

# LOLC Life and LOLC General says they stand out as most preferred insurance partners

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LOLC Group's Insurance arm has concluded FY 2022 on a high note, recording its best - ever performance to date. Consolidated Gross Written Premium (GWP) of LOLC General Insurance (motor and non-motor) for the year ended on 31 December 2022 stood at Rs. 8.551 billion, reflecting a commendable 17% improvement over the previous financial year.

LOLC Life and General together also accounted for a combined Profit After Tax (PAT) of Rs. 2,418 million. What is more remarkable is that these results come amidst the backdrop of a significant decline in industry-wide performance owing to severe external challenges throughout 2022.

In the current financial year, LOLC General Insurance recorded a Profit before Tax (PBT) of Rs.1.65 billion, denoting a solid 30% increase year on year, along with a PAT of Rs. 1.40 billion representing 28% improvement over the figure reported for the previous financial year. The Total Comprehensive Income of the company recorded Rs. 449 million. Furthermore, with the Company's market share in the Motor segment edging up to 10% in the year 2022, LOLC General too moved up two spots in the industry league tables from 7th position in 2021 to claim 5th place in 2022.

Similarly, LOLC Life Assurance also soared ahead to deliver exceptional results and reach some important milestones in the current financial year. Reporting an overall Premium income growth of 12% year on year, the company was recognised as having the Highest New Business growth (FYP) in the industry at 31%, a



LOLC General Insurance

PLC Director/CEO

Kithsiri Gunawardena



LOLC Life Assurance Director/CEO Nadika  
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monumental achievement given the severe challenges encountered during 2022. Meanwhile, growing by 74% year on year, the PAT crossed the 1 billion mark for the first time in the company's history. Backed by strong bottom line results, LOLC Life Assurance reported a Return on Equity (ROE) of 33%. Moreover, with a 4% market share in GWP terms, LOLC Life moved up to the 7th spot in the industry rankings for 2022 from 8th position occupied in the previous financial year.

The formation of the Insurance arm, - Life and non-Life (General) operations in 2010 denotes a key milestone in LOLC's strategic diversification agenda. A little over a decade on, LOLC life and general businesses have proven themselves as the most preferred insurance providers in the market.

LOLC Life Assurance Ltd (LOLC Life) continues to offer a comprehensive suite of Insurance covers from Life Insurance plans, pension plans, child plans, critical illness plans and home loan protection solutions, all tailored to suit the bespoke needs of each customer. The business model of the Life business revolves around providing sustainable solutions to ensure the safety of people and communities. A robust business model coupled with sound underwriting principles has put LOLC Life on an accelerated growth trajectory, for the past few years.

LOLC General caters to all customer segments through specialised lifestyle Insurance solutions for vehicles, homes, businesses, travel, cargo, personal accident cover etc. Seeking to emulate a more inclusive approach to business, LOLC General also offers Takaful Insurance - an alternative solution for risk averse customers to benefit from the risk sharing concept promulgated by the Islamic banking principles.

Over the past ten years, LOLC General has recorded a number of milestones, most notably the listing on the Colombo Stock Exchange in December 2021. The unveiling of the 'Honours' loyalty programme in October 2022 marks another important milestone for LOLC General. The first ever cash back scheme to be launched by a local insurer, the "Honours" programme enables customers to benefit from merchant discounts, while accumulating loyalty points that can be utilised to offset the cost of their future insurance premiums.

The recent growth acceleration in LOLC's Life and General business has been supported by the expansion in the island-wide branch network. The branch network which until end-2021 stood at 59 was expanded in 2022 with 23 new branches being added within the course of the year. As part of the overall expansion strategy, both companies have also started investing heavily in digital technology. These investments are expected to facilitate end-to-end system transformation that would see the entire insurance process from customer acquisition, due diligence and policy issuance to claim settlement, managed digitally.

Both companies operate on sound business principles to focus not only to drive business excellence, but also serve a larger purpose to bring socio economic progress to people, especially women around Sri Lanka. Both companies deliver on their commitment to women's empowerment through the agent network, where female representation stands at 60%. Over 1100 company-appointed women Insurance agents around the country benefit from flexible work-time schedules which gives them the opportunity to become productive members of society who

contribute towards the economic wellbeing of their communities, while also experiencing a healthy work-life balance.

Seeking to replicate these concepts on a global scale, the LOLC Group took the next step to grow its insurance footprint by setting up Serendib Micro Insurance Ltd - Cambodia in June 2021. Serendib Micro Insurance Ltd - Cambodia is jointly owned by LOLC Life and LOLC General, with each entity having a 45% stake.

LOLC Life Insurance and LOLC General Insurance are both part of LOLC Holdings (LOLC /Group). Although financial services has remained the mainstay of LOLC's operations for over two decades, in recent years the Group has been on an aggressive diversification drive to establish its presence in all critical sectors of the Sri Lankan economy from agriculture and plantations, tourism and leisure and information technology to trading, manufacturing, mining, construction and real estate. Through its collective investments in these sectors, LOLC fuels economic activity in Sri Lanka, supports job creation and augments the Country's export revenue generation capacity. LOLC's strategic expansion onto the global stage in 2007 and successive investments since then have facilitated the Group's transformation into a truly global conglomerate with a footprint in 25 countries across three continents.