



Please reply to: Company Secretary

HNB Assurance PLC (PQ 108)

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Mr. Renuke Wijawardhane,
Chief Regulatory Officer
Colombo Stock Exchange
#04-01 west Block
World Trade Centre
Colombo 01

Dear Sir,

NEWS RELEASE – SECTION 8 – CORPORATE DISCLOSURE

We are forwarding herewith a copy of the News Release, pertaining to our company and its fully owned subsidiary, HNB General Insurance Limited.

Please acknowledge the receipt of the same.

Yours Faithfully,

Sitari Jayasundara
Chief Legal & Compliance Officer / Board Secretary

HNB Assurance Group PAT up by 50% and Group GWP up by 24% in 2022

HNB Assurance PLC (HNBA) and its wholly owned subsidiary HNB General Insurance Limited (HNBGI) ended 2022 in spectacular fashion with the Group figures indicating a growth in Profit After Tax (PAT) of 50% to Rs 1,830.5 Mn for the year ended December 2022 compared to Rs 1,223.6 Mn recorded a year earlier. In terms of Gross Written Premium (GWP), the Group recorded Rs 15.6 Bn growing by a handsome 24% compared to the previous year.

“I certainly am elated by the performance of both companies in a year of unprecedented challenges” said Mrs. Rose Cooray, Chairperson of HNBA and HNBGI sharing her views on the Group’s performance, and pointed out that at a Group level, GWP grew by 24% to Rs 15.6 Bn as a result of the very aggressive strategies of new business acquisition that were put in place by HNBA and HNBGI, taking into account the volatilities that were prevalent in the socio economic and political fronts. “While the Group Assets surpassed the 40 Billion mark to reach Rs. 41.1 Bn with a growth of 15%, the Earnings Per Share (EPS) grew by 50% to Rs 12.20 compared to Rs 8.16 as at the end of 2021. The Group has been able to honour maturities and claims to the tune of Rs 5.6 Bn growing by 36% compared to the previous year”. Mrs. Cooray added “these results and the many awards that both companies won during the year are the outcome of keen management insight and strategies that have been put in place and implemented meticulously, and also augurs well for the performance of the two new CEO’s who took office at the beginning of the year. I resonate the sentiments of the Board in congratulating the teams of both companies for their stellar performance and reassure all our stakeholders that we will continue to add value to them into the future as well. The Group, whilst acquiring the latest in terms of technological capabilities have implemented many initiatives to rationalize their cost structures to ensure that resource utilization is at its optimal level”.

In terms of the Life Businesses PAT, the Company was able to reach 1,483.6 Mn growing by an impressive 48% compared to Rs. 1,000.5 Mn recorded a year earlier, whilst in terms of GWP the Company recorded a growth of 26% to reach Rs. 8.9Bn by the year end, which in fact is the highest growth when compared with the top 8 players in the industry, whilst growth in terms of New Business achieved is 10 times more than that of the industry average. Mr. Lasitha Wimalaratne, CEO of HNBA sharing his thoughts on the performance of the Company stated, “this has been a remarkable year for us, not only have we been able to grow in terms of all our financial indicators; we have also had the honour of being the only Sri Lankan insurer to be listed amongst the top 70 best workplaces in Asia by Great Place to Work. Apart from this, we have won many awards during the year including Gold Award for Service Sector at the CNCI Achiever Awards as well as other awards for Digital Marketing, Financial Reporting, and also for our Bancassurance Operation. The Life Fund has reached Rs 24.4 Bn while the total assets of the Company has reached Rs 33.7 Bn and an increase of Return on Equity (ROE) by 22% as at the end of 2022.”

Speaking further, Mr Wimalaratne added, “the Company has made much headway in terms of increasing the output and efficiencies of both the Advisor and the Partnership business channels. The Company was able to produce 194 MDRT qualifiers with 4 TOT’s and 12 COT qualifiers including the Company’s first MDRT Lifetime Member. The Company whilst unveiling its premier health proposition SupremeHealth

Unlimited during the year, which enables customers to have the best medical treatment both here and overseas, also rolled out its new branch outlook at three strategic locations offering both customers and employees the best in terms of aesthetics, ergonomics, and convenience”. “All in all”, he reiterated “the Company is well on course to reach its 5 year plan and thanked the Board, Sales force and staff for their untiring efforts in this remarkable achievement”, and re-emphasized the Company’s commitment to its customers and all stakeholders in adding value to them.

HNBGI saw its GWP reach Rs. 6.8Bn growing by 21% over 2021. Mr Sithumina Jayasundara, CEO of HNBGI stated that the General Insurance business has done well amidst many a challenge with almost no new vehicle registrations and a contraction in trade and commerce, whilst also grappling with an ever-increasing claims costs. The Company’s PAT grew by 33% to Rs. 450.4 Mn from Rs. 338.1 Mn recorded a year earlier. The Company saw a healthy rise in Total Assets which grew by 13% and a ROE of 20% as at the year end. A noteworthy fact was also the improvement of the Non-Motor segment which demonstrated a growth of 46% from the previous year. Further, the Company was the recipient of the Service Sector Silver Award at the CNCI Achiever Awards in 2022 and stands as testament to the overall performance of the Company

Mr. Jayasundara further went on to add, “in the business of insurance the claim becomes the moment of truth for the customer, and we have been able to take some giant strides in offering a superlative claim settlement process, we have been able to reduce claim processing and settlement times and also have very successfully incorporated digitally enabled claim intimation process adding much convenience to the customer. Our efforts in this regard have won us acclaim by the Global Banking and Finance Review in being awarded the Best Claims Management Team Sri Lanka in 2022 auguring well for the soundness of the measures that have been put in place. Our aim in the next 4 years is to get to a market share of 10%, this is a journey that we embarked upon at the beginning of this year, and I am happy to state that we firmly are on course in this regard. I wish to thank the staff and all the intermediaries for the support extended to help us achieve the results we did”.

HNB Assurance PLC (HNBA) is one of the fastest growing Insurance Companies in Sri Lanka with a network of 64 branches. HNBA is a Life Insurance company with a rating of 'A-' (Ika) by Fitch Ratings Lanka for 'National Insurer Financial Strength Rating'. Following the introduction of the segregation rules by the Insurance Regulator, HNB General Insurance Limited (HNBGI) was created and commenced its operations in January 2015; HNBGI continues to specialize in motor, non-motor and Takaful insurance solutions and is a fully owned subsidiary of HNB Assurance PLC. HNB General Insurance has been assigned a 'National Insurer Financial Strength Rating' of 'A-' (Ika) by Fitch Ratings Lanka Limited. HNBA is rated within the Top 100 brands and Top 100 companies in Sri Lanka by LMD and HNB Assurance has won international awards for Brand Excellence, Digital Marketing and HR Excellence including the Great Place To Work® Certification, and won many awards for its Annual Reports at award ceremonies organized by the Institute of Chartered Accountants of Sri Lanka.

ENDS:

Photo Caption:

- 1. Mr. Lasitha Wimalaratne – CEO HNB Assurance PLC**
- 2. Mr. Sithumina Jayasundara – CEO HNB General Insurance PLC**