

# **SOFTLOGIC FINANCE PLC**



## **INTERIM FINANCIAL STATEMENTS**

**For the Quarter ended  
31 December 2022**

**( Company Registration No: PB641PQ )  
No 13, De Fonseka Place, Colombo 04**

## STATEMENT OF COMPREHENSIVE INCOME

09 MONTHS PERIOD ENDED

Rs.

	03 Months Period ended 31 December		09 Months Period ended 31 December	
	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Unaudited
<b>Income</b>	<b>1,090,992,768</b>	<b>878,771,205</b>	<b>3,080,822,452</b>	<b>2,260,505,542</b>
Interest income	1,025,831,055	813,347,999	2,899,199,987	2,077,931,364
Interest expenses	(1,126,401,104)	(391,019,906)	(2,769,897,728)	(1,151,600,818)
<b>Net interest income</b>	<b>(100,570,048)</b>	<b>422,328,092</b>	<b>129,302,259</b>	<b>926,330,546</b>
Fee and commission income	19,192,470	49,793,788	57,706,960	119,315,264
Other operating income	45,969,243	15,629,419	123,915,505	63,258,914
<b>Total operating income</b>	<b>(35,408,335)</b>	<b>487,751,299</b>	<b>310,924,724</b>	<b>1,108,904,723</b>
Impairment (charge)/ reversal for loans and other losses	(157,995,326)	(34,206,411)	(458,853,040)	(154,296,234)
<b>Net Operating Income</b>	<b>(193,403,662)</b>	<b>453,544,887</b>	<b>(147,928,316)</b>	<b>954,608,489</b>
<b>Operating expenses</b>				
Personnel costs	(123,626,283)	(113,852,425)	(378,590,671)	(336,703,081)
Depreciation of property, plant and equipment	(8,250,635)	(10,836,195)	(26,285,957)	(34,123,384)
Amortization of intangible assets	(8,309,286)	(8,309,286)	(24,927,857)	(24,927,857)
Other operating expenses	(243,402,291)	(191,652,139)	(683,668,574)	(531,009,314)
<b>Operating profit / (Loss) before Value Added Tax on financial services</b>	<b>(576,992,156)</b>	<b>128,894,842</b>	<b>(1,261,401,376)</b>	<b>27,844,854</b>
VAT on financial services	-	(32,899,337)	-	(54,809,327)
<b>Profit / (Loss) before income tax</b>	<b>(576,992,156)</b>	<b>95,995,505</b>	<b>(1,261,401,376)</b>	<b>(26,964,473)</b>
Income tax Reversal/ (expense)	-	-	-	-
<b>Profit / (Loss) for the period</b>	<b>(576,992,156)</b>	<b>95,995,505</b>	<b>(1,261,401,376)</b>	<b>(26,964,473)</b>
<b>Other comprehensive income/ (expenses)</b>				
<b>Other comprehensive income not to be reclassified to profit or loss</b>				
Net gain / (loss) on equity instruments at fair value through other comprehensive income	-	-	-	2,588,523
<b>Other comprehensive income for the Period , net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,588,523</b>
<b>Total comprehensive income/(expenses) for the Period</b>	<b>(576,992,156)</b>	<b>95,995,505</b>	<b>(1,261,401,376)</b>	<b>(24,375,950)</b>
Basic earnings per Share(Rs.) - Annualised	(4.42)	0.78	(3.35)	(0.10)

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

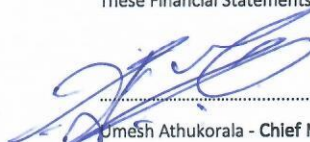
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	31/12/2022 Unaudited	31/03/2022 Audited
<b>ASSETS</b>		
Cash and Cash Equivalents	264,098,608	438,009,460
Securities purchased under repurchase agreements	1,494,114,618	1,457,460,165
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	330,778,758	-
Investment in Dealing Securities	30,600	30,600
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	8,676,736,642	11,262,883,980
Financial Assets at Amortised Cost - Loans and Receivables	10,945,093,936	9,323,826,328
Right of Use Assets	148,227,109	141,979,786
Deferred tax asset	436,374,872	436,374,872
Intangible Assets	98,502,484	123,430,339
Property, Plant & Equipment	434,471,079	485,845,674
Investment Property	103,237,000	103,237,000
Other Assets	1,576,680,698	1,605,723,052
<b>TOTAL ASSETS</b>	<b>24,508,346,403</b>	<b>25,378,801,254</b>
<b>LIABILITIES</b>		
Bank Overdraft	151,677,559	51,911,762
Financial Liabilities at Amortised Cost - Interest bearing Borrowings to Banks	126,163,228	552,913,327
Financial Liabilities at Amortised Cost - Deposits due to Customers	13,420,675,234	15,599,352,518
Financial Liabilities at Amortised Cost - Other Borrowed Funds	6,281,103,525	4,239,620,521
Other Liabilities	379,420,826	390,410,505
Lease Liability	142,044,575	134,712,424
Retirement Benefit Obligations	53,744,589	46,459,268
<b>TOTAL LIABILITIES</b>	<b>20,554,829,536</b>	<b>21,015,380,325</b>
<b>SHARE HOLDERS' FUNDS</b>		
Stated Capital	7,597,925,039	6,746,427,723
Statutory Reserve Fund	260,448,732	260,448,732
Retained Earnings	(4,064,999,785)	(2,803,598,408)
Revaluation Reserve	160,142,881	160,142,882
Available For Sale Reserve	-	-
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>3,953,516,868</b>	<b>4,363,420,929</b>
<b>TOTAL LIABILITIES AND SHARE HOLDERS' FUNDS</b>	<b>24,508,346,403</b>	<b>25,378,801,254</b>
Commitments and contingencies	582,763,003	759,541,937
<b>Net Assets Value Per Share</b>	<b>6.49</b>	<b>8.86</b>

The information contained in these statements have been extracted from the unaudited Financial Statements of the Company unless indicated as "Audited"

**CERTIFICATION:**


These Financial Statements are in compliance with the requirements of the Companies Act No 07 of 2007.

  
 Umesh Athukorala - Chief Manager

The Board of Directors are responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of Board of Directors by;

  
 Dinesh P. Renganathan - Chairman  
 Date : 9 February 2023

  
 Ms. Ivon Brohier - Acting CEO

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**PERIOD ENDED 31ST DECEMBER**

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Rs.

	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	Available for Sale Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2021</b>	<b>4,506,759,983</b>	<b>260,448,732</b>	<b>138,505,682</b>	<b>(2,588,523)</b>	<b>(1,875,236,009)</b>	<b>3,027,889,864</b>
Profit/(Loss) for the 9 month period	-	-	-	-	(24,375,950)	(24,375,950)
Rights Issue shares	2,239,667,740	-	-	-	-	2,239,667,740
Gain / (Loss) on share valuation	-	-	-	2,588,523	(2,588,523)	-
Other comprehensive income, net of tax	-	-	-	-	620,748	620,748
Transfer to Statutory Reserve Fund	-	-	-	-	-	-
<b>Balance as at 31 December 2021</b>	<b>6,746,427,723</b>	<b>260,448,732</b>	<b>138,505,682</b>	<b>(0)</b>	<b>(1,901,579,735)</b>	<b>5,243,802,402</b>
<b>Balance as at 1 April 2022</b>	<b>6,746,427,723</b>	<b>260,448,732</b>	<b>160,142,881</b>	<b>-</b>	<b>(2,803,598,409)</b>	<b>4,363,420,927</b>
Profit/(Loss) for the 9 month period	-	-	-	-	(1,261,401,376)	(1,261,401,376)
Rights Issue shares	851,497,316	-	-	-	-	851,497,316
Gain / (Loss) on share valuation	-	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	-	-	-	-
<b>Balance as at 31 December 2022</b>	<b>7,597,925,039</b>	<b>260,448,732</b>	<b>160,142,881</b>	<b>-</b>	<b>(4,064,999,785)</b>	<b>3,953,516,868</b>

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED**

	Rs.	
	31/12/2022	31/12/2021
	Unaudited	Unaudited
<b>Cash flows from operating activities</b>		
Net profit/(Loss) before taxation	(1,261,401,376)	(26,964,473)
<b>Adjustments for ,</b>		
Depreciation	26,285,957	34,123,384
Amortization of intangible assets	24,927,857	24,927,857
Profit on disposal of property, plant and equipment	(26,474,854)	(1,904,326)
(Gain)/loss from disposal of available for sale investments	-	620,748
Impairment charge on bad and doubtful debts	458,853,040	154,296,234
Provision for defined benefit plans	13,320,000	13,077,971
Interest expenses	2,769,897,728	1,151,600,818
<b>Operating profit before working capital changes</b>	<b>2,005,408,353</b>	<b>1,349,778,213</b>
(Increase)/Decrease in Financial Assets at Amortised Cost - Lease & HP rental Receivables	2,468,653,708	(4,857,065,044)
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	(1,962,627,020)	1,030,071,777
(Increase)/Decrease in Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	(330,778,758)	300,809,707
(Increase)/Decrease in Placements with Banks and Other Finance Companies	(36,654,453)	(250,035,705)
(Increase)/Decrease in financial investments - Financial assets measured at FVTOCI	-	40,018,290
(Increase)/Decrease in other assets	22,795,031	(660,193,551)
(Decrease)/Increase in amounts due to customers	(2,178,677,284)	694,309,987
Increase/(Decrease) in other payables	(3,657,528)	247,568,358
<b>Cash generated from operations</b>	<b>(15,537,952)</b>	<b>(2,104,737,969)</b>
Interest paid	(2,769,897,728)	(1,151,600,818)
Defined benefit plan costs paid	(6,034,680)	(10,614,116)
<b>Net cash generated from operating activities</b>	<b>(2,791,470,360)</b>	<b>(3,266,952,903)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & Intangible Assets	(17,813,008)	(24,455,152)
Purchase of investment property	-	(103,237,000)
Proceeds from disposal of property, plant and equipment	69,376,500	4,271,204
<b>Net cash used in investing activities</b>	<b>51,563,492</b>	<b>(123,420,949)</b>
<b>Cash flows from financing activities</b>		
Proceed from long term borrowings-Bank Loan	1,815,910,923	1,622,432,095
Repayment of long term borrowings- Bank Loan	(2,969,963,150)	(1,987,710,875)
Rights issue of shares	851,497,316	2,239,667,740
Proceed from Subordinated Loan	-	900,000,000
Proceeds from commercial papers	14,958,125,514	100,000,000
Repayment of commercial papers	(12,189,340,384)	(66,000,000)
<b>Net cash (used in) / generated from financing activities</b>	<b>2,466,230,219</b>	<b>2,808,388,961</b>
Net Increase/ (decrease) in cash and cash equivalents	(273,676,649)	(581,984,891)
Cash and cash equivalents at the beginning of the year	386,097,698	582,102,288
<b>Cash and cash equivalents at the end of the period</b>	<b>112,421,049</b>	<b>117,397</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash, bank balance and short term investments	264,098,608	276,813,532
Bank overdrafts	(151,677,559)	(276,696,135)
<b>Cash and cash equivalents at the end of the period</b>	<b>112,421,049</b>	<b>117,397</b>

**SOFTLOGIC FINANCE PLC**  
**ANALYSIS OF FINANCIAL INSTRUMENTS BY MEASUREMENT BASIS**

Rs.							
	Financial Assets recognised through Profit or Loss (FVTPL)		Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)		Financial Assets at Amortised Cost (AC)		Total
As at	31.12.2022	31.03.2022	31.12.2022	31.03.2022	31.12.2022	31.03.2022	31.12.2022 31.03.2022
<b>Assets</b>							
Cash and Cash Equivalents	-	-	-	-	264,098,608	438,009,460	264,098,608 438,009,460
Placements with Banks and Other Finance Companies	-	-	-	-	-	-	- -
Securities purchased under repurchase agreements	-	-	-	-	1,494,114,618	1,457,460,165	1,494,114,618 1,457,460,165
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	330,778,758	-	-	-	-	-	330,778,758 -
Financial Assets at Amortised Cost - Loans and Receivables to Other Customers	-	-	-	-	10,945,093,936	9,323,826,328	10,945,093,936 9,323,826,328
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	-	-	-	-	8,676,736,642	11,262,883,980	8,676,736,642 11,262,883,980
Investment in Dealing Securities	-	-	30,600	30,600	-	-	30,600 30,600
Financial Assets at Amortised Cost - Other Financial Assets	-	-	-	-	1,576,680,698	1,605,723,052	1,576,680,698 1,605,723,052
<b>Total Financial Assets</b>	<b>330,778,758</b>	<b>-</b>	<b>30,600</b>	<b>30,600</b>	<b>22,956,724,502</b>	<b>24,087,902,984</b>	<b>23,287,533,860 24,087,933,584</b>

Rs.				
	Financial Liabilities at Amortised Cost (AC)		Total	
As at	31.12.2022	31.03.2022	31.12.2022	31.03.2022
<b>Liabilities</b>				
Bank Overdrafts	151,677,559	51,911,762	151,677,559	51,911,762
Financial Liabilities at Amortised Cost - Interest bearing Borrowings to Banks	126,163,228	552,913,327	126,163,228	552,913,327
Financial Liabilities at Amortised Cost - Deposits due to Customers	13,420,675,234	15,599,352,518	13,420,675,234	15,599,352,518
Financial Liabilities at Amortised Cost - Other Borrowed Funds	6,281,103,525	4,239,620,521	6,281,103,525	4,239,620,521
Lease Liabilities	142,044,575	134,712,424	142,044,575	134,712,424
<b>Total Financial Liabilities</b>	<b>20,121,664,121</b>	<b>20,578,510,551</b>	<b>20,121,664,121</b>	<b>20,578,510,551</b>

1. The above figures are provisional and subject to audit.
2. Information on shares for the quarter ended December 31, 2022 as given below.

<b>Market Price per Share (Rs.)</b>	<b>CRL.N0000</b>	<b>CRL.R0000</b>
Highest	12.90	5.00
Lowest	6.80	0.20
Closing	11.30	0.20
<b>Ratios</b>		
Debt to equity ratio (Times)	5.20	
Liquid assets ratio (%) – Statutory Minimum 10%	10.54	

3. There are no changes in the accounting policies and methods of computations since the publication of Annual report for the year ended March 31, 2022.
4. The Interim Financial Statements are in compliance with Sri Lanka Accounting Standards LKAS 34 - Interim Financial Reporting and provide the information required by the Colombo Stock Exchange.
5. The presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.
6. There has been no significant change in the nature of the contingent liabilities, which were disclosed in the Annual report for the year ended March 31, 2022.
7. No circumstances have arisen since the statement of financial position date, which would require adjustments to or disclosure in the financial statements other than the right issue note disclosed in the note no 14.4

#### **8. Capital Adequacy Ratio**

Softlogic Finance PLC is fully compliant with the Capital adequacy ratio Both Tier 1 & Tier 2 as set out in the Direction No.03 of 2018 of Finance Business Act as of 31 March 2022 However with the implementation of new Direction no 01 of 2020 Classification & Measurement of Credit Facilities w.e.f 01.04.2022, Company Capital adequacy requirement (Both Tier 1 & Tier 2) are below the minimum requirement since April 2022.

**9. Twenty Major Shareholders as at 31 December 2022**

Name	No. of Shares	(%)
SOFTLOGIC CAPITAL PLC, PAN ASIA BANKING CORPORATION PLC/SOFTLOGIC CAPITAL PLC	565,354,947	92.80%
SOFTLOGIC LIFE INSURANCE PLC-A/C NO. 04 (PARTICIPATING FUND)	15,688,030	2.58%
SOFTLOGIC HOLDINGS PLC	5,657,598	0.93%
VANIK INCORPORATION LTD	5,376,068	0.88%
MR. KULAPPUARACHCHIGE DON DAMMIKA PERERA	3,154,253	0.52%
L.B. FINANCE LIMITED.	2,090,000	0.34%
PEOPLES BANK/ASOKA KARIYAWASAM PATHIRAGE	1,653,822	0.27%
HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	1,277,302	0.21%
PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	688,675	0.11%
MERCHANT BANK OF SRI LANKA & FINANCE PLC/B. JANEGAN	588,916	0.10%
HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	300,000	0.05%
MR. PITIGALAGE BUDDHIKA CHANDRADEEPA KURERA	183,100	0.03%
MR. DICKOWITA KANKANAMGE ATHULA KITHSIRI WEERATHUNGA	175,150	0.03%
SAMPATH BANK PLC/MR. ABISHEK SITHAMPALAM	159,782	0.03%
MRS. PAMELA CHRISTINE COORAY	132,444	0.02%
ALLIED SECURITY SERVICES (PVT) LTD	118,742	0.02%
MERCHANT BANK OF SRI LANKA & FINANCE PLC 01	112,056	0.02%
SEYLAN BANK LIMITED/JAMES HENRY PAUL RATNAYAKE	109,646	0.02%
PEOPLE'S LEASING & FINANCE PLC/L.H.L.M.P.HARADASA	107,850	0.02%
MR. ADDARA PATHIRANAGE SOMASIRI	100,000	0.02%
PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA & MRS.G.SOYSA	100,000	0.02%
MR. SENAWIRATHNA EPARALALAGE CHATHURANGA PRABHATH SENAWIRATHNA	100,000	0.02%
MR. WELIWATTAGE LUCILLE PERERA WIJEWARDENA	100,000	0.02%
	603,328,381	99.03%
Others	5,882,422	0.97%
<b>Total</b>	<b>609,210,803</b>	<b>100.00%</b>

**10. Directors' Shareholding as at 31 December 2022**

Names of Directors	No. of Shares	(%)
1. Mr. Dinesh P. Renganathan	Nil	Nil
2. Mr. M.H Priyantha Wijesekera (Resigned w.e.f. 27 October 2022)	Nil	Nil
3. Mr. H. K. Kaimal	Nil	Nil
4. Mr. Manilka Fernando	Nil	Nil
5. Ms. Aruni Goonetilleke	Nil	Nil
6. Mr. A.C. Mohamed Lafir	Nil	Nil
7. Mr. P.T. Wanigasekara	Nil	Nil
8. Mr. H.S. Samantha Dabare	Nil	Nil

**11. Public shareholding as at 31 December 2022**

Public holding	20,856,406	3.42%
Number of public shareholders	1,964	

**12. Float adjusted market Capitalization as at 31 December 2022**

	Threshold	Compliance (Y/N)	Value
Float adjusted market Capitalization (Rs)	Less than 1 Bn	Yes	235,435,607
Minimum Public Holding (%)	Minimum 10%	No	3.42%

In terms of Rule 7.13.1(b) of the Listing Rules of Colombo Stock Exchange, Softlogic Finance PLC is hereby announced that the Company is non-compliant with the Public Holding percentage as specified in Rule 7.14.(b) of the Listing Rules.



**13 RELATED PARTY TRANSACTIONS**

Details of significant related party disclosures are as follows:

**13.1 Transactions with Key Managerial Personnel (KMPs)**

Key Managerial Personnel includes Members of the Board of Directors of the Company and of it's Holding Company.

Short-term employee benefits for the period Rs. 34,023,066

**13.2 Transactions, arrangements and agreements involving KMPs and their close members of the family**

The following provides the total amount of transactions which have been entered in to with Key Managerial Personnel and their close family members.

Time Deposits Rs. 10,036,012  
Savings Deposits Rs. 411,135

**13.3 Transactions with Group Companies**

The Company enters into transactions with group companies and the following tables shows the outstanding balances and corresponding transactions during the period ended December 31, 2022

Rs.

Company	Relationship	(Receivables) /Payables	Loans, Advances & Investments	Borrowings / Deposits	Income Earned	Cost Incurred	Plant & Equip. Purchased / (sold)
Softlogic Capital PLC	Parent Company	150,000	-	1,139,017,832	-	301,773,829	-
Softlogic Corporate Services (Pvt) Ltd	Affiliated Company	-	-	-	-	2,847,823	-
Softlogic Brands (Pvt) Ltd	Group Company	-	-	327,866	-	14,367	-
Softlogic Holdings PLC	Ultimate Parent Company	3,607,841	-	-	-	21,948,787	-
Softlogic Retail (Pvt) Ltd	Affiliated Company	600,956	-	297	-	1,332,512	-
Softlogic Information Technologies (Pvt) Ltd	Affiliated Company	-	-	-	-	270,000	-
Softlogic BPO Services (Pvt) Ltd	Affiliated Company	-	1,730,713	-	225,066	35,057,379	-
Softlogic Asset Management (Pvt) Ltd	Affiliated Company	-	-	-	-	97,741	-
Future Automobiles (Pvt) Ltd	Affiliated Company	102,844	-	-	-	37,427,844	-
Softlogic Life PLC	Affiliated Company	(623,843)	-	-	-	5,202,554	-

**SOFTLOGIC FINANCE PLC**  
**EXPLANATORY NOTES (Contd.)**
**14 Utilisation of funds raised via capital market.**

**14.1** The company has raised funds via the capital market through a rights issue on 20th December 2019. The progress of utilisation of the capital raised as per the objectives stated in the right issue circular is given below.

Objective number	Objective as per Circular	Amount allocated as per Circular in Rs.	Proposed date of utilisation as per Circular	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amount utilised in Rs. (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including if not utilized where are the funds invested
(a)	To Settle the utilized overdraft facilities of the company	474,880,432	Within 2 monhs from the completion of the Rights Issue	474,880,432	79%	474,880,432	100%	N/A
(b)	To expand the lending activities of the company	127,614,800	Within 2 monhs from the completion of the Rights Issue	127,614,800	21%	127,614,800	100%	N/A
		<b>602,495,232</b>		<b>602,495,232</b>	<b>100%</b>	<b>602,495,232</b>		

**14.2** The company has raised funds further via the capital market through a rights issue on 15th December 2020. The progress of utilisation of the capital raised as per the objectives stated in the right issue circular is given below.

Objective number	Objective as per Circular	Amount allocated as per Circular in Rs.	Proposed date of utilisation as per Circular	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amount utilised in Rs. (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including if not utilized where are the funds invested
(a)	To repay maturity liabilities	1,901,994,752	Within 6 months from the completion of the Rights issue	1,901,994,752	100%	1,901,994,752	100%	N/A
(b)	To increase the secured lending portfolio to the required regulatory levels (i) Leasing (ii) Other lending							
		<b>1,901,994,752</b>		<b>1,901,994,752</b>	<b>100%</b>	<b>1,901,994,752</b>		

**14.3** The company has raised funds further via the capital market through a rights issue on 26th August 2021. The progress of utilisation of the capital raised as per the objectives stated in the right issue circular is given below.

Objective number	Objective as per Circular	Amount allocated as per Circular in Rs.	Proposed date of utilisation as per Circular	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amount utilised in Rs. (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including if not utilized where are the funds invested
(a)	To improve the Capital adequacy ratio	-	Immediate	-	0%	-	0%	N/A
(b)	To repay maturity liabilities, utilize in the lending and other business operations.	2,239,667,740	Within 6 months from the completion of the Rights issue	2,239,667,740	100%	2,239,667,740	100%	N/A
(c)	To increase the secured lending portfolio to the required regulatory levels (i) Leasing (ii) Other lending *							
		<b>2,239,667,740</b>		<b>2,239,667,740</b>	<b>100%</b>	<b>2,239,667,740</b>		

\* The maturity liabilities mentioned above under objective (c), include forecasted outflow of fixed deposits. If the outflow is less than expected and as a result if any proceeds from the rights remain unutilized, such amount will be utilized in lending and other business operations.

**14.4** The company has raised funds further via the capital market through a rights issue on 08 December 2022. The progress of utilisation of the capital raised as per the objectives stated in the right issue circular is given below.

Objective number	Objective as per Circular	Amount allocated as per Circular in Rs.	Proposed date of utilisation as per Circular	Amount allocated from proceeds in Rs. (A)	% of total proceeds	Amount utilised in Rs. (B)	% of utilisation against allocation (B/A)	Clarification if not fully utilised including if not utilized where are the funds invested
(a)	To improve the Capital adequacy ratio	-	Immediate	-	0%	-	0%	N/A
(b)	To settle the working capital loan borrowed from Softlogic Capital PLC.	851,497,316	Immediate	851,497,316	100%	851,497,316	100%	N/A
		<b>851,497,316</b>		<b>851,497,316</b>	<b>100%</b>	<b>851,497,316</b>		

15 Financial Reporting by Segments as per the Provision of SLFRS - 08

The company's segmental reporting is based on the following operating segments: Leasing, Hire purchase, Personal Loans, Pawning, Factoring, SME & Other Loans and Receivables.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss, and in certain respects, are measured differently from operating profits or losses in the financial statements. However, income taxes are managed on a group basis and are not allocated to operating segments.

Rs.

For the period ended 31 December	Leasing & Hire Purchases		Personal Loans & Pawning		SME, Factoring & Other Loans		Unallocated		Total	
	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Unaudited
Interest Income	1,190,330,538	1,024,492,928	1,028,788,480	450,602,075	454,122,066	537,781,796	-	-	2,673,241,085	2,012,876,799
Investment Income	-	-	-	-	-	-	225,958,903	65,054,565	225,958,903	65,054,565
Fee and Commission Income	5,218,812	26,645,000	7,421,683	14,559,879	45,066,466	78,110,385	-	-	57,706,960	119,315,264
Other Operating Income	-	-	-	-	-	-	123,915,505	63,258,914	123,915,505	63,258,914
<b>Total Revenue</b>	<b>1,195,549,350</b>	<b>1,051,137,928</b>	<b>1,036,210,163</b>	<b>465,161,954</b>	<b>499,188,532</b>	<b>615,892,180</b>	<b>349,874,407</b>	<b>128,313,479</b>	<b>3,080,822,452</b>	<b>2,260,505,542</b>
Profit Before Income Tax	(489,501,624)	(12,538,514)	(424,262,334)	(5,548,691)	(204,386,040)	(7,346,679)	(143,251,377)	(1,530,589)	(1,261,401,376)	(26,964,473)
Income Tax (Expense)/Reversal									-	-
<b>Profit After Tax</b>									<b>(1,261,401,376)</b>	<b>(26,964,473)</b>
<b>Segment Assets</b>	<b>8,676,736,642</b>	<b>10,079,458,157</b>	<b>6,652,746,081</b>	<b>3,505,050,558</b>	<b>4,334,258,874</b>	<b>6,620,681,147</b>	<b>4,844,604,806</b>	<b>4,627,556,409</b>	<b>24,508,346,403</b>	<b>24,832,746,271</b>
<b>Segment Liabilities</b>	<b>7,277,065,522</b>	<b>7,951,031,188</b>	<b>5,579,571,114</b>	<b>2,764,907,187</b>	<b>3,635,086,221</b>	<b>5,222,626,203</b>	<b>4,063,106,678</b>	<b>3,650,379,291</b>	<b>20,554,829,536</b>	<b>19,588,943,869</b>

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**CORPORATE INFORMATION**


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**Name of the Company**

Softlogic Finance PLC

**Holding Company**

Softlogic Capital PLC

**Legal Form**

- Incorporated under the Companies Act No 17 of 1982
  - Date of Incorporation 24th August 1999.
  - Re-registered under the Companies Act No. 7 of 2007 on 29th September 2008.
  - Registered under the Finance Companies Act No. 42 of 2011.
  - Registered under the Finance Leasing Act No. 56 Of 2000.
  - Approved Credit Agency under the Mortgage Act No 6 of 1949 and Inland Trust Receipts Act No 14 of 1990.
  - Quoted in the Colombo Stock Exchange on 22nd January 2009.
  - Registered under the Securities & Exchange Commission of Sri Lanka Act No. 36 of 1987 as Margin Provider
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**Company Registration Number**

PB 641 PQ

**Tax Payer Identification Number (TIN)**

134008350

**Accounting Year End**

31st March

**Secretaries**

Softlogic Corporate Services (Pvt) Ltd

**Registered Office & Principal Place of Business**

No.13, De Fonseka Place, Colombo 4  
 Tel : 94-11- 2359600, 94-11-2359700  
 Fax: 94-11-2359799  
 E-mail : info@softlogicfinance.lk  
 Website : www.softlogicfinance.lk

**Auditors**

M/s. Ernst & Young  
 Chartered Accountants,  
 No.201. De Saram Place,  
 P.O. Box 101, Colombo 10.

**Bankers**

Hatton National Bank PLC  
 Commercial Bank of Ceylon PLC  
 Seylan Bank PLC  
 People's Bank  
 Pan Asia Banking Corporation PLC  
 Sampath Bank PLC  
 Bank of Ceylon  
 Nations Trust Bank PLC  
 DFCC Bank PLC  
 Union Bank of Colombo PLC  
 National Savings Bank  
 Cargills Bank Limited

**Legal Advisors to the Company**

Nithya Partners

**Board of Directors**

1. Mr. Dinesh P. Renganathan
2. Mr. M.H Priyantha Wijesekera (Resigned w.e.f. 27 October 2022)
3. Mr. H. K. Kaimal
4. Mr. Manilka Fernando
5. Ms. Aruni Goonetilleke
6. Mr. A.C. Mohamed Lafir
7. Mr. P.T. Wanigasekara
8. Mr. H.S. Samantha Dabare

## Branch Network

No	Branch	Address	Telephone Number	Fax Number	Email
1	Anuradhapura	No. 561/11, Maithreepala Senanayaka Mw, New Town, Anuradhapura	025-2226279	025-2234743	anuradhapura@softlogicfinance.lk
2	Badulla	NO. 38, Anagarika Dharmapala Mawatha, Badulla.	055-2224205	055-2223905	badulla@softlogicfinance.lk
3	Borella	No.1072, Maradana Road, Borella	011-2698016	011-2694261	borella@softlogicfinance.lk
4	Chilaw	No: 28B, Kurunegala Road, Chilaw	032-2221415	032-2223754	chilaw@softlogicfinance.lk
5	Chunnakam	No: 101 & 105, K.K.S Road, Chunnakam	021-2242770	021-2242772	chunnakam@softlogicfinance.lk
6	City Office	29/2, Visaka Road, Colombo 04	011-2055572	011-2303363	cityoffice@softlogicfinance.lk
7	Dambulla	No: 719, Anuradhapura Road, Dambulla	066-2284737	066-2284717	dambulla@softlogicfinance.lk
8	Embilipitiya	No.59/1, Main Street, Pallegama, Embilipitiya.	047-2230590	047-2230592	embilipitiya@softlogicfinance.lk
9	Galle	No: 64, Colombo Road, Kaluwella, Galle	091-2248920	091-2248095	galle@softlogicfinance.lk
10	Gampaha	No: 57/A, Bauddhaloka Mawatha, Gampaha	033-2227436	033-2227506	gampaha@softlogicfinance.lk
11	Hatton	No: 115, Main Street, Hatton	051-2222108	051-2225739	hatton@softlogicfinance.lk
12	Head Office	No: 13, De Fonseka Place, Colombo 04	011-2359700	011-2359799	headoffice@softlogicfinance.lk
13	Jaffna	No: 62/64, Stanley Road, Jaffna	021-2219444	021-2219666	jaffna@softlogicfinance.lk
14	Kadawatha	No.139/7D, Kandy Road, Kadawatha	011-2923011	011-2923013	kadawatha@softlogicfinance.lk
15	Kalutara	No: 264, Galle Road, Kalutara South, Kalutara	034-2224714	034-2223262	kalutara@softlogicfinance.lk
16	Kandy	No: 165, Kotugodella Street, Kandy	081-2224912	081-2224916	kandy@softlogicfinance.lk
17	Kotahena	No.244, George R De Silva Mawatha, Colombo 13	011-2462819	011-2337040	kotahena@softlogicfinance.lk
18	Kottawa	No: 87/A, Highlevel Road, Kottawa	011-2178464	011-2842824	kottawa@softlogicfinance.lk
19	Kurunegala	No: 13, Rajapihilla Road, Kurunegala	037-2232875	037-2232565	kurunegala@softlogicfinance.lk
20	Matale	No: 253, Main Street, Matale	066-2226461	066-2228863	matale@softlogicfinance.lk
21	Matara	No: 08A KKK Building, Station Road Matara	041-2220195	041-2227257	matara@softlogicfinance.lk
22	Nawala	No: 305B, Nawala Road, Nawala	011-2807080	011-2807082	nawala@softlogicfinance.lk
23	Negombo	86 Josephs Street Negombo	031-2224714	031-2224716	negombo@softlogicfinance.lk
24	Nuwara Eliya	No: 72, Kandy Road, Nuwara Eliya	052-2223382	052-2223383	nuwaraeliya@softlogicfinance.lk
25	Polonnaruwa	No: 125, Batticaloa Road, Polonnaruwa	027-2226727	027-2225909	polonnaruwa@softlogicfinance.lk
26	Ratnapura	No. 374, Main Street, Kudugawatta, Ratnapura	045-2230677	045-2223574	rathnapura@softlogicfinance.lk
27	Thissamaharama	No: 28, Main Street, Thissamaharama	047-2239933	047-2239504	tissamaharama@softlogicfinance.lk
28	Wattala	No: 182, Negombo Road, Wattala	011-2051660	011-2051676	wattala@softlogicfinance.lk
29	Weligama	No: 2, Matara Road, Weligama	041-2252888	041-2260523	weligama@softlogicfinance.lk
30	Mawanella	No: 131,132, Kandy Road, Mawanella	035-2247304		mawanella@softlogicfinance.lk