



# **SOFTLOGIC HOLDINGS PLC**

INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED  
31 DECEMBER 2022

# Softlogic Holdings PLC

## CONSOLIDATED INCOME STATEMENT

In Rs. '000	Un-audited 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Change as a %	Un-audited 3 months to 31-12-2022	Un-audited 3 months to 31-12-2021	Change as a %	Audited 12 months to 31-03-2022
<b>Continuing operations</b>							
Revenue from contract with customers	54,528,907	68,478,525	(20)	18,579,983	25,824,088	(28)	89,125,133
Revenue from insurance contracts	15,113,552	13,874,654	9	5,637,660	5,229,018	8	19,165,724
Interest income	2,898,975	2,070,417	40	1,025,761	813,257	26	2,937,818
<b>Total revenue</b>	<b>72,541,434</b>	<b>84,423,596</b>	<b>(14)</b>	<b>25,243,404</b>	<b>31,866,363</b>	<b>(21)</b>	<b>111,228,675</b>
Cost of sales	(45,767,682)	(57,395,274)	(20)	(16,554,395)	(20,563,873)	(19)	(73,858,671)
<b>Gross profit</b>	<b>26,773,752</b>	<b>27,028,322</b>	<b>(1)</b>	<b>8,689,009</b>	<b>11,302,490</b>	<b>(23)</b>	<b>37,370,004</b>
Other operating income	1,119,398	742,157	51	423,071	339,355	25	1,386,996
Distribution expenses	(2,632,809)	(2,495,686)	5	(1,042,406)	(901,105)	16	(3,709,614)
Administrative expenses	(19,237,670)	(13,811,188)	39	(6,902,412)	(5,183,845)	33	(25,019,645)
<b>Results from operating activities</b>	<b>6,022,671</b>	<b>11,463,605</b>	<b>(47)</b>	<b>1,167,262</b>	<b>5,556,895</b>	<b>(79)</b>	<b>10,027,741</b>
Finance income	6,243,020	2,343,612	166	1,923,862	919,011	109	4,707,864
Finance expenses	(21,870,510)	(6,133,468)	257	(9,019,511)	(2,258,798)	299	(13,728,388)
<b>Net finance cost</b>	<b>(15,627,490)</b>	<b>(3,789,856)</b>	<b>312</b>	<b>(7,095,649)</b>	<b>(1,339,787)</b>	<b>430</b>	<b>(9,020,524)</b>
Change in fair value of investment property	-	-	-	-	-	-	157,920
Share of profit/ (loss) of equity accounted investees	2,995	(11,833)	(125)	(2,071)	(1,781)	16	(12,574)
Change in insurance contract liabilities	(2,021,474)	(3,018,251)	(33)	(254,429)	(1,097,778)	(77)	(4,713,850)
<b>Profit/ (loss) before tax</b>	<b>(11,623,298)</b>	<b>4,643,665</b>	<b>(350)</b>	<b>(6,184,887)</b>	<b>3,117,549</b>	<b>(298)</b>	<b>(3,561,287)</b>
Tax expense	(2,316,706)	(1,688,521)	37	(1,103,157)	(982,757)	12	(1,716,499)
<b>Profit/ (loss) for the period</b>	<b>(13,940,004)</b>	<b>2,955,144</b>	<b>(572)</b>	<b>(7,288,044)</b>	<b>2,134,792</b>	<b>(441)</b>	<b>(5,277,786)</b>
<b>Attributable to:</b>							
Equity holders of the parent	(15,320,322)	658,426	(2,427)	(7,759,929)	1,176,031	(760)	(8,170,817)
Non-controlling interest	1,380,318	2,296,718	(40)	471,885	958,761	(51)	2,893,031
	<b>(13,940,004)</b>	<b>2,955,144</b>	<b>(572)</b>	<b>(7,288,044)</b>	<b>2,134,792</b>	<b>(441)</b>	<b>(5,277,786)</b>
<b>Profit/ (loss) per share</b>							
Basic	(12.85)	0.55	(2,427)	(6.51)	0.99	(760)	(6.85)

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 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Change as a %	Un-audited 3 months to 31-12-2022	Un-audited 3 months to 31-12-2021	Change as a %	Audited 12 months to 31-03-2022
<b>Profit/ (loss) for the period</b>	<b>(13,940,004)</b>	<b>2,955,144</b>	<b>(572)</b>	<b>(7,288,044)</b>	<b>2,134,792</b>	<b>(441)</b>	<b>(5,277,786)</b>
<b>Other comprehensive income</b>							
<b>Continuing operations</b>							
<b>Other comprehensive income to be reclassified to income statement in subsequent periods</b>							
Currency translation of foreign operations	(10,968)	4,689	(334)	7,784	(752)	(1,135)	(65,404)
Net change in fair value on derivative financial instruments	(2,169,733)	(79,580)	2,626	(118,558)	-	-	(3,161,777)
Net profit/ (loss) on financial instruments at fair value through other comprehensive income	(438,047)	(328,789)	33	(105,085)	(129,603)	(19)	(592,267)
Net other comprehensive loss to be reclassified to income statement in subsequent periods	(2,618,748)	(403,680)	549	(215,859)	(130,355)	66	(3,819,448)
<b>Other comprehensive income not to be reclassified to income statement in subsequent periods</b>							
Revaluation of land and buildings	-	37,025	(100)	-	37,025	(100)	7,734,185
Re-measurement loss on employee benefit liabilities	26,215	(10,103)	(359)	26,215	(10,103)	(359)	(826)
Share of other comprehensive loss of equity accounted investments (net of tax)	-	-	-	-	-	-	(32)
Net profit/ (loss) on equity instruments at fair value through other comprehensive income	(469,021)	(280,203)	67	(203,456)	(194,996)	4	(647,981)
Tax on other comprehensive income not to be reclassified to income statement in subsequent periods	(1,139,770)	-	-	(1,139,770)	-	-	(1,078,311)
Net other comprehensive income/ (loss) not to be reclassified to income statement in subsequent periods	(1,582,576)	(253,281)	525	(1,317,011)	(168,074)	684	6,007,035
<b>Other comprehensive income/ (loss) from continuing operations for the period, net of tax</b>	<b>(4,201,324)</b>	<b>(656,961)</b>	<b>540</b>	<b>(1,532,870)</b>	<b>(298,429)</b>	<b>414</b>	<b>2,187,587</b>
<b>Total comprehensive income/ (loss) for the period, net of tax</b>	<b>(18,141,328)</b>	<b>2,298,183</b>	<b>(889)</b>	<b>(8,820,914)</b>	<b>1,836,363</b>	<b>(580)</b>	<b>(3,090,199)</b>
<b>Attributable to:</b>							
Equity holders of the parent	(18,471,914)	342,446	(5,494)	(8,589,741)	1,049,996	(918)	(7,141,549)
Non-controlling interest	330,586	1,955,737	(83)	(231,173)	786,367	(129)	4,051,350
	(18,141,328)	2,298,183	(889)	(8,820,914)	1,836,363	(580)	(3,090,199)

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 31-12-2022	Un-audited as at 31-12-2021	Audited as at 31-03-2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	61,795,500	53,216,038	61,135,972
Right of use assets	7,363,853	6,420,463	8,457,434
Investment property	2,175,037	2,017,117	2,175,037
Intangible assets	8,247,416	8,518,131	8,461,213
Investments in equity accounted investments	47,269	45,047	44,274
Non-current financial assets	32,279,651	22,609,205	26,147,879
Rental receivable on lease assets and hire purchase	7,860,150	9,094,207	10,218,694
Other non-current assets	9,349,944	7,163,162	7,660,414
Deferred tax assets	2,577,269	3,005,662	3,027,670
	<b>131,696,089</b>	<b>112,089,032</b>	<b>127,328,587</b>
<b>Current assets</b>			
Inventories	12,202,234	14,379,199	13,471,197
Trade and other receivables	10,472,585	12,884,064	9,505,878
Loans and advances	9,227,842	8,738,937	7,266,487
Rental receivable on lease assets and hire purchase	909,463	984,520	1,044,190
Amounts due from related parties	306,847	1,341,965	1,902,457
Other current assets	5,410,766	4,766,435	3,997,872
Short term investments	15,502,335	15,047,679	15,064,502
Cash in hand and at bank	4,268,349	13,148,696	9,123,612
	<b>58,300,421</b>	<b>71,291,495</b>	<b>61,376,195</b>
<b>Total assets</b>	<b>189,996,510</b>	<b>183,380,527</b>	<b>188,704,782</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Stated capital	12,119,235	12,119,235	12,119,235
Revenue reserves	(41,707,198)	(17,568,189)	(26,397,403)
Other components of equity	2,654,081	4,447,163	5,844,134
	<b>(26,933,882)</b>	<b>(1,001,791)</b>	<b>(8,434,034)</b>
Non-controlling interests	14,283,671	13,335,799	14,031,498
<b>Total equity</b>	<b>(12,650,211)</b>	<b>12,334,008</b>	<b>5,597,464</b>
<b>Non-current liabilities</b>			
Insurance contract liabilities	25,338,502	20,966,245	22,559,124
Interest bearing borrowings	47,603,504	36,291,122	38,969,574
Lease liabilities	5,570,444	4,550,974	6,112,687
Public deposits	3,385,866	2,472,832	2,516,825
Deferred tax liabilities	4,750,813	2,436,681	3,266,142
Employee benefit liabilities	1,809,133	1,698,372	1,710,208
Other deferred liabilities	48,015	5,725	226
Other non-current financial liabilities	739,874	558,956	738,829
	<b>89,246,151</b>	<b>68,980,907</b>	<b>75,873,615</b>
<b>Current liabilities</b>			
Trade and other payables	19,616,050	27,953,960	29,157,350
Amounts due to related parties	28,919	28,919	28,919
Income tax liabilities	1,512,403	646,967	798,778
Other current financial liabilities	53,347,933	35,206,774	37,678,829
Current portion of interest bearing borrowings	13,582,135	14,437,130	15,608,025
Current portion of lease liabilities	1,425,198	1,562,016	1,824,452
Other current liabilities	4,059,527	3,058,744	2,382,595
Public deposits	10,034,481	12,803,342	13,065,182
Bank overdrafts	9,793,924	6,367,760	6,689,573
	<b>113,400,570</b>	<b>102,065,612</b>	<b>107,233,703</b>
<b>Total equity and liabilities</b>	<b>189,996,510</b>	<b>183,380,527</b>	<b>188,704,782</b>

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

**-sgd-**

Head of Finance

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

**-sgd-**

Chairman

**-sgd-**

Director

01 December 2023

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		
<b>As at 01 April 2022</b>	<b>12,119,235</b>	<b>309,613</b>	<b>12,448,948</b>	<b>(141,749)</b>	<b>(1,339,562)</b>	<b>263,436</b>	<b>(1,670,898)</b>	<b>(4,025,654)</b>	<b>(26,397,403)</b>	<b>(8,434,034)</b>	<b>14,031,498</b>	<b>5,597,464</b>
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	(15,320,322)	<b>(15,320,322)</b>	1,380,318	<b>(13,940,004)</b>
Other Comprehensive loss	-	-	(596,008)	(10,968)	(387,236)	-	-	(2,167,907)	10,527	<b>(3,151,592)</b>	(1,049,732)	<b>(4,201,324)</b>
<b>Total Comprehensive income/ (loss)</b>	-	-	(596,008)	(10,968)	(387,236)	-	-	(2,167,907)	(15,309,795)	<b>(18,471,914)</b>	330,586	<b>(18,141,328)</b>
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	(27,934)	-	-	<b>(27,934)</b>	(2,463)	<b>(30,397)</b>
Subsidiary dividend to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(75,950)	<b>(75,950)</b>
<b>As at 31 December 2022</b>	<b>12,119,235</b>	<b>309,613</b>	<b>11,852,940</b>	<b>(152,717)</b>	<b>(1,726,798)</b>	<b>263,436</b>	<b>(1,698,832)</b>	<b>(6,193,561)</b>	<b>(41,707,198)</b>	<b>(26,933,882)</b>	<b>14,283,671</b>	<b>(12,650,211)</b>
<b>As at 01 April 2021</b>	<b>12,119,235</b>	<b>309,613</b>	<b>7,662,068</b>	<b>(77,382)</b>	<b>(816,260)</b>	<b>263,436</b>	<b>(793,132)</b>	<b>(866,581)</b>	<b>(18,215,716)</b>	<b>(414,719)</b>	<b>12,421,171</b>	<b>12,006,452</b>
Profit/ (loss) for the year	-	-	-	-	-	-	-	-	658,426	<b>658,426</b>	2,296,718	<b>2,955,144</b>
Other Comprehensive income/ (loss)	-	-	14,721	4,689	(251,860)	-	-	(79,513)	(4,017)	<b>(315,980)</b>	(340,981)	<b>(656,961)</b>
<b>Total Comprehensive income/ (loss)</b>	-	-	14,721	4,689	(251,860)	-	-	(79,513)	654,409	<b>342,446</b>	1,955,737	<b>2,298,183</b>
Equity investments at FVOCI reclassified to retained earnings	-	-	-	-	6,882	-	-	-	(6,882)	-	-	-
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	(929,518)	-	-	<b>(929,518)</b>	(258,309)	<b>(1,187,827)</b>
Subsidiary dividend to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(782,800)	<b>(782,800)</b>
<b>As at 31 December 2021</b>	<b>12,119,235</b>	<b>309,613</b>	<b>7,676,789</b>	<b>(72,693)</b>	<b>(1,061,238)</b>	<b>263,436</b>	<b>(1,722,650)</b>	<b>(946,094)</b>	<b>(17,568,189)</b>	<b>(1,001,791)</b>	<b>13,335,799</b>	<b>12,334,008</b>

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 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Audited 12 months to 31-03-2022
<b>CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES</b>			
Profit/ (loss) before tax from continuing operations	(11,623,298)	4,643,665	(3,561,287)
<b>Adjustments for:</b>			
Finance income	(6,243,020)	(2,343,612)	(4,707,864)
Finance cost	21,870,510	6,133,468	13,728,388
Change in fair value of investment property	-	-	(157,920)
Share of results of equity accounted investees	(2,995)	11,833	12,574
Gratuity provision and related cost	262,814	232,716	302,647
Provisions for/ write-off of impaired receivables	92,936	127,003	2,902,544
Provision for write-off of inventories	42,734	65,636	128,888
Provisions for/ write-off of loans and advances	108,099	117,896	1,049,489
Provisions for/ write-off of investments in lease and hire purchase	100,397	41,042	148,957
Depreciation of property, plant and equipment	2,826,467	2,649,387	3,508,460
Profit on sale of property, plant and equipment	(28,546)	(43,797)	(16,893)
(Profit)/ loss on sale of investments	-	6	(107)
Impairment of investments	1,458,098	-	709,291
Change in fair value of put option liability	-	-	(154,609)
Amortisation/ impairment of intangible assets	229,038	237,958	319,553
Impairment/ derecognition of property, plant and equipment and right of use assets	-	2,510	25,996
Amortisation right of use assets	1,542,187	1,212,277	1,828,595
<b>Profit before working capital changes</b>	<b>10,635,421</b>	<b>13,087,988</b>	<b>16,066,702</b>
Increase/ (decrease) in inventories	1,226,228	(2,008,011)	(1,157,055)
Increase in trade and other receivables	(1,059,644)	(1,259,210)	(379,427)
(Increase)/ decrease in loans and advances	(1,677,724)	973,112	637,487
(Increase)/ decrease in investments in lease and hire purchase	2,392,874	(4,857,065)	(6,149,137)
(Increase)/ decrease in other current assets	(1,412,894)	(636,818)	(266,519)
Increase in amounts due from related parties	1,595,610	(1,339,692)	(1,900,184)
Increase/ (decrease) in trade and other payables	(10,499,592)	4,435,358	610,704
Decrease in amounts due to related parties	-	(3,073)	(3,073)
Increase in other current liabilities	1,801,314	2,160,288	1,383,649
Increase/ (decrease) in deferred income	(76,589)	(39,921)	19,524
Increase/ (decrease) in public deposits	(2,161,659)	695,357	1,001,189
Increase in insurance contract liabilities	2,779,379	3,018,251	4,713,850
<b>Cash generated from/ (used in) operations</b>	<b>3,542,724</b>	<b>14,226,564</b>	<b>14,577,710</b>
Finance income received	4,599,659	1,896,645	1,088,262
Finance expenses paid	(18,383,173)	(5,054,862)	(5,624,495)
Tax paid	(787,401)	(598,690)	(708,063)
Gratuity paid	(137,674)	(138,476)	(187,294)
<b>Net cash flow from/ (used in) operating activities</b>	<b>(11,165,865)</b>	<b>10,331,181</b>	<b>9,146,120</b>
<b>CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES</b>			
Purchase and construction of property, plant and equipment	(3,483,959)	(2,371,806)	(3,534,092)
Addition to intangible assets	(14,074)	(13,065)	(29,790)
Increase in other non-current assets	(1,689,530)	(1,679,796)	(2,176,269)
(Purchase)/ disposal of short term investments (net)	3,839,438	1,011,124	(278,880)
Dividends received	135,595	27,655	9,035
Purchase of non-current financial assets	(6,465,209)	(3,658,273)	(5,790,239)
Proceeds from sale of property, plant and equipment	179,443	108,533	92,194
<b>Net cash flow used in investing activities</b>	<b>(7,498,296)</b>	<b>(6,575,628)</b>	<b>(11,708,041)</b>

# Softlogic Holdings PLC

## CONSOLIDATED CASH FLOW STATEMENT

In Rs. '000	Un-audited 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Audited 12 months to 31-03-2022
<b>CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES</b>			
Proceeds from shareholders with non-controlling interest on issue of equity shares in subsidiaries	2,374	8,467	8,467
Dividend paid to non-controlling interest	(75,950)	(782,800)	(1,355,050)
Increase in interest in subsidiaries	(32,771)	(1,236,315)	(1,327,839)
Proceeds from long term borrowings	9,250,157	6,981,018	8,899,757
Repayment of long term borrowings	(8,222,202)	(6,648,978)	(10,037,516)
Repayment of lease liabilities	(1,837,927)	(1,533,468)	(2,771,691)
Increase/ (decrease) in other non-current financial liabilities	1,045	(273,151)	61,332
Proceeds from/ (repayment of) other current financial liabilities (net)	15,669,104	8,702,239	11,174,294
<b>Net cash flow from financing activities</b>	<b>14,753,830</b>	<b>5,217,012</b>	<b>4,651,754</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
	(3,910,331)	8,972,565	2,089,833
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING</b>	<b>12,620,733</b>	<b>10,535,990</b>	<b>10,535,990</b>
Effect of exchange rate changes	774	(503)	(5,090)
<b>CASH AND CASH EQUIVALENTS AT THE END</b>	<b>8,711,176</b>	<b>19,508,052</b>	<b>12,620,733</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
<b>Favourable balances</b>			
Cash in hand and at Bank	4,268,349	13,148,696	9,123,612
Short term investments	14,236,751	12,727,116	10,186,694
<b>Unfavourable balances</b>			
Bank overdrafts	(9,793,924)	(6,367,760)	(6,689,573)
<b>Cash and cash equivalents</b>	<b>8,711,176</b>	<b>19,508,052</b>	<b>12,620,733</b>

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

# Softlogic Holdings PLC

## COMPANY INCOME STATEMENT

In Rs. '000	Un-audited 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Change as a %	Un-audited 3 months to 31-12-2022	Un-audited 3 months to 31-12-2021	Change as a %	Audited 12 months to 31-03-2022
Revenue from contract with customers	555,581	733,749	(24)	197,920	258,928	(24)	978,493
Cost of sales	(287,294)	(292,232)	(2)	(79,398)	(108,997)	(27)	(387,452)
<b>Gross profit</b>	<b>268,287</b>	<b>441,517</b>	<b>(39)</b>	<b>118,522</b>	<b>149,931</b>	<b>(21)</b>	<b>591,041</b>
Dividend income	-	960,527	-	-	810,527	-	1,712,285
Other operating income	5,750	28,257	(80)	1,745	1,395	25	36,109
Administrative expenses	(369,935)	(305,242)	21	(132,729)	(96,508)	38	(1,441,080)
<b>Results from operating activities</b>	<b>(95,898)</b>	<b>1,125,059</b>	<b>(109)</b>	<b>(12,462)</b>	<b>865,345</b>	<b>(101)</b>	<b>898,355</b>
Finance income	2,939,255	1,293,558	127	1,108,392	402,195	176	1,723,751
Finance expenses	(7,175,159)	(2,376,580)	202	(3,018,865)	(861,879)	250	(3,309,939)
<b>Net finance cost</b>	<b>(4,235,904)</b>	<b>(1,083,022)</b>	<b>291</b>	<b>(1,910,473)</b>	<b>(459,684)</b>	<b>316</b>	<b>(1,586,188)</b>
Change in fair value of investment property	-	-	-	-	-	-	117,005
<b>Profit/ (loss) before tax</b>	<b>(4,331,802)</b>	<b>42,037</b>	<b>(10,405)</b>	<b>(1,922,935)</b>	<b>405,661</b>	<b>(574)</b>	<b>(570,828)</b>
Tax expense	-	-	-	-	-	-	(45,991)
<b>Profit/ (loss) for the period</b>	<b>(4,331,802)</b>	<b>42,037</b>	<b>(10,405)</b>	<b>(1,922,935)</b>	<b>405,661</b>	<b>(574)</b>	<b>(616,819)</b>

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 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Change as a %	Un-audited 3 months to 31-12-2022	Un-audited 3 months to 31-12-2021	Change as a %	Audited 12 months to 31-03-2022
<b>Profit/ (loss) for the period</b>	<b>(4,331,802)</b>	<b>42,037</b>	<b>(10,405)</b>	<b>(1,922,935)</b>	<b>405,661</b>	<b>(574)</b>	<b>(616,819)</b>
<b>Other comprehensive income</b>							
<b>Other comprehensive income not to be reclassified to income statement in subsequent periods</b>							
Actuarial gain on retirement benefits	-	-	-	-	-	-	(10,004)
Net loss on equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	(4,400)
Tax on other comprehensive income	-	-	-	-	-	-	2,401
<b>Other comprehensive loss for the period, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,003)</b>
<b>Total comprehensive profit/ (loss) for the period, net of tax</b>	<b>(4,331,802)</b>	<b>42,037</b>	<b>(10,405)</b>	<b>(1,922,935)</b>	<b>405,661</b>	<b>(574)</b>	<b>(628,822)</b>

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 31-12-2022	Un-audited as at 31-12-2021	Audited as at 31-03-2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	88,845	86,468	83,922
Right of use assets	227,504	822,700	243,576
Investment property	939,705	22,506	939,705
Intangible assets	-	-	1,833
Investments in subsidiaries	28,234,288	28,070,436	28,201,517
Investments in associates	41,000	41,000	41,000
Other non current financial assets	1,617,270	1,974,907	1,658,170
	<b>31,148,612</b>	<b>31,018,017</b>	<b>31,169,723</b>
<b>Current assets</b>			
Inventories	2,144	-	-
Trade and other receivables	778,974	1,636,639	2,307,010
Amounts due from related parties	17,604,578	16,513,190	15,235,917
Other current assets	91,913	111,111	98,113
Short term investments	115,681	213,853	784,846
Cash in hand and at bank	1,571,863	1,435,807	1,485,572
	<b>20,165,153</b>	<b>19,910,600</b>	<b>19,911,458</b>
<b>Total assets</b>	<b>51,313,765</b>	<b>50,928,617</b>	<b>51,081,181</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Stated capital	12,119,235	12,119,235	12,119,235
Revenue reserves	(2,060,086)	2,938,175	2,271,716
Other components of equity	(24,700)	(20,300)	(24,700)
<b>Total equity</b>	<b>10,034,449</b>	<b>15,037,110</b>	<b>14,366,251</b>
<b>Non-current liabilities</b>			
Interest bearing borrowings	6,572,471	6,604,105	5,590,856
Lease liabilities	190,348	7,704	203,879
Deferred tax liabilities	178,071	156,269	178,071
Employee benefit liabilities	149,523	118,392	140,555
	<b>7,090,413</b>	<b>6,886,470</b>	<b>6,113,361</b>
<b>Current liabilities</b>			
Trade and other payables	1,577,935	233,085	188,140
Amounts due to related parties	15,052	13,299	49,171
Other current financial liabilities	25,129,915	20,859,297	22,674,666
Current portion of interest bearing borrowings	7,180,858	7,657,038	7,438,756
Current portion of lease liabilities	42,967	11,859	37,495
Other current liabilities	45,762	58,093	63,012
Bank overdrafts	196,414	172,366	150,329
	<b>34,188,903</b>	<b>29,005,037</b>	<b>30,601,569</b>
<b>Total equity and liabilities</b>	<b>51,313,765</b>	<b>50,928,617</b>	<b>51,081,181</b>

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

**-sgd-**

Head of Finance

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

**-sgd-**

Chairman

**-sgd-**

Director

01 December 2023  
Colombo

# Softlogic Holdings PLC

## COMPANY STATEMENT OF CHANGES IN EQUITY

### COMPANY

In Rs. '000	Stated capital	Fair value reserve of financial assets at FVOCI	Revenue reserve	Total
<b>As at 01 April 2022</b>	<b>12,119,235</b>	<b>(24,700)</b>	<b>2,271,716</b>	<b>14,366,251</b>
Loss for the period	-	-	(4,331,802)	<b>(4,331,802)</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(4,331,802)</b>	<b>(4,331,802)</b>
<b>As at 31 December 2022</b>	<b>12,119,235</b>	<b>(24,700)</b>	<b>(2,060,086)</b>	<b>10,034,449</b>
<b>As at 01 April 2021</b>	<b>12,119,235</b>	<b>(20,300)</b>	<b>2,896,138</b>	<b>14,995,073</b>
Profit for the period	-	-	42,037	<b>42,037</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>42,037</b>	<b>42,037</b>
<b>As at 31 December 2021</b>	<b>12,119,235</b>	<b>(20,300)</b>	<b>2,938,175</b>	<b>15,037,110</b>

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 9 months to 31-12-2022	Un-audited 9 months to 31-12-2021	Audited 12 months to 31-03-2022
<b>CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES</b>			
Loss before tax	(4,331,802)	42,037	(570,828)
<b>Adjustments for:</b>			
Finance income	(2,939,255)	(1,293,558)	(1,723,751)
Dividend income	-	(960,527)	(1,712,285)
Finance cost	7,175,159	2,376,580	3,309,939
Change in fair value of investment property	-	-	(117,005)
Provisions for/ write-off of impaired receivables	-	-	820,311
Gratuity provision and related costs	10,136	8,997	22,180
Depreciation of property, plant and equipment	19,473	20,502	27,429
Amortisation right of use assets	38,154	18,699	34,684
Profit on sale of property, plant and equipment	-	(6,153)	(6,157)
Amortisation/ impairment of intangible assets	1,833	974	2,269
<b>Profit/ (loss) before working capital changes</b>	<b>(26,302)</b>	<b>207,551</b>	<b>86,786</b>
Increase in inventories	(2,144)	-	-
(Increase)/ decrease in trade and other receivable	1,528,037	(604,563)	(1,076,161)
(Increase)/ decrease in other current assets	6,200	(35,430)	(22,433)
(Increase)/ decrease in amount due from related parties	(1,559,061)	(369,320)	404,377
Increase in trade and other payables	1,389,799	157,433	112,488
Increase/ (decrease) in amount due to related parties	(34,120)	(35,904)	(31)
Increase/ (decrease) in other current liabilities	(17,250)	(10,465)	(5,545)
Decrease in deferred income	-	(18,018)	(3,604)
<b>Cash generated from/ (used in) operations</b>	<b>1,285,159</b>	<b>(708,716)</b>	<b>(504,123)</b>
Finance income received	1,704,817	1,293,558	1,524,976
Finance expenses paid	(6,476,133)	(2,398,966)	(3,284,141)
Dividend received	-	960,527	1,712,285
Tax paid	-	-	(21,787)
Gratuity paid	(1,168)	(3,978)	(5,002)
<b>Net cash flow used in operating activities</b>	<b>(3,487,325)</b>	<b>(857,575)</b>	<b>(577,792)</b>
<b>CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES</b>			
Purchase and construction of property, plant and equipment	(24,396)	(16,307)	(20,787)
Addition to intangible assets	-	-	(3,127)
Increase in interest in subsidiaries	32,771	(1,258,081)	(1,389,162)
(Purchase)/ disposal of other non current financial assets	357,637	(133,789)	(133,789)
(Purchase)/ disposal of short term investments (net)	679,075	(100,000)	(679,075)
Proceeds from sale of property, plant and equipment	-	11,578	11,682
<b>Net cash flow from/ (used in) investing activities</b>	<b>1,045,087</b>	<b>(1,496,599)</b>	<b>(2,214,258)</b>
<b>CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES</b>			
Proceeds from long term borrowings	4,070,900	3,570,035	4,489,852
Repayment of long term borrowings	(3,994,753)	(2,611,675)	(4,809,888)
Repayment of lease liabilities	(48,952)	(21,854)	(49,149)
Proceeds from/ (repayment of) short term borrowings (net)	2,455,249	1,304,537	3,119,906
<b>Net cash flow from financing activities</b>	<b>2,482,444</b>	<b>2,241,043</b>	<b>2,750,721</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>40,206</b>	<b>(113,131)</b>	<b>(41,329)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING</b>	<b>1,335,243</b>	<b>1,376,572</b>	<b>1,376,572</b>
<b>CASH AND CASH EQUIVALENTS AT THE END</b>	<b>1,375,449</b>	<b>1,263,441</b>	<b>1,335,243</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
<b>Favourable balances</b>			
Cash in hand and at bank	1,571,863	1,435,807	1,485,572
<b>Unfavourable balances</b>			
Bank overdrafts	(196,414)	(172,366)	(150,329)
<b>Cash and cash equivalents</b>	<b>1,375,449</b>	<b>1,263,441</b>	<b>1,335,243</b>

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 nine months ended 31 December	Information Technology		Leisure & Property		Retail & Telecommunication		Automobiles		Financial Services		Healthcare Services		Others		Total		Eliminations/ Consolidation adjustments		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Continuing operations																			
Revenue																				
Total revenue	6,508,054	5,926,667	1,450,884	631,804	28,892,968	46,199,477	1,295,052	490,778	18,304,802	16,416,940	18,564,593	17,208,509	589,617	762,236	75,605,970	87,636,411	-	-	75,605,970	87,636,411
Inter group	(880,006)	(713,452)	(42,163)	(30,637)	(994,070)	(941,123)	(36,761)	(74,141)	(111,537)	(110,411)	(415,172)	(585,254)	(584,827)	(757,797)	(3,064,536)	(3,212,815)	-	-	(3,064,536)	(3,212,815)
<b>Total external revenue</b>	<b>5,628,048</b>	<b>5,213,215</b>	<b>1,408,721</b>	<b>601,167</b>	<b>27,898,898</b>	<b>45,258,354</b>	<b>1,258,291</b>	<b>416,637</b>	<b>18,193,265</b>	<b>16,306,529</b>	<b>18,149,421</b>	<b>16,623,255</b>	<b>4,790</b>	<b>4,439</b>	<b>72,541,434</b>	<b>84,423,596</b>	-	-	<b>72,541,434</b>	<b>84,423,596</b>
Operating profit/ (loss)	990,574	694,559	(602,000)	(681,698)	2,533,188	3,390,574	(121,264)	57,366	(1,024,114)	3,597,180	4,181,870	4,288,944	(87,197)	173,573	5,871,057	11,520,498	151,614	(56,893)	6,022,671	11,463,605
Finance income	136,836	24,788	36,607	9,294	1,427,163	363,079	1,787	51	5,889,461	2,200,251	1,738,598	141,522	2,939,255	2,254,085	12,169,707	4,993,070	(5,926,687)	(2,649,458)	6,243,020	2,343,612
Finance expenses	(817,331)	(75,513)	(1,923,549)	(374,290)	(11,766,477)	(3,123,742)	(381,436)	(68,081)	(1,753,542)	(838,693)	(3,725,408)	(890,069)	(7,168,135)	(2,375,704)	(27,535,878)	(7,746,092)	5,665,368	1,612,624	(21,870,510)	(6,133,468)
Share of profit/ (loss) of equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	-	2,995	(11,833)	2,995	(11,833)	-	-	2,995	(11,833)
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(2,021,474)	(3,018,251)	-	-	-	-	(2,021,474)	(3,018,251)	-	-	(2,021,474)	(3,018,251)
<b>Profit/ (loss) before taxation</b>	<b>310,079</b>	<b>643,834</b>	<b>(2,488,942)</b>	<b>(1,046,694)</b>	<b>(7,806,126)</b>	<b>629,911</b>	<b>(500,913)</b>	<b>(10,664)</b>	<b>1,090,331</b>	<b>1,940,487</b>	<b>2,195,060</b>	<b>3,540,397</b>	<b>(4,313,082)</b>	<b>40,121</b>	<b>(11,513,593)</b>	<b>5,737,392</b>	<b>(109,705)</b>	<b>(1,093,727)</b>	<b>(11,623,298)</b>	<b>4,643,665</b>
Tax expense	(93,571)	(139,674)	-	1,024	(140,344)	(329,844)	-	-	(1,129,103)	(494,450)	(949,915)	(723,197)	(3,773)	(2,380)	(2,316,706)	(1,688,521)	-	-	(2,316,706)	(1,688,521)
<b>Profit/ (loss) after taxation</b>	<b>216,508</b>	<b>504,160</b>	<b>(2,488,942)</b>	<b>(1,045,670)</b>	<b>(7,946,470)</b>	<b>300,067</b>	<b>(500,913)</b>	<b>(10,664)</b>	<b>(38,772)</b>	<b>1,446,037</b>	<b>1,245,145</b>	<b>2,817,200</b>	<b>(4,316,855)</b>	<b>37,741</b>	<b>(13,830,299)</b>	<b>4,048,871</b>	<b>(109,705)</b>	<b>(1,093,727)</b>	<b>(13,940,004)</b>	<b>2,955,144</b>
Depreciation of property, plant & equipment (PPE)	23,091	31,570	412,937	421,516	1,042,571	941,378	18,700	21,126	129,467	142,305	1,179,981	1,070,709	19,720	20,783	2,826,467	2,649,387	-	-	2,826,467	2,649,387
Amortisation of ROU assets	18,498	6,343	-	2,446	1,136,416	844,328	10,330	10,330	244,230	231,539	111,197	113,757	21,516	3,534	1,542,187	1,212,277	-	-	1,542,187	1,212,277
Amortisation/ impairment of intangible assets	56,295	66,131	1,784	5,662	32,719	30,303	-	-	26,694	25,145	9	39	1,833	974	119,334	128,254	109,704	109,704	229,038	237,958
Retirement benefit obligations and related cost	19,064	15,791	11,037	7,861	52,325	41,441	1,370	1,233	56,807	47,422	111,568	109,637	10,643	9,331	262,814	232,716	-	-	262,814	232,716
Purchase and construction of PPE	17,944	19,421	42,453	15,018	2,060,658	1,222,117	17	477	96,012	70,346	1,242,479	1,027,625	24,396	16,802	3,483,959	2,371,806	-	-	3,483,959	2,371,806
Additions to intangible assets	7,997	5,396	835	1,297	3,442	5,172	-	-	1,800	1,200	-	-	-	-	14,074	13,065	-	-	14,074	13,065

REVENUE AND PROFIT In Rs. '000 For the three months ended 31 December	Information Technology		Leisure & Property		Retail & Telecommunication		Automobiles		Financial Services		Healthcare Services		Others		Total		Eliminations/ Consolidation adjustments		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Continuing operations																			
Revenue																				
Total revenue	1,959,101	2,609,914	667,432	340,684	9,619,199	17,357,110	136,040	142,914	6,756,850	6,238,150	6,804,860	6,193,439	209,185	268,494	26,152,667	33,150,705	-	-	26,152,667	33,150,705
Inter group	(260,235)	(205,648)	(14,571)	(25,049)	(219,261)	(494,530)	(9,273)	(55,560)	(38,721)	(35,571)	(159,653)	(200,971)	(207,549)	(267,013)	(909,263)	(1,284,342)	-	-	(909,263)	(1,284,342)
<b>Total external revenue</b>	<b>1,698,866</b>	<b>2,404,266</b>	<b>652,861</b>	<b>315,635</b>	<b>9,399,938</b>	<b>16,862,580</b>	<b>126,767</b>	<b>87,354</b>	<b>6,718,129</b>	<b>6,202,579</b>	<b>6,645,207</b>	<b>5,992,468</b>	<b>1,636</b>	<b>1,481</b>	<b>25,243,404</b>	<b>31,866,363</b>	-	-	<b>25,243,404</b>	<b>31,866,363</b>
Operating profit/ (loss)	339,673	354,575	(130,090)	(183,438)	(239,604)	1,999,245	(201,328)	27,009	(665,794)	1,507,852	1,831,736	1,796,995	(9,615)	57,791	924,978	5,560,029	242,284	(3,134)	1,167,262	5,556,895
Finance income	52,181	7,077	5,050	1,139	606,607	149,832	1,744	17	1,825,045	871,794	813,899	72,903	1,108,392	1,212,722	4,412,918	2,315,484	(2,489,056)	(1,396,473)	1,923,862	919,011
Finance expenses	(389,831)	(31,151)	(821,423)	(126,256)	(4,685,951)	(1,028,923)	(183,525)	(23,481)	(712,239)	(364,490)	(1,598,949)	(352,758)	(3,015,844)	(861,562)	(11,407,762)	(2,788,621)	2,388,251	529,823	(9,019,511)	(2,258,798)
Share of profit/ (loss) of equity accounted investees	-	-	-	-	-	-	-	-	-	-	-	-	(2,071)	(1,781)	(2,071)	(1,781)	-	-	(2,071)	(1,781)
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(254,429)	(1,097,778)	-	-	-	-	(254,429)	(1,097,778)	-	-	(254,429)	(1,097,778)
<b>Profit/ (loss) before taxation</b>	<b>2,023</b>	<b>330,501</b>	<b>(946,463)</b>	<b>(308,555)</b>	<b>(4,318,948)</b>	<b>1,120,154</b>	<b>(383,109)</b>	<b>3,545</b>	<b>192,583</b>	<b>917,378</b>	<b>1,046,686</b>	<b>1,517,140</b>	<b>(1,919,138)</b>	<b>407,170</b>	<b>(6,326,366)</b>	<b>3,987,333</b>	<b>141,479</b>	<b>(869,784)</b>	<b>(6,184,887)</b>	<b>3,117,549</b>
Tax expense	(7,341)	(75,852)	-	-	(5,540)	(264,030)	-	-	(547,994)	(217,824)	(540,876)	(424,263)	(1,406)	(788)	(1,103,157)	(982,757)	-	-	(1,103,157)	(982,757)
<b>Profit/ (loss) after taxation</b>	<b>(5,318)</b>	<b>254,649</b>	<b>(946,463)</b>	<b>(308,555)</b>	<b>(4,324,488)</b>	<b>856,124</b>	<b>(383,109)</b>	<b>3,545</b>	<b>(355,411)</b>	<b>699,554</b>	<b>505,810</b>	<b>1,092,877</b>	<b>(1,920,544)</b>	<b>406,382</b>	<b>(7,429,523)</b>	<b>3,004,576</b>	<b>141,479</b>	<b>(869,784)</b>	<b>(7,288,044)</b>	<b>2,134,792</b>
Depreciation of property, plant & equipment (PPE)	7,189	9,451	133,855	140,877	346,793	324,316	6,060	7,065	41,718	47,380	411,798	383,865	6,859	7,018	954,272	919,972	-	-	954,272	919,972
Amortisation of ROU assets	2,766	1,128	-	818	544,634	289,205	3,456	3,456	80,718	80,184	41,057	37,760	7,169	1,240	679,800	413,791	-	-	679,800	413,791
Amortisation/ impairment of intangible assets	18,734	30,345	-	1,911	10,920	10,023	-	-	8,907	6,796	2	3	265	-	38,828	49,078	36,568	36,568	75,396	85,646
Retirement benefit obligations and related cost	6,354	5,264	3,679	3,155	14,753	11,537	457	411	25,319	19,219	38,531	41,901	3,547	3,109	92,640	84,596	-	-	92,640	84,596
Purchase and construction of PPE	2,714	11,152	25,871	1,621	606,697	511,360	17	-	39,853	26,900	556,713	550,092	2,444	10,099	1,234,309	1,111,224	-	-	1,234,309	1,111,224
Additions to intangible assets	3,353	2,812	-	-	1,407	4,678	-	-	-	-	-	-	-	-	4,760	7,490	-	-	4,760	7,490

Note : Figures in brackets indicate deductions.

# 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 nine months ended 31 December 2022 were authorised for issue by the Board of Directors on 01 December 2023.

### 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.

### 3. FAIR VALUE MEASUREMENT AND RELATED FAIR VALUE DISCLOSURES

During the quarter, there were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 categories as per the fair value hierarchy. The fair value changes on financial instruments in Level 3 category was properly recorded in the statement of other comprehensive income.

Fair valuation was done as of 31 December 2022 for all unquoted equity shares classified as Level 3 within the fair value hierarchy according to fair valuation methodology. Fair value would not significantly vary if one or more of the inputs were changed.

# Softlogic Holdings PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 4. CHANGE IN LIFE INSURANCE CONTRACT LIABILITIES

#### 4.1 Valuation of Life Insurance Fund (Zeroed Basis of Negative Liabilities at Product Level)

The valuation of life insurance fund as at 31 December 2022 was made by Appointed Actuary Mr. Kunj Behari Maheshwari, FIA, FIAI, of Messrs. Willis Towers Watson India Private Limited, who approved to transfer from Non-Participating Life Insurance Fund/ insurance contract liabilities to the Shareholders Fund as surplus transfer as disclosed below. □

For the nine months ended 31 December 2022 - Rs. 3,533 Mn (2021 - Rs. 1,682 Mn) □

For the quarter ended 31 December 2022 - Rs. 1,545 Mn (2021 - Rs. 727 Mn).

#### 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 December 2022.

Movement in One-off Surplus Transfer 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	<b>6,339,355</b>
Value of insurance contract liability based on Independent Actuary - GPV as at 31 December 2015	2,810,245	1,674,571	<b>4,484,816</b>
<b>Surplus created due to change in valuation method from NPV to GPV One off surplus as at 01 January 2016</b>	<b>1,056,535</b>	<b>798,004</b>	<b>1,854,539</b>
Transfer of one off surplus from long term fund to Restricted Regulatory Reserve	-	(798,004)	<b>(798,004)</b>
<b>Surplus created due to change in valuation method - One off surplus as at 31 December 2022</b>	<b>1,056,535</b>	<b>-</b>	<b>1,056,535</b>

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 December 2022

Asset Category	ISIN No.	Face value	Market value as at 31 December 2022 Rs. '000
<b>Government Securities</b>			
Treasury Bonds	LKB00628A153	100,000,000	<b>81,307</b>
	LKB00628A153	110,000,000	<b>89,437</b>
	LKB00628A153	100,000,000	<b>81,307</b>
	LKB00628A153	100,000,000	<b>81,307</b>
	LKB00931E153	100,000,000	<b>71,799</b>
	LKB00931E153	100,000,000	<b>71,799</b>
	LKB00931E153	120,000,000	<b>86,159</b>
	LKB00931E153	100,000,000	<b>71,799</b>
	LKB00931E153	100,000,000	<b>71,799</b>
	LKB00931E153	100,000,000	<b>71,799</b>
	LKB01528I017	100,000,000	<b>60,692</b>
<b>Total market value of the assets</b>			<b>839,204</b>

# 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	31-12-2022
Public shareholding (%)	13.09
Public shareholders	10,063
Float adjusted market capitalization (Rs. Mn.)	2,482.05
Minimum public holding percentage - The Company is in compliance with option 1 of the Listing Rules 7.14.1 (b) which requires 7.5% minimum public holding percentage and 200 minimum public shareholders.	

#### 5.2 Directors' share holdings

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

As at	31-12-2022
A K Pathirage - Chairman/ Managing Director	493,125,865
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
W M P L De Alwis, PC (resigned w.e.f. 15-06-2023)	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
	<b>720,337,017</b>

#### 5.3 Twenty largest shareholders of the company are as follows:

As at	Number of shares 31-12-2022	%
1 Mr. A K Pathirage	493,125,865	41.35
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 Samena Special Situations Fund III L.P.	53,653,654	4.50
7 Pemberton Asian Opportunities Fund	47,095,949	3.95
8 Samena Special Situations Fund II L.P.	15,000,000	1.26
9 Employees Provident Fund	7,230,500	0.61
10 Mr. S J Fancy	7,225,323	0.61
11 Mrs. A Selliah	4,700,000	0.39
12 Mr. N Samarasuriya	4,426,601	0.37
13 Mrs. A Kailasapillai	4,200,000	0.35
14 Dr. K M P Karunaratne	3,950,000	0.33
15 Miss. S Subramaniam	3,800,000	0.32
16 Arunodhaya Industries (Private) Limited	3,557,864	0.30
17 Arunodhaya (Private) Limited	3,000,000	0.25
18 Mr. K Aravinthan	2,867,550	0.24
19 Mr. S R S De Saram/ Mrs. S T T Jayasundera	2,427,552	0.20
20 Dr. S Selliah	2,053,232	0.17



# Softlogic Holdings PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 6. STATED CAPITAL MOVEMENTS

#### 6.1 No of shares

	No of shares
As at 01 April 2022	1,192,543,209
<b>As at 31 December 2022</b>	<b>1,192,543,209</b>

#### 6.2 Value of shares

	Rs. '000
As at 01 April 2022	12,119,235
<b>As at 31 December 2022</b>	<b>12,119,235</b>

### 7. INVESTOR INFORMATION

#### 7.1 Market value of shares

**31-12-2022**

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

Last traded price on (Rs.)	<b>15.90</b>
Highest price recorded for the three months ending (Rs.)	<b>24.70</b>
Lowest price recorded for the three months ending (Rs.)	<b>14.50</b>
Market Capitalisation (Rs. Mn.)	-

#### 7.2 Ratios

Net assets per share at the period end (Rs.)	<b>(22.59)</b>
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#### 7.3 Share trading information from 01 October 2022 to 31 December 2022

Number of shares traded	<b>5,210,721</b>
Value of shares traded (Rs. Mn.)	<b>94.44</b>

### 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 2022.

### 9. CAPITAL COMMITMENTS

As at 31 December 2022, the Group had capital commitments contracted but not provided in the financial statements amounting to Rs. 11,995.00 Mn (31 December 2021 - Rs. 12,109.00 Mn).

### 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.

# Softlogic Holdings PLC

## NOTES TO THE FINANCIAL STATEMENTS

### 11. RELATED PARTY TRANSACTIONS

#### 11.1 Transactions with related parties

In Rs. '000	Group		Company	
	09 months to 31-12-2022	09 months to 31-12-2021	09 months to 31-12-2022	09 months to 31-12-2021
<b>Subsidiaries</b>				
(Purchases)/ sales of goods	-	-	(5,007)	(524)
(Receiving)/ rendering of services	-	-	457,371	422,477
(Purchases)/ sale of property plant & equipment	-	-	(8,509)	(6,208)
Loans given/ (obtained)	-	-	(4,141,365)	(3,518,506)
Interest received/ (paid)	-	-	(115,356)	560,448
Rent received/ (paid)	-	-	84,675	28,939
Dividend received	-	-	-	150,000
Guarantee charges received	-	-	207,629	119,675
Guarantees given/ (obtained) - as at 31 December	-	-	39,710,931	31,688,996
<b>Associates</b>				
(Purchases) / sale of property plant & equipment	20	9	-	-
(Receiving) / rendering of services	6,095	2,460	4,373	4,077
Interest received / (paid)	340	114	340	114
<b>Key management personnel</b>				
Advance given/ (received)	338,085	1,337,586	(1,992)	(1,992)
Guarantees given/ (received)	(150,000)	(150,000)	-	-
Loans given/ (customer deposits received)	(10,447)	(14,303)	-	-
Advances given/ (received)	(49,511)	(44,010)	-	-
<b>Close family members of KMP</b>				
(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.

The Company has been transferred to the Second Board with effect from 09 November 2020 due to non-compliance with Minimum Public Holding Requirement in terms of Rule 7.13.1. of the CSE Listing Rules. Subsequently the Company transferred to the Diri Savi Board of the Colombo Stock Exchange with effect from 02 December 2020.

### 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

Prof. A S Dharmasiri

A Russell-Davison

S Saraf

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

J D N Kekulawala

Dr S Selliah (resigned w.e.f. 24-10-2022)

W M P L De Alwis, PC (resigned w.e.f. 15-06-2023)

### Audit Committee

J D N Kekulawala - Chairman

Prof. A S Dharmasiri

Dr S Selliah (resigned w.e.f. 24-10-2022)

W M P L De Alwis, PC (resigned w.e.f. 15-06-2023)

### Related Party Transaction Committee

H K Kaimal

Prof. A S Dharmasiri

W M P L De Alwis, PC (resigned w.e.f. 15-06-2023)

### HR and Remuneration Committee

Prof. A S Dharmasiri - Chairman

J D N Kekulawala

W M P L De Alwis, PC

(resigned w.e.f. 15-06-2023)

### Secretaries

Softlogic Corporate Services (Pvt) Ltd

14, De Fonseka Place,

Colombo 05

Sri Lanka

Tel : +94 11 5575 000

Fax : +94 11 2595 441

### Investor Relations

Softlogic Holdings PLC

14, De Fonseka Place,

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Sri Lanka

Tel : +94 11 5575 176

E-mail : investorrelations@softlogic.lk

### Contact for Media

Softlogic Holdings PLC

14, De Fonseka Place,

Colombo 05

Sri Lanka

Tel : +94 11 5575 000

Fax : +94 11 2595 441

### Bankers

Bank of Ceylon

Cargills Bank Ltd

Commercial Bank of Ceylon PLC

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

State Bank of India

Indian Bank

### Auditors

Ernst & Young

Chartered Accountants

201, De Saram Place,

Colombo 10