ANNEXURE 2

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2025

INSUREME INSURANCE BROKERS LIMITED

Interim Financial Statement
for the Period Ended 30th September 2025

INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the Period ended 30 September,

	Group		Company	
	2025 Apr-Sep Rs.	**2024 Apr-Sep Rs.**	**2025 Apr-Sep Rs.**	**2024 Apr-Sep Rs.**
Revenue	228,948,105	175,178,121	198,661,582	155,878,995
Cost of sales	(138,105,632)	(116,756,479)	(108,205,663)	(84,821,727)
Gross profit	**90,842,473**	**58,421,642**	**90,455,920**	**71,057,267**
Other income	6,973	(97,223)	6,973	(97,223)
Distribution expenses	(5,747,455)	(6,311,148)	(4,590,167)	(6,143,525)
Administration expenses	(60,452,315)	(54,032,158)	(45,156,910)	(39,631,780)
Finance income	3,581,101	2,998,625	2,258,524	1,625,359
Profit before income tax expense	**28,230,777**	**979,738**	**42,974,339**	**26,810,098**
Income tax expense	(13,583,726)	(8,823,930)	(13,583,726)	(8,823,930)
Profit for the year	**14,647,051**	**(7,844,192)**	**29,390,613**	**17,986,169**
Other comprehensive income				
Actuarial (loss)/ gain on retirement benefit obligation	-	-	-	-
Deferred tax effect on actuarial gain	-	-	-	-
Total comprehensive income for the year	**14,647,051**	**(7,844,192)**	**29,390,613**	**17,986,169**
Basic earning per share (Rs.)	**7.13**	**(3.87)**	**14.30**	**8.86**

Figures in brackets indicate deductions.
The separate financial statements are to be read in conjunction with the related notes, which form an integral part of these separate financial statements.

The above figures are provisional and subject to audit.

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INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF FINANCIAL POSITION

As at 30 September,	*Non Audited*	*Audited*	*Non Audited*	*Audited*
	Group		Company	
	2025 Sep 30 Rs.	2025 Mar 31 Rs.	2025 Sep 30 Rs.	2025 Mar 31 Rs.
ASSETS				
Non-current assets				
Property, plant and equipment	10,914,214	11,963,333	10,914,214	11,963,333
Intangible assets	35,325,434	34,545,436	1,286,460	1,334,020
Investment in subsidiary	-	-	100	100
Deferred tax asset	1,392,687	1,392,687	1,392,687	1,392,687
Total non-current assets	**47,632,335**	**47,901,456**	**13,593,461**	**14,690,140**
Current assets				
Trade and other receivables	122,027,944	145,052,243	115,130,182	129,380,811
Amounts due from related parties	-	-	77,879,078	61,270,868
Cash and cash equivalents	150,583,417	112,715,892	104,940,110	69,567,343
Total current assets	**272,611,361**	**257,768,135**	**297,949,370**	**260,219,022**
Total assets	**320,243,696**	**305,669,591**	**311,542,832**	**274,909,162**
EQUITY AND LIABILITIES				
Equity				
Stated capital	111,388,981	111,388,981	111,388,981	111,388,981
Retained earnings	46,519,990	31,872,938	64,745,028	35,354,415
Non-controlling interest			-	-
Total equity	**157,908,971**	**143,261,919**	**176,134,009**	**146,743,396**
Non-current liabilities				
Retirement benefit obligation	7,483,629	7,693,628	6,300,031	6,510,031
Total non-current liabilities	**7,483,629**	**7,693,628**	**6,300,031**	**6,510,031**
Current liabilities				
Trade and other payables	142,804,418	145,662,408	117,062,115	112,604,099
Amounts due to related parties	-	-	-	-
Income tax payable	11,892,302	7,274,589	11,892,302	7,274,589
Bank overdraft	154,375	1,777,047	154,375	1,777,047
Total current liabilities	**154,851,096**	**154,714,044**	**129,108,792**	**121,655,735**
Total equity and liabilities	**320,243,696**	**305,669,591**	**311,542,832**	**274,909,162**

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

I certify that these separate financial statements have been prepared in compliance with the requirements of Companies Act No. 07 of 2007.

.....

Assistant Manager Finance

The Board of Directors is responsible for the preparation and presentation of these separate financial statements in accordance with Sri Lanka Accounting Standards.

Approved and signed for and on behalf of the Board of Directors:

.....

Director

.....

Director

07 November 2025
Colombo

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INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF CHANGES IN EQUITY

As at 30 September,

Company	**Stated capital Rs.**	**Retained earnings Rs.**	**Total Rs.**
Balance as at 01 April 2024	**96,389,196**	**10,802,170**	**107,191,366**
Shares issued during the Period			
Profit for the Period	-	17,986,169	17,986,169
Other comprehensive income	-	-	-
Balance as at 30 September 2024	**96,389,196**	**28,788,339**	**125,177,535**
Balance as at 01 April 2025	**111,388,981**	**35,354,415**	**146,743,396**
Profit for the year	-	29,390,613	29,390,613
Other comprehensive income	-	-	-
Balance as at 30 September 2025	**111,388,981**	**64,745,028**	**176,134,009**

Group	**Attributable to equity holders of the parent**				
	Stated capital	**Retained earnings**	**Total**	**Non controlling interests**	**Total equity**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Balance as at 01 April 2024	**96,389,196**	**20,082,003**	**116,471,199**	-	**116,471,199**
Profit for the year	-	(7,844,192)	(7,844,192)	-	(7,844,192)
Other comprehensive income	-	-	-	-	-
Shares issued during the year		-	-	-	-
Balance as at 30 September 2024	**96,389,196**	**12,237,811**	**108,627,007**	-	**108,627,007**
Balance as at 01 April 2025	**111,388,981**	**31,872,939**	**143,261,920**		**143,261,920**
Profit for the Period	-	14,647,051	14,647,051	-	14,647,051
Other comprehensive income	-	-	-	-	-
Balance as at 30 September 2025	**111,388,981**	**46,519,990**	**157,908,971**	-	**157,908,971**

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit

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INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF CASH FLOWS
For the Period ended 30 September,

	Group		Company	
	2025 Sep 30 Rs.	**2024 Sep 30 Rs.**	**2025 Sep 30 Rs.**	**2024 Sep 30 Rs.**
Cash flows from operating activities				
Profit before tax expense	28,230,777	979,738	42,974,339	26,810,098
Adjustments for;				
Interest income	(3,581,101)	(2,998,625)	(2,258,524)	(1,625,359)
Loss/ (gain) on disposal of property, plant and equipment	(6,973)	97,223	(6,973)	97,223
Provision for retirement benefit obligation	-	-		
Depreciation on property, plant and equipment	2,102,093	1,792,606	2,102,093	1,792,606
Amortization on intangible assets	1,620,003	501,835	47,560	118,024
Operating profit before working capital changes	**28,364,798**	**372,778**	**42,858,494**	**27,192,594**
Changes in,				
Trade and other receivables	22,233,000	28,214,772	13,374,040	26,787,447
Amounts due from related parties	0	-	(16,608,210)	(30,611,495)
Amounts due to related parties			-	-
Trade and other payables	(2,857,988)	8,005,738	4,458,016	6,892,849
Cash generated from/ (used in) operations	**47,739,810**	**36,593,287**	**44,082,340**	**30,261,395**
Retirement benefit obligation paid	(210,000)	(125,000)	(210,000)	(125,000)
Income tax paid	(8,274,589)	(5,663,683)	(8,274,589)	(5,663,683)
Net cash generated from/ (used in) operating activities	**39,255,221**	**30,804,604**	**35,597,751**	**24,472,712**
Cash flows from investment activities				
Acquisition of property, plant and equipment	(1,086,000)	(532,875)	(1,086,000)	(532,875)
Acquisition/ development of intangible assets	(2,400,000)	(448,000)	-	
Interest received	3,680,975	2,998,625	2,443,688	1,625,359
Proceeds from disposal of property, plant and equipment	40,000	281,000	40,000	281,000
Net cash generated from/ (used in) investing activities	**234,975**	**2,298,751**	**1,397,688**	**1,373,484**
Cash flows from financing activities				
Proceeds from share issue	-	-	-	
Net cash generated from financing activities	-	-	-	-
Net increase in cash and cash equivalents	**39,490,196**	**33,103,354**	**36,995,439**	**25,846,197**
Cash and cash equivalents at the beginning of the year	110,938,845	70,978,323	67,790,296	36,908,885
Cash and cash equivalents at the end of the year (Note 15)	**150,429,041**	**104,081,678**	**104,785,735**	**62,755,082**

Figures in brackets indicate deductions.
The above figures are provisional and subject to audit

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INSUREME INSURANCE BROKERS LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
As at 30 September,

1 Segment analysis

1.1 Segment analysis of Group revenue

	Apr-Sep 2025	Apr-Sep 2024
Insureme	**Rs.**	**Rs.**
B2C	13,190,545	10,806,340
B2B	106,915,451	90,414,630
B2B2C	78,555,586	54,658,025
Inureme Total	**198,661,582**	**155,878,995**
	Apr-Sep 2025	**Apr-Sep 2024**
Digis	**Rs.**	**Rs.**
Digis Total	**30,286,524**	**19,299,126**
Group Revenue	**228,948,106**	**175,178,121**

1.2 Segment analysis of Group profit

	Insureme		Digis		Total	
For the Period ended 30th September	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Profit/(loss) from operations	90,455,920	71,057,267	386,553	(12,635,625)	90,842,473	58,421,642
Finance income	2,258,524	1,625,359	1,322,577	1,373,267	3,581,101	2,998,625
Finance expenses	-	-	-	-	-	-
Profit / (loss) before tax	42,974,339	26,810,098	(14,743,562)	(25,830,361)	28,230,777	979,738
Income tax expense	(13,583,726)	(8,823,930)	-	-	(13,583,726)	(8,823,930)
Profit / (loss) for the period	**29,390,613**	**17,986,169**	**(14,743,562)**	**(25,830,361)**	**14,647,051**	**(7,844,192)**

2 Basis of Preparation and Accounting Policies

The interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 – Interim Financial Reporting.
The accounting policies and methods of computation applied in the preparation of these interim financial statements are consistent with those applied in the most recent audited annual financial statements. There have been no changes to the accounting policies during the interim period

3 Events after the reporting period

All material events after the reporting period have been considered and where appropriate adjustments or disclosures have been made in the respective notes to the financial

4 Contingent Liabilities

No pending litigation or claim against Insureme Insurance Brokers Limited as at the period ended 30 September 2025.

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ANNEXURE 3

RESEARCH REPORT OF THE FINANCIAL ADVISOR & MANAGERS TO THE INTRODUCTION AND SPONSOR JUSTIFYING THE REFERENCE PRICE

INSUREME INSURANCE BROKERS LIMITED



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Research Report

Atarah Capital (Private) Limited
Financial Advisor & Manager to the Introduction and Sponsor

30th October 2025

The Board of Directors
InsureMe Insurance Brokers Limited
No. 14A, Boyd Place
Colombo 03

Dear Sir/Madam,

InsureMe Insurance Brokers Limited – Research Report Prepared by the Financial Advisor & Manager to the Introduction and Sponsor for the Equity Introduction Justifying the Reference Price

We are pleased to submit the Research Report prepared by us as required by CSE Listing Rules for the purpose of justifying the Reference Price of the Company's shares in connection with the listing of Ordinary Voting Shares by way of an Introduction.

Based on our research and valuation, the fair value of the Ordinary Voting Shares of the Company is LKR 491.56 per share, and we recommend a per share value of LKR 442.00 as the Reference Price to list the shares. The detailed report is enclosed herewith for your reference.

We also confirm that the Research Report has been prepared in accordance with the disclosures specified in the 'Valuation/ Research Report - Guidance Note' issued by the CSE.

Thank You.

Yours Sincerely,

Sgd.

Atarah Capital (Pvt) Limited

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1. Glossary of Terms and Abbreviations

InsureMe or INME	InsureMe Insurance Brokers Limited
INME group	InsureMe Insurance Brokers Limited and Digital Services Global (Pvt) Limited
ACPL	Atarah Capital (Pvt) Limited
AWFDR	Average Weighted Fixed Deposit Rate
B2B	Business to Business
B2C	Business to Customers
B2B2C	Business to Business to Customer
CAGR	Compound Average Growth Rate
CSE	Colombo Stock Exchange
DIGIS	Brand name of Digital Services Global (Pvt) Ltd
DCF	Discounted Cash Flow
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest Tax Depreciation & Amortization
EPS	Earnings Per Share
FY	Financial Year
Insurtech	Insurance Technology
IRCSL	Insurance Regulatory Commission of Sri Lanka
MENA	Middle East and North Africa
Mn	Million
SME	Small and Medium Enterprises.
NAV	Net Asset Value
PER	Price Earnings Ratio
USD	United State Dollars

1. Introduction

Executive Summary

We, Atarah Capital (Pvt) Limited, have conducted research and carried out the valuation of shares to arrive at an appropriate equity value for the company's shares. The results are summarized below.

Table 1.1

Valuation Technique	Equity Value (LKR)	Price/ Price range per Share (LKR)	Premium/(Discount)
Consolidated Equity Value Based on Discounted Cash Flow Methodology	1,010,300,322	491.56	(10.08%)

Note: Relative valuation approach referred to in bullet point 2 of the below section only provides an indicative value, hence such value has not been included in the above main valuation table.

The Reference Price for the purpose of listing on the CSE is determined as LKR 442.00 per share.

The Reference Price is with a discount of 10.08% to the value per share derived based on DCF method (i.e. LKR 491.56 per share). Aforesaid discount is applied to factor any probable risks of variation of anticipated results and to offer an upside for secondary market trading upon listing

A summary of the individual company valuation based on DCF methodology is as follows: -

Table 1.2

Company	Equity Value (LKR)
InsureMe Insurance Brokers Limited	421,136,753
Digital Services Global (Pvt) Limited	589,163,569
Total Consolidated Equity Value	**1,010,300,321**

We have adopted the DCF method, as valuation techniques due to the following reasons.

- Given InsureMe's dual role as an insurance broker and Insurtech platform, its value is strongly tied to its ability to generate sustainable and growing cash flows, making the Discounted Cash Flow (DCF) method the most suitable valuation approach. The Subsidiary company planned expansion into the MENA and other Asia Pacific and MENA markets, combined with management's strategies for operational improvement, in-house technical development, and product innovation, is expected to drive significant growth. This cash flow visibility, supported by strategic initiatives and measurable expansion potential, allows the DCF method to accurately reflect InsureMe's intrinsic value, rather than relying solely on market sentiment or peer multiples.

- For the valuation purpose, we do not use the Relative Approach as the primary method; however, applied as a method of comparison to DCF based equity value. To identify an indicative value with reference to market multiples, a Relative Multiple Approach has been used for each individual company. The valuation results are presented in the following summary.

Table 1.3

Equity value based on P/E multiple of CSE listed insurance companies*	Equity Value (LKR)
InsureMe Insurance Brokers Limited	416,256,496
Equity value based on revenue multiple of selected tech enabled insurance services providers *	**Equity Value (LKR)**
Digital Services Global (Pvt) Limited	571,546,250
Total Equity Value	**987,802,745**
No of Shares	2,055,290
Value Per Share	**480.61**

**Please refer to section 5.2 for more details on the above.*

- Assets-based valuation approach has not been considered as the Company, and its subsidiary intrinsic value could be better reflected through their ability to increase the earnings and generate cashflows. Moreover, the Subsidiary is at the early growth phase where the potential can be reflected through future cash flows.

Based on our analysis, we recommend a Reference Price of LKR 442.00 Per Share.

Objective of the Research Report

ACPL has been engaged by the management of InsureMe Insurance Brokers Limited to determine the fair value of a share and advise the Company on the appropriate "Reference Price" for shares to be listed via the proposed introductory listing. Accordingly, this Research Report has been prepared by ACPL in order to provide the said basis in determining the fair value of Ordinary Voting Shares of InsureMe in connection with the proposed Introductory Listing, as required under Rule 3.4.8 (b) (iii) of the CSE Listing Rules. Therefore, this report provides information pertaining to the industry in which InsureMe is operating and the basis adopted in determining the fair value of the company's Ordinary Voting Shares.

2. InsureMe Insurance Brokers Limited

Company Profile

InsureMe Insurance Brokers Limited was founded in 2016 with the vision of introducing an insurance comparison platform to change the way people buy insurance. The founders believe every Sri Lankan deserves a life without hassle and identified a lack of globally aligned consumer decision-making in the insurance sector. In response, founders established InsureMe as a licensed insurance broker under the Insurance Regulatory Commission of Sri Lanka (IRCSL) and **launched Sri Lanka's first Online Insurance Aggregator Platform[1].**

Since its incorporation, InsureMe has been at the forefront of innovation, solidifying its leadership in the local Insurtech market while strategically advancing its expansion into the global Insurtech arena. To support this goal, Digital Services Global (Pvt) Ltd was incorporated in 2019 as a wholly owned subsidiary of InsureMe Insurance Brokers Limited which is engaged in developing Insurtech and other workflow automation products.

Vision

"Making Insurance easy for everyone"

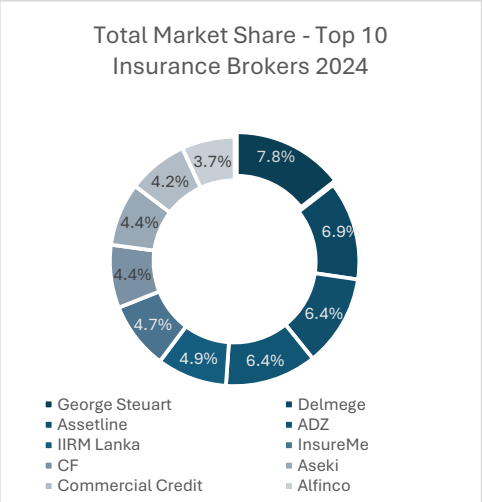
Mission

"Introduce technology & process innovations that would enable our customers to compare & buy insurance & obtain insurance claims conveniently whilst facilitating our insurance partners to improve their service quality & productivity"

The Main Business activities.

A Leading Insurance Broker-with Innovative tech driven approach

InsureMe has brought together multiple leading insurance companies in Sri Lanka into a single marketplace, allowing Sri Lankans to compare and choose the most suitable, affordable, and convenient insurance products. InsureMe acts as a distribution channel for insurance products using digital technology, becoming Sri Lanka's first online insurance aggregator platform.



This unique position offers a competitive advantage over traditional brokers, enhancing customer retention through digital innovation and the ability to easily compare products. Since its incorporation, the company has achieved the 6th largest Local market share within just 9 years[2], demonstrating InsureMe's strong competitive edge over other brokers.

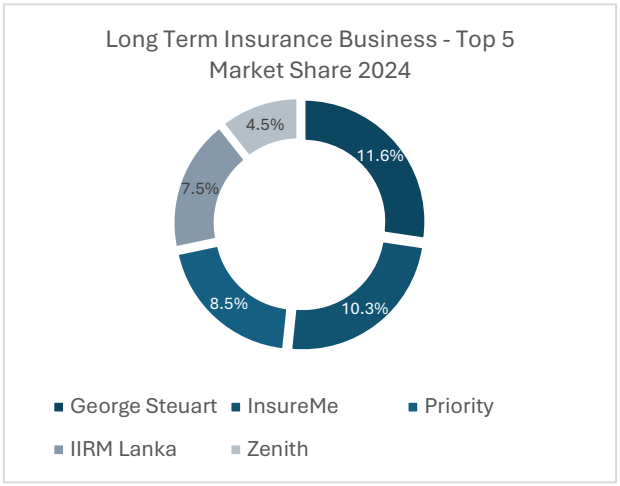
Total Market Share of Insurance Brokers in 2024 - InsureMe Stands **on 6th Place** with 4.7% Share.

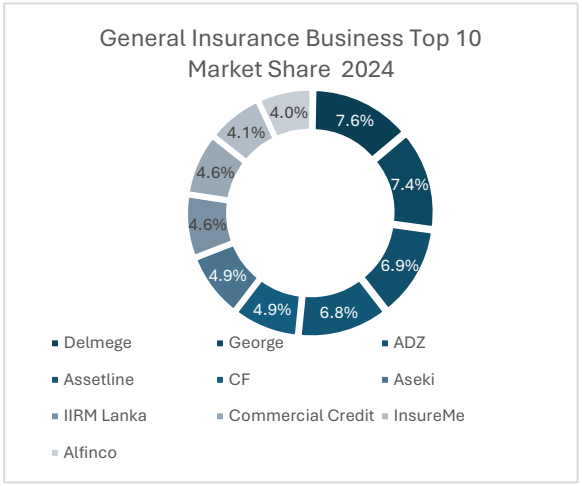
[1] Sri Lanka's first insurance comparison website goes live | Daily FT – accessed on 1st August 2025

[2] Insurance Industry Performance Review 2024- Insurance Brokering Business, published by Insurance Regulatory Commission of Sri Lanka - https://ircsl.gov.lk/insurance-sector/industry-performance/handbooks/ - Industry Handbook 2024- accessed on 1st August 2025

Insurance Brokering Industry Snapshot and Key Players – Sri Lanka

According to the IRCSL Insurance Industry Performance Report 2024[2], the local insurance market is categorized into two segments based on gross written premium. The first segment, long-term insurance business, comprises life, pensions, and investment-related products. In this segment, INME is ranked second. The second segment, general insurance brokering, includes short-term risk coverage such as motor, health, property, and business insurance. In this segment, INME holds the ninth position[2].



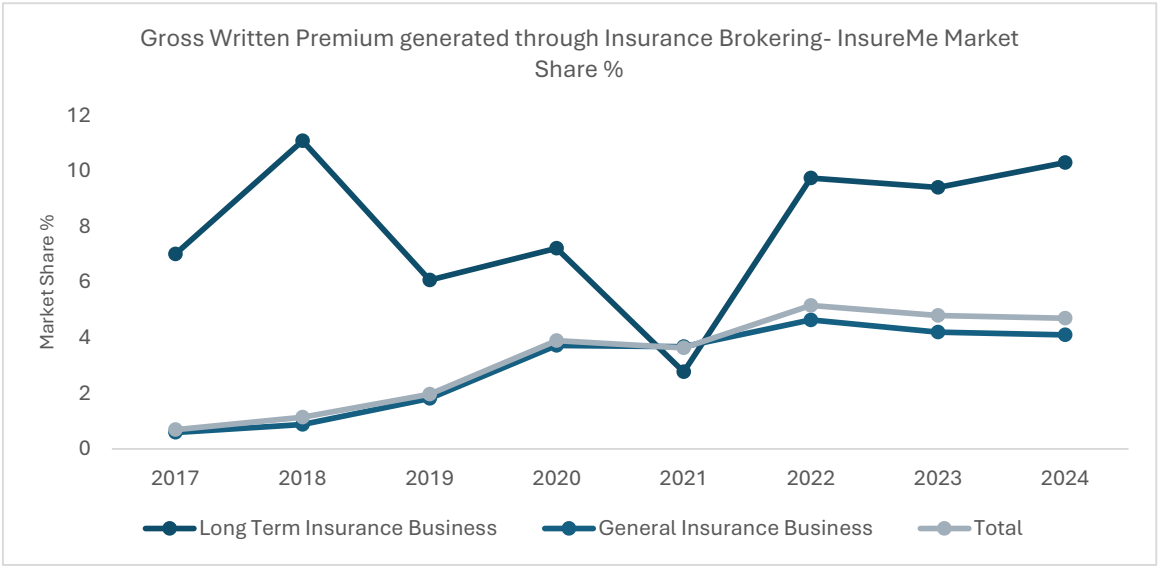


***Long Term Insurance** - InsureMe stands **on 2nd place with 10.3%** market share*

***General Insurance** InsureMe stands **on 9th place with 4.1%** market share*

Source: IRCSL*

Source: IRCSL*



Source: IRCSL*

*Insurance Industry Performance Review 2024- Insurance Brokering Business published by Insurance Regulatory Commission of Sri Lanka - https://ircsl.gov.lk/insurance-sector/industry-performance/handbooks/ - Industry Handbook 2024- accessed on 1st August 2025

The below table depicts detailed information in respect of the Insurance Brokers captured in the above charts

Table 2.1

No.	Name of the Insurance Broker	Label	Annual Report Data 2024 (Rs.)					
			Gross Written Premium					
			Long Term Insurance Business		General Insurance Business		Total	
			LKR ('000)	Market share %	LKR ('000)	Market Share (%)	LKR ('000)	Market Share (%)
1	George Steuart Insurance Brokers (Pvt) Limited	George Steuart	560,620	11.6%	3,356,893	7.4%	3,917,513	7.8%
2	Delmege Insurance Brokers (Pvt) Ltd.	Delmege	2,317	0.0%	3,429,325	7.6%	3,431,643	6.9%
3	Assetline Insurance Brokers (Pvt) Limited	Assetline	160,099	3.3%	3,056,352	6.8%	3,216,451	6.4%
4	ADZ Insurance Brokers (Pvt) Ltd.	ADZ	67,420	1.4%	3,104,031	6.9%	3,171,451	6.4%
5	IIRM Lanka Insurance Brokers (Private) Limited	IIRM Lanka	360,983	7.5%	2,095,154	4.6%	2,456,137	4.9%
6	InsureMe Insurance Brokers (Pvt) Ltd	InsureMe	497,723	10.3%	1,868,898	4.1%	2,366,621	4.7%
7	CF Insurance Brokers (Pvt) Ltd.	CF	403	0.0%	2,219,723	4.9%	2,220,127	4.4%
8	Aseki Insurance Brokers (Pvt) Ltd	Aseki	13,559	0.3%	2,196,837	4.9%	2,210,396	4.4%
9	Commercial Credit Insurance Brokers (Pvt) Ltd	Commercial Credit		0.0%	2,076,206	4.6%	2,076,206	4.2%
10	Alfinco Insurance Brokers (Pvt) Ltd.	Alfinco	8,053	0.2%	1,820,273	4.0%	1,828,326	3.7%
-	Zenith Insurance Brokers (Pvt) Ltd.	Zenith	218,812	4.5%	781,214	1.7%	1,000,026	2.0%
-	Priority Insurance Brokers (Pvt) Ltd	Priority	411,531	8.5%	30,727	0.1%	442,258	0.9%

Source: Insurance Industry Performance Review-2024, Insurance Brokering Business ,published by Insurance Regulatory Commission of Sri Lanka-Market Share Local- https://ircsl.gov.lk/insurance-sector/industry-performance/handbooks/ Industry Handbook 2024-accessed on 1st August 2025

InsureMe's Income Generation can be recognized based on three segments.

Business to Customer (B2C): InsureMe, the online insurance aggregator, delivers services directly to end customers through its digital marketplace assisted by the expert Tele Sales Team (Tele-sales refers to the process whereby InsureMe assigns a dedicated team to contact customers, provide assistance, and explain the insurance products in detail etc.). Most policies sold are Motor Insurance, followed by Medical Insurance and other coverage types.

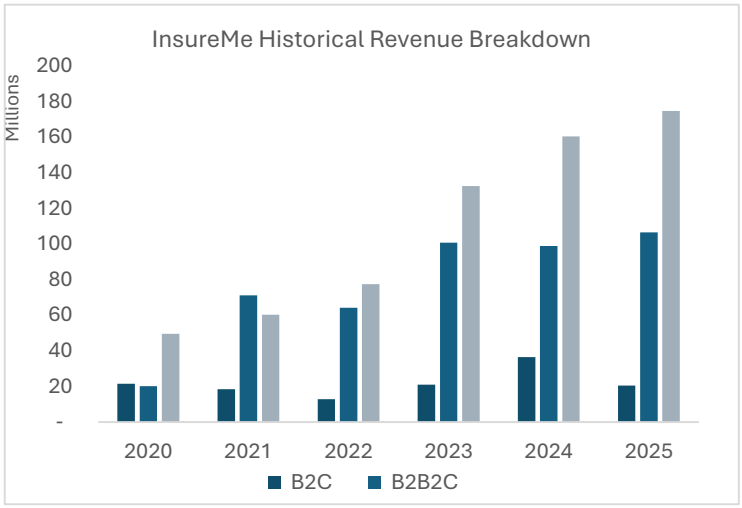
Business to Business (B2B): InsureMe provides Group Health/Medical, Group Life, Property, Liability and other insurance brokering services to Sri Lankan businesses. In the 2024/25 financial year, InsureMe served more than 180 enterprise clients across the country. Its customer base is diverse and not limited to a single industry. InsureMe delivers services to various sectors, including Sri Lanka's leading IT and Software Companies, Telecommunication Sector, Food and Beverage Companies, Banks and Financial Institutions, Logistics Providers, and more.

InsureMe also provides a claim management workflow solution to its B2B clients, which offers a competitive advantage by improving long-term customer retention and attracting new clients.

Business to Business to Customer (B2B2C): InsureMe provides insurance broker services to leading financial institutions where the insurance needs of end customers of such entities are facilitated through InsureMe platform. In the 2025/26 financial year to date, two of Sri Lanka's top banks and one Finance Company are receiving brokerage services from InsureMe.

Historical Financial Analysis- InsureMe

Revenue



InsureMe has achieved a 19% compound annual Revenue growth rate (CAGR) over the past five years. The B2B segment generated 58% of total revenue in the 2024/25 financial year, during which InsureMe engaged with over 180 corporate clients.

Through continuous technological advancement and an innovative-driven approach, InsureMe offers a claims management workflow system to its customers, placing the company in a unique position compared to other insurance brokers.

Additionally, the B2B2C segment represents 35% of total revenue and has shown a CAGR of 11% over the past five years, despite economic challenges. The B2C segment contributed 7% of total revenue in the 2024/25 financial year, primarily generated through InsureMe's online insurance aggregator and digital marketplace and at certain instances by direct engagement with the clients. It offers a comprehensive online marketplace for motor, travel, life, and global health insurance, allowing customers to compare and select products in one convenient platform. Furthermore, InsureMe partners and collaborates with all of Sri Lanka's leading insurance product providers, enhancing the range and accessibility of services offered.

Cost of Sales, Administration, Distribution and Other Expenses.

The company has maintained an average historical gross margin of 46% over the past five years. The cost of sales primarily consists of direct staff costs, referral fees, and other commission-related expenses directly associated with revenue generation.

Direct staff costs include expenses related to retail call center staff, life and SME staff, Corporate Team bancassurance staff, and branch operations staff. In addition, the cost of sales includes referral fees paid to financial institutions associated with the B2B2C segment.

Administrative expenses of the past 3 years include approximately 27%-32% attributed to salaries and allowances for Tech team and support services staff. In addition, other administrative costs consist of rent, electricity and water expenses, web hosting and related charges, professional consultancy fees, and more. These administrative costs are generally fixed in nature.

The distribution costs include advertising, digital and social media expenses, and credit card/online commission fees. Notably, social and digital media expenses accounted for 26% of B2C revenue over the past three financial years (including 2024/25).

Over the last five financial years, the company has recorded an average EBITDA margin of 9.7%, with the most recent EBITDA margin reaching 11.3% (in FY 24/25).

The Company has not held any interest-bearing liabilities over the past five financial years. Instead, it maintains fixed income deposits under cash and cash equivalents, from which it earns finance income.

Financial Position Analysis -

The majority of fixed assets consist of computer-related equipment. In addition, the Company holds intangible assets with an initial cost of approximately LKR 7.1 million for the InsureMe Platform and a further sum of LKR 1.2 Mn for Mobile Application (Software) As for the most recent financial year, the carrying value of these intangible assets stood at LKR 1.3 million.

Based on working capital analysis, the company does not have a material working capital requirement, primarily due to extended credit terms. The cash conversion cycle is negative, indicating that cash inflows occur faster than outflows, which contributes positively to liquidity and operational efficiency.

Table 2.2

BUSINESS ACTIVITY RATIOS	2021	2022	2023	2024	2025
Trade and Other Receivable Days	143	158	129	155	163
Other Payables Days	244	293	248	216	213
Cash Conversion Cycle	(101)	(135)	(119)	(61)	(50)

Receivables are predominantly in trade nature whilst payables comprise of non-trade nature balances.

Interim Financial Statements of 30th September 2025

As per the unaudited interim financial statements of 30th September 2025, the total assets of INME stood at LKR 311 Mn whilst the total equity amounted to LKR 176 Mn. Refer Annexure 2 of the Introductory Document for more details

3. Digital Services Global (Pvt) Ltd - DIGIS

Company Profile

As a wholly owned subsidiary of InsureMe, DIGIS specializes in developing Insurtech products designed to automate insurance services for insurance companies, intermediaries, and other service providers within the insurance value chain. In addition, the company develops advanced process automation solutions that enable businesses to streamline operations and enhance workflow efficiency.

As envisioned, DIGIS has successfully developed and launched a portfolio of cutting-edge Insurtech solutions, currently deployed in Sri Lanka and Singapore, with a predominant focus on the insurance value chain. Built with scalability at their core, these products can be seamlessly adapted and customized to meet the specific needs of diverse markets and clients. Leveraging its proven success, DIGIS is now actively pursuing global expansion, strategically targeting regions where its insurance and process automation technologies can deliver significant operational efficiencies, improved customer experience, and measurable value for all stakeholders in the insurance ecosystem.

Vision

"Elevating efficiency and Empowering Business through Innovative Automation and Transformative Digital Solution"

Mission

"Delivering efficient, technology-driven automation solution that simplify operations and enhance business processes."

Main Business Activities

Principal business activity of the business consists of developing tech products used for workflow management and process automation.

To date, DIGIS has successfully introduced three products to the market.

DIGIEYE- Automated Motor Claim Inspection

DIGIEYE is a comprehensive, mobile app–based motor claims automation platform designed to streamline the end-to-end claims process for insurance companies and motor claims assessors. Purpose-built to digitize and accelerate claims handling, DIGIEYE enables policyholders to submit accident details, photographs, and location information instantly, while providing insurers with real-time access to assessment data, repair cost estimates, and progress tracking.

Equipped with advanced capabilities, the platform allows assessment officers to conduct live streaming inspections and verify geolocation, enabling accurate remote damage evaluation without the need for time-consuming on-site visits. This eliminates the delays associated with traditional inspection methods, allowing insurers to approve claims more quickly and enabling customers to leave the incident location with minimal disruption. In addition, DIGIEYE empowers insurers to generate customized reports in their preferred format, ensuring the information is tailored to their operational requirements and regulatory needs. By reducing operational costs, shortening settlement times, and improving customer experience, DIGIEYE delivers significant value to both insurers and policyholders.

DIGIMED- Automated Medical Claim Management

DIGIMED is an advanced, end-to-end medical claims automation platform designed to simplify and accelerate the processing of outpatient and inpatient claims for corporates, insurers, and third-party administrators. Built as a mobile app–based solution, DIGIMED seamlessly integrates employers, insurers, employees, and policyholders into a single platform, enabling a fully digital, paperless claims journey.

The platform allows employees or policyholders to submit medical bills and supporting documents electronically, receive real-time updates on claim status, and benefit from faster reimbursements through direct bank transfers. By digitizing the entire workflow—from claim submission to review, approval, and settlement—DIGIMED eliminates the inherent delays of conventional processes, reduces administrative overhead, ensures regulatory compliance, and delivers a significantly enhanced healthcare benefits experience for insured members. With real-time progress tracking and seamless stakeholder connectivity, DIGIMED empowers organizations to manage medical claims efficiently while improving transparency and customer satisfaction

DIGIEX – Automated Expense Management System

In addition to its core Insurtech offerings, DIGIS has broadened its product portfolio with the development of *DIGIEX* — a dynamic workflow automation platform designed to streamline a wide range of corporate processes, including supplier payments, employee benefits disbursements, and other critical operational workflows in organizations worldwide. The platform's key differentiator lies in its unparalleled flexibility — it can be fully customized to match the unique process requirements of each client while seamlessly integrating with the organization's existing applications and systems.

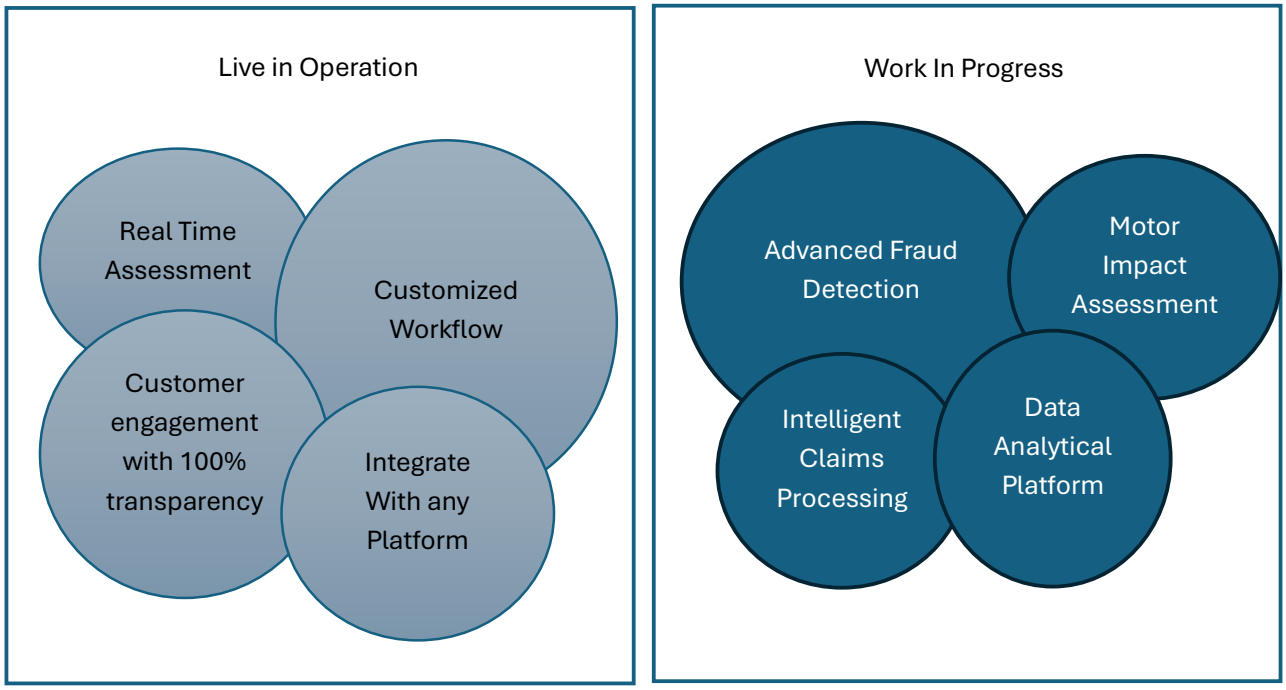
By enabling end-to-end automation, real-time visibility, and robust integration capabilities, DIGIEX empowers corporates to reduce manual intervention, minimize errors, accelerate processing times, and enhance compliance. Its adaptability ensures relevance across industries, making it an ideal solution for companies seeking to digitize and optimize complex workflows without disrupting their existing operational ecosystem.

The costs incurred to complete these 3 products are classified under Digi Mobile App Platform in the Audited financial Statements.

DIGIS is currently focused on global expansion, having already onboarded the first client in Singapore and actively engaged in discussions across the MENA region and Asia Pacific. In addition, the company is integrating Artificial Intelligence (AI) and Machine Learning into their claims management platform, further enhancing capabilities.

With over six years of operational experience, committed to continuous technological advancement, DIGIS is actively working toward full automation of its solutions through AI integration.

The features currently available with the products and under development are depicted in the charts below.



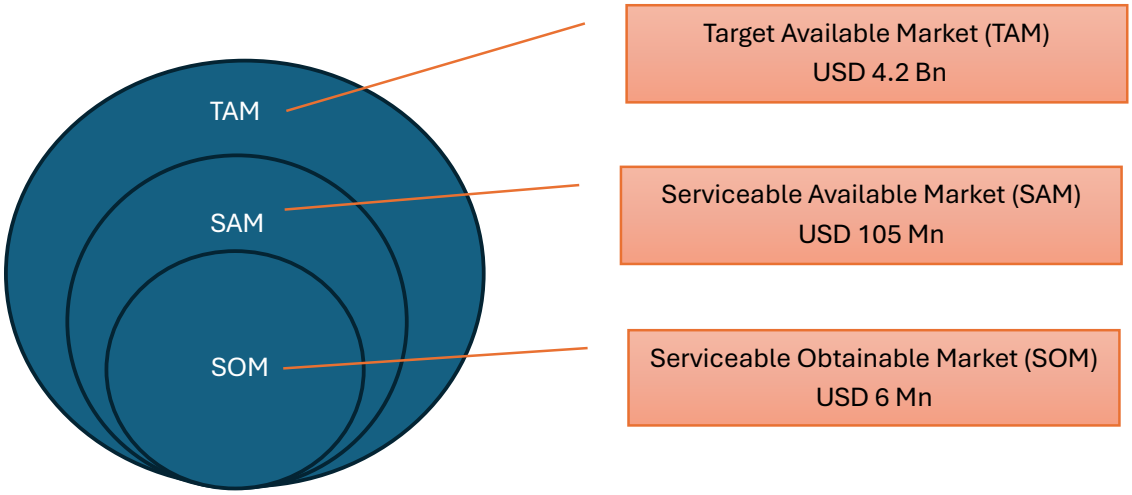
Another unique selling Proposition that DIGIS has where DIGIS can deliver fully customized insurance claims workflow in just 3 weeks.

Market Opportunities

DIGIS plans to expand its product portfolio across the Asia-Pacific and MENA regions over the next few years, as customer-centric claims digitalization continues to be one of the fastest-growing InsurTech demand areas in both regions. Based on available industry research, the current estimated market size for claims-automation providers is approximately USD 3 billion* in the Asia-Pacific region and around USD 1.2 billion** in the MENA region, giving a combined Total Addressable Market (TAM) of roughly USD 4.2 Billion.

A significant portion of this market is driven by large multinational insurers, Third-party Claims Administrators (TPAs), and national-level service providers depending on regulatory frameworks in each country. Considering these market complexities together with DIGIS's current capacity, the competitive landscape, and varying levels of digital readiness among insurers management anticipate that only around 2.5% of the Target Available Market would be serviceable by DIGIS.

Leveraging DIGIS's track record and market penetration in Sri Lanka and Singapore, management expects to capture approximately 6% of the Serviceable Available Market (SAM) within the next few years.



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*Sources: accessed on 30th October 2025	
*Asia Pacific Claims Market Valuation	https://www.cognitivemarketresearch.com/regional-analysis/asia-pacific-insurance-claims-management-solution-market-report#:~:text=Asia%20Pacific%20Insurance%20Claims%20Management%20Solution%20market,forecasted%20to%20reach%20$4792.51%20Million%20by%202031
**MENA Region Claims Automation Market Value	https://www.kenresearch.com/gcc-ai-powered-insurance-claims-optimization-automation-market

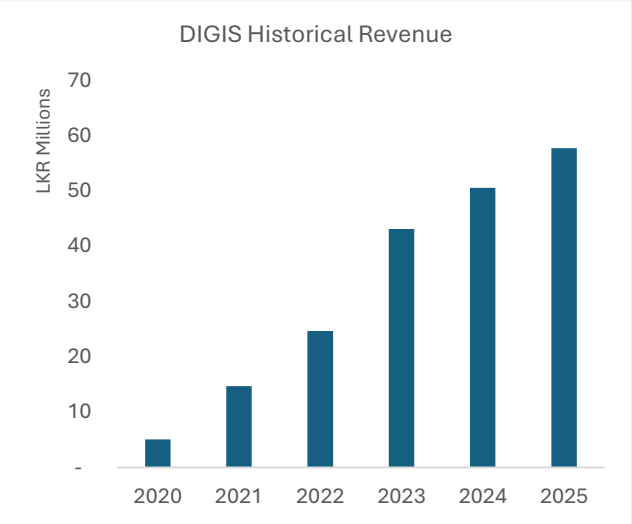
The above **TAM, SAM, and SOM** estimates are derived as follows:

- **Total Available Market (TAM):** Calculated based on the overall market size, claim management software market share, Insurance claims optimization and AI technology adaptation using data from the sources above.
- **Serviceable Available Market (SAM):** Estimated at **2.5% of the TAM**, reflecting the current level of market complexities, competition and the varying appetite for claims digitization among insurers in the target regions.
- **Serviceable Obtainable Market (SOM):** Represents the market share targeted by DIGIS**,** based on its track record and practical experience in existing markets which is Sri Lanka and Singapore.

Historical Financial Analysis-DIGIS

Revenue

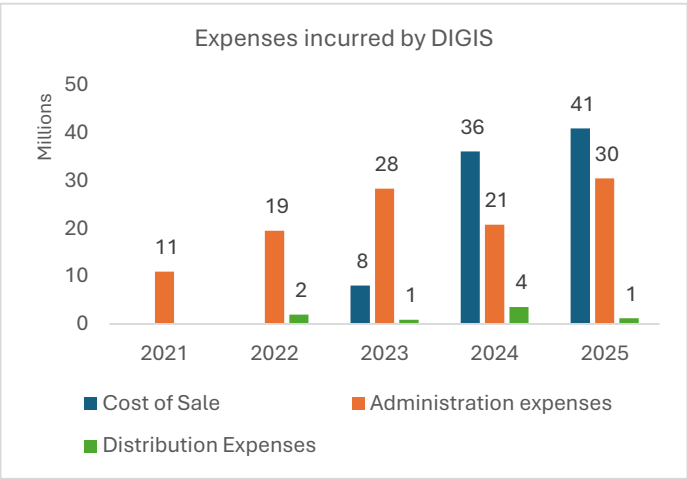
Since its incorporation in 2019, DIGIS has maintained an impressive compound annual growth rate (CAGR) of 41% over the past five financial years. To date, all revenue has been generated exclusively from the Sri Lankan market. However, in the 2025/26 financial year, DIGIS is strategically focused on expanding its footprint by entering overseas markets, with a particular emphasis on Asia Pacific and the MENA region, where it aims to introduce and scale its suite of digital solutions. DIGIEYE revenue of around LKR 9 Mn was recognized from two clients in the 2024/25 financial year.



As of the latest financial year (2024/25), DIGIMED has onboarded over 75 customers within Sri Lanka alone. The platform currently contributes approximately 40% of DIGIS's total revenue, DIGIEYS Contributes approximately 16%. The "Digi Other" segment contributed 43% of total revenue with insurtech consultation related revenues (from clients where DIGIS offer professional advice on insurance related matters) and fee income etc, while "DIGIEX" accounted for 1% of total revenue.

Cost of Sale, Administration & Distribution and Other Expenses

The cost of sales has primarily consisted of direct staff costs, with a significant portion of salaries paid to professionals involved in software development, AI integration, and other IT-related enhancements across the company's three core products. However, in FY 2021, all cost items were classified as overhead costs where no major direct costs were incurred to earn the revenues which were also at a lower level.



On the administrative side, staff salaries are mainly allocated to support functions such as human resources, finance, and general management. Other major operating expenses include web hosting charges, website and email services, and office rent. Historically, the company has not incurred significant expenses on advertising or promotional activities, reflecting a strategic focus on product development and operational efficiency.

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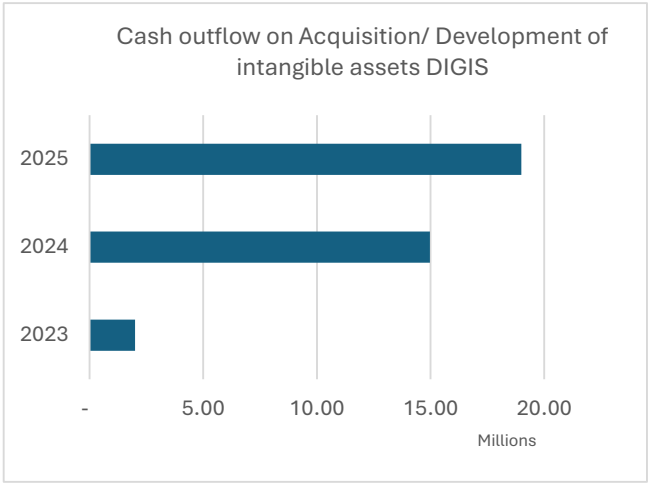
The company has no finance costs, as it operates without any leverage, and has not yet incurred tax expenses due to carried forward tax losses. However, due to significant investment in research and development, particularly in software development and AI-integrated staffing and resourcing, the company recorded a net loss of LKR 12.3 million in the 2024/25 financial year, compared to a loss of LKR 7.1 million in the previous year.

Financial Position Analysis

In the 2024/25 financial year, DIGIS incurred LKR 19 million in expenditures related to the development and acquisition of intangible assets, compared to LKR 14.97 million in the previous year. These development costs are primarily associated with the DIGI Mobile App platform and DIGIEYE and are currently recognized under capital work in progress on the company's balance sheet.



The company currently operates without any debt financing, as it has no leveraged capital structure. In terms of working capital, creditor days exceed trade receivable days, resulting in a negative cash conversion cycle pattern similar to InsureMe Insurance Brokers Limited. This indicates that the company receives cash from customers faster than it settles current liabilities, enhancing liquidity and reducing the need for external working capital. The amounts due to related parties represent liabilities owed to InsureMe Insurance Brokers Limited.

Other payables mainly consist of float funds received from DIGIS's corporate clients using the DIGIMED platform (for their insurance claims handling) under Digital Services Global (Pvt) Ltd where DIGIS facilitates the OPD claim payment process for the employees of such clients.

Table 3.1

BUSINESS ACTIVITY RATIOS	2023	2024	2025
Trade and Other Receivables Days	96	69	71
Other Payables Days	732	223	269
Cash Conversion Cycle (Days)	(636)	(155)	(198)

Receivables are predominantly in trade nature whilst payables comprise of non-trade nature balances.

Interim Financial Statements of 30th September 2025

During the interim period of Apr-Sep 2025,DIGIS has not undergone significant investments on assets which resulted in lower movement in non-current assets which increased only by LKR 0.8 Mn from 31.03.2025. The parent company has provided some financial support resulting an increase of LKR 16.6 million in related party payables for DIGIS. Refer Annexure 2 of the Introductory Document for more details

4. Industry Overview

Sri Lanka Economic Overview- Sri Lanka's economy is rebuilding steadily

In 2024, Sri Lanka achieved a real GDP growth rate of 5%, outperforming earlier projections of 4.4%. However, growth is expected to moderate to 3.5%–3.9% in 2025[3], reflecting the impact of ongoing structural economic challenges.

Inflation has declined sharply—from a peak of nearly 70% in late 2022 to low single digits or even negative territory by mid-2025. Headline inflation stood at 2.1% in September 2025, while core inflation was 1.9%.[4]

In 2024, Sri Lanka successfully completed a comprehensive debt restructuring with bondholders and bilateral creditors, easing near-term repayment pressures and extending maturities through 2028–2042. As of mid-2025, the country holds an estimated USD 6.1billion in international reserves [5].

Looking ahead, Sri Lanka is expected to maintain GDP growth of 3.9% in 2025 and 3.3% in 2026[4], supported by low inflation, growing foreign exchange reserves, and improving macroeconomic fundamentals. However, significant challenges remain—particularly the high fiscal deficit, evolving debt dynamics, and persistent global economic headwinds. Sustained policy reforms will be critical to ensure long-term stability, investor confidence, and inclusive economic growth.

Below sources accessed on 30th October 2025

[3] Sri Lanka: Economy | Asian Development Bank
[4] Measures of Consumer Price Inflation | Central Bank of Sri Lanka
[5] External Sector | Central Bank of Sri Lanka- Reserve Data Template - Latest

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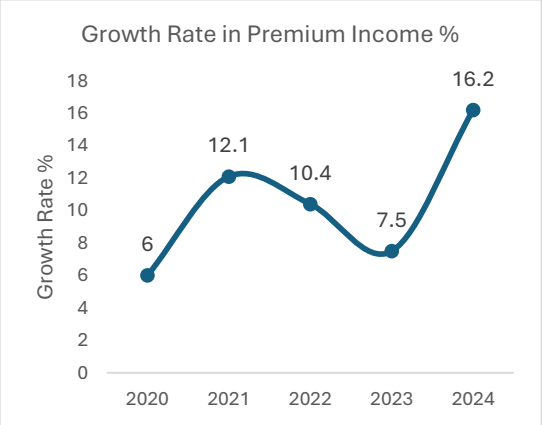
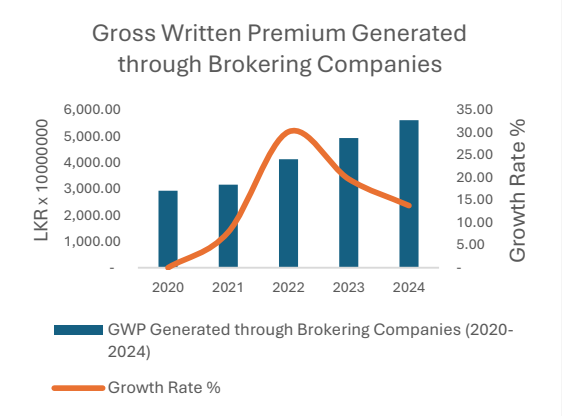
Sri Lanka Insurance Market

The insurance industry plays an important role in the country's financial sector, providing risk management and financial security solutions for both individuals and corporates. The industry has 29 licensed insurance companies regulated by the Insurance Regulatory Commission of Sri Lanka (IRCSL). Currently Insurance Brokers has 82 companies registered in Insurance Regulatory Commission of Sri Lanka (IRCSL)[6].

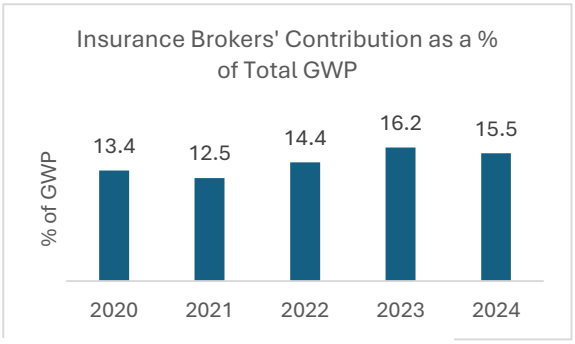


Source: IRCSL[7]



Source: IRCSL[7]

The insurance sector demonstrated a notable growth of 16.2% in GWP during 2024 compared to 2023. Gross written premium generated through Brokering Companies also shown notable growth 13.80 % in 2024. According to Mordon Intelligence, the distribution Channels – agency and Broker networks Contributed 45.7% of revenue share in the Insurance Market in 2024. Furthermore, distribution through digital platforms is forecasted to grow at a CAGR of 14.32% through 2030[7].



Source: IRCSL[7]

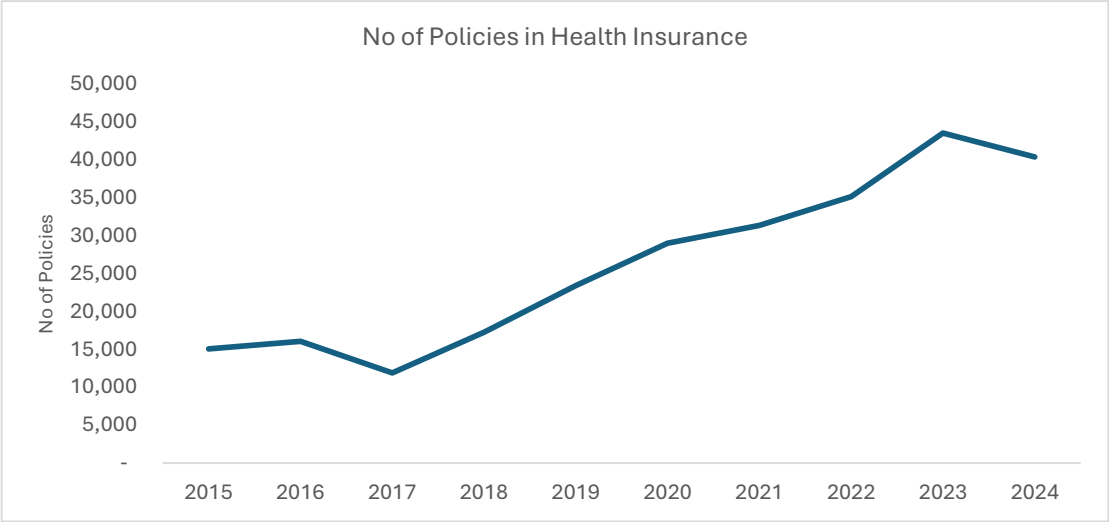
Market Potential in Sri Lanka's Insurance Indusrty

1. **High potential for Health Insurance**
   The growth of the **middle class** and rising **healthcare costs** are driving increased demand for health insurance in Sri Lanka. With limited public healthcare coverage, there is significant potential for **private health insurance** to expand, especially among urban and semi-urban populations[8].

Below sources accessed on 1st August 2025

[6] Industry Performance Report 2024 published by IRCSL -Insurance Regulatory Commission of Sri Lanka - Accessed on 1 st August 2025

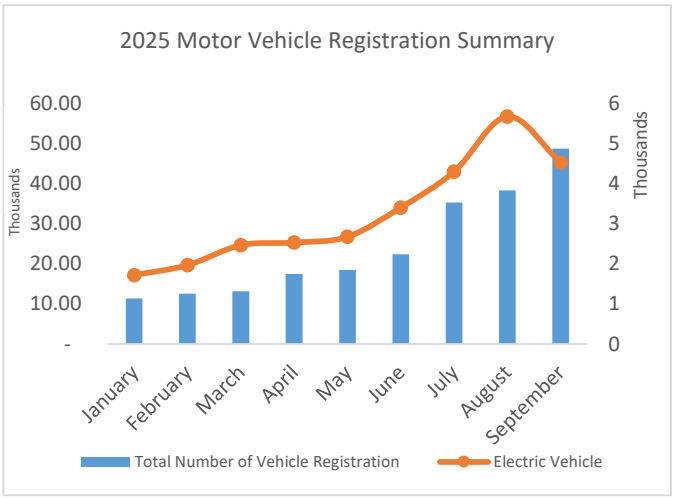
[7] Sri Lanka Life & Non-Life Insurance Market Size, Share Analysis & Growth Report 2030- Accessed on 1 st August 2025



Source: IRCSL [8]

2. Removal of Vehicle Import Restriction

Following the removal of vehicle import restrictions, there has been a steady rise in vehicle registrations, particularly in two-wheelers, used vehicles, and electric vehicles (EVs). This trend is expected to fuel further growth in demand for motor insurance products. Up to September 2025, more than 217,000 vehicle registrations reported in Sri Lanka and approximately 147,000 of these are two wheelers[9].



Source: EconomyNext[9]

3. **Employee Benefits & Group Insurance**

The expansion of SMEs and the formal job sector is contributing to rising demand for group life, medical, and accident insurance. Corporates are increasingly seeking cost-effective employee benefit packages, creating opportunities for insurers to develop tailored group solutions.

[8] *Source: Insurance Regulatory Commission of Sri Lanka- Industry Hand Book (2024)-General Insurance Business-Number of Policies-Insurance Regulatory Commission of Sri Lanka* – Accessed on 30th October 2025

[9] Sri Lanka vehicle registrations surge 27-pct in September to 48,708 | EconomyNext– Accessed on 30th October 2025

4. **Digital & Insurtech Solutions**

   The increasing smartphone penetration and consumer preference for convenience are accelerating digital transformation in the insurance sector. The growing adoption of Insurtech platforms enables streamlined onboarding, claims processing, and customer engagement. (Further details are discussed under the " Digital Innovation in Insurance distribution Channels in Sri Lanka " section.)

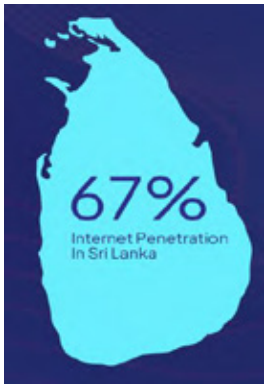
5. **Rising Awarness in Life Insurance segment**

   Life insurance penetration in Sri Lanka remains relatively low compared to regional peers. However, rising awareness of retirement planning, education protection, and increased interest among young urban professionals signal strong growth potential. Enhanced financial literacy and product innovation could further expand this segment[11]

These emerging trends present **significant market opportunities** for insurance companies, distribution channels, and the overall insurance industry in Sri Lanka. As the country undergoes economic recovery and digital evolution, insurers who innovate and adapt to changing customer needs will be well-positioned to capture market share and drive industry growth.

Digital Innovation in Insurance distribution Channels in Sri Lanka

At the start of 2024, Sri Lanka had 14.68 million internet users, with an internet penetration rate of 67%. The country was also home to approximately 7.50 million social media [10]users, representing 34.2% of the total population. Additionally, there were 32.49 million active cellular mobile connections in 2024, equivalent to 148.2% of the total population.[10]



This digital shift, supported by evolving regulatory frameworks, is expected to enhance customer trust and improve perceptions of safety, further accelerating the adoption of digital insurance solutions.

These figures highlight that digital insurance channels able to emerge as a strong growth segment, expanding at an **impressive CAGR of 14.32%** [11]. Through these channels (Brokers), insurance providers can deliver low-touch insurance products—such as accident coverage, term life, and hospitalization services—to a national audience

[10] Digital 2024: Sri Lanka — DataReportal – Global Digital Insights- accessed on 4th August 2025
[11] Sri Lanka Life & Non-Life Insurance Market Size, Share Analysis & Growth Report 2030- accessed on 4th August 2025

Insurtech Industry

"The *use of technology innovation designed to find cost saving and efficiency from the current insurance industry model"*

Investopedia[12]

Insurtech, short form to describe Insurance Technology, refers to the use of innovative technologies—such as artificial intelligence, big data analytics, blockchain, and machine learning—to improve and automate processes within the traditional insurance industry. The purpose of Insurtech companies is to enhance customer experience, streamline operations, and deliver personalized insurance products through the application of digital solutions.

In addition, Insurtech is reshaping the insurance landscape by enhancing efficiency, transparency, and accessibility across the industry. By improving risk assessment accuracy and offering tailored coverage, it disrupts the conventional insurance model to better meet evolving consumer demands and expectations.

AI on the Future of Insurance

As artificial intelligence (AI) becomes more deeply integrated into the insurance industry, it is significantly transforming the business landscape. AI is driving major changes across key areas such as claim processing, distribution, underwriting, and pricing.

According to a McKinsey report, [13]AI is making the insurance purchasing experience faster, with minimal active involvement required from both the insurer and the customer. AI algorithms analyze individual behavior to create detailed risk profiles, reducing the cycle time for purchasing auto, commercial, or life insurance policies to just minutes—or even seconds.

Smart contracts, enabled by blockchain technology, can instantly authorize payments from a customer's financial account. By 2030, claims processing will remain a core function of insurance carriers, but more than half of all claims-related activities will be automated.[13] Advanced algorithms will handle initial claims routing, greatly improving both efficiency and accuracy.

[12] Source : Overview of Insurtech & Its Impact on the Insurance Industry- accessed on 4th Aug 2025
[13] Source : Insurance 2030—The impact of AI on the future of insurance | McKinsey accessed on 4th Aug

Asia-Pacific Insurtech Market

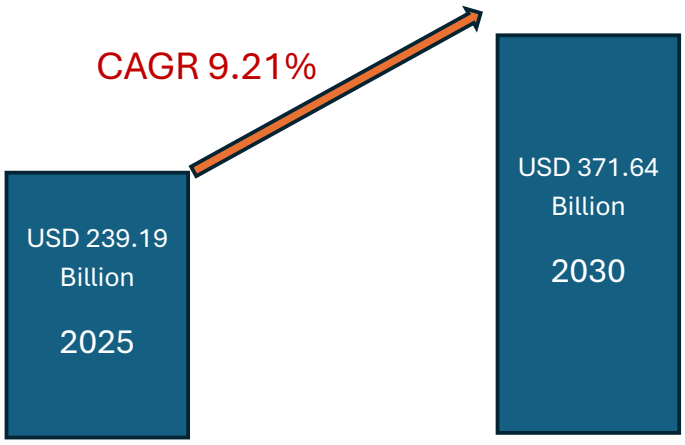
The insurance industry across Asia-Pacific is undergoing a significant digital transformation, driven by the adoption of emerging technologies such as artificial intelligence (AI), big data analytics, and blockchain. These innovations are being leveraged to enhance customer experience, streamline operations, and offer more personalized services. Digital engagement models—such as peer-to-peer insurance, usage-based policies, and on-demand coverage—are rapidly gaining popularity, accelerating the region's shift toward Insurtech solutions.

Several factors are fueling this momentum, including the region's large and youthful population, rising smartphone adoption, and increasing internet penetration. Additionally, collaborations between traditional insurers and tech-driven startups are becoming more common, allowing incumbents to modernize their offerings and remain competitive.

Insurtech companies are expected to significantly outpace traditional insurers in premium growth. In markets such as Indonesia, Vietnam, and the Philippines, gross written premiums (GWP) by Insurtech firms are projected to grow at an impressive 34% to 49% annually, compared to 4% to 16% for traditional insurers.[16] Singapore has been attracting increasing investment in recent years as investors recognize the industry's potential to disrupt the traditional insurance sector. According to the report, the Singapore Insurtech Market is projected to reach an investment value of USD 155.77 million in 2025 and is expected to grow to USD 246.78 million by 2030, reflecting a CAGR of 9.64%[14].

Vietnam stands out as a particularly fast-growing market. By 2026, Insurtech GWP in the country is expected to account for 4.5% to 6.5% of total premiums—up from just 1.3% to 1.7% in 2021—representing a remarkable annual growth rate of 47% to 49%.[15]

Overall, Asia Pacific Insurtech Market is expected to reach USD 371.64 billion from USD 239.19 billion in 2025, at a CAGR of 9.21% during the forecast period (2025-2030)[16].



Source: Mordor Intelligence [16]

[14] Singapore Insurtech Market Report | Industry Trends, Size & Growth Analysis - accessed on 4th Aug 2025
[15] Southeast Asia's Insurtech Sees Resurgence with Over US$2.4 Billion in Deals - Fintech Singapore- accessed on 30th October 2025
[16] Source : APAC Insurtech Market - Size, Share & Industry Analysis- accessed on 30th October 2025

MENA Region Insurtech Market

The Middle East and North African Insurtech market size is estimated at USD 12.09 billion in 2025 and is expected to reach USD 18.23 billion by 2030, at a CAGR of 8.56% during [17]the forecast period (2025–2030).

Insurance penetration in Middle Eastern countries remains significantly low, with non-life insurance having a larger share than life insurance products. As a result of this gap, Insurtech solutions are emerging as digital insurance products aimed at expanding insurance penetration in the region. Existing traditional insurers are adopting digital solutions to grow their online offerings, while fintech platforms are also entering the market, providing users with a wide range of insurance coverage options.

Illustration of companies from other jurisdictions in Asia that are somewhat similar to INME Group

Table 4.1

The Company	Country	P/BV	EBITDA	P/E	ROE	EPS*	NAVPS*
PB Fintech Limited	India	12.9	3.5%	222.2	5.9%	28.7	494.78
Tune Protect Group Berhad	Malaysia	0.4	12.0%	21.1	2.4%	0.94	49.76

Source: based on the financial results up to 30th June 2025 of S&P Capital IQ data

* Earnings per share and net asset value per share are in LKR, and are converted to LKR at an exchange rate of LKR 300.08 per USD.- Source: CBSL Weekly report on 4th July 2025-Exchange rate- WEI_20250704_e.pdf.

Above companies were selected considering their business model compared to INME Group. It should be noted that the ratios herein may not be directly comparable with INME Group as the financial results of the companies are subject to the industry and market conditions of such countries and scale of each company.

[17] Middle East and Africa Insurtech Market Size & Share Analysis - Industry Research Report - Growth Trends- accessed on 4th Aug 2025

5. Valuation Results

5.1 Discounted Cash Flow Methodology:

We have adopted the Sum of the Parts approach in determining the consolidated equity value. The Equity Values of InsureMe Insurance Brokers Limited – the Parent Company and its' Subsidiary are set out below.

Table 5.1

Company Name	Equity Value- LKR
InsureMe Insurance Brokers Limited (Table 5.2)	421,136,753
Digital Services Global (Private) Limited (Table 5.3)	589,163,569
Total Group Value	1,010,300,322
No of Shares	2,055,290
Value per Share	491.56

The DCF value per share setout herein is subject to the viability of the said forecasts/assumptions made in section 6 of this Research Report.

The Discounted Cash Flow calculations for each of the Company are as follows.

InsureMe Insurance Brokers Limited

Table 5.2

Discounted Cash Flow Method						
Amounts in LKR						
FY (March End)	2026	2027	2028	2029	2030	2031
EBIT	62,852,757	105,352,195	110,598,393	138,768,526	154,091,669	169,153,439
Tax (30%)	(18,855,827)	(31,605,659)	(33,179,518)	(41,630,558)	(46,227,501)	(50,746,032)
Depreciation and Amortization	2,299,307	3,626,232	4,229,746	5,117,238	6,115,952	7,218,294
WC Investment	(24,395,138)	14,867,676	(527,889)	(8,016,756)	202,564	(3,168,923)
FC Investment	(3,397,800)	(5,171,000)	(8,795,550)	(9,841,781)	(11,131,200)	(12,018,000)
FCFF	18,503,299	87,069,444	72,325,182	84,396,669	103,051,484	110,438,778
Debt Change	-	-	-	-	-	-
FCFE	18,503,299	87,069,444	72,325,182	84,396,669	103,051,484	110,438,778
Terminal Value						593,385,193
df	0.861	0.704	0.577	0.472	0.386	0.316
PV of FCFE	15,923,031	61,330,678	41,700,087	39,829,803	39,808,198	222,544,956
Equity Value	**421,136,753**					

The 2026 figures above include only nine months i.e. last 3 quarters

Key Assumptions

Cost of Equity	
Risk Free Rate*	11.1%
ERP	8.5%
Other Risk Premium	2.5%
Ke	22.17%
Long Term Growth Rate	3%

* 10-year Treasury Bond yield – CBSL weekly Economic Indicators 25th July 2025

Sensitive Analysis

		Cost of Equity				
		20.17%	21.17%	22.17%	23.17%	24.17%
Terminal Growth Rate	2.0%	462,256,527	434,768,575	410,103,289	387,856,687	367,697,876
	2.5%	469,442,223	440,965,816	415,479,789	392,546,244	371,808,311
	3.0%	477,046,422	447,504,127	421,136,753	397,468,302	376,112,909
	3.5%	485,106,781	454,412,462	427,096,714	402,640,592	380,625,760
	4.0%	493,665,617	461,723,145	433,384,686	408,082,694	385,362,353

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Digital Services Global (Private) Limited

Table 5.3

Discounted Cash Flow Method						
Amounts in LKR						
FY (March End)	2026	2027	2028	2029	2030	2031
EBIT	1,052,733	21,088,946	35,810,197	80,432,938	146,177,125	178,170,703
Tax (30%)	(315,820)	(6,326,684)	(10,743,059)	(24,129,881)	(43,853,137)	(53,451,211)
Depreciation and Amortization	2,609,340	3,241,044	3,931,388	3,931,388	3,931,388	3,931,388
WC Investment	(4,303,122)	(9,200,574)	(2,239,777)	(13,162,300)	(13,842,847)	(21,482,753)
FC Investment	(6,317,044)	(9,204,584)	-	-	-	-
FCFF	(7,273,913)	(401,851)	26,758,749	47,072,144	92,412,529	107,168,127
Debt Change	-	-	-	-	-	-
FCFE	(7,273,913)	(401,851)	26,758,749	47,072,144	92,412,529	107,168,127
Terminal Value*						1,587,930,235
df	0.8579	0.6994	0.5701	0.4648	0.3789	0.3089
PV of FCFE	(6,240,427)	(281,043)	15,255,811	21,877,370	35,012,540	523,539,319
Equity Value	**589,163,569**					

The FY 2026 figures above include only nine months i.e. last 3 quarters

**Refer the Table 5.3.1 – Terminal Value Calculation*

Table 5.3.1

Terminal Value Calculation		
Terminal Value Methodology:	Insurtech Global EV/EBITDA	Fintech Asia-MENA EV/EBITDA
Terminal Metric of DIGIS (EBITDA In FY 2031)- LKR	182,102,091	182,102,091
Exit Multiple/GG**	17.66x	17.22x
Terminal Value	3,215,922,929.45	3,135,798,009.35
Discount	50%	50%
DIGIS Terminal Value	1,607,961,464.72	1,567,899,004.68

Average of the terminal values derived based on Global Insurtech and Asian- MENA Fintech is assumed to be the appropriate terminal value for DIGIS. A discount of 50% applied to the average multiples to account for scale of the companies.

** Refer the Table 5.3.3 and 5.3.4 –EV/EBITDA Multiples

INME operates only in the Sri Lankan market, as per IRCSL regulations. Therefore, using a terminal value based on a growth rate is most suitable for InsureMe. However, DIGIS has the potential to expand across different regions, offering higher growth prospects. For this reason, a growth rate–based terminal value would not provide a reasonable valuation for an early-stage company like DIGIS.

Therefore, we have used the exit multiple method for the terminal value calculation to capture the potential of the business.

Table 5.3.2

Cost of Equity	
Risk Free Rate **	11.14%
ERP	8.53%
Other Risk Premium	3.00%
Ke	22.67%

** Risk Free Rate - 10-year Treasury Bond yield – CBSL weekly Economic Indicators 25th July 2025

Terminal value calculator for DIGIS, based on the EV/EBITDA exit multiple, using the average of selected tech-enabled insurance companies globally and fintech companies in Asia.

Table 5.3.3

EV/EBITDA	
Global Insure Tech	
Tech-Enabled Insurance Services	EV/EBITDA
Marsh McLennan	18.00x
Aon	18.30x
Arthur J. Gallagher	19.20x
Willis Towers Watson	13.00x
Brown & Brown	19.80x
Average	17.66x

Sources: InsurTech Market Update | 2024 - *https://cdn.hl.com/pdf/2024/houlihan-lokey-2024-october-insurtech-report.pdf

Table 5.3.4

EV/EBITDA		
FinTech Asia		
Sagtec Global Limited (NasdaqCM:SAGT)	Malaysia	14.10x
Autocount Dotcom Berhad		19.60x
Onetech Solutions Holdings Berhad		35.00x
Netsol Technologies Limited		9.20x
Cuscapi Berhad		8.20x
		17.22x

Source: Selected companies from ** S&P Capital IQ

* The source of the *InsurTech Market Update Report* was used specifically to understand and present the most suitable technology and Business Model for Digital Service Global (Pvt) Ltd. The report categorizes several Insurtech companies based on business models and operating metrics, such as Pureplay Insurance Software, Digital Insurance Carriers, and Tech-Enabled Insurance Services, etc. Among these, Tech-Enabled Insurance Services represents the business model of DIGIS. Top 5 companies with market cap has been selected out of the list of companies for the calculation of EV/EBITDA multiple which are expected to be more stable.

** In addition, Asian and MENA region FinTech companies were selected due to geographical alignment where Digital Service Global (Pvt) Ltd focuses on the MENA region and Asia Pacific markets to expand.

Sensitive Analysis

		Cost of Equity				
		20.67%	21.67%	22.67%	23.67%	24.67%
Average Exit Multiple	12.44x	491,370,564	469,384,520	448,555,792	428,814,408	410,095,153
	14.94x	568,643,764	543,076,423	518,859,681	495,911,681	474,156,148
	17.44x	645,916,964	616,768,327	589,163,569	563,008,954	538,217,143
	19.94x	723,190,164	690,460,230	659,467,458	630,106,227	602,278,137
	22.44x	800,463,364	764,152,134	729,771,346	697,203,501	666,339,132

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5.2 Relative Valuation Methodology - Secondary Method of estimating proxy valuation for comparison

Relative approach used to both companies only to estimate a probable valuation referring to relative multiples of the Sri Lankan Insurance industry and Insurtech companies outside Sri Lanka involved in Insurtech development similar to that of DIGIS. For InsureMe, the PER approach adopted whilst EV/Revenue approach has been adopted for DIGIS using selected multiples of comparable global peers in terms of business model. EV/Revenue multiple approach has been adopted as DIGIS is not reached the profitable stage and it is yet to capture the market as an early stage company.

The Relative Valuation setout herein of the Company and the subsidiary, is dependent upon the relative size of the companies in the Insurance sector and the identified tech-enables insurance companies under this section, in comparison to the Company/ subsidiary.

InsureMe Insurance Brokers Limited

The PER relative valuation has been carried out for InsureMe, as InsureMe is a stakeholder in the insurance sector. Therefore, CSE's Insurance Sector PER multiple has been used for InsureMe.

Insurance brokers are serving multiple insurers and earns a Commission based in policy premiums earned by such insurers. INME being an insurance broker is exposed to the risks and returns of the Insurance Industry where CSE Insurance industry sector multiples has been applied in arriving at a reference point valuation for comparison purpose only. However, Insurance companies and insurance brokers generally exposed to business model specific factors and risks. For example ,Insurance companies face underwriting risk, and catastrophic risks are amongst the main risks where claims made could exceed the premiums or results in large claim payments.

Table 5.4.1

P/E Relative- Forecasted PAT for 2026	
InsureMe's Forecasted PAT For FY26	60,767,371.61
Number of Shares	2,055,290
Insurance Sector P/E*	6.85
Equity Value	416,256,495.56

* Insurance sector PE - CSE Daily Report 4th August 2025 -SMD_MPI_GICS_LINK04-AUG-2025.PDF - accessed on 4th Aug 2025

Digital Service Global (Pvt) Limited

Digital Services Global (DIGIS) is an Insurtech-focused company expanding its operations in the Asia Pacific and MENA regions, as well as other international markets beyond Sri Lanka. For valuation purposes, a relative valuation approach has been applied using the EV/Revenue multiple. The peer group comprises comparable technology-enabled insurance companies (InsurTech) operating in other markets, reflecting the company's regional expansion focus and business model.

Table 5.4.2

EV/ Revenue Relative- Forecasted Revenue for 2026	
DIGIS' Forecasted Revenue for FY26 - LKR	103,917,500
Tech-Enabled Insurance Services (2024) *	5.50
Equity Value - LKR	571,546,250

Table 5.4.3 - Tech-Enabled Insurance Services (2024) *

Tech-Enabled Insurance Services	EV/REVENUE (2024)
Marsh McLennan	5.10x
Aon	5.90x
Arthur J. Gallagher	6.00x
Willis Towers Watson	3.50x
Brown & Brown	7.00x
Average	5.50x

Sources: InsurTech Market Update | 2024 - accessed on 4th Aug 2025

Top 5 companies with market cap has been selected out of the list of companies for the calculation of EV/Revenue multiple where business models are similar to DIGIS even though their scale is larger and tends to have more stable results and multiples providing a reasonable basis for valuation.

Valuation Methodology

Discounted cash flow Methodology

Discounted cash flow is a valuation method used to estimate the value of an investment based on its future cash flows. Based on the future cash flow projection, this methodology will identify the value of the investment as at the considered valuation date. Given the current operation of the business and the expected growth backed by internal strategies and macro-economic developments, DCF will be able to capture the growth potential of the operations of INME Group. Hence, DCF is considered as the primary valuation technique.

Free Cash Flow to Firm (FCFE) was calculated using the following formula:

FCFE= Earnings before Interest and Tax * (1-tax rate) + Depreciation & Amortization – Capital Expenditure + Working Capital Investment (net) +Net Debt

In order to arrive at an intrinsic value for the company, the future FCFE's were discounted using the following formula:

$$\sum_{i=0}^{n} \frac{FCFEi}{(1+Ke)^{i}} + \frac{TV}{(1+Ke)^{n}}$$

FCFFi = Free Cash Flow to Firm in year t

Ke = Cost of Equity

TV = Terminal Value at year n

Where the Terminal Value is calculated through,

$$\frac{FCFE\ n \times (1+g)}{(Ke-g)}$$

g = Long term Growth rate

Ke = Cost of Equity

Relative Valuation Methodology

PE based Valuation

The PE multiple approach was applied using Peer-based earnings multiple to gauge the relative value of a Share of InsureMe

The price to earnings ratio [PE] is the measure of the share price relative to the annual net income earned by the firm per share. It technically conveys how much money an investor is willing to commit for one unit of firm earnings. A high PE multiple may be reflective of anticipated earnings growth in the future. Hence, the PE multiple is used as a supportive market-based measure to derive the price and growth expectations of the market to InsureMe based on its earnings. Accordingly, the following formula was used in arriving at the relative value per Share of InsureMe.

Equity Value= Profit of InsureMe **Broker Company** x PE $multiple$

Where EPS of InsureMe – Earnings attributable to shareholders in FY 25/26.

PE Multiple – PE Multiple of the Insurance sector at CSE.

EV/ Revenue Multiple- Relative Valuation Methodology

The Enterprise Value to Revenue (EV/Revenue) multiple is a relative valuation metric that compares the total value of a business to its annual revenues. Enterprise Value (EV) represents the combined value of a company's equity and debt, less cash and cash equivalents, thereby reflecting the value attributable to all capital providers. This method is particularly useful for valuing companies in early growth stages, or in industries where earnings may be volatile, negative, or not yet reflective of long-term potential.

Value of Equity on DIGIS= Revenue of DIGIS y* $\times$ *EV/Revenue Multiple

Where revenue- Revenue of the DIGIS in FY 25/26

Revenue Multiple- Revenue Multiple of the selected Insurtech companies.

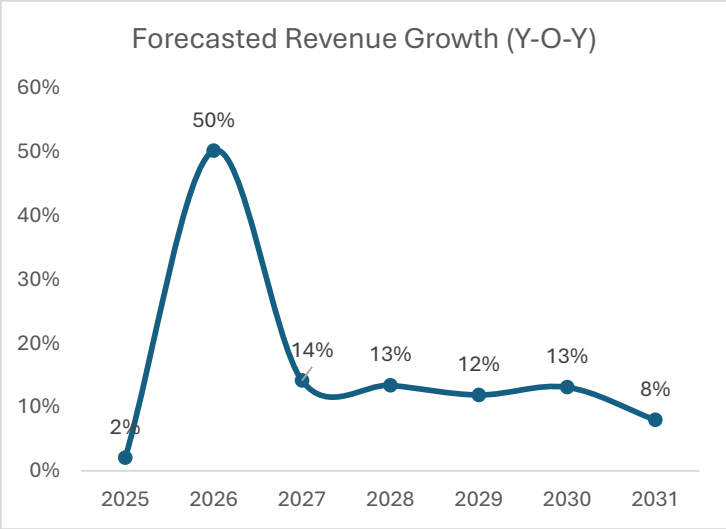
6. Assumptions Used in Financial Forecasts

Financial forecasts are based upon assumptions made by the management that would reasonably reflect the future business, and such assumptions are best estimates. Management has taken into consideration the current business levels, the possible impact of macro-economic environment on its business verticals, business development plans and future capital requirement of the company, etc.

6.1 InsureMe Insurance Brokers Limited

Revenue Forecast Overview

InsureMe Insurance Brokers is a pioneering insurance brokerage firm in Sri Lanka, leveraging innovative technology to differentiate itself from competitors. As the country's first online insurance aggregator platform[18], the company provides not only brokerage services but also advanced claim management workflow systems.



For the 2025/26 financial year, InsureMe's primary revenue driver is expected to be the B2B segment, which is forecasted to contribute approximately 56% of total revenue and remains around 53%-56% throughout the forecasted period. The corporate clients prefer InsureMe as the preferred broker for the convenience of choosing medical policies for staff which is a major revenue driver. DIGIMED platform provided by InsureMe's subsidiary, Digital Services Global (Pvt) Ltd, is a main reason for companies to be attracted to INME where they could also use the DIGIMED platform for claims. The Company anticipates steady growth in its B2B client base over the forecast period.

The second largest revenue contributor is the B2B2C segment, averaging 37% of total revenue throughout the forecast period. This segment focuses on partnerships with financial institutions to facilitate policy acquisition for assets financed/ leased through such institutions. In FY 2024/25, InsureMe partnered with one leading bank in this segment. For FY 2025/26, the company has expanded its partnerships to include two of Sri Lanka's leading banks. With the lifting of vehicle import restrictions and a lower interest rate environment, financial institutions are expected to experience higher lending volumes, leading to an increase in policy sales on assets financed. The company is also in discussions with other major financial institutions, which could further expand this channel in future periods.

[18] Sri Lanka's first insurance comparison website goes live | Daily FT – accessed on 1st August 2025

The third revenue driver is the B2C segment, contributing an average of 7% of total revenue over the forecast period. Growth in this segment will be supported by the removal of vehicle registration restrictions, rising demand for life and health insurance, and an expanding middle-income demographic amid economic recovery. InsureMe's proprietary online insurance marketplace offers a strong competitive advantage in attracting retail customers due to its convenience in selecting a suitable policy. The company expects a gradual increase in the number of policies sold through the B2C channel during FY 2025/26 and thereafter.

The first half of year of 2025/26 Financial year, InsureMe recorded a revenue of LKR 198.6 Million (Unaudited) as the reported in the interim financial statement (refer to Annexure 2 in the Introductory Document). This is a growth of 27.6% over the same interim period of FY 2023/24. INME anticipates a higher revenue in 3rd and 4th quarters with higher number of annual corporate policy renewals falling in December/ January and March months in the B2B segment. Apart from FY2026 where a higher growth is expected, revenue growth is expected to gradually stabilize and consolidate around average industry growth as there are no major fluctuations expected in the industry.

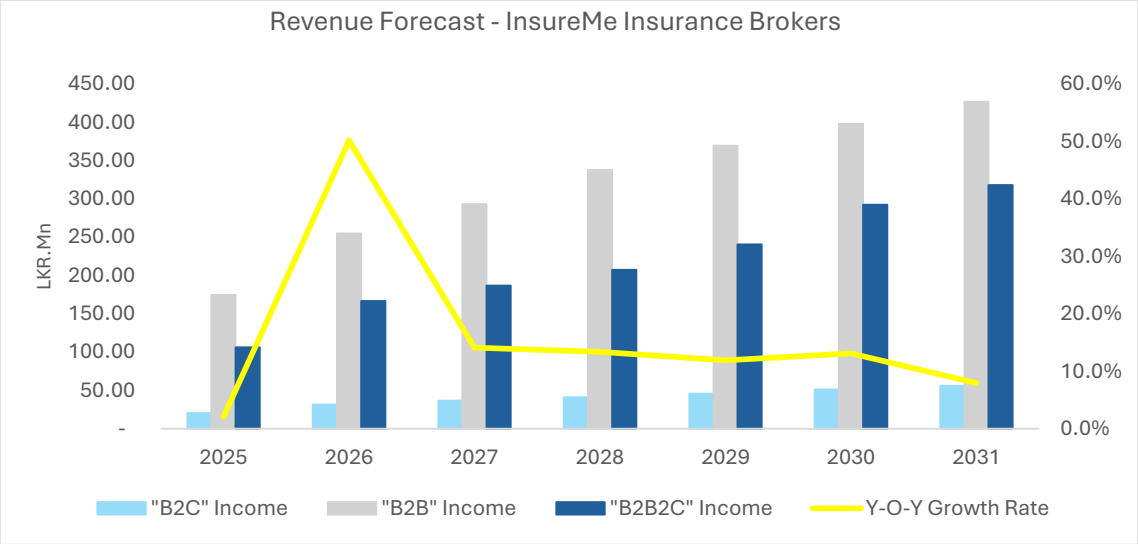


Table 6.1

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
"B2C" Income	20.48	31.45	36.85	40.87	45.72	51.43	56.00
"B2B" Income	174.70	255.00	293.25	338.00	369.60	398.25	427.00
"B2B2C" Income	106.45	166.60	187.00	207.50	240.80	292.40	318.20
Total Revenue	301.63	453.04	517.10	586.37	656.12	742.08	801.20
Y-O-Y Growth Rate	*2.1%*	*50.2%*	*14.1%*	*13.4%*	*11.9%*	*13.1%*	*8.0%*

Cost of Sales, Administrative, Selling and Distribution Expenses

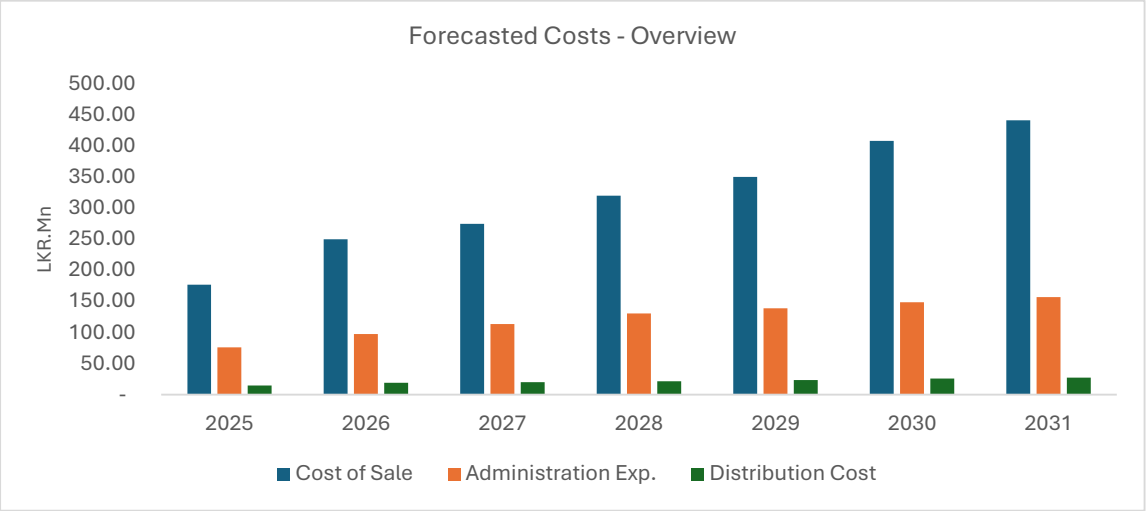


Table 6.2

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Cost of sales	176.85	249.62	274.70	319.81	350.05	407.77	440.76
Growth %		*41%*	*10%*	*16%*	*9%*	*16%*	*8%*
Distribution expenses	14.63	19.16	19.83	21.45	23.38	25.66	27.50
Growth %		*31%*	*3%*	*8%*	*9%*	*10%*	*7%*
Administration expenses*	76.19	97.39	113.59	130.29	138.80	148.45	156.57
Growth %		*28%*	*17%*	*15%*	*7%*	*7%*	*5%*

* Administration expenses are excluding depreciation & Amortization

1. Cost of Sales

The cost of sales primarily consists of direct staff costs and referral fees.

Direct Staff Costs include salaries, allowances, EPF, ETF, and other statutory benefits for employees. The majority of staff are engaged in the retail segment, with others working in call centers, branch operations, and related service functions such as Bancassurance Staff, Life and SME staff etc. Staff numbers are projected to increase in line with revenue growth over the forecast period.

Referral Fees are predominantly linked to the B2B2C segment where INME pays a fee to financial institutions for the policies acquired by their clients through INME platform. Historically, approximately 70% of B2B2C segment revenue has been paid out as referral fees. This ratio is expected to be maintained throughout the forecast period. The forecasted referral fees also include other commission-related expenses directly associated with revenue generation.

Since the referral fees is charged based on the revenue where such expense is a key component of COS, in FY 2026 COS expects to grow significantly with the revenue growth and trending with revenue

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growth of the forecasted period. In line with the drop in revenue growth, COS growth also expected to taper down over the remaining forecast period.

In the first half of the 2025/26 financial year , InsureMe recorded a Cost of Sale LKR 108 million, as reported in unaudited Interim financial statements (refer to Annexure 2 in the Introductory Document). This is a 28.6% growth over the same interim period of FY 2024/25.

2. Administrative Expenses

Administrative expenses include salaries for support service staff, business travel expenses, rental costs, telephone charges, and web hosting services etc. These costs are expected to grow as a result of operational expansion such as new client acquisitions where additional administration support is required while maintaining strict controls to manage at a reasonable level. Notable increase in admin expenses in FY 25-26 is associated with the expansion in business, listing related costs etc. Since the inflation has curtailed, general admin costs expected to increase at 5% align with anticipated Inflation in the future resulting a lower growth in Admin expenses.

3. Selling and Distribution Costs

Selling and distribution costs consist of advertising and marketing expenses, credit card/online payment commission fees, and digital media expenses. The company plans to increase its digital marketing and promotional spending compared to the historical average of FY 2023–2025 in order to expand the B2C customer base. This increased investment in marketing is expected to continue through the forecast period to strengthen brand presence and drive higher policy sales.

Distribution costs are incurred mainly in the B2C segment. Credit card and online commission expenses are assumed to remain at 8% of B2C revenue throughout the forecast period. Digital media expenses are assumed to account for 30% of B2C income in the 2025/26 financial year, and 30% of B2C income in the subsequent forecast periods. Since B2C segment revenue contribution is low, selling and distribution expenses are not increased with overall revenue.

Finance, income, cost and Tax Expenses

InsureMe Insurance Brokers does not utilize debt financing; therefore, no borrowings are expected in the current or forecast periods. The Company would use internally generated funds for future expansions if required. The company maintains a fixed deposit of LKR 42 million, which is assumed to remain unchanged throughout the forecast period. The fixed deposit is assumed to earn interest at an average weighted rate of 8.56% considering the rates at present,

For taxation purposes, the company is subject to the prevailing corporate income tax rate of 30%, which is assumed to remain constant over the forecast period.

Property, Plant & Equipment

InsureMe does not own, construct, or acquire any land or buildings. The company currently operates from rented premises and is not expected to purchase or construct property during the forecast period. The operational model will continue to rely on rented facilities. Capital expenditure (Capex) is expected to relate primarily to property, plant, and equipment (PPE), such as office furniture, IT

infrastructure, and related operational assets. For FY 2026 and FY 2027, Capex is projected at 0.5% of revenue, increasing to 1.0% of revenue in subsequent years.

The assumed useful life of PPE is 7 years, applied consistently for depreciation calculations throughout the forecast period considering future CAPEX and to smooth out the depreciation.

Table 6.3

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
PPE	11.96	10.95	9.91	11.54	12.99	14.29	15.08
Addition (Capex)	3.40	2.27	2.59	5.86	6.56	7.42	8.01
Depreciation	3.75	3.28	3.63	4.23	5.12	6.12	7.22

Intangible Assets

The Company currently operates using the 'InsureMe Platform', which will be fully amortized during the 2025/26 financial year. InsureMe is in the process of developing a new platform, which is currently recorded as work in progress.

For the forecast period, it is assumed that the company will incur development costs equivalent to 0.5% of revenue annually for the new platform until completion. These costs will be capitalized as intangible assets and subsequently amortized over their estimated useful life once the platform becomes operational.

Table 6.4

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Intangible Assets	1.33	3.39	5.97	8.90	12.18	15.89	19.90
Capitalization-WIP	-	2.27	2.59	2.93	3.28	3.71	4.01

Working Capital

Table 6.5

	2024A	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Debtor Days	155	163	150	120	120	120	120	120
Creditor Days	216	213	200	180	180	180	180	180

Historically, the company has not required significant working capital due to creditor days consistently exceeding debtor days. This favorable payment cycle has minimized the need for additional liquidity

to fund operations. For the forecast period, it is assumed that Trade & Other Receivable Days and Trade & Other Payable Days will decrease during the first and second years, after which same are expected to stabilize at the same levels.

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6.2 Digital Services Global (Private) Limited

Revenue Forecast Analysis

Digital Services Global (Private) Limited ("DIGIS") is an Insurtech solutions provider for local clients whilst currently expanding into the MENA and Asia Pacific markets with three core products: DIGIEX, DIGIEYE, and DIGIMED. Summary of revenue forecasts from each of these products is provided below

DIGIS has onboarded a client in Singapore for the DIGIEYE and in the process of negotiations with clients in Middle East region for DIGIEYE and other platform sales at present. The overall revenue growth of 80% in FY 2026 is projected considering the business pipeline overseas where negotiations are in progress as aforesaid. As of 30th September 2025, DIGIS generated approximately LKR 30 Mn revenue (unaudited), a 56% growth compared to LKR 19.2 Mn recorded in the same period of FY 24/25.

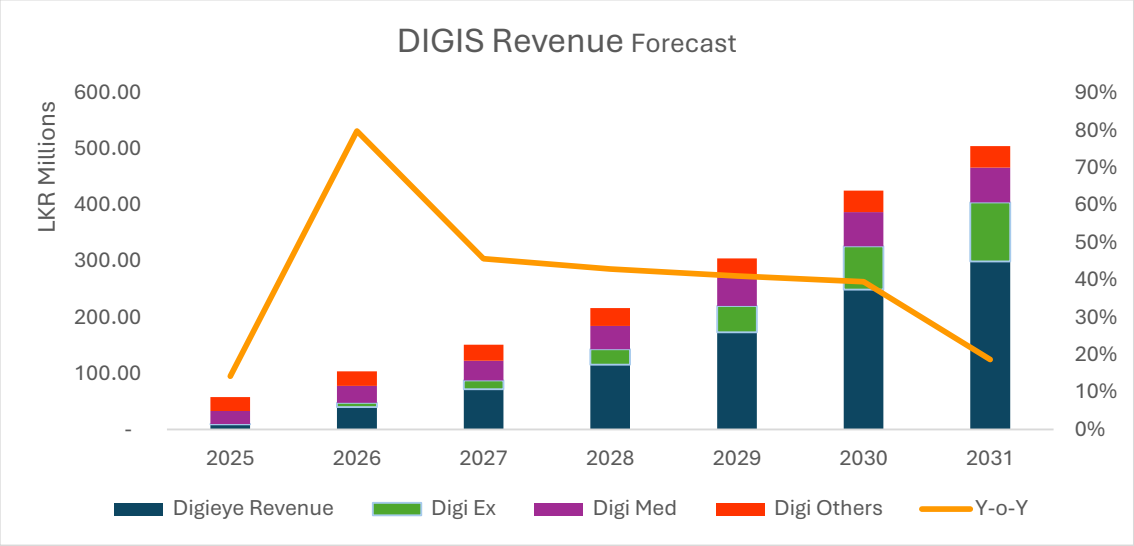

Table 6.6

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
"DigiEye" Income	9.16	40.00	72.07	115.42	173.29	249.77	300.00
"DigiEx" Income	0.65	7.50	15.31	27.78	47.25	77.16	105.00
"DigiMed" Income	23.04	30.00	35.00	41.32	49.80	60.59	62.21
"Digi Others" Income	24.93	26.42	28.99	31.81	34.92	38.33	38.33
Total Revenue	**57.78**	**103.92**	**151.36**	**216.33**	**305.25**	**425.84**	**505.53**
Y-O-Y Growth Rate	*14.2%*	*79.9%*	*45.7%*	*42.9%*	*41.1%*	*39.5%*	*18.7%*

1. DIGIEYE

DIGIEYE is expected to be a key revenue driver throughout the forecast period. The company has already onboarded its first client in Singapore and is actively engaged in discussions with potential

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partners in the UAE, Oman, and other MENA countries, as well as two clients in Cameroon, Central Africa.

For FY 2025/26, DIGIEYE is projected to contribute approximately 38% of total revenue. With the onboarding of additional clients and continued product enhancement—particularly through AI integration—DIGIEYE's revenue contribution is expected to grow steadily, reaching approximately 59% of total revenue by the end of the forecast period, despite increasing competition in the Insurtech sector.

2. DIGIMED

By the end of FY 2024/25, DIGIMED had 78 clients in Sri Lanka, many of whom are B2B clients of InsureMe Insurance Brokers. The company plans to expand DIGIMED's reach to additional B2B clients domestically and to selected international markets mainly in Asia Pacific Region and also MENA region. Revenue from DIGIMED is expected to grow gradually in alignment with InsureMe's B2B segment growth. DIGIMED's revenue contribution is expected to be 29% for the FY 2025/26,

3. DIGIEX

DIGIEX has a modest revenue contribution in last 3 financial years (LKR 3.2 Mn in total) and is expected to begin generating higher revenues from FY 2025/26, with further growth in FY 2026/27 and beyond. The company will undertake targeted marketing campaigns in Sri Lanka and selected foreign markets, particularly within the MENA region. Unlike the other Insurtech products, DIGIEX is designed for use in both insurance and fintech applications. DIGIEX is projected to contribute 7% of total revenue in FY 2025/26, gradually increasing to 21% by the end of the forecast period.

4. Other Revenue Streams

Additional revenue sources include subscription fees, installation charges, consultancy income, and commission income. In FY 2025/26, these are expected to account for 25% of total revenue; however, their contribution is projected to gradually decline to 8% by the end of the forecast period, as core product revenues expand. LKR 2.6 Mn has been recorded up to June 30th, 2025 and the additional revenue are expected to generate in the upcoming quarters.

Cost of Sale, Administrative, and Selling and Distribution Expenses.

Cost Forecast Assumptions

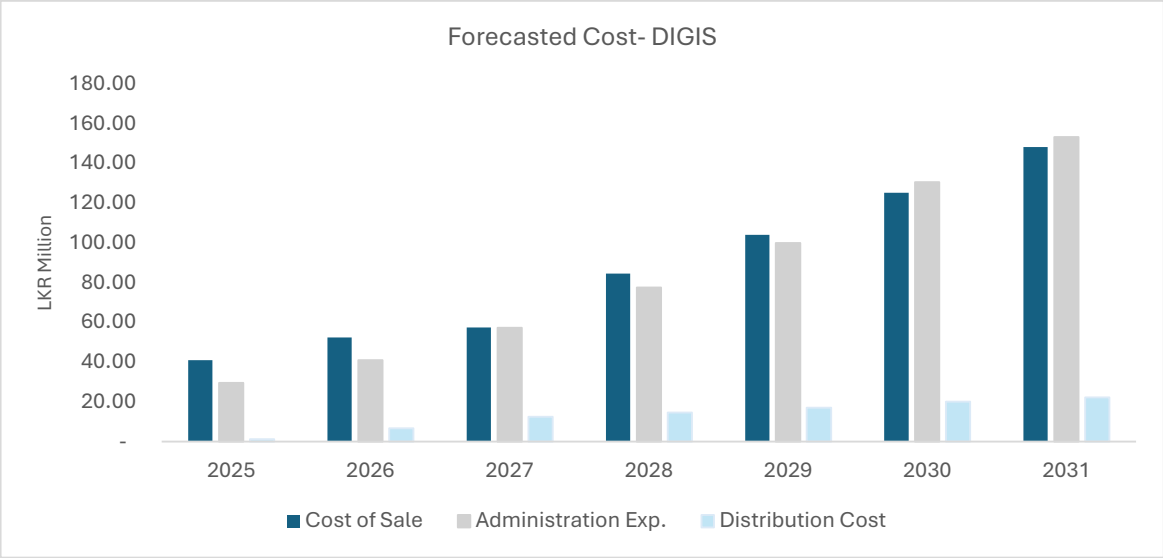

Table 6.7

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Cost of Sale	40.93	52.39	57.45	84.55	104.00	125.18	148.05
% From Revenue	*71%*	*50%*	*38%*	*39%*	*34%*	*29%*	*29%*
Administration Exp.*	29.59	40.88	57.19	77.48	99.79	130.44	153.12
% From Revenue	*51.22%*	*39.34%*	*37.78%*	*35.82%*	*32.69%*	*30.63%*	*30.29%*
Distribution Cost	1.16	6.63	12.40	14.56	17.10	20.12	22.27
% From Revenue	*2.01%*	*6.38%*	*8.19%*	*6.73%*	*5.60%*	*4.72%*	*4.40%*

*Administration expenses are excluding depreciation & Amortization

Since DIGIS is planning a faster growth rate and expansion in operation, above costs are linked to the revenue to reflect the impact of such revenue growth on direct cost and overheads.

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1. Cost of Sales

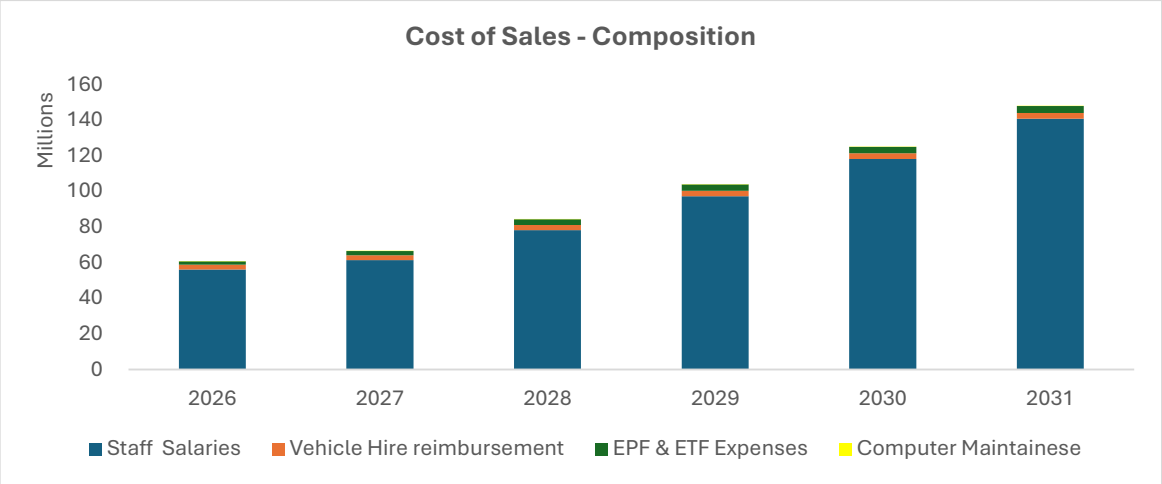

Table 6.8

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Staff Salaries	34.73	47.73	52.16	78.18	97.31	118.15	140.84
Vehicle Hire Reimbursement Cost	2.54	2.67	2.80	2.94	3.09	3.24	3.24
EPF & ETF Expenses	3.53	1.86	2.34	3.28	3.45	3.62	3.80
Computer Maintenance Expenses	0.13	0.14	0.14	0.15	0.16	0.16	0.16
Total Cost of Sale	**40.93**	**52.39**	**57.45**	**84.55**	**104.00**	**125.18**	**148.05**
Y-O-Y Growth Rate	*13.4%*	*28.0%*	*9.6%*	*47.2%*	*23.0%*	*20.4%*	*18.3%*

The cost of sales is predominantly driven by direct staff costs, which account for approximately 95% of the total. These include salaries, benefits, and statutory contributions for technical and development staff.

During the next two forecast financial years, the company will continue to incur product development expenses for its three core products (DIGIEYE, DIGIMED, and DIGIEX), as well as AI integration costs for software and AI engineering teams.

Ongoing costs will also include technical assistance staff required to support product operations and client needs.

2. Administrative Expenses

Administrative expenses are expected to increase gradually in line with revenue growth.The largest administrative cost component will be web hosting fees, internet services, and related IT infrastructure costs, which are assumed to average 20% of revenue during the forecast period.

Additional administrative expenses will include a portion of rent, utilities (electricity and water), and maintenance costs, shared with InsureMe as common costs.

3. Distribution Costs

Distribution costs are projected to increase compared to historical levels with the commercial rollout of DIGIS's three core products. These costs will include advertising and promotional activities, customer acquisition expenses, and sponsorships to support market entry and brand visibility. The increase reflects the company's strategy to aggressively expand market penetration, both domestically and in targeted foreign markets. The company will increase the advertising and customer acquisition costs with expansion of the business compared to 2024/25 financial year.

Finance income and Tax Expenses

DIGIS operates with a capital structure similar to its parent company, InsureMe Insurance Brokers. The company holds a fixed deposit of LKR 9.8 Mn, which is assumed to remain constant throughout the forecast period generating a modest interest income

The applicable corporate income tax rate is 30%, consistent with current corporate tax rate, and is assumed to remain unchanged during the forecast period.

Intangible Assets

Cost of developing DIGIEYE, DIGIMED and DIGIEX platforms are included under the DIGI Mobile App where all 3 platforms are active at the moment. These platforms are continuously upgraded where the costs relating to ongoing developments are disclosed as a WIP in the audited financial statements. DIGIEYE and other apps are continuously being developed with AI integration, advanced fraud detection, and other related enhancements. Further details are provided under the 'Main Business Activities' section in Digital Services Global (Pvt) Ltd.

Company has already invested LKR 35 Mn in total to develop the three products and their platform and expects to incur approximately LKR 18Mn during FY 2025/26 and FY 2026/27 as per management's estimates.

Table 6.9

LKR Mn	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Intangible Assets	33	39	44	41	37	33	29
Additions (Capex)	20	8	9	-	-	-	-
Amortization	0.85	2	3	4	4	4	4

Working Capital

Table 6.10

	2025A	2026F	2027F	2028F	2029F	2030F	2031F
Trade & Other Receivable Days	*71*	*70*	*70*	*70*	*70*	*70*	*70*
Other Payable Days	*269*	*220*	*200*	*180*	*160*	*160*	*120*

For the forecast period, it is assumed that Trade and Other Receivable days would remain at the same levels observed in FY 2023, FY 2024, and FY 2025, however, the company expects that other payables days would decrease gradually.

Audited Financial Statements (2024/25) of DIGIS – Note 23 (Going Concern) is reproduced below on the Going concern related Matter

The Company has incurred a loss of Rs.12,355,406, (2024: loss Rs 7.167,043). As at 31 March 2025 the current liability exceeding its current asset Rs.35,509,196 (2024: Rs.6,610,708), and negative net asset Rs 3,481,377, whereas (2024: positive net asset Rs 9,279,928). Notwithstanding this, the Financial Statements have been prepared on the going concern basis due to reliance on a letter of support, dated 25 July 2025, provided by the Directors of lnsureMe Insurance Brokers (Private) Limited, the immediate Parent Company . Through this letter of support, the Directors of ultimate parent entity confirmed that related party balances due from the Company will not be required to be repaid for at least 12 months from the date of this report and that in the event such call is made, payments will be only be required to the extent that they do not impact the entity's ability to meet its financial obligations as and when they fall due and payable. The immediate parent entity also undertakes to provide financial assistance to the Company to ensure that it can pay its debts as and when they fall due and payable for a period of at least 12 months from the date of signing these financial statements. This undertaking is provided for a minimum of 12 months period from the date of signing the Financial Statements for the year ended 31 March 2025.

Apart from reliance on parent support, Management further in assessing the appropriateness of the use of going concern basis of accounting in the preparation of financial statements the Company has taken a number of strategic actions to address its liquidity position and ensure continued operations Significant cash inflows are expected in the near term from newly onboarded clients, which will materially improve the Company's current asset position.

The Company has also made substantial investments in the development of a new software product, which is nearing completion and forms the foundation of its international expansion strategy. A client has already been onboarded in Singapore subsequently, with ongoing negotiations in the UAE, and active engagement with potential clients in Cambodia and parts of Africa These developments provide management with confidence in the Company's ability to scale operations and generate significant future revenues and profits

Accordingly, these financial statements have been prepared on going concern basis.

In addition, the board of directors of the Company confines that they do not have any intention to liquidate the Company or cease the operations at least 12 months from the date of signing these financial statements.

7. **Forecasted Financial Statements** *(all amounts are rounded to the nearest LKR 1 Mn)*

Group Financial Statements

Profit or Loss Statement-Group						LKR Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Revenue	557	668	803	961	1,168	1,307
Cost of sales	(302)	(332)	(404)	(454)	(533)	(589)
Gross profit	**255**	**336**	**398**	**507**	**635**	**718**
Distribution expenses	(26)	(32)	(36)	(40)	(46)	(50)
Administration expenses	(138)	(171)	(208)	(239)	(279)	(310)
EBITDA	**91**	**133**	**155**	**228**	**310**	**358**
Depreciation & Amortization	(6)	(7)	(8)	(9)	(10)	(11)
EBIT	**85**	**126**	**146**	**219**	**300**	**347**
Finance income	4	4	4	3	3	3
Profit/ (loss) before Tax Expense	**89**	**130**	**150**	**223**	**304**	**351**
Taxation	(27)	(39)	(45)	(67)	(91)	(105)
Profit/ (loss) for the year	**62**	**91**	**105**	**156**	**213**	**245**

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Financial Position-Group						LK R Mn
FY (March End)	2026	2027	2028	2029	2030	2031
ASSETS						
Non-current assets						
Property Plant and Equipment	11	10	12	13	14	15
Intangible assets	42	51	50	49	49	49
Deferred tax asset	1	1	1	1	1	1
Total non-current assets	55	62	63	64	65	66
Current assets						
Trade and other receivables	206	199	234	274	326	360
Cash and cash equivalents	147	250	358	515	737	972
Total current assets	353	449	592	789	1,063	1,333
Total assets	**408**	**511**	**655**	**853**	**1,128**	**1,398**
Equity and Liabilities						
Equity						
Stated capital	111	111	111	111	111	111
Retained earnings	94	185	290	446	659	904
Non-controlling interest	-	-	-	-	-	-
Total equity	206	297	402	557	770	1,016
Non-Current Liabilities						
Retirement benefit obligation	9	10	11	12	12	13
Total non-current liabilities	9	10	11	12	12	13
Current Liabilities						
Trade and other payables	168	167	199	218	256	266
Income tax payable	25	37	43	65	90	104
Bank overdraft	-	-	-	-	-	-
Total current liabilities	193	204	243	283	345	370
Total equity and liabilities	**408**	**511**	**655**	**853**	**1,128**	**1,398**

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Cash Flow Statement - Group						LKR Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Cash flows from operating activities						
Profit before tax expense	**89**	**130**	**150**	**223**	**304**	**351**
Adjustments for;						
Interest income	(4)	(4)	(4)	(3)	(3)	(3)
Provision for retirement benefit obligation	2	2	2	2	2	2
Depreciation on property, plant and equipment	3	4	4	5	6	7
Amortization of intangible assets	3	3	4	4	4	4
Operating profit before working capital changes	93	135	156	230	312	360
Changes in,						
Trade and other receivables	(61)	7	(35)	(40)	(51)	(35)
Amounts due from related parties	-	-	-	-	-	-
Trade and other payables	23	(1)	32	19	38	10
Cash generated from/ (used in) operations	50	116	113	124	148	153
Retirement benefit obligation paid	(1)	(1)	(2)	(2)	(2)	(2)
Income tax paid	(9)	(27)	(39)	(45)	(67)	(91)
Net cash generated from/ (used in) operating activities	**44**	**113**	**113**	**162**	**230**	**242**
Cash flows from investment activities						
Acquisition of property, plant and equipment	(2)	(3)	(6)	(7)	(7)	(8)
Acquisition/ development of intangible assets	(11)	(12)	(3)	(3)	(4)	(4)
Interest received	4	4	4	4	4	4
Net cash generated from/ (used in) investing activities	**(8)**	**(10)**	**(4)**	**(5)**	**(7)**	**(8)**
Cash flows from financing activities						
Proceeds from share issue	-	-	-	-	-	-
Net cash generated from financing activities	**-**	**-**	**-**	**-**	**-**	**-**
Net increase in cash and cash equivalents	36	103	108	157	223	235
Cash and cash equivalents at the beginning of the year	111	147	250	358	515	737
Cash and cash equivalents at the end of the year	**147**	**250**	**358**	**515**	**737**	**972**

Consolidated Financial Statements -Ratios						
Ratios	2026	2027	2028	2029	2030	2031
GP Margin	46%	50%	50%	53%	54%	55%
EBITDA Margin	16%	20%	19%	24%	27%	27%
NP Margin	11%	14%	13%	16%	18%	19%
ROE	30%	31%	26%	28%	28%	24%
Y-o-Y						
Revenue	55%	20%	20%	20%	21%	12%

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InsureMe Insurance Brokers Limited

Profit or Loss Statement - Company						LKR Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Revenue	453	517	586	656	742	801
Cost of sales	(250)	(275)	(320)	(350)	(408)	(441)
Gross profit	**203**	**242**	**267**	**306**	**334**	**360**
Distribution Cost	(19)	(20)	(21)	(23)	(26)	(27)
Administration expenses	(97)	(114)	(130)	(139)	(148)	(157)
EBITDA	87	109	115	144	160	176
Depreciation	(3)	(4)	(4)	(5)	(6)	(7)
EBIT	84	105	111	139	154	169
Finance income[19]	3	3	3	3	3	3
Profit/ (loss) before income tax expense	87	108	113	142	157	172
Taxation	(26)	(32)	(34)	(42)	(47)	(52)
Profit/ (loss) for the year	**61**	**76**	**79**	**99**	**110**	**120**

[19] The interest income arises from a fixed deposit of LKR 42 Mn which is assumed to remain unchanged throughout the forecast period, and the same interest rate applied for the forecasted period to calculate the interest.

Financial Position-Company						LKR
FY (March End)	2026	2027	2028	2029	2030	2031
ASSETS						
Non-current assets						
Property Plant and Equipment	11	10	12	13	14	15
Intangible assets	3	6	9	12	16	20
Investment in subsidiary	0	0	0	0	0	0
Deferred tax asset	1	1	1	1	1	1
Total non-current assets	**16**	**17**	**22**	**27**	**32**	**36**
Current assets						
Trade and other receivables	186	170	193	216	244	263
Amounts due from related parties	61	61	61	61	61	61
Cash and cash equivalents	113	209	285	381	490	607
Total current assets	**360**	**440**	**539**	**658**	**796**	**932**
Total assets	**376**	**457**	**561**	**684**	**827**	**969**
EQUITY AND LIABILITIES						
Equity						
Stated capital	111	111	111	111	111	111
Retained earnings	96	172	251	350	460	581
Non-controlling interest	-	-	-	-	-	-
Total equity	**208**	**283**	**363**	**462**	**572**	**692**
Non-Current Liabilities						
Retirement benefit obligation	7	8	8	9	9	9
Total non-current liabilities	**7**	**8**	**8**	**9**	**9**	**9**
Current liabilities						
Trade and other payables	137	135	158	173	201	217
Amounts due to related parties	-	-	-	-	-	-
Income tax payable	24	31	32	41	45	50
Bank overdraft	-	-	-	-	-	-
Total current liabilities	**161**	**166**	**190**	**214**	**247**	**267**
Total equity and liabilities	**376**	**457**	**561**	**684**	**827**	**969**

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Cash Flow Statement - Company						LKR Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Cash flows from operating activities						
Profit before tax expense	**87**	**108**	**113**	**142**	**157**	**172**
Adjustments for;						
Interest income	(3)	(3)	(3)	(3)	(3)	(3)
Loss/ (gain) on disposal of property, plant and equipment						
Provision for retirement benefit obligation	1	1	1	1	1	1
Depreciation on property, plant and equipment	3	4	4	5	6	7
Amortization of intangible assets	0	-	-	-	-	-
Operating profit before working capital changes	**88**	**110**	**116**	**145**	**162**	**178**
Changes in,						
Trade and other receivables	(57)	16	(23)	(23)	(28)	(19)
Amounts due from related parties	-	-	-	-	-	-
Trade and other payables	24	(1)	22	15	28	16
Cash generated from/ (used in) operations	56	125	116	137	162	175
Retirement benefit obligation paid	(1)	(1)	(2)	(2)	(2)	(2)
Income tax paid	(9)	(26)	(32)	(34)	(42)	(47)
Net cash generated from/ (used in) operating activities	**46**	**98**	**82**	**101**	**117**	**125**
Cash flows from investment activities						
Acquisition of property, plant and equipment	(2)	(3)	(6)	(7)	(7)	(8)
Acquisition/ development of intangible assets	(2)	(3)	(3)	(3)	(4)	(4)
Interest received	4	4	4	4	4	4
Proceeds from disposal of property, plant and equipment	-	-	-	-	-	-
Net cash generated from/ (used in) investing activities	**(1)**	**(2)**	**(5)**	**(6)**	**(8)**	**(8)**
Cash flow from the finance activities						
Cash flows from financing activities	-	-	-	-	-	-
Proceeds from share issue	-	-	-	-	-	-
Net cash generated from financing activities	**-**	**-**	**-**	**-**	**-**	**-**
Net increase in cash and cash equivalents	45	96	76	95	110	117
Cash and cash equivalents at the beginning of the year	68	113	209	285	381	490
Cash and cash equivalents at the end of the year	**113**	**209**	**285**	**381**	**490**	**607**

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Digital Services Global (Private) Limited

Forecasted Financial Statements

Profit or Loss Statement						LKR-Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Revenue	**104**	**151**	**216**	**305**	**426**	**506**
Cost of Sales	(52)	(57)	(85)	(104)	(125)	(148)
Gross Profit	**52**	**94**	**132**	**201**	**301**	**357**
Administration expenses	(41)	(57)	(77)	(100)	(130)	(153)
Distribution Cost	(7)	(12)	(15)	(17)	(20)	(22)
EBITDA	**4**	**24**	**40**	**84**	**150**	**182**
Amortization	(3)	(3)	(4)	(4)	(4)	(4)
EBIT	**1**	**21**	**36**	**80**	**146**	**178**
Finance Income	1	1	1	1	1	1
Profit before Tax	**2**	**22**	**36**	**81**	**147**	**179**
Income tax expense	(1)	(7)	(11)	(24)	(44)	(54)
Profit for the year	**2**	**15**	**26**	**57**	**103**	**125**

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Financial Position						LKR Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Assets						
Non-Current Assets						
Intangible Assets	39	45	41	37	33	29
Total Non- Current Assets	**39**	**45**	**41**	**37**	**33**	**29**
Current Assets						
Trade and other receivables	20	29	41	59	82	97
Amounts due from related party	-	-	-	-	-	-
Cash and cash equivalents	34	41	73	134	247	365
Total current assets	54	70	114	193	329	462
Total assets	**93**	**115**	**155**	**230**	**362**	**491**
Equity and Liabilities						
Equity						
Stated capital	0	0	0	0	0	0
Retained earnings	(2)	13	39	96	198	323
Total equity	**(2)**	**13**	**39**	**96**	**198**	**323**
Liabilities						
Non-current liabilities						
Retirement benefit obligation	2	2	3	3	3	4
Total non-current liabilities	**2**	**2**	**3**	**3**	**3**	**4**
Current Liabilities						
Trade and other payables	32	31	42	46	55	49
Amounts due to related party	61	61	61	61	61	61
Income tax payable	1	7	11	24	44	54
Total current liabilities	93	99	114	131	160	164
Total Equity & Liabilities	**93**	**115**	**155**	**230**	**362**	**491**

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Cash Flow Statement						LKR Mn
FY (March End)	2026	2027	2028	2029	2030	2031
Cash flows from operating activities						
Profit before taxation	**2**	**22**	**36**	**81**	**147**	**179**
Adjustments for:						
Employee benefit provision	0	0	0	0	0	0
Interest income	-1	-1	-1	-1	-1	-1
Amortization of intangible assets	3	3	4	4	4	4
Operating cash flows before working capital changes	4	25	40	85	151	183
Changes in;						
Trade receivables	-4	-9	-12	-17	-23	-15
Amounts due from related party	-	-	-	-	-	-
Amounts due to related party	-	-	-	-	-	-
Trade and other payables	-1	0	10	4	9	-6
Cash flows generated from operating activities	**-6**	**-9**	**-2**	**-13**	**-14**	**-21**
Retirement benefit obligations paid	0	0	0	0	0	0
Income tax paid	-	-1	-7	-11	-24	-44
Net cash flows generated from operating activities	-1	15	31	61	112	117
Cash flows from financing activities	-	-	-	-	-	-
	-	-	-	-	-	-
Cash flows from investing activities						
Acquisition/ development of intangible assets	-8	-9	-	-	-	-
Interest received	1	1	1	1	1	1
Net cash flows used in investing activities	**-8**	**-8**	**1**	**1**	**1**	**1**
Net increase in cash and cash equivalents	-9	6	32	61	113	118
Cash and cash equivalents at the beginning of the period	43	34	41	73	134	247
Cash and cash equivalents at the end of the period	**34**	**41**	**73**	**134**	**247**	**365**

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8. Risk Factors

The future performance of InsureMe could be influenced by various risks, some of which may lie beyond the Company's control. If any of the risks outlined in this section were to occur, they could negatively impact the Company's operations and the value of its ordinary shares. This section explains the main risks the Company might face, though there could be others not listed here

1. Operational & Compliance Risk

InsureMe operates under the regulation of the Insurance Regulatory Commission of Sri Lanka (IRCSL) and other relevant authorities in jurisdictions where the Subsidiary conducts business. Failure to comply with licensing, disclosure, or reporting requirements could result in significant fines, suspension, or even loss of operating licenses. Additionally, the risk of mis-selling—recommending unsuitable insurance products—could lead to lawsuits, regulatory action, and reputational damage. Handling sensitive customer information also presents a risk; any loss, hacking, or leakage of such data could cause serious financial, legal, and trust-related consequences. The proposals on new taxes on digital services can impact forecasted revenue achievement.

Also refer to section 6.2 above on the disclosure of going concern matter of DIGIS

2. Technology & Cybersecurity Risk

As an online-based insurance platform, INME group is particularly exposed to cybersecurity threats. Hacking, phishing, ransomware, or other forms of cyberattacks could result in both legal liabilities and financial losses. Furthermore, any system outages, software failures, or platform downtime could disrupt operations, harm customer trust, and impact revenue. Reliance on third-party cloud server providers or technology integrations, 3rd party-software providers also create additional points of vulnerability where their failures or service lags could impact the business of INME and DIGIS.

3. Market & Competitive Risk

The insurance technology (Insurtech) sector is experiencing rapid technological evolution, making the market increasingly competitive. In particular, the Asia Pacific and MENA regions have a high density of both traditional and digital competitors, putting pressure on pricing, innovation, and customer experience. As a result, customer acquisition costs can be unpredictable and may rise sharply, especially in markets where brand recognition is still developing. Rapid shifts in consumer expectations and competitor capabilities further increase the risk of market share erosion if DIGIS fails to adapt swiftly. . Furthermore, the competition amongst the industry players to capture the market share within the same region is also a common risk. Entrance of large global players to the same space where INME and DIGIS operate could increase the competition.

Further, with the overseas expansion, DIGIS would be subject to different legal and regulatory frameworks in the targeted countries where compliance should be ensured. There could be monetary or non-monetary implications if a non-compliance is reported subject to such laws/ regulations Also, the political and economic conditions of each country could have a varied impact on the planned

business expansion activities. With the revenue generating plans from overseas, exchange rate fluctuations also could have an impact on the company's revenue to a certain extent.

Please refer to section 10.0 of the Introductory Document for more details on risk factors

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9. Team

The team involved in the valuation and preparation of the Research Report possess the required expertise, experience and exposure in preparing such reports, and their profiles are set out below.

Rohan Seneviratne – Founder| Managing Director

A veteran in the Sri Lankan capital markets industry with three decades of experience across Regulatory Organizations (Securities and Exchange Commission of Sri Lanka and the Colombo Stock Exchange) and market intermediary institutions (Securities Brokerage Firms and Unit Trusts) in his career. Rohan is a Director / Shareholder of ACPL, with corporate experience across multiple industries and institutions.

Rohan joined the capital markets industry in 1992 as a Management Trainee of the Colombo Stock Exchange. In 1994, he joined Lanka Securities (Pvt) Limited (a joint venture stockbroking firm between Bank of Ceylon and Merchant Bank of Sri Lanka) as an Investment Advisor and rose to the level of Director Sales in 2001. In 2003, he joined Lanka ORIX Securities (Pvt) Limited (former subsidiary of Lanka ORIX Leasing Company PLC) as an Executive Director. During his career in stockbroking, he has successfully structured many strategic transactions (listed and unlisted) and has offered investment advice to clients ranging from local retail investors to global foreign funds functioning in Frontier Markets sphere.

In 2008 Rohan joined the Global Service Delivery Centre of HSBC in Colombo, its Hedge Funds and Traditional Funds Administration division as Vice President Operations and subsequently rose to the level of VP / Country Head, HSBC Securities Services COE Colombo in 2011.

Rohan joined the capital markets regulator, Securities and Exchange Commission of Sri Lanka as Consultant - Special Projects in 2013. He was instrumental in development and implementation of the first ever USD denominated investment product in the Sri Lankan capital market (Dollar Bond Fund Unit Trusts) during his tenure at SEC.

Rohan is a Graduate / Passed Finalist of Association of Business Executives UK and also graduated with a Master's Degree in Business Administration from University of Wales in 2008.

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Chandana Wijesundara – Head of Investment Banking

After completing a successful career spanning over 9 years at the Colombo Stock Exchange (CSE), Chandana joined Atarah Capital Partners in February 2020 and is currently serving in Atarah Capital (Pvt) Limited, a fully owned subsidiary of Atarah Capital Partners. His experience encompasses Corporate Finance / Investment Banking, complemented with vast experience on end-to-end process of public listing of securities gained whilst holding key responsibilities at the Listings Division of the CSE. He was a member of the regulatory teams that launched the Multi Currency Board and the Empower Board (for SME's) as listing platforms and has been involved in many other regulatory process implementations and revisions with ample exposure to capital market related practices, laws and regulations. He has been a key resource person representing CSE at various forums conducted to promote listing of securities amongst prospective issuers. He has been involved in many business valuations for capital raising via CSE as well as in the private equity space.

Chandana also possesses hands on experience in Financial Reporting and Auditing where he carried out numerous tasks during statutory audits at Ernst & Young for over 3 years. Formally qualified with a Bachelor of Business Management (Finance) Special Degree (2nd Lower) from University of Kelaniya Sri Lanka, Chandana is also an Affiliate of Association of Chartered Certified Accountants (ACCA) UK.

Udara Dumindu Perera – Financial Analyst

Udara has over two years of experience as a Financial Analyst, specializing in private equity, corporate finance, and transaction advisory for both listed and unlisted companies. His expertise includes financial modeling, preparing investor memorandums, conducting research, and performing business valuations. Prior to joining Atarah Capital, Udara gained over a year of experience at an audit firm, further strengthening his analytical and financial reporting skills.

He holds a bachelor’s degree in finance (Second Class Upper Division) from the University of Sri Jayewardenepura, and is a Member of AAT Sri Lanka, and has successfully completed the CFA Level 1.

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10. DISCLAIMER

Valuation model of this report has been prepared by ACPL based on the analysis of historical audited financial statements from FY 2021 - FY 2025 and unaudited consolidated interim financial statements of 30th June 2025 of INME and DIGIS together with the future plans provided by the management of the Company. The financial forecasts are based on several assumptions made by the Company and preparer's judgements of significance subjectivity. Therefore, such information should not be considered as a guarantee or representation, expressed or implied of the future achievements of the Company and are subject to change according to the Company's ability to execute its business plans and may vary depending on the macro-economic conditions prevailing time-to-time.

ACPL's independent verifications were limited to analysis of historical financial statements of the Company, present operational structure and use of professional judgement as regard to the assumptions disclosed under section of 'Discounted cash flows". Forecasted results and assumptions have been discussed with the management of INME and assumptions used have been compared with the past trends and macro-economic factors to the extent of availability of such information. ACPL has made inquiries with the management on future plans in place to achieve the expected results.

ACPL assumes no responsibility over the omission of information furnished by the Company. The industry information included in this report is based on external information sources mentioned therein and ACPL has not independently verified such information.

Accordingly, the information and results should not be considered as a representation made by ACPL and does not by any mean is a guarantee of the future achievements of the Company. ACPL does not accept any liability of a loss incurred by any person by acting or not acting based on the information presented in this Report. The recipients of this report are expected to make their own analysis and judgments considering the historical financial information and macro-economic factors that could affect the present and future operations of the Company.

The value recommendation provided in this report is valid for a period of 3 months from the date of the Prospectus, provided no material changes are taking place in the Company's operating environment during the aforesaid period.

We also confirm that we are neither a related party of INME as defined in Sri Lanka Accounting Standards, nor has a significant interest or financial connection with the Company.

Even though the 30th September 2025 interim financial statements are available, since the Reference Price was already decided by the Company, valuation date remains as 30th June 2025.

Valuation Date: 30-June-2025

Report Date: -30-October-2025

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ANNEXURE 4

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE 2025

INSUREME INSURANCE BROKERS LIMITED

Interim Financial Statement - 1st Quarter
(For the three months ended 30th June 2025)

INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the quarter ended 30 June,

	Note	Group		Company	
		2025 Q1 Rs.	2024 Q1 Rs.	2025 Q1 Rs.	2024 Q1 Rs.
Revenue		115,421,870	98,964,777	104,060,252	89,631,445
Cost of sales		(62,156,988)	(57,743,987)	(47,291,105)	(41,555,957)
Gross profit		**53,264,882**	**41,220,790**	**56,769,147**	**48,075,487**
Other income		17,289	54,497	17,289	54,497
Distribution expenses		(9,637,286)	(10,125,419)	(2,105,032)	(2,588,793)
Administration expenses		(21,071,580)	(20,024,147)	(20,937,125)	(19,902,601)
Finance income		1,676,265	1,329,633	1,016,283	738,947
Profit before income tax expense		**24,249,570**	**12,455,354**	**34,760,562**	**26,377,537**
Income tax expense		(10,428,169)	(7,375,225)	(10,428,169)	(7,375,225)
Profit for the year		**13,821,401**	**5,080,130**	**24,332,393**	**19,002,313**
Other comprehensive income					
Actuarial (loss)/ gain on retirement benefit obligation		-	-	-	-
Deferred tax effect on actuarial gain		-	-	-	-
Total comprehensive income for the year		**13,821,401**	**5,080,130**	**24,332,393**	**19,002,313**
Basic earning per share (Rs.)		**6.72**	**2.50**	**11.84**	**9.36**

Figures in brackets indicate deductions.
The separate financial statements are to be read in conjunction with the related notes, which form an integral part of these separate financial statements.

The above figures are provisional and subject to audit.

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INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF FINANCIAL POSITION

As at 30 June,

	Audited Group		*Audited* Company	
	2025 Q1	**2024 Q4**	**2025 Q1**	**2024 Q4**
	Rs.	**Rs.**	**Rs.**	**Rs.**
ASSETS				
Non-current assets				
Property, plant and equipment	11,527,451	11,963,333	11,527,451	11,963,333
Intangible assets	34,139,732	34,545,436	1,310,240	1,334,020
Investment in subsidiary			100	100
Deferred tax asset	1,392,687	1,392,687	1,392,687	1,392,687
Total non-current assets	**47,059,870**	**47,901,456**	**14,230,478**	**14,690,140**
Current assets				
Trade and other receivables	158,422,895	145,153,765	145,643,212	129,482,333
Amounts due from related parties	-	-	70,291,248	61,270,868
Cash and cash equivalents	113,761,935	112,715,892	78,543,581	69,567,343
Total current assets	**272,184,830**	**257,869,657**	**294,478,041**	**260,320,544**
Total assets	**319,244,700**	**305,771,113**	**308,708,519**	**275,010,684**
EQUITY AND LIABILITIES				
Equity				
Stated capital	111,388,981	111,388,981	111,388,981	111,388,981
Retained earnings	45,694,340	31,872,938	59,686,808	35,354,415
Non-controlling interest			-	-
Total equity	**157,083,321**	**143,261,919**	**171,075,789**	**146,743,396**
Non-current liabilities				
Retirement benefit obligation	7,483,628	7,693,628	6,300,031	6,510,031
Total non-current liabilities	**7,483,628**	**7,693,628**	**6,300,031**	**6,510,031**
Current liabilities				
Trade and other payables	137,564,563	145,662,408	114,219,511	112,604,099
Amounts due to related parties	-	-	-	-
Income tax payable	16,922,758	7,376,111	16,922,758	7,376,111
Bank overdraft	190,430	1,777,047	190,430	1,777,047
Total current liabilities	**154,677,751**	**154,815,566**	**131,332,699**	**121,757,257**
Total equity and liabilities	**319,244,700**	**305,771,113**	**308,708,519**	**275,010,684**

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit.

I certify that these separate financial statements have been prepared in compliance with the requirements of Companies Act No. 07 of 2007.

.....

Assistant Manager Finance

The Board of Directors is responsible for the preparation and presentation of these separate financial statements in accordance with Sri Lanka Accounting Standards.

Approved and signed for and on behalf of the Board of Directors:

.....

Director

.....

Director

15 August 2025
Colombo

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INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF CHANGES IN EQUITY
As at 30 June,

Company	**Stated capital Rs.**	**Retained earnings Rs.**	**Total Rs.**
Balance as at 01 April 2024	**96,389,196**	**10,802,170**	**107,191,366**
Shares issued during the year			
Profit for the year	-	19,002,313	19,002,313
Other comprehensive income	-	-	-
Balance as at 30 June 2024	**96,389,196**	**29,804,483**	**126,193,679**
Balance as at 01 April 2025	**111,388,981**	**35,354,415**	**146,743,396**
Profit for the year	-	24,332,393	24,332,393
Other comprehensive income	-	-	-
Balance as at 30 June 2025	**111,388,981**	**59,686,808**	**171,075,789**

Group	**Attributable to equity holders of the parent**				
	Stated capital Rs.	**Retained earnings Rs.**	**Total Rs.**	**Non controlling interests Rs.**	**Total equity Rs.**
Balance as at 01 April 2024	**96,389,196**	**20,082,003**	**116,471,199**	-	**109,453,151**
Profit for the year	-	5,080,130	5,080,130	-	5,080,130
Other comprehensive income	-	-	-	-	-
Shares issued during the year		-	-	-	-
Balance as at 30 June 2024	**96,389,196**	**25,162,132**	**121,551,328**	-	**114,533,280**
Balance as at 01 April 2025	**111,388,981**	**31,872,939**	**143,261,920**		**143,261,920**
Profit for the year	-	13,821,401	13,821,401	-	13,821,401
Other comprehensive income	-	-	-	-	-
Balance as at 30 June 2025	**111,388,981**	**45,694,340**	**157,083,321**	-	**157,083,321**

Figures in brackets indicate deductions.

The above figures are provisional and subject to audit

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INSUREME INSURANCE BROKERS LIMITED
STATEMENT OF CASH FLOWS
For the quarter ended 30 June,

	Group		Company	
	2025 Q1 Rs.	**2024 Q1 Rs.**	**2025 Q1 Rs.**	**2024 Q1 Rs.**
Cash flows from operating activities				
Profit before tax expense	24,249,570	12,455,354	34,760,562	26,377,537
Adjustments for;				
Interest income	(1,676,265)	(1,329,633)	(1,016,283)	(738,947)
Loss/ (gain) on disposal of property, plant and equipment	(17,289)	178,499	(17,289)	178,499
Provision for retirement benefit obligation	-	-		
Depreciation on property, plant and equipment	1,038,170	914,739	1,038,170	914,739
Amortization on intangible assets	805,704	285,101	23,780	94,244
Operating profit before working capital changes	**24,399,890**	**12,504,061**	**34,788,940**	**26,826,073**
Changes in,				
Trade and other receivables	(12,410,745)	(29,159,001)	(15,365,169)	(30,806,720)
Amounts due from related parties	-	-	(9,020,380)	-
Trade and other payables	(8,097,845)	18,249,945	1,615,412	4,709,551
Cash generated from/ (used in) operations	**3,891,300**	**1,595,005**	**12,018,803**	**728,904**
Retirement benefit obligation paid	(210,000)	-	(210,000)	-
Income tax paid	(881,522)	-	(881,522)	-
Net cash generated from/ (used in) operating activities	**2,799,778**	**1,595,005**	**10,927,281**	**728,904**
Cash flows from investment activities				
Acquisition of property, plant and equipment	(625,000)	(318,400)	(625,000)	(318,400)
Acquisition/ development of intangible assets	(400,000)	(448,000)	-	
Interest received	817,881	378,495	220,573	43,663
Proceeds from disposal of property, plant and equipment	40,000	80,000	40,000	80,000
Net cash generated from/ (used in) investing activities	**(167,119)**	**(307,905)**	**(364,427)**	**(194,737)**
Cash flows from financing activities				
Proceeds from share issue	-	-	-	
Net cash generated from financing activities	-	-	-	-
Net increase in cash and cash equivalents	**2,632,659**	**1,287,100**	**10,562,854**	**534,167**
Cash and cash equivalents at the beginning of the year	110,938,845	70,978,323	67,790,297	36,908,885
Cash and cash equivalents at the end of the year (Note 15)	**113,571,504**	**72,265,423**	**78,353,151**	**37,443,052**

Figures in brackets indicate deductions.
The above figures are provisional and subject to audit

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INSUREME INSURANCE BROKERS LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
As at 30 June,

1 Segment analysis

1.1 Segment analysis of Group revenue

	Apr-Jun 2025	Apr-Jun 2024
Insureme	**Rs.**	**Rs.**
B2C	6,204,650	5,507,505
B2B	68,576,685	61,684,839
B2B2C	29,278,917	22,439,101
Inureme Total	**104,060,252**	**89,631,445**
	Apr-Jun 2025	**Apr-Jun 2024**
Digis	**Rs.**	**Rs.**
Digis Total	**11,361,618**	**9,333,332**
Group Revenue	**115,421,870**	**98,964,777**

1.2 Segment analysis of Group profit

	Insureme		Digis		Total	
For the Period ended 30th June	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Profit/(loss) from operations	56,769,147	48,075,487	(3,504,265)	9,333,332	53,264,882	57,408,819
Finance income	1,016,283	738,947	659,982	590,686	1,676,265	1,329,633
Finance expenses	-	-	-	-	-	-
Profit / (loss) before tax	34,760,562	26,377,537	(10,510,992)	(13,922,183)	24,249,570	12,455,354
Income tax expense	(10,428,169)	(7,375,225)	-	-	(10,428,169)	(7,375,225)
Profit / (loss) for the period	**24,332,393**	**19,002,313**	**(10,510,992)**	**(13,922,183)**	**13,821,401**	**5,080,130**

2 Basis of Preparation and Accounting Policies

The interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS 34 – Interim Financial Reporting.
The accounting policies and methods of computation applied in the preparation of these interim financial statements are consistent with those applied in the most recent audited annual financial statements. There have been no changes to the accounting policies during the interim period

3 Events after the reporting period

All material events after the reporting period have been considered and where appropriate adjustments or disclosures have been made in the respective notes to the financial

4 Contingent Liabilities

No pending litigation or claim against Insureme Insurance Brokers Limited as at the period ended 30 June 2025.

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