Arpico Insurance PLC
Interim Financial Statements
For the period ended 30th September 2026

Growth
at Every Turn



Arpico Insurance PLC
Interim Financial Statements - Quarter 3 - 2026

Income Statement

For the period ended 30 September	Note	Un-Audited 2026 LKR	Un-Audited 2025 LKR
Gross Written Premium	4	1,012,159,832	1,270,849,193
Premium ceded to reinsurers	5	(60,471,172)	(65,588,528)
Net written premium		951,688,660	1,205,260,665
Other revenue			
Fees and commission income		10,673,813	10,911,489
Investment income	6	357,296,390	367,840,532
Fair value gains		10,678,439	9,180,769
Other operating revenue		1,291,993	2,455,841
Total Other revenue		379,940,635	390,388,631
Total net revenue		1,331,629,295	1,595,649,296
Benefits, claims and expenses			
Net Insurance Benefits and Claims Paid		(701,280,494)	(641,685,015)
Net change in insurance claims outstanding		3,165,231	(1,796,574)
Underwriting and net acquisition costs		(223,033,812)	(340,804,965)
Change in contract liabilities - life fund	7	139,299,162	(5,625,283)
Other operating, administrative and selling expenses		(425,113,274)	(436,717,784)
Depreciation and amortisation		(93,082,484)	(101,895,452)
Total benefits, claims and expenses		(1,300,045,671)	(1,528,525,073)
Profit before Taxation		31,583,624	67,124,223
Income Tax Expense	8	(9,475,087)	(28,196,496)
Profit for the Period	9	22,108,537	38,927,727
Profit attributable to:			
Equity holders of the Company		22,108,537	38,927,727
Basic Earning per Share (LKR)		0.33	0.59
Diluted Earning per Share (LKR)		0.33	0.59

Statement of Other Comprehensive Income

For the period ended 30 September	Un-Audited 2026 LKR	Un-Audited 2025 LKR
Profit for the Period	22,108,537	38,927,727
Other Comprehensive Income/(Loss)		
Net change in fair value of available-for-sale financial assets	-	116,178,997
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	12,997,349	(9,372,901)
Net change in fair value of AFS reserve transferred to insurance Liabilities	(12,997,349)	9,372,901
Items that will never be reclassified to profit or loss		
Acturial loss on defined benefit plan	-	
Total Other comprehensive income, net of tax	-	116,178,997
Total comprehensive Income for the Period, Net of Tax	22,108,537	155,106,724

Income Statement

For three months ended 30 September	Un Audited 2026 LKR	Un-Audited 2025 LKR
Gross Written Premium	308,406,635	412,996,101
Premium ceded to reinsurers	(19,857,925)	(22,200,792)
Net written premium	288,548,710	390,795,309
Other revenue		
Fees and commission income	3,376,480	3,138,772
Investment income	120,959,713	101,890,118
Fair value gains	3,854,024	3,090,666
Other operating revenue	168,479	512,370
Total Other revenue	128,358,696	108,631,926
Total net revenue	416,907,406	499,427,235
Benefits, claims and expenses		
Net Insurance Benefits and Claims Paid	(175,802,549)	(201,242,188)
Net change in insurance claims outstanding	1,552,399	(9,246,454)
Underwriting and net acquisition costs	(57,268,970)	(114,224,078)
Change in contract liabilities - life fund	(6,364,462)	3,245,114
Other operating, administrative and selling expenses	(149,214,364)	(146,419,658)
Depreciation and amortisation	(31,205,592)	(32,929,962)
Total benefits, claims and expenses	(418,303,538)	(500,817,226)
Profit before Taxation	(1,396,132)	(1,389,991)
Income Tax Expense	615,085	(8,856,125)
Profit for the Period	(781,047)	(10,246,116)
Profit attributable to:		
Equity holders of the Company	(781,047)	(10,246,116)
Basic Earning per Share (LKR)	(0.01)	(0.15)
Diluted Earning per Share (LKR)	(0.01)	(0.15)

Statement of Other Comprehensive Income

For three months ended 30 September	Un Audited 2026 LKR	Un-Audited 2025 LKR
Profit/(Loss) for the Period	(781,047)	(10,246,116)
Other Comprehensive Income/(Loss)		
Net change in fair value of available-for-sale financial assets	-	87,857,516
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	2,822,299	1,226,650
Net change in fair value of AFS reserve transferred to insurance Liabilities	(2,822,299)	(1,226,650)
Items that will never be reclassified to profit or loss		
Acturial loss on defined benefit plan	-	-
Total Other comprehensive income, net of tax	-	87,857,516
Total comprehensive Income/(Loss) for the Period, Net of Tax	(781,047)	77,611,400

STATEMENT OF FINANCIAL POSITION

As at	Note	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Assets			
Intangible assets		6,881,250	6,954,017
Property, plant and equipment		12,566,628	23,112,291
Right of use assets	10	134,502,790	198,976,482
Deferred Tax Asset		195,000,000	195,000,000
Financial assets	11	4,436,955,045	4,565,464,789
Loans to life policyholders		158,844,227	172,658,497
Reinsurance receivables		13,014,005	5,311,350
Amounts due from related parties	13	14,270,985	9,031,305
Premium receivable		69,930,214	64,996,481
Other assets		156,057,633	113,622,615
Cash and cash equivalents		71,395,818	88,426,366
Total Assets		5,269,418,595	5,443,554,193
Equity and Liabilities			
Equity			
Stated capital	16	675,564,870	675,564,870
Retained earnings		1,034,526,204	1,012,417,668
Total Equity		1,710,091,074	1,687,982,538
Liabilities			
Insurance contract liabilities	12	3,114,143,991	3,266,440,502
Employee benefit obligation		21,722,404	18,012,333
Reinsurance payables		14,656,000	17,300,371
Lease liabilities	10	163,571,147	234,433,002
Amounts due to related parties	13	6,583,239	7,580,344
Other financial liabilities		211,394,887	191,622,027
Other liabilities		27,255,853	20,183,076
Total Liabilities		3,559,327,521	3,755,571,655
Total Equity and Liabilities		5,269,418,595	5,443,554,193

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

Dhananjaya Saluwadana
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the board.

Ramal Jasinghe
Chairman
11, November 2026
Colombo.

Yudishtran Kanagasabai
Director

STATEMENT OF CHANGES IN EQUITY

	Stated Capital LKR	AFS Reserve LKR	Retained Earnings LKR	Total LKR
Audited Balance as at 01 January 2025	675,564,870	159,513,183	1,005,999,971	1,841,078,024
Profit for the period			38,927,727	38,927,727
Actuarial loss on defined benefit plan				-
Other Comprehensive Income / (Loss)				
Net change in fair value of available-for-sale financial assets		116,178,997		116,178,997
Total Comprehensive Income for the Period, Net of Tax				
Un-Audited Balance as at 30 September 2025	675,564,870	275,692,180	1,044,927,698	1,996,184,748
Profit/(Loss) for the period			(30,894,455)	
Actuarial loss on defined benefit plan			(1,615,576)	
Other Comprehensive Income / (Loss)				
Net change in fair value of available-for-sale financial assets		(275,692,180)		
Total Comprehensive Income for the Period, Net of Tax				
Audited Balance as at 31 December 2025	675,564,870	-	1,012,417,667	1,687,982,538
Profit for the period			22,108,537	22,108,537
Actuarial loss on defined benefit plan				-
Other Comprehensive Income / (Loss)				
Net change in fair value of available-for-sale financial assets		-		-
Total Comprehensive Income for the Period, Net of Tax				
Un-Audited Balance as at 30 September 2026	**675,564,870**	**-**	**1,034,526,204**	**1,710,091,075**

STATEMENT OF CASH FLOWS

For the period ended 30 September	Un-Audited 2026 LKR	Un-Audited 2025 LKR
Cash flows from operating activities		
Insurance premium received	1,007,212,431	1,265,589,848
Reinsurance premium paid	(63,115,542)	(61,487,900)
Insurance benefits and claims paid	(700,188,249)	(642,018,378)
Reinsurance claim received	(7,702,655)	5,101,246
Other operating cash flows	(645,721,809)	(768,377,705)
Cash generated from operating activities	(409,515,824)	(201,192,889)
Tax Paid	(2,388,641)	(10,106,390)
Employee benefits paid	(2,080,000)	(976,500)
Net cash generated from operating activities	(413,984,465)	(212,275,779)
Cash flows from investing activities		
Acquisition of financial investments	(249,896,597)	(627,270,367)
Proceeds from sale/maturity of investment securities	378,406,341	566,893,917
Interest/Dividend received	357,296,390	367,840,532
Acquisition of property, plant and equipment	(2,026,119)	(1,266,875)
Net Acquisition of ROU Asset	(86,826,099)	(80,255,660)
Net Cash Used in Investing Activities	396,953,916	225,941,547
Net Cash Flows Before Financing Activities	(17,030,549)	13,665,768
Cash flows from financing activities		
	-	-
Net cash used in financing activities	-	-
Net increase / (Decrease) in cash and cash equivalents	(17,030,549)	13,665,768
Cash and cash equivalents at the beginning of the year	88,426,367	53,869,098
Cash and cash equivalents at the end of the period	71,395,818	67,534,866

Notes to the Financial Statements

1. Reporting Entity

Arpico Insurance PLC ("Company") is a Public limited liability company incorporated and domiciled in Sri Lanka and the ordinary shares of the company are listed on the stock exchange. The company is registered under the Insurance Industry Act No.43 of 2000 and amendments there to. The registered office of the company is located at 310, High level Road,Nawinna, Maharagama and the principal place of business is located at No. 55/20, Vauxhall Lane,Colombo 02.

2. Approval of Financial Statements

The Unaudited Condensed Consolidated Interim Financial Statements for the quarter ended 30th September 2026 were authorised for issue by the Board of Directors on 11th November 2026.

3. Basis of Preparation

The Financial Statements of the Company have been prepared on an accrual basis under the historical cost convention and applied consistently with no adjustment being made for inflationary factors affecting the Financial Statements except for the financial assets available for sale and financial assets designated at fair value through profit or loss which are measured at fair value and investment properties valued at fair value.
The Condensed Consolidated Interim Financial Statements have been prepared in compliance with Sri Lanka Accounting Standard "LKAS 34 – Interim Financial Reporting". These Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2025. Furthermore, provisions of the Companies Act No. 07 of 2007 have been considered in preparing the Condensed Consolidated Interim Financial Statements of the Company. 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 31 December 2025.

4. Gross Written Premium

For the Period Ended 30 September	Un-Audited 2026 LKR	Un-Audited 2025 LKR
First year premium	259,401,403	477,106,525
Renewal premium	730,387,395	776,018,860
Group premium	22,371,034	17,723,808
	1,012,159,832	1,270,849,193

5. Premium Ceded To Reinsurers On Insurance Contracts

For the Period Ended 30 September	Un-Audited 2026 LKR '000	Un-Audited 2025 LKR '000
Conventional policies		
Total premium ceded to reinsurers	60,471,172	65,588,528
Total net written premium	951,688,660	1,205,260,665

Notes to the Financial Statements

6. Investment income

For the Period Ended 30 September	Un-Audited 2026 LKR	Un-Audited 2025 LKR
Held to maturity financial assets		
Interest Income	92,149,467	113,833,381
Loans and receivables		
Interest Income	236,961,673	202,851,840
Available For Sale Financial Assets		
Interest Income	28,185,250	24,117,000
Dividend income	-	27,038,311
	357,296,390	367,840,532

7. Change in contract liabilities - life fund

As per the requirement of SLFRS 4 ,a provisional Liability Adequacy Test with respect to Life insurance provision was performed as at 31st December 2025 .

8. Income Tax Expense

For the Period Ended 30 September	Un-Audited 2026 LKR	Un-Audited 2025 LKR
Income tax on current period profit	9,475,087	28,196,496
Total current income tax	9,475,087	28,196,496

9. Profit/(Loss) from life insurance

No surplus or deficit transfer has been made from the life insurance fund to the Income Statement for quarter ended 30th September 2026.

10. Right of Use Assets

As at	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Opening balance	198,976,482	171,032,028
Additions of right of use lease asset during the period	15,535,268	124,337,832
Depreciation for the period	(80,437,936)	(101,669,245)
Advance payment for leases	428,976	5,275,867
Closing balance	134,502,790	198,976,482

Lease liabilities

As at	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Opening balance	234,433,002	208,113,822
Additions during the period	15,535,268	129,713,492
Finance cost recognised in profit and loss	19,237,134	34,317,346
Lease payments	(105,634,257)	(137,711,658)
Closing balance	163,571,147	234,433,002

Notes to the Financial Statements

11. Financial Assets

As at	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Loans and receivables (11.1)	3,157,562,544	3,275,245,648
Available-for-sale financial assets (11.2)	313,154,350	335,716,450
Held to Maturity (11.3)	810,827,898	809,770,877
Fair Value through profit & Loss (11.4)	155,410,253	144,731,814
	4,436,955,045	4,565,464,789

11.1 Loans and receivables

	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Amortised cost		
Debentures	283,283,526	471,211,422
Fixed deposit	1,772,420,174	1,587,741,824
Reverse repurchase agreements	1,101,858,844	1,051,272,593
Commercial Paper	-	167,916,343
	3,157,562,544	3,278,142,182

11.2 Available-for-sale financial assets

	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Treasury bonds	313,154,350	335,716,450
Quoted equities	-	-
	313,154,350	335,716,450

11.3 Held to Maturity

	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Treasury bonds	810,827,898	809,770,877
	810,827,898	809,770,877

11.4 Fair Value through profit & Loss

	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Unit trust	155,410,253	144,731,814
	155,410,253	144,731,814

12. Insurance Contract Liabilities

As at	Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Balance as at 1 January	3,266,440,502	2,715,710,389
Change in contract liabilities life fund		
Increase in life insurance fund before surplus transfer	(139,299,162)	48,812,167
Surplus transferred from / (to) shareholders	-	477,347,034
Increase in life insurance fund	(139,299,162)	526,159,201
Movement in AFS reserve transferred to life fund	(12,997,349)	24,570,913
Life Insurance Fund balance as at period end	3,114,143,991	3,266,440,502

13. Related Party Transactions

13.1 Amounts Due to Related Party

As at		Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Related Party	**Relationship**		
Richard Pieris & Company PLC	Ultimate Parent	6,583,239	7,580,344
Richard Pieris Distributors Limited	Fellow Subsidiary	-	-
		6,583,239	7,580,344

13.2 Amounts Due From Related Parties

As at		Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Related Party	**Relationship**		
Richard Pieris & Company PLC	Ultimate Parent	-	-
Richard Pieris Distributors Limited	Fellow Subsidiary	14,270,985	9,031,305
		14,270,985	9,031,305

Investments in related parties

As at		Un-Audited 30.09.2026 LKR	Audited 31.12.2025 LKR
Related Party	**Relationship**		
Richard Pieris Finance PLC	Fellow Subsidiary	-	143,583,847

14. Contingent Liabilities

Contingent liabilities are not recognized in the Statement of Financial Position but disclosed if there is a possible future obligation as a result of a past event or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reasonably estimated as at the date of Statement of Financial Position. As at the 30 September 2026, end of the interim period no material capital commitment and contingencies approved by the board and contracted for which no provision has been made in interim financial statements.

15. Events Occurring After The Reporting Date

The directors give due consideration to and where necessary adjustments or disclosures are made in the current Financial Statements in respect of material post Statement of financial position events as appropriate. There have been no material event occurring after the reporting date that require adjustments to or disclosure in the interim financial statements.

16. Stated Capital

As at 30 September	Un-Audited 2026 LKR	Audited 2025 LKR
Ordinary Shares	675,564,870	675,564,870
	675,564,870	675,564,870
No of Ordinary Shares	66,230,407	66,230,407

17. Share Information

17.1 Net Assets Per Share

As at 30th September	Un-Audited 2026 LKR	Un-Audited 2025 LKR
Net Assets Per Share	25.82	28.97

17.2 Market Price Per Share

For the quarter ended 30th September	2026 LKR	2025 LKR
Highest Price	25.30	27.00
Lowest Price	23.30	24.00
Last Price	25.00	27.00
Market Capitalization	1,655,760,175	1,764,799,002
Float Adjusted Market capitalization	165,760,100	179,020,908

18. Public Shareholding

For the quarter ended 30th September	2026 No of Shares	2026 %	2025 No of Shares	2025 %
Public Shareholding	6,630,404	10%	6,630,404	10%

*Compliant with the Minimum Public Holding requirement in respect of voting ordinary shares under section 7.13.1(i)(b) – Option 2

19. Directors' Shareholding

As at 30th September	2026	2025
Mr.Ramal Jasinghe	Nil	Nil
Mr.Yudhistran Kanakasabai	Nil	Nil
Mr.Rohan Muttiah	Nil	Nil
Mr. Naresh Ajantha Tillekeratne	Nil	N/A

20. Twenty Largest Shareholders as at 30 September 2026

	Name of Shareholder	No of Shares	%
1	KEGALLE PLANTATIONS LIMITED	26,685,001	40.29%
2	RICHARD PIERIS DISTRIBUTORS LIMITED	17,790,001	26.86%
3	RICHARD PIERIS AND CO LTD - ACCOUNT NO. 01	15,125,001	22.84%
4	MR.R.C.D.DE SILVA RUWANPURA CHANAKA DHARMAJITH	949,138	1.43%
5	MR.D.G.WIJEMANNA DINAL GITANJAN	918,919	1.39%
6	MRS.T.T.A.DE SILVA WEERASOORIA THUSHARIE TILOTTAMA ANJALEE	862,225	1.30%
7	MR.R.P.WEERASOORIYA RAJINDA PRIYANJITH	526,980	0.80%
8	MR.D.ABARATHAMANICKAM DIVEK AMRITH	500,000	0.75%
9	MR.S.SENTHILNATHAN SHANMUGAN	451,760	0.68%
10	T R L HOLDINGS (PVT) LIMITED	325,173	0.49%
11	MR.B.T.DE S WEERASOORIA BUDRIKA TARUSHA	257,945	0.39%
12	UNIVERSAL CAPITAL HOLDINGS (PVT) LTD	125,000	0.19%
13	MR.D.P.NAVARATNAM DINESH PRAKASH	111,000	0.17%
14	FLYBRUNEI SDN BHD	99,700	0.15%
15	MR.T.A.N.GOMIS THONDAMAN ARACHCHIGE NALAKA	98,825	0.15%
16	MR.S.A.OBEYESEKERE SIRIDEV AJIT	93,300	0.14%
17	MR.M.L.A.BENEDICT MARK LAWRENCE AJIT	81,172	0.12%
18	MR.H.A.S.MADANAYAKA HIRAN ARJUNA SUREN	78,300	0.12%
19	ASSETLINE FINANCE PLC/M.S.HIRIPITIYA	60,000	0.09%
20	PEOPLES LEASING & FINANCE PLC/MR.K	54,894	0.08%
		65,194,334	98.44%
	Others	1,036,073	1.56%
	Total	66,230,407	100.00%


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INSURANCE FOR THE LIVING