SOFTLOGIC CAPITAL PLC

(PB 779 PQ)

Period ended 30th June 2025



SOFTLOGIC CAPITAL PLC
INCOME STATEMENT

	Group		
	Three months ended 30th June		
	2025	2024	Change %
	Rs.	Rs.	
Revenue			
Interest income	1,644,490,456	2,179,224,078	-25%
Net Earned Premium	9,017,009,631	6,722,416,312	34%
Fee and trading income	143,630,982	88,830,429	62%
Other income and gains	42,455,068	88,014,990	-52%
Realised gains	855,817,867	1,162,278,220	-26%
Fair value gains and losses	60,511,396	115,207,253	-47%
Dividend income	-	18,500	-100%
Total revenue	**11,763,915,400**	**10,355,989,781**	**14%**
Direct expenses			
Interest expenses	(729,083,539)	(1,013,208,929)	-28%
Net claims and net acquisition cost	(6,537,671,418)	(4,852,649,002)	35%
Other direct expenses	(90,139,011)	(50,727,926)	78%
Credit loss expense on financial assets and other loans	(43,410,693)	(216,235,336)	-80%
Operating profit	**4,363,610,739**	**4,223,168,588**	**3%**
Administrative expenses	(1,426,329,710)	(1,392,882,875)	2%
Distribution cost	(263,063,532)	(198,995,024)	32%
Change in insurance contract liabilities	(1,930,168,484)	(1,375,848,905)	40%
Other operating expenses	(72,688,373)	(108,055,969)	-33%
Profit / (loss) before income tax	**671,360,640**	**1,147,385,815**	**41%**
Income tax expense	(340,631,436)	(522,740,903)	-35%
Profit / (loss) for the Period	**330,729,204**	**624,644,912**	**-47%**
Profit / (loss) for the period attributable to;			
Owners of the parent	(18,165,689)	65,340,803	
Non-controlling interests	348,894,893	559,304,109	
	330,729,204	**624,644,912**	
Basic Earning / (Loss) per share (Rs.)	(0.02)	0.07	

The above figures are subject to audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC
STATEMENT OF COMPREHENSIVE INCOME

	Group	
	Three months ended 30th June	
	2025	2024
	Rs.	Rs.
Profit / (loss) for the Period	**330,729,204**	**624,644,912**
Other comprehensive income that may be reclassified to income statement in subsequent periods		
Net gain/(loss) on financial instruments at fair value through other comprehensive income	354,985,659	8,191,739
Net Other comprehensive income / (loss) that may be reclassified to income statement in subsequent periods	**354,985,659**	**8,191,739**
Other comprehensive income that will not be reclassified to income statement in subsequent periods		
Net gain / (loss) on equity instruments at fair value through other comprehensive income	580,542,110	437,143,484
Gains on revaluation of land and buildings	-	
Re-measurement gain / (loss) on defined benefit plans		
(Gain) / loss arising from changes in assumptions	-	
Net other comprehensive income / (loss) that will not be reclassified to income statement in subsequent periods	**580,542,110**	**437,143,484**
Deferred tax effect on revaluation surplus		
Deferred tax effect on actuarial gain/(loss)	110,617	
Tax on other comprehensive income	**110,617**	
Other Comprehensive Income / (loss) for the period, net of tax	**935,638,386**	**445,335,223**
Total comprehensive income / (loss) for the period	**1,266,367,590**	**1,069,980,135**
Attributable to:		
Owners of the parent	461,370,231	293,998,783
Non controlling interest	804,997,359	775,981,352
Total Comprehensive income / (loss) for the period	**1,266,367,590**	**1,069,980,135**

The above figures are subject to audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC
INCOME STATEMENT

	Company		
	Three months ended 30th June		
	2025	2024	Change %
	Rs.	Rs.	
Revenue			
Interest income	125,368,668	154,911,193	-19%
Fee and trading income	55,218,697	54,531,468	1%
Other income and gains	13,173	30,786	-57%
Total revenue	**180,600,538**	**209,473,447**	**-14%**
Direct expenses			
Interest expenses	(424,659,060)	(546,890,632)	-22%
Other direct expenses	(36,593,547)	(8,285,805)	342%
Operating profit / (loss)	**(280,652,069)**	**(345,702,990)**	**-19%**
Administrative expenses	(41,772,141)	(24,061,190)	74%
Distribution cost	(6,336,556)	(3,258,008)	94%
Other operating expenses	(2,692,941)	(2,194,654)	23%
Profit / (loss) before income tax	**(331,453,707)**	**(375,216,842)**	**-12%**
Income tax expense	-	-	-
Profit / (loss) for the Period	**(331,453,707)**	**(375,216,842)**	**-12%**
Basic Earnings / (loss) per share (Rs.)	(0.34)	0.07	

The above figures are subject to audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC
STATEMENT OF COMPREHENSIVE INCOME

	Company	
	Three months ended 30th June	
	2025	2024
	Rs.	Rs.
Profit / (loss) for the Period	**(331,453,707)**	**(375,216,842)**
Other comprehensive income that will not be reclassified to income statement in subsequent periods		
Net gain / (loss) on equity instruments at fair value through other comprehensive income		
Net other comprehensive income / (loss) that will not be reclassified to income statement in subsequent periods		
Other comprehensive income that will not be reclassified to income statement in subsequent periods		
Fair value gain / (loss) on investment in subsidiary		
Re-measurement gain / (loss) on defined benefit plans		
Net other comprehensive income / (loss) that will not be reclassified to income statement in subsequent periods		
Tax on other comprehensive income	-	
Other Comprehensive (loss) for the period, net of tax	-	
Total comprehensive income / (loss) for the period	**(331,453,707)**	**(375,216,842)**

The above figures are subject to audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC
STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	30.06.2025	31.03.2025	30.06.2025	31.03.2025
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Cash and cash equivalents	3,074,599,104	3,642,820,889	621,298	39,330,210
Amounts due from related companies	291,120,693	224,759,627	227,854,572	227,854,572
Other assets	5,003,611,550	7,540,979,287	2,757,555,483	2,136,013,305
Income tax receivable	254,052,137	-	-	-
Financial assets recognized through profit or loss	4,427,318,103	5,205,654,198	-	-
Financial assets measured at fair value through other comprehensive income	12,559,087,454	10,892,156,628	-	-
Other financial assets at amortised cost	37,142,848,175	31,555,017,383	1,593,247,621	1,567,294,718
Loans and advances	4,399,815,422	4,219,466,458		-
Lease and hirepurchase receivables	1,135,118,286	1,373,453,370		-
Investment in subsidiaries	-	-	19,233,144,521	19,233,144,521
Deferred tax asset	1,004,792,577	1,010,157,695		-
Right of use assets	1,370,919,846	1,399,647,240	14,764,887	16,242,648
Investment Property	103,237,000	103,237,000	-	-
Property, plant and equipment	713,719,444	721,585,259	3,710,688	992,023
Intangible assets	1,238,386,369	1,256,989,606	-	-
TOTAL ASSETS	**72,718,626,160**	**69,145,924,640**	**23,830,899,070**	**23,220,871,997**
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	3,891,595,200	3,891,595,200	3,891,595,200	3,891,595,200
Reserve fund	267,705,354	266,145,221	-	-
Fair Value Reserve	(423,837,969)	(895,704,731)	7,197,696,272	-
Other Fair Value Reserve	-	-	-	7,197,696,272
Revaluation reserve	87,989,463	87,989,463	-	-
Restricted Regulatory Reserve	798,004,000	798,004,000	-	-
Non-Distributable Regulatory Loss Allowance Reserve	970,074,987	926,985,506	-	-
Retained earnings	(7,252,533,067)	(7,197,386,889)	(3,972,932,819)	(3,641,479,112)
Shareholders' funds	(1,661,002,032)	(2,122,372,230)	7,116,358,653	7,447,812,360
Non-controlling interest	6,127,497,803	5,322,500,444	-	-
Total equity	**4,466,495,772**	**3,200,128,214**	**7,116,358,653**	**7,447,812,360**
Liabilities				
Bank overdraft	828,416,157	811,123,045	357,992,966	317,051,504
Trade and other payables	3,932,844,211	2,777,372,624	199,528,278	14,436,082
Amounts due to related companies	63,842,305	9,700,000	9,700,000	9,700,000
Other liabilities	1,206,709,349	2,395,195,013		364,460,417
Income tax liability	879,138,428	856,130,449		-
Put option liability	-	-		-
Interest bearing borrowings	20,805,302,085	19,667,457,888	15,983,956,946	14,903,893,540
Public deposits	3,515,754,955	4,273,387,713		-
Insurance contract liabilities	36,558,039,820	34,701,861,145		-
Employee benefit liabilities	460,797,345	452,282,812	66,059	221,925
Deferred tax liabilities	1,285,733	1,285,734	163,296,168	163,296,168
Total Liability	**68,252,130,388**	**65,945,796,426**	**16,714,540,417**	**15,773,059,637**
TOTAL EQUITY AND LIABILITIES	**72,718,626,160**	**69,145,924,640**	**23,830,899,070**	**23,220,871,997**
Contingent Liabilities and Commitments	**75,000,000**	**75,000,000**	**75,000,000**	**75,000,000**
Net Assets Value per Share	**(1.70)**	**(2.17)**	**7.28**	**7.62**

The financial Statements are in compliance with the requirements of Companies Act No. 07 of 2007.

(sgd.)
……..

Dilan Christostom
Director - Finance

The Board of Directors is responsible for the preparation & presentation of these Financial statements.
Signed for and on behalf of Board by;

(sgd.) …….....
Ashok Pathirage
Director

(sgd.) …….....……
H K Kaimal
Director

The above figures are subject to audit unless stated otherwise.
13th August 2025

SOFTLOGIC CAPITAL PLC
STATEMENT OF CHANGES IN EQUITY

Group	Attributable to equity holders of the parent								Minority Interest	Total Equity
	Stated Capital	Reserve Fund	Fair Value Reserve	Revaluation Reserve	Restricted Regulatory Reserve	Non-Distributable Regulatory Loss Allowance Reserve	Retained Earnings	Total		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 01st April 2025	3,891,595,200	266,145,221	(895,704,731)	87,989,463	798,004,000	926,985,506	(7,197,386,896)	(2,122,372,236)	5,322,500,443	3,200,128,207
								-		
Profit for the Period							(18,165,689)	(18,165,689)	348,894,893	330,729,204
Other comprehensive income / (loss) for the period			479,425,303				110,590	479,535,892	456,102,466	935,638,358
Transfer to Non-Distributable Regulatory Loss Allowance Reserve						43,089,481	(43,089,481)	-		-
Transfer to Reserve Fund		1,560,133					(1,560,133)	-		-
Total Comprehensive Income / (loss)	-	1,560,133	479,425,303	-	-	43,089,481	(62,704,713)	461,370,203	804,997,359	1,266,367,562
Re-purchase of shares	-	-	-	-	-	-	-	-		-
Equity Investments in FVOCI-reclassified to retained earnings	-	-	(7,558,542)				7,558,542	-		-
As at 30th June 2025	**3,891,595,200**	**267,705,354**	**(423,837,970)**	**87,989,463**	**798,004,000**	**970,074,987**	**(7,252,533,067)**	**(1,661,002,033)**	**6,127,497,802**	**4,466,495,769**

Group	Attributable to equity holders of the parent								Minority Interest	Total Equity
	Stated Capital	Reserve Fund	Fair Value Reserve	Revaluation Reserve	Restricted Regulatory Reserve	Non-Distributable Regulatory Loss Allowance Reserve	Retained Earnings	Total		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 01st April 2024	3,891,595,200	260,448,732	(1,390,239,712)	87,989,463	798,004,000	1,748,974,244	(3,906,558,097)	1,490,213,830	6,422,194,779	7,912,408,609
								-		-
(Loss) for the Period	-	-	-	-	-	-	65,340,803	65,340,803	559,304,109	624,644,912
Other comprehensive income for the year	-	-	228,657,980		-			228,657,980	216,677,243	445,335,223
Equity Investments in FVOCI-reclassified to retained earnings								-		-
Transfer to Non-Distributable Regulatory Loss Allowance Reserve						(12,736,293)	12,736,293	-		-
Total Comprehensive Income	-	-	228,657,980	-	-	(12,736,293)	78,077,096	293,998,783	775,981,352	1,069,980,135
As at 30th June 2024	**3,891,595,200**	**260,448,732**	**(1,161,581,732)**	**87,989,463**	**798,004,000**	**1,736,237,951**	**(3,828,481,001)**	**1,784,212,613**	**7,198,176,131**	**8,982,388,744**

The above figures are subject to audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC
STATEMENT OF CHANGES IN EQUITY

Company	Stated Capital	Fair Value Reserve on investment in subsidiary	Fair Value Reserve	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
As at 01st April 2025	3,891,595,200	7,197,696,272	-	(3,641,479,112)	7,447,812,360
Profit for the period				(331,453,707)	(331,453,707)
Other comprehensive income					-
Total comprehensive income	-	-	-	(331,453,707)	(331,453,707)
Equity Investments in FVOCI-reclassified to retained earnings					-
As at 30th June 2025	**3,891,595,200**	**7,197,696,272**	**-**	**(3,972,932,819)**	**7,116,358,653**

Company	Stated Capital	Fair Value Reserve on investment in subsidiary	Fair Value Reserve	Retained Earnings	Total
	Rs.	Rs.	Rs.		Rs.
As at 01st April 2024	3,891,595,200	-	(52,697,061)	(243,220,676)	3,595,677,463
(Loss) for the period	-	-	-	(375,216,843)	(375,216,843)
Other comprehensive income				-	-
Fair value gain / (loss) on investment in	-				-
Tax on other comprehensive income					-
Equity Investments in FVOCI -Reclassified to Retained Earnings				-	-
Total comprehensive income	-	-	-	(375,216,843)	(375,216,843)
As at 30th June 2024	**3,891,595,200**	**-**	**(52,697,061)**	**(618,437,519)**	**3,220,460,620**

The above figures are subject to Audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC
STATEMENT OF CASH FLOW

For theThree months ended 30th June	Group 2025	Group 2024	Company 2025	Company 2024
	Rs.	**Rs.**	**Rs.**	**Rs.**
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	671,360,640	1,147,385,815	(331,453,707)	(375,216,843)
Adjustments for				
Dividend income	-	(18,500)		-
Profit on disposal of property, plant and equipment	(2,177,713)	(2,177,713)		-
Realized gain	(855,817,867)	(14,098,235)		-
Fair Value Gain/(loss)	(512,724,630)	(1,162,278,220)		-
Amortization of intangible assets	34,590,971	37,620,017	-	2,027,801
Unrealized exchange gain/loss	(33,352,875)	(80,627,105)		-
Interest expenses	729,083,539	1,044,260,017	424,659,060	546,890,632
Impairment of financial assets at amortized cost	3,598,863	180,293,215		
Gratuity provision and related costs	19,015,974	17,027,676		
Impairment of loans and receivable	39,811,830	35,942,121		-
Amortisation of right of use assets	65,437,499	96,202,455	848,235	34,500,000
Depreciation	49,636,258	39,882,454	181,835	166,853
Operating profit before working capital changes	**208,462,489**	**1,339,413,997**	**94,235,424**	**208,368,443**
Operating Assets:				
(Increase)/decrease in amounts due form related companies	(66,361,066)	(118,492,499)	-	(71,063,170)
(Increase)/decrease in other assets	2,537,367,735	(2,328,732,754)	(621,542,178)	143,104,378
(Increase)/decrease in Financial assets recognized through profit or loss	838,847,491	3,348,572,465	-	-
(Increase)/decrease in Financial assets measured at fair value through other comprehensive income	(1,587,220,924)	3,574,781,453	-	73,000,000
(Increase)/decrease in financial assets at amortized cost	(3,614,577,849)	(5,116,595,287)	(25,952,903)	(276,627,455)
(Increase)/decrease in Loans and Advances	(180,348,964)	-		-
(Increase)/decrease in lease and hirepurchase receivables	238,335,084	754,290,891		-
Increase/(decrease) in trade and other payables	1,155,471,587	(1,583,198,412)	185,092,196	(29,982,286)
Increase /(decrease) in amount due to related companies	(310,318,110)	178,922,487	-	177,200,000
Increase /(decrease) in other non financial liabilities	(824,025,248)	591,089,418		
Increase/(decrease) in insurance contract liabilities	1,856,178,675	2,301,063,143		-
Increase/(decrease) in public deposits	(757,632,758)	(2,145,702,771)		-
Cash (used in) / generated from operations	**(505,821,858)**	**795,412,131**	**(368,167,462)**	**223,999,911**
Tax Paid	(340,631,436)	(216,000,000)		-
Interest Paid	(729,083,539)	(1,044,260,017)	(337,673,787)	(490,710,885)
Gratuity paid	(4,101,652)	(2,562,698)		-
Net cash (used in) / generated from operations	**(1,579,638,486)**	**(467,410,584)**	**(705,841,249)**	**(266,710,975)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividend income		18,500	-	
Proceeds from non controlling interest	178,483,516			
Proceeds on disposal of property plant & equipment	6,176,416	2,387,713		
Purchase of property, plant & equipment and intangible assets	(76,430,456)	(26,025,883)	(1,393,000)	
Net cash (used in) / generated from investing activities	**108,229,476**	**(23,619,670)**	**(1,393,000)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings	-	(6,238,640)		-
Repayment of long term borrowings	(216,597,437)	(574,265,651)		(401,787,848)
Payment of principal portion of lease liability	(22,371,812)	(129,965,911)	(1,446,285)	(32,664,220)
Proceed/(repayment) from short term borrowings	1,124,863,362	992,720,654	647,197,705	634,338,069
Net cash (used in) / generated from financing activities	**885,894,113**	**282,250,452**	**645,751,420**	**199,886,000**
Net Increase/(Decrease) in Cash and Cash Equivalents	(585,514,897)	(208,779,802)	(61,482,828)	(66,824,975)
Cash & Cash Equivalents at the beginning of the period	2,831,697,844	1,207,543,710	(295,888,839)	(233,211,262)
Cash & Cash Equivalents at the end of the Period (Note A)	**2,246,182,947**	**998,763,908**	**(357,371,667)**	**(300,036,237)**

NOTES TO THE CASH FLOW STATEMENT	**2025**	**2024**	**2025**	**2024**
A. Cash & Cash Equivalents	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Cash & Bank Balances	3,074,599,104	1,831,346,430	621,298	27,193,217
Bank Overdrafts	(828,416,157)	(832,582,522)	(357,992,966)	(327,229,452)
	2,246,182,947	**998,763,908**	**(357,371,668)**	**(300,036,235)**

The above figures are subject to Audit unless stated otherwise.

13th August 2025

SOFTLOGIC CAPITAL PLC

Segment Information - Business Segment

For the Three Months Ended 30th June 2025

	Non-banking Financial Institutions	Insurance	Others	Total Segments	Adjustments and Eliminations	Group Total
Total external revenue	249,786,621	11,208,723,396	305,405,382	11,763,915,399	-	11,763,915,399
Inter-Segment	-	-	111,001,209	111,001,209	(111,001,209)	-
Total revenue	249,786,621	11,208,723,396	416,406,592	11,874,916,609	(111,001,209)	11,763,915,399
Interest Income	224,777,155	1,273,767,756	152,601,630	1,651,146,541	(6,656,085)	1,644,490,456
Interest expense	(147,365,319)	(123,042,265)	(465,332,040)	(735,739,624)	6,656,085	(729,083,539)
Impairment of loans and receivables	-	-	-	-	-	-
Change in insurance contract liabilities	-	(1,930,168,484)	-	(1,930,168,484)	-	(1,930,168,484)
Depreciation	(24,138,509)	(24,750,000)	(747,749)	(49,636,258)	100,459	(49,535,799)
Amortization	(13,975,975)	(88,146,762)	(6,938,422)	(109,061,159)	43,623,661	(65,437,499)
Employee benefits expenses	3,582,000	14,345,166	1,088,808	19,015,974	-	19,015,974
Tax expense	-	(328,213,369)	(12,418,067)	(340,631,436)	-	(340,631,436)
Profit after tax for the period	(90,042,032)	743,527,829	(319,860,506)	333,625,291	(2,896,087)	330,729,204
Total Assets	7,120,056,279	58,094,953,337	26,915,971,869	92,130,981,484	(19,412,355,326)	72,718,626,160
Total Liabilities	4,262,619,898	46,158,835,696	19,140,093,120	69,561,548,714	(1,309,418,326)	68,252,130,387

For the Three Months Ended 30th June 2024

	Non-banking Financial Institutions	Insurance	Others	Total Segments	Adjustments and Eliminations	Group Total
Total external revenue	13,984,510	7,933,525,050	114,048,891	8,061,558,451		8,061,558,451
Inter-Segment	-		98,515,897	98,515,897	(98,515,897)	-
Total revenue	13,984,510	7,933,525,050	212,564,788	8,160,074,348	(98,515,897)	8,061,558,451
Interest Income	368,439,940	1,778,694,193	149,658,623	2,296,792,756	(2,361,426)	2,294,431,330
Interest expense	(291,977,035)	(206,184,940)	(552,700,745)	(1,050,862,720)	6,602,704	(1,044,260,016)
Impairment of loans and receivables	(35,942,121)	(180,293,215)	-	(216,235,336)	-	(216,235,336)
Change in insurance contract liabilities	-	(1,375,848,905)	-	(1,375,848,905)	-	(1,375,848,905)
Depreciation	(3,393,696)	(35,120,902)	(1,367,856)	(39,882,454)	-	(39,882,454)
Amortization	(11,581,323)	(89,801,018)	(38,443,774)	(139,826,115)	-	(139,826,115)
Employee benefits expenses	-	-	-	-	-	-
Tax expense	-	(521,074,859)	(1,666,044)	(522,740,903)	-	(522,740,903)
Profit/(Loss) after tax for the period	(169,268,629)	1,202,595,063	(374,574,280)	658,752,154	(34,107,241)	624,644,913
Total Assets	9,199,732,607	55,073,889,435	19,305,205,182	83,578,827,224	(12,489,776,247)	71,089,050,977
Total Liabilities	6,561,384,600	40,656,141,498	15,293,608,808	62,511,134,906	(404,472,677)	62,106,662,229

The above figures are subject to Audit unless stated otherwise.

13th August 2025

1. Reporting Entity

Softlogic Capital PLC ("the Company") is a public limited liability company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at Level 16, One Galle Face Tower, Colombo 02.

2. Approval of Financial Statements

The interim financial statements of the Group and the Company for the period ended 30th June 2025 were authorised for issue by the Board of Directors on 13th August 2025.

3. Basis of Preparation

The Interim Financial Statements are in compliance with Sri Lanka Accounting Standards 34 (LKAS 34) - Interim Financial Reporting and provide the information required by the Colombo Stock Exchange.

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.

These Condensed Quarterly Financial Statements do not include all the information and disclosures required in the annual Financial Statements, and should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2024. The same Accounting Policies and methods of computation as stated in the Annual Financial Statements - 2023/24 have been followed in preparing these Interim Financial Statements.

In preparing these condensed quarterly financial statements, management has made judgements and estimates that affect the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual Financial statements.

New SLFRS and Interpretations issued but not yet effective have not been early adopted during the period.

The management is currently in the process of measuring the fair value of both quoted and unquoted investments in subsidiaries as at 31 March 2025. Accordingly, changes in the fair value of respective subsidiaries of the group for the financial year ended 31 March 2025 have not been reflected in the interim financial statements.

3.1 Fair value measurement and related fair value disclosures

The fair values of all the financial assets and financial liabilities recognised during the period were not materially different from the transaction prices at the date of initial recognition. During the period, there were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 categories as per the fair value hierarchy. The fair value changes on financial instruments in Level 3 category was properly recorded in the statement of other comprehensive income. As at the reporting date, fair value would not significantly change if one or more of the inputs of financial assets classified at level 3 were changed.

4. FINANCIAL ASSETS as at 30th June 2025

4.1 Fair Value Through Profit or Loss (FVTPL)

	Group	
	30.06.2025	**31.03.2025**
Treasury Bonds	246,772,702	334,268,487
Unlisted Perpetual Debenture	735,760,538	773,465,582
Commercial Paper	185,346,312	-
Unit Trust	3,246,531,832	4,612,886,617
Total Financial assets recognized through profit or loss	**4,414,411,384**	**5,720,620,686**

4.2 Fair Value through Other Comprehensive Income (FVOCI)

			Group	
			30.06.2025	**31.03.2025**
Equity Securities:				
Quoted			4,527,596,766	3,997,089,243
Unquoted			30,600	30,600
Treasury Bonds			6,892,506,615	6,895,036,785
Treasury Bills			1,138,953,473	-
Total Fair Value through Other Comprehensive	**-**	**-**	**12,559,087,454**	**10,892,156,628**

4.3 Amortised Cost (AC)

	Group		Company	
	30.06.2025	31.03.2025	30.06.2025	31.03.2025
Trade debtors	3,687,320,479	1,078,935,950	-	-
Policyholder loans	395,725,369	363,533,751	-	-
Reinsurance receivables	636,311,615	502,753,054	-	-
Premium receivables	-	-	-	-
Debentures	5,694,620,971	5,610,549,488	-	-
Commercial papers	2,609,881,378	2,536,334,211	353,276,668	382,777,895
Placements with banks	1,342,149,073	1,048,031,515	2,006,373	1,867,420
Treasury bonds	13,655,342,889	14,089,867,155	-	-
Treasury bill	1,712,509,294	912,278,529	-	-
Investment in Unit Trust	12,906,718	6,759,941	-	-
Sri Lanka Development Bonds	-	-	-	-
International Soverign Bonds	3,217,868,962	3,050,345,782	-	-
Securitised Papers	-	-	-	-
Repos	4,005,103,038	2,219,985,869	-	-
Deposits with regulator - CSE	1,000,000	11,000,000	-	-
Subordinated Loan	-	-	-	-
Gold Loans Receivables	-	-	-	-
Factoring Receivables	-	-	-	-
Other Loans	172,108,388	124,642,138	1,237,964,581	1,182,649,404
Total Amortised Cost	**37,142,848,175**	**31,555,017,383**	**1,593,247,621**	**1,567,294,718**

5. Insurance Contract Liabilities

The results of Softlogic Life Insurance PLC is consolidated line by line into the Group's consolidated income statement. Insurance Contract Liabilities-Life are measured by using The Gross Premium Valuation (GPV) method as specified by Insurance Board of SriLanka (IBSL) based on the recommendation of the Independent Consultant Actuary. The liability is computed based on IBSL specified guidelines.

5.1 Transfer of One-off Surplus from Policyholder Fund to Shareholder Fund

The Insurance Regulatory Commission of Sri Lanka (IRCSL) has issued a Direction No 16 on 20th March 2018 on "Guidelines/ Directions for Identification and Treatment of One-off Surplus" and has instructed all Life Insurance Companies to comply with the new direction. Based on the new guidelines Life Insurance Companies are directed to transfer One-off surplus attributable to Policyholder Non-Participating Fund to shareholder fund as at the reporting year ended 31st December 2017. The transfer has been presented as a separate line item in the Income Statement as "Change in contract liability due to transfer of One-off surplus" and as a separate reserve in the Statement of Financial Position as "Restricted Regulatory Reserve" under Equity in accordance with above Direction. As required by the said Direction, the Company received the approval for this transfer on 29th March 2018.

Further distribution of One-off Surplus to shareholders, held as part of the Restricted Regulatory Reserve, is subject to meeting governance requirements stipulated by the IRCSL and can only be released as dividends upon receiving approval from the IRCSL. The One-off Surplus in the shareholder fund will remain invested in government debt securities and deposits as disclosed in Note 4.2 as per the directions of the IRCSL".

One-off surplus in respect of participating business is held within the participating fund as part of the unallocated valuation surplus and may only be transferred to the shareholder fund by means of bonuses to policyholders in line with Section 38 of the "Regulation of Insurance Industry Act.

Movement of One-off Surplus After Transfer	Participating Fund	Non-Participating Fund	Total
	Rs. '000	Rs. '000	Rs. '000
Value of Insurance Contract Liability based on Independent Actuary-NPV as at 31-12-2015	3,866,780	2,472,575	6,339,355
Value of Insurance Contract Liability based on Independent Actuary-GPV as at 31-12-2015	2,810,245	1,674,571	4,484,816
Surplus Created due to Change in Valuation method from NPV to GPV- One off Surplus as at 01-01-2016	**1,056,535**	**798,004**	**1,854,539**
Transfer of One-off Surplus from long term fund to Restricted Regulatory Reserve	-	(798,004)	(798,004)
Surplus created due to Change in Valuation Method - One-off Surplus as at 31ST December 2024	**1,056,535**	**-**	**1,056,535**

The distribution of One-off surplus to Shareholders as dividends shall remain restricted until a Company develops appropriate policies and procedures for effective management of its business.

5.2 Composition of Investments Supporting the Restricted Regulatory Reserve as at 30th June 2025

Asset Category	ISIN No.	Face Value as at 30th June 2025 Rs.	MV as at 30th June 2025 Rs.'000
Government Securities			
Treasury Bond	LKB00628A153	100,000,000	128,963
	LKB00628A153	110,000,000	141,859
	LKB00628A153	100,000,000	128,963
	LKB00628A153	100,000,000	128,963
	LKB00931E153	100,000,000	135,801
	LKB00931E153	100,000,000	135,801
	LKB00931E153	120,000,000	162,961
	LKB00931E153	100,000,000	135,801
	LKB00931E153	100,000,000	135,801
	LKB00931E153	100,000,000	135,801
Total Market Value of the Assets			**1,370,714**
Restricted Regulatory Reserve			**798,004**

5.3 Valuation of Life Insurance Fund -(Zeroed Basis of Negative Liabilities- Product Level) as at 30th June 2025

The valuation of life insurance fund as at 30th June 2025 was made by Appointed Actuary Mr. Kunj Behari Maheshwari, FIA, FIAI, of Messrs. Willis Towers Watson India Private Limited, who approved to transfer from Non-Participating Life Insurance fund / insurance contract liabilities to the Shareholders fund as surplus transfer.

Accordingly, the Company transferred Rs.913 Mn from Non participating fund to shareholder fund as surplus transfer for the quater ended 30th June 2025 (2024- 1,585 Mn).

5.4 Liability Adequacy Test (LAT) - Life Insurance Contract Liabilities

Liability Adequacy Test (LAT) in respect of the Insurance Contract Liabilities as required by SLFRS 4 - Insurance Contracts are carried out annually.

6. CONTINGENCIES AND CAPITAL COMMITMENTS

6.1 Contingent Liabilities

The Contingent Liability of the Company as at 30 June 2025, relates to the followings;

Subsidiaries - Softlogic Life Insurance PLC

Assessment in Respect of Value Added Tax (VAT)

1) VAT assessments have been issued by the Department of Inland Revenue for the taxable period 2010 and was determined by the Tax Appeal Commission (TAC) in 2019. Out of total 11 assessments, 08 assessments were determined in favour of Commissioner General of Inland Revenue (CGIR) amounting to Rs. 46.5 Million including the penalty and 03 assessments were determined in favour of the Company amounting to Rs. 24.8 Million including the penalty.

   The Company transmitted the former case to the Court of Appeal being dissatisfied with the determination which determined in favour of the CGIR and case is stated for the opinion of the Honorable Court of Appeal. The Total tax exposure of this appeal is Rs. 46.5 million including the penalty.

   The CGIR, transmitted the latter case to the Court of Appeal being dissatisfied with the determination which determined in favour of the Company and the case is stated for the opinion of the Honorable Court of Appeal.

Assessment in Respect of Value Added Tax on Financial Services (VAT on FS)

2) The CGIR issued its determination on the appeal filed by the Company relating to the assessment raised for Y/A 2014/15, 2016/17 and 2017/18 under the Value Added Tax Act amounting to Rs. 68.7 Million, Rs. 28 Million and Rs.102.4 Million respectively, in favour of the CGIR. For the Y/A 2014/15 and 2017/18, the Company has received the determinations of the TAC also in favour of the Company. However, the CGIR has transmitted the said cases to the Court of Appeal being dissatisfied with the determinations which determined in favour of the Company and cases are stated for the opinion of the Honorable Court of Appeal. The Company is in the process of hearing the other appeal on the Y/A 2016/17 with TAC, on the basis that the underlying computation includes items which are out of scope of the VAT Act.

3) Assessment has been issued for the Company under the Value Added Tax Act, in relation to the Y/A 2019/20 and 2021/22 amounting to Rs. 433.16 Million including the penalty. For the Y/A 2019/20, the Company has appealed to TAC upon the receipt of the CGIR determination. For the other case, the company has appealed on the same basis as stated above and is awaiting for the CGIR determination.

Assessment in Respect of Nation Building Tax on Financial Services (NBT on FS)

4) An assessment has been issued under the Nation Building Tax Act, in relation to the Y/A 2018/19 amounting to Rs. 9.7 Million. The Company has filed an appeal to the CGIR on the basis that the underlying computation includes items which are out of scope of the NBT Act. The Company is awaiting the CGIR's determination.

Life Insurance Taxation

5) The TAC issued its determination on the appeal filed by the Company relating to the assessment raised for the Y/A 2010/11 amounting to Rs. 0.68 Million, in favour of the Company and the CGIR has transmitted this case to the Court of Appeal being dissatisfied with the said determination of TAC and case is stated for the opinion of the Honorable Court of Appeal. The Company is awaiting the decision of the Court of appeal.

6) The TAC issued its determination on the appeal filed by the Company relating to the assessment raised for the Y/A 2011/12 and 2012/13 amounting to Rs.10.1 Million and Rs. 12.4 Million respectively, in favour of CGIR and The Company has transmitted the cases to the Court of Appeal being dissatisfied with the said determination of TAC and cases are stated for the opinion of the Honorable Court of Appeal. The Company is awaiting the decisions of the Court of appeal.

7) The CGIR issued its determination on the appeal filed by the Company relating to the assessments raised for the Y/A2014/15, 2015/16, 2016/17 and 2017/18 amounting to Rs. 681.7 Million along with penalty, in favour of the CGIR. For the Y/A 2014/15 and 2017/18, the Company has received the determinations of the TAC in favour of the Company. However, cases are stated in the Honorable Court of Appeal by the CGIR. The Company is in the process of hearing the appeals with Tax Appeals Commission for the Y/A 2015/16 and 2016/17.

8) The CGIR issued its determination on the appeal filed by the Company relating to the assessment raised for the Y/A 2018/19, 2019/20 and 2020/21 amounting to Rs. 2,180.47 Million along with penalty, in favour of the CGIR. The Company has submitted a petition of appeal with TAC.

9) Assessment has been issued by the CGIR in relation to the Y/A 2021/22 amounting to Rs.688.97 Million including the penalty. The Company has submitted an appeal requesting an administration review on the same.

10) The Company has received an Assessment on PAYE Tax for the Y/A 2016/17 amounting to Rs. 0.9 Million along with penalty for which company has duly submitted an appeal.

The Directors are of the view that it has followed due process and acted in accordance with the prevailing laws in its tax submission and therefore, the probability of company having to settle any of this tax assessments are very low. In addition, there are no litigations and claims involving the Company that may have a material effect on the financial statements in the Directors' view.

6.2 Capital Commitments

Subsidiaries - Softlogic Life Insurance PLC

The capital commitments approved and contracted as at the reporting date were Rs. 2.16 million.

Subsidiaries - Softlogic Finance PLC

The capital commitments approved but not provided for as at the reporting date were Rs.58.26 million.

7. Events After the Reporting Period

No circumstances have arisen since the reporting date which would require adjustments or disclosure in the Interim Financial Statements other than the following:

Further to the disclosure made on 26th March 2025, approval was received from the Insurance Regulatory Commission of Sri Lanka (IRCSL), via letter dated 2nd July 2025, for the acquisition of all shares (representing 100% of the issued and paid-up share capital) of Allianz Life Insurance Lanka Limited by Softlogic Life Insurance PLC from Allianz SE.

The transaction was completed on 11th July 2025, and the purchase consideration was duly paid.

8. Share Information

8.1 Stated Capital

Stated capital consists of 977,187,200 Ordinary Shares as at 30th June 2025

8.2 Share Price Movement during the quarter ended 30th June 2025

For the three months ended	30th June 2025		30th June 2024	
	Date	Price (Rs.)	Date	Price (Rs.)
Highest price per share for the period	30-Apr-25	5.90	13-Jun-24	7.90
Lowest price per share for the period	7-Apr-25	5.00	4-Apr-24	6.50
Last traded price		5.40		6.80

8.3 Public Holding

The percentage of shares held by the public as at 31st March 2025 is 30.36%.
The number of public shareholders as at 30th June 2025 are 6,602 .

Float Adjusted Market Capitalisation

As at 30th June 2025 the Float Adjusted Market Capitalisation is Rs.1,602,039,783.16

The Company is comply with minimum public holding requirement as at the reporting date based on "Option 1" of Rule 7.14.1.b .

8.4 List of Largest Twenty Shareholders of the Company as at 30th June 2025

	Name	No. of Shares	(%)
1	Softlogic Holdings Plc	677,652,893	69.35
2	Mr. G.Abhanuka Harischandra	26,162,574	2.68
3	Mr. Ravindra Erle Rambukwelle	6,890,000	0.71
4	Eagle Crest (Pvt) Ltd	6,787,500	0.69
5	Mr. Nihal Samarasuriya	6,630,000	0.68
6	Mr. Anuja Chamila Jayasinghe	5,777,010	0.59
7	Mr.D.S.Nakandala	4,452,145	0.46
8	Mr. Hettiarachchige Sujeewa Appuhamy	3,675,000	0.38
9	Mrs. H.F.D.C Fonseka	3,350,000	0.34
10	W D N H Perera	3,305,000	0.34
11	Mrs.Anusha Christina Muller	3,000,000	0.31
12	N P Capital Ltd	3,000,000	0.31
13	Mr. Asoka Kariyawasam Pathirage	2,847,872	0.29
14	Mr. Gangatharan Suthaharan	2,500,000	0.26
15	Mr. Gihan Wickremasinghe	2,250,000	0.23
16	Mr.V Sunilgavasker	2,065,152	0.21
17	Mr. M N Wikramasinghe	2,009,788	0.21
18	Mr. K.A.R.Chandranath	2,000,000	0.20
19	Mr. Don John Thivanka Kodikara	2,000,000	0.20
20	A.S. Hathiramani	1,995,350	0.20
		768,350,284	**78.63**
	Others	208,836,916	21.37
	Total	**977,187,200**	**100.00**

8.5 Directors' Shareholding as at 30th June 2025

Names of Directors	No. of Shares
Mr. A. K. Pathirage (Chairman)	2,847,872
Mr. R. J. Perera	Nil
Mr. H. Kaimal	Nil
Mr. V. S. Somasunderam	Nil
Mr. N. Abesekara	Nil

9. Related Party Transactions

(a) Outstanding balances arising from the related party transactions are as follows:

	Group		Company	
	30th June 2025	**31st March 2025**	**30th June 2025**	**31st March 2025**
Amount due from	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Softlogic Life Insurance PLC		-		
Softlogic Supermarkets (Pvt) Ltd	-			
Softlogic Asset Management (Pvt) Ltd	-		**3,094,945**	3,094,945
Softlogic Retail Holdings (Pvt) Ltd	**66,361,066**			
Softlogic Brands Pvt Ltd	**89,520,710**	89,520,710	**89,520,710**	89,520,710
Odel PLC	**88,100,000**	88,100,000	**88,100,000**	88,100,000
Softlogic Mobile Distributions (Pvt) Ltd	**47,138,917**	47,138,917	**47,138,917**	47,138,917
	291,120,693	224,759,627	**227,854,572**	227,854,572
Amount due to				
Asiri Central Hospital	**54,142,305**			
Ceysand Resorts (Pvt) Ltd	**9,700,000**	9,700,000	**9,700,000**	9,700,000
	63,842,305	9,700,000	**9,700,000**	9,700,000

	Company	
	30th June 2025	**30th June 2024**
(b) Transactions with Group Companies	**Rs.**	**Rs.**
Interest Income		
Softlogic Holdings PLC	**98,981,741**	140,636,967
Softlogic Stockbrokers (Pvt) Ltd	-	-
Softlogic Finance PLC	-	2,361,426
Softlogic Retail (Private) Limited	-	-
SR One (Pvt) Ltd	**26,350,660**	-
Consultancy and Professional Fee Income		
Softlogic Life Insurance PLC	**30,000,000**	30,000,000
Softlogic Stockbrokers (Pvt) Ltd.	**9,531,468**	9,531,468
Softlogic Finance PLC		-
Softlogic Asset Management (Pvt) Ltd	**15,000,000**	15,000,000
Corporate Guarantee Fee Income		
Softlogic Stockbrokers (Pvt) Ltd.	**184,932**	373,973
Softlogic Holdings PLC	-	3,989,041
Commercial Paper Interest Expense		
Softlogic Asset Management (Pvt) Ltd	**2,975,400**	-
Consultancy and Professional Fee Expense		
Softlogic Holdings PLC	**25,689,240**	25,689,240
Secretarial Fee Expense		
Softlogic Corporate Services (Pvt) Ltd.	**283,184**	1,200,000
Network Support Charges		
Softlogic BPO Services (Pvt) Ltd.	**1,898,825**	2,560,163
Insurance Premium Expense		
Softlogic Life Insurance PLC	**372,174**	132,239
Brand Development Expenses		
Softlogic Retail (Pvt) Ltd.	**6,662,309**	3,258,008
Investment in Commercial Papers		
Softlogic Holdings PLC	**447,935,957**	3,065,570,741

Term Loans Granted		
SR One (Pvt) Ltd	**1,049,334,587**	-
Softlogic Holdings PLC	**159,452,210**	892,693,502
Commercial Paper Borrowing		
Softlogic Asset Management (Pvt) Ltd	**72,637,505**	77,553,892
Engineering Maintenance		
Softlogic Information Technologies (Pvt) Ltd	**342,672**	-
Corporate Debenture Borrowing		
Softlogic Life Insurance PLC	-	104,140,364
Dividend Income & Disposal of Shear Investments		
Softlogic Life Insurance PLC	-	-
Placement Fee Income		
Asiri Hospital Holdings PLC	-	-
Corporate Guarantees given to		
Softlogic Holdings PLC	-	1,631,002,210
Softlogic Stockbrokers (Pvt) Ltd.	**75,000,000**	150,000,000
(c) Key Management Personnel		
Remuneration paid		1,125,000

Key management personnel include members of the Board of Directors of Softlogic Capital PLC & it's subsidiaries.

(d) Terms and conditions of transactions with related parties

The Companies within the Group disclosed under the Corporate Directory engage in trading transactions 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 CAPITAL PLC
CORPORATE INFORMATION

For the Three Months Ended 30th June 2025

Name of the Company
Softlogic Capital PLC

Legal Form
Quoted Limited Liability Company

Date of Incorporation
21st April 2005

Company Registration Number
P B 779 PQ

Directors
Mr. A. K. Pathirage (Chairman)
Mr. R. J. Perera
Mr. V. S. Somasunderam
Mr. H. Kaimal
Mr. N.C.A. Abeyesekera

Registered Office
Level 16
One Galle Face Tower
Colombo 02

Audit Committee
Mr. N.C.A. Abeyesekera - Chairman
Mr. V. S. Somasunderam
Mr. H. Kaimal

Remuneration Committee
Mr. A. K. Pathirage - Chairman
Mr. N.C.A. Abeyesekera

Nomination Committee
Mr. A K Pathirage - Chairman
Mr. N.C.A. Abeyesekera

Related Party Transaction Review Committee
Mr. N.C.A. Abeyesekera - Chairman
Mr. V. S. Somasunderam
Mr. H. Kaimal

Secretaries
Softlogic Corporate Services (Pvt) Ltd
No 14
De Fonseka Place
Colombo 05

Auditors
Ernst & Young
Chartered Accountants
Rotunda Towers, Rotunda Gardens
Colombo 03

Bankers
Sampath Bank PLC
Pan Asia Banking Corporation PLC
Nations Trust Bank PLC
Commercial Bank of Ceylon PLC
DFCC Bank
National Development Bank

Subsidiaries	**% Holding**
Softlogic Finance PLC	94.61%
Softlogic Life Insurance PLC	51.00%
SCAP One Pvt Ltd.	100%
SR One Pvt Ltd	100%

SOFTLOGIC CAPITAL PLC
LEVEL 16, ONE GALLE FACE TOWER,
COLOMBO 2
SRI LANKA