

**LOLC HOLDINGS PLC [PQ 70]**  
100/1 Sri Jayawardenepura Mawatha, Rajagiriya

31<sup>st</sup> January 2025

**CIRCULAR TO SHAREHOLDERS**

Dear Shareholder,

LOLC Group has expanded globally over the last few years which has resulted in the Group requiring to obtain services of several global audit firms.

Ernst & Young Sri Lanka (EY), Chartered Accountants has been the Group Auditor, since their appointment in 2008/2009. Complying with the Finance Business Act Direction No. 5 of 2021 which mandated audit firm rotation after a maximum service period of 10 years, LOLC Finance PLC changed its statutory auditor from EY to Deloitte Partners for the year ending 31<sup>st</sup> March 25. Further, LOLC Group's recent acquisition in plantation companies in Africa (Browns Plantations Kenya) representing a significant component of the Group's balance sheet, appointed Deloitte as their statutory auditor. This resulted in a significant reduction in coverage for EY which posed challenges for them to continue as the Group Auditor.

In Compliance with section 161 of the Companies Act No. 7 of 2007, Ernst & Young, Chartered Accountants, submitted the attached letter of resignation dated 29.01.2025 to the company, addressed to the shareholders, communicating their resignation as the Statutory Auditor of LOLC Holdings PLC, with effect from 20.02.2025.

According to the said letter such resignation was due to the challenges faced by EY in relation to the Group Audit Coverage triggered by the required mandatory audit firm rotation of the subsidiary company LOLC Finance PLC and the expansion of global operations of the LOLC Group. They have further confirmed that there is no other circumstance connected with their resignation which they consider should be brought to the attention of the shareholders.

Accordingly, based on the challenges faced by EY as communicated by them, the Board of Directors has recommended to the Shareholders that Deloitte Partners, Chartered Accountants, be appointed as the auditors for LOLC Holdings PLC for the financial year ending 31 March 2025.

Therefore an **Extraordinary General Meeting** will be held as a Virtual Meeting on **Thursday, 20<sup>th</sup> February 2025, at 10:00 a m** as set out in the Notice of Meeting, for the purpose of considering and, if thought fit, to pass the requisite Ordinary Resolution for the appointment of Deloitte Partners, Chartered Accountants as the Company's auditors for the audit of the financial year ending 31.3.2025 in place of Ernst & Young, and to authorize the Board of Directors to determine the remuneration of the new auditors.

The shareholders are encouraged to join the meeting and participate in the discussions. **Shareholders wishing to join the meeting must register their participation.** If you are unable to attend, you may appoint a proxy to vote on your behalf. Please complete and return the enclosed proxy form in accordance with the instructions provided. The proxy form must be received by the Company's registered office no later than 48 hours before the meeting by 10:00 am 18<sup>th</sup> February 2025.

Should you have any questions or require further information, please contact us on email [corporateservices@lolc.com](mailto:corporateservices@lolc.com) or on 0117248128.

**By order of the Board of LOLC Holdings PLC**

  
LOLC Corporate Services (Private) Limited  
Company Secretaries

**Enclosures:**

1. Letter of Resignation from EY
2. Notice of Meeting and Proxy Form
3. Online Registration Form