



SOFTLOGIC HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED
31 MARCH 2020

Softlogic Holdings PLC

CONSOLIDATED INCOME STATEMENT

In Rs. '000	Un-audited 12 months to 31-03-2020	Audited 12 months to 31-03-2019	Change as a %	Un-audited 03 months to 31-03-2020	Un-audited 03 months to 31-03-2019	Change as a %
Continuing operations						
Revenue from contract with customers	61,271,399	61,635,079	(1)	13,583,859	17,905,499	(24)
Revenue from insurance contracts	11,919,961	9,833,075	21	3,041,657	2,661,526	14
Interest income	3,530,417	3,674,450	(4)	710,150	991,493	(28)
Total revenue	76,721,777	75,142,604	2	17,335,666	21,558,518	(20)
Cost of sales	(49,677,851)	(47,506,880)	5	(12,019,260)	(13,535,709)	(11)
Gross profit	27,043,926	27,635,724	(2)	5,316,406	8,022,809	(34)
Other operating income	755,479	954,483	(21)	227,045	376,610	(40)
Distribution expenses	(3,204,592)	(3,521,670)	(9)	(467,975)	(1,032,283)	(55)
Administrative expenses	(18,420,621)	(16,708,267)	10	(5,397,716)	(4,830,158)	12
Results from operating activities	6,174,192	8,360,270	(26)	(322,240)	2,536,978	(113)
Finance income	2,042,276	1,398,974	46	648,092	527,306	23
Finance expenses	(9,360,250)	(7,116,287)	32	(2,907,642)	(2,490,504)	17
Net finance cost	(7,317,974)	(5,717,313)	28	(2,259,550)	(1,963,198)	15
Change in fair value of investment property	332,924	245,000	36	332,924	245,000	36
Share of profit of equity accounted investees	1,611	7,080	(77)	5,496	3,412	61
Change in insurance contract liabilities	(2,089,317)	(1,152,037)	81	(614,086)	302,940	(303)
Profit/ (loss) before tax	(2,898,564)	1,743,000	(266)	(2,857,456)	1,125,132	(354)
Tax expense	(282,738)	1,247,284	(123)	194,751	(234,418)	(183)
Profit/ (loss) for the period	(3,181,302)	2,990,284	(206)	(2,662,705)	890,714	(399)
Attributable to:						
Equity holders of the parent	(4,724,233)	104,669	(4,613)	(3,261,949)	29,837	(11,033)
Non-controlling interest	1,542,931	2,885,615	(47)	599,244	860,877	(30)
	(3,181,302)	2,990,284	(206)	(2,662,705)	890,714	(399)

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In Rs. '000	Un-audited 12 months to 31-03-2020	Audited 12 months to 31-03-2019	Change as a %	Un-audited 03 months to 31-03-2020	Un-audited 03 months to 31-03-2019	Change as a %
Profit/ (loss) for the period	(3,181,302)	2,990,284	(206)	(2,662,705)	890,714	(399)
Other comprehensive income						
Continuing operations						
Other comprehensive income to be reclassified to income statement in subsequent periods						
Currency translation of foreign operations	8,119	(5,447)	(249)	10,413	2,537	310
Net change in fair value on derivative financial instruments	202,103	(481,700)	(142)	80,739	(94,504)	(185)
Net income/ (loss) on financial instruments at fair value through other comprehensive income	(37,900)	(110,386)	(66)	137,084	442,070	(69)
Net other comprehensive income/ (loss) to be reclassified to income statement in subsequent periods	172,322	(597,533)	(129)	228,236	350,103	(35)
Other comprehensive income not to be reclassified to income statement in subsequent periods						
Revaluation of land and buildings	1,374,302	1,541,245	(11)	1,330,029	1,541,245	(14)
Re-measurement loss on employee benefit liabilities	(149,814)	65,512	(329)	(132,730)	68,587	(294)
Share of other comprehensive income/ (loss) of equity accounted investments (net of tax)	(505)	34	(1,585)	(505)	34	(1,585)
Net loss on equity instruments at fair value through other comprehensive income	(154,517)	(519,221)	(70)	(82,379)	(168,048)	(51)
Tax on other comprehensive income not to be reclassified to income statement in subsequent periods	(332,777)	(353,223)	(6)	(332,777)	(353,223)	(6)
Net other comprehensive income not to be reclassified to income statement in subsequent periods	736,689	734,347	-	781,638	1,088,595	(28)
Other comprehensive income from continuing operations for the period, net of tax	909,011	136,814	564	1,009,874	1,438,698	(30)
Total comprehensive income/ (loss) for the period, net of tax	(2,272,291)	3,127,098	(173)	(1,652,831)	2,329,412	(171)
Attributable to:						
Equity holders of the parent	(4,096,116)	352,881	(1,261)	(2,488,122)	1,249,625	(299)
Non-controlling interest	1,823,825	2,774,217	(34)	835,291	1,079,787	(23)
	(2,272,291)	3,127,098	(173)	(1,652,831)	2,329,412	(171)

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In Rs. '000	Un-audited as at 31-03-2020	Audited as at 31-03-2019
ASSETS		
Non-current assets		
Property, plant and equipment	52,133,148	46,594,012
Lease rentals paid in advance	-	789,095
Investment property	2,030,380	1,695,261
Right of use assets	6,600,136	-
Intangible assets	8,805,007	8,764,534
Investments in equity accounted investments	109,355	78,249
Non-current financial assets	16,736,854	13,008,231
Rental receivable on lease assets and hire purchase	1,156,023	1,133,965
Other non-current assets	4,861,320	3,215,787
Deferred tax assets	3,449,137	3,247,950
	95,881,360	78,527,084
Current assets		
Inventories	12,434,765	10,689,021
Trade and other receivables	12,391,226	14,351,620
Loans and advances	11,526,423	11,664,401
Rental receivable on lease assets and hire purchase	1,004,262	835,051
Amounts due from related parties	4,670	13,692
Other current assets	3,822,063	5,343,713
Short term investments	9,357,233	6,049,396
Cash in hand and at bank	3,726,096	3,196,350
	54,266,738	52,143,244
Total assets	150,148,098	130,670,328
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Stated capital	12,119,235	12,119,235
Revenue reserves	(7,395,134)	(1,797,474)
Other components of equity	4,782,940	4,020,858
	9,507,041	14,342,619
Non-controlling interests	12,218,723	10,496,838
Total equity	21,725,764	24,839,457
Non-current liabilities		
Insurance contract liabilities	13,133,911	8,309,628
Interest bearing borrowings	31,141,429	25,115,045
Lease liabilities	4,322,333	-
Public deposits	4,858,728	4,601,829
Deferred tax liabilities	3,346,328	3,306,076
Employee benefit liabilities	1,369,586	1,081,320
Other deferred liabilities	47,390	148,841
Other non-current financial liabilities	848,092	115,205
	59,067,797	42,677,944
Current liabilities		
Trade and other payables	8,645,777	8,428,255
Amounts due to related parties	32,405	2,731
Income tax liabilities	189,390	351,689
Other current financial liabilities	27,690,199	23,128,625
Current portion of interest bearing borrowings	10,521,377	9,782,952
Current portion of lease liabilities	1,348,221	-
Other current liabilities	1,506,618	1,312,392
Public deposits	12,157,713	12,385,059
Bank overdrafts	7,262,837	7,761,224
	69,354,537	63,152,927
Total equity and liabilities	150,148,098	130,670,328

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007.

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Group Finance Director

The Board of directors is responsible for the preparation and presentation of these financial statements.

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Chairman

-sgd-

Director

08 October 2020
Colombo

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

In Rs. '000	Attributable to equity holders of parent									Non-controlling interest	Total equity	
	Stated capital	Restricted regulatory reserve	Revaluation reserve	Foreign currency translation reserve	Fair value reserve of financial assets at FVOCI	Statutory reserve fund	Other reserves	Cash flow hedge reserve	Revenue reserve			Total
As at 01 April 2018	8,195,383	309,613	4,774,665	(46,325)	(530,887)	215,063	(569,884)	(178,966)	(577,403)	11,591,259	9,325,667	20,916,926
Error correction on Impairment	-	-	-	-	-	-	-	-	(80,529)	(80,529)	(69,924)	(150,453)
Adjusted balance as at 01 April 2018	8,195,383	309,613	4,774,665	(46,325)	(530,887)	215,063	(569,884)	(178,966)	(657,932)	11,510,730	9,255,743	20,766,473
Impact of adopting SLFRS 9	-	-	-	-	-	-	-	-	(637,466)	(637,466)	(273,427)	(910,893)
Restated balance under SLFRS 9 as at 01 April 2018	8,195,383	309,613	4,774,665	(46,325)	(530,887)	215,063	(569,884)	(178,966)	(1,295,398)	10,873,264	8,982,316	19,855,580
Profit for the period	-	-	-	-	-	-	-	-	104,669	104,669	2,885,615	2,990,284
Other comprehensive income	-	-	949,433	(5,447)	(252,386)	-	-	(481,288)	37,900	248,212	(111,398)	136,814
Total Comprehensive income	-	-	949,433	(5,447)	(252,386)	-	-	(481,288)	142,569	352,881	2,774,217	3,127,098
Issue of shares	3,923,852	-	-	-	-	-	-	-	-	3,923,852	-	3,923,852
Transfer to reserve fund	-	-	-	-	-	48,373	-	-	(48,373)	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	(37,538)	(37,538)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	(211,106)	-	-	(211,106)	(393,724)	(604,830)
Dividend paid	-	-	-	-	-	-	-	-	(596,272)	(596,272)	-	(596,272)
Subsidiary dividend to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(828,433)	(828,433)
As at 31 March 2019	12,119,235	309,613	5,724,098	(51,772)	(783,273)	263,436	(780,990)	(660,254)	(1,797,474)	14,342,619	10,496,838	24,839,457
Adjustment due to initial application of SLFRS 16	-	-	-	-	-	-	-	-	(23,188)	(23,188)	(34,023)	(57,211)
Adjusted balance as at 01 April 2019	12,119,235	309,613	5,724,098	(51,772)	(783,273)	263,436	(780,990)	(660,254)	(1,820,662)	14,319,431	10,462,815	24,782,246
Profit/ (loss) for the period	-	-	-	-	-	-	-	-	(4,724,233)	(4,724,233)	1,542,931	(3,181,302)
Other Comprehensive income	-	-	740,676	8,119	5,725	-	-	(37,870)	(88,533)	628,117	280,894	909,011
Equity investments at FVOCI reclassified to retained earnings	-	-	-	-	39,217	-	-	-	(39,217)	-	-	-
Total Comprehensive income	-	-	740,676	8,119	44,942	-	-	(37,870)	(4,851,983)	(4,096,116)	1,823,825	(2,272,291)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	6,215	-	-	6,215	(6,190)	25
Recognition of put option liability	-	-	-	-	-	-	-	-	(126,217)	(126,217)	(42,127)	(168,344)
Dividend paid	-	-	-	-	-	-	-	-	(596,272)	(596,272)	-	(596,272)
Subsidiary dividend to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(19,600)	(19,600)
As at 31 March 2020	12,119,235	309,613	6,464,774	(43,653)	(738,331)	263,436	(774,775)	(698,124)	(7,395,134)	9,507,041	12,218,723	21,725,764

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

CONSOLIDATED CASH FLOW STATEMENT

In Rs. '000	Un-audited 12 months to 31-03-2020	Audited 12 months to 31-03-2019
CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES		
Profit/ (loss) before tax from continuing operations	(2,898,564)	1,743,000
Adjustments for:		
Finance income	(2,042,276)	(1,398,975)
Finance cost	9,360,250	7,116,286
Change in fair value of investment property	(332,924)	(245,000)
Share of results of equity accounted investees	(1,611)	(7,080)
Gratuity provision and related cost	276,998	221,936
Provisions for/ write-off of impaired receivables	359,095	353,623
Provision for write-off of inventories	139,949	75,137
Provisions for/ write-off of loans and advances	364,858	110,757
Provisions for/ write-off of investments in lease and hire purchase	12,162	61,500
Depreciation of property, plant and equipment	3,078,436	2,520,118
Loss/ (profit) on sale of property, plant and equipment	2,423	(7,589)
Loss/ (profit) on sale of investments	(11,057)	377
Unrealised loss/ (gain) on foreign exchange	(13,132)	23,873
Amortisation/ impairment of intangible assets	267,246	341,578
Amortisation right of use assets/ prepaid lease rentals	1,531,183	16,506
Maturity of put option liability	(9,357)	-
Decrease in deferred income	(111,311)	(63,360)
Impairment & derecognition of property, plant & equipment	19,429	21,318
Profit before working capital changes	9,991,797	10,884,005
(Increase)/ decrease in inventories	(1,885,694)	661,206
(Increase)/ decrease in trade and other receivables	1,241,221	(3,573,802)
(Increase)/ decrease in loans and advances	597,063	(224,169)
(Increase)/ decrease in investments in lease and hire purchase	(203,431)	(465,530)
(Increase)/ decrease in other current assets	1,516,481	(2,036,868)
(Increase)/ decrease in amounts due from related parties	9,022	(12,885)
Increase/ (decrease) in trade and other payables	412,647	861,518
Increase/ (decrease) in amounts due to related parties	(327)	(4,835)
Increase/ (decrease) in other current liabilities	204,088	(70,370)
Increase/ (decrease) in public deposits	29,554	685,416
Increase/ (decrease) in insurance contract liabilities	4,824,284	1,117,037
Cash generated from operations	16,736,705	7,820,723
Finance income received	1,442,153	1,261,411
Finance expenses paid	(7,974,353)	(6,500,079)
Dividend received	-	35,045
Tax paid	(1,003,363)	(953,375)
Gratuity paid	(138,546)	(108,089)
Net cash flow from/ (used in) operating activities	9,062,596	1,555,636
CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES		
Purchase and construction of property, plant and equipment	(7,583,055)	(5,728,410)
Addition to investment property	(2,195)	(18,237)
Addition to intangible assets	(308,660)	(141,234)
Increase in other non-current assets	(2,214,402)	(2,245,759)
(Purchase)/ disposal of short term investments (net)	2,030,979	115,631
Dividends received	135,922	124,551
Purchase of non-current financial assets	(4,260,560)	(1,825,340)
Acquisition of subsidiaries	-	(952,452)
Proceeds from sale of property, plant and equipment	167,158	54,075
Net cash flow used in investing activities	(12,034,813)	(10,617,175)

Note : Figures in brackets indicate deductions.

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Softlogic Holdings PLC

CONSOLIDATED CASH FLOW STATEMENT

In Rs. '000	Un-audited 12 months to 31-03-2020	Audited 12 months to 31-03-2019
CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	3,923,852
Proceeds from shareholders with non-controlling interest on issue of equity shares in subsidiaries	177,087	-
Dividend paid to non-controlling interest	(19,600)	(828,433)
Increase in interest in subsidiaries	(57,445)	(561,897)
Proceeds from long term borrowings	15,207,994	7,585,232
Repayment of long term borrowings	(9,060,146)	(6,874,434)
Increase/ (decrease) in other non-current financial liabilities	564,542	(7,297)
Payment of lease liabilities	(1,882,746)	-
Proceeds from/ (repayment of) other current financial liabilities (net)	4,570,931	(478,880)
Dividend paid to equity holders of parent	(596,272)	(596,272)
Net cash flow from financing activities	8,904,345	2,161,871
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	5,932,128	(6,899,668)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	(1,010,674)	5,888,960
Effect of exchange rate changes	(1,571)	34
CASH AND CASH EQUIVALENTS AT THE END	4,919,883	(1,010,674)
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Favourable balances		
Cash in hand and at Bank	3,726,096	2,596,037
Restricted cash at bank	-	600,313
Short term investments	8,456,624	3,554,200
Unfavourable balances		
Bank overdrafts	(7,262,837)	(7,761,224)
Cash and cash equivalents	4,919,883	(1,010,674)

Note : Figures in brackets indicate deductions.
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Softlogic Holdings PLC

COMPANY INCOME STATEMENT

In Rs. '000	Un-audited 12 months to 31-03-2020	Audited 12 months to 31-03-2019	Change as a %	Un-audited 03 months to 31-03-2020	Un-audited 03 months to 31-03-2019	Change as a %
Revenue from contract with customers	748,895	645,766	16	173,857	163,568	6
Cost of sales	(288,729)	(240,599)	20	(74,569)	(61,821)	21
Gross profit	460,166	405,167	14	99,288	101,747	(2)
Dividend income	-	514,513	(100)	-	463,507	(100)
Other operating income	40,779	28,618	42	11,325	9,374	21
Administrative expenses	(448,441)	(442,305)	1	(126,949)	(85,072)	49
Results from operating activities	52,504	505,993	(90)	(16,336)	489,556	(103)
Finance income	2,180,340	1,502,906	45	598,465	459,520	30
Finance expenses	(3,441,668)	(2,626,433)	31	(905,970)	(765,927)	18
Net finance cost	(1,261,328)	(1,123,527)	12	(307,505)	(306,407)	-
Change in fair value of investment property	50,500	40,000	26	50,500	40,000	26
Profit/ (loss) before tax	(1,158,324)	(577,534)	101	(273,341)	223,149	(222)
Tax expense	24,598	(90,593)	(127)	69,603	(35,476)	(296)
Profit/ (loss) for the period	(1,133,726)	(668,127)	70	(203,738)	187,673	(209)

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

STATEMENT OF COMPREHENSIVE INCOME

In Rs. '000	Un-audited 09 months to 31-12-2019	Un-audited 09 months to 31-12-2018	Change as a %	Un-audited 03 months to 31-12-2019	Un-audited 03 months to 31-12-2018	Change as a %
Profit/ (loss) for the period	(1,133,726)	(668,127)	70	(203,738)	187,673	(209)
Other comprehensive income						
Other comprehensive income not to be reclassified to income statement in subsequent periods						
Actuarial loss on retirement benefits	(7,744)	(3,474)	123	(7,744)	(3,474)	123
Net loss on equity instruments at fair value through other comprehensive income	(15,100)	-	-	(15,100)	-	-
Net other comprehensive loss not to be reclassified to income statement in subsequent periods	(22,844)	(3,474)	558	(22,844)	(3,474)	558
Tax on other comprehensive income	2,168	973	123	2,168	973	123
Other comprehensive loss for the period, net of tax	(20,676)	(2,501)	727	(20,676)	(2,501)	727
Total comprehensive income/ (loss) for the period, net of tax	(1,154,402)	(670,628)	72	(224,414)	185,172	(221)

Note : Figures in brackets indicate deductions.
The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY STATEMENT OF FINANCIAL POSITION

In Rs. '000	Un-audited as at 31-03-2020	Audited as at 31-03-2019
ASSETS		
Non-current assets		
Property, plant and equipment	84,644	170,963
Investment property	794,500	744,000
Right of use assets	63,363	-
Intangible assets	1,468	686
Investments in subsidiaries	20,056,623	20,028,700
Investments in associates	41,000	11,000
Other non current financial assets	1,549,170	1,465,042
	22,590,768	22,420,391
Current assets		
Trade and other receivables	680,360	912,093
Amounts due from related parties	18,506,618	14,176,360
Other current assets	76,290	28,273
Short term investments	115,040	130,625
Cash in hand and at bank	800,330	18,294
	20,178,638	15,265,645
Total assets	42,769,406	37,686,036
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Stated capital	12,119,235	12,119,235
Revenue reserves	2,120,209	3,870,883
Total equity	14,239,444	15,990,118
Non-current liabilities		
Interest bearing borrowings	5,841,398	6,817,719
Lease liabilities	3,236	-
Deferred tax liabilities	184,283	173,435
Employee benefit liabilities	103,716	81,109
Other deferred liabilities	39,640	75,676
Other non current financial liabilities	186,200	186,200
	6,358,473	7,334,139
Current liabilities		
Trade and other payables	236,342	108,894
Amounts due to related parties	95,209	16,671
Income tax liabilities	-	16,910
Other current financial liabilities	16,367,571	10,003,875
Current portion of interest bearing borrowings	5,207,906	3,958,498
Current portion of lease liabilities	10,621	-
Other current liabilities	93,597	82,229
Bank overdrafts	160,243	174,702
	22,171,489	14,361,779
Total equity and liabilities	42,769,406	37,686,036

I certify that the financial statements comply with the requirements of the Companies Act No. 7 of 2007.

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Group Finance Director

The Board of directors is responsible for the preparation and presentation of these financial statements.

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Chairman

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Director

08 October 2020

Colombo

Softlogic Holdings PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY

In Rs. '000	Stated capital	Revenue reserve	Total
As at 31 March 2018	8,195,383	5,193,136	13,388,519
Impact of adopting SLFRS 9	-	(55,353)	(55,353)
Restated balance under SLFRS 9 as at 01 April 2018	8,195,383	5,137,783	13,333,166
Loss for the period	-	(668,127)	(668,127)
Other comprehensive loss	-	(2,501)	(2,501)
Total comprehensive income	-	(670,628)	(670,628)
Issue of shares	3,923,852	-	3,923,852
Dividend paid	-	(596,272)	(596,272)
As at 31 March 2019	12,119,235	3,870,883	15,990,118
Loss for the period	-	(1,133,726)	(1,133,726)
Other comprehensive loss	-	(20,676)	(20,676)
Total comprehensive income	-	(1,154,402)	(1,154,402)
Dividend paid	-	(596,272)	(596,272)
As at 31 March 2020	12,119,235	2,120,209	14,239,444

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY STATEMENT OF CASH FLOW

In Rs. '000	Un-audited 12 months to 31-03-2020	Audited 12 months to 31-03-2019
CASH FLOWS FROM /(USED IN) OPERATING ACTIVITIES		
Loss before tax	(1,158,324)	(577,534)
Adjustments for:		
Finance income	(2,180,340)	(1,502,906)
Dividend income	-	(514,513)
Finance cost	3,441,668	2,626,434
Change in fair value of investment property	(50,500)	(40,000)
Gratuity provision and related costs	17,380	13,759
Provisions for/ write-off of impaired receivables	-	2,472
Depreciation of property, plant and equipment	34,485	36,051
Amortisation right of use assets	24,856	-
Profit on sale of property, plant and equipment	(4,549)	(2,140)
Loss on sale of investments	-	10,575
Amortisation/ impairment of intangible assets & loan processing fee	33,862	7,079
Decrease in deferred income	(36,036)	(36,036)
Profit before working capital changes	122,502	23,241
(Increase)/ decrease in trade and other receivable	231,732	(144,382)
(Increase)/ decrease in other current assets	(23,742)	(21,074)
(Increase)/ decrease in amount due from related parties	(2,453,327)	(4,367,713)
Increase/ (decrease) in trade and other payables	127,447	64,481
Increase/ (decrease) in amount due to related parties	78,538	(1,207)
Increase/ (decrease) in other current liabilities	11,368	(3,992)
Cash used in operations	(1,905,482)	(4,450,646)
Finance income received	303,893	311,833
Finance expenses paid	(3,328,476)	(2,499,773)
Dividend received	-	50,965
Tax paid	(3,571)	(80,989)
Gratuity paid	(2,517)	(4,375)
Net cash flow used in operating activities	(4,936,153)	(6,672,985)
CASH FLOWS FROM /(USED IN) INVESTING ACTIVITIES		
Purchase and construction of property, plant and equipment	(2,525)	(1,870)
Addition to intangible assets	(2,944)	(2,635)
Disposal of short term investments (net)	-	1,550,225
Purchase of other non current financial assets	(84,128)	(636,686)
Proceeds from sale of property, plant and equipment	5,457	5,455
Net cash flow from/ (used in) investing activities	(84,140)	914,489
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of shares	-	3,923,852
Increase in interest in subsidiaries	(57,923)	(172,000)
Proceeds from long term borrowings	(3,545,472)	2,500,000
Repayment of long term borrowings	6,363,696	(2,307,649)
Payment of lease liabilities	(27,225)	-
Proceeds from/ (repayment of) short term borrowings (net)	3,679,984	(508,255)
Dividend paid to equity holders of parent	(596,272)	(596,272)
Net cash flow from financing activities	5,816,788	2,839,676
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	796,495	(2,918,820)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	(156,408)	2,762,412
CASH AND CASH EQUIVALENTS AT THE END	640,087	(156,408)
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Favourable balances		
Cash in hand and at bank	800,330	18,294
Unfavourable balances		
Bank overdrafts	(160,243)	(174,702)
Cash and cash equivalents	640,087	(156,408)

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

The following tables present revenue, profit information and other disclosures regarding Group's business segments.

REVENUE AND PROFIT In Rs. '000 For the year ended 31 March	Information Technology		Leisure & Property		Retail & Telecommunication		Automobiles		Financial Services		Healthcare Services		Others		Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Continuing operations															
Revenue																
Total revenue	5,217,350	4,730,418	2,327,507	3,298,678	39,448,882	39,839,827	909,819	3,203,701	15,677,691	13,690,752	15,863,105	13,884,945	782,722	678,287	80,227,076	79,326,608
Inter group	(638,873)	(690,909)	(131,459)	(170,380)	(1,457,936)	(2,117,274)	(74,078)	(67,525)	(81,517)	(62,033)	(352,683)	(410,263)	(768,753)	(665,620)	(3,505,299)	(4,184,004)
Total external revenue	4,578,477	4,039,509	2,196,048	3,128,298	37,990,946	37,722,553	835,741	3,136,176	15,596,174	13,628,719	15,510,422	13,474,682	13,969	12,667	76,721,777	75,142,604
Operating profit/ (loss)	222,327	300,821	(492,819)	65,564	1,431,596	3,219,874	(6,873)	169,680	1,965,196	1,716,874	2,989,721	3,195,072	65,044	(307,615)	6,174,192	8,360,270
Finance income	5	318	4,905	(721)	183,225	135,898	163	164	1,825,418	1,182,443	26,458	43,655	2,102	37,217	2,042,276	1,398,974
Finance cost	(59,178)	(129,531)	(1,217,978)	(916,317)	(4,569,863)	(3,385,791)	(200,521)	(204,852)	(422,366)	(522,736)	(1,626,402)	(825,400)	(1,263,942)	(1,131,660)	(9,360,250)	(7,116,287)
Change in fair value of investment property	-	-	-	-	313,712	245,000	-	-	-	-	19,212	-	-	-	332,924	245,000
Share of results of equity accounted investments	-	-	-	-	-	-	-	-	-	-	(6,604)	(4,213)	8,215	11,293	1,611	7,080
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(2,089,317)	(1,152,037)	-	-	-	-	(2,089,317)	(1,152,037)
Profit/ (loss) before taxation	163,154	171,608	(1,705,892)	(851,474)	(2,641,330)	214,981	(207,231)	(35,008)	1,278,931	1,224,544	1,402,385	2,409,114	(1,188,581)	(1,390,765)	(2,898,564)	1,743,000
Tax expense	(58,699)	(36,603)	5,208	(5,560)	354,495	(63,524)	(15,089)	452	(112,650)	2,019,845	(491,423)	(578,326)	35,420	(89,000)	(282,738)	1,247,284
Profit/ (loss) after taxation	104,455	135,005	(1,700,684)	(857,034)	(2,286,835)	151,457	(222,320)	(34,556)	1,166,281	3,244,389	910,962	1,830,788	(1,153,161)	(1,479,765)	(3,181,302)	2,990,284
Depreciation of property, plant & equipment (PPE)	52,269	60,578	577,463	606,076	993,369	716,504	29,530	35,940	201,155	189,755	1,200,840	876,413	23,810	34,852	3,078,436	2,520,118
Amortisation of ROU assets/ lease rentals paid in advance	4,883	-	4,543	-	1,062,076	119	14,754	-	275,369	-	151,779	16,387	17,779	-	1,531,183	16,506
Amortisation/ impairment of intangible assets	31,542	16,748	21,495	21,760	58,964	77,794	-	-	144,487	213,599	8,595	9,135	2,163	2,542	267,246	341,578
Retirement benefit obligations and related cost	22,659	18,868	10,280	8,827	61,850	41,563	2,055	1,660	51,730	43,244	110,561	93,706	17,863	14,068	276,998	221,936
Purchase and construction of PPE	58,311	42,084	57,809	110,097	3,042,125	2,027,758	14,797	14,665	209,916	187,567	4,250,507	3,358,730	3,189	2,304	7,636,654	5,743,205
Additions to intangible assets	60,425	100,427	427	2,962	102,103	35,209	-	-	142,718	-	43	-	2,944	2,636	308,660	141,234

REVENUE AND PROFIT In Rs. '000 For the three months ended 31 March	Information Technology		Leisure & Property		Retail & Telecommunication		Automobiles		Financial Services		Healthcare Services		Others		Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Continuing operations															
Revenue																
Total revenue	1,332,437	1,415,460	626,370	1,226,663	8,117,054	10,982,453	169,685	1,616,880	3,829,511	3,681,655	3,797,375	3,683,928	182,144	171,605	18,054,576	22,778,644
Inter group	(120,483)	(257,911)	(13,933)	(34,002)	(273,670)	(610,753)	(6,001)	(18,431)	(42,240)	(27,500)	(83,860)	(103,217)	(178,723)	(168,312)	(718,910)	(1,220,126)
Total external revenue	1,211,954	1,157,549	612,437	1,192,661	7,843,384	10,371,700	163,684	1,598,449	3,787,271	3,654,155	3,713,515	3,580,711	3,421	3,293	17,335,666	21,558,518
Operating profit/ (loss)	(74,567)	92,398	(59,342)	114,042	(968,258)	1,025,739	(10,894)	199,186	220,363	360,874	580,419	801,334	(9,961)	(56,595)	(322,240)	2,536,978
Finance income	54	58	3,902	(5,252)	53,086	47,775	45	41	562,847	460,981	26,206	24,563	1,952	(860)	648,092	527,306
Finance cost	(9,390)	25,003	(655,142)	(209,385)	(1,395,837)	(1,464,142)	(35,005)	(73,237)	(112,620)	(287,467)	(388,404)	(179,144)	(311,244)	(302,132)	(2,907,642)	(2,490,504)
Change in fair value of investment property	-	-	-	-	313,712	245,000	-	-	-	-	19,212	-	-	-	332,924	245,000
Share of results of equity accounted investments	-	-	-	-	-	-	-	-	-	-	1,984	6,767	3,512	(3,355)	5,496	3,412
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(614,086)	302,940	-	-	-	-	(614,086)	302,940
Profit/ (loss) before taxation	(83,903)	117,459	(710,582)	(100,595)	(1,997,297)	(145,628)	(45,854)	125,990	56,504	837,328	239,417	653,520	(315,741)	(362,942)	(2,857,456)	1,125,132
Tax expense	(1,361)	(23,868)	12,711	(6,251)	347,011	115,892	(21,817)	452	(69,301)	(147,956)	(155,435)	(147,369)	82,943	(25,318)	194,751	(234,418)
Profit/ (loss) after taxation	(85,264)	93,591	(697,871)	(106,846)	(1,650,286)	(29,736)	(67,671)	126,442	(12,797)	689,372	83,982	506,151	(232,798)	(388,260)	(2,662,705)	890,714
Depreciation of property, plant & equipment (PPE)	7,586	14,947	135,082	146,975	436,953	208,155	2,695	8,428	48,381	50,759	279,550	230,406	5,757	7,387	916,004	667,057
Amortisation of ROU assets/ lease rentals paid in advance	2,641	-	2,097	-	271,141	30	4,424	-	78,878	-	100,064	15,609	9,518	-	468,763	15,639
Amortisation/ impairment of intangible assets	15,630	4,967	5,175	5,392	9,593	20,051	-	-	22,814	46,217	2,046	2,692	739	559	55,997	79,878
Retirement benefit obligations and related cost	9,686	7,639	5,293	2,954	22,476	510	310	170	14,771	23,007	17,553	24,326	8,792	4,322	78,881	62,928
Purchase and construction of PPE	4,951	17,617	13,836	14,290	726,127	451,690	905	11,803	72,244	60,072	48,490	1,070,023	948	723	867,501	1,626,218
Additions to intangible assets	(17,063)	37,765	-	2,962	68,377	(1)	-	-	142,384	-	-	-	21	(121)	193,719	40,605

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Softlogic Holdings PLC, is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

The interim financial statements of the Group and the Company for the Twelve month period ended 31 March 2020 were authorised for issue by the Board of Directors on 08 October 2020.

2. BASIS OF PREPARATION

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting.

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 financial statements are presented in Sri Lankan Rupees (Rs.) and all values are rounded to the nearest thousand except when otherwise indicated.

ERROR CORRECTION ON IMPAIRMENT

Softlogic Finance PLC which is a subsidiary of Softlogic Holdings PLC adjusted errors mainly due to at the initial point of forecasting future cash flows for financial year ended 31st March 2018, the Company had not taken in to consideration certain information. In order to rectify this error, the company has re-forecasted the relevant future cash flows and made the necessary adjustments as follows.

In Rs. '000	GROUP		
	Published for FY 2019	Impact of error	Published for 2020
ASSETS			
Non current assets			
Non-current financial assets	13,157,132	(148,901)	13,008,231
Rental receivable on lease assets and hire purchase	1,135,517	(1,552)	1,133,965
Total non current assets	78,677,537	(150,453)	78,527,084
Total assets	130,820,781	(150,453)	130,670,328
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Revenue reserves	(1,716,945)	(80,529)	(1,797,474)
Equity attributable to equity holders	14,423,148	(80,529)	14,342,619
Non-controlling interests	10,566,762	(69,924)	10,496,838
Total equity	24,989,910	(150,453)	24,839,457
Total equity and liabilities	130,820,781	(150,453)	130,670,328

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

3. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019, except for the adoption of new standards effective as of 1 April 2019.

SLFRS 16: Leasing, sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('Lessee'] and the supplier ('Lessor']. SLFRS 16 replaced Sri Lanka Accounting Standard – LKAS 17 (Leases) and related interpretations. The Group has adopted SLFRS 16 using modified retrospective method from 1 April 2019, without restating comparative information.

Lessor accounting under SLFRS 16 is substantially unchanged from LKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in LKAS 17. Therefore, SLFRS 16 does not have an impact for leases where the Group is the lessor.

The effect of adoption SLFRS 16 as at 1 April 2019 is as follows:

In Rs. '000	GROUP	COMPANY
ASSETS		
Property, plant and equipment	(263,384)	(75,533)
Lease rentals paid in advance	(789,094)	-
Right of use assets	6,946,533	110,300
Other non-current assets	(535,563)	-
Other current assets	(5,170)	-
	5,353,322	34,767
EQUITY AND LIABILITIES		
Revenue reserves	(23,188)	-
Non-controlling interests	(34,023)	-
Interest bearing borrowings	(126,263)	(20,335)
Lease liabilities	5,618,338	55,102
Deferred tax liabilities	1,501	-
Trade and other payables	(83,043)	-
	5,353,322	34,767

Amounts recognised in the statement of financial position and income statement set out below.

In Rs. '000	GROUP			COMPANY		
	Lease hold premises	Lease hold PPE	Total	Lease hold premises	Lease hold PPE	Total
As at 1 April 2019	6,683,149	263,384	6,946,533	34,767	75,533	110,300
Additions	913,106	295,532	1,208,638	-	-	-
Transfers	-	(20,292)	(20,292)	-	(11,087)	(11,087)
Derecognition	(2,422)	-	(2,422)	-	-	-
Exchange translation difference	-	(1,138)	(1,138)	-	-	-
Amortisation expense	(1,459,447)	(71,736)	(1,531,183)	(24,856)	(10,994)	(35,850)
	6,134,386	465,750	6,600,136	9,911	53,452	63,363
As at 1 April 2019	5,514,132	104,206	5,618,338	34,767	20,335	55,102
Additions	835,300	272,913	1,108,213	-	-	-
Derecognition	(12,512)	-	(12,512)	-	-	-
Interest expense	701,671	37,838	739,509	2,766	1,358	4,124
Payments	(1,618,250)	(164,070)	(1,782,320)	(27,224)	(18,145)	(45,369)
Exchange translation difference	-	(674)	(674)	-	-	-
	5,420,341	250,213	5,670,554	10,309	3,548	13,857

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

4. CHANGE IN LIFE INSURANCE CONTRACT LIABILITIES

4.1 Valuation of Life Insurance Fund

Transfer of a sum of Rs. 1,849.80 mn from the Non Participating Life Insurance Fund/ Insurance Contract Liabilities to the shareholders' fund for the year ended 31 March 2020; transfer of a sum of Rs. 498.80 mn from the Non Participating Life Insurance Fund/ Insurance Contract Liabilities to the shareholders' fund for the three months ended 31 March 2020, as approved by appointed Actuary Mr. Kunj Behari Maheshwari, FIA, FIAI, of Messrs. Willis Towers Watson India (Pvt) Ltd.

The Financial Statements of Softlogic Life Insurance PLC as at 31 March 2020 were audited by Messrs. KPMG, Chartered Accountants.

4.2 Transfer of One-off Surplus from Policyholder Fund to Shareholder Fund

The Insurance Regulatory Commission of Sri Lanka (IRCSL) has issued a Direction No 16 on 20 March 2018 on "Guidelines/ directions for Identification and Treatment of One-off Surplus" and has instructed all life insurance companies to comply with the new direction. Based on the new guidelines life insurance companies are directed to transfer the one-off surplus attributable to policyholder non-participating fund to shareholder fund in the reporting period ended 31 December 2017. The transfer has been presented as a separate line item in the Income Statement as "change in contract liability due to transfer of one-off surplus" and as a separate reserve in the Statement of Financial Position as "Restricted Regulatory Reserve" under equity in accordance with above Direction. As required by the said direction, the Company received approval for this transfer on 29 March 2018.

Further distribution of one-off surplus to shareholders, held as part of the "Restricted Regulatory Reserve", is subject to meeting governance requirements stipulated by the IRCSL and can only be released as dividends upon receiving approval from the IRCSL. The one-off surplus in the shareholder fund will remain invested in government debt securities and deposits as disclosed in Note 4.3 as per the directions of the IRCSL.

One-off surplus in respect of participating business is held within the participating fund as part of the unallocated valuation surplus and may only be transferred to the shareholder fund by means of bonuses to policyholders in line with Section 38 of the "Regulation of Insurance Industry, Act No. 43 of 2000". Please refer Note 4.3 for details of assets supporting the restricted regulatory reserve as at 31 March 2020.

In Rs. '000	Participating fund	Non-participating fund	Total
Value of insurance contract liability based on Independent Actuary - NPV as at 31 December 2015	3,866,780	2,472,575	6,339,355
Value of insurance contract liability based on Independent Actuary - GPV as at 31 December 2015	2,810,245	1,674,571	4,484,816
Surplus created due to change in valuation method from NPV to GPV One off surplus as at 01 January 2016	1,056,535	798,004	1,854,539
Transfer of one off surplus from long term fund to Restricted Regulatory Reserve as at 31 December 2017	-	(798,004)	(798,004)
Surplus created due to change in valuation method from NPV to GPV One off surplus as at 31 March 2020	1,056,535	-	1,056,535

The distribution of one-off surplus to shareholders as dividends shall remain restricted until company develops appropriate policies and procedures for effective management of its business

4.3 Composition of investments supporting the Restricted Regulatory Reserve as at 31 March 2020

In Rs. '000	Face value	Market value as at 31 March 2020 Rs. '000
Government Securities		
Treasury Bonds		
LKB03044A010	100,000,000	135,709
LKB01534I155	50,000,000	51,174
LKB01534I155	50,000,000	51,174
LKB01534I155	50,000,000	51,174
LKB01534I155	50,000,000	51,174
Deposits		
Seylan Bank PLC		304,559
National Savings Bank		108,641
Regional Development Bank		54,318
Total market value of the assets		807,923

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

5. SHARE INFORMATION

5.1 Public share holdings

Percentage of shares held by the public and the number of public shareholders is as given below:

As at	31-03-2020
Public shareholding (%)	13.02
Public shareholders	10,713
Float adjusted market capitalization (Rs. Mn.)	1,910
Minimum public holding percentage - The Company was non compliant with the Minimum Public Holding Requirements specified in Rule 7.13.1(a) of the Listing Rules of the CSE as of 31 March 2020.	

5.2 Directors' share holdings

The number of shares held by the Board of Directors are as follows:

As at	31-03-2020
A K Pathirage - Chairman/ Managing Director	486,244,633
G W D H U Gunawardena	71,333,852
R J Perera	75,437,508
H K Kaimal	80,439,792
M P R Rassool	Nil
Dr S Selliah	2,480,000
W M P L De Alwis, PC	Nil
G L H Premaratne	Nil
Prof. A S Dharmasiri	Nil
A Russell-Davison	Nil
S Saraf	Nil
C K Gupta (alternate director to Mr. S Saraf)	Nil
J D N Kekulawala	Nil
	715,935,785

5.3 Twenty largest shareholders of the company are as follows:

As at	Number of shares 31-03-2020	%
1 Mr. A K Pathirage	486,244,633	40.77
2 Samena Ceylon Holdings Ltd	247,432,455	20.75
3 Mr. H K Kaimal	80,439,792	6.75
4 Mr. R J Perera	75,437,508	6.33
5 Mr. G W D H U Gunawardena	71,333,852	5.98
6 Pemberton Asian Opportunities Fund	57,040,000	4.78
7 Samena Special Situations Fund III L.P.	53,653,654	4.50
8 Samena Special Situations Fund II L.P.	15,000,000	1.26
9 Employees Provident Fund	7,230,500	0.61
10 J. B. Cocoshell (Pvt) Ltd	6,220,017	0.52
11 Mrs. A Selliah	5,252,640	0.44
12 Mr. S J Fancy	4,960,000	0.42
13 Arunodhaya Industries (Private) Limited	4,757,864	0.40
14 Miss. S Subramaniam	4,712,000	0.40
15 Mrs. A Kailasapillai	4,512,000	0.38
16 Dr. K M P Karunaratne	4,470,000	0.37
17 Mr. K Aravinthan	3,801,018	0.32
18 Arunodhaya Investments (Private) Limited	3,147,668	0.26
19 Arunodhaya (Private) Limited	3,000,000	0.25
20 Dr S Selliah	2,480,000	0.21

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

6. STATED CAPITAL MOVEMENTS

6.1 No of shares

	No of shares
As at 01 April 2019	1,192,543,209
As at 31 March 2020	1,192,543,209

6.2 Value of shares

	Rs. '000
As at 01 April 2019	12,119,235
As at 31 March 2020	12,119,235

7. INVESTOR INFORMATION

7.1 Market value of shares

31-03-2020

The market value of an ordinary share of Softlogic Holdings PLC was as follows.

Last traded price on (Rs.)	12.30
Highest price recorded for the three months ending (Rs.)	15.90
Lowest price recorded for the three months ending (Rs.)	11.00
Market Capitalisation (Rs. mn)	14,668.28

7.2 Ratios

Net assets per share at the period end (Rs.)	7.97
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7.3 Share trading information from 01 January 2020 to 31 March 2020

Number of shares traded	3,307,852
Value of shares traded (Rs. Mn.)	47.48

8. CONTINGENCIES

CONTINGENT LIABILITIES

As at reporting date, there were no significant change in the nature of the contingencies and other commitments, which were disclosed in the annual report for the year ended 31 March 2019 other than the below.

Asiri Surgical Hospital PLC

A dispute has arisen with the Department of Inland Revenue on the tax exemption applicable as per the agreement between Asiri Surgical Hospital PLC and the Board of Investment (BOI) in 2000.

Since there is litigation in the Court of Appeal in CA (Writ) 386/2016 with regard to this matter, in accordance with Paragraph 92 of LKAS 37, the group is unable to provide further information on this and associated risks, in order not to impair the outcome and/ or prejudice the subsidiary's position in this matter. The aforesaid matter is coming up for argument in October 2020 at the Court of Appeal.

9. CAPITAL COMMITMENTS

As at 31 March 2020, the Group had capital commitments contracted but not provided in the financial statements amounting to Rs. 13,107 Mn (31 March 2019 - 17,390 Mn).

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

10. EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to the date of the statement of financial position, which require disclosure in the financial statements other than the followings.

- Rights Issue - Softlogic Capital PLC

The Directors of Softlogic Capital PLC, a subsidiary of Softlogic Holdings PLC, announced that the Company will issue 289,027,200 ordinary shares by way of a Rights Issue at a price of Rs. 3.50 per share. The issue of shares by the way of a Rights Issue is subject to the approval from shareholder at an Extraordinary General Meeting.

The proceeds from the aforesaid Rights Issue will be used for the purpose of investing in Softlogic Finance PLC, a subsidiary of Softlogic Capital PLC.

- Rights Issue - Softlogic Finance PLC

The Directors of Softlogic Finance PLC, a subsidiary of Softlogic Holdings PLC, announced that the Company will issue 165,390,848 ordinary shares by way of a Rights Issue at a price of Rs. 11.50 per share. The issue of shares by the way of a Rights Issue is subject to the approval from shareholder at an Extraordinary General Meeting.

The proceeds from the aforesaid Rights Issue will be used for the purpose of improving Core Capital (Tier 1) requirements of Softlogic Finance PLC.

- Dividend Announcement - Asiri Hospital Holdings PLC

The Directors of Asiri Hospital Holdings PLC, a subsidiary of Softlogic Holdings PLC declared an interim dividend of Rs. 0.80 per share for the financial year ending 31 March 2021.

- Dividend Announcement - Asiri Surgical Hospital PLC

The Directors of Asiri Surgical Hospital PLC, a subsidiary of Softlogic Holdings PLC declared an interim dividend of Rs. 0.25 per share for the financial year ending 31 March 2021.

- Business Combinations and Acquisitions - Softlogic Capital PLC

The Directors of Softlogic Capital PLC, a subsidiary of Softlogic Holdings PLC, announced that the Company has agreed to acquire 33,063,877 (49.67%) Ordinary Shares of Abans Finance PLC from its major shareholder of Abans PLC at a price of Rs. 30.10 per share subject to the required Regulatory approvals. After the aforesaid acquisition, the company will make a mandatory offer to the minority shareholders of Abans Finance PLC in terms of the Take-Overs and Merger Code 1995 as amended in 2003.

Immediately after the mandatory offer is completed and in accordance with Finance Sector Consolidation Plan initiated by the Central Bank of Sri Lanka in 2004, Softlogic Capital PLC intends to initiate a process for the amalgamation of Abans Finance PLC into Softlogic Finance PLC with Softlogic Finance PLC being the surviving entity. This amalgamation is subject to receiving all required regulatory approvals.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

11. RELATED PARTY TRANSACTIONS

11.1 Transactions with related parties

In Rs. '000	Group		Company	
	12 months to 31-03-2020	12 months to 31-03-2019	12 months to 31-03-2020	12 months to 31-03-2019
Subsidiaries				
(Purchases) / sales of goods	-	-	(9,638)	(19,378)
(Receiving) / rendering of services	-	-	640,849	559,546
(Purchases) / sale of property plant & equipment	-	-	(2,166)	(1,378)
Loans given / (obtained)	-	-	918,989	2,580,671
Interest received / (paid)	-	-	1,677,462	1,148,937
Rent received / (paid)	-	-	59,432	55,303
Dividend received	-	-	-	479,712
Profit/ (loss) on disposal of shares	-	-	-	(10,575)
Guarantee charges received	-	-	173,542	140,393
Guarantees given / (obtained)	-	-	25,667,456	23,282,722
Associates				
(Purchases) / sale of property plant & equipment	5,764	16,651	-	-
(Receiving) / rendering of services	(50,860)	22,365	12,565	12,153
Interest received / (paid)	-	116	-	116
Dividend received	-	-	-	35,045
Key management personnel				
Loans given/ (received)	(1,867)	(2,533)	(1,992)	(1,992)
Guarantees given/ (received)	(150,000)	(410,000)	-	-
Loans given/ (customer deposits received)	(15)	(47,617)	-	-
Advances given/ (received)	(232,318)	(251,720)	-	-
Interest paid on customer deposits	6,127	7,868	-	-
Close family members of KMP				
(Receiving) / rendering of services	-	-	-	-

11.2 Terms and conditions of transactions with related parties

Transactions with related parties are carried out under relevant commercial terms and conditions.

Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. Interest bearing borrowings are at pre-determined interest rates and terms.

Softlogic Holdings PLC

CORPORATE INFORMATION

Name of Company

Softlogic Holdings PLC

Legal Form

Public Limited Liability Company.

Incorporated in Sri Lanka on 25 February 1998 as a Private Limited Liability Company under the Companies Act No. 17 of 1982.

Re-registered on 17 December 2007 as a Public Limited Liability Company under the Companies Act No. 07 of 2007.

The status of the Company was changed to a Public Limited Company on 10 December 2008. Subsequent to the listing of shares on the Main Board of Colombo Stock Exchange, the name of the Company was changed to Softlogic Holdings PLC on 25 August 2011.

Company Registration No

PV 1536 PB/PQ

Registered Office of the Company

14, De Fonseka Place,

Colombo 05

Sri Lanka

Tel : +94 11 5575 000

Fax : +94 11 2595 441

E-mail : info@softlogic.lk

Web : www.softlogic.lk

Directors

A K Pathirage - Chairman/ Managing Director

G W D H U Gunawardena

H K Kaimal

R J Perera

M P R Rasool

Dr S Selliah

W M P L De Alwis, PC

G L H Premaratne

Prof. A S Dharmasiri

A Russell-Davison

S Saraf

C K Gupta (alternative director to Mr. S Saraf)

J D N Kekulawala

Audit Committee

J D N Kekulawala - Chairman

Dr S Selliah

Prof. A S Dharmasiri

W M P L De Alwis, PC

Related Party Transaction Committee

Dr S Selliah - Chairman

H K Kaimal

W M P L De Alwis, PC

HR and Remuneration Committee

Prof. A S Dharmasiri - Chairman

W M P L De Alwis, PC

G L H Premaratne

Secretaries

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Bankers

Bank of Ceylon

Cargills Bank Ltd

Commercial Bank of Ceylon PLC

Deutsche Bank AG, Colombo

DFCC Bank PLC

Hatton National Bank PLC

Muslim Commercial Bank

National Development Bank PLC

Nations Trust Bank PLC

Pan Asia Banking Corporation PLC

People's Bank

Sampath Bank PLC

Seylan Bank PLC

Union Bank of Colombo PLC

Auditors

Ernst & Young

Chartered Accountants

201, De Saram Place,

Colombo 10