



INTERIM FINANCIAL STATEMENTS

For the year ended

31st March 2021

LOLC FINANCE PLC

LOLC Finance PLC

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As at 31st March 2021

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LOLC Finance PLC

STATEMENT OF FINANCIAL POSITION

As at 31st March 2021

	As at 31.03.2021 (Unaudited) Rs. '000	As at 31.03.2020 (Audited) Rs. '000
ASSETS		
Cash and bank balances	13,422,690	8,333,561
Deposits with banks and other financial institutions	7,203,306	17,282,277
Investment in government securities and others	15,838,455	10,790,843
Derivative assets	325,029	273,195
Financial assets at amortized cost		
Rentals receivable on leased assets	43,098,407	43,842,381
Loans and advances	61,550,510	90,113,469
Investment securities	5,498,000	2,958,199
Other receivables	731,692	916,600
Amount due from related companies	33,222	60,706
Inventories	271,727	2,023
Investment properties	21,088,740	15,963,886
Property plant and equipment	1,163,218	1,351,207
Total assets	170,224,996	191,888,346
LIABILITIES		
Bank overdraft	1,861,003	1,283,201
Interest bearing borrowings	16,437,442	51,558,593
Deposits from customers	107,791,136	99,261,181
Trade payables	144,788	1,048,944
Accruals and other payables	4,557,547	3,331,643
Derivative liabilities	-	114,349
Amount due to related companies	620,862	854,198
Current tax payable	857,903	960,255
Deferred tax liability	1,733,249	1,888,186
Defined benefit obligations	332,532	298,142
Total liabilities	134,336,462	160,598,693
EQUITY		
Stated capital	12,762,500	12,762,500
Statutory reserve	3,596,579	3,378,282
Revaluation reserve	328,838	241,528
Cash flow hedge reserve	27,608	(77,310)
Fair Value Reserve	45,446	11,957
Retained earnings	19,127,563	14,972,696
Total equity	35,888,534	31,289,653
Total liabilities and equity	170,224,996	191,888,346
Net asset value per share (Rs.)	6.84	6.41

Certification :

These financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.

.....
Mr Buddhika Weeratunga
Head of Finance

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

Sgd.

.....
Mr Conrad Dias - Director / CEO

Sgd.

.....
Mrs K.U. Amarasinghe - Executive Director

28th May 2021
Rajagiriya (Greater Colombo)

LOLC Finance PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March 2021

	For the period ended			For the quarter ended		
	31.03.2021 (Unaudited) Rs '000	31.03.2020 (Audited) Rs '000	Variance %	31.03.2021 (Unaudited) Rs '000	31.03.2020 (Audited) Rs '000	Variance %
Interest income	34,149,606	38,181,098	-11%	8,427,642	9,459,180	-11%
Interest expense	(12,446,790)	(19,271,364)	35%	(2,572,490)	(4,524,487)	43%
Net interest income	21,702,816	18,909,733	15%	5,855,153	4,934,693	19%
Net other operating income	9,929,160	4,820,439	106%	1,240,539	3,507,784	-65%
Total income	31,631,976	23,730,172	33%	7,095,692	8,442,476	-16%
Operating expenses						
Direct expenses excluding interest cost	(950,855)	(1,279,608)	26%	(250,385)	(452,496)	45%
Allowance for impairment & write-offs	(16,341,362)	(7,843,541)	-108%	(4,679,803)	(2,313,804)	-102%
Personnel expenses	(3,175,748)	(2,971,773)	-7%	(771,939)	(862,042)	10%
Depreciation	(131,854)	(201,533)	35%	(21,837)	(51,377)	57%
General & administration expenses	(5,979,228)	(6,661,847)	10%	(1,597,439)	(1,950,345)	18%
Profit from operations	5,052,929	4,771,869	6%	(225,710)	2,812,412	-108%
Value added tax on financial services	(556,146)	(892,210)	38%	329,214	(266,781)	223%
Profit before income tax expense	4,496,783	3,879,659	16%	103,504	2,545,631	-96%
Income tax expense	(130,845)	(99,975)	-31%	127,602	273,553	53%
Profit for the period	4,365,939	3,779,684	16%	231,105	2,819,184	-92%
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Remeasurements of defined benefit liability - gain / (loss)	19,845	(185,272)	-111%	64,523	(185,272)	-135%
Related tax	(12,620)	50,690	-125%	(25,130)	50,690	-150%
	7,225	(134,583)	-105%	39,394	(134,583)	-129%
Revaluation of property, plant and equipment	96,208	-	-	-	-	-
Related tax	(8,897)	-	-	-	-	-
	87,311	-	-	-	-	-
Movement in fair value - equity investments at FVOCI	10,711	12,254	-13%	10,711	12,254	-13%
Related tax	3,473	(1,225)	-383%	3,473	(1,225)	-383%
	14,185	11,029	29%	14,185	11,029	29%
Total of items that will never be reclassified to profit or loss	108,721	(123,554)	-188%	39,394	(134,583)	-129%
Items that are or may be reclassified to profit or loss						
Movement in fair value through OCI reserve	19,305	22,684	-15%	(0)	(9,522)	100%
Movement in hedge reserves	123,401	(53,125)	-332%	69,622	(23,137)	-401%
Related tax	(18,484)	14,875	-224%	(3,425)	14,875	-123%
	104,917	(38,250)	-374%	66,196	(8,262)	-374%
Total of items that are or may be reclassified to profit or loss	124,222	(15,566)	-898%	53,687	(17,784)	-402%
Total comprehensive income, net of tax	232,942	(139,120)	-267%	93,080	(152,367)	-161%
Total comprehensive income for the period	4,598,881	3,640,564	26%	324,186	2,666,817	-88%
Basic earnings per share (Rs.)	0.83	0.77		0.04	0.58	

Figures in brackets indicate deductions.

LOLC Finance PLC

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2021

	Stated Capital	Statutory Reserve	Revaluation Reserve	Cash flow Hedge Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000	Rs '000
Balance as at 01 April 2019	7,880,000	3,189,298	241,528	(39,059)	(21,756)	11,516,579	22,766,588
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	3,779,684	3,779,684
Other comprehensive income, net of income tax							
Remeasurements of defined benefit liability - gain / (loss)	-	-	-	-	-	(134,583)	(134,583)
Revaluation gain on fair value through OCI investments	-	-	-	-	11,029	-	11,029
Net fair value gains/(losses) on remeasuring financial assets measured at fair value through other comprehensive income	-	-	-	-	22,684	-	22,684
Net movement of cashflow hedges	-	-	-	(38,250)	-	-	(38,250)
Total other comprehensive income for the period	-	-	-	(38,250)	33,713	(134,583)	(139,120)
Total comprehensive income for the period	-	-	-	(38,250)	33,713	3,645,102	3,640,564
Transactions recorded directly in equity							
Shares issued during the year	4,882,500	-	-	-	-	-	4,882,500
Transfer to Statutory Reserve Fund	-	188,984	-	-	-	(188,984)	-
Total transactions recorded directly in equity	4,882,500	188,984	-	-	-	(188,984)	4,882,500
Balance as at 31 March 2020	12,762,500	3,378,282	241,528	(77,310)	11,957	14,972,696	31,289,653
Balance as at 01 April 2020	12,762,500	3,378,282	241,528	(77,310)	11,957	14,972,696	31,289,653
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	4,365,939	4,365,939
Other comprehensive income, net of income tax							
Remeasurements of defined benefit liability - gain / (loss)	-	-	-	-	-	7,225	7,225
Revaluation gain on property, plant and equipment	-	-	87,311	-	-	-	87,311
Revaluation gain on fair value through OCI investments	-	-	-	-	14,185	-	14,185
Net fair value gains/(losses) on remeasuring financial assets measured at fair value through other comprehensive income	-	-	-	-	19,305	-	19,305
Net movement of cashflow hedges	-	-	-	104,917	-	-	104,917
Total other comprehensive income for the period	-	-	87,311	104,917	33,489	7,225	232,942
Total comprehensive income for the period	-	-	87,311	104,917	33,489	4,373,164	4,598,881
Transactions recorded directly in equity							
Transfer to Statutory Reserve Fund	-	218,297	-	-	-	(218,297)	-
Total transactions recorded directly in equity	-	218,297	-	-	-	(218,297)	-
Balance as at 31 March 2021	12,762,500	3,596,579	328,838	27,608	45,446	19,127,563	35,888,534

LOLC Finance PLC

STATEMENT OF CASH FLOWS

For the year ended 31st March 2021

	2021 Rs '000	2020 Rs '000
Cash flows from / (used in) operating activities		
Profit before income tax expense	4,496,783	3,879,659
Adjustments for:		
Depreciation	131,854	201,533
(Profit)/Loss on Sales of PPE/ Investment properties	(69,532)	(12,887)
Change in fair value of derivatives - forward contracts	195,731	91,666
Provision for fall / (increase) in value of investments	(183,576)	(624,296)
Change in fair value of investment property	(3,291,067)	(2,569,499)
Impairment provision for the period	5,909,099	1,772,359
Provision for defined benefit plans	77,328	54,112
Investment income	(2,110,611)	(2,160,740)
Finance costs	12,446,790	19,271,364
Operating profit / (loss) before working capital changes	17,602,798	19,903,271
Change in other receivables	146,449	(87,120)
Change in Inventories	(269,704)	2,788
Change in trade and other payables	207,398	147,040
Change in amounts due to/ due from related parties	(205,851)	(21,110)
Change in lease receivables	(1,616,750)	(1,183,858)
Change in loans and advances	20,498,635	(717,173)
Change in factoring receivables	3,910,200	1,551,568
Change in margin trading advances	(81,785)	(1,768)
Change in fixed deposits from customers	2,731,057	(14,493,691)
Change in savings deposits from customers	6,438,578	(1,677,976)
Cash generated from / (used in) operations	49,361,025	3,421,970
Finance cost paid on deposits	(10,070,524)	(13,225,387)
Gratuity paid	(23,093)	(28,303)
Income tax paid	(424,661)	(961,261)
Net cash from / (used in) operating activities	38,842,747	(10,792,980)
Cash flows from / (used in) investing activities		
Acquisition of Property, Plant & Equipment & Investment property	(928,434)	(997,267)
Proceeds from disposal of PPE/ Investment properties	241,050	74,018
Purchase of government securities	(14,865,391)	(9,210,656)
Proceeds from sale of government securities	9,594,334	13,253,137
Net proceeds from investments in commercial papers	-	3,340,438
Net proceeds from investments in term deposits	10,078,971	4,354,899
Net proceeds from Investments in unit trust	(2,306,887)	581,931
Investment in subsidiaries	-	(364,100)
Interest received	2,110,611	2,160,740
Net cash flows used in investing activities	3,924,254	13,193,139
Cash flows from / (used in) financing activities		
Proceeds from issuance of new shares (Right issue)	-	4,882,500
Net proceeds from interest bearing loans & borrowings	(35,111,081)	(9,351,869)
Lease rentals paid - principal	(97,522)	(202,740)
Finance cost paid on borrowings	(3,047,071)	(5,970,731)
Net cash flows from / (used in) financing activities	(38,255,674)	(10,642,840)
Net increase / (decrease) in cash and cash equivalents	4,511,326	(8,242,683)
Cash and cash equivalents at the beginning of the year	7,050,360	15,293,042
Cash and cash equivalents at the end of the period	11,561,687	7,050,360
Analysis of cash and cash equivalents at the end of the period		
Cash and bank balances	13,422,690	8,333,561
Bank overdraft	(1,861,003)	(1,283,201)
	11,561,687	7,050,360

LOLC Finance PLC

OPERATING SEGMENTS

For the year ended 31st March 2021

	SME Finance Rs '000	Development Finance Rs '000	Alternative Financial Services Rs '000	Total Rs '000
For the year ended 31st March 2021				
Total revenue	22,831,446	18,672,233	2,575,088	44,078,766
Inter-segmental revenue	-	-	-	-
External revenue	22,831,446	18,672,233	2,575,088	44,078,766
Net interest cost	(6,597,915)	(4,882,348)	(966,528)	(12,446,790)
Profit before operating expenses	16,233,530	13,789,885	1,608,560	31,631,976
Operating expenses	(5,388,250)	(3,987,215)	(862,219)	(10,237,684)
Allowance for impairment & write-offs	(6,418,198)	(9,698,722)	(224,442)	(16,341,362)
Value added tax on financial services	(393,475)	(15,592)	(147,079)	(556,146)
Profit before income tax	4,033,607	88,356	374,820	4,496,783
For the year ended 31st March 2020				
Total revenue	22,578,957	17,718,183	2,704,397	43,001,537
Inter-segmental revenue	-	-	-	-
External revenue	22,578,957	17,718,183	2,704,397	43,001,537
Net interest cost	(11,475,784)	(6,677,303)	(1,118,277)	(19,271,364)
Profit before operating expenses	11,103,173	11,040,880	1,586,119	23,730,172
Operating expenses	(6,520,982)	(3,794,300)	(799,479)	(11,114,762)
Allowance for impairment & write-offs	(4,944,469)	(2,551,192)	(347,880)	(7,843,541)
Value added tax on financial services	(67,593)	(704,308)	(120,308)	(892,210)
Profit before income tax	(429,872)	3,991,080	318,452	3,879,659
As at 31.03.2021				
Total assets	99,882,613	54,333,822	16,008,561	170,224,996
Total liabilities	66,888,440	54,333,822	13,114,200	134,336,462
As at 31.03.2020				
Total assets	124,662,951	51,287,023	15,938,371	191,888,346
Total liabilities	95,977,607	51,287,023	13,334,063	160,598,693

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 31st March 2021

1. General

- These interim financial statements have been prepared in accordance with LKAS 34 Interim Financial Reporting and do not include all of the information required for a full set of financial statements.
- The requirements of the Colombo Stock Exchange and the Companies Act No.7 of 2007 have also been considered in preparing these financial statements
- The information for the preparation of these interim financial statements has been drawn up from the unaudited financial records of the Company.
- Accounting policies and methods of computation as stated in the audited financials for the year 2019/20 are followed in the preparation of these Interim Financial Statements.
- Accounting policies and method of computation as stated in the audited financial statements for the year 2019/20 are followed in the preparation of these Interim Financial Statements except for the accounting policies and methods of computation adopted to be compliant with SLFRS 16 - Leases, which became effective from 01 January 2019.

Impact of Covid 19 Pandemic

The COVID 19 lockdown affected the collections thereby increasing the NPL position of the company. With the return of normalcy, the company has seen positive trends in interactions with the clients in both new business and collections.

The Government and Central Bank of Sri Lanka has issued several guidelines and directions to support the affected borrowers due to COVID-19 which includes moratorium on advances granted to certain businesses and individuals. The Company has granted moratorium for such clients. The quarterly financials reflect the impact of minimal business operations during the lockdown period, due to COVID-19 pandemic.

2. Stated Capital

The Stated Capital of the Company is represented by 5,250,000,000 ordinary shares.

3. Provision for management expenditure

All expenses related to management expenditure are fully provided for in these Interim Financial Statements.

4. Share information

Market prices of ordinary shares recorded during the quarter ended 31st March 2021 are as follows:

	Rs'
Last traded price	5.60
Highest Price	9.70
Lowest Price	3.60

5. Debenture information

The debt capital of the company comprises of fifty million (50,000,000) rated unsecured subordinated redeemable debentures issued in January, 2015. These debentures are listed in the Colombo Stock Exchange. ICRA Lanka Ltd upgraded the credit rating of the above debentures to [SL]A- with stable outlook from [SL]BBB+ with stable outlook during the financial year 2015/16 and reaffirmed during this financial year as [SL]A-(Stable).

In addition, the company issued thirty four million (34,110,193) rated unsecured subordinated redeemable debentures in July 2018. These debentures are also listed in the Colombo Stock Exchange. ICRA Lanka Ltd rated these debentures as [SL]A-(Stable).

- Interest rates of the debentures

Instrument type	Interest frequency	Coupon (% p.a)	Interest yield as at last trade	Yield to maturity of last trade done	Interest rate of comparable Government Security
Type A - 5 Years Tenor	Semi-annually	14.75%	14.75%	14.84%	7.12%
Type B - 5 Years Tenor	At maturity	20.13%	20.13%	20.13%	7.12%

- Market prices & issue prices of debentures recorded during the quarter ended 31st March 2021 are as follows.

Instrument Type	Issue Price	Highest Price	Lowest Price	Last Traded Price	Last Traded Date
Type A - 5 Years Tenor	Rs.100.00	Rs. 101.19	Rs. 101.19	Rs. 101.19	17-Dec-19
Type B - 5 Years Tenor	Rs. 49.83	Not Traded	Not Traded	Not Traded	N/A

- Debt security related ratios

	As at 31.03.2021	As at 31.03.2020
Debt to equity ratio (With Deposits)	3.51 times	7.86 times
Quick asset ratio	0.88 times	0.94 times
Interest cover	1.36 times	1.34 times

6. Issuer rating - ICRA

ICRA Lanka assigned the company an issuer rating of (SL) A (Stable outlook).

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 31st March 2021

7 Financial assets and liabilities

7.1 Accounting classifications and fair values

As at 31st March 2021

The table below sets out the carrying amounts of the Company's financial assets and financial liabilities.

						Rs. '000
Description	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost / Not measured at fair value	Total Carrying amount	Fair value	Fair value measurement level
Cash and cash equivalents	-	-	13,422,690	13,422,690	13,422,690	
Deposits with banks and other financial institutions	-	-	7,203,306	7,203,306	7,203,306	
Investment in government securities						
- Measured at fair value	-	-	15,118,370	15,118,370	14,791,495	Level 1
- Measured at amortized cost	-	-	720,085	720,085	720,085	
Derivative assets	325,029	-	-	325,029	325,029	Level 2
Investment securities	5,298,367	199,096	537	5,498,000	5,498,000	Level 1
Rentals receivable on leased assets	-	-	43,098,407	43,098,407	45,903,004	Level 2
Loans and advances	-	-	61,550,510	61,550,510	68,907,289	Level 2
Amount due from related companies	-	-	33,222	33,222	33,222	
Other financial assets	-	-	297,674	297,674	297,674	
Total financial assets	5,623,396	199,096	141,444,801	147,267,292	157,101,794	
Bank overdraft	-	-	1,861,003	1,861,003	1,861,003	
Interest bearing borrowings	-	-	16,437,442	16,437,442	16,883,528	Level 2
Deposits from customers	-	-	107,791,136	107,791,136	109,750,841	Level 2
Trade payables	-	-	144,788	144,788	144,788	
Accruals and other payables	-	-	4,490,003	4,490,003	4,490,003	
Derivative liabilities	-	-	-	-	-	Level 2
Amount due to related companies	-	-	620,862	620,862	620,862	
Total financial liabilities	-	-	131,345,235	131,345,235	133,751,025	

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 31st March 2021

Financial assets and liabilities (Cont.)

7.1 Accounting classifications and fair values

As at 31st March 2020

The table below sets out the carrying amounts of the Company's financial assets and financial liabilities.

Description	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost / Not measured at fair value	Total Carrying amount	Rs. '000	
					Fair value	Fair value measurement level
Cash and cash equivalents	-	-	8,333,561	8,333,561	8,333,561	
Deposits with banks	-	-	17,282,277	17,282,277	17,282,277	
Investment in government securities						
- Measured at fair value	-	-	9,608,599	9,608,599	9,608,599	Level 1
- Measured at amortized cost	-	-	1,182,245	1,182,245	1,182,245	
Derivative assets	273,195	-	-	273,195	273,195	Level 2
Investment securities	2,769,277	188,384	537	2,958,199	2,958,199	Level 1
Rentals receivable on leased assets	-	-	43,842,381	43,842,381	45,449,584	Level 2
Loans and advances	-	-	90,113,469	90,113,469	88,874,921	Level 2
Amount due from related companies	-	-	60,706	60,706	60,706	
Other financial assets	-	-	535,859	535,859	535,859	
Total financial assets	3,042,472	188,384	170,959,633	174,190,490	174,559,145	
Bank overdraft	-	-	1,283,201	1,283,201	1,283,201	
Interest bearing borrowings	-	-	51,558,593	51,558,593	52,511,891	Level 2
Deposits from customers	-	-	99,261,181	99,261,181	99,376,970	Level 2
Trade payables	-	-	1,048,944	1,048,944	1,048,944	
Accruals and other payables	-	-	3,256,333	3,256,333	3,256,333	
Derivative liabilities	114,349	-	-	114,349	114,349	Level 2
Amount due to related companies	-	-	854,198	854,198	854,198	
Total financial liabilities	114,349	-	157,262,450	157,376,799	158,445,885	

7.2 Financial assets and liabilities- Valuation technique**Level 2 fair value – market comparison technique**

- Derivative assets and liabilities / Forward exchange contracts – fair value is based on broker quotes of similar contracts and the quotes reflect the actual transaction in similar instrument

Level 2 fair value – discounted cash flows

- Financial instruments not measured at fair value
- For the purpose of disclosing fair value of the financial instruments not measured at fair value (carried at amortized cost) discounted cash flows has been used to derive the fair value.

8. Events after reporting date

There have been no material events occurring after the reporting date that require adjustment to or disclosure in these Financial Statements.

9. Selected performance indicators

Regulatory Capital Adequacy		31.03.2021	31.03.2020
- Total Tier I Core Capital	Rs. '000	26,265,353	26,265,353
- Total Capital Base	Rs. '000	28,198,023	29,061,713
- Core capital adequacy ratio (Minimum requirement 7%)		15.18%	13.25%
- Total capital adequacy ratio (Minimum requirement 11%)		16.30%	14.66%
Asset Quality Ratios		31.03.2021	31.03.2020
- Net Non-Performing Advances Ratio		1.17%	5.64%
Regulatory Liquidity		31.03.2021	31.03.2020
- Available Liquid Assets	Rs. '000	27,912,884	15,796,485
- Required Liquid Assets	Rs. '000	7,305,101	11,734,217
- Liquid assets to Deposits ratio		25.90%	15.91%

10. Contingent liabilities

There are no significant changes in the nature of the contingent liabilities disclosed in the audited financials for the year ended 31 March 2020.

11. Comparative information

Comparative information has been reclassified to conform to the current period's presentation, where necessary. No information has been restated.

12. Other Disclosure Information

Changes in fair values of investment properties are recognised as gains in profit or loss and included in 'Net other operating income'.

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 31st March 2021

12. Subordinated, Unsecured, Listed, Redeemable, Rated Debentures Issue (2018/2023) - Proceeds utilization as at 31st March 2021 are as follows.

Objective as per Prospect	Amount allocated as per prospect in LKR	Proposed date of utilization	Amount allocated in 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 (e.g. whether lent to related party/s etc.)
Supporting the general business growth opportunities of the Company	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reducing the mismatch of maturity periods between assets and liabilities	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Improve the capital Adequacy of the company's balance sheet, by strengthening its Tier II Capital, Subject to the CBSL's approval as mentioned below. Such an increase in the Tier II capital will enable the company to significantly expand its lending portfolio in conformity with the CBSL's capital requirements.	2.5 Billion	From the date of allotment	2.5 Billion	100%	2.5 Billion	100%	N/A

13. Rights Issue - proceeds utilization as at 31st March 2021 are as follows. (Issued on 16th March 2018)

Objective As Per Circular	Amount allocated as per circular in Rs.	Proposed date of utilization as per circular	Amount allocated from proceeds in Rs.(a)	% of total proceeds	Amount utilized in Rs. (b)	% of utilize against allocation (b/a)	Clarification if not fully utilized including where the funds are invested (e.g. whether lent to related party/s etc.)
To comply with CBSL Direction No. 02 of 2006 (Risk Weighted Capital Adequacy Ratio) to facilitate the acquisition and merger of LOLC Micro Credit Ltd.	5.88 Billion	Within Two months from Allotment (26th March 2018)	5.88 Billion	100% by 26th March 2018	5.88 Billion	100%	N/A
To comply with the minimum capital adequacy requirement for every licensed finance company is required to maintain by 1st July 2019, in terms of the of the finance business act direction no. 3 of 2018 dated 6th June 2018	4.88 Billion	Within 15 - 18 month from Allotment	4.88 Billion	100% utilised for portolio growth & invest in T Bill/ Repo's	4.88 Billion	100%	N/A

LOLC Finance PLC

STATEMENT OF DIRECTORS' HOLDING AND CHIEF EXECUTIVE OFFICER'S HOLDING IN SHARES OF THE ENTITY

As at 31st March 2021

Directors Name	No. of shares	%
Mr B.C.G. de Zylva (Non- Executive Chairman)	Nil	Nil
Mr F K C P N Dias Director / CEO	400,000	0.008%
Mrs K.U. Amarasinghe (Executive Director)	Nil	Nil
Mrs D.P. Pieris (Senior Independent Director)	Nil	Nil
Mr P.A. Wijeratne (Independent Director)	Nil	Nil
Mr K Sundararaj (Independent Director)	Nil	Nil

LOLC Finance PLC

TOP 20 SHAREHOLDERS

As at 31st March 2021

	Shareholder	No. of Shares	% of Issued Capital
1	LOLC Private Limited	2,614,934,919	49.81%
2	LOLC Holdings PLC	1,622,584,913	30.91%
	Hatton National Bank PLC / LOLC Holdings PLC	625,000,000	11.90%
	LOLC Holdings PLC A/C No.02	103,728,649	1.98%
3	Saakya Capital (Private) Ltd	137,455,320	2.62%
4	Satya Capital (Pvt) Ltd	52,000,000	0.99%
5	Dr. R. R. De Silva	4,930,755	0.09%
6	Mr. S. Gobinath	1,800,005	0.03%
7	Hatton National Bank PLC / Hennasy Geeth Balasuriya	1,600,076	0.03%
8	Merchant Bank of Sri Lanka & Finance PLC / S. Gobinath	1,600,003	0.03%
9	Mr R. E. Rambukwella	1,514,000	0.03%
10	Dr. C.D.Rajapakse	1,450,000	0.03%
11	Citizens Developmnt Business Finance PLC / M. N. Ratnapriya	1,300,000	0.02%
12	Bansei Securities Capital (Pvt) Ltd / A. Nissanka	1,200,800	0.02%
13	Mr. R. H. Munasinghe	1,200,757	0.02%
14	Hatton National Bank PLC / Anuja Chamila Jayasinghe	1,076,444	0.02%
15	Dfcc Bank PLC / Mr. K. S. D. Senaweera	966,850	0.02%
16	Hatton National Bank PLC / Ravindra Erle Rambukwelle	919,000	0.02%
17	Hatton National Bank PLC / Sendanayake Arachchige Suranga Prasath Perera	888,275	0.02%
18	Merchant Bank Of Sri Lanka & Finance PLC / J. A. A. M. Jayasinghe	790,000	0.02%
19	Dr. A. R. Wikramanayake	790,000	0.02%
20	Mr. C. Yatawara	780,000	0.01%
Total shares held by Top 20 Shareholders		5,178,510,766	98.64%

Public shareholding

Information pertaining to public shareholding as at 31st March 2021 is as follows:

	31-Mar-21	31-Mar-20
Public holding percentage	5.39%	5.37%
Number of public shareholders	4,154	3,036
Float Adjusted Market Capitalization	1,585,617,706	619,642,582

The Company is not compliant with the minimum public holding requirement stipulated in the Listing Rule 17.13.1.(b) (Option 1) of the Colombo Stock Exchange. This arose consequent to the rights issue made by the Company in March 2018 & Aug 2019 and the subscription by the public shareholders was less than their entitlement.

The Board of Directors of the Company is in the process of evaluating options in this regard.