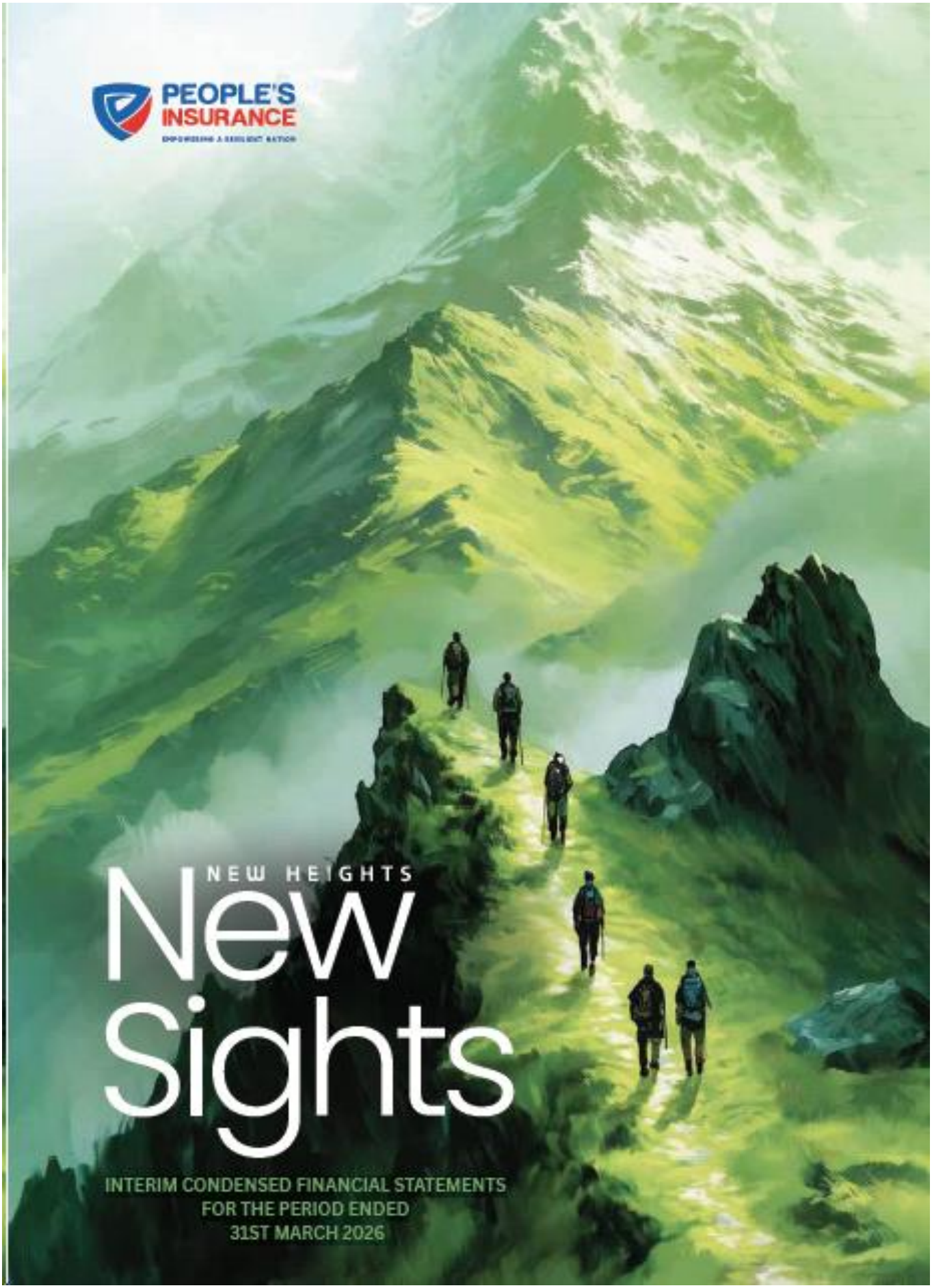

PEOPLE'S
INSURANCE
NEW HEIGHTS
New
Sights
INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31ST MARCH 2026

PEOPLE'S INSURANCE PLC

FINANCIAL REVIEW

Income and Profitability

The Company reported consistent year-on-year top-line growth of 34% during the first quarter of 2026, while maintaining a stable financial position and profitability. This performance was supported by effective management strategies and prudent underwriting practices.

Gross Written Premium (GWP) reported for the three months ended 31 March 2026 was Rs. 2,856.54 Mn, compared to Rs. 2,126.85 Mn reported in the corresponding period of 2025, reflecting a growth of 34% for the first three months of the year.

Profit before tax for the first quarter of 2026 stood at Rs. 230.52 Mn, compared to Rs. 187.67 Mn recorded in the corresponding period of 2025. Profit after tax for the period under review was Rs. 156.40 Mn, compared to Rs. 132.02 Mn reported in the same period of the previous year. Accordingly, the Company's overall profitability recorded a healthy growth of 18% compared to the previous year.

The Motor segment remained the largest contributor to the Company's Gross Written Premium (GWP), accounting for 77% of the total portfolio and recording a strong growth of 38% compared to the previous financial year. The Fire segment also demonstrated notable growth, increasing by 22% and contributing 17% to the overall GWP during the first three months of the year.

The Company's claims cost for the first quarter of 2026 amounted to Rs. 985.32 Mn, compared to Rs. 619.46 Mn recorded in the corresponding period of 2025. Meanwhile, operating expenses increased by 11% to Rs. 554.69 Mn, up from Rs. 500.52 Mn in 2025, in line with the Company's business expansion strategy.

The Company's underwriting loss reduced significantly by 35% to Rs. 57.22 Mn in 2026, compared to Rs. 88.11 Mn in 2025, driven by improved underwriting performance.

Investment and other income which comprises interest and dividend income, net fair value gains/ losses and other income, increased by 4% to Rs. 287.74 Mn in 2026 reflecting the impact of higher investment returns.

Financial Position

The Company's total asset base expanded by 2% to Rs. 16.05 Bn as of 31st March 2026, compared to Rs. 15.67 Bn in the previous year.

Total shareholders' equity increased to Rs. 6,126.53 Mn in 2026, reflecting a 3% growth compared to Rs. 5,970.13 Mn in 2025.

Liquidity and solvency

Cash equivalents increased by Rs. 25.11 Mn in 2026 Compared to previous year demonstrating a strong liquidity position while optimizing investments for long-term growth.

The Company maintained its Capital Adequacy Ratio well above the regulatory minimum during the period, reflecting a strong liquidity position and its continued ability to meet policyholder obligations with confidence.

The Company is committed in driving continues sustainable growth while fostering stakeholder expectations aligning with strategic business objectives.

PEOPLE'S INSURANCE PLC
STATEMENT OF PROFIT OR LOSS

For the year ended 31.12.2025			For the three months ended		
			31.03.2026	31.03.2025	Change
Rs. (Audited)		Note	Rs. (Unaudited)	Rs. (Unaudited)	%
5,722,470,265	**Revenue**	**7**	1,798,100,611	1,333,812,316	35
8,367,388,707	Gross written premium	**8**	2,856,538,383	2,126,845,875	34
(1,188,074,173)	Change in reserve for unearned insurance premium		(689,710,306)	(532,482,224)	30
7,179,314,534	Gross earned premium		2,166,828,077	1,594,363,651	36
(2,875,254,412)	Premium ceded to reinsurers		(946,196,525)	(795,904,461)	19
311,806,117	Change in reserve for unearned reinsurance premium		289,725,765	259,572,835	12
4,615,866,239	**Net earned premium**		1,510,357,317	1,058,032,025	43
148,337,257	**Fee income**		57,520,069	35,531,033	62
	Claims and expenses				
(3,164,894,977)	Net claims		(985,324,835)	(619,458,293)	59
(208,592,746)	Underwriting and net acquisition costs		(75,243,808)	(45,915,744)	64
(1,959,584,298)	Other operating and administrative expenses		(554,689,575)	(500,520,587)	11
(65,015,978)	Finance cost		(9,844,007)	(15,779,852)	(38)
(5,398,087,999)	**Total claims and expenses**		(1,625,102,225)	(1,181,674,476)	38
(633,884,503)	**Underwriting results**		(57,224,839)	(88,111,418)	(35)
	Other revenue				
1,032,277,484	Net interest and dividend income	**9**	266,360,006	257,614,647	3
74,874,209	Net fair value gains/(losses)		21,337,780	17,328,390	23
(547,667)	Other income		45,508	837,254	(95)
1,106,604,026	**Total other revenue**		287,743,294	275,780,291	4
472,719,523	**Profit before tax**		230,518,455	187,668,873	23
(117,471,364)	Income tax expense	**10**	(74,119,514)	(55,647,501)	33
355,248,159	**Profit for the period**		156,398,941	132,021,372	18
1.74	Basic earnings per share	**11**	0.77	0.65	18

The notes to the financial statements form an integral part of these interim condensed financial statements.

PEOPLE'S INSURANCE PLC
STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31.12.2025		For the three months ended		
		31.03.2026	31.03.2025	Change
Rs. (Audited)		Rs. (Unaudited)	Rs. (Unaudited)	%
355,248,159	**Profit for the period**	156,398,941	132,021,372	18
	Comprehensive income			
	Comprehensive income that may be reclassified to statement of profit or loss in subsequent periods:			
(25,284,824)	Net gains/(losses) on investments in debt instruments measured at fair value through other comprehensive income	-	(13,659,070)	(100)
7,585,447	Deferred tax effect on above	-	4,097,721	(100)
(17,699,377)		-	(9,561,349)	100
	Comprehensive income not to be reclassified to statement of profit or loss in subsequent periods:			
(7,660,322)	Actuarial losses on defined benefit obligations	-	-	-
2,298,097	Deferred tax effect on above	-	-	-
(5,362,225)		-	-	-
(23,061,602)	**Comprehensive income for the period, net of tax**	-	(9,561,350)	100
332,186,557	**Total comprehensive income for the period, net of tax**	156,398,941	122,460,022	27.71

PEOPLE'S INSURANCE PLC
STATEMENT OF FINANCIAL POSITION

As at	Note	31.03.2026 Rs. (Unaudited)	31.12.2025 Rs. (Audited)
Assets			
Intangible assets		17,637,833	18,991,591
Property, plant and equipment		128,610,799	134,700,210
Right of use assets		141,929,545	160,803,923
Deferred tax asset		34,466,997	26,804,939
Financial investments	**12**	11,550,190,887	11,496,065,492
Reinsurance receivables		1,550,727,576	1,782,739,544
Insurance receivables	**13**	2,347,133,008	1,759,981,784
Deferred expenses		5,144,989	21,109,899
Other assets		169,558,541	181,790,229
Cash and cash equivalents		107,135,275	82,025,892
Total assets		16,052,535,450	15,665,013,503
Equity and liabilities			
Equity			
Stated capital		1,435,000,000	1,435,000,000
Retained earnings		4,708,706,503	4,552,307,562
Fair value reserve		(1,365,630)	(1,365,630)
Other reserves		(15,809,085)	(15,809,085)
Total equity		6,126,531,788	5,970,132,847
Liabilities			
Insurance contract liabilities	**14**	6,821,002,543	7,119,085,782
Employee defined benefit obligations		122,992,250	117,118,707
Other liabilities		1,468,569,635	1,339,035,620
Lease liability		186,169,391	207,907,990
Reinsurance payables		798,983,068	574,954,646
Income tax payables		257,250,207	201,767,891
Bank overdrafts		271,036,568	135,010,020
Total liabilities		9,926,003,662	9,694,880,656
Total equity and liabilities		16,052,535,450	15,665,013,503

The notes to the financial statements form an integral part of these interim condensed financial statements.

Certification

These interim condensed financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

(Sgd.)
Amila Rajapaksha
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these interim condensed financial statements. Signed for and on behalf of the Board by;

(Sgd.)
Chandana Guniyangoda
Chairperson

(Sgd.)
Sanjeewa Bandaranayake
Director

15th May 2026
Colombo

PEOPLE'S INSURANCE PLC
STATEMENT OF CHANGES IN EQUITY

	Stated capital	Retained earnings	Fair value reserve	Other reserves	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Audited balance as at 31 December 2024	**1,435,000,000**	**4,197,059,403**	**16,333,747**	**(10,446,860)**	**5,637,946,290**
Profit for the period (unaudited)		132,021,372			132,021,372
Other comprehensive income (unaudited)			(9,561,349)	-	(9,561,349)
Unaudited balance as at 31 March 2025	**1,435,000,000**	**4,329,080,775**	**6,772,398**	**(10,446,860)**	**5,760,406,313**
Profit for the period (unaudited)	-	223,226,787	-	-	223,226,787
Other comprehensive income (unaudited)	-	-	(8,138,028)	(5,362,225)	(13,500,253)
Audited balance as at 31 December 2025	**1,435,000,000**	**4,552,307,562**	**(1,365,630)**	**(15,809,085)**	**5,970,132,847**
Profit for the period (unaudited)	-	156,398,941	-	-	156,398,941
Other comprehensive income (unaudited)	-	-	-	-	-
Unaudited balance as at 31 March 2026	**1,435,000,000**	**4,708,706,503**	**(1,365,630)**	**(15,809,085)**	**6,126,531,788**

The notes to the financial statements form an integral part of these interim condensed financial statements.

PEOPLE'S INSURANCE PLC
STATEMENT OF CASH FLOWS

For the three months ended	Note	31.03.2026 Rs. (Unaudited)	31.03.2025 Rs. (Unaudited)
Operating activities			
Premium received from customers		2,255,263,170	1,600,167,444
Reinsurance premium paid		(722,168,098)	(555,022,541)
Claims paid		(1,526,513,374)	(815,614,647)
Reinsurance receipts in respect of claims		41,614,466	42,195,918
Interest received		285,982,318	292,620,161
Other operating cash flows		(297,267,711)	(37,198,965)
Cash flows from operating activities	**A**	36,910,771	527,147,370
Gratuity paid		(2,025,814)	(2,435,568)
Income tax paid		(26,299,255)	(40,277,243)
Interest paid on vehicle loan		-	(542,536)
Interest paid on lease liability		(9,844,005)	(13,531,837)
Net cash flows from/ (used in) operating activities		(1,258,303)	470,360,186
Investing activities			
Purchase of liquid investments		(6,335,565,618)	(8,006,286,604)
Purchase of other investments		(4,011,565,310)	(4,511,761,946)
Sale of liquid investments		6,349,707,713	7,825,914,385
Sale of other investments		3,886,574,441	4,135,611,775
Purchase of property, plant and equipment		(4,149,642)	(35,440,908)
Net cash flows from/(used in) investing activities		(114,998,416)	(591,963,298)
Net cash flows before financing activities		(116,256,719)	(121,603,112)
Financing activities			
Loan obtained		-	26,200,000
Payment of lease liability		(25,555,609)	(19,539,211)
Net cash flows from/ (used in) financing activities		(25,555,609)	6,660,789
Net increase/(decrease) in cash and cash equivalents	**B**	(141,812,328)	(114,942,323)

Notes to the statement of cash flows

	31.03.2026 Rs. (Unaudited)	31.03.2025 Rs. (Unaudited)
A. Cash flows generated from operating activities		
Profit before tax	230,518,455	187,668,873
Net fair value gain	25,828,221	(17,328,389)
Provision for retirement benefit obligations	7,899,357	6,851,023
Depreciation and amortization expenses	34,284,197	32,616,080
Provision for impairment and bad debt written off	14,885,501	2,733,788
Interest on lease liability	9,844,005	13,531,837
Interest on vehicle loan	-	542,536
Changes in working capital		
Increase / (decrease) in reinsurance receivables	232,011,968	41,740,536
Increase / (decrease) in insurance receivables and other assets	(589,805,037)	(519,453,530)
Increase / (decrease) in deferred expenses	15,964,910	19,779,596
Increase / (decrease) in insurance liabilities	(298,083,239)	115,053,462
Increase in other liabilities	353,562,433	643,411,558
Cash flows from operating activities	36,910,771	527,147,370
B. Net increase/(decrease) in cash and cash equivalents		
Cash in hand, bank balances and savings account balances	256,451,682	334,363,730
Bank overdrafts	(271,036,568)	(131,965,349)
Cash and cash equivalents at the end of the period	(14,584,886)	202,398,381
Less: Cash and cash equivalents at the beginning of the period	127,227,442	317,340,704
Net increase/(decrease) in cash and cash equivalents during the period	(141,812,328)	(114,942,323)

1. Reporting entity

People's Insurance PLC is a public limited liability company incorporated and domiciled in Sri Lanka. The registered office of the Company and the principal place of business is situated at No. 07, Havelock Road, Colombo 05. The Company's parent entity is People's Leasing & Finance PLC. The Company's ultimate parent undertaking and controlling entity is People's Bank which is owned by the Government of Sri Lanka. Ordinary shares of the Company are listed on the Colombo Stock Exchange (CSE).

2. Audit of financial statements

The interim condensed financial statements for the three months ended 31st March 2026 are provisional and unaudited.

3. Approval of financial statements

These interim condensed financial statements were authorized for issue by the Board of Directors on 15th May 2026.

4. Basis of preparation

The interim financial statements of the Company for the quarter ended 31 March 2026 have been prepared in accordance 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 31st December 2025. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim condensed financial statements of the Company. The same accounting policies have been followed in preparation of these interim condensed financial statements as stated in the audited financial statements.

In accordance with LKAS 34.19, these interim financial statements do not comply fully with Sri Lanka Accounting Standards (SLFRSs) as the Company has 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 for insurance entities.

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

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. The company has adopted SLFRS 9 prior to the implementation of SLFRS 17 and is currently preparing its financial statements in accordance with SLFRS 9 requirements. 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.

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

Accordingly, for this interim period:
• Insurance contracts continue to be recognised, measured, and presented in accordance with SLFRS 4 Insurance Contracts.

Progress of SLFRS 17 Implementation
The Company has made substantive progress during the first quarter of the financial year towards full implementation of SLFRS 17, 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

In line with the SoAT, the Company expects to:
Provide full quantitative disclosures on all impacted line items and present provisional third quarter financial information prepared in accordance with SLFRS 17 in the Q3 interim financial statements.

Expected Impact of SLFRS 17 – Q1 Update
As required for the first interim reporting period, the Company provides below updated qualitative disclosures on the range of probable impacts of adopting SLFRS 17 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
• 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, where applicable.

All quantitative information disclosed above is provisional, represents management's best estimates, and is subject to change as implementation and validation activities are finalised.

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.

Financial Statement line items which are having has major impact have been incorporated in the following sections. The company has assessed the estimated qualitative impact of the initial application of IFRS 17 on its financial statements, and the results are summarized.

Based on work perform to date, the Company expects the most significant financial statement impact to arise from the discounting of incurred claims liabilities and the introduction of explicit risk adjustments. The quantitative impact of initial application, including the effect on retained earnings at the date of transition, is currently being finalized and will be disclosed in the 2026 financial statements in accordance with LKAS 8.

Measurement of Insurance Contracts

As at 31 March 2026, the company has assessed its product portfolio and elected to apply the Premium Allocation Approach (PAA) for the measurement of its insurance contracts, where applicable. Accordingly, for financial reporting purposes, insurance-related line items are recognized and measured under the PAA, as it provided a simplified and appropriate representations of the Company's short-duration contracts in line with SLFRS 17 - Insurance Contracts.

Insurance Revenue

Insurance revenue is recognized in profit or loss over the coverage period in a manner that reflect the transfer of insurance services to policyholders. Under the Premium Allocation Approach, revenue is generally recognized on a time-apportioned basis, unless the expected pattern of risk release indicates a more appropriate systematic basis.

Liability for Remaining Coverage (LFRC)

At initial recognition, the Liability for Remaining Coverage is measured as the premium received (or receivable), adjusted for insurance acquisition cash flows and any amount arising from onerous contracts. Subsequently, the LFRC is reduced as insurance is recognized over the over the coverage period, with adjustments made for any change in estimates where applicable.

Liability for Incurred Claims (LIC)

The Liability for Incurred Claims represent the present value of fulfilment cash flows relating to claims incurred as at the reporting date. This includes reported claims and claims incurred but not reported (IBNR), together with an explicit risk adjustment for non-financial risk, determined in accordance with the principles of SLFRS 17.

Insurance Acquisition Cash Flows

Insurance acquisition cash flows that are directly attributable to portfolio of Insurance contracts are recognized as part of the Liability for Remaining Coverage. Such costs are systematically allocated to the profit or loss over the coverage period in line with the recognition of insurance revenue.

Onerous Contracts / Loss Component

Where facts and circumstances indicate that a group of insurance contracts is onerous at initial recognition or subsequently, a loss component is established within the Liability for Remaining Coverage. The loss component is recognized immediately in Income Statement and is subsequently adjusted for changes in fulfilment cash flows relating to future service.

Reinsurance Contracts Held

Reinsurance contracts held are measured separately under the Premium Allocation Approach, where applicable. The carrying amounts reflects premiums paid, recoveries on incurred claims and allowance for expected credit losses. Any net gain on reinsurance held that relates to onerous underlying contracts is recognized in Income Statement in accordance with SLFRS 17 requirements.

Impact of Transition from IFRS 4 to IFRS 17

Area	Previous Treatment under SLFRS 4	Current Treatment under SLFRS 17 (PAA)	Impact of the Company
Measurement of Insurance Contracts	Insurance contracts liabilities were measured using existing local accounting practices with limited uniformity	Insurance contracts are measured using a standardised approach with the Premium Allocation Approach applied to eligible short-duration contracts	Enhances consistency and comparability of financial reporting across reporting periods
Revenue Recognition	Gross Written premiums were recognised as revenue with unearned portion deferred	Insurance revenue is recognised over the coverage period based on the transfer of insurance services	Result in changes to the timing and presentation of revenue recognition
Unearned Premium Reserve	Unearned Premium Reserve (UPR) recognised for unexpired risk	Replaced by the Liability for Remaining Coverage (LRC), measured in accordance with PAA principles	Introduced a more principle based approach to measuring unearned obligations
Claims Liabilities	Claims liabilities generally measured on an undiscounted basis, including IBNR	Liabilities for Incurred Claims (LIC) measured as the present value of fulfilment cash flows including an explicit risk adjustment	Impact on the valuation of claims liabilities due to discounting and risk adjustment
Onerous Contracts	Liability Adequacy Test performed at an aggregate level	Onerous contracts identified at a more granular level with losses recognised immediately through a loss component	Accelerate the recognition of losses and increases earnings volatility
Acquisition Costs	Acquisition costs often expensed as incurred or partially deferred	Directly attributable acquisition costs are deferred and amortised over the coverage period as part of the LRC	Improves matching of expenses with related revenue
Discounting	Discounting of claims liabilities was not consistently applied	Discounting is applied to LIC where the effect of the time value of money is material	Introduces additional estimation complexity and sensitivity to assumptions
Risk Adjustment	No explicit requirement for risk adjustment	Explicit risk adjustment for non-financial risk is included in the measurement of LIC	Enhances transparency regarding uncertainty in insurance liabilities
Reinsurance Contracts Held	Reinsurance accounted for using approaches not always aligned with underlying contracts	Reinsurance contracts are measured separately, reflecting recoveries, premiums paid and expected credit losses	Provides improved alignment between gross and ceded insurance positions
Presentation in Financial Statements	Presentation based on gross written premiums, claims and expenses	Introduction of insurance revenue and insurance service result with disaggregation of LRC and LIC	Result in significant changes to the presentation and structure of financial statements

5. Comparative information

Comparative information presented in these interim financial statements has been prepared in accordance with SLFRS 4 Insurance Contracts and has not been restated for the effects of SLFRS 17. In accordance with the SoAT, comparative figures for the year ended 31 December 2025 will be restated and presented in accordance with SLFRS 17 in the annual financial statements for the year ending 31 December 2026, applying the permitted transition options.

6. Operating Segments

Segment Result - For the three months ended 31.03.2026

Description	Operating Segment				
	Motor	**Fire**	**Marine**	**Miscellaneous**	**Total**
Gross written premium	2,203,334,669	479,889,892	11,185,632	162,128,190	2,856,538,383
Change in reserve for unearned insurance premium	(485,644,410)	(286,111,364)	6,316,617	75,728,851	(689,710,306)
Gross earned premium	1,717,690,259	193,778,528	17,502,249	237,857,041	2,166,828,077
Premium ceded to reinsurers	(523,892,171)	(362,902,709)	(7,841,118)	(51,560,527)	(946,196,525)
Change in reserve for unearned reinsurance premium	114,049,366	225,718,383	(4,508,245)	(45,533,739)	289,725,765
Net earned premium	**1,307,847,454**	**56,594,202**	**5,152,886**	**140,762,775**	**1,510,357,317**
Fee income	50,891,443	2,756,136	149,704	3,722,786	57,520,069
Net claims	(935,118,818)	(10,012,739)	(4,719,021)	(35,474,257)	(985,324,835)
Underwriting and net acquisition costs	(94,108,504)	15,612,834	137,961	3,113,901	(75,243,808)
Underwriting results before other operating and administrative expenses	**329,511,575**	**64,950,433**	**721,530**	**112,125,205**	**507,308,743**
Other operating and administrative expenses and finance cost					(564,533,582)
Underwriting results					**(57,224,839)**
Investment income					266,360,006
Net fair value gain/(losses)					21,337,780
Other income					45,508
Profit before tax					**230,518,455**
Income tax					(74,119,514)
Profit after tax					**156,398,941**

PEOPLE'S INSURANCE PLC
NOTES TO THE FINANCIAL STATEMENTS

6. Operating Segments

Segment Result - For the three months ended 31.03.2025

Description	Operating Segment				
	Motor	**Fire**	**Marine**	**Miscellaneous**	**Total**
Gross written premium	1,602,341,806	393,083,089	18,516,081	112,904,899	2,126,845,875
Change in reserve for unearned insurance premium	(398,681,167)	(226,416,360)	(2,380,527)	94,995,830	(532,482,224)
Gross earned premium	1,203,660,639	166,666,729	16,135,554	207,900,729	1,594,363,651
Premium ceded to reinsurers	(402,002,405)	(325,342,365)	(11,898,601)	(56,661,090)	(795,904,461)
Change in reserve for unearned reinsurance premium	108,398,635	189,812,426	1,483,684	(40,121,910)	259,572,835
Net earned premium	**910,056,869**	**31,136,790**	**5,720,637**	**111,117,729**	**1,058,032,025**
Fee income	32,089,145	2,395,016	224,226	822,646	35,531,033
Net claims	(572,836,538)	(6,254,332)	6,012,386	(46,379,809)	(619,458,293)
Underwriting and net acquisition costs	(61,044,707)	12,895,541	(349,359)	2,582,781	(45,915,744)
Underwriting results before other operating and administrative expenses	**308,264,769**	**40,173,015**	**11,607,890**	**68,143,347**	**428,189,021**
Other operating and administrative expenses and finance cost					(516,300,439)
Underwriting results					**(88,111,418)**
Investment income					257,614,647
Net fair value gain/(losses)					17,328,390
Other income					837,254
Profit before tax					**187,668,873**
Income tax					(55,647,501)
Profit after tax					**132,021,372**

7. Revenue

	For the three months ended	
	31.03.2026	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Net earned premium	1,510,357,317	1,058,032,025
Other revenue	287,743,294	275,780,291
	1,798,100,611	1,333,812,316

8. Gross written premium

Premium income by major class of business is as follows;

	For the three months ended	
	31.03.2026	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Motor	2,203,334,669	1,602,341,806
Fire	479,889,892	393,083,089
Marine	11,185,632	18,516,081
Miscellaneous	162,128,190	112,904,899
	2,856,538,383	2,126,845,875

9. Net interest and dividend income

	For the three months ended	
	31.03.2026	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Net interest income	266,360,006	257,614,647

10. Income tax expense

The Company has been considered liable to income tax at 30% during the reporting period (2025 - 30 %).

11. Basic earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	For the three months ended	
	31.03.2026	**31.03.2025**
	(Unaudited)	**(Unaudited)**
Profit for the period (Rs.)	156,398,941	132,021,372
Weighted average number of shares	203,632,478	203,632,478
Basic earnings per share (Rs.)	0.77	0.65

12. Financial investments

As at	Carrying value		Fair value	
	31.03.2026	31.12.2025	31.03.2026	31.12.2025
	Rs.	Rs.	Rs.	Rs.
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Equity instrument at FVTPL	1,513,364,815	968,938,743	1,513,364,815	968,938,743
Debt instruments at amortized cost	10,036,826,072	10,527,126,749	10,340,288,608	10,815,547,592
	11,550,190,887	11,496,065,492	11,853,653,423	11,784,486,335

13. Insurance receivables

Assessment of impairment of insurance receivables

The Company assessed the impairment provision based on the ECL method.
As a general rule company provides 100% for those past due over 150 days with certain exceptions considered if its under a settlement scheme.
The impairment movement for the period is indicated as below.

As at	31.03.2026	31.12.2025
	Rs.	Rs.
	(Unaudited)	(Audited)
Insurance receivables	2,394,754,184	1,793,478,972
Less: Allowance for expected credit losses/impairment	(47,621,176)	(33,497,188)
Insurance receivables net of impairment	2,347,133,008	1,759,981,784

14. Insurance contract liabilities

As at	31.03.2026	31.12.2025
	Rs.	Rs.
	(Unaudited)	(Audited)
Provision for net unearned premium	3,856,828,704	3,456,844,157
Provision for gross outstanding claims	2,068,911,435	2,679,357,761
Provision for gross incurred but not reported (IBNR) claims	895,262,404	982,883,864
	6,821,002,543	7,119,085,782

14.1 Actuarial valuation of claim liabilities

Consultant Actuaries of the Company have carried out an actuarial valuation of claim liabilities as at 31st March 2026. According to the said actuarial valuation, the Company has made adequate provisions in the financial statements.

14.2 Liability adequacy test

The liability adequacy test (LAT) performed by consultant actuaries for the balance as at 31st March 2026 concluded that the liability value is sufficient to meet future claims and expenses. Hence, no provision was made for premium deficiency.

15. Related party transactions

The Company carries out transactions in the ordinary course of business on and arm's length with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS) 24 - Related Party Disclosures.

Details of the related party transactions are reported below.

15.1 Transactions and outstanding balances with the ultimate parent - People's Bank

For the three months ended	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Insurance premium in respect of their own policies	333,882,134	264,425,601
Insurance premium in respect of customers introduced	46,247,928	27,822,822
Service charge expense	5,462,651	3,551,030
Claims expense	12,785,510	10,278,591
Investment in repurchase agreements (including reinvestments made during the year)	15,378,225,305	180,372,219
Investment income from overnight repurchase agreements	30,545,964	4,286,604
Treasury bills purchased	300,000,000	2,540,281,334
Treasury bills matured	1,644,826,000	3,416,400,800
Interest income from fixed deposits	29,992,754	26,454,253
Interest income from special foreign currency savings account	82,796	143,588

Outstanding balances

As at	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Insurance premium receivable in respect of their own policies	390,419,261	309,016,967
Insurance premium receivable in respect of customers introduced	24,414,243	31,929,520
Service charge expense payable	21,353,256	1,519,511
Claims Outstanding	315,229,664	223,835,683
Fixed deposits	1,056,758,901	896,793,189
Special foreign currency savings account	18,512,394	32,959,463
Cash at bank	97,126,786	175,171,026
Bank overdraft	270,497,591	131,965,349
	2,194,312,096	1,803,190,708

15.2 Transactions and outstanding balances with the immediate parent - People's Leasing & Finance PLC

Transactions

For the three months ended	31.03.2026 Rs. (Unaudited)	31.03.2025 Rs. (Unaudited)
Insurance premium in respect of their own policies	48,618,023	41,018,191
Insurance premium in respect of customers introduced	1,163,101,183	815,747,183
Service charges	191,717,702	145,108,053
Computer maintenance expense	33,028,948	26,602,097
Interest income from savings accounts	181,326	266,103
Interest income from fixed deposits	63,636,940	49,468,716
Building rent expenses	2,012,308	2,964,585
Claims expenses	40,245,866	29,544,065
Accommodation expenses	23,135,092	23,460,281

Outstanding balances

As at	31.03.2026 Rs. (Unaudited)	31.03.2025 Rs. (Unaudited)
Insurance premium receivable in respect of their own policies	74,860,229	26,039,638
Insurance premium receivable in respect of customers introduced	825,923,882	669,927,891
Service charges payable	134,751,473	73,619,611
Claims Outstanding	51,866,044	21,317,783
Accommodation expenses payable	21,936,357	18,098,845
Computer maintenance expense payable	14,971,052	9,028,948
Savings accounts	22,746,311	16,351,230
Fixed deposits	1,553,786,238	1,743,532,451
Building rent expenses payable	11,049,733	3,952,779
Compensation & benefit payable for seconded employees	12,204,745	17,044,072
	2,724,096,064	2,598,913,248

15.3 Transactions and outstanding balances with subsidiary companies of parent company

People's Leasing Fleet Management Limited

Transactions

For the three months ended	31.03.2026	31.03.2025
	Rs.	Rs.
	(Unaudited)	(Unaudited)
Insurance premium in respect of their own policies	337,975	261,352
Claims expenses	763,648	322,825
Assessor's fees	1,285,462	1,386,452

Outstanding balances

As at	31.03.2026	31.03.2025
	Rs.	Rs.
	(Unaudited)	(Unaudited)
Insurance premium receivable in respect of their own policies	594,790	328,271
Compensation & benefit payable for seconded staff	1,350,000	1,260,000
Claims Outstanding	145,000	115,000
	2,089,790	1,703,271

People's Leasing Property Development Limited

Transactions

For the three months ended	31.03.2026	31.03.2025
	Rs.	Rs.
	(Unaudited)	(Unaudited)
Insurance premium in respect of their own policies	-	4,970
Claims expense	157,660	4,763

Outstanding balances

As at	31.03.2026	31.03.2025
	Rs.	Rs.
	(Unaudited)	(Unaudited)
Insurance premium receivable in respect of their own policies	19,065	6,402
Claims Outstanding	50,000	100,000
	69,065	106,402

15.3 Transactions and outstanding balances with subsidiary companies of parent company (Contd…)

People's Micro-commerce Limited

Transactions

For the three months ended	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Insurance premium in respect of their own policies	4,098,508	1,433,872
Insurance premium in respect of customers introduced	104,591,119	48,606,027
Service charges	15,734,461	7,081,107
Claims expense	1,037,769	321,295
Rent income on Galle branch	473,189	473,189

Outstanding balances

As at	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Insurance premium receivable in respect of their own policies	7,211,888	750,948
Insurance premium receivable in respect of customers introduced	63,568,702	46,676,319
Service charges payable	13,241,169	5,364,427
Claims outstanding	235,000	180,000
Rent receivable on Galle branch	1,771,007	1,892,755
	86,027,766	54,864,448

People's Leasing Havelock Properties Limited

Transactions

For the three months ended	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Building rent expenses	30,582,886	30,582,886

Outstanding balances

As at	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Rent paid in advance	84,090,000	84,090,000
Claims outstanding	196,500	-
	84,286,500	84,090,000

People's Travel Private Limited

Transactions

For the three months ended	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Insurance premium in respect of their own policies	51,600	40,550
Insurance premium in respect of customers introduced	63,179	153,229
Service charges	19,101	35,453

Outstanding balances

As at	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Insurance premium receivable in respect of their own policies	66,692	53,871
Insurance premium receivable in respect of customers introduced	62,465	306,621
Service charges payable	93,960	-
	223,117	360,491

15.4 Transactions and outstanding balances with the key management personnel (KMPs)

People's Insurance PLC considers its Board of Directors, Chief Executive Officer and persons having authority and responsibility for planning, directing and controlling the activities of the entity as the KMPs of the Company.

The Company carries out transactions with KMPs and their close family members in the ordinary course of its business on an arm's length basis at commercial rates.

Close family members of KMPs are those family members who may be expected to influence, or be influenced by, those KMPs in their dealing with the entity.

Transactions	**31.03.2026**	**31.03.2025**
For the three months ended	**Rs.**	**Rs.**
	(Unaudited)	**(Unaudited)**
Short-term employment benefits	22,617,352	23,496,059

15.5 Transactions with the Government of Sri Lanka and its related entities

Transactions with the Government of Sri Lanka/entities controlled, jointly controlled, significantly influenced by the Government of Sri Lanka.

The Government of Sri Lanka has the right to directly control the ultimate parent company, People's Bank as at 31st March 2026 and thereby holds an ultimate control over the Company. Accordingly, the Company has considered the Government of Sri Lanka and other entities which are controlled, jointly controlled or significantly influenced by the Government of Sri Lanka (Government related entities) as related parties according to LKAS 24 - Related Party Disclosures.

Name of the company/entity	**Nature of transaction**	**31.03.2026**	**31.03.2025**
		Rs.	**Rs.**
		(Unaudited)	**(Unaudited)**
Government of Sri Lanka	Investment balance	2,443,644,848	4,855,607,805
	Investment income	17,735,445	124,591,024
Other Government related banks	Investment balance	342,068,546	1,367,113,062
	Investment income	13,662,893	42,321,939

Apart from the transactions listed above, the Company has carried out transactions with other government related entities in the form of premium income, reinsurance premium, claims, taxes, utility bills, regulatory charges, etc. The total of such payments made during the period are as follows:

Nature of transaction	**31.03.2026**	**31.03.2025**
	Rs.	**Rs.**
	(Unaudited)	**(Unaudited)**
Premium income from the Government and other Government related entities	45,199,811	96,726,344
Claims paid to the Government and other Government related entities	69,965,391	75,167,122
Reinsurance premium (net of commission)	704,990,544	438,339,776
Taxes paid	411,157,847	357,899,446
Utility expenses	3,986,196	5,178,215

16. Events after the reporting date

There have been no events subsequent to the reporting date which would have any material effect on the Company.

17. Capital commitments

There were no capital commitments approved and contracted as at the reporting date. (2025 - Rs. 11,814,950).

18. Contingencies

In the opinion of the Directors and the Company's lawyers, pending litigations against the Company will not have a material impact on the reported financial results or future operations of the Company.
All pending litigations for claims have been evaluated and adequate provisions have been made in the financial statements.

18.1 Assessment on VAT and NBT on Financial Services

The Company received an assessments on VAT and NBT on Financial Services for the taxable period from 01.01.2016 to 31.12.2022 except for the year 2020 from the Inland Revenue Department (IRD). The Company received determination on VAT and NBT on Financial Services for the taxable period 01.01.2016 to 31.12.2017 from Tax Appeals Commission (TAC) (except for NBT on FS 2017 3rd Quarter) for which the company has made appeals to the Court of Appeal (CA) against the determinations received which are not in favor of People's Insurance PLC as the Company's stance is that it is in the business of insurance hence is not liable for VAT or NBT on FS. Other insurers have also received similar assessments and have appealed against them.

18.2 Assessment on Income Tax

Company has received an income tax assessment for the year of assessment 2019/20, which is in the process of hearing by the Tax Appeals Commission (TAC)

18.3 Assessment on VAT

Company received notices of assessment with regard to VAT as specified below. The company has duly appealed with regard to these assessments.

The status of assessments is provided in the table below.

			Measurement of Contingent Impact to the Company		
			Tax in Default	Penalty	Total
Tax Period	Status of Assessment	Tax Type	Rs.	Rs.	Rs.
01.01.2019 - 31.12.2019	In the process of hearing by TAC	Income Tax	19,623,280	14,843,724	34,467,004
01.01.2016 - 31.12.2016	TAC decision given infavour of PI, IRD had given their intention to appeal in CA. Ongoing hearing in CA	VAT on FS	9,928,843	5,560,152	15,488,995
01.01.2017 - 31.12.2017	TAC decision given infavour of PI, IRD had given th	VAT on FS	17,352,632	8,676,316	26,028,948
01.01.2018 - 31.12.2018	Pending decision from CGIR	VAT on FS	16,983,144	8,491,572	25,474,716
01.01.2019 - 31.12.2019	Pending decision from CGIR	VAT on FS	22,103,995	11,051,998	33,155,993
01.01.2021 - 31.12.2021	Pending decision from CGIR	VAT on FS	26,007,130	13,003,565	39,010,695
01.01.2022 - 31.12.2022	Pending decision from CGIR	VAT on FS	48,922,003	24,461,002	73,383,005
01.01.2016 - 31.12.2016	TAC decision given infavour of IRD.PI has given the intention to appeal in CA. Ongoing hearing in CA	NBT on FS	1,600,048	800,024	2,400,072
01.01.2017 - 31.03.2017	TAC decision given infavour of PI, IRD had given their intention to appeal in CA	NBT on FS	578,421	289,210	867,631
01.04.2017 - 30.06.2017	TAC decision given infavour of PI, IRD had given their intention to appeal in CA. Ongoing hearing in CA	NBT on FS	578,421	289,210	867,631
01.07.2017 - 30.09.2017	Pending determination by TAC	NBT on FS	578,421	289,210	867,631
01.10.2017 - 31.12.2017	TAC decision given infavour of IRD.PI has given the intention to appeal in CA. Ongoing hearing in CA	NBT on FS	578,421	289,210	867,631
01.01.2022 - 31.03.2022	In the process of review by CGIR	VAT	578,287	346,972	925,259
01.07.2022 - 31.12.2022	In the process of review by CGIR	VAT	1,552,648	1,300,534	2,853,182
01.01.2023 - 31.03.2023	In the process of review by CGIR	VAT	335,934	275,466	611,400
01.10.2022 - 31.12.2022	In the process of review by CGIR	SSCL	3,002,418	574,003	3,576,421
			170,304,046	**90,542,168**	**260,846,214**

Directors are of the view that company 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 comparatively low.

PEOPLE'S INSURANCE PLC
SHARE INFORMATION

19. Share performance	31.03.2026	31.03.2025
	Rs.	Rs.
Last traded share price	26.90	28.50
Highest price per share for the interim period	34.70	36.00
Lowest price per share for the interim period	24.70	28.00

20. Net assets per share	31.03.2026	31.03.2025
	Rs.	Rs.
Net asset value per share	30.09	28.29

21. Stated capital

The number of shares representing the Company's stated capital is given below.

	31.03.2026	31.03.2025
Stated capital (Rs.)	1,435,000,000	1,435,000,000
No. of shares	203,632,478	203,632,478
Class of shares	Ordinary shares	
Voting rights	One vote per ordinary share	

PEOPLE'S INSURANCE PLC
SHARE INFORMATION

22. Top 20 shareholders

The information required by section 7.4 of the Listing Rules of the Colombo Stock Exchange (CSE) in its interim financial statements is disclosed below.

Liability to management fees or other similar nature expenditure

Liability to management fees or any other similar expenditure have been provided for in the interim accounts where applicable.

Name of the shareholder	As at 31st March 2026 No. of shares	%
People's Leasing & Finance PLC	152,724,358	75.00
Mr. Kulappu Arachchige Don Anurada Perera	12,102,246	5.94
Employees Trust Fund Board	3,734,590	1.83
Odyssey Capital Partners (Private) Limited	1,450,000	0.71
Mr. Divale Jayampathi Bandaranayake, Joint-Dr.Vasantha Bandaranayake/ Miss. Ishani Bandaranayake	1,131,900	0.56
Mr. Divale Jayampathi Bandaranayake, Joint-Miss.Niluka Bandaranayake/ Dr.Vasantha Bandaranayake	1,113,544	0.55
Deutsche Bank AG-National Equity Fund	1,087,438	0.53
People's Leasing & Finance PLC / Mr. K.A.D.R.M.K. Kariyapperuma	1,000,000	0.49
Mr. Sarath Chandra Weerasooria	990,495	0.49
Mr. Murtaza Ali Jafferjee	815,005	0.40
Assetline Finance Limited/ M.E.Amarasinghe	696,687	0.34
People's Leasing & Finance PLC /L.P.Hapangama	631,840	0.31
Mr. Udugalage Lahiru Buddhika Ariyaratna	600,000	0.29
ACL Plastics Ltd	596,134	0.29
Commercial Bank of Ceylon PLC / M M Fuad	509,361	0.25
Mr. Budrika Tarusha De S Weerasooria	420,444	0.21
Mr. Kulappuarachchige Don Harindra Perera	407,264	0.20
DFCC Bank PLC A/C No 02	401,950	0.20
People's Leasing and Finance PLC / U L B Ariyaratna	400,000	0.20
Seylan Bank PLC / Mohamed Mushtaq Fuad	370,452	0.18
	181,183,708	88.98
Others	22,448,770	11.02
	203,632,478	**100.00**

23. Public shareholding

Company is listed on the Colombo Stock Exchange and the percentage of shares held by the public, the number of public shareholders and the float adjusted market capitalization is as given below:

	As at 31st March 2026 No. of shares	% of total no. of shares
Shares	50,901,401	25.00%
	No. of shareholders	**% of total no. of shareholding**
Public shareholders	3,465	99.94%

Float adjusted market capitalization

As at 31st March 2026 the float adjusted market capitalization is Rs. 1369,247,686.90

The Company complies with minimum public holding requirement as at the reporting date based on the "option 5" of rule 7.13.1 (a)

24. Directors' shareholdings

Name of the Director	No. of shares as at 31st March 2026
Mr. Chandana Guniyangoda	
Ms. Nayanganie Wickramasingha	-
Mr. Johnson Fernando	-
Prof. Kasun Wijetilleke	-
Mr. Sanjeewa Bandaranayake	-
Mr. Dulinda Perera	-
Ms. Thushari Hewawasam	-

25. Chief Executive Officer's Shareholding

Ms. Jeevani Kariyawasam	6,719

PEOPLE'S INSURANCE PLC

CORPORATE INFORMATION

NAME OF COMPANY
People's Insurance PLC
(Subsidiary of People's Leasing & Finance PLC)

LEGAL FORM
Public Limited Liability Company
(Incorporated and domiciled in Sri Lanka)

DATE OF INCORPORATION
22nd July 2009

COMPANY REGISTRATION NUMBER
PB 3754 PQ

STOCK EXCHANGE LISTING
Ordinary shares of the company are listed on the Main Board of the Colombo Stock Exchange.

TAX PAYER IDENTIFICATION NUMBER
134037547

VAT REGISTRATION NUMBER
134037547- 7000

SVAT REGISTRATION NUMBER
SVAT004235

PRINCIPAL ACTIVITIES
General Insurance Business

ACCOUNTING YEAR-END
31st December

HEAD OFFICE (REGISTERED OFFICE) AND PRINCIPLE PLACE OF BUSINESS
People's Insurance PLC
No. 07,
Havelock Road,
Colombo 05.
Telephone : +94 11 2126126
Fax : +94 11 2126322
E-Mail: pilassist@plc.lk
Web: www.peoplesinsurance.lk

BOARD OF DIRECTORS
Mr. Chandana Guniyangoda
Mr. Johnson Fernando
Prof. Kasun Wijetilleke
Ms. Nayanganie Wickramasingha
Mr. Sanjeewa Bandaranayake
Mr. Dulinda Perera
Ms. Thushari Hewawasam

PRINCIPAL OFFICER
Ms. Jeevani Kariyawasam

COMPANY SECRETARY
Mr. Sumudu Wickramarachchi

REGISTRARS
SSP Corporate Services (Pvt) Ltd
No. 101,
Inner Flower Road,
Colombo 03.

AUDITORS
Auditor General
Auditor General's Department,
No. 306/72, Polduwa Road,
Battaramulla.

CONSULTANT ACTUARIES
NMG Financial Services Consulting Pte Limited
30, Hill Street,
03-02A,
Singapore.

GRATUITY
Smiles Global (Pvt) Limited
14A, Boyd Place,
Colombo 03.

BANKERS
People's Bank
Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
HDFC Bank
National Development Bank PLC
National Savings Bank
Nations Trust Bank PLC
Pan Asia Banking Corporation
Regional Development Bank
Sampath Bank PLC
Seylan Bank PLC
Union Bank of Colombo PLC

REINSURANCE PANEL
Best Meridian Insurance Company
Ocean International Reinsurance Company Limited
Asian Reinsurance Corporation
The New India Assurance Company Limited
MISR Insurance company
General Insurance Corporation of India
CICA Reinsurance Company
National Insurance Trust Fund
Arch Re Limited
LIoyds (Lancashire Syndicates)
LIoyds (Everest Syndicate)

INSURER FINANCIAL STRENGTH RATING
A(lka)'/Stable by Fitch