

Financial Statements
For the Period Ended 30th June 2026

Alliance Finance Company PLC

Statement of Profit or Loss

For the period ended 30th June

	Company			Group		
	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %
Gross Income	4,605,324,522	4,377,684,548	5	4,679,352,716	4,425,147,134	6
Interest income	4,354,104,452	3,959,980,805	10	4,365,314,467	3,960,463,117	10
Interest expenses	(2,096,373,494)	(1,704,659,413)	(23)	(2,096,471,086)	(1,704,675,228)	(23)
Net Interest Income	**2,257,730,958**	**2,255,321,392**	**0**	**2,268,843,381**	**2,255,787,889**	**1**
Fee and Commission Income	203,111,798	264,547,165	(23)	255,958,764	300,613,241	(15)
Net gain/(loss) from trading	4,900,656	32,704,023	(85)	8,722,590	33,158,067	(74)
Other operating income (net)	43,207,616	120,452,555	(64)	49,356,895	130,912,709	(62)
Total Operating Income	**2,508,951,028**	**2,673,025,135**	**(6)**	**2,582,881,630**	**2,720,471,906**	**(5)**
Impairment (charges) / reversal for loans and other losses	(129,407,011)	(223,389,667)	42	(129,407,011)	(223,389,667)	42
Net Operating Income	**2,379,544,017**	**2,449,635,468**	**(3)**	**2,453,474,619**	**2,497,082,239**	**(2)**
Operating Expenses						
Personnel expenses	(704,972,027)	(645,101,522)	(9)	(709,847,906)	(650,201,910)	(9)
Other operating expenses	(735,615,436)	(755,432,377)	3	(752,806,883)	(760,276,772)	1
Depreciation and amortization	(74,353,994)	(57,800,577)	(29)	(74,443,508)	(57,884,428)	(29)
Total operating expenses	**(1,514,941,457)**	**(1,458,334,476)**	**(4)**	**(1,537,098,297)**	**(1,468,363,110)**	**(5)**
Operating Profit before Taxes on Financial Services	**864,602,560**	**991,300,992**	**(13)**	**916,376,322**	**1,028,719,129**	**(11)**
Taxes on financial services	(262,289,543)	(278,581,666)	6	(262,289,543)	(278,581,666)	6
Operating Profit after Taxes on Financial Services	**602,313,017**	**712,719,326**	**(15)**	**654,086,779**	**750,137,463**	**(13)**
Share of profit/(loss) from associates	5,647,438	6,888,602	(18)	14,126,791	6,888,602	105
Profit before Taxation from Operations	**607,960,455**	**719,607,928**	**(16)**	**668,213,570**	**757,026,065**	**(12)**
Provision for income taxation	(255,343,392)	(312,477,445)	18	(269,769,568)	(322,791,937)	16
Profit for the Period	**352,617,063**	**407,130,483**	**(13)**	**398,444,002**	**434,234,128**	**(8)**
Profit attributable to :						
Equity holders of the Company	352,617,063	407,130,483	(13)	384,976,450	424,460,567	(9)
Non controlling interest	-	-		13,467,552	9,773,561	38
Profit for the year	**352,617,063**	**407,130,483**		**398,444,002**	**434,234,128**	
Basic Earnings per share (Annualised)	41.86	48.33		45.70	50.39	

Alliance Finance Company PLC

Statement of Comprehensive Income

For the period ended 30th June

	Company			Group		
	2026 (Unaudited)	2025 (Unaudited)	Variance	2026 (Unaudited)	2025 (Unaudited)	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
Profit for the period	**352,617,063**	**407,130,483**	**(13)**	**398,444,002**	**434,234,128**	**(8)**
Other Comprehensive Income						
Other Comprehensive Income not to be Reclassified to Profit or Loss						
Equity investments at FVOCI -net change in fair value & realized profit/ (loss) to retained earnings	9,516,324	15,419,834	(38)	9,516,324	15,419,834	(38)
Net Other Comprehensive Income not be Reclassified to Profit or Loss	**9,516,324**	**15,419,834**	**(38)**	**9,516,324**	**15,419,834**	**(38)**
Total Comprehensive Income for the period	**362,133,387**	**422,550,317**	**(14)**	**407,960,326**	**449,653,962**	**(9)**
Attributable to:						
Equity holders of the company	362,133,387	422,550,317	**(14)**	394,492,774	439,880,401	**(10)**
Non controlling interest				13,467,552	9,773,561	**38**
Total Comprehensive Income for the period	**362,133,387**	**422,550,317**		**407,960,326**	**449,653,962**	

Alliance Finance Company PLC

Statement of Financial Position

As at	Company			Group		
	30.06.2026 (Unaudited) Rs.	31.03.2026 (Audited) Rs.	Variance %	30.06.2026 (Unaudited) Rs.	31.03.2026 (Audited) Rs.	Variance %
Assets						
Cash and cash equivalents	3,007,481,927	1,246,680,006	141	3,460,714,078	1,594,762,316	117
Repurchase agreements	665,544,216	3,250,812,507	(80)	665,544,181	3,250,812,472	(80)
Placements with banks & financial institutions	4,327,926,168	6,480,535,214	(33)	4,472,983,317	6,526,257,624	(31)
Financial assets recognised through profit or loss	3,838,874,683	1,704,716,256	125	3,838,874,683	1,846,221,558	108
Loans and advances - at amortised cost	55,929,829,548	54,400,096,096	3	55,929,829,548	54,400,096,096	3
Lease rentals receivable & stock out on hire - at amortised cost	22,777,648,808	23,099,811,895	(1)	22,777,648,808	23,099,811,895	(1)
Financial assets- fair value through other comprehensive income	215,890,023	206,373,699	5	215,890,023	206,373,699	5
Other trading stocks	123,862,776	174,438,189	(29)	123,862,776	174,438,189	(29)
Other financial assets	525,133,917	769,678,162	(32)	508,780,093	747,077,162	(32)
Other non financial assets	370,465,109	202,307,969	83	381,341,538	211,249,184	81
Investments in associates	95,252,422	89,604,979	6	210,508,340	196,381,550	7
Investments in subsidiaries	18,522,288	18,522,288	-	-	-	-
Investment property	204,000,000	204,000,000	-	329,000,000	329,000,000	-
Property, plant & equipment	3,429,068,434	3,459,234,760	(1)	3,430,480,723	3,459,802,163	(1)
Intangible assets	266,697,245	268,809,867	(1)	266,697,245	268,809,867	(1)
Right of use asset	502,440,155	476,622,788	5	502,440,155	476,622,788	5
Deferred tax assets	362,966,889	303,908,091	19	363,178,094	306,016,079	19
Total Assets	**96,661,604,608**	**96,356,152,766**	**0.3**	**97,477,773,602**	**97,093,732,642**	**0.4**
Liabilities						
Due to banks	40,640,000,411	40,245,642,097	1	40,711,721,097	40,313,160,762	1
Debt Securities Measured at amortised cost	3,231,958,888	3,149,107,433	3	3,231,958,888	3,149,107,433	3
Due to depositors - at amortised cost	36,888,194,373	37,766,387,023	(2)	36,887,303,467	37,765,505,135	(2)
Other financial liabilities	1,870,675,579	1,524,973,932	23	1,914,912,827	1,547,004,394	24
Other non financial liabilities	122,411,378	206,200,590	(41)	125,921,999	206,535,498	(39)
Derivative financial liabilities	7,349,688	14,073,854	(48)	7,349,688	14,073,854	(48)
Income tax liabilities	1,030,359,122	929,122,792	11	1,057,114,782	951,100,853	11
Retirement benefit liabilities	371,910,505	352,976,672	5	378,538,283	359,298,749	5
Deferred tax liabilities	657,488,845	709,613,244	(7)	665,679,159	719,700,181	(8)
Lease Liability	504,826,387	483,759,084	4	504,826,387	483,759,084	4
Total Liabilities	**85,325,175,176**	**85,381,856,721**	**(0)**	**85,485,326,577**	**85,509,245,943**	**(0)**
Shareholders' Funds						
Stated capital	613,980,000	613,980,000	-	613,980,000	613,980,000	-
Retained earnings	7,489,332,200	7,136,715,137	5	7,903,451,716	7,518,475,266	5
Reserves	3,233,117,232	3,223,600,908	0	3,233,117,232	3,223,600,908	0
Total Equity Attributable to Equity Holders of the Company	**11,336,429,432**	**10,974,296,045**	**3**	**11,750,548,948**	**11,356,056,174**	**3**
Non controlling interest	-	-		241,898,077	228,430,525	6
Total Equity	**11,336,429,432**	**10,974,296,045**	**3**	**11,992,447,025**	**11,584,486,699**	**4**
Total Liabilities and Shareholders' Funds	**96,661,604,608**	**96,356,152,766**	**0**	**97,477,773,602**	**97,093,732,642**	**0**
Contingent Liabilities and Commitments	932,800,570	1,015,670,263		932,800,570	1,015,670,263	
Net assets value per share (Rs.)	336	326		349	337	

Accounting policies & notes to the accounts form an integral part of these Financial Statements.

Certification

I certify that these Financial Statements are presented in compliance with the requirements of the Companies Act No. 07 of 2007.



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Dinuk Baig
Assistant General Manager -Finance



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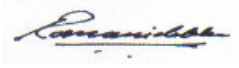
A.A.P. Rodrigo
Executive Director/COO



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R.K.E.P. De Silva
Deputy Chairman/ Managing Director

13-08-2026
Colombo

Alliance Finance Company PLC

Statement of Changes in Equity

Company	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	General Reserve	FVOCI	Non Controlling Interest	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2025 (Audited)	613,980,000	1,135,067,857	1,568,458,553	388,258,055	(12,317,552)	-	5,656,084,948	9,349,531,861
Profit for the period	-	-	-	-	-	-	407,130,483	407,130,483
Other comprehensive income, net of tax								
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	15,419,834	-	-	15,419,834
Dividend Paid	-	-	-	-	-	-	(310,003,200)	(310,003,200)
Balances as at 30th June 2025 (Unudited)	**613,980,000**	**1,135,067,857**	**1,568,458,553**	**388,258,055**	**3,102,282**	**-**	**5,753,212,231**	**9,462,078,978**
Balance as at 1st April 2026 (Audited)	613,980,000	1,236,989,764	1,568,458,553	388,258,055	29,894,536	-	7,136,715,137	10,974,296,045
Profit for the period	-	-	-	-	-	-	352,617,063	352,617,063
Other comprehensive income, net of tax								-
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	9,516,324	-	-	9,516,324
Dividend Paid	-	-	-	-	-	-	-	-
Balances as at 30th June 2026 (Unaudited)	**613,980,000**	**1,236,989,764**	**1,568,458,553**	**388,258,055**	**39,410,860**	**-**	**7,489,332,200**	**11,336,429,432**

Group	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	General Reserve	FVOCI	Non Controlling Interest	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1st April 2025 (Audited)	613,980,000	1,135,067,858	1,568,458,553	388,258,055	(12,317,552)	169,610,778	5,856,808,525	9,719,866,217
Profit for the period	-	-	-	-	-	9,773,561	424,460,567	434,234,128
Other comprehensive income, net of tax -								
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	15,419,834	-	-	15,419,834
Dividend Paid	-	-	-	-	-	-	(310,003,200)	(310,003,200)
Balances as at 30th June 2025 (Unudited)	**613,980,000**	**1,135,067,858**	**1,568,458,553**	**388,258,055**	**3,102,282**	**179,384,339**	**5,971,265,892**	**9,859,516,979**
Balance as at 1st April 2026 (Audited)	613,980,000	1,236,989,764	1,568,458,553	388,258,055	29,894,536	228,430,525	7,518,475,266	11,584,486,699
Profit for the period	-	-	-	-	-	13,467,552	384,976,450	398,444,002
Other comprehensive income, net of tax -								-
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	9,516,324	-	-	9,516,324
Dividend Paid	-	-	-	-	-	-	-	-
Balances as at 30th June 2026 (Unaudited)	**613,980,000**	**1,236,989,764**	**1,568,458,553**	**388,258,055**	**39,410,860**	**241,898,077**	**7,903,451,716**	**11,992,447,025**

Figures in brackets indicate deductions.
Accounting policies & notes to accounts form an integral part of these Financial Statements.

Alliance Finance Company PLC

Statement of Cash Flows

For the period ended 30th June

	Company		Group	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Cash Flows From / (Used in) Operating Activities	Rs.	Rs.	Rs.	Rs.
Profit before Income Tax Expense	607,960,455	719,607,928	668,213,570	757,026,065
Adjustments for;				
Depreciation of property, plant & equipment	67,603,252	55,299,708	67,692,766	55,383,559
Amortization of intangible assets	6,750,742	2,500,869	6,750,742	2,500,869
Interest Expenses of Bank Borrowings	984,959,144	656,959,758	984,959,144	656,959,758
Interest on debentures	81,096,291	27,391,866	81,096,291	27,391,866
Amortization of Right of use asset	43,058,051	39,980,076	43,058,051	39,980,076
Interest expense on lease liability	15,681,925	15,007,352	15,681,925	15,007,352
Impairment (reversal)/provision	116,490,845	217,069,547	116,490,845	217,069,547
Interest on fixed deposits, commercial paper & treasury bills	(164,233,579)	(105,292,510)	(175,443,594)	(105,774,822)
Fair value (gain)/loss on equity investments (FVTPL)	(176,638)	(9,479,852)	(176,638)	(9,479,852)
Bad debt written-off	12,916,167	6,320,119	12,916,167	6,320,119
Loss/(profit) on disposal of property, plant & equipment	14,716	(1,113,350)	14,716	(1,113,350)
Profit from sale of vehicle	(1,371,883)	(11,481,978)	(1,371,883)	(11,481,978)
Provision/(reversal) for defined benefit plans	37,500,000	22,500,000	37,805,702	22,777,952
Dividend received	(2,648,011)	(105,126)	(6,474,802)	(8,560,806)
Share of loss/(profit) from associates	(5,647,438)	(6,888,602)	(14,126,791)	(6,888,602)
Operating Profit before Working Capital Changes	**1,799,954,039**	**1,628,275,805**	**1,837,086,211**	**1,657,117,754**
(Increase)/decrease in trading stock	50,451,396	(2,390,283)	50,451,396	(2,390,283)
(Increase)/decrease in loans and advances	(2,067,028,894)	(6,687,291,100)	(2,067,028,894)	(6,687,291,100)
(Increase)/decrease in lease rentals receivable & stock out on hire	730,051,517	(225,714,700)	730,051,517	(225,714,700)
(Increase)/decrease in fixed deposits & repurchase agreements	4,737,877,337	95,325,222	4,638,542,599	(38,817,447)
(Increase)/decrease in other financial assets	244,544,245	(117,862,691)	238,297,069	(101,628,698)
(Increase)/decrease in other non financial assets	(119,227,100)	30,419,189	(121,162,314)	30,317,890
Increase/(decrease) in derivative financial liabilities	(6,724,166)	-	(6,724,166)	-
Increase/(decrease) in amounts due to depositors	(878,192,650)	1,120,843,583	(878,201,668)	1,120,835,002
Increase/(decrease) in other financial liabilities	351,087,023	327,515,084	373,293,808	310,428,013
Increase/(decrease) in other non financial liabilities	(83,789,212)	(8,626,439)	(80,613,499)	(8,626,439)
Cash generated from/(used in) Operations	**4,759,003,535**	**(3,839,506,331)**	**4,713,992,058**	**(3,945,770,009)**
Interest Paid	(918,000,075)	(690,400,003)	(918,000,075)	(690,400,003)
Retirement benefit liabilities paid	(18,566,167)	(3,329,750)	(18,566,167)	(3,329,750)
Investment in gratuity fund	-	(87,094,962)	-	(87,094,962)
Taxes paid	(265,290,364)	(252,531,639)	(274,938,775)	(262,237,824)
Net cash generated from/(used in) operating activities	**3,557,146,929**	**(4,872,862,685)**	**3,502,487,042**	**(4,988,832,548)**
Cash Flows from / (Used in) Investing Activities				
Acquisition of property, plant & equipment	(37,470,642)	(42,365,264)	(38,405,042)	(42,365,225)
Acquisition of right of use assets	(68,875,418)	(42,132,960)	(68,875,418)	(42,132,960)
Acquisition of Intangible Assets	(4,638,120)	(15,225,812)	(4,638,120)	(15,225,811)
Proceeds from sales of property, plant & equipment	19,000	1,476,375	19,000	1,476,375
Proceeds from sales of vehicles	1,495,900	26,815,689	1,495,900	26,815,689
Net sales/ (purchases) of financial assets -FVTPL/FVTOCI	(2,133,981,789)	1,545,114,954	(1,992,476,487)	1,674,634,640
Dividend received	2,648,011	105,126	6,474,802	8,560,804
Interest on fixed deposits, commercial paper & treasury bills	164,233,579	105,292,510	175,443,594	105,774,822
Net Cash Generated from Investing Activities	**(2,076,569,479)**	**1,579,080,618**	**(1,920,961,771)**	**1,717,538,334**
Cash Flows from / (Used in) Financing Activities				
Payment of Lease liabilities (Right of use Assets)	(48,930,040)	(45,002,583)	(48,930,040)	(45,002,583)
Loans Obtained	3,027,406,979	7,541,129,863	3,027,406,979	7,541,129,863
Loans Repayments	(4,575,599,671)	(2,958,477,900)	(4,575,599,671)	(2,958,477,900)
Net Cash Generated from/(Used in) Financing Activities	**(1,597,122,732)**	**4,537,649,380**	**(1,597,122,732)**	**4,537,649,380**
Net Increase/(Decrease) in Cash and Cash Equivalents	**(116,545,282)**	**1,243,867,313**	**(15,597,462)**	**1,266,355,167**
Cash and cash equivalents at the beginning of the year	923,227,882	(2,102,843,801)	1,203,791,527	(1,893,222,412)
Cash and cash equivalents at the end of the period *	806,682,600	(858,976,488)	1,188,194,065	(626,867,245)
Movement in Cash and Cash Equivalent	**(116,545,282)**	**1,243,867,313**	**(15,597,462)**	**1,266,355,167**

Note : Reporting cash flows from operating activities

The Company reports cash flows from operating activities by using the indirect method. The indirect method – whereby profit or loss is adjusted for the effects of non-cash items, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows – is shown in the above.

* Cash and cash equivalents at the end of the period include favourable cash balances and the Bank Overdraft balances.

Fair Value Hierarchy -Company

As at 30th June 2026

	Fair Value Measurement using			
	Quoted Prices in Active Markets	Significant Observable Inputs	Significant Unobservable Inputs	
	Level 1	Level 2	Level 3	Total
	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Financial assets - Fair value through profit and loss				
Government of Sri Lanka treasury bills	-	3,683,432,887	-	3,683,432,887
Government of Sri Lanka treasury bonds		138,778,968	-	138,778,968
Investments in Unit Trusts	-	-	-	-
Financial assets - Fair value through Other Comprehensive Income				
Quoted Investments	231,973,601	-	-	231,973,601
Unquoted Investments	-	-	579,250	579,250
	231,973,601	**3,822,211,855**	**579,250**	**4,054,764,706**
Financial Liabilities				
Due to Depositors	-	36,888,194,373	-	36,888,194,373
Due to Banks	-	40,640,000,411	-	40,640,000,411
Debt Securities Measured at amortised cost	-	3,231,958,888	-	3,231,958,888
Derivative financial liabilities	-	7,349,688	-	7,349,688
	-	**80,767,503,360**	**-**	**80,767,503,360**

	Fair Value Measurement using			
	Quoted Prices in Active Markets	Significant Observable Inputs	Significant Unobservable Inputs	
	Level 1	Level 2	Level 3	Total
As at 30th June 2025	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Financial assets - Fair value through profit and loss				
Government of Sri Lanka treasury bills	-	3,017,504,338	-	3,017,504,338
Investments in Unit Trusts	525,077,113	-	-	525,077,113
Financial assets - Fair value through Other Comprehensive Income				
Quoted Investments	383,513,852	-	-	383,513,852
Unquoted Investments	-	-	579,250	579,250
	908,590,965	**3,017,504,338**	**579,250**	**3,926,674,553**
Financial Liabilities				
Due to Depositors	-	37,645,679,900	-	37,645,679,900
Due to Banks	-	34,055,755,637	-	34,055,755,637
Debt Securities Measured at amortised cost	-	1,039,798,667		1,039,798,667
Derivative financial liabilities	-	-	-	-
	-	**72,741,234,204**	**-**	**72,741,234,204**

Analysis Of Financial Statements Measurement Basis - Company

As at 30th June 2026

	Financial assets recognized through profit or loss (FVTPL)	Financial assets at amortized cost (AC)	Financial assets at fair value through other comprehensive income (FVOCI)	Total
	Rs.	Rs.	Rs.	Rs.
Asset				
Cash and cash equivalents	-	3,007,481,927	-	3,007,481,927
Repurchase Agreements	665,544,216	-	-	665,544,216
Placement with banks and other financial institutions	-	4,327,926,168	-	4,327,926,168
Financial asset recognized through profit or loss	3,838,874,683	-	-	3,838,874,683
Loans and receivables-Amortized cost	-	55,929,829,548	-	55,929,829,548
Lease rental receivables at amortized cost	-	22,777,648,808	-	22,777,648,808
Financial asset recognized through other comprehensive income	-	-	215,890,023	215,890,023
Other financial assets	-	525,133,917	-	525,133,917
	4,504,418,899	**86,568,020,368**	**215,890,023**	**91,288,329,290**
Liabilities				
Due to Depositors	-	36,888,194,373	-	36,888,194,373
Due to Banks	-	40,640,000,411	-	40,640,000,411
Debt Securities Measured at amortised cost	-	3,231,958,888	-	3,231,958,888
Derivative financial liabilities	-	7,349,688	-	7,349,688
Other financial liabilities	-	1,870,675,579	-	1,870,675,579
	-	**82,638,178,939**	**-**	**82,638,178,939**

As at 30th June 2025	Financial assets recognized through profit or loss (FVTPL)	Financial assets at amortized cost (AC)	Financial assets at fair value through other comprehensive income (FVOCI)	Total
	Rs.	Rs.	Rs.	Rs.
Asset				
Cash and cash equivalents	-	1,884,521,362	-	1,884,521,362
Repurchase agreements	995,010,214	-	-	995,010,214
Placement with banks and other financial institutions	-	5,649,680,553	-	5,649,680,553
Financial asset recognized through profit or loss	3,542,581,451	-	-	3,542,581,451
Loans and receivables-Amortized cost	-	44,894,257,650	-	44,894,257,650
Lease rental receivables at amortized cost	-	24,311,414,442	-	24,311,414,442
Financial asset recognized through other comprehensive income	-	-	384,093,102	384,093,102
Other financial assets		684,761,437		684,761,437
	4,537,591,665	**77,424,635,444**	**384,093,102**	**82,346,320,211**
Liabilities				
Due to Depositors	-	37,645,679,900	-	37,645,679,900
Due to Banks	-	34,055,755,637	-	34,055,755,637
Debt Securities Measured at amortised cost		1,039,798,667		1,039,798,667
Derivative financial liabilities	-	-	-	-
Other financial liabilities		2,179,605,588		2,179,605,588
	-	**74,920,839,792**	**-**	**74,920,839,792**

Alliance Finance Company PLC

SEGMENT REPORT - GROUP

For the Period ended 30th June

	Leasing and Hire Purchase and Consumer Durable		Loans		Gold Loans		Other		Total	
	Rs.		Rs.		Rs.		Rs.		Rs.	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Revenue	1,822,355,903	2,070,302,867	1,432,500,389	1,129,090,756	1,056,167,778	750,520,574	368,328,646	475,232,936	4,679,352,716	4,425,147,134
Segment results	**758,516,155**	**1,534,416,845**	**1,079,868,588**	**976,123,660**	**658,718,664**	**718,924,115**	**308,511,424**	**308,552,493**	**2,805,614,831**	**3,538,017,113**
Unallocated company expenses									207,232,566	(804,622,756)
Operating profit									3,012,847,397	**2,733,394,357**
Interest expenses	(528,099,115)	(510,054,629)	(750,100,892)	(589,649,892)	(563,638,408)	(352,233,764)	(254,632,660)	(252,736,934)	(2,096,471,075)	(1,704,675,228)
Share of profits of associates before tax									14,126,791	6,888,602
Taxes on financial services									(262,289,543)	(278,581,666)
Income tax expenses									(269,769,568)	(322,791,937)
Profit for the year									**398,444,002**	**434,234,128**
As at 30th June										
Segment assets	22,482,766,227	24,311,414,443	31,934,048,979	28,105,269,714	23,995,780,736	16,788,987,936	10,840,478,095	12,046,538,194	89,253,074,037	81,252,210,287
Investment in associates									210,508,340	145,205,460
Other assets									8,014,191,225	6,413,269,110
Total assets									**97,477,773,602**	**87,810,684,857**
Segment liabilities	20,713,414,867	22,593,623,412	27,210,258,271	23,799,564,391	20,446,245,062	14,216,928,124	9,236,918,360	11,240,816,585	77,606,836,560	71,850,932,512
Other liabilities									7,878,490,017	6,100,235,365
Total liabilities									**85,485,326,577**	**77,951,167,877**

Explanatory Notes

1 These Interim Financial Statements have been prepared in accordance with the requirements of Sri Lanka Accounting Standard -LKAS 34 on'Interim Financial Reporting'.

2 The accounting policies adopted in the preparation of these Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Company's Annual Consolidated Financial Statements for the year ended 31 March 2026

3 **Expected Credit Loss Computation**

The Company's estimated Expected Credit Loss (ECL) was based on the Probability of Default (PD), Loss Given Default (LGD) and Economic Factor Adjustment (EFA) applying a range of forecasted economic conditions prevailed as at that date.

Given the uncertainty in the macroeconomic environment, an additional ECL impairment was made using a management overlay, alongside the modeled ECL impairment, to ensure that the overall ECL impairment is adequate to cover unforeseen risk factors in this volatile environment. The company will continue to monitor external developments and make further necessary adjustments to the management overlays in the future.

4 **Going Concern**

In determining the basis of preparing the Financial Statements for the quarter ended 30th June 2026, the management has assessed the existing and anticipated impact of macroeconomic fluctuations on the Company and is of the view that the use of the going concern basis is appropriate. .

5 **Contingent Liabilities and Commitements**

a. Financial guarantees Issued :

As at 30th June 2026, the Company has provided financial guarantees totalling to LKR 6.8Mn.

b.Tax assessments issued by the Commissioner General of Inland Revenue:

For the taxable periods 2018/19 the commissioner Genaral has determine the decision of Administrative Review on 24th Feb 2026 with the Tax liability of Rs.159Mn and 31Mn Penalty.The Compnay has made adequate provision for the settled the tax liability with the minimum penalty within next financial year.

Furthermore, an additional surcharge tax assessment has been issued for the 2020/21 period, amounting to LKR 892.64 Mn, comprising LKR 628.6 Mn in surcharge tax and LKR 264.02 Mn in interest.

Following a detailed assessment of the circumstances and the relevant tax legislation, management is of the view that there are strong and valid grounds to challenge these assessments. Accordingly, the company has initiated appeals seeking administrative review of the said assessments.

There are no significant changes in the nature of the Contingent Liabilities other than disclosed above.

6 There have been no material events occurring after the Reporting date which require adjustments to or disclosure in the financial statements.

7 During the quarter, there were no material changes in the composition of assets, liabilities and/or contingent liabilities, other than those disclosed above.

8 All known expenses including management fees and other similar expenses have been provided for the period ended 30th June 2026.

Explanatory Notes (Continued.)

9 Disclosure Regarding the utilization of fund as per the objectives stated the Green bond and Social bond issue prospectus

9.1 Objectives Stated in the Green Bond Issue Prospectus

Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus (LKR)	Proposed Date of allocation as per Prospectus	Amount allocated from proceeds (LKR) (A)	% of Total Proceeds	Amount utilized (LKR) (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Financing rooftop solar energy installations to reduce greenhouse gas emissions and increase renewable energy in Sri Lanka's National grid.	1,000 Mn (Maximum Issuance)	Over a period of 24 months from the Date of Allotment	800 Mn	Approximately 80%	526.62 Mn	65.83%	Funds would be invested in cash equivalents, T-bills, T-bonds, or FDs (excluding greenhouse gas-intensive activities) at the prevailing rates at the time of investments.
2	Financing solar equipment vendors and suppliers to strengthen the supply chain for renewable energy projects, ensuring efficient implementation and growth of solar initiatives.		Over a period of 24 months from the Date of Allotment	200 Mn	Approximately 20%	20 Mn	10%	

9.2 Objectives Stated in the Social Bond Issue Prospectus

Objective Number	Objective as per Prospectus	Amount allocated as per Prospectus (LKR)	Proposed Date of allocation as per Prospectus	Amount allocated from proceeds (LKR) (A)	% of Total Proceeds	Amount utilized (LKR) (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested
1	Promoting Micro, Small, and Medium Enterprises (MSMEs) and rural entrepreneurs through value chain financing to stimulate economic growth and create employment opportunities.	Maximum issue of LKR 2.0 Bn (Approximately 75% for the first Objective and 25% for the second Objective)	Over a period of 24 months from the Date of Allotment	1,500 Mn	Approximately 75%	1,500 Mn	100%	Funds would be invested in cash equivalents, T-bills, T-bonds, or FDs
2	Providing microfinance to marginalized and underserved communities who lack access to traditional financial services, empowering them to improve their livelihoods and financial stability. This product is exclusively offered to women borrowers.		Over a period of 24 months from the Date of Allotment	500 Mn	Approximately 25%	500 Mn	100%	

Selected Performance Indicators

	30-Jun-26	30-Jun-25
Capital Adequacy (%)		
Tier 1 Capital Adequacy Ratio (minimum 8.5%)	12.09%	10.27%
Total Capital Adequacy Ratio (minimum 12.5%)	16.44%	14.32%
Capital Funds to Deposit Liabilities Ratio	28.37%	24.04%
Profitability (%)		
Return on average shareholders funds (before tax)	21.80%	30.60%
Return on average assets (before tax)	2.52%	3.41%
Liquidity ('000)		
Required Minimum Amount of Liquid Assets	4,059,925	3,919,087
Available Amount of Liquid Assets	7,431,439	5,397,782
Required Minimum Amount of Approved Securities	3,038,901	2,437,124
Available Amount of Approved Securities	4,402,262	3,906,481
Quality of Loan Portfolio (%)		
Gross Non-Performing Loans Ratio	5.66%	5.54%
Net-Non-Performing Loans Ratio	2.89%	2.56%
Other Ratios		
Debt to equity ratio (times)	7.17	7.74
Interest cover (times)	1.41	1.58
Liquid Asset Ratio (%)	18.41%	13.85%

Explanatory Notes (Continued.)

* Information on -Listed Debentures- Green Bond

Debenture Category	Interest Payable frequency	Effective Rate	Applicable Interest Rate	Interest Rate of comparative government securities (Gross) p.a%	Balance as at 30th June 2026	Market Price (LKR)			Yield Last Traded %
		%	%	%		Highest	Lowest	Last Traded	
Listed, Rated, Guaranteed, Senior, Redeemable Green Bonds	Semi-annually	11.03%	10.75% p.a	10.30%	1,039,171,233	98.81	98.81	98.81	10.88

* Information on -Listed Debentures - Social Bond

Debenture Category	Interest Payable frequency	Effective Rate	Applicable Interest Rate	Interest Rate of comparative government securities (Gross) p.a%	Balance as at 30th June 2026	Market Price (LKR)			Yield Last Traded %
		%	%	%		Highest	Lowest	Last Traded	
Type A	Annually	11.15%	11.15% p.a.	10.68%	2,192,787,655	N/T	N/T	N/T	N/T
Type B	Annually	11.40%	11.40% p.a.	11.00%					

*N/T=Not Traded

Shareholder's Information

Market price per share

Quarter ended 01st April to 30th June

	2026	2025
Highest Price		
Lowest Price	370.00	375.00
Last Traded	316.00	167.50
	330.00	367.75

Stated capital

As at 30th June 2026 the Stated Capital was Rs. 613,980,000/- comprising of 33,696,000 ordinary shares issued.

Directors'/ CEO's Holding in Shares as at 30th June 2026

No	Name of Director	No. of Shares
1	Mrs.G.S.T. Dharmakirti-Herath	100
2	Mr.R.K.E.P. de Silva	12,423,830
3	Mr.M.J. Benedict	1,000
4	Mrs.P. De Silva	100
5	Mr.L.J.H. De Silva	3,052
6	Dr.D.L.I. Hettiarachchi	100
7	Mr.D.F.W. Perera	363,243
8	Mrs.D.M.S.D.De Z.S. Ellepola	1,320
9	Mr.A.A.P. Rodrigo	1,000

Twenty Largest Ordinary Shareholders as at 30th June 2026

No.	Name of Shareholder	No. of Shares	%
1	Mr.R.K.E.P. de Silva	12,423,830	36.87
2	Motor Service Station (Pvt) Ltd.,	4,647,133	13.79
3	Mrs D.M.E.P. Perera	2,583,862	7.67
4	Mr.D.F.W.S.K. Perera & Mr.D.F.W. Perera (Joint)	1,483,984	4.40
5	Orient Hotels Ltd.,	1,358,323	4.03
6	Mrs.S.E. Canekeratne	612,268	1.82
7	J B Cocoshell (Pvt) Ltd.	475,309	1.41
8	Mr.D.L.S.R. Perera	412,266	1.22
9	Mrs.P.N. Weththasinghe & Mrs.A.S. Weththasinghe	401,051	1.19
10	Ms.D.C.M.A. Perera	374,542	1.11
11	Mrs.C.R. de Silva	374,400	1.11
12	Mr. D.F.W. Perera	363,243	1.08
13	People's Leasing & Finance PLC/Mr.K.K. Shujeevan	336,976	1.00
15	Ms.D.D.P.T. Perera	326,884	0.97
14	Mr.W.G.D.C. Ranaweera	247,592	0.73
17	Mrs.K.G.G.S.L. Perera	201,066	0.60
18	Mrs.N.U. Silva	172,105	0.51
19	Mrs.C. Yogagopalakrishnan & Mrs.Y. Thirukumar	155,920	0.46
16	Mr.G.P. Kapilasena	201,180	0.60
20	Mr.D.L.S.R. Perera & Mrs. D.C.M.A Perera	146,290	0.43

Public Shareholding as at 30th June 2026

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No of Shares	%
11,925,005	35.39

No of Shareholders

The percentage of ordinary shares held by the public as at 30th June 2026 was 35.39% and the number of shareholders representing the public holding was 2,374.

Float Adjusted Market Capitalization

The Float adjusted market capitalization as at 30th June 2026 Rs.3,935,251,650.00 and the Company falls under Option 5 of Rule 7.13.1 (a), of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

Corporate Information

Name of the Company
Alliance Finance Company PLC

Statutory Status
Quoted Public Limited Liability Company, Incorporated on 18th July 1956. Approved and registered under the Finance Business Act No.42 of 2011 and Finance Leasing Act No.56 of 2000. An approved Credit Agency under the Mortgage Act No.06 of 1949 and the Trust receipt Ordinance No.12 of 1947.

Company Registration
Registered under the Companies Act No.07 of 2007.
Company Registration number PQ 93.

Registered Office
Alliance House, No.84, Ward Place, Colombo 07.
Tel : 011 2673673 Fax: 011 2697205
e mail : info@alliancefinance.lk

Board of Directors
Mrs.Tamara Dharmakirti Herath - *Chairperson*
Mr. Romani de Silva - F.I.C.M.(SL) - *Deputy Chairman / Managing Director*
Mr. Michael Joseph Benedict - MBA, CMA, CMSLIM - *Executive Director*
Mr.A.A.P. Rodrigo - MBA, DiPM, AIB, Executive Director, Chief Operating Officer
Mrs. Priyanthi de Silva - FCMA, CGMA, FCPA - *Independent Non Executive Director*
Mr.Hiran de Silva -Non *Independent Non Executive Director*
Dr. Lasantha Hettiarachchi - LLM,DCL, Attorney at Law *(Independent Non Executive Director)*
Mr. Wiyan Perera-Bsc. (Econ) - *Non Independent Non Executive Director*
Mrs.Devika Ellepola, LLB, UoC -*Non Independent Non Executive Director*

Company Secretary
Mrs.Priyanga P. Peiris
No. 84, Ward Place
Colombo 07.

Legal Consultants
Gunawardene Associates
Sudath Perera Associates

Board Audit Committee
Mrs. Priyanthi de Silva - Chairperson
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Human Resources & Remuneration Committee
Dr.Lasantha Hettiarachchi - Chairman
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Related Party Transaction Review Committee
Dr.Lasantha Hettiarachchi - Chairman
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Board Integrated Risk Management Committee
Mrs. Priyanthi de Silva - Chairperson
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Board Nominations & Governance Committee
Dr.Lasantha Hettiarachchi - Chairman
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva

Board Sustainability Committee
Mrs.Tamara Dharmakirti Herath - Chairperson
Mr. Romani De Silva
Mr.A.A.P. Rodrigo

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

Bankers
Sampath Bank PLC
Seylan Bank PLC
Public Bank Berhad
People's Bank
Hatton National Bank PLC
Commercial Bank of Ceylon PLC
Bank of Ceylon
Nations Trust Bank PLC
Union Bank of Colombo PLC
DFCC Bank PLC
NDB Bank PLC
Cargills Bank