

# **SOFTLOGIC FINANCE PLC**



## **INTERIM FINANCIAL STATEMENTS**

**For the Quarter ended  
31st March 2022**

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED**

Rs.

	Quarter ended 31st March		Year ended 31st March	
	2022 Unaudited	2021 Unaudited	2022 Unaudited	2021 Audited
<b>Income</b>	<b>943,771,919</b>	<b>704,881,799</b>	<b>3,204,277,461</b>	<b>2,587,277,924</b>
Interest income	867,484,142	650,878,386	2,945,415,506	2,443,391,179
Interest expenses	(441,516,453)	(385,744,045)	(1,593,117,271)	(1,894,556,639)
<b>Net interest income</b>	<b>425,967,690</b>	<b>265,134,340</b>	<b>1,352,298,236</b>	<b>548,834,540</b>
Fee and commission income	30,333,808	10,216,765	149,649,072	78,473,105
Other operating income	45,953,969	43,786,649	109,212,883	65,413,640
<b>Total operating income</b>	<b>502,255,466</b>	<b>319,137,754</b>	<b>1,611,160,190</b>	<b>692,721,285</b>
Impairment (charge)/ reversal for loans and other losses	(847,664,995)	(77,186,141)	(1,001,961,229)	(491,731,598)
<b>Net Operating Income</b>	<b>(345,409,529)</b>	<b>241,951,613</b>	<b>609,198,961</b>	<b>200,989,687</b>
<b>Operating expenses</b>				
Personnel costs	(107,573,427)	(99,237,405)	(444,276,508)	(401,291,015)
Depreciation of property, plant and equipment	(10,640,676)	(11,998,800)	(44,764,060)	(49,284,402)
Amortization of intangible assets	(8,309,285)	(11,672,360)	(33,237,142)	(31,058,252)
Other operating expenses	(282,904,604)	(176,070,019)	(813,913,918)	(731,464,197)
<b>Operating profit / (Loss) before Value Added Tax on financial services</b>	<b>(754,837,520)</b>	<b>(57,026,971)</b>	<b>(726,992,666)</b>	<b>(1,012,108,179)</b>
VAT on financial services	54,809,327	-	-	-
<b>Profit / (Loss) before income tax</b>	<b>(700,028,193)</b>	<b>(57,026,971)</b>	<b>(726,992,666)</b>	<b>(1,012,108,179)</b>
Income tax Reversal/ (expense)	-	(0)	-	109,257,073
<b>Profit / (Loss) for the period</b>	<b>(700,028,193)</b>	<b>(57,026,972)</b>	<b>(726,992,666)</b>	<b>(902,851,106)</b>
<b>Other comprehensive income/ (expenses)</b>				
<b>Other comprehensive income to be reclassified to profit or loss</b>				
Net gain / (loss) on equity instruments at fair value through other compreh	-	85,242,933	3,209,272	(20,566,657)
<b>Other comprehensive income not to be reclassified to profit or loss</b>				
Actuarial gain/(loss) on post employment benefit obligations (Net)	6,762,424	(3,532,168)	6,762,424	(3,532,168)
Deffered tax on Capital gain arising on revaluation of land & building	(6,832,800)	-	(6,832,800)	-
Gain/(Loss) arising on revaluation of land and building	28,470,000	15,600,000	28,470,000	15,600,000
			-	
<b>Other comprehensive income for the Period , net of tax</b>	<b>28,399,624</b>	<b>97,310,765</b>	<b>31,608,896</b>	<b>(8,498,825)</b>
<b>Total comprehensive income/(expenses) for the Period</b>	<b>(671,628,569)</b>	<b>40,283,793</b>	<b>(695,383,770)</b>	<b>(911,349,931)</b>
Basic earnings per Share(Rs.) - Annualised	(5.68)	(0.85)	(1.48)	(5.95)

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

	31/03/2022	31/03/2021
	Unaudited	Audited
<b>ASSETS</b>		
Cash and Cash Equivalents	438,875,701	628,089,791
Securities purchased under repurchase agreements	1,457,460,165	1,001,933,146
Placements with banks & other finance companies	-	204,377,303
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	-	300,809,707
Investment in Dealing Securities	30,600	37,460,367
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	11,183,896,096	5,262,704,090
Financial Assets at Amortised Cost - Loans and Receivables	9,611,113,679	11,269,788,739
Right of Use Assets	142,349,982	111,012,736
Deferred tax asset	436,374,872	445,343,174
Intangible Assets	123,430,341	156,667,481
Property, Plant & Equipment	485,859,402	472,580,374
Investment Property	103,237,000	-
Other Assets	1,605,723,054	979,241,099
<b>TOTAL ASSETS</b>	<b>25,588,350,891</b>	<b>20,870,008,008</b>
<b>LIABILITIES</b>		
Bank Overdraft	51,911,762	45,987,503
Financial Liabilities at Amortised Cost - Interest bearing Borrowings to Banks	552,913,327	653,504,470
Financial Liabilities at Amortised Cost - Deposits due to Customers	15,600,218,759	14,598,143,536
Financial Liabilities at Amortised Cost - Other Borrowed Funds	4,239,620,521	1,939,529,631
Other Liabilities	390,390,554	425,981,011
Lease Liability	134,662,864	121,564,039
Retirement Benefit Obligations	46,459,268	57,407,951
<b>TOTAL LIABILITIES</b>	<b>21,016,177,055</b>	<b>17,842,118,143</b>
<b>SHARE HOLDERS' FUNDS</b>		
Stated Capital	6,746,427,723	4,506,759,983
Statutory Reserve Fund	260,448,732	260,448,732
Retained Earnings	(2,594,845,501)	(1,875,236,009)
Revaluation Reserve	160,142,882	138,505,682
Available For Sale Reserve	-	(2,588,523)
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>4,572,173,836</b>	<b>3,027,889,865</b>
<b>TOTAL LIABILITIES AND SHARE HOLDERS' FUNDS</b>	<b>25,588,350,891</b>	<b>20,870,008,008</b>
<b>Net Assets Value Per Share</b>	<b>9.28</b>	<b>11.27</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.

.....Sgd.....

Ms. Ivon Brohier

**Chief Financial Officer**

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;

.....Sgd.....

A. Russell - Davison

**Chairman**

Date : 30/05/2022

.....Sgd.....

Priyantha Wijesekera

**CEO/Director**

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31ST MARCH 2022**

Page 4

	Stated Capital	Statutory Reserve Fund	Revaluation Reserve	Available for Sale Reserve	Retained Earnings	Total
<b>Balance as at 01 April 2020</b>	2,604,765,231	260,448,732	126,649,682	(95,187,607)	(855,686,994)	2,040,989,044
Profit for the period	-	-	-	-	(902,851,106)	(902,851,106)
Other comprehensive income, net of tax	-	-	11,856,000	(20,566,657)	(3,532,168)	(12,242,825)
Rights Issue shares	1,901,994,752					1,901,994,752
Gain / (Loss) on share valuation				113,165,741	(113,165,741.00)	
Transfer to Statutory Reserve Fund	-	-	-	-	-	-
<b>Balance as at 31 March 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>3,027,889,865</b>
<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>3,027,889,865</b>
Profit for the year	-	-	-	-	(726,992,666)	(726,992,666)
Rights Issue shares	2,239,667,740	-	-	-	-	2,239,667,740
Gain / (Loss) on share valuation	-	-	-	-	-	-
Other comprehensive income, net of tax	-	-	21,637,200	2,588,523	7,383,174	31,608,897
Transfer to Statutory Reserve Fund	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>6,746,427,723</b>	<b>260,448,732</b>	<b>160,142,882</b>	<b>-</b>	<b>(2,594,845,501)</b>	<b>4,572,173,836</b>

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

	Rs.	
	31/03/2022	31/03/2021
	Unaudited	Audited
<b>Cash flows from operating activities</b>		
Net profit/(Loss) before taxation	(726,992,666)	(1,012,108,179)
<b>Adjustments for ,</b>		
Depreciation	44,764,060	49,284,402
Amortization of intangible assets	33,237,142	31,058,252
Profit on disposal of property, plant and equipment	-	(244,334)
(Gain)/loss from disposal of available for sale investments	-	-
Impairment charge on bad and doubtful debts	1,001,961,229	491,731,598
Provision for defined benefit plans	7,852,274	21,176,245
Interest expenses	1,593,117,271	1,894,556,639
<b>Operating profit before working capital changes</b>	<b>1,953,939,309</b>	<b>1,475,454,622</b>
(Increase)/Decrease in Financial Assets at Amortised Cost - Lease & HP rental Receivables	(6,032,247,283)	(3,157,694,928)
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	767,769,108	2,845,853,827
(Increase)/Decrease in Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	300,809,707	(50,809,707)
(Increase)/Decrease in Placements with Banks and Other Finance Companies	(251,149,716)	959,285,132
(Increase)/Decrease in financial investments - Financial assets measured at FVTOCI	40,639,039	185,598,019
(Increase)/Decrease in other assets	(655,683,698)	(118,305,699)
(Decrease)/Increase in amounts due to customers	1,002,075,222	(2,465,252,615)
Increase/(Decrease) in other payables	(22,491,632)	131,409,898
<b>Cash generated from operations</b>	<b>(2,896,339,944)</b>	<b>(194,461,450)</b>
Interest paid	(1,593,117,271)	(1,894,556,639)
Defined benefit plan costs paid	(12,038,533)	(10,813,670)
<b>Net cash generated from operating activities</b>	<b>(4,501,495,748)</b>	<b>(2,099,831,759)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & Intangible Assets	(25,456,351)	(24,048,866)
Purchase of investment property	(103,237,000)	-
Proceeds from disposal of property, plant and equipment	(4,116,737)	383,165
<b>Net cash used in investing activities</b>	<b>(132,810,088)</b>	<b>(23,665,701)</b>
<b>Cash flows from financing activities</b>		
Proceed from long term borrowings-Bank Loan	3,440,066,773	3,200,000,000
Repayment of long term borrowings- Bank Loan	(2,988,564,916)	(2,926,992,978)
Rights issue of shares	2,239,667,740	1,901,994,752
Repayment commercial papers	(508,151,976)	-
Proceeds from commercial papers	2,256,149,865	206,077,301
<b>Net cash (used in) / generated from financing activities</b>	<b>4,439,167,487</b>	<b>2,381,079,076</b>
Net Increase/ (decrease) in cash and cash equivalents	(195,138,349)	257,581,616
Cash and cash equivalents at the beginning of the year	582,102,288	324,520,672
<b>Cash and cash equivalents at the end of the period</b>	<b>386,963,939</b>	<b>582,102,288</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash, bank balance and short term investments	438,875,701	628,089,791
Bank overdrafts	(51,911,762)	(45,987,503)
<b>Cash and cash equivalents at the end of the period</b>	<b>386,963,939</b>	<b>582,102,288</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	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Assets								
Cash and Cash Equivalents	-	-	-	-	438,875,701	628,089,791	438,875,701	628,089,791
Placements with Banks and Other Finance Companies	-	-	-	-	-	204,377,303	-	204,377,303
Securities purchased under repurchase agreements	-	-	-	-	1,457,460,165	1,001,933,146	1,457,460,165	1,001,933,146
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	-	300,809,707	-	-	-	-	-	300,809,707
Financial Assets at Amortised Cost - Loans and Receivables to Other Customers	-	-	-	-	9,611,113,679	11,269,788,739	9,611,113,679	11,269,788,739
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	-	-	-	-	11,183,896,096	5,262,704,090	11,183,896,096	5,262,704,090
Investment in Dealing Securities	-	-	30,600	37,460,367	-	-	30,600	37,460,367
Financial Assets at Amortised Cost - Other Financial Assets	-	-	-	-	1,605,723,054	979,241,099	1,605,723,054	979,241,099
Total Financial Assets	-	300,809,707	30,600	37,460,367	24,297,068,696	19,346,134,169	24,297,099,296	19,684,404,242
Rs.								
					Financial Liabilities at Amortised Cost (AC)		Total	
As at	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Liabilities								
Bank Overdrafts					51,911,762	45,987,503	51,911,762	45,987,503
Financial Liabilities at Amortised Cost - Interest bearing Borrowings to Banks					552,913,327	653,504,470	552,913,327	653,504,470
Financial Liabilities at Amortised Cost - Deposits due to Customers					15,600,218,759	14,598,143,536	15,600,218,759	14,598,143,536
Financial Liabilities at Amortised Cost - Other Borrowed Funds					4,239,620,521	1,939,529,631	4,239,620,521	1,939,529,631
Lease Liabilities					134,662,864	121,564,039	134,662,864	121,564,039
Total Financial Liabilities					20,579,327,233	17,358,729,180	20,579,327,233	17,358,729,180

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

<b>Market Price per Share (Rs.)</b>	<b>CRL.N0000</b>
Highest	32.00
Lowest	9.00
Closing	9.40
<b>Ratios</b>	
Debt to equity ratio (Times)	4.60
Liquid assets ratio (%) – Statutory Minimum 10%	11.74

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, 2021.
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, 2021.
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 note highlighted in the Note 14.3.
- 7.1 Please refer note 14.1 and 14.2 for more detail of previously Issue of shares by way of Rights issue of the company.

#### **8. Impact due to the COVID -19**

Subsequent to the outbreak of COVID-19 in Sri Lanka, relief measures announced by the CBSL to provide relief to individuals and businesses affected by the Pandemic. which include deferment of repayment terms of credit facilities, offering concessionary rates of interest to eligible loan products and waiving off default interest caused a short term negative impact on the earnings, cash flows/liquidity position of the Company. However, the management is of the view that the aforementioned negative impact would not pose any additional stress in the long term.

## SOFTLOGIC FINANCE PLC

## EXPLANATORY NOTES (Cont:)

## 9. Twenty Major Shareholders as at 31 March 2022

Name	No. of Shares	(%)
SOFTLOGIC CAPITAL PLC	449,195,807	91.17%
SOFTLOGIC LIFE INSURANCE PLC-A/C NO. 04 (PARTICIPATING FUND)	15,688,030	3.18%
SOFTLOGIC HOLDINGS PLC	5,657,598	1.15%
VANIK INCORPORATION LTD	5,376,068	1.09%
MR. KULAPPUARACHCHIGE DON DAMMIKA PERERA	3,154,253	0.64%
L.B. FINANCE LIMITED.	2,090,000	0.42%
PEOPLES BANK/ASOKA KARIYAWASAM PATHIRAGE	1,653,822	0.34%
HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	1,416,979	0.29%
PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	767,992	0.16%
HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	300,000	0.06%
MERCHANT BANK OF SRI LANKA & FINANCE PLC/B. JANEGAN	231,865	0.05%
MR. DICKOWITA KANKANAMGE ATHULA KITHSIRI WEERATHUNGA	175,000	0.04%
MR. BALENDIRAN JANEGAN	165,250	0.03%
SAMPATH BANK PLC/MR. ABISHEK SITHAMPALAM	159,782	0.03%
MR. LEKAM MUDIYANSELAGE AMITH NAMAL LEKAMGE	150,000	0.03%
MRS. PAMELA CHRISTINE COORAY	132,444	0.03%
SEYLAN BANK LIMITED/JAMES HENRY PAUL RATNAYAKE	110,367	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%
MR. WELIWATTAGE LUCILLE PERERA WIJEWARDENA	100,000	0.02%
	486,733,107	98.78%
Others	5,993,795	1.22%
<b>Total</b>	<b>492,726,902</b>	<b>100.00%</b>

## 10. Directors' Shareholding as at 31 March 2022

Names of Directors	No. of Shares	(%)
1. Mr. A. Russell Davison (Chairman)	Nil	Nil
2. Mr. M.H Priyantha Wijesekera (CEO)	Nil	Nil
3. Mr. H. K. Kaimal	Nil	Nil
4. Mr. Manilka Fernando	Nil	Nil
5. Mr. Dinesh P. Renganathan	Nil	Nil
6. Ms. Aruni Goonetilleke	Nil	Nil
7. Mr. A.C. Mohamed Lafir	Nil	Nil

## 11. Public shareholding as at 31 March 2022

Public holding	20,531,645	4.17%
Number of public shareholders	1,877	

## 12. Float adjusted market Capitalization as at 31 March 2022

	Threshold	Compliance (Y/N)	Value
Float adjusted market Capitalization (Rs)	Less than 1 Bn	Yes	193,139,091.05
Minimum Public Holding (%)	Minimum 10%	No	4.17%

In terms of Rule 7.13.2 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 7.13.(b) of the Listing Rules.



**14 RELATED PARTY TRANSACTIONS**

Details of significant related party disclosures are as follows:

**14.1 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. 46,064,789

**14.2 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. 21,196,959

**14.3 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 March 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	894,526	-	1,401,250,219	-	59,611,286	-
Softlogic Corporate Services (Pvt) Ltd	Affiliated Company	-	-	-	-	3,163,407	-
Softlogic Brands (Pvt) Ltd	Affiliated Company	-	-	313,499	7,228,567	14,803	-
Softlogic Stock Brokers (Pvt) Ltd	Affiliated Company	-	738	-	13,074	-	-
Softlogic Holdings PLC	Ultimate Parent Company	1,881,223	-	680,813,733	-	14,797,415	-
Softlogic Retail (Pvt) Ltd	Affiliated Company	(597,484)	-	284	-	1,185,013	-
Softlogic Computers (Pvt) Ltd	Affiliated Company	-	-	-	-	527,945	-
Softlogic Information Technologies (Pvt) Ltd	Affiliated Company	429,250	-	-	-	237,650	19,819,000
Softlogic Mobile Distributors (Pvt) Ltd	Affiliated Company	-	-	-	-	-	296,765
Softlogic BPO Services (Pvt) Ltd	Affiliated Company	2,344,140	2,094,452	-	355,652	28,954,606	-
Softlogic Asset Management (Pvt) Ltd	Affiliated Company	-	-	17,032,300	445,626	1,213,473	-
Softlogic Restaurants (Pvt) Ltd	Affiliated Company	-	-	-	-	55,230	-
Central Hospital Ltd	Affiliated Company	-	-	-	-	17,600	-
Odel PLC	Affiliated Company	-	-	-	-	217,500	-
Future Automobiles (Pvt) Ltd	Affiliated Company	-	-	-	-	5,701,341	-
Softlogic Life PLC	Affiliated Company	18,039,735	-	-	2,753,896	20,955,607	-
Suzuki Motors Lanka (Pvt)Ltd	Affiliated Company	-	-	-	-	13,559	-
Asiri Surgical Hospital	Affiliated Company	-	-	-	-	385,501	-
Asiri Hospital Matara	Affiliated Company	-	-	-	-	13,000	-
Asiri Hospital Kandy	Affiliated Company	-	-	-	-	110,500	-
Asiri Hospital Galle	Affiliated Company	-	-	-	-	30,000	-

**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	N/A	N/A	N/A	N/A	N/A	N/A	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.

16 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, Group 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 31st March	Leasing & Hire Purchases		Group Personal Loans & Pawning		SME, Factoring & Other Loans		Unallocated		Total	
	2022 Unaudited	2021 Audited	2022 Unaudited	2021 Audited	2022 Unaudited	2021 Audited	2022 Unaudited	2021 Audited	2022 Unaudited	2021 Audited
Interest Income	1,538,314,320	676,566,645	624,895,367	684,037,518	690,205,100	942,400,173	-	-	2,853,414,787	2,303,004,337
Investment Income	-	-	-	-	-	-	92,000,719	140,386,842	92,000,719	140,386,842
Fee and Commission Income	35,860,000	33,042,900	20,402,771	11,726,979	105,027,734	49,927,875	-	-	161,290,505	94,697,754
Other Operating Income	-	-	-	-	-	-	97,571,450	49,188,991	97,571,450	49,188,991
<b>Total Revenue</b>	<b>1,574,174,320</b>	<b>709,609,545</b>	<b>645,298,138</b>	<b>695,764,497</b>	<b>795,232,834</b>	<b>992,328,049</b>	<b>189,572,169</b>	<b>189,575,833</b>	<b>3,204,277,460</b>	<b>2,587,277,924</b>
Profit Before Income Tax	(357,151,714)	(277,589,669.89)	(146,406,489)	(272,173,674.01)	(180,423,963)	(388,185,329.83)	(43,010,500)	(74,159,505.27)	(726,992,666)	(1,012,108,179)
Income Tax (Expense)/Reversal									-	109,257,073
<b>Profit After Tax</b>									<b>(726,992,666)</b>	<b>(902,851,106)</b>
<b>Segment Assets</b>	<b>11,205,174,735</b>	<b>5,262,704,090</b>	<b>3,918,770,616</b>	<b>3,283,223,322</b>	<b>6,298,007,390</b>	<b>7,478,773,053</b>	<b>4,166,398,151</b>	<b>4,845,307,543</b>	<b>25,588,350,891</b>	<b>20,870,008,008</b>
<b>Segment Liabilities</b>	<b>9,203,013,401</b>	<b>4,499,173,555.15</b>	<b>3,218,557,438</b>	<b>2,806,882,411.20</b>	<b>5,172,667,788</b>	<b>6,393,727,895.27</b>	<b>3,421,938,428</b>	<b>4,142,334,280.88</b>	<b>21,016,177,055</b>	<b>17,842,118,143</b>

---

**CORPORATE INFORMATION**


---

**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
- 

**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**

Mr. A. Russell Davison (Chairman)  
 Mr. M.H Priyantha Wijesekera (CEO)  
 Mr. H. K. Kaimal  
 Mr. Manilka Fernando  
 Mr. Dinesh P. Renganathan  
 Ms. Aruni Goonetilleke  
 Mr. A.C. Mohamed Lafir

## Branch Network

No	Branch	Address	Telephone Number	Fax Number	Email
1	Anuradhapura	No. 561/11, Maitthreepala 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	Chunnamakam	No: 101 & 105, K.K.S Road, Chunnamakam	021-2242770	021-2242772	chunnamakam@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	Dematagoda	No: 85, Kolonnawa Road, Dematagoda, Colombo 09	011-2679089	011-2646226	dematagoda@softlogicfinance.lk
9	Embilipitiya	No.176, Rathnapura Road, Pallegama, Embilipitiya.	047-2230590	047-2230592	embilipitiya@softlogicfinance.lk
10	Galle	No: 64, Colombo Road, Kaluwella, Galle	091-2248920	091-2248095	galle@softlogicfinance.lk
11	Gampaha	No: 57/A, Bauddhaloka Mawatha, Gampaha	033-2227436	033-2227506	gampaha@softlogicfinance.lk
12	Hatton	No: 115, Main Street, Hatton	051-2222108	051-2225739	hatton@softlogicfinance.lk
13	Head Office	No: 13, De Fonseka Place, Colombo 04	011-2359700	011-2359799	headoffice@softlogicfinance.lk
14	Jaffna	No: 62/64, Stanley Road, Jaffna	021-2219444	021-2219666	jaffna@softlogicfinance.lk
15	Kadawatha	No.139/7D, Kandy Road, Kadawatha	011-2923011	011-2923013	kadawatha@softlogicfinance.lk
16	Kalutara	No: 264, Galle Road, Kalutara South, Kalutara	034-2224714	034-2223262	kalutara@softlogicfinance.lk
17	Kandy	No: 165, Kotugodella Street, Kandy	081-2224912	081-2224916	kandy@softlogicfinance.lk
18	Kotahena	No.244, George R De Silva Mawatha, Colombo 13	011-2462819	011-2337040	kotahena@softlogicfinance.lk
19	Kottawa	No: 87/A, Highlevel Road, Kottawa	011-2178464	011-2842824	kottawa@softlogicfinance.lk
20	Kurunegala	No: 13, Rajapihilla Road, Kurunegala	037-2232875	037-2232565	kurunegala@softlogicfinance.lk
21	Matale	No: 253, Main Street, Matale	066-2226461	066-2228863	matale@softlogicfinance.lk
22	Matara	No: 08A KKK Building, Station Road Matara	041-2220195	041-2227257	matara@softlogicfinance.lk
23	Nawala	No: 305B, Nawala Road, Nawala	011-2807080	011-2807082	nawala@softlogicfinance.lk
24	Negombo	86 JOSEPHS STREET NEGOMBO	031-2224714	031-2224716	negombo@softlogicfinance.lk
25	Nuwara Eliya	No: 72, Kandy Road, Nuwara Eliya	052-2223382	052-2223383	nuwaraeliya@softlogicfinance.lk
26	Grandpass	No. 408 Grandpass Road Colombo 14	011-2334461	011-2334549	pettah@softlogicfinance.lk
27	Polonnaruwa	No: 125, Batticaloa Road, Polonnaruwa	027-2226727	027-2225909	polonnaruwa@softlogicfinance.lk
28	Ratnapura	No. 374, Main Street, Kudugawatta, Ratnapura	045-2230677	045-2223574	rathnapura@softlogicfinance.lk
29	Senkadagala	No.288, Katugasthota Road, Mahiyawa	081-2232601	081-2232603	senkadagala@softlogicfinance.lk
30	Thissamaharama	No: 28, Main Street, Thissamaharama	047-2239933	047-2239504	tissamaharama@softlogicfinance.lk
31	Wattala	No: 182, Negombo Road, Wattala	011-2051660	011-2051676	wattala@softlogicfinance.lk
32	Weligama	No: 2, Matara Road, Weligama	041-2252888	041-2260523	weligama@softlogicfinance.lk
33	Mawanella	No: 131,132, Kandy Road, Mawanella	035-2247304		mawanella@softlogicfinance.lk