

LOLC HOLDINGS PLC
INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 30 JUNE 2021



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LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Financial Position

Group	Company	As at	Note	Group		Company		1-Apr-20 Rs'000
				30-Jun-21 Rs'000	30-Jun-20 Rs'000	30-Jun-21 Rs'000	30-Jun-20 Rs'000	
31-Mar-21 Rs'000	31-Mar-21 Rs'000							
Un-audited	Un-audited Restated			Un-audited	Un-audited	Un-audited	Un-audited Restated	Un-audited Restated
Assets								
58,233,361	1,698,848	Cash and cash equivalents		74,055,116	81,579,874	6,317,871	944,878	1,611,459
54,009,659	4,898,917	Financial assets recognised through profit or loss		58,259,902	39,192,133	1,122	229,607	263,429
67,295,387	17,497,241	Investment securities		96,849,312	51,590,353	30,531,449	6,126,090	3,261,861
4,794	-	Assets directly associated with the assets held for sale and discontinued operations	8	4,792	60,464	-	-	-
60,832,279	2,381	Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases		63,163,947	61,091,936	2,381	2,284	2,440
352,202,808	9,215,716	Financial assets at amortised cost/ Advances and other loans		354,353,087	320,328,438	7,376,125	6,413,030	5,510,840
1,521,396	-	Premium receivables		1,684,525	1,656,918	-	-	-
9,569,013	280,255	Inventories		11,349,434	7,241,378	314,325	388,204	380,379
1,750,335	229,275	Current tax assets		1,384,504	1,990,120	188,013	200,603	198,824
31,977,408	32,820,827	Trade and other current assets		27,156,823	19,028,870	44,374,566	42,966,469	32,995,284
22,232,056	574,130	Right-of-use assets		22,479,760	8,632,742	574,130	612,076	642,362
46,202,227	1,064,850	Investment properties		47,839,769	32,012,892	1,913,860	1,017,250	1,017,250
Biological assets;								
4,007,383	-	Consumable biological assets		4,110,750	3,653,173	-	-	-
2,423,963	-	Bearer biological assets		2,472,513	2,161,928	-	-	-
Investments in group of companies;								
-	157,252,317	Subsidiary companies		-	-	160,982,456	104,936,885	122,230,421
23,766,427	21,786,910	Equity Accounted Investees		23,874,194	21,496,291	21,933,722	18,719,520	18,440,494
1,635,625	-	Deferred tax assets		1,560,139	1,215,690	-	-	-
4,145,330	336,810	Intangible assets		4,508,343	3,720,930	316,963	390,433	413,539
129,817,571	5,320,319	Property, plant and equipment		130,780,589	101,565,155	4,417,406	4,944,561	4,772,437
871,627,022	252,978,798			925,887,499	758,219,285	279,244,390	187,891,891	191,741,019
Liabilities and equity								
Liabilities								
4,130,481	587,043	Bank overdrafts		16,970,537	8,924,921	597,678	1,008,790	1,039,522
-	-	Trading liabilities		3,174	1,295,697	-	1,090,700	-
-	-	Liabilities directly associated with the assets held for sale and discontinued operations	8	19	22,232	-	-	-
263,592,537	-	Financial Liabilities at Amortised Cost/ Deposits liabilities		264,391,501	229,833,904	-	-	-
301,136,085	105,175,385	Financial Liabilities at Amortised Cost/ Interest bearing borrowings		332,327,997	288,665,227	129,614,336	84,139,771	95,412,795
5,423,423	-	Insurance provision - life		5,782,815	4,607,129	-	-	-
4,737,157	-	Insurance provision - general		5,061,983	4,240,748	-	-	-
7,240,859	694,370	Current tax payables		8,479,432	6,512,444	728,762	704,119	660,323
40,230,037	7,023,206	Trade and other payables		43,095,697	21,614,786	6,503,329	1,521,904	1,390,047
7,650,172	711,024	Deferred tax liabilities		7,668,669	5,012,971	711,024	385,000	384,999
143,175	-	Deferred income		141,725	155,187	-	-	-
2,020,562	304,985	Retirement benefit obligations		2,035,748	1,873,854	312,958	326,089	320,393
636,304,488	114,496,014	Total liabilities		685,959,297	572,759,100	138,468,088	89,176,373	99,208,079
Equity								
475,200	475,200	Stated capital (475,200,000 shares)		475,200	475,200	475,200	475,200	475,200
40,619,536	40,619,534	Reserves		39,935,505	24,536,478	39,935,505	24,536,479	28,790,433
97,388,049	97,388,049	Retained earnings		100,365,596	73,703,840	100,365,596	73,703,840	63,267,307
138,482,785	138,482,783	Equity attributable to shareholders of the Company		140,776,301	98,715,518	140,776,301	98,715,518	92,532,940
96,839,749	-	Non-controlling interests		99,151,901	86,744,667	-	-	-
235,322,534	138,482,783	Total equity		239,928,202	185,460,185	140,776,301	98,715,518	92,532,940
871,627,022	252,978,798	Total liabilities & equity		925,887,499	758,219,285	279,244,390	187,891,891	191,741,019
291.42	291.42	Net assets per share (Rs.)		296.25	207.73	296.25	207.73	194.72

I certify that these Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act, No.07 of 2007.

Sgd.
Mrs. S.S. Kotakadeniya
Chief Financial Officer - LOLC Group

The board of directors is responsible for the preparation and the fair presentation of these Financial Statements.
Approved and signed for and on behalf of the Board;

Sgd.
Mr. I.C. Nanayakkara
Deputy Chairman

Sgd.
Mr. W.D.K. Jayawardena
Group Managing Director/CEO

13th August 2021
Rajagiriya (Greater Colombo)

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Profit or Loss

Note	Group			Company		
	30-June-21	30-June-20	Variance	30-June-21	30-June-20	Variance
	Rs'000	Rs'000	%	Rs'000	Rs'000	%
	Un-audited	Un-audited		Un-audited	Un-audited Restated	
Continuing operations						
Gross income	41,555,650	29,051,642	43	2,734,919	1,528,584	79
Interest income	23,208,988	21,579,406	8	1,201,378	1,475,595	(19)
Interest expense	(12,282,491)	(13,924,099)	12	(2,429,379)	(2,644,962)	8
Net interest income/(Expense)	10,926,497	7,655,307	43	(1,228,001)	(1,169,367)	(5)
Revenue	10,428,243	5,136,441	103	587,395	493,572	19
Cost of sales	(7,385,059)	(3,460,417)	(113)	(550,601)	(474,837)	(16)
Gross profit	3,043,184	1,676,024	82	36,794	18,735	96
Income	3,891,468	2,314,881	68	195,386	643,787	(70)
Other income/(expenses)	4,026,951	20,914	19,155	750,760	(1,084,370)	169
Profit/(Loss) before operating expenses	21,888,100	11,667,126	88	(245,061)	(1,591,215)	85
Operating expenses						
Direct expenses excluding finance costs	(2,014,565)	(1,086,494)	(85)	-	(149)	100
Personnel Expenses	(5,394,819)	(4,120,859)	(31)	(214,032)	(185,877)	(15)
Net impairment (loss) / reversal on financial assets	(4,601,342)	(6,957,500)	34	(1,438)	(204)	(605)
Depreciation and amortization	(1,113,951)	(1,164,191)	4	(136,089)	(186,804)	27
Other operating expenses	(3,780,411)	(3,082,624)	(23)	(565,189)	(539,736)	(5)
Results from operating activities	4,983,012	(4,744,542)	205	(1,161,810)	(2,503,986)	54
Share of profits of equity accounted investees, net of tax	353,920	91,081	289	4,819,606	16,432,810	(71)
Results on acquisition and divestment of Group investments	7	-	42,904,642	(100)	-	-
Profit/ (loss) before tax from continuing operations	5,336,932	38,251,181	86	3,657,796	13,928,825	(74)
Income tax expense	(1,202,600)	(999,015)	(20)	-	-	-
Profit/ (loss) for the period from continuing operations	4,134,332	37,252,166	(89)	3,657,796	13,928,825	(74)
Discontinued operations						
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	8	(37)	(298)	88	-	-
Profit for the period	4,134,295	37,251,868	(89)	3,657,796	13,928,825	(74)
Profit/ (loss) attributable to; (Continuing operations)						
Equity holders of the company	3,657,819	13,928,967	(74)	3,657,796	13,928,825	(74)
Non-controlling interests	476,513	23,323,199	(98)	-	-	-
	4,134,332	37,252,166	(89)	3,657,796	13,928,825	(74)
Profit/ (loss) attributable to; (Discontinued operations operations)						
Equity holders of the Company	(22)	(142)	85	-	-	-
Non-controlling interests	(15)	(156)	90	-	-	-
	(37)	(298)	88	-	-	-
Profit attributable to;						
Equity holders of the Company	3,657,797	13,928,825	(74)	3,657,796	13,928,825	(74)
Non-controlling interests	476,498	23,323,043	(98)	-	-	-
	4,134,295	37,251,868	(89)	3,657,796	13,928,825	(74)

Figures in brackets indicate deductions.
The above figures are not audited

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Other Comprehensive Income

	Group			Company		
	Three Months Ended		Variance	Three Months Ended		Variance
	30-June-21 Rs'000 Un-audited	30-June-20 Rs'000 Un-audited		30-June-21 Rs'000 Un-audited	30-June-20 Rs'000 Un-audited Restated	
Profit for the period	4,134,295	37,251,868	(89)	3,657,796	13,928,825	(74)
Other comprehensive income						
Net other comprehensive income that will never be reclassified to profit or loss in subsequent periods:						
Defined benefit plan actuarial gains / (losses)						
Re-measurement of defined benefit liabilities	1,046	-	-	-	-	-
Change in fair value on investments in equity instruments at fair value through other comprehensive income						
Fair value gains/(losses) that arose during the period	(274,408)	268,317	(202)	(272,060)	66,137	(511)
Share of equity accounted investees	20,327	(151,276)	113	12,185	21,942	(44)
Net other comprehensive income not to be reclassified to income statement in subsequent periods	(253,035)	117,041	(316)	(259,875)	88,079	(395)
Net other comprehensive income that are or may be reclassified to profit or loss in subsequent periods :						
Change in fair value on investments in debt instruments at fair value through other comprehensive income						
Fair value gains/(losses) that arose during the period	(99,827)	177,165	(156)	-	-	-
Foreign currency translation differences for foreign operations						
Net exchange gains/(losses) arising from translating the Financial Statements of foreign operations (*)	1,244,036	(1,594,505)	178	-	-	-
Transfer of translation reserve on disposed foreign subsidiary	-	(4,623,648)	(100)	-	-	-
Fair value differences on cash flow hedges						
Net movement in cash flow hedges	-	93,273	100	-	-	-
Net change in costs of hedging	(3,754)	-	-	-	-	-
Share of equity accounted investees	(416,048)	469,734	189	(434,877)	(4,342,134)	90
Net other comprehensive income to be reclassified to income statement in subsequent periods	724,407	(5,477,981)	113	(434,877)	(4,342,134)	90
Total other comprehensive income/ (expense) for the period, net of tax	471,372	(5,360,940)	(109)	(694,752)	(4,254,055)	84
Total comprehensive income for the period, net of tax	4,605,667	31,890,928	(86)	2,963,045	9,674,770	(69)
Total comprehensive income attributable to:						
Equity holders of the company	2,968,594	9,127,624	(67)	2,963,045	9,674,770	(69)
Non-controlling interests	1,637,073	22,763,304	(93)	-	-	-
	4,605,667	31,890,928	(86)	2,963,045	9,674,770	(69)
Earnings per share						
Basic, profit for the year attributable to ordinary equity holders of the parent	7.70	29.31	(74)	7.70	29.31	(74)
Diluted, profit for the year attributable to ordinary equity holders of the parent	7.70	29.31	(74)	7.70	29.31	(74)
Earnings per share for continuing operations						
Basic, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	7.70	29.31	(74)	7.70	29.31	(74)
Diluted, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	7.70	29.31	(74)	7.70	29.31	(74)

Figures in brackets indicate deductions.
The above figures are not audited

* Due to the prevailing turbulent environment in Myanmar, the currency has depreciated by 15% compared to exchange rate reported at 31st March 2021. Hence, Group has recognized a foreign exchange loss of Rs. 845Mn from the conversion of LOLC Myanmar Microfinance Limited (LMMML) operation for the period under review.

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Changes in Equity
For the period ended

Company	Note	Equity Attributable to the Owners of the Company										
		Stated Capital	Revaluation Reserve	Fair Value Reserve	Future Taxation Reserve	Cash flow Hedge Reserve	Merger/ Amalgamation Reserve	Statutory Reserve Fund	Translation Reserve	Other Capital Reserves	Retained Earnings	Total
		Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 31 March 2020 as previously reported		475,200	2,036,313	(92,223)	205,000	-	8,531,863	-	-	-	35,876,722	47,032,875
Impact Due to Change in Accounting Policy from Cost model to Equity Accounting of Investment in Subsidiaries and Associates	6.2	-	6,932,170	150,269	-	(186,591)	(8,531,863)	4,577,736	8,017,645	7,150,113	27,390,585	45,500,065
Restated opening balance as at 01 April 2020		475,200	8,968,483	58,046	205,000	(186,591)	-	4,577,736	8,017,645	7,150,113	63,267,307	92,532,940
Total comprehensive income for the period												
Profit/(Loss) for the period		-	-	-	-	-	-	-	-	-	13,928,825	13,928,825
Other comprehensive income												
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:												
Share of Other Comprehensive Income of equity accounted investee (net of tax)		-	-	21,942	-	-	-	-	-	-	-	21,942
Fair value (losses) on debt instruments that arose during the year		-	-	66,137	-	-	-	-	-	-	-	66,137
Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:												
Share of Other Comprehensive Income of equity accounted investee (net of tax)		-	-	619,335	-	101,961	-	-	(5,063,429)	-	-	(4,342,134)
Total other comprehensive income for the period		-	-	707,414	-	101,961	-	-	(5,063,429)	-	-	(4,254,055)
Total comprehensive income for the period		-	-	707,414	-	101,961	-	-	(5,063,429)	-	13,928,825	9,674,770
Other movements in equity												
Share of Other Comprehensive Income of equity accounted investee (net of tax)		-	-	-	-	-	-	101	-	-	(3,492,292)	(3,492,192)
Total other movements		-	-	-	-	-	-	101	-	-	(3,492,292)	(3,492,192)
Balance as at 30 June 2020		475,200	8,968,483	765,460	205,000	(84,630)	-	4,577,836	2,954,216	7,150,113	73,703,840	98,715,518
Balance as at 31 March 2021 as previously reported		475,200	2,427,461	236,160	205,000	-	8,571,180	-	-	-	44,699,554	56,614,555
Impact Due to Change in Accounting Policy from Cost model to Equity Accounting of Investment in Subsidiaries and Associates	6.2	-	16,906,611	1,039,321	-	(45,910)	(8,571,180)	4,872,455	7,827,216	7,151,222	52,688,494	81,868,228
Restated opening balance as at 01 April 2020		475,200	19,334,072	1,275,482	205,000	(45,910)	(0)	4,872,455	7,827,216	7,151,222	97,388,047	138,482,783
Total comprehensive income for the period												
Profit for the period		-	-	-	-	-	-	-	-	-	3,657,797	3,657,797
Other comprehensive income												
Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:												
Share of Other Comprehensive Income of equity accounted investee (net of tax)		-	-	(513,555)	-	4,244	-	-	74,276	159	-	(434,877)
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:												
Change in fair value on investments in equity instruments at fair value through other comprehensive income												
Fair value gains/(losses) that arose during the period		-	-	(272,060)	-	-	-	-	-	-	-	(272,060)
Share of Other Comprehensive Income of equity accounted investee (net of tax)		-	-	17,355	-	-	-	-	-	-	(5,170)	12,185
Total other comprehensive income for the period		-	-	(768,261)	-	4,244	-	-	74,276	159	(5,170)	(694,752)
Total comprehensive income for the period		-	-	(768,261)	-	4,244	-	-	74,276	159	3,652,627	2,963,045
Transactions with owners directly recorded in the Equity												
Share equity accounted investee		-	-	-	-	-	-	4,441	-	1,110	-	5,551
Total transactions with owners directly recorded in the equity		-	-	-	-	-	-	4,441	-	1,110	-	5,551
Other movements in equity												
Share equity accounted investee		-	-	-	-	-	-	-	-	-	(675,080)	(675,080)
Total other movements		-	-	-	-	-	-	-	-	-	(675,080)	(675,080)
Balance as at 30 June 2021		475,200	19,334,072	507,221	205,000	(41,666)	(0)	4,876,896	7,901,492	7,152,491	100,365,596	140,776,301

Figures in brackets indicate deductions.
The above figures are not audited

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Changes in Equity
For the period ended

Group	Equity Attributable to the Owners of the Company										
	Stated Capital	Revaluation Reserve	Cash flow hedge Reserve	Fair Value Reserve	Translation Reserve	Future Taxation Reserve	Statutory Reserve Fund and Other reserves	Retained Earnings	Total	Non-controlling Interests	Total Equity
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 01 April 2020	475,200	8,968,483	(186,591)	58,046	8,562,397	205,000	11,727,849	63,884,310	93,694,694	118,881,458	212,576,152
Total comprehensive income for the period											
Profit for the period from Continuing operations	-	-	-	-	-	-	-	13,928,967	13,928,967	23,323,199	37,252,166
Profit for the period from discontinued operations	-	-	-	-	-	-	-	(142)	(142)	(156)	(298)
Other comprehensive income											
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods;											
Change in fair value on investments in equity instruments at fair value through other comprehensive income											
Change in fair value on investments in equity instruments at fair value through OCI	-	-	-	234,305	-	-	-	-	234,305	34,012	268,317
Share of other comprehensive income of equity accounted investees (net of tax)	-	-	-	(146,226)	-	-	-	-	(146,226)	(5,050)	(151,276)
Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods											
Foreign currency translation differences for foreign operations											
Transfer of translation reserve on disposed foreign Subsidiary	-	-	-	-	(4,623,648)	-	-	-	(4,623,648)	-	(4,623,648)
Net gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	(983,865)	-	-	-	(983,865)	(610,640)	(1,594,505)
Change in Fair Value on investments in debt instruments at fair value through OCI											
Fair value gains/(losses) on debt instruments that arose during the period	-	-	-	176,774	-	-	-	-	176,774	391	177,165
Fair value differences on cash flow hedges											
Gain on effective portion of changes in fair value of cash flow hedge	-	-	84,886	-	-	-	-	-	84,886	8,387	93,273
Share of other comprehensive income of equity accounted investees (net of tax)	-	-	17,074	442,561	(668)	-	-	(2,394)	456,573	13,161	469,734
Total other comprehensive income for the period	-	-	101,960	707,414	(5,608,181)	-	-	(2,394)	(4,801,201)	(559,739)	(5,360,940)
Total comprehensive income for the period	-	-	101,960	707,414	(5,608,181)	-	-	13,926,431	9,127,624	22,763,304	31,890,928
Transactions due to changes in group holding											
NCI contribution for subsidiary share issues	-	-	-	-	-	-	-	-	-	337,815	337,815
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	(34,028,697)	(34,028,697)
Disposal of Subsidiary	-	-	-	-	-	-	-	-	-	(25,316,279)	(25,316,279)
Changes in ownership interests that do not result in a change in control	-	-	-	-	-	-	-	(4,106,901)	(4,106,901)	4,106,901	-
Total transactions due to changes in group holding	-	-	-	-	-	-	-	(4,106,901)	(4,106,901)	(54,900,260)	(59,007,161)
Total transactions with owners directly recorded in the equity	-	-	-	-	-	-	-	(4,106,901)	(4,106,901)	(54,900,260)	(59,007,161)
Other movements in equity											
Net transfers to statutory reserve fund	-	-	-	-	-	-	101	-	101	165	266
Total other movements	-	-	-	-	-	-	101	-	101	165	266
Balance as at 30 June 2020	475,200	8,968,483	(84,631)	765,460	2,954,216	205,000	11,727,950	73,703,840	98,715,518	86,744,667	185,460,185

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Changes in Equity
For the period ended

Group	Equity Attributable to the Owners of the Company										
	Stated Capital	Revaluation Reserve	Cash flow hedge Reserve	Fair Value Reserve	Translation Reserve	Future Taxation Reserve	Statutory Reserve Fund and Other reserves	Retained Earnings	Total	Non-controlling Interests	Total Equity
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance As At 01 April 2021	475,200	19,334,072	(45,910)	1,275,482	7,827,216	205,000	12,023,677	97,388,049	138,482,785	96,839,749	235,322,534
Total comprehensive income for the period											
Profit for the period from Continuing operations	-	-	-	-	-	-	-	3,657,797	3,657,797	476,498	4,134,295
Profit for the period from discontinued operations								(22)	(22)	(15)	(37)
Other comprehensive income											
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:											
Defined benefit plan actuarial gains / (losses)											
Re-measurement of defined benefit liabilities	-	-	-	-	-	-	-	379	379	667	1,046
Change in fair value on investments in equity instruments at fair value through other comprehensive											
Fair value gains/(losses) that arose during the period	-	-	-	(274,397)	-	-	-	-	(274,397)	(10)	(274,407)
Share of equity accounted investees											
Share of equity accounted investees	-	-	-	19,692	-	-	-	-	19,692	635	20,327
Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:											
Government Securities & Other debt instruments											
Fair value gains/(losses) that arose during the period	-	-	-	(100,091)	-	-	-	-	(100,091)	264	(99,827)
Foreign currency translation differences for foreign operations											
Net exchange gains/(losses) arising from translating the Financial Statements of foreign operations (*)	-	-	-	-	73,462	-	-	-	73,462	1,170,573	1,244,035
Fair value differences on cash flow hedges											
Net change in costs of hedging	-	-	(3,084)	-	-	-	-	-	(3,084)	(670)	(3,754)
Share of equity accounted investees	-	-	7,328	(413,305)	814	-	-	-	(405,163)	(10,885)	(416,048)
Total other comprehensive income for the period	-	-	4,244	(768,101)	74,276	-	-	379	(689,202)	1,160,574	471,372
Total comprehensive income for the period	-	-	4,244	(768,101)	74,276	-	-	3,658,176	2,968,594	1,637,072	4,605,668
Other movements in equity											
Net transfers	-	-	-	-	-	-	5,549	(5,549)	-	-	-
Total other movements	-	-	-	-	-	-	5,551	(5,551)	-	-	-
Transactions due to changes in group holding											
Changes in ownership interests that do not result in a change in control	-	-	-	-	-	-	-	(675,080)	(675,080)	675,080	-
Total transactions due to changes in group holding	-	-	-	-	-	-	-	(675,080)	(675,080)	675,080	-
Total transactions with owners directly recorded in the equity	-	-	-	-	-	-	5,551	(680,631)	(675,080)	675,080	-
Balance as at 30 June 2021	475,200	19,334,072	(41,666)	507,380	7,901,492	205,000	12,029,227	100,365,596	140,776,302	99,151,901	239,928,203

Figures in brackets indicate deductions.
The above figures are not audited

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Cash Flows

For the period ended 30 June

	Group		Company	
	2021 Rs.' 000	2020 Rs.' 000	2021 Rs.' 000	2020 Rs.' 000 Restated
Profit before income tax expense from continuing operations	5,336,932	38,251,181	3,657,796	13,928,825
Profit/(loss) before tax from discontinued operations	(37)	(298)	-	-
Profit before tax	5,336,895	38,250,883	3,657,796	13,928,825
Adjustment for:				
Gain on sale of property, plant and equipment	(31,700)	(62,448)	(23,096)	(30)
Depreciation and amortization	993,516	1,165,190	136,089	186,804
Insurance provision	684,218	206,272	-	-
Change in fair value of forward contracts	(358,303)	200,316	(214,736)	-
Provision for gratuity	76,476	56,791	16,025	17,183
Net impairment (loss) / reversal on financial assets	4,601,342	6,957,500	1,438	204
Provision for fall/(increase) in value of investments	(1,678,680)	(105,586)	-	33,741
Investment Income	(65,364)	(7,769)	-	(111,939)
Net Finance costs	12,282,491	13,924,099	2,429,379	2,644,962
Dividend Income	-	-	(83)	-
Interest income	(2,004,001)	(1,039,820)	(1,201,378)	(1,475,595)
(Profit)/loss on sale of quoted and non-quoted shares	(5,403)	-	5	(12,612,080)
Foreign exchange gain / (loss)	276,605	934,541	-	-
Change in Fair Value of Consumer Biological Assets	(100,000)	-	-	-
Results on acquisition and divestment of Group investments	-	(42,904,642)	-	-
Amortization of deferred income	(1,686)	(6,322)	-	-
Provision/ (reversal) for slow moving inventories	-	285,423	1,857	-
Share of profits of equity accounted investees, net of tax	(353,920)	(91,081)	(4,819,606)	(3,299,342)
Allowance for trade and other receivables	-	-	-	(21,212)
Operating profit before working capital changes	19,652,486	17,763,347	(16,310)	(708,480)
Working capital changes				
Increase/(decrease) in trade and other payables	2,865,679	1,137,831	(499,219)	(276,366)
(Increase)/decrease in investment in leases, hire purchase and others	(2,355,285)	(2,628,961)	-	156
(Increase)/decrease in investment in advances and other loans	(6,728,419)	8,096,806	2,093,521	(902,394)
(Increase)/decrease in premium receivables	(163,129)	(126,223)	-	-
(Increase)/decrease in inventories	(1,461,031)	(317,545)	(35,927)	(7,825)
(Increase)/decrease in trade and other receivables	4,821,001	345,331	(10,588,573)	(9,949,976)
Increase/(decrease) in customer deposits	(1,302,825)	4,495,253	-	-
Cash generated from operations	15,328,477	28,765,839	(9,046,508)	(11,844,885)
Finance cost paid	(9,872,237)	(15,562,052)	(394,595)	(2,236,739)
Income tax and Economic Service Charge paid	495,787	296,629	-	42,017
Defined benefit plan costs paid	(60,244)	(35,799)	(8,052)	(11,485)
Net cash from/(used in) operating activities	5,891,782	13,464,617	(9,449,155)	(14,051,092)
CASH FLOW FROM INVESTING ACTIVITIES				
Investment in subsidiary companies	-	-	(149,568)	(509,401)
Net cash and cash equivalents received on disposal of subsidiary	-	(23,288,264)	-	25,622,914
Investment in equity accounted investees	(149,568)	-	-	-
Purchase and Acquisition of property, plant and equipment	(931,104)	(866,860)	(60,333)	(329,035)
(Acquisition)/ Disposal of intangible assets	(437,367)	(30,286)	(8,065)	(6,933)
Net additions to trading assets	(2,213,840)	(420,824)	5,112,526	(1,618,820)
Net additions to investment securities	(30,199,361)	(377,430)	(13,306,267)	(1,179,159)
Proceeds from the disposal of PPE/ Investment Properties	68,878	292,640	29,154	180
Acquisition of Investment Properties	(1,190,542)	(289,478)	-	30,286
Investment income received	2,069,365	843,385	22,108	1,475,595
Dividend received	-	181,267	83	111,939
Net additions to biological assets	(51,917)	(112,698)	-	-
Net cash flow from investing activities	(33,035,457)	(24,068,548)	(8,360,362)	23,597,566
CASH FLOW FROM FINANCING ACTIVITIES				
Net cash proceeds from short-term interest bearing borrowings	16,735,275	(19,610,504)	19,749,052	(10,468,319)
Principal repayment under finance lease liabilities	(75,322)	(75,776)	(6,712)	(24,635)
Proceeds from long-term interest bearing loans and borrowings	19,236,846	22,079,509	3,500,000	381,593
Repayments of long-term interest bearing loans and borrowings	(6,469,601)	(44,696,043)	(824,436)	(70,963)
Issue/(repayment) of debentures	697,939	5,787,528	-	-
Receipt of deferred income	236	-	-	-
NCI contributions to share issue of subsidiaries	-	337,815	-	-
Redemption of NCI	-	(34,028,697)	-	-
Net cash generated from financing activities	30,125,373	(70,206,168)	22,417,905	(10,182,324)
Net increase/(decrease) in cash and cash equivalents during the period	2,981,699	(80,810,099)	4,608,388	(635,850)
Cash and cash equivalents at the beginning of the period	54,102,880	153,465,052	1,111,805	571,938
Cash and cash equivalents at the end of the period	57,084,579	72,654,953	5,720,193	(63,912)
Analysis of cash and cash equivalents at the end of the period				
Cash in hand and favorable bank balances	74,055,116	81,579,874	6,317,871	944,878
Unfavorable bank balances used for cash management purposes	(16,970,537)	(8,924,921)	(597,678)	(1,008,790)
	57,084,579	72,654,953	5,720,193	(63,912)

Figures in brackets indicate deductions.

The above figures are not audited

6 Notes to the Interim Financial Statements

6.1 Interim condensed financial statements

The Statement of Financial Position as at 30 June 2021, Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity of the Company and the Group for the period ended there of are drawn up from unaudited financial statements of the Company, its subsidiaries, associates and joint ventures and provide information as required by the Colombo Stock Exchange and LKAS 34. Further, provisions of the Companies Act No.7 of 2007 has been considered in preparing the said financial statements of the Company and of the Group.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

The interim condensed financial statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

6.2 Basis of preparation

Accounting policies and methods of computation as stated in the Financial Statements for the year ended 2020/21 are followed in the preparation of these Interim Financial Statements.

There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended 31 March 2020 except for the following.

1 Subsequent Measurement of Right of Use Asset Policy Change

The Company/Group has voluntarily changed the accounting policy on Right-Of-Use Assets relating to Lands which meets the definition of a property, plant and equipment from cost model to revaluation model with effect from 1 October 2020.

The change in accounting policy from cost model to revaluation model has not led for a retrospective restatement due to the exemption available in the Paragraph 17 of LKAS 8 "Accounting Policies, Change in Accounting Estimates and Errors". As per Paragraph 17 of LKAS 8, the initial application of a policy to revalue assets in accordance with LKAS 16 "Property, Plant and Equipment" is a change in an accounting policy to be dealt with as a revaluation in accordance with LKAS 16, rather than in accordance with LKAS 8. LKAS 16 provides that when an item of property, Plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount at the date of revaluation.

2 Application of Equity Accounting for Investment in Subsidiaries, Associates and joint Ventures in Separate Financial Statements

The Company has voluntarily changed the accounting policy on accounting for Investment in Subsidiaries, Associates and Joint Ventures from cost model to Equity Accounting model in compliance to LKAS 27 - "Separate Financial Statements" with effect from 30 June 2021. This policy change was done to provide more reliable and relevant information on the Financial position and financial performance of the Company to the economic decision-making needs of users.

Equity method prescribed in LKAS 28, enables the recognition of the investment initially at cost and is adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. This will represent the investor's share of the investee's profit / loss and is recognized in the investor's financial statements thereby enabling a fair value of the investment .

As per LKAS 8 - "Accounting Policies, Change in Accounting Estimates and Errors", the change in accounting policy from cost model to Equity Accounting model requires to be applied retrospectively by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied. Accordingly Statement of Financial Position and Statement of Changes in Equity as at 1st April 2020 has been presented with restated balances which is the opening balance of earliest prior period presented.

Refer Note No 6.7 for the Adjustments made to the financial statements due to above policy change .

6.2.1 Revenue includes revenue from trading, manufacturing, leisure, plantation and other activities of the Group.

6.2.2 Interest income and income represent the income receivable for the period on all contracts, rentals on operating leases, income on factoring of client debtors, earned premium on insurance contracts and IT service fees. It includes all income related to operations such as interest on overdue rentals, profit/loss on leases and loans terminated and collections on contracts written off.

6.2.3 Other income / (expenses) includes foreign exchange gains / (losses), realized capital gains, capital gains and losses arising from marked to market valuation of quoted shares held for trading purposes, rent income and dividend.

6.2.4 All expenses related to management expenditure is fully provided for in the financial statements.

6.3 Market price per share

Market prices of ordinary shares recorded during the quarter ended 30 June 2021 are as follows;

	Rs.
Highest price	424.00
Lowest price	292.50
Closing	394.50

6.4 Information on Company's listed debentures

Interest rate of comparable government security

Buying and Selling prices of Treasury Bonds at the auction held on 25th June 2021

	Buying	Selling
4 Year Bond		
Price	110.86	111.35
Yield - %	7.00	6.86
5 Year Bond		
Price	105.44	106.06
Yield - %	7.41	7.26

Market prices and yield during the period (ex interest)

	4 Year Bond	5 Year Bond
Price	111.11	105.75
Yield - %	6.93	7.34

Yield to maturity of trade done on 15th June 2021

Current period
7.31

Debt to equity - Company	0.98	times
Interest cover - Company	2.51	times
Quick asset ratio - Company	6.50	times

The market prices during the period (ex interest)

Highest price	99.95
Lowest price	99.86
Last traded price	99.86

6.5 Contingencies, capital and other commitments

There are no significant changes in the nature of the contingent liabilities disclosed in the Financial Statements for the year ended 30 June 2021.

6.6 Event after the reporting period

No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the financial statements.

LOLC Holdings PLC
Interim Condensed Financial Statements
Notes to the Interim Financial Statements

6.7 Adjustments made to Financial Statements due to Accounting Policy Changes

Application of Equity Accounting for Investment in Subsidiaries, Associates and joint Ventures as per LKAS 27

Comparative figures have been re-stated/re-classified where necessary, to conform to the current period presentation.

6.7.1 Effect on Statement of Profit or Loss and Other Comprehensive Income

	Company		
	For the Period Ended		
	30-Jun-20		
	Rs.'000	Rs.'000	Rs.'000
	As Previously Reported	Restatement Adjustment	Restated
Gross income	14,662,052	(13,133,468)	1,528,584
Interest income	1,475,595	-	1,475,595
Interest expense	(2,644,962)	-	(2,644,962)
Net interest income/(Expense)	(1,169,367)	-	(1,169,367)
Revenue	493,572	-	493,572
Cost of sales	(474,837)	-	(474,837)
Gross profit	18,735	-	18,735
Income	643,787	-	643,787
Other income/(expenses)	12,049,098	(13,133,468)	(1,084,370)
Profit before operating expenses	11,542,253	(13,133,468)	(1,591,215)
Operating expenses			
Direct expenses excluding finance costs	(149)	-	(149)
Personnel Expenses	(185,878)	-	(185,878)
Net impairment (loss) / reversal on financial assets	(204)	-	(204)
Depreciation and amortization	(186,804)	-	(186,804)
Other operating expenses	(539,735)	-	(539,735)
Results from operating activities	10,629,483	(13,133,468)	(2,503,985)
Share of profits of equity accounted investees, net of tax	-	16,432,810	16,432,810
Results on acquisition and divestment of Group investments	-	-	-
Results on acquisition of Associates	-	-	-
Results on acquisition and divestment of Group investments	-	-	-
Profit/ (loss) before tax from continuing operations	10,629,483	3,299,342	13,928,825
Income tax expense	-	-	-
Profit/ (loss) for the period from continuing operations	10,629,483	3,299,342	13,928,825
Profit for the period	10,629,483	3,299,342	13,928,825
Profit attributable to:			
Equity holders of the Company	10,629,483	3,299,342	13,928,825
Non-controlling interests	-	-	-
	10,629,483	3,299,342	13,928,825
Other Comprehensive Income			
<u>Other Comprehensive Income not to be reclassified to Income Statement in Subsequent periods</u>			
Fair Value gains / (losses) that arose during the year	66,137	-	66,137
Share of equity accounted investees	-	21,942	21,942
Net Other Comprehensive Income not to be reclassified to Income Statement in Subsequent periods	66,137	21,942	88,079
<u>Other Comprehensive Income that are or may be reclassified to Income Statement in Subsequent periods</u>			
Share of equity accounted investees	-	(4,342,134)	(4,342,134)
Net Other Comprehensive Income that are or may be reclassified to Income Statement in Subsequent periods	-	(4,342,134)	(4,342,134)
Total Comprehensive Income for the year , Net of Tax	10,695,620	(1,020,850)	9,674,770
Basic earnings per share (Rs.)	22.37	6.94	29.31

6.7.2 Effect on Statement of Changes in Equity

Please refer Statement of Changes in Equity of the Company for the 3 months ended 30 June 2020.

LOLC Holdings PLC
Interim Condensed Financial Statements
Notes to the Interim Financial Statements

6.7.3 Effect on Statement of Changes in Cash Flows

Please refer Statement of Changes Cash Flows of the Company for the 3 months ended 30 June 2020.

6.7.4 Effect on Statement of Financial Position

	Company			Company		
	As at 30-Jun-20			As at 01-Apr-20		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
As Previously Reported	Restatement Adjustment	Restated	As Previously Reported	Restatement Adjustment	Restated	
Assets						
Cash in hand and favorable bank balances	944,878	-	944,878	1,611,459	-	1,611,459
Financial assets recognised through profit or loss/Trading assets - fair value through profit or loss	229,607	-	229,607	263,429	-	263,429
Investment securities	6,126,090	-	6,126,090	3,261,861	-	3,261,861
Assets directly associated with the assets held for sale and discontinued operations	-	-	-	-	-	-
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	2,284	-	2,284	2,440	-	2,440
Financial assets at amortised cost/ Advances and other loans	6,413,030	-	6,413,030	5,510,840	-	5,510,840
Insurance premium receivables	-	-	-	-	-	-
Inventories	388,204	-	388,204	380,379	-	380,379
Current tax assets	200,603	-	200,603	198,824	-	198,824
Trade and other current assets	42,966,469	-	42,966,469	32,995,284	-	32,995,284
Prepaid lease rentals on leasehold properties	-	-	-	-	-	-
Right-of-use assets	612,076	-	612,076	642,362	-	642,362
Investment properties	1,017,250	-	1,017,250	1,017,250	-	1,017,250
Biological assets;	-	-	-	-	-	-
Consumable biological assets	-	-	-	-	-	-
Bearer biological assets	-	-	-	-	-	-
Investments in group of companies;	-	-	-	-	-	-
Subsidiary companies	78,442,272	26,494,613	104,936,885	90,943,740	31,286,681	122,230,421
Equity Accounted Investees	4,227,113	14,492,407	18,719,520	4,227,113	14,213,381	18,440,494
Deferred tax assets	-	-	-	-	-	-
Intangible assets	390,433	-	390,433	413,539	-	413,539
Property, plant and equipment	4,944,561	-	4,944,561	4,772,437	-	4,772,437
Total assets	146,904,870	40,987,021	187,891,891	146,240,957	45,500,062	191,741,019
Liabilities and equity						
Liabilities						
Bank overdrafts	1,008,790	-	1,008,790	1,039,522	-	1,039,522
Trading liabilities - fair value through profit or loss	1,090,700	-	1,090,700	-	-	-
Liabilities directly associated with the assets held for sale and discontinued operations	-	-	-	-	-	-
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	-	-	-
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	84,139,771	-	84,139,771	95,412,795	-	95,412,795
Insurance provision - life	-	-	-	-	-	-
Insurance provision - general	-	-	-	-	-	-
Current tax payables	704,119	-	704,119	660,323	-	660,323
Trade and other payables	1,521,906	-	1,521,906	1,390,049	-	1,390,049
Deferred tax liabilities	385,000	-	385,000	384,999	-	384,999
Deferred income	-	-	-	-	-	-
Retirement benefit obligations	326,089	-	326,089	320,393	-	320,393
Total liabilities	89,176,375	-	89,176,375	99,208,081	-	99,208,081
Equity						
Stated capital	475,200	-	475,200	475,200	-	475,200
Reserves	10,747,090	13,789,386	24,536,476	10,680,955	18,109,478	28,790,433
Retained earnings	46,506,205	27,197,635	73,703,840	35,876,721	27,390,584	63,267,305
Equity attributable to shareholders of the Company	57,728,495	40,987,021	98,715,516	47,032,876	45,500,062	92,532,938
Non-controlling interests	-	-	-	-	-	-
Total equity	57,728,495	40,987,021	98,715,516	47,032,876	45,500,062	92,532,938
Total liabilities & equity	146,904,870	40,987,021	187,891,891	146,240,957	45,500,062	191,741,019
Net assets per share (Rs.)	121.48		207.73	98.97		194.72

7 Results on acquisition and divestment of Group investments

7.1 During the Period ended 30th June 2021

There were no any changes to group structure during the three months ended 30 June 2021.

7.2 During the Period ended 30th June 2020

7.2.1 Disposal of PRASAC Microfinance Institution Limited

The Group publicly announced the decision of its Board of Directors to sell PRASAC, a 70% owned subsidiary of the Group. With reference to the corporate disclosure made on 06 January 2020, LOLC International Limited (a subsidiary of LOLC Group) with the other minority shareholders of PRASAC Microfinance Institution Limited (PRASAC) of Cambodia entered into a Sales and Purchase Agreement and a shareholder agreement with Kookmin Bank, the largest Commercial Bank of Republic of South Korea, for the sale of entire shareholding of PRASAC, subject to receiving final approval from the National Bank of Cambodia (NBC) and the Financial Service Commission of Republic of South Korea. PRASAC is the largest Micro Finance Institution in Cambodia.

On 13 April 2020, the group received the relevant regulatory approval from both National Bank of Cambodia (NBC) and the Financial Service Commission of Republic of South Korea accordingly, LOLC Group has disposed 70% of its stake in PRASAC Micro Finance Institution Ltd (49% of the total share capital of PRASAC) to Kookmin Bank and accordingly control holding of PRASAC has been transferred from LOLC to Kookmin Bank. The results of the disposal are as follows;

7.2.1.1 Consideration

During the current financial year group has divested following subsidiary;

	Controlling interest sold	Cash and cash equivalents received	Disposal related costs	Fair value of the consideration received	Fair value of remaining stake	Total consideration of disposal
	%	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
PRASAC Microfinance Institution Ltd	49.00%	77,481,014	(409,401)	77,071,614	33,206,149	110,277,763
Fair value of the consideration received		77,481,014	(409,401)	77,071,614	33,206,149	110,277,763

7.2.1.2 Fair values of the identifiable assets and liabilities of the disposed;

Fair values of the identifiable assets and liabilities of the disposed groups at the date of disposal were;

	PRASAC Rs. '000
Assets	
Cash in hand and favorable bank balances	100,359,878
Investment securities	5,246
Financial assets at amortised cost/ Advances and other loans	503,475,294
Trade and other current assets	1,687,528
Right-of-use assets	2,746,547
Deferred tax assets	1,987,349
Intangible assets	277,395
Property, plant and equipment	1,005,866
Total assets	611,545,103
Liabilities	
Financial Liabilities at Amortised Cost/ Deposits liabilities	338,603,816
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	174,407,230
Current tax payables	1,507,630
Trade and other payables	12,461,178
Retirement benefit obligations	177,652
Total liabilities	527,157,506
Net assets disposed	84,387,597

7.2.1.3 Gain on disposal of subsidiaries

	Note	PRASAC Rs. '000
Total consideration	7.2.1.1	110,277,763
Net Assets Attributable to Parent		
De-recognition of non-controlling interests		25,316,279
Fair value of net assets disposed	7.2.1.2	(84,387,597)
Gain realize on disposal		51,206,445
Goodwill on Acquisition of PRASAC Microfinance Institution Ltd		(12,925,451)
Gain/ (Loss) on divestment of subsidiary		38,280,994
Reclassify the previously recognized Foreign Currency Translation Reserve to Income Statement		4,623,650
Total gain recognized in income statement		42,904,644

7.2.1.4 Net cash received from divestment

	Note	PRASAC Rs. '000
Purchase consideration received	7.2.1.1	77,481,014
(-) Disposal related costs		(409,401)
Positive cash balances		100,359,878
Net cash received from divestment		(23,288,264)

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Notes to the Interim Financial Statements

8 Non-Current assets held for sale and Discontinued Operations

Browns Global Farm (Pvt) Ltd

Browns Global Farm (Pvt) Ltd is a subsidiary of LOLC Group which carries the business of cultivating and selling Banana & Mango. Due to issues of the production business operations were suspended temporary and there were no revenue since June 2019. After forecasting future viability Company was considering to permanently discontinue the operation until this COVID 19 pandemic occurs. The said process cannot completed due to COVID 19 pandemic and the premises was handover to SL army to look after. Consequently, the corresponding operating results up to the point of disposal together with the profit on disposal of the company have been classified and reported as a Discontinued Operation in accordance with the requirements of the Sri Lanka Financial Reporting Standards (SLFRS).

	30 June 2021	30 June 2020
	Rs'000	Rs'000
Gross income		
Interest income	-	-
Interest expenses	-	-
Net interest income	-	-
Revenue		-
Less: cost of sales	-	(45)
Gross profit	-	(45)
Other income/(expenses)	-	1,209
Profit before operating expenses	-	1,164
Operating expenses		
Personnel expenses	-	(73)
Depreciation and amortization	-	(999)
Other operating expenses	(37)	(390)
Results from operating activities	(37)	(298)
Income tax expense		-
Profit for the year	(37)	(298)

The major classes of assets and liabilities of disposal group held for sale and as a discontinued operations as at 31st March are, as follows:

	2021	2020
	Rs'000	Rs'000
Assets		
Cash in hand and favourable bank balances	1,980	1,079
Inventories	-	636
Trade and other current assets	-	811
Right-of-use assets	-	914
Property, plant and equipment	2,812	57,023
Assets directly associated with the assets held for sale and discontinued operations	4,792	60,463
Liabilities		
Bank overdrafts	-	(1,044)
Trade and other payables	19	23,227
Retirement benefit obligations	-	49
Liabilities directly associated with the assets held for sale and discontinued operations	19	22,232
Earnings per share		
Basic, profit from discontinued operations attributable to ordinary equity holders of the parent	-	-
Diluted, profit from discontinued operations attributable to ordinary equity holders of the parent	-	-

Write-down of property, plant and equipment

Immediately before the classification of entities as discontinued operations, the recoverable amount was estimated for certain items of property, plant and equipment and no impairment loss was identified. As at 31 March 2021, there was no further write-down as the carrying amount of the disposal group did not fall below its fair value less costs to sell.

LOLC Holdings PLC
Interim Condensed Financial Statements
Operating Segments

9 Operating Segments

For the three months ended 30 June 2021

	Financial Services	Long term & General Insurance	Manufacturing & Trading	Leisure & Entertainment	Plantation & Power	Equity Accounted Investees	Others / Eliminations	Total
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Gross income	28,562,122	2,458,967	8,698,808	603,471	1,342,342	-	(110,060)	41,555,650
Net interest cost	(10,755,332)	(2,139)	(636,073)	(696,172)	(277,465)	-	84,688	(12,282,491)
Cost of sales	(550,601)	-	(5,991,884)	(122,315)	(705,871)	-	(14,387)	(7,385,059)
Profit before operating expenses	17,256,188	2,456,828	2,070,852	(215,016)	359,006	-	(39,758)	21,888,100
Operating expenses	(13,200,923)	(2,053,606)	(1,087,713)	(744,194)	(819,063)	-	1,000,411	(16,905,088)
Results from operating activities	4,055,265	403,222	983,139	(959,210)	(460,056)	-	960,652	4,983,012
Share of profits of equity accounted investees	-	-	-	-	-	353,920	-	353,920
Profit before tax from continuing operations	4,055,265	403,222	983,139	(959,210)	(460,056)	353,920	960,652	5,336,932
Discontinued operations								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	-	-	-	(37)	-	-	(37)
Profit before tax from discontinued operations	-	-	-	-	(37)	-	-	(37)
Profit before tax of the group	4,055,265	403,222	983,139	(959,210)	(460,093)	353,920	960,652	5,336,895

For the three months period ended 30 June 2020

Gross income	23,905,394	1,864,203	5,028,260	156,247	905,843	-	(2,808,306)	29,051,641
Net interest cost	(12,533,194)	(1,387)	(786,014)	(737,034)	(350,436)	-	483,967	(13,924,098)
Cost of sales	-	-	(3,109,851)	(19,999)	(346,342)	-	15,775	(3,460,417)
Profit before operating expenses	11,372,200	1,862,816	1,132,395	(600,786)	209,065	-	(2,308,564)	11,667,126
Operating expenses	(13,775,351)	(1,291,404)	(1,291,971)	(516,228)	(964,457)	-	1,427,744	(16,411,667)
Results from operating activities	(2,403,151)	571,412	(159,576)	(1,117,014)	(755,392)	-	(880,820)	(4,744,541)
Results on acquisition and divestment of group investments	-	-	-	-	-	42,904,642	-	42,904,642
Share of profits of equity accounted investees	-	-	-	-	-	91,081	-	91,081
Profit before tax from continuing operations	(2,403,151)	571,412	(159,576)	(1,117,014)	(755,392)	42,995,723	(880,820)	38,251,182
Discontinued operations								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	-	-	-	(298)	-	-	(298)
Profit before tax from discontinued operations	-	-	-	-	(298)	-	-	(298)
Profit before tax of the group	(2,403,151)	571,412	(159,576)	(1,117,014)	(755,690)	42,995,723	(880,820)	38,250,884

<i>For the three months ended 30 June 2021</i>	Financial Services	Long term & General Insurance	Manufacturing & Trading	Leisure & Entertainment	Plantation & Power	Equity Accounted Investees	Others / Eliminations	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Continuing operations								
Net impairment (loss) / reversal on financial assets	4,618,699	(4,135)	(11,857)	(1,366)	-	-	-	4,601,342
Depreciation and amortization	421,491	21,315	120,023	274,974	274,547	-	1,599	1,113,951
Discontinued operations								
Net impairment (loss) / reversal on financial assets	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-
Continuing operations								
Total assets (as at 30 June 2021)	758,811,101	18,712,426	102,752,478	99,585,880	72,182,107	-	(126,161,286)	925,882,706
Total liabilities (as at 30 June 2021)	592,554,931	13,213,734	40,812,827	53,470,951	16,629,414	-	(30,722,577)	685,959,279
Discontinued operations								
Total assets (as at 30 June 2021)	-	-	-	-	4,792	-	-	4,792
Total liabilities (as at 30 June 2021)	-	-	-	-	19	-	-	19
<i>For the three months period ended 30 June 2020</i>								
Continuing operations								
Net impairment (loss) / reversal on financial assets	9,768,906	(616)	87,988	10,257	-	-	-	9,866,535
Depreciation and amortization	479,382	16,331	110,854	119,161	435,017	-	3,446	1,164,191
Discontinued operations								
Net impairment (loss) / reversal on financial assets	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	999	-	-	999
Continuing operations								
Total assets (as at 30 June 2020)	666,789,509	15,306,681	70,886,408	70,437,587	54,706,572	-	(122,205,352)	755,921,405
Total liabilities (as at 30 June 2020)	522,569,319	11,107,378	28,153,392	45,382,823	14,682,180	-	(49,158,193)	572,736,899
Discontinued operations								
Total assets (as at 30 June 2020)	-	-	-	-	60,464	-	-	60,464
Total liabilities (as at 30 June 2020)	-	-	-	-	22,233	-	-	22,233

LOLC Holdings PLC
Interim Condensed Financial Statements
Valuation of Financial Assets and Liabilities

10 Valuation of Financial Assets and Liabilities

Rs'000							
As at 30 June 2021 - Group	Fair value - derivatives	Fair value - held for trading	FVOCI Instruments	Amortised cost / Not measured at fair value	Total carrying amount	Fair value	Fair value measurement level
Cash and cash equivalents	-	-	-	74,055,116	74,055,116	74,055,116	Level 1
Financial assets recognised through profit or loss	-	58,259,902	-	-	58,259,902	58,259,902	Level 1 and Level 2
Investment securities	-	-	-	-	96,849,312	96,703,978	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	-	-	-	63,163,947	63,163,947	65,681,350	Level 3
Financial assets at amortised cost/ Advances and other loans	-	-	-	354,353,087	354,353,087	350,158,551	Level 3
Total financial assets	-	58,259,902	-	491,572,150	646,681,364	644,858,896	
Bank overdrafts	-	-	-	16,970,537	16,970,537	16,970,537	Level 1
Trading liabilities	3,174	-	-	-	3,174	3,174	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	264,391,501	264,391,501	264,412,214	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	-	-	332,327,997	332,327,997	333,641,295	Level 3
Total financial liabilities	3,174	-	-	613,690,035	613,693,209	615,027,220	

Rs'000							
As at 31st March 2020 - Group	Fair value - derivatives	Fair value - held for trading	FVOCI Instruments	Amortised cost / Not measured at fair value	Total carrying amount	Fair value	Fair value measurement level
Cash and cash equivalents	-	-	-	58,233,361	58,233,361	58,233,361	Level 1
Financial assets recognised through profit or loss	-	54,009,659	-	-	54,009,659	54,009,659	Level 1 and Level 2
Investment securities	-	-	27,968,751	39,326,635	67,295,387	71,561,765	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	-	-	-	-	60,832,279	63,879,320	Level 3
Financial assets at amortised cost/ Advances and other loans	-	-	-	-	352,202,808	349,728,552	Level 3
Total financial assets	-	54,009,659	27,968,751	97,559,996	592,573,494	597,412,657	
Bank overdrafts	-	-	-	4,130,481	4,130,481	4,130,481	Level 1
Trading liabilities	-	-	-	-	-	-	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	263,592,537	263,592,537	262,951,802	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	-	-	301,136,085	301,136,085	299,481,593	Level 3
Total financial liabilities	-	-	-	568,859,103	568,859,103	566,563,876	

For the short term receivables and payables, the fair value reasonably approximates its costs.

LOLC Holdings PLC

Interim Condensed Financial Statements

Statement of Directors' holding and Chief Executive Officer's holding in shares of the Entity as at 30 June 2021

11 Statement of Directors' Holding and Chief Executive Officer's holding in Shares of the Entity

Directors Name	No of shares	%
Mr. I C Nanayakkara <i>Held shares in the following manner</i>		
Mr. I C Nanayakkara	91,613,792	19.279
Sampath Bank PLC/ I C Nanayakkara	61,774,000	12.999
Commercial Bank of Ceylon PLC/ I C Nanayakkara	79,000,000	16.625
Mr. W D K Jayawardena <i>Group Managing Director / CEO</i>	-	-
Mrs. K U Amarasinghe	20,160,000	4.242
Deshamanya M D D Peiris	-	-
Dr. R A Fernando	6,000	0.001
Mr. F K C P N Dias	-	-

12 Top 20 shareholders as at 31 March 2021

	Shareholder	No. of Shares	% of Issued Capital
1	LOLC Capital (Private) Limited	147,265,983	30.99
2	Mr. I C Nanayakkara	91,613,792	19.28
3	Commercial Bank of Ceylon PLC/ I C Nanayakkara	79,000,000	16.62
4	Sampath Bank PLC/ Ishara Chinthaka Nanayakkara	61,774,000	13.00
5	Mrs. K U Amarasinghe	20,160,000	4.24
6	Employees Provident Fund	15,182,259	3.19
7	Kashyapa Capital (Pvt) Ltd	8,671,625	1.82
8	Seylan Bank PLC / K U Amarasinghe	3,600,000	0.76
9	Mrs. I Nanayakkara	2,827,948	0.60
10	GF Capital Global Limited	1,418,404	0.30
11	Hatton National Bank PLC/ Capital Trust Holdings Limited	1,355,670	0.29
12	Sri Lanka Insurance Corporation LT - Life Fund	1,058,185	0.22
13	People's Leasing & Finance PLC / Don and Don Holdings (Private) Limited	1,009,086	0.21
14	People's Leasing & Finance PLC / Capital Trust Holdings (Private) Limited	909,629	0.19
15	Mrs S N Fernando	818,440	0.17
16	Dr. M Ponnambalam	722,616	0.15
17	Mr. S V Somasunderam	600,950	0.13
18	Swastika Mills Ltd	585,000	0.12
19	Mr. R Maheswaran	500,000	0.11
20	Miss. A Radhakrishnan	500,000	0.11
		439,573,587	92.50

30 June 2021

The float adjusted market capitalization
Public Shareholding
No. of Public shareholders
Compliance Level

29,700,013,372.50
15.84%
6,370
Complied under Option 01

LOLC Holdings PLC
Interim Condensed Financial Statements
Information on Listed Debentures

01.) Listed, Rated, Senior, Unsecured, Redeemable debentures issued (2019-2024) - Proceeds utilization as at 30 June 2021

Objective as per Prospect	Amount allocated as per prospect in LKR	Proposed date of utilization as per prospectus	Amount allocated from LKR (A)	% of total proceed	Amount utilized in LKR (B)	% of utilized against Allocation (B/A)	Clarification if not fully utilized including where the funds invested (Eg. Whether lent to related party etc.)
To finance the five(05) year Rated, Senior, Unsecured, Redeemable Debentures matured on 24th November 2019	5Bn	24th November 2019	5 Bn	100%	5 Bn	100%	-

02.) Senior, Unsecured, Listed, Redeemable, Rated debentures issued (2017-2022) - Proceeds utilization as at 30 June 2021

Objective as per Prospect	Amount allocated as per prospect in LKR	Proposed date of utilization as per prospectus	Amount allocated from LKR (A)	% of total proceed	Amount utilized in LKR (B)	% of utilized against Allocation (B/A)	Clarification if not fully utilized including where the funds invested (Eg. Whether lent to related party etc.)
To retire short term debt and financing of working capital investments	2 Bn	Within a month of the completion	2 Bn	100%	2 Bn	100%	-

03.) Senior, Unsecured, Listed, Redeemable, Rated debentures issued (2021-2031) - Proceeds utilization as at 30 June 2021

Objective as per Prospect	Amount allocated as per prospect in LKR	Proposed date of utilization as per prospectus	Amount allocated from LKR (A)	% of total proceed	Amount utilized in LKR (B)	% of utilized against Allocation (B/A)	Clarification if not fully utilized including where the funds invested (Eg. Whether lent to related party etc.)
Refinancing of short term bank facilities	10 Bn	Immediately upon allotment of the Debentures	10 Bn	100%	10 Bn	100%	-