

සොෆ්ට්ලොජික් ෆිනෑන්ස් පී.එල්.සී

2021 මාර්තු 31න් අවසන් වූ වර්ෂය සඳහා විගණනය කළ ගිණුම් පුකාශය 2011 අංක 42 දරණ මූලූ වහපාර පනත යටතේ 29(2) වගන්තියට අනුකූලව

පුඛාන මූල¤ දත්තයන් 2021 මාර්තු මස 31 දිනෙන් අවසන් වූ වර්ෂය සඳහා (විගණනය කළ)		
රුපියල් මිලියන වලින්	2020/04/01 සිට 2021/03/31 දක්වා	2019/04/01 සිට 2020/03/31 දක්වා
පොලී ආදායම	2,443	3,597
පොලී වියදම	(1,895)	(2,517)
ශුද්ධ පොලී ආදායම	549	1,081
වෙළඳ කටයුතු වලින් ලද ලානය / (අලානය)	-	-
වෙනත් ආදායම්	144	220
මෙහෙයුම් වියදම් (හානිකරණ රහිත)	(1,213)	(1,396)
හානිකරණය	(492)	(390)
ඔදු පෙර ලාහය/(අලාතය)	(1,012)	(486)
බ ළ*	109	152
ඔදු පසු ලාතය/(අලාතය)	(903)	(334)

^{*}වකු බදු (මූලෘ සේවා සඳහා වැට් බදු වැනි) සහ ඍජු බදු (ආයතනික ආදායම් බදු)

2021 මාර්තු මස 31 දිනට (විගණනය කළ)		
රුපියල් මිලියන වලින්	31.03.2021 දිනට	31.03.2020 දිනට
වත්කම්		
මුදල් හා බැංකුවල ඇති තැන්පතු	628	390
බැංකු සහ වෙනත් මූලෘ සමාගම් සමඟ ඇති තැන්පතු	204	611
වාතය හෝ අලාතය තුළින් සාධාරණ වටිනාකමකින් මනිනු ලබන මූලෘ වත්කම්	301	250
රජයේ සුරැකුම්පත්	1,002	1,554
සම්බන්ධිත පාර්ශවයන්ගෙන් ලැබිය යුතු	160	388
ණය (සම්බන්ධිත පාර්ශවයන්ගෙන් ලැබිය යුතු ණය තැර)	16,376	16,327
හිමිකම් පුාග්ධන ආයෝජන	37	136
දේපල, පිරියත හා උපකරණ	629	676
වෙනත් වත්කම්	1,532	1,415
මුළු වන්කම්	20,870	21,747
වගකීම්		
බැංකුවලට ගෙවිය යුතු	699	1,011
සම්බන්ධිත පාර්ශවයන්ට ගෙවිය යුතු	39	56
හනුදෙනුකරුවන්ගේ තැන්පතු	14,581	17,016
වෙනත් ණය ගැනීම්	1,940	1,168
වෙනත් බැරකම්	583	454
මුළු වගකීම්	17,842	19,706
ରିଡିଲଡି		
පුකාශිත පුාග්ධනය	4,507	2,605
වෘවස්ථාපිත සංචිත අරමුදල	260	260
රඳවාගත් ඉපැයුම්	(1,875)	(856
වෙනත් සංචිත	136	3´
මුළු හිමිකම්	3,028	2,041
කොටසකට ශුද්ධ වත්කම්	11	20

සටහන : මෙම පුකාශයන්හි සඳහන් අගයන් හානිකරණයෙන් සහ ක්ෂය වීමෙන් පසු අගයන් වේ.

පුධාන කාර්ය සාධන දර්ශක 2021 මාර්තු මස 31 දිනට (විගණනය කළ)				
අයිතමය	31.03.2021		31.03.2020	
	තථා	නට අවශා	දින තථා	අවශා
නියාමන පුාග්ධන පුමාණාත්මකතාවය (%)				
1 වන ස්ථරයේ පුාග්ධන පුමාණාත්මකතා අනුපාතය	-3.9%	6.5%	-5.6%	6.5%
මුළු පුාග්ධන පුමාණාත්මකතා අනුපාතය	-3.9%	10.5%	-5.8%	10.5%
අරමුදල් පාග්ධනයට තැන්පතු වගකීම් අනුපාතය	20.8%	10.0%	11.8%	10.0%
ණය කළඹේ ගුණාත්මකතාවය (%)				
දළ අඛ්ය ණය අනුපාතය	34	1.6%	32.8%	
ශුද්ධ අඛ්ය ණය අනුපාතය		9.9%	28.9%	
ශුද්ධ අකුිය ණයට මූලික පාග්ධන අනුපාතය	190.3%		249.9%	
වෙන් කිරීම් ආවරණ අනුපාතය		0.9%	54.6%	
ලාතදායින්වය (%)				
ශුද්ධ පොලි ආන්තිකය	Ź	2.6%	4.9%	
වත්කම් මත පුතිලාන	-4.7%		-2.4%	
හිමිකම් මත පුතිලාත	-4.7%		-17.6%	
ආදායම් මත පිරිවැය අනුපාතය	175.1%		107.3%	
දුවශිලතාවය (%)				
පවතින දුවශීල වත්කම්වලට දුවශීල වත්කම් අවශෘතා අනුපාතය (අවම 100%)	207.1%		132.7%	
දුවශීල වත්කම්වලට බාහිර අරමුදල් අනුපාතය	11.2%		12.3%	
නාමික තොරතුරු ශාඛා ගණන	33		35	
කාසා ගමායා	33 [SL] BB-; වර්ධනය වන ඇඟවුම්		33	
බාහිර ණය ශේණිය	සමඟ සෝදිසියෙන් සිටින, ලෙස වෙනස්කර ඇත.		[SL] BB-;	
නියාමන අධිකාරීයක් විසින් පසුගිය මාස 6 තුල පනවා ඇති දඩ				
පුමාණය (රුපියල් මිලියන)	1		-	
නියාමන තැන්පතු සීමා පැනවීම්				
මුළු තැන්පතු සඳහා උපරිම සීමාව (රුපියල් මිලියන)	16,600		16,600	
- අඩු කළ යුතු තැන්පතු පුමාණය - මසකට/කාර්තුවකට/වසරකට (රුපියල් මිලියන)	-		_	
තැන්පතු අත්තිටුවීම්	-		-	
නියාමන ණය ගැනීම් සීමා පැනවීම්				
ණය ගැනිම් සඳහා උපරිම සීමාව (රුපියල් මිලියන)		-	-	
ණය පුමාණය අඩු කිරීම - මසකට/කාර්තුවකට/වසරකට (රුපියල් මිලියන)		-	-	
ණය ගැනිම් අත්හිටුවීම්	-		-	
නියාමන ණයදීම් සීමා පැනවීම්				
මුළු ණය කළඹ සඳහා උපරිම සීමාව (රුපියල් මිලියන)	18,500		18,500	
අඩු කරන ලද ණය කළඹේ පුමාණය - මසකට/කාර්තුවකට/වසරකට (රුපියල් මිලියන)	-		-	
නව ණය පුදානය සහ/තෝ පවත්නා ණය පහසුකම් වල කොන්දේසි දීර්ඝ කිරීම අත්හිටුවීම	-		-	
වෙනත් නියාමන සීමා කිරීම්				
පුමාණය (රුපියල් මිලියන)			_	

සොෆ්ට්ලොපික් ෆිනෑන්ස් පීඑල්සී හි පුධාන ව්ධායක නිලධාර්, පුධාන මූලන නිලධාර්නී සහ අනුකූලතා නිලධාර් වන අප විසින් සමුතිකව පහතින් සහතික කර ඇති පරිදි, (අ) ඉහත පුකාශයන් ශී ලංකා මහ බැංකුව විසින් නියම කර ඇති ආකෘතියට හා අර්ථ දැක්වීම් වලට අනුකුලව සකස් කර ඇත;

(ආ) සොෆ්ට්ලොජක් ෆිනෑන්ස් පීඑල්සී හි විගණනය කරන ලද මූලුු පුකාශනවලින් උපුටාගත් සතු තොරතුරු බවත් සහතික කරමු.

එම්.එච්.පී. විජේසේකර

(අත්සන් කළේ) පුධාන විධායක නිලධාරි / අධෳකෂක

(අත්සන් කළේ) පුධාන මූලෘ නිලධාරීනී

ඉවෝන් බුොතියර් මිය

ඉර්ෂාඩ් ඔොත්මන් (අත්සන් කළේ) අනුකූලතා නිලධාරී

අධායෂක මණ්ඩලය : ඒ. රසල් ඩේව්සන් - සභාපති,

එම්.ඵච්. දුියන්ත විජේසේකර - පුධාන විධායක නිලධාරි, තරේෂ කයිමාල්, මනිල්ක පුනාන්දු, දිනේෂ් පී. රෙන්ගනාතන්, ඒ. ගුණතිලක මිය, ඒ.සී. මොතමඞ් ලෆිර් Date of incorporation: 24/08/1999 Licensed by the Monetary Board of the Central Bank of Sri Lanka under the Finance Business Act No: 42 of 2011

Building a better working world

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APAG/WDPL/DM

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SOFTLOGIC FINANCE PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Softlogic Finance PLC ("the Company"), which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a

the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the opinion on the accompanying financial statements

)	We have fulfilled the responsibilities described in the Auditor's relation to these matters. Accordingly, our audit included the p misstatement of the financial statements. The results of our audit basis for our audit opinion on the accompanying financial statem
)	Key audit matter
ŀ	Impairment allowance on loans & leases:
3	As at 31 March 2021, loans & advances and receivables from
,	lease & hire purchase (net of impairment) amounted to Rs. 11,270 Million (Note 21-23) and Rs. 5,263 Million (Note 24)
)	respectively net of total allowance for impairment of LKR 2,065 Million (Note 21-24). These collectively contributed 79% to the Company's total assets.
	As described in Note 21-24, impairment allowance on such
)	financial assets carried at amortised cost is determined in
,	accordance with Sri Lanka Accounting Standard – SLFRS 9 Financial Instruments (SLFRS 9).
	This was a key audit matter due to:
	materiality of the reported impairment allowance which involved complex spread sheets calculations; and
)	the degree of assumptions, judgements and estimation uncertainty associated with the calculations.
}	Key areas of significant judgements, estimates and assumptions used by management in the assessment of the impairment allowance included the following:
ŀ	the probable impacts of COVID-19 and related industry
•	responses (e.g. government stimulus packages and debt moratorium relief measures granted by the company); and
	forward-looking macroeconomic factors, including
)	developing and incorporating macroeconomic
)	scenarios, given the wide range of potential economic outcomes and probable impacts from COVID-19 that
5)	may impact future expected credit losses
	IT systems and controls relevant to financial reporting
	The Company uses multiple IT systems in its operations.
)	We selected IT systems and controls relevant to financial reporting as a key audit matter due to:

there on

How our audit addressed the key audit matter

We assessed the alignment of the company's impairment computations and underlying methodology with the requirements of SLFRS 9 with consideration of COVID-19 impacts and related industry responses based on the best available information up to the date of our report. Our audit procedures included amongst others the following:

- We evaluated the design, implementation and operating effectiveness of controls where relevant over estimation of impairment of loans and advances, which included assessing the level of oversight, review and approval of impairment policies by the Board Audit Committee and management.
- We checked the completeness and accuracy of the underlying data used in the computations by agreeing significant details to source documents and accounting records of the company
- We test-checked the underlying calculations.
- In addition to the above, following focused procedures were performed:

For a sample of loans and advances individually assessed for impairment:

Assessing the appropriateness of the criteria used by the management to determine whether there are any indicators of impairment; and

Evaluating the reasonableness of the provisions made with particular focus on the impact of COVID-19 on elevated risk industries, strategic responsive actions taken, collateral values, and the value and timing of future cashflows For loans and advances collectively assessed for impairment:

Assessing the reasonableness of assumptions and estimates used by

- management including the reasonableness of forward-looking information and scenarios; and As relevant, assessing the basis for and data used by management to determine overlays in consideration of the probable effects of the COVID-19
- We assessed the adequacy of the related financial statement disclosures as set out in Note(s) 21 - 24

controls relevant to financial reporting Our audit procedures included the following;

Understanding the security monitoring procedures over IT systems relevant to financial reporting, given the increase in remote access

- Understanding and evaluating the design and operating effectiveness of key automated, IT dependent and manual controls implemented by management over generation of multiple system reports and gathering of required information in calculating the significant information for financial statements disclosures
- Checking the source data of the reports used to generate significant disclosures for accuracy and completeness Assessing the reasonability of management's general ledger reconciliation procedures which includes cross checking to system reports and source data where relevant
- Impact of moratoriums and other relief measures on recognition of interest income Moratoriums and other relief measures were granted by the

The Company's financial reporting process being heavily

dependent on information derived from its IT systems

Key financial statement disclosures involving the use of

multiple system - generated reports and calculations

A changed working environment of increased remote

Company to customers affected by the COVID - 19 Pandemic Impact of moratoriums and other relief measures on the recognition of interest revenue on loans & receivables and lease rentals receivable & stock out on hire was a key audit matter due to:

- Significant judgments that were applied in determining whether such moratoriums and other relief measures have resulted in substantial modifications or not, to contracts with customers as set out in Note 6 to the financial statements
- Use of spread sheet-based calculations by management ief measures on the amount of revenue recognized for the period
- Our audit procedures (among others) included the following;
- We gained an understanding of the process adopted by the Company to grant, record and account for moratoriums and other relief measures provided to customers
- We assessed the reasonableness of judgements applied by management in determining whether moratoriums and other relief measures have resulted in substantial modifications or not, to customer contracts. This included evaluating whether interest income on modified contracts have been recognized in line with its accounting policy for interest revenue recognition
- We tested the accuracy of underlying spread sheet based calculations. Our procedures included testing the completeness and accuracy of the data used in such spread sheet-based calculations, by agreeing to source documents and moratorium customer returns

Other information included in the 2021 Annual Report

Other information consists of the information included in the Company's 2021 Annual Report, other than the financial statements and our auditor's reportthereon. Management is responsible for the other information. The Company's 2021 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due

to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: · Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures

- responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management · Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of
- our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern · Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulationprecludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 1697



W R H Fernando FCA FCMA R N de Saram ACA FCMA Ms. N A De Silva FCA Ms. Y A De Silva FCA W R H De Silva ACA ACMA W K B S P Fernando FCA FCMA Ms. K R M Fernando FCA ACMA Ms. L K H L Fonseka FCA A P A Gunasekara FCA FCMA A Herath FCA D K Hulangamuwa FCA FCMA LLB (Lond) H M A Jayesinghe FCA FCMA Ms. A A Ludowyke FCA FCMA Ms. G G S Manatunga FCA A A J R Perera ACA ACMA Ms. P V K N Sajeewani FCA N M Sulaiman ACA ACMA B E Wijesuriya FCA FCMA Principals: G B Goudian ACMA T P M Ruberu FCMA FCCA