Nation Lanka Finance PLC
Statement of Financial Position

	Company		Group	
	As at 31st December 2024	As at 31st March 2024 Audited	As at 31st December 2024	As at 31st March 2024 Audited
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
ASSETS				
Cash and Cash Equivalents	131,860	387,746	131,860	387,746
Deposits With Licensed Commercial Banks	488,090	459,219	488,090	459,219
				-
Financial Assets Recognized Through Profit or Loss–Measured at fair value	65,704	69,983	65,704	69,983
				-
Financial Assets Measured at Fair Value Through Other Comprehensive Income	61,032	40,550	61,032	40,550
				-
Financial Assets Measured at Amortized Cost				-
- Loans and Advances	1,921,718	3,960,867	1,921,718	3,960,867
- Debt and Other Instruments	450,614	1,190,226	450,614	1,190,226
Amounts Due From Related Parties	137,772	-	137,772	-
Real Estate Stock	251,221	265,833	251,221	265,833
Investment Property	1,528,396	1,528,396	1,528,396	1,528,396
Property, Plant & Equipment	149,933	186,103	149,933	186,103
Right-to-use Asset	96,178	96,178	96,178	96,178
Intangible Assets	9,395	13,478	9,395	13,478
Trade & Other Receivables	222,249	306,486	222,249	306,486
Retirement Benefit Plan Assets	109,504	109,504	109,504	109,504
Deferred Tax Asset	840,542	831,294	840,542	831,294
TOTAL ASSETS	6,464,209	9,445,863	6,464,209	9,445,863
LIABILITIES				
Due to Banks and Financial Institutions	577,294	343,653	577,294	343,653
				-
Financial Liabilities at amortized cost-due to depositors	4,175,853	5,249,540	4,175,853	5,249,540
Lease liability	154,123	154,123	154,123	154,123
Amounts Due To Related Parties	343	509	343	-
Other Borrowings	1,315,621	2,420,594	1,315,621	2,420,594
Current Tax Liability	(11,913)	37,113	(11,913)	37,113
Retirement Benefit Obligations	68,697	90,588	68,697	90,588
Trade & Other Payables	690,932	709,987	690,360	709,924
Subordinated Debentures	-	-	-	-
TOTAL LIABILITIES	6,970,951	9,006,107	6,970,379	9,005,535
CAPITAL AND RESERVES				
Stated Capital	4,108,421	4,108,421	4,108,421	4,108,421
Reserve Fund	131,422	131,422	131,422	131,422
Fair value reserve	(90,841)	(90,841)	(90,841)	(90,841)
Other Reserves	9,000	9,000	9,000	9,000
Retained Earnings	(4,664,744)	(3,718,246)	(4,664,172)	(3,717,674)
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(506,742)	439,756	(506,170)	440,328
Non-Controlling Interest	-	-	-	-
TOTAL EQUITY	(506,742)	439,756	(506,170)	440,328
TOTAL LIABILITIES & EQUITY	6,464,209	9,445,863	6,464,209	9,445,863
Net Assets Per Share	(0.07)	0.06	(0.07)	0.06
Contingent liabilities and commitments	15,200	16,700	15,200	16,700

CERTIFICATION

We, the undersigned being Chief Financial Officer and Director of Nation Lanka Finance PLC certify jointly that:

(a) the above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of SriLanka and Companies Act no 07 of 2007.
(b) the information contained in these statements have been extracted from the unaudited financial statements of the Nation Lanka Finance PLC unless indicated as audited.

Signed by :
Buddhika Kodithuwakku
Chief Financial Officer
11th February 2025

Signed by :
S A Wickramasinghe
Director
11th February 2025

Signed by :
K S Wimalasiri
Director
11th February 2025

Nation Lanka Finance PLC

Statement of Profit or Loss and Other Comprehensive Income

	Company				Group			
	Quarter ended 31st December 2024	Quarter ended 31st December 2023	Nine months ended 31st December 2024	Nine months ended 31st December 2023	Quarter ended 31st December 2024	Quarter ended 31st December 2023	Nine months ended 31st December 2024	Nine months ended 31st December 2023
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
Interest income	68,819	439,627	536,556	1,456,383	68,819	439,627	536,556	1,456,383
Interest expense	(190,917)	(478,577)	(695,419)	(1,581,480)	(190,917)	(478,577)	(695,419)	(1,581,480)
Net interest income	(122,098)	(38,950)	(158,864)	(125,097)	(122,098)	(38,950)	(158,864)	(125,097)
Net income / (loss) on property development	62,851	514	3,239	514	62,851		3,239	514
Fee and commission income	748	6,579	5,129	18,971	748	6,579	5,129	18,971
Net fair value gains/(losses) from financial instruments at fair value through profit or loss	12,595	(5,108)	10,420	(6,286)	12,595	(5,108)	10,420	(6,286)
Change in fair value of investment property	-	-	-	-	-	-	-	-
Other operating income	132,226	66,769	67,474	316,927	132,226	66,769	67,474	316,927
Collection from contracts previously written off	6,346	6,554	18,285	16,820	6,346	6,554	18,285	16,820
Total operating income	92,668	36,358	(54,316)	221,850	92,668	35,843	(54,316)	221,850
Impairment for loans and other losses	23,423	10,754	23,423	154,492	23,423	10,754	23,423	154,492
Net operating income	116,091	47,112	(30,893)	376,342	116,091	46,597	(30,893)	376,342
Operating Expenses								
Personnel Costs	(109,487)	(232,775)	(394,872)	(515,456)	(109,487)	(232,775)	(394,872)	(515,456)
Premises Equipment & Establishment Expenses	(67,674)	(164,857)	(182,668)	(316,764)	(67,674)	(164,857)	(182,668)	(316,764)
Other Overhead Expenses	(137,092)	(68,437)	(334,847)	(435,815)	(137,092)	(68,437)	(334,847)	(435,815)
Other Finance Cost	(638)	(1,225)	(1,260)	(5,935)	(638)	(1,225)	(1,260)	(5,935)
Total Operating Expenses	(314,892)	(467,294)	(913,648)	(1,273,969)	(314,892)	(467,294)	(913,648)	(1,273,969)
Operating profit / (loss) before VAT	(198,801)	(420,182)	(944,541)	(897,627)	(198,801)	(420,696)	(944,541)	(897,627)
Vat on financial services	-	-	-	-	-	-	-	-
Operating profit / (loss) after VAT	(198,801)	(420,182)	(944,541)	(897,627)	(198,801)	(420,696)	(944,541)	(897,627)
Tax expenses	-	-	(1,957)	-	-	-	(1,957)	-
Profit / (loss) for the period	(198,801)	(420,182)	(946,498)	(897,627)	(198,801)	(420,696)	(946,498)	(897,627)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	(198,801)	(420,182)	(946,498)	(897,627)	(198,801)	(420,696)	(946,498)	(897,627)
Profit / (Loss) attributable to								
Equity holders of the company					(198,801)	(420,696)	(946,498)	(897,627)
Non controlling interest					-	-	-	-
					(198,801)	(420,696)	(946,498)	(897,627)
Total comprehensive income attributable to								
Equity holders of the company					(198,801)	(420,696)	(946,498)	(897,627)
Non controlling interest					-	-	-	-
					(198,801)	(420,696)	(946,498)	(897,627)
Basic earnings per ordinary share	(0.03)	(0.06)	(0.14)	(0.13)	(0.03)	(0.06)	(0.14)	(0.13)

Nation Lanka Finance PLC

Statement of Changes in Equity as at 31st December 2024

	Stated Capital Rs.'000	Fair Value Reserve Rs.'000	Reserve Fund Rs.'000	General Reserve Rs.'000	Retained Profit Rs.'000	Minority Interest Rs.'000	Total Equity Rs.'000
Company							
Balance as at 01.04.2023	2,330,073	(88,955)	131,422	9,000	(1,461,621)	-	919,919
Addition on Merger	1,254,280	200,735	80,506	280	(230,823)		1,304,978
Profit / (loss) for the year	-	-	-	-	(897,627)	-	(897,627)
Other comprehensive income for the year	-	-	-	-	-	-	-
Balance as at 31.12.2023	3,584,353	111,780	211,928	9,280	(2,590,071)	-	1,327,271
Balance as at 01.04.2024	4,108,421	(90,841)	131,422	9,000	(3,718,246)	-	439,756
Profit / (loss) for the year	-	-	-	-	(946,498)	-	(946,498)
Other comprehensive income for the year	-	-	-	-	-	-	-
Balance as at 31.12.2024	4,108,421	(90,841)	131,422	9,000	(4,664,744)	-	(506,742)
Group							
Balance as at 01.04.2023	2,330,073	(88,955)	131,422	9,000	(1,461,049)	-	920,491
Right issue of shares	1,254,280	200,735	80,506	280	(230,823)		1,304,978
Profit / (loss) for the year	-	-	-	-	(897,627)	-	(897,627)
Other comprehensive income for the year	-	-	-	-	-	-	-
Balance as at 31.12.2023	3,584,353	111,780	211,928	9,280	(2,589,499)	-	1,327,843
Balance as at 01.04.2024	4,108,421	(90,841)	131,422	9,000	(3,717,674)	-	440,328
Profit / (loss) for the year	-	-	-	-	(946,498)	-	(946,498)
Other comprehensive income for the year	-	-	-	-	-	-	-
Balance as at 31.12.2024	4,108,421	(90,841)	131,422	9,000	(4,664,172)	-	(506,170)

Nation Lanka Finance PLC

Statement of Cash Flows

	Company		Group	
	Rs. '000'		Rs. '000'	
For Nine months ended 31st December 2024	2024	2023	2024	2023
Cash Flow from Operating Activities				
Profit/(Loss) before Income Tax Expense	(944,541)	(897,627)	(944,541)	(897,627)
Adjustments for				
Net fair value gains/(losses) from financial instruments Measured at FVTPL	4,279	6,282	4,279	6,282
Dividend Income	(2,668)	(11,068)	(2,668)	(11,068)
Depreciation and amortization	28,939	32,076	28,939	32,076
Amortization of ROU assets	-	(134,525)	-	(134,525)
Interest Expenses	695,419	1,581,480	695,419	1,581,480
Interest income on Government Securities	(67,925)	(93,609)	(67,925)	(93,609)
Interest income on Sub Lease			-	-
Impairment of Loans and Receivables	(2,936)	(154,492)	(2,936)	(154,492)
Change in Fair Value of Investment Property	-	(453,235)	-	(453,235)
Provision / (Reversal) for Retiring Benefit Obligations	(21,891)	42,912	(21,891)	42,912
Operating Profit Before Working Capital Changes	(311,324)	(81,806)	(311,324)	(81,806)
Working Capital Changes				
Decrease/(Increase) in Financial Assets at Amortized cost	2,042,086	(2,412,476)	2,042,086	(2,412,476)
Decrease/(Increase) in Investment in Real Estate	14,612	12,289	14,612	12,289
Decrease/(Increase) in Related Party Receivables	(137,772)	4,600	(137,772)	4,600
Decrease/(Increase) in Trade and Other Receivables	84,237	850,932	84,237	850,932
Increase/(Decrease) in Related Party Payables	(166)	104	(166)	104
Increase/(Decrease) Trade & Other Payables	(116,571)	827,563	(116,571)	827,563
Increase/(Decrease) Due to Banks and Financial Institutions	704,948	-	704,948	-
Increase/(Decrease) Financial Liabilities at amortized cost -due to depositors	(1,073,687)	1,031,453	(1,073,687)	1,031,453
Cash from Operations	1,206,362	232,659	1,206,362	232,659
Income Tax Paid	(9,248)	(119,499)	(9,248)	(119,499)
Interest expenses paid	(695,419)	(1,581,480)	(695,419)	(1,581,480)
Retiring Gratuity Paid	(2,887)	(8,165)	(2,887)	(8,165)
Net Cash generated from Operating Activities	498,807	(1,476,486)	498,807	(1,476,486)
Cash Flow from Investing Activities				
Proceeds from Sale of Property, Plant & Equipment	-	-	-	-
Acquisition of Property, Plant & Equipment	36,170	(101,388)	36,170	(101,388)
Acquisition of Intangible Assets	4,083	(17,859)	4,083	(17,859)
Net proceed from government securities	807,537	(491,230)	807,537	(491,230)
Dividend Income received from other investments	2,668	11,068	2,668	11,068
Investment in Deposits with Licensed Commercial Banks	(28,871)	75,060	(28,871)	75,060
Net Cash used in Investing Activities	821,587	(524,349)	821,587	(524,349)
Cash Flow from Financing Activities				
Repayment of Loans	(1,104,973)	1,149,221	(1,104,973)	1,149,221
Share addition on Merger	-	1,254,280	-	1,254,280
Lease rental payments	-	134,525	-	134,525
Net Cash generated from Financing Activities	(1,104,973)	2,538,026	(1,104,973)	2,538,026
Increase/(Decrease) in Cash & Cash Equivalents	215,421	537,190	215,421	537,190
Cash & Cash Equivalents at the Beginning of the Year	(440,855)	(702,241)	(440,855)	(702,241)
Cash & Cash Equivalents at the End of the year	(225,434)	(165,051)	(225,434)	(165,051)
Reconciliation of Cash & Cash Equivalents				
Cash in Hand & at Bank	131,860	433,829	131,860	433,829
Bank Overdraft	(357,294)	(598,880)	(357,294)	(598,880)
	(225,434)	(165,051)	(225,434)	(165,051)

Nation Lanka Finance PLC
Selected Performance Indicators (as per regulatory reporting)

	As at 31st December 2024	As at 31st March 2024 Audited
	Rs. '000'	Rs. '000'
Regulatory Capital Adequacy		
Core capital (Tier 1 capital)	(895,129)	81,892
Total capital base	(1,738,818)	439,755
	Minimum 8.5%	Minimum 8.5%
Core capital adequacy ratio , as % of risk weighted assets	-36.05%	-9.04%
	Minimum 12.5%	Minimum 12.5%
Total capital adequacy ratio , as % of risk weighted assets	-36.05%	-8.05%
Asset Quality (Quality of loan portfolio)		
Gross Non -Performing Accommodations	5,192,666	5,730,365
Gross Non -Performing Accommodations %	91%	74%
Regulatory Liquidity		
Required minimum amount of liquid assets	458,237	657,376
Available amount of liquid assets	238,871	1,280,157

Nation Lanka Finance PLC

Segment Information

	Lending		Real Estate	
	Nine months ended 31st December 2024	Nine months ended 31st December 2023	Nine months ended 31st December 2024	Nine months ended 31st December 2023
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
Interest income	536,556	1,456,383	-	-
Interest expense	(695,419)	(1,581,480)	-	-
Net interest income	(158,864)	(125,097)	-	-
Net income / (loss) on property development	3,239	514	3,239	514
Fee and commission income	5,129	18,971	-	-
Net fair value gains/(losses) from financial instruments at fair value through profit or loss	10,420	(6,286)	-	-
Change in fair value of investment property	-	-	-	-
Other operating income	67,474	316,927	-	-
Collection from contracts previously written off	18,285	16,820	-	-
Total operating income	(54,316)	221,850	3,239	514
Impairment for loans and other losses	23,423	154,492	-	-
Net operating income	(30,893)	376,342	3,239	514
Operating Expenses				
Personnel Costs	(394,872)	(515,456)	-	-
Premises Equipment & Establishment Expenses	(182,668)	(316,764)	-	-
Other Overhead Expenses	(334,847)	(435,815)	-	-
Other Finance Cost	(1,260)	(5,935)	-	-
Total Operating Expenses	(913,648)	(1,273,969)	-	-
Operating profit / (loss) before VAT	(944,541)	(897,627)	3,239	514
Vat on financial services	-	-	-	-
Operating profit / (loss) after VAT	(944,541)	(897,627)	3,239	514
Tax expenses	(1,957)	-	-	-
Profit / (loss) for the period	(946,498)	(897,627)	3,239	514
Other comprehensive income	-	-	-	-
Total comprehensive income	(946,498)	(897,627)	3,239	514
Revenue from external customers	(54,316)	221,850	3,239	514
Segment assets	6,198,376	11,852,697	265,833	113,668
Segment liabilities	6,964,368	10,302,905	6,011	6,011

Nation Lanka Finance PLC

Analysis of Financial Instruments by measurement basis

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It also includes details relating to non financial assets and liabilities.

Company	Carrying values Rs. '000'					Fair value Rs. '000'			
As at 31st December 2024	Fair Value Through Profit or Loss	Amortized Cost	Fair Value Through Other Comprehensive Income	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Financial Assets Recognized Through Profit or Loss–Measured at fair value	65,704	-	-	-	65,704	65,704	-	-	65,704
Financial Assets Measured at FVTOCI	-	-	61,032	-	61,032	-	-	61,032	61,032
Investment property	-	-	-	-	-	-	-	1,528,396	1,528,396
Financial assets not measured at fair value									
Financial Assets Measured at Amortized Cost									
- Loans and Advances	-	1,921,718	-	-	1,921,718	-	-	-	-
- Debt and Other Instruments	-	450,614	-	-	450,614	-	-	-	-
Trade & Other Receivables	-	222,249	-	-	222,249	-	-	-	-
Amounts Due From Related Parties	-	137,772	-	-	137,772	-	-	-	-
Deposits With Licensed Commercial Banks	-	488,090	-	-	488,090	-	-	-	-
Cash and Cash Equivalents	-	131,860	-	-	131,860	-	-	-	-
	65,704	3,352,304	61,032	-	3,479,040	65,704	-	1,589,427	1,655,131
Financial liabilities not measured at fair value									
Due to Banks and Financial Institutions	-	-	-	577,294	577,294	-	-	-	-
Financial Liabilities at amortized cost-due to depositors	-	-	-	4,175,853	4,175,853	-	-	-	-
Amounts Due To Related Parties	-	-	-	343	343	-	-	-	-
Other Borrowings	-	-	-	1,315,621	1,315,621	-	-	-	-
Trade & Other Payables	-	-	-	690,932	690,932	-	-	-	-
	-	-	-	6,760,044	6,760,044	-	-	-	-

Group	Carrying values Rs. '000'					Fair value Rs. '000'			
As at 31st December 2024	Fair Value Through Profit or Loss	Amortized Cost	Fair Value Through Other Comprehensive Income	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Financial Assets Recognized Through Profit or Loss–Measured at fair value	65,704	-	-	-	65,704	65,704	-	-	65,704
Financial Assets Measured at FVTOCI	-	-	61,032	-	61,032	-	-	61,032	61,032
Investment property	-	-	-	-	-	-	-	1,528,396	1,528,396
Financial assets not measured at fair value									
Financial Assets Measured at Amortized Cost									
- Loans and Advances	-	1,921,718	-	-	1,921,718	-	-	-	-
- Debt and Other Instruments	-	450,614	-	-	450,614	-	-	-	-
Trade & Other Receivables	-	222,249	-	-	222,249	-	-	-	-
Amounts Due From Related Parties	-	137,772	-	-	137,772	-	-	-	-
Deposits With Licensed Commercial Banks	-	488,090	-	-	488,090	-	-	-	-
Cash and Cash Equivalents	-	131,860	-	-	131,860	-	-	-	-
	65,704	3,352,304	61,032	-	3,479,040	65,704	-	1,589,427	1,655,131
Financial liabilities not measured at fair value									
Due to Banks and Financial Institutions	-	-	-	577,294	577,294	-	-	-	-
Financial Liabilities at amortized cost-due to depositors	-	-	-	4,175,853	4,175,853	-	-	-	-
Amounts Due To Related Parties	-	-	-	343	343	-	-	-	-
Other Borrowings	-	-	-	1,315,621	1,315,621	-	-	-	-
Trade & Other Payables	-	-	-	690,360	690,360	-	-	-	-
	-	-	-	6,759,472	6,759,472	-	-	-	-

Explanatory Notes

Interim Financial Statements

1. There are no significant changes in the accounting policies and methods of computation since the publication of financial statements in the annual report for the year 2023/2024.

2. The interim financial statements for nine months ended 31st December 2024 are drawn up from unaudited accounts of the company , its subsidiary company Nation Micro Investment Ltd .

3. The interim financial statements are in compliance with the Sri Lanka Accounting Standard - LKAS 34: Interim Financial Reporting and the provisions of the Companies act No 07of 2007 and provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

4. There have been no material events subsequent to the reporting date , which require adjustments to or disclosures in the interim financial statements.

5. Comparative figures and phrases have been re-arranged where ever necessary to conform to the current year's presentation.

6. There was no liability for management fees or any other similar expenditure as at the balance sheet date.

7. There are no other related party transactions within the interim period other than the repayment of credit facilities mentioned in the Annual Report of 2023/2024.

8. The float adjusted market capitalization of the company falls under option V 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.

Total number of shareholders	14,178
Public holding percentage	23.21%
Total number of public shareholders	14,175
Float adjusted market capitalization	487,185,376
Number of shares representing entity's stated capital	6,996,774,035

09. Information on ordinary shares of the company

Share prices for the period from 1st of October to 31st December	2024	2023
Highest	0.4	0.6
Lowest	0.3	0.4
31st December	0.3	Nil

10. Monetary board of Central Bank of SriLanka has imposed a cap on deposits and lending with effect from 30th September 2019.

NATION LANKA FINANCE PLC

TOP TWENTY SHAREHOLDERS AS AT 31ST DECEMBER 2024

NO	NAME OF SHAREHOLDER	NO OF SHARES	PERCENTAGE
1	Singhe Capital Investment Limited	2,673,696,955	38.22
2	Mutual Holdings Limited	1,733,308,467	24.77
3	Mr. V R Ramanan	965,842,690	13.8
4	Dunamis Capital PLC	228,466,987	3.27
5	First Capital Limited	192,444,940	2.75
6	Mr. A J C Senathipathy	154,835,302	2.21
7	DFCC Bank PLC/ Mr. U H Dharmadasa	119,704,407	1.71
8	Ceyoka (Pvt) Ltd	107,892,355	1.54
9	Mr. H K J Dharmadasa	87,536,211	1.25
10	Mr. D M Siriwardhana	46,369,979	0.66
11	Mr. D S I Weerasinghe	46,369,947	0.66
12	Mr. J Rudra	40,352,922	0.58
13	Mr. K H Surasena	27,257,355	0.39
14	Mrs. N D P Jayatunga	28,370,408	0.41
15	Central Investments & Finance PLC	26,881,118	0.38
16	Mrs. Y Tetsuro	22,580,148	0.32
17	Mr. S K Liyanage	19,488,732	0.28
18	Mr. R N R Kurukulasuriya	12,500,000	0.18
19	Hatton National Bank PLC/Mr. R E Rambukwella	12,500,000	0.18
	Mr. R E Rambukwella	447,001	0.01
20	D M Meegaswatte	11,324,622	0.16
		6,558,170,546	**93.73**

Total Number of Shareholders **14,178**

NATION LANKA FINANCE PLC
DIRECTORS SHAREHOLDINGS AS AT 31ST DECEMBER 2024

NO.	NAME	NO OF SHARES	PERCENTAGE
1	Mr. V R Ramanan	965,842,690	13.8
2	Mr. A G M Priyantha	-	-
3	Mrs. S A Wickramasinghe	-	-
4	Mrs. K G D W K Bandara	-	-
5	Mr. N W M Gunawansha	-	-
6	Mr. U R Senevirathne	-	-
7	Mrs. L M M Jayawickrama	-	-
8	Mr. K S Wimalasiri	-	-