

**INTERIM FINANCIAL STATEMENTS  
QUARTER ENDED MARCH 31, 2024**



**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 March 31, 2024 (LKR 000)**

Company	Quarter ended March 31, 2024 Unaudited	Quarter ended March 31, 2023 Unaudited	Variance	YTD March 31, 2024 Unaudited	YTD March 31, 2023 Unaudited	Variance
Interest income	129,085	180,534	-28%	129,085	180,534	-28%
Interest expenses	(38,825)	(71,378)	-46%	(38,825)	(71,378)	-46%
<b>Net interest income</b>	<b>90,260</b>	<b>109,156</b>	<b>-17%</b>	<b>90,260</b>	<b>109,156</b>	<b>-17%</b>
Fee and commission income	1,905	923	106%	1,905	923	106%
<b>Net interest, fee and commission income</b>	<b>92,165</b>	<b>110,079</b>	<b>-16%</b>	<b>92,165</b>	<b>110,079</b>	<b>-16%</b>
Other operating income (net)	916	2,257	-59%	916	2,257	-59%
Changes in fair value of investment property	-	-	-	-	-	-
<b>Total operating income</b>	<b>93,081</b>	<b>112,336</b>	<b>-17%</b>	<b>93,081</b>	<b>112,336</b>	<b>-17%</b>
Impairment reversal / (charge) for the period	181	(38,471)	-100%	181	(38,471)	-100%
<b>Net operating income</b>	<b>93,262</b>	<b>73,865</b>	<b>26%</b>	<b>93,262</b>	<b>73,865</b>	<b>26%</b>
Personnel expenses	(35,611)	(23,122)	54%	(35,611)	(23,122)	54%
Premises, equipment & establishment expenses	(13,179)	(6,435)	105%	(13,179)	(6,435)	105%
Depreciation and amortization	(12,276)	(5,264)	133%	(12,276)	(5,264)	133%
Other expenses	(10,225)	(9,904)	3%	(10,225)	(9,904)	3%
<b>Operating profit before taxes on financial services</b>	<b>21,971</b>	<b>29,140</b>	<b>-25%</b>	<b>21,971</b>	<b>29,140</b>	<b>-25%</b>
Taxes on financial services	(1,294)	(2,361)	-45%	(1,294)	(2,361)	-45%
Social security contribution levy (SSCL)	-	(1,885)	-100%	-	(1,885)	-100%
<b>Profit after taxes on financial services &amp; SSCL</b>	<b>20,677</b>	<b>24,895</b>	<b>-17%</b>	<b>20,677</b>	<b>24,894</b>	<b>-17%</b>
Share of (loss) / profit of associate company	-	-	-	-	-	-
<b>Profit before income tax</b>	<b>20,677</b>	<b>24,894</b>	<b>-17%</b>	<b>20,677</b>	<b>24,894</b>	<b>-17%</b>
Income tax expenses	(5,324)	-	100%	(5,324)	-	100%
<b>Profit for the period</b>	<b>15,353</b>	<b>24,894</b>	<b>-38%</b>	<b>15,353</b>	<b>24,894</b>	<b>-38%</b>
Basic earnings per share (LKR)	0.002	0.003	-38%	0.002	0.003	-38%

Company	Quarter ended March 31, 2024 Unaudited	Quarter ended March 31, 2023 Unaudited	Variance	YTD March 31, 2024 Unaudited	YTD March 31, 2023 Unaudited	Variance
<b>Profit for the period</b>	<b>15,353</b>	<b>24,894</b>	<b>-38%</b>	<b>15,353</b>	<b>24,894</b>	<b>-38%</b>
<b>Other comprehensive income</b>						
Actuarial (loss) / gain on defined benefit plans	-	-	-	-	-	-
Equity investments at FVOCI - Net change in fair value	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-
<b>Other comprehensive (expense) / income for the period (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>15,353</b>	<b>24,894</b>	<b>-38%</b>	<b>15,353</b>	<b>24,894</b>	<b>-38%</b>

Colombo  
May 14, 2024

**SMB Finance PLC**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period ended March 31, 2024 (LKR 000)**

Group	Quarter ended March 31, 2024 Unaudited	Quarter ended March 31, 2023 Unaudited	Variance	YTD March 31, 2024 Unaudited	YTD March 31, 2023 Unaudited	Variance
<b>Continuing operations</b>						
Interest income	129,085	180,534	-28%	129,085	180,534	-28%
Interest expenses	(38,825)	(71,378)	-46%	(38,825)	(71,378)	-46%
<b>Net interest income</b>	<b>90,260</b>	<b>109,156</b>	<b>-17%</b>	<b>90,260</b>	<b>109,156</b>	<b>-17%</b>
Fee and commission income	1,905	923	106%	1,905	923	106%
<b>Net interest, fee and commission income</b>	<b>92,165</b>	<b>110,079</b>	<b>-16%</b>	<b>92,165</b>	<b>110,079</b>	<b>-16%</b>
Other operating income (net)	916	3,418	-73%	916	3,418	-73%
Changes in fair value of investment property	-	-	-	-	-	-
<b>Total operating income</b>	<b>93,081</b>	<b>113,497</b>	<b>-18%</b>	<b>93,081</b>	<b>113,497</b>	<b>-18%</b>
Impairment reversal / (charge) for the period	181	(38,471)	-100%	181	(38,471)	-100%
<b>Net operating income</b>	<b>93,262</b>	<b>75,025</b>	<b>24%</b>	<b>93,262</b>	<b>75,025</b>	<b>24%</b>
Personnel expenses	(35,611)	(27,710)	29%	(35,611)	(27,710)	29%
Premises, equipment & establishment expenses	(13,179)	(6,835)	93%	(13,179)	(6,835)	93%
Depreciation and amortizations	(12,276)	(5,510)	123%	(12,276)	(5,510)	123%
Other expenses	(10,225)	(11,859)	-14%	(10,225)	(11,859)	-14%
<b>Operating profit before taxes on financial services</b>	<b>21,971</b>	<b>23,111</b>	<b>-5%</b>	<b>21,971</b>	<b>23,111</b>	<b>-5%</b>
Taxes on financial services	(1,294)	(2,361)	-45%	(1,294)	(2,361)	-45%
Social Security Contribution Levy (SSCL)	-	(1,885)	-100%	-	(1,885)	-100%
<b>Profit after taxes on financial services</b>	<b>20,677</b>	<b>18,865</b>	<b>10%</b>	<b>20,677</b>	<b>18,865</b>	<b>10%</b>
Share of (loss) / profit of associate company	-	-	-	-	-	-
<b>Profit before income tax</b>	<b>20,677</b>	<b>18,865</b>	<b>10%</b>	<b>20,677</b>	<b>18,865</b>	<b>10%</b>
Income tax expenses	(5,324)	-	100%	(5,324)	-	100%
<b>Profit from continuing operations</b>	<b>15,353</b>	<b>18,865</b>	<b>-19%</b>	<b>15,353</b>	<b>18,865</b>	<b>-19%</b>
<b>Discontinued operation</b>						
Loss from discontinued operation, net of tax	(703)	-	100%	(703)	-	100%
<b>Profit for the period</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>
<b>Profit / (Loss) attributable to :</b>						
Owners of the parent	14,996	21,819	-31%	14,996	21,819	-31%
Non-controlling interest	(345)	(2,954)	-88%	(345)	(2,954)	-88%
<b>Profit for the period</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>
Basic earnings per share (LKR)	0.002	0.002	-19%	0.002	0.002	-19%

Group	Quarter ended March 31, 2024 Unaudited	Quarter ended March 31, 2023 Unaudited	Variance	YTD March 31, 2024 Unaudited	YTD March 31, 2023 Audited	Variance
<b>Profit for the period</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>
<b>Other comprehensive income</b>						
Actuarial (loss) / gain on defined benefit plans	-	-	-	-	-	-
Equity investments at FVOCI - Net change in fair value	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-
<b>Other comprehensive (expense) / income for the period (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>
<b>Total comprehensive income / (expense) attributable to:</b>						
Owners of the parent	14,996	21,819	-31%	14,996	21,819	-31%
Non-controlling interest	(345)	(2,954)	88%	(345)	(2,954)	88%
<b>Total comprehensive income for the period</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>	<b>14,650</b>	<b>18,865</b>	<b>-22%</b>

**SMB Finance PLC**  
**Statement of Financial Position (LKR 000)**

As at	Company		Group	
	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
	Unaudited	Audited	Unaudited	Audited
<b>Assets</b>				
Cash and cash equivalents	40,667	90,670	40,667	90,670
Placements with banks	2,570,442	2,568,600	2,570,442	2,568,600
Loans and receivables	1,392,438	1,471,314	1,392,438	1,471,314
Financial investments	116,358	116,358	116,358	116,358
Investments in associate	42,617	42,617	42,617	42,617
Assets held for sale	-	-	4,745	4,916
Investment properties	637,236	637,236	637,236	637,236
Property, plant & equipment	50,447	50,339	50,447	50,339
Right-of-use-assets	50,087	34,156	50,087	34,156
Intangible assets	272,127	263,663	272,127	263,663
Deferred tax assets	-	-	-	-
Other assets	66,810	55,235	66,810	55,235
<b>Total assets</b>	<b>5,239,229</b>	<b>5,330,188</b>	<b>5,243,974</b>	<b>5,335,104</b>
<b>Liabilities</b>				
Due to financial institutions	1,379,908	1,504,598	1,379,908	1,504,598
Financial liabilities at amortised cost - Deposits due to customers	43,380	42,736	43,380	42,736
Financial liabilities at amortised cost - Due to other customers	132,432	131,299	132,432	131,299
Retirement benefit obligations	15,145	13,645	15,145	13,645
Lease liabilities	28,571	21,780	28,571	21,780
Other liabilities	137,680	129,371	137,680	131,792
Liabilities directly associated with assets held for sale	-	-	1,525	994
<b>Total liabilities</b>	<b>1,737,117</b>	<b>1,843,429</b>	<b>1,738,642</b>	<b>1,846,844</b>
<b>Equity</b>				
Stated capital	3,062,682	3,062,682	3,062,682	3,062,682
Statutory reserves	47,727	47,727	47,727	47,727
Fair value reserve	64,545	64,545	64,545	64,545
Retained earnings	327,158	311,805	326,530	309,114
<b>Total equity attributable to equity holders of the Company</b>	<b>3,502,112</b>	<b>3,486,759</b>	<b>3,501,484</b>	<b>3,484,069</b>
Non- controlling interests	-	-	3,847	4,192
<b>Total Equity</b>	<b>3,502,112</b>	<b>3,486,759</b>	<b>3,505,331</b>	<b>3,488,260</b>
<b>Total equity and liabilities</b>	<b>5,239,229</b>	<b>5,330,188</b>	<b>5,243,974</b>	<b>5,335,104</b>

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

May 14, 2024

**SMB Finance PLC**  
**Statement of Changes in Equity**  
For the period ended March 31, 2024 (LKR 000)

Company	Stated Capital		Statutory Reserve Fund	Fair Value Reserve	Retained Earnings	Total
	Ordinary - Voting Shares	Ordinary - Non Voting Shares				
<b>Balance as at January 1, 2023</b>	<b>2,555,959</b>	<b>506,723</b>	<b>41,732</b>	<b>52,465</b>	<b>199,073</b>	<b>3,355,952</b>
Profit for the period	-	-	-	-	24,894	24,894
Other comprehensive income / (expense) (net of tax)	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,894</b>	<b>24,894</b>
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at March 31, 2023</b>	<b>2,555,959</b>	<b>506,723</b>	<b>41,732</b>	<b>52,465</b>	<b>223,967</b>	<b>3,380,846</b>
Profit for the period	-	-	-	-	95,008	95,008
Other comprehensive income (net of tax)	-	-	-	12,080	(1,175)	10,905
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,080</b>	<b>93,833</b>	<b>105,913</b>
Transfer to statutory reserve	-	-	5,995	-	(5,995)	-
Dividend paid	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>5,995</b>	<b>-</b>	<b>(5,995)</b>	<b>-</b>
<b>Balance as at December 31, 2023</b>	<b>2,555,959</b>	<b>506,723</b>	<b>47,727</b>	<b>64,545</b>	<b>311,805</b>	<b>3,486,759</b>
<b>Balance as at January 1, 2024</b>	<b>2,555,959</b>	<b>506,723</b>	<b>47,727</b>	<b>64,545</b>	<b>311,805</b>	<b>3,486,759</b>
Profit for the period	-	-	-	-	15,353	15,353
Other comprehensive income / (expense) (net of tax)	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,353</b>	<b>15,353</b>
Transfer to statutory reserve	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at March 31, 2024</b>	<b>2,555,959</b>	<b>506,723</b>	<b>47,727</b>	<b>64,545</b>	<b>327,158</b>	<b>3,502,112</b>

Colombo  
May 14, 2024

**SMB Finance PLC**  
**Statement of Changes in Equity**  
**For the period ended March 31, 2024 (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						
<b>Balance as at January 1, 2023</b>	<b>2,555,959</b>	<b>506,723</b>	<b>41,732</b>	<b>52,465</b>	<b>207,658</b>	<b>3,364,537</b>	<b>8,505</b>	<b>3,373,042</b>
Profit for the period	-	-	-	-	21,819	21,819	(2,954)	18,865
Other comprehensive (expense) / income (net of tax)	-	-	-	-	-	-	-	-
<b>Total comprehensive income / (expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,819</b>	<b>21,819</b>	<b>(2,954)</b>	<b>18,865</b>
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at March 31, 2023</b>	<b>2,555,959</b>	<b>506,723</b>	<b>41,732</b>	<b>52,465</b>	<b>229,477</b>	<b>3,386,356</b>	<b>5,551</b>	<b>3,391,907</b>
Profit/ (Loss) for the period	-	-	-	-	86,808	86,808	(1,360)	85,448
Other comprehensive income (net of tax)	-	-	-	12,080	(1,175)	10,905	-	10,905
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,080</b>	<b>85,632</b>	<b>97,713</b>	<b>(1,360)</b>	<b>96,353</b>
Transfer to statutory reserve	-	-	5,995	-	(5,995)	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>5,995</b>	<b>-</b>	<b>(5,995)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at December 31, 2023</b>	<b>2,555,959</b>	<b>506,723</b>	<b>47,727</b>	<b>64,545</b>	<b>309,114</b>	<b>3,484,068</b>	<b>4,192</b>	<b>3,488,260</b>
<b>Balance as at January 1, 2024</b>	<b>2,555,959</b>	<b>506,723</b>	<b>47,727</b>	<b>64,545</b>	<b>309,114</b>	<b>3,484,068</b>	<b>4,192</b>	<b>3,488,260</b>
Profit / (Loss) for the period	-	-	-	-	14,996	14,996	(345)	14,651
Other comprehensive income / (expense) (net of tax)	-	-	-	-	-	-	-	-
<b>Total comprehensive income / (expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,996</b>	<b>14,996</b>	<b>(345)</b>	<b>14,651</b>
Transfer to statutory reserve	-	-	-	-	2,421	2,421	-	2,421
Dividend paid	-	-	-	-	-	-	-	-
<b>Total transactions with equity holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,421</b>	<b>2,421</b>	<b>-</b>	<b>2,421</b>
<b>Balance as at March 31, 2024</b>	<b>2,555,959</b>	<b>506,723</b>	<b>47,727</b>	<b>64,545</b>	<b>326,530</b>	<b>3,501,484</b>	<b>3,847</b>	<b>3,505,331</b>

Colombo  
May 14, 2024

**SMB Finance PLC**  
**Cash Flow Statement**  
For the period ended March 31, 2024 (LKR 000)

	Company		Group	
	March 31, 2024 Unaudited	March 31, 2023 Unaudited	March 31, 2024 Unaudited	March 31, 2023 Unaudited
<b>Cash flow from operating activities</b>				
Interest receipts	69,314	69,900	69,314	69,900
Interest payments	(23,466)	(77,104)	(23,466)	(77,104)
Fees and commission other receipts	62,705	65,833	62,705	66,842
Cash payments to employees and suppliers	(53,524)	(37,690)	(53,524)	(44,419)
<b>Profit before changes in operating assets</b>	<b>55,029</b>	<b>20,939</b>	<b>55,029</b>	<b>15,219</b>
Loans and receivables to other customers	84,936	(81,294)	84,936	(80,332)
Other assets	(11,575)	(33,490)	(11,575)	(13,630)
Other liabilities	-	15,206	-	13,564
Cash used in operating activities	<b>128,391</b>	<b>(78,639)</b>	<b>128,391</b>	<b>(65,179)</b>
Tax paid	(6,618)	(2,268)	(6,618)	(2,268)
Gratuity paid	-	-	-	(14,412)
<b>Net cash used in operating activities</b>	<b>121,773</b>	<b>(80,907)</b>	<b>121,773</b>	<b>(81,859)</b>
<b>Cash flow from investing activities</b>				
Net (increase) / decrease in financial investments	-	-	-	-
Net of acquisition and disposal of shares	-	-	-	-
Dividend received	-	-	-	-
Purchase of property, plant & equipment & intangible assets	(12,778)	(25,272)	(12,778)	(23,739)
Disposal of property, plant & equipment & intangible assets	-	-	-	-
Net Increase/(Decrease) in Right of use assets	(24,001)	-	(24,001)	-
Sales for Investment Properties	-	-	-	-
Purchase of investment properties	-	-	-	-
<b>Net cash generated / (used in) investing activities</b>	<b>(36,779)</b>	<b>(25,272)</b>	<b>(36,779)</b>	<b>(23,739)</b>
<b>Cash flow from financing activities</b>				
Decrease in borrowings from financial institutions	(74,092)	(75,050)	(74,092)	(75,050)
Increase/(Decrease) in time deposits & saving deposits	-	-	-	-
Increase in other liabilities	4,318	-	4,318	-
Lease liability payment	(6,791)	(2,498)	(6,791)	(2,498)
Dividend paid	-	-	-	-
<b>Net cash used in financing activities</b>	<b>(76,565)</b>	<b>(77,548)</b>	<b>(76,565)</b>	<b>(77,548)</b>
<b>Net Increase / (decrease) in cash and cash equivalents</b>	<b>8,428</b>	<b>(183,727)</b>	<b>8,428</b>	<b>(183,145)</b>
Cash and cash equivalents at the beginning of the period	(52,088)	53,699	(52,088)	53,637
<b>Cash and cash equivalents at the end of the period</b>	<b>(43,660)</b>	<b>(130,027)</b>	<b>(43,660)</b>	<b>(129,509)</b>
<b>Reconciliation of cash and cash equivalents</b>				
Cash and cash equivalents	40,667	36,310	40,667	46,837
REPO investment with banks	94,730	6,142	94,730	6,176
	135,397	42,452	135,397	53,013
Bank overdraft	(179,057)	(172,479)	(179,057)	(182,522)
<b>Cash and cash equivalents</b>	<b>(43,660)</b>	<b>(130,027)</b>	<b>(43,660)</b>	<b>(129,509)</b>

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**SMB Finance PLC**  
Segment Reporting - Group

(LKR 000)	Loans		Leasing		Treasury		Money Brokering		Unallocated		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>For the period ended March 31</b>												
<b>Business segments - Group</b>												
Revenue from external customers,												
Interest	48,251	58,745	24,230	24,878	56,605	96,912	-	-	-	-	129,085	180,534
Fee & commission income	1,052	247	154	391	-	-	-	-	700	284	1,905	923
Other operating income	784	451	131	1,792	-	-	-	1,160	0	15	916	3,417
Changes in fair value of investment property	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue from external customers</b>	<b>50,087</b>	<b>59,443</b>	<b>24,515</b>	<b>27,061</b>	<b>56,605</b>	<b>96,912</b>	<b>-</b>	<b>1,160</b>	<b>700</b>	<b>299</b>	<b>131,906</b>	<b>184,875</b>
<b>Segment result</b>	<b>27,747</b>	<b>34,227</b>	<b>13,581</b>	<b>15,581</b>	<b>31,357</b>	<b>55,801</b>	<b>-</b>	<b>(5,783)</b>	<b>388</b>	<b>173</b>	<b>73,072</b>	<b>99,999</b>
Depreciation charged for the period	(4,661)	(1,703)	(2,282)	(775)	(5,268)	(2,777)	-	(246)	(65)	(9)	(12,276)	(5,510)
Interest expense	(14,743)	(23,095)	(7,216)	(10,514)	(16,661)	(37,653)	-	-	(206)	(116)	(38,825)	(71,378)
<b>Operating profit</b>	<b>8,343</b>	<b>9,428</b>	<b>4,083</b>	<b>4,292</b>	<b>9,428</b>	<b>15,372</b>	<b>-</b>	<b>(6,029)</b>	<b>117</b>	<b>47</b>	<b>21,971</b>	<b>23,111</b>
Tax on financial services	-	-	-	-	-	-	-	-	(1,294)	(2,361)	(1,294)	(2,361)
Social Security Contribution Levy (SSCL)	-	-	-	-	-	-	-	-	-	(1,885)	-	(1,885)
Share of profit of associate company	-	-	-	-	-	-	-	-	-	-	-	-
Income tax expense	-	-	-	-	-	-	-	-	(5,324)	-	(5,324)	-
Other comprehensive income / (expense)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net profit for the period</b>	<b>8,343</b>	<b>9,428</b>	<b>4,083</b>	<b>4,292</b>	<b>9,428</b>	<b>15,372</b>	<b>-</b>	<b>(6,029)</b>	<b>(6,502)</b>	<b>(4,198)</b>	<b>15,353</b>	<b>18,866</b>
<b>Segment assets (As at March 31)</b>	<b>935,362</b>	<b>1,285,583</b>	<b>457,076</b>	<b>627,141</b>	<b>2,727,467</b>	<b>2,510,218</b>	<b>-</b>	<b>26,018</b>	<b>1,124,068</b>	<b>899,405</b>	<b>5,243,974</b>	<b>5,348,364</b>
<b>Segment liabilities (As at March 31)</b>	<b>660,190</b>	<b>628,193</b>	<b>323,128</b>	<b>285,971</b>	<b>746,103</b>	<b>1,024,166</b>	<b>-</b>	<b>14,957</b>	<b>9,222</b>	<b>3,171</b>	<b>1,738,642</b>	<b>1,956,458</b>
<b>For the period ended March 31</b>												
Cash flow from operating activities	46,239	(26,178)	22,631	(11,917)	52,256	(42,680)	-	(951)	646	(132)	121,773	(81,859)
Cash flow from investing activities	(13,966)	(8,177)	(6,835)	(3,722)	(15,783)	(13,331)	-	1,533	(195)	(41)	(36,779)	(23,739)
Cash flow from financing activities	(29,073)	(25,091)	(14,230)	(11,422)	(32,856)	(40,907)	-	-	(406)	(126)	(76,565)	(77,548)

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**SMB Finance PLC**  
**Classification of Financial Instruments**  
**As at March 31, 2024 (LKR 000)**

Assets - Company	March 31, 2024				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	
<b>Financial Assets</b>					
Cash and cash equivalents	-	40,667	-	-	40,667
Placements with banks	-	2,570,442	-	-	2,570,442
Financial assets at amortised cost-Loans and receivables to other customers	-	1,392,438	-	-	1,392,438
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	-	116,358	-	116,358
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	-	<b>4,003,547</b>	<b>116,358</b>	-	<b>4,119,905</b>

Liabilities - Company	March 31, 2024				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	
<b>Financial Liabilities</b>					
Due to financial institutions	-	1,379,908	-	-	1,379,908
Deposits due to customers	-	43,380	-	-	43,380
Interest bearing borrowings	-	132,432	-	-	132,432
Lease liabilities	-	28,571	-	-	28,571
<b>Total financial liabilities</b>	-	<b>1,584,292</b>	-	-	<b>1,584,292</b>
<b>Non Financial Liabilities</b>					
Retirement benefit obligations	-	15,145	-	-	15,145
Other liabilities	-	137,680	-	-	137,680
<b>Total non financial liabilities</b>	-	<b>152,825</b>	-	-	<b>152,825</b>
<b>Total liabilities</b>	-	<b>1,737,117</b>	-	-	<b>1,737,117</b>

Colombo  
May 14, 2024

**SMB Finance PLC**  
**Classification of Financial Instruments**  
**As at December 31, 2023 (LKR 000)**

Assets - Company	December 31, 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
<b>Financial Assets</b>					
Cash and cash equivalents	-	90,670	-	-	90,670
Placements with banks	-	2,568,600	-	-	2,568,600
Financial assets at amortised cost-Loans and receivables to other customers	-	1,471,314	-	-	1,471,314
Fair value through profit or loss (FVTPL)	29	-	-	-	29
Fair value through other comprehensive income (FVTOCI)	-	-	116,329	-	116,329
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>29</b>	<b>4,130,584</b>	<b>116,329</b>	<b>-</b>	<b>4,246,942</b>

Liabilities - Company	December 31, 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
<b>Financial Liabilities</b>					
Due to financial institutions	-	1,504,598	-	-	1,504,598
Financial liabilities at amortised cost - Deposits due to customers	-	42,736	-	-	42,736
Financial Liabilities at Amortised Cost - Due to other customers	-	131,299	-	-	131,299
Lease liabilities	-	21,780	-	-	21,780
<b>Total financial liabilities</b>	<b>-</b>	<b>1,700,413</b>	<b>-</b>	<b>-</b>	<b>1,700,413</b>
<b>Non Financial Liabilities</b>					
Retirement benefit obligations	-	13,645	-	-	13,645
Other liabilities	-	129,371	-	-	129,371
<b>Total non financial liabilities</b>	<b>-</b>	<b>143,016</b>	<b>-</b>	<b>-</b>	<b>143,016</b>
<b>Total liabilities</b>	<b>-</b>	<b>1,843,429</b>	<b>-</b>	<b>-</b>	<b>1,843,429</b>

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**SMB Finance PLC**  
**Classification of Financial Instruments**  
**As at March 31, 2024 (LKR 000)**

Assets - Group	March 31, 2024				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	
<b>Financial Assets</b>					
Cash and cash equivalents	-	40,667	-	-	40,667
Placements with banks	-	2,570,442	-	-	2,570,442
Financial assets at amortised cost-Loans and receivables to other customers	-	1,392,438	-	-	1,392,438
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	-	116,358	-	116,358
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	-	<b>4,003,547</b>	<b>116,358</b>	-	<b>4,119,905</b>

Liabilities - Group	March 31, 2024				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	
<b>Financial Liabilities</b>					
Due to financial institutions	-	1,379,908	-	-	1,379,908
Deposits due to customers	-	43,380	-	-	43,380
Interest bearing borrowings	-	132,432	-	-	132,432
Lease liabilities	-	28,571	-	-	28,571
<b>Total financial liabilities</b>	-	<b>1,584,292</b>	-	-	<b>1,584,292</b>
<b>Non Financial Liabilities</b>					
Retirement benefit obligations	-	15,145	-	-	15,145
Other liabilities	-	137,680	-	-	137,680
Liabilities directly associated with assets held for sale	-	1,525	-	-	1,525
<b>Total non financial liabilities</b>	-	<b>154,350</b>	-	-	<b>154,350</b>
<b>Total liabilities</b>	-	<b>1,738,642</b>	-	-	<b>1,738,642</b>

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**SMB Finance PLC**  
**Classification of Financial Instruments**  
**As at December 31, 2023 (LKR 000)**

Assets - Group	December 31, 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	
<b>Financial Assets</b>					
Cash and cash equivalents	-	90,670	-	-	90,670
Placements with banks	-	2,568,600	-	-	2,568,600
Financial assets at amortised cost-Loans and receivables to other customers	-	1,471,314	-	-	1,471,314
Fair value through profit or loss (FVTPL)	-	-	-	-	-
Fair value through other comprehensive income (FVTOCI)	-	29	116,330	-	116,359
Other financial assets	-	-	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>4,130,613</b>	<b>116,330</b>	<b>-</b>	<b>4,246,943</b>

Liabilities - Group	December 31, 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	
<b>Financial Liabilities</b>					
Due to financial institutions	-	1,504,598	-	-	1,504,598
Financial liabilities at amortised cost - Deposits due to customers	-	42,736	-	-	42,736
Financial liabilities at amortised Cost - Interest bearing borrowings	-	131,299	-	-	131,299
Lease liabilities	-	21,780	-	-	21,780
<b>Total financial liabilities</b>	<b>-</b>	<b>1,700,413</b>	<b>-</b>	<b>-</b>	<b>1,700,413</b>
<b>Non Financial Liabilities</b>					
Retirement benefit obligations	-	13,645	-	-	13,645
Other liabilities	-	131,792	-	-	131,792
Liabilities directly associated with assets held for sale	-	994	-	-	994
<b>Total non financial liabilities</b>	<b>-</b>	<b>146,431</b>	<b>-</b>	<b>-</b>	<b>146,431</b>
<b>Total liabilities</b>	<b>-</b>	<b>1,846,844</b>	<b>-</b>	<b>-</b>	<b>1,846,844</b>

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, 2023. The same accounting policies and methods of computations as stated in the Audited Annual Financial Statements for the year ended December 31, 2023 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	
	1st Quarter 2024 Rs.	1st Quarter 2023 Rs.	1st Quarter 2024 Rs.	1st Quarter 2023 Rs.
Highest price per share	0.70	0.90	0.30	0.40
Lowest price per share	0.50	0.70	0.20	0.20

  

	Voting		Non Voting	
	31.03.24 Rs.	31.03.23 Rs.	31.03.24 Rs.	31.03.23 Rs.
Last traded price	0.70	0.70	0.30	0.30

**4 Stated Capital**

	1st Quarter 2024	1st Quarter 2023
<b>4.1 Total Number of Shares</b>		
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
<b>4.2 Total Number of Shareholders</b>		
Ordinary Shares (Voting)	11,660	11,899
Ordinary Shares (Non Voting)	6,718	6,982
<b>4.3 Number of Public Shareholders</b>		
Ordinary Shares (Voting)	11,657	11,896
Ordinary Shares (Non Voting)	6,718	6,982
<b>4.4 Public Shareholding %</b>		
Ordinary Shares (Voting)	35.56%	35.56%
Ordinary Shares (Non Voting)	100.00%	100.00%

**4.5 Float Adjusted Market Capitalization**

The float adjusted market capitalization as at March 31, 2024 is Rs. 1,610,480,708.20

**4.6 Minimum Public Holding Requirement**

The Company is in compliance with Option 5 of Sectors 7.13.1 (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 March 31, 2024**

**5 Financial Ratios - Group**

	<b>31.03.24</b>	<b>31.03.23</b>
Net assets per share (LKR)	0.37	0.36
Debt/equity ratio (times)	0.44	0.53
Interest cover ratio (times)	1.57	1.32
Liquid asset ratio (times)	23.28	18.35

**6 Commitments and Contingencies**

In the ordinary course of business, the Company makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material loss is expected as a result of these transactions. Other than the above there are no material commitments and contingencies as at the reporting date.

**7 Events after the Reporting Date**

There are no material events after the Balance sheet date that require adjustment or disclosure other than the below mentioned.

As previously stated to the Colombo Stock Exchange, the Company has executed a share sale and purchase agreement for SMB Money Brokers (Pvt) Ltd with Corporate Capital Markets Limited on May 2, 2024.

**8 Comparative Information**

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

**9 Directors' Shareholding as at March 31, 2024**

	<b>No. of Voting Shares</b>	<b>No. of Non Voting Shares</b>
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	-	-
	<b>4,169,342,304</b>	<b>-</b>

Mr. T.M Wijesinghe resigned from the Board with effect from March 15, 2024.

Mr. W. M. Dayasinghe was appointed to the Board as a Non-Independent Non-Executive Director with effect from April 9, 2024.

**10 CEO's Shareholding as at March 31, 2024**

	<b>No. of Voting Shares</b>	<b>No. of Non Voting Shares</b>
Mr. S.C.Wijesinghe	-	-

**11 Key Management Personnel Shareholding as at March 31, 2024**

	<b>No. of Voting Shares</b>	<b>No. of Non Voting Shares</b>
Ms. Randulani Claudeen Godage	18	-
Mr. Thurairajah Thavaeaswaran	346,000	-

**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	March 31, 2024	
		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	40,713,219	0.63
5	Ms. C.N.M. Anthony	35,975,098	0.56
6	Mr. D.G.M.D. Chandradasa / Miss. D G Sachiki Chandradasa	35,920,439	0.56
7	Seylan Bank PLC/Anuja Chamila Jayasinghe	30,553,715	0.47
8	Mrs. P.D.A.S. Beruwalage	29,962,218	0.46
9	Merchant Bank Of Sri Lanka & Finance PLC/S.A.A. Hasitha	29,830,070	0.46
10	Mr. H.K. Pushpakumara	28,881,728	0.45
11	Hatton National Bank PLC/Anuja Chamila Jayasinghe	27,473,690	0.42
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	22,547,625	0.35
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	16,825,000	0.26
19	Seylan Bank PLC/Karagoda Loku Gamage Udayananda	16,500,000	0.26
20	Mr. D.M.T. Dassanayake	14,550,418	0.22
21	Mr. S.S. De Silva	14,239,634	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. A.D.I. Pushpakumara	11,296,849	0.17
<b>Total ordinary voting shares held by the top 25 holders</b>		<b>5,535,203,666</b>	<b>85.54</b>
Balance shares held by other ordinary voting shareholders		935,171,382	14.46
<b>Total ordinary voting shares</b>		<b>6,470,375,048</b>	<b>100.00</b>

##### 14.2 Ordinary Shares (Non Voting)

	Name of the Shareholder	March 31, 2024	
		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	79,127,826	2.57
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	37,704,152	1.22
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. M.A.M. Azlam	29,085,285	0.94
14	Assetline Finance Limited/B.M.A.M.K.Basnayaka	29,019,600	0.94
15	Sampath Bank PLC/B S A Holdings (Pvt) Ltd	26,440,000	0.86
16	Mr. S. Ramanathan	24,500,000	0.78
17	Mr. P.N.G.D. Silva	24,000,000	0.78
18	Mr. K.M.S.M. Razik/Mr K M S M Rajabudeen/Mr K M S M R Mohammad	22,095,755	0.72
19	Hatton National Bank PLC/Ruwan Prassana Sugathadasa	20,466,806	0.66
20	Mr. M.W.P.W. Jayawardena	20,400,000	0.66
21	Mr. T. Pragash	20,172,015	0.65
22	The Golden Hospitality (Pvt)Ltd	20,000,000	0.62
23	Mr. N.W.N. Jayasiri	19,220,001	0.62
24	Miss M.S.D.P.W. Jayawardena	18,300,000	0.59
25	Mr. M.L.A. Benedict	18,252,649	0.59
<b>Total ordinary non voting shares held by the top 25 holders</b>		<b>1,304,751,048</b>	<b>42.28</b>
Balance shares held by other ordinary non voting shareholders		1,776,852,664	57.72
<b>Total ordinary non voting shares</b>		<b>3,081,603,712</b>	<b>100.00</b>

**15 Rights issue funds utilisation as at March 31, 2024**

<b>Objective number</b>	<b>Objective as per circular</b>	<b>Amount allocated as per circular Rs.</b>	<b>Proposed date of utilisation as per circular</b>	<b>Amount allocated from proceeds Rs.</b>	<b>% of total proceeds</b>	<b>Amounts utilised Rs.</b>	<b>% of utilisation against allocation</b>	<b>Clarification if not fully utilised including where the funds are invested</b>
01	To utilise for lending purpose	2,454,031,512	January 2022	2,143,617,410	87.35%	2,143,617,410	100.00%	-