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HNB ASSURANCE PLC

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

Statement of Financial Position

As at,	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		31st Dec 2023	31st Dec 2022	31st Dec 2023	31st Dec 2022
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
Assets					
Property, Plant and Equipment		689,549	418,258	480,796	260,442
Right of Use Assets		428,871	376,579	368,716	343,824
Intangible Assets		63,924	61,118	57,566	57,054
Deferred Tax Assets		1,528	99,430	-	-
Financial Investments	3	43,855,383	34,624,131	38,530,656	29,844,875
Investment in Subsidiary		-	-	1,150,000	1,150,000
Loans to Life Policyholders		441,923	420,914	441,923	420,914
Reinsurance Receivables		1,329,157	1,044,318	325,283	184,249
Premium Receivables		1,858,407	1,853,670	45,940	18,547
Other Assets		1,262,852	999,838	983,945	713,293
Insurance Contract - Deferred Expenses		208,471	163,995	-	-
Cash and Cash Equivalents		1,123,004	1,033,305	666,222	725,420
Total Assets		51,263,069	41,095,556	43,051,047	33,718,618
Equity and Liabilities					
Equity Attributable to the Equity Holders					
Stated Capital		1,171,875	1,171,875	1,171,875	1,171,875
Retained Earnings		9,039,864	7,822,715	7,618,252	6,552,433
Available for Sale Reserve		174,358	(322,296)	106,834	(138,616)
Other Reserve		(21,290)	22,358	(21,175)	3,972
Life Policyholders' Available for Sale Reserve Fund	5	(469,286)	(1,277,414)	(469,286)	(1,277,414)
Restricted Regulatory Reserve	6	381,156	381,156	381,156	381,156
Equity Attributable to the Equity Holders		10,276,677	7,798,394	8,787,656	6,693,406
Non-Controlling Interest		-	-	-	-
Total Equity		10,276,677	7,798,394	8,787,656	6,693,406
Liabilities					
Insurance Contract Liabilities - Life Insurance	7	30,945,715	24,582,641	30,945,715	24,582,641
Insurance Contract Liabilities - General Insurance	8	4,694,303	4,181,588	-	-
Employee Defined Benefit Liabilities		333,860	236,424	192,127	142,692
Current Tax Liabilities		530,009	253,810	453,230	209,338
Reinsurance Creditors		696,915	959,693	302,211	227,512
Lease Creditors		450,304	410,719	395,383	376,926
Other Liabilities		2,864,015	2,406,748	1,814,178	1,384,408
Bank Overdrafts		471,271	265,539	160,547	101,695
Total Liabilities		40,986,392	33,297,162	34,263,391	27,025,212
Total Equity and Liabilities		51,263,069	41,095,556	43,051,047	33,718,618

The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

These Condensed Consolidated Interim Financial Statements are in compliance with the requirements of the Companies Act, No. 07 of 2007.



Punsirini Perera
Chief Financial Officer

The Board of Directors is responsible for these Condensed Consolidated Interim Financial Statements.

Signed on behalf of the Board;



Rose Cooray
Chairperson

Colombo, Sri Lanka
15th February 2024



Ashoka Goonesekere
Director

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31st December,	Note	Group		Company		Change	
		Unaudited	Audited	Unaudited	Audited	Group	Company
		2023	2022	2023	2022	%	%
		Rs. '000	Rs. '000	Rs. '000	Rs. '000		
Gross Written Premium	9	18,760,347	15,637,736	10,923,294	8,911,460	20	23
Premium Ceded to Reinsurers		(2,922,404)	(2,164,702)	(592,191)	(473,012)	35	25
Net Written Premium		15,837,943	13,473,034	10,331,103	8,438,448	18	22
Net Change in Reserves for Unearned Premium		(138,553)	(385,557)	-	-	(64)	-
Net Earned Premium		15,699,390	13,087,477	10,331,103	8,438,448	20	22
Other Revenue							
Interest and Dividend Income	10	7,227,168	4,541,682	6,306,764	3,972,636	59	59
Net Realised (Losses)/Gains		(57,224)	390,099	10,415	105,376	(115)	(90)
Net Fair Value Gains/(Losses)		65,944	(66,383)	57,107	(68,663)	199	183
Fee and Commission Income		317,623	272,223	102,709	54,394	17	89
Other Income		12,046	36,442	9,447	33,223	(67)	(72)
Total Other Revenue		7,565,557	5,174,063	6,486,442	4,096,966	46	58
Net Income		23,264,947	18,261,540	16,817,545	12,535,414	27	34
Net Benefits, Claims and Expenses							
Net Insurance Benefits and Claims		(6,666,084)	(5,578,997)	(2,676,436)	(2,169,527)	19	23
Change in Contract Liabilities - Life Fund		(6,332,739)	(4,340,103)	(6,332,739)	(4,340,103)	46	46
Other Operating and Administration Expenses		(5,370,694)	(4,000,490)	(3,585,313)	(2,483,649)	34	44
Underwriting and Net Acquisition Costs		(2,200,123)	(1,821,540)	(1,806,519)	(1,437,045)	21	26
Finance and Other Insurance Related Costs		(183,812)	(134,488)	(147,496)	(111,424)	37	32
Total Benefits, Claims and Other Expenses		(20,753,452)	(15,875,618)	(14,548,503)	(10,541,748)	31	38
Profit Before Taxation		2,511,495	2,385,922	2,269,042	1,993,666	5	14
Income Tax Expense	11	(746,846)	(555,398)	(655,723)	(510,046)	34	29
Profit for the Year	12	1,764,649	1,830,524	1,613,319	1,483,620	(4)	9
Other Comprehensive Income, Net of Related Tax							
Items that are or may be reclassified to profit or loss							
- Net Change in fair value of Available For Sale Financial Assets		1,401,847	(1,647,992)	1,035,773	(1,386,078)	185	175
- Realised Gains transferred to Income Statement		(38,955)	-	(31,744)	-	(100)	(100)
- Amortisation of AFS reserve on reclassification		49,549	32,893	49,549	32,893	51	51
- Net Change in fair value of Available For Sale Financial Assets transferred to Life Policyholders' Available For Sale Reserve Fund		(808,128)	1,210,123	(808,128)	1,210,123	(167)	(167)
- Tax related on items that are or may be reclassified to profit or loss	11	(107,659)	78,671	-	-	(237)	-
Items that will never be reclassified to profit or loss							
- Actuarial (Losses)/Gains on Defined Benefit Plans		(63,303)	37,945	(25,147)	10,586	(267)	(338)
- Tax related on items that will never be reclassified to profit or loss	11	19,655	(4,166)	-	-	572	-
Total Other Comprehensive Income for the Year, Net of Related Tax		453,006	(292,526)	220,303	(132,476)	255	266
Total Comprehensive Income for the Year		2,217,655	1,537,998	1,833,622	1,351,144	44	36
Profit Attributable to:							
Equity Holders of the Company		1,764,649	1,830,524	1,613,319	1,483,620	(4)	9
Non-Controlling Interest		-	-	-	-	-	-
Total Comprehensive Income Attributable to:							
Equity Holders of the Company		2,217,655	1,537,998	1,833,622	1,351,144	44	36
Non-Controlling Interest		-	-	-	-	-	-
Basic and Diluted Earnings Per Share (Rs.)	13	11.76	12.20	10.76	9.89	(4)	9

The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

Statement of Changes in Equity - Group

	Note	Stated Capital Rs. '000	Retained Earnings Rs. '000	Available for Sale Reserve Rs. '000	Other Reserve Rs. '000	Life Policyholders' AFS Reserve Fund Rs. '000	Restricted Regulatory Reserve Rs. '000	Total Equity Rs. '000
Balance as at 01st January 2022		1,171,875	6,644,680 (172,469)	4,009	(11,421)	(67,291)	381,156	8,123,008 (172,469)
Surcharge Tax	16	-	-	-	-	-	-	-
Comprehensive Income for the Year		-	1,830,524	-	-	-	-	1,830,524
Profit for the Year-Audited		-	-	-	-	-	-	-
Other Comprehensive Income for the Year, Net of Related Tax		-	-	(1,536,428)	-	-	-	(1,536,428)
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
Net Change in fair value of Available For Sale Financial Assets		-	-	1,210,123	-	-	-	1,210,123
- transferred to Life Policyholders' Available For Sale Reserve Fund		-	-	-	33,779	-	-	33,779
Actuarial Gains on Defined Benefit Plans		-	-	(336,305)	-	-	-	(336,305)
Total Other Comprehensive Income for the Year		-	-	(326,305)	33,779	-	-	(292,526)
Total Comprehensive Income for the Year		-	1,830,524	(326,305)	33,779	-	-	1,537,998
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	(1,210,123)	-	(1,210,123)
- transferred from Available For Sale Reserve		-	-	-	-	-	-	-
Transactions with owners recorded directly in equity		-	(480,000)	-	-	-	-	(480,000)
Distributions to owners of the Parent		-	-	-	-	-	-	-
Final dividend to equity holders for 2021		-	7,822,715	(322,296)	22,358	(1,277,414)	381,156	7,798,394
Audited balance as at 31st December 2022		1,171,875	7,822,715	(322,296)	22,358	(1,277,414)	381,156	7,798,394
Balance as at 01st January 2023		1,171,875	-	-	-	-	-	-
Comprehensive Income for the Year		-	1,764,649	-	-	-	-	1,764,649
Profit for the Year-Unaudited		-	-	-	-	-	-	-
Other Comprehensive Income for the Year, Net of Related Tax		-	-	1,304,782	-	-	-	1,304,782
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
Net Change in fair value of Available For Sale Financial Assets		-	-	(808,128)	-	-	-	(808,128)
- transferred to Life Policyholders' Available For Sale Reserve Fund		-	-	-	(43,648)	-	-	(43,648)
Actuarial Losses on Defined Benefit Plans		-	-	496,654	-	-	-	496,654
Total Other Comprehensive Income for the Year		-	-	496,654	(43,648)	-	-	453,006
Total Comprehensive Income for the Year		-	1,764,649	496,654	(43,648)	-	-	2,217,655
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	808,128	-	808,128
- transferred from Available For Sale Reserve		-	-	-	-	-	-	-
Transactions with owners recorded directly in equity		-	-	-	-	-	-	-
Distributions to owners of the Parent		-	(647,500)	-	-	-	-	(647,500)
First and Final Dividend to equity holders for 2022		-	9,039,864	174,358	(21,290)	(469,286)	381,156	10,276,677
Unaudited balance as at 31st December 2023		1,171,875	9,039,864	174,358	(21,290)	(469,286)	381,156	10,276,677

Stated Capital represents 150 Million Ordinary Shares as at 31st December 2023 (2022 - 150 Million).

The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

Statement of Changes in Equity - Company

	Stated Capital	Retained Earnings	Available for Sale Reserve	Other Reserve	Policyholders' AFS Reserve Fund	Restricted Regulatory Reserve	Total Equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 01st January, 2022	1,171,875	5,548,813	4,446	(6,614)	(67,291)	381,156	7,032,385
Comprehensive Income for the Year							
Profit for the Year-Audited	-	1,483,620	-	-	-	-	1,483,620
Other Comprehensive Income for the Year, Net of Related Tax							
Net Change in fair value of Available For Sale Financial Assets	-	-	(1,353,185)	-	-	-	(1,353,185)
Net Change in fair value of Available For Sale Financial Assets	-	-	1,210,123	-	-	-	1,210,123
- transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	-	10,586	-	-	10,586
Actuarial Gains on Defined Benefit Plans	-	-	(143,062)	-	-	-	(132,476)
Total Other Comprehensive Income for the Year	-	1,483,620	(143,062)	10,586	-	-	1,351,144
Net Change in fair value of Available For Sale Financial Assets	-	-	-	-	(1,210,123)	-	(1,210,123)
- transferred to Available For Sale Reserve	-	-	-	-	-	-	-
Transactions with owners recorded directly in equity							
Distributions to owners of the Company							
Final dividend to equity holders for 2021	-	(480,000)	-	-	-	-	(480,000)
Audited balance as at 31st December 2022	1,171,875	6,552,433	(138,616)	3,972	(1,277,414)	381,156	6,893,406
Balance as at 01st January 2023	1,171,875	6,552,433	(138,616)	3,972	(1,277,414)	381,156	6,893,406
Comprehensive Income for the Year							
Profit for the Year-Unaudited	-	1,613,319	-	-	-	-	1,613,319
Other Comprehensive Income for the Year, Net of Related Tax							
Net Change in fair value of Available For Sale Financial Assets	-	-	1,053,578	-	-	-	1,053,578
Net Change in fair value of Available For Sale Financial Assets	-	-	(808,128)	-	-	-	(808,128)
- transferred to Life Policyholders' Available For Sale Reserve Fund	-	-	-	(25,147)	-	-	(25,147)
Actuarial Losses on Defined Benefit Plans	-	-	245,450	(25,147)	-	-	220,303
Total Other Comprehensive Income for the Year	-	1,613,319	245,450	(25,147)	-	-	1,833,622
Net Change in fair value of Available For Sale Financial Assets	-	-	-	-	808,128	-	808,128
- transferred from Available For Sale Reserve	-	-	-	-	-	-	-
Transactions with owners recorded directly in equity							
Distributions to owners of the Company							
Final and Final Dividend to equity holders for 2022	-	(547,500)	-	-	-	-	(547,500)
Unaudited balance as at 31st December 2023	1,171,875	7,618,232	106,834	(21,175)	(469,286)	381,156	8,187,656

Stated Capital represents 150 Million Ordinary Shares as at 31st December 2023 (2022 - 150 Million).
The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

Statement of Cash Flows

<i>For the Year Ended 31st December,</i>	Group		Company		
	Unaudited 2023	Audited 2022	Unaudited 2023	Audited 2022	
	Note	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows From Operating Activities					
Profit Before Taxation		2,511,495	2,385,922	2,269,042	1,993,666
<i>Adjustments for:</i>					
Interest Income	10	(7,217,300)	(4,533,060)	(6,297,089)	(3,860,664)
Dividend Income	10	(9,868)	(8,622)	(9,675)	(111,972)
Amortisation of Intangible Assets		20,835	19,768	19,330	18,491
Depreciation of Property, Plant and Equipment		124,939	81,746	93,249	55,406
Net Depreciation of Right of Use Assets		168,463	141,151	156,215	132,586
Interest Expense of Lease Creditors		57,989	48,317	51,061	44,593
Provision for Employee Benefits		80,741	52,787	46,544	30,056
Net Realised Losses/(Gains)		57,224	(390,099)	(10,415)	(105,376)
Net Fair Value (Gains)/Losses		(65,944)	66,383	(57,107)	68,663
Gains on Disposal of Property, Plant and Equipment		(2,428)	(966)	(2,280)	(964)
Gains on Disposal of Right of Use Assets		(1,185)	(1,023)	-	(1,023)
		(4,275,039)	(2,137,696)	(3,741,125)	(1,736,538)
Net Change in Operating Assets	A	(596,933)	(839,876)	(460,762)	(101,192)
Net Change in Operating Liabilities	B	7,068,792	5,244,791	6,887,600	4,401,461
Cash Flows from Operating Activities		2,196,820	2,267,219	2,685,713	2,563,731
Net Cash Generated from Operating Activities					
Gratuity Paid		(46,608)	(17,585)	(21,984)	(12,628)
Surcharge Tax paid		-	(194,455)	-	(21,966)
Capital Gain Tax Paid		(4,131)	-	-	-
Income Tax Paid		(476,948)	(113,892)	(432,160)	(64,079)
Net Cash Generated from Operating Activities		1,669,133	1,941,287	2,231,569	2,465,058
Cash Flows from Investing Activities					
Acquisition of Financial Investments		(81,861,946)	(275,166,012)	(63,752,128)	(226,927,326)
Proceeds from Maturity of Financial Investments		73,505,256	268,513,153	56,233,934	220,894,080
Proceeds from Sale of Financial Investments		2,573,787	317,672	1,730,628	-
Interest Received		5,192,018	4,046,819	4,521,880	3,399,666
Dividend Received		7,962	8,622	7,769	111,972
Acquisition of Intangible Assets		(23,641)	(17,706)	(19,842)	(17,706)
Acquisition of Property, Plant and Equipment		(400,564)	(218,654)	(316,334)	(175,547)
Proceeds from the Disposal of Property, Plant and Equipment		6,762	2,501	5,011	2,053
Advance Paid to Right of Use asset		(42,255)	(18,342)	(30,050)	(17,262)
Net Cash Used in Investing Activities		(1,042,621)	(2,531,947)	(1,619,132)	(2,730,070)
Cash Flows from Financing Activities					
Dividend Paid		(547,500)	(480,000)	(547,500)	(480,000)
Payment of Lease Liabilities		(195,045)	(162,654)	(182,987)	(153,830)
Net Cash Used in Financing Activities		(742,545)	(642,654)	(730,487)	(633,830)
Net Decrease in Cash and Cash Equivalents (Net of Book OD)					
		(116,033)	(1,233,314)	(118,050)	(898,842)
Cash and Cash Equivalents at the beginning of the Year (Net of Book OD)		767,766	2,001,080	623,725	1,522,567
Cash and Cash Equivalents at the end of the Year (Net of Book OD)	C	651,733	767,766	505,675	623,725

Notes to the Statement of Cash Flows

<i>For the Year Ended 31st December,</i>	Group		Company	
	Unaudited 2023	Audited 2022	Unaudited 2023	Audited 2022
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Notes to the Cash Flow Statement				
A. Change in Operating Assets				
Increase in Deferred Expenses	(44,476)	(6,285)	-	-
Increase in Loans to Life Policyholders	(21,009)	(17,462)	(21,009)	(17,462)
(Increase)/Decrease in Reinsurance Receivables	(284,839)	27,888	(141,034)	132,760
Increase in Premium Receivables	(4,737)	(605,673)	(27,393)	(10,725)
Increase in Other Assets	(241,872)	(238,344)	(271,326)	(205,765)
Net Change in Operating Assets	(596,933)	(839,876)	(460,762)	(101,192)
B. Change in Operating Liabilities				
Increase in Other Liabilities	435,452	646,052	429,498	348,111
Increase in Insurance Contract Liabilities (before tax) - Life Insurance	6,383,403	4,278,892	6,383,403	4,278,892
Increase in Insurance Contract Liabilities - General Insurance	512,715	445,666	-	-
(Decrease)/Increase in Reinsurance Creditors	(262,778)	(125,819)	74,699	(225,542)
Net Change in Operating Liabilities	7,068,792	5,244,791	6,887,600	4,401,461
C. Cash and Cash Equivalents at the end of the Year				
Cash in Hand and at Bank	1,123,004	1,033,305	666,222	725,420
Bank Overdrafts	(471,271)	(265,539)	(160,547)	(101,695)
Cash and Cash Equivalents (Net of Book OD)	651,733	767,766	505,675	623,725

For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and at bank, net of outstanding bank overdraft as shown above.

The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

Statement of Profit or Loss and Other Comprehensive Income

	Note	Group		Company		Change	
		2023	2022	2023	2022	Group	Company
		Rs. '000	Rs. '000	Rs. '000	Rs. '000	%	%
<i>For the Three months ended 31st December,</i>							
Gross Written Premium	9	5,067,139	4,326,459	3,070,138	2,314,241	17	33
Premium Ceded to Reinsurers		(683,810)	(673,030)	(161,509)	(124,405)	2	30
Net Written Premium		4,383,329	3,653,429	2,908,629	2,189,836	20	33
Net Change in Reserves for Unearned Premium		(90,169)	(236,545)	-	-	(62)	-
Net Earned Premium		4,293,160	3,416,884	2,908,629	2,189,836	26	33
Other Revenue							
Interest and Dividend Income	10	1,850,359	1,542,612	1,629,573	1,329,460	20	23
Net Realised (Losses)/Gains		(1,503)	29,082	18,003	9,890	(105)	82
Net Fair Value Gains/(Losses)		34,548	(56,150)	8,359	(38,088)	162	122
Fee and Commission Income		115,725	59,293	13,314	11,309	95	18
Other Income		1,550	19,238	1,424	17,598	(92)	(92)
Total Other Revenue		2,000,679	1,594,075	1,670,673	1,330,169	26	26
Net Income		6,293,839	5,010,959	4,579,302	3,520,005	26	30
Net Benefits, Claims and Expenses							
Net Insurance Benefits and Claims		(1,617,250)	(1,547,476)	(635,933)	(586,407)	5	8
Change in Contract Liabilities - Life Fund		(620,953)	(1,316,753)	(620,953)	(1,316,753)	(53)	(53)
Other Operating and Administration Expenses		(1,660,281)	(1,145,774)	(1,159,097)	(751,690)	45	54
Underwriting and Net Acquisition Costs		(681,588)	(523,697)	(577,855)	(430,003)	30	34
Finance and Other Insurance Related Costs		(68,979)	(41,331)	(54,476)	(32,443)	67	68
Total Benefits, Claims and Other Expenses		(4,649,051)	(4,575,031)	(3,048,314)	(3,117,296)	2	(2)
Profit Before Taxation		1,644,788	435,928	1,530,988	402,709	277	280
Income Tax Expense	11	(463,942)	(130,801)	(437,150)	(130,397)	255	235
Profit for the Period	12	1,180,846	305,127	1,093,838	272,312	287	302
Other Comprehensive Income, Net of Related Tax							
Items that are or may be reclassified to profit or loss							
- Net Change in fair value of Available For Sale Financial Assets		14,187	(29,606)	4,754	(23,153)	148	121
- Realised Gains transferred to Income Statement		(24,192)	-	(23,848)	-	(100)	(100)
- Amortisation of AFS reserve on reclassification		13,090	11,405	13,090	11,405	15	15
- Net Change in fair value of Available For Sale Financial Assets transferred to Life Policyholder's Available For Sale Reserve Fund		4,254	8,981	4,254	8,981	(53)	(53)
- Tax related on items that are or may be reclassified to profit or loss	11	(2,727)	53,125	-	-	(105)	-
Items that will never be reclassified to profit or loss							
- Actuarial (Losses)/Gains on Defined Benefit Plans		(63,303)	37,945	(25,147)	10,586	(267)	(338)
- Tax related on items that will never be reclassified to profit or loss	11	19,655	(4,166)	-	-	572	-
Total Other Comprehensive Income for the Period, Net of Related tax		(39,036)	77,684	(26,897)	7,819	(150)	(444)
Total Comprehensive Income for the Period		1,141,810	382,811	1,066,941	280,131	198	281
Profit Attributable to:							
Equity Holders of the Company		1,180,846	305,127	1,093,838	272,312	287	302
Non-Controlling Interest		-	-	-	-	-	-
Total Comprehensive Income Attributable to:							
Equity Holders of the Company		1,141,810	382,811	1,066,941	280,131	198	281
Non-Controlling Interest		-	-	-	-	-	-
Basic and Diluted Earnings Per Share (Rs.)	13	7.87	2.03	7.29	1.82	287	302

The Notes form an integral part of these Condensed Consolidated Interim Financial Statements.

Operating Segment Information - Assets and Liabilities

As at,	Unaudited		Audited	
	31st December 2023		31st December 2022	
	Life Insurance Rs. '000	General Insurance Rs. '000	Life Insurance Rs. '000	General Insurance Rs. '000
Assets				
Property, Plant and Equipment	480,796	208,753	260,442	157,816
Right of Use Assets	368,716	60,155	343,824	32,755
Intangible Assets	57,566	6,358	57,054	4,064
Deferred Tax Assets	-	1,528	-	99,430
Financial Investments	38,530,656	5,324,727	29,844,875	4,779,256
Investment in Subsidiary	1,150,000	-	1,150,000	-
Loans to Life Policyholders	441,923	-	420,914	-
Reinsurance Receivables	325,283	1,003,874	184,249	860,069
Premium Receivables	45,940	1,923,779	18,547	1,835,123
Other Assets	983,945	378,257	713,293	308,361
Insurance Contract - Deferred Expenses	-	208,471	-	163,995
Cash and Cash Equivalents	666,222	456,782	725,420	307,885
Total Assets	43,051,047	9,572,684	33,718,618	8,548,754
Liabilities				
Insurance Contract Liabilities - Life Insurance	30,945,715	-	24,582,641	-
Insurance Contract Liabilities - General Insurance	-	4,694,303	-	4,181,588
Employee Defined Benefit Liabilities	192,127	141,733	142,692	93,732
Current Tax Liabilities	453,230	76,779	209,338	44,472
Reinsurance Creditors	302,211	394,704	227,512	732,181
Lease Creditors	395,383	54,921	376,926	33,793
Other Liabilities	1,814,178	1,260,499	1,384,408	1,044,156
Bank Overdrafts	160,547	310,724	101,695	163,844
Total Liabilities	34,263,391	6,933,663	27,025,212	6,293,766

Operating Segment Information - Profitability

For the Year Ended,	Unaudited		Audited	
	31st December 2023		31st December 2022	
	Life Insurance Rs. '000	General Insurance Rs. '000	Life Insurance Rs. '000	General Insurance Rs. '000
Gross Written Premium	10,923,294	8,036,270	8,911,460	6,821,011
Premium Ceded to Reinsurers	(592,191)	(2,330,213)	(473,012)	(1,691,690)
Net Written Premium	10,331,103	5,706,057	8,438,448	5,129,321
Net Change in Reserves for Unearned Premium	-	(216,566)	-	(385,557)
Net Earned Premium	10,331,103	5,489,491	8,438,448	4,743,764
Other Revenue				
Interest and Dividend Income	6,306,764	920,404	3,972,636	672,546
Net Realised Gains/(Losses)	10,415	(67,639)	105,376	284,723
Net Fair Value Gains/(Losses)	57,107	8,837	(68,663)	2,280
Fee and Commission Income	102,709	246,779	54,394	246,007
Other Income	9,447	2,599	33,223	3,435
Total Other Revenue	6,486,442	1,110,980	4,096,966	1,208,991
Net Income	16,817,545	6,600,471	12,535,414	5,952,755
Net Benefits, Claims and Expenses				
Net Insurance Benefits and Claims	(2,676,436)	(3,990,114)	(2,169,527)	(3,409,936)
Change in Contract Liabilities - Life Fund	(6,332,739)	-	(4,340,103)	-
Other Operating and Administration Expenses	(3,585,313)	(1,921,648)	(2,483,649)	(1,626,017)
Underwriting and Net Acquisition Cost	(1,806,519)	(409,940)	(1,437,045)	(397,982)
Finance and Other Insurance Related Costs	(147,496)	(36,316)	(111,424)	(23,064)
Total Benefits, Claims and other Expenses	(14,548,503)	(6,358,018)	(10,541,748)	(5,456,999)
Profit Before Taxation	2,269,042	242,453	1,993,666	495,756
Income Tax Expense	(655,723)	(91,123)	(510,046)	(45,352)
Profit for the Year	1,613,319	151,330	1,483,620	450,404

Notes to the Condensed Consolidated Interim Financial Statements

1 CORPORATE INFORMATION

1.1 Reporting Entity

HNB Assurance PLC ("the Company") is a public limited liability Company incorporated on 23rd August 2001 and domiciled in Sri Lanka. The registered office of the Company is situated at No. 479, T B Jayah Mawatha, Colombo 10 and the principal place of business is situated at No. 30, Iceland Business Centre, Sri Uttaranda Mawatha, Colombo 03. The Ordinary Shares of the Company are listed on the Colombo Stock Exchange (CSE).

The Group's controlling entity and ultimate parent undertaking is Hatton National Bank PLC which is a licensed Commercial Bank incorporated in Sri Lanka.

1.2 Approval of Financial Statements

The Condensed Consolidated Interim Financial Statements were authorised for issue by the Board of Directors on 15th February 2024. Figures in these Condensed Consolidated Interim Financial Statements for the Year ended 31st December 2023 are provisional and unaudited.

2 BASIS OF PREPARATION

These Condensed Consolidated Interim Financial Statements of the Group and Company have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting and comply with the requirements of the Companies Act, No. 7 of 2007 and the Regulation of Insurance Industry Act, No. 43 of 2000 and subsequent amendments thereto.

These Condensed Consolidated Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2022. The same accounting policies have been followed in preparation of these interim financial statements as stated in the Audited Financial Statements for the year ended 31st December 2022.

Comparative information has been re-valued/re-classified where necessary, to conform to the current year recognition, measurement and presentations.

2.1 Temporary Exemption for Application of SLFRS 09

SLFRS 9 addresses the accounting for financial instruments and is effective for annual periods beginning on or after 01st January 2018. However, for an insurer that meets the criteria in paragraph 20B of SLFRS 4 (Amended) which provides a temporary exemption that permits, but does not require, the insurer to apply LKAS 39 Financial Instruments: Recognition and Measurement rather than SLFRS 9 for annual periods beginning before 01st January 2026.

Having considered the above, since HNB Assurance PLC and HNB General Insurance Limited are predominantly carrying out Insurance activities, both Companies continue to apply LKAS 39 Financial Instruments: Recognition and Measurement rather than SLFRS 9 for the annual periods beginning before 01st January 2026.

Group has not early adopted the new SLFRSs and interpretations issued but not yet effective.

3 FINANCIAL INVESTMENTS

As at,	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	31st Dec 2023	31st Dec 2022	31st Dec 2023	31st Dec 2022
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Held to Maturity Financial Assets	11,841,560	10,240,933	11,841,560	10,055,448
Loans and Receivables	18,034,314	14,910,327	15,621,404	12,097,076
Available for Sale Financial Assets	13,393,030	9,389,628	10,611,510	7,610,970
Financial Assets at Fair Value Through Profit or Loss	586,479	83,243	456,182	81,381
Total Financial Investments	43,855,383	34,624,131	38,530,656	29,844,875

3.1 Reclassification of Treasury Bond Portfolio From AFS to HTM Category

The Company has reclassified part of its treasury bond portfolio from Available For Sale (AFS) financial asset category to Held to Maturity (HTM) due to change in intention of "holding or selling" to "hold until maturity" after assessing the projected business plans and the need for liquidity. Accordingly, after considering the business requirements and liability maturity mix, the Company has decided to reclassify a portfolio of Treasury Bond investments under Life Fund with specific criteria from AFS to HTM.

Notes to the Condensed Consolidated Interim Financial Statements

As per LKAS 39, reclassification to Held to Maturity is permitted when the entity has the ability and intention to hold financial assets until maturity. At the reclassification date, the market value of the Treasury Bonds become its new cost or amortized cost and subsequently, HTM assets are measured at amortized cost. Further, for a financial asset with a fixed maturity reclassified out of the 'AFS' category, any previous gain or loss on that asset that has been recognised in equity is amortized to profit or loss over the remaining life of the asset using the EIR (Effective Interest Rate). Such amortization has been recognized under Interest income line in the profit or loss.

The Financial effect on reclassification is summarized in the table below as at the reclassification date;

Description	Available For Sale (AFS) - Life Fund Rs. ('000)	Held to Maturity (HTM) - Life Fund Rs. ('000)
Carrying Value of Treasury Bonds Portfolio as at 01st April 2022	5,397,030	1,127,972
Fair Value of Treasury Bonds need to be reclassified	(2,659,168)	2,659,168
New Carrying Value of TB Portfolio as at 01st April 2022	2,737,862	3,787,140
AFS Reserve to be amortized to P&L over the remaining life of assets as at 01st April 2022		(703,985)
Amortization recognized during the year		49,549

4 THE ACCOUNTING POLICY FOR CONSOLIDATION OF SUBSIDIARY

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies and unrealised losses are eliminated. Amounts reported by subsidiary companies are adjusted to conform with the Group's accounting policies where necessary.

5 LIFE POLICYHOLDERS' AVAILABLE FOR SALE RESERVE FUND

Life Policyholders' Available For Sale Reserve Fund includes the fair value changes recorded in Other Comprehensive Income in respect of Life Insurance related assets.

Unrealised gains and losses of Available For Sale Financial Assets of Life Insurance are included under Life Policyholders' Available For Sale Reserve Fund in Equity.

6 RESTRICTED REGULATORY RESERVE

As at,	Note	Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Balance at the end of the Year	6.2	381,156	381,156	381,156	381,156

6.1 Nature and Purpose of Reserve

The Insurance Regulatory Commission of Sri Lanka (IRCSL) has issued Direction No. 16 on 20th March 2018 on "Identification and Treatment of One-off Surplus" and has instructed all Life Insurance Companies to comply with the Direction. Based on the Direction, Life Insurance Companies are allowed to transfer One-off surplus attributable to Policyholders' Non-Participating Fund to Shareholders' Fund. The transfer has been presented as a separate reserve in the Statement of Financial Position as "Restricted Regulatory Reserve" under Equity in accordance with the Direction above. The distribution of One-off Surplus to Shareholders as dividend shall remain restricted until the requirements disclosed in Note (6.4) are met. As required by the said Direction, the Company received the approval for this transfer on 11th May 2018.

Notes to the Condensed Consolidated Interim Financial Statements

6.2 As required by the IRCSL, every registered insurer was required to apply Solvency Margin (Risk Based Capital) Rules with effect from 01st January 2016. According to the Risk Based Capital rules, all Insurers are required to value Life Insurance Policy Liabilities as per the Gross Premium Valuation (GPV) method and valuation rules and methodologies stipulated by the IRCSL. The change in the valuation method from NPV to GPV resulted in a release in Life Policyholder Liabilities of the Company as of 01st January 2016.

The IRCSL had directed insurance Companies to maintain this One-off Surplus arising from change in the policy liability valuation within the Long-Term Insurance Fund/Insurance Contract Liabilities separately in the name of "Surplus created due to change in valuation method from NPV to GPV" and not to transfer/distribute any part of the surplus until specific instructions are issued in this regard.

Surplus created due to Change in Valuation Method

Description		Participating Fund Rs. '000	Non Participating Fund Rs. '000	Total Rs. '000
Value of Insurance contract liability based on NPV as at 31st December 2015	A	2,988,500	3,856,964	6,845,464
Value of Insurance contract liability based on GPV as at 31st December 2015	B	3,015,001	3,475,808	6,490,809
Zerorisation of Negative Surplus as per Direction No. 16	C	26,501	-	26,501
Surplus created due to Change in Valuation Method				
- One-off Surplus as at 01st January 2016	A-B+C	-	381,156	381,156

The One-off surplus in the Shareholder's Fund will remain invested in Term Deposits as disclosed in Note No. 6.3 as per the Direction of IRCSL.

The financial ratios presented in these Condensed Consolidated Interim Financial Statements have been determined in accordance with Sri Lanka Accounting Standards. Additionally, the Company has voluntarily presented financial ratios without One-off Surplus impact. As per the Direction One-off Surplus in respect of Participating business is to be held within the Participating Fund as part of the unallocated valuation surplus and may only be transferred to the Shareholder Fund by means of bonuses to Policyholders in line with Section 38 of the "Regulation of Insurance Industry, Act No. 43 of 2000"

6.3 Composition of Investments Supporting the Restricted Regulatory Reserve as at 31st December 2023

Based on the Direction issued by IRCSL following Instruments have been marked to support the Restricted Regulatory Reserve of the Company.

Asset Category	Fair Value / Carrying Value 31st Dec 2023 (Rs. '000)
As at,	
Term Deposits	381,169

6.4 Distribution of One-off Surplus

Distribution of one-off surplus to shareholders, held as part of the Restricted Regulatory Reserve under equity in the statement of financial position is subject to meeting governance requirements stipulated by the IRCSL and can only be released upon receiving approval from the IRCSL.

7 INSURANCE CONTRACT LIABILITIES - LIFE INSURANCE

As at,	Note	Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Life Insurance Fund	7.1	30,676,040	24,363,630	30,676,040	24,363,630
Claims Outstanding		269,675	219,011	269,675	219,011
Total Insurance Contract Liabilities		30,945,715	24,582,641	30,945,715	24,582,641

Notes to the Condensed Consolidated Interim Financial Statements

7.1 INSURANCE CONTRACT LIABILITIES - LIFE INSURANCE FUND

As at,	Note	Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
The Movement in the Life Insurance Fund is as follows:					
Balance as at the beginning of the Year		24,363,630	20,062,535	24,363,630	20,062,535
Surcharge Tax	16	-	(21,966)	-	(21,966)
Change in Contract Liabilities Life Fund					
Increase in Life Insurance Fund Before Surplus Distribution to Shareholders		7,647,739	5,620,103	7,647,739	5,620,103
Surplus Distributed to Shareholders		(1,315,000)	(1,280,000)	(1,315,000)	(1,280,000)
Increase in Life Insurance Fund		6,332,739	4,340,103	6,332,739	4,340,103
Effect of Taxation on surplus/Bonus transferred to Policyholders		(20,329)	(17,042)	(20,329)	(17,042)
Balance as at the end of the Year		30,676,040	24,363,630	30,676,040	24,363,630

7.2 Valuation of the Life Insurance Contract Liabilities for the year ended 31st December 2023 was carried out by the Appointed Actuary, Mr. Abhishek Chadha, FIA, for and on behalf of Willis Towers Watson India Private Limited and have ensured adequate provisions have been made in these Condensed Consolidated Interim Financial Statements in line with the Actuarial Valuation. The Group has recognised a profit of Rs. 1,315 Million for the year ended 31st December 2023 (31st December 2022 - Rs. 1,280 Million) from the Life Insurance Business based on the recommendations made by the Life Insurance Appointed Actuary.

7.3 Effect of Taxation on surplus/Bonus transferred to Policyholders

According to the section 67 (2) of Inland Revenue Act No. 24 of 2017 which was effective from 01st April 2018, the surplus distributed to a life insurance policyholder who shares the profit of a person engaged in the business of life insurance, as provided in the Regulation of Insurance Industry Act No. 43 of 2000, shall be deemed as gains and profits of the business and shall be taxed at a concessionary rate of 14% for three years of assessment after the commencement of the Act. Due to completion of stipulated concessionary period for the year 2021, the company will be liable for tax at the standard income tax rate on bonus/surplus transferred to policyholders. As per the tax revisions, standard rate of income tax has increased from 24% to 30% with effect from 01st October 2022. Therefore, Company will be liable to tax at the rate of 30% on bonus/surplus transferred to policyholders from the year 2022 onwards (2021 - 24%). As recommended by the Appointed Actuary, the Company declared a bonus of Rs. 67.76 Million in December 2023 (2022 - Rs. 56.8 Million) to Life Insurance policyholders participating in the profits of the Life Insurance business. The Company has charged a tax of Rs. 20.33 Million (2022 - Rs. 17.04 Million) on the said bonus which is payable to the Department of Inland Revenue as of the reporting date.

7.4 Liability Adequacy Test

A Liability Adequacy Test ("LAT") for Life Insurance contract Liability was carried out by Mr. Abhishek Chadha, FIA, on behalf of Willis Towers Watson India Private Limited, as at 31st December 2023 as required by SLFRS 4 - Insurance Contracts. When performing the LAT, the Company discounts all contractual cash flows and compares this amount with the carrying value of the liability. The valuation is based on internationally accepted actuarial methods. According to the Appointed Actuary's report, assets are sufficiently adequate as compared to the discounted cash flow reserves and in contrast to the reserves as at 31st December 2023. No additional provision was required against the LAT as at 31st December 2023.

Notes to the Condensed Consolidated Interim Financial Statements

8 INSURANCE CONTRACT LIABILITIES - GENERAL INSURANCE

As at,	Group		Company	
	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Reserves for Net Unearned Premium	2,960,146	2,735,501	-	-
Reserves for Title Insurance	48,980	57,059	-	-
Reserves for Gross Outstanding Claims	1,685,177	1,389,028	-	-
Total Insurance Contract Liabilities	4,694,303	4,181,588	-	-

8.1 Valuation of the IBNR/IBNER was carried by the Appointed Actuary, Ms. Sipika Tandon Mathur, FIA, as at 31st December 2023 for and on behalf of Willis Towers Watson India Private Limited. The Appointed Actuary have ensured that adequate provisions have been made in these Condensed Consolidated Interim Financial Statements.

8.2 Liability Adequacy Test

A Liability Adequacy Test ("LAT") for the General Insurance Contract Liability was performed by the Appointed Actuary, Ms. Sipika Tandon Mathur, FIA, for and on behalf of Willis Towers Watson India Private Limited as at 31st December 2023 as required by SLFRS 4 - Insurance Contracts. Accordingly, HNB General Insurance Ltd adequately satisfies the LAT requirement as at 31st December 2023. No additional provision is required against LAT as at 31st December 2023.

9 GROSS WRITTEN PREMIUM

For the Year Ended,	Group		Company	
	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Life Insurance				
Individual Policies	10,489,484	8,484,220	10,489,484	8,484,220
Corporate Policies	433,810	427,240	433,810	427,240
Adjustment for Inter Company Premiums	(46,396)	(36,509)	-	-
Gross Written Premium - Life Insurance	10,876,898	8,874,951	10,923,294	8,911,460
General Insurance				
Fire	1,488,609	965,140	-	-
Motor	4,519,986	4,217,856	-	-
Marine	123,154	158,297	-	-
Miscellaneous	1,904,521	1,479,718	-	-
Adjustment for Inter Company Premiums	(152,821)	(58,226)	-	-
Gross Written Premium - General Insurance	7,883,449	6,762,785	-	-
Total Gross Written Premium	18,760,347	15,637,736	10,923,294	8,911,460

Notes to the Condensed Consolidated Interim Financial Statements

<i>For the Three Months Ended,</i>	Group		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000
Life Insurance				
Individual Policies	2,997,249	2,215,388	2,997,249	2,215,388
Corporate Policies	72,889	98,853	72,889	98,853
Adjustment for Inter Company Premiums	(11,030)	(6,340)	-	-
Gross Written Premium - Life Insurance	3,059,108	2,307,901	3,070,138	2,314,241
General Insurance				
Fire	316,669	261,569	-	-
Motor	1,188,697	1,067,499	-	-
Marine	12,666	74,720	-	-
Miscellaneous	586,848	625,572	-	-
Adjustment for Inter Company Premiums	(96,849)	(10,802)	-	-
Gross Written Premium - General Insurance	2,008,031	2,018,558	-	-
Total Gross Written Premium	5,067,139	4,326,459	3,070,138	2,314,241

10 INTEREST AND DIVIDEND INCOME

<i>For the Year Ended,</i>	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000
Interest Income	7,217,300	4,533,060	6,297,089	3,860,664
Dividend Income	9,868	8,622	9,675	111,972
Total	7,227,168	4,541,682	6,306,764	3,972,636

<i>For the Three Months Ended,</i>	Group		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000
Interest Income	1,849,122	1,541,566	1,628,400	1,328,494
Dividend Income	1,237	1,046	1,173	966
Total	1,850,359	1,542,612	1,629,573	1,329,460

11 INCOME TAX EXPENSE

<i>For the Year Ended,</i>	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000
Income Tax Charge	(763,993)	(288,436)	(679,821)	(236,503)
Over/(Under) Provision of Income Taxes in respect of prior Year	27,045	(55)	24,098	-
Deferred Income Tax - Recognised through Profit or Loss	(9,898)	(266,907)	-	(273,543)
Total Tax charge in Profit or Loss	(746,846)	(555,398)	(655,723)	(510,046)
Deferred tax related to items charged or credited directly to other comprehensive income				
Deferred tax on net change in debt instruments categorised under Available for Sale	(107,659)	78,671	-	-
Deferred tax on actuarial losses/(gain) on defined benefit plans	19,655	(4,166)	-	-
Total Tax charge in Other Comprehensive Income	(88,004)	74,505	-	-

Notes to the Condensed Consolidated Interim Financial Statements

<i>For the Three Months Ended,</i>	Group		Company	
	Unaudited 31st Dec 2023 Rs. '000	Unaudited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Unaudited 31st Dec 2022 Rs. '000
Income Tax Charge	(487,133)	(133,320)	(461,248)	(130,397)
Over/(Under) Provision of Income Taxes in respect of prior Period	27,045	(55)	24,098	-
Deferred Income Tax - Recognised through Profit or Loss	(3,854)	2,574	-	-
Total Tax charge in Profit or Loss	(463,942)	(130,801)	(437,150)	(130,397)
Deferred tax on net change in debt instruments categorised under Available for Sale	(2,727)	53,125	-	-
Deferred tax on actuarial losses/(gain) on defined benefit plans	19,655	(4,166)	-	-
Total Tax charge in Other Comprehensive Income	16,928	48,959	-	-

Income Tax Rates

As per the Inland Revenue (Amendment) Act No. 45 of 2022 (certified on 19th December 2022) income tax rates applicable to Company and Subsidiary increased from 24% to 30% with effect from 01st October 2022. Accordingly, tax liability of the Company and subsidiary was calculated and accounted at the rate of 30% for the year ended 31st December 2023.

Recoverability of Deferred Tax Assets

As per Section 67 of Inland Revenue Act No. 24 of 2017 which came into effect on 01st April 2018, the Company was eligible to claim its brought forward tax losses against its taxable income within a period of 6 years commencing 01st April 2018. Accordingly, a Deferred tax asset of Rs. 1,454.5 Million was recognised during the year of 2018 arising from brought forward tax losses as at 31st March 2018 after assessing the availability of future taxable profits. However, as at 31st December 2022, company utilised total amount of brought forward tax losses against taxable income. Further, Company has charged an income tax expense of Rs. 656 Million for the year 2023 since brought forward tax losses are not available for recoverability.

12 PROFIT FOR THE YEAR

<i>For the Year Ended,</i>	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Company - HNB Assurance PLC		
Surplus Transferred from Life Policyholders' Fund to Shareholders' Fund	1,315,000	1,280,000
Profit from Life Shareholders' Fund	954,042	713,666
Income Tax Expense	(655,723)	(510,046)
Profit for the Year	1,613,319	1,483,620
Subsidiary - HNB General Insurance Ltd		
Profit Before Tax	242,453	495,756
Income Tax and Deferred Tax Expense	(91,123)	(45,352)
Profit for the Year	151,330	450,404
Elimination of Intercompany Dividend	-	(103,500)
Profit for the Year - Group	1,764,649	1,830,524

Notes to the Condensed Consolidated Interim Financial Statements

<i>For the Three Months Ended,</i>	Unaudited 31st Dec 2023 Rs. '000	Unaudited 31st Dec 2022 Rs. '000
Company - HNB Assurance PLC		
Surplus Transferred from Life Policyholders' Fund to Shareholders' Fund	1,315,000	180,000
Profit from Life Shareholders' Fund	215,988	222,709
Income Tax Expense	(437,150)	(130,397)
Profit for the Period	1,093,838	272,312
Subsidiary - HNB General Insurance Ltd		
Profit Before Tax	113,800	33,220
Income Tax and Deferred Tax Expense	(26,792)	(405)
Profit for the Period	87,008	32,815
Profit for the Period - Group	1,180,846	305,127

12.1 The Company transferred Rs. 1,315 Million as surplus transfer from the Life fund for the year ended 31st December 2023. In 2022, the company transferred Rs. 180 Million for the three months ended 31st December 2022 and Rs. 1,100 Million for the nine months ended 30th September 2022 as surplus transfers from the Life Fund following the valuation of Life fund in the respective periods.

12.2 Currently General Insurance Companies in Sri Lankan industry, including HNB General Insurance Ltd, remit 12% of Motor Insurance Strike, Riot, Civil Commotion & Terrorism (SRCC & T) Premium to National Insurance Trust Fund (NITF) under an excess of Loss Reinsurance arrangement. Recently, Committee has been appointed including members representing NITF, Insurance Regulatory Commission (IRCSL), Insurance Association of Sri Lanka (IASL) and Finance Ministry to looking the matter of remitting 100% of Motor Insurance premium on SRCC & T to the NITF. Final decision from the said committee on this matter is pending as at the reporting date and Company maintained the existing practice until receiving final decision from the said committee. If General Insurance Companies are required to remit 100% of the said premium to NITF w.e.f. 01st January 2023, the subsidiary HNB General Insurance Ltd, would also have to comply with the same. If such remittance is required from 01st January 2023, the profit after Tax of the subsidiary and Group will decrease by Rs. 135 Million for the year ended 31st December 2023. However, no adjustments have been made in the financial statements as the payment effective date is yet to be agreed.

13 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic Earnings Per Share is calculated by dividing the profit after tax for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. There were no potential dilutive ordinary shares outstanding at any time during the year. Therefore, Diluted Earnings Per Share is same as Basic Earnings Per Share.

<i>For the Year Ended,</i>	Group		Company	
	Unaudited 31st Dec 2023	Audited 31st Dec 2022	Unaudited 31st Dec 2023	Audited 31st Dec 2022
Profit for the Year (Rs. '000)	1,764,649	1,830,524	1,613,319	1,483,620
Weighted average number of ordinary shares ('000)	150,000	150,000	150,000	150,000
Basic and Diluted Earnings Per Share (Rs.)	11.76	12.20	10.76	9.89

Notes to the Condensed Consolidated Interim Financial Statements

	Group		Company	
	Unaudited 31st Dec 2023	Unaudited 31st Dec 2022	Unaudited 31st Dec 2023	Unaudited 31st Dec 2022
<i>For the Three Months Ended,</i>				
Profit for the Period (Rs. '000)	1,180,846	305,127	1,093,838	272,312
Weighted average number of shares ('000)	150,000	150,000	150,000	150,000
Basic and Diluted Earnings Per Share (Rs.)	7.87	2.03	7.29	1.82

14 RELATED PARTY DISCLOSURES

14.1 Transactions and Outstanding Balances with the Parent and Ultimate Controlling Party - Hatton National Bank PLC

Transactions	Group		Company	
	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
<i>For the Year Ended,</i>				
Insurance Premium	224,650	158,399	31,414	31,131
Claims Incurred	93,148	35,261	52,106	11,050
Investment Income	537,757	332,814	456,193	229,939
Administration Expenses	591,593	512,113	450,318	379,208
Rent and Other Operational Expenses	23,257	20,469	15,996	13,061
Dividend Paid	328,423	287,933	328,423	287,933
Outstanding Balances				
<i>As at,</i>				
Investment Balance (Include Deposits & Debentures)	3,017,870	2,369,855	2,636,221	1,872,110
Cash at Bank Balances	625,665	533,376	503,848	436,195
Premium Receivable	175	1,066	-	-
Administration Expenses Payable	92,914	72,076	72,467	55,163
Rent and Other Operational Expenses Payable	157	141	100	90

14.2 Transactions and Outstanding Balances with the Subsidiary Company - HNB General Insurance Ltd.

Transactions	Unaudited	Audited
	31st Dec 2023 Rs. '000	31st Dec 2022 Rs. '000
<i>For the Year Ended,</i>		
Insurance Premium	46,396	36,509
Insurance Expenses	152,821	58,226
Claims Received	466	466
Claims Paid	5,400	18,200
Reimbursement Expenses Relating to Employees	112,430	113,869
Other Reimbursement Expenses	271,345	221,965
Fund Management Fee	15,529	14,691
Profit Commission Expense	16,336	13,487
Dividend Received	-	103,500
Outstanding Balances		
<i>As at,</i>		
Premium Payable to HNB General Insurance Ltd	111,312	-
Receivable from HNB General Insurance Ltd	99,350	21,816

Notes to the Condensed Consolidated Interim Financial Statements

14.3 Transactions and Outstanding Balances with/between Subsidiary Companies of the Ultimate Controlling Party

Name of the Company	Transactions	Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
<i>For the Year Ended,</i>					
Sithma Development (Pvt) Ltd	Insurance Premium	50,112	15,471	-	-
HNB Finance PLC	Insurance Premium	175,379	163,124	132,569	141,941
	Claims Incurred	14,999	1,040	11,012	-
	Administration Expenses	26,636	15,376	11,015	5,970
	Interest Income	18,307	31,794	18,307	31,794
<i>As at,</i>					
Outstanding Balances					
		Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
HNB Finance PLC	Investment in Term Deposits	-	125,868	-	125,868
	Investment in Debentures	158,180	126,048	158,180	126,048
	Cash at Bank Balances	14	88	14	88
	Premium Receivable	26,323	3,185	8,028	-
	Administration Expenses Payable	5,822	9,922	465	5,954

14.4 Transactions and Outstanding Balances with other Related Entities

Name of the Company	Transactions	Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
<i>For the Year Ended,</i>					
Acuity Partners (Pvt) Ltd	Insurance Premium	1,647	1,137	928	312
	Claims incurred	250	478	-	-
Acuity Stockbrokers (Pvt) Ltd	Insurance Premium	4,473	4,358	-	-
	Claims incurred	720	238	-	-
Acuity Securities Ltd	Insurance Premium	5,255	3,134	-	-
	Claims incurred	1,132	827	-	-
	Custodian Fee	-	185	-	152
	Investment Income from REPO	81,606	209,946	62,481	179,434
<i>As at,</i>					
Outstanding Balances					
		Group		Company	
		Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Acuity Partners (Pvt) Ltd	Premium Receivable	241	526	-	312
Acuity Stockbrokers (Pvt) Ltd	Premium Receivable	458	366	-	-
Acuity Securities Ltd	Premium Receivable	503	506	-	-
	Investment In REPO	-	1,380,579	-	918,083

14.5 Transactions with Key Management Personnel/Directors of the Group or its Parent Hatton National Bank PLC

Transactions	Unaudited 31st Dec 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
<i>For the Year Ended,</i>		
Director Fee	29,220	23,805
Short-term and Post Employment Benefits	91,217	61,030
Insurance Premium	3,021	2,879
Claims Paid including Maturities	466	2,961

Notes to the Condensed Consolidated Interim Financial Statements

Appointment of the Board of Directors

Mr. Dinesh Dharmadasa was appointed as a Director of HNB General Insurance Limited w.e.f. 17th February 2023.

Mr. Richard Annesley Ebell was appointed as a Director of HNB Assurance PLC w.e.f. 16th June 2023.

Retirement/Resignation/Demise of the Board of Directors

Mr. M O F Salieh has resigned from the Board of HNB General Insurance Limited with effect from 16th February 2023.

Dr. Sivakumar Selliah has retired from the office of senior Independent Non-Executive Director of HNB Assurance PLC w.e.f. 16th June 2023.

Dr. Thalpwila Kankanange Don Aruna Prasad Samarasinghe has resigned from his office as Alternate Director to Mr. L U D Fernando of HNB Assurance PLC and HNB General Insurance Limited w.e.f. 06th June 2023.

Mr. Darshan Ravindra Abeysuriya, who served as the Senior Independent Non Executive Director of HNB Assurance PLC deceased on 25th October 2023.

Mr. Dilshan Peter Nirosch Rodrigo has resigned from his office as a Director of HNB Assurance PLC w.e.f. 11th December 2023.

Mr. Richard Annesley Ebell has resigned from his office as Independent Non-Executive Director of HNB Assurance PLC w.e.f. 31st December 2023.

Change of Board Secretary

Mrs. Sitari Jayasundara who functioned as the Board Secretary of HNB Assurance PLC has resigned w.e.f. 31st May 2023 and Mrs. Kurugalage Yoga Sajeewani Gunadasa was appointed as the new Board Secretary w.e.f. 01st June 2023.

The nature of the related party transactions in the current year was similar to those reported in the Audited Financial Statements for the year ended 31st December 2022, except for the above changes.

15 RELATED IMPLICATIONS OF FOREIGN EXCHANGE, INTEREST AND INFLATION RATES

Sri Lanka has been facing foreign exchange crisis with the prevailing economic situation in the country and the deterioration of foreign reserves is putting pressure on exchange rate to depreciate in the market. The direct exposure to foreign exchange rates of the Group is minimum due to the limited transactions carried out with foreign counter parties and the Group continues to monitor its effects on financial statements under various stressed scenarios.

Further, Group does not hold any investments in Sri Lanka Development Bonds (SLDBs) and International Sovereign Bonds (ISBs).

Although interest rates and inflation have increased significantly during the last financial year, country experienced a decrease in interest rate parallel to the inflation decrease, from the final phase of 2022. The Group and Company, being in the Insurance sector, will have a negative impact from decreased interest rates on investments.

However, the Board continue to monitor the potential implications of these factors on the groups business activities, profitability, solvency and liquidity position and will take proactive action to meet future obligations and ensure business continuity.

16 SURCHARGE TAX

The Surcharge Tax Act, No. 14 of 2022 (Act) was certified by the Speaker and published as a Supplement to Part II of the Gazette of the Democratic Socialist Republic of Sri Lanka on 08th April 2022. As per the said Act, a company or each company of a group of companies (holding and subsidiaries) which meet the chargeability threshold when the aggregate taxable income of the company or all subsidiaries and holding company (excluding the companies with nil taxable income

Notes to the Condensed Consolidated Interim Financial Statements

due to losses or unrelieved losses) exceed Rs. 2 Billion for the year of assessment commencing from 01st April 2020 will be liable for Surcharge tax at a rate of 25% on the taxable income of the company or each subsidiary and holding company of a group excluding gains and profits from dividends received from a subsidiary which is part of such taxable income for the year of assessment commencing from 01st April 2020. Although the HNBA as a company or as a group with its subsidiary (HNBGI) does not meet the chargeability threshold referred to above, it is liable to pay the Surcharge tax, being a subsidiary of Hatton National Bank PLC. The effect of the said tax expense on HNBA and HNBGI are as follows;

	Surcharge Tax Liability (Rs. Million)	1st Installment - paid on 20th April 2022 (Rs. Million)	2nd Installment - paid on 20th July 2022 (Rs. Million)
HNBA	22	11	11
HNBGI	172	86	86
Total	194	97	97

As per the Statement of Alternative Treatment (SoAT) issued by CA Sri Lanka on 22nd April 2022, Surcharge Tax expense which is deemed to be an expenditure for the year of assessment which commenced on 01st April 2020, shall be recorded as an adjustment to the opening retained earnings reported in the Statement of Changes in Equity on 01st January 2021 and HNBGI Financial Statements have been adjusted accordingly. However, HNBA accounted relevant tax expense to the opening balance of the life fund due to taxable income arising from surplus attributable to life policy holders (Participating policies).

17 EVENTS OCCURRING AFTER THE REPORTING DATE

The Board of Directors has recommended a payment of Rs. 3.90 per share as first and final dividend on 15th February 2024 for the year ended 31st December 2023 (2022-first and final dividend Rs. 3.65 per share) which is subject to the approval of the shareholders at the Annual General Meeting and to be paid on or before 26th April 2024.

Appointment of the Board of Directors

Mr. Lokugan Hewage Ananda Lakshman Silva was appointed as a Independent Non-Executive Director of HNB Assurance PLC w.e.f. 01st January 2024.

Dr. Prasanna Sankalpa Gamwarige was appointed as a Independent Non-Executive Director of HNB Assurance PLC w.e.f. 01st January 2024.

Resignations of the Board of Directors

Ms. Chiranthi Cooray resigned as a Non-Independent Non-Executive Director of HNB Genral Insurance Limited w.e.f. 24th January 2024.

Other than mentioned above there have been no material events that occurred after the reporting date that require adjustments or disclosure in these Condensed Consolidated Interim Financial Statements.

18 CAPITAL COMMITMENTS

The Group has committed an expense of Rs. 407.16 Million as at 31st December 2023 for purchase of computer hardware, software and other equipment (As at 31st December 2022 – Rs. 353.52 Million for the purchase of computer hardware, software and Other equipment).

As at end of the financial year, other than the disclosed above no material capital expenditure approved by the Board of Directors and contracted for which no provision has been made in the Condensed Consolidated Interim Financial Statements.

Notes to the Condensed Consolidated Interim Financial Statements

19 CONTINGENCIES

19.1 Income Tax

The Company has received Income Tax Assessments for Life Insurance Taxation for the years of assessments 2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018, 2018/2019 and 2019/2020. In the view of the Company and its Tax Consultants, these Assessments do not conform to the description of requirements stated under the Section 92 of Inland Revenue Act, No. 10 of 2006 and Section 67 of the Inland Revenue Act No. 24 of 2017. Further, the basis for these Income Tax Assessments has been same for all Life Insurance companies in the insurance industry. Subsidiary Company HNB General Insurance Limited also received Income Tax Assessments for the taxable periods 2018/2019 and 2019/2020.

The Company and Subsidiary has duly appealed against these assessments in consultation with Tax Consultants and the status of each Assessment is provided in the table below.

Year of Assessment	Date of Assessment/ Intimation	Status of Assessment	Contingent impact to the company	Total Additional Liability (Rs. Million)
HNB Assurance PLC				
2011/2012	2014.11.20	Pending decision from Court of Appeal	Brought forward Tax loss of Life Insurance business will be reduced by Rs. 310 Million	-
2012/2013	2015.11.30	Pending decision from Court of Appeal.	Brought forward Tax loss of Life Insurance business will be reduced by Rs. 278 Million	-
2014/2015	2017.05.30	Pending decision from Tax Appeals Commission	An additional Tax Liability will arise	136
2015/2016	2018.05.31	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	164
2017/2018	2020.05.19	Pending decision from Tax Appeals Commission	An additional Tax Liability will arise	434
2018/2019	2022.05.20	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	536
2019/2020	2022.05.23	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	279
Total - HNB Assurance PLC				1,549
HNB General Insurance Limited				
2018/2019	2022.05.20	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	138
2018/2019	2022.05.20	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	151
Total - HNB General Insurance Limited				289
Total for Group				1,838

Assessments raised on the Company for 2013/2014 and 2016/2017 (with tax in dispute and penalty totaling to Rs. 132 Million and Rs. 290 Million respectively) were determined by TAC in favour of the Company by the allowing appeal, annulling the assessment and setting aside the determination of CGIR.

Notes to the Condensed Consolidated Interim Financial Statements

19.2 VAT & NBT on Financial Services

The Company received Six Notice of Assessments on VAT and NBT on Financial Services (FS) for the taxable periods 01.01.2014 to 31.12.2014, 01.01.2015 to 31.12.2015, 01.01.2016 to 31.12.2016, 01.01.2017 to 31.12.2017, 01.01.2018 to 31.12.2018 and 01.01.2019 to 31.12.2019. Further, subsidiary Company HNB General Insurance Limited also received Notice of Assessments for taxable periods 01.01.2018 to 31.12.2018 and 01.01.2019 to 31.12.2019. Company and Subsidiary have duly appealed for all assessments as the Group's stance is that, it is in the business of Insurance hence it is not liable for VAT or NBT on FS. Other insurers have also received similar assessments and have appealed against them. The status of each assessment is provided in the table below.

Taxable Period	Date of Assessment	Status of Assessment	Tax Type	Measurement of Contingent Impact to the Company		
				Tax in Default (Rs. Million)	Penalty (Rs. Million)	Total (Rs. Million)
HNB Assurance PLC						
2014.01.01-2014.12.31	2018.07.10	Pending decision from Tax Appeals Commission	VAT	21.06	10.53	31.59
2017.01.01-2017.12.31	2012.01.18	Pending decision from Commissioner General of Inland Revenue	VAT	42.56	21.28	63.84
2018.01.01-2016.12.31	2022.01.21	Pending decision from Commissioner General of Inland Revenue	VAT	65.91	32.95	98.86
2019.01.01-2019.12.31	2022.10.31	Pending decision from Commissioner General of Inland Revenue	VAT	62.48	31.24	93.72
Total - HNB Assurance PLC				192.01	96.00	288.01
HNB General Insurance Limited						
2018.01.01-2018.12.31	2022.04.26	Pending decision from Commissioner General of Inland Revenue	VAT	10.41	5.20	15.61
2019.01.01-2019.12.31	2022.12.20	Pending decision from Commissioner General of Inland Revenue	VAT	11.37	5.7	17.07
Total - HNB General Insurance Limited				21.78	10.90	32.68
Total - Group				213.79	106.90	320.69

NBT is not applicable for above cases. Assessments raised on the Company for 2015 and 2016 (with tax in dispute and penalty totaling to Rs. 34.77 Million and Rs. 43.30 Million respectively) were determined by TAC in favour of the Company allowing appeal, annulling the assessment and setting aside the determination of CGIR

19.3 Value Added Tax

The Company and its Subsidiary have received VAT notice of assessments. The Company has duly appealed against these Assessments in consultation with the Tax Consultants on the basis that no proper reasons were communicated as to why the penalty and default notices were raised against the Company. However, Company has not received any communication from IRD yet. In addition, Company is in the process of settling few VAT assessments together with Company's tax

Notes to the Condensed Consolidated Interim Financial Statements

Consultants. As such no provision has been made in the Financial Statements for the tax in dispute which amounts to Rs. 6.24 Million. Further, the subsidiary company, HNB General Insurance Limited, has received tax assessments amounting to Rs. 389.97 Million on VAT returns filed and the subsidiary has duly appealed against the assessments.

19.4 Value Added Tax (VAT) On Reinsurance

The Company received an Assessment on Value Added Tax (VAT) on Reinsurance Claims on 26th April 2013 from the IRD in respect of the Year of Assessment 2010/2011 for which the Company filed responses in consultation with Company's Tax Consultant to IRD and upon the receipt of determination from IRD, the Company made an appeal to the Tax Appeals Commission (TAC) of Sri Lanka. The TAC has granted their final determination on 26th March 2018 confirming the determination made by IRD and dismissed the appeal made by the Company. The Company has filed a case in the Court of Appeal with the consultation of Tax Consultant and Company's Lawyers and the case is yet to be determined by the Court. Total tax in dispute and penalty for the Assessment on Value Added Tax (VAT) on Reinsurance Claims amounts to Rs. 21.99 Million.

Management and the Company's/Subsidiary's Tax Consultant are of the view that the company has followed the due process and acted in accordance with the prevailing laws in its tax compliances and therefore, the probability of the Company's/Subsidiary's having to settle any of above tax assessments detailed under Note 19.1 to 19.4 is very low. As an outflow of resources is not expected, no provision is made in the Financial Statements.

Share Information

Top 20 Shareholders

Name of the Shareholder	31st December 2023		30th September 2023	
	Shareholding	% on Issued Shares	Shareholding	% on Issued Shares
1 Hatton National Bank PLC A/C No 1	89,979,000	59.99	89,979,000	59.99
2 Ceylon Guardian Investment Trust PLC A/C # 02	7,018,794	4.68	7,018,794	4.68
3 Employees Trust Fund Board	3,928,151	2.62	3,928,151	2.62
4 Ceylon Investment PLC A/C # 02	1,712,174	1.14	1,712,174	1.14
5 Mr.M.F.Hashim	1,634,167	1.09	1,634,167	1.09
6 J.B.Cocoshell (Pvt) Ltd	1,554,598	1.04	1,500,000	1.00
7 Thread Capital (Pvt) Ltd	1,542,402	1.03	1,500,000	1.00
8 Mrs.A.Kailasapillai	1,500,000	1.00	1,455,046	0.97
9 Mrs.A.Selliah	1,500,000	1.00	1,379,316	0.92
10 Arunodhaya Investments (Pvt) Ltd	1,350,000	0.90	1,350,000	0.90
11 Arunodhaya Industries (Pvt) Ltd	1,350,000	0.90	1,350,000	0.90
12 Arunodhaya (Pvt) Ltd	1,350,000	0.90	1,350,000	0.90
13 Rubber Investment Trust Ltd A/C No 01	1,337,058	0.89	1,337,058	0.89
14 Andysel (Pvt) Ltd	750,000	0.50	750,000	0.50
15 Corporate Holdings (Pvt) Ltd A/C No.01	735,309	0.49	735,309	0.49
16 Mr.V.Sharda	609,000	0.41	609,000	0.41
17 Dr.S.Selliah	600,000	0.40	600,000	0.40
18 Corporate Holdings (Pvt) Ltd A/C No.02	573,969	0.38	573,969	0.38
19 Suktam Holdings (Pvt) Ltd	526,302	0.35	526,302	0.35
20 Mr.A.A.A.Rifkee	500,000	0.33	500,000	0.33

Public Shareholding

	31st December 2023	31st December 2022
* Float Adjusted Market Capitalisation (Rs.)	3,386,229,595	2,273,778,850
Percentage of Shares held by the Public	39.885%	35.335%
Number of Public Shareholders	4,154	4,478

The Company complies the minimum public Shareholding requirement under option 4 of section 7.13.1 (a) of the Listing Rules as at 31st December 2023. (As at 31/12/2022 - Complied under option 5)

* Float Adjusted Market Capitalisation = Market Capitalisation X Public Holding Percentage

Share Information (Contd.)

Shareholdings of Directors and Chief Executive Officer

Name	No. of Shares 31st Dec 2023	No. of Shares 31st Dec 2022
Mrs. M A R C Cooray	112,624	112,624
Mr. D P N Rodrigo*	N/A	540
Mr. D R Abeyhuriya**	N/A	5,000
Mr. L U D Fernando	Nil	Nil
Mr. S A Chapman	500	500
Mr. A Goonesekere	Nil	Nil
Mr. R A Ebell***	80,000	N/A
Dr. S Selliah****	N/A	600,000
Mr. T K D A P Samarasinghe (Alternate Director to Mr. L U D Fernando)*****	N/A	Nil
Mr. P H L N Wimalaratne (Chief Executive Officer)	Nil	Nil

*Mr. D P N Rodrigo has resigned w.e.f. 11th December 2023.

**Mr. D R Abeyhuriya deceased on 25th October 2023.

***Mr. R A Ebell was appointed on 16th June 2023 and resigned w.e.f 31st December 2023.

****Dr. S Selliah retired w.e.f 16th June 2023.

*****Mr. T K D A P Samarasinghe (Alternate Director to Mr. L U D Fernando) resigned w.e.f 06th June 2023.

Number of Shares

No. of shares representing the Stated Capital	150,000,000
Class of Share	Ordinary
Voting Rights	One vote per Ordinary Share

Share Performance

As at,	31st Dec 2023 Rs.	31st Dec 2022 Rs.
Net Asset Value Per Share - Group	68.51	51.99
Net Asset Value Per Share - Company	58.58	44.62
Net Asset Value Per Share without Restricted Regulatory Reserve - Group	65.97	49.45
Net Asset Value Per Share without Restricted Regulatory Reserve - Company	56.04	42.08
For the three months ended 31st December,	2023 Rs.	2022 Rs.
Highest Price Per Share	57.40	45.00
Lowest Price Per Share	50.00	35.00
Last Traded Price Per Share	56.60	42.90