

# softlogic INVEST

## Annual Report 2024/2025

**Softlogic Money Market Fund**

Managed by  
Softlogic Asset Management (Pvt) Ltd



# Content

## ABOUT THE COMPANY

Profile of Softlogic Asset Management (Pvt) Ltd	4
Group Structure	5
Board of Directors	6-7
Corporate Management	8

## MANAGEMENT REVIEW AND ANALYSIS

Operating Environment	10-12
Fund Managers' Review	13-15

## FINANCIAL INFORMATION

Independent Auditors' Report	17-18
Statement of Comprehensive Income	19
Statement of Financial Position	20
Statement of Changes in Unitholders' Funds	21
Statement of Cash Flows	22
Notes to the Financial Statement	23-37



# About Us

Softlogic Asset Management (Pvt) Ltd, operating under the brand Softlogic Invest, is the dedicated investment management arm of the Softlogic Group, one of Sri Lanka's most diversified and dynamic conglomerates. Incorporated under the Companies Act No. 07 of 2007, the company is a wholly owned subsidiary of SCAP One (Pvt) Ltd, which is in turn a fully owned subsidiary of Softlogic Capital PLC, the financial services holding company of the Group. Softlogic Asset Management is licensed and regulated by the Securities and Exchange Commission of Sri Lanka (SEC) as a Registered Investment Manager since March 25, 2021, and a Registered Unit Trust Fund Manager since February 5, 2020. These registrations affirm the company's commitment to maintaining the highest standards of governance, transparency, and fiduciary responsibility. The company's mission is to democratize access to investment opportunities for all Sri Lankans, offering a seamless and digitally enabled investment experience. Through its innovative platform, Investaa, Softlogic Invest empowers clients with real-time portfolio tracking, performance analytics, and intuitive fund management tools.

**Softlogic Asset Management offers a range of investment products tailored to diverse investor profiles, including:**

## MONEY MARKET FUND

– A low-risk, high-liquidity fund with over Rs. 1.2 billion in assets under management, delivering competitive returns through investments in treasury bills, repurchase agreements, and fixed deposits.

## EQUITY MARKET FUND

A growth-oriented fund with exposure to high-performing sectors such as banking, capital goods, and diversified financials, with over Rs. 100 million in assets under management.

## DISCRETIONARY PORTFOLIO MANAGEMENT

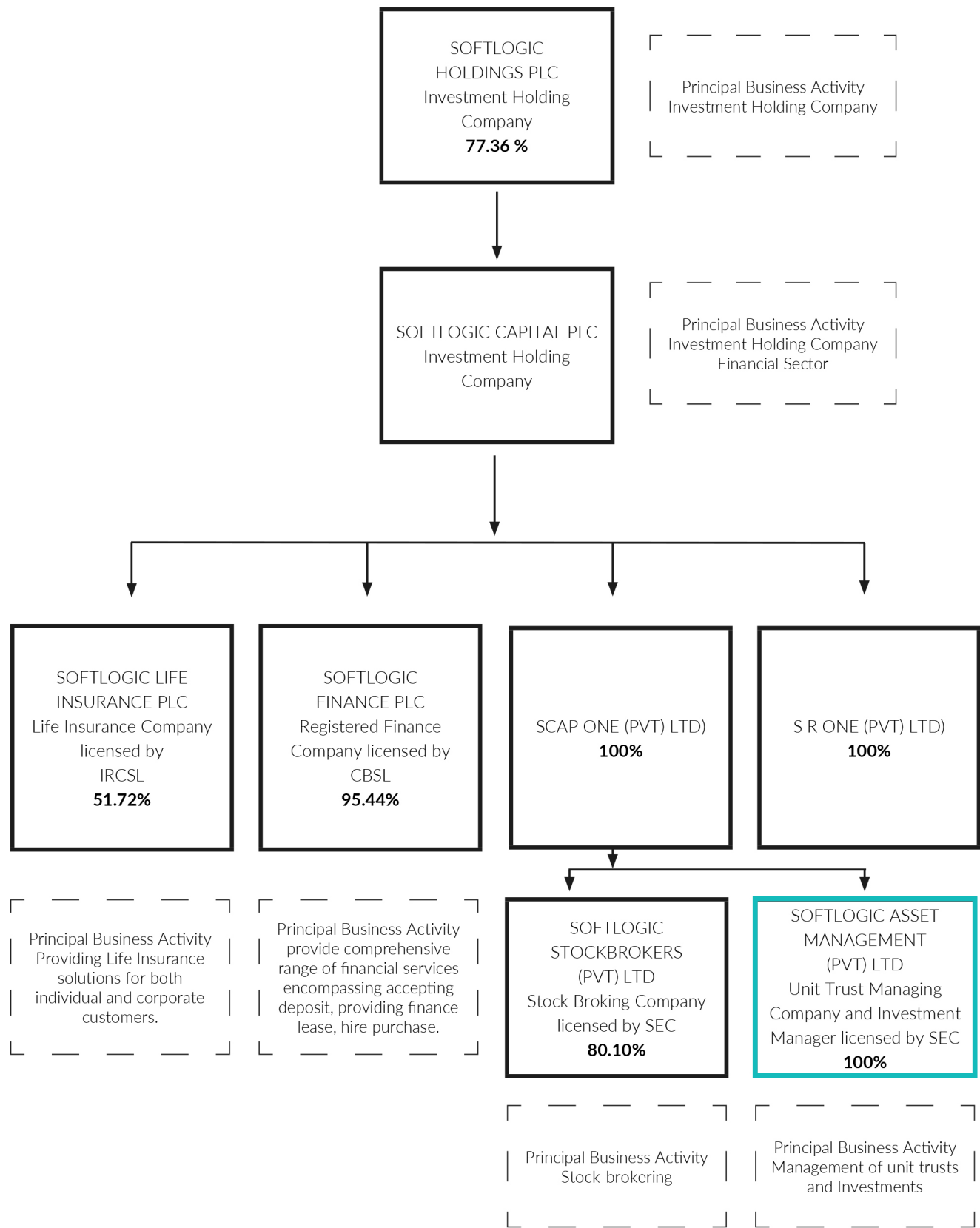
Customized investment strategies for high-net-worth individuals and institutional clients.

The company is guided by a seasoned Independent Advisory Committee, ensuring robust oversight and strategic direction in navigating market dynamics. In recognition of its performance and innovation, Softlogic Invest's Money Market Fund was awarded top honors at the CFA Society Sri Lanka Capital Market Awards 2024, underscoring its leadership in the industry.

As part of the Softlogic Group, Softlogic Asset Management benefits from the Group's strong brand equity, financial strength, and cross-sector synergies, positioning it as a trusted partner in wealth creation and financial empowerment.



# Group Structure



## Key Management Personnel Profile



# Board of Directors

### Mr. Sudarshan Ahangama Chairman

Mr. Sudarshan Ahangama oversees all finance functions across the MAS Group whilst simultaneously managing the Treasury, Legal, Audit & Assurance and The Shared Services Functions of the entire MAS. He is also a member of MAS Investments board, which oversees the non-apparel investments of the Group. Prior to joining the MAS Group, Sudarshan worked at John Keells Holdings (JKH) Group of companies from 1988 to 2004. He began his career in the Corporate Finance Team of the Group. With the growth of the Capital Markets in Sri Lanka he was appointed to the Board of John Keells Stockbrokers and was its Managing Director until 1999. In Addition to the above Sudarshan was the Chairman of Colombo Stockbrokers Association for many years.

### Mrs. Niloo Jayatilake Director

Ms. Niloo Jayatilake joined Softlogic in 2015 to head the Group Investment Division. Having over 20 years of experience in the investments and portfolio management field, she is responsible for the Group's investment portfolio. Prior to joining Softlogic Holdings PLC, she worked as Head of Portfolio Management/Director of Guardian Fund Management Ltd for 10 years, handling client funds and Ceylon Guardian Promoters' funds with assets under management of Rs. 25Bn. She is a Fellow Member of the Chartered Institute of Management Accountants, UK and Associate Member of the Institute of Chartered Secretaries and Administrators, UK.

### Mr. Iftikar Ahamed Director

Mr. Iftikar Ahamed heads the Financial Services Sector of the Softlogic Group and is the Managing Director of Softlogic Capital PLC, which is the financial services holding company of the group that has interests in Insurance, Leasing, and Finance and Stockbroking. He is also the Managing Director of Softlogic Life Insurance PLC and Director of Softlogic Stockbrokers (Pvt) Ltd. He counts over 30 years of experience in a wide range of métiers within the financial services industry and has extensive Banking experience both in Sri Lanka and overseas, having held senior management positions as Deputy Chief Executive Officer at Nations Trust Bank PLC and Senior Associate Director at Deutsche Bank AG. He holds an MBA from the University of Wales, UK.

### Mr. Dihan Dedigama Director

Mr. Dedigama holds significant experience in investment services and capital market spheres, with experience that crosses over 25 years and has held several key positions across his career. He was a past president of the Colombo Stockbrokers Association (CSBA). His career began with John Keells Stockbrokers as an Investment Advisor. Subsequently, he joined Asia Securities in 2005 as an Associate Director followed by his progression to the role of Chief Executive Officer of the firm. Amassing an impressive network and experience over his career in promoting the Sri Lankan equity market, he has gained extensive experience from having handled high net worth as well as institutional clientele in Sri Lanka and overseas.

## KEY MANAGEMENT PERSONNEL PROFILE

### Mr. Naresh Abeyesekera Director

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Mr. Naresh Abeyesekera Independent, Non-Executive Director (Appointed w.e.f 2023.12.06) Entrepreneur, Keynote Speaker, CEO of SECQUORO, specializing Transaction Advisory, Debt and Private Equity structuring and funding with a strong presence in the GCC, Europe and Asia together with driving business and digital transformation and advisory services across multiple sectors and currently serves on the Boards of Bank of Ceylon and Footware Retailers (Private) Limited. Mr. Abeyesekera was a Global Chief Financial Officer for market services and technology of the London Stock Exchange Group, a USD 60 Billion market capitalised FTSE 100 listed Entity overlooking operations in 40 markets across 4 continents and a member of its global leadership team. In his twenties he was one of the youngest CFO's of a USD 100 million+ entity and was instrumental in the Transformation and listing of one of South Asia's largest manufacturing Companies recognised by Forbes among the "200 Best in Asia". Mr. Abeyesekera played a key role in leading the development of the "Best Annual Report in South Asia" judged by the South Asian Federation of Accountants (SAFA) and has also managed ERP implementations that won regional accolades. He was also awarded the Industry Leadership Award by SLASSCOM, the IT/BPO Industry Chamber for his contribution to the IT Industry of Sri Lanka. Mr. Abeyesekera co-founded the Institute of Internal Auditors Chapter to

strengthen the risk and governance knowledge framework in the country and has been trained in international taxation and international tax strategy in ISDB Malaysia. He has also been trained in lean thinking and practices in the Toyota Corporation in Japan. In Feb 2020, he was appointed as a Commissioner of the Securities and Exchange Commission of Sri Lanka (SEC) and Chaired the SEC-CSE (Colombo Stock Exchange) joint Committee on Digitalization of the Colombo Stock Exchange and the Capital Market during COVID when the market could not operate. In 3-4 months the entire capital market was digitally transformed with electronic account openings and eKYC with Automated Identity Verification for the 1st time in Sri Lanka setting a regional benchmark. He was also instrumental in conceptualising the CSE Mobile App with a mobile 1st Quadruple play digital strategy that lead to over 200% growth in the investor base and driving the fastest growing mobile app in the country with over 200,000 active users in a short 12-18 months. The mobile app won the highest national ICT award "e-Swabhimani" awarded by the Information, Communication and Technology Agency of Sri Lanka. Mr. Abeyesekera is a Fellow Chartered Accountant, Chartered Management Accountant (UK), Chartered Global Management Accountant (UK) and holds a MBA from the Prestigious Postgraduate Institute of Management.



# Corporate Management

## **Mr. Chalitha De Silva** **Acting Chief Executive Officer**

Mr. Chalitha De Silva currently serves as the Acting Chief Executive Officer of Softlogic Invest, the asset management arm of the Softlogic Group. He carries more than 20 years of Banking with 17 years of Treasury experience at both Nations Trust Bank PLC and DFCC Bank PLC. He is a well experienced dealer who is savvy dealing in dynamic markets and complex financial products which reflects range of risk profiles. He possesses the ACI Dealing Certificate and a Master of Business Administration from Cardiff Metropolitan University UK

Prior to joining Softlogic Group, he held the position of Assistant Vice President / Chief Dealer at the Treasury, Resource Mobilization and Capital Markets of DFCC Bank PLC. Chalitha is a longstanding member of the Sri Lanka Forex Association..

## **Ms. Harshani Jayakody** **Manager - Risk and Compliance**

Ms. Harshani Jayakody is the Manager of Risk and Compliance at Softlogic Invest, the asset management division of the Softlogic group. She brings a well-rounded background in financial services with over a decade of experience spanning from corporate banking, investment securities and compliance.

Prior to her role at Softlogic Asset Management (Pvt) Ltd, Ms. Harshani held several key positions in the financial sector, including Deputy Manager - Corporate Banking at Nations Trust Bank, Assistant Manager at Capital Alliance Securities and as an Executive at Capital Trust Securities.

She holds a Bachelor of Arts Degree where she has specialized in Economics, Mass Communication and Sociology from the University of Kelaniya and a Master's Degree in Financial Economics from the University of Colombo.

## **Mr. Buddhika Samarathunga** **Senior Fund Manager**

With over 11 years of treasury experience, Buddhika has developed deep expertise in fixed income dealing, foreign exchange, asset and liability management, and institutional fund management. Through disciplined investment strategies, robust risk management, and a strong grasp of market dynamics, he has consistently contributed to the stability and growth of managed portfolios.

Buddhika holds an MBA with a specialization in Finance from the University of Bedfordshire and is a qualified treasury professional. This combination of academic excellence and practical experience provides a strong foundation for strategic financial decision-making, positioning him as a key contributor to the effective oversight and performance of unit trust funds. experience in financial consultancy and audit at Ernst & Young.

## **Ms. Dinushie Wijerathna** **Senior Manager Finance**

Ms. Dinushie Wijerathna is the Manager of Finance at Softlogic Invest, the asset management division of the Softlogic Group. With over 12 years of extensive experience in financial reporting, accounting, and auditing, Dinushie brings valuable expertise to her role.

Before joining Softlogic Invest, she served as Senior Accountant at Richardson Outdoor (Pvt) Ltd, Finance Control and Reporting Manager at Fairway Holdings (Pvt) Ltd, and Audit Senior at Jayasinghe and Company, Chartered Accountants.

Dinushie is a qualified member of both the Institute of Chartered Accountants of Sri Lanka (ICASL) and CPA Australia. She holds a Bachelor of Business Management (Accountancy Special) degree from the University of Kelaniya.





# MANAGEMENT REVIEW AND ANALYSIS



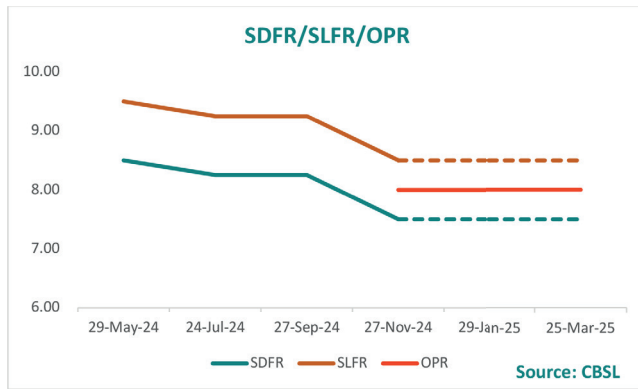
# OPERATING ENVIRONMENT



## ECONOMIC Overview

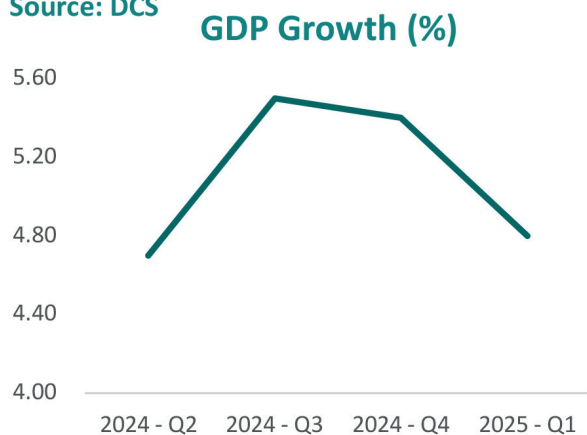
Following the recovery momentum established in 2023/24 after the sovereign debt default, Sri Lanka maintained a resilient growth trajectory in 2024/25. This performance was supported by a sustained period of deflation, which moderated cost pressures and enhanced real purchasing power, alongside significant progress in the public debt restructuring process which was finalized in December 2024.

The Central Bank of Sri Lanka (CBSL) continued its accommodative monetary policy stance during the review period. Subsequent to a 0.25% cut at the fourth policy review in July 2024, the single Overnight Policy Rate (OPR) was introduced in November 2024 at 8.00%, with a symmetric corridor of 0.50% for the Standard Lending Facility (SLF) and Standard Deposit Facility (SDF). Furthermore, beginning in 2024, the CBSL reduced the frequency of policy announcements from eight to six annually, marking a transition to a more streamlined and transparent monetary policy framework better aligned with prevailing macroeconomic conditions.



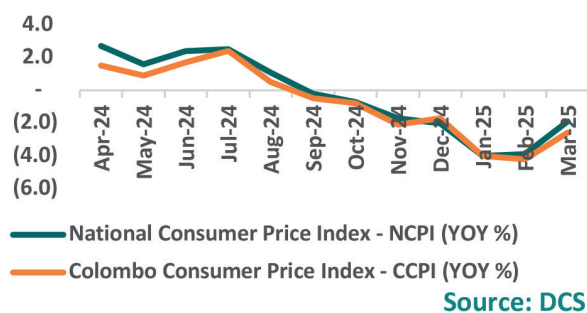
According to data published by the Central Bank of Sri Lanka (CBSL) and the Department of Census and Statistics (DCS), the Sri Lankan economy recorded a 5.0% expansion in 2024, driven by a rebound in tourism, increased remittance inflows, and the easing of import restrictions. This growth momentum continued into the first quarter of 2025, with the GDP expanding by 4.8% year-on-year.

Source: DCS



Furthermore, Inflation, as measured by the National Consumer Price Index (NCPI), turned negative in September 2024 and remained in deflationary territory through the end of the period. Private sector credit grew by LKR 790Bn in 2024 and a further LKR 274Bn in Q1 2025 underscoring the gradual normalization of financial sector

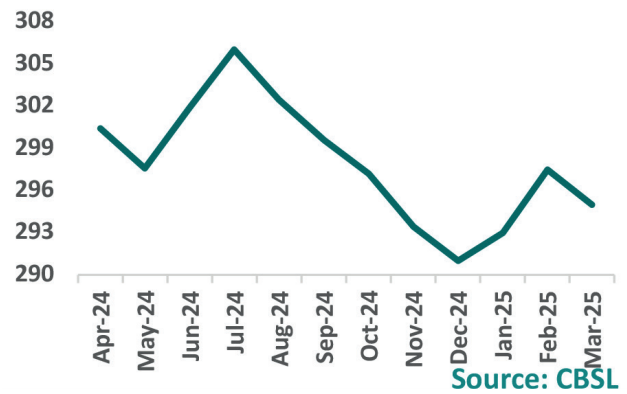
### NCPI and CCPI - (Base: 2021 = 100)



Source: DCS

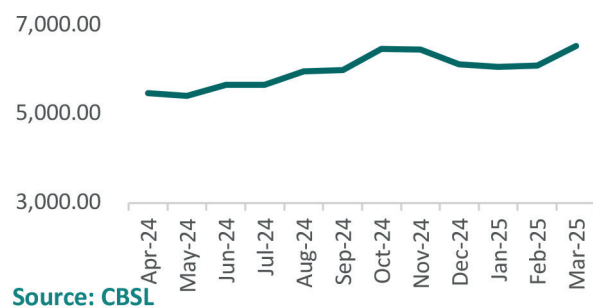
activity and improving business confidence. Meanwhile, gross official reserves improved significantly to USD 6.5Bn by 31st March 2025, while the Sri Lankan rupee appreciated by approximately 10% against the US dollar during 2024.

### USD/LKR Rate Movement



Source: CBSL

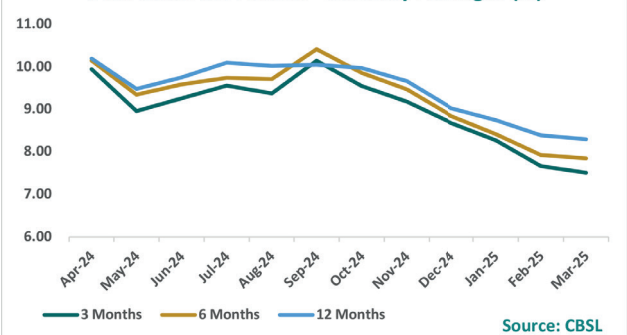
### Gross Official Reserves (USD 'Mn)



Source: CBSL

In line with the above, financial markets experienced a notable decline in the yields of government securities across the yield curve, reflecting improved investor sentiment, easing inflationary pressures and a more accommodative monetary policy environment. Though there was a degree of uncertainty surrounding the political landscape during the review period primarily due to the anticipation of both Presidential and Parliamentary elections, the markets responded with resilience. Investor sentiment strengthened following the successful conclusion of the elections, which restored a sense of political stability and reinforced confidence in the country's economic outlook.

### T-Bill Rates Movement - Monthly Averages (%)



Source: CBSL



# INDUSTRY

## Overview

During the financial year 2024/25, the unit trust industry sustained its strong growth trajectory, solidifying its position as one of the fastest-growing segments in the financial services sector. Increased investor awareness, coupled with rising demand for professionally managed investment products, contributed to a notable surge in both participation and transaction volumes.

As of 31st March 2025, total assets under management (AUM) reached LKR 585Bn, reflecting growing confidence in the industry. A total of 16 licensed unit trust management companies operated 83 funds, offering diverse investment options across asset classes. In the Money Market segment, total assets under management (AUM) reached LKR 338 Bn, distributed across 21 funds and serving over 66,000 unit holders, according to data from The Unit Trust Association of Sri Lanka.

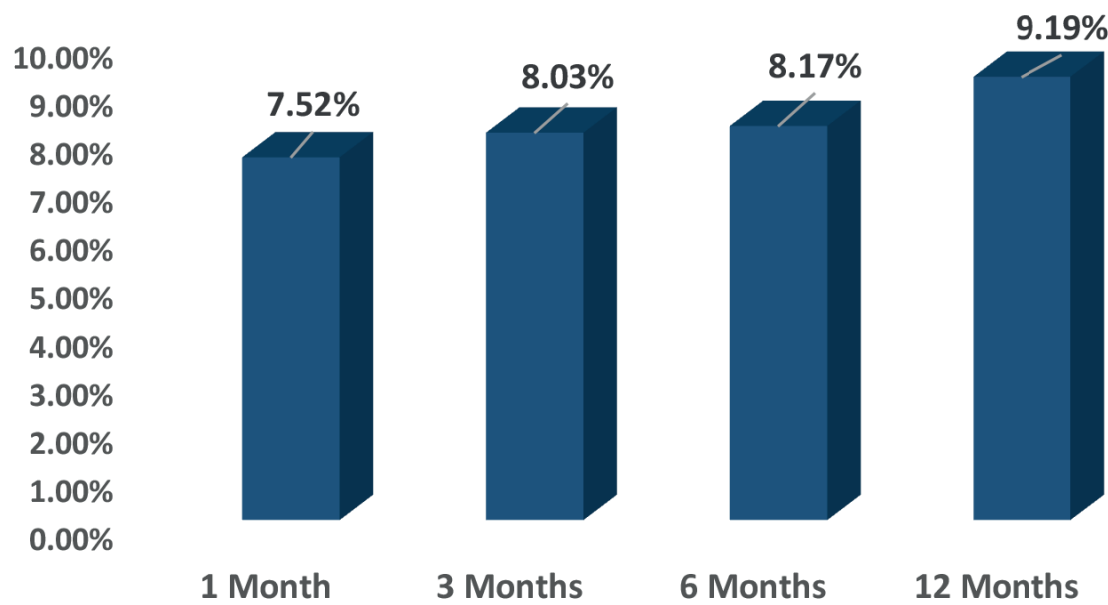
# Fund Managers' Review

## FUND Performance

Over the 12 months period in review, our Money Market Fund delivered a strong return of 9.19%, closely aligning with its benchmark, the NDB CRISIL Index (91-Day T-Bill Index), which returned 9.82% during the same period. Furthermore, as at 31st March 2025, the fund reported an impressive annualized 1-month return of 7.52%, demonstrating sound portfolio management in a dynamic interest rate environment. This performance highlights the fund's effectiveness in delivering stable and competitive returns, reinforcing its position as a reliable investment choice. The fund's Assets Under Management (AUM) reached LKR 1,132Mn, reflecting continued investor confidence and steady growth.



### Fund Performance



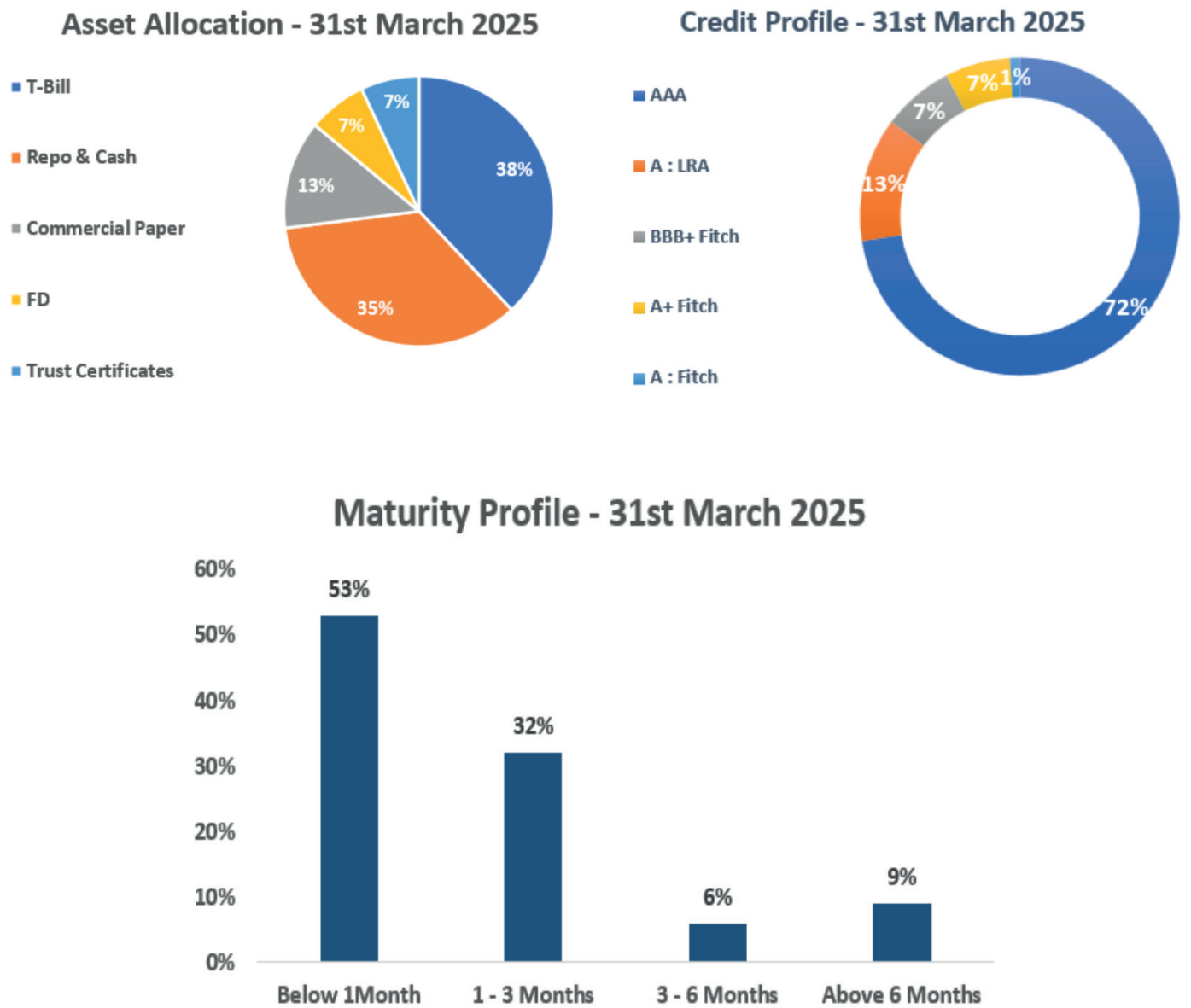
Throughout the year, the fund predominantly invested in Government Securities (G-Secs) and Repurchase Agreements (Repos), effectively capitalizing on the favorable interest rates. Nearly 73% of the portfolio was allocated to Treasury Bills (T-Bills) and Repos, with the remaining portion diversified

across high-quality instruments such as Commercial Papers, Fixed Deposits, and Trust Certificates. This strategic allocation aligns with the fund's core objective of optimizing returns while maintaining a prudent risk profile, as reflected in the credit quality distribution shown in the graph below.

# Fund Managers' Review

As a money market fund, we remain steadfast in our commitment to capital preservation and maintaining high levels of liquidity to efficiently meet client redemption requests. In line with this objective, the portfolio is structured to prioritize short-term, high-quality instruments. As illustrated

in the graph below, 53% of the fund's investments are held in instruments with maturities of less than one month well in excess of the regulatory requirement of 20% for the same period, underscoring the fund's ability to respond promptly to liquidity needs.







# FUTURE OUTLOOK

Against the backdrop of a noteworthy economic recovery, the Sri Lankan economy is expected to continue its upward trajectory as the operating environment and overall market sentiment improve, supported by a declining interest rate regime. Key external sectors such as tourism and worker remittances remain vital contributors, aiding the Central Bank of Sri Lanka (CBSL) in progressing toward IMF programme targets. Meanwhile, government revenue collection is forecasted to reach unprecedented levels, reflecting ongoing fiscal consolidation efforts and improved administrative efficiency.

Amidst lower-than-expected inflation and subdued economic momentum, there is growing market expectation of further monetary easing to stimulate growth and support credit expansion.

GDP growth for the year is projected to range between 3.50% and 4.00%, reflecting a measured recovery path contingent on effective implementation of both fiscal and monetary policy measures.

The year 2025 has been characterized by heightened global economic uncertainties, driven by geopolitical tensions, fluctuating commodity prices, and uneven monetary policy responses across major economies. While negotiations are still ongoing, the full impact of recent U.S. trade tariffs, both on the global economy and, more importantly, on the local market, has yet to be fully assessed. These trade measures have introduced a layer of uncertainty, with potential implications for supply chains, input costs, and overall market sentiment. We continue

to monitor developments closely and assess their potential effects on our investment strategy and portfolio positioning.

The unit trust industry remains well positioned for sustained growth, underpinned by increasing investor awareness and demand for professionally managed, diversified investment solutions. As more individuals seek alternatives to traditional savings in a persistently low interest rate environment, unit trusts offer an appealing avenue for potentially higher returns through access to a broad spectrum of asset classes and risk profiles. This growing participation is deepening market sophistication and affirming the unit trust industry's pivotal role in driving long-term wealth creation and promoting financial inclusion.



# FINANCIAL INFORMATION





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65/2, Sir Chittampalam A Gardiner Mawatha  
Colombo 02  
Sri Lanka

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF SOFTLOGIC MONEY MARKET FUND

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the Financial Statements of Softlogic Money Market Fund ("the Fund"), which comprise the statement of financial position as at 31<sup>st</sup> March 2025 and the statement of comprehensive income, the statement of changes in unitholders' funds and the statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies as set out on pages 05 to 20.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Fund as at 31<sup>st</sup> March 2025, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

#### Basis for Opinion

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 Fund in accordance with the Code of Ethics for Professional Accountants 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.

#### Other Information

The fund management company is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Financial Statements and the Auditor's Report thereon. The 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 do 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 identified above 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 whether it appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Fund Management Company and the Trustee are 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, the Management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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

Partners : Sujeewa Rajapakse FCA, ACCA, FCMA, MBA. Ashane J.W. Jayasekara FCA, FCMA (UK), MBA. H. Sasanka Rathnaweera FCA, ACMA.  
F. Sarah Z. Afker FCA, FCMA (UK), CGMA, MCSI (UK). Dinusha C. Rajapakse FCA, LLB (Hons)(Colombo), CTA, Attorney at Law.  
Nirosha Vadivel Bsc (Acc.), FCA, ACMA. R. D. Chamika N. Wijesinghe FCA, BBA (Acc.) Sp. H. M. R. Thilina Ranaweera FCA, BBA (Acc.) Sp.

BDO Partners, a Sri Lankan Partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.





### 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 Fund's internal control.
- 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 Fund's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosure 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 Fund 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 the 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.

### Report on Other Legal and Regulatory Requirements

As required by the Collective Investment Scheme Code (CIS Code) issued by the Securities and Exchange Commission of Sri Lanka under Act No.36 of 1987 and the Trust Deed, we have obtained all the information and explanations that were required for the audit and, as far as it appears from our examination, proper accounting records have been kept by the Fund.

**BDO Partners**  
**CHARTERED ACCOUNTANTS**  
 Colombo  
 28<sup>th</sup> July 2025  
 TR/cc

# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE YEAR ENDED 31ST MARCH 2025

		2024/2025	2023/2024
	Note	Rs.	Rs.
Investment income	3	125,651,849	200,714,445
Net gain on financial assets held at fair value through profit or loss	4	10,803,299	25,608,414
<b>Total investment income</b>		<b>136,455,148</b>	<b>226,322,859</b>
Operating expenses	5	(22,239,820)	(17,220,227)
<b>Profit before tax</b>		<b>114,215,328</b>	<b>209,102,632</b>
Income tax expense	6	-	-
<b>Profit for the year</b>		<b>114,215,328</b>	<b>209,102,632</b>
Other comprehensive income		-	-
<b>Total comprehensive profit for the year</b>		<b>114,215,328</b>	<b>209,102,632</b>
<b>Increase in net assets attributable to unitholders</b>		<b>114,215,328</b>	<b>209,102,632</b>
<b>Net asset per unit (Rs.)</b>	<b>20</b>	<b>172.32</b>	<b>157.73</b>

Figures in brackets indicate deductions.

The accounting policies and notes from pages 05 to 20 form an integral part of these Financial Statements.

Colombo  
28<sup>th</sup> July 2025



# STATEMENT OF FINANCIAL POSITION

## AS AT 31ST MARCH 2025

		As at 31.03.2025	As at 31.03.2024
	Note	Rs.	Rs.
<b>ASSETS</b>			
Cash and cash equivalents	6	5,412,231	22,668,826
Financial assets measured at amortised cost	7	1,128,936,133	1,297,849,824
Financial assets measured at fair value through profit or loss	8	-	366,572,222
Other receivables	9	1,087	4,892
<b>Total assets</b>		<b>1,134,349,451</b>	<b>1,687,095,764</b>
<b>UNITHOLDER'S FUNDS AND LIABILITIES</b>			
<b>Liabilities</b>			
Accrued expenses	10	1,766,409	2,352,729
Other payables	11	2,668	2,611
<b>Total liabilities</b>		<b>1,769,078</b>	<b>2,355,340</b>
<b>Unitholder's fund</b>			
Unit capital		414,875,489	1,081,250,867
Retained earnings		717,704,885	603,489,557
<b>Net assets attributable to unitholders</b>		<b>1,132,580,374</b>	<b>1,684,740,424</b>
<b>Total unitholder's fund and liabilities</b>		<b>1,134,349,451</b>	<b>1,687,095,764</b>


The accounting policies and notes from pages 05 to 20 form an integral part of these Financial Statements.

The Fund Management Company and the Trustee are responsible for the preparation of these Financial Statements in accordance with Sri Lanka Accounting Standards.

Signed for and on behalf of the Fund Management Company and Trustee.



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**Senior Manager - Finance**  
 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

Colombo  
 28th July 2025



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

## STATEMENT OF CHANGES IN UNITHOLDERS' FUND FOR THE YEAR ENDED 31ST MARCH 2025

Description	Capital Rs.	Earnings Rs.	Total Rs.
<b>Unitholders funds as at 31st March 2023</b>	<b>330,170,711</b>	<b>394,386,925</b>	<b>724,557,636</b>
Increase due to creation of units	2,220,756,204	-	2,220,756,204
Decrease due to redemption of units	(1,469,676,048)	-	(1,469,676,048)
Increase in net assets attributable to unitholders	-	209,102,632	209,102,632
<b>Unitholders funds as at 31st March 2024</b>	<b>1,081,250,867</b>	<b>603,489,557</b>	<b>1,684,740,424</b>
Increase due to creation of units	2,229,682,630	-	2,229,682,630
Decrease due to redemption of units	(2,896,058,008)	-	(2,896,058,008)
Increase in net assets attributable to unitholders	-	114,215,328	114,215,328
<b>Unitholders fund as at 31st March 2025</b>	<b>414,875,489</b>	<b>717,704,885</b>	<b>1,132,580,374</b>

The accounting policies and notes from pages 05 to 20 form an integral part of these Financial Statements.

Colombo  
28<sup>th</sup> July 2025

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2025

	2024/2025	2023/2024
	Rs.	Rs.
<b>Cash flows from operating activities</b>		
Interest received	143,838,895	164,218,925
Management, Trustee and Custodian fees paid	(22,826,088)	(15,585,580)
Advances received	-	1,804,127
Investment in repurchase agreements	(179,540,753)	(94,008,016)
Investment in unit trusts	377,375,519	(340,963,807)
(Investment in)/sales proceeds from fixed deposits	(25,000,000)	(50,000,000)
(Investment in)/sales proceeds from commercial papers	235,198,559	(205,000,000)
(Investment in)/sales proceeds from trust certificates	80,000,000	(150,000,000)
Investment in treasury bills	40,072,651	(76,084,477)
<b>Net cash (used in)/generated from operating activities</b>	<b>649,118,783</b>	<b>(765,618,828)</b>
<b>Cash flows from financing activities</b>		
Cash received on creation of units	2,229,682,630	2,220,756,204
Cash paid on redemption of units	(2,896,058,008)	(1,469,676,048)
<b>Net cash generated from/ (used in) financing activities</b>	<b>(666,375,378)</b>	<b>751,080,156</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(17,256,595)</b>	<b>(14,538,672)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>22,668,826</b>	<b>37,207,498</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>5,412,231</b>	<b>22,668,826</b>
<b>Cash and cash equivalents at the end of the year comprises</b>		
Cash and cash equivalents	5,412,231	22,668,826

The accounting policies and notes from pages 05 to 20 form an integral part of these Financial Statements.

Colombo  
28<sup>th</sup> July 2025

# NOTES TO THE FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

### 1.1 General

Softlogic Money Market Fund ("the Fund") is an open ended unit trust fund licensed by the Securities and Exchange Commission of Sri Lanka and established under Trust Deed signed on 05th February 2020. The Fund was launched on 08th July 2020.

The Fund is managed by Softlogic Asset Management (Pvt) Ltd while Hatton National Bank acts as the Trustee of the Fund. The registered office of the Fund Management Company is located at level 16, One Galle Face Tower, Colombo 02, Sri Lanka and the principal place of business is also located at the same address.

The Trustee's principal place of business is located at Hatton National Bank PLC, HNB Towers, Level 15, No. 479, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.

### 1.2 Principal activity

The investment objective of the Fund is to earn a regular optimal rate of interest income while preserving the investor's capital and liquidity by investing in high quality money market instruments in accordance with the Collective Investment Scheme Code (CIS Code 2022) of the Securities and Exchange Commission of Sri Lanka.

### 1.3 Date of authorisation

The Financial Statement of the Fund for the year ended 31st March 2025 were authorised for issue by the Fund Management Company and the Trustee on 28<sup>th</sup> July 2025.

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Preparation of Financial Statements

#### 2.1.1 Basis of preparation

The Financial Statements are prepared on historical cost basis unless otherwise it is indicated. The statement of financial position is presented on a liquidity basis and assets and liabilities are presented in decreasing order of liquidity and are not distinguished between the current and non-current. The Financial Statements are presented in Sri Lankan rupees (Rs).

#### 2.1.2 Statement of compliance

The Financial Statements which comprise the statement of financial position as at 31st March 2025, statement of comprehensive income, statement of changes in unitholders' fund and statement of cash flows for the year then ended, and a summary of material accounting policies and other explanatory information have been prepared and presented in accordance with Sri Lanka Accounting Standards (LKAS/SLFRs) and the requirements of the Unit Trust Deed and Unit Trust Code of the Securities and Exchange Commission of Sri Lanka.

#### 2.1.3 Going concern

These Financial Statements have been prepared on the assumption that the Fund is a going concern, i.e. as continuing in operation for the foreseeable future. It is, therefore, assumed that the Fund has neither the intention nor the necessity of liquidation or curtailing materially the scale of its operation.

The Management of the Fund has continuously assessed the potential impact of the current economic crisis on the Fund's operations and is confident that it will not impact on the going concern ability of the Fund.

#### 2.1.4 Materiality and aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

# NOTES TO THE FINANCIAL STATEMENTS

## 2.1.5 Foreign currency translation

Transactions in foreign currencies are initially recorded by the Fund at the functional currency rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate as of the reporting date. All differences are taken to the statement of comprehensive income with the exception of all monetary items that form part of a net investment in foreign operations. These are recognised in other comprehensive income until the realisation of the net investment, at which time they are re-classified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation difference on items whose gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

## 2.1.6 Significant Accounting Judgments, Estimates and Assumptions

The preparation of Financial Statements in conformity with SLFRSs/LKASs requires management to make judgments, estimates and assumptions that influence the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. In the selection and application of the Fund's accounting policies, which are described below, the Fund Management Company is required to make judgments and assumptions and use assumptions in measuring items reported in the Financial Statements. These estimates are based on management's knowledge of current facts and circumstances, and assumptions based on such knowledge and expectations of future events. Actual results may differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year or the year of the revision and future years as well, if the revision affects both the current and the future years.

The management considers credit, liquidity and market risk and assesses the impact on valuation of investments when determining the fair value.

Management uses its judgment in determining the appropriate valuation technique for financial instruments that are not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. Other financial instruments are valued using a discounted cash flow analysis based on the assumptions supported, where possible, by observable market prices or rates.

### Determination of Fair Value and Fair Value Hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: techniques which use inputs other than quoted prices included within Level 1, that are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: techniques which use inputs that are not based on observable market data



# NOTES TO THE FINANCIAL STATEMENTS

## 2.2 Statement of financial position

### 2.2.1 Financial instruments

#### i) Recognition and initial measurement

SLFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVTPL). The classification of financial assets under SLFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

All financial assets are initially recognised on the date, the Fund becomes a party to the contractual provisions of the instrument. This includes purchases of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. A financial asset is initially measured at fair value plus or minus, for an item not at FVTPL and transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### 2.2.1.1 Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash and
- its contractual terms give rise on specified dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding

A debt investment is measured at FVOCI if it meets both the following conditions:

- it is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the financial assets
- its contractual terms give rise on specified dates to cash flows that are solely the payments of principal and interest on the principal amount outstanding

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets, if any.

# NOTES TO THE FINANCIAL STATEMENTS

## 2.2.1.2 Subsequent measurement and gain and losses

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.
Financial assets at FVOCI	Any gain or loss on derecognition is recognised in profit or loss. These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign currency exchange gains and losses and impairment are recognised in profit or loss and the changes in fair value of FVOCI debt instruments are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

## 2.2.1.3 Impairment

The Fund recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Fund measures loss allowances at an amount equal to lifetime ECL, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which is measured as 12-month ECLs.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

Credit-impaired financial assets

At each reporting date, the Fund assesses to ascertain whether the financial assets carried at amortised

Cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data.

- significant financial difficulty of the borrower or issuer
- a breach of contract such as a default or being more than 90 days past due
- the restructuring of a loan or advance by the Fund on terms that the Fund would not consider otherwise
- the probability that the borrower will enter bankruptcy or other financial reorganisation

As of the statement of financial position date the Fund has not recognised impairment provision in the Financial Statements.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the financial assets.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

# NOTES TO THE FINANCIAL STATEMENTS

## 2.2.1.4 Financial liabilities - Classification, subsequent measurement, gains and losses

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in profit or loss. Financial liabilities measured at amortised cost include accrued expenses and other payables.

## 2.2.1.5 Derecognition

### Financial assets

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership nor does it retain control of the financial asset.

The Fund enters into transactions whereby it transfers the assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

### Financial liabilities

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Fund also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

## 2.2.1.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if:

- there is currently an enforceable legal right to offset the recognised amounts, and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and are subject to an insignificant risk of changes in values.

## 2.2.3 Payables and provisions

Payables are initially recognised at fair value, which is the fair value of the consideration to be paid in the future for goods and service received, whether or not billed to the Fund, and subsequently measured at amortised cost.

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying the economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

## 2.3 Statement of profit or loss and other comprehensive income

### 2.3 Recognition of income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. The following specific criteria must also be met before interest income is recognised.

# NOTES TO THE FINANCIAL STATEMENTS

## (i) Interest Income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

(ii) Realised (loss)/gain on financial assets at fair value through profit or loss Unrealised gains/(losses) on financial assets held at fair value through profit or loss includes all gains and losses arise from changes in fair value of financial assets held at fair value through profit or loss as at the reporting date.

(iii) Unrealised (loss)/gain on financial assets at fair value through profit or loss Realised gains/(losses) on financial assets held at fair value through profit or loss includes results of buying and selling of units.

## 2.3.2 Expenses

All the expenses including the management fees, trustee fee and custody fee are recognised in the statement of profit or loss on an accrual basis.

The managements fees of the Fund as per the Trust Deed are as follows:

Management fee -	1% of Net Asset Value of the Fund
Trustee fee -	0.15% of Net Asset Value of the Fund
Custody fee -	Flat fee of Rs. 15,000 per month

## 2.4 Unitholders' funds and net assets attributable to unitholders

The unitholders' fund has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities, other than those due to unitholders, as at the statement of financial position date.

Units can be issued and redeemed based on the Fund's net asset value per unit, calculated by dividing the net assets of the Fund calculated in accordance with the valuation guidelines issued by the Unit trust Association of Sri Lanka and directive issued by the Securities and Exchange Commission of Sri Lanka, by the number of units in issue.

## 2.4.1 Distribution

In accordance with the Trust Deed, the Fund distributes income, to unitholders by cash or reinvestment in units. The distributions are recorded in the statement of changes in unitholders' Funds.

## 2.5 Income tax expense

Following the enactment of the new Inland Revenue Act No. 24 of 2017 as amended by the Inland Revenue (Amendment) Act No.10 of 2021 and subsequent amendments thereto, the Fund is 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 year ended 31st March 2025.



## NOTES TO THE FINANCIAL STATEMENTS

### 3. INVESTMENT INCOME

	2024/2025	2023/2024
	Rs.	Rs.
Interest on fixed deposits	17,225,174	275,240
Interest on money market savings account	596,055	2,393,996
Interest on treasury bills	40,903,363	113,933,156
Interest on commercial papers	22,197,694	58,901,511
Interest on trust certificates	26,966,602	1,492,329
Interest on repurchase agreement	17,762,961	23,718,213
	<b>125,651,849</b>	<b>200,714,445</b>

### 4. OPERATING EXPENSES

	2024/2025	2023/2024
	Rs.	Rs.
Management fee	15,329,449	10,657,528
Custodian fee	217,712	214,136
Trustee fee	2,299,417	2,174,003
Tax consultancy fee	-	114,384
Auditor's fee	383,506	332,113
Bank charges	420,645	368,720
Registrar's fee	239,998	240,656
WHT expense	3,349,093	3,118,687
	<b>22,239,820</b>	<b>17,220,227</b>

### 5. INCOME TAX EXPENSE

Tax expense for the year	<b>Note 5.2</b>	-	-
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- 5.1** Following the enactment of the new Inland Revenue Act No. 24 of 2017 as amended by the Inland Revenue (Amendment) Act No.10 of 2021 and subsequent amendments thereto, the Fund is 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 year ended 31st March 2025.

#### 5.2 Reconciliation between the taxable profit and accounting profit

	2024/2025	2023/2024
	Rs.	Rs.
Profit before tax	1 14,215,328	209,102,632
Less: exempt income	(114,215,328)	(209,102,632)
	-	-

# NOTES TO THE FINANCIAL STATEMENTS

## 6. CASH AND CASH EQUIVALENTS

	As at	As at
	31.03.2025	31.03.2024
	Rs.	Rs.
Hatton National Bank	5,412,231	22,668,826
	<b>5,412,231</b>	<b>22,668,826</b>

## 7. FINANCIAL ASSETS MEASURED AT AMORTISED COST

		As at	As at
		31.03.2025	31.03.2024
		Rs.	Rs.
Fixed deposits	7.1	82,225,045	50,275,240
Commercial papers	7.2	143,441,231	388,070,862
Repurchase agreements	7.3	397,816,077	218,201,147
Trust certificates	7.4	77,529,624	151,417,712
Treasury bill		427,924,157	489,884,863
		<b>1,128,936,133</b>	<b>1,297,849,824</b>

### 7.1 FIXED DEPOSIT

	As at 31.03.2025		As at 31.03.2024	
	Carrying value Rs.	Holding as a % of net asset value	Carrying value Rs.	Holding as a % of net asset value
Asia Asset Finance PLC	-	-	50,275,240	3%
Siyapatha Finance PLC	82,225,045	7%	-	-
	<b>82,225,045</b>	<b>7%</b>	<b>50,275,240</b>	<b>3%</b>

### 7.2 COMMERCIAL PAPERS

	As at 31.03.2025		As at 31.03.2024	
	Carrying value Rs.	Holding as a % of net asset value	Carrying value Rs.	Holding as a % of net asset value
First Capital Holdings PLC	-	-	102,583,284	6%
LOLC Holdings PLC	143,441,231	13%	244,027,257	14%
Nawaloka Hospital PLC	8.2.1 -	-	41,460,321	2%
	<b>143,441,231</b>	<b>13%</b>	<b>388,070,862</b>	<b>22%</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 7.3 REPURCHASE AGREEMENTS

	As at 31.03.2025		As at 31.03.2024	
	Carrying value Rs.	Holding as a % of net asset value	Carrying value Rs.	Holding as a % of net asset value
Capital Alliance PLC	-	-	98,790,646	6%
Commercial Bank of Ceylon PLC	-	-	119,410,501	7%
DFCC Bank PLC	397,816,077	35%	-	-
	<b>397,816,077</b>	<b>35%</b>	<b>218,201,147</b>	<b>13%</b>

## 7.4 TRUST CERTIFICATES

	Carrying value Rs.	Holding as a % of net asset value	Carrying value Rs.	Holding as a % of net asset value
Browns & Company PLC	-	0%	151,417,712	9%
Asia Asset Finance PLC	77,529,624	7%	-	-
	<b>77,529,624</b>	<b>7%</b>	<b>151,417,712</b>	<b>9%</b>

## 8 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

		As at 31.03.2025	As at 31.03.2024
		Rs.	Rs.
Investment in unit trusts	8.1	-	366,572,222
		-	<b>366,572,222</b>

### 8.1 INVESTMENT IN UNIT TRUSTS

	As at 31.03.2025	As at 31.03.2024
	Rs.	Rs.
NDB Money Market Fund	-	120,513,394
First Capital Money Market Fund	-	246,058,828
	-	<b>366,572,222</b>

## 9. OTHER RECEIVABLES

	As at 31.03.2025	As at 31.03.2024
	Rs.	Rs.
Interest on money market savings account	905	4,715
Sundry receivable	183	177
	<b>1,087</b>	<b>4,892</b>

## 10. ACCRUED EXPENSES

	As at 31.03.2025	As at 31.03.2024
	Rs.	Rs.
Management fee	1,166,042	1,710,017
Registrar fee	20,383	20,383
Trustee fee	174,906	256,503
Tax consultancy fee	42,333	42,333
Auditor's fee	344,254	305,002
Custodian fee	18,491	18,491
	<b>1,766,409</b>	<b>2,352,729</b>

## 11. OTHER PAYABLES

	As at 31.03.2025	As at 31.03.2024
	Rs.	Rs.
Placement fee received in advance	2,549	2,549
Payable on unit cancelled	119	62
	<b>2,668</b>	<b>2,611</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 12 UNIT PRICE

The creation price was at Rs. 172.3229 per unit and the redemption price was at Rs. 172.3229 per unit as at 31st March 2025.

## 13 DISTRIBUTION FOR THE YEAR

There were no distributions for the year ended 31st March 2025.

## 14 FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

### Financial assets carried at fair value

	Level 1	Level 2	Level 3	Total
	Rs.	Rs.	Rs.	Rs.
<b>As at 31st March 2025</b>				
Financial assets at fair value through profit or loss	-	-	-	-
<b>As at 31st March 2024</b>				
Financial assets at fair value through profit or loss	366,572,222	-	-	366,572,222

### Assets for which fair value approximates carrying value

For financial assets and financial liabilities that have a short-term maturity (original maturities less than a year), it is assumed that the carrying amounts approximate their fair values.

Accordingly, the following is a list of financial instruments whose carrying amount is a reasonable approximation of fair value.

<b>Assets</b>	-	Money market savings and other receivables Cash and cash equivalents
<b>Liabilities</b>	-	Accrued expenses

## 15 CONTINGENT LIABILITIES

There were no significant contingencies existing as at the end of the reporting date that require adjustments or disclosures in the Financial Statements.

## 16 EVENTS OCCURRING AFTER THE REPORTING PERIOD

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

## 17 CAPITAL COMMITMENTS

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

## 18 RELATED PARTY DISCLOSURES

The following have been identified as related parties to the Softlogic Money Market Fund in accordance with LKAS 24 for the reasons given below:

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

Mr. S. Ahangama, Mr. Iftikar Ahamed, Mr. B.D.N.J.Fernando, Mr. Naresh Abeysekara and Mr. Dihan Dedigama are Directors of the Softlogic Asset Management (Pvt) Ltd.



## NOTES TO THE FINANCIAL STATEMENTS

**18.1** Details of the Fund management fee, Trustee fee and Custodian fee paid/payable are as follows:

Name of the related party	Nature of interest	Nature of transactions	2024/2025		2023/2024	
			Transaction Value Rs.	Outstanding Value Rs.	Transaction Value Rs.	Outstanding Value Rs.
Softlogic Asset Management (Pvt) Ltd	Fund Management Co.	Management fee	15,329,449	1,166,042	10,657,528	1,710,017
Hatton National Bank PLC	Trustee	Trustee fees	2,299,417	174,906	2,174,003	256,503
		Custodian fees	217,712	18,491	214,136	18,491

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

Unitholder	Relationship	2024/2025		2023/2024	
		No of Units	Unit Value Rs.	No of Units	Unit Value Rs.
Softlogic Asset Management (Pvt) Ltd	Management Company	39,228	6,759,936	4,124	650,350
Asiri AOI Cancer Centre Private Limited	Affiliate Company	971	167,393	971	153,176
Mr. Asoka Pathirage	Chairman-Ultimate Parent Company	20,207	3,482,056	20,207	3,186,321

# NOTES TO THE FINANCIAL STATEMENTS

## 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### (a) Financial Instruments

The Fund's principal financial assets comprise investments in fixed income securities and cash at bank. The main purpose of these financial instruments is to generate a return on the investment made by the unitholders. The Fund has other financial instruments also such as receivables and payables which arise directly from its operations.

### (b) Financial risk management objectives, policies and processes

Risks arising from holding financial instruments are inherent in the Fund's activities, and are managed through a process of ongoing identification, measurement and monitoring. The Fund is exposed to credit risk, market risk, and liquidity risk.

#### (i) Credit risk

Credit risk is the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss of interest and/or principal.

The Fund's exposure to credit risk from its financial assets arises from default of the counterparty, with the current exposure equal to the fair value of financial instruments given in Note 8 and 9. It is the Fund's policy to enter into financial instruments with reputable counterparties. This is categorised objectively by the criteria that the Fund will invest only in companies carrying an investment grade rating (BBB - and above) from Fitch Ratings Lanka or ICRA Lanka. However, the investment grade rating of the primary dealers in relation to Treasury bill repurchases agreements have not been considered as the Fund has considered the collateral that the primary dealers provided which are government bills and bonds rated as AAA.

The investments grading of the approved counterparties is as follows:

Issuer	Rating	Rating Agency
Bank of Ceylon	AA-	Fitch Ratings Lanka Ltd
Cargills Bank Limited	A	Fitch Ratings Lanka Ltd
Citibank N.A. - Colombo Branch	AAA	Fitch Ratings Lanka Ltd
Commercial Bank of Ceylon PLC	AA-	Fitch Ratings Lanka Ltd
DFCC Bank	A	Fitch Ratings Lanka Ltd
Hatton National Bank	AA-	Fitch Ratings Lanka Ltd
National Development Bank PLC	A	Fitch Ratings Lanka Ltd
Nations Trust Bank PLC	A	Fitch Ratings Lanka Ltd
National Savings Bank	AAA	Lanka Rating Agency
People's Bank	AA-	Fitch Ratings Lanka Ltd
Sampath Bank PLC	AA-	Fitch Ratings Lanka Ltd
Seylan Bank PLC	A+	Fitch Ratings Lanka Ltd
Standard Chartered Bank, Sri Lanka Branch	AAA	Fitch Ratings Lanka Ltd
HSBC	AAA	Fitch Ratings Lanka Ltd
Central Finance Company	A	Fitch Ratings Lanka Ltd
Dialog Finance PLC	AA	Fitch Ratings Lanka Ltd
HNB Finance PLC	A	Fitch Ratings Lanka Ltd
L B Finance PLC	BBB+	Fitch Ratings Lanka Ltd
LOLC Finance	A	Lanka Rating Agency
People's Leasing and Finance Company PLC	A+	Fitch Ratings Lanka Ltd
Siyapatha Finance PLC	A	Fitch Ratings Lanka Ltd
Asia Asset Finance	A+	Fitch Ratings Lanka Ltd
Singer Finance (Lanka) PLC	BBB+	Fitch Ratings Lanka Ltd
Hemas Holdings	AAA	Fitch Ratings Lanka Ltd
First Capital Holdings	A+	Lanka Rating Agency
LOLC Holdings	A	Lanka Rating Agency
John Keells Holdings	AAA	Fitch Ratings Lanka Ltd

# NOTES TO THE FINANCIAL STATEMENTS

## 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTD...)

### (ii) Market Risk

"Market risk represents the risk that the value of the Fund's investment portfolio will fluctuate as a result of changes in market prices."

This risk is managed by ensuring that all investment activities are undertaken in accordance with established mandate limits and investments strategies. As such, unitholders can manage this risk through their choices of which investment portfolios to participate in.

### (iii) Price risk

Price risk is the risk that the fair value of the Fund's investments in trading securities may fluctuate as a result of changes in the price of the Fund's investments in trading securities. Price risk exposure arises from the fund's investment portfolio.

The table below shows the impact on the statement of profit or loss and other comprehensive income and statement of financial position due to a reasonably possible change in the price of the Fund's investment in units in note 8.

	As at 31st March 2025 Increases / (Decreases) on	As at 31st March 2024 Increases / (Decreases)
Increase in interest by 10 basis points	-	37,652,033
Decrease in interest by 10 basis points	-	(37,652,033)

### (iv) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates. The Fund's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis. However, due to the short-term nature of the instruments it is reasonably expected that the fluctuation in interest rate will not materially impact the net assets value of the Fund.

	As at 31st March 2025 Increases / (Decreases) on	As at 31st March 2024 Increases / (Decreases)
Increase in interest by 10 basis points	113,434,836	168,709,087
Decrease in interest by 10 basis points	(113,434,836)	(168,709,087)

# NOTES TO THE FINANCIAL STATEMENTS

## 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTD...)

### (v) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in raising Funds to meet its obligation to pay unitholders.

The Fund investments in financial instruments, under normal market conditions are readily convertible to cash to control liquidity risk. In addition, the Fund invests within established limits to ensure that there is no concentration of risk. The Manager ensures that a minimum liquidity level of 3% of the total NAV of the Fund is available in cash or near cash form at any given time as required by the Unit Trust Deed, reducing the liquidity risk to its investors.

In addition, the Security and Exchange Commission and the Fund require additional business days' notice to the Fund from large investors redeeming over 3% of the Fund and the Fund is also permitted to borrow up to 15% of the deposited property for redemption payouts. No such borrowings have arisen during the year.

The table below analyses the Fund's non-derivative financial assets and liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The contractual amounts disclosed in this analysis are gross undiscounted cashflows and therefore may not agree with the carrying amounts in the statement of financial position.

As at 31st March 2025	Less than 1 Month	1 Month to 6 Months	6 Months to 12 Months	Total
	Rs.	Rs.	Rs.	Rs.
Financial Assets	403,229,394	-	731,120,057	1,134,349,451
	403,229,394	-	731,120,057	1,134,349,451
Financial Liabilities	1,769,078	-	-	1,769,078
	1,769,078	-	-	1,769,078

As at 31st March 2024	Less than 1 Month	1 Months to 6 Months	6 Months to 12 Months	Total
	Rs.	Rs.	Rs.	Rs.
Financial Assets	607,447,087	-	1,079,648,677	1,687,095,764
	607,447,087	-	1,079,648,677	1,687,095,764
Financial Liabilities	2,355,340	-	-	2,355,340
	2,355,340	-	-	2,355,340

### (vi) Capital risk management

The Fund considers its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unit Holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets on a daily basis by the Management Company. Under the terms of the Unit Trust Code, the Management Company has the discretion to reject an application for units and to defer redemption of units if the exercise of such discretion is in the best interests of unitholders.



# NOTES TO THE FINANCIAL STATEMENTS

## 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTD...)

The following is the disclosures of unitholders' funds.

The movement in the unitholders' funds is as follows.

	As at	As at
	31.03.2025	31.03.2024
	Rs.	Rs.
<b>I. In terms of value</b>		
Balance at the beginning of the year	1,684,740,424	724,557,636
Net increase due to creation of units	2,229,682,630	2,220,756,204
Net decrease due to redemption of units	(2,896,058,008)	(1,469,676,048)
Increase in net assets attributable to Unit Holders	114,215,328	209,102,632
<b>Balance at the end of the year</b>	<b>1,132,580,374</b>	<b>1,684,740,424</b>
<b>II. In terms of number of units</b>		
Balance at the beginning of the year	10,681,469	5,540,373
Unit creations during the year	13,525,332	15,176,185
Unit redemptions during the year	(17,634,369)	(10,035,089)
<b>Balance at the end of the year</b>	<b>6,572,433</b>	<b>10,681,469</b>

As stipulated within the Trust Deed, each unit represents a right to an individual unit in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

## 20. RECONCILIATION BETWEEN THE NET ASSET VALUE AS PER FINANCIAL STATEMENTS AND THE PUBLISHED NET ASSET VALUE

	As at	As at
	31.03.2025	31.03.2024
	Rs.	Rs.
Net asset value as per financial statements	1,132,580,374	1,684,740,424
Adjustment to auditor's remuneration	-	4,383
<b>Published net asset value</b>	<b>1,132,580,374</b>	<b>1,684,744,807</b>
Number of units outstanding	6,572,433	10,681,469
<b>Adjusted net asset value per unit</b>	<b>172.32</b>	<b>157.73</b>

## 21. RCOMPARATIVE INFORMATION

The accounting policies have been consistently applied by the Fund and are consistent with those of the previous year. The previous year's figures and phrases have been re-arranged wherever necessary to conform to the current year's presentation/classification.



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