



SOFTLOGIC HOLDINGS PLC

INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
31 DECEMBER 2017

Dear Shareholders,

For a consumer/retail-focused conglomerate such as Softlogic, a challenging operating climate was witnessed during the period, particularly in the retail sector, which was further compounded by the high interest rate regime, the rising inflation levels, the inclement weather and the VAT increase. Despite these systemic challenges, your Group revenue grew 10.3% to Rs.49.4 Bn during the first nine months of this financial year while the quarterly revenue grew 17.7% to Rs. 18.3 Bn. Cumulative Group topline witnessed a contribution of 31.8% from the Retail sector followed by ICT (26.3%), Healthcare Services (18.2%), Financial Services (16.3%) and Leisure (3.5%).

Gross Profit increased 22.5% to Rs. 17.6 Bn during the 1-3QFY18 reflecting strong GP margin improvement from 32.1% in 1-3QFY17 to 35.7% in 1-3QFY18. The quarter too registered GP margin improvements from 33.3% in 3QFY17 to 35.3% in 3QFY18 pushing the quarterly gross profit to Rs. 6.5 Bn (up 24.9%). Group's cost conscious measures coupled with Group synergies helped to overcome cost hurdles in our two core sectors – Healthcare and Retail – where a number of capital intensive projects are progressing.

Distribution and administrative expenses increased 10.8% and 14.4% to Rs. 2.5 Bn and Rs.9.8 Bn respectively during the period resulting in the total operational expenses, which now includes Movenpick Hotel Colombo, to increase to Rs. 12.3 Bn (up 13.6%) while maintaining the operating cost margins at 24% levels during 1-3QFY18. Quarterly operational cost increase remained moderate at 8.8% to Rs. 4.3 Bn.

Other operating income for the period was to Rs. 1.9 Bn (Rs. 741.5 Mn in 1-3QFY17). This composed of a mix of recurrent and one-off income lines such as fee and commission income at the retail and financial services sectors as well as disposal gains.

Cumulative operating profit improved 67.2% to Rs. 7.2 Bn while the quarter registered 124.3% increase to Rs. 3.1 Bn.

Cumulative Group EBITDA improved 58.9% to Rs. 9.2 Bn while quarterly EBITDA increased 97.4% to Rs. 3.7 Bn.

Finance Income which primarily consists Softlogic Life Insurance PLC's investment portfolio's performance, increased 52.6% to Rs. 879.5 Mn during the nine-month period while the quarter registered 87.9% growth to Rs. 308.2 Mn.

Net finance expenses increased 27.4% to Rs. 3.5 Bn during 1-3QFY18 while the quarter also witnessed a similar increase of 26.1% to Rs. 1.3 Bn.

The change in insurance contract liabilities depicts the transfer from the life insurance business to the policy holders' account. The cumulative period witnessed a transfer of Rs. 1.3 Bn as opposed to Rs. 95.5 Mn in the comparative period while the quarter witnessed a transfer of Rs. 455.1 Mn (Rs. 82.9 Mn in 3QFY17). This increase was mainly due to the growth of the life insurance business.

Profit before tax rose 60.6% to Rs. 2.4 Bn for the cumulative period while reporting a four-fold increase to Rs. 1.4 Bn (Rs. 274.1 Mn in 3QFY17).

Profit after taxation during the nine-month period registered a strong 68.1% increase to Rs.1.9 Bn while quarterly bottom line reported more than a two-fold increase to report Rs. 1.2 Bn as opposed to Rs. 351.8 Mn in 3QFY17.

Retail

Retail sector's cumulative revenue was Rs. 15.7 Bn (up 3.1%) with the quarter reporting Rs. 6.1 Bn (up 8.6%). Retail sector growth was stifled by the sluggish economic climate which dampened consumer demand during this period.

Retail sector revenues primarily originated from ODEL and Consumer Electronics businesses while the QSR chain continued to report incremental earnings despite its expansion drive.

Burger King opened its 19th outlet in Kotahena to tap into the growing fast-food demand in that geography.

Consumer Electronics network stands with 219 stores around Sri Lanka with the latest store being opened in Thambuttegama in the Anuradhapura district. We now have a total retail space of 290,000 sq. ft in the Consumer Electronics business.

Odel will be occupying 40,000 sq.ft at the Colombo City Centre which will open in August. Odel will be retailing an exclusive sportswear section while also housing its upmarket luxury brands such as Armani Exchange, Mothercare, Fossil, Luxe bags, Aldo, Clarks, Mango, Charles & Keith, Swarovski as well as its own Odel brands in this mall. Also, we will take 100,000 sq.ft of mall space in Shangri La which is expected to open in June 2019.

Plans are progressing well to unveil one of the city's authentic mall – The Odel Mall—in 2020.

Sectorial operating profit increased 28.1% to Rs. 2.2 Bn during 1-3QFY18 while the quarter saw an increase of 16.1% to Rs. 852.2 Mn to denote operating margin improvement from 13.0% in 1-3QFY17 to 13.9% in 1-3QFY18. The sector's strong bargaining power and other synergies adds to its cost saving strategies.

It is natural for the retail sector which is presently the Group's most capital intensive

segment in the wake of Odel's expansion and also the expansion of Consumer Electronics and fast-food business, to witness a finance costs growth of Rs. 1.6 Bn (Rs. 1 Bn in 1-3QFY18) during the cumulative period leading sectorial PAT to decline 10.4% to Rs. 493.5 Mn.

Healthcare Services

Asiri Health revenues steadily rose 18.3% to Rs. 9.0 Bn during the nine-month period while the quarterly topline rose 13.9% to Rs. 3.1 Bn. Hospital group's topline was led by Central Hospital Ltd., (36.0% contribution), followed by Asiri Hospital Holdings PLC (30.1% contribution) and Asiri Surgical Hospital PLC (26.7% contribution).

Growth in Non-Communicable Diseases supported the seasonal growth trends at the healthcare cluster while continuous growth in private medical care augurs well for future.

We are awaiting the launch of Asiri Hospital Kandy, which would be the first state-of-the-art 190-bed hospital to cater to the Central, North and Eastern provinces. This facility will include state-of-the-art technology specializing in Cardiac, some of which will certainly be a first for the region.

Sector's operating profit rose 79.4% to Rs. 2.8 Bn during the cumulative period while the quarterly operating earnings rose to Rs. 1.3 Bn from Rs. 570.4 Mn in 3QFY17.

Information & Communication Technology

ICT sector revenue for the cumulative period was Rs. 13.0 Bn while the quarter reported revenues of Rs. 4.8 Bn (up 9.4%).

The Nokia business is witnessing a slow recovery following its global disruption. However, Samsung has maintained its lead in the market. The B2B IT segment progressed with its long term contractual businesses with leading private as well as state sector clients.

Quarterly operating profit rose 55.9% to Rs. 224.7 Mn to take the cumulative operating earnings to Rs. 636.7 Mn (up 10.2%). Sector PBT rose 38.4% to Rs. 458.9 Mn during the cumulative period while the quarter reported Rs. Rs. 172.6 Mn PBT (Rs. 68.4 Mn in 3QFY17). Nonetheless, the sector concluded the nine-months with a PAT growth of 29.1% to Rs. 334.2 Mn.

Financial Services

Financial Services witnessed a turnover growth of 22.4% to Rs. 8.0 Bn during 1-3QFY18 as the quarterly revenue also improved 29.8% to Rs. 2.9 Bn. Cumulative Operating profit for the quarter increased to Rs. 1.7 Bn as opposed to Rs. 563.7 Mn in 1-3QFY17. Quarterly operating earnings closed at Rs. 838.3 Mn (as opposed to an operating loss of Rs. 1.9 Mn reported in 3QFY17). Sector PBT for the quarter was Rs. 582.3 Mn while cumulative PBT reached Rs. 900.0 Mn (Rs. 766.2 Mn in 1-3QFY17). Sectorial PAT registered a 52.7% growth to Rs. 1.3 Bn during 1-3QFY18 while the quarter witnessed more than a three-fold increase to Rs. 988.9 Mn.

Softlogic Life Insurance PLC continued its strong performance recording a GWP of Rs. 7.5 Bn for the financial year 2017 which is a growth of 33% compared to the previous year. It is estimated that the Insurer more than doubled market growth, which is a feat that has been achieved every year from the time Softlogic acquired the Company in 2011.

Softlogic Finance PLC's assets was Rs. 22.5 Bn as at 31st December 2017 whilst Customer Deposits rose 6.6% to Rs. 17.0 Bn.

Automobile

Automobile sector revenue increased 70.3% to Rs.1.9 Bn during the first nine months of financial year end 2018. Continuous focus in increasing revenue targets helped the sector to trim its losses during the discussed period.

Ford business contributed steadily to the topline while we maintained steady supply to one of our biggest customers - GoSL. Retail sales was sluggish during the last three quarters which however is witnessing a strong recovery in the last quarter of the financial year. Ford after-sales business registered an all-time high during the period with the revival of customer confidence due to high spare parts availability and enhanced service delivery standards.

Suzuki Motors, which imports and distributes motorcycles, started with 26 dealers at time of acquisition, now stands with a dealer network of 55. We are planning to increase this to 70 by 31 March 2018. A notable increase in sales in the motorcycle business has been evident since our takeover. Capitalizing on the group synergies, a special financing scheme for Suzuki Motor customers has been agreed with Softlogic Finance PLC.

Leisure & Real Estates

Leisure sector topline more than doubled during the cumulative period rising from Rs. 670.0 Mn in 1-3QFY17 to Rs. 1.7 Bn in 1-3QFY18 while quarterly revenues rose at the same pace to Rs. 681.1 Mn from 271.8 Mn in 3QFY17.

Movenpick Hotel Colombo marked its first seasonal peak during December while Winter-peak at Centara reported healthy occupancy levels.

Future Outlook

With a private placement, rights issue and internal restructuring in the offing we propose to raise over Rs.7 Bn for the purpose of restructuring the balance sheet and improving key capital ratios. The exercise would no doubt reduce finance cost and significantly impact our credit rating going forward.

-sgd-

Ashok Pathirage

Chairman

15 February 2018

Softlogic Holdings PLC

CONSOLIDATED INCOME STATEMENT

In Rs.	Unaudited 09 months to 31-12-2017	Unaudited 09 months to 31-12-2016	Change as a %	Unaudited 03 months to 31-12-2017	Unaudited 03 months to 31-12-2016	Change as a %	Audited 12 months to 31-03-2017
Continuing operations							
Revenue	49,423,800,044	44,812,389,028	10.29	18,337,782,990	15,586,535,978	17.65	59,087,730,604
Cost of sales	(31,792,588,032)	(30,421,092,587)	4.51	(11,858,263,108)	(10,397,813,572)	14.05	(39,377,706,757)
Gross profit	17,631,212,012	14,391,296,441	22.51	6,479,519,882	5,188,722,406	24.88	19,710,023,847
Other operating income	1,867,562,805	741,537,092	151.85	1,007,424,953	204,264,365	393.20	994,431,461
Distribution expenses	(2,506,844,094)	(2,263,589,538)	10.75	(917,975,806)	(881,828,381)	4.10	(3,039,151,173)
Administrative expenses	(9,796,460,591)	(8,564,382,981)	14.39	(3,425,812,585)	(3,110,054,682)	10.15	(12,350,088,217)
Results from operating activities	7,195,470,132	4,304,861,014	67.15	3,143,156,444	1,401,103,708	124.33	5,315,215,918
Finance income	879,468,176	576,216,057	52.63	308,179,246	163,984,626	87.93	897,391,473
Finance expenses	(4,371,233,523)	(3,316,913,695)	31.79	(1,629,928,173)	(1,212,226,784)	34.46	(4,809,538,225)
Net finance cost	(3,491,765,347)	(2,740,697,638)	27.40	(1,321,748,927)	(1,048,242,158)	26.09	(3,912,146,752)
Change in fair value of investment property	-	-	-	-	-	-	354,120,000
Change in insurance contract liabilities	(1,328,414,914)	(95,488,739)	1,291.17	(455,106,509)	(82,929,535)	448.79	(82,439,974)
Share of profit of equity accounted investees	15,323,225	19,621,735	(21.91)	6,542,540	4,133,754	58.27	9,997,782
Profit before tax	2,390,613,096	1,488,296,372	60.63	1,372,843,548	274,065,769	400.92	1,684,746,974
Tax expense	(471,833,748)	(492,170,415)	(4.13)	(131,930,726)	(178,557,523)	(26.11)	(863,567,306)
Profit for the period from continuing operations	1,918,779,348	996,125,957	92.62	1,240,912,822	95,508,246	1,199.27	821,179,668
Profit for the period from discontinued operation	-	145,315,170	(100.00)	-	256,321,166	(100.00)	145,317,367
Profit for the period	1,918,779,348	1,141,441,127	68.10	1,240,912,822	351,829,412	252.70	966,497,035
Attributable to:							
Equity holders of the parent	306,863,906	347,067,165	(11.58)	304,400,780	151,481,747	100.95	108,189,090
Non-controlling interest	1,611,915,442	794,373,962	102.92	936,512,042	200,347,665	367.44	858,307,945
	1,918,779,348	1,141,441,127	68.10	1,240,912,822	351,829,412	252.70	966,497,035
Earnings per share - Basic (Rs.)	0.40	0.45	(11.58)	0.39	0.20	100.95	0.14
Dividend per share - Rs.	0.65	0.50	30.00	-	-	-	0.50

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

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In Rs.	Unaudited 09 months to 31-12-2017	Unaudited 09 months to 31-12-2016	Change as a %	Unaudited 03 months to 31-12-2017	Unaudited 03 months to 31-12-2016	Change as a %	Audited 12 months to 31-03-2017
Profit for the period	1,918,779,348	1,141,441,127	68.10	1,240,912,822	351,829,412	252.70	966,497,035
Other comprehensive income							
Continuing operations							
Other comprehensive income to be reclassified to income statement in subsequent periods							
Currency translation of foreign operations	(4,220,832)	1,329,456	(417.49)	472,889	2,478,825	(80.92)	(4,948,205)
Net change in fair value on derivative financial instruments	3,069,813	(28,052,471)	(110.94)	(1,584,630)	(15,680,589)	(89.89)	(38,096,017)
Net (loss) / gain on available-for-sale financial assets	522,876,317	(193,217,799)	370.61	151,760,170	(304,621,390)	149.82	(371,744,345)
Available-for-sale financial assets reclassified to income statement	6,849,671	(17,679,501)	138.74	1,312,369	(5,669,656)	123.15	(20,364,400)
Net other comprehensive income to be reclassified to income statement in subsequent periods	528,574,969	(237,620,315)	322.45	151,960,798	(323,492,810)	146.98	(435,152,967)
Other comprehensive income not to be reclassified to income statement in subsequent periods							
Revaluation of land and buildings	23,533,223	-	-	23,533,223	-	-	1,322,816,775
Re-measurement gain/ (loss) on employee benefit liabilities	2,450,614	(13,304,325)	118.42	2,450,614	(13,304,325)	118.42	(50,033,638)
Share of other comprehensive income of equity accounted investments (net of tax)	-	-	-	-	-	-	289,308
Tax on other comprehensive income not to be reclassified to income statement in subsequent periods	-	-	-	-	-	-	(38,366,048)
Net other comprehensive income not to be reclassified to income statement in subsequent periods	25,983,837	(13,304,325)	295.30	25,983,837	(13,304,325)	295.30	1,234,706,397
Other comprehensive income from continuing operations for the period, net of tax	554,558,806	(250,924,640)	321.01	177,944,635	(336,797,135)	152.83	799,553,430
Other comprehensive income from discontinued operations for the period, net of tax	-	72,882,792	(100.00)	-	69,575,389	(100.00)	72,882,792
Total comprehensive income for the period, net of tax	2,473,338,154	963,399,279	156.73	1,418,857,457	84,607,666	1,576.98	1,838,933,257
Attributable to:							
Equity holders of the parent	521,782,210	170,995,186	205.14	350,344,385	(7,047,890)	5,070.91	772,007,862
Non-controlling interest	1,951,555,944	792,404,093	146.28	1,068,513,072	91,655,556	1,065.79	1,066,925,395
	2,473,338,154	963,399,279	156.73	1,418,857,457	84,607,666	1,576.98	1,838,933,257

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

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In Rs.	Unaudited as at 31-12-2017	Unaudited as at 31-12-2016	Audited as at 31-03-2017
ASSETS			
Non-current assets			
Property, plant and equipment	38,062,854,692	34,020,070,101	36,350,857,044
Lease rentals paid in advance	855,778,504	852,981,272	852,722,039
Investment property	1,037,000,000	682,880,000	1,037,000,000
Intangible assets	8,551,026,933	8,567,953,460	8,569,237,398
Investments in equity accounted investments	107,501,626	77,863,056	68,528,412
Non-current financial assets	11,986,414,301	10,733,905,759	10,129,306,863
Rental receivable on lease assets and hire purchase	807,720,859	299,541,215	359,972,088
Other non-current assets	339,745,081	295,916,992	236,545,947
Deferred tax assets	923,641,271	358,078,890	508,967,693
	62,671,683,267	55,889,190,745	58,113,137,484
Current assets			
Inventories	9,320,646,847	8,580,174,410	8,979,963,034
Trade and other receivables	10,120,833,150	9,227,590,472	8,672,926,321
Loans and advances	11,892,674,199	14,289,739,281	15,290,820,755
Rental receivable on lease assets and hire purchase	157,644,095	393,834,047	589,344,587
Amounts due from related parties	756,822	261,776	333,424
Other current assets	5,678,830,543	4,035,312,909	3,393,857,381
Short term investments	6,733,399,407	4,078,993,503	3,796,255,673
Cash in hand and at bank	5,206,645,562	2,719,064,534	2,794,607,770
	49,111,430,625	43,324,970,932	43,518,108,945
Total assets	111,783,113,892	99,214,161,677	101,631,246,429
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Stated capital	5,089,000,000	5,089,000,000	5,089,000,000
Revenue reserves	443,698,769	913,964,206	637,393,527
Other components of equity	3,481,437,535	2,576,722,219	3,440,146,758
	9,014,136,304	8,579,686,425	9,166,540,285
Non-controlling interests	9,133,304,235	7,846,760,300	7,304,303,560
Total equity	18,147,440,539	16,426,446,725	16,470,843,845
Non-current liabilities			
Insurance contract liabilities	7,944,972,976	6,629,606,916	6,616,558,062
Interest bearing borrowings	26,109,394,719	27,772,659,427	29,655,413,767
Public deposits	3,811,334,546	1,366,965,999	1,986,055,112
Deferred tax liabilities	480,311,001	329,924,155	491,898,301
Employee benefit liabilities	882,038,824	743,001,932	801,930,111
Other deferred liabilities	125,319,835	165,954,850	153,158,615
Other non-current financial liabilities	38,575,888	25,029,581	28,848,995
	39,391,947,789	37,033,142,860	39,733,862,963
Current liabilities			
Trade and other payables	7,792,720,488	6,440,318,407	6,953,744,115
Amounts due to related parties	12,657,369	16,423,550	17,565,485
Income tax liabilities	323,407,289	392,484,038	371,320,990
Other current financial liabilities	20,788,156,113	13,791,307,433	12,056,238,155
Current portion of interest bearing borrowings	6,703,534,670	5,869,748,679	6,328,018,316
Other current liabilities	1,347,675,431	1,353,112,013	1,435,065,968
Public deposits	13,129,273,645	14,566,385,691	14,049,442,438
Bank overdrafts	4,146,300,559	3,324,792,281	4,215,144,154
	54,243,725,564	45,754,572,092	45,426,539,621
Total equity and liabilities	111,783,113,892	99,214,161,677	101,631,246,429

Note : The above figures are not audited unless otherwise stated.

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

-sgd-
Director

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

-sgd-
Chairman

-sgd-
Director

15 February 2018
Colombo

Softlogic Holdings PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP

In Rs.	Attributable to equity holders of parent										Non-controlling interest	Total equity
	Stated capital	Treasury shares	Revaluation reserve	Foreign currency translation reserve	Available-for-sale reserve	Statutory reserve fund	Other reserves	Cash flow hedge reserve	Revenue reserve	Total		
As at 01 April 2017	5,089,000,000	(55,921,185)	4,628,655,031	(43,262,584)	(718,502,230)	265,140,106	(491,235,138)	(144,727,242)	637,393,527	9,166,540,285	7,304,303,560	16,470,843,845
Profit for the period	-	-	-	-	-	-	-	-	306,863,906	306,863,906	1,611,915,442	1,918,779,348
Other comprehensive income	-	-	9,130,515	(4,220,832)	205,994,338	-	-	3,063,483	950,800	214,918,304	339,640,502	554,558,806
Total Comprehensive income	-	-	9,130,515	(4,220,832)	205,994,338	-	-	3,063,483	307,814,706	521,782,210	1,951,555,944	2,473,338,154
Transfer to reserve fund	-	-	-	-	-	(1,855,930)	-	-	1,855,930	-	-	-
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	(170,820,797)	-	-	(170,820,797)	20,790,864	(150,029,933)
Dividend paid	-	-	-	-	-	-	-	-	(503,365,394)	(503,365,394)	-	(503,365,394)
Subsidiary dividend to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(143,346,133)	(143,346,133)
As at 31 December 2017	5,089,000,000	(55,921,185)	4,637,785,546	(47,483,416)	(512,507,892)	263,284,176	(662,055,935)	(141,663,759)	443,698,769	9,014,136,304	9,133,304,235	18,147,440,539
As at 01 April 2016	5,089,000,000	(55,921,185)	3,754,705,394	(38,314,379)	(575,351,439)	190,324,200	(502,065,112)	(106,709,772)	1,034,232,119	8,789,899,826	7,543,661,483	16,333,561,309
Profit for the period	-	-	-	-	-	-	-	-	347,067,165	347,067,165	794,373,962	1,141,441,127
Other comprehensive income	-	-	-	1,329,456	(143,557,244)	-	-	(27,994,633)	(5,849,558)	(176,071,979)	(1,969,869)	(178,041,848)
Total Comprehensive income	-	-	-	1,329,456	(143,557,244)	-	-	(27,994,633)	341,217,607	170,995,186	792,404,093	963,399,279
Transfer to reserve fund	-	-	-	-	-	55,303,249	-	-	(55,303,249)	-	-	-
Direct cost on issue of shares	-	-	-	-	-	-	-	-	(18,978,120)	(18,978,120)	(21,740,027)	(40,718,147)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	24,973,684	-	-	24,973,684	(28,122,572)	(3,148,888)
Dividend paid	-	-	-	-	-	-	-	-	(387,204,151)	(387,204,151)	-	(387,204,151)
Subsidiary dividend to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(439,442,677)	(439,442,677)
As at 31 December 2016	5,089,000,000	(55,921,185)	3,754,705,394	(36,984,923)	(718,908,683)	245,627,449	(477,091,428)	(134,704,405)	913,964,206	8,579,686,425	7,846,760,300	16,426,446,725

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

Softlogic Holdings PLC

CONSOLIDATED CASH FLOW STATEMENT

In Rs.	Unaudited 09 months to 31-12-2017	Unaudited 09 months to 31-12-2016	Audited 12 months to 31-03-2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax from continuing operations	2,390,613,096	1,488,296,372	1,684,746,974
Loss before tax from discontinued operation	-	146,731,877	(109,594,288)
	2,390,613,096	1,635,028,249	1,575,152,686
Adjustments for:			
Finance income	(879,468,176)	(651,026,409)	(897,391,473)
Finance cost	4,371,233,523	3,320,595,233	4,809,538,225
Change in fair value of investment property	-	-	(354,120,000)
Share of results of equity accounted investees	(15,323,225)	(19,621,735)	(9,997,782)
Gratuity provision and related cost	146,601,521	130,962,576	170,672,527
Provisions for/ write-off of impaired receivables	114,779,036	120,344,647	343,541,577
Provision for write-off of inventories	77,583,711	161,607,650	293,705,033
Provisions for/ write-off of loans and advances	7,954,580	279,169,853	295,501,773
Provisions for/ write-off of investments in lease and hire purchase	(39,342,835)	26,561,968	119,817,749
Depreciation of property, plant and equipment	1,694,946,588	1,233,769,405	1,711,637,099
Profit on sale of property, plant and equipment	(12,097,850)	(10,816,146)	(19,155,280)
Profit on sale of investments	(473,320,574)	(297,380,934)	(40,016,280)
Unrealised (profit)/ loss on foreign exchange	(28,171,007)	(2,776,374)	25,237,048
Amortisation/ impairment of intangible assets	268,918,904	224,833,092	348,649,812
Amortisation of prepaid lease rentals	827,237	777,700	1,036,933
Increase/ (decrease) in deferred income	(40,833,733)	200,159,000	210,857,225
Impairment & derecognition of property, plant & equipment	8,778,042	927,957	17,441,797
Profit before working capital changes	7,593,678,838	6,353,115,732	8,602,108,669
(Increase) / decrease in inventories	(294,612,260)	(36,241,626)	(558,242,986)
(Increase) / decrease in trade and other receivables	(1,457,318,450)	(1,323,164,990)	(1,047,862,418)
(Increase) / decrease in loans and advances	1,312,103,965	(2,165,340,980)	(3,049,035,458)
(Increase) / decrease in investments in lease and hire purchase	(98,081,456)	717,204,424	368,007,230
(Increase) / decrease in other current assets	(2,131,098,642)	(505,082,793)	137,717,128
(Increase) / decrease in amounts due from related parties	(423,398)	545,958	474,310
Increase / (decrease) in trade and other payables	838,976,374	226,321,688	482,958,568
Increase / (decrease) in amounts due to related parties	(4,908,116)	(30,916,409)	(29,774,474)
Increase / (decrease) in other current liabilities	(90,763,178)	358,348,197	416,807,717
Increase / (decrease) in public deposits	905,110,641	1,941,509,304	2,043,655,163
Increase / (decrease) in insurance contract liabilities	1,328,414,914	95,488,739	82,439,974
Cash generated from operations	7,901,079,232	5,631,787,244	7,449,253,423
Finance income received	416,480,271	636,555,876	809,710,656
Finance expenses paid	(4,289,847,311)	(3,277,648,533)	(4,752,244,036)
Dividend received	3,015,010	1,800,014	1,800,014
Tax paid	(817,962,671)	(691,711,257)	(1,088,653,474)
Gratuity paid	(69,845,456)	(71,242,580)	(88,753,665)
Net cash flow from operating activities	3,142,919,075	2,229,540,764	2,331,112,918
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES			
Purchase and construction of property, plant and equipment	(3,285,494,959)	(4,570,215,260)	(6,010,132,128)
Addition to intangible assets	(119,644,676)	(91,907,955)	(221,672,346)
(Increase)/ decrease in other non-current assets	(103,199,134)	(58,806,823)	564,222
(Purchase) / disposal of short term investments (net)	(1,378,882,693)	(1,292,111,258)	(1,601,965,821)
Dividends received	41,014,517	10,794,764	99,942,789
(Purchase) / disposal of non-current financial assets	778,361,992	(654,337,958)	(387,387,490)
Acquisition of subsidiaries	(215,100,593)	-	-
Disposal of business, net of cash disposed	-	1,257,566,421	1,313,733,268
Proceeds from disposal of controlling interest	582,336,050	-	-
Proceeds from sale of property, plant and equipment	80,088,388	126,864,176	154,864,022
Net cash flow used in investing activities	(3,620,521,108)	(5,272,153,893)	(6,652,053,484)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES			
Dividend paid to non-controlling interest	(143,346,133)	(439,442,677)	(959,115,494)
Proceeds from long term borrowings	1,672,901,353	11,452,540,049	15,661,103,460
(Increase) / decrease of controlling interest	(460,996,900)	(215,877,436)	(247,887,644)
(Increase) / decrease in other non-current financial liabilities	403,493	(3,703,000)	116,414
Repayment of long term borrowings	(4,947,717,272)	(6,514,384,748)	(8,551,815,195)
Proceeds from / (repayment of) other current financial liabilities (net)	8,476,956,275	(1,083,959,243)	(2,819,028,521)
Direct cost on issue of shares/ share repurchase	-	(40,718,147)	(40,718,147)
Dividend paid to equity holders of parent	(503,365,394)	(387,204,152)	(387,204,151)
Net cash flow from financing activities	4,094,835,422	2,767,250,646	2,655,450,722
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	3,617,233,389	(275,362,483)	(1,665,489,844)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	866,427,549	2,531,997,653	2,531,997,653
Effect of exchange rate changes	(64,348)	23,750	(80,260)
CASH AND CASH EQUIVALENTS AT THE END	4,483,596,590	2,256,658,920	866,427,549
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Favourable balances			
Cash in hand and at Bank	5,206,645,562	2,719,064,534	2,794,607,770
Short term investments	3,423,251,587	2,862,386,667	2,286,963,933
Unfavourable balances			
Bank overdrafts	(4,146,300,559)	(3,324,792,281)	(4,215,144,154)
Cash and cash equivalents	4,483,596,590	2,256,658,920	866,427,549

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

Softlogic Holdings PLC

CONSOLIDATED CASH FLOW STATEMENT

(A) Acquisition of subsidiaries

In July 2017, Softlogic Retail (Pvt) Ltd, a subsidiary of Softlogic Holdings PLC acquired 67% ordinary shares of Suzuki Motors Lanka Ltd at a price of Rs. 43.40 per share.

The acquisition had the following effect on the Group's assets and liabilities.

In Rs.	Unaudited 09 months to 31-12-2017
Property, plant and equipment	106,051,685
Lease rentals paid in advance	3,883,702
Non-current financial assets	27,655,432
Inventories	123,655,264
Trade and other receivables	98,249,873
Income tax refund due	7,327,541
Other current assets	31,775,049
Interest bearing borrowings	(10,654,298)
Employee benefit liabilities	(5,803,262)
Other non-current financial liabilities	(9,323,400)
Other current financial liabilities	(254,961,684)
Other current liabilities	(16,367,593)
Bank overdrafts	(50,099,893)
Net identifiable assets	51,388,416
Non controlling interest holding	18,268
Goodwill recognised on acquisition	131,063,763
	182,470,447
Investment by Non controlling interest	(17,469,747)
	165,000,700
Total purchase price paid	
Cash consideration	165,000,700
Cash at bank and in hand acquired	50,099,893
	215,100,593

The assets and liabilities as at the acquisition date are stated at their provisional fair values and may be amended.

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY INCOME STATEMENT

In Rs.	Unaudited 09 months to 31-12-2017	Unaudited 09 months to 31-12-2016	Change as a %	Unaudited 03 months to 31-12-2017	Unaudited 03 months to 31-12-2016	Change as a %	Audited 12 months to 31-03-2017
Revenue	488,726,443	469,683,431	4.05	161,220,907	159,877,000	0.84	628,427,166
Cost of sales	(159,599,237)	(148,565,221)	7.43	(54,701,472)	(52,269,397)	4.65	(200,180,876)
Gross profit	329,127,206	321,118,210	2.49	106,519,435	107,607,603	(1.01)	428,246,290
Dividend income	195,065,465	374,543,387	(47.92)	190,278,995	-	-	1,343,212,899
Other operating income	35,650,486	1,111,459,709	(96.79)	13,496,307	8,532,300	58.18	1,137,299,866
Administrative expenses	(323,463,380)	(421,826,349)	(23.32)	(120,729,172)	(124,945,402)	(3.37)	(898,733,172)
Results from operating activities	236,379,777	1,385,294,957	(82.94)	189,565,565	(8,805,499)	(2,252.81)	2,010,025,883
Finance income	793,314,291	706,549,248	12.28	357,687,807	320,415,339	11.63	1,045,636,385
Finance expenses	(1,943,688,320)	(1,473,008,505)	31.95	(775,882,169)	(554,936,755)	39.81	(2,039,862,417)
Net finance cost	(1,150,374,029)	(766,459,257)	50.09	(418,194,362)	(234,521,416)	78.32	(994,226,032)
Change in fair value of investment property	-	-	-	-	-	-	62,176,317
Profit/ (loss) before tax	(913,994,252)	618,835,700	(247.70)	(228,628,797)	(243,326,915)	(6.04)	1,077,976,168
Tax expense	(104,233,458)	(47,500,000)	119.44	(56,036,334)	(32,500,000)	72.42	(52,560,266)
Profit/ (loss) for the period	(1,018,227,710)	571,335,700	(278.22)	(284,665,131)	(275,826,915)	3.20	1,025,415,902

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

STATEMENT OF COMPREHENSIVE INCOME

In Rs.	Unaudited 09 months to 31-12-2017	Unaudited 09 months to 31-12-2016	Change as a %	Unaudited 03 months to 31-12-2017	Unaudited 03 months to 31-12-2016	Change as a %	Audited 12 months to 31-03-2017
Profit/ (loss) for the period	(1,018,227,710)	571,335,700	(278.22)	(284,665,131)	(275,826,915)	3.20	1,025,415,902
Other comprehensive income							
Other comprehensive income not to be reclassified to income statement in subsequent periods							
Actuarial gains/ (loss) on retirement benefits	-	-	-	-	-	-	(1,337,860)
Net other comprehensive income not to be reclassified to income statement in subsequent periods	-	-	-	-	-	-	(1,337,860)
Tax on other comprehensive income	-	-	-	-	-	-	374,600
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	(963,260)
Total comprehensive income for the period, net of tax	(1,018,227,710)	571,335,700	(278.22)	(284,665,131)	(275,826,915)	3.20	1,024,452,642

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

Softlogic Holdings PLC

COMPANY STATEMENT OF FINANCIAL POSITION

In Rs.	Unaudited as at 31-12-2017	Unaudited as at 31-12-2016	Audited as at 31-03-2017
ASSETS			
Non-current assets			
Property, plant and equipment	202,301,509	188,058,100	201,286,750
Investment property	611,525,000	547,208,683	609,385,000
Intangible assets	1,178,602	1,976,176	1,040,254
Investments in subsidiaries	15,229,602,134	13,291,103,997	13,598,298,652
Investments in associates	11,000,000	11,000,000	11,000,000
Other non current financial assets	721,108,804	2,673,913,823	1,490,000,000
	16,776,716,049	16,713,260,779	15,911,010,656
Current assets			
Trade and other receivables	522,913,672	117,049,748	453,324,075
Amounts due from related parties	8,738,325,996	4,539,358,828	5,675,892,404
Other current assets	17,171,898	21,483,043	16,829,848
Short term investments	1,701,043,483	1,591,727,115	1,665,030,219
Cash in hand and at bank	189,183,462	263,315,935	92,204,224
	11,168,638,511	6,532,934,669	7,903,280,770
Total assets	27,945,354,560	23,246,195,448	23,814,291,426
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Stated capital	5,089,000,000	5,089,000,000	5,089,000,000
Revenue reserves	483,597,304	1,555,058,072	2,008,175,014
Total equity	5,572,597,304	6,644,058,072	7,097,175,014
Non-current liabilities			
Interest bearing borrowings	6,692,489,431	7,720,110,567	8,509,979,172
Deferred tax liabilities	23,696,010	22,689,470	23,696,010
Employee benefit liabilities	53,960,635	46,092,161	49,130,021
Other deferred liabilities	120,720,721	156,756,757	147,747,752
Other non current financial liabilities	186,200,000	165,000,000	186,200,000
	7,077,066,797	8,110,648,955	8,916,752,955
Current liabilities			
Trade and other payables	44,273,907	43,263,707	24,132,882
Amounts due to related parties	8,278,024	131,613,356	68,063,660
Income tax liabilities	45,000,000	60,790,786	56,554,781
Other current financial liabilities	12,499,749,057	5,633,832,445	4,447,997,514
Current portion of interest bearing borrowings	2,598,435,314	2,261,234,170	2,580,018,501
Other current liabilities	90,636,045	58,940,984	73,349,280
Bank overdrafts	9,318,112	301,812,973	550,246,839
	15,295,690,459	8,491,488,421	7,800,363,457
Total equity and liabilities	27,945,354,560	23,246,195,448	23,814,291,426

Note : The above figures are not audited unless otherwise stated.

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

-sgd-
Director

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

-sgd-
Chairman

-sgd-
Director

15 February 2018
Colombo

Softlogic Holdings PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY

In Rs.	Stated capital	Revenue reserve	Total
As at 01 April 2017	5,089,000,000	2,008,175,014	7,097,175,014
Loss for the period	-	(1,018,227,710)	(1,018,227,710)
Total comprehensive income	-	(1,018,227,710)	(1,018,227,710)
Dividend paid	-	(506,350,000)	(506,350,000)
As at 31 December 2017	5,089,000,000	483,597,304	5,572,597,304
As at 01 April 2016	5,089,000,000	1,373,222,372	6,462,222,372
Profit for the period	-	571,335,700	571,335,700
Total comprehensive income	-	571,335,700	571,335,700
Dividend paid	-	(389,500,000)	(389,500,000)
As at 31 December 2016	5,089,000,000	1,555,058,072	6,644,058,072

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

COMPANY STATEMENT OF CASH FLOW

In Rs.	Unaudited 09 months to 31-12-2017	Unaudited 09 months to 31-12-2016	Audited 12 months to 31-03-2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (loss) before tax	(913,994,252)	618,835,700	1,077,976,168
Adjustments for:			
Finance income	(793,314,291)	(706,549,248)	(1,045,636,385)
Dividend income	(195,065,465)	(374,543,387)	(1,343,212,899)
Finance cost	1,943,688,320	1,473,008,505	2,039,862,417
Change in fair value of investment property	-	-	(62,176,317)
Gratuity provision and related costs	7,232,526	7,747,124	10,075,034
Provisions for/ write-off of impaired receivables	-	66,666,664	506,296,744
Provisions for/ write off of impaired investments	-	54,008,330	-
Depreciation of property, plant and equipment	26,986,637	20,752,716	28,898,601
Profit on sale of property, plant and equipment	(8,094,623)	(4,577,010)	(4,577,585)
Profit on sale of investments	-	(1,097,248,468)	(1,112,455,617)
Amortisation/ impairment of intangible assets	2,238,390	2,780,178	3,716,100
Increase / (decrease) in deferred income	(27,027,031)	156,756,757	(18,018,014)
Profit before working capital changes	42,650,211	217,637,861	80,748,247
(Increase) / decrease in trade and other receivable	120,689,398	68,357,643	(279,253,210)
(Increase) / decrease in other current assets	(1,663,233)	3,227,575	13,305,725
(Increase) / decrease in amount due from related parties	(3,783,542,396)	(1,713,415,740)	(866,777,748)
Increase / (decrease) in trade and other payables	20,141,026	11,901,933	(7,228,890)
Increase / (decrease) in amount due to related parties	(59,785,636)	(139,070,479)	(202,742,045)
Increase / (decrease) in other current liabilities	17,286,765	28,607,394	194,166,463
Cash generated used in operations	(3,644,223,865)	(1,522,753,813)	(1,067,781,458)
Finance income received	755,289,068	577,685,380	843,469,413
Finance expenses paid	(1,936,022,088)	(1,425,433,392)	(1,992,112,198)
Dividend received	4,786,470	374,543,387	1,343,212,899
Tax paid	(114,467,056)	(2,793,650)	(16,133,737)
Gratuity paid	(2,401,912)	(5,044,514)	(5,550,554)
Net cash flow used in operating activities	(4,937,039,383)	(2,003,796,602)	(894,895,635)
CASH FLOWS FROM /(USED IN) INVESTING ACTIVITIES			
Purchase and construction of property, plant and equipment	(32,714,808)	(41,808,349)	(51,195,814)
Addition to investment property	(2,140,000)	(708,683)	(708,683)
Addition to intangible assets	(2,376,738)	(2,245,532)	(2,245,531)
(Purchase) / disposal of short term investments (net)	2,011,960	-	(2,500,000)
(Purchase) / disposal of other non current financial assets	-	-	(1,021,042,975)
Proceeds from disposal of controlling interest	-	1,153,205,820	1,173,296,412
Increase in interest in subsidiaries	(141,303,482)	(1,188,244,503)	(1,650,322,600)
Proceeds from sale of property, plant and equipment	12,808,036	17,034,921	17,308,425
Net cash flow used in investing activities	(163,715,032)	(62,766,326)	(1,537,410,766)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES			
Proceeds from long term borrowings	66,929,894	5,317,760,537	6,932,770,102
Repayment of long term borrowings	(1,873,669,057)	(2,321,123,883)	(2,825,300,622)
Proceeds from / (repayment of) short term borrowings (net)	8,051,751,543	(1,093,361,259)	(2,279,196,189)
Increase/ (decrease) in other non current financial liabilities	-	-	21,200,000
Dividend paid to equity holders of parent	(506,350,000)	(389,500,000)	(389,500,000)
Net cash flow from financing activities	5,738,662,380	1,513,775,395	1,459,973,291
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	637,907,965	(552,787,533)	(972,333,110)
CASH AND CASH EQUIVALENTS AT THE BEGINNING	(458,042,615)	514,290,495	514,290,495
CASH AND CASH EQUIVALENTS AT THE END	179,865,350	(38,497,038)	(458,042,615)
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Favourable balances			
Cash in hand and at bank	189,183,462	263,315,935	92,204,224
Unfavourable balances			
Bank overdrafts	(9,318,112)	(301,812,973)	(550,246,839)
Cash and cash equivalents	179,865,350	(38,497,038)	(458,042,615)

Note : Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

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

REVENUE AND PROFIT For the nine months period ended 31 December	Information Technology		Leisure & Property		Retail		Automobiles		Financial Services		Healthcare Services		Others		Group																																																																																																																																																																																																																																																																																																																																				
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016																																																																																																																																																																																																																																																																																																																																			
	Continuing operations																																																																																																																																																																																																																																																																																																																																																		
Revenue																	Total revenue	14,049,842,014	14,249,316,282	1,831,274,715	772,535,062	16,571,531,707	15,778,289,768	1,985,103,992	1,229,459,817	8,049,869,729	6,577,352,993	9,283,892,718	7,890,641,908	509,418,192	487,774,927	52,280,933,667	46,985,370,757	Inter group	(1,052,168,951)	(664,776,642)	(92,257,665)	(102,508,208)	(859,906,978)	(533,383,919)	(51,616,912)	(94,250,564)	(10,681,828)	(11,871,420)	(289,195,195)	(286,804,801)	(501,106,494)	(479,386,175)	(2,857,133,523)	(2,172,981,729)	Total external revenue	12,997,673,063	13,584,539,640	1,739,017,050	670,026,854	15,711,624,729	15,244,905,849	1,933,288,080	1,135,209,253	8,039,187,901	6,565,481,573	8,994,697,523	7,603,837,107	8,311,698	8,388,752	49,423,800,044	44,812,389,028	Operating profit/ (loss)	636,616,618	577,669,024	(25,889,273)	(43,259,980)	2,234,355,511	1,744,150,296	22,529,360	(30,947,871)	1,688,164,667	563,698,227	2,787,538,821	1,554,164,404	(117,845,572)	(60,613,086)	7,195,470,132	4,304,861,014	Finance income	10,796,717	27,888,266	2,147,838	4,755,326	59,435,180	56,582,175	633,288	67,962	771,924,664	460,547,369	33,091,446	14,010,722	1,439,043	12,364,237	879,468,176	576,216,057	Finance cost	(188,463,734)	(273,972,842)	(378,305,293)	(136,838,773)	(1,631,928,721)	(1,041,585,858)	(119,988,789)	(118,558,908)	(201,645,766)	(162,522,033)	(658,795,624)	(614,179,642)	(1,192,105,596)	(969,255,639)	(4,371,233,523)	(3,716,913,695)	Share of results of equity accounted investments	-	-	-	-	-	-	-	-	-	-	(5,184,120)	-	20,507,345	19,621,735	15,323,225	19,621,735	Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(1,328,414,914)	(95,488,739)	-	-	-	-	(1,328,414,914)	(95,488,739)	Profit/ (loss) before taxation	458,949,601	331,584,448	(402,046,728)	(175,343,427)	661,861,970	759,146,613	(96,826,141)	(149,438,817)	900,028,551	786,234,824	2,156,650,523	953,995,484	(1,288,004,780)	(897,882,753)	2,390,613,096	1,488,296,372	Tax expense	(124,715,302)	(72,634,038)	57,586	32,388,604	(168,367,807)	(208,577,529)	21,643	(5,847,511)	369,843,389	(79,666,082)	(425,270,837)	(84,713,480)	(123,402,420)	(73,120,379)	(471,833,748)	(492,170,415)	Profit/ (loss) from continuing operations	334,234,299	258,950,410	(401,989,142)	(142,954,823)	493,494,163	550,569,084	(96,804,498)	(155,286,328)	1,269,872,040	686,568,742	1,731,379,686	869,282,004	(1,411,407,200)	(1,071,003,132)	1,918,779,348	996,125,957	Profit for the period from discontinued operation	-	-	-	-	-	-	-	-	-	145,315,170	-	-	-	-	-	145,315,170	Profit/ (loss) after taxation	334,234,299	258,950,410	(401,989,142)	(142,954,823)	493,494,163	550,569,084	(96,804,498)	(155,286,328)	1,269,872,040	831,883,912	1,731,379,686	869,282,004	(1,411,407,200)	(1,071,003,132)	1,918,779,348	1,141,441,127	Depreciation of property, plant & equipment (PPE)	68,167,972	55,100,044	401,395,087	141,366,964	344,019,020	279,471,952	65,129,935	29,251,980	129,154,254	127,311,608	659,870,807	580,322,972	27,209,513	20,943,885	1,694,946,588	1,233,769,405	Amortisation of lease rentals paid in advance	-	-	-	-	-	-	49,537	-	-	-	777,700	-	-	-	827,237	777,700	Amortisation of intangible assets	28,356,042	44,944,709	15,210,084	11,343,929	52,906,181	45,432,235	-	-	163,816,799	113,940,632	6,391,408	6,391,408	2,238,390	2,780,179	268,918,904	224,833,092	Retirement benefit obligations and related cost	16,435,364	16,181,257	6,033,819	3,677,915	31,882,802	24,156,640	1,986,896	1,529,113	20,476,958	19,973,168	62,331,286	57,620,059	7,455,456	7,624,424	146,601,521	130,962,576	Purchase and construction of PPE	144,183,268	34,026,760	328,759,316	2,498,074,513	1,135,239,468	556,081,870	40,866,180	12,677,155	170,127,965	103,442,377	1,431,242,908	1,407,808,076	35,077,754	91,307,899	3,285,494,959	4,783,418,650	Additions to intangible assets	77,919,467	63,345,878	17,421,356	208,800	21,609,971	24,021,072	-	-	317,144	2,086,672	-	-	2,376,738	2,245,533	119,644,678	91,907,955
Total revenue	14,049,842,014	14,249,316,282	1,831,274,715	772,535,062	16,571,531,707	15,778,289,768	1,985,103,992	1,229,459,817	8,049,869,729	6,577,352,993	9,283,892,718	7,890,641,908	509,418,192	487,774,927	52,280,933,667	46,985,370,757																																																																																																																																																																																																																																																																																																																																			
Inter group	(1,052,168,951)	(664,776,642)	(92,257,665)	(102,508,208)	(859,906,978)	(533,383,919)	(51,616,912)	(94,250,564)	(10,681,828)	(11,871,420)	(289,195,195)	(286,804,801)	(501,106,494)	(479,386,175)	(2,857,133,523)	(2,172,981,729)																																																																																																																																																																																																																																																																																																																																			
Total external revenue	12,997,673,063	13,584,539,640	1,739,017,050	670,026,854	15,711,624,729	15,244,905,849	1,933,288,080	1,135,209,253	8,039,187,901	6,565,481,573	8,994,697,523	7,603,837,107	8,311,698	8,388,752	49,423,800,044	44,812,389,028																																																																																																																																																																																																																																																																																																																																			
Operating profit/ (loss)	636,616,618	577,669,024	(25,889,273)	(43,259,980)	2,234,355,511	1,744,150,296	22,529,360	(30,947,871)	1,688,164,667	563,698,227	2,787,538,821	1,554,164,404	(117,845,572)	(60,613,086)	7,195,470,132	4,304,861,014																																																																																																																																																																																																																																																																																																																																			
Finance income	10,796,717	27,888,266	2,147,838	4,755,326	59,435,180	56,582,175	633,288	67,962	771,924,664	460,547,369	33,091,446	14,010,722	1,439,043	12,364,237	879,468,176	576,216,057																																																																																																																																																																																																																																																																																																																																			
Finance cost	(188,463,734)	(273,972,842)	(378,305,293)	(136,838,773)	(1,631,928,721)	(1,041,585,858)	(119,988,789)	(118,558,908)	(201,645,766)	(162,522,033)	(658,795,624)	(614,179,642)	(1,192,105,596)	(969,255,639)	(4,371,233,523)	(3,716,913,695)																																																																																																																																																																																																																																																																																																																																			
Share of results of equity accounted investments	-	-	-	-	-	-	-	-	-	-	(5,184,120)	-	20,507,345	19,621,735	15,323,225	19,621,735																																																																																																																																																																																																																																																																																																																																			
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(1,328,414,914)	(95,488,739)	-	-	-	-	(1,328,414,914)	(95,488,739)																																																																																																																																																																																																																																																																																																																																			
Profit/ (loss) before taxation	458,949,601	331,584,448	(402,046,728)	(175,343,427)	661,861,970	759,146,613	(96,826,141)	(149,438,817)	900,028,551	786,234,824	2,156,650,523	953,995,484	(1,288,004,780)	(897,882,753)	2,390,613,096	1,488,296,372																																																																																																																																																																																																																																																																																																																																			
Tax expense	(124,715,302)	(72,634,038)	57,586	32,388,604	(168,367,807)	(208,577,529)	21,643	(5,847,511)	369,843,389	(79,666,082)	(425,270,837)	(84,713,480)	(123,402,420)	(73,120,379)	(471,833,748)	(492,170,415)																																																																																																																																																																																																																																																																																																																																			
Profit/ (loss) from continuing operations	334,234,299	258,950,410	(401,989,142)	(142,954,823)	493,494,163	550,569,084	(96,804,498)	(155,286,328)	1,269,872,040	686,568,742	1,731,379,686	869,282,004	(1,411,407,200)	(1,071,003,132)	1,918,779,348	996,125,957																																																																																																																																																																																																																																																																																																																																			
Profit for the period from discontinued operation	-	-	-	-	-	-	-	-	-	145,315,170	-	-	-	-	-	145,315,170																																																																																																																																																																																																																																																																																																																																			
Profit/ (loss) after taxation	334,234,299	258,950,410	(401,989,142)	(142,954,823)	493,494,163	550,569,084	(96,804,498)	(155,286,328)	1,269,872,040	831,883,912	1,731,379,686	869,282,004	(1,411,407,200)	(1,071,003,132)	1,918,779,348	1,141,441,127																																																																																																																																																																																																																																																																																																																																			
Depreciation of property, plant & equipment (PPE)	68,167,972	55,100,044	401,395,087	141,366,964	344,019,020	279,471,952	65,129,935	29,251,980	129,154,254	127,311,608	659,870,807	580,322,972	27,209,513	20,943,885	1,694,946,588	1,233,769,405																																																																																																																																																																																																																																																																																																																																			
Amortisation of lease rentals paid in advance	-	-	-	-	-	-	49,537	-	-	-	777,700	-	-	-	827,237	777,700																																																																																																																																																																																																																																																																																																																																			
Amortisation of intangible assets	28,356,042	44,944,709	15,210,084	11,343,929	52,906,181	45,432,235	-	-	163,816,799	113,940,632	6,391,408	6,391,408	2,238,390	2,780,179	268,918,904	224,833,092																																																																																																																																																																																																																																																																																																																																			
Retirement benefit obligations and related cost	16,435,364	16,181,257	6,033,819	3,677,915	31,882,802	24,156,640	1,986,896	1,529,113	20,476,958	19,973,168	62,331,286	57,620,059	7,455,456	7,624,424	146,601,521	130,962,576																																																																																																																																																																																																																																																																																																																																			
Purchase and construction of PPE	144,183,268	34,026,760	328,759,316	2,498,074,513	1,135,239,468	556,081,870	40,866,180	12,677,155	170,127,965	103,442,377	1,431,242,908	1,407,808,076	35,077,754	91,307,899	3,285,494,959	4,783,418,650																																																																																																																																																																																																																																																																																																																																			
Additions to intangible assets	77,919,467	63,345,878	17,421,356	208,800	21,609,971	24,021,072	-	-	317,144	2,086,672	-	-	2,376,738	2,245,533	119,644,678	91,907,955																																																																																																																																																																																																																																																																																																																																			

REVENUE AND PROFIT For the three months period ended 31 December	Information Technology		Leisure & Property		Retail		Automobiles		Financial Services		Healthcare Services		Others		Group																																																																																																																																																																																																																																																																																																																																				
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016																																																																																																																																																																																																																																																																																																																																			
	Continuing operations																																																																																																																																																																																																																																																																																																																																																		
Revenue																	Total revenue	5,234,194,585	4,570,870,806	713,247,015	310,063,445	6,400,459,307	5,845,842,629	776,936,133	351,404,888	2,920,736,718	2,248,598,486	3,155,542,701	2,785,351,378	168,223,024	165,203,488	19,369,339,483	16,277,335,120	Inter group	(436,712,291)	(185,097,418)	(32,127,237)	(38,236,880)	(269,008,506)	(199,185,222)	(24,940,182)	-	(2,874,590)	(1,472,151)	(100,520,059)	(104,146,346)	(165,373,668)	(162,661,125)	(1,031,556,493)	(690,799,142)	Total external revenue	4,797,482,294	4,385,773,388	681,119,778	271,826,565	6,131,450,801	5,646,657,407	751,995,951	351,404,888	2,917,862,168	2,247,126,335	3,055,022,642	2,681,205,032	2,849,356	2,542,363	18,337,782,990	15,586,535,978	Operating profit/ (loss)	224,711,747	144,157,415	69,585,389	(11,811,276)	852,211,536	733,968,276	18,536,894	(21,123,734)	838,313,067	(1,877,936)	1,278,990,071	570,416,699	(139,192,230)	(12,625,736)	3,143,156,444	1,401,103,708	Finance income	(87,113)	15,803,800	722,785	793,267	15,888,301	19,135,228	322,065	16,921	267,761,212	123,762,589	24,229,088	4,069,400	(627,092)	403,421	308,179,246	163,984,626	Finance cost	(52,067,362)	(91,529,246)	(123,280,050)	(68,793,360)	(626,317,841)	(363,776,382)	(58,450,093)	(42,337,793)	(68,705,310)	(56,756,340)	(216,966,198)	(219,229,564)	(484,141,319)	(369,804,099)	(1,629,928,173)	(1,212,226,784)	Share of results of equity accounted investments	-	-	-	-	-	-	-	-	-	-	(2,287,317)	-	-	8,799,857	4,133,754	6,542,540	Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(455,106,589)	(82,929,535)	-	-	-	-	(455,106,589)	(82,929,535)	Profit/ (loss) before taxation	172,557,272	68,431,969	(52,971,906)	(79,811,369)	241,751,996	389,327,122	(38,591,134)	(63,444,606)	882,262,460	(17,801,222)	1,083,995,644	355,256,636	(615,160,784)	(377,892,660)	1,372,543,548	274,065,769	Tax expense	(112,153,742)	(6,626,310)	-	33,674,491	(62,070,263)	(96,306,112)	610,883	-	406,594,239	(2,003,465)	(291,833,337)	(71,258,920)	(73,074,486)	(33,037,207)	(131,930,726)	(178,557,523)	Profit/ (loss) from continuing operations	60,403,530	58,805,659	(52,971,906)	(46,136,878)	179,681,733	293,021,010	(38,980,271)	(63,444,606)	988,856,699	(19,804,687)	792,158,307	283,997,615	(688,235,270)	(410,929,867)	1,240,912,822	95,508,246	Profit for the period from discontinued operation	-	-	-	-	-	-	-	-	-	256,321,166	-	-	-	-	-	256,321,166	Profit/ (loss) after taxation	60,403,530	58,805,659	(52,971,906)	(46,136,878)	179,681,733	293,021,010	(38,980,271)	(63,444,606)	988,856,699	236,516,479	792,158,307	283,997,615	(688,235,270)	(410,929,867)	1,240,912,822	351,829,412	Depreciation of property, plant & equipment (PPE)	29,320,824	19,408,712	89,969,455	51,964,342	124,613,662	96,550,713	10,256,456	9,784,586	48,809,197	39,811,250	207,890,125	199,348,555	9,673,000	7,493,996	520,532,719	424,362,154	Amortisation of lease rentals paid in advance	-	-	-	-	-	-	29,722	-	-	-	289,233	-	-	-	289,233	289,233	Amortisation of intangible assets	2,891,591	15,245,510	5,331,943	3,789,463	19,049,496	15,397,550	-	-	54,418,009	35,334,591	2,130,469	2,130,469	599,068	895,075	84,420,578	72,792,658	Retirement benefit obligations and related cost	5,475,434	5,400,496	1,244,262	1,090,208	5,965,187	7,661,721	966,704	594,716	6,049,963	7,567,867	20,791,324	19,226,923	2,485,152	3,341,128	40,432,502	44,873,039	Purchase and construction of PPE	130,473,641	5,600,748	44,183,219	781,466,346	168,726,127	280,110,815	1,922,847	515,843	67,708,388	40,894,366	642,729,935	526,937,333	11,411,099	6,502,001	1,087,159,456	1,822,017,452	Additions to intangible assets	20,237,098	27,743,280	1,874,451	-	3,294,563	7,368,225	-	-	147,347	-	-	-	-	-	25,406,112	35,258,852
Total revenue	5,234,194,585	4,570,870,806	713,247,015	310,063,445	6,400,459,307	5,845,842,629	776,936,133	351,404,888	2,920,736,718	2,248,598,486	3,155,542,701	2,785,351,378	168,223,024	165,203,488	19,369,339,483	16,277,335,120																																																																																																																																																																																																																																																																																																																																			
Inter group	(436,712,291)	(185,097,418)	(32,127,237)	(38,236,880)	(269,008,506)	(199,185,222)	(24,940,182)	-	(2,874,590)	(1,472,151)	(100,520,059)	(104,146,346)	(165,373,668)	(162,661,125)	(1,031,556,493)	(690,799,142)																																																																																																																																																																																																																																																																																																																																			
Total external revenue	4,797,482,294	4,385,773,388	681,119,778	271,826,565	6,131,450,801	5,646,657,407	751,995,951	351,404,888	2,917,862,168	2,247,126,335	3,055,022,642	2,681,205,032	2,849,356	2,542,363	18,337,782,990	15,586,535,978																																																																																																																																																																																																																																																																																																																																			
Operating profit/ (loss)	224,711,747	144,157,415	69,585,389	(11,811,276)	852,211,536	733,968,276	18,536,894	(21,123,734)	838,313,067	(1,877,936)	1,278,990,071	570,416,699	(139,192,230)	(12,625,736)	3,143,156,444	1,401,103,708																																																																																																																																																																																																																																																																																																																																			
Finance income	(87,113)	15,803,800	722,785	793,267	15,888,301	19,135,228	322,065	16,921	267,761,212	123,762,589	24,229,088	4,069,400	(627,092)	403,421	308,179,246	163,984,626																																																																																																																																																																																																																																																																																																																																			
Finance cost	(52,067,362)	(91,529,246)	(123,280,050)	(68,793,360)	(626,317,841)	(363,776,382)	(58,450,093)	(42,337,793)	(68,705,310)	(56,756,340)	(216,966,198)	(219,229,564)	(484,141,319)	(369,804,099)	(1,629,928,173)	(1,212,226,784)																																																																																																																																																																																																																																																																																																																																			
Share of results of equity accounted investments	-	-	-	-	-	-	-	-	-	-	(2,287,317)	-	-	8,799,857	4,133,754	6,542,540																																																																																																																																																																																																																																																																																																																																			
Change in insurance contract liabilities	-	-	-	-	-	-	-	-	(455,106,589)	(82,929,535)	-	-	-	-	(455,106,589)	(82,929,535)																																																																																																																																																																																																																																																																																																																																			
Profit/ (loss) before taxation	172,557,272	68,431,969	(52,971,906)	(79,811,369)	241,751,996	389,327,122	(38,591,134)	(63,444,606)	882,262,460	(17,801,222)	1,083,995,644	355,256,636	(615,160,784)	(377,892,660)	1,372,543,548	274,065,769																																																																																																																																																																																																																																																																																																																																			
Tax expense	(112,153,742)	(6,626,310)	-	33,674,491	(62,070,263)	(96,306,112)	610,883	-	406,594,239	(2,003,465)	(291,833,337)	(71,258,920)	(73,074,486)	(33,037,207)	(131,930,726)	(178,557,523)																																																																																																																																																																																																																																																																																																																																			
Profit/ (loss) from continuing operations	60,403,530	58,805,659	(52,971,906)	(46,136,878)	179,681,733	293,021,010	(38,980,271)	(63,444,606)	988,856,699	(19,804,687)	792,158,307	283,997,615	(688,235,270)	(410,929,867)	1,240,912,822	95,508,246																																																																																																																																																																																																																																																																																																																																			
Profit for the period from discontinued operation	-	-	-	-	-	-	-	-	-	256,321,166	-	-	-	-	-	256,321,166																																																																																																																																																																																																																																																																																																																																			
Profit/ (loss) after taxation	60,403,530	58,805,659	(52,971,906)	(46,136,878)	179,681,733	293,021,010	(38,980,271)	(63,444,606)	988,856,699	236,516,479	792,158,307	283,997,615	(688,235,270)	(410,929,867)	1,240,912,822	351,829,412																																																																																																																																																																																																																																																																																																																																			
Depreciation of property, plant & equipment (PPE)	29,320,824	19,408,712	89,969,455	51,964,342	124,613,662	96,550,713	10,256,456	9,784,586	48,809,197	39,811,250	207,890,125	199,348,555	9,673,000	7,493,996	520,532,719	424,362,154																																																																																																																																																																																																																																																																																																																																			
Amortisation of lease rentals paid in advance	-	-	-	-	-	-	29,722	-	-	-	289,233	-	-	-	289,233	289,233																																																																																																																																																																																																																																																																																																																																			
Amortisation of intangible assets	2,891,591	15,245,510	5,331,943	3,789,463	19,049,496	15,397,550	-	-	54,418,009	35,334,591	2,130,469	2,130,469	599,068	895,075	84,420,578	72,792,658																																																																																																																																																																																																																																																																																																																																			
Retirement benefit obligations and related cost	5,475,434	5,400,496	1,244,262	1,090,208	5,965,187	7,661,721	966,704	594,716	6,049,963	7,567,867	20,791,324	19,226,923	2,485,152	3,341,128	40,432,502	44,873,039																																																																																																																																																																																																																																																																																																																																			
Purchase and construction of PPE	130,473,641	5,600,748	44,183,219	781,466,346	168,726,127	280,110,815	1,922,847	515,843	67,708,388	40,894,366	642,729,935	526,937,333	11,411,099	6,502,001	1,087,159,456	1,822,017,452																																																																																																																																																																																																																																																																																																																																			
Additions to intangible assets	20,237,098	27,743,280	1,874,451	-	3,294,563	7,368,225	-	-	147,347	-	-	-	-	-	25,406,112	35,258,852																																																																																																																																																																																																																																																																																																																																			

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

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

The following table presents segment assets and liabilities of the Group's business segments.

As at 31 December	Information Technology		Leisure & Property		Retail		Automobiles		Financial Services		Healthcare Services		Others		Group	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Property, plant and equipment	263,633,028	192,950,451	11,078,619,085	10,713,581,598	7,713,140,632	6,420,263,138	391,047,309	330,356,418	1,062,332,298	837,043,257	15,091,272,368	13,154,978,955	202,893,279	188,698,163	35,802,937,999	31,837,871,980
Lease rentals paid in advance	-	-	-	-	-	-	3,834,169	-	-	-	851,944,335	852,981,272	-	-	855,778,504	852,981,272
Investment property	205,530,000	217,620,000	1,100,000,000	1,075,000,000	1,442,000,000	1,056,602,258	-	-	-	-	-	-	611,525,000	547,208,683	3,359,055,000	2,896,430,941
Intangible assets	308,404,568	230,288,113	32,062,997	4,722,811	316,295,078	347,916,051	-	-	117,963,473	67,001,846	-	-	1,178,602	1,976,176	775,904,708	6,611,904,997
Non-current financial assets	16,787	2,519,928	-	-	756,877,122	483,835,741	22,155,442	-	10,864,092,555	9,870,835,830	343,272,395	376,714,260	-	-	11,986,414,301	10,733,905,759
Rental receivable on lease assets and hire purchase	-	-	-	-	-	-	-	-	807,720,859	299,541,215	-	-	-	-	807,720,859	299,541,215
Other non-current assets	8,623,723	11,195,071	11,029,744	10,964,512	307,371,110	212,733,078	4,637,169	3,827,169	3,500,000	3,500,000	4,583,335	5,583,335	-	48,113,827	339,745,081	295,916,992
Segment non-current assets	786,208,096	654,573,563	12,221,711,826	11,804,268,921	10,535,683,942	8,521,350,266	421,674,089	334,183,587	12,855,609,185	11,077,922,148	16,291,072,433	14,390,257,822	815,596,881	785,996,849	62,671,683,267	55,889,190,745
Investments in equity accounted investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107,501,626	77,863,056
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,246,887,288	4,115,823,525
Intangible assets through business combinations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,528,234,937	3,800,224,938
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	923,641,271	358,078,890
Eliminations/ adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(62,138,307)	(31,352,820)
Total non-current assets	786,208,096	654,573,563	12,221,711,826	11,804,268,921	10,535,683,942	8,521,350,266	421,674,089	334,183,587	12,855,609,185	11,077,922,148	16,291,072,433	14,390,257,822	815,596,881	785,996,849	62,671,683,267	55,889,190,745
Inventories	1,300,119,579	1,371,790,234	997,446,469	460,471,060	5,430,235,019	5,338,930,894	851,342,859	786,165,134	131,247,296	96,251,335	610,255,625	526,565,753	-	-	9,320,646,847	8,580,174,410
Trade and other receivables	2,771,926,276	2,678,274,350	242,183,351	123,234,137	5,077,536,429	4,928,657,206	577,982,337	240,413,212	864,185,712	610,663,013	573,960,550	636,366,184	13,088,495	9,982,370	10,120,833,150	9,227,590,472
Loans and advances	-	-	-	-	-	-	-	-	11,892,674,199	14,289,739,281	-	-	-	-	11,892,674,199	14,289,739,281
Rental receivable on lease assets and hire purchase	-	-	-	-	-	-	-	-	157,644,095	393,834,047	-	-	-	-	157,644,095	393,834,047
Other current assets	409,890,762	344,033,915	201,369,381	343,181,314	3,171,405,690	1,736,414,090	192,981,964	90,910,677	1,024,494,362	756,943,908	661,364,388	742,096,158	17,323,996	21,732,847	5,678,830,543	4,035,312,909
Short term investments	102,035	14,183,020	323,071	315,221	30,192,184	40,880,695	1,500,000	-	6,341,555,451	3,855,480,795	225,964,726	33,500,000	133,761,940	134,633,772	6,733,399,407	4,078,993,503
Cash in hand and at bank	217,836,190	284,824,040	397,941,077	192,820,382	910,015,100	616,074,646	9,708,932	27,831,272	2,081,833,588	1,015,950,466	1,391,266,682	312,111,400	198,043,993	269,452,328	5,206,645,562	2,719,064,534
Segment current assets	4,699,874,842	4,693,105,559	1,839,233,349	1,120,022,114	14,619,384,422	12,660,957,531	1,633,516,092	1,145,320,295	22,493,634,703	21,018,862,845	3,462,811,971	2,250,639,495	362,218,424	435,801,317	49,110,673,803	43,324,709,156
Amounts due from related parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	756,822	261,776
Total current assets	4,699,874,842	4,693,105,559	1,839,233,349	1,120,022,114	14,619,384,422	12,660,957,531	1,633,516,092	1,145,320,295	22,493,634,703	21,018,862,845	3,462,811,971	2,250,639,495	362,218,424	435,801,317	49,110,673,803	43,324,970,932
Total assets															111,783,113,892	99,214,161,677
Insurance contract liabilities	-	-	-	-	-	-	-	-	7,944,972,976	6,629,606,916	-	-	-	-	7,944,972,976	6,629,606,916
Interest bearing borrowings	77,871,259	140,270,122	6,052,456,796	6,451,017,546	3,343,094,622	3,943,343,597	50,328,142	84,529,614	3,366,955,098	2,940,369,166	6,526,199,373	6,493,018,816	6,692,489,429	7,720,110,566	26,109,394,719	27,772,659,427
Public deposits	-	-	-	-	-	-	-	-	3,811,334,546	1,366,965,999	-	-	-	-	3,811,334,546	1,366,965,999
Employee benefit liabilities	135,968,468	106,888,351	17,025,334	13,437,648	119,038,681	113,901,131	11,906,375	5,531,721	110,015,971	89,286,526	433,574,569	367,309,101	54,509,426	46,647,454	882,038,824	743,001,932
Other deferred liabilities	4,599,114	9,198,093	-	-	-	-	-	-	-	-	-	-	120,720,721	156,756,757	125,319,835	165,954,850
Other non-current financial liabilities	-	16,915,418	30,965,888	8,114,163	-	-	7,610,000	-	-	-	-	-	-	-	38,575,888	25,029,581
Segment non-current liabilities	218,438,841	273,271,984	6,100,448,018	6,472,569,357	3,462,133,303	4,057,244,728	69,844,517	90,061,335	15,233,278,591	11,026,228,607	6,959,773,942	6,860,327,917	6,867,719,576	7,923,514,777	38,911,636,788	36,703,218,705
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	480,311,001	329,924,155
Total non-current liabilities	218,438,841	273,271,984	6,100,448,018	6,472,569,357	3,462,133,303	4,057,244,728	69,844,517	90,061,335	15,233,278,591	11,026,228,607	6,959,773,942	6,860,327,917	6,867,719,576	7,923,514,777	39,391,947,789	37,033,142,860
Trade and other payables	2,027,289,988	2,304,850,972	427,136,505	398,672,678	1,972,807,997	1,771,712,242	3,518,716	46,269,013	1,387,787,642	816,961,227	1,149,572,540	1,058,683,808	24,607,100	43,168,467	7,792,720,488	6,440,318,407
Other current financial liabilities	2,175,395,944	2,132,338,507	192,271,845	32,417,650	10,849,906,937	8,777,891,246	1,335,175,152	618,799,704	9,356,708	857,452,442	-	-	12,499,749,057	5,633,832,445	27,061,855,643	18,052,731,994
Current portion of interest bearing borrowings	24,000,000	42,000,000	821,593,584	697,829,908	1,555,664,697	1,236,695,733	30,551,240	28,698,407	458,351,887	647,053,662	1,214,937,948	956,236,799	2,698,435,314	2,261,234,170	6,703,534,670	5,869,748,679
Other current liabilities	274,614,996	478,362,555	332,479,126	137,528,884	259,175,287	192,004,889	27,270,499	10,338,491	338,383,878	431,729,921	24,874,165	44,206,289	90,868,480	58,940,984	1,347,666,431	1,363,112,013
Public deposits	-	-	-	-	-	-	-	-	13,129,273,645	14,566,385,691	-	-	-	-	13,129,273,645	14,566,385,691
Bank overdrafts	45,685,269	46,346,938	560,412,670	164,527,859	1,133,057,825	521,803,081	47,277,740	50,815,169	498,684,819	836,898,736	1,851,864,124	1,402,587,524	9,318,112	301,812,974	4,146,300,559	3,324,792,281
Segment current liabilities	5,346,986,197	5,003,898,972	2,333,893,730	1,430,976,979	15,770,612,743	12,500,107,191	1,443,793,347	754,920,784	15,821,838,579	18,156,481,679	4,241,248,777	3,461,714,420	15,222,978,063	8,298,989,040	60,181,351,436	49,607,089,065
Income tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	323,407,289	392,484,038
Amounts due to related parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,657,369	16,423,550
Eliminations/ adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,273,690,530)	(4,261,424,561)
Total current liabilities	5,346,986,197	5,003,898,972	2,333,893,730	1,430,976,979	15,770,612,743	12,500,107,191	1,443,793,347	754,920,784	15,821,838,579	18,156,481,679	4,241,248,777	3,461,714,420	15,222,978,063	8,298,989,040	64,243,725,564	45,754,572,092
Total liabilities															93,635,673,363	82,787,714,952
Total segment assets	5,486,082,938	5,347,679,122	14,060,945,175	12,924,291,035	25,155,068,364	21,182,307,797	2,055,190,181	1,479,503,882	35,349,243,888	32,096,784,993	19,753,884,404	16,640,897,317	1,177,815,305	1,221,798,166	103,038,230,255	90,893,262,312
Total segment liabilities	5,565,425,038	5,277,170,956	8,434,341,748	7,903,546,336	19,232,746,046	16,557,351,919	1,513,637,864	844,982,119	31,055,117,170	29,182,710,286	11,201,022,719	10,322,042,337	22,090,687,639	16,222,503,817	99,092,988,224	86,310,307,770

Note: Figures in brackets indicate deductions.

The above figures are not audited unless otherwise stated.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Softlogic Holdings PLC, is a public limited company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

The interim financial statements of the Group and the Company for the nine months ended 31 December 2017 were authorised for issue by the Board of Directors on 15 February 2018.

2. BASIS OF PREPARATION

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2017.

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.

3. CHANGE IN LIFE INSURANCE CONTRACT LIABILITIES

An amount of Rs. 342 mn declared as surplus for the quarter ended 31 December 2017 in addition to the Surplus of Rs. 440.00 mn and Rs. 235.00 mn which have been declared in quarter ended 31 March 2017 and 30 June 2017 (total transfer for the nine months ended 31 December 2017 was Rs. 577 mn) from Non Participating Fund, as approved by appointed Actuary Mr. Kunj Behari Maheshwari, Messrs. Willis Towers Watson. .

The Financial Statements of Softlogic Life Insurance PLC as at 31 December 2017 were audited by Messrs. KPMG, Chartered Accountants.

4. SHARE INFORMATION

4.1 Public share holdings

The percentage of shares held by the public as at 31 December 2017 was 26.39% (number of public shareholders - 12,391)

4.2 Directors' share holdings

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

As at	31-12-2017
A K Pathirage - Chairman/ Managing Director	379,345,846
G W D H U Gunawardena	57,527,300
R J Perera	60,836,700
H K Kaimal	64,870,800
M P R Rassool	Nil
Dr S Selliah	2,000,000
W M P L De Alwis, PC	Nil
G L H Premaratne	Nil
R A Ebell	Nil
Prof. A S Dharmasiri	Nil
A Russell-Davison	Nil
	564,580,646

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

4.3 Twenty largest shareholders of the company are as follows:

As at	Number of shares 31-12-2017	%
1 Mr. A K Pathirage	340,395,846	43.70
2 Mr. H K Kaimal	64,870,800	8.33
3 Mr. R J Perera	60,836,700	7.81
4 Mr. G W D H U Gunawardena	57,527,300	7.38
5 Pemberton Asian Opportunities Fund	46,000,000	5.91
6 Commercial Bank of Ceylon PLC/ A K Pathirage	38,950,000	5.00
7 Rubber Investment Trust Ltd - AC No 01	19,006,311	2.44
8 Employees Provident Fund	7,230,500	0.93
9 Softlogic Life Insurance PLC - AC 02 (Life Fund)	4,591,702	0.59
10 Mrs. A Selliah	4,236,000	0.54
11 Arunodhaya Investments (Private) Limited	3,950,000	0.51
12 Arunodhaya Industries (Private) Limited	3,950,000	0.51
13 Arunodhaya (Private) Limited	3,950,000	0.51
14 Miss. S Subramaniam	3,800,000	0.49
15 Mrs. A Kailasapillai	3,800,000	0.49
16 Ceylon Investment PLC - AC No 01	3,671,578	0.47
17 Mr. K Aravinthan	3,500,000	0.45
18 The Ceylon Chamber of Commerce - AC No 02	3,208,552	0.41
19 Dr. K M P Karunaratne	3,000,000	0.39
20 Bank of Ceylon A/C Ceybank Unit Trust	2,719,294	0.35

5. STATED CAPITAL MOVEMENTS

5.1 No of shares

	No of shares
As at 01 April 2017	779,000,000
As at 31 December 2017	779,000,000

5.2 Value of shares

	Rs
As at 01 April 2017	5,089,000,000
As at 31 December 2017	5,089,000,000

6. INVESTOR INFORMATION

6.1 Market value of shares

31-12-2017

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

Closing price on (Rs.)	12.50
Highest price recorded for the three months ending (Rs.)	12.90
Lowest price recorded for the three months ending (Rs.)	11.70
Market Capitalisation (Rs. mn)	9,737.50

6.2 Ratios

Net assets per share at the period end (Rs.)	11.64
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6.3 Share trading information from 01 October 2017 to 31 December 2017

Number of shares traded	19,223,581
Value of shares traded (Rs.)	237,731,369

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

7. CONTINGENCIES

CONTINGENT LIABILITIES

There has been 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 2017.

8. CAPITAL COMMITMENTS

As at 31 December 2017, the group had capital commitments contracted but not provided in the financial statements amounting to Rs. 9,630 mn (31 December 2016 - 2,740.60 mn).

9. 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 other than the followings.

a) Private Placement and Rights Issue - Softlogic Holdings PLC

The Directors of Softlogic Holdings PLC, announced that the Company will issue 182,728,395 and 230,814,814 ordinary shares of the Company by way of a Private Placement and a Rights Issue respectively at a price of Rs. 17.00 per share.

The proceeds from the aforesaid Private Placement and a Rights Issue will be used to settle the short term debt and the long term borrowings.

The issue of shares by the way of the Private Placement and a Rights Issue is subject to the approval from Colombo Stock Exchange (CSE) and the Company obtaining shareholder approval at a General Meeting.

b) Dividend Announcement - Asiri Surgical Hospital PLC

The Directors of Asiri Surgical Hospital PLC, a subsidiary of Softlogic Holdings PLC declared an interim dividend of Rs. 0.85 per share for the financial year ending 31 March 2018.

Softlogic Holdings PLC

NOTES TO THE FINANCIAL STATEMENTS

10. RELATED PARTY TRANSACTIONS

10.1 Transactions with related parties

In Rs.	Group		Company	
	09 months to 31-12-2017	09 months to 31-12-2016	09 months to 31-12-2017	09 months to 31-12-2016
Subsidiaries				
(Purchases) / sales of goods	-	-	(2,167,213)	(2,680,076)
(Receiving) / rendering of services	-	-	466,640,945	370,379,405
(Purchases) / sale of property plant & equipment	-	-	(21,587,673)	(24,369,414)
Loans given / (obtained)	-	-	2,904,951,504	576,122,585
Interest received / (paid)	-	-	581,480,966	426,895,729
Rent received / (paid)	-	-	40,063,408	35,709,367
Dividend received	-	-	192,050,375	372,743,373
Profit on disposal of shares	-	-	-	1,097,248,468
Guarantee charges received	-	-	136,719,222	113,920,772
Guarantees given / (obtained)	-	-	20,748,000,000	20,543,000,000
Associates				
(Purchases) / sale of property plant & equipment	11,846,457	826,714	-	-
(Receiving) / rendering of services	(3,560,635)	1,568,207	8,113,062	8,215,307
Dividend received	-	-	3,015,010	1,800,014
Key management personnel				
Loans given/ (received)	(7,395,932)	11,708,253	(1,992,157)	(1,992,157)
Guarantees given/ (received)	(510,000,000)	(730,000,000)	(100,000,000)	(100,000,000)
Loans given/ (customer deposits received)	(49,731,455)	(85,192,673)	-	-
Advances given/ (received)	(148,133,195)	-	-	-
Close family members of KMP				
(Receiving) / rendering of services	-	-	-	-

10.2 Terms and conditions of transactions with related parties

Transactions with related parties are carried out under relevant commercial terms and conditions.

Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash. Interest bearing borrowings are at pre-determined interest rates and terms.

Softlogic Holdings PLC

CORPORATE INFORMATION

Name of Company

Softlogic Holdings PLC

Legal Form

Public Limited Liability Company.

Incorporated in Sri Lanka on 25 February 1998 as a Private Limited Liability Company under the Companies Act No. 17 of 1982.

Re-registered on 17 December 2007 as a Public Limited Liability Company under the Companies Act No. 07 of 2007.

The status of the Company was changed to a Public Limited Company on 10 December 2008. Subsequent to the listing of shares on the Main Board of Colombo Stock Exchange, the name of the Company was changed to Softlogic Holdings PLC on 25 August 2011.

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

Dr S Selliah

W M P L De Alwis, PC

G L H Premaratne

R A Ebell

Prof. A S Dharmasiri

A Russell-Davison

Audit Committee

R A Ebell - Chairman

Dr S Selliah

Prof. A S Dharmasiri

A Russell-Davison

HR and Remuneration Committee

Prof. A S Dharmasiri - Chairman

W M P L De Alwis, PC

G L H Premaratne

R A Ebell

A Russell-Davison

Related Party Transaction Committee

Dr S Selliah - Chairman

H K Kaimal

W M P L De Alwis, PC

Secretaries

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Bankers

Bank of Ceylon

Cargills Bank Ltd

Commercial Bank of Ceylon PLC

Deutsche Bank AG, Colombo

DFCC Bank PLC

Hatton National Bank PLC

Muslim Commercial Bank

National Development Bank PLC

Nations Trust Bank PLC

Pan Asia Banking Corporation PLC

People's Bank

Sampath Bank PLC

Seylan Bank PLC

Union Bank of Colombo PLC

Auditors

Ernst & Young

Chartered Accountants

201, De Saram Place,

Colombo 10