

LOLC HOLDINGS PLC
INTERIM CONDENSED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2020



LOLC Holdings PLC
Interim Condensed Financial Statements
For the year ended 31 March 2020

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LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Financial Position

As at	Group		Company	
	31-Mar-20 Rs'000 Un-audited	31-Mar-19 Rs'000 Audited	31-Mar-20 Rs'000 Un-audited	31-Mar-19 Rs'000 Audited
Assets				
Cash and cash equivalents	55,837,071	46,259,428	1,611,460	945,468
Financial assets recognised through profit or loss	6,638,680	8,269,081	263,429	285,735
Investment securities	49,588,267	62,136,985	3,261,860	4,019,075
Assets directly associated with the assets held for sale and discontinued operations	619,423,813	458,086,862	-	-
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	58,463,023	56,231,759	2,440	3,287
Financial assets at amortised cost/ Advances and other loans	330,926,210	262,974,421	5,510,841	2,483,657
Premium receivables	1,530,695	1,227,507	-	-
Inventories	7,208,773	6,232,419	380,378	340,989
Current tax assets	2,051,282	1,450,561	198,824	215,920
Trade and other current assets	19,212,695	18,299,531	32,994,980	17,590,000
Prepaid lease rentals on leasehold properties	-	2,404,536	-	-
Right-of-use assets	8,847,494	-	642,361	-
Investment properties	31,723,414	26,383,374	1,017,250	956,125
Biological assets;				
Consumable biological assets	3,642,998	3,788,540	-	-
Bearer biological assets	2,144,551	1,259,879	-	-
Investments in group of companies;				
Subsidiary companies	-	-	90,943,738	87,671,487
Equity accounted investees	21,261,898	18,045,688	4,227,113	4,314,001
Deferred tax assets	1,259,639	776,625	-	275
Intangible assets	14,438,798	14,160,383	413,539	490,878
Property, plant and equipment	101,726,893	55,759,707	4,772,439	5,678,662
Total assets	1,335,926,194	1,043,747,286	146,240,652	124,995,559
Liabilities and equity				
Liabilities				
Bank overdrafts	4,022,416	10,507,482	1,039,522	3,629,017
Trading liabilities	114,349	841,492	-	-
Liabilities directly associated with the assets held for sale and discontinued operations	533,937,982	397,646,141	-	-
Financial Liabilities at Amortised Cost/ Deposits liabilities	220,985,128	193,164,352	-	-
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	323,037,527	253,273,163	95,412,794	69,895,035
Insurance provision - life	4,283,247	3,458,728	-	-
Insurance provision - general	4,358,358	3,718,659	-	-
Current tax payables	5,250,922	5,063,928	660,323	733,155
Trade and other payables	20,338,098	16,926,509	1,389,752	1,797,417
Deferred tax liabilities	5,012,971	5,254,308	347,844	367,319
Deferred income	161,509	153,656	-	-
Retirement benefit obligations	1,850,445	1,518,532	320,391	343,927
Total liabilities	1,123,352,952	891,526,950	99,170,625	76,765,870
Equity				
Stated capital (475,200,000 shares)	475,200	475,200	475,200	475,200
Reserves	29,335,185	20,927,020	10,680,952	2,712,688
Retained earnings	63,883,536	64,650,232	35,913,874	45,041,801
Equity attributable to shareholders of the Company	93,693,921	86,052,452	47,070,026	48,229,689
Non-controlling interests	118,879,320	66,167,884	-	-
Total equity	212,573,242	152,220,336	47,070,026	48,229,689
Total liabilities & equity	1,335,926,194	1,043,747,286	146,240,652	124,995,559
Net assets per share (Rs.)	197.17	181.09	99.05	101.49

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

07th August, 2020
Rajagiriya (Greater Colombo)

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

	Group					
	Three Months Ended			Year Ended		
	31-Mar-20 Rs'000	31-Mar-19 Rs'000	Variance %	31-Mar-20 Rs'000	31-Mar-19 Rs'000	Variance %
Continuing operations						
Gross income	37,035,393	38,463,469	(4)	130,457,237	124,313,907	5
Interest income	22,637,748	19,917,048	14	81,840,525	75,606,318	8
Interest expense	(14,688,054)	(13,059,877)	(12)	(54,854,604)	(48,640,652)	(13)
Net interest income	7,949,694	6,857,172	16	26,985,921	26,965,666	0
Revenue	6,995,385	7,723,554	(9)	25,100,740	24,827,829	1
Cost of sales	(4,948,402)	(5,315,360)	7	(17,185,698)	(17,070,822)	1
Gross profit	2,046,983	2,408,194	(15)	7,915,042	7,757,007	2
Income	3,196,355	4,110,246	(22)	15,608,227	14,628,108	7
Other income/(expenses)	4,205,905	6,712,621	(37)	7,907,745	9,251,652	(15)
Profit before operating expenses	17,398,938	20,088,233	(13)	58,416,935	58,602,433	(0)
Operating expenses						
VAT on financial services	(591,863)	(979,509)	40	(1,643,224)	(2,637,841)	38
Other direct expenses excluding finance costs	(1,974,012)	(1,672,780)	(18)	(6,310,123)	(5,828,254)	(8)
Personnel costs	(4,440,068)	(3,600,160)	(23)	(16,749,515)	(14,363,069)	(17)
Net impairment (loss) / reversal on financial assets	(6,834,799)	(3,291,823)	(108)	(17,214,629)	(11,466,501)	(50)
Depreciation and amortization	(442,539)	(605,104)	27	(4,114,449)	(2,172,690)	(89)
Other operating expenses	(4,207,042)	(3,761,795)	(12)	(16,008,617)	(13,693,348)	(17)
Results from operating activities	(1,091,385)	6,177,062	(118)	(3,623,622)	8,440,729	(143)
Share of profits of equity accounted investees	35,801	363,736	(90)	1,019,970	1,108,860	(8)
Results on acquisition and divestment of group investments	744,338	-	100	5,979,045	-	100
Profit before tax from continuing operations	(311,246)	6,540,798	(105)	3,375,393	9,549,589	(65)
Income tax expense	(768,629)	(1,083,792)	29	(2,566,478)	(3,616,665)	29
Profit for the year from continuing operations	(1,079,875)	5,457,006	(120)	808,915	5,932,924	(86)
Discontinued operations						
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	4,639,719	3,646,182	(27)	18,979,489	13,703,014	(39)
Profit for the year	3,559,844	9,103,188	(61)	19,788,404	19,635,938	1
Profit attributable to; (Continuing operations)						
Equity holders of the company	(94,409)	3,677,950	(103)	4,128,056	6,050,113	(32)
Non-controlling interests	(985,466)	1,779,056	(155)	(3,319,141)	(117,190)	2,732
	(1,079,875)	5,457,006	(120)	808,915	5,932,924	(86)
Profit attributable to; (Discontinued operations operations)						
Equity holders of the Company	1,553,488	1,953,923	(20)	6,766,717	5,240,541	29
Non-controlling interests	3,086,231	1,692,259	82	12,212,772	8,462,474	44
	4,639,719	3,646,182	27	18,979,489	13,703,014	39
Profit attributable to;						
Equity holders of the Company	1,459,079	5,631,873	(74)	10,894,774	11,290,654	(4)
Non-controlling interests	2,100,765	3,471,315	(39)	8,893,630	8,345,284	7
	3,559,844	9,103,188	(61)	19,788,404	19,635,938	1

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

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

	Group					
	Three Months Ended			Year Ended		
	31-Mar-20 Rs'000	31-Mar-19 Rs'000	Variance %	31-Mar-20 Rs'000	31-Mar-19 Rs'000	Variance %
Profit for the year	3,559,844	9,103,188	(61)	19,788,404	19,635,938	1
Other comprehensive income						
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:						
Revaluation surplus of property, plant and equipment						
Revaluation of property, plant and equipment	(5,871,874)	2,160,982	(372)	449,831	2,160,982	(79)
Related tax	-	(363,563)	100	-	(363,563)	100
Defined benefit plan actuarial gains / (losses)						
Re-measurement of defined benefit liabilities	(220,049)	(61,438)	(258)	(218,369)	(59,364)	(268)
Related tax	47,887	(1,323)	3,720	47,887	(1,323)	3,720
Change in fair value on investments in equity instruments at fair value through other comprehensive income						
Fair value gains/(losses) that arose during the year	(49,374)	113,665	(143)	37,996	(103,417)	137
Related tax	(57,114)	(80,796)	29	(63,964)	(80,796)	21
Share of other comprehensive income of equity accounted investees (net of tax)	244,964	27,895	778	244,964	27,895	778
Net other comprehensive income not to be reclassified to income statement in subsequent periods	(5,905,560)	1,795,422	(429)	498,345	1,580,414	(68)
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 year	(15,630)	(91,976)	83	63,508	(91,976)	169
Related tax	120	3,018	(96)	120	3,018	(96)
Foreign currency translation differences for foreign operations						
Net gains/(losses) arising from translating the Financial Statements of foreign operations	6,319,014	(1,440,898)	539	9,399,732	8,455,406	11
Fair value differences on cash flow hedges						
Gain/(loss) on effective portion of changes in fair value of cash flow hedge	(53,472)	(91,014)	41	(107,170)	7,460	(1,537)
Reclassification adjustments to the income statement	-	-	-	14,875	(45,453)	133
Related tax	-	-	-	15,133	(26,071)	158
Share of other comprehensive income of equity accounted investees (net of tax)	504,594	-	100	504,594	52,977	852
Net other comprehensive income to be reclassified to income statement in subsequent periods	6,754,626	(1,620,870)	517	9,890,791	8,355,361	18
Total other comprehensive income/ (expense) for the year, net of tax	849,066	174,552	386	10,389,136	9,935,775	5
Total comprehensive income for the year, net of tax	4,408,910	9,277,740	(52)	30,177,540	29,571,713	2
Total comprehensive income attributable to;						
Equity holders of the company	2,022,478	6,143,469	(67)	15,536,420	15,962,776	(3)
Non-controlling interests	2,386,432	3,134,271	(24)	14,641,120	13,608,937	8
	4,408,910	9,277,740	(52)	30,177,540	29,571,713	2
Earnings per share						
Basic, profit for the year attributable to ordinary equity holders of the parent	3.07	11.85	(74)	22.93	23.76	(4)
Diluted, profit for the year attributable to ordinary equity holders of the parent	3.07	11.85	(74)	22.93	23.76	(4)
Earnings per share for continuing operations						
Basic, profit from continuing operations attributable to ordinary equity holders of the parent	(0.20)	7.74	(103)	8.69	12.73	(32)
Diluted, profit from continuing operations attributable to ordinary equity holders of the parent	(0.20)	7.74	(103)	8.69	12.73	(32)

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The above figures are not audited

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

	Company					
	Three Months Ended			Year Ended		
	31-Mar-20 Rs.' 000	31-Mar-19 Rs.' 000	Variance %	31-Mar-20 Rs.' 000	31-Mar-19 Rs.' 000	Variance %
Gross income	2,428,532	3,591,522	(32)	9,243,796	11,650,625	(21)
Interest income	1,330,619	703,252	89	3,904,228	2,839,764	37
Interest expense	(3,042,663)	(2,262,493)	(34)	(10,669,705)	(8,020,071)	(33)
Net interest income	(1,712,044)	(1,559,241)	(55)	(6,765,477)	(5,180,307)	(4)
Revenue	805,485	732,972	10	2,480,477	1,557,043	59
Less: cost of sales	(793,337)	(663,504)	(20)	(2,315,799)	(1,416,625)	(63)
Gross profit	12,148	69,468	(10)	164,678	140,418	17
Income	817,737	1,244,468	(34)	4,073,060	4,652,006	(12)
Other income/(expenses)	(525,310)	910,830	(158)	(1,213,970)	2,601,812	(147)
Profit before operating expenses	(1,407,469)	665,525	(311)	(3,741,709)	2,213,929	(269)
Operating expenses						
VAT on financial services	(2,338)	(638)	(266)	(4,427)	(59,030)	93
Personnel costs	(271,797)	(504,622)	46	(1,259,400)	(1,666,993)	24
Net impairment (loss) / reversal on financial assets	(71,192)	775	(9,286)	(83,268)	3,788	(2,298)
Depreciation and amortization	(265,305)	(159,348)	(66)	(732,379)	(578,707)	(27)
Other operating expenses	(621,179)	(724,482)	14	(3,272,841)	(3,019,168)	(8)
Results from operating activities	(2,639,280)	(722,790)	(265)	(9,094,024)	(3,106,181)	(193)
Results on acquisition and divestment of group investments	-	-	-	-	-	-
Profit/ (Loss) before income tax expense	(2,639,280)	(722,790)	(265)	(9,094,024)	(3,106,181)	(193)
Income tax expense	(59,106)	(50,338)	(17)	(118,834)	(88,016)	(35)
Profit/ (Loss) for the period	(2,698,385)	(773,128)	(249)	(9,212,857)	(3,194,197)	(188)
Profit/ (Loss) attributable to;						
Equity holders of the company	(2,698,385)	(773,128)	(249)	(9,212,857)	(3,194,197)	(188)
Non-controlling interests	-	-	-	-	-	-
	(2,698,385)	(773,128)	(249)	(9,212,857)	(3,194,197)	(188)
Basic earnings/ (loss) per share (Rs.)	(5.68)	(1.63)	(249)	(19.39)	(6.72)	(188)

Statement of Other Comprehensive Income

	Company					
	Three Months Ended			Year Ended		
	31-Mar-20 Rs.' 000	31-Mar-19 Rs.' 000	Variance %	31-Mar-20 Rs.' 000	31-Mar-19 Rs.' 000	Variance %
Profit/ (Loss) for the period	(2,698,385)	(773,128)	(249)	(9,212,857)	(3,194,197)	(188)
Other comprehensive income						
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:						
Revaluation surplus of property, plant and equipment						
Revaluation of property, plant and equipment	(679,190)	-	(100)	(679,190)	-	(100)
Defined benefit plan actuarial gains / (losses)						
Re-measurement of defined benefit liabilities	66,351	(4,591)	1,545	66,351	(4,591)	1,545
Related tax	18,578	(1,286)	1,545	18,578	(1,286)	1,545
Change in fair value on investments in equity instruments at fair value through other comprehensive income						
Fair value gains/(losses) that arose during the year	(87,370)	(29,123)	(200)	-	(101,931)	(100)
Net other comprehensive income not to be reclassified to income statement in subsequent periods	(681,631)	(35,000)	(1,848)	(594,261)	(107,808)	(451)
Total comprehensive income / (expense) for the period	(3,380,016)	(808,128)	(318)	(9,807,118)	(3,302,005)	(197)
Total comprehensive income / (expense) attributable to;						
Equity holders of the company	(3,380,016)	(808,128)	(318)	(9,807,118)	(3,302,005)	(197)
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income / (expense) for the period	(3,380,016)	(808,128)	(318)	(9,807,118)	(3,302,005)	(197)

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 year ended 31 March 2020

Company	Equity Attributable to the Owners of the Company						Total
	Stated Capital	Revaluation Reserve	Fair Value Reserve	Future Taxation Reserve	Merger/ Amalgamation Reserve	Retained Earnings	
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	
Re-stated	Re-stated	Re-stated	Re-stated	Re-stated	Re-stated	Re-stated	
Balance as at 31 March 2018	475,200	2,715,503	9,708	205,000	-	48,229,945	51,635,356
Impact of adoption of SLFRS 9 and SLFRS 15							
Recognition of SLFRS 9 ECLs including those measured at FVOCI	-	-	-	-	-	16,570	16,570
Deferred tax on transitional adjustments	-	-	-	-	-	(4,640)	(4,640)
Restated opening balance under SLFRS 9 and SLFRS 15 as at 01 April 2018	475,200	2,715,503	9,708	205,000	-	48,241,875	51,647,286
Total comprehensive income for the period							
Profit/ (Loss) for the period	-	-	-	-	-	(3,194,197)	(3,194,197)
Other comprehensive income							
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:							
Re-measurement of defined benefit liabilities	-	-	-	-	-	(4,591)	(4,591)
Related tax	-	-	-	-	-	(1,286)	(1,286)
Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:							
Fair value (losses) on debt instruments that arose during the year	-	-	(101,931)	-	-	-	(101,931)
Total other comprehensive income for the period	-	-	(101,931)	-	-	(5,877)	(107,808)
Total comprehensive income for the period	-	-	(101,931)	-	-	(3,200,074)	(3,302,005)
Other movements in equity							
Amalgamation Gain/(loss)	-	-	-	-	(115,592)	-	(115,592)
Total other movements	-	-	-	-	(115,592)	-	(115,592)
Balance as at 31 March 2019	475,200	2,715,503	(92,223)	205,000	(115,592)	45,041,801	48,229,689

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Changes in Equity
For the year ended 31 March 2020

Company	Equity Attributable to the Owners of the Company						Total
	Stated Capital	Revaluation Reserve	Fair Value Reserve	Future Taxation Reserve	Merger/ Amalgamation Reserve	Retained Earnings	
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 01 April 2019	475,200	2,715,503	(92,223)	205,000	(115,592)	45,041,802	48,229,690
Total comprehensive income for the period							
Profit/ (Loss) for the period	-	-	-	-	-	(9,212,857)	(9,212,857)
Other comprehensive income							
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:							
Revaluation surplus of property, plant and equipment							
Revaluation surplus	-	(679,190)	-	-	-	-	(679,190)
Defined benefit plan actuarial gains / (losses)							
Defined benefit plan actuarial gains (losses) for the year	-	-	-	-	-	66,351	66,351
Related tax	-	-	-	-	-	18,578	18,578
Total other comprehensive income for the period	-	(679,190)	-	-	-	84,929	(594,261)
Total comprehensive income for the period	-	(679,190)	-	-	-	(9,127,928)	(9,807,118)
Other movements in equity							
Amalgamation Gain/(loss)	-	-	-	-	8,647,455	-	8,647,455
Total other movements	-	-	-	-	8,647,455	-	8,647,455
Balance as at 31 March 2020	475,200	2,036,313	(92,223)	205,000	8,531,863	35,913,874	47,070,026

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 year ended 31 March 2020

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	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 31 March 2018	475,200	7,583,355	(41,026)	171,674	1,101,555	205,000	2,663,011	58,303,245	70,462,014	47,070,541	117,532,555
Impact of adoption of SLFRS 9 and SLFRS 15											
Recognition of SLFRS 9 ECLs including those measured at FVOCI	-	-	-	-	-	-	-	(410,505)	(410,505)	998,697	588,192
Deferred tax on transitional adjustments	-	-	-	-	-	-	-	137,764	137,764	(196,643)	(58,879)
Impact of reclassifying financial investment from AFS to FVTPL	-	-	-	(1,482)	-	-	-	1,482	-	-	-
Impact for Equity Accounted Investees	-	-	-	(526,798)	-	-	-	(43,756)	(570,554)	(19,883)	(590,437)
Restated opening balance under SLFRS 9 and SLFRS 15 as at 01 April 2018	475,200	7,583,355	(41,026)	(356,606)	1,101,555	205,000	2,663,011	57,988,230	69,618,719	47,852,712	117,471,431
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	11,290,654	11,290,654	8,345,284	19,635,938
Other comprehensive income											
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:											
Revaluation surplus of property, plant and equipment											
Revaluation of property, plant and equipment	-	1,870,570	-	-	-	-	-	-	1,870,570	290,412	2,160,982
Transfer upon disposal	-	(214,965)	-	-	-	-	-	214,965	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-
Related tax	-	(303,636)	-	-	-	-	-	-	(303,636)	(59,927)	(363,563)
Defined benefit plan actuarial gains / (losses)											
Re-measurement of defined benefit liabilities	-	-	-	-	-	-	-	(9,099)	(9,099)	(50,265)	(59,364)
Related tax	-	-	-	-	-	-	-	(7,971)	(7,971)	6,648	(1,323)
Change in fair value on investments in equity instruments at fair value through other comprehensive income											
Fair value gains/(losses) that arose during the year	-	-	-	(108,323)	-	-	-	-	(108,323)	4,906	(103,417)
Related tax	-	-	-	(70,664)	-	-	-	-	(70,664)	(10,132)	(80,796)
Share of other comprehensive income of equity accounted investees (net of tax)	-	(20,806)	-	(457)	-	-	-	26,904	5,641	(7,649)	(2,008)
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 year	-	-	-	(89,338)	-	-	-	-	(89,338)	(2,638)	(91,976)
Related tax	-	-	-	2,817	-	-	-	-	2,817	201	3,018
Foreign currency translation differences for foreign operations											
Net gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	3,365,649	-	-	-	3,365,649	5,089,757	8,455,406
Gain/(loss) on effective portion of changes in fair value of cash flow hedge	-	-	7,397	-	-	-	-	-	7,397	63	7,460
Reclassification adjustments to the income statement	-	-	(42,421)	-	-	-	-	-	(42,421)	(3,032)	(45,453)
Related tax	-	-	(26,594)	-	-	-	-	-	(26,594)	523	(26,071)
Share of other comprehensive income of equity accounted investees (net of tax)	-	-	4,519	84,745	(11,168)	-	-	-	78,096	4,784	82,880
Total other comprehensive income for the period	-	1,331,163	(57,099)	(181,220)	3,354,481	-	-	224,799	4,672,124	5,263,651	9,935,775
Total comprehensive income for the period	-	1,331,163	(57,099)	(181,220)	3,354,481	-	-	11,515,453	15,962,778	13,608,935	29,571,713
Transactions with owners directly recorded in the Equity											
Contributions by and distributions to owners											
Dividend forfeited	-	-	-	-	-	-	-	-	-	276	276
Total contribution by/(distribution to) owners of the Company	-	-	-	-	-	-	-	-	-	276	276
Transactions due to changes in group holding											
NCI contribution for subsidiary share issues	-	-	-	-	-	-	-	-	-	4,649,520	4,649,520
Non-controlling interests recognized on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	(13,799)	(13,799)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	(342,229)	(342,229)
Changes in ownership interests that do not result in a change in control	-	-	-	-	-	-	-	470,955	470,955	412,469	883,424
Total transactions due to changes in group holding	-	-	-	-	-	-	-	470,955	470,955	4,705,961	5,176,916
Total transactions with owners directly recorded in the equity	-	-	-	-	-	-	-	470,955	470,955	4,706,237	5,177,192
Other movements in equity											
Depreciation transfer on revaluation	-	(804)	-	-	-	-	-	804	-	-	-
Net transfers to statutory reserve fund	-	-	-	-	-	-	5,325,210	(5,325,210)	-	-	-
Total other movements	-	(804)	-	-	-	-	5,325,210	(5,324,406)	-	-	-
Balance as at 31 March 2019	475,200	8,913,714	(98,125)	(537,826)	4,456,036	205,000	7,988,221	64,650,232	86,052,452	66,167,884	152,220,336

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Changes in Equity
For the year ended 31 March 2020

Group	Equity Attributable to the Owners of the Company									Non-controlling Interests	Total Equity
	Stated Capital	Revaluation Reserve	Cash flow hedge Reserve	Fair Value Reserve	Translation Reserve	Future Taxation Reserve	Statutory Reserve Fund	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 01 April 2019	475,200	8,913,715	(98,124)	(537,826)	4,456,035	205,000	7,988,221	64,650,231	86,052,451	66,167,884	152,220,335
Impact of adoption of SLFRS 16											
Impact of adoption of SLFRS 16	-	(21,888)	-	-	-	-	-	(94,636)	(116,524)	(110,553)	(227,077)
Deferred tax on transitional adjustments	-	-	-	-	-	-	-	3,598	3,598	9,935	13,533
Restated opening balance under SLFRS 16 as at 01 April 2019	475,200	8,891,827	(98,124)	(537,826)	4,456,035	205,000	7,988,221	64,559,193	85,939,526	66,067,265	152,006,791
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	10,894,774	10,894,774	8,893,630	19,788,404
Other comprehensive income											
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:											
Revaluation surplus of property, plant and equipment											
Revaluation of property, plant and equipment	-	42,742	-	-	-	-	-	-	42,742	407,089	449,831
Transfer upon disposal	-	(4,480)	-	-	-	-	-	4,480	-	-	-
Defined benefit plan actuarial gains / (losses)											
Re-measurement of defined benefit liabilities	-	-	-	-	-	-	-	(154,610)	(154,610)	(63,759)	(218,369)
Related tax	-	-	-	-	-	-	-	34,637	34,637	13,250	47,887
Change in fair value on investments in equity instruments at fair value through other comprehensive income											
Fair value gains/(losses) that arose during the year	-	-	-	12,022	-	-	-	-	12,022	25,975	37,996
Related tax	-	-	-	(49,820)	-	-	-	-	(49,820)	(14,144)	(63,964)
Share of other comprehensive income of equity accounted investees (net of tax)	-	38,394	-	82,223	-	-	-	66,716	187,333	57,631	244,964
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 year	-	-	-	59,720	-	-	-	-	59,720	3,787	63,508
Related tax	-	-	-	119	-	-	-	-	119	1	120
Foreign currency translation differences for foreign operations											
Net gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	4,103,805	-	-	-	4,103,805	5,295,926	9,399,732
Fair value differences on cash flow hedges											
Gain/(loss) on effective portion of changes in fair value of cash flow hedge	-	-	(96,936)	-	-	-	-	-	(96,936)	(10,234)	(107,170)
Reclassification adjustments to the income statement	-	-	12,137	-	-	-	-	-	12,137	2,739	14,875
Related tax	-	-	15,005	-	-	-	-	-	15,005	127	15,133
Share of other comprehensive income of equity accounted investees (net of tax)	-	-	(18,672)	491,608	2,557	-	-	-	475,493	29,102	504,594
Total other comprehensive income for the period	-	76,656	(88,466)	595,872	4,106,363	-	-	(48,777)	4,641,647	5,747,489	10,389,136
Total comprehensive income for the period	-	76,656	(88,466)	595,872	4,106,363	-	-	10,845,997	15,536,421	14,641,119	30,177,540
Transactions due to changes in group holding											
NCI recognized on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	27,776,879	27,776,879
NCI contribution for subsidiary share issue	-	-	-	-	-	-	-	-	-	2,614,250	2,614,250
Further Acquisition of Subsidiary	-	-	-	-	-	-	-	(31,919)	(31,919)	(71,630)	(103,549)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	101,330	101,330
Changes in ownership interests that do not result in a change in control	-	-	-	-	-	-	-	(7,750,107)	(7,750,107)	7,750,107	-
Total transactions due to changes in group holding	-	-	-	-	-	-	-	(7,782,026)	(7,782,026)	38,170,936	30,388,910
Total transactions with owners directly recorded in the equity	-	-	-	-	-	-	-	(7,782,026)	(7,782,026)	38,170,936	30,388,910
Other movements in equity											
Net transfers to statutory reserve fund	-	-	-	-	-	-	3,739,628	(3,739,628)	-	-	-
Total other movements	-	-	-	-	-	-	3,739,628	(3,739,628)	-	-	-
Balance as at 31 March 2020	475,200	8,968,483	(186,591)	58,046	8,562,397	205,000	11,727,849	63,883,536	93,693,921	118,879,320	212,573,242

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 31 March

	Group		Company	
	2020 Rs.' 000	2019 Rs.' 000	2020 Rs.' 000	2019 Rs.' 000
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax from continuing operations	3,375,393	9,549,589	(9,094,024)	(3,106,181)
Profit/(loss) before tax from discontinued operations	23,749,036	17,267,971	-	-
Profit before tax	27,124,429	26,817,560	(9,094,024)	(3,106,181)
Adjustment for:				
(Gain) / loss on sale of property, plant and equipment	(101,807)	(172,327)	(30,767)	(50,770)
Depreciation and amortization	3,931,027	2,601,687	612,356	578,707
Amortization of ROU Asset	1,308,970	-	120,023	-
Insurance provision	1,464,218	860,929	-	-
Change in fair value of forward contracts	(1,507,651)	(4,682,010)	-	-
Provision for gratuity	962,098	519,317	69,479	62,773
Net impairment (loss) / reversal on financial assets	17,214,629	14,061,223	83,268	(3,788)
Provision for fall/(increase) in value of investments	(593,994)	(1,194,689)	22,306	55,664
Investment Income	(27,570)	(5,006,078)	(11,436)	(61,051)
Finance costs	86,872,635	71,126,873	10,669,705	8,020,071
Interest income	(4,014,906)	-	(3,904,228)	-
(Profit)/loss on sale of quoted and non-quoted shares	407,812	-	2,531,552	-
Share of profits of equity accounted investees	(1,019,970)	(1,108,860)	-	-
Foreign exchange gain / (loss)	1,525,266	5,096,417	-	-
Gain in fair value of consumer biological assets	136,816	(439,076)	-	-
Change in fair value of investment properties	(3,915,140)	(4,067,925)	(27,933)	(72,004)
Amortization of deferred income	(7,033)	(32,771)	-	-
Provision for slow moving inventories	481,545	(151,135)	-	-
Allowance for trade and other receivables	-	-	137,992	-
Results on acquisition and divestment of group investments	(5,979,044)	-	-	-
	124,262,330	104,229,135	1,178,293	5,423,421
Working capital changes				
Increase/(decrease) in trade and other payables	2,486,028	(7,017,873)	(1,374,216)	(3,714,042)
(Increase)/decrease in investment in leases, hire purchase and others	(3,060,095)	4,049,183	847	(399)
(Increase)/decrease in investment in advances and other loans	(206,486,886)	(170,022,216)	(3,034,688)	(137,671)
(Increase)/decrease in premium receivables	(303,188)	(114,541)	-	-
(Increase)/decrease in inventories	126,116	(1,462,804)	(39,390)	(89,113)
(Increase)/decrease in trade and other receivables	2,887,152	2,571,267	(15,439,576)	(1,795,624)
Increase/(decrease) in customer deposits	105,747,839	144,546,441	-	-
Cash generated from operations	25,659,296	76,778,592	(18,708,730)	(313,428)
Finance cost paid	(67,781,730)	(76,659,215)	(9,703,224)	(7,509,459)
Income tax and Economic Service Charge paid	(7,676,977)	(6,300,091)	(174,570)	(116,146)
Defined benefit plan costs paid	(754,599)	(434,046)	(26,663)	(14,130)
Net cash from/(used in) operating activities	(50,554,010)	(6,614,760)	(28,613,186)	(7,953,163)
CASH FLOW FROM INVESTING ACTIVITIES				
Investment in subsidiary companies	-	-	(17,594,527)	(16,810,517)
Net cash and cash equivalents on acquisition of subsidiary	(4,520,139)	(70,659)	146	10,543
Net cash and cash equivalents received on disposal of subsidiary	1,597,438	-	-	-
Investment in equity accounted investees	(1,433,297)	(167,426)	(713,112)	-
Proceeds from disposal of subsidiaries, equity accounted investees	-	-	9,987,724	-
Proceeds from sale of property, plant and equipment	453,242	366,275	104,112	345,026
Purchase of property, plant and equipment	(13,628,278)	(13,288,195)	242,918	(1,172,432)
Recognition of ROU assets	-	-	(642,361)	-
Purchase of investment properties	(3,154,807)	-	(712,382)	-
Acquisition of intangible assets	(2,523,159)	(645,377)	(65,078)	(272,942)
Net additions to trading assets	2,224,395	(3,905,929)	784,597	85,774
Net additions to investment securities	43,724,778	(13,805,469)	11,043,835	11,209,932
Interest income received	4,014,906	4,977,025	3,904,228	-
Dividend received	89,943	193,546	11,436	61,051
Net additions to biological assets	(440,467)	(143,890)	-	-
Payment of lease rentals	(1,183,632)	-	-	-
Net cash flow from investing activities	25,220,923	(26,490,099)	6,351,534	(6,543,565)
CASH FLOW FROM FINANCING ACTIVITIES				
Net cash proceeds from short-term interest bearing borrowings	68,637,667	(592,779)	26,613,192	15,225,359
Principal repayment under finance lease liabilities	(648,484)	(377,045)	(37,702)	85,798
Proceeds from long-term interest bearing loans and borrowings	143,264,925	154,041,409	201,021	596,971
Repayments of long-term interest bearing loans and borrowings	(94,769,673)	(103,292,430)	(1,913,221)	(1,916,330)
Issue/ (repayment) of debentures	(5,786,850)	2,750,000	-	-
NCI contributions to share issue of subsidiaries	2,614,250	4,649,520	-	-
Acquisition of non-controlling interests	(103,549)	(342,229)	-	-
Receipt of deferred income	14,887	4,002	-	-
Net increase/(decrease) Operating Lease Payable on ROU Assets	-	-	653,848	-
Net cash generated from financing activities	113,223,173	56,840,448	25,517,138	13,991,798
Net increase/(decrease) in cash and cash equivalents during the period	87,890,086	23,735,589	3,255,486	(504,930)
Cash and cash equivalents at the beginning of the period	65,574,966	41,839,377	(2,683,548)	(2,178,619)
Cash and cash equivalents at the end of the period	153,465,052	65,574,966	571,938	(2,683,549)
Analysis of cash and cash equivalents at the end of the period				
Cash in hand and favourable bank balances	157,487,689	76,082,985	1,611,460	945,468
Unfavourable bank balances used for cash management purposes	(4,022,637)	(10,508,018)	(1,039,522)	(3,629,017)
	153,465,052	65,574,966	571,938	(2,683,549)

Figures in brackets indicate deductions.

The above figures are not audited

1 Interim condensed financial statements

The Statement of Financial Position as at 31 March 2020, Income Statement, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity of the Company and the Group for the year 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.

2 Basis of preparation

Accounting policies and methods of computation as stated in the Financial Statements for 2018/19 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 March 31, 2019 except for changes described in note 10.

- 2.1** Revenue includes revenue from trading, manufacturing, leisure, plantation and other activities of the Group.
- 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.
- 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.
- 2.4** All expenses related to management expenditure is fully provided for in the financial statements.

3 Going concern/ Impact due to the COVID – 19

The basis for preparing the financial statements for the year ended 31 March 2020, is based on the present information that is currently available. Moreover, the management has assessed the existing and anticipated effects of COVID-19 on the companies of the group, and the relevance of the use of the “going concern basis”.

In determining the basis of preparing the financial statements for the year ended 31 March 2020, based on available information, the management has assessed the existing and anticipated effects of COVID-19 on the Group Companies and the appropriateness of the use of the going concern basis. In March 2020, each industry group evaluated the resilience of its businesses considering a wide range of factors under multiple stress tested scenarios, relating to expected revenue streams, cost management, profitability, the ability to defer non-essential capital expenditure, debt repayment schedules, if any, cash reserves and potential sources of financing facilities, if required, and the ability to continue providing goods and services to ensure businesses continue as least impacted as possible.

Having critically scrutinizing the outlook of each industry segment and after due consideration of the range and the probability of outcomes, the LOLC Board is satisfied that the Company with its subsidiaries, associates and joint ventures have adequate resources to continue in operational existence for the foreseeable future and therefore shall continue to adopt the going concern basis in preparing and presenting these financial statements.

Group has implemented all possible measures for the safety of the staff employed in all locations operating, adhering to Government and health authority guidelines and rules.

4 Fair value measurement and related fair value disclosures

Due to the COVID-19 outbreak and the closure of the exchange, Management has assessed and determined the fair value of equity portfolio as of 31 March 2020, based on the closing traded prices that existed as of 31 January 2020.

All the listed equity instruments were transferred from level 1 to level 2 as at 31 March 2020 as it shows factors which are indicative of an inactive market due to COVID 19 pandemic. There was a significant decline in the world equity market and the share prices did not reflect the accurate fair value of the instrument. Hence management decided to recognize all its listed equity instruments in level 2.

All the other financial instruments were properly categorized and during the period were not materially different from the transaction prices at the date of initial recognition. The fair value changes on financial instruments in Level 3 category was properly recorded in the statement of other comprehensive income Fair valuation was done as of 31 March 2020.

5 Revaluation of Non Financial Assets

As a result of the COVID-19 outbreak in Sri Lanka during the last part of the quarter ending 31 March 2020, a reassessment of the valuations were obtained by the same independent professional valuers for valuation of land and building and investment property, who determined there was no significant change to the revalued carrying amount provided as at 31 March 2020.

The following items were indicated in the reassessment reports to the Group;

The outbreak of COVID-19, declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted both local and global markets.

Consequently, as at the reporting date, the value reflected represents the best estimate based on the market conditions that prevailed, which in valuers’ considered opinion, meets the requirements in SLFRS-13 Fair Value Measurement.

6 Market price per share

Market prices of ordinary shares recorded during the quarter ended 31 March 2020 are as follows;

	Rs.
Highest price	182.60
Lowest price	88.00
Last traded price	90.80

7 Information on Company's listed debentures

7.1 Interest rate of comparable government security

Buying and Selling prices of Treasury Bonds at the auction held on 16 March 2020

	Buying	Selling
4 Year Bond		
Price	104.64	104.97
Yield - %	9.81	9.68
5 Year Bond		
Price	106.30	106.79
Yield - %	9.99	9.87

7.2 Market prices and yield during the period (ex interest)

	4 Year Bond	5 Year Bond
Price	104.81	106.55
Yield - %	9.61	10.13

	Current period
Yield to maturity of trade done on 31 March 2020	9.36

Debt to equity - Company	2.11	times
Interest cover - Company	1.06	times
Quick asset ratio - Company	11.35	times

7.3 The market prices during the period (ex interest)

Highest price	103.42
Lowest price	102.49
Last traded price	103.26

8 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 31 March 2019.

9 Amendments to the income tax law announced by the Government

The income tax provision for the Company and the Group for the Financial Year 2019-2020 is calculated in accordance with the notice issued by the Department of Inland Revenue on the instructions of the Ministry of Finance on 12 February 2020 on the subject "Implementation of Proposed Changes to the Inland Revenue Act, No. 24 of 2017" and further amended by the notice issued by the Department of Inland Revenue dated on 8 April 2020. The Company and the Group has adopted the above on the basis that formal amendments to the Inland Revenue Act No 24 of 2017 would be made in the near future. In addition, the Company and the Group has calculated and remitted the income tax payments for the Financial year 2019-2020 on the same basis.

The Group has computed deferred tax at the rates based on the Substantively enacted rate, which is the rate legislated as of the reporting date, specified in the Inland Revenue Act, No. 24 of 2017, since the Inland Revenue Department Circular No. PN/IT/2020-03 dated 08/04/2020 (Revised) has not been enacted as of the reporting date.

The Group recognizes a deferred tax asset on unused tax losses which is expected to reduce the future tax expense. The Group's risk management strategy involved implementation of the business continuity plans at the respective companies as a response to COVID-19 pandemic.

10 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019, except for the adoption of new standards effective as of 1 April 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

10.1 SLFRS 16 – Leases

The Group applies, for the first time, SLFRS 16 Leases. As required by LKAS 34, the nature and effect of these changes are disclosed below.

SLFRS 16 supersedes LKAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. The Group has adopted SLFRS 16 using modified retrospective method from 1 April 2019, without restating comparatives for the 2018/19 reporting period, as permitted under the specific transitional provisions in the standard.

Lessor accounting under SLFRS 16 is substantially unchanged from under LKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in LKAS 17. Therefore, SLFRS 16 does not have an impact for leases where the Group is the lessor.

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

On adoption of SLFRS 16, the Company and the Group recognised right-of-use assets and lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17, 'Leases'.

The effect of adoption SLFRS 16 as at 1 April 2019 is as follows

	Group In LKR'000	Company In LKR'000
Assets		
Prepaid lease rentals on leasehold properties	(2,405,735)	-
Right of use assets	14,263,021	734,285
Trade and other receivables/Lease rentals paid in advance	(217,739)	(64,790)
Total assets	11,639,546	669,495
Liabilities		
Interest-bearing loans and borrowings/Operating Lease Liability	13,547,752	669,495
Trade and other payables	(1,694,662)	-
Total liabilities	11,853,090	669,495
Net Impact to the Equity	(213,544)	-

a) Nature of the effect of adoption of SLFRS 16

The Group has lease contracts for various items such as lands, offices, warehouses and vehicles. Property leases are the major asset included in the right of use assets category, typically for in between 3 to 99 years of lease term and have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. On adoption of SLFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of the transition date.

Leases previously classified as finance leases

For leases previously classified as finance leases, the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The requirements of SLFRS 16 was applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Group recognised right of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right of use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

b) Summary of new accounting policies and impact

Set out below are the new accounting policies of the Group upon adoption of SLFRS 16, which have been applied from the date of initial application:

(i) Right of use assets

The Group recognises right of use assets when the underlying asset is available for use. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term. Right of use assets are subject to impairment.

Right-of-use assets are recognised at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

The opening adjustment as at 1 April 2019, represents the carrying value of the right-of-use assets relating to ongoing lease contracts measured on a modified retrospective basis as if the agreement had been applied since 01 April 2019.

(ii) Lease liabilities

At the initial application date of the standard (01 April 2019), the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the initial application date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The opening adjustment as at 1 April 2019, represents the present value of the remaining lease payments, relating to ongoing lease contracts, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iii) Reserves

The following is a summary of transition adjustments to the Company's and the Group's retained earnings from the initial application of SLFRS 16 as at 1 April 2019.

	Group In LKR'000	Company In LKR'000
Retained earnings as at 31st March 2019		
Recognition of additional lease liabilities	(227,077)	-
Impact due to Deferred Tax adjustment	13,533	-
Adjustments to retained earnings from changes in accounting policies	<u>(213,544)</u>	<u>-</u>
Retained earnings as at 1st April 2019	<u>(213,544)</u>	<u>-</u>

Practical expedients applied

In applying SLFRS 16 for the first time, the Company and the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases, and
- apply the Standard to contracts that were previously identified as leases

10.2 IFRIC 23 – Uncertainty over income tax treatments

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of LKAS 12 - Income Taxes. It does not apply to taxes or levies outside the scope of LKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Group has applied significant judgement in identifying uncertainties over income tax treatments and has considered each uncertain tax treatment separately and used the approach that would predict the resolution of the uncertainty.

11 Events after the reporting period

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

Commencement of the Group's business operations

After a stringent lockdown period of over a two months, curfew has been gradually eased off in many parts of the country. Although business activity has resumed across the country, and it is encouraging that there is no indication of community spread in the country at the moment. The Group has evaluated all guidelines issued by the Government as well as international best practices and each of the Group businesses have developed individual health and safety guidelines to ensure suitable working arrangements and safe conditions for employees, customers and other stakeholders.

The most recent release by the Government states that curfew restrictions was lifted gradually with effect from 11 May 2020, with restrictions being eased off during the day for the gradual commencement of economic activities by the public and private sectors. Although it is too early to make an assessment, the Group has seen a smooth transition with the resumption of business activities where the Group is already seeing positive momentum. Given the volatile and evolving landscape, the Group will continue to monitor the impacts on its operations and proactively take measures to ensure the business continues as seamlessly as possible.

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 which considered to be highly substantive for the sale transaction being highly probable. The sale of PRASAC Microfinance Institution Limited is expected to be completed within a year from the reporting date. At 31 March 2020, PRASAC Microfinance Institution Limited was classified as a disposal group held for sale and as a discontinued operation. The business of PRASAC Microfinance Institution Limited represented the Group's Financial Services operating segment until 31 March 2020. With PRASAC Microfinance Institution Limited being classified as discontinued operations, the results of the company has been reclassified under classified as a disposal group held for sale and as a discontinued operation presented in the segment note. The results of PRASAC for the year are presented in Note 12 to the Interim condensed consolidated financial statements:

12 Non-Current assets held for sale and Discontinued Operations

1 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.

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2 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 until the issue was sorted.

3 Browns Health Care

On 20 February 2020, the Group publicly announced the decision of its Board of Directors to sell Browns Health Care Group, a wholly owned subsidiary. On 20 February 2020, the shareholders of the Company approved the plan to sell. The sale of Browns Health Care Group is completed within a year from the reporting date. At 31 March 2020, Browns Health Care Group was classified as a disposal group held for sale and as a discontinued operation. The business of Browns Health Care Group represented the Group's Manufacturing, Trading & Services operating segment until 31 December 2020. With Browns Health Care Group being classified as discontinued operations, the results of the company has been reclassified under classified as a disposal group held for sale and as a discontinued operation presented in the segment note. The results of Browns Health Care Group for the year are presented below. The results of Browns Health Care Group for the year are presented below:

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) in note 12 to the Financial Statements.

	2020		2019	
	PRASAC Rs'000	BGFL Rs'000	PRASAC Rs'000	BGFL Rs'000
Gross income				
Interest income	67,190,564	-	49,424,583	-
Interest expenses	(32,018,026)	(5)	(22,477,682)	(8,538)
Net interest income	35,172,539	(5)	26,946,901	(8,538)
Revenue	-	5,525	-	27,620
Less: cost of sales	-	(8,621)	-	(39,000)
Gross profit	-	(3,096)	-	(11,381)
Income	4,287,568	-	2,946,708	-
Other income/(expenses)	1,450,009	-	1,335,394	-
Profit before operating expenses	40,910,115	(3,101)	31,229,003	(19,919)
Operating expenses				
Direct expenses excluding finance expenses	-	(793)	(14,016)	-
Personnel expenses	(11,511,830)	(1,607)	(7,980,183)	(4,957)
Net impairment loss on financial assets	(2,124,468)	-	(2,594,722)	-
Depreciation and amortization	(1,115,775)	(9,773)	(415,890)	(13,106)
Other operating expenses	(2,346,418)	(47,314)	(2,915,353)	(2,886)
Results from operating activities	23,811,624	(62,588)	17,308,840	(40,868)
Income tax expense	(4,769,546)	-	(3,564,958)	-
Profit for the year	19,042,077	(62,588)	13,743,881	(40,868)

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

	2020		2019	
	PRASAC Rs'000	BGFL Rs'000	PRASAC Rs'000	BGFL Rs'000
Assets				
Cash in hand and favourable bank balances	101,650,233	385	29,823,518	39
Investment securities	5,313	-	31,523,938	-
Assets directly associated with the assets held for sale and discontinued operations	-	-	-	-
Financial assets at amortised cost/ Advances and other loans	506,380,605	-	386,464,799	-
Inventories	-	757	-	1,196
Current tax assets	-	-	-	-
Trade and other current assets	1,709,225	1,063	4,711,261	19,477
Right-of-use assets	2,781,861	971	-	1,200
Bearer biological assets	-	-	-	33,318
Investments in group of companies;				
Subsidiary companies	-	-	-	-
Deferred tax assets	2,012,901	-	1,668,264	-
Intangible assets	280,962	-	286,644	-
Property, plant and equipment	1,018,799	58,023	857,467	62,468
Assets directly associated with the assets held for sale and discontinued operations	615,839,898	61,200	455,335,891	117,698
Liabilities				
Bank overdrafts	-	221	-	536
Liabilities directly associated with the assets held for sale and discontinued operations	-	-	258,910,688	-
Financial Liabilities at Amortised Cost/ Deposits liabilities	342,957,338	-	124,152,924	-
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	176,649,632	-	-	155
Current tax payables	1,527,014	-	1,098,702	-
Trade and other payables	12,621,395	22,399	13,355,241	15,840
Deferred tax liabilities	-	-	42,025	-
Retirement benefit obligations	179,937	49	81,808	49
Liabilities directly associated with the assets held for sale and discontinued operations	533,935,315	22,670	397,641,387	16,581
Amounts included in accumulated OCI:				
Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:				
<i>Defined benefit plan actuarial gains / (losses)</i>				
Re-measurement of defined benefit liabilities	-	-	-	11
Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:				
<i>Foreign currency translation differences for foreign operations</i>				
Exchange gain/ (losses) from translation of foreign operations	5,063,419	-	5,564,316	-
Reserve of disposal group classified as held for sale	5,063,418.66	-	5,564,316.42	10.76
The net cash flows incurred by companies which are classified as discontinued operations, as follows:				
Operating	4,658,192	17,917	(14,288,238)	(133,276)
Investing	(177,039)	(17,099)	(98,371)	(7,376)
Financing	23,658,165	(157)	2,129,618	138,708
Net cash (outflow)/inflow	28,139,317	661	(12,256,991)	(1,945)
Earnings per share				
Basic, profit from discontinued operations attributable to ordinary equity holders of the parent	40.07	-	0.13	28.92
Diluted, profit from discontinued operations attributable to ordinary equity holders of the parent	40.07	-	0.13	28.92

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 2020, 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.

13 Acquisition of a subsidiary

13.1 Financial Year 2020

13.1.1 Sunbird Bioenergy (SL) Ltd

On 14 May, 2019, B Commodities ME (FZE), a fellow subsidiary of the Group incorporated in Sharjah, UAE has acquired 66.67% per cent equity stake with controlling interest in Grey Reach Investment Limited (GRIL) for a consideration of USD 30Mn.

Pursuant to an Investment Agreement entered into on the 29 of April 2019, B Commodities ME (FZE) has acquired a 66.67% stake in GRIL which is the holding Company of Sunbird Bioenergy (SL) Limited (SBSL) incorporated in Sierra Leone. GRIL is an investment holding, and its only asset is its 75.1% investment in SBSL.

SBSL holds 23,500 Hectares of land for sugarcane plantation and a factory with a production capacity of 85 million liters of bio fuel per annum. The company also operates a renewable energy power plant which has a capacity of producing 32 MW of power. The above factory and renewable energy power plant together with its plantation and the mechanised irrigation system is one of the largest agricultural projects in the African continent.

Sunbird Bioenergy (SL) Limited is also one of the largest economic opportunity providers in the African region with over 5,000 employees.

Fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition were;

13.1.2 Consideration paid

For the year ended 31 March 2020	Control holding acquired %	Cash and cash equivalents paid Rs. '000	Acquisition related costs Rs. '000	Fair value of the consideration paid Rs. '000	Fair value of previously held interest Rs. '000	Total consideration of acquisition Rs. '000
Grey Reach Investments Ltd (GRIL)	66.67%	5,299,803	-	5,299,803	-	5,299,803
		5,299,803	-	5,299,803	-	5,299,803

13.1.3 The provisional fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition were;

	GRIL Rs. '000	SBSL Rs. '000	Total Rs. '000
Assets			
Cash in hand and favorable bank balances	8,185	771,479	779,664
Inventories	-	1,633,410	1,633,410
Trade and other current assets	-	1,618,420	1,618,420
Right-of-use assets	-	429,807	429,807
Bearer biological assets	-	693,179	693,179
Investments in group of companies; Subsidiary companies	8,061,001	-	8,061,001
Property, plant and equipment	-	37,426,194	37,426,194
Total assets	8,069,186	42,572,489	50,641,676
Liabilities			
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	1,850,857	1,850,857
Current tax payables	-	59,324	59,324
Trade and other payables	163,353	2,039,349	2,202,702
Deferred tax liabilities	-	-	-
Deferred income	-	-	-
Retirement benefit obligations	-	6,263	6,263
Total liabilities	163,353	3,955,793	4,119,146
Fair value of net assets acquired	7,905,833	38,616,697	46,522,530

13.1.4 Goodwill on acquisition / (Gain on bargain purchase)

Goodwill on acquisition / (Gain on bargain purchase) is recognized as a result of the acquisitions as follows;

For the year ended 31 March 2020	Note	Total Rs. '000
Fair value of the consideration paid	13.1.2	13,360,804
Net Non-controlling interests, based on their proportionate interest in the recognized amounts of the assets and liabilities		27,766,357
		41,127,161
Fair value of identifiable net assets	13.1.3	46,522,530
Goodwill on acquisition / (Gain on bargain purchase)		5,395,369

13.1.5 Net cash used in acquisition

For the year ended 31 March 2020

For the year ended 31 March 2020	Note	Total Rs. '000
<u>Purchase consideration paid</u>	13.1.2	13,360,804
Fair value of the consideration paid		(8,061,001)
Acquisition related costs		5,299,803
(-) Cash & cash equivalents acquired	13.1.3	779,664
Positive cash balances		(4,520,139)
Net cash used in acquisition		(4,520,139)

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14 Disposal of Subsidiaries

14.1 Browns Health Care

On 20 February 2020, the LOLC Group has disposed of 100% control holding of both Browns Health Care (Pvt) Ltd and Browns Health Care North Colombo (Pvt) Ltd. The results of the disposal are as follows;

14.2 Consideration received

During the current financial year group has divested following subsidiaries;

	Controlling interest sold %	Cash and cash equivalents Rs. '000	Other movetory assets Rs. '000	Fair value of the consideration received Rs. '000	Fair value of previously held interest Rs. '000	Total consideration Rs. '000
Browns Health Care	100.00%	1,600,000	352,260	1,952,260	-	1,952,260
Fair value of the consideration received		1,600,000	352,260	1,952,260	-	1,952,260

14.3 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;

	BHCL Rs. '000	BHCNCL Rs. '000	Total Rs. '000
Assets			
Cash in hand and favorable bank balances	10,520	135	10,655
Inventories	47,845	-	47,845
Current tax assets	28,842	10	28,852
Trade and other current assets	200,928	186	201,114
Right-of-use assets	1,132	-	1,132
Intangible assets	359	-	359
Property, plant and equipment	1,174,017	255,586	1,429,603
Total assets	1,463,643	255,917	1,719,560
Liabilities			
Bank overdrafts	8,093	-	8,093
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	1,327	-	1,327
Current tax payables	8,276	29,064	37,340
Trade and other payables	171,277	146,664	317,941
Retirement benefit obligations	11,847	-	11,847
Total liabilities	200,820	175,728	376,548
Net assets disposed	1,262,823	80,189	1,343,012

14.4 Gain on disposal of subsidiaries

	Note	Total Rs. '000
Total consideration received	14.2	1,952,260
De-recognition of non-controlling interests		101,330
Fair value of net assets disposed	14.3	(1,343,012)
Gain on disposal		507,918

14.5 Net cash received from divestment

	Note	Total Rs. '000
Purchase consideration received	14.2	1,600,000
(-) Cash & cash equivalents acquired	14.3	
Positive cash balances		10,655
Bank overdrafts		(8,093)
Net cash received from divestment		1,597,438

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	Financial Services	Long term & General Insurance	Manufacturing & Trading	Leisure & Entertainment	Plantation & Hydro 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	103,554,575	7,768,230	24,786,737	1,884,902	2,518,945	-	(10,056,152)	130,457,237
Net interest cost	(48,650,679)	(6,486)	(5,313,679)	(3,084,220)	(869,988)	-	3,070,448	(54,854,604)
Cost of sales	-	-	(15,457,434)	(363,913)	(909,711)	-	(454,641)	(17,185,698)
Profit before operating expenses	54,903,896	7,761,744	4,015,624	(1,563,231)	739,246	-	(7,440,345)	58,416,936
Operating expenses	(53,939,609)	(6,307,706)	(3,031,789)	(1,417,137)	(3,523,222)	-	6,178,907	(62,040,557)
Results from operating activities	964,287	1,454,038	983,835	(2,980,368)	(2,783,976)	-	(1,261,438)	(3,623,622)
Share of profits of equity accounted investees	-	-	-	-	-	1,019,970	-	1,019,970
Results on acquisition and divestment of group investments	-	-	-	-	-	-	5,979,045	5,979,045
Profit before tax from continuing operations	964,287	1,454,038	983,835	(2,980,368)	(2,783,976)	1,019,970	4,717,607	3,375,393
Discontinued operations								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	23,811,624	-	-	-	(62,588)	-	-	23,749,036
Profit before tax from discontinued operations	23,811,624	-	-	-	(62,588)	-	-	23,749,036
Profit before tax of the group	24,775,910	1,454,038	983,835	(2,980,368)	(2,846,564)	1,019,970	4,717,607	27,124,429

For the year ended 31 March 2019

Gross income	97,397,589	6,773,153	26,476,933	1,853,414	2,891,551	-	(11,078,733)	124,313,907
Net interest cost	(47,077,562)	(10,427)	(4,530,975)	(2,301,958)	(608,060)	-	5,888,329	(48,640,653)
Cost of sales	-	-	(15,679,102)	(486,598)	(746,032)	-	(159,090)	(17,070,822)
Profit before operating expenses	50,320,027	6,762,726	6,266,856	(935,142)	1,537,460	-	(5,349,494)	58,602,433
Operating expenses	(43,709,822)	(6,937,838)	(3,040,256)	(1,259,144)	(1,357,913)	-	6,143,269	(50,161,704)
Results from operating activities	6,610,204	(175,112)	3,226,600	(2,194,286)	179,547	-	793,775	8,440,728
Gain on disposal of subsidiaries	-	-	-	-	-	-	-	-
Share of profits of equity accounted investees	-	-	-	-	-	1,108,860	-	1,108,860
Results on acquisition and divestment of group investments	-	-	-	-	-	-	-	-
Profit before tax from continuing operations	6,610,204	(175,112)	3,226,600	(2,194,286)	179,547	1,108,860	793,775	9,549,588
Discontinued operations								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	17,308,840	-	-	-	(40,868)	-	-	17,267,971
Profit before tax from discontinued operations	17,308,840	-	-	-	(40,868)	-	-	17,267,971
Profit before tax of the group	23,919,044	(175,112)	3,226,600	(2,194,286)	138,679	1,108,860	793,775	26,817,560

<i>For the year ended 31 March 2020</i>	Financial Services	Long term & General Insurance	Manufacturing & Trading	Leisure & Entertainment	Plantation & Hydro 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	16,852,947	4,396	295,507	33,207	-	-	28,571	17,214,629
Depreciation and amortization	1,848,667	66,763	433,855	264,332	1,390,761	-	110,071	4,114,449
Discontinued operations								
Net impairment (loss) / reversal on financial assets	2,124,468	-	-	-	-	-	-	2,124,468
Depreciation and amortization	1,115,775	-	-	-	9,773	-	-	1,125,548
Continuing operations								
Total assets (as at 31 March 2020)	667,970,548	16,122,010	66,325,842	67,515,914	52,650,054	-	(150,559,271)	720,025,096
Total liabilities (as at 31 March 2020)	523,458,256	10,655,428	32,909,220	42,905,676	13,883,905	-	(34,417,521)	589,394,965
Discontinued operations								
Total assets (as at 31 March 2020)	615,839,898	-	-	-	61,200	-	-	615,901,097
Total liabilities (as at 31 March 2020)	533,935,315	-	-	-	22,670	-	-	533,957,985
<i>For the year ended 31 March 2019</i>								
Continuing operations								
Net impairment (loss) / reversal on financial assets	11,492,363	10,163	81,676	2,197	-	-	(119,898)	11,466,501
Depreciation and amortization	1,176,558	66,253	438,956	253,462	246,347	-	(8,885)	2,172,690
Discontinued operations								
Net impairment (loss) / reversal on financial assets	2,594,722	-	-	-	-	-	-	2,594,722
Depreciation and amortization	415,890	-	-	-	13,106	-	-	428,996
Continuing operations								
Total assets (as at 31 March 2019)	569,540,897	12,337,061	86,745,185	55,763,890	10,627,859	-	(146,721,195)	588,293,697
Total liabilities (as at 31 March 2019)	451,917,852	8,436,683	35,461,339	29,867,029	7,198,011	-	(39,011,933)	493,868,981
Discontinued operations								
Total assets (as at 31 March 2019)	455,335,891	-	-	-	117,698	-	-	455,453,589
Total liabilities (as at 31 March 2019)	397,641,387	-	-	-	16,581	-	-	397,657,968

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

Rs'000							
As at 31 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
Financial assets recognised through profit or loss	-	6,638,680	-	-	6,638,680	6,638,680	Level 1 and Level 2
Investment securities	-	-	20,998,211	28,590,056	49,588,267	49,588,267	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	-	-	-	58,463,023	58,463,023	57,855,008	Level 3
Financial assets at amortised cost/ Advances and other loans	-	-	-	330,926,210	330,926,210	330,712,101	Level 3
Total financial assets	-	6,638,680	20,998,211	417,979,289	445,616,180	444,794,055	
Trading liabilities	114,349	-	-	-	114,349	114,349	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	220,985,128	220,985,128	222,311,039	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	-	-	323,037,527	323,037,527	324,975,752	Level 3
Total financial liabilities	114,349	-	-	544,022,655	544,137,004	547,401,140	

Rs'000							
As at 31st March 2019 - 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
Financial assets recognised through profit or loss	-	8,308,127	-	-	8,308,127	8,308,127	Level 1 and Level 2
Investment securities	-	-	18,815,024	43,321,961	62,136,985	62,136,985	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	-	-	-	56,231,759	56,231,759	55,646,949	Level 3
Financial assets at amortised cost/ Advances and other loans	-	-	-	458,086,862	458,086,862	457,790,480	Level 3
Total financial assets	-	8,308,127	18,815,024	557,640,582	584,763,733	583,882,541	
Trading liabilities	841,492	-	-	-	841,492	841,492	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	193,164,352	193,164,352	194,323,338	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	-	-	253,273,163	253,273,163	254,792,802	Level 3
Total financial liabilities	841,492	-	-	446,437,515	447,279,007	449,957,632	

For the cash and cash equivalents, 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 31 March 2020**

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	13.000
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	23,760,000	5.000
Deshamanya M D D Peiris	-	-
Dr. R A Fernando	12,600	0.003

Top 20 shareholders as at 31 March 2020

	Shareholder	No. of Shares	% of Issued Capital
1	LOLC Capital (Private) Limited	147,265,983	30.990
2	Mr. I C Nanayakkara	91,613,792	19.279
3	Commercial Bank of Ceylon PLC/ I C Nanayakkara	79,000,000	16.625
4	Sampath Bank PLC/ Ishara Chinthaka Nanayakkara	61,774,000	13.000
5	Mrs. K U Amarasinghe	23,760,000	5.000
6	Employees Provident Fund	15,182,259	3.195
7	BBH - Matthews International Funds-Matthews Asia	11,399,052	2.399
8	Kashyapa Capital (Pvt) Ltd	8,671,625	1.825
9	BBH - Matthews Emerging Asia Fund	6,627,893	1.395
10	Mrs. I Nanayakkara	2,827,948	0.595
11	J B Cocoshell (Pvt) Ltd	1,130,518	0.238
12	GF Capital Global Limited	943,404	0.199
13	Mrs. S N Fernando	818,440	0.172
14	Swastika Mills LTD	735,000	0.155
15	Dr. M Ponnambalam	722,616	0.152
16	Seylan Bank PLC/ W D N H Perera	662,992	0.140
17	Mr. G G Ponnambalam	661,818	0.139
18	Hatton National Bank PLC/ Capital Trust Holdings	545,158	0.115
19	Mr. R C De Silva	524,200	0.110
20	Mr. R Maheswaran	500,000	0.105
		455,366,698	95.826

31st March 2020

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

6,517,043,334.00
15.10%
3,277
Complied under Option 02