378,280	96,256,629
Interest expense on lease liability	40,119,565	31,213,940	40,119,565	31,213,940
Depreciation adjustment	-	-	-	-
Impairment (reversal)/provision	411,840,453	361,844,587	411,840,453	361,844,587
Interest on fixed deposits, commercial paper & treasury bills	(224,066,962)	(318,553,180)	(247,703,549)	(333,114,185)
Fair value (gain)/loss on equity investments (FVTPL)	(64,713,184)	4,833,564	(64,713,184)	4,833,564
Bad debt written-off	118,047,257	20,992,452	118,047,256	20,992,452
Loss/(profit) on disposal of property, plant & equipment	(8,770,864)	(23,231,167)	(8,770,864)	(23,231,167)
Profit from sale of vehicle	(43,620,941)	(23,840,111)	(43,620,941)	(23,840,111)
Loss/(profit) on disposal of real estates	-	(4,503,313)	-	(4,503,313)
Provision/(reversal) for defined benefit plans	28,660,485	40,500,000	29,232,322	41,261,473
Dividend received	(34,988,637)	(11,210,455)	(41,326,760)	(16,932,704)
Share of loss/(profit) from associates	(18,414,052)	(20,963,812)	(18,414,052)	(20,963,812)
Operating Profit before Working Capital Changes	2,304,606,467	1,266,249,982	2,375,888,672	1,330,914,188
(Increase)/decrease in trading stock	26,008,576	(14,085,752)	26,008,576	(14,085,752)
(Increase)/decrease in loans and advances	(10,362,865,271)	(3,851,522,711)	(10,362,865,354)	(3,851,522,711)
(Increase)/decrease in lease rentals receivable & stock out on hire	(1,431,810,151)	(999,044,918)	(1,431,810,151)	(999,044,917)
(Increase)/decrease in fixed deposits & repurchase agreements	(850,701,377)	258,367,940	(859,054,082)	133,976,535
(Increase)/decrease in other financial assets	(53,945,071)	(77,784,432)	(63,087,758)	(75,076,415)
(Increase)/decrease in other non financial assets	66,939,491	(16,636,342)	65,554,598	(52,752,277)
Increase/(decrease) in derivative financial liabilities	(5,379,112)	(36,175,016)	(5,379,033)	(36,175,016)
Increase/(decrease) in amounts due to depositors	4,881,538,341	2,965,345,623	4,881,511,821	3,049,687,341
Increase/(decrease) in other financial liabilities	99,416,232	329,905,679	97,127,591	354,932,288
Increase/(decrease) in other non financial liabilities	(90,238,888)	16,979,206	(90,238,888)	16,114,057
Cash generated from/(used in) Operations	(5,416,430,764)	(158,400,743)	(5,366,344,008)	(143,032,681)
Retirement benefit liabilities paid	(19,436,836)	(37,947,291)	(19,636,838)	(37,947,291)
Investment in gratuity fund	(52,103,008)	-	(52,103,008)	-
Taxes paid	(745,363,733)	(404,014,362)	(770,820,874)	(429,173,932)
Net cash generated from/(used in) operating activities	(6,233,334,341)	(600,362,396)	(6,208,904,728)	(610,153,903)
Cash Flows from / (Used in) Investing Activities				
Acquisition of property, plant & equipment	(286,827,810)	(139,063,659)	(287,735,307)	(139,063,662)
Acquisition of right of use assets	(118,278,697)	(17,307,900)	(118,278,697)	(17,307,900)
Acquisition of Intangible Assets	(7,673,146)	(17,457,834)	(7,673,150)	(17,457,834)
Investment in associates	-	(25,000,000)	-	(25,000,000)
Proceeds from sales of property, plant & equipment	23,617,500	42,255,000	23,617,500	42,255,000
Proceeds from sales of vehicles	7,147,000	38,247,162	7,147,000	38,247,162
Net sales/ (purchases) of financial assets -FVTPL/FVTOCI	(2,030,669,390)	166,617,989	(2,030,669,390)	166,617,989
Dividend received	34,988,637	11,210,455	41,326,760	16,932,704
Interest on fixed deposits, commercial paper & treasury bills	224,066,962	318,553,176	247,703,549	333,114,181
Net Cash Generated from Investing Activities	(2,153,628,944)	378,054,389	(2,124,561,735)	398,337,640
Cash Flows from / (Used in) Financing Activities				
Settlement of operating lease liabilities	(71,047,632)	(127,931,882)	(71,047,632)	(127,931,882)
Net increase /(decrease) in other borrowings	8,122,915,595	616,611,637	8,122,915,595	616,611,637
Dividend paid	(283,046,400)	(168,480,000)	(310,808,900)	(168,480,000)
Net Cash Generated from/(Used in) Financing Activities	7,768,821,563	320,199,755	7,741,059,063	320,199,755
Net Increase/(Decrease) in Cash and Cash Equivalents	(618,141,722)	97,891,749	(592,407,400)	108,383,492
Cash and cash equivalents at the beginning of the year	(283,171,509)	(2,952,136,234)	(183,851,095)	(2,894,359,487)
Cash and cash equivalents at the end of the period *	(901,313,231)	(2,854,244,485)	(776,258,495)	(2,785,975,996)
Movement in Cash and Cash Equivalent	(618,141,722)	97,891,749	(592,407,403)	108,383,491

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 31st December 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	865,519,072	-	-	865,519,072
Unquoted Investments	-	-	579,250	579,250
	865,519,072	6,283,804,653	579,250	7,149,902,975
Financial Liabilities				
Due to Depositors	-	33,268,903,590	-	33,268,903,590
Due to Banks	-	30,141,102,826	-	30,141,102,826
Derivative financial liabilities	-	-	-	-
	-	63,410,006,416	-	63,410,006,416

As at 31st December 2023

Financial assets				
Financial assets - Fair value through profit and loss				
Government of Sri Lanka treasury bills	-	2,282,730,456	-	2,282,730,456
Government of Sri Lanka treasury bonds	-	511,175,994	-	511,175,994
Quoted Investments	-	148,687,492	-	148,687,492
Financial assets - Fair value through Other Comprehensive Income				
Quoted Investments	218,301,588	-	-	218,301,588
Unquoted Investments	-	-	579,250	579,250
	218,301,588	2,942,593,942	579,250	3,161,474,780
Financial Liabilities				
Due to Depositors	-	23,441,193,458	-	23,441,193,458
Due to Banks	-	23,647,454,156	-	23,647,454,156
Derivative financial liabilities	-	-	-	-
	-	47,088,647,614	-	47,088,647,614

Alliance Finance Company PLC

Analysis Of Financial Statements Measurement Basis - Company

As at 31st December 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	-	2,127,367,876	-	2,127,367,876
Repurchase Agreements	1,261,692,279	-	-	1,261,692,279
Placement with banks and other financial institutions	-	3,797,968,942	-	3,797,968,942
Financial asset recognized through profit or loss	5,195,320,062	-	-	5,195,320,062
Loans and receivables-Amortized cost	-	33,757,812,494	-	33,757,812,494
Lease rental receivables at amortized	-	23,611,035,611	-	23,611,035,611
Financial asset recognized through other comprehensive income	-	-	866,098,322	866,098,322
	6,457,012,341	63,294,184,923	866,098,322	70,617,295,586
Liabilities				
Due to Depositors	-	33,268,903,590	-	33,268,903,590
Due to Banks	-	30,141,102,826	-	30,141,102,826
Derivative financial liabilities	-	-	-	-
	-	63,410,006,416	-	63,410,006,416

As at 31st December 2023

	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	-	1,124,677,952	-	1,124,677,952
Repurchase agreements	-	-	-	-
Placement with banks and other financial institutions	-	4,897,397,452	-	4,897,397,452
Financial asset recognized through profit or loss	2,942,593,942	-	-	2,942,593,942
Loans and receivables-Amortized cost	-	20,995,563,997	-	20,995,563,997
Lease rental receivables at amortized	-	22,421,360,255	-	22,421,360,255
Financial asset recognized through other comprehensive income	-	-	218,880,838	218,880,838
	2,942,593,942	49,438,999,656	218,880,838	52,600,474,436
Liabilities				
Due to Depositors	-	23,441,193,458	-	23,441,193,458
Due to Banks	-	23,647,454,156	-	23,647,454,156
Derivative financial liabilities	-	-	-	-
	-	47,088,647,614	-	47,088,647,614

Alliance Finance Company PLC

SEGMENT REPORT - GROUP

For the Nine months ended 31st December 2024

	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	6,087,245,363	5,131,638,571	2,500,074,572	1,663,885,739	2,089,536,848	2,468,982,457	978,037,455	976,166,741	11,654,894,238	10,240,673,508
Segment results	4,987,669,283	4,049,648,548	2,221,054,675	1,236,237,428	1,777,575,746	2,111,307,182	931,879,679	922,340,221	9,918,179,383	8,319,533,379
Unallocated company expenses									(2,535,423,313)	(1,234,294,501)
Operating profit									7,382,756,070	7,085,238,878
Interest expenses	(1,628,850,126)	(2,391,502,683)	(1,406,345,922)	(1,165,324,163)	(922,498,014)	(1,092,298,110)	(857,578,276)	(1,009,355,399)	(4,815,272,348)	(5,658,480,355)
Share of profits of associates before tax									18,414,052	20,963,812
Taxes on financial services									(650,777,859)	(375,683,675)
Income tax expenses									(870,794,871)	(519,284,178)
Profit for the year									1,064,325,044	552,754,482
As at 31st December 2024										
Segment assets	22,597,806,540	22,421,360,313	20,385,720,655	10,925,412,320	13,372,091,839	10,240,761,871	12,431,046,378	9,463,138,566	68,786,665,412	53,050,673,070
Investment in associates									146,898,603	126,933,588
Other assets									7,366,762,626	4,196,696,539
Total assets									76,300,326,641	57,374,303,197
Segment liabilities	21,688,190,919	20,016,222,691	17,368,458,850	9,182,802,679	11,392,907,358	8,607,354,375	10,591,144,658	7,953,762,391	61,040,701,785	45,760,142,136
Other liabilities									5,965,637,549	4,061,002,271
Total liabilities									67,006,339,334	49,821,144,407

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 date.

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 31st December 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

	31st December 2024 Rs.	31st March 2024 Rs.
Commitments & Contingencies	1,742,018,756	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 31st December 2024.

Alliance Finance Company PLC

Explanatory Notes (Continued.)

Selected Performance Indicators

	12/31/2024	12/31/2023
Capital Adequacy (%)		
Tier 1 Capital Adequacy Ratio (minimum 8.5%)	9.44%	10.88%
Total Capital Adequacy Ratio (minimum 12.5%)	14.47%	13.66%
Capital Funds to Deposit Liabilities Ratio	23.10%	26.87%
Profitability (%)		
Return on average shareholders funds (before tax)	28.64%	18.48%
Return on average assets (before tax)	3.60%	2.41%
Liquidity ('000)		
Required Minimum Amount of Liquid Assets	3,352,175	2,386,644
Available Amount of Liquid Assets	6,134,238	3,536,608
Required Minimum Amount of Government Securities	1,779,355	1,455,886
Available Amount of Government Securities	5,260,292	2,691,569
Quality of Loan Portfolio (%)		
Gross Non-Performing Loans Ratio	6.79%	15.29%
Net-Non-Performing Loans Ratio	2.93%	10.77%

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 31st December

Highest Price

Lowest Price

Last Traded

2024

2023

168.00

88.00

101.00

73.00

163.25

80.00

Stated capital

As at 31st December 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 31st December 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 31st December 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 (Joint)	1,483,984	4.40
5	Orient Hotels Ltd.,	1,358,323	4.03
6	Mrs.S.E. Canekaratne	612,268	1.82
7	J B Cocoshell (Pvt) Ltd.	538,758	1.60
8	Mr.D.L.S.R. Perera	412,266	1.22
9	Mrs.C.R. de Silva	374,400	1.11
10	Mr. D.F.W. Perera	363,243	1.08
11	Ms.D.C.M.A. Perera	361,042	1.07
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.D.L.S.R. Perera & Mrs. D.C.M.A. Perera (Joint)	146,290	0.43

Alliance Finance Company PLC

Shareholders' Information

Public Shareholding as at 31st December 2024

No of Shares	%
11,904,575	35.33

No of Shareholders

The percentage of ordinary shares held by the public as at 31st December was 35.33% and the number of shareholders representing the public holding was 1,772.

Float Adjusted Market Capitalization

The Float adjusted market capitalization as at 31st December 2024 - Rs. 1,943,421,868.75 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 - *Non 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

Priyanga P. Peiris
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

Nominations & Governance Committee

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

Auditors

M/s Deloitte Associates
Chartered Accountants,
No.100, Braybrooke Place
Colombo 02.

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