



# ARCHITECTS OF PROTECTION

**Union Assurance PLC**  
Condensed Interim Financial Statements  
For The Period Ended 30 September 2024

# INCOME STATEMENT

For the period ended 30 September	Note	2024 Rs. '000	2023 Rs. '000	Change %
Gross written premium	6	15,275,763	13,200,746	16
Premium ceded to reinsurers		(1,094,932)	(761,232)	44
<b>Net written premium</b>		<b>14,180,831</b>	<b>12,439,514</b>	<b>14</b>
<b>Other revenue</b>				
Net investment income		8,676,572	7,957,107	9
Net realised gains		617,522	371,557	66
Net fair value gains		366,974	852,569	(57)
Other income		20,463	17,557	17
<b>Total other revenue</b>		<b>9,681,531</b>	<b>9,198,790</b>	<b>5</b>
<b>Total net revenue</b>		<b>23,862,362</b>	<b>21,638,304</b>	<b>10</b>
<b>Benefits, claims and expenses</b>				
Net insurance benefits and claims paid		(4,920,042)	(4,884,107)	1
Net change in insurance claims outstanding		49,241	(86,467)	(157)
Change in contract liabilities - Life Fund		(10,686,877)	(9,256,267)	15
Underwriting and net acquisition costs (net of reinsurance)		(2,895,344)	(2,501,737)	16
Other operating, administrative and selling expenses		(3,472,377)	(2,896,778)	20
Depreciation and amortisation		(453,976)	(405,812)	12
<b>Total benefits, claims and expenses</b>		<b>(22,379,375)</b>	<b>(20,031,168)</b>	<b>12</b>
<b>Profit from operations</b>		<b>1,482,987</b>	<b>1,607,136</b>	<b>(8)</b>
Share of results of equity accounted investee, net of tax		271,451	235,622	15
<b>Profit before tax</b>		<b>1,754,438</b>	<b>1,842,758</b>	<b>(5)</b>
Income tax expenses	7	(450,045)	(494,612)	(9)
<b>Profit for the period</b>		<b>1,304,393</b>	<b>1,348,146</b>	<b>(3)</b>
<b>Earnings per share</b>				
Basic (Rs.)		2.21	2.29	(3)
Diluted (Rs.)		2.21	2.29	(3)

The notes form an integral part of these interim financial statements.

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30 September	2024 Rs. '000	2023 Rs. '000	Change %
Profit for the period	1,304,393	1,348,146	(3)
<b>Items that are or may be reclassified to profit or loss</b>			
<b>Fair value reserve (available for sale financial assets)</b>			
Net change in fair value of available for sale financial assets	142,509	1,773,225	
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	1,234	48,241	
Net change in fair value of available for sale financial assets transferred to the income statement	(45,813)	(15,477)	
Related tax	-	-	
	97,930	1,805,989	(95)
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	165,048	4,324,088	
Net change in fair value of available for sale financial assets of insurance liabilities transferred to the income statement	(20,234)	(150,789)	
Related tax	-	-	
	144,814	4,173,299	(97)
	242,744	5,979,288	
<b>Other comprehensive income, net of tax</b>	<b>242,744</b>	<b>5,979,288</b>	<b>(96)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>1,547,137</b>	<b>7,327,434</b>	<b>(79)</b>

The notes form an integral part of these interim financial statements.

# INCOME STATEMENT

For the Quarter ended 30th September	2024 Rs. '000	2023 Rs. '000	Change %
Gross written premium	5,468,883	4,727,316	16
Premium ceded to reinsurers	(373,887)	(271,577)	38
<b>Net written premium</b>	<b>5,094,996</b>	<b>4,455,739</b>	<b>14</b>
<b>Other revenue</b>			
Net investment income	2,989,207	2,823,006	6
Net realised gains	36,593	202,928	(82)
Net fair value gains / (losses)	(137,411)	646,235	(121)
Other income	8,882	6,559	35
<b>Total other revenue</b>	<b>2,897,271</b>	<b>3,678,728</b>	<b>(21)</b>
<b>Total net revenue</b>	<b>7,992,267</b>	<b>8,134,467</b>	<b>(2)</b>
<b>Benefits, claims and expenses</b>			
Net insurance benefits and claims paid	(2,063,270)	(2,086,971)	(1)
Net change in insurance claims outstanding	44,248	(9,685)	(557)
Change in contract liabilities - Life Fund	(3,103,273)	(3,315,648)	(6)
Underwriting and net acquisition costs (net of reinsurance)	(1,078,961)	(951,665)	13
Other operating, administrative and selling expenses	(1,211,618)	(1,117,055)	8
Depreciation and amortisation	(153,540)	(138,106)	11
<b>Total benefits, claims and expenses</b>	<b>(7,566,414)</b>	<b>(7,619,130)</b>	<b>(1)</b>
<b>Profit from operations</b>	<b>425,853</b>	<b>515,337</b>	<b>(17)</b>
Share of results of equity accounted investee, net of tax	148,611	89,414	66
<b>Profit before tax</b>	<b>574,464</b>	<b>604,751</b>	<b>(5)</b>
Income tax expenses	(129,119)	(169,868)	(24)
<b>Profit for the quarter</b>	<b>445,345</b>	<b>434,883</b>	<b>2</b>
<b>Earnings per share</b>			
Basic (Rs.)	0.76	0.74	3
Diluted (Rs.)	0.76	0.74	3

The notes form an integral part of these interim financial statements.

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Quarter ended 30th September	2024 Rs. '000	2023 Rs. '000	Change %
Profit for the quarter	445,345	434,883	2
<b>Items that are or may be reclassified to profit or loss</b>			
<b>Fair value reserve (available for sale financial assets)</b>			
Net change in fair value of available for sale financial assets	(104,495)	1,240,439	
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	(4,776)	12,066	
Net change in fair value of available for sale financial assets transferred to the income statement	-	(15,477)	
Related tax	-	-	
	(109,271)	1,237,028	(109)
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	(373,215)	2,941,230	
Net change in fair value of available for sale financial assets of insurance liabilities transferred to the income statement	16,270	1,117	
Related tax	-	-	
	(356,945)	2,942,347	(112)
	(466,216)	4,179,375	(111)
<b>Other comprehensive income, net of tax</b>	(466,216)	4,179,375	(111)
<b>Total comprehensive income for the quarter, net of tax</b>	(20,871)	4,614,258	(100)


The notes form an integral part of these interim financial statements.

# STATEMENT OF FINANCIAL POSITION

As at	Note	30.09.2024 Rs. '000	31.12.2023 Rs. '000
<b>Assets</b>			
Intangible assets		917,560	1,130,585
Property, plant and equipment		3,024,544	3,006,118
Right of use assets		500,946	418,566
Investment in equity accounted investee		2,318,687	2,046,001
Financial investments	9	89,393,222	83,419,773
Loans to life policyholders		2,593,455	2,368,021
Reinsurance receivable		528,348	447,558
Premiums receivable		837,450	1,051,444
Receivables and other assets		1,428,119	942,120
Cash in hand and at bank		685,818	839,475
<b>Total assets</b>		<b>102,228,149</b>	<b>95,669,661</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Stated capital		1,000,000	1,000,000
Available for sale reserve		3,576,799	3,334,055
Revaluation reserve		2,563,095	2,563,095
Restricted regulatory reserve	10	3,381,934	3,381,934
Other reserves		89,235	76,543
Retained earnings		9,953,588	13,805,444
<b>Total equity</b>		<b>20,564,651</b>	<b>24,161,071</b>
<b>Liabilities</b>			
Insurance contract liabilities	11	75,657,112	65,043,384
Insurance contract liabilities - Unit Linked		695,538	718,692
Lease liabilities		508,135	422,540
Employee benefit liabilities		199,581	190,578
Reinsurance payables		600,301	365,027
Other liabilities		3,810,551	4,645,809
Bank overdraft		192,280	122,560
<b>Total liabilities</b>		<b>81,663,498</b>	<b>71,508,590</b>
<b>Total equity and liabilities</b>		<b>102,228,149</b>	<b>95,669,661</b>

The notes form an integral part of these interim financial statements.

I certify that the above financial statements comply with the requirements of the Companies Act No. 07 of 2007.




**Himani Weerasekera**  
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Signed on behalf of the Board:



**P.T. Wanigasekara**  
Director



**S. Rajendra**  
Director

# STATEMENT OF CHANGES IN EQUITY

Rs. '000	Stated capital	Reserves					Retained earnings	Total
		Restricted regulatory reserve	Revaluation reserve	Reserve on merger	Other reserves			
					Available for sale reserve	Other capital reserves		
<b>Balance as at 1 January 2023</b>	1,000,000	3,381,934	2,267,979	16,752	(2,564,622)	68,913	10,042,833	14,213,789
Profit for the period	-	-	-	-	-	-	1,348,146	1,348,146
<b>Other comprehensive income for the period, net of tax</b>								
Net change in fair value of available for sale financial assets	-	-	-	-	1,757,748	-	-	1,757,748
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	-	-	-	-	4,173,299	-	-	4,173,299
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	-	-	-	-	48,241	-	-	48,241
Tax on other comprehensive income	-	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	-	5,979,288	-	-	5,979,288
<b>Total comprehensive income for the period</b>	-	-	-	-	5,979,288	-	1,348,146	7,327,434
<b>Transactions with owners, transfers, recorded directly in equity</b>								
<b>Contributions and distributions</b>								
Share based payments	-	-	-	-	-	11,185	-	11,185
<b>Total contributions and distributions</b>	-	-	-	-	-	11,185	-	11,185
<b>Balance as at 30 September 2023</b>	1,000,000	3,381,934	2,267,979	16,752	3,414,666	80,098	11,390,979	21,552,408
<b>Balance as at 1 January 2024</b>	1,000,000	3,381,934	2,563,095	16,752	3,334,055	59,791	13,805,444	24,161,071
Profit for the period	-	-	-	-	-	-	1,304,393	1,304,393
<b>Other comprehensive income for the period, net of tax</b>								
Net change in fair value of available for sale financial assets	-	-	-	-	96,696	-	-	96,696
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	-	-	-	-	144,814	-	-	144,814
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	-	-	-	-	1,234	-	-	1,234
Tax on other comprehensive income	-	-	-	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	-	242,744	-	-	242,744
<b>Total comprehensive income for the period</b>	-	-	-	-	242,744	-	1,304,393	1,547,137
<b>Transactions with owners, transfers, recorded directly in equity</b>								
<b>Contributions and distributions</b>								
First and final dividend 2023	-	-	-	-	-	-	(5,156,249)	(5,156,249)
Share based payments	-	-	-	-	-	12,692	-	12,692
<b>Total contributions and distributions</b>	-	-	-	-	-	12,692	(5,156,249)	(5,143,557)
<b>Balance as at 30 September 2024</b>	1,000,000	3,381,934	2,563,095	16,752	3,576,799	72,483	9,953,588	20,564,651

The notes form an integral part of these interim financial statements.

# STATEMENT OF CASH FLOWS

For the Period ended 30th September	Note	2024 Rs. '000	2023 Rs. '000
<b>Cash flows from operations</b>			
Insurance premiums received		15,489,757	13,228,915
Reinsurance premiums paid		(131,754)	(76,167)
Insurance benefits and claims paid		(5,608,024)	(5,627,842)
Reinsurance claim received		687,982	743,735
Payments to intermediaries to acquire insurance contracts		(2,888,294)	(2,522,645)
Cash paid to and on behalf of employees		(1,692,889)	(1,489,664)
Interest received		7,947,702	6,711,456
Dividends received		152,203	88,326
Other operating cash flows		(3,298,309)	(2,837,547)
<b>Cash generated from operating activities</b>	A	<b>10,658,374</b>	<b>8,218,567</b>
Income tax paid		(1,166,270)	(985,364)
Employee benefits paid		(19,598)	(15,737)
Interest paid on obligation to repurchase securities		(181)	(12,666)
<b>Net cash flow from operating activities</b>		<b>9,472,325</b>	<b>7,204,800</b>
<b>Cash flows used in investing activities</b>			
Purchase of investments		(39,137,203)	(26,322,900)
Maturity proceeds of investments		5,821,749	10,833,254
Proceeds from sale of investments		29,076,263	8,346,670
Purchase of property, plant and equipment		(105,019)	(31,368)
Purchase of intangible assets		(43,638)	(97,979)
Proceeds from sale of property, plant and equipment		2,059	147
<b>Net cash used in investing activities</b>		<b>(4,385,789)</b>	<b>(7,272,176)</b>
<b>Net cash inflow before financing activities</b>		<b>5,086,536</b>	<b>(67,376)</b>
<b>Cash flows used in financing activities</b>			
Dividends paid to equity holders of the company		(5,155,143)	-
Settlement of lease liabilities		(154,770)	(124,623)
<b>Net cash used in financing activities</b>		<b>(5,309,913)</b>	<b>(124,623)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(223,377)</b>	<b>(191,999)</b>
Cash and cash equivalents at the beginning of the year		716,915	723,853
<b>Cash and cash equivalents at the end of the period</b>	B	<b>493,538</b>	<b>531,854</b>

The notes form an integral part of these interim financial statements.

For the period ended 30th September	Note	2024 Rs. '000	2023 Rs. '000
<b>NOTE A.</b>			
<b>Reconciliation of profit before taxation with cash from operating activities</b>			
Profit before tax		1,754,438	1,842,758
<b>Non - cash items included in profit before tax</b>			
Depreciation and amortisation		453,976	405,812
Provision for employee benefits		28,601	28,733
Net realised gains		(617,522)	(371,557)
Net fair value gains		(366,974)	(852,569)
Gain on sale of property, plant and equipment		(1,651)	(124)
Amortisation of financial investments		(554,248)	(707,517)
Amortisation of lease liabilities		37,360	28,043
Scrip dividend income		(25,944)	(25,803)
Share of results of equity accounted investee		(271,451)	(235,622)
Share based payment expenses		12,692	11,186
Interest expense on obligation to repurchase securities		181	12,708
<b>Profit before working capital changes</b>		<b>449,458</b>	<b>136,048</b>
<b>Net change in operational assets</b>			
Net change in reinsurance assets		(80,790)	125,849
Net change in premiums receivable		213,994	28,169
Net change in receivables and other assets		(639,289)	(676,089)
<b>Net change in operational liabilities</b>			
Net change in life insurance contract liabilities		10,590,574	9,054,512
Net change in reinsurance liabilities		235,274	(90,750)
Net change in other liabilities		(110,847)	(359,172)
Cash generated from operating activities		10,658,374	8,218,567
<b>NOTE B.</b>			
<b>Cash and cash equivalents at the end of the period</b>			
Cash in hand and at bank		685,818	634,479
Bank overdraft		(192,280)	(102,625)
<b>Cash and cash equivalents at the end of the period</b>		<b>493,538</b>	<b>531,854</b>

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

The notes form an integral part of these interim financial statements.

# LIFE INSURANCE FUND

## STATEMENT OF FINANCIAL POSITION

As at	Note	30.09.2024 Rs. '000	31.12.2023 Rs. '000
<b>Assets</b>			
Intangible assets		532,508	590,092
Property, plant and equipment		3,024,544	3,006,118
Right of use assets		500,946	418,566
Financial investments		76,285,454	68,817,082
Loans to life policyholders		2,593,455	2,368,021
Reinsurance receivable		528,347	447,558
Premiums receivable		837,450	1,051,444
Receivables and other assets		1,403,779	548,716
Cash in hand and at bank		648,228	830,554
<b>Total assets</b>		<b>86,354,711</b>	<b>78,078,151</b>
<b>Reserves and liabilities</b>			
<b>Reserves</b>			
Available for sale reserve		2,881,671	2,736,857
Revaluation reserve		2,087,235	2,087,235
Other reserves		(17,655)	(17,655)
<b>Total reserves</b>		<b>4,951,251</b>	<b>4,806,437</b>
<b>Liabilities</b>			
Insurance contract liabilities	11	75,657,112	65,043,384
Insurance contract liabilities - Unit Linked		695,538	718,692
Lease liabilities		508,135	422,540
Employee benefit liabilities		199,581	190,578
Reinsurance payables		600,301	365,027
Other liabilities		3,550,513	6,408,933
Bank overdraft		192,280	122,560
<b>Total liabilities</b>		<b>81,403,460</b>	<b>73,271,714</b>
<b>Total reserves and liabilities</b>		<b>86,354,711</b>	<b>78,078,151</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 1 Reporting Entity

Union Assurance PLC ('the Company') is a public limited liability company incorporated and domiciled in Sri Lanka and the ordinary shares of the Company are listed on the Colombo Stock Exchange. The registered office and principal place of business of the Company is located at No. 20, St. Michael's Road, Colombo 03.

The Company's controlling entity and ultimate parent undertaking is John Keells Holdings PLC which is incorporated in Sri Lanka.

## 2 Approval of Financial Statements

The interim financial statements for the nine months ended 30 September 2024 were authorised for issue by the Board of Directors on 04 November 2024.

## 3 Presentation of Financial Statements

The results of equity accounted investee of the Company, Fairfirst Insurance Limited has been presented in the financial statements in accordance with Sri Lanka Accounting Standard, LKAS 28 - Investments in Associates and Joint Ventures.

## 4 Basis of Preparation and Changes to the Company's Accounting Policies

### 4.1 Basis of Preparation

The interim financial statements have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 – Interim Financial Reporting. These interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023. Further, provisions of the Companies Act No.7 of 2007 have been considered in preparing the interim financial statements of the Company. 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 31 December 2023.

The interim condensed financial statements are presented in Sri Lankan Rupees (LKR) and all values are rounded to the nearest thousand except when otherwise indicated.

### 4.2 Fair value measurement and related fair value disclosures

The fair values of all the financial assets and financial liabilities recognised during the period were not materially different from the transaction prices at the date of initial recognition. All listed equity instruments were measured based on the market prices as at 30 September 2024 and classified as level 1 as per the fair value hierarchy. There were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 categories as per the fair value hierarchy during the reporting period.

## 5 SLFRS 9 - Financial Instruments and SLFRS 17 - Insurance Contracts

SLFRS 9 is effective for annual periods beginning on or after 1 January 2018. It replaces LKAS 39 - Financial Instruments: Recognition and Measurement.

Based on the proposed amendments to SLFRS 4 - Insurance contracts (to be replaced by SLFRS 17), the entities whose predominant activity is issuing insurance contracts are permitted to defer the full application of SLFRS 9 until the adoption of SLFRS 17, which is in financial period beginning on or after 1 January 2026.

The Company has used the above temporary exemption.

## 6 Gross Written Premium

For the period ended 30 September	2024 Rs. '000	2023 Rs. '000
Conventional	15,269,090	13,197,395
Unit linked	6,673	3,351
<b>Total gross written premium</b>	<b>15,275,763</b>	<b>13,200,746</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 7 Income Tax Expense

### 7.1 Current tax

Gains and profits from the Life Insurance Business are ascertained in terms of Section 67 of the Inland Revenue Act No. 24 of 2017 and other amendments in line with Inland Revenue (Amendment) Act No. 45 of 2022. As per this section, an income tax rate of 30% is applicable on gains and profits which is the aggregate of;

Surplus distributed to shareholders from the Life insurance policyholders fund as certified by the actuary.

Investment income of the shareholder fund less any expenses incurred in the production of such income.

Surplus distributed to a Life insurance policyholder who shares profits of an entity engaged in the business of life insurance.

#### Amount Recognised in the Profit or Loss

For the period ended 30 September	2024 Rs. '000	2023 Rs. '000
Current tax expense for the period	(450,045)	(494,612)
	(450,045)	(494,612)

## 8 Profits From Life Insurance

No surplus transfer has been made from the life insurance fund to the Income Statement during the period under review.

## 9 Financial Investments

As at	30.09.2024 Rs. '000	31.12.2023 Rs. '000
Held to maturity financial assets (HTM)	45,011,411	40,777,419
Loans and receivables (L&R)	13,099,707	10,849,760
Available for sale financial assets (AFS)	26,432,789	22,797,716
Financial assets at fair value through profit or loss (FVTPL)	4,849,315	8,994,878
<b>Total financial investments</b>	<b>89,393,222</b>	<b>83,419,773</b>

## 10 Restricted Regulatory Reserve

Based on the direction issued by the Insurance Regulatory Commission of Sri Lanka (IRCSL) dated 20 March 2018 and subsequent approval, the Company has transferred Rs. 3,382 million attributable to non - participating fund and non unit fund of unit linked business from life policyholder fund to life shareholder fund (SHF). The 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. The one - off surplus in the SHF is represented by government debt securities as per the direction of the IRCSL.

As at	30.09.2024 Rs. '000	31.12.2023 Rs. '000
Transfer of one - off surplus from non participating fund	3,393,900	3,393,900
Transfer from shareholder fund for the one - off deficit created in the non-unit fund of unit linked life insurance contracts	(11,966)	(11,966)
	<b>3,381,934</b>	<b>3,381,934</b>

## 11 Insurance Contract Liabilities

As at	30.09.2024 Rs. '000	31.12.2023 Rs. '000
Life insurance fund	74,712,565	64,130,386
One - off surplus arising from changing policy liability valuation relating to participating fund	435,046	435,046
Effect of Taxation on Surplus / Bonus transferred to - Policyholders	(55,072)	(55,072)
Claim payables	564,573	533,024
<b>Total insurance contract liabilities</b>	<b>75,657,112</b>	<b>65,043,384</b>

The one off surplus retained in Insurance Contract Liabilities comprises of Rs. 432.5 million attributable to participating business and Rs. 2.5 million attributable to unit linked fund.

### 11.1 Movement In Insurance Contract Liabilities

As at	30.09.2024 Rs. '000	31.12.2023 Rs. '000
<b>Conventional life insurance fund</b>		
Balance as at 1 January	64,797,623	55,179,789
Increase in life insurance fund before surplus transfer to shareholders	10,529,352	12,354,121
Transfer to shareholders	-	(2,800,000)
Effect of Taxation on Surplus / Bonus transferred to - Policyholders	-	(21,149)
Net change in unclaimed benefits	28,034	84,862
<b>Balance as at period end - Conventional Life insurance</b>	<b>75,355,009</b>	<b>64,797,623</b>
<b>Non Unit Fund of Linked Life Insurance Contracts</b>		
Balance as at 1 January	245,761	251,104
Increase in non unit fund of linked life insurance before surplus transfer to shareholders	52,827	98,872
Net change in unclaimed benefits	3,515	(104,215)
<b>Balance as at period end - Non unit fund of linked Life insurance</b>	<b>302,103</b>	<b>245,761</b>
	<b>75,657,112</b>	<b>65,043,384</b>

## 12 Audit of the Interim Financial Statements

Figures for the nine months are provisional and unaudited

## 13 Comparative Information

The presentation and classification in the financial statements are amended where appropriate to ensure comparability with the current period.

# NOTES TO THE FINANCIAL STATEMENTS

## 14 Related Party Transactions

The nature of the related parties in the current period is similar to those reported in the audited financial statements for the year ended 31 December 2023.

### Transactions with the Ultimate Parent

As at 30 September	2024 Rs. '000	2023 Rs. '000
Investment in shares	720,419	559,114
payable for shared services	(43,016)	(31,153)

For the period ended 30 September	Transaction amount during the period 2024 Rs. '000	2023 Rs. '000
Receiving of services	(150,707)	(128,348)
Dividends received/(paid)	(3,974,128)	1,709
Net Purchase / (Sale) of share Investments	127,748	15,221

### Transactions with companies under common control

As at 30 September	2024 Rs. '000	2023 Rs. '000
Debenture, share Investments and distribution rights	747,823	1,025,634
payable for shared services	(4,352)	(3,694)

For the period ended 30 September	Transaction amount during the period 2024 Rs. '000	2023 Rs. '000
Purchase of goods	(5,236)	(6,249)
Receiving of services	(348,736)	(261,088)
Purchase of property, plant and equipment	(23,223)	(7,721)
Interest received	39,533	51,230
Dividend received	-	837
Net Purchase / (Sale) of share Investments	(40,645)	(64,098)

**Transactions with Associates**

As at 30 September	2024 Rs. '000	2023 Rs. '000
Amount receivable / (payable)	-	-
	Transaction amount during the period	
For the period ended 30 September	2024 Rs. '000	2023 Rs. '000
Receiving of services	(222)	(60,574)

**Companies controlled / jointly controlled / significantly influenced by KMP and their close family members**

For the period ended 30 September	2024 Rs. '000	2023 Rs. '000
Receiving of services	(9,134)	(29,587)
Purchase of Unit trust investments	-	-
<b>Transactions with Key Management Personnel (KMP)</b>		
Rendering / (Receiving) of services	-	-
<b>Transactions with Close Family Members of KMP</b>		
Rendering / (Receiving) of services	-	-

**15 Capital and Other Commitments**

The capital commitments approved and contracted as at the reporting date were Rs. 160 million.

# NOTES TO THE FINANCIAL STATEMENTS

## 16 Contingencies

There has been no change in the contingencies, which were disclosed in the audited financial statements for the year ended 31 December 2023 other than the following

### Income tax relating to year of assessment 2020/21

The Department of Inland Revenue has raised an assessment on the Company for the year of assessment 2020/21, assessing the Life insurance business to pay an income tax liability of Rs. 627 million. The Company has lodged a valid appeal with the Commissioner General of Inland Revenue against the said assessment.

### Income tax relating to year of assessment 2014/15

The IRD has raised an assessment on the Company for the year of assessment 2014/15, assessing the Life insurance business to pay an income tax liability of Rs. 887 million along with a penalty of Rs.443 million totaling to Rs.1,330 million. The Company has lodged a valid appeal against the said assessment with the Tax Appeals Commission (TAC). The TAC has issued its determination in favour of the company. Inland Revenue Department appealed to the Court of Appeal (COA) against the determination issued by TAC.

### Income tax relating to year of assessment 2015/16

The IRD has raised an assessment on the Company for the year of assessment 2015/16, assessing the Life insurance business to pay an income tax liability of Rs. 832 million along with a penalty of Rs.416 million totaling to Rs.1,248 million. The Company has lodged a valid appeal against the said assessment with the Tax Appeals Commission (TAC). The TAC has issued its determination in favour of the company.

### Income tax relating to year of assessment 2018/19

The IRD has raised an assessment on the Company for the year of assessment 2018/19, assessing the Life insurance business to pay an income tax liability of Rs. 700 million along with a penalty of Rs.498 million totaling to Rs.1,198 million. The Company has lodged a valid appeal against the said assessment with the Tax Appeals Commission (TAC). TAC issued its determination in favour of the Inland Revenue Department. Case was filed at the Court of Appeal against said determination.

### VAT & NBT on Financial Services relating to year of assessment 2017

The IRD has raised an assessment on the Company for the year of assessment 2017, assessing the Life insurance business to pay VAT & NBT on Financial Services liability of Rs. 336 million along with a penalty of Rs.168 million totaling to Rs.504 million. The Company has lodged a valid appeal against the said assessment with the Tax Appeals Commission (TAC). The TAC has issued its determination in favour of the company.

### NBT on Financial Services relating to year of assessment 2018

The IRD has raised an assessment on the Company for the year of assessment 2018, assessing the Life insurance business to pay NBT on Financial Services liability of Rs. 15 million along with a penalty of Rs.8 million totaling to Rs.23 million. The Company has lodged a valid appeal against the said assessment with the Inland Revenue Department (IRD). The IRD issued its determination in favour of the Company.

## 17 Share Information

### Market Price Per Share

For the quarter ended 30 September	2024 Rs.	2023 Rs.
Last traded	47.20	40.70
Highest price per share for the period	49.00	45.00
Lowest price per share for the period	43.40	30.80

**18 Net Assets Per Share**

As at	30.09.2024 Rs.	31.12.2023 Rs.
Net assets per share	34.90	41.00

Net assets per share has been calculated based on the number of shares in issue as at each reporting date.

**19 Stated Capital**

Number of shares as at	30.09.2024	31.12.2023
Ordinary shares	589,285,720	589,285,720

**20 Twenty Largest Shareholders**

	As at 30 September 2024		As at 30 June 2024	
	No. of Shares	%	No. of Shares	%
1 John Keells Holdings PLC	530,357,150	90.0	530,357,150	90.0
2 Mr. S.N.P. Palihena	14,000,000	2.4	14,000,000	2.4
3 J.B. Cocoshell (PVT) LTD	3,698,495	0.6	3,698,495	0.6
4 People's Leasing & Finance PLC / L.P. Hapangama	3,415,510	0.6	3,415,510	0.6
5 Seylan Bank PLC / Channa Nalin Rajahmoney	1,780,480	0.3	1,865,000	0.3
6 Corporate Holdings (Private) Limited A/C No.01	1,513,730	0.3	1,513,730	0.3
7 Mrs. A. Selliah	1,080,000	0.2	1,080,000	0.2
8 Standard Chartered Bank DIFC Branch S/A EFG HERMES UAE L.L.C	957,460	0.2	957,460	0.2
9 People's Leasing & Finance PLC / L.H.L.M.P. Haradasa	692,380	0.1	692,380	0.1
10 Mr. J.D. Bandaranayake & Miss. N. Bandaranayake & Dr. (Mrs.) V. Bandaranayake	665,190	0.1	665,190	0.1
11 Mr. J.D. Bandaranayake & Dr. (Mrs.) V. Bandaranayake & Miss. I. Bandaranayake	665,190	0.1	665,190	0.1
12 Captain D.V.H. Palihena	641,625	0.1	641,625	0.1
13 Dr. S. Selliah	580,000	0.1	580,000	0.1
14 Mr. J.W. Nanayakkara	562,500	0.1	562,500	0.1
15 Mr. H.A.D. Ratnapala / Hewa Algiriyage Dias	562,500	0.1	562,500	0.1
16 Peoples Leasing And Finance PLC / Dr. K.A.P. Gunawardhana	554,234	0.1	554,235	0.1
17 Odyssey Capital Partners (Private) Limited	475,000	0.1	475,000	0.1
18 Mr. V. Sharda	442,000	0.1	442,000	0.1
19 Arunodhaya Industries (Private) Limited	400,000	0.1	400,000	0.1
20 Arunodhaya Investments (Private) Limited	400,000	0.1	400,000	0.1
Other	25,842,276	4.2	25,757,755	4.2
	<b>589,285,720</b>	<b>100</b>	<b>589,285,720</b>	<b>100</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 21 Dividends Paid

For the period ended 30 September	2024 Rs.	2023 Rs.
Final dividend for 2023 - 8.75 (2022 - Nil)	5,156,250	-

## 22 Directors' Shareholdings

No. of shares as at	30.09.2024	31.12.2023
Mr. K. N. J. Balendra (Chairman)	Nil	Nil
Mr. S. Rajendra	Nil	Nil
Mr. D. P. Gamlath	Nil	Nil
Mr. D. H. Fernando	Nil	Nil
Mr. S. A. Appleyard	Nil	Nil
Mr. P.T. Wanigasekara	Nil	Nil

## 23 Chief Executive Officer's Shareholding

No. of shares as at	30.09.2024	31.12.2023
Mr. Senath Jayatilake (Appointed w.e.f. 01.01.2024)	Nil	N/A
Mr. Jude Gomes (Resigned w.e.f. 31.12.2023)	N/A	5,000

## 24 Public Shareholding

Company is listed on the Colombo Stock Exchange and the percentage of shares held by the public, the number of public shareholders and the float adjusted market capitalization are as given below:

As at	30.09.2024	31.12.2023
Public shareholding (%)	10.00	10.00
Public shareholders	2,371	1,715
Compliant under option 1 - float adjusted market capitalization (LKR Bn)	2.8	2.4

## 25 Events After The Reporting Period

There have been no events subsequent to the reporting date which require disclosure in the interim financial statements.

# CORPORATE INFORMATION

## Name of Company

Union Assurance PLC

## Legal Form

A public limited liability company incorporated in Sri Lanka on 8 January 1987 and registered under the Companies Act No. 07 of 2007 and quoted on the Colombo Stock Exchange since 1988.

## Company Registration Number

PQ 12

## Tax Payer Identification Number (TIN)

134001372

## Directors

K. N. J. Balendra - Chairperson  
S. Rajendra  
D. H. Fernando  
S. A. Appleyard  
D. P. Gamlath  
P.T. Wanigasekara

## Human Resources and Compensation Committee

D. H. Fernando - Chairperson  
S. Rajendra  
P.T. Wanigasekara

## Nominations and Governance Committee

D. H. Fernando - Chairperson  
K. N. J. Balendra  
P.T. Wanigasekara

## Related Party Transactions Review Committee

P.T. Wanigasekara - Chairperson  
S. A. Appleyard  
D. H. Fernando

## Board Audit and Compliance Committee

P.T. Wanigasekara - Chairperson  
D. H. Fernando  
S. A. Appleyard

## Investment Committee

J. G. A. Cooray - Chairperson  
P.T. Wanigasekara  
Senath Jayatilake  
Himani Weerasekera - Appointed w.e.f 22 July 2024  
Asha Perera - Resigned w.e.f 30 June 2024  
Shubham Jain  
Angelo Keil

## SLFRS-17 Steering Committee

S. A. Appleyard - Chairperson  
S. Rajendra  
Sherin Cader

## Secretaries and Registrars

Keells Consultants (Private) Limited  
117, Sir Chittampalam A. Gardiner Mawatha,  
Colombo 2.

## Auditors

Messrs. KPMG (Chartered Accountants)  
PO Box 186,  
32A, Sir Mohamed Macan Markar Mawatha,  
Colombo 3.

## Appointed Actuaries

Willis Towers Watson India Private Limited  
Unitech Business Park, 2nd Floor  
Tower-B, South City 1, Sector 41  
Gurgaon-122002  
India.

## Lawyers

The Legal Department  
John Keells Holdings PLC  
117, Sir Chittampalam A Gardiner Mawatha,  
Colombo 2.

## Bankers

Bank of Ceylon  
Commercial Bank of Ceylon PLC  
Deutsche Bank AG  
DFCC Bank PLC  
Hatton National Bank PLC  
Housing Development Finance Corporation  
National Development Bank PLC  
National Savings Bank  
Nations Trust Bank PLC  
People's Bank  
Sampath Bank PLC  
Seylan Bank PLC  
Standard Chartered Bank  
Union Bank Colombo PLC  
Pan Asia Banking Corporation PLC

## Reinsurance Panel

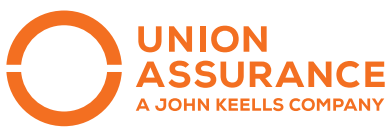
RGA  
Hannover Re  
Munich Re  
Partner Re

## Registered Office of the Company

20, St Michael's Road,  
Colombo 3.

## Investor Relations

All investor queries should be directed to;  
Investor relations hotline 011-2990314  
e-mail: investorrelations@unionassurance.com



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