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CAPITAL ALLIANCE PLC



**INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31ST DECEMBER 2025**

CAPITAL ALLIANCE PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE

	Note	QUARTER ENDED		NINE MONTHS ENDED	
		31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
		Rs. (Unaudited)	Rs. (Unaudited)	Rs. (Unaudited)	Rs. (Unaudited)
Interest Income	2	2,108,314,444	2,421,254,351	6,892,288,627	6,501,342,199
Interest Expenses	3	(1,498,526,326)	(1,688,976,573)	(4,902,419,472)	(4,175,979,005)
Net Interest Income		609,788,118	732,277,778	1,989,869,155	2,325,363,194
Net gains arise from Financial Assets Measured at FVTPL	4	76,636,832	3,218,802,065	1,733,337,227	3,969,406,467
Direct Expenses		(12,798,816)	(11,552,215)	(35,061,222)	(28,729,282)
Other Income		2,713,472	930,456	27,949,909	31,998,084
Net Operating Income		676,339,606	3,940,458,084	3,716,095,069	6,298,038,463
Operating Expenses					
Personnel Expenses		(58,906,550)	(267,428,695)	(154,367,514)	(367,555,388)
Depreciation and Amortisation		(4,348,241)	(4,979,101)	(13,200,244)	(14,607,553)
Other Expenses		(132,201,545)	(262,865,686)	(419,178,747)	(491,830,059)
Profit Before Tax		480,883,270	3,405,184,602	3,129,348,564	5,424,045,463
Income Tax Expenses	5	(144,656,605)	(994,775,021)	(879,266,250)	(1,631,436,524)
Profit for the period		336,226,665	2,410,409,581	2,250,082,314	3,792,608,939
Other Comprehensive Income					
Other Comprehensive Income for the period		-	-	-	-
Total Comprehensive Income for the period		336,226,665	2,410,409,581	2,250,082,314	3,792,608,939
Basic/ Diluted Earnings per Share (Rs.)	6	1.02	7.32	6.83	11.51

CAPITAL ALLIANCE PLC
STATEMENT OF FINANCIAL POSITION

AS AT

	31-Dec-25 Rs. (Unaudited)	31-Mar-25 Rs. (Audited)
ASSETS		
Cash and Cash Equivalents	180,878,635	36,205,695
Financial Assets measured at Amortised Cost	4,815,175,031	3,003,008,988
Financial Assets measured at FVTPL	84,700,984,550	102,200,999,629
Amount due from Related Companies	13,260,747	23,182,317
Other Receivables	16,065,435	12,959,192
Deferred Tax Assets	17,820,308	27,748,880
Intangible Assets	5,823,130	7,490,561
Right-of-use Asset	3,248,655	4,466,900
Equipment	30,342,008	40,471,576
Total Assets	89,783,598,499	105,356,533,738
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities at Amortised Cost	76,787,186,609	87,809,641,973
Amounts due to Related Companies	9,827,247	4,685,733
Other Payables	984,052,133	1,179,367,985
Lease Liability	4,476,143	4,809,241
Retirement Benefit Obligation	58,801,452	92,823,233
Income Tax Payable	563,716,920	1,869,063,749
Total Liabilities	78,408,060,504	90,960,391,914
EQUITY		
Stated Capital	723,348,421	723,348,421
Special Risk Reserve	2,983,885,660	2,758,877,428
Retained Earnings	7,668,303,914	10,913,915,975
Total Equity	11,375,537,995	14,396,141,824
Total Liabilities and Equity	89,783,598,499	105,356,533,738
NAPS (Rs.)	34.53	43.70

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

Signed

Ms. S C Goonesekera
 Manager - Finance

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

Signed

Ms. A I C Nandasena
 Director

09 February 2026
 Colombo

Signed

Mr. C S R S Anthony
 Director

CAPITAL ALLIANCE PLC

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31ST DECEMBER 2025

	Stated Capital	Special Risk Reserve	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.
Balance as at 01 st April 2024 (Audited)	723,348,421	2,316,818,030	13,356,720,656	16,396,887,107
Profit for the Period	-	-	3,792,608,939	3,792,608,939
Other Comprehensive Income for the Period	-	-	-	-
Total Comprehensive Income	-	-	3,792,608,939	3,792,608,939
Dividend Paid	-	-	(6,423,648,738)	(6,423,648,738)
Transferred To the Special Risk Reserve	-	379,260,894	(379,260,894)	-
Balance as at 31 st December 2024 (Unaudited)	723,348,421	2,696,078,924	10,346,419,963	13,765,847,308
 Balance as at 01st April 2025 (Audited)	723,348,421	2,758,877,428	10,913,915,975	14,396,141,824
Profit for the Period	-	-	2,250,082,314	2,250,082,314
Other Comprehensive Income for the Period	-	-	-	-
Total Comprehensive Income	-	-	2,250,082,314	2,250,082,314
Dividend Paid	-	-	(5,270,686,144)	(5,270,686,144)
Transferred To the Special Risk Reserve	-	225,008,231	(225,008,231)	-
 Balance as at 31st December 2025 (Unaudited)	723,348,421	2,983,885,660	7,668,303,914	11,375,537,995

CAPITAL ALLIANCE PLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED

	31-Dec-25 Rs. (Unaudited)	31-Dec-24 Rs. (Unaudited)
Cash flows from Operating Activities		
Interest receipts and realised gains	9,829,966,708	9,866,678,510
Interest Payments	(4,782,979,962)	(3,963,138,269)
Payment of Direct Expenses	(35,061,222)	(28,729,282)
Other Receipts	27,949,909	31,998,084
Cash payments to Employees and Other payments	(551,181,462)	(614,612,783)
Operating Profit before changes in Operating Assets and Liabilities	4,488,693,971	5,292,196,260
(Increase)/Decrease in Financial Assets measured at Amortised Cost	(1,816,252,842)	(3,916,038,934)
(Increase)/Decrease in Financial Assets measured at FVTPL	16,299,761,024	(38,768,197,147)
(Increase)/Decrease in Other Receivables	(3,106,243)	241,379,805
(Increase)/Decrease in Amount due from Related Companies	9,921,570	(2,565,249)
Increase/(Decrease) in Financial Liabilities at Amortised Cost	(11,141,894,874)	49,421,172,155
Increase/(Decrease) in Amount due to Related Companies	5,141,514	(50,775,281)
Increase/(Decrease) in Other Payable	(208,758,076)	(1,833,316,310)
Net cash generated from Operating Activities	7,633,506,044	10,383,855,299
Gratuity Paid	(39,040,000)	-
Income Taxes Paid	(2,174,684,508)	(4,684,886,625)
Net cash generated from Operating Activities	5,419,781,536	5,698,968,674
Cash flows from Investing Activities		
Purchase of Equipment	-	(2,509,950)
Purchase of Intangible Assets	(185,000)	(2,692,651)
Net cash used in Investing Activities	(185,000)	(5,202,601)
Cash flows from Financing Activities		
Dividend Paid	(5,270,686,144)	(6,423,648,738)
Lease Payments	(4,237,452)	(3,851,478)
Net cash used in Financing Activities	(5,274,923,596)	(6,427,500,216)
Net increase/ (decrease) in cash and cash equivalents	144,672,940	(733,734,142)
Cash and cash equivalents at the beginning of the period	36,205,695	353,008,092
Cash and cash equivalents at the end of the period	180,878,635	(380,726,050)

CAPITAL ALLIANCE PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

1 BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with LKAS 34 “Interim Financial Reporting”. They do not include all the information required for a complete set of SLFRS/LKAS financial statements. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual financial statements as at and for the year ended 31st March 2025.

The significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements for the year ended 31st March 2025.

	QUARTER ENDED		NINE MONTHS ENDED	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	Rs.	Rs.	Rs.	Rs.

2 INTEREST INCOME

Financial Assets measured at FVTPL

Interest on Treasury Bills	51,363,087	268,320,636	1,091,723,445	823,859,101
Interest on Treasury Bonds	1,969,189,415	2,036,456,753	5,531,135,832	5,401,975,342
	2,020,552,502	2,304,777,389	6,622,859,277	6,225,834,443

Financial Assets measured at Amortised cost

Interest on Securities Purchased Under Resale Agreements	87,761,942	116,476,962	269,429,350	275,491,148
Interest on Staff Loans	-	-	-	16,608
	87,761,942	116,476,962	269,429,350	275,507,756
	2,108,314,444	2,421,254,351	6,892,288,627	6,501,342,199

3 INTEREST EXPENSES

Interest on Securities Sold under Repurchase Agreements	1,432,911,526	1,602,964,272	4,713,259,055	4,039,335,134
Interest Expense on Commercial Papers	14,857,534	42,808,219	14,857,534	42,808,219
Interest Expense on Bank Loans	50,757,266	43,204,082	174,302,883	93,835,652
	1,498,526,326	1,688,976,573	4,902,419,472	4,175,979,005

4 NET GAINS FROM FINANCIAL ASSETS MEASURED AT FVTPL

4.1 NET GAIN/ (LOSS) FROM TRADING

Net Gain on Government Securities	355,907,539	1,618,221,296	2,617,909,144	4,696,653,899
Net Gain/ (Loss) on Quoted Shares	(606,988)	52,516,362	149,486,090	(17,129,771)
	355,300,551	1,670,737,658	2,767,395,234	4,679,524,128

4.2 NET GAIN/ (LOSS) FROM REMEASUREMENT OF FINANCIAL ASSETS AT FVTPL

Remeasurement Gain/ (Loss) on Government Securities	(348,664,968)	1,334,508,699	(1,287,229,888)	(986,670,351)
Remeasurement Gain on Quoted Shares	70,001,249	213,555,708	253,171,881	276,552,690
	(278,663,719)	1,548,064,407	(1,034,058,007)	(710,117,661)
	76,636,832	3,218,802,065	1,733,337,227	3,969,406,467

5 INCOME TAX EXPENSE

Income tax recognised in Profit or Loss

Current Tax Expense for the period	139,638,413	994,901,498	863,790,033	1,632,542,027
Under Provision for the previous year	5,547,646	-	5,547,646	-
Deferred Tax Charge/ (Reversal) for the period	(529,454)	(126,477)	9,928,571	(1,105,503)
	144,656,605	994,775,021	879,266,250	1,631,436,524

6 BASIC/DILUTED EARNINGS PER SHARE

Earnings Per Share is calculated by dividing the Profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period and calculated as follows.

	QUARTER ENDED		NINE MONTHS ENDED	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
	Rs.	Rs.	Rs.	Rs.
Profit attributable to ordinary shareholders - (Rs.)	336,226,665	2,410,409,581	2,250,082,314	3,792,608,939
Weighted average number of ordinary shares	329,417,884	329,417,884	329,417,884	329,417,884
Earnings per share - (Rs.)	1.02	7.32	6.83	11.51

CAPITAL ALLIANCE PLC**NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31ST DECEMBER 2025****7. Financial instruments- Fair Value Measurement**

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements in accordance with SLFRS 13.

Level - 1

Financial instruments that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level - 2

Financial instruments that are measured at fair value on a recurring basis. As market quotes generally are not readily available or accessible for these securities, their fair value measures are determined using relevant information generated by market transactions involving comparable securities.

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. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values versus the Carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position, are as follows:

	31-Dec-25	31-Mar-25
Financial assets Measured at Fair Value		
Financial Assets measured at FVTPL	84,700,984,550	102,200,999,629
	84,700,984,550	102,200,999,629
Financial assets not measured at fair value		
Cash and Cash Equivalents	180,878,635	36,205,695
Financial Assets at Amortised Cost	4,815,175,031	3,003,008,988
Amounts due from Related Companies	13,260,747	23,182,317
Other receivables	2,242,910	2,382,360
	5,011,557,323	3,064,779,360
Total Financial Assets	89,712,541,873	105,265,778,989
Financial Liabilities not measured at Fair Value		
Financial Liabilities at Amortised Cost	76,787,186,609	87,809,641,973
Amounts due to Related Companies	9,827,247	4,685,733
Lease Liability	4,476,143	4,809,241
Other Payables	376,512,916	1,114,164,844
Total Financial Liabilities	77,178,002,915	88,933,301,791

CAPITAL ALLIANCE PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 2025

7. Financial instruments- Fair Value Measurement (Contd.)

The following tables show an analysis of financial instruments at fair value and by level of Fair Value Hierarchy:

As at 31 st December 2025	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets recognised through Profit or Loss					
Investment in Government Securities	83,362,830,072	83,362,830,072	-	-	83,362,830,072
Investment in Quoted Shares	1,338,154,478	1,338,154,478	-	-	1,338,154,478
	84,700,984,550	84,700,984,550	-	-	84,700,984,550
Financial assets not measured at Fair Value					
Cash and Cash Equivalents	180,878,635	-	-	180,878,635	180,878,635
Financial Assets at Amortised Cost	4,815,175,031	-	-	4,815,175,031	4,815,175,031
Receivable from Related Companies	13,260,747	-	-	13,260,747	13,260,747
Other Receivables	2,242,910	-	-	2,242,910	2,242,910
	5,011,557,323	-	-	5,011,557,323	5,011,557,323
Total Financial Assets	89,712,541,873	84,700,984,550	-	5,011,557,323	89,712,541,873
Financial liabilities not measured at Fair Value					
Financial Liabilities at Amortised Cost	76,787,186,609	-	-	76,787,186,609	76,787,186,609
Amounts due to Related Companies	9,827,247	-	-	9,827,247	9,827,247
Other Payables	376,512,916	-	-	376,512,916	376,512,916
Lease Liability	4,476,143	-	-	4,476,143	4,476,143
Total Financial Liabilities	77,178,002,915	-	-	77,178,002,915	77,178,002,915
As at 31 st March 2025	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets recognised through Profit or Loss					
Investment in Government Securities	101,164,715,892	101,164,715,892	-	-	101,164,715,892
Investment in Quoted Shares	1,036,283,737	1,036,283,737	-	-	1,036,283,737
	102,200,999,629	102,200,999,629	-	-	102,200,999,629
Financial assets not measured at Fair Value					
Cash and Cash Equivalents	36,205,695	-	-	36,205,695	36,205,695
Financial Assets at Amortised Cost	3,003,008,988	-	-	3,003,008,988	3,003,008,988
Amount due from Related Companies	23,182,317	-	-	23,182,317	23,182,317
Other Receivables	2,382,360	-	-	2,382,360	2,382,360
	3,064,779,360	-	-	3,064,779,360	3,064,779,360
Total Financial Assets	105,265,778,989	102,200,999,629	-	3,064,779,360	105,265,778,989
Financial liabilities not measured at Fair Value					
Financial Liabilities at Amortised Cost	87,809,641,973	-	-	87,809,641,973	87,809,641,973
Amounts due to Related Companies	4,685,733	-	-	4,685,733	4,685,733
Other Payables	1,114,164,844	-	-	1,114,164,844	1,114,164,844
Lease Liability	4,809,241	-	-	4,809,241	4,809,241
Total Financial Liabilities	88,933,301,791	-	-	88,933,301,791	88,933,301,791

Level 1

The Company use quoted market prices of Colombo Stock Exchange (CSE) for measuring of fair value of Shares and the daily average government security rates issued by Public Debt Department of Central Bank of Sri Lanka for measuring Fair Value of Government Securities.

Level 2

Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

CAPITAL ALLIANCE PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 2025

8. COMMITMENTS AND CONTINGENCIES

There were no other material litigations or claims that could have a material impact on financial position of the Company or which would lead to a disclosure in the financial statements for the quarter ended 31st December 2025.

8.1 Other Commitments

The value of forward purchase contracts (Government Securities) as at 31st December 2025 is Rs. 9,186,557,000 (31st March 2025 - Rs. 4,636,873,000) and the value of forward sales contracts (Government Securities) as at 31st December 2025 is 4,658,827,441 Rs. (31st March 2025- Rs.4,456,559,485).

9. EVENTS AFTER THE REPORTING PERIOD

There have been no other material events occurring after the date of the Statement of Financial Position that require adjustments to or disclosure in the Financial Statements.

10. NET ASSETS PER SHARE

	31-Dec-25	31-Mar-25
Net Assets Per Share (Rs.)	34.53	43.70

11. DISCLOSURES UNDER LISTING RULES

11.1 All known expenditure items have been provided for and there is no management fees or similar expenditure provided for in the interim accounts.

11.2 Stated capital

The number of shares represented by stated capital as at 31st December 2025 is 329,417,884 shares (31st March 2025 - 329,417,884 shares).

CAPITAL ALLIANCE PLC
INVESTOR INFORMATION

11.3 Market Price per Share

Information on shares of the Company for the quarter ended	31-Dec-25	31-Dec-24
Market Price Per Share (Rs.)	52.80	53.10
Highest Price per share during the quarter ended (Rs.)	69.90	53.80
Lowest Price per share during the quarter ended (Rs.)	46.30	43.00

11.4 List of Twenty Major Shareholders as at 31st December 2025

Name of Shareholder/ Company	Shareholding	Percentage
1 Capital Alliance Holdings PLC	283,297,152	86.00%
2 Mrs. H.M.S.Perera	4,318,604	1.31%
3 Commercial Bank of Ceylon PLC/ Metrocorp (Pvt) Ltd	1,978,191	0.60%
4 Ashthi Holdings (Private) Limited	1,000,012	0.30%
5 MAC Holdings (Pvt) Ltd	500,000	0.15%
6 Mr. R.V.D. Piyathilake and Mr. R.V.D.C.G. Rajapakse	430,119	0.13%
7 Mr. H.G.D.R.D.K. Jayawardana	428,282	0.13%
8 Mr. T.L. Samarakkrama	357,668	0.11%
9 Mr. L.H.S.L. Silva	339,650	0.10%
10 Ms. H.A. Wijerama	333,660	0.10%
11 Mrs R.S. Mortier	313,600	0.10%
12 Mrs. C.N. Rathnayaka	263,152	0.08%
13 Mr. D.M.A.J. Weerasinghe	262,256	0.08%
14 Mr. K.R.K.J. Kumara	250,025	0.08%
15 Mr. S.D.K. Fernando	246,932	0.07%
16 Ms. T.S. Mathews	228,500	0.07%
17 Mr. U.L.S. Kumara	220,382	0.07%
18 Mrs. S.S. Mathews	217,125	0.07%
19 Ms. A. Mathews	210,500	0.06%
20 Mr. Y.L. Nandasena	210,324	0.06%

11.5 Shareholding of the Directors/ Chief Executive Officer as at 31st December 2025

Name	Designation	Shareholding
Mr. W A T Fernando	Director	Nil
Mr. D A De Zoysa	Chairman	Nil
Mr. R J Arasaratnam *	Director	Nil
Mr. C S R S Anthony	Director	2,600
Ms. A I C Nandasena	Director	Nil
Ms. K A D Siriwardene	Director	Nil
Mr. J M Jayasuriya	Director	Nil
Mr. W D P De Mel **	Director	Nil
Mr. L H S L Silva	Chief Executive Officer	339,650

* Resigned with effect from 17th November 2025

** Appointed with effect from 4th September 2025

11.6 Compliance relating to the Public Floating

Disclosure in accordance with the Section 7.13.1 (i) (b) of CSE Listing Rules

Float adjusted market capitalisation as at 31 st December 2025 (Rs)	2,115,368,801
Public holding percentage	12.16%
Number of public shareholders	7,996

The Company had complied with the Minimum Public Holding requirement under Option 1 of CSE Listing Rule 7.13.1 (i) (b).