



softlogic  
**INVEST**

SOFTLOGIC EQUITY FUND  
**FINANCIAL STATEMENTS**  
FOR THE PERIOD ENDED 30TH  
SEPTEMBER 2024



# SOFTLOGIC EQUITY FUND – SIX MONTHS ENDED 30<sup>TH</sup> SEPTEMBER 2024

Dear Investor,

We are delighted to present the funds interim report for the first six months ending 30th September 2024 for the FY2024/25. During this period of review the fund AUM increased to Rs.89.2 Mn end September 2024 from Rs. 74.43 Mn end March 2024 and the number of unit holders increased to 1086 from 1062.

## Performance Review

During the six months ending 30th September 2024, Softlogic Equity Fund (SEF) delivered a negative return of 1.62% against the All-Share Price Index (ASPI) of positive of 3.28% during the same period.

## Market Review

Market Capitalization of the Colombo Stock Exchange is Rs. 4,382 BN which accounts for 15.86% of GDP. The total market valuations are at attractive levels of 8.0X. against average market P/E multiple of 14 times as seen in the past. The market performance has been lukewarm with many factors clouding the growth. However certain green shoots were visible with IMF tranches on track, Presidential elections overhang out with newly elected President by National Peoples Power (NPP) and currency stability. ISB debt restructuring finalization, low inflation environment, low interest rates have fueled positive sentiment to the market performance during the month of September. This flowed to corporate earnings being released.

Foreign participation increased to 15% from 9% during the year, resulting in Rs. 6,447 Mn net foreign outflow for Jan to Sept 2024 (cf. Rs. 3,654 Mn net foreign inflow for Jan to Sept 2023). The top three market cap companies on the CSE is currently JKH, CTC and LOLC. However daily average turnover in 2024 declined to Rs. 1,532 Mn from Rs. 1,927 Mn.

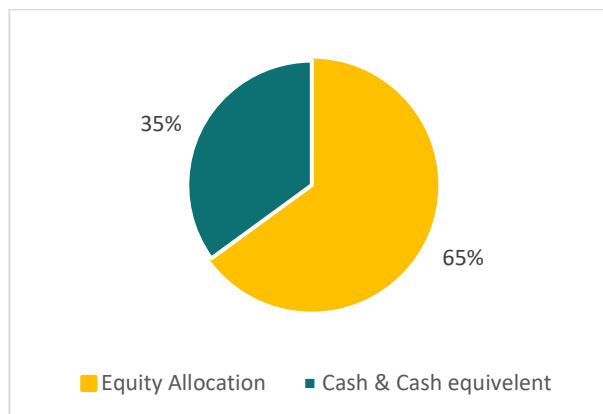
## Portfolio Allocation

During the period we maintained an equity exposure ranging from 95% to 60%. This was mainly due to dealing with vagaries of the stock market and managing risk of the portfolio. We expect an improvement in market momentum with probable country rerating in 2025. Hence we would look to be more aggressively to identified sectors with good corporate fundamentals.

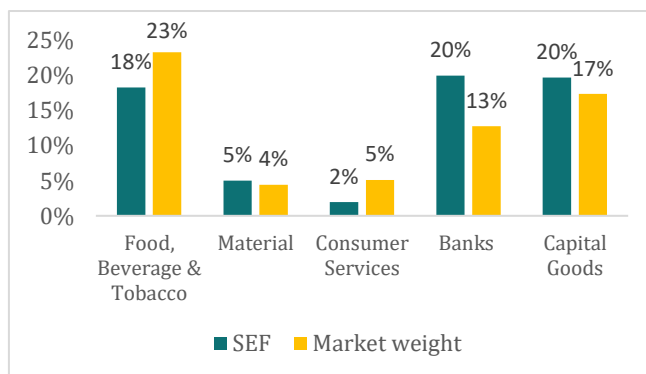
**Fund Management Team**  
08th December 2024

Fund Performance	6 Months	YTD 2024	Since Inception return	Since Inception return (CAGR)
ASPI Index	3.28%	11.27%	133.29%	22.14%
S&P 20 Index	3.73%	12.55%	56.07%	11.08%
Fund	-1.62%	8.74%	74.42%	14.04%

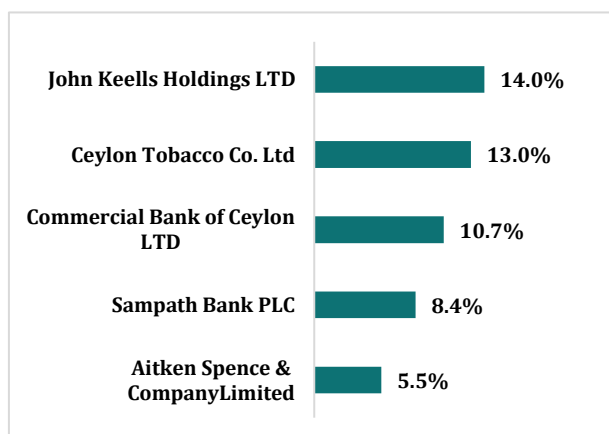
## Asset allocation



## Equity Sector Allocation



## Top Five Holdings



**SOFTLOGIC EQUITY FUND**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30TH SEPTEMBER**

	Notes	Unaudited 2024 Rs.	Unaudited 2023 Rs.
Investment income	1	3,034,952	1,762,760
Gain/(loss) on financial assets at fair value through profit or loss	2	(5,220,677)	11,195,628
<b>Total investment income</b>		<b>(2,185,725)</b>	12,958,387
Operating expenses	3	(1,931,323)	(1,380,381)
<b>Profit/(loss) before tax</b>		<b>(4,117,048)</b>	11,578,006
Income tax expense	4	-	-
<b>Profit/(loss) for the year</b>		<b>(4,117,048)</b>	11,578,006
Other comprehensive income		-	-
<b>Total comprehensive income/(expense) for the year</b>		<b>(4,117,048)</b>	11,578,006
<b>Increase/(decrease) in net assets attributable to unitholders</b>		<b>(4,117,048)</b>	11,578,006

*Figures in brackets indicate deductions.*

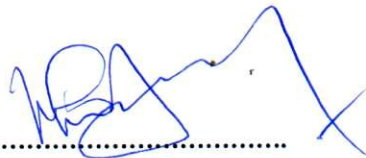
The financial statements are to be read in conjunction with the related notes, which form a part of these financial statements of the Company set out on pages 6 to 9.

**SOFTLOGIC EQUITY FUND  
STATEMENT OF FINANCIAL POSITION**

AS AT	Note	Unaudited 30.09.2024	Audited 31.03.2024
<b>ASSETS</b>			
Cash at bank	5	1,019,387	1,068,565
Investments in Quoted Shares	6	58,561,816	70,089,831
Investments in Units		-	-
Financial assets measured at amortised cost	7	30,556,227	4,371,527
Other receivables	8	7,316	4,543
<b>Total assets</b>		<b>90,144,745</b>	<b>75,534,466</b>
<b>LIABILITIES</b>			
Accrued expenses	9	970,952	1,073,318
<b>Total liabilities</b>		<b>970,952</b>	<b>1,073,318</b>
<b>Net assets attributable to unitholders</b>		<b>89,173,793</b>	<b>74,461,148</b>
<b>UNITHOLDER'S FUND</b>			
Unit capital		74,618,813	55,789,120
Retained earnings/(Accumulated losses)		14,554,980	18,672,028
<b>Net assets attributable to unitholders</b>		<b>89,173,793</b>	<b>74,461,148</b>

*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 6 to 9.



.....  
**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**

8<sup>th</sup> December 2024  
Colombo

**SOFTLOGIC EQUITY FUND**  
**STATEMENT OF CHANGES IN UNITHOLDERS' FUND**

**FOR THE SIX MONTHS ENDED 30TH SEPTEMBER**

	<b>Unit Capital Rs.</b>	<b>Retained Earnings Rs.</b>	<b>Total Rs.</b>
<b>Balance as at 1st April 2023</b>	77,352,661	4,921,460	82,274,121
Net increase due to creation of units	11,487,183	-	11,487,183
Net decrease due to redemption of units	(22,459,614)	-	(22,459,614)
Increase in net assets attributable to unitholders	-	11,578,006	11,578,006
<b>Balance as at 30th September 2023</b>	<b><u>66,380,230</u></b>	<b><u>16,499,466</u></b>	<b><u>82,879,696</u></b>
<b>Balance as at 1<sup>st</sup> April 2024</b>	55,789,120	18,672,028	74,461,148
Net increase due to creation of units	45,101,288	-	45,101,288
Net decrease due to redemption of units	(26,271,595)	-	(26,271,595)
Increase in net assets attributable to unitholders	-	(4,117,048)	(4,117,048)
<b>Balance as at 30<sup>th</sup> September 2024</b>	<b><u>74,618,813</u></b>	<b><u>14,554,980</u></b>	<b><u>89,173,793</u></b>

*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 6 to 9.

**SOFTLOGIC EQUITY FUND  
STATEMENT OF CASH FLOWS**

**FOR THE SIX MONTHS ENDED 30TH SEPTEMBER**

	Notes	Unaudited 2024 Rs.	Unaudited 2023 Rs.
<b>Cash flows from operating activities</b>			
Interest and other income received		720,812	221,922
Dividend received		2,311,367	1,572,795
Management, trustee and custodian fees paid		(1,932,997)	(7,508,623)
Bank chargers		(100,690)	(98,790)
Net investment in repurchase agreements		(26,184,700)	19,364,322
Proceeds from sale of equity investments		43,145,867	23,291,456
Net investment in equity instruments		(36,838,530)	(25,891,659)
<b>Net cash generated from operating activities</b>		<b>(18,878,871)</b>	<b>10,951,423</b>
<b>Cash flows from financing activities</b>			
Cash received on creation of units		45,101,288	11,487,183
Cash paid on redemption of units		(26,271,595)	(22,459,614)
<b>Net cash generated from financing activities</b>		<b>18,829,693</b>	<b>(10,972,431)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(49,178)</b>	<b>(21,008)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,068,565</b>	<b>271,049</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>1,019,387</b>	<b>250,041</b>
<b>Cash and cash equivalents at the end of the period comprise of:</b>			
Cash at bank	5	1,019,387	250,041
		<b>1,019,387</b>	<b>250,041</b>

*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 6 to 9.

**SOFTLOGIC EQUITY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED 30TH SEPTEMBER**

<b>1 Investment Income</b>	<b>2024</b>	<b>2023</b>
	<b>Rs.</b>	<b>Rs.</b>
Interest on fixed deposits	-	-
Interest on money market saving accounts	<b>54,486</b>	14,686
Interest on repurchase agreements	<b>669,099</b>	505,854
Dividend income	<b>2,311,367</b>	1,242,220
	<b><u>3,034,952</u></b>	<b><u>1,762,760</u></b>
<b>2 Gain on Fair Valuation of Financial Investments</b>		
Unrealised gain/(loss) on investment in shares	<b>(4,040,939)</b>	13,836,246
Realised (loss) / gain on investment in shares	<b>(1,179,739)</b>	(3,287,621)
Unrealised gain on investment in units	-	1,408
Realised (loss) / gain on investment in units	-	645,595
	<b><u>(5,220,677)</u></b>	<b><u>11,195,628</u></b>
<b>3 Operating Expenses</b>		
Management fee	<b>1,379,084</b>	875,536
Custodian fee	<b>109,154</b>	106,378
Trustee fee	<b>91,939</b>	68,804
Auditor's remuneration	<b>243,603</b>	174,838
Bank charges	<b>100,690</b>	98,790
Other expenses	<b>6,853</b>	56,036
	<b><u>1,931,323</u></b>	<b><u>1,380,381</u></b>
<b>4 Income tax expense</b>		
Tax expense for the year	<u>-</u>	<u>-</u>
	<b><u>-</u></b>	<b><u>-</u></b>

**4.1** Following the enactment of the new Inland Revenue Act No. 24 of 2017 effective from 1<sup>st</sup> 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 30<sup>th</sup> September 2024.

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

**AS AT**

<b>5 Cash at Bank</b>	<b>30.09.2024</b>	31.03.2024
	Rs.	Rs.
Hatton National Bank PLC	<u>1,019,387</u>	<u>1,068,565</u>
	1,019,387	1,068,565

**6 Financial assets measured at fair value through profit & loss**

Net change in total unrealised gain/(loss) on equity securities at fair value through profit or loss.

	As at 30/09/2024			As at 31/03/2024		
	No of shares	Market value Rs.	Holding as a % of Net asset value	No of shares	Market value Rs.	Holding as a % of Net asset value
<b>Banks</b>						
Hatton National Bank PLC						
Sampath Bank PLC	97,190	7,551,663	8.47%	89,990	7,199,200	9.67%
Commercial bank of Ceylon PLC	95,231	9,642,139	10.81%	86,000	8,402,200	11.28%
Nationas Trust Bank	6,622	821,128	0.92%	41,722	4,485,115	6.02%
		<u>18,014,930</u>	<u>20.20%</u>		<u>20,086,515</u>	<u>26.97%</u>
<b>Capital goods</b>						
John Keells Holdings PLC	77,682	12,773,039	14.32%	54,220	10,518,680	14.13%
ACL Cables Limited	-	-	0%	6,000	504,600	0.68%
Aitken Spence & Company PLC	40,126	4,995,687	5.60%	47,601	3,151,186	4.23%
		<u>17,768,726</u>	<u>19.93%</u>		<u>14,174,466</u>	<u>19.04%</u>
<b>Food beverage and tobacco</b>						
Ceylon Tobacco PLC	9,729	11,674,800	13.09%	8,500	10,440,125	14.02%
Melstacorp PLC	56,568	4,808,280	5.39%	34,600	3,044,800	4.09%
		<u>16,483,080</u>	<u>18.48%</u>		<u>13,484,925</u>	<u>18.11%</u>
<b>Materials</b>						
CIC Holdings PLC				-	-	0.00%
Chemical Industries (Colombo) Limited				31,486	1,653,015	2.22%
Chevron Lubricants Lanka PLC	36,893	4,528,616	5.08%	54,773	5,901,791	7.93%
		<u>4,528,616</u>	<u>5.08%</u>		<u>7,554,806</u>	<u>10.15%</u>
<b>Diversified Financials</b>						
Lanka Orix Leasing Company PLC	-	-	0%	2,500	993,750	1.33%
		<u>-</u>	<u>0%</u>		<u>993,750</u>	<u>1.33%</u>
<b>Transportation</b>						
Expolanka Holdings PLC	-	-	0%	17,455	3,229,175	4.34%
		<u>-</u>	<u>0%</u>		<u>3,229,175</u>	<u>4.34%</u>
<b>Consumer Service</b>						
Aitken Spence Hotel Holdings PLC	27,601	1,766,464	1.98%	36,136	4,706,714	6.32%
John Keells Hotels PLC	-	-	0.00%	134,300	2,497,980	3.35%
		<u>1,766,464</u>	<u>1.98%</u>		<u>7,204,694</u>	<u>9.67%</u>
<b>Telecommunication service</b>						
Srilanka Telecom PLC	-	-	0.00%	37,350	3,361,500	4.51%
		<u>-</u>	<u>0.00%</u>		<u>3,361,500</u>	<u>4.51%</u>
		<u>58,561,816</u>	<u>65.67%</u>		<u>70,089,831</u>	<u>94.12%</u>



**SOFTLOGIC EQUITY FUND  
NOTES TO THE FINANCIAL STATEMENTS**

**AS AT**

<b>7 Financial assets measured at amortised cost</b>	<b>30.09.2024</b>	<b>31.03.2024</b>
	<b>Rs.</b>	<b>Rs.</b>
Investment in repurchase agreements (Note 7.1)	<u>30,556,227</u>	<u>4,371,527</u>
	<u><b>30,556,227</b></u>	<u><b>4,371,527</b></u>
<b>7.1 Investment in repurchase agreements</b>		
Commercial Bank of Ceylon PLC	<u>30,556,227</u>	<u>4,371,527</u>
	<u><b>30,556,227</b></u>	<u><b>4,371,527</b></u>
<b>8 Other Receivables</b>		
Dividend receivable	-	-
Interest receivable on money market saving account	<b>180</b>	218
Interest receivable on REPO	<b>7,136</b>	4,324
CDS receivable	-	-
Other	-	-
	<u><b>7,316</b></u>	<u><b>4,543</b></u>
<b>9 Accrued Expenses</b>		
Exit fee payable	<b>532,898</b>	54,134
Management fee	<b>193,765</b>	166,992
Trustee fee	<b>12,918</b>	11,133
Auditor's remuneration	<b>171,098</b>	268,756
Custodian fee	<b>17,894</b>	18,491
Payable on unit cancelled	<b>32</b>	-
Tax Fee	<b>42,333</b>	42,333
CDS Payable	-	511,479
Other	<b>14</b>	-
	<u><b>970,952</b></u>	<u><b>1,073,318</b></u>
<b>10 Net asset attributable to Unitholders</b>		

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

	<b>As at</b>		<b>As at</b>	
	<b>30<sup>th</sup> September 2024</b>		<b>31st March 2024</b>	
	<b>Units</b>	<b>Rs.</b>	<b>Units</b>	<b>Rs.</b>
Opening capital balance	428,372	74,461,148	572,652	82,274,121
Units issued during the year	242,350	45,101,288	125,779	19,879,167
Units redeemed during the year	(155,706)	(26,271,595)	(270,059)	(41,442,708)
Increase in net assets attributable to unitholders	-	(4,117,048)	-	13,750,568
<b>Closing balance</b>	<u><b>515,016</b></u>	<u><b>89,173,793</b></u>	<u><b>428,372</b></u>	<u><b>74,461,148</b></u>

The creation price was at Rs. 174.4209 per unit and the redemption price was at Rs. 166.7176 per unit as at 30<sup>th</sup> September 2024.

**11 Distribution for the year**

There were no distributions for the year ended 30<sup>th</sup> September 2024.

**12 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.

**13 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.

**14 Capital Commitments**

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

**SOFTLOGIC EQUITY FUND  
NOTES TO THE FINANCIAL STATEMENTS**

AS AT

**15 Related Party Disclosures**

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

Mr. Ifthikar Ahamed, Mrs. Niloo Jayatilake, Mr.Dihan Dedigama and Mr. Charith Gunathilaka are Directors of the Sofilogic 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.

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

Name of the related party	Nature of interest	Particulars of financila dealing	As at		As at	
			30 <sup>th</sup> September 2024		31 <sup>st</sup> March 2024	
			Transaction Value Rs.	Outstanding Value Rs.	Transaction Value Rs.	Outstanding Value Rs.
Softlogic Asset Management (Pvt) Ltd	Managing Company	Management fee	1,379,084	193,765	1,765,042	166,992
Hatton National Bank PLC	Trustee	Trustee fees	91,939	12,918	133,112	11,133
		Custodian fees	109,154	17,894	214,136	18,491
		Cash at bank	-	1,019,387	-	1,068,565

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

**15.2 Details of the Unit held by the key management personnel**

Name of the related party	Relationship	As at		As at	
		30 <sup>th</sup> September 2024		31 <sup>st</sup> March 2024	
		No of Units	Unit Value Rs.	No of Units	Unit Value Rs.
Mr. Asoka Pathirage	Chairman-Ultimate Parent Company	30,310	5,286,673	30,310	5,322,466
Ms. Niloo Jayatilake	Director	5,000	872,052	5,000	877,956

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

	30.09.2024	31.03.2024
Net Asset Value as per Financial Statements	Rs. 89,173,793	Rs. 74,461,148
Adjustment to auditors remuneration	-	(29,349)
Pulished Net Asset Value	<u>89,173,793</u>	<u>74,431,799</u>
Number of units outstanding	515,016	428,372
Adjusted net asset value per Unit	173.15	173.76



# softlogic INVEST

SOFTLOGIC ASSET MANAGEMENT (PVT) LTD.  
Level 16, One Galle Face Tower, Colombo 2, Sri Lanka

Hotline : (+94) 011-2104304  
Whatsapp/ Viber : (+94) 076-4784171  
email : [invest@softlogicinvest.lk](mailto:invest@softlogicinvest.lk)