


30. LOLC Finance




Left: **B C G De Zylva**, Non-Executive Chairman. Right: **F K C P N Dias**, Director/CEO.

The Company's financial position was well managed, and cash flows remained positive throughout the year irrespective of the adverse economic condition of the COVID-19 pandemic.

Delivering a sound performance

LOLC Finance, as one of the largest and profitable NBFIs in the country, delivered a sound financial performance during the year under review.

The Company recorded a total income of Rs44.1 billion and a Net interest income of Rs21.31 billion, which is a 2.5% and a 13.3% increase respectively compared with the previous year.

With the decline in overhead expenses compared with the previous year and the prudent provisioning policy, the Company recorded a substantial profit after tax of Rs4.4 billion, which is an impressive increase of 15.5% compared to the previous year.

The Company’s financial position was well managed, and cash flows remained positive throughout the year. The capital adequacy ratio of Tier I – 15.88% and Total Capital Ratio 18.01% were maintained above the minimum stipulated by the regulator.

Key operational highlights

One of the year’s key highlights was how technology powered the Company’s growth and profitability.

Accelerating the digitalization process, the Company introduced many digital products such as Digital Speed draft, focusing on micro-entrepreneurs and Digital Deposit to create customer convenience and fully digital electronic KYC (eKYC) in new on-boarding and opening of digital savings accounts to serve customers. A significant number of moratoriums were given to customers, especially for pandemic-hit businesses such as in the tourism sector.

Overall, a decline was seen in new executions due to the external conditions except for gold loans and credit cards, which saw intense growth levels.

Strong brand acceptance and reputation

Deposit mobilization proved challenging against the backdrop of weak economic growth and a slowdown in commercial activities in the year under review.









Board of Directors
B C G De Zylva
Non-Executive Chairman
F K C P N Dias
Director/CEO
1. K U Amarasinghe
Executive Director
2. D P Pieris
Senior Independent Director
3. P A Wijeratne
Independent Director
4. Kandiah Sundararaj
Independent Director