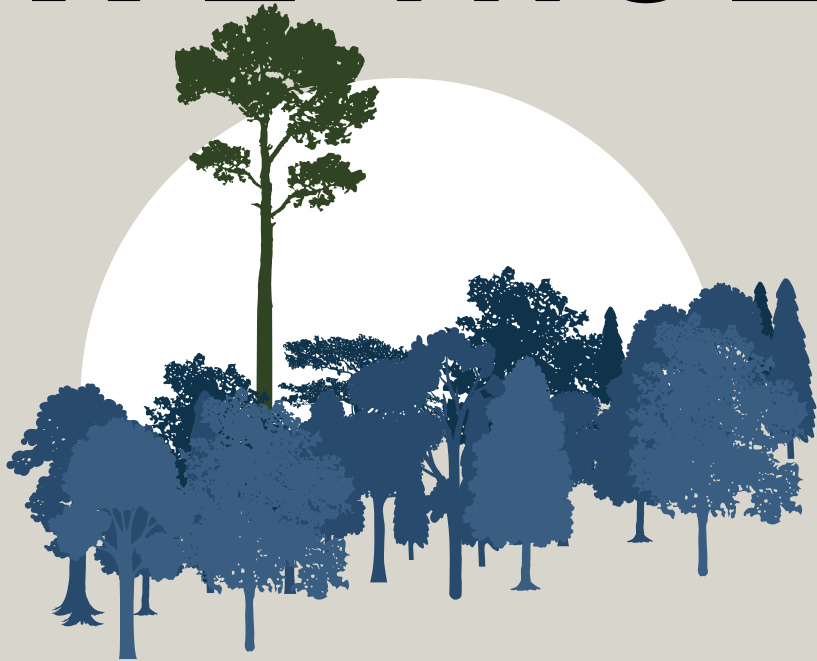


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HNB ASSURANCE PLC

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH SEPTEMBER 2023

Statement of Financial Position

As at,	Note	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30th Sep 2023	31st Dec 2022	30th Sep 2023	31st Dec 2022
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
Assets					
Property, Plant and Equipment		619,031	418,258	412,342	260,442
Right of Use Assets		413,167	376,579	354,089	343,824
Intangible Assets		64,630	61,118	59,925	57,054
Deferred Tax Assets		-	99,430	-	-
Financial Investments	3	41,587,846	34,624,131	36,117,344	29,844,875
Investment in Subsidiary		-	-	1,150,000	1,150,000
Loans to Life Policyholders		440,334	420,914	440,334	420,914
Reinsurance Receivables		1,216,638	1,044,318	274,837	184,249
Premium Receivables		1,531,594	1,853,670	31,154	18,547
Other Assets		1,272,467	999,838	973,807	713,293
Insurance Contract - Deferred Expenses		192,819	163,995	-	-
Cash and Cash Equivalents		1,082,910	1,033,305	745,483	725,420
Total Assets		48,421,436	41,095,556	40,559,315	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		7,859,018	7,822,715	6,524,414	6,552,433
Available for Sale Reserve		169,746	(322,296)	108,584	(138,616)
Other Reserve		22,358	22,358	3,972	3,972
Life Policyholders' Available for Sale Reserve Fund	5	(465,032)	(1,277,414)	(465,032)	(1,277,414)
Restricted Regulatory Reserve	6	381,156	381,156	381,156	381,156
Equity Attributable to the Equity Holders		9,139,121	7,798,394	7,724,969	6,693,406
Non-Controlling Interest		-	-	-	-
Total Equity		9,139,121	7,798,394	7,724,969	6,693,406
Liabilities					
Insurance Contract Liabilities - Life Insurance	7	30,450,876	24,582,641	30,450,876	24,582,641
Insurance Contract Liabilities - General Insurance	8	4,555,697	4,181,588	-	-
Employee Defined Benefit Liabilities		268,918	236,424	179,320	142,692
Current Tax Liabilities		166,090	253,810	117,577	209,338
Deferred Tax Liabilities		11,547	-	-	-
Reinsurance Creditors		899,458	959,693	285,357	227,512
Lease Creditors		434,881	410,719	383,587	376,926
Other Liabilities		2,213,655	2,406,748	1,291,441	1,384,408
Bank Overdrafts		281,193	265,539	126,188	101,695
Total Liabilities		39,282,315	33,297,162	32,834,346	27,025,212
Total Equity and Liabilities		48,421,436	41,095,556	40,559,315	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
31st October 2023


Ashoka Goonesekere
Director

Statement of Profit or Loss and Other Comprehensive Income

Group		Group		Company		Change		
(Audited)		Unaudited	Unaudited	Unaudited	Unaudited			
Year Ended		2023	2022	2023	2022	Group	Company	
31 st Dec 2022	For the Nine Months Ended 30th September,					%	%	
Rs. '000		Rs. '000	Rs. '000	Rs. '000	Rs. '000			
15,637,736	Gross Written Premium	9	13,693,208	11,311,277	7,853,156	6,597,219	21	19
(2,164,702)	Premium Ceded to Reinsurers		(2,238,594)	(1,491,672)	(430,682)	(348,607)	50	24
13,473,034	Net Written Premium		11,454,614	9,819,605	7,422,474	6,248,612	17	19
(385,557)	Net Change in Reserves for Unearned Premium				-	-	(68)	-
13,087,477	Net Earned Premium		11,406,230	9,670,593	7,422,474	6,248,612	18	19
	Other Revenue							
4,541,682	Interest and Dividend Income	10	5,376,809	2,999,070	4,677,191	2,643,176	79	77
390,099	Net Realised (Losses)/Gains		(55,721)	361,017	(7,588)	95,486	(115)	(108)
(66,383)	Net Fair Value Gains/(Losses)		31,396	(10,233)	48,748	(30,575)	(407)	(259)
272,223	Fee and Commission Income		201,898	212,930	89,395	43,085	(5)	107
36,442	Other Income		10,496	17,204	8,023	15,625	(39)	(49)
5,174,063	Total Other Revenue		5,564,878	3,579,988	4,815,769	2,766,797	55	74
18,261,540	Net Income		16,971,108	13,250,581	12,238,243	9,015,409	28	36
	Net Benefits, Claims and Expenses							
(5,578,997)	Net Insurance Benefits and Claims		(5,048,834)	(4,031,521)	(2,040,503)	(1,583,120)	25	29
(4,340,103)	Change in Contract Liabilities - Life Fund		(5,711,786)	(3,023,350)	(5,711,786)	(3,023,350)	89	89
(4,000,490)	Other Operating and Administration Expenses		(3,710,413)	(2,854,716)	(2,426,216)	(1,731,959)	30	40
(1,821,540)	Underwriting and Net Acquisition Costs		(1,518,535)	(1,297,843)	(1,228,664)	(1,007,042)	17	22
(134,488)	Finance and Other Insurance Related Costs		(114,833)	(93,157)	(93,020)	(78,981)	23	18
(15,875,618)	Total Benefits, Claims and Other Expenses		(16,104,401)	(11,300,587)	(11,500,189)	(7,424,452)	43	55
2,385,922	Profit Before Taxation		866,707	1,949,994	738,054	1,590,957	(56)	(54)
(555,398)	Income Tax Expense	11	(282,904)	(424,597)	(218,573)	(379,649)	(33)	(42)
1,830,524	Profit for the Period	12	583,803	1,525,397	519,481	1,211,308	(62)	(57)
	Other Comprehensive Income, Net of Related Tax							
	Items that are or may be reclassified to profit or loss							
(1,647,992)	- Net Change in fair value of Available For Sale Financial Assets		1,387,660	(1,618,386)	1,031,019	(1,362,925)	186	176
-	- Realised Gains transferred to Income Statement		(14,763)	-	(7,896)	-	(100)	(100)
32,893	- Amortisation of AFS reserve on reclassification		36,459	21,488	36,459	21,488	70	70
	- Net Change in fair value of Available For Sale Financial Assets transferred to Life Policyholders' Available For Sale Reserve Fund		(812,382)	1,201,142	(812,382)	1,201,142	(168)	(168)
78,671	- Related Tax	11	(104,932)	25,546	-	-	(511)	-
	Items that will never be reclassified to profit or loss							
37,945	- Actuarial Gains on Defined Benefit Plans		-	-	-	-	-	-
(4,166)	- Related Tax	11	-	-	-	-	-	-
(292,526)	Total Other Comprehensive Income for the Period, Net of Related Tax		492,042	(370,210)	247,200	(140,295)	233	276
1,537,998	Total Comprehensive Income for the Period		1,075,845	1,155,187	766,681	1,071,013	(7)	(28)
	Profit Attributable to:							
1,830,524	Equity Holders of the Company		583,803	1,525,397	519,481	1,211,308	(62)	(57)
-	Non-Controlling Interest		-	-	-	-	-	-
	Total Comprehensive Income Attributable to:							
1,537,998	Equity Holders of the Company		1,075,845	1,155,187	766,681	1,071,013	(7)	(28)
-	Non-Controlling Interest		-	-	-	-	-	-
12.20	Basic and Diluted Earnings Per Share (Rs.)	13	3.89	10.17	3.46	8.08	(62)	(57)

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

Statement of Changes in Equity - Group

For the Period Ended 30th September,

	Note	Statad Capital Rs. '000	Retained Earnings Rs. '000	Available for Sale Reserve Rs. '000	Other Reserve Rs. '000	Life Policyholders' ATIS 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	4,009	(11,421)	(67,281)	381,156	8,123,008
Surcharge Tax	16	-	(172,489)	-	-	-	-	(172,489)
Comprehensive Income for the Period								
Profit for the Period - Unaudited		-	1,525,397	-	-	-	-	1,525,397
Other Comprehensive Income for the Period, Net of Related Tax								
Net Change in fair value of Available For Sale Financial Assets		-	-	(1,571,352)	-	-	-	(1,571,352)
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
- transferred to Life Policyholders' Available For Sale Reserve Fund		-	-	1,201,142	-	-	-	1,201,142
Total Other Comprehensive Income for the Period		-	-	(370,210)	-	-	-	(370,210)
Total Comprehensive Income for the Period		-	1,525,397	(370,210)	-	-	-	1,155,187
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
- transferred from Available For Sale Reserve		-	-	-	-	(1,201,142)	-	(1,201,142)
Transactions with owners recorded directly in equity								
Distributions to owners of the Parent		-	(480,000)	-	-	-	-	(480,000)
Final dividend to equity holders for 2021		-	7,517,588	(685,201)	(11,421)	(1,268,433)	381,156	7,424,584
Unaudited balance as at 30th September 2022		1,171,875	7,517,588	(685,201)	(11,421)	(1,268,433)	381,156	7,424,584
Comprehensive Income for the Period								
Profit for the Period - Unaudited		-	3,05,127	-	-	-	-	3,05,127
Other Comprehensive Income for the Period, Net of Related Tax								
Net Change in fair value of Available For Sale Financial Assets		-	-	34,924	-	-	-	34,924
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
- transferred to Life Policyholders' Available For Sale Reserve Fund		-	-	8,981	-	-	-	8,981
Actual Gains on Defined Benefit Plans		-	-	-	33,779	-	-	33,779
Total Other Comprehensive Income for the Period		-	-	43,905	33,779	-	-	77,684
Total Comprehensive Income for the Period		-	3,05,127	43,905	33,779	-	-	382,811
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	(6,981)	-	(6,981)
- transferred from Available For Sale Reserve		-	-	(322,286)	22,358	(1,277,414)	381,156	7,798,384
Audited balance as at 31st December 2022		1,171,875	7,822,715	(322,286)	22,358	(1,277,414)	381,156	7,798,384
Balance as at 01st January 2023		1,171,875	7,822,715	(322,286)	22,358	(1,277,414)	381,156	7,798,384
Comprehensive Income for the Period								
Profit for the Period - Unaudited		-	583,803	-	-	-	-	583,803
Other Comprehensive Income for the Period, Net of Related Tax								
Net Change in fair value of Available For Sale Financial Assets		-	-	1,304,424	-	-	-	1,304,424
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
- transferred to Life Policyholders' Available For Sale Reserve Fund		-	-	(812,382)	-	-	-	(812,382)
Total Other Comprehensive Income for the Period		-	-	492,042	-	-	-	492,042
Total Comprehensive Income for the Period		-	583,803	492,042	-	-	-	1,075,845
Net Change in fair value of Available For Sale Financial Assets		-	-	-	-	-	-	-
- transferred from Available For Sale Reserve		-	-	-	-	812,382	-	812,382
Transactions with owners recorded directly in equity								
Distributions to owners of the Parent		-	(547,500)	-	-	-	-	(547,500)
First and Final Dividend to equity holders for 2022		-	7,839,018	169,746	22,358	-	-	9,139,121
Unaudited balance as at 30th September 2023		1,171,875	7,839,018	169,746	22,358	(465,032)	381,156	9,139,121

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

Statement of Changes in Equity - Company

For the Period Ended 30th September,

	Total Equity Rs. '000	Restricted Regulatory Reserve Rs. '000	Life Policyholders' AFS Reserve Rs. '000	Other Reserve Rs. '000	Available For Sale Reserve Rs. '000	Retained Earnings Rs. '000	Capital Rs. '000	Total Equity Rs. '000
Balance as at 01st January 2022	7,032,385	381,156	(67,291)	(6,614)	4,446	5,548,813	1,171,875	7,032,385
Comprehensive Income for the Period								
Profit for the Period - Unaudited	1,211,308	-	-	-	-	1,211,308	-	1,211,308
Other Comprehensive Income for the Period, Net of Related Tax								
Net Change in fair value of Available For Sale Financial Assets	(1,341,437)	-	-	-	(1,341,437)	-	-	(1,341,437)
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	1,201,142	-	-	-	1,201,142	-	-	1,201,142
Total Other Comprehensive Income for the Period	(140,295)	-	-	-	(140,295)	-	-	(140,295)
Total Comprehensive Income for the Period	1,071,013	-	-	-	-	1,211,308	-	1,071,013
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	(1,201,142)	-	-	-	-	-	-	(1,201,142)
Transactions with owners recorded directly in equity								
Distributions to owners of the Company	(480,000)	-	-	-	-	(480,000)	-	(480,000)
Final dividend to equity holders for 2021	6,222,256	-	-	-	(135,849)	6,280,121	1,171,875	6,222,256
Unaudited balance as at 30th September 2022	6,222,256	381,156	(1,288,433)	(6,614)	(135,849)	6,280,121	1,171,875	6,222,256
Comprehensive Income for the Period								
Profit for the Period - Unaudited	272,312	-	-	-	-	272,312	-	272,312
Other Comprehensive Income for the Period, Net of Related Tax								
Net Change in fair value of Available For Sale Financial Assets	(11,748)	-	-	-	(11,748)	-	-	(11,748)
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	8,981	-	-	-	8,981	-	-	8,981
Actuarial Gains on Defined Benefit Plans	10,586	-	-	-	-	10,586	-	10,586
Total Other Comprehensive Income for the Period	7,819	-	-	-	(2,767)	10,586	-	7,819
Total Comprehensive Income for the Period	280,131	-	-	-	(2,767)	272,312	-	280,131
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	(8,981)	-	-	-	-	-	-	(8,981)
Audited balance as at 31st December 2021	6,693,406	381,156	(1,277,414)	3,972	(138,616)	6,552,433	1,171,875	6,693,406
Comprehensive Income for the Period								
Profit for the Period - Unaudited	519,481	-	-	-	-	519,481	-	519,481
Other Comprehensive Income for the Period, Net of Related Tax								
Net Change in fair value of Available For Sale Financial Assets	1,059,582	-	-	-	1,059,582	-	-	1,059,582
Net Change in fair value of Available For Sale Financial Assets - transferred to Life Policyholders' Available For Sale Reserve Fund	(812,382)	-	-	-	(812,382)	-	-	(812,382)
Total Other Comprehensive Income for the Period	247,200	-	-	-	247,200	-	-	247,200
Total Comprehensive Income for the Period	766,681	-	-	-	-	519,481	-	766,681
Net Change in fair value of Available For Sale Financial Assets - transferred from Available For Sale Reserve	812,382	-	-	-	-	-	-	812,382
Transactions with owners recorded directly in equity								
Distributions to owners of the Company	(547,500)	-	-	-	-	(547,500)	-	(547,500)
First and Final Dividend to equity holders for 2022	7,724,969	-	-	-	108,584	6,524,414	1,171,875	7,724,969
Unaudited balance as at 30th September 2023	7,724,969	381,156	(465,032)	-	108,584	6,524,414	1,171,875	7,724,969

Stated Capital represents 150 Million Ordinary Shares as at 30th September 2023 (2022 - 150 Million).

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

Statement of Cash Flows

<i>For the Period Ended 30th September,</i>	Group		Company		
	Note	Unaudited 2023	Unaudited 2022	Unaudited 2023	Unaudited 2022
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash Flows From Operating Activities					
Profit Before Taxation		866,707	1,949,994	738,054	1,590,957
<i>Adjustments for:</i>					
Interest Income	10	(5,368,178)	(2,991,494)	(4,668,689)	(2,532,170)
Dividend Income	10	(8,631)	(7,576)	(8,502)	(111,006)
Amortisation of Intangible Assets		15,597	14,828	14,501	13,872
Depreciation of Property, Plant and Equipment		86,600	58,796	64,317	39,465
Net Depreciation of Right of Use Assets		122,807	107,050	114,280	100,799
Interest Expense of Lease Creditors		41,737	37,072	37,076	34,325
Provision for Employee Benefits		70,109	51,617	51,359	32,868
Net Realised Losses/(Gains)		55,721	(361,017)	7,588	(95,486)
Net Fair Value (Gains)/Losses		(31,396)	10,233	(48,748)	30,575
Gains on Disposal of Property, Plant and Equipment		(2,658)	(838)	(2,395)	(793)
Gains on Disposal of Right of Use Assets		(1,185)	(1,023)	-	(1,023)
		(4,152,770)	(1,132,358)	(3,701,159)	(897,617)
Net Change in Operating Assets	A	(157,609)	(525,132)	(383,129)	(155,061)
Net Change in Operating Liabilities	B	5,967,200	3,615,291	5,833,113	2,910,942
Cash Flows from Operating Activities		1,656,821	1,957,801	1,748,825	1,858,264
Gratuity Paid					
		(37,615)	(13,007)	(14,731)	(9,728)
Surcharge Tax paid					
		-	(194,455)	-	(21,966)
Capital Gain Tax Paid					
		(2,649)	-	-	-
Income Tax Paid					
		(353,623)	(68,185)	(310,334)	(22,103)
Net Cash Generated from Operating Activities		1,262,934	1,682,154	1,423,760	1,804,467
Cash Flows from Investing Activities					
Acquisition of Financial Investments		(65,189,319)	(227,413,564)	(48,740,422)	(188,094,376)
Proceeds from Maturity of Financial Investments		59,450,487	222,336,722	44,001,269	183,740,293
Proceeds from Sale of Financial Investments		1,505,858	317,670	710,989	-
Interest Received		4,022,469	3,082,481	3,525,126	2,576,300
Dividend Received		8,631	7,576	8,502	111,006
Acquisition of Intangible Assets		(19,109)	(11,442)	(17,372)	(11,442)
Acquisition of Property, Plant and Equipment		(288,858)	(143,969)	(217,326)	(109,325)
Proceeds from the Disposal of Property, Plant and Equipment		4,143	1,144	3,504	1,057
Advance Paid to Right of Use asset		(33,272)	(18,342)	(21,067)	(17,262)
Net Cash Used in Investing Activities		(538,970)	(1,841,724)	(746,797)	(1,803,749)
Cash Flows from Financing Activities					
Dividend Paid		(547,500)	(480,000)	(547,500)	(480,000)
Payment of Lease Liabilities		(142,513)	(119,970)	(133,893)	(113,504)
Net Cash Used in Financing Activities		(690,013)	(599,970)	(681,393)	(593,504)
Net Increase/(Decrease) in Cash and Cash Equivalents (Net of Book OD)					
		33,951	(759,540)	(4,430)	(592,786)
Cash and Cash Equivalents at the beginning of the Period (Net of Book OD)					
		767,766	2,001,080	623,725	1,522,567
Cash and Cash Equivalents at the end of the Period (Net of Book OD)					
	C	801,717	1,241,540	619,295	929,781

Notes to the Statement of Cash Flows

<i>For the Period Ended 30th September,</i>	Group		Company	
	Unaudited 2023	Unaudited 2022	Unaudited 2023	Unaudited 2022
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Notes to the Cash Flow Statement				
A. Change in Operating Assets				
Increase in Deferred Expenses	(28,824)	(7,750)	-	-
Increase in Loans to Life Policyholders	(19,420)	(6,669)	(19,420)	(6,669)
(Increase)/Decrease in Reinsurance Receivables	(172,320)	(164,399)	(90,588)	97,807
Decrease/(Increase) in Premium Receivables	322,076	(107,741)	(12,607)	(51,171)
Increase in Other Assets	(259,121)	(238,573)	(260,514)	(195,028)
Net Change in Operating Assets	(157,609)	(525,132)	(383,129)	(155,061)
B. Change in Operating Liabilities				
(Decrease)/Increase in Other Liabilities	(214,909)	401,017	(92,967)	62,917
Increase in Insurance Contract Liabilities (before tax) - Life Insurance	5,868,235	3,041,041	5,868,235	3,041,041
Increase in Insurance Contract Liabilities - General Insurance	374,109	439,639	-	-
(Decrease)/Increase in Reinsurance Creditors	(60,235)	(266,406)	57,845	(193,016)
Net Change in Operating Liabilities	5,967,200	3,615,291	5,833,113	2,910,942
C. Cash and Cash Equivalents at the end of the Period				
Cash in Hand and at Bank	1,082,910	1,533,310	745,483	1,064,111
Bank Overdrafts	(281,193)	(291,770)	(126,188)	(134,330)
Cash and Cash Equivalents (Net of Book OD)	801,717	1,241,540	619,295	929,781

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 30th September,</i>							
Gross Written Premium	9	4,586,095	3,846,838	2,692,497	2,322,907	19	16
Premium Ceded to Reinsurers		(645,612)	(422,376)	(150,294)	(118,907)	53	26
Net Written Premium		3,940,483	3,424,462	2,542,203	2,204,000	15	15
Net Change in Reserves for Unearned Premium		(16,781)	(37,992)	-	-	(56)	-
Net Earned Premium		3,923,702	3,386,470	2,542,203	2,204,000	16	15
Other Revenue							
Interest and Dividend Income	10	1,815,792	1,215,218	1,577,510	1,021,175	49	54
Net Realised (Losses)/Gains		(13,152)	23,175	(3,382)	15,357	(157)	(122)
Net Fair Value Gains		101,282	30,711	50,034	31,844	230	57
Fee and Commission Income		47,078	73,848	10,226	10,996	(36)	(7)
Other Income		3,664	15,312	1,985	15,002	(76)	(87)
Total Other Revenue		1,954,664	1,358,264	1,636,373	1,094,374	44	50
Net Income		5,878,366	4,744,734	4,178,576	3,298,374	24	27
Net Benefits, Claims and Expenses							
Net Insurance Benefits and Claims		(1,845,930)	(1,337,435)	(725,501)	(497,220)	38	46
Change in Contract Liabilities - Life Fund		(1,842,679)	(438,835)	(1,842,679)	(438,835)	320	320
Other Operating and Administration Expenses		(1,314,208)	(1,107,605)	(856,454)	(705,377)	19	21
Underwriting and Net Acquisition Costs		(576,156)	(474,987)	(484,460)	(385,372)	21	26
Finance and Other Insurance Related Costs		(66,905)	(28,801)	(39,556)	(27,154)	132	46
Total Benefits, Claims and Other Expenses		(5,645,878)	(3,387,663)	(3,948,650)	(2,053,958)	67	92
Profit Before Taxation		232,488	1,357,071	229,926	1,244,416	(83)	(82)
Income Tax Expense	11	(63,309)	(320,092)	(68,136)	(297,509)	(80)	(77)
Profit for the Period	12	169,179	1,036,979	161,790	946,907	(84)	(83)
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		666,176	(218,131)	488,018	(142,384)	405	443
Realised Gains transferred to Income Statement		(11,616)	-	(7,020)	-	(100)	(100)
Amortisation of AFS reserve on reclassification		12,676	11,025	12,676	11,025	15	15
Net Change in fair value of Available For Sale Financial Assets							
- transferred to Life Policyholder's Available For Sale Reserve Fund		(364,661)	49,589	(364,661)	49,589	(835)	(835)
Related Tax	11	(52,068)	7,575	-	-	(787)	-
Total Other Comprehensive Income for the Period, Net of Related tax		250,507	(149,942)	129,013	(81,770)	267	258
Total Comprehensive Income for the Period		419,686	887,037	290,803	865,137	(53)	(66)
Profit Attributable to:							
Equity Holders of the Company		169,179	1,036,979	161,790	946,907	(84)	(83)
Non - Controlling Interest		-	-	-	-	-	-
Total Comprehensive Income Attributable to:							
Equity Holders of the Company		419,686	887,037	290,803	865,137	(53)	(66)
Non - Controlling Interest		-	-	-	-	-	-
Basic and Diluted Earnings Per Share (Rs.)	13	1.13	6.91	1.08	6.31	(84)	(83)

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

Operating Segment Information - Assets and Liabilities

As at,	Unaudited		Audited	
	30th September 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	412,342	206,689	260,442	157,816
Right of Use Assets	354,089	59,078	343,824	32,755
Intangible Assets	59,925	4,705	57,054	4,064
Deferred Tax Assets	-	-	-	99,430
Financial Investments	36,117,344	5,470,502	29,844,875	4,779,256
Investment in Subsidiary	1,150,000	-	1,150,000	-
Loans to Life Policyholders	440,334	-	420,914	-
Reinsurance Receivables	274,837	941,801	184,249	860,069
Premium Receivables	31,154	1,500,440	18,547	1,835,123
Other Assets	973,807	331,707	713,293	308,361
Insurance Contract - Deferred Expenses	-	192,819	-	163,995
Cash and Cash Equivalents	745,483	337,427	725,420	307,885
Total Assets	40,559,315	9,045,168	33,718,618	8,548,754
Liabilities				
Insurance Contract Liabilities - Life Insurance	30,450,876	-	24,582,641	-
Insurance Contract Liabilities - General Insurance	-	4,555,697	-	4,181,588
Employee Defined Benefit Liabilities	179,320	89,598	142,692	93,732
Current Tax Liabilities	117,577	48,513	209,338	44,472
Deferred Tax Liabilities	-	11,547	-	-
Reinsurance Creditors	285,357	614,101	227,512	732,181
Lease Creditors	383,587	51,294	376,926	33,793
Other Liabilities	1,291,441	955,261	1,384,408	1,044,156
Bank Overdrafts	126,188	155,005	101,695	163,844
Total Liabilities	32,834,346	6,481,016	27,025,212	6,293,766

Operating Segment Information - Profitability

For the Period Ended,	Unaudited		Unaudited	
	30th September 2023		30th September 2022	
	Life Insurance Rs. '000	General Insurance Rs. '000	Life Insurance Rs. '000	General Insurance Rs. '000
Gross Written Premium	7,853,156	5,931,389	6,597,219	4,791,650
Premium Ceded to Reinsurers	(430,682)	(1,807,912)	(348,607)	(1,143,065)
Net Written Premium	7,422,474	4,123,477	6,248,612	3,648,585
Net Change in Reserves for Unearned Premium	-	(48,384)	-	(149,012)
Net Earned Premium	7,422,474	4,075,093	6,248,612	3,499,573
Other Revenue				
Interest and Dividend Income	4,677,191	699,618	2,643,176	459,394
Net Realised (Losses)/ Gains	(7,588)	(48,133)	95,486	265,531
Net Fair Value Gains/(Losses)	48,748	(17,352)	(30,575)	20,342
Fee and Commission Income	89,395	135,890	43,085	190,478
Other Income	8,023	2,473	15,625	1,795
Total Other Revenue	4,815,769	772,496	2,766,797	937,540
Net Income	12,238,243	4,847,589	9,015,409	4,437,113
Net Benefits, Claims and Expenses				
Net Insurance Benefits and Claims	(2,040,503)	(3,008,797)	(1,583,120)	(2,448,672)
Change in Contract Liabilities - Life Fund	(5,711,786)	-	(3,023,350)	-
Other Operating and Administration Expenses	(2,426,216)	(1,386,517)	(1,731,959)	(1,211,439)
Underwriting and Net Acquisition Cost	(1,228,664)	(301,809)	(1,007,042)	(300,289)
Finance and Other Insurance Related Costs	(93,020)	(21,813)	(78,981)	(14,176)
Total Benefits, Claims and other Expenses	(11,500,189)	(4,718,936)	(7,424,452)	(3,974,576)
Profit Before Taxation	738,054	128,653	1,590,957	462,537
Income Tax Expense	(218,573)	(64,331)	(379,649)	(44,948)
Profit for the Period	519,481	64,322	1,211,308	417,589

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 Uttararanda 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 31st October 2023.

Figures in these Condensed Consolidated Interim Financial Statements for the Period ended 30th September 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 period 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 2025.

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 2025.

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
	30th Sep 2023	31st Dec 2022	30th Sep 2023	31st Dec 2022
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Held to Maturity Financial Assets	10,576,597	10,240,933	10,576,597	10,055,448
Loans and Receivables	17,019,141	14,910,327	14,601,565	12,097,076
Available for Sale Financial Assets	13,452,258	9,389,628	10,485,322	7,610,970
Financial Assets at Fair Value Through Profit or Loss	539,850	83,243	453,860	81,381
Total Financial Investments	41,587,846	34,624,131	36,117,344	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 - 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		(703,985)
Amortization recognized during the Period		36,459

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 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Balance at the end of the Period	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 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 30th September 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 30th Sep 2023 Rs. '000
As at,	
Term Deposits	385,181

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 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Life Insurance Fund	7.1	30,075,416	24,363,630	30,075,416	24,363,630
Claims Outstanding		375,460	219,011	375,460	219,011
Total Insurance Contract Liabilities		30,450,876	24,582,641	30,450,876	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 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 30th Sep 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 Period		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		5,711,786	5,620,103	5,711,786	5,620,103
Surplus Distributed to Shareholders		-	(1,280,000)	-	(1,280,000)
Increase in Life Insurance Fund		5,711,786	4,340,103	5,711,786	4,340,103
Effect of Taxation on surplus/Bonus transferred to Policyholders		-	(17,042)	-	(17,042)
Balance as at the end of the Period		30,075,416	24,363,630	30,075,416	24,363,630

7.2 Liability Adequacy Test

A Liability Adequacy Test ("LAT") for Life Insurance contract Liability was carried out internally by the Chief Actuary Officer, as at 30th September 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. Accordingly, assets are sufficiently adequate as compared to the discounted cash flow reserves and in contrast to the reserves as at 30th September 2023. No additional provision was required against the LAT as at 30th September 2023.

8 INSURANCE CONTRACT LIABILITIES - GENERAL INSURANCE

As at,	Group		Company	
	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Reserves for Net Unearned Premium	2,790,068	2,735,501	-	-
Reserves for Title Insurance	50,877	57,059	-	-
Reserves for Gross Outstanding Claims	1,714,752	1,389,028	-	-
Total Insurance Contract Liabilities	4,555,697	4,181,588	-	-

8.1 Valuation of the IBNR/IBNER was carried by the Appointed Actuary, Ms. Sipika Tandon Mathur, FIA, as at 30th September 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 internally by the Chief Actuary Officer as at 30th September 2023 as required by SLFRS 4 - Insurance Contracts. Accordingly, HNB General Insurance Ltd adequately satisfies the LAT requirement as at 30th September 2023. No additional provision is required against LAT as at 30th September 2023.

Notes to the Condensed Consolidated Interim Financial Statements

9 GROSS WRITTEN PREMIUM

Group		Group		Company	
Audited For the Year Ended 31st Dec 2022 Rs. '000	<i>For the Nine Months Ended,</i>	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Life Insurance					
8,484,220	Individual Policies	7,492,235	6,268,832	7,492,235	6,268,832
427,240	Corporate Policies	360,921	328,387	360,921	328,387
(36,509)	Adjustment for Inter Company Premiums	(35,365)	(30,169)	-	-
8,874,951	Gross Written Premium - Life Insurance	7,817,791	6,567,050	7,853,156	6,597,219
General Insurance					
965,140	Fire	1,171,940	703,571	-	-
4,217,856	Motor	3,331,289	3,150,356	-	-
158,297	Marine	110,488	83,577	-	-
1,479,718	Miscellaneous	1,317,672	854,146	-	-
(58,226)	Adjustment for Inter Company Premiums	(55,972)	(47,423)	-	-
6,762,785	Gross Written Premium - General Insurance	5,875,417	4,744,227	-	-
15,637,736	Total Gross Written Premium	13,693,208	11,311,277	7,853,156	6,597,219

<i>For the Three Months Ended,</i>		Group		Company	
Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Life Insurance					
	Individual Policies	2,532,668	2,167,036	2,532,668	2,167,036
	Corporate Policies	159,829	155,871	159,829	155,871
	Adjustment for Inter Company Premiums	(8,665)	(8,017)	-	-
	Gross Written Premium - Life Insurance	2,683,832	2,314,890	2,692,497	2,322,907
General Insurance					
	Fire	321,313	168,465	-	-
	Motor	1,174,476	1,175,660	-	-
	Marine	40,815	35,127	-	-
	Miscellaneous	363,088	153,863	-	-
	Adjustment for Inter Company Premiums	2,571	(1,167)	-	-
	Gross Written Premium - General Insurance	1,902,263	1,531,948	-	-
	Total Gross Written Premium	4,586,095	3,846,838	2,692,497	2,322,907

10 INTEREST AND DIVIDEND INCOME

Group		Group		Company	
Audited For the Year Ended 31st Dec 2022 Rs. '000	<i>For the Nine Months Ended,</i>	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
4,533,060	Interest Income	5,368,178	2,991,494	4,668,689	2,532,170
8,622	Dividend Income	8,631	7,576	8,502	111,006
4,541,682	Total	5,376,809	2,999,070	4,677,191	2,643,176

Notes to the Condensed Consolidated Interim Financial Statements

<i>For the Three Months Ended,</i>	Group		Company	
	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
	Interest Income	1,813,979	1,214,442	1,575,702
Dividend Income	1,813	776	1,808	776
Total	1,815,792	1,215,218	1,577,510	1,021,175

11 INCOME TAX EXPENSE

<i>For the Nine Months Ended, 31st Dec 2022 Rs. '000</i>	Group	Group		Company	
	Audited For the Year Ended	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
	(288,436)	Income Tax Charge	(276,860)	(155,116)	(218,573)
(55)	Under Provision of Income Taxes in respect of prior Period	-	-	-	-
(266,907)	Deferred Income Tax - Recognised through Profit or Loss	(6,044)	(269,481)	-	(273,543)
(555,398)	Total Tax charge in Profit or Loss	(282,904)	(424,597)	(218,573)	(379,649)
	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	(104,932)	25,546	-	-
(4,166)	Deferred tax on actuarial gain/(loss) on defined benefit plans	-	-	-	-
74,505	Total Tax charge in Other Comprehensive Income	(104,932)	25,546	-	-

<i>For the Three Months Ended</i>	Group		Company	
	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
	Income Tax Charge	(59,394)	(129,932)	(68,136)
Deferred Income Tax - Recognised through Profit or Loss	(3,915)	(190,160)	-	(191,403)
Total Tax charge in Profit or Loss	(63,309)	(320,092)	(68,136)	(297,509)
Deferred tax on net change in debt instruments categorised under Available for Sale	(52,068)	7,575	-	-
Total Tax charge in Other Comprehensive Income	(52,068)	7,575	-	-

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 period ended 30th September 2023.

Recoverability of Deferred Tax Assets

As per Section 67 of Inland Revenue Act No. 24 of 2017 which came into effect on 1st April 2018, the Company was eligible to claim its brought forward tax losses against its taxable income within a period of 6 years commencing 1st 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. 218.5 Million for the period since brought forward tax losses are not available for recoverability.

Notes to the Condensed Consolidated Interim Financial Statements

12 PROFIT FOR THE PERIOD

Audited For the Year Ended 31st Dec 2022 Rs. '000	For the Nine Months Ended	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Company - HNB Assurance PLC			
1,280,000	Surplus Transferred from Life Policyholders' Fund to Shareholders' Fund	-	1,100,000
713,666	Profit from Life Shareholders' Fund	738,054	490,957
(510,046)	Income Tax and Deferred Tax Expense	(218,573)	(379,649)
<u>1,483,620</u>	Profit for the Period	<u>519,481</u>	<u>1,211,308</u>
Subsidiary - HNB General Insurance Ltd			
495,756	Profit Before Tax	128,653	462,537
(45,352)	Income Tax and Deferred Tax Expense	(64,331)	(44,948)
<u>450,404</u>	Profit for the Period	<u>64,322</u>	<u>417,589</u>
(103,500)	Elimination of Intercompany Dividend	-	(103,500)
<u>1,830,524</u>	Profit for the Period - Group	<u>583,803</u>	<u>1,525,397</u>

For the Three Months Ended,	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Company - HNB Assurance PLC		
Surplus Transferred from Life Policyholders' Fund to Shareholders' Fund	-	1,100,000
Profit from Life Shareholders' Fund	229,926	144,416
Income Tax and Deferred Tax Expense	(68,136)	(297,509)
Profit for the Period	<u>161,790</u>	<u>946,907</u>
Subsidiary - HNB General Insurance Ltd		
Profit Before Tax	2,562	112,656
Income Tax and Deferred Tax Expense	4,827	(22,584)
Profit for the Period	<u>7,389</u>	<u>90,072</u>
Profit for the Period - Group	<u>169,179</u>	<u>1,036,979</u>

12.1 No surplus transfer was made from the Life fund during the period under consideration. The Company transferred Rs. 1.1 Bn as surplus transfer from the Life fund in the comparative period as an exception. Surplus transfers from the Life Fund are made following the valuation of the Life Fund at the financial year end.

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 look into 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. 1st January 2023, the subsidiary HNB General Insurance Ltd, would also have to comply with the same. If such remittance is required from 1st January 2023, the profit after Tax of the subsidiary and Group will decrease by Rs. 104 Million for the nine month period ended 30th September 2023. However, no adjustments have been made in the financial statements as the payment effective date is yet to be agreed.

Notes to the Condensed Consolidated Interim Financial Statements

13 BASIC AND DILUTED EARNINGS PER SHARE (EPS)

Basic Earnings Per Share is calculated by dividing the profit after tax for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. 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 period. Therefore, Diluted Earnings Per Share is same as Basic Earnings Per Share.

Group		Group		Company	
Audited For the Year Ended 31st Dec 2022	For the Nine Months Ended,	Unaudited 30th Sep 2023	Unaudited 30th Sep 2022	Unaudited 30th Sep 2023	Unaudited 30th Sep 2022
1,830,524	Profit for the Year/Period (Rs. '000)	583,803	1,525,397	519,481	1,211,308
150,000	Weighted average number of shares ('000)	150,000	150,000	150,000	150,000
12.20	Basic and Diluted Earnings Per Share (Rs.)	3.89	10.17	3.46	8.08

For the Three Months Ended	Group		Company	
	Unaudited 30th Sep 2023	Unaudited 30th Sep 2022	Unaudited 30th Sep 2023	Unaudited 30th Sep 2022
Profit for the Period (Rs. '000)	169,179	1,036,979	161,790	946,907
Weighted average number of shares ('000)	150,000	150,000	150,000	150,000
Basic and Diluted Earnings Per Share (Rs.)	1.13	6.91	1.08	6.31

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 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Insurance Premium	175,637	100,383	31,414	31,131
Claims Incurred	70,269	20,889	34,850	500
Investment Income	405,803	227,027	336,939	153,211
Administration Expenses	399,352	357,462	296,156	259,143
Rent and Other Operational Expenses	17,041	14,052	11,714	8,448
Dividend Paid	328,423	287,933	328,423	287,933

Outstanding Balances	Group		Company	
	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
Investment Balance (Include Deposits & Debentures)	2,999,734	2,369,855	2,525,017	1,872,110
Cash at Bank Balances	416,859	533,376	293,211	436,195
Premium Receivable	41	1,066	-	-
Administration Expenses Payable	59,928	72,076	38,618	55,163
Rent and Other Operational Expenses Payable	484	141	267	90

Notes to the Condensed Consolidated Interim Financial Statements

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

Transactions For the Nine Months Ended	Unaudited	Unaudited
	30th Sep 2023 Rs. '000	30th Sep 2022 Rs. '000
Insurance Premium	35,365	30,169
Insurance Expenses	55,972	47,423
Claims Received	466	271
Claims Paid	5,400	15,200
Reimbursement Expenses Relating to Employees	89,391	78,891
Other Reimbursement Expenses	193,936	161,877
Fund Management Fee	11,449	11,145
Profit Commission Expense	11,938	9,488
Dividend Received	-	103,500
Outstanding Balances	Unaudited	Audited
As at,	30th Sep 2023	31st Dec 2022
	Rs. '000	Rs. '000
Premium Payable to HNB General Insurance Ltd	5,213	-
Receivable from HNB General Insurance Ltd	33,047	21,816

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

Name of the Company	Transactions	Group		Company	
		Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Sithma Development (Pvt) Ltd	Insurance Premium	50,112	15,471	-	-
HNB Finance PLC	Insurance Premium	146,702	76,965	118,367	58,995
	Claims Incurred	3,709	645	-	-
	Administration Expense	20,310	6,137	8,723	47
	Interest Income	14,147	24,010	14,147	24,010
Name of the Company	Outstanding Balances	Group		Company	
As at,		Unaudited	Audited	Unaudited	Audited
		30th Sep 2023	31st Dec 2022	30th Sep 2023	31st Dec 2022
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
HNB Finance PLC	Investment in Term Deposits	-	125,868	-	125,868
	Investment in Debentures	137,432	125,090	137,432	125,090
	Cash at Bank Balances	93	88	93	88
	Premium Receivable	24,763	3,185	24,394	-
	Administration Expenses	5,260	9,922	2,369	5,954

14.4 Transactions and Outstanding Balances with other Related Entities

Name of the Company	Transactions	Group		Company	
		Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Acuity Partners (Pvt) Ltd	Insurance Premium	1,043	579	608	-
	Claims incurred	250	378	-	-
Acuity Stockbrokers (Pvt) Ltd	Insurance Premium	4,055	4,011	-	-
	Claims incurred	593	91	-	-
Acuity Securities Ltd	Insurance Premium	4,778	2,697	-	-
	Claims incurred	629	675	-	-
	Custodian Fee	-	185	-	152
	Investment Income from REPO	74,150	135,799	55,179	119,367

Notes to the Condensed Consolidated Interim Financial Statements

Name of the Company	Outstanding Balances	Group		Company	
		Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000	Unaudited 30th Sep 2023 Rs. '000	Audited 31st Dec 2022 Rs. '000
<i>As at,</i>					
Acuity Partners (Pvt) Ltd	Premium Receivable	-	526	-	312
Acuity Stockbrokers (Pvt) Ltd	Premium Receivable	755	366	-	-
Acuity Securities Ltd	Premium Receivable	19	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 For the Nine Months Ended	Unaudited 30th Sep 2023 Rs. '000	Unaudited 30th Sep 2022 Rs. '000
Director Fee	22,235	18,280
Short-term and Post Employment Benefits	72,424	48,248
Insurance Premium	2,413	3,186
Claims Paid including Maturities	388	1,961

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

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.

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 period 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 INCREASING 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.

Notes to the Condensed Consolidated Interim Financial Statements

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 due to losses or unrelieved losses) exceed Rs. 2 Billion for the year of assessment commencing from 1st 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 1st 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. Mn)	1st Installment - paid on 20th April 2022 (Rs. Mn)	2nd Installment - due on 20th July 2022 (Rs. Mn)
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 1st April 2020, shall be recorded as an adjustment to the opening retained earnings reported in the Statement of Changes in Equity on 1st 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

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. 238.5 Million as at 30th September 2023 for purchase of computer 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 period, 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	-
2013/2014	2016.05.30	Pending decision from Tax Appeals Commission	An additional Tax Liability will arise	132
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
2016/2017	2019.01.29	Pending decision from Tax Appeals Commission	An additional Tax Liability will arise	290
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				1,971
HNB General Insurance Limited				
2018/2019	2022.05.20	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	138
2019/2020	2023.05.26	Pending decision from Commissioner General of Inland Revenue	An additional Tax Liability will arise	151
Total - HNB General Insurance Limited				289
Total for Group				2,260

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. Mn)	Penalty (Rs. Mn)	Total (Rs. Mn)
HNB Assurance PLC						
2014.01.01-2014.12.31	2018.07.10	Pending decision from Tax Appeals Commission	VAT NBT	21.06 N/A	10.53 N/A	31.59 N/A
2017.01.01-2017.12.31	2022.01.18	Pending decision from Commissioner General of Inland Revenue	VAT NBT	42.56 N/A	21.28 N/A	63.84 N/A
2018.01.01-2018.12.31	2022.01.21	Pending decision from Commissioner General of Inland Revenue	VAT NBT	65.91 N/A	32.95 N/A	98.86 N/A
2019.01.01-2019.12.31	2022.10.31	Pending decision from Commissioner General of Inland Revenue	VAT NBT	62.48 N/A	31.24 N/A	93.72 N/A
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 NBT	10.41 N/A	5.20 N/A	15.61 N/A
2019.01.01-2019.12.31	2022.12.20	Pending decision from Commissioner General of Inland Revenue	VAT NBT	11.37 N/A	5.70 N/A	17.07 N/A
Total - HNB General Insurance Limited				21.78	10.90	32.68
Total - Group				213.79	106.90	320.69

Assessments raised on the Company for 2015 and 2016 (with tax in dispute and penalties totalling to Rs. 34.77 Mn and Rs. 43.3 Mn respectively) were determined by TAC in favour of the Company allowing appeal and to annul the assessment and set 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. As such no provision has been made in the Financial Statements for the tax in dispute and penalty which amounts to Rs. 1.56 Million. Further, the subsidiary company, HNB General Insurance Limited, has received tax

Notes to the Condensed Consolidated Interim Financial Statements

assessments and penalties amounting to Rs. 576.81 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	30th Sep 2023		30th June 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	3,942,964	2.63
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 Mrs.A.Kailasapillai	1,500,000	1.00	1,500,000	1.00
7 Mrs.A.Selliah	1,500,000	1.00	1,500,000	1.00
8 Thread Capital (Pvt) Ltd	1,455,046	0.97	-	-
9 J B Cocoshell (Pvt) Ltd	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

	30th Sep 2023	31st Dec 2022
Float Adjusted Market Capitalisation (Rs.) *	3,353,317,136	2,273,778,850
Percentage of Shares held by the Public	39.85%	35.34%
Number of Public Shareholders	4,163	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 30th September 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 30th Sep 2023	No. of Shares 31st Dec 2022
Mrs. M A R C Cooray	112,624	112,624
Mr. D P N Rodrigo	48,454	540
Mr. D R Abeyesuriya*	5,000	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 R Abeyesuriya deceased on 25th October 2023.

** Mr. R A Ebell was appointed with effect from 16th June 2023.

***Dr. S Selliah retired with effect from 16th June 2023.

****Mr. T K D A P Samarasinghe (Alternate Director to Mr. L U D Fernando) resigned with effect from 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,	30th Sep 2023 Rs.	31st Dec 2022 Rs.
Net Asset Value Per Share - Group	60.93	51.99
Net Asset Value Per Share - Company	51.50	44.62
Net Asset Value Per Share without Restricted Regulatory Reserve - Group	58.39	49.45
Net Asset Value Per Share without Restricted Regulatory Reserve - Company	48.96	42.08
For the three months ended 30th September,	2023	2022
	Rs.	Rs.
Highest Price Per Share	59.00	42.80
Lowest Price Per Share	47.00	31.50
Last Traded Price Per Share	56.10	39.60