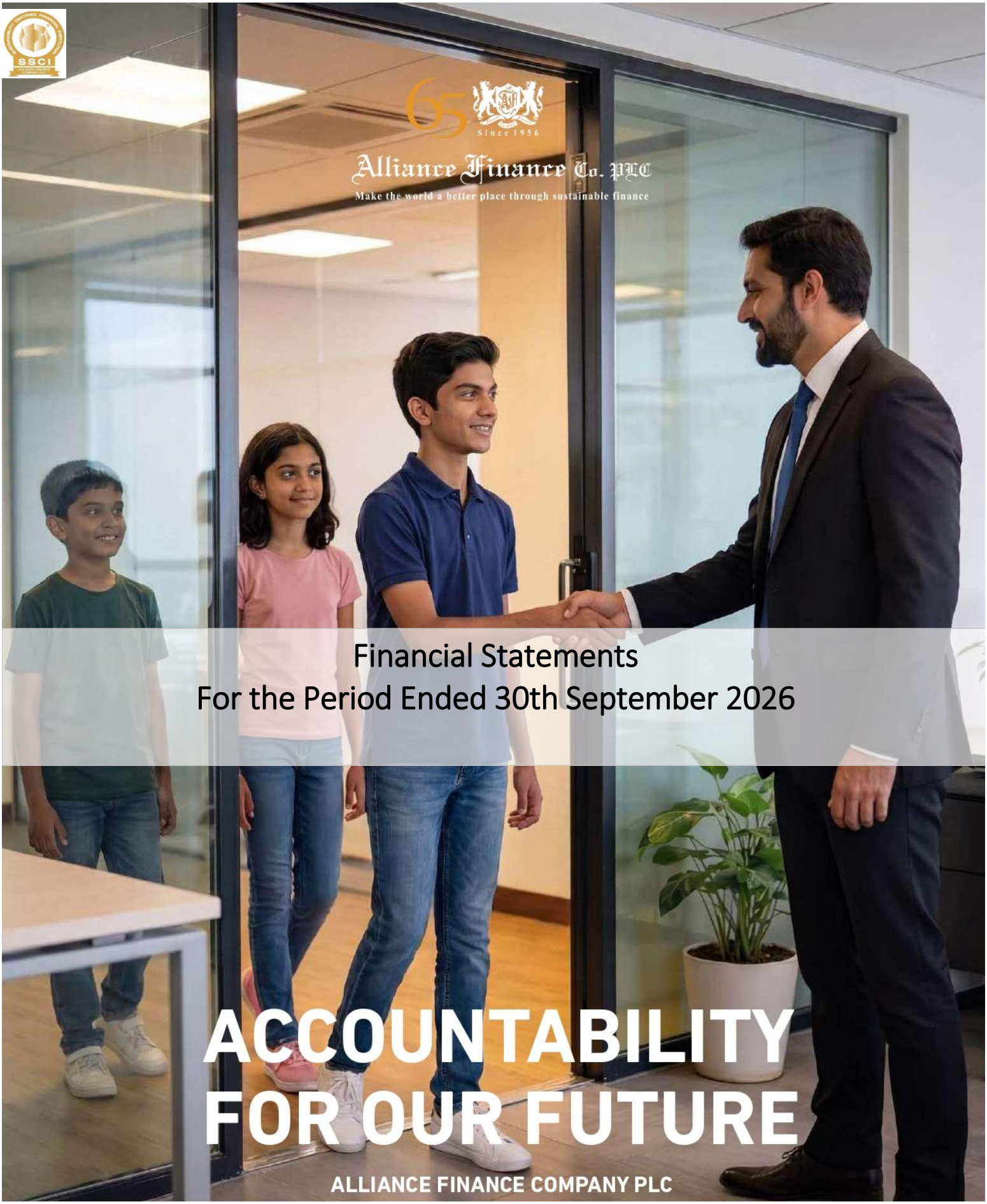

Financial Statements
For the Period Ended 30th September 2026

Alliance Finance Company PLC

Statement of Profit or Loss - Company

For the period ended 30th September

	For the Quarter ended			For the Six Months ended		
	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %
Gross Income	4,780,098,832	4,576,258,242	4	9,385,423,354	8,953,942,790	5
Interest income	4,495,713,675	4,243,576,719	6	8,849,818,127	8,346,161,618	6
Interest expenses	(2,233,318,075)	(1,922,448,202)	(16)	(4,329,691,569)	(3,627,107,615)	(19)
Net Interest Income	**2,262,395,600**	**2,321,128,517**	**(3)**	**4,520,126,558**	**4,719,054,003**	**(4)**
Fee and commission Income	205,336,777	53,164,431	286	408,448,575	175,107,502	133
Net gain/(loss) from trading	21,254,987	9,633,938	121	26,155,643	42,337,961	(38)
Other operating income (net)	57,793,393	269,883,154	(79)	101,001,009	390,335,709	(74)
Total Operating Income	**2,546,780,757**	**2,653,810,040**	**(4)**	**5,055,731,785**	**5,326,835,175**	**(5)**
Impairment (charges) / reversal for loans and other losses	(152,100,116)	(6,776,879)	(2,144)	(281,507,127)	(230,166,546)	(22)
Net Operating Income	**2,394,680,641**	**2,647,033,161**	**(10)**	**4,774,224,658**	**5,096,668,629**	**(6)**
Operating Expenses						
Personnel expenses	(618,170,893)	(738,006,856)	16	(1,323,142,920)	(1,383,108,378)	4
Other operating expenses	(872,297,002)	(795,379,263)	(10)	(1,607,912,438)	(1,550,811,640)	(4)
Depreciation and amortization	(80,740,645)	(60,232,289)	(34)	(155,094,639)	(118,032,866)	(31)
Total operating expenses	**(1,571,208,540)**	**(1,593,618,408)**	**1**	**(3,086,149,997)**	**(3,051,952,884)**	**(1)**
Operating Profit before Taxes on Financial Services	**823,472,101**	**1,053,414,753**	**(22)**	**1,688,074,661**	**2,044,715,745**	**(17)**
Taxes on financial services	(221,519,690)	(260,285,786)	15	(483,809,233)	(538,867,452)	10
Operating Profit after Taxes on Financial Services	**601,952,411**	**793,128,967**	**(24)**	**1,204,265,428**	**1,505,848,293**	**(20)**
Share of profit/(loss) from associates	3,145,936	8,639,720	(64)	8,793,374	15,528,322	(43)
Profit before Taxation from Operations	**605,098,347**	**801,768,687**	**(25)**	**1,213,058,802**	**1,521,376,615**	**(20)**
Provision for income taxation	(273,562,638)	(306,454,827)	11	(528,906,030)	(618,932,272)	15
Profit for the Period	**331,535,709**	**495,313,860**	**(33)**	**684,152,772**	**902,444,343**	**(24)**
Basic Earnings Per Share (Annualised)	39.36	58.80		40.61	53.56	
Dividend Per Share paid	10.00	9.20		10.00	9.20	

Alliance Finance Company PLC

Statement of Profit or Loss - Group

For the period ended 30th September

	For the Quarter ended			For the Six Months ended		
	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %
Gross Income	4,859,406,397	4,648,302,713	5	9,538,759,113	9,073,449,847	5
Interest income	4,507,165,236	4,261,223,656	6	8,872,479,703	8,364,290,867	6
Interest expenses	(2,233,333,641)	(1,922,442,964)	(16)	(4,329,804,727)	(3,627,118,192)	(19)
Net Interest Income	**2,273,831,595**	**2,338,780,692**	**(3)**	**4,542,674,976**	**4,737,172,675**	**(4)**
Fee and commission income	268,337,750	111,553,200	141	524,296,514	269,562,347	94
Net gain/(loss) from trading	19,801,288	10,271,477	93	28,523,878	43,429,544	(34)
Other operating income (net)	64,102,123	265,254,380	(76)	113,459,018	396,167,089	(71)
Total Operating Income	**2,626,072,756**	**2,725,859,749**	**(4)**	**5,208,954,386**	**5,446,331,655**	**(4)**
Impairment (charges) / reversal for loans and other losses	(152,100,116)	(6,776,879)	(2,144)	(281,507,127)	(230,166,546)	(22)
Net Operating Income	**2,473,972,640**	**2,719,082,870**	**(9)**	**4,927,447,259**	**5,216,165,109**	**(6)**
Operating Expenses						
Personnel expenses	(624,133,579)	(742,847,405)	16	(1,333,981,485)	(1,393,049,315)	4
Other operating expenses	(895,370,562)	(824,161,021)	(9)	(1,648,177,445)	(1,584,437,793)	(4)
Depreciation and amortization	(80,873,099)	(60,317,062)	(34)	(155,316,607)	(118,201,490)	(31)
Total operating expenses	**(1,600,377,240)**	**(1,627,325,488)**	**2**	**(3,137,475,537)**	**(3,095,688,598)**	**(1)**
Operating Profit before Taxes on Financial Services	**873,595,400**	**1,091,757,382**	**(20)**	**1,789,971,722**	**2,120,476,511**	**(16)**
Taxes on financial services	(221,519,690)	(260,285,786)	15	(483,809,233)	(538,867,452)	10
Operating Profit after Taxes on Financial Services	**652,075,710**	**831,471,596**	**(22)**	**1,306,162,489**	**1,581,609,059**	**(17)**
Share of profit/(loss) from associates	7,933,537	8,639,720	(8)	22,060,328	15,528,322	42
Profit before Taxation from Operations	**660,009,247**	**840,111,316**	**(21)**	**1,328,222,817**	**1,597,137,381**	**(17)**
Provision for income taxation	(287,411,564)	(317,006,081)	9	(557,181,132)	(639,798,018)	13
Profit for the Period	**372,597,683**	**523,105,235**	**(29)**	**771,041,685**	**957,339,363**	**(19)**
Profit attributable to :						
Equity holders of the Company	359,517,156	513,083,707	(30)	744,493,606	937,544,274	(21)
Non controlling interest	13,080,527	10,021,528	31	26,548,079	19,795,089	34
Profit for the Period	**372,597,683**	**523,105,235**	**(29)**	**771,041,685**	**957,339,363**	**(19)**
Basic Earnings Per Share (Annualised)	42.68	60.91		44.19	55.65	
Dividend Per Share paid	10.00	9.20		10.00	9.20	

Alliance Finance Company PLC

Statement of Comprehensive Income - Company

For the period ended 30th September

	For the Quarter ended			For the Six months ended		
	2026 (Unaudited)	2025 (Unaudited)	Variance	2026 (Unaudited)	2025 (Unaudited)	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
Profit for the period	**331,535,709**	**495,313,860**	**(33)**	**684,152,772**	**902,444,343**	**(24)**
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	(38,601,152)	52,869,785	(173)	(29,084,828)	68,289,619	(143)
Net Other Comprehensive Income not be Reclassified to Profit or Loss	**(38,601,152)**	**52,869,785**	**(173)**	**(29,084,828)**	**68,289,619**	**(143)**
Total Comprehensive Income for the period	**292,934,557**	**548,183,645**	**(47)**	**655,067,944**	**970,733,962**	**(33)**

Statement of Comprehensive Income - Group

For the period ended 30th September

	For the Quarter ended			For the Six months ended		
	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %	2026 (Unaudited) Rs.	2025 (Unaudited) Rs.	Variance %
Profit for the period	**372,597,683**	**523,105,235**	**(29)**	**771,041,685**	**957,339,363**	**(19)**
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	(38,601,152)	52,869,785	(173)	(29,084,828)	68,289,619	(143)
Net Other Comprehensive Income not be Classified to Profit or Loss	**(38,601,152)**	**52,869,785**	**(173)**	**(29,084,828)**	**68,289,619**	**(143)**
Total Comprehensive Income for the period	**333,996,531**	**575,975,020**	**(42)**	**741,956,857**	**1,025,628,982**	**(28)**
Attributable to:						
Equity holders of the company	320,916,004	565,953,492	(43)	715,408,778	1,005,833,893	(29)
Non controlling interest	13,080,527	10,021,528	31	26,548,079	19,795,089	34
Total Comprehensive Income for the period	**333,996,531**	**575,975,020**	**(42)**	**741,956,857**	**1,025,628,982**	**(28)**

Alliance Finance Company PLC

Statement of Financial Position

As at	Company			Group		
	30.09.2026 (Unaudited) Rs.	31.03.2026 (Audited) Rs.	Variance %	30.09.2026 (Unaudited) Rs.	31.03.2026 (Audited) Rs.	Variance %
Assets						
Cash and cash equivalents	1,338,139,247	1,246,680,006	7	1,419,226,404	1,594,762,316	(11)
Repurchase agreements	1,441,610,461	3,250,812,507	(56)	1,441,610,461	3,250,812,472	(56)
Placements with banks & financial institutions	5,293,756,599	6,480,535,214	(18)	5,353,609,404	6,526,257,624	(18)
Financial assets recognised through profit or loss	3,344,170,546	1,704,716,256	96	3,492,742,124	1,846,221,558	89
Loans and advances - at amortised cost	57,573,448,893	54,400,096,096	6	57,573,448,893	54,400,096,096	6
Lease rentals receivable & stock out on hire - at amortised cost	23,402,352,860	23,099,811,895	1	23,402,352,860	23,099,811,895	1
Financial assets- fair value through other comprehensive income	197,084,515	206,373,699	(5)	209,350,015	206,373,699	1
Other trading stocks	162,236,489	174,438,189	(7)	162,236,489	174,438,189	(7)
Other financial assets	481,924,088	769,678,162	(37)	483,528,725	747,077,162	(35)
Other non financial assets	236,279,290	202,307,969	17	248,401,975	211,249,184	18
Investments in associates	98,398,354	89,604,979	10	218,441,877	196,381,550	11
Investments in subsidiaries	18,522,288	18,522,288	-	-	-	-
Investment property	204,000,000	204,000,000	-	612,308,760	329,000,000	86
Property, plant & equipment	3,564,041,140	3,459,234,760	3	3,565,574,603	3,459,802,163	3
Intangible assets	277,269,762	268,809,867	3	277,362,262	268,809,867	3
Right of use asset	556,231,512	476,622,788	17	556,231,512	476,622,788	17
Deferred tax assets	327,986,213	303,908,091	8	328,197,418	306,016,079	7
Total Assets	**98,517,452,257**	**96,356,152,766**	**2**	**99,344,623,782**	**97,093,732,642**	**2**
Liabilities						
Due to banks	42,873,181,853	40,245,642,097	7	42,929,759,536	40,313,160,762	6
Debt Securities Measured at amortised cost	3,025,277,604	3,149,107,433	(4)	3,025,277,604	3,149,107,433	(4)
Due to depositors - at amortised cost	37,477,195,521	37,766,387,023	(1)	37,476,295,489	37,765,505,135	(1)
Other financial liabilities	1,939,405,171	1,524,973,932	27	1,980,289,647	1,547,004,394	28
Other non financial liabilities	127,432,982	206,200,590	(38)	130,513,940	206,535,498	(37)
Derivative financial liabilities	11,943,242	14,073,854	(15)	11,943,242	14,073,854	(15)
Income tax liabilities	530,372,621	929,122,792	(43)	545,997,700	951,100,853	(43)
Retirement benefit liabilities	42,944,035	352,976,672	(88)	49,577,515	359,298,749	(86)
Deferred tax liabilities	645,539,360	709,613,244	(9)	653,729,674	719,700,181	(9)
Lease Liability	551,755,879	483,759,084	14	551,755,879	483,759,084	14
Total Liabilities	**87,225,048,268**	**85,381,856,721**	**2**	**87,355,140,226**	**85,509,245,943**	**2**
Shareholders' Funds						
Stated capital	613,980,000	613,980,000	-	613,980,000	613,980,000	-
Retained earnings	7,483,907,909	7,136,715,137	5	7,926,008,872	7,518,475,266	5
Reserves	3,194,516,080	3,223,600,908	(1)	3,194,516,080	3,223,600,908	(1)
Total Equity Attributable to Equity Holders of the Company	**11,292,403,989**	**10,974,296,045**	**3**	**11,734,504,952**	**11,356,056,174**	**3**
Non controlling interest	-	-		254,978,604	228,430,525	12
Total Equity	**11,292,403,989**	**10,974,296,045**	**3**	**11,989,483,556**	**11,584,486,699**	**3**
Total Liabilities and Shareholders' Funds	**98,517,452,257**	**96,356,152,766**	**2**	**99,344,623,782**	**97,093,732,642**	**2**
Contingent Liabilities and Commitments	908,669,067	1,015,670,263		908,669,067	1,015,670,263	
Net assets value per share (Rs.)	335	326		348	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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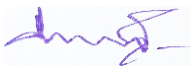
Dinuk Baig
Assistant General Manager -Finance



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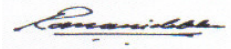
A.A.P. Rodrigo
Executive Director/COO



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

13-11-2026
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	9,349,531,975
Profit for the period	-	-	-	-	-	-	902,444,343	902,444,343
Other comprehensive income, net of tax								
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	68,289,619	-	-	68,289,619
Dividend Paid	-	-	-	-	-	-	(310,003,200)	(310,003,200)
Balances as at 30th September 2025 (Unaudited)	**613,980,000**	**1,135,067,857**	**1,568,458,553**	**388,258,055**	**55,972,067**	**-**	**6,248,526,091**	**10,010,262,737**
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	-	-	-	-	-	-	684,152,772	684,152,772
Other comprehensive income, net of tax								-
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	(29,084,828)	-	-	(29,084,828)
Dividend Paid	-	-	-	-	-	-	(336,960,000)	(336,960,000)
Balances as at 30th September 2026 (Unaudited)	**613,980,000**	**1,236,989,764**	**1,568,458,553**	**388,258,055**	**809,708**	**-**	**7,483,907,909**	**11,292,403,989**

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	-	-	-	-	-	19,795,089	937,544,274	957,339,363
Other comprehensive income, net of tax -								
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	68,289,619	-	-	68,289,619
Dividend Paid	-	-	-	-	-	-	(310,003,200)	(310,003,200)
Balances as at 30th September 2025 (Unaudited)	**613,980,000**	**1,135,067,858**	**1,568,458,553**	**388,258,055**	**55,972,067**	**189,405,867**	**6,484,349,599**	**10,435,491,999**
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	-	-	-	-	-	26,548,079	744,493,606	771,041,685
Other comprehensive income, net of tax -								-
Equity investments at FVOCI - net change in fair value &								
Disposal profit	-	-	-	-	(29,084,828)	-	-	(29,084,828)
Dividend Paid	-	-	-	-	-	-	(336,960,000)	(336,960,000)
Balances as at 30th September 2026 (Unaudited)	**613,980,000**	**1,236,989,764**	**1,568,458,553**	**388,258,055**	**809,708**	**254,978,604**	**7,926,008,872**	**11,989,483,556**

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 September

	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	1,213,058,802	1,521,376,615	1,328,222,817	1,597,137,381
Adjustments for;				
Depreciation of property, plant & equipment	141,358,963	111,694,835	141,580,931	111,863,459
Amortization of intangible assets	13,735,676	6,338,031	13,735,676	6,338,031
Interest Expenses of Bank Borrowings	2,143,938,909	1,498,116,579	2,143,938,909	1,498,116,579
Interest on debentures	144,522,130	53,860,322	144,522,130	53,860,322
Amortization of Right of use asset	92,599,933	82,809,933	92,599,933	82,809,933
Interest expense on lease liability	34,624,753	30,581,737	34,624,753	30,581,737
Impairment (reversal)/provision	264,720,217	218,496,499	264,720,217	218,496,499
Interest on fixed deposits, commercial paper & treasury bills	(263,907,007)	(219,137,008)	(286,568,583)	(237,266,257)
Fair value (gain)/loss on equity investments (FVTPL)	1,118,706	(32,175,266)	1,118,706	(32,175,266)
Bad debt written-off	16,786,910	11,670,046	16,786,910	11,670,046
Loss/(profit) on disposal of property, plant & equipment	(1,583,619)	(1,706,960)	(1,583,619)	(1,706,960)
Profit from sale of vehicle	(1,371,883)	(16,779,970)	(1,371,883)	(16,779,970)
Provision/(reversal) for defined benefit plans	53,224,897	45,000,000	53,836,301	45,277,952
Dividend received	(5,110,959)	(4,114,614)	(12,923,991)	(7,941,405)
Share of loss/(profit) from associates	(8,793,374)	(15,528,322)	(22,060,328)	(15,528,322)
Operating Profit before Working Capital Changes	**3,838,923,054**	**3,290,502,457**	**3,911,178,879**	**3,344,753,759**
(Increase)/decrease in trading stock	11,912,325	(52,656,297)	11,912,325	(52,656,297)
(Increase)/decrease in loans and advances	(3,846,294,638)	(10,422,567,400)	(3,846,294,638)	(10,422,567,400)
(Increase)/decrease in lease rentals receivable & stock out on hire	88,893,750	866,390,804	88,893,749	866,390,803
(Increase)/decrease in fixed deposits & repurchase agreements	2,995,980,661	(2,409,973,967)	2,981,850,231	(2,547,964,606)
(Increase)/decrease in other financial assets	287,754,076	(722,609,070)	263,548,441	(723,859,304)
(Increase)/decrease in other non financial assets	70,049,843	109,089,555	66,868,372	94,595,658
Increase/(decrease) in derivative financial liabilities	(2,130,612)	6,126,409	(2,130,612)	6,126,409
Increase/(decrease) in amounts due to depositors	(289,191,502)	2,221,771,848	(289,209,645)	2,221,754,503
Increase/(decrease) in other financial liabilities	447,803,328	524,537,168	466,653,246	477,820,555
Increase/(decrease) in other non financial liabilities	(78,767,608)	(62,523,488)	(76,021,558)	(62,523,529)
Cash generated from/(used in) Operations	**3,524,932,677**	**(6,651,911,981)**	**3,577,248,790**	**(6,798,129,448)**
Interest Paid	(2,082,767,359)	(1,639,467,029)	(2,082,767,359)	(1,639,467,029)
Retirement benefit liabilities paid	(10,280,862)	(15,146,350)	(10,580,863)	(15,146,350)
Investment in gratuity fund	(352,976,672)	(87,094,962)	(352,976,672)	(87,094,962)
Taxes paid	(1,015,808,251)	(1,157,736,695)	(1,050,432,078)	(1,186,519,901)
Net cash generated from/(used in) operating activities	**63,099,533**	**(9,551,357,017)**	**80,491,818**	**(9,726,357,690)**
Cash Flows from / (Used in) Investing Activities				
Acquisition of property, plant & equipment	(250,873,224)	(138,411,931)	(252,061,252)	(138,411,894)
Acquisition of right of use assets	(172,208,657)	(85,290,917)	(172,208,657)	(85,290,916)
Acquisition of Intangible Assets	(22,195,571)	(94,693,464)	(22,288,071)	(94,693,463)
Proceeds from sales of property, plant & equipment	6,291,500	30,375,000	6,291,500	30,375,000
Acquisition of investment property	-	-	(283,308,760)	-
Proceeds from sales of vehicles	1,661,257	3,507,253	1,661,257	3,507,254
Net sales/ (purchases) of financial assets -FVTPL/FVTOCI	(1,660,368,640)	2,173,264,761	(1,679,700,416)	2,302,784,447
Dividend received	5,110,959	4,114,614	12,923,991	7,941,405
Interest on fixed deposits, commercial paper & treasury bills	263,907,007	219,137,008	286,568,583	237,266,257
Net Cash Generated from Investing Activities	**(1,828,675,369)**	**2,112,002,324**	**(2,102,121,825)**	**2,263,478,090**
Cash Flows from / (Used in) Financing Activities				
Payment of Lease liabilities (Right of use Assets)	(104,021,164)	(92,963,162)	(104,021,164)	(92,963,162)
Loans Obtained	10,874,923,939	13,870,823,613	10,874,923,939	13,870,823,613
Loans Repayments	(9,667,862,139)	(6,966,684,612)	(9,667,862,139)	(6,966,684,612)
Dividend paid	(336,960,000)	(310,003,200)	(336,960,000)	(310,003,200)
Net Cash Generated from/(Used in) Financing Activities	**766,080,636**	**6,501,172,639**	**766,080,636**	**6,501,172,639**
Net Increase/(Decrease) in Cash and Cash Equivalents	**(999,495,200)**	**(938,182,054)**	**(1,255,549,371)**	**(961,706,962)**
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 *	(76,267,318)	(3,041,025,855)	(51,757,844)	(2,854,929,374)
Movement in Cash and Cash Equivalent	**(999,495,200)**	**(938,182,054)**	**(1,255,549,371)**	**(961,706,962)**

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 September 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	-	3,203,430,868	-	3,203,430,868
Government of Sri Lanka treasury bonds		140,739,678	-	140,739,678
Investments in Unit Trusts	-	-	-	-
Financial assets - Fair value through Other Comprehensive Income				
Quoted Investments	192,077,105	-	-	192,077,105
Unquoted Investments	-	-	5,007,410	5,007,410
	192,077,105	**3,344,170,546**	**5,007,410**	**3,541,255,061**
Financial Liabilities				
Due to Depositors	-	37,477,195,521	-	37,477,195,521
Due to Banks	-	42,873,181,853	-	42,873,181,853
Debt Securities Measured at amortised cost	-	3,025,277,604	-	3,025,277,604
Derivative financial liabilities	-	11,943,242	-	11,943,242
	-	**83,387,598,220**	**-**	**83,387,598,220**

	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 September 2025	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Financial assets - Fair value through profit and loss				
Government of Sri Lanka treasury bills	-	2,414,829,171	-	2,414,829,171
Government of Sri Lanka treasury bonds		109,641,200		109,641,200
Investments in Unit Trusts	400,000,000	-	-	400,000,000
Financial assets - Fair value through Other Comprehensive Income				
Quoted Investments	449,040,324	-	-	449,040,324
Unquoted Investments	-	-	579,250	579,250
	849,040,324	**2,524,470,371**	**579,250**	**3,374,089,945**
Financial Liabilities				
Due to Depositors	-	38,746,608,165	-	38,746,608,165
Due to Banks	-	36,063,163,938	-	36,063,163,938
Debt Securities Measured at amortised cost	-	3,037,596,304		3,037,596,304
Derivative financial liabilities	-	6,126,409	-	6,126,409
	-	**77,853,494,816**	**-**	**77,853,494,816**

Analysis Of Financial Statements Measurement Basis - Company

As at 30th September 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	-	1,338,139,247	-	1,338,139,247
Repurchase Agreements	1,441,610,461	-	-	1,441,610,461
Placement with banks and other financial institutions	-	5,293,756,599	-	5,293,756,599
Financial asset recognized through profit or loss	3,344,170,546	-	-	3,344,170,546
Loans and receivables-Amortized cost	-	57,573,448,893	-	57,573,448,893
Lease rental receivables at amortized cost	-	23,402,352,860	-	23,402,352,860
Financial asset recognized through other comprehensive income	-	-	197,084,515	197,084,515
Other financial assets	-	481,924,088	-	481,924,088
	4,785,781,007	**88,089,621,687**	**197,084,515**	**93,072,487,209**
Liabilities				
Due to Depositors	-	37,477,195,521	-	37,477,195,521
Due to Banks	-	42,873,181,853	-	42,873,181,853
Debt Securities Measured at amortised cost	-	3,025,277,604	-	3,025,277,604
Derivative financial liabilities	-	11,943,242	-	11,943,242
Other financial liabilities	-	1,939,405,171	-	1,939,405,171
	-	**85,327,003,391**	**-**	**85,327,003,391**

As at 30th September 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	-	1,467,632,644	-	1,467,632,644
Repurchase agreements	3,581,173,918	-	-	3,581,173,918
Placement with banks and other financial institutions	-	5,568,816,038	-	5,568,816,038
Financial asset recognized through profit or loss	2,924,470,371	-	-	2,924,470,371
Loans and receivables-Amortized cost	-	48,636,272,835	-	48,636,272,835
Lease rental receivables at amortized cost	-	23,205,790,674	-	23,205,790,674
Financial asset recognized through other comprehensive income	-	-	449,619,574	449,619,574
Other financial assets		1,289,507,816		1,289,507,816
	6,505,644,289	**80,168,020,007**	**449,619,574**	**87,123,283,870**
Liabilities				
Due to Depositors	-	38,746,608,165	-	38,746,608,165
Due to Banks	-	36,063,163,938	-	36,063,163,938
Debt Securities Measured at amortised cost		3,037,596,304		3,037,596,304
Derivative financial liabilities	-	6,126,409	-	6,126,409
Other financial liabilities		2,081,631,184		2,081,631,184
	-	**79,935,126,000**	**-**	**79,935,126,000**

Alliance Finance Company PLC

SEGMENT REPORT - GROUP

For the Period ended 30th September

	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	3,503,261,043	4,073,553,232	2,917,609,636	2,407,830,412	2,422,231,346	1,808,601,532	695,657,088	783,464,671	9,538,759,113	9,073,449,847
Segment results	**2,369,987,384**	**2,957,798,981**	**2,520,177,278**	**2,093,764,958**	**1,991,021,731**	**1,448,209,894**	**629,748,683**	**733,292,769**	**7,510,935,076**	**7,233,066,602**
Unallocated company expenses									(1,391,158,627)	(1,485,471,899)
Operating profit									6,119,776,449	5,747,594,703
Interest expenses	(1,091,583,272)	(972,720,880)	(1,580,370,135)	(1,288,167,995)	(1,105,095,471)	(750,526,738)	(552,755,849)	(615,702,579)	(4,329,804,727)	(3,627,118,192)
Share of profits of associates before tax									22,060,328	15,528,322
Taxes on financial services									(483,809,233)	(538,867,452)
Income tax expenses									(557,181,132)	(639,798,018)
Profit for the period									**771,041,685**	**957,339,363**
As at 30th September										
Segment assets	23,402,352,860	23,205,790,675	33,881,409,236	30,731,279,083	23,692,039,658	17,904,998,999	11,850,481,555	14,688,561,283	92,826,283,309	86,530,630,040
Investment in associates									218,441,877	153,845,180
Other assets									6,299,898,596	6,024,567,900
Total assets									**99,344,623,782**	**92,709,043,120**
Segment liabilities	21,234,457,737	20,749,564,437	29,242,453,621	25,614,792,155	20,448,186,380	14,923,974,581	10,227,944,028	15,280,641,654	81,153,041,766	76,568,972,827
Other liabilities									6,202,098,460	5,704,578,294
Total liabilities									**87,355,140,226**	**82,273,551,121**

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 September 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 Commitments**

a. Financial guarantees Issued :

As at 30th September 2026, the Company has provided financial guarantees totalling to LKR 16.03Mn.

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

An additional surcharge tax assessment has been issued for the 2020/21 period, amounting to LKR 892.64 Mn, comprising LKR 628.62 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 September 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%	800 Mn	100%	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%	115 Mn	57.5%	

9.2 Objectives Stated in the Social Bond Issue Prospectus

The Social Bond proceeds have been fully utilised

Selected Performance Indicators

	30-Sep-26	30-Sep-25
Capital Adequacy (%)		
Tier 1 Capital Adequacy Ratio (minimum 8.5%)	10.25%	10.62%
Total Capital Adequacy Ratio (minimum 12.5%)	16.93%	14.48%
Capital Funds to Deposit Liabilities Ratio	34.34%	23.66%
Profitability (%)		
Return on average shareholders funds (before tax)	21.79%	31.43%
Return on average assets (before tax)	2.49%	3.50%
Liquidity ('000)		
Required Minimum Amount of Liquid Assets	4,103,994	4,230,962
Available Amount of Liquid Assets	6,471,111	7,162,988
Required Minimum Amount of Approved Securities	3,038,901	2,437,124
Available Amount of Approved Securities	4,720,239	6,051,183
Quality of Loan Portfolio (%)		
Gross Non-Performing Loans Ratio	5.66%	6.77%
Net-Non-Performing Loans Ratio	2.78%	3.97%
Other Ratios		
Debt to equity ratio (times)	7.43	7.82
Interest cover (times)	1.39	1.55
Liquid Asset Ratio (%)	15.86%	17.02%

* 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 September 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	10.55%	1,012,958,905	N/T	N/T	N/T	N/T

* 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 September 2026	Market Price (LKR)			Yield Last Traded %
		%	%	%		Highest	Lowest	Last Traded	
Type A	Annually	11.15%	11.15% p.a.	11.00%	2,012,318,699	N/T	N/T	N/T	N/T
Type B	Annually	11.40%	11.40% p.a.	11.30%					

*N/T=Not Traded

Shareholders Information

Market price per share

Six months ended 01st April to 30th September

	2026	2025
Highest Price	314.00	450.00
Lowest Price	297.00	350.00
Last Traded	303.50	396.75

Stated capital

As at 30th September 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 September 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 September 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	338,011	1.00
14	Ms.D.D.P.T. Perera	326,884	0.97
15	Mr.W.G.D.C. Ranaweera	247,592	0.73
16	Mr.G.P. Kapilasena	201,180	0.60
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
20	Mr.D.L.S.R. Perera & Mrs. D.C.M.A Perera	146,290	0.43

Public Shareholding as at 30th September 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 September 2026 was 35.39% and the number of shareholders representing the public holding was 2,453.

Float Adjusted Market Capitalization

The Float adjusted market capitalization as at 30th September 2026 Rs.3,619,239,017.50 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
Note: (Reconstituted w.e.f. 01/09/2026; Mrs. Devika Ellepola appointed as a member)

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

Note: (Reconstituted w.e.f. 01/09/2026; Dr. Lasantha Hettiarachchi appointed as Chairman, Mrs. Devika Ellepola as a member, and Mrs. P. De Silva remained as a member)

Board Nominations & Governance Committee
Dr.Lasantha Hettiarachchi - Chairman
Mrs.Tamara Dharmakirti Herath
Mr.Hiran de Silva
Note: (Reconstituted w.e.f. 01/09/2026; Mr. Wiyan Perera and Mrs. Devika Ellepola appointed as members, and Mr. Hiran De Silva stepped down from the committee)

Board Sustainability Committee

Mrs.Devika Ellepola - 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