



INTERIM FINANCIAL STATEMENTS

For the six months ended

30th September 2022

LOLC Finance PLC

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As at 30th September 2022

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LOLC Finance PLC

STATEMENT OF FINANCIAL POSITION

As at 30th September 2022

	As at 30.09.2022 (Unaudited) Rs. '000	As at 31.03.2022 (Audited) Rs. '000
ASSETS		
Cash and bank balances	25,874,685	12,282,960
Deposits with banks and other financial institutions	2,057,644	8,885,611
Investment in government securities and others	28,662,953	23,841,483
Derivative assets	479,046	3,450,266
Financial assets at amortized cost :		
Rentals receivable on leased assets	53,506,388	56,960,215
Loans and advances	161,617,867	149,849,871
Investment securities	890,425	6,288,566
Investment in associates	3,878,574	1,833,661
Other receivables	7,997,164	47,382
Amount due from related companies	116,738	1,084,330
Inventories	146,020	428,032
Investment properties	40,222,957	38,287,958
Property plant and equipment	8,037,503	8,326,735
Total assets	333,487,966	311,567,068
LIABILITIES		
Bank overdraft	6,378,145	5,675,768
Interest bearing borrowings	36,977,308	44,309,903
Deposits from customers	180,786,133	159,252,382
Trade payables	427,780	1,141,928
Accruals and other payables	8,954,353	7,835,593
Derivative liabilities	59,723	13,176
Amount due to related companies	6,945,071	3,719,368
Current tax payable	2,658,268	2,525,556
Deferred tax liability	2,974,781	2,974,781
Defined benefit obligations	595,318	565,709
Total liabilities	246,756,881	228,014,165
EQUITY		
Stated capital	211,581,448	211,581,448
Statutory reserve	4,444,108	4,444,108
Revaluation reserve	1,505,632	1,505,632
Cash flow hedge reserve	(83,702)	(83,702)
Fair Value Reserve	131,984	140,753
Merger Reserve	(169,284,517)	(169,284,517)
Retained earnings	38,436,131	35,249,180
Total equity	86,731,085	83,552,903
Total liabilities and equity	333,487,966	311,567,068
Net asset value per share (Rs.)	4.51	4.34

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.) Krishan Thilakaratne - Director / CEO

Sgd.

.....
(Mr.) Conrad Dias - Chairman / Non Executive Director

11th November 2022
Rajagiriya (Greater Colombo)

LOLC Finance PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th September 2022

	For the period ended			For the quarter ended		
	30.09.2022 (Unaudited) Rs '000	30.09.2021 (Unaudited) Rs '000	Variance %	30.09.2022 (Unaudited) Rs '000	30.09.2021 (Unaudited) Rs '000	Variance %
Interest income	30,492,238	14,992,037	103%	17,396,141	7,541,616	131%
Interest expense	(15,585,129)	(4,465,572)	-249%	(9,241,371)	(2,169,269)	-326%
Net interest income	14,907,109	10,526,465	42%	8,154,769	5,372,347	52%
Net other operating income	3,139,719	1,612,148	95%	2,071,301	863,661	140%
Total income	18,046,827	12,138,613	49%	10,226,070	6,236,008	64%
Operating expenses						
Direct expenses excluding interest cost	(282,712)	(344,765)	18%	(160,542)	(194,037)	17%
Allowance for impairment & write-offs	(5,211,364)	(2,825,089)	-84%	(3,109,877)	(275,601)	-1028%
Personnel expenses	(2,646,401)	(1,574,739)	-68%	(1,264,471)	(744,749)	-70%
Depreciation	(329,046)	(87,831)	-275%	(162,922)	(78,538)	-107%
General & administration expenses	(5,045,712)	(2,739,640)	-84%	(2,869,436)	(1,343,154)	-114%
Profit from operations before VAT on financial services	4,531,591	4,566,548	-1%	2,658,823	3,599,929	26%
Value added tax on financial services	(1,126,503)	(654,488)	-72%	(674,436)	(364,701)	-85%
Profit from operating activities	3,405,088	3,912,060	-13%	1,984,387	3,235,228	-39%
Share of profit of equity accounted investee, net of tax	(85,425)	-	-	(106,439)	-	-
Profit before income tax expense	3,319,663	3,912,060	-15%	1,877,947	3,235,228	-42%
Income tax expense	(132,712)	(698,901)	81%	(75,044)	(537,362)	86%
Profit for the period	3,186,951	3,213,159	-1%	1,802,904	2,697,866	-33%
Other comprehensive income						
Items that are or may be reclassified to profit or loss						
Movement in fair value through OCI reserve	(8,769)	-	-	(3,178)	-	-
Movement in hedge reserves	-	(3,754)	-100%	-	-	-
Total of items that are or may be reclassified to profit or loss	(8,769)	(3,754)	134%	(3,178)	-	-
Total comprehensive income, net of tax	(8,769)	(3,754)	134%	(3,178)	-	-
Total comprehensive income for the period	3,178,183	3,209,405	-1%	1,799,726	2,697,866	-33%
Basic earnings per share (Rs.)	0.17	0.61		0.09	0.51	

Figures in brackets indicate deductions.

LOLC Finance PLC

STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September 2022

	Stated Capital Rs '000	Statutory Reserve Rs '000	Revaluation Reserve Rs '000	Cash flow Hedge Reserve Rs '000	Fair Value Reserve Rs '000	Merger Reserve Rs '000	Retained Earnings Rs '000	Total Equity Rs '000
Balance as at 01 April 2021	12,762,500	3,596,579	328,838	27,608	45,446	-	19,127,563	35,888,534
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	3,213,159	3,213,159
<i>Other comprehensive income, net of income tax</i>								
Net movement of cashflow hedges	-	-	-	(3,754)	-	-	-	(3,754)
Total other comprehensive income for the period	-	-	-	(3,754)	-	-	-	(3,754)
Total comprehensive income for the period	-	-	-	(3,754)	-	-	3,213,159	3,209,405
Balance as at 30 September 2021	12,762,500	3,596,579	328,838	23,853	45,446	-	22,340,722	39,097,938
Balance as at 01 October 2021	12,762,500	3,596,579	328,838	23,853	45,446	-	22,340,722	39,097,938
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	13,737,426	13,737,426
<i>Other comprehensive income, net of income tax</i>								
Remeasurements of defined benefit liability - gain / (loss)	-	-	-	-	-	-	18,561	18,561
Revaluation gain on property, plant and equipment	-	-	1,176,794	-	-	-	-	1,176,794
Revaluation gain on fair value through OCI investments	-	-	-	-	95,307	-	-	95,307
Net movement of cashflow hedges	-	-	-	(107,555)	-	-	-	(107,555)
Total other comprehensive income for the period	-	-	1,176,794	(107,555)	95,307	-	18,561	1,183,107
Total comprehensive income for the period	-	-	1,176,794	(107,555)	95,307	-	13,755,987	14,920,534
Transactions recorded directly in equity								
Shares issued during the year	198,818,948	-	-	-	-	-	-	198,818,948
Transfer to Statutory Reserve Fund	-	847,529	-	-	-	-	(847,529)	-
Excess of the investment and other adjustments on merger with subsidiary	-	-	-	-	-	(169,284,517)	-	(169,284,517)
Total transactions recorded directly in equity	198,818,948	847,529	-	-	-	(169,284,517)	(847,529)	29,534,431
Balance as at 31 March 2022	211,581,448	4,444,108	1,505,632	(83,702)	140,753	(169,284,517)	35,249,180	83,552,903
Balance as at 01 April 2022	211,581,448	4,444,108	1,505,632	(83,702)	140,753	(169,284,517)	35,249,180	83,552,903
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	3,186,951	3,186,951
<i>Other comprehensive income, net of income tax</i>								
Movement in fair value through OCI reserve	-	-	-	-	(8,769)	-	-	(8,769)
Total other comprehensive income for the period	-	-	-	-	(8,769)	-	-	(8,769)
Total comprehensive income for the period	-	-	-	-	(8,769)	-	3,186,951	3,178,183
Balance as at 30 September 2022	211,581,448	4,444,108	1,505,632	(83,702)	131,984	(169,284,517)	38,436,131	86,731,085

LOLC Finance PLC

STATEMENT OF CASH FLOWS

For the six months ended 30th September 2022

	2022 Rs '000	2021 Rs '000
Cash flows from / (used in) operating activities		
Profit before income tax expense	3,319,663	3,912,060
Adjustments for:		
Depreciation	329,046	87,831
(Profit) / Loss on Sales of PPE / Investment properties	(875)	-
Change in fair value of derivatives - forward contracts	3,017,767	116,708
Provision for fall / (increase) in value of investments	103,556	(216,041)
Impairment provision for the period	2,390,092	(1,841,848)
Provision for defined benefit plans	45,602	30,000
Share profit of equity accounted investee	85,425	-
Investment income	(2,819,997)	(1,327,295)
Finance costs	15,585,129	4,465,572
Operating profit / (loss) before working capital changes	22,055,408	5,226,988
Change in other receivables	(6,774,190)	113,386
Change in Inventories	282,011	3,860
Change in trade and other payables	(577,966)	1,453,357
Change in amounts due to/ due from related parties	3,156,348	(533,948)
Change in lease receivables	2,939,150	(1,036,726)
Change in loans and advances	(8,724,943)	(288,540)
Change in factoring receivables	(400,159)	-
Change in margin trading advances	(2,909,143)	(839,393)
Change in fixed deposits from customers	29,297,186	(2,069,703)
Change in savings deposits from customers	(9,827,025)	(1,040,494)
Cash generated from / (used in) operations	28,516,676	988,788
Finance cost paid on deposits	(10,750,222)	(4,594,362)
Gratuity paid	(15,993)	(10,948)
Income tax paid	-	(49,484)
Net cash from / (used in) operating activities	17,750,461	(3,666,006)
Cash flows from / (used in) investing activities		
Acquisition of Property, Plant & Equipment & Investment property	(1,973,938)	(1,100,299)
Purchase of government securities	(51,823,207)	(12,147,571)
Proceeds from sale of government securities	50,104,409	13,999,862
Net proceeds from investments in commercial papers	(3,070,575)	-
Net proceeds from investments in term deposits	6,804,555	3,608,502
Net proceeds from Investment securities	3,155,478	4,258,248
Interest received	2,046,078	1,331,684
Net cash flows used in investing activities	5,242,799	9,950,425
Cash flows from / (used in) financing activities		
Net proceeds from interest bearing loans & borrowings	(7,173,416)	192,009
Repayment of principal portion of lease liabilities	(151,960)	(26,101)
Finance cost paid on borrowings	(2,778,536)	(660,070)
Net cash flows from / (used in) financing activities	(10,103,911)	(494,162)
Net increase / (decrease) in cash and cash equivalents	12,889,349	5,790,257
Cash and cash equivalents at the beginning of the year	6,607,192	11,561,686
Cash and cash equivalents at the end of the period	19,496,540	17,351,943
Analysis of cash and cash equivalents at the end of the period		
Cash and bank balances	25,874,685	20,033,868
Bank overdraft	(6,378,145)	(2,681,925)
	19,496,540	17,351,943

LOLC Finance PLC

OPERATING SEGMENTS

For the six months ended 30th September 2022

	SME Finance Rs '000	Development Finance Rs '000	Alternative Financial Services Rs '000	Total Rs '000
For the six months ended 30th September 2022				
Total revenue	21,408,704	9,964,711	2,258,542	33,631,956
Inter-segmental revenue	-	-	-	-
External revenue	21,408,704	9,964,711	2,258,542	33,631,956
Net interest cost	(10,439,300)	(4,452,581)	(693,248)	(15,585,129)
Profit before operating expenses	10,969,403	5,512,130	1,565,294	18,046,827
Operating expenses	(5,618,445)	(2,396,385)	(289,042)	(8,303,871)
Allowance for impairment & write-offs	(3,178,166)	(2,017,055)	(16,143)	(5,211,364)
Value added tax on financial services	(701,919)	(197,764)	(226,820)	(1,126,503)
Profit before income tax	1,470,873	900,926	1,033,290	3,405,088
For the six months ended 30th September 2021				
Total revenue	7,264,687	8,142,580	1,196,918	16,604,185
Inter-segmental revenue	-	-	-	-
External revenue	7,264,687	8,142,580	1,196,918	16,604,185
Net interest cost	(2,282,229)	(1,800,553)	(382,790)	(4,465,572)
Profit before operating expenses	4,982,458	6,342,027	814,128	12,138,613
Operating expenses	(2,374,880)	(1,873,649)	(498,447)	(4,746,976)
Allowance for impairment & write-offs	(1,235,695)	(1,426,548)	(162,846)	(2,825,089)
Value added tax on financial services	(159,003)	(456,275)	(39,210)	(654,488)
Profit before income tax	1,212,879	2,585,556	113,625	3,912,060
As at 30.09.2022				
Total assets	256,800,657	53,902,005	22,785,304	333,487,966
Total liabilities	170,069,571	53,902,005	22,785,304	246,756,881
As at 31.03.2022				
Total assets	229,856,186	57,951,732	23,759,150	311,567,068
Total liabilities	146,303,283	57,951,732	23,759,150	228,014,165

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 30th September 2022

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 audited financial records of the Company.
- Accounting policies and methods of computation as stated in the audited financial statements for the year 2021/22 are followed in the preparation of these Interim Financial Statements.
- Interest income recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to the carrying amount of the financial asset or liability. Other operating income includes commission income, capital gains and losses arising from marked to market valuation of quoted shares held for trading purposes, dividends, fee income, collections from contracts written off and other sundry income.
- Profit before tax (PBT) of the Company for the period ended 30.09.2022 was Rs.3.3Bn, slightly lower than the amount reported for the last comparative period. Net lending portfolio of the Company has increased by Rs.8Bn from Rs.207Bn to Rs.215Bn compared to 31.03.2022. Due to the high level of customer confidence in the company, LOFC has been able to increase its deposit base from Rs.159Bn of March 31,2022 to Rs.181Bn as of September 30, 2022, despite the challenging economic environment.

2. Stated Capital

The Stated Capital of the Company is represented by 19,251,334,334 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 30th September 2022 are as follows:

	Rs'
Last traded price	8.70
Highest Price	11.50
Lowest Price	5.70

5. Debenture information

The debt capital of the company comprises rated unsecured subordinated redeemable debentures thirty four million (34,110,193) issued in July 2018 and fifty million (50,000,000) issued in Sep 2020. These debentures are listed in the Colombo Stock Exchange and 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%	8.03%	25.22%
Type B - 5 Years Tenor	At maturity	20.13%	20.13%	20.13%	25.22%
Type A - 5 Years Tenor	Semi-annually	10.50%	10.50%	8.38%	25.22%
Type B - 5 Years Tenor	Semi-annually	16.23%	16.23%	16.23%	25.22%

- Market prices & issue prices of debentures recorded during the quarter ended 30th September 2022 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. 103.45	Rs. 103.45	Rs. 103.45	23-Feb-22
Type B - 5 Years Tenor	Rs. 49.83	Not Traded	Not Traded	Not Traded	N/A
Type A - 5 Years Tenor	Rs.100.00	Rs. 105.00	Rs. 101.75	Rs. 105.00	13-Jul-21
Type B - 5 Years Tenor	Rs.100.00	Not Traded	Not Traded	Not Traded	N/A

- Debt security related ratios

	As at 30.09.2022	As at 31.03.2022
Debt to equity ratio (With Deposits)	2.58 times	2.5 times
Quick asset ratio	1.02 times	0.75 times
Interest cover	1.29 times	3.18 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 30th September 2022

7 Financial assets and liabilities

7.1 Accounting classifications and fair values

As at 30th September 2022

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	-	-	25,874,685	25,874,685	25,874,685	
Deposits with banks and other financial institutions	-	-	2,057,644	2,057,644	2,057,644	
Investment in government securities and others	-	-	28,662,953	28,662,953	27,693,908	Level 1
Derivative assets	479,046	-	-	479,046	479,046	Level 2
Investment securities	595,056	294,403	966	890,425	890,425	Level 1
Financial assets at amortized cost						
Rentals receivable on leased assets	-	-	53,506,388	53,506,388	46,207,388	Level 2
Loans and advances	-	-	161,617,867	161,617,867	159,336,029	Level 2
Amount due from related companies	-	-	116,738	116,738	116,738	
Other financial assets	-	-	468,337	468,337	468,337	
Total financial assets	1,074,102	294,403	272,305,580	273,674,084	263,124,201	
Bank overdraft	-	-	6,378,145	6,378,145	6,378,145	
Interest bearing borrowings	-	-	36,977,308	36,977,308	35,132,781	Level 2
Deposits from customers	-	-	180,786,133	180,786,133	182,665,267	Level 2
Trade payables	-	-	427,780	427,780	427,780	
Accruals and other payables	-	-	8,954,353	8,954,353	8,954,353	
Derivative liabilities	59,723	-	-	59,723	59,723	Level 2
Amount due to related companies	-	-	6,945,071	6,945,071	6,945,071	
Total financial liabilities	59,723	-	240,468,790	240,528,513	240,563,119	

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 30th September 2022

Financial assets and liabilities (Cont.)

7.1 Accounting classifications and fair values

As at 31st March 2022

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	-	-	12,282,960	12,282,960	12,282,960	
Deposits with banks and other financial institutions	-	-	8,885,611	8,885,611	8,885,611	
Investment in government securities and others	-	-	23,841,483	23,841,483	19,921,875	
Derivative assets	3,450,266	-	-	3,450,266	3,450,266	Level 2
Investment securities	5,993,197	294,403	966	6,288,566	6,288,566	Level 1
Financial assets at amortized cost						
Rentals receivable on leased assets	-	-	56,960,215	56,960,215	57,594,761	Level 2
Loans and advances	-	-	149,849,871	149,849,871	146,754,436	Level 2
Amount due from related companies	-	-	1,084,330	1,084,330	1,084,330	
Other financial assets	-	-	198,818	198,818	198,818	
Total financial assets	9,443,463	294,403	253,104,253	262,842,119	256,461,623	
Bank overdraft	-	-	5,675,768	5,675,768	5,675,768	
Interest bearing borrowings	-	-	44,309,903	44,309,903	43,737,350	Level 2
Deposits from customers	-	-	159,252,382	159,252,382	157,835,302	Level 2
Trade payables	-	-	1,141,928	1,141,928	1,141,928	
Accruals and other payables	-	-	6,863,858	6,863,858	6,863,858	
Derivative liabilities	13,176	-	-	13,176	13,176	Level 2
Amount due to related companies	-	-	3,719,368	3,719,368	3,719,368	
Total financial liabilities	13,176	-	220,963,208	220,976,384	218,986,750	

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 30th September 2022

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 except for the following.

In terms of Sec. 8 of the Listing Rules of the Colombo Stock Exchange (CSE), the Company has made an announcement to the CSE on 24.08.2022 to say that it has received approval on 24.08.2022 from the Monetary Board of the Central Bank of Sri Lanka for the amalgamation of the Company (LOLC Finance PLC - LOFC) with LOLC Development Finance PLC (NIFL) subject to complying with requisite regulatory and statutory requirements.

9. Selected performance indicators

Regulatory Capital Adequacy		30.09.2022	31.03.2022	30.09.2021
- Total Tier I Core Capital	Rs. '000	65,927,475	64,969,174	27,242,787
- Total Capital Base	Rs. '000	65,665,998	65,653,398	30,227,582
- Core capital adequacy ratio (Minimum requirement 8%)		20.33%	20.49%	15.98%
- Total capital adequacy ratio (Minimum requirement 12%)		20.25%	20.71%	17.73%
Asset Quality Ratios		30.09.2022	31.03.2022	30.09.2021
- Net Non-Performing Advances Ratio		8.78% *	2.41%	3.32%
Regulatory Liquidity		30.09.2022	31.03.2022	30.09.2021
- Available Liquid Assets	Rs. '000	21,302,184	39,238,387	35,142,608
- Required Liquid Assets	Rs. '000	21,093,025	19,813,507	12,067,605
- Liquid assets to Deposits ratio		11.78%	24.64%	33.81%

* With effect from 1st April 2022, criteria for classification of credit facilities as non-performing loans has been changed from 180 days past due to 120 days past due.

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 2022.

11. Comparative information

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

LOLC Finance PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

As at 30th September 2022

12. Subordinated, Unsecured, Listed, Redeemable, Rated Debentures Issue (2018/2023) - Proceeds utilization as at 30th September 2022 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

Senior, Unsecured, Listed, Redeemable, Rated Debentures Issue (2020/2025) - Proceeds utilization as at 30th September 2022 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.)
To support the expansion of the lending portfolio of the company	3,371,250	Immediately upon receipt of the issue	3,371,250	100%	3,371,250	N/A	N/A
To support the expansion of the lending portfolio of the company	1,628,750	Immediately upon receipt of the issue	1,628,750	100%	1,628,750	N/A	N/A

13. Rights Issue - proceeds utilization as at 30th September 2022 are as follows.

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 portfolio growth & invest in T Bill/ Repo's	4.88 Billion	100%	N/A
To facilitate the acquisition and merger of Commercial Leasing and Finance PLC.	198.82 Billion	6th April 2022	198.82 Billion	100% by 6th April 2022	198.82 Billion	100%	N/A

LOLC Finance PLC

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

As at 30th September 2022

Directors Name	No. of shares	%
Mr F K C P N Dias (Chairman / Non Executive Director)	Nil	Nil
Mr D.M.D.K.Thilakarathne (Director / CEO)	Nil	Nil
Mrs K.U. Amarasinghe (Executive Director)	Nil	Nil
Mr B.C.G. de Zylva (Non Executive Director)	Nil	Nil
Mr P.A. Wijeratne (Independent Director)	455,998	Nil
Mr K Sundararaj (Independent Director)	Nil	Nil

LOLC Finance PLC

TOP 20 SHAREHOLDERS

As at 30th September 2022

	Shareholder	No. of Shares	% of Issued Capital
1	LOLC Ceylon Holdings PLC	15,602,122,026	81.04%
2	LOLC Asia Private Limited	2,614,934,919	13.58%
3	Singhe Capital Investment Limited	58,690,102	0.30%
4	Saakya Capital Private Ltd	55,170,414	0.29%
5	Phantom Investments (Private) Limited	55,018,500	0.29%
6	CIC Holdings PLC / CIC Charitable & Educational Trust Fund	8,707,200	0.05%
7	People's Leasing & Finance PLC / Mr.D.M.P.Disanayake	5,833,647	0.03%
8	Mr A A Sunil	5,665,468	0.03%
9	Mr W W D D S Perera	5,406,026	0.03%
10	Ranfer Teas Private Limited	5,383,000	0.03%
11	Nuwara Eliya Property Developers (Pvt) Ltd	5,334,744	0.03%
12	Mr A J Tissera	4,885,000	0.03%
13	Merchant Bank of Sri Lanka & Finance PLC / K.K. Karunamoorthy	4,640,510	0.02%
14	Merchant Bank of Sri Lanka & Finance PLC / G.K.G.L Wijayathilake	4,325,000	0.02%
15	Mr S Selvarajah	4,169,638	0.02%
16	People's Leasing & Finance PLC / Mr.S. Gobinath	4,065,000	0.02%
17	Merchant Bank of Sri Lanka & Finance PLC / C.C.Y. Abeywardena	4,037,072	0.02%
18	Mr D G Wirasekara	4,000,000	0.02%
19	Dr A M A D S Abeysinghe	3,999,500	0.02%
20	Mr P G Piyasiri	3,710,314	0.02%
Total shares held by Top 20 Shareholders		18,460,098,080	95.89%

Public shareholding

Information pertaining to public shareholding as at 30th September 2022 is as follows:

	30-Sep-22	31-Mar-22
Public holding percentage	5.37%	5.11%
Number of public shareholders	19,784	15,620
Float Adjusted Market Capitalization	8,988,218,759	13,969,655,708

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 merger with subsidiary (Commercial Leasing and Finance PLC) took place on 31st March 2022.

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