

**LOLC HOLDINGS PLC**  
**INTERIM CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 SEP 2022**



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**LOLC Holdings PLC**  
**Interim Condensed Financial Statements**  
**Statement of Financial Position**

Group	Company	As at	Note	Group		Company	
				30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
Rs'000	Rs'000						
Audited	Audited		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited
<b>Assets</b>							
93,882,903	2,953,657	Cash and cash equivalents	148,209,710	68,349,702	4,609,013	4,117,190	
18,109,943	4,945,728	Financial assets recognised through profit or loss	6,895,204	63,198,999	121,985	238,710	
104,119,542	17,994,187	Investment securities	102,771,118	78,791,967	20,231,971	23,219,752	
-	-	Assets directly associated with the assets held for sale and discontinued operations	-	4,842	-	-	
67,454,307	-	Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	65,522,402	66,096,445	-	1,507	
549,167,155	10,163,175	Financial assets at amortised cost/ Advances and other loans	736,906,884	369,530,122	9,216,290	8,597,621	
1,932,745	-	Premium receivables	2,877,408	2,185,498	-	-	
21,149,835	383,640	Inventories	25,387,371	11,813,796	759,002	326,991	
1,984,650	137,837	Current tax assets	2,406,487	1,973,953	140,706	188,013	
79,416,673	87,964,420	Trade and other current assets	121,494,485	60,076,779	97,429,113	65,409,660	
35,547,986	-	Right-of-use assets	41,146,237	22,067,909	-	-	
126,569,719	2,821,667	Investment properties	144,250,842	48,235,035	2,821,668	1,913,860	
<b>Biological assets;</b>							
7,087,008	-	Consumable biological assets	7,104,852	4,117,250	-	-	
4,528,205	-	Bearer biological assets	4,905,554	2,266,923	-	-	
<b>Investments in group of companies;</b>							
-	236,845,236	Subsidiary companies	-	-	261,615,889	171,160,023	
55,407,754	38,811,416	Equity Accounted Investees	57,237,121	24,585,007	40,051,405	21,896,378	
2,973,879	-	Deferred tax assets	5,568,004	1,653,179	-	-	
6,108,667	243,642	Intangible assets	9,101,009	4,682,955	247,275	289,595	
196,028,248	6,661,477	Property, plant and equipment	220,646,122	129,845,602	6,594,233	4,345,128	
<b>1,371,469,219</b>	<b>409,926,082</b>		<b>1,702,430,810</b>	<b>959,475,963</b>	<b>443,838,550</b>	<b>301,704,429</b>	
<b>Liabilities and equity</b>							
<b>Liabilities</b>							
7,472,072	369,655	Bank overdrafts	61,144,704	7,094,830	2,141,749	512,287	
504,516	-	Trading liabilities	1,400,204	2,304	-	-	
<b>Liabilities directly associated with the assets held for sale and discontinued operations</b>							
-	-		-	97	-	-	
377,575,491	-	Financial Liabilities at Amortised Cost/ Deposits liabilities	522,451,766	262,072,739	-	-	
453,924,080	146,017,917	Financial Liabilities at Amortised Cost/ Interest bearing borrowings	511,060,451	366,079,747	133,057,551	144,736,231	
6,189,090	-	Insurance provision - life	5,949,232	6,045,409	-	-	
6,132,049	-	Insurance provision - general	6,622,285	5,415,634	-	-	
11,560,092	675,387	Current tax payables	18,730,670	9,990,980	688,914	730,978	
89,534,326	16,192,308	Trade and other payables	85,836,314	45,190,049	26,463,435	6,656,266	
13,571,771	1,270,435	Deferred tax liabilities	14,530,193	7,667,520	1,270,437	711,024	
485,337	-	Deferred income	586,147	153,017	-	-	
3,290,981	288,451	Retirement benefit obligations	3,111,948	2,040,927	271,065	318,032	
<b>970,239,805</b>	<b>164,814,153</b>	<b>Total liabilities</b>	<b>1,231,423,914</b>	<b>711,753,253</b>	<b>163,893,151</b>	<b>153,664,818</b>	
<b>Equity</b>							
475,200	475,200	Stated capital (475,200,000 shares)	475,200	475,200	475,200	475,200	
92,696,381	92,696,381	Reserves	124,962,217	38,276,619	124,962,217	38,276,619	
151,940,347	151,940,347	Retained earnings	154,507,982	109,287,792	154,507,982	109,287,792	
<b>245,111,928</b>	<b>245,111,928</b>	<b>Equity attributable to shareholders of the Company</b>	<b>279,945,399</b>	<b>148,039,611</b>	<b>279,945,399</b>	<b>148,039,611</b>	
156,117,486	-	Non-controlling interests	191,061,497	99,683,099	-	-	
<b>401,229,414</b>	<b>245,111,928</b>	<b>Total equity</b>	<b>471,006,896</b>	<b>247,722,710</b>	<b>279,945,399</b>	<b>148,039,611</b>	
<b>1,371,469,219</b>	<b>409,926,082</b>	<b>Total liabilities &amp; equity</b>	<b>1,702,430,810</b>	<b>959,475,963</b>	<b>443,838,550</b>	<b>301,704,429</b>	
<b>515.81</b>	<b>515.81</b>	<b>Net assets per share (Rs.)</b>	<b>589.11</b>	<b>311.53</b>	<b>589.11</b>	<b>311.53</b>	

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.  
Mrs. K.U. Amarasinghe  
Executive Director

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

15th November 2022  
Rajagiriya (Greater Colombo)

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

Note	Group					
	Three Months Ended			Six Months Ended		
	30-Sep-22 Rs'000	30-Sep-21 Rs'000	Variance %	30-Sep-22 Rs'000	30-Sep-21 Rs'000	Variance %
<b>Continuing operations</b>						
<b>Gross income</b>	<b>73,724,606</b>	<b>49,412,628</b>	<b>49</b>	<b>162,881,291</b>	<b>90,968,278</b>	<b>79</b>
Interest income	44,802,490	23,925,992	87	83,186,434	47,134,980	76
Interest expense	(34,970,173)	(13,142,851)	(166)	(61,909,659)	(25,425,342)	(143)
<b>Net interest income/(Expense)</b>	<b>9,832,317</b>	<b>10,783,141</b>	<b>(9)</b>	<b>21,276,775</b>	<b>21,709,638</b>	<b>2</b>
Revenue	18,567,194	12,521,936	48	39,243,219	22,950,179	71
Cost of sales	(12,065,182)	(9,361,592)	(29)	(25,351,145)	(16,746,651)	(51)
<b>Gross profit</b>	<b>6,502,012</b>	<b>3,160,344</b>	<b>106</b>	<b>13,892,074</b>	<b>6,203,528</b>	<b>124</b>
Income	5,236,403	4,918,498	6	10,798,534	8,809,966	23
Other income/(expenses)	5,118,519	8,046,202	(36)	29,653,104	12,073,153	146
<b>Profit/(Loss) before operating expenses</b>	<b>26,689,251</b>	<b>26,908,185</b>	<b>(1)</b>	<b>75,620,487</b>	<b>48,796,285</b>	<b>55</b>
<b>Operating expenses</b>						
Direct expenses excluding finance costs	(2,863,077)	(2,417,268)	(18)	(5,763,435)	(4,431,833)	(30)
Personnel Expenses	(9,940,266)	(5,367,282)	(85)	(19,421,300)	(10,762,101)	(80)
Net impairment (loss) / reversal on financial assets	(7,133,975)	(2,096,450)	(240)	(12,605,007)	(6,697,792)	(88)
Depreciation and amortization	(1,735,655)	(1,355,206)	(28)	(4,091,611)	(2,469,157)	(66)
Other operating expenses	(5,034,430)	(3,683,489)	(37)	(11,905,984)	(7,463,900)	(60)
<b>Results from operating activities</b>	<b>(18,152)</b>	<b>11,988,490</b>	<b>(100)</b>	<b>21,833,150</b>	<b>16,971,502</b>	<b>29</b>
Share of profits of equity accounted investees, net of tax	1,382,680	350,301	295	1,803,823	704,221	156
Results on acquisition and disposal of group investments	79,041	400,874	(80)	79,041	400,874	(80)
<b>Profit/ (loss) before tax from continuing operations</b>	<b>1,443,569</b>	<b>12,739,665</b>	<b>(89)</b>	<b>23,716,014</b>	<b>18,076,597</b>	<b>31</b>
Income tax expense	(1,762,352)	(2,232,509)	21	(3,406,148)	(3,435,109)	1
<b>Profit/ (loss) for the period from continuing operations</b>	<b>(318,783)</b>	<b>10,507,156</b>	<b>(103)</b>	<b>20,309,866</b>	<b>14,641,488</b>	<b>39</b>
<b>Discontinued operations</b>						
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	(62)	100	(1,022)	(99)	(932)
<b>Profit for the period</b>	<b>(318,783)</b>	<b>10,507,094</b>	<b>(103)</b>	<b>20,308,844</b>	<b>14,641,389</b>	<b>39</b>
<b>Profit/ (loss) attributable to; (Continuing operations)</b>						
Equity holders of the company	1,680,314	9,111,800	(82)	18,839,694	12,769,619	48
Non-controlling interests	(1,999,097)	1,395,356	(243)	1,470,172	1,871,869	21
	<b>(318,783)</b>	<b>10,507,156</b>	<b>(103)</b>	<b>20,309,866</b>	<b>14,641,488</b>	<b>39</b>
<b>Profit/ (loss) attributable to; (Discontinued operations operations)</b>						
Equity holders of the Company	-	(37)	100	(550)	(59)	(832)
Non-controlling interests	-	(25)	100	(472)	(40)	(1,080)
	<b>-</b>	<b>(62)</b>	<b>100</b>	<b>(1,022)</b>	<b>(99)</b>	<b>(932)</b>
<b>Profit attributable to;</b>						
Equity holders of the Company	1,680,372	9,111,763	(82)	18,839,143	12,769,560	48
Non-controlling interests	(1,999,155)	1,395,331	(243)	1,469,701	1,871,829	(21)
	<b>(318,783)</b>	<b>10,507,094</b>	<b>(103)</b>	<b>20,308,844</b>	<b>14,641,389</b>	<b>39</b>

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			Six Months Ended		
	30-Sep-22 Rs'000 Un-audited	30-Sep-21 Rs'000 Un-audited	Variance %	30-Sep-22 Rs'000 Un-audited	30-Sep-21 Rs'000 Un-audited Restated	Variance %
Profit for the period	(318,783)	10,507,094	(103)	20,308,844	14,641,389	39
Other comprehensive income						
<b>Net other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</b>						
<b>Revaluation surplus of property, plant and equipment</b>						
Revaluation of property, plant and equipment	(4,334)	-	(100)	-	-	-
Related tax	(17,720)	-	(100)	-	-	-
<b>Defined benefit plan actuarial gains / (losses)</b>						
Re-measurement of defined benefit liabilities	(170)	(1,068)	84	-	(22)	100
<b>Change in fair value on investments in equity instruments at fair value through other comprehensive income</b>						
Fair value gains/(losses) that arose during the period	(570,762)	(51,019)	(1,019)	(898,367)	(325,427)	(176)
Share of equity accounted investees	92,767	172,156	(46)	(123,742)	192,483	(164)
<b>Net other comprehensive income not to be reclassified to income statement in subsequent periods</b>	<b>(500,219)</b>	<b>120,069</b>	<b>(517)</b>	<b>(1,022,109)</b>	<b>(132,966)</b>	<b>(669)</b>
<b>Net other comprehensive income that are or may be reclassified to profit or loss in subsequent periods :</b>						
<b>Change in fair value on investments in debt instruments at fair value through other comprehensive income</b>						
Fair value gains/(losses) that arose during the period	(724,431)	(178,973)	(305)	(1,301,056)	(278,800)	(367)
<b>Foreign currency translation differences for foreign operations</b>						
Net exchange gains/(losses) arising from translating the Financial Statements of foreign operations	942,554	(2,862,487)	133	52,274,446	(1,618,451)	3,330
<b>Fair value differences on cash flow hedges</b>						
Gain/(loss) on effective portion of changes in fair value of cash flow hedge	-	27,057	(100)	-	23,303	(100)
Net change in costs of hedging						
Share of equity accounted investees	(11,515)	(367,019)	97	1,380,670	(783,067)	276
<b>Net other comprehensive income to be reclassified to income statement in subsequent periods</b>	<b>206,608</b>	<b>(3,381,422)</b>	<b>106</b>	<b>52,354,060</b>	<b>(2,657,015)</b>	<b>2,070</b>
<b>Total other comprehensive income/ (expense) for the period, net of tax</b>	<b>(293,611)</b>	<b>(3,261,353)</b>	<b>91</b>	<b>51,331,951</b>	<b>(2,789,981)</b>	<b>1,940</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>(612,394)</b>	<b>7,245,741</b>	<b>(108)</b>	<b>71,640,795</b>	<b>11,851,408</b>	<b>504</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the company	4,167,194	7,373,218	(43)	51,069,992	10,341,812	394
Non-controlling interests	(4,779,588)	(127,477)	(3,649)	20,570,803	1,509,596	1,263
	<b>(612,394)</b>	<b>7,245,741</b>	<b>(108)</b>	<b>71,640,795</b>	<b>11,851,408</b>	<b>504</b>
<b>Earnings per share</b>						
Basic, profit for the year attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.64	26.87	48
Diluted, profit for the year attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.64	26.87	48
<b>Earnings per share for continuing operations</b>						
Basic, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.65	26.87	48
Diluted, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.65	26.87	48

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

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

Note	Company					
	Three Months Ended			Six Months Ended		
	30-Sep-22 Rs'000	30-Sep-21 Rs'000	Variance %	30-Sep-22 Rs'000	30-Sep-21 Rs'000	Variance %
<b>Continuing operations</b>						
<b>Gross income</b>	<b>10,789,853</b>	<b>3,123,072</b>	<b>245</b>	<b>28,392,665</b>	<b>5,857,991</b>	<b>385</b>
Interest income	7,915,386	1,506,664	425	14,034,796	2,708,042	418
Interest expense	(7,356,560)	(2,759,443)	(167)	(12,294,736)	(5,188,822)	(137)
<b>Net interest income/(Expense)</b>	<b>558,826</b>	<b>(1,252,779)</b>	<b>145</b>	<b>1,740,060</b>	<b>(2,480,780)</b>	<b>170</b>
Revenue	2,276,521	517,672	340	4,048,342	1,105,067	266
Cost of sales	(2,857,285)	(495,656)	(476)	(4,737,711)	(1,046,257)	(353)
<b>Gross profit</b>	<b>(580,764)</b>	<b>22,016</b>	<b>(2,738)</b>	<b>(689,369)</b>	<b>58,810</b>	<b>(1,272)</b>
Income	296,302	190,356	56	480,433	385,742	25
Other income/(expenses)	301,644	908,380	(67)	9,829,094	1,659,140	492
<b>Profit/(Loss) before operating expenses</b>	<b>576,008</b>	<b>(132,027)</b>	<b>536</b>	<b>11,360,218</b>	<b>(377,088)</b>	<b>3,113</b>
<b>Operating expenses</b>						
Direct expenses excluding finance costs	(888)	2	44,500	(2,750)	2	(137,600)
Personnel Expenses	(340,270)	(239,013)	(42)	(634,918)	(453,045)	(40)
Net impairment (loss) / reversal on financial assets	5,545	(68,852)	108	(214,183)	(70,291)	(205)
Depreciation and amortization	(144,788)	(137,257)	(5)	(290,382)	(273,346)	(6)
Other operating expenses	(437,607)	(516,893)	15	(1,364,530)	(1,082,082)	(26)
<b>Results from operating activities</b>	<b>(342,000)</b>	<b>(1,094,040)</b>	<b>69</b>	<b>8,853,455</b>	<b>(2,255,850)</b>	<b>492</b>
Share of profits of equity accounted investees, net of tax	2,022,377	10,205,804	(80)	9,985,690	15,025,410	(34)
<b>Profit/ (loss) before tax from continuing operations</b>	<b>1,680,377</b>	<b>9,111,764</b>	<b>(82)</b>	<b>18,839,145</b>	<b>12,769,560</b>	<b>48</b>
Income tax expense	-	-	-	-	-	-
<b>Profit/ (loss) for the period from continuing operations</b>	<b>1,680,377</b>	<b>9,111,764</b>	<b>(82)</b>	<b>18,839,145</b>	<b>12,769,560</b>	<b>48</b>
<b>Discontinued operations</b>						
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	-	-	-	-	-
<b>Profit for the period</b>	<b>1,680,377</b>	<b>9,111,764</b>	<b>(82)</b>	<b>18,839,145</b>	<b>12,769,560</b>	<b>48</b>
<b>Profit/ (loss) attributable to; (Continuing operations)</b>						
Equity holders of the company	1,680,377	9,111,764	(82)	18,839,145	12,769,560	48
Non-controlling interests	-	-	-	-	-	-
	<b>1,680,377</b>	<b>9,111,764</b>	<b>(82)</b>	<b>18,839,145</b>	<b>12,769,560</b>	<b>48</b>
<b>Profit/ (loss) attributable to; (Discontinued operations operations)</b>						
Equity holders of the Company	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Profit attributable to;</b>						
Equity holders of the Company	1,680,377	9,111,764	(82)	18,839,145	12,769,560	48
Non-controlling interests	-	-	-	-	-	-
	<b>1,680,377</b>	<b>9,111,764</b>	<b>(82)</b>	<b>18,839,145</b>	<b>12,769,560</b>	<b>48</b>

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			Six Months Ended		
	30-Sep-22 Rs'000 Un-audited	30-Sep-21 Rs'000 Un-audited	Variance %	30-Sep-22 Rs'000 Un-audited	30-Sep-21 Rs'000 Un-audited Restated	Variance %
<b>Profit for the period</b>	<b>1,680,377</b>	<b>9,111,764</b>	<b>(82)</b>	<b>18,839,145</b>	<b>12,769,560</b>	<b>48</b>
<b>Other comprehensive income</b>						
<b><u>Net other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</u></b>						
<b><i>Defined benefit plan actuarial gains / (losses)</i></b>						
Re-measurement of defined benefit liabilities	-	(22)	100	-	(22)	100
<b><i>Change in fair value on investments in equity instruments at fair value through other comprehensive income</i></b>						
Fair value gains/(losses) that arose during the period	39,802	(34,948)	214	(22,328)	(307,008)	93
Share of equity accounted investees	(563,105)	156,322	(460)	(940,905)	168,507	(658)
<b>Net other comprehensive income not to be reclassified to income statement in subsequent periods</b>	<b>(523,303)</b>	<b>121,352</b>	<b>(531)</b>	<b>(963,233)</b>	<b>(138,523)</b>	<b>(595)</b>
<b><u>Net other comprehensive income that are or may be reclassified to profit or loss in subsequent periods :</u></b>						
<b><i>Change in fair value on investments in debt instruments at fair value through other comprehensive income</i></b>						
Share of equity accounted investees	3,009,122	(1,854,961)	262	33,193,079	(2,289,838)	1,550
<b>Net other comprehensive income to be reclassified to income statement in subsequent periods</b>	<b>3,009,122</b>	<b>(1,854,961)</b>	<b>(262)</b>	<b>33,193,079</b>	<b>(2,289,838)</b>	<b>1,550</b>
<b>Total other comprehensive income/ (expense) for the period, net of tax</b>	<b>2,485,819</b>	<b>(1,733,609)</b>	<b>243</b>	<b>32,229,846</b>	<b>(2,428,361)</b>	<b>1,427</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>4,166,196</b>	<b>7,378,155</b>	<b>(44)</b>	<b>51,068,991</b>	<b>10,341,199</b>	<b>394</b>
<b>Total comprehensive income attributable to;</b>						
Equity holders of the company	4,166,196	7,378,155	(44)	51,068,991	10,341,199	394
Non-controlling interests	-	-	-	-	-	-
	<b>4,166,196</b>	<b>7,378,155</b>	<b>(44)</b>	<b>51,068,991</b>	<b>10,341,199</b>	<b>394</b>
<b>Earnings per share</b>						
Basic, profit for the year attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.64	26.87	48
Diluted, profit for the year attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.64	26.87	48
<b>Earnings per share for continuing operations</b>						
Basic, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.64	26.87	48
Diluted, profit/ (loss) from continuing operations attributable to ordinary equity holders of the parent	3.54	19.17	(82)	39.64	26.87	48

Figures in brackets indicate deductions.

The above figures are not audited

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

Company	Equity Attributable to the Owners of the Company										
	Stated Capital	Revaluation Reserve	Fair Value Reserve	Future Taxation Reserve	Cash flow Hedge Reserve	Merger/Amalgamation Reserve	Statutory Reserve Fund	Translation Reserve	Other Capital Reserves	Retained Earnings	Total
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
Balance as at 01 April 2021	475,200	19,186,720	1,249,380	205,000	(45,910)	-	4,872,455	7,974,568	7,151,222	97,388,049	138,456,684
<b>Total comprehensive income for the period</b>											
Profit/(Loss) for the period	-	-	-	-	-	-	-	-	-	12,769,560	12,769,560
<b>Other comprehensive income</b>											
<b>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:</b>											
Share of Other Comprehensive Income of equity accounted investee ( net of tax)	-	-	(1,054,445)	-	35,768	-	-	(1,271,161)	-	-	(2,289,838)
<b>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</b>											
<b>Change in fair value on investments in equity instruments at fair value through other comprehensive income</b>											
Fair value gains/(losses) that arose during the period	-	-	(307,008)	-	-	-	-	-	-	-	(307,008)
Re-measurement of defined benefit obligations	-	-	-	-	-	-	-	-	-	(22)	(22)
Share of Other Comprehensive Income of equity accounted investee ( net of tax)	-	4,978	163,401	-	-	-	-	-	-	127	168,506
<b>Total other comprehensive income for the period</b>	-	4,978	(1,198,052)	-	35,768	-	-	(1,271,161)	-	105	(2,428,362)
<b>Total comprehensive income for the period</b>	-	4,978	(1,198,052)	-	35,768	-	-	(1,271,161)	-	12,769,665	10,341,198
<b>Other movements in equity</b>											
Share of Other Comprehensive Income of equity accounted investee ( net of tax)	-	-	-	-	-	-	109,357	-	2,293	(869,924)	(758,274)
<b>Total other movements</b>	-	-	-	-	-	-	109,357	-	2,293	(869,924)	(758,274)
Balance as at 30 September 2021	475,200	19,191,698	51,328	205,000	(10,142)	-	4,981,812	6,703,407	7,153,515	109,287,792	148,039,610
Balance as at 01 April 2022	475,200	30,235,686	(2,481,793)	205,000	(116,244)	-	5,397,896	43,060,254	16,395,571	151,940,347	245,111,927
Adjustment relating to Surcharge tax	-	-	-	-	-	-	-	-	-	(1,430,287)	(1,430,287)
Adjusted opening balance	475,200	30,235,686	(2,481,793)	205,000	(116,244)	-	5,397,896	43,060,254	16,395,571	150,510,060	243,681,640
<b>Total comprehensive income for the period</b>											
Profit for the period	-	-	-	-	-	-	-	-	-	18,839,145	18,839,145
<b>Other comprehensive income</b>											
<b>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods:</b>											
Share of Other Comprehensive Income of equity accounted investee ( net of tax)	-	-	(235,693)	-	(476)	-	-	33,429,084	-	164	33,193,079
<b>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods:</b>											
<b>Change in fair value on investments in equity instruments at fair value through other comprehensive income</b>											
Fair value gains/(losses) that arose during the period	-	-	(22,328)	-	-	-	-	-	-	-	(22,328)
Share of Other Comprehensive Income of equity accounted investee ( net of tax)	-	13,016	(966,027)	-	-	-	-	-	-	12,106	(940,905)
<b>Total other comprehensive income for the period</b>	-	13,016	(1,224,048)	-	(476)	-	-	33,429,084	-	12,270	32,229,846
<b>Total comprehensive income for the period</b>	-	13,016	(1,224,048)	-	(476)	-	-	33,429,084	-	18,851,415	51,068,991
<b>Transactions with owners directly recorded in the Equity</b>											
Share equity accounted investee	-	-	-	-	-	-	21,476	-	26,786	(14,853,494)	(14,805,232)
<b>Total transactions with owners directly recorded in the equity</b>	-	-	-	-	-	-	21,476	-	26,786	(14,853,494)	(14,805,232)
Balance as at 30 September 2022	475,202	30,248,702	(3,705,839)	205,002	(116,718)	-	5,419,374	76,489,340	16,422,359	154,507,982	279,945,399

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



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

Group	Equity Attributable to the Owners of the Company											
	Notes	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	Rs.' 000
Balance as at 01 April 2021		475,200	19,186,720	(45,910)	1,249,829	7,974,568	205,000	12,023,231	97,388,049	138,456,683	96,811,585	235,268,268
<b>Total comprehensive income for the period</b>												
Profit for the period from Continuing operations		-	-	-	-	-	-	-	12,769,560	12,769,560	1,871,829	14,641,389
<i>Other comprehensive income</i>												
<i>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods;</i>												
Defined benefit plan actuarial gains / (losses)									(22)	(22)	-	(22)
Defined benefit plan actuarial gains (losses) for the period		-	-	-	-	-	-	-	(22)	(22)	-	(22)
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		-	-	-	(325,346)	-	-	-	-	(325,346)	(81)	(325,427)
Share of other comprehensive income of equity accounted investees (net of tax)		-	4,978	-	181,740	-	-	-	128	186,846	5,637	192,483
<i>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods</i>												
<i>Foreign currency translation differences for foreign operations</i>												
Net gains/(losses) arising from translating the Financial Statements of foreign operations		-	-	-	-	(1,271,528)	-	-	-	(1,271,528)	(346,923)	(1,618,451)
<i>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods;</i>												
<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		-	-	-	(281,495)	-	-	610	-	(280,885)	2,085	(278,800)
Change in Fair Value on investments in debt instruments at fair value through OCI												
Fair value gains/(losses) on debt instruments that arose during the period		-	-	23,773	-	-	-	-	-	23,773	(470)	23,303
Share of other comprehensive income of equity accounted investees (net of tax)		-	-	11,995	(772,949)	367	-	-	-	(760,587)	(22,481)	(783,068)
<b>Total other comprehensive income for the period</b>		-	4,978	35,768	(1,198,050)	(1,271,161)	-	610	106	(2,427,749)	(362,233)	(2,789,982)
<b>Total comprehensive income for the period</b>		-	4,978	35,768	(1,198,050)	(1,271,161)	-	610	12,769,666	10,341,811	1,509,596	11,851,408
<b>Transactions due to changes in group holding</b>												
NCI contribution for subsidiary share issues		-	-	-	-	-	-	-	-	-	599,700	599,700
Changes in ownership interests that do not result in a change in control		-	-	-	-	-	-	-	(760,137)	(760,137)	760,137	-
<b>Total transactions due to changes in group holding</b>		-	-	-	-	-	-	-	(760,137)	(760,137)	1,359,837	599,700
<b>Total transactions with owners directly recorded in the equity</b>		-	-	-	-	-	-	-	(760,137)	(760,137)	1,359,837	599,700
<b>Other movements in equity</b>												
Net transfers		-	-	-	-	-	-	109,787	(109,787)	-	-	-
Net transfers to statutory reserve fund		-	-	-	-	-	-	1,253	-	1,253	2,082	3,335
<b>Total other movements</b>		-	-	-	-	-	-	111,040	(109,787)	1,253	2,082	3,335
<b>Balance as at 30 September 2021</b>		475,200	19,191,698	(10,142)	51,779	6,703,407	205,000	12,134,881	109,287,791	148,039,610	99,683,100	247,722,711

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

Group	Notes	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 2022		475,200	30,235,686	(116,244)	(2,481,790)	43,060,254	205,000	21,793,474	151,940,347	245,111,927	156,117,486	401,229,413
Surcharge Tax Adjustment	6.7	-	-	-	-	-	-	-	(1,430,287)	(1,430,287)	(403,308)	(1,833,595)
Adjusted Balance As At 01 April 2022		475,200	30,235,686	(116,244)	(2,481,790)	43,060,254	205,000	21,793,474	150,510,060	243,681,640	155,714,178	399,395,818
<b>Total comprehensive income for the period</b>												
Profit for the period		-	-	-	-	-	-	-	18,839,144	18,839,144	1,469,701	20,308,845
<b>Other comprehensive income</b>												
<b>Other comprehensive income that will never be reclassified to profit or loss in subsequent periods;</b>												
<b>Change in fair value on investments in equity instruments at fair value through other comprehensive income</b>												
Fair value gains/(losses) that arose during the period		-	-	-	(891,178)	-	-	-	12,106	(879,072)	(19,295)	(898,367)
Share of equity accounted investees		-	14,019	-	(97,177)	-	-	-	-	(83,158)	(40,584)	(123,742)
<b>Other comprehensive income that are or may be reclassified to profit or loss in subsequent periods;</b>												
<b>Government Securities &amp; Other debt instruments</b>												
Fair value gains/(losses) that arose during the period		-	-	-	(1,193,368)	-	-	-	165	(1,193,203)	(107,853)	(1,301,056)
<b>Foreign currency translation differences for foreign operations</b>												
Net exchange gains/(losses) arising from translating the Financial Statements of foreign operations		-	-	-	-	33,404,327	-	-	-	33,404,327	18,870,119	52,274,446
Share of equity accounted investees		-	-	(476)	957,674	24,757	-	-	-	981,955	398,715	1,380,670
<b>Total other comprehensive income for the period</b>		-	14,019	(476)	(1,224,049)	33,429,084	-	-	12,271	32,230,849	19,101,102	51,331,951
<b>Total comprehensive income for the period</b>		-	14,019	(476)	(1,224,049)	33,429,084	-	-	18,851,415	51,069,993	20,570,803	71,640,796
<b>Other movements in equity</b>												
Dividend Paid During the year - Interim		-	-	-	-	-	-	-	-	-	(146,080)	(146,080)
Dividend Forfeited		-	-	-	-	-	-	-	1,857	1,857	1,597	3,454
Net transfers		-	(1,001)	-	-	-	-	48,259	(46,806)	452	377	829
<b>Total other movements</b>		-	(1,001)	-	-	-	-	48,259	(44,949)	2,309	(144,106)	(141,797)
<b>Transactions due to changes in group holding</b>												
NCI Contribution to Acquisition of Subsidiaries		-	-	-	-	-	-	-	-	-	(181,248)	(181,248)
Sale of shares of Subsidiaries to NCI		-	-	-	-	-	-	-	-	-	461,048	461,048
Issue of Shares to NCI		-	-	-	-	-	-	-	-	-	424,123	424,123
Acquisition of NCI of Subsidiaries		-	-	-	-	-	-	-	-	-	(126,445)	(126,445)
Effect of NCI due to disposal of subsidiary		-	-	-	-	-	-	-	-	-	(465,401)	(465,401)
Changes in ownership interests that do not result in a change in control		-	-	-	-	-	-	-	(14,808,543)	(14,808,543)	14,808,543	-
<b>Total transactions due to changes in group holding</b>		-	-	-	-	-	-	-	(14,808,543)	(14,808,543)	14,920,620	112,077
<b>Total transactions with owners directly recorded in the equity</b>		-	(1,001)	-	-	-	-	48,259	(14,853,492)	(14,806,234)	14,776,514	(29,720)
<b>Balance as at 30 September 2022</b>		475,200	30,248,704	(116,720)	(3,705,839)	76,489,338	205,000	21,841,733	154,507,982	279,945,399	191,061,497	471,006,896

Figures in brackets indicate deductions.

The above figures are not audited

LOLC Holdings PLC  
Interim Condensed Financial Statements  
Statement of Cash Flows

For the period ended 30 September	Group		Company	
	2022	2021	2022	2021
	Rs.' 000	Rs.' 000	Rs.' 000	Rs.' 000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before income tax expense from continuing operations	23,716,014	18,076,597	18,839,145	12,769,560
Profit before income tax expense from discontinuing operations	(1,022)	(99)	-	-
<b>Profit before tax</b>	<b>23,714,992</b>	<b>18,076,498</b>	<b>18,839,145</b>	<b>12,769,560</b>
<b>Adjustment for:</b>				
(Gain) / loss on sale of property, plant and equipment	(9,473)	(57,186)	8,006	(34,925)
Depreciation and amortization	4,091,611	2,038,997	290,382	273,346
Insurance provision	250,378	1,300,463	-	-
Change in fair value of forward contracts	(13,872,459)	(405,438)	-	-
Provision for gratuity	267,917	149,463	16,851	32,049
Net impairment (loss) / reversal on financial assets	12,605,007	(6,697,792)	213,523	70,603
Provision for fall/(increase) in value of investments	(63,453)	(7,378,741)	(1)	(35,484)
Net Finance costs	61,909,659	25,425,342	12,294,736	5,188,822
Dividend Income	(76,403)	(1,870)	(0)	(12,126)
Interest income	(992,641)	(3,387,405)	(13,463,336)	(2,708,042)
(Profit)/loss on sale of quoted and non-quoted shares	(102,952)	(10,108)	-	(6,189)
Foreign exchange gain / (loss)	5,441,131	289,636	-	-
Change in Fair Value of Consumer Biological Assets	(20,391)	-	-	-
Change in fair value of investment properties	(14,267,842)	-	-	-
Amortization of deferred income	(6,173)	(2,172)	-	-
Gain/(Loss) on Disposal of Government Securities	(3,342,233)	(1,160)	-	-
Share of profits of equity accounted investees, net of tax	(1,803,823)	(704,221)	(9,985,690)	(15,013,369)
Results on acquisition and divestment of Group investments	(79,041)	(400,874)	-	-
<b>Operating profit before working capital changes</b>	<b>73,643,811</b>	<b>28,233,432</b>	<b>8,213,616</b>	<b>524,245</b>
<b>Working capital changes</b>				
Increase/(decrease) in trade and other payables	70,880	16,062,856	8,358,513	(860,414)
(Increase)/decrease in investment in leases, hire purchase and others	1,889,824	(5,815,641)	-	-
(Increase)/decrease in investment in advances and other loans	(165,776,424)	701,400	726,704	547,804
(Increase)/decrease in premium receivables	(944,663)	(664,102)	-	-
(Increase)/decrease in inventories	(4,104,452)	(1,676,882)	(375,362)	(46,736)
(Increase)/decrease in trade and other receivables	(41,396,881)	(35,367,883)	(9,455,311)	(32,656,967)
Increase/(decrease) in customer deposits	142,733,950	(1,519,798)	-	-
<b>Cash generated from operations</b>	<b>6,116,046</b>	<b>(46,618)</b>	<b>7,468,161</b>	<b>(32,492,068)</b>
Finance cost paid	(66,734,391)	(26,461,789)	(10,374,188)	(4,694,474)
Income tax and Economic Service Charge paid	1,716,765	(908,834)	-	77,870
Surcharge Tax Paid	(145,082)	-	-	-
Defined benefit plan costs paid	(446,950)	(129,119)	(34,237)	(19,003)
<b>Net cash from/(used in) operating activities</b>	<b>(59,493,612)</b>	<b>(27,546,360)</b>	<b>(2,940,264)</b>	<b>(37,127,675)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investment in subsidiary companies	(5,693,692)	-	(8,300)	(1,602,967)
Net cash and cash equivalents received on disposal of subsidiary	581,716	-	-	-
Investment in equity accounted investees	(3,135)	(324,069)	-	(306,562)
PPE Movement	(4,843,209)	(2,373,599)	(172,185)	(149,839)
Acquisition of Intangible Assets	(321,089)	(537,625)	(54,586)	(8,815)
Net Disposal of trading assets	26,046,339	(1,379,554)	4,846,073	-
Net additions to investment securities	(1,712,187)	(12,169,595)	(2,282,439)	(1,327,638)
Proceeds from the disposal of PPE/ Investment Properties	75,364	190,990	(8,006)	100,139
Acquisition of Investment Properties	(3,428,347)	(1,585,807)	-	(6,510)
Investment income received	992,641	3,387,405	13,463,336	2,708,042
Dividend received	112,560	22,017	-	12,126
(Net additions) / Disposals to biological assets	(735,957)	47,173	-	-
<b>Net cash flow from investing activities</b>	<b>11,071,004</b>	<b>(14,722,664)</b>	<b>15,783,893</b>	<b>(582,024)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Net cash proceeds from short-term interest bearing borrowings	4,528,823	24,723,729	1,467,951	32,793,628
Net Proceeds/(Payments) of long-term interest bearing loans and borrowings	52,241,145	17,286,726	(11,684,837)	5,966,691
Issue/(repayment) of debentures	(7,813,647)	7,204,990	(2,732,970)	1,456,135
Principal repayment under finance /Operating lease liabilities	(599,168)	(406,142)	(10,511)	(13,656)
Receipt of deferred income	106,985	12,014	-	-
Dividend Paid to NCI	(146,080)	-	-	-
Sale of shares of Subsidiaries to NCI	461,048	-	-	-
Issue of Shares to NCI	424,123	-	-	-
Acquisition of NCI of Subsidiaries	(126,445)	599,699	-	-
<b>Net cash generated from financing activities</b>	<b>49,076,783</b>	<b>49,421,016</b>	<b>(12,960,367)</b>	<b>40,202,798</b>
Net increase/(decrease) in cash and cash equivalents during the period	654,175	7,151,992	(116,738)	2,493,099
Cash and cash equivalents at the beginning of the period	86,410,831	54,102,880	2,584,002	1,111,805
<b>Cash and cash equivalents at the end of the period</b>	<b>87,065,006</b>	<b>61,254,872</b>	<b>2,467,264</b>	<b>3,604,904</b>
<b>Analysis of cash and cash equivalents at the end of the period</b>				
Cash in hand and favorable bank balances	148,209,710	68,349,702	4,609,013	4,117,190
Unfavorable bank balances used for cash management purposes	(61,144,704)	(7,094,830)	(2,141,749)	(512,286)
	<b>87,065,006</b>	<b>61,254,872</b>	<b>2,467,264</b>	<b>3,604,904</b>

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

**6 Notes to the Interim Financial Statements**

**6.1 Interim condensed financial statements**

The Statement of Financial Position as at 30 September 2022, 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 2021/22 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 2022.

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

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

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

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

**6.3 Market price per share**

Market prices of ordinary shares recorded during the quarter ended 30 September 2022 are as follows;

	<b>Rs.</b>
Highest price	650.00
Lowest price	350.00
Closing	503.50

**6.4 Information on Company's listed debentures**

**Interest rate of comparable government security**

Buying and Selling prices of Treasury Bonds at the auctions held during the period.

	<b>Buying</b>	<b>Selling</b>
<b>5 Year Bond</b>		
Price	61.44	66.30
Yield - %	26.34%	23.90%
<b>10 Year Bond</b>		
Price	46.81	50.96
Yield - %	27.44%	25.21%
<b>Market prices and yield during the period (ex interest)</b>		
	<b>5 Year Bond</b>	<b>10 Year Bond</b>
Price	58.90	42.20
Yield - %	25.14	24.97

**Yield to maturity of trade done on 29 September 2022 - %**

**Current period**  
30.09%

Debt to equity - Company	0.59	times
Interest cover - Company	1.38	times
Quick asset ratio - Company	3.49	times

**The market prices during the period (ex interest)**

	<b>5 Year Bond</b>	<b>10 Year Bond</b>
Highest price	100.00	101.23
Lowest price	88.55	100.00
Last traded price	N/A	N/A

**6.5 Contingencies, capital and other commitments**

There are no significant changes in the nature of the contingent liabilities disclosed in the Financial Statements for the year ended 30 September 2022.

**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.

**Rights Issue - Serendib Hotels PLC**

With the view of strengthening the financial position while reducing the entity level debts, Serendib Hotels PLC, a subsidiary of Palm Garden Hotels PLC obtained the regulatory and shareholder approval for a Rights Issue.

Serendib Hotels PLC will issue three (03) new ordinary voting shares and three (03) new ordinary non-voting shares for every one (01) existing ordinary voting share and non -voting share. With the expectation of raising additional capital of Rs. 2,017,942,170, the Company will issue 226,544,214 new voting shares at Rs. 7 per share and 108,033,168 new non-voting shares at Rs. 4 per share. After the rights issue, Stated Capital of the Serendib Hotels PLC will increase to Rs 2,931,063,864 with 302,058,952 voting shares and 144,044,244 non-voting ordinary shares.

**6.7 Applicability of Surcharge Tax Act No 14 of 2022**

The Surcharge Tax Act No 14 of 2022 (Act) was certified by the Speaker and published as a Supplement to Part II of the Gazette of the Democratic Socialist Republic of Sri Lanka on 08 April 2022. As per the said Act, Surcharge Tax is payable by company or each company of a group of companies (holding and subsidiaries) subject to the taxable income threshold specified in the Act.

As per the Addendum to Statement of Alternative Treatment (SoAT) on Accounting for Surcharge Tax levied under the Surcharge Tax Act No. 14 of 2022 issued by CA Sri Lanka on 10th August 2022, the Surcharge Tax liability be recognized as on 7th April 2022 and record the corresponding expenditure as an adjustment to the opening retained earnings in the Statement of Changes in Equity in the first day of the financial year, which includes 7th April 2022, with necessary disclosures.

Accordingly, LOLC Group has recorded the Surcharge Tax liability amounting to Rs.1,834 Mn as an adjustment to the opening retained earnings as at 1 April 2022 as reported in the Statement of Changes in Equity. The said adjustment has been incorporated in the Financial Statements during the period ended 30 September 2022.

**6.8 In compliance with LKAS 21 , LOLC Group used following foreign currency exchange rates to translate group's foreign investment in subsidiaries and associates into presentation currency.**

<b>Exchange Rates</b>	<b>Average</b>	<b>Closing</b>
United States Dollar (USD)	353.81	362.90
Myanmar Kyat (MMK)	0.1847	0.1728
Pakistani Rupee (PKR)	1.70	1.58
Indonesian Rupiah (IDR)	0.0240	0.0238
Cambodian Riel (KHR)	0.0867	0.0881
EURO	366.53	355.79
PESO	6.49	6.17
Zambian Kwacha	21.30	22.92
Nigerian Naira	0.8612	0.8400
Kenyan Shilling	3.00	3.01
Malawian Kwacha	0.3657	0.3614
Egyptian Pound	18.79	18.57
Mauritian Rupee	7.97	8.04
Tajikistan Solomi	31.89	35.51

**6.9 Subsidiary Right Issue**

**Dolphin Hotels PLC**

Dolphin Hotels PLC, a subsidiary of Palm Garden Hotels PLC, concluded its Rights Issue in the month of September 2022, raising Rs 632,429,540 additional capital, issuing 31,624,477 new shares at Rs. 20 per share.

**Hotel Sigiriya PLC**

Hotel Sigiriya PLC, a subsidiary of Palm Garden Hotels PLC ,concluded its Rights Issue in the month of September 2022, raising Rs. 351,540,000 additional capital, issuing 11,718,000 new shares at Rs. 30 per share.

## 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 period.

### 7.1 Acquisition of Subsidiaries

Note	Date of Acquisition	% of Acquisition	Investment made (Rs.000)	Result of Acquisition (Rs.000)		
				Goodwill	Negative Goodwill	
<b>Subsidiaries</b>						
<b>Acquisition of Foreign Companies</b>						
Acquisition of LOLC-EL Oula Microfinance Company – Egypt	7.1.1	01/04/2022	100.00%	1,393,988	226,221	-
Acquisition of Fina Trust Micro Finance Company	7.1.2	31/05/2022	70.00%	1,803,800	411,479	-
Acquisition of Fazo LLC	7.1.3	01/04/2022	100.00%	1,137,756	325,982	-
Acquisition of Karat	7.1.4	30/06/2022	100.00%	2,148,021	2,022,305	-
					<b>2,985,987</b>	<b>-</b>

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

	Note 7.1.1 LOLC EL Oula Rs.000	Note 7.1.2 FINATRUST Rs.000	Note 7.1.3 Fazo Rs.000	Note 7.1.4 Karat Rs.000
<b>Assets</b>				
Property, plant and equipment	262,050	140,357	73,574	5,741
Intangible assets	-	-	-	996
Loans and Advances to Customers	3,018,336	1,953,842	412,546	-
Inventories	-	5,984	-	8,636
Trade and other receivables	126,620	566,288	51,038	185,197
Investment Securities	-	827,208	307,550	-
Income tax receivables	-	-	-	2,060
Cash and cash equivalents	162,311	91,370	524,372	11,821
	<b>3,569,317</b>	<b>3,585,049</b>	<b>1,369,081</b>	<b>214,452</b>
<b>Liabilities</b>				
Interest-bearing borrowings	2,165,314	-	165,148	61,356
Deposits of Customers	-	1,750,599	391,726	-
Trade and other payables	241,135	618,477	433	27,380
	<b>2,406,449</b>	<b>2,369,075</b>	<b>557,307</b>	<b>88,736</b>
<b>Net Assets Acquired</b>	<b>1,162,868</b>	<b>1,215,974</b>	<b>811,774</b>	<b>125,716</b>
<b>Fair value of identifiable net assets acquired</b>	<b>1,162,868</b>	<b>1,215,974</b>	<b>811,774</b>	<b>125,716</b>
<b>Results of the acquisitions of above subsidiaries are as follows:</b>				
Fair value of consideration paid	1,393,988	1,803,800	1,137,756	2,148,021
Less - Transaction cost	-	-	-	-
<b>Net consideration paid</b>	<b>1,393,988</b>	<b>1,803,800</b>	<b>1,137,756</b>	<b>2,148,021</b>
Non-controlling interests acquired (Net)	(4,900)	(176,348)	-	-
<b>Fair value of identifiable net assets acquired</b>	<b>1,162,868</b>	<b>1,215,974</b>	<b>811,774</b>	<b>125,716</b>
<b>Goodwill on acquisition</b>	<b>226,221</b>	<b>411,478</b>	<b>325,982</b>	<b>2,022,305</b>
<b>Net cash used in acquisition</b>				
Purchase consideration paid	(1,393,988)	(1,803,800)	(1,137,756)	(2,148,021)
Cash & cash equivalents acquired	162,311	91,370	524,372	11,821
	<b>(1,231,678)</b>	<b>(1,712,430)</b>	<b>(613,384)</b>	<b>(2,136,200)</b>

7 Results on acquisition and divestment of Group investments ( Continued)

7.2 Disposal of Subsidiaries

**Disposal of Sagasolar (Private) Limited**

Browns Investments PLC (Subsidiary of LOLC Group) disposed the entirety of its shareholding amounting to 50.10% of Sagasolar Power (Private) Limited to Aitken Spence PLC on 5th July 2022.

	Controlling Interest Sold	Cash and Cash Equivalent Received Rs. 000	Disposal Related Costs Rs.000	Total Consideration of Disposal Rs.000
Sagasolar (Private) Limited	50.10%	701,399	(19,124)	682,275

**Disposal Gain/(Loss) Computation**

Total Consideration received	Rs.000 <b>682,275</b>
<b>Net Assets Attributable to Parent</b>	
Derecognition of Non-Controlling Interest	465,401
Fair Value of Net Assets Disposed	<u>(1,068,636)</u>
	<b><u>79,041</u></b>

**The provisional fair values of the identifiable assets and liabilities of the disposed as at the date of disposal were:**

<b>Assets</b>	<b>Rs.000</b>
Property, plant and equipment	1,822,685
Intangible assets	105,190
Trade and other receivables	326,780
Right of Use Assets	57,404
Deferred tax Assets	2,124
Cash and cash equivalents	100,560
	<b><u>2,414,742</u></b>
<b>Liabilities</b>	
Interest-bearing borrowings	1,022,061
Current Tax Payables	2,938
Trade and other payables	314,106
Deferred tax liabilities	7,001
	<b><u>1,346,106</u></b>
Net Assets disposed	1,068,636
<b>Fair value of identifiable net assets disposed</b>	<b><u>1,068,636</u></b>
<b><u>Net cash received from disposal</u></b>	<b>Rs.000</b>
Purchase consideration received	701,399
(-) Disposal related costs	(19,124)
Positive cash balances	(100,560)
<b>Net cash received from disposal</b>	<b><u>581,716</u></b>

LOLC Holdings PLC  
Interim Condensed Financial Statements  
Operating Segments

8 Operating Segments

For the six months ended 30 September 2022

	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	113,886,309	7,154,108	29,385,996	13,287,756	13,168,907	-	(14,001,785)	162,881,291
Net interest cost	(52,985,731)	46,157	(5,946,448)	(5,378,206)	(1,370,855)	-	3,725,424	(61,909,659)
Cost of sales	(65)	-	(20,032,249)	(858,310)	(5,667,919)	-	1,207,398	(25,351,145)
<b>Profit before operating expenses</b>	<b>60,900,513</b>	<b>7,200,265</b>	<b>3,407,299</b>	<b>7,051,240</b>	<b>6,130,133</b>	-	<b>(9,068,963)</b>	<b>75,620,487</b>
Operating expenses	(38,904,733)	(5,838,036)	(3,695,747)	(2,341,400)	(5,071,051)	-	2,063,630	(53,787,337)
<b>Results from operating activities</b>	<b>21,995,780</b>	<b>1,362,229</b>	<b>(288,448)</b>	<b>4,709,840</b>	<b>1,059,082</b>	-	<b>(7,005,333)</b>	<b>21,833,150</b>
Share of profits of equity accounted investees	-	-	-	-	-	-	-	-
Gains on bargain purchases (negative goodwill)	-	-	-	-	-	-	-	-
Results of Acquisition/ Divestment of Group Investment	-	-	-	-	-	1,803,823	-	1,803,823
Results on acquisition and divestment of group investments	-	-	-	-	-	-	79,041	79,041
<b>Profit before tax from continuing operations</b>	<b>21,995,780</b>	<b>1,362,229</b>	<b>(288,448)</b>	<b>4,709,840</b>	<b>1,059,082</b>	<b>1,803,823</b>	<b>(6,926,292)</b>	<b>23,716,014</b>
<b>Discontinued operations</b>								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	-	-	-	(1,022)	-	-	(1,022)
<b>Profit before tax from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,022)</b>	<b>-</b>	<b>-</b>	<b>(1,022)</b>
<b>Profit before tax of the group</b>	<b>21,995,780</b>	<b>1,362,229</b>	<b>(288,448)</b>	<b>4,709,840</b>	<b>1,058,060</b>	<b>1,803,823</b>	<b>(6,926,292)</b>	<b>23,714,992</b>

For the six months period ended 30 September 2021

Gross income	57,528,220	5,246,405	20,753,256	940,791	2,722,749	-	3,776,857	90,968,278
Net interest cost	(21,841,858)	(5,295)	(1,333,782)	(1,372,108)	(577,474)	-	(294,825)	(25,425,342)
Cost of sales	-	-	(15,006,772)	(182,622)	(1,577,947)	-	20,690	(16,746,651)
<b>Profit before operating expenses</b>	<b>35,686,362</b>	<b>5,241,110</b>	<b>4,412,702</b>	<b>(613,939)</b>	<b>567,328</b>	-	<b>3,502,722</b>	<b>48,796,285</b>
Operating expenses	(24,026,506)	(4,372,367)	(2,070,086)	(1,467,559)	(1,797,943)	-	1,909,678	(31,824,783)
<b>Results from operating activities</b>	<b>11,659,856</b>	<b>868,743</b>	<b>2,342,616</b>	<b>(2,081,498)</b>	<b>(1,230,615)</b>	-	<b>5,412,400</b>	<b>16,971,502</b>
Results on acquisition and divestment of group investments	-	-	-	-	-	-	400,874	400,874
Share of profits of equity accounted investees	-	-	-	-	-	704,221	-	704,221
<b>Profit before tax from continuing operations</b>	<b>11,659,856</b>	<b>868,743</b>	<b>2,342,616</b>	<b>(2,081,498)</b>	<b>(1,230,615)</b>	<b>704,221</b>	<b>5,813,274</b>	<b>18,076,597</b>
<b>Discontinued operations</b>								
Profit/(loss) after tax for the year from discontinued operations and assets held for sale	-	-	-	-	(99)	-	-	(99)
<b>Profit before tax from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(99)</b>	<b>-</b>	<b>-</b>	<b>(99)</b>
<b>Profit before tax of the group</b>	<b>11,659,856</b>	<b>868,743</b>	<b>2,342,616</b>	<b>(2,081,498)</b>	<b>(1,230,714)</b>	<b>704,221</b>	<b>5,813,274</b>	<b>18,076,498</b>



**For the six months ended 30 September 2022**

	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
<b>Continuing operations</b>								
Net impairment (loss) / reversal on financial assets	12,478,884	(800)	(14,373)	16,328	3,155	-	121,813	<b>12,605,007</b>
Depreciation and amortization	1,451,251	44,321	342,353	779,234	1,415,506	-	58,946	<b>4,091,611</b>
<b>Continuing operations</b>								
<b>Total assets (as at 30 September 2022)</b>	1,364,571,035	22,358,659	145,671,951	245,647,114	135,540,868	-	(211,358,816)	<b>1,702,430,811</b>
<b>Total liabilities (as at 30 September 2022)</b>	1,050,161,247	16,227,756	74,739,196	122,742,556	36,689,062	-	(69,135,904)	<b>1,231,423,913</b>

**For the six months period ended 30 September 2021**

<b>Continuing operations</b>								
Net impairment (loss) / reversal on financial assets	6,726,025	(5,063)	(21,810)	(1,359)	-	-	-	<b>6,697,793</b>
Depreciation and amortization	977,622	47,799	256,827	543,492	640,699	-	2,717	<b>2,469,156</b>
<b>Continuing operations</b>								
Total assets (as at 30 September 2021)	775,760,135	20,257,100	108,131,889	116,923,138	69,979,792	-	(131,580,932)	<b>959,471,122</b>
Total liabilities (as at 30 September 2021)	604,278,163	14,183,068	44,052,867	72,036,532	16,735,946	-	(39,533,418)	<b>711,753,158</b>
<b>Discontinued operations</b>								
Total assets (as at 30 September 2021)	-	-	-	-	4,842	-	-	<b>4,842</b>
Total liabilities (as at 30 September 2021)	-	-	-	-	97	-	-	<b>97</b>

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

9 Valuation of Financial Assets and Liabilities

Rs'000							
As at 30 September 2022 - 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	-	-	-	148,209,710	148,209,710	148,209,710	Level 1
Financial assets recognised through profit or loss	-	6,895,204	-	-	6,895,204	6,895,204	Level 1 and Level 2
Investment securities	-	-	8,877,828	93,893,290	102,771,118	93,455,537	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	-	-	-	65,522,402	65,522,402	62,402,288	Level 3
Financial assets at amortised cost/ Advances and other loans	-	-	-	736,906,884	736,906,884	722,457,729	Level 3
<b>Total financial assets</b>	-	<b>6,895,204</b>	<b>8,877,828</b>	<b>1,044,532,286</b>	<b>1,060,305,318</b>	<b>1,033,420,468</b>	
Bank overdrafts	-	-	-	61,144,704	61,144,704	61,144,704	Level 1
Trading liabilities	1,400,204	-	-	-	1,400,204	1,400,204	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	522,451,766	522,451,766	525,064,025	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	-	-	511,060,451	511,060,451	523,836,962	Level 3
<b>Total financial liabilities</b>	<b>1,400,204</b>	-	-	<b>1,094,656,921</b>	<b>1,096,057,125</b>	<b>1,111,445,895</b>	

Rs'000							
As at 31st March 2022 - 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	-	-	-	93,882,903	93,882,903	93,882,903	Level 1
Financial assets recognised through profit or loss	-	18,109,943	-	-	18,109,943	18,109,943	Level 1 and Level 2
Investment securities	-	-	27,699,180	76,420,362	104,119,542	96,764,694	Level 1 and Level 2
Financial assets at amortised cost/ Finance lease receivables, hire purchases and operating leases	-	-	-	67,454,307	67,454,307	67,848,238	Level 3
Financial assets at amortised cost/ Advances and other loans	-	-	-	549,167,155	549,167,155	500,149,556	Level 3
<b>Total financial assets</b>	-	<b>18,109,943</b>	<b>27,699,180</b>	<b>786,924,727</b>	<b>832,733,850</b>	<b>776,755,334</b>	
Bank overdrafts	-	-	-	7,472,072	7,472,072	7,472,072	Level 1
Trading liabilities	504,516	-	-	-	504,516	504,516	Level 1
Financial Liabilities at Amortised Cost/ Deposits liabilities	-	-	-	377,575,491	377,575,491	376,116,036	Level 3
Financial Liabilities at Amortised Cost/ Interest bearing borrowings	-	-	-	453,924,080	453,924,080	453,224,496	Level 3
<b>Total financial liabilities</b>	<b>504,516</b>	-	-	<b>838,971,643</b>	<b>839,476,159</b>	<b>837,317,120</b>	

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

**LOLC Holdings PLC**

**Interim Condensed Financial Statements**

**Statement of Directors' holding and Chief Executive Officer's holding in shares of the Entity as at 30 September 2022**

**10 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	84,851,213	17.86
Sampath Bank PLC/ I C Nanayakkara	62,974,000	13.25
Commercial Bank of Ceylon PLC/ I C Nanayakkara	79,000,000	16.62
Nations Trust Bank PLC/ I C Nanayakkara	5,562,579	1.17
Mr. W D K Jayawardena <i>Group Managing Director / CEO</i>	-	-
Mrs. K U Amarasinghe <i>Held shares in the following manner</i>		
Mrs. K U Amarasinghe	19,322,000	4.07
Seylan Bank PLC/ K U Amarasinghe	4,438,000	0.93
Deshamanya M D D Peiris	-	-
Mr. F K C P N Dias	-	-
Dr. R A Fernando	3,000	0.00

**11 Top 20 shareholders as at 30 September 2022**

	Shareholder	No. of Shares	% of Issued Capital
1	LOLC Capital (Private) Limited	147,265,983	30.99
2	Mr. I C Nanayakkara	84,851,213	17.86
3	Commercial Bank of Ceylon PLC/ I C Nanayakkara	79,000,000	16.62
4	Sampath Bank PLC/ Ishara Chinthaka Nanayakkara	62,974,000	13.25
5	Mrs. K U Amarasinghe	19,322,000	4.07
6	Employees Provident Fund	15,182,259	3.19
7	Lalaq Finance PLC/ Kashyapa Capital (Pvt) Ltd	8,466,703	1.78
8	Nations Trust Bank PLC/ Ishara Chinthaka Nanayakkara	5,562,579	1.17
9	Seylan Bank PLC/ K U Amarasinghe (Collateral)	4,438,000	0.93
10	Sri Lanka Insurance Corporation LT - Life Fund	3,134,398	0.66
11	LOLC Finance PLC/ Indra Nanayakkara	2,027,938	0.43
12	GF Capital Global Limited	1,423,404	0.30
13	People's Leasing & Finance PLC / Capital Trust Holdings (Private) Limited	1,377,622	0.29
14	LOLC Finance PLC / Capital Trust Holdings Limited	1,343,626	0.28
15	Hatton National Bank PLC/ Capital Trust Holdings Limited	1,259,555	0.27
16	Sri Lanka Insurance Corporation LT - General Fund	1,122,233	0.24
17	Sampath Bank PLC/ Mr S M Dissanayake	990,054	0.21
18	Mrs S N Fernando	818,440	0.17
19	Mrs I Nanayakkara	800,010	0.17
20	People's Leasing & Finance PLC / Capital Trust Holdings (Private) Limited	736,226	0.15
21	Dr. M Ponnambalam	735,716	0.15
22	Nuwara Eliya Property Developers (Pvt) Ltd	582,082	0.12
23	Capital Trust Holdings (Private) Limited	549,530	0.12
24	Swastika Mills Ltd	515,000	0.11
		<b>444,478,571</b>	<b>93.54</b>

**30 September 2022**

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

44,505,587,100  
15.11%  
8,466  
Complied under Option 01

12 Information on Listed Debentures

01.) Listed, Rated, Senior, Unsecured, Redeemable debentures issued (2019-2024) - Proceeds utilization as at 30 September 2022

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

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

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

03.) Senior, Unsecured, Listed, Redeemable, Rated debentures issued (2021-2031) - Proceeds utilization as at 30 September 2022

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