

**INTERIM FINANCIAL STATEMENTS
QUARTER ENDED SEPTEMBER 30, 2023**



SMB FINANCE PLC

No: 282/1, CBS Building, Galle Road, Colombo 3.

SMB Finance PLC
Statement of Profit or Loss and Other Comprehensive Income
For the period ended September 30, 2023 (LKR 000)

Company	Quarter ended September 30, 2023 Unaudited	Quarter ended Septemeber 30, 2022 Unaudited	Variance	YTD September 30, 2023 Unaudited	YTD Septemeber 30, 2022 Unaudited	Variance
Interest income	216,299	123,677	75%	603,060	324,935	86%
Interest expenses	(84,661)	(29,500)	187%	(243,505)	(76,220)	219%
Net interest income	131,638	94,177	40%	359,555	248,715	45%
Fee and commission income	948	1,987	-52%	2,721	7,893	-66%
Net interest, fee and commission income	132,586	96,164	38%	362,276	256,608	41%
Other operating income (net)	4,194	-	100%	5,998	358	1576%
Changes in fair value of investment property	-	-	-	-	-	-
Total operating income	136,780	96,164	42%	368,274	256,966	43%
Impairment charge for the period	9,056	(40,314)	-122%	(62,836)	(59,051)	6%
Net operating income	145,836	55,850	161%	305,438	197,915	54%
Personnel expenses	(25,735)	(23,483)	10%	(74,211)	(63,317)	17%
Premises, equipment & establishment expenses	(8,241)	(5,209)	58%	(24,927)	(14,628)	70%
Depreciation and amortization	(10,502)	(4,675)	125%	(21,930)	(12,637)	74%
Other expenses	(10,793)	(8,213)	31%	(30,718)	(22,849)	34%
Operating profit before taxes on financial services	90,565	14,270	535%	153,652	84,484	82%
Taxes on financial services	(22,303)	(1,556)	1333%	(35,400)	(10,714)	230%
Social security contribution levy (SSCL)	(1,077)	-	100%	(5,887)	-	100%
Profit after taxes on financial services & SSCL	67,185	12,714	428%	112,365	73,770	52%
Share of profit of associate company	-	(316)	-100%	1,531	(316)	-584%
Profit before income tax	67,185	12,398	442%	113,896	73,454	55%
Income tax expenses	(9,360)	-	100%	(9,360)	-	100%
Profit for the period	57,825	12,398	366%	104,536	73,454	42%
Basic earnings per share (LKR)	0.006	0.001	366%	0.011	0.008	42%

Company	Quarter ended September 30, 2023 Unaudited	Quarter ended Septemeber 30, 2022 Unaudited	Variance	YTD September 30, 2023 Unaudited	YTD Septemeber 30, 2022 Unaudited	Variance
Profit for the period	57,825	12,398	366%	104,536	73,454	42%
Other comprehensive income						
Actuarial loss on defined benefit plans	-	-	-	-	-	-
Equity investments at FVOCI - Net change in fair value	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-
Other comprehensive expense for the period (net of tax)	-	-	-	-	-	-
Total comprehensive income for the period	57,825	12,398	366%	104,536	73,454	42%

SMB Finance PLC
Statement of Profit or Loss and Other Comprehensive Income
For the period ended September 30, 2023 (LKR 000)

Group	Quarter ended	Quarter ended	Variance	YTD	YTD	Variance
	September 30, 2023	September 30, 2022		September 30, 2023	September 30, 2022	
	Unaudited	Unaudited		Unaudited	Unaudited	
Interest income	216,299	123,721	75%	603,060	326,275	85%
Interest expenses	(84,661)	(29,500)	187%	(243,505)	(76,252)	219%
Net interest income	131,638	94,221	40%	359,555	250,023	44%
Fee and commission income	948	1,987	-52%	2,721	7,893	-66%
Net interest, fee and commission income	132,586	96,208	38%	362,276	257,916	40%
Other operating income (net)	4,196	4,065	3%	7,162	17,363	-59%
Changes in fair value of investment property	-	-	-	-	-	-
Total operating income	136,782	100,273	36%	369,438	275,279	34%
Impairment charge for the period	9,055	(40,314)	-122%	(62,836)	(59,051)	6%
Net operating income	145,837	59,960	143%	306,602	216,228	42%
Personnel expenses	(26,275)	(33,987)	-23%	(77,580)	(97,649)	-21%
Premises, equipment & establishment expenses	(8,241)	(5,329)	55%	(25,327)	(15,028)	69%
Depreciation and amortizations	(10,579)	(5,589)	89%	(22,336)	(15,469)	44%
Other expenses	(11,198)	(10,260)	9%	(35,411)	(31,093)	14%
Operating profit before taxes on financial services	89,544	4,794	1768%	145,948	56,989	156%
Taxes on financial services	(22,303)	(1,556)	1334%	(35,400)	(10,714)	230%
Social Security Contribution Levy (SSCL)	(1,077)	-	100%	(5,887)	-	100%
Profit after taxes on financial services	66,164	3,238	1943%	104,661	46,275	126%
Share of profit of associate company	-	(316)	-100%	1,531	(316)	-584%
Profit before income tax	66,164	2,922	2164%	106,192	45,959	131%
Income tax expenses	(9,360)	-	100%	(9,360)	-	100%
Profit for the period	56,804	2,922	1844%	96,832	45,959	111%
Profit / (Loss) attributable to :						
Owners of the parent	57,304	7,565	657%	100,531	59,432	69%
Non-controlling interest	(500)	(4,643)	89%	(3,699)	(13,473)	73%
Profit for the period	56,804	2,922	1844%	96,832	45,959	111%
Basic earnings per share (LKR)	0.002	0.000	430%	0.003	0.005	-43%

Group	Quarter ended	Quarter ended	Variance	YTD	YTD	Variance
	September 30, 2023	September 30, 2022		September 30, 2023	September 30, 2022	
	Unaudited	Unaudited		Unaudited	Audited	
Profit for the period	56,804	2,922	1844%	96,832	45,959	111%
Other comprehensive income						
Actuarial loss on defined benefit plans	-	-	-	-	-	-
Equity investments at FVOCI - Net change in fair value	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-
Other comprehensive expense for the period (net of tax)	-	-	-	-	-	-
Total comprehensive income for the period	56,804	2,922	1844%	96,832	45,959	111%
Total comprehensive income / (expense) attributable to:						
Owners of the parent	57,304	7,565	658%	100,531	59,432	69%
Non-controlling interest	(500)	(4,643)	89%	(3,699)	(13,473)	73%
Total comprehensive income for the period	56,804	2,922	1844%	96,832	45,959	111%

SMB Finance PLC
Statement of Financial Position (LKR 000)

As at	Company		Group	
	September 30, 2023 Unaudited	December 31, 2022 Audited	September 30, 2023 Unaudited	December 31, 2022 Audited
Assets				
Cash and cash equivalents	92,605	55,302	93,116	55,495
Placements with banks	2,373,517	2,364,018	2,373,517	2,364,050
Loans and receivables	1,792,207	1,855,368	1,792,207	1,855,368
Financial investments	104,249	104,249	114,789	114,789
Investments in associate	44,108	42,577	44,108	42,577
Investments in subsidiary	-	-	-	-
Investment properties	403,347	385,728	403,347	402,928
Property, plant & equipment	49,846	19,963	50,349	22,405
Right of use Asset	19,656	16,070	19,656	16,070
Intangible assets	263,708	245,092	263,708	245,092
Deferred tax assets	-	-	1,203	1,203
Other assets	218,556	98,858	219,709	105,380
Total Assets	5,361,799	5,187,226	5,375,709	5,225,358
Liabilities				
Due to financial institutions	1,569,145	1,568,220	1,569,145	1,568,508
Due to other customers	172,314	126,786	172,314	126,786
Retirement benefit obligations	10,084	8,961	10,084	23,160
Lease Liabilities	18,848	14,880	18,848	14,880
Other liabilities	130,919	112,426	135,444	118,982
Total Liabilities	1,901,310	1,831,274	1,905,835	1,852,316
Equity				
Stated capital	3,062,682	3,062,682	3,062,682	3,062,682
Statutory reserves	41,732	41,732	41,732	41,732
Fair value reserve	52,465	52,465	52,465	52,465
Retained earnings	303,609	199,073	308,189	207,658
Total equity attributable to equity holders of the Company	3,460,489	3,355,952	3,465,068	3,364,537
Non- controlling interests	-	-	4,806	8,505
Total Equity	3,460,489	3,355,952	3,469,874	3,373,042
Total Equity and Liabilities	5,361,799	5,187,226	5,375,709	5,225,358

Figures in brackets indicate deductions.

The Notes form an integral part of these Interim Financial Statements.

These Financial Statements comply with the requirements of the Companies Act No. 7 of 2007.

Signed

L. Menaka Silva

Head of Finance

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed on behalf of the Board by,

Signed

A. T. S. Sosa

Director

Signed

M. S. A. Wadood

Director

Colombo
October 16, 2023

SMB Finance PLC
Statement of Changes in Equity
For the period ended September 30, 2023 (LKR 000)

Company	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total
	Ordinary - Voting Shares	Ordinary - Non Voting Shares				
Balance as at January 1, 2022	2,555,959	506,723	37,753	29,592	121,789	3,251,816
Profit for the period	-	-	-	-	73,454	73,454
Other comprehensive income / (expense) (net of tax)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	73,454	73,454
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-
Balance as at September 30, 2022	2,555,959	506,723	37,753	29,592	195,243	3,325,270
Profit for the period	-	-	-	-	6,128	6,128
Other comprehensive income (net of tax)	-	-	-	22,873	1,681	24,554
Total comprehensive income for the period	-	-	-	22,873	7,809	30,682
Transfer to statutory reserve	-	-	3,979	-	(3,979)	-
Dividend paid	-	-	-	-	-	-
Total transactions with equity holders	-	-	3,979	-	(3,979)	-
Balance as at December 31, 2022	2,555,959	506,723	41,732	52,465	199,073	3,355,952
Balance as at January 1, 2023	2,555,959	506,723	41,732	52,465	199,073	3,355,952
Profit for the period	-	-	-	-	104,536	104,536
Other comprehensive income / (expense) (net of tax)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	104,536	104,536
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-
Balance as at September 30, 2023	2,555,959	506,723	41,732	52,465	303,609	3,460,489

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SMB Finance PLC
Statement of Changes in Equity
For the period ended September 30, 2023 (LKR 000)

Group	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
	Ordinary - Voting Shares	Ordinary - Non Voting Shares						
Balance as at January 1, 2022	2,555,959	506,723	37,753	29,592	134,404	3,264,431	24,628	3,289,059
Profit / (Loss) for the period	-	-	-	-	59,432	59,432	(13,473)	45,959
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-	-	-
Total comprehensive income / (expense) for the period	-	-	-	-	59,432	59,432	(13,473)	45,959
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-
Balance as at September 30, 2022	2,555,959	506,723	37,753	29,592	193,836	3,323,863	11,155	3,335,018
Profit/ (Loss) for the period	-	-	-	-	14,848	14,848	(3,871)	10,977
Other comprehensive income (net of tax)	-	-	-	22,873	2,952	25,825	1,222	27,047
Total comprehensive income for the period	-	-	-	22,873	17,801	40,674	(2,650)	38,024
Transfer to statutory reserve	-	-	3,979	-	(3,979)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	3,979	-	(3,979)	-	-	-
Balance as at December 31, 2022	2,555,959	506,723	41,732	52,465	207,658	3,364,537	8,505	3,373,042
Balance as at January 1, 2023	2,555,959	506,723	41,732	52,465	207,658	3,364,537	8,505	3,373,042
Profit / (Loss) for the period	-	-	-	-	100,531	100,531	(3,699)	96,832
Other comprehensive income / (expense) (net of tax)	-	-	-	-	-	-	-	-
Total comprehensive income / (expense) for the period	-	-	-	-	100,531	100,531	(3,699)	96,832
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
Total transactions with equity holders	-	-	-	-	-	-	-	-
Balance as at September 30, 2023	2,555,959	506,723	41,732	52,465	308,189	3,465,068	4,806	3,469,874

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SMB Finance PLC
Cash Flow Statement
For the period ended September 30, 2023 (LKR 000)

	Company		Group	
	September 30, 2023 Unaudited	Septemeber 30, 2022 Unaudited	September 30, 2023 Unaudited	Septemeber 30, 2022 Unaudited
Cash flow from operating activities				
Interest receipts	237,640	202,510	237,640	203,850
Interest payments	(226,268)	(70,997)	(226,268)	(71,029)
Fees and commission other receipts	196,062	88,348	197,227	105,301
Cash payments to employees and suppliers	(121,557)	(89,535)	(129,962)	(130,438)
Profit before changes in operating assets	85,877	130,326	78,637	107,684
Loans and receivables to other customers	64,173	(716,496)	69,519	(716,496)
Other assets	(5,469)	(81)	(5,291)	(5,001)
Other liabilities	-	-	(2,032)	-
Cash used in operating activities	144,581	(586,251)	140,833	(613,813)
Tax paid	(51,031)	(10,726)	(51,031)	(10,726)
Gratuity paid	-	-	(14,412)	(1,829)
Net cash used in operating activities	93,550	(596,977)	75,390	(626,368)
Cash flow from investing activities				
Net (increase) / decrease in financial investments	(10,000)	-	(10,000)	21,095
Dividend received	-	525	-	577
Purchase of property, plant & equipment & intangible assets	(56,709)	(254,805)	(55,176)	(254,883)
Purchase of investment properties	(17,619)	(198,300)	(419)	(198,300)
Net cash generated / (used in) investing activities	(84,328)	(452,580)	(65,595)	(431,511)
Cash flow from financing activities				
(Decrease) / Increase in borrowings from financial institutions	(197,132)	1,009,645	(197,132)	1,009,645
Increase / (decrease) in public borrowings	40,952	(14)	40,952	(14)
Increase in other liabilities	11,702	40,418	11,702	45,899
Lease liability payment	(17,304)	(6,302)	(17,304)	(7,389)
Net cash (used in) / generated from financing activities	(161,783)	1,043,747	(161,783)	1,048,142
Net decrease in cash and cash equivalents	(152,561)	(5,810)	(151,988)	(9,737)
Cash and cash equivalents at the beginning of the period	53,699	132,224	53,637	135,645
Cash and cash equivalents at the end of the period	(98,862)	126,414	(98,351)	125,908
Reconciliation of cash and cash equivalents				
Cash and cash equivalents	75,440	152,205	75,912	152,407
REPO investment with banks	17,165	4,189	17,204	4,189
Bank overdraft	92,605	156,394	93,116	156,596
	(191,467)	(29,980)	(191,467)	(30,688)
Cash and cash equivalents	(98,862)	126,414	(98,351)	125,908

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SMB Finance PLC
Segment Reporting - Group

(LKR 000)	Loans		Leasing		Treasury		Money Brokering		Unallocated		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
For the period ended September 30												
Business segments - Group												
Revenue from external customers,												
Interest	198,874	106,821	96,235	74,420	307,950	111,423	-	1,341	-	32,270	603,060	326,275
Fee & commission income	997	1,042	592	3,785	-	-	-	-	1,132	3,066	2,721	7,893
Other operating income	412	61	4,733	297	-	-	1,165	17,004	853	-	7,162	17,363
Total revenue from external customers	200,283	107,924	101,560	78,502	307,950	111,423	1,165	18,345	1,985	35,336	612,943	351,531
Segment result	137,200	45,655	69,572	33,209	210,956	47,137	(7,298)	7,760	1,360	14,949	411,789	148,710
Depreciation charged for the period	(7,179)	(4,749)	(3,641)	(3,454)	(11,039)	(4,903)	(406)	(807)	(71)	(1,555)	(22,336)	(15,469)
Interest expense	(79,718)	(23,410)	(40,424)	(17,028)	(122,573)	(24,170)	-	(3,979)	(790)	(7,665)	(243,505)	(76,252)
Operating profit	50,303	17,494	25,508	12,727	77,344	18,064	(7,704)	2,974	498	5,729	145,948	56,989
Tax on financial services	-	(3,289)	-	(2,393)	-	(3,396)	-	(559)	(35,400)	(1,077)	(35,400)	(10,714)
Social Security Contribution Levy (SSCL)	-	-	-	-	-	-	-	-	(5,887)	-	(5,887)	-
Share of profit of associate company	-	-	-	-	-	-	-	-	1,531	(316)	1,531	(316)
Income tax expense	-	-	-	-	-	-	-	-	(9,360)	-	(9,360)	-
Other comprehensive income / (expense)	-	-	-	-	-	-	-	-	-	-	-	-
Net profit for the period	50,303	14,207	25,508	10,334	77,344	14,668	(7,704)	2,415	(48,618)	4,335	96,832	45,959
Segment assets (As at September 30)	1,290,129	1,198,376	502,078	582,980	2,570,371	2,618,054	13,909	11,512	999,220	780,189	5,375,708	5,191,111
Segment liabilities (As at September 30)	622,449	569,838	315,633	414,492	957,061	588,329	4,524	96,862	6,168	186,572	1,905,835	1,856,093
For the period ended September 30												
Cash flow from operating activities	30,626	(192,301)	15,530	(139,877)	47,090	(198,541)	(18,160)	(32,688)	303	(62,962)	75,390	(626,369)
Cash flow from investing activities	(27,607)	(132,478)	(13,999)	(96,363)	(42,448)	(136,777)	18,733	(22,519)	(274)	(43,375)	(65,595)	(431,511)
Cash flow from financing activities	(52,964)	321,789	(26,857)	234,065	(81,436)	332,231	-	54,698	(525)	105,358	(161,783)	1,048,142

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SMB Finance PLC
Classification of Financial Instruments
As at September 30, 2023 (LKR 000)

Assets - Company	September 30, 2023				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Assets					
Cash and cash equivalents	-	92,605	-	-	92,605
Placements with banks	-	2,373,517	-	-	2,373,517
Financial assets at amortised cost-Loans and receivables to other customers	-	1,792,207	-	-	1,792,207
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	-	104,249	-	104,249
Other financial assets	-	-	-	-	-
Total financial assets	-	4,258,329	104,249	-	4,362,578
Non Financial Assets					
Investment in associate	-	-	-	44,108	44,108
Investment in subsidiary	-	-	-	-	-
Investment properties	-	-	-	403,347	403,347
Property, plant & equipment	-	-	-	49,846	49,846
Right-of-use assets	-	-	-	19,656	19,656
Intangible assets	-	-	-	263,708	263,708
Other assets	-	-	-	218,556	218,556
Total non financial assets	-	-	-	999,220	999,220
Total assets	-	4,258,329	104,249	999,220	5,361,799

Liabilities - Company	September 30, 2023				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Liabilities					
Due to financial institutions	-	1,569,145	-	-	1,569,145
Due to other customers	-	172,314	-	-	172,314
Lease liabilities	-	18,848	-	-	18,848
Total financial liabilities	-	1,760,307	-	-	1,760,307
Non Financial Liabilities					
Retirement benefit obligations	-	10,084	-	-	10,084
Other liabilities	-	130,919	-	-	130,919
Total non financial liabilities	-	141,003	-	-	141,003
Total liabilities	-	1,901,310	-	-	1,901,310

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SMB Finance PLC
Classification of Financial Instruments
As at December 31, 2022 (LKR 000)

Assets - Company	December 31, 2022				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Assets					
Cash and cash equivalents	-	55,302	-	-	55,302
Placements with banks	-	2,364,018	-	-	2,364,018
Financial assets at amortised cost-Loans and receivables to other customers	-	1,855,368	-	-	1,855,368
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	-	104,250	-	104,250
Other financial assets	-	37,458	-	-	37,458
Total financial assets	-	4,312,146	104,250	-	4,416,396
Non Financial Assets					
Investment in associate	-	-	-	42,577	42,577
Investment in subsidiary	-	-	-	-	-
Investment properties	-	-	-	385,728	385,728
Property, plant & equipment	-	-	-	19,963	19,963
Right-of-use assets	-	-	-	16,070	16,070
Intangible assets	-	-	-	245,092	245,092
Other assets	-	-	-	61,400	61,400
Total non financial assets	-	-	-	770,830	770,830
Total assets	-	4,312,146	104,250	770,830	5,187,226

Liabilities - Company	December 31, 2022				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Liabilities					
Due to financial institutions	-	1,568,220	-	-	1,568,220
Due to other customers	-	126,786	-	-	126,786
Lease liabilities	-	14,880	-	-	14,880
Total financial liabilities	-	1,709,887	-	-	1,709,887
Non Financial Liabilities					
Retirement benefit obligations	-	8,961	-	-	8,961
Other liabilities	-	112,426	-	-	112,426
Total non financial liabilities	-	121,387	-	-	121,387
Total liabilities	-	1,831,274	-	-	1,831,274

Colombo
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SMB Finance PLC
Classification of Financial Instruments
As at September 30, 2023 (LKR 000)

Assets - Group	September 30, 2023				Total
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	
Financial Assets					
Cash and cash equivalents	-	93,116	-	-	93,116
Placements with banks	-	2,373,517	-	-	2,373,517
Financial assets at amortised cost-Loans and receivables to other customers	-	1,792,207	-	-	1,792,207
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	-	114,789	-	114,789
Other financial assets	-	-	-	-	-
Total financial assets	-	4,258,839	114,789	-	4,373,629
Non Financial Assets					
Investment in associate	-	-	-	44,108	44,108
Investment properties	-	-	-	403,347	403,347
Property, plant & equipment	-	-	-	50,349	50,349
Right-of-use assets	-	-	-	19,656	19,656
Intangible assets	-	-	-	263,708	263,708
Diferred tax assets	-	-	-	1,203	1,203
Other assets	-	-	-	219,709	219,709
Total non financial assets	-	-	-	1,002,079	1,002,080
Total assets	-	4,258,839	114,789	1,002,079	5,375,709

Liabilities - Group	September 30, 2023				Total
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	
Financial Liabilities					
Due to financial institutions	-	1,569,145	-	-	1,569,145
Due to other customers	-	172,314	-	-	172,314
Lease liabilities	-	18,848	-	-	18,848
Total financial liabilities	-	1,760,307	-	-	1,760,307
Non Financial Liabilities					
Retirement benefit obligations	-	10,084	-	-	10,084
Other liabilities	-	135,444	-	-	135,444
Total non financial liabilities	-	145,527	-	-	145,528
Total liabilities	-	1,905,834	-	-	1,905,835

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SMB Finance PLC
Classification of Financial Instruments
As at December 31, 2022 (LKR 000)

Assets - Group	December 31, 2022				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Assets					
Cash and cash equivalents	-	55,495	-	-	55,495
Placements with banks	-	2,364,050	-	-	2,364,050
Financial assets at amortised cost-Loans and receivables to other customers	-	1,855,368	-	-	1,855,368
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	-	104,250	-	104,250
Other financial assets	-	47,998	-	-	47,998
Total financial assets	-	4,322,911	104,250	-	4,427,161
Non Financial Assets					
Investment in associate	-	-	-	42,577	42,577
Investment properties	-	-	-	402,928	402,928
Property, plant & equipment	-	-	-	22,405	22,405
Right-of-use assets	-	-	-	16,070	16,070
Intangible assets	-	-	-	245,092	245,092
Diferred tax assets	-	-	-	1,203	1,203
Other assets	-	-	-	67,922	67,922
Total non financial assets	-	-	-	798,197	798,197
Total assets	-	4,322,911	104,250	798,197	5,225,358

Liabilities - Group	December 31, 2022				
	Financial instruments recognised through profit or loss (FVTPL)	Financial instruments at amortised cost (AC)	Financial instruments at fair value through other comprehensive income (FVTOCI)	Others	Total
Financial Liabilities					
Due to financial institutions	-	1,568,508	-	-	1,568,508
Due to other customers	-	126,786	-	-	126,786
Lease liabilities	-	14,880	-	-	14,880
Total financial liabilities	-	1,710,174	-	-	1,710,174
Non Financial Liabilities					
Retirement benefit obligations	-	23,160	-	-	23,160
Other liabilities	-	118,982	-	-	118,982
Total non financial liabilities	-	142,142	-	-	142,142
Total liabilities	-	1,852,316	-	-	1,852,316

Colombo
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1 Basis of Preparation

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with the Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the Audited Annual Financial Statements for the year ended December 31, 2022. The same accounting policies and methods of computations as stated in the Audited Annual Financial Statements for the year ended December 31, 2022 have been followed in preparation of these Condensed Interim Financial Statements.

1.1 The consolidated financial statements of the Group comprise of SMB Finance PLC, its subsidiary SMB Money Brokers (Pvt) Ltd and the Group's interest in its associate Kenanga Investments Corporation Limited.

2 Income Tax

The Company is liable for income tax at the rate of 30% on its taxable profits.

3 Share Price During the Period

	Voting		Non Voting	
	3rd Quarter 2023 Rs.	3rd Quarter 2022 Rs.	3rd Quarter 2023 Rs.	3rd Quarter 2022 Rs.
Highest price per share	0.90	1.20	0.40	0.40
Lowest price per share	0.60	0.40	0.20	0.20

	Voting		Non Voting	
	30.09.23 Rs.	30.09.22 Rs.	30.09.23 Rs.	30.09.22 Rs.
Last traded price	0.70	1.00	0.30	0.30

4 Stated Capital

4.1 Total Number of Shares

	3rd Quarter 2023	3rd Quarter 2022
Stated Capital is represented by Ordinary Shares (Voting)	6,470,375,048	6,470,375,048
Stated Capital is represented by Ordinary Shares (Non Voting)	3,081,603,712	3,081,603,712

4.2 Total Number of Shareholders

Ordinary Shares (Voting)	11,750	12,226
Ordinary Shares (Non Voting)	6,801	7,336

4.3 Number of Public Shareholders

Ordinary Shares (Voting)	11,748	12,223
Ordinary Shares (Non Voting)	6,800	7,336

4.4 Public Shareholding %

Ordinary Shares (Voting)	35.56%	35.56%
Ordinary Shares (Non Voting)	99.99%	100.00%

4.5 Float Adjusted Market Capitalization

The float adjusted market capitalization as at September 30, 2023 is Rs. 1,610,722,908.20

4.6 Minimum Public Holding Requirement

The company is in compliance with Option 5 of Section 7.14.1. i (a) of the Listing Rules of the Colombo Stock Exchange pertaining to minimum public holding.

SMB Finance PLC
Notes to the Financial Statements
For the period ended September 30, 2023

5 Financial Ratios - Group

	30.09.23	30.09.22
Net assets per share (LKR)	0.36	0.35
Debt/equity ratio (times)	0.50	0.51
Interest cover ratio (times)	1.60	1.75
Liquid asset ratio	1807.67%	178.52%

6 Commitments and Contingencies

In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. Except for above there are no material commitments and contingencies as at the reporting date.

7 Events after the Reporting Date

No circumstances have arisen since the reporting date, which require adjustments or disclosure in the Financial Statements.

8 Comparative Information

Comparative information has been reclassified wherever necessary to be comparable with the current financial information.

9 Directors' Shareholding as at September 30, 2023

	No. of Voting Shares	No. of Non Voting Shares
Mr. H.R.S.Wijeratne	4,169,342,304	-
Mr. T.M.Wijesinghe	-	-
Mr. A.T.S.Sosa	-	-
Mr. M.S.A.Wadood	-	-
Mr. L.Abeysinghe	-	-
Mr. S.C.Wijesinghe	-	-
	4,169,342,304	-

* Mr. H.H.A. Chandrasiri was resigned with effect from August 28, 2023.

10 CEO's Shareholding as at September 30, 2023

	No. of Voting Shares	No. of Non Voting Shares
Mr. S.C.Wijesinghe	-	-

11 Key Management Personnel Shareholding as at September 30, 2023

	No. of Voting Shares	No. of Non Voting Shares
Ms Randulani Claudeen Godage	18	-
Mr Warnakulasuriya Joseph Dickson Gunathilake	-	27,500

12 Management Fees and Similar Expenses

All known expenses including management fees and similar expenses have been provided for in these Interim Financial Statements.

13 Material Changes in the Use of Funds Raised

There was no material change during the period in the use of funds raised through an IPO/Rights/Debenture issue.

14 Top Twenty Five Shareholders

14.1 Ordinary Shares (voting)

	Name of the Shareholder	September 30, 2023	
		No. of Shares	%
1	Mr H.R.S. Wijeratne	4,169,342,304	64.44
2	Standard Chartered Bank Singapore S/A HL Bank Singapore Branch	626,055,720	9.68
3	Sampath Bank PLC/ Dr.T.Senthilvel	238,092,639	3.68
4	Commercial Bank of Ceylon PLC/Andaradeniya Estate (Pvt) Ltd	38,788,219	0.60
5	Ms C.N.M. Anthony	35,975,098	0.56
6	Mr D.G.M.D. Chandradasa & Mis D.G. Sachiki Chandradasa	35,920,439	0.56
7	Mr H.K. Pushpakumara	33,742,157	0.52
8	Seylan Bank PLC/Anuja Chamila Jayasinghe	30,513,715	0.47
9	Mrs S.K. Beruwalage	29,963,218	0.46
10	Hatton National Bank PLC/Anuja Chamila Jayasinghe	27,673,690	0.43
11	Merchant Bank of Sri Lanka & Finance PLC/S.A.A. Hasitha	27,500,000	0.43
12	Commercial Bank of Ceylon PLC/W. Jinadasa	25,681,936	0.40
13	Mr R. Gautam	24,970,000	0.39
14	Hatton National Bank PLC/Ruwan Prassana Sugathadasa	23,446,044	0.36
15	Mr H. Beruwalage	20,000,014	0.31
16	Mr P.N.G.D. Silva	18,250,001	0.28
17	Dialog Finance PLC/S.A.De Silva And D.R.De Silva	18,037,435	0.28
18	Hatton National Bank PLC/Ravindra Erle Rambukwelle	16,600,000	0.26
19	Seylan Bank PLC/Karagoda Loku Gamage Udayananda	16,500,000	0.26
20	People'S Leasing & Finance PLC/Mr. Iresh Sridas Gurusinghe	16,000,000	0.25
21	Mr D.M.T. Dassanayake	14,550,418	0.22
22	PMF Finance PLC/P.P.G. Shriyani	14,000,000	0.22
23	Sinharaja Hills Plantation Privet Limited	13,000,000	0.20
24	Mr J.J. Ravindran	12,503,914	0.19
25	Mr K.R. Karunaratne	11,504,770	0.18
Total ordinary voting shares held by the top 25 holders		5,538,611,731	85.60
Balance shares held by other ordinary voting shareholders		931,763,317	14.40
Total ordinary voting shares		6,470,375,048	100.00

14.2 Ordinary Shares (Non Voting)

	Name of the Shareholder	September 30, 2023	
		No. of Shares	%
1	Mr S.P.N. Kodituwakku	330,687,248	10.73
2	Mr R. Gautam	163,750,000	5.31
3	Sampath Bank PLC/Dr.Mayuramana Dewolage	85,106,025	2.76
4	Commercial Bank of Ceylon PLC/Andaradeniya Estate (Pvt) Ltd	79,017,826	2.56
5	Seylan Bank PLC/Jayantha Dewage	77,187,082	2.50
6	Mr K.R. Karunaratne	52,368,108	1.70
7	Seylan Bank PLC/Karagoda Loku Gamage Udayananda	50,000,000	1.62
8	Dialog Finance PLC/S.D.Divakarage	41,228,496	1.34
9	Mr S.P. Sedara	35,055,517	1.14
10	Mr J.J. Ravindran	34,440,000	1.12
11	Mr N. Muhunthan	31,200,000	1.01
12	People'S Leasing & Finance PLC/Mr.R.Kannan	30,000,000	0.97
13	Mr B.M.A.M.K. Basnayaka	29,019,600	0.94
14	Sampath Bank PLC/B S A Holdings (Pvt) Ltd	26,440,000	0.86
15	Mr S. Ramanathan	24,500,000	0.80
16	Mr P.N.G.D. Silva	24,000,000	0.78
17	Mr K.M.S.M. Razik & Mr K.M.S.M. Rajabudeen & Mr K.M.S.M.R. Mohommad	22,095,755	0.72
18	Hatton National Bank PLC/Ruwan Prassana Sugathadasa	20,466,806	0.66
19	Mr M.W.P.W. Jayawardena	20,400,000	0.66
20	The Golden Hospitality (Pvt)Ltd	20,000,000	0.65
21	Mr N.W.N. Jayasiri	19,220,001	0.62
22	Mr M.L.A. Benedict	18,322,600	0.59
23	Mis M.S.D.P.W. Jayawardena	18,300,000	0.59
24	Mr W.J.D. Benedict	18,000,000	0.58
25	Mrs C. Katugampalage Dona	17,977,004	0.58
Total ordinary non voting shares held by the top 25 holders		1,288,782,068	41.82
Balance shares held by other ordinary non voting shareholders		1,792,821,644	58.18
Total ordinary non voting shares		3,081,603,712	100.00

15 Rights issue funds utilisation as at September 30, 2023

Objective number	Objective as per circular	Amount allocated as per circular Rs.	Proposed date of utilisation as per circular	Amount allocated from proceeds Rs.	% of total proceeds	Amounts utilised Rs.	% of utilisation against allocation	Clarification if not fully utilised including where the funds are invested
01	To utilise for lending purpose	2,454,031,512	January 2022	2,143,617,410	87.35%	1,409,316,235	65.74%	Remaining funds are invested in bank fixed deposits.