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SOFTLOGIC LIFE INSURANCE PLC

INTERIM FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31ST MARCH 2024

SOFTLOGIC LIFE INSURANCE PLC
INCOME STATEMENT

For the Period ended 31 March	Note	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited	Change %
Gross written premiums	5	7,162,827	5,984,618	20
Premiums ceded to reinsurers		(635,640)	(639,612)	(1)
Net written premiums		6,527,187	5,345,006	22
Other revenue				
Net finance income		1,764,710	1,732,591	2
Net realised gains		581,700	39	1491438
Net fair value (losses)/ gains		(427,083)	207,236	306
Other operating income		1,945	2,562	(24)
Total other revenue		1,921,272	1,942,428	(1)
Total net revenue	6	8,448,459	7,287,434	16
Net benefits, claims and expenses				
Net insurance benefits and claims paid		(3,367,726)	(3,188,942)	6
Net change in insurance claims outstanding		(57,416)	47,830	(220)
Change in insurance contracts liabilities		(557,262)	65,026	(957)
Underwriting and net acquisition cost (Net of reinsurance)		(1,490,712)	(1,371,103)	9
Other operating and administration expenses		(1,495,699)	(1,261,235)	19
Impairment reversal / (provision) on financial investments		117,878	(156,114)	(176)
Finance cost	7	(401,350)	(602,136)	(33)
Total benefits, claims and expenses		(7,252,287)	(6,466,674)	12
Profit before tax	8	1,196,172	820,760	46
Income tax expenses		(342,559)	(319,124)	7
Profit for the period		853,613	501,636	70
Profit attributable to;				
Owners of the Company		853,613	501,636	70
Non controlling interest		-	-	
		853,613	501,636	70
Earnings per share				
Basic earnings per share (Rs.)	17	2.28	1.34	70
Diluted earnings per share (Rs.)	17	2.28	1.34	70

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

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

For the Period ended 31 March	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited	Change %
Profit for the period	853,613	501,636	70
Other comprehensive income			
Items that will not be reclassified to income statement			
Equity investments at FVOCI - net change in fair value	(55,427)	206,864	
Equity investments at FVOCI - net change in fair value - Life fund	37,873	(15,462)	
Related tax / deferred tax	-	-	
	(17,554)	191,402	(109)
Items that are or may be reclassified subsequently to income statement			
Debt investments at FVOCI - net change in fair value	(1,186)	64	
Debt investments at FVOCI - net change in fair value - Life fund	4,711	17,495	
Debt investments at FVOCI - reclassified to income statement	-	221	
Related tax / deferred tax	-	-	
	3,525	17,780	(80)
Total other comprehensive income for the period, net of tax	(14,029)	209,182	(107)
Total comprehensive income for the period, net of tax	839,584	710,818	18
Total comprehensive income attributable to:			
Owners of the Company	839,584	710,818	
Non - controlling interests	-	-	
	839,584	710,818	18

The Notes form an integral part of these Financial Statements.

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF FINANCIAL POSITION

As at	Note	31.03.2024 Rs. ' 000 Audited	31.12.2023 Rs. ' 000 Audited
Assets			
Intangible assets		2,167	2,364
Property, plant and equipment		717,231	707,427
Right of use assets		673,822	611,661
Deferred Tax Assets		838,938	838,938
Financial investments	10	43,457,777	43,500,215
Loans to life policyholders		328,870	331,301
Reinsurance receivables		590,744	465,211
Premium receivables		2,190,171	2,449,089
Receivables and other assets		1,620,368	1,333,537
Cash and cash equivalents		1,353,313	1,099,679
Total assets		51,773,401	51,339,422
Equity and liabilities			
Equity			
Stated capital	16	1,062,500	1,062,500
Restricted regulatory reserve		798,004	798,004
Other reserves		(2,158,921)	(2,144,892)
Retained earnings		13,065,097	13,617,734
Total equity		12,766,680	13,333,346
Liabilities			
Insurance contract liabilities	11	28,549,811	27,925,474
Employee benefit liabilities		282,317	276,302
Loans and borrowings		4,802,677	5,014,997
Reinsurance payables		909,082	718,855
Other liabilities		4,093,218	3,693,758
Bank overdraft		369,616	376,690
Total liabilities		39,006,721	38,006,076
Total equity and liabilities		51,773,401	51,339,422
Net asset per share (Rs.)	15	34.04	35.56

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

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

Sgd.

Nuwan Withanage

Chief Financial Officer

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

Approved and signed for and on behalf of the Board.

Sgd.

Ashok Pathirage

Chairman

Sgd.

Iftikar Ahamed

Managing Director

Colombo

07 May 2024

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CHANGES IN EQUITY

For the Period ended 31 March	Stated capital	Restricted regulatory reserve	Other reserve		Retained earnings	Total
			Fair value reserve	Revaluation reserves		
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Balance as at 01 January 2023	1,062,500	798,004	(3,229,988)	129,733	12,112,675	10,872,924
Profit for the period	-	-	-	-	501,636	501,636
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	206,864	-	-	206,864
Equity investments at FVOCI - net change in fair value - Life fund	-	-	(15,462)	-	-	(15,462)
Debt investments at FVOCI - net change in fair value	-	-	64	-	-	64
Re-measurement Gain on defined benefit liabilities	-	-	-	-	-	-
Gain on revaluation of land and building	-	-	-	-	-	-
Debt investments at FVOCI - net change in fair value - Life fund	-	-	17,495	-	-	17,495
Debt investments at FVOCI - reclassified to income statement	-	-	221	-	-	221
Total other comprehensive income, net of tax	-	-	209,182	-	-	209,182
Total comprehensive income for the period	-	-	209,182	-	501,636	710,818
Transaction with owners of the Company						
Contribution and distribution						
Interim dividend - 2022	-	-	-	-	(1,312,500)	(1,312,500)
Total transactions with owners of the Company	-	-	-	-	(1,312,500)	(1,312,500)
Balance as at 31 March 2023	1,062,500	798,004	(3,020,806)	129,733	11,301,811	10,271,242
Profit for the period	-	-	-	-	2,336,768	2,336,768
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	399,844	-	-	399,844
Equity investments at FVOCI - net change in fair value - Life fund	-	-	58,595	-	-	58,595
Debt investments at FVOCI - net change in fair value	-	-	42,577	-	-	42,577
Re-measurement Gain on defined benefit liabilities	-	-	-	-	(20,845)	(20,845)
Gain on revaluation of land and building	-	-	-	43,783	-	43,783
Debt investments at FVOCI - net change in fair value - Life fund	-	-	200,892	-	-	200,892
Debt investments at FVOCI - reclassified to income statement	-	-	490	-	-	490
Total other comprehensive income, net of tax	-	-	702,398	43,783	(20,845)	725,336
Total comprehensive income for the period	-	-	702,398	43,783	2,315,923	3,062,104
Balance as at 31 December 2023	1,062,500	798,004	(2,318,408)	173,516	13,617,734	13,333,346
Profit for the period	-	-	-	-	853,613	853,613
Other comprehensive income for the period						
Equity investments at FVOCI - net change in fair value	-	-	(55,427)	-	-	(55,427)
Equity investments at FVOCI - net change in fair value - Life fund	-	-	37,873	-	-	37,873
Debt investments at FVOCI - net change in fair value	-	-	(1,186)	-	-	(1,186)
Re-measurement losses on defined benefit liabilities	-	-	-	-	-	-
Gain on revaluation of land and building	-	-	-	-	-	-
Debt investments at FVOCI - net change in fair value - Life fund	-	-	4,711	-	-	4,711
Debt investments at FVOCI - reclassified to income statement	-	-	-	-	-	-
Total other comprehensive income, net of tax	-	-	(14,029)	-	-	(14,029)
Total comprehensive income for the period	-	-	(14,029)	-	853,613	839,584
Transaction with owners of the Company						
Contribution and distribution						
Interim Dividend - 2023	-	-	-	-	(1,406,250)	(1,406,250)
Total transaction with owners of the Company	-	-	-	-	(1,406,250)	(1,406,250)
Balance as at 31 March 2024	1,062,500	798,004	(2,332,437)	173,516	13,065,097	12,766,680

SOFTLOGIC LIFE INSURANCE PLC
STATEMENT OF CASH FLOWS

For the Period ended 31 March	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited
Cash flows from operating activities		
Profit before taxation	1,196,172	820,760
Adjustments for :		
Depreciation of property, plant and equipment	35,286	31,478
Amortisation of intangible assets	197	170
Depreciation of right of use asset	90,177	73,597
Interest expenses on lease liabilities and loans and borrowings	185,924	185,530
Provision for employee benefit liabilities	13,553	11,843
Net realised Gains	(581,700)	(39)
Net fair value (Gains)/ losses	427,083	(207,236)
Net unrealised losses on foreign currency transactions	185,575	381,968
Net amortisation of financial investments	(262,364)	(338,567)
Provision for impairment (Reversal) /losses on financial investments	(117,878)	156,114
	1,172,025	1,115,618
Change in operating assets		
Decrease / (Increase) in loans to life policyholders	2,431	(9,454)
Increase in reinsurance receivables	(125,533)	(144,311)
Decrease in premium receivables	258,918	203,075
Increase in receivables and other assets	(281,445)	(155,366)
	(145,629)	(106,056)
Change in operating liabilities		
Increase / (Decrease) in insurance contract liabilities	624,337	(43,938)
Increase in reinsurance payables	206,629	343,180
Increase / (Decrease) in other liabilities	217,162	(255,736)
	1,048,128	43,506
Net cash generated from operations	2,074,524	1,053,068
Gratuity paid	(7,537)	(1,640)
Tax Paid	(216,000)	(188,614)
Net cash generated from operating activities	1,850,987	862,814
Cash flows from investing activities		
Acquisition of investment securities	(14,784,111)	(13,640,614)
Proceeds from sale of investment securities	14,769,330	14,336,698
Acquisition of property, plant and equipment	(45,090)	(60,533)
Net Acquisition of ROU Asset	(26,386)	(36,951)
Net cash flows used in investing activities	(86,257)	598,600
Cash flows from financing activities		
Dividend paid to equity holders	(1,406,250)	(1,312,500)
Payment of lease liabilities	(97,772)	(107,632)
Net cash used in financing activities	(1,504,022)	(1,420,132)
Net increase / (Decrease) in cash and cash equivalents	260,708	41,282
Net cash and cash equivalents as at 1 January	722,989	431,626
Net cash and cash equivalents as at 31 March	983,697	472,908
Analysis of cash and cash equivalents		
Cash in hand and at bank	1,353,313	909,436
Bank overdrafts	(369,616)	(436,528)
Total cash and cash equivalents as at 31 March	983,697	472,908

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

As at	Note	31.03.2024 Rs. ' 000 Audited	31.12.2023 Rs. ' 000 Audited
Assets			
Property, plant and equipment		307,814	311,000
Right of use assets		664,822	600,973
Financial investments		32,880,357	33,092,231
Loans to life policyholders		328,870	331,301
Reinsurance receivables		590,744	465,211
Premium receivables		2,190,171	2,449,089
Receivables and other assets		1,291,321	1,063,438
Cash and cash equivalents		1,352,045	1,087,058
Total assets		39,606,144	39,400,301
Equity and liabilities			
Equity			
Other reserves		(814,237)	(856,820)
Total equity		(814,237)	(856,820)
Liabilities			
Insurance contract liabilities	11	28,549,811	27,925,474
Employee benefit liabilities		282,317	276,302
Reinsurance payables		909,082	718,855
Income tax liabilities		774,128	927,170
Other liabilities		9,535,427	10,032,630
Bank overdraft		369,616	376,690
Total liabilities		40,420,381	40,257,121
Total equity and liabilities		39,606,144	39,400,301

1 REPORTING ENTITY

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

2 APPROVAL OF FINANCIAL STATEMENTS BY THE BOARD OF DIRECTORS

The interim condensed Financial Statements for the quarter ended 31 March 2024 were authorised for issue by the Board of Directors on 07 May 2024.

3 BASIS OF PREPARATION

The interim condensed Financial Statements for the quarter ended 31 March 2024 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 2023. Further, the provisions of the Companies Act no.7 of 2007, the Regulation of the Insurance Industry Act No 43 of 2000 and Colombo Stock Exchange have been considered in preparing these interim condensed Financial Statements. The same Accounting Policies and methods of computation as stated in the Annual Financial Statements - 2023 have been followed in preparing these interim condensed Financial Statements.

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

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

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

4 FAIR VALUE MEASUREMENT AND RELATED FAIR VALUE DISCLOSURES

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

5 GROSS WRITTEN PREMIUM

For the Period ended 31 March	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited
First Year Premium	1,689,279	1,555,822
Renewal Premium	3,694,680	3,154,980
Group Life Premium	1,581,604	1,229,185
Single Premium	197,264	44,631
Total Gross Written Premium	7,162,827	5,984,618

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

6 TOTAL NET REVENUE

For the Period ended 31 March	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited
Net written premiums	6,527,187	5,345,006
Other Revenue	1,921,272	1,942,428
Total Net Revenue	8,448,459	7,287,434

7 FINANCE COST

For the Period ended 31 March	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited
Interest expenses on lease liabilities and loans and borrowings	(185,924)	(185,530)
Net exchange (losses) / gains	(185,575)	(381,968)
Other finance cost	(29,851)	(34,638)
Total Finance (Cost) / Gains	(401,350)	(602,136)

8 PROFIT BEFORE TAXATION

For the Period ended 31 March	2024 Rs. ' 000 Audited	2023 Rs. ' 000 Audited
Profit Before Taxation	1,196,172	820,760
Total	1,196,172	820,760

The Company transferred Rs.932 Mn from Non participating fund to shareholder fund as surplus transfer for the quarter ended 31 March 2024 (2023- 730 Mn).

9 INCOME TAX EXPENSE

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

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

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

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

10 FINANCIAL INVESTMENTS

As at	Note	31.03.2024 Rs. ' 000 Audited	31.12.2023 Rs. ' 000 Audited
Amortised Cost (AC)	10.1	32,391,521	33,698,659
Fair Value through Other Comprehensive Income (FVOCI)	10.2	5,724,919	5,174,882
Fair Value Through Profit or Loss (FVTPL)	10.3	5,341,337	4,626,674
Total Financial Investments		43,457,777	43,500,215

10.1 Amortised Cost (AC)

Treasury Bonds	18,757,521	18,408,368
Treasury Bills	480,141	553,716
International Sovereign Bonds	3,784,493	3,928,615
Bank Deposits	910,471	919,403
Commercial Papers	1,406,940	1,713,352
Securitized Papers	514,081	577,371
Quoted Debentures	5,967,319	6,251,253
Unquoted Debentures	308,138	301,493
Reverse Repo	262,417	1,045,088
	32,391,521	33,698,659

10.2 Fair Value through Other Comprehensive Income (FVOCI)

Equity Securities:		
Quoted	2,700,694	1,759,999
Unquoted	-	326,914
Treasury Bonds	3,024,225	3,087,969
	5,724,919	5,174,882

10.3 Fair Value Through Profit or Loss (FVTPL)

Treasury Bonds	334,268	318,208
Unlisted Perpetual Debenture	773,466	794,476
Unit Trust	4,233,603	3,513,990
	5,341,337	4,626,674

11 INSURANCE CONTRACT LIABILITIES

As at	Note	31.03.2024 Rs. ' 000 Audited	31.12.2023 Rs. ' 000 Audited
Insurance Contract Liabilities		26,702,596	26,145,333
Surplus Created due to Change in Valuation method from NPV to GPV	11.1 & 11.2	1,056,535	1,056,535
Claim Payables		790,680	723,606
		28,549,811	27,925,474

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

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

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

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

Movement of One-off Surplus After Transfer	Participating Fund Rs. ' 000	Non- Participating Fund Rs. ' 000	Total Rs. ' 000
Value of Insurance Contract Liability based on Independent Actuary-NPV as at 31 st December 2015	3,866,780	2,472,575	6,339,355
Value of Insurance Contract Liability based on Independent Actuary-GPV as at 31 st December 2015	2,810,245	1,674,571	4,484,816
Surplus Created due to Change in Valuation method from NPV to GPV- One off Surplus as at 1st January 2016	1,056,535	798,004	1,854,539
Transfer of One-off Surplus from long term fund to Restricted Regulatory Reserve.	-	(798,004)	(798,004)
Surplus created due to Change in Valuation Method - One-off Surplus as at 31 December 2023	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.

11.2 Composition of Investments Supporting the Restricted Regulatory Reserve as at 31 March 2024

Asset Category	ISIN No	As at 31 March 2024	
		Face Value	Market Value
		Rs.	Rs. ' 000
Government Securities			
Treasury Bond	LKB00628A153	100,000,000	120,890
	LKB00628A153	110,000,000	132,979
	LKB00628A153	100,000,000	120,890
	LKB00628A153	100,000,000	120,890
	LKB00931E153	100,000,000	130,273
	LKB00931E153	100,000,000	130,273
	LKB00931E153	120,000,000	156,327
	LKB00931E153	100,000,000	130,273
	LKB00931E153	100,000,000	130,273
	LKB00931E153	100,000,000	130,273
Total Market Value of the Assets			1,303,341
Restricted Regulatory Reserve			798,004

11.3 Valuation of Life Insurance Fund -(Zeroed Basis of Negative Liabilities at Product Level) as at 31 March 2024

The valuation of life insurance fund as at 31 March 2024 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 as disclosed below.

For the quarter ended 31 March 2024 – Rs.932 Mn (2023 - 730 Mn)

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

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

12 CAPITAL COMMITMENTS AND CONTINGENCIES

12.1 Capital Commitments

The capital commitments approved and contracted as at the reporting date were Rs. 2.97 million.

12.2 Contingencies

The Contingent liabilities of the company as at 31 March 2024, 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) on 22nd August 2019. Out of total 11 assessments, 08 assessments were determined in favor of Commissioner General of Inland Revenue (CGIR) amounting to Rs. 46.5 Million including the penalty and 03 assessments were determined in favour of Softlogic Life Insurance PLC 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 Honorable 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 Softlogic Life Insurance PLC and case is stated for the opinion of the Honorable 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. 28.0 Million and Rs. 102.4 Million respectively, in favour of the CGIR. The Company is in the process of hearing the appeals with Tax Appeals Commission, on the basis that the underlying computation includes items which are out of scope of the VAT Act.

3) Assessments have been issued for the Company under the Value Added Tax Act, in relation to the Y/A 2018/19 and 2019/20 amounting to Rs. 72.6 Million and 147.7 Million respectively. Determination of the CGIR in relation to 2018/19 has stated that the assessment has been annulled. Further, the company has appealed for the assessment issued for the Y/A 2019/20 on the basis that the underlying computation includes items which are out of scope of the VAT Act and is awaiting the CGIR determination.

Economic Service Charge (ESC)

4) An assessment has been issued by the Department of Inland Revenue under the Economic Service Charge Act, in relation to the taxable period ending 31 December 2017 amounting to Rs. 7.3 Million. The CGIR has informed the Company that the tax due under the Finance Act has been written off.

12 CAPITAL COMMITMENTS AND CONTINGENCIES (Cont.)

12.2 Contingencies (Cont.)

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

5) 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.

6) An assessment has been issued by the Department of Inland Revenue under the Nation Building Tax, in relation to the Y/A 2019/20 amounting Rs. 18 Million including penalty. According to the determination received by the CGIR, the tax due has been discharged.

Life Insurance Taxation

7) The Tax Appeals Commission 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 Softlogic Life Insurance PLC and the CGIR has transmitted this case to the Court of Appeal being dissatisfied with the said determination of Tax Appeals Commission and case is stated for the opinion of the Honorable Court of Appeal. The Company is awaiting the decision of the Court of appeal.

8) The Tax Appeals Commission 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 this case to the Court of Appeal being dissatisfied with the said determination of Tax Appeals Commission and case is stated for the opinion of the Honorable Court of Appeal. The Company is awaiting the decision of the Court of appeal.

9) The CGIR issued its determination on the appeal filed by the Company relating to the assessment 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 determination of the Tax Appeals Commission in favour of the Company. The Company is in the process of hearing the appeals with Tax Appeals Commission for the Y/A 2015/16 and 2016/17.

10) An assessment has been issued under the Income Tax Act by the Department of Inland Revenue in relation to the Y/A 2018/19 and 2020/21, amounting to Rs. 533.4 Million and 931.2 Million respectively including penalty and interest. The Company has filed appeals to the CGIR and awaiting the CGIR determination.

11) The CGIR issued its determination on the appeal filed by the Company relating to the assessment raised for the Y/A 2019/20 amounting to Rs. 1,114 Million along with penalty, in favour of the CGIR. The Company has submitted a petition of appeal with Tax Appeals Commission.

12) 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 submitted an appeal.

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

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

13 EVENTS AFTER THE REPORTING PERIOD

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

14 COMPARATIVE INFORMATION

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

15 SHARE INFORMATION

15.1 Net Assets Per Share

As at	31.03.2024	31.12.2023
	Rs.	Rs.
Net Assets Per Share	34.04	35.56
Net Asset per Share - Excluding One-off Surplus	31.92	33.43

15.2 Market Price Per Share

For the quarter ended 31 December	2024	2023
	Rs	Rs
Last traded price (Last trade date - 28 th March 2024)	66.10	84.40
Highest traded price per share for the quarter	68.70	136.00
Lowest traded price per share for the quarter	52.30	82.00

16 STATED CAPITAL

As at	31.03.2024	31.12.2023
Stated Capital (Rs.' 000)	1,062,500	1,062,500
No: of Ordinary Shares	375,000,000	375,000,000

17 BASIC AND DILUTED EARNING PER SHARE (EPS)

For the Period ended 31 March	2024	2023
Profit attributable to Ordinary Shareholders (Rs. 000)	853,613	501,636
Weighted Average No: of shares as at 31 March	375,000,000	375,000,000
Basic / Diluted EPS (Rs.)	2.28	1.34

SOFTLOGIC LIFE INSURANCE PLC
NOTES TO THE INTERIM FINANCIAL STATEMENTS

18 TWENTY LARGEST SHAREHOLDERS

Name of Shareholder	31.03.2024	
	No. of Shares	%
1 Softlogic Capital PLC	193,945,760	51.72
3 Dalvik Inclusion Private Limited	71,250,000	19.00
2 Milford Ceylon (Pvt) Ltd	71,250,000	19.00
4 Commercial Bank Of Ceylon PLC/W. Jinadasa	1,231,734	0.26
5 Mr. G.C. Goonetilleke	979,765	0.26
6 Seylan Bank PLC/Eagle Crest (pvt) Ltd	848,555	0.23
7 Senkadagala Finance PLC/Mr. L.A.J.F. Morais	795,328	0.21
8 People's Leasing & Finance PLC/Mrs.H.A.J.Wickramasena	729,700	0.19
9 Mrs. H.N.R Bharati	625,000	0.17
10 Emfi Capital Limited	565,073	0.15
11 Mr. A.P.P.M. Abeyrathne	519,647	0.14
12 Mr. J.M.I. Jayaweera	388,427	0.10
13 Hatton National Bank PLC A/C No. 4 (HNB retirement pension fund)	380,102	0.10
14 Assetline Finance Limited/R.S.P.Samaranayake	374,991	0.10
15 Mr. W.A.A.T.M. Jayawickrama	373,070	0.10
16 Mr. J.A.D.K.R. Jayasuriya	371,616	0.10
17 Mr. M.K. De Livera	370,003	0.10
18 Dialog Finance PLC/D.S.Nakandala	356,760	0.10
19 Mr. P. Muthulingam	352,708	0.09
20 Maskeliya Tea Exports (Pvt) Ltd	300,000	0.08
	346,008,239	92.2
Others	28,991,761	7.80
Total	375,000,000	100.00

19 PUBLIC SHAREHOLDING

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

As at	2024 Rs	2023 Rs
Public shareholding (%) - Compliant under Option 1 of CSE listing Rule 7.13.1.b	10.23	10.23
Public shareholders .	4,814	4,903
Float Adjusted Market Capitalisation (Rs.' 000)	2,535,761	2,063,903

Public Holding percentage - Ordinary Non-Voting Shares as at 31 March 2024 - Nil

20 DIRECTORS' SHARE HOLDINGS

As at 31 March Name of The Director	2024	
	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

21 RELATED PARTY DISCLOSURES

The nature of the related parties in the current period and terms and conditions of transactions with related parties are similar to those reported in the audited Financial Statements for the year ended 31 December 2023.

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

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

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

For the Period ended 31 March	2024 Rs.' 000	2023 Rs.' 000
Transactions with the Ultimate Parent and Parent		
Investments	506,462	514,591
Receiving of services	85,422	50,136
Expenses	1,192	708
Dividend Paid	727,955	679,425
Interest Income	20,080	37,358
Net Premiums	2,802	264
Insurance premium receivable	127	11,111
Transactions with Other Related Entities		
Investments	463,344	494,793
Purchases of property plant and equipment	-	12,225
Expenses	127,512	68,331
Net Premiums	31,698	4,965
Insurance premium receivable	40,927	212,995