

**UNMATCHED  
RESILIENCE  
UNIFIED  
STRENGTH**



Unaudited Interim Financial Statements  
For the Period Ended 30 June 2024

For the quarter ended 30th June

	2024 Rs. '000 Unaudited	2023 Rs. '000 Unaudited
Income	1,115,794	1,089,331
Interest income	1,057,589	1,034,853
Interest expenses	(554,821)	(772,772)
<b>Net interest income</b>	<b>502,768</b>	<b>262,081</b>
Fee and commission income	42,700	39,962
Other operating income	15,505	14,516
<b>Total operating income</b>	<b>560,973</b>	<b>316,559</b>
Impairment charges for loans and receivables at amortised cost	(62,549)	(37,299)
<b>Net operating income</b>	<b>498,424</b>	<b>279,260</b>
<b>Operating expenses</b>		
Personnel expenses	(175,488)	(167,956)
Depreciation and amortization	(35,658)	(28,488)
Other operating expenses	(158,503)	(131,369)
<b>Operating profit/(loss) before Value Added Tax</b>	<b>128,775</b>	<b>(48,553)</b>
Tax on financial services	(39,688)	(18,354)
<b>Profit/(loss) before income tax</b>	<b>89,087</b>	<b>(66,907)</b>
Income tax expense	-	-
<b>Profit/(loss) for the period</b>	<b>89,087</b>	<b>(66,907)</b>
<b>Other comprehensive income/(expenses)</b>		
<b>Other comprehensive income to be re-classified to profit or loss in subsequent periods</b>		
Fair value gain / (loss) on investment in treasury bonds /quoted shares	-	67,005
<b>Other comprehensive income not to be re-classified to profit or loss in subsequent periods</b>		
Actuarial gain/(loss) on retirement benefit plan	-	-
Deferred tax effect on above	-	-
<b>Total comprehensive income/(expense) for the period net of tax</b>	<b>89,087</b>	<b>98</b>
Basic earnings per share (Rs.)	<b>0.42</b>	<b>(0.32)</b>

Figures in brackets indicate deductions.

Colombo  
16th August 2024

**ORIENT FINANCE PLC**  
**STATEMENT OF FINANCIAL POSITION**

Page 02

**As At**

	<b>30th June 2024 Rs. '000 Unaudited</b>	<b>31st March 2024 Rs. '000 Audited</b>
<b>ASSETS</b>		
Cash and cash equivalents	270,124	420,293
Financial assets - fair value through other comprehensive income	994,706	932,992
Loans and receivables at amortised cost	16,605,643	15,658,739
Placements with banks and other financial institutions at amortised cost	1,160,504	342,772
Other assets	972,776	940,365
Real estate stock	10,968	10,968
Deferred tax asset (net)	366,569	366,569
Goodwill	564,546	564,546
Brand value	235,880	235,880
Other intangible assets	16,653	12,685
Property, plant and equipment	221,847	143,654
Right-of-use of assets	125,470	126,494
Investment properties	721,400	721,400
<b>Total assets</b>	<b>22,267,086</b>	<b>20,477,357</b>
<b>LIABILITIES</b>		
Due to banks - bank overdrafts	217,310	233,791
Deposits from customers	13,913,551	13,556,431
Interest bearing borrowings	3,615,890	2,115,120
Lease liability - Right-of-use assets	49,368	60,455
Other liabilities	710,345	843,359
Retirement benefits obligation	68,605	65,271
<b>Total liabilities</b>	<b>18,575,069</b>	<b>16,874,427</b>
<b>EQUITY</b>		
Stated capital	2,431,879	2,431,879
Statutory reserve fund	393,163	393,163
Revaluation reserve	141,121	141,121
Retained earnings	725,854	636,767
<b>Total equity</b>	<b>3,692,017</b>	<b>3,602,930</b>
<b>Total equity and liabilities</b>	<b>22,267,086</b>	<b>20,477,357</b>
<b>Net assets per share</b>	<b>17.49</b>	<b>17.07</b>

Figures in brackets indicate deductions.

The financial statements are in compliance with the requirements of the Companies Act No.07 of 2007.

**Sgd**  
**M. A. M. Arshath**  
Head of Finance

**Sgd**  
**K. M. M. Jabir**  
Chief Executive Officer/Director

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board.

**Sgd**  
**Rajendra Theagarajah**  
Chairman

**Sgd**  
**Prakash Schaffter**  
Director

**Colombo**  
**16th August 2024**

**ORIENT FINANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**

Page 03

**For the quarter ended 30th June**

	Stated Capital Rs. '000	Statutory reserve fund Rs. '000	Revaluation reserve Rs. '000	Retained earnings/ (accumulated losses) Rs. '000	Total Rs. '000
<b>Balance as at 01st April, 2023 (Audited)</b>	<b>2,431,879</b>	<b>375,737</b>	<b>141,121</b>	<b>332,269</b>	<b>3,281,006</b>
Profit/(Loss) for the quarter	-	-	-	(66,907)	(66,907)
Other comprehensive income/ (expense) net of taxes	-	-	-	67,005	67,005
<b>Balance as at 30th June 2023</b>	<b>2,431,879</b>	<b>375,737</b>	<b>141,121</b>	<b>332,367</b>	<b>3,281,104</b>
<b>Balance as at 01st April, 2024 (Audited)</b>	<b>2,431,879</b>	<b>393,163</b>	<b>141,121</b>	<b>636,767</b>	<b>3,602,930</b>
Profit/(Loss) for the quarter	-	-	-	89,087	89,087
Other comprehensive income/ (expense) net of taxes	-	-	-	-	-
<b>Balance as at 30th June 2024</b>	<b>2,431,879</b>	<b>393,163</b>	<b>141,121</b>	<b>725,854</b>	<b>3,692,017</b>

Figures in brackets indicate deductions.

**Colombo**  
**16th August 2024**

**For the quarter ended 30th June**

	<b>2024</b>	<b>2023</b>
	<b>Rs. '000</b>	<b>Rs. '000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) before income tax	89,087	(66,907)
<b>Adjustment for:</b>		
Depreciation and amortisation	35,658	28,488
Impairment charges for loans and receivables at amortised cost	62,549	37,299
Finance expenses	554,821	772,772
Investment income	(35,792)	100,320
Provision for gratuity	4,711	5,466
<b>Operating profit/(loss) before working capital changes</b>	<b>711,034</b>	<b>877,438</b>
Change in loans and receivables to customers	(1,009,453)	(665,082)
Change in other assets	(32,411)	(85,983)
Change in deposits from customers	357,120	1,339,555
Change in other liabilities	(117,660)	(21,421)
	<b>(91,370)</b>	<b>567,069</b>
Rent Paid	(25,417)	(20,245)
Interest paid	(483,955)	(698,890)
Gratuity paid	(1,377)	(1,756)
<b>Net cash from/(used in) operating activities</b>	<b>(602,119)</b>	<b>723,616</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment and intangible assets	(117,819)	-
Expenses incurred for real estate stock	-	(312)
Net change in financial assets - FVTOCI	(61,714)	(626,701)
Net change in investments with bank and other financial institutions	(817,097)	(77,848)
Investment income received	35,156	43,878
<b>Net cash generated from/(used in) investing activities</b>	<b>(961,473)</b>	<b>(660,983)</b>
<b>Cash flows from financing activities</b>		
Interest bearing borrowings obtained	2,930,700	-
Repayment of interest bearing borrowings	(1,429,930)	(273,339)
Interest paid on borrowings	(70,866)	19,331
<b>Net cash generated from/(used in) financing activities</b>	<b>1,429,904</b>	<b>(254,008)</b>
<b>Net change in cash and cash equivalents</b>	<b>(133,688)</b>	<b>(191,376)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>186,502</b>	<b>67,048</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>52,814</b>	<b>(124,328)</b>
<b>Note A</b>		
<b>Analysis of cash and cash equivalents at the end of the period</b>		
Cash in hand	230,576	335,249
Cash at bank	39,548	34,093
Bank overdrafts - secured	(217,310)	(493,670)
	<b>52,814</b>	<b>(124,328)</b>

Figures in brackets indicate deductions.

**Colombo**  
**16th August 2024**

**ORIENT FINANCE PLC**  
**FINANCIAL REPORTING BY SEGMENTS**

Page 05

**Business Segments**

The Company has five reportable segments, as described below, which are the Company's strategic divisions. The strategic divisions offer different products and services, which are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Company's management reviews internal management reports on at least a monthly basis. The following summary describes the operations in each of the Company's reportable segments.

- a) Hire purchase, finance leasing - Provision of hire purchase and leasing facilities to customers
- b) Loans - Provision of Loan facilities to customers
- c) Factoring - Debt factoring
- d) Gold Loan - Provision of loans against gold
- e) Others

For the quarter ended 30th June	Finance lease & Hire purchases		Loans		Factoring		Gold Loan		Others		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Interest income	670,238	490,982	55,877	29,772	-	1,465	295,682	412,313	35,792	100,321	1,057,589	1,034,853
Fee and commission income	35,617	30,244	400	491	-	2,461	6,678	-	5	6,766	42,700	39,962
Other income	5,258	2,336	723	468	4,111	-	-	-	5,413	11,712	15,505	14,516
<b>Total segmental income</b>	<b>711,113</b>	<b>523,562</b>	<b>57,000</b>	<b>30,731</b>	<b>4,111</b>	<b>3,926</b>	<b>302,360</b>	<b>412,313</b>	<b>41,210</b>	<b>118,799</b>	<b>1,115,794</b>	<b>1,089,331</b>
<b>Less: Interest expense</b>	<b>(362,879)</b>	<b>(371,415)</b>	<b>(22,171)</b>	<b>(21,800)</b>	<b>(2,043)</b>	<b>(2,785)</b>	<b>(167,661)</b>	<b>(292,495)</b>	<b>(67)</b>	<b>(84,277)</b>	<b>(554,821)</b>	<b>(772,772)</b>
<b>Segmental results</b>	<b>348,234</b>	<b>152,147</b>	<b>34,829</b>	<b>8,931</b>	<b>2,068</b>	<b>1,141</b>	<b>134,699</b>	<b>119,818</b>	<b>41,143</b>	<b>34,522</b>	<b>560,973</b>	<b>316,559</b>
Depreciation and amortization	(22,725)	(13,692)	(1,822)	(804)	(131)	(103)	(9,663)	(10,782)	(1,317)	(3,107)	(35,658)	(28,488)
Impairment charge	(52,508)	(52,165)	(11,020)	(2,402)	-	19,248	979	(1,980)	-	-	(62,549)	(37,299)
Other expenses	(212,858)	(143,864)	(17,062)	(8,444)	(1,231)	(1,079)	(90,506)	(113,295)	(12,334)	(32,643)	(333,991)	(299,325)
Tax on financial services and income tax	(25,958)	(8,822)	(1,586)	(517)	(146)	(66)	(11,993)	(6,947)	(5)	(2,002)	(39,688)	(18,354)
<b>Profit/(loss) after tax</b>	<b>34,185</b>	<b>(66,396)</b>	<b>3,339</b>	<b>(3,236)</b>	<b>560</b>	<b>19,141</b>	<b>23,516</b>	<b>(13,186)</b>	<b>27,487</b>	<b>(3,230)</b>	<b>89,087</b>	<b>(66,907)</b>
<b>Segmental assets</b>	<b>14,563,717</b>	<b>7,857,567</b>	<b>889,808</b>	<b>605,754</b>	<b>82,006</b>	<b>31,621</b>	<b>6,728,859</b>	<b>4,483,270</b>	<b>2,696</b>	<b>5,789,940</b>	<b>22,267,086</b>	<b>18,768,152</b>
<b>Segmental liabilities</b>	<b>12,148,965</b>	<b>6,483,884</b>	<b>742,273</b>	<b>499,855</b>	<b>68,409</b>	<b>26,093</b>	<b>5,613,174</b>	<b>3,699,491</b>	<b>2,248</b>	<b>4,777,724</b>	<b>18,575,069</b>	<b>15,487,047</b>

## NOTES TO THE FINANCIAL STATEMENTS

- 1 These Interim Financial Statements of the Company have been prepared based on the Sri Lanka Accounting Standards that came into effect from January 01, 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the Year Ended 31 March 2024. Further, these Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard 34 (LKAS 34) on Interim Financial Reporting.
- 2 There are no material events that took place after the reporting date that require adjustments to or disclosure in the Financial Statements.
- 3 All known expenses have been provided for in these Financial Statements.
- 4 There are no significant changes in the nature of the Contingent Assets or Contingent Liabilities which were disclosed in the Audited Financial Statements for the year ended 31st March 2024.
- 5 Mr. Daniel Alphonsus was appointed as an Independent Non-Executive Director with effect from 5th July 2024.
- 6 DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY

For all financial instruments where fair values are determined by referring to externally quoted prices or observable pricing inputs to models, independent price determination or validation is obtained. In an inactive market, direct observation of a traded price may not be possible. In these circumstances, the Company uses alternative market information to validate the financial instrument's fair value, with greater weight given to information that is considered to be more relevant and reliable.

Fair values are determined according to the following hierarchy:-

**Level 1:** Quoted market price (unadjusted) in an active market for an identical instrument.

**Level 2:** Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

**Level 3:** Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy.

	Level 1 Rs. '000	Level 2 Rs. '000	Level 3 Rs. '000	Total Rs. '000
<b>Financial assets - fair value through other comprehensive income</b>				
Government securities	994,475	-	-	994,475
Investments in unquoted shares	-	231	-	231
	<b>994,475</b>	<b>231</b>	<b>-</b>	<b>994,706</b>

## Ordinary Share Information

The Company's Ordinary Shares are listed on the Second Board of the Colombo Stock Exchange (CSE).

**Stated Capital**

Value of Ordinary Shares (Rs.)	<b>30-Jun-24</b> 2,431,879,000	<b>30-Jun-23</b> 2,431,879,039
No. of Ordinary Shares	211,101,155	211,101,155

**Share Price During the Period**

		<b>For the quarter ended</b> <b>30-Jun-24</b>	<b>30-Jun-23</b>
Highest	(Rs)	10.00	8.90
Lowest	(Rs)	8.30	6.00
Closing	(Rs)	9.10	6.80

**Shareholders as at 30th June 2024**

	<b>Name</b>	<b>No. of Shares</b>	<b>%</b>
1	Janashakthi Ltd	93,644,438	44.36
2	Seylan Bank PLC/Janashakthi Limited (collateral)	90,000,000	42.63
3	Seylan Bank PLC/Janashakthi Capital Limited	11,810,999	5.59
4	First Capital Limited	2,138,299	1.01
5	DFCC Bank PLC/G. A. C. De Silva	1,638,550	0.78
6	Assetline Finance Limited/ Suhada Gas Distributors (Pvt) Ltd	1,031,910	0.49
7	Commercial Bank of Ceylon PLC /D. Ramachandran	885,000	0.42
8	Commercial Bank of Ceylon PLC /Janashakthi Limited	555,057	0.26
9	Mr. R. A. B. K. Kumara	500,000	0.24
10	Mr. A. Rajaratnam	413,983	0.20
11	Mrs. I. P. I. L. Gunathilaka	406,750	0.19
12	Mr. L. P. Mendis	358,695	0.17
13	Peoples Leasing & Finance PLC/ Mr. A. Rajaratnam	300,000	0.14
14	Mr. S. M. P. B. Samarapperuma	270,692	0.13
15	Seylan Bank PLC/ Haloluwa Gedara Nilupul Gamini Haloluwa	246,886	0.12
16	Mr. W. M. W. P. B. Weerakoon	213,000	0.10
17	Peoples Leasing and Finance PLC/ M. K. De Livera & M. D. De Livera	207,628	0.10
18	Mr. L. L. P. D. E. S. Karunasekera	192,028	0.09
19	Mr. N. Thivakaran	164,122	0.08
20	Hatton National Bank PLC/ Koralagodage Don Sahan Rachitra Kulatunga & Mrs. Oshadhini Upulika Kumari Jayasundara	158,782	0.08
21	Mrs. A. S. De Alwis	152,428	0.07
22	Mr. G. P. P. Abeywickrama	144,950	0.07
23	Mrs. S. Vasudevan	135,000	0.06
24	Mr. K. D. A. Weerasinghe	133,400	0.06
25	Mr. W. S. A. R. Fernando	122,981	0.06
	Others	5,275,577	2.50
	<b>Total</b>	<b>211,101,155</b>	<b>100.00</b>

**Directors' Shareholding as at 30th June 2024**

	<b>Name of the Director</b>	<b>No. of Shares</b>	<b>%</b>
1	Mr. Prakash Anand Schaffter	10	-
2	Mr. Rajendra Theagarajah	-	-
3	Mr. N.S.S. Cooray	-	-
4	Mr. K.M.M. Jabir	-	-
5	Mr. R.M.D.J. Ratnayake	-	-
6	Mr. Nalin Karunaratne	-	-
7	Ms. Manohari Abeyesekera	-	-
8	Ms. Sandamali Chandrasekara	-	-
	<b>Total</b>	<b>10</b>	<b>-</b>

**CEO's Shareholding as at 30th June 2024**

Mr. K.M.M. Jabir	-	-
------------------	---	---

**Public Holding as at 30th June 2024**

Number of Public Shareholders	12,952,342	
Public Shareholding Percentage	897	
Float Adjusted market capitalization (Rs.)	6.14%	
	117,950,659	

The CSE granted an extension in terms of section 7.13.3 (iii) of the Listing Rules to comply with the minimum public holding requirement until 04th March 2021. Due to the above non-compliance, currently the securities of the Company have been transferred to the Second Board with effect from 12th March 2021 at the expiration of extensions granted. Entities that are not compliant only with the minimum public holding requirement are listed on the Second Board.



## **ORIENT FINANCE PLC**

### **CORPORATE INFORMATION**

#### **NAME OF THE COMPANY**

Orient Finance PLC

#### **LEGAL FORM**

A public limited liability company incorporated on 24th July 1981 under the Companies Ordinance No. 51 of 1938 and was re-registered in terms of the Companies Act No. 07 of 2007 on 27th July 2009.

The Company is registered under the Finance Business Act No. 42 of 2011 and the Finance Leasing Act No. 56 of 2000.

#### **COMPANY REGISTRATION NUMBER**

PB 1079 PQ (previous PVS/PBS 7651)

#### **TAX PAYER IDENTIFICATION NUMBER**

104076513

#### **BOARD OF DIRECTORS**

Mr. R. Theagarajah  
Mr. P. A. Schaffter  
Mr. N.S.S. Cooray  
Mr. K.M.M. Jabir  
Mr. R.M.D.J. Ratnayake  
Mr. N. B. Karunaratne  
Ms. M. P. Abeyesekera  
Ms. D. L. M. S. Chandrasekara

#### **STOCK EXCHANGE LISTING**

The Company is listed on the Second Board of the Colombo Stock Exchange of Sri Lanka.

#### **REGISTERED OFFICE**

No. 02, Deal Place, Colombo 03.

#### **HEAD OFFICE**

61, Dharmapala Mawatha, Colombo 07.

☎ +94 117 577 577

☎ +94 117 577 511

📧 [www.orientfinance.lk](http://www.orientfinance.lk)

✉ [orientfinance@orient.lk](mailto:orientfinance@orient.lk)

#### **CORPORATE OFFICE**

19, Railway Avenue, Nugegoda.

☎ +94 117 577 577

☎ +94 117 577 511

#### **COMPANY SECRETARY**

Janashakthi Corporate Services Limited

No. 02, Deal Place, Colombo 03.

☎ +94 112 145 031

✉ [secretaries@jcs.lk](mailto:secretaries@jcs.lk)

#### **EXTERNAL AUDITORS**

BDO Partners, Chartered Accountants,

“Charter House”,

65/2, Sir Chittampalam A Gardiner Mawatha, Colombo 02.

☎ +94 112 421 878

☎ +94 112 336 064

#### **BANKERS**

Commercial Bank of Ceylon PLC

Bank of Ceylon

NDB Bank PLC

Seylan Bank PLC

Sampath Bank PLC

People’s Bank

Nations Trust Bank PLC

Pan Asia Bank PLC

DFCC Bank PLC

Union Bank of Colombo PLC

Cargills Bank PLC

#### **CREDIT RATING AGENCY**

Lanka Rating Agency Limited (LRA)