

# **SOFTLOGIC FINANCE PLC**



## **INTERIM FINANCIAL STATEMENTS**

**For the Quarter ended  
30th September 2021**

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

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED**

Page 2

	03 Months Period ended 30th September		06 Months Period ended 30th September	
	2021	2020	2021	2020
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Income</b>	<b>711,462,258</b>	<b>669,816,493</b>	<b>1,381,734,337</b>	<b>1,257,201,772</b>
Interest income	660,374,976	634,471,996	1,264,583,366	1,198,647,573
Interest expenses	(371,182,636)	(521,752,956)	(760,580,912)	(1,066,244,046)
<b>Net interest income</b>	<b>289,192,340</b>	<b>112,719,040</b>	<b>504,002,454</b>	<b>132,403,527</b>
Fee and commission income	42,318,187	26,661,352	69,521,476	46,929,080
Other operating income	8,769,095	8,683,145	47,629,495	11,625,119
<b>Total operating income</b>	<b>340,279,622</b>	<b>148,063,537</b>	<b>621,153,425</b>	<b>190,957,726</b>
Impairment (charge)/ reversal for loans and other losses	(3,294,909)	(132,035,915)	(120,089,823)	(338,389,409)
<b>Net Operating Income</b>	<b>336,984,714</b>	<b>16,027,622</b>	<b>501,063,602</b>	<b>(147,431,682)</b>
<b>Operating expenses</b>				
Personnel costs	(111,055,016)	(101,454,450)	(222,850,656)	(200,577,877)
Depreciation of property, plant and equipment	(11,513,979)	(12,489,043)	(23,287,189)	(25,082,473)
Amortization of intangible assets	(8,309,286)	(7,285,670)	(16,618,571)	(14,691,003)
Other operating expenses	(162,534,837)	(191,224,133)	(339,357,174)	(376,192,825)
<b>Operating profit / (Loss) before Value Added Tax on financial services</b>	<b>43,571,596</b>	<b>(296,425,674)</b>	<b>(101,049,989)</b>	<b>(763,975,860)</b>
VAT on financial services	(21,909,990)	-	(21,909,990)	-
<b>Profit / (Loss) before income tax</b>	<b>21,661,606</b>	<b>(296,425,674)</b>	<b>(122,959,979)</b>	<b>(763,975,860)</b>
Income tax Reversal/ (expense)	-	21,892,639	-	114,884,362
<b>Profit / (Loss) for the period</b>	<b>21,661,606</b>	<b>(274,533,035)</b>	<b>(122,959,979)</b>	<b>(649,091,498)</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	(2,108,546)	16,145,985	2,588,523	(10,421,449)
<b>Other comprehensive income for the Period , net of tax</b>	<b>(2,108,546)</b>	<b>16,145,985</b>	<b>2,588,523</b>	<b>(10,421,449)</b>
<b>Total comprehensive income/(expenses) for the Period</b>	<b>19,553,060</b>	<b>(258,387,051)</b>	<b>(120,371,456)</b>	<b>(659,512,947)</b>
Basic earnings per Share(Rs.) - Annualised	0.24	(10.62)	(0.79)	(12.56)

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2021**

		Rs.	Rs.
	30/09/2021	30/09/2020	31/03/2021
	Unaudited	Unaudited	Audited
<b>ASSETS</b>			
Cash and Cash Equivalents	210,331,421	138,619,029	628,089,791
Securities purchased under repurchase agreements	1,679,582,589	1,620,986,370	1,001,933,146
Placements with banks & other finance companies	-	918,279,172	204,377,303
Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)	-	125,715,831	300,809,707
Investment in Dealing Securities	30,600	-	37,460,367
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	7,765,043,520	3,845,946,418	5,262,704,090
Financial Assets at Amortised Cost - Loans and Receivables	10,105,564,384	12,540,985,659	11,269,788,739
Right of Use Assets	101,788,695	152,537,521	111,012,736
Deferred tax asset	445,343,174	453,599,041	445,343,174
Intangible Assets	140,048,912	167,344,814	156,667,483
Property, Plant & Equipment	458,939,801	475,049,650	472,580,365
Investment Property	103,237,000	-	-
Other Assets	1,642,415,000	1,026,801,756	979,241,105
<b>TOTAL ASSETS</b>	<b>22,652,325,096</b>	<b>21,465,865,261</b>	<b>20,870,008,006</b>
<b>LIABILITIES</b>			
Bank Overdraft	102,219,776	248,568,135	45,987,503
Financial Liabilities at Amortised Cost - Interest bearing Borrowings to Banks	602,440,429	1,104,685,909	653,504,470
Financial Liabilities at Amortised Cost - Deposits due to Customers	13,955,638,732	16,475,121,184	14,598,143,536
Financial Liabilities at Amortised Cost - Other Borrowed Funds	1,899,958,768	1,038,951,367	1,939,529,631
Other Liabilities	780,356,824	415,059,375	425,981,012
Lease Liability	105,783,520	154,769,963	121,564,039
Retirement Benefit Obligations	58,120,151	47,233,234	57,407,951
<b>TOTAL LIABILITIES</b>	<b>17,504,518,199</b>	<b>19,484,389,165</b>	<b>17,842,118,142</b>
<b>SHARE HOLDERS' FUNDS</b>			
Stated Capital	6,746,427,723	2,604,765,231	4,506,759,983
Convertible Reserve	-	600,000,000	-
Statutory Reserve Fund	260,448,732	260,448,732	260,448,732
Retained Earnings	(1,997,575,240)	(1,504,778,492)	(1,875,236,009)
Revaluation Reserve	138,505,682	126,649,682	138,505,682
Available For Sale Reserve	-	(105,609,056)	(2,588,523)
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<b>5,147,806,897</b>	<b>1,981,476,096</b>	<b>3,027,889,864</b>
<b>TOTAL LIABILITIES AND SHARE HOLDERS' FUNDS</b>	<b>22,652,325,096</b>	<b>21,465,865,261</b>	<b>20,870,008,006</b>
<b>Net Assets Value Per Share</b>	<b>10.45</b>	<b>19.17</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 : 29/10/2021

.....Sgd.....

Priyantha Wijesekera

**CEO/Director**

**SOFTLOGIC FINANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**PERIOD ENDED 30TH SEPTEMBER**

Page 4

Rs.

	Stated Capital	Statutory Reserve Fund	Convertible Reserve	Revaluation Reserve	Available for Sale Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2020</b>	<b>2,604,765,231</b>	<b>260,448,732</b>	<b>-</b>	<b>126,649,682</b>	<b>(95,187,607)</b>	<b>(855,686,994)</b>	<b>2,040,989,044</b>
Profit for the year	-	-	-	-	-	(649,091,498)	(649,091,498)
Funds received for Convertible reserve	-	-	600,000,000	-	-	-	600,000,000
Gain / (Loss) on share valuation	-	-	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-	(10,421,449)	-	(10,421,449)
Transfer to Statutory Reserve Fund	-	-	-	-	-	-	-
<b>Balance as at 30 September 2020</b>	<b>2,604,765,231</b>	<b>260,448,732</b>	<b>600,000,000</b>	<b>126,649,682</b>	<b>(105,609,057)</b>	<b>(1,504,778,492)</b>	<b>1,981,476,097</b>
<b>Balance as at 1 April 2021</b>	<b>4,506,759,983</b>	<b>260,448,732</b>	<b>-</b>	<b>138,505,682</b>	<b>(2,588,523)</b>	<b>(1,875,236,009)</b>	<b>3,027,889,864</b>
Profit for the year	-	-	-	-	-	(120,371,456)	(120,371,456)
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 30 September 2021</b>	<b>6,746,427,723</b>	<b>260,448,732</b>	<b>-</b>	<b>138,505,682</b>	<b>(0)</b>	<b>(1,997,575,240)</b>	<b>5,147,806,897</b>

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

Rs.

	<b>30/09/2021</b>	<b>31/03/2021</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>Cash flows from operating activities</b>		
Net profit/(Loss) before taxation	(122,959,979)	(1,012,108,179)
<b>Adjustments for ,</b>		
Depreciation	23,287,189	49,284,402
Amortization of intangible assets	16,618,571	31,058,252
Profit on disposal of property, plant and equipment	(1,904,326)	(244,334)
(Gain)/loss from disposal of available for sale investments	620,748	-
Impairment charge on bad and doubtful debts	120,089,823	491,731,598
Provision for defined benefit plans	8,920,971	21,176,245
Interest expenses	760,580,912	1,894,556,639
<b>Operating profit before working capital changes</b>	<b>805,253,909</b>	<b>1,475,454,622</b>
(Increase)/Decrease in Financial Assets at Amortised Cost - Lease & HP rental Receivables	(2,550,971,043)	(3,157,694,928)
(Increase)/Decrease in Financial Assets at Amortised Cost - Loans and Receivables	1,092,766,145	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	(473,272,140)	959,285,132
(Increase)/Decrease in financial investments - Financial assets measured at FVTOCI	40,018,290	185,598,019
(Increase)/Decrease in other assets	(653,949,854)	(118,305,699)
(Decrease)/Increase in amounts due to customers	(642,504,804)	(2,465,252,615)
Increase/(Decrease) in other payables	338,595,292	131,409,898
<b>Cash generated from operations</b>	<b>(1,743,254,498)</b>	<b>(194,461,450)</b>
Interest paid	(760,580,912)	(1,894,556,639)
Defined benefit plan costs paid	(8,208,772)	(10,813,670)
<b>Net cash generated from operating activities</b>	<b>(2,512,044,182)</b>	<b>(2,099,831,759)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & Intangible Assets	(12,013,502)	(24,048,866)
Purchase of investment property	(103,237,000)	-
Proceeds from disposal of property, plant and equipment	4,271,204	383,165
<b>Net cash used in investing activities</b>	<b>(110,979,299)</b>	<b>(23,665,701)</b>
<b>Cash flows from financing activities</b>		
Proceed from long term borrowings-Bank Loan	647,759,286	3,200,000,000
Repayment of long term borrowings- Bank Loan	(738,394,189)	(2,926,992,978)
Rights issue of shares	2,239,667,740	1,901,994,752
Proceeds from commercial papers		206,077,301
<b>Net cash (used in) / generated from financing activities</b>	<b>2,149,032,837</b>	<b>2,381,079,076</b>
Net Increase/ (decrease) in cash and cash equivalents	(473,990,643)	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>108,111,645</b>	<b>582,102,288</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash, bank balance and short term investments	210,331,421	628,089,791
Bank overdrafts	(102,219,776)	(45,987,503)
<b>Cash and cash equivalents at the end of the period</b>	<b>108,111,645</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	30.09.2021	31.03.2021	30.09.2021	31.03.2021	30.09.2021	31.03.2021	30.09.2021 31.03.2021
<b>Assets</b>							
Cash and Cash Equivalents	-	-	-	-	210,331,421	628,089,791	210,331,421 628,089,791
Placements with Banks and Other Finance Companies	-	-	-	-	-	204,377,303	- 204,377,303
Securities purchased under repurchase agreements	-	-	-	-	1,679,582,589	1,001,933,146	1,679,582,589 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	-	-	-	-	10,105,564,384	11,269,788,739	10,105,564,384 11,269,788,739
Financial Assets at Amortised Cost - Lease Rental and Hire Purchase Receivables	-	-	-	-	7,765,043,520	5,262,704,090	7,765,043,520 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	-	-	-	-	1,642,415,000	979,241,105	1,642,415,000 979,241,105
<b>Total Financial Assets</b>	<b>-</b>	<b>300,809,707</b>	<b>30,600</b>	<b>37,460,367</b>	<b>21,402,936,915</b>	<b>19,346,134,175</b>	<b>21,402,967,515 19,684,404,249</b>

Rs.				
	Financial Liabilities at Amortised Cost (AC)		Total	
As at	30.09.2021	31.03.2021	30.09.2021	31.03.2021
<b>Liabilities</b>				
Bank Overdrafts	102,219,776	45,987,503	102,219,776	45,987,503
Financial Liabilities at Amortised Cost - Interest bearing Borrowings to Banks	602,440,429	653,504,470	602,440,429	653,504,470
Financial Liabilities at Amortised Cost - Deposits due to Customers	13,955,638,732	14,598,143,536	13,955,638,732	14,598,143,536
Financial Liabilities at Amortised Cost - Other Borrowed Funds	1,899,958,768	1,939,529,631	1,899,958,768	1,939,529,631
Lease Liabilities	105,783,520	121,564,039	105,783,520	121,564,039
<b>Total Financial Liabilities</b>	<b>16,666,041,225</b>	<b>17,358,729,179</b>	<b>16,666,041,225</b>	<b>17,358,729,179</b>

1. The above figures are provisional and subject to audit.
2. Information on shares for the quarter ended September 30, 2021 as given below.

<b>Market Price per Share (Rs.)</b>	<b>CRL.N0000</b>	<b>CRL.R0000</b>
Highest	10.10	1.00
Lowest	8.70	0.10
Closing	9.10	0.10
<b>Ratios</b>		
Debt to equity ratio (Times)	3.40	
Liquid assets ratio (%) – Statutory Minimum 10%	12.98	

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 30 September 2021**

<b>Name</b>	<b>No. of Shares</b>	<b>(%)</b>
SOFTLOGIC CAPITAL PLC	293,132,367	59.49
PAN ASIA BANKING CORPORATION PLC/SOFTLOGIC CAPITAL PLC	156,063,440	31.67
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	3,276,253	0.66
L.B. FINANCE LIMITED.	2,090,000	0.42
HATTON NATIONAL BANK PLC/SUBRAMANIAM VASUDEVAN	1,943,586	0.39
PEOPLES BANK/ASOKA KARIYAWASAM PATHIRAGE	1,653,822	0.34
PEOPLE'S LEASING & FINANCE PLC/L.P.HAPANGAMA	767,992	0.16
SEYLAN BANK PLC/SENTHILVERL HOLDINGS (PVT) LTD	401,000	0.08
HATTON NATIONAL BANK PLC/ARUNASALAM SITHAMPALAM	300,000	0.06
MR. WEERATHUNGA ARACHCHIGE SAMPATH PALITHA DE SARAM	227,256	0.05
MR. THARMALINGAM LOGANATHAN	187,073	0.04
MR. BALENDIRAN JANEGAN	175,015	0.04
LOLC FINANCE PLC/T.M.P. FERNANDO	165,676	0.03
SAMPATH BANK PLC/MR. ABISHEK SITHAMPALAM	159,782	0.03
MRS. PAMELA CHRISTINE COORAY	132,444	0.03
HATTON NATIONAL BANK PLC/MOHOTTI WITHANAGE AJANTHA LAKMAL	121,744	0.02
HATTON NATIONAL BANK PLC/RATNASABAPATHY IYER SHANMUGASARMA	120,442	0.02
	487,639,588	98.97
Others	5,087,314	1.03
<b>Total</b>	<b>492,726,902</b>	<b>100.00</b>

**10. Directors' Shareholding as at 30 September 2021**

<b>Names of Directors</b>	<b>No. of Shares</b>	<b>(%)</b>
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 30 September 2021**

Public holding	20,531,645	4.17%
Number of public shareholders	1,666	

**12. Float adjusted market Capitalization as at 30 September 2021**

	<b>Threshold</b>	<b>Compliance (Y/N)</b>	<b>Value</b>
Float adjusted market Capitalization (Rs)	Less than 1 Bn	Yes	186,975,078
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.



**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. 19,350,278

**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. 7,732,027  
Savings Deposits Rs. 358,602

**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 September 30, 2021

Rs.

Company	Relationship	(Receivables) / Payables	Loans, Advances & Investments	Borrowings / Deposits	Income Earned	Cost Incurred	Plant & Equip. Purchased / (sold)
Softlogic Capital PLC	Parent Company	6,059,526	-	-	-	1,736,600	-
Softlogic Corporate Services (Pvt) Ltd	Affiliated Company	785,700	-	-	-	1,571,400	-
Softlogic Brands (Pvt) Ltd	Group Company	-	-	305,795	7,227,578	7,100	-
Softlogic Stock Brokers (Pvt) Ltd	Group Company	-	43,246	-	9,930	-	-
Softlogic Holdings PLC	Ultimate Parent Company	1,356,679	-	-	-	1,356,679	-
Softlogic Retail (Pvt) Ltd	Affiliated Company	(1,137,673)	-	277	-	5	-
Softlogic Information Technologies (Pvt) Ltd	Affiliated Company	225,400	-	-	-	32,900	8,485,000
Softlogic Mobile Distributors (Pvt) Ltd	Affiliated Company	296,765	-	-	-	-	296,765
Softlogic BPO Services (Pvt) Ltd	Affiliated Company	2,327,400	2,317,251	-	185,715	12,503,938	-
Softlogic Asset Management (Pvt) Ltd	Affiliated Company	-	-	16,279,500	-	632,353	-
Future Automobiles (Pvt) Ltd	Affiliated Company	303,801	-	-	-	2,217,994	-
Softlogic Life PLC	Affiliated Company	(3,728,152)	-	-	1,383,000	1,598,985	-
Suzuki Motors Lanka (Pvt)Ltd	Affiliated Company	-	-	-	-	13,559	-
Softlogic Invest (Pvt) Ltd	Affiliated Company	-	-	-	-	-	-

**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	-	0%	2,239,667,740	0%	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>-</b>	<b>0%</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.

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.

For the period ended 30th September	Leasing & Hire Purchases		Personal Loans & Pawning		SME, Factoring & Other Loans		Unallocated		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
Interest Income	601,580,090	236,386,923	278,137,321	320,074,694	347,157,200	544,022,298	-	-	1,226,874,611	1,100,483,915
Investment Income	-	-	-	-	-	-	37,708,755	98,163,658	37,708,755	98,163,658
Fee and Commission Income	17,630,000	16,830,000	6,440,764	644,940	45,450,711	29,454,139	-	-	69,521,476	46,929,079
Other Operating Income	-	-	-	-	-	-	47,629,495	11,625,119	47,629,495	11,625,119
<b>Total Revenue</b>	<b>619,210,090</b>	<b>253,216,923</b>	<b>284,578,086</b>	<b>320,719,634</b>	<b>392,607,911</b>	<b>573,476,437</b>	<b>85,338,250</b>	<b>109,788,777</b>	<b>1,381,734,337</b>	<b>1,257,201,771</b>
Profit Before Income Tax	(55,103,255)	(153,874,757)	(25,324,489)	(194,894,776)	(34,938,019)	(348,489,928)	(7,594,216)	(66,716,399)	(122,959,979)	(763,975,860)
Income Tax (Expense)/Reversal									-	114,884,362
<b>Profit After Tax</b>									<b>(122,959,979)</b>	<b>(649,091,498)</b>
<b>Segment Assets</b>	<b>7,765,043,520</b>	<b>3,845,946,418</b>	<b>3,235,243,565</b>	<b>3,053,265,928</b>	<b>6,505,413,074</b>	<b>8,590,258,543</b>	<b>5,146,624,937</b>	<b>5,976,394,372</b>	<b>22,652,325,096</b>	<b>21,465,865,261</b>
<b>Segment Liabilities</b>	<b>6,000,414,750</b>	<b>3,490,933,899</b>	<b>2,500,025,036</b>	<b>2,771,424,345</b>	<b>5,027,038,993</b>	<b>7,797,306,954</b>	<b>3,977,039,420</b>	<b>5,424,723,967</b>	<b>17,504,518,199</b>	<b>19,484,389,165</b>

Rs.

---

**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	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	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	Assst.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: 1/200, Main Street, Ratnapura	045-2230677	045-2223574	rathnapura@softlogicfinance.lk
29	Senkadagala	Asst.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

## Standalone Gold Loan Centre

No	Branch	Address	Telephone Number	Fax	Email
1	Mawanella	No: 131,132, Kandy Road, Mawanella	035-2247304		