

SOFTLOGIC HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 MARCH 2023

CONSOLIDATED INCOME STATEMENT

| In Rs. '000 | Un-audited 12 months to 31-03-2023 | Audited 12 months to 31-03-2022 | Change as a % | Un-audited 3 months to 31-03-2023 | Un-audited 3 months to 31-03-2022 | Change as a % |
|---|--|---------------------------------------|---------------------|---|---|---------------------|
| Continuing operations | | | | | | |
| Revenue from contract with customers | 72,855,069 | 89,125,133 | (18) | 18,326,162 | 20,646,608 | (11) |
| Revenue from insurance contracts | 20,458,558 | 19,165,724 | 7 | 5,345,006 | 5,291,070 | 1 |
| Interest income | 3,925,136 | 2,937,818 | 34 | 1,026,161 | 867,401 | 18 |
| Total revenue | 97,238,763 | 111,228,675 | (13) | 24,697,329 | 26,805,079 | (8) |
| Cost of sales | (62,598,709) | (73,858,671) | (15) | (16,831,027) | (16,463,397) | 2 |
| Gross profit | 34,640,054 | 37,370,004 | (7) | 7,866,302 | 10,341,682 | (24) |
| Other operating income | 1,592,852 | 1,386,996 | 15 | 473,454 | 644,839 | (27) |
| Distribution expenses | (4,390,429) | (3,709,614) | 18 | (1,757,620) | (1,213,928) | 45 |
| Administrative expenses | (26,026,531) | (25,019,645) | 4 | (6,788,861) | (11,208,457) | (39) |
| Results from operating activities | 5,815,946 | 10,027,741 | (42) | (206,725) | (1,435,864) | (86) |
| Finance income | 7,627,654 | 4,707,864 | 62 | 1,384,634 | 2,364,252 | (41) |
| Finance expenses | (29,086,945) | (13,728,388) | 112 | (7,216,435) | (7,594,920) | (5) |
| Net finance cost | (21,459,291) | (9,020,524) | 138 | (5,831,801) | (5,230,668) | 11 |
| Change in fair value of investment property | 77,486 | 157,920 | (51) | 77,486 | 157,920 | (51) |
| Share of profit/ (loss) of equity accounted investees | 36,091 | (12,574) | (387) | 33,096 | (741) | (4,566) |
| Change in insurance contract liabilities | (1,948,266) | (4,713,850) | (59) | 73,208 | (1,695,599) | (104) |
| Loss before tax | (17,478,034) | (3,561,287) | 391 | (5,854,736) | (8,204,952) | (29) |
| Tax expense | (3,054,582) | (1,716,499) | 78 | (737,876) | (27,978) | 2,537 |
| Loss for the period | (20,532,616) | (5,277,786) | 289 | (6,592,612) | (8,232,930) | (20) |
| Attributable to: | | | | | | |
| Equity holders of the parent | (21,733,979) | (8,170,817) | 166 | (6,413,657) | (8,829,243) | (27) |
| Non-controlling interest | 1,201,363 | 2,893,031 | (58) | (178,955) | 596,313 | (130) |
| | (20,532,616) | (5,277,786) | 289 | (6,592,612) | (8,232,930) | (20) |
| Loss per share | | | | | | |
| Basic | (18.22) | (6.85) | 166 | (5.38) | (7.40) | (27) |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| In Rs. '000 | Un-audited 12 months to 31-03-2023 | Audited 12 months to 31-03-2022 | Change as a % | Un-audited 3 months to 31-03-2023 | Un-audited 3 months to 31-03-2022 | Change as a % |
|--|--|---------------------------------------|---------------------|---|---|---------------------|
| Loss for the period | (20,532,616) | (5,277,786) | 289 | (6,592,612) | (8,232,930) | (20) |
| Other comprehensive income Continuing operations | | | | | | |
| Other comprehensive income to be reclassified to income statement in subsequent periods | | | | | | |
| Currency translation of foreign operations | 6,530 | (65,404) | (110) | 17,498 | (70,093) | (125) |
| Net change in fair value on derivative financial instruments | (471,672) | (3,161,777) | (85) | 1,698,061 | (3,082,197) | (155) |
| Net profit/ (loss) on financial instruments at fair value through other comprehensive income | (256,113) | (592,267) | (57) | 181,934 | (263,478) | (169) |
| Net other comprehensive gain/ (loss) to be reclassified to income statement in subsequent periods | (721,255) | (3,819,448) | (81) | 1,897,493 | (3,415,768) | (156) |
| | | | | | | |
| Other comprehensive income not to be reclassified to income statement in subsequent periods | | | | | | |
| Revaluation of land and buildings | 6,575,275 | 7,734,185 | (15) | 6,575,275 | 7,697,160 | (15) |
| Re-measurement gain/ (loss) on employee benefit liabilities | 374,488 | (826) | (45,438) | 348,273 | 9,277 | 3,654 |
| Share of other comprehensive income/ (loss) of equity accounted investments (net of tax) | 847 | (32) | (2,747) | 847 | (32) | (2,747) |
| Net profit/ (loss) on equity instruments at fair value through other comprehensive income | (282,073) | (647,981) | (56) | 186,948 | (367,778) | (151) |
| Tax on other comprehensive income not to be reclassified to income statement in subsequent periods | (3,492,794) | (1,078,311) | 224 | (2,353,024) | (1,078,311) | 118 |
| Net other comprehensive income not to be reclassified to income statement in subsequent periods | 3,175,743 | 6,007,035 | (47) | 4,758,319 | 6,260,316 | (24) |
| Other comprehensive income from continuing operations for the period, net of tax | 2,454,488 | 2,187,587 | 12 | 6,655,812 | 2,844,548 | 134 |
| Total comprehensive income/ (loss) for the period, net | (10.070.130) | (2.000.400) | 405 | 62.200 | (E 200 202\ | (101) |
| of tax | (18,078,128) | (3,090,199) | 485 | 63,200 | (5,388,382) | (101) |
| | | | | | | |
| Attributable to: | | | | | | |
| Equity holders of the parent | (19,781,032) | (7,141,549) | 177 | (1,309,118) | (7,483,995) | (83) |
| Non-controlling interest | 1,702,904 | 4,051,350 | (58) | 1,372,318 | 2,095,613 | (35) |
| | (18,078,128) | (3,090,199) | 485 | 63,200 | (5,388,382) | (101) |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Un-audited | Audited |
|---|---|---|
| | as at | as at |
| In Rs. '000 | 31-03-2023 | 31-03-2022 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 62,172,908 | 61,135,972 |
| Right of use assets | 7,774,205 | 8,457,434 |
| Investment property | 2,252,523 | 2,175,037 |
| Intangible assets | 8,180,697 | 8,461,213 |
| Investments in equity accounted investments | 61,213 | 44,274 |
| Non-current financial assets | 34,748,103 | 26,147,879 |
| Rental receivable on lease assets and hire purchase | 7,094,383 | 10,218,694 |
| Other non-current assets | 15,743,301 | 7,660,414 |
| Deferred tax assets | 2,780,103 | 3,027,670 |
| | 140,807,436 | 127,328,587 |
| | | |
| Current assets | 10 402 112 | 12 471 107 |
| Inventories | 10,493,112 | 13,471,197 |
| Trade and other receivables | 10,406,513 | 9,505,878 |
| Loans and advances | 7,756,234 | 7,266,487 |
| Rental receivable on lease assets and hire purchase | 726,456 | 1,044,190 |
| Amounts due from related parties | 83,358 | 1,902,457 |
| Other current assets | 3,634,471 | 3,997,872 |
| Short term investments | 10,213,339 | 15,064,502 |
| Cash in hand and at bank | 5,048,898 | 9,123,612 |
| Total accets | 48,362,381 | 61,376,195 |
| Total assets | 189,169,817 | 188,704,782 |
| EQUITY AND LIABILITIES Equity attributable to equity holders of the parent Stated capital Revenue reserves Other components of equity | 12,119,235 (49,239,419) 8,869,634 | 12,119,235 (26,397,403) 5,844,134 |
| | (28,250,550) | (8,434,034) |
| Non-controlling interests | 14,979,997 | 14,031,498 |
| Total equity | (13,270,553) | 5,597,464 |
| | | |
| Non-current liabilities | | |
| Insurance contract liabilities | 24,462,093 | 22,559,124 |
| Interest bearing borrowings | 46,276,923 | 38,969,574 |
| Lease liabilities | 6,086,079 | 6,112,687 |
| Public deposits | 3,094,921 | 2,516,825 |
| Deferred tax liabilities | 7,203,342 | 3,266,142 |
| Employee benefit liabilities | 1,550,632 | 1,710,208 |
| Other deferred liabilities | 41,476 | 226 |
| Other non-current financial liabilities | 777,906 | 738,829 |
| | 89,493,372 | 75,873,615 |
| Current liabilities | | |
| Trade and other payables | 21,199,271 | 29,157,350 |
| Amounts due to related parties | 28,919 | 28,919 |
| Income tax liabilities | 1,822,350 | 798,778 |
| Other current financial liabilities | 53,077,397 | 37,678,829 |
| Current portion of interest bearing borrowings | 14,022,779 | 15,608,025 |
| Current portion of lease liabilities | 1,480,371 | 1,824,452 |
| Other current liabilities | 2,840,927 | 2,382,595 |
| Public deposits | 9,335,704 | 13,065,182 |
| Bank overdrafts | 9,139,280 | 6,689,573 |
| | 112,946,998 | 107,233,703 |
| Total equity and liabilities | 189,169,817 | 188,704,782 |
| 1 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | ,, | ,, |

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

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Head of Finance

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

-sgd-Chairman Director

01 December 2023 Colombo

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

| | | | | Attri | butable to eq | uity holders of | parent | | | | | Non- controlling | Tota equit |
|---|-------------------|------------------|---|------------------------|---|---|------------------------------|------------------------------|----------------------------|--|---------------------------------|---|---|
| In Rs. '000 | Stated capital | Restricted | Non- distributable regulatory loss allowance 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 | interest | equi |
| As at 01 April 2022 | 12,119,235 | 309,613 | - | 12,448,948 | (141,749) | (1,339,562) | 263,436 | (1,670,898) | (4,025,654) | (26,397,403) | (8,434,034) | 14,031,498 | 5,597,464 |
| Profit/ (loss) for the year | - | - | - | - | - | - | - | - | - | (21,733,979) | (21,733,979) | 1,201,363 | (20,532,616 |
| Other Comprehensive income/ (loss) | - | - | - | 2,439,793 | 5,823 | (220,763) | - | - | (471,252) | 199,346 | 1,952,947 | 501,541 | 2,454,488 |
| Total Comprehensive income/ (loss) | - | - | = | 2,439,793 | 5,823 | (220,763) | - | - | (471,252) | (21,534,633) | (19,781,032) | 1,702,904 | (18,078,128 |
| Transfer to non-distributable regulatory loss allowance reserve Revaluation transfer on disposals Direct cost on issue of share Changes in ownership interest in subsidiaries Subsidiary dividend to non-controlling interest | - - - - | - - - - | 1,289,892 - - - - | - - - - | - - - - | - - - - | - - - - | - - - (17,993) - | - - - - | (1,289,892) (16,277) (1,214) - - | (16,277) (1,214) (17,993) | (380) (432) (12,718) (740,875) | - (16,657 (1,646 (30,711 (740,875 |
| As at 31 March 2023 | 12,119,235 | 309,613 | 1,289,892 | 14,888,741 | (135,926) | (1,560,325) | 263,436 | (1,688,891) | (4,496,906) | (49,239,419) | (28,250,550) | 14,979,997 | (13,270,553 |
| As at 01 April 2021 | 12,119,235 | 309,613 | - | 7,662,068 | (77,382) | (816,260) | 263,436 | (793,132) | (866,581) | (18,215,716) | (414,719) | 12,421,171 | 12,006,452 |
| Profit/ (loss) for the year Other Comprehensive income/ (loss) | - - | - - | - | - 4,786,880 | - (64,367) | - (530,252) | <u>-</u> | - - | - (3,159,073) | (8,170,817) (3,920) | (8,170,817) 1,029,268 | 2,893,031 1,158,319 | (5,277,786 2,187,587 |
| Total Comprehensive income/ (loss) | - | - | - | 4,786,880 | (64,367) | (530,252) | - | - | (3,159,073) | (8,174,737) | (7,141,549) | 4,051,350 | (3,090,199 |
| Equity investments at FVOCI reclassified to retained earnings Changes in ownership interest in subsidiaries Subsidiary dividend to non-controlling interest | - - - | - - - | - - - | - - - | - - - | 6,950 - - | - - - | (877,766) - | - - - | (6,950) - - | - (877,766) - | - (440,999) (2,000,024) | - (1,318,765 (2,000,024 |
| As at 31 March 2022 | 12,119,235 | 309,613 | _ | 12,448,948 | (141,749) | (1,339,562) | 263,436 | (1,670,898) | (4,025,654) | (26,397,403) | (8,434,034) | 14,031,498 | 5,597,464 |

CONSOLIDATED CASH FLOW STATEMENT

| | Un-audited | Audited |
|---|--------------------|----------------------|
| | 12 months to | 12 months to |
| In Rs. '000 | 31-03-2023 | 31-03-2022 |
| CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES | | |
| Profit/ (loss) before tax from continuing operations | (17,478,034) | (3,561,287) |
| Adjustments for: | | |
| Finance income | (7,627,655) | (4,707,864) |
| Finance cost | 29,086,945 | 13,728,388 |
| Change in fair value of investment property | (77,486) | (157,920) |
| Share of results of equity accounted investees Gratuity provision and related cost | (36,091) | 12,574 |
| Provisions for/ write-off of impaired receivables | 416,320 38,282 | 302,647 2,902,544 |
| Provision for write-off of inventories | 81,926 | 128,888 |
| Provisions for/ write-off of loans and advances | 1,351,241 | 1,049,489 |
| Provisions for/ write-off of investments in lease and hire purchase | 311,326 | 148,957 |
| Depreciation of property, plant and equipment | 3,799,968 | 3,508,460 |
| Profit on sale of property, plant and equipment | (57,816) | (16,893) |
| (Profit)/ loss on sale of investments | - | (107) |
| Impairment of investments | 1,614,212 | 709,291 |
| Change in fair value of put option liability | - | (154,609) |
| Amortisation/ impairment of intangible assets | 308,460 | 319,553 |
| Impairment/ derecognition of property, plant and equipment and right | 6.074 | 25.000 |
| of use assets Amortisation right of use assets | 6,874 2,030,702 | 25,996 1,828,595 |
| Profit before working capital changes | 13,769,174 | 16,066,702 |
| Traine Barara Marketing capital analysis | 15,7 05,17 1 | 10,000,701 |
| Increase/ (decrease) in inventories | 2,896,158 | (1,157,055) |
| Increase in trade and other receivables | (938,917) | (379,427) |
| (Increase)/ decrease in loans and advances | (916,511) | 637,487 |
| (Increase)/ decrease in investments in lease and hire purchase | 3,130,720 | (6,149,137) |
| (Increase)/ decrease in other current assets | 321,320 | (266,519) |
| Increase/ (decrease) in amounts due from related parties | 1,819,099 | (1,900,184) |
| Increase/ (decrease) in trade and other payables Decrease in amounts due to related parties | (7,379,446) | 610,704 (3,073) |
| Increase in other current liabilities | 483,185 | 1,383,649 |
| Increase in deferred income | 16,402 | 19,524 |
| Increase/ (decrease) in public deposits | (3,151,381) | 1,001,189 |
| Increase in insurance contract liabilities | 1,902,970 | 4,713,850 |
| Cash generated from operations | 11,952,773 | 14,577,710 |
| Finance income received | 6,738,599 | 1,088,262 |
| Finance expenses paid | (25,272,582) | (5,624,495) |
| Dividend received | 17,000 | - |
| Tax paid | (1,305,885) | (708,063) |
| Gratuity paid | (201,408) | (187,294) |
| Net cash flow from/ (used in) operating activities | (8,071,503) | 9,146,120 |
| | | |
| CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES | | |
| Purchase and construction of property, plant and equipment | (4,017,034) | (3,534,092) |
| Addition to intangible assets | (27,800) | (29,790) |
| Increase in other non-current assets | (2,273,842) | (2,176,269) |
| (Purchase)/ disposal of short term investments (net) | 3,288,807 | (278,880) |
| Dividends received | 153,783 | 9,035 |
| Purchase of non-current financial assets | (10,519,303) | (5,790,239) |
| Proceeds from sale of property, plant and equipment | 149,237 | 92,194 |
| Net cash flow used in investing activities | (13,246,152) | (11,708,041) |

CONSOLIDATED CASH FLOW STATEMENT

| In Rs. '000 | Un-audited 12 months to 31-03-2023 | Audited 12 months to 31-03-2022 |
|--|--|---------------------------------------|
| CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES Proceeds from shareholders with non-controlling interest on issue of | | |
| equity shares in subsidiaries | 2,374 | 8,467 |
| Direct cost on issue of shares | (1,646) | 0, 1 07 |
| Dividend paid to non-controlling interest | (1,406,972) | (1,355,050) |
| Increase in interest in subsidiaries | (33,085) | (1,327,839) |
| Proceeds from long term borrowings | 12,294,373 | 8,899,757 |
| Repayment of long term borrowings | (10,356,432) | (10,037,516) |
| Repayment of lease liabilities | (2,572,748) | (2,771,691) |
| Increase/ (decrease) in other non-current financial liabilities | 39,077 | 61,332 |
| Proceeds from/ (repayment of) other current financial liabilities (net) | 15,398,568 | 11,174,294 |
| Net cash flow from financing activities | 13,363,509 | 4,651,754 |
| NET THERE ARE A AREA AND CASH | | |
| NET INCREASE/ (DECREASE) IN CASH AND CASH | (7.054.146) | 2 000 022 |
| EQUIVALENTS CASH AND CASH EQUIVALENTS AT THE BEGINNING | (7,954,146) 12,620,733 | 2,089,833 10,535,990 |
| Effect of exchange rate changes | 2,182 | (5,090) |
| CASH AND CASH EQUIVALENTS AT THE END | 4,668,769 | 12,620,733 |
| | | |
| ANALYSIS OF CASH AND CASH EQUIVALENTS Favourable balances | | |
| Cash in hand and at Bank | 5,048,898 | 9,123,612 |
| Short term investments | 8,759,151 | 10,186,694 |
| Unfavourable balances | 0,700,201 | 10,100,001 |
| Bank overdrafts | (9,139,280) | (6,689,573) |
| Cash and cash equivalents | 4,668,769 | 12,620,733 |

Note: Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

COMPANY INCOME STATEMENT

| In Rs. '000 | Un-audited 12 months to 31-03-2023 | Audited 12 months to 31-03-2022 | Change as a % | Un-audited 3 months to 31-03-2023 | Un-audited 3 months to 31-03-2022 | Change as a % |
|---|--|---------------------------------------|---------------------|---|---|---------------------|
| Revenue from contract with customers | 750,593 | 978,493 | (23) | 195,012 | 244,744 | (20) |
| Cost of sales | (402,373) | (387,452) | 4 | (115,079) | (95,220) | 21 |
| Gross profit | 348,220 | 591,041 | (41) | 79,933 | 149,524 | (47) |
| Dividend income | 17,767 | 1,712,285 | (99) | 17,767 | 751,758 | (98) |
| Other operating income | 25,589 | 36,109 | (29) | 19,839 | 7,852 | 153 |
| Administrative expenses | (547,203) | (1,441,080) | (62) | (177,268) | (1,135,838) | (84) |
| Results from operating activities | (155,627) | 898,355 | (117) | (59,729) | (226,704) | (74) |
| Finance income | 3,537,717 | 1,723,751 | 105 | 598,462 | 430,193 | 39 |
| Finance expenses | (9,802,791) | (3,309,939) | 196 | (2,627,632) | (933,359) | 182 |
| Net finance cost | (6,265,074) | (1,586,188) | 295 | (2,029,170) | (503,166) | 303 |
| Change in fair value of investment property | 117,445 | 117,005 | - | 117,445 | 117,005 | - |
| Loss before tax | (6,303,256) | (570,828) | 1,004 | (1,971,454) | (612,865) | 222 |
| Tax expense | (74,827) | (45,991) | 63 | (74,827) | (45,991) | 63 |
| Loss for the period | (6,378,083) | (616,819) | 934 | (2,046,281) | (658,856) | 211 |

STATEMENT OF COMPREHENSIVE INCOME

| In Rs. '000 | Un-audited 12 months to 31-03-2023 | Audited 12 months to 31-03-2022 | Change as a % | Un-audited 3 months to 31-03-2023 | Un-audited 3 months to 31-03-2022 | Change as a % |
|---|--|---------------------------------------|---------------------|---|---|---------------------|
| Loss for the period | (6,378,083) | (616,819) | 934 | (2,046,281) | (658,856) | 211 |
| Other comprehensive income | | | | | | |
| Other comprehensive income not to be reclassified to income statement in subsequent periods | | | | | | |
| Actuarial gain/ (loss) on retirement benefits | 42,934 | (10,004) | (529) | 42,934 | (10,004) | (529) |
| Net profit/ (loss) on equity instruments at fair value through other comprehensive income | 4,300 | (4,400) | (198) | 4,300 | (4,400) | (198) |
| Tax on other comprehensive income | (12,880) | 2,401 | (636) | (12,880) | 2,401 | (636) |
| Other comprehensive profit/ (loss) for the period, net of tax | 34,354 | (12,003) | (386) | 34,354 | (12,003) | (386) |
| Total comprehensive profit/ (loss) for the period, net of tax | (6,343,729) | (628,822) | 909 | (2,011,927) | (670,859) | 200 |

COMPANY STATEMENT OF FINANCIAL POSITION

| | Un-audited | Audited |
|---|----------------------|----------------------|
| | as at | as at |
| In Rs. '000 | 31-03-2023 | 31-03-2022 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 83,416 | 83,922 |
| Right of use assets | 215,968 | 243,576 |
| Investment property | 1,057,150 | 939,705 |
| Intangible assets Investments in subsidiaries | 1,366 28,234,288 | 1,833 28,201,517 |
| Investments in associates | 41,000 | 41,000 |
| Other non current financial assets | 1,591,470 | 1,658,170 |
| Gold, No., Gar, Che III, and Gold Gold Gold Gold Gold Gold Gold Gol | 31,224,658 | 31,169,723 |
| | | , , |
| Current assets | | |
| Inventories | 281 | = |
| Trade and other receivables | 848,459 | 2,307,010 |
| Amounts due from related parties | 17,007,806 | 15,235,917 |
| Other current assets | 87,163 | 98,113 |
| Short term investments Cash in hand and at bank | 119,285 1,564,616 | 784,846 1,485,572 |
| Cash in hand and at bank | 19,627,610 | 19,911,458 |
| Total accets | | 51,081,181 |
| Total assets | 50,852,268 | 51,061,161 |
| | | |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Stated capital | 12,119,235 | 12,119,235 |
| Revenue reserves | (4,076,313) | 2,271,716 |
| Other components of equity | (20,400) | (24,700) |
| Total equity | 8,022,522 | 14,366,251 |
| | | |
| Non-current liabilities | | |
| Interest bearing borrowings | 6,533,657 | 5,590,856 |
| Lease liabilities | 184,976 | 203,879 |
| Deferred tax liabilities | 255,779 | 178,071 |
| Employee benefit liabilities | 128,178 | 140,555 |
| | 7,102,590 | 6,113,361 |
| | | |
| Current liabilities | | |
| Trade and other payables | 1,963,153 | 188,140 |
| Amounts due to related parties | 55,229 | 49,171 |
| Other current financial liabilities | 25,947,776 | 22,674,666 |
| Current portion of interest bearing borrowings | 7,357,457 | 7,438,756 |
| Current portion of lease liabilities | 38,356 | 37,495 |
| Other current liabilities Bank overdrafts | 128,979 236,206 | 63,012 150,329 |
| Dalik Overalate | 35,727,156 | 30,601,569 |
| Total equity and liabilities | 50,852,268 | 51,081,181 |
| 1 7 | , | - , , |

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 Director

01 December 2023 Colombo

COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY

| COPII ANT | | Fair value | | |
|----------------------------|-------------------|--|-----------------|-------------|
| <u>In Rs. '000</u> | Stated capital | reserve of financial assets at FVOCI | Revenue reserve | Total |
| As at 01 April 2022 | 12,119,235 | (24,700) | 2,271,716 | 14,366,251 |
| Loss for the period | - | - | (6,378,083) | (6,378,083) |
| Other comprehensive income | - | 4,300 | 30,054 | 34,354 |
| Total comprehensive income | - | 4,300 | (6,348,029) | (6,343,729) |
| As at 31 March 2023 | 12,119,235 | (20,400) | (4,076,313) | 8,022,522 |
| As at 01 April 2021 | 12,119,235 | (20,300) | 2,896,138 | 14,995,073 |
| Loss for the period | - | - | (616,819) | (616,819) |
| Other comprehensive loss | - | (4,400) | (7,603) | (12,003) |
| Total comprehensive income | <u>-</u> | (4,400) | (624,422) | (628,822) |
| As at 31 March 2022 | 12,119,235 | (24,700) | 2,271,716 | 14,366,251 |

COMPANY STATEMENT OF CASH FLOW

| In Rs. '000 | Un-audited 12 months to 31-03-2023 | Audited 12 months to 31-03-2022 |
|---|--|---------------------------------------|
| CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES | | _ |
| Loss before tax | (6,303,256) | (570,828) |
| Adjustments for: | (2 | // === == /\ |
| Finance income Dividend income | (3,537,717) (17,767) | (1,723,751) (1,712,285) |
| Finance cost | 9,802,791 | 3,309,939 |
| Change in fair value of investment property | (117,445) | (117,005) |
| Provisions for/ write-off of impaired receivables | 49,889 | 820,311 |
| Gratuity provision and related costs Depreciation of property, plant and equipment | 32,181 28,490 | 22,180 27,429 |
| Amortisation right of use assets | 48,434 | 34,684 |
| Profit on sale of property, plant and equipment | 28 | (6,157) |
| Amortisation/ impairment of intangible assets | 4,694 | 2,269 |
| Profit/ (loss) before working capital changes | (9,678) | 86,786 |
| Increase in inventories | (281) | - |
| (Increase)/ decrease in trade and other receivable | 1,408,663 | (1,076,161) |
| (Increase)/ decrease in other current assets (Increase)/ decrease in amount due from related parties | 10,950 (1,705,187) | (22,433) 404,377 |
| Increase in trade and other payables | 1,775,013 | 112,488 |
| Increase/ (decrease) in amount due to related parties | 5,967 | (31) |
| Increase/ (decrease) in other current liabilities | 65,966 | (5,545) |
| Decrease in deferred income Cash generated from/ (used in) operations | 1,551,413 | (3,604) (504,123) |
| | 2 542 643 | 1 524 076 |
| Finance income received Finance expenses paid | 3,542,017 (8,802,228) | 1,524,976 (3,284,141) |
| Dividend received | 17,767 | 1,712,285 |
| Tax paid | (10,001) | (21,787) |
| Gratuity paid | (1,533) | (5,002) |
| Net cash flow used in operating activities | (3,702,565) | (577,792) |
| CASH FLOWS FROM/ (USED IN) INVESTING ACTIVITIES | | |
| Purchase and construction of property, plant and equipment | (25,728) | (20,787) |
| Addition to intangible assets | (4,226) | (3,127) |
| Increase in interest in subsidiaries | (32,771) | (1,389,162) |
| (Purchase)/ disposal of other non current financial assets | | (133,789) |
| (Purchase)/ disposal of short term investments (net) | 665,561 | (679,075) |
| Proceeds from sale of property, plant and equipment Net cash flow from/ (used in) investing activities | 602,836 | 11,682 (2,214,258) |
| · · · · · · · | 302/333 | (=/== :/===) |
| CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES Proceeds from long term borrowings | 4,607,284 | 4,489,852 |
| Repayment of long term borrowings | (4,721,736) | (4,809,888) |
| Repayment of lease liabilities | (65,762) | (49,149) |
| Proceeds from/ (repayment of) short term borrowings (net) | 3,273,110 | 3,119,906 |
| Net cash flow from financing activities | 3,092,896 | 2,750,721 |
| NET INCREASE/ (DECREASE) IN CASH AND CASH | | . |
| EQUIVALENTS | (6,833) | (41,329) |
| CASH AND CASH EQUIVALENTS AT THE END | 1,335,243 | 1,376,572 |
| CASH AND CASH EQUIVALENTS AT THE END | 1,328,410 | 1,335,243 |
| ANALYSIS OF CASH AND CASH EQUIVALENTS | | |
| Favourable balances Cash in hand and at bank | 1,564,616 | 1,485,572 |
| Unfavourable balances | 1,304,010 | 1,703,372 |
| Bank overdrafts | (236,206) | (150,329) |
| Cash and cash equivalents | 1,328,410 | 1,335,243 |

NOTES TO THE FINANCIAL STATEMENTS

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

| n Technology | Leisure & | Dramartu | Retail & Teleco | | Autom | ahilaa | Financial | Comisse | Healthcar | o Comileos | Oth | | т. | otal | Eliminations/ C adjustm | | Gre | |
|--------------|---|--|--|--|-------------|-------------|-------------|--|-------------|-------------|-------------|--|--------------|--|----------------------------|-------------|---|---|
| 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| 7 799 947 | 2.281.237 | 1 276 819 | 37.041.513 | 59 104 067 | 1.809.342 | 588 674 | 24.760.049 | 22 745 454 | 25.357.306 | 23 071 791 | 795.916 | 1 016 441 | 101.186.710 | 115 603 193 | _ | _ | 101.186.710 | 115,603,193 |
| | | | | | | | | | | | | | | | _ | _ | | (4,374,518) |
| | | | | | | | | | | | | | | | _ | | | 111,228,675 |
| 0,700,344 | 2,227,307 | 1,223,362 | 35,632,603 | 57,630,163 | 1,763,349 | 304,193 | 24,009,003 | 22,397,401 | 24,700,272 | 22,330,970 | 0,400 | 3,916 | 97,236,763 | 111,220,073 | - | | 97,236,703 | 111,220,075 |
| 945 422 | (625.737) | (647 485) | 2.395.737 | 897 600 | 307.312 | (182 284) | (3.487.031) | 3 369 762 | 5.904.158 | 5 807 038 | (188.157) | (808 238) | 5.515.034 | 9 381 815 | 300.912 | 645 926 | 5.815.946 | 10,027,741 |
| 3 13/ 122 | (020,707) | (0 17 103) | 2,050,707 | 037,000 | 507,512 | (102,201) | (5).07,002) | 3,303,702 | 5,50 .,250 | 3,007,030 | (200,207) | (000,230) | 5,525,65 | 3,501,015 | 500,512 | 0.0,520 | 3,023,510 | 10/02/// 11 |
| 39,094 | 15,304 | 10,247 | 1,736,835 | 842,684 | 1,819 | 2,821 | 7,452,323 | 4,177,890 | 2,452,791 | 269,518 | 3,562,027 | 3,441,853 | 15,407,505 | 8,784,107 | (7,779,851) | (4,076,243) | 7,627,654 | 4,707,864 |
| | • | (1,404,948) | | | | | | | | , | | | | | | | | (13,728,388) |
| 12.700 | - | - | | | - | - | - | - | - | - | | | | | | | | 157,920 |
| | _ | | , | | _ | | _ | | _ | | | | | | - | (,, | | (12,574) |
| | _ | _ | _ | | _ | _ | (1 049 266) | (4 713 950) | _ | _ | 30,031 | (12,371) | | | | | | (4,713,850) |
| 171.067 | (2.122.000) | (2.042.406) | (10.402.550) | (F.016.000) | (106.071) | (272.046) | | (1): == (===) | 2 100 240 | 4 772 420 | (6.366.306) | (570 (21) | | , | (626.022) | (1 (20 045) | | |
| 1/1,86/ | (3,123,908) | (2,042,186) | (10,492,558) | (5,916,890) | (196,871) | (2/2,046) | (487,678) | 1,934,104 | 3,196,346 | 4,773,430 | (6,266,286) | (5/0,621) | (10,851,112) | (1,922,342) | (626,922) | (1,038,945) | (17,478,034) | (3,561,287) |
| (34 543) | 7 706 | 176 222 | E47 016 | (125.240) | _ | (10.720) | (1 669 917) | (742 124) | (1 507 625) | (054.675) | (70 672) | (48 045) | (2.614.656) | (1 720 024) | (430 036) | 22.425 | (3 054 592) | (1,716,499) |
| (34,343) | 7,790 | 170,332 | 347,910 | (123,249) | - | (10,720) | (1,000,017) | (/12,121) | (1,307,023) | (334,073) | (75,072) | (10,515) | (2,014,030) | (1,733,324) | (439,920) | 23,723 | (3,034,302) | (1,/10,755) |
| 137.324 | (3.116.112) | (1.865.854) | (9.944.642) | (6.042.139) | (196.871) | (282,766) | (2.156.495) | 1.191.980 | 1.688.721 | 3.818.755 | (6.345.958) | (619,566) | (19.465.768) | (3.662.266) | (1.066.848) | (1.615.520) | (20.532.616) | (5,277,786) |
| | (=/==-/==-/ | (-/// | (-/- : -/- : -/ | (5/5 12/257) | (===/===/ | (===// | (=,===,===, | | | -,, | (-/// | (===)===) | (==,:==,:==, | (-/// | (-//- | (-/// | (==/===/===/ | (-) |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | 24,534 | (18,983) | | 3,508,460 |
| | | | | | 14,046 | 13,710 | | | 146,542 | | | | | | | | | 1,828,595 |
| | | | | | | - | | | 9 | | | | | | 146,272 | 146,272 | | 319,553 |
| | | | | | | | | | | | | | | | - | - | | 302,647 |
| | | | | | 8,817 | 1,014 | | | 1,453,825 | 1,2/6,432 | | | | | - | - | | 3,534,081 29,790 |
| 3 5 9 | 7,799,947 5) (1,091,603) 6,708,344 2 945,422 5 39,094 (825,349) 12,700 3 171,867 5 (34,543) 0 137,324 0 38,262 34,971 77,159 1 25,875 | 7 7,799,947 2,281,237 5) (1,091,603) (53,930) 1 6,708,344 2,227,307 2 945,422 (625,737) 5 39,094 15,304 5) (2,513,475) 1 12,700 3 171,867 (3,123,908) 5 (34,543) 7,796 1 137,324 (3,116,112) 1 38,262 567,152 3 4,971 3,247 1 77,159 2,208 1 25,875 14,682 3 46,038 75,168 | 7 7,799,947 2,281,237 1,276,819 5) (1,091,603) (53,930) (51,237) 1 6,708,344 2,227,307 1,225,582 2 945,422 (625,737) (647,485) 5 39,094 15,304 10,247 5 (825,349) (2,513,475) (1,404,948) 1 12,700 | 7 7,799,947 2,281,237 1,276,819 37,041,513 (5) (1,091,603) (53,930) (51,237) (1,208,908) (6,708,344 2,227,307 1,225,582 35,832,605) (2 945,422 (625,737) (647,485) 2,395,737 (5 39,094 15,304 10,247 1,736,835 (5) (825,349) (2,513,475) (1,404,948) (14,702,616) (77,486 (77, | 7 7,799,947 | 7 7,799,947 | 7 7,799,947 | 7 7,799,947 2,281,237 1,276,819 37,041,513 59,104,067 1,809,342 588,674 24,760,049 (51,091,603) (53,930) (51,237) (1,208,908) (1,267,882) (45,993) (84,479) (150,386) (1,267,882) (45,993) (84,479) (150,386) (1,267,882) (45,993) (84,479) (150,386) (1,267,882) (45,993) (84,479) (150,386) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,267,882) (1,269,963) (1,267,882) (1,269,963) (1,267,882) (1,269,963) (1,268,9 | 7 7,799,947 | 7 7,799,947 | 7 7,799,947 | 7 7,799,947 2,281,237 1,276,819 37,041,513 59,104,067 1,809,342 588,674 24,760,049 22,745,454 25,357,306 23,071,791 795,916 (1,091,093) (53,930) (51,237) (1,208,908) (1,267,882) (45,993) (84,479) (150,386) (147,973) (571,034) (720,821) (789,510) (1,091,093) (53,930) (51,237) (1,225,582 35,832,605 57,836,185 1,763,349 504,195 24,609,663 22,597,481 24,786,272 22,350,970 6,406 (1,091,093) (| 7 7,799,947 | 7 7,799,947 2,281,237 1,276,819 37,041,513 59,104,067 1,809,342 588,674 24,760,049 22,745,454 25,357,306 23,071,791 795,916 1,016,441 101,186,710 (1,091,603) (53,930) (51,237) (1,208,908) (1,267,882) (45,993) (84,479) (150,386) (147,973) (571,034) (720,821) (789,510) (1,010,523) (3,947,947) (1,010,523) (1 | 7 7,799,947 | 7 7,799,947 | 7 7,799,947 2,281,237 1,276,819 37,041,513 59,104,067 1,809,342 588,674 24,760,049 22,745,454 25,357,306 23,071,791 795,916 1,016,441 101,186,710 115,603,193 | 7 7,799,947 2,281,237 1,276,819 37,041,513 59,104,067 1,809,342 588,674 24,760,049 22,745,454 25,357,306 23,071,791 795,916 1,016,441 101,186,710 115,603,193 |

| REVENUE AND PROFIT In Rs. '000 Information Technology Leisure & Property | | Retail & Telecommunication Automobiles | | Financial Services Healthcare Services | | Others Total | | Eliminations/ Consolidation al adjustments Gro | | | oup | | | | | | | | | |
|---|--|--|--|---|--|--|--|---|--|---|---|--|---|--|--|---|--------------------------------------|--|--|---|
| For the three months ended 31 March | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Continuing operations | | | | | | | | | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | | | | | | | | | |
| Total revenue | 2,633,293 | 1,873,280 | 830,353 | 645,015 | 8,148,545 | 12,904,590 | 514,290 | 97,896 | 6,455,247 | 6,328,514 | 6,792,713 | 5,863,282 | 206,299 | 254,205 | 25,580,740 | 27,966,782 | - | - | 25,580,740 | 27,966,782 |
| Inter group | (248,180) | (378,151) | (11,767) | (20,600) | (214,838) | (326,759) | (9,232) | (10,338) | (38,849) | (37,562) | (155,862) | (135,567) | (204,683) | (252,726) | (883,411) | (1,161,703) | - | - | (883,411) | (1,161,703) |
| Total external revenue | 2,385,113 | 1,495,129 | 818,586 | 624,415 | 7,933,707 | 12,577,831 | 505,058 | 87,558 | 6,416,398 | 6,290,952 | 6,636,851 | 5,727,715 | 1,616 | 1,479 | 24,697,329 | 26,805,079 | _ | - | 24,697,329 | 26,805,079 |
| Operating profit/ (loss) | 218,178 | 250,863 | (23,737) | 34,213 | (137,451) | (2,492,974) | 428,576 | (239,650) | (2,462,917) | (227,418) | 1,722,288 | 1,518,094 | (100,960) | (981,811) | (356,023) | (2,138,683) | 149,298 | 702,819 | (206,725) | (1,435,864) |
| Finance income | 49,570 | 14,306 | (21,303) | 953 | 309,672 | 479,605 | 32 | 2,770 | 1,562,862 | 1,977,639 | 714,193 | 127,996 | 622,772 | 1,187,768 | 3,237,798 | 3,791,037 | (1,853,164) | (1,426,785) | 1,384,634 | 2,364,252 |
| Finance expenses | (192,484) | (749,836) | (589,926) | (1,030,658) | (2,936,139) | (5,222,812) | (124,566) | (24,502) | (751,162) | (61,005) | (1,435,195) | (413,057) | (2,625,557) | (932,963) | (8,655,029) | (8,434,833) | 1,438,594 | 839,913 | (7,216,435) | (7,594,920) |
| Change in fair value of investment property | 134,500 | 12,700 | - | - | 77,486 | 689,380 | - | - | - | - | - | - | 117,445 | 117,005 | 329,431 | 819,085 | (251,945) | (661,165) | 77,486 | 157,920 |
| Share of profit/ (loss) of equity accounted investees | - | - | - | - | - | - | - | - | - | - | - | - | 33,096 | (741) | 33,096 | (741) | - | - | 33,096 | (741) |
| Change in insurance contract liabilities | _ | - | - | - | - | - | - | - | 73,208 | (1,695,599) | - | - | - | - | 73,208 | (1,695,599) | - | - | 73,208 | (1,695,599) |
| Profit/ (loss) before taxation | 209,764 | (471,967) | (634,966) | (995,492) | (2,686,432) | (6,546,801) | 304,042 | (261,382) | (1,578,009) | (6,383) | 1,001,286 | 1,233,033 | (1,953,204) | (610,742) | (5,337,519) | (7,659,734) | (517,217) | (545,218) | (5,854,736) | (8,204,952) |
| Tax expense | 179,317 | 105,131 | 7,796 | 175,308 | 688,260 | 204,595 | - | (10,720) | (539,714) | (247,674) | (557,710) | (231,478) | (75,899) | (46,565) | (297,950) | (51,403) | (439,926) | 23,425 | (737,876) | (27,978) |
| Profit/ (loss) after taxation | 389,081 | (366,836) | (627,170) | (820,184) | (1,998,172) | (6,342,206) | 304,042 | (272,102) | (2,117,723) | (254,057) | 443,576 | 1,001,555 | (2,029,103) | (657,307) | (5,635,469) | (7,711,137) | (957,143) | (521,793) | (6,592,612) | (8,232,930) |
| Depreciation of property, plant & equipment (PPE) Amortisation of ROU assets Amortisation/ impairment of intangible assets Retirement benefit obligations and related cost Purchase and construction of PPE Additions to intangible assets | 7,289 1,367 19,579 23,577 7,179 184 | 6,692 28,628 11,028 10,084 26,617 3,321 | 154,215 3,247 424 3,645 32,715 | 147,627 801 1,634 2,972 5,457 | 336,991 339,851 10,958 24,554 208,697 5,258 | 334,984 427,476 20,716 28,008 848,348 1,868 | 5,977 3,716 - 2,396 8,800 - | 6,827 3,380 - 615 537 | 41,447 98,897 9,033 13,570 63,006 4,059 | 45,668 103,018 10,351 7,712 28,031 8,409 | 396,244 35,345 - 63,416 211,346 | 329,246 41,994 4 7,096 248,807 | 6,804 6,092 2,860 22,348 1,332 4,225 | 7,012 11,021 1,294 13,444 4,478 3,127 | 948,967 488,515 42,854 153,506 533,075 13,726 | 878,056 616,318 45,027 69,931 1,162,275 16,725 | 24,534 - 36,568 - - - | (18,983) - 36,568 - - - | 973,501 488,515 79,422 153,506 533,075 13,726 | 859,073 616,318 81,595 69,931 1,162,275 16,725 |

Note: Figures in brackets indicate deductions.

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 months ended 31 March 2023 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 March 2023 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.

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 March 2023 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 twelve months ended 31 December 2022 - Rs. 4,263 Mn (2021 - Rs. 2,527 Mn)

For the quarter ended 31 March 2023 - Rs. 730 Mn (2022 - Rs. 845 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 March 2023.

| 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 | 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 | - | (798,004) | (798,004) |
| Surplus created due to change in valuation method - One off surplus as at 31 March 2023 | 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 2023

| | | | Market value as at 31 |
|-------------------------------|--------------|-------------|--------------------------|
| Asset Category | ISIN No. | Face value | March 2023 Rs. '000 |
| Government Securities | | | |
| Treasury Bonds | LKB00628A153 | 100,000,000 | 82,063 |
| , | LKB00628A153 | 110,000,000 | 90,270 |
| | LKB00628A153 | 100,000,000 | 82,063 |
| | LKB00628A153 | 100,000,000 | 82,063 |
| | LKB00931E153 | 100,000,000 | 81,530 |
| | LKB00931E153 | 100,000,000 | 81,530 |
| | LKB00931E153 | 120,000,000 | 97,836 |
| | LKB00931E153 | 100,000,000 | 81,530 |
| | LKB00931E153 | 100,000,000 | 81,530 |
| | LKB00931E153 | 100,000,000 | 81,530 |
| | LKB01528I017 | 100,000,000 | 60,529 |
| Total market value of the ass | ets | _ | 902.474 |

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 | 31-03-2023 |
|--|------------|
| 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 | 31-03-2023 |
|---|-------------|
| 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_ |
| | 720,337,017 |

5.3 Twenty largest shareholders of the company are as follows:

| | As at | Number of shares 31-03-2023 | % |
|--------|--|-----------------------------------|-------|
| 1 | Mr. A K Pathirage | | 41.35 |
| 1 2 | Samena Ceylon Holdings Ltd | 493,125,865 | 20.75 |
| 3 | Mr. H K Kaimal | 247,432,455 | 6.75 |
| - | | 80,439,792 | |
| 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 |

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 |
| As at 31 March 2023 | 1,192,543,209 |

6.2 Value of shares

| | Rs. '000 |
|---------------------|------------|
| As at 01 April 2022 | 12,119,235 |
| As at 31 March 2023 | 12,119,235 |

7. INVESTOR INFORMATION

7.1 Market value of sharesThe market value of an ordinary share of Softlogic Holdings PLC was as follows.

31-03-2023

Last traded price on (Rs.)

_

Highest price recorded for the three months ending (Rs.) Lowest price recorded for the three months ending (Rs.)

_

Market Capitalisation (Rs. Mn.)

_

7.2 Ratios

Net assets per share at the period end (Rs.)

(23.69)

7.3 Share trading information from 01 January 2023 to 31 March 2023

Number of shares traded Value of shares traded (Rs. Mn.)

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 March 2023, the Group had capital commitments contracted but not provided in the financial statements amounting to Rs. 11,939.00 Mn (31 March 2022 - Rs. 11,536.70 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.

NOTES TO THE FINANCIAL STATEMENTS

11. RELATED PARTY TRANSACTIONS

11.1 Transactions with related parties

| | | oup | Company | | |
|--|-------------------------|----------------------------|----------------------------|----------------------------|--|
| In Rs. '000 | 12 months to 31-03-2023 | 12 months to 31-03-2022 | 12 months to 31-03-2023 | 12 months to 31-03-2022 | |
| Subsidiaries | | | | | |
| (Purchases)/ sales of goods | - | - | (6,063) | (1,383) | |
| (Receiving)/ rendering of services | - | - | 576,385 | 837,007 | |
| (Purchases)/ sale of property plant & equipment | - | - | (18,819) | (12,562) | |
| Loans given/ (obtained) | - | - | (7,426,501) | (5,328,282) | |
| Interest received/ (paid) | - | - | (774,498) | 862,453 | |
| Rent received/ (paid) | - | - | 112,451 | 66,121 | |
| Dividend received | - | - | 17,767 | 1,712,285 | |
| Guarantee charges received | - | - | 275,639 | 250,692 | |
| Guarantees given/ (obtained) - as at 31 March | - | - | 39,977,402 | 35,060,323 | |
| Associates | | | | | |
| (Purchases) / sale of property plant & equipment | 7,796 | 9 | - | - | |
| (Receiving) / rendering of services | 7,779 | 3,998 | 5,855 | 5,588 | |
| Interest received / (paid) | 471 | 157 | 471 | 157 | |
| Key management personnel | | | | | |
| Advance given/ (received) | 78,387 | 1,572,321 | (1,992) | (1,992) | |
| Guarantees given/ (received) | (150,000) | (150,000) | - | - | |
| Loans given/ (customer deposits received) | (9,760) | 2,560 | - | - | |
| Advances given/ (received) | (49,511) | (44,010) | _ | - | |
| 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.

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

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

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

Related Party Transaction Committee

Prof. A S Dharmasiri - Chairman

H K Kaimal

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

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Investor Relations

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Tel : +94 11 5575 176

E-mail: investorrelations@softlogic.lk

Contact for Media

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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

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