



ORIENT FINANCE PLC

Unaudited Interim Financial Statements
For the Period Ended 31 December 2023

For the	03 Months Ended 31st December		09 Months Ended 31st December	
	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.
	Unaudited	Unaudited	Unaudited	Unaudited
Income	1,344,243,544	972,347,681	3,579,263,351	2,732,538,392
Interest income	1,284,117,317	933,064,198	3,412,298,115	2,614,443,054
Interest expenses	(682,843,184)	(752,674,497)	(2,203,470,409)	(1,833,740,862)
Net interest income	601,274,133	180,389,701	1,208,827,706	780,702,192
Fee and commission income	21,391,420	28,939,446	102,306,448	73,451,157
Other operating income	38,734,807	10,344,037	64,658,788	44,644,180
Total operating income	661,400,360	219,673,184	1,375,792,942	898,797,530
Impairment charges for loans and receivables to customers	(54,519,848)	4,212,744	(145,639,257)	(83,325,049)
Net operating income	606,880,512	223,885,928	1,230,153,685	815,472,481
Operating expenses				
Personnel expenses	(173,620,592)	(168,634,873)	(503,952,073)	(498,652,221)
Depreciation and amortization	(27,555,303)	(24,777,722)	(86,214,777)	(71,718,089)
Other operating expenses	(141,702,423)	(82,729,701)	(415,224,917)	(250,832,768)
Operating profit/(loss) before Tax on Financial Services	264,002,194	(52,256,367)	224,761,918	(5,730,597)
Tax on financial services	(73,518,583)	(13,136,835)	(127,161,422)	(34,696,740)
Profit / (loss) before income tax	190,483,611	(65,393,202)	97,600,496	(40,427,337)
Income tax expense	-	-	-	(4,650,157)
Profit/(loss) for the period	190,483,611	(65,393,202)	97,600,496	(45,077,494)
Other comprehensive income/(expenses)				
Other comprehensive income to be classified to profit or loss in subsequent periods				
Fair value gain / (loss) on investment in Treasury Bonds /Quoted Shared	(199,782,147)	(2,282,000)	62,295,567	(4,169,714)
Total comprehensive income/(expenses) for the period	(9,298,536)	(67,675,203)	159,896,063	(49,247,209)
Earnings per share (Rs.)	0.90	(0.31)	0.46	(0.21)

Figures in brackets indicate deductions.

Colombo
14th February 2024

ORIENT FINANCE PLC
STATEMENT OF FINANCIAL POSITION

Page 02

As At

	31st December 2023	31st March 2023
	Rs.	Rs.
ASSETS	Unaudited	Audited
Cash and cash equivalents	262,228,350	307,893,891
Financial assets - fair value through other comprehensive income	1,656,565,940	1,262,913,731
Loans and receivables to customers	14,539,730,558	12,941,011,251
Investments with banks and other financial institutions	246,691,334	236,013,310
Other assets	1,064,502,496	657,440,798
Real estate stock	10,968,258	10,656,618
Deferred tax asset	369,577,434	369,577,434
Goodwill	564,545,746	564,545,746
Brand value	235,880,000	235,880,000
Intangible assets	16,790,645	25,097,945
Property, plant and equipment	90,993,394	70,733,416
Right of use assets	66,620,042	96,792,682
Investment properties	690,316,463	690,316,465
Total assets	<u>19,815,410,660</u>	<u>17,468,873,287</u>
LIABILITIES		
Due to banks - bank overdrafts	441,469,316	240,846,238
Deposits from customers	12,677,356,095	10,759,498,577
Interest bearing borrowings	2,232,674,113	2,606,632,095
Lease Liability -Right-of-use assets	8,573,452	46,222,825
Other liabilities	951,479,864	482,218,634
Retirement benefit obligation	62,955,590	52,448,752
Total liabilities	<u>16,374,508,431</u>	<u>14,187,867,121</u>
EQUITY		
Stated capital	2,431,879,039	2,431,879,039
Statutory reserve fund	375,736,747	375,736,747
Revaluation reserve	141,120,773	141,120,773
Retained earnings	492,165,670	332,269,607
Total equity	<u>3,440,902,229</u>	<u>3,281,006,166</u>
Total equity and liabilities	<u>19,815,410,660</u>	<u>17,468,873,287</u>
Net assets per share	16.30	15.54

Figures in brackets indicate deductions.

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

Sgd
Y. Sandun Prasanna
Manager - Finance

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

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

Approved and signed for and on behalf of the Board.

Sgd
Rajendra Theagarajah
Chairman

Sgd
Prakash Schaffter
Director

Colombo
14th February 2024

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

Page 03

For the period ended 31st December

	Stated Capital Rs.	Statutory reserve fund Rs.	Revaluation reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 01st April, 2022	2,431,879,039	375,736,747	141,120,773	383,142,776	3,331,879,335
Profit/(Loss) for the nine months	-	-	-	(45,077,494)	(45,077,494)
Other comprehensive income (expense)				(4,169,714)	(4,169,714)
Balance as at 31st December 2022	<u>2,431,879,039</u>	<u>375,736,747</u>	<u>141,120,773</u>	<u>333,895,568</u>	<u>3,282,632,127</u>
Balance as at 01st April, 2023	2,431,879,039	375,736,747	141,120,773	332,269,607	3,281,006,166
Profit/(Loss) for the nine months				97,600,496	97,600,496
Other comprehensive income				62,295,567	62,295,567
Balance as at 31st December 2023	<u>2,431,879,039</u>	<u>375,736,747</u>	<u>141,120,773</u>	<u>492,165,670</u>	<u>3,440,902,229</u>

Figures in brackets indicate deductions.

**Colombo
14th February 2024**

For the period ended 31st December

	2023	2022
	Rs.	Rs.
	Unaudited	Unaudited
Cash flows from operating activities		
Profit/(loss) before income tax expense	97,600,496	(40,427,337)
Adjustment for:		
Depreciation/amortization	86,214,777	71,718,089
(Profit)/ loss on disposal of property, plant and equipment	-	(114,367)
Impairment charges for loans and receivables to customers	145,639,257	83,325,049
Finance expenses	2,203,470,409	1,833,740,862
Investment income	(543,684,343)	(127,643,933)
Provision for gratuity	8,910,000	16,241,967
Operating profit/(Loss) before working capital changes	1,998,150,596	1,836,840,329
Change in loans and receivables to customers	(1,744,358,564)	1,235,636,255
Change in other assets	(407,061,698)	21,050,475
Change in deposits from customers	1,983,422,103	562,429,462
Change in other liabilities	530,459,903	(446,307,339)
	2,360,612,341	3,209,649,182
Rent Paid	(63,009,404)	(59,980,116)
Interest paid	(2,269,034,994)	(968,538,804)
Gratuity paid	(4,069,162)	(2,722,327)
Net cash from/(used in) operating activities	24,498,781	2,178,407,934
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(98,167,455)	(31,557,821)
Proceeds from sale of property, plant and equipment	-	226,700
Expenses incurred for real estate stock	(311,640)	(1,233,525)
Net change in financial assets - fair value through other comprehensive income	(234,859,643)	(240,026,945)
Net change in investments with bank and other financial institutions	(5,923,174)	(16,227,568)
Investment income received	442,432,493	7,610,617
Net cash generated from/(used in) investing activities	103,170,581	(281,208,542)
Cash flows from financing activities		
Interest bearing borrowings obtained	3,890,000,000	42,899,669
Repayment of interest bearing borrowings	(3,911,546,509)	(878,610,748)
Interest paid on borrowings	(352,411,473)	(750,718,042)
Net cash generated from/(used in) financing activities	(373,957,982)	(1,586,429,120)
Net change in cash and cash equivalents	(246,288,620)	310,770,273
Cash and cash equivalents at the beginning of the period	67,047,653	(384,131,906)
Cash and cash equivalents at the end of the period (Note A)	(179,240,967)	(73,361,633)
Note A		
Analysis of cash and cash equivalents at the end of the period		
Cash in hand	206,598,671	240,323,758
Cash at bank	55,629,679	78,214,954
Bank overdrafts - secured	(441,469,316)	(391,900,346)
	(179,240,966)	(73,361,633)

Figures in brackets indicate deductions.

ORIENT FINANCE PLC
NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL REPORTING BY SEGMENTS

Page 05

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

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

For the period ended 31st December	Finance lease & Hire purchases		Loans		Factoring		Gold Loan		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Interest income	1,493,594,894	1,429,691,955	183,691,242	178,660,289	4,527,559	2,915,373	1,065,647,465	875,531,506	543,684,343	127,643,932	3,291,145,503	2,614,443,054
Fee and commission income	96,386,044	17,528,072	1,577,027	-	46,132	663,197	-	-	4,297,245	28,209,952	102,306,448	46,401,221
Other income	9,876,097	31,717,986	1,045,805	-	-	-	-	-	53,736,886	39,976,131	64,658,788	71,694,116
Total segmental income	1,599,857,035	1,478,938,013	186,314,074	178,660,289	4,573,691	3,578,570	1,065,647,465	875,531,506	601,718,474	195,830,015	3,458,110,739	2,732,538,392
Less: Interest expense	(1,308,389,160)	(992,479,767)	(103,954,664)	(119,894,627)	(13,929,429)	(2,401,492)	(539,592,870)	(587,548,157)	(237,604,286)	(131,416,818)	(2,203,470,409)	(1,833,740,862)
Segmental results	291,467,875	486,458,246	82,359,410	58,765,662	(9,355,738)	1,177,078	526,054,595	287,983,349	364,114,188	64,413,197	1,254,640,330	898,797,530
Depreciation and amortization	(39,886,322)	(38,816,146)	(4,645,029)	(4,689,111)	(114,028)	(93,923)	(26,567,848)	(22,979,164)	(15,001,551)	(5,139,746)	(86,214,777)	(71,718,089)
Impairment charge	(195,244,269)	(82,072,059)	33,902,437	5,834,776	17,802,672	(5,350,050)	(2,100,097)	(853,579)	0	(884,177)	(145,639,257)	(83,325,089)
Other expenses	(425,247,161)	(405,645,477)	(49,522,882)	(49,003,229)	(1,215,702)	(981,535)	(283,252,534)	(240,142,178)	(159,938,711)	(53,712,569)	(919,176,990)	(749,484,989)
Tax on Financial Services	(75,506,630)	-	(5,999,183)	-	(803,862)	-	(31,139,695)	-	(13,712,051)	-	(127,161,422)	-
Income tax	-	(21,295,811)	-	(2,572,600)	-	(51,529)	-	(12,607,124)	-	(2,819,834)	-	(39,346,897)
Profit/(loss) after tax	(444,416,507)	(61,371,247)	56,094,753	8,335,498	6,313,342	(5,299,959)	182,994,422	11,401,304	175,461,875	1,577,083	(23,552,115)	(45,077,535)
Segmental assets	11,766,106,956	8,313,645,615	934,845,481	887,230,875	125,264,838	111,606,100	4,852,461,035	4,272,226,250	2,136,732,350	3,013,600,211	19,815,410,660	16,598,309,051
Segmental liabilities	9,722,948,510	6,669,463,663	772,511,631	711,764,051	103,512,876	89,533,865	4,009,841,910	3,427,312,043	1,765,693,504	2,417,603,303	16,374,508,431	13,315,676,925

NOTES TO THE FINANCIAL STATEMENTS

- 1 These Interim Financial Statements of the Company have been prepared based on the Sri Lanka Accounting Standards that came into effect from January 01, 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the Audited Financial Statements for the Year Ended 31 March 2023. Further, these Interim Financial Statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard 34 (LKAS 34) on Interim Financial Reporting.
- 2 There are no material events that took place after the reporting date that require adjustments to or disclosure in the Financial Statements.
- 3 All known expenses have been provided for in these Financial Statements.
- 4 There are no significant changes in the nature of the Contingent Assets or Contingent Liabilities which were disclosed in the Audited Financial Statements for the year ended 31st March 2023.

Ordinary Share Information

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

Stated Capital

	31-Dec-23	31-Dec-22
Value of Ordinary Shares (Rs.)	2,431,879,039	2,431,879,039
No. of Ordinary Shares	211,101,155	211,101,155

Share Price During the Period

		For the Quarter Ended	
		31-Dec-23	31-Dec-22
Highest	(Rs)	9.90	9.00
Lowest	(Rs)	7.40	6.50
Closing	(Rs)	8.00	8.50

NOTES TO THE FINANCIAL STATEMENTS

Twenty largest Shareholders as at 31st December 2023

	Name	No. of Shares	%
1	Janashakthi Ltd	93,644,438	44.36
2	Seylan Bank PLC/Janashakthi PLC (collateral)	90,000,000	42.63
3	Seylan Bank PLC/Janashakthi Capital Limited	11,810,999	5.59
4	First Capital Limited	2,138,299	1.01
5	DFCC Bank PLC/G.A.C. De Silva	1,534,050	0.73
6		888,100	0.42
6	Peoples Leasing and Finance PLC/ Suhada Gas Distributors (Pvt) Ltd		
7	Commercial Bank of Ceylon PLC /D. Ramachandran	855,000	0.41
8	Commercial Bank of Ceylon PLC /Janashakthi Limited	555,057	0.26
9	Mr. R.A.B.K. Kumara	500,000	0.24
10	Mr. A. Rajaratnam	413,983	0.20
11	Mrs. I.P.I.L. Gunathilaka	406,750	0.19
12	LOLC Finance PLC/ V.S. Rajasooriyar	375,000	0.18
13	Mr. L.P.Mendis	358,695	0.17
14	Peoples Leasing & Finance PLC/ Mr. A. Rajaratnam	300,000	0.14
15	Mr. P.C. Priyanjitha	299,600	0.14
16	Seylan Bank PLC/ Haloluwa Gedara Nilupul Gamini Haloluwa	246,886	0.12
17	Mr. S.M.P.B. Samarapperuma	223,185	0.11
18	Mr. M.K. De livera	207,629	0.10
19	Mrs. A.S. De Alwis	204,428	0.10
20	Mr. L.L.P.D.E.S. Karunasekera	192,028	0.09
	Others	5,947,028	2.82
	Total	211,101,155	100

Directors' Shareholding as at 31 December 2023

	Name of the Director	No. of Shares	%
1	Mr. Prakash Anand Schaffter	10	-
2	Rajendra Thegarajah	-	-
3	Ms. M.D.A. Perera	-	-
4	Ms. N.I. Goonesekera	-	-
5	Mr. N.S.S. Cooray	-	-
6	Mr. K.M.M. Jabir	-	-
7	Mr. R.M.D.J. Ratnayake	-	-
8	Mr. Nalin Karunaratne	-	-
	Total	10	

CEO's Shareholding as at 31 December 2023

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

Public Holding as at 31 December 2023

Number of Public Shareholders	12,952,342	
Public Shareholding Percentage	898	
Float Adjusted market capitalization (Rs)	6.14%	
	103,692,887	

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