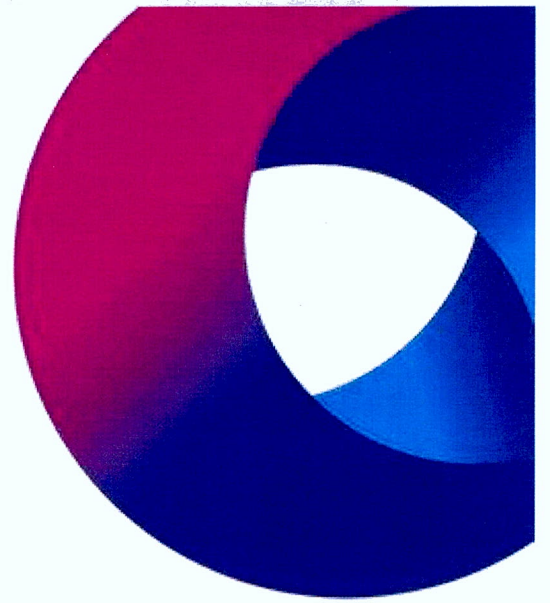


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CAPITAL ALLIANCE PLC



INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
30TH JUNE 2024

CAPITAL ALLIANCE PLC**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE

QUARTER ENDED

	Note	30-Jun-24 Rs. (Unaudited)	30-Jun-23 Rs. (Unaudited)
Interest Income	2	1,975,101,051	2,635,719,414
Interest Expenses	3	(1,107,357,922)	(1,756,272,356)
Net Interest Income		867,743,129	879,447,058
Gains arise from Financial Assets measured at FVTPL	4	826,020,935	3,631,054,519
Direct Expenses		(7,795,038)	(6,150,404)
Other Income		22,193,316	-
Net Operating Income		1,708,162,342	4,504,351,174
Operating Expenses			
Personnel Expenses		(47,186,942)	(33,328,253)
Depreciation and Amortisation		(4,843,720)	(1,731,574)
Other Expenses		(101,295,102)	(191,738,413)
Profit Before Tax		1,554,836,578	4,277,552,934
Income Tax Expenses	5	(458,887,617)	(1,333,872,386)
Profit for the period		1,095,948,961	2,943,680,548
Other Comprehensive Income			
Other Comprehensive Income for the period		-	-
Total Comprehensive Income for the period		1,095,948,961	2,943,680,548
Basic/Diluted Earnings per Share (Rs.)	6	3.33	8.94

CAPITAL ALLIANCE PLC
STATEMENT OF FINANCIAL POSITION
AS AT

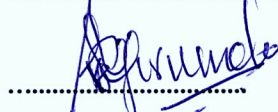
	30-Jun-24	31-Mar-24
	Rs.	Rs.
	(Unaudited)	(Unaudited)
ASSETS		
Cash and Cash Equivalents	49,328,935	353,008,092
Financial Assets measured at Amortised Cost	5,660,642,063	1,015,901,338
Financial Assets measured at FVTPL	73,292,682,852	59,533,287,818
Amount due from Related Companies	12,529,490	11,766,209
Other Receivables	39,682,953	260,547,704
Deferred Tax Asset	25,210,765	24,583,978
Intangible Assets	4,147,799	4,506,832
Right-of-use Asset	2,037,318	3,055,983
Equipment	49,095,640	51,569,663
Total Assets	79,135,357,815	61,258,227,617
LIABILITIES AND EQUITY		
Liabilities		
Bank Overdrafts	165,484,416	-
Financial Liabilities at Amortised Cost	59,103,511,849	37,346,396,228
Amounts due to Related Companies	6,093,087	61,846,733
Other Payables	2,668,779,304	2,740,283,723
Lease Liability	2,504,110	3,716,278
Retirement Benefit Obligation	83,055,687	81,309,710
Income Tax Payable	4,554,361,554	4,627,787,838
Total Liabilities	66,583,790,007	44,861,340,510
EQUITY		
Stated Capital	723,348,421	723,348,421
Special Risk Reserve	2,426,412,926	2,316,818,030
Retained Earnings	9,401,806,461	13,356,720,656
Total Equity	12,551,567,808	16,396,887,107
Total Liabilities and Equity	79,135,357,815	61,258,227,617
NAPS (Rs.)	38.10	49.78

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



Ms. S C Goonesekera
 Manager Finance

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



Ms. K. A. D. Siriwardene
 Director



Mr. C S R S Anthony
 Director

26th July 2024
 Colombo

CAPITAL ALLIANCE PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30TH JUNE 2024

	Stated Capital	Special Risk Reserve	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.
Balance as at 01 st April 2023	723,348,421	927,499,681	3,839,180,357	5,490,028,459
Profit for the Period	-	-	2,943,680,548	2,943,680,548
Other Comprehensive Income for the Period	-	-	-	-
Total Comprehensive Income	-	-	2,943,680,548	2,943,680,548
Transferred To the Special Risk Reserve	-	294,368,055	(294,368,055)	-
Balance as at 30 th June 2023	<u>723,348,421</u>	<u>1,221,867,736</u>	<u>6,488,492,850</u>	<u>8,433,709,007</u>
Balance as at 01st April 2024	723,348,421	2,316,818,030	13,356,720,656	16,396,887,107
Profit for the Period	-	-	1,095,948,961	1,095,948,961
Other Comprehensive Income for the Period	-	-	-	-
Total Comprehensive Income	-	-	1,095,948,961	1,095,948,961
Dividend Paid	-	-	(4,941,268,260)	(4,941,268,260)
Transferred To the Special Risk Reserve	-	109,594,896	(109,594,896)	-
Balance as at 30th June 2024	<u>723,348,421</u>	<u>2,426,412,926</u>	<u>9,401,806,461</u>	<u>12,551,567,808</u>

CAPITAL ALLIANCE PLC**STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED**

	30-Jun-24 Rs. (Unaudited)	30-Jun-23 Rs. (Unaudited)
Cash flows from Operating Activities		
Interest Receipts and realised gains	5,862,725,202	2,186,221,430
Interest Payments	(1,171,215,937)	(1,810,305,987)
Payment of Direct Expenses	(7,795,038)	(6,150,404)
Other Receipts	22,193,316	-
Cash payments to Employees and Other payments	(146,664,406)	(223,595,557)
Operating profit before changes in Operating Assets and Liabilities	4,559,243,137	146,169,482
(Increase)/Decrease in Financial Assets measured at Amortised Cost	(4,627,052,671)	66,447,983
(Increase)/Decrease in Financial Assets measured at FVTPL	(16,838,686,304)	(14,220,252,064)
(Increase)/Decrease in Other Receivables	220,864,751	(208,848,282)
(Increase)/Decrease in Amount due from Related Companies	(763,281)	89,601
Increase/ (Decrease) in Loan from a Related Party	-	(502,145,206)
Increase/(Decrease) in Financial Liabilities at Amortised Cost	21,820,973,636	14,770,758,641
Increase/(Decrease) in Amount due to Related Companies	(55,753,646)	852,322
Increase/(Decrease) in Other Payable	(71,504,423)	(282,739,110)
Net cash generated from/ (used in) Operating Activities	5,007,321,199	(229,666,633)
Income Taxes Paid	(532,940,687)	(93,129,560)
Net cash generated from / (used in) Operating Activities	4,474,380,512	(322,796,193)
Cash flows from Investing Activities		
Purchase of Equipment	(991,999)	(55,940,542)
Net cash used in Investing Activities	(991,999)	(55,940,542)
Cash flows from Financing Activities		
Lease Payments	(1,283,826)	(1,167,115)
Dividend paid	(4,941,268,260)	-
Net cash used in Financing Activities	(4,942,552,086)	(1,167,115)
Net decrease in cash and cash equivalents	(469,163,573)	(379,903,850)
Cash and cash equivalents at the beginning of the period	353,008,092	28,962,086
Cash and cash equivalents at the end of the period	(116,155,481)	(350,941,764)

CAPITAL ALLIANCE PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30TH JUNE 2024

1 BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with LKAS 34 "Interim Financial Reporting". They do not include all the information required for a complete set of SLFRS/LKAS financial statements. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended 31st March 2024.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements for the year ended 31st March 2024.

	QUARTER ENDED	
	30-Jun-24	30-Jun-23
	Rs.	Rs.
2 INTEREST INCOME		
Financial Assets measured at FVTPL		
Interest on Treasury Bills	195,566,597	416,261,627
Interest on Treasury Bonds	<u>1,729,108,368</u>	<u>2,194,158,254</u>
	<u>1,924,674,965</u>	<u>2,610,419,881</u>
Financial Assets measured at Amortised cost		
Interest on Securities Purchased Under Resale Agreements	50,409,418	25,280,813
Interest on Staff Loans	<u>16,668</u>	<u>18,720</u>
	<u>50,426,086</u>	<u>25,299,533</u>
	<u>1,975,101,051</u>	<u>2,635,719,414</u>
3 INTEREST EXPENSES		
Interest on Securities Sold under Repurchase Agreements	1,098,566,119	1,709,048,417
Interest on Related Party Loan	-	41,631,507
Interest on Commercial Papers	-	5,592,432
Interest on Bank Loans	<u>8,791,803</u>	<u>-</u>
	<u>1,107,357,922</u>	<u>1,756,272,356</u>
4 GAINS ARISE FROM FINANCIAL ASSETS AT FVTPL		
4.1 NET GAINS FROM TRADING		
Net Gain on Government Securities	3,657,329,789	1,747,194,993
Net Loss on Quoted Shares	<u>(11,695,100)</u>	<u>-</u>
	<u>3,645,634,689</u>	<u>1,747,194,993</u>
4.2 NET GAIN/(LOSS) FROM REMEASUREMENT OF FINANCIAL ASSETS AT FVTPL		
Remeasurement Gain/(Loss) on Government Securities	(2,887,921,019)	1,883,859,526
Remeasurement Gain on Quoted Shares	<u>68,307,265</u>	<u>-</u>
	<u>(2,819,613,754)</u>	<u>1,883,859,526</u>
	<u>826,020,935</u>	<u>3,631,054,519</u>

	QUARTER ENDED	
	30-Jun-24	30-Jun-23
	Rs.	Rs.
5 INCOME TAX EXPENSE		
Income tax recognised in Profit or Loss		
Current Tax Expense for the period	459,514,403	1,330,673,987
Deferred Tax (Reversal)/ charge for the period	<u>(626,786)</u>	<u>3,198,399</u>
	<u>458,887,617</u>	<u>1,333,872,386</u>

6 BASIC/DILUTED EARNINGS PER SHARE
Earnings Per Share is calculated by dividing the Profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period and calculated as follows.

	QUARTER ENDED	
	30-Jun-24	30-Jun-23
Profit attributable to ordinary shareholders - (Rs.)	1,095,948,961	2,943,680,548
Weighted average number of ordinary shares	<u>329,417,884</u>	<u>329,417,884</u>
Earnings per share - (Rs.)	<u>3.33</u>	<u>8.94</u>

CAPITAL ALLIANCE PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30TH JUNE 2024

7. Financial instruments- Fair Value Measurement

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

Level - 1

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

Level - 2

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

Level - 3

Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values versus the Carrying amounts

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

	30-Jun-24	31-Mar-24
Financial assets measured at fair value		
Financial Assets measured at FVTPL	<u>73,292,682,852</u>	<u>59,533,287,818</u>
	<u>73,292,682,852</u>	<u>59,533,287,818</u>
Financial assets not measured at fair value		
Cash and Cash Equivalents	49,328,935	353,008,092
Financial Assets measured at Amortised Cost	5,660,642,063	1,015,901,338
Amounts due from Related Companies	12,529,490	11,766,209
Other Receivables	<u>8,017,013</u>	<u>256,662,788</u>
	<u>5,730,517,501</u>	<u>1,637,338,427</u>
Total financial assets	<u><u>79,023,200,353</u></u>	<u><u>61,170,626,245</u></u>
Financial liabilities not measured at fair value		
Bank overdraft	165,484,416	-
Financial Liabilities measured at Amortised Cost	59,103,511,849	37,346,396,228
Amounts due to Related Companies	6,093,087	61,846,733
Lease liability	2,504,110	3,716,278
Other Payables	<u>2,668,779,304</u>	<u>2,685,650,184</u>
Total financial liabilities	<u><u>61,946,372,766</u></u>	<u><u>40,097,609,423</u></u>

CAPITAL ALLIANCE PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30TH JUNE 2024

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

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

As at 30th June 2024	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets recognised through Profit or Loss					
Investment in Government Securities	72,480,768,942	72,480,768,942	-	-	72,480,768,942
Investment in Quoted Shares	811,913,910	811,913,910	-	-	811,913,910
	<u>73,292,682,852</u>	<u>73,292,682,852</u>	<u>-</u>	<u>-</u>	<u>73,292,682,852</u>
Financial assets not measured at Fair Value					
Cash and Cash Equivalents	49,328,935	-	-	49,328,935	49,328,935
Financial Assets at Amortised Cost	5,660,642,063	-	-	5,660,642,063	5,660,642,063
Amount due from Related Companies	12,529,490	-	-	12,529,490	12,529,490
Other Receivables	8,017,013	-	-	8,017,013	8,017,013
	<u>5,730,517,501</u>	<u>-</u>	<u>-</u>	<u>5,730,517,501</u>	<u>5,730,517,501</u>
Total Financial Assets	<u>79,023,200,353</u>	<u>73,292,682,852</u>	<u>-</u>	<u>5,730,517,501</u>	<u>79,023,200,353</u>
Financial liabilities not measured at Fair Value					
Bank overdraft	165,484,416	-	-	165,484,416	165,484,416
Financial Liabilities at Amortised Cost	59,103,511,849	-	-	59,103,511,849	59,103,511,849
Amounts due to Related Companies	6,093,087	-	-	6,093,087	6,093,087
Lease liability	2,504,110	-	-	2,504,110	2,504,110
Other Payables	2,668,779,304	-	-	2,668,779,304	2,668,779,304
Total Financial Liabilities	<u>61,946,372,766</u>	<u>-</u>	<u>-</u>	<u>61,946,372,766</u>	<u>61,946,372,766</u>
As at 31st March 2024	Total Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets recognised through Profit or Loss					
Investment in Government Securities	58,627,406,456	58,627,406,456	-	-	58,627,406,456
Investment in Quoted Shares	905,881,362	905,881,362	-	-	905,881,362
	<u>59,533,287,818</u>	<u>59,533,287,818</u>	<u>-</u>	<u>-</u>	<u>59,533,287,818</u>
Financial assets not measured at Fair Value					
Cash and Cash Equivalents	353,008,092	-	-	353,008,092	353,008,092
Financial Assets at Amortised Cost	1,015,901,338	-	-	1,015,901,338	1,015,901,338
Amount due from Related Companies	11,766,209	-	-	11,766,209	11,766,209
Other Receivables	256,662,788	-	-	256,662,788	256,662,788
	<u>1,637,338,427</u>	<u>-</u>	<u>-</u>	<u>1,637,338,427</u>	<u>1,637,338,427</u>
Total Financial Assets	<u>61,170,626,245</u>	<u>59,533,287,818</u>	<u>-</u>	<u>1,637,338,427</u>	<u>61,170,626,245</u>
Financial liabilities not measured at Fair Value					
Financial Liabilities at Amortised Cost	37,346,396,228	-	-	37,346,396,228	37,346,396,228
Amounts due to Related Companies	61,846,733	-	-	61,846,733	61,846,733
Lease liability	3,716,278	-	-	3,716,278	3,716,278
Other Payables	2,685,650,184	-	-	2,685,650,184	2,685,650,184
Total Financial Liabilities	<u>40,097,609,423</u>	<u>-</u>	<u>-</u>	<u>40,097,609,423</u>	<u>40,097,609,423</u>

Level 1

The Company use quoted market prices of Colombo Stock Exchange (CSE) for measuring of fair value of Shares.

Level 2

The Company use the daily average government security rates issued by Public Debt Department of Central Bank of Sri Lanka for measuring Fair Value of Government Securities.

CAPITAL ALLIANCE PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30TH JUNE 2024

8. COMMITMENTS AND CONTINGENCIES

There were no other material litigations or claims that could have a material impact on financial position of the Company or which would lead to a disclosure in the financial statements for the period ended 30th June 2024.

9. EVENTS AFTER THE REPORTING PERIOD

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

10. NET ASSETS PER SHARE

	30-Jun-24	31-Mar-23
Net Assets Per Share (Rs.)	<u>38.10</u>	<u>49.78</u>

11. DISCLOSURES UNDER LISTING RULES

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

11.2 Stated capital

The number of shares represented by stated capital as at 30th June 2024 is 329,417,884 shares (31st March 2024 - 329,417,884 shares).

CAPITAL ALLIANCE PLC
INVESTOR INFORMATION

11.3 Market Price per Share

Information on shares of the Company for the quarter ended	30-Jun-24	31-Mar-24
Market Price Per Share (Rs.)	46.40	53.00
Highest Price per share during the quarter ended	67.70	55.50
Lowest Price per share during the quarter ended	46.00	39.70

11.4 List of Twenty Major Shareholders as at 30th June 2024

	Name of Shareholder/Company	Shareholding	Percentage
1	Capital Alliance Holdings Ltd	283,297,152	86.00%
2	Seylan Bank PLC/H.M.S.Perera	4,318,604	1.31%
3	Ashthi Holdings (Private) Limited	1,000,012	0.30%
4	Mr. P.A. Schaffter	867,980	0.26%
5	Mr. K.L.D.N.N.M. Liyanage	839,775	0.25%
6	Dr. A.M.A.D.S. Abeysinghe	716,120	0.22%
7	Deutsche Bank AG-National Equity Fund	632,981	0.19%
8	Mr. D.N.P. Rathnayake	510,000	0.15%
9	MAC Holdings (Pvt) Ltd	500,000	0.15%
10	Mr. D.G. Wirasekara	500,000	0.15%
11	Mrs. H.K.S. Priyadarshani	355,075	0.11%
12	Mr. E.J.B.U. Fernando	350,600	0.11%
13	Mr N R Goonasekera	345,684	0.10%
14	Mr. L.H.S.L. Silva	339,650	0.10%
15	Ms. H.A. Wijerama	333,660	0.10%
16	Mrs R.S. Mortier	313,600	0.10%
17	Miss. R.S.M. Mohideen	300,000	0.09%
18	Mr. M.F. Shabdeen	288,755	0.09%
19	Mr. A.B. Dissanayake	285,000	0.09%
20	Mr. S.A. Simmons	250,000	0.08%

11.5 Shareholding of the Directors/ Chief Executive Officer

Name	Designation	Shareholding
Mr. D A De Zoysa	Director/ Chairman	Nil
Mr. W A T Fernando	Director/ CEO	Nil
Mr. R J Arasaratnam	Director	3,312
Mr. C S R S Anthony	Director	2,600
Ms. A I C Nandasena	Director	Nil
Ms. K A D Siriwardene	Director	Nil

11.6 Compliance relating to the Public Floating

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

Float adjusted market capitalisation as at 30th June 2024 (Rs)	1,858,501,912
Public holding percentage	12.159%
Number of public shareholders	5,146

Complied with the Minimum Public Holding requirement under Option 2 of CSE Listing Rule 7.13.1 (b)