

A MEASURE OF GROWTH

AMANA TAKAFUL INSURANCE LIFE

Amana Takaful Life PLC
Annual Report 2025



A MEASURE OF GROWTH

At Amana Takaful Life PLC, growth is measured in many ways: strategic success, accessibility of insurance products, policyholders' returns, retention of trust and the expansion of business.

This year, our growth reflects the strength of an action plan carefully set in motion and steadily followed through. With a clear long-term vision, we continued to expand our reach, refine our product offering, and strengthen our foundation, ensuring that every step taken contributed to meaningful advancement.

Our multidisciplinary approach has resulted in remarkable growth for the organisation, while more importantly creating tangible value for those who place their trust in us. Our policyholders experienced strong returns, supported by a flagship Gold Investment Fund that offers a unique, gold-backed pathway to wealth creation alongside protection.

As an entity built on consistency, guided by purpose, sustained through disciplined execution and enriched through mutual loyalty, our journey is more than performance, it is **a measure of growth**.

AMANA
TAKAFUL INSURANCE
LIFE

CONTENTS

ABOUT US

03 Our Vision, Mission and Values
04 Product Portfolio
06 Financial Highlights
07 Awards

LEADERSHIP

10 Chairman's Message
14 Chief Executive Officer's Review
18 Board of Directors
22 Senior Management Team
24 Other Corporate Management

STRATEGIC REPORT

28 Performance Review
31 Financial Review
33 Human Resources
40 Marketing Highlights & Strategic Focus
42 Corporate Social Responsibility
44 Corporate Governance
53 Risk Management Framework
62 Annual Report of the Board of Directors on the Affairs of the Company
65 Director's Interest in Contracts with the Company
66 Report of the Board Audit Committee
68 Report of the Board Remuneration Committee
69 Report of the Related Party Transactions Review Committee
71 Report of the Nomination and Governance Committee
72 Report by the Shari'ah Advisory Council

FINANCIAL STATEMENTS

74 Statement of Directors' Responsibilities
75 Certificate of the Actuary - Family Takaful (Life)
76 Independent Auditors' Report
79 Statement of Financial Position
80 Statement of Profit or Loss and Other Comprehensive Income
81 Statement of Changes in Equity
82 Statement of Cash Flows
83 Segment Analysis - Statement of Financial Position
84 Segment Analysis - Statement of Comprehensive Income
85 Notes to the Financial Statements

SUPPLEMENTARY INFORMATION

126 Value Added Statement
127 Share Information
129 Ten Year Summary
131 Geographic Locations
132 Glossary of Financial Terms
133 Notice of Meeting
134 Notes
135 Form of Proxy
IBC Corporate Information

ABOUT US

WE ARE AMANA TAKAFUL LIFE

25 Years of Trust. A Future of Possibilities.

Amana Takaful Life PLC (the Company) has proudly served the people of Sri Lanka for over 25 years, delivering life insurance solutions built on the principles of fairness, mutual responsibility, and customer-centricity. Operating under the Takaful model of insurance, the Company provides protection and savings solutions designed to safeguard the financial wellbeing of individuals and families while promoting a spirit of shared responsibility and ethical practice.

As a specialised life insurer within the Amana Takaful Group, the Company focuses on offering innovative and accessible insurance solutions that address the evolving needs of modern households. Its portfolio encompasses protection, savings, health, and retirement plans, enabling customers to manage life's uncertainties while building long-term financial resilience.

Guided by a strong ethical foundation, Amana Takaful Life PLC remains committed to ensuring transparency, inclusivity, and responsible financial protection for all segments of society. Over the past two and a half decades, the Company has steadily strengthened trust among its policyholders while contributing meaningfully to the development of Sri Lanka's life insurance sector.

As the Company celebrates this important milestone, Amana Takaful Life PLC is well positioned to continue its journey of service and innovation. With a strong foundation, a customer-focused approach, and a commitment to responsible growth, the Company remains confident in its ability to serve Sri Lankan families and communities for many years to come.

25
Years of Service
Excellence and Protection
to Sri Lankans

37
Branches
Island-wide

16,773
Policyholders

Rs. 1.76 Bn
Gross Written
Contribution

VISION

Committed to providing peace of mind through World Class Insurance solutions

MISSION

We will stand apart from the rest by engaging all stakeholders, crafting unique insurance solutions, in a spirit of mutuality and solidarity

VALUES

CUSTOMER CENTERED:
Interaction with customers. We listen to our customers and go the extra mile to serve them

OPEN MINDEDNESS:
Changing the status quo, seeking new ideas. We foster a culture where ideas and opinions are shared freely

RISE FOR QUALITY:
A culture of continuous improvement. We are driven to give all stakeholders a quality service

DIVERSITY:
Our soul and spirit To every Sri Lankan as One

PRODUCT PORTFOLIO

At Amana Life, we understand that financial security is a lifelong journey, evolving with your aspirations and responsibilities. Our comprehensive range of life insurance solutions is designed to provide the perfect balance of protection, savings, and investment, ensuring peace of mind for you and your loved ones.

Whether you're securing your family's future, planning for your child's education, safeguarding your health, or preparing for a comfortable retirement, our tailor-made plans offer flexibility, reliability, and long-term value. From pure protection to wealth-building opportunities, Amana Life goes beyond conventional coverage—offering insurance solutions that are ethical, innovative, and aligned with your unique needs.

Explore our diverse portfolio and find the plan that empowers you to embrace life with confidence.

PROTECTION AND SAVINGS



FAMILY PROTECTION PLAN

Your family's well-being is a constant priority, and with "Amana Life - Family Protection Plan," you ensure a shield of protection for them. This comprehensive plan offers a life cover, per-day hospital cover, and critical illness cover, providing financial security in unforeseen circumstances.

FLEXI LIFE PLAN

Experience the first-of-its-kind life insurance plan in Sri Lanka, tailor-made for your unique needs. At Amana Takaful Life, we recognise that each customer has distinct requirements, and our "Flexi Life Plan" introduces unparalleled flexibility to customise your life insurance, focusing on flexible payment terms, financial returns, and investment choices.

PLATINUM PLAN

Prioritise safety and peace of mind for your family with the "Amana Life - Platinum Plan." Designed to protect against unexpected events, this plan not only ensures comprehensive coverage but also offers financial stability and flexibility. With extensive protection benefits and the opportunity for a substantial maturity value, the Platinum Plan empowers you to secure your family's future.

EDUCATION



CHILD EDUCATION PLAN

Your child's dreams deserve a secure future, and "Amana Life Child Education Plan" is here to make it a reality. Plan ahead for your child's higher education or any other purpose with this thoughtfully designed education fund.

HEALTH



PREMIER HEALTHCARE PLAN

Discover an unparalleled insurance cover that combines flexible life coverage with high-value comprehensive hospitalisation. Ensure the well-being of your family with top-notch medical treatment not only in Sri Lanka but also in India, Singapore, and Malaysia, offering coverage for up to 7 members.

PLATINUM PLUS PLAN

Embrace life's fullest joys with "Amana Life - Platinum Plus Plan," an all-in-one premium protection plan delivering unlimited life coverage and comprehensive hospitalisation for you and your loved ones.

PURE PROTECTION



GROUP LIFE PLAN

Safeguard your workforce with "Amana Group Life Plan", a comprehensive solution tailored to cover all employees. This plan offers a bundle of benefits, providing financial assistance in crucial situations such as death, disability, accidents, critical illnesses, and funeral expenses.

Choose Amana Group Life Plan for a holistic employee protection package, providing peace of mind and financial security in challenging times.



LOAN PROTECTION PLAN

Secure your dreams of homeownership with "Amana Life's Loan Protection Plan", a single premium policy meticulously crafted to shield borrowers from unforeseen financial challenges in the event of untimely death during the remaining loan repayment period.

PURE LIFE PLAN

Embark on a journey of pure life protection with "Amana Life - Pure Life Plan." Tailored for those who manage their own investments, this plan offers comprehensive coverage against life's uncertainties, critical illnesses, and medical risks. Pure Life Plan ensures your family's financial security with a minimal premium, focusing solely on life protection without the typical investment component.

RETIREMENT



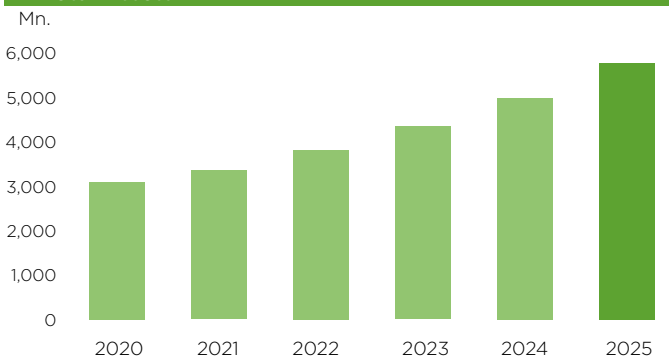
RETIREMENT PLAN

Plan your post-retirement life wisely with "Amana Life Retirement Plan". Secure a dignified and fulfilling retirement by deciding when, how much, and for how long you want your monthly income after retirement. This unlimited pathway ensures a reliable and established life, allowing you to live beyond expectations.

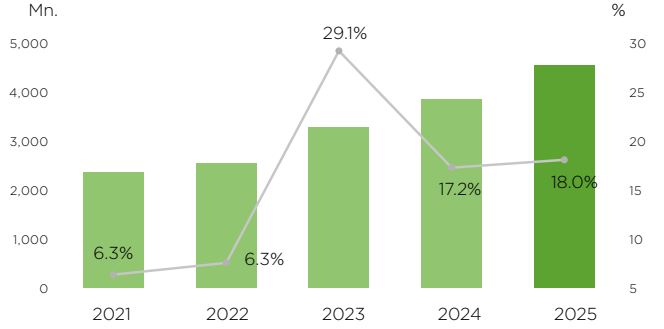
FINANCIAL HIGHLIGHTS

Financial Performance	2025	2024	Growth
Gross written contribution (Rs. Mn)	1,764	1,295	36.21%
Profit/(loss) after tax (Rs. Mn)	(9)	5	-287.96%
Earnings per share (Rs.)	(0.17)	0.09	-287.96%
Financial investments (Rs. Mn)	5,255	4,470	17.58%
Total assets (Rs. Mn)	5,772	4,985	15.79%
Net assets value per share (Rs.)	12.84	12.75	0.63%
Life (Family Takaful) fund - Family Takaful	242	265	-8.70%
- Unit Linked	4,289	3,575	19.99%
No. of employees	159	139	14.39%
No. of agents	941	724	29.97%
No. of branches/distribution centres	37	37	0.00%

Total Assets



Family Takaful Fund

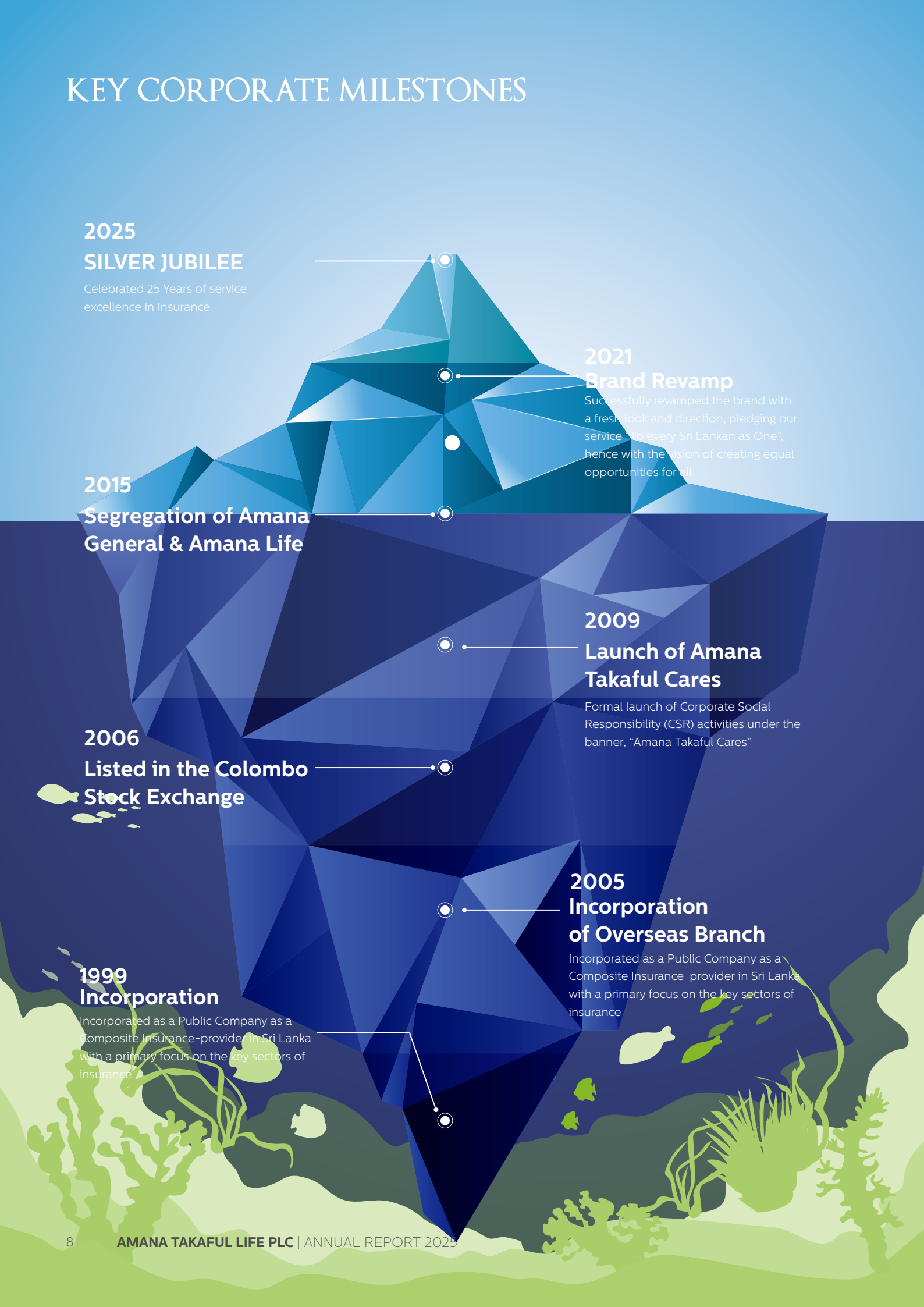


AWARDS AND ACCOLADES

The recognitions received by Amana Takaful Life PLC reflect the strength of our values-driven approach to insurance and our commitment to delivering meaningful value to policyholders and stakeholders. These accolades acknowledge the dedication of our team, the trust placed in us by our customers, and the consistent efforts made to uphold high standards of service, innovation, and ethical business practices.

Award Name	Award Category
CPM Awards	Twenty Outstanding Companies in Best Management Practices Company Awards 2025
	Insurance (Private Sector) - Category Winner
	Insurance Asia Awards 2025
Global Excellence Chronicle Magazine Awards 2025	Best Takaful Insurance Provider Sri Lanka 2025
	Best Life Insurance Product Sri Lanka [Gold Fund] 2025
Brand Review Magazine Awards 2025	Best Takaful Insurance Provider Sri Lanka 2025
	Best World Class Insurance Solutions Sri Lanka 2025
	Islamic Insurance Company of the Year Sri Lanka 2025
	Most Trusted Takaful Brand Sri Lanka 2025
	Best Life Takaful Provider Sri Lanka 2025
Global Business Magazine Awards 2025	Best Takaful Insurance Provider Sri Lanka 2025
	Most Innovative Business Insurance Solutions Sri Lanka 2025
	Best Life Insurance Product Sri Lanka 2025 (Gold Fund)
World Economic Magazine Awards 2025	Most Innovative Business Insurance Solutions Sri Lanka 2025
	Best Takaful Insurance Provider Sri Lanka 2025
Finance Derivative Magazine Awards 2025	Best Takaful Insurance Company Sri Lanka 2025
International Business Magazine Awards 2025	Best Takaful Insurance Provider Sri Lanka 2025
Global Business and Finance Magazine Awards 2025	Best Life Insurance Product Sri Lanka 2025 (Gold Fund)
	Best Takaful Insurance Provider Sri Lanka 2025
Global Brands Magazine Awards 2025	Most Innovative Takaful Insurance Provider
	Excellence in Shariah-Compliant Insurance Solution
	Best Takaful Insurance Brand
14th SLIBFI (Sri Lanka Islamic Banking and Finance Industry) Awards 2025	Islamic Banker or Employee of the Year (Nawaz Badurdeen) - Gold
	Islamic Finance Entity of the Year - Gold
	Marketing Campaign of the Year - Gold
	Takaful Entity of the Year - Gold
2025 Cosmopolitan the Daily Business Award	Best Life Insurance Product - GOLD FUND - Sri Lanka 2025
	Best Takaful Insurance Provider - Sri Lanka 2025
Insurance Asset Management Awards 2025	Insurance Company of the Year
Asian Experience Awards 2025	Sri Lanka Customer Experience of the Year
Global Insurance Innovation Awards 2025	Best Takaful Operator - Sri Lanka
World Business Outlook Awards 2025	Most Customer - Centric Insurance Provider Sri Lanka 2025
	Fastest Growing Insurance Company in Sri Lanka 2025
IFFSA Awards 2025	Takaful Institution of the Decade 2016-2025
	Takaful Institution of the Year (Fully-Fledged) 2024/2025 - Gold
	Islamic Finance Entity of the Year 2024/2025 - Silver
	Marketing Campaign of the Year 2024/2025 - Gold
	Islamic Banker/Employee of the Year 2024/2025 - Gold
International Finance Awards 2025	Best Takaful Insurance Provider – Sri Lanka 2025
The Global Economics Awards 2025	Most Innovative Business Insurance Solutions - Sri Lanka 2025
Business Pinnacle Awards 2025	Best Takaful Insurance Provider – Sri Lanka 2025
International Finance Awards 2025	Best Takaful Insurance Provider – Sri Lanka 2025

KEY CORPORATE MILESTONES



2025
SILVER JUBILEE

Celebrated 25 Years of service excellence in Insurance

2021
Brand Revamp

Successfully revamped the brand with a fresh look and direction, pledging our service "to every Sri Lankan as One", hence with the vision of creating equal opportunities for all

2015
Segregation of Amana General & Amana Life

2009
Launch of Amana Takaful Cares

Formal launch of Corporate Social Responsibility (CSR) activities under the banner, "Amana Takaful Cares"

2006
Listed in the Colombo Stock Exchange

2005
Incorporation of Overseas Branch

Incorporated as a Public Company as a Composite Insurance-provider in Sri Lanka with a primary focus on the key sectors of insurance

1999
Incorporation

Incorporated as a Public Company as a Composite Insurance-provider in Sri Lanka with a primary focus on the key sectors of insurance

LEADERSHIP

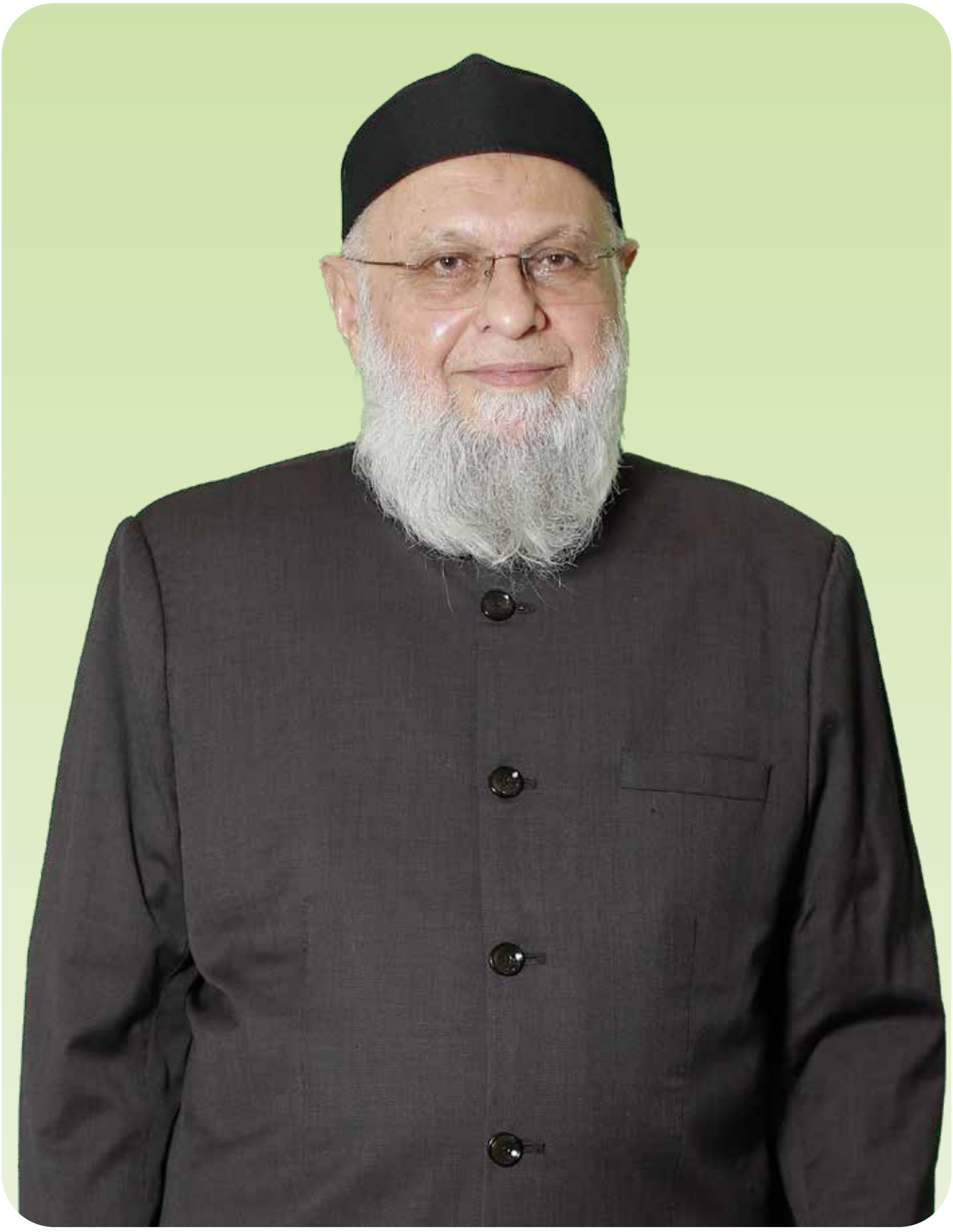


A CANVAS OF GROWTH

Diligent leadership provides the space, direction and assurance needed to bring potential into form, at Amana Life. Guided by intentionality and clarity, our progress is shaped by our leaders with consistency and care.

The South Sea Pearl forms over time in calm, open waters. Known for its size and natural lustre, this pearl is a reflection on the leadership that creates conditions for growth to expand with confidence and strength.

CHAIRMAN'S MESSAGE



AT THE HEART OF OUR PURPOSE ARE OUR POLICYHOLDERS. OUR PROMISE IS CLEAR, TO PROVIDE PROTECTION WITH EMPATHY, SPEED, AND INTEGRITY, PARTICULARLY AT MOMENTS THAT MATTER MOST.

Dear Shareholders

It is with great pleasure that I welcome you to the 10th Annual General Meeting of Amana Insurance Life PLC and thank you for joining us once again as valued partners in our journey. Your continued confidence strengthens our resolve to build an institution that safeguards families, honours our commitments, and creates enduring value.

A LEGACY THAT CONTINUES AND A NEW CHAPTER BEGINS

Last year, the wider Amana Takaful franchise proudly marked 25 years of service, built on trust, compassion, and a promise of protection. This year represents more than the next step in that story, it signals a new era of growth, where we broaden our reach, deepen our relevance to Sri Lankans, and reinforce the role of life insurance as a stabilising force for households and communities. We remain anchored in our purpose: to stand beside our policyholders at life's most critical moments, and to help them move forward with greater confidence.

OPERATING ENVIRONMENT: STABILITY RETURNING, RISKS STILL EVOLVING

The financial year ended 31 December 2025 unfolded against a complex and evolving external backdrop. Global conditions remained unsettled, shaped by persistent geopolitical tensions, which during early 2026 developed to conflict in the Middle East, which exerted pressure on global energy markets, trade routes, and financial conditions. For Sri Lanka, these dynamics translated into intermittent supply chain disruptions, elevated costs, and renewed upside risks to fuel and energy prices. While domestic policy measures helped cushion the immediate impact, these developments underscored the economy's continued exposure to external shocks and reinforced the importance of sustaining macroeconomic discipline, strengthening reserve buffers, and advancing export and remittance-led resilience.

Amid this global uncertainty, Sri Lanka's economic recovery gathered measured momentum. The year marked a period of cautious renewal as the country continued its post-crisis stabilisation journey following the 2022–2023 economic downturn. Progress was underpinned by strengthened fiscal discipline, improving policy credibility, and the Government's continued commitment to the reform agenda under the International Monetary Fund's Extended Fund Facility programme.

Encouragingly, key macroeconomic indicators reflected broad-based improvement. Real GDP growth was sustained at 5.0%, building on the recovery observed in 2024 and marking a notable turnaround from the contraction of 2.3% recorded in the preceding year.

Inflation remained contained at mid-single-digit levels, broadly aligned with the Central Bank of Sri Lanka's medium-term target of 5%, supported by prudent monetary policy and improving supply-side conditions. Interest rates also stabilised within an accommodative range, contributing to improved business sentiment and a gradual revival in economic activity.

Notwithstanding these positive developments, the year was significantly impacted by the devastating effects of Cyclone Ditwah, which caused widespread loss of life and economic disruption across several regions. The scale of the disaster served as a stark reminder of Sri Lanka's acute vulnerability to climate-related risks as an island nation. It further highlighted the growing importance of embedding climate resilience within both national policy frameworks and corporate strategies, particularly for the insurance sector, where the frequency and severity of such events have direct implications for risk exposure, underwriting, and long-term sustainability.

FINANCIAL RESULTS

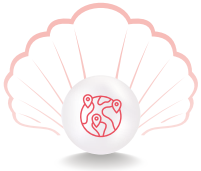
During the year, the Company delivered healthy revenue, netting Rs. 2,375 Mn, a 26.4% increase over the prior year. Gross written contribution for the year was Rs. 1,764 Mn, an encouraging year-on-year (YoY) increase of 36.2% demonstrating the soundness of our business operations.

The Company reported a pre-tax profit of Rs. 1 Mn, and a post-tax loss of Rs. 8.6 Mn, due to a tax expense of 9.6 Mn. Total assets of the Company improved to Rs. 5.8 Bn by the end of the year, a YoY growth of 15.8%.



Rs. **1.76** Bn

Gross written contribution



Rs. **5.8** Bn

Total assets

ADVANCING GOVERNANCE EXCELLENCE

Sound corporate governance is not merely a matter of compliance; it is a fundamental enabler of sustainability, resilience, and long-term performance. During the year, the Board remained focused on providing strategic direction, exercising robust oversight, and upholding the highest standards of accountability, integrity, and fairness in all decision-making.

The Board and its Committees continued to prioritise key governance imperatives, including risk oversight, financial integrity, related party governance, disciplined remuneration, and regulatory alignment. In parallel, the Company remained responsive to evolving governance expectations, strengthening internal frameworks and policies where necessary, guided by transparency and shareholder accessibility.

A strong partnership between the Board and Management remains central to our governance approach, ensuring that strategic intent is effectively translated into measurable outcomes.

The Board comprises 7 members, including 5 Independent Non-Executive Directors, bringing together diverse expertise across insurance, actuarial science, finance, investment banking, marketing, and medicine, enhancing the depth and quality of deliberations.

During the year, the Board convened 4 times, focusing on strategic priorities, emerging economic developments, and the preservation and enhancement of shareholder value, while maintaining active oversight of governance matters.

The Board's effectiveness was further strengthened by its Sub-committees; the Board Audit Committee, Board Risk Committee, Board Remuneration Committee, and the Related Party Transactions Review Committee. Each, chaired by members with relevant expertise, provided focused oversight, enabling the Board to maintain its emphasis on strategy, execution, growth, and external developments.

In line with best practice, the Company proactively aligned its governance framework with the latest requirements of the Colombo Stock Exchange, strengthening policies ahead of mandated timelines. Key governance policies were formalised and made accessible to shareholders, reinforcing our commitment to transparency, accountability, and stakeholder confidence.

DELIVERING SUSTAINABLE VALUE ACROSS STAKEHOLDERS

As we pursue growth, we do so with a clear understanding that sustainable value creation is inherently multi-stakeholder in nature.

Shareholders remain central to our long-term agenda. We continue to focus on disciplined growth, prudent capital management, and the consistent delivery of sustainable returns, ensuring that value is created and preserved over time.

At the heart of our purpose are our policyholders. Our promise is clear, to provide protection with empathy, speed, and integrity, particularly at moments that matter most. This commitment underpins the trust placed in us and defines the way we serve. During the year, we disbursed Rs. 608 Mn in Takaful claims and benefits demonstrating our promise of protection and financial security.

Our employees are the driving force behind service excellence and innovation. We remain committed to fostering a culture grounded in learning, performance, and inclusion, supported by structured development pathways that equip our people to meet the demands of a rapidly evolving future. We invested Rs. 7.5 Mn in employee development through learning and development initiatives through the year.

Our responsibility extends to the communities we serve as well. Through targeted initiatives that respond to real societal needs, we continue to contribute to social well-being, reflecting our belief that a responsible insurer plays a meaningful role in uplifting and empowering communities.

THE ROAD AHEAD - PROTECTION, INCLUSION, AND NATIONAL REACH

Looking forward, our aspiration is clear: to take the message of life insurance to every corner of the country, expanding access to protection while strengthening customer understanding of life insurance as both a safeguard and a foundation for long term financial security.

Sri Lanka continues to face a low level of life insurance penetration, and meaningful progress will require collective effort across the industry, in collaboration with the regulator and other stakeholders. We support this direction and remain committed to playing an active role in expanding awareness, strengthening trust, and improving accessibility, so that more Sri Lankans can benefit from the protection and confidence that life insurance provides.

Increasing digitisation and automation in both policyholder serving points and internal process, will also shape our way forward, whilst preserving the essential human element that is ever so crucial in the business of insurance.

APPRECIATION

The year under review demanded resilience, sound judgement, and unwavering commitment. I extend my sincere appreciation to my fellow Directors for their guidance and stewardship, to the Management team led by the Chief Executive Officer Mr. Gehan Rajapakse, and all employees for their dedication and professionalism, and to our shareholders and business partners for their continued support. I also acknowledge the guidance of the Insurance Regulatory Commission of Sri Lanka and the Shari'ah governance framework that underpins confidence in our proposition.

Most importantly, I thank our policyholders for placing their trust in us. As we build on the legacy that has brought us here, we will remain focused on sustainable growth, strong governance, and meaningful protection for the people we serve.

Thank you.



Osman Kassim
Chairman

30 April 2026
Colombo

CHIEF EXECUTIVE OFFICER'S REVIEW



WE REMAINED CONFIDENT IN OUR PRODUCT PROPOSITION AND DID NOT RELY ON CONSTANT PRODUCT PROLIFERATION. INSTEAD, WE FOCUSED ON THE STRENGTH AND PERFORMANCE OF THE PORTFOLIO ALREADY AVAILABLE TO CUSTOMERS.

Dear Stakeholders,

As we reflect on the year under review, I do so with a deep sense of gratitude and pride, for the trust placed in us by our policyholders and partners, and pride in what our teams have delivered through disciplined execution. Building on the momentum of our milestone legacy, we approached the year with a clear ambition: to scale responsibly, serve more Sri Lankans, and strengthen the operational backbone of the Company.

2025: A YEAR OF EXEMPLARY GROWTH AND FOCUSED EXECUTION

In a few words, I would describe the year as an exemplary growth year of our business operations. We delivered Gross Written Contribution growth of 36.2%, consistent with a deliberate strategy designed for expansion and acceleration. Importantly, this performance was not a one off outcome, it was the result of targeted choices, sharper execution, and a strong operating rhythm across the business.

A fundamental shift underpinning this growth was our investment in distribution expansion. Toward late 2024 and throughout 2025, we strengthened leadership capacity and expanded our footprint leading to 37 branches, particularly across the Eastern and Northern regions, to better serve Tamil and Islamic communities and broaden national reach. This inorganic uplift was complemented by strong organic momentum: our existing business base also delivered approximately 35% growth, demonstrating improved scale and deepening effectiveness across the core engine of the Company.

During the year, investment income recorded a steady performance, increasing by 5.7% year-on-year to Rs. 615.9 Mn, driven primarily by income from Mudharaba and Fixed Term Investments of Rs. 330.2 Mn. Other income streams including fund management fees, rental income, and mortgage surplus, also contributed positively, reaching Rs. 72.7 Mn.

In line with business growth, takaful-related expenses increased alongside Gross Written Contribution, while operating and administrative expenses rose by 32.9% to Rs. 833.7 Mn, largely driven by staff and establishment costs. Finance costs remained contained at Rs. 8.9 Mn, with Extended Wakala Profit being the main contributor.

Demonstrating the strength of our franchise, we delivered a pre-finance cost profit of Rs. 9.9 Mn. After adjusting finance cost and income tax, the Company's result for the year was a loss of Rs. 8.6 Mn. This was predominantly due to the tax impact of Rs. 9.6 Mn.

The balance sheet remained predominantly liability-funded, with insurance contract liabilities accounting for 88% of total funding and increasing by 12.3% to Rs. 7,156 Mn, led by growth in unit-linked insurance contract liabilities. Equity accounted for the remaining 12%, with stated capital unchanged at Rs. 500 Mn, while reserves showed mixed movements. Total assets grew by 15.8% to Rs. 5,772 Mn, supported mainly by an 18.6% increase in unit-linked financial investments, which continued to represent the largest asset class.

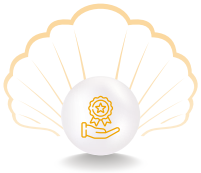
A SUPPORTIVE MACRO BACKDROP AND A SHARPER FOCUS ON INDUSTRY READINESS

As was elaborated in the The Chairman's Message on page 10, domestic operating environment during the year was comparatively stable, supporting business confidence. Inflationary pressures eased, interest rates moved into a more supportive range, and overall macro management remained broadly consistent, enabling better planning and customer affordability.

From an industry perspective, the year also underscored the importance of capability building. The sector is about to adopt SLFRS 17 – Insurance Contracts. While these requirements are demanding, especially in a post recovery environment where specialised technical resources can be constrained, the direction of travel is positive. These reforms raise governance, transparency, and comparability to higher standards, which will ultimately strengthen trust in the life insurance sector.

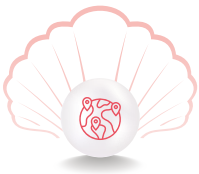
CUSTOMER NEEDS ARE EVOLVING

Across the market, customers have often been drawn to maturity returns and shorter investment linked propositions. However, events such as the COVID-19 pandemic and from more recent times, Cyclone Ditwah have reinforced a vital truth: protection matters. We observed a renewed appreciation for protection led insurance, including hospitalisation and health related needs over the years. This shift aligns strongly with our purpose, and we will continue to strengthen customer understanding that life insurance is first and foremost a promise of protection, supported by sound long term savings and investment outcomes.



32%

Gold fund returns



15.8%

Growth in total assets

PRODUCT STRENGTH: "BEST INVESTMENT OPTIONS, WITH REAL OUTCOMES

We remained confident in our product proposition and did not rely on constant product proliferation. Instead, we focused on the strength and performance of the portfolio already available to customers. A key highlight was the continued performance of our investment linked fund options, reinforcing our positioning around high quality investment choices. Notably, our Gold Fund delivered approximately 32% returns in 2025, while equity based funds delivered over 20%, supporting strong maturity value outcomes for policyholders. This performance reflects disciplined investment thinking and a proposition designed to balance protection needs with long term wealth creation.

BALANCE SHEET STRENGTH AND SOLVENCY DISCIPLINE

Our growth was supported by balance sheet expansion and continued solvency prudence. Total assets increased by 15.8%, from LKR 5.0 Bn to LKR 5.8 Bn, driven largely by growth in unit linked financial instruments. We also maintained a healthy Capital Adequacy Ratio of 214%, well above the regulatory minimum of 160% reinforcing our commitment to prudent capital management and long term resilience.

DIGITAL TRANSFORMATION – AN ENABLER OF SPEED, EFFICIENCY, AND INSIGHT

Digitalisation remained a strategic priority, approached with a practical lens: technology must improve experience, enable productivity, and strengthen decision making.

During the year, our focus spanned three key areas, namely, digital submission platforms to simplify and speed up proposal processing, enablement tools for the agency force, supporting onboarding and workflow efficiency and a more comprehensive customer facing app experience, enabling customers to view policy details and better understand their overall protection profile.

At the same time, we remain clear eyed about what technology can and cannot do. Digitisation is an enabler, it cannot replace the human element that is essential in life insurance. Every policy is personal, every life story is unique, and the empathy and judgement of our people remain central to the customer promise.

CLAIMS AND SERVICE DELIVERING PROTECTION WHEN IT MATTERS

Claims are where an insurer's promise is truly tested. During the year, we disbursed Rs. 608 Mn in claims, an increase of Rs. 88 Mn compared to the prior period. We also improved claims convenience and turnaround by enabling transfers directly to customer bank accounts, reducing reliance on cheque issuance and improving realisation time.

PEOPLE, CULTURE, AND CAPABILITY

We continued to invest in developing our people as a strategic priority. Our aspiration is to be recognised as a place of learning, supported by structured leadership development across senior management, middle management, and executive layers with programmes running over extended periods to build real capability. We also strengthened training pathways for advisors through progressive, stage based development spanning more than two years, alongside technical and service focused training to uplift customer experience standards.

STRENGTHENING THE OPERATING MODEL

Resilience does not happen by chance; it must be designed. During the year, we strengthened our risk and compliance capability, resourcing it as a more independent and robust function. This reinforces the integrity of the operating model and supports sustainable growth particularly as the regulatory environment becomes more demanding and the risk landscape more dynamic.

AWARDS, RECOGNITION, AND BRAND STRENGTH

The year also saw strong external validation of our progress, with the Company achieving over 40 local and international awards, strengthening market confidence and reinforcing our brand positioning as a leading, trusted provider. While awards are not the objective, they serve as encouraging signals that execution quality and customer value are being recognised.

LOOKING AHEAD, SCALING REACH, STRENGTHENING PARTNERSHIPS

Our strategic direction remains consistent and clear: scale the business through advisors, expand the agency force from around 900 toward 1,500, and further optimise growth through bancassurance, including stronger partnership enablement with Amana Bank. We will pursue this growth agenda while maintaining solvency discipline, strengthening governance and compliance, and enhancing service experience.

APPRECIATION

I extend my gratitude to the Chairman and Board who have continued to provide steadfast stewardship and strategic guidance, ensuring that the Company remains firmly aligned with its long-term vision and governance priorities. Their oversight and counsel have been instrumental in navigating a complex operating environment with clarity and discipline.

I also extend our sincere appreciation to our people, whose dedication, professionalism, and commitment to excellence continue to underpin our performance and service delivery. Their efforts remain central to the trust and confidence we build every day. To our policyholders, we express our deepest gratitude for the trust placed in us.

We further acknowledge the continued support of our regulators, partners and stakeholders, whose collaboration strengthens our ability to create shared value and sustain long-term progress.

As we look ahead, we do so with confidence and purpose, guided by a clear commitment to protect, serve, and grow responsibly.

Thank you.



Gehan Rajapakse
Chief Executive Officer

30 April 2026
Colombo

BOARD OF DIRECTORS



OSMAN KASSIM
Chairman/Non-Executive Director

Mr. Osman Kassim, the visionary and one of the main promoters of Amana Group of Companies, was the Chairman of Amana Bank PLC, Sri Lanka's first and only licensed commercial bank to conduct all its operations under the principles of Islamic banking. Kassim, a well-versed personality in Islamic banking and finance, was instrumental in introducing Islamic finance to Sri Lanka with the setting up of Amana Investments in 1997, whose assets and liabilities were later transferred to Amana Bank PLC in 2011. He has expanded his directorships in Islamic finance companies overseas as well, where he is a Director at Amana Takaful Maldives. With over 40 years of senior management experience, Kassim was also the Founder Chairman of the well-established Expolanka Group of Companies which is engaged in diverse business activities. He is the Chairman of Vidullanka PLC, a leading provider of renewable energy to the National Grid and he is also the emeritus Chairman of Aberdeen Holdings (Private) Limited. He also sits on the Board of Ex-Pack Corrugated Cartons (Private) Limited.

He was conferred an Honorary Doctorate from the Staffordshire University in recognition of his achievements as both a global entrepreneur and visionary educationalist.



SHARHAN MUHSEEN
Deputy Chairman/Independent Non-Executive Director (Resigned w.e.f. 31st December 2025)

Sharhan Muhseen is a senior Investment Banker with extensive experience in areas of mergers and acquisitions, corporate finance and capital markets. He has served in a senior capacity working with company Boards and senior leadership teams of financial institutions across Asia to help drive their strategic agenda and roadmap.

Sharhan previously worked in best-in-class global investment banks, Credit Suisse, Bank of America Merrill Lynch and JPMorgan in leading regional coverage roles. His most immediate previous role was as Managing Director, Head of Asia Insurance, Head of South East Asia Financial Institutions Group, and Country Manager Sri Lanka at Credit Suisse based in Singapore. In his investment banking career spanning over 20 years, Sharhan has completed landmark mergers and capital raising transactions in excess of USD 100 Bn. The Asia FIG sector team at Merrill Lynch and Credit Suisse has won the 'FIG Asia House of the Year' award and 'Best Sri Lanka Investment Bank' from the Asset magazine and Finance Asia Magazine for multiple years under his leadership. Sharhan is also credited with some leading research reports including reports on banking sector efficiency, currency depreciation and budget deficit in his role as Head of Sri Lanka banking sector research coverage and lead economist at Jardine Flemming.

Sharhan has also worked at Standard Chartered Bank in the corporate banking division where he started out as a Management Trainee and at Rodman and Renshaw stock and commodities broker based in Chicago.

He has experience at the policy level working as a team leader at the National Council for Economic Development (NCED) under the Ministry of Finance as well as a Director at the TAFREN presidential task force for rebuilding the economy after the 2004 Tsunami. Sharhan holds a Masters in Economics from the University of Colombo and a Bachelor of Business Administration (Hons) from Western Michigan University. He has completed the Corporate Finance training with JP Morgan in New York and board leadership training at the Singapore Management University. He is the Chairman of the Board of Directors of Commercial Bank of Sri Lanka PLC.



GEHAN RAJAPAKSE
Executive Director/CEO

Gehan Rajapakse, the incumbent Chief Executive Officer of Amana Takaful Life PLC was appointed to the Board on 3rd June 2020. He counts over 25 years of experience in the Financial Services industry with primary focus on Insurance & Asset Management.

He commenced his career with CTC Eagle Fund Management Company Ltd in 1992 as a management trainee. He has functioned as a General Manager of both the Asset Management business and later the bancassurance arm of Aviva NDB PLC. Prior to his appointment as CEO Amana Life, he served as the CEO of LOLC Insurance PLC. He holds a Master's Degree in Business Administration (MBA) from PIM - University of Sri Jayewardenepura and a Bachelor's Degree in Economics (Hon) from the University of Colombo. He is also a Fellow Member of the Chartered Institute of Management Accountants (CIMA) – UK.



AMMAR SHAFIK KASSIM
Independent Non-Executive Director
(Resigned w.e.f. 7th March 2025)

Ammar was appointed to the Board on 7th March 2016. He currently holds the position of Executive Director at Fits Aviation, Sri Lanka's largest private airline.

He has managed a programme of aircraft acquisition fleet standardisation across three global hubs for the airline.

He holds a BSc. in Economics and an MSc. in Management Information Systems from New York University.



HASSAN KASSIM
Non-Independent Non-Executive Director

Hassan Kassim is the Managing Director of Amana Takaful PLC, the parent Company. He is the Deputy Chairman/Chief Operating Officer at Aberdeen Holdings (Private) Limited and the Founder/Director of Expo Commodities Global (Pvt) Ltd.

He holds a BA (Hons.) Degree in Management Studies from the University of Nottingham, UK. Hassan Kassim also serves as a member of the Board of Directors of Bio Extracts (Pvt) Ltd, Lanka Commodity Holdings (Pvt) Ltd, Expoceylon Pharmaceuticals (Pvt) Ltd, Expo Commodities Global (Pvt) Ltd, Kolonnawa Property Holdings (Pvt) Ltd, Ruhunu Farms (Pvt) Ltd and Roar Digital (Pvt) Ltd.

Hassan Kassim was awarded the Young Leader Award at the 26th Asia Insurance Industry Awards (AIIA) 2022. The achievement is an unprecedented feat for Amana Insurance and the Sri Lankan insurance industry as a whole, as Hassan is the only Sri Lankan to have won this Young Leader Award of Asia thus far. Furthermore, this was a rare occurrence, where a Sri Lankan company won an award in this forum after nearly 10 years, and the fact that this was achieved amidst an island wide economic crunch provides great reputational value to both Amana Insurance and Sri Lanka as a whole.

BOARD OF DIRECTORS



SHEHARA DE SILVA
Independent Non-Executive Director

Shehara is an international communication specialist with a track record of market strategy and Brand development in East Asia and Sri Lanka. She is on the Board of Ex-pack Corrugated Cartons PLC, Sarvodaya Development Finance, Optima Designs (Pvt) Ltd and Quickshaws Travel (Pvt) Ltd.

She is also a Trustee Board member of the Neelan Tiruchelvam Trust, the Family Planning Association and on the Global leadership team of Women in Management . She was previously on the Boards of Keells Food PLC, the Environment Foundation, the Arthur C Clarke Institute of Modern Technologies and Eagle NDB Fund Management.

She has worked with Omnicom related companies in Malaysia, as the Director Planning Naga DDB and later as the Managing Director of Interbrand Malaysia and Group Director Strategy of Foetus International. Locally she has helped in the transformation of NDB in Banking, Singer in Retail and Janashakthi in Insurance. She was the Deputy Director General of the Board of Investment Sri Lanka and Marketing Director of New Zealand Milk Products and GM Marketing and Sales of Janashakthi Insurance. She has consulted for the UN/ILO, USAID, GiZ, PLAN international, NORAD, and Internews on gender, competitiveness and reconciliation.

She has sat on several advisory Boards and think tanks, judged and mentored several startups and judged innovation and leadership awards from the Eisenhower fellowship and Ray awards, to MIT global startups and the Roger Herschel creativity award, WIM NG awards, GIZ film awards etc. She has spoken extensively at international conferences on branding, strategy and gender issues and won several international marketing and women leadership awards. Awards won include - Women and Leadership: Top 50 Power Women (Echelon Magazine), WIM - Woman Leader in Finance World and Women on Boards (Sri Lanka), World Women Leadership Congress awards (Mumbai) - Women Super Achiever Award, CMO Asia Brand Leadership Award (Singapore) and a DDB Pinnacle Award.



SURESH MALITH PARANAVITANA
Independent Non-Executive Director

Suresh Paranavitana began his career in the field of insurance in the year 1986. He has experience in the life insurance industry for over 29 years.

Suresh is a Fellow of the Chartered Insurance Institute, Fellow of the Chartered Institute of Marketing, Certified Management Accountant (Aus) and has a Master of Business Administration.

Having initially worked for Mercantile Credit Limited, he then moved on to Ceylinco Insurance Company Limited (Life Division) and subsequently to Sri Lanka Insurance Corporation Limited, where he held many senior positions in the company.



PUSHPAKUMAR GUNASEKERA
Independent Non-Executive Director

Pushpakumar currently serves as an independent Actuarial Consultant, providing services in the areas of life insurance and employee retirement benefits. He began his career at Eagle Insurance Co. Ltd Sri Lanka as a Management Trainee and gradually advanced to his appointment as General Manager Actuarial, accumulating seventeen years of experience along the way.

Thereafter, he held the position of General Manager Actuarial at Union Assurance PLC for seven years before embarking on his independent Actuarial Consultancy. Alongside his tenure in Sri Lanka, he also underwent training and gained experience with overseas insurance entities located in Cheltenham UK, Hong Kong and Zurich within the Eagle Star Insurance Group and Zurich Financial Services Group.

He has over 25 years of senior management experience in product pricing, regulatory valuations, employee benefit valuations, experience analytics, business projections & planning, strategy development and risk management in life insurance.

Pushpakumar is an Actuary/Associate of the Institute of Actuaries Australia (AIAA) with over 20 years of post-qualifying experience. He holds a Bachelor's Degree in Mathematics (First Class) from University of Colombo, Postgraduate Diploma in Actuarial Science from City University UK and MBA from Postgraduate Institute of Management at University of Sri Jayewardenepura.

SENIOR MANAGEMENT TEAM



GEHAN RAJAPAKSE
Chief Executive Officer



SUSIL PALIHAKKARA
Specified Officer



SHAUL HAMEED ASIF
Head of National Distribution



NIMAL PRIYANTHA
Assistant General Manager - Sales



MANICARASAGAR PUVIRAJ
Assistant General Manager - Sales



SABEEH FEISAL
Assistant General Manager - Life Underwriting



NILUSHAN SOMARATHNA
Chief Financial Officer



FARHAN JABIR
Head of Human Resources & Secretary to the Board



DANUSHKA LIYANAGE
Head of Information Technology



RUSHDI ZAROOK
Head of Legal/Risk & Compliance



ASHEERA SAMSUDEEN
Head of Marketing

OTHER CORPORATE MANAGEMENT



SHAKIR MOHOMED
Zonal Manager



IRSHAD NAWAZ
Regional Manager - Western & Bancassurance



S LINGESWARAN
Zonal Manager



R CHANTHURU
Zonal Manager



ALTHAF KALEEL
Manager Business Development - Bancassurance & Corporate



MUHAMMED AFZAL ALI
Senior Manager - Finance



ANURA SHANTHA
Senior Manager - Internal Audit



NAWAZ BADURDEEN
Senior Manager - Shariah Department



SITHAMPARAPILLAI MUHUNTHAN
Senior Manager - Learning & Development



JAZEEL JAWHAR
Manager - Agency Administration



MOHAMED RAZICK
Manager - Claims & Servicing



CHARITH SILVA
Assistant Manager - Actuarial



YUDHEESHA FERNANDO
Assistant Manager - Human Resources



STRATEGIC REPORT

A MEASURE OF DILIGENCE

At Amana Life, growth is sustained through diligence and thoughtful alignment. Every decision is considered, every pathway is defined and every step towards progress is purposeful. Our strategy is built with structure, vigilance and deliberation and our future is mapped with precision.

The Akoya Pearl Strand, prized for its uniformity and precision, reflects the careful alignment of each element to form a cohesive, beautiful whole. It comes together through a clear, connected path created through masterful execution.

OPERATING ENVIRONMENT

COUNTRY ECONOMIC PERFORMANCE

Source: Central Bank of Sri Lanka

In 2025, Sri Lanka continued to advance towards macroeconomic stability, supported by sustained policy reforms and strengthening economic fundamentals. Building on the recovery witnessed in 2024, growth momentum remained robust across all key sectors of the economy. GDP expanded by 5% in 2025, compared to 5% in the corresponding 2024, with all three major sectors contributing positively to this performance. The GDP implicit price deflator for the year stood at 3.7%.

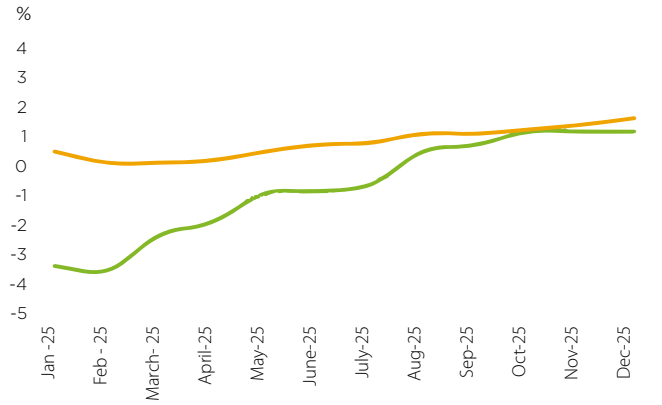
The continued improvement in macroeconomic conditions created a more stable and conducive operating environment, which in turn augured well for the insurance sector, supporting increased economic activity, improved consumer confidence, and greater demand for insurance solutions

Discussed below in brief is how the key economic parameters behaved during the economy.

INFLATION

Inflation behaviour	Impact on the insurance industry
Supported by policy measures adopted by the Central Bank of Sri Lanka (CBSL), inflation remained largely low during the year, and also due to a favourable base effect. Headline inflation (CCPI) remained in negative territory during the early part of 2025, driven by VAT-related base effects and reduced electricity tariffs before gradually rising from March onwards on account of increases in food prices and tariff adjustments. Following this deflationary phase, inflation returned to positive territory by August 2025 and stabilised at moderate levels for the remainder of the year.	The stabilisation of inflation contributed to improved economic predictability and consumer confidence, creating a more conducive environment for the insurance sector by supporting policy affordability, enhancing demand for protection products, and enabling more stable underwriting and pricing decisions.

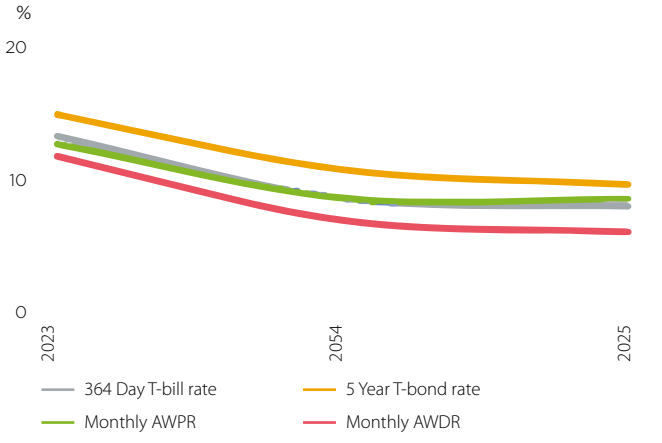
Inflation



INTEREST RATES

Interest rates behaviour	Impact on the insurance industry
The continuation of an accommodative monetary policy stance supported the economic recovery, resulting in a broad-based decline in market interest rates. In May 2025, the Overnight Policy Rate (OPR) was reduced by 25 basis points to 7.75%, leading to a corresponding easing in lending and deposit rates. Consequently, the Average Weighted Prime Lending Rate (AWPR) declined to 8.87%, while the Average Deposit Rate fell to 6.78% by year-end.	The low interest rate environment had mixed implications for the insurance industry. On one hand, reduced returns on traditional financial instruments encouraged individuals and businesses to seek alternative avenues for financial protection and savings, thereby supporting demand for insurance products . On the other hand, lower interest rates placed pressure on insurers' investment income, particularly for long-term insurance businesses reliant on fixed-income securities, necessitating more prudent asset-liability management and pricing strategies .

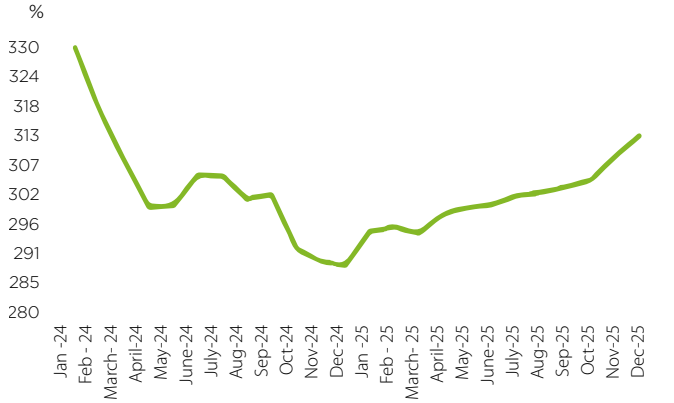
Interest Rate



EXTERNAL SECTOR PERFORMANCE AND EXCHANGE RATE

External sector performance and exchange rate	Impact on the insurance industry
External sector performed well, with increased inflows from tourism and worker remittances, combined with a a narrowing primary income deficit. Gross Official Reserves stood at USD 6.8 Bn (including the swap facility with the People's Bank of China) as at the end of the financial year - import cover of 3.8 months. Tourism earnings reached USD 3.2 Bn, with 2,362,521 arrivals, while workers' remittances increased significantly to USD 8.1 Bn, reflecting a growth of approximately 23% compared to 2024. However, the Sri Lankan Rupee depreciated by 5.6% against the US Dollar during 2025, driven by increased import demand following the relaxation of vehicle import restrictions.	The relative stability of the external sector, contributed positively to the insurance industry by improving overall economic confidence and liquidity in the system, thereby supporting demand for both life and general insurance products.

Exchange Rate Movement



IMPACT OF CYCLONE DITWAH

Impact of climate events – Cyclone Ditwah	Impact on the insurance industry
Sri Lanka experienced one of its most severe natural disasters in recent history with the impact of Cyclonic Storm Ditwah, which made landfall in late November 2025. The cyclone triggered widespread flooding and landslides across the country, resulting in extensive human, economic, and infrastructure losses. According to reports from national authorities and international agencies, over 2 million people were affected, with hundreds of fatalities and significant displacement, while more than 100,000 houses were either fully or partially damaged. The economic impact was substantial, with damage estimates exceeding USD 4.1 billion, equivalent to approximately 4% of Sri Lanka's GDP, reflecting extensive destruction to infrastructure, agriculture, and property.	The scale and severity of Cyclone Ditwah had direct implications for the insurance industry. The event led to a significant increase in claims, particularly across property, motor, and business interruption segments, placing pressure on underwriting performance and claims ratios. At the same time, such large-scale climate-related events have heightened awareness of risk among individuals and businesses, reinforcing the importance of insurance as a risk transfer mechanism. This is expected to support longer-term growth in insurance penetration, particularly in areas such as property, catastrophe, and agricultural insurance. The event also underscores the growing importance of climate risk modelling, reinsurance arrangements, and prudent underwriting practices, as insurers adapt to an environment characterised by increasing frequency and intensity of extreme weather events.

CHANGING DEMOGRAPHICS IN SRI LANKA

Sri Lanka's evolving demographic profile, marked by an ageing population, rising life expectancy, and a higher prevalence of non-communicable diseases continues to reshape the life insurance landscape. These trends, alongside increasing financial awareness and changing family structures, are driving greater demand for retirement, health, and long-term protection solutions, while affordability and trust remain key factors influencing customer decisions.

In response, life insurers are strengthening their focus on retirement and health-oriented products, maintaining disciplined pricing and actuarial practices, and enhancing value propositions centred on trust and long-term financial security. Amana Life is also acutely aware of these trends and continue to fine-tune its policy offerings.

OPERATING ENVIRONMENT

PERFORMANCE OF THE INSURANCE SECTOR

The life insurance industry grew by 40% in comparison to 2024. The breakup of the business classes are as follows.

- Total First Year Premium - 30%
- Renewal Premium - 22%
- Single Premium - 19%
- Group Life Premium - 24%.

HOW AMANA TAKAFUL LIFE PLC ADJUSTED IT BUSINESS IN RESPONSE TO THESE DEVELOPMENTS

Amana Takaful Life PLC demonstrated resilient performance during 2025, navigating a year characterised by both improving macroeconomic conditions and the disruptive impact of Cyclone Ditwah. The gradual stabilisation of the economy, coupled with easing inflation and declining interest rates, supported improved consumer confidence and enhanced the affordability of long-term protection and savings products, contributing to increased demand for life insurance solutions.

At the same time, the aftermath of Cyclone Ditwah heightened awareness of financial protection among individuals and families, reinforcing the relevance of life insurance as a critical safety net. Against this backdrop, the Company remained responsive to customer needs, ensuring continued service delivery and extending support to affected policyholders where required.

Through a disciplined approach to underwriting, a strengthened customer value proposition, and a focus on accessibility and inclusivity, Amana Takaful Life PLC was able to capitalise on emerging opportunities while maintaining stability in a challenging operating environment. The Company's performance during the year reflects its ability to balance growth with responsibility, contributing to both individual financial resilience and broader economic recovery.

FINANCIAL REVIEW

Amana Takaful Life PLC (Company) posted a pre-tax profit of Rs. 1.0 Mn for the financial year ended 31 December 2025 (period/year under review).

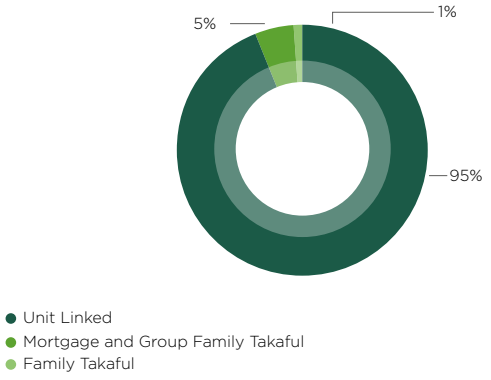
INCOME AND PROFITABILITY

Revenue

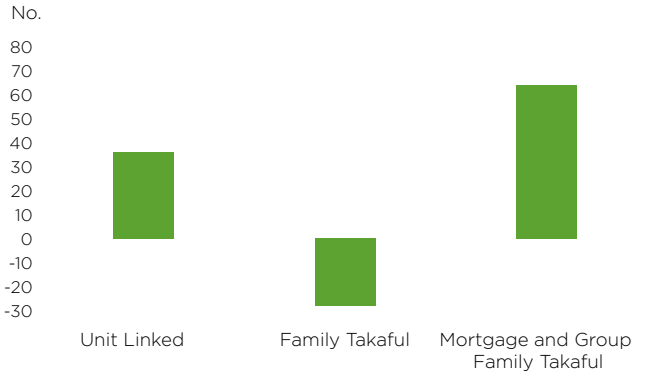
	2025 Rs. Mn.	2024 Rs. Mn.	YoY Growth (%)
Gross written contribution (premium)	1,763,962	1,295,046	36.2%
Contribution (premium) ceded to retakaful companies (reinsurers)	(76,079)	(57,650)	32.0%
Net written contribution (premium)	1,687,883	1,237,396	36.4%
Net change in reserve for unearned contribution (premium)	(1,509)	(558)	170.6%
Net earned contribution (premium)	1,686,374	1,236,838	36.3%
Income from investments	615,928	582,816	5.7%
Other income	72,733	59,968	21.3%
Total revenue	2,375,035	1,879,623	26.4%

The Company posted healthy gross written contribution (GWP) during the year with a 36.2% year-on-year (YoY) growth over 2024 to Rs. 1,764 Mn Mn. Unit linked GWP was the highest contributor to total GWP.

Composition of GWP



Year-on-year Performance of GWP Contributors



Income from investments also performed well, with a YoY growth rate of 5.7% to Rs. 616 Mn. Highest contributor to investment income was Income from Mudharaba/Fixed Term Investments of Rs. 330 Mn. Other income categories, comprising fund management fees, rental income and mortgage surplus also grew, to a total of Rs. 73 Mn, driving total revenue.

EXPENSES

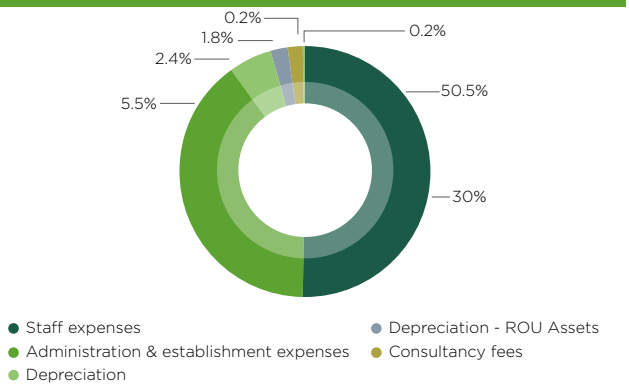
	2025 Rs. Mn.	2024 Rs. Mn.	YoY Growth (%)
Takaful (insurance) claims and benefits (net)	607,867	519,188	17.1%
Acquisition cost (net of reinsurance commission)	232,691	153,143	51.9%
Change in family takaful contract liability	689,387	565,242	22.0%
Other operating and administration expenses	833,664	627,321	32.9%
Amortisation	1,544	1,504	2.7%
Total expenses	2,365,154	1,866,398	26.7%

As evident in the numbers presented above, all Takaful related expenses increased compared to the prior year, in relation to increased GWP.

FINANCIAL REVIEW

Given below is the composition of operating and administration expenses for the year.

Composition of Operating and Administration Expenses



FINANCE COSTS

Finance costs for the year netted Rs. 9 Mn, which was a 2.6% increase over the prior year. Extended Wakala profit of Rs. 8 Mn was the predominant contributor to finance cost of the year.

TAXES AND PROFITS

The resultant pre-tax profit for the year was Rs. 1 Mn in comparison to a profit of Rs. 5 Mn for last year. Taxes for the period was Rs. 10 Mn, please refer Note 28 Income Tax expense for a detailed analysis of how the taxes behaved.

The tax expense therefore led to a loss of Rs. 9 Mn after tax for the year.

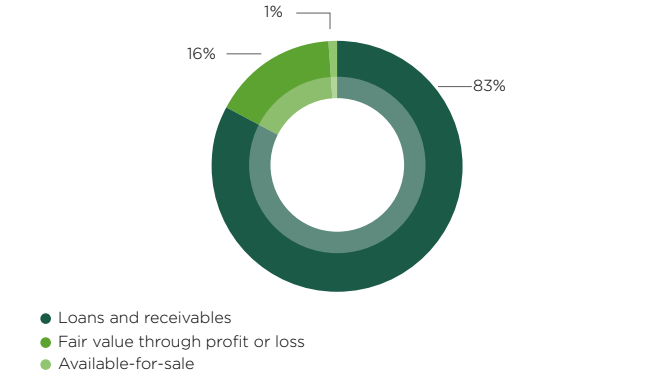
BALANCE SHEET ANALYSIS

Assets

	2025 Rs. Mn.	2024 Rs. Mn.	YoY Growth (%)
Property, plant and equipment	85	45	86.5%
Financial investments	1,000	882	13.4%
Retakaful (reinsurance) receivables	50	51	-1.5%
Contribution (premium) receivables	52	35	50.2%
Other assets	137	116	17.8%
Financial investments - Unit linked	4,255	3,588	18.6%
Total assets	5,772	4,985	15.8%

Total assets of the Company reported an increase of 15.8% in 2025, to close in at Rs. 5,772 Mn. Financial investments - Unit Linked was the largest asset class within total assets and posted a YoY increase of 18.6% to Rs. 4,255 Mn. The dispersion of financial investments - unit linked as at the year end was as follows.

Financial Investments - Unit Linked



LIABILITIES AND EQUITY

Insurance contract liabilities funded 78% of the Company's balance sheet. Total liabilities netted Rs. 5,772 Mn as at the end of the year, a 12.3% increase over the prior year. Insurance contract liabilities - Unit linked was the largest item within total liabilities which increased by 20.0%.

Accordingly, 11% of the Company's balance sheet was funded by equity. Stated capital stood at Rs. 500 Mn with no change over the prior year. Other reserves closed at Rs. 83.7 Mn, with a YoY growth of 18.6%. Revenue reserves were Rs. 58.1 Mn, a decline of 13.5% over the year.

HUMAN RESOURCES

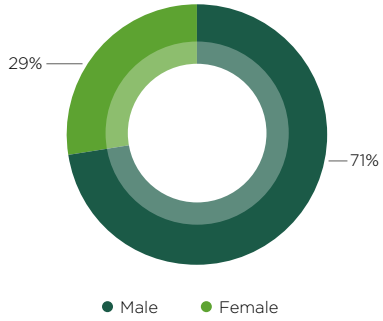
INTRODUCTION

The strength of Amana Takaful Life PLC lies in the dedication, capability, and commitment of its people. Our employees play a vital role in shaping the Company's ability to serve policyholders, deliver innovative solutions, and sustain long-term growth in a dynamic insurance landscape.

Recognising that organisational success is closely linked to the development and wellbeing of our workforce, we continue to invest in building a skilled, motivated, and engaged team. Through structured talent development initiatives, employee engagement programmes, and a culture that values collaboration, innovation, and inclusivity, we strive to create an environment where individuals can thrive and contribute meaningfully to the Company's progress.

During the year under review, we remained focused on empowering our employees through opportunities for continuous learning, career development, and wellbeing support. By nurturing a resilient and future-ready workforce, Amana Takaful Life is well positioned to navigate emerging challenges while advancing its vision of delivering responsible and customer-centric insurance solutions.

Gender Analysis of Staff - 2025





159

Total staff strength

MEN
113 2025
107 2024

WOMEN
46 2025
32 2024

DISPERSION OF THE TEAM BY CATEGORY

Staff grade classification	2025		2024	
	No.	Percentage	No.	Percentage
Senior Management	5	3%	5	4%
Middle Management	49	31%	45	32%
Executives	77	48%	61	44%
Non-Executives	28	18%	28	20%
Grand Total	159	100%	139	100%

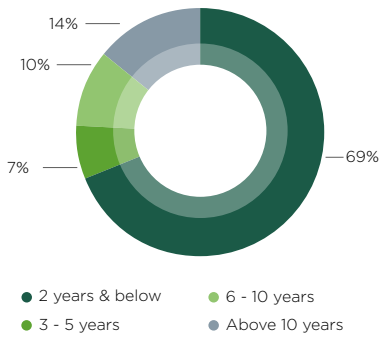
GEOGRAPHIC DISPERSION OF THE TEAM

Staff grade classification	2025		2024	
	No.	Percentage	No.	Percentage
Central	19	12%	15	11%
Eastern	42	26%	31	22%
North Central	3	2%	2	1%
North Western	6	4%	2	1%
Northern	15	9%	19	14%
Sabaragamuwa	5	3%	4	3%
Southern	1	1%	2	1%
Uva	3	2%	3	2%
Western	65	41%	61	44%
Total	159	100%	139	100%

CATEGORY-WISE SERVICE ANALYSIS OF THE TEAM

Years in Service	Senior Management	Middle Management	Executives	Non Executives	2025 Total
2 and below	1	20	62	26	109
3 - 5	0	5	5	2	12
6 - 10	2	6	8	0	16
Above 10	2	18	2	0	22
Grand Total	5	49	77	28	159

Service Analysis of Staff - 2025



TALENT ACQUISITION AND INTEGRATION

At Amana Takaful Life PLC, cultivating a high-performing workforce begins with a thoughtful and strategic approach to attracting and integrating talent. We focus on bringing in individuals whose skills, values, and aspirations align with the Company's purpose and culture, ensuring that new team members can contribute effectively from the outset. Our recruitment and onboarding processes are designed to identify capable professionals, support their smooth integration into the organisation, and foster a sense of belonging.

Specialised talent recruitment

To strengthen our technical capabilities, we recruited professionals with expertise in underwriting, compliance, risk management, and claims. We also onboarded graduates from universities offering specialised insurance degrees, including Sabaragamuwa and Wayamba Universities, enhancing our internal talent pipeline.

Employee referral programme

An Employee Referral Programme was introduced to encourage quality hires through internal recommendations. Employees received recognition upon successful completion of six months of service by the referred candidate. This initiative improved hiring efficiency, reduced recruitment costs, and supported smoother integration of new employees into the organisation.

Diversified recruitment channels

The Company broadened its recruitment approach by leveraging social media platforms, engaging professional headhunters, and tapping into industry networks to access a wider pool of skilled talent.

Values-driven hiring process

To ensure alignment with the Company's culture, core organisational values were embedded into the interview process, enabling the recruitment of candidates who not only possess the required technical expertise but also share the Company's values.

Strengthened onboarding and development

The employee orientation programme was enhanced into a comprehensive 1.5-day onboarding experience covering key operational and cultural aspects of the organisation. Continuous Professional Development (CPD) initiatives and cross-functional Outbound Training (OBT) sessions were also introduced to encourage teamwork, experiential learning, and ongoing professional growth.

TRAINING AND UPSKILLING

At Amana Takaful Life PLC, continuous learning and employee development remain central to sustaining competitiveness in the evolving insurance landscape. The Company places strong emphasis on equipping employees with the technical expertise, regulatory knowledge, and professional capabilities required to respond effectively to changing customer expectations and industry developments.

During the year under review, a range of training and development initiatives were introduced and expanded to strengthen employee competencies, improve productivity, and support career growth across the organisation.

No.	Questions	2025 (Life)
1	Employee training investment	Rs. 7,523,466
2	Training programs in total	165
3	Hours dedicated to training (Learning Hrs)	26,218
4	Employees trained	2,753
5	Break down of training programs	**Path Trainings** IRCSL licentiate / Advisor Induction /Product competency /Selling skills /Agency Managers Development / Company Induction
		Regulatory Training AML/CFT Data Protection
		Need based training Recruiting skills development / Leadership skills development / MDRT development / Productivity improvement/ Customer service/ Need based selling/ Principles of sustainable insurance
		TNA based training Critical illness/ Fund Management Train the Trainer / How to lead Gen Z/ Self motivation/ Shariah & Takaful

CONTINUOUS LEARNING AND PROFESSIONAL DEVELOPMENT

Recognising the dynamic nature of the insurance industry, the Company continued to promote ongoing professional development for both frontline and back-office employees. Key initiatives included targeted development programmes for the sales force as well as specialised training for operational teams, ensuring that employees remain well-equipped to navigate regulatory, technological, and market changes.

TRAINING PROGRAMMES AND LEARNING INITIATIVES

To support professional growth and strengthen employee capabilities, several structured training programmes were conducted during the year, including:

- Life insurance product training programmes
- IRCSL Licentiate programmes
- Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) training
- Essential telephone etiquette and customer communication training
- Public speaking and presentation skills development
- Outbound training programmes to strengthen teamwork and collaboration
- ChatGPT and emerging technology awareness training



MANAGEMENT DEVELOPMENT AND SKILL ENHANCEMENT

As part of its commitment to building a future-ready workforce, the Company implemented a series of upskilling and reskilling initiatives designed to respond to evolving business needs.

1. A structured training pathway was introduced to strengthen core competencies required for success within the insurance sector. In addition, need-based training programmes were conducted in areas such as customer service, communication skills, MS Office proficiency, and AML compliance.
2. Employee development priorities were also identified through a comprehensive Training Needs Assessment (TNA), which enabled the implementation of 12 targeted training programmes during the year.
3. To further strengthen leadership capability, the Company introduced a Successor Development Programme in collaboration with a professional learning partner, supporting the development of a strong internal leadership pipeline.

MEASURING TRAINING EFFECTIVENESS

Amana Takaful Life adopts a structured approach to evaluating the effectiveness of its training initiatives to ensure meaningful outcomes.

Training programmes are assessed through a multi-level evaluation framework that includes:

- **Immediate Level –** Post-training feedback collected through digital evaluation questionnaires, assessing programme content, trainer effectiveness, and overall learning experience.
- **Knowledge and Skill Level –** Evaluation of employee competency through examinations and behavioural indicators to track improvements in knowledge and skills.

- **Results Level –** Long-term impact assessment through key performance indicators such as productivity levels, policy cancellation rates, customer satisfaction scores, and complaint ratios.

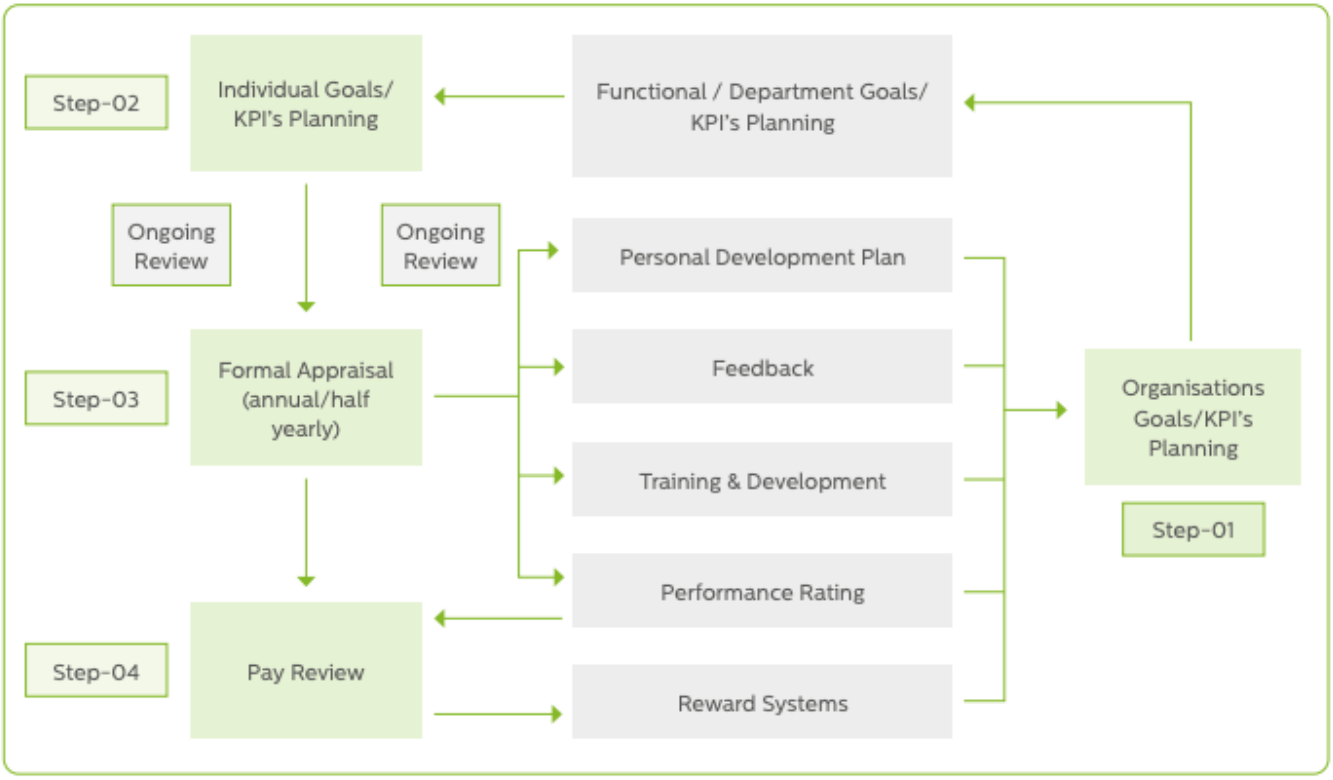
Through these initiatives, the Company continues to cultivate a knowledgeable, capable, and future-ready workforce that contributes meaningfully to the delivery of exceptional service and sustainable business growth.

PERFORMANCE MANAGEMENT AND RECOGNITION

Performance management is embedded as a structured and continuous process that aligns individual contributions with the Company's broader strategic objectives. Through clearly defined goals, ongoing feedback, and periodic performance evaluations, employees are supported in achieving their professional potential while contributing to organisational success. This framework fosters accountability, encourages professional development, and promotes a culture of high performance across the organisation.

During the year under review, the Company reviewed and refined the Key Performance Indicators (KPIs) of departmental heads and functional teams to ensure close alignment with evolving business priorities. Performance achievements were regularly assessed, with particular recognition given to high-performing teams, especially within the sales function.

To further reinforce a culture of appreciation and motivation, the Human Resources team organised recognition events during performance review meetings, attended by the CEO and relevant line managers. These engagements provided an opportunity to acknowledge employee contributions and celebrate achievements, strengthening employee morale and reinforcing the Company's performance-driven culture.



REMUNERATION

Our remuneration philosophy is centred on fairness, transparency, and performance recognition. The Company's reward framework is designed to ensure that employees are compensated in line with their contributions, encouraging a motivated and engaged workforce while recognising individual effort and achievement.

Despite the economic challenges experienced in recent years, the Company remained steadfast in its commitment to employee wellbeing. Guided by a people-first philosophy, Amana Takaful Life continued to provide stable remuneration and benefits, ensuring financial security and support for its employees during periods of uncertainty.

The Company's remuneration structure follows a clear and systematic approach that links performance with rewards. This transparency enables employees to understand how their contributions translate into recognition and compensation, while fostering accountability, encouraging excellence, and strengthening overall employee morale.

SUCCESSION PLANNING AND LEADERSHIP DEVELOPMENT

Recognising the importance of building a strong internal leadership pipeline, Amana Takaful Life PLC continues to invest in structured succession planning initiatives to develop future leaders within the organisation. As part of this commitment, the Company introduced the Leadership Excellence Programme, a seven-month development initiative conducted in collaboration with the Postgraduate Institute of Management (PIM) under its Executive Edge platform.

The programme is designed to equip selected managers with the strategic, operational, and leadership capabilities required to effectively guide the organisation in a dynamic business environment. Through tailored learning modules and practical leadership development activities, participants are prepared to assume greater responsibilities and contribute to the Company's long-term success.

EXECUTIVE EDGE LEADERSHIP DEVELOPMENT PROGRAMME

During the year under review, 8 managers of Amana Takaful Life PLC participated in the Executive Edge wprogramme (2024: 7 staff members) conducted by the Postgraduate Institute of Management (PIM). This curated leadership development programme is designed to strengthen the strategic, managerial, and leadership capabilities of senior professionals, equipping them with the knowledge and skills required to navigate an increasingly complex business environment.

By investing in advanced management education and professional development, Amana Takaful Life seeks to empower its future leaders to drive innovation, enhance organisational performance, and support the Company's long-term growth aspirations.

EMPLOYEE ENGAGEMENT

The Company recognises that employee engagement plays a vital role in enhancing productivity, strengthening teamwork, and creating a positive workplace culture. During the year under review, a range of initiatives were implemented to promote employee wellbeing, encourage collaboration, and create opportunities for meaningful interaction across the organisation.

Our engagement approach extends beyond traditional human resource practices, incorporating innovative initiatives that support employee wellbeing, strengthen internal connections, and encourage open communication across all levels of the organisation.

Key engagement initiatives undertaken during the year included:

- **Employee celebrations and social activities,** including staff birthday celebrations and staff outings to foster camaraderie and team spirit.
- **Health and wellbeing initiatives,** such as the Fit N Fab weekly aerobics sessions conducted under the guidance of a certified trainer, as well as the introduction of a company-wide step challenge to encourage healthier lifestyles.
- **Employee recognition initiatives,** including recognising the academic achievements of employees' children in the G.C.E. Ordinary Level, Advanced Level, and Grade 5 Scholarship examinations.
- **Employee feedback and engagement mechanisms,** including employee pulse checks conducted across the organisation to assess staff satisfaction levels and proactively address concerns.
- "**Coffee with the CEO" initiative,** introduced during the year, where employees completing six months with the Company meet with the CEO and HR team to share their experiences and provide feedback for continuous improvement.
- **Hobby-based engagement activities,** including the launch of the Shutter Bug Photography Club, which attracted participation from over 150 employees through themed photography competitions.
- **Departmental breakfast gatherings and team-building activities,** organised to encourage cross-team interaction and break the routine of daily work.
- **Family-oriented initiatives,** including a Children's Day celebration where employees' children were invited to the office to participate in activities and experience their parents' workplace.
- **Cultural celebrations and inclusive events** that promoted unity and a sense of belonging across the organisation.
- **Recognition of Women's Day,** celebrating and appreciating the contributions of female employees, complemented by a personal development training session conducted by a professional coach.



PROMOTING TRANSPARENT COMMUNICATION AND EMPLOYEE VOICE

Open communication and transparency are fundamental to fostering a collaborative and inclusive workplace at Amana Life. The Company encourages dialogue across all levels of the organisation, ensuring employees feel comfortable sharing ideas, feedback, and concerns in an environment built on trust and mutual respect.

Key initiatives that support transparent communication and employee engagement include:

- **Open and accessible leadership** – The Company maintains an open office environment that encourages interaction and accessibility. Employees are able to engage directly with senior management, including the CEO and leadership team, fostering a culture of approachability and open dialogue.
- **Internal communications platforms** – Internal Communications Unit (ICU), together with HR notices, ensures that employees remain informed about important company updates, organisational developments, events, and employee achievements.
- **Employee pulse checks** – Regular pulse check sessions provide opportunities for informal conversations with employees, enabling the Company to gain insights into work-life balance, job satisfaction, relationships with colleagues and supervisors, and overall workplace wellbeing.
- **Continuous feedback culture** – Feedback gathered through these engagements helps the Company proactively address employee concerns, strengthen workplace relationships, and sustain a supportive and positive organisational culture.

OUTLOOK – HUMAN CAPITAL

Looking ahead, Amana Takaful Life PLC will continue to strengthen its people practices to support the Company's evolving business priorities. Our focus will remain on nurturing a skilled and adaptable workforce through targeted learning initiatives, leadership development programmes, and opportunities that enable employees to grow alongside the organisation.

We will also continue to enhance employee engagement and wellbeing while fostering a collaborative and inclusive workplace culture guided by our core values. By investing in the capabilities and potential of our people, the Company aims to build a resilient team that is well positioned to navigate future opportunities and contribute to the sustained success of Amana Takaful Life.

OUR CUSTOMER SERVICE AND POLICYHOLDER RELATIONSHIPS

Customer-centric service approach

We recognise that many customer interactions occur during emotionally sensitive moments, particularly when policyholders experience loss. As a result, empathy forms the cornerstone of Amana Takaful Life's service philosophy.

The Company remains committed to ensuring convenience and accessibility in all customer interactions, enabling policyholders to access benefits and services efficiently when they need them most.

Defining service excellence

For the customer service team, delivering excellent service means



1. Understanding that customers often seek support during difficult circumstances
2. Engaging with customers attentively and transparently
3. Ensuring consistency and reliability in every interaction

Customer engagement channels

Policyholders most commonly engage with the Company through:

- Branch-based interactions with advisors and agents.
- Customer service hotline.

ENHANCING RESPONSIVENESS

To enhance responsiveness, the Company operates an in-house customer service unit dedicated to addressing policyholder inquiries received via hotline or email

MANUFACTURED CAPITAL – OUR BRANCH NETWORK AND INFRASTRUCTURE

The role of our branch network can be explained under four aspects as follows.

1. Nationwide service network

Amana Takaful Life maintains a strong physical presence across Sri Lanka with 37 branches located islandwide. This network ensures convenient access for customers to obtain financial advice, purchase policies, make premium payments, and receive policy servicing support.

2. Expanding regional reach

During the year under review, the Company strengthened its presence in the Northern and Eastern regions as part of its broader strategy to enhance access to life insurance services in underserved areas.

3. Technology and infrastructure upgrades

To support business growth and operational efficiency, the Company also implemented significant upgrades to its IT systems, strengthening its ability to support customer servicing, policy administration, and internal operations.

4. The evolving role of branches

While digital platforms are expected to play a growing role in policy servicing and transactions, physical branches and advisors remain critical in the Sri Lankan context, particularly for financial advisory discussions and policy purchase decisions.

Over time, the Company expects digital platforms to increasingly complement branch-based services by simplifying processes and enhancing customer convenience.

MARKETING HIGHLIGHTS & STRATEGIC FOCUS

MARKETING, BRAND BUILDING AND CUSTOMER ENGAGEMENT

During the year, Amana Takaful Life PLC continued to position itself as a provider of life insurance solutions that combine protection with investment optimisation. Recognising that customers face different financial priorities at various stages of life, the Company has developed a range of solutions designed to support young professionals, middle-income families, parents planning education funding, individuals preparing for retirement, and customers seeking investment-oriented life insurance solutions.

HIGHLIGHT

In 2025, the Company further strengthened its positioning around investment-linked life insurance solutions, emphasising flexibility and strong fund performance under the theme "The Best Investment Options." This positioning was reinforced through the performance of its investment-linked funds, including Sri Lanka's only dedicated Gold Investment Fund, while continuing to appeal to a broad and inclusive customer base across communities.

KEY MARKETING FOCUS AREAS IN 2025

During the year under review, Amana Takaful Life focused its marketing efforts on strengthening brand perception and supporting business growth through the following priorities:

- Promoting the value proposition of Amana Takaful Life policies as investment-linked solutions that offer attractive long-term investment options
- Broadening brand perception beyond a niche positioning and reinforcing the Company's relevance to a wider customer base
- Highlighting strong investment fund performance, particularly the growth of the Gold Investment Fund, to enhance credibility and generate new customer leads
- Enhancing digital servicing capabilities to improve customer experience and policyholder retention

KEY MARKETING CAMPAIGN FROM 2025

One of the most impactful initiatives during the year was the Gold Investment Fund performance campaign, which played a significant role in strengthening market awareness and generating interest among investment-focused customers. Public relations coverage highlighting the strong performance of the fund further enhanced the Company's credibility and reinforced its investment management capability.

CHANNEL EFFECTIVENESS

The Company's agency force and bancassurance partnerships remained the most effective channels in reaching customers and driving policy growth. These channels continue to play a vital role in educating customers, building trust, and facilitating personalised financial planning discussions.

STRENGTHENING BRAND TRUST

Amana Takaful Life took several steps to monitor customer experience and strengthen brand trust.

Processes were introduced to measure Net Promoter Score (NPS) across key touchpoints in the insurance lifecycle, including policy issuance, servicing interactions, and claims processes. These initiatives will support a more structured approach to monitoring customer satisfaction going forward.

The Company also maintained a strong reputation within the industry, retaining its position as one of the most awarded insurers recognised by LMD, with 53 accolades. Consistent media coverage, active intermediary engagement, and portfolio stability further reflected growing confidence in the brand.

CHANGING CUSTOMER ENGAGEMENT TRENDS

During the year, the Company observed a shift in customer perception. Life insurance is increasingly viewed not only as a protection mechanism but also as a structured wealth-building and long-term financial planning tool.

Greater awareness of the Gold Investment Fund and the flexibility offered through investment-linked policies including fund-switching options, contributed to stronger engagement among investment-conscious customers.

DIGITAL MARKETING AND INNOVATION

Digital platforms continued to play an increasingly important role in marketing and customer engagement. Structured digital marketing initiatives ensured consistent campaign presence across multiple social media platforms, supported by content calendars, performance tracking, and coordinated messaging across life insurance products. These efforts helped improve marketing reach and cost efficiency.

Automation also supported customer servicing, including renewal reminders and coordinated communications across products, helping enhance servicing consistency.

In addition, the Company introduced several innovative initiatives during the year, including:

- Google search advertising campaigns to promote retail insurance products.
- Launch of a buy-online facility for term life insurance, enabling customers to purchase protection solutions digitally.

GOVERNANCE AND RESPONSIBLE MARKETING

Amana Takaful Life maintains strong governance practices to ensure responsible communication with customers and compliance with regulatory requirements.

All product communications undergo a structured review process involving underwriting, senior management approval, and compliance clearance prior to submission to the Insurance Regulatory Commission of Sri Lanka (IRCSL) where required. Product-related marketing materials are also reviewed and approved by the regulator before public release.

Clear risk disclosures are included in investment-linked campaigns to ensure transparency and minimise the risk of mis-selling.

MARKETING CHALLENGES AND OUTLOOK

The key marketing challenge during the year was maintaining investment confidence in a cautious economic environment while simultaneously increasing brand awareness among broader customer segments beyond the Company's traditional markets.

This challenge was addressed through transparent communication of investment fund performance, consistent digital engagement, and above-the-line advertising initiatives, including radio campaigns.

Looking ahead, Amana Takaful Life aims to strengthen its positioning as Sri Lanka's most flexible and performance-driven investment-linked life insurer, supported by the message of offering the "Best Investment Options."

Key priorities for the coming year include:

- Expanding awareness of retirement, education planning, and hospitalisation plans
- Enhancing digital self-service capabilities for customers
- Strengthening inclusive brand positioning across different regions of the country

PROJECT DETAILS ARE AS FOLLOWS.

FREE MEDICAL CAMP

Impact category: Preventive healthcare

- **Project objective:** To provide free preventive healthcare services including eye check-ups, diabetes screening, and cardiovascular health assessments for underprivileged communities in the locality, supporting early detection and health awareness
- **Location:** Moor Islamic Cultural Hall, Dematagoda
- **Project partner:** National Healthcare Association (NHA)
- **Date camp conducted:** 27th July 2025
- **Impact/ Beneficiaries:** Approximately 350 individuals benefited from the medical camp
- **Key outcome:** Improved community access to early screening and preventive health services, encouraging healthier lifestyle awareness and timely medical intervention





BLOOD DONATION CAMP

Impact category: Community care and social responsibility

- **Project objective:** To support Sri Lanka's national blood supply and promote voluntary blood donation among employees, strengthening a culture of care and responsibility within the organisation.
- **Location:** Amana Takaful Head Office, Colombo 03
- **Project partner:** Central Blood Bank, Narahenpita
- **Date camp conducted:** 9th September 2025
- **Impact / Donors:** 50 Amana Takaful staff members voluntarily donated blood.
- **Key outcome:** Contributed directly to strengthening the national blood supply while encouraging employee engagement in meaningful social impact initiatives.





SUPPORT FOR EARLY CHILDHOOD EDUCATION

Impact category: Learning environment enhancement

- **Project objective:** To support early childhood education by improving the safety and facilities of the learning environment, aligned with the corporate tagline "To Every Sri Lankan, As One."
- **Location:** Arawa, Mahiyanganaya
- **Project partner:** Kekulu Early Childhood Development Centre, Arawa, Mahiyanganaya
- **Date project conducted:** 5th September 2025
- **Key contributions by Amana Takaful:**
  - Renovation support to enhance the Centre's infrastructure and safety
  - Donation of school shoes to improve children's comfort and readiness for learning
- **Impact/ Beneficiaries:** More than 20 children benefited from this initiative
- **Key outcome:** Strengthened access to a safer and more supportive learning environment for children in a rural community.





SCHOOL SUPPORT PROGRAMME

Impact category: Cyclone Ditwah disaster relief and education support

- **Project objective:** To provide essential educational resources to children affected by Cyclone Ditwah, whilst also supporting underprivileged students in need, ensuring uninterrupted access to education and learning materials.
- **Project partner:** Education Zonal Offices and Divisional Secretariat Offices of respective localities in Anuradhapura, Badulla, Bandarawela, Gampola, Kothmale, Matale, Mawanella and Puttalam
- **Key contributions by Amana Takaful:**
  - Distribution of 500 school bags and book packs across multiple severely affected and identified regions
- **Total beneficiaries:** 500 students
- **Key outcome:** Enabled 500 students affected by Cyclone Ditwah and from underserved communities across multiple districts to continue their education without disruption through the provision of essential school supplies





INSURANCE AWARENESS CAMPAIGN AT ICT TRIATHLON

Impact category: National health awareness outreach

- **Project objective:** To raise awareness on the importance of insurance and the need for medical and life insurance for a better life and a secured future.
- **Locations and dates campaigns conducted:**
  - Kilinochchi – 5th October 2025
  - Batticaloa – 12th October 2025
  - Matara – 19th October 2025
  - Colombo – 15th November 2025
- Project partner: Indra Cancer Trust Foundation
- **Campaign duration:** October to November 2025
- **Impact/ Participants:** More than 4,000 people actively participated across the four awareness events
- **Key outcome:** Successfully delivered a nationwide awareness initiative covering multiple regions, empowering communities with knowledge on the importance of insurance.





CORPORATE GOVERNANCE

Corporate governance that nurtures a culture of transparency, accountability and integrity plays an integral part in ensuring growth and stability. It is through the adoption of the highest of such standards that we continue to enjoy the trust and confidence of all our stakeholders.

The present business environment has become more challenging. Therefore, Amana Takaful Life PLC strongly believes that it is vital for the Company to adopt the highest standards of corporate governance. This would nurture a culture of transparency, accountability and integrity which are essential prerequisites in ensuring the Company's survival and growth in a competitive market.

Corporate governance is described as a management process in which a corporate, business entity or company is directed, managed and controlled. It is a concept which is now increasingly entrenched in the business world. In any company, where the shareholders have placed the reigns of power in the hands of the Directors, it naturally follows that the Directors are accountable to the shareholders. To ensure that the trust placed in the Directors is secure, a company must adhere to the best corporate governance practices which embody integrity, accountability and transparency. Nevertheless, the success of any good governance practice initiative depends on how the people are led and the policies as well as how the processes are implemented.

In order to create shareholders' wealth and gain market confidence, Amana Takaful Life PLC is committed to adopting best practices. It is also committed to maintain the smooth functioning of the Company's operations.

CAPITAL STRUCTURE AND SHAREHOLDING

Amana Takaful Life PLC has at its foundation a capital structure consisting of an issued share capital of Rs. 500,000,000/-. The Company has 1353 shareholders, and details of the main shareholders are given on page 127

BOARD OF DIRECTORS AND BOARD COMMITTEES

There are seven Directors on the Board of Amana Takaful Life PLC, of whom six Directors hold office in Non-Executive capacity and one Director in Executive Capacity as at the reporting period. The Board of Directors has been drawn from a cross-section of industries/disciplines. Their expertise and experience in various fields as well as insights, have contributed immensely to making effective and informed Board decisions. The selection of the appropriate and suitable candidates with the right skills and attributes is crucial in order to ensure its efficiency and effectiveness. For it is believed that a healthy Board culture will help to encourage and safeguard good governance practices, which in turn will ensure shareholders' interests are always protected. The Company ensures that the Directors & CEO at all the times fulfil the Fit and Proper assessment criteria set out in the Listing Rules. The names of the Board of Directors are given on pages 18 to 21

Also, the Directors declare that;

- All applicable laws and regulations have been complied with by the Company, in conducting its business activities and they are aware of laws and regulations and changes particularly to Listing Rules and applicable capital market provisions
- The Directors have disclosed all material interests in contracts involving the Company and have refrained from voting on matters in which they were materially interested.
- A review of internal controls, covering financial, operational and compliance controls, and risk management, has been conducted, and a reasonable assurance of their effectiveness and successful adherence has been obtained.
- They have made arrangements to take actions pertaining to disclosure of relevant areas of any material non compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the entity has operations.

CORPORATE GOVERNANCE FRAMEWORK

Amana Takaful Life PLC operates within a clear governance framework, which is depicted in this report below.

BOARD COMPOSITION

The Board currently comprises seven (7) Directors. The composition of the Board and its committees are regularly reviewed by the Board and in particular, by the Nominations Committee to ensure that there is an appropriate balance and diverse mix of skills, experience, independence and knowledge of the Group. More details of our Board members can be found on pages 18 to 21

The Board is collectively responsible for the long-term success of the company.

The Executive Committee is responsible for running the business operations and ensuring that the necessary financial and human resources are in place in order to achieve the Company's strategic aims.

The Non-Executive Directors are responsible for constructively challenging and helping develop proposals on strategy; scrutinising the performance of management; satisfying themselves that financial controls and systems of risk management are robust; determining levels of remuneration; satisfying themselves on the integrity of financial information and succession planning.

The Board reviews strategic issues on a regular basis and exercises control over the performance of the Company by agreeing budgetary targets and

monitoring performance against those targets. Certain matters are reserved for approval by the Board and the Board has overall responsibility for the company's system of internal controls and risk management, as described on pages 53 to 61 Following presentation by the Executive Management and a disciplined process of review and challenge by the Board, clear decisions on policy and strategy are adopted and the Executive Management is empowered to implement those decisions.

A formal schedule of matters reserved for Board approval is maintained, which covers items that are significant to the Group as a whole, due to their strategic, financial or reputational implications.

The main functions of the Board of Directors are as follows:

- Formulate, review and monitor implementation of competitive business strategies, including long-term business plans.
- Ensure the appointment of a competent Chief Executive Officer, and an effective management team, including an evaluation of their performance, as well as review the Company's and the Group's succession plans.
- Secure a sound and an adequate risk management system.
- Review the integrity and effective information, control and audit systems.
- Adopt business practices that conform to "Shari'ah" principles.
- Approve policies of corporate conduct that continue to promote, maintain and sustain the integrity of the Company and the Group.
- Ensure compliance with legal/ethical standards.

BOARD ROLES AND RESPONSIBILITIES

Chairman

The role of the Chairman (or Chair) is to: Lead the Board to ensure effectiveness in all aspects of its role;

- Plan agenda items and timings for Board meetings;
- Ensure the membership of the Board is appropriate to meet the needs of the business;
- Oversee that the Board Committees carry out their duties including reporting to the Board;
- Establish appropriate personal objectives for the Chief Executive;
- Ensure Directors are up to date with training and development;
- Provide the information necessary for Directors to take a full and constructive part in Board discussions;
- Promote an open culture of debate; and develop and maintain effective communications with shareholders.

Chief Executive Officer

The role of the Chief Executive Officer is to:

- Run the day-to-day business and operations of the Company;
- Lead the development and delivery of strategy to enable the Group to meet the requirements of its shareholders;
- Lead and oversee the executive management of the Company;
- Meet the company's budget and strategic plans;
- Provide the appropriate environment to recruit, engage, retain and develop the personnel needed to deliver the strategy.

Board Secretary

Under the direction of the Chairman, the role of the Board Secretary and his team is to:

- Ensure good information flows within the Board and its Committees and between Senior Management and Executive/Non-Executive Directors;
- Facilitate Director inductions and professional development;
- As requested, arrange independent professional advice for Directors at the Company's expense; and
- Advise the Board through the Chairman on governance matters.

The responsibilities of the Chief Executive Officer and the Chairman have been clearly established, adhering to best corporate governance practices. The responsibility and task of the Chairman and the Chief Executive Officer are separated in order to facilitate better workings of the Company and the Group.

New Directors are nominated to bridge identified knowledge gaps. Such Directors are elected to the Board by shareholders at the Annual General Meeting. In accordance with the Articles of Association, 1/3 of the Directors retire annually and being eligible, offer themselves for re-election. The Board meets quarterly and the agenda is circulated to the Board members well ahead of the scheduled date. The Chairman of the Board as well as members chairing the various committees of the Board will outline the agendas for the Board and Committee meetings respectively. Each Director or member is free to suggest items for the agenda or raise issues and concerns at these meetings.

Amana Takaful Life PLC has outsourced its secretarial functions to a qualified company of secretaries.

The following Committees of the Board have been formed with the objective of improving governance; viz-

i. Board Audit Committee

ii. Board Risk Management Committee

iii. Board Investment Committee

iv. Board Remuneration Committee

v. Related Party Transactions Review Committee

vi Board Nominations and Governance Committee

Each committee has a defined Terms of Reference approved by the Board, outlining the respective Committees' authorities and responsibilities. The Board may, from time to time, establish and maintain additional committees. All members of these Committees are expected to attend all meetings.

(I) Board Audit Committee

Audit Committee comprises two (2) Independent Non-Executive Directors of the Board. This Committee is chaired by Mr. Suresh Paranavitana who is an Independent Non-Executive Director of the Company. The Chief Executive Officer, Head of departments, relevant Senior Managers and Internal Auditors are invited to be present at the meetings. Exit meetings are held after each internal audit assignment with all concerned, where rectification actions are taken for any weaknesses described in the audit findings. The details of the Board Audit Committee are provided in the Report of the Board Committee on page 66

(II) Board Risk Management Committee

Risk Management Committee of the Board comprises two (2) Independent Non-Executive Directors. This Committee is chaired by Mr. Pushpakumar Gunasekera who is an Independent Non-Executive Director of the Company. The main function of this Committee is to review and realign the risk appetite of the Company at strategic and various functional levels. Further, the Committee also reviews the different risks that the Company is exposed to and recommends mitigation strategies for such risks.

A detail report on the Risk Management Committee functions and its activities during the year 2025 are provided on page 60

(III) Board Investment Committee

Investment Committee comprises Mr. Osman Kassim, Mr. M H S Kassim, Mr. Sharhan Muhseen, Mr. M. Z. M. Ghouse and Mr. A. O. Kassim. The Committee ensures that a healthy investment portfolio is maintained within the Investment Guidelines of the Insurance Regulatory Commission of Sri Lanka and Shari'ah Advisory Council, whilst optimising yield to meet investment income targets of the Company. The Committee convenes its meetings on a monthly basis.

(IV) Board Remuneration Committee

Remuneration Committee comprises three (3) Independent Non- Executive Directors of the Board. This Committee is chaired by Mr. Pushpakumar Gunasekera, who is an Independent Non-Executive Director of the Company. Details of remuneration paid to Directors are set out in Note 27 to the Financial Statements on page 111

The Report of the Remuneration Committee is provided on page 68

(V) Related Party Transactions Review Committee

Related Party Transactions Review Committee of the Board comprises three (3) Independent Non-Executive Directors. This Committee is chaired by Ms. Shehara De Silva, who is an Independent Non-Executive Director of the Company. The Chief Executive Officer and relevant Senior Managers are invited to be present at the meetings. The details of the Related Party Transactions Review Committee are provided on page 69

(Vi) Board Nominations and Governance Committee

The Board Nominations and Governance Committee comprises three (3) Independent Non-Executive Directors of the Board. This Committee is chaired by Mr. Pushpakumar Gunasekera, who is an Independent Non-Executive Director of the Company.

Report of the Board Related Party Transactions Review Committee is provided on page 69.

ETHICAL STANDARDS

Amana Takaful Life PLC aspires to adopt the highest ethical standards and adheres to the Code of Ethics for insurance companies in Sri Lanka, which contain the following elements:

- Honesty and fairness;
- Compliance with regulatory requirements;
- Accountability – provision of accurate, timely and essential information to stakeholders;
- Avoiding conflict of interest;
- Professional judgment;
- Maintaining privacy and confidentiality of customer-related information;
- Corporate and Social Responsibility; and maintaining best practices in marketing and advertising.

The management encourages employees to adopt ethical practices during the Monthly Team Briefs.

EXECUTIVE MANAGEMENT

The Chief Executive Officer deliberates strategic issues with the Operations Management Committee (OMC) which includes heads of departments. Each of them who head strategic business units drive their business functions aligned to the strategic plan, building capacity and capability.

INTERNAL CONTROLS

The Board of Directors acknowledges the imperative of a sound and strong internal control environment for the

purpose of attaining good governance. The internal control system, among others, covers risk management and organisational, operational, financial,

COMPLIANCE AND BUSINESS DEVELOPMENT CONTROLS.

Towards this end, the Board has entrusted the responsibility of establishing an effective internal control system to the Board Audit Committee, which is also responsible for the regular monitoring of such controls. In addition, an in-house audit team conducts internal audit on the systems and various aspects of the operations, in accordance with the risk-based approach. The findings are conveyed to the Board Audit Committee, which, in turn, briefs the Board on areas of concern.

COMPLIANCE WITH "SHARI'AH" REQUIREMENTS

Amana Takaful Life PLC takes the utmost care in adhering to "Shari'ah" principles. A Shari'ah Unit has been set-up internally to carry out quarterly reviews on the policies and operations of the Company. The Unit also conducts regular training programmes to members of staff in order to disseminate the knowledge of Shari'ah, in particular the operation of Takaful and Islamic finance in general. The Statement of Compliance is a part of the Annual Report and is provided on page 72

COMPLIANCE SECTION 9 OF CSE'S CORPORATE GOVERNANCE

In accordance with Section 9 of Colombo Stock Exchange's Corporate Governance Rules, Amana Takaful Life PLC has established and maintains the following policies which are subject to revision if required.

- Policy on matters relating to the board of directors
- Policy on board committees
- Policy on corporate governance, nominations and re-election
- Policy on remuneration
- Policy on internal code of business conduct and ethics for all directors and employees.
- Policy on risk management and internal controls
- Policy on relations with shareholders and investors
- Policy on environmental, social, and governance sustainability
- Policy on control and management of company assets and shareholder investments
- Policy on corporate disclosures
- Policy on whistleblowing
- Policy on anti-bribery and corruption

REGULATORY COMPLIANCE

The Board Audit Committee is responsible for regulatory compliance. In addition, a Compliance Unit has been set-up to monitor and investigate into all compliance related matters across the Organisation. It keeps a close track of all new legislations, regulations etc., beside notifying and guiding the respective departments accordingly.

ADDITIONAL DISCLOSURES

In accordance with the listing rule 9.16, it is further confirmed that,

(i) The Board of Directors have declared all material interests in contracts involving in the Entity and refrained from voting on matters in which the members were materially interested;

(ii) The Board of Directors have conducted a review of the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith;

(iii) The Board of Directors made arrangements to enhance their awareness on applicable laws, rules and regulations and are aware of changes in particular to Listing Rules and applicable capital market provisions;

(iv) The Company has made disclosure, where applicable, of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.

RELATIONSHIP WITH STAKEHOLDERS

The Board of Directors, discloses policy decisions and operations affecting shareholders through its Quarterly Financial Reports and Annual Reports.

The Board entertains questions from shareholders at the Annual General Meetings, ensuring shareholder participation and interaction.

The Management holds monthly Team Briefs, at which, employees are briefed of the policies, goals and values of Amana Takaful Life PLC and their views and suggestions are sought and evaluated.

Amana Takaful Life PLC believes in serving its customers beyond their expectations. An interactive website provides access to the general public on the Company's activities.

SOLVENCY REQUIREMENTS

The Solvency Margin (Risk-Based Capital) requirements pertaining to Amana Takaful Life PLC has been maintained as per the Solvency Margin (Risk-Based Capital) Rules 2015 during the financial year 2025.

A FRAMEWORK FOR COMPLIANCE

The governance framework of the company is based on compliance with both mandatory and voluntary standards. The company aims for excellence in governance beyond mere adherence. This commitment is reflected in the requirements outlined below.

REGULATORY REQUIREMENTS

- Companies Act No. 7 of 2007
- Rules of Colombo Stock Exchange (CSE)
- SEC Rules
- Shop and Office Employees Act No. 19 of 1954
- EPF Act & ETF Act
- Gratuity Act
- Regulation of Insurance Industry (RII) Act No. 43 of 2000 and subsequent amendments thereto
- Direction 17 - on Corporate Governance Framework for Insurance Companies by IRCSL
- Financial Transaction Reporting Act No. 06 of 2006 and Circular No. 03/13 issued by FIU of Central Bank of Sri Lanka

INTERNAL COMPLIANCE REQUIREMENTS

- Articles of Association
- Policy on Matters Relating to the Board and Policy on Corporate Governance Nominations and Re-elections
- Terms of Reference of Board Sub-Committees
- Board-approved policy frameworks for governance, risk and operational areas
- Board approved conduct policies, including the Code of Conduct, Business Conduct Policy and Whistleblowing Policy
- Guidelines prescribed by the Shari'ah Supervisory Council

VOLUNTARY BEST PRACTICES

Code of Best Practice on Corporate Governance 2023

STATEMENT OF COMPLIANCE WITH LISTING RULES SECTION 9 - COMPLIANCE WITH CORPORATE GOVERNANCE RULES OF THE COLOMBO STOCK EXCHANGE

Statement of Compliance

The Company is compliant with the Corporate Governance Rules as per Rule No. 9 of the Listing Rules of CSE. The following table is published in accordance with the requirement to disclose the level of compliance with such Rules.

Rule No.	Requirement	Compliance Status	Remarks
9.1.3	All Listed Entities shall publish a statement confirming the extent of compliance with the Corporate Governance Rules set out herein, in the Annual Report of the Entity.	Complied	This table illustrates the extent of compliance with Rule No. 9 of the Listing Rules of CSE.
9.2	Listed Entities shall establish and maintain policies in terms of Rule 9.2.1 and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the Entity on its website.	Complied	The Company has implemented the required policies in accordance with Rule No. 9 of the listing rules and has published their availability in the Company's website.

Rule No.	Requirement	Compliance Status	Remarks
9.2	Provide such policies to shareholders upon a written request being made for any such Policy.	Complied	The Company will make available all such policies to shareholders upon a written request being made for any such Policy.
9.3.1-9.3.3	Board Committees to include at a minimum: a. Nomination & Governance Committee. b. Remuneration Committee c. Audit Committee d. Related Party Transactions Review Committee	Complied	These Committees are established in accordance with the Listing Rules.
	Listed Entities shall comply with the composition, responsibilities and disclosures required in respect of the above Board Committees as set out in these Rules.	Complied	The composition, responsibilities, and disclosure required in the committees are set out in the respective committee reports.
	The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees.	Complied	The Chairman of the Board does not chair any of the Board Sub-committees.
9.4.1-9.4.2	Listed Entities shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Entity. The Entity shall provide copies of the same at the request of the Exchange and/or the SEC.	Complied	The Company Secretary maintains the relevant records.
	Communication and relations with shareholders and investors.	Complied	The Company Secretary acts as the contact person for shareholders and investors.
9.5	Listed entities to establish and maintain a formal policy governing matters relating to the Board.	Complied	The Company maintains a Policy on Matters relating to the Board of Directors.
9.6	The Chairperson of every Listed Entity shall be a Non-Executive Director and the position of the Chairperson and CEO shall not be held by the same individual.	Complied	The Chairman of the Company is an Independent Non-Executive Director.
9.7.3	Listed Entities shall take necessary steps to ensure that Directors and CEOs are, at all times, fit and proper persons in accordance with criteria set out in Rule 9.7.3	Complied	The Company ensures that the Directors and CEO at all times fulfil the fit and proper assessment criteria set out in the Listing Rules.
9.7.4	Annual Declaration	Complied	The Directors and the CEO have provided the declaration confirming that they satisfy the Fit and Proper Assessment Criteria.
9.7.5	Disclosures in the Annual Report	Complied	Please refer page 44 under the heading “Board of Directors and Board Committees”

Rule No.	Requirement	Compliance Status	Remarks
9.8.3	The Board of Directors of a Listed Entity shall, at a minimum of 5 Directors with at least 2 Independent Directors or 1/3rd whichever is higher in accordance with the criteria set out in Rule 9.8.3	Complied	The Board comprises 7 Directors of whom 4 are Independent Non-Executive Directors. Independent Non-Executive Directors Sharhan Muhseen Shehara De Silva Suresh Malith Paranavitana Pushpakumar Gunasekera
9.8.5	Independent Director shall submit a signed declaration annually and Impairment of independence to be notified via of Market Announcements.	Complied	Independent Directors have submitted declarations for the year 2025.
9.9	Criteria and circumstances for appointing Alternate Directors	Not Applicable	The Company does not have Alternative Directors at present.
9.10.1	Disclose Policy on maximum number of Directorships	Complied	A Director may hold up to 20 Directorships in listed companies, as per IRCSL Direction No. 02 of 2022 on Corporate Governance for Insurers.
9.10.2-9.10.3	The Immediate announcements of the appointments and any changes to the Board.	Complied	Market announcements are duly made as required.
9.10.4	Disclose information relating to Directors in the Annual Report	Complied	Please refer Profiles of Directors from pages 18 to 21
9.11.1-9.11.5	Composition and Functions of the Nomination and Governance Committee	Complied	Please refer the Board Nomination and Governance Committee Report on page 71.
9.11.6	Annual Report Disclosures	Complied	
9.12.1-9.11.5	Composition and functions of the Remuneration Committee	Complied	Please refer the Board Remuneration Committee Report on page 68 and page 111.
9.12.8	Annual Report Disclosures	Complied	
9.13.1-9.13.4	Composition and functions of the Audit Committee	Complied	Please refer the Board Audit Committee report on pages 66 to 67
9.13.5	Annual Report Disclosures	Complied	
9.14.1-9.14.5	Composition, functions, Meetings and Review of the Related Party Transactions Review Committee	Complied	Please refer page 69 and 70 for the report of the Board Related Party Transactions Review Committee.
9.14.6	Shareholder approval for Related Party Transactions	Not Applicable	There were no such transactions carried out during the year which required shareholder approval.
9.14.7	Transactions requiring Immediate Disclosure	Not Applicable	There were no such transactions carried out during the year which required immediate disclosures.
9.14.8	Disclosure of Recurrent and Non-recurrent Transactions in the Annual Report	Not Applicable	There were no such transactions carried out during the year which required disclosure in the Annual Report.
9.14.9	Acquisition and disposal of substantial assets from/to related parties	Not Applicable	There were no such transactions during the year.

Rule No.	Requirement	Compliance Status	Remarks
9.16	Additional disclosures Declaration by Board of Directors that: i. All material interests in contracts have been declared and they have refrained from voting on matters they were materially interested in ii. ii. Conducted review of internal controls and obtained reasonable assurance of their effectiveness iii. Made arrangements to make themselves aware of applicable laws, rules and regulations and are aware of changes iv. Disclosure of relevant areas of any material noncompliance with law or regulations and any fines which are material	Complied	Please refer page 65

COMPLIANCE WITH THE CORPORATE GOVERNANCE FRAMEWORK FOR INSURERS

The compliance status of the Company with Direction 17 of the Insurance Regulatory Commission of Sri Lanka (IRCSL) is detailed in the table below:

Rule No.	Requirement	Compliance	Remarks
A	Insurers are recommended to adhere to the Code of Best Practice on Corporate Governance issued in 2017(amended as the Code of Best Practice on Corporate Governance 2023).	Complied	The Company has complied with all mandatory Corporate Governance requirements applicable to it. The Company is also in the process of adopting and implementing other provisions of the Corporate Governance Code issued by the Institute of Chartered Accountants of Sri Lanka, with a view to further strengthening its governance framework.
B-1	The Board of an insurer must be comprised of a minimum of two Directors who are citizens and residents of Sri Lanka.	Complied	The Board comprised 7 Directors who are citizens and residents of Sri Lanka.
B-2	The total period of service of a Director of an insurer, other than Executive Directors, shall not exceed nine years, and such period in office shall be inclusive of the total period of service served by such Director.	Complied	Service period of all Directors are within 9 years.
B-3-i	The age of a person who serves as a Director shall not exceed 75 years.	Not applicable	No such situation prevailed during the year.
B-3-ii	Notwithstanding above, a person who serves as a Director and is over 75 years of age or above as at 01st July 2019, such Director may continue to serve as a Director only until June 30, 2022, and shall be deemed to have vacated office on June 30, 2022.	Not Applicable	No such situation prevailed during the year.
B-4	The Board of an insurer must adhere to Section 7.10 of the Listing Rules of the CSE. (Listing Rule - Section 09, Corporate Governance is the new requirement).	Complied	

Rule No.	Requirement	Compliance	Remarks
B-5	A person shall not hold offices as a Director of more than 20 companies/entities/institutions including subsidiaries or associate companies of the insurer, in not more than 10 specified business entities in terms of the Sri Lanka Accounting Standards Act No.15 of 1995.	Complied	No Director has exceeded the specified limits.
B-6	Insurers are required to demonstrate compliance with the IRCSL Direction No. 17 on Corporate Governance Framework for insurers by way of disclosure in their Annual Reports, including the disclosure requirements stated in 9 of the Listing Rules of the CSE.	Complied	
B-7	The Insurer shall rectify its non-compliance in respect of items B1 to 6 above within three months from the date of non-compliance and inform IRCSL immediately after 3 months.	Not applicable	No such situation prevailed during the year.
B-8 a.	The Insurer should provide a certification from the Company Secretary to the IRCSL, that continuation of the relevant Director/s beyond the age of 70 years, has been duly approved by passing a resolution at a General Meeting in terms of Section 211 of the Companies Act No. 7 of 2007.	Complied	Duly approved annually by passing a resolution at a General Meeting in terms of Section 211 of the Companies Act No. 7 of 2007.
B-8 b.	The Insurer shall also provide a written confirmation from the Secretary to the IRCSL, that the continuation of a Director, beyond the age of 70 years, is not prohibited by the Articles of Association.	Complied	Articles of Association does not prohibit the confirmation of a director beyond the age of 70 years

DIRECTORS' ATTENDANCE AT THE MEETINGS

	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings		Related Party Transactions Review Committee Meetings		Nomination & Governance Committee Meetings		Board Risk Committee Meetings	
	Held/ Applicable	Attended	Held/ Applicable	Attended	Held/ Applicable	Attended	Held/ Applicable	Attended	Held/ Applicable	Attended	Held/ Applicable	Attended
Osman Kassim - Chairman	4	3			2	2			1	1		
Sharhan Muhseen Deputy Chairman (Resigned w.e.f. 31st December 2025)	4	4			2	1	4	4	1	1		
Gehan Rajapakse Executive Director	4	4										
Hassan Kassim	4	4	4	3							4	3
Shehara De Silva	4	4					4	4			4	3
Suresh Malith Paranavitana	4	4	4	4	2	2	4	4	1	1		
Pushpakumar Gunasekera	4	4	4	4							4	4
Ammar Shafik Kassim (Resigned w.e.f. 07th March 2025)	1	-										

RISK MANAGEMENT FRAMEWORK

RISK & RISK MANAGEMENT

Risk represents the potential for events or circumstances to negatively impact an organisation's strategic objectives. Within the insurance sector, this risk is driven by a complex interplay of internal and external factors—ranging from market volatility and underwriting performance to operational hurdles, compliance mandates, and shifting regulatory landscapes.

Risk Management is the systematic framework for identifying, assessing, monitoring, and mitigating threats that could impede an organisation's strategic goals. Within the insurance sector, this entails deploying robust strategies to minimise the financial, operational, legal, and reputational consequences of uncertainty. Ultimately, an effective risk management process is a cornerstone of sustainable growth, ensuring both policyholder protection and steadfast regulatory compliance.

A robust risk governance framework is indispensable for ensuring that risk management practices are consistently applied and effectively monitored across the organisation.



RISK CULTURE

At Amana Takaful Life PLC, we foster an organisational culture rooted in transparency and proactive risk awareness. All employees are empowered to identify, comprehend, and openly discuss risks, ensuring that risk management is an integrated, company-wide responsibility. Our formal and structured approach to risk oversight is anchored by the following pillars:

- **Executive Leadership:** The Board-appointed Risk Management Committee stands at the vanguard of our strategy, providing top-down leadership and ensuring risk management remains a core corporate priority.
- **Dynamic Monitoring:** We maintain continuous oversight of key risk parameters, established and managed by designated Risk Owners (KMPs/ KRPs) across all business functions.
- **Rigorous Reporting:** Agreed-upon risk metrics are reported monthly to the Risk & Compliance Department for in-depth analysis and onward briefing to the Board, ensuring data-driven decision-making.
- **Accountability and Integrity:** We uphold the highest standards of ethics and integrity. Non-compliance is addressed with the utmost seriousness, with disciplinary measures scaled to the severity of the breach to maintain a culture of consequences.
- **Continuous Improvement:** We promote a culture that adapts global best practices and international standards, customising them to align with our unique organisational values for sustainable and dynamic risk resilience.



RISK MANAGEMENT FRAMEWORK

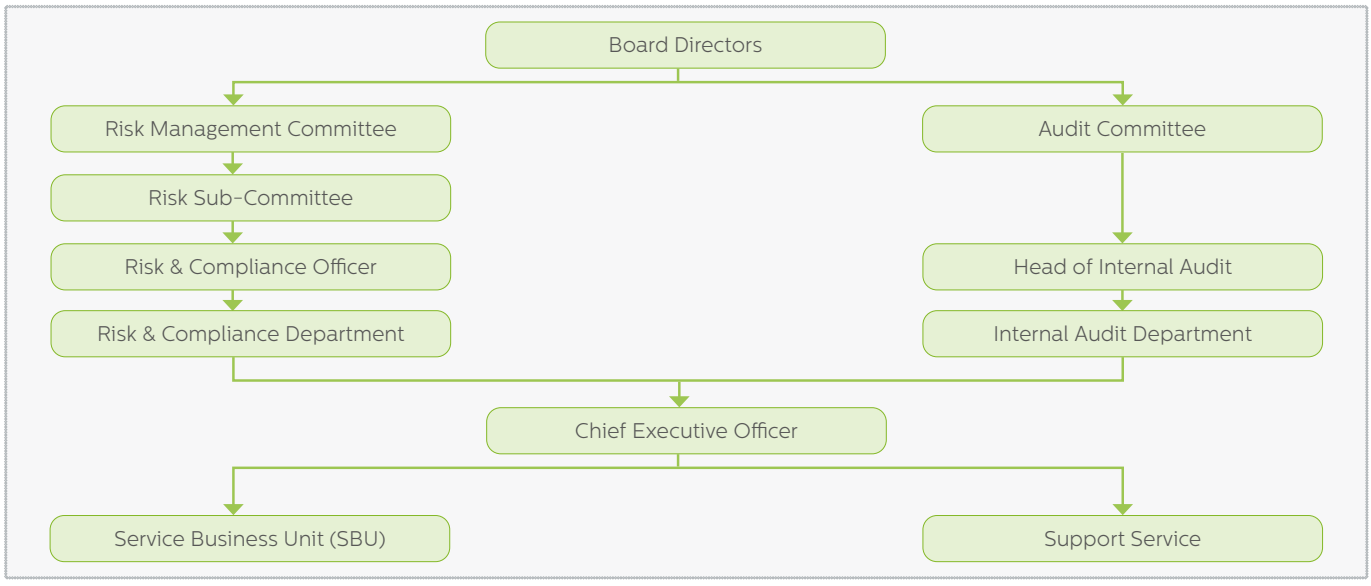
RISK GOVERNANCE ARCHITECTURE

Amana Takaful Life PLC maintains a robust governance structure designed to provide comprehensive oversight and clear accountability across all levels of the organisation:

- **Enterprise Risk Oversight:** The Board of Directors exercises primary oversight of the Enterprise Risk Management (ERM) function through the Board Risk Management Committee (RISCO). The committee operates under a Board-approved Terms of Reference (TOR), which is reviewed annually to ensure alignment with evolving regulatory standards and best practices.
- **Internal Control & Audit:** The Board Audit Committee (BAC) is responsible for assessing the adequacy of internal controls designed to mitigate organisational risks. The execution and effectiveness of these controls are independently monitored by the Internal Audit Department.
- **Advisory & Independence:** Both the RISCO and BAC serve as key advisory bodies to the Board of Directors on all matters pertaining to Risk, Audit, and Compliance. To ensure objectivity, the Risk, Audit, and Compliance functions maintain strict independence from the company's day-to-day operational management.
- **Direct Reporting Lines:** To safeguard this independence, the Head of Internal Audit reports directly to the Chairman of the Audit Committee. Similarly, the Risk & Compliance Officer maintains a direct reporting line to the Chairman of the Risk Management Committee.
- **Operational Execution:** At the management level, the Risk Sub-Committee (RSC) operates under an approved Terms of Reference to delegate and action specific items from the Risk Register to relevant Risk Owners. Formal minutes of these proceedings are submitted to the RISCO, providing the Board with continuous assurance.
- **Executive Accountability:** All Strategic Business Units (SBUs) and support services report directly to the Chief Executive Officer (Life) regarding operational management and performance.







LINES OF DEFENCE

We operate a structured Three Lines of Defence model to ensure accountability and robust internal controls across all business functions. The Risk Framework operates on a bottom-up approach, ensuring that risk management originates at the operational level and is systematically escalated for oversight to the Risk Management Committee (RISCO).

First Line

BUSINESS OPERATIONS (RISK OWNERSHIP)

The first line consists of our front-line managers and employees who own and manage risks daily. They are responsible for:

- Identifying and dynamically assessing risks inherent within their specific business units.
- Implementing and rigorously executing internal controls to mitigate operational vulnerabilities at the source.
- Maintaining operational excellence and full adherence to established ethical and Shari'ah policies.

Second Line

RISK & COMPLIANCE (RISK OVERSIGHT)

The second line provides the framework and tools for the first line to operate effectively. Led by our Risk Management and Compliance functions, their role includes:

- Establishing comprehensive risk management policies and setting the organisation's Risk Appetite and tolerance thresholds.
- Monitoring the first line's adherence to controls and regulatory requirements.
- Providing independent reporting to senior management and RISCO on the organisation's holistic risk profile.

Third Line

INTERNAL AUDIT (RISK ASSURANCE)

The third line provides independent assurance to the Board of Directors and the Audit Committee. Our Internal Audit team operates with high autonomy to:

- Evaluate the overall effectiveness of both the first and second lines of defence.
- Provide an objective assessment of the institutional internal control environment.
- Recommend strategic improvements to strengthen governance, compliance, and operational resilience.

RISKS FACED BY INSURANCE COMPANIES

Many organisations are currently facing increased pressure to modernise their risk oversight, recognising that the status quo is no longer a viable strategy. For an insurance provider, where risk management is the fundamental business model, this evolution is particularly critical. In response to these shifting expectations, we have refined our overall approach to risk governance and identified the following core risk categories.

RISK MANAGEMENT FRAMEWORK

1. INSURANCE RISK

At the core of our business model as an insurance provider is the disciplined management of risk on behalf of our policyholders. Accordingly, Insurance Risk is our primary area of oversight. To safeguard our financial stability and ensure operational resilience, we have identified the following critical risk dimensions that form the foundation of our risk management framework:

Risk Category	Mitigation Control(s)
Underwriting Risk As a cornerstone of our insurance risk framework, Underwriting Risk is a primary focus of our risk management strategy. It encompasses the potential for financial loss resulting from inadequate pricing structures, the misestimation of claim frequency or severity, and adverse portfolio selection. By maintaining a disciplined approach to underwriting, we ensure the Group's continued profitability and solvency, ultimately safeguarding our ability to fulfil all contractual obligations to our stakeholders.	To mitigate Underwriting Risk, the Company adheres to a disciplined Underwriting Policy and a structured Manual of Authorities. This framework ensures that risk selection is consistent and that exposure remains within our Board-approved risk appetite. We utilise advanced actuarial modelling and historical loss-ratio analysis to ensure premium rates are technically sound and commensurate with the underlying risk. Furthermore, a rigorous Peer Review and Internal Audit process is in place to verify compliance with underwriting guidelines and to identify any potential concentrations of risk before they impact our capital position.
Product & Pricing Risk The strategic design of our insurance solutions—balancing competitive, high-quality benefits with actuarially sound pricing—is fundamental to our long-term viability. We recognise that the precise alignment of product features with appropriate premium rates is critical to maintaining both our market relevance and our ability to meet future obligations to our policyholders.	Our pricing and product development cycles are governed by a multi-disciplinary framework to ensure financial viability and market alignment. All pricing matters are overseen by a designated Appointed Actuary, providing independent technical validation. For product innovation and operational execution, we convene a cross-functional steering committee comprising experts from Finance, Marketing, Underwriting, Strategy, and IT. This committee conducts periodic reviews of existing product performance and performs rigorous market research to identify and develop new solutions as required.
Claims and Reserving Risk Claims risk represents the inherent uncertainty regarding the frequency, severity, and timing of claim settlements. Effectively managing this volatility is essential to maintaining our profitability, ensuring reserving adequacy, and safeguarding our long-term financial stability. We categorise this risk into three primary dimensions: **Frequency Risk:** The exposure to a higher-than-anticipated volume of claims within a specific period, which may deviate from our actuarial assumptions. **Severity Risk:** The risk that the financial magnitude of individual claims exceeds expected thresholds, potentially impacting our capital position. **Claims Fraud Risk:** The risk of financial loss resulting from intentional misrepresentation or dishonest acts aimed at obtaining unwarranted claim pay-outs.	Strategic Forecasting: During the annual planning cycle, a cross-functional team—comprising Management, Underwriting, and Sales—establishes product performance targets. These are informed by historical claims experience and forward-looking actuarial assumptions to ensure sustainable growth. Actuarial Oversight: We conduct rigorous quarterly & annual valuations to monitor loss ratios and ensure that reserves remain adequate to meet future liabilities. Technical Excellence: We invest in the continuous professional development of our claim's personnel. Under the supervision of highly experienced senior staff, our team undergoes structured training to enhance technical proficiency and risk detection. Fraud Detection & Investigation: A mandatory "Know Your Customer" (KYC) and claims verification process is enforced to ensure data integrity. In instances where potential fraud is flagged, a compulsory, comprehensive investigation is triggered to protect the Company's assets and the interests of honest policyholders.
Re-Takaful Risk Re-Takaful risk arises from the uncertainties and potential financial impacts associated with our reliance on third-party providers to mitigate our risk exposure. To ensure the Group's long-term stability, we actively manage the following key risk dimensions:	Strategic Counterparty Selection: All Re-Takaful placements are made exclusively with reputable international and local providers that meet the stringent credit rating requirements mandated by the Insurance Regulatory Commission of Sri Lanka (IRCSL). This ensures that our partners possess the financial strength and liquidity to meet their claim obligations even during periods of systemic stress.

Risk Category	Mitigation Control(s)
Re-Takaful Credit Counterparty Risk: This represents the risk that a re-takaful provider may be unable or unwilling to fulfill their financial obligations, particularly during periods of high claim volume. Such delays or defaults could significantly impact our liquidity and overall financial performance. Net Retention & Exhaustion Risk: Accepting risks that exceed our established retention limits, or failing to secure adequate treaty capacity, could expose the Company to unexpectedly large net claim payments. We mitigate this by ensuring our re-takaful arrangements are commensurate with our risk appetite and scale of operations.	Comprehensive Treaty Architecture: We mitigate Excessive Loss Exposure Risk through a dedicated and structured Re-Takaful Treaty program. This program is designed to align with our Board-approved risk appetite, ensuring that our net retention remains within sustainable levels while providing robust protection against catastrophic or high-severity events. Continuous Monitoring: Our Re-Takaful arrangements are reviewed annually to ensure capacity is commensurate with our growing portfolio and evolving risk profile. We also monitor the credit standings of our Re-Takaful partners on an ongoing basis to proactively manage any potential counterparty risk.

2. MARKET RISKS

Market Risk represents the potential for financial volatility arising from fluctuations in global and domestic economic variables. At Amana Takaful Life PLC, we recognise that movements in Shari'ah-compliant profit rates, equity prices on the Colombo Stock Exchange, and commodity values—particularly gold—directly impact the valuation of our investment portfolios and the solvency of the Participants' Takaful Fund (PTF). Given that investment income is a key driver of long-term value for our participants and shareholders, we maintain a disciplined Asset-Liability Management (ALM) framework to mitigate systematic risk. By transitioning away from speculative exposures toward a diversified, high-quality asset base, we safeguard our financial stability against inflationary pressures and currency volatility, ensuring that the Company remains resilient and capable of meeting its long-term Takaful obligations regardless of market cycles.

Risk Category	Mitigation Control(s)
Investment Risk The potential for suboptimal returns or capital loss due to adverse market volatility, improper asset allocation, or counterparty credit defaults.	◈ Oversight by the Board Investment Committee (BIC), chaired by an Independent Director. ◈ Strengthening of the Investment Governance Framework. ◈ Strategic diversification across Shari'ah-compliant asset classes (Fixed Income, Equity, Real Estate). ◈ Engagement of specialised external fund management expertise as required.
Profit Rate Risk The risk that fluctuations in market yield curves negatively impact the valuation of Shari'ah-compliant fixed-income instruments (e.g., Sukuks and Term Deposits).	◈ Implementation of Asset-Liability Matching (ALM) to manage duration gaps. ◈ Tactical adjustment of portfolio duration (long/short exposure) by the Investment Committee based on macroeconomic forecasting.
Equity Market Risk The risk that volatility in the Colombo Stock Exchange (CSE) reduces investment income and erodes the Participants' Takaful Fund (PTF) and capital reserves.	◈ Mitigation of market volatility through professional discretionary portfolio management. ◈ Strict adherence to sector-wise exposure limits and fundamental research-driven risk selection.
Liquidity Risk The risk of an inability to liquidate assets efficiently or at fair value to meet immediate claim obligations or operational requirements.	◈ Maintenance of optimal cash buffers and high-quality liquid assets (HQLA). ◈ Dynamic asset allocation reviews to ensure sufficient liquidity is available for prompt claim settlements.
Inflation Risk The risk that persistent inflationary pressures erode real investment returns and escalate the cost of future claim settlements.	◈ Integration of inflation-adjusted variables into actuarial pricing models. ◈ Strategic allocation into inflation-hedging securities and real assets where feasible.

3. STRATEGIC AND REPUTATIONAL RISK

As the pioneer Takaful operator in Sri Lanka, Amana Takaful Life PLC recognises that strategic agility is paramount in an increasingly competitive landscape. Our strategic risk profile is shaped by the entry of "Takaful Windows" from conventional insurers, rapid technological disruption, and an evolving regulatory environment. We view these dynamics not merely as challenges, but as catalysts for innovation.

Therefore, these uncertainties must be navigated while leveraging digital transformation, ethical financial practices, and customer-centric approaches to maintain a competitive edge.

Risk Category	Mitigation Control(s)
Market Competition Risk The risk of margin compression and reduced participant retention due to intensifying competition from conventional "Takaful Window" operators and price-driven market dynamics.	◈ Integration of competitive benchmarking into the Corporate Development Plan. ◈ Strengthening brand positioning through unique Shari'ah-compliant value propositions. ◈ Strategic focus on digital transformation to enhance operational agility and customer experience.
Regulatory & Compliance Risk Potential financial or operational disruptions arising from non-adherence to evolving legislative frameworks or the introduction of new industry standards.	◈ Proactive engagement with the Insurance Regulatory Commission of Sri Lanka (IRCSL), Financial Intelligence Unit (FIU) and other governing bodies. ◈ Implementation of a robust, real-time compliance monitoring framework across all business functions.
Brand & Reputation Risk The risk of institutional brand erosion or loss of stakeholder trust resulting from operational failures, unethical practices, or suboptimal service delivery.	◈ Commitment to absolute transparency in all participant dealings. ◈ Continuous enhancement of customer service standards and high-impact Corporate Social Responsibility (CSR) initiatives to reinforce social and ethical standing.
Digital Transformation Risk The risk of strategic obsolescence or operational inefficiency due to a failure to keep pace with rapid technological advancements and evolving "Insur-Tech" trends.	◈ Sustained investment in scalable digital infrastructure and cloud-based systems. ◈ Strengthening of cybersecurity protocols to protect participant data. ◈ Cultivating an internal culture of innovation and agile product development.

4. OPERATIONAL RISKS

Operational Risk is defined as the potential for financial or reputational loss resulting from internal process failures, human error, system inadequacies, or disruptive external events. As the pioneer Takaful operator in Sri Lanka, Amana Takaful Life PLC maintains a robust operational framework designed to harmonise Shari'ah principles with evolving regulatory standards and technological advancements. We recognise that the disciplined management of operational risk is fundamental to upholding the trust of our participants and ensuring the long-term sustainability and solvency of the Takaful model. Our approach focuses on embedding a culture of accountability and resilience across all business functions to safeguard our institutional integrity.

Risk Category	Mitigation Control(s)
Business Continuity Risk Refers to the risk of disruptions due to natural disasters, cyberattacks, or system failures.	◈ The company is currently re-evaluating its existing Business Continuity Planning framework, with a focus on implementing formalised documentation and a robust BCP simulation and drill plan for 2026/2027.
Human Capital Risk Potential disruptions due to talent scarcity, the loss of technical expertise, or deviations from professional standards.	◈ Rigorous performance evaluations and appraisals for all Key Management Personnel (KMP) and staff. ◈ Implementation of structured workforce training and talent development initiatives. ◈ Sustained focus on an active employee engagement strategy to ensure high retention.

Risk Category	Mitigation Control(s)
Process Failure Risk The risk of operational inefficiencies or manual errors within Underwriting, Claims processing, or Fund Management.	◈ Annual process audits conducted by both Internal Audit and independent external firms. ◈ Formal escalation of identified gaps to the Board Audit Committee for continuous monitoring until resolution.
Back-up & Recovery Failure Inadequacy of data restoration capabilities following a loss incident or system failure.	◈ Comprehensive Disaster Recovery (DR) with primary and secondary sites in geographically distinct locations. ◈ Daily automated backups of critical databases using enterprise-grade recovery solutions.
Fraud & Financial Crime Risk Exposure to internal or external fraud, money laundering (AML), and other unethical financial activities.	◈ Strict adherence to Board-approved Standard Operating Procedures (SOPs) and internal controls. ◈ Robust monitoring and supervisory controls to ensure full compliance with Anti-Money Laundering (AML) and CFT regulations.
Third-Party & Outsourcing Risk Potential service disruptions or data breaches arising from reliance on external vendors and service providers.	◈ Stringent vendor onboarding involving legally vetted Non-Disclosure Agreements (NDAs). ◈ Centralised contract management and periodic performance audits of all high-impact service providers.
Shari'ah Non-Compliance Risk The risk of failing to adhere to Islamic Finance principles due to governance weaknesses or operational failures.	◈ Oversight by an independent Shari'ah Supervisory Board to ensure continuous compliance. ◈ Regular Shari'ah audits and mandatory specialised training for all operational staff.

5. MODEL RISK

As the company prepares for the full adoption of SLFRS 17 in 2026, we recognise that the integrity of our future financial reporting is intrinsically linked to the precision of our valuation models. We foresee that Model Risk will emerge as a critical area of focus, arising from potential deficiencies in model design, inaccurate economic assumptions, or data integrity issues. Such risks could lead to a misstatement of the Contractual Service Margin (CSM) or the Insurance Service Result upon implementation. To ensure the reliability of these complex calculations during the transition, we are in the process of implementing a rigorous Model Risk Management (MRM) framework.

Risk Category	Mitigation Control(s)
Data Integrity Risk: The risk that inaccurate, incomplete, or fragmented historical data, or failures in the automated data feed, lead to flawed model outputs during the 2026 go-live.	◈ End-to-End Data Governance: Implementation of automated data validation checks and strict reconciliation protocols between core insurance systems and the SLFRS 17 calculation engine.
Assumption & Parameter Risk: The risk that economic and non-economic assumptions (e.g., discount rates, mortality, and lapses) fail to reflect the post-adoption economic reality.	◈ Actuarial Review & Benchmarking: "Sensitivity Analysis" and "Experience Studies" to calibrate assumptions against emerging market trends and historical performance benchmarks.
Methodological & Logic Risk: The risk that mathematical formulas or specific SLFRS 17 policy choices (e.g., GMM vs. PAA) are incorrectly applied in the production environment.	◈ Independent Model Validation: Periodic third-party audits and internal peer reviews of model logic to ensure compliance with SLFRS 17 technical standards & internal accounting policies.
Model Transition Risk: The risk of unforeseen volatility in the opening balance sheet or profit recognition patterns during the final transition from SLFRS 4.	◈ Parallel Running & Impact Assessment: Conducting extensive dry runs and parallel reporting cycles throughout the transition period to identify and resolve variances before the final 2026 publication.

6 COMPLIANCE RISK

Compliance Risk represents the potential for legal or regulatory sanctions, financial loss, or institutional reputational damage arising from a failure to adhere to applicable laws, industry codes, or internal Shari'ah governance policies. In the Takaful industry, this risk is particularly significant due to the rigorous oversight of the Insurance Regulatory Commission of Sri Lanka (IRCSL) and international benchmarks such as those set by the FATF and AAOIFI.

At Amana Takaful Life PLC, we recognise that non-compliance—ranging from data privacy breaches to failures in claims handling—can lead to severe penalties and a fundamental erosion of participant trust. As we face increasing scrutiny from both domestic and international regulators, we have embedded a robust compliance framework into our core operations. This ensures the integrity of our Takaful models, safeguards business continuity, and protects the collective interests of our participants and shareholders alike through transparent and ethical financial conduct.

Risk Category	Mitigation Control(s)
Regulatory Compliance Risk The risk of non-adherence to mandates from the IRCSL and CBSL, including Solvency requirements, Risk-Based Capital (RBC) standards, and statutory reporting.	◈ Proactive cascading of regulatory updates to all Department Heads. ◈ Monthly compliance checklists are reviewed and tabled at the Board Risk Committee (BRC) to ensure continuous alignment.
AML / CFT & Sanctions Risk The risk of the Takaful platform being exploited for Money Laundering or Terrorism Financing, and the risk of engaging with sanctioned individuals or entities.	◈ Oversight by a dedicated Compliance Department headed by a member of the General Management Committee. ◈ Transaction Monitoring: Real-time screening of participants against updated UN, domestic, and international sanctions/blacklists. ◈ Adherence to the Financial Intelligence Unit (FIU-SL) directives.
Data Privacy and Protection Potential breaches of participant data privacy or failure to comply with data retention and destruction timelines.	◈ Periodic internal audits of IT functions with results escalated to the Audit Committee. ◈ Strict data handling protocols aligned with the Data Protection Act, ensuring confidentiality of participant financial records.
Governance & Ethics Standards Risk of failure in Board-level governance, including composition, internal control systems, and mandatory policy development.	◈ Oversight by the Board Nomination & Governance Committee (BNGC) to ensure the highest standards of corporate integrity and transparency.
Shari'ah Compliance & Audit The risk of operational failures leading to a breach of Shari'ah principles, which is fundamental to our Takaful license.	◈ Independent Shari'ah Audit and regular review of all products and investments by the Shari'ah Supervisory Board. ◈ Mandatory Shari'ah-compliance training for all front-line and technical staff.

RISK MANAGEMENT COMMITTEE (RISCO): 2025 OVERSIGHT HIGHLIGHTS

During the financial year 2025, the Board Risk Committee (BRC) remained steadfast in its commitment to robust risk governance, ensuring the long-term stability of the Participants' Takaful Fund (PTF) and the Shareholders' Fund (SHF). The following key strategic actions were executed:

a) Governance Framework Optimisation: Conducted a comprehensive revision and formal approval of the Committee's Terms of Reference (ToR) to align with evolving regulatory benchmarks.

b) Policy & Procedural Excellence: Approved and implemented the overarching Risk Management Policy, which serves as the foundational Risk Framework and Procedural Manual, streamlining risk identification and response across all business functions.

c) Risk Architecture: Formally operationalised the Enterprise Risk Register, providing a centralised mechanism for the ongoing monitoring and mitigation of institutional vulnerabilities.

d) Strategic Risk Appetite: Formulated and secured Board approval for the Risk Appetite Statement (RAS) for 2026. This includes defined Key Risk Indicators (KRIs) and internal thresholds to ensure growth remains within Shari'ah-compliant and prudent financial limits.

e) Financial Resilience & Solvency: Conducted rigorous reviews of financial performance in strict accordance with the IRCSL Solvency Margin Rules (2016) and IRCSL Determination #01, with focused oversight on the Capital Adequacy Ratio (CAR), Total Available Capital (TAC), and Risk-Based Capital (RBC) requirements.

f) AML/CFT & Ethical Oversight: Approved the 2024 ML/TF Risk Assessment and maintained continuous surveillance over Anti-Money Laundering and Counter-Terrorism Financing (AML/CFT) protocols, including:

- Reporting Integrity: Validation of threshold reporting accuracy (transactions exceeding LKR 1Mn) and the real-time integration of Sanctions List updates.
- Transaction Surveillance: Continuous monitoring of Suspicious Transaction Reports (STRs) and oversight of regulatory freezing orders to prevent the misuse of the Takaful platform.
- System Testing & Validation: The Committee maintained a focused oversight on the progress of our enhanced AML/CFT automated system, which is currently in the comprehensive testing and calibration phase. The RISCO has proactively inquired into the testing results and the resolution of initial parameters to ensure the platform is robustly validated prior to its formal launch and implementation.
- Implementation Readiness: Regular updates were sought to assess the system's readiness for a phased roll-out, ensuring that all detection protocols for high-value transactions and sanctions screening meet the FIU-SL and IRCSL regulatory benchmarks before the system goes live.

g) Investment & Liquidity Surveillance: Maintained proactive oversight of Shari'ah-compliant investment portfolios and cash flow positioning to ensure optimal liquidity for participant obligations.

h) Regulatory Fiduciary Duty: Assessed and ensured the absolute punctuality and accuracy of all mandatory regulatory submissions, reinforcing our commitment to transparency and statutory compliance.

COMMITTEE COMPOSITION & ATTENDANCE

The Risk Management Committee (RISCO) met four (4) times during the financial year 2025. The attendance of the members is summarised below:

Member	Directorship Category	No: of Meetings Occurred	No: of Meetings Attended
Pushpakumar Gunasekara	Independent Non-Executive [Chairman]	4	4
Hassan Kassim	Non-Independent Non-Executive	4	3
Shehara De Silva	Independent Non-Executive	4	3

Committee Support and Executive Participation: To ensure the Committee possesses full operational and financial visibility while maintaining its independent oversight mandate, the following protocols were observed:

- **Executive Invitees:** The Chief Executive Officer (CEO), Chief Financial Officer, and Senior Manager Finance were present at all meetings by invitation to provide technical insights and comprehensive management updates.
- **Committee Secretariat:** The Head of Risk & Compliance serves as the formal Secretary to the Committee, ensuring that all deliberations are documented and aligned with the Risk Management Framework.
- **Operational Support:** An additional Risk & Compliance executive also attended the sessions to support the secretarial function and provide specialised technical assistance to the Committee.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Directors are pleased to submit their report together with the audited accounts of the Company, for the year ended 31st December 2025, to be presented at the 10th Annual General Meeting of the Company.

REVIEW OF THE YEAR

The Chairman's Review on pages 10 to 13 describes the Company's affairs and mentions important events that occurred during the year and up to the date of this Report. The Chief Executive Officer's review on page 14 to 17 elaborates the financial results of the Company. These reports together with the Audited Financial Statements reflect the state of affairs of the Company.

PRINCIPAL ACTIVITIES

The principal activity of the Company is Family Takaful (Long-term Insurance) business.

FINANCIAL STATEMENTS

The Financial Statements prepared in conformity with the Sri Lanka Accounting Standards and in compliance with the requirements of Section 151 of the Companies Act No. 07 of 2007 and the Rules and Regulations of Insurance Regulatory Commission of Sri Lanka, are given on pages 79 to 124 of this Annual Report.

INDEPENDENT AUDITORS' REPORT

The Auditors' Report on the Financial Statements is given on pages 76 to 78 of this Annual Report.

ACCOUNTING POLICIES

The accounting policies adopted in preparation of the Financial Statements are given on pages 85 to 95.

FINANCIAL RESULTS AND APPROPRIATIONS

The loss after taxation of the Company for the year was Rs. 8.6 Mn (2024 – Profit of Rs. 4 Mn).

The Family Takaful (Life) Fund balance including Unit Linked Fund has increased to Rs. 4,531 Mn from Rs. 3,839 Mn in 2024.

PROPERTY, PLANT AND EQUIPMENT

During the year under review, the capital expenditure on Property, Plant and Equipment of the Company amounted to Rs. 59.19 Mn (2024 – Rs. 25.03Mn).

Information relating to movement in Property, Plant and Equipment during the year is disclosed under Note 5 to the Financial Statements.

FINANCIAL INVESTMENTS

Details of financial assets held by the Company are given in Note 08 and Note 11 to the Financial Statements.

RESERVES

Accumulated Profit as at 31st December 2025 for the Company amounted to Rs. 58.1 Mn (2024 – Rs. 67.2Mn). Breakup and the movement are shown in the Statement of Changes in Equity in the Financial Statements.

STATED CAPITAL

The stated capital of the Company as at 31st December 2025 was Rs. 500,000,000 represented by 50,000,000 ordinary shares. The details of the stated capital are given in Note 19 to the Financial Statements on page 109.

CONTINGENT LIABILITIES

There were no material contingent liabilities outstanding as at 31st December 2025 other than those reported in Note 31 to the Financial Statements.

MATERIAL ISSUES PERTAINING TO EMPLOYEES AND INDUSTRIAL RELATIONS OF THE COMPANY

The Company did not come across any material issues pertaining to employees and industrial relations during the year.

POST-BALANCE SHEET EVENTS

There were no material events occurred after the Reporting Date that require adjustments or disclosure in Note 32 to the Financial Statements.

DIRECTORS' RESPONSIBILITIES

The Statement of the Directors' Responsibilities is given on page 74 of this Annual Report.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance Rules laid down under the Listing Rules of the Colombo Stock Exchange. The Report on Corporate Governance is given on page 44 to 52 of this Annual Report.

The Board of Directors of the Company confirms that the Company is compliant with section 9 of the Listing Rules of the Colombo Stock Exchange and Sri Lanka Accounting Standards, Act No. 15 of 1995.

STATUTORY PAYMENTS

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments in relation to all relevant regulatory and statutory authorities have been paid within the stipulated period.

INTERESTS REGISTER

The Company has maintained an Interests Register as contemplated by the Companies Act No. 07 of 2007.

a. Directors' interests in contracts of the Company, both direct and indirect during the year under review, are included in Note 30 in the related party disclosures to the Financial Statements.

b. Details of shareholding of Directors are given under particulars of Directors' Shareholding on page 64

BOARD COMMITTEES

Board Audit Committee

Following are the names of the Directors comprising the Board Audit Committee of the Company:

1. Suresh Paranavitana – Chairperson
2. Pushpakumar Gunasekera
3. Hassan Kassim

The Report of the Board Audit Committee on pages 66 and 67 set out the manner of compliance by

the Company in accordance with the requirements of Rule 9.13 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance.

Remuneration Committee

Following are the names of the Directors comprising the Remuneration Committee of the Company:

1. Pushpakumar Gunasekera- Chairperson
2. Osman Kassim
3. Suresh Paranavitana

The particulars of the Remuneration Committee are mentioned in the Report of the Remuneration Committee on page 68 in accordance with the requirements of Rule 9.12 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance. The details of the aggregate remuneration paid to the Executive and Non-Executive Directors during the financial year are given in Note 27 to the Financial Statements.

Related Party Transaction Review Committee

Following are the names of the Directors comprising the Related Party Transaction Review Committee of the Company in accordance with the requirements of Rule 9.14 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance.

1. Shehara De Silva – Chairperson
2. Suresh Paranavitana
3 . Pushpakumar Gunasekera

Board Nominations and Governance Committee

Following are the names of the Directors comprising Board Nominations and Governance Committee of the Company in accordance with the requirements of Rule 9.11 of the Listing Rules of the Colombo Stock Exchange on Corporate Governance.

1. Pushpakumar Gunasekera - Chairperson
2. Osman Kassim
3. Suresh Paranavitana

The particulars of the Nominations and Governance Committee are mentioned under Corporate Governance on page 46.

Board Risk Committee

Following are the names of the Directors comprising the Board Risk Committee of the Company:

1. Pushpakumar Gunasekera – Chairperson
2. Shehara De Silva
3. Hassan Kassim

Share Information and Substantial Shareholdings

The distribution of shareholding, market value of shares and twenty five largest shareholders are given on page 127 and 128.

The earnings per share and net assets per share are given on page 128.

DIRECTORS

The Directors of the Company during the year were as follows:

Name of Director	Date of Appointment
Osman Kassim	10th September 2018
Gehan Rajapakse	3rd June 2020
Hassan Kassim	1st November 2021
Ammar Shafik Kassim	7th March 2016 (Resigned w. e. f. 7th March 2025)
Shehara De Silva	1st November 2021
Suresh Malith Paranavitana	23rd March 2022
Pushpakumar Gunasekera	8th May 2024
Sharhan Muhseen	1st April 2021 (Resigned w. e. f. 31st December 2025)

A brief profile of the Directors are given on pages 18 to 21 of this Annual Report.

Mr. Ammar Shafik Kassim resigned from the Board of Directors of Amana Takaful Life PLC w.e.f. 7th March 2025 and Mr. Sharhan Muhseen resigned from the Board of Directors of Amana Takaful Life PLC w.e.f. 31st December 2025.

In terms of Section 24 (7) of the Articles of Association of the Company, Mr. P. Gunasekera and Ms. Shehara De Silva due for retirement by rotation being eligible are re-elected as Directors of the Company.

Mr. Osman Kassim who is over 70 years of age, retire by rotation in terms of section 211 of the Companies Act No. 7 of 2007 and being eligible offers himself for re-election.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

DIRECTORS/CEO SHAREHOLDINGS

The interest of the Directors/CEO in the shares of the Company as at 31st December 2025 were as follows:

As at 31 December	Number of Ordinary Shares	
	2025	2024
Osman Kassim	Nil	Nil
Gehan Rajapakse (Executive Director/ CEO)	Nil	Nil
Hassan Kassim	Nil	Nil
Shehara De Silva	Nil	Nil
Suresh Malith Paranavitana	Nil	Nil
Pushpakumar Gunasekera	Nil	Nil

INDEPENDENCE OF DIRECTORS

Particulars of Independent Directors are mentioned under Corporate Governance Report on page 50 In accordance of Rule 9.8.3. of the Listing Rules of the Colombo Stock Exchange. Mr. Hassan Kassim, Ms. Shehara De Silva, Mr. Suresh Malith Paranavitana, Mr. Osman Kassim and Mr. Pushpakumar Gunasekera who are Non-Executive Directors of the Company have submitted signed and dated declarations to the Board of their independence.

RELATED PARTY TRANSACTIONS

The details pertaining to related party transactions which exceeds the lower of 10% of equity or 5% of the total assets of the Company other than those reported in Note 30 to the Financial Statements. Directors have disclosed the transactions with related parties in terms of Sri Lanka Accounting Standard LKAS 24 – Related Party Disclosures in Note 30 of the Financial Statements.

The Board of Directors of the Company declares that the Company entered into related party transactions during the financial year in compliance with the regulations pertaining to the related party transactions. Details which are given in Note 30 of the Financial Statements.

GOING CONCERN

The Directors, after making necessary inquiries and review of the financial position and future prospects of the Company, have a reasonable expectation that the Company has adequate resources to continue to be in operational existence for the foreseeable future. Therefore, the going concern basis is adopted in the preparation of the Financial Statements.

AUDITORS

The resolutions to appoint the present Auditors, Messrs Ernst & Young, Chartered Accountants, who have expressed their willingness to continue in office, will be proposed at the Annual General Meeting.

The audit and non-audit fees paid to the Auditors is disclosed in Note 27 on page 111 of this Annual Report. As far as the Directors are aware, the Auditors do not have any relationship or interest in the Company.

The Board Audit Committee reviews the appointment of the Auditors, its effectiveness and its relationship with the Company including the level of audit and non-audit fees paid to the Auditors. Details on the work of the Audit Committee are set out in the Audit Committee Report.

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 24th June 2026 at 11.00 a.m. at the Board Room of Amana Takaful Life PLC, No. 660-1/1, Galle Road, Colombo 03, via Audio/Video (Virtual AGM). The Notice of the Annual General Meeting appears on page 133 of this Annual Report for and on behalf of the Board,



OSMAN KASSIM
Chairman

30 April 2026
Colombo



MANAGERS & SECRETARIES (PVT) LTD.
Secretaries
Amana Takaful Life PLC

30 April 2026
Colombo

DIRECTORS' INTEREST IN CONTRACTS WITH THE COMPANY

In compliance with the disclosure requirements of Section 168 (e) of the Companies Act No. 07 of 2007 as amended, Directors interests in contracts or proposed contracts with the Company, both direct and indirect are disclosed as follows.

These entities have been categorised as listed, unlisted or foreign, and the Director's role as Executive or Non-Executive is also disclosed as per the requirements of Rule 9.10.4(e) of the CSE Listing Rules.

SUMMARY OF DIRECTORSHIPS IN OTHER COMPANIES

Director Name	Position	Listed	Unlisted	Foreign	Total
Osman Kassim	Chairman	1	2	3	6
Sharhan Muhseen	Director	1	3	4	8
Ammar Shafik Kassim	Director	-	1	1	2
Gehan Rajapakse	Director	-	-	-	-
Hassan Kassim	Director	1	12	13	26
Shehara De Silva	Director	3	6	9	18
Pushpakumar Gunasekera	Director	-	-	-	-
Suresh Paranavitana	Director	-	-	-	-

DIRECTORSHIPS IN LISTED COMPANIES

Director Name	Company	Position	Capacity
Osman Kassim	Vidullanka PLC	Chairman	INED
Sharhan Muhseen	Commercial Bank PLC	Chairman	INED
Hassan Kassim	Amana Takaful PLC	Director	INED
Shehara De Silva	Sarvodaya Development Finance PLC	Director	INED
	Ex-pack Corrugated Cartons PLC	Director	INED

*NED : Non-Executive Director
*ED : Executive Director
*INED : Independent Non-Executive Director

REPORT OF THE BOARD AUDIT COMMITTEE

The Board Audit Committee (BAC) is a formal subcommittee that is appointed by the Board of Directors. The BAC is charged with assisting the board to fulfill its obligations and responsibilities in overseeing areas such as the company's financial reporting, internal control systems, internal audit and external audit functions.

COMPOSITION

The BAC comprises three members, all of whom are Non-Executive Directors. The Committee is made up of members who bring their varied expertise, experience and knowledge to carry out and discharge their duties and responsibilities professionally and effectively. The Committee meets at least four (4) times a year, usually at quarterly intervals, to review and approve both the annual external and internal audit plans; review and deliberate the internal audit reports on significant issues and audit findings, audit recommendations and management responses as well as its action plans; discuss on action taken to improve the effectiveness of the internal control system in the audit areas; ensure the independence and objectivity of the External Auditors; review the internal audit process and adequacy of internal controls. In addition, the Committee also plays the role of a platform for the Management to raise concerns on possible irregularities for investigation and stop recurrence.

The membership composition of the BAC and details of attendance of each member at meetings of the Committee during the period under review are as follows:

Member	Membership Status	Number of Meetings Attended
Mr. Suresh Paranavitana, Independent, Non-Executive Director	Chairman	4 out of 4
Mr.Pushpakumara Gunasekara Independent, Non-Executive Director	Member	4 out of 4
Mr. Hassan Kassim Non-Independent, Non-Executive Director	Member	3 out of 4

The Senior Manager-Internal Audit functions as the Secretary to BAC. The agenda and the papers for the meetings are circulated among the members with sufficient notice.

The Chief Executive Officer was invited to be present at all meetings of the Committee during the period under review. The Senior Manager-Internal Audit also attended all meetings in the capacity of Secretary to the Audit Committee, so were the respective Heads of Departments - Finance, Underwriting, Claims and Reinsurance/ Retakaful. External Auditors, Internal Auditors who carried out outsourced assignments and other members of the Management were also invited to attend the meeting when required.

OBJECTIVES, DUTIES AND RESPONSIBILITIES

The "Terms of Reference" (TOR) of the BAC clearly defines the role, responsibilities and scope of the Committee.

The key objectives of the Audit Committee are:

- To satisfy themselves that a good financial reporting system is in place in order to ensure accurate and timely financial information to the Board of Directors, regulators and shareholders and to make sure that these are prepared in accordance with the Sri Lanka Accounting Standards and other relevant laws and regulations.
- To satisfy themselves of the effectiveness of the Company's risk management process in order to identify and mitigate risks.
- To review the design and implementation of the internal control system and take steps to strengthen it as and when necessary.
- To ensure that the contract of the business is in compliance with the applicable laws and regulations of the country and the policies and procedures of the Company.
- To assess the independence of the External Auditors, review and monitor the performance of Internal and External Auditors.
- To assess the Company's ability to continue as a going concern in the foreseeable future.

The primary duties and responsibilities of the Committee are as follows:

1. Review the adequacy of the internal audit programme and plan, internal audit findings, and recommend actions to be taken by the Management on deficiencies in controls, processes and procedures.
2. Assessment of the effectiveness, independence and performance of the Company's External Auditors.
3. Review the Management Letter of the External Auditors and follow up on its recommendations.
4. Ensure the preparation and presentation of financial reports in line with the accounting standards and ensure the adequacy of disclosure in such reports.
5. To review the Interim and Annual Financial Statements prior to submission to the Board, safeguarding the integrity, transparency, and completeness of financial disclosures.

6. Monitor and review the effectiveness of internal controls.
7. Obtain and review assurance received from the CEO and CFO, where relevant, that the financial records have been properly maintained, and that financial statements give a true and fair view of the Company's and Group's operations and finances.

INTERNAL AUDIT

At the commencement of 2021, Messrs. KPMG Chartered Accountants were appointed as the primary internal auditor of the company in order to strengthen the Company's internal audit function. The company's Internal Audit department worked closely with KPMG to ensure that the audits were conducted and completed effectively and efficiently as mandated by the Board Audit Committee. Audit Reports are periodically presented to the BAC on a quarterly basis for review. The Internal Audit department coordinates and ensures that recommendations are implemented conscientiously and additionally carries out various other audits and special assignments entrusted by the managements.

The Internal Audit Department is charged with the overall internal audit functions of the Company. The Department presents to the BAC the Comprehensive Audit Plan for the financial year under review, and the BAC instruct the Internal Auditors on the approach to be adopted in their auditing processes. Apart from the Audit Plan, the BAC also instructed the Auditors to carry out investigation, inspection and auditing on certain issues deemed necessary to maintain and ensure the accuracy, adequacy, and effectiveness of internal controls, In keeping with governance and principles of best practice.

The Committee deliberated and reviewed a number of internal audit reports on a multitude of operational areas such as Reinsurance (Retakaful), various types of reserve including technical/mortality reserve, claims and underwriting as well as treasury matters. To ensure key decisions and recommendations of the Committee were efficiently implemented, a process of follow-up programs had been put in place. Where necessary, Auditors were directed to conduct follow-up audits and inspections.

EXTERNAL AUDIT

The BAC reviewed the External Audit Plan, including the scope and fee for the annual audit. The Committee held discussion with the External Auditors, Messrs. Ernst & Young, prior to the year-end audit to discuss their audit approach and procedures, including matters relating to the scope of the audit.

The BAC reviewed the results of the external audit and the recommendations contained in the Management Letter arising from the audits of the quarterly/ annual financial statements, thus ensuring appropriate follow-up actions are taken. The independence and objectivity of the external auditors were reviewed by the BAC.

The audit partner was engaged with the external audit for the consecutive 5th year, and Messrs. Ernst & Young serves at the external auditors continuously with partner rotation.

The BAC recommended to the Board the reappointment of Messrs. Ernst & Young, Chartered Accountants, as the External Auditors of the Company for the ensuing financial year, subject to approval of the shareholders at the forthcoming Annual General Meeting.

PROVISION OF NON-AUDIT SERVICE

The Committee is also responsible for reviewing the nature of non-audit services that the External Auditors may undertake in order to ensure that the Auditors' independence is not impaired in such circumstances.

CONCLUSION

The BAC is satisfied that the company's accounting policies, internal controls, and risk management processes are adequate to provide reasonable assurance that the financial affairs of the company are managed in accordance with company policies and accepted accounting standards.

The committee is satisfied with the implementation of the groups Internal controls, compliance with all relevant requirements of the Companies Act. No. 07 of 2007, Regulation of the Insurance Industry Act, Listing Rules and SEC Act, and Risk Management Framework and that the group's assets are adequately safeguarded. The group's Internal and External auditors have been effective and independent throughout the year.



SURESH PARANAVITANA
Chairman -
Board Audit Committee

30 April 2026
Colombo

REPORT OF THE BOARD REMUNERATION COMMITTEE

The Remuneration Committee is entrusted by the Board of Directors with the responsibility of overseeing a reasonable, attractive and competitive remuneration package policy be adopted for all level of employees of Amana Takaful Life PLC.

The policy ought to be aligned with the Group's performance and interests of all stakeholders. The Committee has to ensure that the remuneration structure is commensurate with each employee's performance, competency, commitment, dedication, responsibility and skill.

In implementing the policy, the Committee reviewed and compared the overall executive compensation package, benchmarking against the industry, for the consideration and adoption of the Board. It also recommended the packages for the Chief Executive Officer and other senior members of the Management, taking into cognizance the practice of the industry as well as the overall financial strength of the Company. In relation to this, the Committee took into consideration Key Result Areas and Performances linked to the achievement, contribution and performance of each individual officer, relative to respective targets set.

Independent Directors had not received, directly or indirectly, any consulting, advisory or other compensatory fees from the Group. Papers to be deliberated at meetings of the Committee were distributed in advance to all the members.

Other key responsibilities under the mandate of the Remuneration Committee covered the following scopes:

- Reviewing and ensuring that the Group implemented a sound Performance Appraisal Review System for employees at all levels.
- Making recommendation to the Board on annual increments, key promotions and scale-ups.
- Making recommendation to the Board on bonus and related payment, if any, to employees of all levels.
- Considering and recommending to the Board the remuneration scheme for the Directors.

The Committee Comprised of three (3) Non-Executive Directors. The Committee met twice during the year under review.

Further, the Company has complied with the latest listing rule requirements as follows;

9.12.1 – 9.12.5 – The Company Possesses a Remuneration Committee and maintains a formal and transparent procedure for developing policy on Executive Directors 'remuneration and for fixing the remuneration packages of individual Directors. No Directors shall be involved in fixing his/her remuneration.

Member	Meeting Attendance
Sharhan Muhseen – Chairman (Resigned with effect from 31st December 2025)	1 out of 2
Pushpakumar Gunasekera – Chairman (Appointed to the committee with effect from 1st Jan 2026)	0 out of 2
Suresh Paranavitana	2 out of 2
Osman Kassim	2 out of 2

The Committee operates under a set of written terms of reference that clearly that clearly outline its scope, authority, duties and requirements for meeting quorum.

9.12.7 – Functions of the Committee includes recommending and assessing the relevance of the remuneration payable to the Executive Directors of the Company.

9.12.8 – Disclosures During the year, the Company has demonstrated compliance with the necessary disclosure requirements as follows

(1) Chairperson and members of the Remuneration Committee

(2) Statement on remuneration policy

(3) Aggregate remuneration of Executive and Non-Executive Directors (Refer Financial statement Disclosures)



PUSHPAKUMAR GUNASEKERA

Chairman - Remuneration Committee

30 April 2026
Colombo

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

OBJECTIVE OF THE COMMITTEE

The Committee reviews all related party transactions of Amana Takaful Life PLC to ensure that the Company complies with the Rule 9.14 of the Listing Rules.

The primary objective of the Committee is to ensure that the interests of the shareholders are taken into consideration when entering into related party transactions and to ensure that these transactions are not more favourable to related parties than those generally available to the general public.

COMPOSITION OF COMMITTEE

The Related Party Transactions Review Committee (the Committee) comprises Three (3) Independent Non-Executive Directors as of date.

MEETINGS OF THE COMMITTEE

Four (4) meetings of the Committee were held during the period under review and the attendance of the Committee is as follows:

Member	Meeting Attendance
1. Sharhan Muhseen – Chairman Independent Non-Executive Director (Resigned from the Board with effect from 31st December 2025)	4 out of 4
2. Shehara de Silva – Appointed Chairman with effect from 1st January 2026) Independent Non-Executive Director	4 out of 4
3. Suresh Paranavitana Independent Non-Executive Director	4 out of 4
4. Pushpakumar Gunasekara – Independent Non-Executive Director (Appointed to the Committee with effect from 1st January 2026)	0 out of 4

In addition, the Chief Executive Officer of the Company, Chief Financial Officer / Head of Finance attended these meetings by invitation. The Senior Manager - Finance serves as the Secretary to the Committee as at the reporting date.

REVIEW OF RELATED PARTY TRANSACTIONS

The Committee reviewed all related party transactions of the Company for the year 2025 and concluded that all recurrent related party transactions entered into during the year were of a trading nature, and were within the normal scope of day-to- day operations of the Company. Further, the Committee reviewed all non-recurrent transactions entered into during the year. Details of such related party transactions entered in to during the year are given in Note 30 to the Financial Statements on page 113 of this Annual Report.

The Chairman of the Committee has on a regular basis, appraised the Board on the matters deliberated at the Related Party Transactions Review Committee meetings.

POLICIES AND PROCEDURES

The Chief Financial Officer is responsible for reporting related party transactions proposed to be entered into by the Company which are within the purview of the Committee in terms of the Listing Rules for the Committee to review and to grant follows;

- 9.14.1 – The Committee operates under a set of written terms of references and conforms to the requirements set out in Rule 9.14 of these rules
- 9.14.2 – The Committee comprises 4 Independent Non-Executive Directors.
- 9.14.3 – Functions of the Committee includes safeguarding shareholders interest, preventing abuse by Directors, CEOs or substantial shareholders prioritising the economic and commercial substance of transactions over legal form.
- 9.14.4 – The Committee meetings are held quarterly and it is ensured that the minutes of all meetings are properly documented and communicated to the Board of Directors. Members of the Committee have access to adequate expertise to evaluate proposed transactions, seeking professional advice when necessary.

Moreover, on a quarterly basis, the Senior Manager Finance reported the related party transactions entered into by the Company for the Committee's consideration.

Further, the Company has complied with the requirements under Rule 9.14 as Directors who have a personal interest will abstain from participation in, and voting at, the relevant committee meetings.

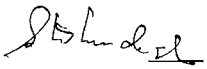
- 9.14.5 – The Committee reviews all related party transactions while also considering any material changes to previously reviewed transactions.
- 9.14.6 - The Company did not have related party transactions which require shareholder's approval during the financial period.
- 9.14.7 - The Company did not have related party transactions which require immediate Market Announcements during the financial period.

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

- 9.14.8 – There were no recurrent or non-recurrent related party transactions that exceeded the respective thresholds stated in this Rule. All recurrent and non-recurrent transactions are reported in Note 30 to the Financial Statements on page 113.

CONCLUSION

The Committee is satisfied that the interests of the shareholders as a whole are taken into consideration when entering into related party transactions and that the transactions were not more favourable to related parties than those generally available to the general public.



SHEHARA DE SILVA

Chairman – Related Party Transactions Review Committee

30 April 2026
Colombo

REPORT OF THE NOMINATION AND GOVERNANCE COMMITTEE

The scope and mandate of the Committee are defined in the Nomination & Governance Committee Terms of Reference (TOR).

The purpose of the Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to the selection/appointment of new Directors, re- appointment of current Directors, selection and appointment of the Chief Executive Officer.

COMPOSITION OF THE COMMITTEE

Mr. Sharhan Muhseen - Chairman – Independent Director (Resigned with effect from 31st December 2025)

Mr. Pushpakumara Gunasekara – Chairman – Independent Director (Appointed to the committee with effect from 1st January 2026)

Mr. Osman Kassim – Member - Non Independent Director

Mr. Suresh Paranavitana – Member - Independent Director

MEETINGS & ATTENDANCE

The committee sat for one meeting during the year and was attended by all the committee members.

ATTENDEES BY INVITATION

Chief Executive Officer of ATL PLC

SECRETARY TO THE COMMITTEE

Mr. Farhan Jabir

Head of Human resource & Board Secretary

KEY RESPONSIBILITIES OF THE COMMITTEE ARE GIVEN BELOW:

- **Exercise Oversight of Corporate Governance:**

  Provide general oversight and ensure adherence to sound corporate governance principles within ATL PLC.

- **Director and CEO Selection:**

  The committee evaluates various aspects, including skills, experience, integrity and reputation of Directors and the Chief Executive Officer (CEO) prior to their selection and appointment.

- **Board Performance Assessment:**

  Evaluate the performance and contributions of individual Directors and recommend the re-election of current Directors to the Board.

- **CEO Appointment Criteria:**

  Define and determine the qualifications, experience, and key attributes necessary for eligibility for the position of CEO.

- **Succession Planning and Expertise** Requirements: Periodically assess and recommend additional or new expertise needed on the Board, including succession planning for retiring Directors and Key Management Personnel.

- **Board Composition Review:**

  Regularly review the structure, size, composition, and competencies of the Board (including skills, knowledge, and experience) and propose necessary changes to enhance effectiveness.

- **Board & CEO Performance:**

  Periodically appraise Board & CEO performance and facilitate discussions on evaluation.

ACTIVITIES IN 2025

- The Nomination & Governance Committee has implemented the necessary measures to comply with the new regulations introduced by the Colombo Stock Exchange (CSE) in 2025 and has ensured that the Sub-Committees are constituted in accordance with the regulations within the stipulated timeframe.
- The Committee reviews the directives issued by the Insurance Regulatory Commission of Sri Lanka and ensures full compliance with all regulatory requirements.

DISCLOSURES

- **Nomination Policy:**

  ATLPLC has an established policy and procedure for the nomination of Directors to the Board, ensuring a transparent and structured approach.

- **Director Re-election:**

Independent Directors retire by rotation and are subject to re-election at regular intervals, with re-election occurring at least once every three years in line with governance best practices.

- **Board Diversity and Expertise:**

The ATl PLC Board comprises a diverse group of Directors whose collective expertise supports the achievement of the company's strategic objectives. Director profiles are detailed on pages 18 to 21 of the Annual Report.

- **Declaration of Independence:**

All Non-Executive Directors have submitted signed declarations affirming their independent or non-independent status, as applicable.

- **Director Induction:**

All newly appointed Directors participate in a comprehensive induction program, which includes an overview of relevant industry regulations and the company's strategic direction and operations.

CONCLUSION

The Committee is satisfied that the combined knowledge and experience of the Board match the demands facing the Group.



PUSHPAKUMAR GUNASEKERA

Chairman, Nomination & Governance Committee

30 April 2026
Colombo

REPORT BY THE SHARI'AH SUPERVISORY BOARD

بسم الله الرحمن الرحيم

SHARI'AH AUDIT REPORT TO THE SHAREHOLDERS OF AMANA TAKAFUL LIFE PLC

السلام عليكم ورحمة الله وبركاته

We have examined the operations of Amana Takaful Life (PLC) (the "Company") for the year ending 31st December 2025. We have also conducted our review to form an opinion as to whether the Company has complied with the Shari'ah Rules and principles and also with the specific fatwas, regulations and guidelines issued by the Shariah supervisory board

Responsibilities

It is our responsibility, as Shariah supervisory board, to ensure that the Takaful operations, financial arrangements, contracts and transactions entered in to by the Company with its participants, clients and stakeholders are in compliance with Shari'ah rules and principles. It is the responsibility of the Company's Management to ensure that all rules, principles and guidelines set by the Shari'ah supervisory board are complied with, and that all policies and services being offered are duly approved by the Shariah supervisory board

Scope of Audit and Basis of Opinion

The scope of our audit primarily involves the review of Company's compliance with the Shari'ah Regulations and Guidelines. Our review also includes examining, on a test basis of each type of product in relation to issuance & claims.

Opinion

In our opinion and to the best of our information and belief and according to the explanations given to us:

a) The Takaful operations and financial transactions undertaken by the Company, during the year 2025, were generally in accordance with the guidelines prescribed by the Shariah supervisory board

b) All non-permissible income arising from mandatory regulatory requirements has been duly allocated in accordance with the guidelines issued by the Shariah Supervisory Board.

We seek Allah the Almighty to grant us all success and straight-forwardness.

والسلام عليكم ورحمة الله وبركاته

Mufti M I M Rizwe
Chairman-Shari'ah Supervisory Board

Ash-Sheikh Murshid Mulaffar
Secretary-Shari'ah Supervisory Board

Mufti Shafique A Jakhura
Member-Shari'ah Supervisory Board

Ash-Sheikh Huzaifah Hussain
Member-Shari'ah Supervisory Board

FINANCIAL STATEMENTS



A TRAJECTORY OF GROWTH

Value is measured by more than numbers at Amana Life – it is tracked, measured and understood through policyholders' success and organisational strength. Through exceptional performance and measured outcomes, our position remains stable now and in the future.

The Golden South Sea Pearl is rare and luminous, and reflects value that has been steadily cultivated and brought to light. Growth in this sense, is both visible, valuable and enduring across generations.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

This statement sets out the responsibilities of the Directors in relation to Financial Statements of the Company. The Directors confirm that the Financial Statements for the year 2025 prepared and presented in this Annual Report are consistent with the requirements of the Companies Act No. 07 of 2007 and the Regulation of Insurance Industry Act No. 43 of 2000 and subsequent amendment thereto.

In preparing the Financial Statements, the Directors have adopted appropriate accounting, principles and policies and where relevant, disclosed and explained material departures, if any. The Directors ensure that applicable accounting standards (SLFRSs/LKASs) have been followed and that the judgments and estimates provided are reasonable and prudent and provide a true and fair view of the state of affairs as well as the profitability of the Company. The Directors also state that the Financial Statements are prepared on a going concern basis and a review of the Company's performance indicates that the Company has adequate resources to continue in operation.

The Directors have taken proper and sufficient care to ensure the maintenance of adequate accounting records in conformity with the applicable provisions of the Regulation of Insurance Act No. 43 of 2000 and any other legislations including the Companies Act No. 07 of 2007 to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Company possesses an effective internal audit system commensurate with the size and nature of its business. Steps have also been taken to ensure that proper records are maintained and the information generated is reliable.

It is the responsibility of the Directors to provide the Auditors every opportunity to carry out necessary audit work to enable them to present their audit report. The Directors are satisfied that all statutory payments in relation to all relevant regulatory and statutory authorities which were due and payable by the Company as at the reporting date have been paid or where relevant provided for.

The Directors are of the view that they have to the best of their knowledge, discharged their responsibilities as set out in this Statement.

For and on behalf of the Board,



OSMAN KASSIM
Chairman

30 April 2026
Colombo

CERTIFICATE OF THE ACTUARY – FAMILY TAKAFUL (LIFE)

AMANA TAKAFUL LIFE PLC

Financial Year Ended 31 December 2025

This report has been completed in compliance with IFRS 4 on Valuation for Liabilities of Long Term Insurance Business. The company, Amana Takaful Life PLC, is a Takaful Operator, but in the absence of takaful specific regulations in Sri Lanka, is governed under the same regulations as conventional insurers.



ZAINAL ABIDIN MOHD KASSIM

Fellow of the Institute of Actuaries
Actuary
Kuala Lumpur
Malaysia

30 April 2026

INDEPENDENT AUDITOR'S REPORT

Shape the future with confidence

Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

TO THE SHAREHOLDERS OF AMANA TAKAFUL LIFE PLC

Report on the audit of the financial statements

OPINION

We have audited the financial statements of Amana Takaful Life PLC ("the Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
1. Life Insurance Contract Liabilities Life Insurance Contract Liabilities amounting to Rs. 4,531 Mn represent 88% of total liabilities of the Company as at 31 December 2025 and are estimated by management using actuarial methodologies as described in Note 13 to the financial statements. The Life Insurance Contract Liabilities were determined by the management specialist engaged by the Company.	Our audit procedures included the following key procedures: • Assessed the competency, capability and objectivity of the management specialist engaged by the Company. • Obtained an understanding of the liability valuation process. • Agreed key information used in estimating life insurance contract liabilities to source documents and accounting records.

Key audit matter	How our audit addressed the key audit matter
This was a key audit matter due to: • materiality of the reported Life Insurance Contract Liabilities; and • the degree of management judgements, assumptions and estimation uncertainties associated with the actuarial methodologies used to estimate life insurance contract liabilities and perform the liability adequacy test used to determine the adequacy of the carrying value of Life insurance contract liabilities. Key areas of significant judgements, assumptions and estimates made by management include mortality rate, morbidity rate, lapses ratio and surrenders ratio, loss ratios, bonus, interest rates, discount rates and related claim handling expenses, as disclosed in Note 13 to the financial statements.	• With the support of an Expert, we assessed the reasonableness of the key judgements, assumptions and estimates made and actuarial methodology used to estimate the value of life insurance contract liabilities, and the liability adequacy test. Reasonableness was assessed by reference to market data and policyholder experience. We assessed the adequacy of the disclosures in Note 13 to the financial statements.

Other information included in the Company's 2025 Annual Report

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the management and those charged with governance for the financial statements.

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

As required by Section 47(2) of the Regulation of Insurance Industry Act, No.43 of 2000, as far as appears from our examination, the accounting records of the Company have been maintained in the manner required by the rules issued by the Insurance Regulatory Commission of Sri Lanka, so as to clearly indicate the true and fair view of the financial position of the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 8913.



30 April 2026
Colombo

STATEMENT OF FINANCIAL POSITION

As at 31 December	Notes	2025 Rs.	2024 Rs.
Assets			
Intangible Assets	4	16,628,217	17,859,284
Property, Plant and Equipment	5	84,742,821	45,439,767
Right of Use Asset	6	53,877,004	35,619,380
Investment Property	7	-	152,500,000
Financial Investments	8	999,645,315	881,759,478
Retakaful (Reinsurance) Receivables		50,074,168	50,833,117
Contribution (Premium) Receivables	9	51,885,714	34,542,039
Other Assets	10	136,808,835	116,168,165
Financial Investments - Unit Linked	11	4,255,470,504	3,587,817,009
Cash and Bank Balances	12	48,947,841	50,255,577
Cash and Bank Balances - Unit Linked	12	74,368,772	12,606,847
Total Assets		5,772,449,191	4,985,400,666
Liabilities			
Insurance Contract Liabilities - Family Takaful Fund	13	241,659,512	264,694,775
Insurance Contract Liabilities - Unit Linked	13	4,289,307,630	3,574,638,570
Employee Benefits	14	19,411,271	15,210,560
Subordinated Debt	15	103,870,871	98,044,450
Other Liabilities - Unit Linked	16	216,875,410	216,343,252
Other Liabilities	17	192,078,670	141,061,223
Lease Liability	18	57,878,932	37,693,000
Income Tax Payable		9,613,373	-
Total Liabilities		5,130,695,669	4,347,685,830
Shareholders' Equity			
Stated Capital	19	500,000,000	500,000,000
Other Reserves	20	83,663,805	70,558,460
Revenue Reserves		58,089,718	67,156,376
Total Equity		641,753,523	637,714,836
Total Equity and Liabilities		5,772,449,191	4,985,400,666

The Accounting Policies and Notes on pages 85 through 124 form an integral part of the Financial Statements.

We certify that these Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.

Nilushan Somarathna
Chief Financial Officer

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by:

Gehan Rajapakse
Director/CEO

Shehara De Silva
Director

30 April 2026
Colombo

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December	Notes	2025 Rs.	2024 Rs.
Gross Written Contribution (Premium)	21	1,763,962,088	1,295,045,915
Contribution (Premium) Ceded to Retakaful Companies (Reinsurers)		(76,079,321)	(57,649,951)
Net Written Contribution (Premium)		1,687,882,768	1,237,395,964
Net Change in Reserve for Unearned Contribution (Premium)		(1,509,021)	(557,651)
Net Earned Contribution (Premium)		1,686,373,747	1,236,838,313
Other Revenue			
Income from Investments	22	615,928,245	582,816,251
Other Income	23	72,733,180	59,968,481
Total Revenue		2,375,035,172	1,879,623,045
Expenses			
Takaful (Insurance) Claims and Benefits (Net)	24	(607,867,286)	(519,187,946)
Acquisition Cost (Net of Reinsurance Commission)		(232,691,320)	(153,142,951)
Change in Family Takaful Contract Liability		(689,386,971)	(565,242,463)
Other Operating and Administration Expenses	25	(833,664,232)	(627,321,321)
Amortisations	4	(1,544,476)	(1,503,691)
Total Expenses		(2,365,154,284)	(1,866,398,372)
Profit from Operations	27	9,880,887	13,224,672
Finance Cost	26	(8,872,856)	(8,646,402)
Profit before Taxation		1,008,031	4,578,270
Income Tax	28	(9,613,373)	-
Profit/(Loss) for the Year		(8,605,342)	4,578,270
Other Comprehensive Income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods.			
Net Change in Fair Value of Available-for-Sale Financial Assets transferred (to)/from Life policy Holders Reserve		13,105,344	14,193,167
Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods			
Actuarial Loss on Defined Benefit Plans	14.1	(461,315)	(886,074)
Revaluation Gain of Property, Plant and Equipment		-	9,322,175
Other Comprehensive Income		12,644,029	22,629,268
Total Comprehensive Income for the Year		4,038,687	27,207,539
Basic/Diluted Earnings per Share	29	(0.17)	0.09

The Notes on pages 85 through 124 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

		Other Reserves			
	Stated Capital	Life Policyholders' Reserve Fund	Revaluation Reserve	Accumulated Profits	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January 2024	500,000,000	35,044,545	11,998,572	63,464,180	610,507,297
Profit for the year	-	-	-	4,578,270	4,578,270
Other Comprehensive Income					
Net Change in Fair Value of Available-for-Sale Financial Assets transferred to Life Policy Holders Reserve Fund	-	14,193,167	-	-	14,193,167
Actuarial Gain on Defined Benefit Plans	-	-	-	(886,074)	(886,074)
Revaluation of Property, Plant and Equipment	-	-	9,322,175	-	9,322,175
Total Comprehensive Income	-	14,193,167	9,322,175	3,692,196	27,207,539
Balance as at 31 December 2024	500,000,000	49,237,713	21,320,747	67,156,376	637,714,836
Profit/(loss) for the Period	-	-	-	(8,605,342)	(8,605,342)
Other Comprehensive Income					
Net Change in Fair Value of Available-for-Sale Financial Assets transferred to Life Policy Holders Reserve Fund	-	13,105,344	-	-	13,105,344
Actuarial Loss on Defined Benefit Plans	-	-	-	(461,315)	(461,315)
Total Comprehensive Income	-	13,105,344	-	(9,066,657)	4,038,687
Balance as at 31 December 2025	500,000,000	62,343,057	21,320,747	58,089,718	641,753,523

The Notes on pages 85 through 124 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

Year ended 31 December	Notes	2025 Rs.	2024 Rs.
Operating Activities			
Contribution (Premium) received from customers		1,746,618,413	1,294,824,616
Retakaful (Reinsurance) Premium paid		(16,597,321)	(33,294,972)
Claims, Benefits and Expenses paid		(592,266,367)	(509,125,869)
Cash paid to and behalf of Employees		(349,396,746)	(284,645,187)
Profits Received from Investments		343,199,193	249,023,691
Finance Cost paid	26	(8,872,856)	(8,646,402)
Other Operating cash payments		(367,126,287)	(342,418,762)
Net Flow from Operating Activities	A	755,558,028	365,717,115
Investing Activities			
Purchase of Investment Securities		(4,928,912,162)	(2,530,086,673)
Disposal of Investment Securities		3,976,253,338	2,260,854,162
Dividends received		4,506,776	4,400,746
Purchase of Property, Plant & Equipment	5.1	(59,182,326)	(25,029,161)
Purchase of Intangible Assets	4	(313,409)	(313,784)
Net Cash Flow used in Investing Activities		(1,007,647,783)	(290,174,710)
Financing Activities			
Repayment of Finance Lease Liability	18	(16,708,104)	(11,461,100)
		(16,708,104)	(11,461,100)
Net Increase/(Decrease) in Cash and Cash Equivalents		(268,797,858)	64,081,305
Cash and Cash Equivalents at the beginning of the Year		407,288,786	343,207,481
Cash and Cash Equivalents at the end of the Year	12.1	138,490,928	407,288,786
NOTE A			
Reconciliation of Operating Profit with Cash Flows from Operations			
Profit from Operations		9,880,887	13,224,672
Depreciation	5	19,879,272	8,285,813
Amortisation	4	1,544,476	1,503,691
Depreciation of Right of Use Assets	6	14,756,839	8,985,320
Provision for Employee Benefits	14.1	4,321,146	3,536,957
Unrealised (Income)/Losses		(248,310,618)	(34,925,522)
Decrease/(Increase) in Debtors and Other Assets		221,457,530	(227,651,537)
Increase in Family Takaful (Long Term Insurance) Fund		688,782,745	564,638,237
(Decrease)/Increase in Unearned Contribution (Premium)		1,509,021	557,651
(Decrease)/Increase in Other Creditors		51,549,605	37,881,529
Exchange Gain/(Loss)		(358,269)	236,109
Cash Flow from Operating Activities		765,012,634	376,272,920
Finance Cost paid		(8,872,856)	(8,646,402)
Gratuity paid	14	(581,750)	(1,909,403)
Net Cash Flow from Operating Activities		755,558,028	365,717,115

The Notes on pages 85 through 124 form an integral part of the Financial Statements.

SEGMENTAL ANALYSIS
STATEMENT OF FINANCIAL POSITION

As at 31 December	2025				2024
	Family Takaful Fund	Shareholders' Fund	Adjustments	Total	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Assets					
Intangible Assets	-	16,628,217	-	**16,628,217**	17,859,284
Property, Plant and Equipment	-	84,742,821	-	**84,742,821**	45,439,767
Right of Use Asset	-	53,877,004	-	**53,877,004**	35,619,380
Investment Property	-	-		**-**	152,500,000
Financial Investments	399,014,116	600,631,199	-	**999,645,315**	881,759,478
Retakaful (Reinsurance) Receivables	50,074,168	-	-	**50,074,168**	50,833,117
Contribution (Premium) Receivables	51,885,714	-	-	**51,885,714**	34,542,039
Other Assets	65,546,546	71,262,289	-	**136,808,834**	116,168,165
Financial Investments - Unit Linked	4,255,470,504	-	-	**4,255,470,504**	3,587,817,009
Interfund Receivable	-	7,449,526	(7,449,526)	**-**	-
Cash and Bank Balances	43,600,279	5,347,562	-	**48,947,841**	50,255,577
Cash and Bank Balances - Unit Linked	74,368,772	-	-	**74,368,772**	12,606,847
Total Assets	4,939,960,099	839,938,616	(7,449,526)	**5,772,449,191**	4,985,400,666
Liabilities					
Insurance Contract Liabilities - Family Takaful Fund	241,659,512	-	-	**241,659,512**	264,694,775
Insurance Contract Liabilities - Unit Linked	4,289,307,630	-	-	**4,289,307,630**	3,574,638,570
Employee Benefits	-	19,411,271	-	**19,411,271**	15,210,560
Subordinated Debt	-	103,870,871	-	**103,870,871**	98,044,450
Other Liabilities - Unit Linked	216,875,410		-	**216,875,410**	216,343,252
Other Liabilities	124,052,576	68,026,094	-	**192,078,670**	141,061,223
Lease Liability	-	57,878,932	-	**57,878,932**	37,693,000
Income Tax Payable	-	9,613,373		**9,613,373**	-
Interfund Payable	7,449,526	-	(7,449,526)	**-**	-
Total Liabilities	4,879,344,654	258,800,540	(7,449,526)	**5,130,695,669**	4,347,685,830
Shareholders' Equity					
Stated Capital	-	500,000,000	-	**500,000,000**	500,000,000
Other Reserves	60,615,447	23,048,357	-	**83,663,805**	70,558,460
Revenue Reserves	-	58,089,718	-	**58,089,718**	67,156,376
Total Equity	60,615,447	581,138,076	-	**641,753,523**	637,714,836
Total Equity and Liabilities	4,939,960,101	839,938,616	(7,449,526)	**5,772,449,191**	4,985,400,666

The Notes on pages 85 through 124 form an integral part of the Financial Statements.

SEGMENTAL ANALYSIS
STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December	2025				2024
	Family Takaful Fund	Shareholders' Fund	Adjustments	Total	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Gross Written Contribution (Premium)	1,763,962,088	-	-	1,763,962,088	1,295,045,915
Less: Contribution (Premium) Ceded to Retakaful Companies (Reinsurers)	(76,079,321)	-	-	(76,079,321)	(57,649,951)
Net Written Contribution (Premium)	1,687,882,768	-	-	1,687,882,768	1,237,395,964
Add : Unearned Takaful Contribution (Premium) at the beginning of the year	6,000,145	-	-	6,000,145	5,442,494
Less : Unearned Takaful Contribution (Premium) at the end of the year	(7,509,165)	-	-	(7,509,165)	(6,000,145)
Net Earned Contribution (Premium)	1,686,373,747	-	-	1,686,373,747	1,236,838,313
Other Income					
Allocation Fee from Contribution (Premium)	-	764,897,241	(764,897,241)	-	-
Allocation fee from Investment Income	-	27,367,046	(27,367,046)	-	-
Income from Investments	570,071,897	45,856,347	-	615,928,245	582,816,251
Other Operating Income	938,379	116,716,389	(44,921,588)	72,733,180	59,968,482
Total Revenue	2,257,384,024	954,837,023	(837,185,875)	2,375,035,172	1,879,623,045
Benefits, Losses and Expenses					
Takaful (Insurance) claims and benefits-net	(607,867,286)	-	-	(607,867,286)	(519,187,946)
Acquisition Cost (Net of Reinsurance Commission)	(7,234,281)	(225,457,038)	-	(232,691,319)	(153,142,951)
Increase in Family Takaful (Long Term Insurance) Fund	(689,386,971)	-	-	(689,386,971)	(565,242,463)
Allocation Fee from Contribution (Premium)	(792,264,286)	-	792,264,287	-	-
Profit / (Loss) from Operations	160,631,200	729,379,985	(44,921,588)	845,089,595	642,049,686
Less : Indirect Expenses					
Other Operating, Investment Related and Administration Expenses	(160,631,199)	(698,075,348)	44,921,588	(813,784,960)	(619,035,508)
Amortisations	-	(1,544,476)	-	(1,544,476)	(1,503,691)
Depreciation	-	(19,879,272)	-	(19,879,272)	(8,285,813)
Finance Cost	-	(8,872,856)	-	(8,872,856)	(8,646,402)
Profit/(Loss) Before Taxation	-	1,008,031	-	1,008,031	4,578,270
Income Tax	-	(9,613,373)	-	(9,613,373)	-
Profit/(Loss) for the period	-	(8,605,342)	-	(8,605,342)	4,578,270

The Notes on pages 85 through 124 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

Amana Takaful Life PLC ("the Company") is a public listed company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at 660–1/1, Galle Road, Colombo 03.

1.2 Principal Activities and Nature of Operations

Company

The principal activities of the Company are underwriting of Family (Life) Takaful Insurance businesses in both unitised and non–unitised contracts. Unit – Linked contracts are which, contract benefits are determined by reference to the unit prices of respective investment fund.

the commercial operations of the Company commenced with effect from 1 January 2015 as follows.

Amana Takaful Life PLC was incorporated on 10 July 2014 in order to transfer the Family Takaful business of Amana Takaful PLC, with effect from 1 January 2015 in line with the requirement to segregate Life and General Insurance business as required by the RII (Amendment) Act No. 03 of 2011.

Amana Takaful Life Limited was listed on Diri Savi Board of the Colombo Stock Exchange in the year 2016 by way of offering 50 million ordinary voting shares at 1.50 Rupees per share, which represents a 10 percent stake in the Company. The Company's name was changed during the year from Amana Takaful Life Limited to Amana Takaful Life PLC.

In terms of Articles 9 of the Articles of the Association of the Company, the shareholders having approved a consolidation of shares, every 10 existing issued ordinary shares to 1 share without any change to the Stated Capital of the Company on 30th July 2018, the issued number of shares have reduced from 500,000,000 fully paid shares to 50,000,000 fully paid shares.

1.3 Parent Entity and Ultimate Parent Entity

The parent entity of the Company is Amana Takaful PLC.

1.4 Date of Authorisation for issue

The Financial Statements of Amana Takaful Life PLC for the year ended 31 December 2025 was authorised for issue by the Board of Directors on 30 April 2026.

1.5 Responsibility for Financial Statements

The Board of Directors is responsible for these Financial Statements.

2. BASIS OF PREPARATION

The Company's Statement of Financial Position represents the assets, liabilities of Family Takaful Fund (Unitised and Non–Unitised) and equity of Shareholders' Fund.

The Company's Statement of Comprehensive Income reflects revenue, investment income, other income and related expenses attributable to Family Takaful Fund (Unitised and Non–Unitised) and Shareholders' Fund.

Financial assets and financial liabilities are offset, and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously.

2.1 Statement of Compliance

The Financial Statements are prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS) and they also provide information as required under the Companies Act, No. 07 of 2007, Regulation of Insurance Industry Act. No. 43 of 2000 and amendments thereto, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, Rules and Regulations of the Insurance Regulatory Commission of Sri Lanka and Listing Rules of the Colombo Stock Exchange (CSE).

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for the following material items in the Statement of Financial Position:

- Motor vehicles in Property, Plant and Equipment measured at fair value (as at 31.12.2025)
- Financial instruments at fair value through profit or loss are measured at fair value
- Available-for-sale financial assets are measured at fair value
- Investment properties, which are measured at fair value
- Policyholder's liabilities have been measured at actuarial determined values
- The liability for defined benefit obligations are actuarially valued and recognised at the present value

The Company presents its Statement of Financial Position broadly in the order of liquidity.

2.3 Functional and Presentation Currency

These Financial Statements are presented in Sri Lankan Rupees (Rs.), which is the Company's functional and presentation currency.) and all financial information presented in Sri Lankan Rupees has been rounded to the nearest Rupee.

2.4 Use of Estimates and Judgments

In the process of applying the Company's accounting policies, management is required to make judgments, apart from those involving estimations, which has the most significant effect on the amounts recognised in the Financial Statements. Further, management is required to consider key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of

causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The respective carrying amounts of assets and liabilities are given in related notes to the Financial Statements. Actual results may differ from these estimates.

2.4.1 Assumptions and Estimations

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The key items as such are discussed below.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 is included in the following notes:

Actuarial Valuations of the Insurance Provisions

Note 13 - Long Term Insurance Provision (Family Takaful Fund)

The valuation of Long-Term Insurance Provision was carried out by Mr. Zainal Abidin Mohd Kassim (BSC, FIA, ASA) of Actuarial Partners Consulting Sdn Bhd.

Life insurance liabilities are recognised when contracts are entered into and premiums are receivable. At each reporting date, an assessment is made of whether the recognised life insurance liabilities are adequate by using a liability adequacy test.

Significant estimates and assumptions made in respect of actuarial valuations have been disclosed in the Note 13 to the Financial Statements.

Note 14 – Employee Benefits

Defined benefit obligation and the related charge for the year are determined using assumptions required under actuarial valuation techniques. The valuation involves making assumptions about discount rates, future salary increases, staff turnover rates etc. Due to the long-term nature of such obligations, these estimates are subject to significant uncertainty (Note 14.2).

Note 28 - Deferred Tax Asset

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the best estimate of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Note 8 & 11 - Fair Value of Financial Investments

The determination of fair values of financial assets and financial liabilities recorded on the Statement of Financial Position for which there is no observable market price are determined using a variety of valuation techniques that include the use of mathematical techniques.

Note 31 – Commitments & Contingencies

The Company receives legal claims against in the normal course of business. Management has made judgments as to the likelihood of any claim succeeding in making provisions. The time of concluding legal claim is uncertain, as in the amount of possible outflow of economic benefits.

Timing and cost ultimately depend on the due process in respective legal jurisdiction.

2.5 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further, information about the assumptions made in measuring fair values is included in the following notes:

- Note 5 - Property, Plant and Equipment
- Note 8 & 11 - Financial Investments

2.6 Segment Reporting

A segment is a distinguishable component of the Company engaged in providing services subject to risks and rewards that are different to those of other segments.

Segmental information is based on industry segments reflecting the Company's management structure.

Segmentation has been determined based on the activities of the Company or sectors into which the product or services are sold. The primary format is based on the core business, family and fund management services of Shareholders' Fund.

Inter-segment transactions are based on fair market prices.

Expenses directly identified to a particular segment are charged accordingly. Expenses that cannot be directly identified to a particular segment are allocated on basis decided by the management and applied consistently throughout the period.

The Company's activities are located mainly in Sri Lanka. Consequently, assets and liabilities by geographic region are considered not material to be disclosed.

2.7 Going Concern

These Financial Statements are presented on the assumption that the Company is a going concern. The Directors have made an assessment of the Company's ability to continue as a going concern and they do not intend to liquidate.

2.8 Right-of-Use Assets and operating lease liability

The Company uses its judgment to determine whether an operating lease contract qualifies for recognition of right-of-use assets. The Company applies judgements in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic benefit for it to exercise either the renewal or termination. The Company can readily determine the interest rate implicit in the lease. Therefore, it does not require to use incremental borrowing rate to measure operating lease liability.

The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in similar economic environment.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.8.1 Foreign Currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Foreign currency differences are generally recognised in Profit or Loss.

However, foreign currency differences arising from the translation of Available-for-Sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss); are recognised in Other Comprehensive Income.

2.8.2 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that items recognised directly in equity or in Other Comprehensive Income.

Current Taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the Commissioner General of Inland Revenue.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Inland Revenue Act. No. 24 of 2017 and the amendments thereto.

Deferred Taxation

Deferred income tax is assessed, using the asset method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.8.3 Intangible Assets

Software

Intangible assets acquired separately are measured on initial recognition at cost. Following the initial recognition of the intangible assets, the cost model is applied requiring the assets to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income in the expense category consistent with the nature of the intangible asset. Amortisation commences when the assets were available for use.

The useful lives and the amortisation methods of intangible assets with finite lives are as follows:

Class	Useful Life	Amortisation method
Computer Software	20 years	Straight-line method

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Comprehensive Income when the asset is derecognised.

2.8.4 Prepaid Expenditure

Expenditure which is deemed to have a benefit or relationship to more than one financial year is classified as prepaid expenditure. Such expenditure is written off over the period to which it relates, on a straight-line basis.

2.8.5 Retakaful (Reinsurance) and Contribution (Premium) Receivable

The Company cedes insurance risk in the normal course of business for all of its businesses. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the re insurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the re insurer. The impairment loss is recorded in the Statement of Comprehensive Income.

Premiums and claims on assumed reinsurance are recognised as revenue or expenses in the same manner as they would be if the reinsurance were considered direct business, taking into account the product classification of the reinsured business.

Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract.

Premiums and claims are presented on a gross basis for both ceded and assumed reinsurance.

- Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expired or when the contract is transferred to another party.
- Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration received or receivable. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the Statement of Comprehensive Income.

2.8.6 Other Assets & Receivables

Other assets & receivables are stated at their estimated realisable value.

2.8.7 Property, Plant and Equipment

Cost

The Property, Plant and Equipment are stated at cost (except for motor vehicles) less accumulated depreciation and any accumulated impairment losses.

The cost of Property, Plant & Equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature by means of which to carry on the business or to increase the earning capacity of the business has been treated as capital expenditure.

Motor vehicles are revalued every three years on a roll-over basis to ensure that the carrying amounts do not differ materially from the fair value at the reporting date.

An item of Property, Plant and Equipment is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or losses arising on de-recognition of the asset is included in the Statement of Comprehensive Income in the year the asset is de-recognised.

Restoration Cost

Expenditure incurred on repairs or maintenance of Property, Plant and

Equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognised as an expense when incurred.

Depreciation

The Company provides depreciation from the date of assets are available for use up to the date of disposal on a straight-line basis over the period appropriate to the estimated useful lives of the different types of assets. Operating leased assets if any, are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of Property, Plant and Equipment are as follows:

Class	Useful Life
Motor Vehicles	5 Years
Computer Equipment	5 Years
Other Equipment	5 Years
Furniture & Fittings	5 Years
Leasehold vehicles	5 Years

The Company provides depreciation from the date the assets are available for use up to the date of disposal.

2.9 Financial Investments

The Company classifies non-derivative financial assets into the following categories: Financial Assets at Fair Value through Profit or Loss, Loans and Receivables and Available-for-Sale financial assets.

The Company classifies non-derivative financial liabilities into the Other Financial Liabilities category.

The classification depends on the purpose for which the investments were acquired or originated. Financial assets are classified as at fair value through profit or loss where the Company's documented investment strategy is to manage financial investments on a fair value basis, because the related liabilities are also managed on this basis. The available-for-sale and held-to-maturity categories are used when the relevant liability (including shareholders' funds) is passively managed and/or carried at amortised cost.

The Company's existing types of financial instruments and their classifications are shown in the table below.

Financial Asset	Category
Equity Shares	Fair Value through Profit or Loss and Available–for–Sale
Unit Trust	Available-for-Sale
Term Deposits/Mudharaba Deposits	Loans and Receivables
Treasury Bills/Repurchase Agreements	Loans and Receivables
Commercial Papers	Loans and Receivables

Financial Liability	Category
Other Liabilities	Other Financial Liabilities

2.9.1 Recognition of financial instruments

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at Fair Value Through Profit or Loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are offset, and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.9.2 Measurement

Financial assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held-for-trading and those designated at fair value through profit or loss at inception. Investments typically bought with the intention to sell in the near future are classified as held-for-trading. For investments designated as at fair value through profit or loss, the following criteria must be met.

The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or the assets and liabilities are part of a Company of financial instruments, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

These investments are initially recorded at fair value. Directly attributable transaction costs are recognised in Statement of Comprehensive Income as incurred. Subsequent to initial recognition, these investments are re-measured at fair value. Fair value adjustments and realised gain and loss are recognised in the Statement of Comprehensive Income.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These investments are initially recognised at cost, being the fair value of the consideration paid for the acquisition of the investment. All transaction costs directly attributable to the acquisition

are also included in the cost of the investment. After initial measurement, loans and receivables are measured at amortised cost, using the effective interest rate method. Gains and losses are recognised in the Statement of Comprehensive Income when the investments are derecognised or impaired, as well as through the amortisation process.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents. The cash flow statement has been prepared using the direct method. Interest and dividend received are classified as operating cash flows.

Available-for-Sale Financial Assets

Available-For-Sale financial assets are non-derivative financial assets that are designated as Available-For-Sale or are not classified in any of the three preceding categories.

Investments are initially recorded at fair value plus any directly attributable transaction costs. After initial measurement, Available-for-Sale financial assets are measured at fair value. Fair value gains and losses are reported as a separate component in other comprehensive income and accumulated in the Available-for -Sale Reserve until the investment is derecognised or the investment is determined to be impaired.

On de-recognition or impairment, the cumulative fair value gains and losses previously reported in equity are transferred to the Statement of Comprehensive Income.

Other Financial Liabilities are non-derivative financial liabilities which are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

2.9.3 Impairment of financial Investments

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is measurable decrease in expected cash flows from a Company of financial assets.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the loss is recorded in the Statement of Comprehensive Income.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a company of financial assets with similar credit risk characteristics and that company of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. The impairment assessment is performed at each reporting date.

If, in a subsequent period, the amount of the impairment loss decreases and that decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the Statement of Comprehensive Income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Available-for-Sale financial investments

If an Available-for-Sale financial asset is impaired, an amount comprising the difference between its costs (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in other comprehensive income, is transferred from equity to the Statement of Comprehensive Income. Reversals in respect of equity instruments classified as Available-for-Sale are not recognised in the Statement of Comprehensive Income.

Reversals of impairment losses on debt instruments classified at available-for-sale are reversed through the Statement of Comprehensive Income if the increase in the fair value of the instruments can be objectively related to an event occurring after the impairment losses were recognised in the Statement of Comprehensive Income.

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

2.9.4 De-recognition of financial instruments

A financial asset (or, when applicable, a part of a financial asset or part of a company of similar financial assets) is derecognised when,

- The rights to receive cash flows from the asset have expired
- The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement
- The Company has transferred its rights to receive cash flows from the asset and either:
- Has transferred substantially all the risks and rewards of the asset, or
- Has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including cash settled option or similar provision) on the transferred asset, the extent of the Company's continuing involvement is the amount of the transferred asset that the Company may repurchase, except that, in the case of a written put option (including a cash settled option or similar provision) on an asset measured at fair value, the extent of the Company's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

2.10 Investment Properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in the Statement of Comprehensive Income in the year in which they arise. Valuation of investment property by a professional valuer is carried out every year.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the Statement of Comprehensive Income in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change.

2.11 Liabilities and Provisions (excluding Insurance Contracts)

Provisions (excluding Insurance Contracts)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

2.1.2 Employee Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the Financial Statements in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The defined benefit obligation is calculated by a qualified Actuary as at the reporting date using the Projected Unit Credit (PUC) method as recommended by LKAS 19 - Employee Benefits.

However, under the payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of five years of continued service. The Company is liable to pay gratuity in terms of relevant statute. In order to meet this liability, a provision is carried forward in the Statement of Financial Position.

The item is stated under Employee Benefit Liability in the Statement of Financial Position.

Recognition of Actuarial Gains and Losses

Actuarial gains or losses are recognised in the Statement of Other Comprehensive Income in the period in which they arise.

Funding Arrangements

Gratuity liability is not externally funded.

Defined Contribution Plans – Employees' Provident Fund (EPF) & Employees' Trust Fund (ETF)

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with the respective statutes and regulations. The Company contributes 12 % and 3 % of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.13 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Impairment losses of continuing operations are recognised in the Statement of Comprehensive Income in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case, the impairment is also recognised in equity up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive Income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

2.14 Takaful Contribution (Premium)

Contributions (premiums) from Family Takaful (traditional life insurance) contracts, including participating contracts and annuity policies with life contingencies, are recognised as revenue when payable by the policyholder. Benefits and expenses are provided against such revenue to recognise profits over the estimated life of the policies. Moreover, for single contribution (premium) contracts, contributions (premiums) are recorded as income when received with any excess profit deferred and recognised in income in a constant relationship to the insurance in-force or, for annuities, the amount of expected benefit payments.

Retakaful Contracts (Reinsurance Contracts)

Outward Retakaful contributions (reinsurance premiums) are recognised when payable. Retakaful (reinsurance) recoveries are credited to match the relevant gross claims.

Claims

Death claims are recorded on the basis of notifications received. Maturities are recorded when due. Claims on participating business include profit. Claims payable include direct costs of settlement.

The interim payments (part withdrawals) and surrenders are accounted only at the time of settlement.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes. The following specific criteria are used for the purpose of recognition of revenue.

Technical Provisions - Family Takaful Business provision and Provision for Unit Linked liabilities

The Directors agree to the Family Takaful (long term insurance) business provisions for the Company on the recommendation of reporting actuary following his annual investigation of the Family Takaful (life insurance) business.

The actuary's valuation takes into account of all liabilities including contingent liabilities and is based on the assumptions recommended by the Consultant Actuary.

2.15 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes. The following specific criteria are used for the purpose of recognition of revenue.

Wakala Fee (Agency/Allocation Fee)

Wakala Fee (Agency/Allocation Fee) on Takaful Contribution (Insurance Premium)

The Allocation Fee is charged on contribution of Family Takaful certificates at the following rates.

Family Takaful Products	- First Year	80%
	- Second Year	45%
	- Third	2%
	- Fourth Year	2%
	- Fifth & after	2%

Mortgage Family Takaful (Insurance) Policies	20%
Company Family Takaful (Insurance) Policies	30%

Wakala Fee (Agency/Allocation Fee) on Investment Income

Shareholders' fund is entitled for Allocation fee of 50% on net investment income, only on Family Takaful Fund.

Investment Income

Income from Government Securities

Interest income is recognised in the Statement of Comprehensive Income as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognised as an adjustment to the effective interest rate of the instrument.

Dividend Income

Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

Realised/unrealised Gains and (Losses)

Realised gains and losses recorded in the Statement of Comprehensive Income on investments include gains and losses on financial assets and investment properties. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortised cost and are recorded on occurrence of the sale transaction.

Others

Other income consists with fund management fee, rental income and income from surpluses from reinsurers. All other income is recognised on an accrual basis.

2.16 Expenditure Recognition

Expenses are recognised in the Statement of Comprehensive Income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant and Equipment in a state of efficiency has been charged to the Statement of Comprehensive Income.

Surplus refund is made only when the Fund is in a surplus and to those participants who have not made any claims during the policy period.

For the purpose of presentation of Statement of Comprehensive Income, the Directors are of the opinion that nature of expenses method presents fairly the elements of the Company's performance, and hence such presentation method is adopted.

2.17 Events after the Reporting Period

All material post reporting events have been considered and where appropriate adjustments or disclosures have been made in Note 32 to the Financial Statements.

2.18 Capital Commitments & Contingencies

Capital commitments and contingent liabilities of the Company are disclosed in the Financial Statements.

2.19 Stated Capital

Stated capital in relation to a company means the total of all amounts received by the Company or due and payable to the Company.

2.20 Current and Non-Current Classification

The Company presents assets and liabilities in statement of financial position under liquidity basis. Current non-current analysis of financial assets and liabilities are given under liquidity disclosure (Note 34.7).

3. STANDARDS ISSUED BUT NOT YET EFFECTIVE AS AT REPORTING DATE

The new and amended standards and interpretations that are issued up to the date of issuance of Amana Takaful Life PLC's financial statements but are not effective for the current annual reporting period, are disclosed below. Amana Takaful Life PLC intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

3.1 SLFRS 17 - Insurance Contracts:

Scope

SLFRS 17 applies to all types of insurance contracts—including life, non-life, direct insurance, and reinsurance—regardless of the type of entity that issues them. The Standard also covers certain financial guarantees and financial instruments that contain discretionary participation features.

However, a limited number of scope exceptions apply.

Key requirements

The overall objective of SLFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. Unlike SLFRS 4, which largely relied on grandfathered local accounting policies, SLFRS 17 introduces a comprehensive

and consistent model that addresses all key aspects of insurance contract accounting.

The core of SLFRS 17 is the General Measurement Model, supported by:

- The variable fee approach (VFA): an adaptation for contracts with direct participation features.
- The premium allocation approach (PAA): a simplified method primarily intended for short-duration contracts.
- The key features of SLFRS 17's insurance contract accounting model include:
- Fulfilment cash flows: Measurement of the present value of future cash flows, including an explicit risk adjustment, remeasured at every reporting date.
- Contractual Service Margin (CSM): A liability representing unearned profit, equal and opposite to any day-one gain in the fulfilment cash flows of a group of contracts. It is recognised in profit or loss as insurance services are provided over the coverage period.
- CSM adjustments: Certain changes in expected future cash flows are offset against the CSM and recognised in profit or loss over the remaining coverage period
- Discount rate effects: Changes in discount rates are recognised either in profit or loss or in other comprehensive income, based on the entity's accounting policy choice
- Revenue and expense presentation: Insurance revenue and service expenses are presented based on the concept of services provided during the reporting period
- Non-distinct investment components: Amounts payable to policyholders regardless of an insured event are excluded from the income statement and recognised directly on the balance sheet.
- Separate presentation of results: Insurance service results (earned revenue minus incurred claims) are shown separately from insurance finance income or expense.

  Reinsurance loss-recovery component: A loss-recovery asset is recognised in profit or loss when reinsurance covers losses from onerous underlying contracts and is subsequently remeasured as recoveries occur.
- Balance sheet presentation: Entities must separately present portfolios of insurance contracts issued that are assets and those that are liabilities; the same applies to reinsurance portfolios held.
- Enhanced disclosures: Extensive disclosures are required on recognised amounts and the nature and extent of risks arising from insurance contracts.

Transition

SLFRS 17 is effective for annual reporting periods beginning on or after 1 January 2026, with comparative figures required.

Estimated impact of the adoption of SLFRS 17

The Company is in the process of assessing and finalising its accounting policies, transition approach including the impact on comparative information and the implications for current practices, as well as determining the appropriate implementation methodology. Consequently, the financial impact of the initial application of SLFRS 17 has not been disclosed in these financial statements, as it is not yet reasonably estimable.

Statement of Alternative Treatment (SoAT) on the Figures in the Interim Financial Statements

In May 2025, the Institute of Chartered Accountants of Sri Lanka issued a Statement of Alternative Treatment (SoAT) relating to the figures in interim financial statements for entities reporting under LKAS 34-Interim Financial Reporting. The SoAT provides temporary conditional reliefs for the first, second, and third quarters of 2026, as detailed in the SoAT. The fourth-quarter interim financial statements and the annual financial statements must be prepared in accordance with SLFRS 17 and SLFRS 9, including comparative information for 2025 in line with the applicable transition requirements.

The Company will apply the provisions in the Statement of Alternative Treatment when preparing interim financial statements under LKAS 34 in 2026.

3.2 SLFRS 9 - Financial Instruments

SLFRS 9 replaced LKAS 39 - Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. However, the Company elected, under the amendments to SLFRS 4 to apply the temporary exemption from SLFRS 9, deferring the initial application date of SLFRS 9 to align with the initial application of SLFRS 17.

Classification and measurement

SLFRS 9 requires all financial assets—other than equity instruments and derivatives—to be evaluated based on both the entity's business model for managing those assets and the contractual cash flow characteristics of the instruments. The measurement categories under LKAS 39 have been replaced with the following: Fair Value through Profit or Loss (FVPL), Fair Value through Other Comprehensive Income (FVOCI) and Amortised Cost.

Impairment

SLFRS 9 will fundamentally change the loan loss impairment methodology. The Standard replaces the incurred loss model under LKAS 39 with a forward-looking Expected Credit Loss (ECL) approach.

Under SLFRS 9, it is required to recognise an allowance for expected credit losses on all loans and other debt instruments not measured at fair value through profit or loss, as well as on loan commitments and financial guarantee contracts.

The impairment model under SLFRS 9 is based on a three-stage approach.

- **Stage 1:** For financial assets that have not experienced a significant increase in credit risk since initial recognition, impairment is measured based on a 12-month Expected Credit Loss (12-month ECL). This represents the portion of lifetime expected losses that result from default events possible within the next 12 months.
- **Stage 2:** Under SLFRS 9, financial assets are classified into Stage 2 when there has been a significant increase in credit risk since initial recognition. For these assets, it is required to recognise a loss allowance based on lifetime Expected Credit Losses (lifetime ECL).
- **Stage 3:** Financial assets are categorised into Stage 3 when there is objective evidence that the asset is credit-impaired. For Stage 3 assets, impairment continues to be measured based on lifetime ECL, and interest income is generally recognised on a net-carrying-amount basis, reflecting the credit-impaired status of the asset.

Hedging

SLFRS 9 introduces a more principles-based and risk-management-aligned hedge accounting model compared with LKAS 39. It aims to reflect an entity's actual risk management activities in its financial statements

Estimated impact of the adoption of SLFRS 9

The Company is in the process of evaluating the impact. Consequently, the financial impact of the initial application of SLFRS 17 has not been disclosed in these financial statements, as it is not yet reasonably estimable.

3.3 SLFRS 18 - Presentation and Disclosure in Financial Statements

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organised and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 18 on the financial statements and the related notes is currently being identified and evaluated.

3.4 SLFRS 19 - Subsidiaries without public accountability: Disclosures

SLFRS 19 introduces reduced disclosure requirements for subsidiaries that do not have public accountability but continue to apply the full SLFRS recognition and measurement principles.

The purpose of SLFRS 19 is to lessen the financial reporting burden on qualifying subsidiaries by simplifying disclosure requirements, while still ensuring that financial statements remain high-quality, consistent, and comparable for users.

SLFRS 19 applies to Specified Business Enterprises, as defined in the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Subsidiaries that fall within this category and do not have public accountability are eligible to apply SLFRS 19.

The Standard becomes effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 19 is currently being identified and evaluated.

3.5 Classification and Measurement of Financial Instruments - Amendments to SLFRS 9 and SLFRS 7

The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainability-linked terms and nature-dependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted.

The amendments are not expected to have a material impact on the financial statements.

3.6 Annual improvements to Sri Lanka Accounting Standards

Narrow scope amendments as part of its periodic maintenance of Sri Lanka Accounting Standards will be adopted, if applicable, when they become effective.

4. INTANGIBLE ASSETS

As at 31 December	2025 Rs.	2024 Rs.
Cost		
At beginning of the year	31,142,424	30,828,640
Additions during the year	313,409	313,784
At end of the year	31,455,833	31,142,424
Amortisation		
At beginning of the year	13,283,140	11,779,449
Amortisation charge for the year	1,544,476	1,503,691
At end of the year	14,827,616	13,283,140
Carrying value	16,628,217	17,859,284

4.1 Acquisition of Intangible Assets during the year

During the financial year, the Company acquired Rs. 313,409 of Intangible Assets (Computer Software) (2024 - Rs. 313,784).

4.2 Fully amortised Intangible Assets in Use

There are no intangible assets that is amortised fully as at reporting date.

4.3 Title restriction on Intangible Assets

There are no restrictions that existed on the title of the Intangible Assets of the Company as at the Reporting Date.

4.4 Assessment of Impairment of Intangible Assets

The Board of Directors has assessed potential impairment indicators of intangible assets as at 31 December 2025. Based on the assessment, no impairment indicators were identified.

4.5 Capitalisation of Borrowing Costs

There were no capitalised borrowing costs related to the acquisition of Intangible assets during the year (2024 - Nil).

5. PROPERTY, PLANT AND EQUIPMENT

As at 31 December	2025 Rs.	2024 Rs.
Freehold Property, Plant and Equipment (Note 5.1)	84,742,821	45,439,767
	84,742,821	45,439,767

5.1 Freehold Property, Plant and Equipment

	Balance as at 01.01.2025 Rs.	Additions during the Year Rs.	Disposals during the Year Rs.	Increase/ Decrease in Revaluation Rs.	Eliminations Rs.	Balance as at 31.12.2025 Rs.
At Cost						
Motor Vehicles	14,000,000	-	-	-	-	14,000,000
Computer Equipment	19,572,740	40,706,987	-	-	-	60,279,727
Other Equipment	31,309,675	7,163,384	-	-	-	38,473,059
Furniture and Fittings	30,969,420	11,311,955	-	-	-	42,281,375
Total Value of Depreciable Assets	95,851,835	59,182,326	-	-	-	155,034,161

5.1 Freehold Property, Plant and Equipment

	Balance as at 01.01.2025	Charge for the Year	Disposals during the Year	Increase/ Decrease in Revaluation	Eliminations	Balance as at 31.12.2025
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Accumulated Depreciation						
Motor Vehicles	-	2,798,467			-	2,798,467
Computer Equipment	12,073,190	8,554,688				20,627,878
Other Equipment	19,774,999	4,161,264				23,936,263
Furniture and Fittings	18,563,879	4,364,853				22,928,733
Total Depreciation	50,412,068	19,879,272	-	-	-	70,291,340
Carrying Amount	45,439,767					84,742,821

	Balance as at 01.01.2024	Additions during the Year	Disposals during the Year	Increase/ Decrease in Revaluation	Eliminations	Balance as at 31.12.2024
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At Cost						
Motor Vehicles	12,500,000	-	-	1,500,000	-	14,000,000
Computer Equipment	15,098,872	4,473,868	-	-	-	19,572,740
Other Equipment	21,378,965	9,930,710	-	-	-	31,309,675
Furniture and Fittings	20,344,836	10,624,583	-	-	-	30,969,419
Total Value of Depreciable Assets	69,322,674	25,029,161	-	1,500,000	-	95,851,835

	Balance as at 01.01.2024	Charge for the Year	Disposals during the Year	Increase/ Decrease in Revaluation	Eliminations	Balance as at 31.12.2024
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Accumulated Depreciation						
Motor Vehicles	5,316,698	2,505,476	-	-	(7,822,175)	-
Computer Equipment	10,433,775	1,639,415	-	-	-	12,073,190
Other Equipment	17,636,217	2,138,782	-	-	-	19,774,999
Furniture and Fittings	16,561,739	2,002,140	-	-	-	18,563,879
Total Depreciation	49,948,429	8,285,813	-	-	(7,822,175)	50,412,068
Carrying Amount	19,374,245					45,439,767

5.2 Acquisition of Property, Plant and Equipment during the year

During the financial year, the Company acquired Property, Plant and Equipment to the aggregate value of Rs. 59,182,326 for cash consideration. (2024 Rs. 25,029,161).

5.3 Fully depreciated Property, Plant and Equipment in Use

Property, Plant and Equipment includes fully depreciated assets having a gross carrying amount of Rs. 44,046,548 (2024 - Rs. 42,237,237).

5.4 Title restriction on Property, Plant and Equipment

There are no restrictions that existed on the title of the Property, Plant and Equipment of the Company as at the Reporting Date.

5.5 Assessment of Impairment of Property, Plant and Equipment

The Board of Directors has assessed potential impairment indicators of Property, Plant and Equipment as at 31 December 2025. Based on the assessment, no impairment indicators were identified.

5.6 Capitalisation of Borrowing Costs

There were no capitalised borrowing costs related to the acquisition of Property, Plant and Equipment during the year (2024 - Nil).

5.7 Revaluation

In 2024, the Company's entire class of motor vehicles were revalued by De Silva Motor Engineers (Pvt) Ltd, which is a independent professional valuation organisation. Valuation was made on the basis of open market value which is the Level two in the fair value hierarchy. In carrying out such valuation market value of similar market, life and condition and year of manufacture of vehicles have been used as main inputs. The revaluation surplus was transferred to the Revaluation Reserve on 31st December 2024. The carrying amount of revalued motor vehicles that would have been included in the financial statements had the assets been carried at cost would have been as follows;

As at 31 December	2025 Rs.	2024 Rs.
Cost	12,500,000	12,500,000
Accumulated depreciation	(10,322,175)	(7,822,175)
Carrying Value	2,177,825	4,677,825

6. RIGHT OF USE ASSET

6.1 APPLICATION OF SLFRS 16 - LEASES

The Company recognises a Right of Use Asset and a lease liability at the lease commencement date.

6.2 The present value of operating lease commitments has been calculated using weighted average incremental borrowing rates of the Company.

6.3 The Company has elected not to recognise Right of Use Assets and Lease Liabilities for leases of low value assets and short term leases. The Company recognises the lease payments associated with these leases an expense on a straight line basis over the lease term.

As at 31 December	2025		2024
	Property Rs.	Total Rs.	Rs.
Right of Use Asset Balance as at 1st January	35,619,380	35,619,380	12,390,512
Addition	42,310,126	42,310,126	32,214,188
Elimination	(9,295,663)	(9,295,663)	-
Depreciation for the period	(14,756,839)	(14,756,839)	(8,985,320)
Balance as at 31 December	53,877,004	53,877,004	35,619,380

7. INVESTMENT PROPERTY

As at 31 December	2025 Rs.	2024 Rs.
Balance as at 1st January	152,500,000	151,000,000
Additions during the year	-	-
Disposals during the year	(145,000,000)	-
Net Gain/(Loss) from Fair Value Adjustment	-	1,500,000
Net Gain/(Loss) from Disposals	(7,500,000)	-
At end of the year	-	152,500,000

During the financial year, the Amana Takaful Life PLC has incurred direct operating expenses on the investment property to the aggregate value of Rs. 60,000 (2024 - Rs. 50,721).

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, Mr. P. W. Senaratne (FIV, FPCS) having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer provides the fair value of the Company's investment property portfolio annually. The Company's entire class of investment properties were revalued on 02 September 2025.

The fair value measurement for investment property of Rs. 152,500,000 (2024 - Rs. 152,500,000) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation Technique

In determining the fair value, the current condition of the properties, further usability and associated redevelopment requirements have been considered. The Valuer has also made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are approximated within appropriate range of values which are as follows :

Details	Extent	Fair Value 2025 Rs.	Per Perch/ Sq. ft. Value Rs.	Fair Value 2024 Rs.	Per Perch/ Sq. ft. Value Rs.
Land	5.5 Perches	139,500,000	25,350,000 per Perch	139,500,000	25,350,000 per Perch
Building *	2,610 sq. ft.	13,000,000	5,000 per sq. ft	13,000,000	5,000 per sq. ft

* The Building is one continuous block holding the address 451, Old Moor Street, Colombo 12

Sensitivity

Reasonably possible changes at the reporting date to one of the relevant inputs, holding other assumptions constant, would have affected the investment property by the amounts shown below.

As at 31 December	2025		2024	
	Increase	Decrease	Increase	Decrease
Per Perch (Rs. 100,000 movement)	550,000	(550,000)	550,000	(550,000)
Per Square Feet (Rs. 1,000 movement)	2,610,000	(2,610,000)	2,610,000	(2,610,000)

8. FINANCIAL INVESTMENTS

As at 31 December	2025 Rs.	2024 Rs.
Financial Assets at Fair Value through Profit or Loss (Note 8.1.1)	35,599,997	56,203,581
Available-for-Sale Financial Assets (Note 8.1.2)	243,056,518	90,555,526
Loans and Receivable (Note 8.1.3)	720,988,800	735,000,371
	999,645,315	881,759,478

8.1 Fair Value through Profit or Loss Investments and Available-for-Sale Investments have been valued at fair value. Loans and Receivable are valued at amortised cost.

8.1.1 Financial Investments at Fair Value through Profit or Loss

As at 31 December	2025 Rs.	2024 Rs.
Investments in Gold	35,599,997	56,203,581
	35,599,997	56,203,581

8.1.2 Financial Investments at Available-for-Sale Financial Assets

As at 31 December	2025 Rs.	2024 Rs.
Unit Trust - Balance Fund	27,329,390	21,272,740
Unit Trust - Income Fund	174,061,638	30,075,280
Unit Trust - NDB Money Plus Fund	41,665,490	39,207,506
	243,056,518	90,555,526

8.1.3 Loans and Receivables

As at 31 December	2025 Rs.	2024 Rs.
Investment in Repurchase Agreements	250,724,995	240,871,147
Mudharaba/Fixed Term Investments	470,263,805	494,129,224
	720,988,800	735,000,371

8.1.4 Loans and receivables includes a provision of Rs. 75,658,959 (2024 - Rs. 75,658,959). The said provision will be revised upon recovery.

8.2 Investments in Government Securities are made for the purpose of meeting the requirements of the Regulation of Insurance Industry Act, No. 43 of 2000.

8.3 Fair Value Hierarchy for Assets Carried at Fair Value

The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table shows the fair value hierarchy of the financial assets carried at fair value.

(a) Fair Value through Profit or Loss Financial Assets

Details	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
As at 31 December 2025			
Investments in Equity Securities - Unit Linked (Note 11.1)	161,667,557	-	-
Investments in Gold	-	35,599,997	-
Investments in Gold - Unit Linked	-	510,296,332	-
	161,667,557	545,896,329	-
As at 31 December 2024			
Investments in Equity Securities - Unit Linked (Note 11.1)	96,135,371	-	-
Investments in Gold	-	56,203,581	-
Investments in Gold - Unit Linked	-	219,258,416	-
	96,135,371	275,461,998	-

(b) Available-for-Sale Financial Assets

Details	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
As at 31 December 2025			
Unit Trust	-	243,056,518	-
Unit Trust - Unit Linked (Note 11.2)		45,530,662	
	-	288,587,180	-
As at 31 December 2024			
Unit Trust	-	90,555,526	-
Unit Trust - Unit Linked (Note 11.2)		42,866,057	
	-	133,421,583	-

The fair value of Unit Trust is directly obtained from the unit trust market and categorised under level two, based on the expanded level of the market. The Company used average unit price of Rs. 17.63 and Rs. 19.91 respectively for Unit Linked and Non Unit Linked investments as at 31 December 2025.

The following financial instruments not measured at fair value are financial instruments for which their carrying amounts are a reasonable approximation of fair value, because for example, they are short-term in nature or repriced to current market rates frequently.

As at 31 December	2025 Rs.	2024 Rs.
Carrying Amount		
Financial assets		
Loans and Receivables	720,988,800	735,000,371
Loans and Receivables Unit Linked	3,537,975,953	3,229,557,165
Retakaful (Reinsurance) Receivables	50,074,168	50,833,117
Contribution (Premium) Receivables	51,885,714	34,542,039
Other Assets	90,489,427	61,610,910
Cash and Bank Balances	48,947,841	50,255,577
Cash and Bank Balances - Unit Linked	74,368,772	12,606,847
Financial liabilities		
Lease Liability	57,878,932	37,693,000
Other Liabilities - Unit Linked	135,660,450	126,585,270
Other Liabilities	107,685,809	65,586,953

9. CONTRIBUTION (PREMIUM) RECEIVABLE

As at 31 December	2025 Rs.	2024 Rs.
Contribution (Premiums) Receivable from Participants	51,885,714	34,542,039
	51,885,714	34,542,039

10. OTHER ASSETS

As at 31 December	2025 Rs.	2024 Rs.
Financial Assets (Note 10.1)	90,489,427	61,610,910
Non Financial Assets (Note 10.2)	46,319,407	54,557,255
	136,808,835	116,168,165

10.1 Financial Assets

As at 31 December	2025 Rs.	2024 Rs.
Other Receivables	90,489,427	61,610,910
	90,489,427	61,610,910

10.2 Non Financial Assets

As at 31 December	2025 Rs.	2024 Rs.
Advances and Prepayments	46,319,407	54,557,255
	46,319,407	54,557,255

11. FINANCIAL INVESTMENTS - UNIT LINKED

As at 31 December	2025 Rs.	2024 Rs.
Fair Value through Profit or Loss (Note 11.1)	671,963,889	315,393,787
Available-for-Sale (Note 11.2)	45,530,662	42,866,057
Loans and Receivables (Note 11.3)	3,537,975,953	3,229,557,165
	4,255,470,504	3,587,817,009

11.1 Fair Value through Profit or Loss

As at 31 December	2025 Rs.	2024 Rs.
Investment in Equity Securities (Note 11.3.1)	161,667,557	96,135,371
Investment in Gold	510,296,332	219,258,416
	671,963,889	315,393,787

11.2 Available-for-Sale

As at 31 December	2025 Rs.	2024 Rs.
Unit Trust - Income Fund	45,530,662	42,866,057
	45,530,662	42,866,057

11.3 Loans and Receivables

As at 31 December	2025 Rs.	2024 Rs.
Investment in Repurchase Agreements	112,396,604	103,799,215
Fixed Term Investments	3,425,579,349	3,125,757,950
	3,537,975,953	3,229,557,165

11.3.1 Investment in Equity Securities

As at 31 December	2025		2024	
	Number of Shares	Market Value Rs.	Number of Shares	Market Value Rs.
Tokyo Cement Company Lanka PLC	269,500	25,548,600	279,800	17,039,820
Textured Jersey Lanka PLC	131,441	4,587,291	245,441	12,861,108
Chevron Lubricants Lanka PLC	69,995	12,879,080	69,995	11,199,200
Hemas Holdings PLC	592,500	20,559,750	105,000	10,841,250
Dialog Telekom PLC	875,000	26,075,000	875,000	10,237,500
Ceylon Grain Elevators PLC	29,681	11,872,400	35,681	6,761,550
ACL Cables PLC	219,582	19,718,464	48,000	5,688,000
Royal Ceramics Lanka PLC	135,150	6,216,900	116,500	5,067,750
Lanka Wall Tile PLC	76,613	3,830,650	76,613	4,489,522
Bairaha Farms PLC	97,365	8,129,978	22,973	4,227,032
Kelani Valley Plantations PLC	55,400	5,096,800	34,856	3,367,090
Amana Bank PLC	139,000	4,170,000	97,700	2,393,650
Hay Carb PLC	76,700	8,187,725	23,000	1,961,900
Access Engineering PLC	15,000	1,099,500	-	-
Talawakelle Tea Estates LTD	9,760	1,434,720	-	-
Dipped Products PLC	37,000	2,260,700	-	-
	2,829,687	161,667,557	2,030,559	96,135,371

12. CASH AND CASH EQUIVALENTS IN STATEMENT OF CASH FLOWS

12.1 Components of Cash and Cash Equivalents

As at 31 December	2025 Rs.	2024 Rs.
Cash and Bank Balances	48,947,841	50,255,577
Cash and Bank Balances - Unit Linked	74,368,772	12,606,847
Investments in Government Securities	15,174,315	344,426,362
	138,490,928	407,288,786

13. INSURANCE CONTRACT LIABILITIES

As at 31 December	2025 Rs.	2024 Rs.
Insurance Contract Liability	4,401,982,952	3,740,590,263
Surplus of the Fund	128,984,190	98,743,082
Total Insurance Contract Liability (Note 13.1, Note 13.2)	4,530,967,142	3,839,333,345

13.1 Insurance Contract Liabilities - Family Takaful Fund

As at 31 December	2025 Rs.	2024 Rs.
Participant Investment Fund (PIF)	129,730,761	167,560,503
Participant Tabarru Fund (PTF) & Group Fund (GF)	104,419,586	91,134,127
Unearned Premium - Group Family Takaful	7,509,165	6,000,145
	241,659,512	264,694,775

13.2 Insurance Contract Liabilities - Unit Linked

As at 31st December	2025 Rs.	2024 Rs.
Unit Fund - Unit Linked	4,163,656,731	3,474,297,610
Participant Tabarru Fund & Group Fund - Unit Linked	125,650,900	100,340,960
	4,289,307,630	3,574,638,570

13.3 Movement in the Life Insurance Fund is as follows:

As at 31 December	2025 Rs.	2024 Rs.
Balance as at 1 January	3,839,333,345	3,274,695,108
Net Change in Contract Liabilities	691,633,797	564,638,237
Balance as at 31 December	4,530,967,142	3,839,333,345

13.4 The insurance provision has been based upon the following assumptions and other information.

13.4.1 Actuarial Assumptions

Valuation Interest Rate

For Participant Tabarru Fund (PTF) of Family Takaful and Unit Linked business, the Company has chosen Valuation Interest Rates of 4.31% p.a., which is net of Mudharaba sharing of investment returns with the Takaful Operator. For Mortgage Fund, Valuation Interest Rate of 8.84% p.a. is used. For the Takaful Operator's Fund, a valuation discount rate of 8.22% has been assumed. The Company adopted the annual returns as the basis for the valuation interest rate assumptions instead of the risk-free yield, due to expected returns being lower than the risk-free yield.

Mortality and Morbidity Assumption

The Company has used the standard table SLA07/09 based on the Sri Lanka Assured Lives Mortality Study Report 2013 from Munich Re to calculate the best estimate assumptions for mortality due to insufficient in-house mortality and morbidity experience. The Total Permanent Disability (TPD) rates are assumed to be 10% of mortality rates and other morbidity rates are assumed as Takaful rates. The risk margin loading factors assumed for mortality and morbidity are +/- 10% and +/- 20% respectively.

Lapse Assumptions

Lapse rate assumptions are based on a combination of the Company's experience for early durations as well as industry experience in Sri Lanka. The Company has used different lapse assumptions for each product to suit the specific nature of the product and business. A different lapse rate assumption has been used for single contribution as they are likely to exhibit different lapse experiences. The risk margin loading factor assumed for lapses is +/-20% for both regular and single contribution plans.

Expense Assumption

The Company performed the expense study internally where the expenses are allocated to acquisition and maintenance expenses as well as variable and fixed expenses based on the best representation of actual cost. The variable expenses are linked to contribution amount whereas the fixed expenses are expressed as a per policy expense. Further, the maintenance expenses assumptions were derived assuming that 48.8% of the variable expenses and 13% of the fixed expenses will be charged to the PTF for Family Takaful and Unit - Linked business. The risk margin loading factor assumed for expenses is +10%.

Bonus Assumption

No guarantees apply to any of the Takaful funds, and all funds except the Unit Fund and the Mortgage Fund are subject to sharing of investment income between the certificate holders and the Takaful Operator.

13.4.2 Other Information

The valuation of the Insurance Provisions (Family Takaful Fund), as at 31 December 2025 was made by Mr. Zainal Abidin Mohd. Kassim (FIA) for and on behalf of Actuarial Partners Consulting Sdn Bhd, Malaysia.

In the opinion of the consultant actuary, the provision is adequate to cover the liabilities pertaining to Long Term Insurance (Family Takaful) Fund. It is not required to perform a valuation on the Participating Investment Fund since it represents just the accumulation of investments made by the policy holders, with no guaranteed returns.

13.5 Liability Adequacy Testing (LAT)

A Liability Adequacy Test ("LAT") for Life Insurance contract Liability was carried out by Mr. Zainal Abidin Mohd. Kassim (FIA) for and on behalf of Actuarial Partners Consulting Sdn Bhd, Malaysia as at 31 December 2025 as required by SLFRS 4 - Insurance Contracts. According to the Consultant Actuary's Report, assets are sufficiently adequate as compared to the sum of the discounted cash flow reserves and any further additional reserves as at 31 December 2025.

14. EMPLOYEE BENEFITS

As at 31 December	2025 Rs.	2024 Rs.
Employee Benefits - Gratuity		
At beginning of the year	15,210,560	12,696,932
Net Benefit Expense (Note 14.1)	4,782,461	4,423,031
	19,993,021	17,119,963
Payments during the year	(581,750)	(1,909,403)
At end of the year	19,411,271	15,210,560

14.1 Net Benefit Expense

As at 31 December	2025 Rs.	2024 Rs.
Included in Statement of Comprehensive Income		
Interest Cost	1,657,951	1,752,176
Current Service Cost	2,663,195	1,784,781
	4,321,146	3,536,957
Included in Other Comprehensive Income		
Actuarial Loss on Obligations	461,315	886,074
	461,315	886,074
Net Benefit Expense	4,782,461	4,423,031

The gratuity liability was actuarially valued under the Projected Unit Credit Cost method by Mr. Piyal S. Goonetilleke (Fellow of the Society of Actuaries - USA) as at 31st December 2025 as required by LKAS 19 - Employee Benefits.

	2025	2024
Principal actuarial assumptions used :		
a) Discount Rate % per annum	9.7	10.9
b) Salary Increase % per annum	5	5
c) Incidence of Withdrawals	4	4
d) Expected Average Future Working Life of the Active Participants	5.2 Years	5.3 Years
e) The Weighted Average duration of the Defined Benefit Obligation	5 Years	4.7 Years

CASH FLOW STUDY - EXPECTED BENEFIT PAYOUT IN THE NEXT 10 YEARS

Year	2025 Rs.	2024 Rs.
2025	-	3,627,666
2026	4,237,908	2,644,343
2027	3,040,617	2,535,827
2028	3,026,911	2,685,579
2029	2,912,063	2,522,170
2030	3,184,685	3,014,766
2031	3,776,022	3,405,345
2032	3,742,167	3,147,313
2033	6,070,007	4,958,683
2034	6,321,362	5,084,148
2035	4,211,106	-
Actual Benefit Payout	581,750	1,909,403

Demographic Assumptions	2025	2024
f) Retirement age	60 Years	60 Years
g) Mortality rates	GA 1983 Mortality Table	GA 1983 Mortality Table

The liability is not externally funded.

14.2 Sensitivity

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

As at 31 December	31 December 2025		31 December 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(826,562)	913,667	(603,190)	664,132
Future salary growth (1% movement)	941,146	(868,828)	693,100	(638,700)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

15. SUBORDINATED DEBT

As at 31 December	2025 Rs.	2024 Rs.
Unsecured Subordinated Debt	103,870,871	98,044,450
	103,870,871	98,044,450

15.1 Subordinated Debt

As at 31 December	2025			
	Amount USD	Amount Rs.	Profit Rate Per Annum	Maturity Date
Subordinated Debt	175,000	54,260,903	8.25%	31 December 2028
Subordinated Debt	110,000	34,106,853	8.25%	13 March 2029
Subordinated Debt	50,000	15,503,115	8.25%	25 June 2029
	335,000	103,870,871		

15.2 Subordinated Debt

As at 31 December	2024			
	Amount USD	Amount Rs.	Profit Rate Per Annum	Maturity Date
Subordinated Debt	175,000	51,217,250	8.25%	31 December 2028
Subordinated Debt	110,000	32,193,700	8.25%	13 March 2029
Subordinated Debt	50,000	14,633,500	8.25%	25 June 2029
	335,000	98,044,450		

16. OTHER LIABILITIES - UNIT LINKED

As at 31 December	2025 Rs.	2024 Rs.
Financial Liabilities (Note 16.1)	135,660,450	126,585,270
Non-Financial Liabilities (Note 16.2)	81,214,960	89,757,982
	216,875,410	216,343,252

16.1 Financial Liabilities

As at 31 December	2025 Rs.	2024 Rs.
Retakaful Payable	135,660,450	126,585,270

16.2 Non-Financial Liabilities

As at 31 December	2025 Rs.	2024 Rs.
Advances	70,486,577	84,621,075
Other Creditors	10,728,383	5,136,907
	81,214,960	89,757,982

17. OTHER LIABILITIES

As at 31 December	2025 Rs.	2024 Rs.
Financial Liabilities (Note 17.1)	107,685,809	65,586,953
Non-Financial Liabilities (Note 17.2)	84,392,862	75,474,270
	192,078,670	141,061,223

17.1 Financial Liabilities

As at 31 December	2025 Rs.	2024 Rs.
Commission Payable	37,220,750	23,699,075
Retakaful Payable	68,634,789	41,887,878
Amount Due to a Related Party - Amana Takaful PLC	1,830,270	-
	107,685,809	65,586,953

17.2 Non-Financial Liabilities

As at 31 December	2025 Rs.	2024 Rs.
Accrued Liabilities	27,956,641	22,376,530
Other Creditors	56,436,221	53,097,739
	84,392,862	75,474,270

18. LEASE LIABILITY

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Ijarah rate implicit in the lease or, if that rate can not be readily determined, the Company's incremental borrowing rate. The movement of lease creditors for the period is as follows:

As at 31 December	2025		2024
	Property	Total	
	Rs.	Rs.	Rs.
Opening lease creditors as at 1st January	37,693,000	37,693,000	13,687,013
Additions	42,310,126	42,310,126	32,214,188
Eliminations	(9,835,305)	(9,835,305)	-
Expense recognised in Profit or Loss	4,419,214	4,419,214	3,252,899
Settlement through lease payment	(16,708,104)	(16,708,104)	(11,461,100)
Opening lease creditors as at 31st December	57,878,932	57,878,932	37,693,000

As at 31 December	1 Year or less	2-5 Years	Total
	Rs.	Rs.	Rs.
Maturity Analysis			
Gross Liability	18,363,304	49,077,686	67,440,990
Unamortised Profits	(4,347,374)	(5,214,685)	(9,562,059)
Net Liability	14,015,930	43,863,001	57,878,932

19. STATED CAPITAL

As at 31 December	2025	2024
Fully Paid Ordinary Shares - Voting (Rs.)	500,000,000	500,000,000
No. of Ordinary Shares - Voting	50,000,000	50,000,000

All issued shares carry equal voting rights. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

20. OTHER RESERVES

Reserves consists of the following :

20.1 Available-for-Sale Reserves

Available-for-Sale Reserves comprises the cumulative net change in the fair value of Available-for-Sale financial assets until the assets are derecognised or impaired.

20.2 Life Policyholders' Reserve Fund

Life Policyholder Reserve Fund includes the fair value changes recorded under Other Comprehensive Income in respect of Available-for-Sale financial assets related to Family Takaful Fund.

20.3 Revaluation Reserve

Revaluation Reserve relates to the revaluation of motor vehicles under Property, Plant and Equipment.

21. GROSS WRITTEN CONTRIBUTION (PREMIUM)

Year ended 31 December	2025 Rs.	2024 Rs.
Unit Linked	1,667,683,775	1,225,751,738
Family Takaful	13,458,256	18,763,263
Mortgage and Group Family Takaful	82,820,058	50,530,914
	1,763,962,088	1,295,045,915

22. INCOME FROM INVESTMENTS

Year ended 31 December	2025 Rs.	2024 Rs.
Investment Income (Note 22.1)	363,211,784	523,258,462
Unrealised Capital Gain - Fair Value through Profit or Loss Investments	248,310,618	34,925,522
Net Realised Capital Gain/(Losses) - Fair Value through Profit or Loss Investments	4,405,843	24,632,267
	615,928,245	582,816,251

22.1 Investment Income

Year ended 31 December	2025 Rs.	2024 Rs.
Dividend Income	4,506,776	4,400,746
Income from Mudharaba/Fixed Term Investments	330,227,691	487,425,093
Income from investment in Government Securities	28,477,317	31,432,623
	363,211,784	523,258,462

23. OTHER INCOME

Year ended 31 December	2025 Rs.	2024 Rs.
Fund Management Fee Income	44,125,387	36,652,141
Fees and Charges	23,147,589	17,793,340
Rental Income	4,521,825	4,023,000
Net Change in Fair value of Investment Property	-	1,500,000
Mortgage Surplus	938,379	-
	72,733,180	59,968,481

24. TAKAFUL (INSURANCE) CLAIMS AND BENEFITS (NET)

Year ended 31 December	2025 Rs.	2024 Rs.
Claims Incurred	47,491,059	40,683,309
Surrenders	421,173,036	348,978,488
Policy Maturities	103,698,694	98,962,516
Interim Payments/Part withdrawals	35,504,497	30,563,633
Long Term Insurance Claims and Benefits	607,867,286	519,187,946

25. OTHER OPERATING AND ADMINISTRATION EXPENSES

Year ended 31 December	2025 Rs.	2024 Rs.
Staff Expenses (Note 25.1)	420,652,115	329,524,703
Administration & Establishment Expenses	330,137,616	247,857,282
Selling Expenses	46,201,160	30,734,420
Depreciation (Note 5)	19,879,272	8,285,813
Depreciation ROU (Note 6)	14,756,839	8,985,320
Consultancy Fees	2,037,230	1,933,783
	833,664,232	627,321,323

25.1 Staff Expenses

Year ended 31 December	2025 Rs.	2024 Rs.
Wages, Salaries, Travel and Bonuses	363,780,538	284,651,801
Contribution to Defined Contribution Plans - EPF & ETF	25,856,466	20,111,726
Staff Welfare	12,507,329	8,598,710
Staff Training	7,140,979	4,587,242
Medical Claims	7,045,656	7,041,739
Employee Benefit/Gratuity (Note 14.1)	4,321,146	4,533,483
	420,652,115	329,524,703

26. FINANCE COST

Year ended 31 December	2025 Rs.	2024 Rs.
Extended Wakala Profit	8,333,468	7,376,981
Profit Mark up on Lease (Ijara) Facility	539,387	1,269,421
	8,872,856	8,646,402

27. PROFIT/LOSS FROM OPERATIONS FOR THE YEAR

is stated after charging the following :

Year ended 31 December		2025 Rs.	2024 Rs.
Directors' Emoluments	- Executive	-	-
	- Non-Executive	9,299,728	10,316,064
Auditors' Remuneration	- Audit	2,596,089	2,403,785
	- Audit Related	584,930	406,862
	- Non-Audit	915,832	515,989
Depreciation		34,636,111	8,985,320
Amortisation of Intangible Assets		1,544,476	1,503,691

28. INCOME TAX EXPENSE

Amana Takaful Life PLC is liable for income tax at 30% on the taxable income for the year of assessment 2025/2026 (2024/2025 - 30%).

28.1 Tax Reconciliation Statement

Year ended 31 December	2025 Rs.	2024 Rs.
Investment Income of the Shareholder Fund	48,525,256	64,522,575
Surplus Distributed to Shareholders from Life Insurance Policy Holders	Nil	Nil
Surplus Distributed to Policy Holders	Nil	Nil
Expenses relating to Investment Income of the Share Holder Fund	(16,480,679)	(20,513,415)
Loss Brought forward - 100% of below	-	(44,009,160)
Assessable/Taxable Income	32,044,577	-
Tax on Taxable Income @ 30%	9,613,373	-

UNRECOGNISED DEFERRED TAX ASSET

Deferred Tax Asset/(Liability) is attributable to the following;

As at 31 December	2025		2024	
	Temporary Difference Rs.	Tax Effect Rs.	Temporary Difference Rs.	Tax Effect Rs.
On Retirement Benefit Obligations	19,411,271	5,823,381	15,210,560	4,563,168
On Available-for-Sale Reserve - Shareholders' Fund	(1,727,610)	(518,283)	(1,136,096)	(340,829)
Accumulated Tax losses	-	-	712,245,457	213,673,637
	17,683,661	5,305,098	726,319,921	217,895,977

Deferred tax asset of Rs. 5,305,098 as at 31 December 2025 (2024: Rs. 217,895,977) arising out of the above temporary differences has not been recognised.

28.2 Income Tax Assessments Relating to Years of Assessment 2015/2016, 2016/2017, 2017/2018, 2019/2020, 2020/2021 & 2021/2022

The Department of Inland Revenue has raised assessments for the following years of assessment:

Year of Assessment 2015/2016: assessing the Life Insurance business to pay an income tax liability of Rs. 26,552,513 and the Company has lodged a valid appeal against the said assessment.

Year of Assessment 2016/2017: assessing the Life Insurance business to pay an income tax liability of Rs. 42,250,180 and the Company has lodged a valid appeal against the said assessment.

Year of Assessment 2017/2018: assessing the Life Insurance business to pay an income tax liability of Rs. 51,028,443 and the Company has lodged a valid appeal against the said assessment.

Year of Assessment 2019/2020: assessing the Life Insurance business to pay an income tax liability of Rs. 4,673,577 and the Company has lodged a valid appeal against the said assessment.

Year of Assessment 2020/2021: assessing the Life Insurance business to pay an income tax liability of Rs. 4,603,551 and the Company has lodged a valid appeal against the said assessment.

Year of Assessment 2021/2022: assessing the Life Insurance business to pay an income tax liability of Rs. 3,415,793 and the Company has lodged a valid appeal against the said assessment.

29. EARNINGS PER SHARE

29.1 Basic Earnings Per Share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

29.2 **The following reflect the income and share data used in the Basic Earnings Per Share computations.**

	2025 Rs.	2024 Rs.
Amount used as the Numerator:		
Profit for the year	(8,605,342)	4,578,270
Number of Ordinary Shares used as Denominator:		
Weighted Average Number of Ordinary Shares in Issue	50,000,000	50,000,000
Earnings Per Share	(0.17)	0.09

29.3 There were no potential diluitive ordinary shares outstanding at any time during the year. Therefore, Diluted Earning per Share is same as Basic Earning per Share shown above.

30. RELATED PARTY DISCLOSURES

The Company carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS) 24 - Related Party Disclosures. Transactions with related parties were made on the basis of the price lists in force with non-related parties, but subject to approved discounts. Outstanding balances with related parties as at the reporting date are unsecured and interest free. Settlement will take place in cash. Such outstanding balances have been included under respective assets and liabilities. These transactions are reviewed by related party transaction committee on frequent basis. Details of related party transactions are reported below:

The Company carried out following transactions with related parties in the ordinary course of its business on an arm's length basis at commercial rates during the year.

(A) Transactions and Outstanding Balances with the Related Companies

Relationship	Nature of Transactions and Outstanding Balances	2025 Rs.	2024 Rs.
Parent	Shared Cost	15,571,614	32,480,884
	Takaful Premium Paid	11,537,515	9,139,655
	Takaful Premium Received	2,616,508	928,424
	Shared Cost Settlements	15,571,614	32,480,884
	Current Account Balance (Net)	-	-

Shared Cost refers to the value of expenses paid by the Parent Company on behalf of Amana Takaful Life PLC on the shared cost as reimbursements. The subsequent settlement by Amana Takaful Life PLC is recorded as Shared Cost Settlements.

(B) Compensation of Key Management Personnel

According to Sri Lanka Accounting Standard (LKAS) 24 - Related Party Disclosures, 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) of the Company and its parent have been classified as Key Management Personnel of the Company.

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

30. RELATED PARTY DISCLOSURES (CONTD...)

The Company has made following payments to key management personnel during the year.

Year ended 31 December	2025 Rs.	2024 Rs.
Salary and other short term benefits	20,875,411	20,560,692
Non-cash benefits	1,800,000	1,440,000
	22,675,411	22,000,692

31. COMMITMENTS AND CONTINGENCIES

31.1 Commitments

The Company does not have significant capital commitments as at the reporting date.

31.2 Contingencies

The Company does not have significant contingencies as at the reporting date.

32. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Accounting policy

Events after the reporting period are those events, favourable and unfavourable that occur between the reporting date and the date when the financial statements are authorised for issue.

All material post reporting date events have been considered and where appropriate, adjustments or disclosures have been made in the respective notes to the financial statements.

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

33. ASSETS PLEDGED

Nature of Assets	Nature of Liability	Included Under	Carrying Amount Pledge 2025	Carrying Amount Pledge 2024
Fixed Term Investments/Mudharaba (Seylan Bank)	Bank Guarantee for Tax Appeal Commission	Financial Investments	1,909,629	1,909,629

34. RISK MANAGEMENT CONTROL

34.1 Overview

All entities face uncertainty and the challenge for the Company is to determine how much uncertainty to accept as it strives to grow stakeholder value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value. Primarily, risk management framework enables management to effectively deal with uncertainty and associated risk and opportunity, enhancing the capacity to build value.

34.2 Risk Management Framework

Amana Takaful Life PLC risk management framework forms an integral part of the management and Board processes and decision-making framework across the Company. The Company has a robust Enterprise Risk Management Framework to mitigate the identified risks exposed at multiple levels of the operation. We believe, while having the Governance practices and the Standard Operating Procedures (SOP's), having the right people at the right place will mitigate more than half the risks.

However, the Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework and thus, their approval is necessary for the Risk management Strategies. The Company's Risk Management Framework categorised into four lines of defence as follows:

- Front Line People – Risk awareness of the people in the front line is the first line of defence.
- Policies and Procedures – the Standard Operating Procedures will mitigate the risks at operational level.
- Key Personnel – Appointing key personnel at the key positions will assist mitigating through right decision making and approval controls at senior management level.
- Governance – the governance practices to mitigate the risks at Board level.

The Board has appointed a Subcommittee (Board Risk Committee) to monitor closely the affairs of Risk Management of the Company.

This section discusses the salient features of the risks exposed by the Company in terms of financial instruments and other areas as an insurance Company. The Financial instruments of the Company are exposed to the following Risks.

- Financial Risk
- Credit Risk
- Market Risk
- Insurance Risk
- Liquidity Risk

34.3 Financial Risk

34.3.1 Capital Management

a. Objectives and policies

The Company has established the following capital management objectives, policies and approaches to manage the risks that affect its capital position:

- Optimise capital utilisation within the regulatory guidelines.
- To maintain the required level of solvency of the Company, thereby providing a degree of security to policyholders.
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed
- To retain financial flexibility by maintaining strong liquidity
- To align the profile of assets and liabilities taking account of risks inherent in the business

The Company currently has Stated Capital worth Rs. 500 Mn which is the minimum regulatory requirement of the Insurance Regulatory Commission of Sri Lanka (IRCSL). Operations of the Company are also subject to statutory requirements of the IRCSL (Capital, Investments, Solvency, etc.) of which adaptations are made to internal processes from time to time as and when regulations are amended. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions on events such as capital adequacy and solvency to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities.

34. RISK MANAGEMENT (CONTD...)

b. Approach to capital management

Capitals of all investments are maintained strictly within the investment guidelines of the Insurance Regulatory Commission of Sri Lanka (IRCSL). This primarily helps the Company to maintain the required levels of solvency at all the times at different funds. In meeting the objectives mentioned above, the Capital management and asset allocation decisions are reviewed and approved by the Executive Committee and the Board Investment Committee which meet regularly on a monthly basis. The Board Investment Committee operates under clear terms of reference to thoroughly analyse the new investment proposals, review the past performance and provide guidance in terms of future investments and movements of assets.

34.4 Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation.

How credit risk could arise :

- Premium Receivable
- Reinsurance Receivables
- Financial Investments
- Bank Balances
- Other Financial Assets

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

- The Company has a stringent credit policy and a detailed SOP outlining the authority and approval limits to manage credit granted to customers.
- All Reinsurers are selected based on the ratings as required by IRCSL.
- The Investment Committee evaluates the exposure and the new investments in instruments in order to reduce the risks.
- The Executive Committee regularly reviews the credit position of the Company i.e. outstandings and overdues. In addition, the Company also ensures that there are sufficient provisions created in the case of doubtful debts.

34.4.1 Credit Exposure

The Company's maximum exposure to credit risk for the components of the Statement of Financial Position at 31 December 2025 is the carrying amounts of respective financial instruments.

As at 31 December	2025 Rs.	2024 Rs.
Financial Assets		
Fair Value through Profit or Loss		
Investment in Equity Securities - Unit Linked	161,667,557	96,135,371
Investments in Gold	35,599,997	56,203,581
Investments in Gold - Unit Linked	510,296,332	219,258,416
Available-for-Sale Financial Assets		
Unit Trust	243,056,518	90,555,526
Unit Trust - Unit Linked	45,530,662	42,866,057

As at 31 December	2025 Rs.	2024 Rs.
Loans & Receivables		
Mudharabha Investments	470,263,805	494,129,224
Repurchase Agreements	250,724,995	240,871,147
Mudharabha Investments - Unit Linked	3,425,579,349	3,125,757,950
Repurchase Agreements - Unit Linked	112,396,604	103,799,215
Other Financial Assets		
Retakaful (Reinsurance) Receivables	50,074,168	50,833,117
Contribution (Premium) Receivables	51,885,714	34,542,039
Other Assets	90,489,427	61,610,910
Cash and Cash Equivalents	48,947,841	50,255,577
Cash and Cash Equivalents - Unit Linked	74,368,772	12,606,847
Total Financial Assets	5,570,881,741	4,679,424,976

	Neither Past due nor Impaired Rs.	Past due but not Impaired Rs.	Individually Impaired Rs.	As at 31 December 2025 Rs.
Financial Assets				
Fair Value through Profit or Loss				
Investment in Equity Securities - Unit Linked	161,667,557	-	-	161,667,557
Investments in Gold	35,599,997	-	-	35,599,997
Investments in Gold - Unit Linked	510,296,332	-	-	510,296,332
Available-for-Sale Financial Investments				
Unit Trust	243,056,518	-	-	243,056,518
Unit Trust- Unit Linked	45,530,662	-	-	45,530,662
Loans & Receivables				
Mudharabha Investments	470,263,805	-	-	470,263,805
Repurchase Agreements	250,724,995	-	-	250,724,995
Mudhrabha Investments - Unit Linked	3,425,579,349	-	-	3,425,579,349
Repurchase Agreements - Unit Linked	112,396,604	-	-	112,396,604
Other Assets Exposed to Credit Risk				
Retakaful (Reinsurance) Receivables	50,074,168	-	-	50,074,168
Contribution (Premium) Receivables	51,885,714	-	-	51,885,714
Other Assets	90,489,427	-	-	90,489,427
Cash and Cash Equivalents	48,947,841	-	-	48,947,841
Cash and Cash Equivalents - Unit Linked	74,368,772	-	-	74,368,772
Total Credit Exposure	5,570,881,741	-	-	5,570,881,739

34. RISK MANAGEMENT (CONTD...)

34.4 Credit Risk

34.4.1 Credit Exposure

	Neither Past due nor Impaired	Past due but not Impaired	Individually Impaired	As at 31 December 2024
	Rs.	Rs.	Rs.	Rs.
Financial Assets				
Fair Value through Profit or Loss				
Investment in Equity Securities - Unit Linked	96,135,371	-	-	96,135,371
Investments in Gold	56,203,581	-	-	56,203,581
Investments in Gold - Unit Linked	219,258,416	-	-	219,258,416
Available-for-Sale Financial Investments				
Unit Trust	90,555,526	-	-	90,555,526
Unit Trust - Unit Linked	42,866,057	-	-	42,866,057
Loans & Receivables				
Mudharabha Investments	494,129,224	-	-	494,129,224
Repurchase Agreements	240,871,147	-	-	240,871,147
Mudharabha Investments - Unit Linked	3,125,757,950	-	-	3,125,757,950
Repurchase Agreements - Unit Linked	103,799,215	-	-	103,799,215
Other Assets Exposed to Credit Risk				
Retakaful (Reinsurance) Receivables	50,833,117	-	-	50,833,117
Contribution (Premium) Receivables	34,542,039	-	-	34,542,039
Other Assets	61,610,910	-	-	61,610,910
Cash and Cash Equivalents	50,255,577	-	-	50,255,577
Cash and Cash Equivalents - Unit Linked	12,606,847	-	-	12,606,847
Total Credit Exposure	4,679,424,976	-	-	4,679,424,976

34.5 Market Risk

Market risk involves all the fluctuations in the demand and supply forces in the capital and insurance markets for the Company. The capital market forces determine interest rates, equity prices, yield on other investment assets, while the market forces in the insurance market determines the net premiums and gross premium values. Further, prices of goods and services in general i.e. inflation, determines the cost of administration.

34.5.1 Equity Risk

Listed equity investments are prone to market risk arising from uncertainties faced in the future values of the securities. In order to diversify its risk, the Company has a diversified investment policy based on fundamental analysis which has helped balance the uncertainty faced. It is also notable that the Company invests only in sound fundamental value giving investments to the Company greater security in its invested equity securities.

As at 31 December	Equity Exposure			
	2025		2024	
	Exposure (Rs.)	Sector Weight	Exposure (Rs.)	Sector Weight
Capital Goods	51,425,264	32%	26,086,522	27%
Consumer Durables & Apparel	4,587,291	3%	12,861,108	13%
Food, Beverages & Tobacco	26,533,898	16%	14,355,671	15%
Materials	48,876,105	30%	30,200,920	31%
Telecommunication Services	26,075,000	16%	10,237,500	11%
Bank	4,170,000	3%	2,393,650	2%
	161,667,557	100%	96,135,371	100%

Sensitivity Analysis of Equity Risk

As at 31 December	Classification	2025		2024	
		10% Decline	10% Increase	10% Decline	10% Increase
Non-Unitised Fund	FVTPL	-	-	-	-
	AFS	-	-	-	-
Unitised Fund	FVTPL	(16,166,756)	16,166,756	(9,613,537)	9,613,537
Net impact on profit before tax	FVTPL	-	-	-	-

34.5.2 Currency Risk

Currency risk is the risk of loss resulting from changes in exchange rates. The Company's principle operation is based in Sri Lanka; therefore it is not materially exposed to the financial impact at an operational level arising from changes in the exchange rates of various currencies.

The Company has raised a cumulative subordinated debt in USD for a value of USD 335,000. These funds are reinvested in USD based financial instruments thereby mitigating currency risk exposure.

34.5.3 Interest Rate Risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest risk.

The Company invests in to Treasury Bills primarily to meet the mandatory requirement of the investment Insurance Regulatory Commission of Sri Lanka and to park the cash inflow within the admissible assets category until a suitable option is identified within the available time space.

34.6 Insurance Risk

Being an insurance company, risks related to the insurance business i.e. Insurance Risk, becomes primary in the list. Insurance is all about managing risks on behalf of the customers. In that context, we have identified the following three major risk areas under this category.

* Underwriting Risk
* Claims Risk
* Reinsurance Risk

In addition to the above, Life Insurance is specifically subject to the following risks;

- Mortality risk – risk of loss arising due to policyholder death experience being different than expected
- Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
- Investment return risk – risk of loss arising from actual returns being different than expected
- Expense risk – risk of loss arising from expense experience being different than expected
- Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

In order to mitigate such risks, the Company has adopted various strategies. The Company strategy is driven by the comprehensive screening of policyholders in order to ascertain current medical status and family medical history. Further, the Company ensures that the overall risk is reduced by diversifying the product portfolio across widespread geographical and industry wide segments.

The Company also rejects payment of fraudulent claims once fully exhausting its investigative capacity. The insurance risk described above is also affected by the contract holder's right to pay reduced premiums or no future premiums, to terminate the contract completely. As a result, the amount of insurance risk is also subject to contract holder behaviour.

34.6.1 Underwriting Risk

In insurance, underwriting risk may either arise from an inaccurate assessment of the risks entailed in writing an insurance policy, or from factors wholly out of the underwriter's control. As a result, the policy may cost the insurer much more than it has earned in premiums.

- Price - The Company has strict pricing mechanisms which need to be adhered in respect of various classes of products. Pricing is based on the Actuarial Valuation of the product plan done by the Consultant Actuary, Actuarial Partners.
- Exposure – The Company fully ensures that the Company does not underwrite risk which does not suit its risk profile and further ensures all high volume risks are reinsured.
- Personnel – The Company ensures that all Underwriting personnel in Life are adequately trained. Further, all staff inclusive of underwriting staff have been given specific Key Performance Indicators (KPI's) with regard to revenue and profitability of product segments.

Further it should be noted that the Company monthly monitors product profitability of all main classes of insurance.

34.6.2 Claims Risk

The key risk facing insurance companies is the claims risk, where an extremely high amount of withdrawals i.e. a significantly high surrender ratio in comparison to the premium, could drastically affect Company performance.

Sensitivities

The sensitivity analysis below has been performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current economic assumptions.

Impact on Takaful Contract Liabilities

31 December 2025	Change in Assumptions	Gross	Net	Underwriting Deficit/Surplus
	%	LKR'000	LKR'000	**LKR'000**
Mortality/morbidity	+10%	15,517	5,874	5,874
Mortality/morbidity	-10%	(15,552)	(3,510)	(3,510)
Lapse and Surrender Rates	-10%	4,753	5,472	5,472
Discount rate	-1%	3,890	4,349	4,349
Expenses	+10%	6,341	7,526	7,526
Unit Fund Investment Return	-1%	(725)	491	491

Impact on Operators Fund

31 December 2024	Change in Assumptions	Gross	Net	Underwriting Deficit/Surplus
	%	LKR'000	LKR'000	**LKR'000**
Mortality/morbidity	+10%	(13)	(13)	(13)
Mortality/morbidity	-10%	13	13	13
Lapse and Surrender Rates	-10%	95	95	95
Discount Rate	-1%	467	467	467
Expenses	+10%	1,569	1,569	1,569
Unit Fund Investment Return	-1%	-	-	-

Management Strategy

Countenance of adverse risk of the same is in effect with strict claims management with proper policy documentation at underwriting level and thorough inspection at claims level been fully emphasised in Key Performance indicators of all staff levels.

34.6.3 Reinsurance Risk

Insurance companies in events where sum insured is extremely high in comparison to premium earned decide on reinsuring the policy with another insurer in order to mitigate/share its loss in the case of disaster. The risk borne would add up to the premium foregone in the event that disaster does not occur to the said policy.

Management Strategy

The Board Risk Committee annually reviews the list of reinsurers to ensure that the Company's exposure is hedged to maximum effect whilst periodically monitoring the financial status and condition of the same. The Company employs pre-agreed treaty insurance agreements to hedge against day to day insurance exposure whilst engages in facultative insurance to hedge against extra-ordinary insurance risks in the line of day to day business.

34.6.3 Reinsurance Risk

31 December 2025	Name of the Reinsurer	Reinsurers Country of origin	Name of the regulatory authority which approval obtained to transact reinsurance business *	License validity period of the Reinsurer	Rating		Rating Agency	Date of Rating
					Financial Strength	Credit		
Life								
• Long Term Takaful Plans (Endowments)	• Munich Re	Malaysia	Negara Malaysia (BNM)	Yearly Renewal, Unlimited	AA (Stable)	AA (Stable)	S&P	7/26/25
	• Hanover Re	Bahrain	Central Bank of Baharain	Yearly Renewal, Unlimited	AA- (Stable)	AA- (Stable)	S&P	6/26/25
Other								
• All Family Takaful Policies (CAT Cover)	• Hanover Re	Bahrain	Central Bank of Baharain	Yearly Renewal, Unlimited	AA- (Stable)	AA- (Stable)	S&P	6/26/25
• Unit-Link Takaful	• Hanover Re	Bahrain	Central Bank of Baharain	Yearly Renewal, Unlimited	AA- (Stable)	AA- (Stable)	S&P	6/26/25
• Group Family	• Munich Re	Malaysia	Negara Malaysia (BNM)	Yearly Renewal,Unlimited	AA (Stable)	AA (Stable)	S&P	7/26/25
• Credit & Mortgage Takaful	• Munich Re	Malaysia	Negara Malaysia (BNM)	Yearly Renewal, Unlimited	AA (Stable)	AA (Stable)	S&P	7/26/25
	• Score Global Life SE	Malaysia	Labuan FSA	Yearly Renewal, Unlimited	A+ (Stable)	A+ (Stable)	S&P	7/22/25

34.7 Liquidity Risk

Liquidity risk is when a possibility arises that an entity will encounter difficulty in meeting obligations associated with financial instruments. The company has a standard set of guidelines set up by the Investment Policy under the purview of the Investment Committee which is followed in accordance with the IRCSL guidelines.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk:

- The Company maintains a diverse maturity profile in its assets, in order to ensure sufficient funding available to meet insurance and investment contracts obligations.
- The Investment Committee regularly reviews the liquidity levels and takes appropriate action to improve the liquidity whilst ensuring maximum possible yield and efficiency in investments.
- Efficient forecasting of future commitments and making investments to meet the payouts to mitigate any possible liquidity concerns.

Maturity profile of Company investments based on remaining maturity is given below.

31 December 2025	Within 1 Month	1-3 Months	3 Months to 1 Year	1 - 5 Years	No stated maturity	Total
Financial Assets						
Investments in Equity Securities	-	-	161,667,557	-	-	161,667,557
Investments in Gold	-	-	-	-	545,896,329	545,896,329
Repurchase Agreements	15,174,315	-	347,947,284	-	-	363,121,599
Unit Trust	-	-	-	-	288,587,180	288,587,180
Mudharaba Investments	691,276,386	1,413,065,923	1,777,540,851	13,959,995	-	3,895,843,154
Retakaful (Reinsurance) Receivables	-	-	50,074,168	-	-	50,074,168
Contribution (Premium) Receivables	40,501,714	-	11,384,000	-	-	51,885,714
Other Assets	-	-	136,808,835	-	-	136,808,835
Cash and Bank Balances	48,947,841	-	-	-	-	48,947,841
Cash and Bank Balances - Unit Linked	74,368,772	-	-	-	-	74,368,772
	870,269,027	1,413,065,923	2,485,422,695	13,959,995	834,483,509	5,617,201,149
Financial Liabilities						
Finance Lease Liability	1,097,518	2,261,449	-	43,863,00	-	57,878,932
Subordinated Debt	-	-	-	103,870,871	-	103,870,871
Other Liabilities	-	-	107,685,809	-	-	107,685,809
Other Liabilities - Unit Linked	-	-	135,660,450	-	-	135,660,450
	1,097,518	2,261,449	254,003,221	147,733,872	-	405,096,061

31 December 2024	Within 1 Month	1-3 Months	3 Months to 1 Year	1 - 5 Years	No stated maturity	Total
Financial Assets						
Investments in Equity Securities	-	-	96,135,371	-	-	96,135,371
Investments in Gold	-	-	-	-	275,461,997	275,461,997
Repurchase Agreements	-	344,426,362	-	-	-	344,426,362
Unit Trust	-	-	-	-	133,421,583	133,421,583
Mudharaba Investments	-	587,102,074	1,310,256,122	1,722,528,977	-	3,619,887,173
Retakaful (Reinsurance) Receivables	-	-	50,833,117	-	-	50,833,117
Contribution (Premium) Receivables	32,147,039	513,000	1,882,000	-	-	34,542,039
Other Assets	-	-	116,168,165	-	-	116,168,165
Cash and Bank Balances	50,255,577	-	-	-	-	50,255,577
Cash and Bank Balances - Unit Linked	12,606,847	-	-	-	-	12,606,847
	95,009,464	932,041,437	1,575,274,776	1,722,528,977	408,883,580	4,733,738,232
Financial Liabilities						
Finance Lease Liability	-	-	1,936,425	35,756,576	-	37,693,001
Subordinated Debt	-	-	-	98,044,450	-	98,044,450
Other Liabilities	-	-	65,586,953	-	-	65,586,953
Other Liabilities - Unit Linked	-	-	126,585,270	-	-	126,585,270
	-	-	194,108,647	133,801,026	-	327,909,674

INDUSTRY ANALYSIS

31 December 2025	Financial Services	Asset Management	Government	Materials	Tele communication	Consumer Durables & Apparels	Others	Total
Assets								
Fair Value through Profit or Loss								
Investments in Equity Securities	-	-	-	-	-	-	-	-
Investments in Equity Securities - Unit Linked	-	-	-	48,876,105	26,075,000	4,587,291	82,129,161	161,667,557
Investments in Gold	-	-	-	-	-	-	545,896,329	545,896,329
Available-for-Sale Financial Investments								
Unit Trust	-	288,587,180	-	-	-	-	-	288,587,180
Loan and Receivables								
Repurchase Agreements	-	-	250,724,995	-	-	-	-	250,724,995
Repurchase Agreements - Unit Linked	-	-	112,396,604	-	-	-	-	112,396,604
Mudharaba investments	470,263,805	-	-	-	-	-	-	470,263,805
Mudharaba investments -Unit Linked	3,425,579,349	-	-	-	-	-	-	3,425,579,349
	3,895,843,154	288,587,180	363,121,599	48,876,105	26,075,000	4,587,291	628,025,491	5,255,115,819

INDUSTRY ANALYSIS

31 December 2024	Financial Services	Asset Management	Government	Materials	Tele communication	Consumer Durables & Apparels	Others	Total
Assets								
Fair Value through Profit or Loss								
Investments in Equity Securities	-	-	-	-	-	-	-	-
Investments in Equity Securities - Unit Linked	-	-	-	30,200,920	10,237,500	12,861,108	42,835,843	96,135,371
Investments in Gold	-	-	-	-	-	-	275,461,998	275,461,998
Available-for-sale financial investments								
Unit Trust	-	133,421,583	-	-	-	-	-	133,421,583
Loan and Receivables								
Repurchase Agreements	-	-	240,871,147	-	-	-	-	240,871,147
Repurchase Agreements - Unit Linked	-	-	103,799,215	-	-	-	-	103,799,215
Mudharaba investments	494,129,224	-	-	-	-	-	-	494,129,224
Mudharaba investments - Unit Linked	3,125,757,950	-	-	-	-	-	-	3,125,757,950
Investment in Commercial Papers	-	-	-	-	-	-	-	-
	3,619,887,174	133,421,583	344,670,362	30,200,920	10,237,500	12,861,108	318,297,841	4,469,576,488

SUPPLEMENTARY INFORMATION



A MEASURE OF STRENGTH

At Amana Life, growth is strengthened by the depth and detail that support it. Each layer of meaning adds clarity and offers a fuller understanding of the organisation's journey – reinforcing the foundation on which our progress stands.

The Baroque Pearl is distinct in shape and character, and reflects the richness found in variety. Every detail contributes to a more nuanced whole, and strengthens the bigger picture.

VALUE ADDED STATEMENT

For the year ended 31 December	2025 Rs. Mn	2024 Rs. Mn
Net earned contribution (premium)	1,686	1,237
Investment & other income	689	643
Net claims benefits	(608)	(519)
Cost of external services	(398)	(290)
Total value added	1,369	1,070
To employees as salaries and other benefits	421	330
To intermediaries as commission	233	153
To the government as taxes	-	-
Increase/decrease in family (long term insurance) fund	689	565
Retained with the business		
- Depreciation	35	17
- In reserves	(9)	5
	1,369	1,070

SHARE INFORMATION

1. ANALYSIS OF THE DISTRIBUTION OF SHAREHOLDERS AS AT 31ST DECEMBER 2025

	Resident			Non Resident			Total	
	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares	%	No. of Shareholders	No. of Shares
1 - 1,000	1,136	242,939	0.49%	3	578	0.00%	1,139	243,517
1,001 - 10,000	176	660,110	1.32%	1	2,500	0.01%	177	662,610
10,001 - 100,000	32	814,336	1.63%	2	28,324	0.06%	34	842,660
100,001 - 1,000,000	-	-	0.00%	-	-	0.00%	-	-
Over 1,000,000	3	48,251,213	96.50%	-	-	0.00%	3	48,251,213
	1,347	49,968,598	99.94%	6	31,402	0.06%	1,353	50,000,000

2.1 TOP 25 SHAREHOLDERS AS AT 31ST DECEMBER 2025

Name of Shareholder	Shares	%
Amana Takaful PLC	38,150,000	76.30
Sampath Bank PLC/Senthilverl Holdings (Pvt) Ltd	8,126,589	16.25
Aberdeen Holdings (Pvt) Ltd	1,974,624	3.95
Hatton National Bank PLC/Mr. Gerad Shamil Niranjan Peris	84,000	0.17
Hatton National Bank PLC/Senfin Insurance Sector Fund	53,170	0.11
Rev. Uru Bokke Nandarathana	51,047	0.10
Mr. Abdul Azees Mohamed Anas	49,100	0.10
Mr. Janaka Kumara Mayakaduwage	42,930	0.09
Senkadagala Finance PLC/K.R.A.L.Kahatapitiya	42,928	0.09
Mr. Mohomed Shifaz Riyaz	41,759	0.08
Mr. Mohamed Sahabdeen Mohamed Ikram	31,900	0.06
Peoples Leasing & Finance PLC/V.R.Gunasekara	30,000	0.06
Mrs. Pattinideva Asoka Swarna Kanthie Beruwalage	25,059	0.05
Mr. Mohamed Ziyad Mohamed Nihaz	25,000	0.05
Miss. Rajasekara Hittarage Anne Rashmila	25,000	0.05
Mrs. Weerasekara Mudiyanselage Nilanthi Kumari Weerasekara	25,000	0.05
Mr. Mohamed Nizamdeen Mohamed Nazir	24,600	0.05
Mr. Muhammadu Muyees Mohammadu Abdul Cader	24,600	0.05
Mrs. Manchanayaka Appuhamillage Nandanie Somalatha Manchanayaka	19,700	0.04
Mr. Mohamed Rizam Mohamed Ismail	19,700	0.04
Assetline Finance Limited/H.A.S.P.Kumara	19,150	0.04
Mrs. Waniganetti Vidanaralalage Dona Somawathi	17,000	0.03
Miss. Lakshi Sandamali Jayawila	16,974	0.03
Mr. Abdul Razzak Mohamed Riyaz	16,500	0.03
Dr. Gayan Surendrajith Perera	16,324	0.03
	48,952,654	97.91
Other shareholders	1,047,346	2.09
Total	50,000,000	100.00

SHARE INFORMATION

2.2 TOP 25 SHAREHOLDERS AS AT 31ST DECEMBER 2024

Name of the shareholder	Shares	%
Amana Takaful PLC	38,150,000	76.30
Sampath Bank PLC/Senthilverl Holdings (Pvt) Ltd	8,763,741	17.53
Aberdeen Holdings (Pvt) Ltd	2,000,000	4.00
Dr. Thirugnanasambandar Senthilverl	100,000	0.20
Mr. Abdul Azees Mohamed Anas	49,100	0.10
Mr. Mohomed Fazlaan Fazil	35,000	0.07
Mr. Mohamed Sahabdeen Mohamed Ikram	31,900	0.06
Mrs. Pattinideva Asoka Swarna Kanthie Beruwalage	25,059	0.05
Mr. Mohamed Ziyad Mohamed Nihaz	25,000	0.05
Mr. Mohamed Nizamdeen Mohamed Nazir	24,600	0.05
Mr. Muhammadu Muyees Mohammadu Abdul Cader	24,600	0.05
Miss Lakshi Sandamali Jayawila	19,700	0.04
Mrs. Manchanayaka Appuhamillage Nandanie Somalatha Manchanayaka	19,700	0.04
Mr. Mohamed Rizam Mohamed Ismail	19,700	0.04
Mrs. Waniganetti Vidanaralalage Dona Somawathi	19,700	0.04
Mr. Abdul Razzak Mohamed Riyaz	16,500	0.03
Dr. Gayan Surendrajith Perera	16,324	0.03
Mr. Iqram Sankylam Cuttilan	14,800	0.03
Mr. Dilkith Hansira Lanka Jayawila	14,195	0.03
Hameedia Stores (Pvt) Ltd	12,045	0.02
Mrs. Epa Ranasinghe Imiya Appuhamilage Anoja Ranasinghe	11,580	0.02
People's Leasing & Finance PLC/N.Anoshan	11,010	0.02
Mr. Sadakath Rahim Nizar	10,000	0.02
Mr. Fayas Ahmed Mohamed Anwer	9,900	0.02
Mr. Muhammadu Aleem Sharifdeen	9,900	0.02
	49,434,054	98.86
Other shareholders	565,946	1.14
Total	50,000,000	100.00

3. INVESTOR RATIO

	2025	2024
Earnings/(Loss) per share	(0.17)	0.09
Net assets per share	12.84	12.74

4. MARKET VALUE OF SHARES

	2025	2024
Highest value	55.00	30.00
Lowest value	25.70	23.50
Year end value	35.10	29.40

Amana Takaful Life PLC/Long Term (Family Takaful) Insurance Business

Statement of income

For the year ended	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Gross written contribution (premium)	1,763,962	1,295,046	1,150,656	1,060,778	929,830	767,232	851,293	827,948	792,174	820,726
Net earned contribution (premium)	1,686,374	1,236,838	1,093,687	1,003,241	881,719	742,753	820,513	806,062	765,036	806,057
Income from investments and other income	688,661	642,785	670,758	450,278	262,714	289,996	320,226	217,327	269,068	222,789
Net claims incurred	(607,867)	(519,188)	(566,593)	(518,769)	(427,036)	(447,220)	(591,895)	(543,446)	(423,475)	(320,181)
Net commission incurred	(232,691)	(153,143)	(152,310)	(149,282)	(135,022)	(103,132)	(117,898)	(105,825)	(97,198)	(108,237)
Expenses	(844,082)	(637,471)	(549,369)	(445,429)	(388,784)	(376,923)	(432,781)	(474,056)	(422,303)	(263,688)
Change in family takaful (long term insurance) fund	(689,387)	(565,242)	(445,854)	(285,948)	(184,031)	(140,186)	(27,284)	36,961	(40,536)	(301,048)
Profit/(loss) before taxation	1,008	4,579	50,319	54,091	9,559	(34,712)	(29,118)	(62,976)	50,592	35,691
Income tax expenses	(9,613)	-	-	-	-	-	-	-	(760)	-
Net profit/(loss) for the year	(8,605)	4,579	50,319	54,091	9,559	(34,712)	(29,118)	(62,976)	49,832	35,691
Basic earnings/(loss) per share (Rs.)	(0.17)	0.09	1.01	1.08	0.19	(0.69)	(0.58)	(1.26)	0.10	0.07

Amana Takaful Life PLC/Long Term (Family Takaful) Insurance Business

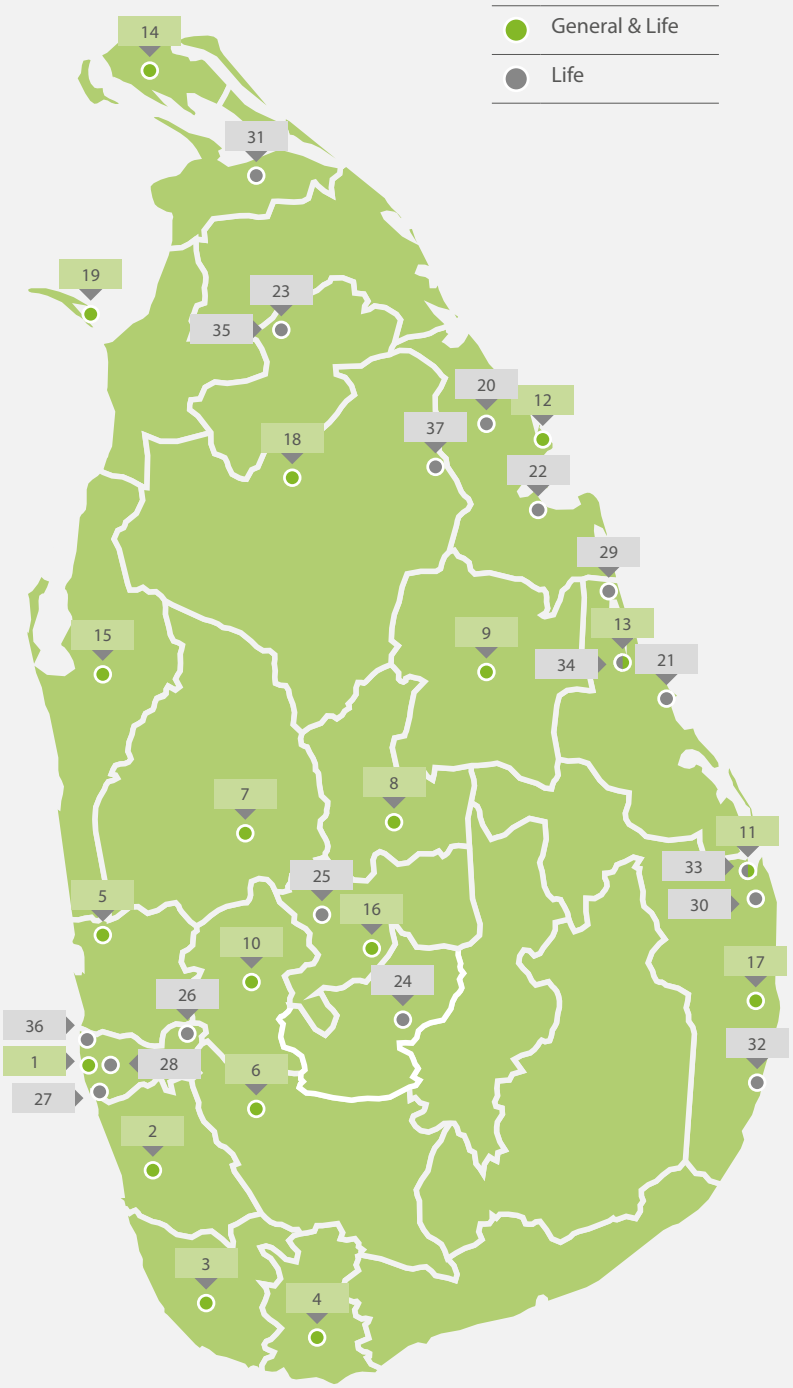
Statement of Financial Position

As at	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Assets										
Financial assets	999,645	881,759	921,643	1,049,633	880,304	859,267	816,350	875,165	1,040,576	1,018,398
Investment property & other investments	-	152,500	151,000	150,550	147,500	147,500	147,500	144,929	-	-
Financial assets - Unit linked	4,255,471	3,587,817	3,035,001	2,425,247	2,121,645	1,907,620	1,716,210	1,621,208	1,526,679	1,473,332
Retakaful (reinsurance) receivables	50,074	50,833	32,721	-	-	11,449	-	-	-	-
Intangible assets	16,628	17,859	19,049	20,456	17,420	18,363	19,659	20,955	22,250	23,549
Property, plant and equipment	84,743	45,440	19,374	21,318	25,769	15,347	20,110	28,704	21,165	17,467
Right of use assets	53,877	35,619	12,391	11,954	13,251	20,839	16,064			
Other assets	237,642	200,966	134,854	125,740	134,780	116,593	150,398	178,459	191,588	102,661
Other assets - Unit linked	74,369	12,607	13,610	15,841	9,583	2,244	38,197	8,155	7,370	72,193
Total assets	5,772,449	4,985,401	4,339,642	3,820,740	3,350,252	3,099,222	2,924,488	2,877,575	2,809,628	2,707,599
Liabilities										
Family takaful fund balance (insurance provision - Long term)	241,660	264,695	304,351	356,693	397,381	445,782	471,280	534,967	580,710	559,914
Family takaful fund balance (insurance provision - Long term) - Unit linked	4,289,308	3,574,639	2,970,344	2,473,579	2,149,698	1,913,107	1,747,560	1,660,124	1,525,136	1,504,145
Subordinated debt	103,871	98,044	108,532	122,612	88,005	83,375	81,417	32,051		
Other liabilities	278,982	193,965	159,653	205,108	151,204	123,420	85,391	83,420	78,149	69,708
Other liabilities - Unit linked	216,875	216,343	186,254	118,930	80,207	74,379	50,987	51,286	51,845	50,316
Total liabilities	5,130,696	4,347,686	3,729,134	3,276,924	2,866,495	2,640,063	2,436,635	2,361,849	2,235,840	2,184,082
Shareholders' equity										
Stated capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Other reserves	83,664	70,558	47,043	31,489	26,398	11,545	6,710	3,431	(1,545)	(2,669)
Revenue reserves	58,090	67,156	63,464	12,326	(42,641)	(52,386)	(18,857)	12,295	75,333	26,186
Total equity	641,754	637,715	610,507	543,816	483,757	459,160	487,853	515,726	573,788	523,517
Total equity and liabilities	5,772,449	4,985,401	4,339,642	3,820,740	3,350,252	3,099,222	2,924,488	2,877,575	2,809,628	2,707,599

GEOGRAPHIC LOCATIONS

	Branch Name	Company
1	Head Office	General & Life
2	Kalutara	General & Life
3	Galle	General & Life
4	Matara	General & Life
5	Negombo	General & Life
6	Rathnapura	General & Life
7	Kurunegala	General & Life
8	Matale	General & Life
9	Kaduruwela	General & Life
10	Mawanella	General & Life
11	Kalmunai	General & Life
12	Trincomalee	General & Life
13	Batticaloa	General & Life
14	Jaffna	General & Life
15	Puttalam	General & Life
16	Gampola	General & Life
17	Akkaraipattu	General & Life
18	Anuradhapura	General & Life
19	Mannar - SBU 3	General & Life

	Branch Name	Company
20	Kinniya	Life
21	Kattankudy	Life
22	Muthur	Life
23	Vavuniya	Life
24	Welimada	Life
25	Kandy	Life
26	Wellampitiya	Life
27	Dehiwela	Life
28	Maradana	Life
29	Eravur	Life
30	Nintavur	Life
31	Kilinochchi	Life
32	Pottuvil	Life
33	Kalmunai	Life
34	Batticaloa	Life
35	Vavuniya	Life
36	Pettah	Life
37	Kantale	Life



GLOSSARY OF FINANCIAL TERMS

ACQUISITION EXPENSES – FAMILY TAKAFUL (LIFE)

All expenses which vary with and are primarily related to the acquisition of new insurance contracts.

ACTUARY

An expert concerned with the application of probability and statistical theory to problems of insurance, investment, financial management and demography.

CLAIMS

The amount payable under a contract of insurance arising from the occurrence of an insured event, such as, death, critical illness or hospital benefits, the incurring of hospital or medical bills, death or disability of the insured, the maturity of an endowment policy and the amount payable on the surrender of a policy.

CLAIMS INCURRED

The aggregate of all claims paid during the accounting period together with attributable claims handling expenses, where appropriate, adjusted by the claims outstanding provisions at the beginning and the end of the accounting period.

CLAIMS INCURRED BUT NOT REPORTED (IBNR)

A reserve to cover the expected cost of losses that have occurred by the balance sheet date but have not yet been reported to the insurer.

COMMISSIONS

A payment made to intermediaries in return for selling and servicing an insurer's products.

EARNED PREMIUM

Written premium adjusted by the unearned premium provisions at the beginning and the end of the accounting period.

IJARA (LEASING)

A contract under which, the Bank buys and leases out equipment required by its client for a rental fee. The duration of the lease and rental fees are agreed in advance. Ownership of the equipment remains with the Bank and only the usufruct is transferred to the client. The client is gifted the item at the end of the lease period based on a separate understanding taken by the Bank to gift the asset subject to certain conditions.

INSURANCE PROVISION – FAMILY TAKAFUL (LONG TERM)

The fund or funds to be maintained by an insurer in respect of its Long Term Insurance business in accordance with the Regulation of Insurance Industry Act No. 43 of 2000.

LIFE INSURANCE BUSINESS (FAMILY TAKAFUL)

Insurance business falling within the classes of insurance specified as Long Term Insurance, under the Regulation of Insurance Act No. 43, 2000

MUDHARABA

This is an agreement made between two parties. The Investor, who provides 100% of the capital for the project and the Mudharib manages the entire project using his entrepreneurial skills. The Investor has no control over the management of the project. Profits arising from the project are distributed according to a predetermined ratio. Losses are borne by the provider of the capital.

NET EARNED PREMIUM

Gross written contribution adjusted for the reinsurance incurred and for the increase or decrease in unearned premium.

PREMIUM (CONTRIBUTION)

The consideration payable by the insured for an insurance contract.

RETAKAFUL (REINSURANCE)

Transfer of all or part of the risk assumed by an insurer under one or more insurance to another insurer, called the reinsurer.

RISK-BASED CAPITAL

A "risk based" approach to assess the Capital Adequacy, determined as per Solvency Margin (Risked-Based Capital) Rules 2015.

SHARI'AH

Is the Code of Law for the Islamic Way of Life which has been derived from the Quran and the Sunnah (The Practice of the holy Prophet Muhammad – Peace be upon him).

SHARI'AH ADVISORY COUNCIL (SAC)

This comprises of Shari'ah Scholars or/ and well versed personnel in Shari'ah, which ensures Shari'ah compliance The SAC advises the Company on all Shari'ah matters in its business activities and involas produillustrations, etc. ctsconditions, marketing materials, sales manuals, policy terms and vvalidating relevant documentation, such es in endorsing and

SOLVENCY MARGIN – FAMILY TAKAFUL (LIFE)

The difference between the value of assets and the value of liabilities, required to be maintained by the insurer who carries on Long Term Insurance business, determined as per Solvency Margin (Long-Term Insurance) Rules, 2002

SURRENDER

The act of canceling of an insurance contract before it reaches its date of maturity.

TAKAFUL

Is an Arabic word, which means "guaranteeing each other". It is a system of risk management based on the principle of mutual assistance (TA-AWUN) and contributions (Tabarru) where the risk is shared collectively by the Group voluntarily.

UNDERWRITING

The process of selecting which risks an insurance company can cover, and deciding the premium and terms of acceptance.

UNEARNED PREMIUM/UNEARNED PREMIUM RESERVE

It represents the portion of premium already entered in the accounts as due but which relates to a period of risk subsequent to the balance sheet date.

WRITTEN PREMIUM

Total premium received or due from all insurance contracts during a period.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the 10th Annual General Meeting of Amana Takaful Life PLC will be held on 24th June 2026 at 11.00 a.m. at the Board Room of Amana Takaful Life PLC, No. 660-1/1, Galle Road, Colombo 03 via Audio/Video for the following purposes:

1. Receive and consider the Annual Report of the Board of Directors on the affairs of the Company for the year ended 31st December 2025 and the Report of the Auditors thereon.

2. Re-elect the following Directors by Rotation in terms of Article 24 (7) of Articles of Association of the Company.
   a. Mr. Pushpakumar Gunasekera
   b. Ms. Shehara De Silva

3. Re-elect Mr. Osman Kassim, who is over 70 years of age as a Director in terms of section 211 of the Companies Act. Accordingly, the following resolution to be passed for this purpose, if thought fit.

   IT IS HEREBY RESOLVED to re-elect Mr. Osman Kassim, as a Director who is over 70 years of age in terms of Section 211 of the Companies Act No. 7 of 2007 and it is specifically declared that the age limit of 70 years in terms of section 210 of the Companies Act shall not apply to the said Mr. Osman Kassim.

4. Re-appoint the retiring Auditors, M/s. Ernst & Young, Chartered Accountants for the ensuing year and authorise the Directors to determine their remuneration.

By Order of the Board, AMANA TAKAFUL LIFE PLC

MANAGERS & SECRETARIES (PRIVATE) LTD.
Secretaries

31 May 2026
Colombo

Notes:

1. A member entitled to attend and vote at the above meeting is required to complete and submit a pre-registration form in order to ensure participation at the AGM of the Company. Only members of ATLL are entitled to take part at the AGM of ATLL.

2. A Pre-registration form is enclosed for this purpose to be completed by ATLL Shareholders only.

3. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in his/her behalf. A proxy need not be a member of the Company.

4. A form of proxy is enclosed for this purpose.

5. The instruments for registration and appointing a proxy must be completed and deposited at the Registered Office of the Company, No. 660, 1/1, Galle Road Colombo 3, or e-mailed to “agm.atlife@takaful.lk” not less than forty eight hours prior to the time appointed for holding the meeting.

NOTES

FORM OF PROXY

I/We the undersigned ..... bearing

NIC No ....., of .....being a member/members of

Amana Takaful Life PLC, hereby appoint

Full name of proxy : .....

NIC of Proxy : .....

Address of Proxy : .....

Contact Numbers Land :....., Mobile .....

E-mail Address : .....

Failing him / her

1.Mr. Osman Kassim	of Colombo or failing him
2.Mr. Gehan Rajapakse	of Colombo or failing him
3.Mr. Hassan Kassim	of Colombo or failing him
4.Mr. Suresh Malith Paranavitana	of Colombo or failing him
5.Mr. Pushpakumar Gunasekera	of Colombo or failing him
6.Ms. Shehara De Silva	of Colombo or failing her

as my/our proxy to represent me/us and * to vote for me/us on my/our behalf at the Annual General Meeting to be held on 24th June 2026 at 11.00 a.m. Via Audio/video (Virtual AGM) and at any adjournment thereof and at every poll which may be taken in consequence thereof.

Please mark your preference with "X".

	For	Against	Abstained
1. Re-election of Directors in terms of Section 24 (7) of Articles of Association of the Company. (i) Mr. Pushpakumar Gunasekera as a Director of the Company. (ii) Ms. Shehara De Silva as a Director of the Company.	☐	☐	☐
2. Re-election of Mr. Osman Kassim as a Director, in terms of Section 211 of the Companies Act No. 7 of 2007.	☐	☐	☐
3. Re-appointment of the retiring Auditors M/s. Ernst & Young, Chartered Accountants for the ensuing year and authorise Directors to determine their remuneration.	☐	☐	☐

As witness my/our hands this ..... day of 2026

.....
Signature

FORM OF PROXY

INSTRUCTIONS AS TO COMPLETION

1. In order to appoint a proxy, this form shall in the case of an individual be signed by the shareholder or by his/her Attorney and in the case of a company/corporation, the form of proxy must be under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association.

2. The full name, NIC No. and address of the Proxy holder and of the Shareholder appointing the Proxy holder should be entered legibly in the form of proxy.

3. The duly completed form of proxy must be deposited at the Registered Office of the Company at No. 660, 1/1, Galle Road Colombo 3, or e-mailed to "agm.atlife@takaful.lk" not later than 48 hours prior to the time appointed for holding of the meeting.

4. In the case of a proxy signed by an Attorney, the relevant Power-of-Attorney or a certified copy thereof should also accompany the completed form of proxy and must be deposited at the Registered Office of the Company or email as above noted.

CORPORATE INFORMATION

NAME OF THE COMPANY

Amana Takaful Life PLC

LEGAL STATUS

Public Quoted Company with Limited Liability incorporated in Sri Lanka on 10th July 2014.

COMPANY REGISTRATION NUMBER

PB 5202 PQ

TAX PAYER IDENTIFICATION NUMBER(TIN)

139052021

STOCK EXCHANGE LISTING

The shares of the Company are listed in the Diri Savi Board of the Colombo Stock Exchange, Sri Lanka on 18th August 2016. Stock Exchange Code for Amana Takaful Life PLC shares is 'ATLL'.

DIRECTORS

Mr. Osman Kassim (Chairman)
Mr. Gehan Rajapakse - Executive Director/CEO
Mr. Ammar Kassim (Resigned w.e.f. 09.03.2025)
Mr. Sharhan Muhseen (Resigned w.e.f. 31.12.2025)
Mr. Hassan Kassim
Ms. Shehara De Silva
Mr. Suresh Malith Paranavitana
Mr. Pushpakumar Gunasekara

REGISTERED OFFICE

No. 660 - 1/1, Galle Road, Colombo 03, Sri Lanka

AUDITORS

Ernst & Young, Chartered Accountants

SECRETARIES

Managers & Secretaries (Pvt) Ltd

REINSURANCE PANEL

Hannover Re
Munich Re
Score Re

CONSULTANT ACTUARIES

Actuarial Partners Consulting Sdn Bhd, Suite 17.02 Kenanga International Jalan Sultan Ismail 50250, Kuala Lumpur, Malaysia

SHARIAH ADVISORY COUNCIL

Mr. Mufti M. I. M. Rizwe - Chairman
Mr. Mufti Shafique Ahmed Jakhura - Member
Mr. Ash-Sheikh Murshid Mulaffar - Secretary

EXECUTIVE DIRECTOR/CHIEF EXECUTIVE OFFICER

Mr. Gehan Rajapakse

PRINCIPAL BANKERS

Amana Bank/Pan Asia Bank/National Development Bank/ Bank of Ceylon/ Commercial Bank/Sampath Bank/Hatton National Bank/Nations Trust Bank/ People's Bank/MCB Bank

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AMANA TAKAFUL LIFE PLC

No. 660-1/1, Galle Road,Colombo 03,
Sri Lanka