

# RELENTLESS



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

For the period ended 31st March 2026

## STATEMENT OF FINANCIAL POSITION

As at,	Note	GROUP		COMPANY	
		Unaudited	Audited	Unaudited	Audited
		31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Assets</b>					
Property, Plant and Equipment		804,640	787,860	524,978	498,995
Right of Use Assets		991,991	506,140	625,236	373,134
Intangible Assets		509,765	522,369	272,241	279,995
Deferred Tax Assets		20,941	9,124	-	-
Financial Investments	3	69,629,021	68,717,058	64,391,181	62,493,446
Investment in Subsidiary		-	-	1,150,000	1,150,000
Loans to Life Policyholders		518,148	504,018	518,148	504,018
Reinsurance Receivables		5,215,333	3,478,110	446,453	446,736
Premium Receivables		4,803,187	3,135,922	797,677	767,241
Other Assets		1,836,289	1,386,352	1,279,244	966,006
Insurance Contract - Deferred Expenses	4	-	11,128	-	-
Cash in Hand and at Bank		1,992,748	1,592,686	1,378,575	961,692
<b>Total Assets</b>		<b>86,322,063</b>	<b>80,650,767</b>	<b>71,383,733</b>	<b>68,441,263</b>
<b>Equity and Liabilities</b>					
<b>Equity Attributable to the Equity Holders</b>					
Stated Capital		1,171,875	1,171,875	1,171,875	1,171,875
Retained Earnings		11,671,384	12,151,456	9,683,245	10,227,698
Available for Sale Reserve		204,130	249,706	155,445	186,065
Other Reserves		(160,701)	(160,701)	(113,126)	(113,126)
Life Policyholders' Available for Sale Reserve Fund	6	172,620	339,844	172,620	339,844
Restricted Regulatory Reserve	7	381,156	381,156	381,156	381,156
<b>Equity Attributable to the Equity Holders</b>		<b>13,440,464</b>	<b>14,133,336</b>	<b>11,451,215</b>	<b>12,193,512</b>
Non-Controlling Interest		-	-	-	-
<b>Total Equity</b>		<b>13,440,464</b>	<b>14,133,336</b>	<b>11,451,215</b>	<b>12,193,512</b>
<b>Liabilities</b>					
Insurance Contract Liabilities - Life Insurance	8	52,914,124	49,248,002	52,914,124	49,248,002
Insurance Contract Liabilities - General Insurance	9	7,593,001	6,788,998	-	-
Employee Benefit Liabilities		632,589	605,262	380,298	355,947
Current Tax Liabilities		487,714	596,470	435,206	561,275
Reinsurance Payable		2,658,400	1,847,886	588,338	572,591
Lease Creditors		1,059,915	593,622	699,429	456,184
Other Liabilities		6,735,662	6,495,355	4,501,347	4,828,542
Bank Overdrafts		800,194	341,836	413,776	225,210
<b>Total Liabilities</b>		<b>72,881,599</b>	<b>66,517,431</b>	<b>59,932,518</b>	<b>56,247,751</b>
<b>Total Equity and Liabilities</b>		<b>86,322,063</b>	<b>80,650,767</b>	<b>71,383,733</b>	<b>68,441,263</b>

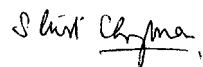
The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

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



**Ruwan Rodrigo**  
Chief Financial Officer

The Board of Directors is responsible for these Condensed Consolidated Interim Financial Statements.  
Signed and on behalf of the Board;



**Stuart Chapman**  
Chairman



**Ashoka Goonesekere**  
Senior Independent Director

Colombo, Sri Lanka  
29th April 2026

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

GROUP		GROUP		COMPANY		CHANGE		
(Audited) Year Ended 31st Dec 2025	For the Period Ended 31st March, Rs. '000	Note	Unaudited	Unaudited	Unaudited	Unaudited	Group %	Company %
			2026	2025	2026	2025		
			Rs.'000	Rs.'000	Rs.'000	Rs.'000		
30,450,397	Gross Written Premium	10	10,960,783	8,095,583	7,005,376	4,553,107	35	54
(5,786,807)	Premium Ceded to Reinsurers		(2,274,457)	(1,963,373)	(315,700)	(209,127)	16	51
24,663,590	<b>Net Written Premium</b>		8,686,326	6,132,210	6,689,676	4,343,980	42	54
(523,541)	Net Change in Reserves for Unearned Premium		(439,595)	(473,785)	-	-	(7)	-
24,140,049	<b>Net Earned Premium</b>		8,246,731	5,658,425	6,689,676	4,343,980	46	54
	<b>Other Revenue</b>							
8,213,038	Interest and Dividend Income	11	2,213,424	1,958,966	2,045,121	1,778,221	13	15
722,452	Net Realised Gains		2,364	50,040	2,369	40,118	(95)	(94)
74,482	Net Fair Value (Losses)/Gains		(46,998)	16,371	(61,379)	9,970	(387)	(716)
480,086	Fee and Commission Income		108,346	169,893	13,111	65,379	(36)	(80)
27,979	Other Income		3,070	11,713	1,019	974	(74)	5
9,518,037	<b>Total Other Revenue</b>		2,280,206	2,206,983	2,000,241	1,894,662	3	6
33,658,086	<b>Net Income</b>		10,526,937	7,865,408	8,689,917	6,238,642	34	39
	<b>Net Benefits, Claims and Expenses</b>							
(8,445,814)	Net Insurance Benefits and Claims		(3,314,896)	(1,707,320)	(2,277,558)	(752,799)	94	203
(10,547,068)	Change in Contract Liabilities - Life Fund		(3,683,643)	(3,373,874)	(3,683,643)	(3,373,874)	9	9
(7,475,941)	Other Operating and Administration Expenses		(1,975,817)	(1,589,423)	(1,305,596)	(1,017,047)	24	28
(3,575,346)	Underwriting and Net Acquisition Costs		(1,078,097)	(743,432)	(1,060,801)	(728,089)	45	46
(228,638)	Finance and Other Insurance Related Costs		(88,247)	(27,086)	(68,296)	(31,504)	226	117
(30,272,807)	<b>Total Benefits, Claims and Other Expenses</b>		(10,140,700)	(7,441,135)	(8,395,894)	(5,903,313)	36	42
3,385,279	Profit Before Taxation		386,237	424,273	294,023	335,329	(9)	(12)
(1,000,548)	Income Tax Expense	12	(116,309)	(123,278)	(88,476)	(99,662)	(6)	(11)
2,384,731	<b>Profit for the Period</b>	13	269,928	300,995	205,547	235,667	(10)	(13)
	<b>Other Comprehensive Income, Net of Related Tax, Items that are or may be reclassified to profit or loss</b>							
447,996	- Net Change in fair value of Available For Sale Financial Assets		(237,100)	42,868	(215,734)	44,406	(653)	(586)
(643,381)	- Realised Gains transferred to Income Statement		-	(49,004)	-	(40,118)	(100)	(100)
65,787	- Amortisation of AFS reserve on reclassification		17,890	15,535	17,890	15,535	15	15
97,851	- Net Change in fair value of Available For Sale Financial Assets transferred to Life Policyholders' Available For Sale Reserve Fund		167,224	(54,161)	167,224	(54,161)	409	409
2,021	- Tax related on items that are or may be reclassified to profit or loss	12	6,410	3,127	-	-	105	-
	<b>Items that will never be reclassified to profit or loss</b>							
(52,402)	- Actuarial Losses on Employee Benefit Liabilities		-	-	-	-	-	-
(3,591)	- Tax related on items that will never be reclassified to profit or loss		-	-	-	-	-	-
(85,719)	<b>Total Other Comprehensive Income for the Period, Net of Related Tax</b>		(45,576)	(41,635)	(30,620)	(34,338)	9	(11)
2,299,012	<b>Total Comprehensive Income for the Period</b>		224,352	259,360	174,927	201,329	(13)	(13)
	<b>Profit Attributable to:</b>							
2,384,731	Equity Holders of the Company		269,928	300,995	205,547	235,667	(10)	(13)
-	Non-Controlling Interest		-	-	-	-	-	-
	<b>Total Comprehensive Income Attributable to:</b>							
2,299,012	Equity Holders of the Company		224,352	259,360	174,927	201,329	(13)	(13)
-	Non-Controlling Interest		-	-	-	-	-	-
15.90	Basic and Diluted Earnings Per Share (Rs.)	14	1.80	2.01	1.37	1.57	(10)	(13)

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

## STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital	Retained Earnings	Available For Sale Reserve	Other Reserve	Life Policy holders' AFS Reserve Fund	Restricted Regulatory Reserve	Total Equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Balance as at 01st January 2025</b>	1,171,875	10,351,725	279,432	(104,708)	437,695	381,156	12,517,175
<b>Comprehensive Income for the Period</b>							
Profit for the Period-Unaudited	-	300,995	-	-	-	-	300,995
<b>Other Comprehensive Income for the Period, Net of Related Tax</b>							
Net Change in fair value of Available For Sale Financial Assets	-	-	12,526	-	-	-	12,526
Net Change in Fair Value of Available For Sale Financial Assets transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	(54,161)	-	-	-	(54,161)
<b>Total Other Comprehensive Income for the Period</b>	-	-	(41,635)	-	-	-	(41,635)
<b>Total Comprehensive Income for the Period</b>	-	300,995	(41,635)	-	-	-	259,360
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	-	-	-	-	54,161	-	54,161
<b>Transactions with owners recorded directly in equity</b>							
<b>Distributions to owners of the Parent</b>							
Dividend to equity holders for 2024	-	(585,000)	-	-	-	-	(585,000)
<b>Unaudited balance as at 31st March 2025</b>	1,171,875	10,067,720	237,797	(104,708)	491,856	381,156	12,245,696
<b>Comprehensive Income for the Period</b>							
Profit for the Period-Unaudited	-	2,083,736	-	-	-	-	2,083,736
<b>Other Comprehensive Income for the Period, Net of Related Tax</b>							
Net Change in fair value of Available For Sale Financial Assets	-	-	(140,103)	-	-	-	(140,103)
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	152,012	-	-	-	152,012
Actuarial Losses on Employee Benefit Plans	-	-	-	(55,993)	-	-	(55,993)
<b>Total Other Comprehensive Income for the Period</b>	-	-	11,909	(55,993)	-	-	(44,084)
<b>Total Comprehensive Income for the Period</b>	-	2,083,736	11,909	(55,993)	-	-	2,039,652
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	-	-	-	-	(152,012)	-	(152,012)
<b>Audited balance as at 31st December 2025</b>	1,171,875	12,151,456	249,706	(160,701)	339,844	381,156	14,133,336
<b>Balance as at 01st January 2026</b>	1,171,875	12,151,456	249,706	(160,701)	339,844	381,156	14,133,336
<b>Comprehensive Income for the Period</b>							
Profit for the Period-Unaudited	-	269,928	-	-	-	-	269,928
<b>Other Comprehensive Income for the Period, Net of Related Tax</b>							
Net Change in fair value of Available For Sale Financial Assets	-	-	(212,800)	-	-	-	(212,800)
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	167,224	-	-	-	167,224
<b>Total Other Comprehensive Income for the Period</b>	-	-	(45,576)	-	-	-	(45,576)
<b>Total Comprehensive Income for the Period</b>	-	269,928	(45,576)	-	-	-	224,352
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	-	-	-	-	(167,224)	-	(167,224)
<b>Transactions with owners recorded directly in equity</b>							
<b>Distributions to owners of the Parent</b>							
Dividend to equity holders for 2025	-	(750,000)	-	-	-	-	(750,000)
<b>Unaudited balance as at 31st March 2026</b>	1,171,875	11,671,384	204,130	(160,701)	172,620	381,156	13,440,464

Stated Capital represents 150 Million Ordinary Shares as at 31st March 2026 (2025 - 150 Million).

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

## STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital	Retained Earnings	Available For Sale Reserve	Other Reserve	Life Policy holders' AFS Reserve Fund	Restricted Regulatory Reserve	Total Equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Balance as at 01st January 2025</b>	1,171,875	8,689,963	211,076	(82,179)	437,695	381,156	10,809,586
<b>Comprehensive Income for the Period</b>							
Profit for the Period-Unaudited	-	235,667	-	-	-	-	235,667
<b>Other Comprehensive Income for the Period, Net of Related Tax</b>							
Net Change in fair value of Available For Sale Financial Assets	-	-	19,823	-	-	-	19,823
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	(54,161)	-	-	-	(54,161)
<b>Total Other Comprehensive Income for the Period</b>	-	-	(34,338)	-	-	-	(34,338)
<b>Total Comprehensive Income for the Period</b>	-	235,667	(34,338)	-	-	-	201,329
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	-	-	-	-	54,161	-	54,161
<b>Transactions with owners recorded directly in equity</b>							
<b>Distributions to owners of the Company</b>							
Dividend to equity holders for 2024	-	(585,000)	-	-	-	-	(585,000)
<b>Unaudited balance as at 31st March 2025</b>	1,171,875	8,340,630	176,738	(82,179)	491,856	381,156	10,480,076
<b>Comprehensive Income for the Period</b>							
Profit for the Period-Unaudited	-	1,887,068	-	-	-	-	1,887,068
<b>Other Comprehensive Income for the Period, Net of Related Tax</b>							
Net Change in fair value of Available For Sale Financial Assets	-	-	(142,685)	-	-	-	(142,685)
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	152,012	-	-	-	152,012
Actuarial Losses on Employee Benefit Liabilities	-	-	-	(30,947)	-	-	(30,947)
<b>Total Other Comprehensive Income for the Period</b>	-	-	9,327	(30,947)	-	-	(21,620)
<b>Total Comprehensive Income for the Period</b>	-	1,887,068	9,327	(30,947)	-	-	1,865,448
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	-	-	-	-	(152,012)	-	(152,012)
<b>Audited balance as at 31st December 2025</b>	1,171,875	10,227,698	186,065	(113,126)	339,844	381,156	12,193,512
<b>Balance as at 01st January 2026</b>	1,171,875	10,227,698	186,065	(113,126)	339,844	381,156	12,193,512
<b>Comprehensive Income for the Period</b>							
Profit for the Period-Unaudited	-	205,547	-	-	-	-	205,547
<b>Other Comprehensive Income for the Period, Net of Related Tax</b>							
Net Change in fair value of Available For Sale Financial Assets	-	-	(197,844)	-	-	-	(197,844)
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	167,224	-	-	-	167,224
<b>Total Other Comprehensive Income for the Period</b>	-	-	(30,620)	-	-	-	(30,620)
<b>Total Comprehensive Income for the Period</b>	-	205,547	(30,620)	-	-	-	174,927
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	-	-	-	-	(167,224)	-	(167,224)
<b>Transactions with owners recorded directly in equity</b>							
<b>Distributions to owners of the Company</b>							
Dividend to equity holders for 2025	-	(750,000)	-	-	-	-	(750,000)
<b>Unaudited balance as at 31st March 2026</b>	1,171,875	9,683,245	155,445	(113,126)	172,620	381,156	11,451,215

Stated Capital represents 150 Million Ordinary Shares as at 31st March 2026 (2025 - 150 Million).

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

## STATEMENT OF CASH FLOWS

For the Period Ended 31st March,	Note	GROUP		COMPANY	
		Unaudited	Unaudited	Unaudited	Unaudited
		2026	2025	2026	2025
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Cash Flows From Operating Activities</b>					
Profit Before Taxation		386,237	424,273	294,023	335,329
<b>Adjustments for:</b>					
Interest Income	11	(2,205,840)	(1,947,717)	(2,037,537)	(1,766,972)
Dividend Income	11	(7,584)	(11,249)	(7,584)	(11,249)
Amortisation of Intangible Assets		19,328	10,087	14,478	9,554
Depreciation of Property, Plant and Equipment		56,259	50,126	41,075	37,823
Net Depreciation of Right of Use Assets		63,741	52,668	52,778	48,733
Interest Expense of Lease Creditors		26,341	21,885	19,393	19,477
Provision for Employee Benefit Liabilities		38,008	35,227	27,858	25,076
Net Realised Gains		(2,364)	(50,040)	(2,369)	(40,118)
Net Fair Value Losses/(Gains)		46,998	(16,371)	61,379	(9,970)
Gains on Disposal of Property, Plant and Equipment		(41)	(24)	(41)	(24)
		(1,578,917)	(1,431,135)	(1,536,547)	(1,352,341)
Net Change in Operating Assets	A	(3,853,209)	(2,364,807)	(3,638,733)	(809,842)
Net Change in Operating Liabilities	B	4,770,946	5,466,888	2,604,674	3,830,662
<b>Cash Flows from Operating Activities</b>		<b>(661,180)</b>	<b>1,670,946</b>	<b>704,254</b>	<b>1,668,479</b>
Gratuity Paid		(10,681)	(9,005)	(3,507)	(3,163)
Income Tax Paid		(230,473)	(128,284)	(214,545)	(119,798)
Payment of Lease Interest		(26,341)	(21,885)	(19,393)	(19,477)
<b>Net Cash Generated from Operating Activities</b>		<b>(928,675)</b>	<b>1,511,772</b>	<b>466,809</b>	<b>1,526,041</b>
<b>Cash Flows from Investing Activities</b>					
Acquisition of Financial Investments		(53,327,681)	(44,687,625)	(45,021,145)	(32,323,600)
Proceeds from Maturity of Financial Investments		52,129,467	41,318,520	42,872,292	29,301,062
Proceeds from Sale of Financial Investments		15,349	357,556	15,349	143,546
Interest Received		2,213,849	1,978,837	2,017,394	1,778,269
Dividend Received		4,178	7,467	4,178	7,467
Acquisition of Intangible Assets		(6,724)	(118,099)	(6,724)	(118,099)
Acquisition of Property, Plant and Equipment		(73,039)	(71,918)	(67,058)	(34,268)
Proceeds from the Disposal of Property, Plant and Equipment		41	135	41	24
Advance Paid to Right of Use asset		(26,052)	(6,000)	(6,015)	(6,000)
<b>Net Cash Used in Investing Activities</b>		<b>929,388</b>	<b>(1,221,127)</b>	<b>(191,688)</b>	<b>(1,251,599)</b>
<b>Cash Flows from Financing Activities</b>					
Payment of Lease Capital		(59,009)	(41,698)	(46,804)	(40,077)
<b>Net Cash Used in Financing Activities</b>		<b>(59,009)</b>	<b>(41,698)</b>	<b>(46,804)</b>	<b>(40,077)</b>
Net Increase in Cash and Cash Equivalents (Net of Book OD)		(58,296)	248,947	228,317	234,365
Cash and Cash Equivalents at the beginning of the Period (Net of Book OD)		1,250,850	983,433	736,482	647,397
<b>Cash and Cash Equivalents at the end of the Period (Net of Book OD)</b>	C	<b>1,192,554</b>	<b>1,232,380</b>	<b>964,799</b>	<b>881,762</b>
<b>Notes to the Cash Flow Statement</b>					
<b>A. Change in Operating Assets</b>					
Decrease/(Increase) in Deferred Expenses		11,128	(21,338)	-	-
Increase in Loans to Life Policyholders		(14,130)	(22,076)	(14,130)	(22,076)
(Increase)/Decrease in Reinsurance Receivables		(1,737,223)	(110,922)	283	(167,604)
Increase in Premium Receivables		(1,667,271)	(1,930,646)	(30,436)	(363,940)
Increase in Other Assets		(445,713)	(279,825)	(319,590)	(256,222)
<b>Net Change in Operating Assets</b>		<b>(3,853,209)</b>	<b>(2,364,807)</b>	<b>(3,638,733)</b>	<b>(809,842)</b>
<b>B. Change in Operating Liabilities</b>					
(Decrease)/Increase in Other Liabilities		(509,693)	607,100	(1,077,195)	186,391
Increase in Insurance Contract Liabilities (before tax) - Life Insurance		3,666,122	3,435,214	3,666,122	3,435,214
Increase in Insurance Contract Liabilities - General Insurance		804,003	386,521	-	-
Increase in Reinsurance Creditors		810,514	1,038,053	15,747	209,057
<b>Net Change in Operating Liabilities</b>		<b>4,770,946</b>	<b>5,466,888</b>	<b>2,604,674</b>	<b>3,830,662</b>
<b>C. Cash and Cash Equivalents at the end of the Period</b>					
Cash in Hand and at Bank		1,992,748	1,502,018	1,378,575	1,056,115
Bank Overdrafts		(800,194)	(269,638)	(413,776)	(174,353)
<b>Cash and Cash Equivalents (Net of Book OD)</b>		<b>1,192,554</b>	<b>1,232,380</b>	<b>964,799</b>	<b>881,762</b>

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and at bank, net of outstanding bank overdraft as shown above.

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

## OPERATING SEGMENT INFORMATION - ASSETS AND LIABILITIES

As at,	UNAUDITED		AUDITED	
	31st March 2026		31st December 2025	
	Life Insurance Rs.'000	General Insurance Rs.'000	Life Insurance Rs.'000	General Insurance Rs.'000
<b>Assets</b>				
Property, Plant and Equipment	524,978	279,662	498,995	288,865
Right of Use Assets	625,236	366,755	373,134	133,006
Intangible Assets	272,241	237,524	279,995	242,374
Deferred Tax Assets	-	20,941	-	9,124
Financial Investments	64,391,181	5,237,840	62,493,446	6,223,612
Investment in Subsidiary	1,150,000	-	1,150,000	-
Loans to Life Policyholders	518,148	-	504,018	-
Reinsurance Receivables	446,453	4,768,880	446,736	3,031,374
Premium Receivables	797,677	4,006,712	767,241	2,368,687
Other Assets	1,279,244	578,890	966,006	445,243
Insurance Contract - Deferred Expenses	-	-	-	11,128
Cash in Hand and at Bank	1,378,575	614,173	961,692	630,994
<b>Total Assets</b>	<b>71,383,733</b>	<b>16,111,377</b>	<b>68,441,263</b>	<b>13,384,407</b>
<b>Liabilities</b>				
Insurance Contract Liabilities - Life Insurance	52,914,124	-	49,248,002	-
Insurance Contract Liabilities - General Insurance	-	7,593,001	-	6,788,998
Employee Defined Benefit Liabilities	380,298	252,291	355,947	249,315
Current Tax Liabilities	435,206	52,508	561,275	35,195
Reinsurance Payable	588,338	2,070,062	572,591	1,275,295
Lease Creditors	699,429	360,486	456,184	137,438
Other Liabilities	4,501,347	2,257,362	4,828,542	1,691,716
Bank Overdrafts	413,776	386,418	225,210	116,626
<b>Total Liabilities</b>	<b>59,932,518</b>	<b>12,972,128</b>	<b>56,247,751</b>	<b>10,294,583</b>

## OPERATING SEGMENT INFORMATION - PROFITABILITY

For the Period Ended,	UNAUDITED		UNAUDITED	
	31st March 2026		31st March 2025	
	Life Insurance Rs.'000	General Insurance Rs.'000	Life Insurance Rs.'000	General Insurance Rs.'000
Gross Written Premium	7,005,376	3,962,142	4,553,107	3,559,170
Premium Ceded to Reinsurers	(315,700)	(1,958,757)	(209,127)	(1,754,246)
<b>Net Written Premium</b>	<b>6,689,676</b>	<b>2,003,385</b>	<b>4,343,980</b>	<b>1,804,924</b>
Net Change in Reserves for Unearned Premium	-	(439,595)	-	(473,785)
<b>Net Earned Premium</b>	<b>6,689,676</b>	<b>1,563,790</b>	<b>4,343,980</b>	<b>1,331,139</b>
<b>Other Revenue</b>				
Interest and Dividend Income	2,045,121	168,303	1,778,221	180,745
Net Realised Gains/(Losses)	2,369	(5)	40,118	9,922
Net Fair Value (Losses)/Gains	(61,379)	14,381	9,970	6,401
Fee and Commission Income	13,111	99,505	65,379	112,585
Other Income	1,019	2,051	974	10,739
<b>Total Other Revenue</b>	<b>2,000,241</b>	<b>284,235</b>	<b>1,894,662</b>	<b>320,392</b>
<b>Net Income</b>	<b>8,689,917</b>	<b>1,848,025</b>	<b>6,238,642</b>	<b>1,651,531</b>
<b>Net Benefits, Claims and Expenses</b>				
Net Insurance Benefits and Claims	(2,277,558)	(1,037,340)	(752,799)	(954,538)
Change in Contract Liabilities - Life Fund	(3,683,643)	-	(3,373,874)	-
Other Operating and Administration Expenses	(1,305,596)	(681,224)	(1,017,047)	(593,587)
Underwriting and Net Acquisition Cost	(1,060,801)	(17,296)	(728,089)	(18,880)
Finance and Other Insurance Related Costs	(68,296)	(19,951)	(31,504)	4,418
<b>Total Benefits, Claims and other Expenses</b>	<b>(8,395,894)</b>	<b>(1,755,811)</b>	<b>(5,903,313)</b>	<b>(1,562,587)</b>
<b>Profit Before Taxation</b>	<b>294,023</b>	<b>92,214</b>	<b>335,329</b>	<b>88,944</b>
Income Tax Expense	(88,476)	(27,833)	(99,662)	(23,616)
<b>Profit for the Period</b>	<b>205,547</b>	<b>64,381</b>	<b>235,667</b>	<b>65,328</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 1 CORPORATE INFORMATION

### 1.1 Reporting Entity

HNB Life PLC previously known as HNB Assurance PLC (“the Company”) is a public limited liability Company incorporated on 23rd August 2001 and domiciled in Sri Lanka. The registered office of the Company is situated at No. 479, T B Jayah Mawatha, Colombo 10 and the principal place of business is situated at No. 30, Iceland Business Centre, Sri Uttarananda Mawatha, Colombo 03. The Ordinary Shares of the Company are listed on the Colombo Stock Exchange (CSE).

The Group’s controlling entity and ultimate parent undertaking is Hatton National Bank PLC which is a licensed Commercial Bank incorporated in Sri Lanka.

### 1.2 Approval of Financial Statements

The Condensed Consolidated Interim Financial Statements were authorised for issue by the Board of Directors on 29th April 2026.

Figures in these Condensed Consolidated Interim Financial Statements for the period ended 31st March 2026 are provisional and unaudited.

## 2 BASIS OF PREPARATION

The interim financial statements of the Group and Company for the quarter ended 31st March 2026 have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 – Interim Financial Reporting, and comply with the requirements of the Companies Act, No. 7 of 2007 and the Regulation of Insurance Industry Act, No. 43 of 2000 and subsequent amendments thereto.

These Condensed Consolidated Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2025. The same accounting policies have been followed in preparation of these interim financial statements as stated in the Audited Financial Statements for the year ended 31st December 2025. Comparative information has been re-classified where necessary, to conform to the current year recognition, measurement and presentations.

In accordance with LKAS 34.19, these interim financial statements do not comply fully with Sri Lanka Accounting Standards (SLFRSs) as the Group and Company have elected to apply the Statement of Alternative Treatment (SoAT) issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) in respect of the initial adoption of SLFRS 17 Insurance Contracts and SLFRS 9 Financial Instruments for insurance entities.

Accordingly, these interim financial statements are prepared on the alternative basis described below.

### 2.1 Application of Statement of Alternative Treatment (SoAT) – Q1 Interim Financial Reporting

SLFRS 17 Insurance Contracts is effective for annual reporting periods beginning on or after 1 January 2026. In response to implementation challenges affecting the insurance industry, CA Sri Lanka has permitted insurers to continue applying SLFRS 4 Insurance Contracts for the first and second interim reporting quarters of the initial year of adoption, subject to enhanced disclosures on the expected impact of SLFRS 17 and SLFRS 9.

The Company has elected to apply this relief for the quarter ended 31st March 2026.

#### Accordingly, for this interim period:

- Insurance contracts continue to be recognized, measured, and presented in accordance with SLFRS 4 Insurance Contracts.
- SLFRS 9 Financial Instruments has not been applied, consistent with the SoAT requirement that SLFRS 9 shall not be applied during interim periods where SLFRS 4 is continued.

### 2.2 Progress of SLFRS 17 and SLFRS 9 Implementation

The Group has made substantive progress during the first quarter of the financial year towards full implementation of SLFRS 17 and SLFRS 9, including:

- Completion of major actuarial model builds for insurance contract measurement
- Refinement of discount rate methodologies and risk adjustment frameworks
- Parallel processing and dry-runs of SLFRS 17 numbers
- Strengthening of governance, controls, and data validation processes

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### In line with the SoAT, the Company expects to:

- Provide full quantitative disclosures on all impacted line items.
- Quantitative disclosures have not been provided since the draft SLFRS 17 and SLFRS 9 numbers are subject to further refinement.
- Present provisional third-quarter financial information prepared in accordance with SLFRS 17 and SLFRS 9 in the Q3 interim financial statements.

### 2.3 Expected Impact of SLFRS 17 and SLFRS 9

As required for the first interim reporting period, the Company provides below-up-to-date qualitative disclosures of adopting SLFRS 17 and SLFRS 9 on significant financial statement line items.

#### Insurance Contract Liabilities

Insurance contract liabilities are expected to undergo material changes due to:

- Measurement based on present value of fulfilment cash flows
- Explicit risk adjustment for non-financial risk
- Recognition of Contractual Service Margin (CSM) for profitable contract groups

Certain portfolios, particularly short-duration non-life contracts, are expected to show reduced volatility, while longer-coverage contracts may exhibit changes in liability profiles.

#### Insurance Revenue and Profit or Loss

- Insurance revenue under SLFRS 17 will no longer correspond to gross written premiums.
- Profit recognition will align with the provision of insurance coverage and services.
- Onerous groups of insurance contracts, if any, will result in immediate loss recognition.
- Volatility in profit or loss may arise due to:
  - Experience adjustments
  - Changes in assumptions
  - Movements in discount rates.

#### Equity

On transition, retained earnings are expected to be adjusted for:

- Derecognition of liabilities recognised under SLFRS 4
- Recognition of insurance contract assets and liabilities under SLFRS 17
- Initial recognition of CSM.

#### Financial Assets – SLFRS 9

Financial assets will be reclassified based on business model assessments and contractual cash flow characteristics.

The introduction of the Expected Credit Loss (ECL) model may accelerate impairment recognition compared to existing practices.

#### Comparative Information

Comparative information presented in these interim financial statements has been prepared in accordance with SLFRS 4 Insurance Contracts and LKAS 39 Financial Instruments and has not been restated for the effects of SLFRS 17 or SLFRS 9.

In accordance with the SoAT, comparative figures for the year ended 31 December 2025 will be restated and presented in accordance with SLFRS 17 and SLFRS 9 in the annual financial statements for the year ending 31 December 2026, applying the permitted transition options.

## 2.4 Accounting Policy Choice for Interim Reporting under SLFRS 17

In accordance with SLFRS 17 and LKAS 34, an accounting policy choice is required regarding whether estimates in interim periods are updated on a year-to-date basis or a period-to-period basis. This policy choice will be formally determined and applied consistently to all groups of insurance contracts issued and reinsurance contracts held upon full adoption of SLFRS 17.

Following will be the Financial Statement line items which have major impacts

Statement of Financial Position

- Financial Investment
- Equity
- Insurance Contract Liabilities

Statement of Profit or loss and Other Comprehensive Income

The line-item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared to SLFRS 4. As per SLFRS 4, the Group reported the following line items:

- Gross written premiums
- Net written premiums
- Other Revenue
- Net Insurance Benefits and Claims Paid
- Changes in Contract Liabilities – Life Fund

Instead, SLFRS 17 requires separate presentations of:

- Insurance revenue
- Insurance service expenses
- Insurance finance income or expenses
- Income or expenses from reinsurance contracts held

## 3 FINANCIAL INVESTMENTS

As at,	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Held to Maturity Financial Assets	14,889,076	14,873,650	14,889,076	14,873,650
Loans and Receivables	31,711,798	32,402,062	28,552,366	28,444,250
Available for Sale Financial Assets	21,367,944	20,126,377	19,471,905	18,038,779
Financial Assets at Fair Value Through Profit or Loss	1,660,203	1,314,969	1,477,834	1,136,767
<b>Total Financial Investments</b>	<b>69,629,021</b>	<b>68,717,058</b>	<b>64,391,181</b>	<b>62,493,446</b>

## 4 INSURANCE CONTRACT - DEFERRED EXPENSES

At the end of the reporting period, as at 31st March 2026, the net balance of Insurance Contract – Deferred Expenses (net of reinsurance), amounting to Rs. 41 Mn, is presented as a liability, as deferred reinsurance commission income exceeds the related deferred acquisition costs. Accordingly, this is recognized as deferred income and presented under other liabilities. However, as at 31 December 2025, a deferred expense of Rs. 11 Mn was recognized as an asset, as deferred acquisition costs exceeded deferred reinsurance commission income.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 5 THE ACCOUNTING POLICY FOR CONSOLIDATION OF SUBSIDIARY

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies and unrealised losses are eliminated. Amounts reported by subsidiary companies are adjusted to conform with the Group's accounting policies where necessary.

### 6 LIFE POLICYHOLDERS' AVAILABLE FOR SALE RESERVE FUND

Life Policyholders' Available For Sale Reserve Fund includes the fair value changes recorded in Other Comprehensive Income in respect of Life Insurance related assets.

Unrealised gains and losses of Available For Sale Financial Assets of Life Insurance are included under Life Policyholders' Available For Sale Reserve Fund in Equity.

### 7 RESTRICTED REGULATORY RESERVE

As at,	Note	GROUP		COMPANY	
		Unaudited	Audited	Unaudited	Audited
		31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at the end of the Period	7.2	381,156	381,156	381,156	381,156

#### 7.1 Nature and Purpose of Reserve

The Insurance Regulatory Commission of Sri Lanka (IRCSL) has issued Direction No. 16 on 20th March 2018 on "Identification and Treatment of One-off Surplus" and has instructed all Life Insurance Companies to comply with the Direction. Based on the Direction, Life Insurance Companies are allowed to transfer One-off surplus attributable to Policyholders' Non-Participating Fund to Shareholders' Fund. The transfer has been presented as a separate reserve in the Statement of Financial Position as "Restricted Regulatory Reserve" under Equity in accordance with the Direction above. As required by the said Direction, the Company received the approval for this transfer on 11th May 2018.

#### Surplus created due to Change in Valuation Method

Description		Participating Fund	Non-Participating Fund	Total
		Rs. '000	Rs. '000	Rs. '000
Value of Insurance contract liability based on NPV as at 31st December 2015	A	2,988,500	3,856,964	6,845,464
Value of Insurance contract liability based on GPV as at 31st December 2015	B	3,015,001	3,475,808	6,490,809
Zerorisation of Negative Surplus as per Direction No. 16	C	26,501	-	26,501
Surplus created due to Change in Valuation Method - One-off Surplus as at 01st January 2016	A-B+C	-	381,156	381,156

The One-off surplus in the Shareholder's Fund will remain invested in Term Deposits as disclosed in Note No. 7.2.2 as per the Direction of IRCSL.

The financial ratios presented in these Condensed Consolidated Interim Financial Statements have been determined in accordance with Sri Lanka Accounting Standards. Additionally, the Company has voluntarily presented financial ratios without One-off Surplus impact. As per the Direction One-off Surplus in respect of Participating business is to be 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 No. 43 of 2000".

## 7.2 Distribution of One-off Surplus

**7.2.1** Distribution of one-off surplus to shareholders, held as part of the Restricted Regulatory Reserve under equity in the statement of financial position is subject to meeting governance requirements stipulated by the IRCSL and can only be released upon receiving approval from the IRCSL.

### 7.2.2 Composition of Investments Supporting the Restricted Regulatory Reserve as at 31st March 2026.

Based on the Direction issued by IRCSL following Instruments have been marked to support the Restricted Regulatory Reserve of the Company.

#### Asset Category

As at,	Fair Value / Carrying Value 31st March 2026
	Rs.'000
Term Deposits	381,808

## 8 INSURANCE CONTRACT LIABILITIES - LIFE INSURANCE

As at,	Note	GROUP		COMPANY	
		Unaudited	Audited	Unaudited	Audited
		31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
Life Insurance Fund	8.1	52,553,725	48,870,082	52,553,725	48,870,082
Claims Outstanding		360,399	377,920	360,399	377,920
<b>Total Insurance Contract Liabilities</b>		<b>52,914,124</b>	<b>49,248,002</b>	<b>52,914,124</b>	<b>49,248,002</b>

### 8.1 Insurance Contract Liabilities - Life Insurance Fund

As at,	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>The Movement in the Life Insurance Fund is as follows:</b>				
Balance as at the beginning of the Period	48,870,082	38,337,298	48,870,082	38,337,298
<b>Change in Contract Liabilities Life Fund</b>				
Increase in Life Insurance Fund Before Surplus Distribution to Shareholders	3,683,643	12,447,068	3,683,643	12,447,068
Surplus Distributed to Shareholders	-	(1,900,000)	-	(1,900,000)
Increase in Life Insurance Fund	3,683,643	10,547,068	3,683,643	10,547,068
Effect of Taxation on surplus/Bonus transferred to Policyholders	-	(14,284)	-	(14,284)
<b>Balance as at the end of the Period</b>	<b>52,553,725</b>	<b>48,870,082</b>	<b>52,553,725</b>	<b>48,870,082</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 8.2 Liability Adequacy Test

A Liability Adequacy Test (LAT) for Life Insurance contract Liability was carried out by Mr. Abhishek Chadha, FIA, on behalf of Willis Towers Watson India Private Limited, as at 31st December 2025 as required by SLFRS 4 - Insurance Contracts. When performing the LAT, the Company discounts all contractual cash flows and compares this amount with the carrying value of the liability. The valuation is based on internationally accepted actuarial methods. According to the Appointed Actuary's report, assets are sufficiently adequate as compared to the discounted cash flow reserves and in contrast to the reserves as at 31st December 2025.

### 9 INSURANCE CONTRACT LIABILITIES - GENERAL INSURANCE

As at,	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Reserves for Net Unearned Premium	3,669,728	3,233,588	-	-
Reserves for Title Insurance	103,145	99,689	-	-
Reserves for Gross Outstanding Claims	3,820,128	3,455,721	-	-
<b>Total Insurance Contract Liabilities</b>	<b>7,593,001</b>	<b>6,788,998</b>	<b>-</b>	<b>-</b>

9.1 The Company's Head of Actuary has carried out the IBNR/IBNER valuation as at 31st March 2026 and ensured that adequate provisions have been made in these Condensed Consolidated Interim Financial Statements.

### 9.2 Liability Adequacy Test

A Liability Adequacy Test (LAT) for the General Insurance Contract Liability was performed by the Appointed Actuary, Ms. Sipika Tandon Mathur, FIA, for and on behalf of Willis Towers Watson India Private Limited as at 31st December 2025 as required by SLFRS 4 - Insurance Contracts. According to the Appointed Actuary's report, HNB General Insurance Ltd adequately satisfies the LAT requirement as at 31st December 2025.

### 10 GROSS WRITTEN PREMIUM

GROUP		GROUP		COMPANY	
[Audited] For the Year Ended 31st Dec 2025	For the Period Ended,	Unaudited	Unaudited	Unaudited	Unaudited
		31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
	<b>Life Insurance</b>				
18,709,086	Individual Policies	6,556,619	4,309,046	6,556,619	4,309,046
780,884	Corporate Policies	448,757	244,061	448,757	244,061
(35,949)	Adjustment for Inter Company Premiums	(2,964)	(9,274)	-	-
19,454,021	Gross Written Premium - Life Insurance	7,002,412	4,543,833	7,005,376	4,553,107
	<b>General Insurance</b>				
2,398,024	Fire	1,254,718	1,192,182	-	-
5,982,467	Motor	1,696,786	1,250,466	-	-
378,337	Marine	112,085	61,892	-	-
2,246,329	Miscellaneous	898,553	1,054,630	-	-
(8,781)	Adjustment for Inter Company Premiums	(3,771)	(7,420)	-	-
10,996,376	Gross Written Premium - General Insurance	3,958,371	3,551,750	-	-
30,450,397	<b>Total Gross Written Premium</b>	<b>10,960,783</b>	<b>8,095,583</b>	<b>7,005,376</b>	<b>4,553,107</b>

**11 INTEREST AND DIVIDEND INCOME**

GROUP		GROUP		COMPANY	
		Unaudited	Unaudited	Unaudited	Unaudited
[Audited] For the Year Ended 31st Dec 2025	For the Period Ended,	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
8,171,776	Interest Income	2,205,840	1,947,717	2,037,537	1,766,972
41,262	Dividend Income	7,584	11,249	7,584	11,249
8,213,038	<b>Total</b>	<b>2,213,424</b>	<b>1,958,966</b>	<b>2,045,121</b>	<b>1,778,221</b>

**12 INCOME TAX EXPENSE**

GROUP		GROUP		COMPANY	
		Unaudited	Unaudited	Unaudited	Unaudited
[Audited] For the Year Ended 31st Dec 2025	For the Period Ended,	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
(996,263)	Income Tax Charge	(121,716)	(125,336)	(88,476)	(99,662)
(197)	Under Provision of Income Taxes in respect of prior Period	-	-	-	-
(4,088)	Deferred Income Tax - Recognised through Profit or Loss	5,407	2,058	-	-
(1,000,548)	<b>Total Tax charge in Profit or Loss</b>	<b>(116,309)</b>	<b>(123,278)</b>	<b>(88,476)</b>	<b>(99,662)</b>
	<b>Deferred tax related to items charged or credited directly to other comprehensive income</b>				
2,021	Deferred tax on net change in debt instruments categorised under Available for Sale Financial Investments	6,410	3,127	-	-
(3,591)	Deferred Tax on Actuarial Losses on Employee Defined Benefit Plans	-	-	-	-
(1,570)	<b>Total Tax charge in Other Comprehensive Income</b>	<b>6,410</b>	<b>3,127</b>	<b>-</b>	<b>-</b>

**Income Tax**

As per the Inland Revenue (Amendment) Act No 45 of 2022 income tax rates applicable to Company and Subsidiary is 30%.

**Deferred Tax Assets**

The Subsidiary carried a deferred tax asset of Rs. 20.94 Million as at 31st March 2026.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 13 PROFIT FOR THE PERIOD

GROUP		Unaudited	
		31st Mar 2026	31st Mar 2025
(Audited)	For the Period Ended,	Rs.'000	Rs.'000
For the Year Ended 31st Dec 2025			
<b>Company - HNB Life PLC</b>			
1,900,000	Surplus Transferred from Life Policyholders' Fund to Shareholders' Fund	-	-
1,130,236	Profit Before Tax from Life Shareholders' Fund	294,023	335,329
(907,501)	Income Tax Expense	(88,476)	(99,662)
2,122,735	<b>Profit for the Period</b>	<b>205,547</b>	<b>235,667</b>
<b>Subsidiary - HNB General Insurance Ltd</b>			
355,043	Profit Before Tax	92,214	88,944
(93,047)	Income Tax and Deferred Tax Expense	(27,833)	(23,616)
261,996	<b>Profit for the Period</b>	<b>64,381</b>	<b>65,328</b>
2,384,731	<b>Profit for the Period - Group</b>	<b>269,928</b>	<b>300,995</b>

No surplus transfer has been made from the life insurance fund to the Income Statement during the period under review.

### 14 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic Earnings Per Share is calculated by dividing the profit after tax for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. There were no potential dilutive ordinary shares outstanding at any time during the period. Therefore, Diluted Earnings Per Share is same as Basic Earnings Per Share.

GROUP		GROUP		COMPANY	
		Unaudited	Unaudited	Unaudited	Unaudited
(Audited)	For the Period Ended,	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
For the Year Ended 31st Dec 2025		Rs. '000			
2,384,731	Profit for the Period (Rs. '000)	269,928	300,995	205,547	235,667
150,000	Weighted average number of ordinary shares ('000)	150,000	150,000	150,000	150,000
15.90	Basic and Diluted Earnings Per Share (Rs.)	1.80	2.01	1.37	1.57

### 15 RELATED PARTY DISCLOSURES

#### 15.1 Transactions and Outstanding Balances with the Parent and Ultimate Controlling Party - Hatton National Bank PLC

Transactions	GROUP		COMPANY	
	Unaudited	Unaudited	Unaudited	Unaudited
For the Period Ended,	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Insurance Premium	254,522	195,504	56,469	-
Claims Incurred	17,643	31,710	13,072	24,311
Investment Income	50,548	65,768	37,632	56,279
Referral fees	419,947	215,332	366,090	174,803
Rent and Other Operational Expenses	5,810	6,455	3,987	4,280

Outstanding Balances	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
As at,	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Investments Balance (Includes Deposits and Debentures)	1,788,878	1,996,109	1,208,777	1,330,692
Cash at Bank Balances	968,101	866,613	814,864	496,207
Premium Receivable	296,707	1,748	54,359	1,267
Referral fees Payable	120,520	151,659	88,807	119,598
Rent and Other Operational Expenses Payable	1,163	778	949	666

### 15.2 Transactions and Outstanding Balances with the Subsidiary Company - HNB General Insurance Ltd

Transactions	Unaudited	Unaudited
	31st Mar 2026	31st Mar 2025
For the Period Ended,	Rs.'000	Rs.'000
Insurance Premium	2,964	9,274
Insurance Expenses	3,771	7,420
Claims Received	2	17
Claims Paid	101	1,800
Reimbursement Expenses Relating to Employees	17,474	25,004
Other Reimbursement Expenses	51,996	49,443
Fund Management Fee	4,270	4,534
Profit Commission Expense	-	3,537

Outstanding Balances	Unaudited	Audited
	31st Mar 2026	31st Dec 2025
As at,	Rs.'000	Rs.'000
Premium Payable to HNB General Insurance Ltd	1,202	6
Receivable from HNB General Insurance Ltd	21,845	24,897

### 15.3 Transactions and Outstanding Balances with / between Subsidiary Companies of the Ultimate Controlling Party

Transactions	GROUP		COMPANY	
	Unaudited	Unaudited	Unaudited	Unaudited
	31st Mar 2026	31st Mar 2025	31st Mar 2026	31st Mar 2025
For the Period Ended,	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Insurance Premium	75,347	62,386	(144)	(1,964)
Claims Incurred	10,827	10,357	3,217	2,556
Investment Income	85,462	37,353	76,829	28,320
Administration Expenses	5,190	6,386	348	1,534

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Outstanding Balances	GROUP		COMPANY	
	Unaudited	Audited	Unaudited	Audited
	31st Mar 2026	31st Dec 2025	31st Mar 2026	31st Dec 2025
As at,	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Investments Balance (Includes Deposits, Debentures and Repo)	3,507,680	4,644,898	3,427,651	4,179,620
Cash at Bank Balances	50	50	50	50
Premium Receivable	85,923	1,535	-	396
Referral fees Payable	6,817	3,789	193	-

### 15.4 Transactions with Key Management Personnel/Directors of the Group or its Parent Hatton National Bank PLC

Transactions	Unaudited	
	31st Mar 2026	31st Mar 2025
	Rs.'000	Rs.'000
Director Fee	11,745	8,455
Short-term and Post Employment Benefits	22,700	23,741
Insurance Premium	456	552
Claims Paid including Maturities	-	81

### Ceased to be a Board of Director

Mr. Prawira Rimoe Saldin, who served as a Non Independent / Non Executive Director of HNB Life PLC ceased to be a Director w.e.f. 16th January 2026.

### Change of Board Secretary

Ms. Jansenidevi Sundararajan Kuhanesan has appointed as the new Board Secretary of HNB Life PLC w.e.f. 23rd January 2026.

Ms. Abhayalankara Herath Mudiyanseelage Nirosha Madhubhashini Bakmedeniya ceased to be the Board Secretary of HNB Life PLC w.e.f. 23rd January 2026.

The nature of the related party transactions in the current period was similar to those reported in the Audited Financial Statements for the year ended 31st December 2025, except for the above changes.

## 16 DIVIDEND

The Shareholders of the Company at the Annual General Meeting held on 30th March 2026 approved a first and final cash Dividend of Rs 5/- per share for the financial year 2025. The Company has recognized the dividend payable amounting to Rs. 750 Mn for the approved first and final dividend in its Financial Statements as at 31st March 2026. The dividend distribution took place in April 2026.

## 17 EVENTS OCCURRING AFTER THE REPORTING DATE

HNB Assurance PLC has changed its name to "HNB LIFE PLC" with effect from 6th April 2026.

Other than mentioned above there have been no material events that occurred after the reporting date that require adjustments or disclosure in these Condensed Consolidated Interim Financial Statements.

## 18 CAPITAL COMMITMENTS

The Group has committed an expense of Rs. 291.71 Million as at 31st March 2026 for purchase of computer hardware, software and other equipment (As at 31st December 2025 – Rs.296.64 Million for the purchase of computer hardware, software and Other equipment).

As at end of the financial period, other than the disclosed above no material capital expenditure was contracted and approved by the Board of Directors.

## 19 CONTINGENCIES

There has been no change in the contingencies, which were disclosed in the audited financial statements for the year ended 31st December 2025.

## 20 SHARE INFORMATION

### 20.1 Top 20 Shareholders

Name of the Shareholder	31st March 2026		31st December 2025	
	Shareholding	% on Issued Shares	Shareholding	% on Issued Shares
1. Hatton National Bank PLC A/C No.01	89,979,000	59.99	89,979,000	59.99
2. Ceylon Guardian Investment Trust PLC A/C No.02	6,023,511	4.02	6,023,511	4.02
3. Mr. V. Sharda	2,345,000	1.56	2,075,000	1.38
4. J.B. Cocoshell (Pvt) Ltd	2,319,220	1.55	2,319,220	1.55
5. Mrs. A. Selliah	2,250,000	1.50	2,250,000	1.50
6. Employees Trust Fund Board	2,160,617	1.44	2,191,221	1.46
7. Mr. M.F. Hashim	1,824,737	1.22	1,824,737	1.22
8. Thread Capital (Pvt) Ltd	1,503,476	1.00	1,503,476	1.00
9. Ceylon Investment PLC A/C No.02	1,387,719	0.93	1,387,719	0.93
10. Arunodhaya Investments (Pvt) Ltd	1,350,000	0.90	1,350,000	0.90
11. Arunodhaya Industries (Pvt) Ltd	1,350,000	0.90	1,350,000	0.90
12. Arunodhaya (Pvt) Ltd	1,350,000	0.90	1,350,000	0.90
13. Mr. J.P. Paul	764,255	0.51	819,754	0.55
14. Mr. K. Aravinthan	750,000	0.50	750,000	0.50
15. Andysel (Pvt) Ltd	750,000	0.50	750,000	0.50
16. Corporate Holdings (Pvt) Ltd A/C No.01	735,309	0.49	735,309	0.49
17. Dr. S. Selliah	600,000	0.40	600,000	0.40
18. Corporate Holdings (Pvt) Ltd A/C No.02	573,969	0.38	573,969	0.38
19. Rubber Investment Trust Ltd A/C No.01	572,779	0.38	572,779	0.38
20. Commercial Bank Of Ceylon PLC A/C No.03	513,000	0.34	513,000	0.34

### 20.2 Public Shareholding

	31st March 2026	31st December 2025
* Float Adjusted Market Capitalisation (Rs.)	7,217,405,241	6,887,295,230
Percentage of Shares held by the Public	40.013%	40.013%
Number of Public Shareholders	4,735	4,561

The Company complies the minimum public Shareholding requirement under option 3 of section 7.13.1(i)[a](1) of the Listing Rules as at 31st March 2026. (As at 31/12/2025 - Complied under option 3)

\* Float Adjusted Market Capitalisation = Market Capitalisation X Public Holding Percentage

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 20.3 Shareholdings of Directors and Chief Executive Officer

	No. of Shares 31st March 2026	No. of Shares 31st December 2025
Mr. S.A. Chapman (Chairman)	500	500
Mr. A. Goonesekere (Senior Independent Director)	Nil	Nil
Mr. L.U.D. Fernando	Nil	Nil
Mr. L.H.A.L. Silva	Nil	Nil
Dr. P.S. Gamwarige	Nil	Nil
Mr. P.R. Saldin*	N/A	Nil
Prof. A.K.W. Jayawardane	Nil	Nil
Mr. P.H.L.N. Wimalarathne (Chief Executive Officer/Executive Director)	Nil	Nil
Ms.W.A.P.A.Ranawaka	Nil	Nil

\* Mr. P.R. Saldin ceased to be a Director w.e.f. 16th January 2026.

### 20.4 Number of shares

No. of shares representing the Stated Capital	150,000,000
Class of Share	Ordinary
Voting Rights	One vote per Ordinary Share

### 20.5 Share Performance

As at,	31st March 2026	31st December 2025
	Rs.	Rs.
Net Asset Value Per Share - Group	89.60	94.22
Net Asset Value Per Share - Company	76.34	81.29
Net Asset Value Per Share without Restricted Regulatory Reserve - Group	87.06	91.68
Net Asset Value Per Share without Restricted Regulatory Reserve - Company	73.80	78.75
<b>For the Three Months Ended 31st March,</b>	<b>2026</b>	<b>2025</b>
	Rs.	Rs.
Highest Price Per Share	130.75	92.90
Lowest Price Per Share	102.50	77.00
Last Traded Price Per Share	120.25	77.70

