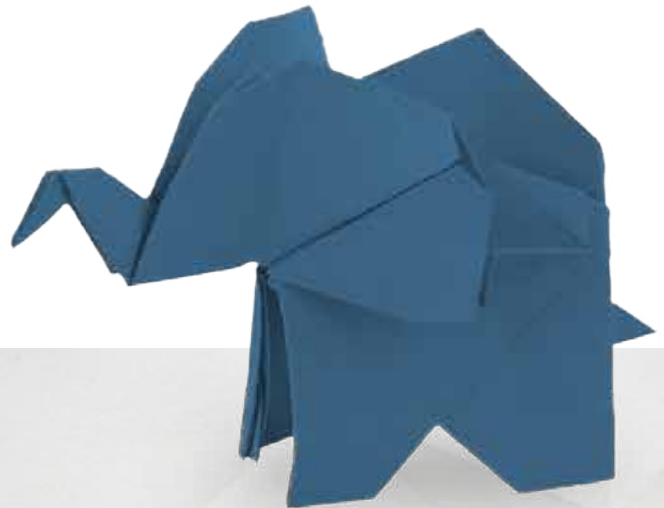




FOLDS OF VALUE



Union Assurance PLC
Condensed Interim Financial Statements
For the Period Ended 30 September 2025

INCOME STATEMENT

For the period ended 30 September	Note	2025 Rs. '000	2024 Rs. '000	Change %
Gross written premium	7	18,462,228	15,275,763	21
Premium ceded to reinsurers		(1,261,626)	(1,094,932)	15
Net written premium		17,200,602	14,180,831	21
Other revenue				
Net investment income		9,056,123	8,676,572	4
Net realised gains		1,005,373	617,522	63
Net fair value gains		1,700,179	366,974	363
Other income		23,139	20,463	13
Gain on disposal of equity accounted investee	10	43,919	-	100
Total other revenue		11,828,733	9,681,531	22
Total net revenue		29,029,335	23,862,362	22
Benefits, claims and expenses				
Net insurance benefits and claims paid		(5,773,087)	(4,920,042)	17
Net change in insurance claims outstanding		32,549	49,241	(34)
Change in insurance contract liabilities		(13,771,866)	(10,686,877)	29
Underwriting and net acquisition costs (net of reinsurance)		(3,610,628)	(2,895,344)	25
Other operating, administrative and selling expenses		(4,086,154)	(3,472,377)	18
Depreciation and amortisation		(570,731)	(453,976)	26
Total benefits, claims and expenses		(27,779,917)	(22,379,375)	24
Profit from operations		1,249,418	1,482,987	(16)
Share of results of equity accounted investee, net of tax		203,792	271,451	(25)
Profit before tax		1,453,210	1,754,438	(17)
Income tax expenses	8	(677,309)	(450,045)	50
Profit for the period		775,901	1,304,393	(41)
Earnings per share				
Basic (Rs.)		1.32	2.21	(40)
Diluted (Rs.)		1.32	2.21	(40)

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	2025 Rs. '000	2024 Rs. '000	Change %
Profit for the period	775,901	1,304,393	(41)
Items that are or may be reclassified subsequently to income statement			
Fair value reserve (available for sale financial assets)			
Net change in fair value of available for sale financial assets	(60,762)	142,509	
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	15,112	1,234	
Reclassification of company's share of accumulated other comprehensive income of equity accounted investee	(43,919)	-	
Net change in fair value of available for sale financial assets transferred to the income statement	(248,261)	(45,813)	
Related tax	-	-	
	(337,830)	97,930	(445)
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	(440,723)	165,048	
Net change in fair value of available for sale financial assets of insurance liabilities transferred to the income statement	(41,240)	(20,234)	
Related tax	-	-	
	(481,963)	144,814	(433)
	(819,793)	242,744	
Other comprehensive income, net of tax	(819,793)	242,744	(438)
Total comprehensive income for the period, net of tax	(43,892)	1,547,137	(103)

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

INCOME STATEMENT

For the Quarter ended 30 September	Note	2025 Rs. '000	2024 Rs. '000	Change %
Gross written premium		6,857,395	5,468,883	25
Premium ceded to reinsurers		(432,294)	(373,887)	16
Net written premium		6,425,101	5,094,996	26
Other revenue				
Net investment income		3,126,501	2,989,207	5
Net realised gains		699,579	36,593	1,812
Net fair value gains / (losses)		1,066,878	(137,411)	876
Other income		9,639	8,882	9
Gain on disposal of equity accounted investee		43,919	-	100
Total other revenue		4,946,516	2,897,271	71
Total net revenue		11,371,617	7,992,267	42
Benefits, claims and expenses				
Net insurance benefits and claims paid		(2,185,321)	(2,063,270)	6
Net change in insurance claims outstanding		38,116	44,248	(14)
Change in contract liabilities - Life Fund		(5,808,385)	(3,103,273)	87
Underwriting and net acquisition costs (net of reinsurance)		(1,371,665)	(1,078,961)	27
Other operating, administrative and selling expenses		(1,500,186)	(1,211,618)	24
Depreciation and amortisation		(202,323)	(153,540)	32
Total benefits, claims and expenses		(11,029,764)	(7,566,414)	46
Profit from operations		341,853	425,853	(20)
Share of results of equity accounted investee, net of tax		32,974	148,611	(78)
Profit before tax		374,827	574,464	(35)
Income tax expenses		(401,925)	(129,119)	211
Profit / (Loss) for the quarter		(27,098)	445,345	(106)
Earnings per share				
Basic (Rs.)		(0.05)	0.76	(106)
Diluted (Rs.)		(0.05)	0.76	(106)

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Quarter ended 30 September	2025 Rs. '000	2024 Rs. '000	Change %
Profit / (Loss) for the quarter	(27,098)	445,345	(106)
Items that are or may be reclassified to profit or loss			
Fair value reserve (available for sale financial assets)			
Net change in fair value of available for sale financial assets	(58,581)	(104,495)	
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	4,677	(4,776)	
Reclassification of company's share of accumulated other comprehensive income of equity accounted investee	(43,919)	-	
Related tax	-	-	
	(97,823)	(109,271)	10
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	(389,382)	(373,215)	
Net change in fair value of available for sale financial assets of insurance liabilities transferred to the income statement	(2,403)	16,270	
	(391,785)	(356,945)	
	(489,608)	(466,216)	
Other comprehensive income, net of tax	(489,608)	(466,216)	(5)
Total comprehensive income for the quarter, net of tax	(516,706)	(20,871)	(2,376)


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

STATEMENT OF FINANCIAL POSITION

As at	Note	30.09.2025 Rs. '000	31.12.2024 Rs. '000
Assets			
Intangible assets		7,360,315	784,599
Property, plant and equipment		3,170,973	3,020,336
Right of use assets		525,709	590,235
Investment in equity accounted investee	10	-	2,419,176
Financial investments	11	103,912,219	95,567,444
Loans to life policyholders		2,830,125	2,651,478
Reinsurance receivable		495,039	418,852
Premiums receivable		1,034,923	1,066,641
Receivables and other assets		1,693,479	1,326,177
Cash in hand and at bank		895,580	1,614,403
Total assets		121,918,362	109,459,341
Equity and liabilities			
Equity			
Stated capital		1,000,000	1,000,000
Restricted regulatory reserve	12	3,381,934	3,381,934
Revaluation reserve		2,555,360	2,555,360
Available for sale reserve		3,436,184	4,255,977
Other reserves		94,307	76,573
Retained earnings		10,221,534	12,398,147
Total equity		20,689,319	23,667,991
Liabilities			
Insurance contract liabilities	13	92,069,223	78,399,507
Insurance contract liabilities - Unit Linked		798,092	792,176
Lease liabilities		517,595	606,916
Employee benefit liabilities		253,761	229,709
Reinsurance payables		851,787	587,668
Other liabilities		6,505,444	5,040,845
Bank overdraft		233,141	134,529
Total liabilities		101,229,043	85,791,350
Total equity and liabilities		121,918,362	109,459,341

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:



K N J Balendra
Chairperson



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		
Balance as at 1 January 2024	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
Other comprehensive income for the period								
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
Total other comprehensive income	-	-	-	-	242,744	-	-	242,744
Total comprehensive income for the period	-	-	-	-	242,744	-	1,304,393	1,547,137
Transactions with owners, transfers, recorded directly in equity								
Contributions and distributions								
First and final dividend 2023	-	-	-	-	-	-	(5,156,249)	(5,156,249)
Share based payments	-	-	-	-	-	12,692	-	12,692
Total contributions and distributions	-	-	-	-	-	12,692	(5,156,249)	(5,143,557)
Balance as at 30 September 2024	1,000,000	3,381,934	2,563,095	16,752	3,576,799	72,483	9,953,588	20,564,651

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		
Balance as at 1 January 2025	1,000,000	3,381,934	2,555,360	16,752	4,255,977	59,821	12,398,147	23,667,991
Profit for the period	-	-	-	-	-	-	775,901	775,901
Other comprehensive income for the period								
Net change in fair value of available for sale financial assets	-	-	-	-	(309,023)	-	-	(309,023)
Net change in liabilities of insurance contracts arising from fair value changes in available for sale financial assets	-	-	-	-	(481,963)	-	-	(481,963)
Share of net change in fair value of available for sale financial assets of equity accounted investee, net of tax	-	-	-	-	15,112	-	-	15,112
Reclassification of company's share of accumulated other comprehensive income of equity accounted investee	-	-	-	-	(43,919)	-	-	(43,919)
Total other comprehensive income	-	-	-	-	(819,793)	-	-	(819,793)
Total comprehensive income for the period	-	-	-	-	(819,793)	-	775,901	(43,892)
Transactions with owners, transfers, recorded directly in equity								
Contributions and distributions								
First and final dividend 2024	-	-	-	-	-	-	(2,946,428)	(2,946,428)
Share based payments	-	-	-	-	-	11,648	-	11,648
Transfer of equity defined benefit plans of equity accounted investee from other capital reserve to retained earnings	-	-	-	-	-	6,086	(6,086)	-
Total contributions and distributions	-	-	-	-	-	17,734	(2,952,514)	(2,934,780)
Balance as at 30 September 2025	1,000,000	3,381,934	2,555,360	16,752	3,436,184	77,555	10,221,534	20,689,319

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

STATEMENT OF CASH FLOWS

For the period ended 30 September	Note	2025 Rs. '000	2024 Rs. '000
Cash flows from operations			
Insurance premiums received		18,493,945	15,489,757
Reinsurance premiums paid		(272,894)	(131,754)
Insurance benefits and claims paid		(6,471,947)	(5,608,024)
Reinsurance claim received		698,861	687,982
Payments to intermediaries to acquire insurance contracts		(3,481,164)	(2,888,294)
Cash paid to and on behalf of employees		(1,934,509)	(1,692,889)
Interest received		8,239,963	7,947,702
Dividends received		214,237	152,203
Other operating cash flows		(3,495,208)	(3,298,309)
Cash generated from operating activities	A	11,991,284	10,658,374
Cash flows used in investing activities			
Interest paid		(44,168)	(37,541)
Income tax paid		(1,005,279)	(1,166,270)
Employee benefits paid		(10,405)	(19,598)
Net cash flow from operating activities		10,931,432	9,434,965
Cash flows used in investing activities			
Purchase of investments		(47,315,854)	(39,137,203)
Maturity proceeds of investments		12,981,843	5,821,749
Proceeds from sale of investments		28,436,840	29,076,263
Proceeds from sale of Investment in equity accounted investee		2,638,080	-
Purchase of property, plant and equipment		(253,291)	(105,019)
Purchase of intangible assets		(5,109,071)	(43,638)
Proceeds from sale of property, plant and equipment		3,086	2,059
Net cash used in investing activities		(8,618,367)	(4,385,789)
Net cash inflow before financing activities		2,313,065	5,049,176
Cash flows used in financing activities			
Dividends paid to equity holders of the company		(2,946,125)	(5,155,143)
Settlement of lease liabilities		(184,375)	(117,410)
Net cash used in financing activities		(3,130,500)	(5,272,553)
Net increase in cash and cash equivalents		(817,435)	(223,377)
Cash and cash equivalents at the beginning of the period		1,479,874	716,915
Cash and cash equivalents at the end of the period	B	662,439	493,538

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

STATEMENT OF CASH FLOWS

For the period ended 30 September	2025 Rs. '000	2024 Rs. '000
NOTE A.		
Reconciliation of profit before taxation with cash from operating activities		
Profit before tax	1,453,210	1,754,438
Non - cash items included in profit before tax		
Depreciation and amortisation	570,731	453,976
Provision for employee benefits	34,457	28,601
Net realised gains	(1,005,373)	(617,522)
Net fair value gains	(1,700,179)	(366,974)
Gain on sale of property, plant and equipment	(859)	(1,651)
Amortisation of financial investments	(586,459)	(554,248)
Amortisation of lease liabilities	44,044	37,360
Scrip dividend income	(8,970)	(25,944)
Share of results of equity accounted investee	(203,792)	(271,451)
Gain on disposal of equity accounted investee	(43,919)	-
Interest expense	124	181
Share based payment expenses	11,648	12,692
Profit before working capital changes	(1,435,337)	449,458
Net change in operational assets		
Net change in reinsurance assets	(76,187)	(80,790)
Net change in premiums receivable	31,718	213,994
Net change in receivables and other assets	(481,274)	(639,289)
Net change in operational liabilities		
Net change in life insurance contract liabilities	13,675,632	10,590,574
Net change in reinsurance liabilities	264,119	235,274
Net change in other liabilities	12,613	(110,847)
Cash generated from operating activities	11,991,284	10,658,374
NOTE B.		
Cash and cash equivalents at the end of the period		
Cash in hand and at bank	895,580	685,818
Bank overdraft	(233,141)	(192,280)
Cash and cash equivalents at the end of the period	662,439	493,538

For the purpose of the cash flow statement, cash and cash equivalent consist of cash in hand & 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	30.09.2025 Rs. '000	31.12.2024 Rs. '000
Assets			
Intangible assets		500,462	508,157
Property, plant and equipment		3,170,973	3,020,336
Right of use assets		525,709	590,235
Financial investments		92,914,292	82,119,212
Loans to life policyholders		2,830,125	2,651,478
Reinsurance receivable		495,039	418,852
Premiums receivable		1,034,923	1,066,641
Receivables and other assets		1,600,438	1,307,486
Cash in hand and at bank		841,453	1,577,123
Total assets		103,913,414	93,259,520
Reserves and liabilities			
Reserves			
Revaluation reserve		2,079,500	2,079,500
Available for sale reserve		2,845,003	3,326,965
Other reserves		(31,286)	(31,286)
Total reserves		4,893,217	5,375,179
Liabilities			
Insurance contract liabilities	13	92,069,223	78,399,507
Insurance contract liabilities - Unit Linked		798,092	792,176
Lease liabilities		517,595	606,916
Employee benefit liabilities		253,761	229,709
Reinsurance payables		851,787	587,668
Other liabilities		4,296,598	7,133,836
Bank overdraft		233,141	134,529
Total liabilities		99,020,197	87,884,341
Total reserves and liabilities		103,913,414	93,259,520

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 2025 were authorised for issue by the Board of Directors on 31 October 2025.

3 PRESENTATION OF FINANCIAL STATEMENTS

The Company divested its stake in Fairfirst Insurance Limited, an equity accounted investee on 18 September 2025. Fairfirst Insurance Limited has been presented in the financial statements in accordance with Sri Lanka Accounting Standards, LKAS 28 - Investment in Associate and Joint Venture up to the disposal date. Details are given in Note 10.

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 2024. 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 2024.

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 31 December 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 OPERATING SEGMENT

The Company is one legal entity however for Management purposes and to comply with the regulatory framework, the Company is organised into business units based on their products and services and has two reportable operating segments. These segments are managed separately because they require different operational, risk management and marketing strategies. All operating results are reviewed regularly by the Chief Executive Officer (CEO) and Corporate Management to make decisions regarding resource allocation and assess its performance, and for which financial information is available.

For the period ended 30 September Rs. '000	2025			2024		
	Policyholder Fund	Shareholder Fund	Total	Policyholder Fund	Shareholder Fund	Total
Segment revenue						
Gross Written Premium	18,462,228	-	18,462,228	15,275,763	-	15,275,763
Net Written Premium	17,200,602	-	17,200,602	14,180,831	-	14,180,831
Total Investment Income and Other Revenue	10,616,315	1,212,418	11,828,733	8,251,500	1,430,031	9,681,531
Total Net Revenue	27,816,917	1,212,418	29,029,335	22,432,331	1,430,031	23,862,362
Total Claims and Expenses	(14,045,051)	37,000	(14,008,051)	(11,745,454)	52,956	(11,692,498)
Change in Contract Liabilities	(13,771,866)	-	(13,771,866)	(10,686,877)	-	(10,686,877)
Share of results of equity accounted investee, net of tax	-	203,792	203,792	-	271,451	271,451
Surplus distributed to shareholders	-	-	-	-	-	-
Segment Profit Before Tax	-	1,453,210	1,453,210	-	1,754,438	1,754,438
Income Tax Expenses	-	(677,309)	(677,309)	-	(450,045)	(450,045)
Segment Profit After Tax	-	775,901	775,901	-	1,304,393	1,304,393

All revenues are from external customers. There is no revenue from transactions between operating segments

For the period ended 30 September Rs. '000	2025			2024		
	Policyholder Fund	Shareholder Fund	Total	Policyholder Fund	Shareholder Fund	Total
Segment Assets	103,913,414	18,004,948	121,918,362	93,259,520	16,199,821	109,459,341
Segment Equity and Reserves	4,893,217	15,796,102	20,689,319	5,375,177	18,292,814	23,667,991
Segment Liabilities	98,497,944	2,731,099	101,229,043	84,888,302	903,048	85,791,350

7 GROSS WRITTEN PREMIUM

For the period ended 30 September	2025	2024
	Rs. '000	Rs. '000
Conventional	18,455,785	15,269,090
Unit linked	6,443	6,673
Total gross written premium	18,462,228	15,275,763

8 INCOMETAX EXPENSE

8.1 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.

NOTES TO THE FINANCIAL STATEMENTS

Amount Recognised in the Profit or Loss

For the period ended 30 September	2025 Rs. '000	2024 Rs. '000
Income tax expense	(364,788)	(450,045)
Capital gain tax on disposal of equity accounted investee	(312,521)	-
Current tax expense for the period	(677,309)	(450,045)

9 PROFITS FROM LIFE INSURANCE

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

10 DIVESTMENT OF INVESTMENT IN ASSOCIATE COMPANY

The Company divested its 22% stake in Fairfirst Insurance Limited comprising of 30,800,000 ordinary shares for a total consideration of Rs. 2,638 Mn to Fairfax Asia Limited.

Gain on disposal of equity accounted investee

For the period ended 30 September	2025 Rs. '000
Sales proceed	2,638,080
Investment in equity accounted investee	(2,638,080)
Reclassification of company's share of accumulated other comprehensive income of equity accounted investee	43,919
Gain on disposal of equity accounted investee	43,919

11 FINANCIAL INVESTMENTS

As at	30.09.2025 Rs. '000	31.12.2024 Rs. '000
Held to maturity financial assets (HTM)	47,906,221	46,244,375
Loans and receivables (L&R)	16,845,982	14,442,825
Available for sale financial assets (AFS)	28,345,141	27,164,487
Financial assets at fair value through profit or loss (FVTPL)	10,814,875	7,715,757
Total financial investments	103,912,219	95,567,444

12 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	30.09.2025 Rs. '000	31.12.2024 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)
	3,381,934	3,381,934

13 INSURANCE CONTRACT LIABILITIES

As at	30.09.2025 Rs. '000	31.12.2024 Rs. '000
Life insurance fund	91,140,334	77,514,257
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	(79,055)	(79,055)
Claim payables	572,898	529,259
Total insurance contract liabilities	92,069,223	78,399,507

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.

13.1 Movement In Insurance Contract Liabilities

As at	30.09.2025 Rs. '000	31.12.2024 Rs. '000
Conventional life insurance fund		
Balance as at 1 January	78,076,935	64,797,623
Increase in life insurance fund before surplus transfer to shareholders	13,583,309	16,314,179
Transfer to shareholders	-	(3,000,000)
Effect of Taxation on Surplus / Bonus transferred to - Policyholders	-	(23,983)
Net change in unclaimed benefits	46,396	(10,884)
Balance as at period end - Conventional Life insurance	91,706,640	78,076,935
Non Unit Fund of Linked Life Insurance Contracts		
Balance as at 1 January	322,572	245,761
Increase in non unit fund of linked life insurance before surplus transfer to shareholders	42,769	69,692
Net change in unclaimed benefits	(2,758)	7,119
Balance as at period end - Non unit fund of linked Life insurance	362,583	322,572
	92,069,223	78,399,507

14 AUDIT OF THE INTERIM FINANCIAL STATEMENTS

Figures for the nine months are provisional and unaudited

15 COMPARATIVE INFORMATION

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

16 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 2024.

NOTES TO THE FINANCIAL STATEMENTS

Transactions with the Ultimate Parent

As at 30 September	2025 Rs. '000	2024 Rs. '000
Investment in shares	1,330,235	720,419
Payable for shared services	(38,892)	(43,016)
Transaction amount during the period		
For the period ended 30 September		
	2025 Rs. '000	2024 Rs. '000
Receiving of services	(154,920)	(150,707)
Dividend income received	5,972	3,244
Dividend paid	(2,651,786)	(3,977,373)
Net Purchase / (Sale) of share Investments	283,864	127,748

Transactions with companies under common control

As at 30 September	2025 Rs. '000	2024 Rs. '000
Debenture, share Investments and distribution rights	664,849	747,823
Payable for shared services	(3,272)	(4,352)
Transaction amount during the period		
For the period ended 30 September		
	2025 Rs. '000	2024 Rs. '000
Purchase of goods	(7,450)	(5,236)
Receiving of services	(203,751)	(348,736)
Purchase of property, plant and equipment	(62,183)	(23,223)
Interest received	28,540	39,533
Dividend received	1,867	-
Net Purchase / (Sale) of share Investments	217,038	(40,645)

Transactions with Associates

As at 30 September	2025 Rs. '000	2024 Rs. '000
Amount receivable / (payable)	-	-
Transaction amount during the period		
For the period ended 30 September		
	2025 Rs. '000	2024 Rs. '000
Receiving of services	(237)	(222)

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

As at 30 September	2025 Rs. '000	2024 Rs. '000
Investment in Unit Trusts	171,211	-
For the period ended 30 September		
	Transaction amount during the period	
	2025 Rs. '000	2024 Rs. '000
Rendering / (Receiving) of services	(23,094)	(9,134)
Purchase of Unit trust investments	171,211	-
Transactions with Key Management Personnel (KMP)		
Rendering / (Receiving) of services	-	-
Transactions with Close Family Members of KMP		
Rendering / (Receiving) of services	-	-

17 CAPITAL AND OTHER COMMITMENTS

The capital commitments approved and contracted as at the reporting date were Rs. 89 million.

18 CONTINGENCIES

There has been no change in the contingencies, which were disclosed in the audited financial statements for the year ended 31 December 2024 other than the following

Income tax relating to year of assessment 2021/22

The Department of Inland Revenue has raised an assessment on the Company for the year of assessment 2021/22, assessing the Life insurance business to pay an income tax liability of Rs. 59 million. The Company has lodged a valid appeal with the Commissioner General of Inland Revenue against the said assessment.

VAT on Financial Services relating to year of assessment 2019

The IRD has raised an assessment on the Company for the year of assessment 2019, assessing the Life insurance business to pay a VAT on Financial Services liability of Rs. 108 million along with a Rs. 54 million penalty totalling to Rs. 162 million. The Company has lodged a valid appeal with the Commissioner General of Inland Revenue against the said assessment. The Commissioner General of Inland Revenue issued the determination against the company and the company appealed to Tax appeals commission.

VAT on Financial Services relating to year of assessment 2023

The Department of Inland Revenue has raised an assessment on the Company for the year of assessment 2023, assessing the Life insurance business to pay VAT on Financial services liability of Rs. 569 million along with a Rs. 267 million penalty totalling to Rs. 836 million. The Company has lodged a valid appeal with the Commissioner General of Inland Revenue against the said assessment.

SSCL on Financial Services relating to year of assessment 2023

The Department of Inland Revenue has raised an assessment on the Company for the year of assessment 2023, assessing the Life insurance business to pay SSCL on Financial services liability of Rs. 79 million along with a Rs. 45 million penalty totalling to Rs. 124 million. The Company has lodged a valid appeal with the Commissioner General of Inland Revenue against the said assessment.

NOTES TO THE FINANCIAL STATEMENTS

19 SHARE INFORMATION

Market Price Per Share

For the quarter ended 30 September	2025	2024
	Rs.	Rs.
Last traded	78.40	47.20
Highest price per share for the period	83.00	49.00
Lowest price per share for the period	63.00	43.40

20 NET ASSETS PER SHARE

As at	30.09.2025	31.12.2024
	Rs.	Rs.
Net assets per share	35.11	40.16

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

21 STATED CAPITAL

Number of shares as at	30.09.2025	31.12.2024
	Ordinary shares	589,285,720

22 TWENTY LARGEST SHAREHOLDERS

	As at 30 September 2025		As at 30 June 2025	
	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 People's Leasing & Finance PLC / L.P. Hapangama	5,259,045	0.9	5,077,556	0.9
4 J.B. Cocoshell (PVT) LTD	3,573,256	0.6	3,593,256	0.6
5 Corporate Holdings (Private) Limited A/C No.01	1,513,730	0.3	1,513,730	0.3
6 Standard Chartered Bank DIFC Branch S/A EFG HERMES UAE L.L.C	1,250,275	0.2	1,250,275	0.2
7 MR. J.P. Paul	1,207,793	0.2	902,478	0.1
8 Mrs. A. Selliah	1,080,000	0.2	1,080,000	0.2
9 Mr. J.D. Bandaranayake & Miss. N. Bandaranayake & Dr. (Mrs.) V. Bandaranayake	905,929	0.2	750,000	0.1
10 People's Leasing & Finance PLC / L.H.L.M.P. Haradasa	901,008	0.2	734,657	0.1
11 Mr. J.D. Bandaranayake & Dr. (Mrs.) V. Bandaranayake & Miss. I. Bandaranayake	884,377	0.2	750,000	0.1
12 Mr. V. Sharda	692,000	0.1	692,000	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 Algiriya Dias	562,500	0.1	562,500	0.1
16 Odyssey Capital Partners (Private) Limited	475,000	0.1	475,000	0.1
17 Arunodhaya Industries (Private) Limited	400,000	0.1	400,000	0.1
18 Mr. S. Sivajeevan	400,000	0.1	400,000	0.1
19 Arunodhaya (Private) Limited	400,000	0.1	400,000	0.1
20 Arunodhaya Investments (Private) Limited	400,000	0.1	400,000	0.1
Other	23,881,157	3.7	24,804,618	4.1
	589,285,720	100	589,285,720	100

23 DIVIDENDS PAID

For the period ended 30 September	2025 Rs. '000	2024 Rs. '000
Final dividend for 2024 - 5.00 (2023 - 8.75)	2,946,428	5,156,250

24 DIRECTORS' SHAREHOLDINGS

No. of shares as at	30.09.2025	31.12.2024
Mr. K. N. J. Balendra (Chairperson)	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
Ms. C. M. L. D. Bandaranaike - Appointed w.e.f 28 April 2025	Nil	N/A

25 CHIEF EXECUTIVE OFFICER'S SHAREHOLDING

No. of shares as at	30.09.2025	31.12.2024
Mr. Senath Jayatilake	Nil	Nil

26 PUBLIC SHAREHOLDING

The 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 is as given below:

As at	30.09.2025	31.12.2024
Public shareholding (%)	10.00	10.00
Public shareholders	2,799	2,390
Compliant under option 1 - float adjusted market capitalization (Rs. Bn)	4.6	3.6

27 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
C. M. L. Dias Bandaranaike - Appointed
w.e.f 28 April 2025

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
C. M. L. D. Bandaranaike - Appointed
w.e.f 28 April 2025

Board Audit and Compliance Committee

P.T. Wanigasekara - Chairperson
D. H. Fernando
S. A. Appleyard
C. M. L. D. Bandaranaike - Appointed
w.e.f 28 April 2025

Investment Committee

J. G. A. Cooray - Chairperson
P.T. Wanigasekara
Senath Jayatilake
Himani Weerasekera
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

Sampath Bank PLC
Nations Trust Bank PLC
Union Bank Colombo PLC
Seylan Bank PLC
Pan Asia Banking Corporation PLC
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
People's Bank
Standard Chartered Bank

Reinsurance Panel

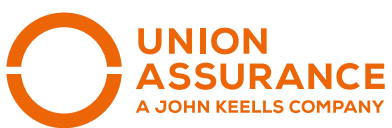
RGA
Hannover Re
Munich Re
Partner Re

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
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