

LOLC HOLDINGS PLC
INTERIM CONDENSED FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021



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LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Financial Position

As at	Note	Group		Company	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
		Rs'000	Rs'000	Rs'000	Rs'000
		Un-audited	Audited	Un-audited	Audited
Assets					
Cash and cash equivalents		58,264,176	56,135,056	1,698,848	1,611,459
Financial assets recognised through profit or loss		15,881,584	6,639,075	4,898,917	263,429
Investment securities		117,139,085	49,289,886	17,497,241	3,261,861
Assets directly associated with the assets held for sale and discontinued operations	8	4,794	630,111,845	-	-
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases		60,832,279	58,101,502	2,381	2,440
Financial assets at amortised cost/ Advances and other loans		352,005,250	331,358,634	9,215,716	5,510,840
Premium receivables		1,849,317	1,530,695	-	-
Inventories		9,569,013	7,208,772	280,255	380,379
Current tax assets		1,750,357	2,051,283	229,275	198,824
Trade and other current assets		20,309,864	19,147,151	32,820,827	32,995,282
Right-of-use assets		22,237,812	8,844,199	574,130	642,362
Investment properties		46,202,227	31,723,414	1,064,850	1,017,250
Biological assets;					
Consumable biological assets		4,006,326	3,642,998	-	-
Bearer biological assets		2,423,963	2,144,552	-	-
Investments in group of companies;					
Subsidiary companies			-	92,504,806	90,943,738
Equity Accounted Investees		23,425,334	21,262,046	4,666,193	4,227,113
Deferred tax assets		1,918,724	1,259,639	-	-
Intangible assets		1,907,733	3,741,289	336,810	413,539
Property, plant and equipment		129,813,103	101,726,889	5,320,319	4,772,437
		869,540,941	1,335,918,925	171,110,568	146,240,953
Bank overdrafts		4,102,164	4,022,416	587,043	1,039,522
Trading liabilities		-	114,349	-	-
Liabilities directly associated with the assets held for sale and discontinued operations	8	-	533,937,982	-	-
Financial Liabilities at Amortised Cost/ Deposits liabilities		263,593,505	220,985,129	-	-
Financial Liabilities at Amortised Cost/ Interest bearing borrowings		301,254,076	323,027,083	105,175,385	95,412,795
Insurance provision - life		5,423,423	4,283,247	-	-
Insurance provision - general		4,737,157	4,358,359	-	-
Current tax payables		7,240,307	5,250,922	694,370	660,323
Trade and other payables		40,303,580	20,340,533	7,023,211	1,390,049
Deferred tax liabilities		7,933,548	5,010,253	711,024	384,999
Deferred income		143,175	161,509	-	-
Retirement benefit obligations		2,020,705	1,850,445	304,985	320,392
Total liabilities		636,751,640	1,123,342,227	114,496,018	99,208,080
Equity					
Stated capital (475,200,000 shares)		475,200	475,200	475,200	475,200
Reserves		37,985,110	28,790,432	11,439,801	10,680,953
Retained earnings		97,557,193	63,267,075	44,699,549	35,876,720
Equity attributable to shareholders of the Company		136,017,503	92,532,707	56,614,550	47,032,873
Non-controlling interests		96,771,798	120,043,991	-	-
Total equity		232,789,301	212,576,698	56,614,550	47,032,873
Total liabilities & equity		869,540,941	1,335,918,925	171,110,568	146,240,953
Net assets per share (Rs.)		286.23	194.72	119.14	98.97

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

31st May, 2021
Rajagiriya (Greater Colombo)

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

Note	Group					
	Three Months Ended			Year Ended		
	31-Mar-21 Rs'000 Un-audited	31-Mar-20 Rs'000 Un-audited	Variance %	31-Mar-21 Rs'000 Un-audited	31-Mar-20 Rs'000 Audited	Variance %
Continuing operations						
Gross income	47,910,407	37,019,834	29	160,490,247	130,441,678	23
Interest income	24,719,036	22,649,952	9	89,670,132	81,852,729	10
Interest expense	(11,990,759)	(14,685,144)	18	(49,321,100)	(54,851,694)	10
Net interest income	12,728,277	7,964,808	60	40,349,032	27,001,035	49
Revenue	11,611,561	6,839,380	70	33,598,029	24,944,735	35
Cost of sales	(8,366,831)	(4,902,621)	(71)	(23,138,816)	(17,139,918)	(35)
Gross profit	3,244,730	1,936,759	68	10,459,213	7,804,817	34
Income	3,873,358	1,788,766	117	19,159,558	14,200,638	35
Other income/(expenses)	7,706,452	5,741,736	34	18,062,528	9,443,576	91
Profit before operating expenses	27,552,817	17,432,069	58	88,030,331	58,450,066	51
Operating expenses						
Direct expenses excluding finance costs	(1,611,803)	(2,565,667)	37	(7,069,045)	(7,953,138)	11
Personnel Expenses	(5,987,196)	(4,485,944)	(33)	(19,579,431)	(16,795,392)	(17)
Net impairment (loss) / reversal on financial assets	(6,749,700)	(6,843,967)	1	(29,643,867)	(17,223,797)	(72)
Depreciation and amortization	(1,044,703)	(452,017)	(131)	(4,800,378)	(4,123,926)	(16)
Other operating expenses	(4,727,055)	(4,175,125)	(13)	(15,099,097)	(15,976,699)	5
Results from operating activities	7,432,360	(1,090,651)	781	11,838,513	(3,622,886)	427
Share of profits of equity accounted investees, net of tax	449,316	35,801	1,155	1,216,388	1,019,970	19
Results on acquisition and divestment of Group investments	7 1,082,583	744,337	45	44,078,681	5,979,044	637
Profit/ (loss) before tax from continuing operations	8,964,259	(310,513)	2,987	57,133,582	3,376,128	1,592
Income tax expense	(1,055,318)	(765,910)	(38)	(3,899,738)	(2,563,759)	(52)
Profit/ (loss) for the period from continuing operations	7,908,941	(1,076,423)	835	53,233,844	812,369	6,453
Discontinued operations						
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	8 (37,355)	4,639,719	(101)	(36,684)	18,979,489	(100)
Profit for the period	7,871,586	3,563,296	121	53,197,160	19,791,858	169
Profit/ (loss) attributable to; (Continuing operations)						
Equity holders of the company	7,258,759	(94,508)	7,781	28,064,060	4,127,279	580
Non-controlling interests	650,182	(981,915)	166	25,169,784	(3,314,910)	859
	7,908,941	(1,076,423)	835	53,233,844	812,369	6,453
Profit/ (loss) attributable to; (Discontinued operations operations)						
Equity holders of the Company	(22,283)	1,552,809	(101)	(21,944)	6,766,717	(100)
Non-controlling interests	(15,072)	3,086,910	(100)	(14,740)	12,212,772	(100)
	(37,355)	4,639,719	(101)	(36,684)	18,979,489	(100)
Profit attributable to;						
Equity holders of the Company	7,236,476	1,458,302	396	28,042,116	10,893,997	157
Non-controlling interests	635,110	2,104,994	(70)	25,155,044	8,897,861	183
	7,871,586	3,563,296	121	53,197,160	19,791,858	169

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-21 Rs'000 Un-audited	31-Mar-20 Rs'000 Un-audited	Variance %	31-Mar-21 Rs'000 Un-audited	31-Mar-20 Rs'000 Audited	Variance %
Profit for the period	7,871,586	3,563,296	121	53,197,160	19,791,858	169
Other comprehensive income						
Net other comprehensive income that will never be reclassified to profit or loss in subsequent periods:						
<i>Revaluation surplus of property, plant and equipment</i>						
Revaluation of property, plant and equipment	10,631,847	(5,192,684)	305	27,196,285	1,129,021	2,309
Related tax	(2,547,542)	-	(100)	(2,561,018)	-	(100)
Transfer on Impairment	-	(679,190)	100	-	(679,190)	(100)
<i>Defined benefit plan actuarial gains / (losses)</i>						
Re-measurement of defined benefit liabilities	207,974	(220,049)	195	142,553	(218,369)	165
Related tax	(5,115)	47,887	(111)	(42,889)	47,887	(190)
<i>Change in fair value on investments in equity instruments at fair value through other comprehensive income</i>						
Fair value gains/(losses) that arose during the period	268,057	(46,061)	682	418,318	41,309	913
Related tax	68,833	(61,651)	212	68,833	(68,501)	200
Share of other comprehensive income of equity accounted investees (net of tax)	(30,794)	244,964	(113)	341,208	244,964	39
Net other comprehensive income not to be reclassified to income statement in subsequent periods	8,593,260	(5,906,784)	245	25,563,290	497,121	5,042
Net other comprehensive income that are or may be reclassified to profit or loss in subsequent periods :						
<i>Change in fair value on investments in debt instruments at fair value through other comprehensive income</i>						
Fair value gains/(losses) that arose during the period	(32,522)	(14,405)	(126)	36,061	64,733	(44)
Related tax	(1,926)	120	1,705	20	120	(83)
<i>Foreign currency translation differences for foreign operations</i>						
Net exchange gains/(losses) arising from translating the Financial Statements of foreign operations	4,165,915	6,289,006	(34)	5,847,987	9,399,732	(38)
Transfer of translation reserve on disposed foreign subsidiary	-	-	-	(4,623,648)	-	(100)
<i>Fair value differences on cash flow hedges</i>						
Net movement in cash flow hedges	(9)	(347)	97	60,433	(54,045)	212
Net change in costs of hedging	(109,092)	(53,125)	(105)	(55,313)	(53,125)	(4)
Related tax	158,805	30,008	429	141,884	30,008	373
Share of other comprehensive income of equity accounted investees (net of tax)	198,697	504,595	(61)	548,347	504,595	9
Net other comprehensive income to be reclassified to income statement in subsequent periods	4,379,868	6,755,852	(35)	1,955,771	9,892,018	(80)
Total other comprehensive income/ (expense) for the period, net of tax	12,973,128	849,068	1,428	27,519,061	10,389,139	165
Total comprehensive income for the period, net of tax	20,844,714	4,412,364	372	80,716,221	30,180,997	167
Total comprehensive income attributable to:						
Equity holders of the company	15,853,289	1,476,945	973	36,987,559	14,990,891	147
Non-controlling interests	4,991,425	2,935,419	70	43,728,662	15,190,106	188
	20,844,714	4,412,364	372	80,716,221	30,180,997	167
Earnings per share						
Basic, profit for the year attributable to ordinary equity holders of the parent	15.23	3.07	396	59.01	22.93	157
Diluted, profit for the year attributable to ordinary equity holders of the parent	15.23	3.07	396	59.01	22.93	157
Earnings per share for continuing operations						
Basic, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	15.28	(0.20)	7,781	59.06	8.69	580
Diluted, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	15.28	(0.20)	7,781	59.06	8.69	580

Figures in brackets indicate deductions.
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LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Profit or Loss

	Company					
	Three Months Ended			Year Ended		
	31-Mar-21	31-Mar-20	Variance	31-Mar-21	31-Mar-20	Variance
	Rs'000	Rs'000	%	Rs'000	Rs'000	%
	Un-audited	Un-audited		Un-audited	Audited	
Gross income	4,239,859	2,428,533	75	25,077,000	9,243,797	171
Interest income	1,216,075	1,330,620	(9)	5,636,494	3,904,229	44
Interest expense	(2,194,075)	(3,042,662)	28	(9,507,935)	(10,669,704)	11
Net interest income/ (expense)	(978,000)	(1,712,042)	43	(3,871,441)	(6,765,475)	43
Revenue	856,139	805,486	6	2,530,699	2,480,478	2
Cost of sales	(847,352)	(793,337)	(7)	(2,457,398)	(2,315,799)	(6)
Gross profit	8,787	12,149	(28)	73,301	164,679	(55)
Income	254,621	817,737	(69)	2,190,143	4,073,060	(46)
Other income/(expenses)	1,913,024	(525,310)	464	14,719,664	(1,213,970)	1,313
Profit/ (loss) before operating expenses	1,198,432	(1,407,466)	185	13,111,667	(3,741,706)	450
Operating expenses						
Direct expenses excluding finance costs	(12,461)	(2,338)	(433)	(12,644)	(4,427)	(186)
Personnel costs	(241,918)	(271,797)	11	(1,108,309)	(1,259,400)	12
Net impairment (loss) / reversal on financial assets	(30,417)	(71,192)	57	(5,999)	(83,268)	93
Depreciation and amortization	(190,271)	(265,305)	28	(748,612)	(732,379)	(2)
Other operating expenses	(465,022)	(621,179)	25	(2,171,681)	(3,272,841)	34
Profit/ (loss) before tax	258,343	(2,639,277)	110	9,064,422	(9,094,021)	200
Income tax expense	(251,877)	(59,106)	(326)	(275,988)	(118,834)	(132)
Profit/ (loss) for the period	6,466	(2,698,383)	100	8,788,434	(9,212,855)	195
Profit/ (loss) attributable to;						
Equity holders of the Company	6,466	(2,698,383)	100	8,788,434	(9,212,855)	195
Non-controlling interests	-	-	-	-	-	-
	6,466	(2,698,383)	100	8,788,434	(9,212,855)	195

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

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

	Company					
	Three Months Ended			Year Ended		
	31-Mar-21 Rs'000 Un-audited	31-Mar-20 Rs'000 Un-audited	Variance %	31-Mar-21 Rs'000 Un-audited	31-Mar-20 Rs'000 Audited	Variance %
Profit/ (loss) for the period	6,466	(2,698,383)	100	8,788,434	(9,212,855)	195
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	501,998	-	100	501,998	-	100
Related tax	(110,850)	-	(100)	(110,850)	-	(100)
Transfer on Impairment	-	(679,190)	100	-	(679,190)	100
Defined benefit plan actuarial gains / (losses)						
Re-measurement of defined benefit liabilities	45,256	66,351	(32)	45,256	66,351	(32)
Related tax	(10,861)	(18,578)	42	(10,861)	(18,578)	42
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	272,052	(87,370)	411	400,202	-	100
Related tax	(71,818)	-	(100)	(71,818)	-	(100)
Net other comprehensive income not to be reclassified to income statement in subsequent periods	625,777	(718,787)	187	753,927	(631,417)	219
Total other comprehensive income/ (expense) for the period, net of tax	625,777	(718,787)	187	753,927	(631,417)	219
Total comprehensive income/ (expense) for the period, net of tax	632,243	(3,417,170)	119	9,542,361	(9,844,272)	197
Total comprehensive income/ (expense) attributable to:						
Equity holders of the company	632,243	(3,417,170)	119	9,542,361	(9,844,272)	197
Non-controlling interests	-	-	-	-	-	-
	632,243	(3,417,170)	119	9,542,361	(9,844,272)	197
Earnings/ (loss) per share						
Basic, profit for the year attributable to ordinary equity holders of the parent	0.01	(5.68)	100	18.49	(19.39)	195
Diluted, profit for the year attributable to ordinary equity holders of the parent	0.01	(5.68)	100	18.49	(19.39)	195

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 2021

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	
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							
Loss for the period	-	-	-	-	-	(9,212,855)	(9,212,855)
<i>Other comprehensive income</i>							
<i>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</i>							
Revaluation surplus of property, plant and equipment							
Revaluation transfer on impairment	-	(679,190)	-	-	-	-	(679,190)
Defined benefit plan actuarial gains / (losses)							
Defined benefit plan actuarial gains (losses) for the year	-	-	-	-	-	66,351	66,351
Deferred tax charge/(reversal) on actuarial gains/(losses)	-	-	-	-	-	(18,578)	(18,578)
Total other comprehensive income for the period	-	(679,190)	-	-	-	47,773	(631,417)
Total comprehensive income for the period	-	(679,190)	-	-	-	(9,165,082)	(9,844,272)
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	35,876,720	47,032,873
Balance as at 01 April 2020	475,200	2,036,313	(92,223)	205,000	8,531,863	35,876,720	47,032,873
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	8,788,434	8,788,434
<i>Other comprehensive income</i>							
<i>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</i>							
Revaluation surplus of property, plant and equipment							
Revaluation of property, plant and equipment	-	501,998	-	-	-	-	501,998
Deferred tax charge/(reversal) on revaluation surplus	-	(110,850)	-	-	-	-	(110,850)
Defined benefit plan actuarial gains / (losses)							
Defined benefit plan actuarial gains (losses) for the year	-	-	-	-	-	45,256	45,256
Deferred tax charge/(reversal) on actuarial gains/(losses)	-	-	-	-	-	(10,861)	(10,861)
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	-	-	400,202	-	-	-	400,202
Related tax	-	-	(71,818)	-	-	-	(71,818)
Total other comprehensive income for the period	-	391,148	328,384	-	-	34,395	753,927
Total comprehensive income for the period	-	391,148	328,384	-	-	8,822,829	9,542,361
Other movements in equity							
Amalgamation Gain/(loss)	-	-	-	-	39,316	-	39,316
Total other movements	-	-	-	-	39,316	-	39,316
Balance as at 31 March 2021	475,200	2,427,461	236,161	205,000	8,571,179	44,699,549	56,614,550

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 2021

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 2019	475,200	8,913,715	(98,127)	(537,825)	4,456,036	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	(98,127)	(537,825)	4,456,036	205,000	7,988,221	64,559,193	85,939,525	66,067,266	152,006,791
Total comprehensive income for the period											
Profit for the period from continuing operations	-	-	-	-	-	-	-	4,127,279	4,127,279	(3,314,910)	812,369
Profit for the period from discontinued operations	-	-	-	-	-	-	-	6,766,717	6,766,717	12,212,772	18,979,489
Other comprehensive income											
<i>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods;</i>											
Revaluation surplus of property, plant and equipment											
Revaluation of property, plant and equipment	-	721,932	-	-	-	-	-	-	721,932	407,089	1,129,021
Transfer upon disposal	-	(4,480)	-	-	-	-	-	4,480	-	-	-
Transfer on impairment	-	(679,190)	-	-	-	-	-	-	(679,190)	-	(679,190)
Defined benefit plan actuarial gains / (losses)											
Defined benefit plan actuarial gains (losses) for the period	-	-	-	-	-	-	-	(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											
Change in fair value on investments in equity instruments at fair value through OCI	-	-	-	15,334	-	-	-	-	15,334	25,975	41,309
Related tax	-	-	-	(54,132)	-	-	-	-	(54,132)	(14,369)	(68,501)
Share of other comprehensive income of equity accounted investees (net of tax)	-	38,394	-	82,223	-	-	-	66,716	187,333	57,631	244,964
<i>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods</i>											
Foreign currency translation differences for foreign operations											
Net gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	3,559,053	-	-	-	3,559,053	5,840,679	9,399,732
Government Securities & Other debt instruments											
Fair value gains/(losses) on debt instruments that arose during the period	-	-	-	60,720	-	-	-	-	60,720	4,013	64,733
Related tax	-	-	-	119	-	-	-	-	119	1	120
Fair value differences on cash flow hedges											
Net movement in cash flow hedges	-	-	(53,591)	-	-	-	-	-	(53,591)	(454)	(54,045)
Net change in costs of hedging	-	-	(43,345)	-	-	-	-	-	(43,345)	(9,780)	(53,125)
Related tax	-	-	27,142	-	-	-	-	-	27,142	2,866	30,008
Share of other comprehensive income of equity accounted investees (net of tax)	-	-	(18,672)	491,608	2,557	-	-	-	475,493	29,102	504,595
Total other comprehensive income for the period	-	76,656	(88,466)	595,872	3,561,610	-	-	(48,777)	4,096,895	6,292,244	10,389,139
Total comprehensive income for the period	-	76,656	(88,466)	595,872	3,561,610	-	-	10,845,219	14,990,891	15,190,106	30,180,997
Transactions due to changes in group holding											
NCI contribution for subsidiary share issues	-	-	-	-	-	-	-	-	-	2,614,250	2,614,250
Non-controlling interests recognized on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	27,776,879	27,776,879
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(31,919)	(31,919)	(71,630)	(103,549)
Disposal of Subsidiary	-	-	-	-	-	-	-	-	-	101,330	101,330
Changes in ownership interests that do not result in a change in control	-	-	-	-	-	-	-	(8,365,790)	(8,365,790)	8,365,790	-
Total transactions due to changes in group holding	-	-	-	-	-	-	-	(8,397,709)	(8,397,709)	38,786,619	30,388,910
Total transactions with owners directly recorded in the equity	-	-	-	-	-	-	-	(8,397,709)	(8,397,709)	38,786,619	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	(186,593)	58,047	8,017,646	205,000	11,727,849	63,267,075	92,532,707	120,043,991	212,576,698

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Changes in Equity
For the year ended 31 March 2021

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	(186,593)	58,047	8,017,646	205,000	11,727,849	63,267,075	92,532,707	120,043,991	212,576,698
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	28,042,116	28,042,116	25,155,043	53,197,159
<i>Other comprehensive income</i>											
<i>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</i>											
Revaluation surplus of property, plant and equipment											
Revaluation of property, plant and equipment	-	11,562,930	-	-	-	-	-	761	11,563,691	15,632,594	27,196,285
Deferred tax charge/(reversal) on revaluation surplus	-	(1,304,148)	-	-	-	-	-	-	(1,304,148)	(1,256,870)	(2,561,018)
Defined benefit plan actuarial gains / (losses)											
Re-measurement of defined benefit liabilities	-	-	-	-	-	-	-	94,906	94,906	47,630	142,536
Related tax	-	-	-	-	-	-	-	(34,559)	(34,559)	(8,330)	(42,889)
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	-	-	-	422,104	-	-	-	-	422,104	(3,786)	418,318
Related tax	-	-	-	48,522	-	-	-	-	48,522	20,311	68,833
Share of other comprehensive income of equity accounted investees (net of tax)	-	252,464	-	230,301	-	-	-	(185,840)	296,925	44,283	341,208
<i>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:</i>											
Government Securities & Other debt instruments											
Fair value gains/(losses) that arose during the period	-	-	-	34,883	-	-	451	-	35,334	729	36,063
Related tax	-	-	-	20	-	-	-	-	20	-	20
Foreign currency translation differences for foreign operations											
Net exchange gains/(losses) arising from translating the Financial Statements of foreign operations	-	-	-	-	1,798,607	-	-	-	1,798,607	4,049,381	5,847,988
Transfer of translation reserve on disposed foreign subsidiary	-	-	-	-	(4,623,648)	-	-	-	(4,623,648)	-	(4,623,648)
Fair value differences on cash flow hedges											
Net movement in cash flow hedges	-	-	59,986	-	-	-	-	-	59,986	447	60,433
Net change in costs of hedging	-	-	(33,494)	-	-	-	-	(15,054)	(48,546)	(6,555)	(55,101)
Related tax	-	-	117,324	-	-	-	-	-	117,324	24,560	141,884
Share of other comprehensive income of equity accounted investees (net of tax)	-	-	12,148	485,262	18,093	-	-	-	515,503	29,187	544,690
Total other comprehensive income for the period	-	10,511,246	155,964	1,221,092	(2,806,948)	-	451	(139,786)	8,942,021	18,573,598	27,515,619
Total comprehensive income for the period	-	10,511,246	155,964	1,221,092	(2,806,948)	-	451	27,902,330	36,984,137	43,728,641	80,712,778
Transactions with owners directly recorded in the Equity											
Contributions by and distributions to owners											
NCI Contribution for Subsidiary share issue	-	-	-	-	-	-	-	-	-	10,103,717	10,103,717
Dividend Forfeited	-	-	-	-	-	-	-	-	-	17,600	17,600
Redemption of NCI	-	-	-	-	-	-	-	-	-	(34,028,703)	(34,028,703)
	-	-	-	-	-	-	-	-	-	(23,907,386)	(23,907,386)
Other movements in equity											
Net transfers to statutory reserve fund	-	(1,993)	-	-	-	-	114,866	(112,873)	-	-	-
Total other movements	-	(1,993)	-	-	-	-	114,866	(112,873)	-	-	-
Transactions due to changes in group holding											
Disposal of Subsidiaries	-	-	-	-	-	-	-	-	-	(25,316,279)	(25,316,279)
Recognition of NCI on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	2,256,141	2,256,141
Changes in ownership interests that do not result in a change in control	-	-	-	-	-	-	-	6,500,659	6,500,659	(20,033,310)	(13,532,651)
Total transactions due to changes in group holding	-	-	-	-	-	-	-	6,500,659	6,500,659	(43,093,448)	(36,592,789)
Total transactions with owners directly recorded in the equity	-	(1,993)	-	-	-	-	114,866	6,387,786	6,500,659	(67,000,834)	(60,500,175)
Balance as at 31 March 2021	475,200	19,477,736	(30,629)	1,279,139	5,210,698	205,000	11,843,166	97,557,193	136,017,503	96,771,798	232,789,301

LOLC Holdings PLC
Interim Condensed Financial Statements
Statement of Cash Flows

For the year ended 31 March

	Group		Company	
	2021 Rs.' 000	2020 Rs.' 000	2021 Rs.' 000	2020 Rs.' 000
Profit before income tax expense from continuing operations	57,133,582	3,376,128	9,064,422	(9,094,021)
Profit/(loss) before tax from discontinued operations	(36,684)	23,749,036	-	-
Profit before tax	57,096,898	27,125,164	9,064,422	(9,094,021)
Adjustment for:				
(Gain) / loss on sale of property, plant and equipment	(202,056)	(98,652)	(55,487)	(30,767)
Depreciation and amortization	3,837,217	3,938,939	610,500	612,356
Amortization of Right Of Use Asset	963,161	1,310,535	138,111	120,023
Insurance provision	1,518,974	1,464,218	-	-
Change in fair value of forward contracts	(1,064,419)	(1,507,651)	-	-
Provision for gratuity	443,569	962,098	66,109	69,479
Net impairment (loss) / reversal on financial assets	29,643,867	19,348,265	(47,450)	221,260
Provision for fall/(increase) in value of investments	(5,470,178)	(593,994)	(56,859)	22,306
Investment Income	(189,370)	(3,934,610)	-	(11,436)
Net Finance costs	49,321,100	86,869,725	9,507,935	6,765,477
Dividend Income	-	-	(117,134)	-
Interest income	(5,366,147)	-	(5,636,494)	-
(Profit)/loss on sale of quoted and non-quoted shares	(270,374)	407,812	(12,016,130)	2,531,552
Foreign exchange gain / (loss)	(743,364)	1,620,217	-	-
Share of profits of equity accounted investees, net of tax	(1,216,388)	(1,019,970)	-	-
Results on acquisition and divestment of Group investments	(44,078,681)	(5,979,044)	-	-
Gain in fair value of consumer biological assets	(559,396)	136,816	-	-
Change in fair value of investment properties	(3,936,831)	(3,915,140)	(47,600)	(27,933)
Amortization of deferred income	(7,633)	(7,033)	-	-
Provision/(reversal) for slow moving inventories	209,808	482,825	-	-
Sale of Timber	-	(71,134)	-	-
Impairment loss on biological assets	-	110,085	-	-
Transaction cost on acquisition of subsidiaries	5,864	-	-	-
Impairment loss on PPE	-	95,703	-	-
Operating profit before working capital changes	79,935,621	126,745,174	1,409,923	1,178,296
Working capital changes				
Increase/(decrease) in trade and other payables	17,023,871	2,028,656	4,956,506	(1,374,216)
(Increase)/decrease in investment in leases, hire purchase and others	(7,584,513)	(2,981,687)	-	847
(Increase)/decrease in investment in advances and other loans	(37,358,743)	(204,753,695)	(3,741,239)	(3,034,688)
(Increase)/decrease in premium receivables	(318,622)	(303,188)	-	-
(Increase)/decrease in inventories	(2,527,103)	128,815	100,123	(39,390)
(Increase)/decrease in trade and other receivables	1,392,710	3,224,098	1,012,691	(15,439,576)
Increase/(decrease) in Short term Lease liabilities	-	-	59	-
Increase/(decrease) in customer deposits	36,945,574	111,867,426	-	-
Cash generated from operations	87,508,795	35,955,599	3,738,064	(18,708,727)
Finance cost paid	(48,632,374)	(85,359,280)	(8,875,883)	(9,703,224)
Income tax and Economic Service Charge paid	(5,832,820)	(9,220,755)	(139,897)	(174,570)
Defined benefit plan costs paid	(213,428)	(744,841)	(36,258)	(26,663)
Net cash from/(used in) operating activities	32,830,173	(59,369,277)	(5,313,974)	(28,613,184)
CASH FLOW FROM INVESTING ACTIVITIES				
Investment in subsidiary companies	-	-	(15,578,914)	(17,594,527)
Net cash and cash equivalents on acquisition of subsidiary	(700,029)	(4,520,049)	253	146
Net cash and cash equivalents on further acquisition of subsidiary	(13,532,651)	-	-	-
Proceeds from disposal of equity accounted investees	1,280,341	-	-	(713,112)
Net cash and cash equivalents received on disposal of subsidiary	(23,288,264)	1,597,438	25,486,205	9,987,724
Investment in equity accounted investees	(485,330)	(1,433,295)	(439,080)	-
Acquisition of PPE	(5,578,312)	(9,523,433)	(615,401)	242,918
Recognition of ROU assets	-	-	(69,881)	(642,361)
(Acquisition)/ Disposal of intangible assets	1,527,087	(278,264)	(39,773)	(65,078)
Net additions to trading assets	(3,772,331)	2,979,685	(8,819,776)	11,043,835
Net additions to investment securities	(33,401,346)	69,245,407	(9,716,994)	784,597
Proceeds from the disposal of PPE/ Investment Properties	1,063,454	450,089	130,980	104,112
Acquisition of Investment Properties	(12,346,878)	(2,272,955)	-	(712,382)
Investment income received	6,018,419	3,561,380	5,636,497	3,904,228
Dividend received	50,964	93,097	117,134	11,436
Net additions to biological assets	(315,486)	(612,911)	-	-
Operating lease payments	(1,012,190)	(1,648,354)	-	-
Net cash flow from investing activities	(84,492,552)	57,637,835	(3,908,749)	6,351,536
CASH FLOW FROM FINANCING ACTIVITIES				
Net cash proceeds from short-term interest bearing borrowings	(4,824,924)	67,845,749	(12,697,147)	26,613,191
Principal repayment under finance lease liabilities	(679,923)	(413,087)	(34,806)	(37,702)
Proceeds from long-term interest bearing loans and borrowings	58,771,592	118,584,523	17,213,543	201,021
Repayments of long-term interest bearing loans and borrowings	(88,067,108)	(92,836,408)	(4,727,158)	(1,913,225)
Issue/(repayment) of debentures	10,783,255	(5,786,849)	10,019,089	-
Net increase/(decrease) Operating Lease Payable on ROU Assets	-	-	(10,929)	653,848
Receipt of deferred income	5,429	14,887	-	-
NCI contributions to share issue of subsidiaries	10,103,717	2,614,250	-	-
Redemption of NCI	(34,028,703)	-	-	-
Acquisition of NCI	-	(103,549)	-	-
Net cash generated from financing activities	(47,936,665)	89,919,516	9,762,591	25,517,133
Net increase/(decrease) in cash and cash equivalents during the period	(99,599,044)	88,188,072	539,868	3,255,485
Cash and cash equivalents at the beginning of the period	153,763,037	65,574,965	571,937	(2,683,548)
Cash and cash equivalents at the end of the period	54,163,993	153,763,037	1,111,805	571,937
Analysis of cash and cash equivalents at the end of the period				
Cash in hand and favorable bank balances	58,266,158	157,785,674	1,698,848	1,611,459
Unfavorable bank balances used for cash management purposes	(4,102,164)	(4,022,637)	(587,043)	(1,039,522)
	54,163,994	153,763,037	1,111,805	571,937

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 31 March 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.

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.

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 31 March 2021 are as follows;

	Rs.
Highest price	574.00
Lowest price	136.00
Closing	292.00

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 26 March 2021

	Buying	Selling
4 Year Bond		
Price	111.87	112.43
Yield - %	6.88	6.75
5 Year Bond		
Price	106.87	107.47
Yield - %	7.13	6.99

Market prices and yield during the period (ex interest)

	4 Year Bond	5 Year Bond
Price	110.70	112.67
Yield - %	6.50	6.74

Debt to equity - Company 2.02 times

Interest cover - Company 2.16 times

Quick asset ratio - Company 4.77 times

The market prices during the period (ex interest)

Highest price	115.37
Lowest price	114.79
Last traded price	114.87

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

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 31 March 2020.

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 other than followings

i. Browns Investments PLC, subsidiary Company of LOLC Holdings PLC acquired 9.99% of the ordinary voting shares of Hatton National Bank PLC. Total Consideration of the transactions was Rs. 5,526,295,125.

7 Results on acquisition and divestment of Group investments

Following is a summary of the results on acquisition and divestment of Group Investments during the year.

	Note	Rs. 000		
		Gain/ (Loss) on Disposal	Negative Goodwill	Goodwill
Acquisition of Serendib Leisure Group	7.1	-	151,166	-
Acquisition of Philippines Group of Companies	7.2	-	-	258,712
Further Investment in Shares of Seylan Bank PLC	7.3	-	582,708	-
Disposal of PRASAC Microfinance Institution Limited	7.4	42,904,644	-	-
Disposal of BPPL PLC	7.5	440,164	-	-
		43,344,807	733,874	258,712

7.1 Acquisition of Serendib Leisure Group

On 15 December, 2020, EDEN Hotel Lanka PLC (EDEN), a fellow subsidiary of the Group has acquired 56.84% of ordinary voting shares and 53.48% of ordinary non-voting shares of Serendib Hotels PLC (SHOT). With the above acquisition EDEN became the controlling shareholder of SHOT Group. Principal activity of the SHOT group is owning and managing leisure sector properties. With the above acquisition Serendib Hotels PLC, Dolphin Hotels PLC, Hotel Sigiriya PLC, Serendib Leisure Management Ltd, Sanctuary Resorts Lanka (Pvt) Ltd, Frontier Capital Lanka (Pvt) Ltd became subsidiaries of LOLC Group.

The fair values of the identifiable assets and liabilities of the acquire as at the date of acquisition were;

	SHOT Group Rs. '000
Assets	
Property, plant and equipment	3,963,606
Intangible assets	12,607
Right to use assets	324,396
Investment securities	128,393
Inventories	35,905
Trade and other receivables	1,252,584
Current tax recoverable	48,681
Cash and cash equivalents	316,936
	6,083,108
Liabilities	
Loans and borrowings	1,075,088
Employee benefits	80,321
Deferred tax liabilities	340,506
Trade and other payables	1,420,465
Current tax payable	96,081
Bank overdrafts	19,632
	3,032,094
Fair value of identifiable net assets acquired	3,051,014
Results of the acquisitions of above subsidiaries are as follows;	
Fair value of consideration paid	800,344
Less - Transaction cost	(5,864)
Net consideration paid	794,480
Non-controlling interests acquired (Net)	2,105,368
Fair value of identifiable net assets acquired	3,051,014
Gain on bargain purchase	151,166
Net cash used in acquisition	
Purchase consideration paid	(794,480)
Cash & cash equivalents acquired	297,304
	(497,176)

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

7.2 Acquisition of Philippines Group of Companies

During September 2020, LOLC Private Limited (LOLCPL), a fellow Subsidiary Company of the Group has acquired following companies which are incorporated in Republic of the Philippines. With the above acquisition LOLCPL became the controlling shareholder of the the Group of Companies. Principal activity of the group is providing Micro Financial Services to the customers.

The fair values of the identifiable assets and liabilities of the acquirees as at the date of acquisition were;

	Rs. 000					
	LOLC Philippines Corporation	LOLC Philippines Holdings Incorporated	LOLC Philippines Capital Holdings Corporation	Lefam Holding Incorporation	LOLC Bank Philippines	LOLC ASKI Finance Inc.
Percentage Acquired	100.0%	100.0%	100.0%	100.0%	65.7%	88.5%
Assets						
Cash and cash equivalents	11,147	18	32	22	485,617	1,224,836
Financial assets at amortised cost/ Advances and other loans	-	-	-	-	1,927,103	1,353,559
Trade and other current assets	-	-	-	-	113,170	24,415
Advances paid	556,768	168,198	-	168,197	-	-
Subsidiary companies	1,467,740	193,324	580,609	410,007	-	-
Property, plant and equipment	-	-	-	-	340,805	20,424
	2,035,655	361,540	580,641	578,226	2,866,696	2,623,234
Liabilities						
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	-	1,309,280	-
Interest bearing borrowings	-	-	-	-	-	1,910,928
Advances	38	1,809	7,209	217,338	-	-
Trade and other payables	26,413	5,586	7,560	3,973	1,093,454	-
	26,452	7,395	14,769	221,311	2,402,734	1,910,928
Fair value of identifiable net assets acquired	2,009,203	354,145	565,872	356,915	463,962	712,306

Results of the acquisitions of above subsidiaries are as follows:

	Rs. 000
Fair value of consideration paid	1,918,661
Non-controlling interests acquired (Net)	150,773
Fair value of identifiable net assets acquired	1,810,722
Resulting (goodwill)/ Gain on bargain purchase	258,712
Net cash used in acquisition	
Purchase consideration paid	(1,918,661)
Cash & cash equivalents acquired	1,721,672
	(196,989)

7.3 Further Investment in Shares of Seylan Bank PLC

LOLC group has increase it's ownership stake in Seylan Bank PLC (SEYB) which accounted as equity accounted investees (associate) in the LOLC group financials till 31 March 2021 using equity accounting under LKAS 27. Group increased it's ownership in SEYB by 2.48%.

The results of the Further Investment is shown below;

	Group Rs. 000
Investment made	439,080
Net assets acquired	1,021,788
Gain on bargain purchase	582,708

The gain on acquisition of SEYB recognized in the profit or loss under "Results on acquisition and divestment of Group investments."

7.4 Disposal of Subsidiaries

7.4.1 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;

7.4.2 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

7.4.3 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;

	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

7.4.4 Gain on disposal of subsidiaries

	Note	PRASAC Rs. '000
Total consideration	7.4.2	110,277,763
Net Assets Attributable to Parent		
De-recognition of non-controlling interests		25,316,279
Fair value of net assets disposed	7.4.3	(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

7.4.5 Net cash received from divestment

	Note	PRASAC Rs. '000
Purchase consideration received	7.4.2	77,481,014
(-) Disposal related costs		(409,401)
Positive cash balances		100,359,878
Net cash received from divestment		(23,288,264)

7.5 Disposal of Associates

Disposal of BPPL PLC

On 7 January 2021, the LOLC Group has disposed its 26.25% control holding of BPPL Holdings PLC which was accounted as Equity Accounted Investee as per LKAS 27. The results of the disposal are as follows.

	Group Rs. 000
Consideration Received	1,280,341
Carrying amount of the equity accounted investee	(840,177)
Gain on Disposal	440,164

LOLC Holdings PLC
Interim Condensed Financial Statements
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 until the issue was sorted.

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).

	31 March 2021	31 March 2020
	Rs'000	Rs'000
Gross income		
Interest income	-	67,190,564
Interest expenses	-	(32,018,031)
Net interest income	-	35,172,533
Revenue	-	5,525
Less: cost of sales	(45)	(8,621)
Gross profit	(45)	(3,096)
Income	-	4,287,568
Other income/(expenses)	22,707	1,450,009
Profit before operating expenses	22,662	40,907,014
Operating expenses		
Direct expenses excluding finance expenses	-	(793)
Personnel expenses	(156)	(11,513,437)
Net impairment loss on financial assets	(818)	(2,124,468)
Depreciation and amortization	-	(1,125,549)
Other operating expenses	(58,372)	(2,393,732)
Results from operating activities	(36,684)	23,749,035
Income tax expense	-	(4,769,546)
Profit for the year	(36,684)	18,979,489

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	1,982	101,650,618
Investment securities	-	5,313
Financial assets at amortised cost/ Advances and other loans	-	507,987,226
Inventories	-	757
Trade and other current assets	-	1,710,288
Right-of-use assets	-	2,782,832
Deferred tax assets	-	1,691,577
Intangible assets	-	13,206,413
Property, plant and equipment	2,812	1,076,821
Assets directly associated with the assets held for sale and discontinued operations	4,794	630,111,845
Liabilities		
Bank overdrafts	-	221
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	342,957,338
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	176,649,632
Current tax payables	-	1,527,014
Trade and other payables	-	12,623,791
Retirement benefit obligations	-	179,986
Liabilities directly associated with the assets held for sale and discontinued operations	-	533,937,982
The net cash flows incurred by companies which are classified as discontinued operations, as follows:		
Operating	1,818	4,676,109
Investing	-	(194,138)
Financing	-	23,658,008
Net cash (outflow)/inflow	1,818	28,139,979
Earnings per share		
Basic, profit from discontinued operations attributable to ordinary equity holders of the parent	(0.08)	39.94
Diluted, profit from discontinued operations attributable to ordinary equity holders of the parent	(0.08)	39.94

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

<i>For the year ended 31 March 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
Gross income	114,173,589	9,271,652	31,536,763	1,324,700	4,724,720	-	(541,177)	160,490,247
Net interest cost	(45,865,226)	(6,145)	(3,081,502)	(2,744,714)	(1,048,108)	-	3,424,595	(49,321,100)
Cost of sales	-	-	(21,077,679)	(295,392)	(1,715,616)	-	(50,129)	(23,138,816)
Profit before operating expenses	68,308,363	9,265,507	7,377,582	(1,715,406)	1,960,996	-	2,833,289	88,030,331
Operating expenses	(60,007,511)	(7,236,060)	(4,179,238)	(2,074,671)	(3,962,154)	-	1,267,816	(76,191,818)
Results from operating activities	8,300,852	2,029,447	3,198,344	(3,790,077)	(2,001,158)	-	4,101,105	11,838,513
Share of profits of equity accounted investees	-	-	-	-	-	1,216,388	-	1,216,388
Results on acquisition and divestment of group investments	-	-	-	-	-	-	44,078,681	44,078,681
Profit before tax from continuing operations	8,300,852	2,029,447	3,198,344	(3,790,077)	(2,001,158)	1,216,388	48,179,786	57,133,582
Discontinued operations								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	-	-	-	(36,684)	-	-	(36,684)
Profit before tax from discontinued operations	-	-	-	-	(36,684)	-	-	(36,684)
Profit before tax of the group	8,300,852	2,029,447	3,198,344	(3,790,077)	(2,037,842)	1,216,388	48,179,786	57,096,898
<i>For the period ended 31 March 2020</i>								
Gross income	103,554,575	7,768,230	24,786,737	1,884,902	2,518,945	-	(10,071,711)	130,441,678
Net interest cost	(48,650,679)	(6,486)	(5,313,679)	(3,084,220)	(869,988)	-	3,073,358	(54,851,694)
Cost of sales	-	-	(15,457,434)	(363,913)	(909,711)	-	(408,861)	(17,139,919)
Profit before operating expenses	54,903,896	7,761,744	4,015,624	(1,563,231)	739,246	-	(7,407,214)	58,450,065
Operating expenses	(53,939,609)	(6,307,706)	(3,031,789)	(1,417,137)	(3,523,222)	-	6,146,512	(62,072,951)
Results from operating activities	964,287	1,454,038	983,835	(2,980,368)	(2,783,976)	-	(1,260,702)	(3,622,886)
Results on acquisition and divestment of group investments	-	-	-	-	-	-	5,979,045	5,979,045
Share of profits of equity accounted investees	-	-	-	-	-	1,019,970	-	1,019,970
Profit before tax from continuing operations	964,287	1,454,038	983,835	(2,980,368)	(2,783,976)	1,019,970	4,718,343	3,376,129
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	24,775,911	1,454,038	983,835	(2,980,368)	(2,846,564)	1,019,970	4,718,343	27,125,165

<i>For the year ended 31 March 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	29,333,857	111,158	(85,695)	21,591	-	-	262,956	29,643,867
Depreciation and amortization	1,856,653	70,154	426,184	674,387	1,657,958	-	115,042	4,800,378
Discontinued operations								
Net impairment (loss) / reversal on financial assets	-	-	-	-	(818)	-	-	(818)
Depreciation and amortization	-	-	-	-	-	-	-	-
Continuing operations								
Total assets (as at 31 March 2021)	713,755,802	17,578,439	117,018,914	92,257,883	70,870,971	-	(141,945,862)	869,536,147
Total liabilities (as at 31 March 2021)	551,525,707	12,320,070	52,716,040	48,832,370	16,200,231	-	(44,845,726)	636,748,692
Discontinued operations								
Total assets (as at 31 March 2021)	-	-	-	-	4,794	-	-	4,794
Total liabilities (as at 31 March 2021)	-	-	-	-	2,948	-	-	2,948
<i>For the period ended 31 March 2020</i>								
Continuing operations								
Net impairment (loss) / reversal on financial assets	16,852,947	4,396	295,507	33,207	-	-	37,740	17,223,797
Depreciation and amortization	1,848,667	66,763	433,855	264,332	1,390,761	-	119,548	4,123,926
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)	653,752,531	16,122,010	66,325,842	67,515,914	52,650,054	-	(150,559,272)	705,807,080
Total liabilities (as at 31 March 2020)	523,458,256	10,655,428	32,909,220	42,905,676	13,883,905	-	(34,408,240)	589,404,245
Discontinued operations								
Total assets (as at 31 March 2020)	630,050,645	-	-	-	61,200	-	-	630,111,845
Total liabilities (as at 31 March 2020)	533,915,312	-	-	-	22,670	-	-	533,937,982

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

10 Valuation of Financial Assets and Liabilities

Rs'000							
As at 31 March 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				58,264,176	58,264,176	58,264,176	Level 1
Financial assets recognised through profit or loss		15,881,584			15,881,584	15,881,584	Level 1 and Level 2
Investment securities			72,547,222	44,591,863	117,139,085	117,139,085	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases				60,832,279	60,832,279	60,832,279	Level 3
Financial assets at amortised cost/ Advances and other loans				352,005,250	352,005,250	352,005,250	Level 3
Total financial assets	-	15,881,584	72,547,222	515,693,568	604,122,374	604,122,374	
Bank overdrafts				4,102,164	4,102,164	4,102,164	Level 1
Trading liabilities	-				-	-	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities				263,593,505	263,593,505	263,593,505	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings				301,254,076	301,254,076	301,254,076	Level 3
Total financial liabilities	-	-	-	568,949,745	568,949,745	568,949,745	

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				56,135,056	56,135,056	56,135,056	Level 1
Financial assets recognised through profit or loss	6,639,075				6,639,075	6,639,075	Level 1 and Level 2
Investment securities			20,908,173	28,381,713	49,289,886	49,289,886	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases				58,101,502	58,101,502	58,101,502	Level 3
Financial assets at amortised cost/ Advances and other loans				331,358,634	331,358,634	331,358,634	Level 3
Total financial assets	6,639,075	-	20,908,173	473,976,905	501,524,153	501,524,153	
Bank overdrafts				4,022,416	4,022,416	4,022,416	Level 1
Trading liabilities		114,349			114,349	114,349	Level 3
Financial Liabilities at Amortised Cost/ Deposits liabilities				220,985,129	220,985,129	220,985,129	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings				323,027,083	323,027,083	323,027,083	Level 3
Total financial liabilities	-	114,349	-	548,034,628	548,148,977	548,148,977	

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 31 March 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	10,000	0.002
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	30.990
2	Mr. I C Nanayakkara <i>Held shares in the following manner</i>		
	Mr. I C Nanayakkara	91,613,792	19.279
	Commercial Bank of Ceylon PLC/ I C Nanayakkara	79,000,000	16.625
	Sampath Bank PLC/ Ishara Chinthaka Nanayakkara	61,774,000	12.999
3	Mrs. K U Amarasinghe	20,160,000	4.242
4	Employees Provident Fund	15,182,259	3.195
5	Kashyapa Capital (Pvt) Ltd	8,671,625	1.825
6	Seylan Bank PLC / K U Amarasinghe	3,600,000	0.758
7	Mrs. I Nanayakkara	2,827,948	0.595
8	People's Leasing & Finance PLC / Don and Don Holdings (Private) Limited	1,979,532	0.417
9	Paints & General Industries Limited	1,622,004	0.341
10	GF Capital Global Limited	1,418,404	0.298
11	Hatton National Bank PLC/ Capital Trust Holdings Limited	978,325	0.206
12	Mrs S N Fernando	818,440	0.172
13	Dr. M Ponnambalam	722,616	0.152
14	Swastika Mills Ltd	585,000	0.123
15	Mr. S V Somasunderam	512,878	0.108
16	Mr. R Maheswaran	500,000	0.105
17	Miss. A Radhakrishnan	500,000	0.105
18	Miss. M P Radhakrishnan	500,000	0.105
19	Mr. A H Rajkotwala	486,400	0.102
20	JN Lanka Holdings Company (PVT) LTD	483,949	0.102
		441,203,155	92.845

31 March 2021

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

21,982,111,860
15.84%
6,298
Complied under Option 01

LOLC Holdings PLC
Interim Condensed Financial Statements

01.) Listed, Rated, Senior, Unsecured, Redeemable debentures issued(2019-2024) - Proceeds utilization as at 31 March 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 31 December 2020

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%	-