



softlogic
INVEST

SOFTLOGIC MONEY MARKET FUND
FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH
SEPTEMBER 2023

SOFTLOGIC MONEY MARKET FUND – SIX MONTHS ENDED 30TH SEPTEMBER 2023

Dear Investor,

We are delighted to present the fund's interim report for the first six months ending 30th September FY2022/23. During this period fund AUM increased to Rs.1.2 Bn from Rs.724 Mn. And the number of unit holders increased to 12,295 from 8892.

Performance Review

During the first six months ending 30th September 2022, Softlogic Money Market Fund (SMMF) delivered an annualized yield of 24.24%. The benchmark NDB Crisil 90-day T-bill Index reported a yield of 26.47%.

Market Review

Sri Lanka's gross official reserves improved to USD 3.5 Bn in September 2023 from 1.9 Bn in December 2022.

LKR appreciated to 324 in September 2023 against 362 September 2022. Worker remittances increased 70% YoY to USD 4.3Bn and Tourism income increased by 67% USD 1.46Bn. Post announcement of the Domestic Debt Restructuring Plan the T-bill rates have been on a downfall from 23%,19.49%,16.99% as of 27th June 2023 to 17.42%,15.13%,13.3% as of 26th September 2023. CCPI decreased to 1.3% in September 2023 mainly due to the statistical base effect. The expectation is for inflation to moderate below 5% in the medium term supported by the tight monetary and fiscal policies. SDFR/SLFR was reduced from 15.50%/16.50% to 11%/12% for the period ended 6 months and the Statutory Reserve Ratio was dropped to 2% from 4% which created additional Rs.200Bn liquidity to the economy.

Portfolio Allocation

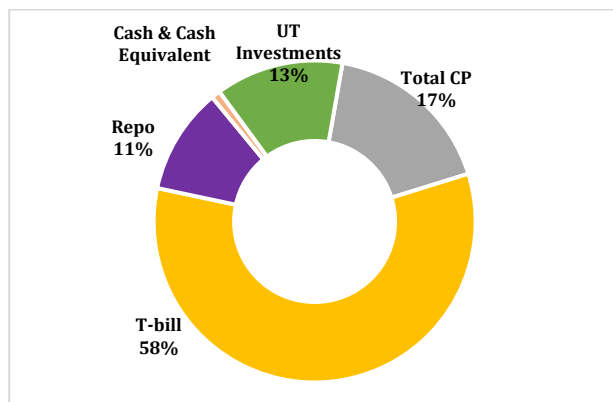
We have been investing mostly below 6 months in Treasury bills because we expect the re-pricing of the short tenure will provide the fund with a better yield. The expected rate cuts will happen slowly. All investments have been in T-bills and A+ rated instruments during the period which will provide a better return whilst mitigating the downside risk.

Fund Management Team

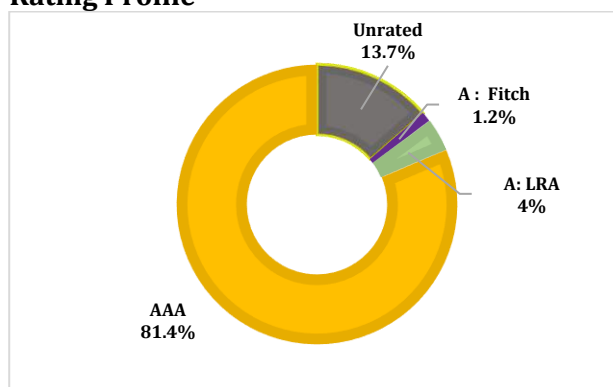
8th Decemeber 2023

Instrument Mix

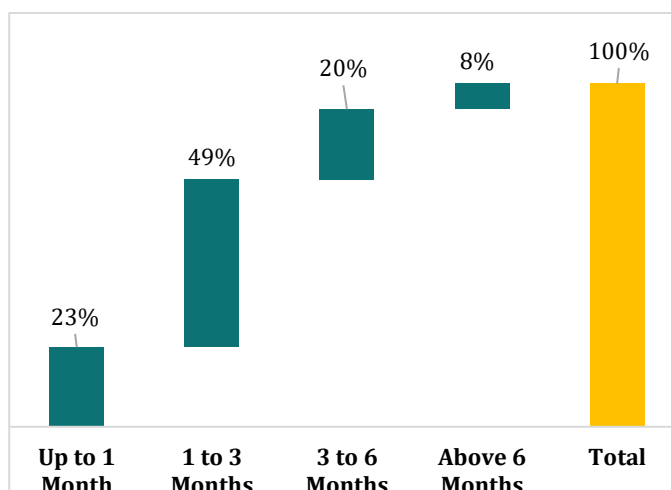
Fund Performance	6 Month Performance	YTD returns (From 1/1/2023)
Portfolio Return, Annualized for the period	24.24%	26.08%
NDB Crisil 90-day -bill Index, Annualized for the period	26.47%	29.90%



Rating Profile



Maturity Profile



**SOFTLOGIC MONEY MARKET FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER

		Unaudited 2023	Unaudited 2022
	Notes	Rs.	Rs.
Investment income	1	98,888,176	81,085,020
Operating expenses		(4,536,510)	(5,931,946)
Profit before tax	2	<u>94,351,666</u>	<u>75,153,074</u>
Income tax expense	3	-	-
Profit for the period		<u>94,351,666</u>	<u>75,153,074</u>
Other comprehensive income		-	-
Total comprehensive profit for the period		<u>94,351,666</u>	<u>75,153,074</u>
Increase in net assets attributable to unitholders		<u>94,351,666</u>	<u>75,153,074</u>

Figures in brackets indicate deductions.


The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 8.

**SOFTLOGIC MONEY MARKET FUND
STATEMENT OF FINANCIAL POSITION**


AS AT	Note	Unaudited 30.09.2023 Rs.	Audited 31.03.2023 Rs.
ASSETS			
Cash at bank	4	10,760,753	37,207,498
Other receivables	5	351,676	1,905,339
Financial assets measured at Fairvalue through P&L		156,423,220	-
Financial assets measured at amortised cost	6	1,050,177,468	686,175,303
Total assets		<u>1,217,713,116</u>	<u>725,288,141</u>
LIABILITIES			
Accrued expenses	7	773,668	691,226
Other payable	8	2,549	39,277
Total liabilities		<u>776,217</u>	<u>730,503</u>
Net assets attributable to unitholders		<u>1,216,936,899</u>	<u>724,557,637</u>
UNITHOLDER'S FUND			
Unit capital		728,198,309	330,170,712
Retained earnings		488,738,591	394,386,925
Net assets attributable to unitholders		<u>1,216,936,899</u>	<u>724,557,637</u>

Figures in brackets indicate deductions.

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 8.



Ms. Niloo Jayatilake
Director
Softlogic Asset Management (Pvt) Ltd
 Fund Management Company



Mr. Iftikar Ahamed
Director
Softlogic Asset Management (Pvt) Ltd
 Fund Management Company



Trustee
Hatton National Bank PLC



8th December 2023
Colombo

**SOFTLOGIC MONEY MARKET FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUND**

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER

	Unit Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April 2022	2,715,932,492	251,821,017	2,967,753,509
Net increase due to creation of units	123,834,320	-	123,834,320
Net decrease due to redemption of units	(2,275,827,802)	-	(2,275,827,802)
Increase in net assets attributable to unitholders	-	75,230,611	75,230,611
Balance as at 30th September 2022	563,939,010	327,051,628	890,990,638
Balance as at 1st April 2023	330,170,712	394,386,925	724,557,637
Net increase due to creation of units	779,407,302	-	779,407,302
Net decrease due to redemption of units	(381,379,705)	-	(381,379,705)
Increase in net assets attributable to unitholders	-	94,351,666	94,351,666
Balance as at 30th September 2023	728,198,309	488,738,591	1,216,936,899

Figures in brackets indicate deductions.

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 8.

**SOFTLOGIC MONEY MARKET FUND
STATEMENT OF CASH FLOWS**

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER	Note	Unaudited 2023 Rs.	Unaudited 2022 Rs.
Cash flows from operating activities			
Interest and other income received		79,237,101	152,034,691
Management, trustee and custodian fees paid		(2,534,944)	(7,074,148)
Other income received		-	1,054,174
Other expenses paid		(1,806,443)	-
Bank Charges paid		(149,410)	-
Placement fee received		-	1,192,267
Net investment in repurchase agreements		(4,477,717)	(151,808,237)
Net maturities from / investment in fixed deposits		-	913,647,674
Net maturities from / investment in commercial papers		(45,000,000)	1,014,377,516
Net maturities from / investment in trust certificates		-	123,532,574
Net maturities from / investment in t-bill		(294,887,414)	-
Net maturities from / investment in units		(156,423,220)	-
Net cash generated from operating activities		<u>(426,042,046)</u>	<u>2,046,956,511</u>
Cash flows from financing activities			
Cash received on creation of units		779,407,302	123,834,320
Cash paid on redemption of units		(381,379,705)	(2,275,827,802)
Net cash generated from financing activities		<u>398,027,597</u>	<u>(2,151,993,481)</u>
Net increase/(decrease) in cash and cash equivalents		(28,014,449)	(105,036,970)
Cash and cash equivalents at the beginning of the year		<u>37,207,498</u>	<u>160,544,750</u>
Cash and cash equivalents at the end of the year		<u><u>9,193,050</u></u>	<u><u>55,507,776</u></u>
Cash and cash equivalents at the end of the period comprise of:			
Cash at bank	4	<u>10,760,753</u>	<u>55,507,776</u>
		<u><u>10,760,753</u></u>	<u><u>55,507,776</u></u>

Figures in brackets indicate deductions.

The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 5 to 8.

**SOFTLOGIC MONEY MARKET FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUND**

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER

	2023	2022
	Rs.	Rs.
1 Investment Income	Rs.	Rs.
Interest on fixed deposits	-	8,626,857
Interest on money market saving accounts (Note 1.1)	1,735,447	1,098,753
Interest on treasury bills	56,251,213	14,246,204
Interest on commercial papers	25,687,741	36,683,026
Interest on trust certificates	-	20,430,181
Interest on repurchase agreement	12,368,370	-
Placement fee income	-	-
Unrealized gain	2,845,406	-
	<u>98,888,176</u>	<u>81,085,020</u>
1.1 Interest on money market saving accounts		
National Development Bank PLC	-	523,782
Hatton National Bank PLC	1,735,447	574,971
	<u>1,735,447</u>	<u>1,098,753</u>
2 Operating Expenses		
Management fee	1,890,722	3,983,589
Custodian fee	106,378	100,317
Trustee fee	742,896	1,466,161
Auditor's remuneration	176,269	124,901
Bank charges	149,410	59,080
Registrar fee	120,328	120,328
Other	1,350,508	77,570
	<u>4,536,510</u>	<u>5,931,946</u>
3 Income tax expense		
Tax expense for the year (Note 6.1)	<u>-</u>	<u>-</u>

3.1 Following the enactment of the new Inland Revenue Act No. 24 of 2017 effective from 1st April 2018, the Fund is deemed as conducting an eligible investment business and is treated as a tax pass through vehicle. Hence, no provision for income tax was made in the financial statements for the period ended 30th September 2023.

SOFTLOGIC MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT

4	Cash at Bank	30.09.2023	31.03.2023
		Rs.	Rs.
	Hatton National Bank	<u>10,760,753</u>	<u>37,207,498</u>
		<u>10,760,753</u>	<u>37,207,498</u>
5	Other Receivables		
	Interest on money market saving account	105,443	91,223
	Other receivable	-	178
	Placement fee receivable	<u>246,233</u>	<u>1,813,937</u>
		<u>351,676</u>	<u>1,905,339</u>
6	Financial assets measured at amortised cost		
	Commercial papers (Note 6.1)	212,334,366	166,581,775
	Repurchase agreement (Note 6.2)	130,130,915	123,898,385
	Treasury Bill (Note 6.3)	<u>707,712,187</u>	<u>395,695,143</u>
		<u>1,050,177,468</u>	<u>686,175,303</u>
6.1	Commercial papers		
	LOLC Holdings PLC	45,624,853	-
	Nawaloka Hospital PLC	<u>166,709,513</u>	<u>166,581,774</u>
		<u>212,334,366</u>	<u>166,581,774</u>
6.2	Repurchase agreement		
	Commercial Bank of Ceylon PLC	23,293,928	-
	First Capital Treasuries PLC	106,836,986	107,852,358
	Capital Alliance Ltd		16,046,027
		<u>130,130,915</u>	<u>123,898,385</u>
6.3	Treasury Bills		
	Capital Alliance PLC	665,628,935	353,582,491
	First Capital Treasuries PLC	<u>42,083,251</u>	<u>42,112,652</u>
		<u>707,712,187</u>	<u>395,695,143</u>

**SOFTLOGIC MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

AS AT

7	Accrued Expenses		
	Management fee	421,665	274,160
	Registrar fee	19,726	20,383
	Trustee fee	165,679	107,550
	Auditor's remuneration	149,158	271,112
	Custodian fee	17,439	18,021
		<u>773,668</u>	<u>691,226</u>
8	Other Payables		
	Placemnet fee received in advance	2,549	2,548
	Payable on Unit Cancelled	-	26,916
	Pending creations	-	9,812
		<u>2,549</u>	<u>39,277</u>
9	Net asset attributable to Unitholders		

The movement in the number of units and the net assets attributable to unitholders during the period were as follows:

	As at		As at	
	30 th September 2023		31st March 2023	
	Units	Rs.	Units	Rs.
Opening capital balance	5,540,373	724,557,636	26,194,287	2,967,753,509
Units issued during the year	5,518,018	779,407,302	3,578,320	435,802,392
Units redeemed during the year	(2,760,507)	(381,379,705)	(24,232,234)	(2,821,564,173)
Increase in net assets attributable to unitholders	-	94,351,666	-	142,565,908
Closing balance	<u>8,297,884</u>	<u>1,216,936,899</u>	<u>5,540,373</u>	<u>724,557,636</u>

The creation price was at Rs. 146.6563 per unit and the redemption price was at Rs. 146.6563 per unit as at 30th September 2023.

10 Distribution for the year

There were no distributions for the year ended 30th September 2023.

11 Contingent Liabilities

There were no significant contingencies existing at the end of the reporting date that require adjustments to or disclosures in the financial statements.

12 Events Occurring after the Reporting Period

No significant events have taken place since the date of the statement of financial position that require adjustments to or disclosures in these financial statements.

13 Capital Commitments

There were no capital commitments at the end of the reporting date.

14 Related Party Disclosures

The Fund Management Company, Softlogic Asset Management (Pvt) Ltd is a subsidiary of Softlogic Capital PLC. The Company's Ultimate Parent entity and controlling party is Softlogic Holding PLC, which is incorporated and domiciled in Sri Lanka.

Mr. Iftikar Ahamed, Mrs. Niloo Jayatilake and Mr. Charith Gunathilaka are Directors of the Softlogic Asset Management (Pvt) Ltd.

The Fund carries out transactions with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS 24), "Related Party Disclosure", in the ordinary course of its business. The details of such transactions are reported below. The pricing applicable to such transactions is based on the assessment of risk and pricing model of the Company and is comparable with what is applied to transactions between the Company and its unrelated customers.

**SOFTLOGIC MONEY MARKE FUND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

AS AT

14.1 Details of the Fund management fees trustee fees and custodian fees paid/payable

Name of the related party	Nature of interest	Particulars of financial dealing	As at		As at	
			30 th September 2023		31 st March 2023	
			Transaction Value Rs.	Outstanding Value Rs.	Transaction Value Rs.	Outstanding Value Rs.
Softlogic Asset Management (Pvt) Ltd	Managing Company	Management fee	1,890,722	421,665	5,524,912	274,160
Hatton National Bank PLC	Trustee	Trustee fees	742,896	165,679	2,065,387	107,550
		Custodian fees	106,378	17,439	206,594	18,021
		Cash at bank	-	10,760,753	-	37,207,498

The Fund maintains a current account with the Trustee, Hatton National Bank PLC through which all settlement transactions of the Fund were made.

14.2 Transactions with Key Management Personnel (KMP)

Name of the related party	Relationship	As at		As at	
		30 th September 2023		31 st March 2023	
		No of Units	Unit Value Rs.	No of Units	Unit Value Rs.
Softlogic Asset Management Private Limited	Managing Company	4,124	604,859	4,124	539,472
Mr. Asoka Pathirage	Chairman-Ultimate Parent Company	20,207	2,963,422	20,207	2,643,085
Miss. Veranthi Kalpani Kumari Uduwawala	Senior Manager	-	-	14,666	1,918,351
Asiri AOI Cancer Centre Private Limited	Affiliate Company	971	142,462	971	127,061

15 Maturity Analysis of the Financial Assets

As at 30 th September 2023	Carrying Amount Rs.	Less than one month	1-3 Months	3-6 Months	6-12 Months
		Rs.	Rs.	Rs.	Rs.
Fixed Deposits	-	-	-	-	-
Commercial Papers	212,334,366	-	166,709,513	20,292,028	25,332,825
Savings Account	10,760,753	10,760,753	-	-	-
Repurchase agreements	130,130,915	23,293,928	56,301,370	50,535,617.00	-
Treasury Bill	707,712,187	91,375,859	372,440,724	177,469,075	66,426,529
UT Investment	156,423,220	156,423,220	-	-	-
	<u>1,217,361,441</u>	<u>281,853,760</u>	<u>595,451,607</u>	<u>248,296,720</u>	<u>91,759,354</u>

16 Reconciliation between the Net Asset Value as per Financial Statement and the Published Net Asset Value

	30.09.2023 Rs.	31.03.2023 Rs.
Net Asset Value as per Financial Statements	1,216,936,899	724,557,637
Adjustment to auditors remuneration	-	140,898
Published Net Asset Value	<u>1,216,936,899</u>	<u>724,698,535</u>
Number of units outstanding	8,297,884	5,540,373
Adjusted net asset value per Unit	146.66	130.80



softlogic INVEST

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