LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2025

LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at	Note	31 December 2025 Rs.'000 Unaudited	31 December 2024 Rs.'000 Audited
Assets			
Property and equipment		506,740	315,170
Right-of-use assets		267,225	281,647
Capital work in progress		64,449	-
Intangible assets		61,766	13,458
Equity accounted investees		217,940	122,383
Investment securities		16,377,092	14,607,080
Reinsurance assets		8,317,635	3,102,100
Reinsurance receivables		1,489,039	591,060
Deferred acquisition costs		329,569	259,990
Premiums receivable		2,861,234	2,386,244
Amounts due from related parties		53,654	197
Other assets		114,008	199,036
Cash and bank balances		580,976	327,343
Total assets		**31,241,327**	**22,205,708**
Equity & liabilities			
Equity			
Stated capital (1,200,000,000 shares)		800,000	800,000
Reserves		451,357	562,544
Retained earnings		5,419,413	5,513,554
Total equity		**6,670,770**	**6,876,098**
Liabilities			
Insurance contract liabilities - non-life insurance	6.7	19,716,910	11,669,207
Long-term borrowings		305,993	136,127
Retirement benefit obligations		52,414	62,114
Lease liabilities		301,644	304,568
Reinsurance creditors		1,429,996	880,137
Deferred reinsurance commission income		426,469	303,349
Income tax liability		108,561	146,357
Deferred tax liability		200,387	200,387
Amounts due to related parties		169,498	219,685
Other liabilities		1,627,794	1,185,624
Bank overdraft		230,891	222,055
Total liabilities		**24,570,557**	**15,329,610**
Total liabilities & equity		**31,241,327**	**22,205,708**
Net assets per share (Rs.)		**5.56**	**5.73**

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

Sgd
…….....
Mrs. Maheshika Perera
Head of Finance - LOLC General Insurance PLC

The board of directors is responsible for the preparation and the fair presentation of these Financial Statements. Approved and signed for and on behalf of the Board;

Sgd
…….....
Mr. K.A.K.P. Gunawardena
Director

Sgd
…….....
Mr. H.A. Karunaratne
Director

27th February 2026
Rajagiriya (Greater Colombo)

LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

	Note	For the three months ended			For the year ended		
		31 December 2025 Rs.'000 Unaudited	31 December 2024 Rs.'000 Unaudited	Variance %	31 December 2025 Rs.'000 Unaudited	31 December 2024 Rs.'000 Audited	Variance %
Revenue		**2,371,230**	**2,681,324**	**(12)**	**10,423,973**	**11,107,684**	**(6)**
Gross written premium	6.8	3,024,892	2,268,071	33	13,370,952	11,101,800	20
Premiums ceded to reinsurers		(1,462,663)	(591,292)	(147)	(4,223,290)	(1,947,255)	(117)
Net written premium		**1,562,228**	**1,676,779**	**(7)**	**9,147,663**	**9,154,545**	**(0)**
Net change in reserves for unearned premium		147,541	334,760	56	(1,149,620)	(457,861)	(151)
Net earned premium		**1,709,770**	**2,011,539**	(15)	**7,998,043**	**8,696,684**	(8)
Other revenue							
Investment income		448,608	532,956	(16)	1,739,093	1,850,749	(6)
Fee income		192,336	104,741	84	653,745	449,951	45
Other income		20,517	32,088	(36)	33,092	110,300	(70)
Total other revenue		**661,461**	**669,785**	**(1)**	**2,425,930**	**2,410,999**	**1**
Net benefits and claims							
Net insurance claims and benefits		(2,226,072)	(1,584,384)	(41)	(6,689,296)	(6,209,419)	(8)
Underwriting and net acquisition costs		82,715	39,648	(109)	233,462	(256,675)	191
Other operating and administrative expenses		(968,525)	(1,249,988)	23	(4,009,045)	(4,165,978)	4
Finance costs		(19,108)	(15,804)	(21)	(72,559)	(63,754)	(14)
Share of Profit of equity accounted investees (net of tax)		7,061	6,265	13	57,182	65,664	(13)
Profit before tax		**(752,698)**	**(122,940)**	**(512)**	**(56,283)**	**477,521**	**(112)**
Income tax expense		171,066	35,092	(387)	(37,858)	(127,226)	70
Profit after tax		**(581,632)**	**(87,848)**	**(562)**	**(94,141)**	**350,295**	**(127)**

LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF OTHER COMPREHENSIVE INCOME

	Note	For the three months ended			For the year ended		
		31 December 2025 Rs.'000 Unaudited	31 December 2024 Rs.'000 Unaudited	Variance %	31 December 2025 Rs.'000 Unaudited	31 December 2024 Rs.'000 Audited	Variance %
Profit after tax		**(581,632)**	**(87,848)**	**562**	**(94,141)**	**350,295**	**(127)**
Other comprehensive income							
Items that will not be reclassified to profit or loss							
Other income							
Retirement benefit obligations - remeasurement component		-	7,070	**(100)**	-	7,070	**(100)**
Tax impact		-	(770)	**(100)**		(770)	**(100)**
		-	6,300	**(100)**	-	6,300	**(100)**
Items that may be reclassified to profit or loss							
Net change in fair value of available for sale financial assets (net of tax)- reclassification to profit or loss due to derecognition		-	-	-	(51,781)		-
Net change in fair value of available for sale financial assets (net of tax)		(77,438)	81,387	**(195)**	(97,780)	285,730	**134**
Share of other comprehensive income of equity accounted investee (net of tax)		8,407	1,880	**347**	38,374	28,352	**35**
Net other comprehensive income to be reclassified to income statement in subsequent periods		**(69,031)**	**83,267**	**(183)**	**(111,187)**	**314,082**	**135**
Total other comprehensive income/ (expense) for the period, net of tax		**(69,031)**	**89,567**	**(177)**	**(111,187)**	**320,382**	**135**
Total comprehensive income for the period, net of tax		**(650,663)**	**1,720**	**(37,934)**	**(205,329)**	**670,677**	**(131)**
Earnings per share							
Basic earnings per share	**6.9**	**(0.48)**	**(0.07)**	**562**	**(0.08)**	**0.29**	**(127)**

Figures in brackets indicate deductions.

LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

	Equity attributable to the owners of the company					
	Stated capital	**Reserve on available for sale financial assets**	**Foreign currency reserves**	**Other reserve**	**Retained earnings**	**Total**
	Rs.'000	**Rs.'000**	**Rs.'000**	**Rs.'000**	**Rs.'000**	**Rs.'000**
Balance as at 01 January 2024	**800,000**	**223,416**	**10,916**	**14,130**	**5,156,959**	**6,205,421**
Total comprehensive income for the period						
Profit for the period	-	-	-	-	350,295	**350,295**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Retirement benefit obligations - remeasurement component	-	-	-		6,300	**6,300**
Items that may be reclassified to profit or loss						
Net change in fair value of available for sale financial assets (net of tax)	-	285,730	-	-	-	**285,730**
Share of other comprehensive income of equity accounted investee (net of tax)	-	-	28,352	-	-	**28,352**
Total other comprehensive income for the period	**-**	**285,730**	**28,352**	**-**	**6,300**	**320,382**
Total comprehensive income for the period	**-**	**285,730**	**28,352**	**-**	**356,595**	**670,677**
Balance as at 31 December 2024	**800,000**	**509,145**	**39,269**	**14,130**	**5,513,554**	**6,876,098**
Balance as at 01 January 2025	**800,000**	**509,145**	**39,269**	**14,130**	**5,513,554**	**6,876,098**
Total comprehensive income for the period						
Profit for the period	-	-	-	-	(94,141)	**(94,141)**
Items that may be reclassified to profit or loss						
Net change in fair value of available for sale financial assets (net of tax) - reclassification to profit or loss due to derecognition	-	(51,781)	-	-	-	**(51,781)**
Net change in fair value of available for sale financial assets (net of tax)	-	(97,780)	-	-	-	**(97,780)**
Share of other comprehensive Income of equity accounted investee (net of tax)	-	-	38,374	-	-	**38,374**
Total other comprehensive income for the period	**-**	**(149,561)**	**38,374**	**-**	**-**	**(111,187)**
Total comprehensive income for the period	**-**	**(149,561)**	**38,374**	**-**	**(94,141)**	**(205,328)**
Balance as at 31 December 2025	**800,000**	**359,584**	**77,643**	**14,130**	**5,419,413**	**6,670,770**

Figures in brackets indicate deductions.

LOLC GENERAL INSURANCE PLC

CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

	Note	For the year ended	
		31-Dec-25	31-Dec-24
		Rs.' 000	Rs.' 000
		Unaudited	Audited
Cash flow from operating activities			
Premium received from policy holders		13,428,239	10,768,415
Reinsurance premiums (net of commission) paid		(2,780,892)	(2,116,792)
Claims, benefits and expenses paid		(6,173,093)	(5,567,479)
Reinsurance receipts in respect of claims and benefits		263,998	361,243
Cash paid to and on behalf of employees		(1,196,262)	(1,204,700)
Lease Interest		(42,607)	(42,124)
Payments to brokers and agents		(584,482)	(414,273)
Other operating cash payments		(2,105,335)	(2,159,159)
Cash generated from operating activities		**809,566**	**(374,870)**
Income tax paid		(75,655)	(464,167)
Net cash generated from operating activities		**733,912**	**(839,037)**
Cash flow from investing activities			
Purchase of investments		(7,921,195)	(6,048,586)
Sale/maturity of investments		4,416,521	6,362,074
Interest received		1,650,273	1,821,547
Purchase of intangible assets and capital work in progress		(116,855)	(5,078)
Purchase of property and equipment		(271,107)	(157,008)
Net cash used in investing activities		**(2,242,363)**	**1,972,949**
Cash flows from financing activities			
Principal element of lease payments		(65,000)	(60,566)
Long-term borrowings obtained		139,915	-
Net cash flows from financing activities		**74,915**	**(60,566)**
Increase/ (decrease) in cash and cash equivalents		(1,433,536)	1,073,347
Cash and cash equivalents at the beginning of the year		2,283,781	1,210,434
Cash and cash equivalents at the end of the year		**850,244**	**2,283,781**
Cash and cash equivalents as per cash flow were made up as follows;			
Cash and bank balances		350,085	105,289
Cash equivalents		500,159	2,178,492
		850,244	**2,283,781**

* Cash equivalents include repo balance which is categorized under the investment securities.

6 Notes to the interim financial statements

6.1 Condensed Interim financial statements

The Statement of Financial Position as at 31st December 2025, Statement of Income, Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity of the Company for the period ended there of are drawn up from Un-audited financial statements of the Company and provide information as required by the Colombo Stock Exchange and LKAS 34. Further, provisions of the Companies Act No.7 of 2007 has been considered in preparing the said financial statements of the Company.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period. The interim condensed financial statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

6.2 Basis of preparation

The same Accounting Policies and methods of computation as mentioned in the audited financial statements for the period ended 31 December 2024 have been adopted in the preparation of these condensed consolidated financial statements.

The Company has adopted Amendments to SLFRS 4 in the preparation of financial statements. Application of SLFRS 9 is not considered, considering the temporary exemption permitted under Para 20B of SLFRS 4 as the Company's activities are predominantly connected with insurance.

6.3 Other income / (expenses) includes foreign exchange gains / (losses) and rent income.

6.4 All expenses related to management expenditure is fully provided for in the financial statements.

6.5 Contingencies, capital and other commitments

There are no significant changes in the nature of the contingent liabilities that were disclosed in the Financial Statements for the year ended 31 December 2024.

6.6 Event after the reporting period

No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the financial statements.

6.7 Insurance contract liabilities - non-life insurance

	As at	
	31 December 2025	**31 December 2024**
	Rs.'000	**Rs.'000**
	Unaudited	**Audited**
Reserves for unearned premium	7,383,439	5,782,554
Reserves for gross outstanding claims	11,083,901	4,853,142
Reserves for IBNR and IBNER	1,249,570	1,033,511
	19,716,910	**11,669,207**

6.7.1 Mr. Roberto Malattia, FIAA, for and on behalf of NMG Consulting, has carried out the valuation of Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) for the company as at 31 December 2025 and has ensured that adequate reserves have been made in these condensed consolidated interim financial statements.

6.7.2 The company has also performed a LAT for non-life insurance reserves, as required by SLFRS - 4, to ascertain whether the recorded reserves are adequate in meeting future liabilities. The LAT was performed by the external actuarial consultants, NMG Consulting and it has been concluded that the recorded reserves in respect of the non-life insurance business of the company as at 31 December 2025 are adequate to meet the future liabilities of the business.

6.8 Gross written premium

	For the three months ended		For the year ended	
	31 December 2025	**31 December 2024**	**31 December 2025**	**31 December 2024**
	Rs.'000	**Rs.'000**	**Rs.'000**	**Rs.'000**
	Unaudited	**Unaudited**	**Unaudited**	**Audited**
Motor	2,431,450	1,710,563	10,380,068	8,166,943
Fire	351,830	356,432	2,062,067	2,146,890
Marine	42,234	26,788	160,707	105,817
Miscellaneous	199,378	174,288	768,110	682,150
	3,024,892	**2,268,071**	**13,370,952**	**11,101,800**

6.9 Basic and diluted earnings per

	For the three months ended		For the year ended	
	31 December 2025	**31 December 2024**	**31 December 2025**	**31 December 2024**
	Unaudited	**Unaudited**	**Unaudited**	**Audited**
Profit after tax (Rs'000)	(581,632)	(87,848)	(94,141)	350,295
Weighted average number of ordinary shares ('000)	1,200,000	1,200,000	1,200,000	1,200,000
Basic earnings per share (Rs.)	**(0.48)**	**(0.07)**	**(0.08)**	**0.29**

6.10 Market price per share

Market prices of ordinary shares recorded during the quarter ended are as follows;

	31 December 2025	31 December 2024
	Rs.	**Rs.**
Highest price	10.30	7.50
Lowest price	7.50	5.90
Closing price	8.00	7.00

7 Valuation of financial assets and liabilities

	Rs'000					
As at 31 December 2025	**Fair value - held for trading**	**Loans & receivable / not measured at fair value**	**Available for sale assets**	**Total carrying amount**	**Fair value**	**Fair value measurement level**
Cash and bank balances	-	350,085	-	**350,085**	**350,085**	Level 1
FVTPL investments	2,457,979	-	-	**2,457,979**	**2,457,979**	Level 1
Loans & receivables	-	7,193,257	-	**7,193,257**	**7,467,045**	Level 2
Available-for sale financial assets	-	-	6,725,856	**6,725,856**	**6,725,856**	Level 2
Premium receivable-loans & receivables	-	2,861,234	-	**2,861,234**	**2,861,234**	Level 3
Amounts due from related parties	-	53,654	-	**53,654**	**53,654**	Level 2
Total financial assets	**2,457,979**	**10,458,230**	**6,725,856**	**19,642,065**	**19,915,853**	

	Rs'000					
As at 31 December 2024	**Fair value - held for trading**	**Loans & receivable / not measured at fair value**	**Available for sale assets**	**Total carrying amount**	**Fair value**	**Fair value measurement level**
Cash and bank balances	-	105,289	-	**105,289**	**105,289**	Level 1
FVTPL investments	-	-	-	-	-	Level 1
Loans & receivables	-	4,359,023		**4,359,023**	**4,359,023**	Level 2
Available-for sale financial assets	-	-	8,069,565	**8,069,565**	**8,069,565**	Level 2
Premium receivable-loans & receivables	-	2,386,244	-	**2,386,244**	**2,386,244**	Level 3
Amounts due from related parties	-	197,474	-	**197,474**	**197,474**	Level 2
Total financial assets	**-**	**7,048,029**	**8,069,565**	**15,117,594**	**15,117,594**	

* The following table lists those financial instruments for which their carrying amounts are a reasonable approximation of fair values because, for example, they are short term in nature or re-priced to current market rates frequently

Assets	Liabilities
Cash & cash equivalents	Bank overdrafts
Amounts due from related parties	Amounts due to related parties
Other assets	Other liabilities

8 Statement of directors' holding in shares of the entity

Directors name	No of shares	%
Mr. K. A. K. P. Gunawardena	-	-
Mrs. K. U. Amarasinghe	-	-
Mr. H.A. Karunaratne	-	-
Mrs. V.G.S. S. Kotakadeniya	-	-
Mr. W. R. A. Dharmarathne	-	-
Mr. I. Wijesiriwardane	-	-
Mr. A.A.C.S.L. Aluthgama	-	-
Mr.D.R. Samaraweera	-	-

9 Top 20 shareholders as at 31 December 2025

No	Shareholder	No. of shares	% of Issued capital
1	LOLC Asset Holdings Limited	765,000,000	63.75
2	LOLC Ceylon Holdings PLC	228,000,000	19.00
3	LOLC Investment Holdings Seven (Private) Limited	87,000,000	7.25
4	Commercial Bank Of Ceylon PLC/ Phantom Investments (Private) Limited	25,410,217	2.12
5	Senkadagala Finance PLC/S.Gobinath	5,812,000	0.48
6	DFCC Bank PLC/A.T.Weerasekara	4,900,106	0.41
7	Hatton National Bank PLC/Dinesh Nagendra Sellamuttu	2,978,343	0.25
8	Mr. M.M.C. Cooray	2,300,000	0.19
9	Mr. S. Sivashanth	2,000,000	0.17
10	Bank of Ceylon A/C Ceybank Unit Trust	1,782,800	0.15
11	Miss A.J.S.N. Amerasinghe	1,410,000	0.12
12	Mr. M.I.U. De Silva	1,374,187	0.12
13	Hatton National Bank PLC/Ramaraj Kuhan	1,222,741	0.10
14	Polgahawela Sanasa Societies Union Ltd	1,100,000	0.09
15	Dr. K.A.S.S. Rodrigo	1,085,000	0.09
16	DFCC Bank PLC/L.C.A. Lankeshwara	1,025,286	0.09
17	Commercial Bank Of Ceylon PLC/ Prempra Capital (Private) Limited	1,000,000	0.08
18	Simonas Trust Service Pvt Ltd	967,043	0.08
19	Miss S.S.P. Kandambi	892,818	0.07
20	Dr.A.M.A.D.S. Abeysinghe	814,976	0.07
		1,136,075,517	**94.67**

	31-Dec-25
The float adjusted market capitalization	959,920,000
Public shareholding	10%
Number of public shareholders	4,476
Compliance option	Option 2