

CHANGE MAKER



SOFTLOGIC LIFE INSURANCE PLC

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - FOR THE PERIOD ENDED 30TH
SEPTEMBER 2025**

SOFTLOGIC LIFE INSURANCE PLC
INCOME STATEMENT

For the period ended 30 September	Note	Group	Company		Change
		2025 Rs. ' 000 Un-audited	2025 Rs. ' 000 Un-audited	2024 Rs. ' 000 Audited	%
Gross written premiums	6	29,106,526	28,238,420	21,954,727	29
Premiums ceded to reinsurers		(2,113,411)	(2,093,970)	(1,934,221)	8
Net written premiums		26,993,115	26,144,450	20,020,506	31
Other revenue					
Net finance income		4,107,538	3,874,040	4,950,423	(22)
Net realised gains		968,586	968,586	2,865,120	(66)
Net fair value gains / (losses)		218,464	218,464	(359,294)	161
Other operating income		55,619	30,248	4,799	530
Total other revenue		5,350,207	5,091,338	7,461,048	(32)
Total net revenue	7	32,343,322	31,235,788	27,481,554	14
Net benefits, claims and expenses					
Net insurance benefits and claims paid		(14,072,883)	(13,498,807)	(10,423,463)	30
Net change in insurance claims outstanding		(49,337)	(50,126)	(58,126)	(14)
Change in insurance contracts liabilities		(4,266,891)	(4,103,689)	(3,111,301)	32
Underwriting and net acquisition cost (Net of reinsurance)		(5,389,386)	(5,217,395)	(4,405,059)	18
Other operating and administration expenses		(4,844,035)	(4,644,981)	(4,500,390)	3
Impairment reversal / (provision) on financial investments		1,702	1,702	(100,342)	(102)
Finance cost	8	(442,773)	(442,773)	(849,913)	(48)
Total benefits, claims and expenses		(29,063,603)	(27,956,069)	(23,448,594)	19
Profit before tax	9	3,279,719	3,279,719	4,032,960	(19)
Income tax expenses		(988,527)	(988,527)	(1,183,293)	(16)
Profit for the period		2,291,192	2,291,192	2,849,667	(20)
Profit attributable to;					
Owners of the Company		2,291,192	2,291,192	2,849,667	(20)
Non controlling interest		-	-	-	-
		2,291,192	2,291,192	2,849,667	(20)
Earnings per share					
Basic earnings per share (Rs.)	18	7.24	7.24	7.65	(5)
Diluted earnings per share (Rs.)	18	7.24	7.24	7.65	(5)

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 30 September	Group 2025 Rs. ' 000 Un-audited	Company 2025 Rs. ' 000 Un-audited	2024 Rs. ' 000 Audited	Change %
Profit for the period	2,291,192	2,291,192	2,849,667	(20)
Other comprehensive income				
Items that will not be reclassified to income statement				
Equity investments at FVOCI – reclassified to retained earnings	(638,931)	(638,931)	-	
Equity investments at FVOCI - net change in fair value	591,088	591,088	194,425	
Equity investments at FVOCI - net change in fair value - Life fund	463,005	463,005	151,597	
Related tax / deferred tax	-	-	-	
	415,162	415,162	346,022	20
Items that are or may be reclassified subsequently to income statement				
Debt investments at FVOCI - net change in fair value	(229,077)	(214,711)	(1,204)	
Debt investments at FVOCI - net change in fair value - Life fund	(46,042)	(46,042)	111,860	
Related tax / deferred tax	-	-	-	
	(275,119)	(260,753)	110,656	(336)
Total other comprehensive income for the period, net of tax	140,043	154,409	456,678	(66)
Total comprehensive income for the period, net of tax	2,431,235	2,445,601	3,306,345	(26)
Total comprehensive income attributable to:				
Owners of the Company	2,431,235	2,445,601	3,306,345	
Non - controlling interests	-	-	-	
	2,431,235	2,445,601	3,306,345	(26)

The Notes form an integral part of these Financial Statements.

SOFTLOGIC LIFE INSURANCE PLC
INCOME STATEMENT

For the three months ended 30 September	Group	Company		Change %
	2025 Rs. ' 000 Un-audited	2025 Rs. ' 000 Un-audited	2024 Rs. ' 000 Audited	
Gross written premiums	10,376,558	9,508,452	7,418,230	28
Premiums ceded to reinsurers	(706,220)	(686,778)	(647,327)	6
Net earned premiums	9,670,338	8,821,674	6,770,903	30
Other revenue				
Net finance income	1,478,614	1,245,116	1,522,207	(18)
Net realised gains	96,930	96,930	1,007,076	(90)
Net fair value gains	77,551	77,551	66,648	16
Other operating income	52,619	27,248	1,632	1,570
Total other revenue	1,705,714	1,446,845	2,597,563	(44)
Total net revenue	11,376,052	10,268,519	9,368,466	10
Net benefits, claims and expenses				
Net insurance benefits and claims paid	(4,971,185)	(4,397,109)	(3,658,023)	20
Net change in insurance claims outstanding	(31,559)	(32,348)	26,373	(223)
Change in insurance contracts liabilities	(955,693)	(792,490)	(1,178,190)	(33)
Underwriting and net acquisition cost (Net of reinsurance)	(1,963,660)	(1,791,672)	(1,486,495)	21
Other operating and administration expenses	(1,758,910)	(1,559,855)	(1,631,119)	(4)
Impairment (reversal) / provision on financial investments	1,080	1,080	(37,927)	(103)
Finance cost	(156,121)	(156,121)	(289,967)	(46)
Total benefits, claims and expenses	(9,836,048)	(8,728,515)	(8,255,348)	6
Profit before tax	1,540,004	1,540,004	1,113,118	38
Income tax expenses	(469,958)	(469,958)	(319,659)	47
Profit for the period	1,070,046	1,070,046	793,459	35
Profit attributable to;				
Owners of the Company	1,070,046	1,070,046	793,459	35
Non controlling interest	-	-	-	
	1,070,046	1,070,046	793,459	35
Earnings per share				
Basic earnings per share (Rs.)	3.38	3.38	2.12	60
Diluted earnings per share (Rs.)	3.38	3.38	2.12	60

The Notes form an integral part of these Financial Statements.

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

For the three months ended 30 September	Group 2025 Rs. ' 000 Un-audited	Company 2025 Rs. ' 000 Un-audited	2024 Rs. ' 000 Audited	Change %
Profit for the Period	1,070,046	1,070,046	793,459	35
Other comprehensive income				
Items that will not be reclassified to income statement				
Equity investments at FVOCI – reclassified to retained earnings	(654,357)	(654,357)	-	
Equity investments at FVOCI - net change in fair value	363,607	363,607	(51,587)	
Equity investments at FVOCI - net change in fair value - life fund	263,166	263,166	(25,117)	
Related tax / deferred tax	-	-	-	
	(27,584)	(27,584)	(76,704)	(64)
Items that are or may be reclassified subsequently to income statement				
Debt investments at FVOCI - net change in fair value	(71,074)	(56,708)	(1,424)	
Debt investments at FVOCI - net change in fair value - life fund	(137,143)	(137,143)	100,362	
Related tax / deferred tax	-	-	-	
	(208,217)	(193,851)	98,938	(296)
Total other comprehensive income for the period, net of tax	(235,801)	(221,435)	22,234	(1,096)
Total comprehensive income for the period, net of tax	834,245	848,611	815,693	4
Total comprehensive income attributable to:				
Owners of the Company	834,245	848,611	815,693	
Non - controlling interests	-	-	-	
	834,245	848,611	815,693	4

The Notes form an integral part of these Financial Statements.

SOFTLOGIC LIFE INSURANCE PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at	Note	Group 30.09.2025 Rs. ' 000 Un-audited	Company	
			30.09.2025 Rs. ' 000 Un-audited	31.12.2024 Rs. ' 000 Audited
Assets				
Intangible assets		322,127	6,581	3,955
Investment in subsidiary		-	1,426,349	-
Property, plant and equipment		710,558	682,180	689,233
Right of use assets		1,485,709	1,310,471	1,193,764
Deferred tax assets		1,053,159	455,133	468,263
Financial investments	11	57,714,422	48,029,354	43,938,018
Loans to life policyholders		404,827	404,827	350,134
Reinsurance receivables		630,420	519,846	518,316
Premium receivables		1,695,557	1,665,042	2,904,513
Receivables and other assets		2,052,896	1,981,989	1,658,300
Cash and cash equivalents		3,024,922	2,478,313	1,869,652
Total assets		69,094,597	58,960,085	53,594,148
Equity and liabilities				
Equity				
Stated capital	17	1,062,500	1,062,500	1,062,500
Restricted regulatory reserve		798,004	798,004	798,004
Other reserves		(624,219)	(609,853)	(764,262)
Retained earnings		10,382,997	10,382,997	9,258,312
Total equity		11,619,282	11,633,648	10,354,554
Liabilities				
Insurance contract liabilities	12	46,670,859	37,701,439	33,290,278
Employee benefit liabilities		435,602	410,519	372,315
Loans and borrowings		3,206,674	3,206,674	3,016,443
Reinsurance payables		1,018,231	836,272	754,059
Other liabilities		5,774,827	4,802,411	5,438,184
Bank overdraft		369,122	369,122	368,315
Total liabilities		57,475,315	47,326,437	43,239,594
Total equity and liabilities		69,094,597	58,960,085	53,594,148
Net asset per share (Rs.)	16.1	36.72	36.77	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

6 November 2025

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CHANGES IN EQUITY - COMPANY

For the Period ended 30 September	Company					
	Stated capital	Restricted regulatory reserve	Other reserves		Retained earnings	Total
			Fair value reserve	Revaluation reserve		
	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	-	-	-	-	2,849,667	2,849,667
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	194,425	-	-	194,425
Equity investments at FVOCI - net change in fair value - Life fund	-	-	151,597	-	-	151,597
Debt investments at FVOCI - net change in fair value	-	-	(1,204)	-	-	(1,204)
Debt investments at FVOCI - net change in fair value - Life fund	-	-	111,860	-	-	111,860
Debt investments at FVOCI - reclassified to income statement	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	456,678	-	-	456,678
Total comprehensive income for the period	-	-	456,678	-	2,849,667	3,306,345
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2023	-	-	-	-	(1,406,250)	(1,406,250)
Repurchase of Shares	-	-	-	-	(6,000,000)	(6,000,000)
Total transactions with owners of the Company	-	-	-	-	(7,406,250)	(7,406,250)
Balance as at 30 September 2024	1,062,500	798,004	(1,861,730)	173,516	9,061,151	9,233,441
Profit for the period	-	-	-	-	1,672,130	1,672,130
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	730,903	-	-	730,903
Equity investments at FVOCI - net change in fair value - Life fund	-	-	419,721	-	-	419,721
Debt investments at FVOCI - net change in fair value	-	-	(403,708)	-	-	(403,708)
Re-measurement Gain on defined benefit liabilities	-	-	-	-	(51,141)	(51,141)
Debt investments at FVOCI - net change in fair value - Life fund	-	-	176,804	-	-	176,804
Debt investments at FVOCI - reclassified to income statement	-	-	232	-	-	232
Total other comprehensive income, net of tax	-	-	923,952	-	(51,141)	872,811
Total comprehensive income for the period	-	-	923,952	-	1,620,989	2,544,941
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2024	-	-	-	-	(1,423,828)	(1,423,828)
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	-	-	-	-	2,291,192	2,291,192
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	591,088	-	-	591,088
Equity investments at FVOCI - net change in fair value - Life fund	-	-	463,005	-	-	463,005
Equity investments at FVOCI – reclassified to retained earnings/Life Fund	-	-	(638,931)	-	257,321	(381,610)
Debt investments at FVOCI - net change in fair value	-	-	(214,711)	-	-	(214,711)
Debt investments at FVOCI - net change in fair value - Life fund	-	-	(46,042)	-	-	(46,042)
Related tax / deferred tax	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	154,409	-	257,321	411,730
Total comprehensive income for the period	-	-	154,409	-	2,548,513	2,702,922
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2025	-	-	-	-	(1,423,828)	(1,423,828)
Total transactions with owners of the Company	-	-	591,088	-	(1,423,828)	(1,423,828)
Balance as at 30 September 2025	1,062,500	798,004	(783,369)	173,516	10,382,997	11,633,648

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CHANGES IN EQUITY -GROUP

For the Period ended 30 September	Group					
	Stated capital	Restricted regulatory reserve	Other reserves		Retained earnings	Total
			Fair value reserve	Revaluation reserve		
	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	-	-	-	-	2,849,667	2,849,667
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	194,425	-	-	194,425
Equity investments at FVOCI - net change in fair value - Life fund	-	-	151,597	-	-	151,597
Debt investments at FVOCI - net change in fair value	-	-	(1,204)	-	-	(1,204)
Debt investments at FVOCI - net change in fair value - Life fund	-	-	111,860	-	-	111,860
Debt investments at FVOCI - reclassified to income statement	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	456,678	-	-	456,678
Total comprehensive income for the period	-	-	456,678	-	2,849,667	3,306,345
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2023	-	-	-	-	(1,406,250)	(1,406,250)
Repurchase of Shares	-	-	-	-	(6,000,000)	(6,000,000)
Total transactions with owners of the Company	-	-	-	-	(7,406,250)	(7,406,250)
Balance as at 30 September 2024	1,062,500	798,004	(1,861,730)	173,516	9,061,151	9,233,441
Profit for the period	-	-	-	-	1,672,130	1,672,130
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	730,903	-	-	730,903
Equity investments at FVOCI - net change in fair value - Life fund	-	-	419,721	-	-	419,721
Debt investments at FVOCI - net change in fair value	-	-	(403,708)	-	-	(403,708)
Re-measurement Gain on defined benefit liabilities	-	-	-	-	(51,141)	(51,141)
Debt investments at FVOCI - net change in fair value - Life fund	-	-	176,804	-	-	176,804
Debt investments at FVOCI - reclassified to income statement	-	-	232	-	-	232
Total other comprehensive income, net of tax	-	-	923,952	-	(51,141)	872,811
Total comprehensive income for the period	-	-	923,952	-	1,620,989	2,544,941
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2024	-	-	-	-	(1,423,828)	(1,423,828)
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	-	-	-	-	2,291,192	2,291,192
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	591,088	-	-	591,088
Equity investments at FVOCI - net change in fair value - Life fund	-	-	463,005	-	-	463,005
Equity investments at FVOCI – reclassified to retained earnings/Life Fund	-	-	(638,931)	-	257,321	(381,610)
Debt investments at FVOCI - net change in fair value	-	-	(229,077)	-	-	(229,077)
Debt investments at FVOCI - net change in fair value - Life fund	-	-	(46,042)	-	-	(46,042)
Related tax / deferred tax	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	140,043	-	257,321	397,364
Total comprehensive income for the period	-	-	140,043	-	2,548,513	2,688,556
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2025	-	-	-	-	(1,423,828)	(1,423,828)
Total transactions with owners of the Company	-	-	591,088	-	(1,423,828)	(1,423,828)
Balance as at 30 September 2025	1,062,500	798,004	(797,735)	173,516	10,382,997	11,619,282

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CASH FLOWS

For the period ended 30 September	Group 2025 Rs. ' 000 Un-audited	Company 2025 Rs. ' 000 Un-audited 2024 Rs. ' 000 Audited	
Cash flows from operating activities			
Profit before taxation	3,279,719	3,279,719	4,032,960
Adjustments for :			
Depreciation of property, plant and equipment	101,593	96,901	105,740
Amortisation of intangible assets	2,067	1,299	614
Depreciation of right of use asset	298,297	279,407	272,026
Interest expenses on lease liabilities and loans and borrowings	382,071	382,071	535,780
Provision for employee benefit liabilities	45,272	43,035	38,901
Gain on sale of property, plant and equipment	(26,000)	(26,000)	(90)
Net realised gains	(968,586)	(968,586)	(2,865,120)
Net fair value (gains)/ losses	(218,464)	(218,464)	359,294
Net unrealised losses on foreign currency transactions	(40,824)	(40,824)	217,444
Net amortisation of financial investments	(311,329)	(317,701)	(1,155,458)
Provision for impairment (reversal) /losses on financial investments	(1,702)	(1,702)	100,342
	2,542,114	2,509,155	1,642,433
Change in operating assets			
Decrease / (increase) in loans to life policyholders	(54,693)	(54,693)	(4,548)
Increase in reinsurance receivables	141,089	(1,530)	51,060
Decrease in premium receivables	1,274,920	1,239,471	1,055,757
Increase in receivables and other assets	(365,988)	(309,904)	(111,828)
	995,328	873,344	990,441
Change in operating liabilities			
Increase / (decrease) in insurance contract liabilities	4,599,729	4,411,161	3,277,763
Increase in reinsurance payables	27,338	78,072	(200,617)
Increase / (decrease) in other liabilities	(296,966)	(540,922)	240,209
	4,330,101	3,948,311	3,317,355
Net cash generated from operations	7,867,543	7,330,810	5,950,228
Tax Paid	(1,252,241)	(1,252,241)	(1,195,665)
Interest Paid	(178,924)	(178,924)	(300,729)
Gratuity paid	(19,294)	(4,831)	(23,687)
Net cash generated from operating activities	6,417,084	5,894,814	4,430,148
Cash flows from investing activities			
Acquisition of investment securities	(43,040,870)	(42,271,357)	(54,391,780)
Proceeds from sale of investment securities	40,954,639	40,230,430	58,265,406
Acquisition of subsidiary	(1,426,349)	(1,426,349)	-
Acquisition of property, plant and equipment	(98,112)	(89,849)	(91,393)
Net acquisition of ROU asset	(191,179)	(25,324)	(47,294)
Acquisition of intangible assets	(6,271)	(3,925)	(1,200)
Proceeds from the sale of property, plant and equipment	26,000	26,000	150
Net cash flows used in investing activities	(3,782,142)	(3,560,374)	3,733,889
Cash flows from financing activities			
Repurchase of ordinary voting shares	-	-	(6,000,000)
Dividend paid to equity holders	(1,423,828)	(1,423,828)	(1,406,250)
Principal Payment of lease liabilities	(302,758)	(302,758)	(302,973)
Net cash used in financing activities	(1,726,586)	(1,726,586)	(7,709,223)
Net increase / (Decrease) in cash and cash equivalents	908,356	607,854	454,814
Net cash and cash equivalents as at 1 January	1,747,444	1,501,337	722,989
Net cash and cash equivalents as at 30 September	2,655,800	2,109,191	1,177,803
Analysis of cash and cash equivalents			
Cash in hand and at bank	3,024,922	2,478,313	1,460,549
Bank overdraft	(369,122)	(369,122)	(282,746)
Total cash and cash equivalents as at 30 September	2,655,800	2,109,191	1,177,803

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

As at	Note	30.09.2025 Rs. ' 000 Un-audited	31.12.2024 Rs. ' 000 Audited
Assets			
Property, plant and equipment		288,630	298,187
Right of use assets		1,310,471	1,189,826
Financial investments		36,011,610	31,721,103
Loans to life policyholders		404,827	350,134
Reinsurance receivables		519,846	518,316
Premium receivables		1,665,042	2,904,513
Receivables and other assets		1,720,611	1,078,748
Cash and cash equivalents		2,473,537	1,865,751
Total assets		44,394,574	39,926,578
Equity and liabilities			
Equity			
Other reserves		(12,412)	(47,764)
Total equity		(12,412)	(47,764)
Liabilities			
Insurance contract liabilities	12	37,701,439	33,290,278
Employee benefit liabilities		410,519	372,315
Reinsurance payables		836,272	754,059
Other liabilities		5,089,634	5,189,375
Bank overdraft		369,122	368,315
Total liabilities		44,406,986	39,974,342
Total equity and liabilities		44,394,574	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, and is a licensed life insurer under the regulation of the Insurance Regulatory Commission of Sri Lanka (IRCSL). The Company was re-registered under the Companies Act No. 07 of 2007. 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 Colombo Stock Exchange (CSE).

2 APPROVAL OF FINANCIAL STATEMENTS BY THE BOARD OF DIRECTORS

The interim condensed Financial Statements of the Group and the Company for the period ended 30 September 2025 were authorised for issue by the Board of Directors on 06 November 2025.

3 BASIS OF PREPARATION

The interim condensed Financial Statements for the period ended 30 September 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.

The same accounting policies and methods of computation as stated in the Annual Financial Statements for 2024 have been followed in preparing these interim condensed Financial Statements, except for the impact of the acquisition of Softlogic Life Insurance Lanka Limited (formerly known as Allianz Life Insurance Lanka Limited) by Softlogic Life Insurance PLC, which is disclosed as a significant event. Further, the provisions of the Companies Act No. 7 of 2007, the Regulation of the Insurance Industry Act No. 43 of 2000, and the requirements of the CSE have been considered.

The interim period’s disclosures are in accordance with the provisions of SLFRS 3 - Business Combinations and SLFRS 12 - Disclosure of Interests in Other Entities. 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 SLFRSs and Interpretations issued but not yet effective have not been early adopted during the period.

4 EFFECT OF CHANGES IN COMPOSITION OF THE GROUP

4.1 Business Combination – Acquisition of Softlogic Life Insurance Lanka Limited

On 11 July 2025, Softlogic Life Insurance PLC acquired 100% of the issued and paid-up share capital of Softlogic Life Insurance Lanka Limited (“the Subsidiary”) from Allianz SE, following approval granted by the IRCSL via letter dated 2 July 2025. The purchase consideration of Rs. 1,426 Million was paid in cash. Following the acquisition, Allianz Life became a wholly-owned subsidiary of Softlogic Life. The Subsidiary will continue to operate as a separate licensed entity under the regulatory framework of the IRCSL until any future integration plans are approved.

The acquisition has been accounted for using the acquisition method in accordance with SLFRS 3 – Business Combinations and the Control of the Subsidiary was obtained on 11 July 2025. Management evaluated the financial impact of the Subsidiary for the period prior to the acquisition and concluded that the results and cash flows for this period were not material to the Group.

As at 11 July 2025, the Group recognised provisional amounts for the identifiable assets acquired and liabilities assumed, including goodwill, in accordance with IFRS 3 Business Combinations. These provisional amounts are subject to adjustment during the measurement period (not exceeding twelve months from the acquisition date) if new information is obtained about facts and circumstances that existed at the acquisition date and would have affected the measurement of the amounts recognised.

Based on the preliminary purchase price allocation, the fair value of the identifiable assets acquired and liabilities assumed were Rs. 10,992 million and Rs. 9,880 million respectively, with a total cash consideration of Rs. 1,426 million. Accordingly, a provisional intangible asset of Rs. 314 million has been recognised in the financial statements.

5 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.

6 GROSS WRITTEN PREMIUM

For the Period ended 30 September	Group	Company	
	2025	2025	2024
	Rs. ' 000	Rs. ' 000	Rs. ' 000
	Un-audited	Un-audited	Audited
First year premium	6,162,765	5,858,418	4,823,426
Renewal premium	14,516,923	14,077,211	11,632,850
Group life premium	5,791,720	5,738,589	4,659,136
Single premium	2,635,118	2,564,202	839,315
Total Gross Written Premium	29,106,526	28,238,420	21,954,727

7 TOTAL NET REVENUE

For the Period ended 30 September	Group	Company	
	2025	2025	2024
	Rs. ' 000	Rs. ' 000	Rs. ' 000
	Un-audited	Un-audited	Audited
Net written premium	26,993,115	26,144,450	20,020,506
Other Revenue	5,350,207	5,091,338	7,461,048
Total Net Revenue	32,343,322	31,235,788	27,481,554

8 FINANCE COST

For the Period ended 30 September	Group	Company	
	2025	2025	2024
	Rs. ' 000	Rs. ' 000	Rs. ' 000
	Un-audited	Un-audited	Audited
Interest expenses on lease liabilities, loans and borrowings	382,071	382,071	535,691
Net exchange losses / (gains)	(40,824)	(40,824)	217,444
Other finance cost	101,526	101,526	96,778
Total Finance Cost / (Gains)	442,773	442,773	849,913

9 PROFIT BEFORE TAXATION

For the Period ended 30 September	Group	Company	
	2025	2025	2024
	Rs. ' 000	Rs. ' 000	Rs. ' 000
	Un-audited	Un-audited	Audited
Profit before taxation	3,279,719	3,279,719	4,032,960
Total	3,279,719	3,279,719	4,032,960

Refer Note 12.3 for the details on the surplus transfer from the Non participating fund to shareholder fund during the quarter.

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

10 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 for the Group
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%.

11 FINANCIAL INVESTMENTS

As at	Note	Group 30.09.2025 Rs. ' 000 Un-audited	Company 30.09.2025 Rs. ' 000 Un-audited	31.12.2024 Rs. ' 000 Audited
Treasury bonds		29,571,029	21,472,448	20,673,471
Treasury bills		382,864	-	704,527
Fixed deposits		1,516,987	1,516,987	733,467
Commercial papers		1,584,757	1,584,757	2,382,383
Quoted debentures		5,334,517	5,334,517	5,687,364
Unquoted debentures		294,971	294,971	301,541
Repo		9,658,986	9,658,986	1,140,922
Equity Securities & Unit linked investments		1,940,355	736,732	4,214,895
International sovereign bonds		3,287,118	3,287,118	3,378,691
Unlisted perpetual debenture		754,996	754,996	722,416
Unit trust		3,387,842	3,387,842	3,998,341
		57,714,422	48,029,354	43,938,018

12 INSURANCE CONTRACT LIABILITIES

As at	Note	Group 30.09.2025 Rs. ' 000 Un-audited	Company 30.09.2025 Rs. ' 000 Un-audited	31.12.2024 Rs. ' 000 Audited
Insurance contract liabilities		44,572,836	35,718,965	31,233,665
Surplus created due to change in valuation method from NPV to GPV	12.1	1,056,535	1,056,535	1,056,535
Claim payables		1,041,488	925,939	1,000,078
		46,670,859	37,701,439	33,290,278

12.1 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	Company		
	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 30 September 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.

12.2 Composition of Investments Supporting the Restricted Regulatory Reserve as at 30 September 2025

Asset Category	ISIN No	Company	
		As at 30 September 2025	
		Face Value	Market Value
		Rs.	Rs. ' 000
Government securities			
Treasury bonds	LKB00931E153	100,000,000	140,117
	LKB00931E153	100,000,000	140,117
	LKB00931E153	120,000,000	168,141
	LKB00931E153	100,000,000	140,117
	LKB00931E153	100,000,000	140,117
	LKB00931E153	100,000,000	140,117
Total Market Value of the Assets			868,726
Restricted Regulatory Reserve			798,004

12.3 Valuation of Life Insurance Fund

The valuation of life insurance fund as at 30 September 2025 of the Company 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.2,588 Million from the non participating fund to shareholder fund as surplus transfer for the period ended 30 September 2025 (2024 - Rs. 3,417 Million). Surplus transfer for the quarter ended 30 September 2025 was Rs 1,255 Millon (2024 - Rs. 900 Million).

The valuation of the life insurance fund of Softlogic Life Insurance Lanka Limited will be carried out by the end of the financial period.

12.4 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 by the Company / Group.

13 CAPITAL COMMITMENTS AND CONTINGENCIES

13.1 Capital Commitments

The capital commitments approved and contracted as at the reporting date amounted to Rs. 31.54 million for the Group and Rs. 5.44 million for the Company.

13.2 Contingencies

The Contingent liabilities of the company as at 30 September 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.

13 CAPITAL COMMITMENTS AND CONTINGENCIES (Cont.)

13.2 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 CGIR issued its determination on the appeal filed by the Company in relation to the Y/A 2021/22 amounting to Rs.688.97 Million including the penalty in favour of the CGIR. The Company is in the process of submitting a petition of appeal to the TAC.

10) 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 / Group that may have a material effect on the financial statements in the Directors' view.

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

14 EVENTS AFTER THE REPORTING PERIOD

No circumstances have arisen since the reporting date which would require adjustments or disclosure in the Interim Financial Statements of the Group.

15 COMPARATIVE INFORMATION

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

16 SHARE INFORMATION

16.1 Net Assets Per Share

As at	Group 2025	Company 2025	2024
Net assets per share	36.72	36.77	32.73
Net Asset per Share - Excluding One-off Surplus	34.20	34.25	30.20

16.2 Market Price Per Share of the Company

For the quarter ended 30 September	Company 2025 Rs	2024 Rs
Last traded price (Last trade date - 30 th September 2025)	75.60	59.10
Highest traded price per share for the quarter	86.40	69.20
Lowest traded price per share for the quarter	68.10	53.10

17 STATED CAPITAL

As at	Company 30.09.2025	31.12.2024
Stated capital (Rs.' 000)	1,062,500	1,062,500
No: of Ordinary Shares	316,406,250	316,406,250

18 BASIC AND DILUTED EARNING PER SHARE (EPS)

For the period ended 30 September	Group 2025	Company 2025	2024
Profit attributable to ordinary shareholders (Rs. 000)	2,291,192	2,291,192	2,849,667
Weighted average no: of shares as at 30 September	316,406,250	316,406,250	316,406,250
Basic / Diluted EPS (Rs.)	7.24	7.24	9.01

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

19 TWENTY LARGEST SHAREHOLDERS

Name of Shareholder	Company As at 30.09.2025	
	No. of Shares	%
1 Softlogic Capital PLC	158,714,972	50.16
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.A.Bhanuka Harischandra	1,858,503	0.59
5 People'S Leasing & Finance PLC/Mrs.H.A.J.Wickramasena	1,600,000	0.51
6 Mr. G. Anuragavan Govindasamy	1,493,569	0.47
7 Bansei Securities Capital (Pvt) Ltd/I.S.P Perera	1,076,257	0.34
8 Commercial Bank Of Ceylon PLC/W. Jinadasa	1,039,276	0.33
9 Mr. G.C. Goonetilleke	893,629	0.28
10 EMFI Capital Limited	612,897	0.19
11 Hatton National Bank PLC A/C No.4 (HNB Retirement Pension Fund)	544,523	0.17
12 Senkadagala Finance PLC/L.A.J.F.Morais	536,156	0.17
13 Mr. L.R.Y. Waidyaratne	500,000	0.16
14 Sampath Bank PLC/Senthilverl Holdings (Pvt) Ltd	484,730	0.15
15 Mr. D. Balasundaram	472,245	0.15
16 Mr. A.P.P.M. Abeyrathne	434,185	0.14
17 DFCC Bank PLC/Mr.P.Pranavan	404,040	0.13
18 Seylan Bank PLC/Anuja Chamila Jayasinghe	371,538	0.12
19 Dialog Finance PLC/D.S.Nakandala	356,760	0.11
20 Assetline Finance Limited/R.S.P.Samaranayake	328,682	0.10
	290,785,542	91.89
Others	25,620,708	8.11
Total	316,406,250	100.00

20 PUBLIC SHAREHOLDING

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

As at	Company	
	2025 Rs	2024 Rs
Public shareholding (%) - Compliant under Option 1 of CSE listing Rule 7.13.1.b	12.16	11.32
Public shareholders	5,382	4,841
Float adjusted market capitalisation (Rs.' 000)	2,908,949	2,468,458

Public Holding percentage - Ordinary Non-Voting Shares as at 30 September 2025 - Nil

21 DIRECTORS' SHARE HOLDINGS

As at 30 September Name of The Director	2025	
	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

22 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.

22.1 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 30 September	Group 2025 Rs.' 000	Company 2025 Rs.' 000	2024 Rs.' 000
Transactions with the Ultimate Parent and Parent			
<i>Recorded in the Income Statement:</i>			
Net premium	7,378	7,378	8,138
Interest income	36,149	36,149	53,359
Expenses	1,010	1,010	1,192
Receiving of services	84,299	84,299	251,766
<i>Recorded in the Statement of Changes in Equity and Statement of Financial Position:</i>			
Insurance premium receivable	95	95	93
Investments	180,823	180,823	502,095
Interest income receivable	-	-	14,384
Repurchase of shares	-	-	3,105,941
Dividend paid	726,152	726,152	727,955
Transactions with Other Related Entities			
<i>Recorded in the Income Statement:</i>			
Net premium	112,889	112,889	118,294
Expenses	354,964	354,964	314,850
<i>Recorded in the Statement of Changes in Equity and Statement of Financial Position:</i>			
Insurance premium receivable	14,596	14,596	18,378
Investments	636,697	636,697	436,714
Other Receivable	-	49,815	-
Commission receivable	66,270	66,270	55,013