

CHANGE MAKER



SOFTLOGIC LIFE INSURANCE PLC

INTERIM FINANCIAL STATEMENTS - FOR THE PERIOD ENDED 31ST MARCH 2025

SOFTLOGIC LIFE INSURANCE PLC
INCOME STATEMENT

For the Period ended 31 March	Note	2025 Rs. ' 000 Audited	2024 Rs. ' 000 Audited	Change %
Gross written premiums	5	8,982,362	7,162,827	25
Premiums ceded to reinsurers		(676,595)	(635,640)	6
Net written premiums		8,305,767	6,527,187	27
Other revenue				
Net finance income		1,355,156	1,764,710	(23)
Net realised gains		15,503	581,700	(97)
Net fair value gains / (losses)		85,422	(427,083)	120
Other operating income		1,383	1,945	(29)
Total other revenue		1,457,464	1,921,272	(24)
Total net revenue	6	9,763,231	8,448,459	16
Net benefits, claims and expenses				
Net insurance benefits and claims paid		(4,289,291)	(3,367,726)	27
Net change in insurance claims outstanding		15,662	(57,416)	(127)
Change in insurance contracts liabilities		(1,380,864)	(557,262)	148
Underwriting and net acquisition cost (Net of reinsurance)		(1,733,898)	(1,490,712)	16
Other operating and administration expenses		(1,574,010)	(1,495,699)	5
Impairment reversal / (provision) on financial investments		(2,973)	117,878	(103)
Finance cost	7	(129,717)	(401,350)	(68)
Total benefits, claims and expenses		(9,095,091)	(7,252,287)	25
Profit before tax	8	668,140	1,196,172	(44)
Income tax expenses		(190,521)	(342,559)	(44)
Profit for the period		477,619	853,613	(44)
Profit attributable to;				
Owners of the Company		477,619	853,613	(44)
Non controlling interest		-	-	-
		477,619	853,613	(44)
Earnings per share				
Basic earnings per share (Rs.)	17	1.51	2.28	(34)
Diluted earnings per share (Rs.)	17	1.51	2.28	(34)

The Notes form an integral part of these Interim Financial Statements.

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Period ended 31 March	2025	2024	Change
	Rs. ' 000	Rs. ' 000	%
	Audited	Audited	
Profit for the period	477,619	853,613	(44)
Other comprehensive income			
Items that will not be reclassified to income statement			
Equity investments at FVOCI - net change in fair value	(85,158)	(55,427)	
Equity investments at FVOCI - net change in fair value - Life fund	(47,932)	37,873	
Related tax / deferred tax	-	-	
	(133,090)	(17,554)	658
Items that are or may be reclassified subsequently to income statement			
Debt investments at FVOCI - net change in fair value	(426,975)	(1,186)	
Debt investments at FVOCI - net change in fair value - Life fund	5,088	4,711	
Debt investments at FVOCI - reclassified to income statement	-	-	
Related tax / deferred tax	-	-	
	(421,887)	3,525	(12,068)
Total other comprehensive income for the period, net of tax	(554,977)	(14,029)	3,856
Total comprehensive income for the period, net of tax	(77,358)	839,584	(109)
Total comprehensive income attributable to:			
Owners of the Company	(77,358)	839,584	
Non - controlling interests	-	-	
	(77,358)	839,584	(109)

The Notes form an integral part of these Financial Statements.

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF FINANCIAL POSITION

As at	Note	31.03.2025 Rs. ' 000 Audited	31.12.2024 Rs. ' 000 Audited
Assets			
Intangible assets		7,580	3,955
Property, plant and equipment		680,435	689,233
Right of use assets		1,172,228	1,193,764
Deferred Tax Assets		467,842	468,263
Financial investments	10	44,431,478	43,938,018
Loans to life policyholders		363,534	350,134
Reinsurance receivables		502,753	518,316
Premium receivables		2,082,180	2,904,513
Receivables and other assets		2,104,598	1,658,300
Cash and cash equivalents		2,936,057	1,869,652
Total assets		54,748,685	53,594,148
Equity and liabilities			
Equity			
Stated capital	16	1,062,500	1,062,500
Restricted regulatory reserve		798,004	798,004
Other reserves		(1,319,239)	(764,262)
Retained earnings		9,735,931	9,258,312
Total equity		10,277,196	10,354,554
Liabilities			
Insurance contract liabilities	11	34,701,861	33,290,278
Employee benefit liabilities		386,110	372,315
Loans and borrowings		3,143,348	3,016,443
Reinsurance payables		524,214	754,059
Other liabilities		5,328,744	5,438,184
Bank overdraft		387,212	368,315
Total liabilities		44,471,489	43,239,594
Total equity and liabilities		54,748,685	53,594,148
Net asset per share (Rs.)	15	32.48	32.73

The Notes form an integral part of these Financial Statements

These Financial Statements are in compliance with the requirements of the Companies Act No 07 of 2007.

Sgd.

Nuwan Withanage

Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board.

Sgd.

Ashok Pathirage

Chairman

Sgd.

Iftikar Ahamed

Managing Director

Colombo

07 May 2025

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CHANGES IN EQUITY

For the Period ended 31 March	Stated capital	Restricted regulatory reserve	Other reserve		Retained earnings	Total
			Fair value reserve	Revaluation reserves		
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Balance as at 01 January 2024	1,062,500	798,004	(2,318,408)	173,516	13,617,734	13,333,346
Profit for the period	-	-	-	-	853,613	853,613
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	(55,427)	-	-	(55,427)
Equity investments at FVOCI - net change in fair value - Life fund	-	-	37,873	-	-	37,873
Debt investments at FVOCI - net change in fair value	-	-	(1,186)	-	-	(1,186)
Re-measurement Gain on defined benefit liabilities	-	-	-	-	-	-
Gain on revaluation of land and building	-	-	-	-	-	-
Debt investments at FVOCI - net change in fair value - Life fund	-	-	4,711	-	-	4,711
Debt investments at FVOCI - reclassified to income statement	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	(14,029)	-	-	(14,029)
Total comprehensive income for the period	-	-	(14,029)	-	853,613	839,584
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2023	-	-	-	-	(1,406,250)	(1,406,250)
Total transactions with owners of the Company	-	-	-	-	(1,406,250)	(1,406,250)
Balance as at 31 March 2024	1,062,500	798,004	(2,332,437)	173,516	13,065,097	12,766,680
Profit for the period	-	-	-	-	3,668,184	3,668,184
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	980,755	-	-	980,755
Equity investments at FVOCI - net change in fair value - Life fund	-	-	533,445	-	-	533,445
Debt investments at FVOCI - net change in fair value	-	-	(403,726)	-	-	(403,726)
Re-measurement Gain on defined benefit liabilities	-	-	-	-	(51,141)	(51,141)
Gain on revaluation of land and building	-	-	-	-	-	-
Debt investments at FVOCI - net change in fair value - Life fund	-	-	283,953	-	-	283,953
Debt investments at FVOCI - reclassified to income statement	-	-	232	-	-	232
Total other comprehensive income, net of tax	-	-	1,394,659	-	(51,141)	1,343,518
Total comprehensive income for the period	-	-	1,394,659	-	3,617,043	5,011,702
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2024	-	-	-	-	(1,423,828)	(1,423,828)
Repurchase of Shares	-	-	-	-	(6,000,000)	(6,000,000)
Balance as at 31 December 2024	1,062,500	798,004	(937,778)	173,516	9,258,312	10,354,554
Profit for the period	-	-	-	-	477,619	477,619
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	(85,158)	-	-	(85,158)
Equity investments at FVOCI - net change in fair value - Life fund	-	-	(47,932)	-	-	(47,932)
Debt investments at FVOCI - net change in fair value	-	-	(426,975)	-	-	(426,975)
Re-measurement losses on defined benefit liabilities	-	-	-	-	-	-
Gain on revaluation of land and building	-	-	-	-	-	-
Debt investments at FVOCI - net change in fair value - Life fund	-	-	5,088	-	-	5,088
Debt investments at FVOCI - reclassified to income statement	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	(554,977)	-	-	(554,977)
Total comprehensive income for the period	-	-	(554,977)	-	477,619	(77,358)
Balance as at 31 March 2025	1,062,500	798,004	(1,492,755)	173,516	9,735,931	10,277,196

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CASH FLOWS

For the Period ended 31 March	2025 Rs. ' 000 Audited	2024 Rs. ' 000 Audited
Cash flows from operating activities		
Profit before taxation	668,140	1,196,172
Adjustments for :		
Depreciation of property, plant and equipment	30,903	35,286
Amortisation of intangible assets	300	197
Depreciation of right of use asset	83,352	90,177
Interest expenses on lease liabilities and loans and borrowings	124,893	185,924
Provision for employee benefit liabilities	14,342	13,553
Net realised Gains	(15,503)	(581,700)
Net fair value (Gains)/ losses	(85,422)	427,083
Net unrealised losses on foreign currency transactions	(27,313)	185,575
Net amortisation of financial investments	164,891	(262,364)
Provision for impairment (Reversal) /losses on financial investments	2,973	(117,878)
	961,556	1,172,025
Change in operating assets		
Decrease / (Increase) in loans to life policyholders	(13,400)	2,431
Increase in reinsurance receivables	15,563	(125,533)
Decrease in premium receivables	822,333	258,918
Increase in receivables and other assets	(437,171)	(281,445)
	387,325	(145,629)
Change in operating liabilities		
Increase / (Decrease) in insurance contract liabilities	1,411,583	624,337
Increase in reinsurance payables	(231,232)	206,629
Increase / (Decrease) in other liabilities	43,927	217,162
	1,224,278	1,048,128
Net cash generated from operations	2,573,159	2,074,523
Tax Paid	(321,000)	(216,000)
Gratuity paid	(550)	(7,537)
Net cash generated from operating activities	2,251,609	1,850,987
Cash flows from investing activities		
Acquisition of investment securities	(10,249,206)	(14,784,111)
Proceeds from sale of investment securities	9,180,408	14,769,330
Acquisition of property, plant and equipment	(22,105)	(45,090)
Net Acquisition of ROU Asset	(5,604)	(26,386)
Acquisition of intangible assets	(3,925)	-
Net cash flows used in investing activities	(1,100,432)	(86,257)
Cash flows from financing activities		
Dividend paid to equity holders	-	(1,406,250)
Principal Payment of lease liabilities	(103,669)	(97,772)
Net cash used in financing activities	(103,669)	(1,504,022)
Net increase / (Decrease) in cash and cash equivalents	1,047,508	260,708
Net cash and cash equivalents as at 1 January	1,501,337	722,989
Net cash and cash equivalents as at 31 March	2,548,845	983,697
Analysis of cash and cash equivalents		
Cash in hand and at bank	2,936,057	1,353,313
Bank overdraft	(387,212)	(369,616)
Total cash and cash equivalents as at 31 March	2,548,845	983,697

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF FINANCIAL POSITION-LIFE INSURANCE FUND

As at	Note	31.03.2025 Rs. ' 000 Audited	31.12.2024 Rs. ' 000 Audited
Assets			
Property, plant and equipment		295,036	298,187
Right of use assets		1,169,978	1,189,826
Financial investments		31,868,241	31,721,103
Loans to life policyholders		363,534	350,134
Reinsurance receivables		502,753	518,316
Premium receivables		2,082,180	2,904,513
Receivables and other assets		1,902,300	1,078,748
Cash and cash equivalents		2,930,632	1,865,751
Total assets		41,114,654	39,926,578
Equity and liabilities			
Equity			
Other reserves		(90,608)	(47,764)
Total equity		(90,608)	(47,764)
Liabilities			
Insurance contract liabilities	11	34,701,861	33,290,278
Employee benefit liabilities		386,110	372,315
Reinsurance payables		524,214	754,059
Other liabilities		5,205,865	5,189,375
Bank overdraft		387,212	368,315
Total liabilities		41,205,262	39,974,342
Total equity and liabilities		41,114,654	39,926,578

SOFTLOGIC LIFE INSURANCE PLC NOTES TO THE INTERIM FINANCIAL STATEMENTS

1 REPORTING ENTITY

Softlogic Life Insurance PLC (“the Company”) is a public limited liability company incorporated and domiciled in Sri Lanka. The Company is regulated under the Insurance Industry Act No. 43 of 2000 and amendments thereto. The Company was re-registered under the Companies Act No. 07 of 2007 and the registered office is situated at Level 16, One Galle Face Tower, Colombo - 02. The ordinary shares of the Company have a primary listing on the CSE.

2 APPROVAL OF FINANCIAL STATEMENTS BY THE BOARD OF DIRECTORS

The interim condensed Financial Statements for the period ended 31 March 2025 were authorised for issue by the Board of Directors on 07 May 2025.

3 BASIS OF PREPARATION

The interim condensed Financial Statements for the period ended 31 March 2025 have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim condensed Financial Statements do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2024. Further, the provisions of the Companies Act no.7 of 2007, the Regulation of the Insurance Industry Act No 43 of 2000 and Colombo Stock Exchange have been considered in preparing these interim condensed Financial Statements. The same accounting policies and methods of computation as stated in the Annual Financial Statements - 2024 have been followed in preparing these interim condensed Financial Statements.

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual Financial statements.

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

4 FAIR VALUE MEASUREMENT AND RELATED FAIR VALUE DISCLOSURES

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

5 GROSS WRITTEN PREMIUM

For the Period ended 31 March	2025 Rs. ' 000 Audited	2024 Rs. ' 000 Audited
First Year Premium	1,854,011	1,689,279
Renewal Premium	4,592,052	3,694,680
Group Life Premium	1,965,237	1,581,604
Single Premium	571,062	197,264
Total Gross Written Premium	8,982,362	7,162,827

6 TOTAL NET REVENUE

For the Period ended 31 March	2025 Rs. ' 000 Audited	2024 Rs. ' 000 Audited
Net written premiums	8,305,767	6,527,187
Other Revenue	1,457,464	1,921,272
Total Net Revenue	9,763,231	8,448,459

7 FINANCE COST

For the Period ended 31 March	2025 Rs. ' 000 Audited	2024 Rs. ' 000 Audited
Interest expenses on lease liabilities, loans and borrowings	124,893	185,924
Net exchange losses / (gains)	(27,313)	185,575
Other finance cost	32,137	29,851
Total Finance Cost / (Gains)	129,717	401,350

8 PROFIT BEFORE TAXATION

For the Period ended 31 March	2025 Rs. ' 000 Audited	2024 Rs. ' 000 Audited
Profit Before Taxation	668,140	1,196,172
Total	668,140	1,196,172

Refer Note 11.3 for the details on the surplus transfer from the Non participating fund to shareholder fund during the quarter.

9 INCOME TAX EXPENSE

The gains and profits from the Life Insurance Business are ascertained in terms of Section 67 of the Inland Revenue Act No. 24 of 2017. Accordingly, gains and profits on which tax is payable is the aggregate of:

Taxable Income Source	Applicable Tax Rate
Surplus distributed to shareholders from the Life Insurance policyholders fund as certified by the actuary	30%
Investment income of the shareholder fund less any expenses incurred in the production of such income	30%
Surplus distributed to a Life insurance policyholder who shares the profits of a person engaged in the business of life insurance	30%

Dividend paid out of profit recorded in shareholder fund are subject to income tax at 15%.

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

10 FINANCIAL INVESTMENTS

As at	Note	31.03.2025 Rs. ' 000 Audited	31.12.2024 Rs. ' 000 Audited
Amortised Cost (AC)	10.1	25,198,636	25,129,878
Fair Value through Other Comprehensive Income (FVOCI)	10.2	13,843,046	13,552,944
Fair Value Through Profit or Loss (FVTPL)	10.3	5,389,796	5,255,196
Total Financial Investments		44,431,478	43,938,018

10.1 Amortised Cost (AC)

Treasury Bonds	14,089,867	14,355,429
Treasury Bills	-	704,527
Fixed Deposits	1,046,164	733,467
Commercial Papers	2,232,070	2,206,628
Quoted Debentures	5,302,416	5,687,364
Unquoted Debentures	308,133	301,541
Reverse Repo	2,219,986	1,140,922
	25,198,636	25,129,878

10.2 Fair Value through Other Comprehensive Income (FVOCI)

Quoted equity Securities	4,081,805	4,214,895
Treasury Bonds	6,710,895	5,959,358
International Sovereign Bonds	3,050,346	3,378,691
	13,843,046	13,552,944

10.3 Fair Value Through Profit or Loss (FVTPL)

Treasury Bonds	429,691	358,684
Unlisted Perpetual Debenture	717,687	722,416
Commercial Papers	180,982	175,755
Unit Trust	4,061,436	3,998,341
	5,389,796	5,255,196

11 INSURANCE CONTRACT LIABILITIES

As at	Note	31.03.2025 Rs. ' 000 Audited	31.12.2024 Rs. ' 000 Audited
Insurance Contract Liabilities		32,614,529	31,233,665
Surplus Created due to Change in Valuation method from NPV to GPV	11.1 & 11.2	1,056,535	1,056,535
Claim Payables		1,030,797	1,000,078
		34,701,861	33,290,278

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

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

Further distribution of One-off Surplus to shareholders, held as part of the Restricted Regulatory Reserve, is subject to meeting governance requirements stipulated by the IRCSL and can only be released as dividends upon receiving approval from the IRCSL. The One-off Surplus in the shareholder fund will remain invested in government debt securities and deposits as disclosed in Note 11.2 as per the Directions of the IRCSL”.

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

Movement of One-off Surplus After Transfer	Participating Fund	Non-Participating Fund	Total
	Rs. ' 000	Rs. ' 000	Rs. ' 000
Value of Insurance Contract Liability based on Independent Actuary-NPV as at 31 st December 2015	3,866,780	2,472,575	6,339,355
Value of Insurance Contract Liability based on Independent Actuary-GPV as at 31 st December 2015	2,810,245	1,674,571	4,484,816
Surplus Created due to Change in Valuation method from NPV to GPV- One off Surplus as at 1st January 2016	1,056,535	798,004	1,854,539
Transfer of One-off Surplus from long term fund to Restricted Regulatory Reserve.	-	(798,004)	(798,004)
Surplus created due to Change in Valuation Method - One-off Surplus as at 31 March 2025	1,056,535	-	1,056,535

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

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

11.2 Composition of Investments Supporting the Restricted Regulatory Reserve as at 31 March 2025

Asset Category	ISIN No	As at 31 March 2025	
		Face Value Rs.	Market Value Rs. ' 000
Government Securities			
Treasury Bond	LKB00628A153	100,000,000	123,314
	LKB00628A153	110,000,000	135,646
	LKB00628A153	100,000,000	123,314
	LKB00628A153	100,000,000	123,314
	LKB00931E153	100,000,000	138,396
	LKB00931E153	100,000,000	138,396
	LKB00931E153	120,000,000	166,077
	LKB00931E153	100,000,000	138,396
	LKB00931E153	100,000,000	138,396
	LKB00931E153	100,000,000	138,396
Total Market Value of the Assets			1,363,645
Restricted Regulatory Reserve			798,004

11.3 Valuation of Life Insurance Fund - (Zeroed Basis of Negative Liabilities at Product Level) as at 31 March 2025

The valuation of life insurance fund as at 31 March 2025 was made by Appointed Actuary Mr. Kunj Behari Maheshwari, FIA, FIAI, of Messrs. Willis Towers Watson India Private Limited, who approved to transfer from Non-Participating Life Insurance fund / insurance contract liabilities to the Shareholders fund as surplus transfer.

Accordingly, the Company transferred Rs.420 Mn from Non participating fund to shareholder fund as surplus transfer for the quarter ended 31 March 2025 (2024- 932 Mn).

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

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

12 CAPITAL COMMITMENTS AND CONTINGENCIES

12.1 Capital Commitments

The capital commitments approved and contracted as at the reporting date were Rs. 2.77 million.

12.2 Contingencies

The Contingent liabilities of the company as at 31 March 2025, relates to the followings;

Assessment in Respect of Value Added Tax (VAT)

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

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

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

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

2) The CGIR issued its determination on the appeal filed by the Company relating to the assessment raised for Y/A 2014/15, 2016/17 and 2017/18 under the Value Added Tax Act amounting to Rs. 68.7 Million, Rs. 28 Million and Rs. 102.4 Million respectively, in favour of the CGIR.

For the Y/A 2014/15 and 2017/18, the Company has received the determinations of the TAC also in favour of the Company. However, the CGIR has transmitted the said cases to the Court of Appeal being dissatisfied with the determinations which determined in favour of the Company and cases are stated for the opinion of the Honourable Court of Appeal.

The Company is in the process of hearing the other appeal on the Y/A 2016/17 with TAC, on the basis that the underlying computation includes items which are out of scope of the VAT Act.

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

12 CAPITAL COMMITMENTS AND CONTINGENCIES (Cont.)

12.2 Contingencies (Cont.)

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

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

Life Insurance Taxation

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

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

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

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

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

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

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

13 EVENTS AFTER THE REPORTING PERIOD

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

Softlogic Life Insurance PLC entered into an agreement with Allianz SE to acquire 100% of the issued and paid-up share capital of Allianz Life Insurance Lanka Limited. In terms of the agreement the terms for advance paid and the acquisition amount is subject to the approval by the Insurance Regulatory Commission of Sri Lanka (IRCSL), which is pending as of the end of the reporting period.

14 COMPARATIVE INFORMATION

The presentation and classification in the financial statements are amended where appropriate to ensure comparability with the current period.

15 SHARE INFORMATION

15.1 Net Assets Per Share

As at	31.03.2025 Rs.	31.12.2024 Rs.
Net Assets Per Share	32.48	32.73
Net Asset per Share - Excluding One-off Surplus	29.96	33.43

15.2 Market Price Per Share

For the quarter ended 31 March	2025 Rs	2024 Rs
Last traded price (Last trade date - 28 th March 2025)	72.40	66.10
Highest traded price per share for the quarter	83.60	68.70
Lowest traded price per share for the quarter	65.70	52.30

16 STATED CAPITAL

As at	31.03.2025	31.12.2024
Stated Capital (Rs.' 000)	1,062,500	1,062,500
No: of Ordinary Shares	316,406,250	316,406,250

17 BASIC AND DILUTED EARNING PER SHARE (EPS)

For the Period ended 31 March	2025	2024
Profit attributable to Ordinary Shareholders (Rs. 000)	477,619	853,613
Weighted Average No: of shares as at 31 March	316,406,250	375,000,000
Basic / Diluted EPS (Rs.)	1.51	2.28

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

18 TWENTY LARGEST SHAREHOLDERS

Name of Shareholder	31.03.2025	
	No. of Shares	%
1 Softlogic Capital PLC	161,367,187	51.00
2 Dalvik Inclusion Private Limited	59,531,790	18.81
3 Milford Ceylon (Pvt) Ltd	59,531,790	18.81
4 Seylan Bank PLC/G.Abhanuka Harischandra	1,610,285	0.51
5 Commercial Bank Of Ceylon PLC/W. Jinadasa	1,039,276	0.33
6 Seylan Bank PLC/Eagle Crest (Pvt) Ltd	927,500	0.29
7 Mr. G.C. Goonetilleke	893,629	0.28
8 Senkadagala Finance PLC/L.A.J.F.Morais	686,474	0.22
9 People'S Leasing & Finance PLC/Mrs.H.A.J.Wickramasena	619,000	0.20
10 Hatton National Bank PLC/Gerad Shamil Niranjana Peiris & Indranee Roshani Peiris	499,031	0.16
11 Mr. D. Balasundaram	472,245	0.15
12 Mr. A.P.P.M. Abeyrathne	434,185	0.14
13 Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund)	420,870	0.13
14 Dialog Finance PLC/D.S.Nakandala	356,760	0.11
15 Hatton National Bank PLC/Mr.Gerad Shamil Niranjana Peris	336,933	0.11
16 Mr. W.A.A.T.M. Jayawickrama	330,307	0.10
17 Eternal Fortune Capital Pte Ltd	330,000	0.10
18 Assetline Finance Limited/R.S.P.Samaranayake	328,682	0.10
19 Mr. J.M.I. Jayaweera	324,545	0.10
20 Seylan Bank PLC/Anuja Chamila Jayasinghe	323,971	0.10
	290,364,460	91.75
Others	26,041,790	8.25
Total	316,406,250	100.00

19 PUBLIC SHAREHOLDING

The percentage of shares held by the public, the number of public shareholders and the float adjusted market capitalization are as given below:

As at	2025 Rs	2024 Rs
Public shareholding (%) - Compliant under Option 1 of CSE listing Rule 7.13.1.b	11.32	11.32
Public shareholders	4,948	4,841
Float Adjusted Market Capitalisation (Rs.' 000)	2,593,852	2,468,458

Public Holding percentage - Ordinary Non-Voting Shares as at 31 March 2025 - Nil

20 DIRECTORS' SHARE HOLDINGS

As at 31 March		2025	
Name of The Director		No. of Shares	%
Mr. A.K. Pathirage (Chairman)		Nil	Nil
Mr. T.M.I. Ahamed (Managing Director / CEO)		Nil	Nil
Mr. H.K. Kaimal - Director		Nil	Nil
Ms. Fernanda Lima - Director		Nil	Nil
Mr.V. Govindasamy - Director		Nil	Nil
Mr. R. Snyders - Director		Nil	Nil
Mr. P.L.P. Withana - Director		Nil	Nil
Mr. S.W. Mohottala - Director		Nil	Nil

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

21 RELATED PARTY DISCLOSURES

The nature of the related parties in the current period and terms and conditions of transactions with related parties are similar to those reported in the audited Financial Statements for the year ended 31 December 2024.

21.1 Transactions with Key Management Personnel of the Company or its parent

According to Sri Lanka Accounting Standard (LKAS) 24 Related Party Disclosure, Key Management Personnel (KMP) are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Directors (including Executive and Non-Executive Directors) and their immediate family members have been classified as Key Management Personnel of the Company.

Immediate family member is defined as spouse or dependent. A dependent is defined as anyone who depends on the respective KMP for his/her financial needs.

For the Period ended 31 March	2025 Rs.' 000	2024 Rs.' 000
Transactions with the Ultimate Parent and Parent		
<i>Recorded in the Income Statement:</i>		
Net Premiums	2,718	2,802
Interest Income	12,630	20,080
Expenses	1,010	1,192
Receiving of services	-	85,422
<i>Recorded in the Statement of Changes in Equity and Statement of Financial Position:</i>		
Insurance premium receivable	93	127
Investments	211,808	506,462
Interest Income receivable	12,753	-
Dividend Paid	-	727,955
Transactions with Other Related Entities		
<i>Recorded in the Income Statement:</i>		
Net Premiums	52,009	31,698
Expenses	85,066	127,512
<i>Recorded in the Statement of Changes in Equity and Statement of Financial Position:</i>		
Insurance premium receivable	20,968	40,927
Investments	470,603	463,344
Commission receivable	44,830	-